

Adaptive Executive section (Expansion of the SGEP)

Ralph Jocham John Coleman

2026-01-18T09:00:00Z

Collected Resources for Scrum Guide Expansion Pack

This document is a collection of independent works. Each section retains its original license or copyright status, as indicated. Please refer to each section for specific usage rights and requirements.

License/Copyright: CC BY-NC-ND 4.0, © 2017-2025 Orderly Disruption Limited

Note: This section is included in its original, unaltered form with permission under the terms of the CC BY-NC-ND 4.0 license. No changes have been made.

It's difficult for an enterprise to be adaptive [2] without a climate where words and actions match. Over eighty engagement models were studied. Amongst those were scaling or descaling frameworks, and Product operating models, which can be useful for multi-Scrum-Team Products. Models range from going too far to not doing enough in helping the Product organization become more adaptive. There is no grand, universal truth or context-free 'Goldilocks zone.'

Of the engagement models studied, there are a number of notable contenders, including but not limited to Beyond Budgeting, Humanocracy, and Sociocracy, that, depending on the context, should be explored. Consider the combination with each other and with other approaches.

Beyond Budgeting

Beyond Budgeting [3-26] is a management philosophy that rejects traditional, rigid annual budgeting in favor of a decentralized and adaptive approach to organizational control and performance management. It is built on 12 guiding principles-six focused on leadership and six on management processes-that promote decentralized decision-making, transparency, team autonomy, and a strong alignment with customer value.

Instead of fixed targets and detailed annual plans, Beyond Budgeting encourages dynamic goal-setting, continuous planning, and allocation informed by real-time needs, fostering adaptiveness and responsiveness in a rapidly changing business environment. This approach aims to empower teams, enhance innovation, and ensure organizations

are better equipped to navigate uncertainty [27] and complexity [28-33]. Beyond Budgeting is badly named (false assumption it's only about Finance) and well named at the same time (indeed going beyond budgeting).

Humanocracy

Humanocracy [34], as defined by Gary Hamel, is a management model that replaces rigid hierarchies and centralized control with systems that maximize each person's contribution and creativity. In a humanocracy, organizations exist to serve and empower people, not just treat employees as resources for company goals.

It is built on principles like distributed ownership, meritocracy, openness, experimentation, and community, fostering autonomy and innovation. Authority is based on competence, and decision-making is decentralized to those closest to the work. Humanocracy prioritizes trust, engagement, and unleashing human potential over compliance and control, aiming to build resilient, innovative workplaces where employees drive meaningful change.

While models like Haier's Rendanheyi [35-36] share values of decentralization and empowerment, humanocracy is a broader philosophy focused on replacing bureaucracy with people-centric principles that unlock collective capability and value.

Sociocracy

Sociocracy [37-41] is a governance system that organizes people into self-managing [42] circles and makes decisions by consent, not majority vote. Developed by Gerard Endenburg [43] in the Netherlands in the 1970s, it ensures everyone affected by a decision has a voice, with proposals advancing unless a reasoned objection is raised. Guided by the principle of 'good enough for now, safe enough to try,' sociocracy distributes authority, promotes transparency, accountability, and continuous improvement, and fosters collaboration and shared ownership. Its principles have influenced models like Holacracy and self-managing teams.

The most established variant is the Sociocratic Circle-Organization Method (SCM), the original, formalized method. SCM uses semi-autonomous circles, double-linking (where two people attend two directly related circles to connect those circles), consent-based decision-making, and open elections for roles. This structure maintains both organizational efficiency and member equivalence, and has a well-documented track record in businesses, cooperatives, and schools in the Netherlands.

While newer variants like Sociocracy 3.0 (S3) offer more flexibility, SCM remains the most historically validated and widely documented form of sociocracy.

The Adaptive Executive or Board Member

MORE Executive SUCCESS identifies a number of opportunities for executives and board members:

- Acquire knowledge on stakeholders (including the customer) and their needs and limits, the work, how the work works, the waste, the anti-patterns, the problem space, the opportunities, the evidence that value can be harvested, behaviors, and habits
- Foster a humane performance climate and enable succession planning that protects and improves it
- Develop responsiveness and flow [44-45] across value networks
- Nurture emergence [46] and adaptiveness [2] in a direction with clarity
- Engage people, including customers and colleagues
- Foster effective and timely succession planning

There is abundant guidance for those from the organization's structural bottom, middle, and sides on how to improve adaptiveness [2]. The executive level, however, is poorly served with guidance on timely humane effectiveness, customer interactions, and 'how the work works.' There is a misconception that hired change agents fill the gap alone, which is unrealistic because the organization owns the change.

Timely, humane effectiveness should permeate the entire corporate structure to gain its numerous benefits. Even organizations that have 'succeeded in change adoption' face hazards. People leave, other perspectives take hold, and corporate fads can unravel adaptiveness gains. Negative chaos could arise.

Many players and engagement models purportedly support executive adaptiveness, which is great because different organizational contexts require different approaches. But for all the resources available, the overall landscape of executive adaptiveness hasn't changed much in 25+ years.

Whether using tactics, strategies, methods, and frameworks or none, organizations should first embrace the ethos that underpins ambidexterity, humane effectiveness, adaptiveness, and timeliness at the top. Otherwise, executives and board members will continue to oversee 'change theater' and an incomplete patchwork of timely, humane, effective pockets within organizations.

Shining a Light on Executive Behavior

Executive and board member posture or actions will influence the new behavior of others more than any of their words or directives. Nevertheless, it would be best to revise the questions asked to improve ambidexterity, humane effectiveness, adaptiveness, and timeliness.

Ambidexterity, humane effectiveness, adaptiveness, and timeliness require the eventual extinction of incoherent executive behavior. Examples of more helpful behaviors are accepting failure, seeking information before judging, giving opportunities to try some-

thing new to learn things, making it okay not to know, and helping people focus. There are some notable options for dealing with executive behavior.

Immunity To Change®

Lisa Laskow Lahey and Robert Kegan (principals at The Developmental Edge) created a change approach known as Immunity to Change® [47-48]. People often know what to do, but they won't do it because of conflicting internal commitments. Metaphorically, people have 'one foot on the gas and one foot on the brake'.

Immunity to Change® is a framework for defining those 'hidden commitments' and 'limiting assumptions' that prevent people from changing and realizing their goals. The Immunity to Change® theory and map have helped countless professionals and organizations to unearth and move beyond the commitments preventing their professional and organizational growth.

Intent-Based Leadership®

Intent-Based Leadership® (IBL) [49-51] is a language teams use for high performance that replaces the programmed industrial-age language. IBL stresses the concept of intent from leaders and the team. It is based on the books Turn The Ship Around and Leadership is Language by L. David Marquet.

One of the core beliefs is that leadership is not for the select few at the top. In highly effective organizations, there are leaders at every level. L. David Marquet molded the leadership he developed on the nuclear-powered submarine USS Santa Fe into a system called Intent-Based Leadership for your organization to implement to invite thinking and leadership at every level.

Intent-Based Leadership helps leaders build organizations where people are at their best because they have a sense of autonomy, tap their intrinsic motivation, feel listened to, and have a drive for excellence. They feel high levels of ownership and control, so they engage their hearts and heads. They gain psychological rewards as they see the fruits of their decisions and work. There is a bias for action, and teams are more agile and resilient because error creation and propagation are reduced.

The practice of stating intent allows teams to have distributed decision-making while maintaining unity of effort. The Intent-Based Leadership International (IBLI website) offers consulting, coaching, online courses, and books for leaders.

Attribution for the Scrum Guide Expansion Pack Collection

This collection was written and compiled by *Ralph Jocham, John Coleman, and Jeff Sutherland*. Each section is individually attributed above and retains its original license. The collection as a whole is for informational purposes; please respect the license terms of each section.

References

- [1] Coleman, J., (2025) MORE executive SUCCESS. Unpublished.
- [2] LeSS (n.d.) ‘Why LeSS? Achieving adaptiveness’. Available at: <https://less.works/less/framework/why-less> (Accessed: 17 May 2025).
- [3] Bognes, B. (2023) This is beyond budgeting: A guide to more adaptive and human organizations. Hoboken, NJ: John Wiley & Sons, Inc.
- [4] Bognes, B. (2023) Beyond budgeting at 25 - bbrt.org, Beyond Budgeting Round Table. At: https://bbrt.org/wp-content/uploads/bb-white-paper_a.pdf (Accessed: April 7, 2023).
- [5] Olesen, A. (2016) Beyond budgeting: Principle 1 - purpose, YouTube. At: https://youtu.be/_9ZW2NjyFxE (Accessed: April 7, 2023).
- [6] Larsson, D. (2016) Beyond budgeting: Principle 2 - values, YouTube. At: <https://youtu.be/pl1BPrITbm4> (Accessed: April 7, 2023).
- [7] Player, S. (2016) Beyond budgeting: Principle 3 - transparency, YouTube. At: <https://youtu.be/Mb7K8App2vw> (Accessed: April 7, 2023).
- [8] Röösli, F. (2016) Beyond budgeting: Principle 4 - Organization, YouTube. At: <https://youtu.be/i8HIgc8OZYM> (Accessed: April 7, 2023).
- [9] Larsson, D. (2016) Beyond budgeting: Principle 5 - autonomy, YouTube. At: <https://youtu.be/ipnjHtXYi-g> (Accessed: April 7, 2023).
- [10] Player, S. (2016) Beyond budgeting: Principle 6 - customers, YouTube. At: https://youtu.be/_6fut4R_wVw (Accessed: April 7, 2023).
- [11] Bognes, B. (2016) Beyond budgeting: Principle 7 - rhythm, YouTube. At: https://youtu.be/rb_NsnPNIQQ (Accessed: April 7, 2023).
- [12] Röösli, F. (2016) Beyond budgeting: Principle 8 - targets, YouTube. At: <https://youtu.be/up3mp7jN6XU> (Accessed: April 7, 2023).
- [13] Player, S. (2016) Beyond budgeting: Principle 9 - plans and forecasts, YouTube. At: <https://youtu.be/OWM7FUuXejI> (Accessed: April 7, 2023).
- [14] Olesen, A. (2016) Beyond budgeting: Principle 10 - resource allocation, YouTube. At: https://youtu.be/mPCYHmvi_b8 (Accessed: April 7, 2023).
- [15] Bognes, B. (2016) Beyond budgeting: Principle 11 - performance evaluation, YouTube. At: <https://youtu.be/RfPVtG2B27E> (Accessed: April 7, 2023).
- [16] Röösli, F. (2016) Beyond budgeting: Principle 12 - rewards, YouTube. At: <https://youtu.be/ETU5TzNYiC0> (Accessed: April 7, 2023).
- [17] Morlidge, S. & Player, S., 2010. Future Ready: How to Master Business Forecasting. Chichester: John Wiley & Sons.
- [18] Morlidge, S., 2024. The Little Book of Beyond Budgeting: A New Management Model for Organisations (Second Edition) [Beyond Books Press]
- [19] Morlidge, S., 2019. The Little (Illustrated) Book of Operational Forecasting. [Troubadour].
- [20] Morlidge, S., 2019. Present Sense. [Troubadour].
- [21] Morlidge, S., 2021. Zen and the Art of Organising Work. [Troubadour].
- [22] Morlidge, S., 2023. Cost Matters. [Beyond Books Press].
- [23] Beyond Budgeting i praktiken Fahlén, K., 2016. Beyond Budgeting i praktiken. Stockholm: Liber.
- [24] Fahlén, K., 2018. Dynamic Management Strategy: A guide to management

- innovation and competitive advantage. Gothenburg: BAS
- [25] Bognes, B., 2016. Implementing Beyond Budgeting: Unlocking the Performance Potential. 2nd ed. Chichester: John Wiley & Sons.
- [26] Becker, S et al (co-author) The Viable Map Workbook 2023 [Beyond Books Press]
- [27] van der Bles, A.M., van der Linden, S., Freeman, A.L.J. and Spiegelhalter, D.J. (2019) ‘Communicating uncertainty about facts, numbers and science’, Royal Society Open Science, 6(5), 181870. Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6549952/> (Accessed: 17 May 2025).
- [28] Cynefin.io, V. (2022) Cynefin wiki, Cynefin.io. Cynefin.io. At: <https://cynefin.io/> (Accessed: April 4, 2023).
- [29] Rancati, A. and Snowden, D. (2021) Managing complexity (and chaos) in a crisis - a field guide for decision makers inspired by the Cynefin framework. Luxembourg, Belgium: Publications Office of the European Union.
- [30] Snowden, D. et al. (2022) Cynefin® weaving sense-making into the fabric of our world. 2nd edn. Edited by R. Greenberg and B. Bertsch. Singapore, Singapore: Cognitive Edge - The Cynefin Co.
- [31] Snowden, D. (2023) Cynefin St David's 2023 1 of 2, Cynefin Co. <https://thecynefin.co/cynefin-st-davids-2023-1-of-2/> (Accessed: April 20, 2023).
- [32] Snowden, D. (2023) Managing for emergence through abduction, The Cynefin Co. At: <https://thecynefin.co/managing-for-emergence/> (Accessed: June 24, 2023).
- [33] Snowden, D. and Smith, N. (2023) Leadership discussion: Dave and Natalie - the Cynefin co, YouTube. At: <https://youtu.be/WcPZ8ybDF0w> (Accessed: April 7, 2023).
- [34] Hamel, G. and Zanini, M. (2023) Humanocracy. At: <https://www.humanocracy.com/> (Accessed: April 5, 2023).
- [35] Fischer, B., Minnaar, J., Moehrle, M., & Cornuel, E. (2020) RenDanHeYi: Pioneering the Quantum Organisation. EFMD Global Focus, Special Supplement. Available at: <https://bit.ly/RenDanHeYi> [Accessed 27 May 2025]
- [36] Williamson, P.J. & Yin, E. (2018) ‘Management Innovation Made in China: Haier’s Rendanheyi’, California Management Review, 61(1), pp. 71-93.
- [37] Rau, T. (2022) Sociocracy - Basic Concepts and principles, Sociocracy For All. At: <https://www.sociocracyforall.org/sociocracy/> (Accessed: April 5, 2023).
- [38] Buck, J. & Endenburg, G. (2012) The creative forces of self-organization. Sociocratic Center.
- [39] Buck, J. & Villines, S. (2017) We the people: Consenting to a deeper democracy. 2nd edn. Sociocracy.info Press.
- [40] Endenburg, G. (1998) Sociocracy: The organization of decision-making. Delft: Eburon Publishers.
- [41] Priest, J. & Bockelbrink, B. (2018) Sociocracy 3.0 – The practical guide. Available at: <https://sociocracy30.org/> (Accessed: 17 May 2025).
- [42] LeSS.works (n.d.) Self-managing teams. Available at: <https://less.works/less/management/self-managing-teams> (Accessed: 17 May 2025).
- [43] Sociocracy For All (n.d.) ‘Gerard Endenburg: founder of Sociocratic Circle Method and pioneer of self-management’. Available at: <https://www.sociocracyforall.org/gerard-endenburg-founder-of-sociocratic-circle-method-and-pioneer-of-self->

- management/ (Accessed: 18 May 2025). [44] Kanban Guides (2025) Available at: <https://kanbanguides.org> (Accessed: 17 May 2025)
- [45] Scrum.org et al. (2021) The Kanban Guide for Scrum Teams. Available at: <https://www.scrum.org/resources/kanban-guide-scrum-teams> (Accessed: 17 May 2025)
- [46] Templeton Foundation (2023) ‘What Is Emergence?’ John Templeton Foundation. Available at: <https://www.templeton.org/news/what-is-emergence> (Accessed: 17 May 2025). [47] Kegan, R. and Laskow Lahey, L. (2019) An everyone culture, The Developmental Edge. At: <https://developmentaledge.com/an-everyone-culture/> (Accessed: April 4, 2023). [48] Laskow Lahey, L. and Kegan, R. (2023) News & thinking, The Developmental Edge. At: <https://developmentaledge.com/newsthinking/#methodologies> (Accessed: April 3, 2023).
- [49] Marquet, L. D. (2013) Turn the Ship Around! A True Story of Turning Followers into Leaders. Portfolio.
- [50] Marquet, L.D. (2021) Leadership is language: The hidden power of what you say and what you don't. Nakskov, Denmark: Nota.
- [51] Marquet, L. D. (2021) Based Leadership® International with L. David Marquet - IBLI. At: <https://davidmarquet.com/> (Accessed: April 5, 2023).