



WHITEHALL
CONSULTING

Creating Impact Together



Working towards your
transformation journey

Lean and Business Agile

Lean and Business Agile approaches can be harmonized to enable organizations to move faster and provide higher quality products and services to the customers. The right blend of Lean and Business Agile promotes a healthy organizational culture.

LEAN is NOT the same as AGILE

Lean originated from the Toyota Production System developed by Taiichi Ohno.

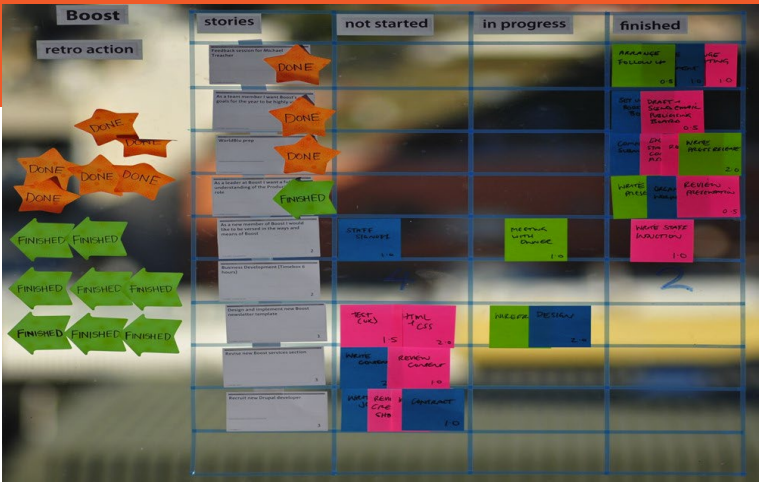
The end goal is a sustainable production and reduction of wastes. It focused on optimizing the entire system and utilized visual signals like the Kanban board.

A lean organization understands customer value and focuses its key processes to continuously increase customer value.



On the other hand, Business Agility is a time-boxed, iterative way of achieving continuous value delivery. It builds the organization muscle to adapt to changes internally or externally and respond accordingly.

The goal of Business Agile is ultimately to achieve bigger goals by delivering in small, frequent iterations. The goal of Lean is to make the production sustainable by continuously improving processes.



LEAN and AGILE are COMPLEMENTARY.

Listening to our customers and incorporating their feedback is at the core of both Agile and Lean. The right blend of Lean and Agile leads to a successful transformation journey

What is AGILE?

Let's dig deeper on Agile. To describe Agile, let's take a look at this analogy using the famous Agile Bicycle. For example we have a customer requirement, which is, to transport from point A to point B. Normally, there are two types of approaches, the traditional or waterfall, then the other one is Agile.

Waterfall

Focus is on the process. Customer will only see the outcome at the end therefore feedback will be given at the end as well



Agile

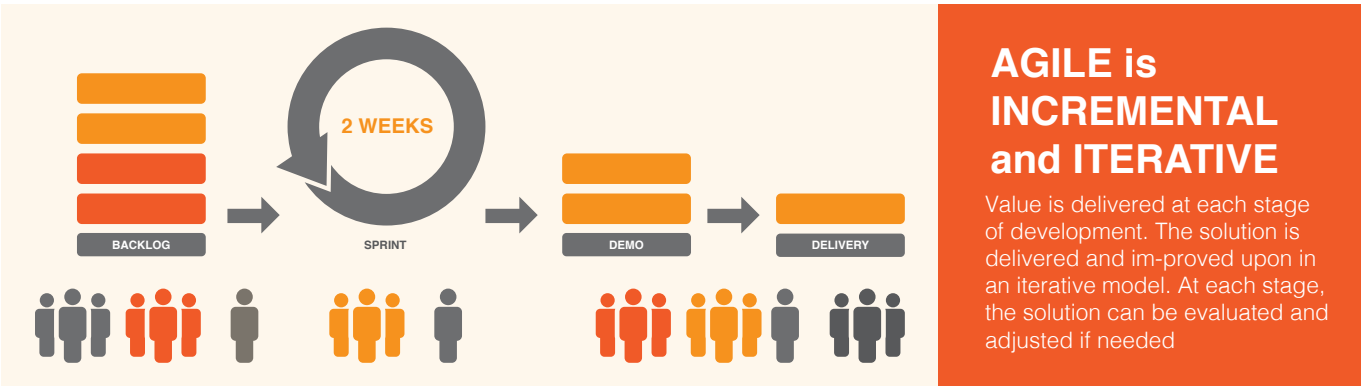
Focus is on the customer outcome. Products are built in increments that can be tested by the customer in short cycles. Feedback is more frequent and early in the process.



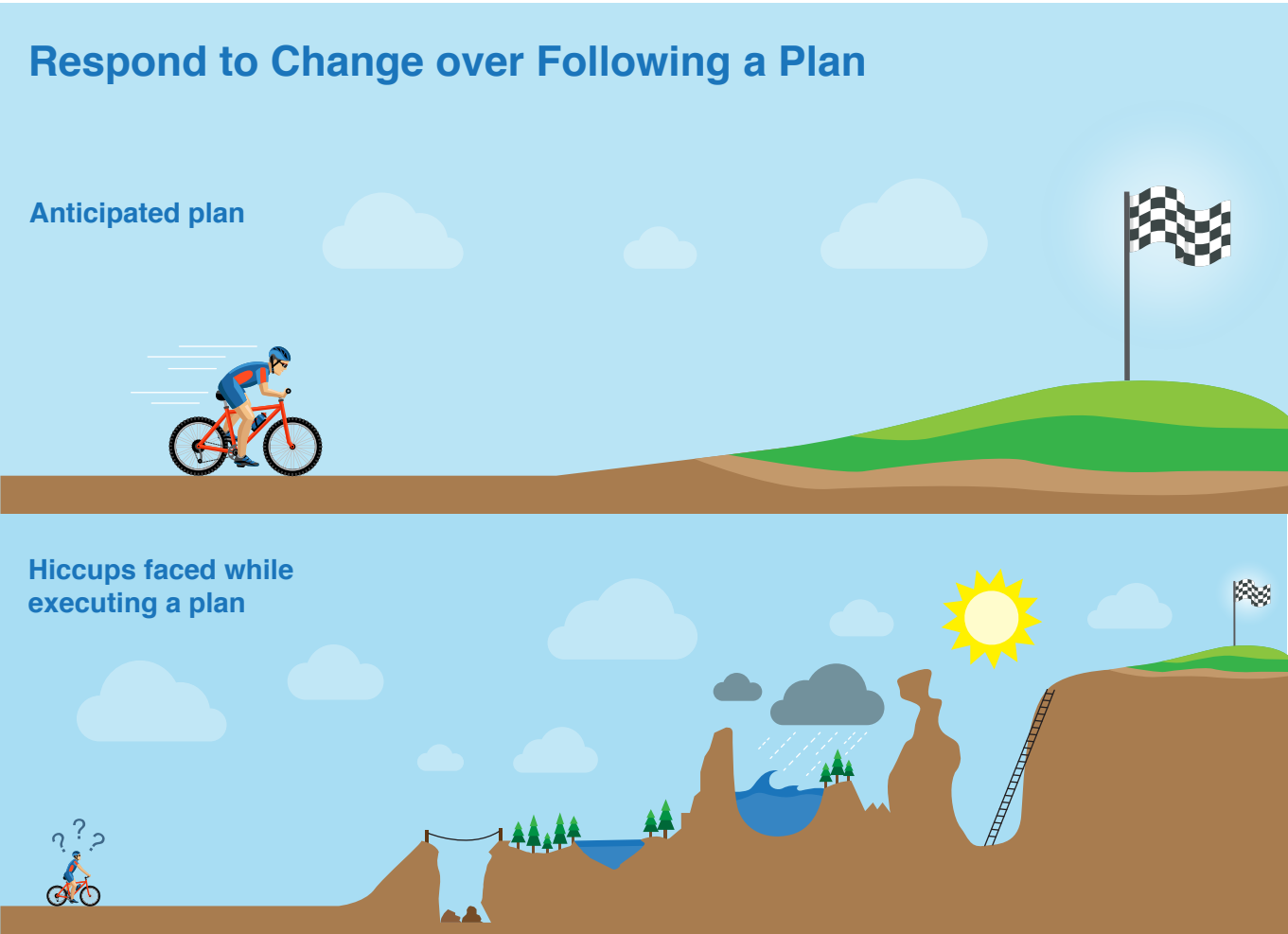
Traditionally, we think of a possible solution (in this example... a car) and build a plan to make that solution, follow the plan and deliver at the end. The project team is blindly following the plan and missing the opportunity to create a valuable product. Also, the customer will only see the outcome at the end therefore feedback will be given at the end as well. Using this approach will not help us achieve our desired outcomes faster.

In Agile we take a very different approach. We start with the same context wherein we look at the desired outcome which is from point A to pt B. However this time we don't think of building a car. Instead we focus on meeting the outcomes by looking into the smallest thing we can think of that will get the customer testing things and giving us feedback. In this example the skateboard is the 1st released product that is actually usable that can help customer get from A to B. Not great, but a tiny bit better than nothing.

The project is not finished, this is just the first of many iterations and we are still aiming to build something better like bicycle, motorized bike or even car, but in the meantime, we are trying to learn and get feedback from the customer. The key question is “What is the cheapest and fastest way we can start learning?”



So you see we think big, but deliver in small functionally viable increments. We do iterations or sprints in Agile and definitely a lot of collaboration. We don't follow a plan but rather respond to change

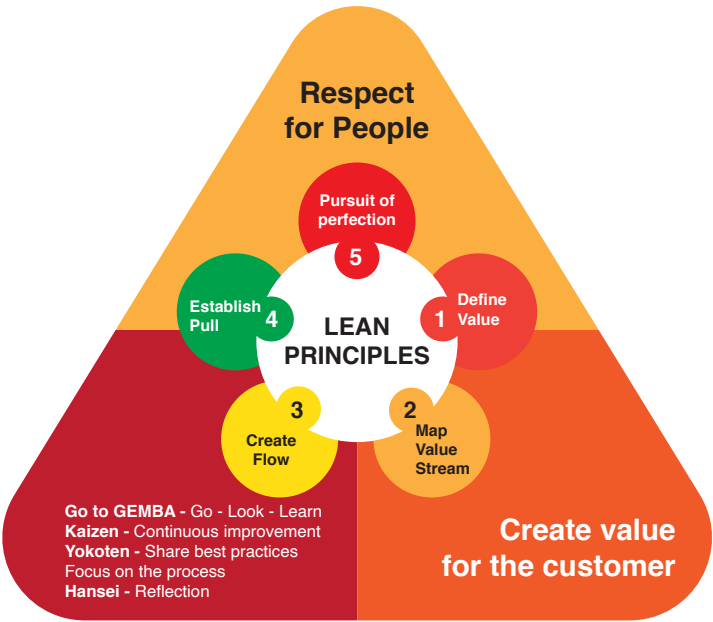


The way we think in a Lean Culture

Let's talk about Lean...The images you see are the Principles of Lean. This is what we use to deploy it, but more important than that...is the way we think in a Lean Culture. From creating value for the customer with Lean Practices to establishing our people's values.

Yes, Agile focuses on evolving products to better meet customer requirements, but it does not address how to evolve processes to better support the evolution of the product. This is where Kaizen and other Lean practices for continuous improvement, comes into play.

A truly Lean-Agile process incorporates elements of both continuous delivery and continuous improvement, optimized across the entire value stream.



The Toyota style is not to create results by working hard. It is a system that says there is no limit to people's creativity. People don't go to Toyota to 'work', they go there to 'think'

Taiichi Ono

LEAN and BUSINESS Agile Together? How?

Now we know the difference and importance of both....lets go to the HOW part. The 1st step to our transformation journey is creating a culture of LEAN and AGILE Mindset.


Its very important that we identify the right values and behavior that our people need to embrace. Then, we need to identify ways to promote those values to transform the culture.



Create a culture of Lean and Agile mindset

Identify and institutionalized core Values and Behaviours Customer Centricity, Collaboration, Agility, Servant Leadership and Self Organization.

Carrying these values and behavior with us will help us go to the next step which is formation of a self-organized and cross functional team.



Formation of Cross Functional Team

Structure that functions as a self-organized, collaborative cross functional members.

For us to meet a certain mission, goal or objective we will need a team take their action but rather an end to end accountability mindset to deliver the outcome since they are ONE TEAM now...meeting and collaborating frequently. Best strategy is to train and onboard all members of the team on Lean-Agile before launching the initiative and understand the mindset needed in LEAN and AGILE.

Next step is to identify your goals....this maybe like the team’s mission and it should be linked to business outcomes.

Identify Goals with Smaller Objectives Linked To Business Outcomes



Goals being too high level need to be broken down further to small, chewable objectives to become more manageable and more specific for the team at execution stage.


Typical examples of business outcomes are Net Promoter Score (NPS) or Customer Satisfaction improvement, Revenue Generation/Realization, Cost Reduction/Optimization and others...

Again your goal should be connected to one or two of these business outcomes. To make sure that the initiative we are working on is align to enterprise desired outcomes.

Goal is normally huge...Most organizations they have a workable goal achievable in minimum 6 months up to 2 years and it is high level. Now for the team to work on it, it is too overwhelming we need to break it down further to smaller, logical and chewable objectives so it will make execution manageable.

Goal is identified by the Sponsor. Objectives are identified by the leader of the team. Then the tasks/actions to meet the objectives will now be identified by the members. Remember make sure we empower our cross-functional teams here... meaning just give them the objective and let them identify the tasks to achieve the objective. As long as the objective is bite size, chewable and manageable.

One of the feedbacks from the teams who adopted this is that it is easier and faster for them to work when they are self-managed....however, though they say sometimes it resulted to a little chaos and confusion however.... when there is clarity on the outcome, very specific on what they need to focus on...they are able to do it...That is why objectives in a byte size manner are very powerful in enabling your team to self-manage



The secret of getting ahead is getting started. The secret of getting started is breaking your complex overwhelming tasks into small manageable tasks, and then starting on the first one.

Mark Twain

Next, establish a system that will increase commitment to plan and actions including driving the right behavior to both leaders and members. Operating Rhythm is one...we are allowing our people to work as a team, focusing on the right things at the right time, and we are pushing responsibility to the front line team.

Organizations establish operating rhythm by focusing on: Daily planning, coordination and follow-up, Work with leading performance measures, Document and share best practices, Develop functional skills and Continuously improve the way we work

Establish an Operating Rhythm and Standard Work



A system that will increase commitment to plan and actions including driving the right behavior both leaders and members

What is a Sprint?

A Sprint is a set period of time during which specific work has to be completed and made ready for review. Each sprint begins with a planning meeting. The duration of a sprint is determined by the leader of the team, In Lean-Business Agile approach, normally, 1 sprint is equivalent to 2 weeks...but for some teams, the duration of the sprint is 1 week.

What is a Sprint Planning meeting?

It is the first meeting to kick off the sprint. Once the objective is given to the team, they should all meet together then brainstorm and collaborate on the list of tasks or actions to meet the objectives...Depending on the objective, teams are using tools to enable their discussion...Gemba and process mapping is highly recommended prior to sprint planning...The typical duration of this session is around 2hrs...

4 hrs if we are talking of several teams doing the session together.

The purpose of sprint planning is to define what can be delivered in the coming sprints and how that work will be achieved.

After identifying the list of task or actions...then we prioritize on what to complete in the 1st sprint
Say you have identified 20 actions...out of 20, we are looking at 10 for Sprint 1...

Then next step is to set-up the Kanban Board and conduct daily stand up to monitor the progress
You only need 15 minutes for your Daily Stand Up..... as this is where the team plans their day, reviews previous day's learnings and remove road-blocks if there are any.

Again, team members should take charge in the Daily Stand Up bearing in mind that all identified actions are done by end of the sprint...leaders will come in if there are any challenges...

This will be a continuous cycle until the Goal and objectives are all achieved.

We realized that it's not about picking one methodology and following it like it's gospel. It's about blending all our best practices and learnings together and then using what makes sense for our teams, not anyone else's.

So that's how we can combine both Lean and Business Agile. We hope you have learned valuable insights in deploying Lean and Agile.

To know more about deploying Lean and Agile in your organization, email us at info@whitehall.com.ph.

Constant Sprint Sessions and Daily Stand Up



Delivers a usable output in a short one or two week cycles called iterations (or Sprints) and it operate by breaking down the objectives to tasks, prioritizing them and actioning.



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