

Steelcase CEO Q+A: New Center Enhances Agility

A new Steelcase Learning + Innovation Center in Munich is designed to help create a more agile organization to accelerate innovation.

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To be make better, faster and more responsive decisions, organizations need to speed up the flow of information and the cycles of learning. This concept is at the heart of a new Learning and Innovation Center (LINC) recently opened by Steelcase in Munich. The new Munich LINC is bringing together employees from more than 20 nationalities in research, design, marketing and other support functions. Following the principles that everyone teaches, everyone learns and learning happens everywhere, Steelcase has designed the facility to create a more agile organization to accelerate innovation.

In a 360 Real Time podcast, former Steelcase President and CEO Jim Keane discussed how the Munich LINC will impact the strategy and culture for Steelcase employees, and how it will benefit customers as well. In this Q+A portion of our interview, he explains how the Munich LINC will serve to enhance the company's agility and what that means for the business.

360: It seems like everyone is talking about agile ways of working these days. Agile can be a noun referring to a faster way to produce software. But, agile can also be an adjective used to describe speed, flexibility and adaptability. Can you describe what agile means to you?

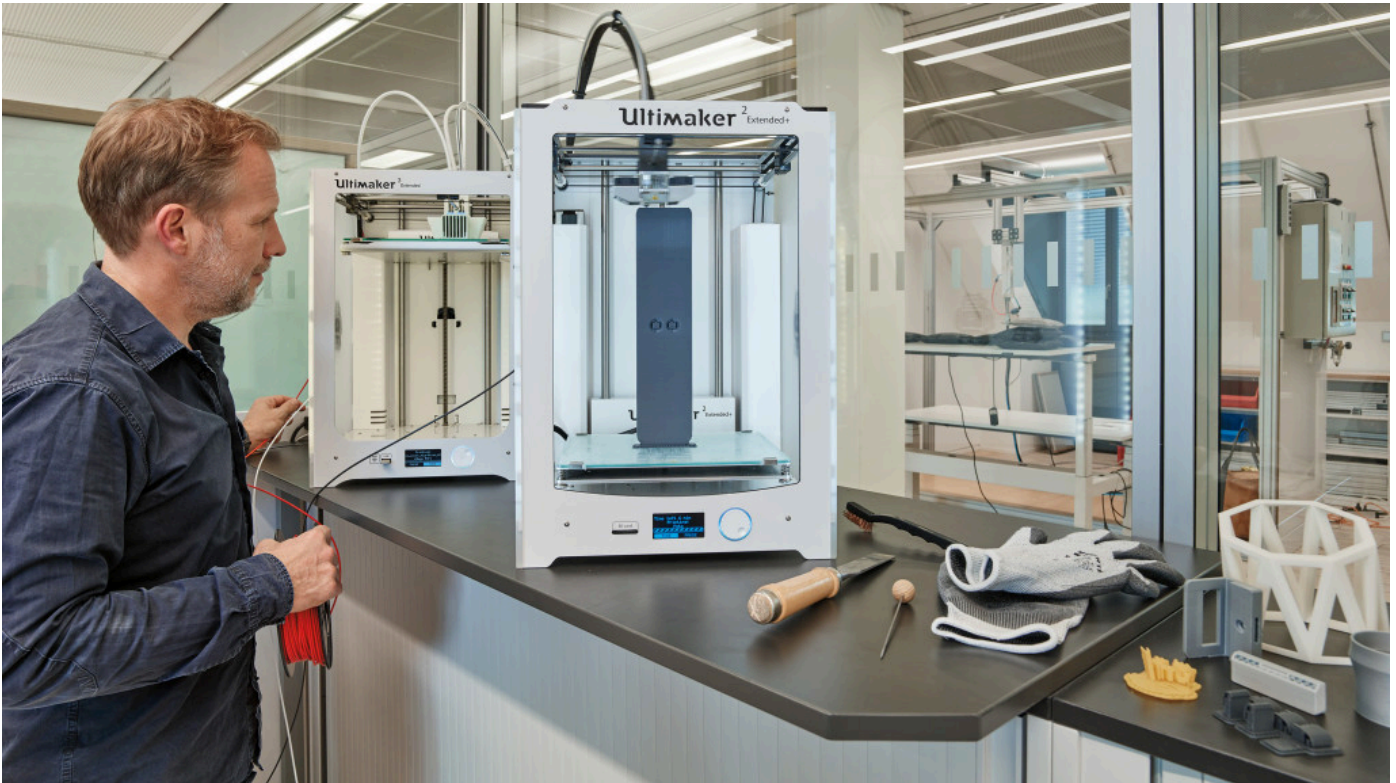
Jim: As you mention, the word “agility” is being used a lot in business these days. I’m not going to talk about it as a software development approach, but in terms of how you operate a company to be agile. From my perspective, an agile company may not always be ahead, but they’re never far behind. They figured out a way to understand how things are changing in the world around them by having really strong sensory systems.

A danger in business is companies can become too inwardly focused, looking within the company for things like politics or changes in organizational structure to direct their activities. As a result, they can get surprised by things that happen outside of their four walls. A truly agile company starts by looking externally, constantly understanding how new trends, weak signals and subtle shifts in user behavior could cause a tectonic shift in their industry that could be a threat or could create a brand new opportunity.

360: What would you say are the characteristics of an agile company?

Jim: The first attribute of an agile company is to have a really good sense of curiosity. Secondly, the company has to let that information flow very easily within its four walls. Once the information makes it into the company, how do you accelerate the rate at which it proliferates from person to person? To achieve that, you have to have a culture of high transparency, and usually that means a pretty high density as well, where you have lots of folks that are connected to lots of other folks, and they’re able to make sure that information transfers at the grassroots level across the entire organization.

Now, the information can make its way across the organization quickly, but will we actually do anything about it? That’s where the culture plays a role. Some companies have a culture of risk aversion. Truly agile companies are able to make decisions more easily by finding ways to start with small bets that respond quickly to new information. They have a culture that enjoys prototyping and testing new ideas and then measuring to see if the idea is responding to new information. It’s really a fundamentally different way of running a company than the old days when information could travel up through the hierarchy to senior leaders who then make a decision. Today, if you wait for that to happen, it’s probably going to be too late.



360: How can you encourage an organization to be agile not just in one part of the company, but throughout the business?

Jim: I think an agile company is always prepared to be able to respond quickly. That comes not just through a culture of trying to move quickly, but also a culture that plans everything for agility and flexibility. That includes thinking about your supply chains and your financial structure. How, in every decision-making process do you try to optimize for flexibility? Making sure that all your systems, processes, rules, organization structures are built first for the ability to react quickly to new information.

We're trying to practice this inside Steelcase. Like anything else, the more you learn about something like agility, the more opportunity you see to be even better. I think we're making good progress, and we have a lot of progress ahead of us. We're seeing our customers asking us, "How do we practice some of these same principles? How do we learn to become more agile? What role might space play in helping us do that?" We're excited about where those questions lead.

360: How can the Munich LINC help advance or improve the agility of the organization?

Jim: In order to be more agile, we have to increase the connections between people, increase the flow of information across the organization and the Munich LINC was designed specifically for that. The space is designed to maximize the number of places people might interact, either formally through scheduled meetings or informally through accidental discussions in hallways or in the WorkCafé. We purposely position leaders not on the top floor, but down toward the WorkCafé to increase the likelihood leaders would interact with people.

The Munich LINC is also designed to put a lot of power in the hands of project teams. The space is designed around project team pods to help the teams stay focused on their project and increase the flow of information within the team. It also positions leaders in such a way that leaders are there to be curators of culture, more than to be decision-makers. Ideally, we're able to continue to push decision-making into the teams themselves and leaders are there to coach, nurture, encourage or help if a critical decision's necessary. I'm hopeful that this new environment will help us be more innovative and more agile, allowing us to react more quickly as things change in the world around us.