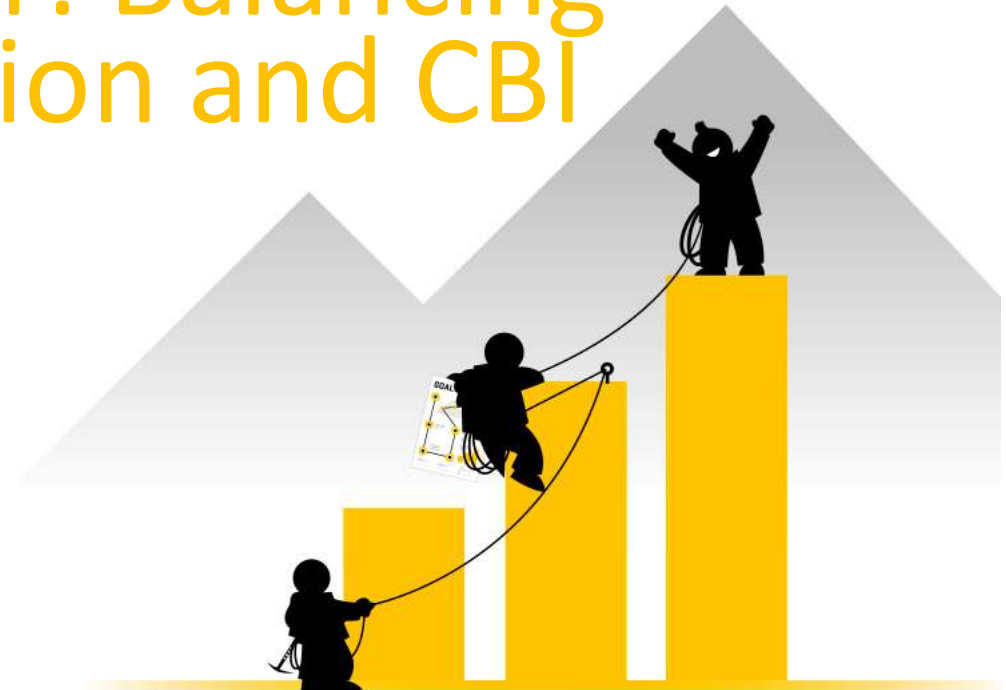




Webinar: Balancing Innovation and CBI



Anders Drejer
Niels Gørup Christiansen
Lars Hajslund

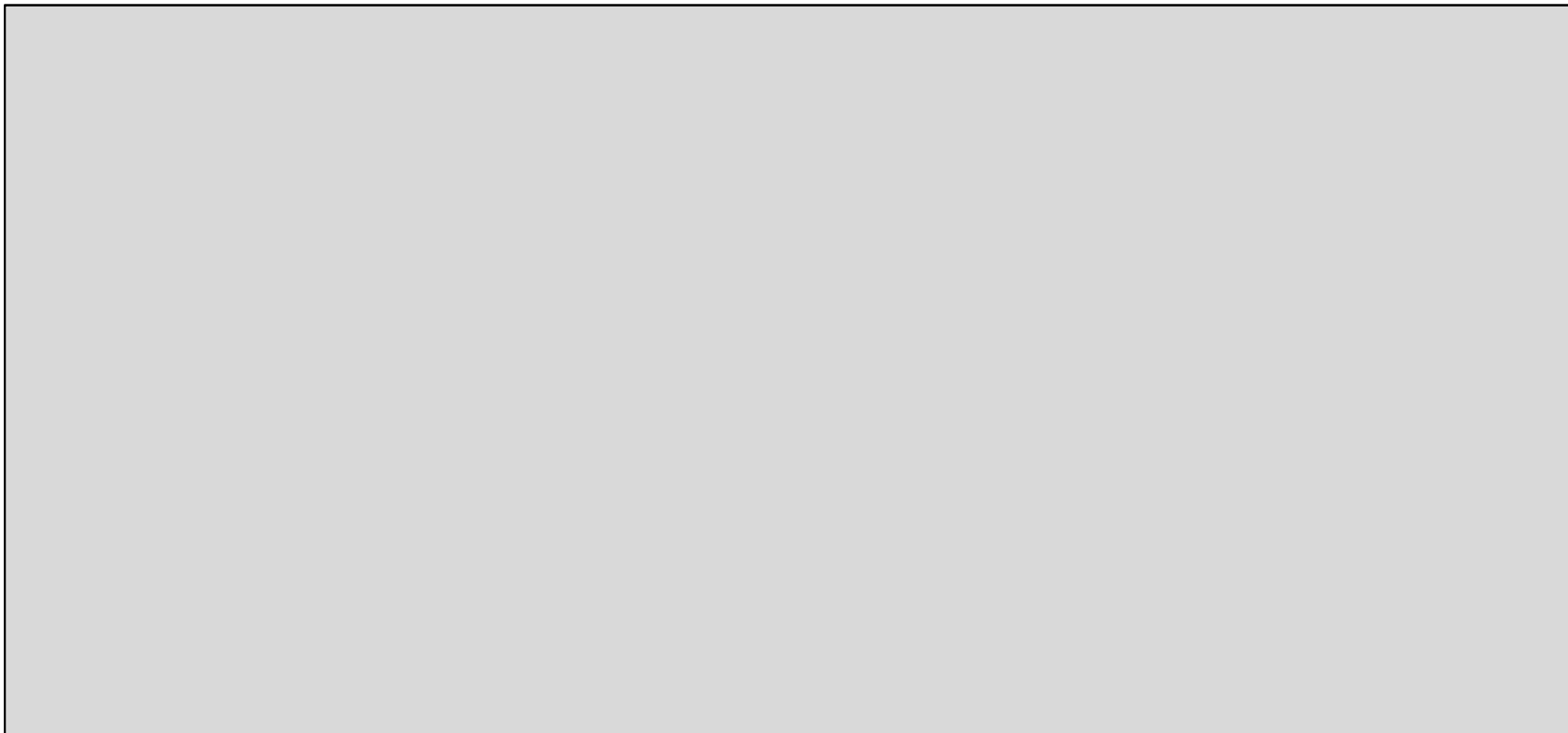


New Future Formula
WORLD CLASS **CBI**

Agenda

1. CBI and Innovation, NGC, 5 min
2. Innovation, AD, 18 min
3. CBI short, NGC, 7 min
4. Q and A, All 30 min

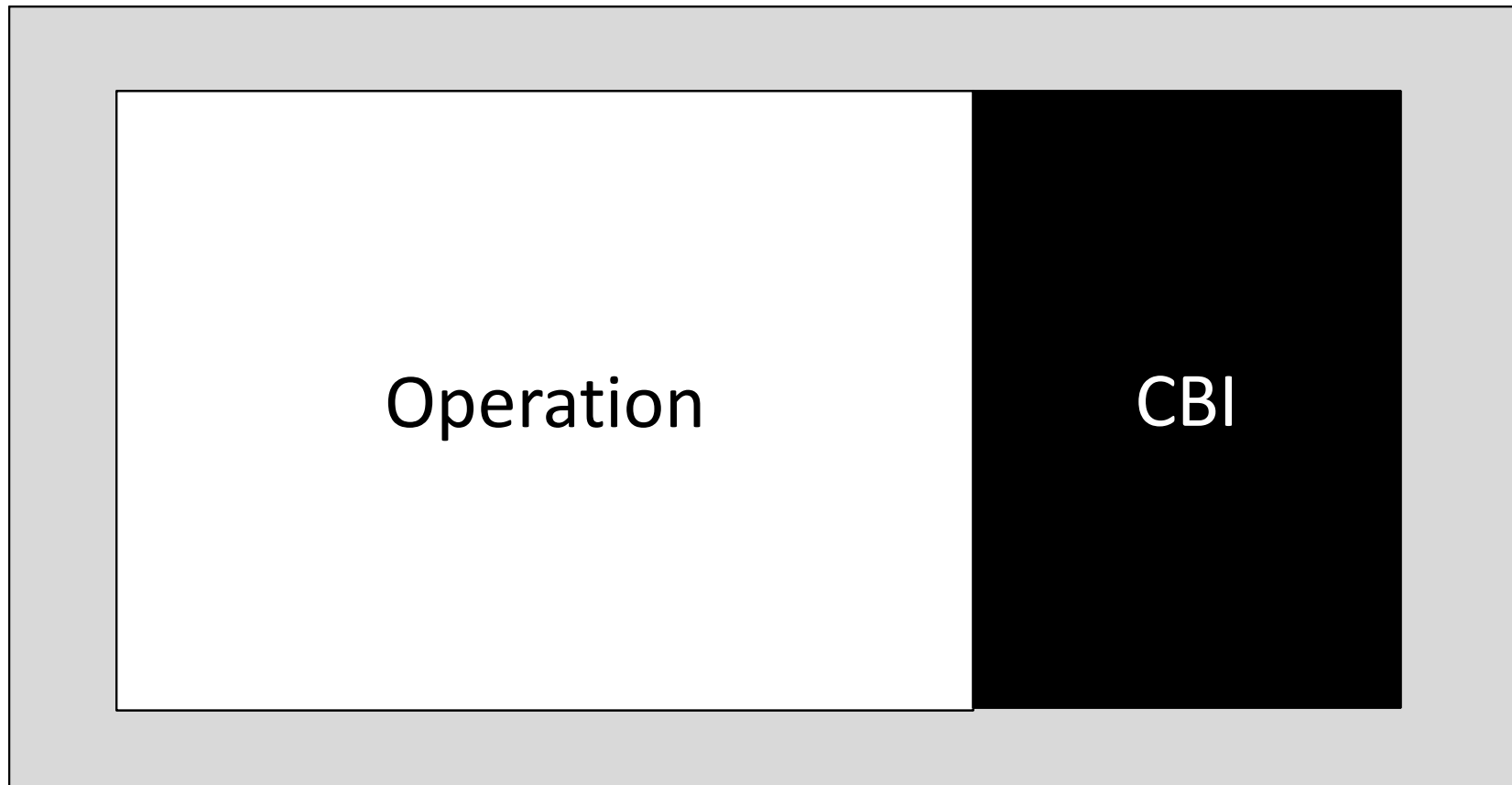
Our work



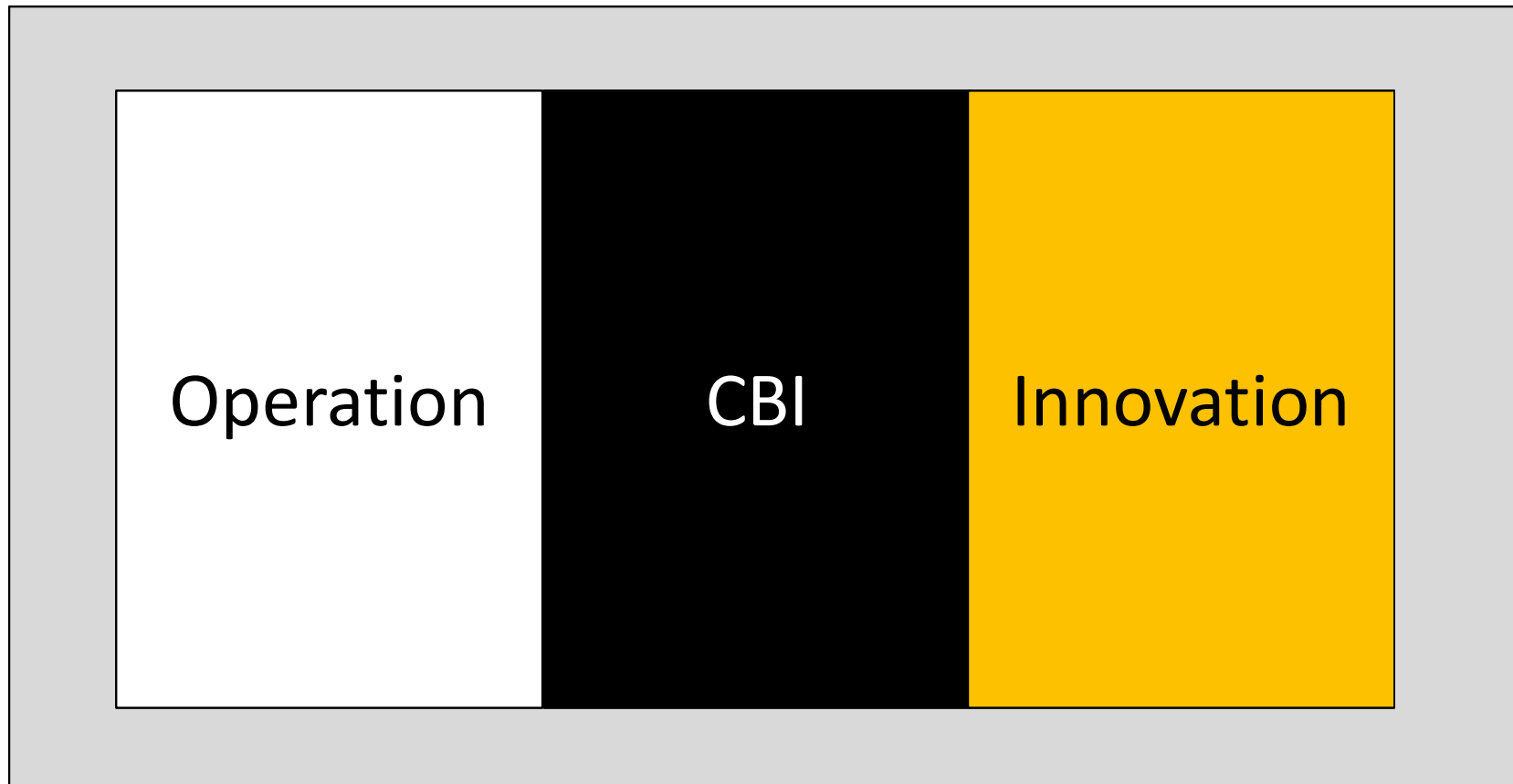
Operation ensure business today You get food

Operation

CBI ensure continued business. You are fit



Innovation create the future You stay relevant



McDonald: Balancing CBI and Innovation





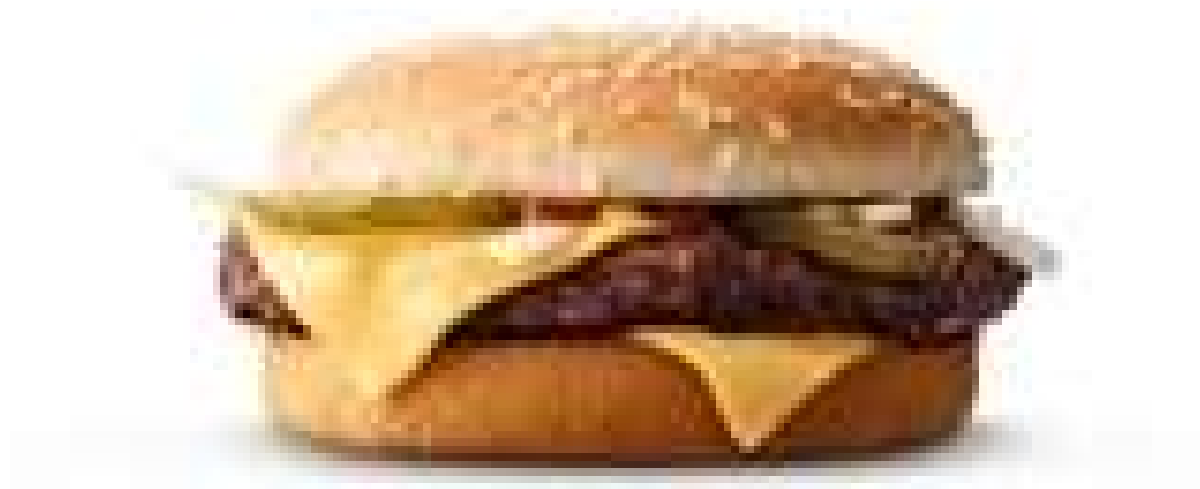
The four innovations of McDonalds

1st innovation 1948:
McDonalds brothers invented the basic concept.

2nd innovation 1954:
Ray Kroc professionalized the franchising management

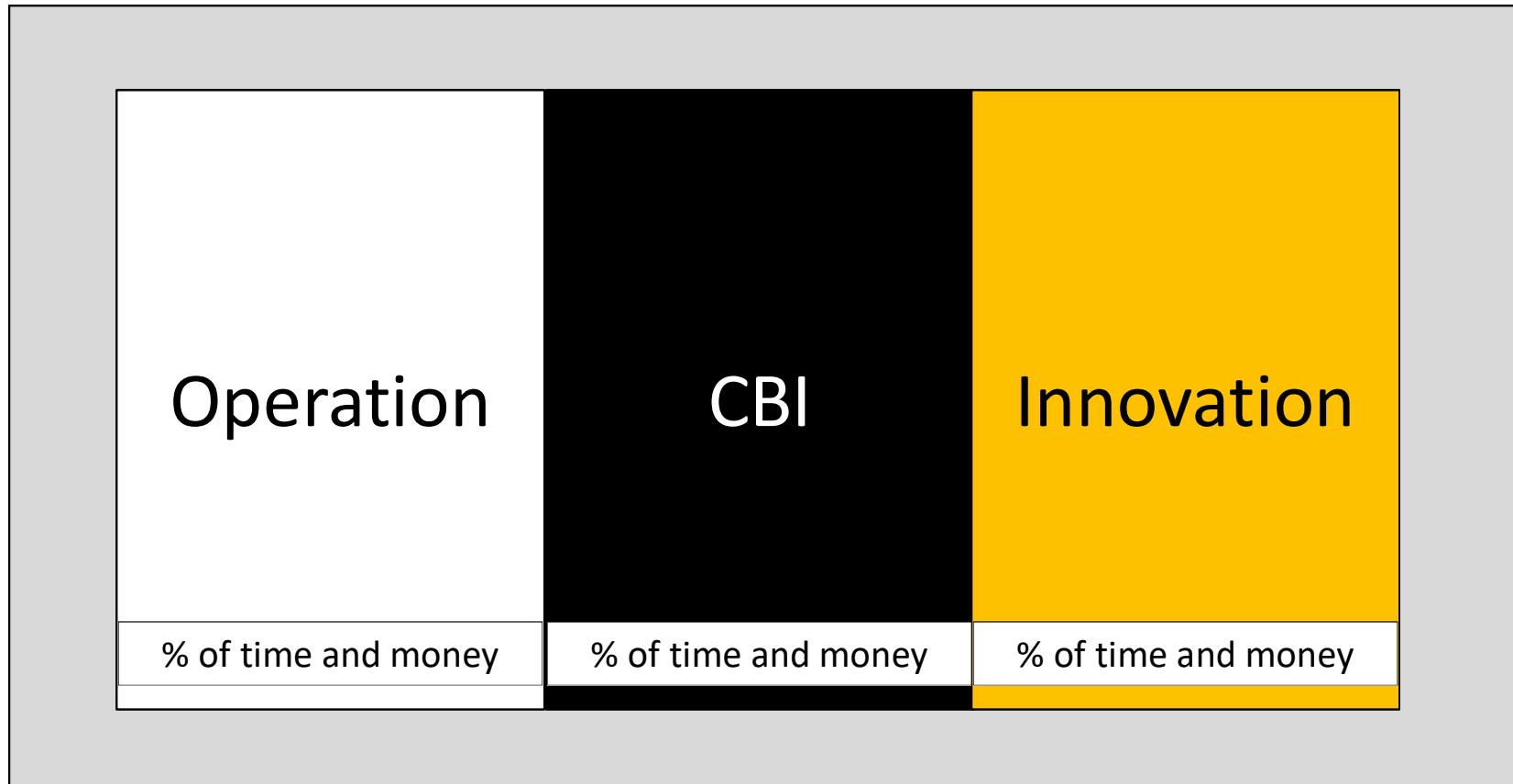
3rd innovation 1956:
Real estate for the future franchises

4th innovation 1967:
Globalization.

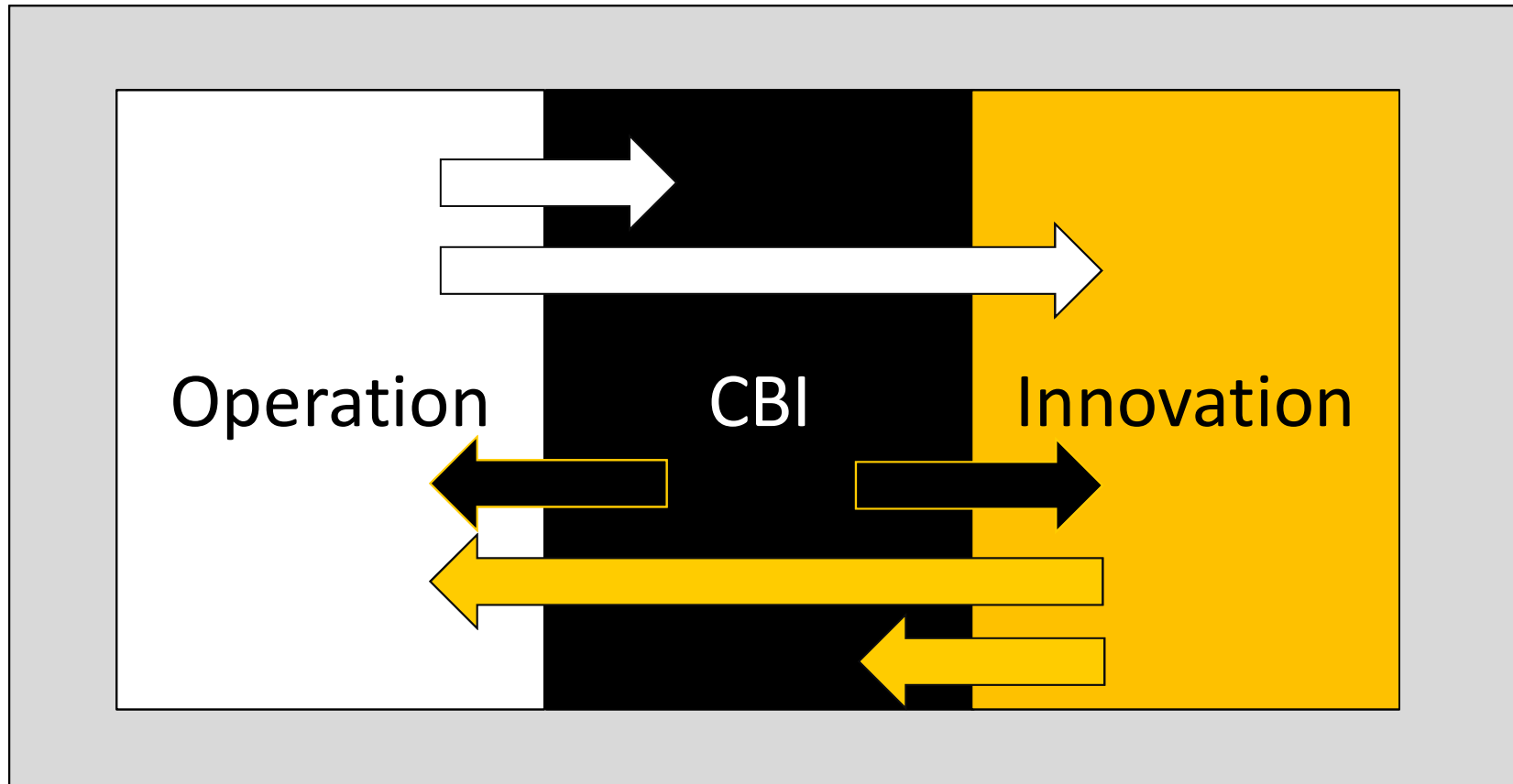


Needed resources

Find the balance 1/2: Organizational attention and Financial investments and pay-back



Find the balance 2/2: Feedbacks and cross fertilization



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Balancing CBI and Innovation

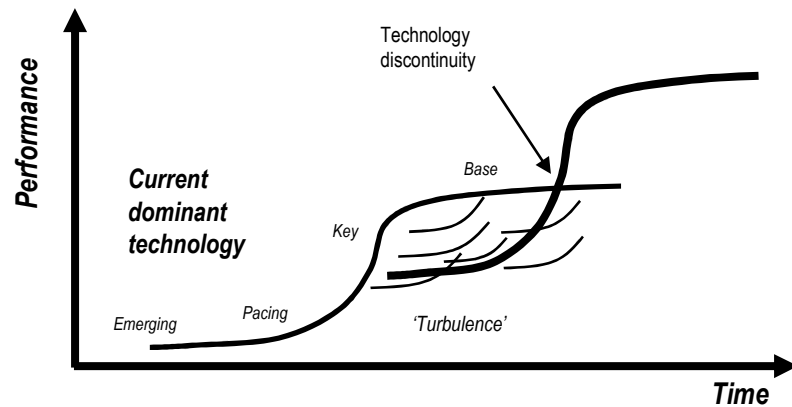
- 100



- 40



Disruptive Changes of technology



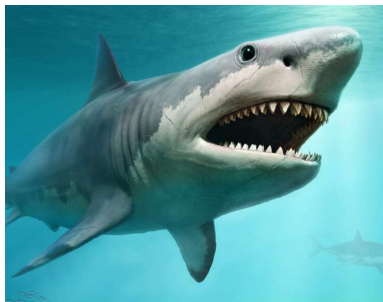
New dominant technology (disruptive??)

Technology 'S' curves

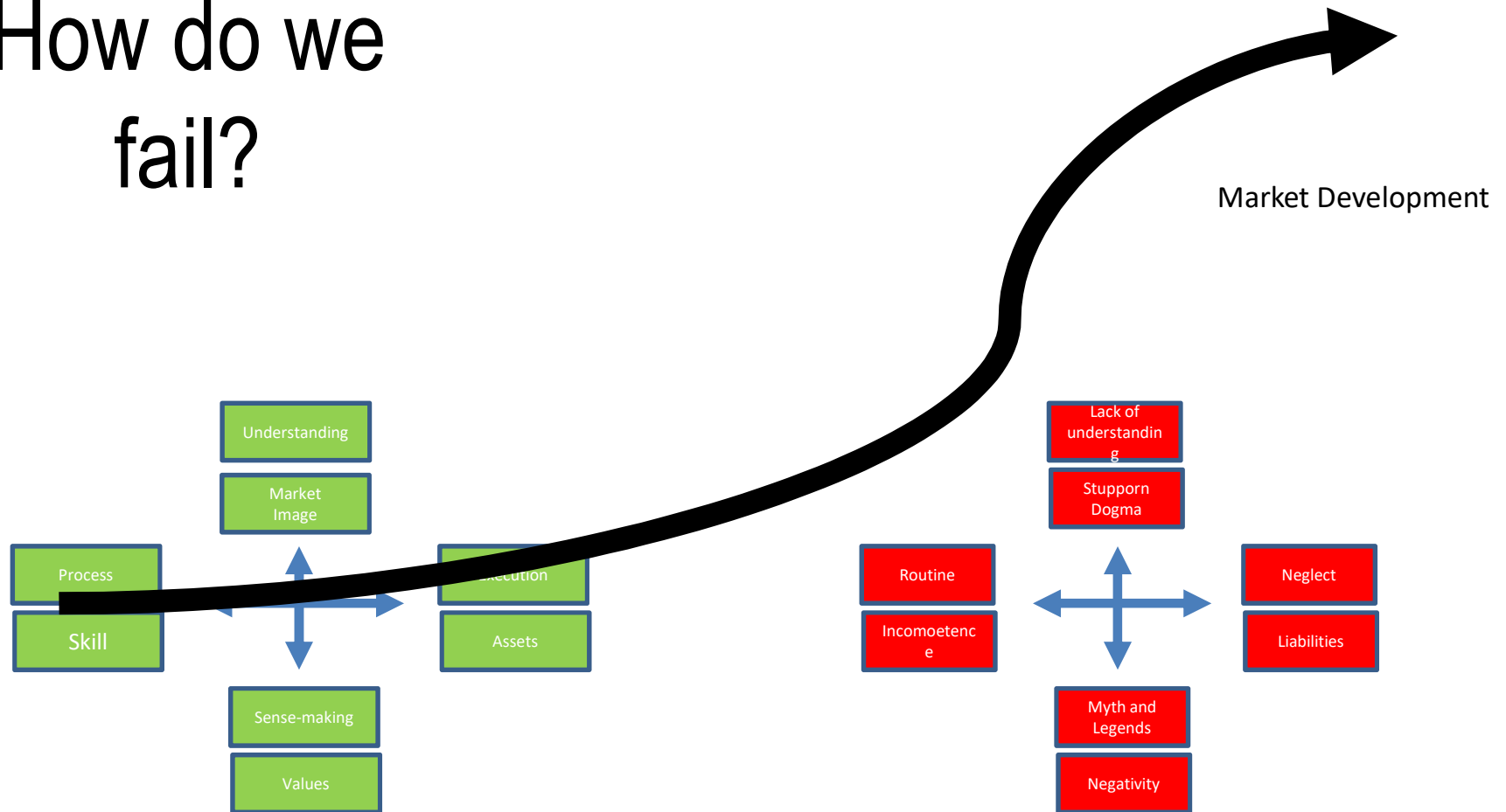
Shape influenced by:

- Market demand
- Scientific knowledge
- Investment / innovation

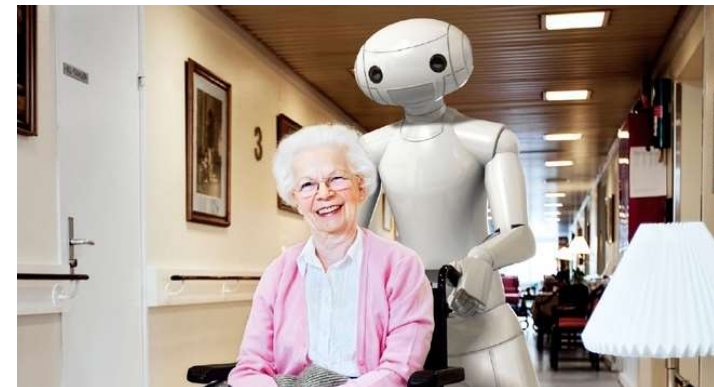
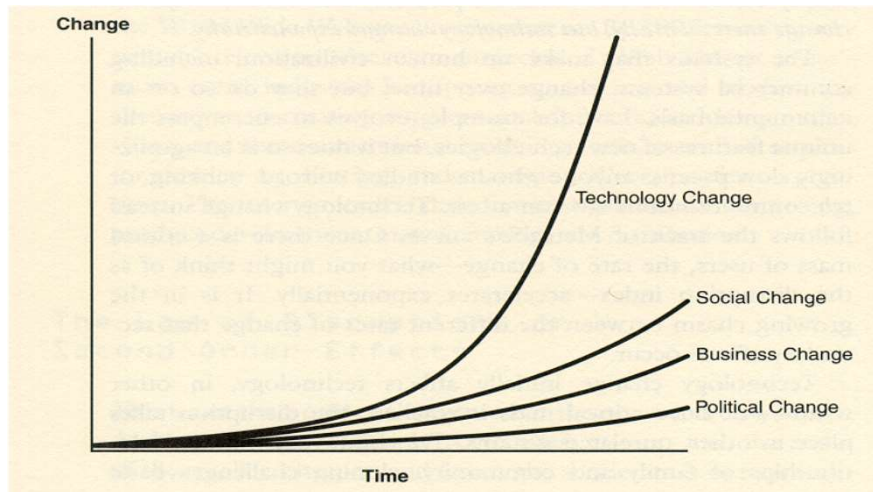
Adapted from Bower & Christensen, 1995



How do we fail?



Disruption 2.0



Gazza at the controls



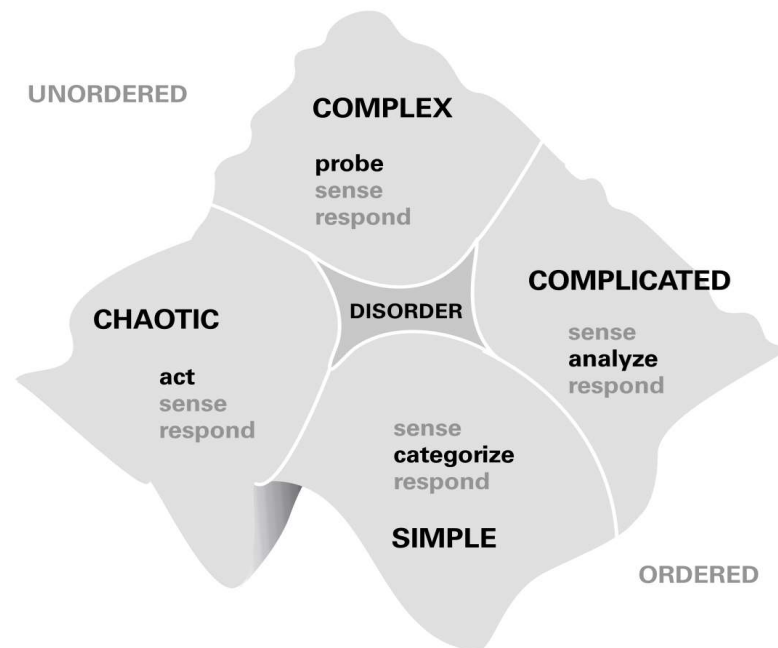
But not always

Avoid (Too much) Chaos

In this kind of situation there is no standard-operating procedure!



Cynefin – an illustration



Maintain the right Balance – all the time

- So you need innovation. Of course you do.
- But just enough. No more than that.
- Is that 4% as in the case of Grundfos? Or more or less?
- And who makes the money to finance the 4% - CBI!



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Why CBI: Objective, purpose and direction



CBI is great business – documented!

1. Situation:

Employees:	50-100	
Leadership:	Stable	
Sale/Costbase:	100	mDKK
Potential min.:	20-30	mDKK
EBITA:	5	mDKK

2. Decision:

Two CBI half year waves yearly.

3. Consequences:

Every half year executed...

Improvement projects:	5-15	
Bottom line impact 2-8%:	2-8	mDKK

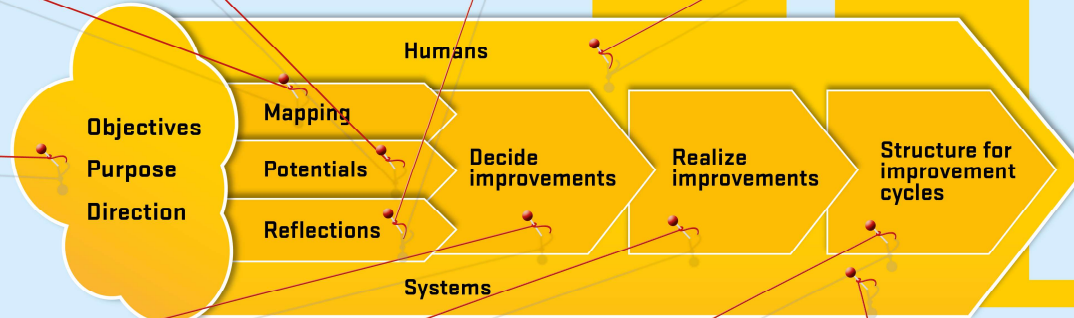
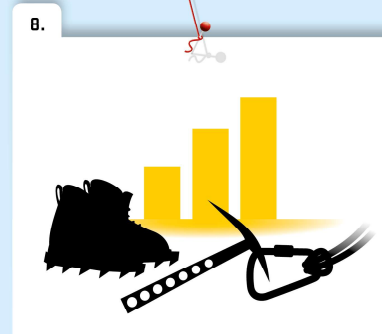
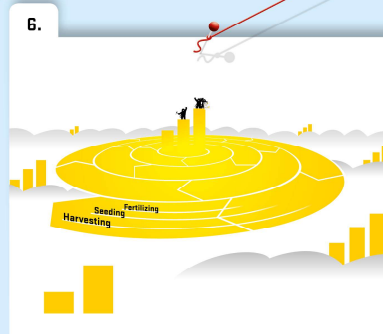
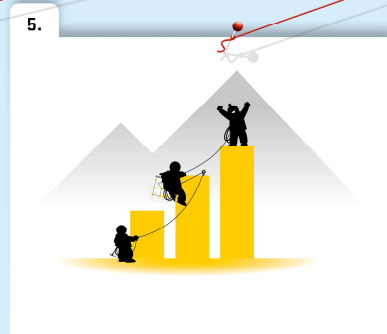
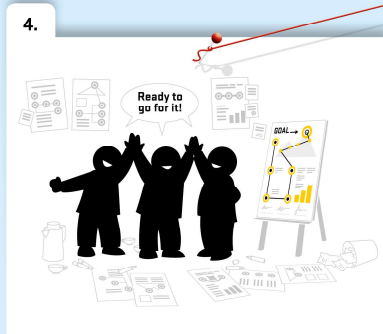
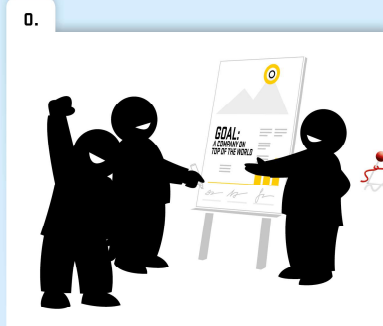
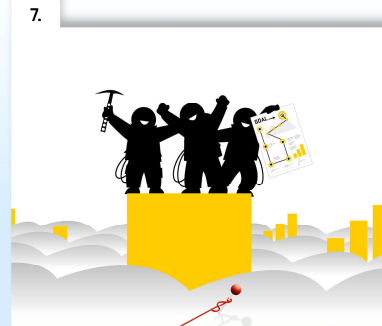
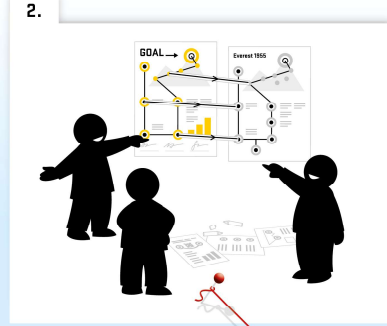
Every year documented...

Bottom line impact:	4-16	mDKK.
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Every day experienced...

- steady improved processes, products and service
- steady developed humans, teams and organization
- steady simpler and smarter tools, procedures and systems

The CBI Formula by New Future Formula



Every year...
- Bottom line improved by 4 - 16%

Improvements understandable for customers and employees

- Hands-on organizational development