

Chapter 1

How Much Time Do You Have?

How did you go bankrupt?

Two ways. Gradually, then suddenly.

—Ernest Hemingway, author

What company is this? Early private investor in a major ride-sharing leader. Licensed to test more fully autonomous cars on California roads than any other company. Builder of a business model that can prosper in a future where many people own cars but do not drive and others don't want to own a car at all. Recognized as the first company delivering a long-range, sporty electric car that the average person can afford. Willing to pay a massive premium to acquire Silicon Valley-based talent in order to win the long game of digital disruption in the automotive industry. Just received an investment of \$2.25 billion from famed dealmaker Masayoshi Son at SoftBank.

Google? Apple? Tesla? Amazon? Uber? Those would all be excellent guesses. The company is actually General Motors. A company that just 10 years ago required a US government bailout to survive the global financial crisis. Today GM is thriving in spite of the global automotive industry being rapidly transformed by the trifecta of digital innovation: electrification, autonomy, and sharing.

Rewriting David versus Goliath

If the business world actually reflected the biblical story of David versus Goliath, established companies built over generations would struggle valiantly against the digital upstarts but would be so visually impaired and unimaginative that they would not be able to see the rock coming. Unicorn private companies from San Francisco, Shanghai, Berlin, and Tel Aviv would upend the status quo in industry after industry, leading to bankruptcy for established companies and unemployment for their workforces. In this updated version of the historic story, David's sling would be an artificially intelligent robot. We would all know how the story ends but still enjoy reading about the heroic struggle these established companies mustered before their eventual demise.

For some established companies, that is actually how the business version of David versus Goliath is playing out. Digital disruptors such as the companies listed above are well funded, well staffed, and heavily armed. They are not to be taken lightly. This is true whether the established Goliath is a global industrial titan with 100,000 employees or a local company that has been the lifeblood of a family for years with 10 employees. We've all seen that Blockbuster was destroyed by Netflix, Nokia was beaten by Apple, and that thousands of retail entrepreneurs "retire early" as Amazon gradually takes their customers away. This outcome is predictable if the news articles you read are to be taken at face value.

We think something much more interesting is afoot. We call it "Goliath's Revenge." Established companies are getting wise to David's strategy, tactics, and tools. They have seen some of their traditional

competitors succumb to the digital attackers that are resetting the rules for their industries. Instead of waiting for their businesses to be disrupted by some Silicon Valley whiz kid, they are saying, Why can't we use those same strategies, tactics, and tools for ourselves? Some are setting their sights even higher. They are simultaneously protecting their core businesses from digital disruption while also running the disruptors' playbook to expand into high-growth adjacent markets.

Goliath's Revenge is not just playing out within these established companies; the script is also being rewritten for the people who work in them. Senior executives, managers, and front-line staff alike are proactively reinventing themselves to ensure that they have lifetime employment, even in this period of disconcerting and rapid change. These employees are offloading routine tasks to computers instead of clinging to them. That mindset shift is allowing them to finally take on the higher-value activities that they've never had the time to get to. These enlightened employees are stretching themselves to build the new skills their companies will require for a digital future but may not even know to ask for yet.

Before we jump into the new rules that govern how these established companies and their workforces are achieving Goliath's Revenge, let's dig deeper into how GM has been able to pull off the remarkable comeback referred to earlier.

The Resurgence of General Motors

There is no substitute for making mistakes early to build the breadth and depth of institutional knowledge required for long-term market leadership. Think about the Newton that was designed by Apple Computer and launched to much fanfare in 1993. It was both an unmitigated failure and the ancestor of what would become one of the most important products ever made: the iPhone. Apple has gone on to sell over one billion iPhones. That business now represents almost two-thirds of the company's revenue. The second time

really was the charm. Steve Jobs was so confident that the iPhone would be a hit that he dropped “Computer” from the company name on the day the iPhone launched.

Around the same time Apple was working on the Newton, GM was developing the EV1—the world’s first modern electric car built by a major automotive manufacturer. It was a bold bet that came to market in 1996, seven years before Tesla was founded and 16 years before Tesla’s first internally developed car, the Model S. The EV1 proved to be GM’s Newton—unsuccessful in the near term, quickly discontinued, and essential to the long-term success of the company.

Detroit’s history with electric cars actually goes back to the early part of the twentieth century. Samuel Clemens, better known by his pen name Mark Twain, once observed, “History doesn’t repeat itself, but it does rhyme.” This is still the case today. Figure 1.1 shows a 1917 advertisement for a car called the Detroit Electric that uses the rising price of gas and moderate price of electricity to promote Detroit-built electric cars.

GM did not realize it at the time, but the EV1 was an essential step on the path to achieving Goliath’s Revenge. The automotive industry is beset with digital Davids—Tesla, Google, Uber, Lyft, Apple, Zipcar, and BYD Auto, along with many lesser-known players—all trying to shape the future of the automotive industry through electrification, autonomy, and sharing. You can likely name an equivalent set of digital disruptors in your industry and country.

What the EV1 did was whet GM’s appetite for how electrification could reshape the automotive industry. It inspired the gas-and-electric ChevyVolt in late 2010 and the wholly electric Chevy Bolt in late 2016. The Bolt was recognized as Car of the Year by *Motor Trend* in 2017 and beat Tesla’s Model 3 to market by nearly a year. In short, GM’s credibility with end customers, dealers, and shareholders with respect to electrification is well earned.

In terms of autonomous vehicles, GM did not have the luxury of such long-term, institutional knowledge. This required the company to make

THE WASHINGTON HERALD, SUNDAY, AUGUST 19, 1917

GASOLINE GOING UP!

ELECTRICITY GOING DOWN!

THE ANSWER IS A
Detroit Electric

Speed, 27 Miles
 An Hour
 80 to 100 Miles
 on a
 Single Charge



Style
 Comfort
 Efficiency
 Perfection

DRIVE IT YOURSELF

If You Are Considering Purchasing an Automobile
 Investigate the Detroit Electric Before Deciding

Indisputably the Car of the Hour for People Who
 Appreciate Power, Speed, Comfort and
 Economy in Motoring

STERRETT & FLEMING
 Champlain at Kalorama Road
 Detroit Electrics—Diamond Grid Batteries
 North 5050

BALTIMORE WASHINGTON RICHMOND

Order Your
Detroit Electric
 NOW
 and Get Immediate Delivery
ONLY \$2125
 F. O. B. FACTORY

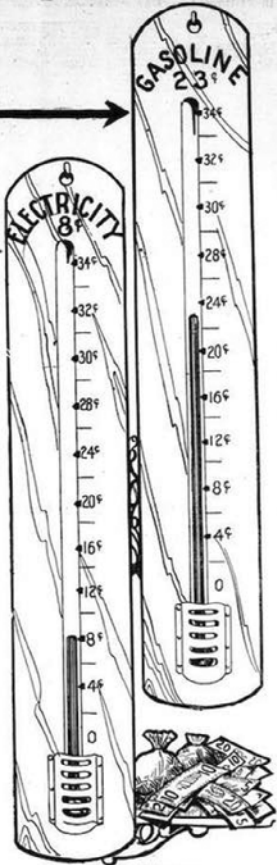


FIGURE 1.1 Detroit Electric Ad from 1917

a bold bet through the acquisition of Cruise Automation in early 2016. Headquartered in San Francisco, Cruise was just three years old when GM acquired it. More shocking was the price—a reported \$1 billion—valuing

the startup at nearly \$25 million for each of its roughly 40 employees. For context, GM itself is valued at just \$0.3 million per employee. Bets don't get a lot bigger than that. GM had the confidence to make such a major acquisition—what we will refer to as a “Big I” bet—as its own customer research demonstrated that self-driving capabilities were crossing the chasm from science project to key differentiator. Getting autonomy right was declared a must-win battle and an area in which entirely new skills would be critical to GM's long-term success.

The final shift—sharing—was the most difficult one. Every traditional automaker wanted to believe that consumers would always value owning and driving their own cars. It felt like a core tenet of the American Dream and a foundational basis of GM's brand, culture, and values. Again, GM had some early efforts to draw on. GM acquired the Hertz Drive-Ur-Self System all the way back in 1926 as its entry into the rental car market. That was 83 years before Uber was founded. The rental car business taught GM important lessons about which jobs customers wanted their cars to do and which of those required car ownership versus temporary vehicle access.

This history gave GM the confidence and experience to make two additional big bets—one around car sharing and one around ride sharing. For its car-sharing bet, GM acquired the assets and select staff from failed ride-sharing company Sidecar in January 2016. GM immediately relaunched that business as a new car-sharing platform called Maven that provided access to select GM vehicles on an hour-by-hour basis through a mobile app. Think simple, hourly car rentals and you're not far off—GM's version of Zipcar. Perfect for people who want to drive themselves but only need a car for a limited time period. Maven was also ideally suited to the growing ranks of gig economy workers driving in scheduled shifts for companies such as Uber, Instacart, and Door Dash.

Two months later GM took the bold step of investing \$500 million in ride-sharing company Lyft, which then had a private market valuation of \$5.5 billion. This gave GM a front-row seat for the

millennial-powered transition from buying cars to purchasing rides. To GM shareholders, that investment looked expensive until Google put an additional \$1 billion into Lyft, which was valued at \$11 billion just 21 months later. On paper, GM had doubled its money in under two years.

There are obvious synergies between the Maven and Lyft investments. One of the critical gating factors in Lyft's growth has been its contract drivers' access to reliable, late-model cars like the ones Maven now rents on an hourly basis. GM's balanced portfolio of adjacent internal innovation initiatives and external acquisitions and investment has the company best positioned of the major automotive companies for a digital future.

GM's company-wide commitment to achieving Goliath's Revenge comes straight from the top. In an interview late in 2016 with *Business Insider*, GM CEO Mary Barra said, "We are in the midst of seeing more change in the next five years than we've seen in the last 50 years." GM is augmenting its decades of institutional knowledge of electrification, autonomy, and sharing with bold bets to bring in entirely new domain-specific skills, business models, technology platforms, supplier ecosystems, routes to market, and customer segments.

GM shareholders have been amply rewarded. Since the beginning of 2016, GM's stock price has increased by nearly 50% and the company now has an enterprise value of over \$140 billion. While much remains to be done, GM's progress was recently rewarded by a \$2.25 billion vote of confidence from the SoftBank Vision Fund.

But this is not a story about any one company. In industry after industry, a similar trend is unfolding. Established companies of all sizes, and the people who work for them, are taking bold steps to shift from being disrupted to becoming disruptors. They are shifting from a mindset of "Defend the way we do things for as long as possible" or "I just hope I can retire before this really hurts my business" to one of "We need to move aggressively now to leverage our unique capabilities in a way that disrupts the disruptors."

The Six Rules of Goliath's Revenge

Six rules govern how established companies and their teams are adjusting their vision, strategy, and execution to achieve Goliath's Revenge. The eventual split of mind share and market share between established companies and digital disruptors will be governed by how well individual companies respond to these new rules. These new rules will also determine your career prospects as the industry you work in undergoes its digital transformation.

Let us preface the new rules by highlighting that we know you and your company have already taken some steps to deal with digital disruption. You've most likely announced a digital transformation project, hired a big-name chief digital officer, done some digital coinnovation projects with your best customers, or paid a king's ransom to a major technology company to upgrade your IT systems. You might have done all of the above. You are not alone.

Digital disruption is not new. RFID (radio-frequency identification) started changing how packaged consumer goods are inventoried and distributed 15 years ago. Online banking opened the range of competitors in retail banking 20 years ago. Amazon started attacking Borders, Chapters, and Barnes & Noble with its online book sales almost 25 years ago. This has given you enough time to try to address digital disruption and maybe even get frustrated with the modest returns so far on those investments.

We have two bits of good news for you. First, you are not alone. Nearly every company, large or small, in your industry has done what we call the digital head fake—that is, an announcement such as “We get digital” or “We are going online” without enough substance behind it to make a material difference. You are just not that far behind your contemporaries. Second, you can chalk up all of what you've tried to that development of institutional knowledge that GM is seeing such positive returns on now. Think of all those past initiatives as your Newton or EV1—the attempts that may

not have succeeded in their own right but are the basis for your long-term success.

So how do you ensure that the majority of your efforts to turn the tables on digital disruptors are successful going forward? We are as impatient as you, so we put the answer right up front. This is a little like going to take the SAT (or your country's standardized test for college admission) with the grading sheet in front of you. Time really is of the essence in refocusing your digital transformation, for both your career and your company. As you read the following six rules, think through which of your current attempts fit within them and which should be stopped or refocused immediately.

Rule 1: Deliver Step-Change Customer Outcomes

A little better than last year is not good enough.

A key lesson from the Davids of Silicon Valley is to aim for what venture capitalists call “10X” customer outcomes—offers that are 10 times better than the status quo. These are the opposite of the “slightly better than last year” improvements that established companies are so good at delivering. Digital disruptors are focused on game-changing customer impact. Tesla designs cars that are radically different than gas-powered ones, Apple and Android smartphones are at least 100 times better than our old Motorola and Nokia cellphones, and Netflix delivers entertainment anywhere you want it while Blockbuster required you to physically go to a store (and pay a big late fee if you didn't return your video soon enough). You get the idea.

Delivering step-change customer outcomes is the first rule for a reason. If you fail to focus on customer outcomes or you aim too low and settle for “a little better” then none of the rules that follow are going to matter.

In Chapter 4, we will give you a tool for innovation portfolio management that will focus you, your team, and your company on delivering these step-change customer outcomes. Cisco and General Electric have implemented versions of it and we believe it can help your business too.

Rule 2: Pursue Big I and Little I Innovation

Innovate both top-down and bottom-up.

John Chambers, the famed CEO of Cisco, talked a lot about the “power of and.” It means that sometimes you don’t get a choice as you prioritize your innovations. There are times when you might even have to be great at two seemingly contradictory things simultaneously. Achieving Goliath’s Revenge requires just such a feat. Established companies have to be great at Big I disruptive innovation as well as Little I incremental improvements.

Big I requires CEO-level big bets, such as the IoT platform Predix at GE Digital or the massive investment in Digital Banking at BBVA. These top-down, bet-the-company innovations need to be governed by a company-wide Big I relay-race approach that ensures they are given every possible chance to succeed. Both financially and politically, established company leaders can only afford a few of these Big I bets, so their hit rate has got to be very high.

Little I is different, but equally important. It taps into the wisdom of crowds to act on opportunities that senior leadership teams may not even perceive exist. Little I empowers employees and installs an institutional innovation culture. General Mills’ Lemonade Stand program, the Pfizer Dare to Try initiative, and Adobe’s Kickbox process have allowed these companies to make substantial progress in harnessing this bottom-up, every-employee-involved form of innovation.

In Chapter 5, we will show you how to balance Big I and Little I innovation for you and your company.

Rule 3: Use Your Data as Currency

You own your data, so use it.

There was a phrase in the consumption-obsessed days of the 1980s: “He who dies with the most toys wins.” Today that might be rewritten as the company with the most data under management wins. Established companies are waking up the real option value of data and the potential

for that treasure trove to help them turn the tables on the digital disruptors within their industries. They've learned about the virtuous cycle of data: the more data you have today, the greater your algorithmic advantage tomorrow, and thus the more data you will attract the day after that.

The key is that data is the raw material of both defending your current businesses from digital insurgents and leveraging algorithmic advantages to grow into adjacent markets over time. Data will become your most valuable currency as you seek to deliver the step-change customer outcomes we discussed in Rule 1. Our bet is that you have only a limited idea of your company's full data inventory and virtually no perception of what portion of your data assets are being fully utilized today. We will cover this in more detail in Chapter 2 as we talk through the incumbent's advantage, and in Chapter 6 where we show you how to both safeguard your data from the digital disruptors and put it to work for yourself.

Rule 4: Accelerate through Innovation Networks

Overcome the curse of “not invented here.”

As you saw in the GM example, achieving Goliath's Revenge is going to require a more rapid pace of innovation than you or your company are likely capable of today. You need a second gear—one that can translate your current level of investment and effort into innovative offers that deliver step-change customer outcomes.

This second gear requires your company to develop and leverage broad external innovation networks that augment what you and your peers can deliver internally. This means reorienting from “not invented here” and “we know everything” mindsets to one that is welcoming and attractive to external innovators and ventures. It requires the right ecosystem, tools, structure, and funding mechanisms to quickly identify, validate, and spin-in new innovations from outside your company or even outside your industry. Established companies need to couple a venture capital (VC) mindset with their privileged domain knowledge around customer needs

and operational systems to drive these early-stage ventures to commercial impact without crushing the butterfly. We will show you how other companies have upshifted to this second gear of innovation in Chapter 7.

Rule 5: Value Talent over Technology

Preemptive skill development pays off.

In the typical company, only 2% of today's workforce fits the emerging needs of digital businesses. If you've made it to Rule 5, then you likely have this sinking feeling that the demand for new skills in areas such as user-experience design, data science, machine learning, robotics, and artificial intelligence (AI) is going to grow much faster than you and your company are ready for. The core technologies of digital transformation are available to every company with a bank account.

The speed at which you integrate your industry domain knowledge with the capabilities of these new digital technologies will be the greatest determinant of your future success. Realizing this, aspiring Goliaths are investing heavily in preemptive skill development and resource recycling. They are valuing new competencies in the areas highlighted above as leading indicators of their companies' future industry power, revenue growth, and margin expansion.

They also realize that what gets measured gets done, so they are resetting the metrics for how they recognize and reward their employees to accelerate the organizational focus on digital innovation. Too much focus on near-term financial metrics is a sure way to discourage the medium- to long-term investments needed in building your company's digital talent base. For some companies, an intermediate step is needed that we call a two-speed organization design. We will cover that in detail in Chapter 8.

Rule 6: Reframe Your Purpose

Have the guts to stay focused on what really matters.

The paralyzing fear of cannibalizing their current profitable businesses is the single greatest concern of established companies in the

digital age. Kodak invented the digital camera but chose not to commercialize it in order to protect its film profit margins. Blockbuster lost out to Netflix by protecting the excess margins it garnered from the late fees its customers hated. The examples are endless.

Established companies turning the tables on digital disruptors are embracing smart cannibalization. They are setting up competing businesses to fully participate in both the old wave and the next one. They are allocating human and financial capital from separate pools to avoid stealing from the future to pay for the present. Doing all this requires these aspiring Goliaths to reframe their mission and to redefine the businesses they are in. They are setting their sights on a broader, more compelling mission that aligns employees, customers, and shareholders while refocusing on the triple bottom line (profits, people, planet).

Without this fundamental reframing of your mission, too many of your peers will simply wait out the digital transformation your company requires, clinging to a mindset of this too shall pass. We will cover this “nothing risked, nothing gained” aspect of Goliath’s Revenge in Chapter 9.

How Much Time Have You Got?

It is gut-check time. None of these new rules provides a quick fix independently of the others. For most established companies, achieving Goliath’s Revenge is a three-to-five-year journey. Even the most aggressive aspiring Goliaths are typically acting on only a subset of these six rules today. Being honest about where you and your company are relative to these new rules should not feel harsh or critical. It is not a time to round up or to sugar coat the realities of the tectonic shifts impacting your career, company, and industry.

The hard truth is that digital disruptors are waking up every day trying to reset the pecking order of your industry and gain mind share with your most important customers, employees, and shareholders. Only you can answer the question of how much time you and your company

have to align with the six rules before your industry's digital disruptors are too powerful to overcome. You are in a foot race whether you realize it or not.

The first step in deciding how much time you have to turn the tables on these digital disruptors is accurately understanding your starting point. Are you and your company ready to achieve long-term success and profitable growth in spite of the digital gyrations impacting your industry? One thing is clear—just working harder to defend the status quo is not a path to success.

While we've only given you a basic introduction to the six rules, it is time for some homework to determine how much time you have and the level of urgency you should feel. Take out two blank sheets of paper and write the six rules down the left side of each one. On the first sheet, grade yourself with an A, B, C, or D based on how well you think you're positioned professionally against the new rules relative to your peer group. On the second sheet repeat the grading exercise, but with your company in mind relative to the emerging competitors in your industry.

Be a tough grader. That is, grade on a C curve, as your best university professors did. If you are average relative to your peer group/industry competitors on a given rule, then assign a mark of C. If you believe you or your company is below average, then assign a D. We will not be giving out any F grades—consider this your midterm assessment, when it is just too early to declare failure. On the other hand, if you think that you are already at the head of the class by all means give yourself an A. A grade of B means that you are above average compared with your peer group but not yet the reference standard.

We will get a lot more scientific with this grading when we get to the detailed discussion of each rule in the chapters ahead. You can then assign your final grades with full knowledge of what the final exam covers. For now, this is your opportunity for a subjective self-assessment. It will provide a baseline for the exercises to come as you work through the remainder of the book.

To help you complete this self-assessment, we have included two examples. Figure 1.2 shows one that individuals can use to assess their careers, using a hypothetical employee of GM named Grace. As with the final credits in movies, any similarity between this Grace and other Graces you may know is purely coincidental.

CAREER SIX RULES MID-TERM REPORT CARD “GRACE” EXAMPLE

Rule #1 Deliver Step-Change Customer Outcomes	A	+ Degree in studio art highly valued in new user experience role + Tapped into motivations, preferences of millennial car buyers
Rule #2 Pursue Big I and Little I Innovation	A	+ New digital rotation program allowed for rapid skill development + Helped launch car sharing offer and drove internal productivity efforts
Rule #3 Use Your Data as Currency	D	– Limited math background may delay promotion potential + Taking online statistics courses through Udacity and Kahn Academy
Rule #4 Accelerate Through Innovation Networks	B	+ Denver emerging as a thriving high-tech ecosystem + Proactively building professional relationships beyond automotive
Rule #5 Value Talent Over Technology	B	+ Taking online stats course on personal time at Kahn Academy – Had to delay Coding Basics course at Udemy due to travel schedule
Rule #6 Reframe Your Purpose	C	– Have been “heads down” working hard to master current role – Still working on balance between professional and personal goals

FIGURE 1.2 Sample Six Rules Career Midterm Report Card

As you can see, Grace has found a way to leverage her background in an entirely new way. It turns out that studying studio art in college positioned her incredibly well as established companies realized how important user experience design is in delivering step-change customer outcomes. On the flip side, Grace is having to address gaps in her skill set by investing personal time in online training courses for the basic statistics and coding capabilities needed to translate her creativity into a work product that her employer, GM, cannot live without. Grace realizes that lifetime employment for her generation is a little like running up a down escalator. It requires a mindset of continual and preemptive skill development.

In Figure 1.3, we have included a sample of how our fictional Grace might assess her employer, GM, against the six rules. Of course, other employees of GM may well assign grades different from our fictional Grace. That is almost certain to happen within your company and is the real point of this part of the exercise. These midterm company-level report cards are meant to spur frank, open discussions between you and your peers on where your company is well positioned to achieve Goliath's Revenge and where there is still work to do.

We have highlighted GM as a case example throughout this chapter because we believe that it is strongly positioned to disrupt the disruptors in the automotive industry over the long term. As you can see in Figure 1.3, that does not mean that GM is above average on all six of our rules. On the contrary, Grace's midterm assessment is that her company has made substantial progress on Rules 2, 4, and 6 but still has significant improvement opportunities for Rules 1, 3, and 5.

It is hard to imagine any established individual or company getting straight As on these assessments at this stage of digital disruption. Take the time now to look back at how you and your company scored on each rule and come up with a rough average across the six rules on each sheet. If your average is a B+ or higher, then you are ahead of your peers

COMPANY SIX RULES MID-TERM REPORT CARD GENERAL MOTORS EXAMPLE

Rule #1 Deliver Step-Change Customer Outcomes	C	+ Delivering no compromises electric cars for the masses – Overall customer experience not yet a breakthrough
Rule #2 Pursue Big I and Little I Innovation	A	+ Cumulative experience with electrification allows big bets + Playing both product and business model innovation in parallel
Rule #3 Use Your Data as Currency	C	– Fragmented approach to data rights, aggregation, analytics – No machine learning program on full fleet driver telemetry
Rule #4 Accelerate Through Innovation Networks	A	+ Many innovation paths: R&D, partnerships, investments, acquisitions + Agile approach to business creation firmly established
Rule #5 Value Talent Over Technology	B	+ Used M&A to gain critical mass in autonomous driving skill sets – Still more focused on hardware than software and analytics
Rule #6 Reframe Your Purpose	A	+ Bold, clear description of industry evolution and new mission + Putting future customer outcomes at the center of the mission

FIGURE 1.3 Sample Six Rules Company Midterm Report Card

and can take the long-term view in applying the lessons in this book for profitable growth in adjacent markets. Congratulations—you and your company are ready to be the disruptor, not the disrupted.

If your average is a B or B–, then it is time to reallocate your resources in a way that balances the near-term protection of your current business

with the medium-term goal of going on the digital offense. You need to put on your strategic bifocals in terms of your professional development and your company execution.

If you averaged a C+ or below, then it is time to ring the alarm bell. You need to immediately develop a clean-sheet action plan and act with urgency to make up for lost time. Your current core business is likely already under threat and your peers are already ahead of you on at least some important dimensions of Goliath's Revenge.

Time to Jump In

Goliath's Revenge is structured around three major questions you need to answer:

1. How will my industry, company, and career be impacted by digital disruption?
2. What steps can I take to position myself and my company for long-term success?
3. How should I prioritize my efforts to get the maximum return with the minimum risk?

Chapter 2 will help you inventory the unique advantages that your company is starting the journey to Goliath's Revenge with. Chapter 3 will help you calibrate the pace of transformation required, given the winner-takes-most dynamics of digital disruption. Each chapter provides real-life examples of other companies across industry sectors that are having success turning the tables on the digital disruptors.

As you think about the future strategy for both your career and your company, a sophisticated understanding of how the digital disruptions are playing out will be essential. In particular, we distinguish digital disruption from other forms of competition and explain why turning the tables on these new attackers should be your number-one priority. That said, if you are the impatient type and already have a thorough grasp of

your company's incumbent advantages and digital-related industry shifts then feel free to jump directly to Chapter 4.

Achieving Goliath's Revenge requires coordinated action against each of the six rules we've outlined above. You've completed the first step through the self-assessment of your professional capabilities and experience against each rule. That exercise is like the high school aptitude tests that helped prioritize your college studies and focused your early career aspirations. The next step is for you and your colleagues to have a frank discussion about which of the new rules your company is acting on effectively, which you've collectively swept under the rug, and what needs to be done to better position your organization for Goliath's Revenge.

Chapters 4 through 9 provide the frameworks and models needed for these dispassionate, objective discussions. They prescribe how to apply each new rule in service to accelerating your career trajectory and growing your company through this era of digital disruption. We mentioned that the subjective midterm report card exercise above would get a lot more specific. In each of Chapters 4 through 9, you will find two detailed assessment grids—one for your career and one for your company strategy. Those grids provide an objective calibration of what the grades A, B, C, and D mean within the context of each rule. You will use the grids in two ways—first to level set where you are today and then to prioritize which actions are required to improve your final grade. Both are important as you develop the plan for your career and your company.

The discussion of each new rule also includes detailed case studies to bring the rule to life. Each of the companies featured is emerging as a leader in the race to achieve Goliath's Revenge within its industry. Each is positioned to have the last laugh in the digital-disruption game and is using this period of rapid change to grow their importance, revenues, and profits. These real-world case studies cover a wide range of industries and regions to give you practical examples as you plan your path forward.

We wrap up the book with the structured approach you'll need to align your vision, strategy, and execution for the future. In Chapter 10 we introduce the disruptor's playbook, a framework for the structured execution plan your company will follow in pursuit of Goliath's Revenge. You cannot change everything at once or you risk breaking the business you have. A realistic, pragmatic sequencing of actions will be required. On the other hand, a head fake of broad announcements and top-down initiatives without a cross-functional transformation plan is sure to waste the little time you have before the winners take most in your industry. We include lessons from companies executing disruptor's playbooks so that you can learn from their successes and mistakes.

In Chapter 11 you will build your professional execution plan that prioritizes the new skills, capabilities, and experiences you should invest in now to ensure your long-term career success. Regardless of whether you are a board member, senior executive, middle manager, front-line team leader, or individual contributor, you have an important role to play. It is likely different from the role that has made you successful so far—it may very well feel as if you need to disrupt yourself now for an upside career trajectory later. Industries that have already been disrupted, such as retail and financial services, have demonstrated that waiting for the reskilling plan to come top-down just puts your professional satisfaction and career health at risk.

One particular area of focus in this final part of the book is a recommendation that you and your colleagues embrace what we call smart cannibalization. Sometimes the medicine you need to stay healthy does not taste very good as you swallow it. Smart cannibalization is going to be like that. In any important business decision, risk and reward are inextricably linked. The actions required to achieve Goliath's Revenge and disrupt the disruptors in your industry are no exception. We will arm you with a model of smart cannibalization that will help you reach the efficient frontier of risk versus return. This model will force you to make explicit trade-offs between the risk that your digital transformation will

prove to be too slow and the risk that going fast will negatively impact the near-term profitability of your core business.

So pause the social media for a bit, learn the lessons in the chapters ahead, invest time in the exercises that help you apply the new rules to your unique situation, and plot your path for long-term professional and company success. If this seems a little daunting, let us share some good news: you might be better positioned for Goliath's Revenge than you think. It is time to understand the incumbent's advantage.

