

# **How to Disrupt Yourself (Before Someone Else Does)**

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In today's world, change is the only constant—and the *rate* of change is itself increasing.

For any company, sitting still equals death.

As a result, you either disrupt yourself--or someone else will.

But how exactly do you do it?

In today's blog, I want to share a powerful tool that you can use to disrupt yourself.

Your success as an entrepreneur and as a company depends on it.

**NOTE**: Mastering the mindsets and tools to lead disruptive change instead of being the victim of it is a key focus of my **year-round Mastermind and Executive Program Abundance360**.

Let's dive in...

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#### IT ALL STARTED DURING WORLD WAR II...

In 1943, the US Defense Department called Kelly Johnson, the Head of Engineering at Lockheed, with an *impossible* task.

German fighter jets had just appeared in the skies over Europe, and America desperately needed a counterpunch.

Johnson accepted the critical mission and designed, tested, and delivered America's first jet fighter, the P-80, in a record *143 days*.

Think about that: you can rarely negotiate a contract in 143—let alone deliver a final product!

Johnson's success and his team, Lockheed's Skunk Works, changed the course of the war.

They also helped to create a philosophy for rapid innovation that's still used today by the most innovative companies.

"GOING SKUNK": 4 SECRETS TO INNOVATION

Today, we use "going skunk" to describe the creation of an environment that empowers a small group of people to design a new idea by escaping routine organizational procedures.

Beyond Lockheed's Skunk Works, incredibly innovative companies like X: Alphabet's Moonshot Factory (formerly Google X) use these same principles.

There are 4 big secrets to their success that are worth learning and repeating.

### **SECRET #1: SETTING MOONSHOTS**

Companies don't "go skunk" for business as usual.

They do so to tackle *Herculean* challenges: Moonshots.

You go skunk when you want to go 10X bigger (1000%) while your competitors are pursuing incremental (10%) change.

Moonshots lead to the best outcomes. They significantly outperform small goals, medium-sized goals, and *especially* vague goals for 2 reasons: focused attention and persistence.

Your team will be more willing to try again if they fail the first, or second, third... or one hundredth time.

So how do you form a Moonshot Organization or Team?

There's no one better suited than X's Captain of Moonshots Astro Teller to teach how to build and lead a Moonshot team.

He'll be sharing his insights about how to develop a Moonshot Mindset and how to build a Moonshot Organization during the upcoming **Abundance360 Summit in February**.

## **SECRET #2: EXTREME ISOLATION**

Steve Jobs famously said, "It's better to be a pirate than join the Navy."

And he hoisted a pirate flag outside the building housing the Mac development team.

This may be the most important key to success in a Skunk Works.

You must wall them off from the rest of the company.

Why?

Because most companies suffer from "organizational inertia": the notion that once a company achieves success, its desire to develop and champion radical new technologies solutions is often tempered by the *stronger* desire to not disrupt existing markets and lose money.

Many successful organizations develop an internal "immune system" against significant change!

Isolating your Skunk Works team in a location, physically isolated from the "mother ship" stimulates risk-taking, encourages weird ideas, and acts as a counterforce to organizational inertia.

Organizational inertia is fear of failure writ large.

It's the reason Kodak didn't recognize the brilliance of the digital camera, and why IBM initially dismissed the personal computer.

As Astro Teller puts it, "In any organization, the bulk of your people will be climbing the hill they are standing on. That's what you want them to do. That's their job. But you also want another team, your *Moonshot Team*, looking for a bigger and better hill to climb."

## SECRET #3: EXPERIMENTATION & RAPID ITERATION

The road to success as an entrepreneur is paved with failure.

You must have a strategy in place to handle risk and learn from inevitable mistakes.

This strategy includes having a bias for action, experimentation, and rapid iteration.

It means following Reid Hoffman's philosophy: "If you're not embarrassed by the first version of your product, you've launched too late."

This is the spirit of rapid iteration.

A risk-accepting mentality is key to rapid iteration, failing forward, and ultimately entrepreneurship.

Trying out crazy ideas means bucking expert opinion and taking big risks.

It means not being afraid to fail—because you will fail. And that's OK!

It's part of the journey.

## **SECRET #4: INTRINSIC REWARDS**

For most of the last century, science focused on extrinsic rewards, that is, external motivators.

These are "if-then" conditions of the "do-this-to-get-that" variety.

With extrinsic rewards, we incentivize the behavior we want more of and punish the behavior we dislike.

For example, in business when we want to drive performance, we offer classic extrinsic rewards: bonuses (money) and promotions (money and prestige).

Here's the problem: a growing body of research shows that the costs of extrinsic rewards outweigh their benefits.

Once people's basic needs are covered and are no longer a constant concern, extrinsic rewards lose their effectiveness. They can even crush the high-level, creative, conceptual abilities that are central to current and future economic and social progress.

On the other hand, intrinsic rewards, meaning internal emotional satisfaction, become far more effective.

The secret to high performance is largely based on 3 factors:

- 1. Autonomy: the deep-seated desire to direct our own lives
- 2. Mastery: the desire to extend and expand our own abilities
- 3. Purpose: the need for our lives to mean something

Gaining autonomy, mastery, and purpose is motivation enough to make us work to our highest potential.

Ensuring that you team is given these intrinsic motivators is critical. And having a corporate "Massive Transformative Purpose" (MTP) and a corporate "Moonshot" is part of the DNA required to make this happen at scale.

#### ARE YOU READY TO GO SKUNK?

Since Lockheed's massive success, everyone from DuPont to Walmart has gotten in on the skunk game.

In the early 1980s, Apple Cofounder Steve Jobs leased a building behind the Good Earth restaurant in Silicon Valley.

He stocked it with twenty brilliant designers and created his own Skunk Works.

The result was the world's first Macintosh computer.

This approach can be applied to any business, group, or organization that wants to innovate and go bold.

We live in incredible times.

The potential for you as an entrepreneur to disrupt yourself and your industry has *never* been greater.

#### JOIN MY ABUNDANCE360 COMMUNITY

Want to learn about more tools to help you not only survive but *thrive* during this era of exponential change?

Then consider joining my year-round **Abundance360 Mastermind and Executive program** and come to our in-person A360 Summit February 2-4, 2022.

My mission is to help A360 members *obtain mastery in four specific mindsets*: an Abundance Mindset; an Exponential Mindset; a Longevity Mindset; and a Moonshot Mindset. Together we will actively select and reinforce your preferred Mindsets.

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