Evolutionary Characteristics

I	II	III	IV
Genesis	**Custom**	**Product (+rental)**	**Commodity (+utility)**

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Uncharted			Industrialised
Chaotic			Ordered
Uncertain			Known
Unpredictable			Measured
Changing			Stable
Different			Standard
Exciting			Obvious
Future Worth			Low Margin
Unusual			Essential
Rare			Ubiquitous
Poorly Understood			Defined
Experimentation			Volume Operations
Differential			Operational Efficiency
Competitive Advantage			Cost of Doing Business

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Types and stages of evolution

Stage of Evolution Type	I	II	III	IV
Activities	Genesis	Custom	Product (+Rental Services)	Commodity (+Utility Services)
Practices	Novel	Emerging	Good	Best
Data	Unmodelled	Divergent	Convergent	Modelled
Knowledge	Concept	Hypothesis	Theory	Accepted

Characteristics of Activity stage

Stage of Evolution	I	II	III	IV
	Genesis	Custom	Product (+rental)	Commodity (+utility)
Characteristics				
Ubiquity	Rare	Slowly increasing consumption	Rapidly increasing consumption	Widespread and stabilising
Certainty	Poorly understood	Rapid increases in learning	Rapid increases in use / fit for purpose	Commonly understood (in terms of use)
Publication Types	Normally describe the wonder of the thing	Build / construct / awareness and learning	Maintenance / operations / installation / features	Focused on use
General Properties				
Market	Undefined market	Forming market	Growing market	Mature market
Knowledge management	Uncertain	Learning on use	Learning on operation	Known / accepted
Market perception	Chaotic (non-linear)	Domain of experts	Increasing expectations of use	Ordered (appearance of being linear) / trivial
User perception	Different / confusing / exciting / surprising	Leading edge / emerging	Common / disappointed if not used or available	Standard / expected
Perception in industry	Competitive advantage / unpredictable / unknown	Competitive advantage / ROI / case examples	Advantage through implementation / features	Cost of doing business / accepted
Focus of value	High future worth	Seeking profit / ROI?	High profitability	High volume / reducing margin
Understanding	Poorly understood / unpredictable	Increasing understanding / development of measures	Increasing education / constant refinement of needs / measures	Believed to be well defined / stable / measurable
Comparison	Constantly changing / a differential / unstable	Learning from others / testing the water / some evidential support	Feature difference	Essential / operational advantage
Failure	High / tolerated / assumed	Moderate / unsurprising but disappointed	Not tolerated, focus on constant improvement	Operational efficiency and surprised by failure
Market action	Gambling / driven by gut	Exploring a "found" value	Market analysis / listening to customers	Metric driven / build what is needed
Efficiency	Reducing the cost of change (experimentation)	Reducing cost of waste (Learning)	Reducing cost of waste (Learning)	Reducing cost of deviation (Volume)
Decision drivers	Heritage / culture	Analysis & synthesis	Analysis & synthesis	Previous experience

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Doctrines

Communication	Be transparent (a bias towards open)	Focus on high situational awareness (understand what is being considered)	Use a common language (necessary for collaboration)	Challenge assumptions (speak up and question)
Development	Know your users (e.g. customers, shareholders, regulators, staff)	Focus on user needs	Think fast, inexpensive, restrained, and elegant (FIRE, formerly FIST)	Remove bias and duplication
	Use appropriate methods (e.g. agile vs lean vs six sigma)	Focus on the outcome not a contract (e.g. worth based development)	Be pragmatic (it doesn't matter if the cat is black or white so long as it catches mice)	Use standards where appropriate
	Use appropriate tools (e.g. mapping, financial models)			
Operation	Manage inertia (e.g. existing practices, political capital, previous investment)	Optimise flow (remove bottlenecks)	Think small (as in know the details)	Effectiveness over efficiency
	Do better with less (continual improvement)	Set exceptional standards (great is just not good enough)	Manage failure	
Structure	Provide purpose, mastery, & autonomy	Think small (as in teams, "two pizza")	Distribute power and decision making	Think aptitude and attitude
	Design for constant evolution	There is no one culture (e.g. pioneers, settlers and town planners)	Seek the best	
Learning	Use a systematic mechanism of learning (a bias towards data)	A bias towards action (learn by playing the game)	A bias towards the new (be curious, take appropriate risks)	Listen to your ecosystems (acts as future sensing engines)
Leading	Be the owner (take responsibility)	Move fast (an imperfect plan executed today is better than a perfect plan executed tomorrow)	Think big (inspire others, provide direction)	Strategy is iterative not linear (fast reactive cycles)
	Strategy is complex (there will be uncertainty)	Commit to the direction, be adaptive along the path (crossing the river by feeling the stones)	There is no core (everything is transient)	Be humble (listen, be selfless, have fortitude)
	Exploit the landscape			

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Climatic Patterns

Components	Everything evolves through supply and demand competition	Rates of evolution can vary by ecosystem (e.g. consumer vs Industrial)	Characteristics change as components evolve (Salaman & Storey)	No choice over evolution (Red Queen)
	No single method fits all (e.g. in development or purchasing)	Components can co-evolve (e.g. practice with activity)	Evolution consists of multiple waves of diffusion with many chasms	
Financial	Higher order systems create new sources of value	Efficiency does not mean a reduced spend (Jevan's Paradox)	Capital flows to new areas of value	Creative Destruction (Joseph Schumpeter)
	Future value is inversely proportional to the certainty we have over it	Evolution to higher order systems results in increasing local order and energy consumption		
Speed	Efficiency enables innovation	Evolution of communication mechanisms can increase the speed of evolution overall and the diffusion of a single example of change	Increased stability of lower order systems increases agility & speed of re-combination	Change is not always linear (discontinuous and exponential change exists)
	Shifts from product to utility tend to demonstrate a punctuated equilibrium			
Inertia	Success breeds inertia	Inertia can kill an organization	Inertia increases the more successful of the past model is	
Competitors	Competitors actions will change the game	Most competitors have poor situational awareness		
Prediction	Not everything is random (p[what] vs p[when])	Economy has cycles (peace, war and wonder)	Two different forms of disruption (predictable vs nonpredictable)	A "war" (point of industrialization) causes organizations to evolve
	You cannot measure Evolution over time or adoption, you need to embrace uncertainty	Evolution consists of multiple diffusion curves	The less evolved something is then the more uncertain it becomes	

Gameplays

User Perception	Education	Bundling	Creating artificial need	Confusion of choice
	Brand and marketing	Fear, uncertainty and doubt	Artificial competition	Lobbying / counterplay
Accelerators	Market enablement	Open approaches	Exploiting network effects	Co-operation
	Industrial policy			
De-accelerators	Exploiting constraint	IPR	Creating constraints	Limitation of competition
Dealing with toxicity	Pig in a poke	Disposal of liability	Sweat and dump	Refactoring
Market	Differentiation	Pricing policy	Buyer / supplier power	Harvesting
	Standards game	Last man standing	Signal distortion	Trading
Defensive	Threat acquisition	Raising barriers to entry	Procrastination	Defensive regulation
	Limitation of competition	Managing inertia		
Attacking	Directed investment	Experimentation	Center of gravity	Undermining barriers to entry
	Fool's mate	Press release process		
Ecosystem	Alliances	Co-creation	Sensing engine (ILC)	Tower and moat
	Two factor markets	Co-opting and intercession	Embrace and extend	Channel conflicts and disintermediation
Competitor	Ambush	Fragmentation play	Reinforcing competitor inertia	Sapping
	Misdirection	Restriction of movement	Talent raid	
Positional	Land grab	First mover	Fast follower	Weak signal / horizon
Poison	Licensing play	Insertion	Designed to fail	

Signals of

Higher levels of situational awareness	Indicator of …	Lower levels of situational awareness
Visual (maps)	**Navigation**	Verbal (story telling)
Action & reflection	**Learning**	Secrets of success
Position and movement	**Strategy**	Magic thinking (SWOTs, 2x2s)
Where before why	**Order**	Tyranny of action (how, what and when)
Detailed	**Landscape**	Vague
Context specific & universal	**Patterns**	Universal memes
Aptitude and attitude	**Organization**	Functional or business silos
Thinks small	**Granularity**	Thinks big
Mixed (agile + lean + six sigma)	**Methods**	Single (all agile, etc.)
Known	**Duplication and bias**	Unable to quantify
Embraced	**Challenge**	Defended against
Essential	**Transparency**	Resisted
Common	**Language**	Tribal factions
User needs	**Anchor**	Own needs

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