

# The Economics Of Agile

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For Business

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“

Managers can't just  
employ economists, they  
must become  
economists.

***Shlomo Maital,  
Executive Economics***

“

The creation of value is the  
domain of the consumer  
.....innovations are generated  
by consumers in their never-  
ending pursuit of higher-valued  
satisfactions. Whether and how  
a good may satisfy a real want  
is ultimately dependent on  
consumers' evaluation.

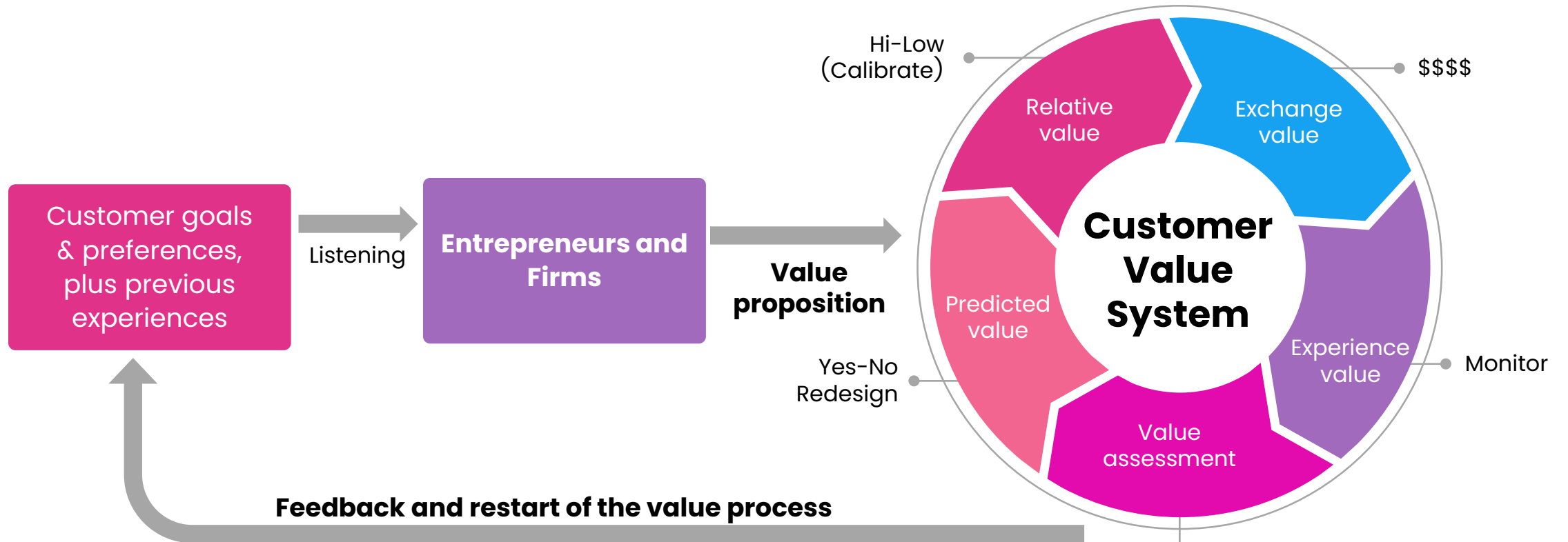
***Per L. Bylund, Mark D. Packard  
Springer, Journal Of Small  
Business Economics 2021***

Ends



Means

# Value



# The Adaptive Entrepreneurial Business Model

Subjective interpretation of reality

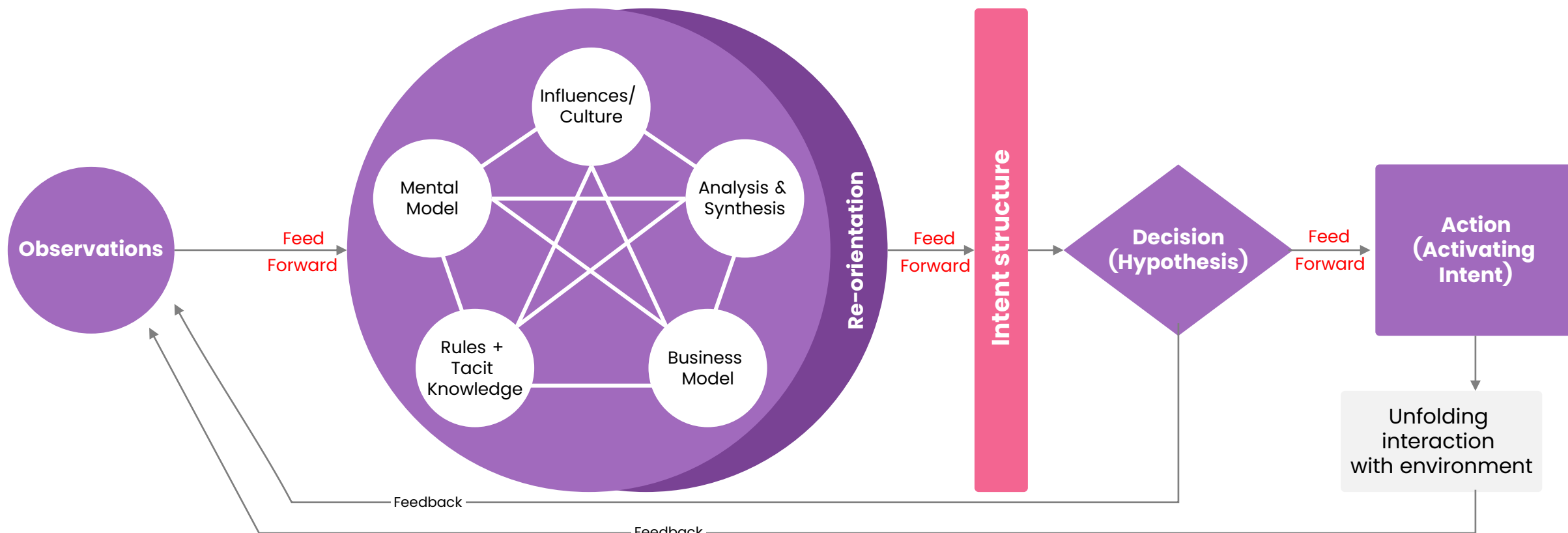
Entrepreneurial Judgment

Information Input

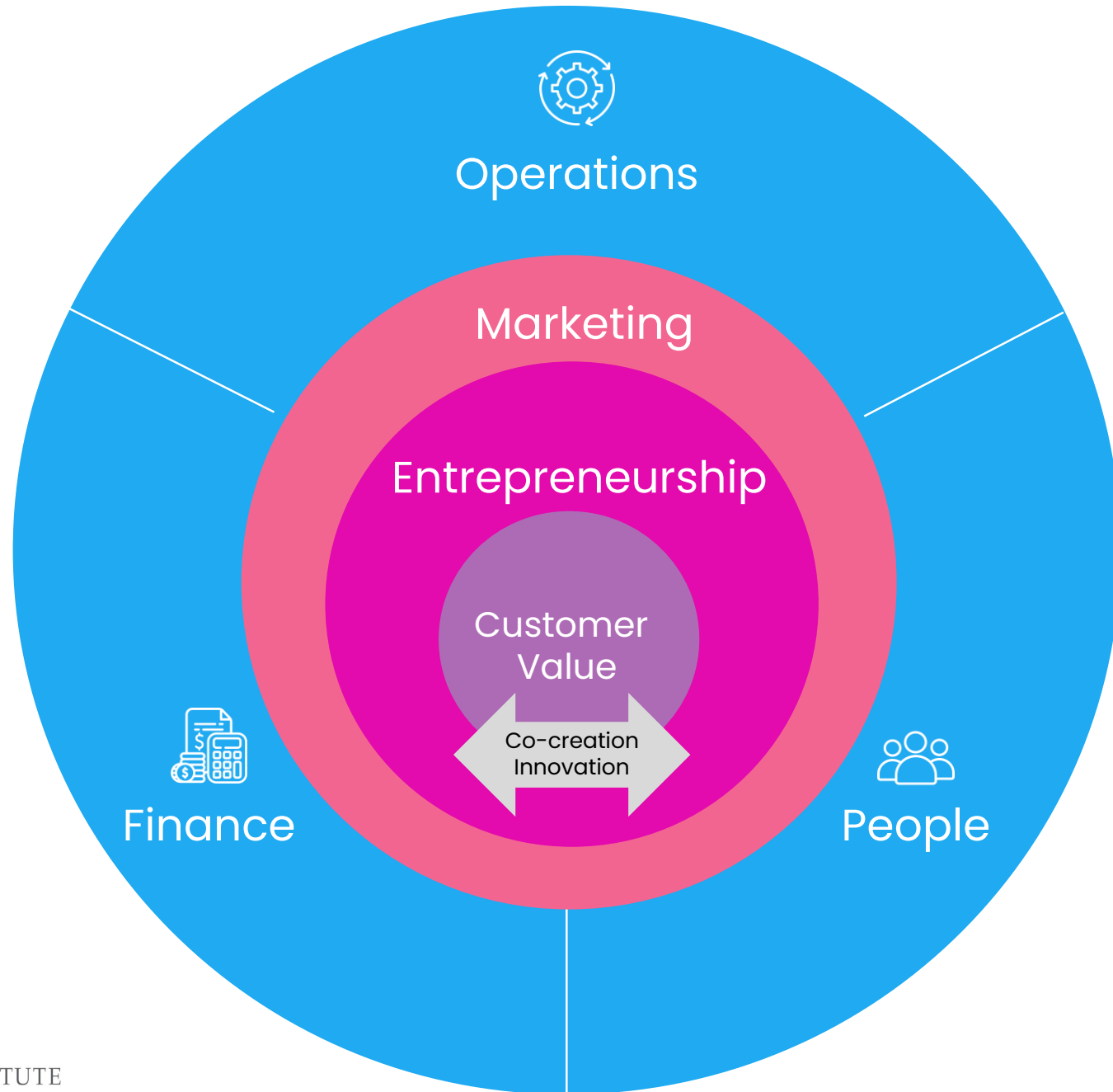
Entrepreneurial Orientation

Decide

Act



# The Firm



# How Can Economics Be Useful To Business?

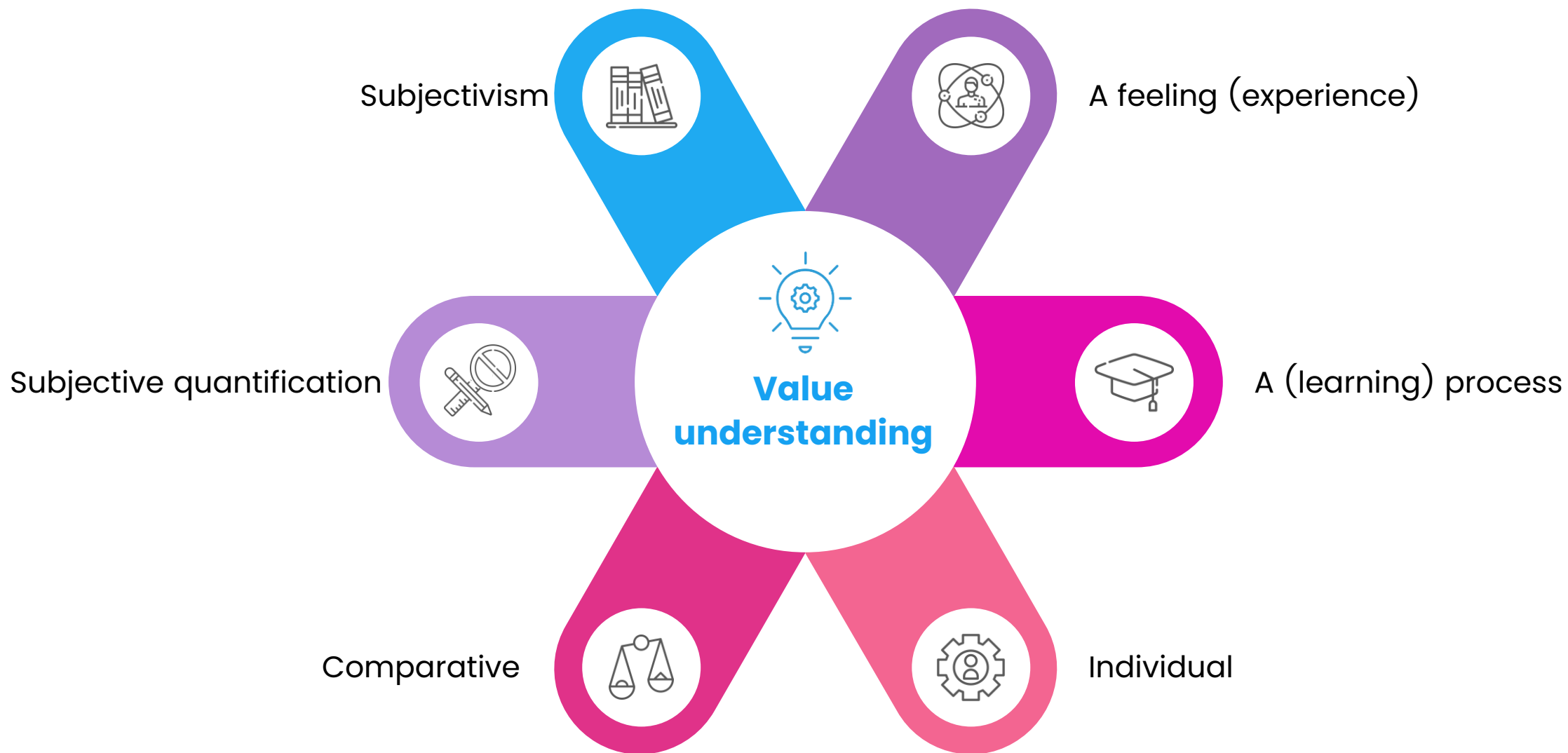


# How Can Economics Be Useful To Your Business?

Think Meso



# How Can Economics Be Useful To Your Business?





# How Can Economics Be Useful To Your Business?

## Entrepreneurship and the entrepreneurial orientation

- Define entrepreneurial orientation at the corporate or division level
  - Decision and action
  - Resource recombination
  - Experimentation and value agility
  - Adaptive organization



# How Can Economics Be Useful To Your Business?

## Re-think the firm

- Customer value at the core
- Open innovation system
- Boundaryless-ness
- A more networked distribution of production
- Ecosystem design



# How Can Economics Be Useful To Your Business?

## Market as a flow

### Continuous change



### The economic role of time



### Organization



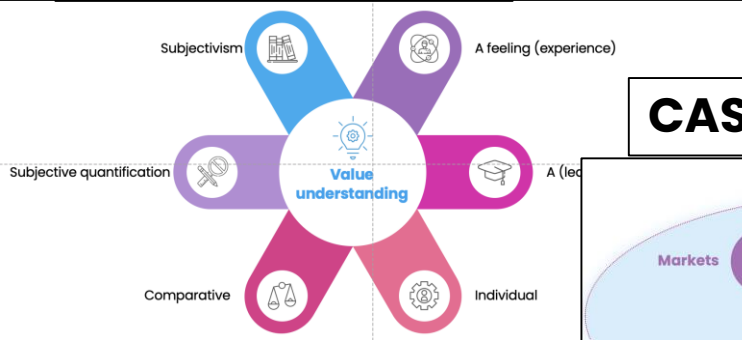
- How do firms “do” continuous change?

- Speed of learning
- Implementation of learning

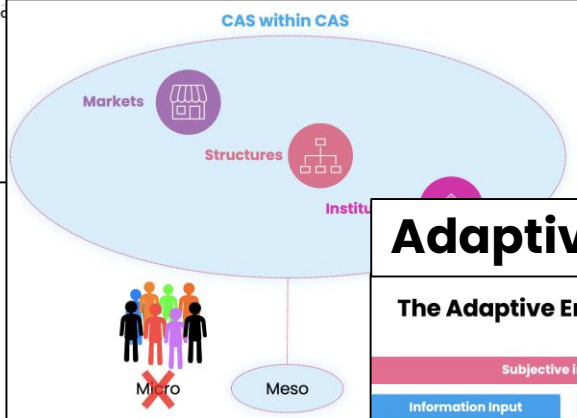
- Feedback loops
- Information flow
- Experimentation
- Structure as a barrier

# Agile is the implementation of economics inside your firm

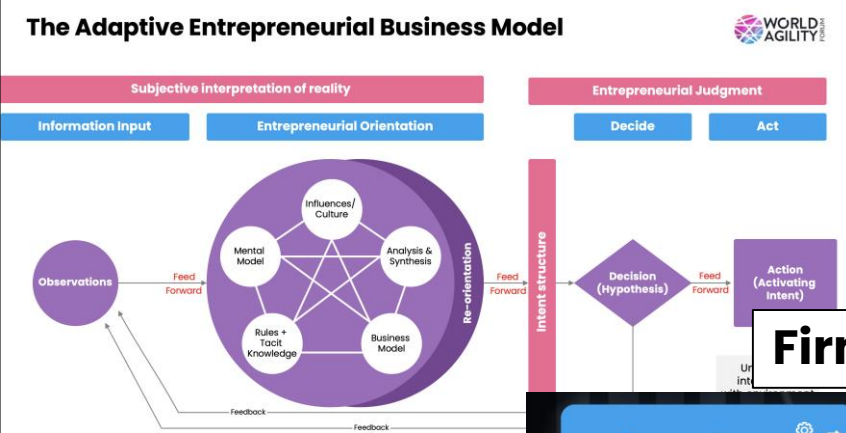
## Subjective Value



## CAS – Meso Level



## Adaptive Entrepreneurial Model



## Firm and Market As A Flow

<p><b>Continuous change</b></p> <ul style="list-style-type: none"> <li>How do firms “do” continuous change?</li> </ul>	<p><b>The economic role of time</b></p> <ul style="list-style-type: none"> <li>Speed of learning</li> <li>Implementation of learning</li> </ul>	<p><b>Organization</b></p> <ul style="list-style-type: none"> <li>Feedback loops</li> <li>Information flow</li> <li>Experimentation</li> <li>Structure as a barrier</li> </ul>
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