Change - The Inevitable Constant of Life

By
Engr. Timothy Jaiyeoba  PMP, CCP
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What Happened?
Difference between Success and Failure: Change

It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is
MOST ADAPTABLE TO CHANGE

In the struggle for survival, the fittest win out at the expense of their rivals because they succeed in adapting themselves best to their environment.

(Charles Darwin)

izquotes.com

Learn

Change

people

Failure
different
understand
get
help
Story
achieve
make
Risk
help
goals
stakeholders
management
refine
improve

NEW WAY

OLD WAY
Whaoh – How Come You are Still Here?

History of Lipton Tea

- Established in 1893 as Thomas J Lipton Co
- Acquired by Unilever in the year 1972.
- Launched in Pakistan in 1948
- Leading tea brand in the world
- More than 11 major varieties of Lipton in Pakistan

Lipton Products Range

Lipton portfolio in Pakistan consist of
- Lipton yellow label Tea
- Lipton Mega Daane
- Lipton Tea bags
- Lipton Green Tea
- Lipton flavored Tea
Whao... – How Come You are Still Here?

**GUINNESS History: time line**

- **1759**: In Ireland, Arthur Guinness created one of the most important Beers of the world.
- **1769**: The first export shipment of GUINNESS to England.
- **1820**: Shipments of GUINNESS to Guernsey, Barbados, Trinidad.
- **1840**: Shipment of GUINNESS to New York.
- **1914**: 50% of all GUINNESS sold in U.S.A. is now bottled locally and total foreign sales reach 100,000.
- **1949**: GUINNESS starts to import in Nigeria.
- **1959 – 73**: GUINNESS is exported in Ghana, Nigeria, Malaysia, Indonesia.
- **1985**: Diageo is formed.
- **1997**: **2008**: Guinness is sold in 120 countries and brewed in 25.

*International Marketing Course A.Y. 2012/13 Professors: Cantone/Høllensen - Guinness Case Study*
Whaoh – How Come You are Still Here?

UNILEVER INDONESIA
STRONG LOCAL ROOTS WITH 80 YEARS OF HISTORY

1933
Established under the name Lever’s Zeepfabrieken N.V. in Angke, Jakarta

1999
Acquired Fabrics Conditioner business

2008
Established the biggest Skin Care factory in Asia in Cikarang, Bekasi

2010
Entered Baby Personal Care product

1982
Went public and listed 15% shares on the Jakarta & Surabaya Stock Exchange

1992
Entered ice cream business

2000
Entered soy sauce business

2008
Entered fruit juice business

AXE.

Dove

SlimFast

Vaseline

HB

Bertolli

Hellmann’s

Unilever

Suave

Sunsilk

Pond’s

Colgate

Palmolive

Rexona

Listerine
Whaoh – How Come You are Still Here?
Whaoh – How Come You are Still Here?
Difference between Success and Failure: Change

God gave man the power of **Choice**, so he can take a **Chance** in life to make a **Change** both for now (this life) and eternity.
Wicked Problem - is a phrase used in social planning to describe a problem that is difficult or impossible to solve because of incomplete, contradictory, and changing requirements that are often difficult to recognize. Moreover, because of complex interdependencies, the effort to solve one aspect of a wicked problem may reveal or create other problems.
Reasons for Change

Digital Disruption: Transforming Your Company for the Digital Economy with Jeanne Ross

MIT Sloan digital disruption
Reasons for Change

Examples: Disrupters -- and the Disrupted

Industries being Disrupted:
- Car Parts / Toys / Medical devices
- Retail
- Auto Insurers
- Driverless Cars
- Cable TV
- Hotels / Hospitality
- Traditional Taxis
- "20+ Billion Connected Devices by 2020"
Reasons for Change

Sensitivity Analysis:
- tweaking one key input or driver in a model, and seeing how sensitive the model is to the change in that variable

Scenario Planning:
- involve listing a whole series of inputs and changing the value of each input for each scenario.
Reasons for Change

Royal Dutch Shell (RDS)
Two Current Scenarios for 2050

RDS 2050 Scenario A: “MOUNTAINS”
- Status quo political power – currently influential nations remain so
- "Shale gas" revolution is celebrated
- Carbon capture and storage (CCS) blossoms

RDS 2050 Scenario B: “OCEANS”
- U.S. constrained by fierce political polarization, waning of American influence
- Shale gas expectations are NOT met
- Renewables play larger role, especially solar

Reference: Shell.com / Future of Energy
Reasons for Change
Reason for failure: Failure to innovate

*internal*

- Kodak the camera film producers knew that digital was coming, they even marketed that they were going digital – watch the video here
- But failed to move fast enough into the digital world and didn’t recognise it as a disruptive technology
- Those who wanted to innovate were too low down the hierarchy and were not listened to
- With 90% of the roll film market KoOdk had become a complacent monopolist
Examples of Change: NOKIA

In 2010: Nokia is 2x bigger than Apple, 4x bigger than Samsung; has annual growth more than either rival.

Elop issues Burning Platforms Memo: causes Elop Effect

By Q2 2013: Apple has grown to be 4x bigger than Nokia and Samsung has become 10x bigger than Nokia.

Nokia CEO Cries During His last Speech

Nokia CEO Ended His Speech Saying This

'We Didn’t Do Anything Wrong But Somehow, We Lost'

New Elop Strategy: Nokia Smartphones Unit Sales vs Apple & Samsung

The single most costly mistake in corporate governance: how the Elop Effect snatched defeat from the jaws of victory: how Nokia’s overwhelmingly dominating lead was turned into world-record market collapse overnight.

Source: Tomi Ahonen Consulting Analysis of Manufacturer & Industry Analyst Data

New Elop Strategy: Nokia Smartphones Unit Sales vs Apple & Samsung

Source: Tomi Ahonen Consulting Analysis of Manufacturer & Industry Analyst Data, Nov 2013

Nokia 2x bigger than nearest rival; has growing profits, 2016 grew more smartphones than Apple or Samsung

Nokia record growth turns instantly into world-record fastest collapse; smartphone unit turns instantly unprofitable

Immediately after Nokia Q4 2010 results, Elop changes Nokia strategy; issues ‘Burning Platforms’ Memo Feb 2011; causes Elop Effect

Since Elop Effect, Nokia smartphone unit never once reported a profit
Examples of Change: IBM

From Big Blue, to mighty Microsoft, to Apple’s ascendancy

US technology sector market value, % of total*

Sources: Thomson Reuters; The Economist

*From 106 existing technology stocks

Economist.com
Examples of Change: IBM

1984

1992

A Problem in September 1999

“One issue looms larger and larger in our company: Why do we consistently miss the emergence of new industries?”

What should IBM do to improve its ability to successfully identify, select and pursue emerging business opportunities in a timely fashion?

- Understand root causes
- Recommend actions to address these issues
Examples of Change: IBM

IBM:
- Learning from failure

Quote from Winston Churchill:
- Success is never final; failure is never fatal

Learnings from the Quote:
- Success is never Ending; Failure is never Final.
- Life is ordained from Continuous Progress
## Solutions to Change

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<td>• Ideal vs. Actual  &lt;br&gt; • Misinterpretation</td>
<td>• Induce Doubt &amp; Distrust  &lt;br&gt; • Lapses In Decision Making  &lt;br&gt; • Hurt Innovations</td>
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**Solutions to Change**

- **V**: Volatility  
  - Drivers: Change Nature, Change Dynamics, Change Rate & Speed  
  - Effects: Risks, Instability, Flux  
  - Demands: VISION - Take Actions, Probe Changes

- **U**: Uncertainty  
  - Drivers: Unpredictability, Potential Surprises, Unknown Outcomes  
  - Effects: Direction, Paralysis Due To Data Overload  

- **C**: Complexity  
  - Drivers: Tasks Correlation, Multifaceted Effects, Influencers  
  - Effects: Unproductive, Dualities  

- **A**: Ambiguity  
  - Drivers: Ideal vs. Actual, Misinterpretation  
  - Effects: Induce Doubt, Distrust, Lapses In Decision Making, Hurt Innovations  

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**Vision**

- Take Actions  
- Probe Changes

**Understanding**

- Wider  
- Understanding  
- Different Perspectives

**Clarity**

- Key Focus  
- Flexible  
- Creative

**Agility**

- Decision making  
- Innovation
References:
