

# THE AGILE WAY

Agility is the new norm. But what are the challenges and implications of agility for corporate communications? And does everyone have what it takes to be agile?

BY ANSGAR ZERFASS AND LISA DÜHRING

**T**raditional methods of organising in corporations are fundamentally challenged by the digital transformation and dynamic environments. New strategies, structures and processes are necessary to keep pace with the high volatility of stakeholder demands and new competitors. A key concept often used in this debate is “agility”, referring to smarter and more flexible ways to run a business.

Corporate communication departments, however, are just beginning to come to terms with the concept and its implications for their own domain. We interviewed chief communication officers from 38 multinational companies to gain further insight into the field. This article highlights the key results from said study, describes the impact agility has on corporate communications today, and explores strategies for adapting corporations’ structures, processes, culture, and people to a more agile system of organisation.

## Agility: just a buzzword?

Agility seems to be a buzzword without any clear definition. Many think primarily of agile methods derived from software development such as Kanban or Scrum. However, there is more to it. In many companies agility has become a key element of an overarching change process that encompasses new ways of planning (Design Thinking, Scrum), organising (self-organising teams, flat hierarchies), and stakeholder interaction (interdisciplinary work and collaboration). While these are not necessarily new ideas, they have

### AGILITY: A DEFINITION

Agility is the overall capability of an organisation to respond to and take advantage of the changes initiated by drivers in the internal and external environment. It includes the ability to identify relevant changes and to respond proactively, efficiently and effectively, employing the right personnel based on competence, not hierarchical status. Additionally, it includes the ability to implement flexible structures and processes suited to the immediate tasks at hand and to employ the appropriate resources in the shortest possible time.

gained more attention in recent years. Vertical structures can make organisations slow and ineffective and prevent them from adapting quickly to changing circumstances. Therefore, companies have started to restructure and realign their business processes, focusing on horizontal structures, flat hierarchies, self-management and empowerment.

Jan-Peter Schwartz, head of corporate communications and brand strategy at lighting manufacturer OSRAM, confirms: “Agility might be a worn-out buzzword, but its implications will continue to occupy us for the next years, maybe decades. We have just started to address the challenges associated with the transformations of industries and business. Agility is a key concept, which we have to deal with to keep up with the fast changing market. If we don't meet the challenge and just keep working like 10 years ago, we would disappear in a very short time.

## A triple role for communication departments

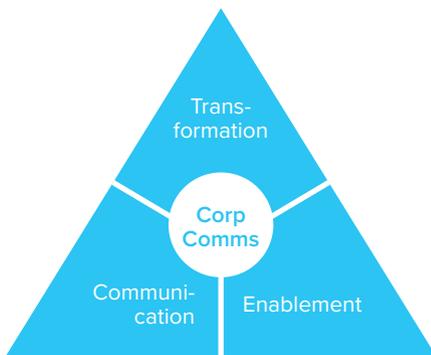
An organisation’s communication department can play a central role in the move towards increased agility. Our study reveals three overall tasks for communication departments:

**1. Communication:** One of corporate communications’ traditional tasks is to talk internally and externally about the transformation towards agility, and to create a positive image or perception about the innovative nature of such a move. Communications is usually involved in – or even responsible for – larger organisational change programmes associated with digital transformation, often in cooperation with human resources. Due to their collaborative nature, agile organisations place a strong emphasis on internal communications. This often results in an upgrade of the internal communications function.

**2. Enablement:** Beyond that, the communication department carries a special responsibility to drive the overall organisational agility by enabling other members of the organisation. It supports top management and other business units, for instance by advising on how to implement agile structures, processes, and tools based on their experience. In many organisations, communication departments act as pilots and are among the first units to try out more agile ways of working. Due to the trend of building up internal knowledge and expertise about agility, communications staff are often asked to act as coaches and advisors. At the same time, they provide tools

# “Companies are only as agile as their employees.”

## The triple role of communications in agile organisations



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### Transformation

Enhance agility within the communication department

- adapt structures and processes
- create a new mindset and new competencies among staff and leaders
- implement tools and technologies

### Communication

Communicate and enhance the corporate change towards agility

- inform internally and externally about the transformation
- support a new corporate culture
- manage perceptions and relationships with stakeholders

### Enablement

Enable other functions or business units to become more agile

- advise and coach on implementing agile structures, processes and tools
- manage knowledge and share experiences on agility
- provide tools and digital platforms

and platforms to facilitate collaboration such as internal knowledge bases, intranets, or social collaboration tools.

**3. Transformation:** Last but not least, communication departments have to transform themselves. Becoming more agile and flexible is probably the most enduring challenge of all. Just like other parts of the organisation, communication departments need to employ their staff in more flexible ways in order to handle a growing number of tasks with limited resources, to react more quickly to external and internal demands, and to make processes faster and more efficient. This requires a culture of collaboration and a new mindset among staff and executives. Transforming their own department is the most pressing strategic issue CCOs see themselves confronted with at the moment.

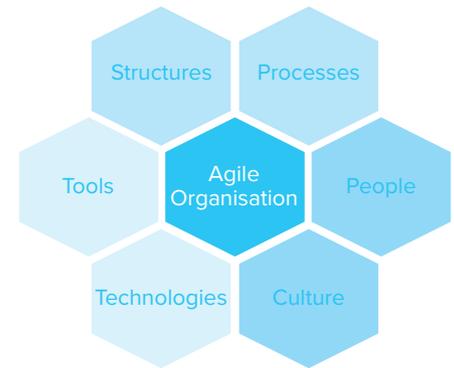
## Which screws to turn when setting up an agile communication department?

There are six major factors that should be aligned by the communication departments in order to become more agile. As they overlap to a certain extent, we have grouped the six agility factors into the following three dimensions:

**1) Structures and Processes:** Agile structures and processes are an important prerequisite for flexibility and speed. Linear, bureaucratic structures with rigid chains of command often make decisions slow and ineffective. Working in functional silos creates redundancies and a lack of information and transparency. Thus, agile departments work towards flatter hierarchies, decentralise power, establish iterative decision-making processes, and set up cross-functional teams.

**2) Culture and People:** Agile organisations come to life through the people working within them. Creating a different mind-set and corporate culture are probably the most important providers of agility. Executives and team members alike require openness and willingness to work in cross-functional teams with a stronger emphasis on collaboration, interaction,

## The six crucial dimensions of agile organisations



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### Structures

- Horizontal structures
- Decentralisation
- Flat hierarchies
- Interdisciplinary teams

### Processes

- Cross-departmental collaboration
- Shorter project cycles
- Iterative processes with retrospectives
- Transparent decision making

### People

- Different mind-set and openness for change
- New competencies of staff and leaders
- New leadership style
- Self-management
- Alternative incentives and career opportunities

### Culture

- Collaboration
- Risk tolerance
- Accepting failure
- Enablement and empowerment of staff

### Technologies

- Collaboration platforms
- Knowledge management
- Digital project management

### Tools

- Scrum
- Kanban
- Design Thinking
- Etc.

self-management, and knowledge sharing. Incentives and career options need to be revised when leadership positions are dismantled.

**3) Tools and Technologies:** A number of agile methods or tools such as Scrum, Design Thinking or Kanban are helpful when working towards an agile organisation. Furthermore, technologies such as digital collaboration tools and knowledge management platforms support agile workflows.

## The key to success is workforce agility

The most important insight from our study was that companies are only as agile as their employees. Agile organisations need a corporate culture of sharing and openness that encourages and empowers employees to engage in collaboration. Employees should be able to make their own decisions, which places high demands on their competencies, skills and attitudes. Alexander Wilke, head of communications at thyssenkrupp, explains it this way: “The abilities required to shape transformation processes are completely different from those needed for writing press releases. As communicators we need to be open to new

tasks, have the capability to manage and engage at interfaces and be compatible with other functions – all this needs an agile mind, a mind that has to engage in lifelong learning.”

All CCOs in our study reported that more emphasis has to be placed on internal and cross-departmental communication. This requires communication professionals to build up a different kind of expertise, including interdisciplinary competencies, advisory skills, an agile mind-set and knowledge of agile tools and practices. It also requires rethinking traditional incentives and career options; not all employees are intrinsically motivated and welcome the changes. Leaders have to address each employee individually: can he or she cope with agility and in what way? Which employee is motivated by what? Which employee is suited for which tasks and how can I promote him/her? What kind of training do people need? Accordingly, agility demands a new understanding of leadership, one that is less anchored in hierarchies or power structures but instead conceptualises leaders as coaches, advisors, and enablers.

However, the majority of companies are still cautious about radical solutions and only select the elements and techniques they perceive to be most valuable. Many adapt a hybrid approach and use vertical ways of organising complemented by agile approaches. At the moment, many companies act on a trial-and-error basis, making modifications on a project-by-project basis, constantly experimenting with new ways of organising work.

One should also keep in mind that agility does not fit every situation. When a one-voice policy is needed, e.g. in financial reporting, agility might not be appropriate. Richard Lips, head of corporate communications at Commerzbank, the second largest commercial bank in Germany, estimates: “Probably 70-80 per cent of my department could work agile. But there are certainly areas within corporate communications that are less prone to agility, for instance, risk management or compliance.” ●

More findings from the research project at [www.academic-society.net](http://www.academic-society.net)

### EXECUTIVE SUMMARY

- Concepts of agility will become more relevant for most organisations. While many communicators are still skeptical, the trend is driven by technological shifts, new market demands and changing political and societal conditions. Agile organisations can respond more quickly, more efficiently and more effectively.
- Communications plays a triple role in enhancing the agile transformation of an organisation. First, by communicating about agility; second, by transforming its own departmental structures and processes; and third, by supporting and enabling other departments.
- Agility requires a fundamental change of people's mindsets, leadership styles and corporate culture.
- Furthermore, structures and processes need to be aligned. Some corporations have created islands of agility, others have implemented more radical changes. All pursue more collaboration and flatter hierarchies.
- Driving agility holds huge potential for corporate communications to strengthen its role within organisations.

## Experimenting with agile structures and processes

The extent to which the organisations in our study engaged in an organisational redesign of structures and processes differed from company to company, depending on the size of the company and the communication department as well as the engagement of the board: **Type 1:** Some companies did not address agility at all. These were mostly smaller and rather traditional companies that have not yet been hit by the digital transformation or have not yet seen the need for change.

**Type 2:** Some corporations have created ‘islands of agility’ within project structures, such as innovation hubs, subsidiaries, etc. These are usually found in large corporations.

**Type 3:** Some companies have made radical changes at the structural level – including restructuring organisational or departmental design, reducing hierarchical levels and merging sub-departments. This is often the case when the management board drives agility.

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