CREATING AGILE STRUCTURES AND PROCESSES

Aligning structures and processes is one of the most important steps for communication departments aiming for more agility. Agile approaches are often a means to cope with the increasing speed of communication and with the limited resources of the department.

» We all have our headcount targets, but there are more and more tasks and channels communications has to address. «

Silke Christiansen, Head of Strategic Planning and Monitoring, BASF SE

The key question is how to deploy the people at hand most efficiently and effectively, but also in the most flexible way. A crucial factor in this regard is organizational design. Intra-organizational cooperation usually improves when lateral structures are in place. These enable people to work together across departments and across hierarchies. Thus, several of the communication departments in our sample have started to restructure their departmental design. They created flat hierarchies, abandoned former disciplinary structures, such as internal, external, corporate, and brand communications, and started interdisciplinary collaborations with other departments.

Influences on the level of agility

The extent to which the organizations in our sample engaged in a redesign of structures and processes differed greatly from company to company.

The first important factor is the overall **size of the company** and the communication department: Very large companies in the sample (> €20 billion annual revenue) usually have communication departments staffed with 100 to 150 people. These companies – and their communication departments – have stuck to creating 'islands of agility'. This means that they either dabbled with agile ways of working in substructures like innovation hubs, or they tried out agile elements in project structures with cross-functional teams. Also, projects involving other functions or business units such as setting up a new content management system and introducing a new corporate website together with IT, business units, online marketing, and external service providers are oftentimes set up and managed in more agile ways. These very large companies were most often dedicated to a sophisticated, corporate-wide change program. However, the introduction of agile ways of working was often initially driven by grassroots initiatives. These were mostly small groups of managers or co-workers that were dissatisfied with the perceived ineffectiveness of the waterfall technique mostly used in large change

Different Strategies to implement agility

No agile structures

These companies do not address agility at all. They are mostly smaller, rather traditional companies that have not yet been hit by the digital transformation or have not yet seen the need for change.

Islands of agility

These companies create substructures where they experiment with agile ways or working, e.g. in form of project organization, innovation hubs, swarms, special projects, etc.

▶ This is the most common type of company

Radical restructuring

These companies make more radical changes towards agility at the structural level, e.g. restructuring of organizational or departmental designs, reduction or abolition of hierarchical levels, merging of sub-departments, etc.

»*That is the crucial difference between a project organization and a swarm: That you have to release people a hundred percent into the organization. In the beginning, executives are usually positively disposed towards that. But when they understand that one person is gone and they cannot access his or her skills and expertise anymore, conflicts arise.* «

Dr. Michael Jochum, Head of Internal Communications & Crossmedia, Daimler AG

programs (Clegg & Walsh, 2004; Rajlich, 2006). These smaller initiatives were, however, only successful in the long run when at some point they got the support of top management.

The second important factor is **top-management support for agile initiatives**. Although agile projects grew out of individual or small group initiatives in most companies, their long-term success can only be realized through executive orders. The companies in our sample that took the most radical approach in terms of complete organizational redesign were the ones for whom the strategy was prescribed by the board of executives. The reasons for this were different. Sometimes the major impetus was staff and cost reduction and the need to employ the personnel at hand more efficiently. Other times a new CEO was hired with experience in agile restructuring and the wish to try something new. But there were also CCOs in our sample that started the process of restructuring their own department without any pressure from the board. Still, here, too, it was important to get the support of the board at some point as communication departments cannot function as islands within a corporate structure that is completely different.

The majority of companies, however, are cautious about agility. They select only those elements and techniques that they perceive to be most valuable. In this **hybrid approach** firms still use vertical ways of organizing but complement them with agile approaches. Standard operations and daily business tasks are often addressed in the traditional manner. Special and corporate-wide projects, however, are often managed in a more agile way. This does not necessarily require the use of agile tools. Instead, different ways of leadership (competence beats hierarchy), cross-functional teams, as well as flexible and dynamic approaches towards organizing and evaluating work are established. At the moment, many companies rely on

'**trial-and-error**', amending their practices on a project-by-project basis, while constantly experimenting with new ways of organizing work.

Challenges of agile projects

Working in interdisciplinary project teams is also a challenge. Many interviewees confirmed that agile projects do not always run smoothly. It is a learning curve for everybody involved. Communicators have to develop a better understanding of the processes, products, and ways of working in other departments and business units. They have to refrain from acting as a corporate unit with governance power. Likewise, other business units have to understand the merits of communication professionals and accept them as valuable peers.

In order for different departments or organizational units to be willing to share information and collaborate with corporate communications, co-workers have to trust in the communicators' reliability, competence, and professionalism. Therefore, corporate communications departments should work towards **creating a positive internal reputation**. This ensures that other units will value the department and its practitioners as important partners. Reputation, trust, and a track record of good services are more relevant in agile organizations than set rules of communication governance.

The effectiveness of agile projects also depends on the **willingness of executives and staff** to make them come alive while also being prepared to make some concessions and sacrifices in this process. Many executives are of course reluctant to release their best people into agile structures like 'swarm organizations', innovation hubs, or start-ups.