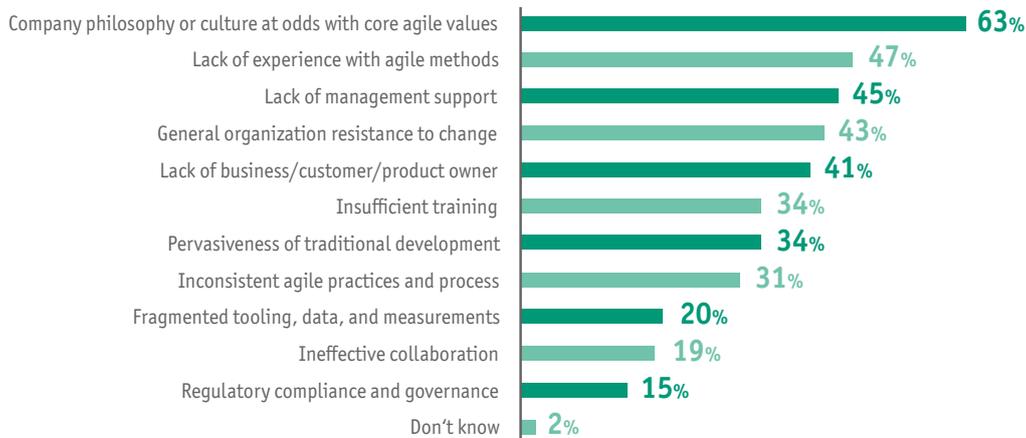


STIMULATING A NEW CORPORATE CULTURE AND MOTIVATING STAFF

Most companies understand that the critical factors for agility are a change in the corporate culture and a new mindset among their employees. The agile approach can be difficult to embrace in a culture that depends heavily on legacy systems, or in a culture driven by control. For agile initiatives to thrive, a strategic cultural change program is required. According to a study by Version One – a developer of agile software – the greatest hurdle is the “company philosophy or culture at odds with core agile values” (see below).

This survey and other research stress the vital role of corporate culture. As mentioned above, although many agile projects start as bottom-up initiatives, they are soon crushed by the organization if they are not protected and supported. At the beginning of the agile journey, pilot or ‘lighthouse’ projects and agile initiatives need special support from a corporate change program backed by top management (CGI, 2016).

Challenges Experienced Adopting & Scaling Agile



The survey by VersionOne (2017) among individuals from the global software development community in a broad range of industries reveal the greatest hurdles faced when implementing agility within an organization. Respondents were able to make multiple selections.

Elements of an agile corporate culture

While every organization has to find its own unique way of reshaping its corporate culture and defining corporate values, several aspects are commonly found in agile corporations:

- ▶ **Empowerment of people:** Employees and teams enjoy greater autonomy and freedom to structure their work. Agile work environments benefit from less formal structures that prescribe how work needs to be accomplished.
- ▶ **Collaboration in teams:** Teams are put together based on competencies rather than status. This ensures that the best

people come together to focus on the successful outcome of a given task, regardless of their function or hierarchies.

- ▶ **Shared responsibility:** Decisions are made collaboratively in teams and not by a single executive. This reduces the risk of mistakes and leads to better identification and satisfaction with the result that has been reached.
- ▶ **Fluid tasks:** Agile environments are more fluid when it comes to assigning responsibilities. Rather than having a strict division of labor, tasks can overlap and even produce redundancies. This makes working more varied and it enables multiple team members to handle a given task.

- ▶ **Transparency:** Transparent goals and decision processes are critical success factors for agility. They ensure that projects support the corporate strategy and create value for the organization. Transparent processes within the project team help others to understand the steps taken and the decisions.
- ▶ **Endorsement from top management:** The support of the top management can go a long way in helping a new corporate culture come to life.

New competencies needed by leaders and staff

Working in agile organizations also places high demands on the competencies, skills and attitudes of the staff and their superiors. They need:

- ✓ Openness
- ✓ The ability to work within teams
- ✓ Self-organization
- ✓ The ability to set up and lead project teams
- ✓ Insights into the abilities and expectations of other departments
- ✓ The ability to act as consultants
- ✓ The ability to work with agile methods
- ✓ Flexibility
- ✓ The ability to make decisions

Even though an increasing number of employees and middle management claim more flexibility, freedom, self-organization, and empowerment, not every team member is positive about engaging in agile ways of working. Some seek stability and do not welcome uncertainty and more freedom. Usually, more outgoing, proactive, career-minded people flourish in agile organizations while more introverted, less innovative or older, less flexible people find it harder to adapt (Bergmann, 2014; Peterson & Mannix, 2003; Schloegel et al., 2018).

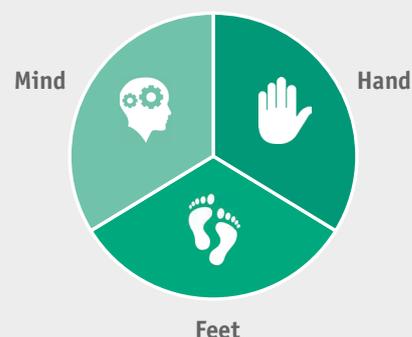
A number of empirical studies suggest that agility better matches the demands of generations Y and Z. Since they have grown up in a world where everything is accelerated, where communication is instantaneous and news and information travel fast, they tend to be more flexible and open to agile ways of working (Alton, 2017).

» If there is no structure left, then people cannot get the appreciation and development possibilities they need. So they leave. We do not want that to happen in our company. «

Michael Brendel, Head of Supervisory Board Communication, Volkswagen AG

THYSSENKRUPP: AGILE MIND, HAND AND FEET

Alexander Wilke, Global Head of Communications at thyssenkrupp AG, uses a powerful image of agile competencies. Each communicator needs an 'agile mind', an 'agile hand', and 'agile feet'. This refers to the mindset of communication managers in large companies, the ability to work in interdisciplinary, cross-functional project teams and the speed of task management.



Agile mind:

» The abilities required to shape transformation processes are completely different from those needed for writing press releases. As communicators we need to be open to new tasks, have the capability to manage and engage at interfaces and be compatible with other functions – all this needs an agile mind, a mind that has to engage in lifelong learning. «

Agile hand:

» I cannot rely on the task I was hired to do. I have to describe my own task and build a team able to address this task. Such a team will probably be a mixture of people from my own department and people from other areas of the firm. Maybe I have to lead the team, maybe I will have to find somebody else to lead it, either way – I have to reach my objective and targets. Communication people have to be networkers, literally knitting a net – a team – with their hands. «

Agile feet:

» The external challenges put on the organization demand flexibility or agility. That means that you have to be in good shape to be able to respond. «



» When employees say they want freedom and responsibility it is a nice choice of words, but you have to cope with that. There is sometimes a dissent between what employees really want, because responsibility has consequences: you are being held accountable. I am a big fan of the situational leadership approach. Some people flourish with freedom and responsibility and some break – you have to know who is who. «

Jürgen Harrer, Head of Corporate Communications, FRAPORT AG

The challenge of motivating people

According to our interviews, a key challenge is making people want to work in agile organizations. The importance of intrinsic motivation and meaningfulness has increased. People in agile environments work more, seldom less. As long as agility is treated as an 'add-on' to standard procedures and tasks, employees who want (or have to) engage in agile projects have to add extra hours to their schedule. This has to be acknowledged – either monetarily or through other forms of incentives. Agile organizations should leave people more space for individual growth, learning, 'out-of-the-box-thinking', and non-hierarchical behavior. However, it would be naïve to think that all employees are motivated accordingly. Many like working in linear, vertical structures – not only older people. In fact, it is sometimes the younger, more ambitious staff who find agile structures problematic. While more senior staff might appreciate a new challenge, young people hoping for a well-planned corporate career might be disappointed upon seeing that many hierarchical levels – and thus rungs on their career ladder – have been demolished.

Changing demands for leadership

Agility also demands a new understanding of leadership. It will be less anchored in hierarchies, departmental power structures, or personal influence. Instead, project or team leadership is

on the rise. This is characterized by the willingness to coach, enable and empower employees to make their own decisions. Technical responsibility is transferred to where decisions can be made best: in cross-functional teams. There, decisions are made in a decentralized and self-responsible manner (Rutz, 2017).

Up to now, a corporate career has been typically linked to a prescribed culture of behavior, punctuality, diligence and accountability. But our research shows that a culture of values is developing in many instances. Leadership becomes more difficult – it is about trust, individual compassion, and appreciation. The challenge is to lead without exerting burdening control (De Smet, 2018). Agile leaders have to be flexible and capable of transforming people, teams, and processes. They perceive leadership as a role – not as a position or function (Hofert, 2018). The ultimate goal of leaders in an agile organization is to make themselves redundant because the team is able to manage itself. Many executives feel uncomfortable about their new role. External coaches have reported their experiences of middle management actively or covertly pushing back against the agile transformation (CGI, 2016). Here, swift or firm confirmation from the top management can help the transformation to stay on course and further pursue agility.

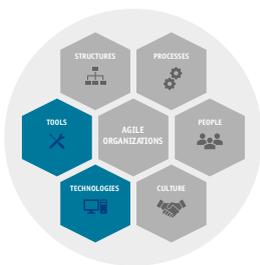
» *The most important thing when working with others is supporting the colleagues, because there are many people in large companies who do not like to collaborate and do not accept advice or decisions from someone with a lower hierarchical status. Here the superiors are asked to weigh in and support.* «

Alexander Wilke, Global Head of Communications, thyssenkrupp AG

New leadership roles

Three leadership roles are becoming increasingly important (e.g. Rutz, 2017; De Smet, 2018; Lawler & Worley, 2015):

- ▶ **The advisor** has a trust-based relationship with their employees. This role includes providing guidance and assisting in upcoming questions. The advisor should act as an example. Therefore, it is important to know and reflect on one's own values, needs and motives because they are the basis for acting authentically as a role model. Those who know their strengths and weaknesses and thus their own 'road map' are capable of meeting others with appreciation, openness and respect. They inspire people.
- ▶ **The multiplier:** In this role, the leader is responsible for transferring knowledge and experience. By providing platforms and channels to articulate, his/her task is to convey the big picture and ensure transparency. Multipliers break down the strategy into clear and easily remembered messages.
- ▶ **The coach:** The most important role for leaders in agile organizations is to support employees' individual responsibility. Leaders should actively involve employees in decision-making processes. A shift from being a controller to being a supporter and enabler of employees is essential. To do so, coaching and feedback skills are needed. Leaders must build up the people needed and equip them with suitable skills and management tools (Zerfass et al., 2018). Their task is to evaluate, coach, and develop people – but without traditional direct oversight. This includes matching talent to the right roles and value-creation opportunities. Organizations can adopt a set of talent management practices that encourage employees to learn and develop (Kiesenbauer, 2018).



APPLYING AGILE TOOLS AND TECHNOLOGIES

Agile tools and practices such as Scrum, Kanban, Design Thinking, Sprints, etc. usually are the first things that come to mind when thinking about agility. However, from a strategic perspective such methods are for now the least important issue for communication executives. Nevertheless, a sound knowledge in this area is needed.

The use of agile tools is most efficient under certain conditions such as initially unknown solutions, modularized work or close collaboration with target groups. Such conditions exist for many product development functions, marketing projects or strategic-planning activities. Many companies rely on a mix of experienced and specifically trained staff and external coaches to

apply these techniques. Communication leaders should document appropriate approaches in toolboxes (Zerfass et al., 2018) and build in-house competencies.

As many are still not familiar with the terms and concepts, a brief overview of the three most commonly applied tools will be given here. Many tools are pretty easy to test out in smaller teams or projects. Still, it remains important to maintain a trial and error attitude, and not to follow the methodology to the letter; each team can adapt it to its needs. Often, teams also mix these techniques with non-agile techniques. (Komus & Kuberg, 2017; West & Grant, 2010)