The 10% Investment That Will Get Your Business Game Back On

Debbie Goodman-Bhyat, IRC South Africa | Mar 2, 2020

Disruption. Uncertainty. Rapid technological advancement. Obsolescence. We all know that the world of work and business is changing and transforming rapidly, even exponentially. I've seen some form of a Moore's Law graph at every conference I've attended in the last year, and it's not hard to see that the world is on the cusp of another massive shift.

Yet while every business leader knows this, not everyone knows what to do about it, and this uncertainty can give rise to ineffectual and even counter-productive responses.

> On an intellectual level, business leaders and entrepreneurs know that they must act, as treading water is not an option. On a practical level however, many, if not most businesses, simply don't know where to grasp and where to let go.

The question then is: How does one identify the as-yet-unknown opportunities that will inevitably emerge with the shifting tides, and what does one do to protect against the impact of technological disruption?

As a recent viral article by renowned entrepreneur Hiten Shah, My Billion Dollar Mistake shows, frenetically chasing new ideas may, in fact, jeopardize – even fatally – what you have already built.

The takeaway, however, is not that you should go back to basics and focus solely on your company's core business. Conscious and pro-active strategic effort must be applied to ensure that you diversify and stay ahead.

Globally Connected { Locally Committed

Striking the balance between consolidation and innovation

The answer is 10%. A 10% focused investment of your time, money and human resources to explore those areas you know you don't know yet.

In his frank telling of the circumstances that led to his Billion Dollar Mistake, Shah details the syndrome that many entrepreneurs experience but rarely diagnose – the daily scramble of chasing too many ideas, in a chaotic way, without clarity of strategy, direction or purpose.

> Entrepreneurs are typically ideas people, and they love the next new shiny thing. Unchecked and unfiltered, if we are let loose on our teams driving them each day to try out something new, work becomes an absolute mess and our core business and company equilibrium suffer.

Contrast this with an approach that says: a strategic priority is to allocate 10% of our time, resources and energy into new things, and part of our ethos is to have a 'beta testing' mindset. This means that we continue to focus 90% of our energy into our core business. The people who are focused on core business, continue to focus on that.

But crucially for our survival, we also have 10% worth of innovation going on, on the side.

At a recent global leadership conference in Macau, Leonard Brody, award-winning entrepreneur, venture capitalist, and best-selling author pointed out how businesses such as Kodak and Blockbuster were sitting pretty, didn't see the disruption tsunami on the horizon, and as a result went to zero almost overnight.

Considered one of the most influential emerging global thought leaders on how businesses need to adapt to remain relevant in future, Brody stressed how companies that want to survive quick and rapid change because of tech must have a mindset around constantly testing and trying out new things.

How to test and try new things

So, for those startups, entrepreneurs, fintech gurus and their ilk who have established themselves and need to know where to next, the answer lies in diagnosing where you

Globally Connected { Locally Committed

are at, and where you need to go, by asking yourself (and addressing where necessary) the following:

1. Does the scenario described by Shah hit a bit too close to home? Are you also guilty of tossing new ideas out to your team, causing havoc and chaos, and having people spend most of their time futilely working on new ideas that never go anywhere?
2. Are you still clear about your core focus or your core product – based on sufficient market research and customer feedback – and are you spending enough time on that to drive it forward with focused intent?
3. Are you aware of what the biggest threats of disruption are that could make your business obsolete?
4. Are you taking any measures to strategically (not haphazardly) identify opportunities, or mitigate the threats of this?
5. Are all of your resources (time, energy, money, people) working only on that one thing (core business product or service), or are you allocating an appropriate amount of resources (10%) to testing out new products or services?

Pulling it all together

Entrepreneurs and business leaders who are anxious about tomorrow, never mind the distant future, will benefit immensely by taking their heads out of the weeds by attending conferences and summits, joining conversations and webinars, and any high-quality learning events they can get access to.

Globally Connected { Locally Committed

Then, they need to realise that they can't just be observers in the innovation space. They need to come back to the office and actively investigate and try new things, in a structured and dedicated manner, if they are to stay ahead without tripping up.

Globally Connected { Locally Committed