

An aerial photograph of a city skyline, likely Pittsburgh, Pennsylvania, featuring several prominent skyscrapers and a river. In the foreground, a large white cruise ship with blue and red accents is docked at a pier. The sky is blue with scattered white clouds.

Disruption, the “Digital Trinity” and You

Christopher Surdak, JD

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Welcome!

Christopher Surdak, JD

Technology Evangelist, Award-Winning Author, Engineer, Data Guy, Rocket Scientist, and Global Expert in Information Governance, Analytics, Privacy and Social Media



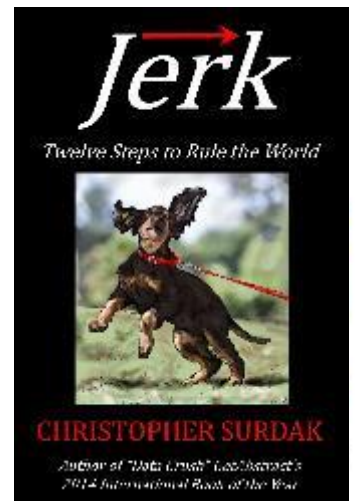
Held roles with companies such as Accenture, Siemens, Dell and Citibank. Began my career with Lockheed Martin AstroSpace, where I was a spacecraft systems engineer and rocket scientist.

Hold a Juris Doctor from Taft University, an Executive Masters In Technology Management and a Moore Fellowship from the University of Pennsylvania, a Master's Certificate in Information Security from Villanova University and a BS in Mechanical Engineering from Pennsylvania State University.

Author of “Jerk: Twelve Steps to Rule the World”, and

“Data Crush”, published by AMACOM Publishing, GetAbstract’s International Book of the Year Award, 2014.

Wharton Club DC’s Benjamin Franklin Innovator of the Year, 2015
Information Governance Initiative’s Evangelist of the Year, 2015
Honored Consultant, The FutureTrek Community, Beijing, China
Contributing editor and columnist for European Business Review magazine





Mr. Mark Zuckerberg

Six Challenges of “The New Normal”

Quality: Consumers expect perfection. Deliver less and your customers will abandon you forever.

Ubiquity: Globalization means anything, anywhere, anytime. Anything less is unacceptable.

Immediacy: Immediate gratification. “There’s an app for that” instantly, predictively.

Disengagement: Don’t build, don’t run, don’t outsource, don’t care. I only buy a result.

Intimacy: Customers hunger for other forms of connectedness. Feeling like part of a community will be even more important as our needs are met more anonymously.

Purpose: Support customers’ need for and sense of purpose.



The Currency of Power

For social contracts to work, there must be a transfer of power, one to another; submission is exchanged for survival

Basis of Power: What kind of power is at stake?

Distribution of Power: How is the contract maintained, how is it distributed?

Application of Power: How is power allocated, tracked and managed?

Control of Power: How is the allocation of power controlled?



The Tool Trinity

Basis of Power: Knowledge

Distribution: Memories

Application: Story Telling

Control: Teaching



The Dirt Trinity

Basis of Power: Land

Distribution: Heredity

Application: Edict

Control: Violence



The Analog Trinity

Basis of Power: Capital

Distribution: Bureaucracy

Application: Process

Control: Rules



The Digital Trinity

Basis of Power: Information

Distribution: Mobility

Application: Social Media

Control: Analytics



The Four Trinities

Basis of Power	Distribution	Application	Control
Tools (Knowledge)	Memories	Story Telling	Teaching
Dirt (Land)	Heredity	Edict	Violence
Analog (Capital)	Bureaucracy	Processes	Rules
Digital (Information)	Mobility	Social Media	Analytics

Digital Transformation: What Is It?



Enhancing business outcomes through the effective use of information

A step-change in speed, quality, relevance and value



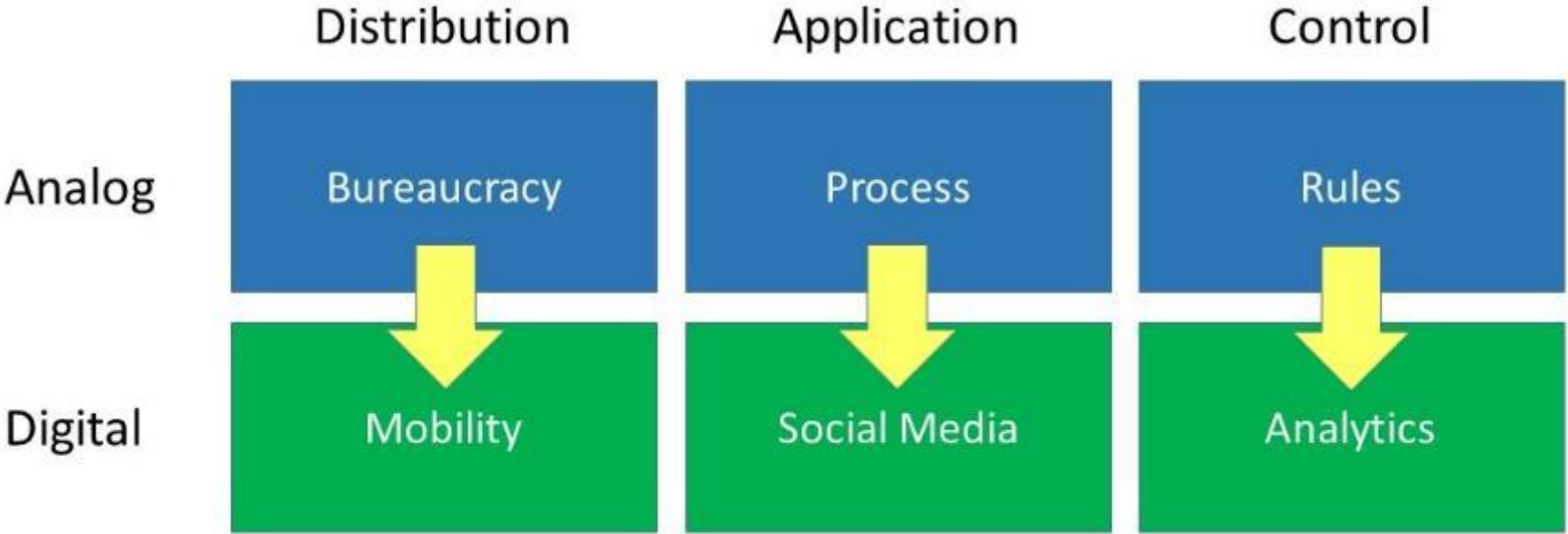
Applying mobility, social media and analytics in new ways



Innovation rather than **improvement**

Digital Transformation: Not A Buzzword!

Realigning from Capital-Centricity to Information-Centricity



From: *Customers Come to Us*

Operate Serially

Decisions Out of Context

To: *We are With Our Customers*

Operate Collaboratively

Decisions In Context



The Digital Hierarchy

Digital Transformation

- Contextual Inputs
- Social Process
- Contextual Results



Information is the New Wealth



#1: USA, \$19.36 Trillion



#2: China, \$11.93 Trillion



#3: Japan, \$4.88 Trillion



#4: Germany, \$3.65 Trillion



#5: France, \$2.57 Trillion



#6: UK, \$2.56 Trillion



#7: India, \$2.44 Trillion

\$2.783 Trillion



\$511.6 billion



\$645.6 billion



\$793.6 billion



\$107.9 billion



\$724.7 billion





Judge orders Amazon to produce Echo recordings in double murder case





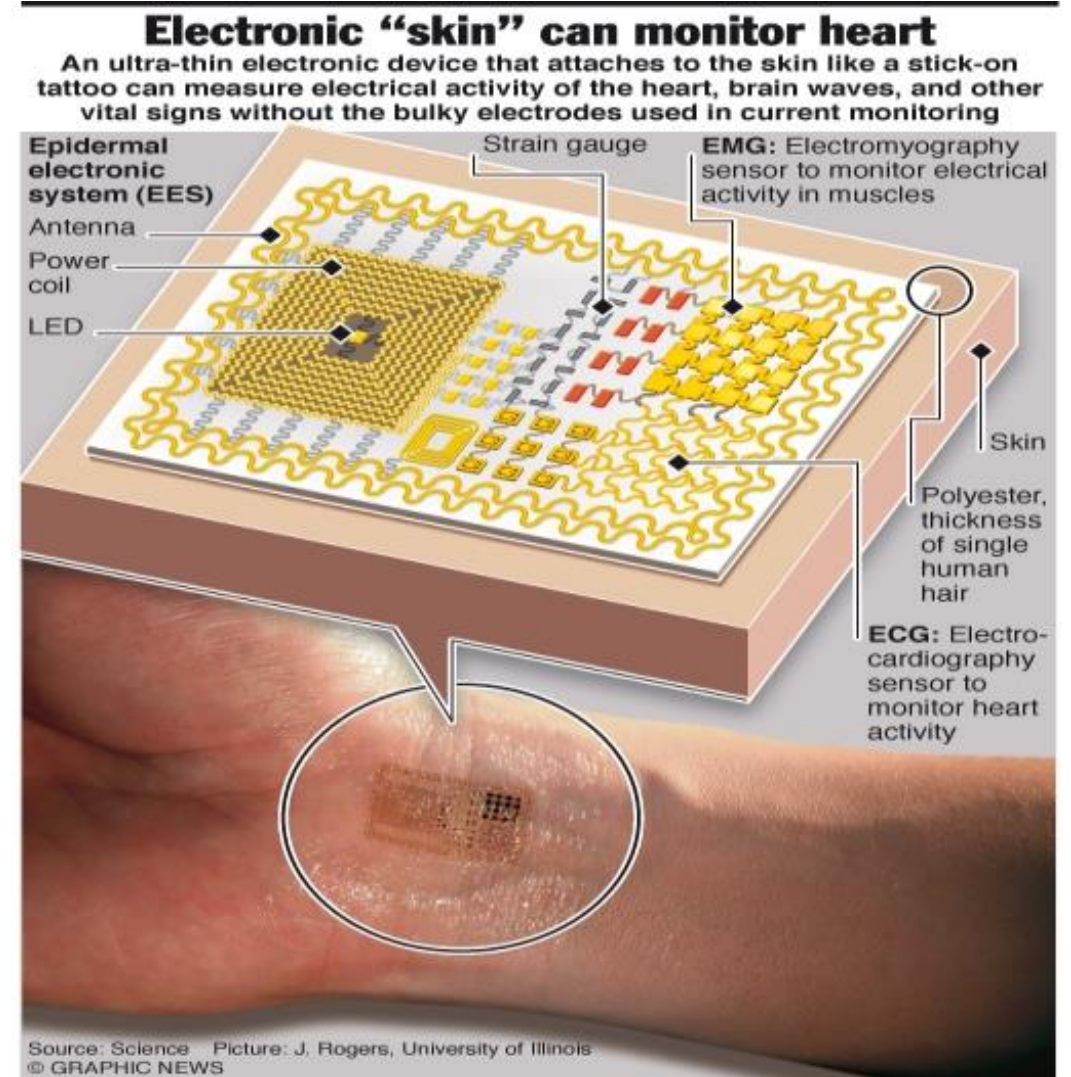
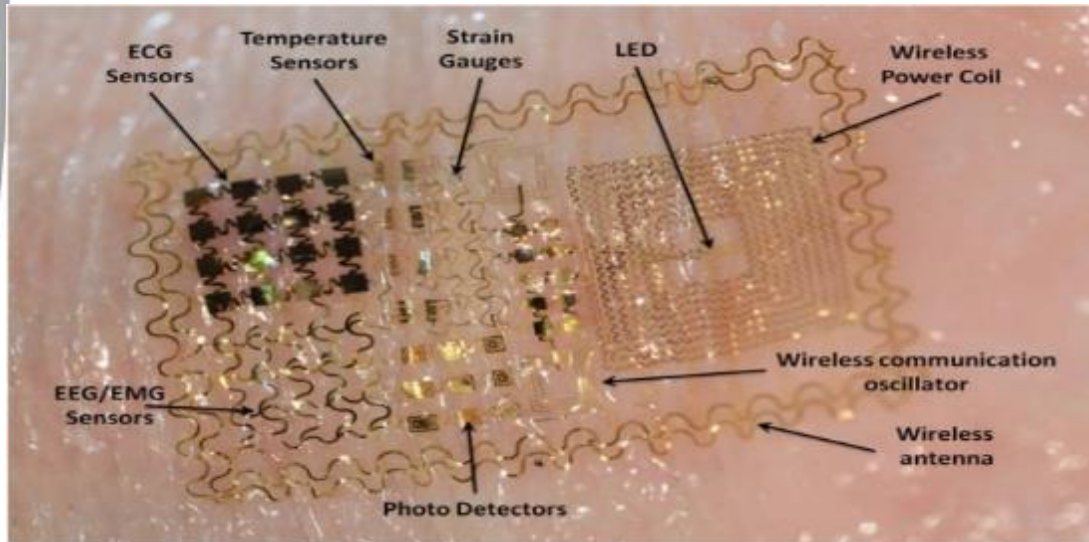
Digital Tattoos

Thingification, Contextification,
Appification & Quantafication

Direct digital interaction with the body

Body joins the “Internet of Things”

Creating the “Internet of Us”



Invasive Analytics

What would you tell a soup company?

What's the risk in using this data?

The screenshot shows the habit website header with the logo "habit FOOD, PERSONALIZED" and navigation links: "HOW IT WORKS", "WHY HABIT", "OUR SCIENCE", "OUR STORY", "BLOG", and a "BUY NOW" button. Below the header, a promotional banner reads "THE JOURNEY TO A NEW YOU Starts Here". The text "Starts Here" is in a large, elegant script font. Below this, it says "For \$299, receive your at-home test kit plus a 25-minute coaching session, personal biology report and nutrition plan." At the bottom of the banner is a green "GET YOUR KIT" button. To the right of the banner is a product image showing a black box with the habit logo and a glass of white soup with a black spoon icon on it.

Systemic Implication

Astronomical amounts of additional, new data

Correlations and insights never before possible, if you collect it and use it

Dramatically-better utilization and outcomes; and their resulting expectation

Entirely new revenue streams for organizations that do so

Big Brother is tracking you: Car companies monitor drivers' habits such as speed and destination using technology included in their vehicles

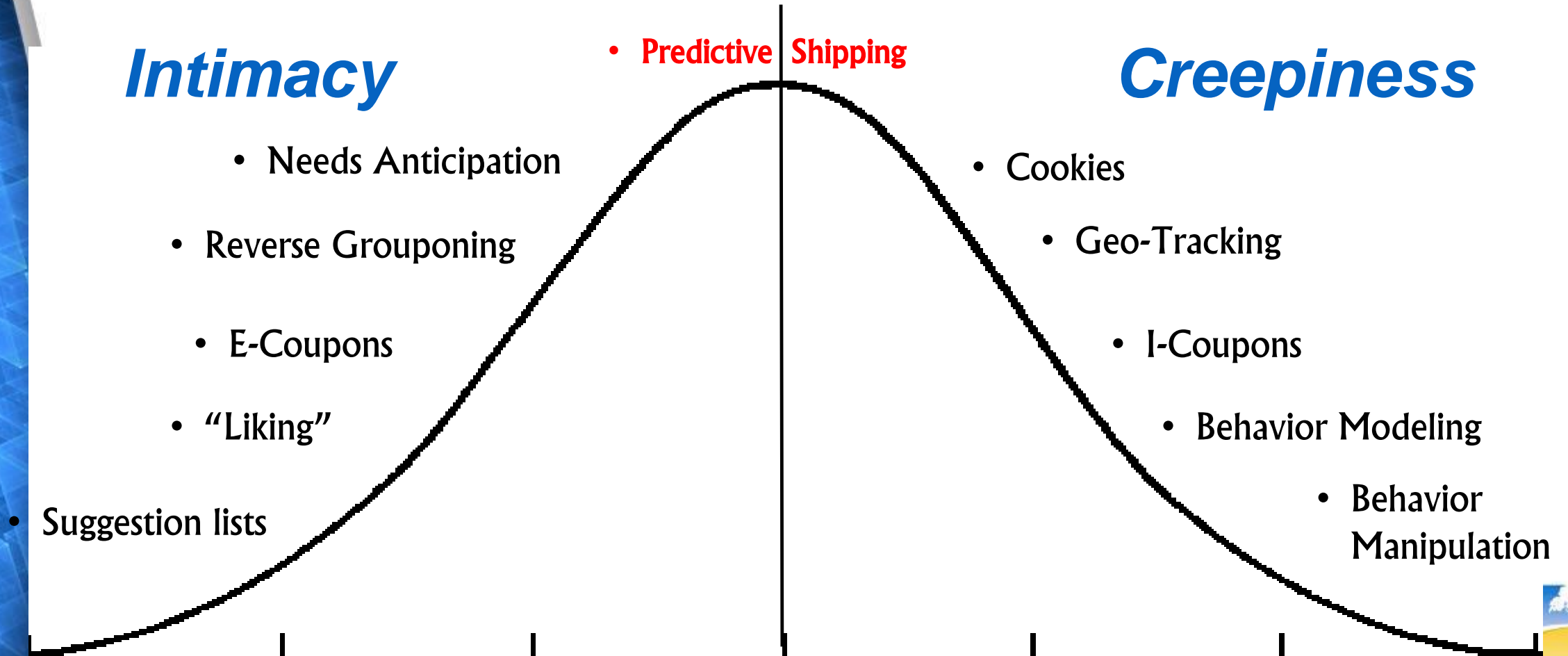
- Car companies are able to trace driver habits such as speed and destination
- Such companies say they only do so with the car owner's consent but such an agreement can be buried within a buyer's contract
- Some experts worry that the amount and type of data that car companies can glean may constitute a breach of privacy
- Companies and third parties that use the data insist they use information for altruistic purposes such as alleviating traffic

By [DAILYMAIL.COM REPORTER](#)

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What's the Issue, What's at Stake?



The best companies must walk the razor's edge between these two extremes

Prepare for Jerk!

$$\begin{aligned} y_1 &= y \\ \frac{dy_1}{dt} &= \frac{dy}{dt} = y_2 && \longrightarrow \frac{dy_1}{dt} = y_2 \\ \frac{dy_2}{dt} &= \frac{d^2y_1}{dt^2} = \frac{d^2y}{dt^2} = y_3 && \longrightarrow \frac{dy_2}{dt} = y_3 \\ \frac{dy_3}{dt} &= \frac{d^2y_2}{dt^2} = \frac{d^3y_1}{dt^3} = \frac{d^3y}{dt^3} = j = C && \longrightarrow \frac{dy_3}{dt} = C \end{aligned}$$



An increasing rate of acceleration

An instantaneous change in force

Highly destructive to systems not designed for it

Digital Transformation and Disruption: “Jerk”

Among many definitions, “Jerk” is the third derivative of the equation of motion... It is a change in rate of acceleration

Systems not designed for jerk are easily destroyed by it

“Digital Disruptors” (FANGSTAU) are Jerks; destroying existing systems and paradigms



12 Rules of Being a “Jerk”

1. Jerks use other peoples’ capital
2. Jerks trade capital for information
3. Jerks focus on context, not content
4. Jerks remove friction
5. Jerks replace value chains with value webs
6. Jerks invert economies of scale and scope
7. Jerks sell with and through, not to
8. Jerks print their own money
9. Jerks flout the rules
10. Jerks “hightail” it
11. Jerks do then learn, not learn then do
12. Jerks look forwards, not backwards

Analytics

Analytics

Analytics

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Analytics

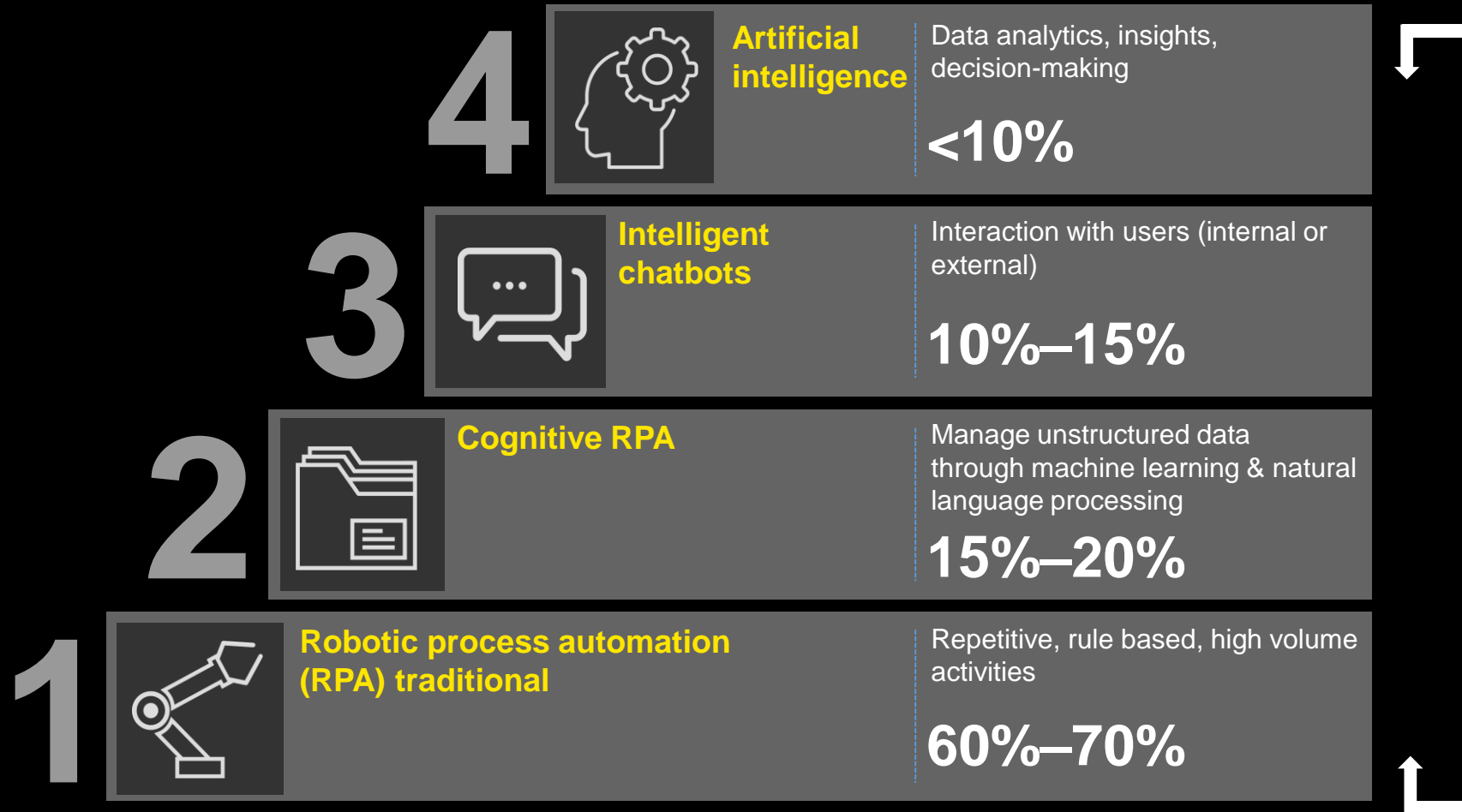
Analytics



So What?

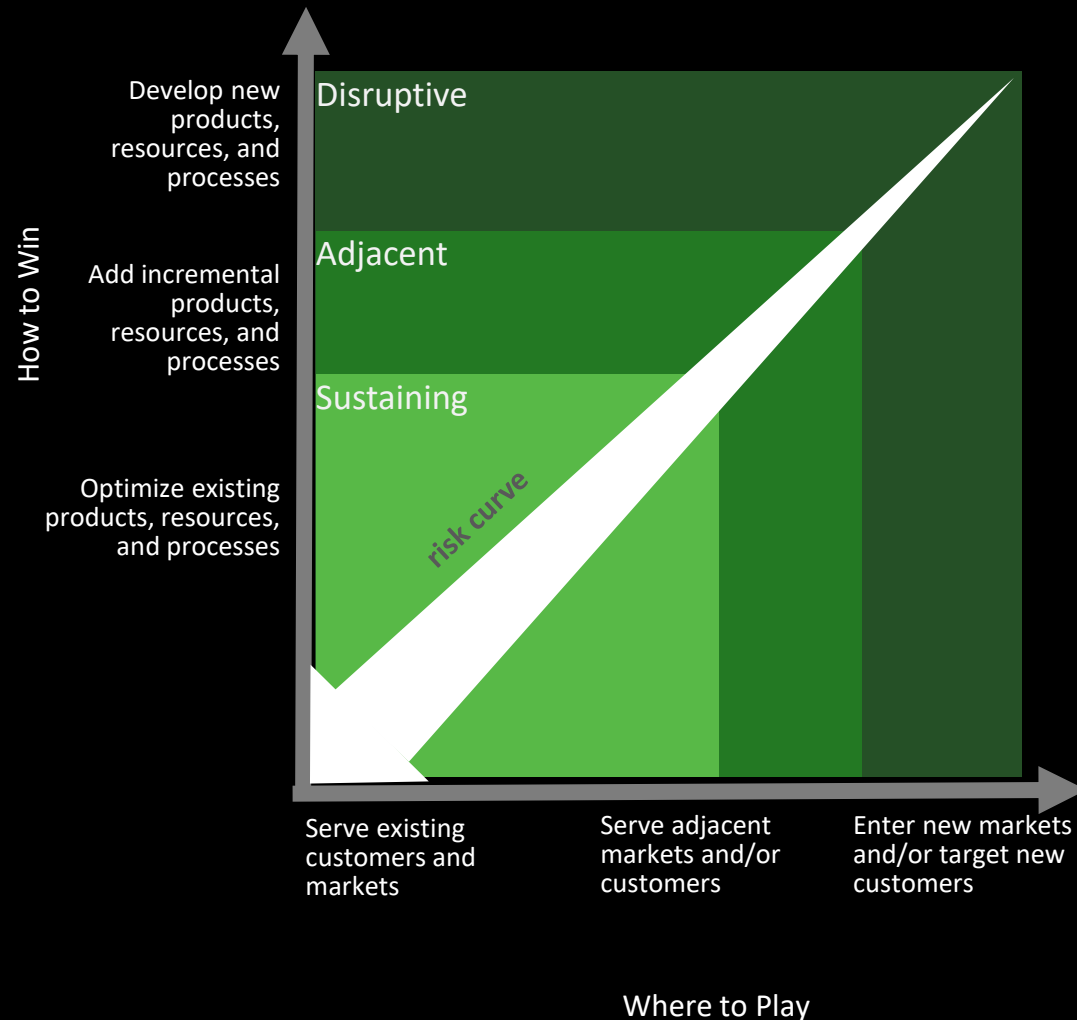


Artificial Intelligence: Applied Analytics



Upside of Disruption: Prioritizing Investments

Today, it is riskier to prioritize your investments around sustaining and adjacent rather than disruptive innovation



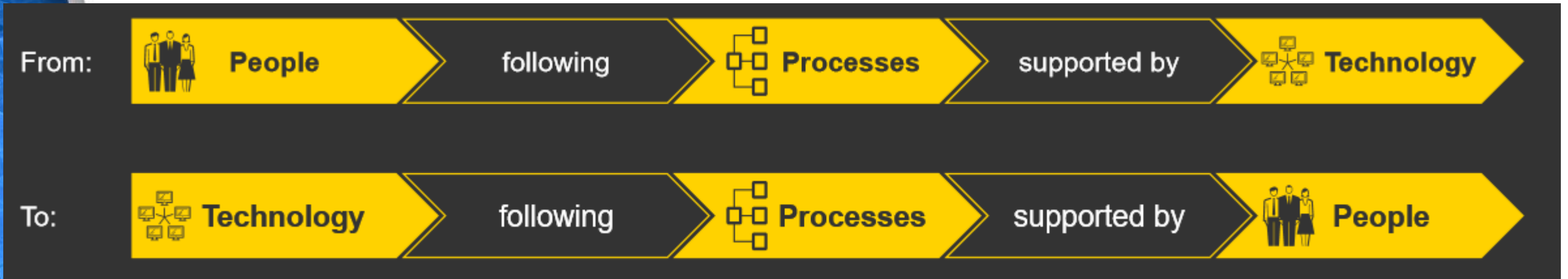
By focusing on Sustain and Adjacent innovation investments you're effectively "betting the farm"

The golden 70-20-10 innovation investment ratio is ideal for high performing companies

With Structured Mischief, you can increase the return and decrease the risk even without rebalancing the portfolio

Structured Mischief increases your ability to identify and act upon Disruption Inflection Opportunities (DOIs)

Automation changing the game altogether



Automation takes the **ROBOT**
out of the human

Analytics Must Drive Our Humanity

AI will generate immense moral and ethical dilemmas

Analytics will have to account for “human” factors



Input Bias

Algorithmic Bias

Observation Bias

Judgment Bias



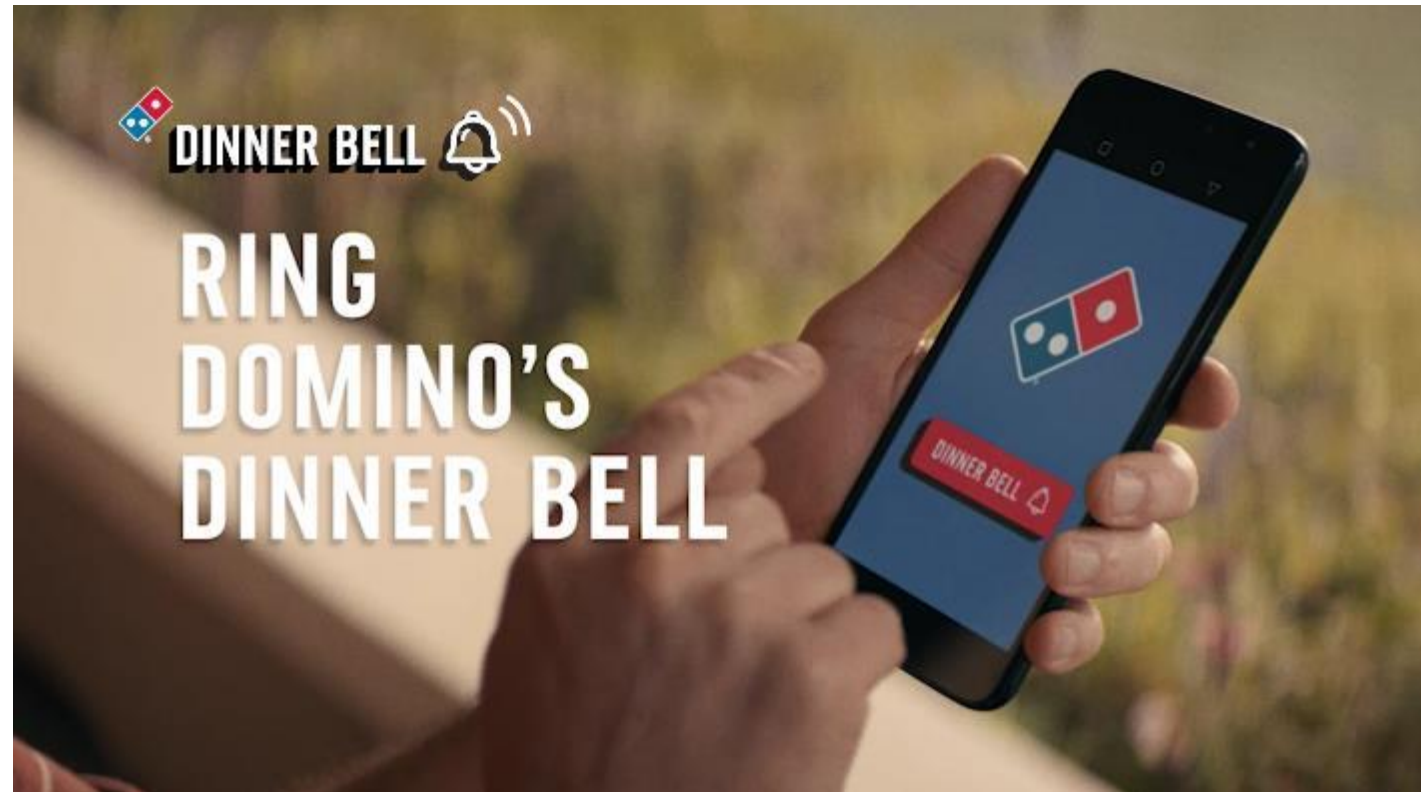
Dramatic Amplification of First Mover Advantage

Immediacy

Ubiquity

Disengagement

Intimacy



Analogs CAN Go Digital

- Hightail
- Diseconomies of Scale and Scope
- Gamification
- Put Customers to Work
- Intimacy and Purpose
- Do then Learn
- Fail Fast
- Print Your own Money



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Take Aways

Six New Normals: How to Set Strategy

Digital Transformation: From Analog Trinity to Digital Trinity

Analytics: The New “Rules” of How Business Should Act

“Jerks” Follow a New Set of Rules to Disrupt Incumbents



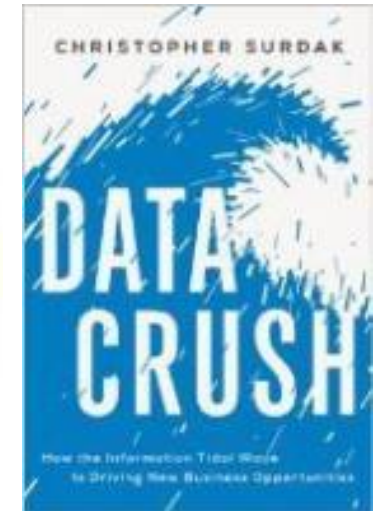
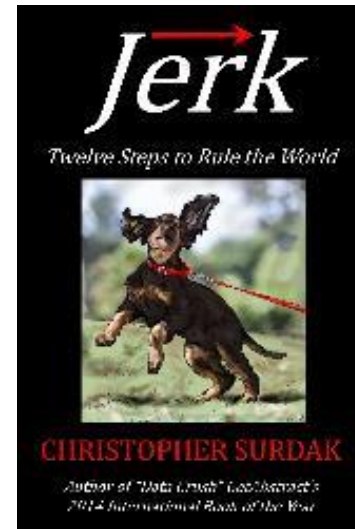
Thank You!

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If you'd like to learn more, check out "[Data Crush](#)," getAbstract's International Book of the Year, 2014

Also see my columns in *European Business Review* and *TechBeacon* Magazines, and my blogs on *European Financial Review*, *China Business Review*, *Dataconomy.com*, and *Inc. Magazine*

"[Jerk](#): *Twelve Steps to Rule the World*" Now available on Amazon

And thereafter, book three, "[The Care and Feeding of BOTS](#)," and book four, "[Averageocracy](#)," In 2019

