

Three Questions About Growth that Leaders Must Answer – and AI Shouldn't be Asked



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The Organic Growth Challenge

Organic growth tops the leadership's agenda in 4 of 5 public companies^a

Yet....

- 94% of global executives are dissatisfied with their organizations' innovation performance.^a

Topics

- 1. Questions about organic growth leaders must answer.***
- 2. What role for generative AI?***

^aMcKinsey (2019): Large cap firms

Questions About Organic Growth Ambitions:

- 1. *How fast should we grow from within?***
 - Can a growth laggard overtake a growth leader?
- 2. *Do we have the right organization for innovation to achieve our growth ambitions?***
 - Culture?
 - Capabilities?
 - Configuration?
- 3. *How can we capture growth opportunities sooner when the present devours most of our attention?***

(1) How Fast Should We Grow from Within?

- Growth leaders have leadership teams deeply committed to innovation.
- The strongest indicator of a growth leader is their investments in innovation talent.
- They spend half their time as a team thinking about the future.
-  Leadership principles: *“Hire and develop the best”*
“Leaders are right, a lot”

Investments in Innovation Talent

“No organization can do better than the people it has”

Peter Drucker

Show Commitment

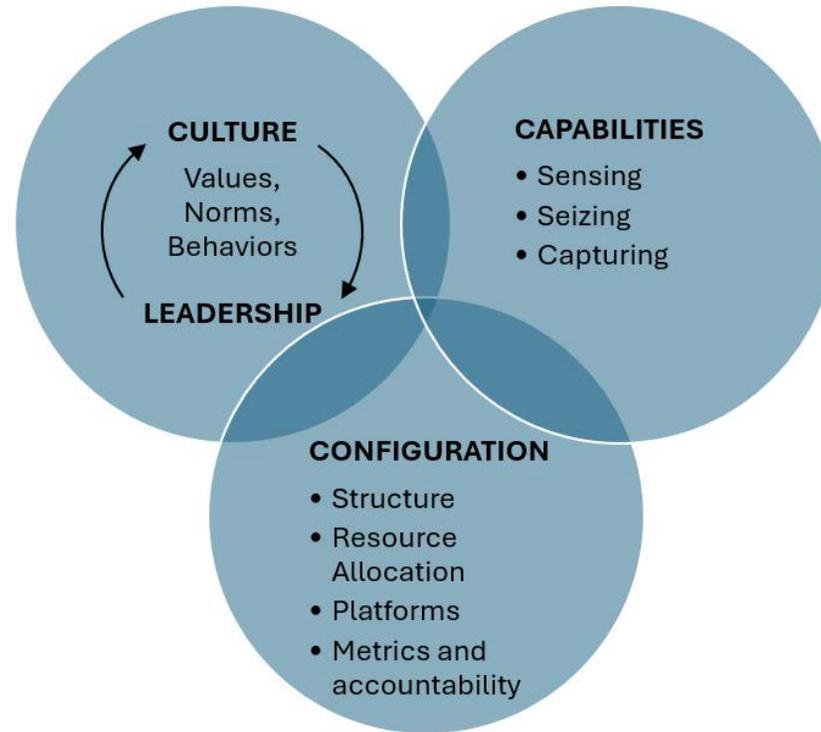
- Leadership signals that finding, developing and keeping innovation talent is their highest priority.

Support

- Invest in developing the competencies of innovation leaders
- Communicate ambitions for growth throughout the firm*
- Stay engaged in major projects: participate in project reviews.

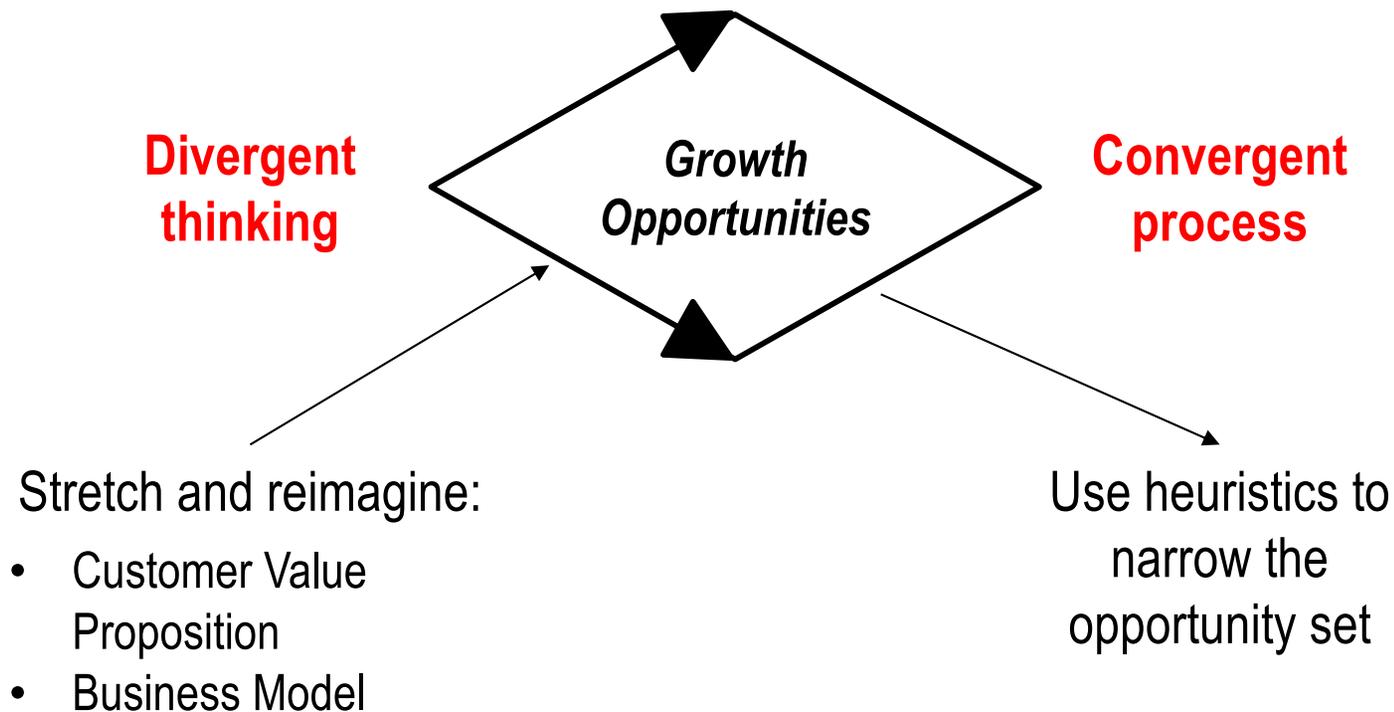
*Only 16% of managers say their firm has a clear growth strategy (Top 2 boxes)

(2) Do We Have the Right Organization for Innovation?



- Who is accountable for reaching the growth goal?
- How are resources allocated?
- How do we keep score – what are the key metrics?

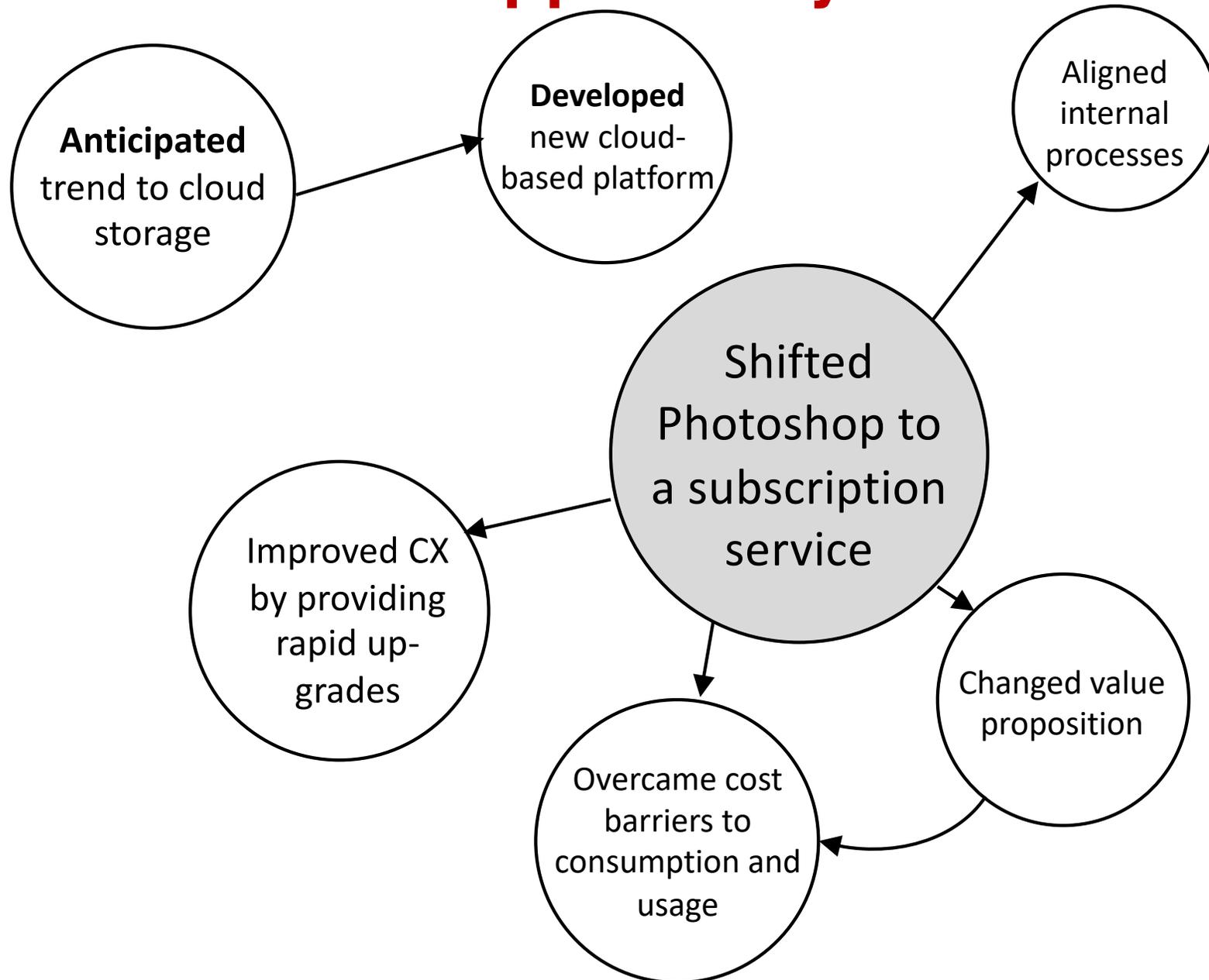
(3) How Can We Capture Growth Opportunities Sooner?



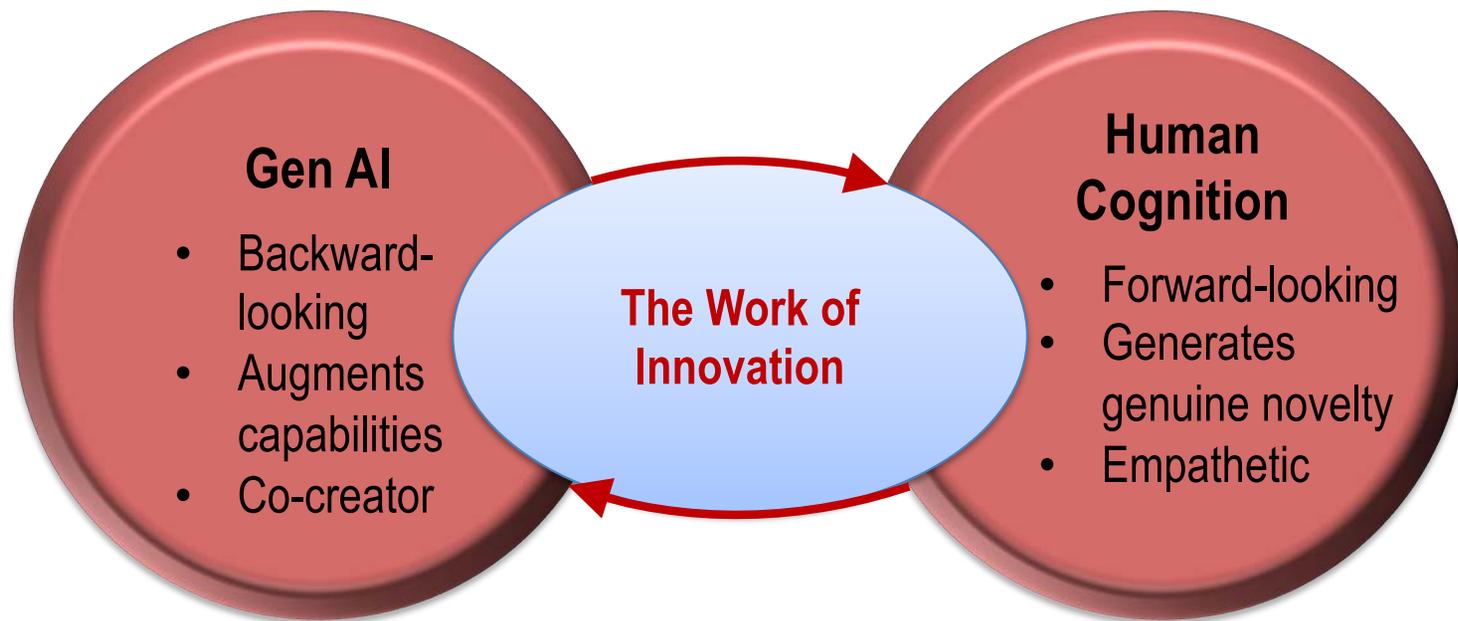
Some Heuristics Used by Growth Leaders

1. Creatively combine multiple pathways
 - Adobe Inc's innovation pathways
2. Explore less traveled pathways
3. Seize the initiative:
 - Be a first mover/fast second to secure a market
 - Learn from precursors
 - Preempt looming threat
4. Share to gain

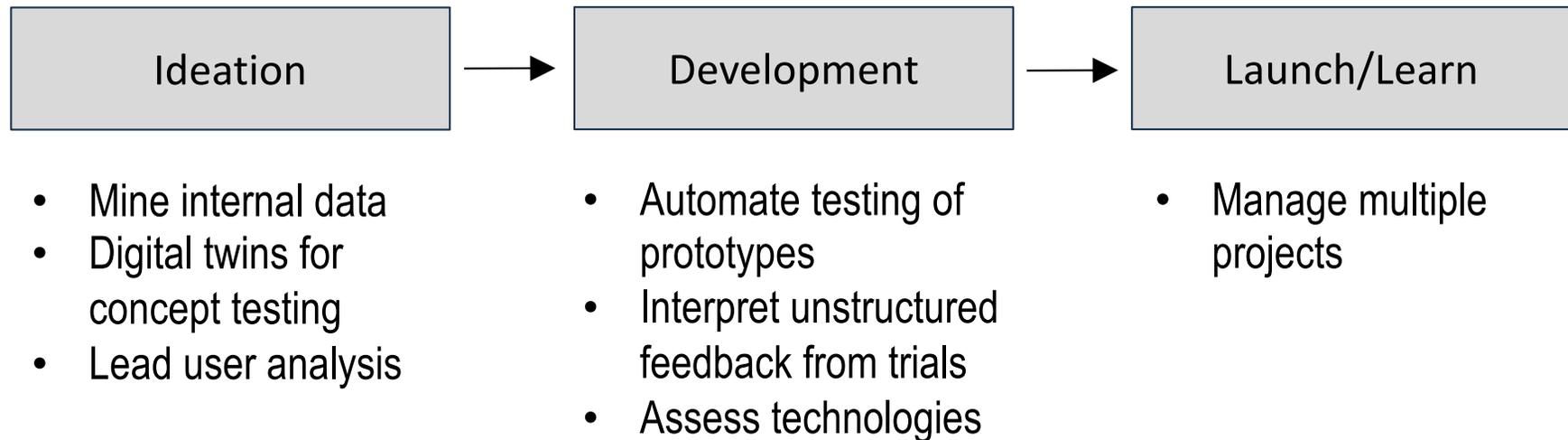
How Adobe Captured a Growth Opportunity



The Role of Generative AI



AI and the Work of Innovation: Where Are We Now?



Summary: No Room for Complacency

1. Few firms exceed their modest growth ambitions.
2. Growth leaders invest in their innovation talent.
 - Recruit, develop and retain the best
3. Capture opportunities sooner.
 - Seek early signs of competitors' moves
 - Understand the full customer experience
 - Reimagine all dimensions of the strategy
4. AI = **A**ugmented **I**ntelligence
5. THINK BIG...start small...Celebrate early successes...Scale carefully.