

Right Lane



Consulting

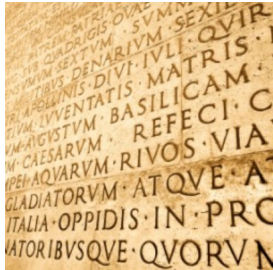
# Organisational agility

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Private and confidential



## What is agility?



Agility originates from the Latin *agilitatem* referring to **mobility, nimbleness and quickness**



In medieval times, the word agile came to mean **'to do, act'**



The essence of the word agility today is **'the ability to adapt quickly and effectively to changing circumstances'**

We hear the term today in many different contexts

**Agility can be developed and matured**



Consider the loom...

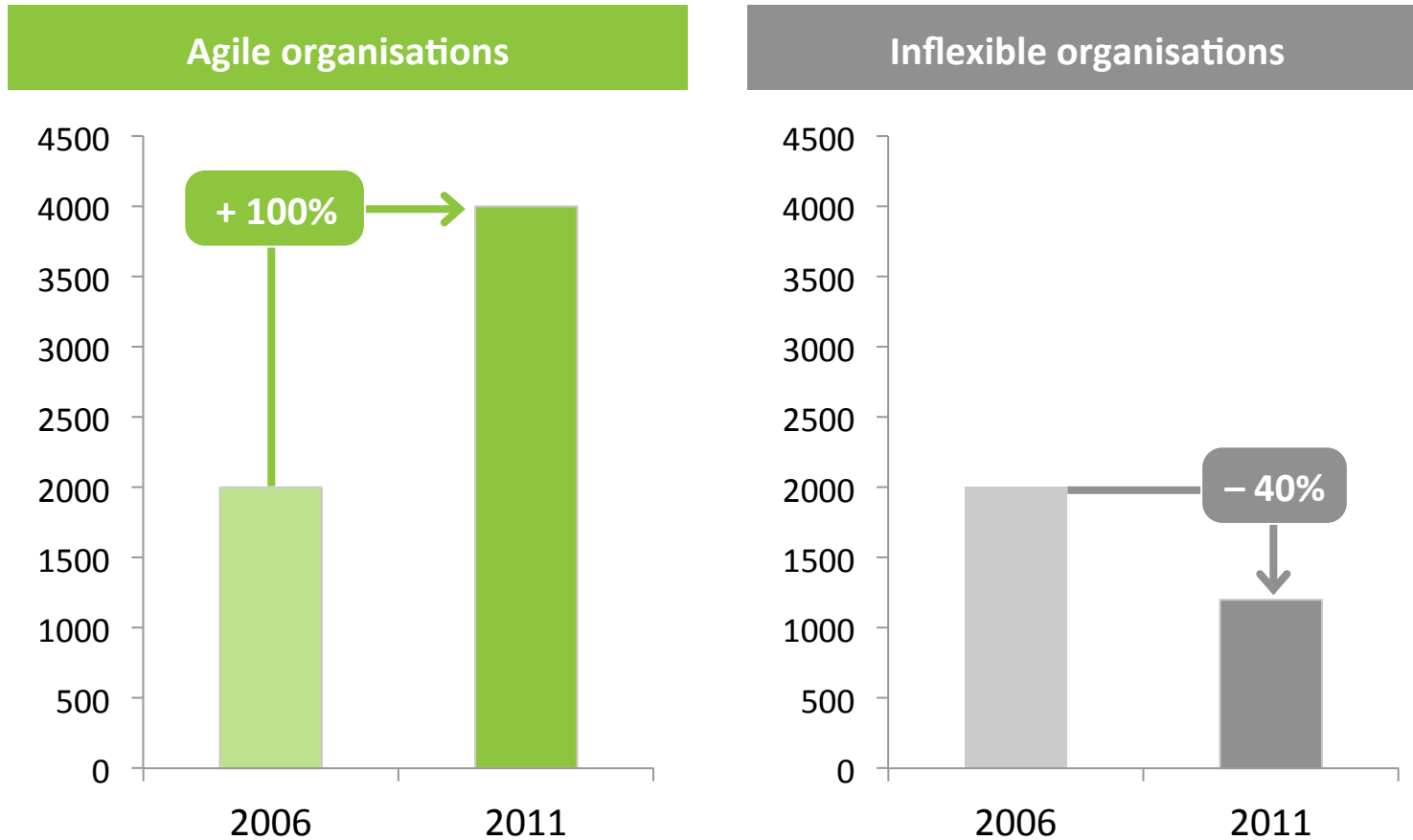




## Agile organisations dramatically outperform inflexible ones

Grouping of 2,500 US public companies based on assessment of adaptiveness,  
market capitalisation

\$US billions



Source: Adapted from Reeves, M, Mathur, N 2012 'The Most Adaptive Companies 2012, Winning in an age of turbulence', The Boston Consulting Group, August; Right Lane Consulting



## An organisation can be agile in strategy, ways of working and resources





## Agile strategy

Description	<b>How we adapt strategic priorities to meet changing circumstances</b>
<b>Typical questions to address</b>	<p>How well does your organisation:</p> <ol style="list-style-type: none"><li>1. Understand the key assumptions underlying its strategy and the triggers or early warning signs for these assumptions?</li><li>2. Ensure visibility of the make-up and progress of the overall portfolio of projects, not just the individual projects?</li><li>3. Ensure everyone's individual priorities are directly linked to their manager's priorities, in a way that doesn't feel like micro-management?</li></ol>
Example tools	<ul style="list-style-type: none"><li>• Strategic pathway planning (small number of alternative pathways)</li><li>• 5+1 approach to determining priorities</li></ul>



## Agile ways of working

Description	<b>The capacity to develop and adopt the right delivery capability</b>
<b>Typical questions to address</b>	How well does your organisation: <ol style="list-style-type: none"><li>1. Understand the relative cost in time and money of its different business activities, across organisational functions, and the extent to which these activities create competitive advantage?</li><li>2. Create the most value from its partnerships and alliances?</li><li>3. Develop quality relationships between its discipline, divisions and teams?</li></ol>
Example tools	<ul style="list-style-type: none"><li>• Value chain analysis</li><li>• Alliance strategy mapping</li></ul>



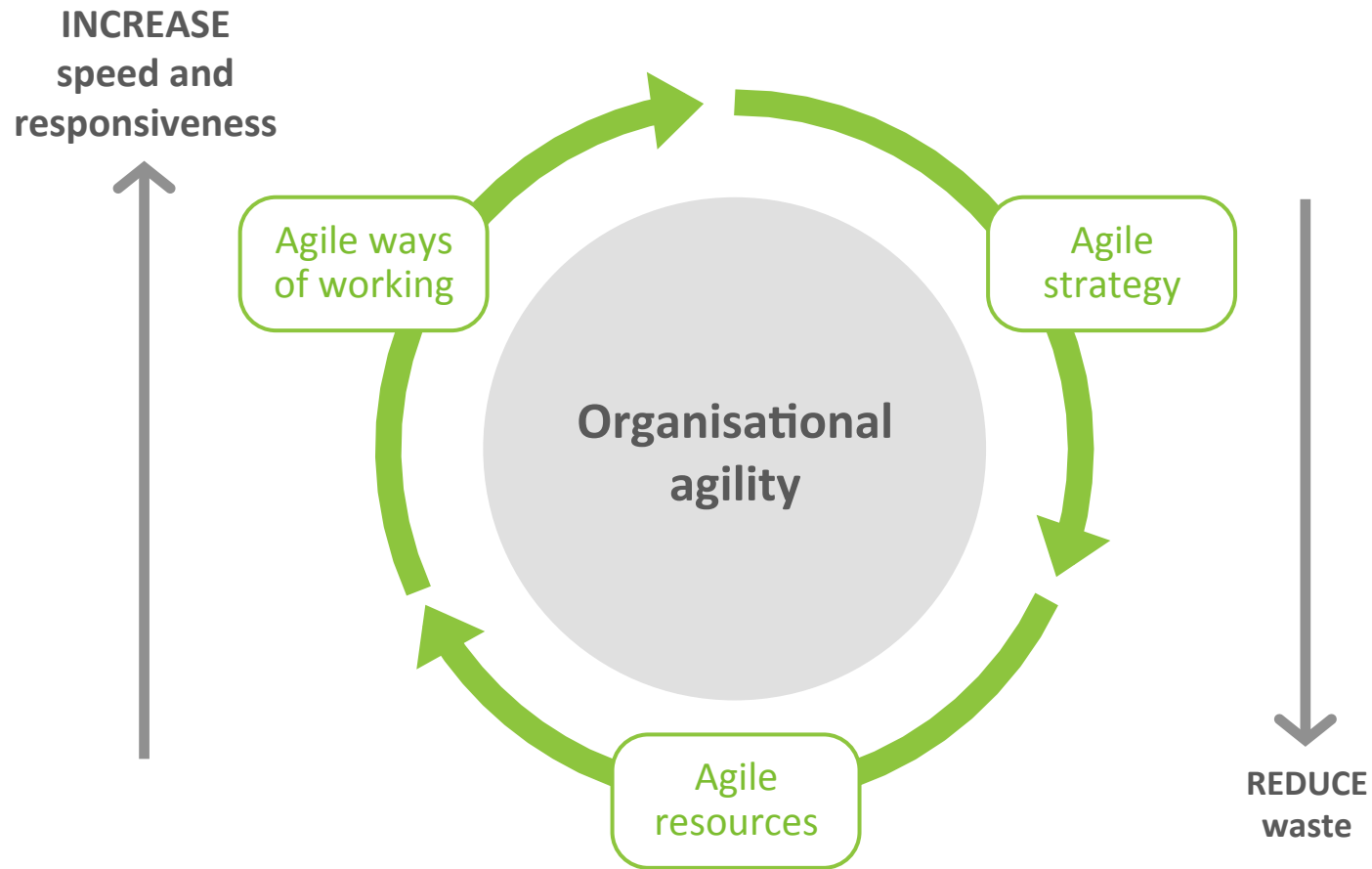
## Agile resources

Description	<b>The active allocation of human and financial resources to dynamic priorities</b>
<b>Typical questions to address</b>	How well does your organisation: <ol style="list-style-type: none"><li>1. Effectively manage the resourcing of both 'now' and 'new'?</li><li>2. Extract itself from areas of diminishing reward or advantage?</li><li>3. Commit, focus, funds and resources to areas of promise?</li></ol>
Example tools	<ul style="list-style-type: none"><li>• Zero based budgeting</li><li>• Agile resource allocation/capacity management across projects and BAU</li></ul>





Used together, the three forms of agility can not only increase speed and responsiveness but also reduce waste



Source: Right Lane Consulting, 2014



## Organisational agility can be developed and matured





## 10 practical tips can help you improve your agility\*

### Agile strategy

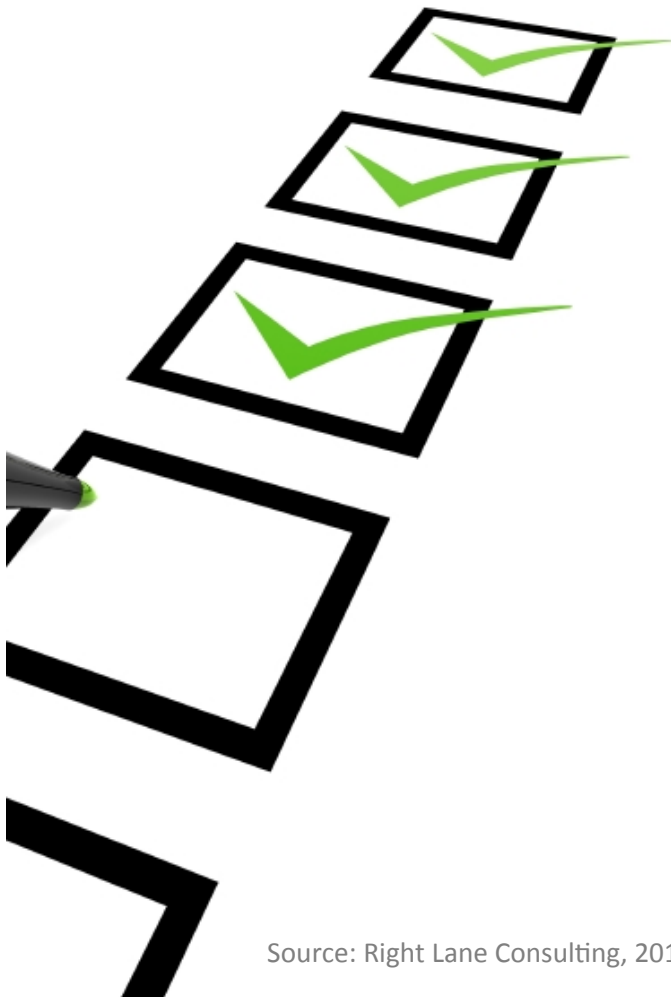
1. Keep abreast of alternate strategic pathways
2. Dynamically review strategic priorities
3. Evaluate senior management priorities and time allocation

### Agile ways of working

4. Know where you add distinctive value and where others do it better
5. Align and realign key service providers frequently

### Agile resources

6. Foster transparency in financial and human resource allocation
7. Fight resource allocation intransigence
8. Create a fund for ad hoc investment requirements
9. Reallocate resources more frequently, as necessary
10. Staff projects more flexibly





## Conclusion

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1. Organisational agility creates value – agile organisations dramatically outperform unadaptive organisations
2. An agile organisation is agile in strategy, ways of working and resources
3. These three agile levers, used together, can not only increase speed and responsiveness but can also reduce waste
4. For more information on the topic of organisational agility, please see the Right Lane white paper titled: **Organisational Agility: How to knock down structures that are limiting your organisation's effectiveness.** It can be found at [www.rightlane.com.au](http://www.rightlane.com.au) under the knowledge tab.



## About Right Lane

### About Right Lane

Right Lane is an Australian management consulting firm that specialises in moderating executive team and board workshops and facilitating strategy and planning processes for midsized organisations.

Right Lane was established in 1997 to help private, not for profit and public sector clients to clarify and accelerate their future plans. Over the past 15 years, we have helped the executive teams and boards of more than 80 organisations to define and adapt their direction and strategy, identify and clarify their priorities, align their efforts with their aspirations, get their major projects started and finished, and measure and improve their performance.

In 2011, Right Lane became, to our knowledge, Australia's first 'for benefit' management consulting firm. This means that we have capped our return on shareholder funds at reasonable levels, rather than seeking to maximise financial returns, which allows us to concentrate on our mission of contributing to society by helping organisations that do good do better.

### Our areas of focus

- Developing and managing strategy and planning processes for clients
- Implementing strategy through aligning and engaging the organisation, and measuring and monitoring performance
- Leading strategic projects, such as pre-merger analysis, pricing, new product feasibility and growth options evaluation
- Facilitating clients' board and executive team workshops

## For more information

If you would like to discuss any aspect of this paper in further detail, please contact:

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