

ADAPT OR PIVOT?

"Life is what happens to us while we are making other plans."

ALLEN SAUNDERS, AMERICAN COMIC STRIP ARTIST

It is fitting that a quote seemingly made for 2020 comes from a comic strip artist. Allen Saunders, the author of Golden Age strips Mary Worth, Kerry Drake, and Steve Roper and Mike Nomad, passed away in 1986, and while he probably couldn't have predicted 2020, the year would have been much better as a comic plot.

The chaos of 2020 may cast doubt on the value of planning, and it has certainly been a time when adapting on-the-spot has been necessary no matter how forward thinking one was, but that doesn't diminish the need to plan. An important key is knowing when to adapt and when to pivot.

WHAT'S DIFFERENT TODAY?

Change has a new front seat driver in the form of the pandemic and the reaction to it. Call that reaction a rational response, political overreach, or anything in between, but the main driver for change today is no longer just technology (which itself has been impacted by the pandemic).

It took from the dawn of mankind to the 1890s to invent the first primitive radio; had technological change stayed at that pace, we might be almost to the walkie talkie by now. By comparison, it took from January 2020 to March for much of the US population to be restricted largely to their homes, driving change in every aspect of consumption, demand, supply chain, workplace conditions, workforce availability, service and goods delivery, technology, and about everything else you can think of. When the COVID-19 pandemic is over, it may well leave behind a new model for national and international emergencies, whether pandemic-driven or otherwise.

WHAT'S THE SAME?

Humanity's basic needs and desires remain the same. As bad as it's gotten, for instance, no one has stopped eating. People still need to work and a place to live. They want education for themselves and their children. They want entertainment and recreation. They want to be connected – and to disconnect from time to time. And there is a growing need for a sense of safety, whether it be from the pandemic or its social and economic impacts.

WHAT IS REASONABLY PREDICTABLE?

It's safe to say that the COVID-19 pandemic will end. All pandemics have, whether it be by vaccination, social isolation, herd immunity, or some combination thereof. Peoples' basic needs will not change, though how they fulfill them will. As noted, we haven't stopped eating, but we have changed what we eat and where we eat it. We haven't stopped wearing clothes (mostly), but we have changed what we wear as we spend more time at home. And when the current pandemic ends, another pandemic or pressing perceived need will likely hop in the driver's seat at some point.

WHAT ISN'T?

As encouraging as the newly developed vaccines are, we can't predict when this pandemic will end. We can't predict exactly the long-term effects on business, politics, and society at large. And we can't predict what the next game-changing event will be. And while the rate of change may throttle back a bit once COVID-19 is contained, I wouldn't count on it going back to the pre-COVID pace – which would still be rapid by historical standards.

WHAT DOES IT MEAN TO PIVOT?

"Pivot" joined the top tier of business buzzwords in 2020. It has come to mean a quick reaction to unforeseen circumstances which results in a major change in strategy, not a tweak. There has been no shortage of unforeseen events, how does a pivot compare to normal tactical adapting? If the loss of a major source of inputs causes you to find another source, it's an adaptation. If it causes you to make your own or change to a new line of business, it's probably a pivot. Before you "pivot," you should be pretty certain the circumstances you're reacting to cannot be otherwise mitigated to keep your business viable.

OK, WHAT NOW?

Don't stop planning. Start with an assessment of how your business model stacks up against basic human needs and desires, even if their form changes. Understand that demand, supply chain, workforce availability, workplace conditions, delivery, technology and other key factors can alter suddenly. It almost doesn't matter why, as it seems likely the COVID-19 response could become a model for reactions to future national or global events.

Given that, can your business viably adapt to a major shift in key economic factors? Do you know how to assess that, and make financial projections under a variety of scenarios? And not just situations as specific as another pandemic; think in terms of economic disruptions to demand, supply, delivery, etc., regardless of cause. If you don't think you reasonably can accomplish this, pivot now while it's a choice and not a desperation move.

The "adapt or pivot" assessment is more important than ever. Let us know if you'd like to explore concerns and possible approaches.