



Strategies for Building Agile Organizations

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Let's begin

Can you describe your company's strategy?

- Who are your customers and what are their needs?
- How are you distinct from your competitors?
- Can you list 3-5 strategic priorities for the upcoming year?
- What are the key activities? How do you measure their effectiveness (KPIs)?
- What are the biggest risks associated with each activity?

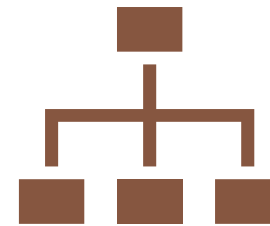
Case discussion: Disruption of Indigo Airlines due to CrowdStrike failure

After you create a strategy, then what?



If all goes well, your strategy reaps expected profits

STRATEGY EXECUTION & IMPLEMENTATION



But what if

The macro environment changes?

The industrial environment changes?

Your company loses or gains resources?

Your processes are affected due to external or internal reasons?

Why do good companies go bad?

Active inertia

- Problem in moving from awareness to action
- Leads to slow or rapid decline depending on the **environment**
- Eg: Management by committee

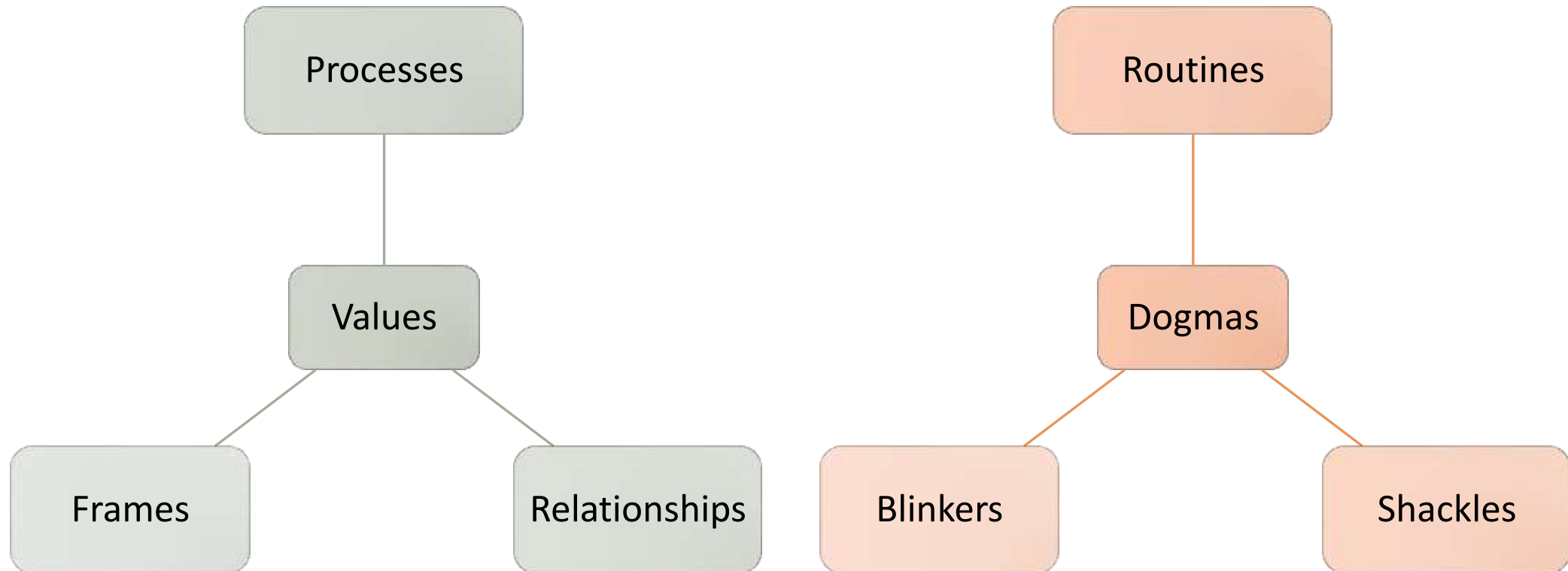
How would you describe the environment now?

- Fast changing threats **as well as opportunities**
- Major disruptions (compared to slow and visible changes)
- Disengaged workforce

How is your company addressing these changes

How are you as a manager addressing these changes?

You need more than strategic E&I



Good companies can go bad overtime

Strategic resilience

Capacity of an organization to respond quickly

In anticipation of or in response to a significant shift in the external environment

Three types of shifts

Fast shock/change

A particular event

Broad social shifts



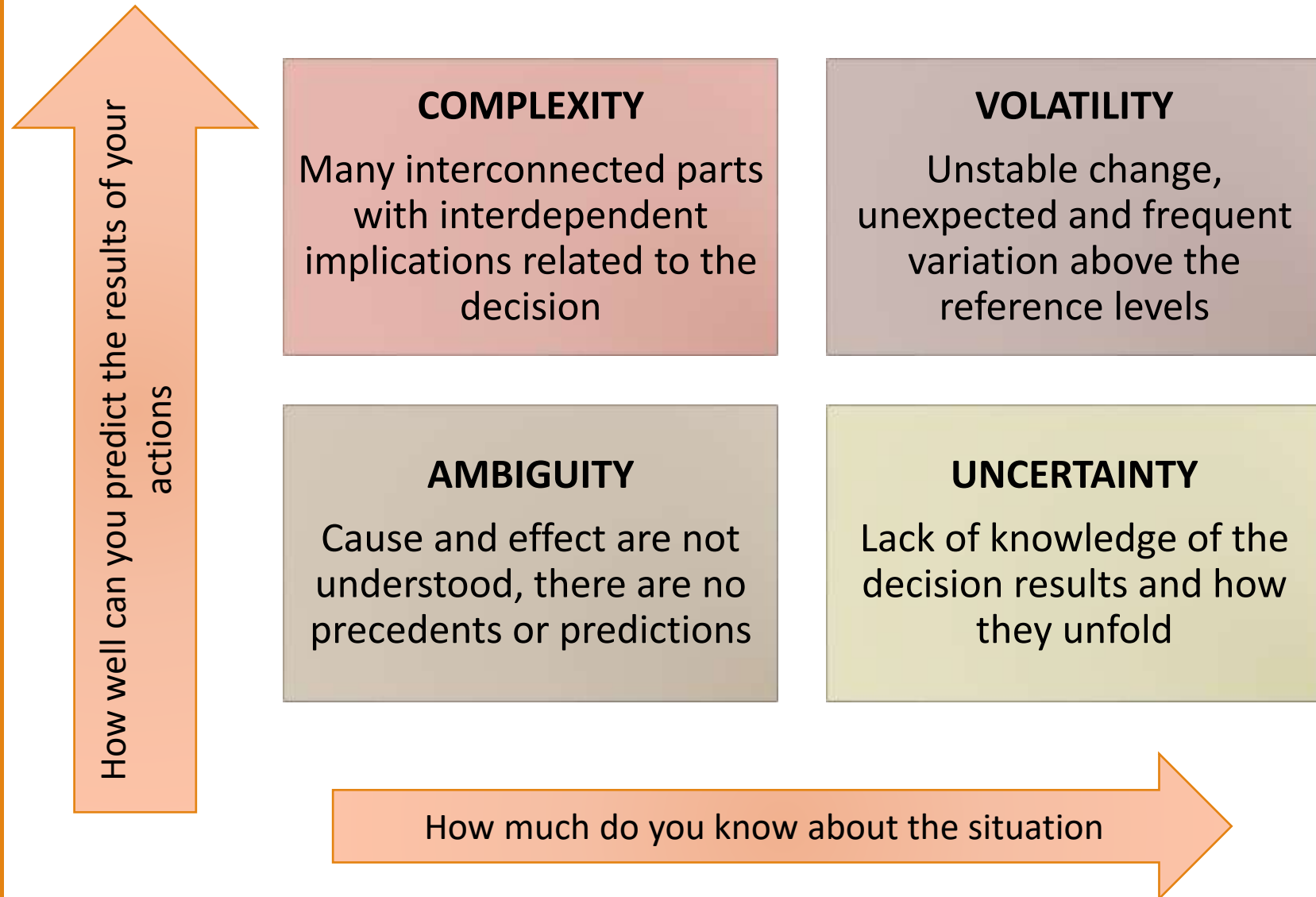
Two forms of SR

Capacity to move quickly


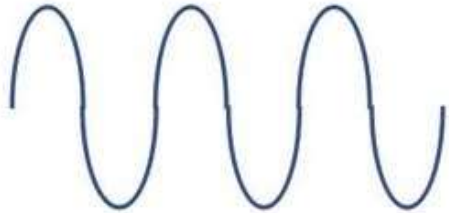

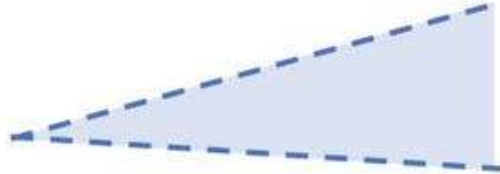

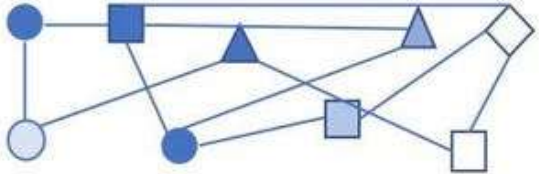
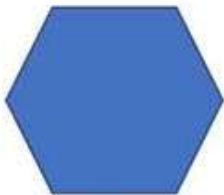

Capacity to absorb shocks

VUCA FRAMEWORK

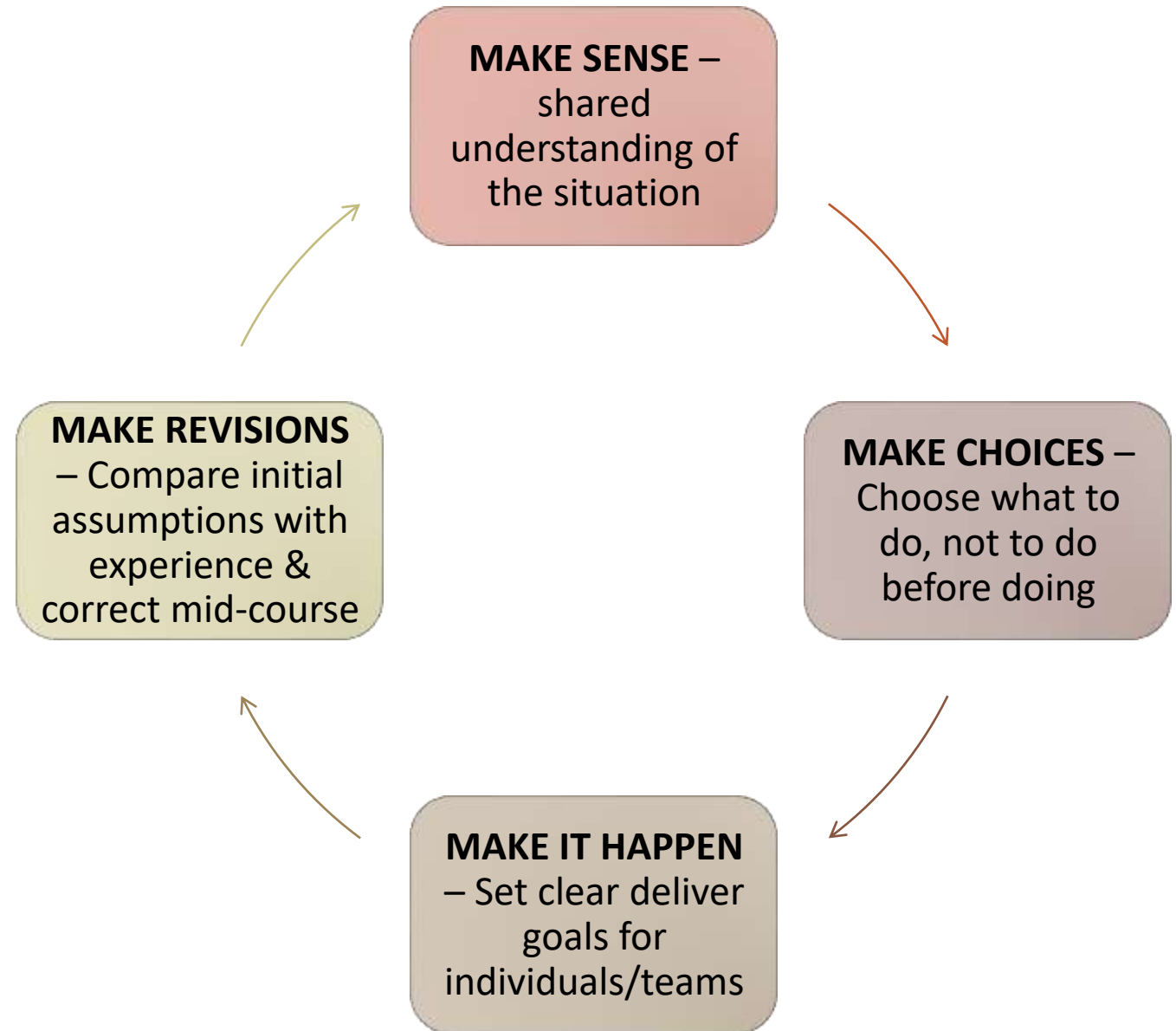
How to understand the
environment



VUCA

Low Volatility	High Volatility
	
Low Uncertainty	High Uncertainty
	
Low Complexity	High Complexity
	
Low Ambiguity	High Ambiguity
	

Execution loop for strategizing in a VUCA world



SCENARIO PLANNING

Why?

- To break the existing thought blinkers that we know the future

What?

- Use creative thinking to map out a small number of alternative futures

Where?

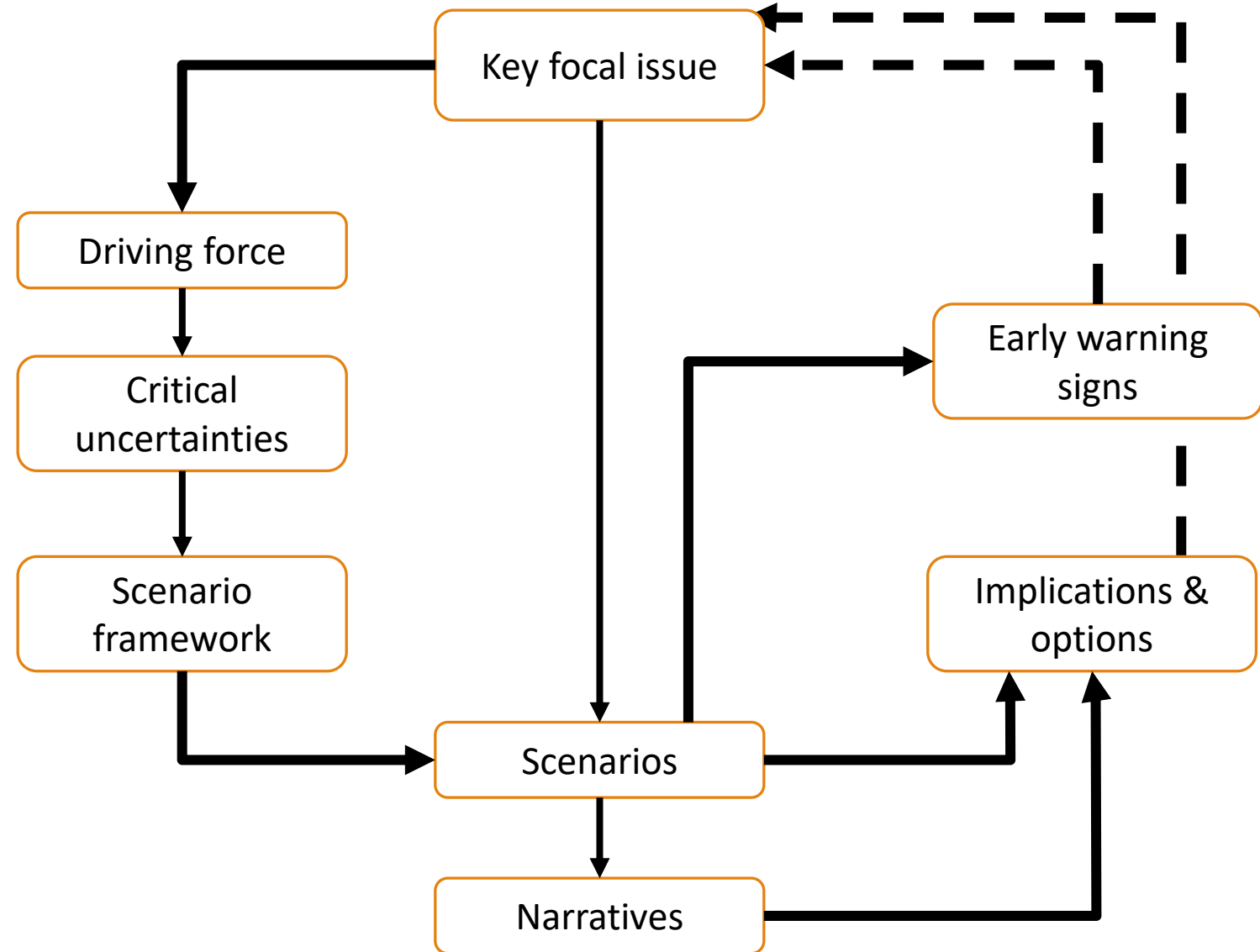
- Used where uncertainty and change are high

How?

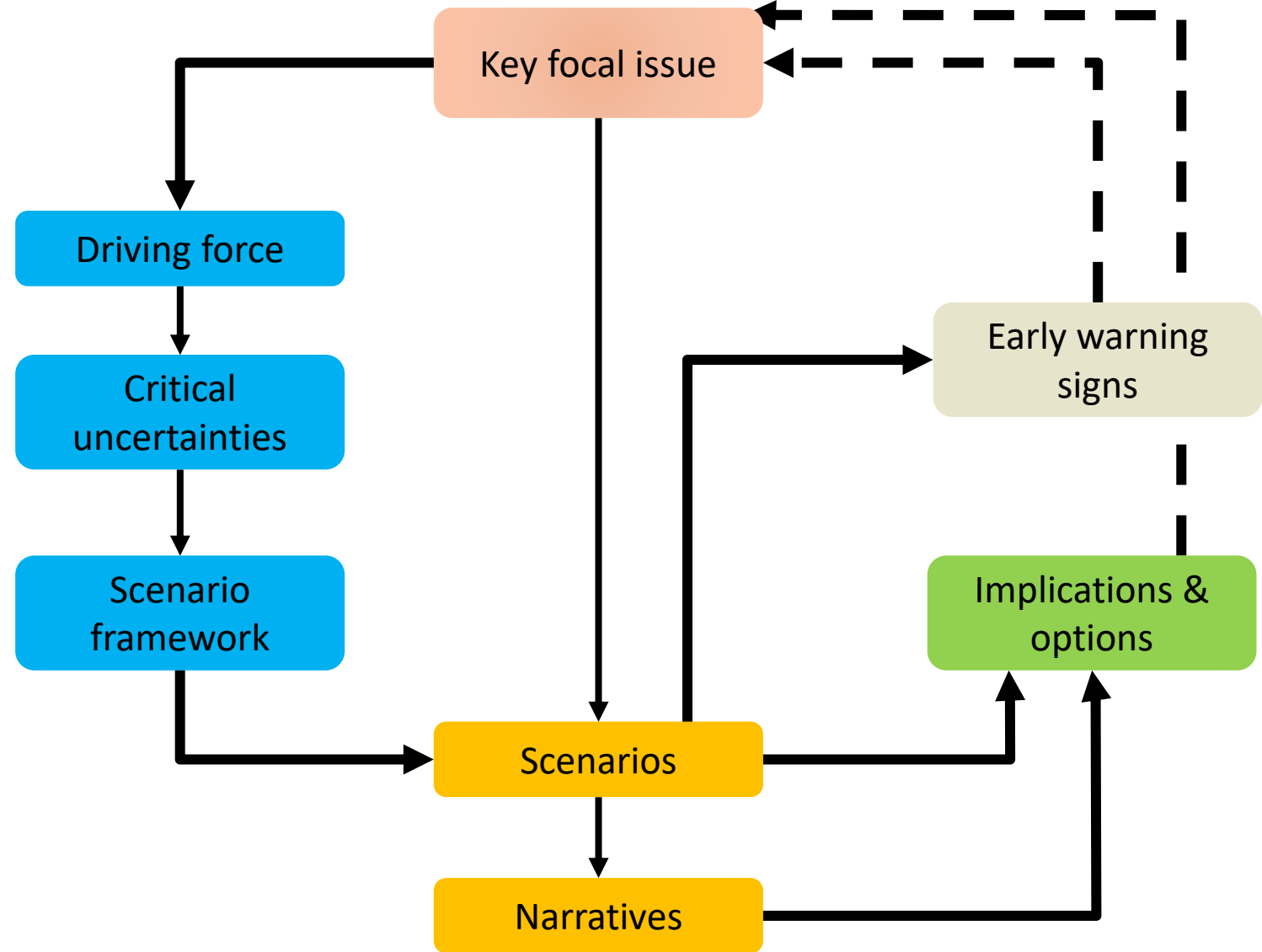
- Addresses Uncertainty by investigating multiple uncertainties simultaneously

Subjective interpretation + objective analysis

SCENARIO PLANNING



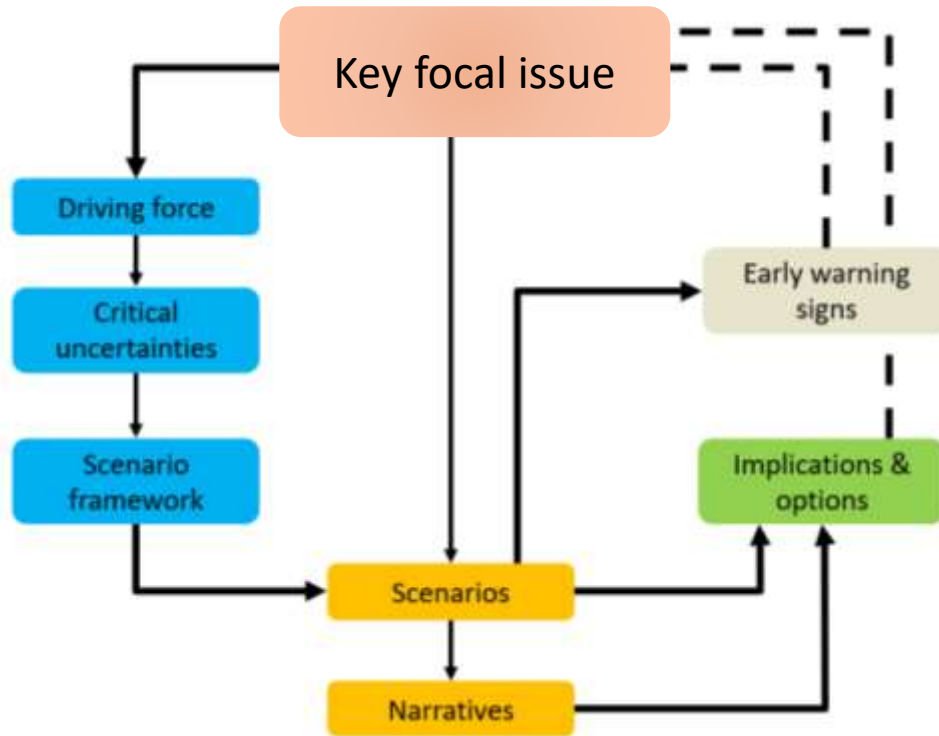
SCENARIO PLANNING STAGES



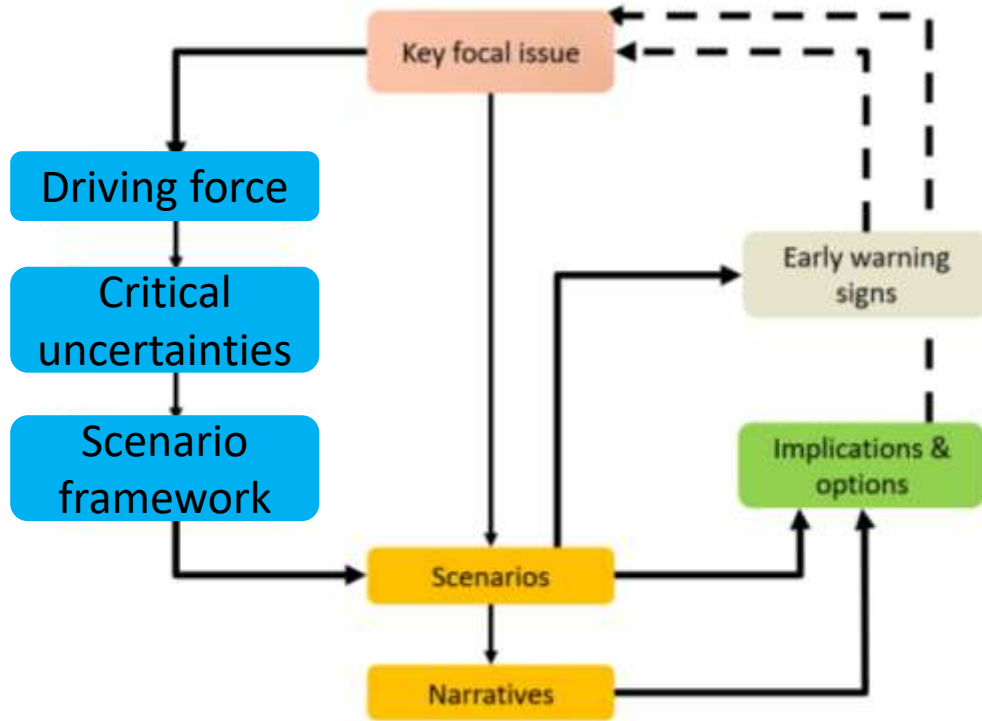
SCENARIO PLANNING STAGES

Stage 1: Orientation

- Conduct background interviews about key issue and focal challenges
- Time and place dimensions pinned down



SCENARIO PLANNING STAGES



Stage 2: Exploration

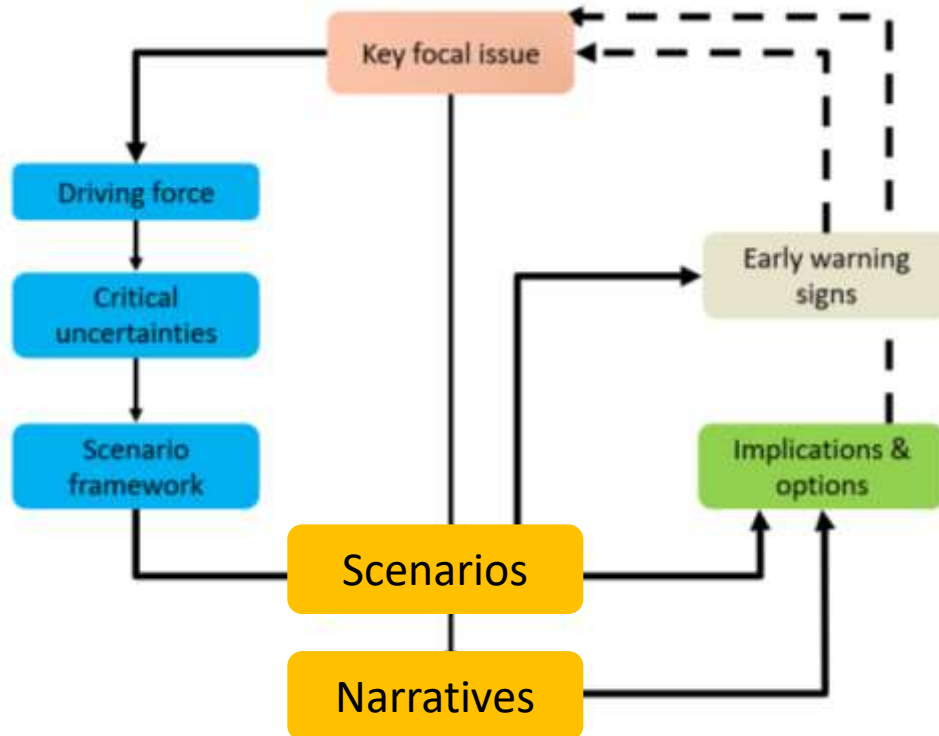
Once the focal issue is defined, reach out to the larger workforce to:

- Identify, analyze and rank driving forces
- Identify the critical uncertainties about the driving forces
- Rank and identify the two most influential driving forces

SCENARIO PLANNING STAGES

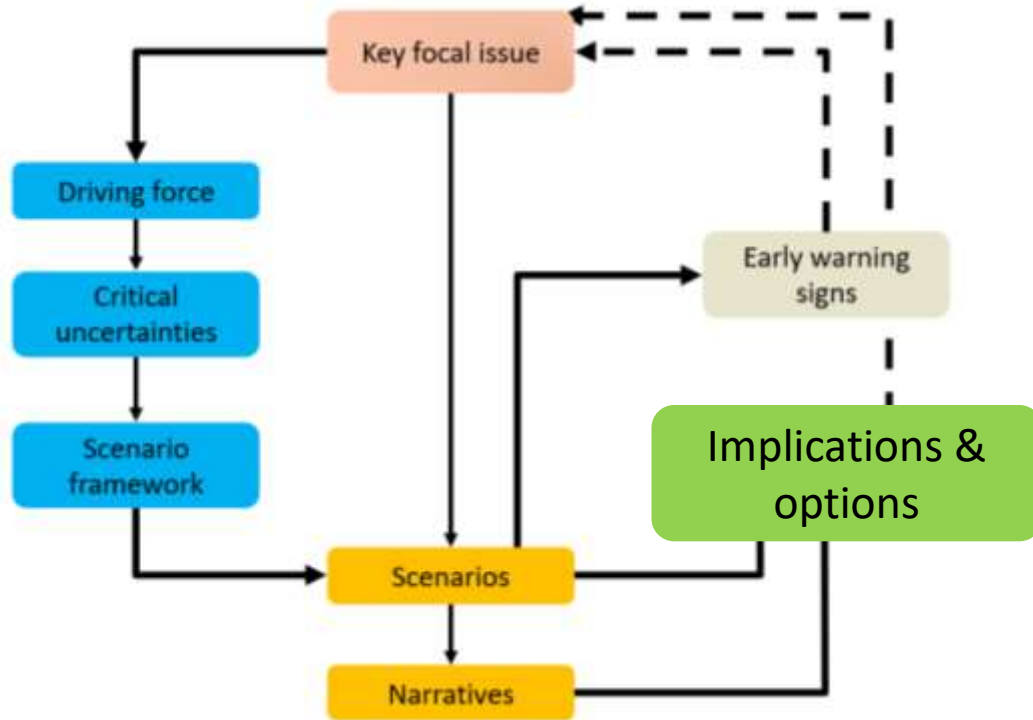
Stage 3: Scenarios creation

- Select scenario framework and create 2x2 framework
 - Identify the path from present to future point
 - Create narratives to describe the scenarios
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- Assign sub teams to write narratives
 - Use catchy titles, mock newspaper articles, movie characters
 - Believable narratives to heighten awareness and sensitivity



SCENARIO PLANNING STAGES

Stage 4: Options consideration

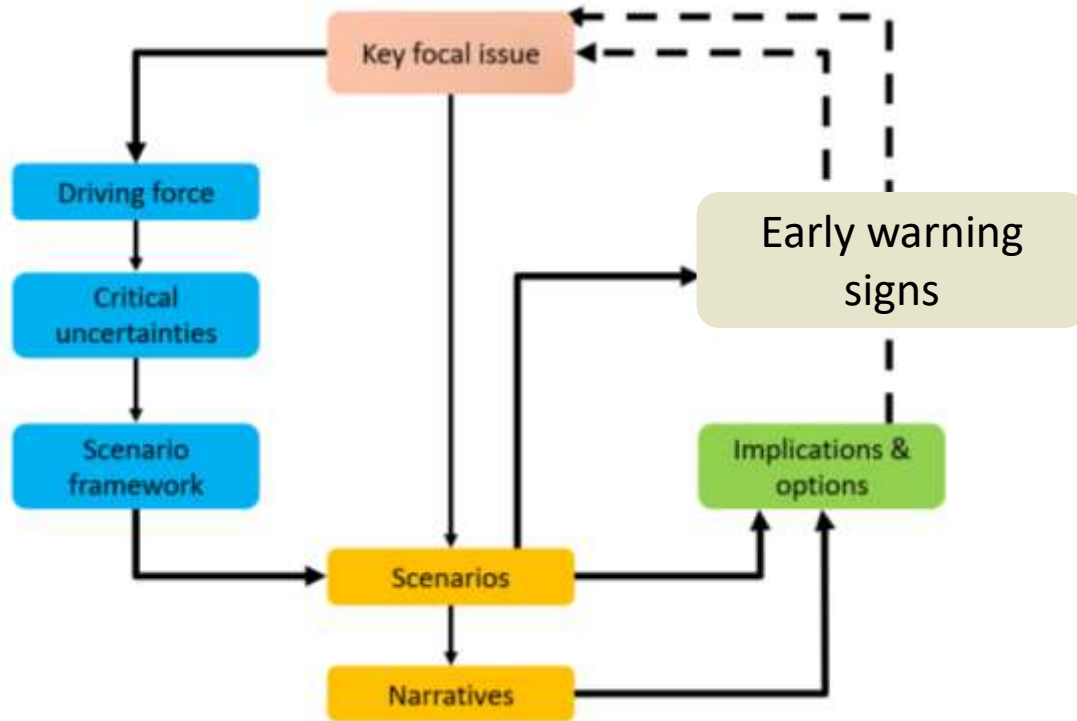


- Start thinking about own company and impact of strategic choices made today
- Play out the key focal issue across each scenario.
- Identify gaps, vulnerabilities, and options
- Identify robust options
- End product is a list of strategies to implement and actions to consider

SCENARIO PLANNING STAGES

Stage 5: Integration of scenarios into current management practices

Weave the scenarios into decision making. Use regular discussions to incorporate the scenarios into broader company narrative



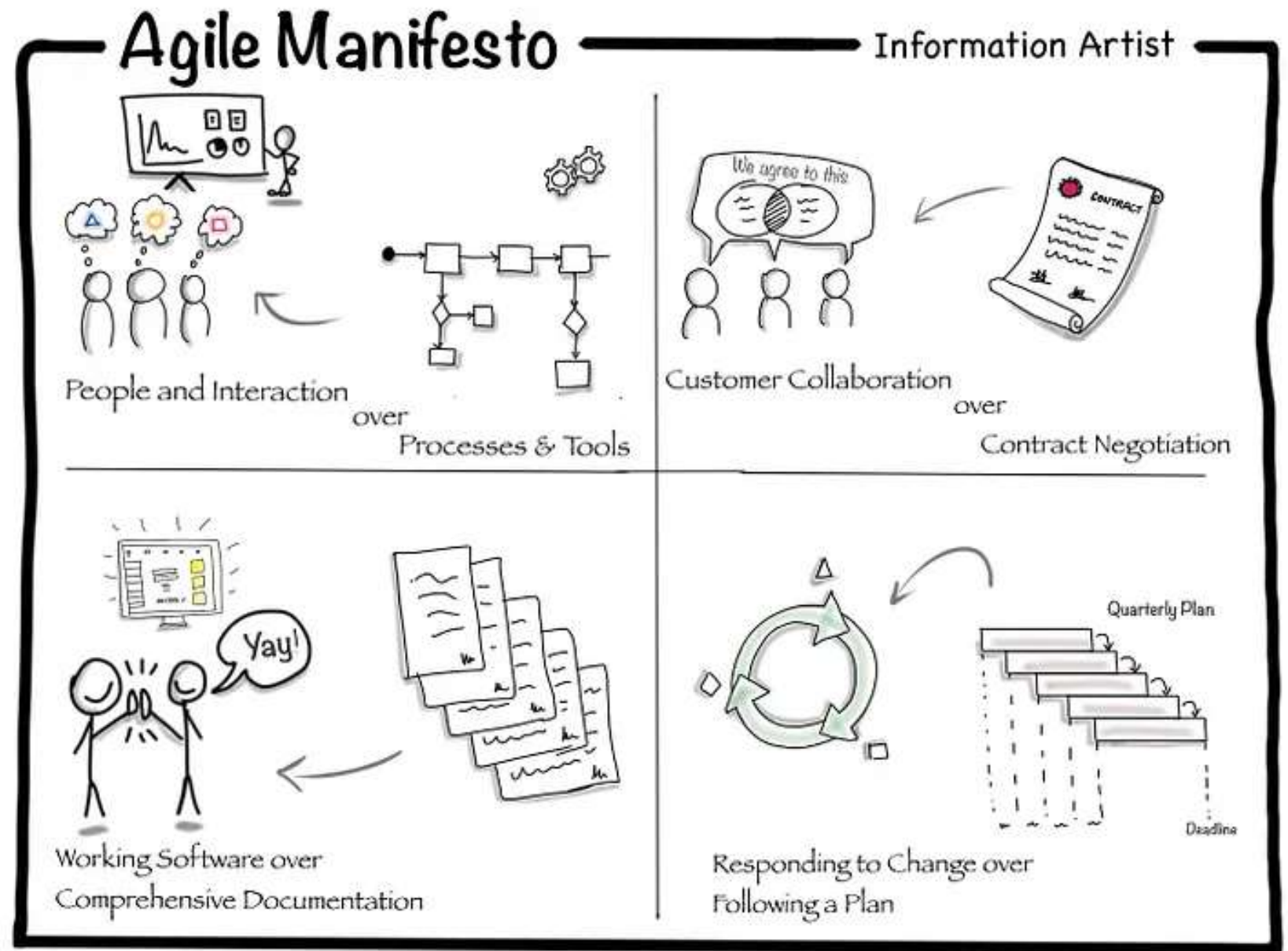
- Select leading indicators and signposts
- Use scenarios to evaluate strategic options
- Use the early warning signs regularly in company discussions at all levels

Agile Manifesto

Agility – Customer collaboration is the fastest way to meet their needs

- **Individuals and interactions** over processes and tools
- **Working software** over comprehensive documentation
- **Customer collaboration** over contract negotiation
- **Responding to change** over following a plan

Agile Manifesto



Source: [Medium.com](https://medium.com)

Agile Teams

Teams are small, 6-9 members

Teams are cross-functional

Roles are fluid

Teams are autonomous

Teams work closely with customers

Teams rely on experiments & rapid prototyping

Work is iterative

Teams meet frequently for short times to build trust and accountability

Session summary

Using VUCA, we understood the dynamic nature of the industrial and macro environment.

The simple solution to addressing VUCA lies in building agility/flexibility into our strategy.

We convert our VUCA knowledge into agile strategy through two methods (of several available):

- **Scenario analysis:** envision the most uncertain and impactful parts of the environment and ensure that your current strategy can accommodate all of the scenarios.
- **Agile teams:** individuals and interactions + working parts + customer collaboration + responding to change

Thank you

For any doubts, please feel free to reach out to
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