Agile Lean Leadership grows organizations, that generate sustainable value for all stakeholders, are resilient, fast, reliable and innovative.
We are here to show you how...

- Creation of value in organizations in many situations can be more than doubled with the same resources
  - The ability to find new solutions, innovation and learning, in organizations can make a quantum leap
  - The organizational ability to adapt to change and the resilience when challenged can be increased significantly

- The satisfaction and engagement from stakeholders, employees and society at large can get a dramatic lift

- Tapping into people’s natural intrinsic motivation and capabilities can produce all this if they are given the right circumstances, first and foremost psychological safety
**Strength of a Team**

<table>
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<tr>
<th>#</th>
<th>Question</th>
<th>1</th>
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<th>3</th>
<th>4</th>
<th>5</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Do I know what is expected of me in my team?</td>
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<td>2.</td>
<td>Do I have the materials and equipment, I need, to do my work right?</td>
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<td>3.</td>
<td>At work, do I have the opportunity to do what I do best every day?</td>
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<td>4.</td>
<td>In the last seven days, have I received recognition or praise for doing good work?</td>
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<td>5.</td>
<td>Does my supervisor, or someone in my team, seem to care about me as a person?</td>
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<td>6.</td>
<td>Is there someone in my team who encourages my development?</td>
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<td>7.</td>
<td>In my team, do my opinions seem to count?</td>
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<td>8.</td>
<td>Does the mission/purpose of my team and company make me feel my job is important?</td>
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<td>9.</td>
<td>Are my co-team-members committed to doing quality work?</td>
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<td>10.</td>
<td>Do I have a best friend in my team?</td>
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<td>11.</td>
<td>In the last six months, has someone in my team talked to me about my progress?</td>
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<td>12.</td>
<td>This last year, have I had the opportunity at work to learn and grow?</td>
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The challenges for organizations

● Everything is changing with an accelerating pace
  ■ Technological development stress current revenue streams
  ■ Global awareness and competition stress current business models
  ■ Consolidation apply pressure to smaller players in markets
  ■ There is a much higher content of knowledge work in organizations

● The changes put higher demands on employees
  ■ Being able to change and learn all the time
  ■ Being able to work in teams and re-team for transient teams
  ■ One specialty skill is often not enough any more

● The changes put higher demands on leadership
  ■ It is much harder to plan ahead
  ■ It is necessary to be able to handle leadership in complex situations
  ■ It is necessary to be able to lead knowledge workers

● People demand more of the workplace socially
  ■ They want to see purpose for what they are doing
  ■ They want to grow and master their skills
  ■ They want to have certain autonomy over their own work situation
  ■ Intrinsic Motivation (Anders Dysvik, BI Oslo)

“It is always wise to look ahead, but difficult to look further than you can see.”

Winston Churchill
A growing problem of lack of transparency

“"It ain't what you don't know that gets you into trouble. It's what you know for sure that just ain't so."”
Mark Twain

“The greatest obstacle to discovery is not ignorance - it is the illusion of knowledge.”
Daniel J. Boorstin

“Our comforting conviction that the world makes sense rests on a secure foundation: our almost unlimited ability to ignore our ignorance”
Daniel Kahneman
It does not happen spontaneously...

- Neo-Taylorist separation of thinking and doing have to be replaced by engaging decentral responsibility
  - The good solutions are rarely found in the ivory tower these days
- Top-down bureaucracy and micromanaging to be replaced by a network of self organizing Teams with clear mandates
  - Human beings only contribute in a limited way under micromanaging
- Control of information in administration and decision making must be replaced by radical transparency for all
  - Transparency is a precondition for people to react fast enough
- Understanding of the complex nature of much work, acceptance of an iterative and experimenting method
  - In the complex domain people are bound together with common values and goals, not rules and regulations
A timeline of Management and Leadership

1900
US Railroads, steel etc.

1950
Japanese quality revolution

2000
Knowledge Work

Power, plan and numbers

Value, people and innovation
Input to the Agile Lean Leadership concept

Agile Lean Leadership

- Colin Powell
- David Snowden
- Jeff Sutherland
- Ken Schwaber
- Mike Cohn
- Niels Pflaeging
- Amy Edmondson
- Anders Dysvik
- Boris Gloge
- Stanley McChrystal
- Colin Powell
- David Marquet
- W. Edwards Deming
- Peter Drucker
- Peter Scholtes
- Tom Gilb
- David Marquet
- Will Hopper
- Mike Cohn
- Boris Gloge
According to Mike Cohn in “Succeeding with Agile”, there are several benefits of doing agile projects over traditional:

- Much higher performance and productivity (14-384%)
- Lower Costs (10-70%)
- Much higher employee satisfaction (twice as many “had a good time”)
- Much higher stakeholder satisfaction: Improved ability to handle change (92%), improved visibility in the project (83%), improved alignment between team members working and stakeholders (66%) and reduced risk (66%)

We want to organize, educate and mentor in order to:

- Open the door to much higher performance in the service to customers
- Allow people pride of workmanship, mastery, a sense of working for a larger goal than themselves and a sense of autonomy, being given opportunity to influence own destiny

So the goal is twofold:

- Outwardly, focusing on being of service to the customers, creating value for them
- Inwardly, focusing on building up individual people, teams and the whole organization to have greater skills, taking more ownership and having greater job satisfaction

Intrinsic motivation beats extrinsic motivation any day

- What really motivates people (once basic needs are covered) are intrinsic factors
- Applying extrinsic motivation overrides the intrinsic ones
Theory X, Y and more

- Douglas McGregor
  - **Theory X.** People are lazy and will try to avoid work and responsibility. Leaders need to motivate and control the employees
  - **Theory Y.** People want to do good work and can even enjoy it. People do have an inner motivation

- Matthew Stewart added
  - **Theory U (Utopian)**
  - **Theory T (Tragic)**
  - Explaining the origin of conflict

- The biggest conflict is on the diagonal
  - Stalin versus Flower Power

- We need Theory “Y”
  - But some constraints to keep checks and balances
  - We must prepared to handle conflict
  - A constitution for the organization must exist

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**The Human Relations Theory Matrix**

Viewing McGregor’s Theories X and Y in combination with Theories U and T provides a richer view of executive options for effecting change.

- **Controllers, aka Hobbesists,** in honor of the English philosopher Thomas Hobbes. Human beings are both self-centered and unintelligent. Left to their own devices they will steal what they do not destroy. **That control is the only way to get anything done.**

- **Constitutionalists, aka Madisonians,** in honor of James Madison and his fellow framers of the U.S. Constitution. Human beings thrive in freedom. Under the wrong system, they will actualize themselves by seeking absolute power. The answer is a system of checks and balances and due processes.

- **Programmers, aka Taylorists,** in honor of Frederick Winslow Taylor, the father of scientific management. Human beings are like machines. They generally don’t know what they want or how to coordinate their activities. Given a scientifically established scheme of rewards and punishments, they can be prodded into perfect alignment.

- **Freedom Lovers, aka Petersians,** in honor of management guru Tom Peters (though many other gurus would do). Human beings are inherently self-starting and self-organizing. They will achieve miracles if only their bosses would stop telling them what to do. So just let freedom reign.

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*Source: Matthew Stewart*
More about intrinsic motivation

- New Scientist 9th April 2011 pp 40-43
  - “Economists and workplace consultants regard it as almost unquestioned dogma that people are motivated by rewards, so they don’t feel the need to test this. It has the status more of religious truth than scientific hypothesis.”
  - “The facts are absolutely clear. There is no question that in virtually all circumstances in which people are doing things in order to get rewards, extrinsic tangible rewards undermine intrinsic motivation”

- Is extrinsic motivation good or bad, or doesn’t it matter?
  - Presented at the Annual Meeting of the Academy of Management, Philadelphia PA October 2014 by Kuvaas, B., Buch, R., Dysvik, A.
  - Data from over 11242 respondents from more than 100 organizations.
  - Conclusion. The more inner motivation the: better job performance, higher organizational commitment, less turnover intention, more additional role behavior and less job stress and sick leave
- **Cynefin**, developed by Dave Snowden
- Much work today is in the Complex domain
  - Modern product and system development have a high content of Complex items to find solutions to
  - We only have fragmented knowledge
  - Cause and effect can only be seen in hindsight
  - We have to learn while doing
  - Therefore, big upfront plans and linear processes are not helpful
  - There will be a high content of parallel experiments to build up knowledge
- **Traditional Project Management**
  - Is fine in the areas Obvious and Complicated
- **Scrum, Agile and Lean**
  - Are designed to cover the border area between Complex and Complicated
The Scrum Flow - vanilla version

**Vision & Ideas**

**Product Backlog**
- Ordered list of requirements

**Product Owner**
- Responsible for understanding customers, business value, ROI and prioritization. Owns Product Backlog

**Stakeholders**
- Users, Customers, Management. Input to Product Backlog, participate and help

**Team**
- Small, cross functional and self-organizing. Responsible for creating product and results. Owns Sprint Backlog

**Scrum Master**
- Responsible for the process, coaching, supporting and implementing improvements. Owns the Improvement / Impediment Backlog

**Daily Scrum**
- Product Increment. Completely Done!

**Sprint Planning #1**

**Sprint Planning #2**

**Sprint Review**

**Sprint Retrospective**

**Backlog Refinement**
The Circle - The fundamental concept when scaling

- **Circle Name**
  - Descriptive label

- **Artifacts**
  - Circle Manifest: Who are we, what do we do, how to interact
  - Product Backlog: An ordered list of Circle deliverables
  - Tactical Backlog: Sprint Backlog if Scrum, or Kanban or both
  - Improvement Backlog: An ordered list of potential improvements

- **Roles**
  - CO: Commanding Officer, The Product Owner (PO) in Scrum, looking out for customers and value, prioritizing
  - XO: Executive Officer, The Scrum Master in Scrum, looking in for improvements/impediments
  - Team: Cross functional, self organizing. All the skills to deliver items from Backlog