

Index

A

Accelerators, inspiration, 90–94
 Accenture, 17, 123–128, 129,
 130, 154–155
 Adjacencies, connected,
 120–123
 Agassi, S., 88, 157–161
 Amazon, 12
 Anatomical Travelogue, 67
 Anderson Consulting, 125
 Antico, J., 9, 10
Apollo 13, 7
 Apple, 14–15, 42, 102, 113, 130,
 133–134
 experimentation by, 150–152
 staffing by, 146–147
 Armstrong, N., 56
 Audiences, 80–81
 Auto industry, 158–161

B

Babson College, 122–123
 Baldrige National Quality
 Award, 63
 Ballard, B., 88
 Best practices, 4, 96–97
 Better Place, 88, 157–161

Bing, D., 106
 Biology of regeneration, 84–86
 Blackbaud, 88
 Blockbuster, 5–10, 44, 145–146
 Boitano, B., 98
 Brainstorming, 137–138
 Browning, K., 97
 Business Innovation Factory
 (BIF), 52, 74, 78, 80, 156,
 188
 Business Model Canvas, 33
Business Model Generation, 33
 Business model innovation,
 51–52. *See also* Failures in
 business model innovation;
 Inspiration and passion;
 R&D; Staff, business
 innovation factory;
 Teamwork
 capabilities fueling, 100–101
 connected adjacencies and,
 121–123
 factory staffing, 134–137
 inspiration and passion in, 53
 as a journey, 56–57
 leadership and sponsorship
 of, 131–134

204 Index

- Business model innovation
 (Continued)
 market pricing strategies and,
 31–32
 output measurement,
 181–183
 overcoming politics of,
 145–147
 resourcing, 143–145
 staff skills and experience for,
 137–142
 as a strategic objective, 56
 successful, 16
 as a team sport, 52
 transformation and, 53
- Business models. *See also*
 Personal business models
 capturing value and, 29–32
 as a cohesive story, 32–33
 companies quickly changing,
 13–14
 companies sticking with old,
 9–10
 creating value and, 19–21
 defined, 18
 delivering value and, 21–29
 designers, 141–143
 elements, 18–19
 financial models and, 29–32
 industry sectors and, 4
 nonprofit and for-profit
 organizations using,
 168–169
 in place for generations, 3–4
 public sector, 175–178
 resistance to new, 40
 21st century, 4
 viewed as crazy, 16
- Business Process Outsourcing
 (BPO), 128–130
- C**
- Cannibalization, 44, 146
- Capabilities
 Business Process Outsourcing
 and, 130
 fueling innovation, 100–101
 innovation, 38–39
 and organization models,
 23–24
- Capturing value, 29–32
- Carcieri, D., 155
- CBS television, 12
- CDs, 7, 42
- CEOs and senior leadership,
 111
 connecting with unusual
 suspects, 45
 leaving new business models
 to their successors, 40–41
 line executives holding the
 pay card and, 45–46
 of nonprofits, 172–173
 resistance to new business
 models, 40
 sponsorship and support of
 connected agencies,
 121
- Charter schools, 189–190
- Charts, organization, 22, 23

- Christensen, C., 19, 38
- CIA (Central Intelligence Agency), 66
- Cities
- as living labs, 103–105
 - top innovation, 181–182
- Cognitive Surplus*, 91
- Collaboration
- innovation as the mantra, 64–67
 - in nonprofits, 174–175
 - passion and, 89
 - random collisions of unusual suspects and, 60–64, 109
- Collaborative Innovation Summits, 57
- Collisions. *See* Random collisions
- Colony collapse, 70–72
- CompUSA, 15
- Connected adjacencies, 120–125
- Consultantese, 17
- Continuous experimentation, 99–102
- Core capabilities, 24
- Cost structures, 32
- CRADA (Cooperative Research and Development Agreement), 67
- Creation of value, 19–21
- Creativity in transformation, 84–86
- Cynicism, 90
- D**
- “Death by 1,000 initiatives,” 37
- Deep product cultures, 41–42
- Delivery of value, 21
- capabilities and, 23–24
 - operating models and, 22–29
- Denning, S., 81
- Descartes, R., 91
- De Schutter, R., 17, 25
- Design
- for end-users, 108–110
 - power of, 72–75
- Designers, business model, 141–143
- Direct-to-consumer retail, 14–15
- Drexler, M., 150, 151
- Drive*, 93
- DVDs, 7–8, 10–12, 44
- E**
- Educational systems, 83
- charter schools in, 189–190
 - experimentation in, 190
 - future of work and, 192–193
 - R&D and, 183–190
- Eggers, J., 88
- Egypt, 58, 59
- Elder care systems, 74–75
- Elder Experience Lab, 74
- Eli Lilly & Co., 31
- End-users, 108–110, 163–164
- Enterprise systems, 43–44
- Entrepreneurs, serial, 150
- Esserman, D., 63–64

206 Index

- Ethnographers, 139–141
- Expectations, exceeding,
87–90
- Experimentation
with business models in the
real world, 149–154
continuous, 99–102
in education, 190
putting the customer in the
driver seat, 163–164
realistic simulations and,
154–157
successful, 157–163
- F**
- Failures in business model
innovation, 35
because of overreliance on
tweaks, 37, 86
cannibalization and, 44
capability innovation and,
38–39
CEO resistance to new
business models and, 40
deep product cultures and,
41–42
fear of uncertainty and, 48–49
information technology and,
43–44
leaving innovation to the next
CEO causing, 40–41
line executives holding the
pay card and, 45–46
not connecting with unusual
suspects and, 45
product and service
innovation and, 37–38
reasons for, 36–37
shooting the renegades and,
47–48
silos and, 65, 70, 99, 105, 112
using old economics and
metrics and, 46–47
- Fast Company, 77, 89
- Fear of uncertainty, 48–49
- Federal Technology Transfer
Act, 67
- Financial models, 29–32
- FIRST Robotics program, 88
- Fortune*, 15
- Fried, J., 88
- Friedman, T., 89
- Future of work, 192–193
- G**
- G. D. Searle & Co., 17, 24–28
- Gaming, video, 101–102
- Gap Inc., 150
- Gemma, A., 62–63
- Gem Plumbing, 62–63
- General Theory of Employment,
Interest, and Money, The*, 90
- Gist, D., 188
- Godfather, The*, 119
- Google, 186
- Government. *See* Public sector
- Grant funding, 103–104,
173–175
- Greatness from within, 57–58
- Groundhog Day*, 61

H

Harlem Children's Zone, 100
 Harvard Business Review (HBR),
 20
 Harvard Business School (HBS),
 19
 Hastings, R., 7–8, 9, 13
 Health care systems, 82–83
Here Comes Everybody, 59,
 91
 Hierarchical organizations,
 71–72
 Honeybees, 70–72
Honeymooners, The, 57
Hot, Flat, and Crowded, 89
 Hsieh, T., 88, 112–113
 Huizinga, W., 6–7
 Human evolutionary pathway,
 85
 Hume, D., 91

I

IBM, 119, 130
 Icahn, C., 10
 Idea generators, 137–139
 Industrial-era organizational
 structure, 68–70, 119–120,
 123–124
 Information technology, 43–44
 Innovation. *See* Business model
 innovation
 Innovators. *See also* Staff,
 business innovation
 factory; Unusual suspects
 all around, 62–63

blessing and curse of being,
 197–199
 embracing vulnerability,
 195–197
 identifying, 135–137
 as inspiration accelerators,
 90–94
 random collisions and,
 120–121
 self-determination of,
 93–94
 shooting the, 47–48
 Inspiration and passion, 53
 accelerators, 90–94
 exceeding expectations,
 87–90
 making systems-level
 thinking sexy, 81–84
 storytelling, 77–81
 transformation as a creative
 act in itself and, 84–86
 Interstitial space, 64–65
 iPod. *See* Apple
 iTunes. *See* Apple

J

J. Crew Group, 150
 Jobs, S., 14–15, 119, 133–134,
 146–147, 150–151
 Joel, B., 7
 Johnson, R., 15, 151
 Johnson, S., 120
 Johnson, W., 20–21
 Journeys, business model
 innovation, 56–57

208 Index

K

Kamen, D., 88
 Kaufman, S., 120
 Kennedy, J. F., 56, 87
 Key enabling capabilities, 24
 Keynes, J. M., 90–91
 Kinect, 101–102
 K-Mart, 119
 Kramden, R., 57

L

Learning, lifelong, 193–195
 Levitt, T., 19
 Lifelong learning, 193–195
 Line executives, 45–46
 Lysacek, E., 97, 98

M

Make, 101
 Mapping current business models, 32–33
 Martin, R., 196
 Mashable, 80
 MATERIALECOLOGY, 68–69
Mavericks at Work, 89
 McCarthy, B., 9
 McMahon, M., 155
 Measurement of innovation outputs, 181–183
 MEDEA (Measurements of Earth Data for Environmental Analysis), 66
 Michelangelo, 58
 Microsoft, 101–102

Mission creep, 66

Monsanto, 24

Motion Picture Association of America, 6

Mp3 players, 113

Mystic Aquarium, 88

N

Netflix (company), 47, 72, 146
 Blockbuster and, 5–10

vulnerability of, 10–16

Netflixed (verb), 4–5

Networks, purposeful, 68–72

New social systems, R&D for, 170–181

Nonprofits, 168

collaboration in, 174–175

consequences of lacking well-defined sustainable business models, 170

grant funding and, 173–175

importance of business models for, 170–172

leaders, 172–173

social mission of, 169

O

Obama, B., 56

Olympic athletes, 97–98

Online retailers

Amazon, 12

Zappos, 88, 112–113

Operating models, 22

“as is,” 26–27

capabilities and, 23–24

- functional areas and, 25–26
- pictures, 28–29
- “to be,” 27–28
- Organizations
 - capabilities and, 23–24
 - capturing value, 29–32
 - charts, 22, 23
 - collaboration within, 60–64
 - creating value, 19–21
 - delivering value, 21–29
 - designed for stability, 59
 - failing at business model
 - innovation, 35–49
 - fear of uncertainty, 48–49
 - government, 66–67
 - hierarchical, 71–72
 - honeybee social structure
 - and, 70–72
 - industrial-era structures,
 - 68–70, 119–120,
 - 123–124
 - overreliance on tweaks, 37,
 - 86, 95–98
 - shooting the innovators,
 - 47–48
- Osterwalder, A., 33
- Output measurement,
 - innovation, 181–183
- Outsourcing, 128–130
- Oxman, N., 68–69

- P**
- Passion. *See* Inspiration and passion
- PepsiCo, 133

- Personal business models,
 - 191–193
 - blessing and curse of being
 - an innovator and,
 - 197–199
 - embracing vulnerability and,
 - 195–197
 - future of work and, 192–193
 - staying on a steep learning
 - curve and, 193–195
- Pharmaceutical industry, 25,
 - 152–154, 161–163
- Pharmacia, 25
- Pink, D., 93
- Plumbing services, 62–63
- Plushenko, Y., 97
- Police departments, 63–64
- Politics, 91
 - of business model innovation,
 - overcoming, 145–147
- Practically Radical*, 89
- Pricing, 30–31, 113
- Products and services
 - cannibalization, 44
 - deep cultures, 41–42
 - innovation, 37–38
- Public private partnerships,
 - 168
- Public sector, 66–67,
 - 167–168
 - business models, 175–178
- Purposeful networks, 68–72

- Q**
- Quikster, 12, 13

210 Index

R

Radio Frequency Identification (RFID), 161–163

Randolf, M., 9

Random collisions, 120–121
of unusual suspects, 60–64

R&D, 16, 33, 74, 99, 103–107, 117–118, 136. *See also*
Business model innovation
Accenture and, 123–128, 129
Business Process Outsourcing and, 128–130
connected adjacencies and, 120–123
education and, 183–190
evolution of existing business model and industry structures and, 119–120
experimentation of business models in real world and, 161–163
measuring innovation output and, 181–183
new social systems and, 179–181
organization structures constraining, 123–124
random collisions in, 120–121

Redbox, 11

Regeneration, biology of, 84–86

Resources, business model innovation factory, 143–145

Rhode Island, experimentation in, 154–157

Rose Park Advisors, 20

Rules of Thumb, 77

S

Salamanders, 84–85

Sales forces, 92

Scaling, 100

Schlesinger, L., 122–123

Schwab, K., 157

Sculley, J., 133–134

Sears, 15

Self-determination, 93–94

Self-exploration, 58

Self-organization, 58–59, 68–69, 164

Serial entrepreneurs, 150

Shirky, C., 59, 91

Silos, 65, 70, 99, 105, 112

Social media, 20–21, 59, 62, 89

Sony Corp., 6, 7, 146–147

Sony Corp. v. America v. Universal City Studios, Inc., 6

Staff, business innovation factory, 134–137. *See also*
Innovators; Unusual suspects

business model designers, 141–143

ethnographers, 139–141

idea generators, 137–139

Steep learning curves, 193–195

Storytelling, 77–81

- Streaming video, 10–11
- Supporting capabilities, 24
- SYPartners, 57
- Systems-level thinking, 81–84, 109
- T**
- Target, 15
- Taylor, B., 89
- Teamwork, 52
- building purposeful networks, 68–72
 - catalyzing something bigger than oneself, 55–60
 - collaborative innovation as the mantra, 64–67
 - designing the future together, 72–75
 - enabling random collisions of unusual suspects, 60–64
- Technology, 66–67, 99, 111
- TED, 79
- Theory transformed into reality, 102–107
- 37 Signals, 88
- Time urgency, 110–113
- Titanic*, 88
- Tower Records, 42
- Transformation, 53
- continuous experimentation and, 99–102
 - as a creative act, 84–86
 - designed for the end-user, 108–110
 - failure to move into real world, 161–163
 - off the whiteboard and into the real world, 102–107
 - random collisions of unusual suspects and, 62
 - time urgency of, 110–113
 - tweaks not enough for, 95–98
- Treatise of Human Nature*, A, 91
- Trinity Rep theatre, 79–80
- Tsiaris, A., 67
- Tweaks, overreliance on, 37, 86, 95–98
- Twitter, 21
- U**
- Uncertainty, fear of, 48–49
- Universal Pictures, 12
- Unofficial Stanford Blog, The, 9
- Unusual suspects
- CEOs and senior leadership connecting with, 45
 - as idea generators, 138–139
 - random collisions of, 60–64, 109
- Upjohn, 25
- User-centered innovation, 108–110
- V**
- Valenti, J., 6
- Value
- capturing, 29–32
 - creation, 19–21
 - delivery, 21–29

212 Index

- Videocassette recorders (VCRs),
6
- Video games, 101–102
- Vudu, 12
- Vulnerability, embracing,
195–197
- W**
- Wal-Mart, 12
- Waste Management, 6
- Webber, A., 77
- White, S., 97, 98
- Work, future of, 192–193
- World Economic Forum (WEF),
157
- Wurman, R. S., 79
- X**
- Xbox, 101–102
- Y**
- Yamashita, K., 57
- Yeats, W. B., 183
- Z**
- Zappos, 88, 112–113

<http://www.pbookshop.com>

<http://www.pbookshop.com>

<http://www.pbookshop.com>

<http://www.pbookshop.com>

<http://www.pbookshop.com>

<http://www.pbookshop.com>

<http://www.pbookshop.com>