

PERFORMANCE OUTCOMES DELIVERED



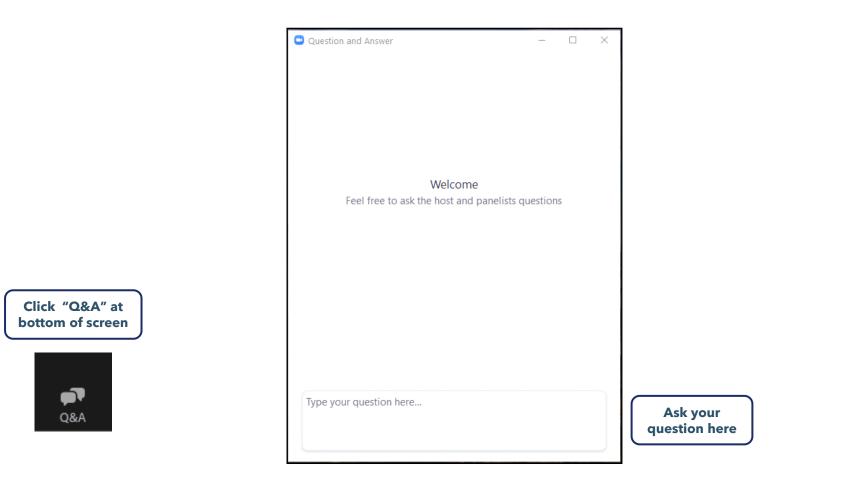
# **Bracing For Heavy Economic Weather**

A Renewed Change Agenda

Webinar - Thursday 15<sup>th</sup> September 2022

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### How to ask a question during the webinar



#### If you would like to ask a question after the webinar, please send to webinar@bevingtongroup.com



Given the economic context most organisations face, it is timely to examine the evidence of what works in reorganising for challenging economic times

• Today, we will walk you through:



The nature of the disruptions we face, and the opportunities they present



How to help you think about and address operating model changes



The examples that highlight leading practices in planning, executing, and; embedding organisational change.



Our aim is to help prepare you for the coming heavy economic weather

### Hope for the best, prepare for the worst!



Photo: Ship in a storm in the Sargasso Sea. Original from NASA. Digitally enhanced by rawpixel.com



# Where are we?



# We are in the most disruptive economic period since the GFC. Some economists actually argue it is a deeper and longer-term shift.



Inflation - the subject of the day

**Potential recession** - concern about pushing interest rates too high

**Ongoing supply chain disruption -** improving but still present

#### **Energy disruption**

- Need to transition to low carbon energy sources
- Global disruption to energy supply due to war in Ukraine

#### Sourcing changes

- Localising
- Alternative / variable sources of supply

#### Staffing challenges

- Short term absenteeism
- Unfilled vacancies
- Slow return to migration
- Accentuated problems in particular skillsets (e.g. engineering, software, transformation, agribusiness etc)

# Generalised anxiety on geopolitical context

Generalised anxiety on dropping asset values (e.g. property)

#### Keeping it together

- Employee Assistance Programs report heavy utilisation
- Reports of increased mental illness - especially in younger cohort<sup>1</sup>
- Challenges to cultural consistency in hybrid or WFM environment

Deeper demographic problems e.g. lack of people to care for our ageing population

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Ongoing low levels of measured productivity

1 Source: ABS (2022), National Study of Mental Health and Wellbeing, https://www.abs.gov.au/statistics/health/mental-health/national-study-mental-health-and-wellbeing/latest-release

## Some organisations are finding themselves in nasty "value traps"

• Organisations are unable to raise end-prices faster than input costs

# The construction industry is a stark example of this:



With fixed prices for services, yet rapidly rising input costs;



The forward pipeline of the construction industry is starting to look tenuous, and;



Some builders (perhaps many) are starting to report order book cancellations.

It is worthwhile noting that **construction** represents 9% of Australia's GDP<sup>2</sup>

# The margin compression challenge is not just limited to construction

#### **Illustration ONLY** Revenue Growth vs Cost Growth 'Jaws' Ratio 12% **Narrowing or** Widening = Percentage change reversing = Bad 10% Good 8% 6% 4% 2% 0% Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Date Revenue Growth Cost Growth

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2 Source: Australian Industry and Skills Committee (2022). Construction Industry Overview. https://nationalindustryinsights.aisc.net.au/industries/construction

# Why are we seeing this margin compression? (Increase in CPI)



#### Input Prices

- Massive spikes in energy prices
- **Salary pressures** pushing up costs but this may be to pragmatically unsustainable levels
- Trends towards **localisation** (by necessity)

### Disruption

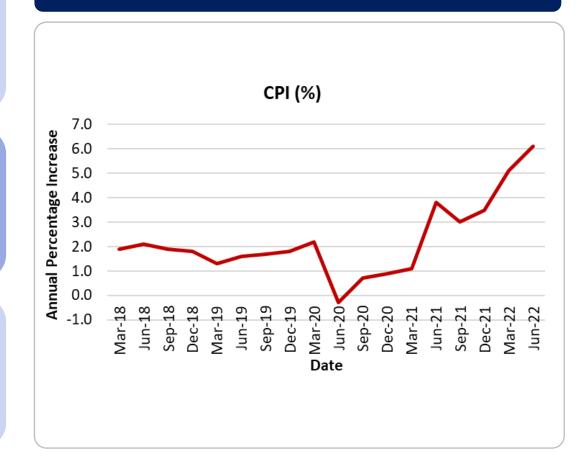
- Staff shortages
- Staff absenteeism (ongoing pandemic)
- Supply chain disruption
- Potential **decreasing demand** in some markets

### **Business Practice**



- An **overhang in inventory** as it was "front loaded" by some retailers based on expected ongoing supply constraints. This, ironically, might be helpful as price drops might result
- Orders locked in at lower rates reducing margins

Australian CPI<sup>3</sup> to June 2022



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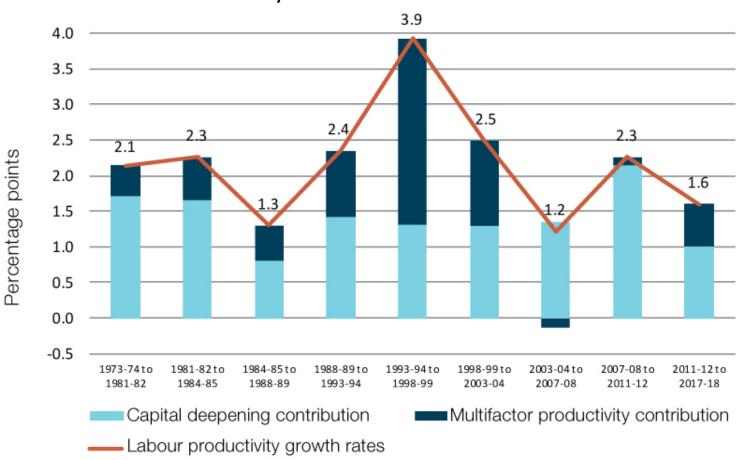
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3. Source: Australian Bureau of Statistics (2022). Media Release: CPI Rose 1.8% in the June 2022 Quarter, https://www.abs.gov.au/media-centre/media-releases/cpi-rose-18-june-2022quarter#:~:text=The%20Consumer%20Price%20Index%20(CPI,Bureau%20of%20Statistics%20(ABS).

# Unfortunately, Australia has a long-term problem in improving productivity, we have a poor record over recent decades

Outside of reforms from the Hawke/Keating years ('93 - '99 period in graph), there has been nothing that pushes productivity higher than 2.5% for over **<u>40 years</u>** 



Australian Labour Productivity 1973 - 2018<sup>4</sup>

4. Source: Australian Parliament House (2019). Australia's Productivity Challenge,

 $https://www.aph.gov.au/About\_Parliament/Parliamentary\_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departments/Parliamentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library_Departmentary\_Library_Departmentary\_Library/pubs/BriefingBook46p/ProductivityChallengentary_Departmentary\_Library_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Departmentary_Depart$ 

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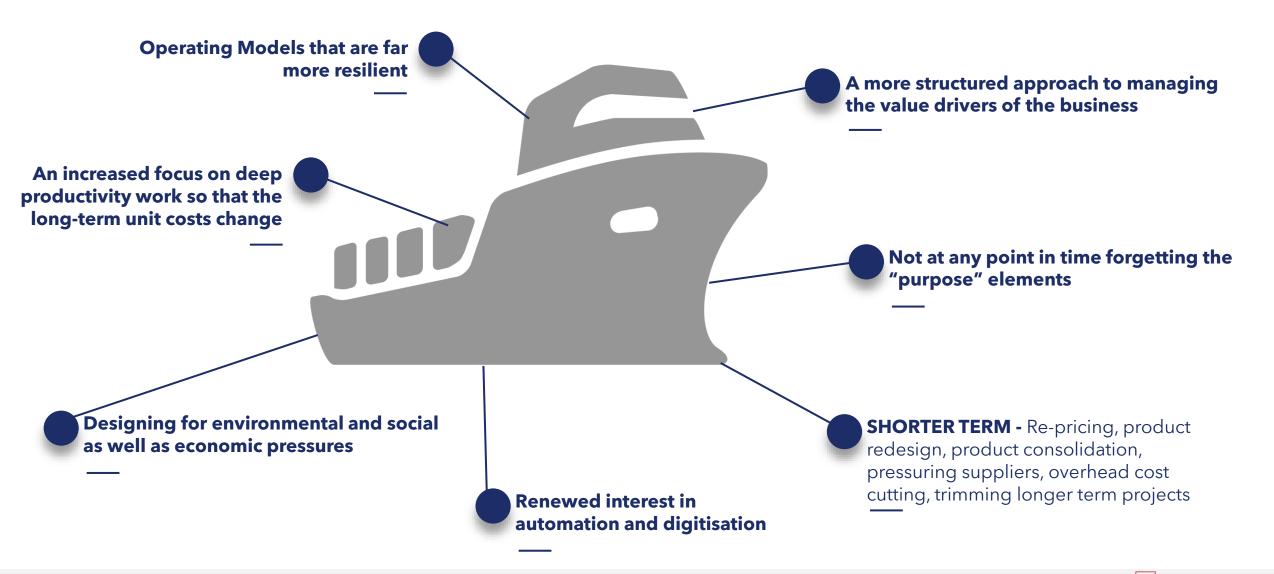
# If we maintain this course of low productivity growth we will sub-optimise our response to the opportunities caused by disruption



5 Source: Australian Government Productivity Commission (2021), Australia's Productivity Performance Dashboard, https://www.pc.gov.au/research/ongoing/productivity-performance

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### In this context, many enterprises are seeking to change deeply



# Examples of changes happening in different economies

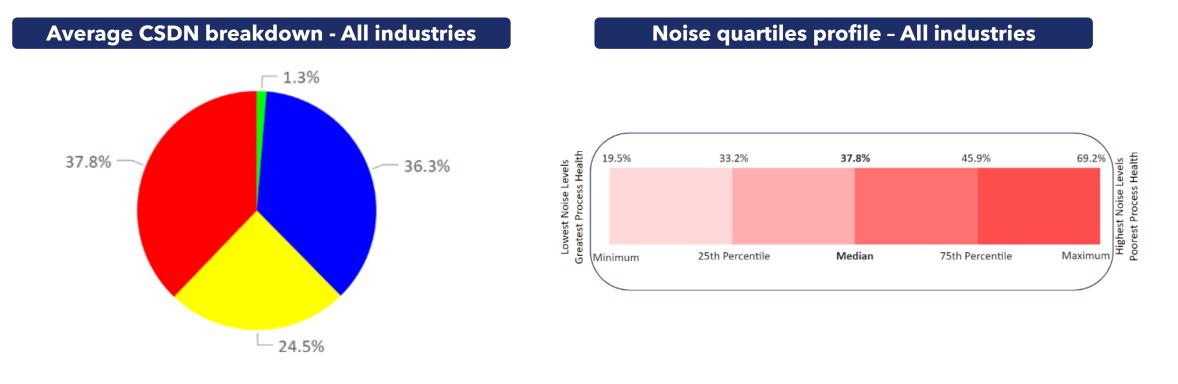
Manufacturing	Supply chain	Retail	Service industries	Mining
<ul> <li>Near sourcing</li> <li>Automation</li> <li>Product innovation</li> <li>Energy management systems</li> <li>Inventory management</li> <li>Overhead cost reduction</li> </ul>	<ul> <li>Work on resilience in organisational operating models</li> <li>Inventory management</li> <li>Productivity improvements</li> <li>Mergers &amp; acquisitions</li> </ul>	<ul> <li>Shift to online <ul> <li>rebalancing of operational focus</li> </ul> </li> <li>Supply chain changes</li> <li>Incorporating new consumer demands</li> </ul>	<ul> <li>Removing human labour - save humans for dealing with other humans - through automation and process change</li> </ul>	<ul> <li>Automation</li> <li>Addressing climate and other environmental and cultural concerns</li> </ul>



# Our productivity and waste problem



Bevington Group has been doing highly engaging and quantitative work for 30 years. We maintain Australia's only waste benchmarking database. We can see the challenge in the data



Noise	Non-value adding activities that cost the organisation, reduce service levels and waste staff time. Usually symptomatic of process failure	
Support	These activities enable efficient delivery of a current service - they represent the normal, actual work being done right	add
Discretionary	Activities that manage risk to the organisation and/or introduce management approval/checking steps. Usually their frequency or level is adjustable and is at management's discretion	Value add
Core	These few activities directly increase service, reduce cost or enhance capability. They positively change the status quo to drive performance improvement in the organisation	

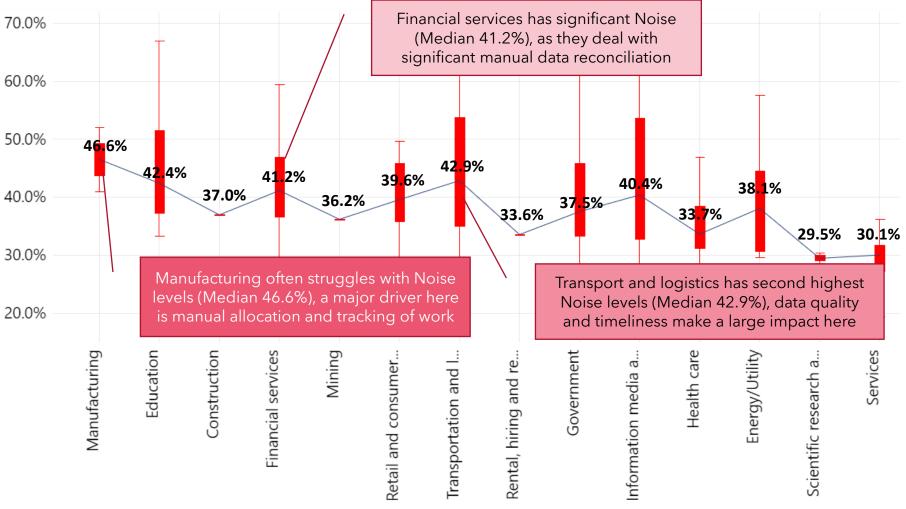
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#### 6. Bevington Group (2022), CSDN database

### We can see that while industries vary, no industry is immune



Most industries have median Noise levels of between 30% and 40% of total effort

6. Source: Bevington CSDN database 2022



# To bring this to life, here are some interesting examples of Noise that impact different functions

A contact centre with lots of "failure demand"	Information and search challenges	Unnecessary reporting	Multiple systems used in process	
Customers don't know what to do next (unclear on the website) or are having problems paying	Cannot find the information that is needed - because it wasn't correctly collected, or at all because the guidance on what is required was not clear	Time spent preparing reports that were requested by a previous staff member but are no longer used by anyone	Off-system / manual Excel spreadsheet being kept because the core system lacks integration with critical data points	
Systems are so poor that some work is done that is completely unnecessary	Staff have to ask around to find the right person			
e.g. calls made to test a telco service problem that does not exist	to help because they can't be easily identified		Legacy systems still in use due to non-migrated data - budget decision, non- operational staff making decisions without consulting	
The call centre staff turnover is so high there is a state of 'constant training'	Forms that leave room for error (no embedded checking of the data to ensure it is the type and format needed for processing effectively)	Preparing reports using manual spreadsheets and data extracts because correct		
Websites that freeze or are just difficult	Following up customers who gave the wrong or	information is not captured on system	users	
to manage without help - driving demand to the call centre	not enough information because they weren't given clear enough instructions	Multiple systems use different elements o		
Customers can't see their order status, so must call in to check on basic information	Recreating the same information for the same purpose (e.g. continually recreating information for sales pitches)	Automated report simply not built even when the data exists in the system	process e.g. case analysis vs outcomes vs finances which are each required to be manually kept up to date	

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### Here are some examples of Noise in different sectors

Rekeying data from customer management system into case processing systems, and then again into core systems

Staff still need to print out and get customers to fill in and sign physical paperwork

Manually searching up customer / client details on public registers to identify correct details in order to process a transaction

Poor visibility of case status internally and to the customer resulting in excess follow ups from customers

Staff pushing approvals through multiple layers of management and manual process for chasing up delays (e.g. via email)

Collecting information that is not needed - and then generating work to correct errors in work that is not needed

Manager maintains spreadsheet of all tasks in WIP because the work management tool doesn't have sufficient reporting capability Extracting data from multiple sources to generate basic reports on a customer cohort

Financial

Services

Government

Systems are so unreliable that staff need to manually record data in case it is lost in the core system Producing as much as you can at low efficiency because you don't know what current or future sales are forecast

Supply Chain

The call centre turnover is so

high there is a state of

'constant training'

Utilities

Personnel see lots of the same problems repeated, but no-one is watching, capturing and fixing the root causes

Calling out technicians to analyse customer properties because not enough information was given by the builder about the services

Siloes and unclear responsibilities across teams, resulting in customer issues bouncing back and forth with no clear owner

Short term thinking and planning often result in last minute procurement of materials at higher prices or delays

Poor process standardisation across multiple locations mean that customers get different levels of service depending on who they call

Manually supervising labour because performance measures are not appropriate

Excess inventory leading to increased cost and poor pricing practices

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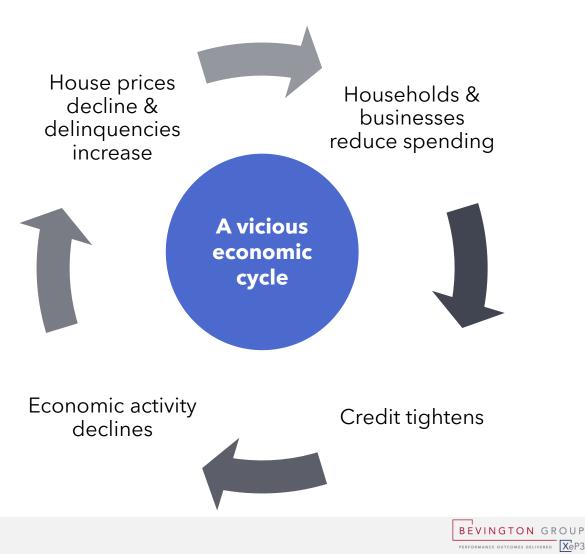
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Sector

In this data we can see all manner of patterns that limit productivity and stifle the growth of organisations. One concept that emerges is vicious cycles

- In the process upstream issues often result in downstream issues
- This means that work backs up, which further reduces productivity.
- This can be called a **vicious cycle**

# A vicious cycle is a positive feedback loop where the Noise increases with each cycle



### In our experience, vicious cycles can be exposed by looking through a process lens



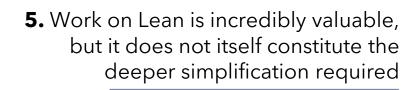
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### Systems can fail to deliver the answer

# Systems envisaged to fix problems are too costly because the business has not been simplified first

**6.** Unsurprisingly, some managers become risk averse when signing off major system changes





**1.** Essentially without simplification the new system may require functions that could have been engineered out of the business (like multiple ways of doing what is essentially one thing)

**2.** Without the work to design the business side first, the project will face an ongoing challenge of scope control because new requirements keep appearing

**3.** It is difficult for the project to really prioritise what is important (because in a confused landscape everything is deemed important)

**4.** The system work is delayed, over budget, and disappointing on arrival

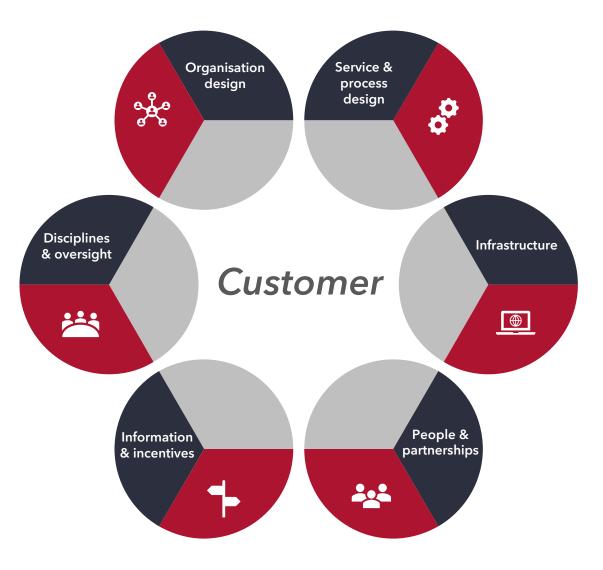
# How we address this problem



# The fix for both waste and system problems usually involves multiple elements of the operating model

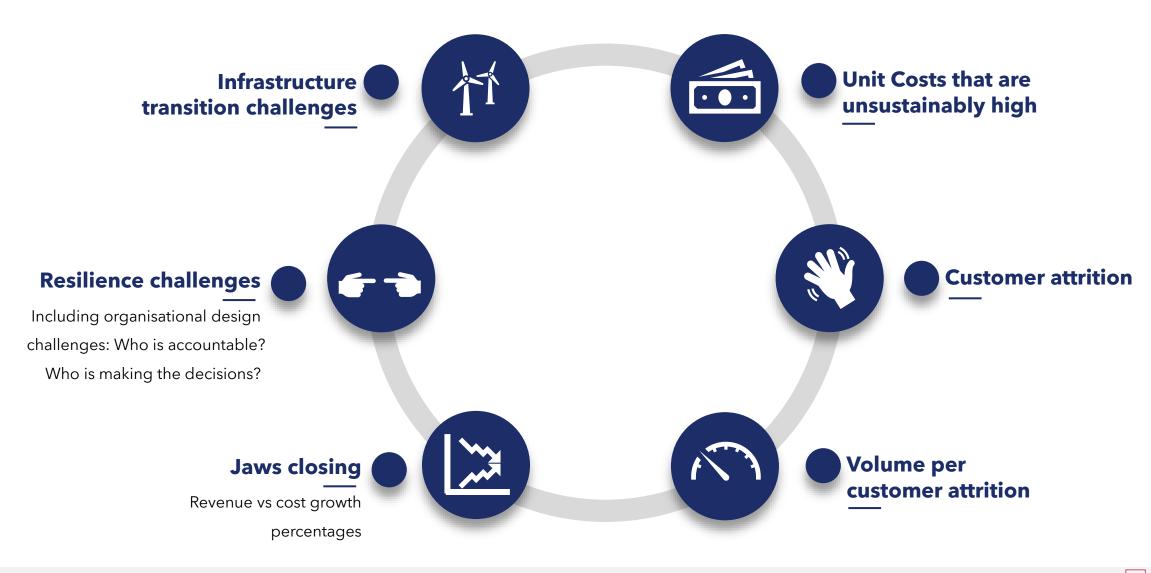
#### What is an Operating Model?

- An **Operating Model** is the combination of roles, skills, structures, processes, assets and technologies that allow any organisation to deliver on its service or product promises
- It is in effect the **way the business is set up to deliver VALUE** (both in terms of the customer and in terms of the business)
- The aspirational view of how the business is to be set up to deliver against future or changing markets, environment and technology demands is sometimes called the Target Operating Model



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In our own pipelines of work we can see the reasons why people are pursuing operating model work, and they reflect the generalised environment



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A good place to start is in our 10 principles for a highly effective restructure - albeit it is really an operating model change we are talking about





So, if you are looking at your Operating Model, a Top-down, Bottom-up approach helps you manage risk, by ensuring you account for the realities of the work

1. Open up thinking	2. Design the solution	3. Plan for the future
<ul> <li>Understand current thinking and key concepts</li> <li>Confirm design principles</li> <li>Explore options</li> </ul>	<ul> <li>Develop model options</li> <li>Investigate advantages and disadvantages</li> <li>Select preferred operating model</li> </ul>	<ul> <li>Refine the model</li> <li>Identify change enablers</li> <li>Identify barriers to achieve the future state</li> <li>Agree on next steps</li> </ul>
	OPERATING MODEL DESIGN	
Insights gathered from key staken thought leaders within the busine one-on-one interviews	ess through reengineering	ered from data analysis, process analysis, opportunity identification, d solution development

#### TOP DOWN design with the senior leadership team

**BOTTOM UP insights from team and deep dive sessions** 



# Regrettably, many organisations do not have a clear view on how they generate value and stay financially sustainable. They do not have a Value Driver Tree perspective

- Sometimes when the Value Driver Trees (VDT) for different businesses are understood, organisations will actually decide to exit or enter new businesses
- Sometimes just changing one arm of the VDT can lead to an order of magnitude improvement. For example, chasing revenue without margin – adjusting that only could make a big difference

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#### Volume Customer retention Price Rates Customer extension Service performance Service levels Revenue New customers Additional charges EBIT Other income Vehicle cost Value Driver Trees help us target levers that matter most for Fuel Cost profitability of the organisation **Operational labour** (e.g. volume, cost, ROE, ROA) Care labour Head office labour 3<sup>rd</sup> party margin % of 3<sup>rd</sup> party usage

#### **Example - Simplified Value Driver Tree**

While you can see a lot of the operating model challenges by looking at process, most of the process work we see will not get there fast enough

#### **Process Mapping / Improvement**

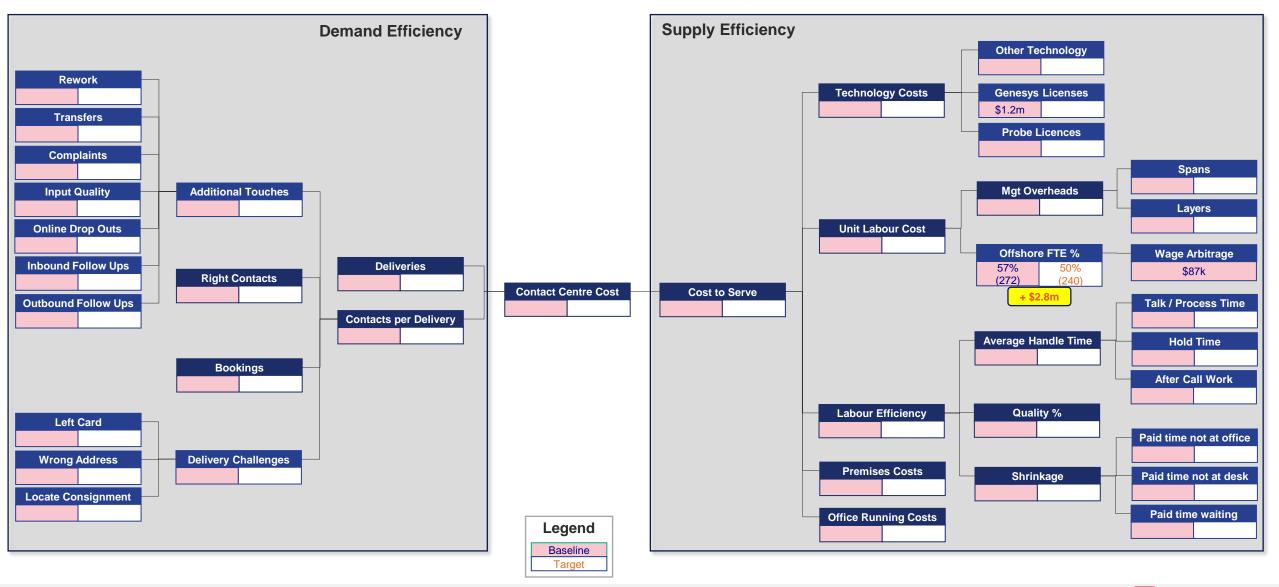
- Capturing as-is processes (usually in group contexts) to a moderate level of detail
- Documenting processes in standard form
- Heavy use of subject matter experts
- Maintaining processes in standard software
- Improving processes using ideas generated in group contexts
- Potentially building to-be processes into manuals or Standard Operating Procedures (SOPs)

#### **Process Reengineering**

- Capturing as-is processes
  - o Quickly and at **speed**
  - o Captures process, role, structure and system information concurrently
  - o Without being reliant on subject matter experts
  - Supported by **specialist software**
  - o Done in a way that is **engaging for staff**
- **Structured analysis** of as-is processes for improvement opportunities (including waste reduction)
- Clear identification of **digitisation and automation** opportunities
- Quantification of the issues and the opportunities
- Scenario modelling of to-be opportunities
- Development of to-be processes to required level of detail
- Modelling of to-be processes in native process re-reengineering tool or other software
- Use of scenario modelling to build a quantified business case
- Development of metrics to measure process improvement
- Use of to-be processes for detailed operational deployment, change management, and future system design



# We can use the cost driver tree as a means of prioritising ideas



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### Operating model thinking helps to address a broad range of "vulnerabilities"



**Supply Chain Disturbances** e.g. supply chains with no local alternatives



**Outsourced and offshored critical services** e.g. without a backup (or matched) capability onshore



#### Long and inflexible service contracts

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Heavy reliance on narrowly trained personnel e.g. cross-training weakness



#### Limited safety stock

Narrow sources of revenue



#### No ability to scale up or down

e.g. fixed workforce, bandwidth, technologies or critical supplies



#### Heavily bureaucratic processes e.g. multiple signoffs and decisions by committee



#### **Innovation Challenges**



#### Recruitment



#### **Declining Productivity**

Turnover





# From a resilience theory perspective operating model thinking assists with fortification and adaptation

Fortifying	Adaptation
Traditional risk planning	Increasing organisational adaptability
<ul> <li>Financial reserves</li> <li>Non-financial reserves</li> <li>Firebreaks</li> </ul>	<ul> <li>Agile operating model design (a balancing act) - including modularised and networked models</li> </ul>
Diverse product & customer portfolios	<ul> <li>Sensing, scaling, swarming (including scenario planning)</li> </ul>
Alternative suppliers and routes Flexible contracts	Mission leadership
Flexible contracts	De-bureaucratised decision-making
	Simplification/flexible efficiency

Definitions of resilience usually encompass - survival, return to a stable state, and adaptation

Source: Bhamra, R. (2019). Organisational Resilience: Concepts, Integration, and Practice. S.I.: CRC PRESS.

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# Let's look at some stories of success



# A Renewable Energy generator - responding to a market crises by removing the waste that inevitably creeps into our organisations



#### Background

The company had a traditional business model of developing, acquiring and operating power generating assets in Australia, and overseas

#### Outcomes



Waste of over 40% was removed very quickly and a restructure enabled them to take advantage of the opportunity



Post this review, the company successfully implemented the key enablers, and **within 6 months had reduced cost in both functions by 35%**.



They also maintained service to the business at a nominal level for the current operating environment.

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#### Key Challenge

They faced an existential crisis due to renewable energy market corrections, and needed to figure out a way to substantially reduce cost

#### Approach



While reviewing their business and Operating Model, Bevington were engaged to help reduce cost in IT and Finance areas while maintaining nominal service levels, by:

- Removing the high level of corporate finance activity in a time of zero growth, and any other activity that was not adding value
- Streamlining finance value add activity through automation and process redesign

# An Agricultural Producer - when you wish to shift your business model, it is important to test your operating model



#### Background

The organisation was transitioning its model to take advantage of the high reputation enjoyed by Australian products. Essentially it was pivoting to more of a premium brand play

### **Key Challenge**



The new leadership team could see there was opportunity for efficiency and effectiveness gains in the overall supply chain, but could only point to high level issues such as broad gaps in data and poor to middling financial performance

#### Approach



Bevington and the client team used a multi-faceted approach to identify and determine the value uplift available, including:

- Value stream mapping to understand information and product flows through the business, including controls
- Deep dive into select sites and roles to understand the amount of Noise in local management and administration
- Observation of front-line operations and employees
- Supply chain analysis

#### Outcomes



As a result, opportunities around software, hardware, data integrations and automation were identified, as well as overproduction issues to **reduce costs by millions of dollars** 



There were also opportunities to uplift sales, and better integrate their activities with production to **increase revenue by tens of millions**.



The company then retained Bevington to assist with implementing a comprehensive transformation program to position the business to sustainably drive its own change going forward.

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A Business Bank - addressing the waste that inevitably clogs processes that have existed for long periods of time - without a major systems change



#### Background

The commercial banking arm of one of Australia's big four banks was in the process of implementing a suite of changes to reduce cost. The operational functions of the bank were then tasked to quickly identify further deliverable cost reduction initiatives

#### Key Challenge



As this came on top of already planned cost reduction activity, the team did not have a scalable methodology that could be rapidly deployed and find value that was hidden previously. The scope also made it difficult as there were six main operating divisions employing well over 1000 staff, with a material offshored component

#### Approach



Bevington were engaged to deliver its Agile for Process methodology - a melding of Agile and Lean techniques for delivery of rapid improvement initiatives. The team needed to deliver material benefit, in new opportunity areas, while delivering quickly, without the need for major IT spend. Over four weeks, two-week sprints were run for each of the six divisions

#### Outcomes



All six sprint teams delivered on their targets



Estimated NPV of benefits to the project were over \$90m



It was so successful the bank started exploring how to embed Agile for Process into their continuous improvement toolkit.

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# A supply chain organisation - understanding where you are on value drivers can allow you to correct deeply held, but false, assumptions

#### Background

This organisation is one of Australia's leading national transport and distribution services companies with a strong capital city and regional network, that provides freight transport, delivery and 3rd party warehousing solutions across all Australian states and major cities.

#### Key Challenge



The industry as a whole had been operating on very thin, arguably unsustainable, margins. The company sought to conduct a strategy review, as they did not have a clear picture of the drivers of this issue, as well as what to do about it

#### Approach

Bevington Group conducted the initial review which involved:

- Strategic review of market and customer profitability
  - Operational efficiency review
  - Pricing model & leakage analysis

Once the strategy was agreed with the executive, Bevington continued to support: program governance, planning, benefit monitoring and advisory / technical support

#### Outcomes



Over 10 key projects have been successfully implemented



EBITDA position has improved by 150% on the previous financial year. EBITDA is approximately 30% above budget (budget that anticipated transformation benefits)



Staff were exceptionally engaged in the process, while project leads also gained critical project management and decision making skills, which they were able to apply to subsequent projects

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### An insurance services provider - improving customer service can save you money



#### Background

With volumes growing, skilled staff hard to find, and customer demands increasing, this organisation had to find a way to avoid being trapped between volume, staff and quality pressures.

#### Key Challenge



The challenge was to find new ways of organising and processing so that more could be done, to a higher quality without burning out staff. This fundamentally meant taking out work that did not add sufficient value, and replace it with high value activity. All with only limited opportunity to change systems

#### Approach



The approach involved detail data gathering to identify the sources of waste and error, the construction of value driver trees and solutions across both process and whole operating model.

This was done collaboratively with management and staff.

#### Outcomes



Many metrics changed for the good e.g. - file submission errors were significantly reduced from ~17,000 to ~2,000. While responsibilities were clarified and better aligned and reduce follow ups



Communications and workflow became more efficient with consistent structure and messaging



Stronger focus on process compliance had been achieved with call compliance level improved significantly from 26% to over 80%



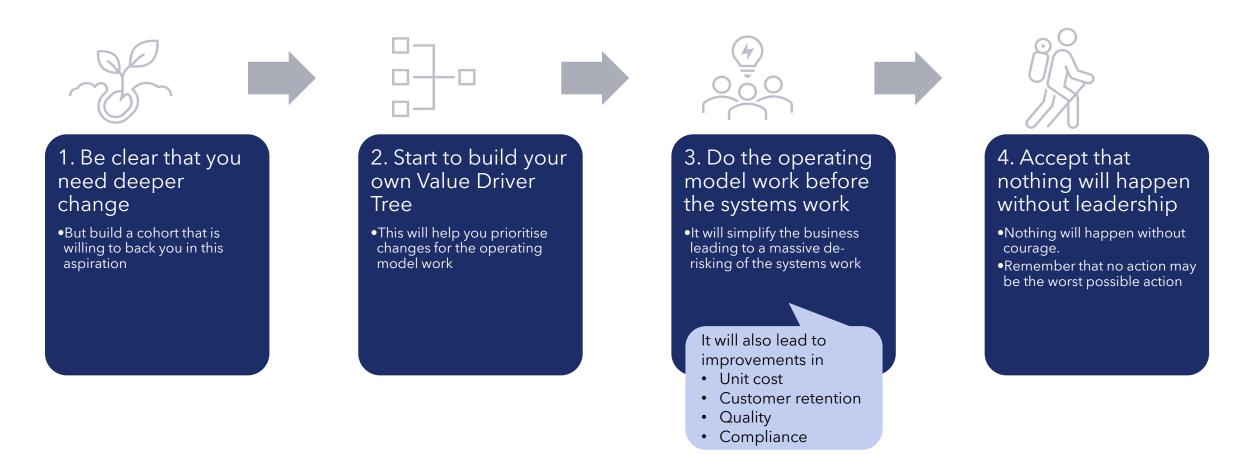
# Selection of realised benefits examples by industry and type of Bevington project

Industry	Type of project	Realised benefits
Energy and Utilities	Top-down, bottom-up operating model review	Achieved 40% sustainable cost out within 6 months of implementation
Financial services	Bottom-up process review	According to the then CEO, changes from the project collectively added hundreds of millions of dollars to the market value of the enterprise
Financial services	Bottom-up process review, including structural review	According to the CEO the project has contributed to the client's growth from a \$9bn fund to a \$50bn fund
Financial services	Top-down, bottom-up operating model review	Client achieved approximately 15% staff cost reduction in a 3 month period, and positioned themselves for major M&A activity valued at greater than \$100M
Financial services	Top-down, bottom-up operating model review	Achieved cost and revenue targets resulting in FUM increase >25% and market capitalisation improvement of >50%
Government and Regulatory Services	Project management, change management and stakeholder engagement	Realised approximately \$4.5m worth of ongoing operational benefits per annum
Manufacturing	Bottom-up process review, training and knowledge transfer, continuous improvement	Delivered over \$40 million in savings for the first 18 months of implementation
Transport and Logistics	Bottom-up process review, including waste benchmarking and analysis	A 30% cost reduction was identified, with 45 percent implemented within the first four months



So, what should you do right now?

### Accept and preferably get energised by the challenge!



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# To meet these challenges adaptive problem-solving has become more important



### **Technical Problems**

- Similar problems have been solved before
- Are easily identified
- Can be worked through relatively quickly
- The problem can be readily articulated and broadly understood
- Involves change across limited dimensions
- Clear implementation pathway

#### Examples:

- Building a bridge
- Real time pharmacy prescription monitoring system
- Deploying a software tool/application



- The sort of problem that has not been solved before (or not for a very long time)
- Often extremely complex (multi-dimensional)
- Ideas on how to solve need to be sought from many sources
- Difficult to articulate the problem and the proposed solution
- Ongoing discovery during implementation

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#### Examples:

- · Designing a national health system
- Managing a pandemic response
- · Designing a training model for a national army

Source: Heifetz, Ronald A. et al. 2009. Harvard Business Press. The Practice of Adaptive Leadership: Tools and Tactics for Changing Your Organization and the World

# Some "cultures" are inherently more adaptive (Siemieniuch et al, 2019)

A common and well understood goal	Transparency about problems and ways of working	Mistakes seen as learning opportunities	A willingness to share the credit and benefits for success
A common understanding of terms and usage	Speedy and efficient execution of promises	Strong personal relationships	Recognition of the "favour bank" (bending the rules and banking a favour)
Comfortable with change	Always seeking improvements	Open-minded but disciplined	Conscious about meetings and collaboration practices

Source: Siemieniuch, C.E., Sinclair, M., Henshaw, M., & Hubbard, E.M. (2019). Designing both Systems and Systems to Exhibit Resilience. In: Bhamra, R. (Eds.) Organisational Resilience Concepts, Integration, and Practice (pp. 175-198). S.I.: CRC PRESS.

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## There are attributes for leaders to help organisations resolve "adaptive" challenges

- Has a **purpose** which is firmly linked to the organisational purpose. This imbues communications and supports cultural work
- **Listens effectively** to pick up the mood of the organisation and the real issues for people customers, staff, and suppliers
- Acts in priority order, knowing that you cannot do everything and progress is better than perfection
- Can keep rational when trouble arises by acknowledging the realities of the situation
  - Understands and acknowledges that technology will have problems
  - Knows that humans are subject to failure under a variety of pressures
  - And ACCEPTS all of this, so knows time is wasted in irritation, and problems are dealt with one at time, in a rational fashion
- Knows when a decision must be made (as opposed to seeking more information and conducting more analysis)
- Tries to understand "who should make the decision" and "how the decision should be made"
- Is less concerned about appearances, and more concerned about **substance**
- Always wants the enterprise to get better which mean the leader must also **improve** (as a human being as well as a professional)
- Can **tell the story** of where the enterprise has been and where it is going
- Facilitates meetings well
- Knows where good advice can be sought and found. Who you spend time with matters

# Don't be afraid, even great leaders sometimes have their failures!









# Thank you!

If you have any additional questions or require further information, please contact

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This presentation and related articles will be available for viewing at <u>www.bevingtongroup.com</u>



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