

The organisation of the 2020s – an Agile future

At the time of writing (June 2020), we're in the midst of unprecedented turbulence and change. The Covid pandemic has required every organization to explore reinventing aspects of themselves in order to operate and survive. Change has accelerated in the face of uncertainty and unpredictability, requiring rapid, short term adaptations during and post-lockdown. Longer-term reimagining of how business is done is also needed now – a challenge to do alongside the demands of managing and supporting people as they struggle to deal with uncertainty.

An opportunity – and need – for change

The Covid journey has accelerated the need to explore a different way of thinking about and approaching organisational design and culture. It's also presented a great opportunity; the last 12 weeks has been a remarkable experiment in working differently, and one that we were unlikely to ever take without an event like Covid. A key learning has been that it's entirely possible to change at breakneck speed – and that human beings quickly adapt to a new way of working. So will we harness that learning, and use this as a springboard for reimagining how we work and live – or lose this potentially unique opportunity and revert to some kind of normal?

We'd suggest that NOT seizing the opportunity may mean your business risks at best slipping behind, becoming less relevant, becoming uncompetitive (in talent recruitment and retention as well as in the marketplace), and at worst becoming redundant.

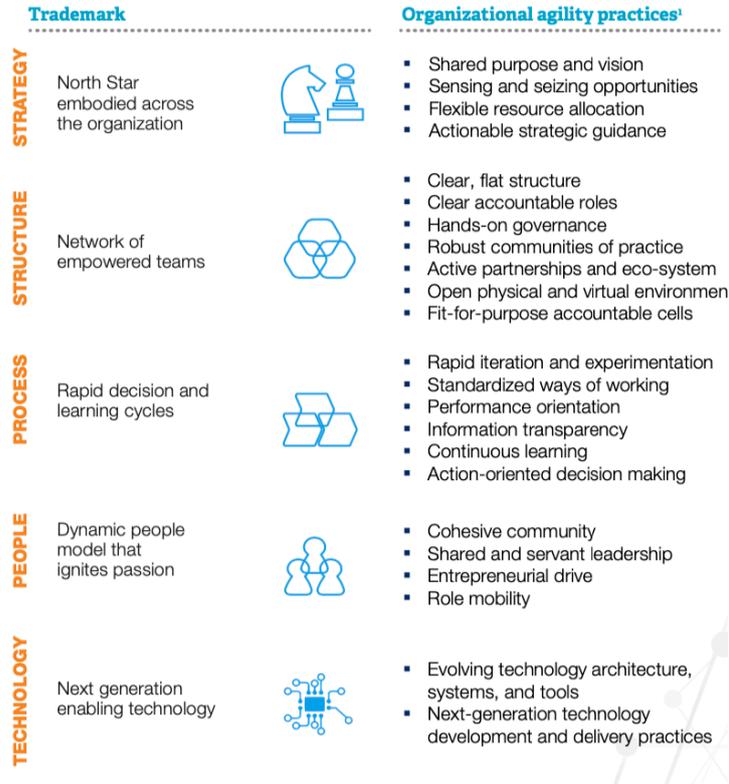
The Agile Organisation

The good news is that reinvention does not mean starting from scratch, although it may at times feel like a seismic leap to take. There are models and frameworks of a new and different approach to organisational design and culture, and plenty of businesses that have adopted these.

Foremost of these are “Agile” organisational models. Not to be confused with Agile as in product and software development (although Agile processes such as scrums and sprints are a feature of Agile organisations), this refers to an approach which is based on empowered, high performing teams. We like the McKinsey definition of “a dense network of empowered teams that operate with high standards of alignment, accountability, expertise, transparency, and collaboration.”

An agile organisation employs a dynamic matrix that combines, rather than polarises, stability and dynamism. Gartner call this a ‘bi-modal’ model, one that maintains a stable backbone of support functions and specialist capabilities to capture learning and provide efficiency, *with* fluid teams that come together quickly to pursue new opportunities and develop new products that co-create value for customers. This network of teams operates in a risk-free environment that supports rapid learning and fast decision cycles, all guided by a powerful common purpose.

The McKinsey model proposes that five ‘trademarks’ need to be present for an organisation to be considered “Agile”. The McKinsey paper is well worth a read for a deeper dive into what an agile organisation looks like.



The Human side of Agile

At a human level, several key capabilities and mindsets are essential. If leaders fail to develop these themselves and foster them in others, then any attempt to evolve to an Agile organisation will fail. We'll be exploring these more in other forthcoming insight papers, podcasts and videos, but here's a short summary of what we suggest are not just desirable but essential attributes in the 2020s.

Collaborate readily and effectively

Traditional hierarchical organisations invariably suffer from 'siloes', created and reinforced by leaders seeking to maintain control over information, resources and power. A new leadership mindset is required, marked by partnership rather than authority, and by support for others rather than self-interest. Leaders must become **stewards** who can put the needs of others (their people, the organisation and its stakeholders) first, whilst team members need the skills and enabling processes to quickly establish constructive relationships in pursuit of the company's purpose.

Handle ambiguity and uncertainty

Many traditional companies attempt to manage ambiguity out of existence by developing and imposing lengthy, detailed plans. In the agile world, leaders are required to first of all manage their own anxieties and accept the realities of an uncertain and volatile world. Leaders are more like **explorers**, navigating towards a strategic direction (the company's North Star) rather than train drivers on fixed rails expected to reach a set destination.

Open to learning

Learning is essential in both domains of the agile world, whether that involves working through rapid iterations of a new product or capturing insights that lead to a step change in recruitment

policy. An open, rather than closed, mindset underpins this learning capacity. Leaders must develop the capacity to **coach**, so that they can actively support individual and team learning and performance.

Willing to take risks and challenge convention

Leaders must learn how to be **agitators**; willing to confront, challenge and invent new ways of working and thinking. A clear pursuit of the organisation's purpose is necessary to keep this agitation within parameters and prevent it becoming destructive. Leaders must also foster a blame free environment and reward, rather than punish, appropriate experimentation.

Proactive, accountable and fast moving

Everyone needs to be willing, and able, to take personal responsibility for their attitude and actions, because in an agile organization teams are granted resources and accountability to make fast decisions on their own. This requires conditions of psychological safety so that people can access their full talents and resourcefulness. If people are threatened and fearful of 'getting it wrong' they will retreat to a place of denial, blame and justification.

If you'd like to know more...

If you want to explore more about Agile organisations and how to go about your reinvention, there's some useful reading to follow up with. We've cherry picked two essential papers to dip into for you. We'd also be delighted to talk more with you. Agile organisations sit at the heart of our philosophical and practical work. Our strengths lie in developing these human capabilities that underpin agile leadership and teamwork. We know what these capabilities are, what blocks them, and what enables them to flourish. We can develop leaders' capacities to explore, steward, coach and agitate. We can help team members develop the mindsets and skills to collaborate, learn and perform at pace.

We also support organizations in developing other 'trademarks', and work with partner organisations in some instances to do so. Here's how we can also support each of the Agile trademarks:

Strategy: We can help you bring your purpose, vision and strategy to life and to cascade and embed this through teams into the organisation. Our expertise lies here in helping you define your purpose and contribution as a business (or team), creating a vision and aligned values, and ensuring that excellence or high performance thinking sits at the heart of this. We can partner with strategic consultants around your strategy development.

Structure: We work with senior leaders to re-shape and re-think their approach to teams and the organisation, bringing our expertise on how to transition to a network high performing teams – helping shift thinking, governance and reward processes in support.

Process: We work live with teams to embed changes in thinking and operating. We develop and coach teams and their leaders as they adopt a learning cycle to be constantly evolving and improving as part of their DNA.

People: We develop individual leadership, and collective mindset and behaviours. We support people to adapt fast into new roles (an essential capability in agile organizations). Our 'Leadership for the 2020s' framework is focused on developing the key capabilities and mindsets listed above.



Technology: We support people to adopt new technologies and related behaviour changes. Our partner organisations can bring technology expertise and consultancy.

References

<https://www.mckinsey.com/business-functions/organization/our-insights/harnessing-agile-compendium>

<https://www.gartner.com/en/information-technology/glossary/bimodal>