



Rita McGrath has designed and delivered speeches and workshops ranging from 45-minute keynotes to several days-long strategy retreats. She is known for her flexibility and ability to customize her programs to the precise needs of her audiences.



Rita McGrath, a Professor at Columbia Business School, is a globally recognized expert on strategy in uncertain and volatile environments. She is a popular instructor, a sought-after speaker, and a consultant to senior leadership teams. She was recognized as one of the top 10 management thinkers by global management award Thinkers50 in 2013, and won the #1 Achievement award for Strategy that year. She's also been recognized as one of the top ten business school professors to follow on Twitter and one of the 25 smartest women on Twitter by *Fast Company* magazine. In 2009, she was inducted as a Fellow of the Strategic Management Society, an honor accorded those who have had a significant impact on the field. McGrath is the author of three books in addition to her most recent book *The End of Competitive Advantage: How to Keep Your Strategy Moving as Fast As Your Business* (Harvard Business Review Press). *The End of Competitive Advantage* was named the best strategy book of the year by *Strategy + Business* magazine, and best general management book of the year by 800-CEO-READ, where it was also on their business best-seller list.

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For more information on McGrath visit [www.ritamcgrath.com](http://www.ritamcgrath.com) or follow her on Twitter @rgmcgrath.

## The End of Competitive Advantage and the New Strategy Playbook



For years, the ultimate goal of strategy was presumed to be a ‘sustainable’ competitive advantage. Strategy when advantages are not sustainable, however, can be just as powerful. It does require completely different approaches to budgeting, resources, and talent management, as well as an increased emphasis on creating a pipeline of innovations. This talk describes some of the counter-intuitive aspects of dynamic strategies, for example that it may make sense to sub-optimize some processes in the interests of preserving flexibility.

The core differences between conventional strategy and the new strategy playbook fall into the following categories:

- Continuous Reconfiguration, rather than massive restructuring
- Healthy Disengagement, rather than abrupt exits
- Deft Resource Allocation, avoiding the resources-as-hostage trap
- Innovation Proficiency, rather than innovation that is episodic
- Discovery Driven Leadership mindset
- Entrepreneurial Career Management

This material forms the backbone of McGrath’s recent book on strategy

## How to win in Business Model Competition: A New Dynamic for Strategy

Traditionally, people have thought of competition between firms within an industry. Increasingly, we are learning that the most significant competition can arise from companies from different industries or with different business models, as industries blur and competitive advantages shift. In this talk, the business model concept is described, the tell-tale signs of business model erosion are identified and ideas for discovering your next business model are discussed. This can be extremely hands-on, with a workshop component if that is desired, and include a diagnostic for the robustness of a business model. This talk was featured in a *Harvard Business Review* article published in January of 2011.

## Discovery Driven Planning

Discovery Driven Planning is a planning and learning process that helps executives systematically convert assumptions to knowledge so that they can access significant opportunities while containing risk. The core premise of the method is that when there isn't enough information to develop a conventional business plan, the thrust of planning must instead be on learning, while at the same time reducing cost and risk.

Conventional planning tends to lock an organization in, too early, to a specific operational trajectory. Discovery driven planning comprises five interdependent practices: 1) define success and drive the plan from this definition; 2) benchmark against key external variables; 3) think through operational specifications; 4) document assumptions and 5) re-assess assumptions and goals at key checkpoints. It imposes strict discipline on new projects, but discipline that is appropriate to their uncertain nature. Examples might include an entrepreneurial business, SAP contemplating entry into SaaS, and a chemical company evaluating a new product introduction. With a bit of preparation, an example can also include an in-company project.

The talk is based on the best-selling article in the *Harvard Business Review*, where it is consistently named as one of the most important management innovations. It has been cited by Clayton Christensen as the antidote to “innovation killers.” This work has also been recognized as a foundational input to the “lean startup” movement which is currently so popular.

## Creating an Opportunity Portfolio

While it should be obvious that companies need to use different practices for new ventures that are highly uncertain than they do for their established businesses, all too often this is not what happens in practice. Further, growth strategies often flounder because an organization lacks an effective process for creating a solid growth portfolio. What you want instead is the right mix of initiatives to support the core business, create opportunities in adjacent spaces and invest in options for the future. It's essential to figure out how to best align your growth strategy with the projects and people necessary to make it happen. This session helps participants understand their existing portfolio of projects within a given portion of the company and discuss processes to bring portfolio elements into better alignment. The financial logic that makes sense for each component of the portfolio will also be addressed.

## **Creating an Entrepreneurial Mindset: Leadership roles essential for innovation and growth**

Three critical leadership roles are needed in any company that seeks to develop an organic growth program. The first is the framing and establishing the commitment to growth at the most senior level – if this isn't done correctly, the organization simply churns in trying to find its way. The second is the internal entrepreneurs who manage specific ventures. And most importantly, and most invisibly, is the difficult job of the manager in the middle, who has to navigate the political and resource dilemmas of fitting together the growth mandate with individual business opportunities. For this session, real examples of companies who do this well (such as Procter and Gamble and United Parcel Service) are contrasted with companies who have struggled (such as Sony and Motorola).

## **Failing by Design: Making the Most of Intelligent Failures**

Most of us suffer from a pervasive anti-failure bias, in which things that go wrong instantly become undiscussable and the potential benefits of failure are lost. Here's the problem: in fundamentally unpredictable environments, failure is unavoidable. Moreover, it is essential if your organization is to take the risks and engage in the innovations crucial to effective competition. Failures are critical to competitive advantages because they facilitate trying more; attract resources and attention; help you learn what doesn't work; create leadership variety; and help you build skill and intuition. To gain these benefits, follow six principles: 1) Plan to convert assumptions to knowledge; 2) be quick about it; 3) contain the downside risk; 4) uncertainty is genuine, but not overwhelming; 5) intelligent failures are celebrated; and 6) Learning is codified and transferred.

## **Anticipating industry shifts**

Industries go through different types of changes that can, to some extent be anticipated. Step changes are sudden and irreversible. Cyclical changes are those that appear and then reverse themselves. Trends are slower, but significant. Value chain shifts result in changing power relationships among buyers and suppliers in an industry. This workshop will ask participants to identify key shifts that they can foresee in their industries, and then to consider one of three possible responses: anticipating and preparing for the change; benefitting from second-order effects or even provoking a change themselves.

## **Leading Change and Dealing with Resistance**

If change is the only constant in business life, why do companies still struggle so hard to cope with it? One reason is that there are not many clear, agreed-upon ways to constructively motivate change, inspire those affected and break through the obstacles that stand in the way of moving forward. In this talk, McGrath walks through an approach to dealing with change that addresses these issues and takes on the substantive and symbolic challenges of dealing with resistance. The workshop can be accompanied by a diagnostic tool which change leaders can use to determine where they can usefully place their emphasis.