HOW TO GET
YOUR BOSS ON
BOARD WITH AGILE

A GUIDE AND WORKSHEET

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You're confident you've found the right solution to your company's needs, and it's Agile. Now, you need to make a case for the Agile investment to your leaders. The problem is, while Agile has a long history of delivering value, it has yet to deliver value to your company at this unique point in time.

So how do you communicate its value and benefits to your organization's leaders?

The following guide and worksheet will help you:

- Identify and understand a decision maker's values
- Evaluate your organization's current state
- See proposed solutions through the eyes of a decision maker
- Explore Agile implementation options
- Conduct Agile ROI research
- Present your findings
- Propose your recommendation

Thank you for allowing Agile Velocity to join you on your journey. We hope you find these materials helpful.

STEP ONE:
IDENTIFY YOUR DECISION MAKER

A good rule of thumb when starting to make an investment case is to start by identifying which people will approve your recommendation. Next, you'll want to consider what information they'll need to make their decision. In our experience, leadership first needs to know that the problem is real and important before they ever consider investing in a solution. This often requires showing them you've considered a range of solutions and your recommendation delivers the right benefits.

See this investment through your decision makers' eyes. What do they need to make a sound decision? Examples:

- Your CFO needs to make sure any investment is justified and has a solid return that can be measured.
- Your CEO needs a growing company that reliably delivers customer experiences the market will value (and pay for).
- Your boss needs to know you've thought seriously about the problem and the company's options.
- Your procurement team needs to know you've considered their approach to making wise investments with outside firms.

Understanding what matters to this audience and then actually giving them what matters to them can mean a huge leg up for your request. Don't know exactly what they need? You can set up time to ask them, discuss any concerns, and gain a better understanding of their key requirements or expectations. Step one is key, and it's wise to spend some time considering how to present your request in ways that matter to each member of your audience.

STEP TWO:
EVALUATE YOUR ORGANIZATION'S CURRENT STATE

You can start by asking yourself, "What exactly is going on?" Take time to clarify your company's **specific, acute problem(s)**. The goal is to be simple and clear with specific examples backed up by facts where possible.

Issue	Problems We Faced
We can't adjust work priorities to address changing market conditions or competitive threats	**Example:** After the April client roadshow, our Chief Product Officer identified 3 high-value capabilities for 2 key clients. The effort for each was small to medium. He was told he had to wait for the big release, due 7 months from now. Therefore, we were constrained by the October release. Confidence that release would deliver on time? 25%.
We have to guess at market conditions when our next release goes out, 2+ quarters in the future	**Example:** Our current market requirements process typically takes 4 months to draft for a typical project. Then it takes upwards of 6 more months to build it. So from the time value is identified, it takes roughly 10 months to put value in customers' hands. That's far too long to be competitive.
We don't really know what work is in our system	**Example:** Today, there is no place to see work in progress at the right level of detail. Therefore, it requires a tremendous amount of effort across every team for a one-time snapshot.
We struggle to hire and/ or keep top talent	**Example:** During the first and second quarters of 2018, we've lost 4 top engineers to startups or newer companies who lured them away with promises of agility and innovation, per exit interviews. We have 7 positions that have been open for 8 months and finding the right talent is proving increasingly difficult.

In step two, we'd suggest you really take your time to think about the challenges, problems, or constraints dispassionately. All too often, decision makers allow frustration, disappointment, or outright cynicism to seep into their thought processes. In this step, the goal is to illuminate the challenges clearly, succinctly, and with an almost clinical eye. Naming your challenges can help the whole company align to help address them and this step should help you do that.

STEP THREE:
INSPECT WHAT YOU'VE TRIED SO FAR

Next, you can address what solutions have **already been tried** and give your perspective on why they haven't worked thus far. Examples:

Issue	Solution Attempted
We can't adjust work priorities to address changing market conditions or competitive threats	**6/2019:** The Product & Engineering teams reorganized under a common Chief Product Officer. Initial prioritization and focus were improved but adjusting to changing market and customer needs quickly is still an unresolved problem.
We have to guess at market conditions when our next release goes out, 2+ quarters in the future	**8/2019:** We initiated SWAT teams to focus on the highest priority customer issues, which saw some improvement in time-to-market for specific items, but other critical initiatives were delayed. As a result, every important feature/function had to be a "SWAT Level" priority, and the entire product delivery team has slowed down as key people are tied up on SWAT.
We don't really know what work is in our system	**12/2019:** The CPO and team decreased the product line from 13 products to 7, which has alleviated some pressure. However, we still cannot easily see what priorities are being addressed for those 7. However, sunsetting 6 products has added new work to the remaining 7 products, which are already behind schedule.
We struggle to hire and/or keep top talent	**1/2020:** Product and Engineering kicked off an Agile "Pod" to see if that might work. The effort started encouragingly but stalled soon after. A review revealed the team members didn't know how to work in a new way, didn't have the right kind of support, and ran into dependency challenges from the start. They liked the model but recommended a more robust effort across all teams.

Just like in step two, we'd suggest investing time to think about the ways you've tried to work through your challenges. This will show that you aren't asking for an investment before tackling the challenges. If you've already tried a number of

smart solutions to clear challenges, then there's a good chance that decision makers will be more inclined to put their weight behind you because you've been proactive and clear about your efforts so far.

STEP FOUR:
CONSIDER YOUR OPTIONS

You have options. You always have options. Here are some things your organizations could do in the face of your current struggles:

1. **Do nothing and see if the problem goes away or fixes itself**
   Quite honestly, this is often the best first course of action. It can be wise to see what happens. However, systemic or chronic cross-functional problems tend to worsen over time, not heal of their own accord.

2. **Incentivize for better performance**
   This can be a good short-term boost and could be used for a particularly hard slog. However, as part of a regular cost of doing business, it will add complexity, confusion, cost, and conflict because monetary rewards are not always reliable guarantors of great results. The change will be superficial.

3. **Re-organization**
   This could take on several flavors, but reorgs are mostly window dressing for a chronic problem. The way teams work, the way leadership supports, and the way decisions are made would need to be addressed in profound ways, and those changes transcend reporting structures.Often, this is where a new leader comes in to run an underperforming organization—and the hope is that they achieve desired improvements. There's no doubt leaders matter a great deal, but a new leader may not be sufficient. A thorough and honest evaluation of your organization's current state will reveal if this is the right course of action or if your problems run deeper.

4. **Acquire another company with complementary skills**
   There are many reasons to acquire companies that have nothing to do with agility. However, when it comes to value delivery issues, it rarely makes the acquiring company better. It's expensive, time-consuming, distracting, culturally risky, and often leads to talent drain. If it doesn't immediately address core issues, then it's unlikely to deliver the change you seek.

5. **Consider Agile**
   Obviously, this is what we would recommend in regard to key performance challenges. Agile covers how you work, focuses on real customer value, and addresses culture, communication, collaboration, silos, accountability, etc. There's a reason it's become a key part of the way many companies work today.

Let's assume your company decides to give Agile a go. You now have options for how you might go about it. The table below identifies a number of ways you can proceed, with Agile Velocity's "likelihood of success" assessment in the last column.

OPTIONS	PROS	CONS	AV POINT OF VIEW	LIKELIHOOD OF SUCCESS
1 Internal Knowledge "Book Club"	· No hard costs · Self organizing · Current employees own the transformation	· Takes full engagement and buy-in from everyone to be successful · Can take a long time to stick · Agile implementation becomes a cycle of "trial and error" · Tough to scale	· Doesn't scale well in larger organizations · Enthusiasm wanes · Hard to get everyone in the organization involved	★☆☆☆☆ **VERY LOW** Tends to be slow rolling and prone to error due to a lack of transformation experience
2 Internal Expert	· No hard costs · Quick action · "Designated Driver" to lead the change · Mechanics can get established easily	· May not be qualified to train/coach, or lead org change · One opinion/perspective · Limited influence	· Typically, mechanics get implemented without understanding of the deeper purpose · Critical senior leader buy-in is often missing · Individuals often implement what worked at a previous company which may not align culturally at current organization	★★☆☆☆ **LOW** Ability to transfer experience is limited
3 Send a Few Employees to Public Training	· Low cost · More informed change agents · Consistent knowledge	· Change is led by a novice · Learning as they go · Employees have never done this role before	· Improvement is owned by the ScrumMasters and not the team · Leaders are lost · Often creates tension within organization · Team frustration due to the ScrumMasters' lack of experience	★★☆☆☆ **LOW** Newly trained employees don't have the experience to properly execute and share their new skills—they don't know what they don't know.
4 Hire an In-House Expert	· Immediate expertise in-house · Long term solution · Investment in a longer term employee · Expertise gives employees more confidence	· Hard to justify the long term cost of a highly experienced coach · Hard to attract this caliber of talent · Interviews are led by employees that are inexperienced with Agile · Hire from perspective of current problems and knowledge	· Improvement is owned by the ScrumMasters and not the team · Leaders are lost · Often creates tension within organization · Team frustration due to the ScrumMasters' lack of experience	★★★☆☆ **MEDIUM** Depends on the growth of the hire

| OPTIONS	PROS	CONS	AV POINT OF VIEW	LIKELIHOOD OF SUCCESS
5 Hire an Independent Coach	• Immediate expertise • Variable cost • Ability to attract a higher end coach	• Short-term solution • Only receive expertise from one perspective • Interviews led by employees that are inexperienced with Agile • Organizations can hire from perspective of current problems and knowledge • Risk in quality of coach	• Lots of people are calling themselves an "Agile coach" these days—many are unqualified • Winging it with no disciplined approach to follow	★★★☆☆ **MEDIUM** Depends on quality of hire
6 Team Training Only	• Teams are armed with knowledge • Teams are invigorated • Terminology is consistent	• No post-training guidance—teams are left on their own to apply • Leaders not equipped to lead Agile teams • Business is not equipped to operate in an Agile delivery world	• Quality and expertise in action but the Agile adoption often stalls or hits a ceiling • Superficial agility is often present here • Agile at the team level, waterfall at the organization level	★★★☆☆ **MEDIUM** Tends to hit a ceiling—change at the team level can only go so far
7 Middle Management Leadership Training	• Armed to lead real Agile change • Consistency in leadership approach	• No post-training guidance • Not clear how to map Agile principles and practices to a unique culture • Critical senior leadership still sees Agile as only an execution team change • Team resistance	• Managers aren't professional trainers • Teams never fully take ownership and managers still tend to micromanage	★★☆☆☆ **LOW** Teams resist changes when they fully don't understand the context behind Agile principles or the goals behind implementing them
8 Coaching Staff Provider - Staff Augmentation for Coaches	• Various levels of expertise • Variable cost • Staffing managed by vendor instead of the organization	• Big investment • Outsource skillset • Inconsistency in approaches • Short-term presence	• Beware of "body shop" providers who will place sub-par coaches • Quality can vary • Consistency can vary	★★★☆☆ **MEDIUM** Dependent on the quality of individual coaches placed in the organization
9 Transformational Partner	• Disciplined approach • Paced right • Partners often provide an Agile transformation framework to help guide the organizations • Team and leadership involvement • Leaders should expect to see the breadth and depth of the transformation at the team and organization levels	• Big investment • Outsourcing of key expertise is at risk if you choose the wrong partner	• Long term partner/advisor • Partners work towards making the org self-sufficient—you won't be reliant on experts forever • Develops org's internal coaching capability • Not everyone is ready for real change	★★★★★ **HIGH** Long term partner invested in your organization's success

STEP FIVE:
DO YOUR ROI RESEARCH

Through the years, we've come to realize ROI is a tricky thing to calculate when it comes to Agile. It's often more complex than first thought—not to mention, ROI is very specific to each unique organization and the challenges they face.

While we wish we could provide you with a quick answer, there's no simple calculation. What we're providing you instead is three ways to approach ROI in your organization: the basic math, direct vs. indirect benefits, and resources for your research.

The Basic ROI Math
Accelerated learning and frequent deployment allow organizations to recoup investments in a shorter time frame. As a basic example of this, consider this scenario:

Organization A is investing 100K a month for the next 12 months with a 3x annualized return. At the end of the project, the organization has spent $1,000,000. Since organization A is using waterfall, the product deploys at month 13. Assuming the original requirements are correct and the product is accepted, the organization breaks even at 16 months.

Revenue Over Time
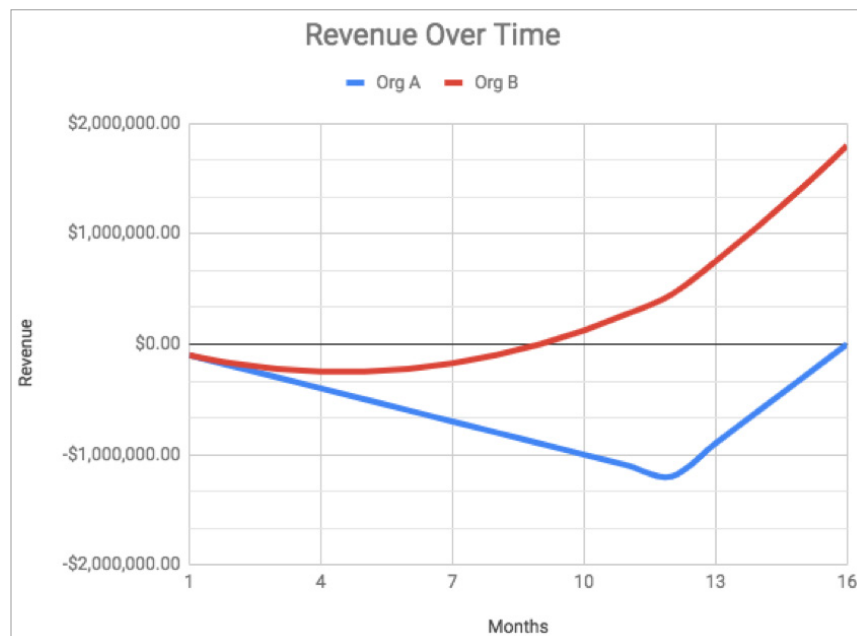
Organization B is also investing 100K a month for the next 12 months on a product with a 3x annualized return. However, organization B is using Agile. At month two, organization B begins to deliver a percentage of product value. Value is delivered incrementally over the next 10 months. The product is complete at month 12. Organization B becomes profitable at month 9, 5 months before organization A.

The Benefits of Agile
We find the benefits of Agile in an organization generally fall into two categories: direct or indirect.

Direct Benefits
These are the things that make your CFO and CEO happy. They are the concrete figures that show demonstrable benefit to the company.

- Revenue
- Profit
- Cost savings
- Market share gains
- Adoption

Indirect Benefits
These are powerful benefits that contribute to the direct benefits above and definitely make a stronger case for Agile adoption. They tell a different story and they are powerful components of high-performance companies.

- Improve time-to-market (earn revenue faster)
- Increase quality
- Value-based prioritization
- Reduce cross-functional silos
- Make all work visible
- Increase employee engagement
- High performance
- Trust
- Accountability at the team level
- Communication
- Learning culture
- Continuous improvement
- Silos breaking down
- Etc.

These benefits add up, allowing organizations to pivot quickly in response to market demands, to better understand their customers' needs, and to deliver value faster.

Resources For Your Reference

Sometimes it helps to point to others who've experienced the benefits themselves and the following resources could be useful to you. It's hard to find well-organized data on the tangible value of Agile, so we've compiled a few of our favorite resources to help you in your research:

- **Scaled Agile Institute's Case Study Collection**
  This collection of case studies, while mainly focused on scaling Agile with SAFe® (the Scaled Agile Framework®), is still one of the most extensive and in-depth libraries of Agile studies out there. Explore these stories to discover what real-world benefits Agile might bring to your company.

- **Adobe Premiere Pro Scrum Adoption: How an agile approach enabled success in a hyper-competitive landscape**
  This case study gives an in-depth account of how Adobe implemented Agile as well as the benefits agility brought to the company.

- **CIO Review Magazine: Agile Special**
  Read the full issue and find stories from companies and leaders who have been through an Agile adoption before.

  Our favorite data point: "In a survey of 50,000 Agile teams, by CA Technologies, it was found that Agile can help high-performing teams double their productivity and cut time to market by 50 percent. Agile methodology is not only a preferred approach to application development but also proves to improve the way digital products and services are delivered to achieve digital transformation."

- **"Embracing Agile," Harvard Business Review**
  This article is a favorite of ours that explores how Agile works, where it works, and best practices for any Agile transformation.

- **Agile Practice: The Competitive Advantage For A Digital Age**
  This article from Harvard Business Review offers a slew of stats about Agile and why it offers so many benefits to companies in our current era of technology and rapid change.

STEP SIX:
READ THE FINE PRINT

After the dust settles, transformation success and length of time really depends on the organization. The urgency intensity, leadership styles, company culture, employee engagement, and your organization's unique transformation goals all matter when estimating the amount of time and effort you'll need to invest in your particular case.

Here's a provocative thing you may want to consider: You can be honest with your decision makers about the cost of a transformation. Often, the initial investment for a transformation simply isn't enough, and the leaders can smell it. You might find that candor gives you credibility. However, you'll need to weigh the pros and cons of this carefully for your unique situation. In some cases, it may hurt the chance of getting your Agile transformation started.

Even if you don't choose to share the fine print with your decision makers, be the person who doesn't underestimate how long it will take to reach your goals. While there are plenty of ways to mitigate risk from the beginning, you will inevitably hit a few speed bumps along the way. You may find yourself back at the funding table again needing to explain why you need further investment.

We are happy to talk with you about the various types of organizational transformations where clients have asked for our help to maintain velocity and momentum through the change. While each client situation is unique, we likely have examples from our client portfolio to help you set expectations about what all is involved.

STEP SEVEN:
PROPOSE A SOLUTION

The last step is to present your findings and propose a solution. It's our hope that the preceding sections prove helpful to you as you present your recommendation. If you followed the outline, you have:

- Considered your audience and what they need from their unique vantage point in the company
- Thoughtfully evaluated your company's current state
- Reviewed the efforts to date to help address challenges
- Assessed the range of options available now
- Weighed direct and indirect benefits
- Considered using candor about resolving the challenge by being honest about the effort
- Considered a strong partner, like Agile Velocity, to help mitigate the risks associated with a transformational change

We wish you success in your effort and are happy to talk with you about your options and ways you can move forward. Our practices and processes, tailored to each organization's unique environment and context, have helped many overcome similar challenges.

Talk To An Expert

ABOUT AGILE VELOCITY

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

OUR SERVICES

Agile Transformation

Using our Path to Agility® Transformation framework, we orgs build the capabilities needed to achieve desired business goals with confidence.

Agile Assessment

Identify gaps, establish a baseline for the transformation moving forward, and determine key next steps for achieving your goals.

Agility Tune-up

Target the most pressing challenges that are keeping your team from achieving desired outcomes.

Agile Training

We utilize hands-on training techniques, demonstrations, and simulations to create an engaging, outcome-focused learning experience.

AgileVelocity

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WORKSHEET

We're happy to provide you with a number of tools to help you in your efforts to build a compelling case to adopt Agile at your company. In addition to our comprehensive guide, we hope you find the following checklist and worksheets useful.

Your Agile Justification Checklist

- ☐ Identify Your Decision Maker
- ☐ Evaluate Your Organization's Current State
- ☐ Inspect What You've Tried So Far
- ☐ Consider Your Options
- ☐ Do Your ROI Research
- ☐ Read The Fine Print
- ☐ Propose A Solution

ASSESSING YOUR ORGANIZATION'S CURRENT STATE

Issue	Problems We Faced

ASSESSING YOUR ORGANIZATION'S CURRENT STATE CONT.

Issue	Solutions We've Tried