

# Why Agile organizations need Agile Change Management

A guide to aligning your change management approach in an agile environment



Change first

# First - some context on why we created this ebook

One topic more than any other seems to be surfacing in conversations with clients recently – the **increasing importance of agile** and what the **implications are for Change Management**.

While agile has always been on our radar, and we have published a variety of articles on the subject in the past, the recent upsurge in interest has caused us to take a more granular look at the topic including considering;

- **What exactly is Agile?**
- What is **driving the need** for it?
- What **benefits can we expect** if we engage with it effectively?

And, if successful engagement needs people to be onboard, then:

- **what does it mean for people on the ground?**
- and **how change management practices respond to agile?**

This ebook is a bi-product of our research, observations and work with organizations towards a deeper, but practical understanding of what Agile Change Management looks like.

We hope you find it helpful.



Audra Proctor  
CEO, Changefirst





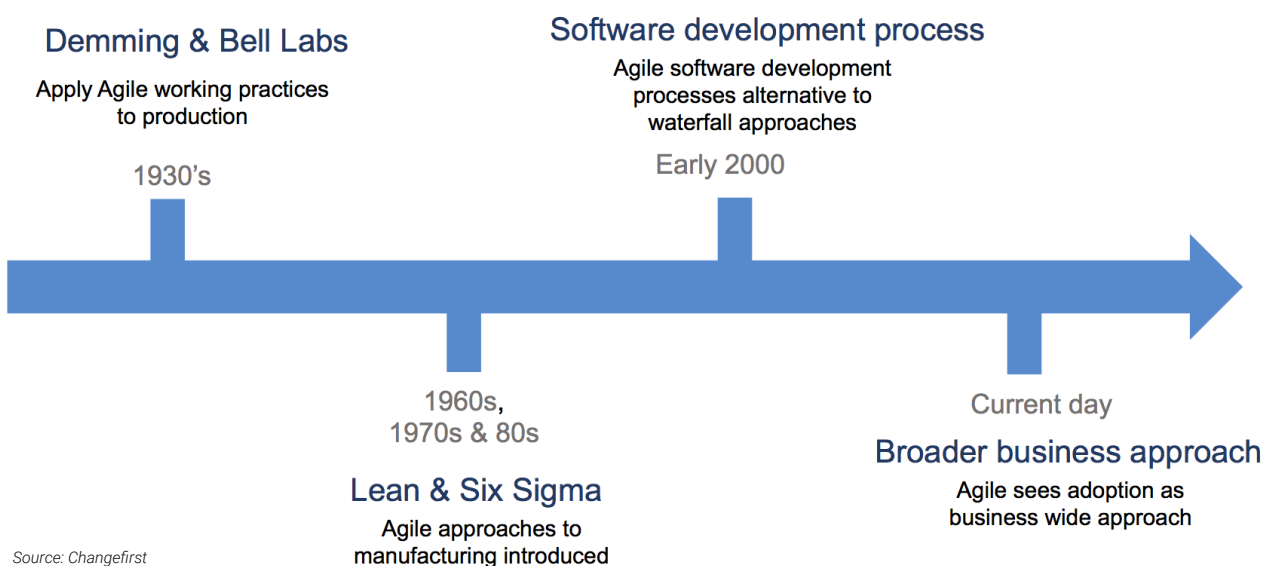
# Agile beginnings and what they mean for Change Management

## So where to start?

It seems that a good place would be to lay out what we believe to be the genesis of Agile as a concept and then consider the challenges it generates for change management.

Depending on your perspective, you can go back and trace the origins of Agile in the product and process improvement work of Bell Labs and Deming in the 1930's; through Kaizen and Lean manufacturing techniques of the 60's and 70's right up to the present day as shown below.

## A brief history Agile



But for the purposes of our analysis, the development of Agile methodology in software development in the late 1990's and onwards is key to understanding the unprecedented impact that Agile is having on organizations – and the people responsible for planning and delivering organizational change – today.

The Agile approach to software development was a direct response to the pain of complex, cumbersome and slow traditional or "Waterfall" approaches to delivering software and IT projects. In stark contrast, Agile is considered flexible, iterative and faster – allowing for rapid deployment sprints that can get software in the hands of end users at break-neck speed.

Fast forward to today – and the unprecedented success of Agile in software environments has led to its principles spreading like wildfire through teams and across functions in organizations. As well as making it one of the hottest topics in boardrooms across the globe.

Consider some of the following stats:

- **94% of organizations surveyed by Deloitte** see “**agility and collaboration**” as **critical** to their organizational success (although only 6% see themselves as “highly agile today”)
- **McKinsey also found** that while **less than 10% of organizations have completed an agility transformation**, a whopping **75% see organizational agility as a top three priority for them**

**The result?** A combination of this drive from the top and other business pressures is demanding that organizations take an Agile approach to planning, delivery and continual adaptation of their business models. And if core business processes are adopting this type of change approach, then how can Change Management practices best mirror and support this need for iteration, speed and flexibility?

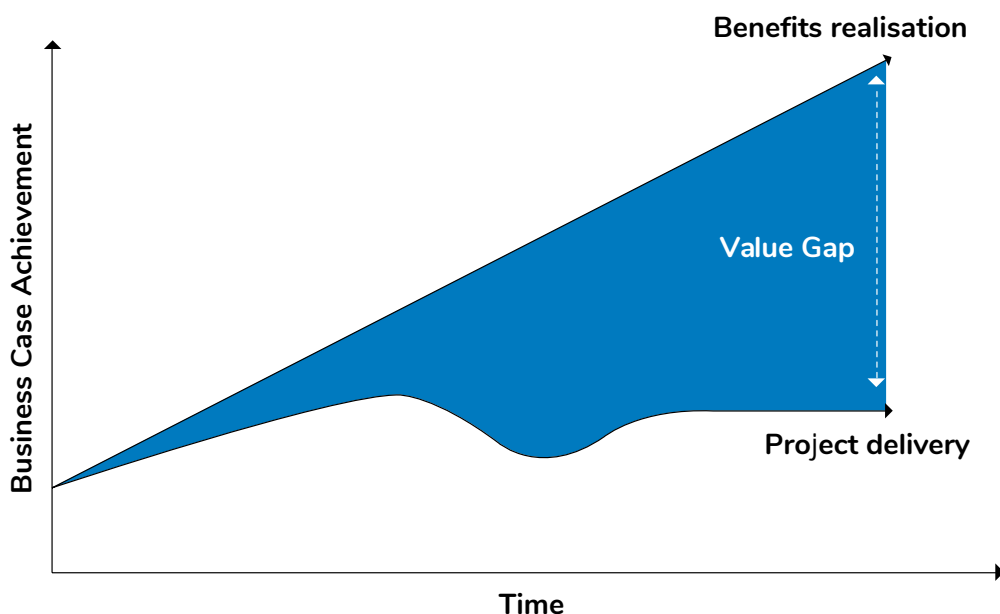
We believe that a [completely new and revolutionary approach to change implementation](#) is needed for Change Management to keep up with Agile.

## What Agile means for Change Management

Change Management has always been an enabling capability - allowing organizations to engage their people sufficiently to successfully transform and extract investment value.

Specifically, it is about closing the Change Value gap that often appears between: successfully delivering the hard stuff – new software/process/structure ready for people to start using; and actual benefits realisation against the goals set out in the business case which requires people to;

- engage and start using new solutions
- feel committed to sustaining its benefits.



Amidst all the discussions, none of this seems to have changed in an Agile context. If anything, with the huge disruption of more change, faster change and more iterations, people engagement seems more important than ever. In fact, **2/3rd of companies in a [recent survey by McKinsey](#) rated implementation a higher priority than 3 years ago.**

## So, what is different in the world of Change Management?

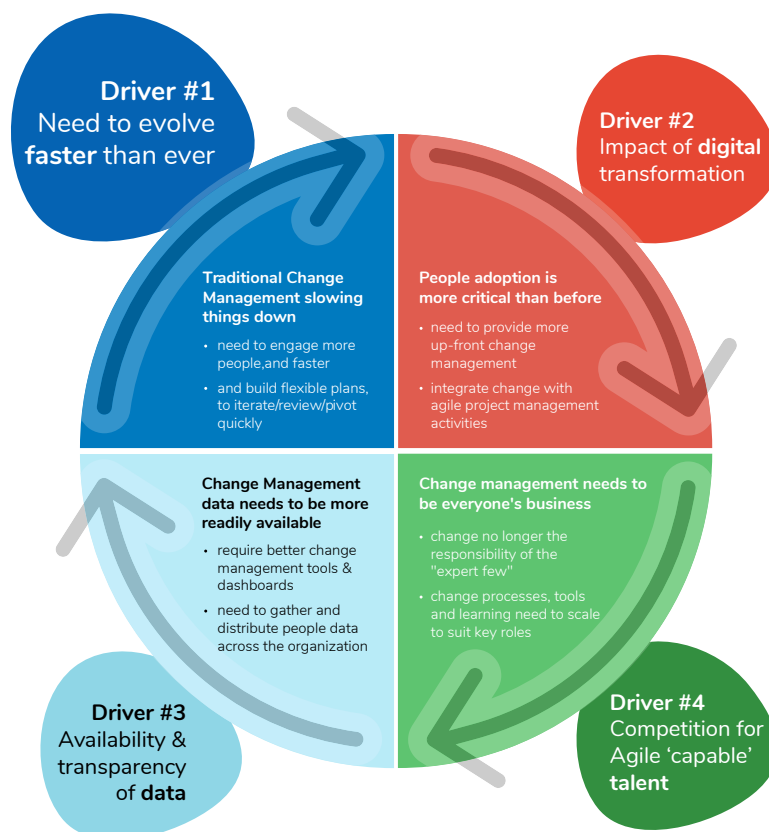
We're hearing that more "traditional" change management approaches are being called into question and are considered to be slowing down Agile efforts. At the extreme we're hearing that change management is dead because these traditional approaches are:

- no longer **fit for purpose**
- **too centralist**, with change expertise held at the center – most likely focused within HR and POD functions
- resource heavy models that **rely largely on a small group of change experts** who need to be supplemented by external consultancy support as and when required

However, we believe strongly that new operating models like Agile provide an opportunity for a different change management approach. One that can respond to the challenge and be even more relevant going forward.

## How to match your Change Management approach to Agile – 4 key considerations

For us, the necessary adjustment in your Change Management approach has its roots in Agile itself. Below are 4 key considerations for Change Management to be able to match – and deliver against – the central drivers of Agile.



## All of this is driving a revolution in the way change is planned and delivered

Our experience is that clients are increasingly time-poor, cost constrained and looking for a more rapid and flexible way to plan, implement and track Agile change in their organization.

New approaches to change management need to:

- **mirror the Agile approach** being taken by the rest of the organization
- **get started quickly, collaboratively** and (often) virtually on change projects
- **scale easily** across teams, functions and geographies
- increase transparency and reporting with the **just-in-time analytics** you need to analyse, track, review and pivot when needed

**And the benefits are considerable** – we have summarized just some of these in our diagram below.

## Benefits of an Agile change management approach



And your approach needs to be accessible to people across your entire organization so that Enterprise Change Management (ECM) capabilities are being developed to support Enterprise Level Agility.

We take a closer look at what this Enterprise level approach means in the next section, and how we are leveraging [the power of digital](#) to be successful in an Enterprise Change Management context.



“ It’s clear to us  
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Management -  
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-Audra Proctor, CEO. Changefirst.

# Enterprise Change Management: the key building block of Enterprise Agility

In this section we take a strategic look at Enterprise Level Change Management capabilities needed to enable and [support the development of Enterprise Level Agility](#).

## Enterprise Agility is the new holy grail

Based on our own research it clear that a significant number of organizations are focused on developing ECM across their businesses. In a period where the level of technological, competitive and external disruption is at an unprecedented high this is a truly major undertaking for any organization, but the benefits of success are substantial – and may even shape the success or failure of many businesses in the medium term.

## So why the focus on Agility at an Enterprise level?

Put quite simply as demands from customers and competitive pressures increase, Agile enterprises are able to be far more nimble than their counterparts. Because they have the ability to innovate quicker, be more productive and keep costs down. **As McKinsey have suggested** – transforming your ways of working to be more Agile **could be the last reorganization you need for a very long time** in your organization.

## Defining a role for ECM

So how do you get Enterprise Agility right? And what is the role for ECM in supporting this ground-shift in approach?

We believe there are 6 key considerations here as follows:

### 1. Putting in place the “hard stuff” is not enough

Our work with clients tells us that it's not enough for executives to set out big digital technology/transformation goals, and to only make sure the “hard stuff” around business transformation (i.e. technology purchase, processes redesign and project portfolio) is in place to facilitate Agility.

The solutions that come together to create Enterprise Agility still need to be implemented to extract their value. And at the heart of this implementation lies people. The iterative, pacey nature of Agile solution development requires more (not less) implementation focus.

### 2. Enterprise Agility is everyone's business

The work of implementing Enterprise Agility is broader than the solutions and plans of the technology and project teams. This level of Agility is everyone's business, requiring C-suite level focus on developing enterprise-wide capabilities to tackle this challenge.



### 3. The evolving role of HR in change

With the trend towards an Enterprise Agility approach the [role of HR is changing too](#). Typically, the custodian of Change Management capability – and operating a model where expertise, resources and planning is held at that center of the organization – the drive to Enterprise Agility is challenging HR to create a supportive model that is based more around:

- **providing skills and resources** so people can help themselves, rather than doing it for them. Enabling people in the organization to act quickly, and ensuring processes and systems enable the HR team to also move faster. So that hiring, training, communications and performance can be done at a pace to match the new organizational model
- **removing location barriers.** Supporting collaboration by removing barriers across functions and geographies allowing the organization to solve a problem or approach a new opportunity collaboratively
- **using relevant, comparable people** data for greater transparency, open discussions intelligent risk taking and data-drive decision making
- **coaching leaders to build a cascade of accountability** through the middle and front-line management spine. Enterprise Agility requires that all areas of leadership are in sync and enabling empowerment from the center to local leaders allowing the organization to act rapidly in a time of unprecedented change

### 4. Some of the biggest challenges are the cultural ones

Organizational culture continues to eat the value of business transformation for lunch. Considering some of the factors critical to mitigating culture risks, we feel confident in declaring that agile projects require an [agile culture](#) to succeed.

[Diginomica echo this succinctly](#) when they talk about **five digital culture characteristics that every business needs** to drive Agility through digital transformation – e.g. capabilities which are collaborative and non-siloed, agile and responsive, open and transparent, risk-taking and innovative.

All of this requires people to alter the way they behave to adopt new working practices - and the role modelling for this starts at the top. With a consistent cascade through middle and front-line managers.

### 5. Comprehensive Change Management skills and capabilities are key success factors

Agile transformations are more likely to succeed [with comprehensive change management skills](#) and capabilities available in all places where an Agile-friendly mindset needs to be developed.

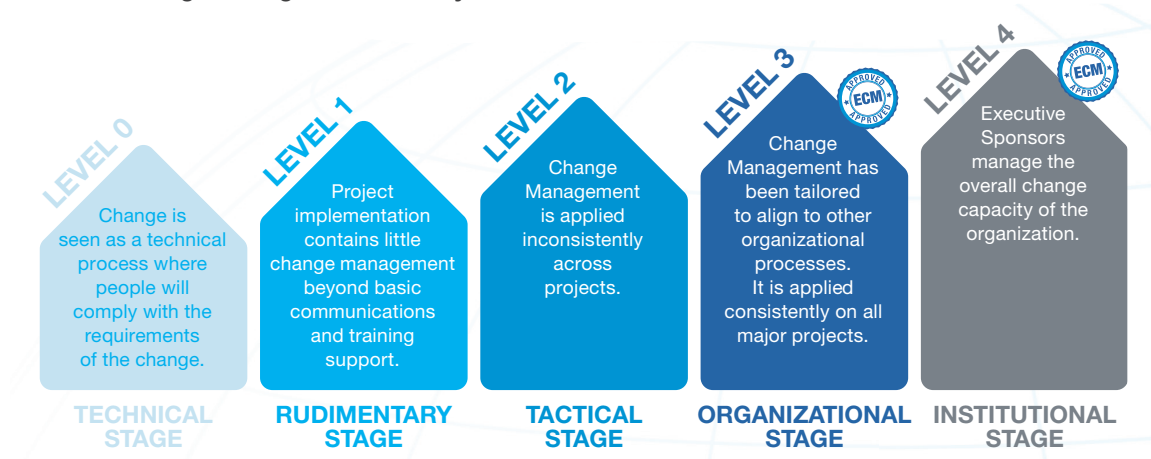
To effectively build enterprise wide change capabilities:

- **Key skills and tools** need to be more **widely available**
- **Learning and support** needs to be **easy to scale** to suit the needs of people with different roles in the change process
- **Accessibility needs to be just-in-time / on-demand** so that people can respond quickly and play their part in delivering the changes needed in their business units

Capability building needs to be repeatable if you are going to be able respond to the different and emerging changes needed to create Enterprise Agility.

Managed, pragmatic capability building around levels of maturity is key to success. It's about quickly understanding an organization's starting point and having a plan to deliver the up-skilling and supporting infrastructure needed to get to a change management maturity level that is sustainable. All of this depends entirely on their current level of maturity as shown in the following diagram.

### Levels of Change Management Maturity



#### 6. The build or buy decision for organizations

For organizations looking to put in place Enterprise Level Change Management capabilities to support all of this, there is a build or buy consideration at play. The simple question is, “Do you have the time or resources to build all (or even part of) requirements outlined in points 1-5?”

At Changefirst we have created a [real buy option in our digital change management platform](#) that is; **content-rich, based in decades of research**, is highly applicable, scalable, configurable and leverages digital technology to make it highly cost effective.



# Assessing what type of agile you are trying to support

In this final section we want to get a little bit more prescriptive – and provide some practical advice on how your Agile Change Management activities can map to agile on a regular basis.

A good starting point is to first consider the two levels of agile that are being considered in organizations right now, namely:

- **An organisation's agile ambitions** – often labelled small “a”, but strikes us as the really big stuff
- **Delivering Agile projects and processes** – often labelled big “A”

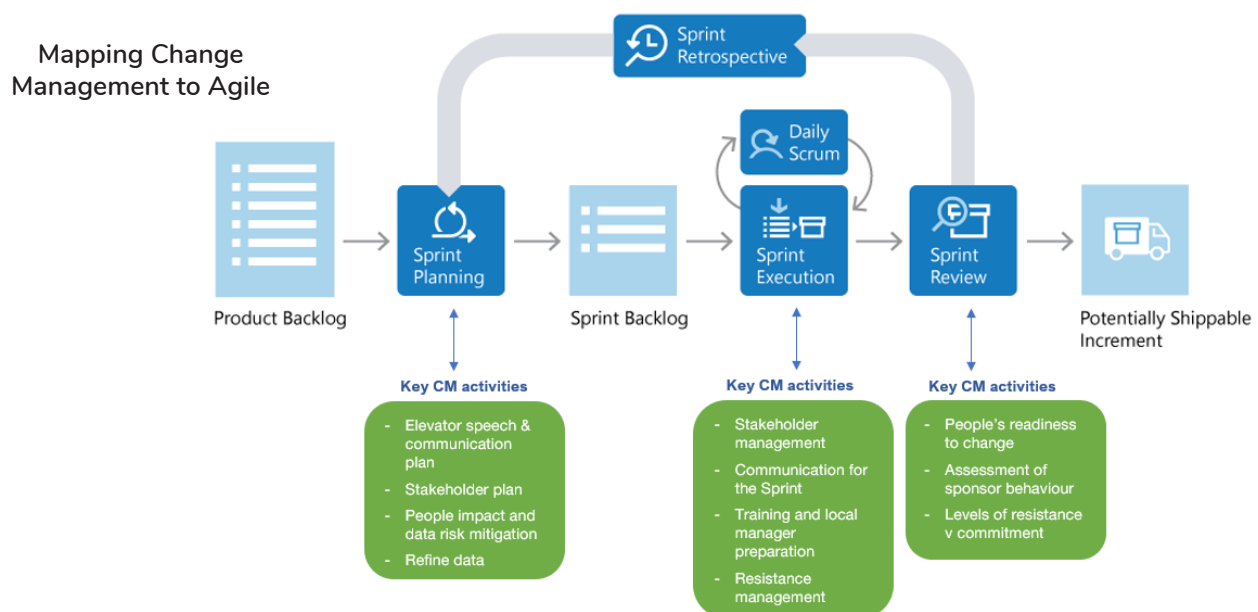
## Delivering agile ambitions needs an agile culture and agile (enterprise-wide) change capabilities

This first level of agile is strategic and all-encompassing. There is nothing small “a” about it, as it is concerned with the direction and velocity of the organization as a whole. Making the entire entity more Agile in an overall approach that **demand a model of Enterprise Change Management capability** – as covered in a previous section of this ebook - that is responsive and relevant to the needs of a fast-paced organizational agenda.

Delivering Agile projects – labelled big “A” – [needs Change management aligned with the agile development processes](#).

Agile projects still need to be implemented if you are to extract business value. Successful implementation requires people to be engaged and committed to new processes and ways of working, and the iterative nature of Agile projects requires more people engagement and faster turnarounds.

So, our change management framework needs to align more closely with this agile development process to keep up and enable, rather than hinder, success. The diagram below shows what this alignment might look like; using people data and interactive processes inputs to be ready to pivot as sprint reviews and retrospectives drive changes in project direction.





## Debunking Agile myths to ensure Change Management remains relevant

Amidst the need for speed, questions about the continued relevance of Change management seem to be fueled by the emergence of some myths about Agile that we feel are worth debunking, before we close.

| AGILE MYTHS  | WHAT WE SEE IN PRACTICE   |
|--|---|
| <p><b>Agile will tolerate less process</b></p> <ul style="list-style-type: none"> <li>Agile is about enabling quick innovation and elaborate / linear processes and disciplines slow Agile down</li> </ul>                     | <p><b>People engagement processes are even more important now than before</b></p> <ul style="list-style-type: none"> <li>Our clients are finding that Agile needs more Change Management, however, the way it is delivered is changing</li> <li>Change teams need skills, tools and know-how to engage more often and iteratively to ensure that change is not overloading the organization, and the MVPs have a valid basis for progressing</li> </ul>   |
| <p><b>Agile requires less architecture</b></p> <ul style="list-style-type: none"> <li>There is no time to wait for elaborate change plans which could be null and void by the time the first iteration is delivered</li> </ul> | <p><b>Agile requires dynamic change planning</b></p> <ul style="list-style-type: none"> <li>There is some validity in this myth, as we have observed the practice of “re-inventing the wheel” being the enemy of success for many organizations</li> <li>Change teams need to be equipped to design Change plans quickly and have easy access to data to refine and pivot as needed</li> </ul>  |
| <p><b>Agile is more about collaboration than cascading</b></p> <ul style="list-style-type: none"> <li>So that the top-down change management approach can quickly see decision-making and execution grind to a halt</li> </ul> | <p><b>Change management needs to facilitate more collaboration in an Agile environment</b></p> <ul style="list-style-type: none"> <li>Using the leadership cascade as the primary way to disseminate Change information has certainly created bottlenecks</li> <li>However, leaders continue to be critical facilitators of collaboration and their ability to: model that behaviour; bring people together from different functions and cultures together to work on problems; empower their teams to quickly form and disband as opportunities come and go; loosen control but not <u>lose</u> control are essential to success</li> <li>Change management has a crucial role to play in developing these capabilities</li> </ul> |

## Conclusion - Agile needs more Change Management not less

So where does all of this leave us in our analysis of an Agile Change Management approach?

What is clear is that the requirements and demands of both Organizational and Agile development processes means that organizations need more Change Management not less. And also that it needs to be a new brand of approach. One that is **more adaptive and flexible to suit the needs of the Agile approach**.

Along the way there are likely to be stumbling blocks to overcome. For example, concepts like the idea of minimum viable product or MVP can often create a degree of uncertainty for those involved but Change Management has a key role in overcoming this.

In particular, feedback from an MVP may take you in a completely different direction than was laid out in your original plan, and this could be when uncertainty is at its highest level amongst staff in the organization. However, the existence of a **tried and tested process and set of change diagnostics** that enable you to quickly access people data to assess where you are – and help you to decide how to move forward – can help overcome any issues and ensure project success.

Which is why Agile Change Management – **and having the platform and tools to deliver** it are more important than ever before.

# Deliver on your Agile Change agenda with Roadmap Pro



If delivering on your Change Management agenda in a highly agile way is key for your organization then you may be interested in [Roadmap Pro](#) our revolutionary change platform which provides:

- the **framework to assess and build** Enterprise level change capability
- a **proven approach to change planning** that is specifically designed to integrate with agile project approaches
- the **capability to upskill your change and project teams quickly** and cost-effectively
- the **collaboration capabilities** that enable you to quickly scale and deliver change projects across teams, functions and geographies
- **access to just-in-time data** that provides the flexibility and agility needed to help you assess, pivot and set direction on agile project initiatives

For more details [visit our website](#) and schedule a personalized demo.



# About Changefirst

Since 1995, we have been enabling private and public sector organisations globally with the skills, tools and process know-how to become more Change capable. To enable them to plan and execute sustainable Change – and to do so quickly and cost-effectively. In a people-centred way.

Our research-based, proprietary methods and tools, together with an innovative use of digital technology allows us to scale and get capability to where it is most needed. Either 'off-the-shelf' or with quick configuration for a closer fit.

We are the home of:

- **PCI® (People-Centred Implementation)** - recognised as one of three Change Management methodologies most used globally by practitioners, leaders and their teams.
- **Roadmap Pro®** - a leading digital Change Management toolkit. The first, best-of-breed digital application to provide on-demand learning, a suite of assessment tools and project planning capability. All in one place and available 24/7 in the Cloud.
- **PAI™ (Personal Adaptability Inventory)** - our psychometric and development system providing a structured way to build resilient, adaptable leaders and teams. To ensure they can survive and even thrive during disruption.

## Who we work with

FTSE 500 companies, medium-sized Consultancy Firms and Technology Companies are all benefiting from our methodology and digital platform. Enabling them to build productivity into their teams and drive-up user adoption of technologies, structures and processes.

## Global delivery, local expertise

We deliver our solutions globally across EMEA, the Americas and ASIA-PAC through a network of selected strategic partnerships. This includes Change Synergy (AU/NZ), Dextera (South America), Transformation Life Solutions (Caribbean) and a special association with the Pan-African Leadership Institute (Africa).



[CONTACT US](#)