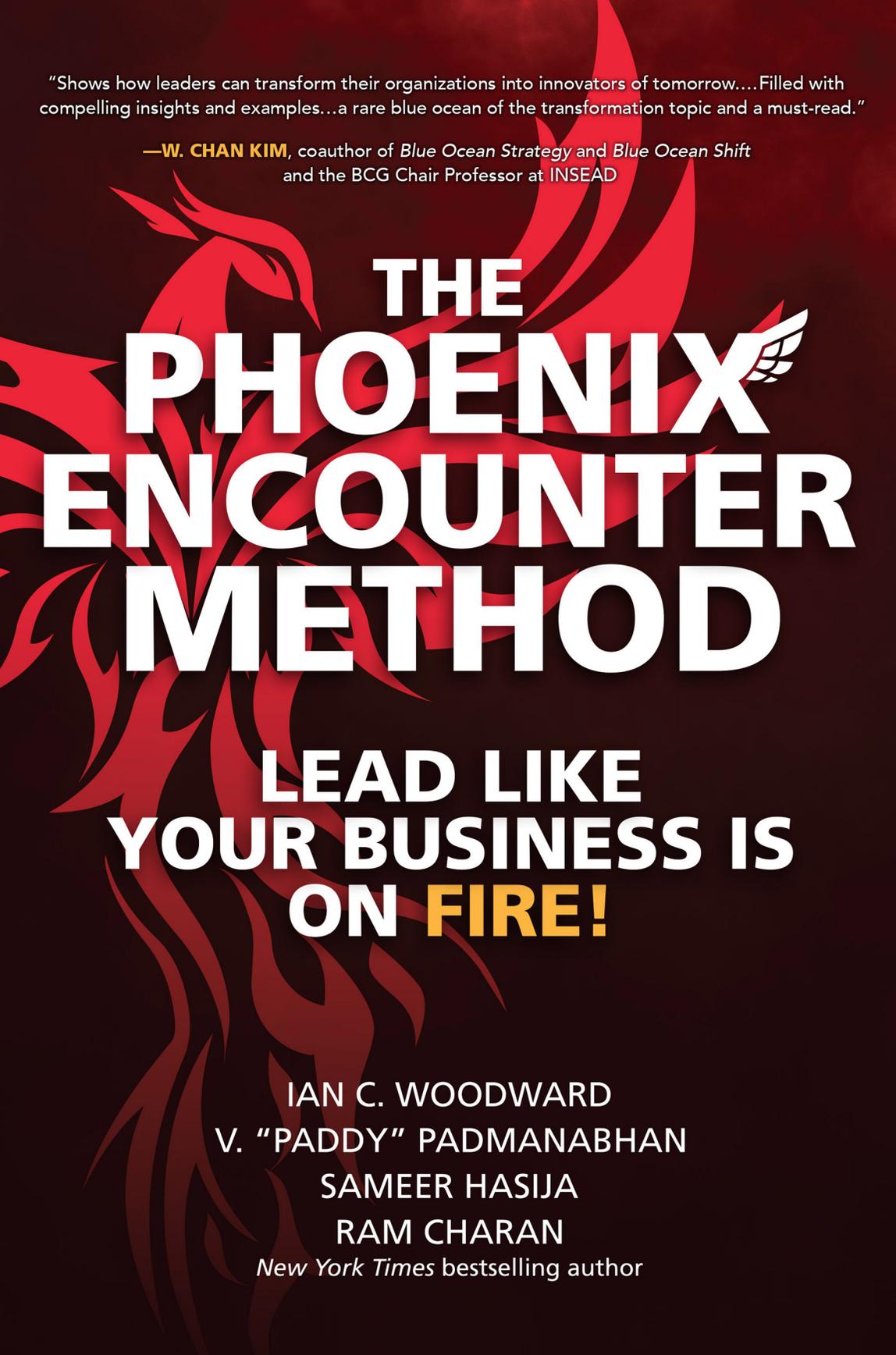


"Shows how leaders can transform their organizations into innovators of tomorrow....Filled with compelling insights and examples...a rare blue ocean of the transformation topic and a must-read."

—**W. CHAN KIM**, coauthor of *Blue Ocean Strategy* and *Blue Ocean Shift*  
and the BCG Chair Professor at INSEAD



# THE PHOENIX ENCOUNTER METHOD

LEAD LIKE  
YOUR BUSINESS IS  
ON **FIRE!**

IAN C. WOODWARD  
V. "PADDY" PADMANABHAN  
SAMEER HASIJA  
RAM CHARAN  
*New York Times* bestselling author

## The Phoenix Philosophy

All businesses sooner or later face the need to reconstruct their future. Businesses must innovate, or they will die. They will need to destroy part or all of the incumbent business model in order to build their breakthrough, future-ready organization.

This book takes you through a new method of leadership thinking—the Phoenix Encounter—relevant to all organizations in today’s high-velocity digital era of firestorm disruptive change—dramatically accelerated by the COVID-19 pandemic.

The Phoenix Encounter method empowers leaders and instills the confident Phoenix Attitude required to imagine burning their business to the ground and then resurrecting it from the ashes.

This method forces leaders to create a much wider set of radical options for innovation and business model transformation through unconstrained strategic debate. It is a confronting battlefield of completely opposite perspectives to challenge the leader’s status quo, confirmation-seeking, and legacy blinkers. Leaders can then revolutionize their organization with a future-facing blueprint to lead it to new heights.

The book contains the know-how and real examples for leaders to start their journey of dramatic change. Our method was developed and tested with more than 1,500 executives in INSEAD’s Advanced Management Program and other senior leadership programs since 2016.

It works.

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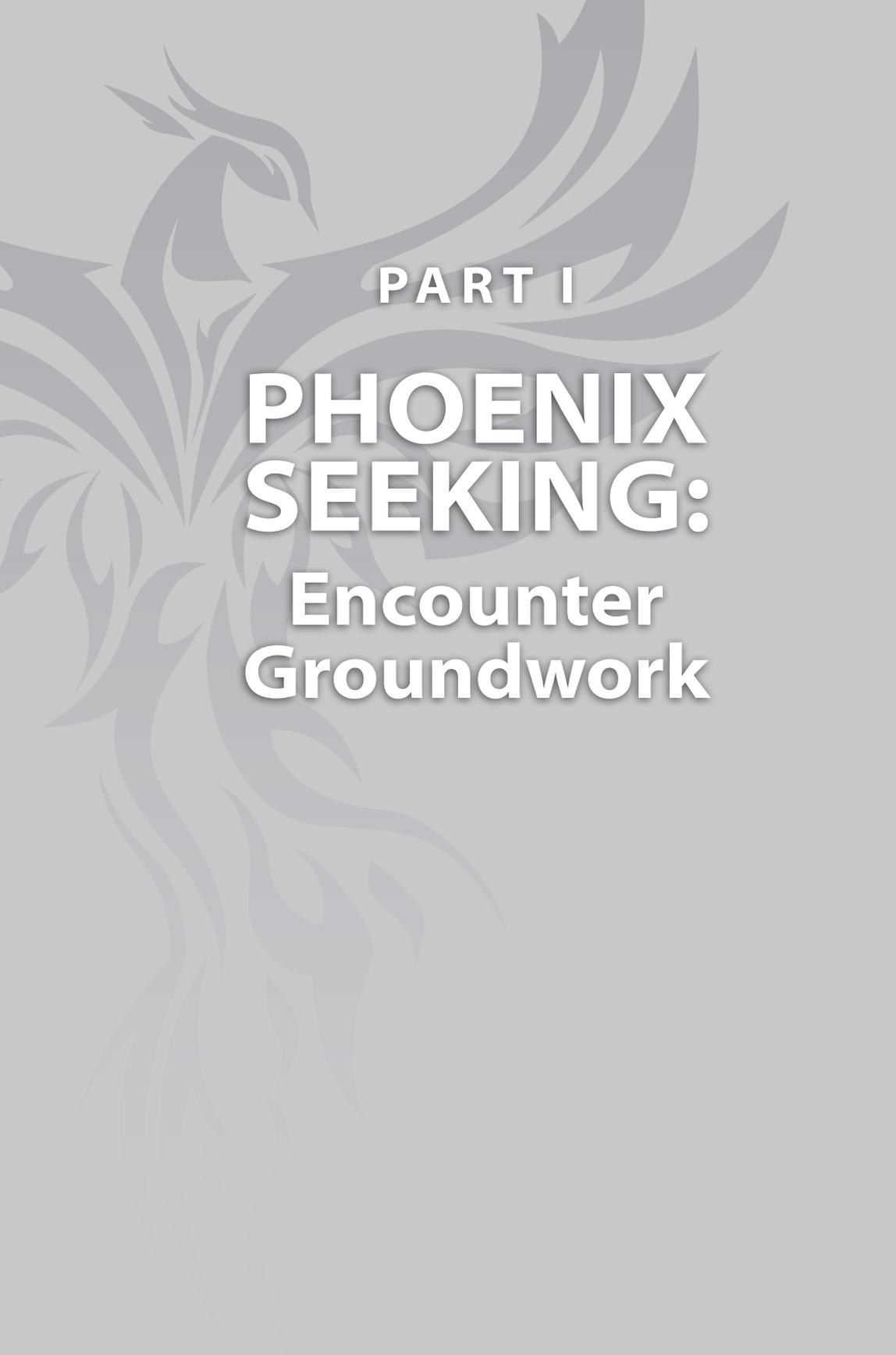
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**PART I**

**PHOENIX  
SEEKING:  
Encounter  
Groundwork**

# I PHOENIX OR DODO?

the FIRESTORM DISRUPTION



it's an UNPRECEDENTED CHALLENGE...  
... COMING from ANYWHERE!

IT'S your RESPONSIBILITY to DEAL with IT!



The PHOENIX ENCOUNTER method

ATTITUDE SWITCHING    PROACTIVE SCANNING    RADICAL IDEATION

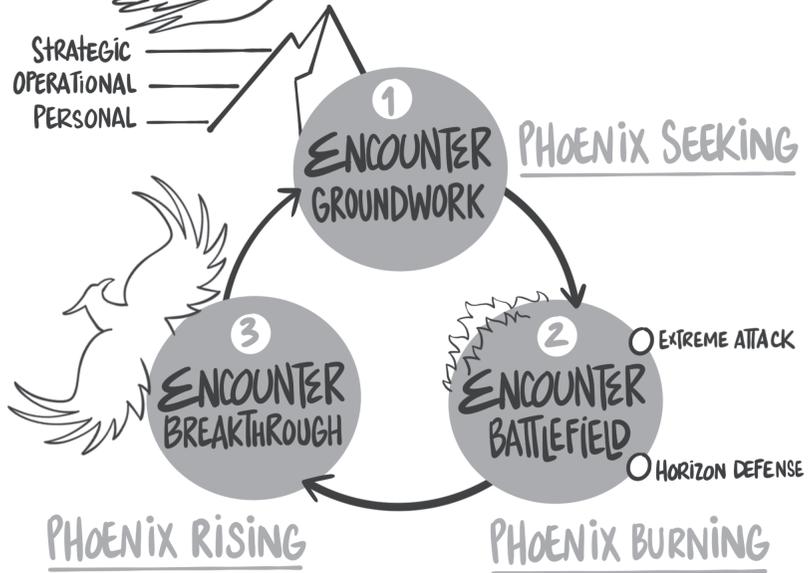
IMAGINE DESTRUCTION  
... BEFORE it HAPPENS to YOU

DRAMATIC WAR-GAMING    GUIDED ANALYSIS    BLUEPRINT PREPARATION

COMPLETELY OPPOSITE

VIEWPOINTS DEBATE

STRATEGIC  
OPERATIONAL  
PERSONAL





## CHAPTER 1

# PHOENIX OR DODO?

*Sometimes you have to burn yourself to the ground  
before you can rise like a phoenix from the ashes.*

—JENS LEKMAN, Swedish musician and songwriter<sup>1</sup>

In 2018, Sandra Johnstone was back in town after 20 years for her business school alumni reunion. She had recently accepted an offer from a private wealth management bank to become its CEO, which would require her to move to Europe from Canada, where she had lived and worked for a decade. As the night moved along, Sandra was gripped with nostalgia and delighted to reengage with fellow MBAs and old friends. At the end of the dinner, she found herself in deep conversation with her former classmate Michael, now the CEO of his family's consumer electronics manufacturing business.

Michael's company made essential components for one of the giants in the gaming console business. They were the exclusive supplier of these components and for years had enjoyed a steady and highly profitable flow of revenues. But things were changing fast—and much too unpredictably for Michael. "I came to this reunion weekend to get away from all work pressure," Michael confided. "I certainly didn't come to talk business, but I guess there may be a lesson to be learned from my story. I've been so clueless about the world outside my immediate reality. I had no idea that technologies like cloud computing and 5G would so quickly become a major threat to the gaming console business. I always thought gamers were die-hard fans of quality. I thought they'd be slow to adopt technologies with potential

downsides such as slowness due to streaming, but I was so wrong. The technology is moving faster than I even imagined, and these new generation gamers are so willing to experiment. The technology giants are investing billions to create the Netflix of gaming. Soon, people like me are going to be dinosaurs in this industry. I just didn't see it coming."

Sandra listened to Michael's story with a mixture of uneasiness and excitement. She was soon to take the helm of another successful legacy firm, and she wondered whether she was ready. Private wealth management banks have historically relied on relationship managers to serve their wealthy clients, but perhaps the new age customer would be perfectly comfortable to have a well-programmed robot give them investment advice. Perhaps *more* comfortable.

During her return to Montreal, Sandra turned introspective. *Will we soon become a dinosaur in the private banking world?* she wondered. *Am I up to this challenge?* First thing on Monday morning, Sandra wrote an email to one of her former professors who had shifted his research from applied game theory to technology and business model disruption. To her surprise, she heard back from him in a matter of hours:

Sandra, your timing couldn't be better . . . I just finished the first draft of a book coauthored with my colleagues that precisely talks about how leaders can corral the forces of disruption and give their organization a future. I am sending you the draft (please do not share yet). In fact, the book developed from the existential questions you are wrestling with. I think it has the method and tools that will help you find your answers. Of course, in return, please provide feedback on our thinking. The book is a result of our field research and teaching over the last few years, and we want to make sure it delivers value to leaders like yourself.

This was Sandra's first exposure to the Phoenix Encounter method and thinking, and since then, she has taken a monumental business and personal transformational journey using it.

## FIRESTORM IS THE VISTA

There is a fire out there, and it is coming at you, ready or not. It is a wildfire—white-hot and unpredictable—firestorm disruption sparked by the emergence of new technologies, new markets, new actors, and new business models. It is driven by the winds of innovation, and it can burn down organizations big and small. And it is not only new actors; there are incumbents changing the rules of the game as well.<sup>2</sup> Many firestorm trends in technology and business models evident by the end of 2019 became turbo-charged in the COVID-19 world.

Maybe your organization will survive this firestorm, and we hope it does. But we do know that if your organization is to survive in the long term, you need to start thinking like a Phoenix leader. You need to embody the Phoenix instinct for renewal in every leadership decision you make. You need to constantly scan the horizon. You need to think in the future, not the past. You need to become willing to periodically set fire to your own organization so it can rise again.

The Phoenix Encounter method we describe in this book is built on a simple yet massively transformative idea: get leaders to think extremely seriously about how they would marshal the unconstrained forces of firestorm disruption to destroy their current organization, then generate a wider set of options to rebuild their future-ready organization and its business model. To do that, the method encourages leaders to engage in a series of Completely Opposite Viewpoints Debates—strategic conversations that require participants to look in every possible direction and give every opposing and radical idea due consideration. The method intentionally creates a roaring firestorm and then constructs a response.

Our method arises from the realization that business today can be a do-or-die proposition. Our research and fieldwork have persuaded us that only after you have launched a devastating attack on your own organization can you really understand how to defend it, fortify the core business, and generate that wider set of strategic initiatives that will propel the organization forward to a Phoenix Breakthrough. Though the experience is very challenging, leaders with the Phoenix Attitude will discover that *you are absolutely your own best enemy*. This is a virtuous

cycle of renewal and transformation—an insurance policy against complacency and hubris. Unfortunately, leaders without the Phoenix Attitude become *their own worst enemy*, leading to a vicious cycle of stagnation, wholesale disruption—and where the firestorm is—devastation.

## What the Firestorm Looks Like

In this book, we discuss dozens of examples in which disruptive firestorms have transformed or destroyed an established business. Some of those cases and leaders are well known; others will be new to most readers. We'll start with three noteworthy examples involving both disruptors and their victims.

First look at Sears, the once retail giant that filed for bankruptcy in 2018 and has shrunk even further during the COVID-19 pandemic.

In the mid-1980s, Sears was the largest retailer in America. Today, the company is in the intensive care unit. The story of Sears's decline is a cautionary tale of what can happen when a business responds to warnings that the ship is sinking by simply rearranging the deckchairs. Instead of fending off the advance of big-box retailers and embracing online retailing, Sears clung to its outmoded local mall model, which is ironic considering Sears's signature mail-order catalog launched in 1893, was once as disruptive to local retailing as Amazon is today.

The company dug itself into a deeper hole by overestimating the benefits of financial restructurings and underestimating the need for a value proposition built around assortment, shopping experience, and flawless service. In 2018, \$5.6 billion\* in debt, Sears relieved its CEO of his duties and filed for bankruptcy protection. Sears is hardly the only retailer to struggle with the disruption created by the new digital world—the roll call of store closures in the United States alone includes Brookstone, RadioShack, Payless Shoe-Source, The Limited, and K-Mart, Sears's luckless partner.<sup>3</sup>

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\*Where financial information is quoted in the book, our convention is for currency amounts with dollar signs (\$) to be USD unless otherwise stated.

The second example involves Gillette and the Dollar Shave Club.

In 2011, Gillette's market share in the razor blade business was a dominant 71 percent. But lurking beneath that buoyant number was rising consumer resentment of the cozy oligopoly (Gillette, Schick, etc.) that pushed prices higher year after year as the firms rolled out increasingly complicated razors and cartridges. Enter a David who took on the Goliaths with a very different business model, "Shaving as a Service." In 2012, The Dollar Shave Club launched a subscription-based model that offered shaving cartridges priced as low as \$1, home delivery, and a viral YouTube video featuring a punchy pitch: "Our Razors are F\*\*\*ing Great."

Four years later, Dollar Shave Club had \$160 million in sales, Gillette's market share had dropped to 58.5 percent, and Unilever shelled out \$1 billion to buy the disruptive upstart. Meanwhile, Gillette announced that it was dropping prices on its products by as much as 20 percent, and an activist investor announced plans to get on the board of parent company Procter & Gamble to ensure they got the message about disruptive threats. The products introduced by Gillette in 2017 showed a striking reversal of its decades-long strategy: new technology for the Fusion product line with no increase in the retail price and lower-end options priced competitively to products available from Dollar Shave Club.<sup>4</sup>

The third example takes us to India, where a 50-year-old petrochemicals conglomerate, Reliance Industries, seized an unguarded market and created an entire digital ecosystem called Reliance Jio.

Reliance Jio invested \$35 billion to blanket India with its first all-4G network in September 2016. Offering free calls and text messages, and data for pennies, it signed up 215 million 4G customers in 22 months, a world record. An innovative use of the Indian government's unique Aadhaar digital identity system, which greatly sped up the mobile subscriber identification module (SIM) activation process, meant Jio

was carrying more mobile data traffic than Sprint, Verizon, and AT&T combined. Scale enabled Jio to create its own digital ecosystem of consumer apps—JioCinema, JioMusic, JioTV, JioMags, and JioCloud. In 2018, the average Jio customer engaged with Jio apps for nearly five hours a day.

When Reliance realized that many consumers could afford its digital services but not the 4G-enabled smartphones they ran on, it launched a line of midrange “feature phones” that could be had for a \$23 security deposit. From the beginning, the Reliance team thought far beyond legacy borders, targeting Google, Netflix, Amazon, and Facebook as its competitors. While petrochemicals remain the parent company’s biggest profit center, in the third quarter of 2018, its new digital, media, and retail businesses together brought in more revenue than the legacy side of the business.<sup>5</sup> The power of the Jio ecosystem is evident in the flurry of new investors who poured \$20 billion into the platform in the second quarter of 2020, including Facebook, Mubadala, KKR, General Atlantic, Qualcomm, and Google.

As these examples and many researchers point out, disruption can come from any direction and at any time. It can come as a direct attack from a longtime competitor. It can sneak in at the bottom of your market with an inferior or niche product that seems barely worth your notice. It can come from the kid working in his garage next door, or it can come from overseas. It can come at you with a brand-new business model or innovative technology for your industry. Disruption needn’t even be deliberate: your company could just be swept up in a firestorm created by an innovation in some distant sector, seemingly “out of nowhere.”<sup>6</sup>

Today, the only thing certain is that firestorm change is coming. It is unstoppable, and firms can no longer rely on their experience and longstanding competencies to survive. Whatever you do, or fail to do, someone out there is hoping to eat your lunch.

Smart leaders know this. They understand that senior leadership is in the hot seat, fighting for the survival of their organizations. The words of Thomas Buberl, CEO of Axa,<sup>7</sup> the second largest insurer

in the world, echo this theme: “The competitors of tomorrow will be Facebook, Google, or Apple . . . and not Lemonade or other small insurance companies,” referring to the insurtech startups. We note that Buberl’s list of future competitors does not include companies usually found in their insurance industry benchmarking studies. The advice that Meg Whitman (ex-president and CEO of Hewlett Packard and eBay) gave to CEOs struggling with different kinds of disruption—technological, cultural, or geopolitical—also stresses competition and survival: “Every big business needs to be thinking, ‘Who’s coming to kill me?’”<sup>8</sup> In other work, Ram quotes Jeff Bezos directing Steve Kessel (then head of its traditional media business—books/music/DVDs) to lead the Kindle digital media initiatives: “Your job is to kill your own business. I want you to proceed as if your goal is to put everyone selling physical books out of a job.”<sup>9</sup>

Yet there can be significant psychological blockages in leaders considering burning down their own businesses, such as risk aversion, fear of failure, anxiety about the unknown or losing control, and mindset impediments that we discuss in Chapter 4. There can also be political factors or positions affecting leaders in private sectors, public sector organizations, and family businesses that stop even the debate around burning the business from happening at all.<sup>10</sup>

At the personal level, many experienced and successful leaders are now facing levels of professional anxiety and insecurity that are very high—and often paralyzing.<sup>11</sup> As one participant CEO said in a 2018 Phoenix Encounter session: “I’ve been putting on a brave face, but to be honest, what do I know about platforms, algorithms, artificial intelligence, sharing economies, and the like? I’m a chemical engineer trained 30 years ago. I don’t even know what I don’t know.”

For many organizations, the time has gone way beyond disruption. It is not a bend in the road; it is the end of the road. The COVID-19 pandemic has made this starker. There is an urgent need to totally break from the old business path or model the company has had, whether you were an Atari (in the video game crash of 1983) or a Hertz (whose flawed business model of vehicle ownership drew them into bankruptcy in the COVID-19 collapse of the car rental market). This is far beyond disruption; it is the widespread firestorm destruction of the old order. As the Thracian slave Spartacus led the uprising

against the heinous slave-owning masters of ancient Rome, his rallying call was, “Kill them. Kill them all.”

Firestorm disruption like this is what keeps today’s best business leaders in a state of perpetual anxiety, yet navigating firestorms has become the most important leadership capability of the twenty-first century. A leader’s ability to recognize firestorm disruption, engage in strategic debate, and seize opportunities to ensure that the organization evolves is now a fundamental C-suite responsibility. Unfortunately, many leaders and organizations are unprepared to do this work. Many don’t even see the urgency. They are dry tinder for that big fire on the horizon, and they need help.

In our strategic leadership sessions and consulting practices, leaders grappling with firestorm disruption typically ask us three things:

1. How can we generate a very wide set of strategic options for both our legacy business and innovation?
2. How can we fortify our core business against disruption while we chart a new future?
3. What can we do to create a shared vision of organizational renewal and transformation across the length and breadth of our organization?

In this book, we offer a new method to answer these questions. We propose a new leadership thinking attitude—the Phoenix Attitude—and a new strategic leadership thinking method—the Phoenix Encounter—that will help leaders walk their organizations into that big fire on the horizon and come out the other side, like the phoenix.

## THE PHOENIX ENCOUNTER METHOD AT A GLANCE

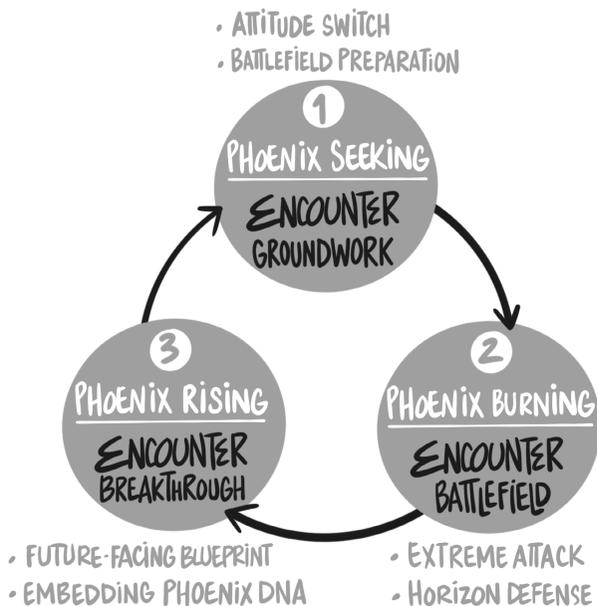
The word “encounter” means distinctive things to different people. For some, an encounter is something to avoid; for others, it’s something to look forward to. That’s because an encounter can change things for the worse or for the better. A Phoenix Encounter can change things for the better by imagining the worst. It builds a devastating fire, and it rebuilds an organization.

We use the term “Phoenix Encounter” in two ways in this book: first to describe our overall method for helping leaders achieve a Phoenix Breakthrough, and second to describe the intense Battlefield exercise that is the centerpiece of that method.

The method combines attitude switching, Proactive Scanning, Radical Ideation, dramatic war-gaming, guided analysis, and blueprint preparation. It is powered by a new kind of strategic dialog we call the “Completely Opposite Viewpoints Debate.” This debate is a deliberate engagement with diverse, opposing, and sometimes unwelcome viewpoints that force leaders to see differently, think differently, and act differently than they have in the past so they can draw up a blueprint for the future (see *What Is a Completely Opposite Viewpoints Debate?*).

Just as the phoenix renews itself in a cycle of immolation and rebirth, the Phoenix Encounter method unfolds in a cycle of three phases that take participants from groundwork preparation to battlefield debate and then to a breakthrough action plan. Figure 1.1 shows what the cycle looks like.

**FIGURE 1.1** The Phoenix Encounter Method—Phases and Cycle



The three phases of this cycle are described briefly below and more fully in Chapter 3.

## **Phase One: Phoenix Seeking—Encounter Groundwork**

Phase One lays the groundwork for a future Phoenix Breakthrough by confronting old mindsets and scanning for new threats and opportunities. It teaches the Phoenix Attitude and explains the Phoenix Encounter method, along with its habits and tools. It then prepares participants for the battle to come.

When we promote the Phoenix Attitude, we pay special attention to three altitudes of leadership thinking (50,000 feet—strategic, 50 feet—tactical, and 5 feet—personal—which we describe in Chapter 4) and highlight the need to fly across them seamlessly. When we teach the Phoenix Encounter method, we explore the power of Proactive Scanning, Radical Ideation, and the opposite viewpoints debate in brainstorming.

During this phase, participants also prepare several baseline reports and reflections detailing their perception of current strengths and weaknesses in their organizations. The goal of the groundwork phase is to help leaders break loose from legacy thinking; cultivate a constant, vibrant awareness of new possibilities; and prepare for the Battlefield exercise of Phase Two.

### **What Is a Completely Opposite Viewpoints Debate?**

A Completely Opposite Viewpoints Debate (sometimes called an “opposites debate”) is a form of strategic dialogue that deliberately engages people in totally opposing perspectives, each taken seriously and often provocatively. More than just spirited rebuttal or devil’s advocacy, these debates are dialectical attempts to catapult discussion “totally out of the box” and “way beyond the status quo” to incorporate extreme thinking that busts through entrenched views.

In structured settings like the Phoenix Encounter, opposites debates foster Radical Ideation and help generate far-reaching option

sets and ideas from the outset for innovation and business models. They do so by challenging participants' experience and preconceived ideas and by removing "real-world" constraints (like financial resources or technological capabilities) from strategy consideration at first.

Idea generation is specifically separated from deeper analysis and decision-making discussions to avoid the conflation problem that usually limits the range of ideas. In other words, the opposites debates have been specifically constructed to encourage participants to go wider on options rather than deeper on the most prospective ones.

In the same way that the phoenix instinctively poises life against death to achieve rebirth, Phoenix leaders use Completely Opposite Viewpoints Debates to up the ante and imagine the transformative power of self-destruction and unblinkered, outside-in thinking. We will follow the workings of well-constructed opposites debates throughout the book—and especially in the Phoenix Encounter Battlefield exercise stages of Extreme Attack and Horizon Defense.

## Phase Two: Phoenix Burning—Encounter Battlefield

At the center of the Phoenix Encounter is an intense battlefield engagement that is waged over several days. Leaders work in teams organized for maximum diversity of thought and experience, with each team member taking a turn in the "hot seat." The engagement offers live practice for the Phoenix Attitude using the Completely Opposite Viewpoints Debate. Its goal is to both test the leader's thinking blind spots and generate a wider set of strategic options for the incumbent organization, including beyond out-of-the-box solutions suggested by Radical Ideation.

The Encounter Battlefield unfolds in two stages:

- **Extreme Attack.** After reviewing each organization's vulnerabilities and scanning the business landscape for firepower, the leader and team launch a massively destructive strike on the target organization. The attack typically uses contemporary weapons such as artificial intelligence, social media, platforms,

and ecosystems to strike at the legacy operation; they might also ideate entirely new products, services, and business models to create value.

- **Horizon Defense.** Having attacked the target organization, the same team rushes to its defense. Using the Radical Ideation and opposites debate again, participants generate a comprehensive list of actions the organization could take to sidestep, confront, or leapfrog over the attack—first fortifying the core operation and then staging the other innovation options over multiple time horizons (immediate, short, medium, and long term). The list of actions typically includes both contemporary firepower (such as technology) and conventional firepower (such as well-known business practices like mergers and acquisitions, process optimization, or partnerships).

### Phase Three: Phoenix Rising— Encounter Breakthrough

Phase Three builds on the ideas from the Battlefield exercises to chart a new course for the organization. The work includes analysis, planning, and execution, and it can take months and sometimes years to complete. The Phoenix Breakthrough itself begins at the point that the leader and organization commit to a renewal plan and begin implementing it.

Phase Three has two critical tasks. The first is to create a Future-Facing Blueprint, a kind of high-level flight plan for the renewed Phoenix organization. This part of the leader's Encounter Journal identifies new value propositions and key strategic initiatives and stages them over time horizons. It also identifies expected outcomes and likely pushback from stakeholders, as well as stress-testing analysis to be completed. The second task is to embed the Phoenix Attitude and the Phoenix Encounter method throughout the organization, engaging all players in the change journey ahead.

The goal of Phase Three is to transform the organization into its best future self and make the Phoenix Attitude a permanent and central talent that the organization can use to renew itself over and over again.

## WHAT THE PHOENIX ENCOUNTER METHOD CAN DO

As the use of military language suggests, Phoenix Encounters can be stressful events, and they frequently make leaders uncomfortable psychologically, emotionally, and intellectually. The Battlefield debates, for example, include no-holds-barred challenges that often expose vulnerabilities in the organization, including weaknesses in the leadership. It's tough love, designed to break the complacency of legacy thinking by envisaging extreme and worst-case scenarios. But it's also a redemptive kind of love, designed to instill personal and organizational confidence.

Our participants leave their Phoenix Encounters with a remarkable new capability: they can create a future-ready organization, and, like the phoenix, they can do it again and again. This is because the Phoenix Encounter method does not offer solutions; instead, it offers a methodology for leaders and teams to find their own solutions—solutions that are relevant to their particular situation, time, and place. As those circumstances change (as they almost certainly will), so will the solutions, but the method remains the same: ever adaptable, ever effective.

In academic circles, we call such processes “agnostic as to context.” That means it is actionable in any sector or any industry. The method doesn't care whether your organization is selling fruit or splitting atoms or delivering humanitarian relief. It doesn't care whether you are organized as a family firm or multinational corporation or government agency. It doesn't care whether the challenge you face is a new technology, break in your supply chain, or pink unicorn. It cares only that the organization survives and prospers, and that you, the organization's leader, know how to make that happen.

We have run Encounters with leaders of a wide range of enterprises facing many different kinds of challenges, and the Phoenix Encounter method has proven quite versatile. We have found it to be especially effective in helping leaders find actionable insights and solutions to challenges like:

- How to transform attitudes and mindsets that are holding your organization back

## THE PHOENIX ENCOUNTER METHOD

- How to imagine a hostile attack on your organization and defend against it
- How to create an ecosystem for future growth and performance
- How to identify innovative value-creating new products and services
- How to use new digital technologies, social media, and platform-based business models to transform your organization
- How to evaluate the usefulness of targeted technologies like artificial intelligence and the Internet of Things (IoT)
- How to navigate emerging markets, sustainability, and government regulations
- How to assess gaps in your organization's resources, talent, and capabilities
- How to build an incessant learning culture throughout the organization

Given the current pandemic, it might also be prudent for leaders to ask how COVID-19 impacts the palette of the challenges highlighted above and what are their implications, including possible opportunities?

Whether you are looking to stress-test your current strategy or devise a new one, a Phoenix Encounter can uncover the hidden strengths and fault lines in your organization. Most important, it reveals to leaders that powerful essential truth we mentioned earlier: you are your own best enemy—and that's a very good thing.

## MAGIC, NO—BUT A BULLET, YES

Our Phoenix Encounter method is not a substitute for the many contemporary analytic frames and strategic planning tools available to leaders; it is an essential complement. In fact, our method borrows freely from many of them, incorporating and extending ideas from war-gaming, SWOT exercises, design thinking, scenario analysis, and other well-known approaches to strategic thinking. By helping leaders

adopt a new attitude and generate a wider set of options for future directions, the Phoenix Encounter method acts like a supercharger, making every strategic conversation, every framework, and every tool, more powerful. For example, we have found the Encounter method can both add ideas to and stress-test potential initiatives for value creation from innovation approaches such as *Blue Ocean Strategy*.<sup>12</sup>

The Phoenix Encounter is powerful, but it is not a magic bullet. We don't believe in magic. We believe in results, and we are encouraged by how many executives emerge from our Encounters with a heightened sense of urgency, a clearer sense of strategic priorities, and a healthier confidence to lead change in their organizations. They find they can now see firestorm disruption not just as inevitable but as a dynamic and exciting set of opportunities. The fire doesn't scare them anymore. It emboldens them. It forms the Phoenix Attitude in them.

We see this kind of leadership transformation time and time again when using the Encounter method. This debrief assessment from Szymon Nowak, the Polish deputy CEO of a multinational logistics firm currently implementing many of our Encounter ideas, sums it up nicely:

I had never thought about disrupting my own business before I went into the Encounter. A reasonable person wouldn't normally start a strategic discussion by saying, "OK, what can I do to make a mess of my own business today?" You might think about what a competitor might do or what the worst-case scenario might be if something happened in one operation or another, but you wouldn't go so far as to plan to destroy your own business. To have that kind of discussion in a structured environment was an incredible experience. It totally changed my leadership thinking and opened my eyes to redrawing our business model.

Like the phoenix, leaders and organizations that undergo a Phoenix Encounter experience can be transformed into vigorous and ascendant future versions of themselves. Achieving this Phoenix Breakthrough will result in a major renewal of strategic, tactical, competitive, and opportunity-seeking positioning. It will fire-charge learning and

curiosity. It will foster a fire-embracing culture in the organization and drive propulsive change. It can create a legacy that is not a trap but an achievement to be proud of.



## CHAPTER 1 CHECKLIST

### Summary Thoughts

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1. There is a firestorm of disruptive change in today's business environment, and dealing with it is now a critical C-suite responsibility—even more so in attempting to reimagine the future of the organization post the COVID-19 crisis. Leaders who hope to steer their organizations through this firestorm must learn to act like a phoenix. They need to cultivate a Phoenix Attitude and practice the Phoenix Encounter method.
2. The Phoenix Encounter method compels leaders to imagine destroying their current organizations themselves using unconstrained forces of disruptive firepower. It helps leaders embrace the firestorm and turn it to their organizations' advantage. The Phoenix Encounter is "agnostic as to context." It is actionable in any sector of any industry. It does not tell leaders *what to do* but rather *how to develop the options for what to do* within their own context. It is a method, not a prescription.
3. The Phoenix Encounter method plays out over three phases: Phoenix Seeking—Encounter Groundwork, Phoenix Burning—Encounter Battlefield, and Phoenix Rising—Encounter Breakthrough. The final phase includes creating the blueprint for a future-ready organization and business model, as well as embedding the Phoenix Attitude in the organization.

## Reflection

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1. Is your organization prepared for firestorm disruptive change in its business? Are you prepared for firestorm disruptive change as a leader?
2. Are you, as a leader, willing to transform your attitude, mindsets, and habits to break against the status quo?
3. Can you imagine burning your business to the ground? Can you embrace firestorm disruption as an exciting opportunity for renewal? Therefore, can you imagine the opportunities that the COVID-19 disruption creates for you and your business, as opposed to just the challenges?

# About The Authors

*The Phoenix Encounter Method* captures the knowledge of four globally recognized experts, each of whom brings expertise from a different area of business research and practice. Together they see thousands of senior business executives from around the globe in their classrooms and consulting work each year.

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