

Play on the Path to Agility

Agilia conference 2014



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Senior Management Team



John the management lead



The world of John



Need for Agility

“To be competitive, companies must respond quickly and nimbly to the changing environment ... their ability to respond to market movements is core to sustainability.”

Organizational Agility -- The Economist

“If you are not moving at the speed of the marketplace you’re already dead
– you just haven’t stopped breathing yet.”

Jack Welch

Importance of Agility

In your view, how important is agility to your organisation's overall business success?

(% respondents)

Extremely important — it is a core differentiator for us

40

Somewhat important — it contributes to our business success

48

Neutral — many factors shape our business success

10

Somewhat unimportant — other factors play a more significant role

2

Not at all important — agility is not a relevant criterion for our business

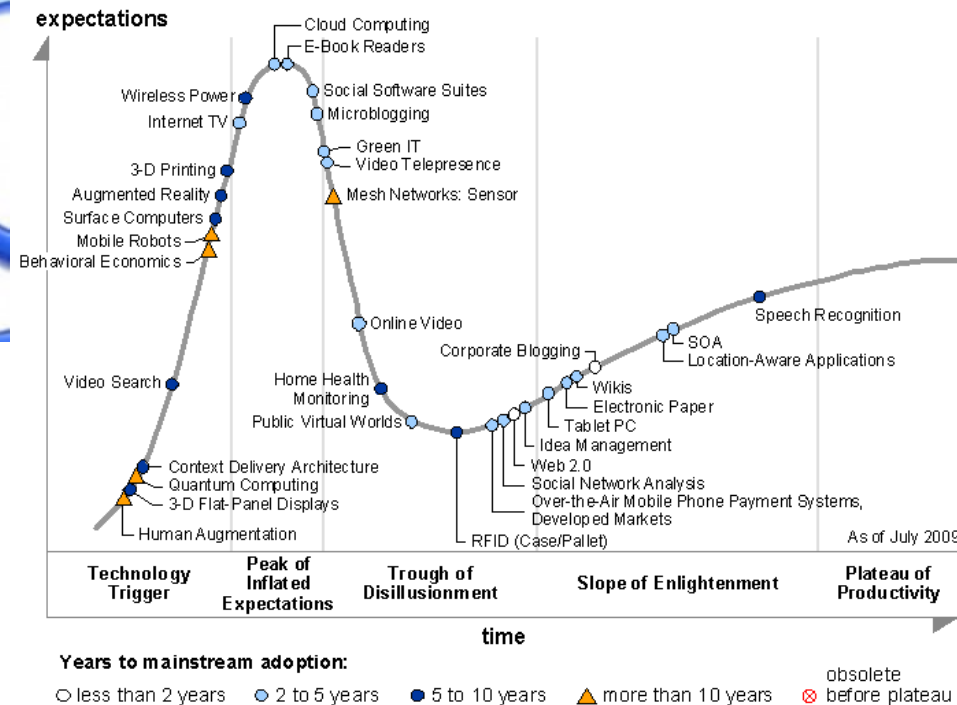
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Global survey under 349 senior executives – Economist Intelligence unit , 2009

Sue the operational lead



The world of Sue



Some questions Sue has

- How does John know that the organization is making progress towards its objectives?
- How do I know the organization is becoming more Agile?
- How can I justify the investment in Agility?
- Which practices do we need to adopt?
- How and where do we start?



Unfortunately there is no magic box!



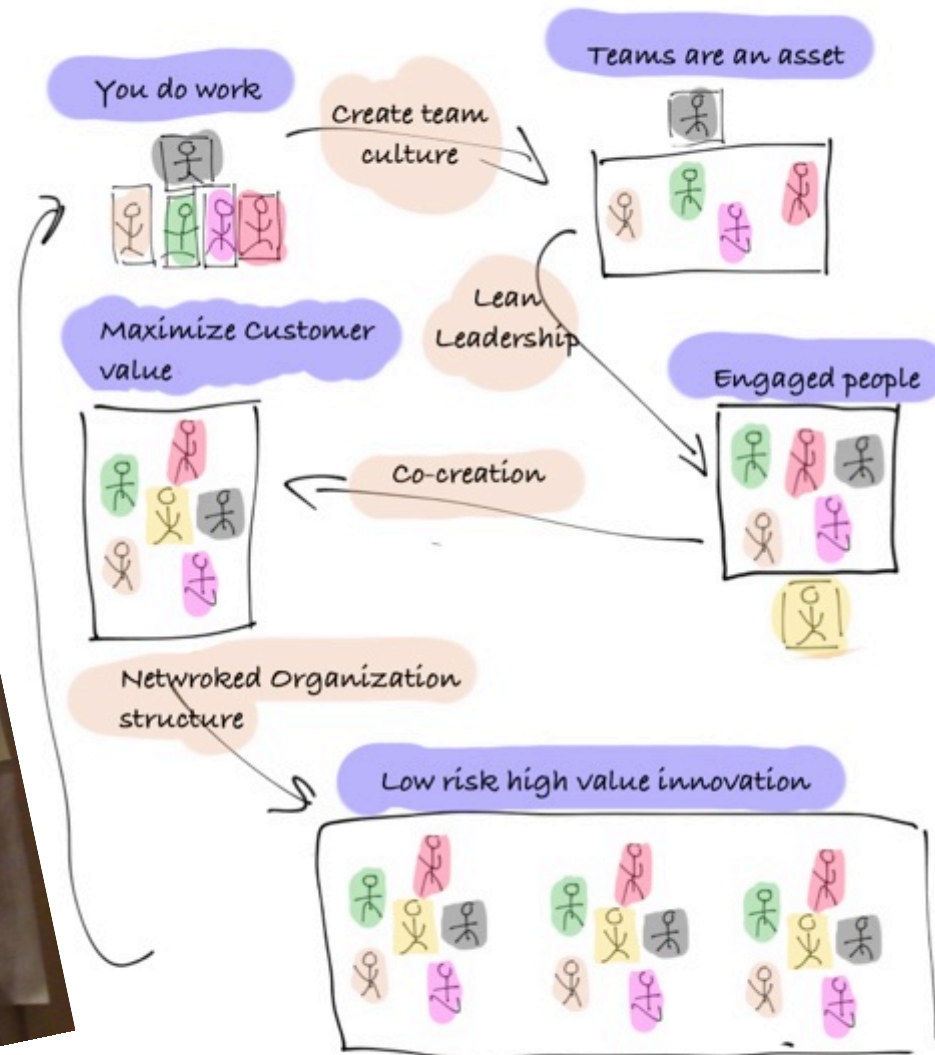
We do know how to setup the conditions so that
the necessary innovations will emerge!

Path to Agility needs to EMERGE

- Have clear objectives to reach
- Amplify organizational learning.
- Do not impose a solution upfront.
- Do not use a defined process for change.
- Create conditions for engagement.
- Have a senior manager as change leader.
- Use Top-down and Bottom-up adoption simultaneously.

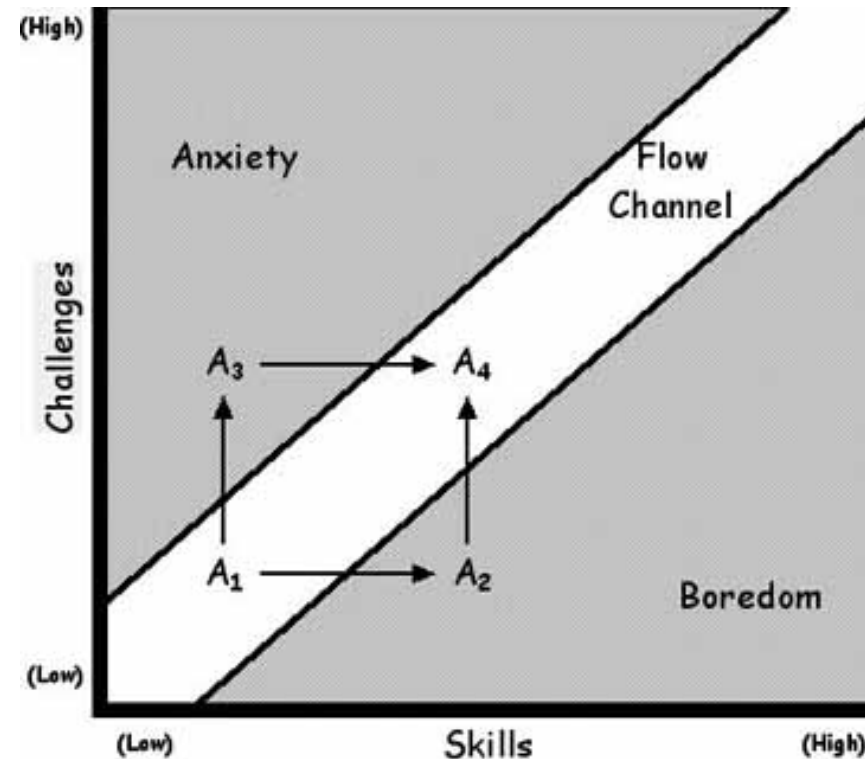


But first, do you understand what you want?

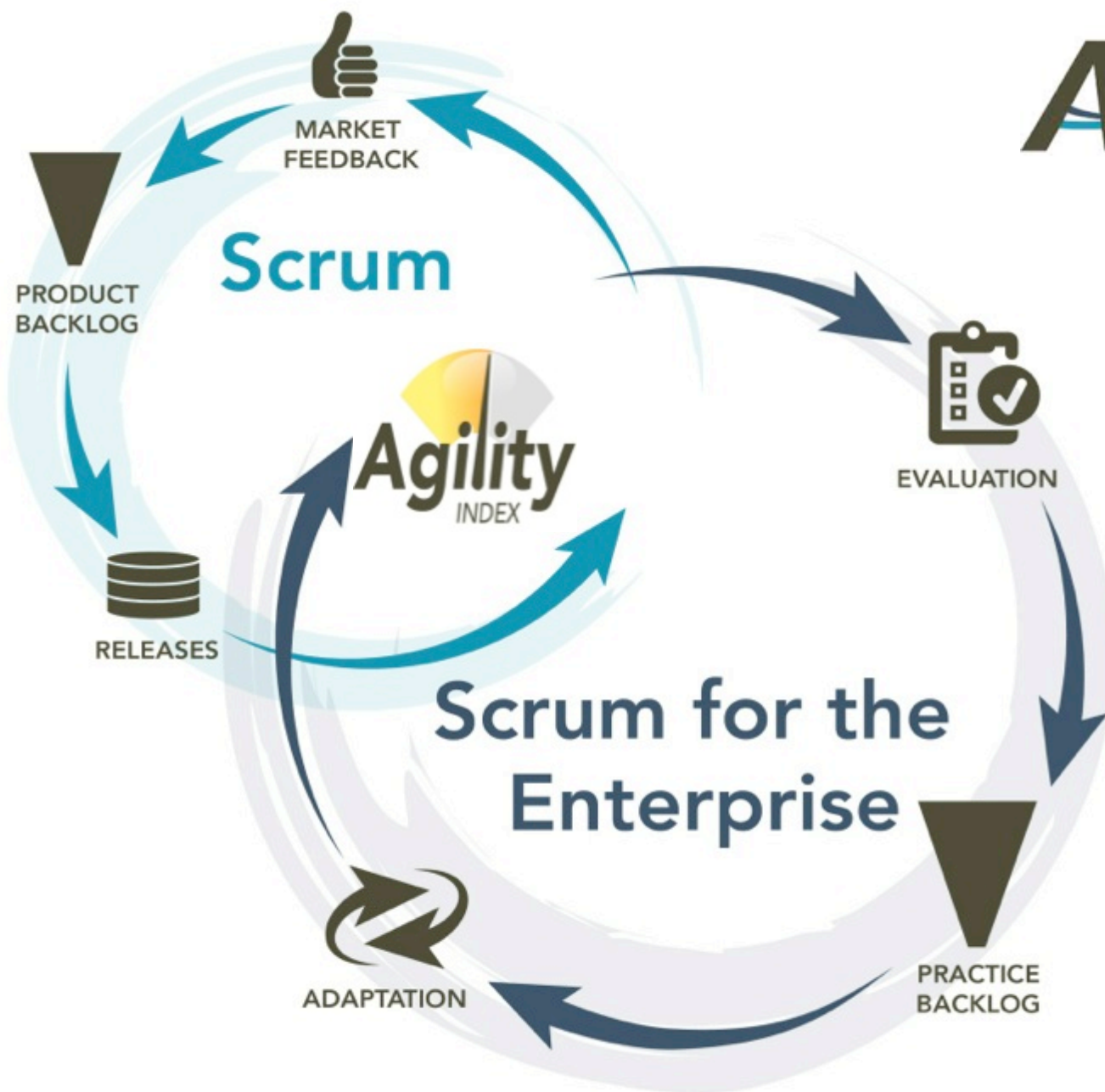


Game principles create conditions for engagement

- Setting challenging goals
 - Change vision for strategy
- Transparency on progress towards the goals
 - Measures
- Having clear rules of behavior
 - Shared Values for culture
- Having voluntary participation
 - Self-organization



From *Flow: The Psychology of Optimal Experience*
by Mihaly Csikszentmihalyi (page 74)



Agility
PATH™

agility-path.com



Measures John could use



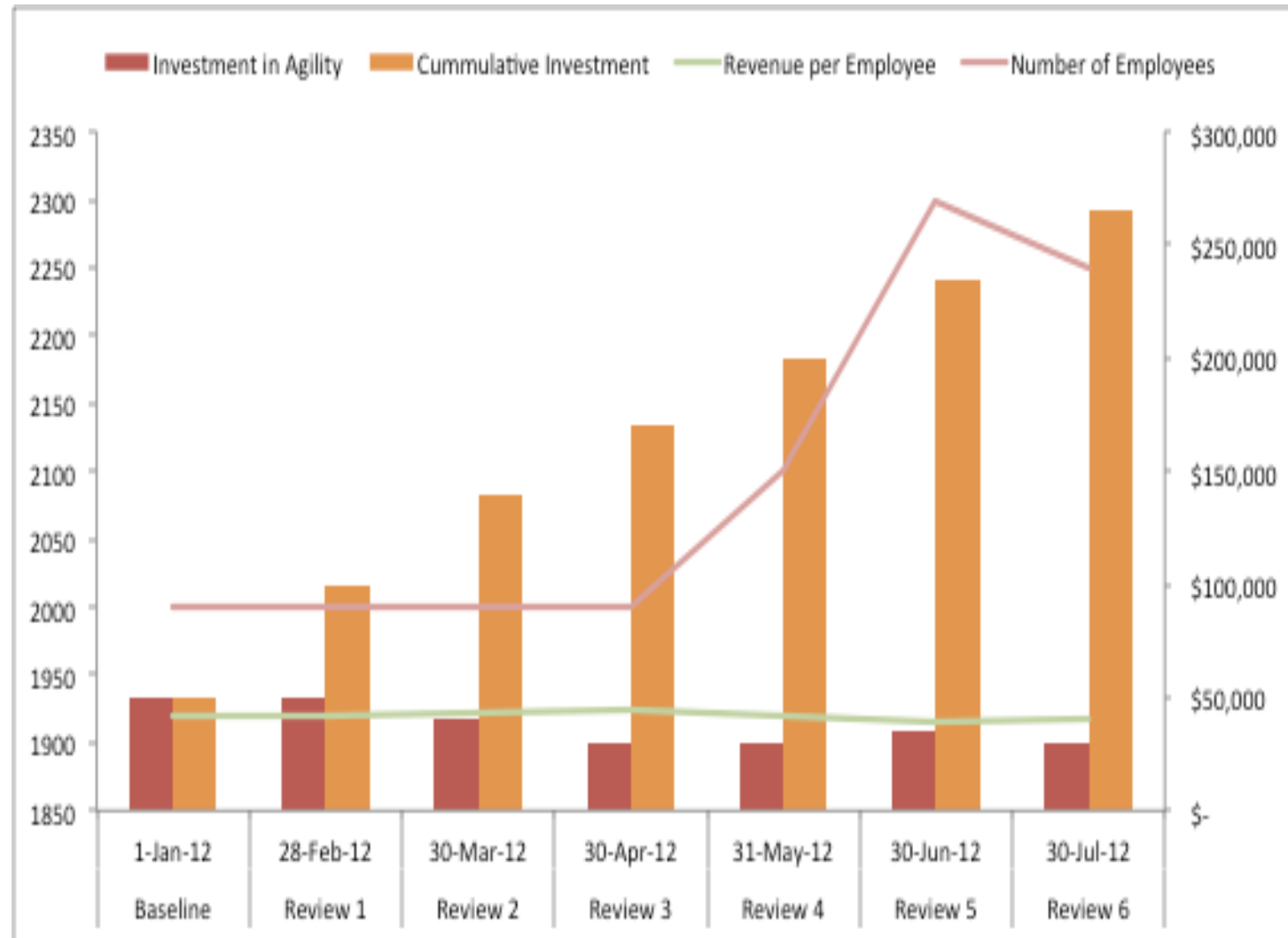
Organizational

- Revenue per Employee
- Employee Satisfaction
- Customer Satisfaction
- ROI

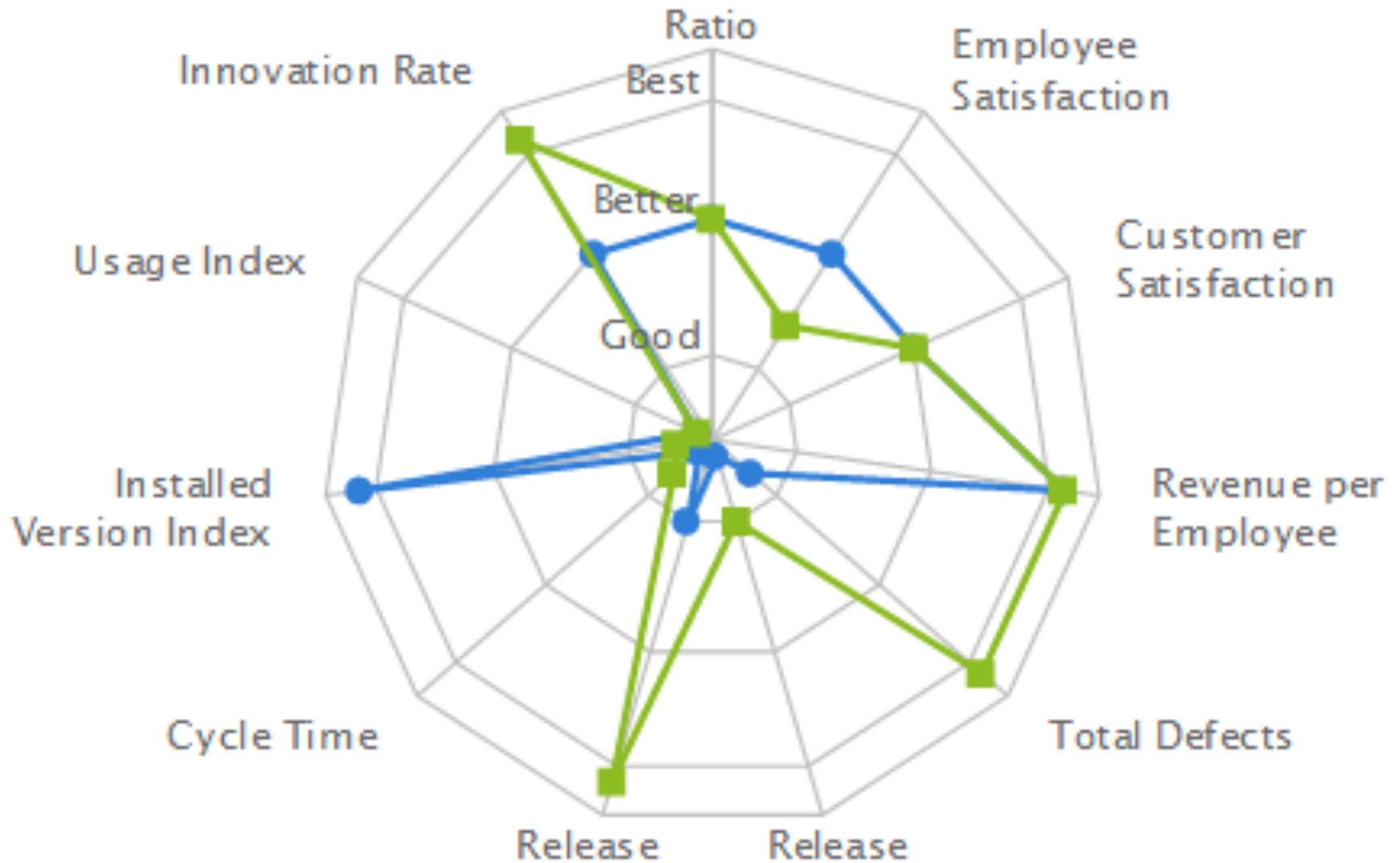
Foundational

- Release Frequency
- Release Stabilization
- Turnaround of new functionality
- Installed version Index
- Usage Index
- Innovation Rate
- Total defects

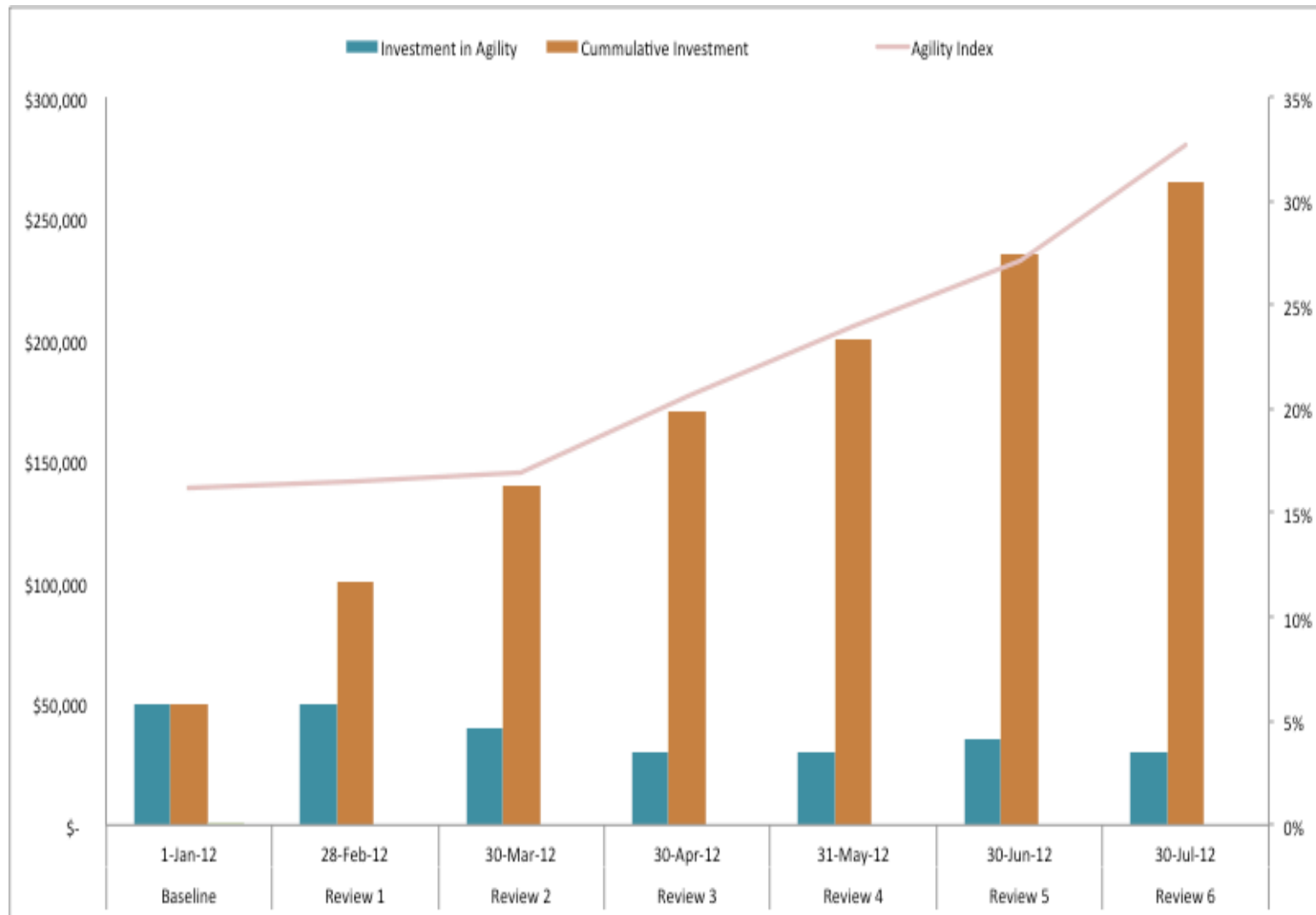
Employee Value Creation vs. Investment in Agility



Measures for evidence



(Cumulative) Investment in Agility vs. Agility Index



Domains that could impact agility



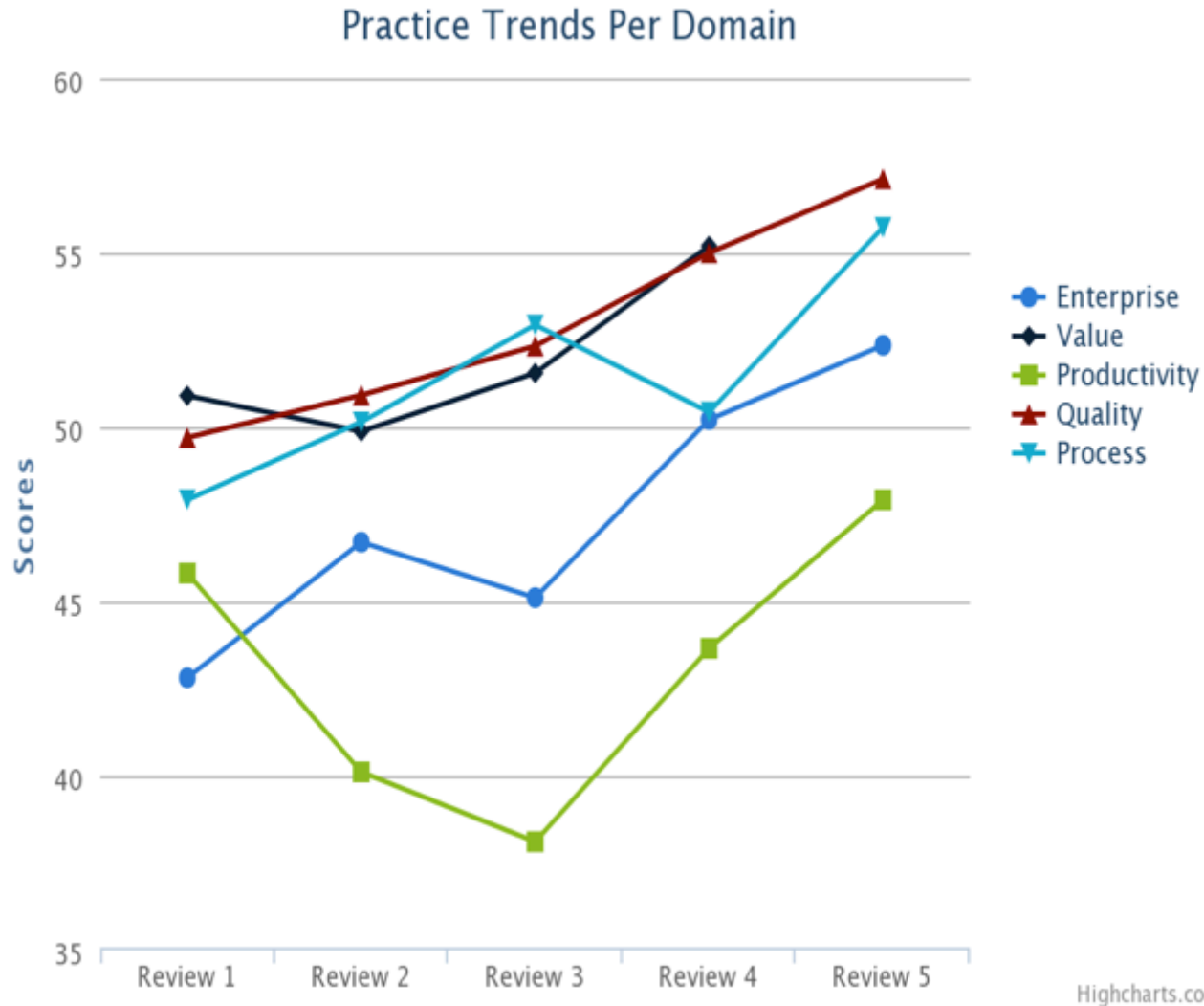
Domain	Functions
Productivity	Software and product development
Value	Product management, release management, PMO, Product Owners
Quality	Infrastructure, architecture, tools, standards, conventions, QA
Process	Scrum, Co-creation
Enterprise	Above plus rest of organization

Measures Sue could use

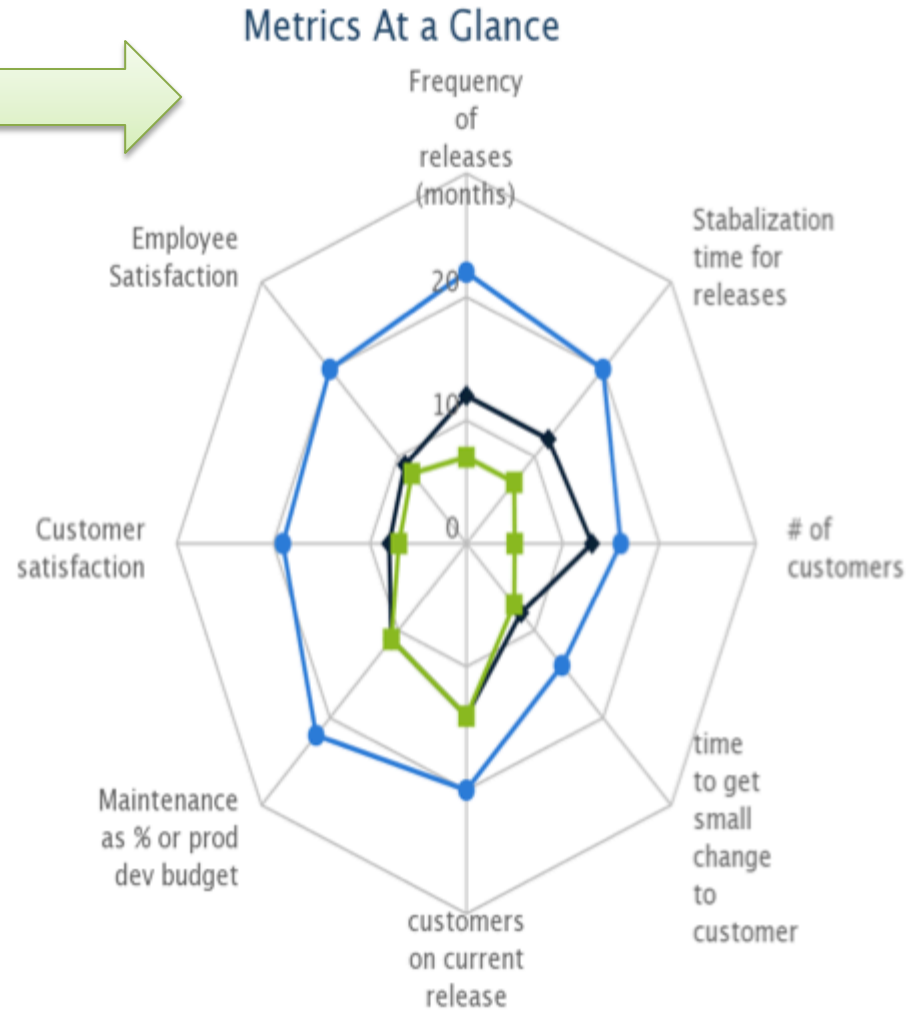
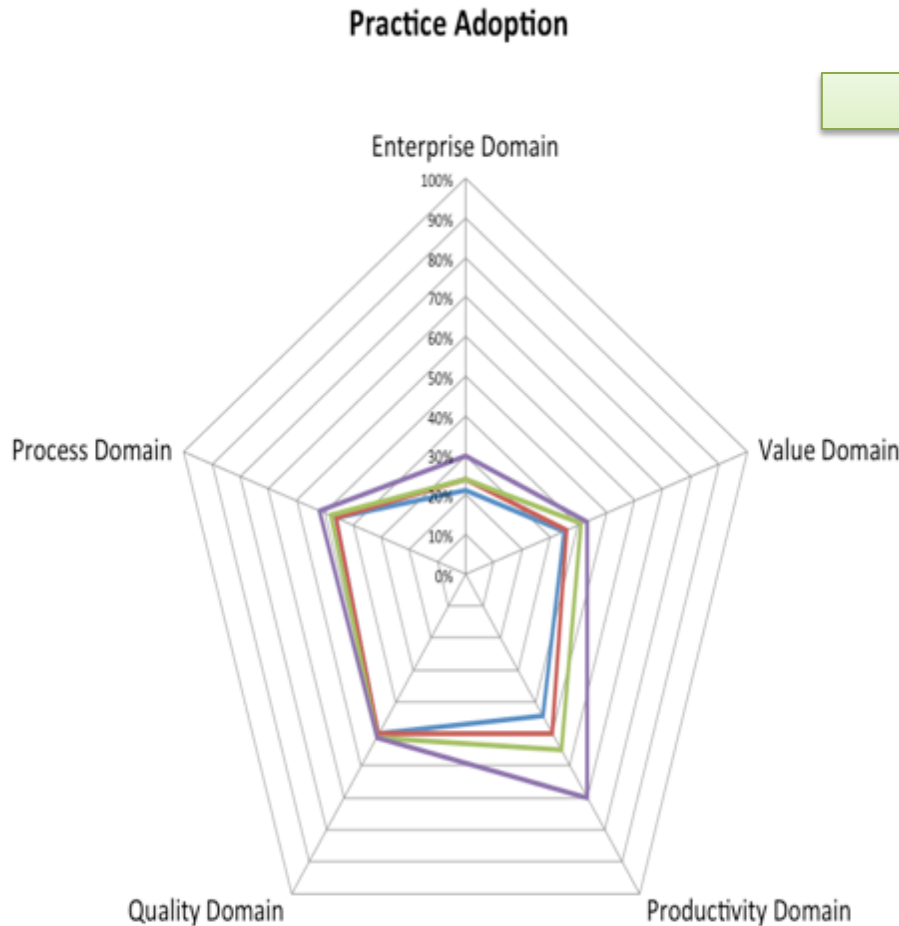
- Diagnosing current practices across 5 domains provides a picture of strengths and areas for improvement
- Ordering into a Practice Backlog provides starting point for highest value improvements



Improve overall practices that lead to Agility



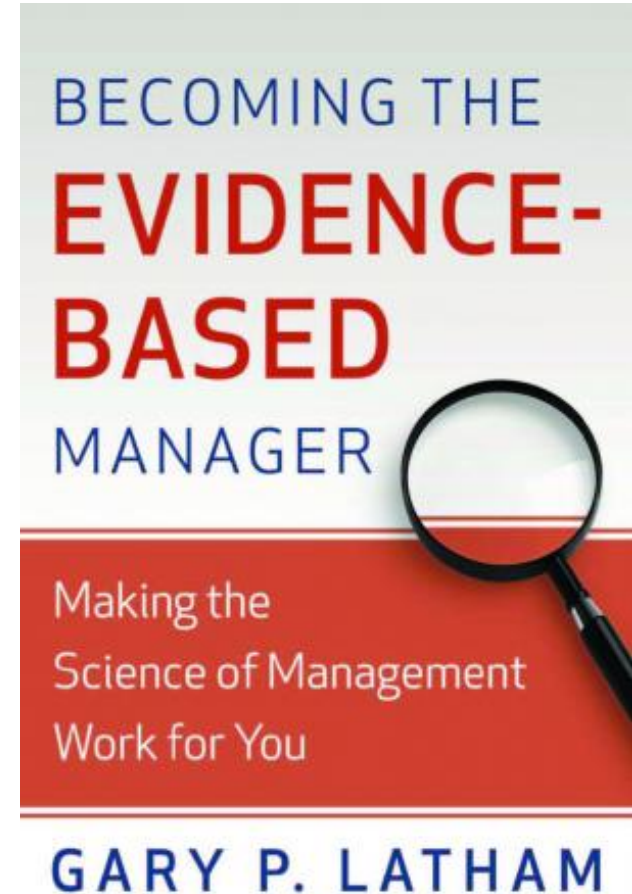
Adopting practices should improve domains



Use EBM to not fall over into chaos

Evidence-Based Management

- Translating principles based on best evidence into organizational practices.



EBM is hard



Think about a team you witnessed that was outstanding, that worked together well and where people learned and improved because of team work.

Now think about a team that was very poorly, maybe they did not achieve their goals, maybe their performance deteriorated over time and people felt frustrated in the team.

What is most responsible for the difference?

Agile is building the wrong thing Faster



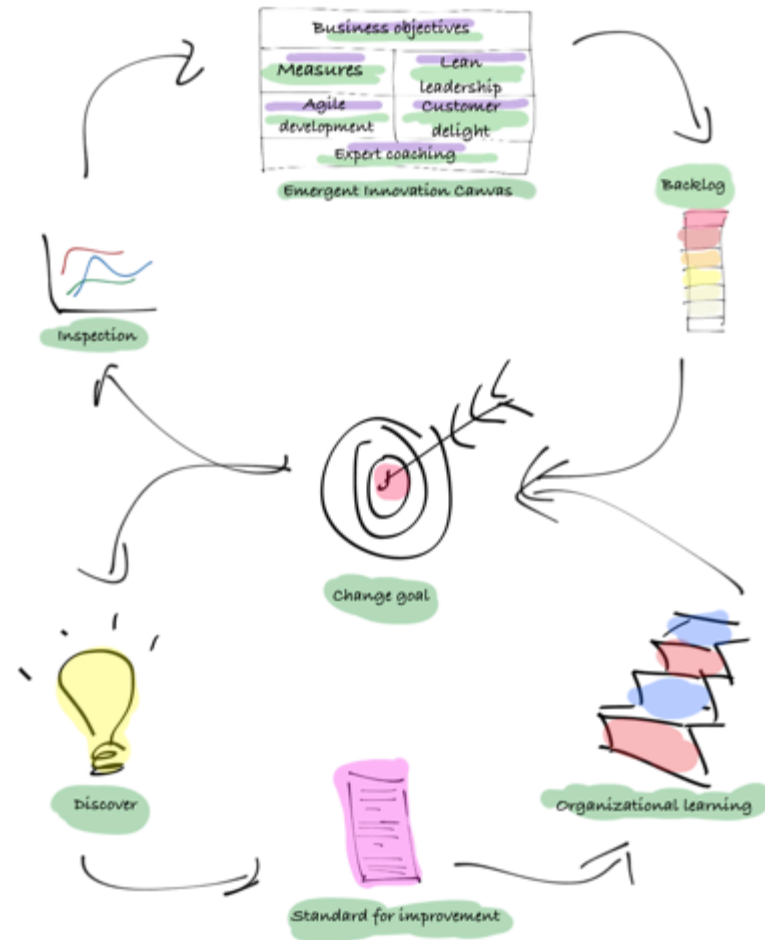
“Use EBM with Agile to
avoid
adopting the WRONG
thing FASTER...”



Professor John Seddon

Summarizing Path to Agility

- Setup conditions for engagement.
- Define measures for improvement.
- Assess the current situation.
- Order the practice backlog to start learning.
- Practice EBM to discover your path to agility.



**THERE IS NO
ELEVATOR
TO SUCCESS.
YOU HAVE TO
TAKE THE
STAIRS**

Thank you!



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