

How to sustain your business in times of uncertainty

The ability to adapt your business is an advantage

One of the most topical business issues today is about how firms sustain their business in markets that are increasingly characterized by volatility, numerous disruptions and uncertainty. Certainly the recent UK referendum result in favour of 'Brexit' will only have added an additional layer of complexity to this issue in the short to medium term.

The issue of how businesses sustain themselves is increasingly centred on how they 'adapt' their business faster than their rivals. It's all about having **adaptive learning capabilities**, and in fast changing market conditions, the *ability to adapt* your firm will be the most effective way to sustain your business the in the long-term. It's called Adaptive Advantage.

So what are adaptive learning capabilities?

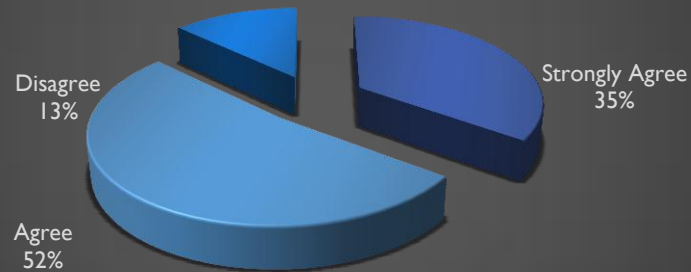
Adaptive learning capabilities can reshape your business, and through a process of managed evolution, they could deliver superior firm performance. These capabilities include the:

- ❖ ability to *detect* and *act* on signals in the market place;
- ❖ ability to *experiment* and develop expedient low cost ideas;
- ❖ ability to *manage* complex and dynamic multi-stakeholder environments;
- ❖ ability to *mobilize* resources by empowering people to proactively respond to changes in the market place.

Adapting to new market dynamics

The findings from new research by Bournemouth University indicate that a significant number of firms are experiencing a highly changeable business environment and one where it is becoming increasingly difficult to manage their firms. Indeed, almost half (45%) of firms said that turbulent market conditions had made it more difficult to protect their core business revenues whilst building new revenue streams.

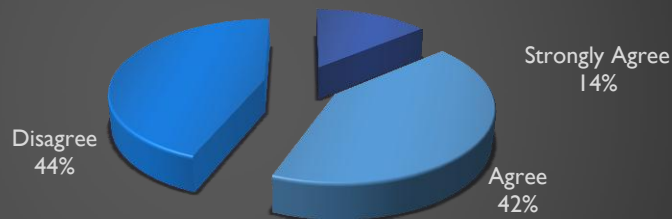
Our industry is highly turbulent



Adapting by Experimenting

Changing industry dynamics should encourage firms to experiment in order to sustain their business and remain competitive. This experimentation is often seen in adaptive processes relating to strategy making, business models and wider issues of organizational change. The survey data indicated that the majority of firms (74%) placed an emphasis on experimentation in order to keep pace with industry changes. Experimenting with different business models is widespread, with 70% of firms making incremental adaptations to their existing models.

Our ability to adapt provides us with an advantage



Firms can gain an adaptive advantage over the competition

Perhaps the most compelling finding to support the idea that firms need to place *Adaptive Advantage* at the centre of their business strategy is that research by Bournemouth University in 2012 found that 33% of firms believed that they were adapting too slowly to change, and by 2015, this figure had risen to 57%. This finding is interesting and supports the idea that firms can gain an 'adaptive advantage' over their competition by adapting their business at a faster rate than their rivals.



...the Author

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As an executive trainer, he has delivered programmes in Media Strategy to directors, managers and producers from across the European audiovisual sectors. In the UK, he has delivered executive education to clients like the BBC, ITV, Virgin Media, Sky, UKTV, Channel 4, FremantleMedia and Bell Pottinger.

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