advice chief

Failure to anticipate, learn, and adapt will sink you

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In the business world, whatever got you to where you are today is not enough to keep you there. Your products, services, processes, sales, advertising, and marketing strategies and tactics are all becoming obsolete at a rapid rate. Your ability to continually come up with faster, better, newer, and more original ways to conduct your business and sell your products or services is absolutely vital to your success in a fast-changing, turbulent marketplace.

In their book *Military Misfortunes: The Anatomy of Failure in War* the authors Eliot Cohen and John Gooch identify three reasons for failure in warfare. These three reasons apply to business as well. They are failure to anticipate, failure to learn, and failure to adapt.

The first, *failure to anticipate,* refers to the inability or unwillingness to look down the road into the future and think about all of the possible actions that a competitor could take to defeat your forces.

At the beginning of the personal computer age, Apple Computer came to the market with the strategy of "firstest with the mostest." Their computers were easy to set up and use. It was an amazing market success.

Other companies followed Apple with similar products, especially the personal computer from IBM with its MS-DOS operating system, developed by Microsoft.

Both Steve Jobs and Bill Gates, the commanders of their corporate armies, looked down the road into the future of personal computing, operating systems, and software. Steve Jobs made the strategic decision to protect Apple's operating system and software within a closed system. In doing so, he could charge higher prices and make a 50% profit on sales. As long as Apple Computer was a favorite choice of so many people, customers were willing to pay premium prices and give them premium profits.

General Bill Gates looked down the road into the future of personal computers and saw a different picture. His goal was "a personal computer for every person, on every desk." He concluded that the more different programs that could be developed to run on the same operating system, the more manufacturers would want to install that operating system on their computers at the factory.

He therefore made the Microsoft Operating System available to software designers worldwide. His strategy turned out to be right. Microsoft Windows was installed in 90% of new computers and used worldwide by virtually everyone. Apple, by attempting to safeguard its high profit margins, ended up with just 5% of the market. Bill Gates anticipated correctly. Steve Jobs did not. Apple Computer fluttered on life support for a while until they transitioned their business to iPhones and iPads, where they properly learned to anticipate.

Failure to learn from mistakes is another reason for business and military defeat. Thomas J. Watson, Jr., longtime chairman of IBM, once said, "We don't mind if people make mistakes around here. This is normal and natural. What is unforgivable is the failure to learn from the mistakes, which leads to repeating them."

Whenever something goes wrong in your business, treat it as a learning experience. Extract every bit of wisdom that you can from the mistake or setback. Imagine that the failure or problem has been sent to teach you something that you need to know to be more successful in the future. When you extract every kernel of knowledge and wisdom from every mistake, you learn and grow at a rapid rate.

The third reason for military and business misfortune is the *failure to adapt.* This is where the principle of maneuver is important. No matter how carefully you have thought through your goals, objectives, and plans, remember the adage, "No strategy ever survives first contact with the enemy."

Be prepared to accept feedback and self-correct quickly. Resolve to adapt, adjust, and respond in an effective manner when the situation changes. Do not allow yourself to fall in love with a particular product, service, or way of doing business. Always be open to the possibility that you could be wrong. Failure to anticipate, learn, and adapt will sink any business ship.

~ The End ~