

approaches can be useful here to avoid having all your eggs in one “*past*” basket.

- “*Resistance from rewards and culture*”, hugely problematic for most companies and easily exploitable by competitors. Performance bonuses linked to selling an existing product set can be a significant source of inertia and weakness. You can manage this through HR by using higher rewards for adaptation, education, longer term thinking and promoting greater situational awareness.
- “*External financial markets reinforce existing models*”, another common but tricky form of inertia to deal with. As discussed in the previous chapter, it’s important to understand your context and the role being played by others such as fund managers. There are certain techniques that can be deployed here to overcome market inertia including spinning a future story.

Where are we?

We have a map of the landscape, we’ve applied basic economic patterns to anticipate change, we can see opportunity in co-evolved practice and obstacles in inertia to the change, we have financial models and understand how we can trade off higher short term expected returns for building a future position. Though we have inertia, we also have an idea of the types and how to deal with it. Our awareness of the situation is expanding. This is good. This is how it should be.