

# A Framework for Agile Leaders

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## Agile 2007, Leadership Symposium

In this session we present a framework that Agile leaders can utilize to help provide appropriate leadership to their enterprise and their teams. The framework is aligned with the 6 value principles of the Declaration of Interdependence for Agile Project Leadership and provides some practical guidelines for:

- Creating and Aligning to the Strategic Vision
- Dispersion of the Strategy via Collaboration and Collaborative Leadership
- Execution of the Strategy via effective Project Governance
- A case study showing how this has been implemented in a organization

Presented by:

- **Niel Nickolaisen**, CIO and Director of Strategic Planning, Headwaters, nnickolaisen@headwaters.com
- **Pollyanna Pixton**, President, Evolutionary Systems, p2@ppixton.com
- **Todd Little**, Senior Development Manager, Landmark Graphics, tlittle@lgc.com

Model overviews attached.

# Purpose Alignment and Strategic Intent

By Niel Nickolaisen, [nnickolaisen@headwaters.com](mailto:nnickolaisen@headwaters.com)

## What it is:

A method for aligning business decisions and process design around business purpose. In practice, it generates an immediately-usable, pragmatic set of decision filters that can be cascaded throughout the organization. These decision filters tether directly to strategy.

## When to use it:

- To define business and IT strategy.
- To strategically and tactically align IT and the business.
- To reduce resistance to process improvements.
- To evaluate and implement large system projects.
- To improve business value by improving resource allocation.

## The Framework:

Market Differentiation	High	Partner	Excel and Innovate
	Low	Maintenance	Achieve Parity
		Low	High

**Mission Critical**

When aligning around purpose, evaluate business processes on two criteria. First, the extent to which the business process differentiates the organization in the marketplace. Second, the extent to which the process is mission critical to the organization. This yields four business purposes as shown above. With purpose defined, we know how to design and allocate resources to business processes (for example, we design the lower right processes to achieve and maintain parity with the marketplace). The critical step in this evaluation is to decide what generates market differentiation. This is where purpose alignment intersects with strategy.

# Collaborative Leadership: An Overview

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By Pollyanna Pixton, [p2@ppixton.com](mailto:p2@ppixton.com)

It's no longer enough to respond to change—organizations must lead change or be left behind. How responsive is your organization to the new ideas that will improve operations as well as develop breakthrough product lines and services? And how do you foster innovation and creativity in your company to increase productivity and profits? The answers your organization needs in order to succeed are very likely to be found within the people who work with you. Those on the front lines know best how to lead change with subtle product improvements, bold new directions, and improved services that strengthen your position in the marketplace.

How do leaders build organizations to stimulate and foster innovation?

Creating the flow of ideas within an organization is multi-faceted. First, foster the discussion and discovery of ideas by creating an open environment based on trust, appreciative inquiry, and transparency. Next, convene the right talent, the very best minds, tasked with generating ideas. Together, set the goals using a strategic framework for collaboration. Then, use a collaborative process to encourage and capture creative solutions with participation from all areas of responsibility. And finally, step aside and let the people in your company do their work.

Let's look at each of these steps.

**Create an Open Environment.** From the moment people become a member of your team, trust them and demonstrate your trust. Set the example of trustworthiness by admitting mistakes, apologizing when needed, and operating with integrity. Your team will respond in kind. If you cannot trust the employees in your organization, why did you hire them? Hire the very best and then trust them.

In an environment of change, people fear losing their identity, their intellectual mastery and their individualism. To reduce this fear, provide positive feedback that is as specific as possible, is based on actual results, and is authentic and honest. Avoid negative feedback and "constructive" criticism (How often, when someone says, "I'd like to give you some constructive criticism," do you think it will be good news?). In negative environments, people use a high proportion of their energies to protect their self-esteem. When leaders positively reinforce and demonstrate how much they value the contributions of team members there is no need to protect self-worth so contributions are made more often and with greater confidence.

In order for teams to do their best, they must know they are free to question, to analyze, and to investigate. A company must be flexible enough to listen to the range of possible ideas. Questioning and listening are the key to longevity, growth and profit, explains Ricardo Semler in his book *The Seven-Day Weekend*. Leaders who are able to truly listen discover the real messages in the conversation, ask open-ended questions to stimulate ideas and suggestions, and understand how the concepts they hear can improve the organization's productivity and success. The W. L. Gore company, makers of Gore-Tex<sup>®</sup>, now also makes guitar strings because an employee who is a classical guitarist was disturbed about the problem of squeaking strings and experimented with the same concepts his company uses to develop clothing. Gore leaders listened carefully and now enjoy a \$10 million division of the company.

**The Right Talent.** Dee Hock, former CEO of Visa International, suggests we "hire and promote first on the basis of integrity; second, motivation; third, capacity; fourth, understanding; fifth, knowledge; and last and least, experience. Without integrity, motivation is dangerous; without motivation, capacity is impotent; without

capacity, understanding is limited; without understanding, knowledge is meaningless; without knowledge, experience is blind. Experience is easy to provide and quickly put to good use by people with the other qualities." In addition, look for attitude, talent, intelligence and authenticity.

What makes a great team? Each person has their own passions about their work, they know what they do best, and where they contribute to the company's goals and objectives. When team members operate where these three areas intersect, you have the best team.

**Strategic Framework to Set Goals.** Buy, partner or innovate? What business processes are needed to reach corporate goals? Where do you put the intellectual capital in your company? Set goals and identify business processes based on what differentiates you in the market place and what is mission critical to your company. Partner with other companies for high differentiation and low mission critical processes; reach parity for processes that are will not differentiate you but are mission critical; and focus your teams on business results and processes that differentiate your company and are mission critical. Here is where innovation will help you compete and lead in your marketplace.

**A Process to Encourage and Capture Ideas.** How do innovations that emerge within your organization reach decision makers and receive funding for implementation? 3M employees spend 20% of their time working on projects they choose. With help from their financial department, they develop business plans and prototypes that are presented to the executive team. It is through this innovative process that Post-it<sup>®</sup> notes were invented, a product we didn't know we needed until we saw the beautiful logic of it.

After convening the right people, use the following collaboration process to stimulate ideas and capture creative thinking:

- Agree to the goals and objectives.
- Define success and how it will be measured.
- Brainstorm all tasks to reach the agreed to goals and objectives.
- Prioritize based on business value.
- Let team members determine which tasks they will do and by when.

Repeat often! Cycle through this process frequently to capture new ideas from the implementation efforts in a burst of work. There is no need to force the process. With this type of supportive influence, team members will own their responsibilities and meet their commitments in ways that exceed expectations. Talented people don't like to be given orders, they prefer to make a commitment and keep it, and they enjoy making meaningful contributions not just of what you already know they know, but what they can offer in terms of new ideas.

**Step Aside: Leading Collaboration.** What kind of leader do we need to create and to sustain cultures that foster innovation? A collaborative leader finds the right talent, trusts first, let's them tell her what they need to do for the company to succeed, and then stands back so they can do their work. This leadership style uses influence *not* authority; creates open work environments without fear where people want to work; keeps the purpose and vision alive; frees the team to question, analyze and investigate; 'moves boulders, carries water;' and operates with integrity and authenticity. Collaboration requires group decisions at all levels, sharing of all information, a process to stimulate the generation of ideas, team definition of accountability and self-selection, allowing mistakes – expecting success, and the matching of talent and interests with responsibilities.

As a collaborative leader, you need to step aside and let the people in your organization do their work. You will find your leadership 'tipping point' – the point where you discover when to lead and when to step back. Ask yourself what

contribution you might make or will the team discover more without you? What is your agenda to engage with the team? Do you trust them to reach their goals without your guidance?

**Leadership Role.** As a leader, where do you place your emphasis, on "control" or on "results?" You cannot have both. Remember to put purpose over personal agendas. Take the 'fun' out of being dysfunctional. If people are being rewarded or gaining attention from 'boarding school' behavior, remove the reward.

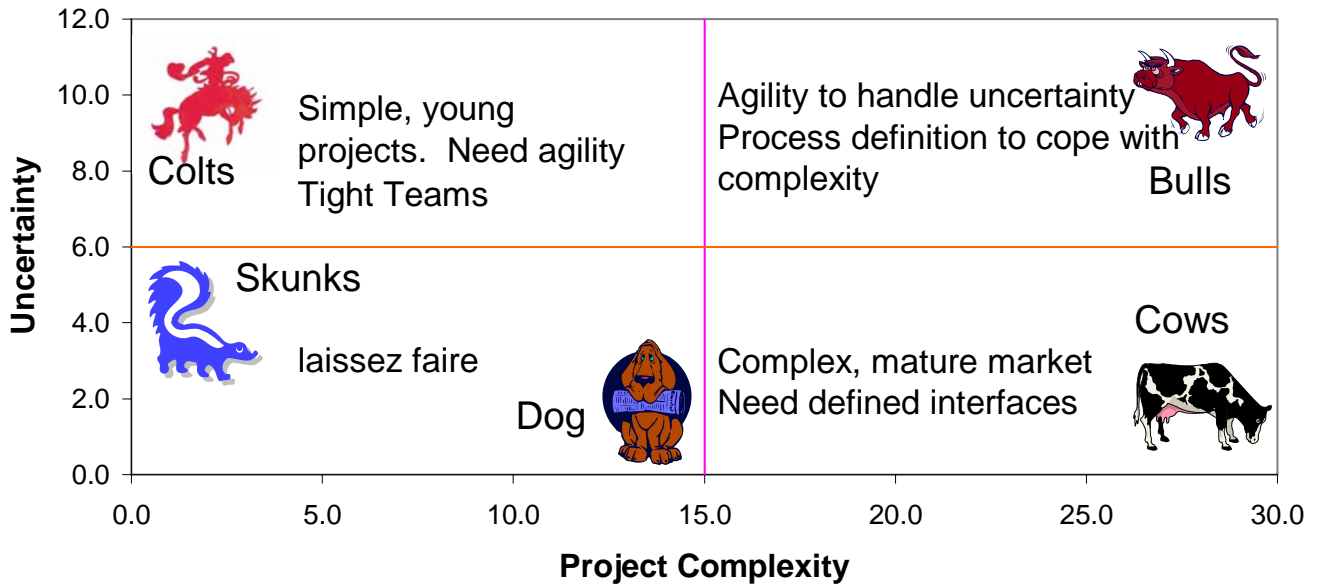
Be aware of how open the work environment is. How do you know if there is fear in your organization? How can you remove it? You cannot fix people but you can fix processes. Use the collaboration process to not only develop products and services, but to improve your operations and modify processes to be more effective.

Changing leadership styles is not an easy process and it does not happen overnight. As you explore making a change in the way you support innovation and creativity, keep these two concepts in mind:

- Ensure everyone in your organization has everything they need to succeed.
- Create an environment that is so stimulating and rewarding that people would want to work with you, even if you did not pay them.

# Project and Portfolio Governance

By Todd Little, tlittle@lgc.com

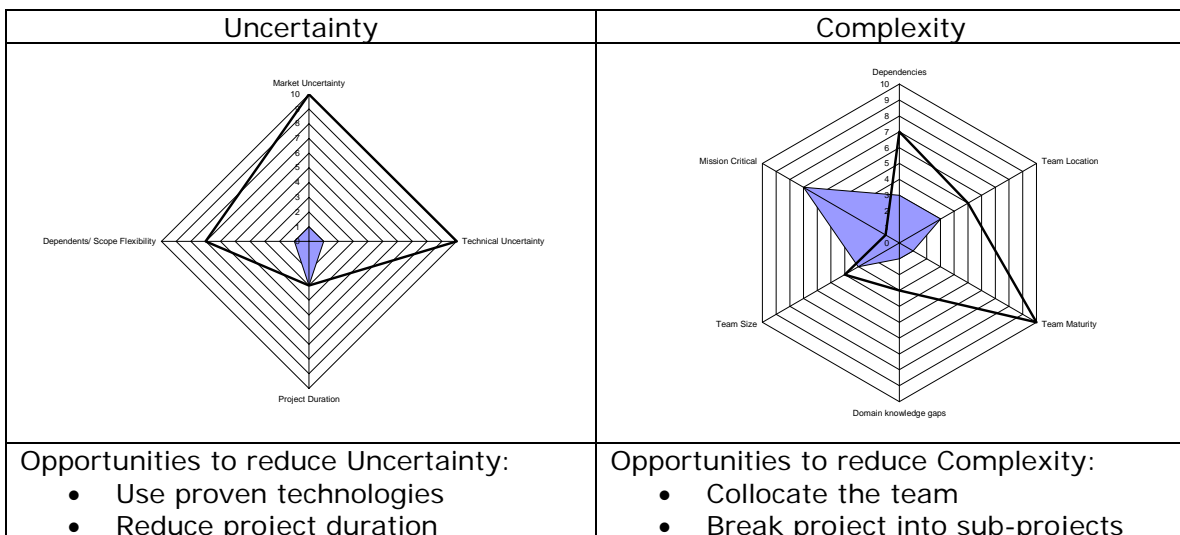


## Step 1: Assessment

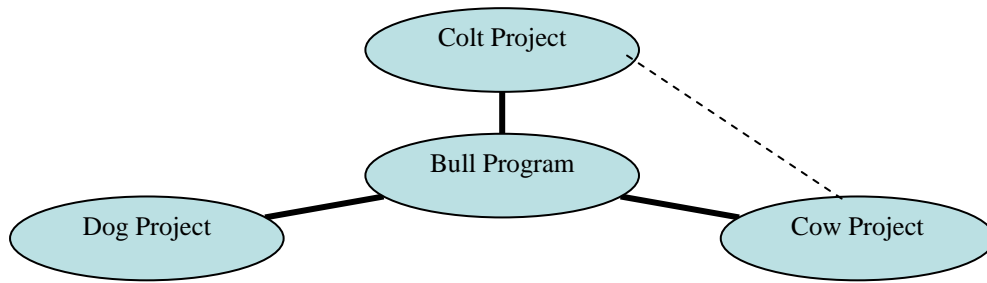
**Uncertainty Drivers:** The uncertainty of a project is dependent upon market conditions and upon the project constraints. Attributes to consider include market uncertainty, technical uncertainty, project duration and scope inflexibility.

**Complexity Drivers:** The complexity of a project is a characteristic of the project structure. Some attributes to consider include team size, mission criticality, team location, team maturity, domain knowledge gaps and dependencies.

## Step 2: Analysis



Project boundaries should be setup to have Loose Coupling and Strong Cohesion.



### Step 3: Project Governance

All projects follow a set of core practices that are common across the organization.

Project	Project Manager	Practices
Dog	Novice/None	Just the core practices
Colt	Development lead	Short iterations with continuous feedback
Cow	Seasoned Project Manager	Structured project plans with appropriate documentation
Bull	Mentor	Iterations and feedback to deal with uncertainties and appropriate structure to deal with the complexity

High uncertainty and High complexity projects might be sexy, but they are hard to deliver. Rules of thumb:

- Bull projects require Bull Program Managers. A Bull program manager knows all the techniques for project management, and knows how to break the rules to get things done. They deliver.
- Don't start a project as a Bull. Start it as a skunk or a colt.
- Idealized project begins as a colt, grows to a bull, stabilizes as a cow, and retreats to a dog
- A common portfolio is 60% dogs, 20% colts, 10% bulls, and 10% cows.