

SIMMA & PARTNER CONSULTING

AGILE,
RISK-CONSCIOUS,
RESILIENT?

FITNESS CHECK
FOR THE RESILIENCE
OF ORGANISATIONS

Elmar Simma
July 2022

RESILIENT & VIABLE?

The world's crises – from climate change and environmental disasters to politically motivated earthquakes and COVID-19 – have changed the world more than we could have imagined – and wanted to – until a few years ago.

The disasters don't just happen somewhere in the distance, they happen on our doorstep.

We have relied on the convenience of a globalized economy and society to get everything at any time in unlimited quantities and at reasonable prices. We have stubbornly ignored the many and increasingly urgent warnings of possible negative consequences of this development.



Flooding in Germany 2021 (Source: [stuttgarter-nachrichten.de](https://www.stuttgarter-nachrichten.de))

Imagine that you and your company are facing an unexpected crisis:

- The water supply collapses and fails indefinitely.
- Hackers manage to break into your computer system and corrupt data.
- You have lost 40% of sales due to a war in one of your most important market regions or on an indispensable transport route.
- Your main supplier of special components is acquired by one of your competitors, you are no longer supplied.
- Loss of top performers in the company

What would be such crises that could push you to the brink of your existence? What experiences did you already have in this or similar regard? How did you react?

Thinking about it, a number of potential threatening scenarios that you will encounter and lead on your expedition into an unknown future with changed framework conditions, will come to your mind.

ARE YOU WELL PREPARED FOR CRISES ?

You are certainly aware of some of the potential risks. We are aware of significant risk factors, can mitigate the nature and extent of the threat and insure all-rounded damage. But how do we protect ourselves from risks that we cannot yet assess and for which there is no insurance?

How well are our organizations prepared to cope with and survive previously unknown and unexpected crises? Do we recognize the need for a preventive alteration of our consciousness and circumstances? How do we recognize how resilient we are as organizations?

To find out, we have developed a tool-based procedure that helps you evaluate your risk management and prepare your organization for the expedition into its future.

FITNESS CHECK OF THE ORGANISATIONAL RESILIENCE

"Organizational resilience"¹ is increasingly occupying politicians, managers, entrepreneurs, strategists and organizational developers in times of accelerated globalization, especially in recent times due to the unexpected consequences of the Corona pandemic.

Resilience is not aimed at invulnerability, but at the ability to (re)act effectively in "disruptive developments", e.g. in the management of critical internal or external processes and infrastructures. Resilience includes an understanding of the environment and its ability to be influenced, effective and encouraging leadership, agility, sharing of knowledge and coordination of the various organizational systems.

"Organisational resilience is the ability of an organization to cushion and adapt to a changing environment in order to achieve, survive and thrive on its objectives. More resilient organizations can anticipate and respond to threats and opportunities due to sudden or creeping changes in the internal and external context . "

Prof. Dr. Jutta Heller

HOW RESILIENT AND AGILE IS YOUR ORGANIZATION?

MANAGEMENT PROCESS MONITORING (MPM) is a tool-based assessment for the development of strategies and measures that support companies / organizations

- to identify strengths and weaknesses (organizational and managerial)
- to discuss and clarify different perceptions and assessments,
- find strategic and operational approaches to increase effectiveness, efficiency and resilience as well as
- develop action plans for the concrete implementation of improvement measures

The method is based on the collective evaluation of organizational processes and management processes²:

Organizational processes are

- **Operational Processes** - how an organization works,
- **Behavioral Processes** - how an organization behaves,
- **Change Processes** - the perception of changes and direction-determining actions.

1) <https://juttaheller.de/resilienz/resilienz-abc/definition-organisationale-resilienz>

2) David Garvin, "The Processes of Organization and Management," Sloan Management Review, Summer 1998

Management processes are

- **Direction Giving Processes** - agreement and definition of goals and contents,
- **Internal Negotiation Processes** - operational planning, control and commissioning,
- **Monitoring and Control Processes** - feedback, analysis and learning.

		Organizational Processes		
		Work Processes (e.g. procurement, production, sales, services, finance, personell admin ...)	Behavioral Processes (e.g. Decisions, communications, conflict mgt., feedback and learning ...)	Change Processes (market research, surveys, technology screening, risk assessment, R&D / innovation ...)
Management Processes	Direction-Setting Processes (Goal setting, strategy development, strategic planning, budgeting ...)	Are there clear goals for operational and strategic performance?	Are there well-specified approaches to communication, decision-making, and learning?	Is there a clear rationale, direction, and path of change?
	Negotiation and Selling Processes (Operational planning & control, process mgt, resource mgt., project management ...)	Have we obtained the necessary agreements and resources from upstream and downstream departments?	Is there widespread acceptance of the desired approaches to communication, decision-making, and learning?	Are others in the organization convinced that change is needed and that the proposed changes are the right ones?
	Monitoring and Control Processes (Reporting, analyses, steering meetings → redirection ...)	Do we know how well our performance matches plans?	Do we know how well our current behaviors match the desired approaches to communication, decision-making, and learning?	Do we know whether critical milestones have been reached and planned changes have been implemented?

COLLECTIVE ASSESSMENT BY THE MANAGEMENT TEAM

For the assessment of the nine questions in this matrix, the Assessment Tool provides statements that characterize the effectiveness, efficiency, resilience and viability of an organization.

The statements serve to reflect on the individual assessment as well as the following collective evaluation by a group (management system) that is as representative as possible, the "critical mass", which can depict all essential aspects, knowledge, experiences and approaches to important, critical topics of the present and future. This ensures that the "organizational knowledge" flows into the analyses and solutions that are supported by the whole management team.

For the development of a common strategy it is very important that the participants provide their individual, highly personal assessment. Where assessments between participants differ greatly, the reasons for this different assessment need to be discussed based on the underlying hypotheses in a first step. This is the best way to obtain a common, comprehensive image of the organizational resilience to crises, agility and viability of a company / an organization that is accepted by all functions and managerial levels.

Once the data is collected and collated it then is considered in a workshop.

WORKSHOP – TEAM DIAGNOSIS AND ACTION PLANNING

Guiding question

"How do we strengthen our individual and organizational effectiveness even in challenging, extraordinary and unexpected situations?"

Purpose of the diagnostic and strategy workshop

is the creation of an overall business diagnosis of the current resilience of the organization and the structured development of a strategic action and milestone plan. In particular, it is also

- to assess structural and personal bottlenecks as well as "awareness, will and ability" in the organization and
- to receive assessments of the personal ability to act and resilience of employee and management groups.

Results are

- knowledge of the strengths and weaknesses of the company with regard to organizational and individual effectiveness,
- knowledge of existing, important risk scenarios of the organization / company,
- knowledge of the levers for the effectiveness of change projects / preparation for borderline situations in the company,
- effective measures to increase responsiveness.

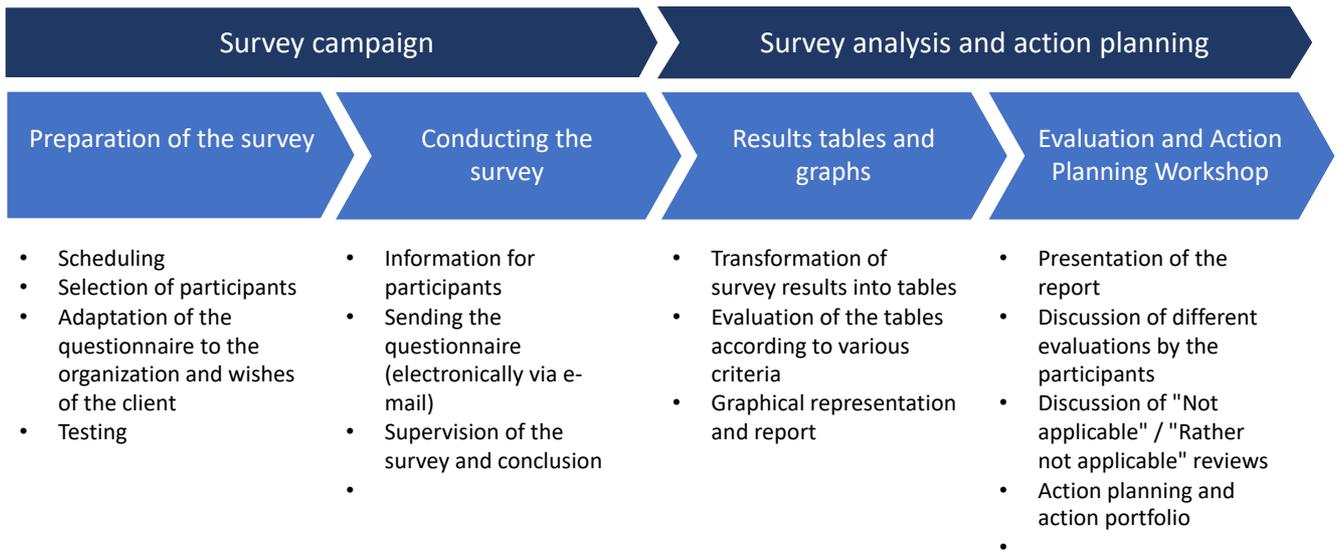
Expected effects are

- the strengthening of common perspectives and awareness of organizational / entrepreneurial risks,
- a strengthened will to increase resilience,
- joint responsibility for the organization / the company and networked work (co-management) in practice
- a significantly more viable and thus more resilient conflict culture.

Participants:

All members of the leadership group, participants from two, if possible three management levels.

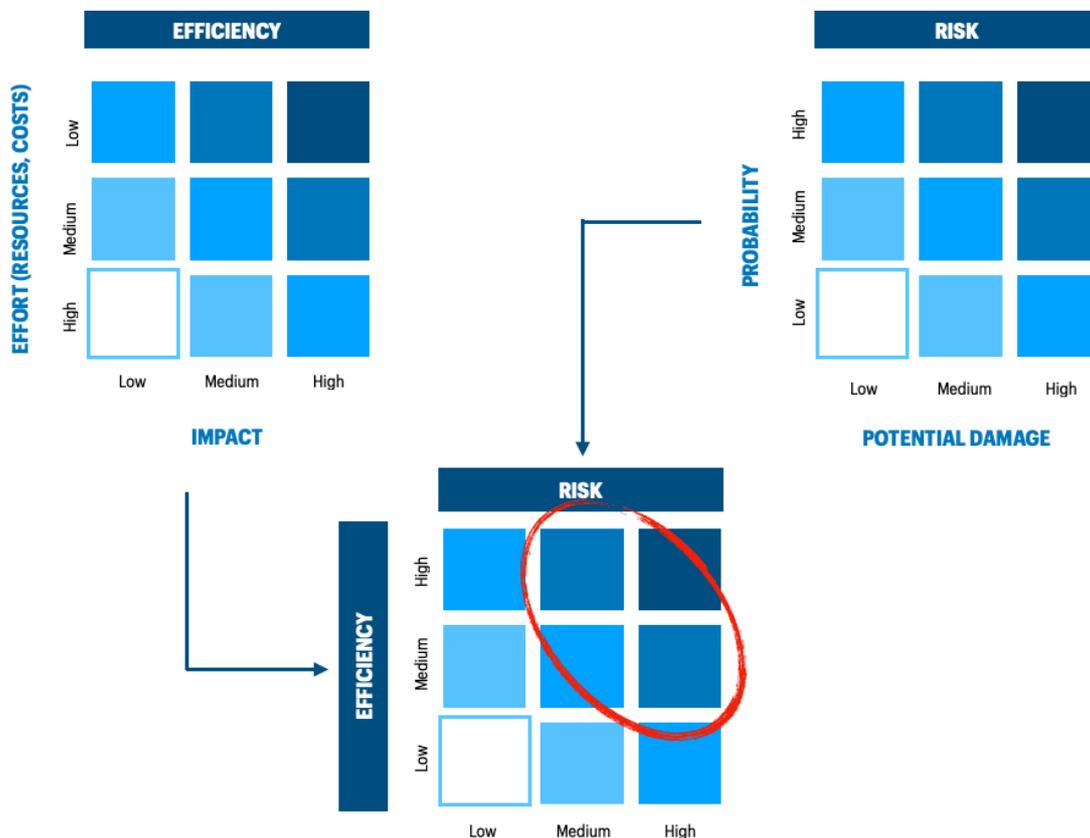
Assessment - Steps



Results of the diagnosis and action planning in team: the action portfolio

The action portfolio serves to prioritize the actions according to the risk and impact of the measures. This avoids the development of risk prevention measures in which the efficiency (effort and impact) appears disproportionately high in relation to the risk (probability and loss potential).

The assessment of the risks and the effort for risk prevention is initially based on a collective assessment by the workshop participants. A more detailed risk assessment is only carried out for the actions selected for action planning



Would you like to learn more?

We are looking forward to your call, letter or e-mail.
We are happy to answer your questions and show you how the
Resilience Fitness Check works!

SIMMA & PARTNER CONSULTING

Driving Change is our Business

© Copyright 2022 | Simma & Partner Consulting GmbH | Weiherstraße 10A / 5 | 6900 Bregenz | Austria
elmar.simma@simma-consulting.com | phone +43 (0)676 33