

Our Strategy Race: Leg 8 – From Itajaí to Newport

Strategy Corporate Renewal

*We must remember...
we are not the
waves of the mind
but the vastness
of the ocean.*

Yogini Kaliji

triyoga.com

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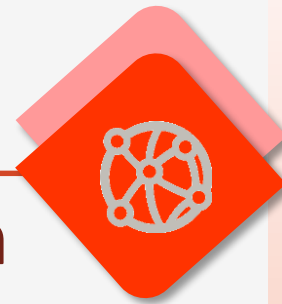
**Summary and
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We are here



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Corporate Strategy: The Domain Selection of the Business Ocean

What is Corporate Strategy?

- Corporate Strategy is nothing else than **the art to DECIDE** which business we wish to dedicate our life. It is the art of the **DOMAIN SELECTION**.
- **Corporate strategy answers the following question:**
What business or businesses should we be in?



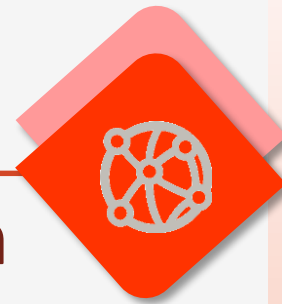
Volvo Ocean Race Organization decides what oceans to sail. That is the Corporate Strategy for the VOR management team.

Trying to explain it simply with the example of @volvooceanrace:

- As the corporate management of VOR Office, its representative is Richard Brisius. He and his team have to choose where to sail, and where not to sail. He has to lead the following decisions:
 - What oceans should we sail in?
 - Which routes are convenient and safe for our seven teams?
 - Which areas are defined as exclusion zones?
 - By setting boundaries, the VOR Corporate office is doing Corporate Strategy.



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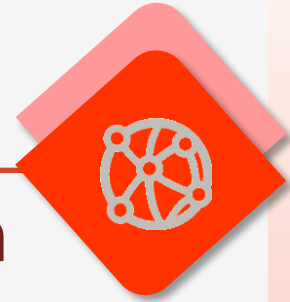


Corporate Strategy: The Domain Selection of the Business Ocean

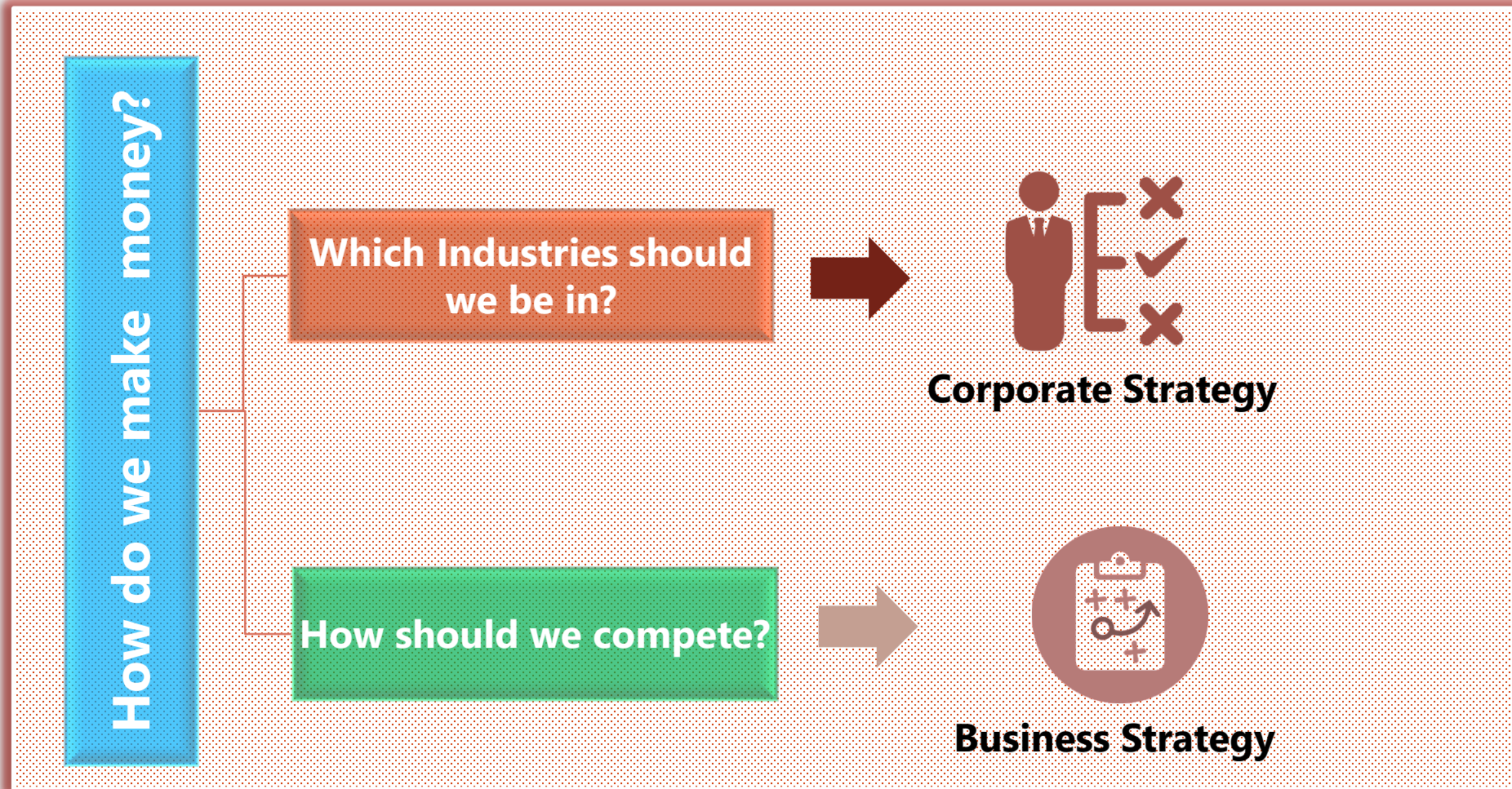
**Who does
Corporate
Strategy?**

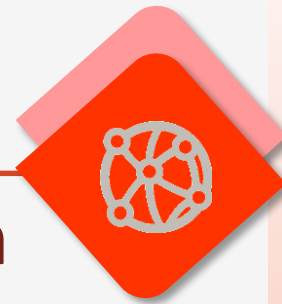


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Corporate Strategy

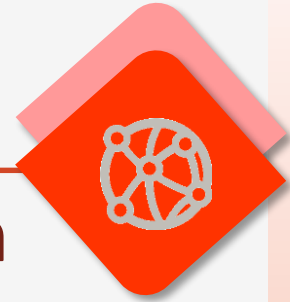
An Integral Business is an economic activity with a holistic approach, which provides a sense of “awe” for your life, a deep commitment for transcendence for us, our team, our stakeholders, our societies.

How do we choose what business we should be in?

- Until now, everything we learned in Business Schools was: Choose the business that will be a source of profit. Maximize your “profits”- But this philosophy of life is not good enough. It is only one area of decision making.
- My advise as CEO and Founder of Eleonora Escalante Strategy is to choose an **Integral Business** that you can do well (you know you excel on it). And do it for the right reasons in 5 areas which are integrated in between.



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What is awe?

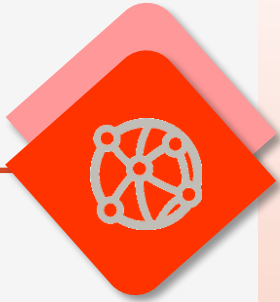


Example: The most beautiful business over millions of years is God's beautiful creation: the earth. God's Corporate Strategy is "perfect". God did this planet to cause us "awe".

- **Awe synonyms are:**
wonder, wonderment admiration, reverence, respect, esteem.
- **Our beautiful business must have to inspire with awe:**
Since the beginning of it.
Since the conception of our business idea, like when we made love with our partner for having children....
- My advise: We have to think and rethink our business selection: it has to fill with wonder, leave us amazed, astonished, lost for words, open-mouthed. It must be reverential.
- Not all of us are gifted to make corporate strategy automatically, it takes time to learn how to "decide" with awe. It takes a lot of "learning from mistakes".



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Corporate Strategy: The Domain Selection of the Business Ocean

The Corporate Strategy is the domain selection of our business ocean

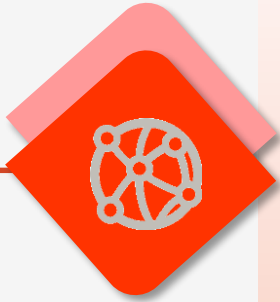
- Many businesses fail because we only accept the fundamental goal of a business is to earn a return of its capital that exceeds the cost of its capital. It is a limited approach to see corporate strategy. But this is what has been privileged for many decades.
- Our business ocean is the milieu or setting in which our “product, service or hybrid product” will compete. This milieu is determined by the “business definition” or “value proposition”. And the business ocean is our product-service industry (it can be local, regional or global), depending of our target customers.
- Ideally the domain selection of our business has to be inspired in “awe”. For the ones who decide to create businesses. better we choose something which is **transcendent and will inspire** the future generations to continue it.



AWE: An experience of such perceptual vastness you literally have to reconfigure your mental models of the world to assimilate it."



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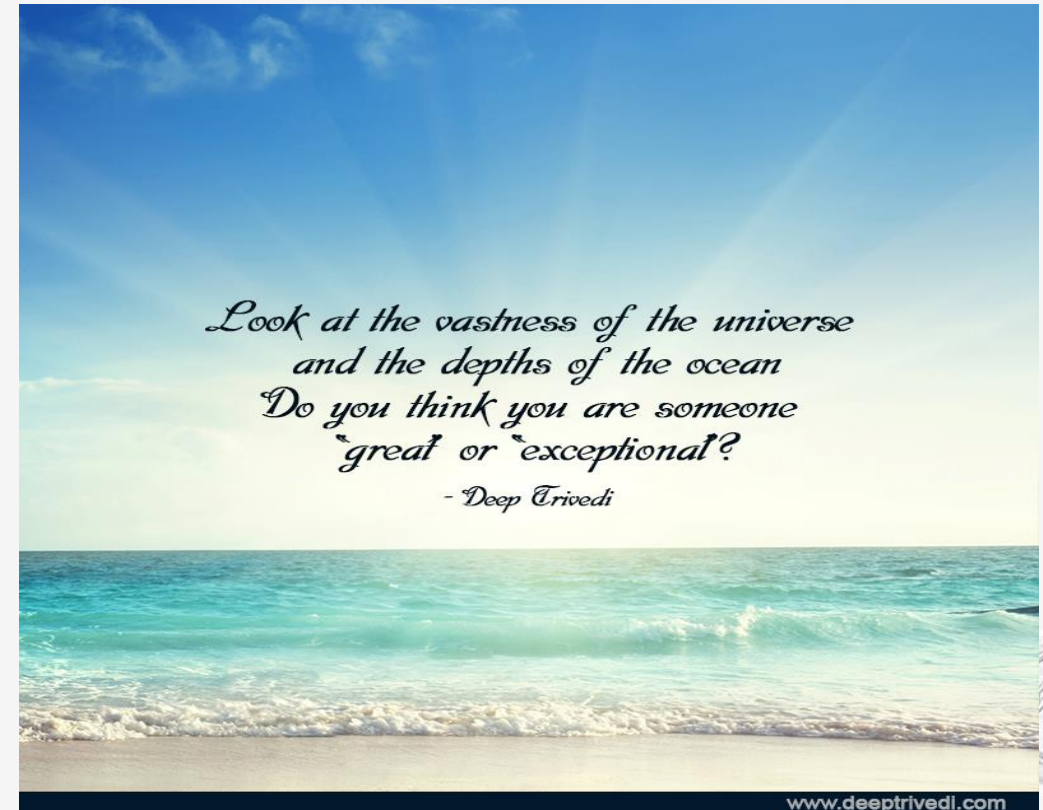
The Corporate Strategy is the domain selection of our business ocean

Our Corporate Strategy --- the art of selection. The choice of vastness and the choice of accommodation or leaving our comfort zone.

"Vastness refers to the feeling of something perceived much larger than the self." (Piff, Dietze, Feinberg, Stancato, & Keltner, 2015).

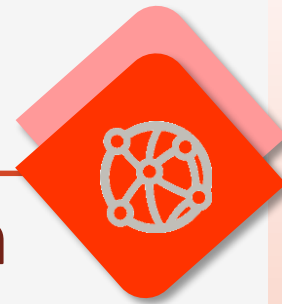
Accommodation or Leaving our Comfort Zone:

"Our mental structures expand in order to accommodate what we have just experienced. The need for accommodation may or may not happen, that is why awe can be both terrifying (when one fails to understand) and enlightening (when one succeeds)". Keltner and Haidt (2003) "





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The Corporate Strategy is the domain selection of our business ocean

The causes of “selecting” our business are of different roots or sources: Some of them are mentioned below.

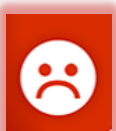
Personal: we like to do it

Analytical: we have analyzed it

Hereditary: we have inherited it

Disruptive: we want to change it

Casual: we unintentional get it



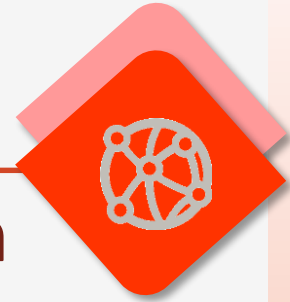
Burglary: we deliberately steal it

THIS MUST BE PUNISHED BY THE LAW

- Let's think we like to sail in the Southern Ocean. It is a personal choice. We do this business because we love to do it.
- Let's study all the sailing routes over the world, and after a careful analysis we will choose the bet alternative options. Or we have applied BIG DATA analysis to identify a new product to satisfy a client needs, and therefore create an industry
- Let's continue with a business which was created by your ancestors in the 1800s for example.
- Let's build a business which disrupt our “status-quo” ways of doing things.
- Let's start a business by “casual reasons”. It just happened! Playfully and without any elaboration.
- Let's NOT start a business with other people ideas. Give the credit to the ones who have the ideas. Let's NOT steal it from the ones who got it right.



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It is time to hire Eleonora Escalante Strategy to help you to choose right.



Thank you!

