

Book Flash Foresight

How to See the Invisible and Do the Impossible

Daniel Burrus and John David Mann HarperBusiness, 2011 Listen now

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Recommendation

If you're like most people, you're trying to deal with the changes life throws at you every day, and you could use some help planning for the future. Technology forecaster and strategic adviser Daniel Burrus, writing with business author John David Mann, shows you how to see invisible opportunities and solve seemingly impossible problems by developing your ability to generate "flashes of foresight." He demonstrates how to turn rapid change into advantage by using strategic foresight and certainty. As the subtitle says, Burrus believes you can learn to look where no one else is looking to "see the invisible and do the impossible." *BooksInShort* recommends their enthusiasm and vision to innovators, leaders and to anyone planning ahead.

Take-Aways

- · Despite living and working in a world of constant change, you can learn to anticipate the future accurately.
- You can train your intuition to generate "flashes of foresight" about what lies ahead.
- To deal with change, understand what the drivers are and use them to your advantage.
- Two types of change exist: "cyclical change," like the seasons, and "linear change," like technological advancement.
- "Hard trends" will happen; "soft trends" might happen.
- Exponential increases in computer processing speed, bandwidth and storage are "digital accelerators" that will shape every industry in the future.
- Products will become more virtual, mobile, connected, interactive and networked.
- You have not correctly identified your biggest problems yet; that's why you can't solve them. Skip them so you can find the real problem, solve it and move on.
- To generate rapid innovations, do the opposite of what people accept and expect.
- Consciously develop a "futureview" based on hard trends to create the future you want.

Summary

"Flash Foresight"

Developing your ability to have "flashes of foresight" will allow you to see the future accurately. With practice and the methodical application of specific techniques, you can learn to see what's coming and solve problems before they happen. You can assess market changes more accurately, create new products and position them for more certain success in changing times. To do all this, adjust your outlook by following these seven principles:

1. Start with Certainty Using "Cyclical" and "Linear" Change

Strategy based on uncertainty has high risk and possible reward. Strategy based on certainty has low risk and high reward. Start by recognizing the two different kinds of change. Cyclical change moves through a cycle, such as the perennial rotation of seasons. More than three hundred known cycles provide certainty. Linear change moves in a single direction. Time, for instance, is linear: As you live, you keep getting older.

"In the next five years technology will transform how we sell, market, communicate, collaborate, educate and innovate."

Understanding linear change, which includes technological growth, is central to building certainty. You must learn to distinguish between "hard trends" and "soft trends." Hard trends are based on "measurable, tangible and fully predictable" foundations: solid facts, known events, and the like. Soft trends are "future maybes." Discern soft trends from hard trends, and you can gain insight into the future.

"Flash foresight uses the data of your five senses, as well as that intuitive sixth sense...that some call a gut feeling or hunch."

- 2. Anticipating the Future Using Hard Trends That Will Happen You might have heard that you need to take initiative and respond with agility to outside change. But being proactive isn't enough, and being agile isn't fast enough anymore. Today you must be "preactive." You need to anticipate change and start moving in the right direction before change occurs. If you are preactive, you can start a change, and let it unfold from within rather than having it forced on you from without. Start the anticipation process by reflecting on your situation. Pay attention to your intuition. Increase the accuracy of your anticipation by recognizing which forces shape the future. All these forces flow from the overall hard trend of technological advancement, which follows "eight pathways." Consider how each of these pathways will shape society in general and your industry in particular:
 - 1. "Dematerialization" Everything's getting smaller. Cellphones used to be big and boxy; now you can hide one in your ear.
 - 2. "Virtualization" Physical objects aren't simply getting smaller and lighter. In many cases, the physical object may vanish altogether. The virtual bookseller Amazon, for example, has replaced many bookstores.
 - 3. "Mobility" Computers used to fill rooms; now wireless computers are everywhere, even in your phone.
 - 4. "Product intelligence" Products increasingly contain sensors that allow them to adapt to their users.
 - 5. "Networking" Fewer objects exist in isolation. Instead, they network with one another, multiplying their value. Combining networking with other pathways creates new opportunities. For example, dematerialization plus networking produced the file sharing that revolutionized the music industry.
 - 6. "Interactivity" Older media are static. Books are great storehouses of information, but unless you scrawl a note in a book's margin, you can't interact with it. Social media now let you interact with the communication forum itself and with other users.
 - 7. "Globalization" Society is increasingly globalized, and the people with whom you interact need not be nearby. Information and trade among countries make nations interdependent and support peace.
 - 8. "Convergence" The final pathway is the synthesis of all the others. These pathways are not independent, but converging. Smartphones, for example, are more networked and interactive than older phones and more intelligent.

"In the old world, the rule was: 'If it ain't broke, don't fix it.' In today's world, the rule is: 'If it works, it's already obsolete.""

Three "digital accelerators" drive the technological revolution. The first is "processing power." Moore's Law states that "computer processing power doubles every 18 months." Computers will continue to get faster, and computer functionality is only just starting to skyrocket. The second accelerator is "bandwidth." The amount of available bandwidth is increasing faster than processing speed. The third is "data storage," which is doubling every year, growing faster than processing speed or bandwidth. Taken together, these technological advances work like a squared function: they multiply their effects. Society is beginning to recognize the revolution these technologies will produce. Emerging technologies – photonics, nanotechnology, quantum computing, and the like – will compound their effects still further.

3. Using Transformation to Drive Growth

Today, adapting to change is not sufficient. Now you must do "something utterly and radically different" from what's ever been done. As you plan for the future, anticipate "radical transformation." These transformations ensure that the economy will never be what it was. You must find new ways to prosper. Apply the eight pathways of technological advancement to your industry. Examine the specific trends shaping your business. For example, the demographic bulge of the baby boom will create demand for elder care, and that generation's lifestyle expectations will generate markets new to the elderly. Transform your work by borrowing techniques from other industries: For example, healthcare providers can share patients' records the way hotels distribute information about customers to their branches in other cities.

4. "Skip Your Biggest Problem"

In 1865, British economist William Stanley Jevons published *The Coal Question*. Coal fueled the industrial revolution enriching England, but the resource was in limited supply. Jevons predicted that coal would run out, and the new prosperity would end. He was right that coal reserves were constrained and that British industry depended on it. But he was wrong about the result, because industries simply switched fuels. Use this example to shape your future. Rather than trying to solve your biggest problems, skip them – step outside the box to see how your current perception of the problem blinds you to solutions.

"Linear change... makes the future fundamentally new, and grasping this kind of change...allows you to begin making the invisible future visible."

For example, the leaders of medical manufacturer Eli Lilly knew that patents on their key pharmaceuticals were going to expire. Accepted wisdom said they needed to hire new researchers to discover new profitable drugs. But Lilly didn't hire the "thousand PhD employees" they supposedly needed. Instead, the company posted its development problems online and issued a public call for solutions. Lilly paid, of course, but only for working results, and it paid far less than expected. When you have something that works adequately, accepting it gets in the way of creating something better. If something already works, it's obsolete. Skip over it to create something genuinely different.

5. "Go Opposite" to See New Opportunities

Accepting the definition other people give an obstacle has the effect of identifying it their way and locking it in as a problem. Avoid that trap. When a difficult situation

arises, go opposite. The Detroit school system faced tightened budgets and likely spending cuts. The idea of going opposite led the schools to search for ways to generate income. Detroit schools are busy during school hours, but they house thousands of networked computers that sit idle at night. The school system leased their dormant computing capacity to a pharmaceutical company, which used it for research. This kind of reversed thinking appears in many successful ventures. Barnes & Noble had prospered by making existing bookstores larger; Amazon went opposite and made the bookstore virtual. Starbucks took something that used to be a casual purchase – coffee – and turned it into a knowledge-dense, high-service luxury that consumers pay extra to enjoy.

"Understanding the difference between hard and soft trends allows us to know which parts of the future we can be right about."

People are prone to accepting the limits imposed on them when someone in authority says they can't afford something. Skip that problem and go opposite to discover how you can get things done. Told to cut staff in accordance with a reduced budget, a dean at a university in California learned that his faculty members brought more money into the university in grants than they cost in salaries. To increase revenue, he went opposite and hired more faculty.

"The way we've always done it is the biggest hurdle we face going forward successfully into the future."

Frito-Lay had financial constraints when producing ads for the Super Bowl. So the company held a contest in which ordinary people submitted homemade Doritos ads, and the public voted on the submissions. These ads cost Frito-Lay nothing to produce, and the excitement of the contest generated a lot of consumer interest and a highly ranked ad.

"Part of living successfully in the new future is embracing a new relationship with one of our most valuable and underappreciated resources: our failures."

Go opposite to impel innovation. Take a truism from your industry and reverse it, as Procter & Gamble did after studying how its products affected the environment. Researchers found that P&G laundry detergent used extra energy because it worked only in hot water. In response, P&G invented a cold-water detergent. Its new soap was better for the environment and reduced energy costs, which produced savings for consumers.

"Directing your future is the conscious exercise of your creative capacity to envision and rewrite your future life and career that wraps all other flash foresight principles together."

Going opposite is especially applicable in the contemporary economy because the spread of digital technology reshapes just about everything. The global economy used to be based on physical objects; now it is "based on knowledge." When you use a physical resource, it's gone, but sharing knowledge increases knowledge. The emerging digital economy reverses attributes of the old economy: Material becomes immaterial, competitive becomes collaborative and stable becomes evolving. To stay ahead of a changing world, do the opposite of what you used to do.

6. Redefine Your Situation by Reinventing Your Business and Your Career

Nothing ever stays the same. To survive, you must "continually reinvent and redefine" yourself. For example, some 25% of the people living in Newton, Iowa, worked at the local Maytag plant, which had been in service for about a century. Whirlpool took over the plant in 2005 and closed it in 2007, due to "record losses." This exemplifies the early 21st century. Newton's leaders found a company that wanted to build a plant in the town and another firm that would use the former Maytag site. Both companies produce components for wind power generation, a shift that symbolizes Newton's transformation.

"Knowledge is not just better information. Information is content; knowledge is content (information) plus context."

Transformation is not a soft trend: it is as hard a trend as computer development. The inhabitants of Newton could not deny it, and neither can you. You must do as they did: Reinvent yourself, because technological growth will continually commodify you. For instance, when the Apple iPhone's swiveling screen images first appeared, they seemed "magical." Now every smartphone offers them as a standard feature.

"It used to be that the big ate the small; now it's the fast that eat the slow. Fast is the new big."

When your company faces a challenge or complaint, ask whether it can spark redefinition of your product or yourself. Transformation is difficult because people tend to cling to the past and "defend [their] existing turf." In business, competition can underscore this tendency: Organizations can get stuck trying to outdo what their competitors already do. Instead, "leapfrog the competition" through self-transformation. Drive change by not competing with other organizations, but by listing the areas in which you are already competitive: speed, customer service, price, and more. How can you redefine yourself in each area? Examine the best qualities of old or existing businesses, and imagine how you can manifest these qualities in new ways.

7. "Direct Your Future"

To apply the principles of flash foresight and to flourish, consciously shape your future. Realize that everyone has a "futureview," a perspective on what the future is going to be. Describe your futureview and develop a plan to realize it. It isn't just individuals or organizations that need futureviews. Society needs to develop its futureview to create jobs and to educate emerging generations. Regard failure as a learning experience and opportunity, and learn to "fail faster."

"The universal lament: I should have seen it coming. But if we're operating out of hindsight, we never see it coming."

"Communication, collaboration, and trust" will shape the future. Sharing readily available information with others is no longer enough. Instead, you must provide context. Communication leads to collaboration, and – given the geographically scattered nature of our interactions – collaboration cannot exist without trust. Incorporate these qualities into your futureview.

About the Authors

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