Strategic Agility

Policy Link Session: Policy Governance in an Era of Transition

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From Strategic Innovation to Strategic Agility

- Strategic Innovation: Entrepreneurial Insight and Flexibility
- Operational Excellence
- Strategic Rigidity
- Strategic Agility

Growth vs. Time

INSEAD

The Curse of Success
Strategic Agility easily Turns into Strategic Paralysis Over Time …

Strategic Sensitivity

- Tunnel Vision
- Tyranny of the core business
- Strategic Myopia
- Dominance mindset
- Snap judgment

Resource Fluidity

- Imprisoned resources
- Business system rigidity
- Ties that bind
- Management gaps and competence traps

Leadership

Unity

- Management divergence
- Heady charm of fame and power
- ‘Expert’ management
- Emotional apathy

Key Capabilities enabling Strategic Agility

Strategic Sensitivity
- Open Strategy Process
- Heightened Strategic Alertness
- High Quality Internal Dialogue

Resource Fluidity
- Fluid re-allocation and utilization of capital resources
- Mobility of people and knowledge
- Modular structures

Leadership
- Cabinet responsibility
- Top team collaboration
- Leadership style and capabilities of the CEO

Unity
Drivers of Strategic Sensitivity

- Co-strategizing with multiple stakeholders
- Experimentation
- Stretched vision
- Contradictory goals
- Open future definition
- Factual and conceptual richness
- Cognitive diversity

Open Strategy process

Heightened Strategic Alertness

High Quality Internal Dialogue

STRATEGIC SENSITIVITY
Drivers of Leadership Unity

- Shared agenda & incentives
- Mutual dependency
- Embracing conflict + dialogue
- Institutionalized top team renewal
- Listening capability
- Capability to play multiple roles

Cabinet responsibility

Top team collaboration

Leadership style and capabilities

LEADERSHIP UNITY
Drivers of Resource Fluidity

Freeing strategic direction from org. structure

Dissociating results from resource ownership

Assumption based planning/resource allocation process

Institutionalized job rotation

Values and management system emphasizing knowledge sharing

‘Plug and Play’ modular structures

Fluid Re-allocation and Utilization of Capital Resources

Mobility of People and Knowledge Sharing

Modular structures

Resource Fluidity
Capabilities for Continuous Change

Strategic Sensitivity

- External Orientation
  - Policy Intelligence, dialogue with stakeholders
- Cognitive diversity. Inclusion
- Progressive media, art and culture policies
- Define possible futures widely enough
- Stretch goals. Contradictory priorities
- Dialogues, conceptual and contextual

Resource Fluidity

- Continuous planning processes
- Flexible budgeting (vs. legacy)
- Leadership reviews and job rotations
- Developing broad competencies
- Limit role and resources of specialized agencies

Leadership Unity

- Common vision and framework
- Horizontal “integrative” policies
- Shared agendas
- Rotating responsibilities
- Cabinet responsibility
- Informal networks
Summary

Strategic Agility results from:

- **Strategic Sensitivity**: Seeing and framing opportunities in a new insightful way

- **Resource Fluidity**: Fast and efficient resource mobilization and redeployment

- **Leadership Unity**: Collective decision making and commitment to decision outcomes
Key Levers of Strategic Leadership

- **Strategic Sensitivity:**
  Seeing and framing opportunities and threats in new insightful ways – as they emerge

- **Leadership Unity:**
  Making tough collective decisions that stick and get implemented!

- **Resource Fluidity:**
  Mobilizing and redeploying resources rapidly and efficiently

- **Cognitive**
- **Emotional**
- **Organizational**
- **Relational**