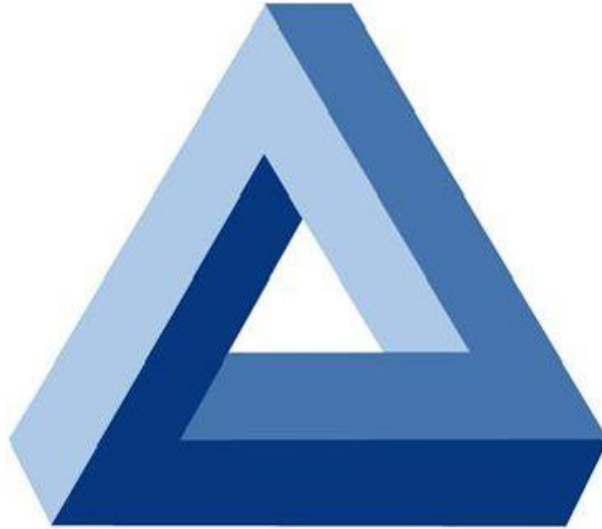


Close encounter with the future: What Business Are You REALLY In?



This is a fundamental question that every new and old business must answer. It really sounds like a silly question, but it's a deep question that goes to the heart of a business and its future.

The first digital camera was invented at Kodak, and it was the size of an old PC, but it worked. The engineers who invented it were proud of it, but it was seen as an oddity which, while interesting, it was of no use. Why? Because Kodak primarily saw themselves as a chemical company--not as an imaging company or better yet, an information storage company. Kodak is all but gone today.

When gasoline engines replaced horses, many carriage makers went out of business, and a few went from carriage makers to car companies. But car companies were really motor companies, and along the way missed opportunities they could have had if they saw themselves as people movers.

Today we are witnessing another dramatic and potentially huge paradigm shift in self-driving cars. But the leaders are not the motor companies, but upstarts and computer and information companies? Why? They see cars and trucks not as vehicles, but really as computers on wheels, computers as robots. They see the future of information merged with computers doing our work for us.

I rode in a Tesla this week. What struck me that it is really a computer with sensors, a set of wheels and electric motors. Is so far away from a car of a decade ago as was a horse and carriage a century plus ago. Tesla today has a bigger market cap than any automaker (based on potential—not on results).

The examples could go on and on, but this is a blog, and many a good book has been written on the subject.

So part of strategic planning of all companies, big and small, and of all professions should be asking the question: "what business am I really in?" Are they defining it by what they do, or what service or benefit is offered? And to whom, and why? They also need to look at their worst nightmare, the event that could topple their business or business model. What paradigm shift would or could significantly impact you? What are the odds? How would you cope? Would you seek to ameliorate the change or embrace it and capitalize on it?

As a strategic consultant, *visioneering* is one of my favorite activities... Helping companies see outside the box at the future, seeing the possibilities, exploiting opportunities. But you don't necessarily need a consultant—but do need senior executives to always keep a foot outside their box and interact with foreign and uncomfortable industries, ideas, forces, paradigms, and disciplines.

To answer the question "What business am I really in," our answer is (paraphrasing the most profitable phrases of all time): *Ponder, Analyze, Repeat.*

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