

Editor's letter

There is a common theme running through the articles in this issue of *Strategy & Leadership*: sensing and anticipating disruption, implementing systems and fostering management mindsets to cope with it and then strategizing and innovating to defend against it. As one author astutely observed, “In a world where the life expectancy of competitive advantage is getting shorter, innovation and strategy—once very separate—are joining hands.” The topics covered:

- Rita McGrath: Exploiting strategic inflection points.
- Converting strategic ambiguity to competitive advantage.
- Drucker Forum highlights management transformations.
- Establishing a company-wide innovation system.
- What makes a Chief Digital Officer successful?

Using their own words to introduce their articles, here are the authors in Volume 48, Number 2.

In her interview “**Anticipating and exploiting strategic inflection points**,” Columbia University professor Rita McGrath, a pioneer of discovery-driven planning, points out that, “The future doesn’t happen all at once. It begins to unfold unevenly, and if you can ‘interview’ where it is starting to take place now, you can begin to develop an early point of view about it.” To initiate her approach to exploiting strategic inflection points, “The first challenge I give to senior teams is to develop a framework of what leading indicators are for the important outcomes in their business,” she told her interviewer, Professor Brian Leavy.

Noted researchers Paul J.H. Schoemaker and George S. Day and former company executive of Phillips Lighting, Govi Rao, share their three-part approach to “**Converting strategic ambiguity to competitive advantage: How Philips Lighting solved the challenge of LED technology disruption**.” Charged with enabling company executives to understand the potential impact of a disruptive technology they developed, “A limited number of disparate scenarios, clearly organized around a few pivotal uncertainties, to provide leaders with a strategic context for interpreting ambiguous signals.” A crucial insight: “When turbulence is high or major disruption is feared, at least one scenario should directly challenge the organization’s current mindset.”

Stephen Denning, a proponent of customer-focused continuous innovation, delivers an eye-opening conference report, “**How management is being transformed: Drucker Forum insights**.” Empowered by interactive ecosystems, management in leading companies is evolving to turbocharge innovation and pre-empt disruption, Denning found. “The most important things about ecosystems are their stability, their inter-operability and their ability to adapt to and accept change.”

“**An Entrepreneurial Management System for established companies**,” by researchers Oleksiy Osiyevskyy, Amir Bahman Radnejad and Hossein MahdaviMazdeh maps a company-wide approach to innovation. Based on their work with a number of corporations they conclude, “An Entrepreneurial Management System allows a firm to ‘internalize’ the marketplace’s evolutionary processes so that a company can generate, develop and implement ideas that will have value for customers.”

For their article “**What makes a Chief Digital Officer successful?**” IBM consultants Saul Berman, Carolyn Heller Baird, Kevin Eagan and Anthony Marshall analyzed interviews with

more than 1,500 senior business executives – 750 of them CDOs. A surprising finding: “CDOs’ most valuable skill could well be their ability to think and act strategically.”

And don’t miss Harvey Hornstein’s cheerful book review, “**How should I know?**” He found answers in, *All You Have to Do Is Ask* by Professor Wayne Baker, University of Michigan, Ross School of Business (Currency, 2020).

Good reading!

Robert M. Randall

Editor