

Only a Regenerative Enterprise Thrives Forever in the Face of Creative Destruction!



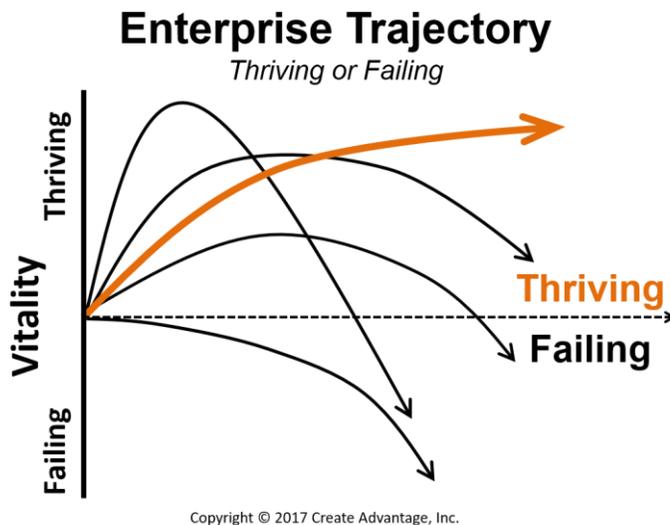
Kim C. Korn and Joseph B. Pine II invented *regenerative managing* to enable enterprises to thrive forever. Regenerative enterprises harness creative destruction to revitalize themselves just as creative destruction sustains the vitality of their ecosystems.

Managing's Challenge

Regenerative managing builds up the natural capability of people to create, innovate, and operate an enterprise to thrive in the present while re-creating it to thrive in the future.

In sharp contrast to thriving, we found many enterprises instead on a trajectory to fail. Looking at their way of managing from a design perspective, you could say that they *manage to fail*.

In accord with our regenerative philosophy, to be considered effective, managing must forestall and avoid enterprise degeneration, not just for a time, but indefinitely. Effective managing continually vitalizes an enterprise with its ongoing discovery, innovation, and re-invention in the face of persistent creative destruction. Effective managing thus begins with an **intent to vitalize**—making an enterprise capable of thriving forever.



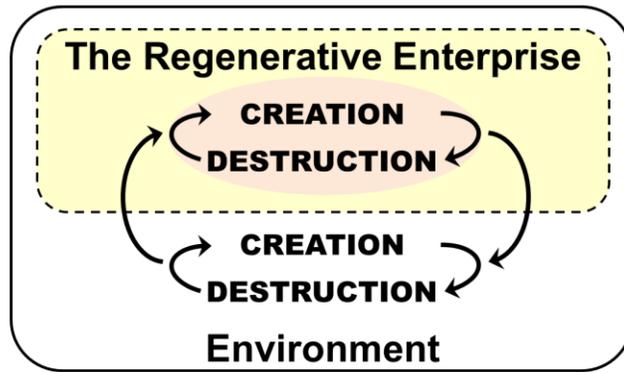
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Only regenerative managing produces a thriving trajectory for an enterprise as a matter of routine.

We took on managing's challenge by designing a whole new way of managing, a greenfield design, not one rebuilt on an anecdotal or piecemeal foundation. With our objective approach,

we discovered the way of managing mirroring inside the enterprise the creative destruction occurring outside the enterprise. We call our new way of managing *regenerative managing*—managing designed to produce *regenerative enterprises*.

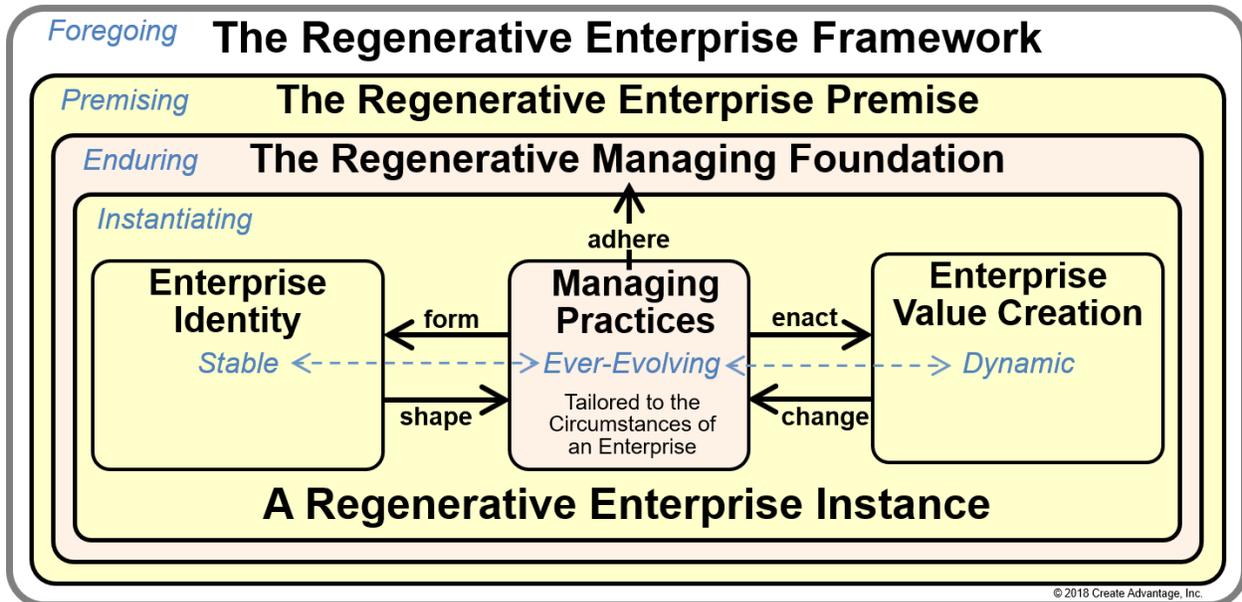
Regenerative Enterprise Mirroring Creative Destruction



The Regenerative Enterprise Framework

The regenerative enterprise framework provides a wholly comprehensive and fully integrated guide for producing a self-regenerating enterprise capable of thriving forever. Given the gales of creative destruction, every enterprise faces the challenge of ever-encroaching mediocrity and eventual failure. To thrive, it must overcome these forces. Our hypothesis regarding this challenge: To thrive indefinitely, an enterprise must mirror the ongoing creative destruction regenerating in its ecosystem and thereby become regenerative itself. We therefore propose to presume enterprises can thrive forever by employing a regenerative way of managing.

Presuming a regenerative enterprise calls for revealing how to produce one. This requires defining a framework representing the fundamental elements and structure of the regenerative enterprise. The first major element declares the regenerative enterprise premise – its axioms, intent, and requirements of managing. The second major element, derived in accord with the requirements, reveals the first principles and imperatives forming the foundation of regenerative managing to which all regenerative enterprises adhere. The third and last major element, reveals an instance of an enterprise with its managing practices developed in accord the foundational first principles and imperatives while being tailored to its circumstances, forming its identity, and enacting its value creation.



The Regenerative Enterprise

The regenerative enterprise regenerates itself by exercising creative destruction, within itself, mirroring the creative destruction of its environment, its economies and ecosystems. The regenerative enterprise thus becomes the object of regenerative managing and therefore the object of inquiry concerning how to manage it.

Any legitimate inquiry requires axioms, without which the inquiry lacks a basis from which to proceed or upon which to claim objective results. In the case of the regenerative enterprise, it is first off a human entity for creating economic value. This entity creates value for customers in exchange for money, or some form of wealth, for what it offers. To be considered a valid economic entity, it must produce a profit, the lifeblood of all value-creating enterprises. Being inevitably unique, each enterprise enacts and inhabits the ecosystems of its design. Lest it degenerate and fail in creating unique value relative to its ecosystem, the enterprise becomes regenerative. Thereby it becomes capable of thriving forever.

Regeneration of this axiomatically defined enterprise then begins with it instilling an intent to vitalize, to keep fit within its environment, as opposed to harboring an intent to optimize, which leads to imposing stability at the expense of regeneration.

Then, an interrogative inquiry of the regenerative enterprise – seeking answers to the *why, who, what, where, when, how, and in what way* of its managing – reveals the seven aspects of regenerative managing. Derived from these aspects come the seven requirements of regenerative managing: *pursue purpose* to organize and guide the enterprise, *engage contributors* in creating value with the enterprise, *create customers* with offerings of commodities, goods, services, experiences, and/or transformations, *grasp possibility* by discovering opportunities for creating new value, *exercise knowledge* to create value now and in the future, *establish businesses* creating customer value while capturing value for the enterprise, and *integrate the whole* to harmonize all its value creation. Fulfilling these seven requirements

fulfills the intent to vitalize, rather than optimize, the enterprise by regenerating it a pace the creative destructive regeneration of its environment.

The Regenerative Enterprise		
Interrogative Questions	Aspects to Manage	Requirements of Managing
Why does it create value?	For a Purpose .	Pursue Purpose – to organize and guide the enterprise.
Who enables it to create value?	Contributors to the enterprise.	Engage Contributors – in creating value.
What value does it create?	Value for, with, and in Customers (and Beneficiaries).	Create Customers – through offerings of commodities, goods, services, experiences, and/or transformations.
Where does it create value?	In the Possibility lying before it.	Grasp Possibility – by discovering opportunities for creating new value.
When does it create value?	When applying its Knowledge .	Exercise Knowledge – to create value now and in the future.
How does it create value?	With the Businesses it carries out.	Establish Businesses – creating customer value while capturing value for the enterprise.
In What Way does it create value?	Through the Whole enterprise.	Integrate the Whole – to harmonize all enterprise value creation.

The Regenerative Managing Foundation

Regenerative managing first principles and imperatives, when adhered to in an enterprise’s practices of managing, produce enterprise regeneration. The regenerative first principles and imperatives provide the unchanging and common foundation for all regenerative managing practices, for all regenerative enterprises.

We propose that managing, to be considered effective, must produce an enterprise (the object of managing) fit for the task at hand – the task of thriving indefinitely in the face of creative destruction. To be effective it must deal directly with the widespread and nonstop creative destruction, the common circumstance of all value-creating enterprises. To avoid otherwise inevitable degeneration, an enterprise must become regenerative. It must mirror within itself the regenerative creative-destruction going on outside in its economies and ecosystems.

Regenerative way of managing carries out the intent to vitalize the enterprise, standing in contrast to an intent to optimize. A vitalizing mindset steers the enterprise towards finding and developing new sources of economic value creation and orchestrating the disruption this causes to the enterprise. Vitalizing thereby avoids the degeneration caused by optimizing and instead regenerates the enterprise to sustain its vitality indefinitely.

Regenerative managing fulfills the intent to vitalize, by practicing in accord with the first principles and the seven imperatives associated with each of the regenerative requirements of managing. Managing in accord with the regenerative imperatives *infuses meaning* to inspire,

guide the enterprise, and enrich humanity. It *unleashes potential* to engage the fullest capability of each contributor. It *embraces the individual* to offer just what each customer wants, needs, and desires. It *liberates creativity* to engender instinctual innovation throughout the enterprise. It *orchestrates vitality* to create new value while operating and renewing the enterprise. It then *effects creative destruction* to offer new customer value generating enterprise wealth. And lastly, it *achieves coherence* to generate and regenerate the enterprise.

The Regenerative Enterprise Capable of Thriving Forever

The Regenerative Enterprise – Vitalization Intent							
Inquiry	Why?	Who?	What?	Where?	When?	How?	In What Way?
Aspects	Purpose	Contributors	Customers	Possibility	Knowledge	Businesses	the Whole
Requirements	Pursue Purpose	Engage Contributors	Create Customers	Grasp Possibility	Exercise Knowledge	Establish Businesses	Integrate the Whole
Regenerative Managing’s Foundation – First Principles & Imperatives for Managing to Thrive							
First Principles	Meaningful Purpose	Whole Person	Want Fulfillment	Limitless Opportunity	Knowledge Creation	Ecosystem Formation	Practices Coherence
	Humanity Enrichment	Innate Needs	Customer Centricity	Indigenous Creativity	Knowledge Orchestration	Creative Abandonment	Circumstances Coherence
Imperatives	Infuse Meaning	Unleash Potential	Embrace the Individual	Liberate Creativity	Orchestrate Vitality	Effect Creative Destruction	Achieve Coherence

See Introductory Slide Show Here

Managing includes every practice creating, shaping, forming, structuring, guiding, operating, maintaining, moving, evolving, transforming, and re-creating an enterprise. It encompasses the long-established convention of leadership, management, and governance practices.

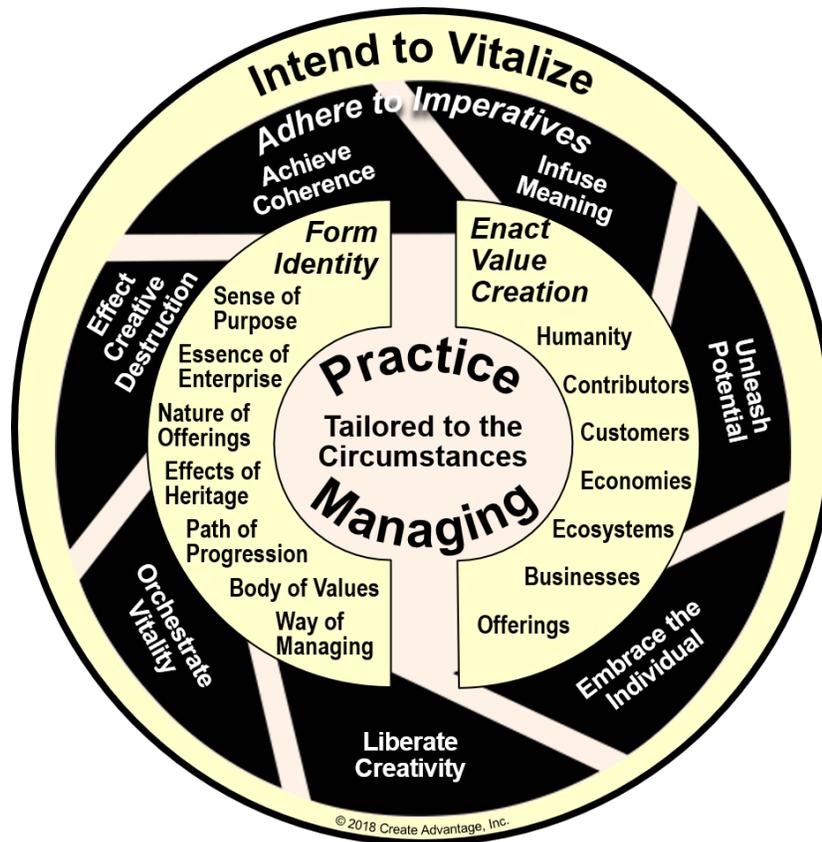
An Instance of a Regenerative Enterprise

An instance of a unique enterprise, in unique circumstances, expressing its unique identity in creating value. Every regenerative enterprise fulfills the requirements of and adheres to the first principles and imperatives of regenerative managing in forming identity and creating value.

The regenerative managing practices, adhering to regenerative first principles and imperatives fulfilling the regenerative requirements, instantiate an instance of an enterprise – with its particular identity and unique value creation. These practices carry out an intent to vitalize. In doing this they produce a specific instance of an enterprise as they define and refine its aspirational identity and create value by instantiating its identity in creating value.

Identity reflects the condition or state of an enterprise with respect to its circumstances over time, in the present, and what it aspires to be. It reveals the characteristics, qualities, and nature emanating from an enterprise to the world it inhabits.

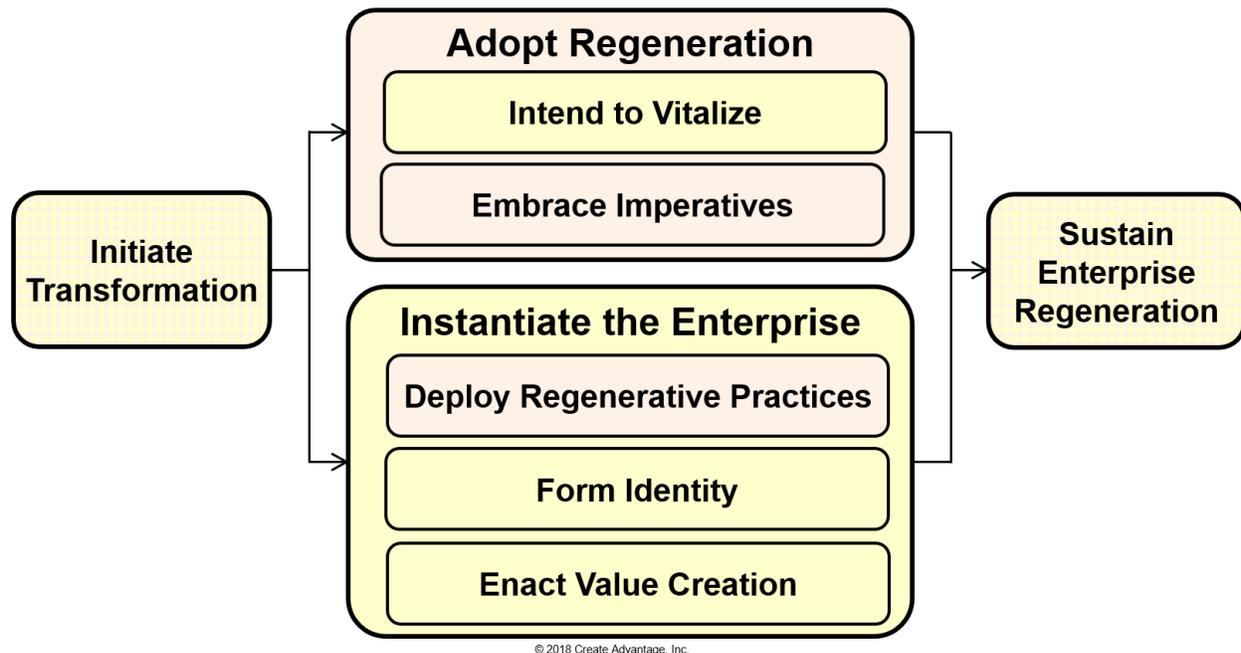
The value creation by an enterprise manifests its true identity. While identity tends to be stable, its instantiation in creating value must be dynamic to achieve enterprise regeneration. Regenerative enterprises continually invent, re-invent, innovate, improve, and extend their value creation out of necessity to regenerate and thereby sustain their vitality.



Becoming Regenerative

Putting the regenerative managing framework to work, you can create your own thriving enterprise. You do this by tailoring your managing practices to fit your unique circumstances in accord with regenerative first principles and to carry out its seven imperatives. Developing and deploying regenerative managing practices begins with your adoption of the concepts of regenerative enterprises and managing, instilling an intent to vitalize, and embracing the regenerative imperatives as your comprehensive guide to managing. Making your enterprise regenerative, whether from the start or as a transformation, involves the simultaneous and complementary activities of

developing and deploying regenerative practices, employing those practices to form identity, and doing the same to enact value creation based on your identity.



Take a Common-Sense Approach

Fully regenerative enterprises practice all seven imperatives—unleash potential, infuse meaning, embrace the individual, liberate creativity, orchestrate vitality, effect creative destruction, and achieve coherence—all in accord with the first principles of regenerative managing.

But taking on all these imperatives at once would be imprudent for most enterprises. First, your strategy of managing must be in sync with your enterprise's strategic needs and priorities.

If your enterprise's most pressing need is a viable business model, begin with the imperative to effect creative destruction to address this critical issue. Or maybe your enterprise is not yet customer centric, which points to the possibility of focusing on embracing individual customers.

But in every case, the imperatives are interdependent and mutually reinforcing. So, until you address all of them, your enterprise will lack its full regenerative capability.

Just address becoming regenerative in a logical manner. For instance, don't unleash the full potential of every contributor independent of infusing the meaning which aligns them.

Managing's Renaissance

With a loss of faith in conventional managing, a recognition that heroic leadership does not endure, a lack of engagement in nearly seventy percent of employees, and enterprises failing to thrive in a highly competitive world, new practices are emerging and proliferating like never before.

This evolutionary explosion of new principles and practices—whether they be lean, agile, managing without managers, democratic management, Holacracy, beyond budgeting, or any of a host of new people-engaging, innovation-fostering, and wealth-generating practices—provide not only tremendous opportunity, but also entail risk and introduce confusion.

What most of these methods have in common—their intent to achieve at least some aspect if not all of regenerative managing. But there is a key difference between all of these ways of managing and regenerative managing.

Regenerative Managing Stands Unique

- It clearly states its premise for a regenerative enterprise.
- It discovers and builds upon first principles regarding people and value creation.
- It encompasses all dimensions of managing—all leadership, all management, and all governance.
- It provides a comprehensive, integrated, and definitive framework from which to form your own practices tailored to the circumstances of your unique enterprise.
- It serves to make sense of the host of newly emerging practices, guide the re-invention and innovation of your way of managing, and provide the foundation for all managing practices you create, adopt, and deploy.

Look to the regenerative enterprise framework with its regenerative way of managing to guide you through the most exciting time in the history of managing!

Regenerative Overview

If you would like some assistance, we will be glad to talk with you.

Engage

For more information, contact:

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Synopsis of Managing the Regenerative Enterprise			
Regenerative Enterprise		Regenerative Managing	
Aspects to Manage	Requirements of Managing	First Principles	Imperatives
Why does it create value? For a Purpose .	Pursue Purpose to organize and guide the enterprise.	Meaningful Purpose: Meaning inspires people and guides enterprises.	Infuse Meaning to inspire people, guide the enterprise, and enrich humanity.
		Humanity Enrichment: Enrichment of humanity creates unequivocal value.	
Who enables it to create value? Contributors to the enterprise.	Engage Contributors in creating value.	Whole Person: Contributors are whole people, not just economic resources.	Unleash Potential to engage the fullest capability of each contributor.
		Innate Needs: Contributors require their innate needs for autonomy, competence, and relatedness to be met.	
What value does it create? Value for, with, and in Customers .	Create Customers with offerings of commodities, goods, services, experiences, and/or transformations.	Requirements Fulfillment: Customer requirements, their wants, needs, and desires offer unlimited new value-creation opportunities.	Embrace the Individual to offer just what each one wants, needs, and desires.
		Customer Centricity: The customer resides at the center of enterprise value creation.	
Where does it create value? In the Possibility lying before it.	Grasp Possibility by discovering opportunities for creating new value.	Limitless Opportunity: Infinite possibility lies before the enterprise.	Liberate Creativity to engender instinctual innovation throughout the enterprise.
		Indigenous Creativity: All contributors inherently possess discovery and innovation potential.	
When does it create value? When applying its Knowledge .	Exercise Knowledge to create value now and in the future.	Knowledge Creation: Vitalizing knowledge emerges from exploration, exploitation, and operation.	Orchestrate Vitality to create new value while simultaneously operating and renewing the enterprise.
		Knowledge Orchestration: Fostering, balancing, and integrating exploration, exploitation, and operation requires orchestration.	
How does it create value? With the Businesses it carries out.	Establish Businesses creating customer value while capturing value for the enterprise.	Ecosystem Formation: Ecosystems rise-up, evolve, and fade away as businesses form, re-form, and un-form.	Effect Creative Destruction to offer new customer value that generates enterprise wealth.
		Creative Abandonment: New value creation eliminates existing businesses.	
In What Way does it create value? Through the Whole enterprise.	Integrate the Whole to harmonize all enterprise value creation.	Practice Coherence: Managing encompasses all practices, including leadership, management, and governance.	Achieve Coherence to generate and regenerate the enterprise.
		Circumstances Coherence: Effective managing calls for practices tailored to the unique circumstances of each enterprise.	

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The first principles are the fundamental truths for managing to take into consideration. Collectively, these first principles reveal the truth to be recognized regarding regenerative enterprises, capable of sustaining their vitality to thrive forever.