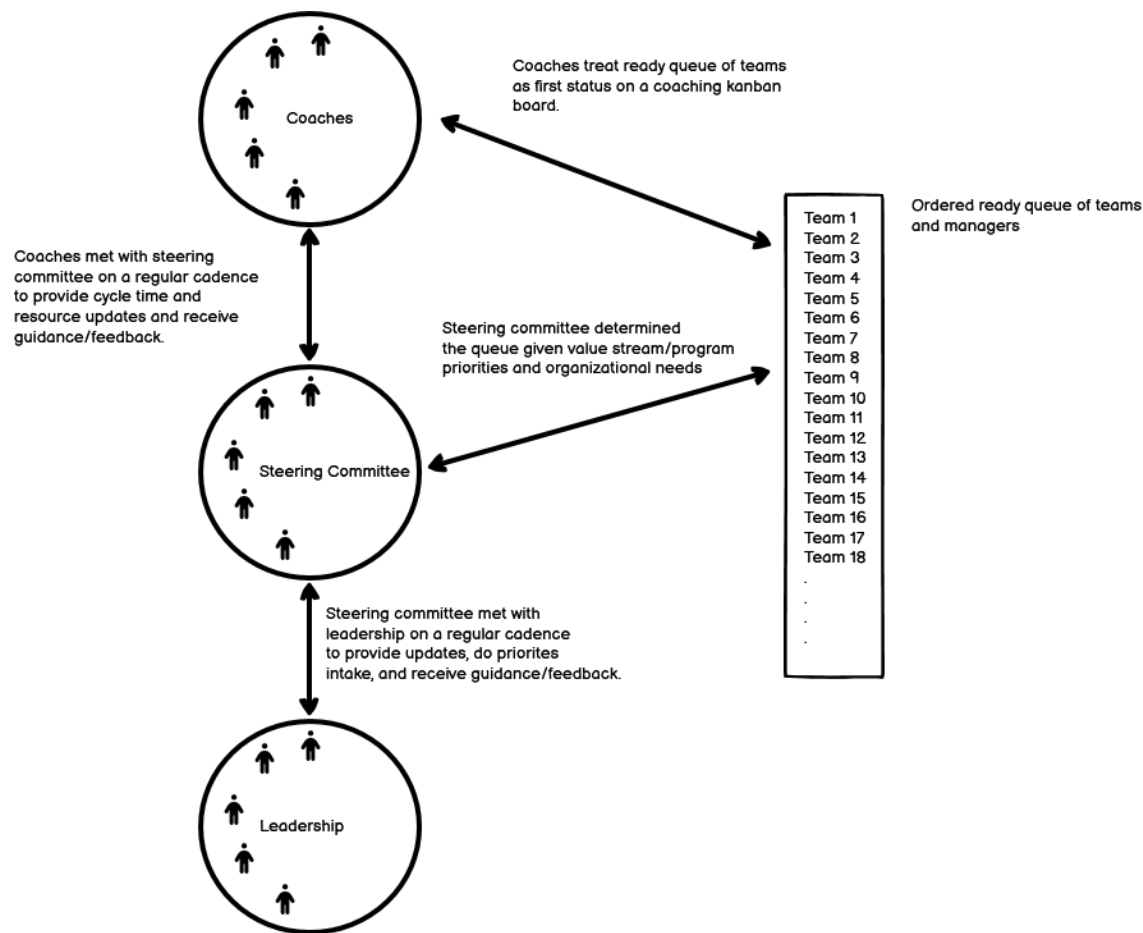# A SIMPLE ORGANIZATIONAL TRANSFORMATION FRAMEWORK

JAMES K SMITH

CONTENT

- **STRUCTURAL DETAIL**
- **HOW DELIVERY TEAMS ARE TRAINED**
- **UNIVERSITY TRAINING CURRICULUM**
- **KEY VALUE OF THE TRANSFORMATION STEERING COMMITTEE**
- **ENHANCEMENTS**

TRANSFORMATION STRUCTURAL DETAIL

Coaches treat ready queue of teams as first status on a coaching kanban board.

Coaches met with steering committee on a regular cadence to provide cycle time and resource updates and receive guidance/feedback.

Steering committee determined the queue given value stream/program priorities and organizational needs

Steering committee met with leadership on a regular cadence to provide updates, do priorites intake, and receive guidance/feedback.

Coaches

Steering Committee

Leadership

Ordered ready queue of teams and managers

Team 1
Team 2
Team 3
Team 4
Team 5
Team 6
Team 7
Team 8
Team 9
Team 10
Team 11
Team 12
Team 13
Team 14
Team 15
Team 16
Team 17
Team 18
.
.
.
.

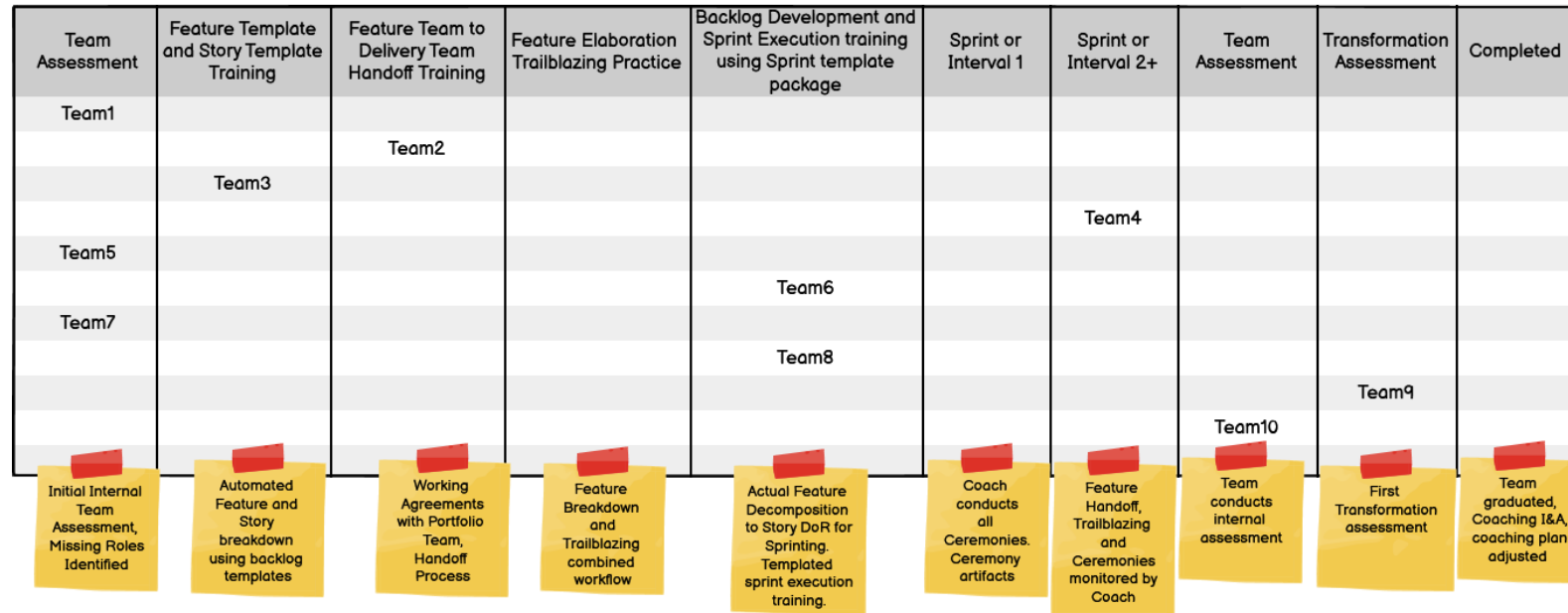This structure allows dozens of teams to be trained simultaneously depending on the size of the coaching pool.

The steering committee determined the queue via intake from the organization's Chief Product Owner (CPO) and leadership. This provided leadership with an opportunity to engage in investment portfolio participatory budgeting, thanks to the organization-wide perspective.

Leadership collaborated with the steering committee to create a Definition of Ready for teams to go into the queue. In return, leadership defines a team execution, autonomy, and maturity level Definition of Done that identified the organization's requirements for delivering with certainty, stability, and risk management, along with continuous improvement as a first-class citizen.

HOW DELIVERY TEAMS ARE TRAINED

Teams are formed and taken through a rigorous workflow by the coaches, as exemplified by the following kanban board. WIP for each status was highly dependent on the number of available coaches. Executed in this fashion, the process can be measured for efficiency like any kanban board.

Coaching Kanban

Team Assessment	Feature Template and Story Template Training	Feature Team to Delivery Team Handoff Training	Feature Elaboration Trailblazing Practice	Backlog Development and Sprint Execution training using Sprint template package	Sprint or Interval 1	Sprint or Interval 2+	Team Assessment	Transformation Assessment	Completed
Team1									
		Team2							
	Team3								
							Team4		
Team5									
				Team6					
Team7									
				Team8					
								Team9	
							Team10		
Initial Internal Team Assessment, Missing Roles Identified	Automated Feature and Story breakdown using backlog templates	Working Agreements with Portfolio Team, Handoff Process	Feature Breakdown and Trailblazing combined workflow	Actual Feature Decomposition to Story DoR for Sprinting. Templated sprint execution training.	Coach conducts all Ceremonies. Ceremony artifacts	Feature Handoff, Trailblazing and Ceremonies monitored by Coach	Team conducts internal assessment	First Transformation assessment	Team graduated, Coaching I&A, coaching plan adjusted

Once teams have completed this workflow, they are considered to have graduated from the Agile University. Maturity level is assessed, and on-going continuous improvement options are considered. This rigor arms teams with a bias towards excellence of execution.

UNIVERSITY TRAINING CURRICULUM AS GOVERNED AND CURATED BY THE STEERING COMMITTEE

TEAM LEVEL

- Agile 101 via Examples
- Sprint 0 Activities (Prep for Execution)
- Effort Estimation
- Definition of Ready/Definition of Done Contract
- Backlog Work Item Templates
- How to work a Kanban board
- Board Interval Templates
- Story Trailblazing
- Why shifting your testing left in the workflow is critical and approaches for how to do so
- Moving from Bug Tracking (ProdOps) tools to a single backlog as the source of truth
- Engaging Vendors into your Agile Product Delivery System. Approaches and supporting contract language
- Understanding the difference between Develop on Demand and Develop on Cadence/Release on Demand
- Intro to Agile Maturity Model with supporting assessment tools

PROGRAM & PORTFOLIO LEVEL

- Product Owner Intro
- Scrum Master Intro
- Building a Prioritized Backlog Taxonomy
- Portfolio work item types with specific Definitions of Ready
- Working with Enabler, Complicated Sub-System, and Platform teams
- The Agile Manager as Business Systems Engineer. Moving from managing people to managing the flow of value
- Intro to Agile Maturity Model with supporting assessment tools

LEADERSHIP LEVEL

- Engaging stakeholders and business into to value elaboration stream. Two approaches
- Intro to Agile Maturity Model with supporting assessment tools
- Moving income statements from P&L numbers to P&L numbers by flow
- How to use delivery teams to surface dysfunction in the organizational value stream
- The leadership role model – how it changes from siloed hierarchy to direct participation in the value stream workflow

This training is all custom material created by coaches and managers, originally delivered in training rooms.

KEY VALUE OF THE TRANSFORMATION STEERING COMMITTEE/TEAM TRAINING APPROACH

The steering committee provides a unified voice that creates credibility and importance. While meeting leadership's Definition of Done for this transformation effort, the transformation steering committee facilitates several complementary, high-value outcomes to the organization:
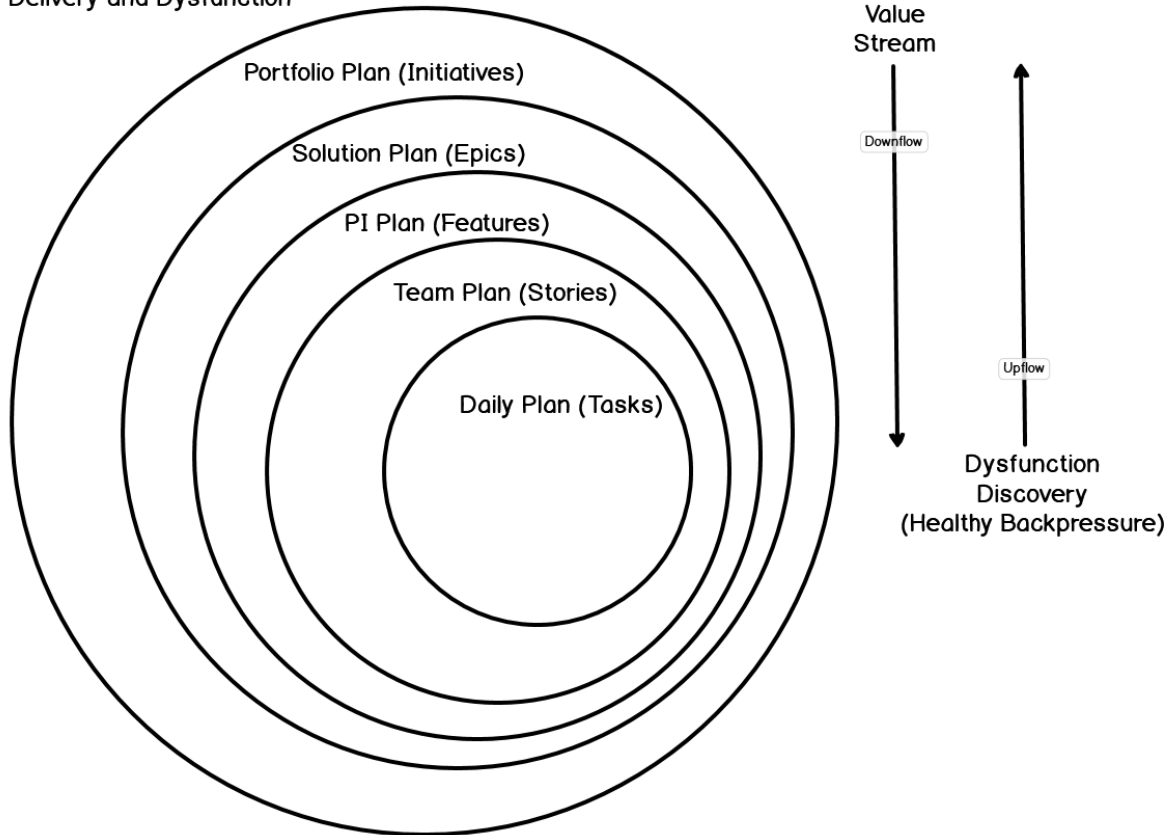
- Radically transparent and uniform transformation process. This is critical to the success of this approach. The approach must be easily understood and consumable to maintain leadership endorsement.

- Continuous improvement becomes a first-class citizen. Real capacity for continuous improvement is the best indicator of a high-performing team, but it is rarely given priority by management and leadership. The steering committee fully endorses and expects that teams and roles (including managers) graduating from this program will include continuous improvement as part of their dna. Governance for this effort is reinforced through agile audits and assessments.

- Rigorous risk management as a driver for continuous improvement. The steering committee understands that as teams become more high-performing, the more confidence leadership has that risks raised by the teams are actionable and their resolution improves the system of delivery. High-performing delivery teams and a fully endorsed risk management system are basic foundational components of sustainable organizational transformation and productive value streams. See next slide for detail.

- Teams trained via the steering committee model practice excellence of execution, ultimately deprecating the scrum master role, and reducing dependence on PI Planning events. Members of high-performing teams are ultimately cross-functional, even at the process level, which increases their ability to radically lean out their scope of the system of delivery and maintain a continuous ready-state.

- Training emphasizes management becoming player-coaches. High-performing, autonomous teams help managers shift from a "people managing" mindset, to a "flow of value" managing mindset that encourages systems thinking to the larger organization through coaching.

HOW A SIMPLE RISK MANAGEMENT SYSTEM IMPROVES VALUE STREAMS

- A simple, but rigorous risk management system that drives continuous improvement has two foundational components working together in a radically transparent way.

- In a left to right value stream, on the left is leadership responsible for setting the example for responding to risk.

- On the right are high-performing delivery teams. These teams act as the value stream's "canary in the coal mine," which is why they are critical for successful value stream formation and operation. This function can be described as "healthy backpressure" for the delivery system. See next slide for graphic.

- While any delivery process can provide this healthy backpressure, the scrum process is especially suited for surfacing risks and dysfunction (operational risk), thanks to its ability for delivering certainty and stability.

- With these teams in place, collaborating with leadership driving response to risks the teams raise, this risk system can fill in the elaboration gap between these two components.

- This "gap" is ultimately filled in by value stream team roles facilitating work-item elaboration. Example:

  - High-performing scrum teams will expect to work with a backlog maintaining some form of a continuous ready state, such as a backlog representing "The Rule of 3's." If feature work-items don't meet a team's Definition of Ready, resulting in measurable value stream slowdowns, this would be raised as operational risk. The best response to this risk might be to do a root cause analysis based on how epic work-items are formed, or where dependency risks are resolved prior to scrum team execution.

  - The result of positively addressing this particular risk is a more robust and gap-free value stream overall (continuous improvement).

HOW A SIMPLE RISK MANAGEMENT SYSTEM IMPROVES VALUE STREAMS

Development Delivery System
Flows of Delivery and Dysfunction

Portfolio Plan (Initiatives)

Solution Plan (Epics)

PI Plan (Features)

Team Plan (Stories)

Daily Plan (Tasks)

Elaboration Value Stream

Downflow

Upflow

Dysfunction Discovery (Healthy Backpressure)

Note: The delivery team's role in providing healthy backpressure is a direct result of performance and radical transparency that engender leadership trust.

EXPERIMENT FOR TRANSFORMATION SUCCESS

- Using the Leadership-Steering Committee-Delivery Team structure, create and execute a trial with an experimental group (this structure including two delivery teams) and compare against a control group (existing delivery teams in the organization).

- Provide enough time for the experimental group to undergo a reaction that reaches an "adiabatic" state. In other words, the experimental group becomes mature enough to embrace the structure instead of simply emulating it (which requires more energy).

- Make sure your control group considers itself to have already reached its definition of "adiabatic" or mature.

- Compare the outcomes of the two groups on the basis of energy expenditure, or "effort."

  - Some metrics might be obvious, like comparing "say/do" ratios.

  - Other metrics are not applicable, such as comparing velocities or cycle times, since those metrics are highly dependent on the nature of the work being done by each team.

  - Less obvious, but perhaps even more telling, is comparing behaviors as a metric. These indicators measure use of energy (excessive or optimal), which should be the organization's primary metric. Here's some examples:

    - Happiness
    - Motivation
    - Stress level
    - Purpose
    - Execution confidence
    - Team connection
    - Level of autonomy