



Case Studies in Agility

Organizational Agility Programme



Objectives of this document:

During the WorkMatters Organizational Agility Programme, we will be discussing and sharing examples of Agility at the organizational, functional, team, and individual levels.

There are many case studies to be found online and in the literature but we have gathered just a few in this document to help illustrate some of the principles and structures associated with Organizational Agility that are covered in the programme.

Taken from our book 'Thrive in the Future of Work', below you will find a collection of 11 case studies from different sectors and industries. In these examples, we have provided some background and key takeaways from their Agility stories that we hope will help you in the development of your own Agility strategies and plans.

Microsoft

Background:

By 2014, Microsoft faced a number of external and internal challenges in the midst of shifting consumer demands and global competition. A culture shift was needed to move the organization from an era of extreme competitiveness and historically successful business models and behaviors to a more open and learning culture that could adapt to rapid change in all its core sectors. New CEO, Satya Nadella, was instrumental in changing the culture at the top from a “know it all” to a “learn it all” culture and ways of working.

Key Take-aways:

- Senior Management Team training was increased on areas such as growth mindset and empathy, and every SMT weekly meeting started with “Research of the Amazing”, spotlighting innovation within Microsoft, which in turn encouraged workplace harmony.
- Failures were encouraged as part of the process and were dealt with empathetically rather than being called out as career-limiting mistakes. The culture was built around a more generous and open learning and growth approach.
- Internal company messaging changed on signage, elevator doors, cups, and so on to reflect a clear message of diversity, inclusion, and empathy.
- Annual organization-wide hackathons were instituted to encourage innovation, empowerment, engagement, ownership, and team building.
- Microsoft’s strategy post-2014 changed from hastily releasing stand-alone products to more inclusive products that worked well with competitor ecosystems.
- Change in company culture has had a significant impact on the company's bottom line. Between 2014 and 2020 Microsoft’s valuation grew from \$300 billion to almost \$2trillion.

Sources: PRESENTING: Satya Nadella employed a “growth mindset” to overhaul Microsoft’s cutthroat culture and turn it into a trillion-dollar company — here’s how he did it <https://www.businessinsider.com/microsoft-ceo-satya-nadella-company-culture-shift-growth-mindset-2020-3?r=US&IR=T>. Transforming Culture at Microsoft: Satya Nadella Sets a New Tone: <https://www.intheblack.com/articles/2018/06/01/satya-nadella-transforming-culture-microsoft>.

Buurtzorg

Background:

In 2006, Buurtzorg started something of a revolution in healthcare in the Netherlands and also illustrated what progressive ways of working and purpose-driven employment arrangements can look like in reality. Initially set up to reduce bureaucracy, increase the quality of healthcare and decrease healthcare costs, Buurtzorg grew to 10,000+ employees with an 8.7 staff satisfaction rate, and is present in 25+ countries.

Key Take-aways:

- Buurtzorg works on self-managed teams of nurses/healthcare professionals who in turn work on an “onion model” to deliver patient care.
- The heart of the onion model is the person who needs help; the second layer is their informal support network such as family, friends, etc.; the third layer is the Buurtzorg team who are deployed to neighborhoods to holistically understand a patient's needs and to make connections with the fourth layer: healthcare providers in the area.
- This model allows clients to have control over their lives for as long as they are able to and at the same time allows nurses to do their work with professional freedom, ownership, and purpose.
- Self-managed teams are free to organize their own care delivery arrangements and schedules and to host activities and boost morale among their community as they see fit. They also determine many of their own people management processes.
- Buurtzorg's technology support for teams serves to reduce bureaucracy even further.
- With agility and responsiveness to evolving client needs at the heart of what it does, Buurtzorg services have grown to include integrated community care, mental health services, support to young children and their families, and domestic care services using the same model.

Sources: <https://www.youtube.com/watch?v=SSoWtXvqsgg&t=69s>.
<https://www.buurtzorg.com/about-us/>.

Background:

ING began an agile journey as part of its ambitious “Think Forward” business transformation. In response to rapidly changing customer needs, technology, regulatory requirements, and increasing competition, it sought to build pace and flexibility into its operational model, bridging silos and harnessing global innovation across 40 countries – first in 2015 across business functions in the Netherlands, and in 2017 as an enabler for its global platform strategy.

Key Take-aways:

- In the delivery organization, staff were consolidated into 9- member self-steering teams called “Squads.” Chapters” were responsible for improving knowledge across squads, and “Tribes” were a collection of Squads (< 150 people).
- IT and business colleagues are working together in multidisciplinary squads based on an agile Scrum framework aiming to improve time to market and customer experience and boost efficiency and engagement.
- Call centers, operations, and sales adopted different file structures that best suited their way of working.
- Employees participated in an intense (re-)selection process that not only looked at the skills and capabilities of employees but also at their capability to work as a team. The organization was flattened and many employees changed roles.
- Support functions such as HR, Risk, and Finance changed their way of working to align with the Tribe setup.
- Changes in governance and organizational culture, fostered by ING’s “Orange Code”, supported ING’s platform strategy and agility at scale
- Efficiency and global reuse of developments, time to market, and ING’s NPS significantly improved, while employee engagement is currently amongst the highest in the sector.

Sources: ING’s Agile Transformation - <https://www.mckinsey.com/industries/financial-services/our-insights/ings-agile-transformation>.

Case Study: ING Bank’s Digital Platform Tribe Goes Agile - https://cdn.ymaws.com/www.agilebusiness.org/resource/resmgr/documents/casestudy/ing_bank_-_agile_mindset_cas.pdf

Background:

Viisi is a mortgage advice company based in the Netherlands. Viisi has a clear purpose: let's change finance. The company works with a "people first" principle: employees always come first, followed by clients, and shareholders come last. Since 2010, the company has grown to 60 employees, issued 10,000 mortgages amounting to €3.5B, and has a customer satisfaction rate of 9.8 out of 10.

Key Take-aways:

- Viisionairs are expected to treat others like they'd like to be treated themselves (the so-called "golden rule").
- Tweaking the Holacracy model of team-based self-organization to suit its needs, Viisi's organizational structure is decentralized and based on circles. The outer circle defines the company's purpose and includes self-governing smaller circles whose goals align with the larger circle they are a part of. Employees can be a part of as many or as few circles as they see fit.
- All circles include a Lead Link (responsible for dividing the roles and priority setting in the circle) and a Rep Link (represents their circle to other circles). The roles are chosen in the circle itself and rotate on a "first among equals" ("primus inter pares") basis. This results in decentralized decision-making and knowledge-sharing.
- Pay is but one of the people processes that are run in a very different way at Viisi. Salaries and performance are split. Every Viisionair gets a fixed salary with an annual pay rise. Salaries are transparent and set at the top quartile of the external salary benchmark. The teams check these benchmarks now and then –mainly when new colleagues are hired. If salaries have risen, then salaries of the whole team are adjusted. Performance is a peer-to-peer responsibility and is solved in daily or weekly meetings.
- Individual bonuses were abolished as they undermine cooperation within the team. Fixed salaries create the "psychological safety" to give and receive honest feedback without the concern of negative financial repercussions.

Sources: <https://www.youtube.com/watch?v=08iuH7XsdsY>

<https://leadermorphosis.co/ep-28-tom-van-der-lubbe-on-salaries-and-culture-in-self-managing-organisations>

<https://corporate-rebels.com/viisi/>

<https://corporate-rebels.com/less-is-more-10-practical-examples/>

<https://www.viisi-expats.nl/about-viisi/>

AT&T

Background:

AT&T, one of America's largest and most iconic telecom infrastructure companies, faced the reality of a rapidly transforming digital marketplace; a transformation of jobs and skills needs for the future. Rather than a traditional strategy of existing legacy roles and hiring in-demand talent from the outside, AT&T undertook an ambitious, longer-sighted program – “Workforce2020” – to upskill and reskill its 250,000 people.

Key Take-aways:

- An organization-wide skill gap audit allowed the company to identify how it could develop and source required skills internally rather than relying on external sources.
- HR processes, such as development and performance management, were revamped to promote the development of in-demand skills.
- An online self-service platform that included a career profile to identify an employee's skill gap, a career intelligence tool to provide employees better stats on hiring trends within the organization and a job simulation tool that allowed employees to deal with practice situations in new jobs were accessed more than six million times in a period of a year.
- AT&T encouraged upskilling/reskilling through a variety of courses and qualifications in partnership with Georgia Tech and Udacity.
- The company shifted from the traditional upward career path to a lattice career path that allows employees to keep skills relevant, improves opportunities for development, and increases inclusivity throughout the organization.
- The upskilling and change program was done through an open and honest dialogue with employees and representatives regarding future skills needs and the changing nature of jobs and the industry at large.

Sources: AT&T's radical Talent Overhaul: <https://hbr.org/2016/10/atts-talent-overhaul>.

The Keys to AT&T's SAFE Transformation: <https://soundcloud.com/agileamped/the-keys-to-atts-safe-transformation>.

Hilcorp Energy

Background:

Hilcorp Energy, a private oil and gas company, specializes in taking over-complicated, legacy assets and maximizing their output. The company consistently ranks the highest in Great Place to Work surveys. Hilcorp is an example of an organization working with an agile mindset and approach without reference to any specific agile methodology or practices – it is just naturally bred in its culture and way of doing business.

Key Take-aways:

- Driven by a clear set of values and a number of key practices – flat organization, delegation, and alignment of goals and incentives – Hilcorp has created a culture of ownership and accountability amongst employees for the success of the team and the business. The goal is to foster an entrepreneurial organization with clear accountabilities, a focus on value, and the ability to act quickly.
- The company is divided into multi-disciplinary, cross-functional
- asset teams that work directly with the legacy assets. They organize themselves autonomously and are accountable for the success of the project. The rest of the organization works together to support the work of these teams.
- Work is delegated down to the people who have the most direct contact with the asset (rather than management), in this case, the foremen and field employees. Maximum number of levels above any employees five.
- Targets are closely aligned; incentives are given to every employee if the organization as a whole meets these targets. Annual bonuses are the same for every person in the organization.
- Mandatory processes are minimal and exist to increase productivity, not restrict it. Core values also guide the organization's processes.

Sources: <https://www.mckinsey.com/business-functions/organization/our-insights/digging-deep-for-organizational-innovation>
<https://www.hilcorp.com/about-us/corporate-culture/>

Menlo Innovations

Background:

Menlo Innovations is a software design company and an example of a firm basing the business model on the primacy of its people and team collaboration. To help achieve this, the company aims to incorporate “joy” to all stakeholders: the end-users, the clients, and employees.

Key Take-aways:

- Teams (“high-tech anthropologists”) are sent out to observe, listen, and understand the nuanced needs of the end-user.
- Project managers keep clients up-to-date with weekly “show and tells,” transparency with project completion, and financials.
- The team works on an open floor plan, uses visual methods and tools to prioritize tasks
- Strong emphasis on experimentation, flexibility, and innovation to deliver results.
- Work/life balance is also emphasized, with all employees working only 40 hours and a strict no overtime/weekend work policy.
- The large team is broken down into teams of two, tasked with taking up projects that are of particular interest and motivation. Each team of two has only one monitor and one keyboard. Menlo has found this is the quickest way to share knowledge among the larger team, break down knowledge silos, and onboard people.
- The hiring interview includes the interviewee being paired with a member of the team to work on a project. Selection is based on whether the team felt the interviewee could convince them to hire his/her partner.
- The team as a whole makes performance reviews and personnel decisions.

Sources: <https://menloinnovations.com/our-way/our-people>

Roche

Background:

Roche, a biotechnology firm, was looking for ways of working that would ensure long-term success in a constantly changing competitive environment. The company was also focused on ways in which it could be ready to respond to any situation at any given time. Adopting an agile mindset through agile ways of working was the chosen solution, driven by the leadership team and the recognition that agile thinking and behavior needs to start from the top.

Key Take-aways:

- Kinesis was a four-day program, created for 1,000 leaders across the organization.
- Day one included a 360-degree assessment that showed leadership how their behaviors and mindsets directly impacted effectiveness. It forced attendees to confront limiting patterns that might have worked in the past but may not in the future.
- Day 2 was a workshop on the agile mindset and agile ways of working.
- Day 3 got management to re-imagine the organization with more agile processes, structures, and work culture.
- Day 4 included a real-life experiment, where attendees got to implement their ideas and structure during the day with more agility.
- Leadership was then invited to use the tools they'd learned, not told to do so. 95% of attendees ran follow-up sessions with their teams and eventually switched over the agile ways of working.

Sources: <https://www.mckinsey.com/business-functions/organization/our-insights/how-a-healthcare-company-is-pursuing-agile-transformation>.
<https://www.mckinsey.com/business-functions/organization/our-insights/doing-vs-being-practical-lessons-on-building-an-agile-culture>.

Background:

Needing to respond adequately to exponential growth, Bol.com took an innovative approach to involving employees to adapt its structures and ways of working. Moving to a model of self-organizing teams and network structures, the company has transformed how it operates, continuously and openly learning as it goes.

Key Take-aways:

- The process began with an experiment, which was carried out on a team of 40, to adopt Bol's version of holacracy called "Spark."
- The team was given the freedom to experiment with how it approached work through new meeting structures and organizational roles.
- Increasing productivity and overall satisfaction among participants of this experiment got them to talk about this new way of working with their colleagues via internal communication channels and presentations.
- As more teams started to adopt "Spark," their overall satisfaction was measured through a Net Promoter Score (NPS).
- A low NPS mark allowed the company to provide support to those struggling to get on board and address issues immediately. This encouraged the new way of working to "go viral" within the organization.
- 300 non-IT employees then joined this new way of working, with more and more teams on the way to adopt "Spark."
- The company also openly acknowledges where teams sometimes find it difficult to start out on the Spark journey but, after a few weeks, the new habits and routines take hold, boosted by the early results and positive wins that the group experiences. Critical to that "messy" transition has been the strong purpose-led approach, open leadership, and psychological safety provided for what they are trying to achieve – and why.

Sources: <https://corporate-rebels.com/bol/>.

<https://www.linkedin.com/pulse/from-spark-fireworks-first-18-months-change-bolcom-harm-jans/>.

BuJo

Background:

From the beginning, the BuJo burger restaurant has been passionate about its purpose, values-based culture, and in creating a unique employee experience. While entering a well-served sector, it set about creating new standards of excellence in its business operating model, technology enablement, sustainability, food production and quality, and customer experience. Central to the journey were its people, with the primacy of the stakeholder ranking going from employee to customer to the shareholders – in that order.

Key Take-aways:

- In a crowded market, BuJo has managed to carve out a unique brand and niche by establishing an online, community-based, innovative, and physical fast-casual restaurant presence.
- Its care and attention to the people agenda has been clear from the start in how it carefully recruited its first wave of employees and in other initiatives such as setting up a future-focused HR operating model
- As it expanded, the company wanted to ensure the unique and open BuJo culture was integrated into the full people management life-cycle from recruitment through to development, reward, teamwork, leadership capability (at all levels), and other people processes.
- Adoption of the most progressive people management processes in its sector, embracing Future of Work developments and technologies in people management, and ensuring that BuJo stands out in terms of its people culture and operating model as much as it does for its food, technology, and customer experience.
- The attention to the people brand of its business also has yielded dividends in its staff loyalty, advocacy, community reputation, and productivity.

Sources: <https://lovindublin.com/lifestyle/dublin-restaurant-in-lovely-gesture-for-older-people-looking-to-dispose-of-their-christmas-trees>. <https://shop.bujo.ie/pages/about>

Rijksmuseum

Background:

When the Rijksmuseum, the national museum of art in the Netherlands, got the opportunity to reinvent itself, it adopted agile practices of collaboration, dissolved and reformed teams to execute this transformation, and continued its long tradition of innovation with its first year seeing over 2.5 million visitors.

Key Take-aways:

- Singular specializations like painting, textiles, etc. were abandoned in favor of multi-specialty groups organized by century.
- Tasked with creating a historical narrative, teams worked together to create a long list of items to be showcased at the opening.
- A person who specialized in a century of human history chaired each team. Teams then worked together in a way that worked for them to form consensus and execute their plan.
- Teams were then dissolved and new teams recreated to curate a shortlist of items.
- Success of agile practices ensured they were continued past the opening, which led to a permanent change to the overall organizational structure of the museum.
- Today teams are still created and dissolved to improve the quality of the four main pillars of the organization: exhibitions, personal stories, customer journey, and innovation.

Sources: <https://www.synerzip.com/blogs/4-examples-of-agile-in-non-technology-businesses/>,
<https://www.mckinsey.com/business-functions/organization/our-insights/accidentally-agile-an-interview-with-the-rijksmuseums-taco-dibbitts>.



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