



TILMAN & CO.

Agility

**HOW TO NAVIGATE THE UNKNOWN AND SEIZE
OPPORTUNITY IN A WORLD OF DISRUPTION**

General Chuck Jacoby (U.S. Army, Ret.)

Executive Vice Chairman

Enterprise Risk Management Symposium

March 9-10, 2020

Tampa, FL

OPPORTUNITY IN A WORLD OF DISRUPTION

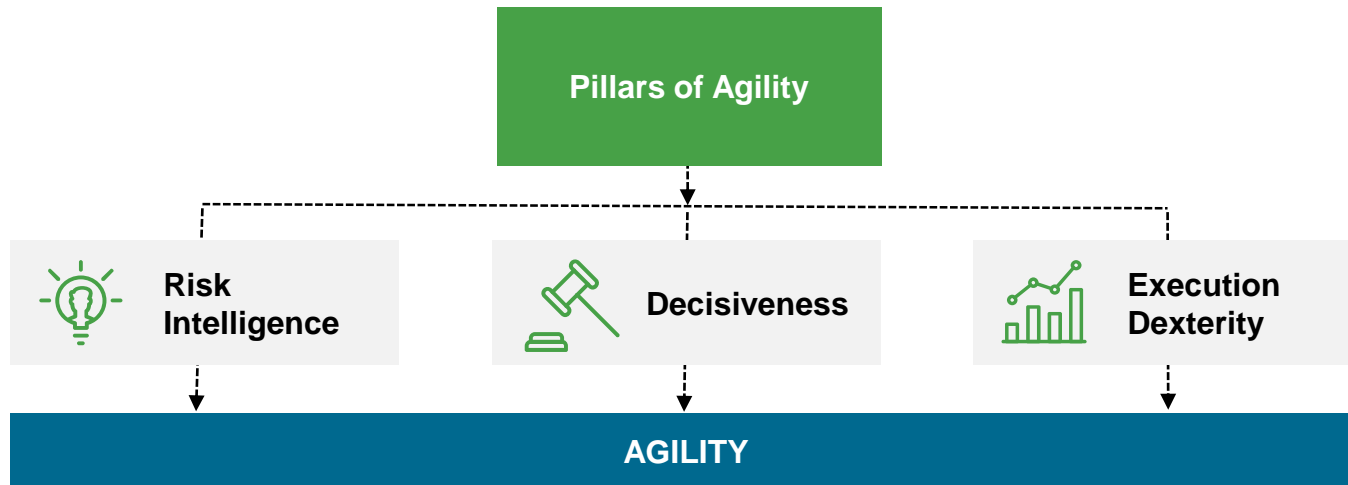


“The first, the supreme, the most far-reaching act of judgment that the statesman and commander have to make is to establish...the kind of war on which they are embarking; neither mistaking it for, nor trying to turn it into, something that is alien to its nature.”

— Carl von Clausewitz, *On War*

DEFINITION

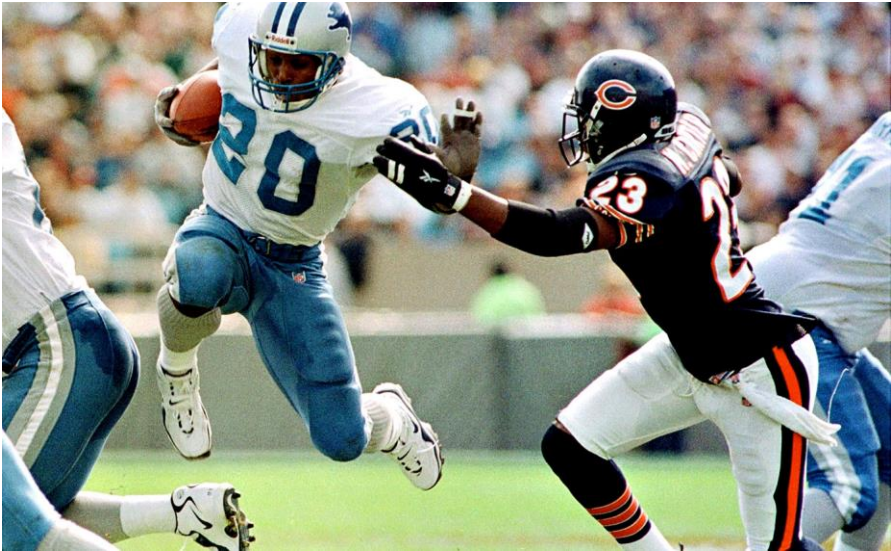
The organizational capacity to effectively detect, assess and respond to environmental changes in ways that are purposeful, decisive and grounded in the will to win.



WHAT AGILITY ISN'T...



WHAT AGILITY IS...





PLANNING, TRAINING, PREPARING FOR AGILITY



GRENADA

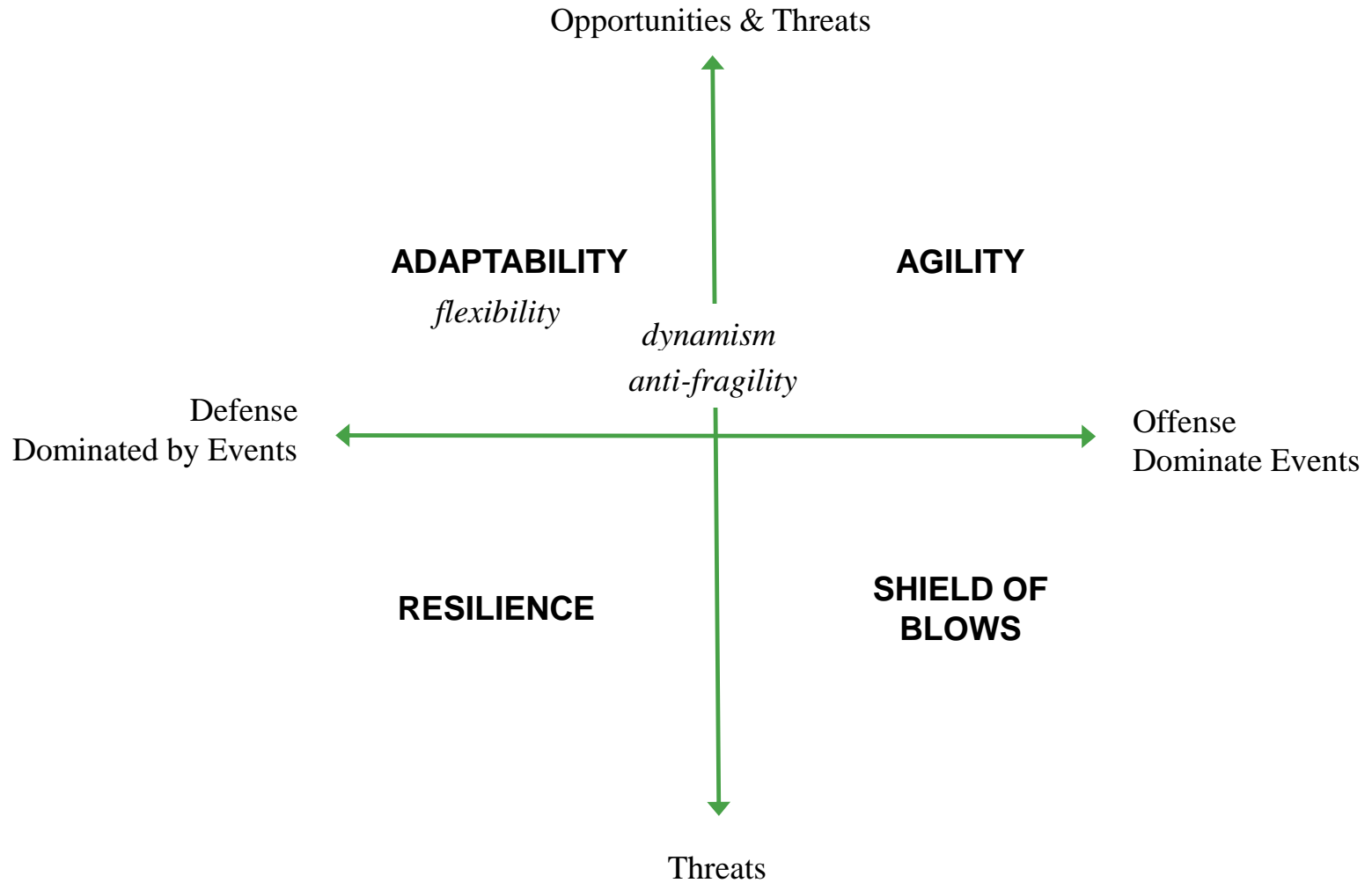


CASE STUDY OF AGILITY



SERVICE AND SACRIFICE...

AGILITY: AN OVERARCHING QUALITY





Risk Equation:

$\text{Risk} = \text{Vulnerability} \times \text{Likelihood} \times \text{Consequences}$

Strategic Calculus:

$\text{Goals} \longleftrightarrow \text{Risk} \times \text{Capacity}$

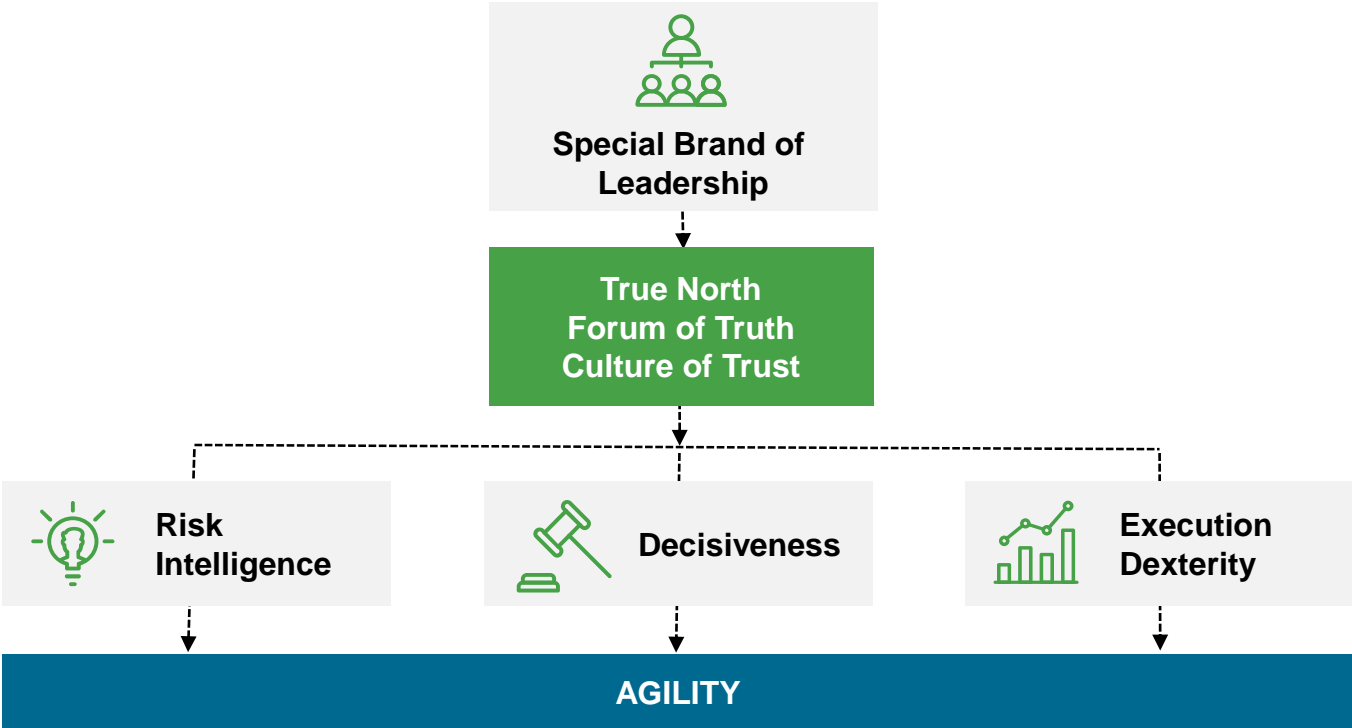
Military Version:

$\text{Strategy} = \text{Ends} \times \text{Ways} \times \text{Means} \times \text{Risk}$

RISK INTELLIGENCE



THE AGILITY SETTING



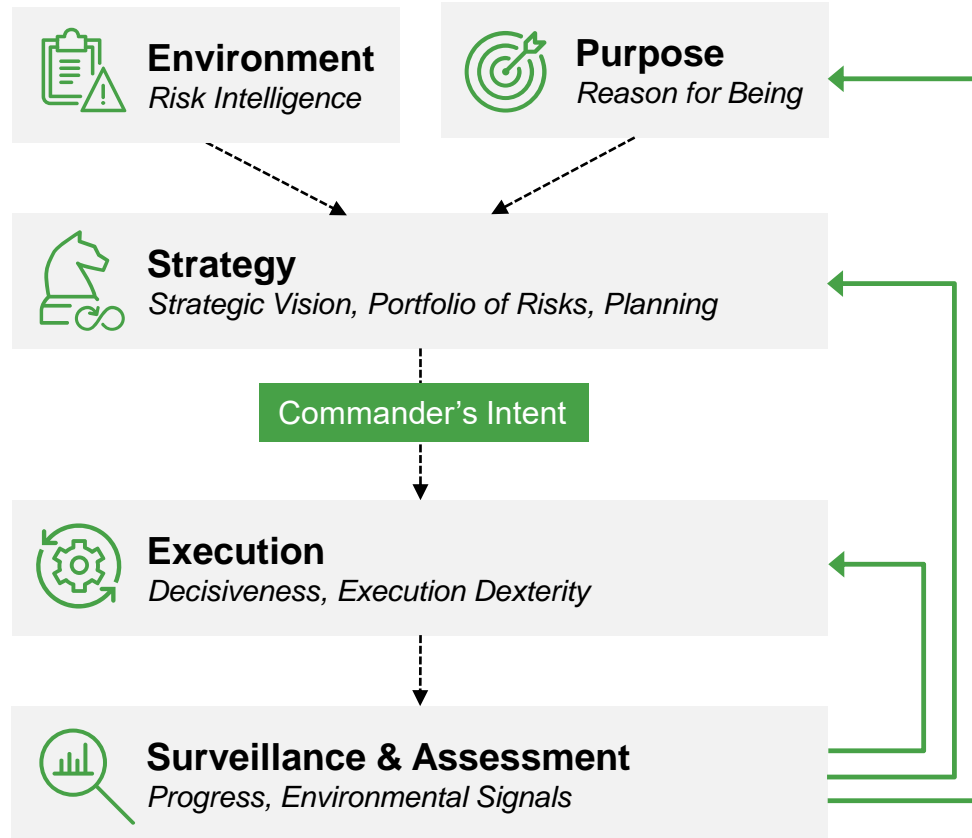
EMPOWERING AT THE EDGES

Ike Empowering At The “Edge” A Special Brand of Leadership



General Eisenhower giving guidance to US paratroopers before Normandy Invasion 5 June, 1944

THE AGILITY PROCESS



The Agility Process



WHAT AGILITY ISN'T...



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THANK YOU

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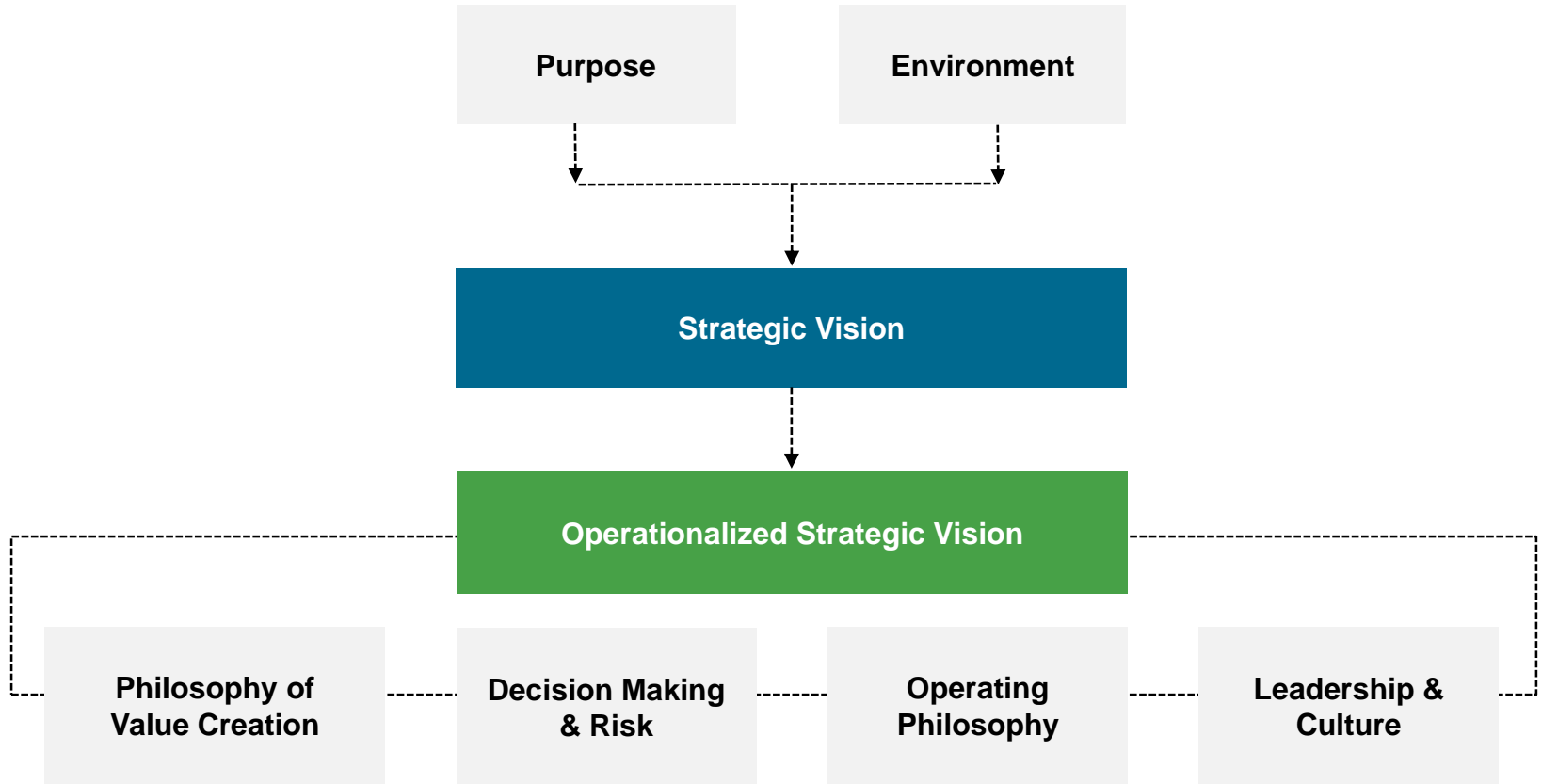
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BACKUP

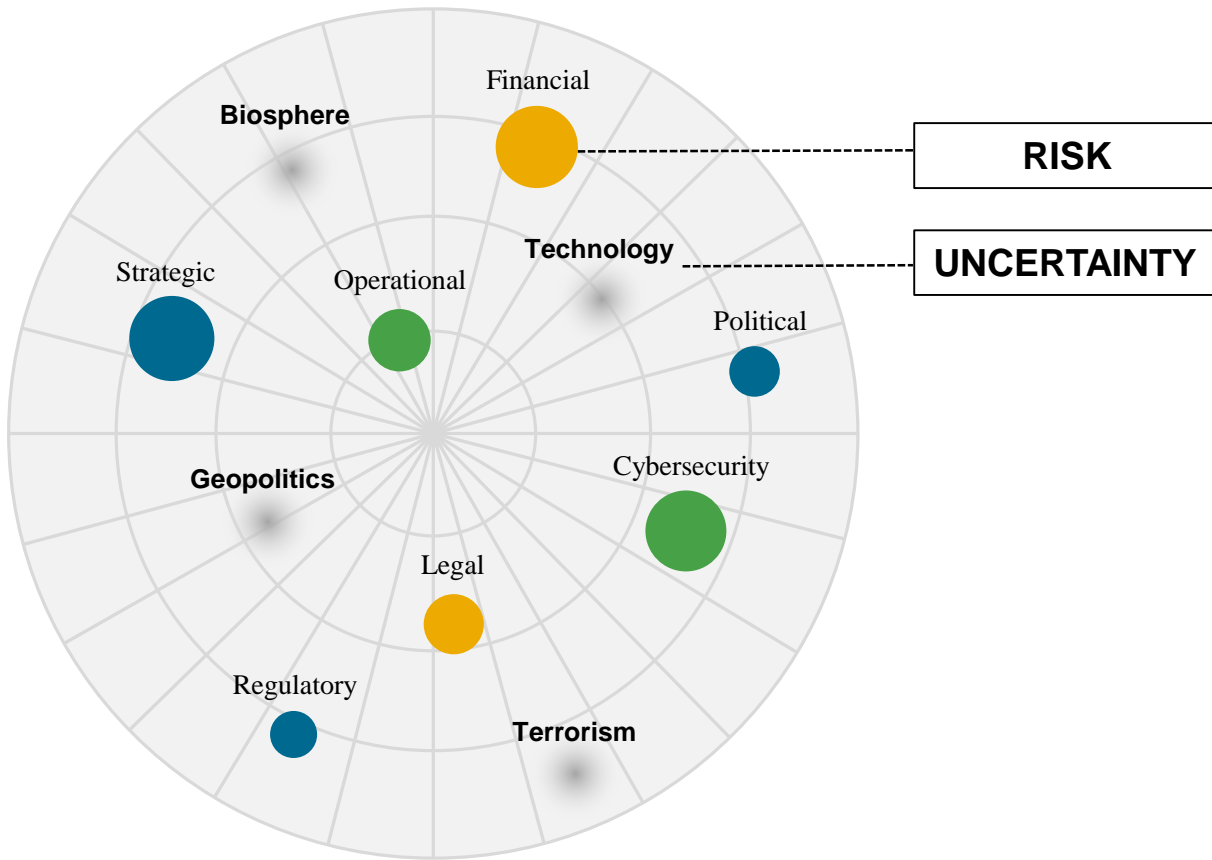
OPERATIONALIZED STRATEGIC VISION

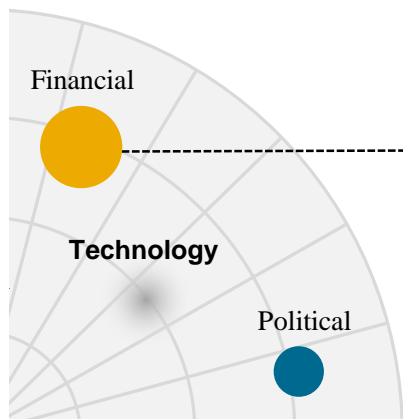


WHAT BUSINESS ARE YOU IN?

Entity	Nature of Business (conventional view)	Nature of Business (portfolio of risks)
Bear Stearns	“Moving business”	“Storage business”
Alphabet	Multinational conglomerate whose businesses include a search engine, software, hardware, self-driving cars, and space exploration	Digital advertising firm with a variety of ancillary businesses
General Motors <i>(pre-bailout)</i>	Car manufacturer	Health insurer and pension benefits provider that makes cars and runs a financial institution
The Iraq War (2003-11)	War of liberation and regime change, followed by brief stability operations and withdrawal	Regime change; followed by sectarian civil war created by a power vacuum; followed by a prolonged counter-insurgency campaign
Wachovia	Retail and commercial bank focused on deposit growth and client service	Mortgage Real Estate Investment Trust funded by short-term liabilities
Freddie Mac <i>(pre-bailout)</i>	Mortgage government-sponsored enterprise that fosters home ownership	Undercapitalized monoline insurance company
MF Global	Brokerage firm	Macro hedge fund
U.S. Government <i>(credit programs)</i>	Public policy that supports vital industries, spurs innovation, and stimulates economic growth	Investment management

RISK RADARS





Quantitative Analysis

- Estimates
- History
- Scenarios
- Horizons

Risk Drivers

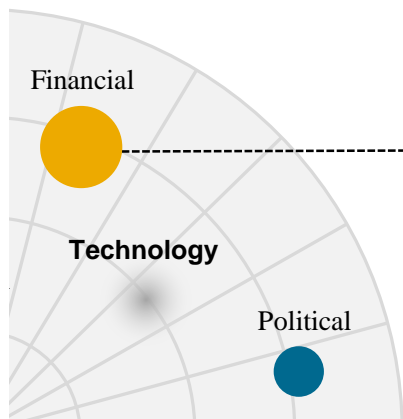
- Vulnerabilities
- Consequences
- Early Warning Indicators
- Quality of Information

Governance & Action

- Risk Limits
- Escalation Protocols
- Risk Owners
- Contingency Plans

Risk Decomposition

- Zoom In

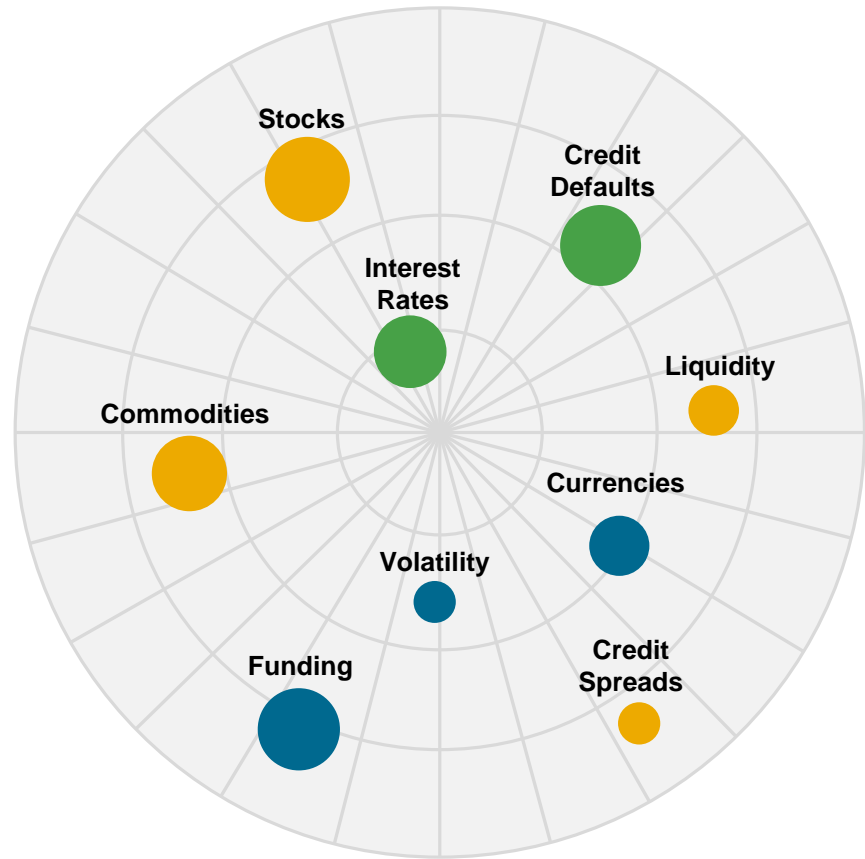


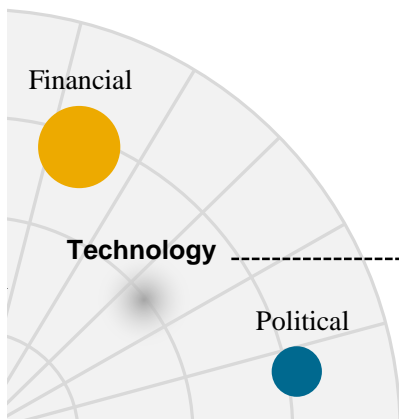
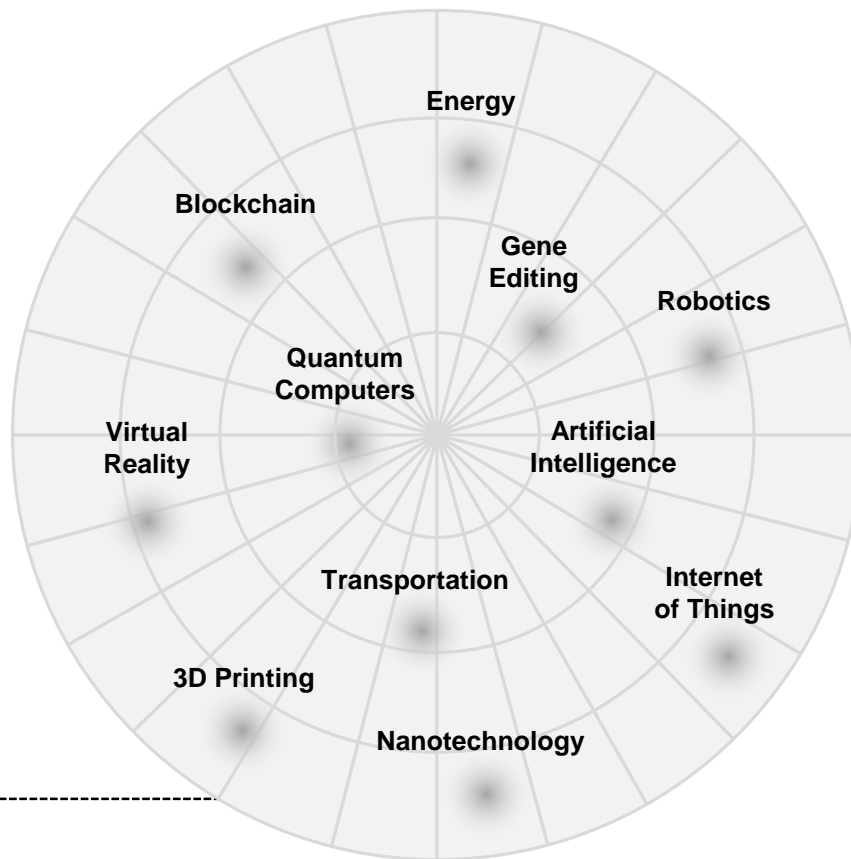
Quantitative Analysis
Estimates
History
Scenarios
Horizons

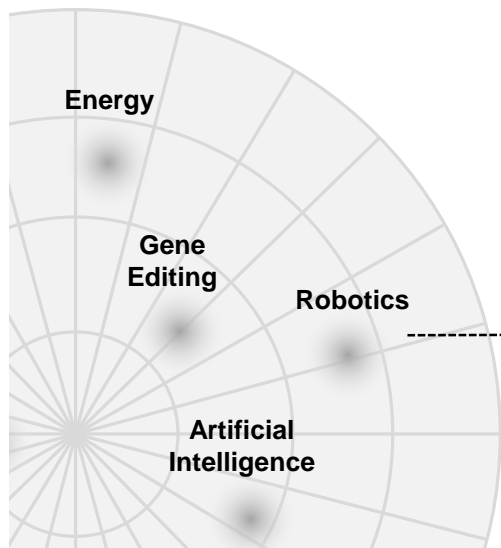
Risk Drivers
Vulnerabilities
Consequences
Early Warning Indicators
Quality of Information

Governance & Action
Risk Limits
Escalation Protocols
Risk Owners
Contingency Plans

Risk Decomposition
Zoom In







Analysis

- Recent Developments
- Scenarios
- Horizons

Risk Drivers

- Vulnerabilities
- Consequences
- Early Warning Indicators
- Quality of Information

Governance & Action

- Key thresholds
- Escalation Protocols
- Owners
- Contingency Plans

EXECUTION DEXTERITY

