

# CASE STUDY

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**OILING THE WHEELS OF CHANGE: A NEW  
STRATEGY REQUIRES A RADICAL APPROACH TO  
VALUE CREATION**

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Agile Strategy

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## Oiling the wheels of change: a new strategy requires a radical approach to value creation

### The challenge and issues

In 2012, a market-leading specialty chemicals company with 1,750 employees in 70 countries found itself increasingly resource-constrained and its R&D effectiveness was stagnating. They addressed the issues by introducing leading through intent at group, functional and country leader levels to build strategy execution capability and made changes to people development, goal setting and performance management processes to embed the new practices. This enabled them to 'do more with less' and R&D productivity began to rise.

By 2015, after several failed attempts to reverse negative trends, the smaller of the company's two business units seemed to be facing long-term decline. Its response was to launch a new strategy to achieve 50% revenue growth and to appoint a gifted and energetic young leader to lead the effort. She decided to use the practices of leading through intent to drive the execution of the strategy through a series of cross functional 'Value Creation Teams', each of which was made responsible for a specific set of business objectives.

Key challenges included:

- ☑ The new strategy required a radical approach to value creation
- ☑ The business unit had a limited window of opportunity and needed to respond with urgency
- ☑ Some of the managers in this business unit had been through the earlier leading through intent programme, but the practices needed to be spread and reinforced in the field
- ☑ Value Creation Teams needed to get traction rapidly, working across the business to deliver value



*The Value Creation Teams created real clarity about what was most important. This focused the whole business on the best opportunities to create value and stopped us from wasting efforts on unproductive activity.*

**Value Creation Team Leader**

### Solutions

The programme of work included advisory support, coaching team leaders and facilitating key events that brought the team together to work on strategic challenges. There was no time for off-line training, so leading through intent was introduced in real time through the way in which operations were conducted. We worked with all the Value Creation Team leaders both as a group and with their teams to put some flesh on the high-level strategy, make it consistent across the teams and turn it into sets of actions.

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The programme included:

- ☑ Structured work to support the leadership team, enabling them to define a clear intent and articulate what success looked like for the business unit.
- ☑ Working with the leaders of the Value Creation Teams to define their intent, measures of success, key objectives and freedoms using the strategy briefing framework.
- ☑ Running a global workshop which brought all the Value Creation Teams and senior leadership together in one place to develop, communicate and integrate their plans.

## Results

Results started to improve soon after the workshop as teams increasingly understood and aligned their activity to the business unit's intent. A post-programme impact survey revealed improved KPIs both on alignment to company strategy and the degree of autonomy the VCTs perceived they had. The annual company employee engagement survey improved the business unit score for 'clarity of decision-making' by 19%.

One year later, leaders reported that the techniques, habits and behaviours they adopted because of the programme were still being applied day-to-day. The bottom-line outcome was tangible and significant - profits for the year in what had been felt to be a dying business exceeded plan by 15%, using fewer resources than forecast.



*Developing and sharing our intent helped us all understand what was most important and created a real sense of urgency, a burning platform, that focused our efforts.*

***Business Unit Marketing Director***