

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## Models of Opportunity

Entrepreneurship is changing. Technology and social networks create a smaller world, but widen the opportunity horizon. Today's entrepreneurs build organizations and create value in entirely new ways and with entirely new tools. Rather than just exploit new ideas, innovative entrepreneurs design organizations to make sense of unlikely opportunities. The time has come to overhaul what we know about entrepreneurship and business models. *Models of Opportunity* links scholarly research on business models and organizational design to the reality of building entrepreneurial firms. It provides actionable advice based on a deeper understanding of how business models function and change. The six insights that form the core of the book extend corporate strategy and entrepreneurship in a completely new direction. Case studies of innovative companies across industries demonstrate how visionary entrepreneurs achieve unexpected results. The insights, tools, and cases provide a fresh perspective on emerging trends in entrepreneurship, organizational change, and high-growth firms.

GERARD GEORGE is Professor and Deputy Head of Innovation and Entrepreneurship at Imperial College London, where he also serves as Director of the Rajiv Gandhi Centre facilitating its strategic commitments in India for joint research, technology commercialization, and educational programs. He is Professorial Fellow of the UK's Economic and Social Research Council and Associate Editor of the *Academy of Management Journal*. Previously, he was a tenured professor at London Business School and at the University of Wisconsin-Madison. He serves on the boards of several high-technology companies and is actively engaged in guiding numerous start-ups and large companies on innovation, venturing, and entrepreneurship.

ADAM J. BOCK is Lecturer in Entrepreneurship at the University of Edinburgh Business School. He has published research in *Entrepreneurship Theory and Practice* and *Journal of Management Studies*. He is also the co-author of *Entrepreneurship in the Research Context* (2009), a web-based e-learning course for nascent scientist entrepreneurs. Adam is an experienced entrepreneur and venture financier. He co-founded three medical device companies and managed three angel investor networks in the United States, facilitating more than \$10 million of investment into start-up companies.

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve  
the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

---

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

# Models of Opportunity

How entrepreneurs design firms  
to achieve the unexpected

GERARD GEORGE

AND

ADAM J. BOCK



CAMBRIDGE  
UNIVERSITY PRESS

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

CAMBRIDGE UNIVERSITY PRESS

Cambridge, New York, Melbourne, Madrid, Cape Town,  
Singapore, São Paulo, Delhi, Tokyo, Mexico City

Cambridge University Press

The Edinburgh Building, Cambridge CB2 8RU, UK

Published in the United States of America by

Cambridge University Press, New York

[www.cambridge.org](http://www.cambridge.org)

Information on this title: [www.cambridge.org/9780521170840](http://www.cambridge.org/9780521170840)

© Gerard George and Adam J. Bock 2012

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2012

Printed in the United Kingdom at the University Press, Cambridge

*A catalog record for this publication is available from the British Library*

*Library of Congress Cataloguing in Publication data*

George, Gerard.

Models of opportunity : how entrepreneurs design firms to achieve the unexpected / Gerard George, Adam J. Bock.

pages cm

Includes bibliographical references and index.

ISBN 978-0-521-76507-7

1. Entrepreneurship. 2. Organizational change. 3. Technological innovations. I. Bock, Adam J. II. Title.

HB615.G465 2012

658.4'21-dc23

201104865

ISBN 978-0-521-76507-7 Hardback

ISBN 978-0-521-17084-0 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet websites referred to in this publication, and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

---

*To Hema, Vivian, and Maegan, who inspire me to achieve the unexpected.*

GG

*To my own little hopeful monsters, Taran Lee and*

*Kenna Rose.*

AJB

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

---

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## Contents

List of figures	<i>page</i> viii
List of tables	ix
List of boxes	x
Acknowledgments	xi
Six insights to achieve the unexpected	1
1 Rethink organization design	23
2 Appreciate imperfect opportunities	67
3 Remodel for coherence	126
4 Build bridges	176
5 Inspire the narrative	220
6 Embrace the unexpected opportunity	260
Hindsight	288
Index	302

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## Figures

	Condor high-throughput computing pools	<i>page</i> 6
1.1	Good email, bad email at Return Path	25
1.2	The language of business models in practice	35
1.3	Business model subcategory elements	36
1.4	Confederate B120 Wraith	38
2.1	Entrepreneurial realizations of opportunity shards	83
2.2	Southwest's perfectly aligned activity set	86
2.3	Multilevel goals at Confederate Motorcycles	96
2.4	Change in Confederate logo	99
3.1	The evolution of Matt Golden's energy impact narrative	147
3.2	Elements and interactions in CDI's business model	157
3.3	Less than perfect system at CDI	158
3.4	Elements and interactions in the new business model at CDI	162
3.5	The new business model at CDI	162
3.6	Acquisitions by Cisco (arranged by size \$m)	172
4.1	Outperformers focus on business model innovation	198
4.2	Business model innovators outperform cohorts	198
4.3	The drivers of strategic flexibility during business model innovation	203
5.1	Confederate Motorcycle models	221
5.2	Storytelling loops	236
6.1	The SEED School of Washington, DC (top) being visited by President Obama (above)	272



Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## Tables

1.1	Thematic summary of business model research	<i>page 29</i>
1.2	Fifty most frequent words describing “business model”	34
1.3	Response, word occurrence, and word frequency by themes	35
1.4	Three stages in achieving unexpected outcomes	55
2.1	Perfect imperfection	74
2.2	When perceiving opportunities as spheres or shards is most valuable	81
2.3	How entrepreneurial firms live with constraints	101
2.4	Reducing frustration at entrepreneurial firms	113
3.1	How Airtel rewrote the narrative of mobile phone service in India	131
3.2	Rational vs. narrative perspectives	136
3.3	Why complexity analysis fails for entrepreneurship	165
4.1	Components and determinants of one-way filters	185
4.2	What drives business model innovation at large firms?	199
4.3	Crossroads, bridges, and skyhooks	211

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## Boxes

- |     |  |                |
|-----|--|----------------|
| 1.1 | A discourse analysis of business models<br>in practice             | <i>page 33</i> |
| 5.1 | Co-creating narrative: How 150 authors co-wrote<br>Return Path 4.0 | 240            |

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## Acknowledgments

Few books write themselves. This book represented more work, but also more discovery and excitement than we ever anticipated. It also required participation and support from many dedicated, smart, and busy people.

To start, we thank Professor Massimo Warglien of the Università Ca'Foscari di Venezia (Venice). His thoughts and ideas helped us develop and elaborate the central themes of the book. He wrote the software code for the coherence simulation that anchors Chapter 3, and was inspirational in directing us to better understand the importance of organizational narratives.

We also thank Paula Parish and her team at Cambridge University Press, who patiently waited, and waited, and waited. Their assistance in coordinating, delivering, and marketing this book has proved invaluable.

The illustrations at each chapter header, which helped us visualize the book's core narrative, are the work of Anirudha Venkata Surabhi. We gratefully acknowledge and thank his creative inspiration.

The financial support of the UK's Economic and Social Research Council (ESRC) through Gerry's Professorial Fellowship (RES-051-27-0321) and the Advanced Institute of Management Innovation Fellowship (RES-331-27-0011) was instrumental in allowing him to dedicate time, effort and resources to this project.

We are indebted to the founders, executives, managers, and line staffers at all of the firms that participated in our research. Hundreds of people put aside the day-to-day needs of their organizations, despite incredible pressures and challenges, to share their time, knowledge, and wisdom. They did this in the full knowledge that their

Cambridge University Press

978-0-521-76507-7 - Models of Opportunity: How entrepreneurs design firms to achieve the unexpected

Gerard George and Adam J. Bock

Frontmatter

[More information](#)

## xii ACKNOWLEDGMENTS

participation carried no direct personal benefit to them. They told us their stories, shared their tragedies and triumphs, and answered our odd questions. They were, to a person, interested, dedicated, and conscientious. Some of these individuals have waited more than four years to see what on earth we would write about them.

The vast majority of the people who helped us aren't mentioned in the book, but their contribution to our learning is not diminished by that. And a few companies that participated in our studies are not mentioned at all. This is an unfortunate reality of book-writing: the process of creating a coherent narrative benefits from simplicity and focus. Each company's story could have been a book on its own, but our purpose required the application of Occam's razor far more often than we would have liked.

Some of the data on business model innovation was graciously provided by IBM's Institute of Business Value. We thank Dr. Stephen Ballou and his team for their patience and generosity in providing access to this valuable data.

We also express our gratitude to Imperial College London and the University of Edinburgh for providing the institutional support to complete this research. Particularly, our most sincere thanks to Anushka Patel and Catherine Appleton who have helped us channel our joint efforts in this book.

Finally, but by no means the least in the order of importance, we once again thank our respective wives, and children, family, friends, and colleagues for their tolerance and encouragement, without which this book would not have reached fruition.