THE PROFESSIONAL AGILE LEADER

THE LEADER'S JOURNEY TOWARD GROWING MATURE AGILE TEAMS AND ORGANIZATIONS

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Foreword by **DAVE WEST**

The Professional
Agile Leader

Doreen is quiet for a moment, and then observes: "What I really like about this approach is that it helps us to ground ourselves in customer needs. We make too many assumptions about what customers need, that turn out to be wrong. I also like that we are drawing people to the teams who are energized to work on customer problems. But …"

Nagesh smiles. "I thought there was a 'but' coming."

Doreen smiles as well. "Not everything we work on is going to be so inspiring. We have a lot of things that need to get done that are a lot more mundane than developing a new product offering. How is it going to work then?"

"Let's come back to that question later. For now, we have a team that is making some excellent first steps, and we need to focus on helping them to be successful. And … ," Nagesh pauses for effect, "let me just share that we are all social beings. We evolved to enjoy working together, if we create the right environment. My experience is that just the joy of working together toward a shared goal is enough, even if that goal is relatively mundane. Let's come back to that when we've had some more experiences with helping teams come together."

"Fair enough. But there is another thing that is bothering me. We don't have to solve this now, but I am beginning to understand that, as hard as it is, helping teams to form around a customer-focused mission is not our biggest problem. Our biggest problem is that you and I can only do so much. We are creating the space for this team to work in a new way, but we have a lot of old-school managers who are used to making decisions about who will work on a team and what that team will deliver. I now see that as wrong, but I don't know how to change those people. Yet."

"For now, for a while, you and I can create the space these new teams need. Over time, we will find other managers who want to grow in this new way and we can help them learn. But before we are done, we are going to find people who won't believe that this new way will work. If they won't change, we will need to help them find places inside or outside the organization where they can work in the way they think is best. The best thing we can do right now, however, is to show that this new way of doing things delivers better results—happier teams and happier customers."

REFLECTIONS ON THE JOURNEY
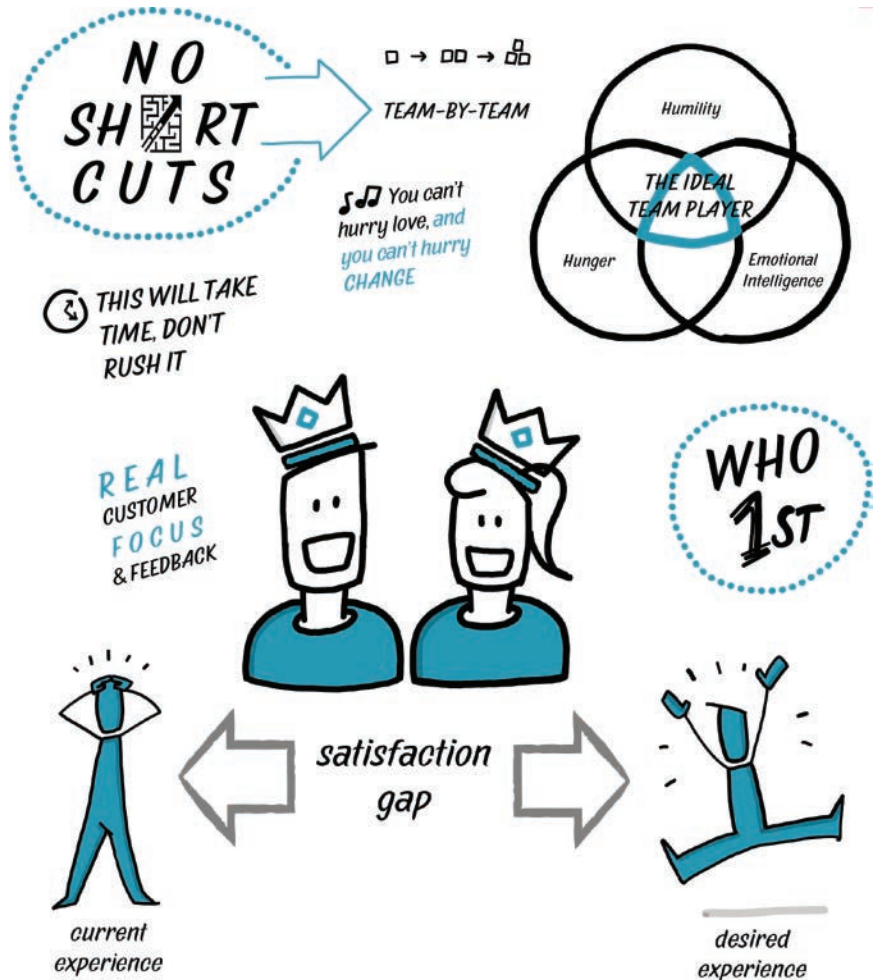
When leaders seek to make their organizations more agile, they often seek some sort of "shortcut" that can help the organization quickly change. In doing so, they fail to understand how embedded the existing way of doing things is in their organization. The only practical way for organizations to change is team-by-team. More than one team can be learning and changing at a time, if the leaders and the teams have enough bandwidth, so long as leaders help the teams to form and learn.

The starting point is to help teams to form from volunteers—that is, letting people choose who they work with and what they work on. Assigning people to teams and telling them what they are going to work on is the first false step many leaders make. The engine of agility is the self-managing team, and if the team members cannot be trusted to form their own teams, they will never be able to make the kind of complex decisions that they will need to make.

As these teams form, their values need to be focused on meeting unmet customer needs, expressed in terms of gaps between the customer's current experience and their desired experiences. Closing these satisfaction gaps will become the focus that gives the team purpose and provides them with the motivation they need to achieve great things.

SHIFTING FROM OUTPUT TO IMPACT

At many organizations, members are accustomed to thinking about their organization's mission in manufacturing terms: They produce outputs that customers consume. Output-oriented organizations (whether those outputs are products or services) concern themselves with producing things quickly and efficiently, and as long as people buy those things they are happy.

The problem with this output-centric view is that people don't buy things for the sake of buying them (compulsive shoppers aside); they purchase goods and services because they believe that those items will help them achieve some particular outcome, such as solving a problem that they experience, alleviating a pain that they feel, or creating some sort of benefit that they realize. Considering what these customers are actually trying to achieve gives organizations insights into ways that they might be able to better serve customers. These insights may help the organization produce better products or services, or create wholly new products or services that may attract more customers.

Agile leaders help their organizations shift from focusing on outputs to focusing on impacts by framing goals in terms of customer outcomes instead of things that are produced (or worse, things that employees do). While this shift seems subtle, the results it produces are profound.

"WHAT GETS MEASURED GETS DONE"[1]

At Nagesh's suggestion, and with his support, members of the newly formed GSS team visit some of the Energy Bridge teams to see how they work and gain some insights that will help them determine their own way of working. Doreen and Carl join them to learn more about how they could improve the way that the other teams at Reliable Energy share information.

What they see is that each team is a little different in what they share and how they communicate. Every team is completely open about where it stands with regard to what it is working on, what its immediate tactical (2-week) goal is, which intermediate (3-month) goals it is pursuing, and how those goals contribute to the strategic goal. Each of these goals is expressed in terms of the customer outcomes that the team is seeking to deliver, but other measures of team effectiveness that relate to their ability to reach these goals vary somewhat from team to team.

Carl, in particular, is concerned with this lack of standard reporting of measures across all teams. "How is management able to keep track of what the teams are doing? And how do they know when a team has gotten into difficulties and needs to take corrective action? Even in a world of servant leadership, surely managers need to know when they need to step in to help their teams? And how is senior management going to compare the performance of these teams?"

Nagesh responds, "We're concerned with the progress the teams are making toward their goals. Every two weeks we, and they, have an opportunity to see what progress they have made by looking at whether they achieved their tactical goal. We can also get some sense at that time of whether they are making progress toward their intermediate goal. Sometimes we all learn things that make us adjust their intermediate goal, including whether that intermediate goal is actually the right goal.

"We actually spend a lot of time during these biweekly reviews talking about goals and impediments, including things we can do to help them. We, as leaders, look for ways that we can help them to remove these roadblocks, and we look for feedback on whether our strategic goals are still relevant given the things that they have learned."

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1. This is an old management truism, but in this case it tends to hold: People tend to do what they are measured on.

Carl's reaction shows that he finds Nagesh's answer a bit naive. "What about using measures like velocity and throughput that show how much work the team is producing? If units of work are standardized, you can compare the agile teams to other teams in the organization and gain insight into how productive and efficient the teams are. We've been doing that for some time and it helps to keep teams on track, and prevents them from wasting a lot of time and effort running 'experiments.'"

Nagesh responds, "We don't try to second-guess the team's approach. We don't monitor their 'productivity,' and we don't compare the 'performance' of teams. Every team is working on different challenges, and they need to have the flexibility to choose the best approach to meet those challenges. In our world, there are no 'standard units of work,' so we can't compare performance and productivity.

"That doesn't mean that we're not concerned about whether teams are struggling. If a team is consistently failing to meet its tactical goals, then we have a discussion with them about whether those goals were the right goals, and what they might do differently to better meet their goals in the future. We don't do this to punish them, but rather to understand whether we are all focused on the right things. Sometimes we find that they have been reticent to ask for help when they need it, or we find that something outside their control needs to be changed. But sometimes we do find that the team is not working effectively and we have to work with them to solve those problems."

Measurement Challenges

Measurement is a contentious topic for most organizations. Managers want transparency into progress and risks, but too often the measures they impose on teams provide neither. Managers also discourage transparency when they use measures to reward or punish performance, causing employees to "game" the measures to make reality look better than it actually is.