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Bouncing Forward: A Company's Three-Phase Playbook For True Resilience

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Problem of practice

Is your organisation's approach to disruption one of 'bounce back' or 'bounce forward'? When faced with an external disruption, most organisations try to absorb it and rebound to their previous state. While this 'bounce back' is an effective strategy for managing short-term disruptions, is there a better approach for responding to long-term disruptions such as rise of Artificial Intelligence (AI) or climate change? The problem with the bounce-back approach is that it focuses on getting companies back to a state that may no longer exist. A more effective approach – the 'bounce forward' – has recently come to light thanks to research by Tor Hernes, Blagoy Blagoev, Sven Kunisch, and Majken Schultz.[1] The bounce-forward approach occurs when top management, such as the Chief Operating Officer (COO) and Chief Sustainability Officer (CSO), begins to view disruption as an opportunity. Instead of focusing on getting over a hurdle, top management leads the organisation in building a bridge between existing capabilities and the innovation required for adaptation. This bridge between old and new causes a shift in the company's trajectory and reshapes its competitiveness

[1]The article 'From Bouncing Back to Bouncing Forward: A Temporal Trajectory Model of Organizational Resilience' by Tor Hernes, Blagoy Blagoev, Sven Kunisch, and Majken Schultz featured in Volume 50, Issue 1 of *Academy of Management* talks about how organisations are being challenged to 'bounce forward' toward unprecedented futures in the wake of disruptive events without losing sight of their pasts

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Disruptions demand response

Can organisations afford not to adapt to changes caused by external disruptions like the pandemic? A survey of technology leaders highlights the risks: 64% of organisations that were slow to adapt to the new normal of digital transformation saw major losses or went out of business.[2]

Responding to new risks such as cyber threats, geopolitical pressures and Artificial Intelligence (AI) is key for many organisations across the globe.[3,4] However, it is important to respond strategically. A company can become disconnected from what it was before the disruption and what it may have been heading toward. Traditionally, most firms used their 'resilience' to reestablish connections, enabling them to move forward with a sense of direction and coherence.

This 'bounce back' strategy works for short-lived disruptions, as it focuses on leveraging a firm's resilience to develop contingencies to restore and maintain operations and return to 'normal' as soon as possible. However, research shows that when disruptions persist over time and create lasting changes, they compel executives to rethink strategies, operations and solutions, as returning to normal is no longer feasible.

Resilience as a trajectory

So, how can organisations adapt in time? The answer is provided by Hernes et al. who argue that businesses need to adapt current strategies and build new capabilities. They must view resilience as a trajectory that unfolds through time, with the potential for a 'bounce forward' rather than bounce-back strategy: see **Table 1** for key differences.

Table 1: Traditional v/s trajectory

Feature	Traditional resilience ('bounce back')	Trajectory-based resilience ('bounce forward')
Goal	Return to pre-crisis 'normal'	Create a viable new future
Focus	Retrospective	Integrate past, present, and future
Aim	Restore stability	Adapt and transform
Outcome	Resume operations	Growth through transformation

Source: Created by authors based on Tor Hernes et al., 'From Bouncing Back to Bouncing Forward: A Temporal Trajectory Model of Organizational Resilience', Academy of Management Review 50, no. 1 (2025): 72–92, https://doi.org/10.5465/amr.2022.0406

When to bounce forward

To decide when to 'bounce forward' after a disruption, an organisation must determine the type of disruption it is facing. The three types of disruptions are: Random events, probability-based transformation, and pivotal moments. While random events can have either a bounce-back or bounce-forward response, organisations can only bounce forward when faced with probability-based transformation and pivotal moments. We illustrate each of these disruptions and the organisational adaptations in **Table 2**.

Three phases to help a firm bounce forward:

- Building readiness for a viable new future
- Adapting processes to maintain continuity during disruption
- Redesigning processes for a new future

Table 2: Types of disruption and feasible responses

Type of disruption	Nature of shock	Response	Example
Stochastic events (Random events)	Disruptions that challenge existing models but do not immediately destabilise the wider market; Disruptions can be market-driven or technological	*Bounce back* • Focus on contingency plans and reestablishing operations to keep systems running in the new normal	After the 2011 Japan earthquake, Toyota restored the status quo by re-establishing its supply chains, including the second and third-tier suppliers, and shifting production between facilities[5]
		Bounce forward • Focus on operational improvisation • Build new capabilities to meet evolving market needs	The advent of ride-share options like Uber disrupted traditional taxi models but the traditional models adapted by creating fair pricing and kiosks[6]
Probabilistic transformations (Probability-based changes)	Gradual shifts that are foreseeable but have potential to destabilise existing models Markets are stable but external disruption can break the path	• Focus on building 'strategic systems' to link your current operations with a new, de-risked future • Invest in new capabilities before the shift can destabilise	Amazon's Bedrock services give companies access to foundational models to create and scale generative AI applications[7]
Tipping points (Pivotal moments)	Accelerating and systemic changes that alter the 'rules of the game' and fundamentally reshape ecosystems Simultaneous market and political collapse	• Focus on field-level innovation and industry collaboration to build new standards • Reconfigure the working models to meet the new normal	Wineries in California are cooperating to develop new regulations better adapted to the changing environment which can lead to transforming the entire industry[8]

Source: Created by authors based on Tor Hernes et al., 'From Bouncing Back to Bouncing Forward: A Temporal Trajectory Model of Organizational Resilience', Academy of Management Review 50, no. 1 (2025): 72–92, https://doi.org/10.5465/amr.2022.0406

Bounce in phases

After identifying the type of disruption, the next step is adaptation. There are three distinct phases that can help a firm bounce forward.

Phase 1: Building readiness by projecting possible futures

When they face a disruption, most organisations simply react. Resilient organisations do something different: they 'project' multiple possible futures. Instead of asking for one most likely outcome for the new fiscal year, such companies ask for multiple 'conjectures' that have a real chance of coming true. For e.g. "What if our primary supply chain is disrupted 20% of the time, or 50% of the time?" For each such future scenario, resilient firms ask, "What would it take to respond?" The projected futures thus also include small, affordable solutions. As the disruption unfolds, such projections help prepare a firm to respond in a more planned way.

The rise of generative AI provides an important illustration.[9] Organisations that responded most effectively to AI breakthroughs did not suddenly change course following the launch of ChatGPT in 2022. Long before these technologies entered the mainstream, organisations like Microsoft had been investing in cloud infrastructure, data governance, and digital capabilities because they anticipated that data would become a central strategic asset.[10] While some of these investments delivered limited, short-term returns, many helped Microsoft and others to respond rapidly when AI adoption accelerated.

Building 'preparedness muscle' has also become relevant in today's geopolitical environment, as 68% of respondents in a World Economic Forum survey 'expect a fragmented order over the next decade'.[11] Trade tensions, sanctions and efforts by governments to 'de-risk' supply chains have caused uncertainty that extends beyond conventional markets.

When an entire industry faces a crisis, companies should collaborate with other firms, researchers, and government agencies to develop a new system for the industry. Leading multinational firms are preparing for a future in which global technology ecosystems may become increasingly fragmented.[12] By redesigning supply chains and operating structures today, these organisations retain the ability to function across different geopolitical blocs.[13]

Phase 2: Rapid adaptation

When a disruption occurs, an organisation must adapt its strategy rapidly based on existing resources and available responses. An example was how shipping companies rerouted their shipping lanes through the Red Sea and the Suez Canal due to disruptions caused by the war in Ukraine and droughts. Instead of waiting for the disruptions to resolve, logistics companies redirected ships to alternate water routes and even alternate modes of transport, such as road or air. By using available resources, companies minimised the impact of geopolitical issues on operations. The objective is not to restore previous routines but to reconstitute the organisation's resources to function while uncertainty remains high.



When there is any disruption, a firm can become disconnected from what it was before the disruption and what it may have been heading toward. Most firms use their 'resilience' to reestablish connections, enabling them to move forward

When dealing with a crisis, some measures may uncover strengths or capabilities. Many perfume and cosmetic production facilities switched to producing hand sanitizers during the pandemic, showing flexibility in repurposing production lines.[14] So, take the time to think through which of the improvisations made are worth further development.

Phase 3: Transform for a different future

To truly transform, an organisation needs to look deeper into its past and present responses and capabilities – to change its entire business system. Such 'reconfiguring'

helps the firm not only respond to the current disruption, but go even beyond.

In such a transformation, it's not enough to review the most recent plans or strategies; rather, look back at the firm's founding principles or even old technology. The global brewing company Carlsberg is using its archives to shift to a zero-carbon future under the Carlsberg 'Yeast' project.[15] The company analysed 120-year-old yeast cells from its own vintage bottles and 130-year-old barley seeds from the Svalbard Seed Vault, to make more climate-adaptive plants. The firm is redesigning its capabilities by drawing on its past to shape the future.

Many European energy companies that were hit by the loss of gas supplies from Russia are now looking to reconfigure their long-term strategies around hydrogen and offshore wind as alternative sources of energy.[16]

Not everyone can bounce back

A failure to adapt to disruptive change by ignoring the phased approach outlined above can prove disastrous. Case in point is the rise and fall of BlackBerry, a pioneer in the smartphone market, which enjoyed a dominant 44% market share in 2010.[17] Positioned as an innovative business device, BlackBerry initially ignored the launch of the iPhone as a device for personal use only. The launch of Android phones further ate into BlackBerry's market share, and the company responded with the 2008 launch of the BlackBerry Storm— its first device with a touchscreen. The Storm was rushed to meet the sales deadline of its partner, Verizon. However, the Storm's sales failed to impress: its touchscreen was awkward, the software was riddled with bugs that caused frequent crashes and the user interface was counterintuitive. Thus, we see that BlackBerry reacted to a disruption late, ignoring early signals of different possible futures (Phase 1 failure), resulting in an inept adaptation (Phase 2 failure). Their reaction highlighted a lack of competencies in new technology, and turned market sentiment against them.

Costs of bouncing forward

Reimagination and adaptation for the new normal require flexibility and resources. Any firm looking to 'bounce forward' must be prepared to bear:

- **Monetary costs:** Investing in building readiness (like early AI experiments) often means spending on capabilities that don't pay off immediately. Sometimes it takes years for investments to show returns. The firm must plan and allocate funds, keeping in mind the time required for a return on investment.
- **The cost of 'friend shoring':** Shifting resources to



'more reliable' options can incur costs in terms of higher operational expenses. Management needs to be prepared to justify this cost to their stockholders as a 'resilience premium' (the price to be paid to ensure the continuity of the firm's trajectory).

- **Non-monetary costs:** One of the costs associated with the 'friend shoring' is the emotional burden that comes with abandoning a previously successful model. Management should make an effort to help employees develop a 'long-term perspective' that embraces future change rather than clinging to past successes.



The bounce forward mindset

So, how does a firm build a 'bounce forward' mindset? It requires shifting the mindset from recovery to reimagination. While the traditional goal has been to recover what was lost, research reveals that most resilient firms use crises as a chance to reimagine their future selves. Resilience is now about building the ability to sense changes at an early stage, stabilise and adapt during a shock, and reshape the organisation's direction for the long run. By following this trajectory, top management can ensure their organisations not only survive the next disruption but also emerge better suited to the new normal.

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