

# Resilience through ORGANIC agility

Resilience is essential for adapting to complex and volatile situations in every field, from software development to the management of organizations. ORGANIC agility is an evolutionary approach that demonstrates how and why a coherent organizational culture and agile Leadership help organizations achieve resilience and adapt to the real-world demands of today.

## What is resilience and why organizations need to become resilient

Resilience is an idea that applies across fields: for individuals it has been identified as one of the most important protective factors against external threats, for materials it is the ability to bend but not break, and for organizations it means being able to respond to change fast. Despite the increasing popularity of Agile Methods, there is still a dominant belief that failure is unacceptable, changes are predictable, and all processes can be predefined in detail. The problem with that way of thinking is that it assumes that we live in a predictable, ordered world, where the future is going to look more or less like the past, and we can, therefore, predict it. The reality, however, is very different.

Our work environments are not neat, orderly and robust against future challenges. They have probably never been, but now, with the powers of digital technology, increased connectivity across the world, and market demands that appear, shift, and disappear rapidly, it is more unstable than ever: everything affects everything else in ways that are unpredictable and invisible until after they have happened. In other words, the world is complex. Organizations, therefore, face three types of threats. There are those that are probable: we have encountered them before and we can see them coming. Then there is the possible: it might happen or not, but we know more or less what it will look like. Finally, there are plausible threats, and these are the most dangerous kind. These are the threats that we have no idea about, no way to prepare for, and they might be completely destructive: these are called low probability and high impact events. Take Kodak, for example, which went bankrupt in 2012 because it could not keep up with the market of digital photography, even though it was the first to discover the technology! In that case it wasn't knowledge that was missing, but the resilience needed to use it.

Some organizations believe that being robust is the best way to be. Machines are a typical example of something that is robust. They are designed to do a specific repeatable job, and if a piece breaks or goes missing, it gets maintained. However, an organization does not operate like a machine, but more like a living organism that adapts and reacts to challenges quickly and flexibly. Being a resilient Organization means being able to continuously innovate, evolve, and repurpose what you have to your advantage, so that you are ahead of the circumstances, instead of just responding. This approach that sees organizations in biological rather than mechanical terms is part of ORGANIC agility, a meta-framework that will be discussed later. Changing the language we use to describe organizations is important because a simplistic metaphor traps us into thinking in simplistic ways about a complex problem.

## Resilience in organizations

Resilient systems and organisms in general have much in common: they are generally characterized by distributed structures, multiple alternatives that can be mobilized, and the ability to trigger change in response to changing circumstances. The main idea is that the characteristics you need to deal with a crisis (as well as those that you need to continue improving and evolving) need to be in place long before you need them. These factors have significant implications for an organization's structure as well as culture.

To give a rough picture of what a resilient organization more or less looks like, imagine a culture that is coherent but diverse, fast decision-making processes that take contextual needs into account, responsiveness to value needs, a strategy that combines structure and flexibility with a way to move forward even through complexity and uncertainty, and operational processes that support the above instead of slowing it down and can be refined through testing. Fast feedback loops and reliable ways of collecting information create the capacity for decision-making based on solid data. The whole process is dynamic and geared towards change through interaction and experimentation. The 5 Principles of ORGANIC agility correspond to those characteristics and they are meant to serve as scaffolding, temporary support that can be removed when it is no longer needed.

Developers know about resilience: they know how to make systems that accept that failure will happen and have multiple backups, and they understand the connection between resilience and value, as well as the complexities introduced by highly connected, interdependent systems. In fact, the principles of resilience are not that different from the ones described above for organizations, and for someone with experience in Java, or any other programming language, it can be helpful to see how translating these in concrete software design terms makes them seem less abstract.

By now, this description might have started sounding familiar to readers who know about or operate in the world of Agile. There are many elements of agility that can sustain and promote a resilient organization, both in culture and operations: decentralizing decision-making makes it faster by removing additional levels of intervention. Responsiveness to changing circumstances over following a plan is also perfectly compatible with a complex environment, and so is the flexibility that is a core characteristic of agility. There are, however, concerns that Agile might have lost some of its agility and become too stuck on formal discussions or prescriptive and dogmatic approaches, partly as a victim of its own popularity.

## Getting ready for agility

There is, then, a problem with Agile. For all that it has offered and it has to offer, it is now often seen less as a set of principles and more as a set of processes, that will create results if religiously applied, or as an in-club that some belong to and others don't. Moreover, because of its popularity in every field, people have unthinkingly taken elements from one context (especially IT and software development where it grew out of) and applied them to others. That simply does not work.

However, we still need agility: we need speed, autonomy, responsiveness to need, flexibility, and incremental improvement, but it has to be individual, context-specific, non-dogmatic, and made for the knowledge era, not the industrial era. And this is where ORGANIC agility comes in.

ORGANIC agility is an individualized evolutionary approach to building resilience that encourages growing autonomy with coherence and is based on complexity science. Its five principles are a key part of its contextual and individual nature: they are not dependent on any industry or methodology and their application will lead to different results depending on specific needs. Moreover, they are not meant to be a sacred text that guides an organization forever, but a support that disappears when it has been so integrated in the DNA of an organization that it is no longer needed. ORGANIC agility recognizes that you cannot just become agile and resilient from one day to the next: you need to lay the ground for it and you need practical support. Its aim is to strike a balance and achieve guidance without prescription.

In addition to its principles, ORGANIC agility offers a new approach to leadership, and its own Leadership Framework of a situational leadership that is based on context. What that means and why it is important will be made clear in the following section. This part of the preparation is crucial to succeeding in organizational change towards a more resilient direction. Elements such as building awareness of market cycles, behavior, and adapting accordingly, need to be consciously exercised and practiced. The ability to stay alert to change and to repurpose what you already have in order to achieve serve new needs, or to nurture diversity without losing cohesion is also something that needs to be learnt.

## **Starting with the Leadership**

Starting with the Leadership of an organization is important because they are the ones who have the most capability to act as catalysts for change and the power to influence the organizational environment. How is this change then triggered in a complex environment and how does our whole concept of leadership need to evolve for resilience? Starting from the environment, what we often see of organizational culture from the outside is how people act in the organization, and what results they produce. In truth, that is just the surface, and it is produced by what lies beneath it. What people do is based on what they believe, not in terms of whether aliens have visited the earth, but in the sense of “how we do things around here”.

So, for an effective intervention, leadership needs to target this deeper layer of culture. The mistake leaders often make is that they believe that they can change something by simply stating the change: so if they want to change beliefs, it is enough to announce in the organization that “these are our beliefs and values”. In reality, these explicit declarations will only put people in the position of superficially complying but will not create change. Even worse, if those statements actually clash with reality and the real stories circulating in the organization, the inconsistency will create more negative feelings.

This doesn't mean that culture is unchangeable, or that it is abstract. The first step towards changing organizational culture in order to reinforce resilience-supporting characteristics is measuring it. This measurement is possible through the tracking and observation of habits, behaviors, rituals, or stories of success and failure that are the manifestation of culture. There are also sophisticated tools that can help with

the representation of Organizational Culture, such as the OrgScan, one of the ORGANIC agility tools. These complex behaviours, such as rituals, cannot be designed, but what can be done is observing the ones that naturally exist, and strengthening the ones that contribute to the direction we want to move organizational culture towards. The behaviour of the leaders themselves has a lot of power at this level, as it is also a factor that acts as a model for everyone else and generates stories that have the capacity to grow into change.

So far we have been speaking of leaders as people, because this is how we usually think of leadership, but the ORGANIC Leadership model proposes in fact a very different way of thinking about leadership: not as a job description or a skill that some people possess, but as a capacity that is present in the organization and can flow from person to person, depending on the context and its needs. This idea of leadership, which moves on from the models of the hierarchical and stable industrial age to the volatile knowledge age, promotes resilience in multiple ways. It recognises that one brilliant leader is not what organizations nowadays need. Instead, they need enablers who will ensure that people are able to think, and that their ideas can contribute value.

This is a resilience-boosting factor, not only because of the potential for innovation it unlocks, and the range of responses in a potential crisis, but also because it speeds up the process of decision-making, a critical factor for agility. A sense of ownership for people and the capacity to exercise leadership means that there aren't constant delays as decisions wait to be approved by a single leader. It also means that, in the context of a coherent culture (remembering the characteristics of a resilient organization outlined above), everyone is moving in the same direction but they are not distracted by having to follow a strict set of instructions. This leaves them with the capacity to notice opportunity or danger even when the signal is weak, instead of trying to game the system.

A coherent culture is enabled by and enables a coherent and transparent strategy, one that shares the desired direction with everyone and generates conversations around it. In a complex context, such as the market, this strategy evolves continuously and incrementally, exploring multiple options at the same time through parallel safe-to-fail experiments and incorporates and refines those that have been validated (see also JAVAPRO issue 01/2019 for an article on the Agile Strategy Map). In such a strategy, autonomy is possible, and leads to greater resilience. Despite the benefits, this type of leadership is a difficult proposition for many more traditional organizations, especially after a certain level of growth. Giving up control (or rather the illusion of control) is the price of offering autonomy, and it sometimes requires the education of those who currently hold leadership positions in order to teach them both the process and the benefits of letting go, as well as practical ways that they can maintain consistency. And so leaders can change their ways, and as a result prepare their organizations for a changing world.