



BOOK REVIEW

No Ordinary Disruption: The Four Global Forces Breaking All the Trends

Richard Dobbs, James Manyika and Jonathan Woetzel

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Review

A Greek philosopher, Heraclitus once stated “*nothing is permanent except change*”.

Today’s world is undergoing a series of significant changes owing to advent of new technologies resulting in a new set of challenges and risks. Innovations and discoveries have spurred disruptions changing the line of events in the modern world. The ones who survive this global transformation are the ones who adapt to the change and respond at the earliest. Strategic decisions pertaining to embracing the right emerging technology is imperative for business development. The need of the hour is to reset our intuition about the way we work and the way we perceive the world to work for sustainable growth in the long run. Times have drastically changed making it even more evident to evolve our decision-making process. Predictions for the future must be based on new lines of management intuition and careful estimations rather than on experience alone.

In the book “No Ordinary Disruption” launched in May 2015 and authored by the Directors of McKinsey

Global Institute—Richard Dobbs, James Manyika, and Jonathan Woetzel—the urgent need to reset our intuition is greatly emphasized. The central theme of the book is disruption and the various methods that different institutions require to tackle this issue are discussed. The book is a result of years of experience including extensive research and in-depth analysis of trends and game-changing events in disparate fields. The authors’ stimulating analysis and findings are well augmented by illustrations, numbers and, anecdotes.

The book is primarily organized into two parts. In Part I, the authors talk about the four global disruptive forces—growth in emerging markets such as India and China, acceleration of economic impact of technological change, ageing population and declining fertility, and increasing connectivity through trade and finance—reshaping the face of global economy. The authors argue that each of these forces complements one another and when they act simultaneously, the impact gets amplified in exponential measures. The economic impact of such drastic change can be so massive, that it can upend existing patterns and make them irrelevant altogether. The locus of economic activity is shifting from the US and Europe to East and South Asia, with countries and cities never heard of, becoming hubs of economic activity. Digitization and urbanization is stirring economic activity in the emerging countries. The authors point out “*Nearly half of global GDP growth between 2010 and 2025 will come from 440 cities in emerging markets—95% of them small and*

medium-sized cities that many of Western executives may not even heard of.” It is estimated that by 2025, 46 of the global 200 cities would be in China. Authors have identified twelve technologies including advanced robotics, mobile internet, renewable energy, and cloud technology that could be potential disruptions in the coming decade and supported their findings with anecdotes and facts. With advancements in technology, start-ups are able to reach large size and scale of operations in a shorter time span compared with counterparts not leveraging technological advancements. Slowing population growth as a result of ageing population and declining fertility rate poses a serious concern of dwindling working population, deeply affecting economic activity in a nation. Rising trade and finance flows between countries has resulted in dependency among economies. The authors note that the most important challenge faced by institutions is to comprehend the magnitude of the impact of these forces since a disruptive trend, usually, has third-order and fourth-order ripple effects on dependent businesses as well.

In Part II, the authors elaborate on strategies and measures to be adopted by companies, governments, and individuals to respond positively to change and redefine their success paths. Trend breaks and tipping points of events have been articulated, and the corresponding steps to be taken to minimize the risks are well explained. Corporate leaders and individuals need to be proactive and take initiatives to adjust to the changes occurring in the labor market. Technological advancements such as automation and digitization have led to a major concern of displacing the labor and increasing skill gap. To bridge the skill gap, authors recommend individuals to constantly upgrade their skills and leaders collaborate with government bodies in design of training and development programs. Issue of shrinking working population can be dealt by companies providing part-time options for retirees and planning training programs in collaboration with educational institutions to create required talent pool. Governments should revise their policies on immigration and take quick measures to improve working population numbers. With the dominance of

technology in every field and sector, emphasis is placed on its impact on the business, industry, government, and the economy as a whole. Corporate leaders need to be agile and nimble to take advantage of dynamic market conditions. Policy makers must be aware of probable impact of technology and labor market changes on society and businesses to accordingly update government policies/laws pertaining to technology regulation, trade, resource, fiscal planning, and labor. Growth opportunities in various business sectors are dependent on the government response to technology trends. Countries have to prepare and equip themselves with the necessary resources, infrastructure, and skill pool to be able to adapt to the dramatic changes happening in the world economy.

The book concludes with a positive and optimistic note. The authors present that there is an upside to the disruptive forces' impact and leaders must focus on this positive side. With enough perceptive insight, the authors provide the reader with a framework to enable organizational leaders to reset intuition. In many instances, inertia and lack of involvement of the top level management in large-scale companies do not allow them to be as responsive as required. Leaders must initiate and drive the change. A culture of learning and innovation inculcated in the employees will ensure that they are up-to-date with changing trends and make correct decisions. Lastly, it is of utmost importance that leaders be agile enough to perceive dynamic market conditions and respond at the right time.

The book is a compelling and definitive read for all individuals—employees, managers, executives, and leaders—belonging to an organization, and also government policy makers to reset their management intuition to be capable enough to take right decisions in dealing with the disruptive forces.

About the Author

Akhila has earned MBA degree from Shri Dharmasthala Institute for Management Development, Mysore and Bachelor of Technology degree from Jawaharlal

Nehru Technological University, Hyderabad. She is currently working as an Analyst in The Smart Cube, a UK based research and analytics company. The work involves conducting research (both primary and secondary), interpreting and analyzing market data to provide meaningful and targeted insights with respect to the client objective. Her previous work experience involved working on an order management ERP

system, which included understanding and mapping the client requirements to the software functionality and correspondingly offering a customized solution. She has a passion for researching and academic writing. For a while she undertook academic writing assignments which involved writing case studies and management reports based on secondary research, such as literature survey.