

## Teacher Overview

**C**reative destruction is a powerful force that has spurred innovation over centuries. While many see the dissolution of a labor force as a negative, it is important to consider what new labor forces are created. In this activity, students will examine industries over time to build a chain of the various labor forces and products created through the destruction of the old.

### When to Use This Lesson

This activity can be used at any time, but it fits well before Disruptus or other innovation activities to introduce the concept of creative destruction.

### Time



### BEFORE CLASS PREPARATION

- > Decide how students will be divided into groups (ideally, groups of 3-4)
- > Cut one color of paper into 1" strips. These will be used to create chain links for the "Old Way".
- > Cut the other color of paper into 1" strips, then cut in half. These will be used to create the tails for the "New Way".
- > Create "Innovated Product/Service" circles by writing an example of an innovated product or service on two of the 1" strips. Tape these two strips together to make a large circle.
  - Examples: Automobiles, Telephone, Computer, Internet, Television, Washing Machine, Refrigerator, Music, Microwave, Healthcare, Films
  - Protip:** Consider cutting separate, wider strips in a different color that can be taped together to make the "Innovated Product/Service" circle. It will allow that innovation circle to stand out more.
- > **OPTIONAL:** Bend the wire hangers to form a circle. You do not need to close the circles yet.
  - If you are struggling to find wire hangers, feel free to swap out for a similar material that would serve the same purpose.
  - If you have students in groups, this may be a good task for one of the group members to stay engaged and involved, so you may not want to do this ahead of time.
  - Protip:** Connect with your local dry cleaner to see if they would donate the wire hangers. You could also reach out to your co-workers and staff to see if they would be willing to donate wire hangers from their own closets.
- > At each group seating area, have the strips for the "Old Way", strips for the "New Way", one "Innovated Product/Service" circle, wire hanger, markers, string, scissors and tape.

### KEY TERMS

- > Creative destruction
- > Labor force
- > Obsolete

### MATERIALS

- > Two different colors of paper already cut (see Before Class Preparation)
- > Wire hanger or similar material (1 per group)
- > String or yarn
- > Markers
- > Tape
- > Scissors (1 per group)

### FOUNDATIONAL VALUES

- > Sound Judgment
- > Knowledge
- > Win-Win Focus
- > Opportunity

### LEARNING OBJECTIVES

- > PE LO3, LO 4; Innovation LO4

## ACTIVITY INTRODUCTION

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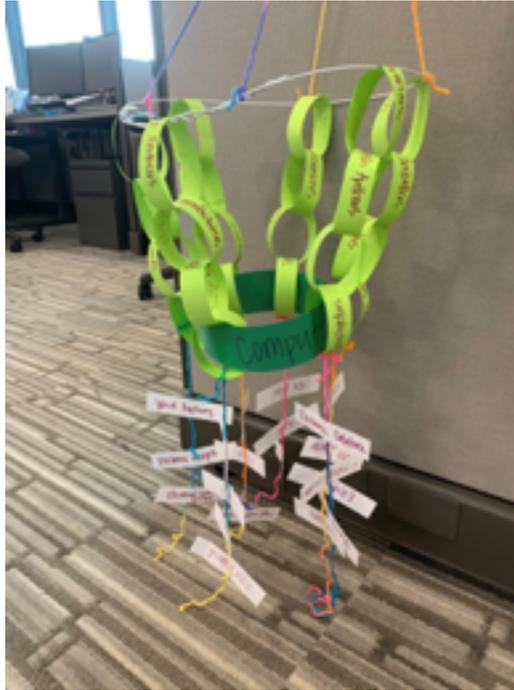
- > Ask: "How many of you have ever used an actual camera with film that has to be developed?"
- > Say: "The photography industry was drastically impacted by the development of the digital camera. The titan of the US film market, Kodak, failed because it was resistant to change and underestimated the threat of digital media. Even though Kodak actually invented the first digital camera in 1975, it held back marketing the new technology because it did not want to hurt its lucrative film business until it was too late."
- > Say: "Today, you are going to discover whether creative destruction, the process of new products, methods, ideas, services and technology constantly driving out the old, is a good or a bad thing."

## ACTIVITY DIRECTIONS

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- > Explain that the product or service written on their "Innovated Product/Service" circle is an example of an innovation that caused other products, services, or labor forces to become obsolete (or significantly decreased).
- > Using the longer strips for the "Old Way", ask students to create five individual chain links of products or services that used to perform the same functions that the new "Innovated Product/Service" now accomplishes. Each of these links should be individually attached around the "Innovated Product/Service" circle.
  - For example, if my "Innovated Product/Service" is for the computer, some product or services that it replaced (or significantly impacted in a negative way) would be the typewriter, encyclopedias, paper, snail mail, etc.
- > From each link added, ask students to think of what different labor forces were used to create that now less needed product or service. Each of the labor forces should be written on an "Old Way" strip and attached to form a chain growing off of the "Innovated Product/Service" circle. Some research might be required but ask them to try to think of 4-5 labor forces to add to each chain link.
  - For example, labor forces impacted by the typewriter might be metal fabricators, assemblers, or parts manufacturers.
  - Repeat this step for each obsolete product or service added to the "Innovated Product/Service".
  - Use blank chain links to even out the lengths of the chains if necessary.
- > If this was not done before the activity began, reshape the wire hanger into a circle. Do not close off the circle yet.
- > Loop the wire hanger through the end of each of the chain links. Use tape or twist the wire hanger to close it.
- > So far, your students have thought about the past of the "Innovated Product/Service" and what it replaced. Now, it is time to consider what has been possible as a result of the "Innovated Product/Service".
- > Attach a piece of string or yarn to each of the chain links of the "Old Way" (the chain link wrapped immediately around the "Innovated Product/Service").
- > Ask students to brainstorm what products, services or labor forces are now possible because of this "Innovated Product/Service". Write each of these products, services or labor forces on a "New Way" strip and tape them onto the string or yarn to create the "tails". (These tails will look similar to kite tails).

- For example, products, services or labor forces that are now possible because of the computer include: e-invitations, Word processing software, sales systems, analytics, graphic design, e-mail, social media, etc.
  - Encourage them to think of as many as they can!
  - **Protip:** Have students write the labor forces in one color and products/services in another color. This will add another level to the visual.
- > Cut four even-length pieces of string to tie around the wire hanger to hang the finished mobile.



## ALTERNATE APPROACH

- > Struggling with this “arts and crafts” approach? An alternate approach would be to have your students create a “tree” – The “Innovated Product/Service” would be the trunk, the “Old Way” would be the roots and the “New Way” would be the tree limbs and leaves.

## ACTIVITY DEBRIEF

- > What observations do you have about your completed mobile?
- Students should notice that there are more products, services and/or labor forces that now possible because of the innovated product that those products or services that became obsolete because of its creation.
- > Is creative destruction good or bad? Why?
- > What impact does creative destruction have on individuals? On society?
- What have been some of the unintended consequences of creative destruction throughout history (or specifically with the innovations that you examined)?
- > Should businesses that are going out of business due to creative destruction be “saved”? How could they use Sound Judgment, Opportunity and Win-Win Focus to stay in business?

