Instigating the Permanent Change of Business Models
Frank Wippermann

Abstract

Usually, business models are the result of a fully completed change process cycle to summarize the functioning and the orientation of an organization. If those business models themselves are changed within complex situations, you will have to consider that planned, systematic, and well mapped-out actions are inappropriate. Concerning the innovations of business models, iterative solutions should be taken into account instead. By means of such iterative solutions in conjunction with structured and flexible actions, the business model will be recharged. The ‘turn map’ offers such a procedure model by (a) alternating in a structured way between opening and closing phases („ambidexterity“) and where (b) the change process does not obey a predictable course of a phase, but will be defined only by an analysis of the present situation in an iterative manner („validated learning“).

Key words: Ambidexterity, change management, complexity, innovation of business models, iterative approach, productive disquiet, turn map

INTRODUCTION: BUSINESS MODELS AS THE COAGULATED IMAGE OF AN ORGANISATION’S GOAL

The different images of an organization, as described by Gareth Morgan [1986], can be summarized by three large purpose clusters [Kühl, 2011]:

- Organization as a „machine“ or as a „brain“ depicts the formal side representing the structures, the programs and burden of proof;
- Organization as a „political system“ or as an „organism“ portrays the informal side with the main focus on the expectations, on the violations of the rules, and on games;
- organization as „culture“ or as an „instrument of power“ represents the show side determined by internal as well as external confessions and by the mitigation of demands.

Business models “as a unit of analysis” [Amit/Zott, 2001, p. 511] serve each of these three sides: They offer structures, define expectations and express confessions. They ensure finite statements regarding a large number of subjects. The most common subjects are components (a) customers, (b) resources, (c) suppliers and (d) value propositions [Shafer et al., 2005; Johnson et al., 2008, p. 5]. By means of a business model, a certain ‘order’ will be generated concerning those or other subjects, using the very wide-spread definition of a business model by Osterwalder as „a rationale of how an organization creates, delivers and captures value“ [2009; for other definitions see: Baden-Fuller/Morgan, 2010, p. 158] - and the definition of a „rationale“ as „a set of reasons or a logical basis for a course of action“ [Oxford dictionaries] - as a basis. By such a kind of order, an organization will communicate safety and reliability both internally and externally. The management „as the planning authority of the organization, as the instrument of continuity, productivity, increase of value and stability“ [Osmetz et al., 2014] is the driving force to create this kind of order.

A structured, well-arranged and fixed business model is therefore the consequence of a series of changes in the form of a coagulated certainty due to an actually occurred process of change. At the same time, it is also a reliable compass for future business activities [Teece, 2010]. Thus, a business model has the potential to stabilize [Lippitt et al., 1958], to institutionalize [Becker/Langosch, 1995] or to

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consolidate [Kotter, 1996]. In the logic of change by Kurt Lewin, the forefather of the change management, a business model stands for the possible conclusion of the „refreezing” [1947]. At first the need and the theory of ‘business modelling in complexity’ is described during the following paragraphs. In chapter III, the turn map will be introduced as a suitable framework for business model innovation in complex situations. The abductive research approach the turn map has been developed with is subject of Chapter IV. The final chapter encloses a case study for BMI with the turn map.

**Business Models in Troubled Times**

Up to now, there has been no proof, if the world has really become more complex – However, we perceive our world to be more complex. That is, at least, the result of several studies, e.g. the IBM study „Capitalising on Complexity” [2010]. The causes for this result are numerous: The increasing globalization, the accelerating speed of innovation, volatile customer expectations, and improved systems of reporting and controlling are some real manifestations which can explain the fact that we perceive our world to be more complex. Complexity is understood here as the attribute of a system with a plenty of different elements in dynamic interactions which leads to unexpected events. On a more abstract level, James March described five driving forces of complexity: „the unanticipated consequences of ordinary action, solution-driven problems, the tendency for innovation and organization to be transformed during the process of innovation, the endogenous nature of created environments, and the interaction among the system requirements of individuals, organizations, and environment.” [1981, p. 565]

If such an aforementioned business model now represents a coagulated certainty with the function to stabilize and to show the direction, how can this business model be changed under the pressure of complexity without giving up its original functions?

By answering this question, it is not intended to find a theoretical basis for business models [Teece, 2010] or to acknowledge the criticism of existing tools and templates of the business modelling.

The intention should rather be to suggest a certain course of action through which the innovation of a business models can be controlled in such a way as to simultaneously ensure the necessary change and stabilization processes as well. With Euchner and Ganguly this way of proceeding can be understood as „targeted experiments with customers and partners before incubating the business in the market” [2014]. Neither the innovation initiated by a business model nor the innovation of the business model approach, but the course of action during the innovation of an existing and real business model is the subject of this work [Chesbrough, 2010].

The relevance of such management innovations and their impact on production or process innovations, and thus the significance of the business model innovation are sufficiently described by the relevant literature [Damanpour, 2014]. The actual course of action regarding such management innovations, has, however, hardly been described; there are merely differentiations between simple and complex situations. Those can roughly be summarized by the following hypothesis: If organizations have to deal with simple situations, planned, systematic and target-oriented solutions will be appropriate. In case of complex situations, however, such solutions will be completely inadequate [Gersick, 1991; Cummings/Worley, 2001; Mintzberg/Westley, 2001; Snowden/Boone, 2007; Ungericht/Wiesner, 2011; Malhotra/Hinings, 2015]. This assumption is based on „Ashby’s Law” concerning the variety, a unit of measurement for the complexity of a system and able to describe its possible effects, actions and ways of communication: „The larger the variety of actions available to a control system, the larger the variety of perturbations it is able to compensate.” [Heylighen, 1992, p. 7] Regarding business model innovation in complex situations, however, Ashby’s Law does not consequently mean to reduce complexity, but to increase it [Beyes, 2002, p. 35]. The ethical imperative of Heinz von Foerster "Act always so as to increase the number of choices" [1973, p. 15] steers in the same direction.

Therefore, complex situations do not demand a calm and reliable order realized by means of fixed plans and models. Instead, such ways of proceeding will be needed to increase the variety without totally jeopardizing an order. Complex situations do not require a „planned change”, but a „guided change”
[Buono/Kerber, 2009] generating a disquiet by means of the increasing numbers of actions, however, without causing an unproductive chaos.

<table>
<thead>
<tr>
<th>iterative-agile-emergent way of proceeding</th>
<th>unproductive disquiet (chaotic change)</th>
<th>productive disquiet (guided change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• less direct, rather seeking and circumscribing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• more surprising concerning the course of action and the result</td>
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<table>
<thead>
<tr>
<th>classic-planned-predictable way of proceeding</th>
<th>productive quiet (planned change)</th>
<th>unproductive quiet (sedated change)</th>
</tr>
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<tr>
<td>• clearly recognizable and finally existing facts</td>
<td></td>
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<td>• defined roles with</td>
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<table>
<thead>
<tr>
<th>Simple situations</th>
<th>Complex situations</th>
</tr>
</thead>
<tbody>
<tr>
<td>• obvious connections between cause and effect</td>
<td>• variety of effects</td>
</tr>
<tr>
<td>• repeating patterns planned and controlled decisions</td>
<td>• mutual interactions only poorly structured decisions</td>
</tr>
</tbody>
</table>

*Fig. 1: Careful and circumspect ways of proceeding within change situations*

This 'productive disquiet' is the exact opposite of the productive quiet which will then be the adequate way of proceeding, if instruments and procedures of the classic project management, for example, are used in simple situations – with their 'planned change' consisting of detailed analyses, smartly defined goals and targets, Gantt charts and milestones to stick to.

The following table shows the different qualities of organization, leadership, control, rules, and goals both during the productive quiet and concerning the productive disquiet.

There are numerous detailed descriptions and empirical values concerning the use of business models in general situations [Sinfield et al., 2012; Gassmann et al., 2013; Csik, 2014; Girotra/Netessine, 2014]. However, there is only some information on the challenges and approaches of shaping business models innovation especially in dynamic situations and the “need to have the flexibility to change” [Johnson et al., 2008, p. 57; see also: Maurya, 2012]. The turn map should fill this gap as.
<table>
<thead>
<tr>
<th>Situation</th>
<th>Productive quiet</th>
<th>Productive disquiet</th>
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</table>
| Organization              | Organization as a „machine”: mechanical communication, predictable behavior (otherwise, clearly defined sanctions!), the organization mainly functions „by itself”: internal aspects (procedures, financial matters, etc.) predominate both in quality and in quantity. | The organization as a „network”: communication with currently relevant „knots“, cross-communication, independent
|                           | The organizational culture is considered as a „non-transparent and obscure thing“ (7/8 are under the surface: suspicious, non-transparent, full of evil surprises, mysterious, | The organizational culture is considered as the „motor of change“ (7/8 that carry and mainly define the upper eighth).
| Leadership                | Leadership by exerting influence and by „leading from the front“. | Leadership as „facilitating“: to deliver the framework.
|                           | Leadership means to act in a directing way: to predict, to plan, to organize, to order, to coordinate, and | Leadership means to act in a facilitating way: to create an environment in which others can
|                           | Communication as consultation            | Communication as dialogue                   |
| Control                   | The use of many detailed control instruments in a clearly predetermined order. | The use of some general radar systems – detailed planning „only if necessary“.
|                           | Centrally ordered control and analytical instruments that can be used for all purposes. | Decently required, individually appropriate control and analytical instruments.
| Rules                     | Framework: clear and fixed rules, clearly defined responsibilities. | Framework: interpretable principles and roles adaptable to the respective situation.
|                           | Many rules which should be simple, generally valid and precise (and, therefore, will always fail in practice). | A few principles which have to be, can be, and should be interpreted in practice.
| Goals                     | Goal orientation: to achieve the goal set in advance. | Means orientation: to achieve a reasonable and satisfying goal with the means and measures at hand.
|                           | The reality has to adapt to the fixed goal. | The goal has to adapt to the reality.
|                           | A „Best Practice“ as a role model for the way of proceeding of others. | A „Good Practice“ as an idea / encouragement for others and for their specific answer.

Fig. 2: Productive quiet or productive disquiet
The 'Turn Map' as a Framework for Shaping Business Models in Complex Situations

The turn map is an instrument to analyze, evaluate, and to control change situations. It is not a standardizing, programmatic action pattern or even a directly applicable 'tool', but an instrument to shape the innovation of business models (and of other plans and projects of change) within complex contexts and situations in order to be able to put together in a constant and structured way the different types of experience with one and the same business model in an organization to images which will appear to be plausible [Bonazzi, 2008, p. 13].

The turn map consists of five starting points with which the different kinds of ambivalence, paradox, and dilemma appearing in case of a complex business model innovation, will be recognized and, thus, can be dealt with: (1) dimensions, (2) interactive subjects, (3) phases of contingency, (4) phases of decision, and (5) iterative processes.

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Power: Uncertainty ↔ Breach of the rules; Knowledge: Know-What ↔ Know Why</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interactive subjects</td>
<td>Request, interest, standards, resources, values</td>
</tr>
<tr>
<td>Phases of contingency</td>
<td>To eliminate uncertainty – to reach acceptance – to generate effectiveness – to establish routines</td>
</tr>
<tr>
<td>Phases of decision</td>
<td>To differentiate → to measure → to plan → to realize → to control</td>
</tr>
<tr>
<td>Iterative processes</td>
<td>Deviation from the rules, incremental way of proceeding, turns</td>
</tr>
</tbody>
</table>

Fig. 3: Overview of the five starting points of the turn map

Starting point 1: Dimensions

Plans of change require two basic ingredients to be able to initiate, distribute, implement and install them: Power and knowledge [Foucault, 1992, p 13; see: Wippermann, 2015]. Within this context, power does not mean a well-structured (hierarchical) power, but any relations that will be renegotiated in situations. Regarding those negotiations, the following aspects are decisive: (a) the control of the uncertainty of others within unsettled social situations, and (b) the competence to break the rules oneself to efficiently judge the violations against the rules committed by others [Ortmann, 2003]. And knowledge, in this case, does not mean the sum of all insights and results, but each process initiating a change process for the recognizing subject. Concerning this change process, the following factors will be crucial: (a) accepting the information given both by individuals and through the respective social system as the truth, and (b) the statement of reasons and the evaluation of such 'true' information regarding value, ethical and aesthetic criteria [Zeleny, 1987].

By means of these two, above-defined dimensions of 'power' and 'knowledge', the turn map will open the perception, discussion and handling of decentralized games of power, of unsettled focal points, of ambiguous feasibilities and of controversial statements of reason. Those subjects can be better explained by means of the power- knowledge dimensions: Who is leading in which situation? Which topic is to be on top of the agenda? Or which procedure is considered to be 'right'? – Therefore, those questions will become the center of interest as the motivating force to develop business model innovation.

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Starting point 2: Interactive subjects

Regarding nearly all kinds of business model templates and even concerning all current consultancy procedures, there is a lack of distinction (a) between individual and collective values being the cause for change, (b) between individual and collective interests in the effects and impacts caused by change, and (c) between individual and collective resources to realize the change. This distinction is important to analyze the 'push' and 'pull' triggers of a business model with regard to change at first in a separate way and subsequently during their respective interactions.

<table>
<thead>
<tr>
<th>Values</th>
<th>Individual</th>
<th>collective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expression of basic and individual ideas of preference</td>
<td>Generally accepted principles and rules of behavior</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>Orientation of the intentions and the actions of an individual towards a certain goal</td>
<td>A generalizable goal for a group</td>
</tr>
<tr>
<td>Resources</td>
<td>Individual knowledge, competence, and intentions</td>
<td>Generally usable goods (like raw material, usufructuary rights, financial means)</td>
</tr>
</tbody>
</table>

Fig. 4: Interactive subjects

By means of those six interactive subjects [Wilbers, 2004], both the strategy and the structure (goals, aims, and resources), and the culture (preferences, behavior) will be discussed. During the discussion on the innovation of a business model, this program can ensure that all subjects and topics will be mentioned again and again and also intensified, if necessary. In this connection approaches like Blue Ocean Strategy [Kim/Mauborgne, 1999], Strategic Foresight [Krystek/Müller-Stewens, 2006; Marcus, 2009; Kundt, 2014] or Dynamic Capabilities [Schreyögg/Kliesch-Eberl, 2008; Teece, 2011] serve as a source as well as a checklist to create or to complete new relevant contents of those interactive subjects.

Starting point 3: Phases of contingency

The four phases of contingency are the center and the driving force of the turn map. They are the result of the two characteristics of acceptability 'power' and 'knowledge': to diminish lacks of clarity, reach acceptance, generate effectiveness and set up routines. The order of the subjects and contents during the change management in complex situations is not fixed, but evolves in the course of the change process (iteration); i.e.: The contents of the phases will have to be defined according to the respective change situation - and even the number of phases may vary. During a change of a business model accompanied by flow consulting, for example, the attempt was made to reach acceptance in the first phase, because the orientation of the intended change had already been determined (by external conditions). Since the change process had to be carried out under considerable time pressure, routines were set up after the acceptance phase to get used to the new structures and to achieve an accelerated standardization. In the course of the change process, some measures proved themselves to be unclear, controversial or wrong with the consequence of necessary optimizations. Only after having effected those required optimizations, the lack of clarity and all uncertainties regarding individual cases of doubt could be diminished. This process, however, caused a new struggle for acceptance, and so on. This sequence was due to the complex internal and external conditions of the organization.
In case of simple conditions of change, the order of the four phases of contingency will be a „normal and usual“ one, because, considering the above-mentioned, rational generalizations and consequently a „planned change“ in productive quiet may be possible: After having diminished (not completely eliminated) the lack of clarity and all uncertainties by means of a communicated plan containing both strategic aims and structural conditions, it is necessary to ensure that the new business model will be accepted by customers, employees and by all other stakeholders in order to win as many supporters as possible and to overcome any possible resistance regarding the intended change. On achieving this goal, the effectiveness of the realized measures will constantly be evaluated and improved (CIP) to finally establish the diffused new structures as a routine in the shape of a new business model.

By means of these two examples – of complex and of simple change processes – it becomes evident, why a procedure according to the productive quiet with the universal pattern of a fixed course of phases will usually fail in case of complex change situations. It would be pure coincidence, if such a one-size-fits-all procedure were appropriate for such a situation [Kohnke/Wieser, 2012]. Rationally comprehensible generalizations based on experience gained through former positive or negative results within complex change processes are, therefore, not very convincing as, with increasing complexity, they can only be transferred in a limited way to other situations. Experience in the sense of „competence of the right instinct“ [Böhle, 2009], however, will remain unaffected, since it is not subject to the common methods of rationalization.

**Starting point 4: Phases of decision**

Each change management process requires contingency-reducing tools to ensure the ability to act and to decide: „If the change becomes too stable, it will be difficult for each individual to realize what is happening and to predict what will happen, unless they are able to freeze, to take out and to reintegrate those sections of the flow.“ [Weick, 1995, p. 172]

Therefore, a defined sequence of decision subjects will be realized during each phase of contingency. However, which system will be applied within the turn map is not decisive. Depending on the respective organization, it will be possible to apply the RADAR logic [EFQM, 2010], the five phases of „DMAIC“ of Six Sigma [Lunau, 2007] or another system known and accepted by the organization. The most important aspect is to create a preliminary order by means of a multistage sequence of „to focus/to differentiate → to measure/to analyze → to plan/to realize → to regulate/to control“ and, thus, to
ensure a preliminary working safety with a connection to the main part of the available working routines even within complex change processes. In such a case, the instruments and tools applied by expert consultants may also be used, i.e., process management tools, value chain analysis and stakeholder analysis.

The phases of decision in connection with the phases of contingency are to be understood as an ambidextrous approach: The opening moment of the contingency phase will be kept in check by the closing moment of the decision phase and vice versa. Only by means of the combination of centrifugal and centripetal forces, the intended goals and aims can be achieved without committing excessive resp. contained failures [Sheremata, 2000, p. 404].

**Starting point 5: Iterative processes**

Even precisely planned changes cannot completely be controlled due to the natural imprecision of each control process [Ortmann, 2003]. Complex changes will, therefore, require (and simple changes will suffer) differentiating – both appropriate and inappropriate, planned and unplanned – actions, since they will have to be interpreted by their agents. Thus, changing structures are both the (creative) arena, in which socially motivated actions will take place, and the (integrating) result of those socially motivated actions. They are, at the same time, the medium and the result of socially motivated actions [Giddens, 1979]. On the one hand, the agents will refer to this existing structure during the change process, but, on the other hand, they produce or reproduce and eventually change it continuously by their reference to it. Each change consists, therefore, of a sequence of turns representing both the medium of the change, by taking into account the respective order of the turns, and the result of the same change due to the tendencies produced.

<table>
<thead>
<tr>
<th>Productive quiet</th>
<th>Productive disquiet</th>
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<tbody>
<tr>
<td><strong>Waterfall approach</strong></td>
<td><strong>Iterative approach</strong></td>
</tr>
<tr>
<td><img src="image1.png" alt="Diagram" /></td>
<td><img src="image2.png" alt="Diagram" /></td>
</tr>
<tr>
<td>BM understanding</td>
<td>BM as an established roadmap</td>
</tr>
<tr>
<td>Project Management</td>
<td>PMBOK Guide</td>
</tr>
<tr>
<td>Problem solving</td>
<td>Recursion / General Problem Solver (GPS)</td>
</tr>
<tr>
<td>Decision</td>
<td>Causal logic</td>
</tr>
<tr>
<td>Planning</td>
<td>Stage-Gate-Approach</td>
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</tbody>
</table>

*Fig. 6: Waterfall vs. iterative approach – examples for typical principles*
The resulting gradual - incremental - way of proceeding will become iterative in complex situations, because some subjects or topics will be treated several times in an unpredictable order. The phases of contingency will then not be a subsequent and well-arranged sequence of events according to the waterfall approach, but they will be completed in a disorderly way in which the next contingency subject will only become obvious while working on the current one. Many aspects will have to be considered regarding the iterative way of proceeding, due to the dimensions, on the one hand, and by the interactive subjects, on the other hand. The iterative way of proceeding, however, is neither random nor chaotic: The procedure is safe due to the clearly structured sequences created within the phases of decision, on the one hand, and, on the other hand, by the commonly made and supported definition, which phase of contingency should be treated next [Ries, 2012; Mezger/Bader, 2014, p. 250]. Of course, this definition is not externally formalized and prejudiced, but it is a an internally made decision at the end of an intense discussion: „An iterative process of initial interpretation and design, implementation and improvisation, learning from change-effort, and then sharing that learning systemwide, leading to ongoing re-interpretation and redesign of the change as needed.“ [Buono/Kerber, 2009]  

**EMERGENCE OF THE TURN MAP: PROCEEDINGS AND METHODS**

The term map is not the result of case study research operated by inductive reasoning. Rather, the starting point of the development of the turn map is a “theory by bricolage” [Rogers, 2012] as described in the preceding chapter. By abductive reasoning the turn map is developed as an idea with the quality of a “woven web of guesses” [Xenophanes]. The basic distinctions between induction and abduction as logic processes and their application to this study are shown here.

<table>
<thead>
<tr>
<th>Induction</th>
<th>Abduction</th>
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<tbody>
<tr>
<td><strong>general logic</strong></td>
<td><strong>Application</strong></td>
</tr>
<tr>
<td>Case</td>
<td>case studies</td>
</tr>
<tr>
<td>Result</td>
<td>Theory</td>
</tr>
<tr>
<td>Rule</td>
<td>turn map</td>
</tr>
</tbody>
</table>

*Fig. 7: Inductive vs. abductive reasoning*

Because “abduction merely suggests that something may be” [Peirce, 1931, 5.171], the emergence of the turn map obeyed and obeys a “logic of discovery” [Hanson, 1958; see: Douven, 2011] instead of a inductive “logic of evidence” [Yin, 2014] which is typical for case study research. The turn map approach attempts to prove its fitting to practice in everyday use and is therefore subjected to an iterative process as well. The creative potential of the applied abductive reasoning as a heuristic approach [Magnani, 2015] was shown in theory [Tversky/Kahneman, 1974; Gottschalk-Mazouz, 2003; Seidel, 2010] as well as in practice [Eisenhardt, 1989; Wippermann, 2008; Gigerenzer, 2013; Artinger, 2015; Grandori, 2015]. With this discussed scientific theoretical approach, cases as the following are not sources of the turn map but their falsification opportunities as an entry for a “positive heuristic” according to a “sophisticated falsification program” [Lakatos, 1970, p. 122].

**CHANGE-AS-PRACTICE FOR BUSINESS MODEL INNOVATION**

The turn map is a creative tool to realize a business model innovation in a well-planned and flexible way. The interaction between the phases of contingency and the phases of decision within the dimensions of power and knowledge - taking into account subjects like resources, values, and interests - represents an ambidextrous process coordinating centrifugal and centripetal forces which interlock in a structured way [Sheremata, 2000; Uhl-Bien/Marion, 2009].

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Case study “S’n’S turns its attention to end consumers”

Shirts&Shoes – called “S’n’S” – is a global producer of clothing and shoes distributing their goods in each market by several wholesalers with their stores. In the past these wholesalers were equipped with the product (clothing and shoes) and with promotion support (in-store advertising, giveaways etc.) for their own use in the stores – combined with fitting purchase conditions (discounts, ordered quantity, payment modalities etc.). To realize the new S’n’S strategy of doubling the market share in the matured European market within five years, neither price discounts nor product innovation were worthy of consideration – due to low margin resp. fashion articles. As one pathway S’n’S decided to support wholesalers improving their performance at the point of sale. The traditional sell-in view (S’n’S towards wholesaler) was completed by a sell-out view (wholesaler together with S’n’S towards end consumers). Therefore a new S’n’S marketing department was asked to create helpful tools supporting the store staff in consumer-oriented consulting at the point of sale. As one of many results of several studies a tool was launched for a better dealing with different consumers’ behavior. A roadmap which described the use and implementation of this tool became part of the S’n’S package delivered to the wholesalers including the “voluntary obligation” of using.

Even the tool worked well, dissatisfaction at S’n’S as well as at the wholesalers increased week by week mainly due to a growing lack of clarity concerning (a) the internal roles (accountabilities and jobs of sales vs. marketing) and (b) the inter-organizational relationship (who’s steering the “way of sales”?) [Blattberg/Neslin, 1990].

With this experience S’n’S decided not to tackle the next step with the used waterfall approach but make use of an iterative approach. An observation of concrete end consumers’ behavior was initiated as a common task of S’n’S and some chosen wholesalers to get sound information of these inconspicuous but important “things that happen” at the point of sale: How long does the shopping takes? Who’s deciding in the end (to buy, to stay, to leave, …)? What are the roles and the behavior of the seller? etc. These first two steps in the figure below (printed in italics) were planned – all other steps emerged during the innovation of the business model … an ongoing process.

![Diagram](image.png)

Fig. 8: Innovate S’n’S Business Model by turn map (here: merely phases of contingency)
Today the innovated business model is applied with the majority of the wholesalers. Even measures, which are atypical in this fashion business, have been introduced after several iterative loops within the turn map. For example, sell-in price reduction depends for the wholesalers on the average quality level of their stores.

Following Amit and Zott [2001] the content (added information), the structure (exchange and common activities) and the governance (common control) of the S’n’S transactions have been changed towards a more open relationship management. With the shift from a product driven “waterfall” project management to a sales driven “iterative” relationship management all four main dimensions of a BM framework [Al-Debei/Avison, 2010] have been touched little by little: (a) proposition (shared information), (b) architecture (internal cooperation of marketing and sales), (c) network (cross-company collaboration with wholesalers) and (d) finance (pricing method). The required game-changing nature of a business model to the industry or market [Johnson et al., 2008, p. 57] exists. But for S’n’S, not this outwardly visible renewed relationship with its customers was the most important change (the innovation by the BM). Even more relevant was the internally changed culture towards accepting experiments, withstanding uncertainty, handling failures and esteeming validated learning with the help of the turn map (the innovation of the BM approach).

CONCLUSION

The turn map is an approach of proceeding to ensure that the innovation of business models will not be carried out in a disruptive way, but will be developed iteratively by involving many stakeholders and by showing the adequate awareness required within complex situation [Johnson, 2008]. The turn map is one opportunity to advance a business model innovation in complex situations [Wirtz/Thomas, 2014]. It will meet the requirements of iteration as stated by Sinfield et al. [2012] or by Euchner/Ganguly, for example, concerning business models: „Although any innovation process is inherently iterative, there is a sequence to the analyses and experiments that lead to effective new business models.“ [2014, p. 34]

The turn map is an abductive approach to shape the agility of business model innovation, as also exactly suggested by John Kotter: „Creation and implementation will start to blur, and in the agile organizations we looked at, strategy is already being viewed as a dynamic force, not one directed by a strategic planning department and put into a yearly planning cycle. I think of that force as an ongoing process of searching, doing, learning and modifying.“ [2014, p. 49]

Many practical application examples of the turn map exist regarding business model innovation for car industry suppliers, trading companies, public associations, and for IT service enterprises.

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