

## Transcription - Jim Stevenson Part 1

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Welcome back, I'm Kim Baillie, she's Fulyana Orsborn, and this is Inside Exec. Today, we have a guest joining us from the U.S, Jim Stevenson, although he doesn't sound like a U.S. person - you'll get to hear that very shortly. Let me introduce Jim to you.

Jim Stevenson is the founder and CEO of the Bletchley Group, an international advisory firm specializing in strategic advisory transformation, fundraising and M&A. With over 24 years of experience, Jim has guided organisations of all sizes from series A startups to large corporations through complex challenges, turning obstacles into powerful opportunities for growth. Jim established the Blechley Group inspired by the innovation at Bletchley Park, with a core belief, technology should serve a meaningful purpose. Recognizing the evolving landscape, the firm transitioned into broader strategy and transformation services. Today, Bletchley Group empowers businesses to navigate complexity, drive innovation and achieve sustainable results across many sectors.

Throughout his career, Jim has led high impact initiatives and driven transformative growth, recognizing the critical role of capital in driving transformation at every stage. Jim's journey from technology consulting to a broader growth advisory role gives him a unique ability to see the big picture, identify hidden growth opportunities and offer actionable insights. Jim has great experience and a track record to make him a sought after advisor and speaker for business leaders and investors seeking practical results, proven strategies. Jim, hello.

I need to pay you much, much more to say that. Thank you for that.

We did send Jim some questions, so we'll jump straight into those because I think we're going to have a lot of conversation around them. The first one was about strategic risk management. How does this sit with the abundance of technological advances?

Yeah, I think we can spend the next week talking about this, do you prefer this? Well, I'll try and kind of summarise it for you. I know it's not very American and it's not very kind of modern because we always want to think positively, think of abundance and think of those positives, but I think thinking about risk is a fundamental part of business these days. If you know what's going to kill your business, you know what you need to do to prevent it and then what you can do to be successful. There's a Sherlock Holmes quote which I always get wrong when I, as soon as I say, it goes out my head. If you eliminate everything that is incorrect, that's wrong, whatever you're, whatever remains with must be the truth. Yeah, and I've changed that into business language. If you remove everything that's going to block your success, what remains must be successful. So I like risk.

I think about risk most days because of that. I think if you can remove what's blocking your success by definition, what you end up with is being more successful. So risk management for me is one of those things that I can, have, spent a lot of time thinking about. I think though to answer your question there's three or four things in there. One is, risk always to me in corporate life, seems to be something that you do in a quarterly basis. And you base wherever it is. And I think that's now completely wrong. The world is really, really volatile at the moment.

The American military have something that they call "v.u.c.a." - volatile, uncertain, complex and ambiguous. And that's the world we live in. Whether you're a manufacturer in the outback of Australia, in Montana, in New York, wherever you're based, whether you're supply chain, you're customers, we're all living in a global world and the global world is more complex more volatile more ambiguous than ever before.

So I think we're living in a state whereby risk is an on-going state and you need to manage it as such. It's not something you do. It's just underlying in the core of what you do as a business, how you manage everything that you have to understand that you're in this risk world and you need to be mitigating wherever you can. So on that basis, the thing for me then is it's no longer about risk planning. It's about understanding risk scenarios because I can't plan. And if I do plan, great, fantastic. But it used to be you plan for three years or five years. And everyone would be happy. The finance director would be great. Your investors would love it because they could see what was happening. Now if you plan for six months, it's kind of it's like what happened there. The whole world changed. So for me, it's more about scenario planning. It's about probabilities. If this happens, probably we need to do this. If that happens, we need to probably do this. And it's getting a number of those scenarios. And once you do it more often, it becomes second nature to you that you think through the scenarios. It's almost like playing a game of chess.

Your report, it makes one move and you've kind of figured out the three moves that you need to do to kind of figure out where you're going next. I can only think three moves ahead. Some people are smart. They just do 10 moves ahead. So there's that kind of scenario planning.

There's that underlying thing is also then about in an agile world, using that software technology methodology rather of agility. Applying that approach, your entire business, no longer applies just to technology. It applies to every part of your business. So fail fast. Learn quickly. Move. And once you're confident that you've got the right solution, then implement it and spend the time and effort to do it properly. But test everything. Fail fast. Learn quickly and move forward. And the last thing I would say on this, and I've been talking far too long, is the one beautiful thing about risk is it's a two-sided coin. Risk on one side is an opportunity or another. So when you see something coming up that's risky, don't just think about how they mitigate that risk. Think about where the opportunity lies. Be brave, be bold, be ambitious. If that's a risk to me, it's a risk to my competitors as well. But how do I react is my business. Think about how can I take that risk and convert it into a positive for my customers, for my consumers, whatever it is that my service business, product business, whatever it is, how do I convert that into a positive for them and therefore take that risk and make an opportunity to grow my business further to meet my customers happier, make my customers more loyal, get them to buy more from me, whatever those things are.

What occurs to me while you're talking is that we historically have relied on the SWOT analysis. So if we look at a SWOT analysis, which people are comfortable with in terms of looking at their businesses, if we look at weaknesses and opportunities and threats, are we saying now that the weaknesses and the threats, particularly in the threats, which were always something that you could do nothing about, we now look at the threats and say, what's the risk? If we look at those threats, what is the risk and in the weaknesses, let's just say that they're a risk as well. They're a risk to the business because we're weak in that area. So that side of the column becomes the things that we focus on in terms of opportunity?

I think you're right because with this SWOT analysis half of it is external factors, the other half is internal factors. I think what we're now seeing is the external factors are even more of a risk than they were before because they are more volatile, they change quicker. So you could identify a threat to your business that might be over the next one or two years, this thing could happen. Often you're talking about threats that are three months, six months out, if not even quicker. I would argue at the moment that AI is one of the biggest things happening in the world. And you can see that the rate of change, I think what was it last week or the week before, ChatGPT came in with a new model, the week after Deep Seek came out with a new model. It was like six days, we had new models, each being better than the other. It's just a level of volatility that you just can't predict. So I think that the external factors are becoming much more of an issue that we need to be aware of and understand.

But what it then means is the internal factors we need to be managing in a much more fluid way. Don't plan too much. I believe in leadership by outcomes. So if you're managing, your micromanaging your team by saying I want you to A, B and C, then you cannot move quickly enough. You look at the most high performance teams in the world and they are given the objective that they're trying to achieve.

And then when something goes wrong in the planning stage, they know what the objective is so they know how to accommodate changes to pivot to move left rather than right. So I think that agility within your team, set them up to be successful, give them everything they need to be successful, explain to them and get their buy-in to the objectives that you're going for and then when things change, trust and believe in them that they're going to accommodate those changes as the goal because the changes, that external threat, they're not going to wait. They're only becoming more challenging. So you can't have a three month, 12 month cycle. You've got to allow your team to kind of be much more agile, much quicker at making the changes they need.

Does that then reflect in perhaps we should be saying to people, look as a model team, look at a sporting team, look at day game, game day (see how sporty I am), game day and look at what happens within that game. The ones that go out and just run to the formula don't necessarily win. But the ones that go back and have the halftime chat or have the board where they redo the plays that they're going to do, should we be encouraging work teams to think about their management style as closer to a sporting team on game day?

Yeah, completely. The analogy I normally use is more special forces because they're generally smaller teams and there's generally a very clear objective. I think every sports team has the objective of winning and only half of them do by the nature of the sport. But for me, the special forces teams are much more high performance. They are much more prone to have the volatility that you're now seeing in the business world. They get set the objective, they train for the objective and then they execute knowing something happens. I think it was Mike Tyson said "everyone has a plan until you're punched in the face". So when you get punched in the face, make sure that you're aware of that next time, you've got to duck quicker. So I think it's that flexibility and having the trust in your team to move forward when they get punched in the face. You know that they're there, that they've got your back. They're going to know what the company's mission and vision is so they can move forward.

We're going to have a break in our discussion with Jim Stevenson there. It is very fascinating and I think that we're going to learn a whole lot more in the next three parts of this discussion.

For now, I'm Kim Baillie, she's Fulyana Orsborn and this is Inside Exec.