When ‘Good Enough’ is No Longer Good Enough
As many of you know….

March 9, 2012,
**GE’s Immelt: Global Economy In 'New Era' Of Instability**

**The Age of Hyperspecialization**

I am an “Era-Aware” Kind of guy
Era Awareness is a Big Part of Sensemaking

Self-Knowledge

Other Knowledge [empathy]

Environmental Knowledge [Sensemaking]

Movement Knowledge [Vision – where are we going]

Value Knowledge [innovation – where is there money to be made/mission value to be delivered]
Always Taking Cognitive “Samples”

I Sometimes Think of Myself as a Thought Weatherman
I ask my students...

In small groups,
please divide the years
1987 through 2017
into
‘computational eras’. 
The Time Between....

The dot.com bust & 9/11

2000

Subprime Recession

2010

“We suck less” era
[aka “The Era of Good Enough”]
Our Discussion Today Should Not Be Confused with Geoffrey Moore’s “Good Enough”

Investment Strategy Where One Hyper-Invests in Core & Only Spends to Achieve “Good Enough” on Context

- **Core:**
  - Processes that enable or reinforce your chosen vector of competitive differentiation

- **Context:**
  - All other processes

This is not the same as your core competence
This is not the same as your core business
Some of you may remember this guy:

**Sir Francis Bacon [1561 – 1626]**

Adviser to Queen Elizabeth I

Climbed the “Greasy pole” of Jacobean [1603-1625] politics

Cleared out “medieval nonsense” of British intellectual tradition

Promoter of the “Scientific Method”

*may remember this guy*
In preparing for this session....

We “channeled” Bacon
We Hypothesized…

The status quo is no longer good enough
People are NOT Satisfied with the Status Quo
I'M SO ANGRY I MADE A SIGN
Zeitgeist

People are Kind of “Pissed Off”

Martin Wolf, chief economics commentator at the *Financial Times* is viewed by many as being the “*Cliff Notes* of the global economy.”

In his assessment of “the state of mind” of industry insiders, informed external observers, institutional investors, and the main street consumer of financial journalism...

*Charlie Rose* [7 April 2011].
http://www.charlierose.com/view/interview/11603
Leadership, in many sectors has become delegitimized

“People do not believe the people who are in charge “know what they are doing.”

Wolf posits that the general population no longer trusts that in-place executives can be “relied on to run the ship well.”

According to a new UK report, only 36% believe their business is in safe hands & only 40% of managers are feeling positive about the prospects for their organisation in the current economic climate.

The research highlights a lack of faith in the skills & capabilities of senior leaders to tackle the challenges their organisations face.
Leadership, in many sectors has become delegitimised.

David Brooks concurs, “People have lost faith in the government – both parties… and the ability of government to handle problems.”

⁹PBS News Hour [22 April 2011].
We Wondered…

[a] do most organizations think the status quo is busted

[b] if they did what path did they take to come to this conclusion?
Has any company in your group ever come to the conclusion that “what we are doing now is just not good enough?”
Please describe what it was like working in an organization which has concluded:

“what we are doing now is just not good enough?”
[Q2 ‘09 Research]
In 79 top of house interviews, at 62 of the companies visited the CEO/Board had concluded “our current business model is no longer viable.”

They have quietly approached the CIO saying:

“We want you to be part of the process. We want you to re-invent the business”
In your organizations, how do/how would you know you have a status quo NLGE issue?
Report Backs
What Patterns/Trends [if any] do you perceive in your responses?
Was it Descartes….

Or

was it Gartner who said…

A four-box matrix makes everything more understandable?
What are some possible labels for the axis’ of our “Status Quo Performance Problem” Diagnostic?
What are some possible labels for the axis’ of our “Status Quo Performance Problem” Diagnostic

Causality

Frequency

Performed with what degree of rigor, discipline & process

Source of insight [internal or external]

What data/what metrics
What we discovered…

AUTHOR OF THE CREATORS

THE DISCOVERERS
A HISTORY OF MAN'S SEARCH TO KNOW HIS WORLD AND HIMSELF

DANIEL J. BOORSTIN
We tend to over-focus on immediately “fixable” problems...
Another Way to Think About This

There are Godzilla Problems...

There are “Troll” Problems...
Are you consumed by the trivial?
What We Discovered

Organizations Do Not Step Up to Structural Change Until They Have No Choice
When Do You KNOW the Status Quo is no longer Good Enough?

Outed in the Fourth Estate

Why I Am Leaving Goldman Sachs

By GREG SMITH

TODAY is my last day at Goldman Sachs. After almost 12 years at the firm — first as a summer intern while at Stanford, then in New York for 10 years, and now in London — I believe I have worked here long enough to understand the trajectory of its culture, its people and its identity. And I can honestly say that the environment now is as toxic and destructive as I have ever seen it.

To put the problem in the simplest terms, the interests of the client continue to be sidelined in the way the firm operates and thinks about making money. Goldman Sachs is one of the world’s largest and most important investment banks and it is too integral to global finance to continue to act this way. The firm has veered so far from the place I joined right out of college that I can no longer in good conscience say that I identify with what it stands for.

It might sound surprising to a skeptical public, but culture was always a vital part of Goldman Sachs’s success. It revolved around teamwork, integrity, a spirit of humility, and always doing right by our clients. The culture was the secret sauce that made this place great and allowed us to earn our clients’ trust for 143 years. It wasn’t just about making money; this alone will not sustain a firm for so long. It had something to do with pride and belief in the organization. I am sad to say that I look around today and see virtually no trace of the culture that made me love working for this firm for many years. I no longer have the pride, or the belief.

But this was not always the case. For more than a decade I recruited and mentored candidates through our grueling interview process. I was selected as one of 10 people (out of a firm of more than 30,000) to appear on our recruiting video, which is played on every college campus we visit around the world. In 2006 I managed the summer intern program in sales and trading in New York for the 80 college students who made the cut, out of the thousands who applied.

I knew it was time to leave when I realized I could no longer look students in the eye and tell them what a great place this was to work.

When the history books are written about Goldman Sachs, they may reflect that the current chief executive officer, Lloyd C. Blankfein, and the president, Gary D. Cohn, lost hold of the firm’s culture on their watch. I truly believe that this decline in the firm’s moral fiber represents the single most serious threat to its long-run survival.
When Do You KNOW the Status Quo is no longer Good Enough?

Outed in the Fourth Estate
When Do You KNOW
the Status Quo is no longer
Good Enough?

Let me repeat myself…

http://www.dailyherald.com/

Blagojevich arrives in Colorado to start prison term

Mar 15, 2012 11:12 AM
Convicted former Gov. Rod Blagojevich stepped off a plane in Colorado on Thursday and headed to a federal prison to begin a 14-year sentence for corruption, the latest chapter in the downfall of a charismatic politician that seemed more like a bizarre reality TV show than a legal battle.
A less cocky but still defiant Blago media circus

Blagojevich ever the politician as he says goodbye — to his kids, too

By Burt Constable

A couple of hours before the live broadcast of "Mr. Blagojevich Goes to Prison," members of our media circus are literally still setting up their tents when Rod Blagojevich unexpectedly pops out his front door, with his 8-year-old daughter, Annie, in tow.

“How are you doing? Anything happening?” the convict says coyly (can’t quite bring myself to say “innocently”) before he breaks out his prime-time smile.

Enablers that we are, we reporters, photographers, TV camera-operators, radio folks, and website content providers crowd around Blago as if he actually might say something anybody needs here.

When Do You KNOW the Status Quo is no longer Good Enough?

Let me repeat myself…

http://www.chicagotribune.com/

15 March 2012
I read recently that the thing that keeps CEOs awake at night is “discontinuous innovation” of the kind Clay Christensen (1997) describes.

This struck me as odd because Christensen’s discontinuity isn’t hard to recognize or anticipate.

Scary, to be sure, but how does it count as a Sleep stealer? There’s nothing particularly mysterious or unmanageable here.

We Know…

The Master Technology Platform Will Fundamentally Change

Four Technologies Will Disrupt the Future

Big Data

Social Media

Mobility

Cloud
Surely, the scarier thing for a CEO to discover is that the world has changed in a way that defies his or her deepest assumptions.

This change is hard to detect. And when detected, it is hard to respond to.

Let’s call it “structural change.”

At the Risk of
Sounding Like a Broken Record

Let me repeat myself...
We find ourselves at a major inflection point.
On the Edge Of Something New

“Dude! I am so not prepared for this!”
Big Data is DEFINED by “Not Good Enough”
I Wrote a Book About This Stuff

The New Know

Innovation Powered by Analytics

THORNTON MAY

Introductions by Jean E. Carter, Chief Knowledge Officer, NASA; John Chickering, CIO Fidelity Information Management and Chairman of the Association of Information and Image Managers.
This is a RARE Thing for Me…
I prefer writing prefaces...
But this BI, Analytics & Big Data Stuff is REALLY Major...
prolegomenon [pro·le·gom·e·non]
to the next chapter of IT value creation
prolegomenon · (n.) A preliminary remark or observation; an introductory discourse prefixed to a book or treatise.
In “Worldwide Big Data Technology and Services 2012-2015 Forecast,” IDC defines big data tech as a new wave of offerings and architecture to extract value from large data volumes spread across various sources. That big data market is anticipated to hit $16.9 billion in 2015, representing compound annual growth of 40 percent.

**Big Data as a means to an end**

If one sits through the presentations from 10 vendors, 20 different definitions are likely to come forward. Each definition, is skewed to support that vendor's products or services.

"'Bigger than previous-generation could handle' might be a useful definition. Anything that blows you out of the old way of doing things."
Aural Rorschach Test

In small groups

When the
in your enterprise…

…thinks about enterprise
information management

what is the first
Word or Phrase
that leaps to their mind?
the disconnect between our ability to create, collect and store data & our capability to thoroughly process and exploit it.

Dr. Kendra Moore, Program Manager Information Exploitation Office “Patterns, Patterns, Everywhere…” DARPAtech 2007 [August 9, 2007]
Informationally, we are Living in a Neo-Malthusian Moment

The Data indicates...

The Cognitive Squeeze Play

More to Know

Available Time
Society is changing mental models regarding analytics.

Data is being created at an accelerated pace—faster than many organizations can make sense of it.

Stakeholders expect you to know…

Stakeholders become VERY frustrated when you/they do not know.

Ahead-of-the-curve enterprises are beginning to differentiate themselves on the basis of “how they decide to decide.”
unaugmented human cognition
[the old know]
is no longer sufficient.

The World Has Changed

Medical Analog
What Era Are We In?

“Age of Augmented Humanity”

Eric Schmidt: Welcome to “Age of Augmented Humanity” [Sep. 7, 2010]
keynote speech at the IFA consumer electronics conference in Berlin