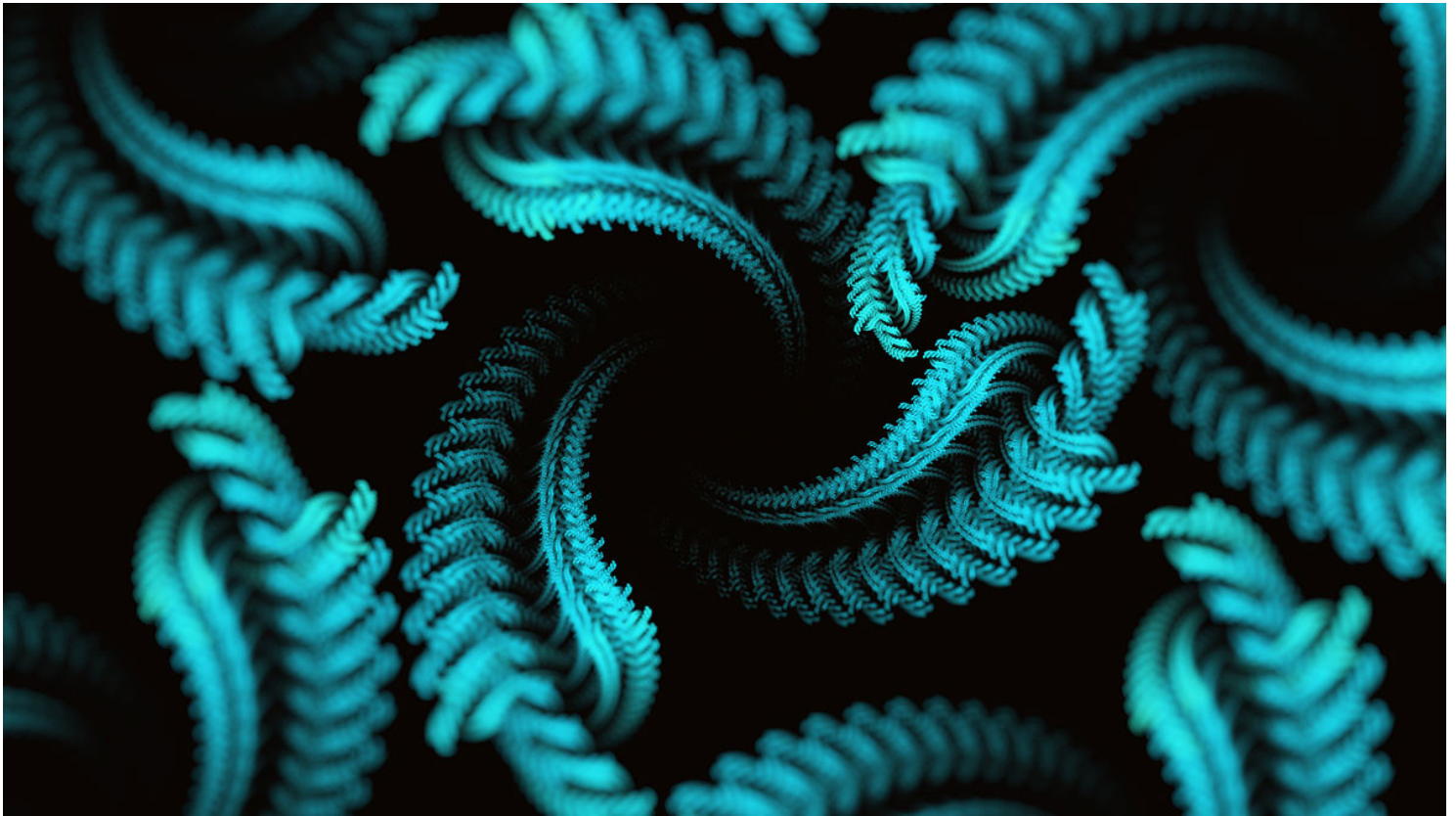


OPERATIONS

# How HR Can Become Agile (and Why It Needs To)

by [Jeff Gothelf](#)

JUNE 19, 2017



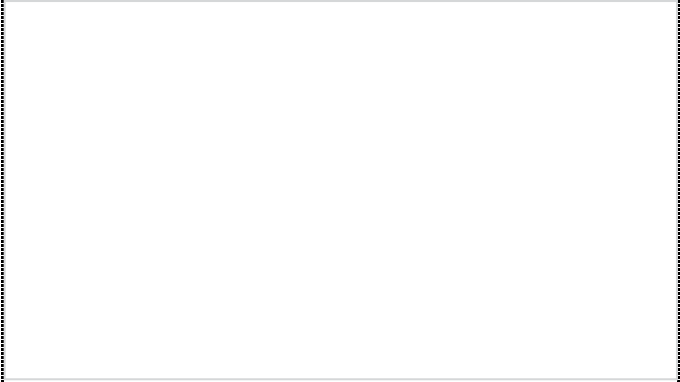
If software has eaten the world, then agile has eaten the software world. While initially designed to improve the responsiveness of software development teams, more recently agile has become the default team-based operational model for companies big and small, across industries and sectors, with the promise of a substantial and sustained spike in team productivity and efficiency.

And there is no shortage of information and advice on how agile should be implemented in your tech organization. The tactics are clear, well-documented, and offered up in a myriad of flavors. For example, a Google search for “agile software development” returns over 14 million results. An Amazon search on the same phrase returns nearly 2,300


books and other materials. The bulk of this agile canon will teach your individual teams to deliver higher-quality code, faster. The next layer of books and articles will help you scale these practices to 10, 50, or 500 teams.


But a big and growing challenge is emerging: Once your tech teams have begun to master these new ways of working — improving time to market, continuous learning, responsiveness, and collaboration — they often find that the pace of work they desire is substantially hindered by the lack of agility in HR.

**RELATED VIDEO**



**A Quick Introduction to Agile Management**  
The system that's changing the way we work.

 Save

 Share

**SEE MORE VIDEOS >**

With agile processes and new technology permeating every corner of our organizations, there is surprisingly little published knowledge about how to integrate HR and other crucial supporting functions into the product development process or how to increase the agility in the ways they work. Agile espouses short cycles, regular reflection, and course correction based on evidence collected during the software production process. Yet HR regularly works in annual (or, at best, quarterly) cycles.

In an agile organization, HR needs to provide the same services it's always provided — hiring, professional development, performance management — but in ways that are responsive to the ongoing changes in the culture and work style of the organization.

Consider the cautionary example of a large bank I recently worked with. The team I was engaged with had its agile vocabulary down. Team members spoke in a way that would make any outsider believe they were one of the more advanced, enterprise-level agile successes (and, in many ways, they were and continue to be). But although the vocabulary the organization was using had changed, the qualities being evaluated in the performance management system, for every employee, reflected a different mindset. Agile espouses collaboration, customer centricity, team-based culture, and continuous improvement. These ideas and practices, however, were nowhere to be found in the evaluation criteria of the bank's employees. Instead, the manufacturing-era qualities of individual heroism, delivering product on deadline (whether proven or not), and contribution to high-level, often unaccountable business metrics were the main determinants of employee competence, success, and promotion. Yes, the words they were using every day had changed (which is a good start), but without changing their incentives, they were continuing to work in the same ways they always had.

A success story in building agility at scale comes from ING, which understood that language shifts, and even new incentive structures, were necessary but not sufficient. Agile HR also requires having the right people in place to practice and refine these new processes. To prove this, ING made every employee at its headquarters (nearly 3,500 people) re-interview for their job. Staggeringly, 40% of these people ended up in new positions or parted ways with the company. And this result wasn't just about their skill sets. In fact, in many cases the employees' skill sets were still highly relevant. Rather, it was a specific mindset that was lacking — one that could embrace the uncertainty of a software-based organization while seeking out new, better ways to deliver that service. The HR team had to play a major role in understanding what this mindset looked like and how best to determine which staff members possessed it, which could be trained, and which had to be let go.

Here are two essential activities your HR team can do today to help your organization's agile efforts succeed.

## **Go and See**

To understand what qualities are required to support an agile way of working, your HR team needs to go see these teams at work. If they're not up and running in your organization, visit other companies that are doing it well. This is exactly what the leadership teams at ING did. They visited digitally native companies like Spotify, Netflix, and Zappos to understand what makes their cultures nimble, responsive, tech-centric, and attractive to top talent. By visiting these teams at work, you get a sense for the collaborative work environment and style of agile teams across the whole organization.

While visiting these teams, talk to them. Interview them to understand what they like about this way of working, what's frustrating, and what they look for in colleagues, not just in their own discipline but also in other groups with which they collaborate. Read their job requisitions. Notice that while hard skills are important, they can be taught. The crucial soft skills needed for agile environments — curiosity, humility, and collaboration — can only be encouraged and modeled.

## **Try HR Retrospectives**

As we detail our book, *Sense & Respond*, there are valuable agile practices that, while originally intended for software development teams, must be broadened to the whole organization, including to supporting disciplines like HR. A retrospective is a regularly cadenced (e.g., biweekly) meeting with a team involved in a particular project or initiative to review how things have gone since the last retrospective. Often, the time between "retros" is short, to allow new ideas to be tested and to review their efficacy.

Retrospectives can be held with the HR team alone, as well as with their internal clients. For example, on the hiring side, several recruiters can meet regularly to review job requisition language that seems to attract better candidates, or interview questions that reveal a candidate's propensity for agile work, and use this shared insight to optimize their

process. Colleagues can then take and modify these ideas in their own practice to see whether they’ll have similar successes.

Retros can also be held with hiring managers, particularly after a new “HR event” like a hiring, firing, or performance review cycle. This is a “customer-centric” approach that agile espouses. The point is to understand whether the work HR is doing is delivering the intended value. If not, what can you change in the next cycle to try to improve that? Retrospectives reveal that and help assess the impact of small changes over short periods of time.

Agile offers many benefits to large organizations, but getting the full set of benefits requires going beyond being simply a software development process, to become a mindset for the entire organization. When HR is included and buys into the values of organizational agility, the promise of increased productivity, efficiency, and higher-quality products and services can be fully realized.



**Jeff Gothelf** is an organizational designer and executive coach. He co-founded Neo Innovation in New York City and helped build it into one of the most recognized brands in modern product strategy, development and design. He is the co-author of *Sense and Respond* (HBR Press) and *Lean UX* (O’Reilly)

**This article is about OPERATIONS**

⊕ Follow This Topic

Related Topics: [Business Processes](#) | [Human Resource Management](#)

○ Loading...

○ Loading...