Executive Summary - Building Agile Organizations - Rodrigo del Campo

Summary

Rodrigo del Campo has spent 25 years in organizational development, focusing on improving management and leadership to help organizations become more effective. He has developed unique approaches at the intersection of management and organizational science, recognizing that people are fundamentally responsible for generating results. In the current post-industrial age, technology has made people and human dynamics more important for organizational success. Culture and team performance have become critical areas for effective businesses.

Del Campo's work has reinforced two key insights. Firstly, common challenges arise as organizations seek to become more mature, manifesting as organizational tensions. These paradoxes can be resolved through creative solutions that balance adaptation with systematization. Secondly, a business can be broken down into four key systems: strategic, operational, innovation, and talent. These systems ultimately determine an organization's results.

Organizational Agility

The global increase in connectivity has brought about two major shifts in the competitive landscape, which demand organizational agility. Firstly, there is a rapidly increasing speed of change. Secondly, stakeholders have been empowered with a greater voice. These factors have made the competitive context significantly more complex, and organizations must operate more rapidly whilst considering a more complex playing field during decision-making processes.

Agility is defined as an organization's ability to read the environment and make necessary internal adaptations to capture and respond to challenges, in order to generate a competitive advantage. A common blind spot is viewing change management as a temporary initiative, but given the speed of change, it is more helpful to view agility as a continuous capability that is at the core of how an organization operates. Rodrigo has termed this systematic agility, and his work focuses on creating it within an organization.

The Journey to Creating Systemic Agility - Leadership first

Alto Impacto usually begins their change initiatives with the leadership team, as involving them is crucial for effective transformation. There are several reasons why the leadership team should be involved. Firstly, leaders set an example of desired behavior for the organization to follow. Secondly, they have influence over the behavior that is rewarded or punished. Finally, improving the effectiveness of the leadership team can have a high leverage effect downstream in the organization.

To build organizational agility, there are three areas of focus for the leadership team. Firstly, the team composition needs to be considered with agility in mind, including which functions are represented and the capabilities and skills of the individuals in those roles. Secondly, the team dynamic needs to be addressed, creating an environment that fosters positive collaborative interactions, appreciation of diversity and viewing conflict as something positive. Lastly, designing managerial systems should also be a focus.

Changing Managerial Systems

Managerial systems can be viewed as mechanisms for managing organizational energy, and creating agility involves freeing up energy trapped by current systems. In his efforts to help companies become more agile, Rodrigo has gained important insights into what makes these efforts effective.

First, it is critical for leadership to determine and articulate what changes will and will not be made. Changing every aspect of a system can be counterproductive, and some things should not be changed repeatedly, such as company values and organizational structure.

Second, it is more important to get the direction right than to move quickly, especially early on. Rushing in the wrong direction can be disastrous for the initiative.

Finally, change is most effective when there is a balance of challenge and support. When undergoing transformational initiatives, it is common to increase the level of challenge, but this can lead to organizational stress and the temptation to slow progress. A better approach is to increase support through training, technology, and coaching. This is why traditional command-and-control leadership styles are becoming less effective for agile organizations.

Leadership Characteristics for Agility

Traditional command-and-control leadership assumes that the leader has access to all the necessary information and makes decisions while the subordinate carries them out. However, in the case of knowledge workers, subordinates often have a better understanding of the situation they are in. Therefore, leadership should move towards coaching, facilitating, and empowering teams with information. This approach puts the leader in a selling role, convincing people of the opportunities available rather than using an autocratic approach.

Organizational structures should also be flatter and more networked, enabling decision-making to occur at lower levels within the organization. To further empower teams, information must be readily available and transparent, facilitating effective decision-making.

This has several implications for leaders. Firstly, they need to shift their skills and competencies and develop new ones accordingly. Secondly, leaders must provide management systems that promote transparency of information, which can be challenging for those who are used to withholding information as a source of organizational power. Finally, leaders must be comfortable with managerial systems that encourage delegation, which may be frustrating for those who are accustomed to being deeply involved in the business.

This does not imply that leaders are not crucial, but their role has evolved. The fundamental responsibilities of leadership should involve devising a strategy, effectively conveying it to all stakeholders, fostering talent development, and ensuring financial success. All other tasks should be delegated.

About Rodrigo del Campo & Alto Impacto

Rodrigo is the Executive Director of Alto Impacto, which is a management and organizational consulting company that operates in the U.S. and various Latin American countries. He has over 25 years of experience working with medium and large local and international companies, as well as their top leaders, to assist in their transformational processes that make them more agile and effective. Alto Impacto provides services that intersect managerial and organizational sciences and utilize the most advanced and globally recognized tools and methodologies to produce sustained and sustainable improvements for clients in various industries.

About Growth Arc Advisors LLC

Kendall Justiniano founded Growth Arc Advisors after a 30-year career as an executive in the chemical industry. The firm aims to assist chemical business leaders in implementing new approaches to address changing fundamentals. The team includes experienced industry operators who are familiar with the existing playbooks, their limitations, and the new strategies needed to succeed.

Growth Arc Advisors offers customized engagements in three key areas for materials industry executives. These areas are Commercial Effectiveness, Strategy, and Innovation.

- **Commercial Effectiveness** focuses on increasing growth revenue through advanced commercial practices, including digital sales and marketing.
- **Strategy** helps clients navigate risks stemming from sustainability, digital, and global demand changes.
- **Innovation** aims to speed up the return on investment for new ideas through focused investment.

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