WEBINAR

CREATING A CULTURE OF INNOVATION

SHIFT

Inc. BEST WORKPLACES 2017

Inc. BEST WORKPLACES 2018

Joe Mechlinski
CEO + Founder

POLL

RESPOND TO THE STATEMENT BELOW BASED ON YOUR GUT REACTION.

The next recession will hit the U.S. within the next two (2) years.

a) Yes
b) No

THE U.S. YIELD CURVE HAS INVERTED BEFORE EVERY ONE OF THE RECESSIONS SINCE 1955

economy **australian economy**

House prices fall faster than during global financial crisis

ABS figures show the property market's fall is worsening with the market losing $133 billion of value in just three months.

BUSINESS

Sep. 20, 2018 1:08 pm

Under Armour plans 400 layoffs as restructuring continues

The worldwide layoffs are expected over the next six months.

Boeing & Aerospace | Business

Management shake-up at Alaska Air will bring layoffs

Originally published October 11, 2018 at 2:01 pm | *Updated October 11, 2018 at 10:47 pm*

METRO

Amtrak workers protest outside Penn Station over possible layoffs

By Igor Kossov and Natalie Musumeci October 9, 2018 | 4:56pm

BUSINESS

Verizon's Severance Offer Goes to About 44,000 Employees

More than a quarter of carrier's workforce affected in effort to cut $10 billion in costs

CULTURE

DISNEY-FOX DEAL CLOSES JANUARY 1, THOUSANDS OF LAYOFFS EXPECTED

BY AUTUMN NOEL KELLY ON 10/10/18 AT 5:30 PM

Sep 24, 2018, 3:57 pm EDT

Wells Fargo Layoffs: Company to Cut 26,000 Jobs

WFC stock fell more than 1% Monday

PROBLEMS WITH PREDICTIONS

EASTER PARADES IN NEW YORK CITY

Year 1900: One Motor Vehicle

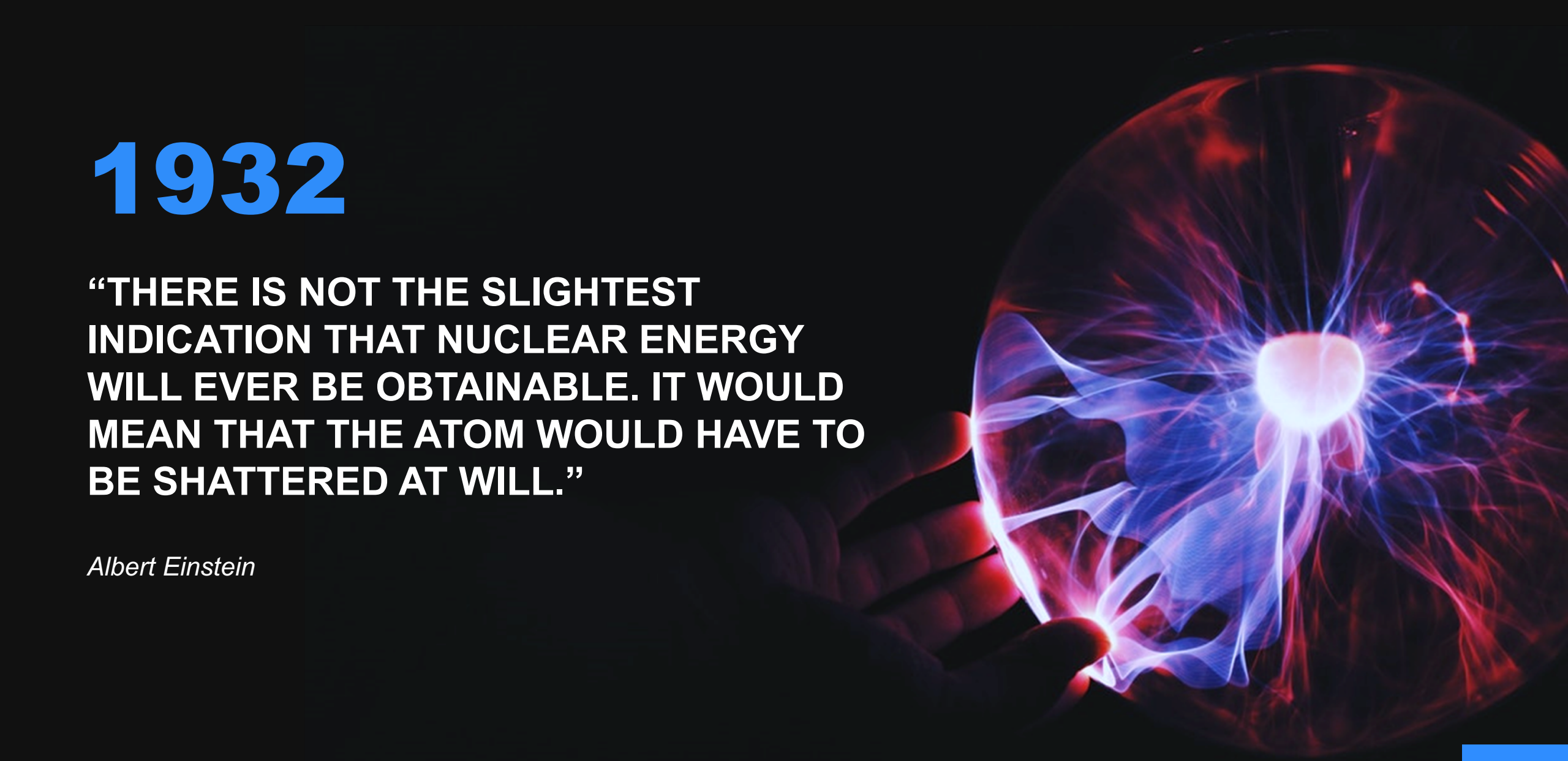
Year 1913: One Horse and Carriage

1903
“THE HORSE IS HERE TO STAY BUT THE AUTOMOBILE IS ONLY A NOVELTY—A FAD.”
Horace Rackham, Henry Ford’s lawyer

1932

“THERE IS NOT THE SLIGHTEST INDICATION THAT NUCLEAR ENERGY WILL EVER BE OBTAINABLE. IT WOULD MEAN THAT THE ATOM WOULD HAVE TO BE SHATTERED AT WILL.”

Albert Einstein



1981

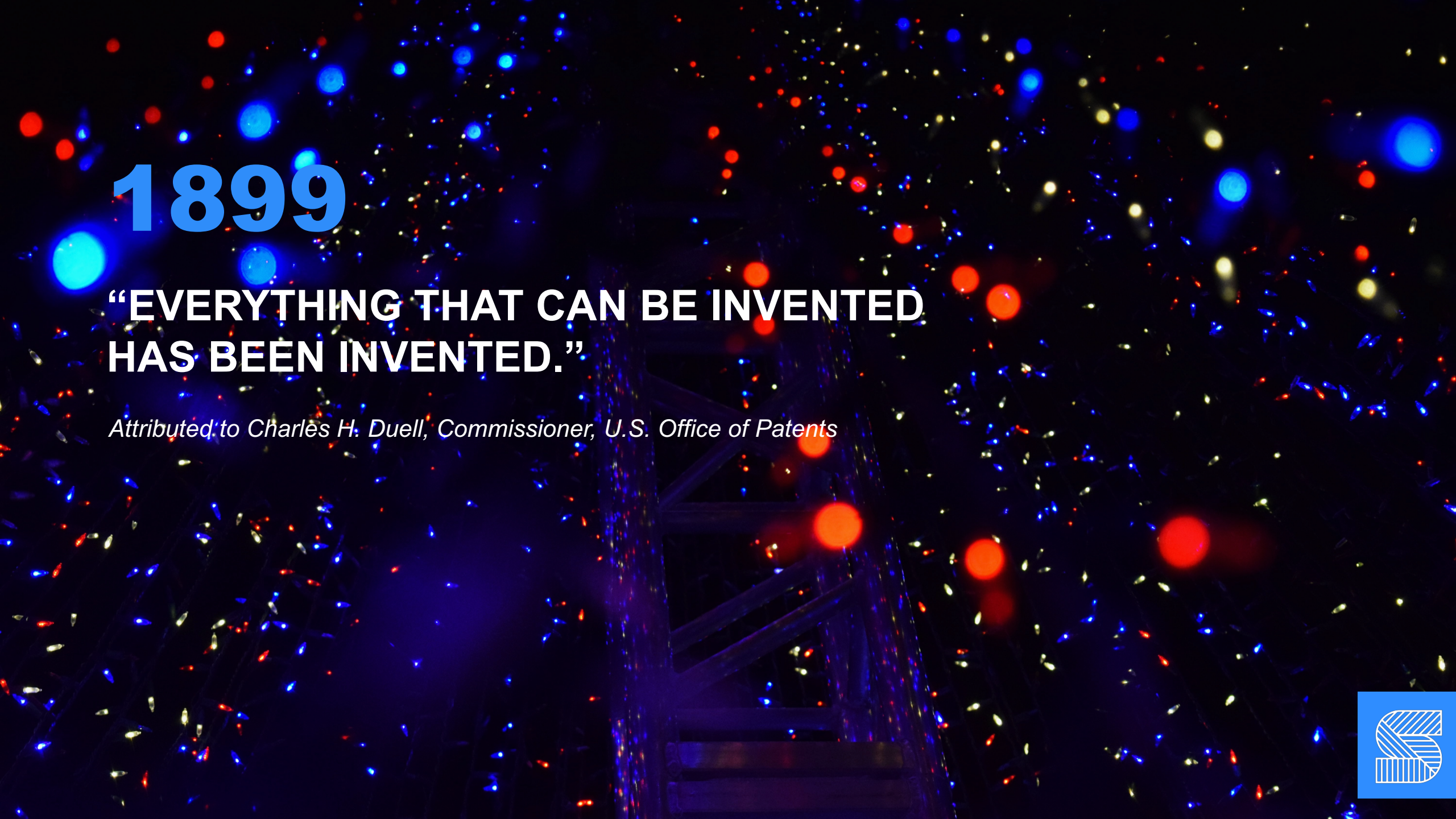
“NO ONE WILL NEED MORE THAN 637KB OF MEMORY FOR A PERSONAL COMPUTER. 640KB OUGHT TO BE ENOUGH FOR ANYBODY.”

Bill Gates, Co-founder and Chairman of Microsoft

2007

“THERE’S NO CHANCE THAT THE IPHONE IS GOING TO GET ANY SIGNIFICANT MARKET SHARE.”

Steve Ballmer, Microsoft CEO

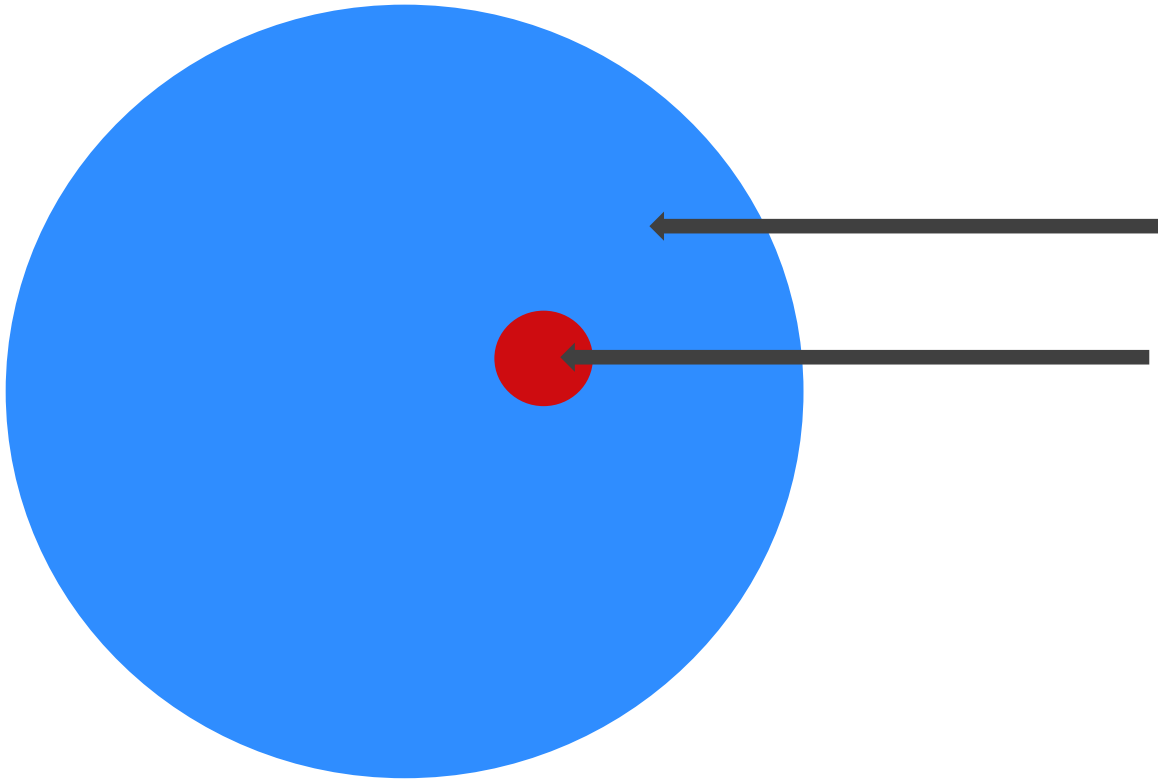

1899
“EVERYTHING THAT CAN BE INVENTED HAS BEEN INVENTED.”
Attributed to Charles H. Duell, Commissioner, U.S. Office of Patents

44

I'LL NEVER FLY AGAIN!
THE DAILY JOURNAL
12 DIE IN AIRPLANE CRASH!!!
READ MORE INSIDE, A2

40,000

THE AVAILABILITY HEURISTIC



ALL THE INFORMATION

ALL THE INFORMATION YOU USE TO MAKE A DECISION:

- RECENT
- FREQUENT
- EXTREME
- VIVID
- NEGATIVE

AVAILABILITY BIAS

A mental shortcut relying on immediate examples
to evaluate a concept or decision

INDICATING

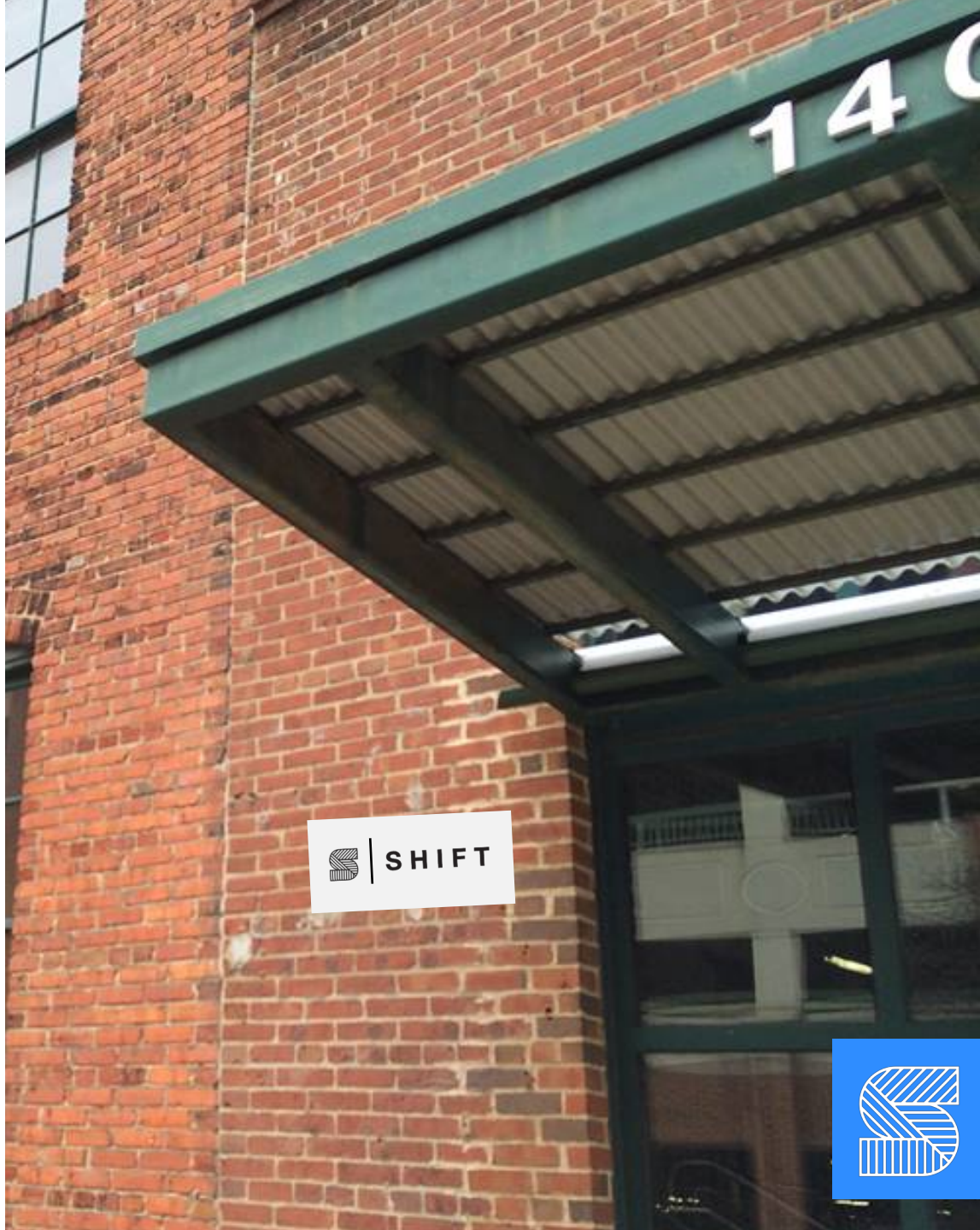
easy availablity of information DOES NOT
warranty its usefulness!

GOOD NEWS

OUR STORY

- 18 years
- 600+ organizations
- 10,000 leaders
- 100,000 employees
- 1,000,000 data points
- **Most common concern…**

Can you relate?



OUR TEAM

FROM ROGER HAMILTON

Be a Zebra, Not a Unicorn - While unicorns aim for billion dollar valuations by growing at all cost (and are mythical animals), zebras focus at profit and purpose, and stick together in herds (and are very real). Cash is king. So cut costs and focus on repeat revenue from your best customers.

Think Global, Act Local - In the coming downturn, currency risk will be as big a factor as asset risk. So diversify across multiple markets and currencies. Not by spending to grow, but by partnering and adding your value to others.

Ride the Coming Wave - Today's biggest companies - Amazon, Google and Apple all emerged from the dotcom bust. AirBnB and Uber launched during the Global Financial Crisis. Every crisis is the birth place of giants. So play for first bases but look out for the home runs. They're coming.

“WHEN DARKNESS IS AT ITS DARKEST, A STAR SHINES THE BRIGHTEST.”

LOUISE PHILIPPE

1 The accelerating pace of change ...

Agricultural Revolution ← 8,000 years → Industrial Revolution ← 120 years → Light-bulb ← 90 years → Moon landing ← 22 years → World Wide Web ← 9 years → Human genome sequenced

2 ... and exponential growth in computing power ...

Computer technology, shown here climbing dramatically by powers of 10, is now progressing more each hour than it did in its entire first 90 years

3 ... will lead to the Singularity

2045
Surpasses brainpower equivalent to that of all human brains combined

Surpasses brainpower of human in 2023

Surpasses brainpower of mouse in 2015

COMPUTER RANKINGS
By calculations per second per $1,000

Analytical engine
Never fully built, Charles Babbage's invention was designed to solve computational and logical problems

Colossus
The electronic computer, with 1,500 vacuum tubes, helped the British crack German codes during WW II

UNIVAC I
The first commercially marketed computer, used to tabulate the U.S. Census, occupied 943 cu. ft.

Apple II
At a price of $1,298, the compact machine was one of the first massively popular personal computers

Power Mac G4
The first personal computer to deliver more than 1 billion floating-point operations per second

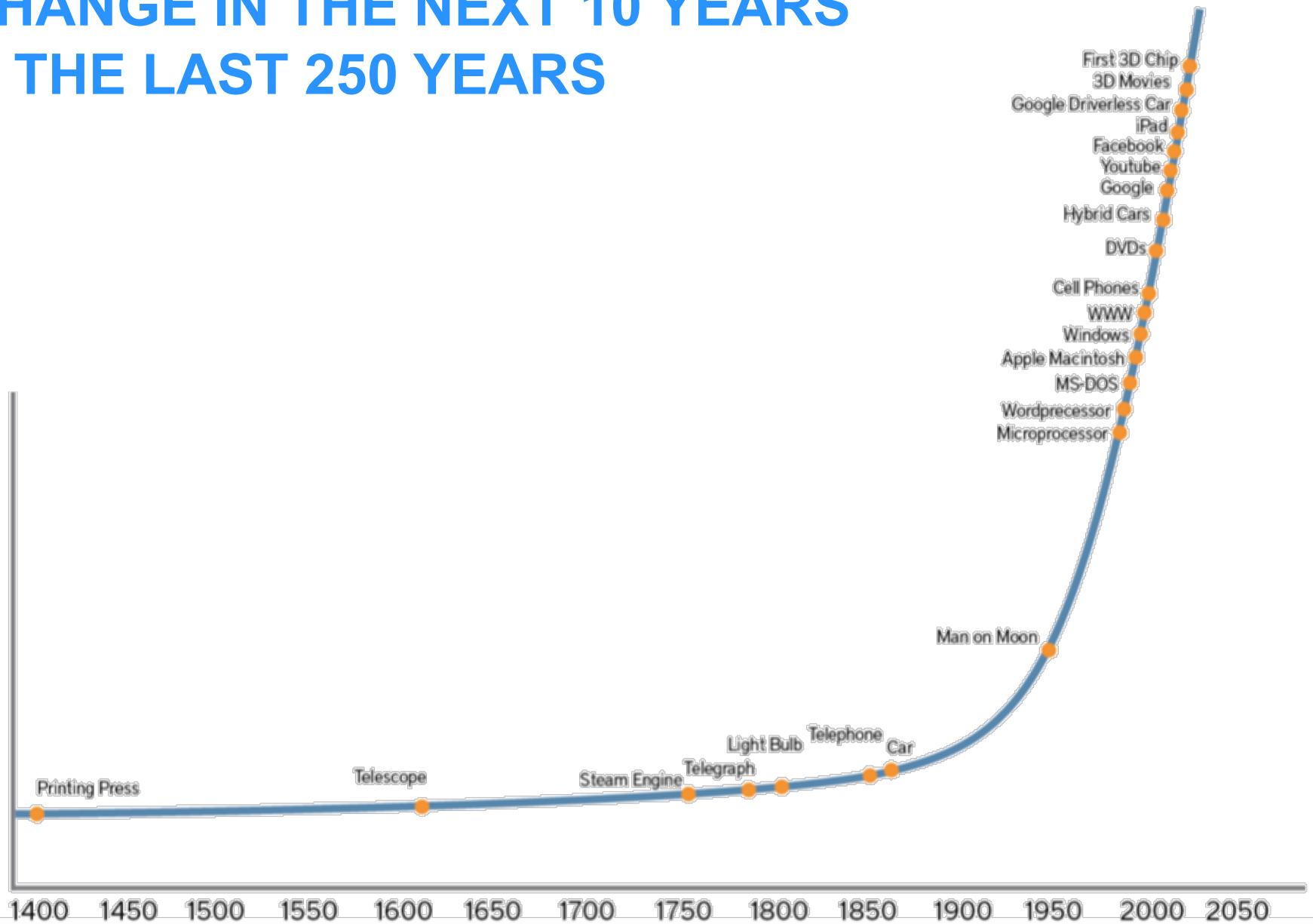
Hollerith Tabulator
IBM Tabulator
National Ellis 3000
Zuse 2
Zuse 3
ENIAC
BINAC
IBM SSEC
EDVAC
Whirlwind
Datamatic 1000
IBM 1620
DEC PDP-4
IBM 1130
DEC PDP-10
Data General Nova
Intellec-8
IBM PC
Compaq Deskpro 386
Pentium PC
Pentium II PC
Dell Dimension 8400
Mac Pro
Nvidia Tesla GPU & PC

10^{26}
10^{20}
10^{15}
10,000,000,000
100,000
1
0.00001

ELECTROMECHANICAL — RELAYS — VACUUM TUBES — TRANSISTORS — INTEGRATED CIRCUITS

1900 1920 1940 1960 1980 2000 2011 2020 2045

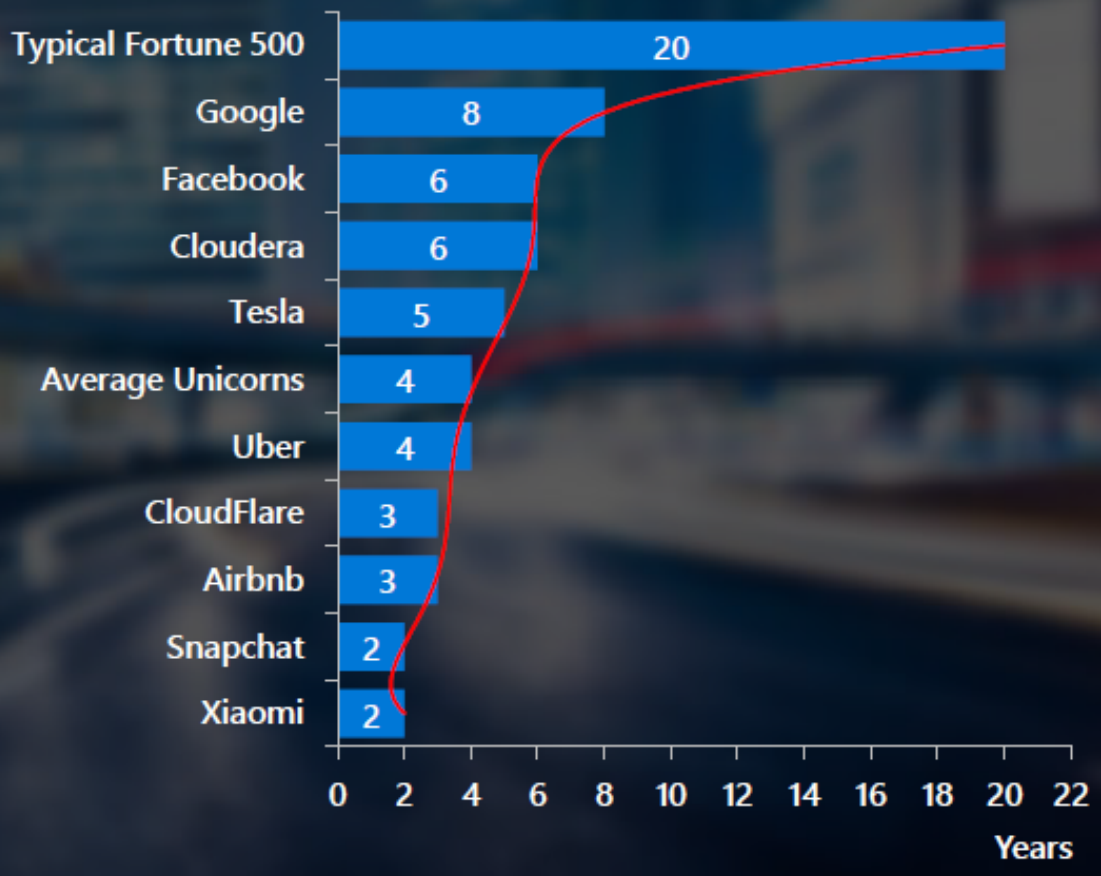
MORE CHANGE IN THE NEXT 10 YEARS THAN IN THE LAST 250 YEARS



Astonishing Pace of Change

Drones	2007	$100,000
	2013	$700
3D Printing	2007	$40,000
	2014	$100
Industrial Robots	2007	$550,000
	2014	$20,000
DNA	2000	$2.7bn
	2007	$10m
	2014	$1,000
Solar	1984	$30
	2014	$0.16
Sensor (3D)	2009	$30,000
	2014	$80
Smartphones	2007	$499
	2015	$10

The cost of key technologies has fallen rapidly

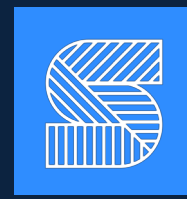


Time to reach $1B valuation or more

Source: World Economic Forum

“CHANGE IS INEVITABLE, PROGRESS IS NOT.”

MAX MCKEOWN



INNOVATION
THEATER
Any **innovation** work that is done to show people that **innovation** is happening, but which doesn't result in a tangible outcome. This is one of the reasons why approximately 96% of **innovation** attempts fail. Unfortunately, many companies won't even realize that they have this problem.

INNOVATION THEATER EXAMPLES

1. **Idea challenges, which result in ideas that are never implemented.** Companies launch innovation challenges to collect ideas but don't dedicate time and resources to review and prioritize the ideas generated.

2. **Open innovation platforms, which collect ideas that are never reviewed.** Companies take the above concept a step further and allow for external input on ideas. Yet all the ideas generated are still left unreviewed and never stand a chance for implementation.

3. **Chief Innovation Officers, who are doing it on top of their other role.** CIOs can be a catalyst to drive change within an organization; however, sometimes it's a role that someone performs in addition to what their already doing and that person is just provided the CIO title.

4. **Putting in new technology, without a clear purpose.** Just because something is newer doesn't mean that it adds value. This is seen within companies that implement something but never actually get their people to use it for its full benefits.

INNOVATION THEATER EXAMPLES

5. **Innovation labs, which don't scale innovations into the core business.** Companies often launch these but fail to ensure that a proportion of their projects actually impact the core business.

6. **Hackathons, which don't relate to actual business challenges.** Companies sometimes call a meeting to discuss a topic and call it a Hackaton (extra credit if alcohol was involved). Because that's what they saw Facebook do in the movie, *Social Network*.

7. **Just using "innovation" to describe anything, even if it's business as usual.** CIOs can be a catalyst to drive change within an organization; however, sometimes it's a role that someone performs in addition to what their already doing and that person is just provided the CIO title.

INNOVATION MINDSET

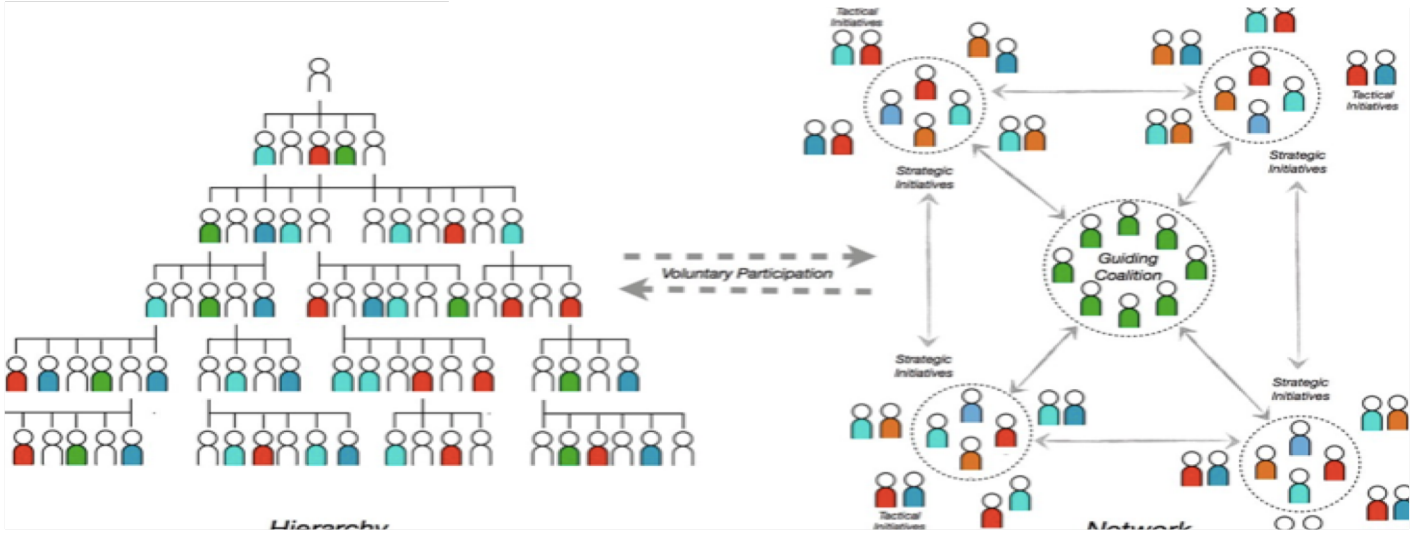
- Uncertainty is the key defining feature of innovation therefore managing uncertainty must be underpinning of the innovation process.
- Best way to manage uncertainty is to search (for truth to the untested assumptions), rather than execute.
- A good innovation process should allow teams to change direction based on learnings and stop the project if necessary without negative consequences. If this isn’t possible, it’s innovation theatre.
- Change the culture to one of innovation. This includes instilling the right skills with the right direction, with a tight process so that innovation happens constantly and continuously.

CREATING A CULTURE OF INNOVATION

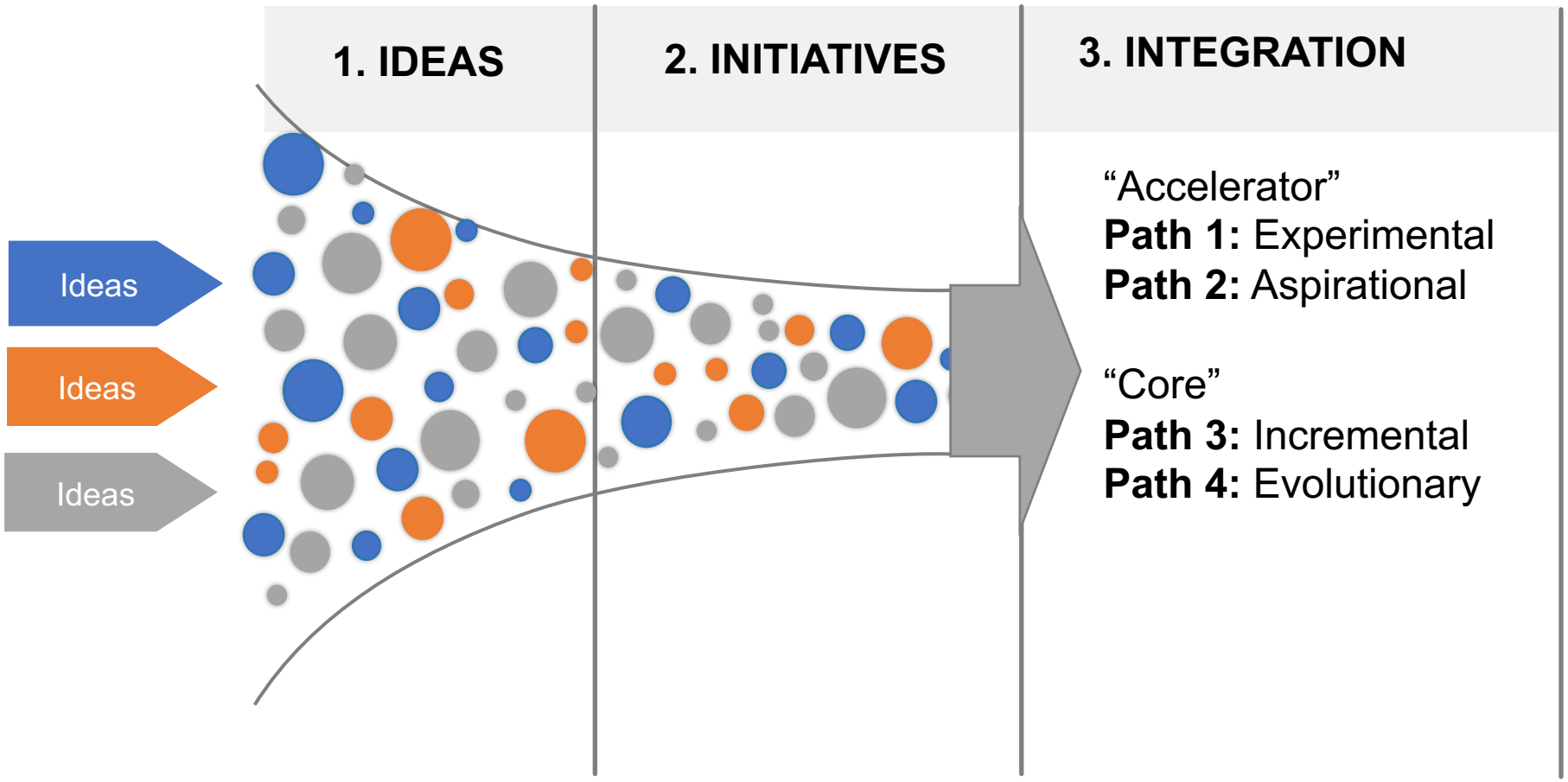
Innovation Culture is the work environment that leaders cultivate in order to nurture unorthodox thinking and its application.

Workplaces that foster a culture of innovation generally subscribe to the belief that innovation is not the province of top leadership but can come from anyone in the organization.

Past Innovation	Modern Innovation
Linear	Nodes
Static Sprint	Continuous/Dynamic
Customer Voice	Customer's Life
Skunk Works	From Everywhere
Idea Driven	Culturally Driven
Fragmented	Integrated
Fail Fast	Pivot Quick



PHASES OF INNOVATION



PHASE 1 // IDEATION

OVERVIEW

- Align on Objectives
- Discuss Assessment
- Determine Viable Pathways to Explore

PHASE 1 // IDEATION

OBJECTIVES

- **CONTINOUS**: Design a systematic, repeatable, and measurable approach to encourage, generate and process ideas that support the innovation goals of the organization. To do this, we will need to explore the discovery questions including what exists today

- **DYNAMIC**: Develop pathways within and external that can expose you to new industries, technology, and digital transformation opportunities which all will lead to idea generation

PHASE 1 // IDEATION

ASSESSMENT

Sourcing Ideas

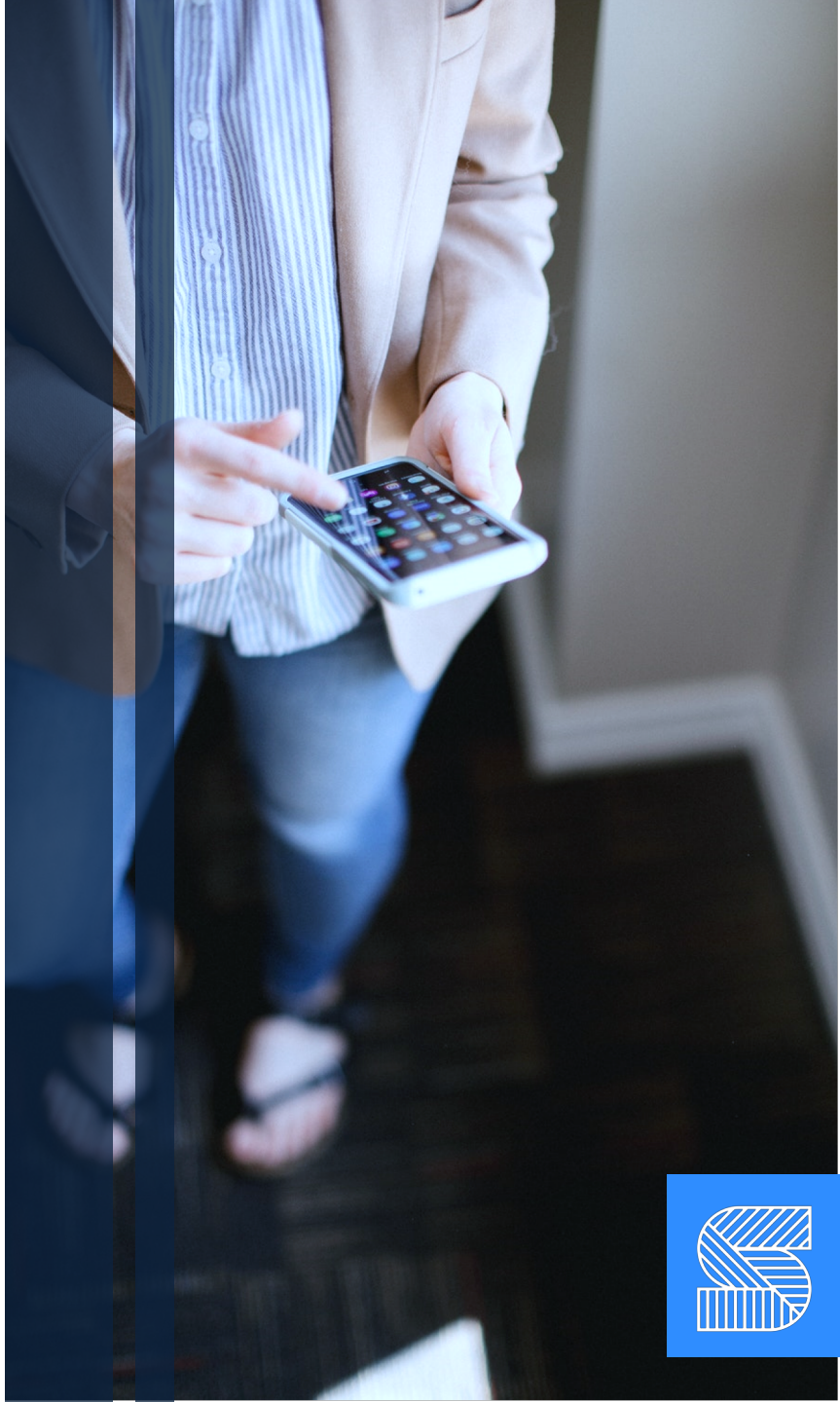
- How are ideas generated now and where do they come from?
- What training would our team need to generate ideas that are aligned with our vision?

Managing Ideas

- Is there an internal way to track ideas across the population?
- What could be the communication loop for communicating where we are with ideas?

Evaluating Ideas

- What is the organization's point of view on where the world is going and the key trends that could impact the business?
- How can we evaluate which type of idea it is, and how to categorize the impact?
- How do we determine the ideas we want to pursue?



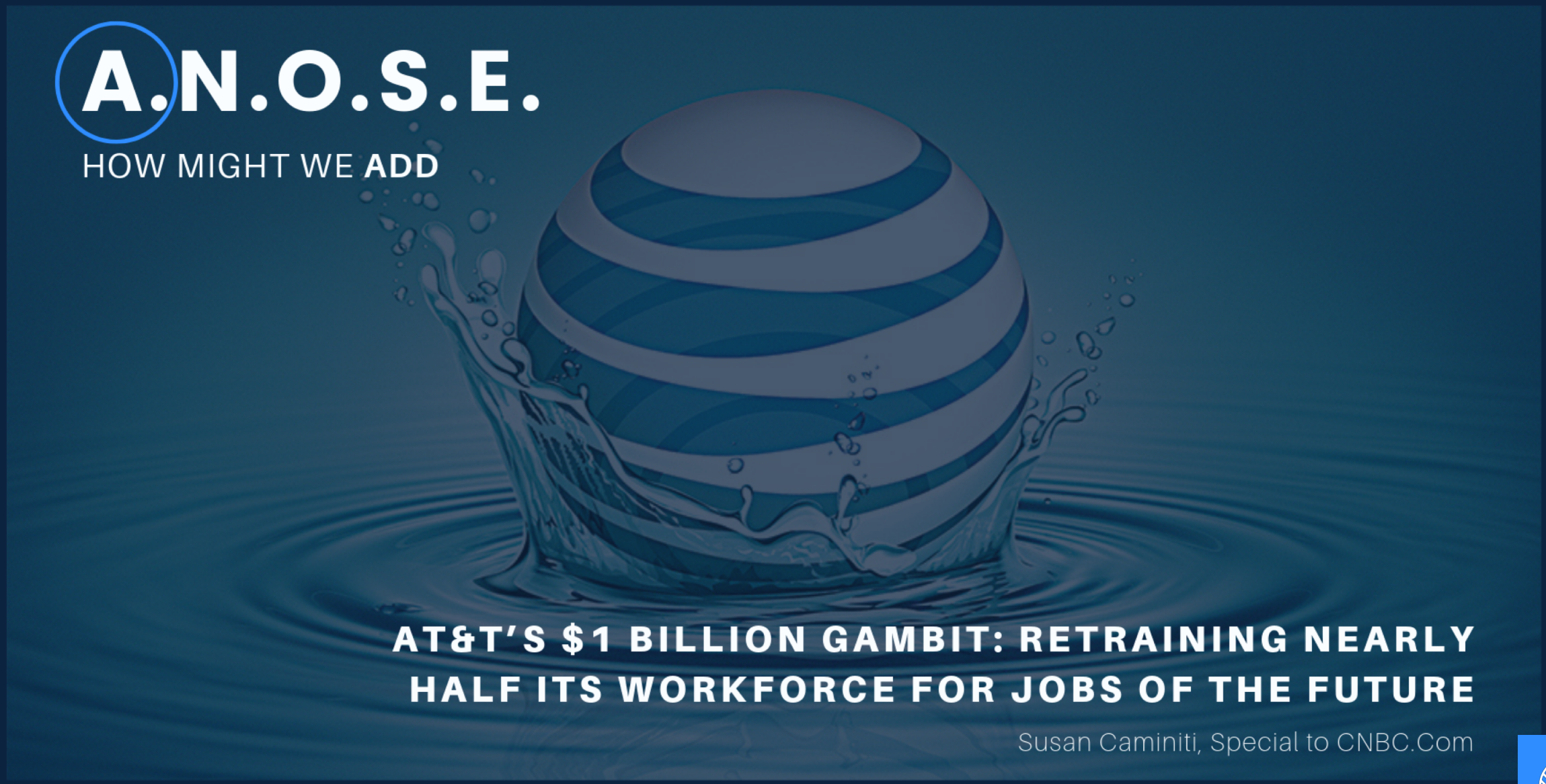
A.N.O.S.E.

ADD
NEED
OPPOSE
SUBTRACT
EPIPHANY

RICHARD SAUL WURMAN

A.N.O.S.E.

HOW MIGHT WE **ADD**



AT&T'S $1 BILLION GAMBIT: RETRAINING NEARLY HALF ITS WORKFORCE FOR JOBS OF THE FUTURE

Susan Caminiti, Special to CNBC.Com

A.N.O.S.E.
HOW MIGHT WE FULFILL A NEED
pwc
DON'T TALK ABOUT BUILDING A CULTURE OF INNOVATION AND GROWTH. DO IT.
Introducing PWC's Digital Workforce Transformation

A.N.O.S.E.

HOW MIGHT WE DO THE **OPOSITE**

ZAPPOS MODELS THE WAY: PAY PEOPLE TO QUIT; ELIMINATE COMMISSION; EVERYONE RECRUITS; HOLCRACY

Tony Hsieh, CEO of Zappos

A.N.O.S.E.

HOW MIGHT WE **SUBTRACT**

CAN YOU CREATE CONSCIOUS CULTURE WITHOUT USING HIRING FILTERS?

Rachel Zurer, Conscious Company Magazine, Roundtable Conversation

A.N.O.S.E.

HOW MIGHT WE CREATE AN **EPIPHANY**

BUILD AN AGILE WORKFORCE WITH TECH & PROGRAMS THAT ENABLE YOU TO ACCESS THE TALENT YOU NEED

Reimagine How Work Gets Done, Catalant.Com

PHASE 1 // IDEATION

PATHWAYS TO EXPLORE

- **START IT – ACCELERATORS**: develop an accelerator program where your organization invests in, and mentors start-ups that fit the visions outlined for the value stream. This could include a certification program, capstone projects, and a digital/classroom program mix.

- **LEARN IT - SKILL STACKS**: prioritize skill development as a core initiative. This could include a certification program, capstone projects, and a digital/classroom program mix.

- **SUMMON IT - SUMMITS**: explore opportunities where you can bring people and organizations together for a cause/reason and/or be the authority or deemer.

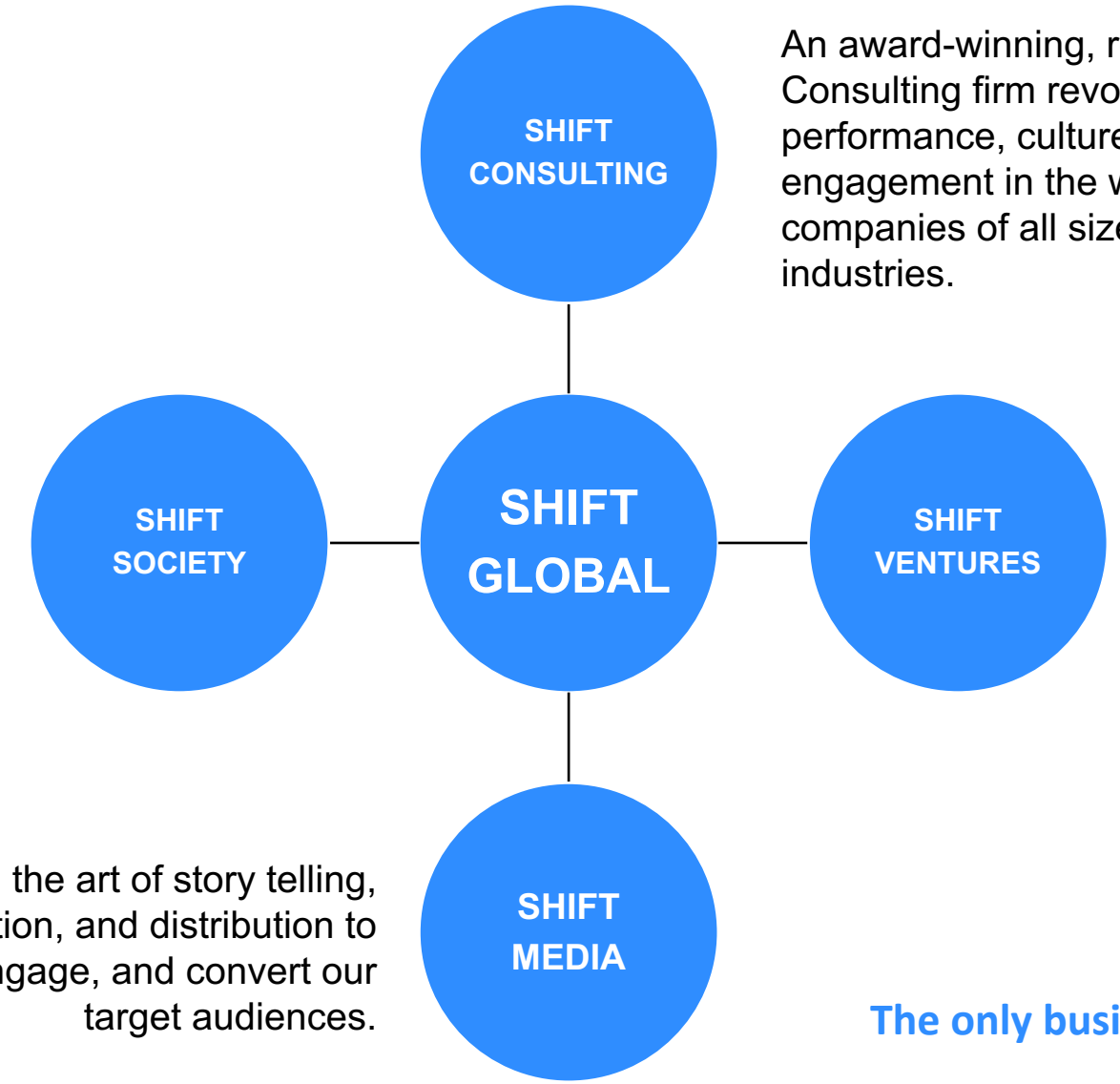
- **LEAD IT – POINTS OF VIEW**: where you can plant your flag in the ground with not there the industry is but where it is going.

PHASE 1 // IDEATION

EVALUATION PRIORITIES

In addition to categorizing ideas based on the impact, you should also determine what the ideal investment mix is. The bottom two “incremental and evolutionary” would be investments for the core business while “experimental and aspirational” are for the accelerators. This should be documented in the innovation strategy.

WE ARE SHIFT



An award-winning, results-obsessed Consulting firm revolutionizing strategy, performance, culture and employee engagement in the workplace for companies of all sizes and in all industries.

A mission-driven, localized, invite-only membership community that unites integrators, innovators, influencers, impactors, investors, and icons that are shifting the purpose of business.

A conscious venture firm working with investors to advance entrepreneurs who operate at the intersection of purpose and profit to create societal value and lasting change in cities.

Mastering the art of story telling, content creation, and distribution to attract, engage, and convert our target audiences.

The only businesses collective brave and bold enough to **shift the work world to** transform the real world.

SHIFT SOCIETY

- 2019 Digital Transformation
- SHIFT U
- Israel Tech Tour
- Singularity U

INSTIGATING INTELLIGENCE

MAY 16, 2019

Imagine if someone was able to intuitively map out your blind spots and deliver a precise understanding of where your greatest growth opportunities lie. We'll venture into the neuroscience, philanthropy, and technology that now encompasses the world of enlightenment. This session promises to provide insights into vehicles for greater consciousness and teach us how to better adapt and thrive as value creators in the future of work.

DR. JACK ALLOCCA, PHD
CEO & Founder of Somnivore

RON KLABUNDE
Founder & CEO of Generosity Feeds

SHIFT VENTURES

- 2019 Best Accelerator Program

SKILLSTACK SUCCESS PLAN

INEVITABLE

THE FUTURE OF WORK

A human resources podcast that investigates HR's evolving impact on people, processes, and profitability. Inevitable: The Future of Work profiles leaders at the helm of today's most revolutionary workplace movements. We demystify their processes, challenges, and solutions to empower listeners to stand at the cutting-edge, discover new skills, and become fearlessly agile.

The Reality of Talent vs. Grit

Tech's Impact on People and Profits

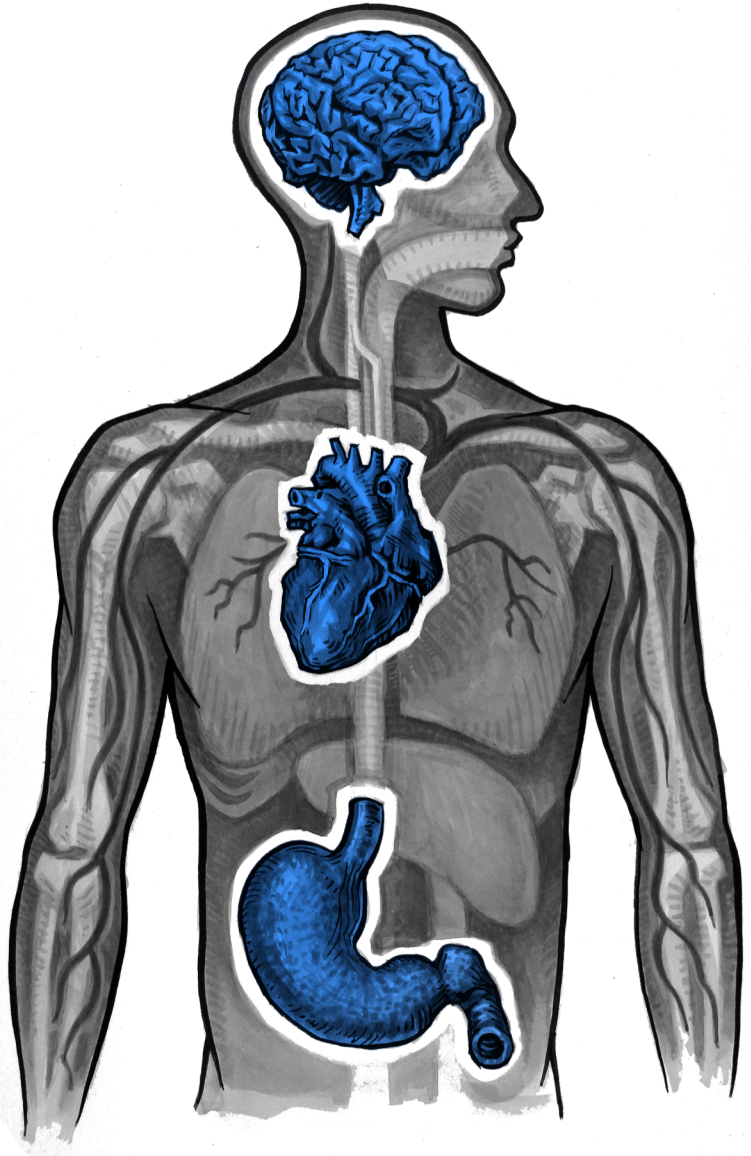
Market Value of HR Leadership

Your Hosts

Available On:

inevitablefutureofwork.com

WHAT YOU CAN DO TO PREPARE



UNDERSTAND PRIORITIES
CREATIVITY

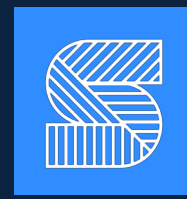
FEEL PASSION
EMPATHY

EXPERIENCE PURPOSE
COURAGE

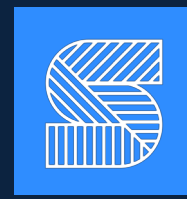
FEBRUARY 21, 2011
Revolution in Egypt
Joe Klein: What the U.S. should do
On the Street: Hope meets anxiety
Muslim Brotherhood: What it wants
Oscars: Portraits of star power
TIME
2045
The Year Man Becomes Immortal*
BY LEV GROSSMAN
*if you believe humans and machines will become one. Welcome to the Singularity movement
www.time.com

“THE BEST WAY TO PREDICT YOUR FUTURE IS TO CREATE IT.”

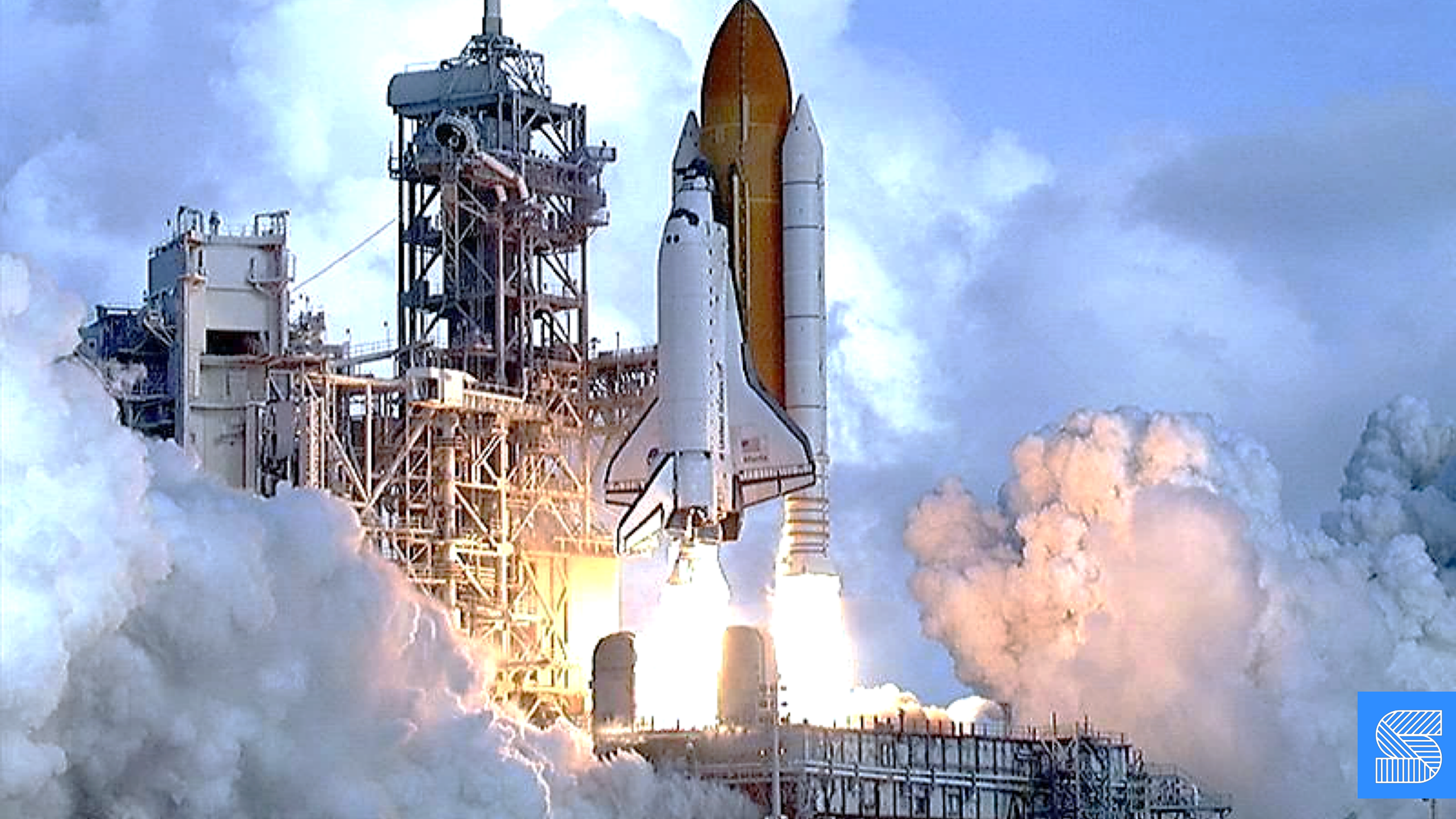
ABRAHAM LINCOLN



2007…



WHERE WERE YOU ON
OCTOBER 7TH, 2018?



Write a letter to the future

"I love this. I've sent myself 5 letters so far and every year it's a surprise. Because I forget so easily. It turns into such a deep reflective process, that I usually weep and laugh while I write."

- Margaret
Member since 2011

OVER 5 MILLION LETTERS DELIVERED TO THE FUTURE SINCE 2002

MORE FROM FUTUREME FANS

YOUR FUTURE LETTER FULL SCREEN

Dear FutureMe,

DELIVER IN

1 Year | 3 Years | 5 Years | Choose Specific Date

MAKE THIS LETTER

Private | Public, but anonymous

YOUR EMAIL ADDRESS

Your Email

SEND TO THE FUTURE!

You will receive a confirmation email. By writing a letter and signing up for FutureMe you agree to the terms and conditions.

FIVE MUST READ BLOGS

FUTURISM

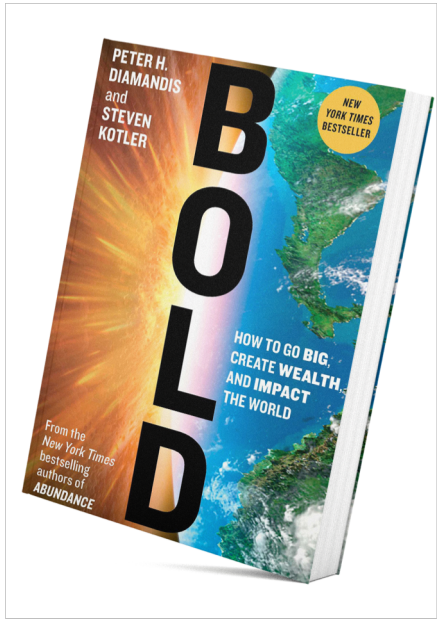
FARNAM STREET

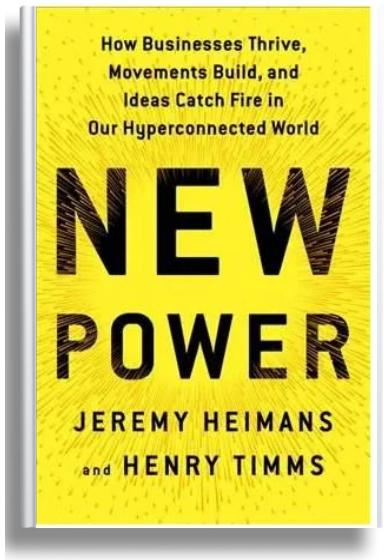
ABUNDANCE INSIDER

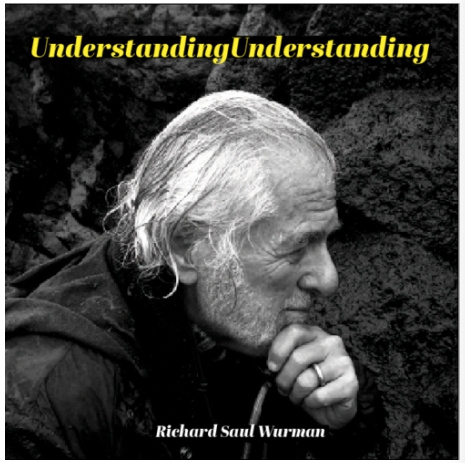
FIVETHIRY EIGHT

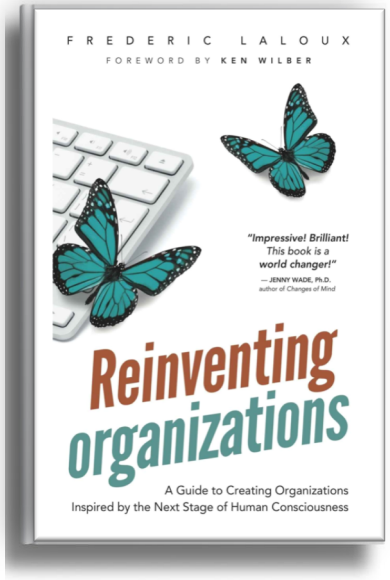
SHIFT BLOG

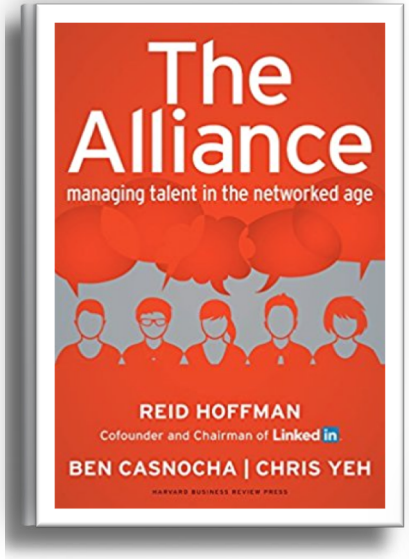
SIX MUST READ BOOKS

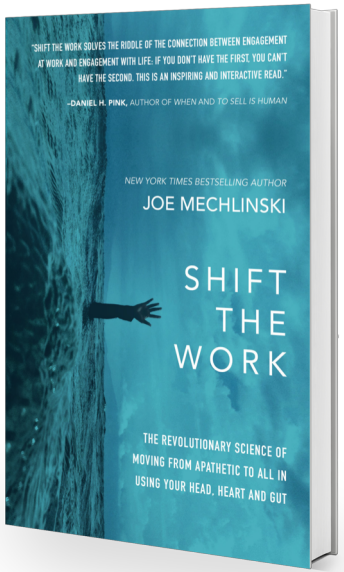












FIVE MUST LISTEN PODCASTS

WAKING UP
W/ SAM HARRIS

FUTURE OF EVERYTHING

RADICALLY AGILE

INEVITABLE: THE FUTURE OF WORK

SHIFT HAPPENS

TOOL(S)

ONLINE LEARNING & DEVELOPMENT

UDEMY

COURSERA

TED

KHAN ACADEMY

MIT

Failure isn't an option for you. But here, you'll **make a mistake or two**. You'll sweat, and stretch, and be **pushed beyond** where you ever thought you could go. We force you to be **a better you**, a more innovative, inspiring, **impactful you**. You won't just perform, **you'll transcend**. All we ask is that you be willing to take gargantuan risks, chase insane dreams, **create monumental change**, have each other's back. And listen to your **heart and gut** as much as your head. When you do, **you'll transform yourself**, inspire others, do amazing things, and, yes, have some fun. That's how we turn a tiny ripple into **a rogue wave**. Vulnerability equals victory. Fearlessness equals fruitfulness. The **world's biggest issues** can and will be solved by leaders with the **courage to shift**.

Better you. Better us. Better all.

BE OUR GUEST!

MAY 16, 2019 // SHE ENT

INSTIG CE

BY VISITING

RK.COM/INNOVATE

ited to the first 3 registrants. Must be an executive or entrepreneur.

OFFER NO LONGER AVAILABLE