



AGILE CHANGE
management limited

Agile in a strategic context

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Introduction

"Agile" is a style of working that prioritises flexibility, and the ability to respond quickly to change. Creating this style of working requires a change of culture. The foundations for this culture include:

- Acceptance that many of the old certainties have disappeared, replaced by disruptors with new business models, technology that makes previously impossible things possible and a vociferous customer base who can easily share their views about the service they receive.
- Understanding that top down change, based on a prediction of what the future will be is riskier than creating an environment that constantly scans the environment internally and externally to inform a continuous view of what the future might be.
- Appreciation that demographically many of those entering the workplace today expect to co-create the future, and want their voices to be heard. The old notions of hierarchical management do not motivate them, as they look for motivation from involvement, autonomy over how they work and a strong sense of purpose and meaning behind what they do.
- Recognition that change is not a linear series of one-off initiatives where upon completion the organisation returns to a steady state.
- Appreciation that change is continuous, relentless and that one change has many interdependencies with other changes so finding a simple start and end point is no longer possible.

Agile is not just the latest trend

Agile is not a new concept, in most recent times it was formally named Agile in 1986 in the Harvard Business Review article, 'The new product development game' by Nonaka and Takeuchi. However, we could equally make an argument that W. Deming in the 1950s introduced Agile working with his continuous improvement cycle of Plan; Do; Study; Act or that the Toyota Production System and its lean concepts of the 1940s was the pre-cursor to much of what happens today. It is only very recently that it has become a 'business' with accredited training courses and examinations and multiple different Agile methods from management consultancies.

There are now a range of techniques and approaches that are all referred to as 'Agile':

- Sprints – 2 weeks of focused activity, ending in a completed deliverable
- Working in self-directed, empowered teams
- Show and tells – demonstrations to stakeholders to gain authorisation or generate more ideas and requirements

- Use of visual tools including Kanban and Team Boards to convey information, often involving lots of Post It Notes
- MoSCoW and WSJF prioritisation techniques
- Retrospectives and reviews throughout the work to identify improvements in how work is carried out

These tactical approaches are represented by a number of brands including:

- Scrum®
- SAFe®
- AgilePM®

How does Agile work in practice?

Agile includes activities for discovery and experimentation on the assumption that what we are doing is subject to change and it is not appropriate to define and commit to requirements about all aspects of the work at the start. There must be opportunities to question whether what we are doing is still valuable, and if we are doing it in the best way, and seeking out additional ideas to further enhance what we deliver.

This translates into these key aspects of Agile working.

1. Working towards an end goal rather than a defined list of requirements.

Instead of clarifying every possible need and want up front, effort is put into clarifying what the organisation must be capable of doing, not what it will use to do it. In other words, we do encourage users/customers not to 'solutionise' what they want. We recognise that their understanding of how to deliver the solution to their problems is not necessarily their area of expertise and that their understanding of what is possible is not as up to date as those working in this area of expertise.

It is more valuable to question what they need and why, challenge the business value of what they are asking for and look for knock on effects and possible unintended consequences of meeting their request. We make sure that there is a strong business case and that there are clear constraints for any possible solution by asking:

- How much should be spent?
- By which date should the solution be available?

This shift of emphasis requires a willingness to hold back from demanding a particular system, process or solution and spend more time investigating the issues to be solved. It is a different way of thinking but it is appropriate if the end result is not absolutely clear and not subject to innovation any time soon.

2. Presenting interim results to generate early return on investment

Agile balances the continuous evolution of what is to be delivered with a relentless focus on delivery of early, valuable and usable elements of the work. For example, instead of making users/customers wait for a complete website, early page designs are confirmed and a few pages are launched, with more pages added regularly, deepening the content.

This is increasingly attractive as early return on investment can cross subsidise later stages of the work and dramatically shortens the payback period for projects.

3. Presenting interim results to generate further ideas

As Agile avoids defining the solution up front, it is important to get working prototypes and examples in front of users/customers as soon as possible so that they can consider if what they are likely to get is what they need. This continues until the final deliverables are operational, requiring a time commitment from those doing the work and the users/customers.

Clearly this time commitment is an overhead and it is worth considering if the end result is not totally clear at the start of the work.

Another reason for carefully evaluating the use of Agile is because being Agile means being flexible enough to react to feedback and amend, alter and change direction as needed to address the feedback that customers internal and external are giving you about your ideas. However, feedback comes at a cost. It requires effort to build a collaborative environment that allows those doing the work to demonstrate their ideas to their customers and follow a process to ensure feedback is given, reviewed and acted upon. So it is important to realise that an Agile approach is not appropriate for every situation.

4. Planning still happens, it is just different in Agile

'We don't plan' is a common misunderstanding about Agile environments. We do not plan in detail up front, because it would be wasted effort if we believe that our situation is subject to change. So some Agile protagonists argue that Agile is cheaper and faster because we don't have to pay for teams to plan rather than do.

However, this isn't true. A really effective Agile environment will see lots of planning taking place in response to feedback from customers. We save costs by not having to throw away existing plans and pay for re-planning, but we still have to plan what we are going to do, how it is going to be done and share the results of our planning with other teams who may be doing complementary work to our own.

5. Ability to prioritise is a key skill

As Agile involves experimenting towards the best possible outcome it is vital that those involved are able to prioritise competing ideas and activities against a common understanding of business/customer value.

This requires an excellent understanding of what the customer needs and wants, why they feel this way and in what environment they are working and what would improve their current situation. So an ability to empathise with users/customers and to build trust based relationships is key.

This common understanding of the business value flows through everything that happens within an Agile environment as a golden thread. Each section of work is undertaken only after agreement has been reached on which work is essential and which can be postponed if the essential work proves to be more complex and time consuming than originally assumed.

This constant evaluation of what is most important enables new ideas and changes of heart to be easily accommodated, which is why an Agile approach is known for its flexibility.

6. Reporting still happens, it is just different in Agile

Reporting and by extension assurance and auditing is different in Agile. As there is no complete plan of every activity created at the start of an initiative, there will be no simple reporting of actual against plan in the traditional sense.

Instead any reporting of progress is going to be via the presentation of the interim results so far. This is achievement based reporting, and whilst it can still be undertaken via descriptive reports, it is better achieved through demonstration.

Another complicating factor for auditors in Agile environments is the emphasis on face to face communication and resolving issues 'in the moment' and then moving on. The relentless drive for delivery doesn't support a culture of writing up what has been done, as this is looking to the past rather than concentrating on productivity in the present.

7. Different skills

Agile requires more personal responsibility. Agile is not a model in which participants are given detailed instructions about how they should be working. Agile environments demand a very focused, engaged approach because of the flexibility of what is being delivered, necessitating very frequent decisions about what direction to take next and what work to prioritise next. Participants are expected to define what they work on and how they carry out the work for themselves. It is less passive and requires more focus and engagement:

- Agile requires individuals to challenge what is asked of them, to ensure it is the best value activity at this point in time.
- Agile requires a more entrepreneurial spirit, a willingness to seek out new ideas and change

This different skill set needs to be reflected in the competencies we expect of staff and the performance management systems that we apply.

Agile isn't suitable for everything!

I know there are many in the Agile community who will strongly disagree with me on this point, but I am a pragmatist and I am driven to do the right thing for my customers. Sometimes the right thing is to advocate for a more traditional approach with less agility and flexibility. I think there are two reasons why Agile is not always the answer:

Certainty is more important than flexibility

Agile is a way of working that lends itself to innovation and new ideas. It is based on experimentation to find the right way forward in uncertain areas of the business where the answer of what to do or how to do it is not immediately obvious.

However, there are parts of the business that rely upon consistency and stability rather than innovation and creativity. Established services require certainty of delivery, so resources can be planned and users/customers receive what they expect to receive.

Feedback isn't essential

The cost of generating and acting on user/customer feedback has to be set against the value that regular customer feedback provides to the project. If your work is stable, consistent and the main criteria for success is that it is completed as quickly as possible, do you need to keep consulting on what it includes? If everyone agrees up front exactly what they want, how much they want to spend and when they want something, why apply a more Agile approach?

Conclusion

Agile continues to evolve and as more businesses develop their own Agile working environments, the arguments expressed in this paper will also evolve and change. Therefore the creation of an agile culture is unique to your organisation and will require long term commitment.

