Opportunity Discovery
Identifying Strategic Opportunities that Drive Accelerated Growth
Why Focus on Opportunity Discovery?

*Discovery of new opportunities is the lifeblood of any company. Yet, despite the many methods available, we still struggle to identify opportunities that will really make a difference.*

<table>
<thead>
<tr>
<th>Opportunity Channels</th>
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<tr>
<td><strong>Crowdsourced</strong></td>
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<td>• Expert panels</td>
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<td>• Tech scouting</td>
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<td>• Challenges</td>
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<td><strong>Event Driven</strong></td>
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<td>• Brainstorms</td>
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<td>• Hackathons, games</td>
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<td>• Internal/external jams</td>
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<tr>
<td><strong>Ad-hoc, Emergent</strong></td>
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<td>• Top-down edict</td>
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<td>• Serendipitous discovery</td>
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<td>• Champion driven</td>
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Structured Exploration

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Discovery is the Key to Achieving Accelerated Growth

Accelerated growth
→ Uncertainty dominates risk

Baseline growth
→ Risk dominates uncertainty

Risk:
We don’t know what is going to happen next, but we *do know what the distribution looks like.*

Uncertainty:
We don’t know what is going to happen next, and we *do not know what the distribution looks like.*
The Crux of the Problem

» **Incremental Bias** – the big stuff happens only once a decade and then only by chance

» **Organizational Acceptance** – It’s hard to get a company to accept transformational opportunities

» **Strategic Intent** – Ideas are all over the place and have tenuous connection with future strategic intent

“**The real voyage of discovery consists not in seeking new landscapes, but in having new eyes**”

Marcel Proust
Opportunity Discovery Starts the Opportunity Creation Pipeline

**DISCOVERY**
- Find novel Opportunities within a domain or set of domains
  - Result: A portfolio of compelling opportunities

**VALIDATION**
- Validate critical aspects of an Opportunity before committing to Incubation
  - Result: An opportunity ready for market testing

**INCUBATION**
- Design, shape, and test an Opportunity from concept to commercial readiness
  - Result: An opportunity ready to be scaled
Discovery Employs Five Principal Toolsets to Identify Opportunities Within Selected Domains

- Mind of the Community
- Mind of the Company
- Futuring
- Portfolio Design

Diagram:

1. Iterative Deepening
2. Mind of the Community
3. Mind of the Company
4. Futuring
5. Portfolio Design
A Domain is a Strategically Compelling Hunting Ground in Which to Search for Opportunities
An *Opportunity* is an Offering Inside a Business Model

**OFFERING**
- Product, service, process or system
- Needs/desires addressed by offering

**DEVELOP**
- Develop: how the offering will be created
- Produce: how it will be made at scale
- Deliver: how it will be distributed and sold
- Needs/desires addressed by business model

**VALUE PROPOSITIONS**
- Value to the Adopter
- Value to the Company
- Value to the Ecosystem

Our opportunity framework encompasses the A. Osterwalder definition of business models as described in *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*
Five Primary Toolsets Support the *Discovery* Practice Area

1. **Iterative Deepening**
   - Method for creative exploration
   - Efficiently exhausting a white space
   - Enabling “collective creativity”

2. **Mind of the Community**
   - Building expert communities
   - Gathering leading edge insights
   - Identifying potential partners

3. **Mind of the Company**
   - Online opportunity voting tools
   - Surfacing internal obstacles
   - Exposing organizational biases

4. **Futuring**
   - Avoiding status quo thinking
   - Generating new Opportunity possibilities
   - Ensuring against alternate futures

5. **Portfolio Design**
   - Ensuring a strategic outcome
   - Obtaining Opportunity diversity
   - Challenging “not us” paradigms
Toolset #1: *Iterative Deepening* is an Efficient Search Methodology

*Iterative Deepening™* is derived from the field of search science. It’s a way to explore a large search space with few resources by using what’s learned to direct opportunity evolution in stages.
Toolset #2: *Mind of the Community™*
Extracts Insights from the Relevant Ecosystem

The relevant ecosystem is defined by...

- Who else stands to benefit?
- Who stands to lose if we benefit?
- Who can influence adoption?
- Who has valuable information?

Insights are gained via...

- Phone engagements
- Contextual ethnography
- Virtual ethnography
Toolset #2: *Mind of the Community™*
Engages with the Ecosystem in a Variety of Ways

- **Phone Engagements**
- **Contextual Ethnography**
- **Virtual Ethnography**
Toolset #3: Mind of the Company™
Taps Into Wisdom of the Internal Crowd

The Internal Crowd

CORE TEAM
- Role: research & domain creation; weekly voting events
- 2-6 people

ADVISORY TEAM
- Role: weekly reviews, debates & voting events
- 5-15 people

EXTENDED TEAM
- Role: monthly pairwise voting events
- 20-50 people

The Wisdom
- Individual outliers – why?
- Functional biases – why?
- Vertical disconnects – why?

Online Voting Tool

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Toolset #4: *Futuring*
Creates a Basis for Assessing Long-Term Viability

**Brainstorm Future Trends and States**
- Generate dozens of future trends and future states

**Select Subset for Further Analysis**
- 12-15 in total
- Combine/divide/redefine as needed

**Develop Future ‘State’ments**
- 12-15 one-page analyses of future trends and states

**Assess Opportunities Against Future States**
- Assess positive or negative influence on opportunity success
**Toolset #5: Portfolio Design**

Ensures Optimal Investment Decision-Making

- New to World vs New to Company
- Should vs Could
- Demand vs Design

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**Headwinds vs Tailwinds**

**Predictive Testing of Opportunities**
With Inovo as collaboration partner and guide, clients transform their portfolios, cultures and future potential.

For more information, check out our website, or drop Brian an e-mail.