LESSONS LEARNED IN AGILE TRANSFORMATION

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LESSONS LEARNED IN AGILE TRANSFORMATION

Introduction
Agile Transformation Models

Based on Construx’s:

► 10+ years of experience helping companies with Agile transformations
► 20 years of experience helping companies with software development transformations

Two Interpretations of “Agile Transformation”
Agile Transformation

► The emphasis is on “Agile”
► This is the most common interpretation of the phrase
► There is little focus on “transformation”
► There is lots of focus on detailed Agile practices
► Transformations that see the primary challenge as the details of “agile” often struggle or fail

Agile Transformation

► The emphasis is on “transformation”
► “Agile” is important, but the make-or-break focus is “transformation”
► This is the topic we’re going to talk about
What This Talk is Not About

► The best unit testing tool
► How to use Kanban
► How to hold a daily standup meeting
► How to perform the Product Owner role
► How to use Scrum
► How to Scale
► How to do continuous integration
► How to “Do Agile”
► Etc.

Focus of this Talk

► Transformation, i.e., *Organizational Change*
Agile Transformation

You will run into the set of transformation issues in this talk no matter what kind of agile transformation you have in mind:

► Scrum, Kanban—other team-level practices
► SAFe, Nexus, LeSS, DAD—other organization-level scaling practices
► Other transformations, both Agile and non-Agile

Two-and-a-Half Models to Guide Your Agile Transformation

Talk Roadmap

Part 1: Change Model
Part 2: Adoption Model
Part 3: Combining the Models
LESSONS LEARNED IN AGILE TRANSFORMATION

Part 1: Change Model

Change Model

Specific model inspired by Mary Lippitt & Tim Knoster
Lippitt/Knoster Change Model

Vision + Consensus + Skills + Resources + Incentives + Action plan = Change

Change Model

▸ What happens if any of these elements is missing?
Lippitt/Knoster Change Model

Vision + Consensus + Skills + Resources + Incentives + Action plan = Change

Vision + Consensus + Skills + Resources + Incentives + Action plan = Confusion

Vision + Consensus + Skills + Resources + Incentives + Action plan = Sabotage

Vision + Consensus + Skills + Resources + Incentives + Action plan = Anxiety

Vision + Consensus + Skills + Resources + Incentives + Action plan = Frustration

Vision + Consensus + Skills + Resources + Incentives + Action plan = Resistance

Vision + Consensus + Skills + Resources + Incentives + Action plan = Treadmill

THE CHANGE MODEL APPLIED TO AGILE TRANSFORMATIONS
Change Model

Vision + Consensus + Skills + Resources + Incentives + Action plan = Change

Vision + Consensus + Skills + Resources + Incentives + Action plan = Confusion
Agile Transformation Issues

Lack of Vision

“Confusion”

► Management and technical staff often have different visions of Agile transformation
► Individual managers and individual technical staff often have different visions
► People work toward different end states

“Confusion”

► Example: What is meant by “Agile”?  
► Related: What is meant by “Transformation”? 
“Agile” is an Overloaded Term

► “Redesign the business to be more nimble?” (i.e., fundamental culture change)

► “Redesign technical teams to be more responsive?” (i.e., fundamental engineering practices change)
“Agile” is an Overloaded Term

► “Do the same work as before, but in shorter iterations?” (i.e., incremental engineering change)

► “Implement Scrum company-wide?” (adoption of a specific practice)
“Agile” is an Overloaded Term

► We cannot assume shared vision just because everyone is committed to “Going Agile”

Agile Transformation Issues
Lack of Vision

Other sources of “Confusion”
► Why do we need to transform?
► What are the expected benefits?
► How deep and widespread will the transformation be?
Agile Transformation Issues

Lack of Vision

Leadership Implication
► Pushing a change without clear vision leads to the perception that “Management does not know what it is doing”

Agile Transformation Issues

Attaining Vision

► What is a Vision?
Detailed Articulation of the Desired End State

Detailed Articulation for an Agile Transformation

► What specifically do we mean by “Agile”?  
► Why do we need to transform?  
► What are the expected benefits?  
► How deep and widespread will the transformation be?  
► How will the transformation affect me specifically?
Change Model

Vision + Consensus + Skills + Resources + Incentives + Action plan = Change

Vision + Consensus + Skills + Resources + Incentives + Action plan = Sabotage
Agile Transformation Issues

Absence of Consensus

“Sabotage”

Examples of sabotage
► Scrummerfall
► Scrum-but
► Little or no energy exerted to overcome minor obstacles
► Grumbling
► Passive resistance

Leadership Implication
► Pushing a change without consensus leads to the perception that, “Management does not care about us”
Agile Transformation Issues
Attaining Consensus

► Clearly articulating a vision is essential to obtaining consensus

► Building consensus is a leadership activity (not a management activity)
Agile Transformation Issues

Attaining Consensus

► Building consensus involves lots of communication

► A true consensus process may affect the vision, i.e., change the vision
SKILLS DEVELOPMENT

Change Model

Vision + Consensus + Skills + Resources + Incentives + Action plan = Change

Vision + Consensus + Skills + Resources + Incentives + Action plan = Anxiety
Agile Transformation Issues

Absence of Skills

“Anxiety”

► You can’t compel someone to do something they are not capable of
► Trying to compel people to do something they don’t have the skills to do creates anxiety

Leadership Implication

► Pushing a change without building necessary skills creates the perception that, “Management is unreasonable”
Agile Transformation Issues

Building Skills

► Actually building the skills requires basic “nuts and bolts” professional development
► Formal training
  ● Classroom training
  ● OnDemand learning
► Discussion groups / lunch ‘n’ learn / etc.
► Internal and/or external Coaching
► Mentoring
Agile Transformation Issues

Lack of Resources

“Frustration”

- Staff may want to make the change, but, without necessary resources, they feel they are being prevented from making the change
Agile Transformation Issues

Lack of Resources

“Frustration”

- Pushing a change without providing adequate resources creates the perception that, “Management does not really mean it”

Agile Transformation Issues

Providing Resources

Types of resources needed

- Access to training
- Access to coaching
- Licenses for tools
- Explicit permission to work on the transformation
- Full-time staff driving the transformation (in larger organizations)
Change Model

\[ \text{Vision} + \text{Consensus} + \text{Skills} + \text{Resources} + \text{Incentives} + \text{Action plan} = \text{Change} \]

\[ \text{Vision} + \text{Consensus} + \text{Skills} + \text{Resources} + \text{Incentives} + \text{Action plan} = \text{Resistance} \]
Agile Transformation Issues

Lack of Incentives

“Resistance”

► People won’t make change that is not in their self-interest
► Most people feel that the comfort of the status quo is in their self interest
► Any change requires justification

Leadership Implication

► Pushing a change without incentives creates the perception that “Management is taking advantage of us”
Creating Incentives

The concept of “Incentives” is a broad concept
► Incentives do not have to be money
► Incentives do not have to be tangible

Most important concept:
► Each person needs to understand why the change is in their personal self interest
► This is related to articulating the vision in detail
► This is a lot of work
► This requires more leadership
**ACTION PLAN**

Change Model

Change = Vision + Consensus + Skills + Resources + Incentives + Action plan

Treadmill = Vision + Consensus + Skills + Resources + Incentives + Action plan
Agile Transformation Issues

Lack of Action Plan

“Treadmill”

► If people don’t know what to do, they aren’t going to do it!

Leadership Implication

► Pushing a change without an action plan creates the perception that, "Management is not committed to the change"
Agile Transformation Issues

Creating an Action Plan

► Details count!
► Who, What, When, Where, Why, How
► Communication (and overcommunication) is essential
LESSONS LEARNED IN AGILE TRANSFORMATION

Part 2: Adoption Model
A Common Transformation Pattern

► Organization commits to a change
► Initial pilot project for the change succeeds
► Organization wants to expand use of that change

The Transformation Pattern

The second or third projects to attempt the change stumble or fall:
► Project fails outright
► Project team abandons the change; the change withers on the vine
► No project teams can be found who are willing to make the change
ADOPTION MODEL

Specific model inspired by Everett Rogers and Geoffrey Moore

Innovation Diffusion Model (Rogers)

- Innovators
- Early Adopters
- Early Majority
- Late Majority
- Laggards
The Chasm (Moore)

The “Chasm”

Innovators
Early Adopters
Early Majority
Late Majority
Laggards

Innovation Diffusion

Typical applications

- Diffusion of new agricultural technologies
- Market adoption of innovations
Innovation Diffusion in Agile Transformations

- The pattern applies to diffusion of a new innovation within a single organization
- For example, “diffusion” of an Agile Transformation
- Different adopters within a single organization exhibit different preferences and behaviors

Change Adoption and Adopters

Innovators  Early Adopters  Early Majority  Late Majority  Laggards
Innovators

- Adventurous
- Eager to try new technologies or practices
- Can cope with a high degree of uncertainty
- Highly risk tolerant
- Fail often
- May not be respected by people in other categories

Early Adopters

- Highly risk tolerant
- Looking for a “big win”
- Respected opinion leaders in their organizations
- Role models for other adopters
Commonalities Among Innovators and Early Adopters

► Attracted to innovation for sake of novelty
► Looking for “big win”
► Highly risk tolerant

Approach to change ...

Innovators, Early Adopters

► Highly motivated to see the change work
Innovators, Early Adopters

► Willing to exert substantial personal energy and personal initiative to make the change work

Innovators, Early Adopters

► Motivated to learn about the change per se, read, seek out colleagues, etc.
Innovators, Early Adopters

- See challenges with the change as opportunities to make the new thing work before others do

Bottom Line
- These people can succeed with little external support
Guess Who Typically Works on Pilot Projects?

► Innovators and Early Adopters!

Early Majority and Later

► Cautious
► Want to see someone else succeed with the change first
► Do not like uncertainty
► Not risk tolerant
► Do not like to fail
Early Majority and Later

- Note, we are not talking just about laggards
- We are talking about most of the people

Early vs. Later Adopters

Innovators/Early Adopters
- Attracted to innovation for the sake of innovation

Early Majority & Later
- Attracted to innovation for sake of improved quality or productivity
Early vs. Later Adopters

Innovators/Early Adopters
► Looking for revolutionary, game-changing gains

Early Majority & Later
► Looking for low-risk, safe incremental gains

Innovators
Early Adopters
Early Majority
Late Majority
Laggards

Early vs. Later Adopters

Innovators/Early Adopters
► Risk tolerant or highly risk tolerant

Early Majority & Later
► Either not very risk tolerant, risk averse, or highly risk averse
Implications

► The support needed to make change successful shifts over time
► Earlier adopters require little support
► Later adopters require moderate to extensive support

Implications

► Experience with earlier adopters is misleading about the level of support needed to be successful with later adopters
One More Thing about this Diagram

► These proportions are meant to be taken **literally**

Staff Profile Over Time for Transformation

- **Earlier Adopters (15%)**
- **Later Adopters (85%)**

Time
Level of Support Needed for Transformation

<table>
<thead>
<tr>
<th>Time</th>
<th>Earlier Adopters (15%)</th>
<th>Later Adopters (85%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Support</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Higher Support</td>
<td>40%</td>
<td>90%</td>
</tr>
</tbody>
</table>

When Do You Make Your Transformation Plan?

<table>
<thead>
<tr>
<th>Time</th>
<th>Earlier Adopters (15%)</th>
<th>Later Adopters (85%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectation of Low Support</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Transformation Plan?</td>
<td>40%</td>
<td>90%</td>
</tr>
<tr>
<td>Pilot Complete</td>
<td>60%</td>
<td>80%</td>
</tr>
</tbody>
</table>
Transformation Plan

These dynamics lead to organizations being highly optimistic about the level of effort needed to make an Agile Transformation successful.
Summary

► Many Agile Transformations stumble or fail due to overgeneralizing from pilot projects staffed with innovators and early adopters.
What Happens When We Combine These Two Models?

Combining the Two Models

Vision

Innovators/Early Adopters
► Will own and drive the vision themselves
► Challenge: The vision might not be aligned with the organization’s business goals

Early Majority & Later
► Need a clearly articulated vision—detailed articulation of the desired end state
  • This is a leadership activity
► Vision needs to be communicated, communicated, communicated
Combining the Two Models

Consensus

Innovators/Early Adopters
► Pilot projects are usually small groups of like-minded individuals
► Highly motivated to make the change work
► Little work required to achieve consensus

Early Majority & Later
► Group is larger and more diverse
► Group’s values are different (especially, not enthusiastic about “new” for the sake of “new”)
► Moderately motivated to see the change work -or- motivated to see the change fail (i.e., motivated to keep things the same)
► Achieving consensus requires a great deal of leadership work

Combining the Two Models

Skills

Innovators/Early Adopters
► Enjoy acquiring the new skills needed to make the work succeed—and will take the initiative to do so

Early Majority & Later
► Response to acquiring new skills will range from willingness to acquire new skills to resistance
► Will generally not show initiative to learn new skills
► Nuts and bolts training, mentoring, coaching, etc. will be required
Combining the Two Models

Resources

Innovators/Early Adopters
- Highly willing to exert substantial personal energy and initiative to make the change work
- See challenges with the change as opportunities to make the new thing work before others do
- Resources needed to succeed can mostly be found **internally** to the group itself
  - E.g., learning time will occur self-driven, voluntarily

Early Majority & Later
- Possibly willing to exert some personal energy to make the change work
- See challenges with the change as evidence that the change won’t work or is a bad idea
- **Substantial resources** need to be made available
  - E.g., learning time will need to occur during work hours

Combining the Two Models

Incentives

Innovators/Early Adopters
- Permission to try the change (maybe)
- “The Thrill of Victory” is the only incentive really needed (i.e., attraction to novelty for its own sake)

Early Majority & Later
- Explicit permission and encouragement to try the change
- Incentives to try the change
- Leadership needs to define in detail “What’s in it for me?”
Combining the Two Models

**Action Plan**

<table>
<thead>
<tr>
<th>Innovators/Early Adopters</th>
<th>Early Majority &amp; Later</th>
</tr>
</thead>
<tbody>
<tr>
<td>► Small group = small plans,</td>
<td>► Planning challenge is larger because the group is larger</td>
</tr>
<tr>
<td>► Group can self-manage and self-plan</td>
<td>► Planning challenge is larger because the group is not as easy</td>
</tr>
<tr>
<td></td>
<td>► Group will not self-manage</td>
</tr>
<tr>
<td></td>
<td>► More leadership required</td>
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**SUMMARY OF THE COMBINED MODELS**

Conclusion
Summary of the Combined Models

► Pilot projects don’t tell you most of what you need to know to lead a successful transformation
► Later adopters need more support
► Most adopters are later adopters
► Elaborations of the details are important