

# How To Make Your Organization Agile?



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Inspired by Steve Denning, Andrea Tomasini, Michael Sahota etc.

## Agenda:

- Why Agile ?
- Agile is a different Mindset
- The Microsoft Story
- A few basic principles for agile transition

# Why Agile -- The world changed

- Globalization
- Deregulation
- Knowledge work
- The Internet

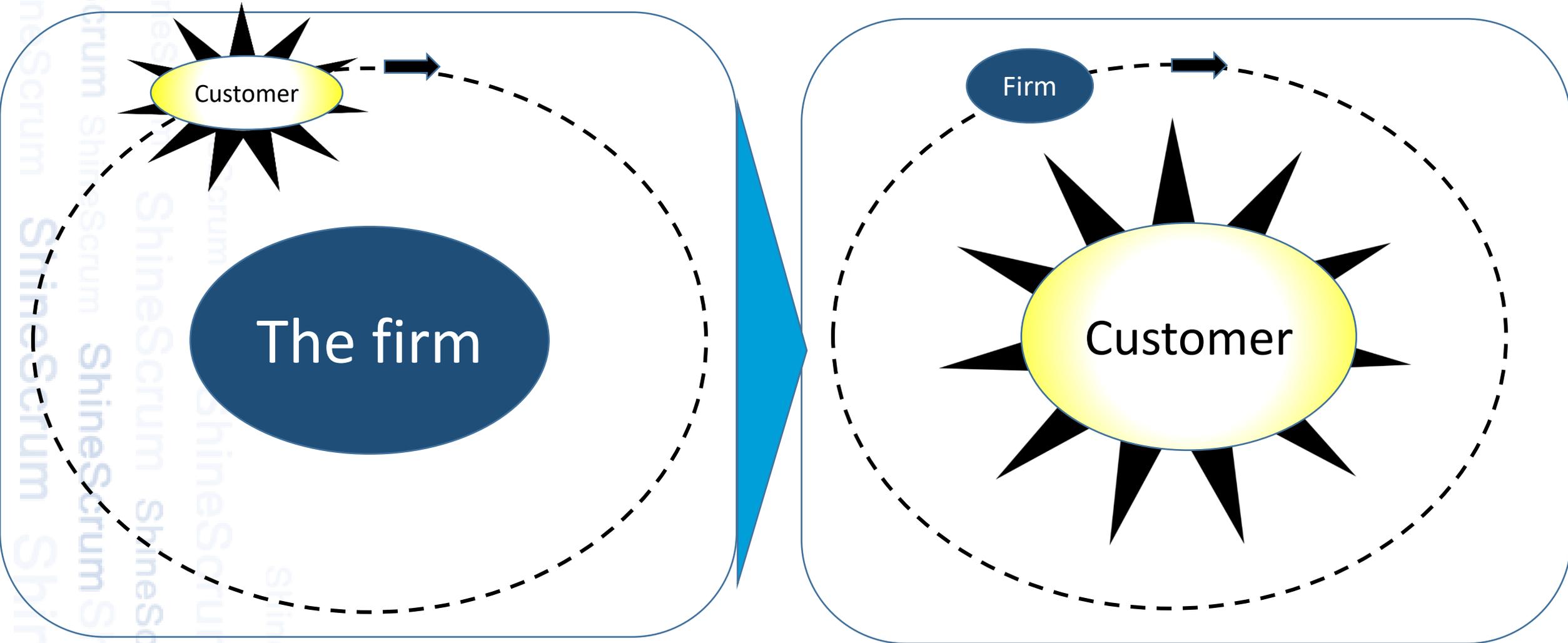
Greater competition

Faster pace

Digitalization of everything

The customer is the boss

# The customer is the boss



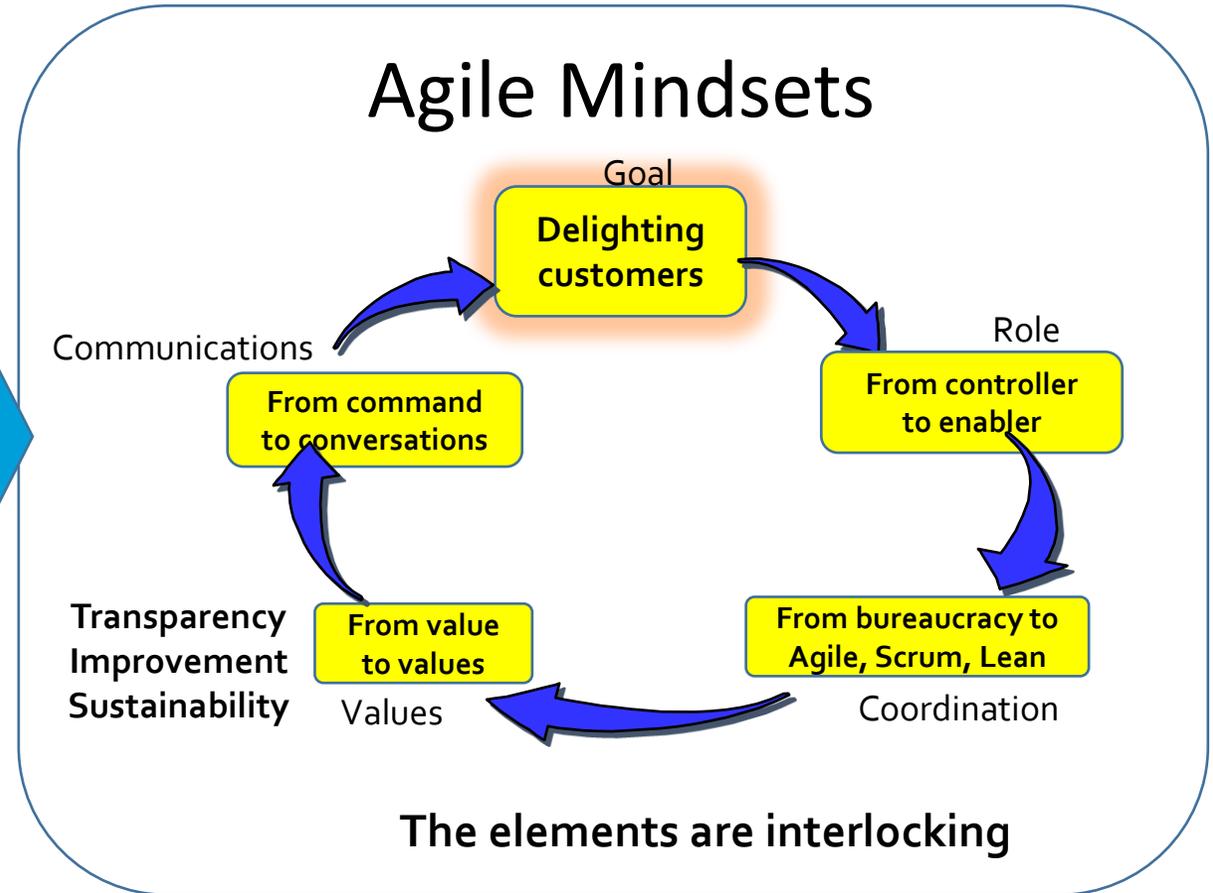
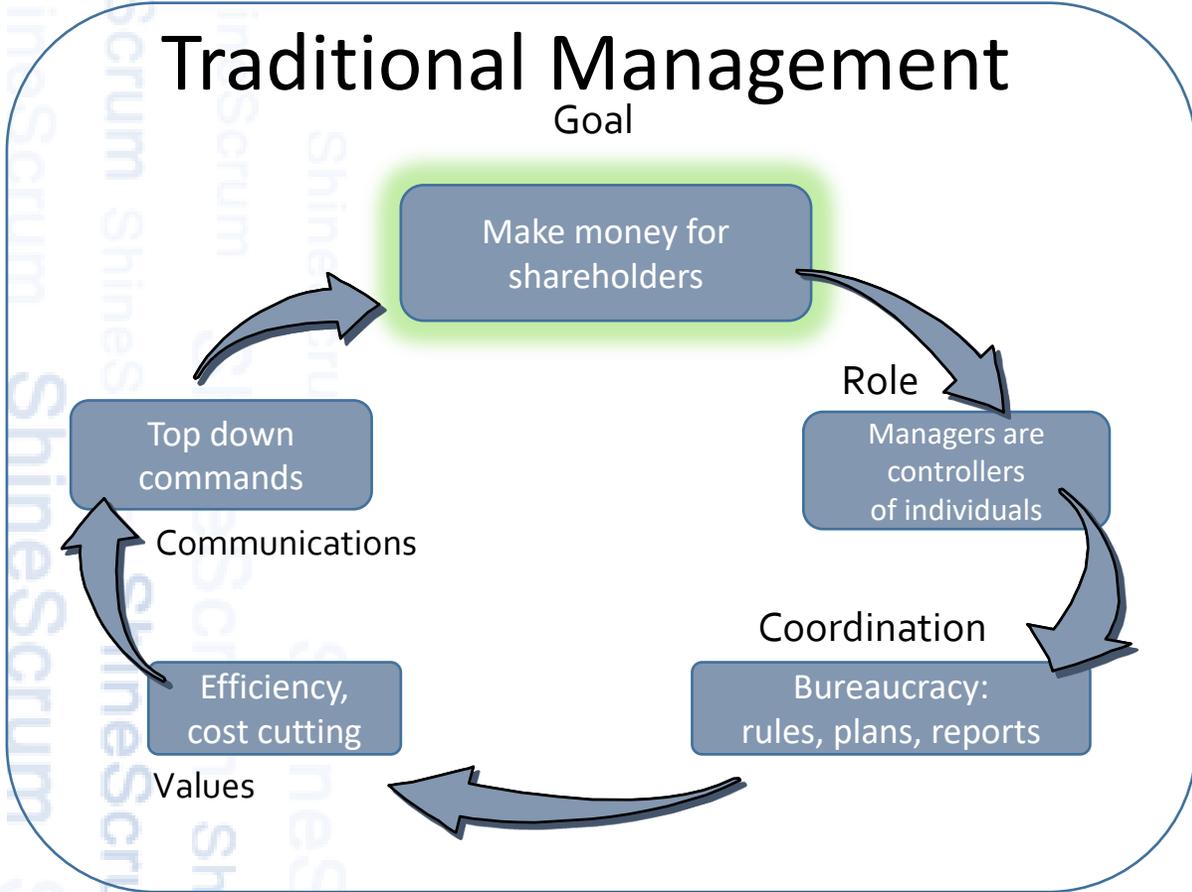


## Question:

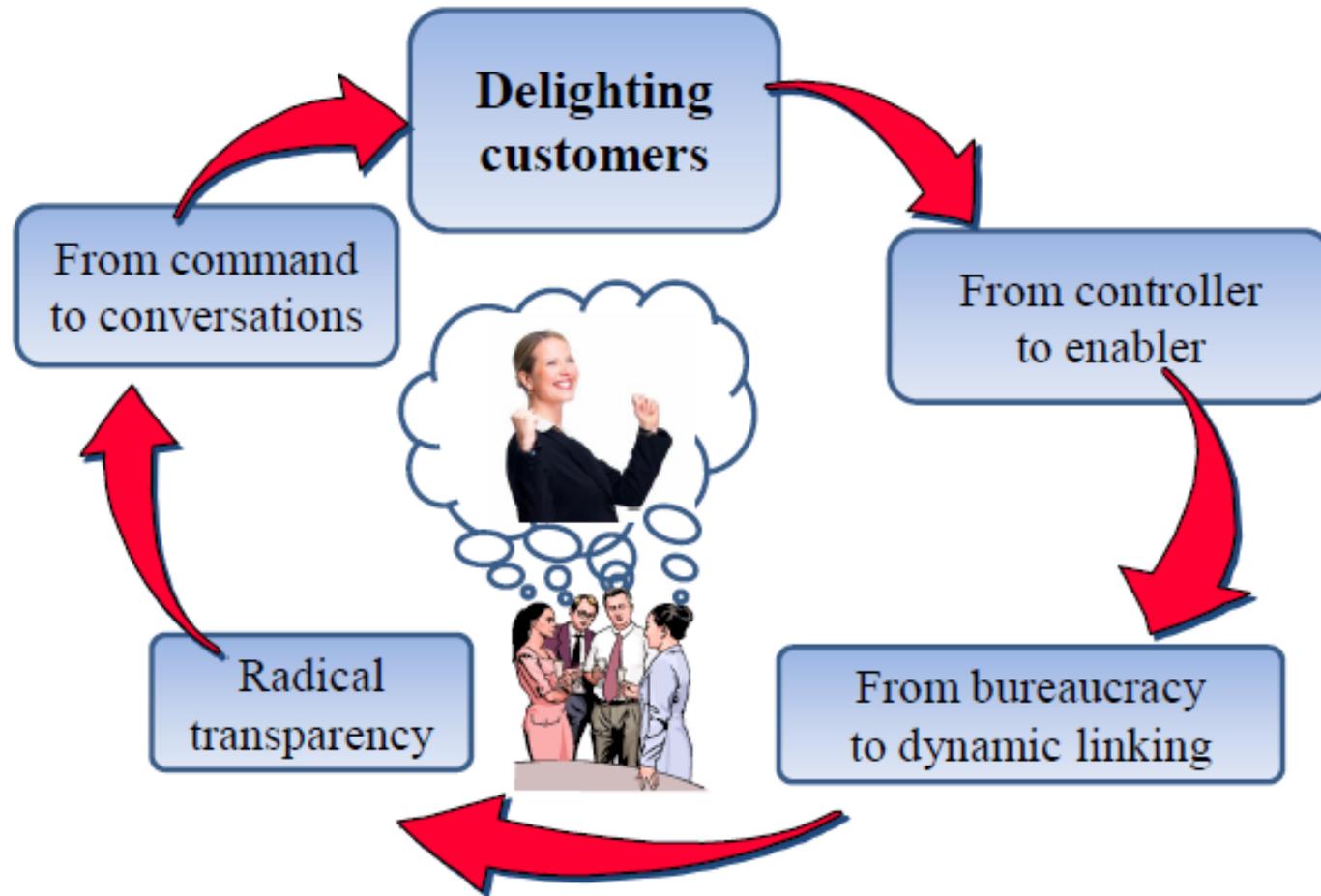
What is the most important value for enterprise from your view?

Write down on the sticky note and share with your pair as many as you can

# 5 mindsets shifts



# Principal focus of Agile



# Goal is a key

## Goal

The purpose of a firm is to make money for its shareholders

“The dumbest idea in the world” – Jack Welch

## Goal

The only valid purpose of a firm is to create a customer

Peter Drucker  
1954

# “Maximizing shareholder value”

Jack Welch former CEO of **GE** has called it “the dumbest idea in the world.”

**“Providing a continuous stream of additional value to customers and delivering it sooner”**

Alibaba CEO Jack Ma has said that “customers are number one; employees are number two and shareholders are number three.”

# The Microsoft Story



- 2008: one team
- 2009: several teams
- 2010: Visual Studio group
- 2011: Developer Division
- 2013: reorganization
- 2014: firm-wide interest
- 2015: firm-wide mandate

# The Microsoft Story

How did this...

Our image of Microsoft before the site visit



... become this?

Our image of Microsoft after the site visit



# The Microsoft's Agile transformation

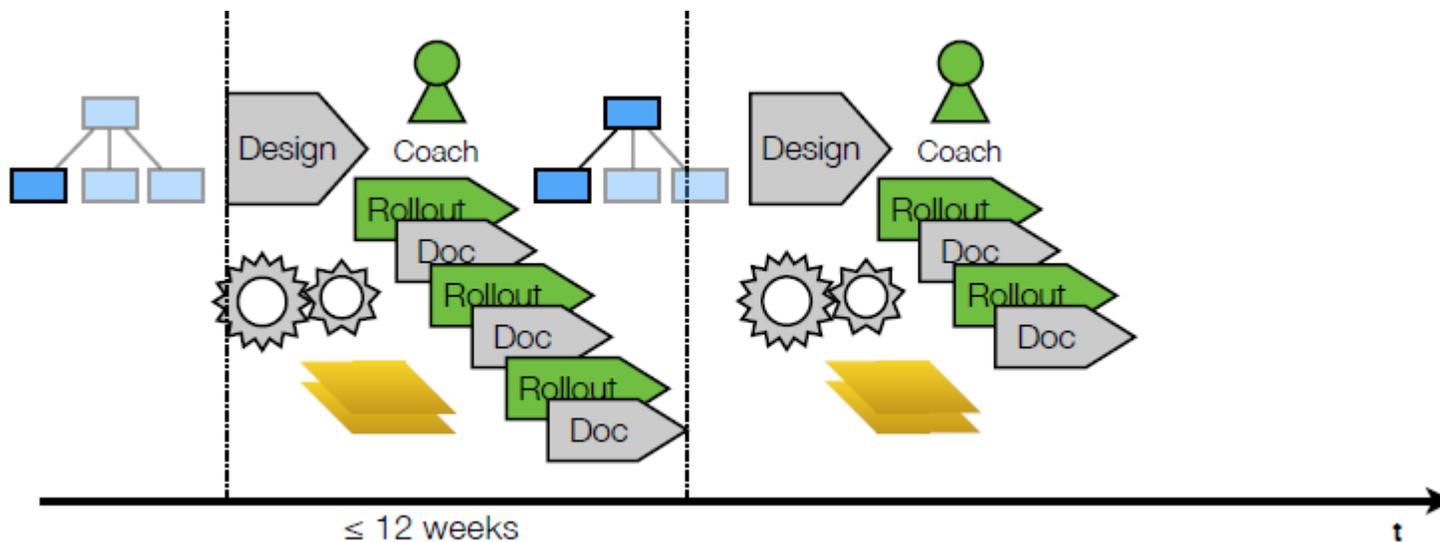
## Key Takeaways:

1. Get good at the science of Agile and Scrum but don't be overly prescriptive
2. Don't copy others: learn from others
3. Build the culture you want ... and you'll get the behavior you're after
4. Stop trying to predict the future
5. Optimize around customer feedback

# A few basic principles for a transition

**“One size fits all?” ... Not in practice... but in Principles!**

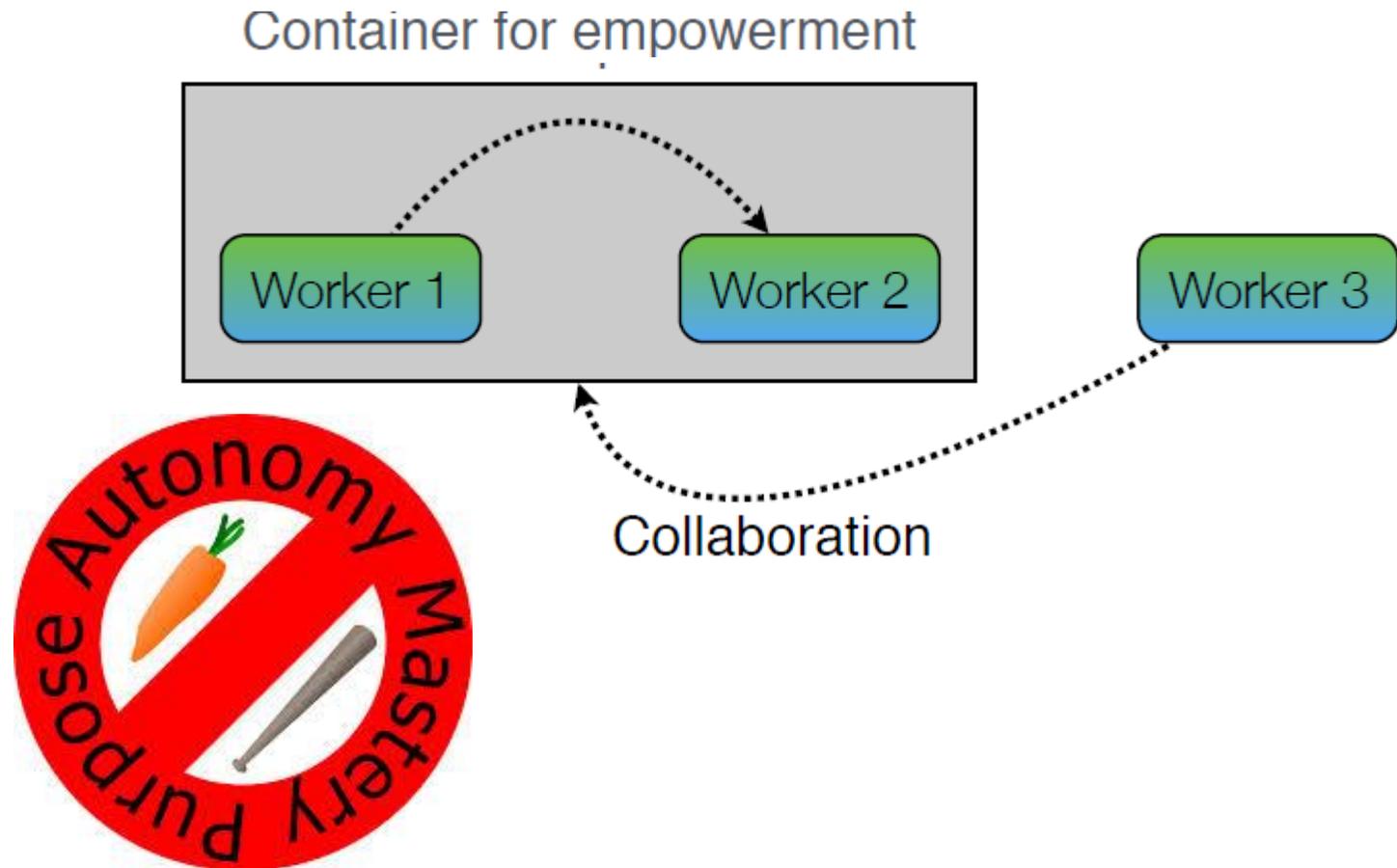
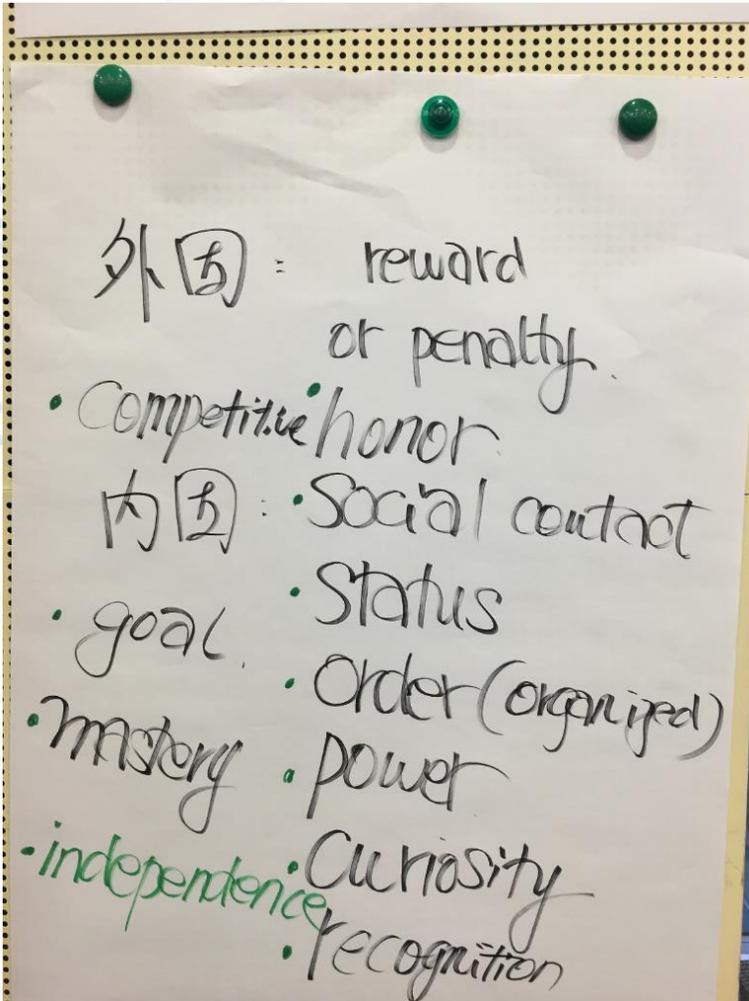
# 1<sup>st</sup> Principle: focus on small incremental changes



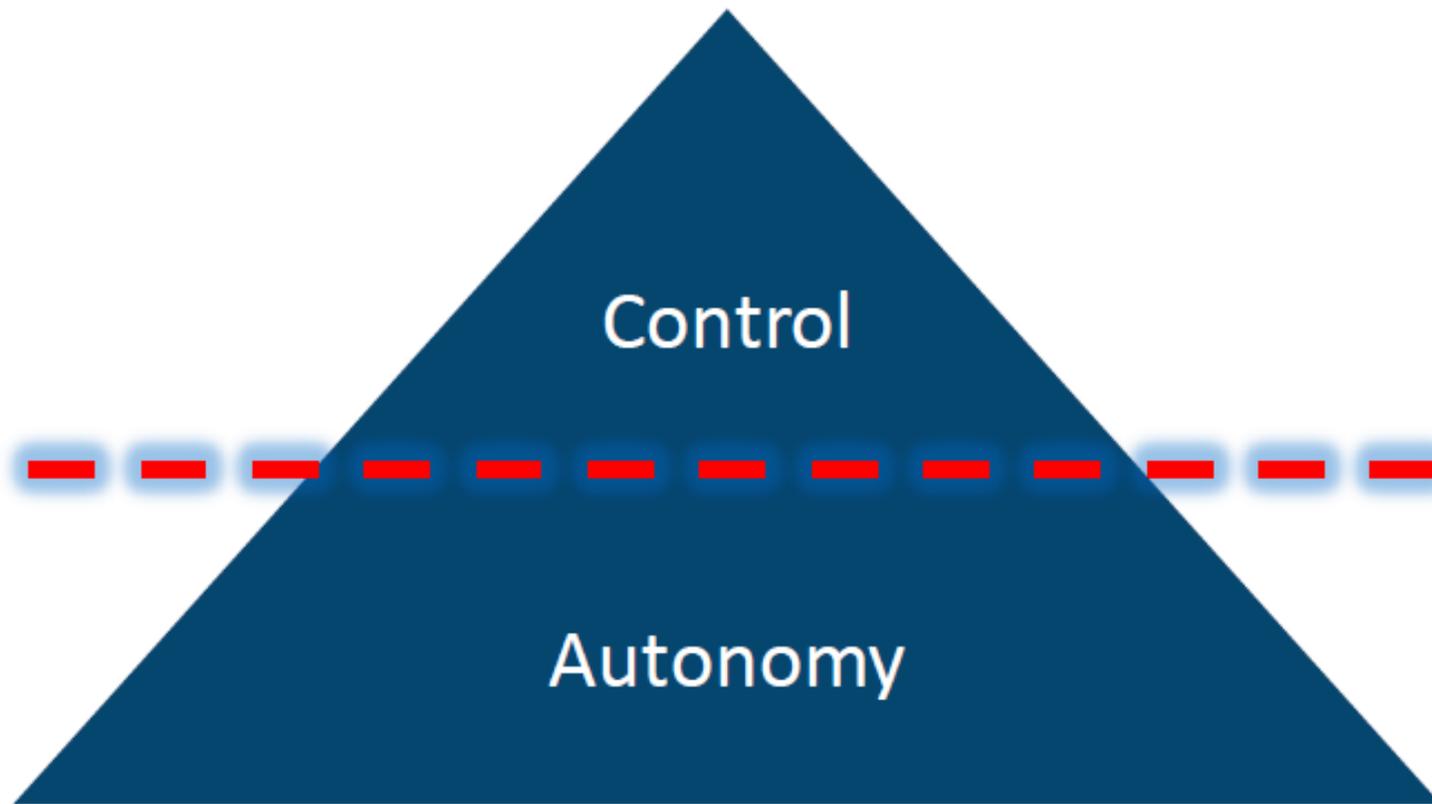
The agile approach to change management

focused on **stabilization** with emergent *standardization*

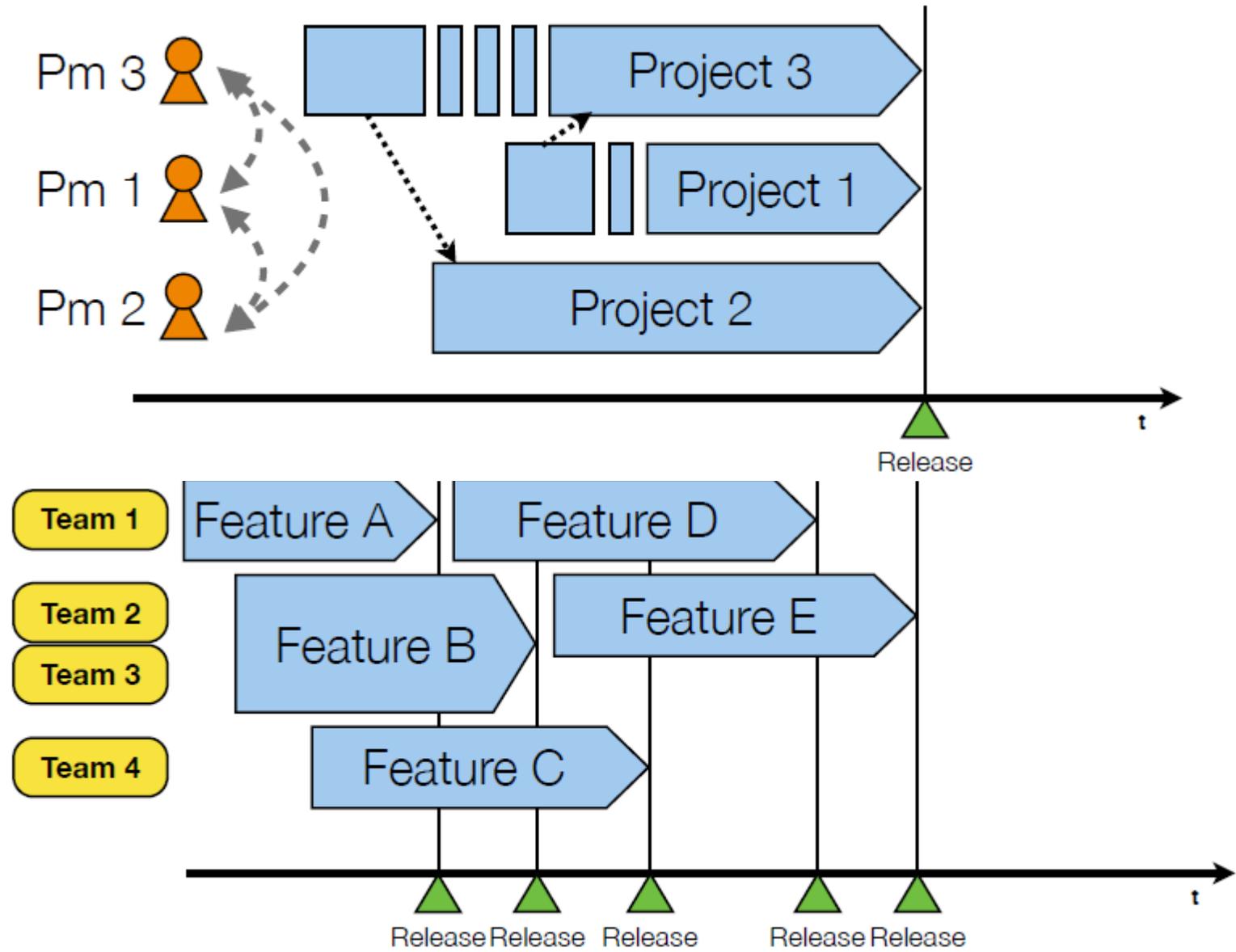
# 2<sup>nd</sup> Principle: engage people and decentralize control



It is all about balance

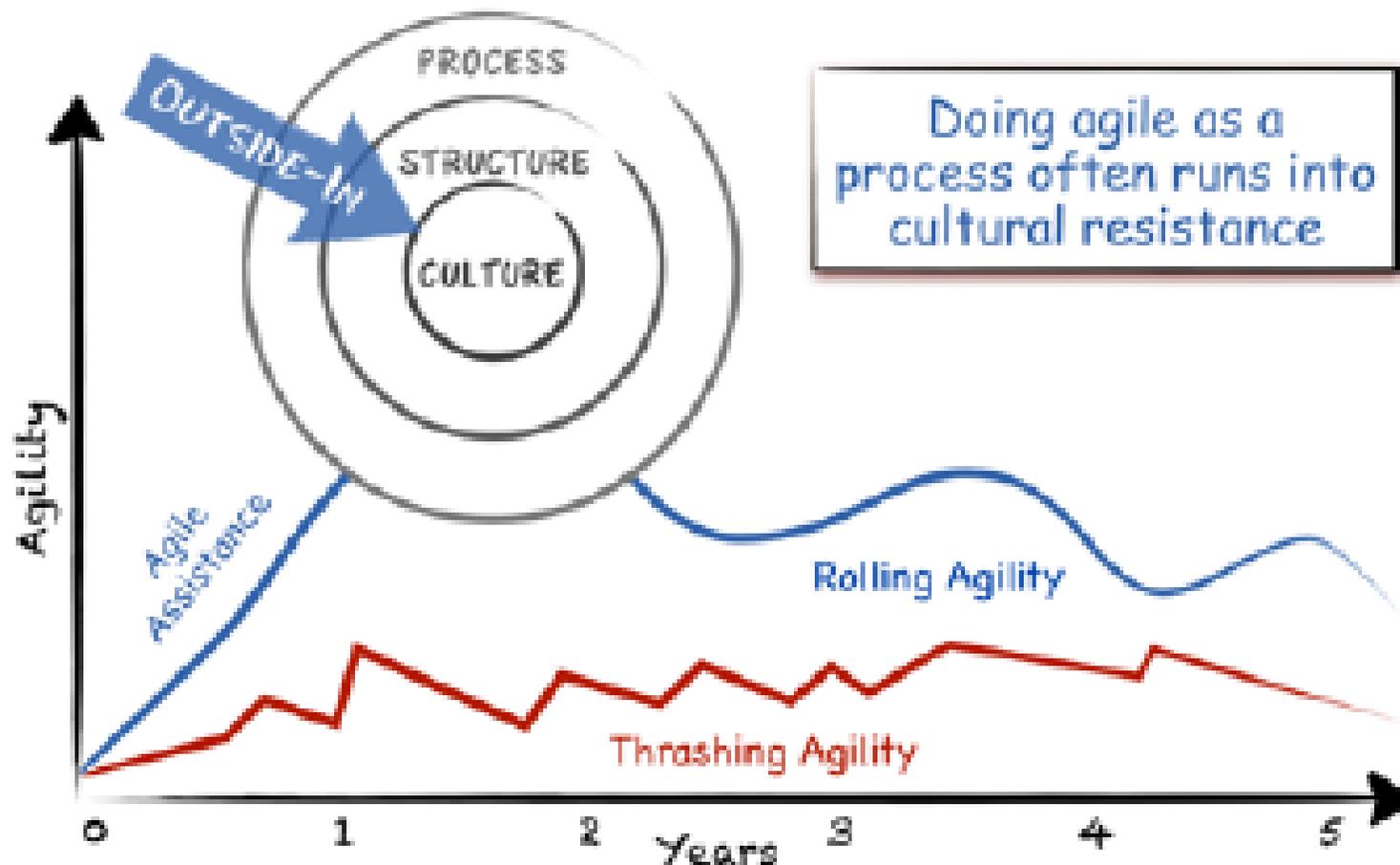


# 3rd Principle: de-synchronization of development leads



## Outside-In Adoption (Challenged Pattern)

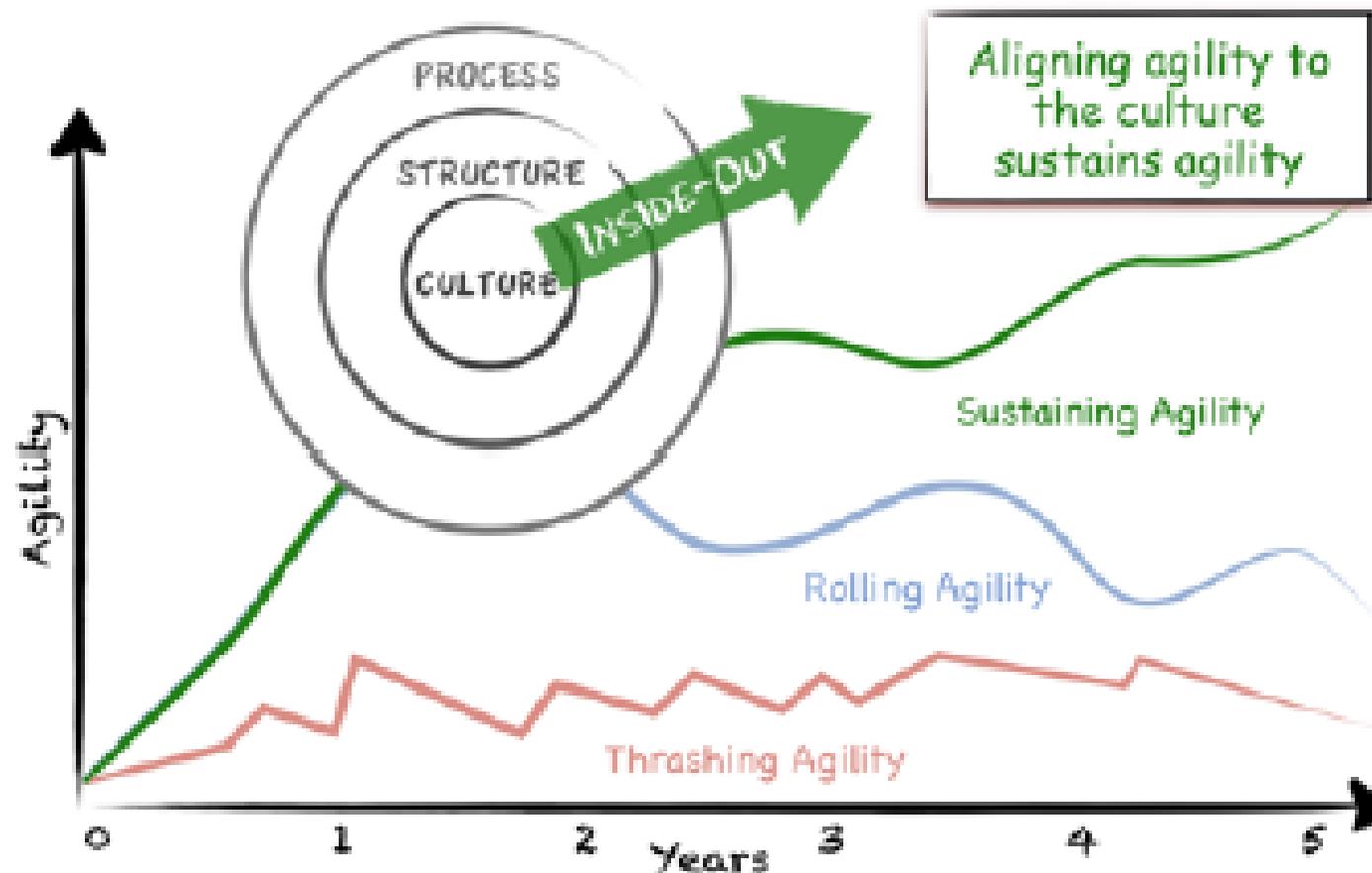
Most agile initiatives are conducted from an *outside-in* approach. Starting with an agile approach (like Scrum), leaders focus on changing behaviors. Through this change, people and teams run into challenging structural and cultural impediments which leadership is unable or unwilling to “fix” - compromising the organization’s ability to change and grow.



# Enterprise Agile Adoption Patterns

## Inside-Out Adoption (Success Pattern)

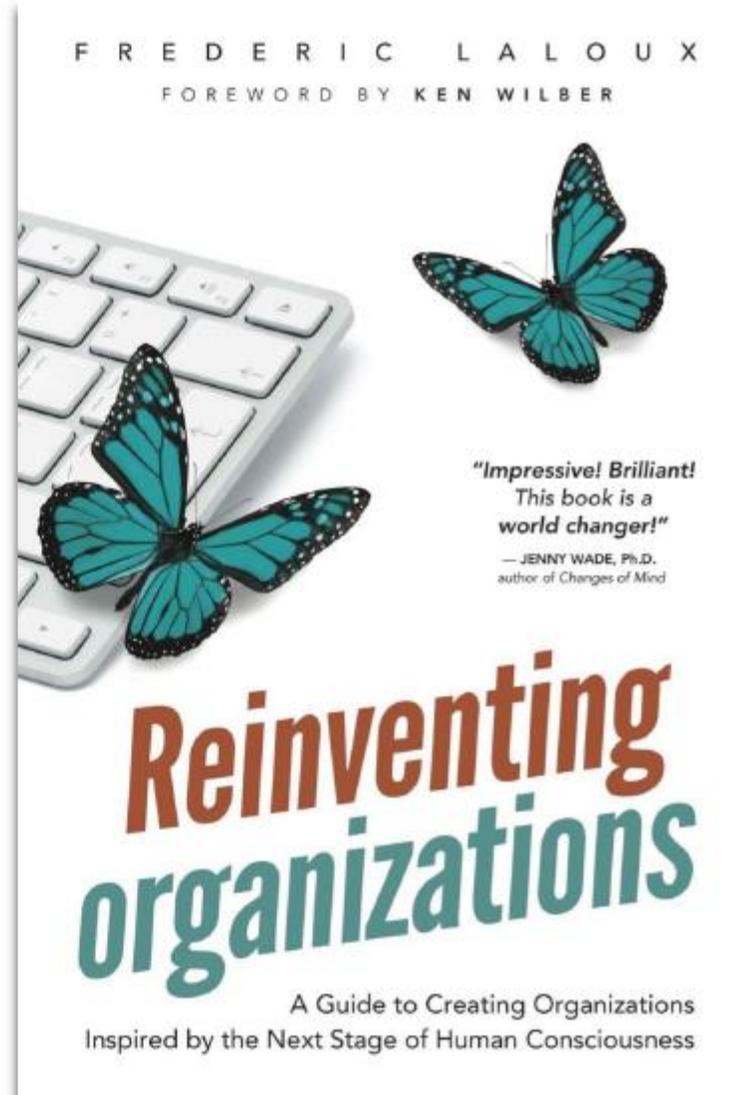
Developing organizational agility *inside-out* starts with the values of the organization and their alignment with agility. It focuses on agile values which align to its culture while, at the same time, influencing the culture towards a more agile value set. In this approach, leaders create an organizational structures to support, sustain and grown agility.



From Pete Behrens

# Organization Structure is a tool to support value

To fully Engage  
People ...  
you need to  
change  
Your  
Organizational  
System



SHARED POWER  
DECENTRALIZED  
NETWORK

SELF-MANAGEMENT  
EMERGENCE  
WHOLENESS  
[TEAL]

The diagram shows a network of interconnected nodes, representing a decentralized structure. The text is written in a blue, hand-drawn style.

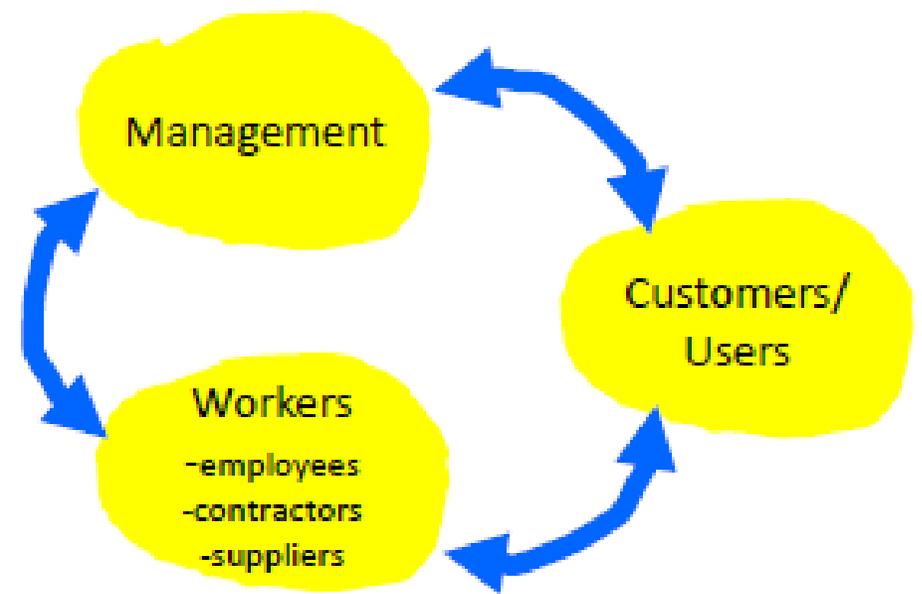
Question:

How many layers in an Agile organization?

Question:  
How many layers?

Answer:

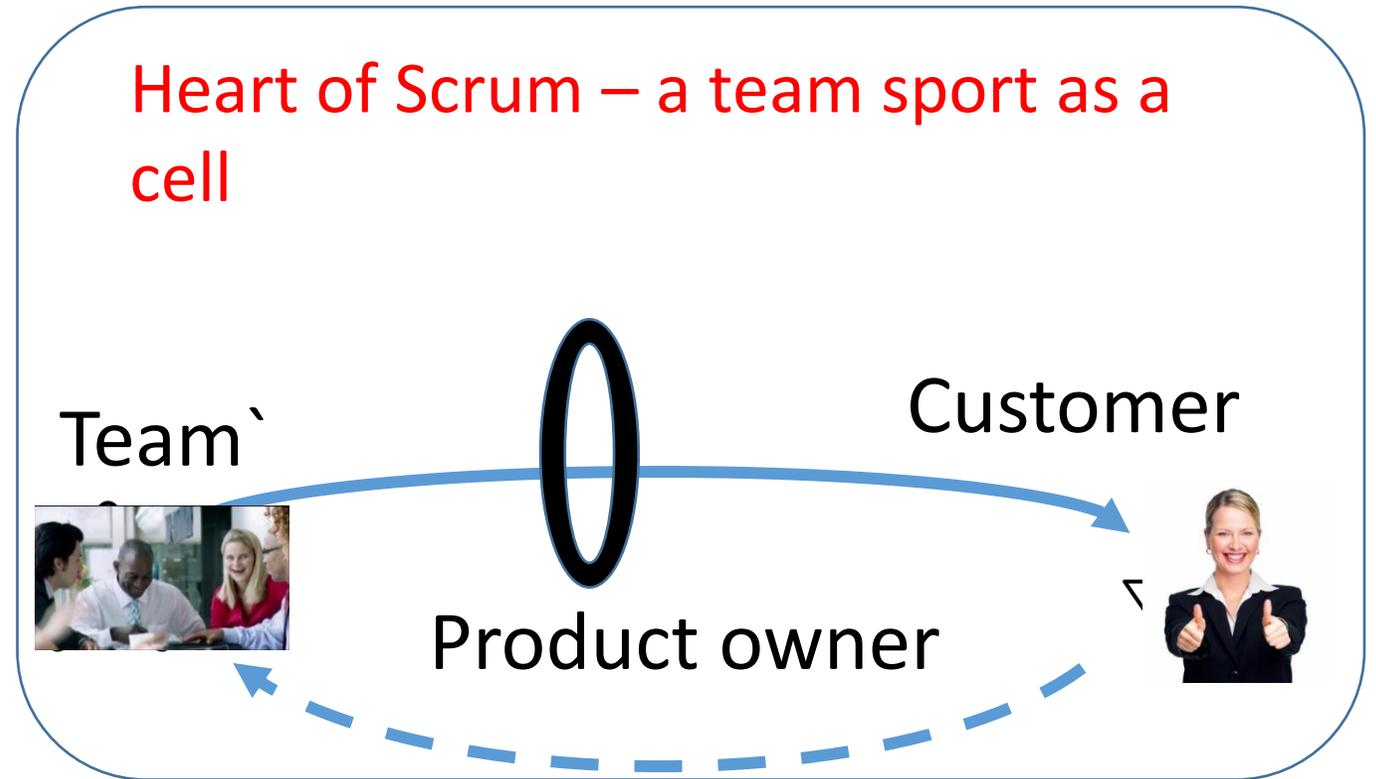
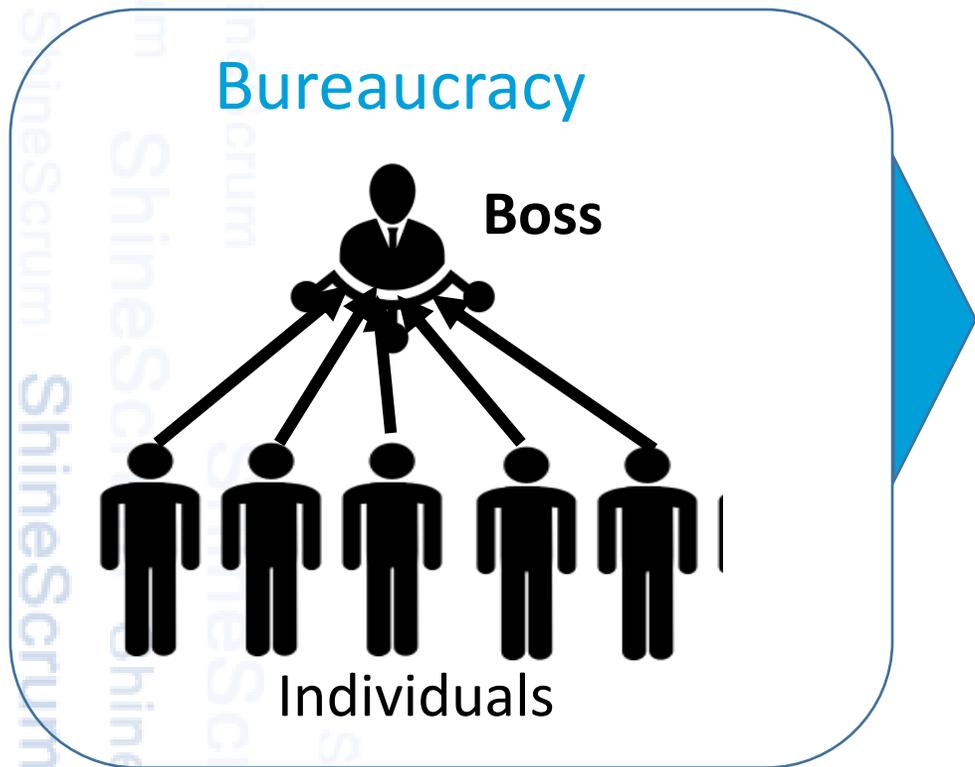
It doesn't matter



4th Principle: Scaling the delivery model won't make your org. agile and need to change the culture

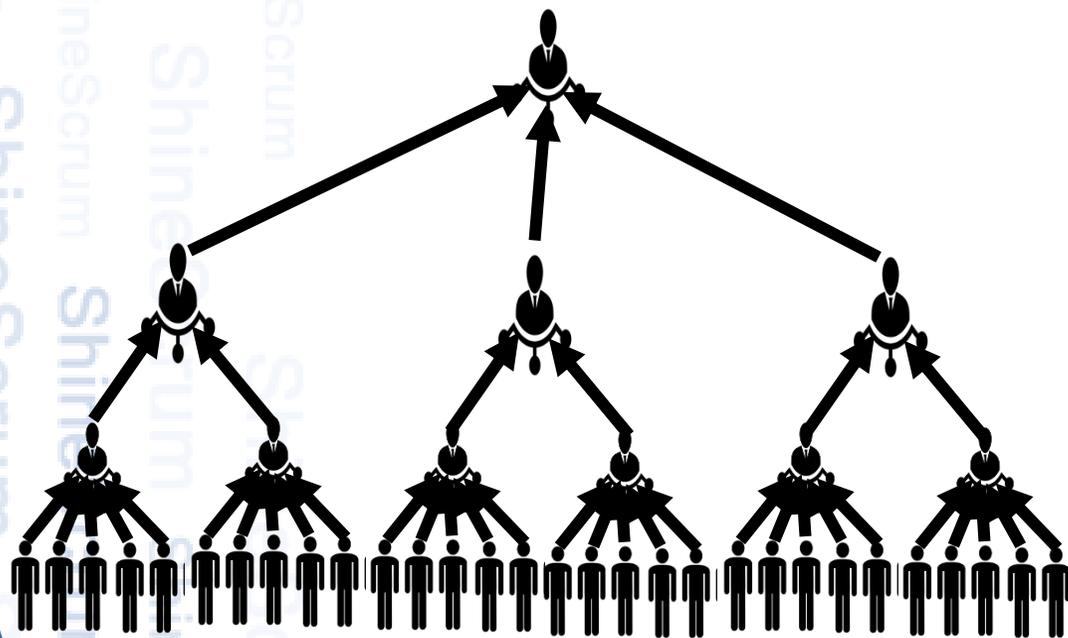
**Culture** is the set of *behaviors* that have been *established* and *accepted* within an organization

# The transition is under way at the team level

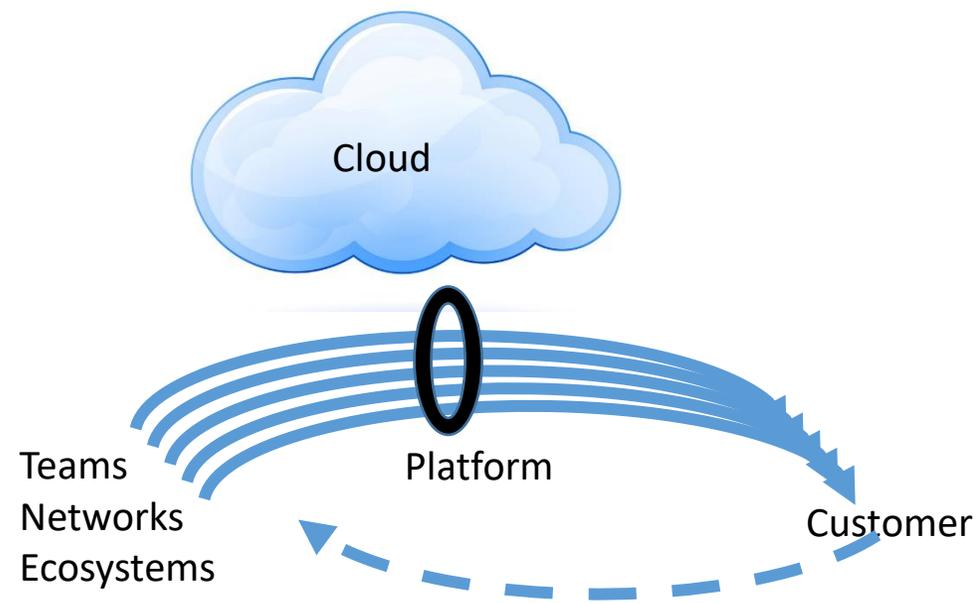


# Scaling delivery model needs to culture change

Traditional economy



Creative economy



# The Heart of an Agile Organization



Self-Organization  
& Autonomy



Iterative & Incremental change to reduce the risk



Continuous Improvement

# All those changes Require Agile Leadership

“A mind is like a parachute. It doesn't work if it's not open.”  
—Frank Zappa

