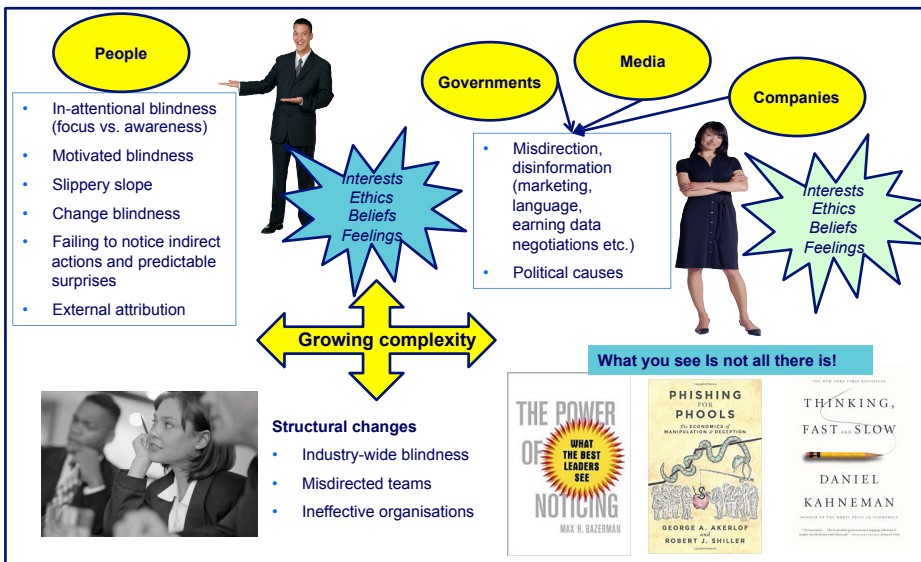


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EFFECTIVE BUSINESS MODELS
Part-1: Transformation of Business:
Playing Field Dynamics

Prof dr Hans JC Bakker
15 September 2016 v01 20160908

What are you looking at and what are you seeing?

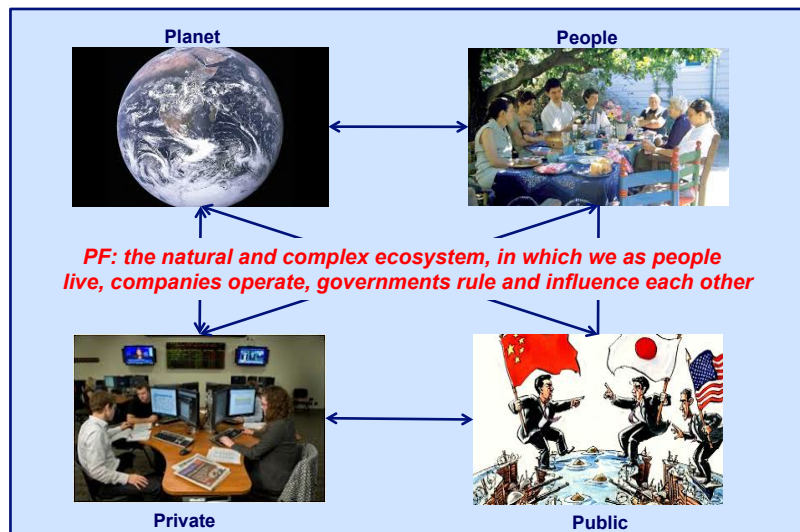


You will see more with a systems approach: The washing machine and the cat!



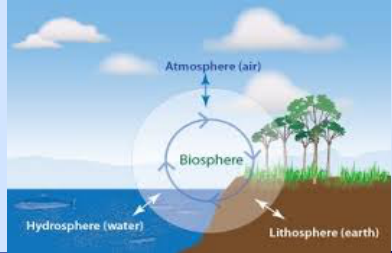



Mechanical complicated systems	Natural/complex ecosystems
Man-made machine	Evolving, interacting with its environment, organic
Complicated: difficult but predictable; Causality -> no ambiguity and no randomness (laws of physics), limited interdependence	Complex: severe interdependence and relation with context (ecology) -> complications, unforeseen side effects, randomness
Needs maintenance and repair	Learning, partly self-healing
Single truth	Multiple truths
Completely predictable but no learning or adaptation	Very difficult to predict, but learning and adaptation are possible
Washing machine, rocket, car, tank, plane	Animal, person, company, industry, country

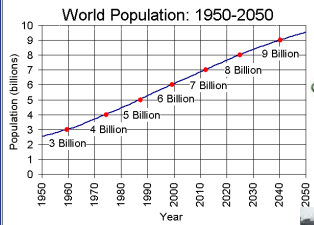

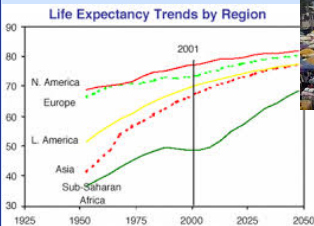
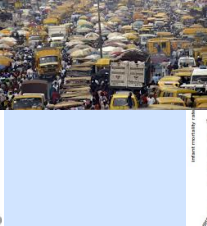
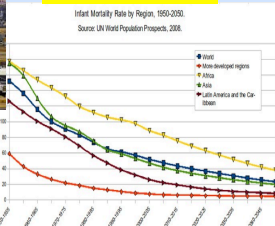
What is our playing field?







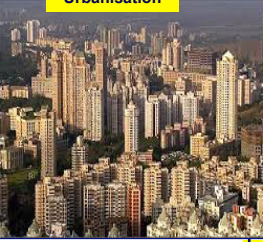

Evolving Earth

	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	
8. Shifting global powers				9. Renewing world- and self images
7. Multi-faceted national governments				10. Struggling educational systems
	2. Growing world population	1. Evolving Earth	3. Challenging growth dilemmas	
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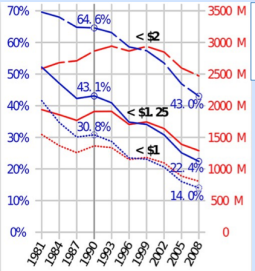
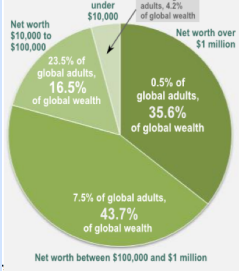
World population keeps growing, but not everywhere

	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	
8. Shifting global powers				9. Renewing world- and self images
7. Multi-faceted national governments				10. Struggling educational systems
	2. Growing world population	1. Evolving Earth	3. Challenging growth dilemmas	
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Population growth creates challenging growth dilemmas

	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	
8. Shifting global powers	 Food	 Infrastructure	 Raw materials	9. Renewing world- and self images
	Water	Urbanisation	Energy	
7. Multi-faceted national governments				10. Struggling educational systems
	2. Growing world population	1. Evolving Earth	3. Challenging growth dilemmas	
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The global economic configuration is moving in multiple ways

	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	
8. Shifting global powers	 The biggest airline market?	 The biggest car market?	 The biggest tech company?	9. Renewing world- and self images
7. Multi-faceted national governments	 <p>More people have more to live on (World Bank 2014)</p>	<p>Economic Models</p> <p>Inequality is rising (Credit Suisse, 2010, Piketty 2014)</p>		
	2. Growing world population	1. Evolving Earth	3. Challenging growth dilemmas	
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Digitization and other disruptive technologies radically change our world

4. Moving global economic configuration		6. Shifting markets & innovation		5. Disruptive technology & digitization	
8. Shifting global powers				Uses or Applications of AI > Finance. > Hospitals and Medicines. > Heavy industry. > Online and TCS. > Transportation. > Video games. > Military. > Space science. > Music	
7. Multi-faceted national governments		Technology		Connectivity	
		Internet of Things		Data	
2. Growing world population		1. Evolving Earth		3. Challenging growth dilemmas	
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Markets are changing structurally

4. Moving global economic configuration		6. Shifting markets & innovation		5. Disruptive technology & digitization	
8. Shifting global powers					
	<p>The power balance has shifted; the customer determines</p>			<p>Your customer is not an individual (firm) but part of a network and can buy global</p>	
7. Multi-faceted national governments					
	<p>Customers can make products into global issues overnight thanks to internet</p>		<p>Customers drive innovation continuously (needs, \$)</p>		
2. Growing world population		1. Evolving Earth		3. Challenging growth dilemmas	
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Governments are multi-faceted and are changing nations

		4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization		
8. Shifting global powers	7. Multi-faceted national governments	<p>Legal system</p>	<p>Communications system</p>	<p>Economic system</p>	9. Renewing world- and self images	10. Struggling educational systems
			<p>Political system</p>	<p>Military system</p>		
		2. Growing world population	1. Evolving Earth	3. Challenging growth dilemmas		
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Governing our global world is difficult

		4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization		
8. Shifting global powers	7. Multi-faceted national governments		<p>U.N. SECURITY COUNCIL Each Council member has one vote. Decisions need at least nine of the 15 members' votes</p>		9. Renewing world- and self images	10. Struggling educational systems
				<p>North American Free Trade Agreement</p>		
		2. Growing world population	1. Evolving Earth	3. Challenging growth dilemmas		
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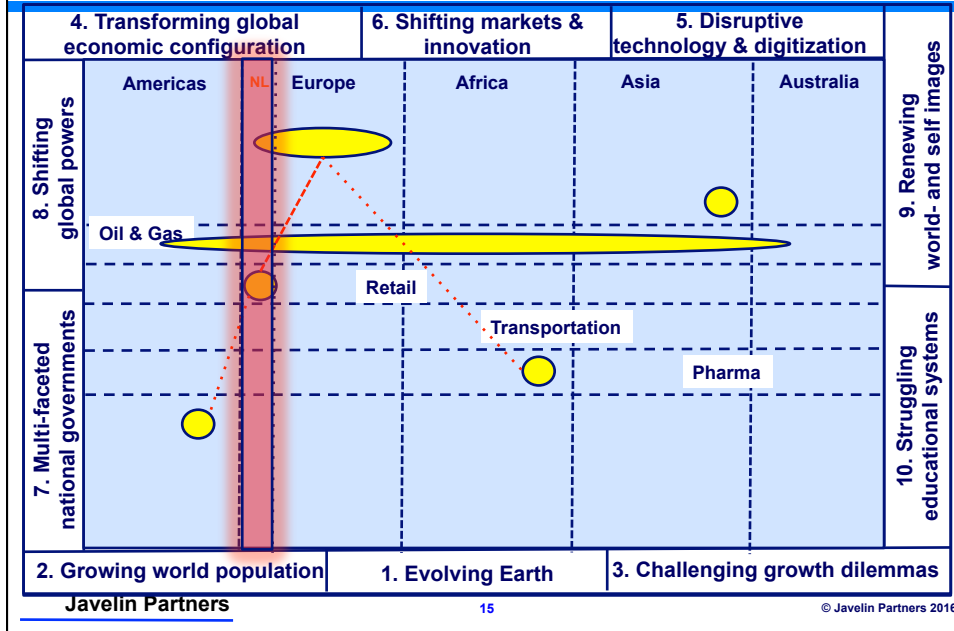
Your playing field view is influenced by your world view and people view

	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	9. Renewing world- and self images
8. Shifting global powers				
7. Multi-faceted national governments				10. Struggling educational systems
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Educational models and behaviour change and some go fast

	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	9. Renewing world- and self images
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7. Multi-faceted national governments				10. Struggling educational systems
2. Growing world population				
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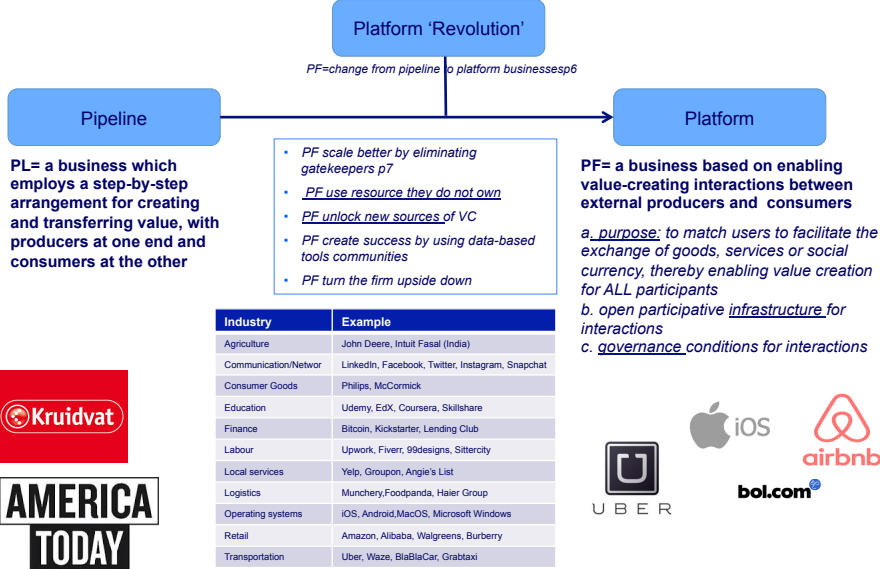
Geography and markets are key aspects of our playing field



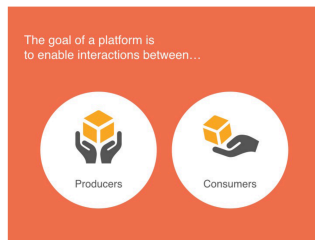
New business models are created to deal with interacting PF Dynamics



Platforms lead to new Business Models



Platform business models are different

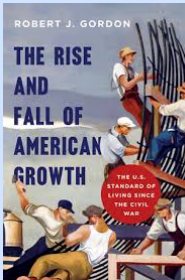


“ A platform is a plug-and-play business model that allows multiple participants (producers and consumers) to connect to it, interact with each other and create and exchange value. ”

THE PLATFORM STACK



Playing Field Dynamics: what will the future look like?

8. Shifting global powers	4. Moving global economic configuration	6. Shifting markets & innovation	5. Disruptive technology & digitization	9. Renewing world- and self images	
	7. Multi-faceted national governments	 <p>Technology brings unlimited growth</p>	 <p>The future brings limited growth; the fastest growth lies behind us</p>		10. Struggling educational systems
2. Growing world population		1. Evolving Earth	3. Challenging growth dilemmas		
 <p>Possibility of sustainable abundance with collaborative commons</p>					
 <p>Folly of technological solutionism</p>					
<p>Javelin Partners 19 © Javelin Partners 2016</p>					

PF Analysis

<p>1 Evolving planet</p> <ul style="list-style-type: none"> Biosphere + Biodiversity + Climate change 	<p>9 Renewing worldviews and self images</p> <ul style="list-style-type: none"> Changing world views: geocentric, heliocentric, symbiotic Transforming self-images: self-confidence, values & norms, biases Factors: history, geography, science, education, economy, culture, religion, personal beliefs 	<p>10 Struggling educational systems</p> <ul style="list-style-type: none"> Existing educational models: industrial, group, age, western universities and schools Key knowledge & skills: broad + technical, entrepreneurial, domain, international Changing educational models: online, free Talent and learning: self-directed and team learning, Life Long Learning 	Systemic interrelations and impact
<p>4 Moving global economic configuration</p> <p>Global economic system</p> <ul style="list-style-type: none"> Transformation Economic growth and decline National economies Competition and/or collaboration: Problematic financial sector <p>Global econ models:</p>	<p>5 Disruptive technology & digitization</p> <ul style="list-style-type: none"> Changing technology and digitization, robotization, AI; Connectivity Big Data Internet of Things Impact: dependence, security, privacy, crime, war, jobs Mind-sets 	<p>6 Shifting markets & innovation</p> <ul style="list-style-type: none"> Changing customers: Changing suppliers Products/services and innovation Business models Continuous dialogue Competition and/or collaboration Platforms, networks Partnerships 	
<p>3 Challenging growth dilemma's</p> <ul style="list-style-type: none"> Water : shortage, too much, polluted Food: shortage, quality, obesity Energy: sources, use Raw materials: fossil, renewable, minerals Infrastructure: housing, roads, utilities, Urbanisation Integrated sustainability 	<p>7 Multi-faceted governments</p> <ul style="list-style-type: none"> Nation-state: national people, geography, borders government(political), economic, military, communications system Roles: protector, legislator (public); Licensor, supervisor, director (regulating private); protector, shareholder, innovator (private s.) Corruption 	<p>8 Shifting global powers</p> <ul style="list-style-type: none"> Power: political, economical, military, superiority Global power distribution Global players: nation-states, global institutions, multi-nationals, terrorists 	
<p>11 Geography</p> <p>Location + Area-size (Continent-region-country –city) and qualities + Population + Climate + Issues</p>			
<p>12 Industry/Sector</p> <p>Definition + Borders+ Size (Fin., jobs) + Geogr. spread + Key players + Business & Earning Models + Attractiveness +Issues</p>			
<p>Javelin Partners 20 © Javelin Partners 2016</p>			