



The Art of Agility

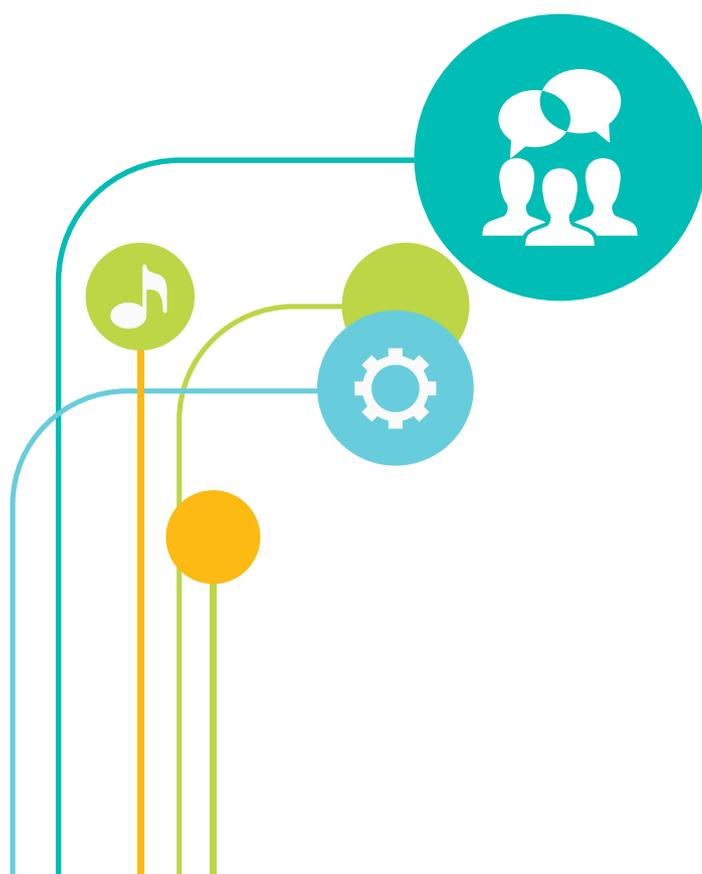
Why corporates must learn from start-ups!

It has become evident that the way consumers prefer to interact with products and services is changing faster than corporate leadership can keep up with. Businesses are failing to shape their strategy fast enough to meet advances like the internet of things and therefore lose relevance, customer engagement and ultimately market share and profit. This can't continue.

To remain successful companies must become agile and look to the lean start-up as an organisational model to follow. Digital must not be viewed as separate from 'customer experience' but part of a seamless omnichannel approach which has the ardent support of every single employee.

In February 2015 EMR partnered with the Knowledge Engineers to host a roundtable discussion to tackle these issues by bringing together marketing and digital leaders from a range of enterprises. The discussion centred on the role of leadership, empowering employees with relevant skills and the art of agility.

Niall McKinney, CEO and Founder of the Knowledge Engineers, led the discussion.





The panel agreed the catalyst for becoming agile and creating an innovative culture must come from leadership with a clear understanding of digital and its value.

Several examples were discussed where introducing innovative thinking in a silo proved ineffective for the wider business, including a defunct innovation lab. The panel concurred that it is not for one team or person to take sole

ownership of digital and innovation, which must be embraced by the entire business as part of a holistic approach. The leaders driving change need to own the hearts and minds of every employee and gain their support. This is often achieved by demonstrating the added value of digital in every business area, for every individual.

Jemima Bird, founder of Jbird Consulting, emphasised the importance of this and discussed her experiences with a major UK retailer: “The nature of the relationship between the business and the employees was poles apart. The business wanted to go mobile but employees were not allowed to have their phones on the shop floor. A commission based system also discouraged them from promoting the online offering to customers. A complete culture change was necessary, which encompassed all 2,000 people in stores.”

By bringing the digital proposition into stores and gaining mass employee support the brand was transformed. Introducing new concepts such as click and collect and digital receipts, and showing how these can work with the in-store offering, not against it, was crucial for winning hearts and minds. The brand is now led by an omnichannel director with ecommerce and marketing existing under the same umbrella.

The panel concluded that implementing a culture change requires subtlety and cannot be an overnight process, with some parts of a business naturally more agile and open to change than others. But it must be the whole business that is taken on the journey – in that sense omnichannel is not just about customers but about employee experience too.

Niall McKinney, CEO and Founder of the Knowledge Engineers: “We need to have an innovative culture – not just innovations. In our research, 81% found it hard to keep up with new developments.”

A focus from
leaders who
understand

Ability to grasp the 'digital vision'

Only 4% of marketing staff feel they know everything there is to know about their company's digital strategy with 45% knowing 'nothing' or 'only a little'. Niall McKinney explained the single biggest barrier to companies embracing digital change is failing to communicate the digital vision or not having a plan at all.

With further change on the horizon – eMarketer predicts that 70% of digital spend will be on mobile by 2018 – end points must be defined and teams must be aligned.

The panel agreed a lack of digital vision and understanding at Board level can be catastrophic and otherwise successful companies will be left behind without their support.

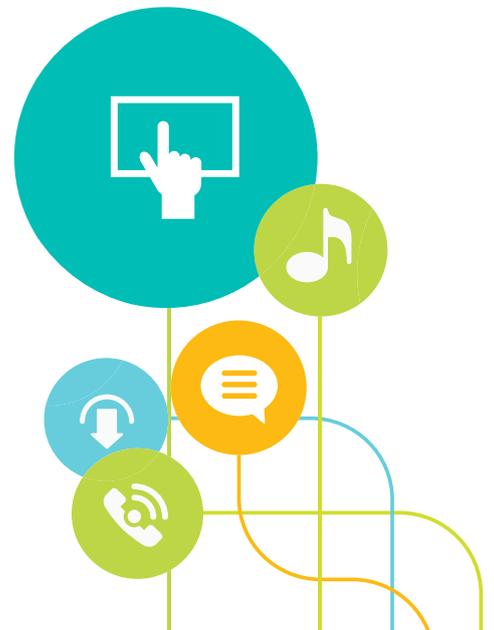
It was argued that marketing directors must become the consumer champion in the Board room to ensure their voice is heard. Confronting the top team with the customer and their needs, using terminology they understand, means marketers can elevate digital to a top priority as a natural extension of the customer experience.

Presenting consumer group discussion results, and even encouraging customers to film one minute clips about their needs and concerns on their smartphone, were discussed as tools for influencing Board level thinking.

Mark Choueke, Global Communications Director at Qubit: "To engage leadership it is useful to change the language of digital strategy from 'digital' to 'customer'. Everyone knows what the customer strategy is, no one is scared of it and everyone knows the questions that need asking."

A start-up business, with limited resources, will commit all those resources to solving a key problem but it is harder to get the leadership of a more established business to engage with

a project on the same level. Therefore new concepts need to be supported by a concrete business case and explained simply.





Expertise needed for testing and adaptive culture

A culture change can only occur if the right set of skills is present but research shows that confidence in individual tasks is limited. In a global survey of marketers by TKE only 26% of people had confidence in their mobile marketing skills, for example. And if businesses are unable to identify mobile ROI, justifying further investment becomes increasingly challenging.

EMR's Salary Survey and Market Trend Report 2015 revealed that despite the majority of marketers identifying digital as an area for improvement, only one third received any training in the past 12 months.

The statistics are clear, firstly businesses need to consider investing in advanced digital training and development for their teams and develop a culture that is not afraid to test and trial new innovations.

Barclays has empowered staff to embrace the digital journey by creating a digital driving licence qualification and embedding 12,000 **Digital Eagles** in its branches across the UK. These digitally trained staff are available to advise customers on technology and the internet. The scheme has driven internal engagement with digital, by evoking a sense of pride in gaining the specialist knowledge and status. It has also enhanced customers' omnichannel experience because staff are passing on their knowledge.

The discussion concluded that collaboration across departments and empowering all staff with the necessary knowledge and skills is essential to create a culture change toward agility and digital receptiveness.

Barclays says: "When we talk about transforming a whole business into digital what we really mean is being customer obsessed."

Multi-disciplinary teams and open dialogues

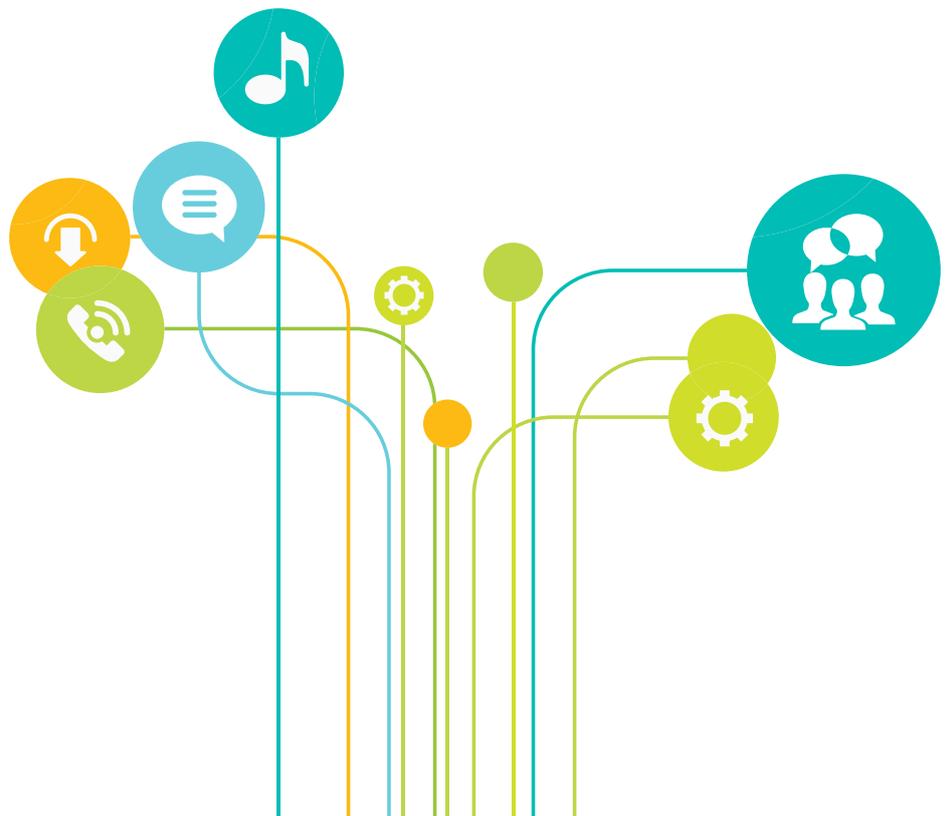
Lean start-up businesses are especially agile as they tend to have a less structured hierarchy and the ability to concentrate on key issues in multidisciplinary teams. As a result, some of the most innovative breakthroughs come from lean start-ups with almost no resources, funds or experience.

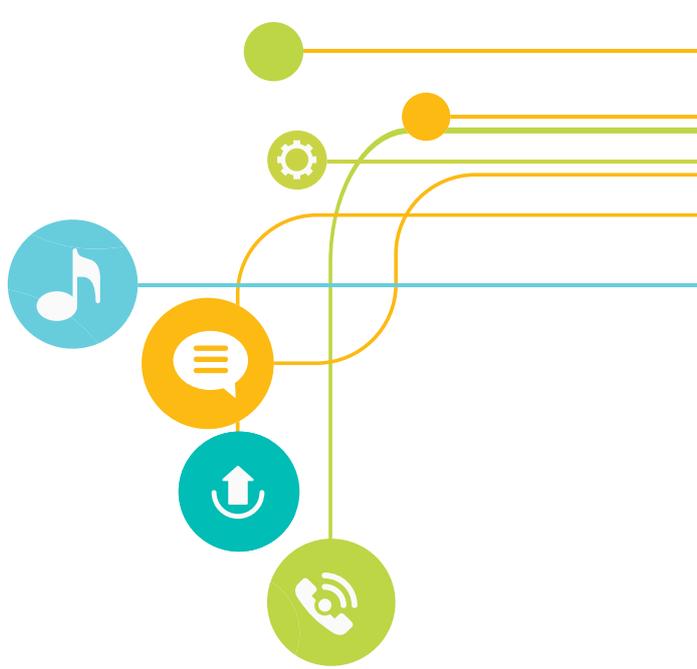
Several of the panel had witnessed a company go through a restructuring to become more multidisciplinary and therefore agile across all areas.

A trend was identified toward bigger companies taking budget from IT and shifting it into marketing, as the focus moves to overall consumer experience with the realisation that the next big idea could easily come from an analysis of customer data.

There was agreement that there needs to be an open dialogue between marketing and other departments, such as technical and engineering, with all teams accessible to others.

Niall McKinney, chairing the discussion, concluded that there is **no right** business structure; it depends on the point a business is at in its evolution and what the next move is going to be. But larger, more traditional businesses can certainly become more agile by breaking constraints across business areas and creating more inter-disciplinary dialogues.





Summary – #customerobsessed

Serrol Osman Managing Director

Corporates must now become as digitally sensitive as their customers or risk falling behind the curve. The model corporates must look to is the lean start-up: multi-disciplinary problem solving, willingness to pilot new ideas and not being scared of taking a knock in the first instance. Lean start-ups are not constrained by rigid labels or team structures which promote multi-disciplinary thinking and joined up approaches.

To reach this crucial point, businesses must engage employees with digital and empower them with the relevant

skills and knowledge to be bold and test ideas. Marketing directors must take up the mantle of the customer in the Board room, using the language of the customer to assert that digital is simply an aspect of the constantly evolving omnichannel experience.

By becoming agile and instilling a culture of innovation across all business areas, corporates can safeguard themselves against digital disruption in 2015 and beyond.

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