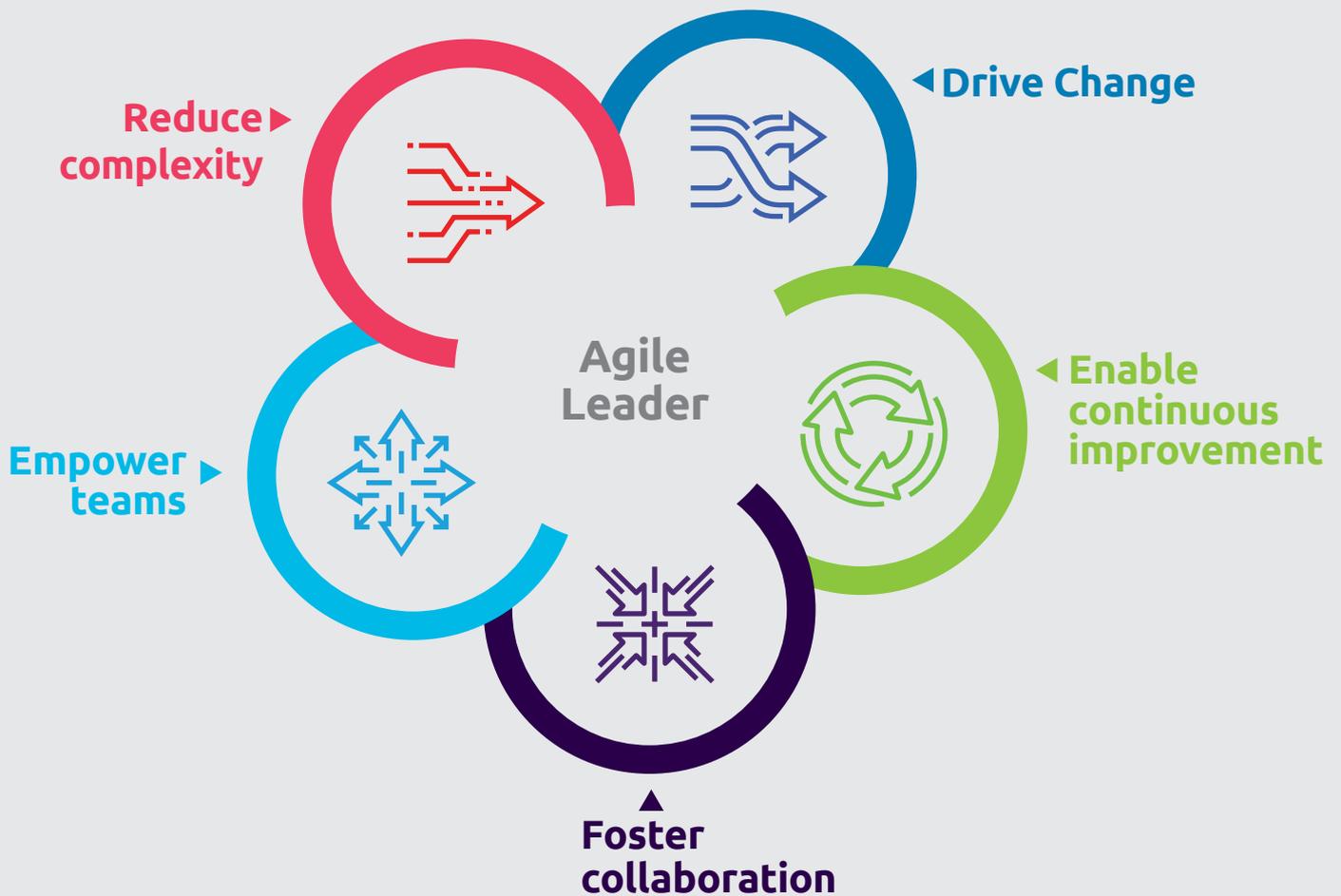




# AGILE LEADERSHIP



*“A culture of fear is the biggest enemy of the Agile mindset and the ability of the Agile team to learn and grow together.”*

In the age of disruption, agility is no longer a choice. While many organizations have been implementing Agile for years, the majority lack a cohesive approach that directs the efforts of different teams towards a common vision. To be successful, organizations need to “be Agile” and not just “do Agile”<sup>1</sup>.

In our recent research<sup>2</sup>, Agile frontrunners pointed to the challenge of ingraining an understanding and adoption of a culture of “fail fast” among leaders. Often, the Agile values of transparency and trust are at odds with traditional command-and-control styles of project management. Organizations need to address these mindset issues well before they begin to scale Agile and start with leadership.

Obviously, this requires a tremendous change in leadership style and mindset. Something a lot of organizations struggle with. Our research shows that **82% of Agile frontrunners state that culture and mindset are the biggest obstacles in scaling Agile**. At this point senior leadership is vital in tackling this challenge, but senior leadership needs a change in mindset as well! This has proved to be an entirely new challenge in itself. We have discovered through the research that 53% of senior leadership still expects traditional ways of reporting and risk management. This is definitely not helping in the transition and internalization of the Agile mindset.

**Therefore, leadership also needs to be Agile, not just do Agile.** To help you support the Agile mindset in the organization instead of hindering it, we have 5 actions to help internalize, live and carry out this mindset in the organization.

<sup>1</sup>Capgemini Research Institute, ‘Agile at Scale – four ways to gain enterprise-wide agility’, July 2019.

<sup>2</sup>Capgemini Research Institute, ‘Agile at Scale – four ways to gain enterprise-wide agility’, July 2019.

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## Drive Change



Actions speak louder than words,  
be the change you want to see

The Agile philosophy is developed as a solution for the ever faster changing environment and the adaptation of organizations, teams and products to this environment. Agile teams need to be flexible, adaptive and open regarding change, and the Agile leader is no exception in this. The Agile leader needs to have an open mind and look to the world, being aware of the internal and external developments and the constantly changing context. It might be a cliché, but in this case, it is very true, if you want to lead the change you have to be the change.

Whether an organization is transforming to Agile or in the continuous improvement phase, an Agile leader needs to be an example in the Agile way of working and show others what it means to be Agile. Actions speak louder than words. By challenging the status quo, courageous decision making and speaking up about improvements, the Agile leader embraces change. By embracing the change as a leader, you show others that change is not the enemy but a welcome (and constant!) guest. Next to this, the Agile leader can play a role in facilitating a culture that allows adaptability. Showing that it is okay to experiment, to take a risk, fail and learn, to give and receive feedback and to ask for help when needed. The only way of showing this is by doing it! Being open to personal development yourself will inspire others to develop as well. So, in the next stand-up, review or other meeting, show the behaviour you want to see in others. Ensure the outside-in perspective by introducing your employees to market trends and the newest innovations for example by visiting other organizations. This will spark the creativity and help to drive change.

## Enable continuous improvement



Feedback is key to improve  
continuously

Agile teams need to learn and improve continuously to successfully respond to the changing environment and demand. They can do this based on feedback from both clients and colleagues as well as lessons learned. You as an Agile leader can enable this by investing in an open and trustful environment within the organization. With the right tools and events, you can ensure continuous improvement across all teams.

In fostering a trustful and open feedback culture, it is important that teams do not experience any kind of fear regarding the (financial) consequences of feedback. A culture of fear is the biggest enemy of the Agile mindset and the ability of the Agile team to learn and grow together. Continuous improvement and feedback across and within teams should be about looking ahead, focusing on growth instead of looking back to establish what went wrong. Feedback should be a gift, not a punishment. Next to the feedback culture, teams should feel trusted by their leaders in their performance. They need to experience the freedom to make mistakes and learn from this.

How can you establish this? First, you need to lead by example and adopt an open attitude. Thus, be open and honest about mistakes you made and share your lessons learned from it! To embed this in the organization you can, for example, introduce a 'Failure Friday' where people share their work-related failures with the aim to learn from it. When you want to show that you trust your teams to perform, you need to move away from steering and controlling based on KPIs, and maybe let go of KPIs as a whole. Instead you should focus on value and deliverables.



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KPIs are functioning as a checklist to look back on what you have reached, whereas deliverables are helping identify the value you are delivering right now and its potential for the future. The biggest pitfall for leaders here is not to fall back on KPIs when a timely delivery is getting challenging or budgets and resources are under pressure. Instead, trust the teams and make sure they don't experience any impediments to improve their performance. By attending demos of teams, you can gain the confidence that the teams are learning from their experience and client feedback while building on deliverables. In those demos, be curious towards what the teams are doing. Don't jump into solutions but ask the right question that makes them rethink and improve the team's solutions. Lastly, by linking the rewards in the organization to team deliverables instead of KPIs, you ensure that teams are recognized for the value they deliver. This way, teams don't focus on reaching KPIs and instead can fully focus on the continuous improvement and growth that is needed for performance.

## Foster collaboration



Invest in an ecosystem that fosters collaboration both in- and outside the teams

To make sure an organization is continuously improving and learning, there needs to be a lot of constant, transparent and constructive collaboration. This collaboration takes place inside the teams, between the teams and with stakeholders and customers outside of the organization. When in constant collaboration, relationships and trust are built, feedback will be given in short loops, lessons will be shared, and continuous improvement will be nurtured.

To make sure teams know how to find each other and keep close contact with their stakeholders and most importantly their customer, a strong network both within and outside of the organization has to be facilitated and fostered. The Agile leader plays an important role in the facilitating and fostering of this network by constantly aiming to establish meaningful connections and showing the willingness to collaborate themselves. Again, leading by example is key here.

There are many examples of organization broad structures which provide the basis for the strong network and collaboration a true Agile organization needs. You can for example think of working with SAFe, LeSS, Scrum of Scrums or any kind of tailor-made

version of these frameworks to best fit the specific organization and its context (e.g. the Spotify model). As a leader it is important to ensure a conscious choice is made which framework works for your organization. After that you can encourage the sustainability of this framework by showing that you are a part of it, adapting to and carrying out the role you play in the framework.

Next to these (scaling) frameworks there are many tools available that ensure smooth communication and transparent collaboration even when people are not working in one location. Collaboration tools like Microsoft Teams, Confluence and Slack improve the cooperation within and between Agile teams, even when it is not possible to physically sit together. Leadership plays an important role in the use of these collaboration tools. First of all, someone of senior management has to make sure that these tools are available to all employees. But it is also important that managers promote the use of the tools by actively using the tools themselves. The key is to make the right choice for your organization, experiment, improve and innovate to accommodate the needs of your teams.

## Empower teams



Dare to let go

When we expect teams to quickly deliver added value to the client, a right balance between autonomy and alignment is required. Henrik Kniberg suggests that an imbalance between these two will result in failure which is why organizations need to strive for aligned autonomy.

In order to promote autonomy among teams, it is important that multidisciplinary teams are end-to-end responsible for their product or service. Eliminate hand-over moments as much as possible and connect teams directly to a client or end user. This way, the team experiences the impact of their work and receives direct feedback from their clients. The more autonomous they operate, the more responsibility they can take end-to-end over their particular value streams for the customer. If they own this responsibility they can experiment, demo, learn and change quickly to adapt to the requests of the customer. However, a risk of highly autonomous teams is that they will operate in silos and are lost in terms of direction. To prevent this, a right balance between autonomy and alignment is required so that all teams contribute in their own way to the common vision or goal.



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This is where you come in as a leader. You need to set an inspiring vision or purpose that ensures a common goal that the team can use as a compass. Where managers tell people what to do, good agile leaders inspire people what to do. This vision should cascade down to the team level where teams determine together how their purpose contributes to the company vision while staying as autonomous as possible. Objectives and Key results (OKR) help break down large strategic themes into manageable and clearly defined chunks of work. At the same time, you as a leader need to organize and structure your teams in a way that minimizes hand-over moments and maximizes responsibility. This can be done by mapping the teams on either a client (group), service or another metric and analyze which scenario has the least number of handovers. Lastly, you need to provide the teams with the freedom they require to take on the ownership that comes with high levels of autonomy. Make sure that you eliminate possible impediments they experience and support instead of managing them in their work.

## Reduce complexity



### Keep it simple

To enable teams and the organization to deliver and perform successfully, you need to make sure that they don't experience any unnecessary complexity or impediments. This way the teams can solely focus on realizing their purpose and what they deliver in their sprints without getting distracted.

There are multiple things that you can realize to minimize this complexity. Often, the decision making ends up with one person, being the bottleneck for progress. By ensuring a distributed decision-making system that ensures fast decision making by the right people, teams can go ahead in the cadence of their sprints without decision making being a bottleneck. Also, a clear and transparent escalation route for unsolved impediments help to ensure fast decision making and reduce complexity. This way, the product owner will not get lost in the organization trying to find out who to address for specific issues. Lastly, transparency will help to create clear insights in the work and dependencies in and among teams.

To realize fast decision making and a clear escalation route it is important that you mandate the right people on the right level. Make sure that this is communicated well and transparent for everyone so that it is clear where to go to for which questions. You can include a mechanism for decision making and impediments in the meetings that are introduced when scaling Agile throughout the organization (see also Foster Collaboration). Lastly, transparency can be embraced by making purposes and goals visible on the work floor. Also, for example an Obeya room can help get insight in the dependencies among teams and impediments towards important milestones. This helps to get a clear picture of what the entire organization is doing and supporting the teams that need it. This Obeya room is also your tool for insights and assurance. This room is not needed to monitor, measure KPIs and punish whoever makes a mistake. It is however needed to help guide all teams and the organization towards its common purpose, maximize the value stream towards the customer and help redirect the teams when necessary so they feel supported.

## We have a bonus tip for you...

As an extra tip that makes the difference in making the agile journey a success, we urge you to ensure coaching is arranged for all managers to develop themselves into Agile leaders. Create a coaching community that operates side by side to the leadership team. A spinoff advantage of this: when you show the Agile teams that the leaders are also being coached in this new way of working, it underlines the insight that transparency and openness for feedback is a vital part of the new way of working.

### Just... be it!

As explained, an Agile transformation is an exciting opportunity to become a leader who trusts, facilitates and enables their teams and organization. By driving the change, enabling continuous improvement, fostering collaboration, empowering teams and reducing complexity you make sure your organization will be supported by leaders who internalize, live and carry out the agile mindset in the organization. Making the leadership a true asset to the transformation to and working in an Agile organization.

### Where to start?

Start small and start experimenting tomorrow! Begin with showing the preferred behavior in stand-ups, give and ask for feedback, share failures and lessons learned, talk about the "why" and common goal of your teams, enable collaborations, connect people of different teams. Remember that it is about being Agile instead of just doing Agile. Start, experiment, fail, and learn, it's what Agile is all about!



## About the authors



**Tessa Rammers –**

Senior Consultant People & Organization



**Ellen Veenema –**

Senior Consultant People & Organization



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### **Capgemini Invent**

Postbus 2575 - 3500 GN Utrecht

Tel. +31 30 689 00 00

[www.capgemini.nl/invent](http://www.capgemini.nl/invent)