Agile strategy

A board's eye view with Anna Bateson

> ## Agility is a function of mind, body and spirit.

In complex times, the focus of boards is on making sense of the environments they operate in and adapting to take advantage of new opportunities. This search for agility requires a different way of thinking in the boardroom.

In the 21st century, effective boards recognise the global and instant connectivity in their environments and regularly seek insights from a broad range of interested parties to inform their decision-making. They understand that strategy is iterative and balance the need for expediency with the development of long-term capability.

The ability to move beyond compliance to governance and agility requires bravery. Instead of focusing solely on tangible aspects of the company, adept boards hard and soft wire their organisations to ensure that core principles inform all decisions. Building situational intelligence across an organisation requires active board sponsorship; the tone of which is created by the actions of the directors. For example, the level of innovation in a company can be materially impacted by board bravery. If board members are seen to encourage new thinking, and sponsor investments into the application of creative ideas, they will enable ideas generators to contribute. If a culture of debriefing exists and mistakes are learned from, then experimentation will prosper.

Agile organisational models

The growth of collaborative organisational models was partly driven by the need to increase agility and respond quickly to market forces. Where all parties share a common understanding of their value network and choose to work together to provide solutions to their customers, agility prospers. However, the reality is that complex relationships often breed mistrust and conflicting agendas. Regular broadcasts of failed strategic alliances, mergers, acquisitions and outsourcing contracts point to a focus on process at the expense of relationships.

Despite the evident challenges of building agile organisational models, boards continue to restructure, re-engineer and re-orientate their companies. These are often presented as a programme of strategic change initiatives focused on the achievement of specified outputs. The 'controlling mind' function – understanding both the strategic context and the operational realities – is too often delegated rather than retained at board level. The result is that strategic foresight and agility are impacted and the desired outcomes are not achieved.

Board level recruitment assignments are increasingly seeking individuals with the competencies to monitor and review multiple, complex initiatives designed to build agile organisations. Board development activities are focused on aligning each member's rational and philosophical agendas. This achieves consensus on a common purpose, while preserving diverse views and the ability to challenge constructively. Board processes are now recognising the need to build reflection time into strategic decision-making. As a result, complex issues are brought for information, discussion and decision at sequential board meetings. With effective chairing, boards are able to build their collective situational intelligence. This enables them to understand their strategic context, recognise the policies that need to be enacted, identify the stakeholders they must engage with and share insights to inform decision-making.

Agile minds

Each individual board member seeks to realise their potential and contribute effectively to the board. Self-awareness can be built by developing an understanding of the impact that personal actions have on others. Whether through group workshops or individual coaching and mentoring, the individual's journey to situational intelligence is directly impacted by the style of the board.

Transparent organisations with high levels of trust and peer reviews generally yield benefits for everyone. If trust is low, the risk of personal exposure will tend to reduce the benefit of both evaluative and development activities.

Effective chairmen recognise each board member's potential to contribute. Board recruitment will seek diverse views to promote agile thinking in discussions. Individuals are responsible for understanding their own brand and reputation while ensuring that it accurately reflects their contribution to the organisation's strategic direction.

Alignment

Agility is a function of mind, body and spirit. By ensuring the alignment of an agile strategy, an agile organisational model and a board environment where agile thinking is encouraged, a company can build situational intelligence into its DNA.

> ## » About the author
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