

From Transformation to Adaptation

Executing strategy when disruption is the norm — a guide for UK manufacturers

The follow-on to Steps to Digital Transformation. Once the foundations are in place, the harder question becomes how to keep adjusting your strategy at the pace the world is now moving. This paper offers a practical framework for doing exactly that, drawn from the realities of UK manufacturing.

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Foreword

This paper picks up where the last one finished.

In Steps to Digital Transformation, we walked through the ten-step sequence we use to help UK manufacturers get the foundations right: assessing the environment they have, defining a clear vision, identifying the gaps, securing leadership commitment, choosing the right technology, building the culture that can absorb the change, and the rest. If you have not read that paper, this one will still make sense, but the two are designed to be read together.

The reason for a second paper is straightforward. The conversations we have been having with managing directors and operations leaders across the sector have shifted. Six months ago, the question was largely *where do we start?* Today, increasingly, the question is *we have started, the systems are working, the data is flowing — so why do we still feel like we are so far behind?*

That is a different problem, and it needs a different framework. It is not about transformation in the original sense. It is about adaptation: building an organisation that can adjust its strategy, its resources and its priorities continuously, without the team feeling like they are being thrown around by every new development.

The good news is that the manufacturers getting this right are pulling further ahead of those who are not. The less good news is that the gap is widening faster than most people realise. This paper is about how to be on the right side of it.

The first paper was about getting the engine built. This one is about learning to drive it on roads that keep changing under the wheels.

— Dr Peter Appleby

The new reality: disruption is no longer an event

Four or five years ago, when manufacturers spoke about disruption, they typically meant a discrete event: a pandemic; a supply chain shock; a spike in energy prices. The implicit assumption was that the disruption would pass, things would settle, and the planning cycle would resume more or less as before.

That assumption no longer holds, and the data backs this up clearly. Numerous recent benchmark studies indicate that organisations now treat disruption not as something to weather but as the permanent operating environment. Current research suggests that the highest-performing companies are nearly ten times more likely than their slower peers to say they can adapt quickly to changes in the marketplace. The same studies show that those high performers are pulling away across almost every metric that matters: revenue growth, profitability, innovation, customer retention and employee satisfaction.

For UK manufacturers, this shows up in the texture of daily life. Customer order patterns that used to be predictable are now lumpy. Lead times from key suppliers move week by week. Energy contracts that once locked in two years of stability now feel short. The regulatory environment, post-Brexit and now with sustainability reporting tightening, asks more of you every quarter. None of these are individually catastrophic. Together, they amount to an environment where the annual planning cycle has quietly stopped being fit for purpose.

What this changes about strategy

If disruption is constant, then the model where you set a strategy in October, agree the budget in December, and execute it for the following twelve months simply does not work anymore. Or rather, it still works, but it consistently underperforms the alternative.

The alternative is something the research literature increasingly refers to as systematic adaptability: a built-in capability to adjust strategies, resources and operations in a coordinated, confident way, using established processes rather than reactive crisis management. It is the difference between a business that scrambles every time something changes, and one that has rehearsed the moves so often that adjusting feels routine.

This is not the same as constantly pivoting. Indeed, several large-scale studies have found that the businesses that make changes all the time end up with confused teams and burnt-out leaders. The point is not to change more, the point is to change more skilfully: faster when speed matters, more carefully when it does not, and always with the team aligned to what the change actually means.

The manufacturers I see succeeding today are not the ones with the loudest transformation programmes. They are the ones who have made adjusting feel ordinary, almost dull. That dullness is the achievement.

— Dr Peter Appleby

The three-way balance: speed, adaptability and governance

There is a tension at the heart of executing strategy in a volatile environment, and it is worth calling out explicitly because it explains why so many transformation programmes feel stuck. Every organisation is trying to balance three things at once, and each of them, taken too far, undermines the other two.

Speed, on its own, is not the answer

Speed is what every leadership team says they want, and for good reason. Slow decision-making is the single most persistent complaint in benchmark research across the past four years. Numerous studies indicate that complex approval processes remain the number one barrier to effective strategy execution, and they have not budged.

But speed without restraint becomes its own problem. Teams launch ahead on projects that no longer support the strategy, initiatives proliferate, and resources scatter. The factory floor ends up running three competing improvement programmes, none of which finishes properly. A manufacturer that prizes speed above all else can find itself moving very quickly in directions it did not intend to go.

Adaptability, on its own, exhausts the team

Adaptability is the willingness to change course when the evidence changes. It is essential, and the high-performing manufacturers in current benchmark studies are markedly better at it than their peers. But adaptability taken too far is just inconsistency dressed up. If you change your priorities every fortnight, the team stops believing any priority is real. As a result engagement drops and talented people leave.

The research is clear that the best performers do not adapt more often than everyone else. They adapt more deliberately. They have rhythms, triggers and protocols for when change happens, so the changes feel managed rather than chaotic.

Governance, on its own, slows everything down

Governance is the discipline of oversight: approvals, controls, alignment, audit. It exists for very good reasons, particularly in manufacturing where safety, quality and regulatory compliance are not negotiable. But governance taken too far is the most common reason transformation programmes stall. Layers of approval, steering committees that meet monthly to discuss whether to meet weekly, abdominal reluctance to act without consensus in environments where consensus is no longer available in time.

Interestingly, current research suggests that the best-performing organisations actually have stronger governance than the laggards, not weaker. The difference is that their governance is designed to support speed and adaptability rather than constrain them. Centralised coordination,

clear decision rights, transparent escalation paths. When governance is designed well, it accelerates decisions. When it is designed poorly, it suffocates them.

The balance is the whole game

The single most important thing any senior team can do is name where they sit in this triangle today, and where they need to be. Most UK manufacturers we work with are over-indexed on governance and under-indexed on both speed and adaptability. A smaller but growing number are over-indexed on speed, particularly those that have hired in transformation directors from outside the sector. Almost nobody is over-indexed on adaptability. The point is not to maximise any one of these. The point is to keep the three in proportion as the conditions change.

Ask your leadership team to plot the business on a triangle: speed, adaptability, governance. The disagreement that follows is more valuable than any consultant report. It tells you what the real conversation needs to be about.

— Dr Peter Appleby

Five practices that separate the leaders from the rest

If the first paper described a ten-step framework for getting transformation under way, this paper describes the five practices that distinguish the manufacturers who, once transformed, then keep their lead. They are drawn from a synthesis of recent benchmark research across hundreds of organisations, refined against what we see actually working in UK factories.

Read them in order, but do not feel obliged to implement them in order. Most manufacturers find that one or two of these practices are obviously the weakest in their business, and that is where to start.

Practice 1. Build internal agility before you reach for external insight

Here is a finding from current research that surprises most people when they first see it. The highest-performing organisations report that their top barrier to adaptation is not internal process. It is access to timely market and customer insight. The lower-performing organisations report the opposite: their top barriers are internal, things like slow decision-making and complex approvals.

The interpretation is straightforward. The leaders have already cleaned up their internal machinery. Their decisions can move quickly when they have the information. What is now slowing them down is the quality and timeliness of their view of the outside world. The laggards, by contrast, are not really constrained by external insight. They could not respond fast enough even if a perfect signal arrived, because the internal organisation cannot turn.

This matters enormously for sequencing. There is a temptation, particularly in manufacturers with strong commercial functions, to invest heavily in market intelligence, sales forecasting and competitor analysis before the operational backbone is ready. The result is a business that knows what is happening in the world but cannot act on it in time.

What to do instead

Get the internal machinery right first. That means:

- Mapping which external disruptions matter most for your business, and identifying which teams and resources are needed to respond to each. Energy price shock? Steel volatility? Customer payment term shifts? Tier-one supplier failure? Each of these needs a clear ownership and a rehearsed response.
- Defining decision rights for the scenarios that recur. Who can approve a price adjustment if input costs jump? Who can authorise rerouting production if a supplier slips? When these decisions need committees, the response is too slow.
- Then, and only then, investing seriously in external intelligence. Market data, customer sentiment, competitor moves, regulatory changes. The point of this investment is to feed a machine that is already capable of acting on what it learns.

One practical test: how long, on average, does it take your business to translate a recognised market signal into a concrete operational change? If the honest answer is more than four weeks, the bottleneck is almost certainly internal, and that is where to focus.

Practice 2. Replace the annual plan with continuous review cycles

This is the practice that, in our experience, produces the largest single uplift in any manufacturer's ability to adapt. And it is also the one that produces the most resistance, because the annual planning cycle is so deeply embedded in the rhythm of the business.

Current benchmark research suggests that nearly half of the highest-performing organisations now revise their strategies, funding and operating plans either continuously or monthly. The lowest-performing organisations are still on annual cycles, or, more accurately, they have an annual cycle that they review when something forces them to.

To be clear, monthly review does not mean monthly strategic overhaul. Studies are emphatic on this point: the businesses that change their entire strategy every month exhaust their teams and lose credibility quickly. What monthly review means is a regular cadence at which a small group looks at the current plan, compares it to current reality, and makes targeted adjustments. Most months, almost nothing changes. Some months, one initiative is paused, another accelerated, a budget is moved. Occasionally, something larger shifts.

Building the cadence

For a mid-sized UK manufacturer, a working pattern that we see succeeding looks something like this:

- A monthly strategic review of around ninety minutes, attended by a small standing group: managing director, operations director, finance director, commercial director, and whoever owns the data and analytics function. No more people than this. Larger groups slow it down.
- A standardised pack that the same data source produces each month, automatically. Margin position, order book trajectory, supplier risk, production performance against plan, key initiative progress. The pack should take minutes to read, not days to compile. If finance is spending three days a month building it, the underlying data infrastructure needs more work.
- A quarterly deeper review where the standing group is joined by other senior leaders to look at the broader strategy. This is where larger shifts are debated.
- An annual cycle that is preserved, but reframed. Not as the moment when the strategy is set in stone, but as the moment when the longer-term direction is reaffirmed or challenged. The detail then continues to evolve monthly through the year.

Three things matter most for making this work. First, the cadence must be predictable; if the meetings keep being cancelled, the discipline collapses. Second, the inputs must be reliable; nothing

kills these reviews faster than the team spending the first half debating whose number is right. Third, the leadership must be willing to make actual decisions in the room; reviews that produce only further questions are demoralising.

When the monthly review starts feeling slightly boring, you have arrived. Boring means the data is trusted, the conversation is calm, and adjusting course is just what you do.

— Dr Peter Appleby

Practice 3. Broaden what you measure beyond operational efficiency

Manufacturers measure operational and financial performance forensically. OEE, scrap rate, OTIF, gross margin, working capital, days sales outstanding. The list is long and the discipline is real. But current research is consistent on a point that does not get enough attention: the manufacturers pulling ahead are the ones who are measuring more than operations and finance.

Specifically, leading organisations are giving meaningful weight to customer and employee outcomes. Not as soft side-metrics, but as primary indicators of strategic health. Benchmark data suggests these organisations are up to twice as likely to report improvements in customer retention and employee satisfaction, and they are noticeably less likely to lose key people during periods of change.

The reason is not mysterious. Operational metrics tell you what happened. They are by their nature historical. Customer satisfaction and employee engagement, by contrast, are leading indicators. They tell you, often months in advance, where the operational and financial numbers are heading.

What this looks like in practice

For a manufacturer, the additional measures worth taking seriously are typically:

- Customer satisfaction with quality, delivery and responsiveness, tracked consistently rather than only when something goes wrong. A single quarterly survey of key accounts, with the same questions every quarter, is more useful than a sophisticated voice-of-the-customer programme that produces a glossy report once a year.
- Employee engagement, particularly within skilled functions where attrition is most painful. This does not require an expensive engagement platform. A simple, repeatable check-in with shift leaders and senior technicians, on the same questions each quarter, is enough to spot trends early.
- Internal trust in the data. Do people across the business believe the numbers they are seeing in the monthly reviews? If half the leadership team is quietly running their own spreadsheets to check the official figures, that is a metric in itself, and an important one.

A useful discipline is to pick two or three measures of each type — operational, financial, customer, employee — and make sure all of them appear in the monthly strategic review, with equal weight. Over time, the connections between them become visible, and the leadership team starts to see the business as a whole system rather than as a collection of departmental scorecards.

Practice 4. Standardise how you set and track goals

This practice is, on the surface, the least exciting of the five, and on closer inspection, possibly the most important. Numerous recent studies indicate that the highest-performing organisations rank standardised goal frameworks as a top-three priority for improving strategy execution. The lowest-performing organisations do not have it in their top five.

The reason is alignment. When every function in the business defines goals in a different way, with different time horizons, different metrics, and different review cycles, the executive team ends up trying to compare apples with submarines. Cross-functional initiatives stall because nobody is sure whose goal they support. The Monday morning meeting becomes an exercise in translation.

A standardised framework — OKRs, balanced scorecards, hoshin kanri, the specific choice matters less than the consistency — fixes this. It does not constrain the content of the goals; engineering can still pursue engineering things and commercial can still pursue commercial things. What it standardises is the shape of the goals: how they are written, how they cascade, how they are reviewed, how progress is reported.

Practical advice for adopting a framework

- Pick one and stick with it for at least eighteen months. Switching frameworks every year is worse than choosing the wrong framework, because each switch resets the institutional learning.
- Start with a pilot in one function or one site. Get it working there, refine it, learn the local lessons, and only then roll it out. A framework that lands well in one place will spread on its own merit. A framework that is mandated from day one across the whole organisation will be resented before it has a chance to prove itself.
- Keep the framework simple. The most common reason these initiatives fail is not the framework itself but the bureaucracy that grows up around it. Templates that are too long. Quarterly reviews that take a full day. Software that requires training to use. If goal-setting feels like a heavy process, people will work around it rather than with it.
- Connect the framework explicitly to the monthly strategic review described in Practice 2. The two should reinforce each other. If they sit in different worlds, neither will land properly.

Done well, a standardised framework changes the texture of conversation across the business. The same words mean the same things. Progress is reported in the same way at the shop-floor huddle and at the board meeting. Misalignment becomes visible early, while it is still cheap to fix.

Practice 5. Centralise coordination, integrate the technology, use AI properly

This is the practice with the largest performance gap between leaders and laggards, and it is the one we get asked about most often. Current benchmark research is striking on the scale of the difference. The highest-performing organisations are reported to be roughly eight times more likely than the lowest-performing ones to use AI across multiple use cases related to strategy execution. They are around two-thirds more likely to have access to timely, accurate data for decision-making. They are far more likely to centralise the coordination of their strategic initiatives, rather than letting each function run its own.

Three things matter here, and they are tightly interlinked.

Integrate the technology

The temptation, in any business that has been buying systems for a decade, is to keep adding tools. A new analytics dashboard. A new production planning module. A new reporting layer on top of the ERP. Current research is unambiguous that this approach has hit its limit. The manufacturers pulling ahead are consolidating rather than adding. They are choosing fewer, better-integrated platforms, and they are prepared to retire long-serving tools that no longer fit.

The test is simple. Can your senior team see, from a single screen, where the business stands on margin, order book, production performance, supplier risk, and major initiative progress? If the honest answer requires opening four systems and a spreadsheet, the integration work is not done.

Centralise coordination

Numerous recent studies indicate that the highest performers are noticeably more likely to centralise coordination of strategic execution, while still allowing functions to retain operational ownership. The distinction matters. Centralisation does not mean a head office that controls everything. It means a single team, or single function, that has visibility across all the major initiatives, can spot conflicts and dependencies, and can convene the right people to resolve them quickly.

For a mid-sized manufacturer, this often takes the form of a small transformation office, or an empowered chief of staff function, attached to the managing director. The team does not deliver the initiatives. It coordinates them. Where there is no such function, leaders typically find themselves doing this coordination personally, which is both inefficient and dependent on a single point of failure.

Use AI where it earns its keep

AI is the part of this practice that attracts the most attention and the most confusion. Current research suggests that the leading organisations are using AI for a range of practical purposes —

automating workflows, generating status reports, analysing data patterns, identifying risks, modelling scenarios — rather than as a single dramatic capability.

For UK manufacturers, the places where AI is genuinely earning its keep today are, in our experience, fairly consistent:

- Anomaly detection in production data: surfacing patterns that humans would not spot in time, particularly across multiple data sources.
- Forecasting and scenario modelling: running quick what-if analyses on the impact of input price changes, demand shifts or supplier disruption.
- Automated reporting: producing the monthly strategic review pack referenced in Practice 2, freeing finance and operations teams to interpret rather than compile.
- Risk identification: flagging signals across procurement, quality and customer data that warrant human attention.

Note what is not on this list: generic chatbots, generative AI for writing marketing copy, and whatever else the technology press is most excited about this quarter. These have their uses but they are not, generally, where systematic adaptability is won or lost for a manufacturer.

The right AI question is not 'how do we use AI?' It is 'where in our business are people doing work that AI could do, so that the people can do the work only they can do?' That question always has a useful answer.

— Dr Peter Appleby

A closing note

The pattern that emerges from the research, and from our own work with UK manufacturers, is encouragingly simple. The businesses pulling ahead are not the ones with the largest budgets or the most sophisticated technology. They are the ones who have made adapting feel ordinary.

They have built internal machinery that can act on a signal quickly. They review their plans monthly rather than annually. They measure people-outcomes alongside operational ones. They use a single goal framework consistently. They have consolidated their technology, centralised their coordination, and applied AI to specific, useful problems.

None of these practices is exotic. Each of them is achievable by any well-run mid-sized UK manufacturer within twelve to eighteen months. What is harder is committing to all five together, because each one reinforces the others, and a business that adopts only one or two finds the benefit muted.

If the first paper made the case for getting started, this paper makes the case for not stopping. The manufacturers we admire most are the ones who, having transformed once, treat continuous adaptation as simply how they now operate. They are not anxious about disruption. They are calmly engaged with it. That is the destination worth aiming for, and the practices above are the most reliable route we know.

As always, if any of this has resonated, or if you disagree with parts of it, we would genuinely like to hear from you. No sales pitch. Just a conversation about where your business sits and what a sensible next step might look like.

About the author

Dr Peter Appleby is Co-Founder and Chief Data Scientist of Trimontium ai. He was named in the **DatalQ 100** list of the most influential people in data and AI in Europe in 2026. Peter brings 23 years of combined research and commercial experience, moving from Research Fellow to Data Scientist to senior Machine Learning and AI leadership roles. He is a recognised AI expert with an extensive body of published scientific work, a frequent conference speaker, and a member of the Manchester Metropolitan University industrial advisory board, where he supervises MSc, PhD and Postdoctoral research in machine learning and AI. He is currently Head of Data Science & Analytics at Autotrader.

About Trimontium ai

Trimontium ai is a people-first, AI and data-enabled growth consultancy based in Wilmslow, Cheshire. We help mid-sized UK businesses, with particular depth in manufacturing, professional services and e-commerce, turn fragmented data into clear, actionable insight. Our services span Discovery Audits, AI strategy, bespoke AI development, change management and training. We are provider-agnostic, outcome-focused, and grounded in real-world delivery experience.

Related reading

Steps to Digital Transformation — A practical guide for UK manufacturers. Part one of this series. The ten-step framework Trimontium ai uses to help UK manufacturers establish the foundations on which the practices in this paper depend.

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