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Module - 12 Lecture - 57 Concept of Disruption

Welcome to the course on Training and Development. We are now on the last module of module 12, where we will be discussing on managing disruptions in organizations through training and development. If you have seen through the journey of this course from the staff first module, we have discussed on the importance of concepts of training and development, importance of training and development for organization.

We have also discussed about the strategic importance of training and how it the business goals gets linked to the organizational goals. We have seen the importance of training need analysis, designing a training program and the journey has moved forward with understanding the different methods training, from the traditional methods then importance of employee development for the organization.

We have discussed at length on technology, its importance for training, the different new technologies coming up for training. We have seen also the social implications of training at large, how it is important for the like social responsibility of the training program. We have seen in the last 11th module that we have discussed on the future trends of training and development, with respect to the training program, deliverables, technology, trainer skills and competences.

Here in this session, we are going to focus on the managing disruptions in organization, because if you as we have discussed in the future trends, we have seen like problem solving capability, creativity, innovation. These are becoming the like the everyday this is where the, this is what the organization needs to live with in the upcoming times. And this is what they needs to get adapted to and disruption will become the way of life.

If you are talking of creativity, if you are talking of problem solving, if you are talking of flexibility, resilience then disruption is the word which is associated with each what them. And disruptive technology, disruptive thinking these will give rise to new way of progressing forward, that will become the path for the next like few years to come.

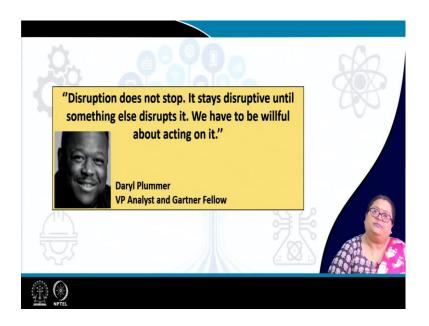
And to survive that the organization needs to learn how to survive in that environment. So, how training and development is going to help in this journey of organization towards understanding and dealing with disruption is what we are going to discuss in the final module of our course on training and development. So, let us begin with the understanding of what is disruption.

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So, this part of the lecture session today will be held on the concept of disruptions and its various issues.

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So, in the word of Daryl Plummer, "disruption does not stop. It stays disruptive until something else disrupts it. We have to be willful about acting on it."

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Disruption some cases: disruption takes time. When Wikipedia launched in 2001, nobody would have predicted it would have the power to overthrow Encyclopedia Britannica. Disruption is to make difference. Alphabet the Google's parent company is now one of the biggest and most important tech companies in the world.

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What is the disruption in business? Business disruption is the process in which an underrated or unexpected product or service starts to become popular enough to replace, or displace, a conventional product or service in the market. In case of business strategy, "disruption" refers to a process in which market entrants come armed with non-conventional business models and what at their outset seems to be poor-performing products actually come out to challenge and eventually replace industry incumbents over time.

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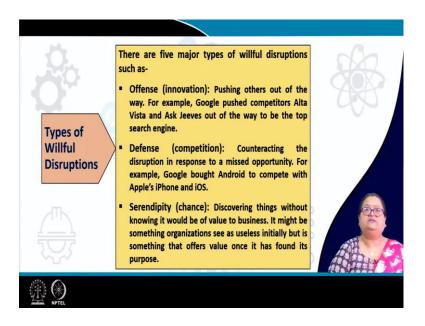
Business disruption has two different aspects. If managers are able to recognize an opportunity for disruption to quickly respond to another disruptive business, then the business will be rewarded. In case otherwise the disruption can be a threat to exist. This is why disruption requires keeping in touch with the changes in business so it can stay one step ahead. Most business innovators have dreams of changing the world. This is one of the reasons why disruption is so appealing.

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New technology and business disruption. Now, we are going to understand the link between new technology and business disruption. When a new technology disrupts a market place, it can create unfair competitive advantages, business models must adapt to the new status quo. Companies must become more digitally mature; however, attaining digital maturity is not a straightforward process.

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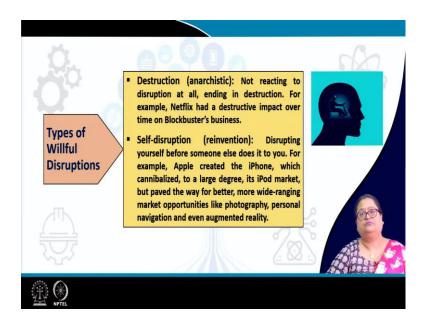


We have started this discussion with the court on willful disruptions. Now, we are going to see the different types of willful disruptions. There are five major types of willful

disruptions, such as offense which is innovation: pushing others out of the way. For example, Google pushed competitors Alta Vista and Ask Jeeves out of the way to be on the top of the search engine.

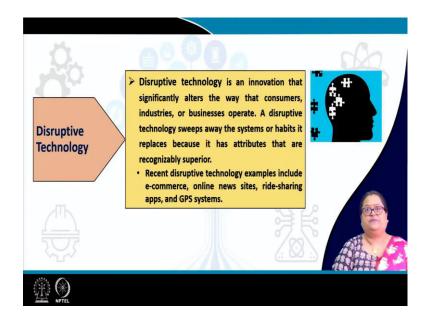
Defense, which is competition: counteracting the disruption in response to a missed opportunity. For example, Google bought Android to compete with Apples iPhone and iOS. Serendipity, by chance: discovering things without knowing it would be of value to business. It might be something organizations see as useless initially, but is something that offers value once it has found its purpose.

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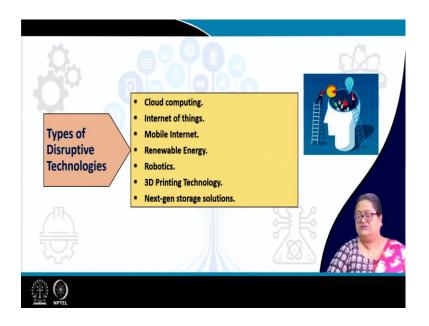
Destruction, which is anarchistic: not reacting to disruption at all, ending in disruption. For example, Netflix had a destructive impact over time on blockbuster's business. Self-disruption, which is reinvention: disrupting yourself before someone else does it to you. For example, Apple created the iPhone, which cannibalized, to a large degree, its iPod market, but paved the way for better, more wide ranging market opportunities like photography, personal navigation and even augmented reality.

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Disruptive technology; disruptive technology is an innovation that significantly alters the way that consumers, industries or businesses operate. A disruptive technology sweeps away the systems or habits it replaces because it has attributes that are recognizably superior. Recent disruptive technology examples include e-commerce, online news sites, ride-sharing apps and GPS systems.

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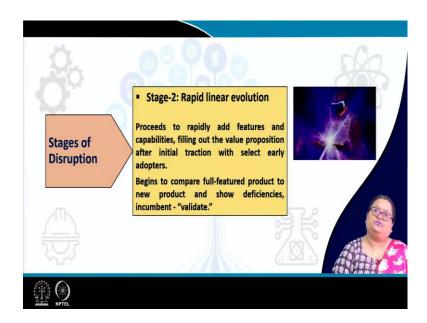
The types of disruptive technologies. The different types of disruptive technologies are: cloud computing, internet of things, mobile internet, renewable energy, robotics, 3D printing technology, and next-gen storage solutions.

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What are the different stages of disruptions? Stage I, is the disruption of incumbent. It introduces new product with a distinct point of view, knowing it does not solve all the needs of the entire existing market, but advances the state of the art in technology and or a business. New product or service is not relevant to the existing customer or market, incumbent deny.

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Stage 2: is rapid linear evolution. It proceeds to rapidly add features and capabilities filling out the value proposition after initial traction with select early adapters. Begins to compare full-featured product to the new product and show deficiencies, incumbent – "validate."

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Appealing convergence is the stage 3: sees opportunity to acquire broader customer base by appealing to slow movers. Also sees limitations of own new products and learns from what was done in the past, reflected in a new way. Potential risk is being leapfrogged by

even newer technologies and business models as focus turns to "installed base" of incumbent.

Considers cramming some element of disruptive features to existing product line to sufficiently demonstrate attention to future trends while minimizing interruption of existing customers, incumbent – "compete."

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The 4th and final stage of disruption is complete reimagination. It approaches a decision point as new entrants to the market can benefit from all your product has demonstrated, without embracing the legacy customers as done previously. Embrace legacy market more, or keep pushing forward?

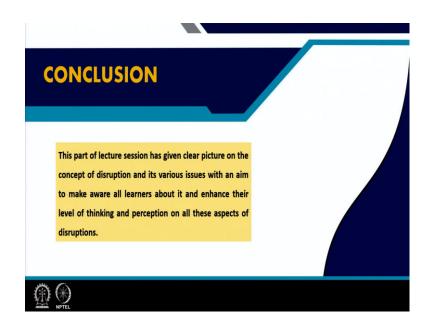
Arguably too late to respond, and begins to define the new product as a part of new market, and existing product part of a larger, existing market, incumbent – "retreat." So, we have discussed in this part of the lecture session about the concept of disruption, the what we understand by disruption with relevance to business and the different stages of disruption.

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So, these are the references that we have used for preparing the slides.

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We hope that this discussion will have created certain awareness in the learners about the concept of disruption. In the lecture ahead lecture sessions ahead, in this we will see in this module we are going to see how disruption and technology gets related, more we will have discussion on that and the disruption and training and development. The relations between these two things and how these two processes get like imbibed in the

organization and how disruptions can be managed in the organization through training and development.

Thank you. Bye.