ADAPTIVE ORGANIZATIONS FOR FAST CHANGING MARKETS

WIRKSAME UMSETZUNG STRATEGISCHER ENTSCHEIDUNGEN IN PROFITORIENTIERTEN UNTERNEHMEN

Dissertation zur Erlangung des Doktorgrades an der Julius-Maximilians-Universität Würzburg

Dipl.-Kff. Dagmar Woetzel





The established logic doesn't fit any more

"... the acceleration of innovation and the velocity of disruption <...>



constitute a source of constant surprise, even for the best connected and most well informed."

(Klaus Schwab 2016)

"The greatest danger in times of turbulence is not the turbulence — It is to act with yesterday's logic."



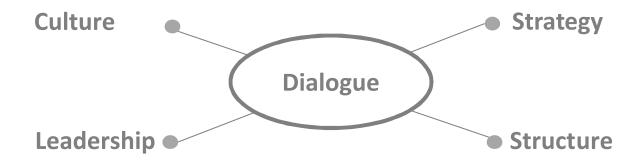
(Peter Drucker, zitiert aus change factory)



"In 2020, 75% of the Fortune 500 will have names one has never heard of."

What is the new logic for Volatility | Uncertainty | Complexity | Ambiguity?

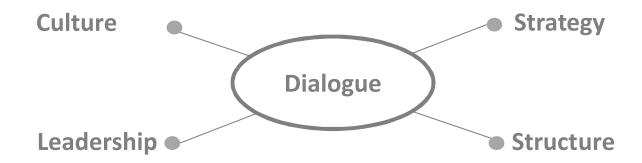
- Motivation and Development of the Research Question
- Paradigm change for the Age of Digitalization
- Adaptive Organization



- Transformation
- Perspective



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Are academic research results missing?

70-90% of all strategies are not implemented despite available methods!

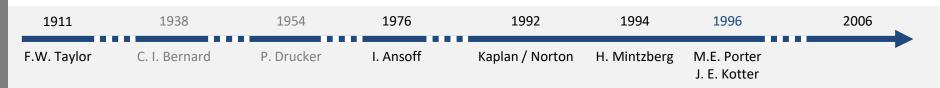
(Kaplan und Norton 2006 | Hamel und Zanini 2014)



Research Question (2006):

- Why are only 30% of the defined strategies successfully implemented?
- How can strategies be more successfully and efficiently implemented?

Academic Research

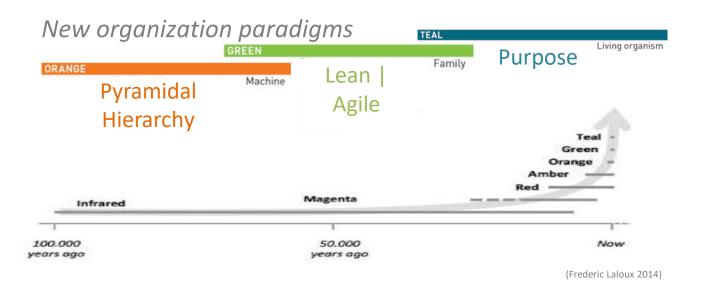


New insights – new solution space



"By <...> concentrating on systems that can survive and indeed benefit from such surprises, we can triumph over volatility."

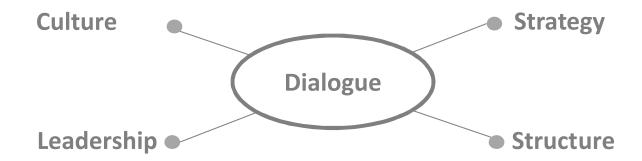
(Stanley McCrystal 2015)



Updated Research Question (2015):

How is an adaptive organization built and nurtured, that is appropriately adaptive to internal and external developments?

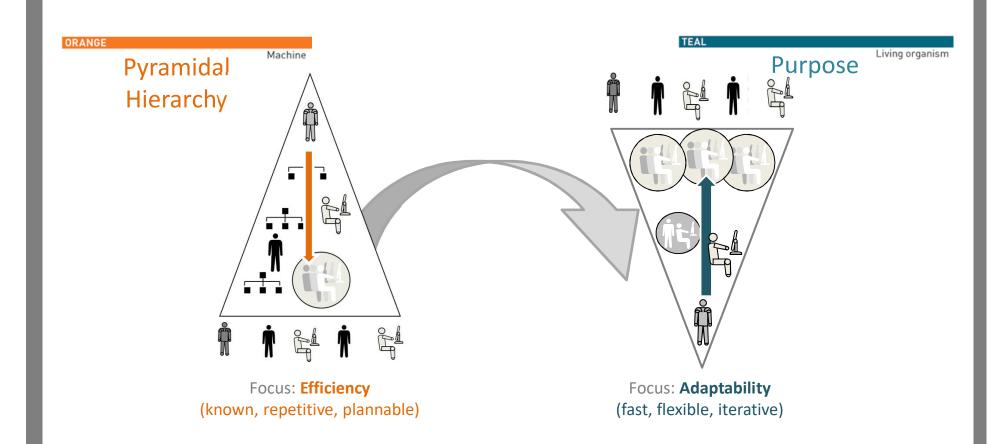
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Companies need a Paradigm shift

"Give Control to where the Information is ... and create Leaders, not Followers."



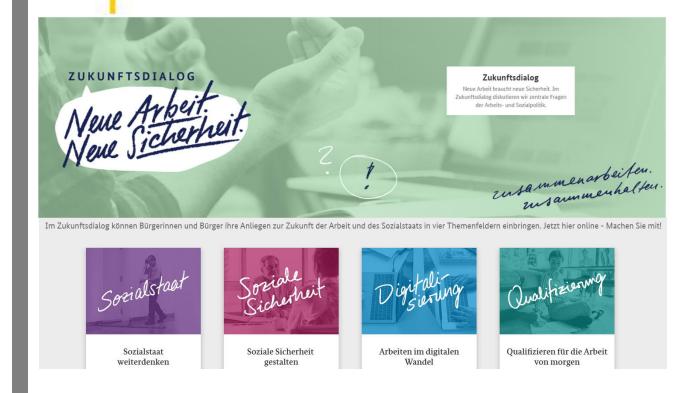
Adaptability in a volatile business environment leads to business success.

" ... and profits will follow!"

(Steve Denning 2012)

All areas are affected by the Paradigm shift

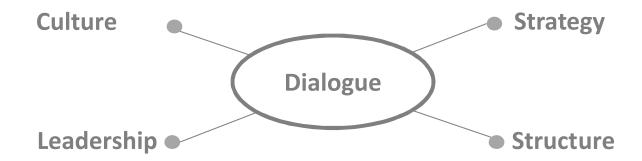




CONSCIOUS PURPOSE CONSCIOUS LEADERSHIP Deloitte. **Human Capital Trends 2018** Der Aufstieg der "sozialen Organisation" Social enterprise

The new logic needs renewal in the social support systems and the purpose of for-profit organizations.

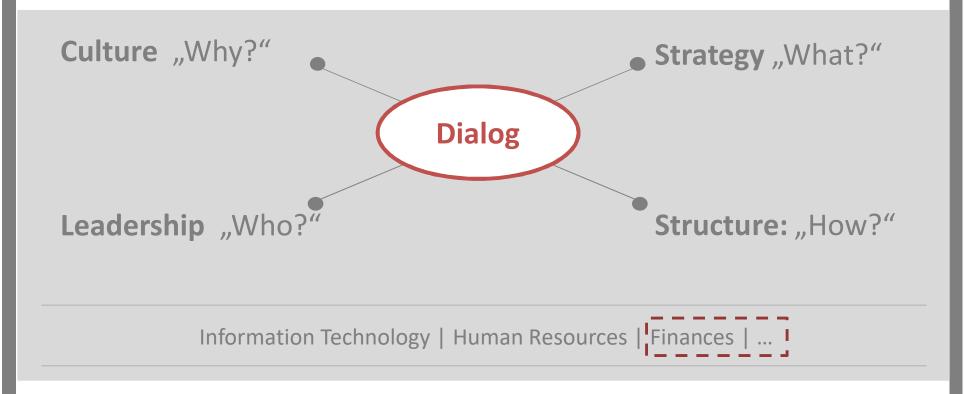
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The new logic builds on five dimensions

Adaptability is created when all dimensions are developed considering each other with regard to the whole system.



Finance can "make or break" progress towards an adaptive organization.

Strategy provides orientation and is highly cooperative

Machine

"The real challenge in crafting strategy lies in detecting the subtle discontinuities that may undermine a business in the future. And for that, there is no technique, no program, just a sharp mind in touch with the situation."

(Henry Mintzberg zitiert aus Moore und LeNir 2011)

Living organism

ORANGE

Strategic Management

- Sustainable competitive advantage
- Structural barriers

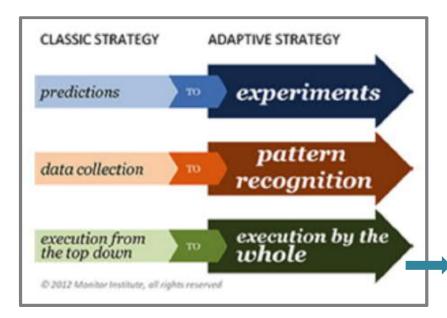
(Michael Porter, 1996)

TEAL

Strategic Thinking

- Transitory competitive advantage
- "Discovery driven" planning

(Henry Mintzberg, 1994)



"Strategy becomes everybody's everyday job."

(Kaplan und Norton 2006)

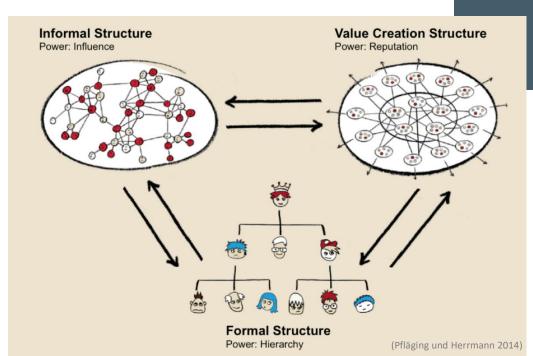
"The new strategy rulebook = reconfiguration. Organizations are shape-shifters, managing continuous morphing…"

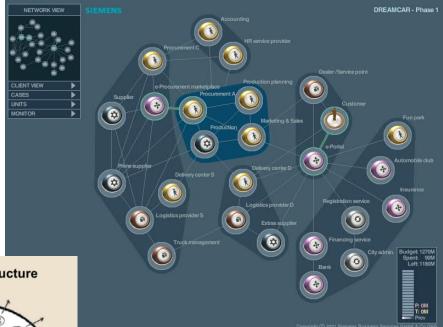
(Rita McGrath 201)

Structure of Value Creation will be re-configured

Value creation will be re-configured and exchanged by networked value creation cells. Existing companies will be step by step replaced by "focused, open and networked high performance organizations".

(Michael Mirow 2005)



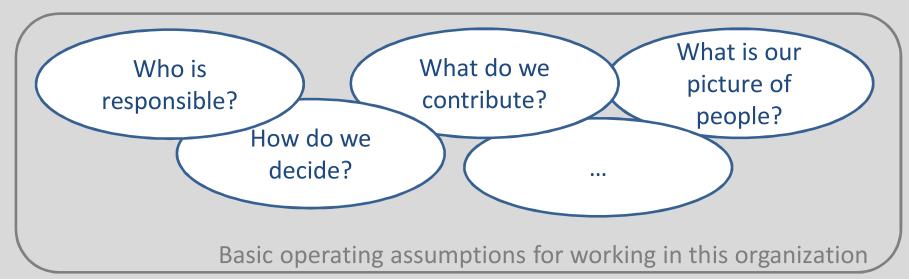


The change in power dynamics in organizations – from position power (formal) to mastery and reputation (value creation) – is one of the biggest hurdles.

Culture of Responsibility, Trust and Helpfulness

Culture is the sum of "this-is-how-we-do-things-here-stories".

(Bersin et al 2016 | Vallaster 2009)





Well staged experiences can inspire people to write new stories.

(Unter Verwendung von Bernd Schmid, 2015)

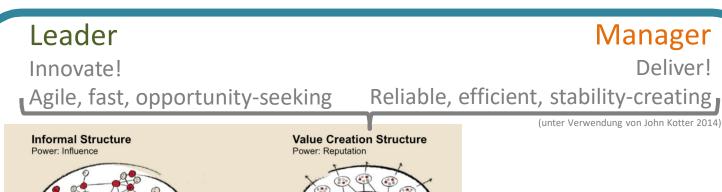
"One bad story kills a thousand good ones."

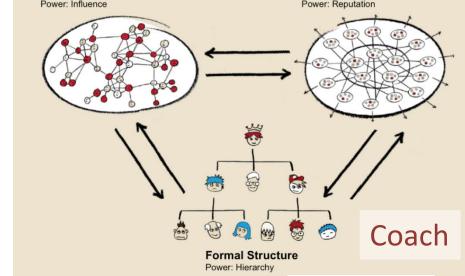
(Teilnehmer PLM Benchmarking 2012)

Leaders are overwhelmed

"A leader is there to set the stage, not to perform on it...."

(Blekman und Olof 2011)







Help people to develop (supportive Leadership) and ensures Compliance

Executive —

Purpose: Holding the space



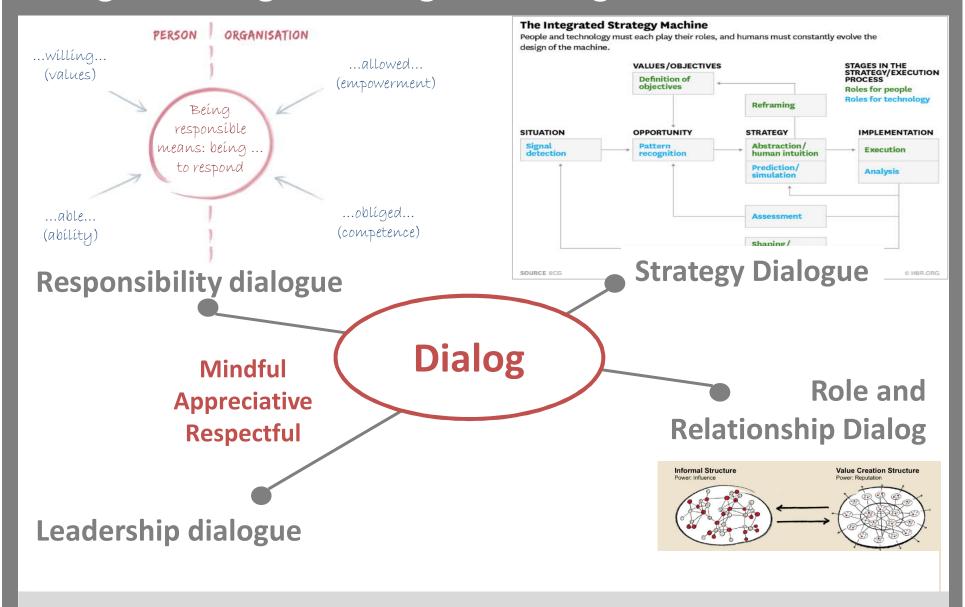
"Leaders: Eyes on, hands off!"

(Stanley McChrystal 2015)

SENIOR MANAGERS NEED TO MAKE THEIR DISTANCE AND THE PERSPECTIVE IT BRINGS PRESENT TO THEIR TEAMS.

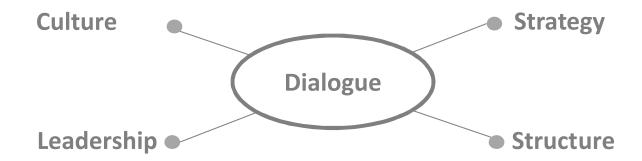
(Yves Morieux 2018)

Dialogue is designed fitting to the stage



Adaptability becomes the only sustainable competitive advantage.

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Each cell has it's own business logic



The question is continuously: what is right now good enough for our success?



In a dual work mode, all employees can take roles for a specific time in innovation or delivery and are all appreciated for their contribution.

strategy+business

November 13, 2018

INNOVATION

Redefiners Are Doing Digital Right

Companies that have the digital aspiration of fundamentally changing their operating model can face disruption head-on.

by Tom Puthiyamadam, David Clarke, and Scott Liken:

"Continuing to do what is necessary to keep the existing business profitable while simultaneously investing to develop new revenue streams that might have little or nothing to do with how they operate now, is a herculean task."

The new logic is Vision | Understanding | Clarity | Adaptability!

Based on http://eliesha.co

The difference lies in the point of view, not in the methods

"Dialogic and Diagnostic OD are not two different things – they are different ways of thinking."

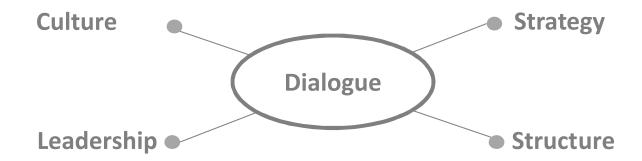
(Bushe und Marchak 2015)

	Machine			Living organism
	Diagnostic OD		Dialogic OD	
	Positivism	Ontology	Interpretive, Constructionist	
	Objective Reality		Social Reality	
	Open Systems	Organizations are	Dialogic Networks	
	Behavior and Results	Emphasis on	Discourse and Generativity	
	Planned	Change is	Emergent	
	Episodic		Continuous and iterative	\ /
PP E	More developmental	Consultants	More transformational onsultants	Ŕ
	Stay apart at the margins Partner with		Are immersed with Part of	
	Hierarchical	Change Processes	Heterarchical	
	Start at top, work down		Start anywhere, spread out	

"The emphasis on the concept of "moves" is important <...> because it implies action without necessarily having a plan or solution in mind."

(Ed Schein 2010

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Options to further develop the new logic

Expert Network

in all organizations

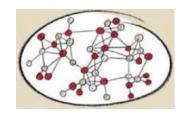
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Prototypes for Structure of adaptive Organizations
Network | Cell | Team

Execution in Business

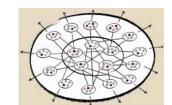
Development of

informal Leadership



Develop adequately adaptive organizations as base for sustainable global wealth.

Academic Basis



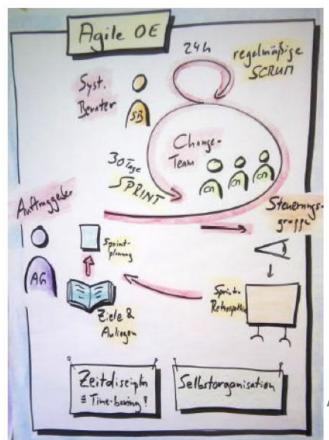
Trans-faculty development dialogue, including practioners

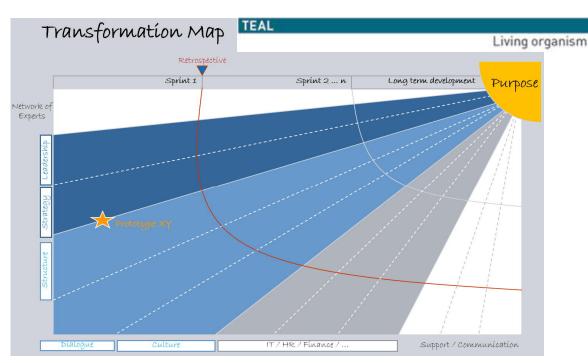
Amendment by additional sources, such as Peter Drucker and Chester Barnard

Model of a holistic Transformation

"Begin somewhere, start now."

(Ernst, Rice und van Strander 2016)





Purpose | Self management | Dual work mode Agile with Backlog, Sprint, Time Box, Stand up, Retrospective Dialogic OD | Design Thinking | radical Transparency | ...

Without Adaptability: "You don't stand a chance!"

(Dave Marquet 2012)

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Thank you for your attention!

Questions & Answers

Candid Dialogue



