Agility is the New "Secret Ingredient" of High Performing Teams
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According to a Boston Consulting Group (BCG) research report (2012), in a volatile, uncertain, complex and ambiguous business environment, teams must be more than high-performing to win in the marketplace, they also need to be AGILE.

BCG Study (2012) -- Solid evidence for Agility as the new "Secret Ingredient" of High Performing Teams

The increasing speed, magnitude and volume of turbulence businesses face demands new ways of focusing on team effectiveness. Agility Consulting has been advocating team agility for the past decade, based on data collected through our work with a broad portfolio of industry-sector clients. We have also regularly highlighted the strong impact of leadership and organizational agility on organizational performance.

Boston Consulting Group (BCG) has reported in recently published research in 2012 that adaptive (agile) companies significantly outperform less adaptive companies during turbulence. While the eye of VUCA (volatile, uncertain, complex and ambiguous) storm may have passed, the world continues to be persistently characterized by VUCA. Therefore, the BCG research emphasizes the need for organizations to be agile to thrive.

The first part of the research study used growth in market capitalization, spanning a 5-year period, as the key indicator of performance. Using BCG's Adaptive Advantage Index (AAI), researchers assessed 2,127 US public companies. **The 0.91 correlation BCG found between the AAI and market cap growth is very impressive! Companies scoring 80% - 90% on the AAI showed an average 20% growth in market cap over the 5-year period.** In contrast, companies scoring 0 on the AAI saw an average drop in market cap of around 15%.
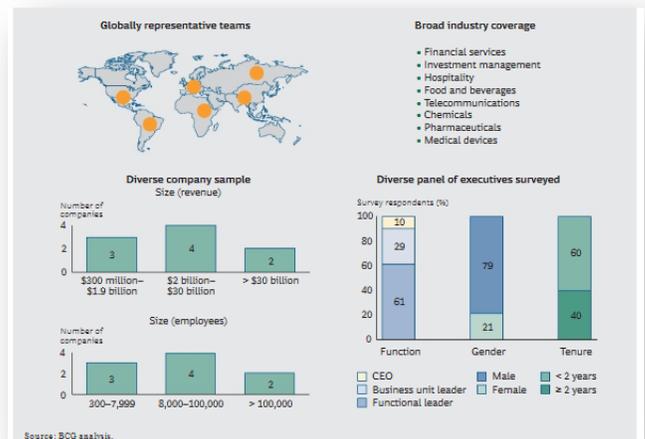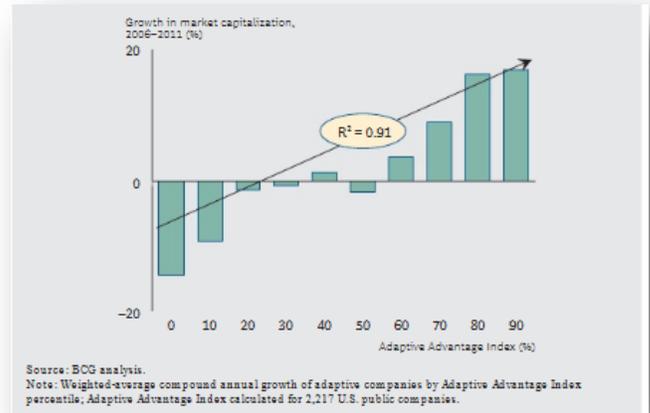
High Performing AGILE Teams are most successful

The second part of the study looked specifically at adaptive behaviors in top teams. Researchers used a small sample of 9 successful companies, again dividing these into top-tier, middle-tier and bottom-tier performers. Financial performance was based on

averaging net income over a five year period. Companies were a mix of global and single-country organizations and included companies from developed and developing markets.

The study involved an extensive deep dive into aspects of the senior leadership teams of these companies, all intact for the 5-year review period. In all, a representative sample of 93 executives was interviewed and surveyed. As in the first part of the study, agility was strongly associated with performance. The most adaptive senior teams came from the top-tier performers and thus were leading the most successful agile companies.

Teamwork essentials of High Performing AGILE Teams

Agile teams demonstrate the foundational principles of effective teamwork. First, leadership is distributed among the team. Key to this is the team leader who must be willing to share leadership in the first place. Next, the team is a mix of capable people with diverse positions and discipline backgrounds. The team also has a clear charter, which clarifies purpose and goals, roles, ground rules and accountabilities. Finally, the team displays high levels of mutual trust.

The research found that all teams in the study depended heavily on these four basic principles. Nevertheless, even in this select, high-performing sample, top-tier performers averaged 20-25% higher on the four basic dimensions.

The Five Additional Characteristics of High Performing Teams

The research also identified five additional characteristics of successful adaptive leadership teams. To reinforce the value of these characteristics, top performers showed that, on average, they used these characteristics to a far greater extent than other teams in the study.

AGILE Teams have *one voice*. This means that members share clarity of purpose and are closely aligned with the organization's values and priorities. Diverse individual differences are encouraged, even though there is unified messaging once the team finalizes its decisions.
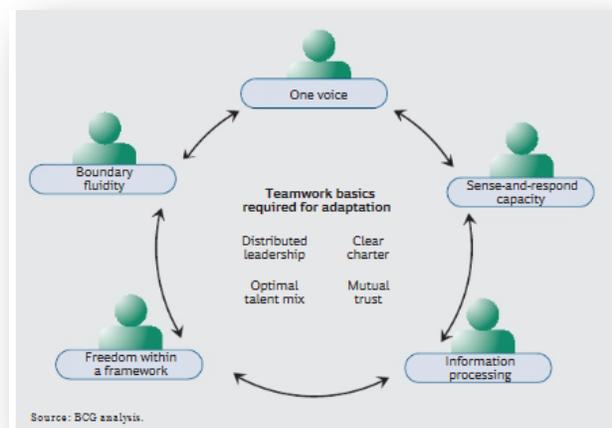
Sense-and-respond is the second characteristic of high performing AGILE teams. Recognizing that an organization's external environment is volatile, agile teams are extremely sensitive to continually changing environments. They employ a variety of techniques to exploit even small windows of opportunity. Less agile teams may never even detect these, let alone respond.

Information processing is the third characteristic. Not only are agile teams collecting the right data, but they are synthesizing meaning from it. The BCG research notes that, "information and debate flow freely inside and outside" these teams.

Fourth, agile teams embrace the notion of *freedom within a framework*. Targets are set and teams responsible for outcomes then work out how they'll achieve them. Experimentation, with associated risk taking, is encouraged and rewarded so that learning can more rapidly occur from small failures.

Finally, AGILE teams display *boundary fluidity*. Members are able and willing to move vertically or horizontally to where they can have the most impact.

Alignment of the BCG Research with The AGILE Model®
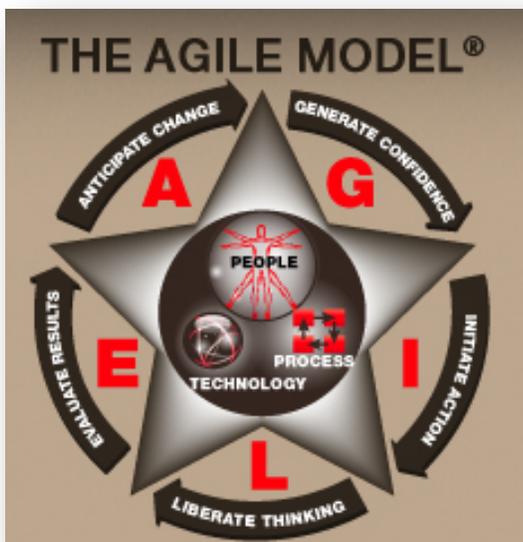
The research from BCG provides additional data in support of The AGILE Model® as a framework for High Performing AGILE Teams. To illustrate this point, BCG's "Sense and Respond Capacity and Information Processing" reflect the same elements as "Anticipate Change, Initiate Action and Evaluate Results." Additionally, BCG's "One Voice and Freedom within a Framework" have the same elements as "Generate Confidence and Liberate Thinking" in The AGILE Model®. "Boundary Fluidity" in the BCG framework has elements from all 5 of the dimensions of The AGILE Model®.

Team Agility Profile™

The Team Agility Profile™ provides a quick assessment of a team's agility. It is organized into the 5 major areas represented in The AGILE Model® along with 3 sub-elements of each of the 5 areas. Contact Dr. Nick Horney at +1-336-286-7250 or via email at NickHorney@AgilityConsulting.com for additional information about the use of the TAP.

Team Agility Profile™ (TAP)

The TAP is team health assessment tool designed to evaluate 15 key processes for creating and sustaining team agility. Read through each statement and rate your team using the scale below and being as objective as possible. You can total your scores in the boxes once completed to see your overall TAP.

1. **Visioning:** Our team has a sound and clearly communicated strategic direction with corresponding action plans that help 'engineer' the vision into everyday priorities.

2. **Sensing:** Our team understands the forces of change and the implications for how those forces of change may impact our business success over the next couple of years.

3. **Monitoring:** Our team regularly identifies, collects, organizes, and documents pertinent data and information to recognize and track trends and patterns that help us become more proactive.

4. **Connecting:** Our team is confident, excited and committed to furthering the organization's objectives and understands how job roles connect to creating success.

5. **Alignment:** Our team has the right balance of resources, team structure, energy, rewards and priorities to build trust and achieve positive solutions and results with all stakeholders.

6. **Engagement:** Our team leader builds heightened emotional connection throughout the team by influencing all team members to exert greater *discretionary* effort for the success of the organization.

7. **Action Orientation:** Our team regularly exhibits proactive initiative and sense of urgency in evaluating and responding to challenging situations, problems and opportunities.

8. **Decision-Making:** Our team expects timely decisions from all and ensures team members are involved in decision making to improve speed and encourage employee engagement.

9. **Collaboration:** Our team expects and encourages active collaboration across functions, organization levels and company boundaries to produce better and faster outcomes.

10. **Continuous Improvement:** Our team expects and encourages fresh, original and even unconventional perspectives and approaches to fuel growth and continuous improvement.

11. **Customer Focus:** Our team encourages solutions that demonstrate an understanding of internal and external customers' need for timely, cost-effective and value-added service.

12. **Idea Diversity:** Our team seeks a variety of perspectives in an open-minded manner from traditional and non-traditional stakeholders to generate continuously enlightened innovation.

13. **Creating Expectations:** We have clearly defined customer driven expected outcomes for all team members that guide performance management and achievement of desired results.

14. **Real-Time Feedback:** We have good means to regularly communicate and receive important feedback to and from team members and customers in timely manner.

15. **Fact-Based Measures:** We use reliable data and information in a clear, rational and thorough process to assess and understand issues, evaluate options and make timely decisions.

Individual Item Scoring

Rating Key: 1-Never, 2-Rarely, 3-Sometimes, 4-Usually, 5-Almost Always