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Organizational Agility: Four Driving Disciplines

By Vistage speaker and Chair [Mike Richardson](#)

Organizational agility is the ability to handle rapidly changing circumstances, while meeting stakeholder expectations (of customers, employees, suppliers and shareholders) by out-executing the competition.

How agile is your organization? With the increasing turbulence in today's business world, organizational agility gets tested every day, sometimes mildly and sometimes brutally. Perhaps you lose a key account or a key employee; perhaps you fumble a strategic opportunity or alliance; or perhaps the economy heads into recessionary times. Is your organization agile enough to make quick adjustment to respond to changes?

Agility is not dependent on company size or business type. It's dependent on the mindsets and behaviors of the company management and leadership. In our goal-oriented culture, "mindsets" and "behaviors" might seem a little intangible, but it can be a matter of life and death as illustrated by the tragic case of Eastern Airlines Flight 401 (see sidebar). When we lose track of agility mindsets and behaviors, things can go into an imperceptible descent with tragic outcomes.

To create agility mindsets and behaviors, leaders should cultivate the following driving disciplines.

Drive recurring, rigorous and rallying strategy conversations.

The essence of strategy is conversation. If you don't have much conversation, you probably don't have much strategy. Consider making your strategy conversation more:

- **Recurring:** Establish an integrated and recurring cycle of annual, quarterly and monthly strategy sessions.
- **Rigorous:** Use a set of tools and templates to establish a rigorous methodology and discipline.
- **Rallying:** Rally your team behind meaningful breakthrough ideas and commitments.

Eastern Airlines Flight 401.

It's 1972 and a night flight over the Florida Everglades, at 2000 feet on final approach into Miami International Airport. Upon putting the landing gear down, one of the expected three green lights, verifying the landing gear are down and locked, fails to illuminate. The three crew members put the plane on auto-pilot and get to work on their goals: Test to see if the issue is with the bulb or the landing gear; recycle the landing gear to get three greens; then land the plane safely. Unfortunately, they fail to notice that one crew member had nudged the yoke, causing the plane to come out of auto-pilot and go into an imperceptible descent. At 120 feet, one of the crew notices the altimeter, but doesn't react fast enough. The jet crashed 12 seconds later, losing all onboard. Three pilots became so focused on their goal of fixing the bulb that they forgot to also fly the plane. Their organizational agility in the cockpit that day was audited, initially mildly and then brutally. Tragically, they failed the test.

For organizational agility we need luck on our side. If luck is where "preparation meets opportunity," then an ongoing strategy process is about the "preparation" part of that and being ever prepared.

Challenge the prevailing "mental models."

The paradigms, assumptions and beliefs that you, your team and your organization hold are "mental models." Ineffective and out-of-date mental models often imprison our thinking. To see new possibilities you must first recognize and understand your current mental models. Have a management conversation about:

- Who do we serve?
- What do we serve them with?
- How do we serve them?
- Where do we serve them?
- When do we serve them?
- Why do they buy?

The answers to these questions form the basics of your mental models. Now experiment with turning these models inside-out, upside-down and back-to-front:

- Who else might we serve?
- What else might we serve them with?
- How else might we serve them?
- Where else might we serve them?
- When else might we serve them?
- Why else might they buy our product?

The answers should open up new possibilities and potential pathways for profitability and growth.

Reinforce a mindset of operations management.

Imagine running a nuclear power generation plant or an emergency medical treatment team. In these environments, the smallest errors have potentially disastrous consequences. In their book, *Managing the Unexpected: Resilient Performance in an Age of Uncertainty*, Karl Weick and Kathleen Sutcliffe say that in continuous process environments situations “unfold rapidly and errors propagate quickly. Understanding is never perfect, and people are under pressure to make wise choices with insufficient information. But whose environment isn’t like that?” While most of us don’t run the kinds of operations they researched, we have something to learn from them.

The authors identify five principles by which continuous-process businesses should operate:

- **Preoccupy yourself with organizational failure:** Treat any lapse as a symptom that something may be wrong with the system. Articulate mistakes that you don’t want to make and assess what may trigger them.
- **Refuse to simplify:** Investigate beyond superficial similarities between a present situation and past situations. The situations may appear similar but deeper or hidden differences could prove disastrous.
- **Be attentive to operations:** Pay attention to the front-line where the real work gets done. Make sure information is not being withheld because of fear, ignorance or indifference.
- **Commit to resilience:** Develop capabilities to detect, contain and bounce back from inevitable errors.
- **Defer to expertise:** Push decision making to the people with the most expertise and specific knowledge of the situation, regardless of their rank.

These five principles help reduce errors and the impact of errors in operations.

Building “execution excellence.”

Execution excellence is the ability to consistently deliver on your value proposition; balance short- and long-term goals; get the results you want; and energize, engage, and develop your people along the way. When front-line workers struggle with conflicting priorities, too much work or unrealistic deadlines, and managers are out of touch with day-to-day operations or too involved in the details, it’s almost impossible for plans to get traction.

To execute more effectively, organizations should:

- **Recognize** that execution is a discipline and a system.
- **Teach** its leaders and managers the knowledge, tools and techniques of execution.
- **Leverage** these broadly and deeply throughout the organization.

Achieving better execution requires that organizations cultivate distinct systems, processes and rules for executing strategy.

Additional Resources

Book Review: Execution: The Discipline of Getting Things Done

Podcast: Mike Richardson on Being in the Driving Seat of Your Business.

Speaker Topic: In the Driving Seat: Translating strategy and execution into traction.

Vistage speaker and Chair Mike Richardson is president of Sherpa Alliance, a firm facilitating strategy, execution and traction, helping CEOs, executives and their teams be “in the driving seat” of organizational agility.

Average Reader Rating: ★★★★★ based on 10 Reader Reviews and Ratings
Organizational Agility: Four Driving Disciplines

★★★★★ Grace Larson, Clark Security Products, Inc., San Diego, California Monday, July 14, 2008

Reviewer: Member [Grace Larson](#) from San Diego, California, United States - [See all my reviews](#)
Well written and concise to the point. Great questions to reinforce with our employees and management team and be disciplined with 5 principles to which our business needs to operate to achieve operational excellence.

★★★★★ Just ask the 12 questions in the article and you will find more business. Wednesday, July 9, 2008

Reviewer: Member [Scot Dietz](#) from San Diego, California, United States - [See all my reviews](#)
This is a well written piece. There are many things you can pull from it, but the mental modes of an organization and the 6 questions talking about the NOW and how we can get into the future or missed opportunities with the 6 questions that turn your current mental modes "inside-out and upside-down". Great job!

★★★★★ Outstanding! Tuesday, July 8, 2008

Reviewer: Member [Daniel Borowka](#) from Santa Monica, California, United States - [See all my reviews](#)
I'm passing this article around today to my staff for a discussion on all of these topics - Thank you!

★★★★★ Judy Thompson, Thompson Search Monday, July 7, 2008

Reviewer: Member [Judy Thompson](#) from San Diego, California, United States - [See all my reviews](#)
Great article on the value of strategic leadership.

★★★★★ Kristin San Martin, CPA Monday, July 7, 2008

Reviewer: Member [Kristin Sanmartin](#) from San Diego, California, United States - [See all my reviews](#)
Another great reminder about how important it is to implement a practice of holding recurring strategy sessions. They are to the ongoing success of any team.