Want Business Agility? Start with Your Managers

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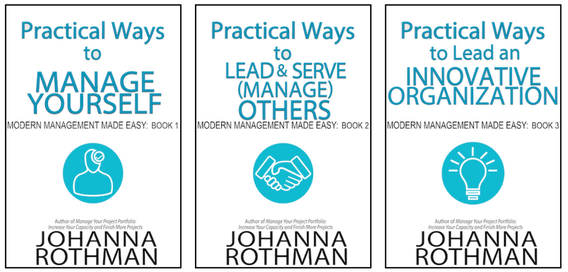

Desire for Business Agility

Promise: Better! Faster! Cheaper!

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“Transformation”:

Train the Teams in an Agile Framework
Agile Center of Excellence

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Managers Did Not Change

- Every functional manager maintained their own goals, cascading down to each person
- Focused on efficiency, not effectiveness
- “Failure is not an option”
- High organizational WIP

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Agile “Transformation” Failed.

No Business Agility.

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Don’t blame the managers.

They are part of a greater system of work.

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Efficient vs. Effective

- Efficient means we remove the waste from our work.
- Effective means we choose the most valuable work first.
- Choose most valuable work in the project portfolio

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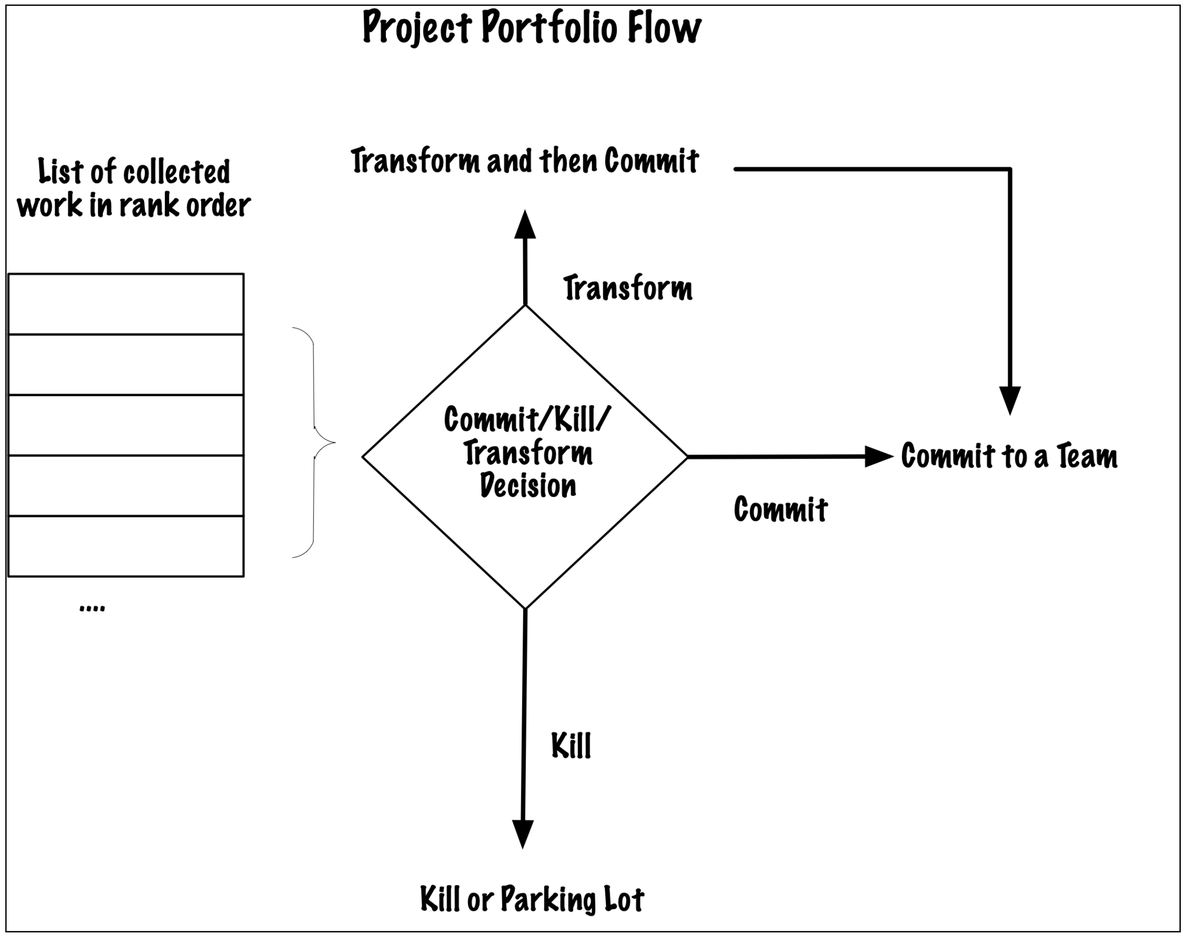
Project Portfolio Shows Overarching Goal (or Not)

- Instantiate strategy:
  - Which customers do we serve?
  - Which problems do we solve?
- Choice of where to invest each team's time and focus
- When managers commit to a *team*, they reduce organizational WIP



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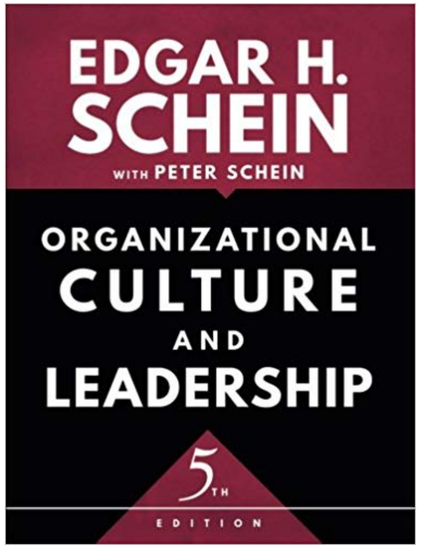
Managers Create & Refine the Culture

- Paraphrase of Schein:
  - How people treat each other
  - What people can discuss
  - How the manager and organization rewards people
- Structure and rewards at all levels define the culture



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Lewin's Equation: B= f (P,E)

- Each person's Behavior is a function of the Person and their Environment
  - Psychological safety for mistakes, concerns, challenges
  - Trust with colleagues, team members, & managers
  - What behavior do managers reward and tolerate?
  - Organizational policies & procedures that help/hurt work

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Environment == Culture

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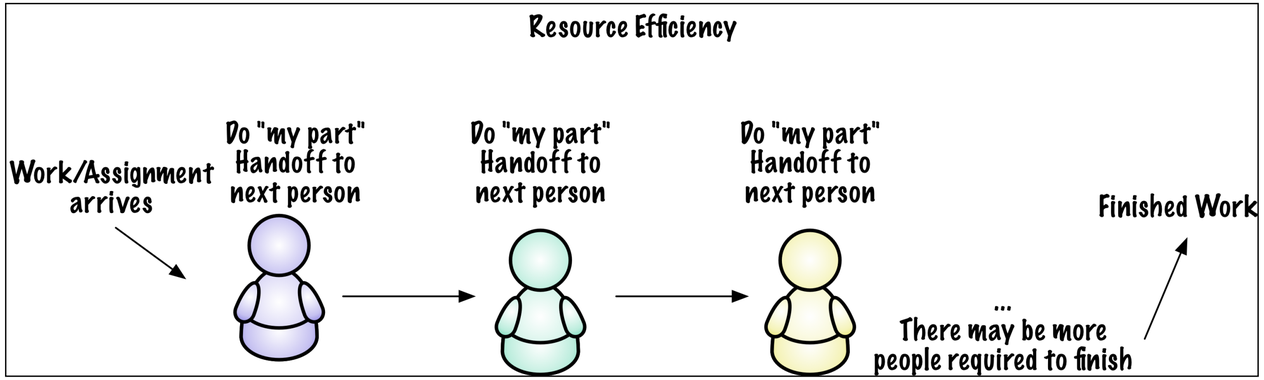
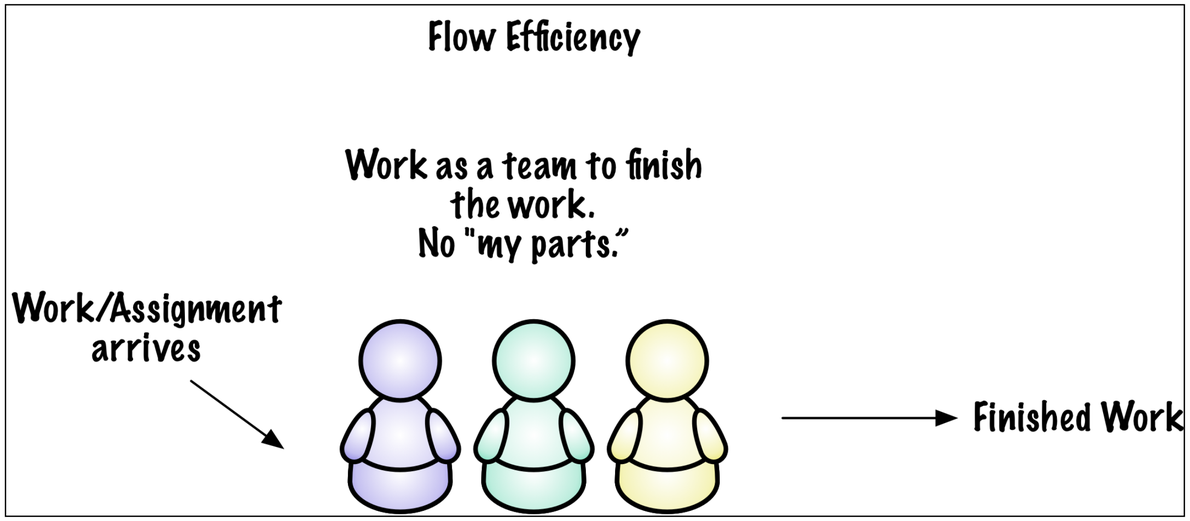
What Does Your Organization Reward?

- Only individuals? Resource efficiency thinking
- Some individual, some team-based rewards? Flow efficiency thinking





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Rewards Reinforce a System

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Resource Efficiency Culture Creates

- Increase organizational WIP
  - "My" work (cooperate, not collaborate)
  - Reinforce expertise
  - Information hiding
- Reluctance to experiment

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Flow Efficiency Culture Creates

- More experimentation
- Learn Early (not "Fail Fast")
- More collaboration (not just cooperation)

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How Long Do Teams Wait for Management Decisions?

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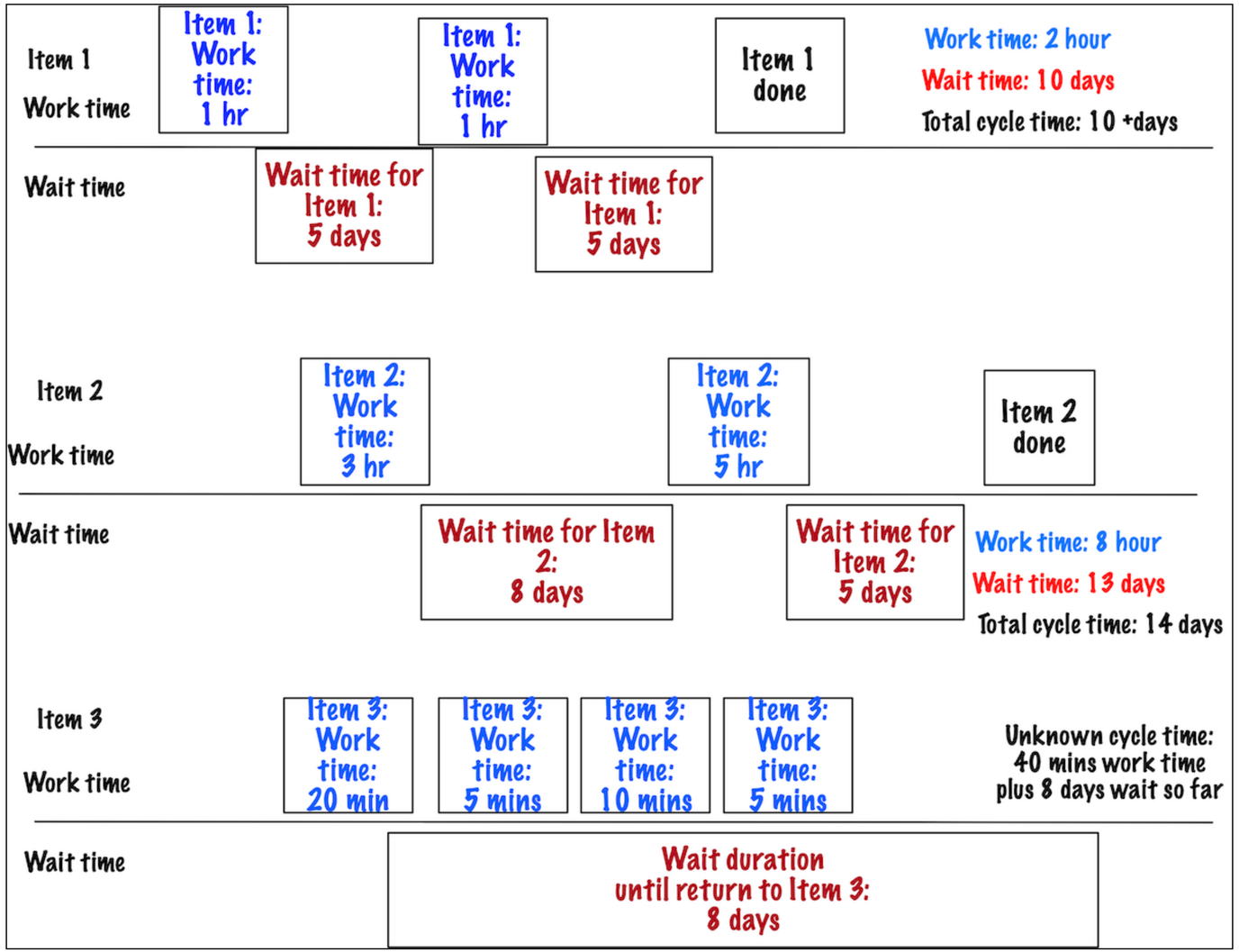
Resource Efficiency: Increases Management WIP



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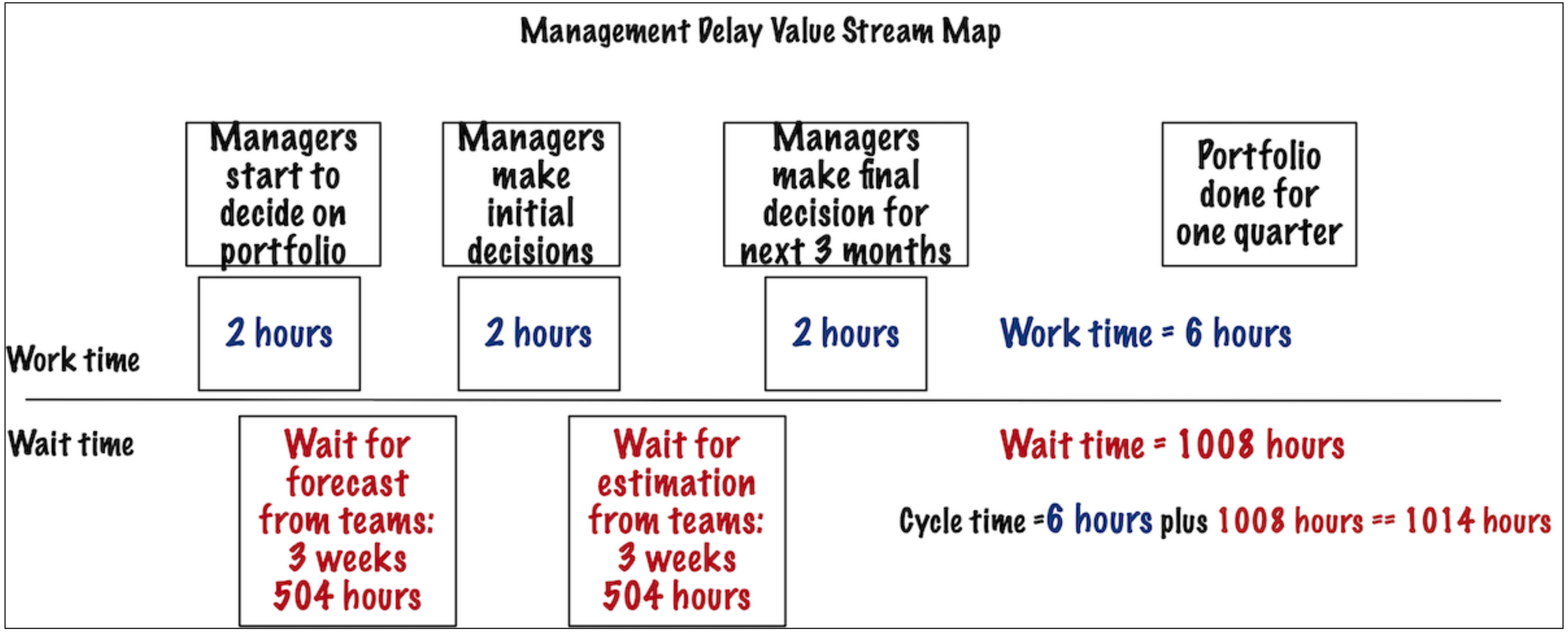
Resource Efficiency Effect for Managers



Independent goals make collaboration difficult

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Policies Often Prevent Agility

- Standardizing on boards or tooling for teams
- Insufficient workspace for a team
- Not training when the work changes (technical or interpersonal skills) for all teams
- Too-long duration decisions based on estimation, not cycle time or forecasts
- Performance management

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Want Business Agility?

- Create adaptable and resilient management practices
  - From "Efficient" to "Effective" to reduce WIP
  - Flow efficiency thinking at all levels
  - Reward (management) collaboration, not individual "performance"
  - Measure & reduce management decision time to reduce WIP

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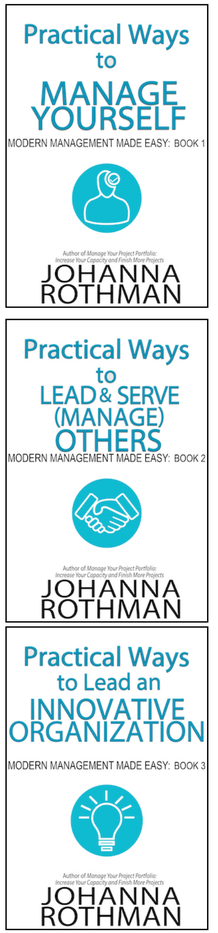
Modern Management for Business Agility

1. Clarify purpose, for you, your team, your organization.
2. Build empathy with the people who do the work.
3. Build a safe environment.
4. Seek outcomes by optimizing for an overarching goal.
5. Encourage experiments and learning.
6. Catch people succeeding.
7. Exercise your value-based integrity.



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- Pragmatic Manager:
  - www.jrothman.com/pragmaticmanager
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