Exponential Transformation

An overview of why organizations must adopt Exponential Attributes to thrive in the 21st century.

We are living in extraordinary times.

It could be argued that this is the best time to be alive. Technology allows people to do things that were simply impossible just a few years ago. Private companies are going to space, ordinary people connect via video across the globe all the time and small groups of people are able to disrupt large existing organizations. The reason for all of this is because of Exponential change.

1956
5MB

2005
128MB

2014
128GB

2016
256GB

2018
512GB

2020
1TB

2000
8MB

Using the example of data storage the images above show you how the size of data storage has changed over time. A 1TB micro SD card the size of your fingertip has 200 000 times the storage capacity of the hard drive from 1956. If you look at the cost the 5MB IBM 305 RAMAC had an annual cost $35 000 in 1956. The cost per MB was $7000. This price is $0.0000194 per MB today (2021).

That is over 360 Million times cheaper!

This is a number that our linear brains cannot even comprehend and this is one of the reasons

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This Exponential change is happening in a number of industries and verticals. Salim Ismail speaks about at least 25 Gutenberg moments that are shifting the way the world works. It is important that as an organization you are able to leverage this and have the attributes in place to do so.

We are experiencing 25+ Gutenberg moments
Society is not absorbing technology fast enough.

1. Wearable Tech
2. Mixed Reality
3. Digital Twins
4. Bionics
5. Nanotechnology
6. Cultured Protein
7. Solar
8. Anti Aging
9. Social Media
10. Sensors
11. Privatized Space
12. Digital Governance
13. Cloud Computing
14. CRISPR
15. Gene Sequencing
16. AI/ML/DL
17. Energy Storage
18. Neural Imaging
19. Autonomous Cars
20. Blockchain
21. Robotics
22. Drones
23. 3D Printing
24. Microbiome
25. Bitcoin
26. Quantum Computing

Decade of the ExO
2020 - 2030

We have called this the Decade of the ExO as we have seen how organizations that leverage ExO are able to build innovative and sustaining organizations.

Our Fortune 100 Exponential Quotient (ExQ) research shows how organizations that have high ExQ scores ie those that leverage more Exponential attributes outperform those that have low scores.

Top 10 ExOs outperform their bottom 10 ExO peers by having

3X — Better revenue growth

10.9X — Higher asset utilization

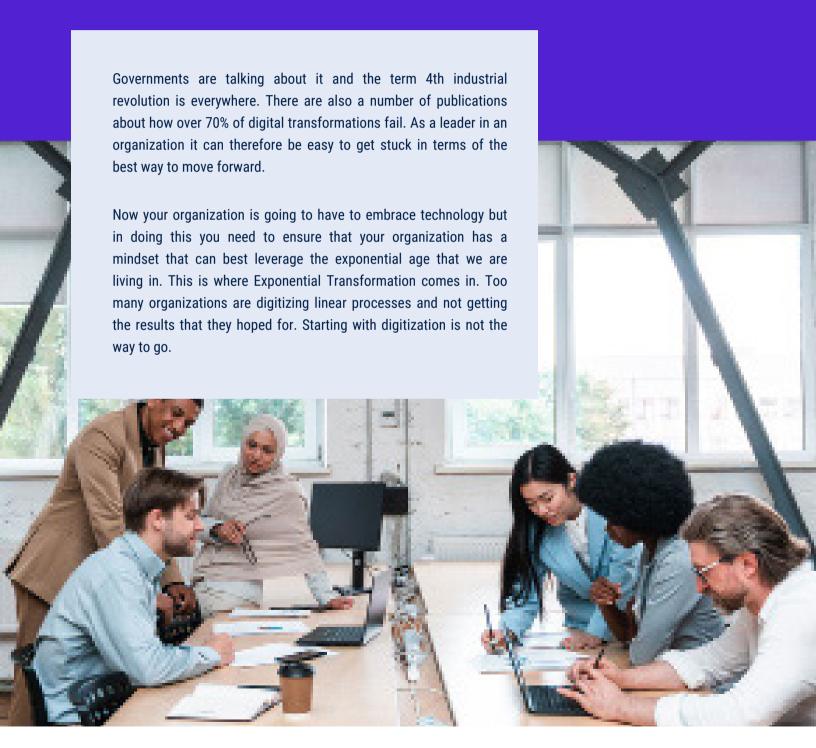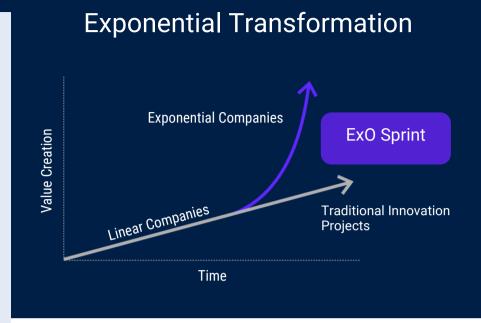**6.4X** — More profitability

40X — Higher total shareholder

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Digital Transformation is in the news and on the lips and screens of boards members and C-suites across the world.

Governments are talking about it and the term 4th industrial revolution is everywhere. There are also a number of publications about how over 70% of digital transformations fail. As a leader in an organization it can therefore be easy to get stuck in terms of the best way to move forward.

Now your organization is going to have to embrace technology but in doing this you need to ensure that your organization has a mindset that can best leverage the exponential age that we are living in. This is where Exponential Transformation comes in. Too many organizations are digitizing linear processes and not getting the results that they hoped for. Starting with digitization is not the way to go.
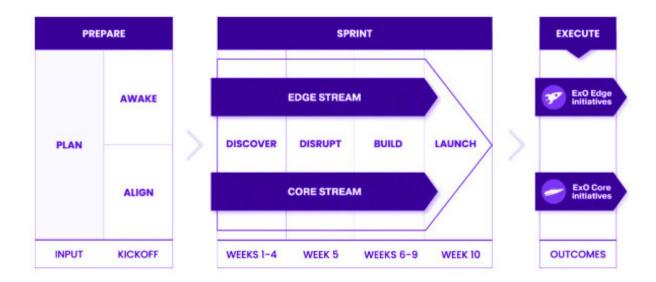
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For Exponential Transformation you would use the data on all consumables ordered in the past and through algorithms you develop a system that self orders the consumables based on historical data, you then tweak the algorithm over time, this allows your team to focus on more value adding tasks as the system self orders and the improvement is most likely a 10X improvement.

Exponential Transformation

This shift in thinking to more exponential thinking does not come naturally.

Your organization needs to have a mindset shift in order to be able to leverage

We have developed a number of programs that can help your organization to achieve this. The flagship being the 10 Week Exponential Transformation Sprint. This process allows an organization to move 3 years ahead in 10 weeks. For a deeper understanding of the Sprint click on the image below.

Understanding how to leverage ExO Attributes within your organization is critical to remain relevant in this decade.
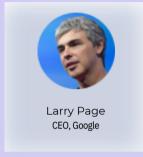
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"Any company designed for success in the 20th century is doomed to failure in the 21st"

David S Rose

OpenExO is led by Salim Ismail

Salim was founding executive director of Singularity University, whose founders hail from Google and XPrize. He currently serves on the XPrize Board along with the following trustees and benefactors:
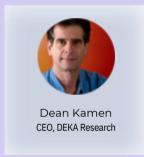
Larry Page
CEO, Google

Ratan Tata
Chairman of Tata Group

Dr. Craig Venter
Genetic Pioneer

Dr. Anousheh Ansari
Astronaut & CEO

James Cameron
Filmmaker and explorer

Dean Kamen
CEO, DEKA Research

Ray Kurzweil
Inventor & Futurist

Elon Musk
CEO, Tesla & SpaceX

Peter Diamandis
Abundance 360

Wendy Schmidt
Schmidt Family Fndtn

MANY OF THE WORLD'S GREATEST COMPANIES ACCESS ABUNDANCE BY BEING AN EXPONENTIAL ORGANIZATION:

TESLA · Google · airbnb · amazon web services™ · NETFLIX

accenture · TD Ameritrade · Boston Scientific · BHP · Dubai Electricity & Water Authority

hp · MIAMI-DADE COUNTY · MOBLY · P&G · Rassini

RioTinto · Santos · SIEMENS energy · Stanley Black & Decker · VISA

Decade of the ExO
2020 - 2030

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The foundation of an Exponential Organisation is its Massive Transformative Purpose. The Purpose of the organisation must be something that is massive and transformative and all the values of the organisation and the goals must work towards achieving it.

The MTP is what the organisation must live by
Some notable examples of MTP's are:

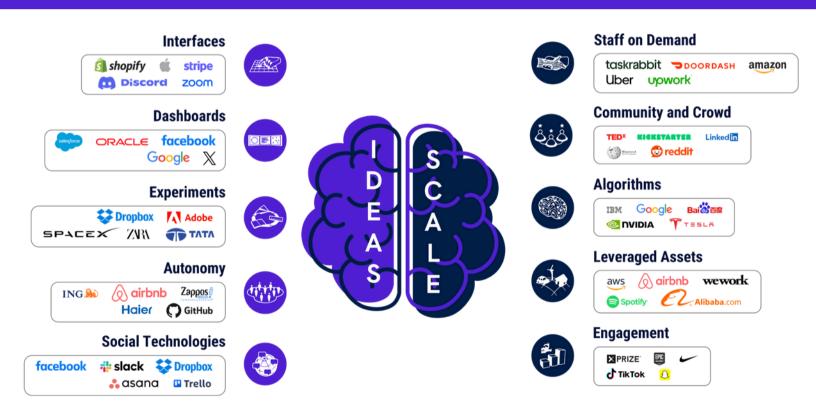SpaceX: "Humans must become a multi-planetary species"
TED: "Ideas worth spreading."
Google: "Organize the world's information."

"If the dreams of your company don't scare you, they are too small."
–Richard Branson

The next step in applying the characteristics that make an organisation exponential.
The internal characteristics create the acronym IDEAS. The external attributes create the acronym SCALE.

Interfaces
shopify · stripe · Discord · zoom

Dashboards
salesforce · ORACLE · facebook · Google · X

Experiments
Dropbox · Adobe · SPACEX · ZARA · TATA

Autonomy
ING · airbnb · Zappos · Haier · GitHub

Social Technologies
facebook · slack · Dropbox · asana · Trello

Staff on Demand
taskrabbit · DOORDASH · amazon · Uber · upwork

Community and Crowd
TEDx · KICKSTARTER · LinkedIn · Wikipedia · reddit

Algorithms
IBM · Google · Baidu · NVIDIA · TESLA

Leveraged Assets
aws · airbnb · wework · Spotify · Alibaba.com

Engagement
XPRIZE · EPIC · Nike · TikTok · Snapchat

The OpenExo community has over 35,000 members in more than 138 countries. Our training platform has over 750 certified consultants, 360 sprint coaches coaches and 180 Trainers

accenture

"We took our most senior leaders across multiple markets and immersed them in the ExO model–we absolutely feel the ExO training was instrumental in growing the business exponentially"   - Chief Strategy Officer - Accenture

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IDEAS - The Internal Characteristics of ExO's

Characteristic	What is it?	Advantages	Requirements
Interfaces	Provide the bridge between external activities and internal control frameworks, e.g. platforms, user interfaces, API's	• Filter external abundance into internal value • Link external growth drivers to internal stabilizing factors • Automation allows scalability	• Standardised • processes • Scalable externalities Algorithms
Dashboards	Metrics to measure, real time and meaningful	• Track critical growth drivers in real time • Objective-Key Results (OKR) as management framework • Minimise errors by short feedback loops	• Real time metrics • Analytical capability • OKR's • Cultural acceptance by employees
Experimentation	Lean startup methods of testing assumptions and consistently experimenting with controlled risks	• Keeps processes aligned with • rapidly changing externalities • Maximised value capture • Faster time to market (Minimal Viable Product) Risk taking provides an edge and faster learning	• Measurement and tracking of experiments • Cultural acceptance
Autonomy	New "empowered" or team based organisational forms	• Increased agility • More accountability at customer face Faster reactions and learning times Better morale	• MTP • Self starting employees • Dashboards
Social Technology	Create horizontal interactions in vertical organised businesses	• Faster Conversations • Faster decision cycles • Faster learning • Stabilizes team	• MTP • Cloud social tools • Co-operative culture

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SCALE - The External Characteristics of ExO's

Characteristic	What is it?	Advantages	Requirements
Staff on Demand	More part time, specialised, mission based staff.	• Best skills for the job • Agility • Learning of core team • Stronger bonds in core team	• Capability to hire services on demand • Clear task specifications
Community & Crowd	Harness the power of the community and crowd by engaging with them through whatever means	• Increase loyalty • Enable exponential growth • Validate new ideas and learn • Agility & rapid implementation • Create new ideas	• MTP • Engagement • Authentic leadership • Easy to participate for outsiders • Peer to peer capabilities
Algorithms	Use data and automate decisions or reduce human biases while making decisions.	• Scalability of products and services • Leverage connected devices/ sensors • Lower error rate & stabilize • Easy to update	• Machine or deep learning • Cultural acceptance
Leveraged Assets	Use assets, do not own them unless they are scarce	• Scalability of products and services • Lower marginal costs of supply • Removes having to manage assets • Agility	• Easy available assets • Interfaces
Engagement	Engage community and crowd	• Increase loyalty • Gain ideas • Converts crowd to community • Leverage Marketing • Play & Learn • Digital feedback loop to customers	• MTP • Clearness & fairness

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Client Feedback is evidence of significant ROI

"I have found ExO to be extremely valuable. I've made the book required reading for senior management and we are implementing many of its principles."

Paul Polman
Former CEO, Unilever

"This initiative is a prime example of how public/private partnerships are beneficial to the community."

Carlos A. Gimenez
Mayor of Miami-Dade County

"Exponential Organizations should be required for anyone interested in the ways exponential technologies are reinventing best practices in business."

Ray Kurzweil
Director of Engineering, Google

"90% of the challenge of transformation is bringing the company along. It's easy to get the top of the organization excited. It's the frozen middle that's the problem. The ExO Sprint was the solution to unfreezing it."

Tony Saldanha
VP Global Business Services, P&G

"I will turn Gucci into an Exponential Organization."

Marco Bizzarri
CEO, Gucci

"We will turn Thailand into Exponential Thailand."

Prayut Chan-o-cha,
Thailand Prime Minister

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You can map out how your organization is leveraging the Attributes on the ExO Canvas.

How you can leverage ExO

One of the best places to begin is to understand how Exponential your organization currently is. This can be done by completing the Exponential Quotient Survey. You want to achieve a score of at least over 65.

Start the ExQ Survey

Once you have a good understanding you can then look at mapping how your organization is leveraging the Attributes using the ExO Canvas. In order to drive Exponential Transformation you can run an ExO Sprint. You can see below in the How we can help you section how you can leverage the OpenExO community to drive this initiative.

Join our Free Workshop

We have built a global community of ExO coaches and consultants, technology thought leaders and innovators and disruptive doers that are helping organizations from across the world to leverage Exponential transformation. We have a number of programs and opportunities for organizations of all sizes. You can reach out to us here and we will be in touch to work on developing your Exponential Transformation.

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