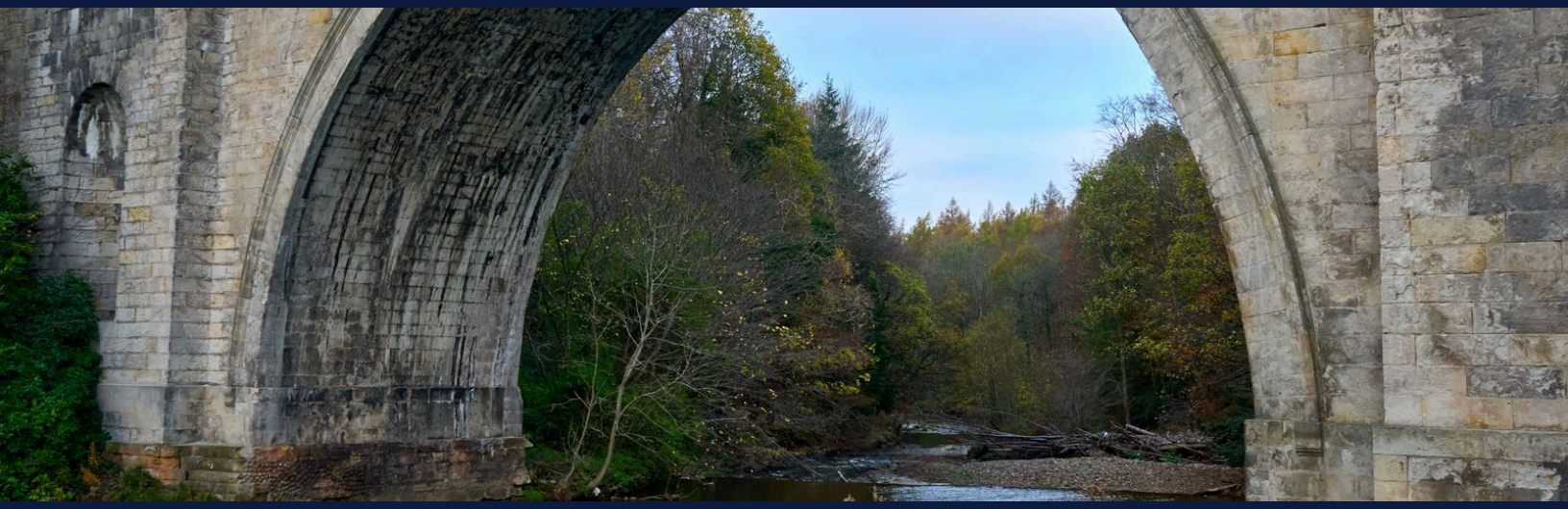
Rango
La robustesse à l'œuvre

Robustness as a Strategic Advantage

Why performance alone is no longer enough — and what small and medium-sized businesses and other organizations here can do starting now.



Rango helps organizations spot the fragilities that matter and reduce them, with a process, an online platform, and advisors.

Robustness is an organization's ability to keep functioning, and to remain itself, when conditions stop being normal.

Rango · Robert Vandenbegine

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“In 2025, U.S. tariffs revealed, in many Quebec small and medium-sized businesses (SMBs), a fragility that balance sheets did not show.”

Introduction — The performance paradox

For decades, growth was the answer to everything. Increase revenue, gain market share, optimize margins — those were the metrics that defined business success. These benchmarks remain useful. They are no longer enough.

Between 2020 and 2026, Quebec SMBs went through a global pandemic, a historic breakdown of supply chains, an inflationary surge, an unprecedented labor shortage, U.S. tariffs that exposed a structural dependence on a single market, and then the closure of the Strait of Hormuz, which sent oil, diesel, and fertilizer prices soaring.

In concrete terms: a customer that accounts for 40% of revenue changes strategy; the person who knows everything retires; the only supplier of a part closes its doors. Any one of these can weaken, for the long term, an organization that was doing well. These are fragilities.

Your indicators tell you how your organization is doing, not where it is fragile: what would turn a shock into a hard blow. Reducing those fragilities helps you absorb, hold, adjust, transform, and learn.

Performance…	Robustness…
optimizes what exists	prepares for what is coming

Section 1

What the data says about crises

Crises account for nearly 30% of long-term returns

The BCG Henderson Institute studied nearly 1,800 large publicly traded U.S. companies from 1995 to 2020. Crisis periods account for only 11% of the time, yet they make up nearly 30% of their long-term relative stock market returns: it is during crises that a large share of the gaps between companies open up.

≈30%

of large companies' long-term relative stock market returns is decided during crises, which account for only 11% of the time

— BCG Henderson Institute, Becoming an All-Weather Company, 2020 — nearly 1,800 publicly traded U.S. companies, 1995–2020

In a crisis, this gap comes down to three factors: absorbing the shock (63%), speed of recovery (23%), and extent of recovery (15%). Crises redistribute competitive positions in lasting ways.

+25 pts

in EBITDA margins for the 25 most robust companies after 2008, compared with +4 pts for the S&P Global 1200 average

— BCG — Crisis Can Spark Transformation and Renewal, 2022

Robustness changes how crises end, not whether they happen

McKinsey and MIT Sloan developed the concept of Time to Recovery. Their research shows that organizations that have invested in resilience significantly shorten that time.

"Robustness does not eliminate crises. It allows the organization to keep functioning, and to remain itself, when they hit."



Section 2

The case of Quebec SMBs — an issue for society

99.8%

of Quebec businesses with employees are SMBs. In Canada, SMBs employ 63.4% of private-sector employees; in Quebec, more than two-thirds.

— Institut de la statistique du Québec (2019 data); ISED Canada, Key Small Business Statistics 2023, Table 6 (2022 data); Quebec: calculation based on Statistics Canada, Table 14-10-0215-01

This figure changes the nature of the problem. The robustness of SMBs is not a business issue — it is an issue for society.

44%

is the share of SMBs started with 1 to 4 employees that are still active after 10 years. That rate rises to 55.6% for those starting with 20 to 99 employees.

— ISED Canada — Key Small Business Statistics, 2024

Dependence on the U.S. market — a structural fragility exposed

To help SMBs absorb the shock of the 2025 U.S. tariffs, BDC created a C$500 million envelope, "Pivot to Grow."

"This program is a reminder: many Canadian businesses lacked the margins needed to absorb this kind of shock on their own."

2026: the Hormuz shock, from far away, felt here

In late February 2026, U.S. and Israeli strikes against Iran led to the near-closure of the Strait of Hormuz, through which nearly 20 million barrels of oil a day had been passing. The International Energy Agency calls it "the largest supply disruption in the history of the global oil market." Brent crude topped US$100 a barrel on March 8 and reached US$126 in late April.

The shock does not stop at oil. The Middle East accounts for nearly a quarter of global trade in nitrogen fertilizers: within days, the price of urea jumps. In Quebec, spring arrives while few farmers already have their fertilizer in reserve. Diesel, transportation, and food follow. Six months later, Canadian businesses still say they are "at the mercy of the market" [our translation].

17%

is the share of Quebec farmers who already had their spring fertilizer stored on the farm when the crisis began, compared with more than 50% in the Prairies.

— Farm Credit Canada — March 2026

No Quebec organization has any control over the Strait of Hormuz. Each one has control over its dependencies: on fuel, on an imported input, on a single supplier, on a margin too thin to absorb three months of price increases.

"You don't choose your shocks. You choose how prepared you are."

Section 3

Those who provide funding are already looking at fragilities

A key person with no successor lowers a business's value

In France, the tax administration's valuation guide recognizes a “key person” discount [our translation]: a business that rests on a single person is worth less, especially when it is small. A prepared succession reduces it. In Quebec, six owners out of ten want to sell or hand over their business within ten years.

4 in 10

is the share of Quebec owners who want to hand over their business within ten years and are actually preparing for it.

— Desjardins — Transfert d'entreprise au Québec [Business transfer in Quebec]

Banks also judge what the numbers don't show

For an SMB, the banker does not read only the financial statements. “Soft” information, with the quality of management first and foremost, improves default prediction, all the more so when the business is not very transparent. And when a large customer's industry suffers a shock, its small suppliers default more often: dependence on a customer is a fragility that lenders eventually see.

In Europe, the European Banking Authority's guidelines (EBA/GL/2025/01), applicable since January 2026, require banks to factor their clients' ESG risks, especially climate risks, into lending decisions. They do not address robustness, and Rango does not measure ESG performance.

Governments already talk about fragilities

In France, the public program Signaux Faibles [Weak Signals] aims to “detect businesses showing fragilities” [our translation], before their difficulties become structural. The word is not ours: it is the word used by those who refer businesses for support.

“Rango does not replace the funder's analysis: it makes visible the fragilities its assessment grids struggle to see, and tracks how they are reduced.”



Section 4

Why performance alone is no longer enough

A world that has become “BANI”

The world has become “BANI” (Jamais Cascio, 2020): brittle, anxious, nonlinear, incomprehensible. It follows a world described as “VUCA”: volatile, uncertain, complex, ambiguous. In it, disruptions are structural, and interdependencies create unpredictable cascading effects. In this context, optimizing performance without building robustness is like building on sand.

Linear growth creates hidden fragilities

The dominant growth model — specialization, cost optimization, concentration — is rational in a stable operating context (predictable markets, suppliers, funding, rules, and talent). When that context goes off track, it becomes a source of fragility:

- **Customer concentration:** one customer at 30–40% of revenue creates an existential dependence
- **Single suppliers:** cost optimization removes the redundancies that resilience requires
- **Dependence on key resources:** critical operations resting on one or two irreplaceable people
- **Scarce resources:** dependence on a single material, energy source, or export market

Some models reduce these dependencies: selling the use of a product rather than the product itself, repairing and reusing rather than buying new. Their value here is not primarily environmental: they stabilize revenue and reduce dependence on scarce resources.

Robustness, a subject of international research and practice

The question reaches well beyond the French-speaking world, and it is not new: as early as 1996, William A. Stimson brought the notion of robustness from systems engineering to business, in *The Robust Organization*. More recently, Yancong Xie, Kevin Desouza, and Mohammad Jabbari Sabegh have proposed a conceptual framework for organizational robustness that distinguishes instrumental,

structural, and cognitive robustness. The work of Karl Weick and Kathleen Sutcliffe on high-reliability organizations shows how certain organizations sustain their performance in a complex and unpredictable context. Alessandro Annarelli and Fabio Nonino have mapped the state of research on the strategic and operational management of organizational resilience.

On the practitioner side, the firm Roland Berger approaches robustness as a capacity for continuous adaptation and development, and offers companies an index to measure its maturity. In France, biologist Olivier Hamant presents robustness as an alternative to the cult of performance.

“Rango is part of this movement, with a deliberate stance: start from fragilities to make robustness actionable in SMBs and organizations here.”

The words in this document

Fragility	a point where a shock, whatever it is, would hurt: a dependency, a person with no backup, a missing margin.
Risk	a possible event and what it would cost; it depends on the event, while a fragility depends on the organization.
Exposure	the weight of a fragility: a customer at 15% or at 60% of revenue.
Robustness	an organization's ability to keep functioning, and to remain itself, when conditions stop being normal.
Operating context	what surrounds the organization and what it does not control: its markets, its suppliers, its funding, its rules, its talent.
Lever	an area where fragilities lie and where the organization can act (dependencies, reserves, succession…). There are twelve.
Reflex	the verb that turns a lever into action (Cushion, Double up, Reserve, Learn…).
Dimension	a group of levers, named for what it makes possible: Absorb, Hold, Adjust, Transform. The cross-cutting lever makes it possible to learn.

Section 5

The 12 levers of robustness

A lever is an area where fragilities lie, and where the organization can act to hold up better. The framework of the levers of robustness turns theoretical principles into 12 concrete levers, grouped into four dimensions according to what they make possible: absorb, hold, adjust, transform. Each one carries a reflex: a verb that turns it into action (Cushion, Double up, Reserve…). The twelfth, foresight and learning, is cross-cutting: it determines how well all the others work. This is the framework Rango puts into practice.



Twelve levers, like twelve hours. The hand stops on Reserve.

Absorb

Take a shock without breaking.

1. **Shock resistance** Cushion

   The ability to absorb a disruption without a breakdown in operations, then return to a stable state or evolve positively.

   Absorb · Bounce back · Evolve

2. **Diversity** Open up

   The variety of profiles, ideas, revenue sources, and relationships that makes the system less vulnerable to a single shock.

   Profiles · Revenue · Relationships

3. **Sufficiency and circularity** Lighten

   The ability to depend less on scarce, costly, or uncertain resources (materials, energy, imported inputs), notably by reusing what can be reused.

   Scarce resources · Inputs · Reuse

Hold

Last thanks to margins and backups planned in advance.

4. **Redundancy** Double up

   The deliberate duplication of resources or functions to secure operations in case of failure.

   Backups · Stand-ins · Systems

5. **Critical independence** Spread

   The ability to operate without relying on a single source for key resources, partners, technologies, or funding.

   Dependencies · Suppliers · Finance

6. **Constructive sub-optimality** Reserve

   Deliberately accepting a lower level of performance in normal times to keep room to maneuver that can be activated in a crisis. The most counterintuitive lever — and the most important.

   Margins · Reserves · Decision filters

Adjust

Change the way you work when the context shifts.

7. **Adaptability** Adapt

   The ability to change posture, organization, or strategy in response to changes in the context — proactively or reactively.

   Change · Scenarios · Vision

8. **Autonomy** Act

   The ability of an individual or a unit to act and decide without excessive dependence on a central authority.

   Delegation · Empowerment · Subsidiarity

9. **Inclusive governance** Steer

   The quality of decision-making processes, of succession management, and of how stakeholders are included.

   Decisions · Succession · Dialogue

Transform Change what you do and how you deliver it.

10. **Strategic flexibility** Pivot

    The ability to quickly redirect the overall strategy — offerings, revenue models, alliances — in response to significant market changes.

    Pivots · Models · Ecosystem

11. **Operational flexibility** Flex

    The ability to quickly adjust operations — volumes, resources, processes — to needs or constraints, without major disruption.

    Capacity · Resources · Processes

Lever 12 · cross-cutting

12. **Foresight and learning** Learn

    The ability to pick up weak signals, to learn from experience, and to continuously improve robustness. This lever runs through all the dimensions — it underpins them all.

    Signals · Learning · Continuous improvement

    Note: foresight and learning weigh on the whole reading: weak foresight signals a blind spot, whatever the other levers show.

Section 6

Available solutions and funding

Models that reduce dependencies

Selling the use of a product rather than the product itself, repairing and reusing rather than buying new: these models respond to several common fragilities. They provide recurring revenue that is less volatile, reduce dependence on scarce resources, and lengthen customer relationships. They are within reach of SMBs and organizations here, but they require support.

Funding programs

BDC	Financing, advisory services, and the "Pivot to Grow" program (C$500 million) for SMBs affected by U.S. tariffs.
PTPMD / IQ / ESSOR	Support for assessment, organizational transformation, and industrial investment in Quebec.
Specialized leasing	Private organizations make it possible to finance the acquisition of transformation equipment without tying up capital.

Section 7

Where to start

Rango offers a five-step process, with an advisor and an online platform: an assessment based on your answers and your figures, a written reading of your situation (the Robustness Review), and a few levers chosen and tracked over time. A quick, open-access first reading is available at rango.ca/en.

A first reading, open access

The FlashScan, a free online questionnaire, no sign-up required
rango.ca/en/flashscan

The process, with an advisor

With an advisor, online or in person
rango.ca/en/contact

> *"Robustness is not an end in itself: it comes from the fragilities you reduce. An organization that knows its own, and acts on them, is better placed to absorb shocks and recover from them."*

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