

# THE SHAPE OF BUSINESS AGILITY

# About Evan

## My first job

Koala (it's a long story)

## My home

Melbourne, Australia – a land of great coffee, but terrible weather

## Suits are awesome because...

- a) I want to look pretty
- b) To take the piss out of dress codes
- c) It's become my brand
- d) I like the cognitive dissonance when I walk into a room as the “agilist”

## My passion is...

To create organizations that put people first (not people before profit, people make profit). Ones that I am proud to see my 10yo daughter work for when she grows up

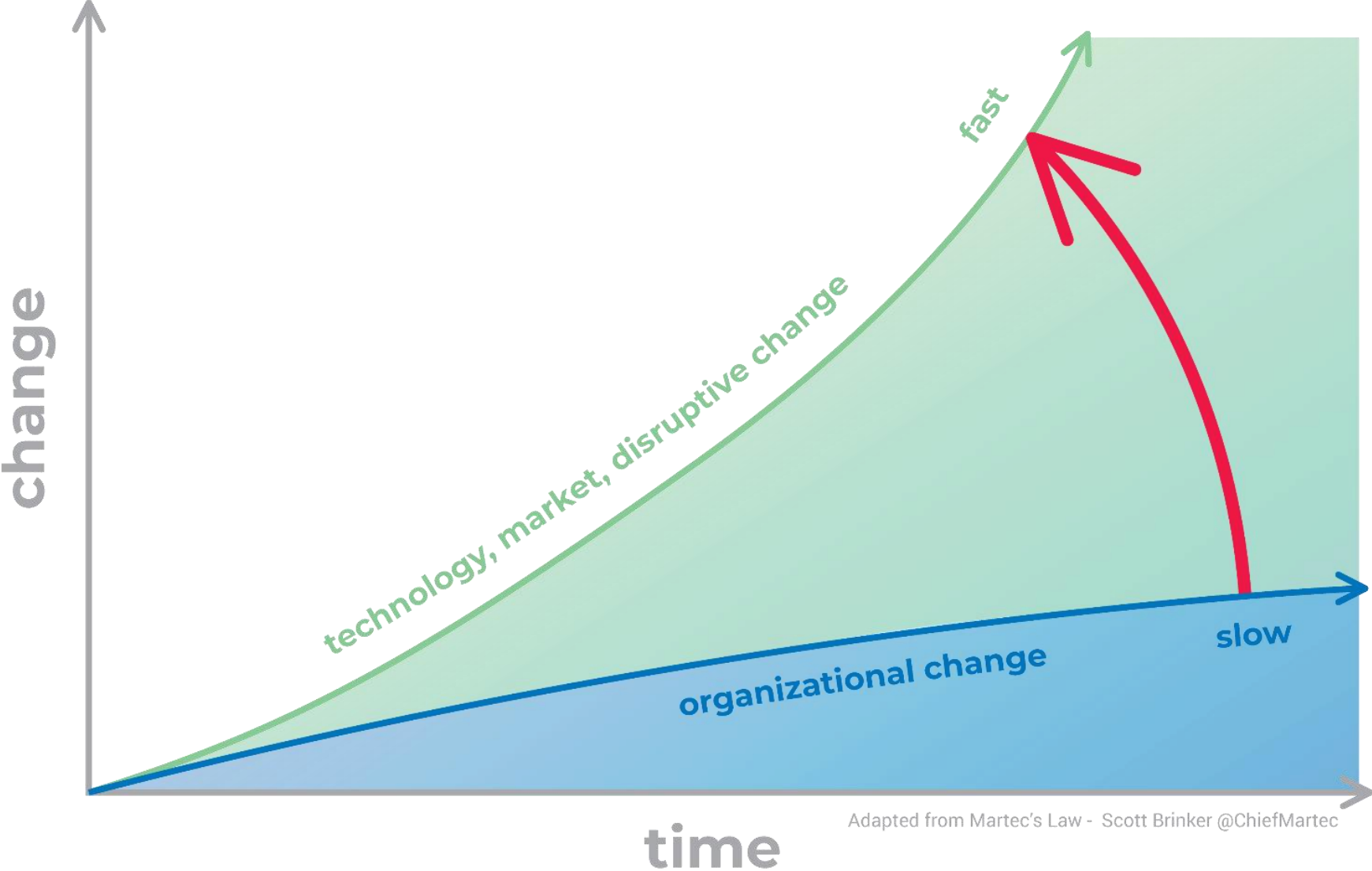




# Change Is Accelerating

#OpportunityOrObstacle

# The Change Gap



Adapted from Martec's Law - Scott Brinker @ChiefMartec

# BUSINESS AGILITY

is a set of organizational capabilities, behaviors and ways of working that affords your business the freedom, flexibility, and resilience to achieve its purpose.

***No matter what the future brings.***



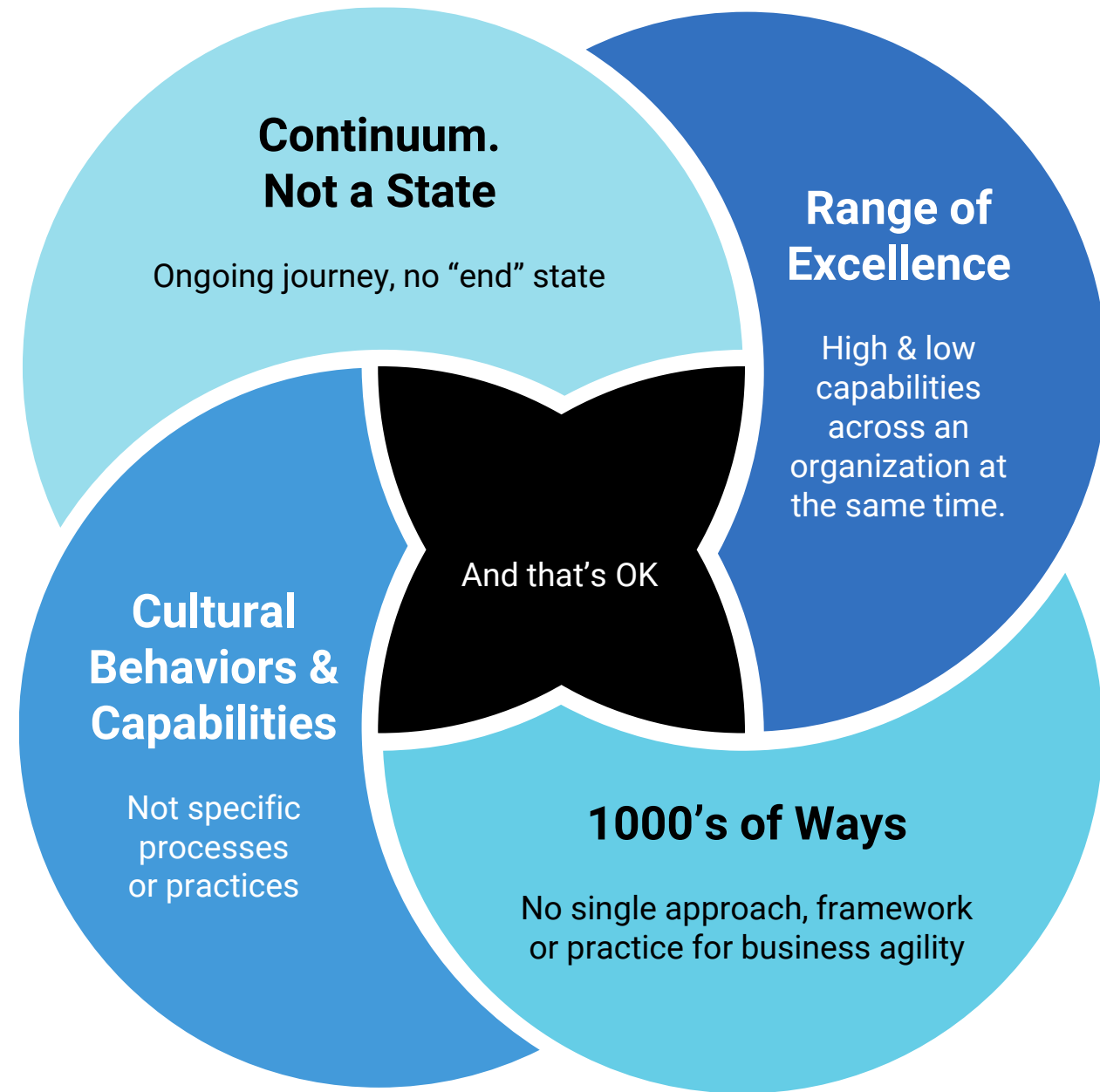
# The Challenge

New Zealand Government: Create a business agility certification for companies

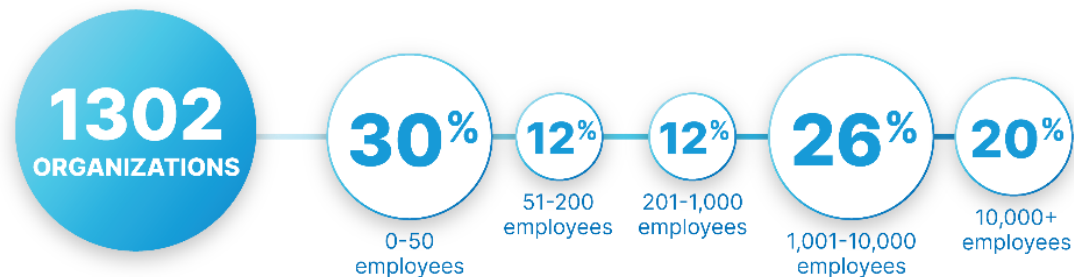
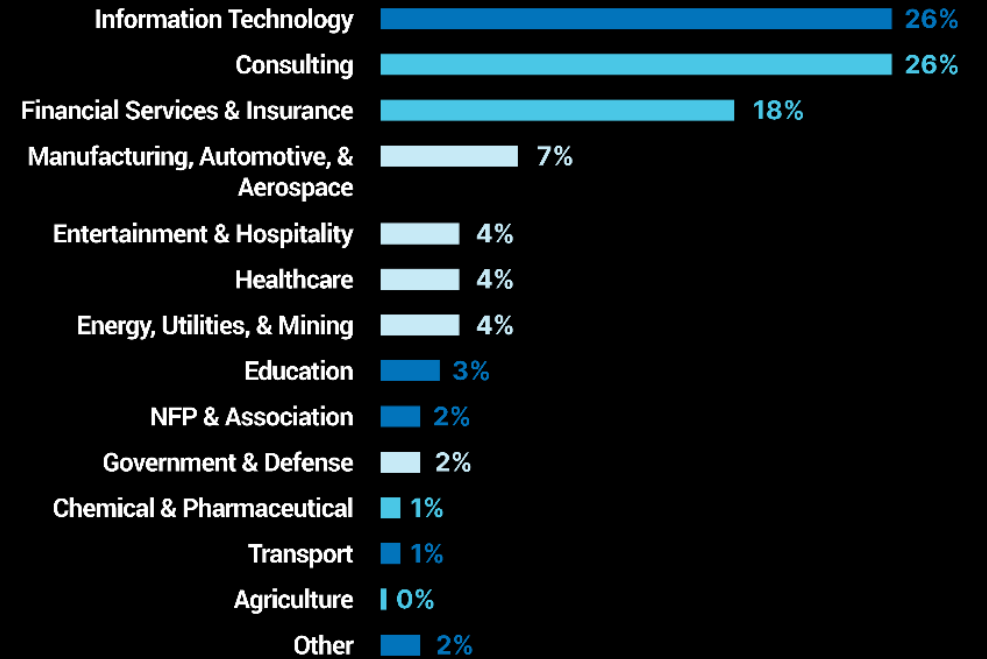
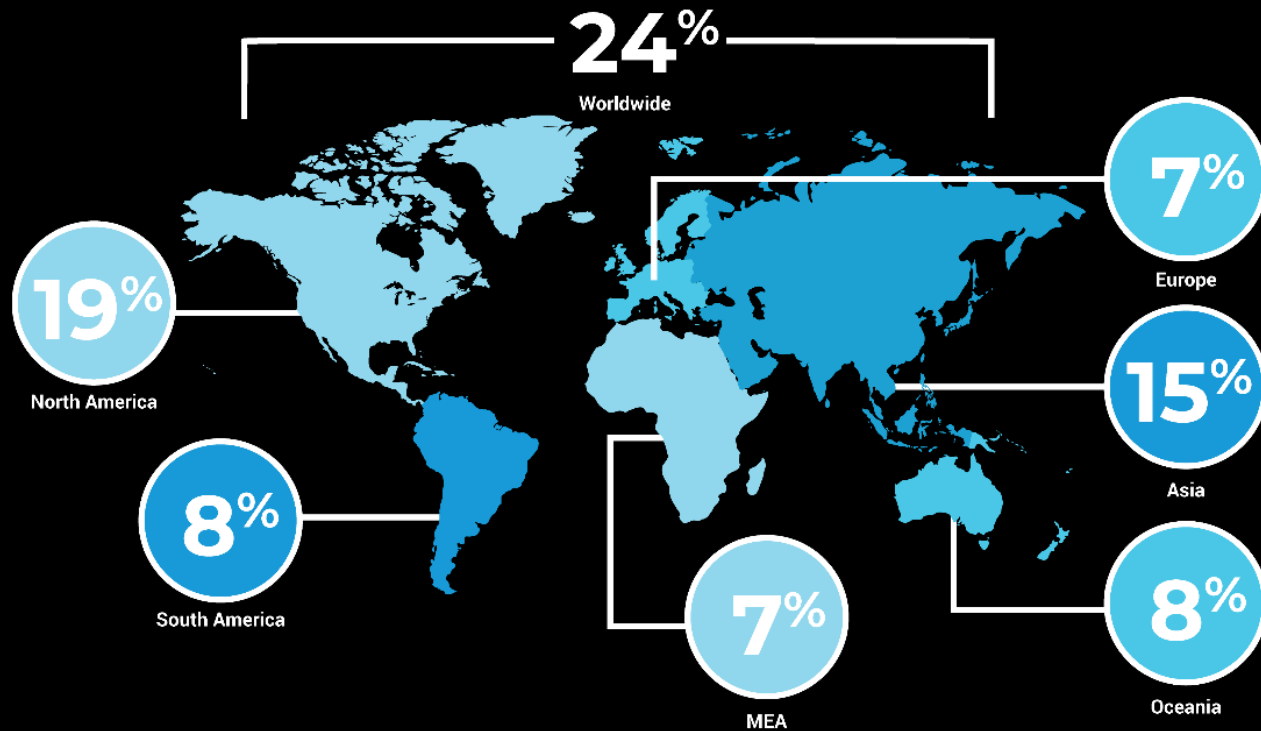


**We Failed...**

# BUSINESS AGILITY IS...



# BUSINESS AGILITY INSTITUTE RESEARCH DATA





# BUSINESS AGILITY CAPABILITIES



## High Performance

- C01. Ability to lead through trust, influence, and purpose
- C02. Ability to [hyper] focus the organization on what's important
- C03. Ability to continuously improve
- C09. Ability to seamlessly evolve organization structure & operating model
- C13: Ability to balance governance agility, compliance, and autonomy



## Innovation & Growth

- C05: Ability to cultivate a culture of learning and experimentation
- C08: Ability to innovate and be the disruptor
- C11: Ability to adapt strategy as frequently as needed
- C12: Ability to adaptively and dynamically fund



## Customer-Centric

- C04: Ability to deliver value to customers at a frequency appropriate to the market
- C06: Ability to recruit, retain and manage the best people for your mission
- C07: Ability to seize emergent opportunities
- C10: Ability to craft a customer-centric adaptive strategy

**Power, skill or proficiency for an organization to do something.  
Expressed through behaviors. Build capabilities through underlying behaviors**

## Magic Wand Question

# If you could perfect one capability for your org right now – which would you choose?



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# BUSINESS AGILITY

## OBSERVABLE STRENGTH

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5



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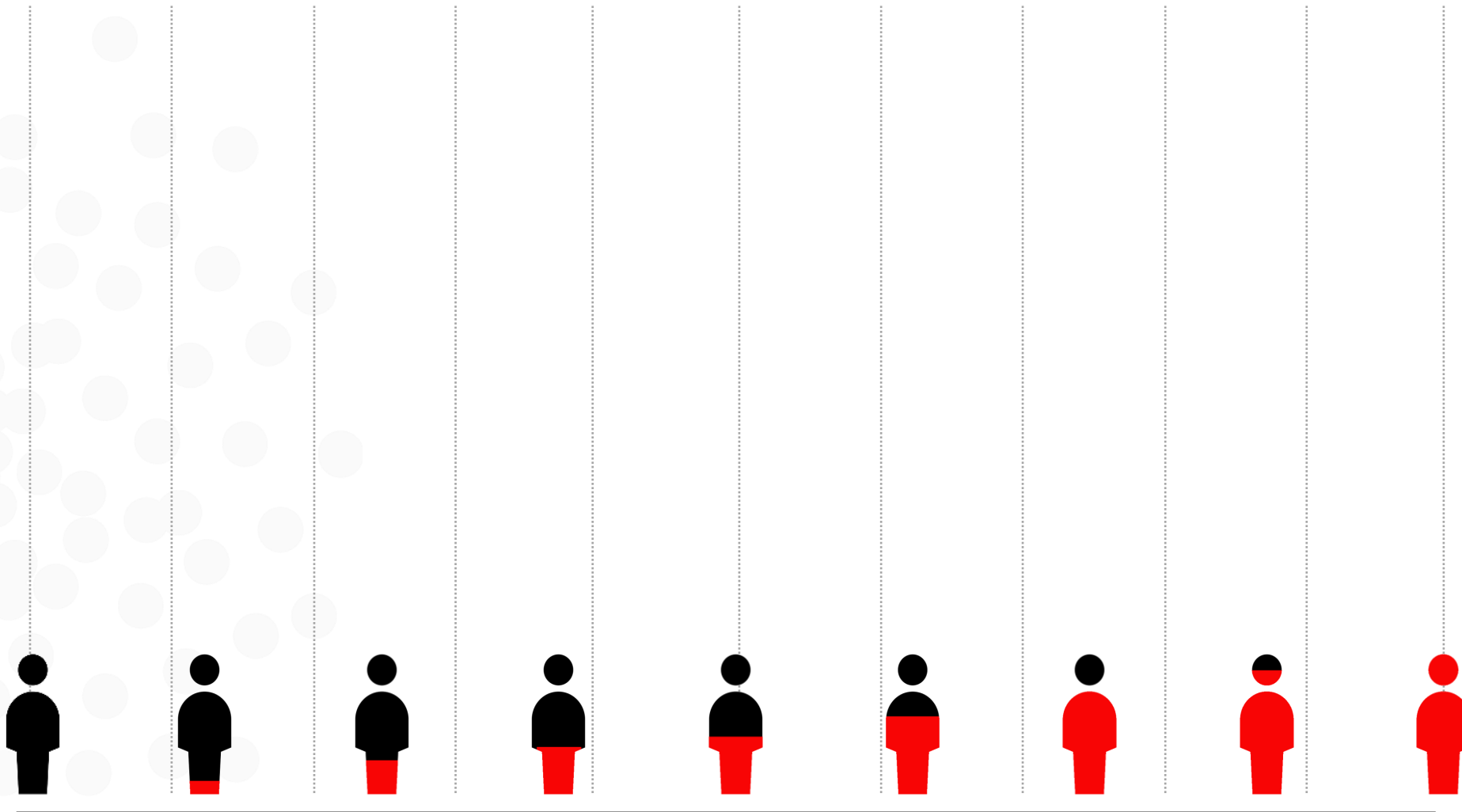


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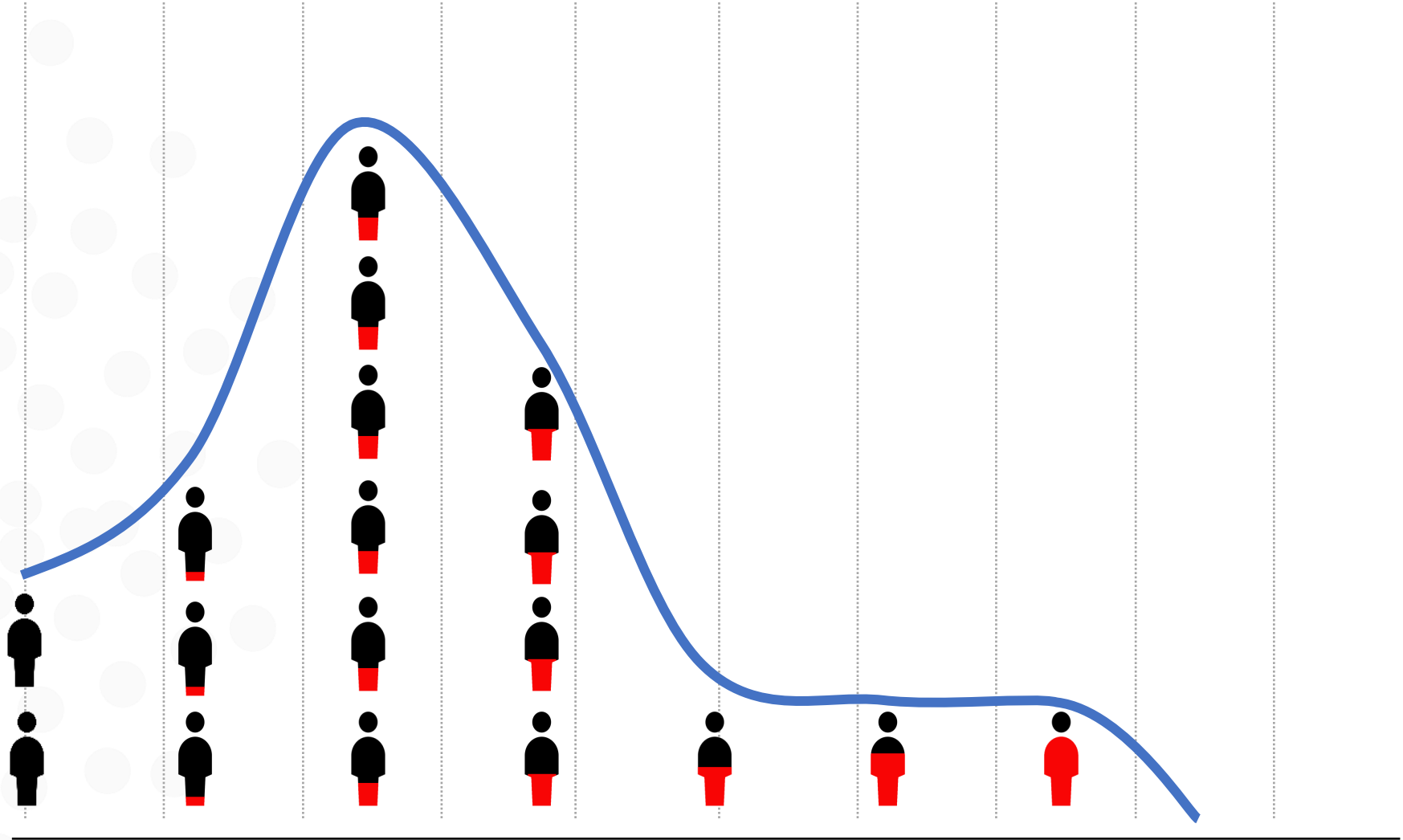




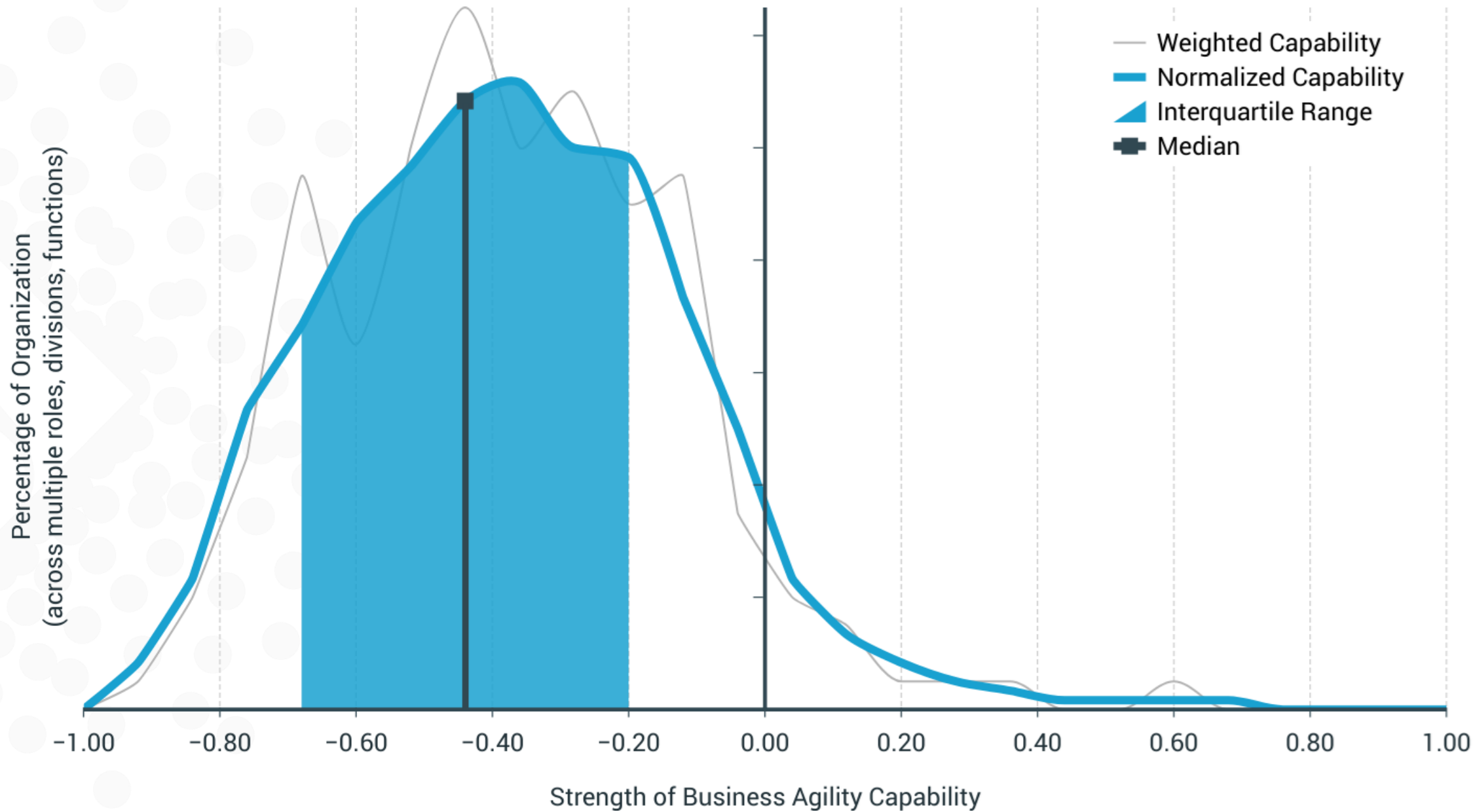
Strength of Business Agility Capability

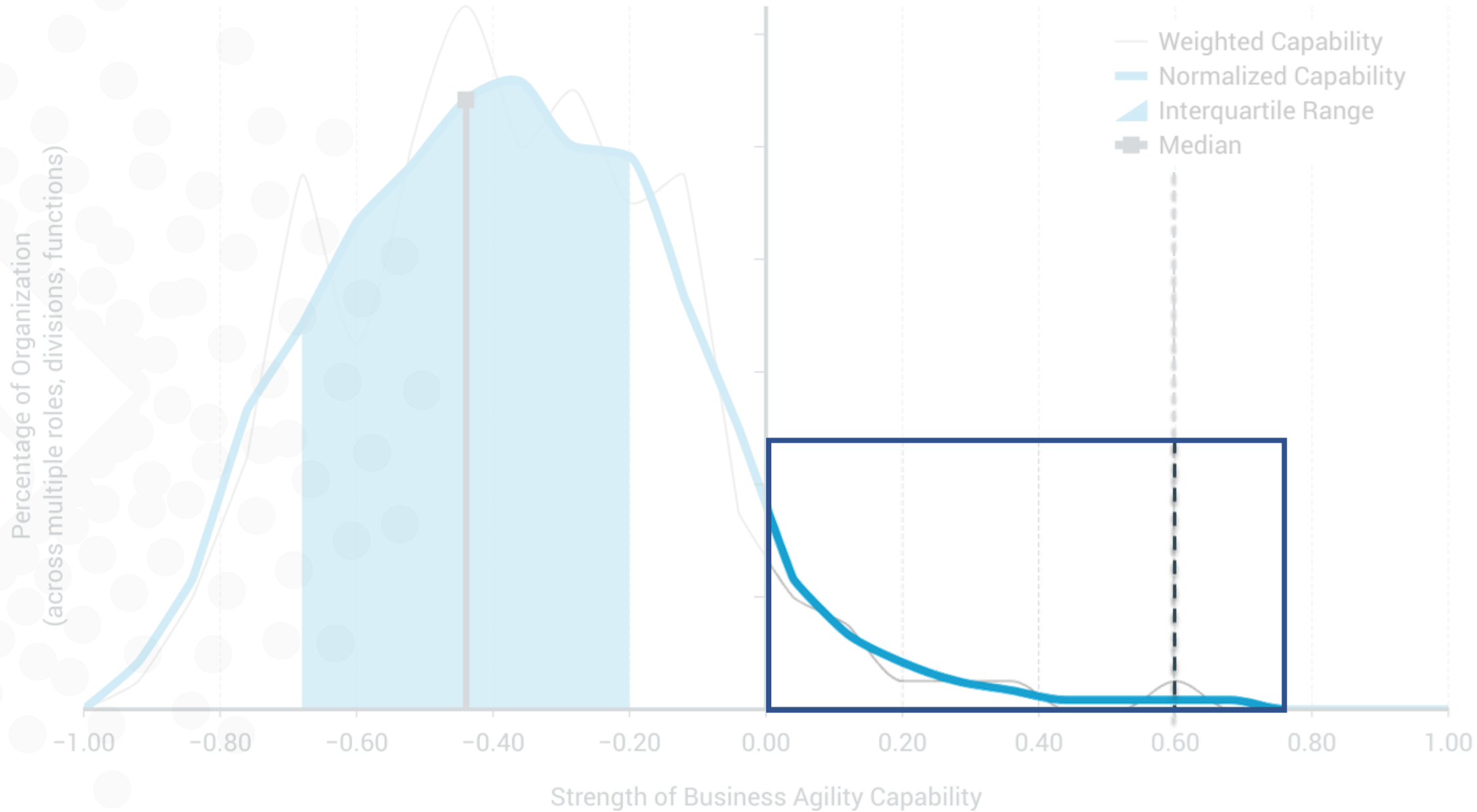


Percentage of Organization  
(across multiple roles, divisions, functions)



Strength of Business Agility Capability

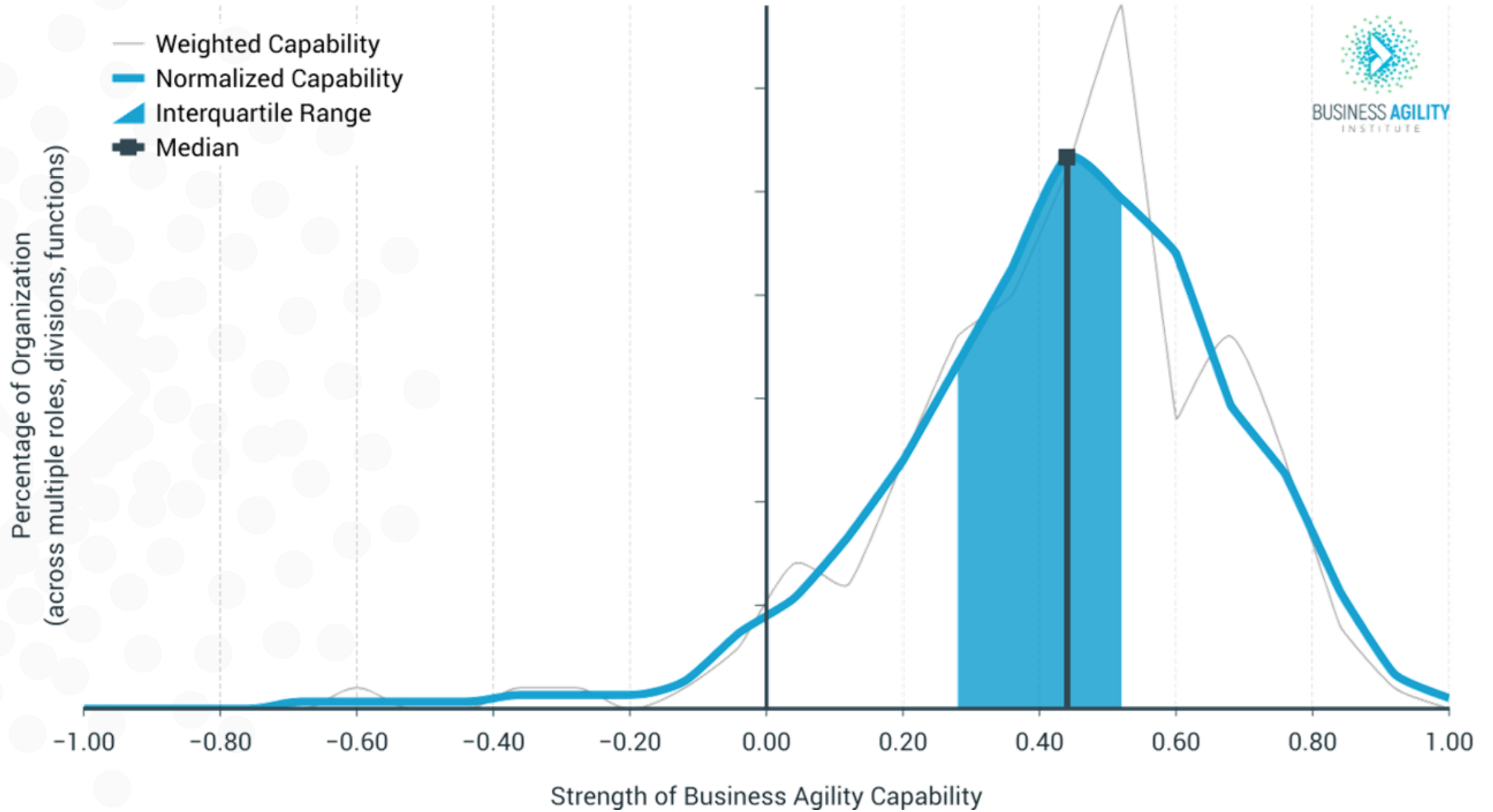




# 0★ STRONGEST BEHAVIORS

- **Leaders** design governance controls that are not one-size-fits-all
- **Leaders** deliberately craft the employee (and candidate) experience
- **Leaders** compensate, reward, and recognize individuals and teams fairly for the work they do
- **Leaders** enable new employees to be effective quickly by focusing onboarding on organizational networks, interactions, culture, and values, in addition to the necessary processes & tools
- **Executives** create vivid and inspiring visions of the future and invests time inspiring everyone towards it

These are **innate** behaviours





# ★ ★ ★ STRONGEST BEHAVIORS

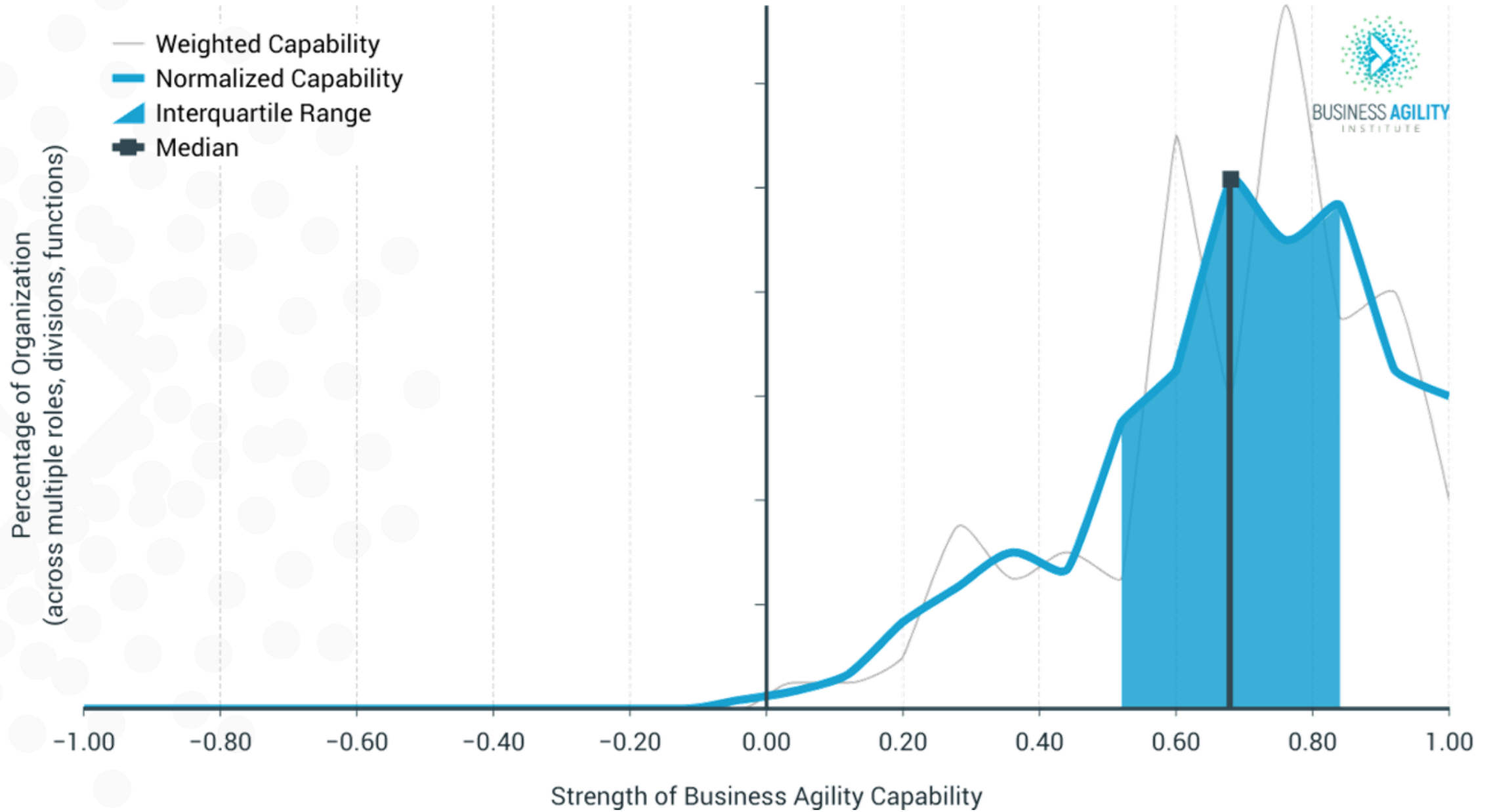
- **Leaders** support people throughout the change so that change is not a distraction from day to day work
- **Leaders** create personal connections through empathy, listening, coaching, and mentoring
- **Leaders** hold teams and peers to account for the commitments they make
- **Leaders** create a sense of belonging through inclusive experiences
- **Everyone** establishes and maintains psychological safety
- **Everyone** is invited to speak-up with ideas and opportunities

These are **deliberate leadership** behaviours

# ★★★ MOST PROGRESSED BEHAVIORS

- **Leaders** act in the interest of the organization rather than their own area
- **Everyone** plans using outcomes, rather than outputs
- **Everyone** limits work in progress
- **Leaders** make decisions balancing available information, risk, and urgency
- **Leaders** design governance processes to improve customer outcomes rather than back office efficiency
- **Leaders** ensure that governance controls and approval processes (and any changes to them) are clearly articulated and communicated

These are mostly **Lightweight Governance** behaviors



# ★★★★★ STRONGEST BEHAVIORS

- **Everyone** defaults to the open sharing of information
- **Leaders** model desired behavioral changes before asking others to do it
- **Leaders** create time to accommodate emergent opportunities
- **Everyone** establishes and maintains psychological safety
- **Everyone** is invited to speak-up with ideas and opportunities
- **Everyone** actively cultivates a growth mindset
- **Everyone** challenges the status quo and is open to being challenged
- **Leaders** compensate, reward, and recognize individuals and teams fairly for the work they do

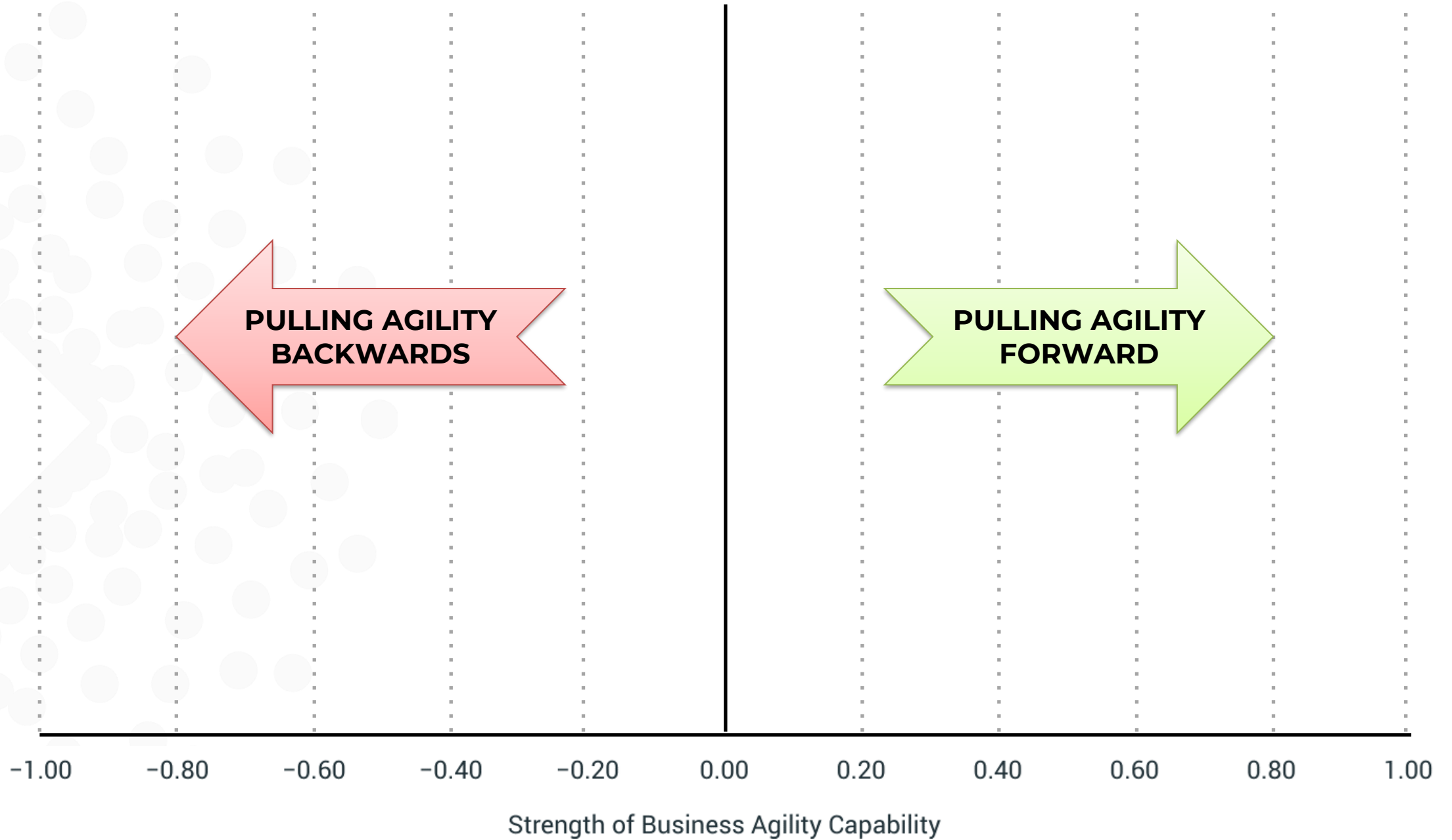
These are **stable everyone** behaviours

# ★★★★★ MOST PROGRESSED BEHAVIORS

- **Leaders** remove superfluous controls and approvals
- **Leaders** compensate, reward, and recognize individuals and teams fairly for the work they do
- **Executives** design incentive and reward systems that tap into intrinsic motivation
- **Leaders** recruit employees based on mission-alignment, culture add, and a growth mindset
- **Everyone** defaults to the open sharing of information
- **Leaders** model desired behavioral changes before asking others to do it
- **Leaders** create time to accommodate emergent opportunities
- **Executives** decouple internal funding cycles from external reporting cycles

These are a diverse mix of behaviors





**Business Agility**  $\neq$  **Agile Business**

There's nothing worse than doing effectively,  
that which should not be done at all

# BOIL IT DOWN TO BEHAVIORS

How do you change a behavior? It requires changes in...



**Mindsets  
or Mental  
Models**



**Goals to  
encourage  
behavior**



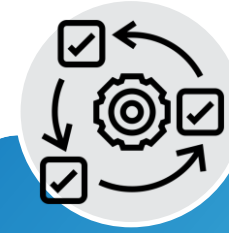
**Structures  
or Roles**



**What we  
talk about**



**Incentives  
& rewards**



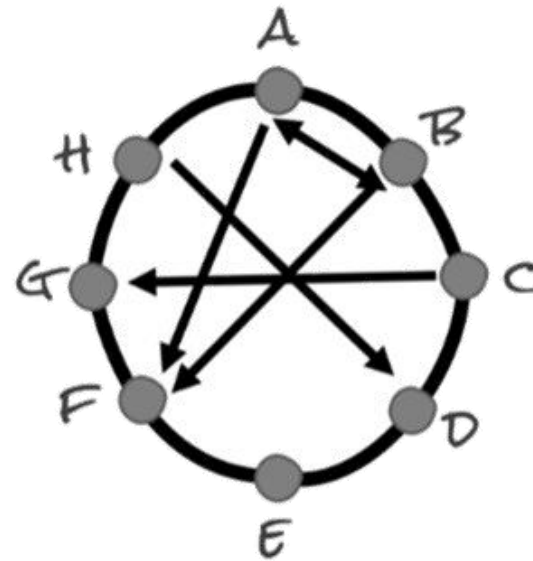
**Systems  
&  
Processes**

Selected Behavior: \_\_\_\_\_ In Support of Capability #: \_\_\_\_\_

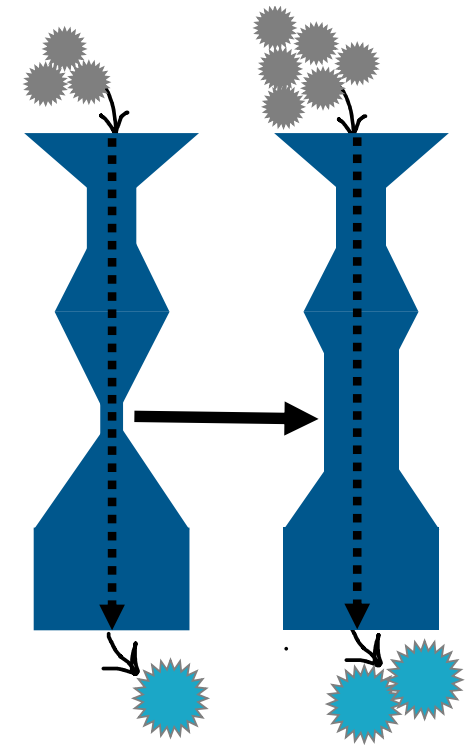
What do we need to change for [Leaders | Everyone | Executives] to establish this behavior?

**Changes in Mindsets or Mental Models. How will we change it?***Coaching, mentoring, experiences, transformational training, etc.***Changes in What We Talk About. How will we talk about it?***Needed communication (formally & informally) How often? What medium?***Changes in Goals to Encourage this Behavior & Make it Stick.***Co-creating goals, common goals, new or modified goals, etc.***Changes in Incentives & Rewards. What "sticks" need to be eliminated?***Intrinsic motivation, team rewards, etc.***Changes in Structures or Roles. Which ones?***Teams, organizations, responsibilities, accountabilities, etc.***Changes in Systems and Processes. Which Ones?***Planning, recruiting, budgeting, procurement, development, etc.*

# Influencers on the Shape of Agility



Governance Systems



Theory of Constraints



Tensions & Tradeoffs



# Governance Systems

Approval



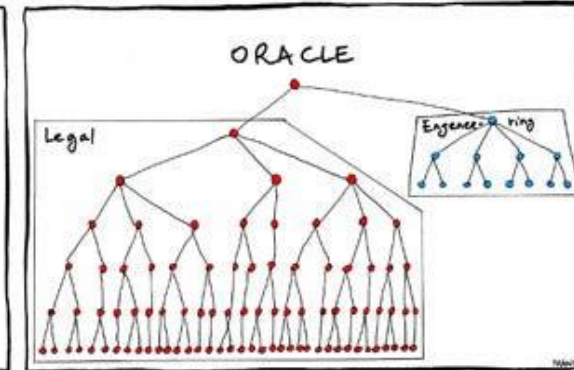
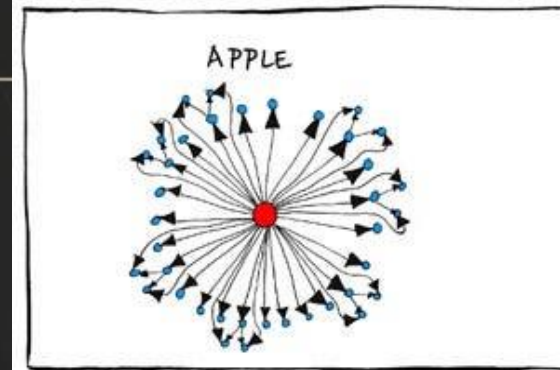
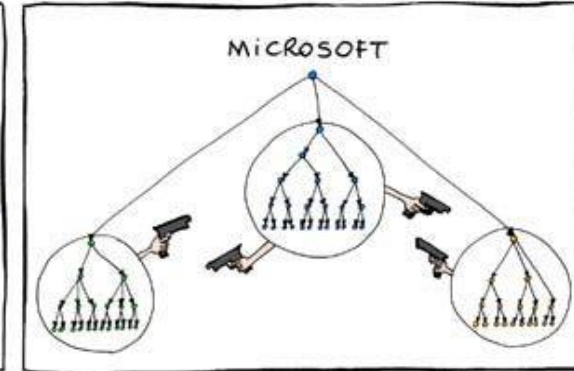
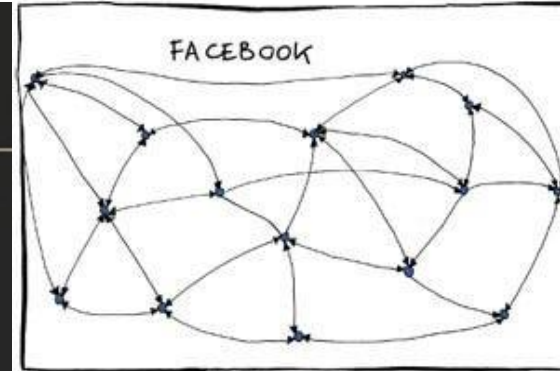
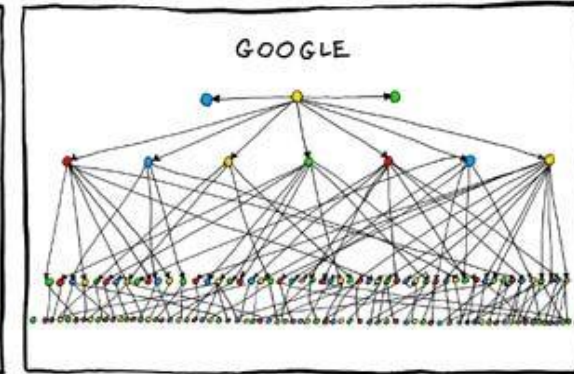
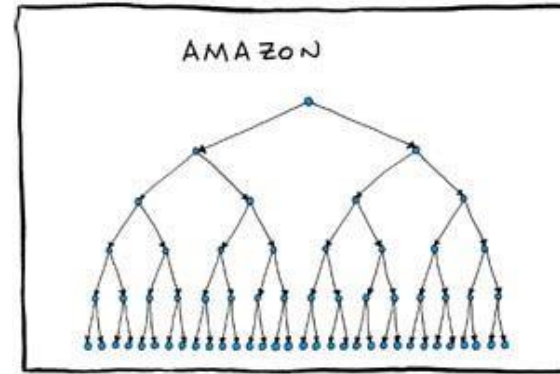
vs

Audit



# What are you optimising for?

And what are you sub-optimising for?



## VALVE ORGANIZATIONAL CHARTS (AS ENVISIONED BY EMPLOYEES)

Diag. 1



Diag. 2



Diag. 3



Diag. 4



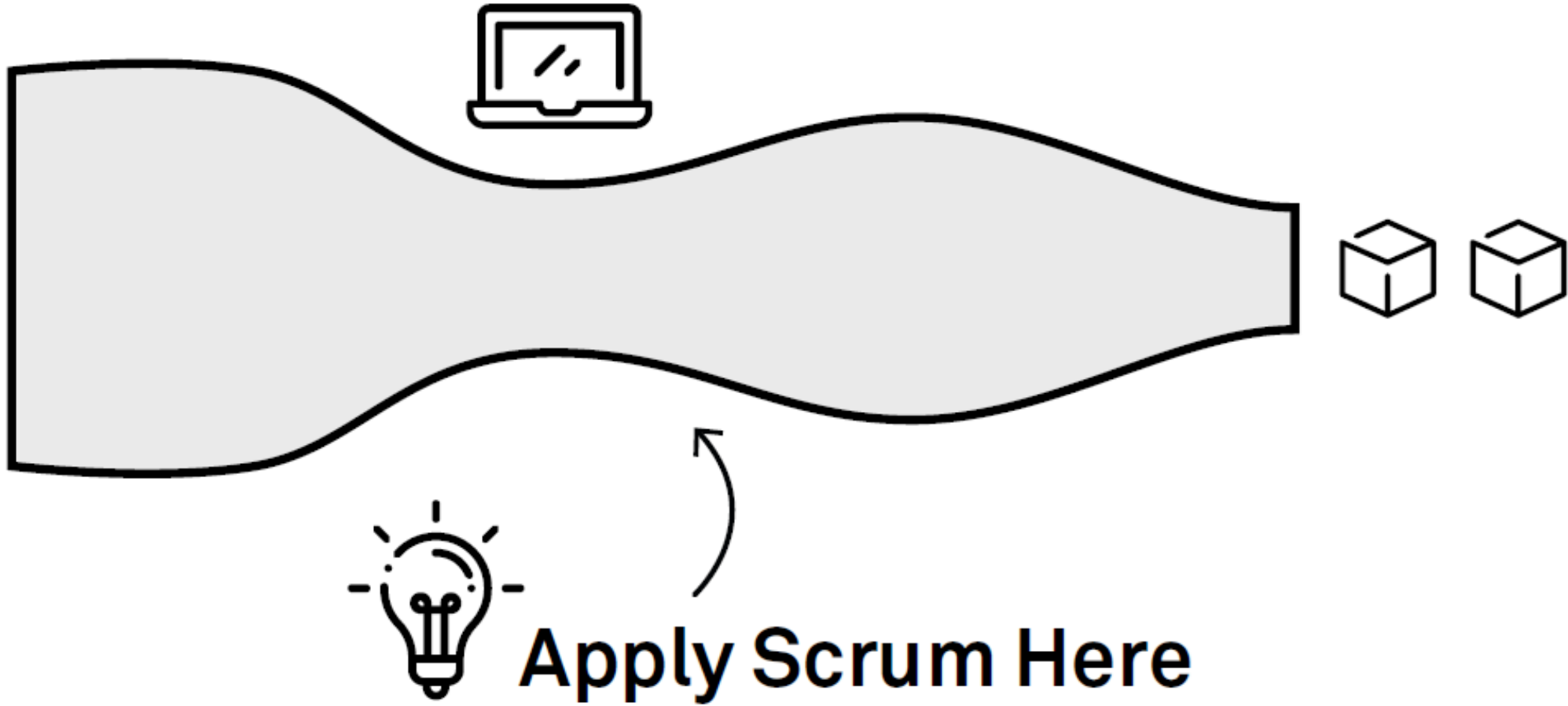
Diag. 5



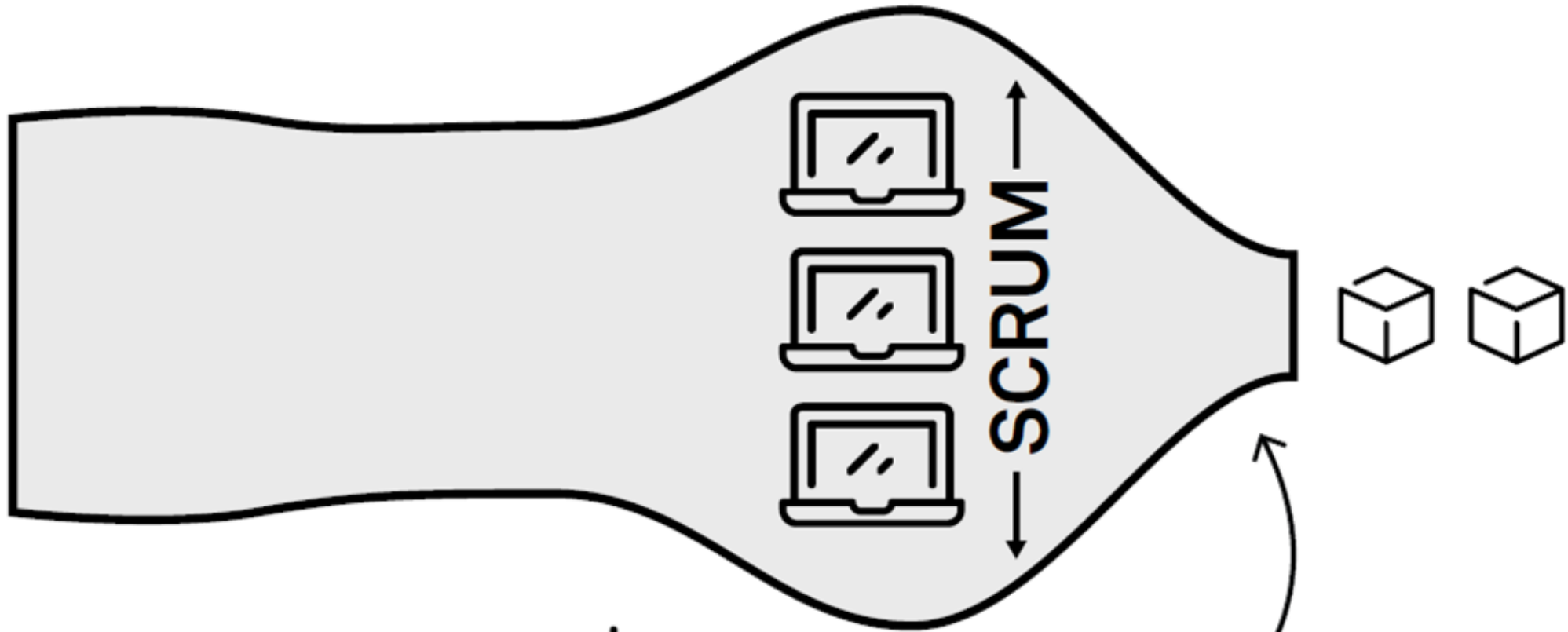
\* "I'm the noob, coffee anyone?...Hello?"



# Evan's Theory of (Agile) Constraints

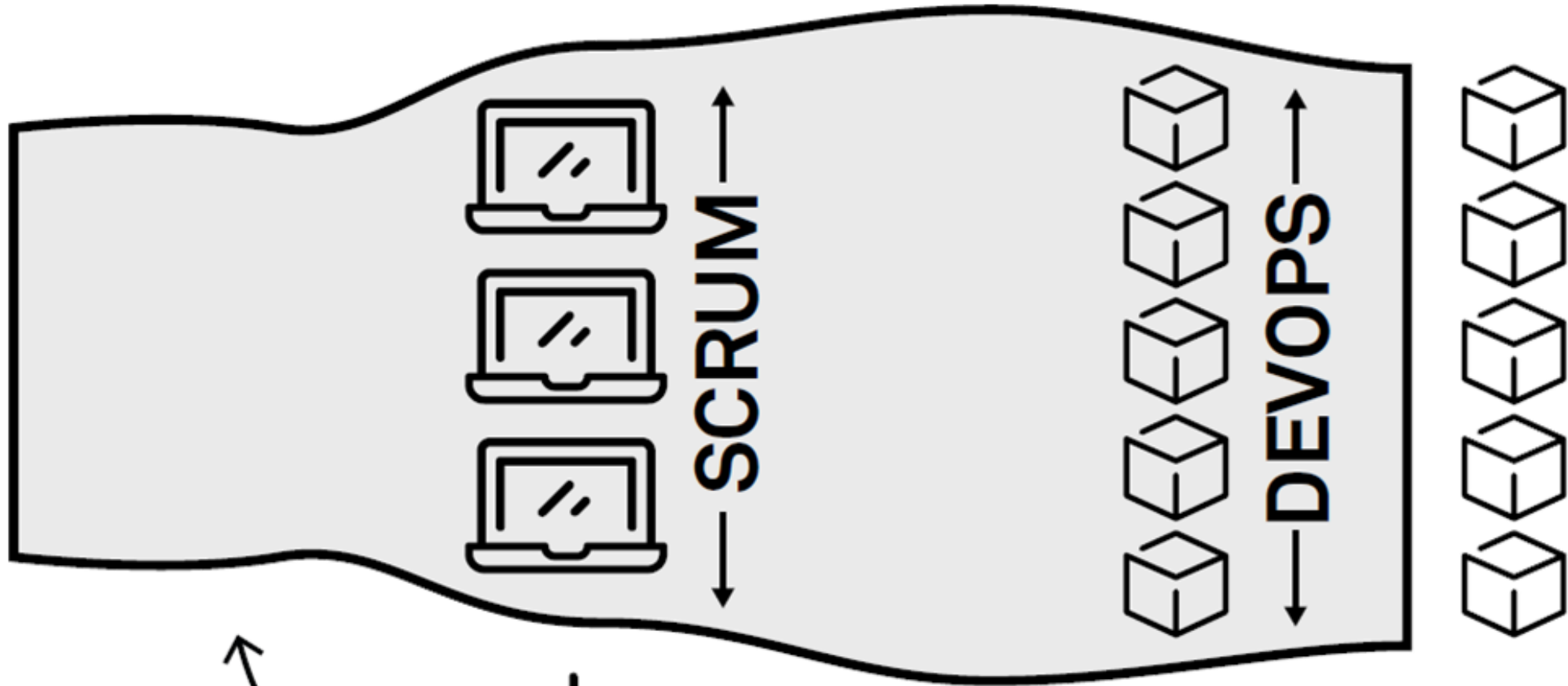


Evan's  
**Theory of (Agile) Constraints**



**Apply DevOps Here**

# Evan's Theory of (Agile) Constraints



Apply xxx Here

# INTRODUCING THE BUSINESS AGILITY INSTITUTE



The Business Agility Institute is a **fiercely independent** research & advocacy organization for the next generation of companies.

We drive industry change through applied research, pragmatic guidance, and building networks of individuals and organizations. Our goal is your success **no matter what the future brings.**

# Business Agility Resources

## Research

DE&I Research

<https://bit.ly/bai-dei>

2022 State of Agile Coaching

<https://bit.ly/bai-soac22>

2021 Business Agility Report

<https://bit.ly/2021-bareport>

## Publications

Emergence

<https://bit.ly/bai-emergence>

Agile Community

<https://amzn.to/30gAKlg>

BAI Library

<https://bit.ly/bai-learn>

## Ecosystem

BBRT (Finance / Mgmt)

<https://bbrt.org/>

Agile Marketing Alliance

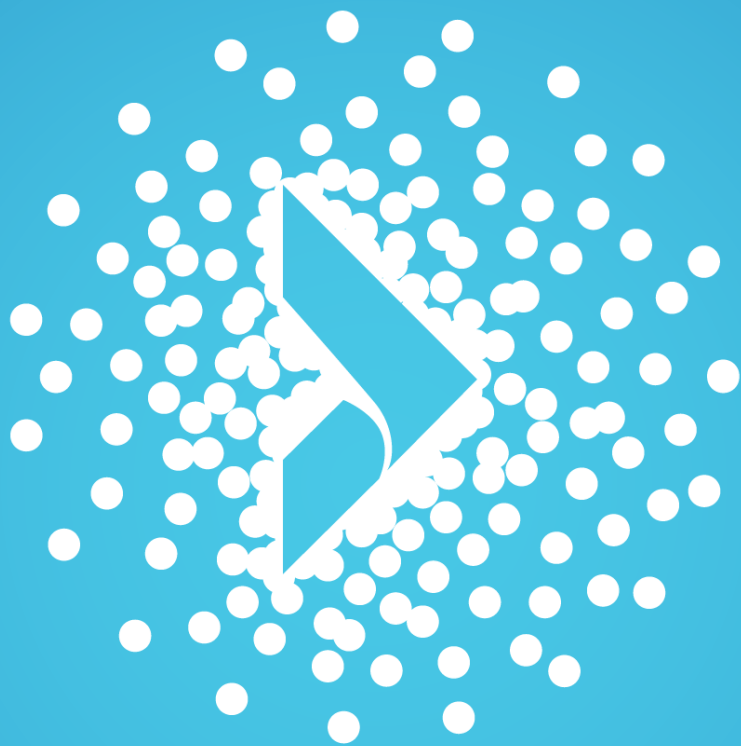
[www.agilemarketingalliance.com](http://www.agilemarketingalliance.com)

SWAY (Marketing)

[www.swaysystem.org](http://www.swaysystem.org)

<http://businessagility.institute/>

<https://www.businessagilityprofile.com/>



# Thank You

Achieve your purpose, no matter what the future brings.