

Ari Tikka Agile Leadership Day 20.3.2017



Actionable Fearless Leadership - from Tayloristic to Agile Organization





Ran Nyman

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GOSEI





Ari Tikka





20 + years in software business

• Customers in Telecom, Medical,

Game, Heavy metal, Financial,

Sales&Marketing, Public sectors



Coordination Chaos Case Nokia Mobile Phones Is it relevant for me? Actionable Fearless Leadership

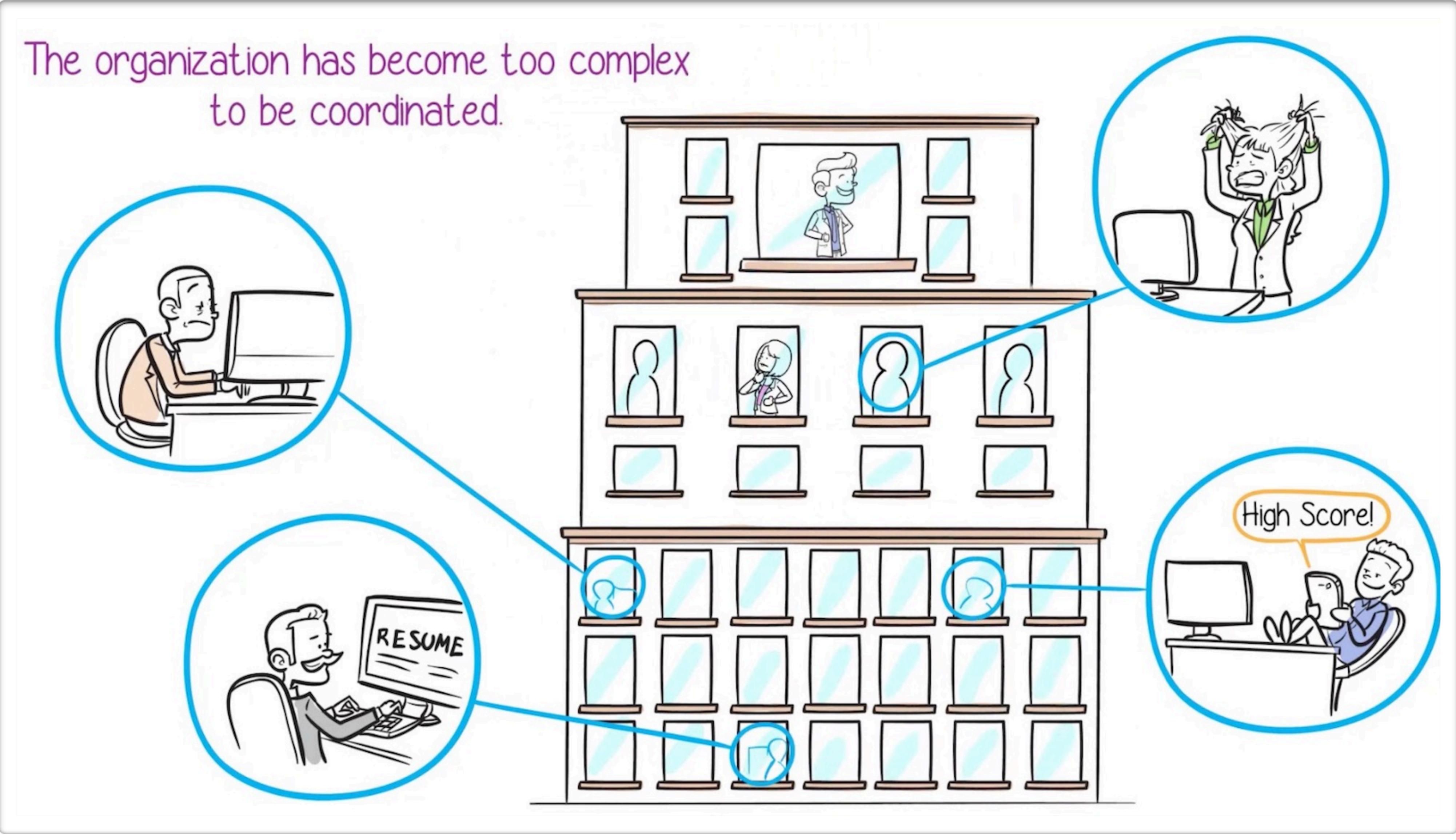
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Synopsis

Taste of action: Four Patterns of Learning Organization

Coordination chaos

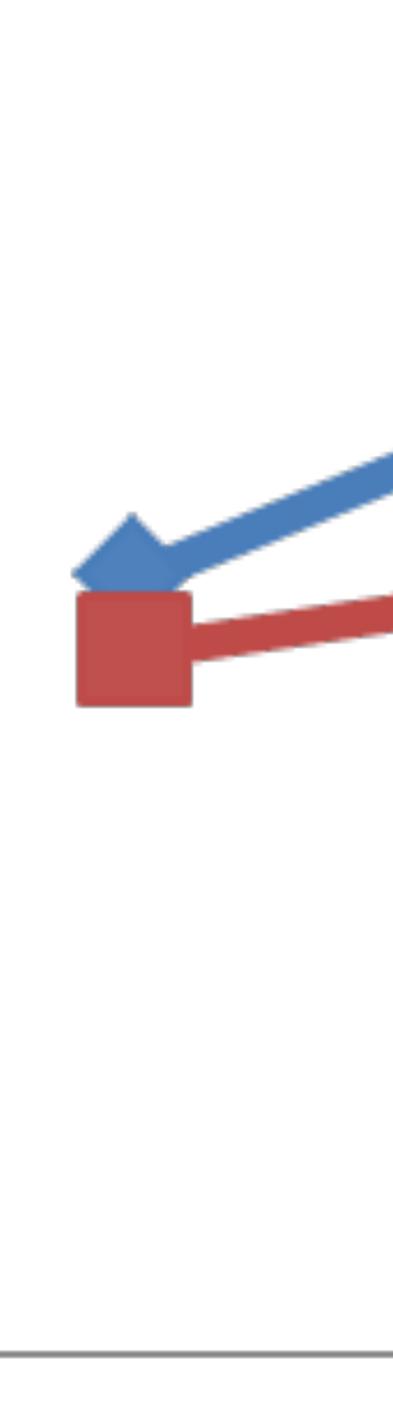




Click to see the video

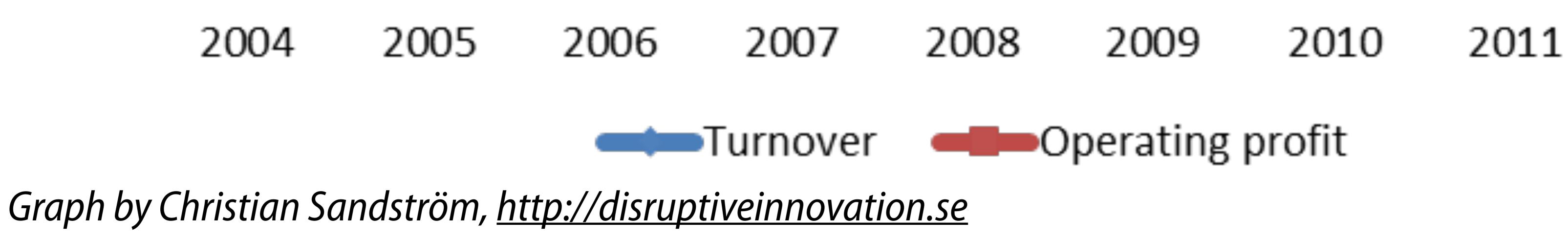
NOKIA Mobile Phones

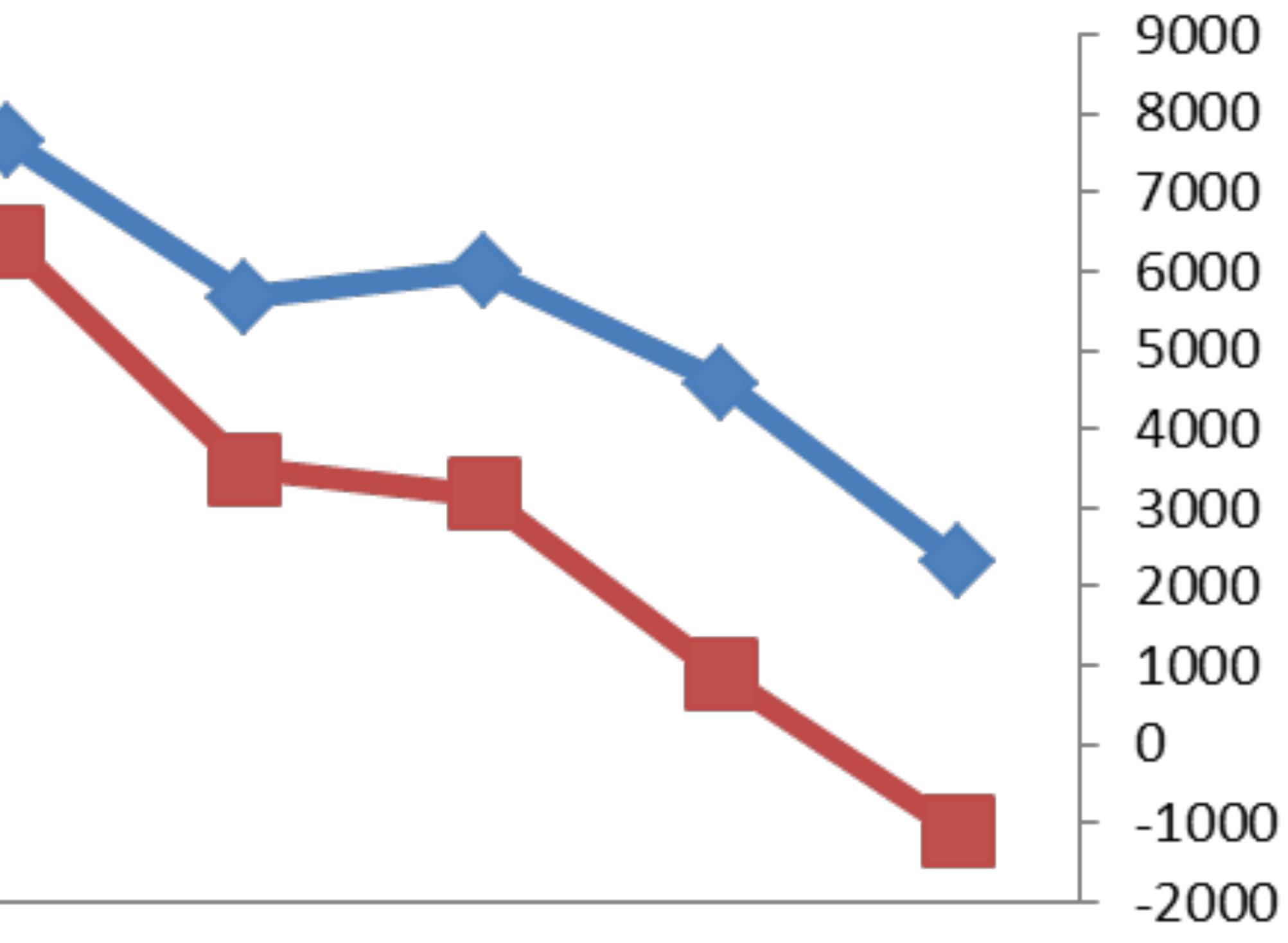




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NOKIA mobile phone business 2004-2012 (million euros)







- Aggressively grab the opportunities
 - Great success in the beginning
- "Just make it work" engineers
 - Trust and autonomy
 - Success during the growth phase
 - Ever increasing complexity

NOKIA opportunity 1990

- **Business opportunities**
 - Crumbling Telecom monopolies
 - Detailed GSM standard
 - Talented workforce in Finland \bigcirc
 - Ambitious leader Jorma Ollila
- Organizational background
 - 100 years of heavy industry \bigcirc • Lack of experience in leading SW product development
 - Technology over design



20 years later

- Aggressively grab the opportunities
 - Great success in the beginning
- "Just make it work" engineers
 - Trust and autonomy
 - Success during the growth phase
 - Ever increasing complexity
- "Just make it happen" management
 Fear disconnected the organization
 Superficial decision making
 Failed to respond to competition

NOKIA Mobile Phones

Situation 2007-2011 New competitors, new game Technology constrains design Coordination chaos









Study Quy N. Huy at INSEAD and Timo Vuori at Aalto University • Three rounds of interviews with 76 former senior managers Sources: http://www.enterprisegarage.io/2015/12/ <u>case-study-how-nokia-lost-the-smartphone-battle</u> http://knowledge.insead.edu/strategy/who-killed-nokia-nokia-did-4268

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Case NOKIA Mobile Phones



- Management
- fear
- situation
- 5. Wasted development effort

From top to bottom in 5 years 1. Top Management feared of competition and threatened the Middle

2. Middle Management misled Top Management because of internal

3. Top Management was over-confident and uninformed 4. Top Management was not technically competent to assess the

Management by Fear is a property of the system not because of the person.

A fragmented (schizoid) system causes fear

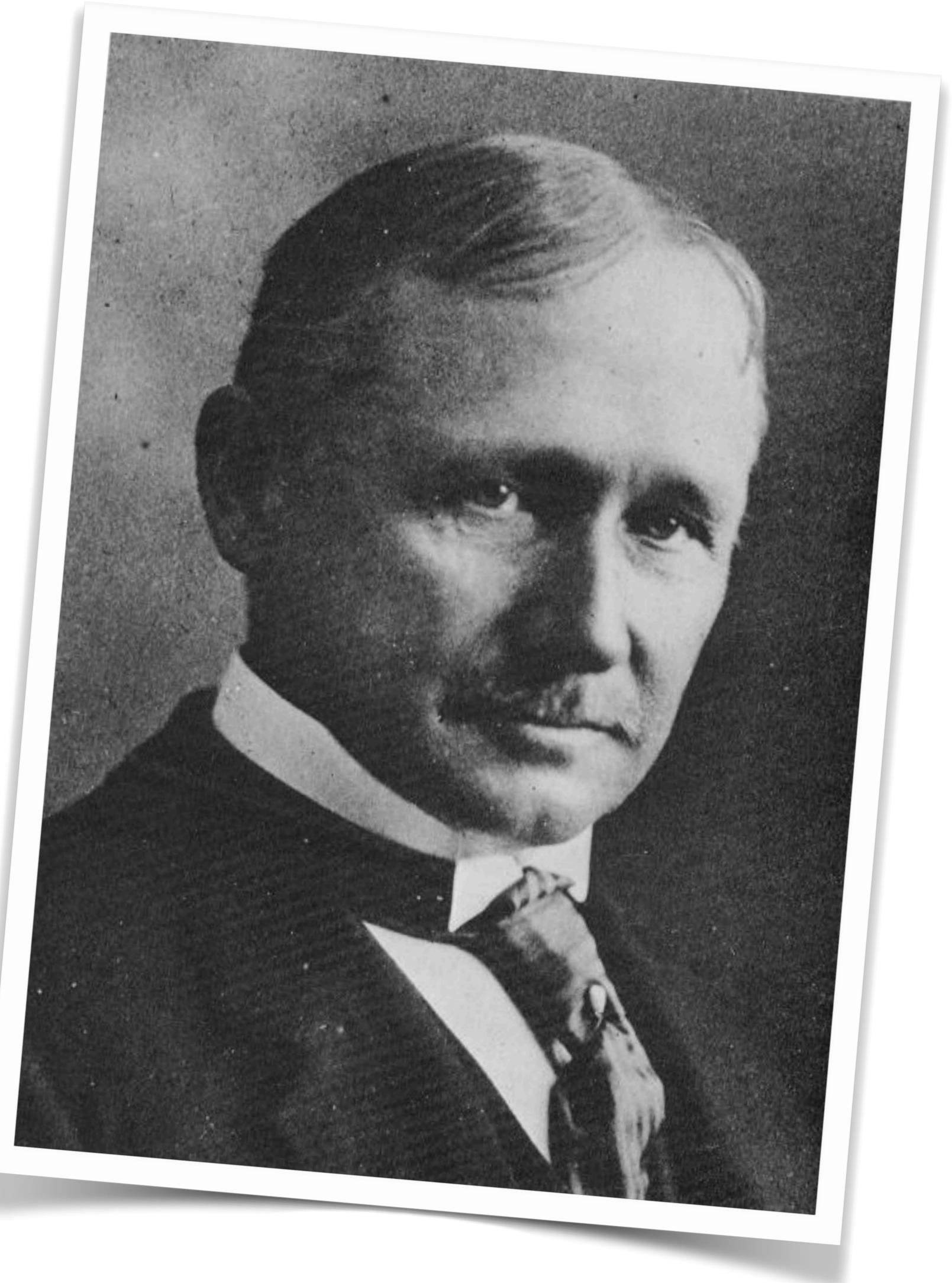
are seen as threats.

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- 1. Paranoia. I have no clue what happens elsewhere. Opportunities
- 2. As a (top) manager, I have no clue what is happening in my organisation. I have only one management tool: pressure.





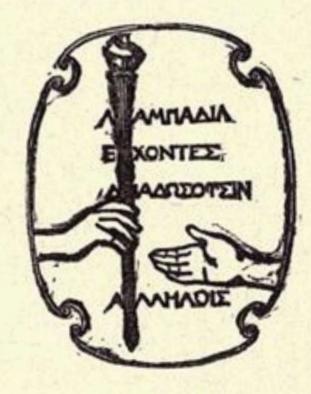


Winfred Taylor

The Principles of Scientific Management

BY

PAST PRESIDENT OF THE AMERICAN SOCIETY OF MECHANICAL ENGINEERS



HARPER & BROTHERS PUBLISHERS NEW YORK AND LONDON 1919

FREDERICK WINSLOW TAYLOR, M.E., Sc.D.

Modern Tayloristic Leadership

Split responsibilities

- Others promise, others deliver
- Others plan, others execute
- Others decide, others follow
- Others know, others decide
- Others implement, others test

Task / role specialization

- Project/program managers
- Resource manager
- Quality manager

- Systems Engineer • Portfolio manager HR manager • Customer Experience Line manager Manager Specifier • Process development Architect Uldesigner manager Integration manager • Release train engineer Fault manager • Enterprise architect Feature owner • Chief specialist Feature Owner Team • Security manager

- Sustainability Manager \bigcirc • Quality manager \bigcirc Release Manager





Split responsibilities

- Others promise, others deliver
- Others plan, others execute
- Others decide, others follow
- Others know, others decide
- Others implement, others test

Tas

Kesource manager Quality manager

Modern Tayloristic Leadership

cialization managers

specifier Architect **Ul designer** lity manager manager owner Swner Team

Release Manager

y Manager



Systen

rtfolio manager mer Experience

manager

development

• Chief specialist Security manager

Batch Queue

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Everyday experience

Narrow learning

Manage problems

Fragmented organization

"Pressure. Must. Should." "No time for real change." "Power and wisdom are always elsewhere."

Actionable Fearless Leadership

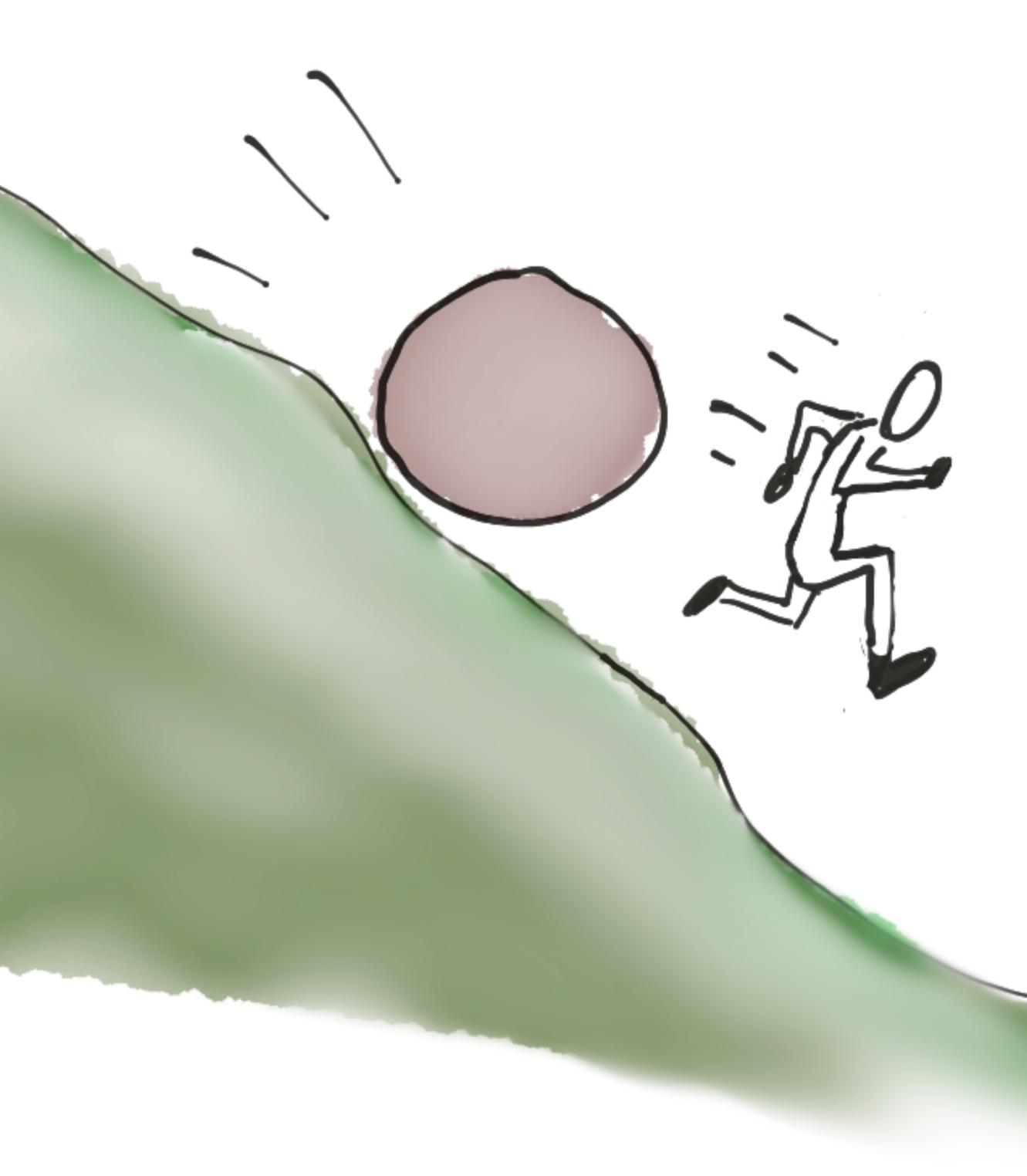




From XP2016 keynote by Elisabeth Hendrickson @testobsessed

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Without Intervention, Work Rolls Down Hill



Pivota

Fearless Leaders



How much time, cash and owners' trust do we have?

Fear - Nature's risk management

Individual • Exclusion from the tribe Personal conflict Collective • Death of the tribe O Loss of cohesion • External conflict Avoid conflict

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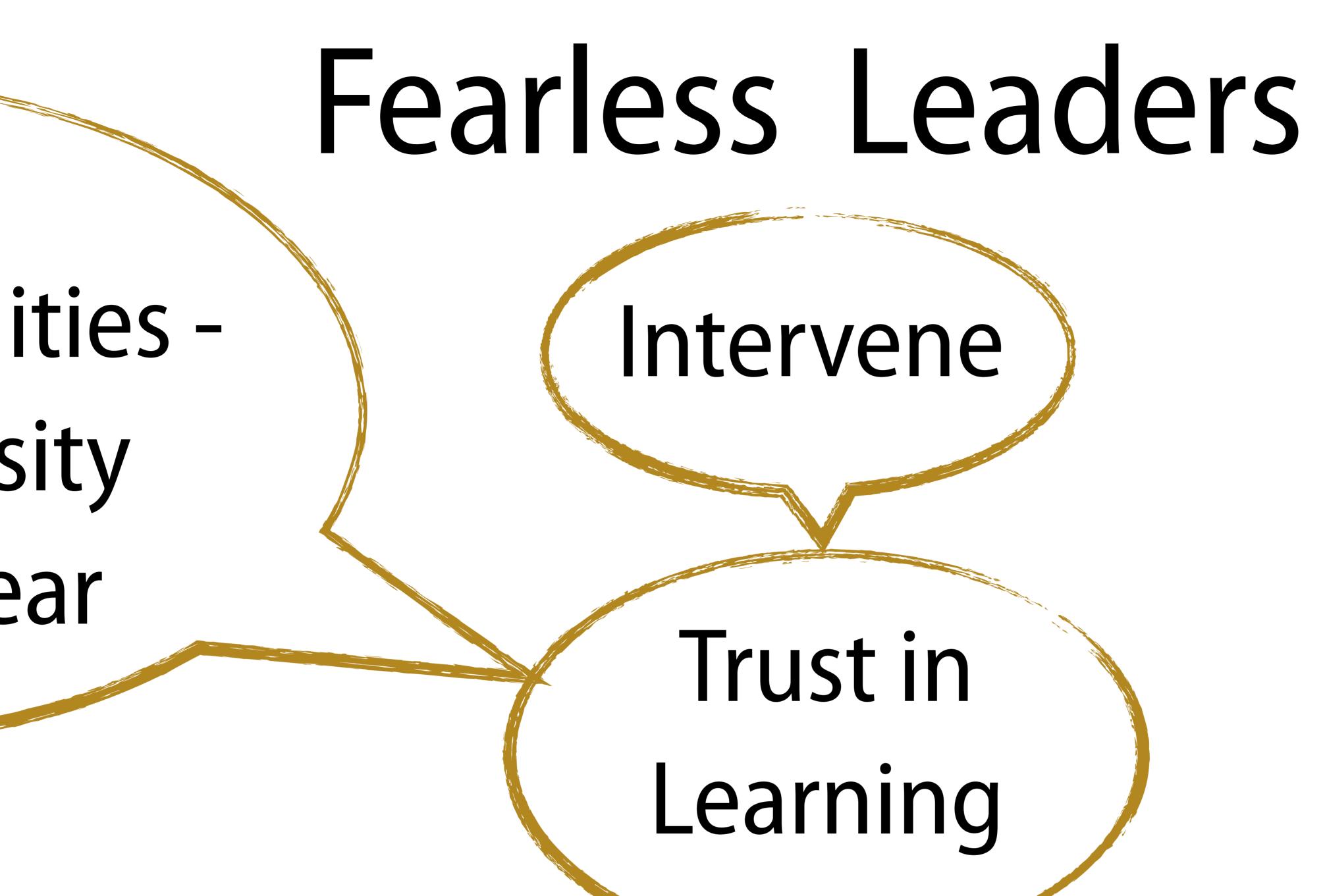
From **Conflict Avoidance ??????????????**???

From **Conflict Avoidance Radical Curiosity**

From **Conflict Avoidance** Greed to Learn

Connect conflicting realities letting curiosity overcome fear

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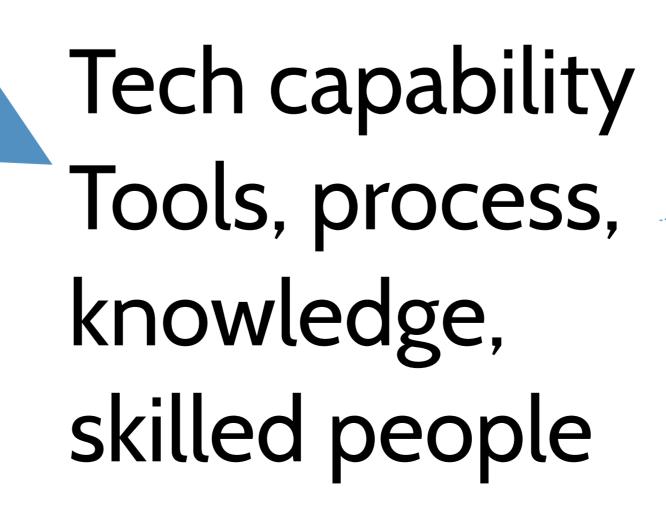
How much time, cash and owners' trust do we have?

Learning from reality

Decision making capability

Complexity Friction **Coordination Chaos**

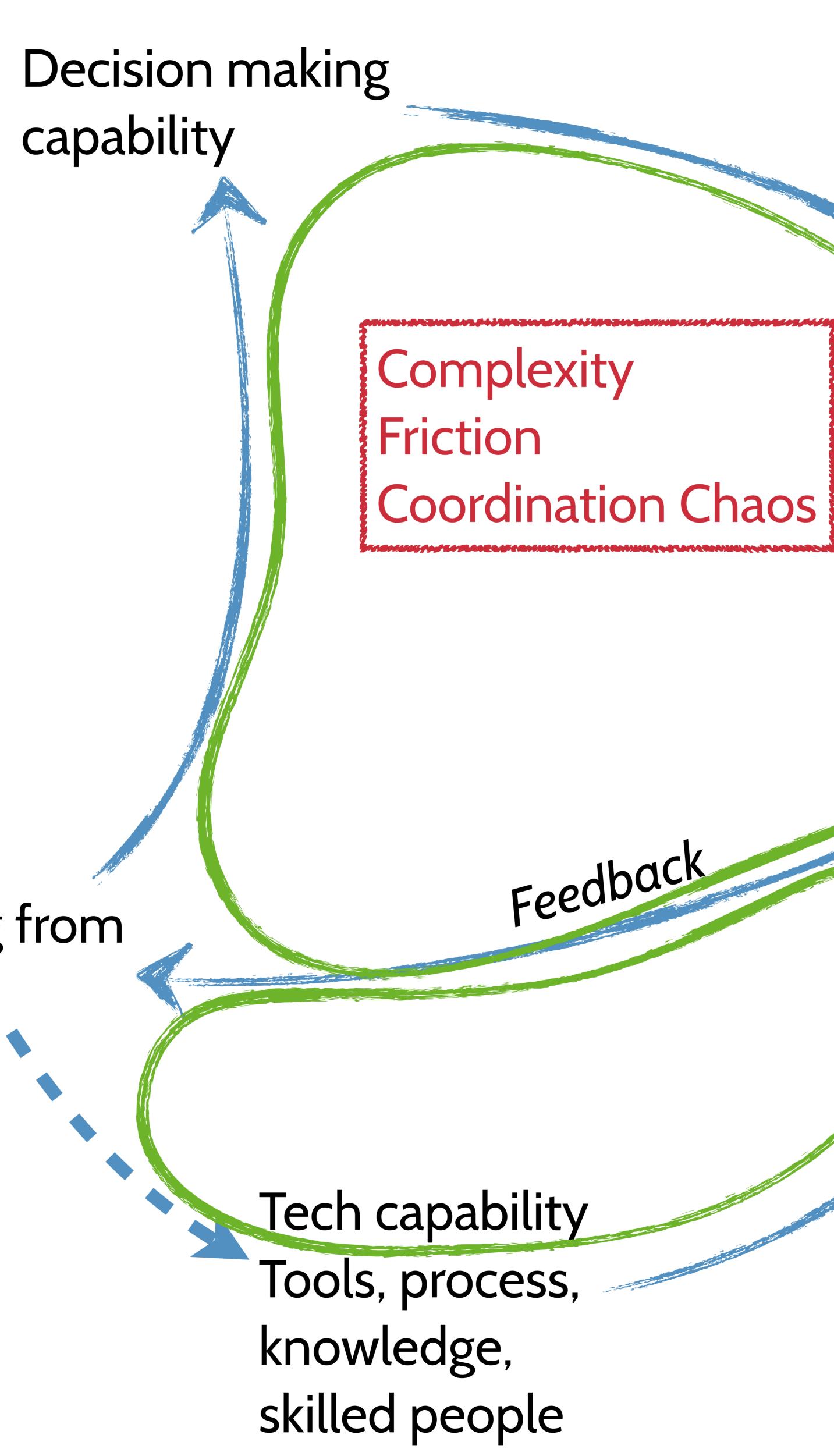




Valued Outcome

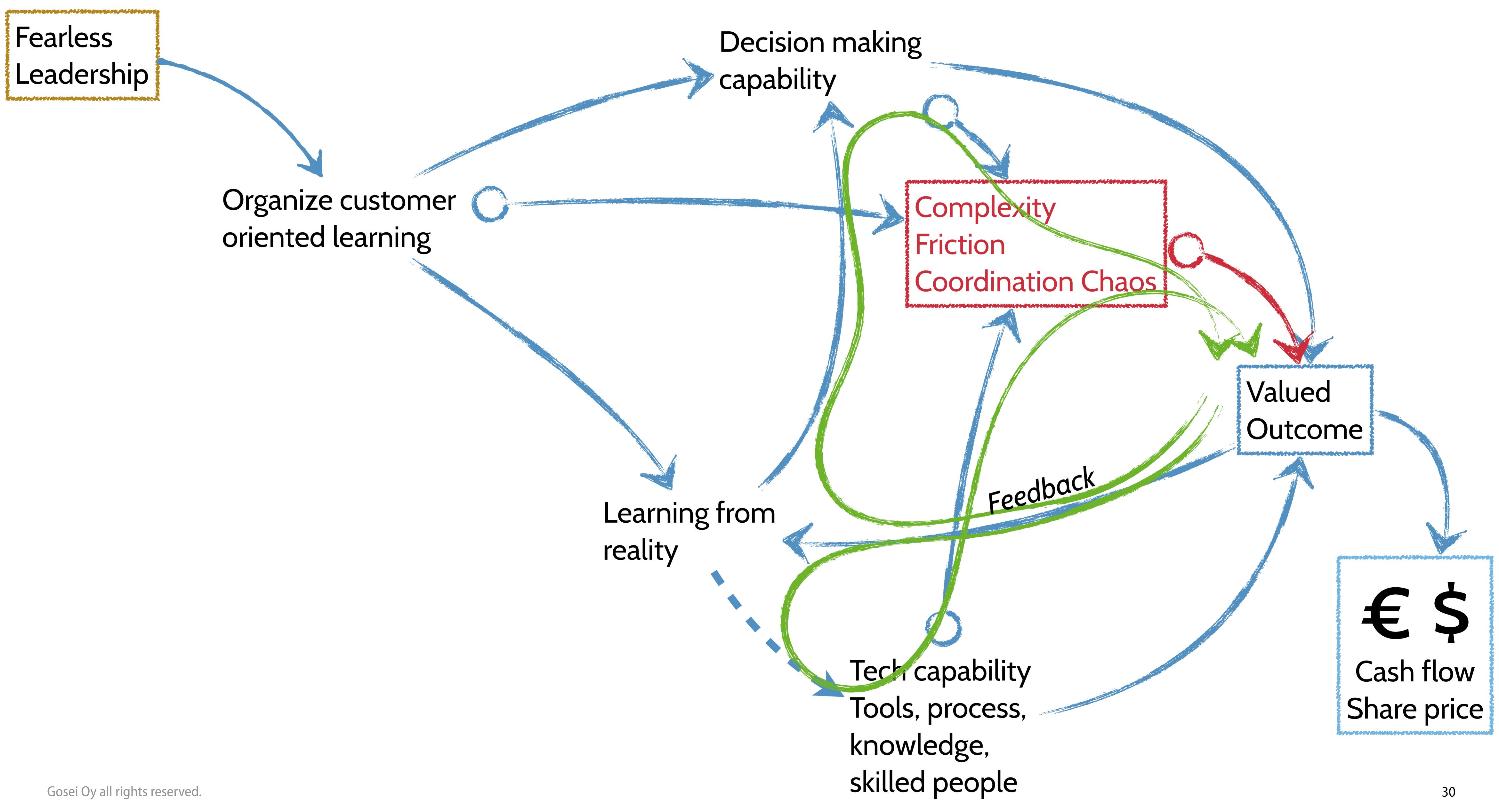
E S Cash flow Share price

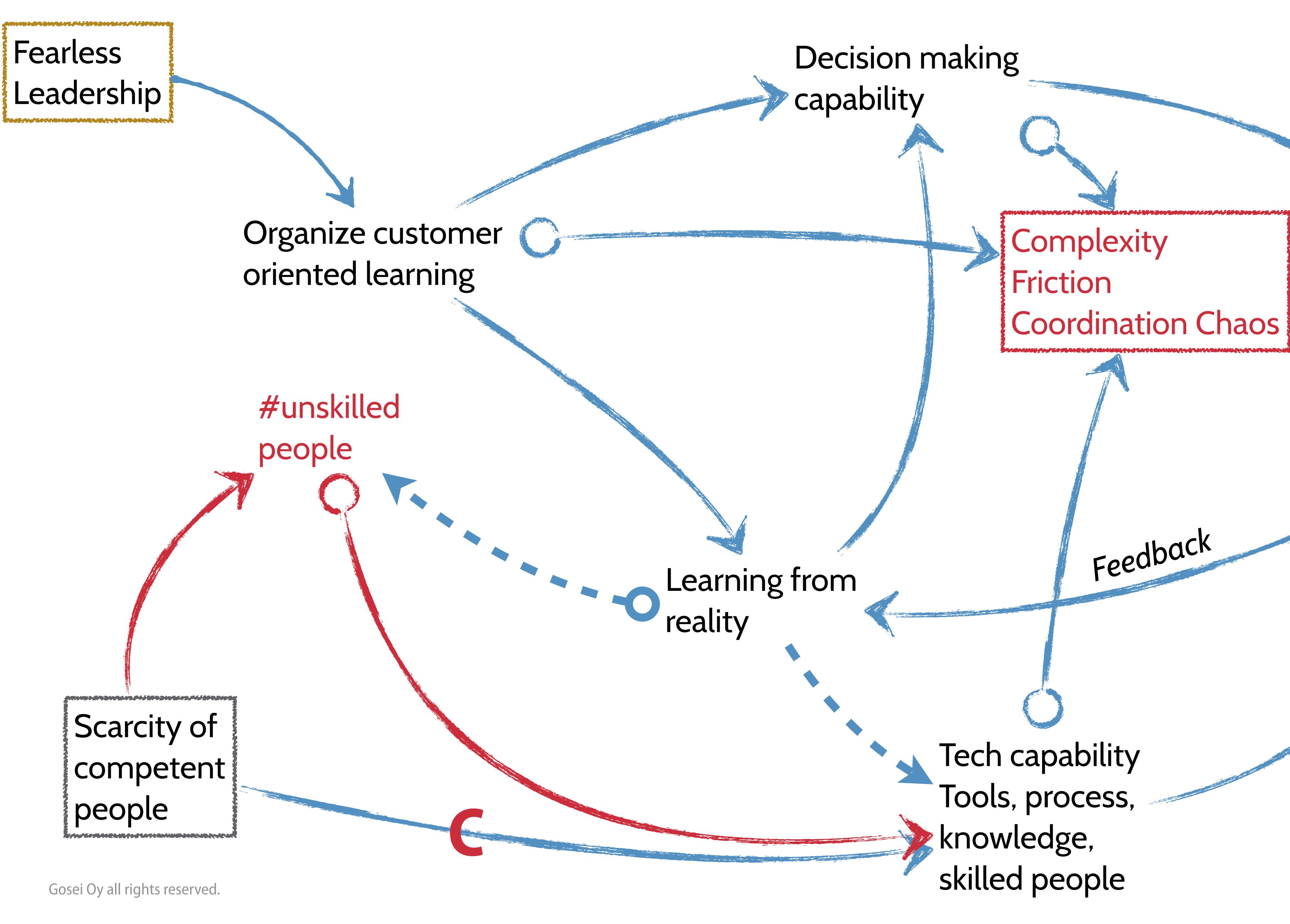
Learning from reality





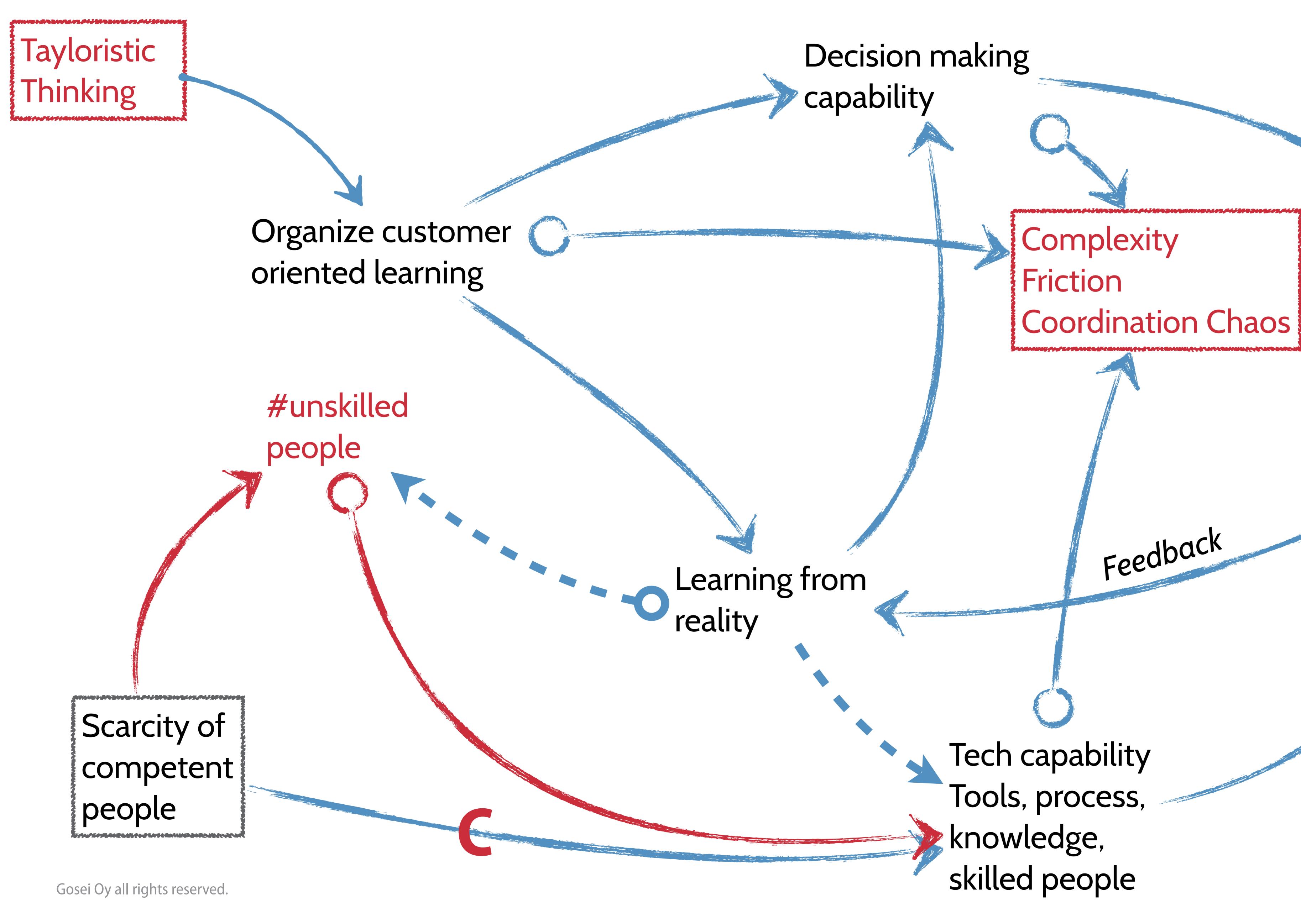






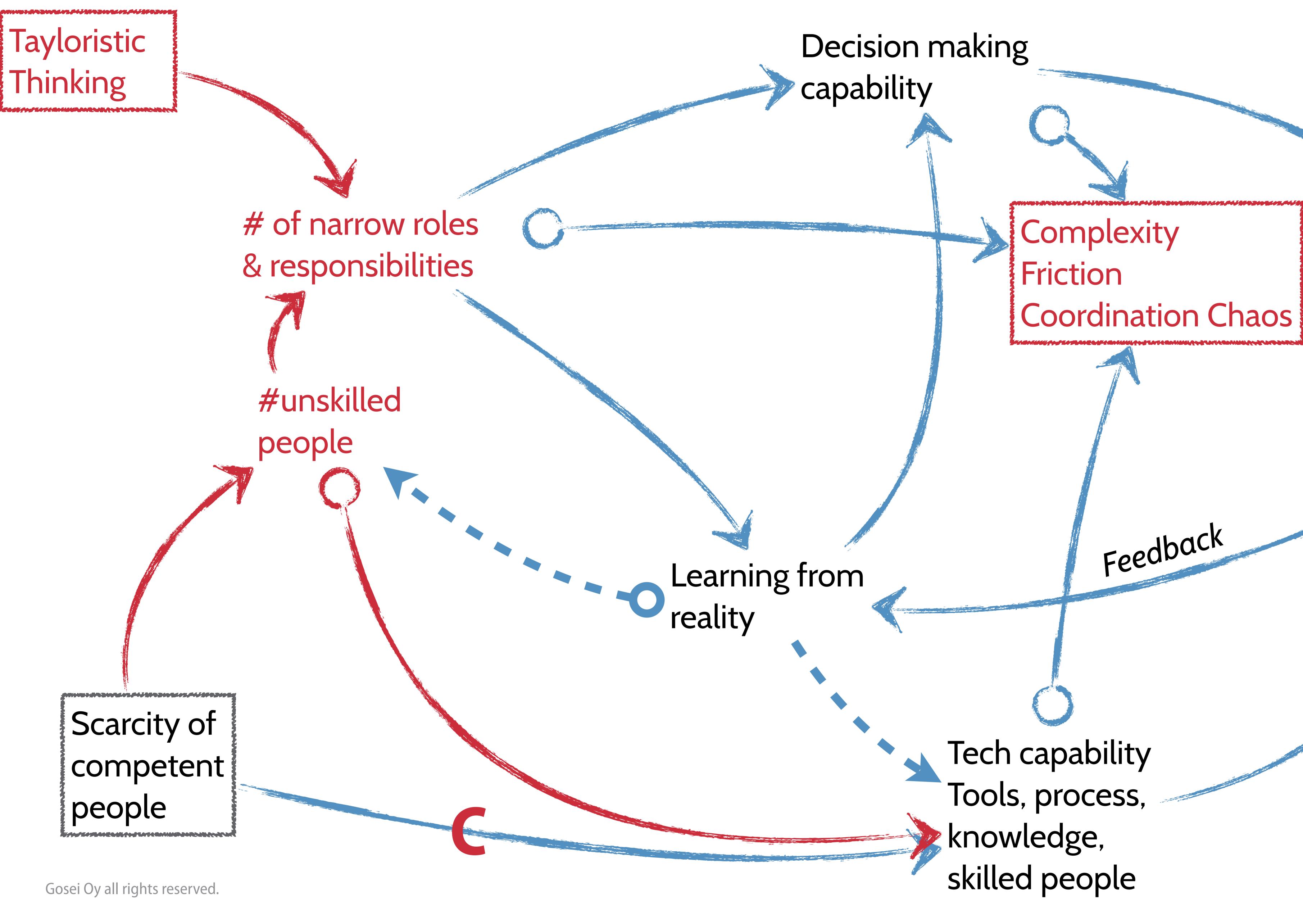
Valued Outcome

E \$ Cash flow Share price



Valued Outcome

E \$ Cash flow Share price



Valued Outcome

E \$ Cash flow Share price



of narrow roles & responsibilities

#unskilled people

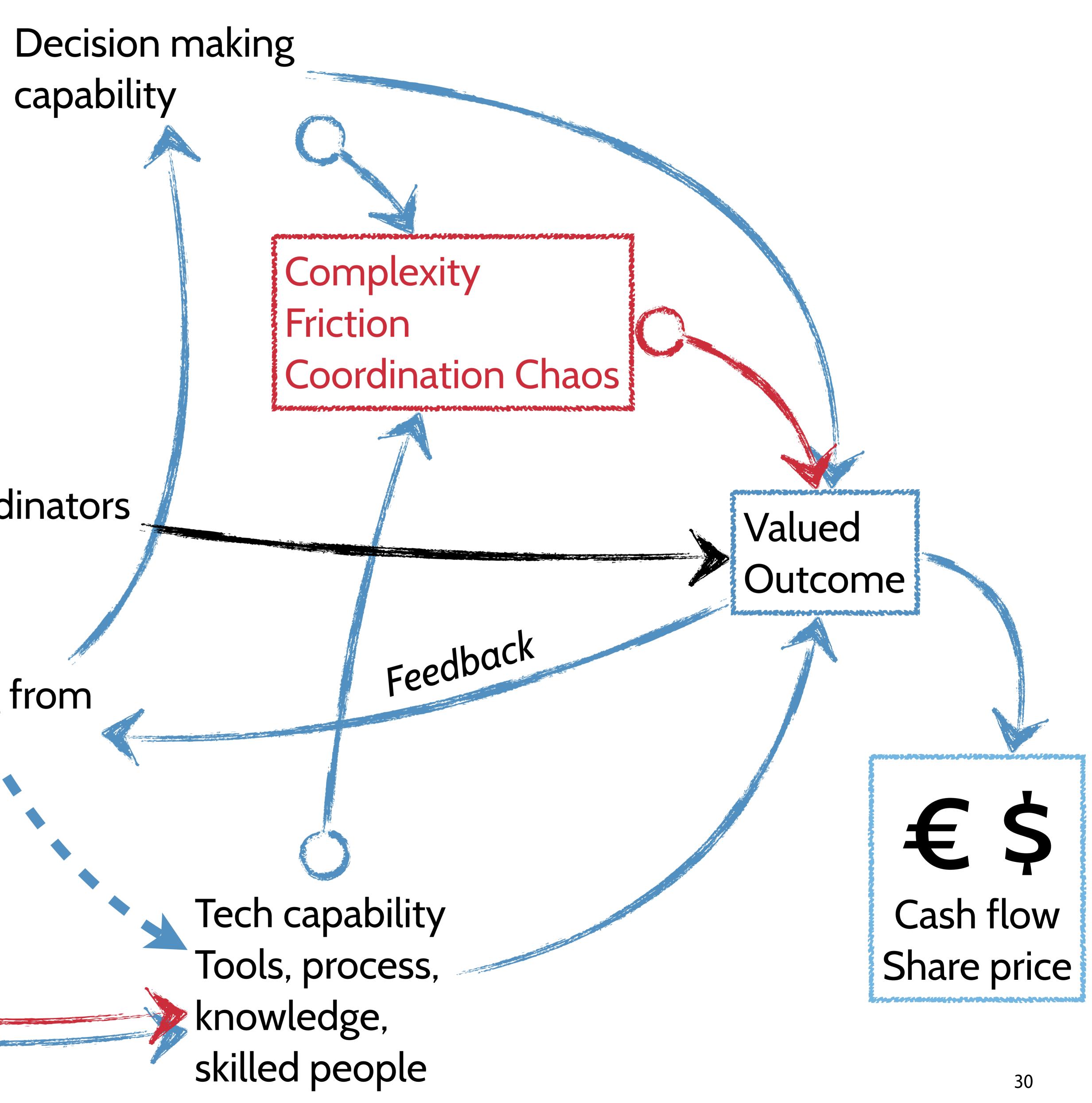
Scarcity of competent people

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Batch & Queue

#Coordinators

Learning from reality



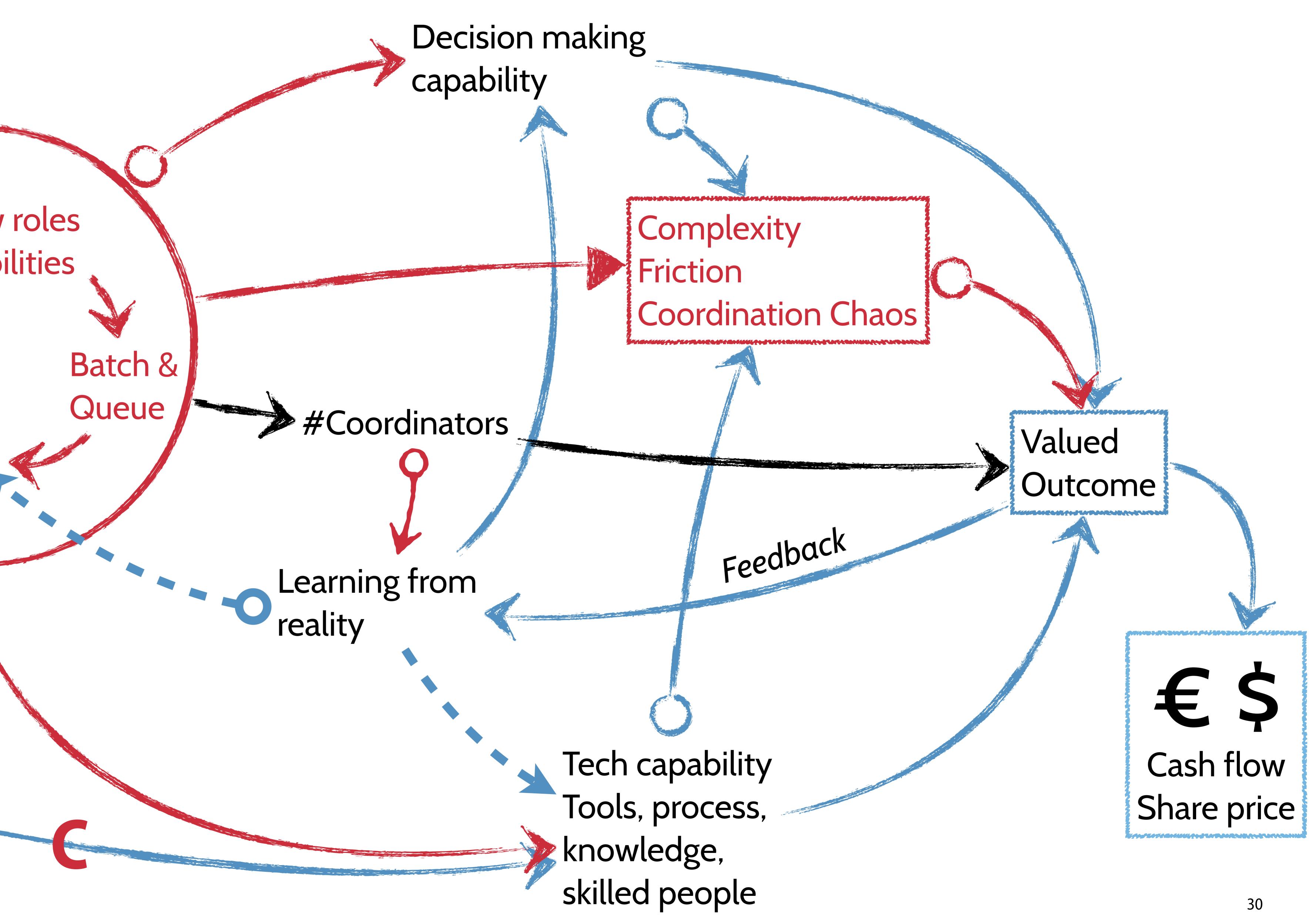


of narrow roles & responsibilities

#unskilled people

Scarcity of competent people

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of narrow roles & responsibilities

#unskilled people

Scarcity of competent people

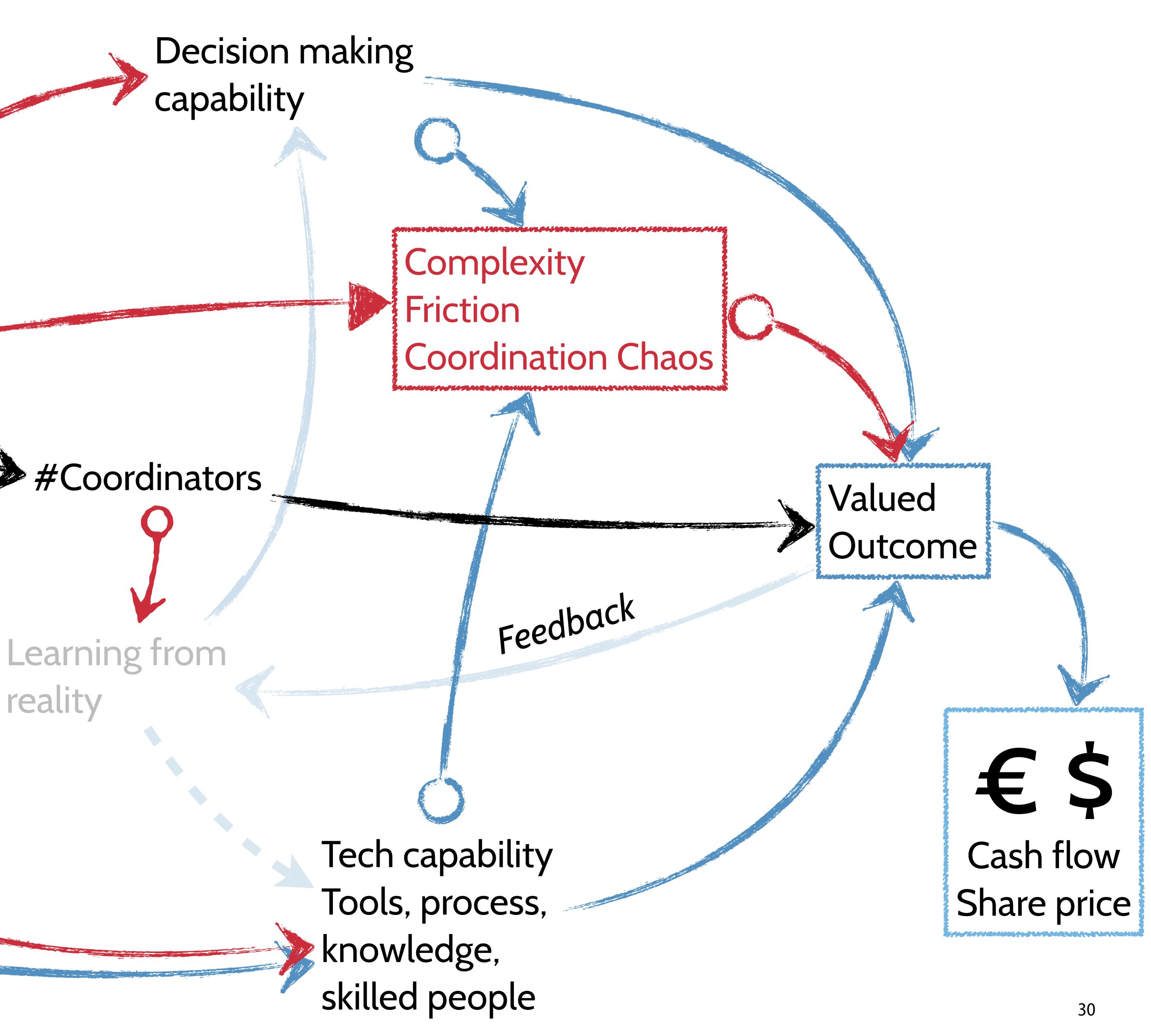
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Queue

#Coordinators

reality



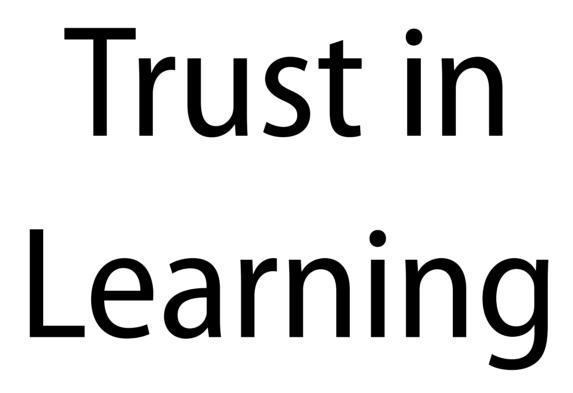
Connect conflicting realities letting curiosity overcome fear

Understand the system • Coordination Chaos • Tayloristic leadership • Feature Teams • Factory floor reality...

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Fearless Leaders

Intervene



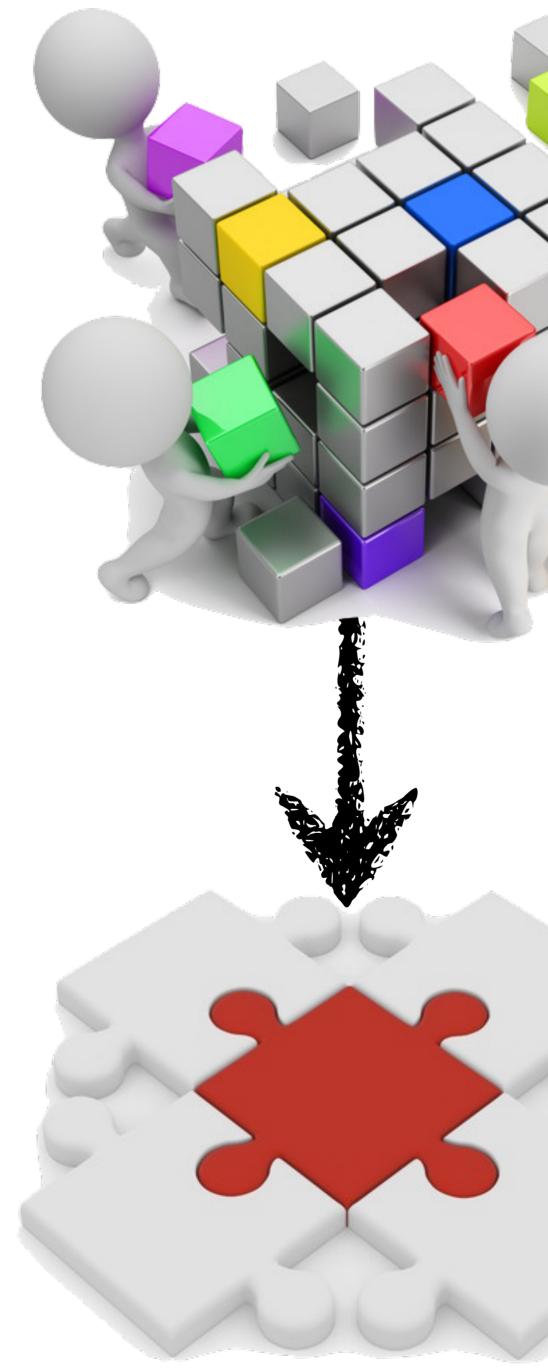
How much time, cash and owners' trust do we have?

Build the system of feedback from realities Organise for customer oriented learning • Find your Product Cross-functional teams interact with Customers • Full product focus

Reflect • Create Ba, place for learning

• Deliberate learning to learn Individual, Team, System

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Immediate feedback from technology Continuous integration Test Automation

Build the system of feedback from realities Organise for custom Feature Teaming Find your Product Cross-functional tr Full product focu

Continuous Improvement ning O Deliberate lean learn Individual, Team, System

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Imp Integrate - I fr ter Continuously Test Automation





Nooooooo! It will break!

Connect conflicting realities letting curiosity overcome fear

Understand the system • Coordination Chaos • Tayloristic leadership • Feature Teams • Factory floor reality...

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Fearless Leaders

Intervene

Build feedback mechanism from Work, Customer and System

Learning

How much time, cash and owners' trust do we have?

Psychological Safety Team members feel safe to take risks and be vulnerable in front of each other. Dependability Team members get things done on time and meet Google's high bar for excellence. 3 Structure & Clarity Team members have clear roles, plans, and goals. 4 Meaning Work is personally important to team members. 5

Team members think their work matters and creates change.

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Psychological Safety

Impact



Employees who feel psychologically safe: • Stay with the company Embrace new ideas from their colleagues • Generate more revenue • Rated as 'effective' twice as often by their managers.

• Social network, bonding by their own personal Secure Base \bigcirc Attachement theory

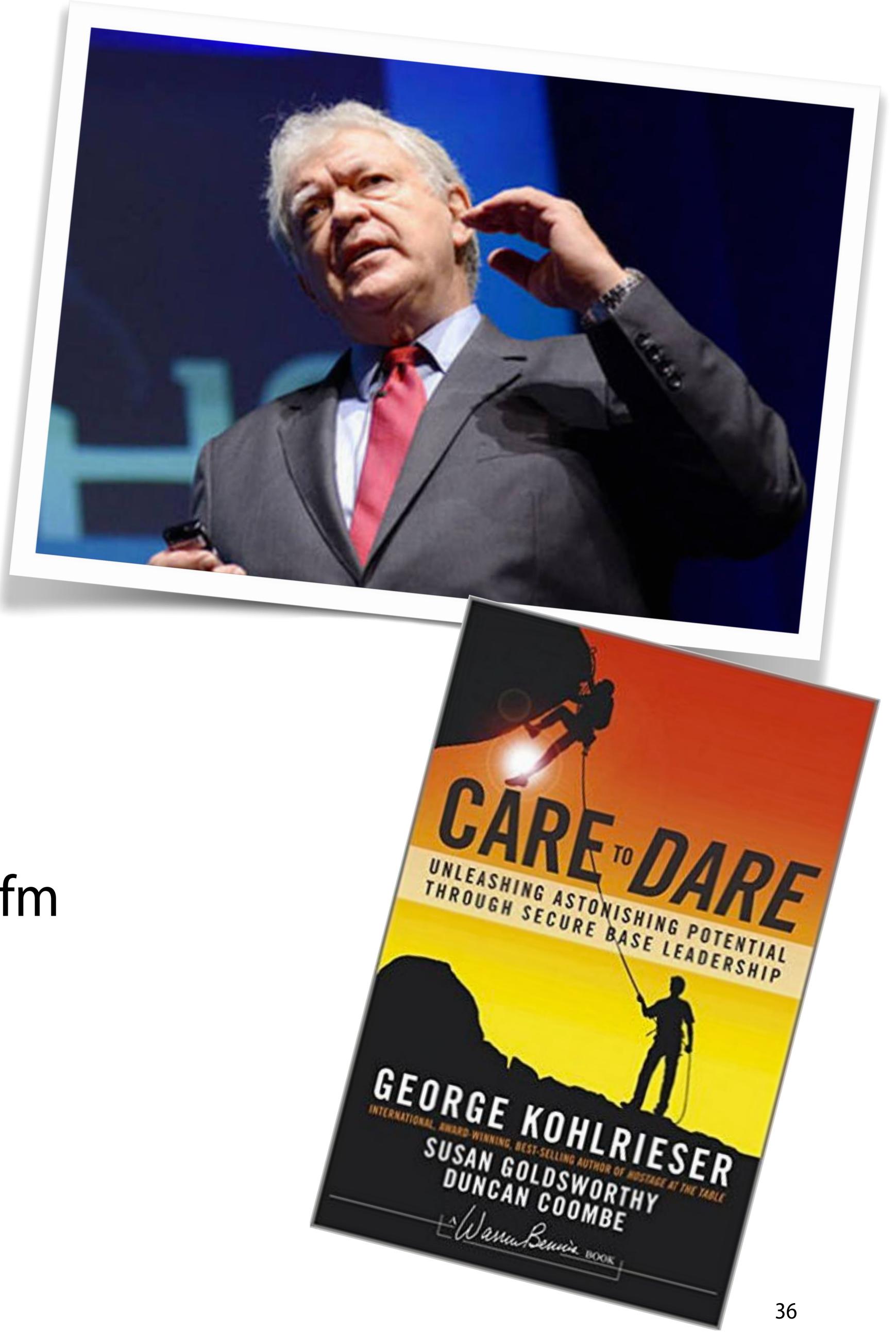
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- Two fundamental Secure Bases

 - Achievement, empowerment
- Leaders demonstrate Fearlessness

 - E.g. http://www.imd.org/news/TEDx-talk-George-Kohlrieser.cfm





Connect conflicting realities letting curiosity overcome fear

Understand the system • Coordination Chaos • Tayloristic leadership • Feature Teams • Factory floor reality...

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Fearless Leaders

Intervene

Learning

How much time, cash and owners' trust do we have?

Build feedback mechanism from Work, Customer and System

Create safety by demonstrating Secure Base

Narrow learning Manage problems Batch Fragmented Queue organization

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Everyday experience

"Pressure. Must. Should." "No time for real change." "Power and wisdom are always elsewhere."

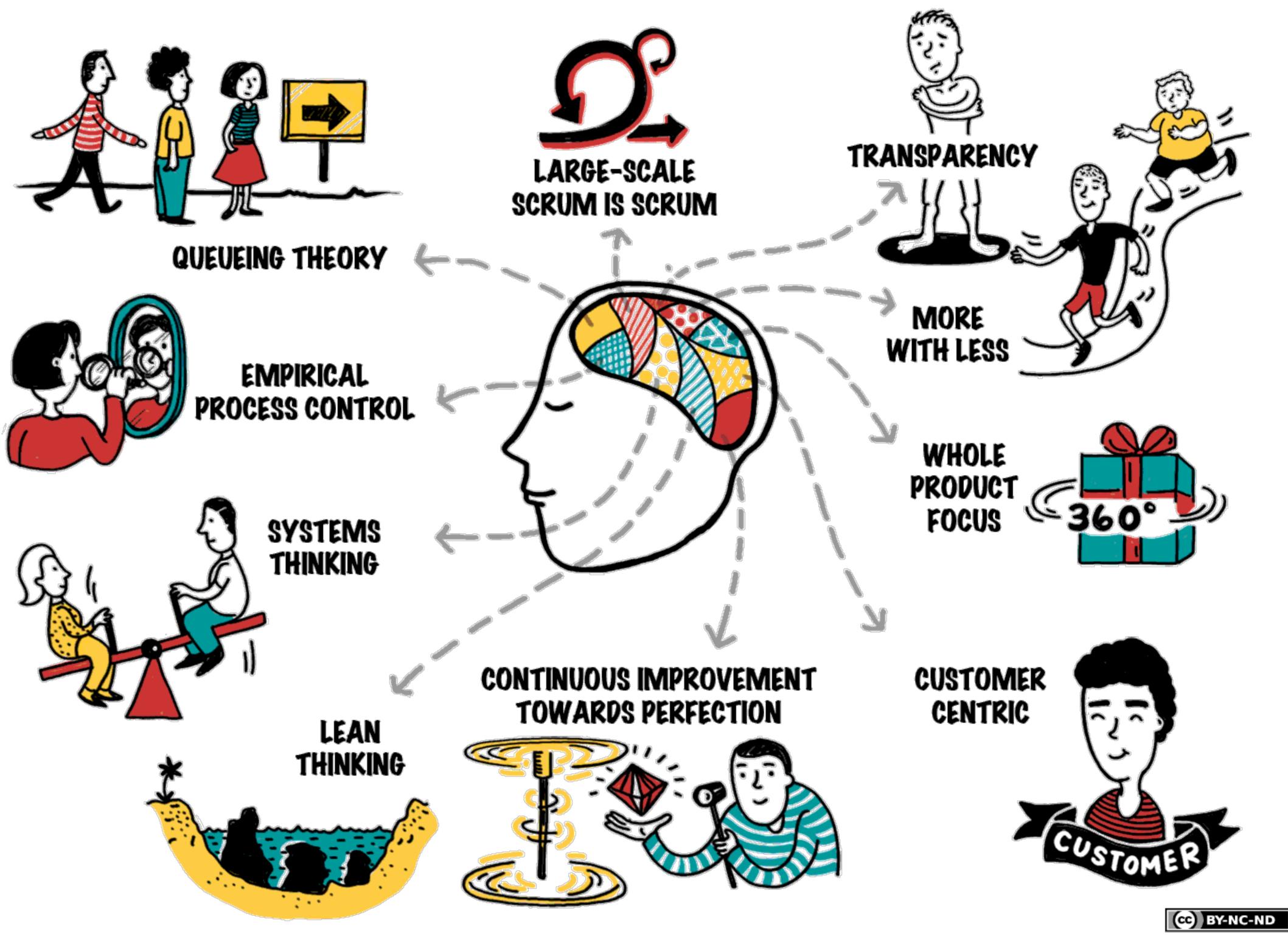
Fearless Batch Queue

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Adoption path 1. Change thinking Deliberate learning

Leadership

Fragmented organization

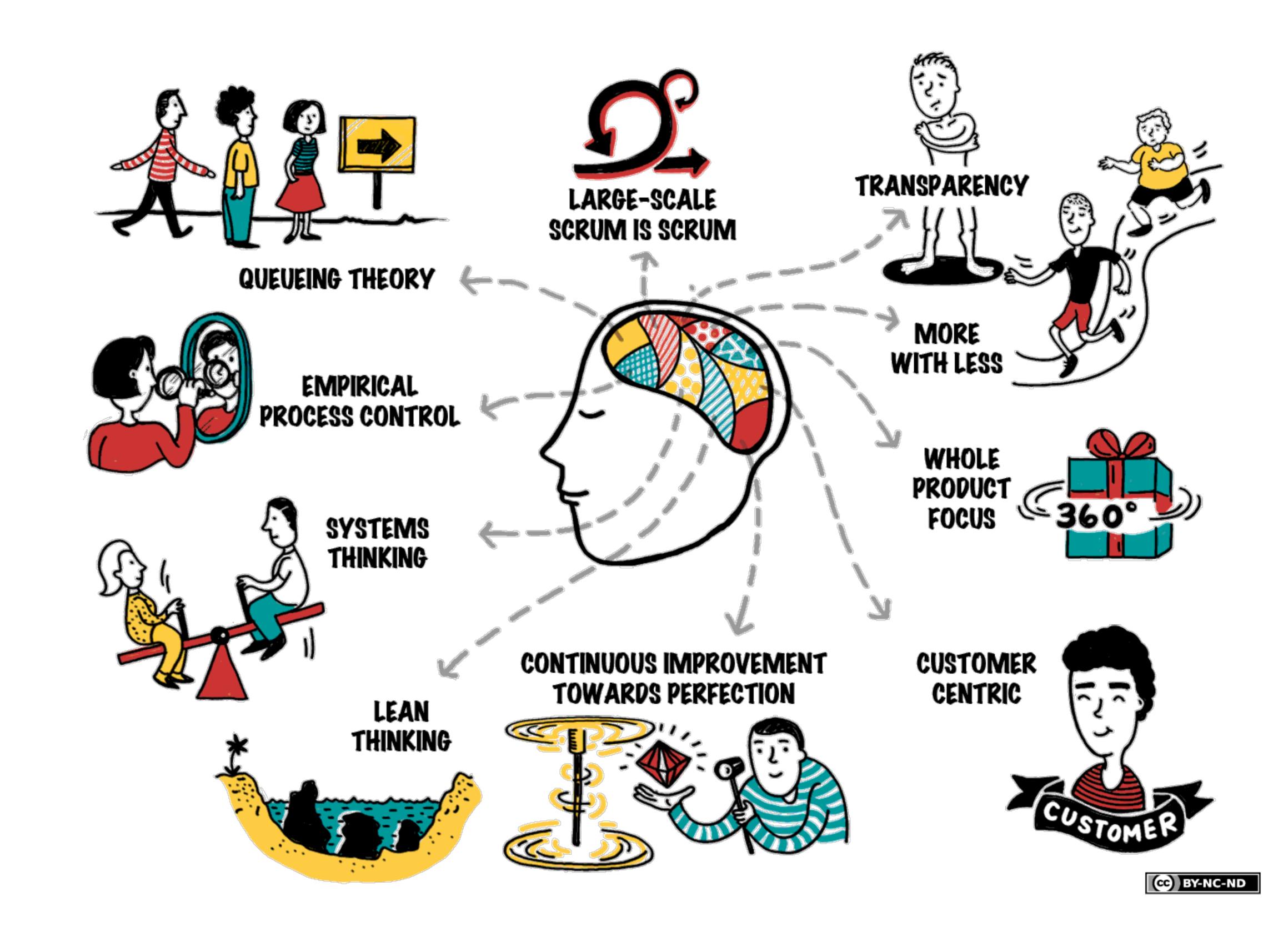


Deliberate learning Fearless Leadership Batch Integrated Queue organization

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Adoption path

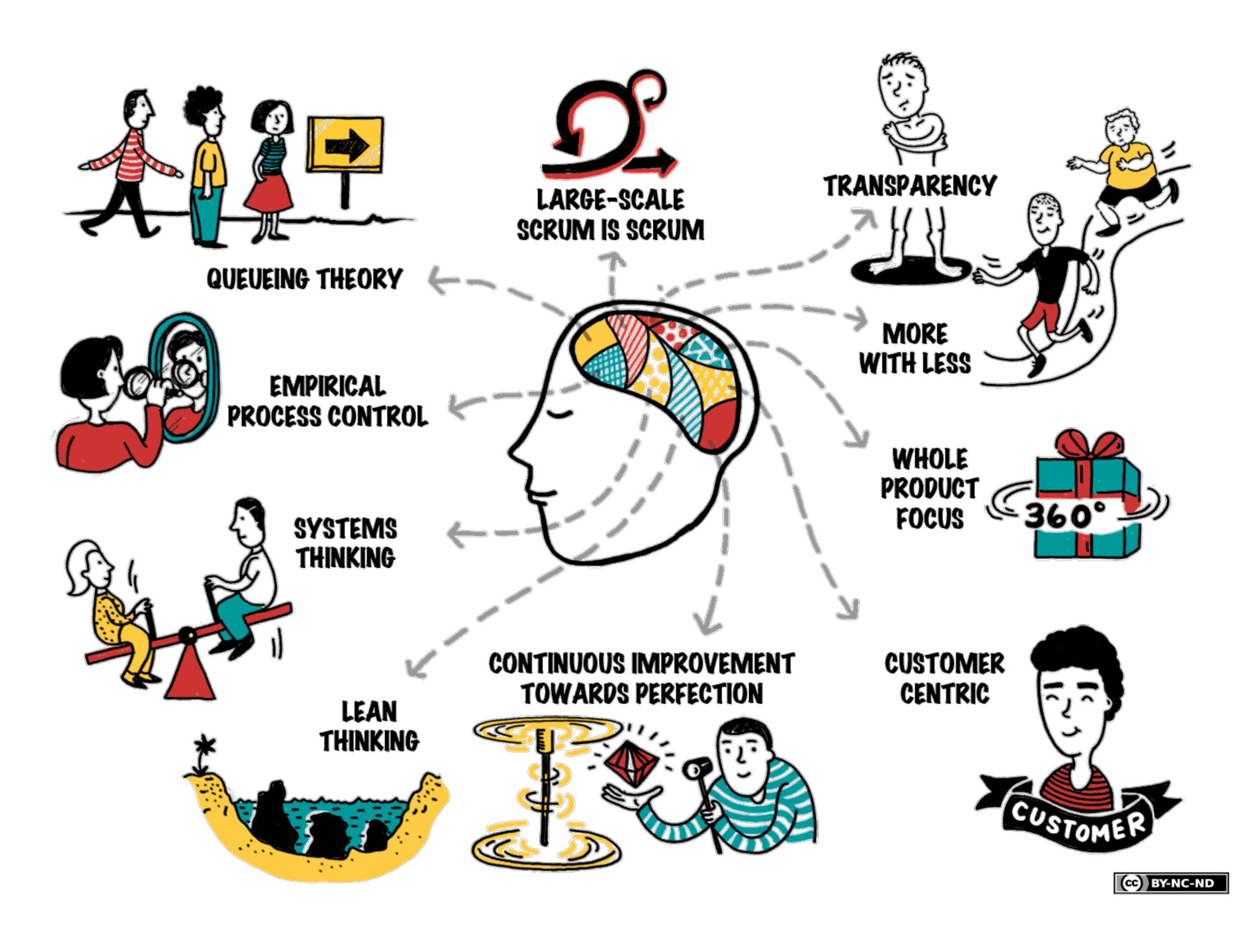
2. Organize for customer-centric learning



Deliberate learning Fearless _eadership Flow of work Integrated and feedback organization 3. Start working

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Adoption path



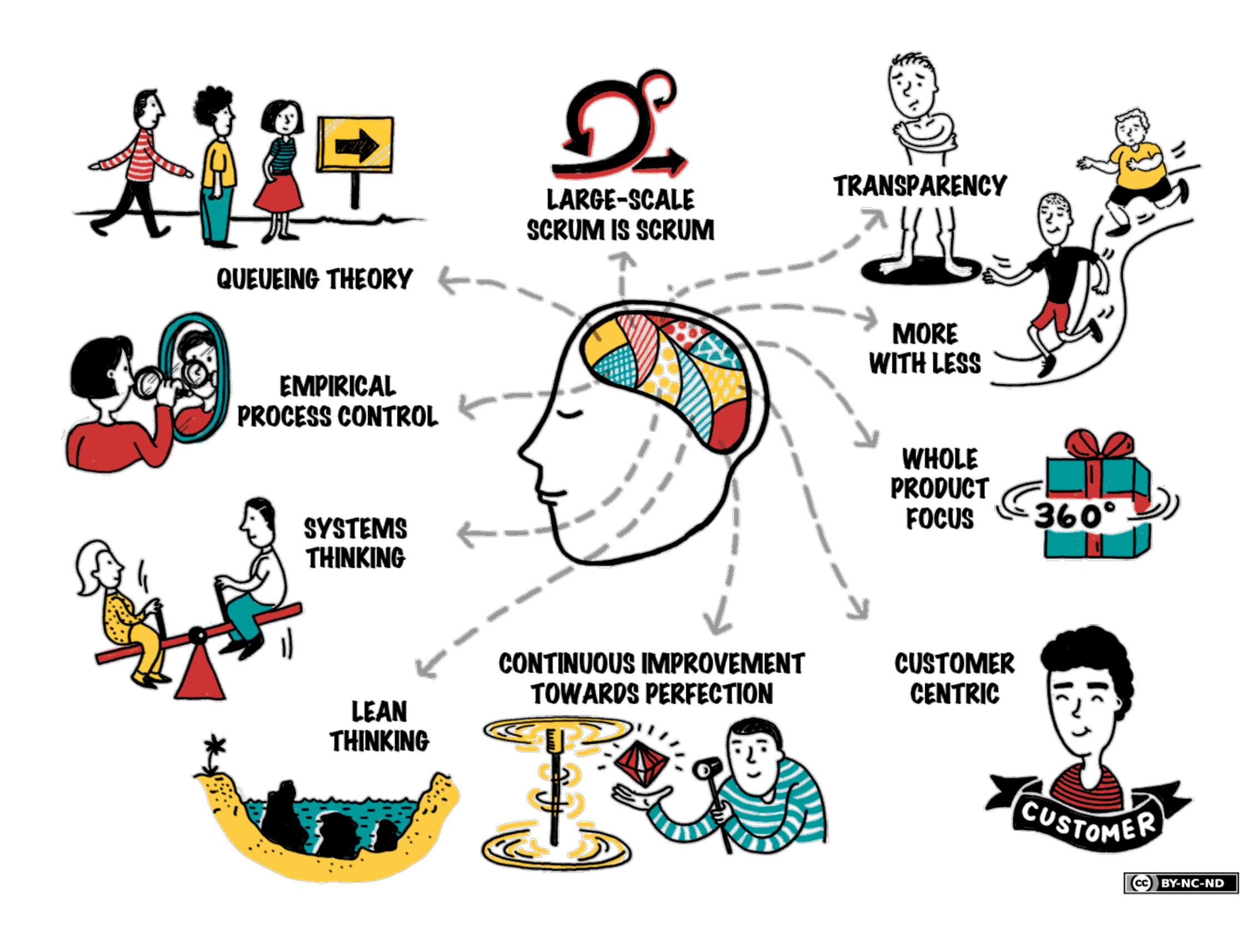
4. Learn forever

Flow of work and feedback

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Adoption path

Deliberate learning Fearless Leadership Integrated organization

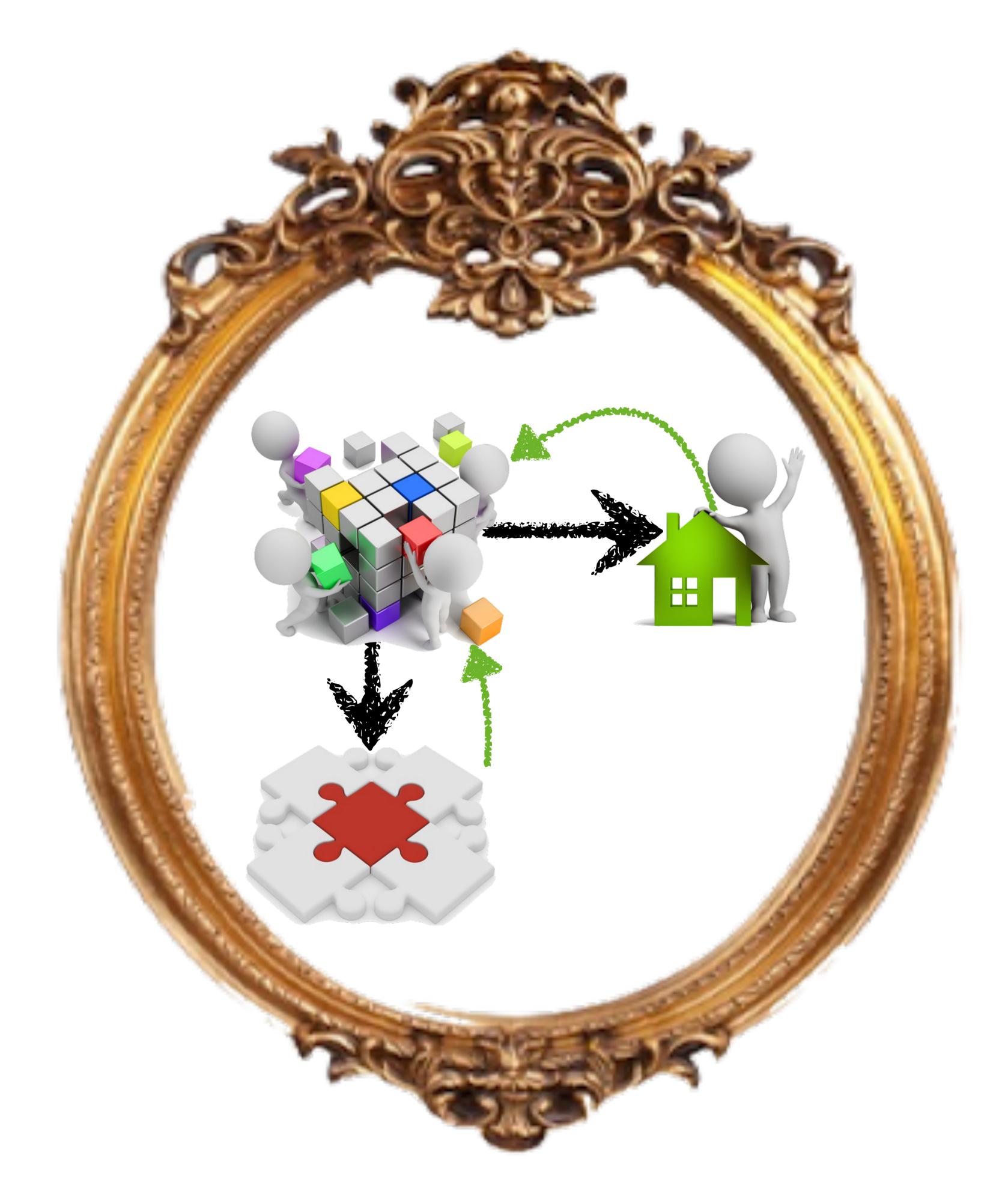


(1) Ba - Adoption community (2) Improvement service (3) Competence mountain of Agile Coaching & (4) Deliberate learning by a learning program

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Deliberate Learning: Four patterns of Learning Organization

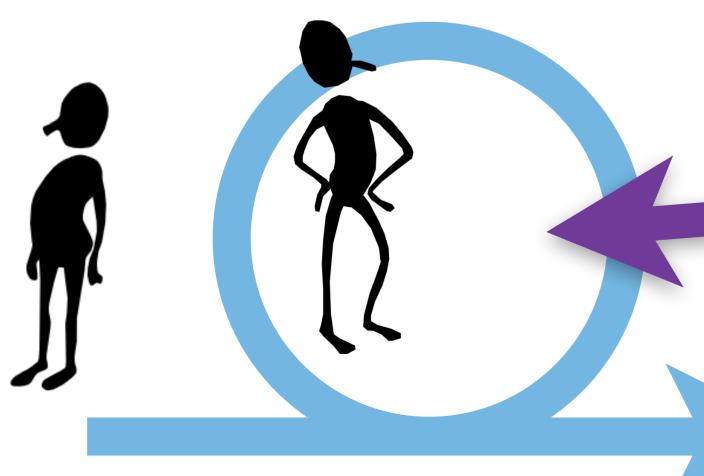
- Leading People in Change



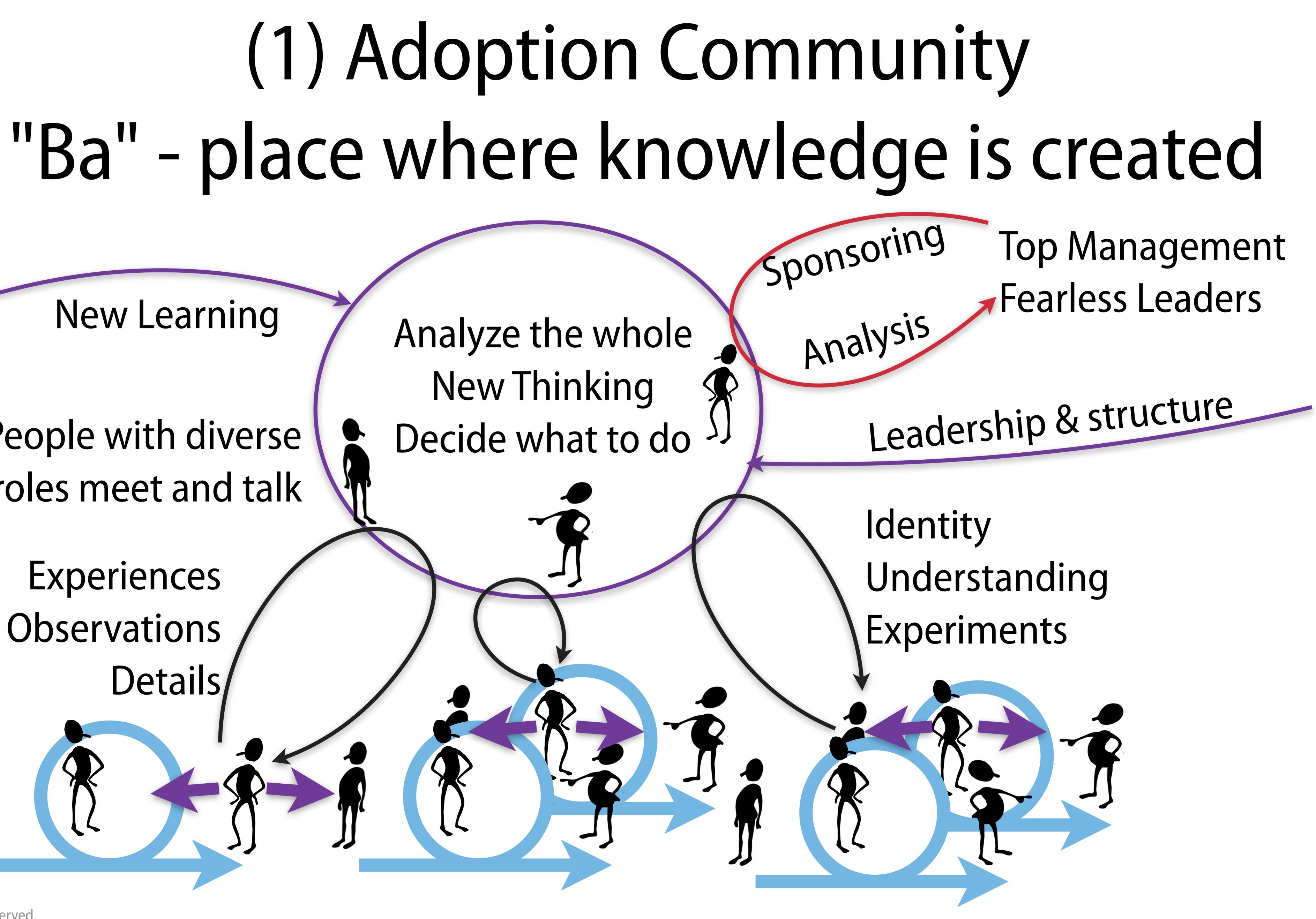
(1) Adoption Community

New Learning Analyze the whole New Thinking Decide what to do ^y Details/ ~

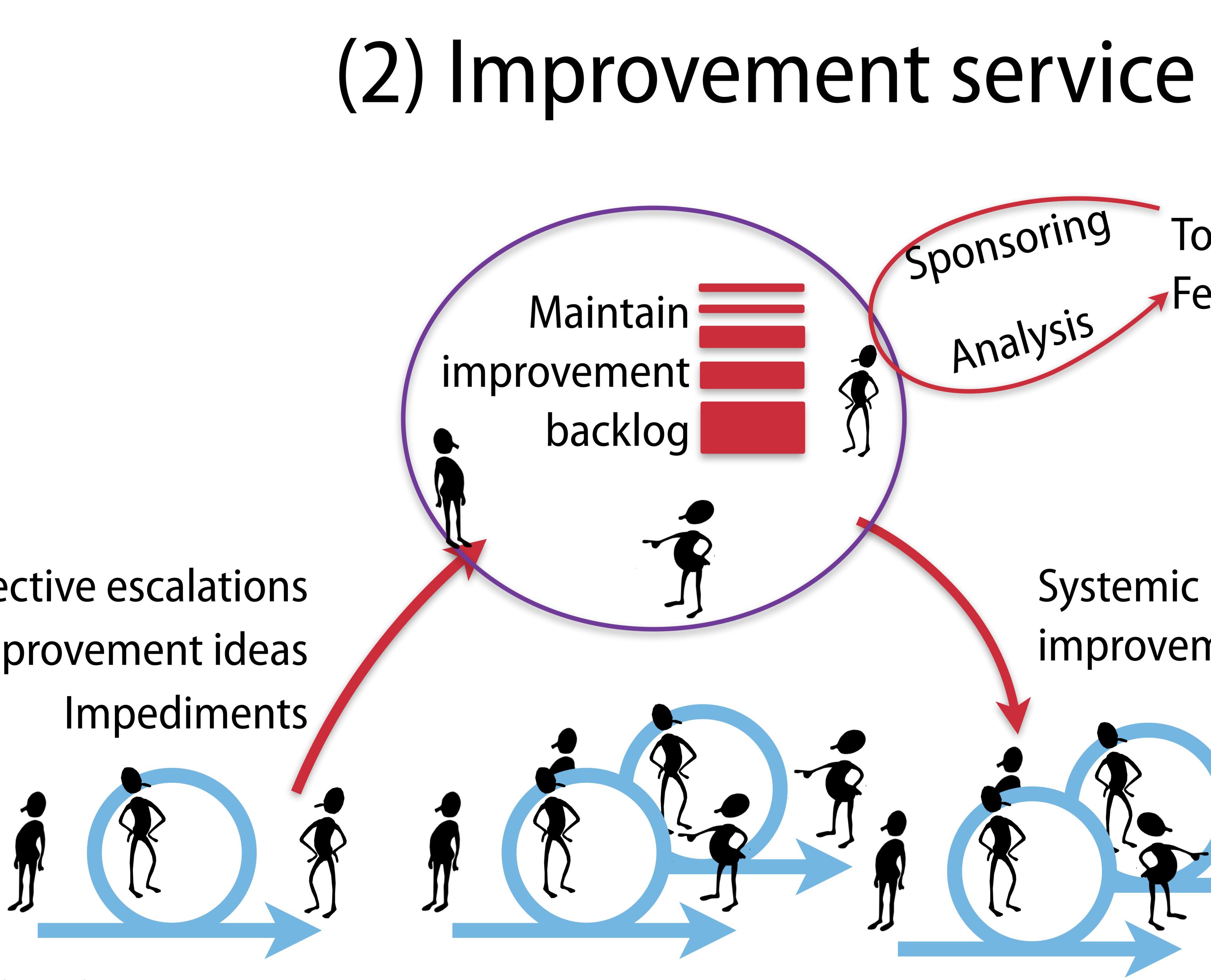
People with diverse roles meet and talk Experiences Observations



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Retrospective escalations Improvement ideas



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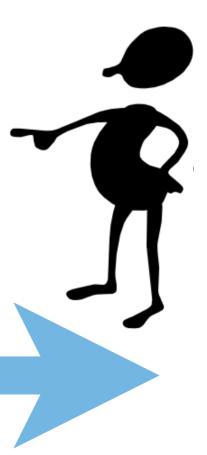
Sponsoring

"

Analysis

Systemic improvements

Top Management Fearless Leaders

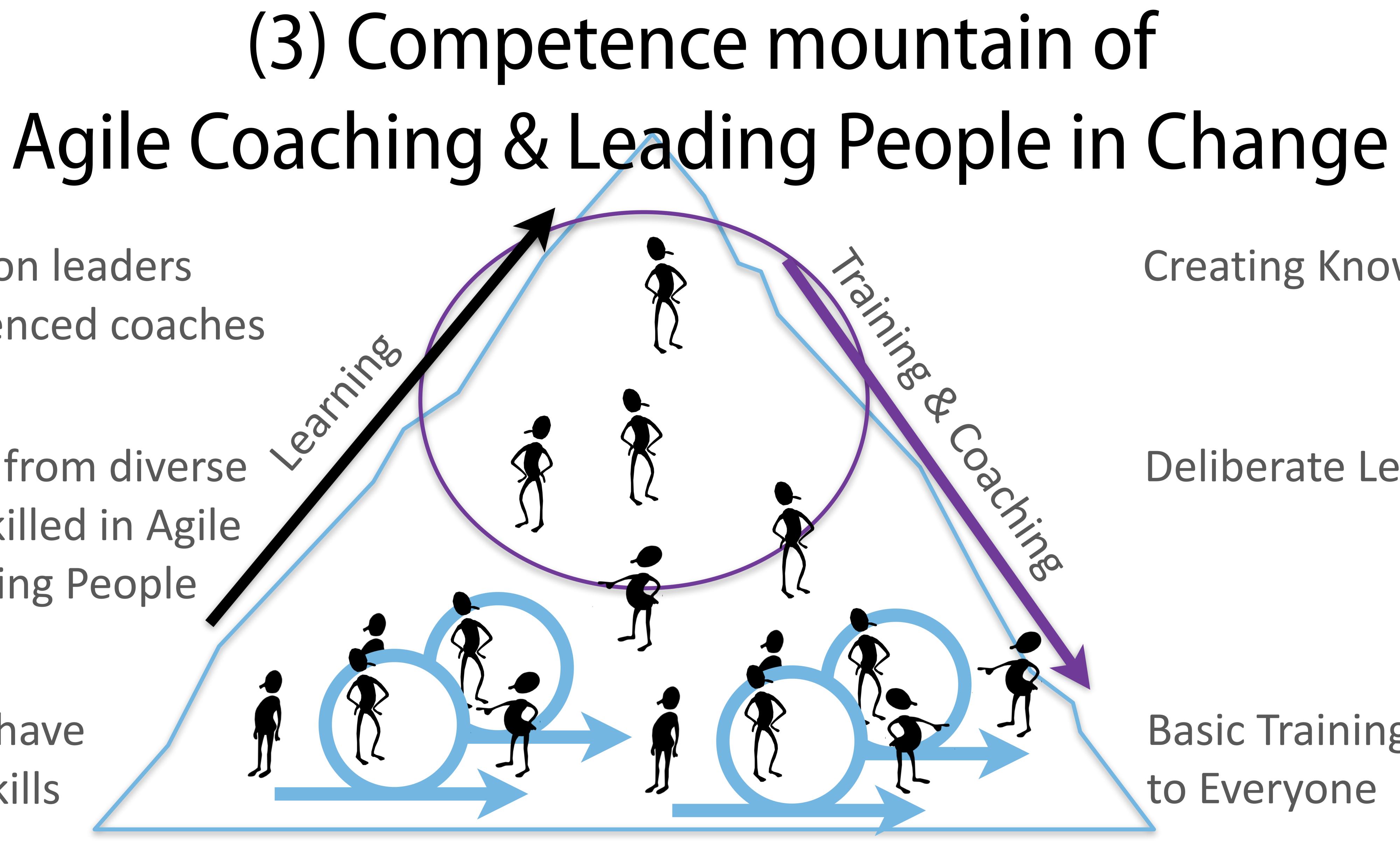


Adoption leaders Experienced coaches

People from diverse roles skilled in Agile & Leading People

Teams have basic skills

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Creating Knowledge

Deliberate Learning

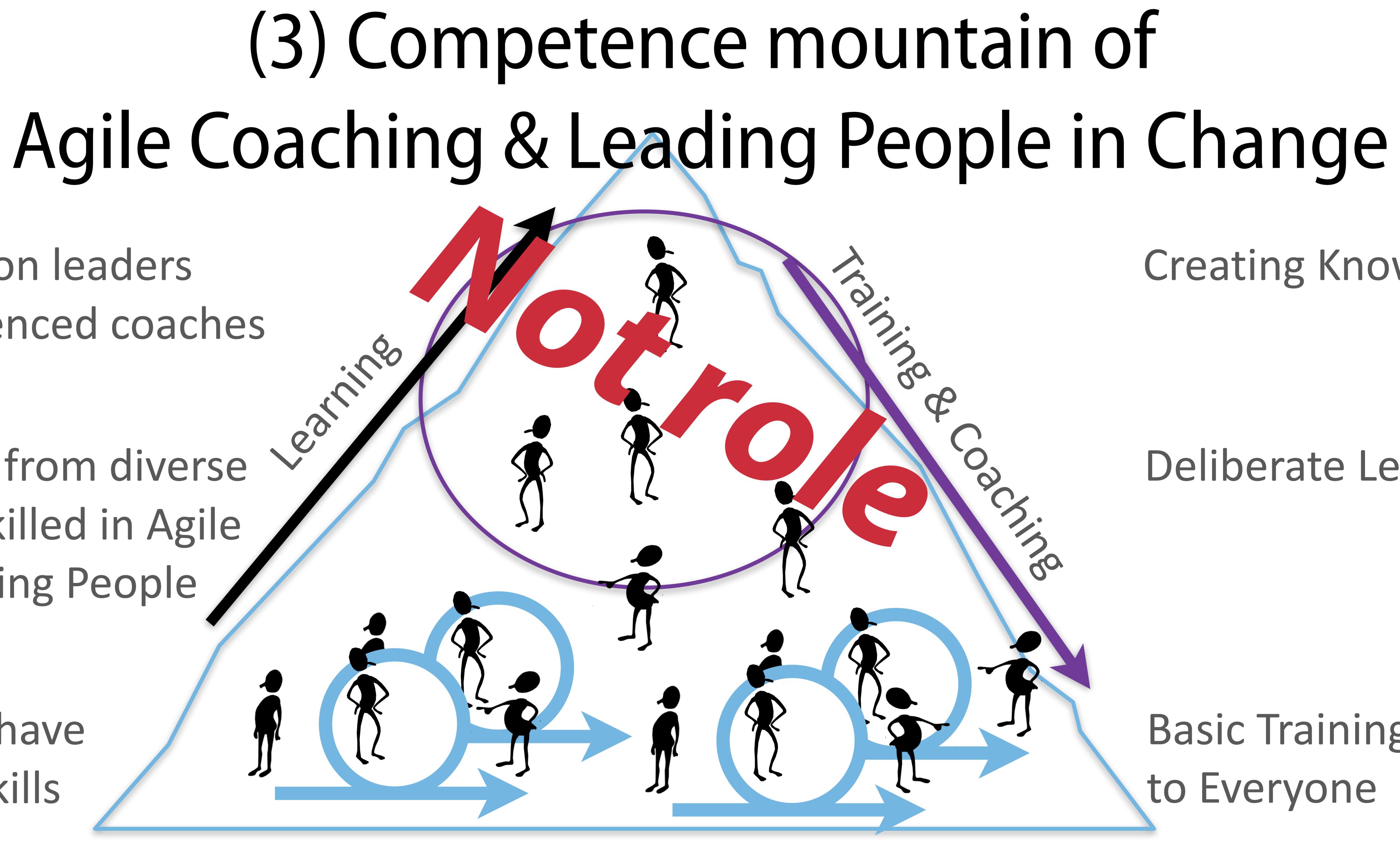
Basic Training to Everyone

Adoption leaders Experienced coaches

People from diverse roles skilled in Agile & Leading People

Teams have basic skills

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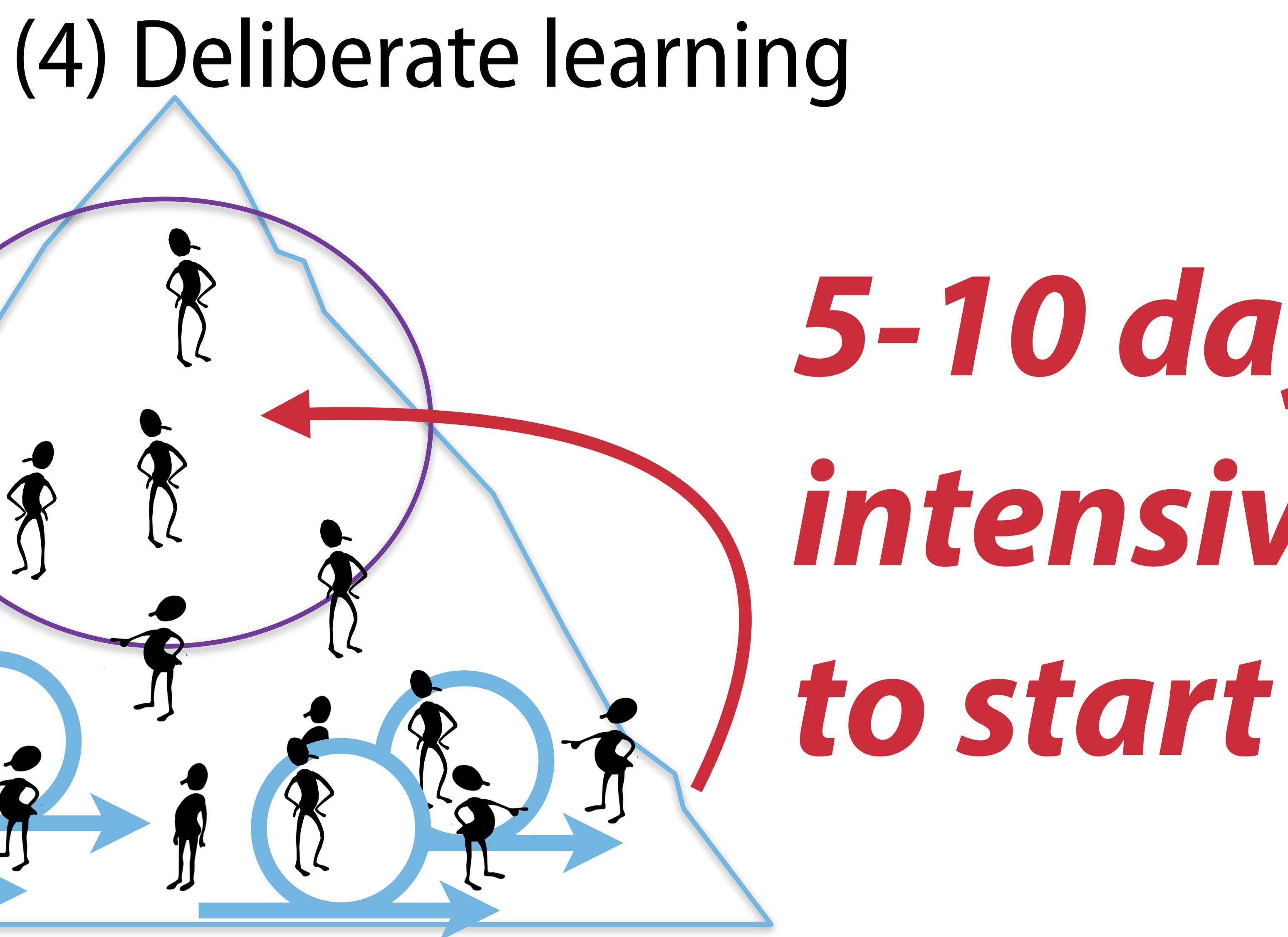
Creating Knowledge

Deliberate Learning

Basic Training to Everyone



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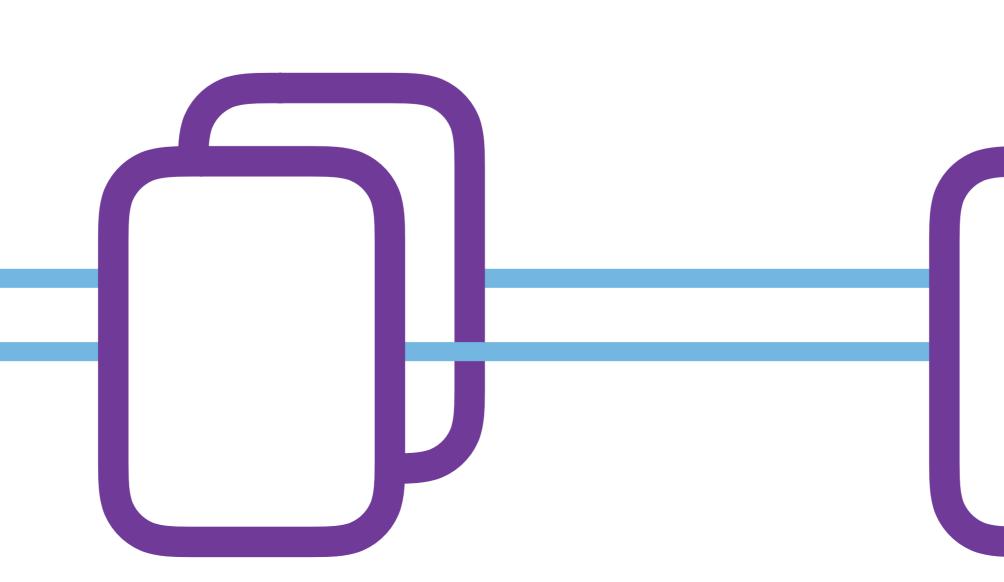
5-10 days Intensive

Training Learning program 10% of people Initiation to Coaching and

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(4) Deliberate learning

- 5-10 days off-site in 6-15 weeks
- Diverse voluntary participants continue in their basic work role
 - Knowledge Creation at Ba

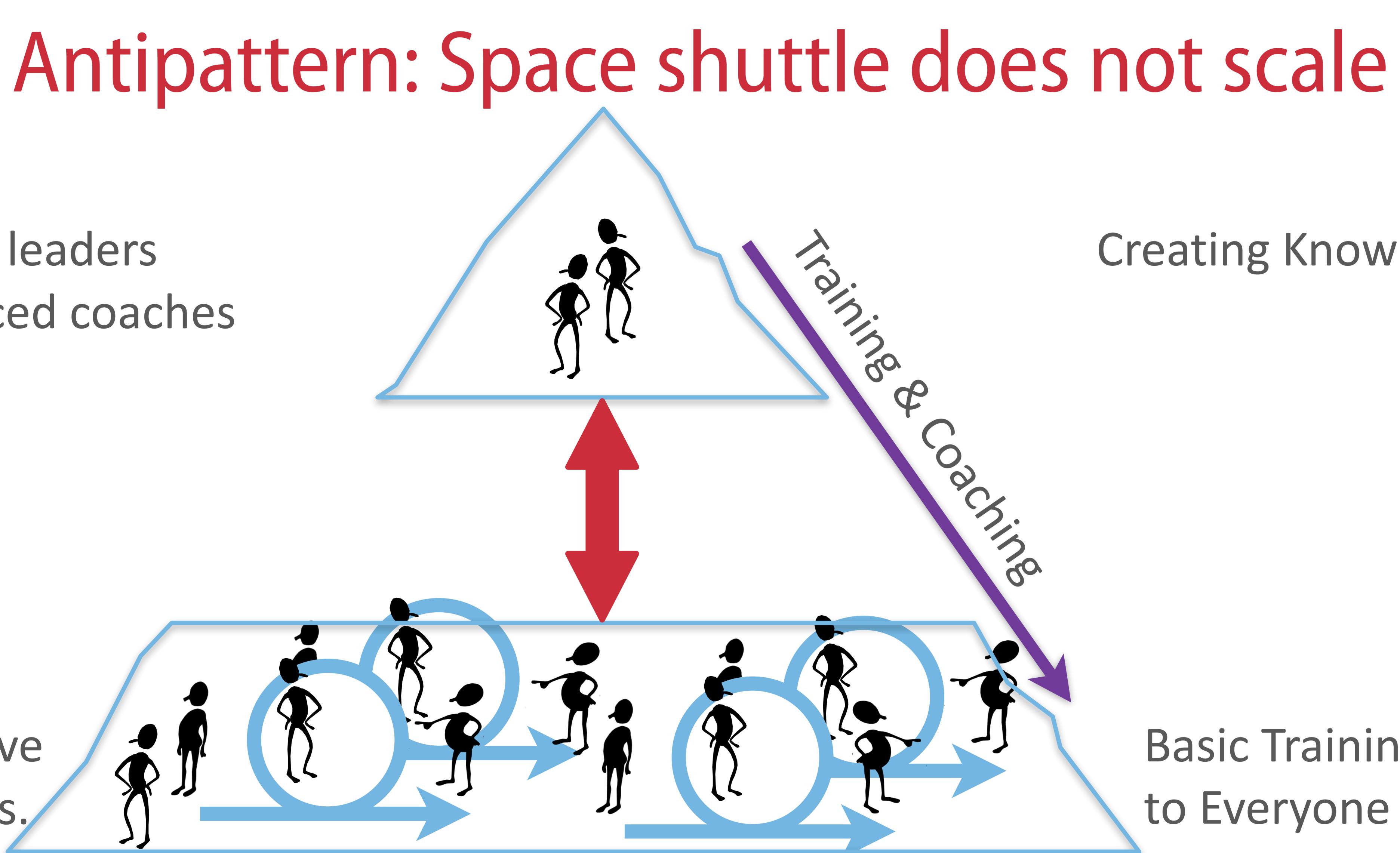


Content • Understanding Lean and Agile in own context Leading people in change Learning by reflecting self, the training group and the organization

Adoption leaders Experienced coaches

Teams have basic skills.

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Creating Knowledge

Basic Training to Everyone

Connect conflicting realities letting curiosity overcome fear

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Fearless Leaders

Intervene

Drive change skilfully

Learning

How much time, cash and owners' trust do we have?

Build feedback mechanism from Work, Customer and System

Create safety by demonstrating Secure Base