Organizational Agility

Lean-Agile Ways of Working Across the Enterprise
Learning Objectives

At the end of this Technical Talk you should be able to:

- Explain Organizational Agility and why it is critical to achieve Business Agility
- Define Business Solutions and identify the teams involved in delivering them
- Implement Lean-Agile practices across the organization and continuously improve Lean Business Operations
- Understand the critical aspects of Strategy Agility
Organizational Agility: A Core Competency
SAFe – Your operating system for business agility
Rethinking the organization

The world is now changing at a rate at which the basic systems, structures, and cultures built over the past century cannot keep up with the demands being placed on them.

—John P. Kotter
Introducing Organizational Agility

Lean-Thinking People and Agile Teams

- House of Lean
- SAFe Principles
- Agile Manifesto

Lean Business Operations

- Process Time
- Delay Time
- Process Time

Strategy Agility

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Business Solutions Delivery
Introducing Business Solutions

- **Software applications** describe the features and capabilities being developed.

- **Digital systems** ensure the software applications can run securely in their appropriate context or as part of a larger system.

- **Business solutions** provide the means for transforming these digital systems into customer centric value.
Revisiting Development Value Streams

- Represent the steps needed to go from idea to value

- It includes all the peoples, processes and information needed to develop and deliver new business solutions.

- Enables the Lean goal of maximum customer value in the shortest sustainable lead time, with the highest possible quality
Mapping Activities in the Value Stream

1. Work with SMEs, authors, teachers and students
2. Create a marketing campaign to test and generate demand
3. Validate the solution to demonstrate its efficacy
4. Train teachers to use it effectively
5. Consider how we will support the product
Consider what Business Solutions delivery means in your context.

Discuss with you neighbour:

**Step 1:** In addition to the software teams, what other functions are needed to support the creation and delivery of value?

**Step 2:** Which of those are currently outside the scope of your Lean-Agile transformation?
Lean-Thinking People and Agile Teams & Lean Business Operations
Lean-Thinking people and Agile teams represents a state where everyone involved in business solution delivery are trained in Lean and Agile methods.

This gives them the knowledge, skills and understanding they need to continuously improve business outcomes.
Business Teams ‘on the Train’

- They form cross-functional teams adopt the Lean Agile principles and practices
- They are ‘on the ART’ and participate in delivering and supporting innovative Business Solutions
- Some functions may be ‘represented’ by individuals on the ART
Specialize the Principles

1. Validated learning over opinions and conventions
2. Customer-focused collaboration over silos and hierarchy
3. Adaptive and iterative campaigns over Big-Bang campaigns
4. The process of customer discovery over static prediction
5. Flexible vs. rigid planning
6. Responding to change over following a plan
7. Many small experiments over a few large bets

Source: agilemarketingmanifesto.org
Implementing Flow

SAFe Principle #7 – Visualize and limit Work in Process (WIP), reduce batch sizes and manage queue lengths is applied to optimize flow.
Discussion Point: Agile Business Teams

Considering your context, discuss with someone else:

**Step 1:** Which additional Business Teams should be included on your ART to support Business Solutions delivery?

**Step 2:** Would they be teams ‘on the train’ or individuals representing those functions?

**Examples:** Product marketing, finance, security, contracts, procurement, supply chain, legal, training, business process engineering, manufacturing engineering, compliance, support
Creating an Agile Working Environment
Implement Agile HR practices

1. Embrace a new talent contract, explicitly acknowledge the need for value, autonomy, and empowerment

2. Foster *continuous* engagement, to both the business and technical mission

3. Hire people for Agile attitude, team orientation, and cultural fit

4. Eliminate annual performance reviews. Replace with continuous, iterative performance feedback

5. 'Take the issue of money off the table.' Eliminate destructive individual financial incentives.

6. Support meaningful, impactful, and continuous learning and growth

Strategy Agility
Aspects required for Strategy Agility

The ability to change and implement new strategies quickly and decisively when necessary, and know when to persevere on the current strategies

- Market Sensing
- Innovating like a Lean Startup
- Implementing changes in Strategy
- Reorganize around value
Innovating Like a Lean Startup

- Manage the flow of new initiatives via a ‘build-measure-learn’ Lean Startup Cycle
- Test hypothesis with a Minimum Viable Product (MVP) before committing to significant investment
- Tune the Engine – quickly adjust and move towards the goal, based on the data gathered.
- Pivot or persevere – Decide to deliver additional value, or move on to something else, ignoring sunk costs.
Implement Changes in Strategy

1. Redefine Strategic Themes
2. Communicate the new strategy
3. Define new Epics or Features
4. Reorganize around value
5. Adjust budgets and guardrails
6. Apply innovation accounting
Consider a potential change in strategy from your context, and discuss:

**Step 1:** How easy or difficult would be for the organization to implement this new strategy, including reorganizing around value, if required?

**Step w:** How quickly could they accomplish this?
Summary
Rethinking the organization

Incremental adjustments to how you manage and strategize, no matter how clever, are not up to the job.

—John P. Kotter
Organizational Agility provides the flexibility to change

- Create an enterprise-wide, Lean-Agile mindset
- Lean out business operations
- Respond quickly to opportunities and threats
Questions
Thank you!

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