Chapter 9

A Transformation Approach for Scaling and Sustaining Agility at an Enterprise Level:
A Culture-Led Agile Transformation Approach

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ABSTRACT

The sustainability of agile transformations is deeply linked to how the organization "transforms" to agile. Sustainable, effective agile transformations affect all the elements of culture such as, leadership style, leadership values, work structures, reward systems, processes, and of course the work habits of people. How to affect that culture shift is the key question we will present in this chapter. The author will present two different common transformation approaches (organizational-led and process-led) and then describe a hybrid version called culture-led transformation that is designed to change critical organizational and personal habits to improve and sustain organizational agility.

1. INTRODUCTION

Many leaders feel increasingly overwhelmed by the pace of change and are being constantly challenged to understand the causes of major disruptions in the marketplace and in their organizations. The rate of change will only increase as their organizations and their marketplaces become more networked and technology continues to advance. The ability of an organization, as a whole, to respond in a healthy and disciplined manner to these constant changes and disruptions is what we refer to as Organizational Agility (or Enterprise-level Agile).

The purpose of this chapter is to introduce a transformation approach for achieving sustainable organizational agility. In this chapter we present the organization ecosystem, which plays a key role in the culture of an organization and subsequently in its agility. Next we explore a couple of common agile

transformation approaches while highlighting sustainability challenges with both. Next we present the Culture-led Transformation Approach, which focuses on changing organizational habits in staged approach leading to sustainable changes. Lastly, we will present how to design an Agile transformational roadmap for the Culture-led Approach. As we conclude we will briefly discuss how Culture-led Transformation Approach relates to the Agile Adoption Framework (Sidky, Arthur, J. D., & Bohner, 2007).

2. ORGANIZATIONAL AGILITY

We define Organizational Agility as a culture (a) based on the values and principles of Agile, (b) supported by the organizational ecosystem (which we define as an organization's leadership, strategy, structure, processes and people) and (c) manifested through personal and organizational habits (how work really gets done in the organization).

The first part of this definition is the notion of a culture based on the values and principles of Agile. When the word Agile is mentioned, many people immediately think of Scrum, eXtreme Programming or some other Agile methodology in the IT space. Agile, itself, is not a process, framework or any particular methodology; it is a mindset, a culture, a way of thinking. This mindset is all about learning and discovery. Agile is about a culture of continuous learning. The idea, therefore, is to frame Agile as the mindset, values and principles behind various methodologies, rather than as the practices associated with any methodology.

Understanding Agile as a mindset is foundational to discussing the transformational effort needed to achieve organizational agility. When organizations view Agile as just another process (even if it is viewed as an efficient process that enables a team to embrace change) then the transformation journey is simply about adopting a new process. But when agile is correctly viewed as a set of cultural habits, then the agile transformation now entails the change of the entire organizational culture.

2.1. Important Question: Agile Teams or Organizational Agility

The analogy for achieving organizational agility is that of creating strawberry jam. Think of one team doing agile as a single strawberry – where it is sweet and it has benefits, just like an agile team. However we can all agree that a single strawberry (one agile team) is obviously not strawberry jam (where jam represents organizational agility), however it is a clear ingredient of the jam.

The confusion and challenge arises when we want to "scale" agile. When an organizations sees success with the one strawberry (one agile team) it develops a desire "scale agile" by starting-up more agile teams in the hope of achieving organizational agility. That is like adding more strawberries to a bowl and hoping that the result will be strawberry jam. The reality is that by starting more agile teams, you end up with agile teams within a non-agile organization. This is very different from bringing strawberries and going through a transformational process to change the strawberries to jam.

As depicted in Figure 1, there is a chasm between team-level agile (a bunch of strawberries) and enterprise-level agile or organizational agility (the jam). The chasm exists because usually team-level agile is achieved by a change of process and roles, and perhaps in some cases the "culture" and behaviors of the team members, but that is very different from changing the organizational culture. For organizational agility to happen, and be sustainable, it must entail a transformation of culture.

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