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Have you ever trodden on a Lego brick in your bare feet? You're tiptoeing through your lounge late at night, and suddenly that stabbing pain, the expletives and the inevitable question: "Why do we have so much of this stuff all over the place?" Well, that's really quite simple. Your kids love playing with it, so you buy more. And a confession -- I love to watch my kids play with Lego. Especially good is when I see them inventing their own rules and their own worlds.

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So here are my daughters, last Saturday, making something out of different kits and pieces of string and pieces of wood and dolls and other objects. And I asked them, "What is it?" And they said to me, "Dad, of course it's a princess flying on a dragon to visit farm animals in New York." Of course, what else could it be?

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Kids at play inspire me. They're not afraid to ask, "What if" and "Why not?" But what kids implicitly know that adults tend to forget is that play isn't just about fun.

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Now, as a biologist, I know that play is spontaneous and pleasurable -- as you can see by the smiles in this photograph -- but also, it accelerates and derisks learning. It helps kids to try out new behaviors, to refine those behaviors and to imagine what is not but what could be or what will be. As a business strategist dealing with adults, I still recommend play. In fact, play in business is not just possible, I'd argue that it's essential and even urgent. And here's why.

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Competitive advantage fades away faster than any time in recent memory. In the 1980s, if you had a performance edge over your competitors, you could reasonably expect to continue being a leader for around 10 years, on average. But now the half-life of that advantage has shrunk to just one year. That means that short-lived success is actually still very common, but sustained success becomes very hard and very rare. That means that, actually, reimagination is the new execution. In order to stay on top, or even just to tread water and stay still, you need to constantly reimagine your business.

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But that's not so simple if you already have a highly successful business model. We become prisoners of the mental models that underpin our past success. In fact, I found in dealing with businesses that you can't really stretch your strategy unless you stretch your mind.

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Now play is of course a great way of stretching your mind. Now -- I mean, there'd be no mistake, I'm not suggesting literally that executives huddle around a conference table with a big pile of Lego bricks -- although I've done that, and that works too. But instead, I've created a series of imagination games to help executives to stretch their thinking. Would you like to play with me?

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(Audience nods)

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Good, I'm glad you said that. OK, so let's supposing that you're stuck in the rut of seeing the world through the lens of your past and current success. I would recommend the "Anti-Company Game," and here's how it works. You get a piece of paper, you create a list of everything which is essential to your strategy -- everything which underpinned your past success, everything which is core and sacred -- and then you flip it. You create the exact mirror-image list of assumptions, and then you make the best business case for this antiself. You'll be surprised at the ideas that it triggers.

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Supposing, for example, that you're the CEO of a hotel chain and playing the game and flipping the assumptions. Let's assume that, inconveniently, you don't actually own any hotels or any rooms or even operate any hotels or any rooms anywhere. Ridiculous -- quite possibly -- but actually, how would you know the difference between ridiculous and the merely unfamiliar, untried and uncomfortable? And who's to say that something that seems impractical can't actually become and evolve into a more powerful idea? Actually, had the executives of hotels played the "Anti-Company Game" before 2007, they might have been able to foresee the appearance of Airbnb, the hotel-less hospitality company, and they might have been able to stave off disruption by preemptively disrupting themselves.

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Let's play another game: "The Maverick Game." On the edge of your industries -- on the edge of every industry -- are a population of maverick companies that are taking a bet against the

incumbents' business model and their view of the future. Actually, they have no choice because to be a miniature version of the incumbent would not be viable. Now, it's easy not to notice them -- many of them are small companies. It's easy to deliberately overlook them with some justification. Many startups disappear fairly quickly after being founded. And it's very, very tempting, given all of your experience in the business, to judge them. Do they know what they're doing? Does their business model make sense? Will they ever make any money? But instead of judging them from the comfort and the confidence of your position, try assuming that it's they that have the right bet on the future. Think about the consequences of that for your business model. Try making the best case for their idea.

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Supposing, for example, that you are the CEO of a company that makes equipment that makes semiconductors. Naturally, you'd probably spend most of your time and attention on your main customer industry, the electronics industry. And if it so happened, that a couple of maverick bioscience companies were tinkering with your patents and your technologies, you might overlook that as a distraction, an irrelevance. But actually, Brooks Automation, a leader in the field, decided to take a close-up look at such a group of mavericks to see whether it could learn anything. And what it realized by looking at the world through the eyes of these mavericks was that, actually, the same techniques and technologies which can be used to handle delicate semiconductors can also be applied to other fragile and easily contaminated materials, like biological samples. And puzzling on the significance of this, they reimaged how to handle and store and transport and label and identify biological samples. In fact, they became a successful pioneer in the new industry of automated biobanking. So successful, in fact, that just a couple of days ago, they announced that this was now their core business moving forwards. It's only by focusing on these anomalous mavericks that they could see their own path to renewed success and growth.

07:37

Now, not everything in business goes according to plan. In fact, sometimes the plans go horribly awry. But you know what? That can be a source of inspiration, too. To find out how, let's play the "Pre-Mortem Game." So your role in this game is to write ... the obituary for your company, which is going to fail with 100 percent certainty in five years' time. What is the cause of death? What will have been the point of failure? Why will it have failed? How will it have failed? The challenge here is that it's easy to be seduced into the baseline fallacy. The baseline fallacy is the idea that it's the current business model which is the low-risk bet. And of course that tends to be true until it isn't true, at which point it's probably too late to do anything about it. Now, your employees are an early-warning indicator. They will have intuitions if the model begins to slip, but it's very hard for them to speak up. And it's even taboo for them to speak up when the business model is under pressure. But when executives create playgrounds -- spaces for the safe exploration of alternatives and alternative scenarios -- then you get to tap into your employees'

considerable experience about the vulnerabilities and the weak spots and the blind spots of your company.

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Does anyone remember visiting recently one of these gorgeous marble palaces? No? It's probably been a while since we visited the local banking branch. Had bricks-and-mortar banks played the "Pre-Mortem Game," perhaps they would have heard their employees expressing some concerns about the gradually dwindling flow of customers to local branches. And perhaps they would have been slightly less taken by surprise when companies like NewBank, a digital native, seized, very rapidly indeed, on that opportunity to convince, to date, more than 40 million Latin Americans that in-person transactions in real buildings were a quaint but obsolete relic of the past.

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It's only when you bring your vulnerabilities into full view in this way that you may be motivated to reimagine your business and to do so in a robust manner. It's why the Roman Catholic Church invented the role, the position of the Devil's advocate in the 16th century to test the future consequences of its decisions to appoint new saints. They did that by imagining what would Satan say or propose or counterpropose, in addition to the normal procedure of thinking about the big man upstairs.

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Now, any human being, any employee, any team and therefore any company can harness human imagination. It's a defining trait of our species. Failures to imagine in business are really failures of leadership. Business is a serious matter, but it should not exclude play. When leaders embrace play and imagination games, they can unlock the imagination of their employees, uncover disruptive new strategies and renew their lease on the future.

11:02

Thank you.

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(Applause)