**Hindsight is 20/20…until it isn’t.**

What do you do when this concept does not work? Now may be a time when looking behind you to inform the path forward is a liability instead of an asset. Every industry was unsettled in 2020. Leaders were left asking the question, “what do we do now and how do we do it?” Those who answer it by looking backward risk their businesses stalling or failing altogether.

It can be uncomfortable to plan for the future if you don’t look at the past to inform those plans. However, there are times when the last season was so incomprehensible that there is not much to gain from looking back. In fact, a year like 2020 offered endless opportunities for looking forward and asking new questions, which apply to both individuals and companies, such as:

What can we do differently to have a better future?

What have we outgrown?

What do we need to grow into?

**Discomfort of Looking Forward**

Unknowns and the deep desire for certainty bring discomfort when planning for the future. Sadly, and all too often, executives, business owners and leaders approach solving problems or challenges by doing what they did in the past. A conversation for them might sound like this:

Manager: “We are having a productivity issue and not meeting our delivery dates.”

Director: “What have we done before when this happened?”

When things go wrong, slow down or begin to change, it’s not always the best practice to look back and do more of the same. Sometimes there are indicators that it’s time to become innovative and do something completely new or different to get an outcome that is more in line with the landscape of today. Yesterday was good, but tomorrow can be better. What do we need to do to get there?

In the article 50 Companies that Failed to Innovate familiar names like Kodak, Blockbuster, Radioshack and others didn’t ask this question. They counted on the past to guide them into the future, while missing a powerful principle: reflect on the past and innovate for the future. However, not just any kind of innovation will do. Listening to what your industry is saying, seeing where they are going and asking what your customers need now as well as in the next phase of your business are vital components for innovation. Be willing to pivot from your history to boldly embrace your preferred future. Companies who did this went on to next levels of success, while others died out and became corporations of the past.

**Here are a few case studies:**

• While Netflix was shipping out DVD’s to their consumer’s homes, Blockbuster figured their physical stores were enough to please their customers. Because they had been the leader of the movie rental market for years, management didn’t see why they should change their strategy.

• In the early 1990s, IBM failed to adjust to the personal computer revolution and thus began their downfall. The company adjusted their focus back on hardware instead of software solutions. Today, after going through several transitions, IBM is one of the most powerful names in enterprise software. They turned their luck around with new management. An ending that most companies don’t see.

• Borders Group opened its first bookstore in 1971 and they were a success for years. But in the mid- 2000s Borders failed to adapt to new technologies and never embraced the Internet like Amazon and Barnes & Noble. As more people began to order their books online, the fading of a giant like Borders was inevitable.

**Fixed vs. Growth Mindset**

What made our local Italian Restaurant Carrabas thrive while Macaroni Grill struggled during the pandemic? My husband and I could tell that Macaroni Grill wouldn't make it. The ordering for take out was slow and clumsy, there was no delivery mechanism and the pick up process was equally awkward. One night we decided to hit Carrabas for a quick bite. What a difference! Ordering was a breeze, take out was buzzing and when we came home with the wrong food they personally delivered the correct items. What a difference. It's probably no surprise for you to also hear that Macaroni Grill in Raleigh is no longer in business.

The Italian restaurant story is a small example of what happens when a leader is not courageous enough to make the hard turns that are required for a business to survive changing technology, yo-yoing markets, unpredictable supply changes, finicky consumer purchasing behaviors, among dozens of other factors. Why is it hard for some companies to make the shift and innovate while others hold fast to their fixed mindset, instead of embracing a growth mindset as Carol Dweck lays out in her book Mindset, The New Psychology of Success?

Perhaps they are operating in cognitive biases. This is a way of thinking that keeps the company stuck in repeating the same things over and over and resisting the signs that tell them it’s time for a change.

**What do cognitive biases sound like? Here’s an idea:**

“That’s the way we’ve always done it.”

“We know what our customers want.”

“Millennials are just too demanding.”

“We should know what to make, not our customers!”

“What’s the KPI for this innovation project?”

“Middle management won’t let that fly.”

“The CEO needs to validate it first.”

“It’s too uncertain, we need a spreadsheet.”

“That’s too disruptive.”

“How do we know it would even work?”

“Our development cycles are too long for that.”

[**From the article 16 cognitive biases that can kill your decision making:**](https://www.boardofinnovation.com/blog/16-cognitive-biases-that-kill-innovative-thinking/)

Our prior experiences and expertise cause ‘errors’ that limit our ability to think divergently and generate new ideas from a subconscious level. Nobel prize-winning research by Daniel Kahneman and Amos Tversky popularized the term ‘anchoring’ which refers to these deeply held biases and how they result in irrational decision making within economics. The result within innovation is less creative thoughts and decisions, causing us to jump to less than optimal outcomes because our brains have evolved to instinctively reduce uncertainty and keep us on the ‘safe path’ where ever possible.

That makes sense, but begs the question, “what do you do when the safe path has been blown up and there is no way to get to the other side without a new path?”

**Next Steps**

While the steps that follow are not exhaustive, they will give you a start:

1. Decide that you will do what it takes to move advance rather than just survive. You are not going to be Blockbuster when your industry is innovating.

2. Recognize your own biases. Where does your resistance come from?

3. Collaborate with an outside resource, such as a coach or other professional, who can help you see or think differently.

From where you stand right now, you have a choice to lean into and build your preferred future. Before you can do so, it is important to believe that your future can be much better than your past. Your past holds your historical data. Planning for the future is inspired by your hope for tomorrow.

When Moses was leading the Israelites out of Egypt, there was a point when they wanted to turn and go back. They were walking away from one of those incomprehensible moments that they would never in earnest want to go back to, but it was all they knew. Innovation and looking forward was not on their minds, survival was. They did not know that they were walking toward a better future.

The message here is simple, but not necessarily easy. Doing what you’ve always done will get you more of the same. Expanding your mindset to think about the kind of future you want to experience will cause you to ask questions and get curious about what might be in front of you instead of looking to what is behind you.

Hindsight is 20/20 - most of the time. However, sometimes the answers you need will be found by looking forward and exploring what’s next. Brene’ Brown calls that “Courageous Leadership.”

I call it looking toward your preferred future. You can’t change the past, but you can explore the future, moving on from what was, back then.

I would be happy to explore your preferred future with you – simply reach out and we can set up a complimentary call.

And, check out more Leader Insights articles at C3Advantage.net

**About Cheryl Scanlan**

Cheryl Scanlan, MCC, CMCC, BCC is president of C3Advantage. She has worked with CEOs that are in Fortune 100 through next generation small business owners. Having also run a multi-million dollar firm in New York, Cheryl knows the importance of business goals and the impact of teams. Cheryl's thought partnering method helps leaders see clearly what is fuzzy, articulate what is currently unintelligible, and generate coherent and executable strategy.