



Resist, reframe, or reimagine?

Confronting uncertainty and
the new speed of adaptation

Change —
then, now, next



**Disruption and
uncertainty have
long ripple effects.
What came before
will shape our
ability to address
what comes next.**

The paths we've followed in the past leave indelible footprints on the future.

Much of today's discussion on change and disruption centers on how fast things are moving. While this is true, some aspects of change are also moving remarkably—and consistently—slowly.

As various scholars of economic history have found, **waves of change**—in the fullest and broadest definition of a cycle—tend to inhabit timeframes of 40 to 60 years. We're currently 50-or-so years into one.

This means that **a new wave of change is imminent**, one that will feel as revolutionary as it did when the computing age took hold in the late 1970s and early 1980s.

This time, however, the events and themes that punctuate this longer-term wave will be markedly different from the past. Even so, looking back to the past is, in fact, the best starting point for preparing for what is to come.

Then

It's been attributed to Aesop, Plato, and Don Quixote. No matter who really said it, it feels like there's **fundamental truth** to that well-worn proverb.

Necessity is the mother of invention.

In the context of change, disruption, and uncertainty, we suggest a paraphrase

Necessity is the mother of action.

Or at least it has been.

Ask yourself, how true are these statements for your organization?

Inertia: We've tended to wait for an existing strategy or business to falter, fail, or face material threat before we change direction.

Focus: Our corporate priorities, how we cascade objectives through the organization, and the key performance indicators (KPIs) we use to assess and manage performance have been overwhelmingly tied to protecting and growing the business(es) of today, not creating the business(es) of tomorrow—or embracing the discomfort that comes with doing so.

Assets: Our culture and core capabilities are, at best, tuned to tolerate or cope with change rather than embrace, leverage, or even spark it.

Familiarity: Rallying cries, catchphrases, datapoints, or persuasive pitches are insufficient. We need to fundamentally rethink how we cope (and enable our workforce to cope) with a materially less stable and predictable environment than most of our executives and workforce have likely encountered.

These statements aren't a passive critique. They're more an acknowledgement that for many organizations, **tackling the next wave of change begins with acknowledging** the baggage our organizations already carry.

Now

C-suite executives aren't just contending with legacy measured in decades. They're also still reckoning with the fallout from the most recent, and arguably most far-reaching, shocks to the system.

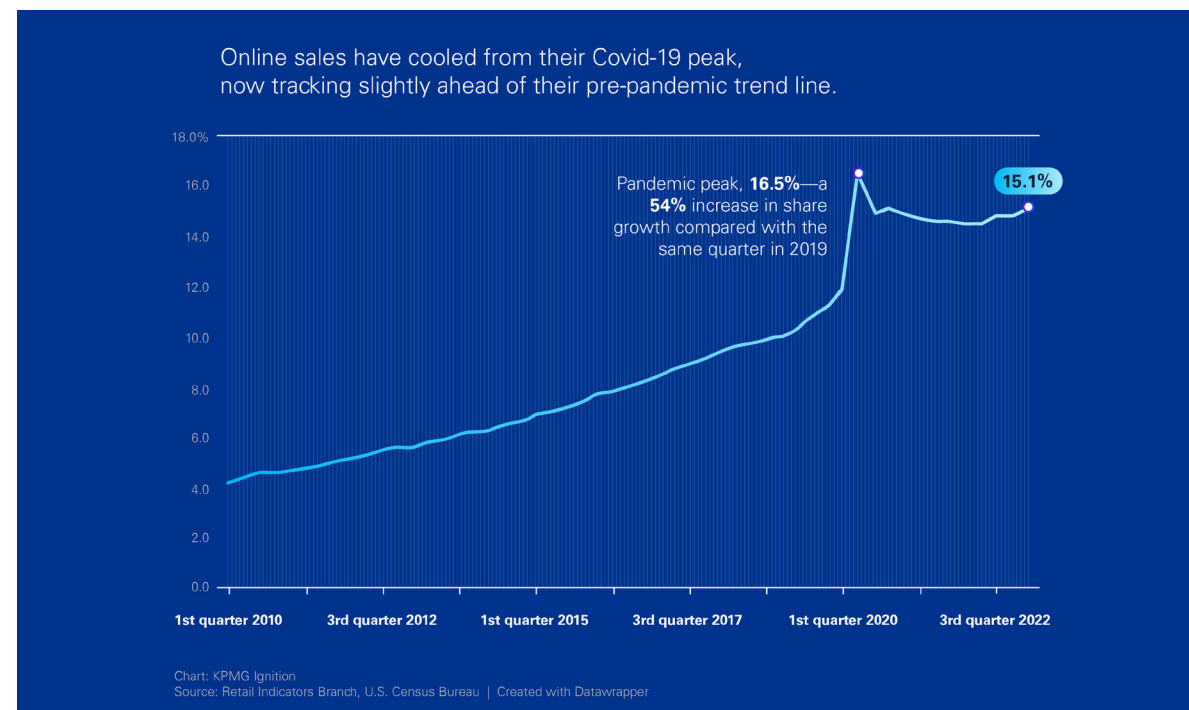
The Covid-19 health crisis.

"Peak prediction" was reached relatively early in the pandemic, largely dismissing all forms of physical commerce and contact and declaring victory for a ubiquitous, digital future life.

Simply put, we all heard ample variations on a "things will never be the same again" theme.

It's three years later, and much of the fever pitch speculation of the early days of the crisis has been tempered by reality. Various consumer behaviors have normalized in line with pre-pandemic trend lines. Market values of lockdown-darling stocks have seen a corresponding correction. And over-hiring, particularly prominent in the technology and media sectors, has been painfully and publicly reset.

E-commerce as a share of total U.S. retail sales



Source: Retail Indicators Branch, U.S. Census Bureau — last updated 18 May 2023, <https://www.census.gov/retail/ecommerce.html> — accessed 03 August 2023

Yet while our lives may have **retreated to something resembling normality**, the experiences of the past few years have left lasting impacts on both individuals and organizations.

In moments of candor, most executives would concede that quick wins aside, their organization's responses to the pandemic **were reactionary at best, chaotic at worst**.

Priorities changed almost overnight. Decisions were taken at a pace best described as atypical: New policies, practices, and technologies unleashed on both customers and the workforce. Shifts in channels, value proposition, and experience. And implementation, often imperfect, at pace.

Consider:

Have you reconciled the concept of the workplace in a post-pandemic context, or indeed fully understood how the past several years have shaped employee and future-talent attitudes to work-life versus home-life tradeoffs?

What are the long-term supply and demand implications catalyzed during the lockdown? What could this mean for the economics of your business model, your value chain, and the markets where you operate?

Have any of the changes to proposition and/or service implemented in response to the pandemic fractured the customer experience relative to peers or best-in-class leaders?

Where have the past several years exposed vulnerabilities in the organization's business model or a lack of financial resilience, which remains unresolved?

Can you identify any pandemic-driven choices made at a functional level that have created friction within your wider organization, where executives failed or lacked the luxury of time to appreciate the interconnected nature of your internal ecosystem(s)?

Lastly, how much airtime have questions like these received within your C-suite or among your wider board and advisors since talk of recovery, normality, and growth regained prominence?

Next

We used to think of shocks, crises, and disruptions as infrequent events that punctuated “normal” or “expected” economic and market cycles.

We viewed them as major societal, technological, economic, or political events that would be the outliers in an otherwise largely predictable 10- to 15-year cycle.

The timeline, however, is taking new forms. **Change is happening more quickly and deeply** in some areas, more gradually or superficially in others. And both slow-burn and in-the-moment trends are colliding to change the shape of the future. Indiscriminately.

It’s like an EKG readout that shows the difference between a resting heartrate (where the beats of change are a break from the norm and the intervals are evenly and gently spaced) and an active heartrate (where the beats become the dominant pattern, with far tighter and more aggressive intervals).

To continue, or perhaps stretch, the metaphor: If a body is primarily accustomed to a resting heart rate, a sudden shift to a sustained active beat in **will likely cause significant stress and heightened risk to the system.**

In fitness, the remedy requires a **honing of strength, stamina, and attitude.**

Or in organizational terms, **capability and mindset.**

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