INTRODUCTION TO
AGILE ENTERPRISE TRANSITIONS
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Supporting Agile Adoption
Part I
Scaling

Part II
Change

Part III
Transformation story
PART I
SCALING
TRANSFORMATION

Bunch of developers

Agile Team

Do not add objects or text in the footer area
Scale the agile MINDSET
Embrace change
Embrace diversity
Interact / reach out
Collaborate
Learn
Be open and constructive

internally
&
together with your customers
YOU NEED TO BECOME CONCRETE
**MANIFESTATION**

**Embrace change**
Accept and professionally deal with uncertainty/ambiguity: don’t ignore it.

**Embrace diversity**
Other views and opinions are an opportunity to learn and grow together.

**Interact / reach out**
Safe to ask ‘stupid questions’. Ask for help & provide help. Share experiences and insights.

**Collaborate**
From co-existence though co-operation to collaboration.

**Learn**
There is always more to learn and master.

**Be open and constructive**
**EXAMPLE: MATURITY MODEL**

<table>
<thead>
<tr>
<th>COLLABORATION</th>
<th>LEVEL 1</th>
<th>LEVEL 2</th>
<th>LEVEL 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication/alignment</td>
<td>Communication/alignment via assignments, requirements. Not always constructive dialogues between stakeholders. Inconvenient insights and facts are not always raised. Limited collaboration on solution level.</td>
<td>Continuous constructive collaboration &amp; dialogue between DEV &amp; PdM. Frequent meetings to share new insights &amp; commonly decide on most valuable way forward. Inconvenient facts and insights are often shared.</td>
<td>Continuous collaboration throughout the value flow including solution level, opportunity owner and CU. Continuous constructive dialogue between all stakeholders: Full transparency &amp; joint problem solving.</td>
</tr>
<tr>
<td>VISUALIZATION</td>
<td>Progress, status &amp; reports. Manual transfer of information between documents/databases/tools. Risk and uncertainty levels hardly visible (only single figures used for estimates)</td>
<td>Database/tool support for visualization of product backlog and value flow to support collaboration on product level without manual transfer of data. Risk and uncertainty levels visible via ranges for estimates.</td>
<td>Database/tool support for visualization of backlog and value flow to support collaboration on solution and product level w/o manual transfer of data. Risk &amp; uncertainty levels visible via ranges. Anybody can at any time see status and uncertainty level.</td>
</tr>
<tr>
<td>UNCERTAINTY MANAGEMENT</td>
<td>Traditional planning using single values for cost and time estimates. Early commitments from Dev to PdM.</td>
<td>Continuously updated ranges for cost and time visualized and used in collaboration &amp; governance meetings on product level. Joint, evolving commitments from Dev &amp; PdM towards customers based on uncertainty understanding.</td>
<td>Continuously updated ranges visualized and used in collaboration on solution level as well as product level and with opportunity owner and CU. Joint, evolving commitments established across the value flow towards customers based on uncertainty understanding</td>
</tr>
<tr>
<td>EXPECTATION MANAGEMENT</td>
<td>No disciplined expectation management. Bad surprise happening late</td>
<td>Continuous flow of information used by PDU and PL to understand and work on explicit and implicitly generated expectations.</td>
<td>Continuous management of expectations across the whole value flow. Continuous flow of information as well as a continuous re-alignment of promises and ability to adapt based on customer feedback and expectations.</td>
</tr>
</tbody>
</table>
PRACTICES & FRAMEWORKS

Scrum
Kanban
Beyond Budgeting
Uncertainty Mgt
RES

Lean Start-up
Beyond Budgeting

Uncertainty Mgt
Expectation mgt

DEV
CU
SER-VICE

Scrum
Kanban
LeSS
DAD
SAFe

Sociocratic decision making
Create space in your (leadership-) teams to discuss mindset-guiding topics, e.g.

- How do we as team and as a company deal with uncertainty?
- Do we value and foster collaboration?
- How can we move from safety to confidence?
- What behaviors do we as leaders want to display to each other and the people that follow us? (→ document them!)

Give people the platform and time to discuss, align, understand, learn together.

Involve an experienced moderator/facilitator/mediator.

- Learn how to deal constructively with different opinions.
- Learn how to handle your or your team’s frustration constructively.
RECOMMENDATIONS
PART I

› Learn several (!!) frameworks and consider what is fit-for-purpose for you.
  - Scrum, Kanban, LeSS, DAD, SAFe, Beyond Budgeting, Sociocracy, etc.

› Jointly develop maturity models.
  › Use them for communication and to do self-assessments.
YOU WANT (TO) CHANGE?

WHY?
What problems do you want to solve?

HOW?
What is your change approach?
CHANGE APPROACH?
COMPLEXITY
HOW CAN WE APPROACH COMPLEXITY?
What kind of challenge is an agile transformation?

- **OBVIOUS**
  - sense-categorize-respond
  - best practice

- **COMPLICATED**
  - sense-analyze-respond
  - emergent practice

- **COMPLEX**
  - probe-sense-respond
  - emergent practice

- **CHAOTIC**
  - act-sense-respond
  - novel practice
An Agile transformation is an emergent change of your (organizational) human system.
How can we influence the human system in our companies?

How can we increase the likelihood, that the wanted things emerge?
CONSTRAINTS

› All societies have shared rules/constraints.
› They are either set or they emerge.

➔ In a company we usually set and manage constraints
CONSTRAINTS?

People

Behavior

Capabilities

Processes

Structures

Interdependencies → a system of constraints
HUMAN SYSTEM ACTION TOOL

Behavior

Capabilities

Structures

Processes

desired state or problem statement
Human System Action Tool – Ericsson AB/Hendrik Esser

Behavior
- Mindset/attitude
- Values
- Needs

Capabilities
- Competence
- Skills
- # people
- Hidden talent

Structures
- Organization
- Governance
- Compensation
- Roles
- (Informal) networks

Processes
- Practices
- Tools
- Habits

desired state or problem statement
LEARNING CYCLE

Look at the system

Analyze:
- Is your vision still valid?
- What supports your vision
- What doesn’t

See what emerges

Take change actions

Define a change experiment

See what emerges
GOOD PRACTICES PART II

Learn “Applied Systems-Thinking”
Iterate change experiments; retrospect and adapt

› Use The HSA-Tool to analyze your system and to identify system change experiments you want to run.
› Make frequent retrospectives an integral part of all teams (dev teams, leadership teams, etc.)
› Use known retrospective techniques to start with.

Start with WHY and desired state
Continue with wanted and not wanted behavior / mindset / attitude
RECOMMENDATIONS
PART II

Scale mindset, not processes or structures.
Move from illusion of safety to confidence.
Get going and learn on the way → retrospective culture → build feedback loops
The leaders role becomes to support and evolve the system (“System Shepherds”)
Don’t just copy a practice from someone else. Always check them for fit-for-purpose in your environment using the HSA-Tool
PART III
TRANSITION EXPERIENCES
Intervention 1
2009: INCUBATION

› Leadership team
  – Kick-off: what do we want to improve?
  – How do we want to go about the identified issues?

› Work streams
  – Activating volunteers from across the organization
  – Experimentation, discussion, piloting
  – Integrating findings on leadership team level
  – Giving people the platform and time to discuss, align, understand, learn together.

› Finding (a mix between planning and experimenting) the first intervention turned out to be a 1 year journey.
Better Customer satisfaction

Q
TTM

Expected leadership behaviors
Empower teams
Collaboration Dev-ProdMgt
Agile manifesto
X-fct teams
ScM, PO roles
Backlog coordination.
System Design, Development, Test in one org
Governance

Recruit leaders (right mindset)
Train and coach teams
Scrum
Uncertainty Mgt
Decision model
Retrospectives

Behavior
Capabilities
Structures
Processes
Intervention 2
Better Customer satisfaction
Q TTM

Behavior
Capabilities

Structures
Processes

Teams ignore Committees → Architecture Q endangered

Leadership expected behaviors
Empower teams
Agile manifesto
Collaboration R&D - ProdMgt

Recruit leaders (right mindset)
Train and coach teams
Support for the change.

System Design, Development, Test in one org
Backlog coordination
Scrum
Decision model
Retrospectives

Governance

X-fct teams
ScM, PO roles
Re-enforce architect and committee roles

architects & committees mentoring approach

 cœur
Intervention 3
Better Customer satisfaction

Higher prio on non-code

Retrospectives
Scrum
Decision model
Uncertainty Mgt

System Design, Development, Test in one org
Governance

Clarify PO role
Re-enforce architect and committee roles
Backlog coordination

ScM, PO roles

X-fct teams

Train and coach teams
Recruit leaders (right mindset)

Collaboration (roles, tools)
Empower committees
Mentoring approach

Focus on everything the customer expects, not only code

Working SW is the only progress indicator → Documentation not handled appropriately.

Focus on everything the customer expects, not only code
Intervention 4
Better Customer satisfaction Q TTM

Leadership expected behaviors:
- Empower teams
- Recruit leaders (right mindset)
- Train and coach teams
- Manage architects & committees mentoring approach
- System Design, Development, Test in one org
- Governance

Collaboration R&D-ProdMgt working well
- Empowerment within boundaries
- Teams diverging → discussions what is the better practice & who has the best one.
- X-fct teams
- ScM, PO roles
- Backlog coordination

Process:
- Governance
- System Design, Development, Test in one org
- ScM, PO roles
- Backlog coordination
- X-fct teams

Behavior Capabilities
- Teams diverging → discussions what is the better practice & who has the best one.
- X-fct teams

Structures
- Governance
- System Design, Development, Test in one org
- ScM, PO roles
- Backlog coordination
- X-fct teams

Processes
- Governance
- System Design, Development, Test in one org
- ScM, PO roles
- Backlog coordination
- X-fct teams

Better Customer satisfaction Q TTM

Strengthen decision model: more e2e in DoD
- Clarify which processes & tools are mandatory and which ones optional
Intervention 5
Better Customer satisfaction
Q
TTM

We don’t need commitment decisions

Leadership expected behaviors
Empower teams
Agile manifesto
Collaboration R&D, ProdMgt

Scrum
Uncertainty Mgt
Decision model
Retrospectives

X-fct teams
ScM, PO roles
Backlog coordination

System Design, Development, Test in one org
Governance

Empowerment within boundaries
Re-enforce architect and committee roles

Clarify which processes & tools are mandatory and which ones optional

Strengthen decision model

Remove commitment decisions from the model
Intervention 6
Better Customer satisfaction Q TTM

Teams want to be closer to the customers

Customer early demos

Link teams into the communication between ProdMgmt and Customer

Leadership expected behaviors
Empower teams
Agile manifesto within boundaries
Recruit leaders (right mindset)
Train and coach teams
Scrum
Uncertainty Mgt
Decision model
Strengthen decision model
Remove commitment
decisions from the model
Clarify which processes & tools are mandatory and which ones optional
Empowerment within boundaries
Re-enforce architect and committee roles
mentoring approach
System Design, Development, Test in one org
Backlog coordination
Recruit leaders (right mindset)
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Clarify which processes & tools are mandatory and which ones optional
Empowerment within boundaries
Re-enforce architect and committee roles
mentoring approach
System Design, Development, Test in one org
Backlog coordination
Intervention 7
Teams overcommitted to customers → high stress level

Better Customer satisfaction Q TTM

Expectation management

Uncertainty Mgt

Scrum

Decision model

Strengthen decision model

Remove commitment decisions from the model

Clarify which processes & tools are mandatory and which ones optional

X-fct teams

System Design, Development, Test in one org

ScM, PO roles

Backlog coordination

Re-enforce architect and committee roles

Mentoring approach

Governance

Leadership expected behaviors

Empower teams
The journey continues...
GOOD PRACTICES
PART III

Start with the leaders
Prepare the change carefully, involving people early in the discussion (make it a joint effort)
Build an Agile Working Group (cross-functional)
Train the trainers, coach the coaches
Create Local Transition Teams
Be prepared that some things will go wrong: frequent retrospectives to obtain continuous feedback loop.
RECOMMENDATIONS
PART III

Pick your interventions wisely
  Based on retrospective results
  Targeting your (potentially updated) vision
  \rightarrow WHY

Stick with your principles (based on WHY/Purpose), but don’t be dogmatic

Re-organize + (Re-)recruit leaders to deeply anchor wanted behaviors

Recruit, keeping the wanted culture/behavior in mind

Accept, that you will lose some people along the way
SUMMARY
5 KEY-TAKE-AWAY’S

Start with the leaders
Anchoring the agile mindset through leading by example.

Start with WHY
Be clear about the problems you want to solve.

Scale mindset
Based on agile mindset you can adapt your processes and structures.

Systems Thinking
To improve your chance to let the wanted results emerge.

Feedback loops
To be able to act timely on emerging issues.
Recommended Reading & Watching

› Book: Nonviolent Communication
› Video: TED talk Yves Morieux
› Video: Gary Hamel
› HBR article: Dave Snowden/Cynefin
› Agile Alliance: Supporting Agile Adoption initiative
› Presentation: Linda Rising: The power of an agile mindset
› Book: Jürgen Appelo: Management 3.0
› Book: Scaling Lean & Agile Development (Larman, Vodde)
› Book: Mike Cohn: Estimating and planning
› Book: Steve Denning: The leader’s guide to radical management
› Book: Don Reinertsen: The principles of product development flow
› …