

## Transcription -Case Study: Industry Disruptor

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Welcome back, I'm Kim baillie, she's Fulyana Orsborn and this is Inside Exec.

We have a case study for you today, which is a quite unusual one, in that we're not talking about people, so much for people management. We're talking about an idea. This person has an idea for an industry disruptor. So much like when the no-frills airlines were first introduced or anything else that changed an industry absolutely and completely.

Our listener says "I've got an idea for an industry disruptor, but I don't want to share it with my current organisation. What should I do now?"

In terms of the idea of not wanting to share it with your current organisation, I'd like to know why, because, in that sense, it might be an easier path. Is it that you don't trust the organisation that you work with, you want the kudos for the idea yourself or is it something that you want to pursue because you think it will lift you out of being employed in an organisation? Perhaps as an entrepreneurial idea, you want to move it so that it's your idea, you pursue it and all the rest of it.

If I talk, first of all, about let's not talk to the organisation, let's just recognise that this is an industry disruptor. Whole lot of things, what do you do now? How well do you know the industry? Is it regulated, is it regulated formally or informally? Because if we use the airlines as an example, it was regulated formally in terms of government requirements, but it was regulated informally in terms of what those separate airlines and organisations wanted from their customer base and what they expected and the path that they were pursuing, which was all pretty much the same model. The no-frills airlines came in and disrupted that industry absolutely and totally, so that 50 years later we can see that most of the major airlines that have survived have a low cost arm to them as well. They saw it, initially, they saw it as an industry disruptor and they did everything they possibly could to put these people out of business. But now they've come around to thinking, maybe it accesses a different client base that we weren't getting otherwise, which is true, so we need to add that to our offering.

Whilst you might have the industry disruptor now, and you might have a long-term vision that says it'll change the industry now, but long-term the industry will readjust itself so that it is included in the industry. That's one of the things that you, I guess you need to look at, is that yes, the idea is an industry disruptor, but what is the next step, how are you going to implement it? How do you go to bring it to the industry? Who do you think will take it on as a disruptor? Because if it's not going to be your current organisation, it seems to me you think your current organisation will not do it. How are you going to have the resources, people and finances, to make it an industry disruptor? Because you need long-term support for that, not so much in the people necessarily, but financially and legally, you need to have some long-term support in place because it will be a long process.

If it's an industry disruptor, it's not going to turn it on its head, and everything will be upside down and work its way into it in six months or 12 months. You might be looking at five years. If we look at Richard Bradson's example, he took years, I think, before really it settled down into a truce of sorts with other airlines.

My concern with this is that you've got this idea, so to me it sounds like you're entrepreneurial and you want to go to the next step, you're a starter, not a finisher.

You need to be teamed up with at least one other person who is a finisher, that can work with you and someone who does the middle ground, the filling bit between the starter and the finisher. You're looking at minimum of one person that you can talk to, that is going to take on your idea and give you some direction for it. Not necessarily do stuff, for someone who's going to be a partner or any other support in that sense, but someone who can strategically look at your idea and say, "Next step is this." That, to me, has to be someone independent who's not going to run off with your idea, who isn't in the position to be interested in running off with your idea, but who just wants to be a part of something that's exciting and new and different. They don't necessarily have to know the industry that you're going to disrupt. They are someone who can look at an idea, who is used to working with entrepreneurs or entrepreneurial thinking and move those ideas into reality. I don't know where you find those people, maybe Fulyana knows.

No, I don't know the answer to that one, but the first thing is for me is to say, initially I used to think that a disruptor is like this big bang idea which is going to turn something on its head and all of that. That is absolutely true for some, but disruptors can also be small bits of disruption which make a huge difference as well. I was thinking about this one, I read the case study, I was thinking, you know what, when you look at things like the music industry and when you look at when we had, it's gone from cassettes to CDs to all sorts of things and then the downloading became like, oh you can't download it's illegal and then suddenly we've got places like iTunes. They were disruptors because they got in there and they started, you know, in that space and they started then you pay them and you had Spotify and all of that sort of stuff. So again, in some cases you're looking at what is it?

The first thing I would prepare, if I got this idea, is my story. I'd like to hear the story. What is it I'm coming in with, what's the current situation? Why is this thing that I'm coming up with is going to be the next thing and what's differences it's going to make? Just the word disrupting doesn't give me enough information, so once you do that, then you have a look at it and when you've got your story down, it's clear,

it's for yourself but it's clear to communicate with others. Then you think, okay, yes, I have to protect my intellectual property and how do I go about that? I'm not legal, I'm not qualified to give advice, so it would be like if you put in a patent application or something like that. You need to find that out, then you've got to talk to legal on that side of things. This way it protects you no matter how you're going to use it and do that.

Then you've got to set yourself, all right now, I'm working in that industry in this particular organization. There seems to be hesitancy about letting them know about it. I would suggest you drill down to why. Is it because they are not open to change? Is it because they will just not get it? Is it because it's a financial thing they can't invest in or is it because you don't trust them - they're going to say no and then make it their idea? So go into that to see and use that information to decide if

it's something I want to do on my own and do it separately and as you said, find the right people.

So you need your story first, then you need to do your numbers. What will it mean? How much money do you need to invest in this and then you go and find the investors and then

start going that way with it. Now again, I'll just go to repeat that disrupting thing is about which bit it's going to disrupt and how much. It's not like we won't be doing this anymore, we're going to be doing it this way. We're not going to go by trains and or by road to somewhere we can fly now. That's a big disruption. Only you know what your idea is. It's not like you've got an idea, you definitely will pursue it until you get to a point where you think why you can't do it. Hopefully you're pursuing it with the view of doing it and if you're not within your organisation, put yourself into an investor's seat. What if I heard that story and loved it, how much money would I invest? What's my risks, put yourself in that seat, is the risk worth the return?

The same as sometimes they come up with ideas and the lifespan is a bit shorter. We used to have street directories and then we got GPSs and all of that and then now we have it on the phone. So the people that came up with a GPS and sold it and it was oh wow this now it gets updated continuously on your phone or on your car. So the investor would be thinking of those examples and thinking am I going to put that money in and it become redundant or all it's going to do is feed someone for the next disruptive idea. It's a very very specialised area, I don't feel at all qualified to talk about it but I feel that if you go through it as a step by step of what is it and put it in a clear story so you can communicate it, then start doing some research about who would be interested and who to go to. There'll be plenty of information online within the country as well.

I think that the process once again is the important part. Yes, you've got to have steps that you're moving towards. It's not just, I've got this idea, now I'm going to make it happen. There's a whole lot of other administration and support stuff that you need to consider first and foremost and if that's not your skill set, not your area of expertise then find it out. At worst you could use one of the AI models online and ask it the question. Yes, that makes it a little bit public, it puts it into the machine learning that's happening but if you're circumspect about the details, if you just talk in generality in the prompt that you write, then you're going to get that hive mind of information that will give you the steps that you should take next.

So as much as we can talk to you about our experience and what we think should happen, there are other alternatives out there and technology these days is our friend in all sorts of ways and you need to be embracing that because it'll only be more so in the future. I hope we've helped you a little bit with that. It is out of our normal talk fest but an interesting question and interesting in terms of entrepreneurial thinking within an organisation but knowing that you perhaps can't use that idea in an organisation, so where do you turn next?

We'll leave it at that. If anyone's got some suggestions that we can pass on we'd be happy to hear those as well, but for now I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec.