

Disruption Vulnerability Assessment:

How susceptible is your organization to disruption?

Assess how vulnerable your organization is to disruption and where specific vulnerabilities lie through a careful review of nine dimensions of your organization. Complete the review by answering the questions below.

As you go through the following questions, answer based on your self-perception, but also that of your employees and customers. Answer each question on a 1-5 scale, where 5 represents “strongly agree” and 1 represents “strongly disagree.” As you decide on your answer to each question, record the appropriate number in the space provided.

Points

1 2 3 4 5
STRONGLY DISAGREE DISAGREE NOT SURE AGREE STRONGLY AGREE

Readiness	
The dominate needs of our customers are not expected to change in the next 1 to 2 years.	
We have never been surprised in the past by market developments.	
Senior leadership has a clear strategy for the impact of new technologies and new entrants on our industry.	
We continually develop and roll out innovative products or services.	
We are more focused on new markets, and less on established markets and competing for existing demand.	
We have leadership roles dedicated to innovation and digital transformation.	
We conduct business mainly through digital channels rather than traditional ones.	
We have strong systems and processes in place to anticipate and predict changes in our industry.	
We are effective at predicting changes in our industry.	
We are ahead of our competitors in responding to changes in our markets.	
We are continually experimenting with new channels, markets and customer segments.	
Culture	
We encourage our people to develop relationships and ideas outside of their functions and the organization.	
Our structure is reasonably flat, with easy access to senior members of the team.	
We accept that failure is part of searching for innovations and we have flexible investment criteria to facilitate this.	
We have embraced agile development methodologies and our people are well versed in using them.	
Our employees come from a wide variety of backgrounds - there is no stereotypical model.	
We encourage our employees to switch departments and functions, so they gain experience across different areas of the organization.	
We have digital champions at all levels and across all functions of our organization.	
Our leadership team embraces innovation and challenges to our established thinking.	
We have an environment where decisions can be made quickly, with clear roles and responsibilities.	
Total for page (transfer total to page 3)	

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Points

1

2

3

4

5

STRONGLY
DISAGREE

DISAGREE

NOT SURE

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STRONGLY
AGREE

Customer Facing Activities	
We have strong brand recognition and our target audience knows exactly what makes us different.	
Our offerings appeal to multiple customer segments and cross the boundaries of other industries.	
Our customers love our products and services and view them as highly differentiated.	
Our products and services exactly address all customers' needs.	
The end-users of our products and services use all of the offered features and functions.	
Our customers are not forced to buy a bundle of products or services--they can buy only what they want.	
We are able to tailor each of our products, services and offerings to each customer's needs.	
We increased our customer base by at least 50% over the last six months.	
Existing customers are spending more with us now than a year ago.	
We have direct market access and fully own the relationship with the end-users of our products and services.	
All our customers are locked in for several years and they would incur significant direct and indirect switching costs if they left.	
Our product or service offerings cannot be significantly enriched through digitization.	
We are able to rapidly pilot new products or services to test validity and assess market potential.	
We are able to quickly bring new products and services to market.	
We are effective at customer identification and targeting—pricing, product offering and advertising.	
Customer Facing Trends	
Competition for our products and services is shrinking and our products and services are likely to gain traction and benefit from that.	
The markets in which we are active are projected to grow significantly over the coming years.	
Various trends are making it harder for our customers to desert us and the switching cost for them to leave is increasing.	
Value Chain	
Our key resources can't easily be copied or emulated for the next couple of years and they give us a competitive advantage (e.g., intellectual property, brand, etc.).	
Our key activities can't easily be copied or emulated for the next couple of years and they give us a competitive advantage (e.g., cost effectiveness, scale etc.).	
Our key partners (suppliers, physical distributors or retail networks) are locked in for years to come.	
There's no significant lag between a customer's purchase and their receipt of our product or service.	
It is difficult for our customers to become suppliers.	
We have few intermediaries or layers between us and our end-users.	
We have low fixed and step costs.	
Value Chain Trends	
Technology trends that substantially strengthen our business model are gaining traction.	
New regulations make our business model significantly cheaper or easier to operate and give us a competitive advantage over our competitors.	
Suppliers and value chain participants are changing in a way that radically strengthens our business model.	
<i>Total for page (transfer total to page 3)</i>	

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Points

1 2 3 4 5

STRONGLY DISAGREE DISAGREE NOT SURE AGREE STRONGLY AGREE

Business Model	
We doubled our revenues over the last six months or we are growing significantly faster than our competitors.	
Our cost structure shrunk compared to revenue growth and is significantly more effective than that of our competitors.	
Our margins are not significantly higher than those of our competition.	
Our industry's margins are similar to those of other industries.	
Our industry has low variability in cost and perceived value.	
Business Model Trends	
Our business model is resilient and would even benefit if an economic downturn happened in the next six months (e.g., due to weak competitors).	
Our business model does not depend on key resources or other factors that are affected by geopolitical or other external forces (e.g., commodity prices, trade wars, etc.).	
There are little to no venture capital funding start-ups in our arena.	
Assets	
We have recently made significant investments in our technology platforms and infrastructure.	
We have recently made significant investments in our data analysis capabilities, processes and tools	
We have embraced cloud, social and mobile technologies as part of our platform strategy.	
Data is at the heart of our organization - we use analytics to drive decisions.	
We invest time to understand the relevance of any potential innovation to our customers.	
We invest in understanding how new technologies and new methods might create value for us and our customers.	
	<i>Total for this page</i>
	<i>Total for page 2</i>
	<i>Total for page 1</i>
	<i>Grand Total</i>

Scoring

Total score of 124 or lower: Your disruption vulnerability is high. Act fast if you want to future proof your organization. Start by taking a fresh look at your business and operating model, and elevate the priority of developing an effective defense strategy. If you need help, schedule a no-cost, no-obligation phone consultation with us to discuss some options.

Total score of between 125 and 216: Your disruption vulnerability is moderate. But remember that the rate of market disruption is accelerating, the window for taking advantage of disruptive opportunities is rapidly closing; the lead time you have to effectively respond to disruptive threats is getting ever shorter. Developing defensive and offensive strategies should be high on your agenda. If you don't have a plan in place start now before it's too late. Begin by looking more closely at any area where you scored a 3 or lower. If you need help, schedule a no-cost, no-obligation phone consultation with us to discuss some options.

Total score of 217 or higher: Congratulations. Your disruption vulnerability is low. It looks like your organization is well positioned for the future. Keep the momentum going by looking at any area where you scored a 3 or lower, making any necessary strategic or tactical adjustments.

