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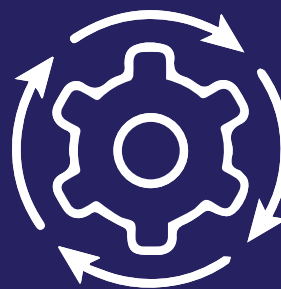


When Yesterday's Advantage Stops Winning



Why resetting
competitive
advantage requires
more than just a new
strategy.

By Blair Severn



When the Rules Change

Markets rarely stand still. A new technology changes what's possible. A new competitor changes the basis of competition. A merger creates a more formidable player. Customer expectations shift. Geopolitical forces alter the economics of an industry.

Sometimes the change is dramatic and immediate. More often, it is gradual. But the effect is the same. The conditions that allowed yesterday's advantage begin to disappear. And when that happens, many organizations make the same mistake.

They change the strategy. Sometimes they make an operational adjustment as well. But they don't fully redesign the organization around the new reality.

That's where an **'advantage reset'** becomes different from simply developing a new strategy.

Why Advantage Fades

Competitive advantage rarely disappears overnight. It erodes—often while the business is still performing well and the old formula still appears to be working.

The things that once made the business distinctive become more common.

- Business models age.
- Competitors catch up.
- Customer expectations evolve.
- New entrants change the game.
- Technology changes the the basis of competition.
- Geopolitical shifts change regulation, supply chains or other economic factors.

What was once unique and differentiated, gradually becomes common. Yet organizations have powerful forces in play and a tendency to keep operating according to the assumptions that created their historical success.

Yesterday's strategy has been embedded in today's organization.

The systems, structures, capabilities, incentives, processes and behaviours that once reinforced advantage can gradually become the very things that make adoption of a new strategy harder. The organization keeps executing. But the organizational DNA is executing yesterday's logic.

The Natural Response

What's our new strategy?

That's an important question. But it isn't enough. A new strategy defines the different choices an organization now intends to make. It doesn't automatically translate into what needs to change throughout the enterprise to make those choices successful.

A company may decide to pursue a new market, change its value proposition, reposition its offering or compete on a different basis.

But then what?

- Does the organization have the capabilities to deliver it?
- Does the structure support it?
- Are decision rights aligned?
- Are resources being invested differently?
- Do performance measures reinforce the new direction?
- Does the culture support the behaviours required?
- Does the operating model enable the strategy—or quietly pull the organization back toward the old one?

You can define a new strategic direction while continuing to operate with yesterday's organizational capabilities, structure, systems, investment priorities, performance measures, operating model and behaviours.

That's the gap.

The strategy has moved forward. The organization hasn't.

This distinction matters. If the basis of competition has fundamentally changed, the response usually needs to extend beyond market position or value proposition. It can require coordinated change across several dimensions of the organization.

Changing the strategy without changing what surrounds it can create the illusion of movement without actually creating new advantage.

Meaning, it's critical to look beyond the strategy itself to the broader set of organizational changes required to make a new source of advantage real.

Reframing How Value Is Created

Rethinking offerings, customer value, revenue logic and the way the business competes as market conditions change.

Rebuilding What the Organization Must Be Capable Of

Strengthening or developing the talent, skills, technology, systems, structure required to deliver the new direction.

Redirecting Resources Toward the Future

Shifting investment, leadership attention and organizational capacity away from what sustained yesterday's advantage and toward what will create the next one.

Changing How the Organization Behaves

Evolving the beliefs, behaviours and ways of working that can enable the new direction and resist the pull back toward the old one.

Re-anchoring Execution Around the New Reality

Aligning priorities, measures, accountability and operating rhythms so day-to-day decisions reinforce the new source of advantage.

These aren't separate initiatives.

They are interconnected consequences of the same strategic reset.

This Is Where the Strategic Blueprint™ Comes In

This is one of the defining moments the Strategic Blueprint™ was designed to address. Not as a replacement for strategy, but as a more complete way of working through the implications across the organization of strategy decisions. So the pieces required to create new advantage are aligned.

When conditions change enough to threaten historical advantage, the question isn't simply: What's our new strategy? The more critical question is:

What needs to be in place—and aligned—for this strategy to succeed?

Alignment Across the System

Mandate

The Blueprint begins with the Mandate: Purpose. Scope. Authority. Role. What are we actually trying to accomplish, within what boundaries and timeframe? This establishes the parameters for the Blueprint exercise itself - toward what end, who is involved, with what decision authority.



Strategy Decisions

From there, confirm or re-imagine the strategy choices:

- Participation.
- Offer.
- Operating.

How will we create and deliver value? And most importantly, how will we be advantaged to win in the marketplace? These decisions establish the basis on which the organization intends to compete.

Organizational Capabilities

What structure, talent, skills, and systems are required to deliver the new direction and make the strategy real? And just as important, what capabilities may need to be elevated, changed or even be removed because they continue to reinforce the old model?

Financial Alignment

What investment and operating resources are required—and where should they come from?

- What needs to be re-allocated?
- What new investment is required, and how will it pay back?

If resources continue to flow according to yesterday's priorities, the old strategy remains embedded in the organization regardless of what the new strategy says.

Outcomes and Performance Measures

How will we know the reset is working? Measures need to reinforce movement toward the new advantage rather than continuing to reward performance against outcomes and deliverables that no longer matter as much.

Plan

Translate the choices into a sequenced path from the current state to the future state. What needs to happen, in what sequence, by whom and when? This roadmap makes dependencies, timing and priorities explicit so the reset becomes a coordinated organizational movement rather than a collection of disconnected initiatives.

Culture

Encompassing the entire design is culture. How people need to behave for the new model to work.

Sometimes the existing culture largely enables the future and needs to moderately evolve. Other times the environment that served the old advantage must fundamentally change. Because ultimately the transition isn't complete when the new strategies, the reorganization or plan is announced, it becomes real when the organization begins behaving differently.

Alignment Across the System

The important point isn't simply the design of the individual layers. It's the alignment between them. A change in one layer has consequences for the others.

Across the system, each element needs to reinforce the new direction. If the strategy changes but the surrounding system remains largely unchanged, the organization begins creating friction within itself and against its strategy.

The Blueprint connects those decisions into one coherent design.

The Difference Between a Strategy Reset and an Advantage Reset ●

A strategy can be changed on paper relatively quickly and simply. Competitive advantage can't.

A distinction that is often missed: A 'strategy reset' asks:

What should we do differently?

An 'advantage reset' asks:

What must we become capable of doing differently for us to win under these new conditions?

The first can produce a new strategy, whereas the second produces a new way of winning.

A Final Thought

Markets don't wait for organizations to finish their planning cycles. The basis of competition can change while the strategic plan is still being implemented.

That's why advantage can't be treated as something you establish once and defend indefinitely. It has to be renewed.

An 'advantage reset' brings the enterprise back into alignment around the conditions that exist now and the opportunity that lies ahead. Because when the market changes, the goal isn't simply to find a new strategy. It's to redesign the enterprise so the new strategy can win.

About the Author

Blair Severn is Co-founder and Managing Partner of enabling ideas® and creator of The Strategic Blueprint™. He advises CEOs and Boards, held corporate leadership roles, and built entrepreneurial ventures. He is recognized for translating complex challenges into clear, actionable direction that enables organizations to navigate critical inflection points with clarity, leadership alignment, and sustained momentum.

About enabling ideas®

enabling ideas® is a boutique strategy and business design consultancy that helps Legacy Enterprises reset competitive advantage and Next Generation Challengers displace incumbents and scale profitably. Anchored by its signature method, **The Strategic Blueprint™**, the firm translates strategy into coordinated, executable action at critical inflection points where clarity and alignment determine growth and long-term success.