

Extract from

## **Headwinds of Opportunity— A Compass for Sustainable Innovation**

*By Tim Lindsey*

Typically, the term “headwinds” is used as a metaphor to describe factors that are perceived to be beyond our control. Just as we can’t control the weather, describing factors as “headwinds” implies that the only way to manage them is to either (staying with the winds metaphor) adjust sails and change course, or hunker down and batten down the hatches until the storm passes and conditions improve. Examples of factors that have commonly been described as headwinds include unfavorable conditions associated with the economy, currency value, cost of commodities, new regulations, new legislation, uncertainty, or a downturn in a key market. Because of their magnitude, it is often difficult for individual people or organizations to take actions that have a significant impact on these conventional sources of headwinds.

A special type of headwind has emerged in the past few decades that is not going away. These headwinds can be relentless and will punish organizations that try to tackle them head on. They are a product of unfavorable trends and interactions across a broad combination of social, environmental, and economic challenges. I refer to this new category as “constraint headwinds” because they are constraining the health and productivity of the economy, the environment, communities, and citizens in many parts of the world. Constraint headwinds are produced by two converging trends:

1. An increase in population and demand for resources
2. A decline in the quality and availability of resources

As these trends converge, they trigger a variety of outcomes and issues that negatively impact the economy, the environment, communities, and citizens. Constraint headwinds have grown in magnitude and intensity during the past several decades and they are frequently a primary contributor to the aforementioned conventional headwinds because they can affect everything from regulatory policies to the cost of commodities. Businesses, in particular, contribute to the magnitude and intensity of constraint headwinds through management choices regarding their processes, products, and systems. These actions and outcomes can generally be lumped into four broad categories as follows:

1. Wasteful practices
2. Deficient processes and products
3. Dysfunctional interactions
4. Negligent decisions

Management choices that lead to these actions and outcomes contribute directly to constraint headwinds and are described in more detail in Chapter 6. Many businesses and, in some cases, entire sectors (e.g., coal mining) are now facing constraint headwinds that jeopardize their future existence altogether because their management choices have increasingly led to these undesirable actions and outcomes.

While some organizations have been paralyzed by increasing constraint headwinds, others are thriving because they have been able to respond with measures that actually improve their effectiveness and competitive advantage. Forward-thinking organizations have been able to modify their processes, products, and systems in ways that diminish constraint headwinds and create prosperous opportunities for improving effectiveness.



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Please read more from the AXIOM silver award-winning book, *Headwinds of Opportunity: A Compass for Sustainable Innovation* by Tim Lindsey: <https://www.routledge.com/Headwinds-of-Opportunity-A-Compass-for-Sustainable-Innovation/Lindsey/p/book/9781783537600>