

FABIAAN VAN VREKHEM

DISRUPTION

**EIGHT
LEVELS
OF
ENTREPRENEURSHIP**

@WORK

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ABOUT THIS BOOK

The appearance of Fabiaan Van Vrekhem's book coincided almost exactly with the one hundredth anniversary of the theoretical prediction of the existence of gravity waves. Based on his experience with organizations, he does not make predictions but instead maps out the 'shock waves' caused by continuous change, highlighting the challenges this creates for the players in the field and the resulting social contributions they need to make with and through their organizations. This is, quite rightly, much more than just a straightforward classification of change processes; it is about the need for value creation. In this respect, it is no longer sufficient to 'do your best' within the existing context; instead, you need to create a new context. It is only with a sustainable story that organizations will be able to retain their relevance, within a framework where supply and demand—in other words, ownership—is shared. Rooted in his belief in social engagement, Fabiaan Van Vrekhem offers us a positive and fascinating story that can serve as our guideline for the future.

Luc Van den Brande

Chairman, VRT

DISRUPTION

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**WITH
PRACTICAL
MODEL**

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INTRODUCTION: WHY SHOULD YOU READ THIS BOOK?

We live in an age where the speed of change is constantly increasing. The internet has largely eliminated the limitations of time and space. The economy has been globalized. Entrepreneurship has been democratized, so that more people now have the opportunity to help shape innovation. Moreover, the pace at which innovation is taking place is also constantly increasing. In addition, the demands now being placed on people who want to make a difference are becoming ever more complex. In fact, innovation has reached the stage that the future of entire industries or sectors is being called into question.

At the same time, new generations are growing up in an environment that offers many more possibilities but also contains many more potential threats than thirty years ago. To deal with this fluid situation, important changes in perception are taking place; for example, from 'ownership' to 'sharing'. Social perception is evolving under the influence of the new contexts in which successive generations come to adulthood. As a result,

certain activities, products and/or services will soon no longer be meaningful and will need to make way for other priorities. The idea of sustainable development also will gradually become part of our collective consciousness, so that new and very different ethical standards will be imposed on the worlds of business and entrepreneurship.

Do you sometime lie awake worrying about the viability of your organization? Do you often feel swamped by the tsunami of change taking place around you? Do you want to know what might one day make your product or service irrelevant? Do you want to be prepared for the future, so that you don't fall prey to the dangers of disruption? Do you want inside information on the next big thing that can threaten your organizational autonomy? Do you want to better understand the different levels of entrepreneurship that make disruption possible? You do? Then I advise you to read this book. I attempt to explain how disruption comes about, what frames of reference are most closely associated with its origins, and how its relevance evolves through time.

In each chapter I will ask a number of questions that will help you to think about the position of your organ-

ization in relation to disruption. I will also provide an outline of the kind of organizational development that will be necessary to deal with the challenges of the future robustly and resiliently. As a result, the book offers valuable insights that will allow you to plan your way forward. As an entrepreneur, it will help you to know what issues you need to consider as you try to connect people, work and strategy as effectively as possible. As an individual, you also will get an idea of how you experience and how you try to shape the reality around you, and what career paths are open to you in the future. Enjoy your reading.

DISRUPTION: THE BULL IN THE CHINA SHOP



'New
products lead
to new experiences,
but new levels of
awareness lead to
new products.'

My generation is typically described as 'generation X'. And like every generation, this one has also experienced some interesting evolutions: the fall of the Berlin Wall, the transition from typewriter to personal computer, the first mobile telephone, Live Aid, the rise of e-mail, the internet and the paperless office.

In German, this generation is known as *Generation Zuviel*, the generation that had too much of everything: too much information, too many competitors, too much choice, too many obligations, too much uncertainty... It is the generation that experienced the transition from pay based on seniority to pay based on performance. Seniority as the basis for promotion has also made way for career ladders. Moreover, it is no longer the employer who shapes careers. Nowadays, employees take their careers into their own hands, deciding the direction they want to go and changing employer if things aren't going quickly enough. Conformity and respect for existing customs and usages have found themselves increasingly under pressure from the individual's need for autonomy and freedom.

This is the consequence of something that began much earlier. Whereas in the distant past institutions like the Church not only gave people moral and emotional support but also a set of norms by which to live their lives, the Renaissance offered people all the space to express their own insights. Later, the Industrial Revolution heralded in a new social order, in which interaction between people assumed new forms. In particular, the relationship between employer and employee came much more

prominently to the fore. This new relationship gave power and prestige to anyone who possessed the capital that was necessary to create employment. The industrialist, the entrepreneur, the banker, the lawyer and the member of parliament people all praised to the heavens. They acquired a certain status and they gradually formed their own close-knit business clubs and social circles. To compete with this elite group, potential newcomers first had to meet one important criterion: they needed education. The race for a professional degree had started and it was an important standard for that generation. Knowledge was power and people with the best degree had the best chance of later becoming the CEO. Finding your way into the right business club was the next logical step.

However, the arrival of the internet has fundamentally changed this social order. The importance of the relationship between employer and employee has gradually been eroded, so that the 'exemplary' status of some professions has been diminished or has even disappeared altogether. Subservience has been replaced by self-determination; the job-for-lifer has given way to the freelance. As a result, autonomy of thought and action have both been strengthened. Not only because this au-

tonomy can lead to greater self-development, but also because these qualities are increasingly becoming the benchmark for entrepreneurs who really want to make a difference. Today's successful entrepreneurs no longer meet each other in business clubs, but in co-working spaces, where they share knowledge and experiences on a daily basis. Some of them travel around the world like nomads, searching for new and more interesting environments where they can write their next new piece of software. One of the key elements in the success of Facebook is probably the fact that it helped to make possible this new worldwide social order, in which people can decide for themselves how much of their autonomy they wish to surrender, how much information about themselves they wish to reveal, who exactly they want to be friends with (and who not) and when precisely they wish to move from one group of friends to another.

Internet, Instagram, Google and many other similar platforms have made it possible to reach and touch the hearts and minds of people on the other side of the planet, without the requirement for physical travel and without the need to adjust to existing social orders. The castle ramparts and the church walls have been pulled down, to be replaced by firewalls that offer both protec-

tion and a means to express one's own ideas. The new enemy is the hacker, who is constantly on the look-out to sabotage the things that offend him or exploit new initiatives he can turn to his own advantage.

In many places, entrepreneurship has already been democratized. Conforming to the rules has given way to adventure, enjoyment and autonomy of thought and action, where almost everyone—at least those who do not live under the shadow of oppression, poverty and/or famine—is able to engage in entrepreneurial activity and conquer the world with their ideas. Entrepreneurship has become accessible to more people, with a risk that innovation becomes a vicious circle when each entrepreneur wants to preserve or enhance the own autonomy. Knowledge alone is no longer enough. People who want to differentiate themselves now need a more conscious awareness of what is going on around them.

People are, of course, also consumers, rooted in our need to find the things that will allow us to survive and develop. This means that successful entrepreneurs also need to be increasingly and more intensely aware of what these consumers experience as 'valuable', so that they can produce it and persuade the consumers to buy it.

Dealing in a more conscious way with how people align with their environment, in their search to survive and develop, is what finally leads to disruption.

However, this awareness requires more than just knowledge and experience. In addition to knowing what exists and learning how to deal with it meaningfully—which is the essence of knowledge and experience—today’s entrepreneurs also need a proactive attitude. To get ahead of your competitors and maintain the autonomy of your organization, you either need to predict the trends of tomorrow or create a new reality of your own.

To achieve this, your experience of the past needs to be supplemented with the capacity to imagine or experience possible futures, so that you can give those futures shape and form. This requires a very different talent or quality; namely, the ability to become consciously aware of what does not yet exist, but might well exist in the future. This is where disruption has always had its origins, and it still does: ‘Connecting the things that were not yet connected in a way that makes what currently exists irrelevant.’

Whoever makes a judgement, always takes as his starting point a particular insight. Consequently, he has a prior mental image or experience of what the problem or opportunity involves. Disruption occurs when new mental images provide new and different insights into problem definitions and changing needs or desires. Not everyone has the talent, when faced with problems and questions, to conjure up complex mental images that can help to solve those problems and answer those questions. And the more complex the mental image becomes, the more disruptive the resulting change can be. When two people look at something, they can see it—experience it—differently. The mental images we create range from very simple to extremely complex, and are also coloured by our knowledge, experience and motives.

What I cannot see or imagine cannot help me to give shape to something. Moreover, knowledge is, by definition, incapable of giving shape to the unknown - otherwise, it would no longer be unknown. The extent to which we are able to develop mental images of imaginary situations is one of the things that distinguish people from each other. This variation results in differences in behaviour, different visions of the external

environment, communication problems, differences of opinion and, above all, strategic developments in a socio-economic context that are different in form, scope and effect.

Disruption has been defined as:

'To cause (something) to be unable to continue in the normal way. To interrupt the normal progress or activity of (something).'

When disruption affects an economic sector, its existing way of doing business becomes as good as irrelevant. Previous norms and standards no longer apply, and previous methods and usages are superseded almost overnight. Traditional entrepreneurs are replaced by 'innovators'.

The sale of coffee has made way for the sale of coffee time; taxi drivers have been replaced by an app; 'healthy' food has assumed a more prominent place in our supermarkets and referred food to the lowest shelf; TVs are being elbowed out by smart TVs; trade for profit is being increasingly pushed into the background by fair trade; cities are being transformed into smart cities. The circular economy is the new economic norm;

CO₂-neutral is the new energy standard. These are all irreversible changes.

Every evolution in standards supports people in their search for perfection and in their daily battle with time and space. It helps them to meet their desire to survive and grow. 'Faster', 'more and better', 'different', 'bigger', 'prettier', 'here and now', 'more relevant', 'more sustainable' are just a few of the superlatives we now hear almost every day.

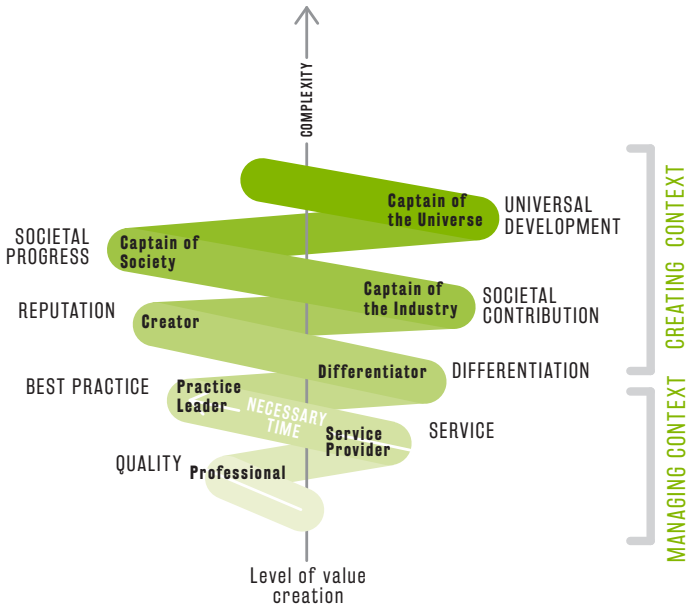
Entrepreneurs who are more aware of and deal more consciously with how people attempt to come to terms with themselves, with others and with their environment—today and in the future—are invariably the entrepreneurs who set disruption in motion. They are the ones who set the new standards.

Innovation is about connecting things that were not previously connected. For this reason, its origins are found in awareness and not in previously acquired experience.

Consequently, experience alone, like knowledge alone, is not enough to make disruption possible. The opportunity to set fundamentally new standards originates in the extent to which an entrepreneur knows how to

imagine and experience the way that people will seek to better attune themselves to the things around them, both now and in the years ahead. The more complex the new standard, the longer it will take to actually see it come to de facto fruition. Changing the world demands more time and effort than simply trying harder to do your best in your own particular field.

Behind every new disruption, behind every new standard, it is therefore possible to see a pattern of thought. In this book, I will guide you through the evolution in the frames of reference and ways of thinking that give shape to disruption. They each give rise to a new and different form of value creation and a higher level of entrepreneurship. In this way, you will be able to discover for yourself which phase of this evolution most appeals to you today and which phase will excite you more and more in the future, based on your need to continue differentiating yourself as an entrepreneur in a society in a state of flux.



I will start with the ambition to make something of quality and will end with the ambition to make a better society and create new worlds in which we can all live together in greater comfort and happiness. I will guide you through different possible career choices on the disruption pathway, which lead from Professional to Captain of the Universe. Together, we will journey back in time to see how successive changes in standards have