MISHA DE STERKE

THE 10X GROWTH MACHINE

HOW COMPANIES CAN INNOVATE, SCALE AND WIN

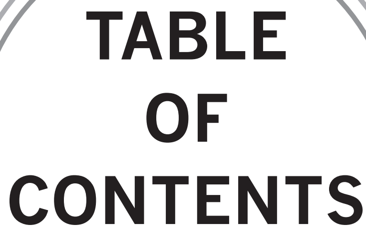
The 10x Growth Machine

Innovation is a top priority for many companies. However, most companies fail to innovate successfully. In this book Misha de Sterke combines academic knowledge with practical expertise to bridge this knowing-doing gap. He provides a structured approach that enables companies to grow organically and continue to create value in the long run. Companies should create their own growth machine. With The 10x Growth Machine they can!

Erik Stam, *Professor of Strategy, Organization & Entrepreneurship, Dean of the Utrecht University School of Economics*

A very pragmatic and insightful reading on how to approach innovations and organize for them in today's times. The new scope of innovation extends beyond the 'product' and goes all the way to business models, something that established companies struggle to organize for and to build capabilities – the book provides a clear perspective on how to approach these challenges. Definitely recommended for reading and as a guide to aspiring corporate innovators!

Aniruddha Kusurkar, *Global Commercial Director, FrieslandCampina*



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Warning

This book might well have had a different title, *In Pursuit of Excellence*. The problem with innovation is that for some people it can have negative connotations. It is perceived as creative people burning cash in cool places without being accountable for it. Unfortunately, this is true in some cases. Consultants and guru's selling illusions, the next methodology and framework (just like myself) or the next hype. These methodologies suggest that if you follow the steps, success will be the automatic result. But like any other top accomplishment in music, sport or business, there is no quick fix. Mastery and virtuosity require hard work, discipline and building the right mental muscle. Creating long-term growth for an established company successfully is an act of virtuosity. The reality is that most companies fail at it because it's difficult and complicated. Why do you think the top 20 list of the Fortune 500 has changed so dramatically in the last couple of years?

To build the Growth Machine requires, besides competence, curiosity and determination, also the emotional willpower to fight for this challenge without giving up in the process. To perform at this level, we need to develop and nourish the kind of habits of thinking, being and doing that lead to excellence. In this book, I'm offering a comprehensive framework, methodology and toolset that serves as a navigation map for you as an innovator, for understanding how to create new growth from non-incremental innovation. This methodology in itself will not guarantee success. That depends on how well you, as a reader, grasp the meaning of what I'm saying and then implement this perfectly in your company. This journey will transform you personally and, I hope, transform your company into becoming the best version of itself. Many companies have done this before. Think of all the old companies that still exist, like Nintendo, GKN, P&G, Fujitsu, IBM and many more.

I wish you all the best in the journey, a lot of emotional stamina and intellectual horsepower.

Misha de Sterke

Foreword

BY PETER VAN GRINSVEN

Most companies struggle with implementing a successful innovation strategy to create new business models and, thereby, new business. They witness startups and scale-ups disrupting their markets on the one hand, and on the other they struggle to break through their own bureaucratic and outdated ways of working and reporting. Only a few of the well-known companies have managed to create a future-proof *new* organization.

This remarkable book gives the reader some insight into how to crack the nut of creating a corporate Growth Machine by using innovation as a means, not as a goal in itself. Misha de Sterke presents a clear overview in which he shows a proven methodology. And pragmatic insights into how corporates could build new business models and create new ways of working, to implement innovation at the heart of their business.

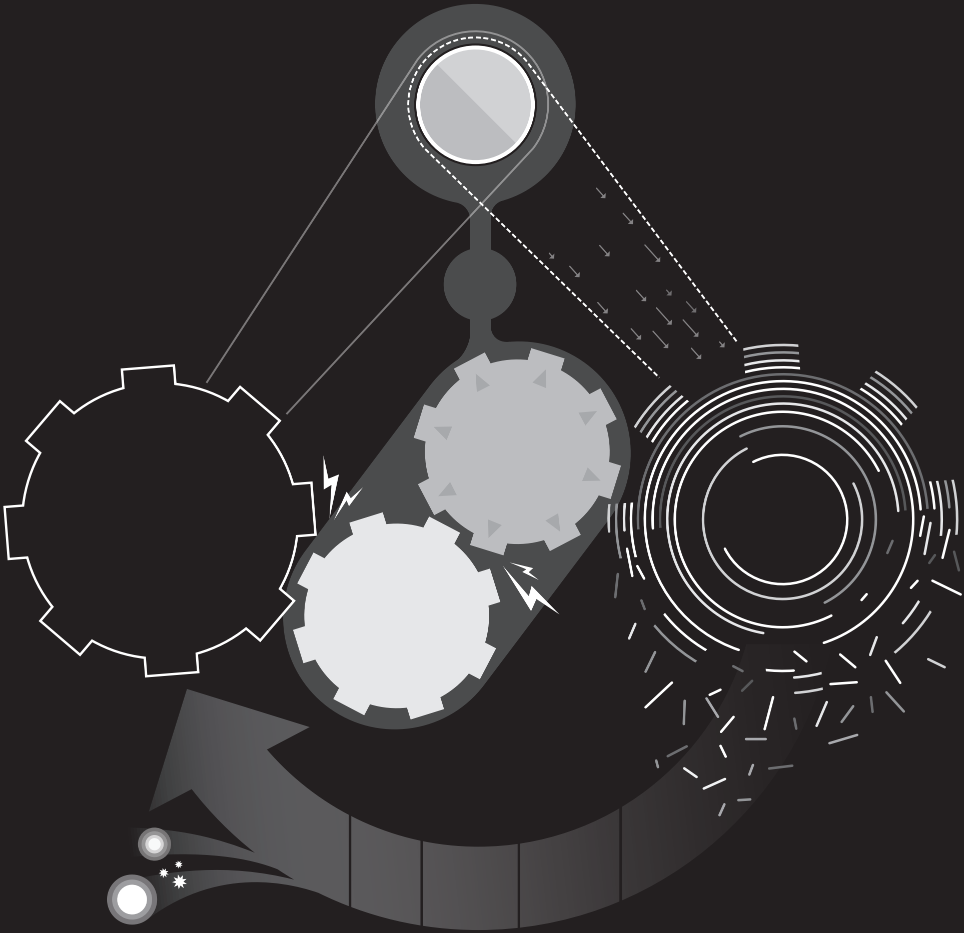
The main reason I consider De Sterke's book to be a *must-read*, is that it clearly shows that, to become an innovative company, you need to be able to transform your organization and business models. That means thinking of innovation as a means, instead of a goal. It's not the model that is the critical element, nor new technologies. It is how colleagues, co-workers and management deal with them; it is indeed a 'people' business. It's the CEO that embraces this new way of thinking and working with the whole organization, and it's the senior management that understands the impact of controlling the company. The adjacent units (HR, Legal, Procurement) cooperate in a new fashion with the internal startups and the business units and start working in fresh innovative ways with the aforementioned models and technologies.

I congratulate Misha with his book, since it is the first book that I know of, that offers a clear overarching model to companies wishing to remain relevant in disruptive times, by combining great models, theories and provocative thinking with proven ways of working and pragmatic solutions.

And on a personal note, I thank him for being a crucial member of our ecosystem and a great colleague, who keeps pushing us to stay ahead of the innovation game.

Peter van Grinsven

CEO NL Startupbootcamp/Innoleaps/Talent Institute



Chapter 1 **Corporate innovation – an introduction**

Does your company have the right strategy to achieve growth? Is there an obsessive focus on the customers and the growth opportunities that they present?

1.1 Creative destruction is accelerating

Markets change, companies need to reinvent themselves. Their profit-oriented structure is designed to embrace the status quo. At the same time, the pace of creative destruction is accelerating.

Much of the talk about change seems to suggest that merrily rearranging things is enough. Leaders do not simply rearrange things. Leaders envision and create the future. A realistic life expectancy for a corporation is somewhere between 200 and 300 years. The average European corporation reaches 4% of its potential, while large corporations (> 10,000 employees or 5 billion market capitalization) reach 16%[1]. In terms of longevity, companies have a lot to gain. The average life expectancy for European and Japanese companies is 12.5 years and around 10% of all companies disappear each year. The logic of creative destruction is that new entrants arrive and incumbents disappear, but FASTER THAN EVER. The year-to-year viability of a company depends on its ability to innovate and create new waves of growth. Given today's market expectations, global competitive pressures and the extent and pace of structural change, that fact is truer than ever. Corporate lifespan is shrinking. Different pieces of longevity research share the same conclusions:

- Record private equity activity, a robust M&A market, and the growth of startups with billion-dollar valuations, are leading indicators of future turbulence.
- At the current churn rate, about half of S&P 500 companies will be replaced over the next ten years[2].
- Retailers were especially hit hard by disruptive forces and there are strong signs of restructuring in financial services, healthcare, energy, travel and real estate.
- From a recent benchmark study[3] among 270 innovation, strategy and R&D executives, focus shifts in the resource allocation process when it comes to innovation. The ratio of efforts dedicated to Optimize the Core, Renew the Core, and Future Growth, shifted to 50-30-20. The largest companies ($50B in revenue and up) spend even more energy on transformational work, 25%.

Chief executives struggle to make the case that their managerial actions can be reliable to yield a stream of successful new offerings. Typically, they are aware of a tremendous amount of innovation taking place in their enterprises, considering that large corporates invest between 2% and 10% from their topline in R&D. However, they don’t feel that they have a grasp on all the dispersed initiatives. What is the success rate of R&D patents into new revenue models? The pursuit of the new feels episodic and executives suspect that the returns on the company’s total innovation investment are too low. In my experience, what happens is that executives tend to respond with dramatic interventions and strategies.

To achieve top line growth, established companies need to change the way they operate. Consider that the top 50 consumer-goods manufacturers account for nearly 60% of industry sales, yet capture a mere 2% of its growth[4]. CEO’s at these companies are nervous about their prospects and concerned about their business models, as they should be. Harvard Business School concludes that each year more than 30,000 new consumer products are launched and 80% of them fail. New waves of growth are hard to achieve.

My methodology is: being innovative pays off. Companies that are marketing and sales innovators are growing at 4.1% faster, when compared to companies[5] lagging behind in this field. However, in the last several years, incumbent CPG's (consumer packaging goods) have struggled to keep up with startups, which have reinvigorated and reinvented categories, ranging from ice cream to diapers. 30 years ago, almost half of the 100 largest companies on the New York Stock Exchange that enjoyed strong shareholders returns but did not post top-line growth, had been acquired or delisted 20 years later. Despite all these numbers, I see that many companies continue to focus on controlling costs as a way to drive earnings. When costs cutting dominates the corporate agenda, it sucks the oxygen out of any growth plan.

Kraft Heinz
Over the past few years, Brazilian investment firm 3G has deployed brutal cost-cutting to raise profits at Anheuser-Busch InBev, Burger King and ***Kraft Heinz****, using an approach called zero-based budgeting. It requires that each expense is justified from scratch each year, as opposed to the traditional approach of adding a couple of percentage points to last year's line items. The strong implication is that managers should strive to lower all costs from one period to the next, at all costs. A Harvard Business School article in 2016 warned that the technique is "not a wonder diet for companies." That prophecy was confirmed by Kraft Heinz* ***catastrophic announcement*** *that stock price plunged by 20%.* [6]

Kraft Heinz desperately needs new products, but that can only be achieved by targeted spending on R&D, marketing and creative thinking. Conversely, companies that systematically pursue a clear agenda for organic growth outperform the competition.

Why is it so difficult for established companies to achieve corporate growth?

1.2 The growth paradox and need for continuous innovation

Innovation is the driver of growth and prosperity, though not every innovation is equal and not all types of innovation create new growth, as the Kraft Heinz case tells us. New growth comes from new-market innovations – that is *disruptive innovation*. Disruptive innovation makes products accessible and cheaper for everybody and creates new market growth. Think about how the T-Ford created an entire new market by making cars accessible to the mass market. On the other hand, we have *sustaining innovation*, which makes existing products better. The evolution of the television screen went from plasma to HD-ready, to Full HD, to 4K, to 8K, etc. It is advanced technology, but is used in the same product category. Sustaining innovation plays an important role, they improve margins, create bigger market share, but they don't create new growth in the longer term. Another type of innovation is called *efficiency innovation*. The purpose of this is to make more with less. This is equally important, because a company that does not get more efficient will probably perish. By its very nature, efficiency innovation kills jobs and Kraft Heinz was focused solely on efficiency innovation. They eliminated jobs and created free cash flow. But where did the money go? The reality shows us that there is no connection between freeing up cash and investing in disruptive innovation. It leads to the dynamic of investing in cost-cutting operations and, when that is successful, continuing that path.

The title of this book, *The 10x Growth Machine*, is straightforward: to create new growth, corporations should focus on new-market/disruptive innovations. It is the only way for established companies to stay future-proof. Established companies are structured to make money with their current business model and internally aligned (processes, people, metrics etc.) to perform that task. It is this alignment that prevents them from selecting and growing (disruptive) innovations. This is the heart of the growth dilemma that established companies face today.

This book provides an integrated set of building blocks, principles and tools to create different innovations as a structural way of working. Not

by luck or heroism, but by building a Growth Machine that systematically ideates, validates and scales new business models, all brought together in the 10x Growth Machine Methodology.

The 10x Growth Machine Methodology is a battle-tested and integral approach for corporations to manage the startup to scaling-up process in a corporate setting. It enables corporates to create a Growth Machine that co-exists with the mother organization, thus finding a balance between executing the business and inventing future business. It is the change management approach for corporates that have innovation as a top priority and want to cope with the accelerated pace of creative destruction in the markets they operate in. The big idea is to build a second operating system (the Growth Machine), beside the "mothership", facilitating a discovery-driven entrepreneurial way of working, embedded in a system of processes, metrics and the leadership that nourishes it. Building this system, carefully managing the capabilities and the integration pathways of new business and its people towards the existing organization, is the key to successful 'scaling-up'.

New growth ventures need to be managed proactively and continuously, instead of trying to find new ventures only when the portfolio dries up. As the previous example shows, most companies know they need to innovate but have not yet learned to do this continuously and strategically. Companies that have the strongest innovation track record can articulate a clear innovation ambition and they have struck the right balance in *Optimizing the Core*, *Renewing the Core* and *Future Growth* initiatives across the enterprise. They have put tools and capabilities in place to manage those various initiatives as part of an integrated whole. To deal with this challenge, we need people who can practice the leadership that deals with all the tensions that innovation brings. We need to understand that the organizational designs and most employees working in them, are not equipped to innovate on these three playing fields.

A European consumer goods company, attuned to the need to keep its brands fresh in retailers' and consumers' minds, introduced frequent improvements and variations on its core offerings. Most of those earned their keep with respectable uptake by the market and decent margins. Over time, it became clear that all this product proliferation (splitting the revenue pie into ever-smaller slices) wasn't actually growing the pie. Eager to achieve a higher return, management launched a strategy aimed at breakthrough product development – at transformational rather than sustaining innovations. Unfortunately, this company's structure and processes were not set up to execute that ambition, although it did have the requisite capabilities for envisioning, developing and market testing innovations close to its core. It neither recognized, nor gained the very different capabilities needed to take a bolder path. Its most innovative ideas ended up being diluted beyond recognition, killed outright or crushed under the weight of the enterprise. Before long, the company retreated to what it knew best. Little was ventured and less was gained – and this cycle repeated itself.

1.3 Corporate innovation challenges

Based on my corporate innovation work with public and private companies – exchanging knowledge with peers and researching the topic of corporate innovation – it is good to share insights on the challenges established companies are facing, when it comes to corporate innovation. Let's start with a paradox. Good management is probably the number one reason companies like Kodak failed to stay on top of their game. They did everything right, created focus groups to listen to customers, invested in R&D to create better performing products, analyzed market trends and invested in innovations that promised the best return on investment. *Still* they lost their market leader position.

At top universities we are taught to create business models based on high profits and low-cost structures for our best customers. This perspective holds ground when it comes to improving existing business in known markets. Then it is important to invest in new technology and create better products for a higher margin. But when it comes to building new growth

models, it is the *kiss of death*. The alignment that makes execution of the existing business an oiled machine is the reason companies fail in the long term, because this organizational architecture makes disruptive innovations impossible. If existing management practice drives the failure of successful firms faced with disruptive technological change, then the usual answers to a company's problems – working harder, make operations more effective – all aggravate the problem. This is disconcerting if we look at existing change and cost-cutting management programs within companies. All those programs aim for the same goal: create new growth and become a more Lean and agile organization. But is it achieved?

1.4 Why continuous innovation is hard for corporations

"People who lead frequently bear scars resulting from their efforts to bring about adaptive change. Often, they are silenced. On occasion, they are killed." – Ron Heifetz

Why is changing a system so hard? Changing one's individual habits is hard, not to mention trying to change the mental model of the whole organization. Take the example of Bayer. Bayer aspirin drove the growth of Sterling Drug until Johnson & Johnson introduced Tylenol. Out of fear of cannibalizing its Bayer aspirin, the leadership refused to introduce its leading European non-aspirin pain reliever (Panadol) to the United States. Instead, it tried to expand its Bayer line overseas. This failure ultimately led to its acquisition by Kodak. Sterling drug had become effectively immobilized, unable to change its half-century old behavior out of fear. Its strong habits of thinking and doing (culture) – visible in decision-making rituals, processes and metrics for success – blocked its progress and led to its downfall[7]. The company was unable to act on the signals the market gave it. Culture is the result of certain processes and the way people think and work. It becomes an intangible and implicit code of conduct.

A lot of people want to achieve long-term benefits for the company. However, they are limited and frustrated by the short-term demands of

the current organizational design; a few bad quarters and shareholders demand change, which creates a big upheaval. The peculiar thing is that you expect companies, managing their employees per quarter deadlines, would embrace a culture of fast experimentation in a strict process of accountability. The opposite is true. Because of the short-term focus, everything that can be done in one quarter has to be highly predictable in order to make future commitments based on its results. The focus lies not on seeing the innovation opportunities that come with short cycles, but on the projects, which they believe can get the highest *return on investments*. The dominant mental model, that is the way companies are organized to make money, gross margins and opportunity size, needs to fit the size of the organization. This makes change aimed at renewal in the existing business hard or even impossible. There is an immense focus on the bottom-line number, which blinds the company to what is really driving the performance.

Take your eye off the bottom-line

The conventional bottom-line numbers may tell you a little bit about the current and most recent financial history of the company. They may tell you where you are, relative to where your forecasts were. But they won't tell you what to do about what's wrong. They won't tell you what the situation might have been, if you had prepared differently. They won't tell you how to get from "here" to "there", or even where "there" is. The numbers may tell you something, but they won't tell you whether what you did was right or wrong.

The point is that taking your eye off the bottom-line sets you free to put your eye on what drives the bottom-line. Things like competence, intensity and focus. Like readiness for whatever happens (or doesn't), like reserve energy and acumen, like the kind of intelligence that matters, being committed to a level of performance that forever pulls the bottom-line along in its irresistible wake.

Keep your eye on what drives the bottom-line, then develop those capabilities and the numbers will always meet or exceed your expectations[8].

As in the case of Sterling Drug, the dominant cultural pattern manifests itself in three fears[9]: fear of cannibalization of an important product line, the fear of channel conflict with important customers and the fear of dilution that might result from strategic acquisition. As reasonable as these fears seem to be for established companies, they are not felt in the market, so the market moves where the corporation dares not go.

A global FMCG company wants to play in the Brazilian market. In order to do so, they acquire the second biggest company in the market. The Brazilian market is very different in comparison with other markets, where the company had already been operating, as well as the margins. Due to the different markets and margins, the overall top line growth becomes diluted, initiating an internal discussion. If growth numbers are diluting, the likelihood of the capital markets providing investment money declines. Was it wise to acquire this company in a different market? They are now the second player in one of the largest economies.

I've been in organizations where the management meeting was the place where the CEO approved or disapproved proposals for senior management, prepared by a heavily centralized budget and planning department. If planning approved this, the CEO would sign off. If the CEO felt differently, he would disapprove the proposal without allowing the argument to be reviewed by the planning and budgeting department; senior management was waiting for their proposals to be hammered. I have also been in management meetings of fourteen people, where nobody made decisions, because everybody was waiting for the support of the others. And nobody wanted to take responsibility due to dramatic cost-cutting interventions in the past. Other senior management meetings were not about strategy and tactics at all, but only about who made which deals, for which numbers.

This kind of managerial stalemate is the source of most of the long-term lack of competitiveness one sees in corporations. The market has a better dialogue, thousands of 'buy and sell' conversations happen every day. New products and services are embraced; others are discarded within the blink of an eye.

The good part is that many companies have embraced Lean Startup or other forms of discovery-driven planning. The Lean Startup is a revolutionary methodology which provides the right kind of mindset and the tools to fast learning, through experimentation by rapid launching of MVP's (*Minimum Viable Products*) in the market. It is the only quick way to figure out if and how you need to build products that consumers want. Corporations start to embrace this technique; external agencies are hired to coach teams, bringing templates, tools and processes to go from an idea to a validated business model.

But in which cases does this really lead to new growth for the corporate? Does it really move the needle?

An interesting example is IBM. Over a 20-year period IBM went from success to failure to success. They transformed from a technology company, to a broad-based solutions provider, to an exemplar of open systems and on-demand possibilities. In the 1990's IBM's stock price was the lowest since 1983 and by 1992 more than 60,000 jobs were lost. Back in 1993, when Lou Gerstner took over, the services unit was 27% of revenues and the software service unit did not exist. By 2001, services and software were $35 billion and $13 billion businesses respectively and the share price had increased seven times. What happened? IBM had leveraged its intellectual capital and resources into business as diverse as life sciences, automotive and banking.

As Gerstner observed: "What happened to this company was not an act of God. People took our business away".

The company didn't lack smart people or winning strategies from consultancy firms, the problem was that the company was frozen in place, consistently missing the emergence of new industries. First, they lost the

commercial router to Cisco, next they lost speed recognition software to Nuance, and Akamai won the market for internet performance software. What IBM lacked was not the ability to foresee threats and opportunities, but the capability to reallocate assets and reconfigure the organization to address them. IBM had great process managers, but you cannot institutionalize success in processes, because they are designed to execute, stabilize and scale production. The challenge for IBM was how to focus and remain agile.

Tushman and O'Reilly[10] give five major reasons for the failure of IBM:

1. Management system rewarded execution at short-term results, so the cost structure and financial performance of the organization made sure nothing changed. IBM was driven by process and did not value strategic business building.
2. The company was preoccupied with current markets and existing offerings. The logic behind this is financial for two reasons. The first reason is that with current markets we know how to size the market and make our efforts accountable, according to traditional accounting metrics like ROI, RONA, etc. The second reason is simple: most companies make the best profit margins with their existing offerings.
3. The business model emphasized sustained profits and earnings rather than actions towards higher prices and earnings.
4. The approach IBM used for gathering and using market insights was inadequate for new markets, and the insistence on fact-based financial analysis hindered the ability to generate market intelligence for new and ambiguous markets.
5. IBM lacked disciplines for selecting, experimenting, funding and terminating new growth. Leaders applied mature business processes to growth opportunities; as a result they often starved new ventures.

The paradox of the IBM success and failure history is that the alignment that made the company a disciplined machine, competing in mature business, was directly opposed to what they needed to be successful in emerg-

ing markets. In Chapter 2, The 10x Growth Machine system, I explain how to setup a growth-oriented governance system that facilitates innovation.

Points to ponder

It must be clear that going on innovation trips to Silicon Valley, organizing innovation tournaments, running sprints and accelerators are great fun, but they do not move things forward on their own. A system that enables and incentivizes fast learning and entrepreneurship should be embedded in the company. Real innovation impact requires real resources, just like your Marketing and Finance departments need real resources.

Given the non-deterministic nature of innovation, investing money in scaling a venture, unfortunately, does not happen systematically and with the right execution. The lack of connection between the innovation teams and their parent organization, which leads to dried up (corporate) startups, isn't due to funding but lack of resources. The initial funding between 50k–150k is not the problem, but the funds needed to scale-up the business are substantial and require top management sign-off. If we leave the process of resource allocation function on default, we definitely know that resources will be drawn to core business activities and sustaining innovations, because that is where the money is being made now. As a result, there is no way to finish and deploy whatever innovative prototypes the entrepreneurs have developed, even those that have been validated. In many corporations, there is no end-to-end innovation process and no effective decision-making infrastructure for the allocation of resources. Innovation teams don't have the mandate nor the people to build the type of end-to-end innovation pipeline process that goes from sourcing ideas, all the way to integrating their prototypes into mainstream production. Ideas that are implemented are small and scaled too carefully to create a sizable impact. Additionally, in the resource allocation process, management often fails to put their best people or sufficient resources into these activities. Startups in this stage easily get a 5 million to 10 million budget from investors, whereas a corporate startup rarely gets a 7-figure budget altogether.

This leads to the next challenge, how do we use and re-allocate the assets of the corporate to build new growth engines? And how do we make sure that what the teams learn from the market, will inform our corporate strategy on a quarterly base, instead of a three-year plan?

Make sure that strong innovation concepts, those that satisfy customer desirability and commercial viability, are properly integrated in the formal organization.

Should a venture be entirely separated from the core business as a stand-alone venture? Should it be integrated into an existing business unit? Or should it balance separation and integration by implementing an ambidextrous organizational setup? In many organizations, no appropriate guidelines for this have been issued up till now, although this poses a necessary condition for dual innovation success[11].

I witness teams going back to their own organization in a state of alienation, while at the same time existing priorities take precedence. They speak a foreign language (talking about MVP's, pivots and other startup slang) to their colleagues and superiors, who are rewarded on execution-based metrics, like return on investment or discounted cashflow. There is no metric system in corporations for translating what innovation teams have learned, into the kind of slang and metrics accountants prefer.

The 10x Growth Machine Methodology deals with these issues and shows how a company can create a system, the *Growth Machine*, with the right checks and balances and processes to churn out new growth engines in a systematic way. In the next chapter I will present the framework, methodology and building blocks necessary to build the corporate Growth Machine. In Chapter 3 we talk about how to pursue growth, where this growth comes from and whether we can relate the identified 'growth domains' for the company to an innovation portfolio with 50 relevant projects. Chapter 4 is about *corporate venture building,* in which we explain how we can build commercially viable ventures in the corporation and start executing on the portfolio. Chapter 5 is about measurements: how do we measure and track the progress of our early or later stage innovations? Chapter 6 deals

with the management aspect of corporate innovation and entrepreneurship. The core question is: how do we govern the Growth Machine in a way that intrapreneurship can flourish? Chapter 7 brings all the previous chapters together and merges them into a pragmatic change management approach on how to scale this way of thinking and working in an established company.

About the Author

Misha de Sterke is a corporate innovation and startup expert and has extensive experience. In the corporate world as an interim manager and staff advisor on digital transformation, and as an entrepreneur building different tech-driven startups.

He works for numerous Fortune 100 companies on disruptive strategy and venture building, focussing on achieving growth. He advises C-level executives on how to build the 10X Growth Machine and he coaches startups on turning ideas into profitable businesses. He also lectures at several Dutch universities about entrepreneurship and innovation and has a special interest in managing irrationality and tension in teams to forge bold outcomes.

He is currently leading a corporate innovation practice that operates on a global scale.

Innovate or die! How do you achieve long-term growth in a highly competitive business environment? Many established companies are facing a similar challenge. Sales from existing products is declining and the urgency to innovate the existing business and create new businesses is bigger than ever. Scale as a competitive advantage is no longer sufficient to compensate for the slow speed of corporate innovation. We need to leverage the organizations scale and assets and combine this with the speed entrepreneurs have in building businesses.

Product innovation is in most companies a priority, but business model innovation is failing while it is considered as one of the most important drivers for revenue growth. Hackathons, accelerators and startup collaborations are the vehicles for innovation, but what is the impact of these initiatives? Does it lead to real business impact or is it fair to say that most innovation projects end up at the graveyard?

How do you turn this around? My thesis is that innovation beyond the core business has zero change of survival in the current organization structures. These types of innovations need to be incubated in a different way, separate from the core business. **The 10x Growth Machine** helps companies incubate innovations systematically from idea to scale. No isolated innovation projects or disconnected initiatives. **The 10x Growth Machine** runs a portfolio of initiatives that have C-level protection and is rooted in the strategy of the organization. The culture of **The 10x Growth Machine** is entrepreneurial, and the progress of the (corporate) startup teams are measured and funded by a venture board that acts as an internal investor.

In this book, innovation expert **Misha de Sterke** describes a battle-tested methodology with a framework, a canvas, seven models and eleven tools, to start building your own **10x Growth Machine**.

www.10xgrowthmachine.com

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Management IMPACT