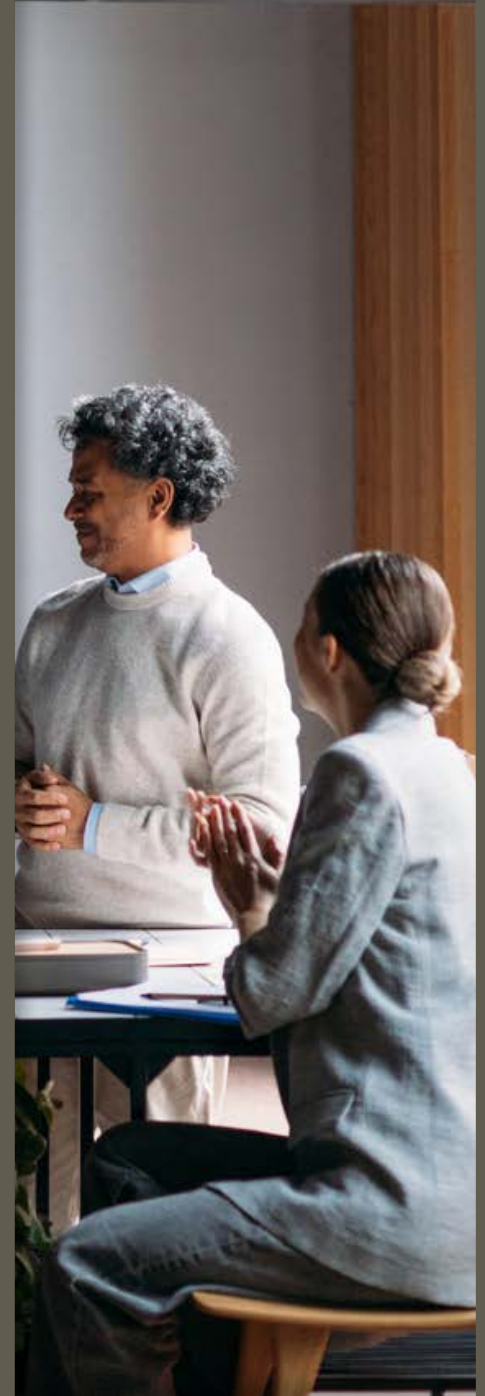


THE AGILE ADVANTAGE



LEADING
THROUGH AGILITY



MENZIES
BRIGHTER THINKING

Menzies is a proudly independent UK business advisory and accountancy practice with national coverage and international connections. As a full-service firm with strong sector specialisms, we have a proven track record supporting businesses, not-for-profit and individuals to successfully reach their financial goals.



LEADING THROUGH AGILITY

Whether it's the economy, technology, regulation or customer expectations, the pace and complexity of change today is relentless. It's no longer something we can plan for in neat 5-year cycles. It's constant.

That's why business agility has become such a crucial capability. Not just as a buzzword, but as a real-world leadership challenge. The businesses adapting best aren't always the biggest. In fact, our research shows that increasing scale can often start to hinder what was once a decisive startup culture.

At Menzies, we're in a fortunate position. We work closely with business owners and leaders facing these pressures in real time. We know how demanding it can be. That's why we don't start with systems or strategies. We start with you. Where do you want to get to, for the business and for yourself? And how can we help build the path to get there?

Because agility isn't just about reacting to change. It's also about moving forward with purpose. Once the destination is clear, the challenge becomes making the right calls big and small, for the short-term and the long-term in a timely way to stay on course. If real agility is the goal, those myriad daily decisions cannot rest on just one set of shoulders. We help it thrive through leadership teams that are firstly empowered and then supported with data, insights and expertise to make the right moves quickly and confidently.

This report, *The Agile Advantage*, builds on [The Greatest Leap](#), our platform designed to help businesses make that transition from mid-sized business to something larger. We called it a leap for a reason. It's rarely easy. And from what we've seen, agility often makes the difference between a business that stalls and one that accelerates to the next level.

The good news? Agility can be built and accelerated. With clearer decision-making, sharper insight and the right kind of support, businesses can become more resilient and responsive, and better able to seize opportunities to de-risk and grow.

I hope you find this report both practical and inspiring. And more than that, I hope it helps you take the next step forward with conviction, clarity and pace.



Simon Massey
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INTRODUCTION: THE AGILE ADVANTAGE FRAMEWORK

Menzies' latest research reveals the growing scale of the agility challenge facing mid-sized UK businesses. Almost 1 in 5 (**18%**) leaders say their organisation has missed a major opportunity in the past year due to slow decision-making. Over a quarter (**28%**) cite issues such as short-termism, leadership misalignment or poor collaboration as barriers to agility. And more than a third (**36%**) highlight weak financial budgeting and cash flow difficulties as critical obstacles.

We see agility as one of the most powerful enablers of business growth. The ability to adapt quickly, seize opportunities and course-correct are critical to maintaining business momentum. But paradoxically, growth itself can begin to slow agility down as a firm matures. As teams expand, hierarchies solidify and day-to-day responsibilities increase, strategic decision-making often becomes slower and less aligned. That 'startup fire' in the belly that fuelled early success can start to dwindle just when it's needed most.

Alongside falling growth rates and declining margins, other warning signs that agility is starting to slip can be more subtle, but significant. A lack of fresh ideas or challenges to the status quo, less awareness of shifting customer needs or competitor moves, and a culture where new thinking is expected to come only from the top, are all common symptoms.

Can that fire be stoked again? Yes, but as businesses grow, reigniting agility requires more than just holding onto what once worked. Bigger businesses demand a broader agility toolkit. Understandably, particularly for first-time entrepreneurs, it can be difficult to know what pieces are missing and where they need to be placed.

That's why Menzies has developed the Agile Advantage Framework, a four-part model to help ambitious businesses to create the conditions for greater responsiveness and sustained long-term growth.



THE AGILE ADVANTAGE FRAMEWORK



01

ASSESS

Identify the current barriers to agility by taking a fresh look at leadership, systems, decision-making, financial visibility and operational structures

02

ALIGN

Clarify the business mission and plan, and then optimise the capabilities of the leadership team and wider organisation to deliver it

03

ACTIVATE

Develop and implement new systems, technology and forecasting abilities to support faster and more confident decision-making processes

04

ACCELERATE

Create a deep culture of expanding agility, where everyone is empowered to respond effectively to emerging risks and opportunities

This report explores each of these stages in more detail, alongside the common challenges we often see and the practical strategies we have found that can make the biggest difference.

01 ASSESS

CHAPTER ONE: DIAGNOSING THE AGILITY GAP

There's sadly no quick fix for business agility. Technology alone won't close the gap. New tools, financial models or AI integrations can all play a potentially transformative role in improving responsiveness, but they need to be built on a deeper, more forensic examination of how a business works and adapts to change. The truth is that agility needs to be engineered intentionally, systematically and culturally. And that process starts with the first step in our framework - Assess.

WHERE DO YOU WANT TO GET TO?

In our experience agility isn't just an operational challenge; it's primarily a leadership one. That's why, alongside taking an organisational deep-dive, we begin by understanding the goals of the owner, founder or CEO, both professionally and personally. These may have been crystal clear when the business began, but over time, markets and personal priorities change and may no longer fit today's reality. A loss of strategic focus is a common problem. Firms hit early success and business leaders get pulled towards the urgent demands of daily operations and can start to lose sight of the intended destination and the smartest route to get there.

This is where Menzies' Lifestyle Planning Sessions can prove so worthwhile. These structured conversations bring clarity to long-term aims and personal ambitions, creating a better alignment between what the leader wants, and crucially, by when. Once we have clearer aims and timescales, we can work backwards and help leadership define the scale and timing of key performance milestones to maximise the probability of success. More broadly, being able to define and articulate a clear vision and sense of mission from the outset makes hard-wiring agility across a business possible.

LOOKING UNDER THE HOOD

With goals set, it becomes that much easier to examine how the rest of the business is functioning in support of those aims. As Mark Perrin, Partner in Strategic Business Advisory at Menzies, explains: "Sometimes it's not obvious what's slowing a business down until you step back and look at how everything connects; strategy, systems, leadership and day-to-day decisions. That's where the real insight often lies."

That means taking a good look under the bonnet and assessing organisational and departmental goals, internal processes, management data, and leadership behaviours to pinpoint the barriers and bottlenecks that may be slowing decision-making or stalling momentum. Perrin adds: "There are certain themes and issues that crop up again and again. They're not always obvious when you're inside the business, especially when you're under pressure. That's where we can often help, just by being that external sounding board and asking the questions that don't get asked internally or assisting in developing existing ideas and adding confidence, insight, to help become the catalyst for change."

DIAGNOSING THE GAPS

Menzies has developed a flexible diagnostic approach that looks across 12 critical areas of how a business is run to help improve performance, which is adapted to suit the client's style and circumstances. When it comes to improving agility specifically, there are a sub-set of areas that we use as a barometer to assess if a business is setup to be agile. These include how a business uses its time, data and leadership capacity.

"One of the simplest but most revealing things we consider is how much time a business is spending in the past, the present and the future" explains Perrin. "Agile businesses tend to be those which are more forward thinking. Businesses that are stuck are often spending too much time looking backwards as they are relying on financial and operational data that's woefully old. That makes it that much harder to get a grip on what's happening now, let alone plan confidently for what's coming next."

So, the quality of business data and insights matters. As we discuss later, real-time insights and better forecasting tools are essential to building a forward-looking, responsive business. But alongside access to the best information, leaders also need to have the headspace to spend more time in their firm's future.



FINDING THE SPACE TO BE AGILE

That's why our business consultants also carefully assess where leaders and their senior teams are focusing their time and energy. Is too much time being spent plugging gaps in operational capacity? Are senior people bogged down in day-to-day firefighting, instead of thinking about growth and innovation?

Founders and CEOs inevitably must switch between wearing different hats. But it can be particularly revealing to step back and ask: when it comes to my time, and that of my senior team, what's the current split between being an entrepreneur, a leader and a manager? Is the team equipped and structured in a way that allows everyone, including me, to fulfil the roles the business really needs, such as identifying emerging opportunities?

External advice can help leadership teams to explore how time can be freed up to focus on the future. That might involve streamlining responsibilities, investing in automation, outsourcing non-core activity or, as we explore further below, making strategic external hires to fill capacity and capability gaps.

But as Perrin concludes:

“Diagnosis is just the beginning. When approached with openness and honesty, it can reveal the clearest paths to unlocking agility, but that’s when the real work starts. The most rewarding part for me is being part of that journey with our clients, helping them make those solutions stick and seeing that spark return, both in the business and in themselves.”

MARK PERRIN
Partner, Strategic Business Advisory



02 ALIGN

CHAPTER 2: PULLING IN THE SAME DIRECTION

It's one of the first things an entrepreneur is usually told to do - write a business plan! And for those who have studied business formally, strategy frameworks and planning processes are core to the curriculum. But ironically, not having a relevant, up-to-date plan is one of the most common symptoms we encounter in clients struggling with agility.

Menzies' research reveals the scale of the issue: only 45% of mid-sized firms claim they maintain a long-term strategy that is reviewed regularly, while 15% admit they operate entirely reactively, with no formal planning process in place. Even when a plan exists, more than a quarter (27%) cite misaligned leadership priorities or poor collaboration as major barriers to turning strategy into action.

Having refreshed and re-defined the mission, the next step is building a strategy the whole team can get behind. A business can't align itself to deliver on its goals without a plan, and even the best plan will fall short if the wider team isn't itself aligned and equipped to execute it.

As Ed Hussey, Director of HR Services at Menzies, puts it: "Business leaders and their teams need that clarity around objectives and company values. Without that, people can freeze and avoid making decisions, or they charge ahead in the wrong direction. Agility doesn't come from acting on impulse. It's the product of having laid the groundwork, having a clear plan, and making sure everyone's equipped to make the right calls, quickly and consistently."

THE OUTSIDE PERSPECTIVE

A solid business plan has always been less about having a detailed PowerPoint and more about having detailed process for running your business. In today's business environment that's even truer - it's not enough to write a five-year plan that gets dusted off and reviewed every 12-months.

Developing an effective agile business strategy requires looking both externally and internally and this is where an outside viewpoint and pool of expertise can prove invaluable. With 11 specialist sector teams, our consultants can work with clients to move past a generic planning approach to one that draws on real-world data and depth of industry experience. Our insights help to set targets and timeframes that are both ambitious and achievable and benchmarked against wider sector standards. It also enables us to more easily identify, and help mitigate, business risks specific to your sector.

Businesses also need to look internally throughout this phase. Have you created a business strategy that you can actually execute?

Oliver Finch, Partner in Menzies Outsourcing, warns: "Too often, companies try to deliver new ambitions with old structures, relying on the same people, management hierarchies and legacy practices, that were already under strain. That's when progress can fail to materialise, frustration can set in, and that new-found energy and optimism starts to dissipate."

Finch continues, "That's why assessing team fit isn't something to leave until after the strategy is agreed and rolled out with fanfare. It needs to happen much earlier. A realistic, executable strategy depends on having the right people, skills and capacity in place, or a clear plan to fill the gaps. Otherwise, even the most well-designed plans risk stalling at the first hurdle."



To align business strategies to a business's talent, Menzies works with leadership teams across three key areas - assessing team capabilities, capacity and empowerment. It's common as businesses expand for them to outgrow the original roles, responsibilities and reporting lines. An effective business strategy rests on redefining leadership roles, empowering decision-making beyond the founder or MD, and clarifying how each member of the senior management team is expected to deliver against the strategy.

CLOSING CAPABILITY GAPS

To foster a more open and honest process, Menzies is often brought in to facilitate this assessment through structured one-to-one sessions, helping individuals and teams identify their current priorities, strengths and areas for development. Personality profiling and team diagnostics are also used to uncover gaps in skills or capacity. This includes looking closely at how management time is currently spent and where it could be reallocated to better help deliver against the new strategic plan.

Once firms have run this assessment with Menzies, they can identify where additional hires may be required, and at what stage. Mark Perrin adds: "Every business is different, but we often find that firms are under-resourced lower down the hierarchy, or they lack critical skills at a senior management level - in many cases, it's a combination of both. Recently, we've helped clients strengthen teams by recruiting into finance, IT, operations and sales roles. These hires didn't just plug gaps; they released senior leaders to concentrate driving their businesses forward."

Getting that day-one alignment is critical, but a key part of a successful plan will also be to help leadership teams model the likely path of growth, calculate the resources and skills required, and create a realistic recruitment roadmap, with the right team in the right places.

We also work with clients to examine the role that Outsourcing can play, both in the short-term to rapidly fill capacity or capability gaps, and longer-term to free up strategic business functions to make better use of working capital and management headspace.

SPEAKING THE SAME LANGUAGE

So now you have a robust strategy and a team, on paper at least, that can help you deliver it. The final part of the Align phase in our Agility Framework, is ensuring that the plan is both clearly communicated and understood at every level. Does each employee know their role and what is expected of them?

35%

of business leaders agree that having a 'clearer longer-term roadmap and plan' would boost agility.

"Team confusion can really hinder alignment and agility. If leadership teams aren't on the same page or if processes are clunky, it slows everything down. You'll often see departments pulling in different directions, each fighting for their own priorities rather than what's best for the business. That's when decision-making gets bogged down and people hesitate to act. Aligning leaders around a shared purpose takes time, debate and compromise, but once you've got clarity, it unlocks a huge amount of forward momentum."

ED HUSSEY
Director, HR Services



We'll be looking more at creating a culture of agility later in this report, but with better alignment achieved, we can move on to how to activate agility daily, which we explore next.

03 ACTIVATE

CHAPTER 3: STRONGER SYSTEMS – BUILDING OUT THE INFRASTRUCTURE OF AGILITY

As we saw in our first chapter, agile businesses spend more time “living in the future”. But agility in business doesn’t happen by instinct alone - it’s built when decision-makers have seamless access to data and insights through the right tools and systems that help map the way forward. That’s why, after assessing and aligning, businesses must take the next step - Activate.

When we asked business leaders what would most boost their agility, half of the top ten responses were technology-driven. AI led the way, with 44% citing AI-powered insights as the biggest enabler, followed by predictive analytics and data visualisation at 38%.

So why then are almost a quarter (23%) of businesses saying they’ve scaled back on investment in AI and digital tools over the past year? In today’s tough economic climate, having some financial caution is understandable, but not having the right tools in place risks slowing down what enables agility.

Here we’ll provide a roadmap for what to prioritise and when - showing that many valuable tools and insights can be accessed cost-effectively through trusted advisory partners and existing networks.

WHICH, OF THE FOLLOWING TOOLS, INSIGHTS AND CAPABILITIES, DO YOU FEEL WOULD MAKE YOUR BUSINESS MORE AGILE?

- | | | | |
|-------|--|-------|--|
| 01 | AI-Powered insights | 05 =* | Cloud-based financial modelling tools |
| 02 | Faster internal decision making | 07 | Real-time forecasting and scenario planning software |
| 03 | Stronger leadership alignment on key priorities | 08 | A clearer long-term vision or roadmap |
| 04 | Predictive analytics and data visualisation tools | 09 | Supply chain risk management platforms |
| 05 =* | Access to external strategic advice or consultancy | 10 | More clarity from government or regulators |

* Joint results for 5th

Menzies and Censuswide insights, 500 business leaders. Ranking 1 to 10.



OUTDATED SYSTEMS KILL SPEED

One of the biggest barriers to agility is outdated finance systems, with many businesses still relying on desktop-based legacy software. But for agile and growing businesses, modern finance systems provide the foundation of agility - enabling leaders to see what is happening in real-time, anticipate challenges, and predict the right decisions for the future.

Oliver Finch explains: “Too often we see businesses using the same systems and processes they’ve depended on for years - sometimes decades! The result? Financial reports arrive three or four weeks after month-end, by which time the numbers are already out of date. In today’s volatile environment, leaders cannot afford to base decisions on stale data.”

This is one of the first areas where technology can make a tangible difference, Finch adds. “The real opportunity lies in modern, cloud-based platforms that deliver real-time insights and sharper reporting in seconds. When business owners experience this shift, they quickly see how much faster and more confidently they can steer their company’s future.”

Menzies provides its clients with a roadmap on how to strengthen this foundation: starting with getting the basics right, then moving on to harnessing data, analytics, AI and automation for success. These systems are hosted online and designed to be shared depending on who the business wants to grant access, meaning that both business leaders and its accountants are working from the same live data to achieve the same goals. With secure, role-based access, CEOs, finance leads and department heads can all view the numbers that matter to them, giving everyone a clearer picture of performance so they can make faster, better-informed decisions.

EVOLVING THE ROLE OF FINANCIAL REPORTING

As a business grows, financial reporting within the business must mature in parallel with the technology that supports it. For a CEO, this means moving away from being the sole financial decision-maker and instead building in structures where accountability and insight are shared. Appointing a finance lead or CFO who can act as a strategic partner, not just a compliance function, is a critical step, enabling forward-looking budgets and scenario planning that supports confident decision-making. At the same time, department heads should be trained to take ownership of their numbers, linking operational choices directly to profit and cash flow. Establishing a regular cadence of finance-focused meetings, from monthly reviews to quarterly planning sessions, helps ensure that decisions are proactive rather than reactive.

Reporting itself should also evolve, shifting from basic cash flow and revenue snapshots to audience specific management accounts and board-level insights that provide commentary, context and clear recommendations. It’s also important to foster a culture of transparency and financial literacy across the organisation so that key metrics are understood by the wider team, motivating people to see how their contributions drive results and aligning them behind shared growth objectives - something we will explore later.

“It’s about streamlining and understanding the bigger picture. What numbers really matter for your business today? Are you looking at the right things? Too many firms are still tracking KPIs that made sense five years ago, but don’t reflect where they want to go now. The businesses that get ahead are the ones using live management information and forward-looking three-way forecasts, because it helps them spot pinch points and opportunities early. That kind of foresight gives leaders the breathing space to act quickly and keep growth moving in the right direction. But it must be presented in a way which is clear and accessible for all.”

BETHAN EVANS

Partner, Restructuring and Insolvency



SEEING THE STORY BEHIND THE NUMBERS

Even with modern systems in place, agility can still be limited by how the data is presented. In many cases, management teams are presented with reports which are tens of pages long, full of tables and figures - but in the end, only a handful of numbers ever inform their decisions.

Data visualisation, through having the right technology in place with well-designed dashboards, allows decision-makers to see trends at a glance, identify anomalies quickly and drill down into the detail when necessary. Instead of wading through lengthy reports, leadership teams can focus on the few metrics that truly matter, supported by real-time updates.

Menzies helps businesses set up tailored dashboards that bring together financial and operational data in one place, ensuring the right information is always available at the right time. The frequency of updates and checks vary depending on the business - some might need daily oversight, others weekly, but what matters is consistency and the ability to respond rapidly to change.

Another important consideration is visibility. We often advise that headline KPIs shouldn't be locked away at board level but shared more widely across management tiers. When operational teams can see the same topline numbers as the leadership, they are better placed to act with agility and take ownership of performance. This cultural shift not only speeds up decision-making but also drives accountability and engagement across the organisation.

Menzies works with growing businesses to implement the right software solutions that accelerate decision-making and enable the extraction of meaningful business intelligence from their data. This means using AI and machine learning to not only manually automate core processes, but also deliver reliable reporting with forward-looking modelling.



HARNESSING AI AND AUTOMATION

By using interoperable software solutions, businesses can create bespoke systems that work seamlessly together, securely sharing data across platforms. Within this, AI plays a dual role: it not only removes the manual burden of traditional accountancy processes but also “joins the dots” across data to deliver forward-looking insights that drive smarter decisions. The tools that businesses need to help unlock agility must be focused on the following three core areas:

AUTOMATION AND SMART DATA CAPTURE

Streamline the basics - Tools powered by automation and machine learning can take care of the repetitive work by collecting invoices, receipts, bills, and expense claims in one place. They extract and code key information automatically, reducing manual entry and feeding clean, reliable data straight into the accounting system.

CORE ACCOUNTING SYSTEMS

The engine room of finance - Once clean data is in place, accounting platforms manage the essentials: reconciling bank transactions, handling accounts payable and receivable, processing payroll, managing VAT returns, and producing management reports. This creates a single source of truth for day-to-day operations.

AI FOR PREDICTIVE INSIGHTS

Turning data into decisions: AI for delivering predictive insights and analysis - This is where AI shifts from providing automation to business intelligence. By integrating with core systems, AI-driven tools deliver predictive analysis and actionable insights: dynamic KPI dashboards, benchmarking, three-way forecasting, and scenario planning. Rather than just reporting on the past, these solutions help leaders see around corners and prepare for the future.

EXAMPLE:

Dext
By IRIS

EXAMPLE:



EXAMPLE:

 **Fathom**
an access company

HOPE FOR THE BEST, PREPARE FOR THE WORST

In a world shaped by geopolitical shifts, supply chain disruptions, sudden regulatory changes and more, it's no surprise that 20% of businesses say that 'too many crises' are undermining their ability to remain agile. But what is surprising is that, despite knowing these issues exist, the majority admit they are doing little to safeguard against or plan for future shocks – just 38% use scenario modelling or 'wargaming' to test strategy against external threats.

Menzies holds tailored 'war gaming' sessions with its clients to see how the business would respond to a crisis. Here, Menzies stress-tests assumptions, exposes vulnerabilities, and identifies weak points in a business before they become critical. This kind of predictive modelling isn't just about risk mitigation - it enables agility at scale. Companies that embed these practices embed resilience into their culture, giving leaders the confidence to act decisively when competitors are forced to pause.

This is where the power of AI to help with real-time forecasting and predictive modelling is essential. And it can not only be used to help with threats, but also opportunities for growth. Evans likens it to emergency training: "Just as a First Aider is taught to respond to different scenarios, agile businesses practice 'what if' thinking. What if new tariffs open up export markets and you can move faster than competitors? What if a trade deal suddenly makes it viable to expand into a new region, or supply chains shift in a way that lowers costs? By rehearsing these kinds of scenarios, leaders build the muscle memory to act quickly and seize opportunities as they emerge. Without the right modelling tools in place decision making can become sluggish, often at the very moment when speed and confidence are most needed."

FREEING LEADERS FROM THE ADMIN TRAP

Finally, stronger systems don't just streamline processes and help businesses prepare for the future - they also give leaders back one of their most valuable assets: time. AI and automation can do activities which were previously done manually, like invoice chasing and expense management. As Finch concludes; "We often come in when businesses have grown but the owner is still spending two days a week doing admin or making payments themselves. Once we take that burden away by putting in place the right technology and infrastructure, they suddenly win back valuable time to focus on growth and innovation - and that's when true agility really comes alive."

By adopting the right cloud-based SaaS platforms cost-effectively, businesses gain instant access to real-time insights that drive both agility and ROI. But the real value emerges when technology, people and processes are aligned, creating a strong foundation for confident, sustainable growth.

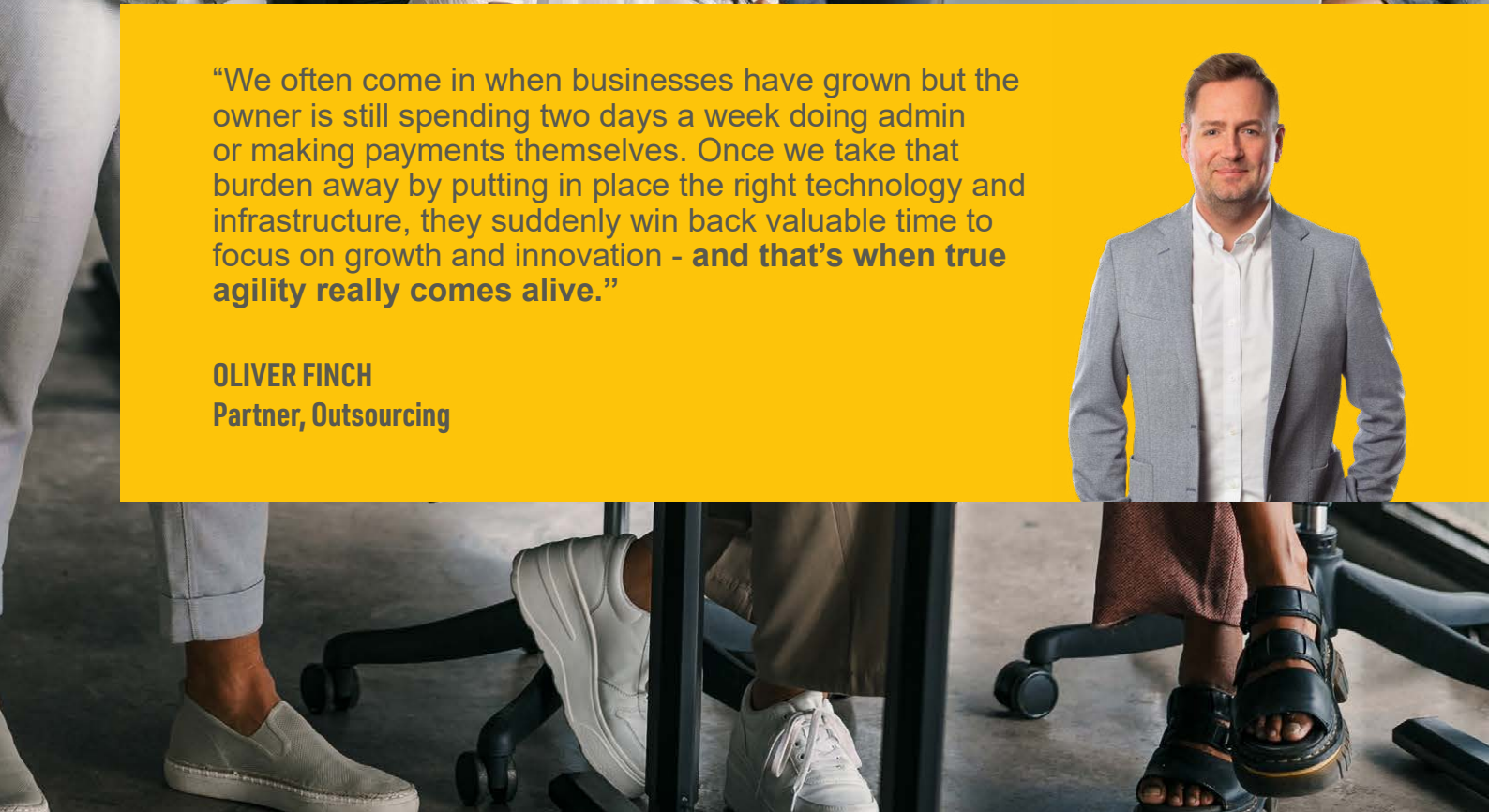
And just as important, a deeper grasp of the financials empowers businesses to use data to secure the right capital and pivot quickly when opportunities arise - something we'll explore next.





“We often come in when businesses have grown but the owner is still spending two days a week doing admin or making payments themselves. Once we take that burden away by putting in place the right technology and infrastructure, they suddenly win back valuable time to focus on growth and innovation - **and that’s when true agility really comes alive.**”

OLIVER FINCH
Partner, Outsourcing



03 ACTIVATE

CHAPTER 4: FINANCIAL AGILITY – HAVING THE CAPITAL TO PIVOT

When the business landscape shifts, the ability to move quickly often comes down to one thing: money. And having financial agility isn't just about survival in response to changing market conditions. It's about creating the headroom to invest in growth or act decisively when an opportunity arises.

That agility needs to work across different timeframes. In the short-term, it's about managing cash flow and working capital so the business can stay flexible and respond to change. Over the medium term, it's about having access to investment capital - like private equity or other funding - to support bigger growth plans.

Improving cash flow strengthens working capital, reducing the need to borrow or bring in external finance. Optimising financial agility over both the short and long-term helps a business stay steady in uncertain times - and be ready to move when the right moment comes.

But as many mid-sized firms will know, this is far easier said than done. Menzies' research shows the real scale of the challenge: budgeting and cash flow difficulties are the top issue hampering agility in business today, with 36% of businesses feeling the pinch.

TOP FINANCIAL BARRIERS TO AGILITY IN MID-SIZED FIRMS

Delving into the figures in more detail, 27% of business leaders say they've had difficulty accessing private equity investment over the last 24 months, 25% have struggled to secure bank credit or loans, and nearly one in three (32%) say a lack of access to government grants puts the brakes on their ability to adapt.



HARDER WORKING CAPITAL

Before looking outward to lenders and investors, businesses first need to get their own house in order. Substantial amounts of working capital are often tied up within day-to-day operations - and can be released through stronger cash management.

Greg Cox, Partner in Deal Advisory at Menzies, sees it often:

36%

of mid-sized firms say poor cash flow and forecasting are a major barrier to agility.

“I see businesses paying suppliers early simply to ‘tidy their desk’ or letting customers drift from 30 days to 40 without pushing back. That’s your cash walking out the door. If you tighten up how quickly you collect from debtors and make the most of the credit terms you’ve got with suppliers, you can free up a surprising amount of money. By pulling the cash in faster and holding onto it a little longer, you build yourself a buffer. And that buffer gives you firepower to invest or grab opportunities - often quicker and cheaper than raising money externally.”

GREG COX
Partner, Deal Advisory



Menzies works with clients to review inflows and outflows in detail, identifying where cash can be released to strengthen reserves. Opportunities are often hiding in plain sight, but once uncovered, they provide a powerful platform for growth and resilience.

Here, the role of an accountancy partner is crucial. Independent analysis, benchmarking against peers, and embedding best practice gives mid-sized firms the frameworks to make working capital a source of strength, not strain. Central to this is the design of clear reporting and tracking frameworks, enabling management teams to assess and optimise performance on an ongoing basis.

In terms of deals, if working capital is not properly managed, the definition of ‘normal working capital’ might be higher than it needs to be – meaning businesses risk losing value and leaving more cash behind in working capital.

FORECASTING FOR AGILITY

But strong working capital management is only part of the picture. To stay truly agile, leaders need clear foresight - knowing not only where the money is today, but how financial decisions will play out tomorrow.

For Sadie Channing, Accounts and Advisory Director at Menzies, the turning point is three-way forecasting. “Many businesses focus on short-term profit, but when it comes to growth or attracting investment, profit alone doesn’t tell the story. A three-way forecast brings profit, balance sheet and cash flow together, giving leaders and funders the complete picture - and the ability to plan with confidence.”

She stresses that it has to be a consistent discipline, not a one-off. “For growing businesses, it’s vital to set aside time - at least quarterly - for forward planning and risk assessment. Those that keep their forecasts live and updated tend to be much more agile, because they can test scenarios and adapt quickly when things change.”

She also highlights the value for business owners personally: “A three-way forecast not only strengthens the business, it also aligns personal and business goals. It gives owners a clearer picture of how decisions affect both sides, helping to balance risk and build long-term value.”

Looking further ahead, she adds: “When it comes to strategic growth, a long-term cash flow forecast of two to five years is essential, as anything less than two years rarely captures the ripple effects of big decisions.”

For leadership teams, the real advantage is decision-making speed. A regular reporting cadence, where the right information is shared quickly and in a usable format, enables faster, higher-quality calls at board level. With that foundation, leaders can seize opportunities without hesitation, rather than losing momentum while waiting for numbers to be checked and re-checked.

And crucially, the discipline boosts credibility with funders. Channing concludes:



“Investors often feel much more comfortable backing a business that consistently runs and reports credible forecasts, rather than one that has been pulled together for the purpose of a specific transaction.”

SADIE CHANNING
Director, Accounts





CAPITALISE ON YOUR TERMS

Even with strong cash discipline, many firms will still look to external funding for growth. And while mid-sized businesses often report difficulties in securing bank loans or private equity, Cox believes the issue is not lack of money.

“It’s easy to feel like the doors to funding are closed, but in reality the money is out there. Private equity and venture capital funds have raised record amounts in recent years and are actively looking for credible opportunities. The same goes for banks - they want to lend. The challenge isn’t access to capital - it’s whether businesses are truly ready and presenting themselves in the right way. Too often, leaders leave it until the moment they need funding, and by then their options are limited. That’s where we step in to help.”

Cox sees the same trap repeatedly:

“If a business doesn’t think about funding until the exact point when they need it, they’re risking being backed into a corner where they’ll either miss out or take a poor deal, because investors and lenders know they have no option but to accept what’s on the table.

That’s why the best time to raise capital is before you actually need it.”

By raising funds early, businesses keep what Cox calls “competitive tension” in play. “You only have negotiating power if you’ve got the option to walk away. That optionality is agility in practice.”

Advanced forecasting and modelling strengthen that negotiating position. Predictive tools not only help leaders anticipate when capital may be required - they also provide the evidence base to convince funders that the business is credible, prepared and low-risk. With robust models, firms can approach lenders from a position of strength, negotiate better terms, and secure finance on their own timeline rather than someone else’s.

FINANCIAL AGILITY POWERED BY INSIGHT

With the right financial alignment in place, decisions don’t have to wait for certainty; instead, agility can be powered by insight. At Menzies, the emphasis is on helping businesses plan ahead so they can anticipate funding needs before they become critical. That preparation strengthens their negotiating position and builds resilience into their financial strategy - qualities that underpin true agility.

04 ACCELERATE

CHAPTER 5: CULTURAL MOMENTUM: MAKING AGILITY STICK

Business leaders tell us time and time again that it isn't spreadsheets or strategy documents that hold them back - it's people. The spark of agility may come from a clear plan, supported by capital and the right systems, but sustaining it always comes down to company culture, the fourth element of our framework.

The wrong culture can have a big impact. Our research found that people-related challenges account for eight of the top ten barriers that respondents believe are blocking agility. A quarter cite risk aversion and a lack of diverse viewpoints as limiting agility, while 23% feel slow sign off on decision making is holding them back. The toll of recent years is also evident, with more than 18% reporting that ongoing crisis conditions have 'drained' leadership and team energy, negatively affecting business agility.

Ed Hussey, Director of HR Services at Menzies, works alongside the Strategic Advisory team to help clients create, structure and sustain a company culture that makes agility stick. He explains, "When we first engage with a business we focus on the culture that already exists, and how behaviours, decision-making habits, communication patterns and assumptions shape the way people work. That's because all too often, mid-sized firms begin their journey towards agility with optimism, only for the wrong culture to sap momentum once enthusiasm meets day-to-day realities. To succeed, businesses must confront these cultural barriers head-on, because agility is driven not by processes but by the choices people make and the behaviours they model.

80%
of the top ten barriers that block agility in business are people related.



WHICH OF THESE ISSUES ARE HAMPERING AGILITY IN YOUR BUSINESS?





CULTURE STARTS AT THE VERY TOP

There's no denying that when it comes to company culture, it always begins with leadership. The behaviours, priorities and values demonstrated from the top flow directly through the organisation. How leaders choose to define their roles, and the examples that they set, shape the culture far more than any policy or statement could.

Yet many leaders today feel too stretched. In our survey, 1 in 4 admitted they have "less time than ever" to make the right calls in a fast-changing environment. That pressure can lead to reactive decision making and a culture of stress and constant fire-fighting.

This is where we come in to help leaders with coaching, giving them time and space to step back from the noise, challenge ingrained assumptions, and reset how they invest their energy and attention. Coaching also helps them build the confidence to delegate decision-making more effectively across the business, spreading ownership and accountability to others.

As Hussey explains: "The goal is to create a frictionless operation where leaders spend less time in crisis mode and more time enabling their teams. For founders and CEOs who have been very hands-on in growing their business, stepping back and breaking entrenched habits can be difficult. Leaders who have always been in control must learn to delegate decisively. Long-standing routines need to be questioned." Hussey continues: "Breaking habits is the hardest thing. If people come in and do exactly what they did yesterday, nothing changes. Agility only comes when people start using their time differently."

Facilitated coaching sessions run by Menzies help leaders diagnose where their time and energy are going, use clear action trackers to focus on priorities, and set up accountability mechanisms to embed new behaviours. In volatile conditions, coaching is less about one-off advice and more about building adaptive capacity, so leaders can reset quickly, stay resilient, and keep their teams inspired.

EMPOWERING THE SENIOR LEADERSHIP TEAM

After defining how a business leader can set themselves up better for agility as their business grows, we then look at their senior leadership team. Too often we find that the burden on thinking agile, acting agile and creating a company-wide agile culture rests on one set of shoulders. Our research highlights the extent of the problem:

When asked who is responsible for ensuring business strategy remains responsive to opportunities, more than half (54%) pointed to the CEO. Beyond that:

38% cited the COO

29% said the CFO

24% said both the CTO and CMO.

Hussey explains that, if over 1 in 2 businesses are leaving things up to the CEO, you're never going to be able to build an agile culture: "Everyone has a part to play. The strongest cultures come when the senior team works together, not just in their own silos. It's about having clear roles, but also being willing to step in and work across functions when it's needed. That way, leaders don't just look after their own patch but set the example for the whole business. Agility works when it's shared – it can't just sit on the CEO's shoulders."

OUTSIDE OF THE CEO, WHAT ROLE CAN THE SENIOR LEADERSHIP TEAM PLAY IN DRIVING AGILITY?

CFO

- ✔ Moves from retrospective reports to real-time insights
- ✔ Uses forecasting and scenario planning to help support quick and confident pivots
- ✔ Directs capital allocation to support agility, not just cost control
- ✔ Helps teams move faster with financial confidence with sales

COO

- ✔ Keeps processes and structures flexible as conditions shift
- ✔ Cuts delays and bottlenecks between departments
- ✔ Champions and drives continuous improvement e.g. with automation
- ✔ Makes operations the engine room of agility

CMO

- ✔ Monitors customer trends regularly and maps that insight directly into strategy
- ✔ Builds adaptable plans that can change with trends
- ✔ Brings product, sales and operations together and aligns with customer and changing trends
- ✔ Drives a flexible, 'always on' marketing capability

CTO/CIO

- ✔ Builds systems that are interoperable and future-proofed to enable rapid scaling
- ✔ Provides access to real-time data across the organisation
- ✔ Champions innovation and development
- ✔ Drives a tech-forward, data-driven mindset across the company

REMOVING THE BOTTLENECKS

To help people move faster, businesses need to remove bottlenecks - especially as more than one in five say they are frustrated by slow sign-off on internal decisions. Hussey stresses this isn't about removing hierarchy altogether, but about ensuring people at every level can make decisions aligned with business priorities without endless approvals.

As mid-sized firms grow, their founding structures can struggle to keep up, creating bottlenecks at senior levels and delays from cross-departmental wrangling. To grow, you need to streamline processes and clarify authority. Otherwise, departments compete for their own agendas and everything slows down. At Menzies, we help businesses remove friction and reduce 'management decision fatigue', empowering teams to stretch themselves as far as possible in their day-to-day decisions - without constantly needing to escalate. We achieve this by reviewing and challenging key internal processes and use of technology to streamline workflows, working with leadership teams to clarify roles, priorities, and how they intersect to eliminate friction, and advising on authority levels as part of governance reviews - balancing effective risk management with empowered decision-making.



AGILITY CAN'T BE ORDERED

But senior leaders can't just tell their teams to "be agile." Instead, they need to create cultural momentum with agility at its core - putting in place reward and incentive frameworks that genuinely drive high-performing teams.

That starts with asking the right questions:

- How can teams be encouraged to spot opportunities when change happens?
- How can they be supported to approach challenges with a mindset that looks for possibilities, not just problems?

At Menzies, we see the most successful firms are those that create environments where people feel safe to share ideas openly, and where leaders respond with curiosity and openness to new thinking. We work with businesses to build those environments - helping them put in place structures that model behaviours like active listening and transparent decision-making.

For example, we might design processes that normalise experimentation, so teams can test new ideas and learn from outcomes without fear of blame. Or we might strengthen feedback loops, through surveys and forums where employees feel confident their input will be heard and acted on.

As Hussey explains: "Businesses must do the hard work of agreeing goals, priorities, behaviours and red lines that create a clear space in which employees at every level can take initiative. When people understand both 'what we are' and 'what we are not,' experimentation becomes safe. Mistakes are reframed as learning opportunities, not career-limiting moves."

In this way, agility comes to life when businesses reward initiative rather than punish failure, encourage cross-team collaboration, and give employees real authority to make decisions at their level. When people trust that their contribution matters and feel empowered to act within an agreed framework, agility stops being a management aspiration and becomes daily behaviour across the business.

INCENTIVISING AGILITY AT EVERY LEVEL

It's often said that when it comes to business, 'what matters gets measured' and the same applies to agility. If KPIs reward only revenue growth, teams may pursue sales at the expense of margins or long-term resilience. If they focus solely on cost control, experimentation dries up.

Hussey suggests taking a very different approach and instead reframing KPIs around agility itself: "Think about what agility looks like in your business. Is it speed to market? Customer responsiveness? Deployment of new technology? Whatever it is, focus KPIs around those areas and make sure people's performance measures reinforce them. By creating KPI frameworks and recognition schemes that reward responsiveness and learning, firms can embed agility into daily work. Small wins are celebrated, experiments are valued, and the culture gradually shifts from risk-avoidance to opportunity-seeking."



“The real challenge is not simply to ‘switch on’ agility but to design cultures and incentives that sustain it. We all get into comfort zones. Making agility stick means continually challenging what we’re doing and how we’re doing it. That’s how you grow, and that’s how you stay resilient. And when businesses do all of this, it’s how they gain the true Agile Advantage.”

ED HUSSEY
Director, HR Services



RECRUITING FOR AGILITY: EMBEDDING COMPANY VALUES IN CULTURE

Incentivising agile behaviours also comes down to looking at who you appoint as well as how you harness talent internally. Rather than defaulting to traditional job descriptions, firms should consciously hire and score candidates based on areas like adaptability or collaboration. Personality fit can be as important as technical expertise, especially in leadership roles where rigid or siloed behaviours can undermine the wider culture.

And of course we can’t talk about company culture without looking at values. Values act as the signal of “what good looks like” inside an organisation. If agility is stated and lived as a core value, it shapes both who you attract and how people behave once they join. Candidates who connect with that value are more likely to apply, and employees are more likely to see agility not as a slogan but as an expectation embedded in daily work. In this way, values become the bridge between aspiration and action - ensuring that agility is reinforced not just through processes, but through shared beliefs.

By embedding the idea of agility into business culture - through empowerment, role design, aligned incentives and values that encourage people to act safely and decisively - agility in business moves from a theoretical mindset to a very real one. It becomes part of how people think and behave in their daily work, turning any change from a challenge into an opportunity.



TAKE THE FIRST STEP TOWARDS GREATER AGILITY

As we've outlined, agility isn't built overnight. But every transformation starts with a single step.

If this report has sparked ideas or highlighted familiar challenges in your business, now is the time to act. Whether it's slow decision-making, limited financial visibility, leadership misalignment or missed opportunities, the path to becoming a more responsive, resilient organisation begins with taking a clear-eyed look at where you are today.

With the right support, businesses can build the conditions for smarter decisions, stronger teams and faster execution. The ability to adapt is no longer a nice-to-have. It is the foundation of sustainable growth in a fast-moving world. And with true agility in place, you will be ready to make the Greatest Leap.

Get in touch with the Menzies team to book your free Agility Assessment today:

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Menzies is a proudly independent UK business advisory and accountancy practice with national coverage and international connections. As a full-service firm with strong sector specialisms, we have a proven track record supporting businesses, not-for-profits and individuals to successfully reach their financial goals.

We focus on optimising clients' businesses financially, operationally, and strategically. We employ 1100+ trusted advisors in Audit, Tax & Advisory Services, across 11 locations UK wide.

Our sector specialisation sets us apart. Our Expert teams work in collaboration with each other delivering a host of business, tax and commercial advisory projects over and above the market leading assurance and compliance work undertaken for UK and international clients.

We continue to take a relationship-led approach to our client relationships. We use our Brighter Thinking methodology to empower clients with greater confidence and certainty in the face of increasing complexity.

Founded in 1912, Menzies is headquartered in London with coverage nationally in England & Wales and has a projected turnover of £110m for the year to 30 June 2026. Our clients are mid-size and large privately held corporates, not-for-profit, and individuals, across the UK and internationally via major market country-desks, and in in excess of 150 countries globally through Menzies membership of HLB, the global advisory and accounting network.

Research Methodology

All research referenced in this report was conducted by Censuswide, on behalf of Menzies. A sample of 500 senior business leaders (CEO, CFO, CIO, COO, CMO, Managing Directors, Directors+) in medium sized firms and above (50+ employee) were polled. Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council. The data was collected in June 2025.

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