How Digitalization and Agility Work Together: Practical tools and experiences from the front line
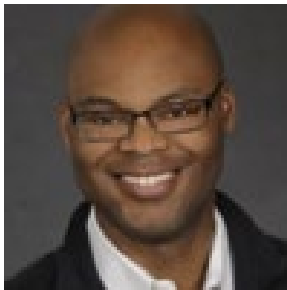
Chris Worley, CEO Senior Research Scientist
Michael Arena, adaptivespace.net
Liz Vales, Nike
Carl Watson, Microsoft

USC Marshall
School of Business

Center for Creative Leadership®

INNOVATION RESOURCE CENTER for HUMAN RESOURCES

SPRING NETWORK

Rock Star Line-up?

Compound annual growth rate over their tenures:

19%

20%

32%

Kickoff Table Discussion

- On the following scale of 1-5, how agile is your organization?

1	2	3	4	5
Not at all	To a small extent	To some extent	To a moderate extent	To a great extent

  - Important: Why did you give yourself that score?

- On the same scale, how integrated are your digital and agility initiatives?

1	2	3	4	5
Not at all	To a small extent	To some extent	To a moderate extent	To a great extent

Digitalization is an Organization Design Challenge: Technological lead, social lag

Conflicting Demands
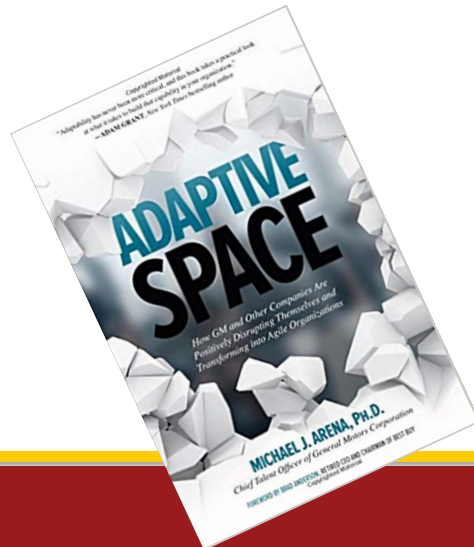

Digital Natives & the Rest of Us

Hierarchy vs. Networks

Change Capability

Leveraging Success

The Future of Leadership

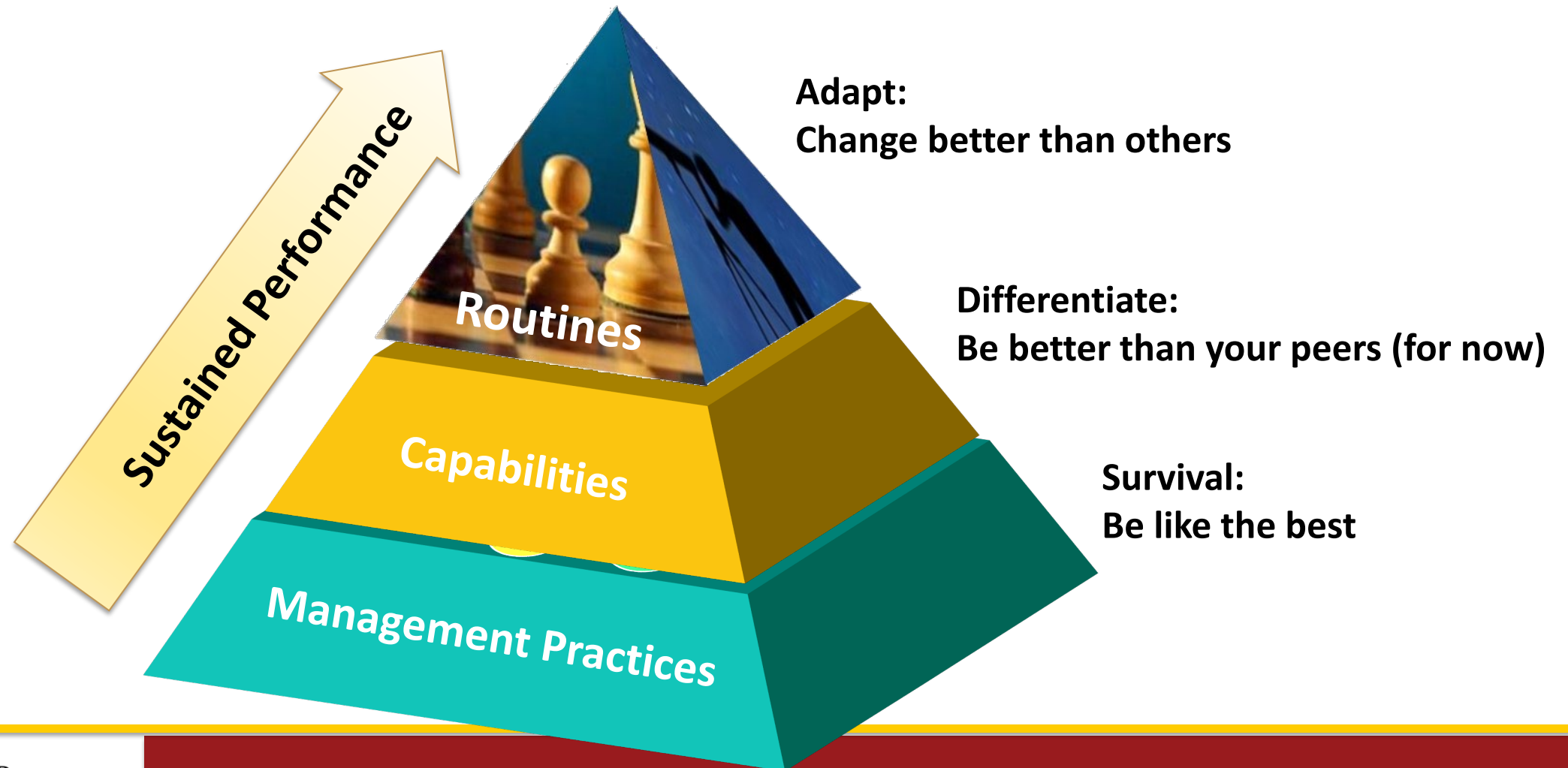Agility: The only place where digitalization, design and change can co-exist

Agility in Decline!
(And why that's a good thing…)

There is no Yellow Brick Road:
The transformation to agility has many paths

Agility: The only place where digitalization, change and design can co-exist

Extent to which the following drove the agility transformation decision…	Percent Agree
… react to changing customer needs	67
… reduce time to market	77
… face increasingly intense competitive conditions	84
… enable a successful digital transformation	74
… encourage an open culture	73
… attract top talent	71
… react to changing political/social conditions	66
… react to unpredictable external changes	77

Agility in Decline!
(and why that's a good thing)

Routines	Enedis (2016)	Enedis (2018)
Strategizing	3.83	3.50
Perceiving	3.78	3.25
Testing	3.49	3.27
Implementing	3.47	3.20
Average	3.64	3.31

Let's Review: Agility is an advanced management capability

Sustained Performance

Routines

Capabilities

Management Practices

Adapt:
Change better than others

Differentiate:
Be better than your peers (for now)

Survival:
Be like the best

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University of Southern California

There is no Yellow Brick Road

Transformation Strategy	Percent Chosen
Transformation requires a systematic as-is analysis (diagnosis).	21
Transformation requires a quick start.	21
Transformation requires leverage and focus.	21
Transformation requires working with momentum.	23
Transformation requires an inside-out process.	12

CEO
CENTER FOR EFFECTIVE ORGANIZATIONS

GM/Nike/Microsoft Discussion Questions

– What practices did GM/MSFT/NIKE talk about that you can use?

– Do you see similarities in the progress of digital and agility initiatives in your organization—and their impact on business outcomes?

– What role/contribution is HR making to these transformations?

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