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STEPS TO DIGITAL TRANSFORMATION WITH AGILE SQUADS

AGILE WORK MODELS

Today's businesses are no longer constrained by physical locations. Common work models now include:



100% Remote Teams

This model saves the company money while paving the way for easier recruitment, improved retention, and higher employee productivity.



Face-to-Face Teams

The traditional method can enable easier and more transparent communication, and greater project alignment.



Hybrid Models

This model brings together working remotely and in-person, allowing for greater flexibility for employees while boosting communication and productivity.

A NEW ERA FOR BUSINESSES

Today's businesses face complex challenges. They are under pressure to deploy new solutions and services amid unprecedented economic uncertainty, increased competition, and rising consumer and shareholder expectations. Therefore, successful digital transformation depends on the ability to move faster, drive rapid and strategic growth, and create greater value for target audiences.

TECHNOLOGY AND BEYOND

Digital transformation requires a new end-to-end business vision. Agile enterprises leverage talent in the following areas:

- **Technology** – From the Internet of Things to blockchain to data lakes to artificial intelligence, Agile enterprises are using tech to drive strategic change within their organizations.
- **Big Data & Analytics** – Data plays a significant role in delivering products and services. Agile businesses know how to derive meaningful insights by integrating unstructured data, proprietary data, and data external to the company.
- **Process** – Transformation requires a change in end-to-end mindset, including rethinking ways to meet customer needs, seamlessly connecting work activities, and collaborating across silos.
- **Organizational Change** – The participation and ownership of business stakeholders working in high-performing, cross-functional teams is one of the most important success factors for an Agile enterprise.

1. Align Technology to Business Capabilities

- a. Tech can be aligned to:
 - i. Stages of a customer journey
 - ii. Steps in a business process
 - iii. Business value streams
 - iv. Business units
 - v. Other methods that reflect how the business is run (either financially, operationally, or functionally).
- b. Result = a portfolio of products aligned with user & stakeholder requirements & priorities.

Source: "Agile Transformation: The Five Steps to Building an Agile Delivery Model," ISG

SUSTAINING DIGITAL TRANSFORMATION WITH AGILE SQUADS

Implement a **culture of collaboration**

Take advantage of **remote work models**

Leave room for **continuous improvement**

2. Identify Business & Technology Leaders

In an Agile team structure, joint ownership of problems and accountability for product capabilities go hand-in-hand. To focus on business priorities, do the following:

- a. Align technological products & services with Business Owners (they manage critical technical needs while reducing technical debt).
- b. Identify objectives that will keep the Agile teams focused on delivery aspects that support business goals.
- c. Establish metrics that allow Business Owners to measure success & failure related to business goals/objectives.

3. Start Small, Then Expand

A "minimum viable product" (MVP) model calls for a detailed approach for standards, oversight & best practices (governance), as well as a performance framework that outlines how teams will be evaluated.

- a. Not a static structure; initial teams should work on continuously improving the model by identifying resolutions for barriers they encounter as they expand & mature.
- b. The Agile team should be a cross-functional group made up of the right people from backgrounds like:
 - i. Business
 - ii. Technical
 - iii. Infrastructure
 - iv. Architectural

PUTTING THEORY INTO PRACTICE

Here are the five steps your enterprise should take to integrate Agile teams or squads into your operational model.

4. Launch Team & Continuously Improve

Engage the Agile teams in the following ways:

- a. Communicate the set-up of the current model & all product-specific objectives
- b. Launch the processes required to deliver the work, outputs & deliverables according to business priorities.
- c. Remember that the biggest barrier to adopting Agile methodologies can be a *lack of business support*. Therefore, ensure teams understand their roles & responsibilities, the product team model & Agile practices.

5. Continuously Improve Governance Model

Create a baseline of team performance that uses three performance indicators of any technology product:

- a. Business metrics
- b. Development metrics
- c. Operating metrics.
- d. Best tip? Continuously improve the team model by soliciting feedback & best practices from all of the teams.