

COMMENTARY



Since economist Joseph Schumpeter first coined the evocative phrase “gale of creative destruction” in 1942, the pace of industrial disruption has been accelerating. While anticipating change is not new to business, being able to manage it successfully remains elusive.

This timely CRF report shares practical advice on how to navigate market forces and respond to change in your business.

Spotting change is a very human challenge, which puts HR in the driving seat of developing leaders and designing organisations that are sensitive to threats and opportunities, and resilient in the face of change.

Among OrgVue’s clients, we see three stages of organisational evolution:

1. Maintain and fund a steady operating state
2. Move into new markets through agile, incremental innovation
3. Cannibalise and kill their core market, as seen in the music and tobacco sectors.

Confronted with unexpected market shifts, strategy often has to change tack, which calls for corresponding updates to organisation design and workforce planning. Although corporate strategy and finance aren’t areas that HR professionals typically find comfortable, their knowledge of organisational strategy, human capital costs and talent gaps makes their contribution to the conversations on business direction indispensable.

Chapter three of this paper covers the power of scenario modelling and experimentation in developing organisational capability for market vigilance and foresight. This capability is critical for every HR leadership team faced with continual change and today’s disruptive market conditions.

Too often we see organisations working with plans built in Excel or PowerPoint that are onerous and quickly outdated. To lead any organisation through times of change, people planning needs to be much more agile and adaptable.

We designed OrgVue for this very purpose. It brings data, technology and organisational expertise together in one platform to help businesses plan for the best possible future and prepare for the worst. OrgVue can help HR and business leaders make better, data-driven decisions about their workforce based on robust analysis. If you’d like to find out more, visit www.orgvue.com.

Rupert Morrison, CEO, OrgVue

03

DEVELOPING ORGANISATIONAL CAPABILITY FOR

EXPLORATION AND FORESIGHT



In Chapter 2 we considered the nature of vigilant leadership and the ideal underpinning culture for developing organisational foresight.

In this chapter, we look in more depth at how organisational processes may need to be reshaped to allow for exploration of new ideas, and consider the implications for organisation design.

EXPLORATION AND FORESIGHT

3.1

ORGANISATIONAL PROCESSES FOR PLANNING AND EXPLORATION:

SCENARIO PLANNING, EXPERIMENTATION AND LEARNING

The superforecasters research discussed in Chapter 1 found that even the most expert forecasters struggle to predict possible futures with confidence beyond 400 days ahead. In an age of turbulence, it's extremely challenging for organisations to develop robust strategies and plans that are capable of remaining intact once they make contact with the real-life context of the organisation.

So, what should we do? Organisations today need a more adaptive approach to planning. They have to be prepared for a range of different future scenarios, know how they might act if different scenarios come true, and run smaller-scale experiments to test which responses might work before making 'bet-the-farm' decisions that lock the organisation in to a particular course of action.

In this section we explore how scenario planning, experimentation and 'just-in-case' preparation can help organisations develop adaptability and be prepared for even the most unlikely eventualities.

3.2

SCENARIO PLANNING

Scenario planning is a method some organisations use to identify and make sense of multiple possible futures simultaneously. It first emerged after the second world war as a response to growing complexity, and in recognition of the impossibility of identifying all the forces that define the future. It is based on the principle that good

judgment is not about making binary forecasts, but about identifying and assessing multiple possible outcomes:

- What are the range of scenarios that might occur?
- What actions will we take if a specific scenario arises?
- How would we know that a particular scenario is coming true?

By generating multiple scenarios and mapping out potential responses, scenario planning builds the capacity to adapt to changing circumstances, and enables leaders to prepare for the emergence of unpredictable situations.



CASE NOTES SHELL

The energy company Shell has engaged in scenario planning since the 1970s. One scenario challenged the conventional wisdom that finite natural resources would always command rising prices, and allowed the company to predict and plan its response to the oil price shock of the 1970s. When the scenario came true in 1973, it had already taken steps to reduce stockpiles and costs, and this enabled Shell to move from being one of the weakest to one of the strongest global oil majors. More recently, Shell's scenario planning approach led to the company putting sustainable development on the corporate agenda earlier than competitors. (Heffernan, 2020).

EXPLORATION AND FORESIGHT

Scenario planning involves:

- Evaluating multiple options, including some that may seem outlandish or extreme, or are considered so unlikely that they are not receiving serious attention. For example, the impact of a virulent strain of avian flu, a major terrorist attack in a core market, or the company going out of business in the next five years.
- Determining the feasibility or probability of each coming true.
- Mapping out what actions to take in the event of different scenarios arising. This can include exploring what actions to take to increase the likelihood that the most desirable scenario would come to pass, or to avoid the least desirable.
- Keeping alternative scenarios under continuous review.
- Allocating resources to different scenarios based on the perceived likelihood of each occurring. This might include kicking off actions to prepare for more than one scenario.
- Scenarios should take account of soft data such as cultural differences in different markets as well as hard data.
- Asking questions such as “where is our current plan fragile?”, “what would really throw us off course?”, or “what would have to happen for that particular scenario to come true?”
- Experts recommend developing at least four scenarios, to avoid the natural tendency to pick the one in the middle.
- It’s also important to test the extremes by modelling low probability but high impact events.
- Experts also recommend giving each scenario a catchy, memorable name. This helps the scenarios become a living part of the corporate discourse. For example, in 2013 Shell published its ‘New Lens on the Future’ scenarios. Two scenarios – named ‘Mountains’ and ‘Oceans’ – set out contrasting views of key geopolitical trends, their likely trajectory into the future, and the implications for the pace of global economic development and the types of energy people use to power their lives.

The predictions themselves are less important than the quality of the response to them. The process of thinking through different scenarios often illuminates underlying drivers of change that are already at work and that the company will need to address. It can make the organisation better prepared to make sense of and

respond to new information more quickly. It also gives visibility to the underlying assumptions, which are often obscured in the typical spreadsheet-driven approach to planning in most organisations.

Exploring scenarios can also allow organisations to avoid groupthink by creating an environment where contrarian thinking is encouraged. For example, Shell has found that the practice of scenario planning has bred habits of challenge and scepticism among the people involved. It may well be that the greatest benefit of scenario planning is that it changes how people think.

3.3

FROM ‘JUST-IN-TIME’ TO ‘JUST-IN-CASE’ PLANNING

Having defined the range of potential scenarios we might face, how far should we go in preparing the organisation to deal with multiple possible futures? Is it good enough to have plans filed away that we can metaphorically pick up and dust down as a particular scenario emerges? Or should we be actively preparing for multiple scenarios, making targeted investments to create bridgeheads from which we can advance when the situation changes rapidly? Should we act ‘just-in-case’ to be ready to manoeuvre early, or can we wait to activate plans ‘just-in-time’?

The answers to these questions will depend on a number of factors, such as just how fast the situation is likely to evolve once a specific scenario looks like it will come about, how high are the barriers to entering a new market, or how much it costs to prepare for different scenarios. It means trading off potential sunk costs incurred in preparing for a scenario that never comes about against leaving it so late to take action that the opportunity is missed or it’s impossible to catch up with competitors.

EXPLORATION AND FORESIGHT



CASE NOTES

JUST-IN-CASE PLANNING FOR EPIDEMIC PREVENTION AND RESPONSE CEPI

Historically, developing vaccines to tackle outbreaks of infectious diseases has been a long, risky and costly endeavour.

Planning for emerging infectious diseases is especially challenging and developing and testing suitable vaccines is difficult. CEPI, the Coalition for Epidemic Preparedness, is a global partnership between public, private, and philanthropic organisations. It was launched in 2017 as a result of a consensus that a coordinated, international, and intergovernmental plan was needed to prepare for future epidemics. Its mission was to accelerate the development of vaccines against infectious diseases and enable equitable access to vaccines for people during outbreaks. CEPI's approach focuses on coordinating activities to improve the collective response to epidemics, to strengthen capacity in countries at risk, and to advance the regulatory science that governs vaccine development.

CEPI grew out of a recognition that the ambiguity and complexity of epidemics meant that prediction was impossible, and they had to think of other approaches that would work.

CEPI's approach sought to learn from experience of the 2015 Ebola outbreak in west Africa. While in some ways 2015 was a success (the vaccine worked), in other ways it was a failure as it took so long to develop the vaccine that many thousands of lives were lost. CEPI set out to identify how to be better prepared for similar epidemics in the future. At the heart of CEPI's approach is the idea that predictions and forecasts are not the answer – but preparedness could be.

One answer was to focus on developing more vaccines for the diseases that pose the biggest risk, and where a successful vaccine is most likely. Researchers

develop three to six vaccine candidates for each – 'just-in-case' candidates – recognising that some will fail. While developing several options may look inefficient – some of them, after all, might never be needed and some probably won't work – it makes it more likely that a vaccine would be at an advanced stage of development when an outbreak occurs.

The other key element to CEPI's approach is to recognise that close collaboration among partners would be essential to successfully developing and deploying vaccines, but that these relationships need to be forged before an outbreak happens. It was essential to develop a network of relationships of trust, reciprocity and generosity, ahead of time, that would facilitate the fast response required.

Therefore, as important to CEPI as the vaccines and manufacturing platforms are the human relationships between key stakeholders in the countries where outbreaks are most likely. Relationships have to be negotiated and nurtured, and a public that's suspicious of vaccines needs to be engaged ahead of time. So, in Nigeria, CEPI brought the key players together to make joint decisions about advancing vaccines at an early stage, so that when an outbreak happened, everyone had taken time to build a shared approach. CEPI created an ecosystem of partners with a mindset ready to adapt and evolve. Relationships were built before they were needed, and in some cases these relationships might not be needed at all. While this is inefficient, in complex environments, efficiency amplifies risk.

As a result, CEPI has been able to demonstrate the value of preparedness: the 2018 ebola outbreak in Nigeria did not develop into an epidemic, and within 11 days everyone who had been in contact with the disease had been vaccinated. (Heffernan, 2020).

EXPLORATION AND FORESIGHT

A potential criticism of 'just-in-case' planning is that it can be inefficient. After all, by preparing for multiple futures, not all of which will come to pass, some of that effort will prove to be redundant. However, Professor Chris Worley's research into organisation agility found that, contrary to what we might expect, organisations that demonstrate adaptability by delivering sustained high performance over the long term tend to maintain some 'slack' in the system where it matters. Agile organisations make sure they have sufficient capable resources (people, time, money and tools) to deploy readily to experiment with new ideas and exploit opportunities as they arise. While efficiency may be ideal for predictable environments, for example in manufacturing, agile organisations find they can't be 'lean-and-mean' always and everywhere. Investments in testing and learning mean they sometimes have to trade off short-term profitability for long-term growth. Therefore, those brought up on efficiency are ill-prepared for the demands of complexity.

3.4 THE POWER OF EXPERIMENTS

"Action is how you search."

MARGARET HEFFERNAN, AUTHOR OF *UNCHARTED: HOW TO MAP THE FUTURE TOGETHER*, 2020

When it's impossible to predict further than a few months out, it's important to have other ways of sounding out what's happening in your environment, and testing out which strategies might work. When it comes to existential threats, it's risky to put your faith in a single masterplan. This is where experiments come into play. Experimentation is an ideal response to complex, unpredictable situations, as experiments are relatively low-risk actions that can yield clues about where you are and what might work.

Experiments allow us to execute and learn at the same time. They are a pragmatic way of testing out the future. They allow us to develop and test hypotheses about how customers, markets or competitors are evolving. They enable us to build 'fast-fail' prototype products, services and business models, learn about what might work in different situations, and hold back scaling up a solution until there's a reasonable degree of confidence that it's going to be successful. Small bets can be quickly unwound if necessary.

According to Day and Schoemaker, experiments "can liberate [...] leadership from the false dichotomy of either overcommitting in haste or doing nothing while waiting to see how things play out. Rather than embracing an all-or-nothing approach, these staged commitments allow a leadership team to move onto new opportunities sooner and avoid defensive overreactions later."

When designing experiments, it's important to include a careful examination of *why* the results were achieved – particularly if the experiment was a failure – so the learning can be acted upon. Success is about finding the right idea *at the right time*, and sometimes a good idea emerges too early, before the ecosystem is ready to support and sustain it. This was true of the earliest forays into e-commerce, when unreliable dial-up internet connections and a lack of online payment platforms made online shopping a frustrating experience. 3M keeps failed experiments under review, which means they are poised to act when something shifts in the ecosystem to make an idea feasible. This allows them to retrieve an experiment, act quickly and stay ahead of the game.

EXPLORATION AND FORESIGHT



CASE NOTES EXPERIMENTATION IN PRACTICE

When Adobe first realised its market was moving away from shrink-wrapped software towards cloud-based software as a service, it chose to test different business and pricing models in one of its markets before moving wholesale to the cloud. It piloted a subscription-based model for its Creative Suite software in Australia. By offering both a subscription-based and traditional pricing model side-by-side, Adobe was able to test hypotheses about customer experience, pricing models, and service plans, and to iron out teething problems with the new service before deciding which model to roll out globally.

Zara, the Spanish fast fashion retailer, engages in what Gothelf and Seiden describe as a constant 'two-way conversation with the market'. The retailer produces as many as ten thousand designs annually, many of which are available only for a short time. It produces designs in small quantities, observes what works, rapidly communicates to design centres and adjusts production based on what it learns. Similarly, at any time Facebook may have many thousands of different versions of its platform running, as it constantly tests and refines the user experience.

Experimentation is how we all learn as humans. When babies learn to walk, they stand up and fall over multiple times before they can walk independently. However, executives often want safety and certainty, not the creativity and risk that come with experimentation. The irony is that the more executives expect certainty, the more they constrain their chance of mapping a sustainable future. We often hear a Catch-22 play out: we can't run the experiment unless we are certain it will work, and yet we can't know if it will work unless we experiment. The philosophy of getting things done fast and 'right-first-time' that characterises many modern organisations often inhibits learning.

Professor Amy Edmondson, who advocates 'execution-as-learning' enabled by experimentation, also cautions against running experiments only in best-case situations – for example, testing a new product with the most loyal customers who are bound to like it, but may not be representative of the broader market. It's important to run tests in more realistic, typical scenarios, planning for all the things that might go wrong. Learning – and not just making the idea look good – should be the goal of a pilot.

EXPLORATION AND FORESIGHT



CASE NOTES

DEVELOPING A CULTURE OF EXPERIMENTATION

Some organisations – Facebook and Zara are examples discussed above – have the idea of experimentation so baked into their organisational philosophy that, at any one time, they will be running many thousands of experiments. Is it possible to make a shift towards a more experimental culture in a traditional organisation? Heffernan (2020) recounts the experience of Oliver Burrows, Chief Data Officer at the Bank of England, which suggests sometimes the constraints to experimentation are more perceived than real. “Lots of people have only ever known control, so they think change has to come from the top,” he said. “So I’ve been quite deliberate, provoking people to challenge the constraints they work under, to ask if they’re real or meaningful – or just an excuse for keeping life simple.” It’s easy to make the assumption that organisations like the Bank are very hierarchical, but when Burrows dug into the governance, he found it was more permissive than he expected. “At my level, we all have quite a lot of freedom to decide *how* we achieve our objectives but it is a social norm *not* to use it.”

Burrows chose to experiment with different ways of working. He enlisted volunteers to share ideas, and found that people were inspired by the prospect of inventing change rather than having it foisted on them. He initially ran twelve experiments, some of which worked and some didn’t. The decision to allow anyone to sit in on senior management meetings didn’t take off, but suggestions of technical coding projects that the management team wouldn’t otherwise have considered, were successful. Burrows found that, by eliciting strategy ideas from the ground up, he could tap into a previously unexplored source of new ideas. By running experiments he discovered there was more give in the system than he had expected.

3.5

DESIGNING ORGANISATIONS FOR FORESIGHT AND RESPONSIVENESS

“The wisest decisions are made by those closest to the problem – regardless of their seniority.”

**GENERAL STANLEY MCCHRYSTAL, FORMER COMMANDER,
JOINT SPECIAL OPERATIONS COMMAND**

If your market is being disrupted, the chances are someone in the organisation already knows about it. The challenge is to make sure the design of the organisation creates the best chance of that information reaching decision makers who can act on it in a timely way.

We discussed above how organisations that are open to their external environment feel different in terms of culture and leadership behaviours. Agile and responsive organisations also look different in terms of their organisation design. CRF’s research on the design of agile organisations has found organisations that are more capable of sensing and responding to change tend to share some common features:

1. They maximise the ‘surface area’ that’s in contact with the external environment.

Being able to pick up on weak market signals relies on having strong connections with customers, markets and the external environment rather than being parochial and obsessed with internal politics. Organisations can increase responsiveness to the external environment by:

EXPLORATION AND FORESIGHT

- Being close to customers and decentralising decision-making as much as possible. This means taking an ‘outside-in’ approach by viewing the organisation through the eyes of its customers, and cultivating external touchpoints where the organisation can learn from its extended network of partners, suppliers, customers and other external stakeholders. For example, both W. L. Gore and 3M – two organisations widely recognised for their innovation – send scientists and engineers out into the field to observe their customers and understand pain points.
- Valuing people close to the ‘coal face’ who have real insight about what’s going on.
- Adopting flatter structures, with fewer layers, minimal hierarchy and broader spans of control. At W. L. Gore, once the workforce of a factory exceeds 150 people, it will build another self-contained unit next door. Founder Bill Gore understood that limiting unit size meant all workers could know one another, and share a commitment to group goals and values.
- Developing mechanisms for scanning the environment and identifying emerging customer needs or potential opportunities early.
- Using digital technologies such as customer and employee sentiment analysis or organisational network analysis to pick up on trends as early as possible.
- Creating channels for insights to be shared, for example by developing networks that cut across internal silos, and empowering those with the best knowledge to do something about them.
- Defining roles and responsibilities in such a way that people are expected to watch and understand the trends associated with particular stakeholders and bring those observations to bear on decisions.
- Being clear about who is accountable for acting on weak market signals.
- Designing rewards and incentives that value information sharing and risk taking.
- Enhancing the employee experience. Research by [Mercer](#) finds that companies with high employee experience ratings have twice the innovation and customer satisfaction compared to their lower-rated peers.

For example, in his book *Hit Refresh*, Satya Nadella, the CEO of Microsoft, describes his philosophy that it is everyone’s responsibility to spot inflection

points and act on them: “We sometimes underestimate what we each can do to make things happen, and overestimate what others need to do for us. I became irritated once during an employee Q& A when someone asked me, ‘Why can’t I print a document from my mobile phone?’ I politely told him, ‘Make it happen. You have full authority.’”

2. They explicitly design the ‘lateral’ organisation that allows for collaboration across formal organisational boundaries and silos.

The formal organisation structure – the units, functions and divisions that appear on the organisation chart – often do not reflect how work actually is – or should be – done. As organisations grow in scale, so too does the complexity of the organisation design tend to increase. This can lead to complex matrix structures and a lack of clarity around who is responsible for what, which can slow down decision making.

Agile, responsive organisations tend to avoid allowing functional boundaries to slow work down. They do this by supplementing the formal organisation hierarchy with a more fluid, ‘lateral’ organisation design that allows for collaboration across organisation silos. The lateral organisation consists of processes, projects and cross-functional teams that complement the vertical hierarchy and allow work to be done effectively across organisational boundaries.

The lateral organisation is an important tool for managing complexity, allowing decisions to be devolved and made at speed. Decision bottlenecks can be avoided by empowering junior staff to resolve problems together with colleagues in other functions without having to refer decisions upwards. The lateral organisation also allows the organisation design to be adapted more rapidly and flexibly than changing the formal hierarchy. Focusing on lateral design allows organisations to respond quickly to strategy shifts without having to restructure every time.

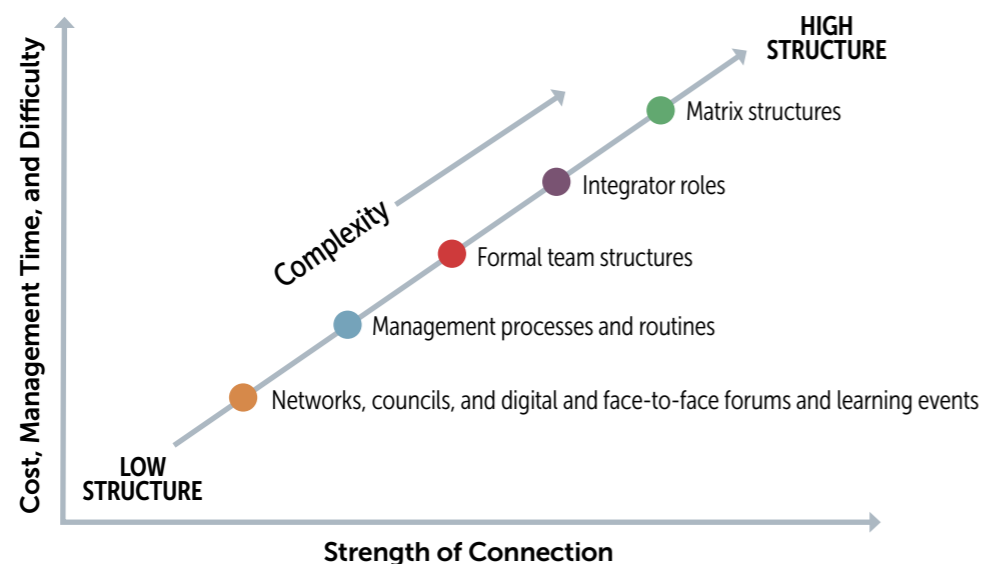
EXPLORATION AND FORESIGHT

Five Types of Lateral Capabilities

Jay Galbraith, a leading thinker in the field of organisation design, identified five types of lateral capability that can help an organisation to achieve the adaptability it needs to respond quickly to changes in the business environment. These capabilities sit along a continuum, reflecting the degree to which they are formalised.

FIGURE 2

Galbraith's continuum provides the toolbox for building the network



Source: Adapted from Galbraith (2002)

1. NETWORKS

Interpersonal relationships that co-ordinate work informally.

2. MANAGEMENT PROCESSES

Move decisions and information through the organisation in a formal flow. Recently we have seen agile management frameworks such as Scrum move out of software development into the mainstream as they are more broadly deployed, for example to develop new customer solutions.

3. TEAMS

More formal cross-unit structures bring people together to work interdependently and share collective responsibility for outcomes. These can be temporary project teams – or a more permanent arrangement such as a cross-functional team focused on a large global client.

4. INTEGRATIVE ROLES

Co-ordinating or boundary-spanning roles that orchestrate work across units. For example, some organisations have recruited Chief Digital Officers whose role is to coordinate the company's digital strategy across different business units.

5. MATRIX STRUCTURES

Formalise dual or multiple reporting structures in order to manage the conflicting needs of different dimensions of the organisation.

The key message is that creating an organisation that works well across silos doesn't happen by accident – it has to be explicitly designed. Lateral elements of the organisation design need to be designed with the same degree of rigour as the vertical structure.

For example by clearly defining accountabilities and hand-offs between different parts of the organisation, it's possible to reduce the risk of decision-making getting bogged down in the complexity of the internal functioning of the organisation. CRF's research report [Designing Adaptable Organisations for Tomorrow's Challenges](#) explores this topic in more depth.

EXPLORATION AND FORESIGHT



CASE NOTES BIRD & BIRD

Bird & Bird, the international law firm, has developed a HR and Employment Law Horizon Scanning process that identifies key trends and coordinates its response across its global network. Its approach involves picking up employment trends in one part of the globe and analysing how these might play out elsewhere. It uses this information to advise clients on the issues that are likely to have a broader impact across different regions, and how they might prepare a coordinated global response. Examples of topics covered include the impact of automation on workers, the development of data protection laws across the globe, and developments in attitudes towards mental health at work.

According to Ian Hunter, Partner and Co-Head of the International Employment group, this has given the firm a competitive advantage over rivals, particularly with global clients operating in multiple jurisdictions. "Our competitors tend to work in geographical silos, which makes it very difficult for them to coordinate across different markets," he said. "Clients appreciate that by leveraging our global network in this way, we can help them identify early on the employment risks they might face, for example if they are planning an acquisition in a new market."

What's interesting about Bird & Bird's approach was that it did not come about as a formal, top-down process initiated by the partners. "It developed as an informal lateral network driven by junior lawyers who have a global outlook and could see the benefits for clients in coordinating across the firm," said Hunter.

3. They create new organisational forms that allow emerging businesses to thrive without being crushed by corporate bureaucracy

"Your organisation design has to be fluid and dynamic enough to allow you to do multiple things at once: running an efficient, profitable core business while establishing new ventures; creating space to work out how your core market might be cannibalised and developing your response quicker than anyone else."

RUPERT MORRISON, CEO, CONCENTRA

Organisations today face a paradox: shareholder demands and economic conditions mean they must achieve scale and operational efficiency, while simultaneously finding new sources of growth through innovation. However, the planning and reporting processes that enable established operations to be effectively managed can easily crush an emerging business which is being developed for the long term. Organisations that are focused on optimising core operations tend to have tight controls and governance, clear hierarchies and rigid processes. However, what is needed to support emerging opportunities is different: more fluid approaches to strategy, organisation and innovation, dynamic deployment of resources and non-hierarchical structures and processes that encourage collaboration. It can be extremely difficult to allow these approaches to co-exist in the same organisation. Holding those responsible for developing and growing new ventures to the same standards as the core business in terms of return on investment or regular reporting can stop innovation in its tracks.

A solution is to establish separate organisational units for emerging businesses, which operate independently of the normal chains of command, and may be governed by

EXPLORATION AND FORESIGHT

different processes. This is often referred to as the ‘ambidextrous organisation’ and is a way for large organisations to emulate smaller, more nimble businesses. Rupert Morrison, CEO of Concentra, said: “If you have vested interests in delivering results quarter by quarter, you are never going to develop the ability to disrupt yourself. You have to create a separate organisation, that’s focused on opportunities for cannibalising the core business and getting there faster than competitors.”

Organisational forms such as the ambidextrous organisation allow even large, complex organisations to create a ‘small company’ feel, which makes it easier to respond to market developments at pace. Creating small units focused on specific opportunities allows distinctive cultures and processes to develop, and can make it easier to attract the different talent needed to make the new business succeed. At the same time, being connected to the larger organisation gives the emerging unit access to the resources and executive sponsorship available in the larger organisation.

Other organisational forms that allow a more fluid, flexible organisation to be quickly established include networked or virtual organisations. Networked organisations allow multiple entities to collaborate to meet specific objectives, bringing together flexible sources of talent and capability. Virtual organisations remain nimble by outsourcing or crowdsourcing non-core tasks through a network of service providers.

3.6 THE ATTRIBUTES OF VIGILANT ORGANISATIONS

In summary, what are the key attributes that vigilant organisations demonstrate that distinguish them from their more vulnerable peers? Day and Schoemaker identify four behaviours that typically distinguish vigilant organisations and leadership teams.

- They exercise vigilant leadership with a deep sense of curiosity, embrace openness to diverse inputs, and project a willingness to play the long game.

- They invest more in foresight activities and adopt flexible, option-based approaches to help contain uncertainty.
- They adopt a flexible and adaptive process of strategy making that features outside-in and future-back approaches.
- There is coordination and accountability for acting on weak signals, reinforced by an organisation readiness to share information.

The figure below summarises what these attributes look like in practice.

