Click to be Agile

The first step in your agility journey





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Congratulations!

You have made your first step in your business agility journey.

In these challenging times, understanding where you are in the agility journey is a great start. By understanding where you are in this process, you can then set a course of action to redefine longer-term improvements to your business.

Ultimately, you can become much better at reacting to changes in the external environment and ensuring that you evolve and get better as a business.

To aid this, IDC has created a set of recommendations, based on the stages you are at across the different elements of agility. Based on the answers you provided, IDC places your business at **Stage 1** in its overall agility journey.

IDC refer to this stage as **Agile Starter**.

To find out more about SAP for your location, click the relevant link:

Africa I Middle East I Spain I Italy

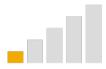


This report includes:

- Your Overall Assessment
- Strategic Planning
- Processes
- Customer Relationships
- Suppliers & Distributors
- People Experience (HR)







STAGE 1 - Agile Beginner

The digital economy, international competition, and a need to be able to react to unforeseen forces, represent both challenges and opportunities for fast-growing start-up companies like yours.

The good news is, you have the potential to adapt to market changes far more quickly than larger complex organizations. But you still need to align your business to take advantage of this.

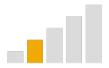
Based on your responses to the agility measurement tool, IDC places your business at Stage 1 overall, and would refer to your organization as an **Agile Beginner**. This is the first stage in the journey to agility, and while there may be a lot to do, you can quickly progress by focusing in on some core changes to the way you plan, manage people and processes, deal with suppliers and distributors, as well as use customer insight.

Agile beginners are typically reacting to change, rather than leading change. This may result in you being too late in the process to take advantage of opportunities. At worst, it can impact your competitive advantage.

But do not worry. The first step in the journey to agility has already been made. IDC has provided you with a breakdown of your results, as well as specific recommendations on what can be done to drive continued and successful change.







STAGE 2 - Agile Mover

In terms of strategic planning agility, IDC places your business at Stage 2. Below are some elements to think about, as well as recommendations on how you can improve this area of your business.

According to IDC research, more than half of all businesses are in the first 3 stages of strategic planning agility.

The biggest problem in this stage is typically the lack of alignment in the planning process across the different lines of business (finance, operations, HR, marketing, sales, etc.). When everyone is pulling in different directions, there is a tendency to waste resources. There is also a real difficulty in getting anything done.

IDC has defined some key areas for you to focus on to make immediate and lasting improvements.

- 1. Having a single strategy across all business functions will align the entire organization towards an agreed direction of travel. To achieve this, you need to create a cross-functional board for strategic planning, one that involves Management, Finance, HR, Operations, Marketing, Sales and even wider business partners (where possible).
- 2. This cross-domain board must not only use data based on past performance (such as sales, demand changes, and operations), but also market trends with a view on future opportunities that might appear on the horizon.
- 3. There is also a need to invest in technologies that provide a total view of performance across the entire business. These could be ones that will eventually become better integrated and give your business a single view of what is happening day-to-day and better able to make predictions.







STAGE 2 - Agile Mover

By assessing your approach, IDC concludes that you are at Stage 2 in your Process agility. IDC has provided some elements of consideration and recommendations specific to your business.

A truly agile organization has processes (or "ways of working") that are both well-defined and flexible. As a result, they can accommodate unique customer requirements and fluctuations in demand, as well as drive efficiency and speed of execution.

You've taken the first step, but there is plenty of work to be done.

Organizations at this stage have typically created some level of integration across business processes, but it is unlikely that these are fully standardized. As a result, they will be difficult to change and scale quickly (if at all). You may also struggle to share information across different departments and therefore different processes (possibly due to different systems and ways of doing things).

But there are some things you can do today to make your business far more agile.

- Map out the most common places where processes meet other processes.
 Critically, where processes from one department or function meet another one.
 This is likely to be where problems are occurring and where you can make quick wins for the business. Identifying these is the first step in improving them.
- 2. Make sure that different departments or functions are sharing data, specifically where those intersection points are happening. Do the different parts of the business understand what each other are doing? By focusing on this you can create much greater levels of agility, as well as anticipate changes in each other's ways of working.
- 3. Create an approach to eliminate process bottlenecks at the intersections. Too few businesses take the time to find bottlenecks in all areas of the business, let alone try to eliminate them. Too often this is seen as operations, but many functions have the same issues and need to address them together. This is a quick win!







STAGE 2 - Agile Mover

In terms of Customer Relationship agility, IDC places your business at Stage 2. As a result, IDC has created a set of key recommendations specific to your business.

Customer-facing employees are the best placed to understand what customers want and how this is changing. Agile organizations are very good at feeding this information back into the business, enabling product and service delivery to respond quickly.

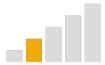
You are in the second stage of customer relationship agility. Your approach might be a little slow in reacting to customer needs. Typically, organizations at this stage have some level of ability in adapting products and services to specific customer requirements. At the very least they can adjust processes to meet changing customer requirements. Often, however, the time to respond is too long and this may result in your falling behind your competition.

So, what can be done? IDC has provided some key recommendations for improving customer relationship agility.

- Understand the balance between standard products and services and customized products and services. You may have a volume-based business, but ask yourself if this is a sustainable business model for the future? Create a portfolio of the most profitable products and services and align these to common customer requirements.
- 2. Once you have enough data, perform a financial assessment on the extra cost and effort required to add those variations to your product/service portfolio. You may feel that there is not enough demand to make these changes, but you need to understand this first in order to make that decision.
- 3. In parallel, it is important to create a central database of customer information that is used to provide visibility of customer needs to the people that work in the front and back office. Start asking customers for feedback and start acting on it.



SUPPLIERS AND DISTRIBUTORS



Your company scored

STAGE 2 - Agile Mover

Based on the results you provided, you are at Stage 2 when it comes to measuring the agility in the way you work with suppliers and distributors. IDC has provided some elements of consideration and recommendations specific to your stage of agility below.

Agile organizations can scale operations (up or down) to meet fluctuations in demand. Leveraging your suppliers and partners to provide instant scale is an art that must be mastered in order to become a truly agile business.

Organizations at this stage may be communicating regularly with suppliers and distributors, but it is often transactional and one dimensional. Marginal improvements to issues may happen, but there is limited structure to this, and it happens irregularly. Very few issues and concerns are formally captured to ensure they are dealt with.

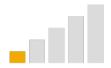
Another common feature is that minimal flexibility has been built into the relationship. Speed of change is largely based on the type of change requested, with easier changes handled locally, without a uniform approach across the entire business.

But do not panic. Small changes can make big differences at this stage.

- Start by moving from irregular information sharing with suppliers and distributors, to one of standardized touch points and a timetable for exchange. Be the one leading the communication of business requirements and the need for flexibility. Be the example of how you want partners to behave and be clear on what you want from the relationship.
- 2. Create policies and processes to increase information and insight sharing with partners involving relevant departments and stakeholders.
- 3. Design frequent review points to anticipate future problems and streamline existing bottlenecks. Show the suppliers and distributors that they are central to your business and that your future is together.
- 4. Investigate their ability to be agile, as well as their plans to become more flexible. You will learn from them! Share your intension and gather feedback on their reaction to it.







STAGE 1 - Agile Beginner

With People Experience so critical, you will be interested to know that you are at Stage 1 in your capability. IDC has provided some key elements for consideration below.

End-to-end business model agility is not possible without agile people. Agile people can only be enabled with the support of processes and management.

Organizations at Stage 1 typically lack a communication culture. For many, information remains in silos between departments and when communicated to the wider business it tends to flow down to employees, rather than up to management and decisions makers.

Organizations at this stage typically have disconnected strategies for managing people and processes. This is especially critical if they fail to plan around individual employee preferences and skills. This makes managing change impossible.

The good news is, many of these issues can be addressed and resolved quickly.

- Begin by creating clear channels for communication. Central to this is creating and supporting greater team collaboration. By rethinking the siloes and barriers between departments, you can open up conversations across teams to talk about improvements. This must be managed and acted on to make actual change happen.
- 2. Encourage employees to talk more about the longer-term future of the business and how this can be achieved together, rather than as individual departments or functions. You may be surprised at what you learn and what hidden ideas are already in people's heads!
- 3. Look to expand the measures you place on employees to focus on agility and flexibility. Consider what this could look like and what they should measure. Think about creating some targets that will encourage collaboration and more flexible ways of working and doing business.

