

# Strategic Agility

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**Globalization**

**So much change –  
And so quickly!**

**Regulation**

***Why is effective decision  
making in organizations  
so difficult today?***

**Competition**

**Too much information**

**FEAR**

**Volatility,  
Uncertainty,  
Complexity,  
Ambiguity**

**VUCA!!**

# Achieving Positive Strategic Results

**OUTCOMES**

**SKILL**

Improve leadership,  
decision making,  
implementation  
capabilities



**UNCERTAINTY**

Improve the ability to  
manage uncertainties

**Short Term  
Business Objectives**

**Long Term  
Business Objectives**

<ul style="list-style-type: none"><li>• Dashboards</li><li>• Clear Metrics for Success</li></ul>	<b>Value-Driven Results</b>	<ul style="list-style-type: none"><li>• Managing uncertainty</li><li>• Higher tolerance for failure</li></ul>
<ul style="list-style-type: none"><li>• Emphasis on Analytics</li><li>• Continuous Improvement</li></ul>	<b>Organizational Processes</b>	<ul style="list-style-type: none"><li>• Adaptability and Optionality</li><li>• Dynamic Scanning</li></ul>
<ul style="list-style-type: none"><li>• Clarity of Enterprise “Core”</li><li>• Alignment of Incentives</li></ul>	<b>Enterprise Mindset</b>	<ul style="list-style-type: none"><li>• Aligned Executive Team</li><li>• Shared Information</li></ul>
<ul style="list-style-type: none"><li>• Accountability</li><li>• Bias Towards Action</li></ul>	<b>Cultural Enablers</b>	<ul style="list-style-type: none"><li>• Inquisitive Mindset</li><li>• Emphasis on Learning</li></ul>
<b>Judgment</b>		
<b>Critical Thinking</b>		
<b>Analytics</b>		

# An Organizational Mental Model



**PRODUCTIVE PARANOIA!**

**LIFE**  
 Notre Dame Is Undefeated and You Won't Believe What ...

**BUSINESS**  
 GE Ousts CEO John Flannery in Surprise Move After Missed ...

GE's stock price, weekly

U.S. | EDUCATION

# M.B.A. Applications Decline at Harvard, Wharton, Other Elite Schools as Degree Loses Luster

American business schools struggle to lure professionals out of strong job market, face competition from top programs overseas



Harvard Business School received 9,886 M.B.A. applications for this fall's entering class, down 4.5% from last year—the biggest drop since 2005. PHOTO: CODY O'LOUGHLIN FOR THE WALL STREET JOURNAL

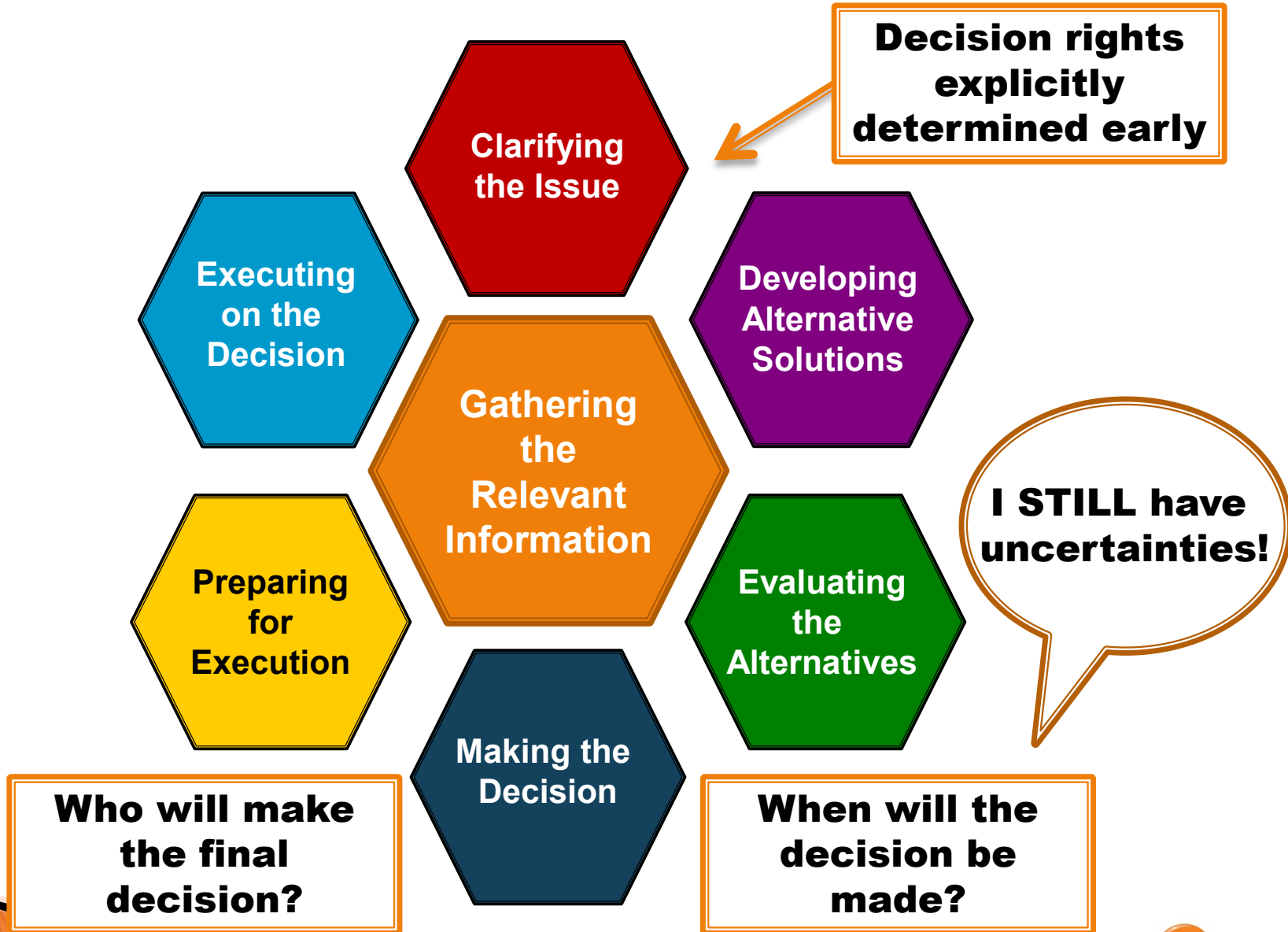
By *Kelsey Gee*

Oct. 1, 2018 12:01 a.m. ET

117 COMMENTS



# Decision Rights

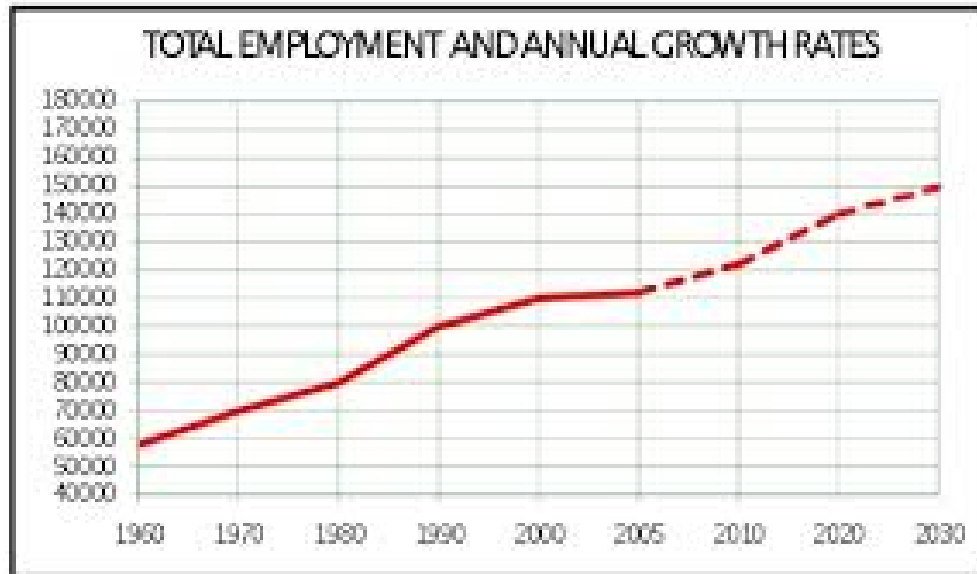


# Three Actions for Strategic Agility

- ▶ Identify the key uncertainties:
  - Plan for the key trends
  - Manage the key uncertainties
- ▶ Track the key uncertainties:
  - “Trendspotting”
  - “Sense-making”
- ▶ Take action around the key uncertainties:
  - Conduct rapid experiments
  - Make small bets
  - Build adaptability and flexibility

# Trends and Uncertainties

A trend is a future force in which the outcome is very predictable - a *known known* or a “predictable”



# Trends and Uncertainties

An **uncertainty** is a future force in which the outcome is unknown

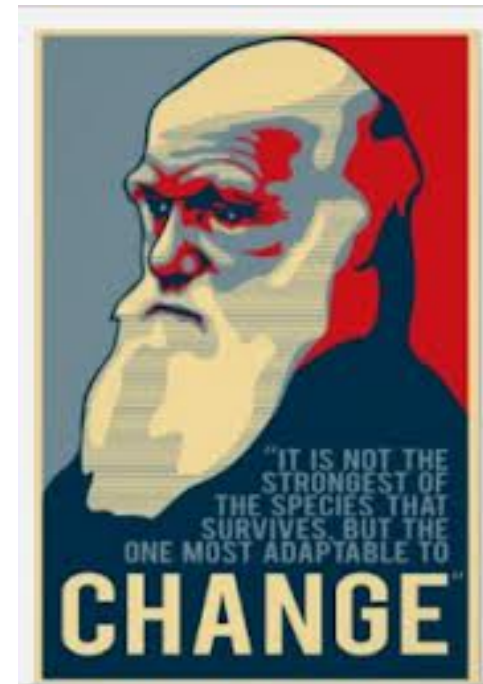


Black Swan

*Known Unknown*

*Unknown Unknown*

Manage with  
Adaptability



# Future Forces Worksheet

Key Trends	Key Uncertainties

# Sources of the Early Indicators

- ▶ Various markets or countries
- ▶ Adjacent industries
- ▶ Headlines in leading business and / or tech journals
- ▶ Employees that interact closely with the external environment
- ▶ Formal process embedded in the organization

**VIGILANCE**

# Testing the Initiatives

Initiative	U1	U2	U3	U4	U5	U6
Initiative 1						
Initiative 2						
Initiative 3						
Initiative 4						
Initiative 5						
Initiative 6						

 = Vulnerable to the uncertainty

 = Invulnerable to the uncertainty

# Testing the Initiatives

Initiative	Online Learning	Skills Needed in 10 years	U3	U4
Redesign MBA Curriculum				
Initiative 2				
Initiative 3				



=

**Vulnerable to  
the uncertainty**



=

**Invulnerable to  
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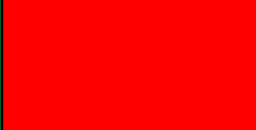
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# Testing the Initiatives

Initiative	U1	U2	U3	U4	U5	U6
Initiative 1	Green	Green	Red	Green	Green	Red
Initiative 2	Green	Red	Red	Green	Green	Green
Initiative 3	Red	Green	Green	Red	Green	Green
Initiative 4	Green	Green	Red	Green	Red	Green
Initiative 5	Green	Green	Red	Green	Green	Green
Initiative 6	Green	Green	Green	Green	Green	Green

# An Agile Culture

**Fear of Repercussion?**

**Is the Person Willing to Challenge Directly and Speak Candidly?**

No

Yes

Yes

**Ruinous Empathy**

**Radical Candor**

**Does the Person Care Personally?**

No

**Manipulative Insincerity**

**Obnoxious Aggression**

From Kim Scott

