

JULY - 2016

# STRIVE

Alaska Edition

Inspiration for Innovation

**A Different  
Perspective**  
Paul Wiltse

**Harnessing the  
Digital  
Possibilities**  
Lee Leschper

**Harvesting  
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Rick Thomas

**Adapt, Evolve  
and Prosper**  
Heather Kinzie

***The Chariot Group :  
Torchbearer of  
Digital Transformation***

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Education Technology Insights

Rick Thomas  
President & CEO



JULY - 2016

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## Cover Story

The Chariot Group :  
Torchbearer of  
Digital Transformation

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# The Upside to a Downturn

I recently heard an oil industry executive quoted as saying that, “innovation does not happen at \$100.00 a barrel.”

Indeed, it has been my experience that full funding is the glue that holds status quo in place. It is hard to implement meaningful and substantial change while we are reclining in our comfort zones. The truth is it usually takes some form of disruption, or even a crisis, to get us moving to the next, and often better, place.

Well, there is certainly disruption in Alaska! But is the sky really falling? Are we helpless victims of circumstance? I don't think so and that is the purpose of this publication—to share both the good news and the ideas for positive change that we hear so little about.

To be clear, this publication is not intended to be some form of Pollyanna, self-help pep-talk. But perhaps it wouldn't be such a bad thing if you did perceive it that way. The other contributors and I fully acknowledge that there is a lot to be concerned about with regard to the Alaska economy. But we also firmly believe that with disruption and uncertainty comes opportunity to reimagine what is possible and opportunity for new perspectives and ideas for innovation to get us moving to the next better place!

To that end, I hope you find this publication to be an inspiration for innovation. I look forward to hearing your perspective.

Rick Thomas,  
CEO & President  
The Chariot Group

**Education**  
Technology Insights

10 HOTTEST



# Collaboration

SOLUTION PROVIDERS - 2016



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*Rick Thomas gets up every day with the goal of improving communication. Rick sincerely believes all errors and conflicts can be traced back to a single point of origin: ineffective or, in many cases, a complete absence of communication. In Rick's role as Founder and CEO of The Chariot Group, he and his staff dedicate their efforts to utilizing innovative solutions to better connect people and ideas. Rick is a career entrepreneur and, as such, believes that if there is a problem or void, he and his team can fill it. He knows it takes only an innovative mind, perseverance and gumption.*

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# A Different Perspective

By Paul Wiltse

It's hard for Alaskans not to feel like we're "under siege". Every day, there's more news about low oil prices in Alaska, which is adversely affecting the State budget, oilfield-related jobs, and the ripple effect of state contracts not awarded.

Many of us wonder if Alaska's opportunities will be limited in the future – will a high percentage of us need to leave the State to find jobs?

The Venture North Group is an Anchorage-based company that seeks to place companies with new buyers and to find capital on behalf of project sponsors. In the course of performing our jobs, we see a good cross-section of companies for sale and new projects on the horizon. We also have the opportunity to see industry trends in many of Alaska's business sectors, and have access to the reasons that owners are divesting their firms, why buyers are buying, and why project sponsors are trying to find capital now, versus later.

What we've learned is that most of Alaska's industries are faring well, if not booming. Tourism in Alaska is at or near record levels, which has benefitted other support industries indirectly. Alaska's telecommunication industry has benefited from large infrastructure projects such as the Quintillion project, aiming to connect Europe and Asia. Other substantial infrastructure projects are also underway as telecoms upgrade

their facilities and seek new markets. Railbelt electric utilities have, or are in the process of replacing aging power generation facilities and are investing millions in addressing the best strategies to upgrade 50-year-old transmission lines. These power plants are generally seeking to utilize Cook Inlet gas as a fuel, which encourages continued investment in keeping gas production robust in

Alaska to support local needs. Local companies are investing millions in exploration to find more gas to help Fairbanks lower its costs of power. In addition, local companies tasked with constructing and upgrading these facilities are having their best years.

Fairbanks, with the receipt of two squadrons of F-35s beginning in the fall, is likely to add 2,300 or so military and related civilian workers to support this new deployment of assets. To construct the new infrastructure required to house this capability, as many as 2,700 construction workers will be needed for a good five years. New housing will be needed and

existing hospitality facilities should have many good upcoming years to house the influx of 5,000 new folks. In addition, the military bases in Fairbanks are adding Apache Helicopters, which requires additional employment. Drone technology is also being brought here over the next three years.

Should the Donlin Creek gold mine proceed with its plans, it would build a gas pipeline to its mine and construct a power generation facility. This would create more incentive to explore for gas in Cook Inlet and along this corridor. The project would employ thousands during its planning and construction phases, in addition to employment at the mine.

Longer-term projects are in the works, as the Northwest Passage begins to open up. Northwest areas in Alaska are likely to expand Ports, Coast Guard facilities, ice-breaker infrastructure and private investment to service this developing market.

According to the June Alaska Trends, published by Alaska's Department of Labor, Alaska's overall employment is down by 1.3 percent versus this time last year. This is unfortunate, but is a far cry from fears of a much larger market downside here in the state. Some of this reduction in employment is due to large exploration projects coming to completion, giving way to increased production.

According to Alaska Trends, crude oil production in Alaska has increased by 16.2 percent since this time last year. Also, the world's price of a barrel of oil has recovered substantially from its recent lows. Prices today are lower than we'd like to see, but are representative of the historical prices we experienced through 2005.

In regard to the State's fiscal uncertainty, as opposed to many states, Alaska has substantial wealth and future prospects for continued wealth. The general consensus is that Alaska's state government needs to diversify its revenue base across more revenue-producing sources. Relying upon oil as its primary source of income is risky and lends itself to moments like what we're experiencing. We look forward to our government leaders resolving this diversification problem, which would reduce the volatility we're experiencing in state funding. This might be more of a legislative challenge than a wealth challenge.

In short, Alaska's business community is holding up well – in fact, many business sectors are having record years. Employment is down, but only slightly. Many large projects are planned for the near and long term, none of which depend upon state funding.

I think the "doomsayers" were wrong.



Paul Wiltse

# Education

## Technology Insights

MAY - 2016

EDUCATIONTECHNOLOGYINSIGHTS.COM

## 10 Hottest Collaboration Solution Providers - 2016

Technologies such as cloud, mobility, Bring Your Own Device, and virtualization are fulfilling a continuum of educational needs—helping schools and universities around the world to illuminate students' classroom experience through collaboration. These collaboration technologies hold the promise of a better and bright future for the students as well as the educational institutions.

The institutions are leveraging applications, content, wearable devices, communication platforms, and interactive Audio-Visual (AV) technologies to foster the environment. These tools are enabling students to connect and collaborate on complex projects and become thoughtful decision makers by thinking critically about the information in new and creative ways. Having

witnessed the significant impact created by these technology interventions, educational institutions are exhibiting great deal of reliance on powerful and intuitive collaboration solutions that can create amazing classroom experiences.

Meanwhile, with the deluge of products and services available in the market today, it becomes a challenging task for the CIOs to navigate through the vast education technology landscape and opt for best technology solutions. To serve this purpose, a distinguished panel comprising CEOs, CIOs, VCs, analysts including the Education Technology Insights' editorial board have hand-picked the "10 Hottest Collaboration Solution Providers - 2016," featuring the vendors creating an impact in education industry through collaboration solutions.



Join The Conversation

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## AEDC Investor-Only Meet and Greet at The Chariot Group

The AEDC Board of Directors invites all AEDC Investors for an Investor-Only Meet and Greet at The Chariot Group on October 20, 2016!

For more information, visit [www.AEDCweb.com/events](http://www.AEDCweb.com/events).

Learn more about the Live.Work.Play. initiative, working to make Anchorage the number one city in America by 2025. Network with business leaders and hear more about what AEDC is doing to promote economic development in Anchorage.

**\*This is an AEDC Investor-Only Event\***

Not an Investor? Become one today! Contact Karli Lopez, AEDC Development Director, at (907) 258-3700 or go to [www.AEDCweb.com](http://www.AEDCweb.com).





## COVER STORY

Rick Thomas,  
President and CEO





# The Chariot Group: Torchbearer of Digital Transformation

By Arun Kant

“**B**ooks will soon be obsolete in the public schools. Scholars will be instructed through the eye.” — Thomas Edison.

Edison foresaw the future of education while pioneering the development of machines for displaying motion pictures. And the wizard of Menlo Park was right!

Today, the traditional classrooms have vividly changed! The green boards are replaced by interactive whiteboards and textbooks are no longer the window of knowledge. Laptops, tablets and teachers have become the facilitators of the digital learning process. Through handheld devices, students have the ability to tap into immense sources of wisdom, take notes on the go, and share their learning with fellow students. This wave of technology is transforming various district schools and colleges. And the blaze of this trend, where education is meeting technology to build a collaborative environment in classrooms, is growing larger in size with each passing day. Against this backdrop of digital transformation, The Chariot Group is injecting the right technologies and tools to foster growth and teamwork in the education sector.

The roots of The Chariot Group can be traced back to 1999 when its founders, Rick and Denise Thomas introduced their audiovisual and interactive solutions for the betterment of the education system. Their vision was wide—to equip school districts with interactive and visual

We wanted to build a collaborative and productive environment for classrooms by bringing sustainable interactive technologies to the table



technologies that enable an evolving teaching technique that lamps students' understanding and engagement. "We wanted to build a collaborative and productive environment in classrooms by bringing sustainable interactive and multi-media solutions to the table," reckons Rick, the company's President and CEO. Today, The Chariot Group has become an eminent vendor in the education arena, bringing cloud-based technologies and collaboration solutions not only as a system integrator but as a trusted advisor. The company takes a holistic view of platforms provided by various manufacturers and successfully implements those solutions within the learning curve of classroom environments.

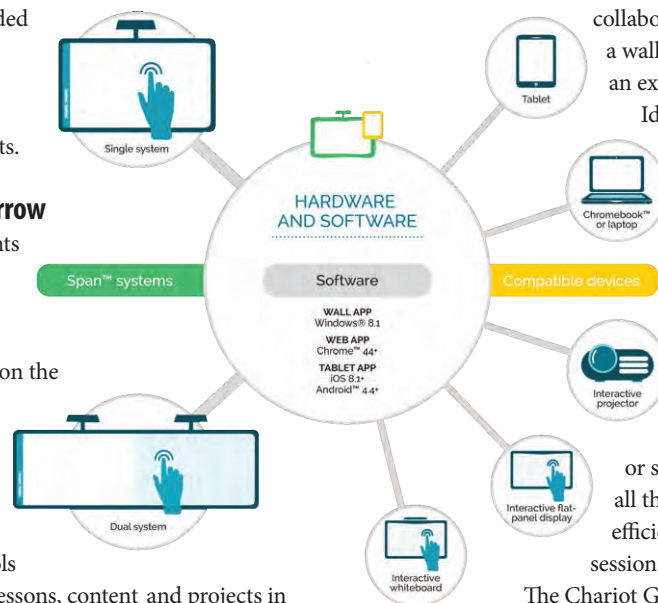
### Shaping the Minds of Tomorrow

Broadening the minds of students demands expanding the walls of the classrooms. To widen the boundaries, The Chariot Group provides platforms built on the fabric of student collaboration and multi-media streaming such as SMART amp and Safari Montage. The intuitive interface and user experience brought by these tools allow students to interact with lessons, content and projects in ways that are natural and authentic. The scope of learning and knowledge sharing through these services is limitless as students can complete projects from anywhere, anytime—be it inside or outside the classroom and on any device.

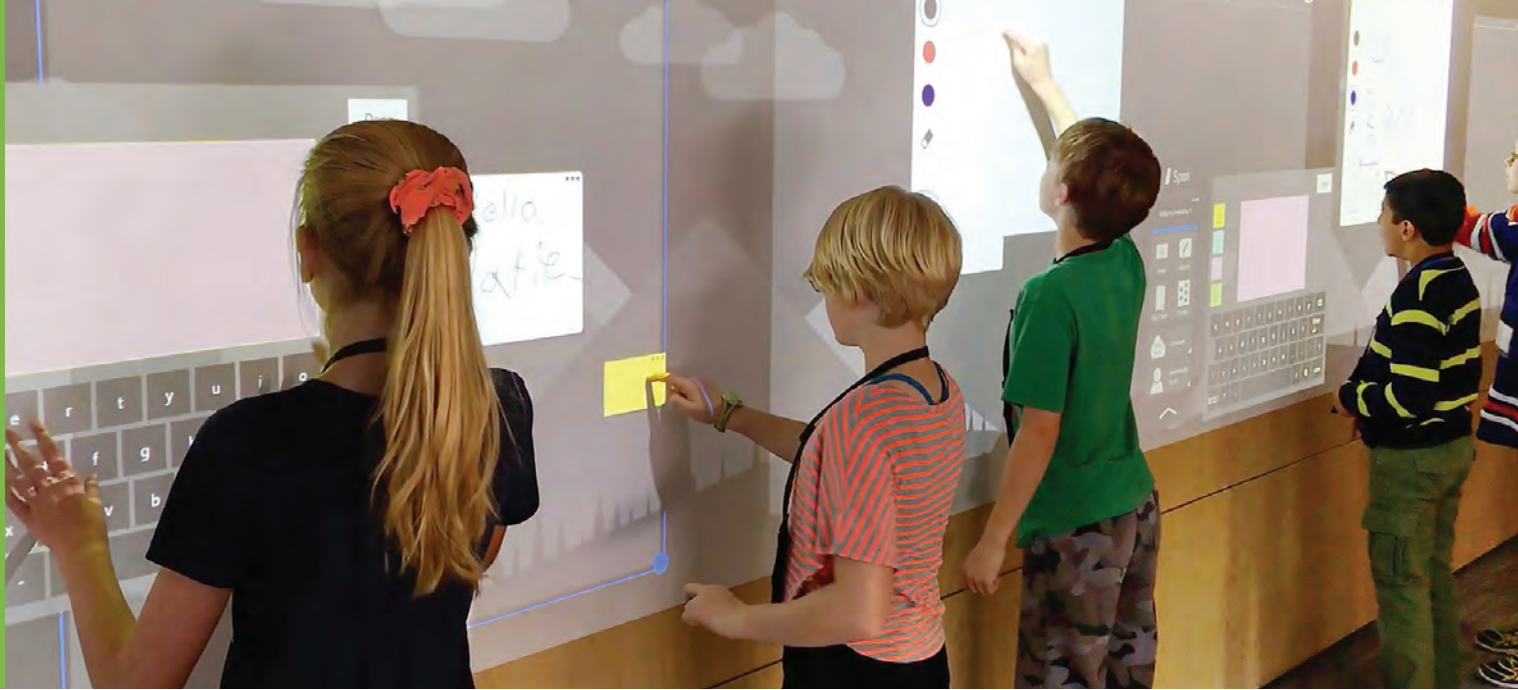
There is a common trend seen across district schools wherein students collaborate and keep ideas alive by writing them down on various surfaces such as sticky notes, flip charts, etc. All the efforts could be for naught if the paper goes missing or if the students run out of physical space to display their ideas. To help students avoid such scenarios, The Chariot Group has kept a vigilant eye on emerging technologies such as Nureva, whose cloud based platform, Span, eliminates the traditional methods to foster a theme of teamwork and

collaboration in classrooms. Span builds a wall of virtualized information on an expansive canvas. "With the Span Ideation system, anyone can add notes on the canvas—powered by a panoramic projector—in real-time, either manually or through their laptops," says Rick. "It allows students to keep all the intuitions, animated thoughts, ideas, and objectives under the umbrella of one platform," he adds. Content can be created, organized, deleted or shared through mobile devices—all these factors are instrumental for efficient brainstorming and teamwork sessions.

The Chariot Group offers solutions that support alternate modes of education that cover more than just writing, reading or the daily drills of memorizing equations and formulas. Keeping in mind how a student can become overwhelmed by information in a lecture, easily miss a class or







need clarification on a subject, the company provides a video platform solution, Mediasite by Sonic Foundry [NASDAQ: SOFO]. Mediasite is known for video capturing, management and webcasting solutions in education, business and government. This platform provides benefits of visual learning by allowing teachers and students to record lectures, seminars, events, or flipped classes in real-time. Later these video libraries can be published, managed, searched or shared.

While integrating their solutions into the school environment, the company pays keen attention to what its clients—school districts and educators—require, sharing their client's concerns with manufacturers in order to help identify the most relevant solutions. In one such instance, a remote school district that was incurring high expenses for internet connection over satellite approached The Chariot Group for a recommendation to deliver an effective and affordable solution for learning outcomes. "We used SAFARI Montage to mitigate the bandwidth issue and enabled the remote district to access rich media content in HD resolution," says Rick. "This substantially improved the

productivity of the existing bandwidth, thereby reducing the need for additional expenditures while enhancing instruction and enabling mobility."

### Building a Better Future

The Chariot Group takes immense pride in making a difference in student's lives—who are the torchbearers of tomorrow. "There needs to be a collective effort amongst school administrators and solution providers to deploy technology and innovation to reduce the gaps between teachers and students and drive the young generation in the right direction," says Rick. However, many educational institutions and schools often deal with the problem of choosing the befitting tools from the pool of countless applications and platforms that promise the same outcomes. "We keep ourselves distant from these shiny, new technologies that are good only on surface but incompetent and hollow on the inside, as they can cripple a school's mission to bring significant changes in the education sector," adds Rick. Before considering new technologies, The Chariot Group assesses them to measure their capabilities and prowess to bring long term success in the sector. Here the company implements their PPC model, an acronym for Patience, Persistence, and Consistency. This methodology is the symbol of being patient in the journey, and highlights the importance of remaining consistent towards achieving its goals.

The prediction of the education sector's future gives the world a glimpse into the genius of Edison's mind. As he invented the bulb to illuminate the corners of the world, the technologies built on the roots of his inventions are brightening the minds of the younger generation. The Chariot Group is geared up to discover innovative solutions and platforms so that the spark in students' minds can be transformed into a blaze of immense knowledge. **ET**

With Span, students and teachers no longer have to rely on sticky notes, flip charts or other tags to recollect any sort of data

## Harnessing the Digital Possibilities

By Lee Leschper

Far too often in financial downturns, marketing and advertising are the first victims of cost cutting. And for a very short time, past goodwill can carry the business. But once market share begins to erode, it costs many times more to regain it. Because your smart competitor, who chose to get aggressive while you cut costs, now owns a bigger chunk of your pie.

Most of us have tried some form of digital marketing, if only because of its relatively low cost. But it's far more than just changing ad horses.

There are important shifts in your own marketing perspective that are as critical as the shift in tools to deliver your message.

Today we have access to incredible, almost magical and constantly evolving tools that help us target, deliver, measure and refine our marketing campaigns.

But a million-dollar rifle with a two-bit aim still misses.

So when customers are more demanding and harder to find, and competitors are relentless, how do you know whether your digital marketing is a Godsend or another distraction?

If you haven't defined your potential new customers down to their children's sports or the political party they support or the college they root for or the type of fishing gear they prefer—you've got some work to do.

Yes, you can target your audience that precisely.



Not unlike fishing, instead of casting a bait in a big water and waiting for a fish to find you, we can deliver the bait directly not just to the fish's mouth, but pick the size, the kind, the income of the fish we want and even decide how many times today we put the hook in its mouth. And with every cast learn and improve our ability to do so.

Digital is not easier. It's more work. As with all things in business, it comes down to smart strategy, hard work and continuing to learn, adapt and refine your plans. It's so much more than just having a website or a Facebook page.

Traditional media spent decades preaching consistency in advertising—which is another way of avoiding the extra work

of many custom messages and creative and tracking. Today consistency means not running the same message forever, but being precise, vigilant and proactive in your marketing across all platforms.

## Embrace mobile

We used to preach “digital first” to businesses that were

considering adding new media marketing to their trusted print or broadcast ad campaigns.

Today it really must be “mobile first and last.” An ad campaign that doesn’t lead with plans optimized for mobile devices is missing 60 percent of its potential audience. Today more than 60 percent of all web

traffic—including potential customers coming to your website or looking for your company—comes from a mobile device, likely a smart phone.

This includes video and purchasing decisions and former “only-in-person” transactions like bank deposits.

And it's not with reluctance, but an eagerness that consumers are going mobile. A new Nielsen Company report shows that American adults spent almost 11 hours every day consuming media—web, broadcast, TV, entertainment—and because 81 percent of those same people have smart phones, much of it is done on those devices.

It's not just the younger market either. I remember walking through the Denali Princess breakfast room one September morning, passing hundreds of mostly-senior tourists getting coffee...and 90 percent were reading or posting on a tablet or mobile phone.

How to be “mobile first?” Start with mobile responsive website design, so your hard-won web traffic is easy to read and use on any device. Responsive websites are quickly replacing mobile apps too, so if you haven’t already invested big bucks in designing a custom app, save your money...there are better investments today.

But also look at the transactions that your customers want and will make from a mobile device if it's easy, like "click-to-call" and simple payment options.

Being a second generation Texas Aggie, we love to tell Aggie jokes on ourselves.

Like the Aggie who left school to become a lumberjack in the north woods. The camp boss sent him out with a new chain saw and instructions to start cutting. Each day the Aggie







came back worn out and having cut only a few trees. After the third day the boss took his saw, puzzled that perhaps there was an equipment failure, and cranked up the saw. At the roar of the engine, the Aggie jumped back and hollered “What’s that noise?!”

We can have the same struggles with digital tools, trying to hand saw with a power tool, so to speak.

### **Building your digital tool box**

There are more digital opportunities every day, far more than this short space can offer. But some questions to ask yourself:

How do potential new customers find you online? Search is the glue that holds together most online transactions and if you’re not planning for search optimization of your website, your competitors are.

Are you targeting your online ads not just to the region or city or street where your customers live, but also to what they care about, where and when they’re online?

Are you using search marketing to convert those initial web contacts into immediate orders and long-term clients?

Do you have a strategy to protect your reputation online? Reputations and fortunes are won and lost in a tweet or post today. One negative review or caustic comment can over-

whelm hundreds of positives and thousands of dollars of advertising investments. There are simple ways to monitor and respond to what is being said about you online and to build your reputation.

And are you creating messages and using ads that leverage the power of the digital platforms, or just taking last year’s print ads and calling it good enough? It’s not.

### **Start with a plan**

Whatever the platform or medium you choose to tell your story, it must start with a plan.

1. What does success look like?
2. How do we measure success?
3. How do we translate success into specific actions that deliver the goods (new conversations, conversions to customers, additional sales)?
4. How does everything we do (words we say, messages we post and ads we run) move us toward success?
5. How are we keeping score and adjusting to make the most of the things that deliver results we want?

The good news is that today you can do more with less.

The bad news is that it won’t just happen—you have to plan for and constantly adapt your digital strategy as conditions and opportunities change.

Consider building or retooling a team focused on digital. There are also excellent digital companies in Alaska, from specialists in your industry to traditional agencies and media companies that can help.

It’s an absolute of marketing theory that those businesses that are aggressive in a down cycle, that work hardest to gain market share when there’s less to fight over, are the ones that grow and build value not only immediately but 10-fold over time. And getting aggressive in a down economy, like Alaska is going to face for the next few years, need not mean spending more, but it absolutely demands spending smart.

Get smart. Get digital. And get more than your fair share.

**It’s an absolute of marketing theory that those businesses that are aggressive in a down cycle, that work hardest to gain market share when there’s less to fight over, are the ones that grow and build value not only immediately but 10-fold over time.**

# Harvesting Opportunity

By Paula Bradison

Just today, a competitor suggested that BMG close our office—that during economic downturn, “smart” leaders cut budgets, and the first things to go are strategic planning, employee development and, in his words, the “kumbaya” elements of business. In short, employers don’t have the stomach for the touchy-feely.

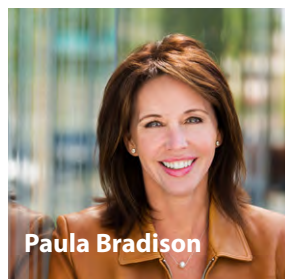
We respectfully disagree.

In many companies, there is an expectation that, in order to help a company grow, an employee must specialize across a wide variety of competencies. However, just asking your current staff to take on more specialties will not satisfy your customers or your business’s needs.

Here is an example: if you were building a house, would you have your plumber also handle the wiring? Unless your plumber also trained extensively as an electrician, you wouldn’t. Specializations take time and energy to develop and they are not readily accessible skillsets.

In economic recessions, the truth is that there will be staffing cuts and responsibilities must be delegated to those who remain. A leaner staff must work efficiently in order to ensure that the work gets done and quality is maintained. Loose ends have no place in a lean staff. Those who must shoulder the burden need to have comprehensive knowledge.

Thus, it is vital that companies make sure they are stacking their bench with a team of specialists for each area they serve.



We base our recommendation on a study by Harvard Law. The research from the study finds that collaboration between professional service firms of different specializations increases revenue and business opportunity from shared clients (Gardner, 2015).

In the case of a single company, our vision is that the highest level of competency per business sector is established. Those individuals collaborate to continue and grow business.

We have taken our own advice, and have spent the last five years stacking our own bench, so that we have specialists across a pool of industries who can help BMG and our clients grow.

This leaner staff surely means that employers will be saving money during the economic recession. Yet, for every salary saved, employers seem to be at a loss for what to do with the money they now have at their disposal. The answer is exactly what our dear competitor advised against--reinvest

those salary dollars into the employees still on the team.

Specialization does not mean that there is never room for development, or perhaps there is a particular employee who needs to fill the shoes of one specialist. In a world where only 34 percent of employees are engaged at work (Gallup, 2016), employers who simply expect employees to develop new skills will be disappointed. But, if they invest their efforts towards developing their employees and collaboration, they will likely see outcomes that speak to the future of their company.

...Just asking your current staff to take on more specialties will not satisfy your customers or your business’s needs.

In order to succeed, employees have to work together. While employers would love minimal staff that can do whole projects by themselves, collaboration between specialties earns higher margins, inspires greater client loyalty and gains a competitive edge (Gardner, 2015). It turns out the touchy-feely is necessary in order to maintain a successful business—it isn’t the fluff our competitor wishes to paint it as.

Employers take note: though a difficult road lies ahead in the wake of an on-coming recession, there is opportunity. You have the chance to reassess your definition of the word “versatile,” and apply it to the team you will have at your side to brave the storm.

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# The Opportunity of Disruption

By Rick Thomas

I do not claim to be an expert on dealing with disruption but I do lay claim to having a lot of experience with it. After all, The Chariot Group has made its home in the technology sector, an industry that is defined by continuous disruption and, as a result, is subject to ceaseless change.

The Chariot Group was founded in 1999 and, as I think about the world events since we opened its doors, I am amazed at the disruption they have caused. The .com crash, Enron, Global Crossing, 9/11, Afghanistan, Iraq and the biggest financial crisis since the great depression have all been major disrupters to this industry. Add to this, that The Chariot Group was founded and remains headquartered in Alaska, a long way from the hubs of technology, and it is easy to believe failure or disaster was inevitable. And yet, as you can tell by the “Education Insights” story in this publication, The Chariot Group is not only still in business, but was recently recognized as one of the leaders in our industry.

The fact is that disruption does not dictate an outcome. Rather, it is one’s response to disruption that dictates the result.



From disruption, I have learned:

**When everything is uncertain, anything is possible.**

Said another way, with uncertainty comes opportunity. It has been my experience that disruption and the uncertainty that results from it is one of the greatest catalyst for imaginative thinking. We are forced by circumstance to look at our business in a different way. We have to, figuratively speaking, pour all of the pieces and parts out on the floor and reimagine their purpose and fit. In this way disruption serves the purpose of forcing us to make decisions we are unwilling to make or ignore during less demanding times.

**If nothing around us is moving, the odds are we aren’t either.**

This is true for both employees and industries. Have you ever changed jobs simply because there was no opportunity for promotion? Nothing around you was moving so you had to. The same is true for business and the economy has a

whole. Movement creates gaps and those gaps are filled with opportunity.

The fact is that disruption does not dictate an outcome. Rather, it is one’s response to disruption that dictates the result.

**Innovation is required.**

In today’s business environment, you are either affecting change or being affected by change. I believe we are better off if we choose to be in the driver’s seat. There is a story from my college Economics 101 class that I have always kept close – In the early days, American railroads were a commanding force of commerce. They moved the vast majority of the goods across the country and were the powerhouses of business, Vanderbilt as an example. As trucking was being introduced to the market, the railroad companies were asked if they were going to integrate trucking to their business offering. As the story goes, they responded that they were railroad companies, not trucking companies. Hind sight is 20/20 and I think we know how the story ended. The lesson here is a lack of imagination and a failure to innovate. The railroad leadership of the day thought they were in the railroad business never realizing they were in the actually in the transportation business and that trucking was the next innovation.

**Your biggest disadvantage can be your greatest asset!**

Being far removed from the “hub of technology” provided the benefit of isolating me from the limiting thinking and paradigms of my industry peers and norms. It is true that individuals have accomplished amazing things simply because they did not know any better.

From disruption comes great opportunity.



**Rick Thomas**

# Adapt, Evolve and Prosper

By Heather Kinzie

When Darwin coined the term, “Adapt or Die,” he was referring to animals. When something in their environment changes, do they adapt to it or do they become extinct? Alaskans certainly see Darwin’s theory in action in the mighty Musk Ox, the great Polar Bear, and the highly intelligent and adaptable wolf.

Of course, Darwin’s theory can be applied to business as well. Successful businesses adapt to changes and challenges or eventually lose their ability to compete or exist entirely.

**There are four phases of business evolution. Challenges can occur in each of them.**

A requirement of any business is to adapt in such a way to positively maintain or move beyond the current phase, while steering clear of “decline.” Moving out of one phase into another is totally dependent upon the organization’s ability or inability to adapt and innovate.

As a long time Human Resources and Organizational Development professional, my experience has been with gathering, analyzing and providing counsel to mitigate the problems changes create and capitalize on the opportunities they provide. I often engage leadership and work teams by asking a simple question that encourages them to develop an “adaptation” mindset.

For example, a client was experiencing growing pains. While leadership was thrilled there was a high demand for its products and services, the company couldn’t easily keep up with it. Not only did it experience quality and backload issues, which created a marketing and reputation problem, it also found itself with big workforce challenges. Current employees worked large amounts of overtime and pressures to be more productive were unreasonably high. Skill development only occurred “just in time” and often felt like “trial by fire.” Workforce problems aggravate operational diffi-

culties, which in turn create more workforce problems. The vicious cycle was moving the company quickly into the decline phase.

I asked: **“How can Leadership respond (adapt) to the supply/demand issue in such a way as to maintain the organization’s current position or move it forward in a positive way?”**

The discussion began and adaptation followed. Leadership methodically slowed down the process, giving customers a more reasonable time frame to expect products and services. This meant a decrease in immediate cash flow, so they developed a creative

incentive program to maintain a small but consistent revenue stream.

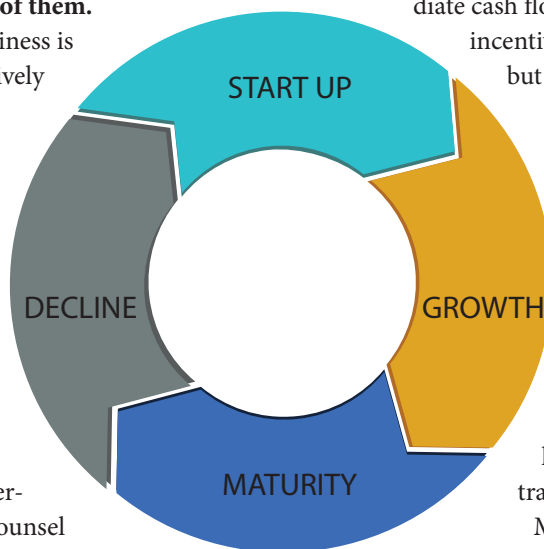
Leadership hired new, albeit unskilled staff and executed a rigorous job shadow and training program. They temporarily outsourced tedious or arduous administrative tasks to free up in-house resources who could create policies and procedures in a short time. These documents helped to ensure consistency in training, quality and service.

Mindful and realistic production of services helped employees maintain a positive work/life balance. Meanwhile, it also developed trust and respect for leadership because the workforce felt “cared for.” This built loyalty, engagement and ownership, which was all leadership needed to turn the production cycles back up.

**Adaptation saved this company from decline.**

Another client was struggling, as many of us are, with Alaska’s unstable economy. A previously mature and healthy organization, it found itself with serious revenue problems, bulbous and dangerous levels of credit debt and incredible workforce pressures. Leadership came to me asking for help in preparing them for the painful administration of layoffs.

Instead, I asked: **“How can Leadership respond (adapt) to this issue in such a way as to maintain the**







**organization's current position or move it forward in a positive way?"**

It was not easy but a good discussion ensued. The decline phase invites fear and adaptation (change) also invites fear. Fear rarely makes conversations easy!)

Instead of the knee-jerk reaction of culling the most expensive labor from their teams, they put these tenured employees to work in other ways that added value or revenue. Some filled gaps elsewhere in the organization and simultaneously trained and mentored newer (and lower paid) staff. This not only ensured inexpensive and effective succession and development of the newer workforce, but it also allowed the tenured workforce to reengage their minds and spirits while adding value. In some cases, it was the legacy these long-term employees were searching for and they then positively engaged with the organization regarding phased retirement (as opposed to the more difficult conversation of forced retirement). Some tenured staff were assigned to technical and expert project teams and then "leased out" to other companies in the industry, which proved to be an interesting new source of revenue.

Instead of employing a "quit spending" attitude, leadership identified ways to "spend a little, save a lot." For example, process improvement events aimed to decrease waste, redundancies and cycle times while increasing quality and service were executed. Naturally, resources were expended for these events but within nine months, the organization broke even and/or surpassed its investment.

Collaborative technology purchases were made, which immediately decreased travel expenses and lost work time. In addition, the installation of collabora-

tive technology allowed quite a bit of the workforce to begin working remotely (some full time and some part time), which resulted in heightened morale and increased productivity. In addition, the organization consolidated its space and was able to rid itself of expensive real estate.

Previous funds earmarked for professional development were redistributed to creative learning and improvement activities to empower the workforce, to do more with less and work smarter. This organic approach to improvement had a terrific and totally unexpected result. Employees began to own the problem and put incredible effort into solving it. Not only did they identify ways to work more efficiently but they also identified different revenue streams, products and services to add to the organization's current offerings. These add-ons added little expense but helped immensely to maintain the current customer base.

**Adaptation helped this client move out of a decline and, in many ways, back into the startup phase.**

In summary, I'd like to remind you that Alaska is truly awesome, awe-inspiring and formidable. Our wildlife has proven to be hardy and adaptable. Our vegetation and flora has modified and acclimated in order to survive. We, too, can adjust to the changes around us. In doing so, we will not only get through it but come out stronger and more prepared for success.

**Heather Kinzie**





*Rick and Denise Thomas  
Co-owners of The Chariot Group*

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