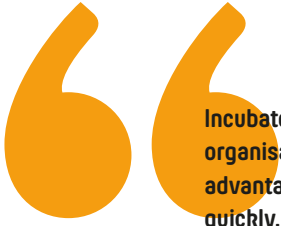




**THE ALERT COMPANY,
A NEW BUSINESS
SPECIES IS BORN**



**4 ACTION
LEADS TO
BECOME ALERT**



Incubators, acquisitions, creating independent units: many large groups have resorted to these organisations in the hope of themselves becoming agile. In our opinion, while these practices offer advantages, they're not enough. The effect is similar to a rapid sugar-hit but can disappear just as quickly. You cannot solve complexity by simplifying it, in the same way that you cannot achieve a successful transformation by sending it back outside your organisation. Everything is a question of integration and slow digestion. The same principle applies for an alert business.

"When a man is hungry, it's better to teach him to fish than to give him a fish." This expression, attributed to Confucius, puts us on the right track: the real challenge is to make transformation a *capability*, in other words *both the knowledge and the ability of the organisation to transform itself*. We provide four tips to enhance the capability for transformation. There's no miracle formula here. The idea is not to tick boxes to ensure you fulfil the conditions of an alert business, nor to copy-paste any practice seen at a competitor.

TACKLE THE DESIGN OF YOUR ORGANISATION

1 Nearly all businesses today operate using a matrix model. While it was beneficial during growth phases and enabled businesses in all sectors to become truly global, it reveals its limits a little more every day in the VUCA world.

As a result, new models are emerging regularly: platforms (Uber, Amazon, Airbnb), cellular and teal organisations¹ (Favi, Zappos, Gore).

The organisation model has proven to be a major driver to enable your business to become more alert: combining local relevance and strategic alignment, quality of rapid execution and capability for prospective vision; developing cooperation in an open ecosystem... Tomorrow's organisation – post-matrix – will therefore be based on the strength of ties made by each employee and combining them correctly: belonging, transactional links and cohesive ties. Simplify, eliminate duplication, reduce the number of levels!

ADOPT MODULAR THINKING

> Change your strategic planning processes: favour a modular approach leaving you the option to reposition yourself over time. The 'light footprint' approach, developed by the American army² can be transposed to your business: prospective scenarios to be left open as long as possible before being decided, investments that can be adjusted over time, strategy by informed opportunism, greater freedom allowed for actions and decisions in the field... In other words, forget the determinism of your 5-year plans or medium-term plans, set aside the game of chess and play Go³.

> Run away from gigantism, avoid solving everything to the overall mesh of your business. To take fast, targeted action, the agile mode and empowering teams on the ground are essential.

> Favour movement to plan: be clear on the outline of your transformation but don't lose yourself in a detailed programme, encourage initiative, don't hesitate to readjust targets and act one step at a time.

1. 'Reinventing Organizations' - Frédéric Laloux, Ed. Nelson Parker, 2014.

2. See Kea & Partners *La Revue* no.22, page 6.

3. See '*The Go-playing manager*' - Marc Smia and Jean-Christian Fauvet, Organisation Ed., 2007.

> Go beyond conventional dashboards to understand the complexity of your business: pay attention to the invisible things that also have their own value and create positive energy (especially intangible assets); rely on the wisdom of crowds to decipher background trends; measure indices that change over time (NTS, CVA, REXI are some of the tools to be considered when broadening and refining the snapshot of your business⁴).

KILL THE INERT AND PROVOKE DISORDER

Eliminate the gluons - all these bottlenecks that restrict movement and prevent entrepreneurial energy from being expressed⁵ - and provoke constructive disorder, aligned with the vision and conducive to taking action.

> Against the gluons that hinder your employees' autonomy, encourage field initiatives on operational questions: in a shop, what commercial gestures are possible; in a given subsidiary, which local choice is encouraged, etc. Value, celebrate, encourage these local practices.

> Against the gluons linked to processes, simplify and increase flexibility as much as possible. For example, the budget process often slows down taking action: "We have to spend it all, otherwise the budget won't be renewed next year"; "Anyway, we don't decide anything more once it's all agreed"; "No, we can't throw ourselves into such an activity because it was not planned in the budget!" Another example is the human resources system. There too, career development often follows rigid frameworks that get in the way of staff motivation.

4. See 'Kea's Compasses' - Kea & Partners' *La Revue* no.19.

5. See 'The paths of autonomy in the company' - Kea & Partners *La Revue* no.20.

TRAIN YOUR TEAMS TO BECOME ALERT

The challenge is twofold: making everyone understand that the business environment is continually changing and giving the organisation systems appropriate to this environment, with the support of external entities if necessary.

> Tell your team to question the past and identify opportunities for action: as things stand, is the company agile, anticipating, aspirational, authentic, autonomous? When did it develop a particular component and what lessons can be drawn from it? Kea & Partners has created a maturity chart to measure the 5A for your company and assess the height of the hill to climb.

> Start your corporate university to encourage learning, training and knowledge transfer, and at the same time educate mindsets about change. The aim is to have the VUCA world and the need to adapt accepted, and to encourage support for the alert company project to generate energy and autonomy on a daily basis.

> Give yourself the means to move quickly by preparing incubators, special forces, business units, war rooms, etc.

> Use the talents and strengths of not only your teams but also stakeholders in the ecosystem, through partnerships and strategic alliances. The ecosystem can make your company even more alert!

> Use a lexicon of movement to accustom your teams to the transformation culture. This is the gamble made by the OCP group (Office Chérifien des Phosphates): instead of 'programme', which seems fixed and detailed, the word 'movement' is preferred, by definition dynamic and flexible; 'structured teams' become 'self-organised groups'; 'governance' or 'project management' give way to 'support system'; in the place of 'projects' they refer to 'situations', linked to a work group, a master idea and an application point. The scope for reinventing language is vast.



3, rue Danton / 92240 Malakoff
Tel: 33 (0)1 40 84 74 00

larevue@kea-partners.com
kea-partners.com