

Why we should teach to understand exponential growth

And why corporate entrepreneurship can help to
overcome the innovators' dilemma

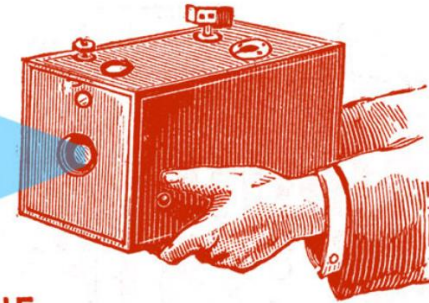
Prof. Dr. Nils Högsdal,

HdM Stuttgart, 30.11.2018

DIGITALIZATION AND A NEW WORLD AHEAD

The Kodak-Moment

The Camera
that takes
the World!



THE
KODAK

kodal

a rare, **one**
captured by

Aww!.. They
moment!

A generation ago, a “Kodak moment” meant something that was worth saving and savoring.

Today, the term increasingly serves as a corporate bogeyman that warns executives of the need to stand up and respond when disruptive developments encroach on their market.

Unfortunately, as time marches on the subtleties of what actually happened to Eastman Kodak are being forgotten, leading executives to draw the wrong conclusions from its struggles.

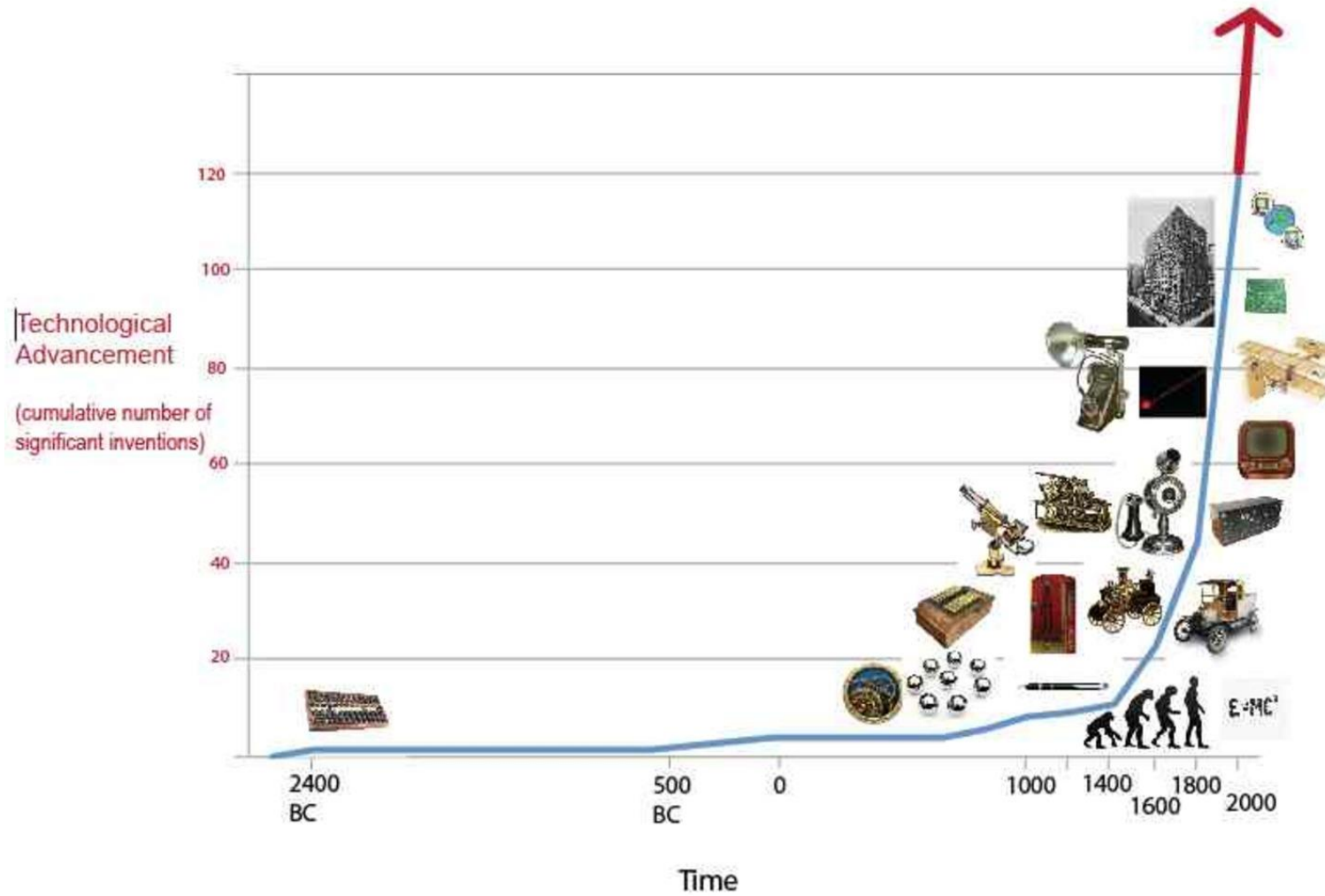
Quellen: <https://www.urbandictionary.com/define.php?term=kodak%20moment>,
<https://www.reuters.com/article/banks-face-kodak-moment-as-fintech-disru/banks-face-kodak-moment-as-fintech-disruption-builds-idUSL8N1NJ6E8>, <https://hbr.org/2016/07/kodaks-downfall-wasnt-about-technology>,

You cannot predict the future!

Stuttgart in 1940 imagined in the year 1928



Exponentiell growth

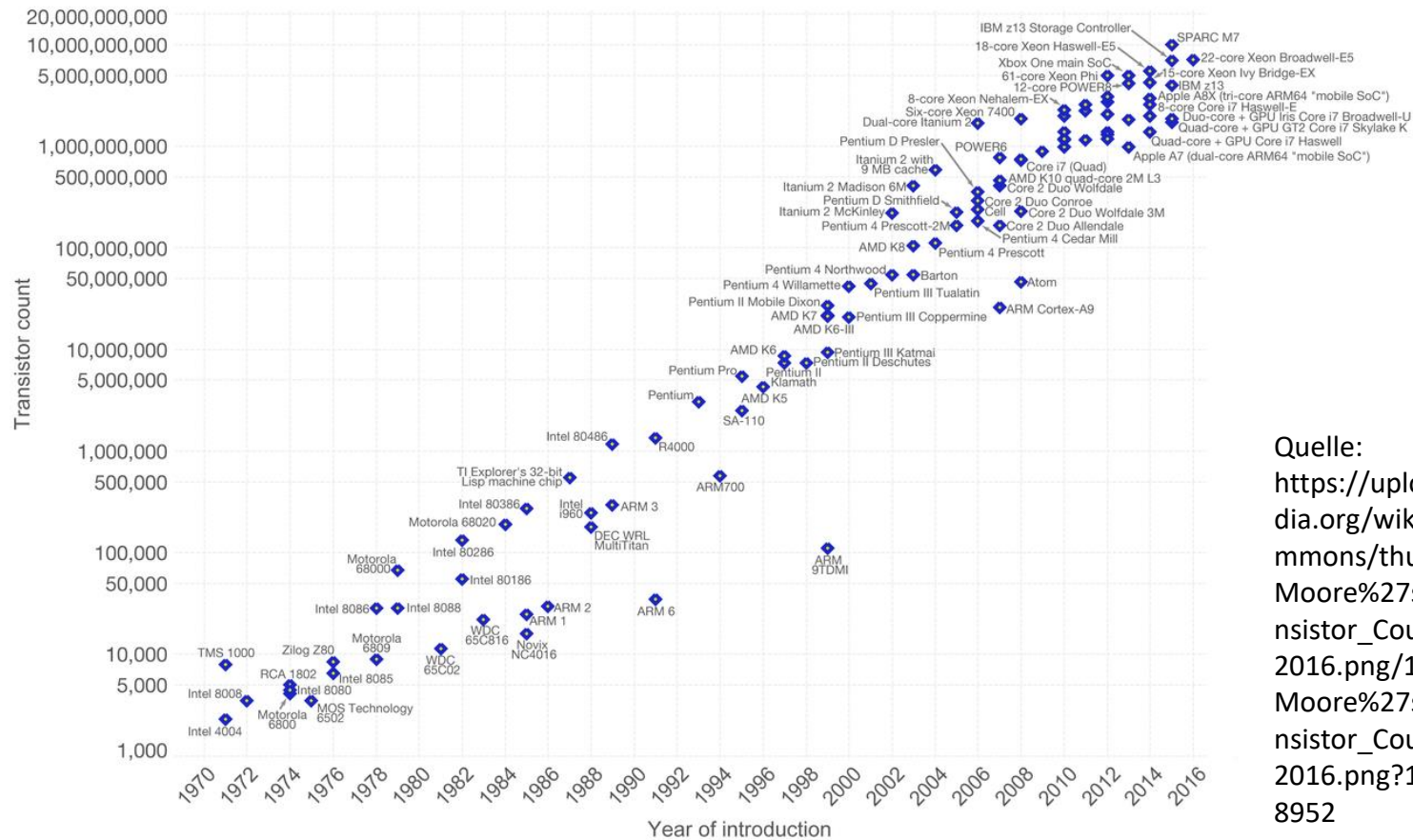


Moore's Law

Moore's Law – The number of transistors on integrated circuit chips (1971-2016)



Moore's law describes the empirical regularity that the number of transistors on integrated circuits doubles approximately every two years. This advancement is important as other aspects of technological progress – such as processing speed or the price of electronic products – are strongly linked to Moore's law.

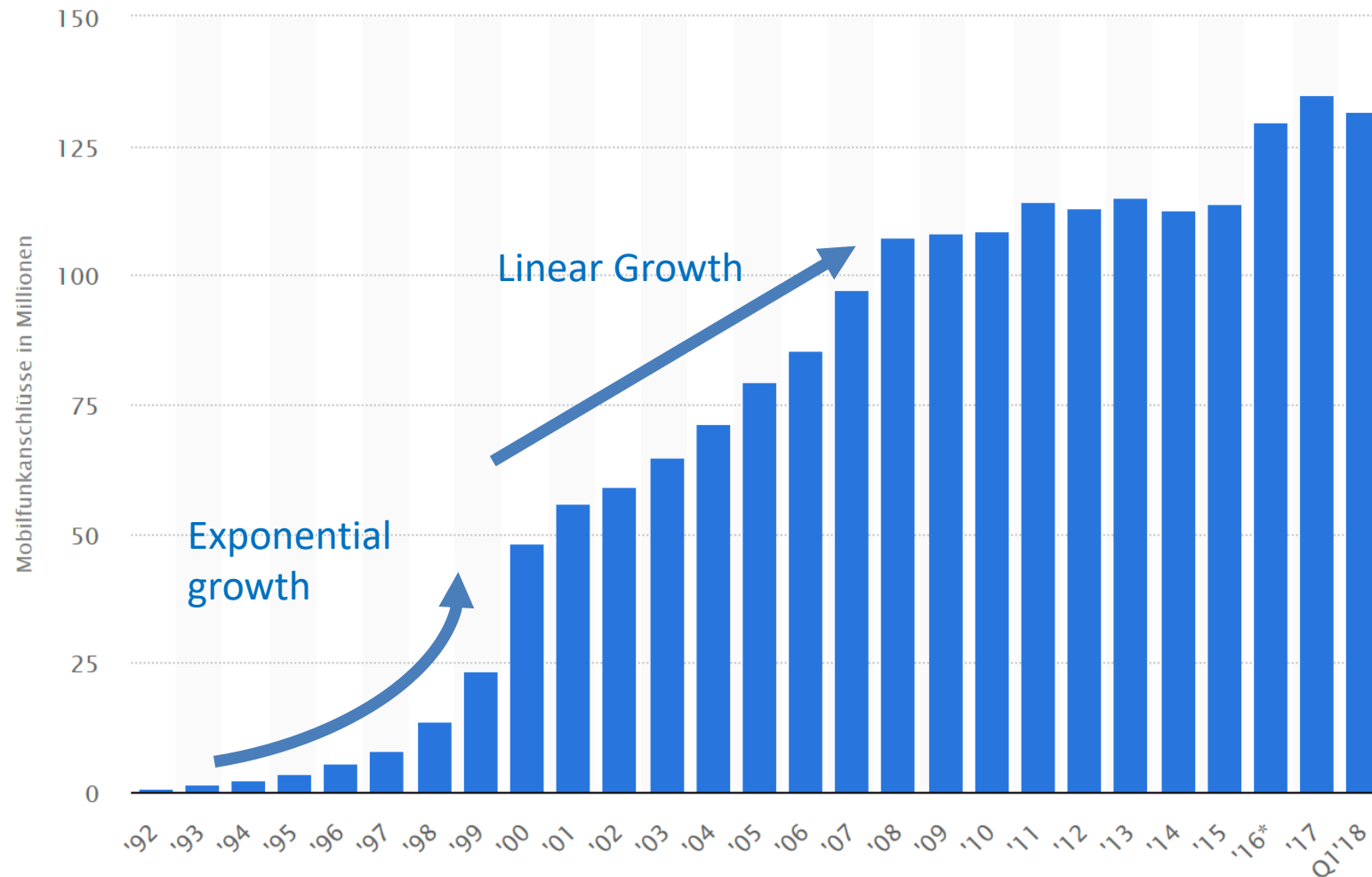


Quelle:
https://upload.wikimedia.org/wikipedia/commons/thumb/9/9d/Moore%27s_Law_Transistor_Count_1971-2016.png/1280px-Moore%27s_Law_Transistor_Count_1971-2016.png?1537815988952

Data source: Wikipedia (https://en.wikipedia.org/wiki/Transistor_count)
 The data visualization is available at OurWorldinData.org. There you find more visualizations and research on this topic.

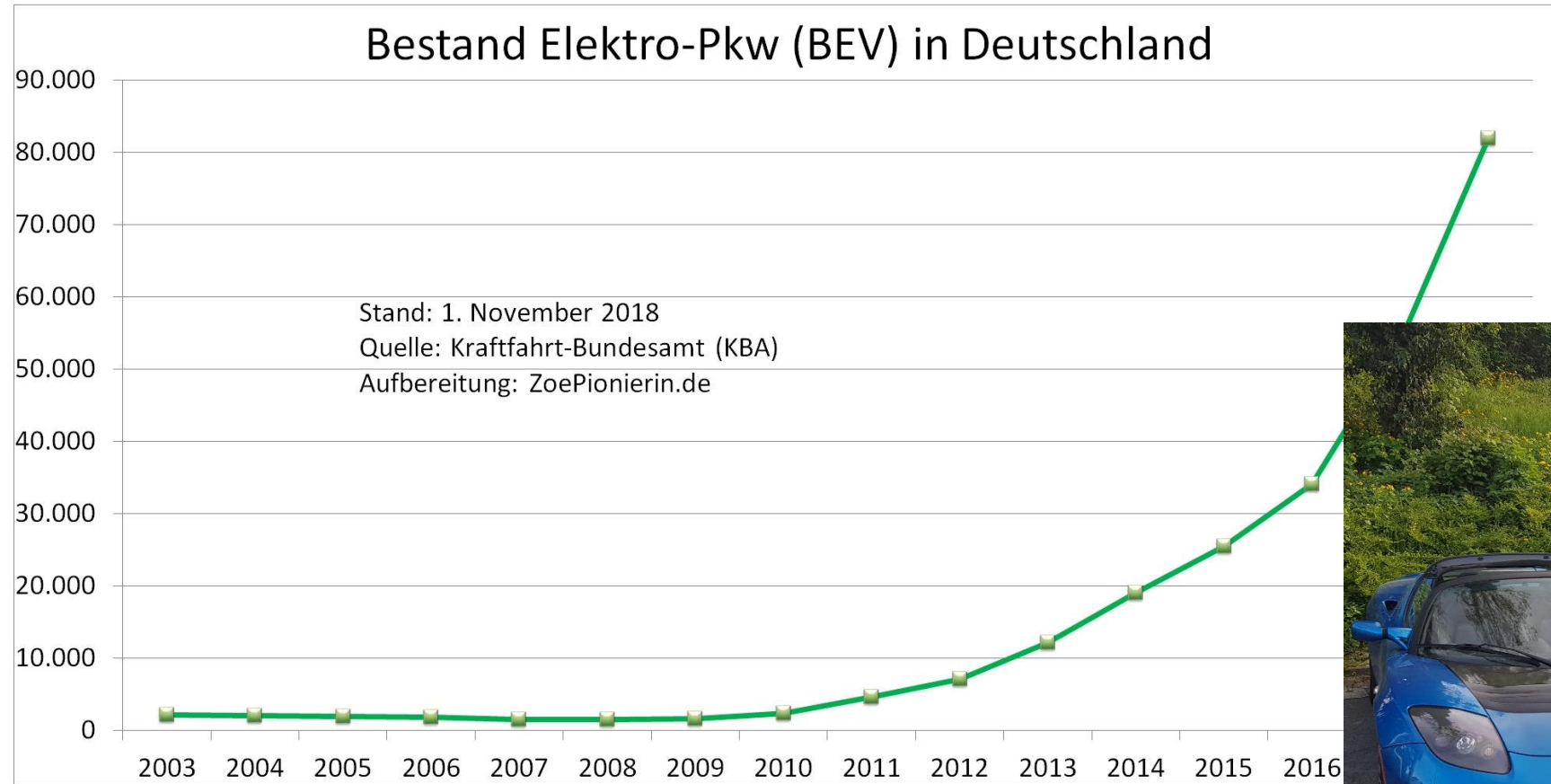
Licensed under CC-BY-SA by the author Max Roser.

Number of mobile phone subscribers in Germany



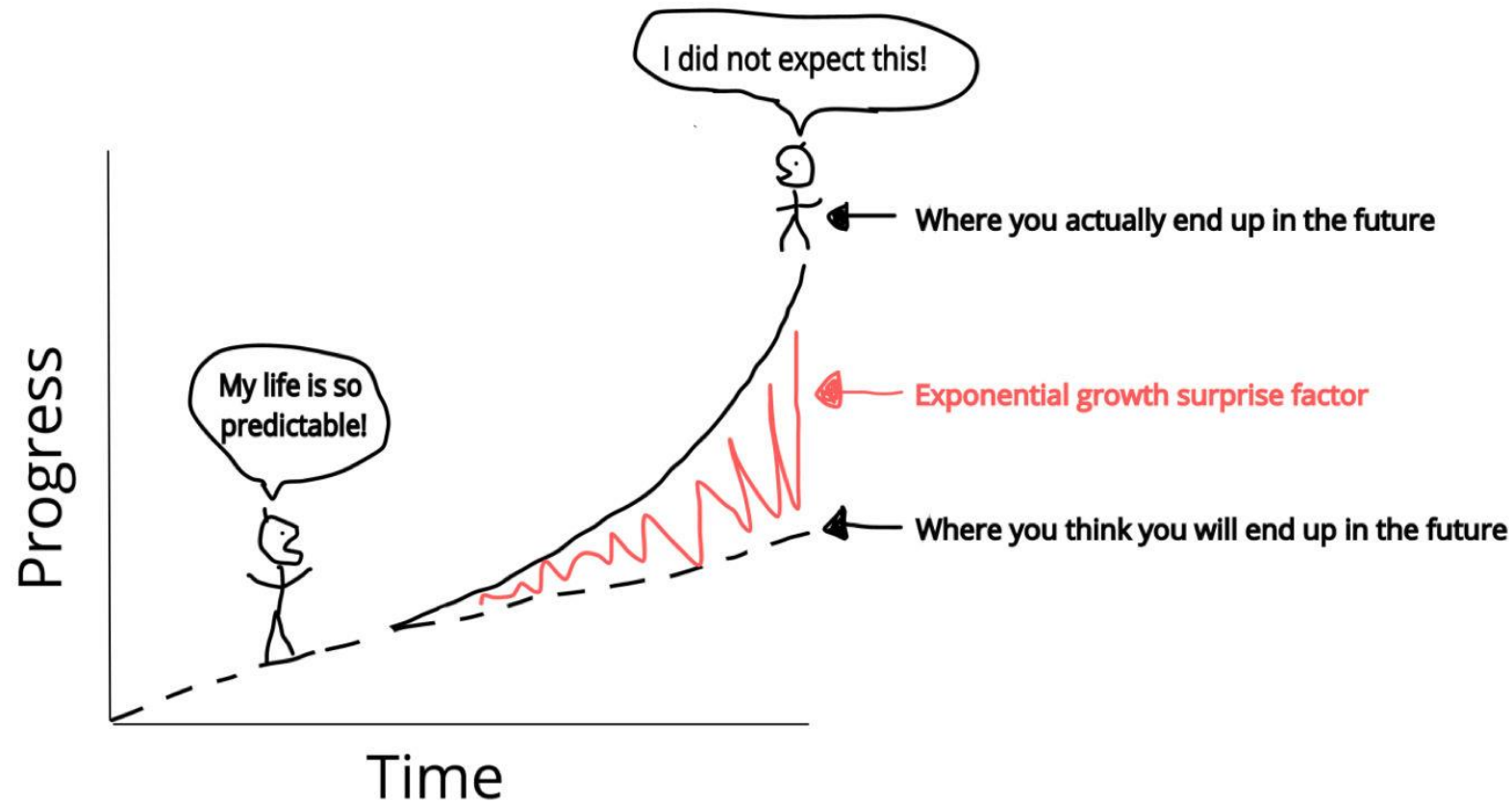
Electric cars will never make it?

Bestand Elektro-Pkw (BEV) in Deutschland



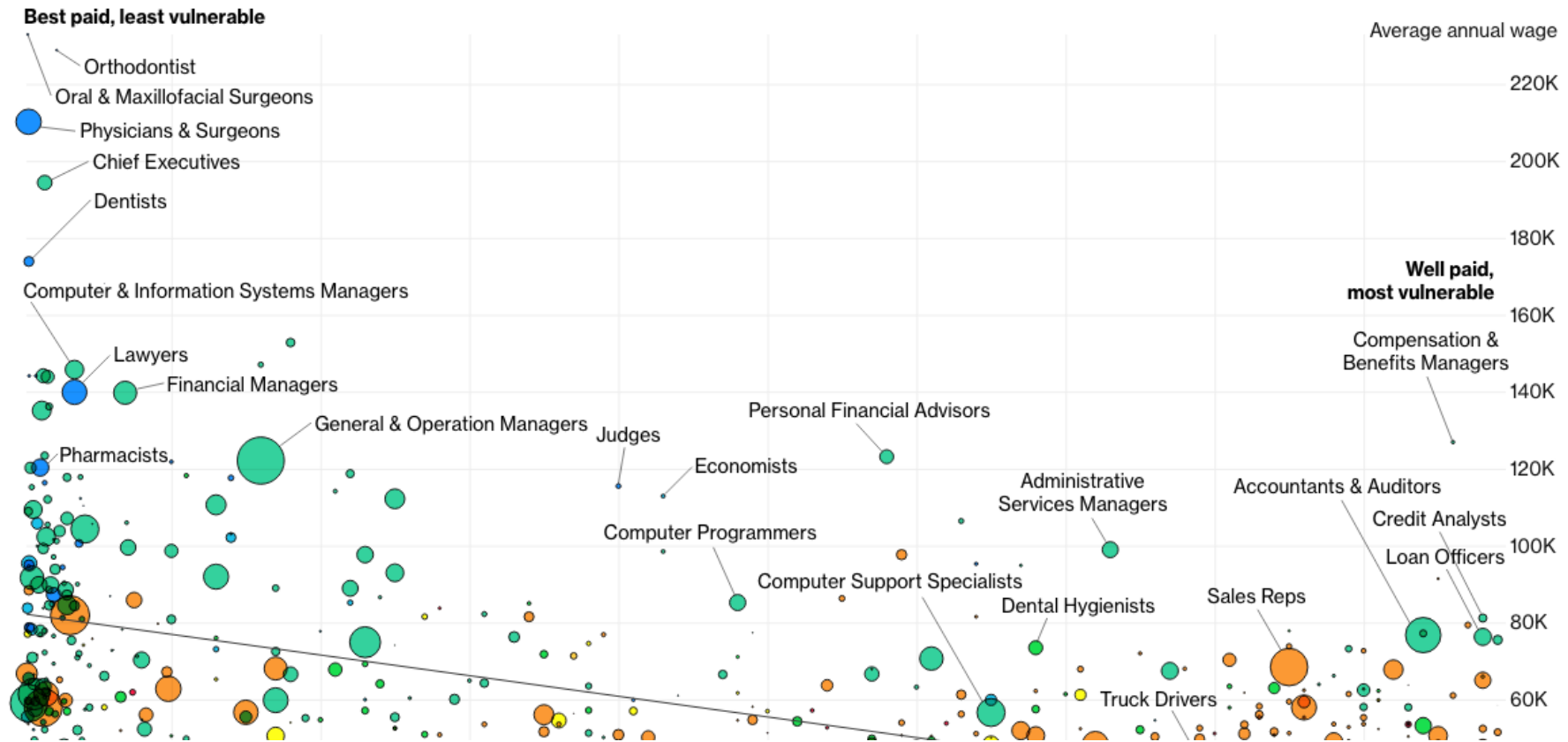
Quelle: [https://www.facebook.com/ElectrifyBW/?__xts__\[0\]=68.ARAodYcoCpz9xXHDaBcnWoFP7d6BLdABY1nFphuWLQ0qJrAdJ34GAa9BWDYKcZDCxeBtsNLYKKu5HAoeivapcUBOXKf9KO-vBomKev8aHG1QEZsYmM60EWEgdwiXIHXCbgtKT2_ac3GnyfCU_UWZK5sKsU2Yy3eZaejWdY1Qm_t4Cy0_Cn9rG_AjgecxHwSGtooqA6cktEtTGcj8wjgyA&str=k*F](https://www.facebook.com/ElectrifyBW/?__xts__[0]=68.ARAodYcoCpz9xXHDaBcnWoFP7d6BLdABY1nFphuWLQ0qJrAdJ34GAa9BWDYKcZDCxeBtsNLYKKu5HAoeivapcUBOXKf9KO-vBomKev8aHG1QEZsYmM60EWEgdwiXIHXCbgtKT2_ac3GnyfCU_UWZK5sKsU2Yy3eZaejWdY1Qm_t4Cy0_Cn9rG_AjgecxHwSGtooqA6cktEtTGcj8wjgyA&str=k*F)

Why it is so tough to understand exponentiell growth



What is happening to us?

Search by occupation:



Quelle: https://www.bloomberg.com/graphics/2017-job-risk/img/2017-job-risk_facebook.png

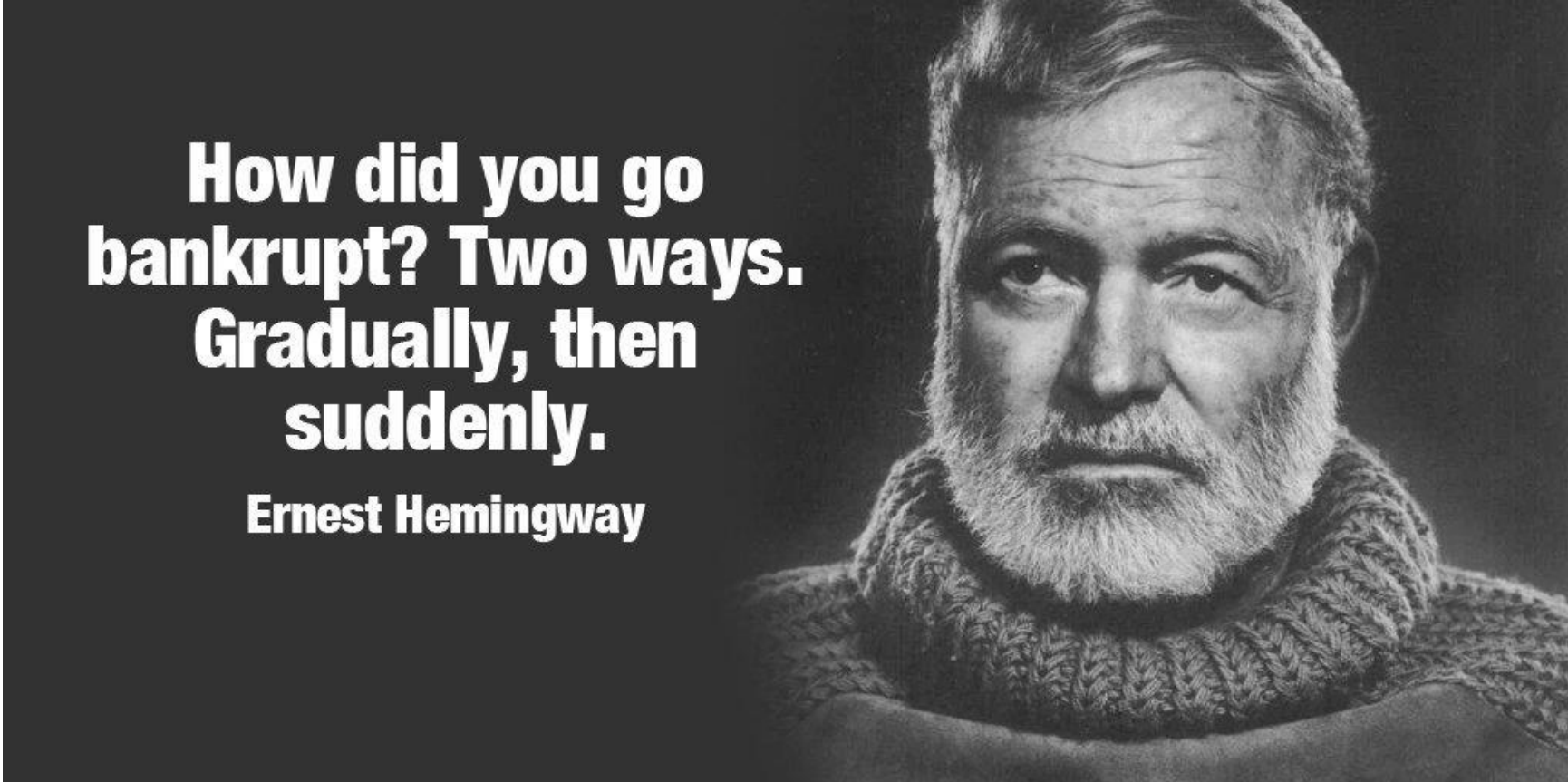
Will there be hunger games?



But, where are they, the jobless flight engineers and bank tellers?



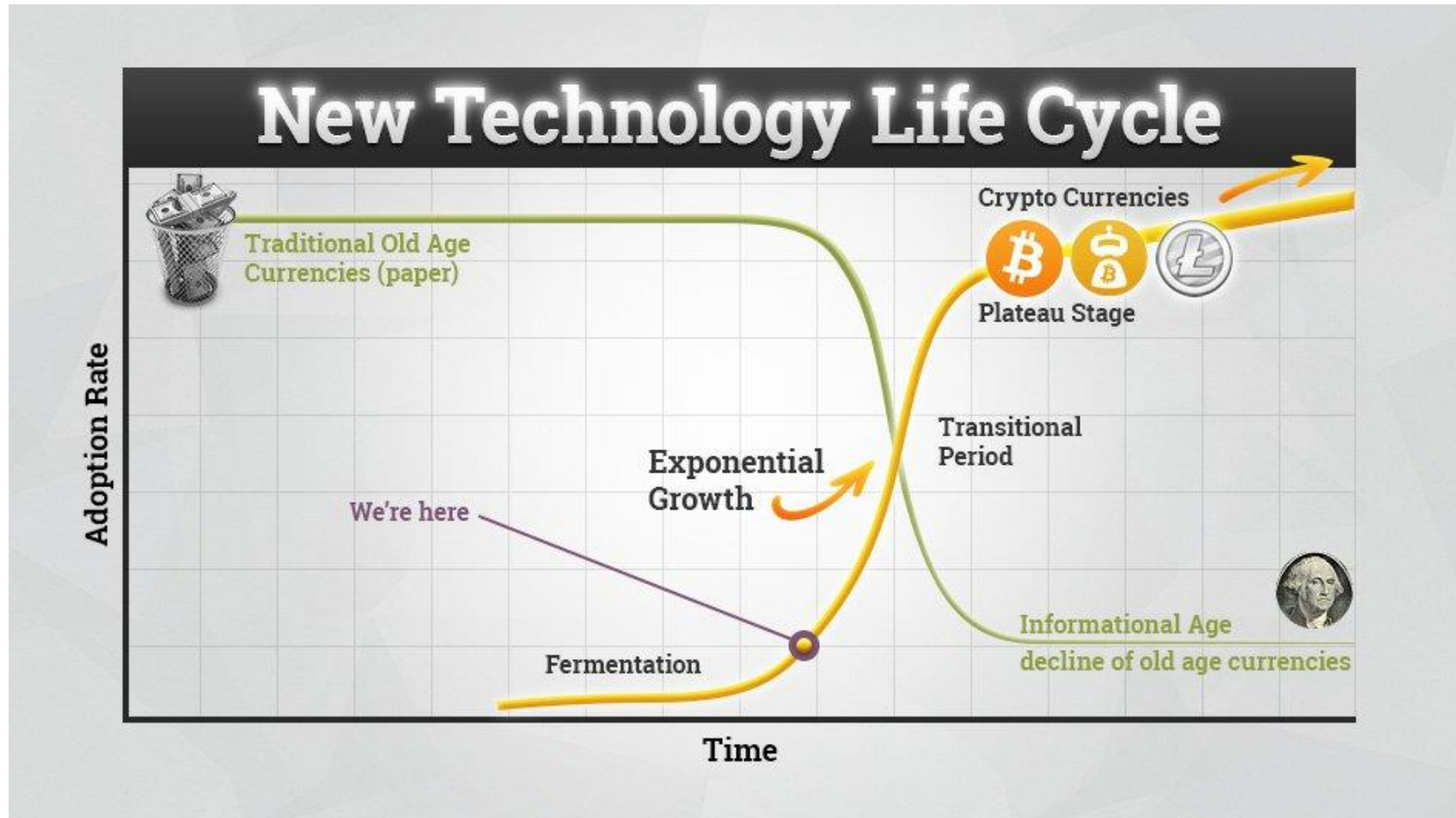
Business Models change,
first gradually, then suddenly



**How did you go
bankrupt? Two ways.
Gradually, then
suddenly.**

Ernest Hemingway

But: there should be enough time to act

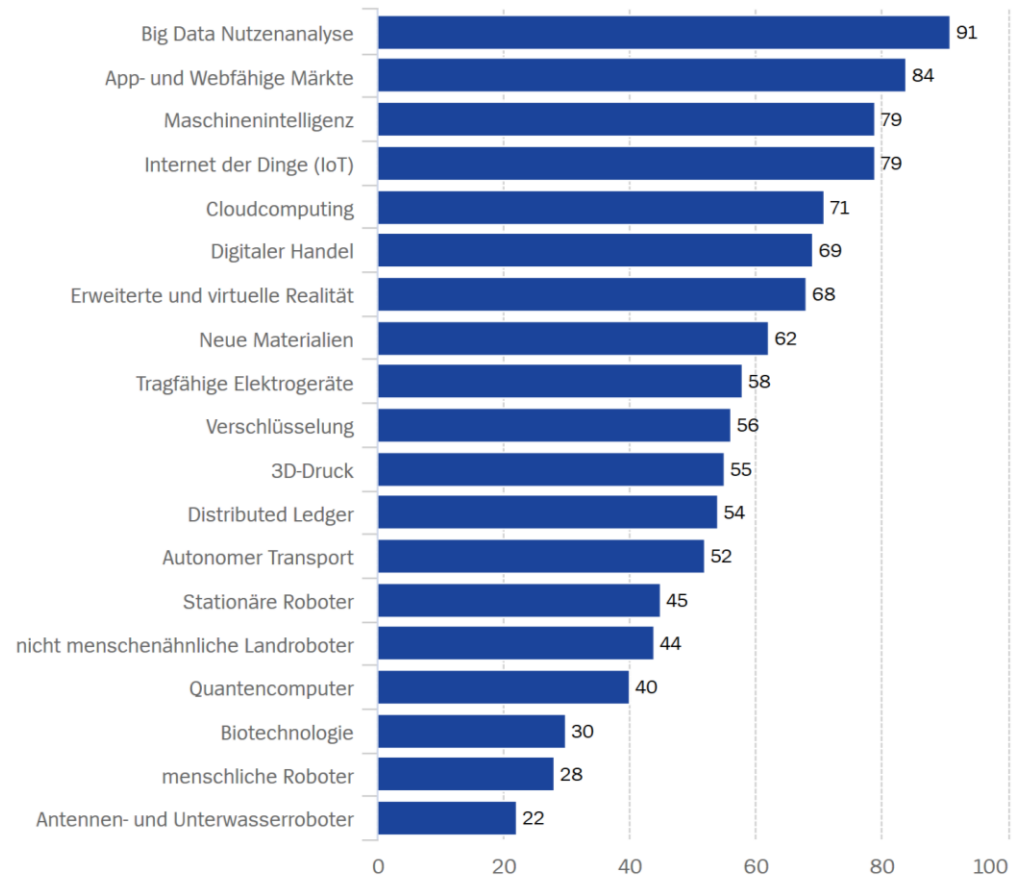


WHAT WE SHOULD TEACH

Understanding drivers of digital growth

So digitalisiert wird Deutschland

Anteil deutscher Unternehmen, die technologische Anwendungen bis 2022 nutzen wollen, in Prozent



Quelle: WEF Future of Jobs

Quelle:
<http://www.spiegel.de/wirtschaft/soziales/studie-weltwirtschaftsforum-maschinen-verrichten-bald-mehr-arbeit-als-menschen-a-1228108.html>

Definition: Corporate entrepreneurship

- “Corporate entrepreneurship encompasses two types of phenomena and the processes surrounding them:
 - The birth of new businesses within existing organizations, i.e. internal innovation or venturing, and
 - the transformation of organizations through renewal of the key ideas on which they are built, i.e. strategic renewal.”

Source: Guth and Ginsberg, Corporate Entrepreneurship 1990, S.5.

It is not just about startups!

Harvard Business Review (May 2013)

Harvard Business Review

REPRINT R1305C

SPOTLIGHT ON ENTREPRENEURSHIP

Why the Lean Start-Up Changes Everything

by Steve Blank

Listen to Customers

During customer development, a start-up searches for a business model that works. If customer feedback reveals that its business hypotheses are wrong, it either revises them or “pivots” to new hypotheses. Once a model is proven, the start-up starts executing, building a formal organization. Each stage of customer development is iterative: A start-up will probably fail several times before finding the right approach.

SEARCH



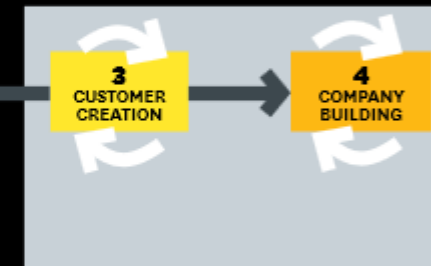
1

Founders translate company ideas into business model hypotheses, test assumptions about customers' needs, and then create a “minimum viable product” to try out their proposed solution on customers.

2

Start-up continues to test all other hypotheses and tries to validate customers' interest through early orders or product usage. If there's no interest, the start-up can “pivot” by changing one or more hypotheses.

EXECUTION



3

The product is refined enough to sell. Using its proven hypotheses, the start-up builds demand by rapidly ramping up marketing and sales spending, and scales up the business.

4

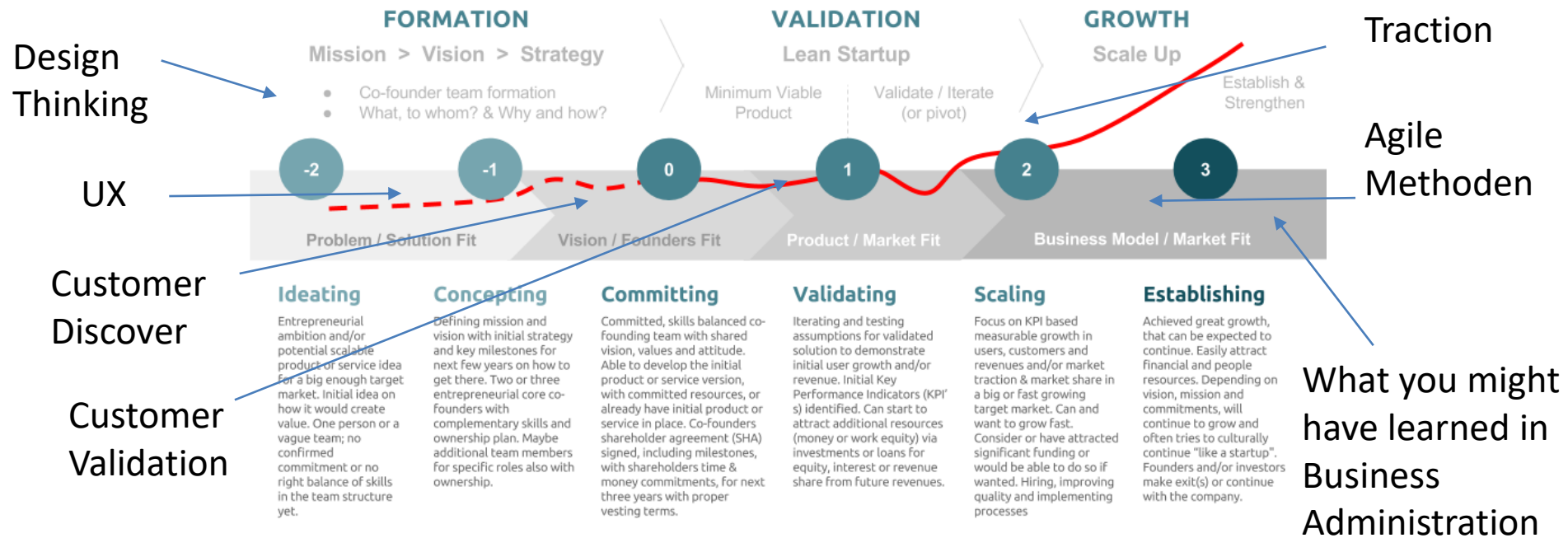
Business transitions from start-up mode, with a customer development team searching for answers, to functional departments executing its model.

What is a startup?

- Definition: a startup is
 - **temporary** organization designed **to search**
 - for a **repeatable and scalable business model**
- Startups Fail Because They Confuse *Search* with *Execute*
- The Lean Startup Framework **comprises a set of tools and processes** aimed at **validating hypothesis about customers** early while staying **agile** in the process

Aus: Blank, Dorf: Startup Owners' Manual

Typical tools and methods



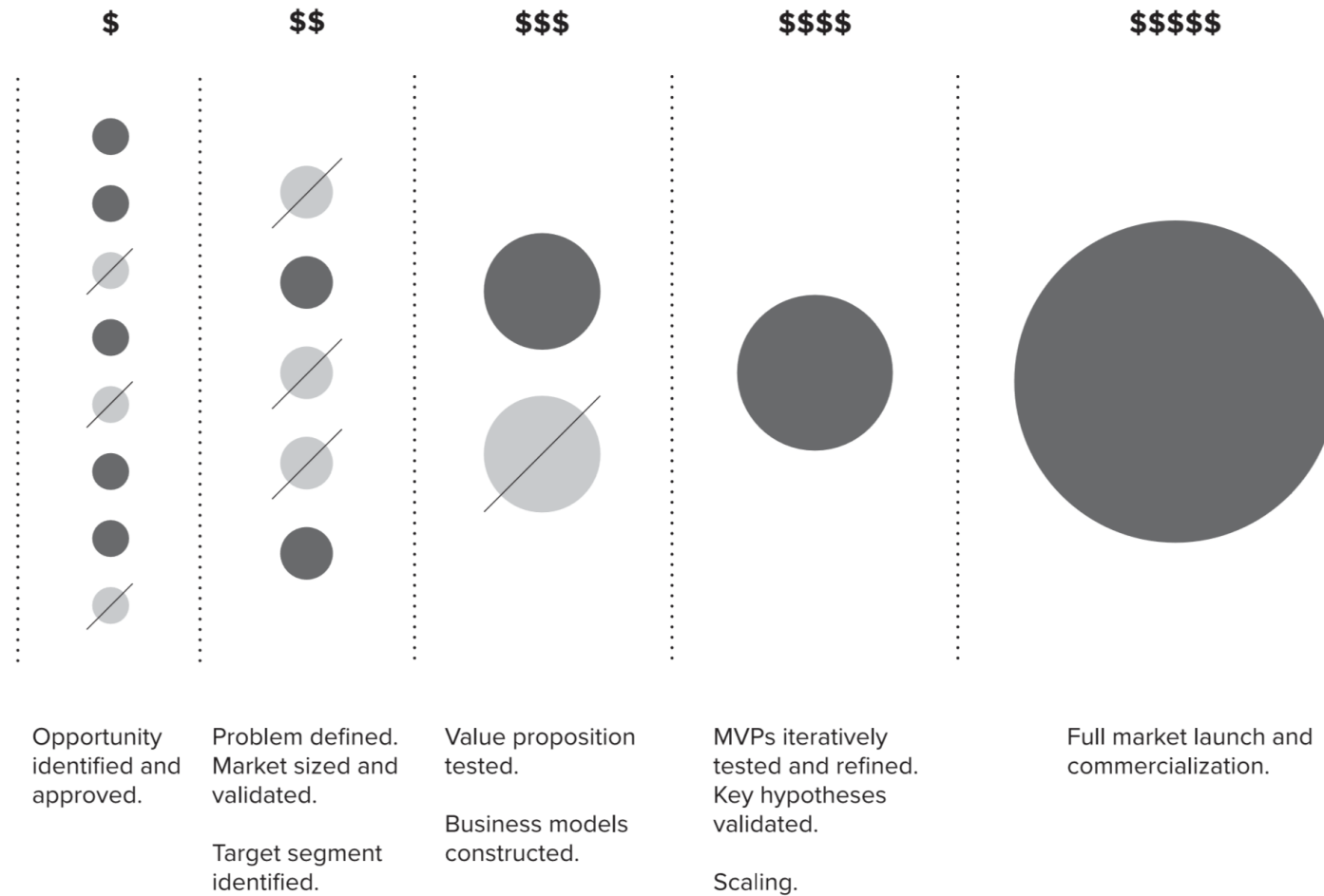
Startup Development Phases - From idea to business and team to organization.

Version 3.0 - www.startupcommons.org

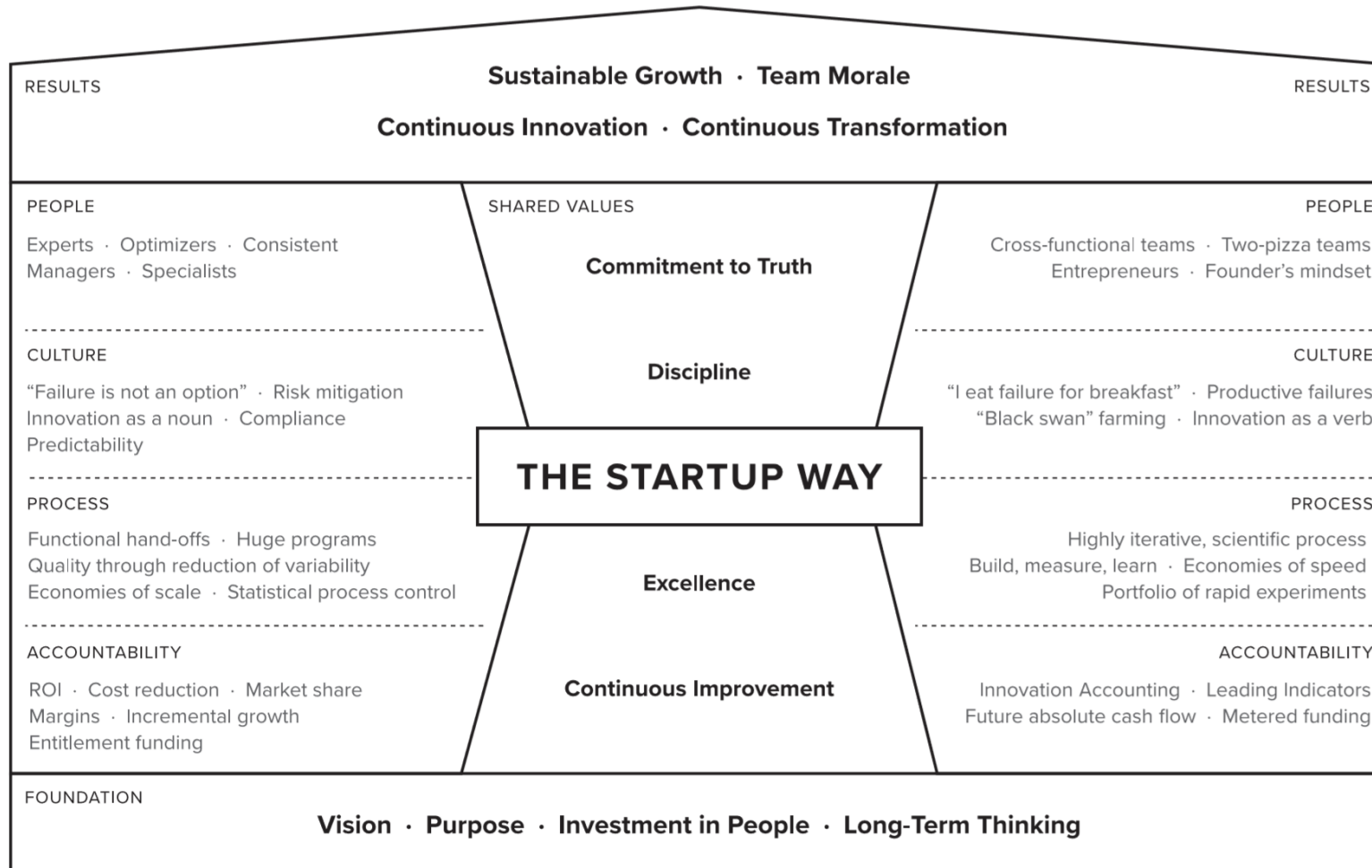


Eric Riess „The Startup Way“

METERED FUNDING



Overview: Eric Riess „The Startup Way“



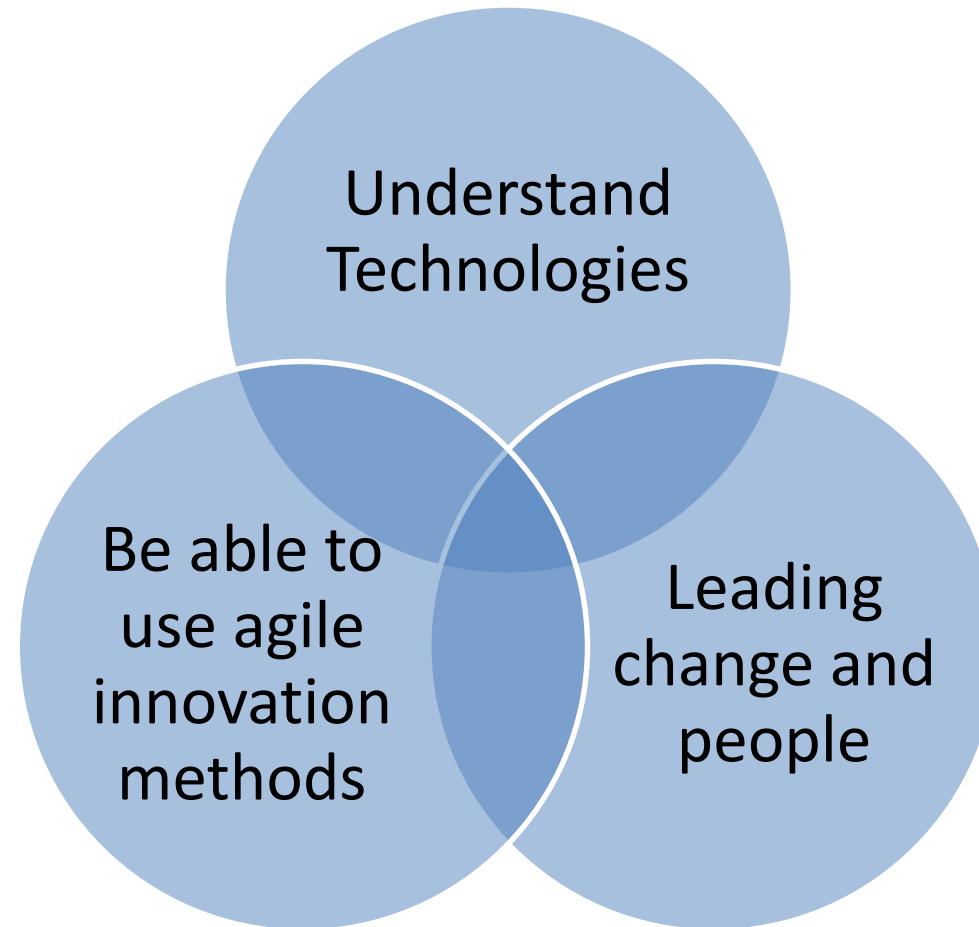
GENERAL MANAGEMENT

ENTREPRENEURIAL MANAGEMENT

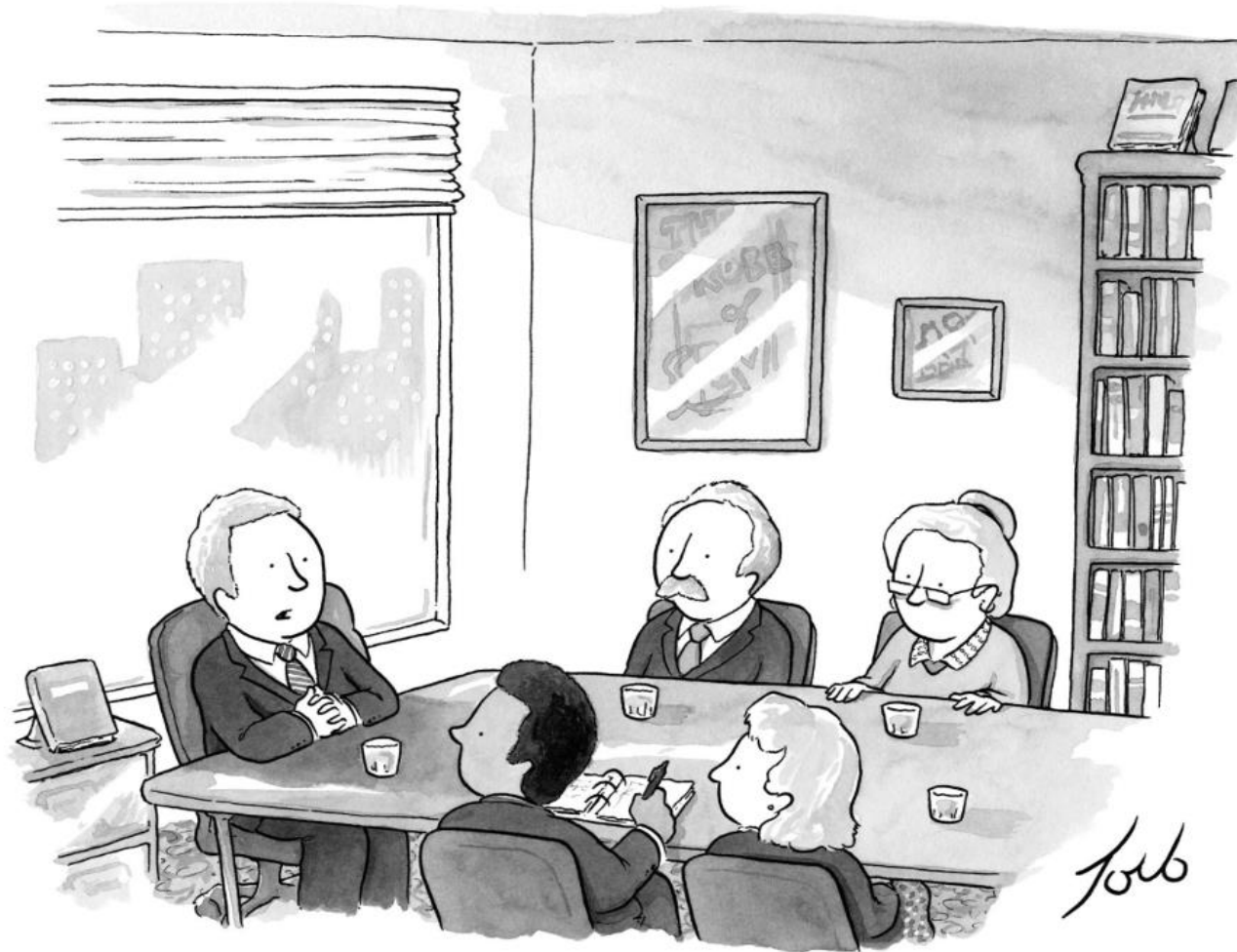
Entrepreneur is not a job title. It is a state of mind of people who want to alter the future.

Guy Kawasaki

Summary: how to prepare for the future and what we should teach



Digital Transformation



"We need to rethink our strategy of hoping the Internet will just go away."

Quelle:
<https://medium.com/@vandicla/digital-transformation-599f5a19c25e>

Kontakt Daten

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