

# Lesson 9

## Leading the Lean-Agile Enterprise

### Day 1

1. Introducing the Scaled Agile Framework
2. Embracing a Lean-Agile Mindset  
Break
3. Understanding SAFe Principles  
Lunch
4. Implementing an Agile Release Train  
Break
5. Experiencing PI Planning

### Day 2

6. Executing and Releasing Value
- Break
7. Building an Agile Portfolio
- Lunch
8. Building Really Big Systems  
Break
9. Leading the Lean-Agile Enterprise

## Learning objectives

- 9.1 Lead the change
- 9.2 Know the way and emphasize life-long learning
- 9.3 Unlock the intrinsic motivation of knowledge workers

## 9.1 Lead the change

9.3

It's up to you

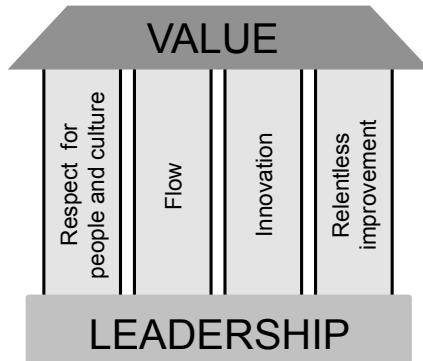


*It is not enough that management commit themselves to quality and productivity, they must know what it is they must do.*

*Such a responsibility cannot be delegated.*

—W. Edwards Deming

# Leadership



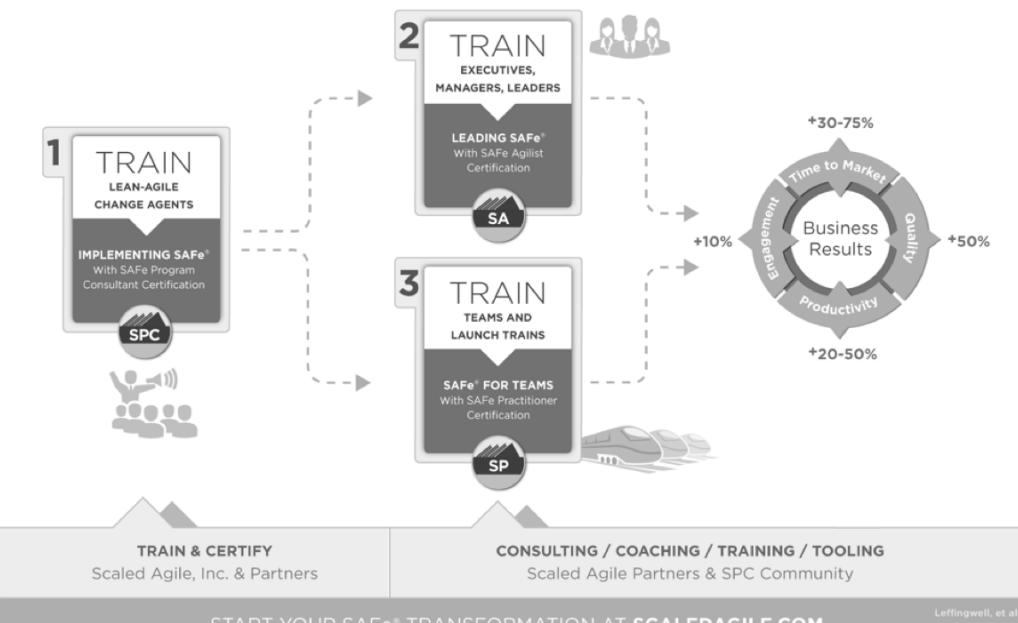
*People are already doing their best;  
the problems are with the system.*

*Only management can change the  
system.*

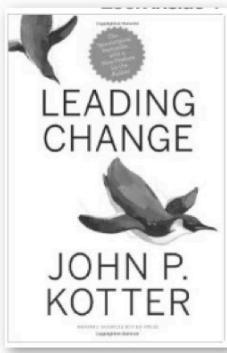
—W. Edwards Deming

- ▶ Exhibit a Lean-Agile mindset
- ▶ Lead the change
- ▶ Know the way; emphasize life-long learning
- ▶ Unlock the intrinsic motivation of knowledge workers
- ▶ Decentralize decision-making

## Implementing SAFe® 1-2-3

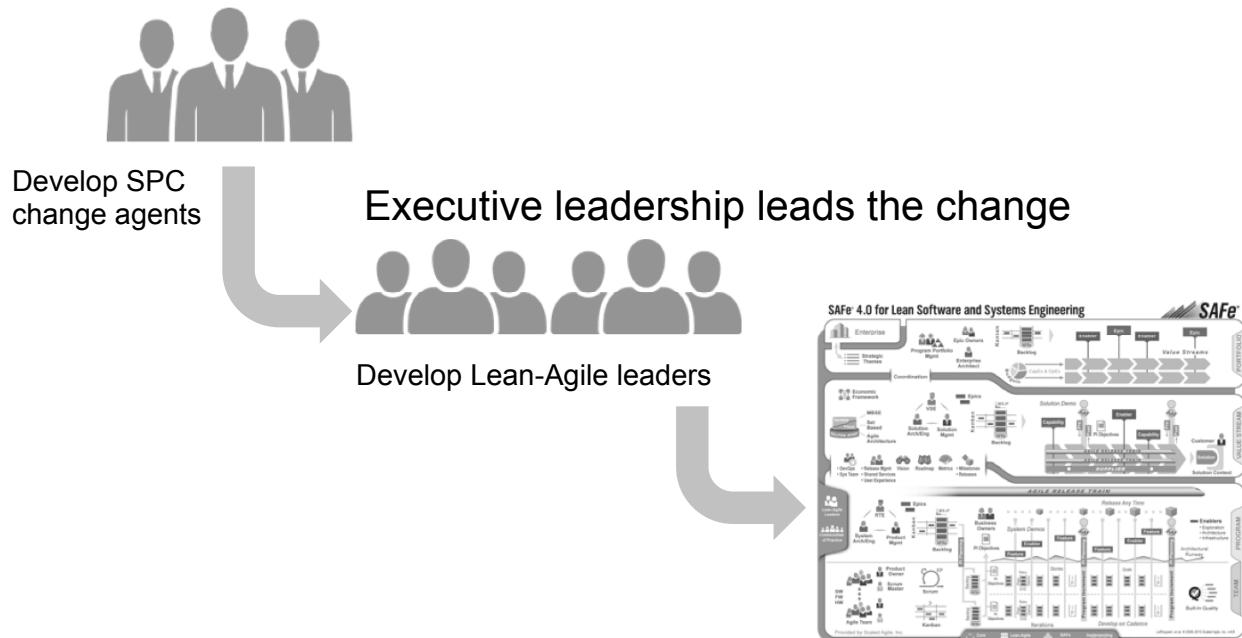


# Leading successful change management



1. Establish a sense of urgency
2. Create a powerful guiding coalition
3. Develop the vision and strategy
4. Communicate the vision
5. Empower employees for broad-based action
6. Generate short term wins
7. Consolidate gains and produce more wins
8. Anchor new approaches in the culture

## Build a powerful coalition for change



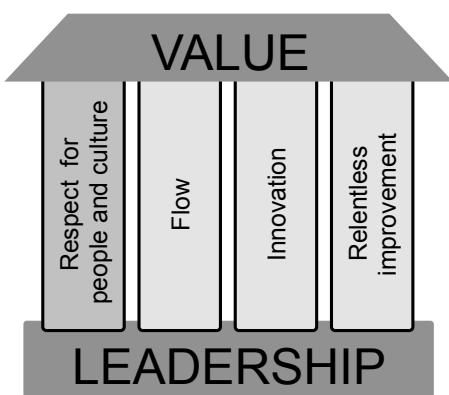
## Produce wins

The first ART is the most critical

- ▶ Assure that leadership is on board
- ▶ Provide the coaching needed to assure success
- ▶ Focus on PI Planning, execution and Inspect and Adapt
- ▶ The teams will deliver results



## Anchor new habits in the culture



*Culture eats strategy  
for breakfast.*

—Peter Drucker

- ▶ Culture is realized in the habits of the organization
- ▶ New culture requires new habits
- ▶ Celebrate the ART wins
- ▶ ART winning can become a habit
- ▶ Consolidate gains; produce more wins: start another Value Stream



- ▶ Repeat

## Exercise: Lead the change

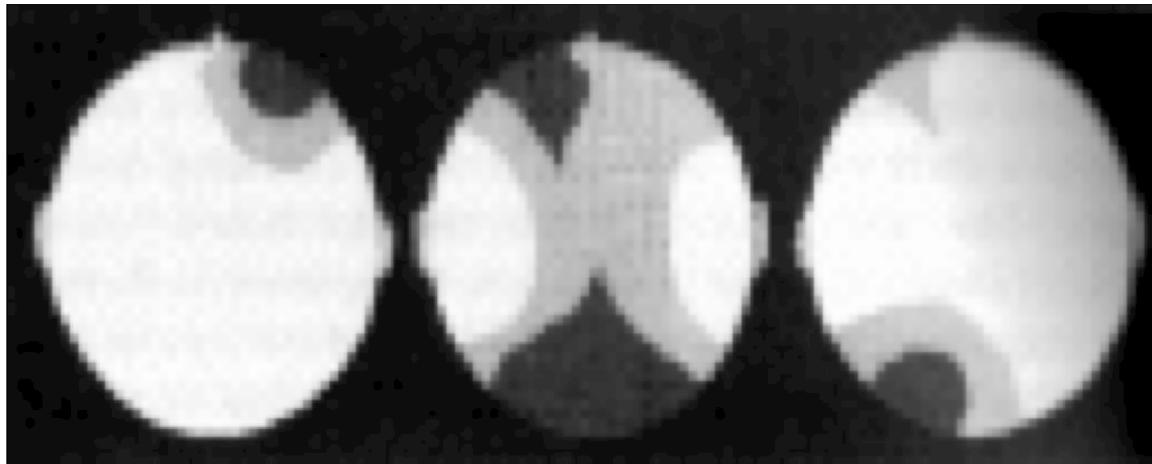
Identify three systemic impediments to adopting Lean-Agile practices in your enterprise.



## 9.2 Know the way and emphasize life-long learning

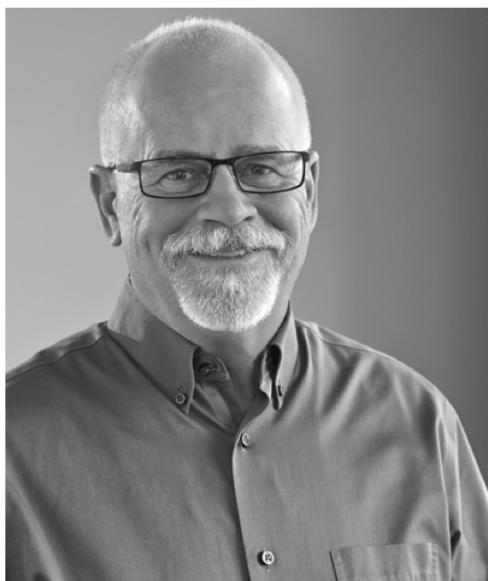
- **Enablers**
  - Exploration
  - Architecture
  - Infrastructure

## A learning journey



**"The Backwards Brain Bicycle"**  
<https://youtu.be/MFzDaBzBI0>  
7:57

## Emphasize life-long learning



*Lean-Agile Leaders are lifelong learners who help teams build better systems through understanding and exhibiting the values, principles and practices of Lean, systems thinking, and Agile development.*

—Dean Leffingwell

# Know the way: Lean-Agile leader's reading list

- ▶ *Principles of Product Development Flow*,  
Don Reinertsen
- ▶ *The Lean Machine*, Dantar Oosterwald
- ▶ *Leading SAFe Live Lessons (Video Book)*, Dean Leffingwell  
 [www.scaledagile.com/leading-safe-video/](http://www.scaledagile.com/leading-safe-video/)
- ▶ *Lean Product and Process Development*,  
Allen Ward and Durward Sobeck II
- ▶ *The Goal*, Eliyahu Goldratt
- ▶ *Out of the Crisis*, E. Deming
- ▶ *Agile Software Requirements*, Dean Leffingwell
- ▶ *Switch*, Chip Heath and Dan Heath
- ▶ *The Five Dysfunctions of a Team*,  
Patrick Lencioni

## The new, new product development game

HOMEWORK

- ▶ Built-in instability
- ▶ Self-organizing project teams
- ▶ Overlapping development phases
- ▶ Multi-learning
- ▶ Organizational transfer of learning
- ▶ Subtle control



*The New New Product Development Game*,  
Takeuchi and Nonaka,  
Harvard Business Review



**"All Blacks vs Wallabies"**  
<https://youtu.be/KWnwI0-aeq0>  
1:31

## Built-in instability

- ▶ Management provides general goal and strategic direction—a strong vision
- ▶ Little/minimal/no specific work or project plans
- ▶ Challenging requirements
- ▶ High degree of freedom as to how teams meet requirements

*Principle of Mission: Specify the end state, its purpose, and the minimal possible constraints.*

—Don Reinertsen, *Principles of Product Development Flow*

## Discussion: Attributes of high performing teams

- ▶ Have you been on a high-performing team?
- ▶ Tell us what it was like
- ▶ What can you do to enhance your team's environment?



## The power of “ba”

*We, the work, and the knowledge are all one*

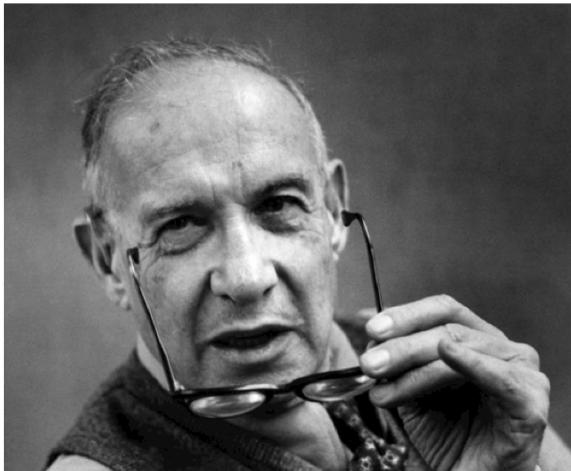
- ▶ Dynamic interaction of individuals and organization in the form of a self organizing team, the fuel of “ba” is its self-organizing nature
- ▶ Team members create new points of view and resolve contradictions through dialogue
- ▶ “Ba” is energized with intentions, vision, interest, and mission
- ▶ Leaders provide autonomy, variety, trust, and commitment
- ▶ Creative chaos via demanding performance goals
- ▶ The team is challenged to question every norm of development
- ▶ Equal access to information at all levels is critical

Nishida, 1921, 1970 *Hitotsubashi on Knowledge Management*, Takeuchi and Nonaka. 2004

## 9.3 Unlock the intrinsic motivation of knowledge workers

# On managing knowledge workers

*Workers are knowledge workers if they know more about the work they perform than their bosses.* —Peter Drucker



Used with permission from The Drucker Institute at Claremont Graduate University

- ▶ Workers themselves are best placed to make decisions about how to perform their work
- ▶ To effectively lead, the workers must be heard and respected
- ▶ Knowledge workers have to manage themselves. They have to have autonomy.
- ▶ Continuing innovation has to be part of their work, the task, and the responsibility of knowledge workers

## Leadership styles

The effectiveness of your workers is determined in large part by your personal leadership style.

- ▶ Leader as expert
- ▶ Leader as conductor
- ▶ Leader as developer

Recommended Reading:  
*Managing for Excellence*,  
David Bradford and  
Allan Cohen

### Managing for Excellence

*The Guide to Developing High Performance in Contemporary Organizations*

David L. Bradford • Allan R. Cohen

WILEY

## Leader as expert

Can be effective when manager has greater knowledge than direct reports

### Characteristics

- ▶ Technician or master craftsman
- ▶ Promoted because they were the best at their job
- ▶ Problem solver, the one people go to for answers
- ▶ Understands the domain and the technology
- ▶ *Work is when people leave them alone*

### Challenges

- ▶ Limits learning and growth of direct reports
- ▶ Focus on technical problems to the detriment of human factors

*Managing for Excellence*, David Bradford and Allan Cohen



“The Knack”  
<https://youtu.be/CmYDgncMhXw>  
1:42

## Leader as conductor

Can be effective when coordination is a prerequisite for maximum performance

### Characteristics

- ▶ The central decision maker, nerve center, coordinator
- ▶ Orchestrates all individual parts of the organization into a harmonious whole
- ▶ Subtle and indirect manipulation to their solution
- ▶ Manages across individuals, teams, and departments
- ▶ *Work is coordinating others*

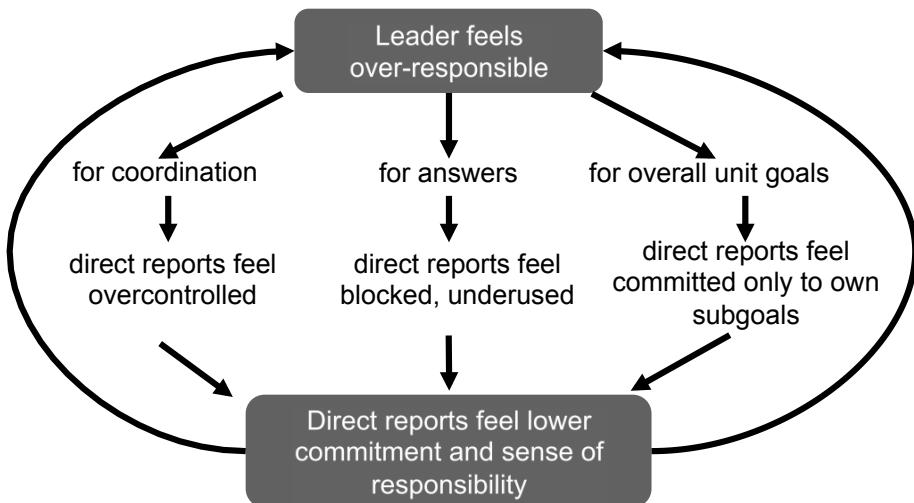
### Challenges

- ▶ Narrows the focus of direct reports to their own areas
- ▶ Conflict tends to push upward looking for the boss to fix
- ▶ Use systems and procedures to control work
- ▶ Works harder and harder, without realizing full potential



*Managing for Excellence*, David Bradford and Allan Cohen

# Good leader myth responsibility trap



*Managing for Excellence*, David Bradford and Allan Cohen



- ▶ Negative reinforcing cycle
- ▶ Fails to make full use of the knowledge and competencies of direct reports
- ▶ Produces narrow and self-interested direct reports

## Leader as developer of people

Escape the trap with a post-heroic, lean leadership style

### Behaviors

- ▶ Creates a team jointly responsible for success
- ▶ Asks, "How can each problem be solved in a way that further develops my people's commitment and capabilities?"
- ▶ *Work is developing other's abilities*

### Benefits

- ▶ Increased direct report ownership and responsibility
- ▶ Increased employee engagement and motivation
- ▶ Allows leader to spend more time managing laterally and upward
- ▶ There is no limit to the power of getting things done

# Create an environment of mutual influence

Create a safe environment for learning, growth and mutual influence

Encourage direct reports:

- ▶ To disagree where appropriate
- ▶ To advocate for the positions they believe in
- ▶ To push for their own needs
- ▶ To enter into joint problem solving
- ▶ To negotiate, compromise, agree, commit



*Managing for Excellence*, David Bradford and Allan Cohen

*Garth Andrews holding the coveted Horse's Rear award*

## Exercise: Leadership is dynamic

- ▶ Read the article “Leadership as a Task, Rather than an Identity” provided in the appendix
- ▶ Underline any sentences that you find interesting or thought provoking

*Leadership in Online Labs*, Byron Reeves, Thomas W. Malone, and Tony O'Driscoll, Harvard Business Review



## What motivates us



[youtu.be/u6XAPnuFjJc](https://youtu.be/u6XAPnuFjJc)

RSA Animate

*“Drive: The Surprising Truth About What Motivates Us”*

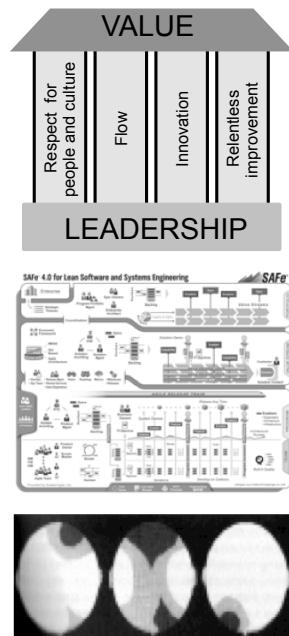
Daniel H. Pink

## Exercise: Drive

- ▶ Were you surprised by this video?
- ▶ Have you seen behaviors that are counterproductive to the insights in this video?
- ▶ What can you do start changing those behaviors?



# Conclusion



The foundation of Lean is  
**LEADERSHIP**

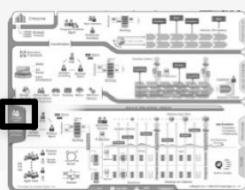
The foundation of SAFe is  
**YOU**

Take the next steps ...

## Lesson summary

In this lesson, you learned:

- ▶ How to apply your leadership skills to lead the transformation to a Lean-Agile way of working
- ▶ That you must first know the way yourself
- ▶ How emphasizing life-long learning provides the cultural basis for transformation and relentless improvement
- ▶ How unlocking the intrinsic motivation of knowledge workers enhances job satisfaction and improves outcomes



*Suggested Scaled Agile Framework reading:  
“Lean-Agile Leaders” article*