Energizing, Redesigning, and Gelling: Super-Flexible Capabilities for Leading in the Face of Unanticipated Change

by Bart Tkaczyk

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Modern organizations need to cultivate "super-flexibility."

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Warning: Risk is everywhere! Indeed, the world is becoming more turbulent and more volatile than ever before and the pace of change appears to be accelerating. The Global Risks Report 2022 from the World Economic Forum (**WEF 2022**) identifies the most severe risks on a global scale in the next years to come: *environmental* (think: climate action failure, extreme weather, biodiversity loss, human environmental damage, and natural resource crises), *societal* (think: social cohesion erosion, livelihood crises, infectious diseases, mental health deterioration, and involuntary migration), *economic* (think: debt crises, and industry collapse), *geopolitical* (think: geoeconomic confrontation, geopolitical resource contestation, interstate conflict, militarization and weaponization of space and cyberspace, including weapons of mass destruction), and *technological* (think: cybersecurity failure, cybercrime, digital power concentration or regional digital inequality).

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Besides, according to new Association for Talent Development (ATD) research, 65 percent of organizations expect the number of change initiatives to actually increase in the next five years yet only half provide change management training to employees (**ATD 2022**). That being the case, organizations today should strive for "super-flexibility" – the capacity to make appropriate, real-time adjustments as new realities unfold (**Bahrami & Evans 2011**). As Homa Bahrami and Stuart Evans stress 'if the old game was about predicting and planning for the future, the new game is about "surfing fluid reality."' (**Bahrami & Evans 2011:21**). Now, if change is constant, *why not* design the enterprise to be constantly and

quickly change-able? Even though innovations in Big Data enable leaders to make predictions about business and society, they still get hit—again and again—by shocks and surprises. Moreover, Sen Chai and Willy Shih explain in an **MIT Sloan Management Review article** that, if truth be told, many leaders seem to reject data-driven research in favor of classic methods.

No doubt, most mainstream strategic management methods can deal with predictable conditions and situations. These approaches can even—somewhat—attend to risk, yet they often fail to recognize growing uncertainty. That's likely because risk and uncertainty are qualitatively distinct. According to several experts (**Courtney et al. 1997**, **Robinson 2007**, **Teece et al. 2016**), risk can be regarded as a choice among futures with known (conditional) probabilities, but uncertainty reminds us that we cannot really tell distant futures—not to mention their probabilities.

Notably, with risk, the unknowns are actually known; with deep uncertainty, the unknowns are unknown. Admittedly, managing unexpected sudden events in a complex world is challenging (**Weick & Sutcliffe 2015**). Still, it is doable—if executed methodologically, iteratively, and experimentally.

Energizing, Redesigning, and Gelling: Super-Flexible Capabilities for Managing Surprises

Let's take a closer look at how you can manage unpredicted, abrupt, and surprising events, leading *positive* organizational change. By way of illustration, one can apply a research-based super-flexible capabilities framework called Energize, Redesign, and Gel (**Tkaczyk 2021**). By its very nature, the Energize, Redesign and Gel framework is a dynamic strategy method for creating a super-adaptive learning-ready organization for a competitive advantage.

In essence, the super-flexible capabilities of energizing, redesigning and gelling, *à la* core, dynamic, reconfigurable or knowledge-creative capabilities (**Leonard-Barton 1992**, **Teece et al. 1997**, **Galbraith et al. 2001**, **Tkaczyk 2015**), are critical to ensure and sustain organizational positivity, high reliability and high performance. In other words, they can help organizational leaders at *all* levels to better manage under risk and uncertainty and to strategize to win. This is because such distinctive capabilities, embedded in the positive organizational culture of the enterprise and in the strategy setting, govern how the enterprise energizes, develops, mixes, reconfigures and gels internal, external and collective assets to nimbly navigate and deal with today's environments that are volatile, uncertain, complex, and ambiguous (VUCA) and to attain real-time adaptation.

Particularly, managing the unexpected in turbulent times requires three specific super-flexible capabilities:

1. **Energizing** (fostering and unleashing *non-naïve* organizational positivity and engagement at work, enhancing organizational health, identifying strengths, opportunities, aspirations, and results, remaining curious, active and fully alert, including a willingness to challenge existing dominant organizational logics, practices and models and to act on partial information)

2. **Redesigning** (developing a design-friendly, purpose-driven organizational culture by tapping into *collective* design thinking and *open* innovation – powerful co-creative processes important to those wishing to successfully deliver value through organic radial innovation, and to leverage and liberate the entrepreneurial spirit of all employees)

3. **Gelling** (applying *strategic* super-flexibility, getting on with the business while also inventing new business, continuous process monitoring and improvement, vigilant learning and organizational *un*learning, and organizational and business model renewal).

Over and above that, organizational unlearning contrasts with its cousin "organizational forgetting". Organizational forgetting is the **unintentional** *degradation of established knowledge. Yet, organizational unlearning is strategic – it is the "purposeful destruction" of*

embedded knowledge, which, paradoxically, is positive and so should be appreciated by the enterprise. In fact, good companies go bad because they are fixated on doing what got results in the past, or on what C.K. Prahalad liked to describe as the "dominant logic" of the company that kills the imagination quotient and that 'limits the ability of people in the organization to drive innovation or see new opportunities and threats' (**Prahalad 2004:172**). Therefore, organizational unlearning, as a core organizational capability for creativity and strategic organizational renewal, is necessary for new learning to occur.

Now, here's a deeper dive into each capability, as well as some example activities you may want to try.

ENERGIZE

- **Set *Winning* Aspirations**. Think big and craft your organization's winning aspiration – start with people (employees, clients, partners) rather than money (stock price). Consider what kind of organization you want yours to be. What does winning mean for you? If your organization disappeared today, how different would the world be tomorrow? What do you believe in? What are you proud to accomplish? What is an easy/hard-earned win for you? Against whom? What's your risk appetite? Remember to pair the "soft" aspiration with some concrete metric.

- **Envisioning Possibilities**. To contextualize opportunities and to envision strategic choices, transform available intel into images, metaphors, and analogies. You can also try experimenting with storyboarding and guided imagery.

- **Value Chain Research**. Collaborate actively with both upstream and downstream partners to analyze the existing strategic clusters of activities and dominant logics. Also, review how to better leverage your unique capabilities and how to best co-create and sustain value for yourself and others. More importantly, don't forget about scanning your own vulnerabilities.

REDESIGN

- **Journey Mapping**. Driven by design and social research data, assess what stakeholders and other "players" really want and do. Map and interpret their experience, expectations, hopes, and dreams, as well as their struggles, pain points, frustrations and fears – empathically.

- **Co-Creation**. To fix the details of the concepts and scenarios you've been working on, invite as many end-users as possible to co-creation sessions. By doing so, you will gain deeper insights, and their critical feedback will enrich your concept.

- **Design Run**. With your team, use design thinking to uncover likely scenarios and approach "wicked" problems by asking a lot of "what if" questions. Try to make better sense of situations by reviewing and identifying critical incidents, goals, and targets. Rough out solutions and puzzle out which solution(s) to prototype; for example, perform a heat map exercise. You can also employ rapid prototyping, which can make abstract ideas concrete and uses affordable loss calculation early and often. Finally, to accelerate more feedback (and failure!), roll out plenty of trial runs—following a core axiom of design thinking to "fail fast to succeed sooner." Interestingly, in many cases, small failures are the "early warning signs", which, if not proactively identified, may lead to complete failure later on.

GEL

- ***What would have to be true* for the strategic possibility offered for consideration to be a truly great choice?** For each strategic possibility, frame and decide which conditions must hold good for it to be valid by asking *what would have to be true*, instead of *what is true*.

- **Experiment Launch**. To test remaining critical assumptions (and to see if your strategy and protocols work), use a learning launch before final rollout. Basically, let others experience your working strategy, and then learn (and *un*learn) together—

continuously. Look for patterns, and go back to the... future. By continuing to update and rerun the cycle, you can help reduce the unknowns.

- **Anticipated Competitor Reaction Analysis**. You don't want to design something that a competitor would imitate in no time. For that reason, always think about and explore how your competitors will react to your chosen course of action and how they will try to challenge you.

Of note is the fact that energizing, redesigning, and gelling is not a one-way, sequential operation – one does not just energize, then moves on to redesign, then gels. On the contrary, it is a super dynamic, ongoing strategizing process and framework in which all of the dynamic capabilities impact on one another and should be considered all together. Accordingly, these super-flexible capabilities throughout the organization can simultaneously serve to positively embrace, as well as strategically mitigate risk and uncertainty, navigate chaos, boost strategic resilience, renew your business, and create winning change. In reality, fostering such creative "change/uncertainty-ready" cultures of managing the unexpected experimentally is a vital act of *positive* organizing. Here's the good news: *Any* leader or organization can develop these distinctive capabilities for managing surprises – once robust at the company, you can use such super-flexible capabilities in the service of keeping a competitive edge.

In Closing

As someone once put it: the only certainties in life are death and taxes. Now, it seems that there is no escape from change either. So we are all change leaders. Ultimately, high risk and high effectiveness *can* coexist. At bottom, fear is change management without a *positive* approach to *super-adaptive* change leadership that aligns with your organizational strategy and organizational design. Thus, focus on the positive and organize for *positive* organizational change. At heart, becoming strategically *super*-flexible should be a proactive and iterative organizational flourishing process that prepares leaders at all levels (and *not just* top executives) for surprises. Remember: the goal is to address potential problems before they arise—and before they become large crises or escalate into total catastrophes.

Equally, it means maximizing the positive outcome of risk: opportunity. Bottom line: Don't mismanage unexpected events, instead strategically experiment in the unexpected, and lead positive organizational change.

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