WHAT IS "AGILE?"
February, 2001

**Manifesto for Agile Software Dev.**

- Individuals and interactions over processes and tools
- Working software over comprehensive documentation
- Customer collaboration over contract negotiation
- Responding to change over following a plan
AGILE DOESN’T MEAN FLEXIBLE... THERE ARE LOTS OF WAYS TO ADJUST, ADAPT, FLEX

I have a feeling Larry did not understand what I meant when I said: "Our team could use an Agile class."
ONE BIG IDEA . . .
KEY AGILE ELEMENTS

team  process  artifacts  philosophy
GENERAL AGREEMENT ON THESE COMPONENTS...

• Small teams working collaboratively using an approach called “Scrum,” where decisions are made in an open fashion.
• Priority to face-to-face interactions, as opposed to top-down decisions, and to iterations over plans. Autonomy for the team.
• Customers/Users are involved all along including in design.
• Resources are allocated based on need as it emerges – including “sprints” where they are used intensively to crack hard tasks – as opposed to based on plans.
• Stand up prototypes quickly, get feedback to improve them.
• Feedback/tests everywhere.
PREVIOUS “REVOLUTIONS”

- **TQM and the quality movement**
  - Front-line workers track info on their own quality, suggesting improvements
  - Teams matter
  - Find quality problems at the source and fix them

- **“Lean” Production**
  - Front-line workers get data on their quality and performance and control design of their jobs to improve
  - Teams are very important
  - Find quality and performance problems at the source and fix them: Includes between groups and with vendors. The team takes over execution processes

- **Agile methods**
  - Front-line workers take control of projects: can change goals, control schedules, to some extent control budgets and resources
  - Teams are almost everything
  - Find problems even in design stage, change anything that helps customers/clients
WHO IS USING IT?

- This year, executives in PWC’s annual CEO survey rated innovation as their top priority. [http://www.pwc.com/gx/en/ceo-agenda/ceosurvey/2017/us/key-findings/innovation.html](http://www.pwc.com/gx/en/ceo-agenda/ceosurvey/2017/us/key-findings/innovation.html)
  - *This is the driver behind agile*


- 79 percent of global executives in Deloitte’s survey rated agile performance management as a high organizational priority [2017 “Redesigning performance management”](http://www.pwc.com/gx/en/ceo-agenda/ceosurvey/2017/us/key-findings/innovation.html)

- From manufacturing to financial services to consumer products – anywhere innovation has become a priority
WHAT DOES THIS IMPLY FOR HR?
PERFORMANCE MANAGEMENT...

- Annual goals that cascade down?
  - Gone. Shift toward project priorities

- Annual review of performance against goals?
  - Dropped

- Single point of contact for reviews?
  - Feedback from project leaders, sometimes peers and clients

- Continuous feedback is the goal
  - Apps and constant conversations
LEARNING

- Coaching skills – Cigna’s coach training in learning “sprints,” peer-to-peer practicing
- Digital Ocean’s onsite professional coach – being coached makes us better coaches
- P&G rebuilding the supervisory function, feedback and coaching
- IBM – special agile training built on simulations, AI to customize training to individuals
COMPENSATION — TOWARD TEAMS

- Move to spot bonuses at Macy's
- Start-ups Digital Ocean, Rent-a-Runway play down individual, merit-based pay, punish individual negotiating for pay
- Patagonia adjusts pay levels frequently based on projects and market, individual rewards are the exception
RECRUITING

- “Agile recruiting” 1st at GE Digital Division – then IBM, Cisco
- “Headcount manager” represents hiring managers, “scrum master” oversees the process
- Cross-functional team works together on many positions at once – sharing information
- Nothing starts until all debates settled on hiring side. Vacancies prioritized by team
- “Kanban Board” charts open reqs, cycle time, bottlenecks
- Vendors like Ascendify/HackerRank move to agile
- AND Succession – don’t bother
WHAT COMPETENCIES HAVE TO CHANGE IN HR?

- Teams are the focus, not individuals
- Team dynamics/OD are the key
- Organization change – trying to make all this happen
  - It may be a hard sell with many top executives who often believe that individuals are what counts and competition drives success
  - Will that beat the need for innovation?