

BUSINESS GURU WROTE ABOUT INNOVATION'S POWER TO DISRUPT

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Clayton Christensen is seen at a symposium sponsored by York University's Schulich School of Business in Toronto in 1999. The professor and author was renowned for grounding business challenges in practical realities.



His 1997 book, *The Innovator's Dilemma*, argued that businesses become vulnerable to disruption as they try to sustain past successes, opening the door to fresh challengers. Few academics directly reshaped the business world in the past quarter-century like Clayton M. Christensen, who guided generations of internet-age industrialists to aspire to become disruptors.

Mr. Christensen, who died Jan. 23 at the age of 67 of complications from cancer treatments, did not take innovation lightly. That word, he believed, carried a burden. The Harvard Business School professor's most renowned philosophy – captured in his 1997 book, *The Innovator's Dilemma* – argued that even the most innovative businesses that focused on existing customers opened themselves to challenges from nimble competitors with new products.

This theory of disruptive innovation arrived alongside the rise of personal computers and high-speed internet, earning Mr. Christensen acolytes that often occupied the highest offices of Silicon Valley: Apple's Steve Jobs, Amazon.com's Jeff Bezos, Netflix's Reed Hastings and Intel's Andy Grove – the last of whom tapped Mr. Christensen as an official adviser.

His legacy extended well into Canada, too. “With Clay’s passing the world has lost someone who really understood the power of disruption,” Ryan Holmes, chief executive of Vancouver social-media-management company Hootsuite, said in an e-mail. Mr. Christensen’s philosophy and book warned that newcomers often pose real threats even if their products might not yet be as good as those of the incumbents. Key tenets of good management, such as an intense focus on existing customer needs, can distract from further outside-the-box innovation that might expand a company’s customer base more broadly or in new ways.

Sure, Mr. Christensen once posited, 14-inch disk drives for mainframe computers decades ago had better storage than smaller disks for personal computers – but the market for the personal computers is what exploded. Companies that made the former went out of business; those that made the latter kept growing, eventually developing superior drives after showing the market their capabilities.

This theory carries great weight for Kitchener, Ont., company North Inc., which since 2018 has been selling smart glasses that project notifications into its wearer’s line of sight. Chief executive officer Stephen Lake sees his Focals-branded glasses as a new take on mobile computing that he hopes will evolve into the leader of a new, dominant market segment. Mr. Lake credits Mr. Christensen for informing his product strategy: “Things in the future never play out the same as the past.”

Companies that have reinvented themselves, as Toronto’s Softchoice Corp. did last decade when it shifted from software reseller to bespoke technology solution provider, have long felt Mr. Christensen’s work resonate. “When he talks about disruption, it’s not just new technology, but it’s things that fundamentally transform business models,” said Andrew Caprara, Softchoice’s senior vice-president of strategy and business development. “It’s a tricky thing to do.”

Vancouver venture capitalist Boris Wertz said that Mr. Christensen’s thesis has regularly helped him make investment decisions: “You find what looks like cheap solutions at the end of the long tail, the incumbents don’t see, and you work your way up.”

The disruptive innovation theory, though, was not without flaws: Mr. Christensen first believed Apple’s iPhone would struggle to succeed in a cellphone market because it wasn’t actually disruptive. It wasn’t until years later that he admitted that the iPhone had the power to disrupt computing more broadly.

The professor and author was renowned for grounding business challenges in practical realities. Michelle McBane, managing director of StandUp Ventures at Toronto’s MaRS Discovery District entrepreneurship centre, likes to use Mr. Christensen’s study of McDonald’s milkshakes to help her entrepreneurship students at Ryerson University understand what consumers look for in products.

Mr. Christensen framed products as items that consumers hired to do a task. When the restaurant chain asked him to figure out how to improve milkshake sales, he and a team camped out for several days at a McDonald’s. More than half of their slow-to-drink

milkshakes were sold before 8:30 a.m. After talking to customers, his team found that milkshakes kept commuters full and entertained on long drives to work. “From the customers’ point of view, the milkshake competes against bananas and donuts and bagels and coffee and Snickers bars,” he told a Harvard podcast in 2016.

For Ms. McBane’s entrepreneurship students, Mr. Christensen “changed the way they think about a really simple product. ... You can really see in their eyes that they’re relating to the description.”

Mr. Christensen was born in Salt Lake City on April 6, 1952, to Robert Christensen and Verda Mae (Fuller) Christensen. He was an adherent of the Church of Jesus Christ of Latter-day Saints, and spent two years as a young man on a mission in South Korea. The professor’s route to Harvard was not linear, though it could have been, according to a New Yorker profile: The devout Mormon was accepted both there and to Yale for undergraduate studies, but his mother hoped he would attend the church’s Brigham Young University in their home state of Utah. It was only after his missionary work and time at Oxford University for a Rhodes scholarship that he earned a Master of Business Administration degree, and later a doctorate, at Harvard.

Mr. Christensen’s last 13 years were spent dealing with a number of health afflictions, according to Deseret News, the Utah-based newspaper owned by the Mormon church, which first announced his death. He had a heart attack in 2007, was diagnosed with follicular lymphoma in 2009 and had a stroke in 2010. He had been receiving treatment for leukemia for the past year, his brother Carlton Christensen told the Utah newspaper. He leaves his wife, Christine; five children; five siblings; and nine grandchildren. When he talks about disruption, it’s not just new technology, but it’s things that fundamentally transform business models.