

the assembly

A ONE NORTH EVENT



Jessica DeJong MANAGING DIRECTOR, DESIGN, ONE NORTH



Risky Business 😂

The Long-Term Payoff of Taking Creative Risks

SPEAKER: JESSICA DEJONG

one north ATEKsystems Company





Part 1 Embracing a culture of risk for long-term adaptability

Part 2

Balancing radical innovation with profitable creativity in the design process

Part 3

Putting these learnings into practice for long term success

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What If We ...

Fostering a culture that embraces risk





What if we ... made food that floats?

What if we ... made food that is invisible?







What struck me about the creation of the edible balloon is what Grant Achatz did **not** say ...



"What if we made food that floats ...

and serve it tonight? I already put it on the menu and the guests are expecting it."

- Sales, probably



"What if we made food that floats ...

that wouldn't cost much more than a normal dessert, right? It's all air anyway."

— Finance, probably



"What if we made food that floats ...

and no one orders it? Or someone is allergic to it? Someone will just copy this anyway."

- Legal, probably

14-16 JUNE 2023 | THE ASSEMBLY



Adam Grant 🤣 @AdamMGrant

We miss out on opportunities when we only ask what could go wrong. It's also worth asking what could go right.

Change carries risk: we might fail. But sticking to the status quo also brings risk: we might fail to grow.

It's better to test and learn than to never test at all.



WineSpectator.com

STAR CHEF BRILLIANT COOKING OF GRANT ACHATZ

An edible balloon, one of Achatz's desserts

CALIFORNIA RHÔNES: TOP REDS AND WHITES

BORDEAUX: OUR GUIDE TO THE DIFFICULT 2013 VINTAGE

WHAT'S NEW IN WINE DELIVERY APPS **3 Michelin Stars** The Michelin Guide 2011 - 2022

Outstanding Restaurant – United States James Beard Foundation 2016

Outstanding Service - United States James Beard Foundation 2010

Outstanding Chef – Grant Achatz James Beard Foundation 2008

Best Chef: Great Lakes – Grant Achatz James Beard Foundation 2007

Rising Star Chef of the Year – Grant Achatz James Beard Foundation 2003

> Best Restaurant in America Gourmet Magazine 2006

#21 The World's 50 Best Restaurants 2017

#15 The World's 50 Best Restaurants 2016





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= Chicago Tribune Q

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CORONAVIRUS

Alinea sells out to-go meals of beef Wellington and mashed potatoes in 5 hours

By Nick Kindelsperger Chicago Tribune • Mar 19, 2020 at 2:05 pm

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🔀 Expand



Alinea is known for multi-course complex menus requiring a kitchen full of chefs to prepare. But it pivoted to togo comfort food meals on Thursday adapting to the pandamic (Zhimiau Badak (Chicago Tribuno)

HOW HIGH-END RESTAURANT GROUP ALINEA PIVOTED TO STAY AFLOAT DURING COVID-19

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Creative solutions include swapping in affordable curbside pickup meals in place of multi-course fancy sit-down dinners

By <u>Jessica Wohl.</u> Published on April 01, 2020.





A culture that values strategic risk-taking will allow you to pivot quickly when things change.

Your business's capacity for resiliency will be key to your long-term success.

So ... have I experienced the edible balloon at Alinea?





Wednesday 5:21 PM

Is there budget for me to actually go to Alinea to experience this as research? Feels like a necessity.

2



Frost, Jen Wednesday 5:21 PM No

Wednesday 5:22 PM Worth asking.



Part of risk-taking is accepting failure as part of the creative process.



Even Alinea makes the occasional misstep ...

LINCOLN PARK, OLD TOWN

Alinea Made A Coronavirus-Themed Dish. It's Not Going Over Well

The highly acclaimed restaurant is facing backlash after a diner tweeted a photo of a canapé that looks like the coronavirus.



Kelly Bauer 1:29 PM CDT on Jul 8, 2020



Credit: Screenshot A recent dish at Alinea, which depicts coronavirus cells.

Credibility:
Original Reporting
Sources Cited

LINCOLN PARK, OLD TOWN

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Original Reporting
Sources Cited

Dow Jones Industrial Average





A note on learning the rules before you break them ...








































You need to master the rules before you break them.



So, how do you create an environment that embraces risk but also keeps people accountable?



Psychological Safety

An often misunderstood buzzword.

Psychological safety is <u>not</u> about relaxing standards or being nice or making people feel comfortable and agreeable.

Performance Culture

- Rewards short-term gains & immediate outcomes
- Risk averse
- Rethinking averse

Learning Culture

- Rewards long-term gains & is patient for outcomes
- Encourages risk and learning from failures
- Regularly engages in rethinking



Together

TEAM 2 Lower Psychological Safety



QUESTION

Which team had a higher incidence of medical errors?



RESULTS (INITIAL)

Team 2 had a lower number of errors.



RESULTS (INITIAL)

Team 2 had a lower number of self-reported errors.



RESULTS (FINAL)

When evaluated by a 3rd party, Team 1 had significantly fewer errors – they were just more comfortable reporting them in the study.



Key Takeaways from Alinea

A culture of risk-taking will make you ready to adapt to curve balls.

Failure is part of the creative process. Before you break the rules, you need to master them.

This is supposed to be fun!

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Radical Innovation + Profitable Creativity

How to balance your risk exposure in the creative process









Bernard Arnault

CEO, LVMH \$233B (2023 Net worth)



You can't charge a premium price for giving people what they expect, and you won't ever have break-out products that way—the kinds of products that people line up around the block for.

We have those, but only because we give our artists freedom.

Bernard Arnault





I was shocked, which is good, of course. A new product is not creative—it is not important if it does not shock when you first see it.

Bernard Arnault









LVMH Creative Process

Radical Innovation

Respects the necessary chaos of the creative process. Listens to focus groups with "one ear."



LVMH Creative Process

Radical Innovation

Respects the necessary chaos of the creative process. Listens to focus groups with "one ear."

Profitable Creativity

Chaos is banished. Strict discipline is enacted, and the manufacturing process is meticulously planned.



LVMH Net Sales and Operating Profits





Percentage of new products in a given year that are new to LVMH





That way, we can have our creativity but also minimize risk.

Bernard Arnault

















Key Takeaways from LVMH

Embrace the early chaos of the creative process. Apply strict discipline to the planning and implementation. Test risks with 15% of your portfolio. Foster a culture that embraces risk for long-term success.

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Just Do It

How to put these practices into action



Identify your 15%
Think Outside the Box
Limit Stakeholders
Get a Coach



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Places to take design risks: Ideas for your 15%



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Identify your 15% Think Outside the Box Limit Stakeholders Get a Coach



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NBA Uniformity Rule:

- 1. Players' shoes must be 51% or more white.
- 2. Players' shoes must match their teammates' shoes.
- Failure to follow this rule results in a fine of \$5,000 per game to the offending player.

Roadblock or opportunity?

\$162,000,000

AirJordan Sales Year One





Identify your 15% Think Outside the Box Limit Stakeholders Get a Coach







But ... I *have* to include Terry, Alex, Simone, and Taylor. And John will **insist** his whole team is involved in this.

-Every client in every kickoff meeting



When you only show completed designs, then the only substantive way people can contribute is by criticizing them.

-Kalev (rhymes with olive) Peekna





Include them at the beginning.

Ask for their involvement early in the form of interviews, workshops, or surveys.







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BUSINESS

T-Mobile Has A Trademark On Magenta, Demands An Insurance Company Stop Using It

November 25, 2019 · 4:52 PM ET

By Darius Rafieyan



Deutsche Telekom, Online Insurer Lemonade Battle Over the Color Pink

Earlier this year, Deutsche Telekom took legal action to prevent Lemonade from using pink in its German assets. Now, the online insurer is fighting back

Meir Orbach 15:00 04.11.19

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TAGS: Lemonade Deutsche Telekom Pink

Frankfurt-listed telecommunications company Deutsche Telekom AG and Israeli online insurance company Lemonade Inc. are engulfed in a months-long legal battle over the color pink. On Monday, Lemonade announced it had filed a claim with the European Union Intellectual Property Office to invalidate Deutsche Telekom's attempted monopoly over the use of pink. The telecommunication company made a claim for the color in June, shortly after Lemonade first expanded its service to Germany. Both companies sport logos in a similar shade of magenta.

In a Monday interview with Calcalist, Lemonade co-founder Shai Wininger said that Deutsche Telekom worked to prevent Lemonade's use of pink in its logo, going as far as obtaining a preliminary injunction instructing Lemonade to remove the offending color from all its German assets.



Lemonade logo (left) and Deutsche Telekom logo



Identify your 15%
Think Outside the Box
Limit Stakeholders
Get a Coach

"The Michigan" Workout



1,600m race pace1k tempo800m race pace1k tempo400m all you've got

+ 4 x 150s



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Parting Thoughts + Activity



Creative innovation requires time to blossom, but will make your business more resilient and adaptable. You can balance radical innovation & profitable creativity by following LVMH's 85/15 model. Many of your perceived limits may be imagined or greatly overexaggerated.

What if we ... made food that floats?

What if we ... made food that's invisible?

What if we ... made a dress from newsprint?

What if we ... just paid the NBA fine?

What if we ...

On your balloon, write down a risk you want to take this year that would pay long-term dividends.

Then, let that balloon go!



Thank you.

One North is a full-service digital agency helping businesses solve complex problems in creative ways. We're makers, technologists and relationship builders guiding you toward what's next.

Unlike traditional agencies, we stitch together a deep level of expertise across disciplines so that we can do the work of multiple teams. With capabilities in brand and communications, digital experience, technology and infrastructure, and optimization and insights, we can take on any challenge.

One North is a TEKsystems company. For more information visit **onenorth.com**.

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