

## Titanic lesson: *Adapt to change or sink*

By Brian McDermott

I may be too late. There may not be anyone left in America who hasn't seen the movie *Titanic*. But just in case, or in the event you have an adolescent daughter who will invite you to spend another three hours with her and Leonardo DiCaprio, I want to fire a flare for you over a scene that carries an important business message. It's a message about the speed of change and the need for growth and innovation.

The movie uses an effective dramatic device in moving back and forth between the present and the past. There are scenes on a current-day salvage ship exploring the sunken Titanic that are woven together with scenes from the ship's maiden – and fateful – voyage. Early on, Capt. E.J. Smith is handed a telegram on the bridge of Titanic, warning him there are icebergs along his course in the North Atlantic. He contemplates the message briefly, folds it and coolly orders his crew to light two more engine boilers in order to increase speed. Smith is confident that his vast sailing experience and the supremacy of this new ship will see them safely along their passage.

Everyone in the theater knows, of course, that Smith is wrong and that his mistake will tragically cost the lives of more than 1,500 people.

The business lesson comes when the film cuts away from the past on Titanic to the present on the salvage ship. With 20-20 hindsight, the captain of the salvage ship can see vividly that everything Smith

knew about sailing and the sea was wrong. The marketplace had demanded bigger, faster, more luxurious ships and the White Star Line had responded by building the “unsinkable” Titanic. Smith was handicapped by his 26 years of experience because sailing technology had changed, the sailor had not. Looking at things the way he always had, Smith did not account for the size, power and ultimate vulnerability of this new ship.

### Letting go the status quo

That was 1912, and the inability to maneuver that new ship through old waters was catastrophic. Granted, few of us hold the lives of 2,200 people in our hands, as Smith did, by the nature of the work we do. But the risks for businesses charting courses into the new millennium based on old habits, outdated knowledge and obsolete experience are great. The rate and magnitude of change, the demands of the marketplace and the influx of new technology today dwarf what was happening at the beginning of this century, and will only increase in the future. The unsinkable ships in corporate America will be those able to travel on demand – at warp speed – by air, land, sea or fiber optics.

That kind of control requires an ability and willingness to move beyond resisting and “dealing with” change. It requires learning to tap the opportunity and inherent power of the dramatic shifts in the marketplace. We have to see the potential to invent our own futures, and we have to leverage our strengths and manage our weaknesses to make that happen. We have

to have a mindset that keeps us constantly aware and able to deal with ambiguity and to learn, unlearn and relearn rapidly through our actions. We've got to play the game of business by ever-changing rules, and be unencumbered by what is so that we can focus on what might be.

Charles Handy, the British author of *The Age of Unreason*, *Beyond Certainty* and numerous other books, is among the leading business thinkers who have helped redefine change as now being discontinuous. It's no longer possible to draw a straight line from the past to the present and into the future. Things change too fast and too unpredictably. Handy says success will come to “the ones who look to the future not backward, who are certain only of uncertainty and who have the confidence and ability to think completely differently.”

Unfortunately, it's human nature to tenaciously hang onto the status quo. Until the pain of holding onto the old ways is great enough, it's always easier to do nothing than to face doing something new. That's why we stay in dysfunctional or dangerous relationships in our personal lives and why we hold onto jobs we despise. Change in the marketplace requires innovation from individuals and businesses. That's why 80% of U.S. business executives believe innovation is critical to the survival of their organizations but only 4% believe they're any good at it, according to a survey by Synectics Corp.

### Growth is required

Chuck Knight, CEO of Emerson Electric, learned this lesson after surfac-

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*The Business Journal of the Twin Cities*

ing from years of stringent cost containment in his \$10 billion corporation. Emerson needed to grow because, as many organizations have figured out after years of downsizing and cost-cutting, it's impossible to shrink to greatness.

Knight was concerned, however, that his company had become idea-limited and would be unable to generate the creativity needed to innovate and grow. He recognized a need to change the culture of the organization in that direction. To help in that process, he implemented two-day meetings in each of the company's 60 divisions that were entirely focused on growth opportunities. He said recently, "It's just been amazing sitting in those conferences, looking at these growth programs, and thinking, 'Why the hell haven't we done this stuff before?' Well, we hadn't done it before because we didn't have the resources to do it. And we didn't have the resources to do it because we were pounding the shit out of profit margins."

I don't know why Capt. E.J. Smith failed to keep pace with change in his life and industry. The film *Titanic* and historical accounts imply a certain amount of arrogance, over-confidence and negligence on the part of the White Star Line. There were too few lifeboats available, no binoculars for the lookouts, and there has been recent speculation that the rivets that held the ship together were of poor quality. I do know, however, that each of us face the same kind of challenge to continuously learn and grow, or suffer the consequences.

## Personal change

Richard Bach, perhaps best-known as the author of *Jonathan Livingston Seagull*, wrote another book in 1977 that provides a metaphorical reminder about why personal change can be so intimidating. This parable, included in *Illusions: Adventures*

*of a Reluctant Messiah*, is also a reminder, however, of the potential for one person to let go, grow and make a difference:

"Once there lived a village of creatures along the bottom of a great crystal river. The current of the river swept silently over them all – young and old, rich and poor, good and evil, the current going its own way, knowing only its own crystal self. Each creature in its own manner clung tightly to the twigs and rocks of the river bottom, for clinging was their way of life, and resisting the current what each had learned from birth.

"But one creature said at last, 'I am tired of clinging. Though I cannot see it with my eyes, I trust the current knows where it is going. I shall let go, and let it take me where it will. Clinging, I shall die of boredom.'

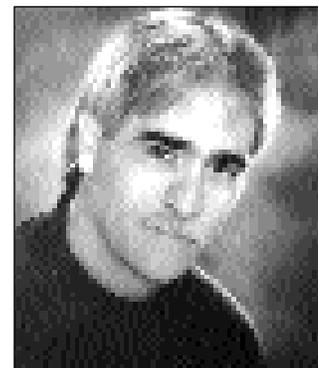
"The other creatures laughed and said, 'Fool! Let go and that current you worship will throw you tumbled and smashed across the rocks, and you will die quicker than boredom!' But the one heeded them not, and taking a breath did let go, and at once was tumbled and smashed by the current across the rocks. Yet in time, as the creature refused to cling again, the current lifted him free from the bottom, and he was bruised and hurt no more.

"And the creatures downstream, to whom he was a stranger, cried, 'See a miracle! A creature like ourselves, yet he flies! See the Messiah, come to save us all!' And the one carried in the current said, 'I am no more Messiah than you. The river delights to lift us free, if only we dare let go. Our true work is this voyage, this adventure.' But they cried the more, 'Saviour!' all the while clinging to the rocks, and when they looked again he was gone, and they were left alone making legends of a saviour."

*Illusions* isn't a book found on the lists of recommended reading in business

schools. The scene in *Titanic* that portrays Capt. E.J. Smith ignoring iceberg warnings wasn't among the clips shown the night the movie academy handed the film 11 Oscars (although they did show him at the helm at the fatal moment the North Atlantic burst through the doors and windows of the ship's bridge). Both deliver a message, however, that I'm taking to heart: Change is inevitable, growth is optional.

Now, if I can just get the IRS to agree with me writing off the movie and the book as legitimate investments in my business and personal success... I



## About the author

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