ACCELERATING BUSINESS AGILITY:

A practical playbook for thriving in uncertainty

with Pat Reed
ABOUT PAT

“It’s kind of fun to do the impossible”
ACCELERATING BUSINESS AGILITY:
A practical playbook for thriving in uncertainty
We’re heading into uncharted territories…
...being able to learn and adapt real time when confronted with unforeseen challenges
Business Agility
Organizational ability to rapidly sense, adapt and respond.
What’s the one thing?
I’ll believe it when I see it . . .
I’ll see it when I believe it
WHEN OUR BRAIN SEES

Change as a challenge
• Focus on solutions
• Eyes on outcomes
• Making things better
• Open and determined
• Negative emotions energize you
• Greater engagement
• Hyper productive, accelerated learning

Change as a threat
• Focus on problems
• Get bogged down in details
• Fight to maintain status quo
• Anxious and defensive
• Negative emotions drain you
• Disengaged
• Learning is blocked
Our mindsets are determined by the questions we ask
Judging Questions
• Who is to blame?
• How can I prove I’m right?
• How can I protect my turf?
• Why aren’t we winning?
• How can I be sure everyone is busy?

Learning Questions
• What can I do about it?
• What are the facts vs. assumptions?
• What am I missing?
• What’s possible?
• What do our customers really need?
Change itself is changing…
Awareness
“being”

Action
“doing”
Let’s get started!
Our Business Agility Framework provides you with the tools, principles, practices and values to enable you to successfully navigate a constantly changing world connected through multiple, complex dimensions.
CRITICAL SUCCESS FACTORS

- Sustainable culture change
- Clear and visible priorities
- Alignment and collaboration
- Empirical evidence on delighting customers
- Descaling work
- Innovation
- Learning culture
- Nurturing culture
VALUES:
• Aligned
• Courageous
• Collaborative

Plays
Sustainable culture change (starting with our mindset)
Making value clear and visible - transparency
Alignment & collaboration
Learning via Empirical evidence on how effectively we’re delighting customers
Descaling work
Innovation
Organizational learning agility
People over process

BUSINESS AGILITY
BUSINESS AGILITY

Plays
- Sustainable culture change
  - Mindset Training
  - Neuroscience Discoveries
  - Presencing Mindfulness
  - Making the Invisible Visible
  - Sensemaking Pattern
  - Recognition
  - SCARF Self Assessment

Clear and visible value
- Lean Change Canvas
- Vision Box
- Customer Value Propositions
- Design Thinking
- Value Stream Mapping
- Customer Journey Maps
- Golden Circle Value Models

Alignment & collaboration
- Adaptive Leadership
- High Performance Questions
- Enterprise Value
- Maps and Models
- Aligned Prioritization

Empirical evidence on delighting customers
- Develop & Test Hypotheses
- Empathy Maps
- Personas
- Prototyping
- Product Discovery Labs
- Metrics that Matter
- Evidence Based Funding

Descaling work
- Cyefin
- Lean Start Up
- Thin Slicing
- Fall Fast
- Design Thinking

Innovation
- Kaizen
- Servant Leadership
- Entrepreneurial Culture
- Creativity
- Innovation Games

Learning culture
- Short Iterative Learning Loops
- Retrospectives
- Improvement Katas
- Awareness of Cognitive Biases and Mental Models
- Belief

People over process
- Safety Trust
- Empowerment
- Delegating decision making
- Rewards
- Servant Leadership
<table>
<thead>
<tr>
<th><strong>PLAY</strong></th>
<th><strong>SUSTAINABLE CULTURE CHANGE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Outcomes</td>
<td>Impact-based mindset, awareness and focus. Recognizing and eliminating fear-based thinking.</td>
</tr>
</tbody>
</table>
| Tools     | Measuring Outcomes over Output  
Mindset Training – Powerful Questions  
Neuroscience Discoveries  
Presencing to Suspend Disbelief and Voice of Judgment  
Journaling, Reflecting, Mindfulness  
Polarity Management and Making the Invisible Visible  
Pattern Recognition  
Organizational Self Awareness via Assessment |
MINDSET TRAINING

Sustainable culture change

https://www.youtube.com/watch?v=pN34FNbOKXc

http://trainugly.com/mindset/
PRESENCING TO SUSPEND DISBELIEF AND VOICE OF JUDGEMENT
**LISTENING**

Listening is at the source of all great leadership. It is a core skill, not only for leadership, but for all domains of professional mastery.

**CASE CLINIC**

Case clinics are used to access the wisdom and experience of peers and to help a member of the group see new ways of responding to a leadership challenge that matters deeply to that person.

**DIALOGUE INTERVIEW**

Dialogue interviews engage the interviewee in a reflective and generative conversation. This tool can be used to prepare for projects, workshops, or capacity building programs.

**GUIDED JOURNALING**

Guided journaling leads participants through a self-reflective process following the different phases of the U. This practice allows participants to access deeper levels of self-knowledge, and to connect this knowledge to concrete actions.

**PROTOTYPING**

The purpose of prototyping is to create a microcosm that allows you to explore the future by doing. Prototypes work on the principle of “failing early to learn quickly”.

**SENSING JOURNEYS**

Sensing Journeys pull participants out of their daily routine and allow them to experience the organization, challenge, or system through the lens of different stakeholders.

**SHADOWING**

The purpose of shadowing is to observe and absorb practical and intuitive knowledge from a colleague, customer or an otherwise interesting person, and by doing so, gain a new perspective on your own work.

**STAKEHOLDER INTERVIEWS**

The purpose of a stakeholder interview is to see your work from the perspective of your stakeholders. It answers the questions: What do my stakeholders want from me? What do they need me for?
JOURNALING, REFLECTING, MINDFULNESS

Sustainable culture change

Obligation  Quit
Justification  Shame
Laying Blame
Denial
Lencioni, Patrick “Conquer Team Dysfunction,” *The Power Within*

**PATTERN RECOGNITION**

1. **Absence of TRUST**
2. **Fear of CONFLICT**
3. **Lack of COMMITMENT**
4. **Avoidance of ACCOUNTABILITY**
5. **Distracted by Outputs WIP**

- Focus on outcomes
- Understand why
- Confront difficult issues, Bust through blockers and deliver
- Force clarity and closure, Fearlessly deliver to commitments
- Demand transparency, Challenge outdated practices, Be Bold in eliminating waste
- Feel safe and fearless, Be human; Look out for each other

**Sustainable culture change**
## Making Value Clear and Visible

| Outcomes                      | Know your customers and what they really need  
|-------------------------------|-----------------------------------------------  
|                               | Value is in the mind of each customer          |
| Tools                         | Lean Change Canvas  
|                               | Vision Box  
|                               | Customer Value Propositions  
|                               | Design Thinking  
|                               | Value Stream Mapping  
|                               | Customer Journey Maps  
<p>|                               | Golden Circle |</p>
<table>
<thead>
<tr>
<th>YOUR COMPANY</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>What business problems are you trying to solve?</td>
<td>What is your vision for the business?</td>
<td>What experiments will you run to meet your success criteria?</td>
</tr>
<tr>
<td>Top 3-5 problems</td>
<td></td>
<td>What help do you need?</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Top 3-5</td>
</tr>
<tr>
<td>What does success look like?</td>
<td>What commitments are you making to support the vision?</td>
<td>What wins/benefits are you looking for?</td>
</tr>
<tr>
<td>Key activities you measure</td>
<td></td>
<td></td>
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</tbody>
</table>
# ONLINE RETAIL GIANT

## What business problems are you trying to solve?
**Top 3-5 problems**
- Focus on results – not process
- Make decisions quickly
- Customer Obsession
- Embrace External trends

## What is your vision for the business?
Our **vision** is to be earth’s most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online.

## What experiments will you run to meet your success criteria?
**What help do you need?**
**Top 3-5**
- Design press release first
- Drone delivery

## What does success look like?
**Key activities you measure**
- Lowest prices
- Best selection
- Best customer service
- Constant innovation

## What commitments are you making to support the vision?
Always stay in Day 1

## What wins/benefits are you looking for?
- Extreme customer loyalty
- #1 company status
VISION BOX

Create a figurative box that represents your product

Front of the box:
- Product Name
- Graphic
- 3-5 Key selling points or objectives

Back of the box:
- Product description
- Features list
- Operating
- Requirements

Why:
Allows the product team to focus their views of the product into a concise, visual and short textual form.

Clear and Visible value
CUSTOMER VALUE PROPOSITIONS

PRODUCT

Benefits
Why?

Experience
What?

How?
Features

Start here

CUSTOMER

Emotional
Wants

Rational
Needs

Hidden
Fears

Substitutes
Inertia
CUSTOMER VALUE PROPOSITION EXAMPLE

Company: Evernote
Product: Online notes
Ideal customer: Mobile professionals

PRODUCT

BENEFITS
• Simple
• Easy syncing
• Fast to use

FEATURES
• Sync across devices
• Include images
• Rich meta data

EXPERIENCE
• Everything everywhere
• Never forget
• External brain
• Remember everything

CUSTOMER

WANTS
• Share notes with people
• Fast to enter things
• Single system
• Write things down

NEEDS
• Remember things
• Save information

FEARS
• Losing things
• Locked into a system
• Email to yourself

SUBSTITUTES
Text documents

Clear and Visible value

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DESIGN THINKING

Clear and Visible value

Radical collaboration

Bias toward action

Empathy

Human Centered

Mindful of process

Show don’t tell

Culture of prototyping

© Cory Ford, Stanford University
- Everything is an experiment
- Estimates are hypotheses
- Take calculated risks
- Courage to fail in order to succeed sooner
- Welcome challenges
- Embrace uncertainty…and transform into knowledge

- Learn continuously through fact-based data analysis
- Focus on doing only what matters in creating value and quality
- Eliminate waste and marginal value work
- Look at the whole system to optimise end to end value delivery
- Create time and space for experimentation and innovation
- Become comfortable being uncomfortable
CUSTOMER JOURNEY MAPS

Clear and Visible value
GOLDEN CIRCLE

**Why** = The Purpose
What is your cause? What do you believe?

**How** = The Process
Specific actions taken to realize the Why.

**What** = The Result

Clear and Visible value

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How great leaders inspire action | Simon Sinek
<table>
<thead>
<tr>
<th>PLAY</th>
<th>ALIGNMENT AND COLLABORATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outcomes</strong></td>
<td>Hyper focus on the right problems</td>
</tr>
<tr>
<td><strong>Tools</strong></td>
<td>Adaptive Leadership</td>
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<tr>
<td></td>
<td>High Performance Questions</td>
</tr>
<tr>
<td></td>
<td>Enterprise Value Model</td>
</tr>
<tr>
<td></td>
<td>Aligned Prioritization</td>
</tr>
</tbody>
</table>
What:
A practical leadership framework that helps individuals and organizations adapt and thrive in challenging environments. It is being able, both individually and collectively, to take on the gradual but meaningful process of change. It is about diagnosing the essential from the expendable and bringing about a real challenge to the status quo.
What’s the one thing that might seem impossible, but if we could find a way to do it, could make the most significant difference to the future of (your situation)?

What’s important to you about (your situation) and why do you care?

What draws you/us to this inquiry?

What’s our intention here? What’s the deeper purpose (the big “why”) that is really worthy of our best effort?

What opportunities can you see in (your situation)?

What do we know so far/still need to learn about (your situation)?

What assumptions do we need to test or challenge here in thinking about (your situation)?

What would someone who had a very different set of beliefs than we do say about (your situation)?
## ALIGNED PRIORITIZATION

<table>
<thead>
<tr>
<th><strong>CONTRIBUTION TO STRATEGY</strong></th>
<th><strong>PAYBACK PERIOD</strong> (short term)</th>
<th><strong>RESOURCE REQUIREMENTS</strong> (Personnel and knowledge/skills)</th>
<th><strong>EXECUTION RISK</strong></th>
<th><strong>COST SAVINGS</strong> (over next 3 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Weight</strong></td>
<td>25%</td>
<td>20%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>1</td>
<td>Low</td>
<td>&gt; 5 years</td>
<td>High</td>
<td>Groupwide or across line of business; new to organization; high external</td>
</tr>
<tr>
<td></td>
<td>Low contribution to strategic objectives</td>
<td></td>
<td>High</td>
<td>Groupwide or across line of business; new to organization; high external</td>
</tr>
<tr>
<td>2</td>
<td>Medium</td>
<td>3 to 5 years</td>
<td>Medium</td>
<td>Medium initiative across organization and/ or some external; multiple system impacts</td>
</tr>
<tr>
<td></td>
<td>Some contribution to strategic objectives</td>
<td></td>
<td>Medium</td>
<td>Medium initiative across organization and/ or some external; multiple system impacts</td>
</tr>
<tr>
<td>3</td>
<td>High</td>
<td>1 to 2 years</td>
<td>Low</td>
<td>Low Within one division area; limited external; new processes and system impacts</td>
</tr>
<tr>
<td></td>
<td>Considerable contribution to strategic objectives</td>
<td></td>
<td>Low</td>
<td>Low Within one division area; limited external; new processes and system impacts</td>
</tr>
<tr>
<td>4</td>
<td>Critical</td>
<td>&lt; 1 year</td>
<td>Minimal</td>
<td>Minimal Impacting only 1 to 2 teams; trusted process; no external</td>
</tr>
<tr>
<td></td>
<td>Critical to achieving strategic outcomes</td>
<td></td>
<td>Minimal</td>
<td>Minimal Impacting only 1 to 2 teams; trusted process; no external</td>
</tr>
<tr>
<td>PLAY</td>
<td>EMPIRICAL EVIDENCE ON DELIGHTING CUSTOMERS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>--------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
<td>Understanding what customers want and/or need</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| **Tools** | Develop and Test Hypotheses  
Empathy Maps  
Personas  
Prototyping  
Product Discovery  
Golden Circle |
We believe <this capability> will result in <this outcome>. We will have confidence to proceed when <we see a measurable result>. Otherwise <next hypothesis to test>
ENTREPRENUURIAL CULTURE

INSIGHTS (start here)

OPTIONS

EXPERIMENT

PREPARE

INTRODUCE

REVIEW

Innovation
**EMPATHY MAPS**

What does she **THINK & FEEL?**
- What really counts
- Major preoccupations
- Worries & aspirations

What does she **HEAR?**
- What friends say
- What boss says
- What influencers say

What does she **SAY OR DO?**
- Attitude in public
- Appearance
- Behaviour towards others

What does she **SEE?**
- Environment
- Friends
- What the market offers

**PAIN**
- Fears
- Frustrations
- Obstacles

**GAIN**
- “wants” / needs
- Measures of success
- Obstacles

Why: Understand your customers

[https://www.cleverism.com/customer-profiling-using-empathy-map/]
## PERSONAS

**What:**
Contains observed customer behavior patterns, skills, attitudes and needs.

**Why:**
Allows you to get clarity about customer’s needs, wants and desires.

---

### BUYERS PERSONAS

<table>
<thead>
<tr>
<th>PERSONA 1</th>
<th>PERSONA 2</th>
<th>PERSONA 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DESCRIPTION</strong></td>
<td>A fictional representation of what your ideal customer should look like. By understanding who your customers are, you can then create customized plans on when and where you should interact with them.</td>
<td></td>
</tr>
<tr>
<td><strong>WHO</strong></td>
<td>This is where you want to recognize who your persona really is. This will allow you to gain insights into how they live and some useful background information.</td>
<td></td>
</tr>
<tr>
<td><strong>BACKGROUND</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>JOB</strong></td>
<td>Understand your buyer’s role at their current job. Are you targeting certain individuals? Part-time/Full-timers? Are they business owners or students?</td>
<td></td>
</tr>
<tr>
<td><strong>CAREER PATH</strong></td>
<td>What is your persona’s career path? It’s important to understand what kind of role your product/service plays within their life.</td>
<td></td>
</tr>
<tr>
<td><strong>FAMILY</strong></td>
<td>Married, or single? Different family lives represent in general a different lifestyle.</td>
<td></td>
</tr>
<tr>
<td><strong>DEMOGRAPHICS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GENDER</strong></td>
<td>Does your product/service appeal to one gender more than another? This can have a big impact on how you market your brand.</td>
<td></td>
</tr>
<tr>
<td><strong>AGE</strong></td>
<td>What is your target audience’s age range? Does this effect the way you market your product/service? This knowledge should create different online approaches towards social media and content.</td>
<td></td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td>Income effects you (the service/product provider). Understand what your target audience annual income levels are at.</td>
<td></td>
</tr>
</tbody>
</table>

---

What:
Contains observed customer behavior patterns, skills, attitudes and needs.

Why:
Allows you to get clarity about customer’s needs, wants and desires.

---

https://goldminddigital.com/buyers-persona-template/
**What:**
Prototyping is the process of developing a trial version of a system (a prototype) or its components or characteristics in order to clarify the requirements of the system or to reveal critical design considerations.

[Image of a prototype for a mobile application]
<table>
<thead>
<tr>
<th>DAY</th>
<th>UNDERSTAND</th>
<th>DIVERGE</th>
<th>DECIDE</th>
<th>PROTOTYPE</th>
<th>VALIDATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Discovery Kick-off</td>
<td>Lightening demos</td>
<td>Converge on the best idea(s)</td>
<td>Build something quick and dirty to show to users</td>
<td>Show the prototype to real users</td>
</tr>
<tr>
<td></td>
<td>Set the context</td>
<td>Creative Stretching</td>
<td>Storyboard the idea(s)</td>
<td>Focus on usability, not beauty</td>
<td>Learn what doesn’t work</td>
</tr>
<tr>
<td></td>
<td>Empathize and identify the user</td>
<td>Lots and lots and lots of brainstorming</td>
<td>Stakeholder check-in</td>
<td>Stakeholder check-in</td>
<td>Iterate on learnings</td>
</tr>
<tr>
<td></td>
<td>Clarify the problem, success and learnings</td>
<td>Stakeholder check-in</td>
<td></td>
<td></td>
<td>Stakeholder check-in</td>
</tr>
<tr>
<td></td>
<td>Stakeholder check-in</td>
<td></td>
<td></td>
<td></td>
<td>Go! Go! Go!</td>
</tr>
</tbody>
</table>
## PLAY DESCALING WORK

<table>
<thead>
<tr>
<th>Outcomes</th>
<th>Working iteratively in short cycles in a state of flow, with fast feedback from customers and end users.</th>
</tr>
</thead>
</table>
| Tools    | Cyefin  
Lean Start Up  
Thin Slicing  
Fail Fast |
Five decision-making contexts or "domains"—simple, complicated, complex, chaotic, and disorder—that enable leaders to identify how they perceive situations, and to make sense of their own and other people's behavior.

https://en.wikipedia.org/wiki/Cynefin_framework
As complexity and uncertainty increase – we need to adapt our ways of thinking... transformational change is more complex than you can image!
What: Lean Startup provides a scientific approach to creating and managing startups to get a desired product to customers' hands faster.
By taking a thin slice through the ‘why, what, and how’ leads you to discover answers without going down rabbit holes.

The ‘why’ is the problem we’re trying to solve. It may include a problem statement and success metrics.

The ‘what’ is what needs to change in order to solve the problem. This may include use cases or a context diagram. It’s a slice of the high level requirements.

The ‘how’ is the high level solution approach. This isn’t specific solutions, just the solution approach.

By thin slicing, we start with just enough of the ‘why, what, and how’ to validate that we’re going after the right problem. We then iterate as the project progresses and you get closer to the details.

http://masteringbusinessanalysis.com/mba139-thin-slicing-problem-analysis/
FAIL FAST

SUCCESS
WHAT PEOPLE THINK IT LOOKS LIKE

SUCCESS
WHAT IT REALLY LOOKS LIKE

Descaling work
**PLAY** | **INNOVATION**
--- | ---
**Outcomes** | Differentiating high performance market disruptions
**Tools** | Kaizen
| Servant Leadership
| Entrepreneurial Culture
What: Kaizen means improvement through small incremental steps. In a successful lean environment this becomes part of everyone's job. More specifically Kaizen means change for improvement. It is necessary to verify that a change is actually for the better.

SERVANT LEADERSHIP

What:
A philosophy and set of practices that enriches the lives of individuals, builds better organizations and ultimately creates a more just and caring world.
### Servant Leadership

#### Why
- Why

#### How
- How

#### What
- What

<table>
<thead>
<tr>
<th><strong>Do It For Them</strong></th>
<th><strong>Let Them Figure It Out</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>They won’t learn and grow</td>
<td>They are free to learn &amp; grow</td>
</tr>
<tr>
<td>They’ll get frustrated &amp; leave</td>
<td>They are happier, more fulfilled</td>
</tr>
<tr>
<td>They won’t feel empowered</td>
<td>They feel empowered &amp; confident</td>
</tr>
<tr>
<td>They won’t feel trusted</td>
<td>They feel trusted &amp; respected</td>
</tr>
<tr>
<td>They won’t take initiative</td>
<td>They take action</td>
</tr>
<tr>
<td>They are dependent on you</td>
<td>They are autonomous</td>
</tr>
<tr>
<td>They don’t feel a part of the results</td>
<td>They get true pride in results</td>
</tr>
<tr>
<td>They feel like minions</td>
<td>They feel like partners</td>
</tr>
<tr>
<td>They are mere spectators</td>
<td>They are the players &amp; stars</td>
</tr>
<tr>
<td>They lack purpose</td>
<td>They embrace their role &amp; purpose</td>
</tr>
<tr>
<td>You squander their potential</td>
<td>You leverage their potential</td>
</tr>
<tr>
<td>You become the bottleneck</td>
<td>You get out of their way</td>
</tr>
<tr>
<td>You’re only as good as you are</td>
<td>You’re exponentially better together</td>
</tr>
<tr>
<td>You take all the credit</td>
<td>We all get the credit</td>
</tr>
<tr>
<td>You are the controller</td>
<td>You are the enabler</td>
</tr>
<tr>
<td>You are the secretive master</td>
<td>You are the teacher &amp; coach</td>
</tr>
<tr>
<td>You’re always on</td>
<td>You can take real vacations again</td>
</tr>
</tbody>
</table>
# PLAY

## CREATING A LEARNING CULTURE

<table>
<thead>
<tr>
<th><strong>Outcomes</strong></th>
<th>Continuous improvement and learning</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tools</strong></td>
<td>Short Iterative Learning Loops</td>
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<tr>
<td></td>
<td>Retrospectives</td>
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<td></td>
<td>Suspending Judgment – Replace with Curiosity</td>
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<td>Improvement Katas</td>
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<td>Cognitive Biases</td>
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</tbody>
</table>
SHORT ITERATIVE LEARNING LOOPS

CONTEXT ➔ ASSUMPTIONS ➔ ACTIONS ➔ RESULTS

- **Triple-Loop Learning**
  - *How do we decide what is right?*

- **Double-Loop Learning**
  - *Are we doing the right things?*

- **Single-Loop Learning**
  - *Are we doing things right?*

Learning culture
RETROSPECTIVES

What:
An opportunity for self reflection and creating a plan for improvements.

What worked well?
What could be improved?
What will we commit to doing in the next Sprint?
Scrum Team members make actionable commitments.

https://www.scrum.org/resources/what-is-a-sprint-retrospective
What the steps look like in practice
Experimenting your way forward, instead of trying to decide your way forward

1. CHALLENGE
2. CURRENT CONDITION
3. NEXT TARGET CONDITION (DATE)
4. EXPERIMENTS
   At the current Knowledge Threshold

Threshold of Knowledge

Mike Rother Toyota Kata, http://www-personal.umich.edu/~mrother/Materials_to_Download.html
COGNITIVE BIASES

The Enemies of Adaptability: Hacking HR to Build an Adaptability Advantage

1. Hierarchy
   - Top-down, control-based hierarchies often lead to slower reaction times and disengagement or "managing up."

2. Fear
   - Command and control systems lead to fear among employees, who are hesitant to take initiatives or trust their own judgment.

3. Decision Bias
   - Defensive thinking, biased mental models, and confirmation bias lead to maintaining the status quo.

4. Habit
   - Lack of proactive change often leads to change, and it must be considered how to change.

5. Centralization
   - When the responsibility for making big decisions is concentrated at the top, a handful of executives favoring the status quo can thwart change.

6. Inflexible Business Practices
   - Highly optimized business systems are great for efficiency, but they can stifle adaptability. Assets, skills, and processes become more specialized, and change becomes more incremental.

7. Skills Deficit
   - Employees don’t have the skills, training, and retraining they need.

8. Short-Term Thinking
   - Compensation and incentive systems often incentivize executive teams to work horizontally and see perspectives.

9. Insufficient Experimentation
   - Management processes typically arrive at the "one-size-fits-all" strategy through top-down, analytical methods, and disengage from bottom-up experimentation.

10. Lack of Diversity
    - Management systems value conformity and cohesion at the expense of diversity and innovation. This limits the ability to generate the varied and innovative ideas and options required to truly adapt.

11. A Paucity of Purpose
    - Organizations without a compelling shared purpose may lose focus, aligning on a natural path for adaptation.

https://www.geekwrapped.com/cognitive-bias-survival-guide
<table>
<thead>
<tr>
<th>PLAY</th>
<th>PEOPLE OVER PROCESS</th>
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<tbody>
<tr>
<td><strong>Outcomes</strong></td>
<td>“Just Enough” process</td>
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</table>
| **Tools** | Safety  
Empowerment  
Delegating Decision Making  
Rewards |
SAFETY

David Marquet: Stop, Start

- Respect and appreciate people
- Conduct blameless retrospectives
- Make it safe to fail
- Test and refactor

STOP
THINK
ACT

People over process
• Openness to new ideas
• Developing others
• Supported and trusted leaders
• Recognition, rewards and encouragement
• Positive work environment
• Giving team members authority

https://www.forbes.com/sites/joefolkman/2017/03/02/the-6-key-secrets-to-increasing-empowerment-in-your-team/#1f918c3c77a6
DELEGATING DECISION MAKING

People over process

• **Step 1:** Build the right infrastructure
  - Hire the right people
  - Document processes
  - Develop robust metrics

• **Step 2:** Employees provide recommendations

• **Step 3:** Employees make the decision, informing leaders prior to implementation

• **Step 4:** Employees make the decision and implement it, informing leaders after the fact

• **Step 5:** Employees operate independently while leaders monitor the results

https://www.entrepreneur.com/article/301155
What motivates people?

1. **Autonomy** — the desire to direct our own lives.

2. **Mastery** — the urge to get better and better at something that matters.

3. **Purpose** — the yearning to do what we do in the service of something larger than ourselves.
<table>
<thead>
<tr>
<th>DAY</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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<tbody>
<tr>
<td>UNDERSTAND</td>
<td>DIVERGE</td>
<td>DECIDE</td>
<td>PROTOTYPE</td>
<td>VALIDATE</td>
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<tr>
<td>• Discovery Kick-off</td>
<td>• Lightening demos</td>
<td>• Converge on the best idea(s)</td>
<td>• Build something quick and dirty to show to users</td>
<td>• Show the prototype to real users</td>
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<tr>
<td>• Set the context</td>
<td>• Creative Stretching</td>
<td>• Storyboard the idea(s)</td>
<td>• Focus on usability, not beauty</td>
<td>• Learn what doesn’t work</td>
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<tr>
<td>• Empathize and identify the user</td>
<td>• Lots and lots and lots of brainstorming</td>
<td>• Stakeholder check-in</td>
<td>• Iterate on learnings</td>
<td>• Iterate on learnings</td>
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<tr>
<td>• Clarify the problem, success and learnings</td>
<td>• Stakeholder check-in</td>
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Empirical evidence on delighting customers
THANK YOU!
Pat Reed is a results focused thought leader specialising in business agility and adaptive leadership. With over 40 years of experience as a coach, consultant, and Adjunct Professor, Pat role models business agility. Her reputation as an entrepreneur and co-founder of iHoriz Inc and in executive roles at The Gap, Disney, Universal Studios, GameWorks and Colorado Bureau of Investigation has made her a preeminent leader in her field. She has worked on many transformational programs in Silicon Valley, often after initial large-scale efforts have failed, and she is highly sought after in organisations worldwide to ignite the breakthrough learning to achieve organisational agility and value innovation required to thrive in today’s fast-paced world.

preed@ihoriz.com
BUSINESS AGILITY

ITERATIVE FRAMEWORK

Our Business Agility Framework provides you with the tools, principles, practices and values to enable you to successfully navigate a constantly changing world connected through multiple, complex dimensions.

SEE
Heightened awareness of the truth of where we are. Understand how we think and how our customers think; develop a growth mindset and create a space for innovation; adapt quickly, learn and innovate continuously.

EXPLORE
Strategic Agility: craft and prioritise hypotheses to test; to accelerate our success, focusing on the near horizon, define the desired future state, align on a clear vision and destination; develop a strategy on how best to get there, and what we need to quickly get on our way.

EXPERIMENT
Execution Agility: demonstrate a bias toward action and comfort in embracing uncertainty, resolving complex problems, rapid decision making; experimenting; building high performance teams and communities; be fearless; fall through and closures; drive for results; optimize end-to-end delivery engines; innovate, create.

LEARN
Create an environment to accelerate learning through rapid iterative learning cycles and empirical data leveraging metrics that matter; analytical and critical thinking; visual tools and information radiators; adopting and responding; knowledge creation through reflection and retrospectives.

TEACH
Generate organizational knowledge and collective intelligence and deepen capabilities for education, innovation and knowledge creation; continue; organizational capability building and talent development through learning organizations.
“A universal feature of transformation success is the leadership mindset. Where agile and management practices and methodologies were implemented without the requisite mindset, no benefits were observed. With strong leadership and agile mindset, transformations succeed regardless of methods and practices.”
How will we succeed and adapt?

1. Develop and practice a growth mindset

2. Build personal confidence that I can effectively use and develop needed skills (and generate knowledge) to navigate complexity and change (surfing; org resilience)

3. Stop responding to the present by repeating the past (break free from pull of the past; strategic anticipation; predictive learning)

4. Understand, develop and leverage my personal, unique value proposition and understand that the success of my organisation’s future starts with me

5. Recognise myself as an adaptive agile change leader and

6. See everything as an experiment (to test and learn from)

7. Take responsibility for breakthrough performance and results
Telling teams what to do day-to-day
Making decisions or commitments for the team
Giving direction on how to do their work
Stepping in to solve problem or give direction
Conducting weekly status reviews to surface issues
Push the team to work harder
Judging, blaming, finger pointing, jumping to conclusions
Inner voice of judgement, cynicism

START

Start telling them “why” (vision and clear definition of success outcomes)
Believing in & empowering team
Give the work back to the team
Coaching and mentoring
Asking High Performance Questions
Generating confidence
Celebrating, Recognizing & Rewarding
Appreciating
Zooming Out to see the big picture
Craft an Agile Leader Manifesto

- We value our people over everything else – and are committed to creating an environment for you to be awesome.

- We will create an open, collaborative, inclusive and high trust environment where you can thrive, experiment, fail fast and succeed sooner and THRIVE.

- We commit to empowering you and your team to breakthrough impediments and processes that may be holding you back (and invite you to tell us if we are an impediment!).

- We deliver to our commitments through shared accountability and responsibility for team effectiveness: no excuses, no blame, no finger pointing…

- We role model Agile Leadership, deliver value rapidly, create safety and learn continuously.

- We will need your help – and invite you to call us on any behaviors inconsistent with this commitment.
Leadership working agreement: What bold commitments can we make to empower our teams?

How can we create safety for our teams?
How do we role model agile values?
How can we engage to learn more about the teams?
What more can we do for our POs? Stop bypassing POs.
Do we have too many managers who are not forming cross functional teams? Are our managers acting as coaches?
Other impediments that are blocking the teams? How can we track them and help our teams?
What can we simplify NOW?