

Top Takeaways from the book Zone to Win by Geoffrey Moore

1. Crisis of prioritisation
 1. Work on your next big thing one at a time. Don't try and do more than one thing at a time. Apple had three big wins, sequentially, not in parallel.
 2. No established enterprise can reasonably expect to change its core business model, ever. But they can modernise their operating model and work on your portfolio of next generation opportunities to accelerate.
 3. Use the four zones and zone management (below)
2. Three time horizons
 1. Leverage three investment horizons.
 1. Horizon 1 = In the coming fiscal year,
 2. Horizon 2 = In two to three years,
 3. Horizon 3 = three to five years.
3. Performance Zone = Sustaining Innovation and Revenue Performance = Horizon 1
 1. This zone is the source of more than 90% of the enterprises revenue and 100% of its profit.
 2. Health is measured by financial operating ratios, resource allocation hurdles, performance metrics.
 3. Return on investment is always Horizon 1
 4. Absorbs the focus of the CEO and leadership team.
4. Productivity Zone = Sustaining Innovation and Enabling Investments = Horizon 1
 1. Enabling investments in shared services or cost centres including marketing, central engineering, technical support, manufacturing, supply chain, customer services, human resources, ITR, legal finance and admin.
 2. Delivers a balance of compliance, efficiency and effectiveness#
 3. Risk here is 'coasting'
 4. Six levers: Centralise, Standardise, Modularise, Optimise, Instrument, Outsource.
5. Incubation Zone = Disruptive Innovation and Enabling Investments = Horizon 3
 1. Offence and defence plays can be made here.
 2. The objective of the incubation zone is to get the initiative into the transformation zone. Generally only one initiative can go into the transformation zone at a time.
 3. M&A may happen here.
 4. Risk here is mistaking the incubation zone for the transformation zone.
 5. Think 10X
6. Transformation Zone = Disruptive Innovation and Revenue Performance = Horizon 2
 1. Constitutes 10% of the revenue for the enterprise.
 2. Transformations are expensive, risky and exhausting. There may be many years where there is nothing in the transformation zone.
 3. Risk here is that this zone doesn't get implemented at all when it should.
7. Zone Management
 1. Zone the org - The company should be divided into clear zones so it can be managed appropriately.
 2. Lock in the performance matrix
 3. Fence off the incubation zone
 4. Determine the status of the transformation zone and proceed accordingly
 5. Governance model is needed.
 6. Implement best practices in each zone
 7. Lightweight oversight.
8. The book also goes into detail around how to play offence and defence in each of the zones and presents the Salesforce Offence Play and the Microsoft Defence play. You can read about these in the book.