POSITIONING, PIVOTING AND PROGRESSING:
A Recap of The Pinnacle Experience 2017

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INTRODUCTION

The Pinnacle Experience, a symposium for senior marketing leaders, was held for the first time in a fitting location—in St. Louis, MO, where a small group of professional services firm leaders formed SMPS 44 years ago.

Much has changed since 1973, in the Society, our industries, and the marketing profession. And lately, it seems the pace of change has quickened and will continue to do so. As leaders in our firms, it’s critical that we position ourselves and our organizations for inevitable evolution and, constructively and strategically, challenge ourselves to transform our businesses through marketing leadership.

The word “pinnacle” typically refers to a culmination—the highest or most successful point of development or achievement. As speaker Bob Fisher said, “Experience doesn’t have to mean cynical. The great gift of experience is perspective and insight.” The Pinnacle Experience reminded us that, as experienced leaders, we must use this perspective to look to the next level and keep climbing.

During the two-and-a half days of The Pinnacle Experience, there were so many great speakers and insights that we’ve compiled some from each presentation here. While nothing can replace the high level of interaction that took place at the event, each summary concludes with questions to ponder, either taken from or inspired by the presentations to foster further thinking, spark discussions, and inspire action within your team.

By: Holly Bolton, FSMPS, CPSM

Photo credits: Josh Miles
Building Resilience: Proactive Brand and Marketing to Drive Thriving Practices

Bob Fisher
Principal, DesignIntelligence and the Design Futures Council

By sharing research from his role at DesignIntelligence and expertise he shares through the Design Futures Council, Bob Fisher focused on resilience as it relates to firms’ brands, marketing efforts, cultures, and practices.
Building Resilience: Proactive Brand and Marketing to Drive Thriving Practices

BOB FISHER

The case for resilience

Bob Fisher described the ecosystem of the A/E/C business like a dam, where the water is capital, and A/E/C firms are the fish. The flow of capital depends on how much is released from lenders, and multiple dynamics add to uncertainty upstream.

“As the industry goes through natural cycles, firms can dip in and out of a danger zone of low profitability,” Fisher said. “The trick is to figure out how to level the extremes.”

Additionally, firms face two main challenges: that of running a business (economic uncertainty, demographic change, and talent), to the model of professional services firms as a whole (technology and changes in influencers and decision makers).

For example, inside firms, the demographics are changing. According to AIA data, 59.9 percent of architects are over 45. Baby Boomer-led firms need to find the right talent to replace those retiring. Externally, five technology companies are responsible for 15 percent of the market capitalization of the S&P 500. These companies and others are interested and making significant investments in the multi-trillion-dollar A/E/C industries and the data they generate. These major trends effect other industry shifts, and they all change the waters for firms.

“The question is whether the current way of doing things is sustainable or if we face serious questions of future relevance,” Fisher said. “A central challenge is to figure out how we, as the fish, take greater charge of our own destinies in light of the environment in which we live.”

Issues shaping the industries in the future

Fisher instructed each table of attendees to brainstorm three to five issues shaping our industries—both challenges and opportunities. Outcomes of those discussions included:

» Artificial intelligence
» E-commerce
» Automation
» Self-driving cars
» Large A/E firms acquiring small firms
» Perception of the A/E/C industries and how to attract talent
» Digital marketing platforms and social media
» Increase of broad-based services

The solution to inevitable changes in our industries is enterprise resilience—the organization’s culture and business model, combined with its marketing and brand. Resilience in one area supports resilience in the other.

Resilient culture and practice

Resilience consists of fitness, recovery, adaptation, and flourishing forward. Difficult to achieve, it has to be cultivated continuously.

DesignIntelligence encourages “The Resilient Way,” an interdependent model of values-based ethos that include being inventive, opportunity-oriented, entrepreneurship-based, relational, authentic, aware, innovative, celebratory, and collaborative.

Each trait has a counterfeit. For example—being innovative is a counterfeit to being inventive because innovation is incremental, while being inventive is transformational. Collaborative suggests acceptance, whereas its counterfeit—cooperative—merely suggests tolerance. The counterfeits can cause fear, self-protection, distrust, independence and pensiveness. In contrast, resilient companies yield purpose, confidence, interdependence, safety, trust, and candor.

Fisher shared several ideas for firms to change, including:

» Changing the economic model, moving from projects to programs and from fees to retainers
» Creating recurring revenue streams, pricing services at lower levels for longer periods and finding new direct and indirect revenue possibilities
» Harvesting intellectual property
» Emphasizing and creating dedicated structures and assignments for research and development
» Considering incentive compensation models, and taking an intentional approach to cultivate culture

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Resilient brands and marketing

Resilient brands help reinforce resilient cultures and practices (and vice versa). They are values-based, culture-driven, people-focused, and built on vision and strategy.

Fisher outlined four types of resistance to marketing:

» Active resistance (“marketing is at best a necessary evil”)
» Dismissal (“marketing is just overhead”)
» Avoidance (“not my job”)
» Lack of understanding (“I don’t know how to help”)

“Many A/E/C firms grossly underinvest in parts of marketing that can make business development easier,” said Fisher. The RFPs (requests for proposal) tend to get more focus than the four Ps (the traditional marketing mix of price, product, promotion, and place). “There’s too much emphasis on marketing folks being proposal machines.”

Fisher noted that to be successful in winning projects, firms must help people realize that everyone has a role in brand, marketing, and the often-dreaded word “sales.”

Brand consists of the internal reality (culture, values, actions, and attitudes), external presentation (the artifacts—words, images, objects, and online representation of the brand), and market perception.

“Perception is reality in terms of reputation,” said Fisher. “The market gets the final vote.” An integrity gap happens when there’s inconsistency—often unintentionally—between external presentation and reality. Individuals working on projects carry the responsibility of being brand ambassadors. “What actually goes on inside an organization is stronger than the artifacts,” said Fisher.

Building the cycle of resilience

When it comes to building resilience, Fisher said the key to success is an integrated common foundation of deep marketing and deep branding.

Firms should focus more on the four Ps, finding new revenue streams and practice models that even out fluctuations that come from traditional fee-for-service income. In addition, they should address their most important audience: the people who make up the firm and brand.

By aligning brand, values, and culture with doing work that is effective for clients and inspiring to practitioners, firms can create a resilient cycle of mutual reinforcement. While it seems simple, it’s difficult to put into practice.

“These ideas require more than buy-in,” Fisher said. “Resilient firms need commitment of the leadership of the firm at the minimum, but firms that do it well have commitment from everyone in the firm.”

Questions to ponder from Fisher’s presentation:

» What issues do you think are shaping our industry? How are they challenges or opportunities for you?
» How does your firm fare when it comes to the values-based ethos of The Resilient Way?
» What changes can you implement in your culture and practice?
» Are there integrity gaps between what your firm says and does?
» What role can you play in building resilience for your firm?

I’ve followed DesignIntelligence’s research on practice management and thought leadership, and Bob’s presentation was on the mark. I can’t wait to hear and read more from him.

-Donald Tuttle
Principal-In-Charge of Business Development,
DCI Engineers
Dr. Andy Hines’ presentation reminded us that some firms are in a time warp, yet changes driven by technology and business models are inevitable. Noting that there are three horizons of change, Hines encouraged attendees to spend the majority of our time planning for the Second Horizon—changes that will take place further out than the next few years but have strong indicators of probability.
Consumer-driven changes

Hines outlined six change drivers that will impact business. After that, each table of participants chose which change driver would provide the greatest opportunity or threat to their organizations.

1. **The Commodity-Identity Continuum** involves the difference between a brand that is a commodity (judged on speed and price) or based on identity (has more meaning and value but takes time and involves research to get there).

2. **Empowered** individuals can now easily get and compare information and hold companies accountable. Sometimes considered consumer vigilantes, they now have a voice. Transparency has increased, and power and decision making has shifted from experts to the network.

3. **Co-Creation** means consumers are now participating in the design of products and services, particularly those that relate to their identities and provide a form of self-expression. YouTube, GarageBand, and InnoCentive are a few examples.

4. **Enoughness** is prevalent in wealthy, well-educated consumers who are downsizing, opting out, and accepting the need for limits. “This is a deliberate decision to have less stuff,” Hines said. “It doesn’t necessarily mean spending less.” Instead, people are investing in relationships, community, and experiences.

5. **Just-in-Time Demands** are driving a range of innovations, from apps to on-demand media to same-day deliveries.

6. **The Meet the New Boss** change driver includes the emergence of Gen X and millennial leaders as baby boomers retire.

Tech and business model-driven changes

Hines also outlined the following technology and business model disruptors, and each table chose which would provide the greatest opportunity or threat to their organizations.

- **Internet of things and the integration of virtual and real** means the distinction between digital and physical is disappearing.

- **Peer-to-Peer and Blockchain** disruptors relate to a secure, continuously updated record of who has what, through both sharing resources and cryptocurrency—a digital medium of exchange.

- **Artificial intelligence and personal robot development** calls for us to think ahead about how AI can create partnerships versus threats.

- **3D printing and decentralized production** are moving from design and prototyping tools to a method for producing finished goods.

- **Sharing** disruptors leverage under-utilized assets, moving from paying for ownership to paying for access.

- **A shifting sense of place** allows people to virtualize more things, from print-on-demand to drone delivery. “We’re rethinking how we use space in the future,” Hines said.

Strategic issue elevator speech

After thinking through the disruptors, each table selected a strategic issue their firm could proactively address and created their elevator speech to respond to the issue, identifying:

- What is the issue?
- Why is it important?
- What should we do about it?
- How do we make it happen/what resources are required?
- Who owns it?

Questions to ponder from Hines’ presentation:

- Out of the consumer-driven and technology and business model-driven disruptors, which do you think will have the biggest impacts to your firm?
- What is the strategic issue elevator speech you’ll use as a foundation to prepare for the future?
Digital Technology: Trends That Will Impact Your Firm Future of Marketing

Stefan Tornquist
Vice President of Research, Econsultancy

Stefan Tornquist’s presentation focused on digital trends and their implications on A/E/C marketing and the customer experience.
A/E/C firms will need to transform, strategically evolving their marketing operations, structures, and tools to maximize opportunities from digital technology and respond to changes in customer behavior. “Customer behavior is the top driver of transformation, and the pace of change in customer behavior is going to accelerate,” Tornquist said.

Marketing transformation

Tornquist shared recent Econsultancy survey outcomes that addressed how leading consumer-centric companies are changing and why, what has been vital to their success, and where marketing and the C-suite are (or are not) aligned.

Some highlights included:

» Survey respondents viewed Amazon as the highest threat, followed by Google

» There was some tension between what respondents feel marketing believes and what they feel leadership believes related to selling an experience

» 55 percent felt that “if we have the same business model in three years, we’ll be obsolete”

» Half of the companies considered themselves transforming today, with technology the most common focus

» Marketing is currently engaged in significant digital transformation efforts in 49 percent of the companies

» The return on transformation varies, with 32 percent of respondents saying they have been successful in achieving their primary goal

» 69 percent said that, while they were adapting to a new normal, the idea of what’s “normal” changed again

» 91 percent agreed that transformation is only successful if it teaches the organization how to keep adapting

» 76 percent thought company culture (values and beliefs) is the most difficult aspect of real transformation

» Companies are reorienting marketing to customer experience marketing

Tornquist then asked attendees to consider what was relevant from these consumer-facing companies as it relates to transformation in the A/E/C industries. He also asked, “If you were to start a transformation effort tomorrow, where would you start?” Responses ranged from a company rebrand to empowering field staff to identify opportunities they see on the job site.

Becoming the new marketing organization

When it comes to organizations showing leadership in marketing, Tornquist outlined multiple qualities:

» Their strategy is built on data. Looking at information through an objective lens helps reinforce why the company needs to change.

» They’re open to change and risk.

» Information and data flow freely. People have access to information.

» They trust their data. “If there’s no trust in data, that’s worse than having no data at all,” Tornquist said.

» They make it a company-wide effort. “Any transformation will fail if it doesn’t reorient the entire company around the customer experience.”

How people behave

Tornquist outlined several trends in consumer behavior:

» From Kindle to Netflix to Spotify, we’re moving from ownership to access. Research suggests that half of today’s car owners won’t want to own another car in 2025. There’s a craving for simplicity and a desire to give up control.

» Products are being delivered automatically. 62 percent of U.S. households have Amazon Prime.

» Retailers are focusing more on in-store experiences. Stores are becoming smaller showrooms that curate brands for less buying and more looking.

» The average user touches screens 2,617 times each day.

» Machines are buying from machines in our names. Sixty million Americans use digital assistants at least once a month, and physical and virtual spaces are combining.
Questions to ponder from Tornquist’s session:

» What’s relevant from how consumer-facing companies are investing and the capabilities they are pursuing?

» Do you see a trend in consumer behavior affecting what clients need and how they choose A/E/C partners? Do you see a specific trend in consumer behavior affecting your firm?

» What are the new marketing technologies in A/E/C that really matter?

» What advanced marketing capability would have the greatest impact in your organization?

» How might you capitalize on these trends?

"I loved the topic of transformation. That’s what we are all trying to bring to our firms and to our industry. One of my favorite points was from Stefan’s presentation: ‘Transformation is only successful if it teaches the organization how to keep adapting.’ Adaptability is critical as we move forward in a fast-changing environment.

-Sallyann Hulick
Chief Marketing Officer,
BSA LifeStructures"
Case Study: Unconventional Marketing Leadership

Nicole La, CPSM

Experience Director, TEECOM

Having worked for Nordstrom while in college, Nicole La got an early start marketing the customer experience. Today, she works for TEECOM, a technology design and engineering firm that has added 51 employees in the past six years. La shared the story about moving from the paradigm of a “marketing director” to an “experience director,” as well as strategies to focus on the client, employee, and talent experiences.
Marketing the experience

TEECOM’s journey to identifying an experience director began when the firm’s leadership read the book, *The Experience Economy*, which states, “Experiences are not exclusively about entertainment; companies stage an experience whenever they engage customers in a personal, memorable way.”

Most A/E/C firms sell features and benefits and often suffer from being treated like commodities. But much like a cup of coffee can be traded like a commodity for $2 per pound or sold in a trendy café for $5 per cup, firms can multiply the value of what they provide through the client experience.

Inspired by *The Experience Economy*, TEECOM set out to market their experience. La began with online research about experience maps and discovered Adaptive Path, a consulting firm that specializes in experience mapping. Adaptive Path had developed experience maps for Rail Europe and San Francisco’s Exploratorium that outline travelers’ and visitors’ touchpoints. TEECOM engaged Adaptive Path to create an experience map for them. In addition, TEECOM conducted a perception survey to identify strengths and areas for improvement.

TEECOM’s resulting Customer Experience Guidelines encouraged and trained staff to improve communication and interaction with clients. They also broke down the life cycle of the project process, starting with business development.

Through the initiative, La said the firm discovered the need “to focus on improving the employee experience before we could work on the client experience.”

Path to experience director

In the midst of the war for A/E/C talent, TEECOM knew they were at risk of losing key accounts if they didn’t have adequate staff to effectively deliver the projects. That’s when CEO David Marks asked La to take over all of the firm’s recruiting efforts.

In *Mastering the Rockefeller Habits 2.0: Scaling Up*, Verne Harnish points out, “The marketing team must be as actively involved in recruiting a steady stream of potential employees as it is in attracting potential customers.”

As La put it, “Recruiting is marketing for people.”

Similar to the mapping process they conducted for the client experience, TEECOM mapped out the talent experience, developing a recruiting plan similar to their business development plan. Moving through the steps and plotting out the process identified opportunities to improve résumé response time and the interview experience.

“The recruiting funnel is like a sales funnel,” La said. “You lose candidates if you don’t have a good recruiting process.”

The TEECOM experience

When it came to executing the experience, TEECOM set areas of focus for each year. The 2015-16 focus was on improving the employee experience (EX); 2017 was focused on the talent experience (TX)—hiring people to work on new projects; and 2018 will be about the client experience (CX)—scaling up the business with additional projects.

Each experience plan has specific, branded strategies representing processes, projects, and initiatives that support the overall goal. For example, the robust EX program includes opportunities for recognition through Bonusly, feedback through Officevibe, in-office yoga, and community service. The TX includes a generous employee referral program, student outreach, internship programs, and onboarding. And the CX program includes client recognition opportunities—like an annual appreciation dinner, a feedback process, research and development, and content opportunities.

“When you have happy employees, you have happy clients,” La said.

Questions to ponder from La’s session:

» What can you do differently at your firm to market the experience?

» How can you bridge the gap between marketing and human resources?
The Neuroscience of Innovation: Turbo Charge Your Brain To Maximize Economic Gains

Jeff Hurt
Executive Vice President, Education and Engagement, Velvet Chainsaw

While attendees expected a traditional presentation on business strategy, Hurt’s program focused first on the physiology of the brain.
“The brain wants to avoid thinking at all costs, conserving energy so you can go into fight-or-flight mode,” said Hurt. This mode is a function of the amygdala, which forms part of the brain’s limbic system, plays a key role in processing emotion, and can take over your body at any time.

“The limbic system is the part of the brain we typically try and engage in marketing,” Hurt said. “It’s the emotional, transactional, ‘dumb,’ novelty part of the brain. But when we’re doing work, we need to engage the transformational part. By using the frontal lobe—the executive functions of your brain—you can get ahead and provide your clients with something no one else can.”

Through illustrative activities and explanation, Hurt shared how using the executive part of the brain helps with strategic thinking and innovation—which are intertwined.

Integrated reasoning, innovation, and strategic thinking

Hurt asked the audience to describe their brains as a type of transportation. This method of thinking with metaphors is a function of the frontal brain and is called integrated reasoning.

Focusing on and engaging with more strategic, abstract thinking makes our brains healthy, improves our implementation, and becomes game-, organization- and life-changers. Helping teams foster strategic reasoning requires practicing integrated reasoning, which represents the following mental activities:

» Quickly understanding the big picture
» Generating synthesized ideas
» Reconciling and updating novel ideas within the context of past knowledge
» Extracting and altering broad principles from complex input
» Creating broader and new ways of thinking, behaving, and acting
» Dynamically changing old practices by cultivating original thinking
» Embracing entrepreneurial, agile thinking practices

Using another strategy to engage the brain, Hurt asked attendees to think, write, and share their definitions of innovation. He then shared his take on the topic:

» Innovation is the ability to generate and exploit new ideas to solve problems; to seek, devise, and employ ways of dealing with unknown and unfamiliar contexts; or to create something original and valuable.
» Innovation is about improving upon and changing old ways of doing things through novel thinking. “We create a lot of average when we apply the same thinking to different situations,” said Hurt.
» Innovative thinkers practice their mental flexibility—stretching their creativity and imagination.
» Ingenious thinkers are open to experimentation to rethink practices, and they’re at ease with ambiguity.
» Innovators are not beaten down by failure; they constantly ask what they can do to learn from their mistakes. Yet seldom are we taught failure is part of success.

Our complex frontal lobe networks are creative epicenters of our brains and the command centers of our lives. Complex decision-making, synthesis, analysis, and judgement are all executive brain functions. We have to become more engaging with our frontal brain to have brain health in the future. According to Hurt, repeating the past and doing things the same way can even lead to early dementia. “If you don’t use a muscle, it atrophies,” he said.

Everyone has the potential to break new ground and be more inventive at any age. But an obstacle is being labeled that we’re not creative or innovative, which robs us of confidence. Another obstacle is the perceived age limitation of when we become creative geniuses. But you can exercise your frontal lobe and be more innovative, regardless of your age.

Another misnomer is believing you’re either smart or you’re creative. According to Hurt, research shows that people with high IQs are not necessarily the same as those who are highly creative, both creative capacity and intelligence work hand-in-hand to engage innovative thinking. And innovative thinking is the key indicator of who will retain their “smart” capacity, build new knowledge, and engage imagination.

Exercising innovative capacity

We now have 30 years of cognitive neuroscience that can help us increase intellectual capital, cognitive potential, and organizational success. This research tells us that comfort in the status quo is causing a decline in brain health and organizational growth. Our habitual low-brain performance
of standard routines and processes (tactics) costs an estimated $100 trillion to our gross domestic product (E.A. Hanushek & L. Wossemann, 2011).

Hurt outlined tendencies to avoid, including:

» A brain on automatic pilot
» Refusing to try new things
» Believing your best and most creative work is behind you
» An opposition to being renewable and adaptable
» Strong separation from those who have radically different views from yours

Hurt also encouraged us to push past the apprehension and anxiety of doing something unfamiliar, reframing the concern with the unknown into an opportunity. “We’ve been taught that fear means we will fail,” he said.

In addition, when we focus on tactics, details and logistics first, we damage our strategic and innovative thinking and logistics. When we focus on strategy first, we improve them. “Think about the why and the who before the what and the how,” Hurt said.

**Planning versus preparation and what is necessary for strategy and innovation in your teams**

Hurt asked the audience if the teams we work with were more like hikers using maps or sailors navigating seas. Planning assumes continuity, yet preparation equips people to be flexible enough to seize opportunity.

The top three skills CEOs want in employees are strategic-thinking, leadership, and innovation. So how do you know if your team members share these attributes? Hurt encouraged us to answer these questions:

1. Is your team able to identify future-focused changes that will impact the organization in the next one to two years?
2. Are your team members flexible thinkers from the known to the unknown? Are they comfortable departing from traditional modes of thought?
3. Is your team able to focus on opportunities of disruption and business-environment changes?
4. Is your team able to weigh the risks and benefits of major, big-picture decisions?

Strategic leadership today is more than just being operationally efficient, solving existing problems, or guiding the organization through normal work that must be done. It’s about effectively executing short-term responsibilities while shaping the future. “You should be spending 20–25 percent of your time with your team thinking about what’s coming next,” Hurt said. “If you’re not preparing your team, you are selling them short.”

As scholar and author Warren Bennis once said, “Routine work drives out non-routine work and smothers to death all creative planning.” Strategic leaders get their processes out of the way and focus on what matters most to the organization. “When hunting elephants, don’t get distracted by rabbits,” Hurt said. “Email is often the rabbit.”

Key questions to keep a team focused on strategy include:

» How does this organization make money?
» Who is our customer’s customer?
» What do our customers need now and in the future?
» How will our customers benefit when we win?
» What does our organization stand for?
» Who do we win the most business from and why?
» Who do we lose the most business to and why?
» What things would be most devastating (or most embarrassing) if our customers knew about us?
» What’s the biggest unknown in our market, and what are the best opportunities available to us?

Another strategic thinking strategy Hurt shared was the concept of “metacognition”—spending time considering why and how you think, and how to think differently. Hurt also encouraged us to embrace “the power of none”—taking a five-minute break, five times a day, to step away from the task or problem at hand and recharge.

The question is whether the current way of doing things is sustainable or if we face serious questions of future relevance.
Three steps to enhance integrated reasoning, strategic thinking, insights, and innovation

When it comes to being either a big-picture thinker or a detailed person, innovation takes both. As cognitive neuroscientist, Sandra Bond Chapman, stated, “You cannot be a big-picture thinker without knowing the supporting facts or else you would be an empty suit.” The key is to toggle back and forth from the raw details to the high-level ideas, using system thinking.

1. **Brain power of zooming in.** Zooming in requires attending to the facts at hand, then using them to support a novel approach that your competitor isn’t doing. It requires the delicate balance of knowing when to gather more information and when to stop looking for more facts to develop a point of view.

2. **Brain power of zooming out.** Zooming out means appreciating the broad perspective while assessing the view from above. It involves consolidating data and ideas into major themes, core concepts and overarching principles, and it helps avoid silos of static thinking.

3. **Brain power of zooming deep and wide.** Zooming deep and wide incorporates major principles and generalized lessons learned into broader applications. Zooming deep and wide applies research to practice and profession through creating transformational experiences.

Questions to ponder from Hurt’s sessions:

» How can you use your frontal brain to be more innovative?

» What is one thing you have learned that you can share with others?

» What is something you’re challenged with that our brain power can help solve?

"The Neuroscience of Innovation by Jeff Hurt was one of my favorite sessions. Jeff’s unique perspective challenged me to consider new ways to approach innovation. In applying this ‘innovation framework’ to some existing challenges that our team is facing, I’ve noticed that we’re now seeing new ways to solve these challenges that we hadn’t observed before.

-Heather Harrold
Director of Marketing, OHM Advisors
Established Brands Can Find New Opportunities by Taking Risks
Logan Jones
Senior Director of the New Business Horizons Group, Boeing HorizonX

Logan Jones was the last speaker of the event. Through discussing Boeing’s new innovation arm, HorizonX, Jones illustrated how established companies can pursue new business areas and potentially disruptive market solutions. HorizonX allows Boeing to pursue opportunities and innovations the business could not or would not pursue on its own but that still fit within the strategic scope of the company.
The journey at Boeing has been about culture change. “We design and build spacecraft and planes, therefore our systems have to be built with such precision that it’s not greater than a one in a billion chance there’s a fault that occurs,” Jones said. “So, what happens when you think about trying to be different and creative? Or what happens when the world dramatically changes around you?”

**Macro trends**

At Boeing, they recognize the world is rapidly changing, and there’s a need to address macro trends to find new ways to compete—trends that everyone is dealing with, regardless of industry. These trends include:

» Connectivity is making the world a smaller place, allowing us to work across the world.

» Electrification is becoming more economical and bringing travel closer to people’s doors, through drone delivery and increased mobility.

» Increased computing capabilities are enabling data analytics and artificial intelligence. “The way workers do their jobs will be different tomorrow than it is today,” Jones said. “Could you picture designing a building with artificial intelligence?”

» Autonomy’s maturation is resulting in new products and services.

» Business model disruptions are overturning industries.

» Global economic and demographic shifts are altering consumer desires.

**Causes for failure**

Jones noted that innovations don’t always pay, often because we’re innovating around the wrong thing.

As it relates to the supersonic transport Boeing 2707, “they got everything right from the technical standpoint,” Jones said. “But they missed some fundamental things.” Technology wasn’t the barrier or difficult aspect of the aircraft’s development. The downfall to consumer adoption was the supersonic boom heard and felt when the aircraft was crossing the sound barrier.

Another reason innovations fail is because we use an experience that doesn’t apply to what the next innovation needs. Methods for success in one company don’t always translate to another organization.

Jones noted new business models and ideas rarely survive the first contact with the customer. Understanding that, the HorizonX team determines how they can have that first contact happen time and time again, to shorten the cycle. Like the Boeing 2707, innovations can fail to resonate with customers. If this happens, Jones said, quoting business magnate Warren Buffet, “When you find yourself in a hole, the best thing you can do is stop digging.”

**Agile development**

A software development term that Jones believes makes an effective program management and communication tool for teams is agile development, which speeds up the innovation cycle. Contrasted with a large group that innovates through a deliberate, drawn-out process, agile development shifts innovation into an experimental focus.

“We don’t know necessarily what the outcome will be, but we want to give ourselves all these options along the way,” Jones said.

“Being agile seems simple, but when you’re considered an expert at something, it’s hard to be creative,” Jones said. As part of the process, HorizonX gets customer feedback early and often. “If we put together something that a customer or a partner can throw a dart at, we can speed up our cycle.”

In another example, Jones said GE failed nine times when designing the French door refrigerator. Rather than spending a year or two fully understanding the expectation, their process included developing prototypes and getting feedback through focus groups—iterative loops that are called sprints in software development. Today, it’s one of the highest grossing products in the appliance business.

Jones said innovation takes continuous learning and adaptation and getting it wrong a lot. When it comes to the culture at HorizonX and the culture needed at our firms, “it all comes down to the leaders who make it okay to fail and okay to take a risk.”

So far, the approach at HorizonX is paying off. Within the first 45 days of operation, they launched the industry’s largest venture fund, invested in two start-ups, and built their team from zero to 40 people.

**Questions to ponder from Jones’ session:**

» How can our firms compete in a new way?

» How can you apply the concept of an innovation arm into your firm?

» How can you take the approach of agile development to experiment with innovation in your firm?
Parting Thoughts by Attendees

The Pinnacle Experience left attendees inspired. Here are a few words from participants, ranging from ideas gained to overall thoughts on the event.
Social consciousness in companies is increasingly important. It helps attract talent and this is something we should all be focusing on, particularly given our tight employment market. Some companies have reported exclusion from pursuits because they are not affiliated by geography or by firm brand, with the social issues this talent values such as inclusiveness and environmental sustainability.

-Dana Birkes, CPSM, FSMPS, APR, Fellow PRSA
Vice President, Business Strategies, Crossland Construction Company and Facilitator for The Pinnacle Experience

Speak to your colleagues’ intellect as well as their emotional capacity. Read a book together. Have a shared experience.

-Michele Lord
Director of Business Development, BSA LifeStructures

Creating a welcoming experience and creating client-focused events, like SMPS has with The Pinnacle Experience, raises the bar and makes clients feel valued and appreciated.”

-Katie Batill-Bigler
Strategic Planner, Landis Evans + Partners

The opportunities for business development and marketing professionals to be leaders in our companies and in the industry are more than ever before. The Pinnacle Experience challenged me to stretch my mind in new ways to understand how to capitalize on some of those opportunities.

-David Werking, FSMPS, CPSM
Business Development Manager, ERMCO, Inc.

There are so many challenges and opportunities we face as we look to the future of our industry. I truly enjoyed being able to engage with my peers in a think tank setting and discuss how we adapt to meet them and build resilient firms. I’ve always advocated for the important role marketing plays in the success of a firm. The Pinnacle Experience not only reinforced this, but gave me the tools and data to expand my thinking with tangible takeaways.

-Sarah Hoff
Owner / Principal Consultant, Hoffhaus Creative
Marketing is becoming more sophisticated and influential everyday and if you aren’t participating in that evolution, it’s going to bypass you. Great marketing adds value to your firm and it wins work. For more than 40 years, SMPS has been a leader in helping A/E/C firms compete successfully in the modern marketplace. Our programs, research, and network of nearly 7,000 members are transforming professional services firms.