

When Entrepreneurship meets Innovation: Thriving in Disruptive Times

June 13, 2019

**Bruce Good
Connective Intelligence Inc.**

Guess the Organization

“Why are people afraid to try something different? Because of the scrutiny they’re going to receive if it doesn’t work. That stops people from trying things different a lot.”

“To accomplish what we’ve done...you’ve got to really truly believe you can do it.”

“I’m not satisfied. Our goal is to win the Championship.”



Who Said It?

“Why are people afraid to try something different? Because of the scrutiny they’re going to receive if it doesn’t work. That stops people from trying things different a lot.”

- **Masai Ujiri**

“To accomplish what we’ve done...you’ve got to really truly believe you can do it.” - **Nick Nurse**

“I’m not satisfied. Our goal is to win the NBA Championship.” - **Kyle Lowry**

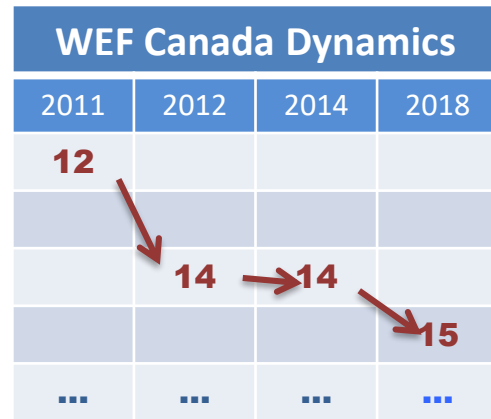
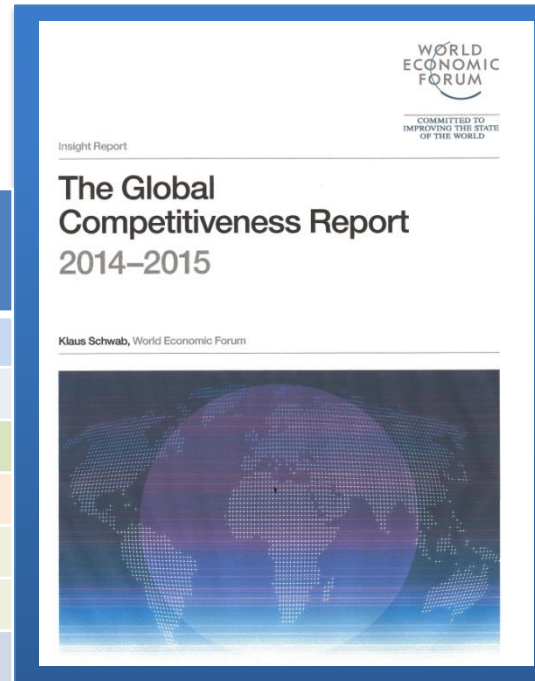
Connective Intelligence

Turning Intelligence into Effective Action

VOLATILITY
UNCERTAINTY
COMPLEXITY
AMBIGUITY

Canada Losing its Competitive Edge

2015 Rank	Country	2015 Rank	Basics Requirements	Efficiency Enhancers	Innovation & Sophistication
1	Switzerland	1	4	5	1
2	Singapore	2	1	2	11
3	United States	5 (+2)	33	1	5
4	Finland	3 (-1)	8	10	3
5	Germany	4 (+1)	11	9	4
6	Japan	9 (+3)	25	7	2
7	Hong Kong	7	3	3	23
8	Netherlands	8	10	8	6
9	UK	10 (-1)	24	4	8
10	Sweden	6 (-4)	12	12	7
11	Norway	11	6	13	16
12	UAE	19 (+7)	2	14	21
13	Denmark	15	13	17	9
14	Taiwan	12 (+2)	14	16	13
15	Canada	14 (-1)	18	6	24
20	Malaysia	24 (+4)	23	24	17
23	France	23	26	19	19
25	Ireland	28 (+3)	31	21	20

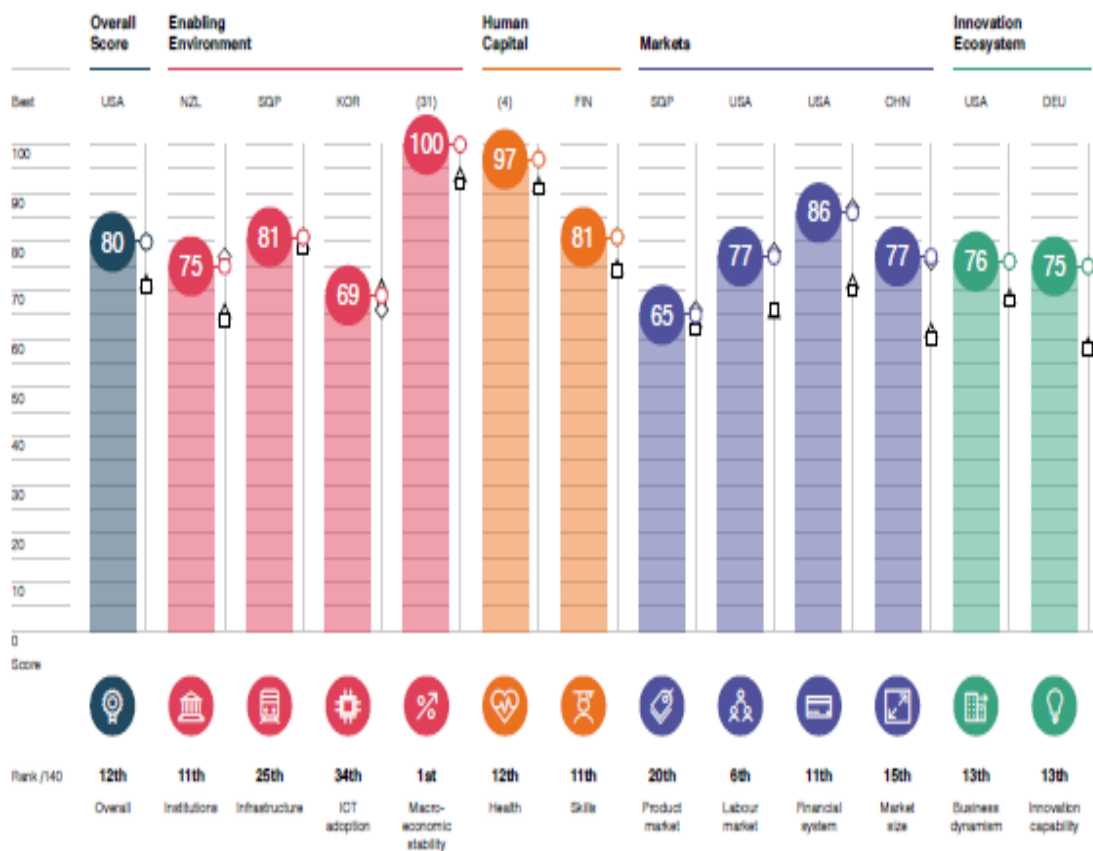


Business Innovation and Sophistication are the big issues

Innovation is the central issue in economic prosperity. (Michael Porter) 6

Performance Overview 2018

Key ◇ Previous edition ▲ High income group average □ Europe and North America average



Selected contextual indicators

Population millions	36.7
GDP per capita US\$	45,077.4
10-year average annual GDP growth %	1.6
GDP (PPP) % world GDP	1.39
Unemployment rate %	6.3
5-year average FDI inward flow % GDP	2.7

Social and environmental performance

Environmental footprint gha/capita	8.1
Inclusive Development Index 1-7 (best)	5.1
Global Gender Gap Index 0-1 (gender parity)	0.8
Income Gini 0 (perfect equality) - 100 (perfect inequality)	34.0

Briefing September 2012

Who Dimmed the Lights? Canada's Declining Global Competitiveness Ranking

As a Result

- Canada's global competitiveness ranking fell 10 places in 2012.
- Canada's innovation performance fell 10 places in 2012.
- Canada's innovation performance fell 10 places in 2012.

Key Findings

- Canada's innovation performance fell 10 places in 2012.
- Canada's innovation performance fell 10 places in 2012.
- Canada's innovation performance fell 10 places in 2012.

REVENUE PERFORMANCE AND TRENDS

Briefing January 2012

From Perception to Performance: How Canadian Business Leaders View the Innovation Environment

As a Result

- Canadian business leaders view the innovation environment as a challenge.
- Canadian business leaders view the innovation environment as a challenge.
- Canadian business leaders view the innovation environment as a challenge.

TECHNOLOGY AND INNOVATION

Report January 2013

Financing Innovation by Established Businesses in Canada

Key Findings

- Established businesses in Canada are investing in innovation.
- Established businesses in Canada are investing in innovation.
- Established businesses in Canada are investing in innovation.

TECHNOLOGY AND INNOVATION

Business Innovation Summit 2013
Innovation for the Corporation

Summit, February 18, and Symposium, February 20, 2013
Toronto, Ontario • Toronto

Center for Business Innovation

INNOVATION SKILLS PROFILE 2.0
The Skills, Attitudes, and Behaviors You Need to Contribute to Innovation in the Workplace

Key Findings

- Employees with innovation skills are more productive.
- Employees with innovation skills are more productive.
- Employees with innovation skills are more productive.

Center for Business Innovation

COMMERCIALIZATION SKILLS PROFILE
The Skills, Attitudes, and Behaviors You Need to Contribute to the Commercialization of a Product, Process, or Service

Key Findings

- Entrepreneurs with commercialization skills are more successful.
- Entrepreneurs with commercialization skills are more successful.
- Entrepreneurs with commercialization skills are more successful.

Center for Business Innovation

General Innovation Skills Aptitude Test 2.0

— GISAT 2.0 —

for current and future employees, leaders, and entrepreneurs

The Conference Board of Canada, 2013

BRIEFING JULY 2013

BUSINESS LEADERS' PERSPECTIVES

The Most Problematic Factors for Doing Business in Canada.

As a Result

- Canadian business leaders view the most problematic factors for doing business in Canada.
- Canadian business leaders view the most problematic factors for doing business in Canada.
- Canadian business leaders view the most problematic factors for doing business in Canada.

Center for Business Innovation

BRIEFING SEPTEMBER 2013

BUSINESS LEADERS' PERSPECTIVES

Canada's Competitiveness and Innovation Doldrums.

As a Result

- Canadian business leaders view Canada's competitiveness and innovation as a challenge.
- Canadian business leaders view Canada's competitiveness and innovation as a challenge.
- Canadian business leaders view Canada's competitiveness and innovation as a challenge.

Center for Business Innovation

2012 SURVEY FINDINGS

The State of Firm-Level Innovation in Canada.

INNOVATION STRATEGIES

REPORT NOVEMBER 2012

CULTURE AND INNOVATION

The Secret Sauce.

REPORT NOVEMBER 2012

The Private Equity Experience of Canadian Business.

REPORT NOVEMBER 2012

Metrics for Firm-Level Business Innovation in Canada.

REPORT DECEMBER 2013

START ME UP

Funding Canada's Emerging Innovators.

REPORT MARCH 2014

SKILLS FOR BUSINESS INNOVATION SUCCESS

It's People Who Innovate.

REPORT APRIL 2014

IMPROVING INNOVATION MANAGEMENT DECISION-MAKING

Thinking Like an Innovator.

REPORT SEP 2014

MAY 27-28, 2014 • TORONTO

ACCELERATING CORPORATE INNOVATION AND COMMERCIALIZATION

Business Innovation Summit 2014.

Center for Business Innovation

INNOVATION MANAGEMENT FOR ESTABLISHED BUSINESSES

Management Matters.

REPORT MARCH 2014

Core Message on Business Innovation

The issue is Innovation Management!

LEADERSHIP needs to nurture a ***Culture of Entrepreneurship***
and pursue Innovation
comprehensively, competitively and methodically
with the right ***metrics*** to ensure value!

Peter Drucker famously said:

“Culture Eats Strategy for Breakfast”

“Strategy provides clarity and focus for collective action and decision making...*Culture, however, is a more elusive lever, because much of it is anchored in unspoken behaviours, mindsets and social patterns.*”

- HBR, The Culture Factor, January-February 2018

Great Cultures

Drive Great Financial Performance

Study Over an 11 Year Period James Heskett John Kotter <i>Corporate Culture & Performance</i>	Average Increase for 12 Firms with Performance Enhancing Cultures	Average Increase for 20 Firms without Performance Enhancing Cultures
Revenue Growth	682%	166%
Employment Growth	282%	36%
Stock Price Growth	901%	74%
Net Income Growth	756%	1%

Cultures that facilitate *adaptation to a changing, disruptive* world are associated with strong financial performance.

GROW THROUGH DISRUPTION

Breakthrough Mindsets to
Innovate, Change and
Win with the O.G.I.

Brett Richards, PhD

“ By ‘disruption,’ I mean the type of change that is so profound it shatters our current assumptions and compels us to reconstruct our ways of thinking if we are to thrive successfully into the future.

Disruption, then, is not your normal run-of-the-mill type of change. It is far more intense and urgent, brought about by highly turbulent and increasingly complex environments, not unlike what we are currently experiencing right now socially, politically, and economically. ”

(Preface, XIII)

Thriving in Disruptive Times Through Culture Change:

Next Generation Mindsets, Approaches and Tools

Grow Through Disruption

Getting From Here	To There
Descriptive Measures	Ability Measures
Employee Engagement	System Activation
Climate/Culture	Mindsets

Getting From Here... “Yes”

Descriptive Measures

“Yes, understanding our current culture type is helpful...”

Employee Engagement

“Yes, understanding levels of employee engagement is important...”

Climate/Culture

“Yes, understanding climate and culture is essential...”

To There “And”

Ability Measures

*...and, linking culture to actual business performance and **ability to shift** is even better.”*

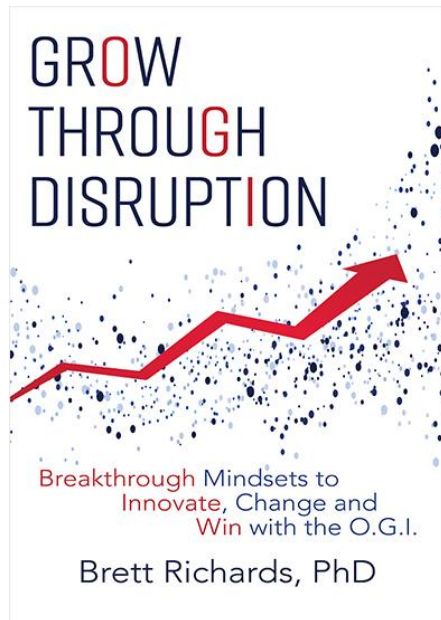
System Activation

...and, understanding how engagement synergizes with other factors essential for growth is even better.”

Mindsets

...and, understanding how mindsets influence growth and adaptive capability is even better.”

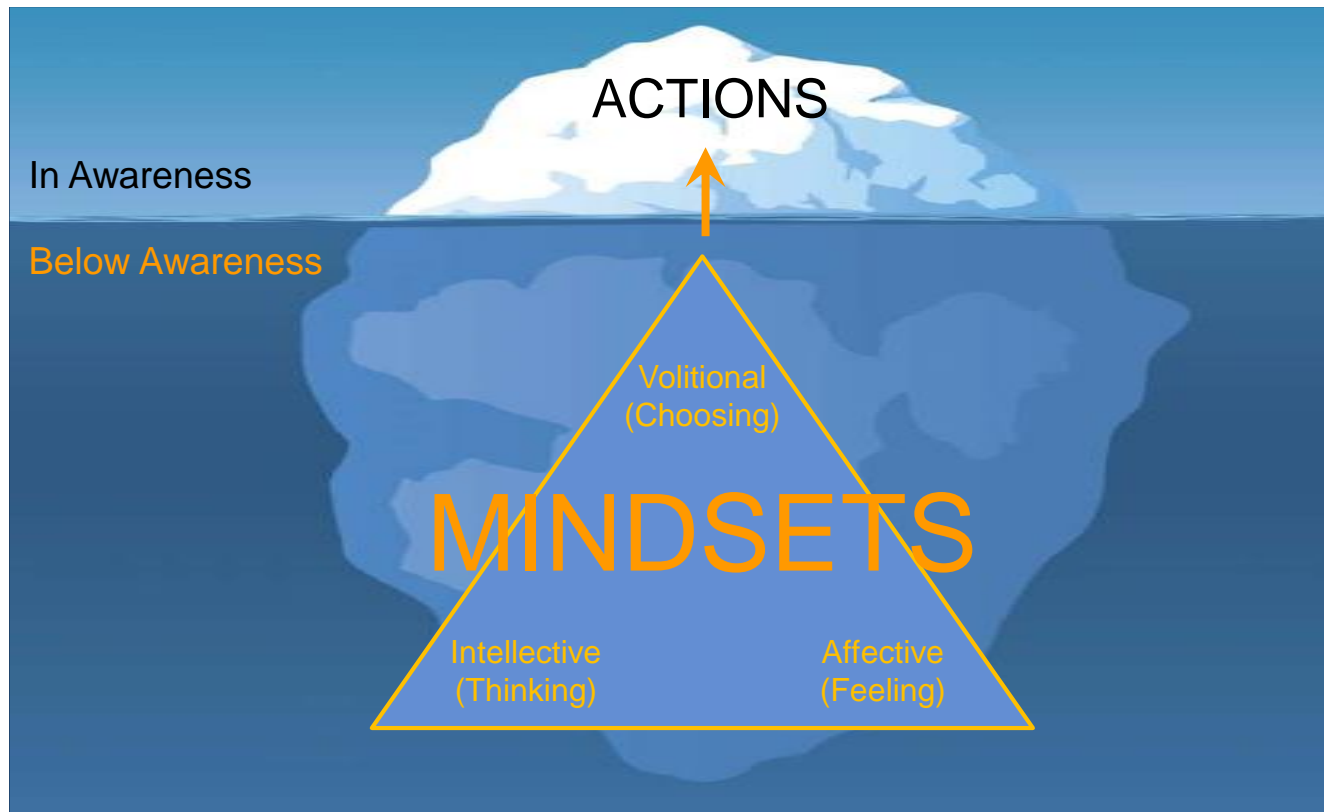
Mindsets Matter



“A mindset represents more than how we think – it captures how we feel and how we choose to act within the world.”

- Brett Richards, Grow Through Disruption

Mindsets Matter



Mindsets Matter

For example, they likely influence our impressions and opinions of various politicians.

AFFECTIVE (Feeling) –

“I believe you and feel connected to you”

INTELLECTIVE (Thinking) –

“I see and understand your point of view”

VOLITIONAL (Choosing) –

“I choose to support you & will vote for you”



**Seeing the Invisible
People and Culture
Dynamics and Linking
them to
Performance is Key.**

Potential Benefits of Diagnostic Tools

With a robust diagnostic tool, leaders can clearly chart the actions required to both strengthen and accelerate their organization's performance.

CEO's and Executives can make better business decisions related to:

- Leadership Team Alignment & Performance
- Strategic Initiatives and Resource Allocation
- Organizational “Readiness” for Change and Growth
- Mergers & Acquisitions & Business Unit Consolidation
- Board Management Related to Organizational Capacity and Results

CHRO's can better support strategic decisions related to:

- Strengthening Talent Management Initiatives
- Pinpointing Training and Development (T&OD) Requirements
- Linking HR Initiatives to Business Goals
- Improving Organizational Change Efforts
- Evaluating Impact of the Training and OD Programs

12 Sample Integrated Dimensions

4 Principal Mindsets

Unique “*Worldviews*” that steer and shape the organization’s approach to growth and transformation:

Imagine, Resolve, Analyze and Align Mindsets.



8 Orientations

Core “*Capabilities*” that influence the organization’s ability to drive growth and transformation:

Creative, Strategic, Innovative, Learning, Collaborative, Connective, Cultural, and Leadership Orientations.

8 Sample Orientations

- **CREATIVE**

developing processes and skills to improve creative thought

- **STRATEGIC**

responding to changes in external environment

- **INNOVATIVE**

transforming knowledge and ideas into new value

- **LEARNING**

capturing and sharing knowledge to improve future effectiveness

8 Sample Orientations

- **COLLABORATIVE**

harnessing ideas & knowledge internally/externally to drive results

- **CONNECTIVE**

sharing information across silos to improve intelligent action

- **CULTURAL**

developing an environment that encourages forward thinking

- **LEADERSHIP**

modelling behaviours that support growth and transformation

Sample Scoring Index

Performance RATING [Overall Scoring Range]	TIER 5 [≥ 66%]	TIER 4 [65-57%]	TIER 3 [56-48%]	TIER 2 [47-39%]	TIER 1 [≤38%]
Ability to Grow and Transform	<i>Advance/ Excelling</i>	<i>Proficient/ Thriving</i>	<i>Moderate/ Adapting</i>	<i>Marginal/ Developing</i>	<i>Poor/ Lagging</i>
Potential Revenue Growth Capability (% Δ)	[≥25%]	[24-10%]	[9-1%]	[0 - -8%]	[≥ -9%]

Highest Performing Business Unit in the World

Country	Overall Score	Actual Growth (1yr.)	Performance
Country 2	57%	6%	Low Tier 4
Country 2 BU	66%	~ 23%	Low Tier 5

	8 Orientations								4 Mindsets					
	Overall	Strategic	Innovative	Learning	Collaborative	Connective	Cultural	Leadership	Creative	Imagine	Resolve	Analyze	Align	n =
Overall	51	53	47	48	50	51	53	55	50	51	56	53	53	115
Vice Presidents	48	53	42	46	48	48	50	53	45	44	54	51	52	10
Division or Site Leaders - GMs	51	49	46	50	49	50	56	54	51	49	54	54	53	13
Directors	51	52	47	49	51	53	53	56	51	51	56	53	54	35
Controllers-CFOs	51	55	49	49	48	52	54	53	50	50	55	54	54	11
Managers	51	55	48	48	49	50	52	57	51	52	56	54	53	46

Indicated Actions: for the CEO to achieve his “growth mandate” captured in the 2020 vision, immediate attention needs to be given to the VPs. They have a significantly lower experience of the organization’s capability for growth and transformation. They need to get on board otherwise growth will be constrained.

Culture Change Enablers

Measurement and Management – *using the right metrics to measure, manage and improve innovation activities and bottom line performance*

Evaluation – *assessing ROI on Training & Organizational Development efforts*

Business Impact – *linking T&OD efforts to actual bottom line performance and results*

New Value Creation – *taking a holistic view of innovation – internally and/or externally focussed efforts to either create or enhance new value.*

Adaptive Change – *prioritizing the ability and accountability to effectively change structures, processes and/or culture as required to achieve the organization's mission, vision and strategic business objectives.*

To learn more about how to:

- *Implement the Right Metrics,*
- *Stimulate and Assess Organization's Growth Capability,*
- *Shift Organization's Cultural Mindset,*
- *Improve Transformation Efforts,*
- *Increase Effectiveness of M&A Activities.*

CONTACT

Bruce Good, Vice President,
Connective Intelligence Inc.
wpbgood@gmail.com

International: 239- 682-0101
North America: 1-866-THUNK IT (848-6548)
www.connectiveintelligence.com