

# 8 COMMON PITFALLS OF AN AGILE TRANSFORMATION



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# WHY AGILE?

Around the globe, across industries, and beyond IT, the upward adoption of agile continues to grow. According to a survey from Harvard Business Review, 44% of companies report using agile in some form in their development organizations. That number doesn't even include organizations that are using agile in other areas, such as marketing or HR.

Why? Agile has been shown to shorten time-to-market, increase quality, instill predictability, improve customer satisfaction, and create an overall happier working culture. Agile transformation has become a top-line item for executives looking to improve business value.

With so many benefits, it is no surprise that agile is replacing more traditional ways of working, communicating, and collaborating. However, adopting the methodology and acquiring a true agile mindset throughout an organization is challenging. Many enterprises struggle to adopt agile because some internal teams continue to use traditional methods. (Gartner Oct 2019)

There are many pitfalls that can delay and even derail an agile transformation. To avoid these common mistakes, the first step is understanding the driving forces behind them.

# LACK OF CLEAR BUSINESS OUTCOMES

Lack of business objectives or failure to communicate and keep them at the forefront of the transformation is the reasons why most agile transformations fail. We call it Pitfall 0 because without proper attention, you could avoid all other pitfalls and still not have a successful transformation.

Organizations adopt agile for many reasons, based on a diverse set of business goals. These outcomes include improving speed, increasing customer satisfaction, achieving predictability, improving productivity, employee engagement, and others. While numerous case studies and analyst reports prove agile practices can help meet these needs, the reasons for an agile adoption are as varied as each organization's business goals. No matter which outcome an organization determines is the focus, it's vital to make sure it's clear at the outset what the outcome is and why it was chosen. The outcome sets the focus of the change in value the organization seeks to deliver, orients the team members towards a common goal, and can be measured for progress.

## Do We Want To “Go Agile” Or Do We Want To “Be Agile”?

The risk is that a transformation itself can become the focus. The energy, the new ways of working, new terms, etc. can be consuming. It's surprising how quickly the goal becomes to “go agile.” The outcome is the goal from the start, and will need to be revisited frequently throughout the agile adoption. Use these questions to help clarify for the organization why the decision has been made to undergo a transformation:

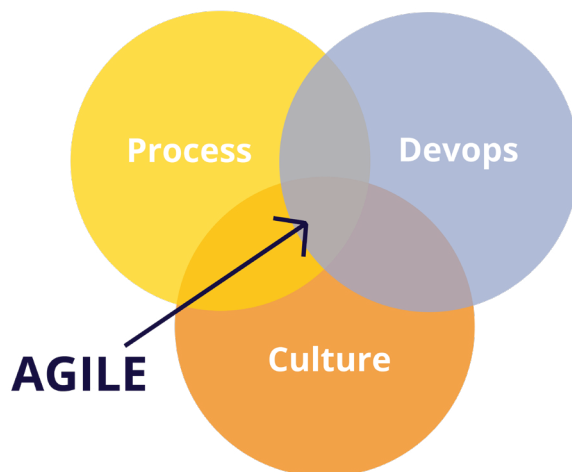
- Why are we choosing to be agile? This is the business outcome sought.
- What will success look like? Knowing this will help determine our course of action and guide us on developing meaningful metrics to measure our progress.
- Why is it important that we do this? This clarifies the urgency behind the effort

With the Path to Agility® approach, every transformation starts with a focus on clearly defined business outcomes. This is a step we never skip, and we strongly encourage everyone to keep outcomes front and center at every stage of a transformation. This provides teams within the organization with direction and a North Star that's worth pursuing.

# FOCUSING ON PROCESS VS. CULTURE

Ultimately, organizations that transition to agile are trying to accomplish the same goals: they want to improve decision-making, pace of delivery, and product quality. While process plays a key role in these three factors, a true agile transformation does not start or stop at processes. Agile adoption involves restructuring and implementing new technical processes while creating a culture of continuous improvement. All of these facets must coalesce to create an agile mindset.

## Elements Of Transformation



## Process vs. Practice

Process describes how one manages work. The processes an organization has in place to handle everyday operations are largely responsible for decision-making (e.g. choosing the right product) and pace of delivery.

Practice describes how one works. The practices a team engages in may be similar, but the way they are implemented can be different. Practices shine through in product quality and, like processes, impact the team's pace of delivery, quality expectations, and decision-making. However, a transformation that only affects how work is managed and how it is completed is still an incomplete transformation.

## The Distance Between Doing Agile And Being Agile

Practices have their own value system and Agile is no different. The Agile Manifesto was created in 2001 based on the following values:

**Individuals and interactions** over processes and tools  
**Working software** over comprehensive documentation  
**Customer collaboration** over contract negotiation  
**Responding to change** over following a plan

In order to be agile, an organization must implement these values in all aspects of work, from hiring to building software.

Agile is more than a process transition—it is cultural. If a team is simply going through the motions of agile (adjusting processes), they're not reaping the full benefit of the methodology. The key is to have an organization living and breathing agility every step of the way.

If an organization is midway through a transformation and not quite sure how it is doing, or if the organization is still contemplating the adoption, a helpful exercise is to look to others for guidance. Find an organization that is agile and request a phone call to ask questions. This is a great way to learn about agile in action and gauge if it is the right move.

# LACK OF ALIGNMENT ACROSS ORGANIZATION

A transformation or agile adoption requires buy-in from the bottom, middle, and the top of technology organizations, regardless of where the case for change is originating.

Often, the culture at the agile team level is different from the culture at both the system level and the organization level. Any misalignment is breeding ground for conflict. Ideally, if you create a scatter plot assessing the culture at each tier, they can be different, but they should still be balanced.

Within the competing values framework, Control and Create are at odds with one another. Most organizations are heavy on the Control quadrant and very light on the Create, Compete, and Collaborate quadrants.

While agile still has components of Control, it has just enough to add structure. It really plays more to the other three quadrants. Agile is about:

- **Create** – innovation and building great products
- **Collaborate** – people, team, and self-organization
- **Compete** – outcome-driven, focused on the customer, getting feedback fast

Take, for example, a medical device manufacturer. At the organization level, the culture is very control-heavy for a good reason. Customers want a lot of governance with products affecting people's health. However, the software team that creates the CRM system does not need to be as control-heavy. In this example, the misalignment caused conflict between the agile team and the broader organization. Leadership wanted the team to be more innovative, but they still wanted all the control.

It is about balance and alignment. Is the goal to become agile truly aligned with your organization's culture? As explained in Pitfall 1, it's not just a process change—the culture of the entire organization has to shift.

**The following guidelines can help establish and maintain alignment throughout the process:**

- **Explain and keep explaining the reasons for the agile adoption**

Discontentment can quickly spread if some people don't understand the "why" behind the change. Clearly communicate the reasons for the agile transformation and tie the initiative to significant company goals, narrowed down to two to five items.

It is vital to communicate the message to everyone, not just a select group. This will keep team members from speculating and filling the communication void with inaccurate information. Everyone needs to understand and have buy-in to achieve alignment. One way to foster alignment and disseminate information is through training. Train everyone, from the Scrum team to leadership, at the same time. In this way, the team and leaders can ask questions, struggle, discover, and achieve progress together.

- **Establish a transformation team**

The most successful transformations have an internal cross-functional transformation team championing the initiative. Key members of a transformation team can include:

- **An executive sponsor**
- **A development representative**
- **A QA representative**
- **A business or customer representative**
- **Other passionate champions**

The team's function is to own the organization's change process and contribute to driving the change across the broader organization.

We recommend that transformation teams approach change like a Scrum team, adopting the same cadences, ceremonies, and practices as any other Scrum team. Create and manage a transformation to-do list, prioritize, and accomplish tasks in two- to four-week periods.

## Alignment With Stakeholders: From Project To Product

IT organizations are shifting the focus from projects to products, which is a good change for several reasons but primarily because it supports alignment between the builders and end users. In a project-focused environment, a team is assembled for a specific project and reallocated to another when complete.



This often leads to the following unintended consequences:

- Breaking the team apart and moving members around will cause a decrease in performance since everything invested in team building and domain knowledge by the team is lost.
- Customers lose support and attention. When a team goes away after the project is done, any additional enhancements may require further approval through the portfolio management budgeting process.
- IT projects often get stuck in a User Acceptance Testing (UAT) infinite loop because the project customer is hesitant about signing off until all conceivable features are done. The project is therefore delayed with ever-expanding requirements. The famous “64 percent” Standish Group statistic suggests that most product features are rarely or never used. That’s a lot of wasted time, talent, and budget! Focusing on shipping a minimum viable product (MVP) and getting feedback from the market will prevent waste and bloat.

# RELYING ON TRADITIONAL LEADERSHIP METHODS

It is unlikely that a new hire will immediately be held to the same standards as a veteran employee. While new hires may fumble during the onboarding period, they may become the most productive members of the team once they have become accustomed to the new way of working. The same is true when a team adopts agile. Many managers think their job is to achieve 100% utilization of their workers. However, that does not allow for the buffer needed to absorb change.

**A good leader gives the team courage to take risks and try new ways of working through the following behaviors:**

## **Ask the right questions**

Typical accountability questions tend to focus on output: “How many features have you built?” and “Did you deliver on time?” Changing the way questions are asked is an effective way to create a friendlier learning environment. A change in questions signals a shift in priorities. “What are you learning?” and “How can I support you?” can go a long way in demonstrating the importance you place on learning and improvement to your team.

## **Be responsive**

Issues will come up as teams adopt agile. When these issues arise, the team will bring them up to leadership. Sadly, a common response is no response.

When leadership does not respond to an issue, that inevitably signals to the team that the issue is a low priority. Team members will think, “If this agile change isn’t important, why should I go through the pain of figuring it out?” Take time to address issues as they arise and make sure the progress on these items remains highly visible. Organizational impediments often take time to resolve, so it is important for the team to understand any progress that is being made.

The smoothest, most rewarding agile adoptions occur in teams with a safe-to-fail culture that prioritizes learning and values responsiveness. The more room they are given to learn, the happier and more satisfied they are and the more committed they will be to the organization’s goals.

# USING TRANSPARENCY TO MICROMANAGE

Through visible information radiators like Kanban boards, Sprint reviews, and meetings open to anyone in the organization, agile transparency allows visibility into the virtual. Often when an organization is implementing agile, this is the first time anyone on the team has had this level of visibility. To a manager, this extreme transparency sounds like a dream. To a team member unsure about the motives of leaders, this can be frightening. This is why successful agile teams need a substantial amount of trust between teams and managers. For team trust to be cultivated and earned, transparency has to be used well, not abused.

Few leaders step into a situation wanting to micromanage—it just happens. Leaders see a potential problem and they step in to help, often by usurping ownership and telling their team what to do. That does not work in agile. The Scrum framework encourages leaders to support teams in managing their work and transferring ownership from the manager to the team. Managers can also be seen as abusing transparency if the team feels as though data is being used against them. A great benefit to agile is the capability to measure things that were previously difficult to measure. A leader needs to demonstrate their commitment to use this data for the benefit of the team, and not to the benefit of leadership.

## The Right Way to Use Transparency

On an agile team, management should focus on serving instead of commanding. Agile transparency should empower the team to manage their own workload. The team can learn to spot problems and make adjustments on the fly, if given the chance.

Transparency is a powerful and effective tool in an environment of mutual respect and trust. As mentioned previously, letting the team approach and solve an issue on their own creates a lot of trust. It is not that management should not help. However, think hard about changing your mindset from directing to serving. “How can I help?” is a great question to ask a team. We have seen this mindset boost team confidence, make the team more willing to take risks, and greatly quicken the learning curve.

## Empower Through Transparency

Agile transparency supports decision-making at both the team and management level. If every task is catalogued, team members have the ability to choose tasks to complete based on priority, paving the way for them to see the impact of change. Once this system of cataloging is in place, it also allows you to capture useful and valid metrics.

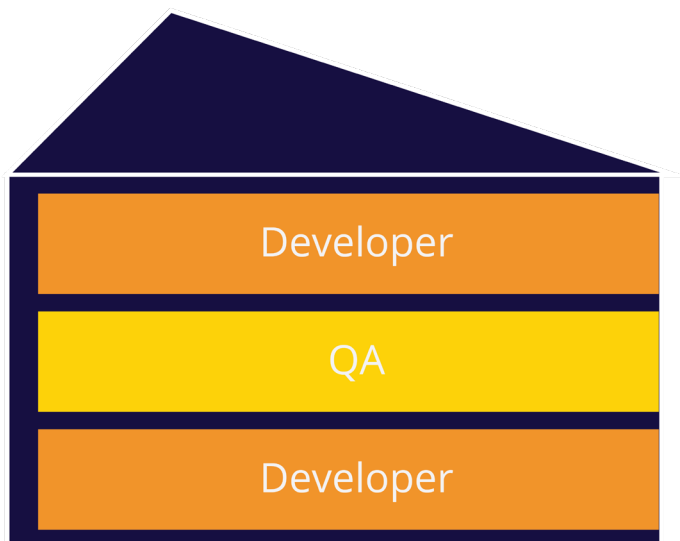
All too often, managers make decisions based on intuition and a general perception of what's going on. Agile transparency allows a manager to know the team's workload, see if there are any bottlenecks, and make decisions on budgeting, hiring, and other management concerns accordingly.

# UNINTENTIONALLY ENCOURAGING TEAM SILOS

A feature team has the capability to build a complete working product or a single feature because they have all the necessary skills in one team. A component team is based on code ownership and specialist function (for example, the database team vs. the web server team). According to the “Feature Team Primer” by Craig Larman and Bas Vodde, there are six characteristics of a feature team:

- Long-lived
- Cross-functional
- Work on customer-centric features, end-to-end
- Composed of specialists
- 5 – 9 people (Scrum)

## Feature Team



One misconception about feature teams is that individual team members need to know the entire system or possess the skills of other specialists. This is not true. Rather, it is the team as a whole that is cross-functional. Feature assignment should also be based on the team's current ability level instead of randomly assigned.

## Advantages of Feature Teams

A cross-functional feature team is the building block of an agile framework. Feature teams have been around for some time and used in large products like telecom systems. **However, agile and Scrum have brought feature teams to the forefront, because of the following advantages:**

- **Feature teams increase customer value**

Component teams focus on lines of code completed. Product (feature) teams tackle features prioritized to deliver the most customer value.

- **Feature teams are stable**

Feature teams are focused on delivering a working product or feature. While the team makeup is not permanent, feature teams don't change with every iteration, thus creating a more stable work environment.

- **Feature teams increase learning**

While shared code between feature teams can cause some limitations, knowledge sharing through increased communication and collaboration between team members increases learning and therefore organizational flexibility. A side effect is that over time, highly functional teams, as entities, are capable of taking on work that's of a different domain than their previous or current project.

- **Feature teams limit dependencies between other feature teams**

Since feature teams are product/feature-based, not code-based, the entire project does not fall apart if a unit falls behind. A system built on component teams is like dominos stacked behind each other. If one falls, they all fall down. There is no question that creating and supporting feature teams is a critical step in building an agile infrastructure. The real question is how to best transition from component to feature teams.

# FAILING TO BUILD A STRUCTURE FOR CONTINUOUS IMPROVEMENT

A key to implementing agile is to create an environment that fosters continuous improvement and a positive work culture. According to the book *The Progress Principle*, regular progress and a continuous improvement culture are the strongest contributors to productivity, creativity, and higher motivation at work.

**Here are some ways to create a culture of continuous improvement:**

## **Use built-in agile meetings to generate momentum**

Daily Stand-Ups and Sprint demos allow team members to report on progress, however incremental it may be. A win, however small, is still a win.

## **Be rigorous about retrospectives**

Retrospectives create a safe space for teams to discuss what happened during the Sprint that slowed them down or sped them up. These could be unplanned events or process or other organizational structures.

## **Deal with setbacks and impediments in a constructive manner**

The Daily Scrum gives us a way to address impediments as they arise. If a task card didn't move from its position yesterday, the team is there to not only keep you accountable, but to help you figure out how to move it. Everyone has a shared fate after all. Pair programming, for example, provides the opportunity to work through hour-long mental logjams that often arise when working in crufty legacy code, or struggling with tests that just won't pass—sometimes in a matter of minutes or even seconds.

## **Create opportunities for catalysts to emerge**

Catalysts speed things up and make it possible for individuals and teams to move forward. Examples of catalysts in an agile context include: clear goals, definition of done, protection from distractions, reduction of waste, and honest feedback.

## **Minimize toxins and inhibitors**

Toxins and inhibitors are the opposite of catalysts. They block progress and poison inner work life. Confusion over goals, limits on a team's ability to solve problems and exercise ownership, lack of sufficient time, fear of failure, interruptions, too much work in progress—all are examples of inhibitors that slow down progress.

**Celebrate!**

The end of iteration demo/review is a chance to show off what the team has accomplished. At this point, it's often been a real race to the finish line. Don't skip the celebration of the value that has been created and how it benefits the customer. Don't gloss over any adversity the team has overcome. Take the team outside the office for some much-needed team bonding and have an ample supply of kudos cards or small thank-you tokens anyone on the team can distribute.

Another way to celebrate? Don't rush into the next Sprint. Whether it's a "hack week" or "discovery sessions," consider building in time after a Sprint to explore new ideas and have a bit of fun.



# PROVIDING INADEQUATE ONGOING SUPPORT TO TEAMS

It is common for leadership to believe that as long as the team is implementing Scrum and all of its processes, the transformation is going smoothly. In the beginning, that may be the case. However, as the team matures in their path to agility, they will face roadblocks they cannot remove on their own. Perhaps it is a new testing environment or more staff is needed—whatever it is, teams will need to escalate these issues to their managers and leaders.

In turn, how managers and leaders respond to their team can set back or catapult their transformation.

It does not say much for the leadership team if they ask the team to adopt agile, yet they don't do anything to remove impediments or ensure success.

Did they really want the team to be agile or just say they are? What effects will these actions (or lack thereof) have on trust between the team and leadership? According to a survey by Interaction Associates on workplace trust, employees believe a high level of trust in leadership is necessary for them to be effective at their jobs. Of the five ways leadership can build trust, according to employees surveyed, “Set me up for success with learning and resources” was number three.

## Other ways include:

- **Soliciting input from the team, especially if they will be affected**
- **Providing background information when possible**
- **Admitting mistakes**
- **Not punishing people for raising issues**

As issues arise and roadblocks are identified, it is imperative to have a system for handling them, particularly with new transformations. One solution is to create a transformation leadership team with an executive championing the initiative. This team should consist of cross-functional representatives who are excited and passionate about the new direction.

# GIVING UP TOO SOON

The Satir Change Model illustrates the impact a major change has on group performance over time. Adopting agile can have this same effect on productivity. The goal throughout and beyond the change is ensuring the team perseveres to a new and better status quo while limiting the time spent in the resistance and integration phases. So how do you do that? With guidance, phases two and three can be as quick and painless as possible.



**Productivity decreases shortly after change is introduced before reaching the new and hopefully higher status quo.**

Often agile transformations are led by one person, and that one person is typically a thought leader or leader within their organization, and not an agile expert. Even if that person has been trained, that person has no way of knowing what gaps they may have. Plainly stated, they don't know what they don't know.

Common side effects of having a non-agile expert lead an agile transformation include:

- Customizing too early, which can cause extra chaos, unnecessary steps and confusion in the team.
- Never recovering from the initial chaos of the transition.
- Implementing agile practices piecemeal, ignoring the philosophy behind the methodology.
- Implementing the “how” without understanding the “why” will leave your teams going through the motions but not realizing the benefits.

## Team Alignment and Adoption Rate

While knowledge is critical, a successful agile transformation also depends on team alignment. It typically takes three to six Sprints for teams to get onboard and adopt agile. The time leading up to this point can be chaotic and is characterized by a dip in productivity.

Only when knowledge rolls downhill and everyone shares a mutual understanding of agile—its framework, practices, processes—is the team aligned. Without mutual knowledge, there is uncertainty and misperception, which often surfaces as resistance.

## The Ideal Scenario Of Knowledge And Alignment

Sometimes teams have one or the other: knowledge or alignment. Often, they are missing both pieces. It's rare to see the ideal scenario, where everyone on the bus understands where they are going and why, and wants to go there. Yet much of agile depends on teams to self-organize and build their own process, which requires the ideal combination of knowledge and alignment.

Partnering with an agile expert, either on staff full-time or outsourced, to help set realistic expectations will speed up the necessary resistance and chaos phase, and align teams by providing best practices, tips and tools, and ongoing trainings.

# CONCLUSION

Agile is far more than a series of meetings and shortened working cycles. It is a mindset and a way of working that permeates an organization and allows businesses to evolve quickly and effectively with their markets.

Time, a high level of commitment, and most importantly, a **clear focus** are necessary to make an agile transformation successful. When the organization aligns their agile initiative with a clear, measurable business goal, the rewards are worth the effort.

You can learn more about how we coach organizations to identify desired business and implement change by exploring our agile transformation approach, Path to Agility®.

## ABOUT THE AUTHOR

David Hawks combines his background of building great products with his passion for helping teams and leaders become more productive through his role as Certified Scrum Trainer, Certified Enterprise Coach, and Chief Agilist and Founder of Agile Velocity.



His coaching portfolio includes Fortune 50 companies across many industries, from transportation to insurance, finance and software. His primary focus is to guide leaders through their Agile transformation by helping to create successful transformation strategies and effectively manage organizational change with a focus on achieving real business results.

In his spare time, you can find him hosting a UT tailgate (Hook 'em!), training for his next triathlon, and spending time with his family.

## ABOUT AGILE VELOCITY

We're a full-service transformation partner offering whole organization coaching, leadership and team coaching, and agile training. By leveraging our Path to Agility® transformation approach, we advise clients on the best way to avoid failure and reach desired business outcomes as quickly as possible.

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### LEADING CHANGE

Build Your Custom Path to Success: Identify value streams, build a rollout plan, identify key measures for success, and form the right team for progress.

### PORTFOLIO AGILITY

Understand Where To Invest: Leadership coaching and training to effectively build and manage their suite of products and portfolio.

### SYSTEM AGILITY

Scale Behaviors and Practices: Determine the right scaling practices to support collaboration and communication and identify dependencies among teams for optimal value delivery.

### TEAM ACCELERATOR

Improve Team Performance: Assess and coach Agile team leadership roles (ScrumMaster, Product Owner, and Manager) to accelerate adoption.

### LEADERSHIP AGILITY

Lead Outcome-driven Organizations: Coach leaders to implement modern leadership approaches and support high-performing teams and organizations.

### TEAM AGILITY

Form and Launch Agile Teams: Coach and structure teams new to Agile principles to accelerate through the learning curve and minimize the possibility of regression.

### SAFE® SYSTEM AGILITY

Implement SAFe To Achieve Results: Coach system management with the Scaled Agile Framework (SAFe) from preparation, training, and execution to the first Program Increment (PI).

### PATH TO COACHING

Build Internal Coaching Capabilities: Grow the skills and confidence of internal Agile coaches to lead transformation, manage change, and foster a culture of agility.

