

Editor's letter

This issue, Volume 49, Number 2, explores six strategic change challenges:

- Operating as a co-creational, adaptive, “living” enterprise
- How management models enable business model success
- The M&A wave begins: keys to success
- Seven make-or-break leadership challenges
- How tech-savvy companies are outperforming
- Strategy shifts for innovation

In their groundbreaking article **“How companies can learn to operate as co-creational, adaptive, ‘living’ enterprises,”** Venkat Ramaswamy and Maarten K. Pieters foresee that “In a post-COVID, hyper-connected and interdependent world, all businesses will inevitably have to become co-creational ‘living’ enterprises.” They show how “The crisis also shifted the priority of value-creating innovation to offerings that enriched the experiences of individuals and benefited people’s lives and livelihoods.”

Agile guru Stephen Denning’s article **“Why management models are crucial to the success of business models,”** maps out the 21st century management practices necessary to promote continuous innovation. He shows why “The management model of an organization determines what kind of business models can be pursued within that organization and which ones are ‘beyond the pale.’”

Timothy J. Galpin, Senior Lecturer of Strategy and Innovation at the Saïd Business School, University of Oxford, predicts that “As COVID-19 recedes, struggling firms will be bought by bargain hunters and suffering industries will consolidate, giving rise to another wave of M&A transactions.” His article, **“As another M&A wave begins: three keys to success,”** shows how “Effectively managing three processes of acquisitions can have an outsized beneficial impact on M&A success.”

In their interview **“Seven challenges most likely to make or break leaders,”** Adam Bryant and Kevin Sharer, authors of a new leadership book, suggest ways to avoid leadership’s critical trips and falls. “It’s the leader’s job to capture the essence of what matters and then be able to boil down the strategy to just a handful of memorable ideas so that everyone understands, remembers and knows how to contribute to its success,” they told S&L interviewer, Prof. Brian Leavy.

Based on extensive research, **“How tech-savvy organizations are outperforming their peers during the pandemic,”** by IBM analysts Jean-Stéphane Payraudeau, Anthony Marshall, Jacob Dencik and Rachna Handa, found that “In two-thirds of the industries studied, companies that embraced key technologies have gained a significant revenue premium during the pandemic.

In their article, **“Five strategy shifts for innovation,”** C. Brooke Dobni, Mark Klassen and Grant Alexander Wilson, faculty members of Edwards School of Business, University of Saskatchewan, warn that the five strategy shifts require “Shedding organizations of archaic

tools and frameworks that produce little value and shifting focus to innovation-informed initiatives that enhance it.”

And don't miss Michael Allio's review of *A.L.I.E.N. Thinking*, by IMD professors Cyril Bouquet, Jean-Louis Barsoux and Michael Wade. He notes that “*A.L.I.E.N. Thinking* offers sound advice, and a useful compendium of tactics and techniques for managing the innovation process. . . .The authors believe that innovation breakthroughs come from viewing the world ‘like aliens, unburdened by assumptions, biases or conventional thinking.’”

Good reading!

Robert M. Randall

Editor