Is today's business crowding out tomorrow's?

Three Horizons sorts a company's growth into core businesses, emerging ventures and future options — and says all three need managing at once.

WHY IT MATTERS

Quarterly pressure pulls time and money toward the core. The model makes the growth pipeline visible, so the next core business is funded before the current one stalls.

BY THE NUMBERS

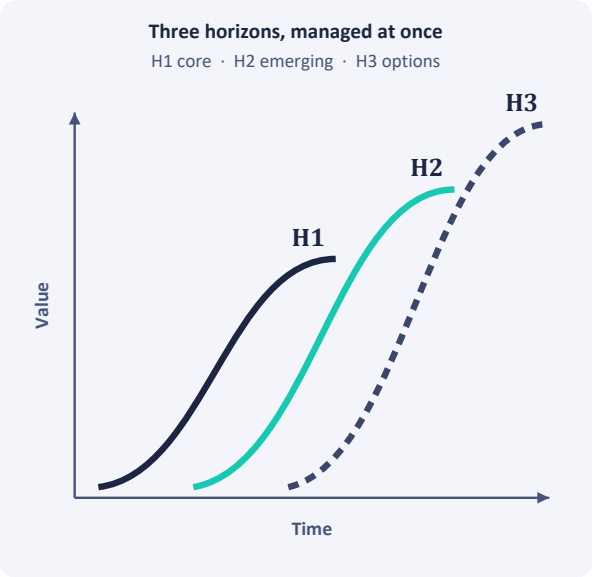
3
horizons, managed at the same time ("Enduring Ideas," 2009)

1999
The Alchemy of Growth published (Baghai et al., 1999)

2009
McKinsey Quarterly revisits the model

HOW IT WORKS

Horizon 1: the core businesses that generate today's profit and cash — improve and extend them. **Horizon 2:** emerging ventures that need investment but could drive future profit. **Horizon 3:** options for growth further out — research, pilots, small stakes. Businesses move from H3 to H2 to H1 over time, but the three are managed in parallel ("Enduring Ideas," 2009).



WHEN TO USE IT

- When the core is healthy but growth is slowing
- When every new initiative is judged by core-business metrics
- When setting a rolling, multi-year horizon

Where Horizon12 uses it: HorizonNorth — paired with HorizonAxis — cites McKinsey's Three Horizons.

GO DEEPER

Credit. Mehrdad Baghai, Stephen Coley and David White of McKinsey & Company (Baghai et al., 1999); revisited in *McKinsey Quarterly* ("Enduring Ideas," 2009).

References

Baghai, M., Coley, S., & White, D. (1999). *The alchemy of growth: Practical insights for building the enduring enterprise*. Perseus Books.

Enduring ideas: The three horizons of growth. (2009, December 1). *McKinsey Quarterly*. https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/enduring-ideas-the-three-horizons-of-growth

BOTTOM LINE

Three Horizons shows whether your pipeline is funded. Your plan decides what fills it. Run HorizonAxis and HorizonNorth free, then book a Strategy Blueprint ($5,000–$9,500) to turn the gap into a signed-off plan.