The Impetus and Move to Agility in the Workplace of

Today and Tomorrow

1. Why Agility?

1.1 Agile Business Drivers

Business requirements have now become volatile. Requirements are changing at a rapid pace and depending on the industry; a requirement may be outdated in months, weeks, or days. In order to translate these requirements into a meaningful product, the product development processes need to align with timely customer demand, cost, and quality. The processes have to be flexible, nimble, and agile enough to pivot with requirements while keeping cost and quality in check. Because change is happening at a rapid pace, long lead times on the product development and delivery can mean that the product is no longer relevant when it is delivered. Being agile, allows companies to reduce risk and focus on high-value and high priority products.
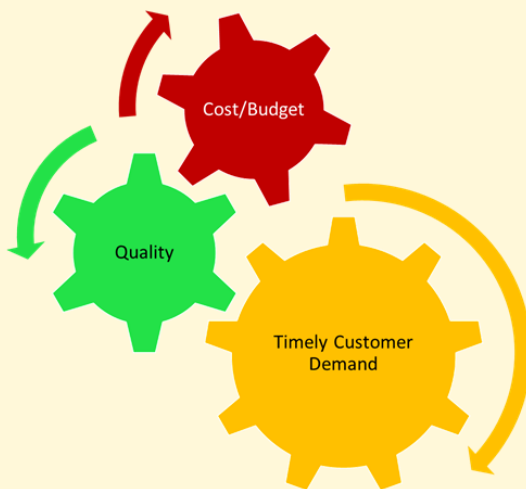

Figure 1 Typical Agile Drivers

Strategic plans that define future deliverables should be viewed as a spread of multiple outcomes as opposed to a single deliverable. Each outcome should be treated as a deliverable and measured, thus reducing the risk to strategic goals. Each outcome could be treated as a scenario and modeled analytically using simulation techniques, such as a Monte Carlo simulation.

Key corporate assets are its workforce (people) and the processes that govern them. In order for people to deliver to volatile requirements under budget and time constraints, the corporate culture requires behavioral transformation to think "Agility."

1.2 Traditional Corporate Culture is "Non-Agile" and in Silos

In traditional corporate cultures, product development involves detailed definition of scope and requirements; execution of development, testing; and followed by production/marketing. In the current age, by the time the product is ready the requirements have transitioned and market opportunity lost. Depending on the size of the project this development lifecycle could last months to years and include huge cost overruns. With these long development times, resources may lose their innovative edge, skills, and stop thinking out of the box. Corporations could have duplication of projects and efforts. This translates into wastage of resources and capital. In traditional cultures operational success measurement is closely tied to product sustenance and the corporate performance targets encourage cost containment that hinder investment to

growth. Corporations that highly value consistency create drawback structures that may slow deliberations and require significant number of meetings to reach a decision. By the time product issues have been resolved or a decision reached, the opportunity has passed and requirements have changed. Government has experienced some of these same conditions.

Most corporations have a knowledge management arm call the Project Management Office (PMO) that dictates processes and values that closely represent its culture and strategic vision. In a traditional and educated corporate culture the PMO is very structured and is resistant to change, a typical product change request would require senior management approvals and cause significant project delays. Usually, most corporate units weather related or unrelated would perform a change impact and provide their risks. This leads to excessive and unnecessary communications for the executing project team causing excessive delays and lost productivity. These traditional processes have taken themselves as prisoners and leading to different deliverables than what they had hoped to obtain.
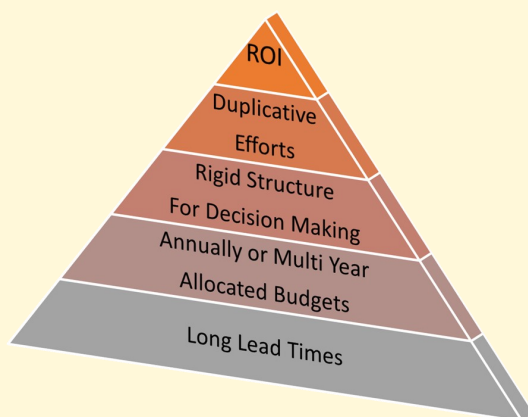
Figure 2 Traditional Silo's Pyramid

There is a new age of financial recession, where corporate budgets (including Government) are getting tighter year over year and the corporations are requiring its resources "do more with little." In order to capture the market share, corporations are being forced realign their processes and resources to be proactive rather than reactionary. This proactive process and resource requirements is causing cultural unease with the corporate workforce, hence leading to lack of emotional intelligence and behavioral pitfalls. The corporate processes and its workforce are in need of training to adapt, transform, and adjust to a new mindset, a new culture driven by quick response time aka "Agility."

1.3 The Transformed Agile Culture

In order to succeed in the global marketplace, corporations need to become less centralized and more mesh oriented, with network nodes communicating with each other. Mesh requires corporate units to network with each other in both a structured and unstructured way, leading to measureable outcomes. They are being asked to engage in strategy-development, market penetration, capital (budget) planning, and talent management. Corporations now need to create a resource map with skills across the organizations and allowing for movement of its resources. Senior level management needs to outline their draft strategic goals earlier in the budget cycle at least four to six months before the budget agreement or capital allocation is reached. Corporate officers should start maintaining a rolling 3 month and 18 month schedule that includes all proposed corporate initiatives and their dependencies to the strategic goal (mission). The vital network, resource planning and strategic goals translates to the government environment as well.

Agility requires managers to push decisions down in the organization to those who originate the idea and are closer to the opportu-

nity/problem; be flexible in revising budgets; and constantly maintaining the strategic plan against its feedback data and decision criteria. Delivery managers need to constantly monitor their strategic goals and be aware of gaps in the current strategic/development plans. These delivery managers should be given the leverage to manage their individual budgets and make necessary trade-off between projects to allow for accelerated investment and development. They also need to benchmark their project budgets on an annual cycle to see where their projects and funding measures up against the corporation.

Figure 3 Agile Communication Thread

Agile cultural change requires corporate initiatives to become more transparent and to bring cross company perspective to projects and budgets, thus sometimes preventing project/ initiative duplication. Corporations need to able to scale up or down their investments, and to capture opportunities outside of their allocated budget. Budget meetings should be conducted in "WHAT IF" scenario- driven mode with corporate drivers tied to priority reallocation, strategic realignment, and resource reallocation. All meeting participants must "WHAT IF" their projects and obtain concurrence with budget

and strategic goals. This process is also called "stage gating" on strategic milestones.

A more Agile Project Management Office is now tasked with:

- Creating processes that allow initiative and proposal consideration on an ongoing basis.
- Approving projects and project changes quickly to ensure requirements do not become volatile. Project approval is delegated to business delivery managers.
- Allowing projects and corporate units to ramp up and scale down as needed.
- Limiting meetings to decision makers and those closest to the problem.
- Scaling back drawback structures and consistency values (except for security).
- Aligning performance targets with deliverables and time to market.
- Cutting the corporate politics and improving accountability
- Conducting a postmortem review of project budget, project resources, and project deliverables. Sharing and implementing the lessons learned/ action items to other corporate initiatives.

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2. *Developing a Culture of Agility through Training, Coaching and Consultation Support*

Figure 4: Transforming to an Agile Culture through Coaching

Interventions in organization dynamics to accomplish a transformation to an agile culture pay attention to four key areas, and these structures, processes, norms and styles need to be aligned:

Strategy: While vision and a long view of value delivery are still relevant, overlaying that is constant attention to stakeholders and change drivers, trying to anticipate the next change, and a readiness to address it quickly with executable projects and small products that build consistent with the new strategic direction. Scenario planning has more immediate value than the long range plan.

Leadership: Tuned in to stakeholders and change drivers and tuned in to the talents and abilities of the organization. Understanding risk and experimentation. Decisive. A well-aligned team.

Organization: Leadership at all levels. Talent is developed in alignment with strategic vision. Engagement, innovation, and flexibility are encouraged and rewarded. Everyone in the organiza-

tion is a source of intelligence about change in the environment. Strong individual contributors are ready to team in new ways to address emerging change scenarios. Accountability is understood and reinforced.

Operations: Dynamic processes and flexible teaming respond quickly to emerging needs. Teams are empowered to make decisions. Small incremental improvements and iterative processes become the norm for many products and services. Those services that do not benefit from experimentation are still executed in the traditional fashion.

Leaders. Leadership for the transformation must model the concept of agility and must be credible. In some organizations the function of leadership needs to be seen differently than in the past. Leaders need to rely more on the decision making capabilities of staff, monitoring for results, listening for feedback, attuned to needs for pivoting and orchestrating the whole.

Interventions for leadership changes can include:

Workshops:

Agile leadership and communication

Rapid team formation

Coaching for Individual Leaders

Coaching for Leadership Teams.

Organizations. Organizations need to have structures in place that support agility. These include the system of rewards, the evaluation system, reporting structures, pattern of administrative support, communications that are frequent and clear with feedback loops, teaming capacity. Organizations also need new norms: results orientation, goals and plans can shift quickly, be prepared to pivot, creative thinking and prototyping are valued, focus on results (rather than processes).

Interventions for organization changes can include:

Workshops:

Opening up creativity, finding fresh perspectives, embracing change
"What If" scenario thinking
Agile Teaming
Agile Communications
others specific to the organization
Coaching for individuals or teams

Consultations:

Organization structures and retooling
Culture change roll-out
Talent management

Strategy and Operations. The emphasis is on flexible strategies and processes that can respond nimbly to change.

Interventions for strategic and operational changes:
Workshops:
Strategic thinking and planning
Consultations:
Process analysis

Learn Lead Practice supports an organization's shift to structures, processes, norms and behaviors that are aligned for agility. We can contract with you in a nimble fashion. We can begin with interviews and conversations in which we help you assess where you are in the development of culture and infrastructure that can support agility. We can then discuss with you what intervention would be the next logical chunk and then the next, adding to the contract as we proceed, and evaluating results and needs as we move forward.

We can include the services that you desire and leave to you those that you wish to retain.

Our starting point is who you are, where you are and what you desire.

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