

## BOOK REVIEW

# Fast Strategy

## IN BRIEF



Title:  
Fast Strategy. How strategic agility will help you stay ahead of the game

Authors:  
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Publisher:  
Wharton School Publishing

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## The evolution of strategy literature

In recent years, a growing body of strategic literature has come to focus on what biologists and evolutionary ecologists have known for centuries – that long-term survival is based on the speed and precision with which an organism can adapt and renew itself in accordance with changes to the surrounding environment. As a virtual paradigm shift for the field of strategic management, this literature is based on the premise that the most successful strategies are not developed through a centrally planned, top-down process where top management determines strategy in relative isolation, but rather, that strategy development should be woven into the very fabric of the organisation, be emergent in nature, and based on the daily input and actions of stakeholders in and around the organisation. Contributing to this growing body of strategic management literature, Doz and Kosonen try to decipher the dynamics that allow a company to develop speed and precision in its strategy development and implementation practices in their new book *Fast Strategy*.

## The book is inspirational and exploratory in nature

Doz and Kosonen set out to answer the question: “Why are some companies able to thrive on disruptions and catch the waves of technology or market discontinuities to outrun or beat their competitors, when others falter or fall into oblivion?”. In answering their own question, the reader is quickly introduced to the term “strategic agility”, which the authors promote as the difference between the winners and losers in the “fast strategy game”. They define

strategic agility, not as “the vitality of small new entrepreneurial firms challenging tired incumbents, but as “the capability to think and act differently, leading to new business model innovations”.

In trying to understand the essence of “strategic agility”, Doz and Kosonen have written an illustrative and inspiring book, based on learnings drawn from a number of companies in the ICT (Information and Communication Technology) industry. The ICT industry was chosen by the authors due to the speed, complexity and uncertainty of the environment. And while we agree that the ICT industry is a very relevant choice, it could have been interesting with a broader representation of industries to illustrate similarities and differences as well as how to apply the concept of strategic agility in different settings.

*Fast Strategy* is exploratory in nature and rich in ideas, advice and conceptual levers that can assist top management in developing strategic agility. It is, however, up to the readers to decide for themselves whether or not the concepts presented will have the desired effect given their own organisation and point of departure.

## The key components of strategic agility

Doz and Kosonen assert that strategically agile companies not only learn to make fast turns and transform themselves without losing momentum but their CEOs and top teams also have higher ambitions: to make their companies permanently, regularly, able to take advantage of change and disrupt-

tion. They want their organisations to learn to thrive on continuous waves of change, not to periodically and painfully adjust to change, in an alternation of periods of stability and moments of upheaval. Put differently, they want their companies to learn a new competitive game: the fast strategy game - a game where nothing can be taken for granted, where no competitive advantage edge may last, where innovation and the constant development of new capabilities are the only sources of advantage.

With this understanding of strategic agility and the concept of fast strategy, the authors use the case of Nokia to identify the three key components of strategic agility (dedicating three chapters to explain and understand them), they are:

**Strategic sensitivity:** is concerned with improving the company's sensitivity to different standpoints and orientations (both internal and external), ability to frame strategic issues in an insightful way, and, propensity to turn individual foresights and insights into shared strategic direction.

**Collective commitments:** has a number of key messages, including, keeping the top level meetings focused on strategy, creating culture of holistic accountability and shared incentives instead of silos, making time for full information sharing and interaction, treating personal objectives and concerns as critical inputs, and, having a fair decision making process that allows for needed unequal resource allocation.

**Resource fluidity:** focuses on the mechanisms that must be put in place in order to allow resources to be allocated quickly to the strategic opportunities that have the most potential. The key issues include reshaping the organisation away from a hierarchical

structure towards a modular structure, and changing the policies and rules that govern the access to resources (especially capital and people).

Though this must not be seen as a comprehensive list of capabilities needed for an organisation to succeed in today's competitive environment, we find that these three components of strategic agility do provide some very good insights and learnings.

#### **The toxic side effects of success - a barrier to strategic agility**

At this point, Doz and Kosonen turn their attention away from the presentation of the strategic agility concept and its components (strategic sensitivity, collective commitments and resource fluidity) and begin to discuss the paradox of success; stressing that "success breeds failure", and that along with success come the 13 toxic side effects of successful companies. These toxics are not presented in detail, however, they are very intuitive, and appendix 2 of the book provides a great diagnostic tool for top managers to determine the extent to which their company has been exposed to the toxic side effects of success. These toxicities are an invaluable inventory of drivers and consequences that undermine an organisations strategic agility. The 13 toxicities are: tunnel vision, tyranny of core business, strategic myopia, dominance mindset, snap judgment and intellectual laziness, imprisoned resources, business system rigidity, ties that bind, management mediocrity and competence gaps, management divergence, heady charm of fame and power (or said another way, lack of accountability for failing to deliver anything truly valuable), expert management (making operational decisions instead of strategic), and finally, emotional apathy.

Moving towards a conclusion, the authors turn to the problem of how to build, or, rebuild strategic agility into an organisation. They have no illusions whatsoever about the difficulties, implications, and possible consequences inherent to regaining strategic agility, once lost. However, over and above the traditional "organisational and social engineering" approach to change management, the authors attempt to identify four levers that are pre-conditions in order to energise organisations and challenge the toxic side effects of success, namely cognition, emotion, organisation and power. One chapter is devoted to each of these four topics, providing lots of advice and inspiration as to how these four levers can be used to create change within an organisation.

#### **Reflections**

All in all we find Fast Strategy to be an insightful and inspirational book, providing both food for thought and concrete suggestions for action. Special praise is due to the "toxicity" frameworks presented in appendix 2. We here at Implement have worked with these frameworks as starting points for strategic discussions with some of our customers to good effect.

One important thing to keep in mind when reading Doz and Kosonen's book is that agility and organisational flexibility to some extent carry with them an additional cost in the form of the need for extra coordination between people and teams. A management team should therefore understand the level of complexity and uncertainty that they face in order to choose the right level of organisational flexibility. The more uncertain and complex the environment is the more agile and flexible the organisation needs to be.