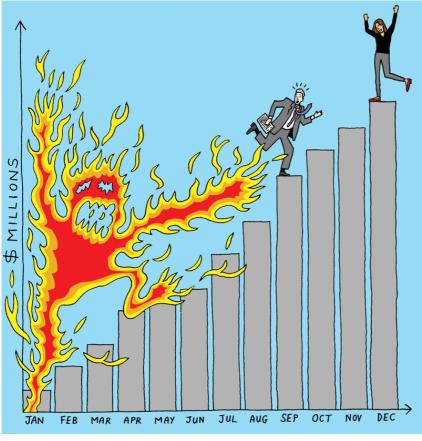


Sometimes the only way to drive change is to "burn the boats"

Too many companies outline a bold new strategy—and then half-execute it. Sometimes you've just got to destroy the status quo

May 3, 2016 Murad Hemmadi



(Illustration by Peter Arkle)

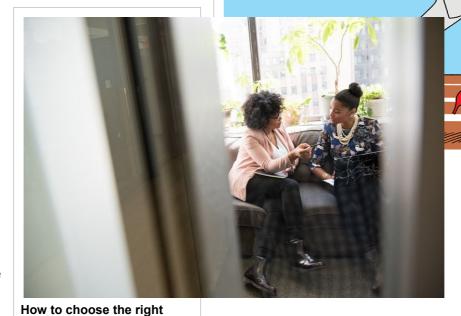
Adobe Systems CEO Shantanu Narayen saw the clouds massing. Narayen's company was making billions selling boxed CDs and downloads of graphic, editing and design software. But the traditional model made it hard to deliver updates, and Adobe's leadership foresaw an industry-wide shift to the cloud-based software-as-a-service [SaaS] model. So the company decided to "burn the boats with regards to desktop software," Narayen told the *Financial Times*. In May 2013, Adobe announced it would stop offering traditional versions of its software and focus instead on selling subscriptions to its Creative Cloud SaaS products. The move paid off: Despite some early consumer concerns, Creative Cloud revenue went from US\$153 million in 2012 to US\$2.6 billion in 2015.

Narayen's turn of phrase is hardly original—since at least the 1990s, corporate bosses have been referencing apocryphal tales of military commanders in hostile territory motivating their troops to conquer or be killed by destroying their ride home. But burning the boats may be a particularly apt metaphor for what companies must do to stay afloat in today's economy, in which "disruption" is the new normal and "pivots" have taken the place of business plans.

It's a context in which there's no room for indecisiveness, says Tony Gareri, CEO of Vaughan, Ont. picture frame distributor Roma Moulding Inc., who used the strategy to introduce sweeping changes to the family business he took over five years ago. "You definitely need to do your due diligence, but once you decide on a strategy, you need to go all in." Rash as it may seem, burning the boats—whether that be eliminating a safe revenue stream to incentivize your team to sell a new product or quashing an internal system to accelerate adoption of an alternative—shows you're serious about making a change and forces stakeholders to embrace it.

Too many organizations come up with and publicize innovative strategies but quickly backslide into business as usual, says David Taylor, the Calgary-based director of global project operations at Emerson Process Management, a worldwide manufacturing and engineering services company. "Or they get halfway there, [but] because they have one foot in the boat and one foot on the dock, they're even more unstable."

But Taylor also emphasizes the Importance of thorough planning and preparation before abandoning a plan. He cites a personal experience: One former employer failed to ensure a new software system was up to the task before exiting the old one. "Because of that, it took the better part of a year to actually get an invoice out the door," Taylor recalls. He proposes a multi-step process for boat burning that includes testing the proposed tool or model, running



a pilot, communicating the change, training people in the revised system and creating a support squad to solve problems along the way. <u>Speed is important</u>, but critical change shouldn't be rushed for the sake of instant results.

software tool, in five steps

Getting your people on board with the shift is crucial, adds Gareri; leaders risk creating fear instead of motivation if they don't clearly communicate what the change involves and why it is necessary.

Big transitions require demonstrative leadership, observes Terrence Brown, head of entrepreneurship and innovation at Stockholm's KTH Royal Institute of Technology. And, he says, the symbolism of burning your metaphorical boats is a powerful way to convey your commitment to the strategy: "You send up this huge fireball, and everybody sees it." What better way to kill complacency than to immolate the status quo?

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