ENTERPRISE AGILITY

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ENTERPRISE AGILITY

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Ⓡ Raconteur reports

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Hype: the biggest obstacle to true agility

Agility is a key differentiator in the digital age, but a keen desire to be on-trend has fuelled the emergence of a fake business culture. So how can companies spot fake agile, and what do they need to do to embrace and achieve true agility?

Ben Rossi

A gile has become one of the most widely used buzzwords in the corporate vocabulary as companies compete to be seen as savvy digital operators in a rapidly evolving business landscape.

As is often the case, however, the hype has only served to confuse its real meaning and value. An over-eagerness to self-identify as agile has created fake agile among companies that misunderstand or downright ignore the true application of agility for marketing kudos. Often all they've really done is adopt some new technology.

In the tech industry, there is a distinction between an agile culture and certain ways of developing software known as agile methodologies. These software development processes use techniques popularised by lean manufacturing which aim to make delivering projects more predictable and reliable while minimising wasted resources.

True agility, however, is cultural. It's a culture that expects, tolerates and nurtures constant change. Importantly, it embraces devolved responsibility so innovation can flourish from the bottom up. Those developing customer features need to be obsessively learning about their target audience, be empowered to make decisions, and have the capability to evaluate and then repeat the process as necessary.

An agile company can react quickly to change through pre-established processes which enable it to assimilate new information quickly and incorporate learnings back into its products or customer experience almost instantaneously. Agility requires teams to be empowered. This demands trust, which in turn takes time. For executives, the hardest lesson is learning to hire talented people, then recognising when to get out of their way.

"In my experience, most organisations are fake agile," says Mark Holt, chief technology officer at Trainline. "It's not uncommon for a company to experience a contradiction where programmers employ agile software development techniques, while the wider organisation cannot provide adequate agility to support the programmers in achieving their goals or even effectively evaluate whether the project is worth continuing."

It is important to remember, though, that agility is relative. Each organisation must test the boundaries of how far it can adopt agile practices. Mr Holt notes his previous company, for example, moved its flagship software product to quarterly software releases, which was deemed as much change as the customers could tolerate. Trainline, meanwhile, makes more than 300 changes every week to improve the customer experience.

Excello Law was set up ten years ago as an antidote to the equity partnerships and hierarchical structures in traditional firms which founder George Bisnought felt were failing to meet the changing expectations of both lawyers and their clients. Mr Bisnought built the firm on agile working, offering companies direct access to partner-level lawyers, who in turn receive complete flexibility over when and where they work.

Real agility cannot be purchased off the shelf, he believes. It is about continuously searching for innovative solutions to problems and implementing them rapidly and efficiently. Agile businesses focus on the results new technologies or processes offer, while remaining alert to changes that open new opportunities.

"Business agility needs to be part of the mindset of a company's leadership and embedded in its broader culture, covering all aspects of its operation," says Mr Bisnought. "Planning for change has to be realistic and make business sense on a rigorous cost-benefit analysis. Organisations need to build agility into their foundations and champion it in their company culture. Fake agility happens when companies only attach the principle to current working practices, which does not shift attitudes or working culture."

Agile means embracing change and reacting quickly to market changes by nurturing highly collaborative, empowered and cross-functional teams. Many people associate agile with a lack of control or management, a chaotic free for all with no plan. In reality, by nurturing collaboration and stripping back bureaucracy and unnecessary processes, companies can enable small, regular increments with short feedback loops.

The increments are regularly inspected and adapted against the overall goals and, as those goals evolve, the iterative nature of the work means strategy and direction can be changed easily, allowing customers to benefit sooner. If companies fail to nurture this mindset across all disciplines, teams can become impeded and lose vital feedback.

The trick is recognising that only fake agile is achieved solely by updating legacy tech or developing software, as much of the hype may suggest, according to Darren Fell, founder and chief executive of accounting software firm Crunch, which has recently overhauled its technology and leadership structure to become more agile.

"We're currently the most agile we've ever been," says Mr Fell, "simply through removing the management structure and introducing a new circular framework. It's about stripping everything in your business back to see where the bottlenecks are and implementing simple ways of working that are most efficient and effective for your business, and giving individuals the confidence and ability to make change happen.

"If implemented effectively, true agility shifts the business pace. Processes become more seamless, teams work in tandem more effectively, product quality improves and therefore so does client satisfaction. Agility enables results to be achieved faster and revenue to increase, helping businesses to achieve the ultimate goal of growth."

As agility increasingly becomes synonymous with digital business, companies that ignore it entirely are unlikely to keep up in the connected economy. Likewise, those that only adopt fake agile are sure to fall behind competitors in the customer experience they're able to offer. Creating a truly agile organisation must start with recognition from the top that a culture change is required to adapt to the changing business environment. ●

Amr Tohtaw/500px/Getty Images

DIFFERENCE BETWEEN AGILE AND NON-AGILE COMPANIES

Percentage of agile companies and traditional bureaucratic companies whose performance units follow a given action

McKinsey 2018

● Agile   ● Bureaucratic

Employees provide each other with continuous feedback on behaviour, progress and/or outcomes
80%
43%

Leaders encourage employees to work together by incentivising team-oriented behaviour
90%
59%

Business unit establishes small teams with full end-to-end accountability
88%
58%

AnnaTamila/Shutterstock

Cross-industry survey of senior decision-makers

Cultural or political barrier — 59%

Complex environment — 55%

Lack of knowledge/skills — 46%

Agile teams reverting to top-down decision-making — 37%

Outdated apps and tools — 29%

No financial commitment to change — 25%

Concern about adopting a process that might not work — 23%

Organisational perception of external constraints, such as regulation — 21%

CA Technologies 2018

LEADERSHIP

Who's in charge of agile transformation?

Enterprise agility requires a solid strategy and strong leadership, and collaboration among a company's decision-makers is vital. But who plays the captain's role?

Mark Samuels

Enterprise agility – the ability to change direction quickly – is a decisive factor for success in today's digital world. Rather than being disrupted by competitors, agile enterprises are making their own decisive moves, whether introducing new products or services, entering a new market or even creating a new business model altogether.

Neil Ward-Dutton, vice president at researchers IDC, says agility matters because digital technologies have penetrated industry. IDC research shows that 65 per cent of European chief executives (CEOs) are under significant pressure to deliver results from digital transformation. But with enterprise agility more crucial than ever, whose responsibility is it to lead that transformation?

The answer to this question is complicated. Transformation efforts often start with a specific project in one business function. So a chief marketing officer (CMO) might work on a project to transform how content is used, a chief digital officer (CDO) might focus on a customer engagement programme, while the chief information officer (CIO) might move legacy systems to the cloud.

However, as transformations move beyond their initial stages, the critical success factor is collaboration. Businesses looking to make the most of a new way of working in a particular function will look to create a wider, cross-business transformation. Mr Ward-Dutton says this means the leadership of transformation is more like a team sport.

"New innovative teams need to be working hand in hand with established teams running core operations," he says. "Organisations that really deliver on transformation are those that create dream teams of senior executives working collaboratively. These teams typically have at their core the CEO, CDO, CMO, CIO and CFO [chief financial officer]."

This focus on collaborative transformation leadership resonates with Steve Bates, global leader of the CIO Centre of Excellence at consultants KPMG. His discussions with CIOs suggest we've now reached a tipping point: all organisations want enterprise agility.

> "
> **Every single function, from CEO to individual employee, has to live the digital transformation in every aspect of daily work**
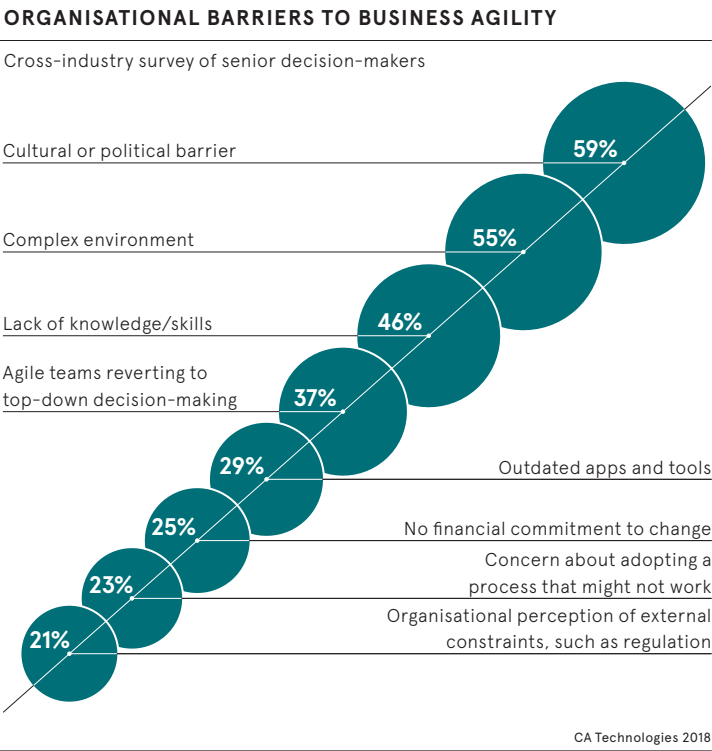
As organisations become more agile, the requirement for collaborative leadership continues to increase. And while successful transformation is a team sport, CIOs will often play the captain's role, due to their hard-learnt experience of using digital systems and services to create enterprise agility.

"As a modern business, you have to be able to pivot quickly and much of this is underpinned by technology," says Mr Bates. "CIOs can help other senior executives to make that transition. After all, agile is how CIOs have been working for the past 20 years and the business now wants to harness the way these pioneering digital leaders have been working."

It's a sentiment that resonates with Dayne Turbitt, UK and Ireland senior vice president for enterprise sales at Dell Technologies. He agrees CIOs have to move far beyond infrastructure management and into roles and responsibilities that make use of their hard-won experience of digital transformation.

He says smart CIOs are reinventing themselves as specialist business advisers who understand the disruptive power of technology. These IT leaders act as the chief executive's trusted lieutenants, using their deep understanding of all things digital to help deliver the agile enterprise.

"What I'm seeing is the CIO role is being elevated to the board as an adviser to the CEO on the art of the possible with technology," says Mr Turbitt. "CEOs are becoming more technically savvy. However, they are not steeped in technology, so they need a trusted adviser who is more of an innovator than an operations person."

Michael Ibbitson, executive vice president for technology and infrastructure at Dubai Airports, agrees that the growing influence of digital helps CIOs to establish their roles and responsibilities in transformational activities. The underlying role of systems and services means every modern business is in effect a technology company, including his airports.

"I was talking to our senior vice president of operations recently and he said he can't work without technology anymore. And for me that means technology is actually more about business operations than it ever had been in the past, especially ten years ago when technology was seen as a service that reported into the finance function," he says.
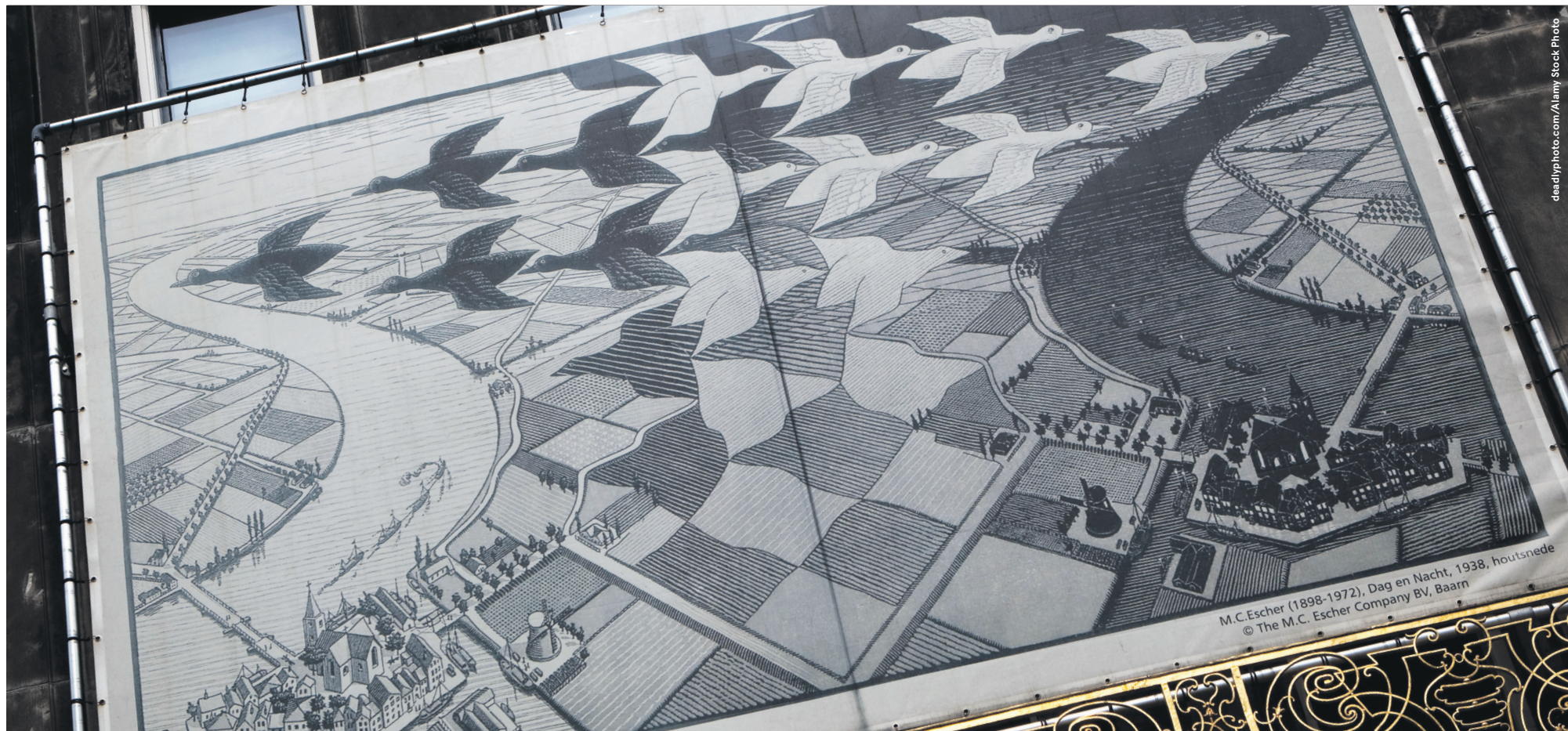
The central role of technology in business means experienced IT chiefs play an invaluable role in helping traditional organisations to become agile enterprises. Yet CIOs cannot afford to work in isolation. Julie Dodd, director of digital transformation and communication at Parkinson's UK, says digital leaders must have a clear, strategic roadmap for implementing technologies as part of a broader business vision.

"I believe the idea of a written 'technology strategy' or 'digital strategy' is old hat," she says. "And perhaps even worse, it perpetuates the idea that technology is additional, rather than fundamental, to the successful achievement of an overall mission and the business's goals."

Ms Dodd recognises that the best CIOs see change as a continual process that helps create lasting enterprise agility. They work with C-suite peers to identify how technologies can be adopted and adapted to help the business reach its objectives.

Hanna Hennig, CIO at Osram, agrees that digital transformation is nothing that a single function can accomplish and is the combined effort of the whole enterprise. Her firm is undertaking digitisation as it completes a shift from being best-known as a light bulb specialist to a photonics company, covering advanced products including LEDs, infrared and laser lighting.

"To implement that successfully, every single function, from CEO and managing board to management, like the CIO, and each individual employee, has to live the digital transformation in every aspect of daily work," says Ms Hennig. "Digital transformation is not only about technology, but also about the people and the culture. With cultural change, agility is fostered in the whole organisation." ●

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M.C.Escher (1898-1972), Dag en Nacht, 1938, houtsnede
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What the CEO needs to know about agility

Businesses have been aware of digital transformation for years, but the most effective organisations will be those now able to embrace a constant state of change and disruption. Enterprises continuing to thrive will make agility business as usual

Chief executives of smart companies across all industry sectors are beginning to see that a capacity for constant change is becoming fundamental to success and survival. Over a short time, implementing operational changes has shifted from being a one-off project to become a constant feature of what enterprises do.

The underlying reason for this shift is that software is so central to all business. And it is affordable for smaller and more agile competitors to turn themselves into cutting-edge and fast-growing companies based on the latest technology. Disruptive giants such as Amazon, Facebook, Apple and Google have grown in this way.

The highly agile state of disruptive firms is forcing established players across industries to look at their business models, how effectively they foster collaboration and innovation internally, and how well placed they are to make changes that improve their competitiveness.

"In terms of operational agility, companies that don't grasp quickly enough that change has become inevitable soon find themselves being outcompeted by rivals that do," explains Simon Haighton-Williams, chief executive of Adaptavist, the consultancy specialising in enterprise agility. "Businesses with the ability to meet a world that is changing around them are pushing well ahead of competitors."

The concept of agile change emerged initially as an approach taken by software developers who often found their creations, by the time of going live, were at risk of being outdated. In response, they took up an approach focused on achieving much smaller scale delivery milestones, more frequently. They were then able to fail or succeed with ideas much more quickly.

The agile approach is now being adopted by entire organisations whose aim is to pursue opportunities more rapidly and to establish a culture characterised by evolution and change. As they develop, individual projects can be run at a small scale, but then very quickly either scaled up or set aside, depending on their effectiveness. The same applies to quicker launches of products, which can be improved continuously.

Mr Haighton-Williams says chief executives need to bear in mind they cannot know exactly how their businesses and markets will look in a few years' time. However, they can generally be certain of a need for substantial change, so it is essential they create an organisation that is able to create and try new ideas, approaches and opportunities.

Out of necessity, he explains, chief executives are making their organisations less hierarchical, as well as less prescriptive in how they look for new ideas and routes towards competitive advantage.

"Becoming more agile means there's a certain rejection of hierarchy or at least innovation coming through it. It's about establishing internally an ability to absorb change throughout the organisation," says Mr Haighton-Williams. "From a leadership perspective, CEOs must learn how to foster ideas, feed them and allow them to grow."

Sensible risk management clearly involves fostering change to reduce the dangers of a business quickly becoming obsolete or even simply inefficient. "In traditional businesses, the view has often been that the only way to minimise risk is to minimise change, whereas better risk management is actually accepting that change is inevitable, then absorbing it and encouraging it," he notes.

Adaptavist helps businesses across industries to be highly agile. It works to understand organisations' needs, plan change and deliver agile and measurable shifts based on smart tools such as Atlassian development and collaboration software. It focuses on helping companies to become more people-centric, putting individuals ahead of processes.

For small and medium-sized companies, a people-centric approach is about managing timeframes and individuals as contributors of valuable resources. In the context of larger workforces, it means adopting a view that accounts for teams as resource units and creating frameworks, allowing innovation to happen on a consistent basis, whether it is responsive or pre-emptive.

To inform strategy in this context, enterprises also need to assess carefully how tools and processes can be used to support teams and individuals, and prevented from hindering them. Crucially, these tools need to be understood as being transient and subject to change all the time. For many businesses, this means using cloud-based software that can be switched on or scaled up as needed and which creates operational rather than capital expenditure, essential for constant evolution.

Mr Haighton-Williams says the rate of change in enterprises can be so fast that even the bottom line does not necessarily give a clear picture of how effectively a company will continue to compete. Organisations should equally focus on measuring the smaller metrics that lead up to their profitability. He says: "That might be adoption data, it might be the rate of evaluations or where customer consideration becomes a transaction. The profit follows when those basics are right."

Chief executives of the smartest businesses increasingly see how change must be embedded in their companies' ways of working. "The key attitude is to be pragmatic and open minded, taking the ego out of change," Mr Haighton-Williams concludes. "There is no one-size-fits-all approach. It's not about slavishly following some sort of rule book. The businesses that win will be the ones that know the importance of actually being agile, rather than just doing agile as a project."

> **Businesses with the ability to meet a world that is changing around them are pushing well ahead of competitors**

> **There is no one-size-fits-all approach. It's not about slavishly following some sort of rule book**

To find out more about how to become a deeply agile business please visit adaptavist.com

Adaptavist

Capitalising on the outsourcing evolution

The outsourcing industry has come a long way, and strategic partnerships are now rewarding businesses with increased flexibility and agility

Michelle Perry

There was a time when outsourcing contracts lasted a decade or more and the news was littered with headlines of overspending and failed outcomes. Innovative approaches to outsourcing have, however, been quietly evolving over the past five years or so. This shift comes in part to accommodate the speed of technological change that is helping reimagine operating models, but also to match the changing demands of agile organisations' need for more strategic partnerships.

Traditionally, outsourcing was focused on cost-cutting and improving back-office services. Now strategic partnerships are about collaborating with specialists to integrate new products or value-added services a business cannot efficiently build on its own to innovate, accelerate growth and secure an edge over its competitors.

The Global Sourcing Association, a not-for-profit membership association which shares best practice on sourcing, predicts the outsourcing market will become simultaneously more collaborative and more competitive with contracts based on outcomes rather than outputs, and partners sharing risks to benefit from greater rewards for all parties.

Cost pressures continue to weigh on businesses, but to remain competitive, agile organisations must ensure they have access to cutting-edge technology. Without the means or desire to necessarily recruit those skills in-house, business owners are understanding that only when they develop strategic partnerships with experts can they access the tools and skills they need to adapt to the modern world of business.

Moneypenny, a global outsourced communications provider, delivering telephone answering, live chat, switchboard and multichannel customer services, understands the benefit of agile partnerships from both sides of the equation. Moneypenny not only provides agile partnerships, offering smaller companies the artificial intelligence-generated telephony services that they wouldn't be able to hire in-house, but also bespoke services to multinationals.

In addition, the company nurtures its own agile partnerships with technology experts to tap into the tech

> **"**
> The world changes very, very quickly. And you need to be able to flex your providers and internal resources to cope

they need to further their service offerings to clients.

Moneypenny's chief executive Joanna Swash says: "Outsourcing used to be a bit of a dirty word. Over time the whole image of outsourcing has changed considerably. Agile partnerships are different now. It's about making sure you have the right relationships in place and you take the time to really understand what your business problems are, and that's how you get really strong outsourcing relationships. But you can't outsource something without being fully invested in it."

Often, outsourcing was about taking away what was often seen as the headache of the non-core services and handing them over to a third party to deal with at a much cheaper cost. Today, cost is less of a priority.

Lengths of contracts have also radically changed. Gone are the decades-long contracts and notice periods that tie in business owners irrespective of the outcomes. Nowadays, contracts are often month by month, or for one or two years. In fact, agile organisations say the length of the contract isn't an issue because, if you want to retain the partnership, you make sure you're achieving outcomes to secure the repeat business.

"There's a big recognition that the world changes very, very quickly. And you need to be able to flex your providers and your internal resources to cope with different kinds of macro-economic conditions, local conditions or staffing. We don't really want to enter into too long a contract with anybody. And certainly not without the ability to make changes in that relationship as the service progresses," says Ms Swash.

That flexibility is at the crux of the new strategic partnerships. Businesses need to know that during the peaks and troughs of the business cycle they can buy in the

46%
of agile teams are using agile practices to manage outsourced development projects

40%
plan to increase the use of agile in outsourced development projects in the next 24 months

CollabNet VersionOne 2019

services they need to ensure the smooth flow of business. Owners do not want to have to pay for a product or service they are not benefiting from during a quieter period.

"We're seeing a different dialogue from even a year to five years ago. In the past, it was very much a supplier relationship focused on key performance indicators and cost delivery. But we're seeing a big move towards flexibility and agility," says Kirk Croal, managing director of Huntswood Outsourcing.

Strategic partnerships will only work, however, if they are based on trust and transparency. It's a substantial leap of faith for organisations, but the rewards are significant. The shift is also coming in the form in which teams work with outsourcers. Mr Croal says, in the past, he may have been working more with the procurement side of the business, but now he works increasingly with clients' operational teams, which isn't necessarily the cheapest approach, but can produce the best results for the customer experience.

"Our customers want a strategic partner that is going to be more than just a company which makes stuff for them. We now have companies which share the design, innovation, the collaboration, engineering. Our job is to basically make sure our customers' product is better than the competition," says Tony Hague, chief executive of West Midlands-based PP Control & Automation, a strategic outsourcer to manufacturing machine builders.

History shows that it is difficult to catch up if you ignore or delay acting on industry disruption. Agile organisations that view this disruption to outsourcing as a chance to execute real change, even when it may cost more in the short term, will be far better positioned to gain competitive advantage in the long run. Those that don't risk being left behind by their nimbler competitors.

As Ashish Kumar Gupta, corporate vice president and head of Europe, the Middle East and Africa at HCL Technologies, concludes: "Companies that haven't been able to change with the times become irrelevant in the market." ●

Commercial feature

'The strategic sourcing professional understands the needs of the business, and appreciates new and emerging technologies'

No man is an island unto himself. And the same must be said of any company.

All businesses need to partner with best-of-breed players to survive, let alone thrive. And that's never been more true than in today's dynamically changing world. But, if we are honest, it's a strength not many companies possess or value highly enough. This needs to change and quickly.

Having spent many years working to improve standards, sharing and capability in the industry, the evidence of Global Sourcing Association (GSA) research shows all best performing companies now have a recognised strategic sourcing function; a team of highly skilled professionals that transcend the business, operations, technology, finance and procurement. Organisations that run these divisions as isolated units are working in an antiquated way, focused more on cost-cutting than value creation, which is a very short-term strategy.

The strategic sourcing professional understands the needs of the business, and appreciates new and emerging technologies, be that artificial intelligence, automation, analytics or blockchain, and how they can be brought into a sourcing arrangement at any time. They are also focused on how partnering in an open, honest and strategic way with a chosen selection of players, from across the world, can add significant value to a business.

However, rather than bang on about the virtues of good partnering, I'd prefer to bring this to life. At the GSA we have seen some great examples.

The BBC, widely recognised as a very mature user of outsourcing, is leading the way in its partner programmes through the development of a segmentation model that weights its partners based on their strategic value-add and overall contribution to business, rather than by spend and savings potential.

Global pharma GSK won GSA's Innovation Award in 2018 due to its dynamic approach to strategic partnering. When GSK's competitor landscape exploded and their market position fell from fifth to ninth globally, the board knew it needed to drive a dynamic change agenda.

GSK established a specialist cross-functional sourcing team with a completely fresh modus operandi focused on true innovation, strategic partnerships and agile ways of working. The length of the RFP (request for proposal) process was cut to a quarter, contracts reduced to merely a few friendly pages and payment terms slashed.

At the same time they engendered a culture to partnering based on transparency, trust and co-investment to attract the most dynamic of companies. This approach has enabled GSK to reap dividends in cost-savings and value creation.

So is this really different to outsourcing? No. Outsourcing was evolving to this model and the best in the industry are embracing it. Unfortunately, despite a few isolated examples of best practice, too often the government has revealed itself as both an unintelligent customer of traditional outsourcing and as a political blame merchant seemingly hell bent on irreparably damaging the reputation of outsourcing in the UK.

Once the global leader, we now languish just within the top 20 performing countries. Government's attitude to and use of outsourcing has damaged its reputation to the point it is perceived as an undesirable industry to work in. As such we have a dearth of talent available to drive dynamic programmes of change.

In response, under the direction of Jim Hemmington from the BBC and Joe Williams from Aviva, GSA is leading a programme to attract and upskill talent in strategic sourcing to promote the great virtues of the profession and the opportunities open to individuals interested in pursuing a career. In addition, Mark Devonshire from NTT Data is leading a programme to publish a code of conduct for how the industry partners with startups and small and medium-sized enterprises.

The industry is showing itself capable of change. Can the UK government embrace it and recognise that the future of sourcing is strategic partnering? ●

Kerry Hallard
Chief executive
Global Sourcing Association

Making agile transformations succeed

Agile transformations have rapidly become commonplace in the world of business with enterprises in virtually all industries and regions attempting to harness the power of emergent technologies to innovate and stand out from competitors. But transformation is hard

According to a McKinsey global survey, more than 80 per cent of respondents say their organisations have undertaken digital transformation initiatives over the past five years, but a mere 16 per cent report success and only 3 per cent claim successful sustained transformation.

Simon Powers, chief executive and founder of Adventures with Agile, the global coaching and training provider for agile and organisational change, says a major reason behind the issues enterprises face when embarking on transformations is the reliance on predefined templates or best practices that have worked at other organisations.

"What we are doing is helping companies achieve their business goals through new and more collaborative ways of working, rather than following a fixed framework. When external elements such as the processes are prioritised, rather than building better relationships and fostering collaboration, businesses can find staff aren't really getting the innovation they had

expected," explains Mr Powers.

Agile coaching plays a vital role in helping companies on their journey, but only if the coaching aspect is taken as seriously as agility. When more skilful business relationships and high-trust environments are established, combined with coaching to unlock employee potential, organisations are better placed to leverage the processes of agile.

"Through coaching and facilitation techniques, we are able to unlock the behaviours and the limiting beliefs that people and organisations have about themselves, which enable people to focus on collaboration and then results that enable organisations to be in the 3 per cent of successful lasting change," adds Mr Powers.

The importance of behavioural change during the enterprise transformation process is often undervalued, but agility is fundamentally a shift in the way staff relate and behave to achieve better results. In many traditional businesses, the hierarchical, top-down approach to change is simply too slow to manage staff in a fast-paced and competitive environment.

For companies to achieve lasting benefits from agile ways of working, all employees need to be intricately involved in this fundamental business change, not just the management team or change experts.

"When we work with a company, we ensure the leadership team are aligned and working in a very cohesive way, as well as collaborating in a much more skilful way. By focusing on co-creation, rather than transactional or disparate ways of working, the leadership team can fully visualise what their business challenges are and what opportunities the business can take advantage of," says Mr Powers.

Change programmes that follow a top-down model often encounter

resistance among employees as they will not have played a role in creating these solutions. This leads the transformation to stall, leaving employees disengaged and unequipped to innovate.

The Adventures with Agile approach leads with co-creation, sidestepping the disruptions that come with other models, and through their systemic coaching techniques, the entire system is being coached rather than just individuals. Management teams incorporate new knowledge into their skill set via professional coaching, enabling continual low-cost sustainable adaption to a changing marketplace, without the need for external coaching specialists.

This incremental change, without disruption to work in progress, in the form of small, safe hypothesis-led experiments designed by those who are changing their ways of working, aligns the organisation at the speed at which they're comfortable with change, so they can continue to adapt to their evolving marketplace. This translates to new ideas and innovation arising from employees, and enables customers to provide feedback more frequently.

"As the market changes and business problems come and go, the companies we have worked with have a built-in mechanism to continually innovate and change in a sustainable and safe way," Mr Powers concludes.

For more information please visit adventureswithagile.com or call 0203 369 1125

> **"**What we are doing is helping companies achieve their business goals through new and more collaborative ways of working, rather than following a fixed framework

8 REASONS TO BE MORE *AGILE*

In an increasingly disruptive business landscape, companies need to be adaptable and innovative, and agile processes can give companies the tools they need to compete

## 1 BECOMING AGILE OR IRRELEVANT?

Global chief executives who agree that "acting with agility is the new currency of business; if we're too slow we will be bankrupt"

67%
2019

59%
2018

KPMG 2019
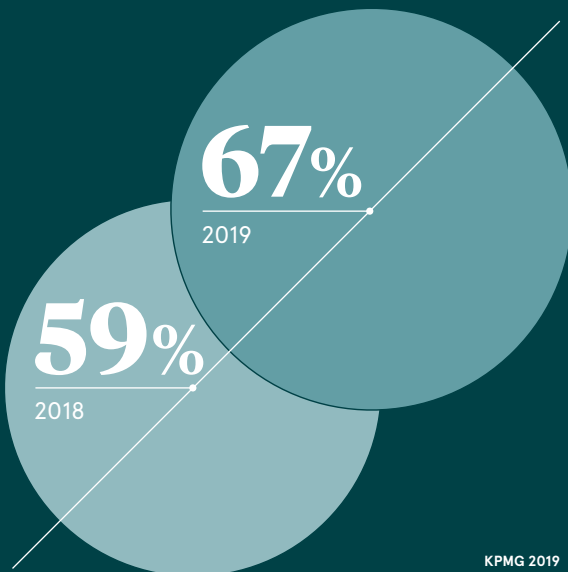
2 COMPETITIVE LANDSCAPE IS HEATING UP

Estimated average tenure of companies on the S&P 500; calculated using seven-year rolling averages

33 years

20 years

24 years

12 years

1965   1990   2016 2027

Innosight 2018
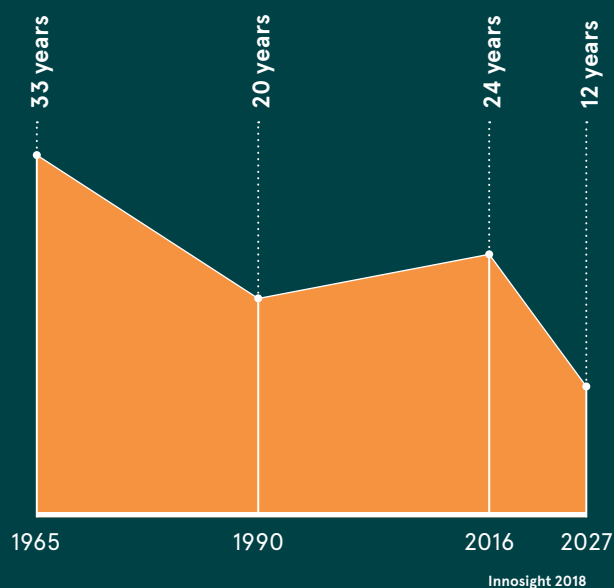
3 INNOVATION IS STILL BEING LED FROM THE TOP, NOT THE BOTTOM

Global survey of directors shows that emerging technology adoption is happening top-down, and discussions aren't happening frequently enough

49%

of directors believe their board invests sufficient time in discussing emerging technologies to properly assess risk

67%

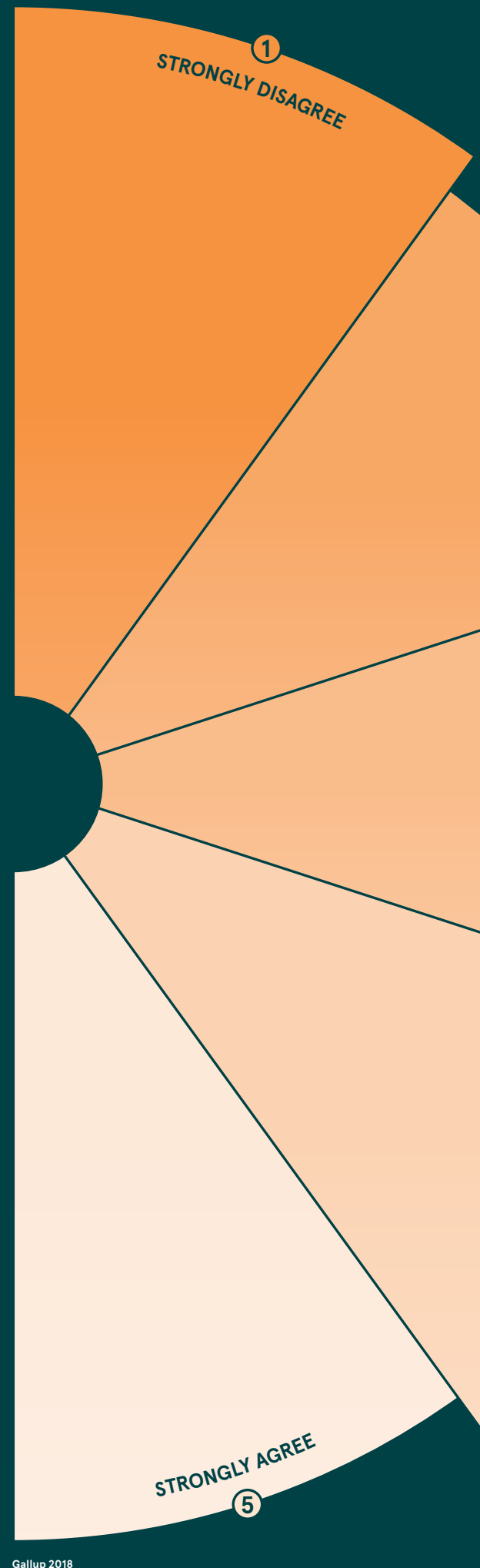say that oversight of emerging technologies resides within the full board

23%

say they discuss emerging technologies once a year

EY 2019

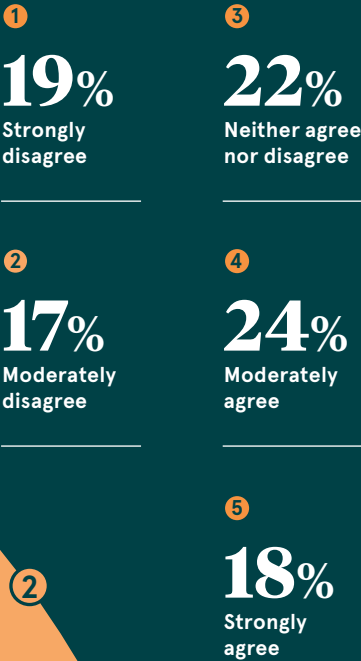## 4 EMPLOYEES NEED MORE FREEDOM TO BE INN

Global employees were asked if they are allowed to take risks at could lead to important new products, services or solutions

1 STRONGLY DISAGREE
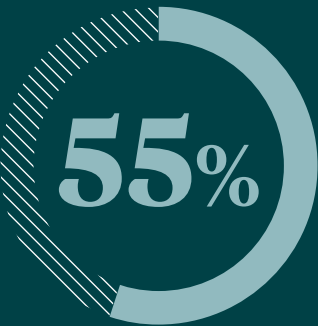
STRONGLY AGREE
5

Gallup 2018

NOVATIVE

t work that

①
19%
Strongly
disagree

③
22%
Neither agree
nor disagree

②
17%
Moderately
disagree

④
24%
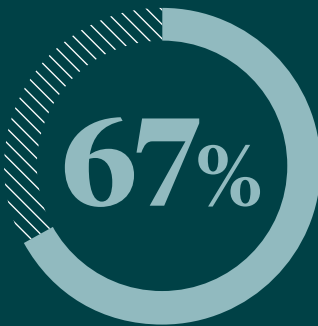Moderately
agree

⑤
18%
Strongly
agree

5 STAKEHOLDERS ARE BECOMING INCREASINGLY DEMANDING

55%
of investors think
companies should invest
in exploring potentially
disruptive business models

EY 2019

67%
want companies to
undertake potentially
disruptive innovation
projects even if they are
risky and may not deliver
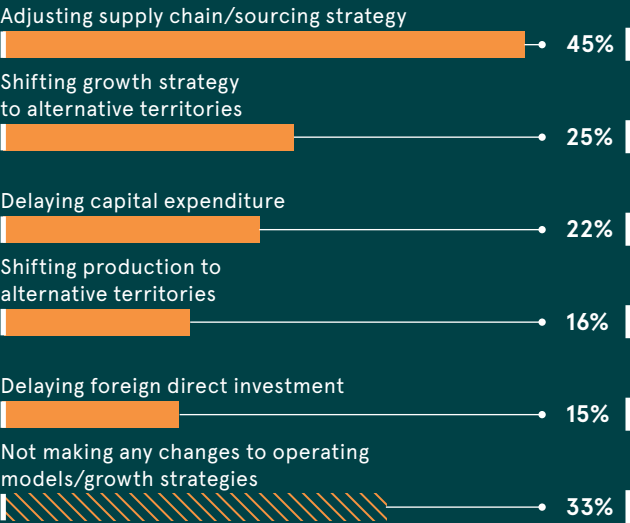short-term returns

73%
say that corporate
disruption readiness
will become a more
important investment
decision-making factor
over the next five years

6 GEOPOLITICAL LANDSCAPE REQUIRES ADAPTABILITY

Of the chief executives who are extremely concerned about trade
conflicts, the following are changing the following strategies

Adjusting supply chain/sourcing strategy
45%

Shifting growth strategy
to alternative territories
25%

Delaying capital expenditure
22%

Shifting production to
alternative territories
16%

Delaying foreign direct investment
15%

Not making any changes to operating
models/growth strategies
33%

PwC 2019

7 AGILE CAN BREAK DOWN BARRIERS TO INNOVATION

Finance leaders were asked about the
greatest barriers their companies face
with being more innovative

- 30% — Too much bureaucracy
- 27% — Being bogged down by daily tasks/putting out fires
- 25% — Lack of new ideas
- 16% — Ineffective leadership
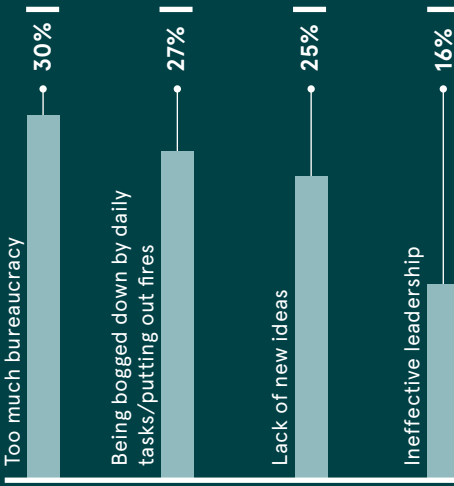
Robert Half 2017

8 CUSTOMERS ARE DEMANDING MORE FROM COMPANIES

Percentage of consumers and business buyers who agree with the following

	Consumers	Business buyers
I expect the rate of innovation from companies to accelerate	65%	78%
It takes more for a company to impress me with new products/ services than ever before	59%	72%
If a company doesn't adapt to my changing expectations, it feels like they don't care	59%	65%

Salesforce 2019

Commercial feature
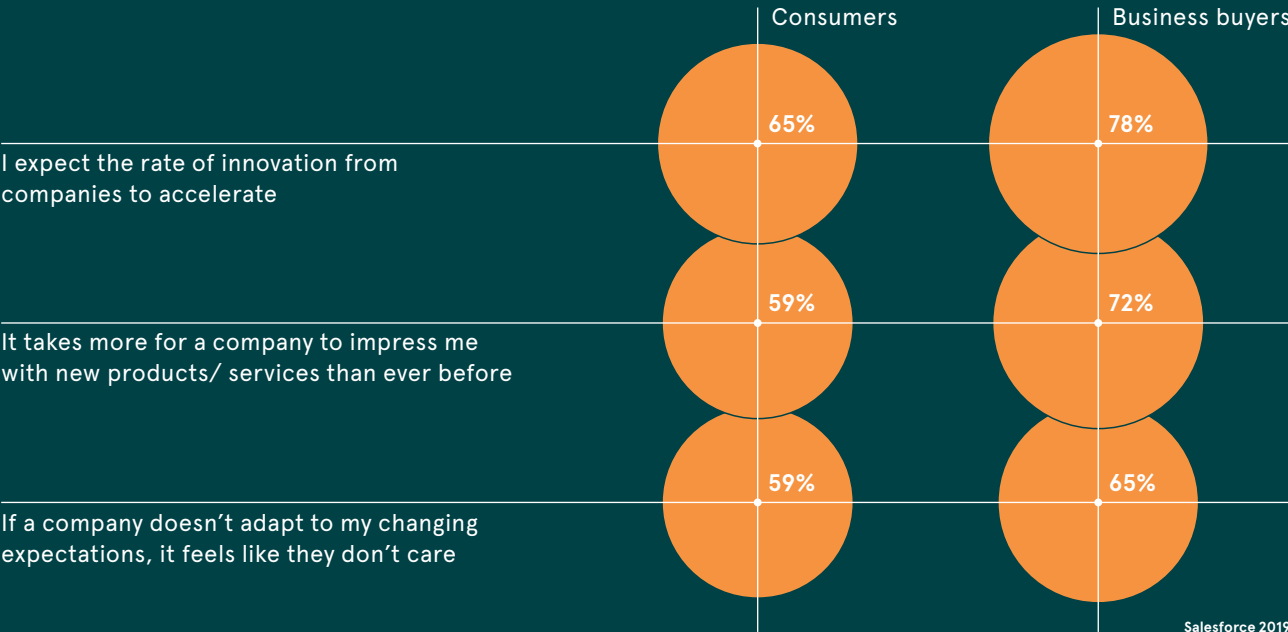
It's agility on the inside that counts

A culture of agility is required across the workforce if organisations are to thrive in a fast-changing world

With technology and enterprise evolving rapidly, it's almost impossible to predict how business will be conducted a decade from now. In this climate, it's simply not enough to be reactive to new tools and technologies; staying relevant requires a culture of agility across the entire workforce.

This needs to extend throughout each company's value ecosystem, open to modifications across supply chains and business partnerships. But, unfortunately, there is a continuing shortage of talent able to deliver such agile initiatives.

"The challenge of ensuring the availability of the right capability and capacity, at the right time, is different for agile initiatives," says James Fowler, director at Match Performance, a company that has thrived at the forefront of change management for more than 20 years. "The type of people needed is different in each case and the fast-paced, highly interactive approaches of agile delivery require people with different interpersonal skills."

As a specialist service under the Proteus Group umbrella, Match Performance leverages consultancy skills, technology and an extensive network to enhance organisations' change management agendas.

Mr Fowler emphasises how difficult this is for businesses amid the iterative, incremental nature of agile and the uncertainty that comes with it.

"Resources may work across multiple sprints and initiatives, utilisation becomes more complex to measure and manage, and demand can't be predicted as far ahead," he says. "We continue to see organisations becoming frustrated and constrained by traditional staffing models, which are no longer fulfilling many of their business needs, and thus they are looking for innovative solutions to compete in their sector.

"Rigid human resources processes and policies can constrain flexibility in a rapidly changing world, while hiring talent becomes a slow process. This goes against the millennial mentality, which is famous for its pursuit of flexibility and fulfilment."

Designing organisations for agility

Mr Fowler deduces that if demand can't be predicted as far forward, then the answer lies in the speed of supply, by bringing suppliers closer to companies' resource planning, availability and utilisation processes.

"It's essential that organisation start taking a holistic approach of 'matching' talent to roles, not just skillset matching, but based around knowledge, experience and personality traits," he explains. "Companies need to work with clients to develop a much better understanding of the role, levels of complexity, key characteristics, cultural imperatives and so on to understand where a candidate matches and, critically, where they don't."

Executives now need to design their organisations for agility, offering alternative career paths and compensation that directly reward value creation, placing individuals in an environment which allows them to operate in teams forming and disbanding as required.

It's a tough step that usually requires guidance and, to this end, Match Performance's status as the only company to use data-based software solutions to identify the right talent with agile at its core has become vital.

"Match completes several stages for all talent, thereby allowing us to respond to clients with maximum agility," Mr Fowler says. "We work with organisations that have to amend strategies according to an ever-changing landscape where traditional approaches are no longer viable.

"Having a consulting partner such as Match allows clients to be able to flex and scale resources to handle lower or higher volumes of work. This means their cost structure can move up or down to meet the needs and expectations of the new normal when it comes to work levels."

Those organisations that have, alongside Match, successfully implemented a talent agility strategy are able to deliver change at pace, driving flexible change from the inside in response to the competitive and sometimes hostile outside world.

"Moving forward, enterprise agility will drive a realisation that all levels of an organisation need to 'be' agile through their structure and 'do' agile through their product development," Mr Fowler concludes. "For this you need the right mindset and company DNA for the right skills and toolkits to work effectively."

For more information please visit matchp4.com

Match PERFORMANCE

> "
> We work with organisations that have to amend strategies according to an ever-changing landscape where traditional approaches are no longer viable

Middle managers can make or break agility

Agility requires a different way of working and traditional hierarchies can often be a major challenge, so changing the power dynamic across an organisation is vital

Emma Woollacott

Agile was originally developed as a software development methodology, based on swift, adaptive problem-solving, with teams and individuals given ownership and accountability for their work. Since then agile culture and mindset have been taken up more broadly across organisations as a whole, and with good reason.

According to McKinsey, agile organisations can develop products five times faster, make decisions three times faster, and reallocate resources quickly and effectively.

However, in a survey last year, the consultancy found that only 4 per cent of organisations have actually achieved full agility. The main reason, it says, is culture and reluctance to change. Time and again people, who have become used to a traditional corporate structure, struggle to find their place in the new world.

"Managers like to take ownership and enforce a controlled leadership style. For organisations trying to adapt agile ways of working into their business, this presents a real problem as it goes against the very essence of what agile tries to promote," says Marc-Olivier Hilgers, principal, agile transformation and enablement, at Capgemini.

Middle managers, in particular, are among the biggest challenges in becoming agile, says Mick Burn, head of organisational change management, Europe, at Infosys Consulting.

"They're resistant to changing their mindset and are reluctant to leave behind old, trusted ways of working. This makes sense, since it's their behaviour that got them to their current leadership position," he says.

"To really make agile work, senior managers need to outline what's in it for middle management. Changing the power dynamic will be influenced by several key factors, from investors and their views, to the way in which staff are recognised and rewarded, and the behaviour of their own leaders."

While the role of middle manager doesn't generally feature in the new way of working, the individuals currently in these positions have a large part to play.

"Middle management is where the two layers of what to deliver and how to deliver it come together, as they are tasked with helping to disseminate the company strategy and provide context for delivery teams to make decisions aligned to that strategy," says Mr Hilgers.

"Scrum and agile frameworks don't have official roles for

middle managers. However, there are different roles in implementing and operating agile at scale that middle managers can take on. Organisations should shift their focus from functional management towards skills and talent management to form truly multi-functional teams, or change roles towards product owner or product manager."

When DHL Express embarked on a digital transformation programme under new chief executive Ken Allen, it was losing around €2 billion a year; it's now in profit by the same amount. Changing traditional hierarchies was key to this success, but it wasn't all plain sailing.

"If you've been a manager for 20 years and you've worked your way up to be quite senior and thought that now you'd get to tell people what to do, then you're going to struggle with that as a concept. Ken was wiping away everybody's traditional power base, which they'd quite liked," says Sue Stoneman, chief executive of employee engagement agency NKD, which helped manage the change.

While some senior members of the team went so far as to resign, most staff were won over by the time they'd completed the comprehensive training process and understood the opportunities of the agile culture and mindset, as well as their new roles.

"Initially they struggled, initially they hoped it was a flash in the pan that wouldn't last. Most of them, though, because they were getting super-high development which they hadn't had in donkey's years, were feeling valued and invested in," she says.

Peter Newhouse, Unilever's global head of reward, which handles salary, pension, benefits, shares, car allowance and so on for the company's 68,000 employees, says changing the hierarchical structure of the department was key to the development of a total reward system. This merges all reward data into a single platform, providing real-time, up-to-date access to total employee reward costs.

"One aspect to win over middle management could be governance; in our case, there's now a central record, which provides for transparency in reward both systemically and in terms of individual pay arrangements, that strengthens the governance model," he says.

However, it's worth remembering, says Made by Many founder William Owen, that not all processes can be submitted to the agile approach, which means not all staff need to embrace change.

"Many jobs work within extremely narrow thresholds with very little tolerance about what you can or can't do: a call centre operative or a bank teller, for example," he

> ❝
> **If you've been a manager for 20 years and worked your way up to be quite senior and thought that now you'd get to tell people what to do, then you're going to struggle with that as a concept**

says. "These processes have been designed to do things as efficiently as possible and have regulatory compliance; when you start applying agile to that then you're going to have problems."

Meanwhile, while agile culture and mindset may involve a less hierarchical, command-and-control structure, the role of the leader should not be underestimated.

"Our experience has shown that strong leadership is vital to the success of agile, but leadership needs to be courageous enough to enable change," says Capgemini's Mr Hilgers.

"By promoting the correct working environment and culture, by communicating the business vision and goals clearly to the workforce and then trusting their people with the empowerment of decision-making to do the right thing in the right way, leaders are effectively sharing the power of success across the organisation." ●

Tanhu / Shutterstock.com

Empowerment and collaboration

Airline Finnair partnered with digital transformation firm Made by Many initially, in 2015, to create a next-generation booking engine.

"Then we were working with a tiny team of three or four people, which involved both sales and engineering. If we wanted to make a change that involved Finnair's current processes, we couldn't make those changes because they were outside the remit of the team," says Made by Many's William Owen.

Over time, though, a new digital strategy has been created, based on lean make-test-learn practices. Along the way, the company has seen a 300 per cent increase in conversion on the previous mobile booking flow, as well as an 800 per cent increase in ancillary sales.

"They had four product teams and we worked closely with Finnair to define their digital strategy. We defined the objectives of these team so they were working in concert, using clear guiding principles towards a high-level corporate objective," says Mr Owen.

"Where Finnair were particularly smart and genuinely agile is that they gave these teams the authority to decide how to move forward in their respective areas, what to prioritise and also enable people in the wider organisation to understand how they made their decisions."

Changing organisational structure was not without its problems, as individuals and teams were given more autonomy.

"One classic hiccup is, to gain momentum, it makes sense for people to be allowed to get on separately to fulfil their objectives. You come to the point potentially where people are moving in contradictory or separate directions," says Mr Owen.

"Finnair caught that early and we went in to help them define these, to get their different teams working together. Of course, that takes time and money."

OUTSOURCING

Five examples of outsourcing agility

Outsourcing may evoke mixed reactions, partly due to the collapse of high-profile public-private partnerships in recent years. But these bear no relation to the many successful agile outsourcing partnerships in the private sector, which have helped companies generate new business, streamline their customer service, as the following examples show...

Duncan Jefferies

Timo Nausch/Shutterstock

Creating sales leads

PwC wanted to launch a new flexible legal resource service for businesses with ad hoc legal requirements; essentially a startup within a corporate. However, it lacked the time and capacity to generate sales quickly, as their internal sales teams were focused on their existing responsibilities.

To overcome this, PwC approached durhamlane, which offers sales training, recruitment and outsourcing. Having carried out similar projects successfully, durhamlane developed an outsourced sales campaign that would quickly build market share for PwC's new service. This involved identifying finance, insurance and banking businesses that were a good fit, from large corporates to independent firms.

In 120 days, the sales campaign produced 54 qualified opportunities. Moreover, durhamlane also delivered sales training workshops to help upskill PwC's teams and ensure long-term sales success.

"While sales outsourcing isn't right for every business or requirement, this project is an example of how it can be an effective, agile solution to react quickly to market conditions," says Richard Lane, co-founder and managing partner of durhamlane.

Customer service support

Great customer service is a must for any business. Agile outsourcing can improve response times and support business growth, and without impacting the quality of customer communications.

Take the case of Jackson Fire & Security, which supplies fire and security services across North Wales, Chester and Cheshire. When the company wanted to streamline the call handling process, it turned to Moneypenny, which looks after calls and live chat for businesses ranging from sole traders to multinational corporations.

"Moneypenny looked to implement a solution for our northwest franchisees," says Rachel Evans, marketing manager of Jackson Fire & Security. "As we were growing fast in that area, we needed a more streamlined process working on postcodes to handle calls more efficiently."

Thanks to the partnership with Moneypenny, any new franchisee coming on board can now rest assured that new sales leads or existing customer call-outs are being dealt with professionally. Jackson Fire & Security have also found Moneypenny's reporting tools useful, especially from a marketing point of view.

"It's a great tool to find out how our franchisees are doing for new sales inquiries, week on week, and we can feed that back into other marketing campaigns," says Ms Evans. "We can find out what the best times are for generating new inquiries."

Annie Spratt/Unsplash

Handling accounts

3

Agile outsourcing can provide companies with the breathing room they need to concentrate on their core business. Indeed, according to Oliver Finch, outsourcing director at accountancy firm Menzies, organisations often lack the time they need to improve the way they operate.

"Outsourced accounting services can help organisations to streamline their processes, allowing them to drive efficiencies, improve their profitability and focus on core activities such as sales, people management and investment decisions," he explains.

For venues management agency GSP Venues, the decision to ou source its accounting was prompted by the need to reduce its exposure to the risk of disruption following the departure of a key member of staff. Menzies helped take pressure off the business at this critical time by introducing some much-needed flexibility.

"Implementing online accounting platforms, such as Xero and AutoEntry, has improved GSP Venues' visibility of key financial information, giving business leaders real-time access, on the go, to data insights across areas such as debt management and cash flow," says Mr Finch. Outsourcing other areas of the business, such as payment runs and VAT returns, has also reduced the administrative burden on the management team and freed up time to focus on long-term strategy.
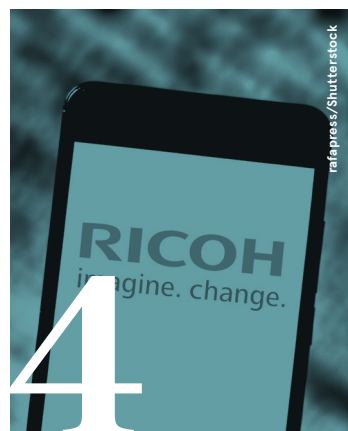
Supporting HR

4

Ricoh UK, part of the Japanese multinational imaging and electronics business, decided in 2017 to outsource its front-line employee relations and human resources support for line managers to a specialist supplier to give their in-house HR team more time to focus on strategic activities.

The company, which provides document management solutions, IT services, commercial and industrial printing, and industrial systems technology, employing more than 3,000 people across the UK, including some 300 line managers, appointed The Curve Group, a leading UK recruitment outsource provider, to provide its UK management team with a dedicated telephone and email support service.

The service covers advice and support on all HR matters, including disciplinaries and grievances, capability matters, management of short-term and long-term absence, and policy advice.

Well-defined service level agreements were agreed to ensure clarity between all parties around standards and expected response times. Within the first 12 weeks of service delivery, more than 110 cases were satisfactorily handled and closed, the majority of which were complex in nature.

Mark Deer, HR commercial business partner at Ricoh UK, says: "The service provided by The Curve Group allows the internal HR team here at Ricoh to concentrate on more strategic HR work, while at the same time allowing managers to gain access to best-in-class employee relations and HR support as and when they need it."

rafapress/Shutterstock

Faster global response times

5

Agile outsourcing can help companies with an international client base to meet customer needs with greater speed and efficiency, as predictive customer acquisition platform PX discovered.

PX's offices are located in the United States, Panama and the Netherlands, with remote development and support teams in Ukraine. Due to large numbers of real-time transactions, it is vitally important that PX provides a high level of service to its customers around the clock. However, given the time differences between offices and customers, this presented a challenge.

Ciklum, an international custom software development and IT outsourcing company, was able to provide PX with the scalable and flexible support centre services it needed to deliver fast responses to customers around the world. First response times have now been reduced from 24 hours to under ten minutes.

"Of course, with all the benefits there are still a few constraints companies might face when outsourcing support functions," says Liudmyla Andersen, global solution leader, managed services, at Ciklum, citing the time that needs to be invested at the start of a project, as well as the cost to train the support team in the intricacies of the product or service to be supported.

However, Ms Andersen says this represents a one-time investment. "Once we launch, the customer won't be involved in the support process at all; knowledge transfer, knowledge base maintenance and documentation of incidents is carried out by the service provider," she says.

This means the client can fully focus on the business goals of the company, while the service provider takes care of the selected operations seamlessly and invisibly. "That's what makes outsourcing of such functions absolutely worth it," Ms Andersen concludes. ●

Delivering agility in the experience economy

As society becomes increasingly hyperconnected, consumers are demanding both seamless experiences and greater intimacy with brands

The pace and scale of technological innovation, and resulting societal transformation, are rapid and unprecedented.

It is driving significant behavioural change in consumers, who are demanding improved efficiency and automation while, conversely, also seeking out more authentic engagement with brands. This presents new challenges for businesses operating in a hyperconnected, transparent and always-on "experience economy".

The emergence of digital and data technologies, such as artificial intelligence and deep machine-learning, is powering the rise of chatbots and proliferation of digital communication ecosystems. Omnichannel interaction hubs will become the strategic heartbeat of any truly customer-centric business in the future.

"The lack of a seamless, personalised service fuels bad consumer experiences," says Fiona Whelan, managing director at CPM International Contact Centres, a global customer experience (CX) and sales company, which specialises in harnessing digital and human contact strategies to deliver omnichannel solutions.

"Customers expect brands to engage with them as individuals, based on an intimate understanding of their preferences and behaviours. They also demand and expect availability in multiple channels and to effortlessly move between digital and human interactions."

As a sign of the changing consumer landscape, more than 60 per cent of CPM's contact centre activities now take place via digital channels, including chatbots, social media, live chat, ticketing and messenger apps.

These contact centre activities include CX support, technical helpdesk, consumer carelines and high-performance sales programmes for a range of global brands, such as Airbnb, Harley-Davidson, New Balance, ViaVan, Bentley and Diageo, to name a few.

While CPM operates across a diverse range of sectors, its recent success has been fuelled by the exponential growth of market disruptor clients and harnessing new technologies in the high-tech, consumer electronics and ecommerce space.

"For these clients, enterprise agility is critical. As such, our focus is on ensuring speed to market, competency and scale through the delivery of integrated digital and human CX excellence, and high-performance sales solutions. Critically, this is underpinned by deep data insights and analytics to drive client competitive advantage and incremental revenue."

This success has enabled CPM to monetise digital sales and ecommerce solutions for its clients, achieving more than €2 million incremental revenue through this channel for one client alone. It has also driven record-breaking net promoter scores for international clients across both digital and human channels, a key measure of customer loyalty. For one of its clients, a global leader in consumer electronics, CPM has driven more than €24 million in sales through a multi-lingual, multi-channel CX hub, where digital channel sales conversions are rapidly surpassing the more traditional phone and voice-based contact channels by 250 per cent. For Airbnb, a global travel tech innovator, CPM is its longest tenured partner and operates its largest single omnichannel CX hub with more than 1,000 multi-lingual specialists managing over two million bespoke customer contacts a year.

"We are extremely proud of the company we keep and the award-winning CX and sales solutions we have developed. We continue to grow exponentially and, through 3,000-plus employees across our international contact centres, we currently service more than 30,000 customers on a daily basis in 71 markets and 26 languages," says Ms Whelan.

"Ultimately, our vision is to be the premier provider of high-skill, customer-intimate CX and sales solutions across the globe, harnessing the power of digital capabilities and human contact in everything we do."

Consumers will always place a premium on the ability to engage in personalised CX experiences, particularly for complex, nuanced and value-driven interactions, where trust, rapport and empathy are critical and hard to replicate.

"However, for brands and businesses alike, future success will be driven by their ability to harness both digital and human CX and sales capabilities, appropriately, optimally and excellently."

71

markets covered by CPM's international contact centres

26

languages spoken by our CX and Sales specialists

"Our vision is to be the premier provider of high-skill, customer-intimate CX and sales solutions across the globe

For more information please visit cpm-int.com/icc

CPM
INSIGHT INFLUENCE SALES

BREXIT

Agility in the face of Brexit

Agile values and principles could help businesses fend-off the worst the world has to throw at them. With the mother of all unknowns looming large, how can agility help companies adapt?

Dan Matthews

In the context of Brexit, there are three types of businesses: those that predict and plan, those that are agile and those that plough on blindly. In the tumultuous global economy, Brexit notwithstanding, the third group are an endangered species and the first are, let's say, brave.

Given there is arguably no such thing as a true balance of probabilities, the second group looks smartest. Adopting agile methodologies doesn't mean understanding the world around us, rather accepting the unknowns and being flexible enough to either dodge or absorb threats and opportunities as and when they arrive out of the blue.

The world is a complex place, more so with each passing year, and organisations are bombarded with new and interesting challenges to overcome, from global warming to protests against global warming. Agile, then, can bring benefits in a range of ways.

1 Structure

"Brexit could change the market significantly if new trade deals are made with the Americas, Africa and eastern Europe, for example, broadening our footprint beyond Europe," says Lloyd Snowden, partner at business planning and supply chain management group Oliver Wight EAME.

"To accommodate market focus in these areas successfully, organisations will either already have the agility to do so or they will utilise their agility to restructure."

This, he argues, might involve establishing new subsidiaries or divisions, or adapting existing ones while relocating teams and establishing new capabilities on foreign soil. Firms with agility baked in will make the transition more smoothly than those without.

But, depending on the type of Brexit we get and assuming we actually leave the European Union, EU business structures could become de facto foreign operations too, as companies lose previously held access to member states.

According to Professor Mark Skilton from Warwick Business School, it would necessitate wholesale change that only companies with agile values and principles could realistically cope with.

"Companies need to focus on their supply chain distribution, product and packaging compliance, and the important issues of human resources and office locations that may have EU and UK staff in remote offices and who now need to apply for licences to work in the EU or UK.

"Market access and the growth of UK business in the EU market will incur additional costs because of these reintroduced overheads. Diversifying risk to other non-EU markets, as well as working harder to retain price competition while selling within the EU, will become a pressing issue in the coming years."

2 People

It's easy to focus on the structural challenges of Brexit and forget that you'll need to bring your people along with you. Agile leaders must therefore be strong communicators, allowing concerns to be raised and providing reassuring, motivational and truthful information in response.

Adrian Moorhouse, managing director of Lane4, says: "Communication should go two ways, particularly during uncertain times like Brexit. Employees want to feel heard and respected, and to know their viewpoints are being taken on board.

"An agile leader will encourage open communication to learn from their people and adapt and evolve the business accordingly. Agile leaders should also set time aside for reflection and discussion on any issues the company might be facing. It can be difficult when you feel like you need to produce results, but it is worth it in the long run."

David Selves, founder of The Selves Group, believes bosses will struggle to keep talented people in their business post-Brexit. But agile values and principles can help here too.

He says: "At any time, recruiting, training and keeping quality staff is difficult, but with full employment it is a nightmare, even without the added impact of Brexit. The number-one thing UK businesses should concentrate on with the threat of leaving with or without a deal is how they will continue to attract and retain talent."

"It is essential employers are realistic, practical and forward thinking. They must think creatively about how to protect their workforce, which may mean looking beyond salaries and thinking about what their key players really value."

3 Technology

The speed of technological development is increasing, which means static, unadaptable IT quickly becomes a sea anchor for businesses. Brexit is likely to augment this effect, with legacy systems unfit for legislative, as well as technical, changes.

But agile values and principles could convert threats to opportunities, as companies employ live data to inform decision-making. More prosaically, companies using technology to sell will benefit from slick, efficient and adaptable services.
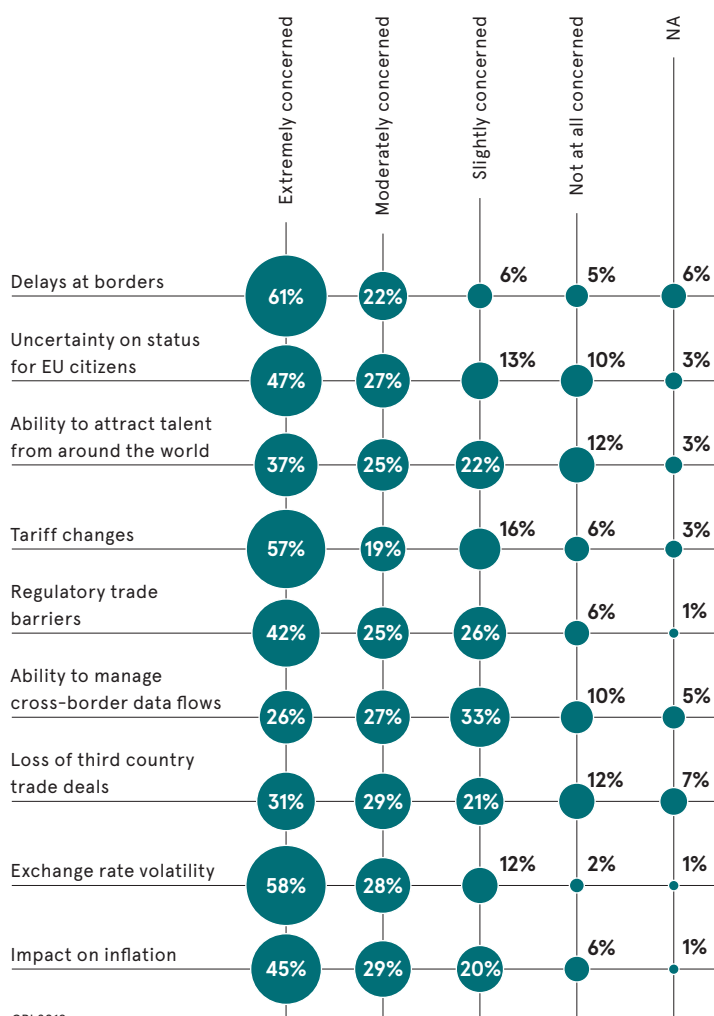
"Agility is remarkably simple to reflect on," says Jonathan Corrie, chief executive at Precursive, a cloud-based resource management business.

"Can you acquire, serve and charge your customer in an efficient way, and deliver meaningful value to them that they recognise and will pay you for? If you consistently answer this question with a 'yes', then your systems and processes are where they need to be."

Mr Snowden adds: "Agile organisations will have the flexibility in place to incorporate new technologies to interpret data, to enable faster responses to trends and opportunities, but also close any gaps that have been identified as a result of Brexit."

> " In a world driven by uncertainty, companies need to nurture and develop creativity as a means to succeed

BREXIT CONCERNS AMONG SMALL BUSINESSES

UK companies were asked how concerned they are about the potential implications of the following in a no-deal Brexit scenario

	Extremely concerned	Moderately concerned	Slightly concerned	Not at all concerned	NA
Delays at borders	61%	22%	6%	5%	6%
Uncertainty on status for EU citizens	47%	27%	13%	10%	3%
Ability to attract talent from around the world	37%	25%	22%	12%	3%
Tariff changes	57%	19%	16%	6%	3%
Regulatory trade barriers	42%	25%	26%	6%	1%
Ability to manage cross-border data flows	26%	27%	33%	10%	5%
Loss of third country trade deals	31%	29%	21%	12%	7%
Exchange rate volatility	58%	28%	12%	2%	1%
Impact on inflation	45%	29%	20%	6%	1%

CBI 2019

optimarc/Shutterstock

AGILE AMBITION VERSUS BUILDING BLOCKS MISMATCH

Level of agility sought		Product agility	Initiative agility	Business agility
	Business agility	Will not deliver	Will deliver in part	✓
	Initiative agility	May not deliver overall initiative objective	✓	Can deliver but some delay is likely
	Product agility	✓	Can deliver but product versus initiative team contention likely	Doing more than is needed
		Product agility	**Initiative agility**	**Business agility**
		Building blocks being put in place		

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Making agile a success

In an increasingly volatile and uncertain operating environment for businesses across the world, agility has rapidly become a core competency for any company seeking to stay ahead of their competitors and survive

4 Process

Process-driven business cultures are rarely equated with agility, but these organisations should adopt agile values and principles to encourage innovation, says Mr Corrie.

"In a world that is driven by uncertainty, companies need to nurture and develop creativity as a means to succeed both internally and externally with their customers," he says. "Being agile means you are prepared to take a leap of faith into a different space and make it work."

Agile businesses adopt processes that empower people so they can adapt and share outcomes with colleagues for the benefit of the organisation as a whole. It's a culture that supports experimentation without blame, according to Dr Simon Hayward, chief executive of global leadership consultancy Cirrus and author of The Agile Leader.

"They can 'fail fast and learn' as a driver of innovation and pace. Free movement of knowledge facilitates innovation and improvement," he says.

For business and Brexit consultant Erica Wolfe-Murray, agile methodology breeds complementary benefits, for example facilitating lean processes that are insulated from sudden shocks.

"Devising lean processes is so much easier when you move fast because the pinch points can be readily seen. By examining process closely, agile companies also get to consider cost-centre and local profitability throughout the process

41%

of UK businesses have not done a Brexit risk assessment

24%

said they would revise investment plans down in a no-deal scenario

British Chambers of Commerce 2019

map. If they are changing something, in today's world that needs to be baked in," she says.

Regardless of what happens with Brexit, the effects will be with us for decades. In that time infinite other lesser disruptions in the fields of technology, politics and the economy will contrive to throw businesses off course.

We don't know exactly what shape they will take, only that they'll happen. Agile organisations alone can cope with that reality. ●

A gility gives organisations the ability to respond quickly to both challenges and opportunities, but leadership teams need to ignore the jargon and clearly understand the level of agility and outcomes they want.

The hype around agile ways of working has led to many different solutions and approaches being introduced in companies without necessarily having a comprehensive vision of the end-result that is being pursued. There is little point in just seeking out agility unless there is a shared understanding of what the business hopes to achieve.

John Roberts, director at consultancy Proteus, has identified three different levels of agility that organisations can target, depending on their goals.

"Levels of agility have fundamentally different desired states, but can live in harmony with each other. Business agility gives organisations the ability to respond better and cheaper to ever-changing business circumstances, with project agility focusing on delivering projects at a lower cost and faster, and product agility working towards

delivering product developments more efficiently," says Mr Roberts.

Each of these levels require fundamentally different building blocks to be in place. A common failure is the mismatching of the desired agility level with the right set of building blocks. For example, leaders may want business agility and expect the entire organisation to change how it operates.

However, adopting a 'product agility' set of building blocks and tasking the 'technology department' to implement it will lead to failure. The adverse consequences of this approach can be significant and result in the business "doing agile" rather than "being agile".

Senior leadership need to be satisfied they have a shared and common understanding of the level of agile ambition and ensure that this is traceable to the approach being undertaken. This lack of traceability and how "being agile" is implemented are the two most common reasons for agile failure.

Whatever level of agility the company decides to commit to there will be significant change to the current ways of working, and will require new behaviours and capabilities. There will be different scales of culture change needed depending on the agility level sought. This required culture shift itself should be managed as a transformation initiative rather than a 'method' replacement or an IT-driven initiative. Equally, the leadership team should make a firm commitment to create the right environment for success and role model the new way of working.

"It is a two to three-year culture transformation programme in itself and should be approached as such. It is not a simple structural, process change or a commitment to adopt the agile jargon or to give it to IT to implement. It requires

leadership, proactive engagement and commitment, as well as a change to risk appetite to deliver an agile transformation programme," says Mr Roberts.

The size of the prize, as well as adverse consequences of getting it wrong, is significant. An aligned agile ambition to the required building blocks and how it is implemented are the unlocking key.

To avoid agile failure and the accompanying damage this can cause to a company, organisations should work with a partner that has the skills and capabilities to ensure change in this area is not only successful, but also meets the expectations of the leadership team.

Proteus is a multi-award-winning consultancy that has built a reputation in creating change self-sufficiency within organisations and successfully delivering significant transformational programmes. Their differentiated integrated change services allow clients to accelerate their internal change capability, reduce their dependency on expensive external resources and create a genuine culture change.

"A major differentiator is that we are not in the business of selling a particular level of agility for our own benefit. Our focus is on helping organisations create a shared understanding of the agility levels sought, understand the required building blocks and show how best to get this delivered," Mr Roberts concludes.

For more information please visit
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