Chapter 1

Agility in the Organizational Context: Challenges in the 1st Year of COVID-19

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Abstract

The year 2020, the 1st year of COVID-19, will most probably remain in the collective memory as a time flooded by uncertainty and doubled by the prominent need to unlearn the old practices.

Based upon a statistical analysis of words that are looked up in extremely high numbers in Merriam-Webster online dictionary, the Word of the Year for 2020 is "pandemic", and regardless how pandemic has affected the workplaces, it is likely that the paradigm of thinking about work has shifted. During this span of time organizations and individuals are massively set to making trial runs and transform the way of approaching decision-making processes and the way of behaving in unconventional standpoints while lacking the well-established landmarks they used to compass strategic decisions.

COVID-19 has significantly changed the way we look at labor and its constituents, it has disrupted the way organizations used to run their businesses and, almost overnight, forced the adoption of otherwise latent trends.

At a macro level, the uncertainties, the general sentiment of insecurity and complexity fall in a rush and the provided solutions are temporary and do not address all business segments. As it seems that the only hope can emerge from the micro level, we aim to explore the way the organizations will manage to provide a sense of safety and confirmation to employees in order to reduce fear of unpredictable environment that will most probably become a competitive advantage on the market.

Therefore, at a more granular level, this chapter aims to contribute with a perspective of how these months of operating in survival mode have provided valuable insight into the way organizations and people can unequivocally move forward from this turbulence and position themselves to navigate the future disruptions that are bound to occur.

Keywords: Collective Resilience, Fluent Change, Dynamic Organizational System, Organizational Agility Enabler, Strategic Agility

INTRODUCTION

The pandemic raises some relevant questions for both researchers and practitioners seeking adaptability, dynamism and stability in the organizational context as we no longer have the groundwork, we have previously tested to establish directions. In addition, the organizational culture and work climate are now imbalanced, and it is again, a capability at the micro level to stabilize them.

- What clear-cut capability substantiates itself to be a priority in a large-scale COVID- 19 crisis, so that the organizational agility (OA) does not lose its expected impact on performance, or rather more appropriate, on survival? (Lucescu, Avasilcăi, 2020)

- What incapacities, scarce resources and other inefficiencies come to light during a crisis?

BACKGROUND

Scholars and practitioners together have not reached yet a straightforward conclusion regarding a specific, unquestionable feature that makes the current pandemic challenge unique. A lot of ink has been spilled looking for a definition for COVID-19 based on the similarities and differences from other crises.

If this slice of life registers itself as a "black swan"- type of manifestation (Taleb, 2018) we could make the most of the flag indicators we might have ignored so far, learn and come up with mature detection routines quickly and in collaboratively calibrated measures.

If it is just "a brutal shaking of the environment" (Christensen, 1997) we would find a way to steer the course until things would return to normal, although, much as it seems already, the virus might be a few years- long turmoil during which permanent changes could materialize.

Finally, if this circumstance is what Bennis and Nanus (1987) would call a habitual manifestation of the environment characterized by volatility, uncertainty, complexity and ambiguity (VUCA), the plans and strategies to be developed are not to be steadfast solid.

It is also possible that this crisis is something completely new, and hence it deserves its own identity to be shaped.

Be that as it may, the first year of COVID-19 crisis has a profile amorphously stamped by deep uncertainty. Organizations with agility attributes that document managing this period well might ground this denominator emerging from their anticipatory capabilities (Gladwell, 2008) and their continuous environmental monitoring routines (Worley, Williams, & Edward, 2014). As for the way in which these routines have been applied by organizations or officials, deducting from the reactions they manifested, one could say that they were either applied correctly or they were simply ignored.

COLLECTIVE RESILIENCE: CONTRIBUTING FACTOR OF AGILITY IN ORGANIZATIONAL CONTEXT

An agile capability in organizational context will facilitate the development of another organizational capability, the one of collective resilience. In fact, both agility in organizational context and resilience are structured around a strong sense of clearly defined identity and purpose, as well as widely held organizational values and beliefs. Decision to start or investigate

developing agility in an organizational context without investing in organizational resilience is risky, as it creates a general sense of fragility, an unsustainable exposure to turbulence and shock (McCann & Lee, 2009). Interest in resilience, as an observable concept or phenomenon has emerged independently in various fields, such as the ecological field (Holling, 1973) or the psychological dimension for the future of work (Garmezy, 1971) and was influenced by the theory of general systems (Kristof, Verschraegen, Valentinov, & Gruezmacher, 2019).

Broadly defined, resilience is the ability to adapt in a sustainable and resolute way during confusing, inconsistent changes that jeopardize the functioning, development or existence of a dynamic system.

The concept can be applied to systems (not just living ones) at different levels of interaction, such as a microorganism, an individual, a family, a security system or the global climate, and has its roots in the Latin verb resilire (to return). Resilience has been defined as achieving positive results despite the challenging or threatening circumstances (Masten, 2001), coping with traumatic experiences successfully and avoiding negative risk-related pathways (Garmezy,1971). It can be understood as the ability of people to regard stress to an acceptable degree, to cope in a healthy and generative way with the daily challenges and threats or to recover from disappointments and even traumas, to develop clear and realistic goals and ambitions and to feel comfortable to interact with other people (Kristof et al., 2019). Researchers have been interested in understanding why some systems do not manifest the negative effects as a result of the negative events experienced, but on the contrary, they learn to cope with them and have a normal development. Several waves of research cover collective resilience, starting with scientists who seek to understand and prevent the decay of psychological health (Masten, 2001), with research focused on detecting processes and regulatory systems that took into account the protection factors associated with resilience. A common conclusion came to life, that the analysis of a single risk indicator does not reflect the reality of being exposed to adversity (Masten, 2001). In the modern form of approach, resilience is the result of "a series of individual characteristics, such as cognitive abilities, temperament compliance, good self-regulation, self-efficiency and a positive outlook" (Yates, 2003).

Resilience can also be interpreted, explained and epitomized by surveying and scaling contextual factors that manifest themselves in the dynamic of a process (Egeland, 2007).

In organizations, resilience is the ability to recover, not only after a shock, but "after a series of intensely difficult events and is a feature of successful organizations" (Setili, 2014). In the traditional approach to change, experts propose successive steps, with a constant focus on increasing people's resilience. In the context of volatility, uncertainty, complexity and ambiguity, the organization is subject to a process of collective, continuous and fluent adaptation, following a clear goal path, ample enough to inspire and call up the entire organizational population.

In the face of uncertainty, organizations fearfully look to the future, and that is for a good reason, as it promises to be difficult and burdensome from a perspective that is multiplied by each individual.

As for the collective resilience dimension, that may be accomplished from a systemic perspective of the organization. While the saying "no one is left behind" has been heard in many social contexts, each public appeal presented both hope and a level of anxiety and, at micro level, each leader gathered the teams to plan the sustainability of their companies, together.

THREE POSSIBLE WORKING SCENARIOS TO START INVESTIGATE RESILIENCE IN AGILE ORGANIZATIONS

A conceptual model of this hypothesis would incorporate three axes from which the stressors originate from.

Here are three possible working scenarios to start investigating resilience playing the role of a widespread capability during the continuous process of Sensing- Decision making- and Response as an enabler of strategic agility in the organizational context (Lucescu, Avasilcăi, 2020):

1. The individual level- the individual in relationship with him/herself.
In what way I can operate with myself, as an individual. How I can manage my emotions, how I can reconstruct my emotional vocabulary, how I relapse and how I can apply proper techniques to adapt myself to the new environment.

2. The team level- the individual in relationship with the team:
How I can take care of own relationships with others. The way in which these relationships are tested in remote working conditions and the uncertainties that will follow.

3. The organizational system level- that is the individual in relationship with the organizational system. In what way the operations carried out by the individual have an impact upon the organization, as a whole. What exactly can an individual do to work in the new conditions.
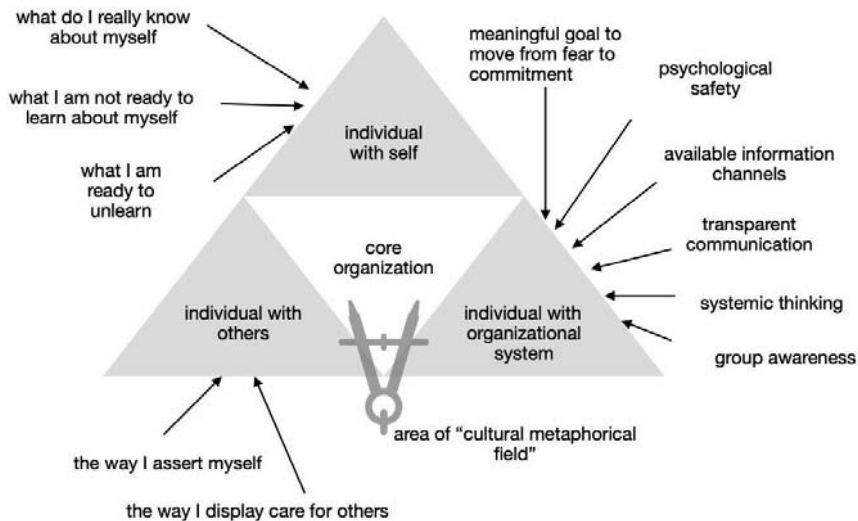

Figure 1. Resilience framework

In this chapter we propose the dynamic that manifests at the system level, with an aim to explore the practicability of adding the proficiency of collective resilience to those that contribute to enhancing agility in organizational contexts:

- Does the organization have such a clear, meaningful goal for people so that they can move potency from fear and proceed towards the goal on the axis of fortitude, motivation and commitment?
- Do employees have a sense of psychological safety (Edmondson, 2019)? Do they allow themselves to make mistakes especially because in the end they do not know what will happen next? Fostering a cultural environment that holds space for sharing trial- and- error stories, failures, best practices, insightful examples of sound challenges, candid feelings and vulnerabilities would lead to creating a safe space for others to dare and do the same. It reminds everyone that collective wisdom and transversal collaboration from a psychological safety mind- model get next to a much better chance to achieve a bigger positive impact.
- Is the organization creating context for contribution channels? If the organization hits a dangerous season, does everyone know where the resources are that can help rebuild it to save them all?
- Do stakeholders communicate transparently? Do all the teams know what decisions are going to be made, what plans does the company envisage and do the teams know how to access the contribution channels? Do employees think systemically? How do they tackle new issues so as to approach complex processes and to be aware of what the groups think?

A simulation of organizational adaptation models shows that decentralized ones modulate more easily in the face of turbulence in a simple environment, and adapt quickly, the relationship with the system parameter being approached more effectively by anticipation, rather than by resilience. (McCann et al., 2009)

Resilience skills are related to the ability to manifest, spontaneously and naturally:
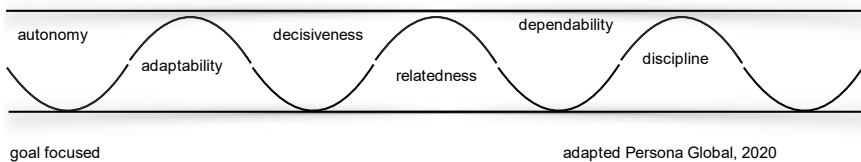
the 7 abilities of resilience

goal focused   adapted Persona Global, 2020

Figure 2. Resilience model from a behaviour perspective

• Abiding focus on goal implies finding meaning and significance even in intervals of uncertainty and deadlock and traverses the triangle:

➢ at individual level: in what proportion people are clear about both their options to individually contribute to the purpose of the organization and to what bring value for them, as persons,

> ➢ at team level: clarity in how people contribute to the core vision of the organization, giving up aspects that are not vital (pandemic is an opportunity for simplification, for finding redundant, obsolete or bureaucratic channels of practices and re-process them),
> ➢ at organizational system level: clarity in how the goal is manifested (leadership must be aligned with the formal stated goal).

• Autonomy: maintaining self-confidence and self-leadership, despite challenges.

> ➢ at individual level: I can govern, accomplish and perform my roles and activities both in the organization and in my personal, private life,
> ➢ at team level: strong belief that together we can effectuate and carry out our roles,
> ➢ at organizational system level: we can operate and take care of business, focusing on vital resources, looking for solutions to key problems.

The pandemic focuses on the dynamics of the tandem of individual autonomy and organizational autonomy through the mechanisms of understanding core modus operandi and focus on the key and essential issues of the organization. Working from home has de-bureaucratized supervision and increased flexibility in decision-making, which is why the need to make it sustainable is paramount.

• Adaptability:
> ➢ at individual level: I identify the level control I can administer over personal activities and life. I create or adapt new ways to achieve my goals without compromising my values.
> ➢ at team level: team members identify what level of control the team meets and focus on new ways or adapt them to achieve goals without compromising integrity values,
> ➢ at organizational system level: people identify the level of control the organization achieves and focus on new ways or adapt them to achieve goals, without compromising our values-integrity.

• Decisiveness
> ➢ -waiting for the leader to make decisions with care for people, perseverance to work in different situations until finding a viable solution, concert of energies to achieve results, each challenge being used as a learning opportunity (Avasilcăi, Huțu, 2012).
> ➢ at individual level: I am persevering, I work collaboratively to find solutions in my activity and in my life. I am objective in analysing the situation so that I can make different decisions, learning from each challenge.
> ➢ at team level: team members are persevering, they work collaboratively, they take care of people,
> ➢ at organizational system level: people create and produce a persevering way of working, managers analyse objectively and engage difficult decisions while taking care of people.

• Relatedness
> ➢ the ability to stay connected; solidarity; creating, maintaining a support network in personal and professional life.
> ➢ at individual level: I maintain strong working relationships, based on empathy, trust; in my personal life I create supportive relationships in which I can share ideas, concerns and feelings. I maintain a high level of social and self-awareness.
> ➢ at team level: we create a culture-support team with rules, giving priority to collaboration, trust in work, empathy and lack of prejudice,
> ➢ at organizational system level: we create a support network at all levels with a focus on collaboration that does not criticize and trusts to achieve its goals.

• Dependability

> ➢ the ability is born in an environment where anxiety is validated as emotion and acts towards maintaining relationships by identifying the unaltered aspects of challenges, for which, gratefully and proactively, opportunities are sought to achieve a positive result.
> ➢ at individual level: strive to maintain an attitude that pursues a positive attribute in any situation; I look for unaltered aspects of challenges and I am grateful for what I have in my life,
> ➢ at team level: we work as a team to identify and promote positive aspects and celebrate successes, no matter how small. Team rules include looking for opportunities and making decisions to make them happen,
> ➢ at organizational system level: we promote the belief that there will be a good result in the future. We identify and promote those aspects of organizational life that are positive and that allow people to focus on what is essential.

• Discipline
> ➢ make sure people focus on a mentally healthy state, provide support to access re-energizing resources, and cultivate a calm, composed and scrutinizing culture.

Similar to agility in the organizational context, resilience is not an aspiration and is not intangible, it is a mental pattern and a set of measurable abilities. An organizational culture that recognizes the need to train the resilient paradigm, plans communication projects in which people feel listened to and supported to, will ultimately create a calm climate under pressure.

Neither agility in an organizational context nor resilience, taken separately, can ensure the viability of an organization in the midst of turbulence and shocks of unprecedented complexity.

In terms of ambidextrous ability to scan, quickly understand and decide market responses that lead to new directions from which to thrive despite the risks, resilient agility, however, becomes a massive contributing factor to the development of agile organizations that deserves to be addressed over time.

FUTURE RESEARCH DIRECTIONS: THREE NEW ANGLES COVID-19 REVEALED FOR DEVELOPING AGILITY IN ORGANIZATIONAL CONTEXT

Pre-pandemic, many organizations were busy innovating in pursue for competitive advantages and successfully reach new market quota while strategic scenario to respond to an impactful VUCA event were rather out of sight. The business environment was robust, the market challenged and praised efficiency, and executives used to regard risk as mere statistics, despite systemic interdependencies. Instead of identifying the potential risks of VUCA and organizational fragility, many organizations have exploited cash flow and overlooked holistic investment in sharpening soft skills and extra capabilities.

Managing VUCA contexts involves both accepting "inherent contradictions and embracing the paradoxes of organizational life" (Lewis, Andriopoulos, & Smith, 2014). The disputed point is, as Lewis et al. point out, that the executive's immediate typical inclination may be to suppress this very perceived paradox, by isolating one dissonant point of view and promoting another as "accepted wisdom." By scrutinizing this tendency to respond and achieving to change the narrative at the management level might hinder the trap of getting captive in a series of limiting assumptions, which inhibit innovation, creativity, involvement and the desire to collaborate, leaving the organization stuck and impossible to learn and adapt.

In addition, many managers tend to avoid engaging in pre-mortem discussions (Klein, 2007). Ultimately, it is fear that prevents them from exploring failure scenarios and possibilities for

extreme risk. "That will never happen," is something that, in the context of VUCA, is not a statement to be trusted.

Agility in organizational context seems to better equip people with certain coping skills when facing volatility, as their effectiveness for scanning the environment and detecting small changes train them to respond promptly when yesterday's improbable risk reaches their terrain.

Running into the phenomenon of the COVID-19 world, organizations are rethinking all the tools for managing unprecedented tasks and threats: how to protect the health of employees and customers, how to redistribute talent potential, how to organize work remotely, how to evaluate results, how to relate to the team, how to ensure the technological infrastructure, how to ensure the security of information flow, how to support supply chains, how to contribute to the humanitarian effort, how to decide the redistribution of labour, the employment plan, what are the new dismissal criteria, how to plan reopening operations due to various uncertainties related to legislation and sanitary instructions and regulations.

Taking these instances into account, the COVID-19 crisis has revealed at least three implications for research and development of agility in the organizational context and sustainability in volatile, uncertain, complex and ambiguous environments.

- How to individualize the COVID-19 crisis and the responses circulating globally in conditions that are unclear, not validated, and often contradictory.
- Proclaiming an organization as agile, does not turn it into one. Despite the rhetoric and promotional or study materials, too many organizations made evident that they did not have the optimal capacity to respond.
- The COVID-19 pandemic reveals financial, social and structural inequalities that give carte blanche to unethical positions and community polarizations.

Social media arenas abound with examples of organizations that act quickly and easily to respond to acute needs. The rapid response of the medical community and the spectacular reposition to work remote/from home have been impressive. Still, in an OA frame of reference, we need to make a clear-cut distinction between what is a "brilliant improvisation" (Pal, 2005) and the ability to repeat the same operations in the same way and even better and in a viable, sustainable way.

The difference between operating agile out of necessity or applying a methodology by the book and actually being agile is conditioned by the well-known ability to learn with intent, continuously, at all organizational levels, together with other two capacities that enable the organizational agility: situational awareness and a sense of purpose. (Joiner, Josephs, 2007).

From the experiences gained in the occupational learning industry, we can state that organizations often encourage this "brilliant improvisation" on intentional learning, projecting extensive culture changes following learning bites (Izza, Imah, Vincent, & Lounis, 2008) of opportunistic type and without ensuring continuity or supporting the development of skills, through "push learning" techniques through which employees are sent to training sessions with a duration of several days. While there are cases when trainees admit that the information is retained superficially, only in small proportion and for just a limited time, the trap of interpreting this kind of information as a competence (Izza et al., 2008), only favours maintaining the status quo, deepening psychological insecurity, demotivation and instrumentation of ego-dictated authoritative power.

Instead, pillars of agility in organizational context recognize, reward and nurture learning instead of blacklisting failure, while executives make fast decisions to generate new channels of information. This does not mean that agility infused organizations are perfect - some stumbled severely during the crisis - but their agility supports their ability to return to the market and make

changes in the three organizational pillars consisting of Strategy-People-Systems (Lucescu, Avasilcăi, 2020).

CONCLUSION:

The subtle meaning of the "fluent change" metaphor could possibly guide the development of the agile organization by mirroring the case of language fluency, that begins with learning words, conjugations and then moving towards an increasingly complex syntax. Due to the fact that the methods of obtaining results change over time, the focus on financial results also changes, and sustainability does not exist without agility (Lichtenstein, 2006).

The role of management would be to create channels that allows users to access them, to guide information flows, as well as to monitor and analyse the results and lessons learned (Ibarra, 2018). This is another paradigm of work. Following the lessons learned in the COVID-19 crisis we can fortunately start an era in which partnership, co-creation, collaboration, solidarity and care for the well-being of people to become the norms of business behaviour.

Life goes on and we cannot solve these new arising issues, like creating a sense of safety, courage and resilience with old methods. That is why, in the new reality in which we are striving to develop skills to face ambiguity and lack of predictability, agility might imply an update to the "management genome" and learn to become resilient in a world of unprecedented challenges and light-speed change.

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