

Emergent Strategies for Adaptive Organisations

Business Agility Day 2024

31 October 2024

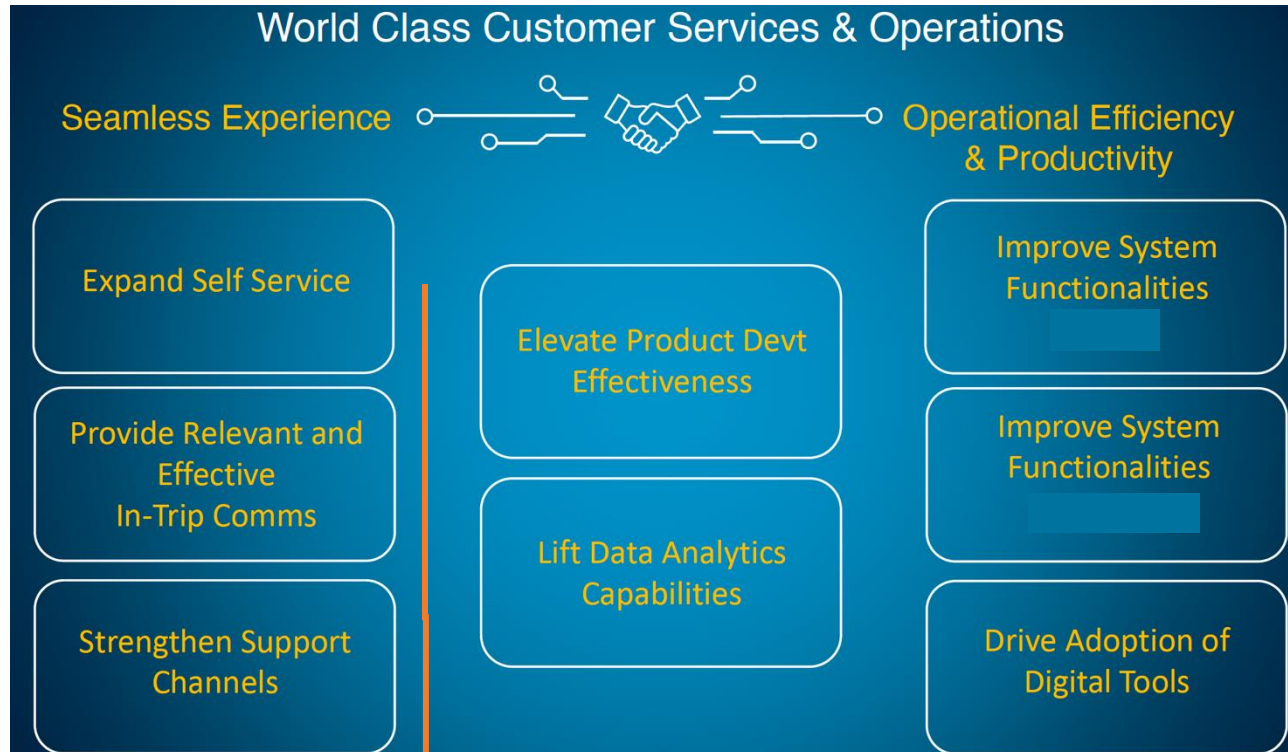


What is an adaptive organisation?



**“Our strategy often fails to be
executed, everybody
complains about its
vagueness and my managers
have difficulties to come up
with goals”**

Catherine's strategy*



What are the problems with Catherine's strategy?



1. Increase no. of self-serviceable scenarios and touchpoints
2. Attain high CSAT for self-service pdts
3. Increase adoption of self-service tools among customers together with BUs

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What are the problems with Catherine's strategy?

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#1 Why most 'strategies' don't work - the three most common issues with strategies

A quick dissection of Catherine's strategy

**"Seamless experience.
Operational efficiency and
productivity"**

These may be useful desired outcomes. They give little guidance on what to do or not do.

Strategy themes are essentially categories of aspirations.

**"Provide relevant and effective
communications"**

Will be there a time when we **don't** need to provide relevant and effective communications?

**"Carry out half-yearly structured
reviews of X/Y/Z"**

How do we know in advance that it will work despite a changing nature of the business environment?

Plans cannot be strategies because they give insufficient real-time guidance on what to do.



QUICK STUDY: **A Plan Is Not a Strategy**

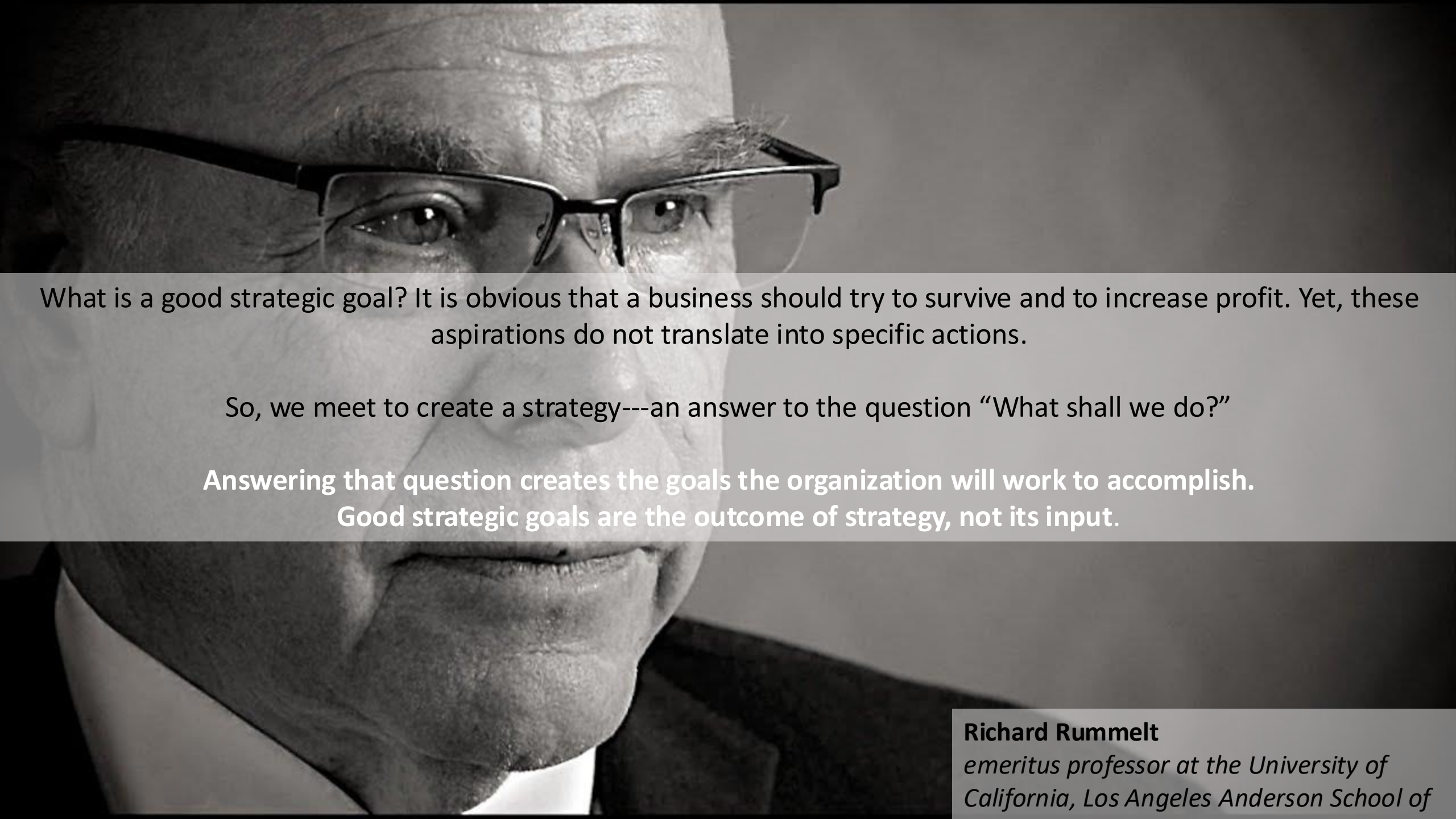
Harvard
Business
Review



9:32

Roger Martin

*Former dean of the Rotman School
of Management*

A black and white close-up portrait of Richard Rumelt, an older man with glasses, looking slightly to the right. The image is the background for the text.

What is a good strategic goal? It is obvious that a business should try to survive and to increase profit. Yet, these aspirations do not translate into specific actions.

So, we meet to create a strategy---an answer to the question “What shall we do?”

**Answering that question creates the goals the organization will work to accomplish.
Good strategic goals are the outcome of strategy, not its input.**

Richard Rumelt
*emeritus professor at the University of
California, Los Angeles Anderson School of*

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What have you seen most often in your practice?

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One of the quickest way to validate if you are looking at a strategy

The **opposite** disqualifier: is the opposite of the statement absurd?

Statement to test



Opposite

Our strategy is to maximise revenue

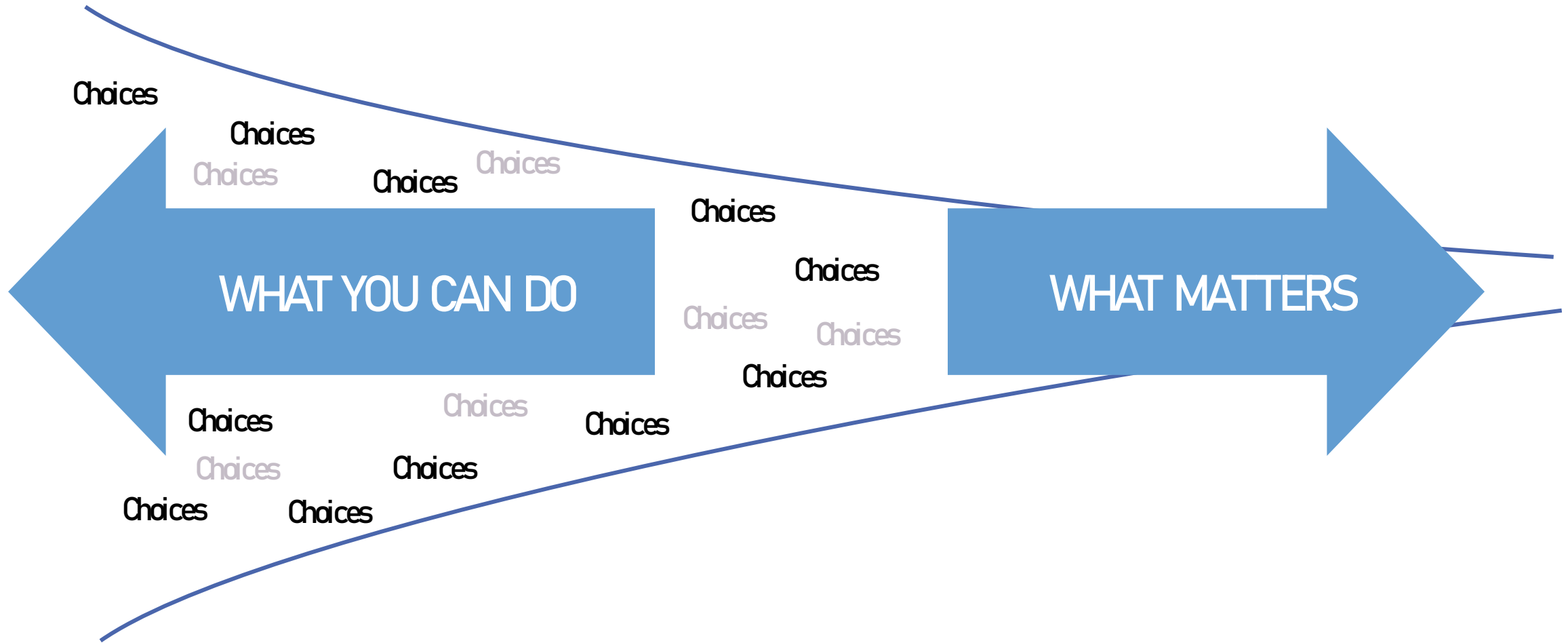
Minimise revenue



#2 How do we strategise then?

The emergent approach eradicates the phrase “**planning under uncertainty**” because there is no such thing as its opposite—planning under certainty.

What you are free to do and what matters are at odds with each other



How do we create a strategy?



A strategy is the central rule of a framework, designed to **unify** all decisions and actions around busting the bottleneck to achieving aspirations.

What I learned from the conversation with Catherine and the managers

Bottleneck

We need to know more about the nature of our challenges.

Proper diagnosis is paramount to identify a bottleneck. This creates incentives to do discovery work.

Strategy

Very often our response to problems is to build software.

It might happen what we need to do is to change a policy or process. Software development is expensive.

A good strategy has certain qualities

FREE CHOICE

Strategy is a choice we make as it entails that we consciously *don't* do something.

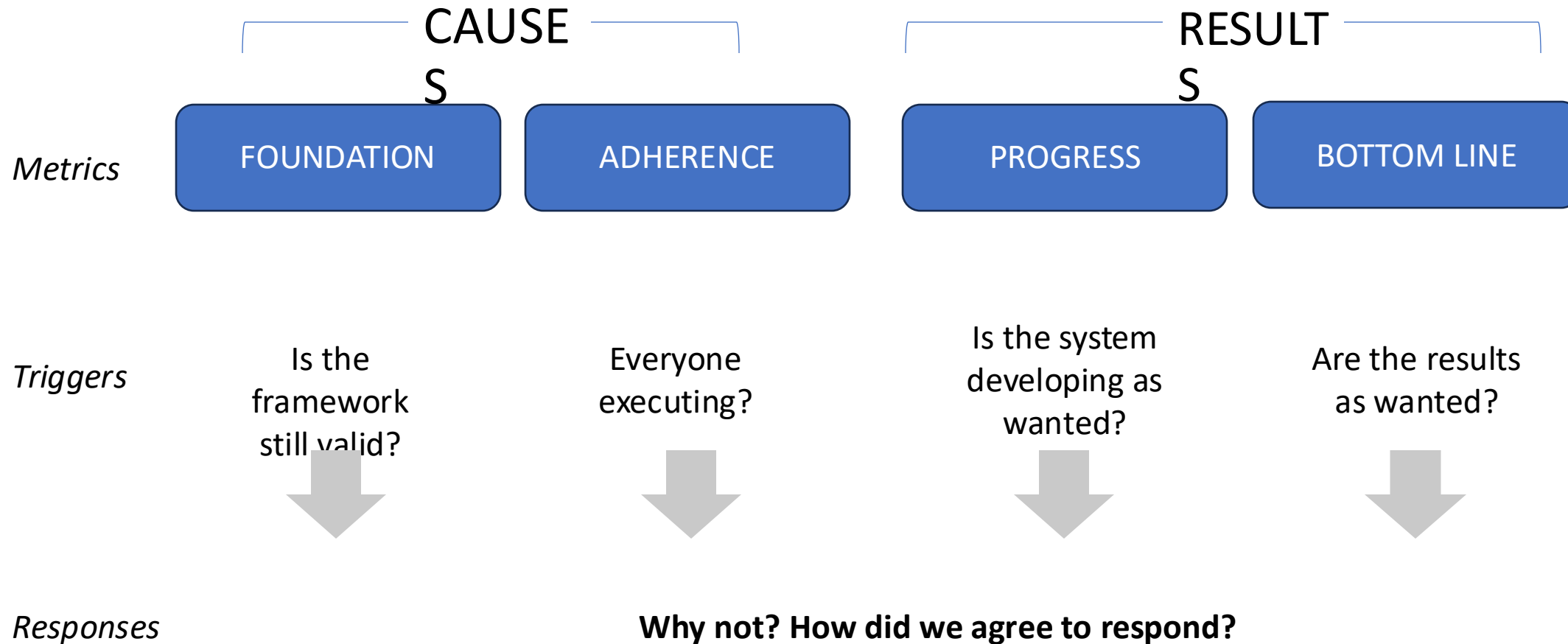
REAL-TIME GUIDANCE

There must be some way to judge whether you are adhering to your solution *before* the “results are in”. Without guidance at the time the actions are taken, everyone must guess or intuit the right thing to do.

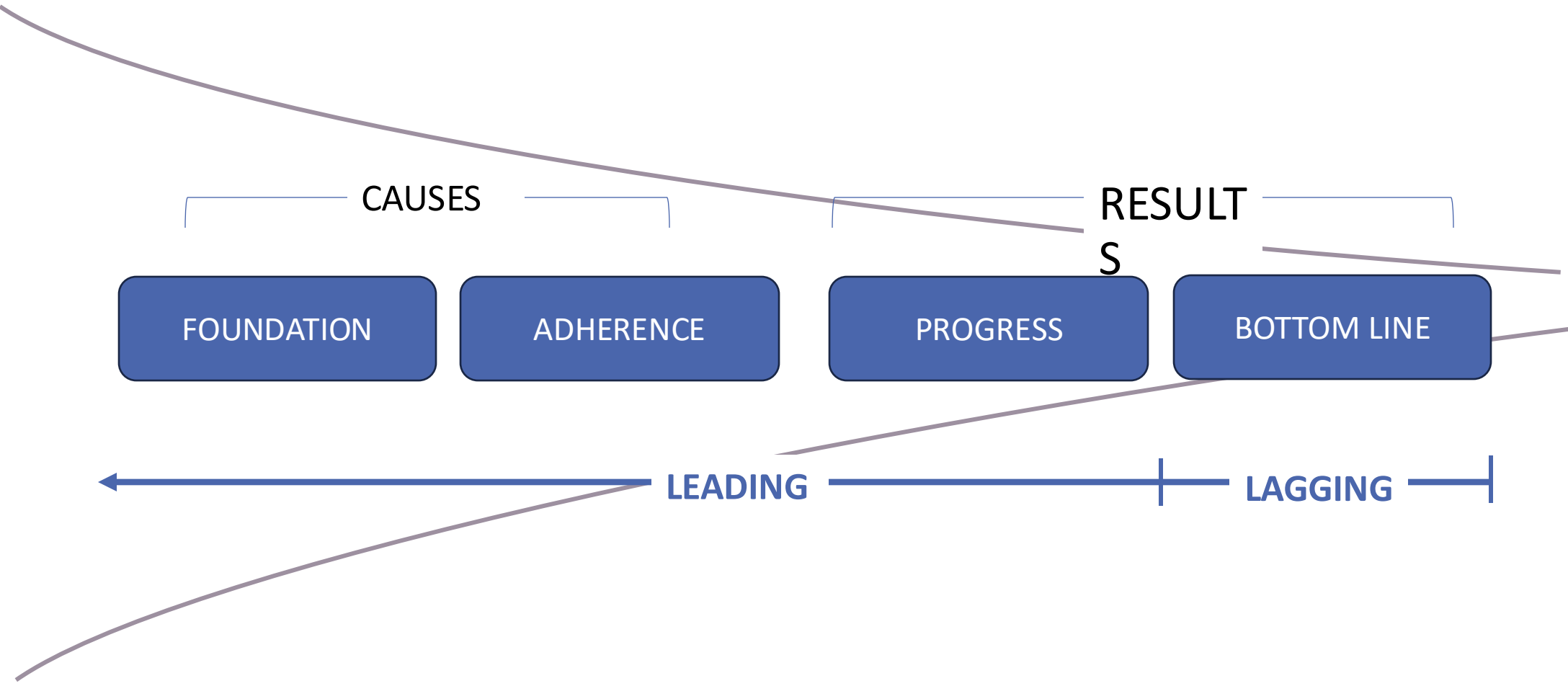
UNIFY

Strategy should be applicable to all org units or product elements and inform a unified decision-making

Put more focus on progress against the bottleneck and be specific about leading indicators



Four measurement areas mapped onto influence diagram



In a nutshell...

1

Find what your biggest obstacle (bottleneck). What gets in the way of organisational success?

2

Design your strategy as a choice that provides real-time guidance on addressing the bottleneck

3

Check if your strategy is a strategy and not a plan, a collection of aspirational statements or KPI targets

3

Measure progress against the bottleneck (leading indicators), measure adherence to the strategy and whether it is still valid

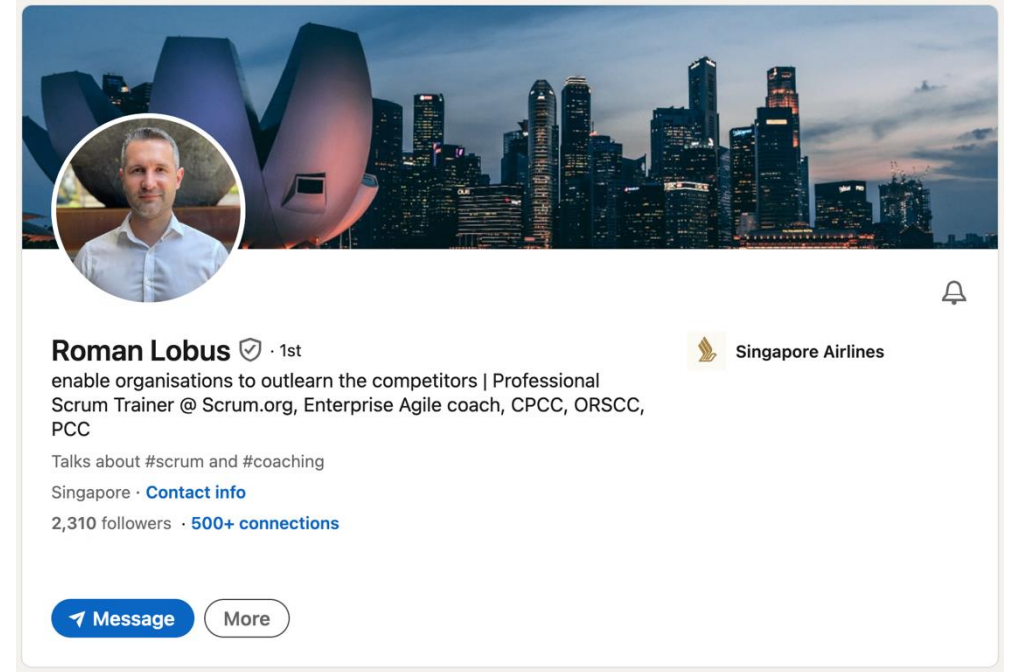


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Thank you!