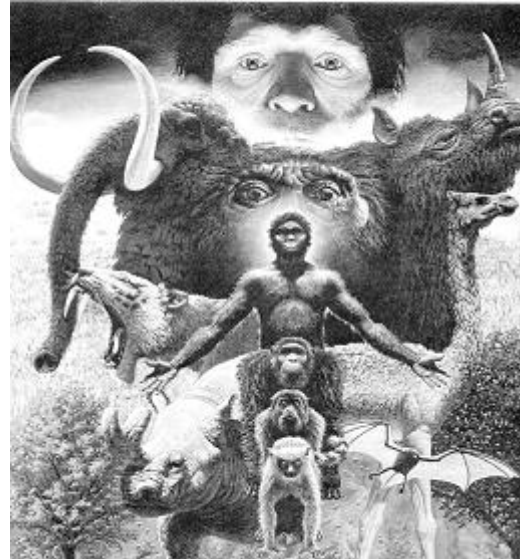


## The Alt3 view of the world 1:

### **BUSINESS CULTURE AND RESPONSIVENESS in a changing world.**

You know, it's a complete misconception that the "strongest survives" or evolution in any sense is about "survival of the fittest" – we take these terms too literally. If it was all about the strongest survives then the world would be ruled by dinosaurs or mammoths.



But it isn't.

Look at people, for example. In comparison to some of the beasts that have been and some still around, in comparison to even the bacteria and viruses that can cause havoc, and taking into account mankind's genius with regard to self-destruction ... people are relatively defenceless creatures who easily fall prey to a whole range of dangers – at times with catastrophic results.

No, if evolution teaches us anything, if history with its great swathes of change and movement teaches us anything, it is that those with the greatest chance of survival in a hostile environment are those with the greatest capability to incorporate change – and to adapt. And let's face it ... only those with the ability to survive then have the opportunity to develop – and progress.

In spite of all the odds, mankind has survived and progressed and developed. Even if some people might argue over the logic of this, the fact is, we are here – and we are in the enviable position of being able to create the tomorrow we want there to be.

So ... how did we do this?

We who are relatively defenceless against the ravages of the world as well as the darker side of our own nature – how did we survive and develop to become the dominant species on Earth? How exactly did we drag ourselves out of the primeval mud to where we are today?

#### **1. Communication.**

We can relay complex messages and instructions, initially essential for hunting or gathering food or relaying information to other members of the group. From this we build a common understanding, a realisation of vision and focus and shared benefit.

## 2. Learning.

We learn lessons. Sometimes we are successful. Sometimes we make mistakes. The key is to learn lessons and increase the capability of being successful. Out in the wild survivability depends on not making too many mistakes. Mistakes are costly – yes – but a valuable route to learning. The ability to learn is an essential fundamental to the accumulation of hard won knowledge, experience and wisdom. Without it we would continuously make the same costly mistakes ... and continuously and pointlessly re-invent the wheel.

## 3. Innovation.

The ability to create new ideas internally to the group, and to share / trade ideas externally – and to accept those ideas - is perhaps one of the most important attributes of being able to step beyond a state of surviving and move into progression. This means no group can afford to exist in isolation. The world is a dynamic place. Different groups have different experiences which can be valuable. Likewise, internal innovation can not only be a good route to progression, but a good route to binding the group together towards a common aim, if recognised. The key to this is culture.



Silo management increases divisions which are barriers to communication and innovation.

## 4. Adaptation.

The culture of the group needs to be “adaptive” if it is to progress. History is littered with colourful examples of beasts and societies and companies and countries who could not or deliberately did not accept new ideas and adapt – and so became extinct. Stagnation leads to mediocrity ... and in a changing world, being mediocre significantly lessens the chances of surviving where something better is required.

If a culture is adaptive it will accept new ideas and incorporate them in some way to making the group better, more capable – more progressive. This results in food being found more readily and with a less cost in terms of the use of resources.

## 5. Leadership.

The leadership – or management or governance – that holds the group together through an organisational structure with a common shared aim – a focus, a set of goals (a strategy), capable of change and flexibility depending on the circumstances. Without leadership the group will fragment. A fragmented group will have less capability to survive and develop. A group



held together for the right reasons will have a greater pool of resources – skill and knowledge – with which to understand the changing world and respond. It is this responsiveness guided by shared benefit that ultimately leads on to greater things.

Not sharing resources, for example due to silo management, means the costly duplication of resource use ... and the duplication of risk.

This is how mankind has progressed. There has been an accumulation of learning allowing us to work smarter and be better. Look back at any time in history – take a look at any group, society, country, company in the present day – and any group that has any of the above links missing from the chain will have gone or will be surpassed and overtaken ... and so consigned to history. It's a fact of life.

This is a lesson to be learned.

Why am I saying this?

I am saying this because in today's highly dynamic, increasingly commercial and change driven business world, how many dinosaurs and mammoths are there who believe they are invincible ... and so quietly believe they don't need to change? Or change is so painfully slow that they cannot hope to keep up with market requirements.

We live in a business world of complex multinational and international organisations and the competing dynamism of the smaller and far more agile companies. Within this heady cauldron where the forces of change and resistance to change are in constant conflict, every organisation has a strategy – it's their plan to get them to reach from A 2 B.

In all instances these strategies are well meaning. In many instances the strategies clearly display the organisational belief that they exist in isolation – and what happens in the big, wide world is of no consequence, that no one can teach them any lessons, that they don't need to see beyond the horizon to have a view of what will happen in the next 3-5 years. In many instances the strategies are pointless.

Organisations with pointless or unworkable strategies and inflexible structures are often the same ones that attract an increasing cost base against profit ratio. They are often the ones who have to struggle hardest (and utilise finite resources) to maintain market share. They are often the ones who have to run to stand still, to remain relevant in a world they increasingly do not understand.

This is the same for a private sector company as it is for a public sector behemoth who believe all funding is guaranteed and they only need to pay lip service to efficiency – and so taxation increases to pay for all those hidden mistakes and to continuously feed the monster without the required increases in service.

We continuously pay for someone else's inefficiency.

The world is changing. The pace of change is increasing. ALL organisations need to be efficient and they need to be capable of progressive change.



Organisations need to re-assess their own purpose, their own role and their position within the changing environment. Do they understand the environment? Do they understand what this environment will be like in 3-5 years? Do they think the changing landscape will be of no consequence to them? Are their strategies relevant, working, productive?

Learning lessons from the past – from group dynamics, the psychology of behaviour and success mechanisms - to remain relevant and profitable in this, our increasingly commercial world, simple is best. Complexity costs, and creates barriers to flexible change. As a deliberate series of back to basics interdependent actions, each organisation needs to:

### **Communicate – Learn – Innovate – Adapt – Lead**

#### **1. Communicate.**

- there needs to be a plan that is relevant to the organisation and the changing world. This plan needs to incorporate the “reasonable” aspirations of the organisation
- there needs to be a common aim
- ALL senior management must sign up to this plan. This means they must actively support its implementation – and measured against progress
- the plan should be cascaded to all levels within the organisation to give clear insight into what will develop – and why – and why willing participation from all staff is required
- internal ideas sought
- external best practice and new developments sought



#### **2. Learn.**

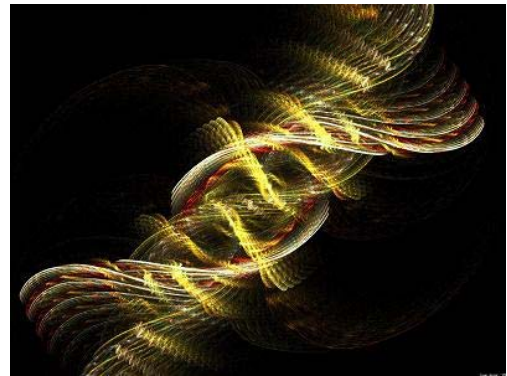
- learn from past successes – what makes things work
- learn from past mistakes – why did they fail
- do NOT be afraid. Continuous improvement is an essential to progression
- information is a costly corporate asset. It needs to be used well to identify how to move forward. This can only happen if people speak to one another and there is a plan with a common aim
- silo management restricts communication and learning

### 3. Innovate.

- gain a view of new ideas, new technologies, new ways of working, new partnerships – internally and externally – in relation to the plan and the changing world
- what's going on out there?
- is there a flow of ideas internally? If not, what's stopping it? Ideas come naturally especially from people actually doing the work. If no ideas are coming through then there must be a reason why. Find out – and make it easier for people to speak and be listened to. Everyone wants to be a part of something successful
- reaching the common aims of the plan should not be easy ... so find out what will make it easier and more cost effective
- the world is full of innovation. Any organisation that sees itself in isolation will rapidly fail

### 4. Adapt.

- do you have an adaptive, flexible culture that can pre-empt and respond to any external or internal changes?
- there needs to be an awareness of approaching opportunities and threats, and how the world is changing
- the plan should state the reasons for organisational change
- any change needs to be organised and will full visibility, accountability and responsibility throughout the organisation. There needs to be timelines and goals. People need to know the reason and their function
- an adaptive culture does not mean chaotic change. It means organised changed
- a chaotic culture means disorganised and fragmented change with little communication and no staff buy-in
- a restrictive culture means not changing or not changing enough even when everyone agrees there needs to be change
- remember: it's not the strongest that survives. Those who survive and flourish are those with the greatest capability for relevant change – and thereby create sustainable advantage



### 5. Lead.

- there needs to be pro-active, active and highly visible leadership to pull all the above points together
- it is the purpose of the leader to create the focus and to implement the plan to propel the organisation forward – and achieve their stated aims
- the state of the organisation will be a reflection on the state and capability of the leader. If the leader has lost their way – so the organisation will lose its way. If the leader says all the right words yet does nothing to implement the overall plan then the organisation will slowly lose heart and fade. If the leader is effective and creates a

flexible organisation in the face of a fast changing world, the organisation is more likely to be successful

- the leader is an essential component in how the organisation fares
- the role of the leader is to create the proper organisation, the most effective governance and the most appropriate vision – and to carry everyone along on the journey

This isn't rocket science. It is straight-forward common sense. It's what's been practiced since the beginning of time by every successful team out hunting for food, every successful company seeking to grow and develop in a sustainable manner, every successful society wishing to be better than it has been.

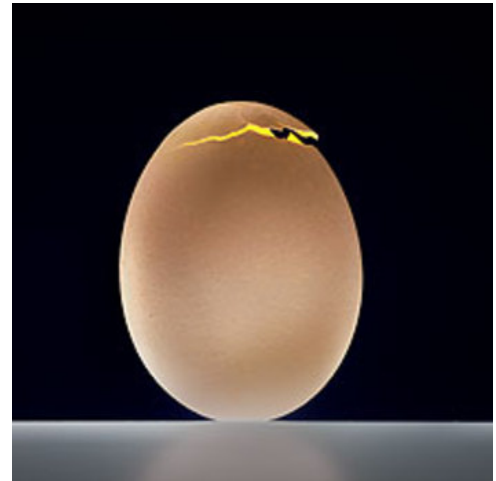
And yet ...

And yet ... common sense as it is ... how many organisations actually do the above? Not many. Some may do bits – but then leave other bits out. This means the cycle is incomplete and barely effective with the result that many stumble around, incurring high levels of avoidable cost, missing opportunity and falling prey to risk.

It's a well worn cliché – but companies really do need to work smarter, not harder.

They need to gain a view of the wider world and take a close look at what is happening. They do need to cut the significant costs associated with running around in circles. They do need to be better at what they are doing.

They also need to keep it simple and keep it lean.



We live in a fast changing world. This is where we at Alt3 come in.

[www.Alt3.co.uk](http://www.Alt3.co.uk)

Creating sustainable advantage in a fast changing world. Success is the product of preparation meeting opportunity.