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What does it take to become Agile ?

Author

Melanie Franklin

Director

Agile Change Management Limited

Introduction

I am responsible for providing guidance to a number of boards on the re-shaping of their organisations to meet the challenges of constant, fast paced change. One of the consistent themes in the board room is the desire to be 'more agile'. Interestingly, this mirrors a conversation that is often taking place further down the organisation, driven most often by IT but sometimes by marketing and customer facing departments.

One of the key difficulties when we talk about 'agile' is that it means different things to different people. In the board room there are two common interpretations of agile:

1. Flexible, responsive to customer needs, early to market with products that customers actually want
2. Internal capability, skills and commitment to implementing change constantly, allowing the business model to evolve to meet the needs of a fast-changing market place.

In operational units agile can be seen as a shorthand for simpler, more streamlined and quicker to complete processes. Agile is seen as an approach that supports the power of the team and the ability to take decisions lower down the management hierarchy.

These perceptions share a positivity about 'agile', it is clearly perceived as a good thing, but highlights that there are different interpretations of what it means and therefore different ideas about how to adopt it. Whilst the board room often debate the semantics of what agile means, it is being implemented, sometimes on a project by project basis, sometimes as a toolset adopted by a group of individuals e.g. IT developers or marketing/campaign teams. This adoption often produces great benefits: on time delivery of projects, less gold plating and more cost effective delivery of project requirements by stripping out the unnecessary items.

Unless we regard the adoption of agile as a full scale cultural change it is unlikely that we will enable these benefits to propagate throughout the organisation. As cultural change is the most difficult type of change initiative, with the lowest success rates, we clearly have a challenge on our hands.

I really like some of the thoughts in these two blog posts about the difficulties associated with implementing agile:
Agile transformations in big companies- http://www.allaboutagile.com/some-thoughts-on-agile-transformation-in-big-companies/
Why can't the C-suite grasp agile? - http://www.forbes.com/sites/stevedenning/2012/04/11/why-cant-the-c-suite-grasp-agile-management/

I appreciate this quote from Professor Clayton Christensen, Harvard Business School, as I think it sums up our challenge brilliantly:

"The more successfully you use a way of working, the stronger your culture is, which is a great strength right up to the time when you need to change."

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Agile is a set of principles, processes and techniques so it is an approach that can be adopted as well as being a mindset, a way of thinking. For this reason, there are two factors at work:

- Agile is shaped by organisational culture
- Agile shapes organisational culture

Agile is shaped by organisational culture

As a set of principles, processes and techniques, the adoption of agile in your organisation will be shaped by your existing culture. So it can be tailored to address your priorities and to build on what your organisation already does well, and address what it does badly.

For this reason, agile adoption is never the same. This is not just my experience, but is borne out by a lot of experts globally who collectively have coined the phrase '*My agile is not your agile*'! On every implementation of agile I have found that some core elements are in place already and reflect how people are working, but there are others which require more effort as agile necessitates an improvement in areas that currently do not work well. I have three illustrations of this point, which I hope will resonate with your own adoption of agile:

1. For one organisation where testing was badly organised, poorly resourced and often cut to less than the bare minimum the adoption of agile project management has prompted a rethink on the importance of testing. We reviewed the testing tools and the resource pool of testers and those who could do some testing if pushed. This led us to the decision to hire a 'testing champion' someone who could act as a real evangelist and take responsibility for building respect for testing as a discipline and to train others to develop an internal capability for testing. Without these actions it was not possible to create the constant cycle of build and test needed in every timebox or sprint.
2. In another organisation, adoption of an agile approach and an evolving solution threw into sharp relief the lack of commercial awareness and understanding of the end customer that those in IT actually had. You could argue that the role of Business Ambassador or Product Owner could cover this deficiency but it became obvious that as we moved away from a pre-defined requirements list at the start of the project, the lack of business understanding restricted innovation and prevented challenge of ideas. We built a development programme to enable staff to hear directly from customers, suppliers and regulators about developments in the market, key concerns and latest innovations. We backed this up with a formal training course on how work flows through the organisation and the relationship between costs, revenue and profit margin. This has led to greater confidence from all participants when debating what parts of the solution deliver the greatest business value.
3. In nearly every organisation I have worked with there has been a push back on the idea of prioritisation. Too often I hear that 'everything is important' and 'we go the extra mile in this organisation'. There is definitely a horror associated with being asked to differentiate between a Must Have and a Should or Could Have. I have facilitated a lot of workshops with senior managers

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who find it hard to articulate what makes the difference between something that is essential and something that whilst important, could be left out if its inclusion risked delaying the launch of the product. Where these is no cultural acceptance of the idea of prioritising work, where every requirement should be treated with the same importance then agile adoption will struggle to be successful. Prioritisation will not happen by accident so invest time in defining your criteria for essential items versus those that are useful but not critical to success. This cannot be accomplished unless there is a shared understanding of what business value means because your criteria will be driven by what delivers the greatest business value.

Agile shapes organisational culture

Adoption of agile is a mind set change which many senior executives tell me is their biggest concern with implementing agile techniques. Whilst they are excited by the benefits of agile and feel agile is the direction they should be going in (even if they do not fully understand it) and have an appreciation of the limitations of traditional waterfall approaches, they have concerns. The core elements of agile that pose the greatest challenge to prevailing organisation culture are:

1. Allowing the solution to evolve from a high level understanding of what is required, abandoning the time consuming collection and collation of detailed requirements. These detailed requirements are often flawed as they capture what the users think they want, and ignore the possibility that there are other solutions which they have not been able to imaging but which would meet their needs better. Apple has perfected the art of delivering products that the customers didn't know they wanted but were then unable to live without. However, evolving the solution requires a swap from perceived certainty of <u>what</u> is being delivered to <u>when</u> it is being delivered. We have to demonstrate 'certainty' as early as possible through demonstrations of our understanding of what the project will deliver using models and prototypes.

2. Dividing work into iterations means multiple deliveries to the business, which in turn means the business has to be good at accepting, implementing and embedding change. This has a big impact on the culture of the organisation, as adoption of agile implicitly sends the message that stability and business as usual is no longer the dominant force, and that innovation and new ways of working are as important. To generate this aspect of cultural change we need to ensure that all jobs, however junior incorporate the requirements for 'business as usual' and 'identifying and implementing change'. Building an internal capability for change is a long term change programme extending into the recruitment, induction and performance management processes of your organisation. A couple of years ago I was really impressed by the Vice Chancellor of a University who was so committed to making change the new norm in his institution that he reviewed all job advertisements his university placed with recruitment agencies to ensure they emphasised the skills needed to manage change.

3. Empowerment of the team, enabling the team to work freely together to create ideas, solve problems and go direct to the source of the help they need. Agile cannot work if there is too much bureaucracy. Delays in decision making from escalation to committees instead of empowered individuals puts at risk the principle of 'deliver on time'. However, there is often a cultural acceptance that power is based on

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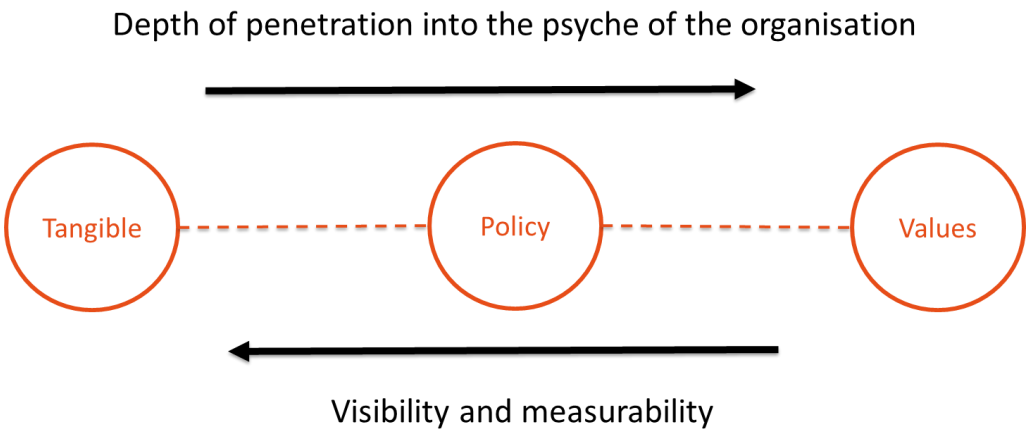
hierarchy and job title, and not on expert knowledge. Adoption of agile challenges this belief, replacing it with the concept that power should reside with those who know the most. Demographics play a part in this as 'millennials' think this is obvious but it needs to be role modelled by senior leaders who need to change their dialogue from "I think…" to "What do you think?"

So how do we go about changing our culture?

So many researchers and authors have identified that culture is comprised of many layers. Some liken it to an iceberg, with only some cultural aspects visible, with the rest below the waterline. Some talk about the inherent values of the organisation and how this originates from its founders, however long the organisation has been in existence. This is all true, but as a pragmatist, my job is to try to turn these concepts into practical actions. For me, culture is comprised of three elements which I have named:

- Tangible
- Policy
- Values

The relationship between these three elements can be seen on this spectrum. From left to right, the ability to see the elements in action decreases, whilst their contribution to culture grows exponentially.



The spectrum helps us to realise that we can most easily affect what we can see, the tangible aspects of culture. These interconnected cogs remind us that changing culture is not a linear process. Whilst we can address tangible elements more easily than values, there are inter-dependencies between all three, and a change in one can have an impact on all three.

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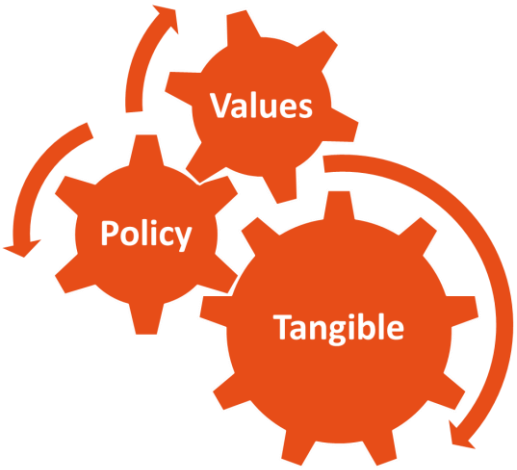

For the adoption of agile concepts into the culture of your organisation, I would suggest that these elements are illustrated by the following factors:

Tangible
What I mean by tangible are all of the visible artefacts that tell people how work is done, what they should prioritise, what they should value and how they should act. If we want to move towards collaboration and empowered teams, then we can help this to become a reality by providing the right working environment. This is characterized by having the space to work together through co-location, space to hold daily stand-ups and for extra desks to be available to host part time resources from the businesses impacted by the projects.

Therefore, tangible items include floor plans, desk re-organisations and whiteboards and wall space for holding the many visual charts associated with running agile projects.

Training courses are also a tangible, visible element of the culture. What we allow and encourage our staff to be trained in sends a powerful message about what is important to the organization. We should also encourage them in joining professional associations or networking groups to learn more and extend the value of their training. For example, in London there is an excellent group called Agile London that hosts presentations from a wide variety of big name organisations that have successfully adopted agile.

Application of the agile roles, and the empowerment of teams can best be achieved through changes to job descriptions and organization charts.

Policy
Policy is my catch all word to describe the next layer of culture, where the principles, policies, standards and processes capture ways of working. These are embodied formally in the organization by inclusion in the quality management system and the governance of the organization and can be assessed via internal audits.

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It is through this formalization that changes to ways of working can be embedded. For example, greater emphasis on meeting customer needs can be addressed with new procedures widening the remit of who attends customer visits, how customer views are captured etc.

In one implementation of agile we formalised the process of early feedback by creating a step by step design of a 30 minute 'show and tell' workshop to help the project team demonstrate their progress and allow their customers to tell the team what they thought about the project deliverables. By creating this as a process we helped to establish the 'Show and Tell' workshop as a standard part of the project methodology and help to dispel the myth that workshops always involved a day out of the office at a conference venue.

These formal factors of policies and processes need to include ways to measure progress and levels of adoption. Key Performance Indicators can be used to encourage agile adoption by individuals and Service Level Agreements can be rewritten to place greater emphasis on agile approaches by suppliers.

Values

Values is my term for the core of organizational culture, which is the beliefs that people have about the purpose of the organization and what is important. Values are the basic assumptions that people have defined about their organization and which underpin everything that they do. It is all around us, yet is not always easy to define. It is best evidenced by the observation of how people behave and what conversations that they have. For example, a basic assumption might be that 'we are a cost conscious organization' and that 'cost cutting and always taking the cheapest option' are behaviours that are rewarded.

I have found one of the quickest ways to help discover the values and beliefs is to sit with someone as they induct a new joiner into the organization. This is the time when they pass on 'perceived wisdom' and the things they think it is most important for someone to know.

These values are affected by what is measured and monitored and what is rewarded and celebrated. So look at the principles of agile working and think about how these can be encouraged. For example, in one organisation I am currently trying to change the underlying assumption that things have to be perfect before they can be shown to anyone else. In an agile environment we want the solution to evolve, we want to prototype and pilot project deliverables to find out which bits work and which need to be discarded. So I am involved in an exercise which encourages senior executives to congratulate individuals for their work in progress, instead of critiquing it and pointing out everything that isn't finished yet.

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For me, the most important values to transfer into the organisation to support agile working are:

- Change is a good thing, and that things are never right first time
- Projects provide solutions not problems, so they are worth spending time on, even when that involves compromises with the effort and attention given to 'business as usual'
- Early delivery of a part completed product is better than late delivery of a completed product Feedback is not criticism, it is helpful additional information that stops us wasting time on the wrong things

I am sure you will have your own list of ideal values, but it is worth identifying them because if you don't know what values and behaviours are needed, it is difficult to move people to where you want them to be. A friend of mine with over 30 years experience of successful cultural change describes this as 'culture by design' and contrasts it with 'culture by default' where people feel that things cannot be changed and 'this is just the way we do things'.

Golden rules of cultural change

These are my simple steps for getting started on what is often a long process!

- Know your starting point – have a good understanding of the existing culture i.e. 'how we do things around here' using the 3 elements of tangible; policy; values to perform a quick As Is/To Be analysis. In this way you can see where the biggest differences are between the environment needed to support agile adoption and what is currently happening.

- Align adoption of agile to your organisations mission and strategic direction so that everyone can see that agile is not just another way to manage projects. In order for the implementation to be success throughout the organisation, everyone needs to understand why it is useful and how it contributes to the wider goals.

- Pick your battles, recognising that an environment of 'agile good; waterfall bad' is naïve. It isn't helpful to create an impression that 'agile is the only way' and that how we managed proects before was completely wrong. This doesn't honour the past so runs the risk of angering all those staff who put effort and energy into creating the existing ways of working. It is also worth remembering that sometimes agile is not the best approach, and that agile works best when it is applied to situations where the solution is not known and does need to evolve as people learn more about the situation. It is also hard to apply agile to situations where there is not a genuine deadline. After all, agile makes the swap from certainty of what will be delivered to certainty of when it will be delivered, but this only works if there is a genuine time pressure.

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- Use an emergent approach, piloting its adoption and using small successes to build momentum for more agile. This is sensible advice for any cultural change programme. A wholesale change of working practices has the capacity to destabilise an organisation, as everyone becomes caught up in how to do things in an agile way, losing sight of the day to day need to service customers. Also, this is about changing how people think and behave about their work, which is a gradual build up, moving through tangible changes to changes in beliefs and values so it needs to be given time.

If you have found this paper useful, you might enjoy Creating an agile environment for effective project management - http://agilechangemanagement.co.uk/wp-content/uploads/2014/11/ebook-republished-on-creating-an-agile-environment-Kindle-edition-v32.pdf

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Melanie Franklin has a track record of excellence in project, programme and portfolio planning and delivery. In recent years she has focused on helping organisations move from waterfall to agile project management approaches in response to the increasing need to deliver projects on a shorter timescale.

Creating agile environments has grown in importance in recent years, and many executives are driving this adoption as they become aware of the benefits of agile thinking in responding to fast moving changes in the international business environment.

She is a respected author of 8 text books about project and change management. Her most recent book, 'Agile Change Management' proposed an approach to managing change initiatives that apply the principles of agile project management. This ensures that the exact deliverables from a change initiative can evolve in response to customer, regulator and market demand, project deadlines are still respected.

Melanie believes in authentic leadership, therefore, as well as using her training skills to develop the skills and knowledge of attendees on her courses, she also ensures she attends training to build her own skill set. Melanie is an accredited trainer in AgilePM and is a Certified Scrum Master and LeanKanban Practitioner. She is also an accredited trainer in Change Management, an examiner for the APMG Change Management Foundation and Practitioner qualifications and the Co-Chair of the Change Management Institute UK.

You can contact Melanie on:

melanie@agilechangemanagement.co.uk

www.agilechangemanagement.co.uk

Twitter: #agilemelanie

Linked-In: uk.linkedin.com/in/melaniefranklin1

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