A Real-World Roadmap for Organizational Change

w/ Pete Oliver-Krueger
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(Oliver-Krueger)
Agile -> Lean -> Teal Managing Consultant
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• B.S. in Electrical & Computer Engineering from Carnegie Mellon
• Co-designed the first online university
• Entrepreneur & DC Lean Startup Circle
• USA Today, Motley Fool, IRS, TD Ameritrade, InterAct Story Theatre
The Problem
Case Study

• Three-in-one
  • Profit-Based Business
  • Regulatory Agency
  • Not-for-profit advocacy group
• Global Organization
• Large External Competitors, including *Google*
• Disrupted by Startups
Problems

Sound Familiar?

• Different Flavors of Agile, including “Agile doesn’t work here”
• Losing Customers
• Talking about layoffs
• Being disrupted - Startups (plus Google) moving in
• Most releases 6 months or more
• Re-architecting - Going on 2 years
• Little/No metrics
• 2 product lines; 1 API; 7 teams
Problems

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• 2 product lines; 1 API; 7 teams
• 7 product lines; 18+ teams
The Plan
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- 1st Month - Product Line #1
  - Training
  - Coaching
- 2nd Month - Product Line #2
  - Training
  - Coaching Product #1 & Product #2
- 3rd Month - API Team
  - Training
  - Coaching Product #1, Product #2, & Product #3
- 4th Month - Onboard next product lines
  - etc…
“How are we doing?” - Executives
How are we being measured?

ScrumMasters & Delivery Team
- Story Count *Velocity*
- Predictability (Actual Velocity vs Planned Velocity)
- Time to Close Impediments (lower)
- Automated Code Coverage (measured against Acceptance Criteria, not lines of code)

Product/Strategy Team
- Definition of Ready, approved by delivery team (Y/N)
- 2 sprints worth of stories that meet the Definition of Ready
- >= 3 months Roadmap of new features
But really...

“How are we doing?” - Executives

”How do we know we’re getting our money’s worth?”
Teal to the Rescue
Maslow’s Hierarchy of Business Needs

- **Physiological** = Resources (e.g. Computers, tools, website, employees)
- **Safety** = Sales (e.g. consistent sales pipeline that you can rely on)
- **Belonging** = Culture (i.e. psychology)
- **Esteem** = Recognition
- **Self-Actualization** = Self-Management

You must satisfy lower needs before you can satisfy higher needs.

Example: Companies need a consistent pipeline of sales (**Safety**) before they can embrace culture consulting (**Belonging**).
Frederick Laloux
Reinventing Organizations

Illustration by Rod Collins, Director of Innovation at Optimity Advisor and published in the Huffington Post

http://www.reinventingorganizations.com/
## Exercise: Which Level Is Your Organization?

<table>
<thead>
<tr>
<th>Level</th>
<th>Management</th>
<th>Affecting Change</th>
<th>You might hear</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teal</td>
<td>Spiral Dynamics</td>
<td>Change appropriate for each individual</td>
<td>“The world is great!” “We embrace our differences!”</td>
<td>Star Trek, Morningstar, Buurtzorg</td>
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<tr>
<td>Green</td>
<td>Conscious Capitalism</td>
<td>Metrics to measure mission impact</td>
<td>“We’re great!” “Does that fit our mission?”</td>
<td>Virgin, Southwest, Patagonia, Zappos</td>
</tr>
<tr>
<td>Orange</td>
<td>Entrepreneurial</td>
<td>Follow the Money</td>
<td>“I’m great!” “I deserve this.”</td>
<td>Pixar, Intuit, Tesla, Proctor &amp; Gamble</td>
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<tr>
<td>Amber</td>
<td>Corporate Hierarchy</td>
<td>Highest-Paid Person’s Opinion (HIPPO)</td>
<td>“My life sucks!” “That's not how we do things.”</td>
<td>Government, Churches, Star Wars</td>
</tr>
<tr>
<td>Red</td>
<td>Family Business</td>
<td>The boss said so</td>
<td>“Life sucks!” “Every man for himself.”</td>
<td>Trump Enterprises, Game of Thrones</td>
</tr>
<tr>
<td>Purple</td>
<td>Small town family store</td>
<td>Why change?</td>
<td>“Life is a mystery!” “We don’t take kindly to strangers.”</td>
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</table>
## The Agile Maturity Model

<table>
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<tr>
<th>Level</th>
<th>Design</th>
<th>Planning</th>
<th>Development</th>
<th>Testing</th>
<th>Operations</th>
<th>People</th>
</tr>
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</table>
Welcome! Would you like to join us for lunch?

1. Take them out to eat
2. Show them a map of the area
3. They explore and find new restaurants
## Agile Baseline

### Features
- **Quick Wins**
- **Large productivity boosts**
- **Anyone can do them, whether they want to or not**
- **After you do it, the lightbulb goes on and they understand why.**

### How to Measure
- **Are they doing it? How often?**
- **Story Count Velocity**
- **Predictability (Actual vs Committed)**
- **Time to Close Impediments**

### Table

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<tr>
<th>Backlog Grooming</th>
<th>User Stories</th>
<th>Spikes</th>
<th>Workflow Maps</th>
<th>Story Splitting</th>
<th>Planning Poker</th>
<th>Burndown Charts</th>
<th>Daily Stand Ups</th>
<th>Acceptance Criteria</th>
<th>In-Sprint Testing</th>
<th>Bug Tracking</th>
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"Just do it!"
## Organizational Alignment

### Level 2 - Contextual/Goal-Based

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<th>Design</th>
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<th>Development</th>
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<tbody>
<tr>
<td>User Interface Prototyping</td>
<td>Data Interface Prototyping</td>
<td>eWSJF</td>
</tr>
<tr>
<td>Design</td>
<td>Planning</td>
<td>Development</td>
</tr>
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### Features
- Promotes teamwork and Collaboration
- Goal-Oriented instead of Task-Oriented
- Takes a Long View
- Promotes Efficiency

### How to Measure
- Give teams a goal and metrics
- KPIs - Key Performance Indicators
- Don't focus on how.
- If not working, adjust the metrics
# Data-Driven Decision Making

## Features
- Promotes direct customer engagement and collaboration
- Leverages the Scientific Method
- Leverages A.I. and automation
- Promotes self-organized teams and mutual respect

## How to Measure
- Teams at this level know how to participate in strategy
- Have teams propose goals and metrics for approval
- Use dashboards to track real-time performance

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## Level 3 - Data-Driven

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<th>Design</th>
<th>Development</th>
<th>Testing</th>
<th>Operations</th>
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<tr>
<td>Problem Interviews</td>
<td>Experiments</td>
<td>Metrics (e.g. Pirate Metrics)</td>
<td>BDD</td>
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<tr>
<td>2</td>
<td>4</td>
<td>1</td>
<td>3</td>
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<tr>
<td>1</td>
<td>2</td>
<td>2</td>
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- **BDD**: Behavior-Driven Development
- **API-Based Architecture**: API-driven and automated
- **Technical Health (vs Tech Debt)**: Monitoring of technical debt
- **PI Programming**: Product Improvement and programming
- **Cross-functional Test Syntax (e.g. Gherkin)**: Test automation
- **Automated Testing Diamond**: Automated testing and deployment
“In times of change learners inherit the earth; while the learned find themselves beautifully equipped to deal with a world that no longer exists.”
Pete Oliver-Krueger:  
peter.ok@lithespeed.com  

We can help you with:  

- Agile HR “How you introduce something has more impact than what you introduce.”  
- Are your Agile & DevOps “Done Done”? Wondering what’s next? Welcome to the Green, and Teal Organizational Levels  
- Agile Teams, but Middle Managers or Executives don’t “get it”? Ask us about the Agile Leadership Academy  

The End