

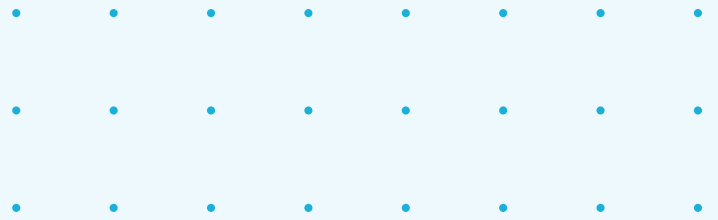


Organisational Agility

How to optimise your organisation and culture for ultimate success

Whitepaper by Randy Keyers





Organisational Agility



Agile software development concepts date back to 1986, formally beginning in 2001 when a group of 17 software developers, including Martin Fowler, Jim Highsmith, Jon Kern, Jeff Sutherland, Ken Schwaber, and Bob Martin, got together to establish how to speed up development and bring better software to the market quicker.

Formalised in the Agile Manifesto, companies all over the globe have since adopted an agile way of working, but surprisingly, others are only just beginning to uncover the benefits of this revolutionary approach.

The use of Agile principles has been met with scepticism, but what remains clear is its effectiveness when companies consider it in relation to their people, culture, technology, and its processes. In a rapidly changing world, innovation, scaling, new product launch and adapting to new circumstances quickly, is imperative to being truly competitive.

In this Whitepaper, we will explore:

- Common challenges within a traditional organisation.
- Organisational Agility – the benefits.
- Merapar's Agile Mindset.
- Agile Maturity Levels.
- Creating a team oriented organisational structure.
- Utilising agile methods in growing teams/cells.
- The agile meeting structure: Inspect & Adapt.
- The success of a cell structure.
- Organisational agility – the key to a truly successful organisation.

Common challenges within a traditional organisation

Common challenges include:

- Micro managing.
- Low transparency.
- Low trust.
- Inability to adapt.
- Fixed time, fixed scope, fixed cost.
- Failure to delegate.
- Process inefficiency.

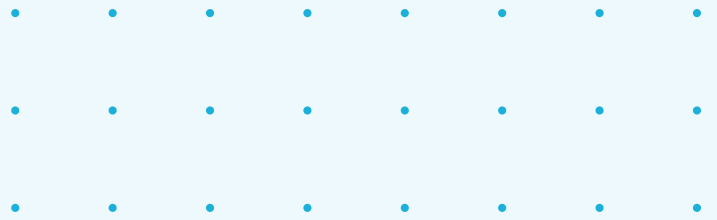
Organisation Agility - the benefits

When a team is fully dedicated to an agile approach, the benefits are tenfold. As noted by **Forbes.com**:

“Research by CA Technologies across 160,000 projects and 50,000 agile teams found when team members were 95% dedicated to an agile team, their productivity doubled, compared to teams in which members were only 50% dedicated.”

Key benefits of organisational agility:

- Faster delivery of valuable software.
- Effective risk management.
- Real time data driven decision making based on empirical data, as we learn.
- Ability to learn quickly, and avoid long lasting costly mistakes.
- Shared accountability and goals, with one team dynamic.
- Greater empowerment through increased team self-management - reduces micro-management and allows leaders to lead.
- Sustainability - long lived teams & sustainable working increase quality, reducing chances of burnout.



Merapar's Agile Mindset

Merapar was formed in 2015 by a group of seasoned entrepreneurs and software architects who have worked with just about every development and organisation framework there is. In recent years, Merapar has had extensive experience building highly agile development organisations.

From the outset, the Merapar founders made a conscious decision, wherever possible, to use well known and proven agile practices to ensure organisational and operational growth. Our highly autonomous teams easily adapt to change and have had great success using a Scrum approach.

Agile maturity levels

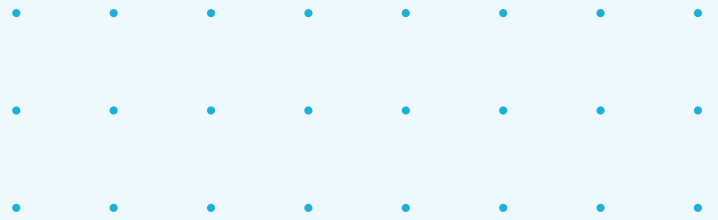
With more of our clients shifting towards agile development practices, we have worked on projects of various shapes and sizes, building and running agile teams. In some cases, Merapar are given full autonomy by our clients to set-up and run our development processes as we determine, whereas with other clients we often need to integrate our practices into their wider organisation and ways of working. There are always multiple factors that affect a team's productivity, but experience tells us that a team's maturity and the wider organisation's external influences are often the greatest inhibitors to success.



Agile maturity levels

How well the agile mindset has matured in your organisation can be expressed in the Agile Maturity level.

Level	Teams 	Leadership 
1	The organisation and its teams have just started to implement an Agile way of working. Patterns and practices are learned and executed “by the book”.	Is typically hierarchically organised. Creates plans, rules and controls budget, and wants full control. The communication style is directive.
2	Know and ensure the value of the agile patterns and practices, and those are shared and discussed. Teams are looking for a common understanding.	Wants to be in control and delegates execution and less critical responsibility to the teams. Ensures buy-in to rules/plans/quality standards. Asks for explicit measurements of progress, output and quality.
3	Discover common standards. Team members are open. Agile values are used as a guideline for all interactions and the team is actively looking for feedback to achieve more impact.	Works together with the team and provides boundary conditions for the team to set their own targets. More important responsibilities are delegated to the teams.
4	Are responsible and committed to frequently deliver valuable outcomes. Standards are continuously used/challenged/updated. Trust & respect are the basis of all acting. The team is collaborating with stakeholders to continuously improve.	Gives advice/coaches/facilitates and delegates all but critical decisions and responsibilities to the teams.
5	Intuitively act on commonly shared standards and feel accountable for creating high quality value. They collaborate with everyone to participate in sharing feedback and learning. Team members trust each other blindly.	Inspires, guards culture, and stimulates continuous improvement. Entrepreneurship and growth for employees is stimulated and responsibility for the full value chain is delegated to the teams.



Stuck in 3rd gear

Worldwide agile maturity rates indicate an absence on culture development.

State of Organisational Agility



Research shows that no more than around 16% of organisations worldwide get past level 3. This shows the huge opportunity that exists for business growth, increased client satisfaction and increased team satisfaction amongst so many companies.

Here's a few of the typical cultural problems we encounter when implementing Organisational Agility:

- Teams are not the foundation of the organisation.
- Leaders provide the wrong boundary conditions for teams to grow.
- The wrong people drive the change.
- They focus on structure, but not on culture.
- They reward the wrong behaviour.
- Culture problems.

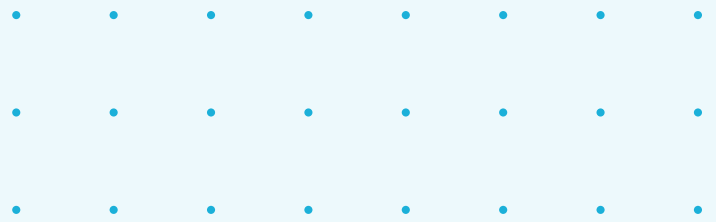
Agility is built on the foundation of self-managing teams: they decide what work to do, how to do it, and when to do it. Mature Agile teams know how to frequently deliver high value, because they are close to their customers.

All mature agile teams have a few things in common:

- They are grouped around the customer or a value chain.
- Their way of working is tuned into the needs of the customer, regardless of the organisation culture & structure.
- Customers and the organisation trust them to do whatever is necessary to get the job done.

Mature agile teams can only grow in a culture that values:

- Collectiveness above individualism.
- Customer-value above shareholder-value.
- Collective development above personal development.
 - Trust above control.



Creating a team orientated organisational structure

In 2018, the Merapar leadership team participated in an agile leadership course (PAL-E, <https://www.scrum.org/professional-agile-leadership-certification>), where the pieces of the puzzle came together with insights into the current agile maturity level of Merapar, both at the team, and organisation level, and the opportunities that were still available.

“We started our partnership with Merapar in 2018 with the Professional Agile Leadership Essentials (PAL-E) training. In this class we help leaders understand how to create mature agile teams that increasingly take more ownership and responsibility. It’s great to see how the executive management team took ownership of these lessons; how serious Merapar is to create a culture of innovation, delighting customers’ value-creation. Merapar’s recent cell-split initiative was a great example of how to apply ‘Agile thought leadership’ at the organisation level.”

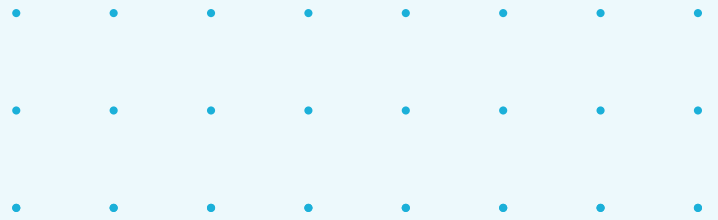
Ron Eringa, Co-founder at Evolutionary Leadership & co-creator of the PAL-E training at Scrum.org

Growing agile maturity within an organisation is key to creating a team oriented organisational structure. The organisation becomes a network of teams with aligned organisational values and a clear focus on product, market and clients.

Merapar pride themselves on customer focus, and we are well known and respected in the industry for our technical excellence, sense of responsibility and autonomy. Merapar are proud to be ‘agile mature’. To be able to maintain, or further increase that level of team maturity, we remain continuously dedicated to structuring our goals around this.

As Merapar has grown, we have consciously chosen not to lead with a hierarchical structure. Living up to our reputation as an Agile thought leader, the way we solved this puzzle, is by structuring the organisation into smaller autonomous cells of teams. Each cell is dedicated to a limited number of clients, within the same domain.

A team consists of 10 or less people for optimal communication and collaboration. A cell consists of 4 or less teams, to be able to foster a close connection with the clients, each other, and with cell leadership. This, in turn,



makes it easy to facilitate the teams with everything they need to deliver value, and to delegate responsibilities. This also means that, if a team or cell grows bigger, it can be easily split to maintain the same level of commitment, communication, collaboration, and of course delegation.



The cell leadership team (3 to 6 people) consists of the Sales and Account Managers, the Team Product Owners, and the Scrum Masters. Together, they have the responsibility to continuously deliver quality, delight clients, and to support the growth of everyone within their team.

Utilising agile methods in our growing teams/cells

In June 2021 due to growth, it became necessary to prepare for our first split within the Dutch cell. To achieve this, we put the Dutch cell (clients, teams and all people with their respective roles and responsibilities) on physical cards so we could see right in front of us, who we had, where people would best fit, and the winning combination for each cell.



We defined five boundaries as a guideline towards this cell-split:

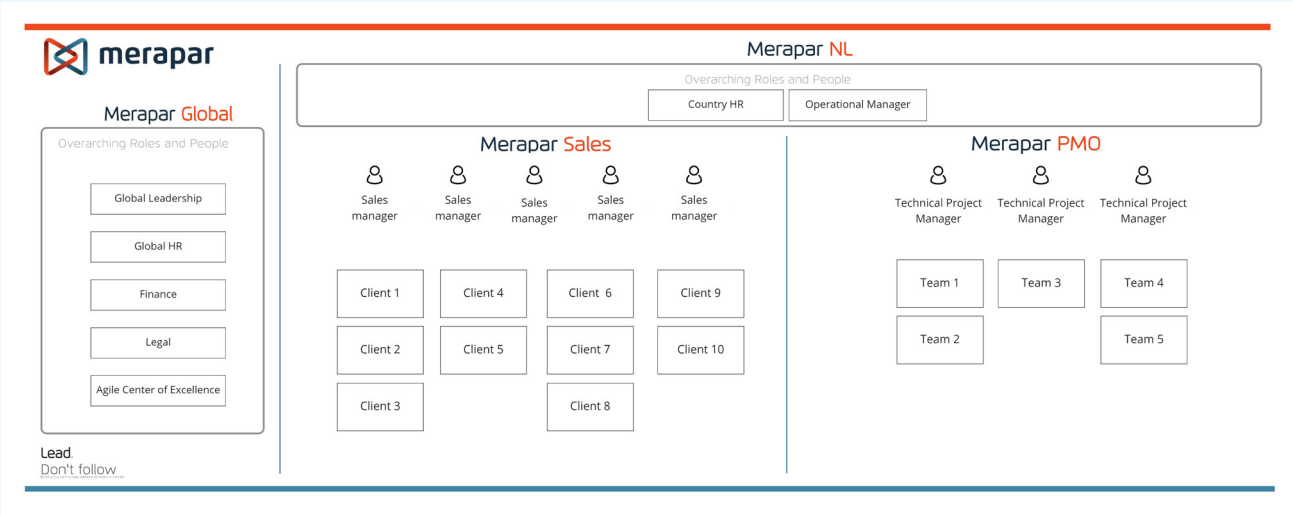
1. Must contribute to a better client focus.
2. Must contribute to a better client domain focus.
3. May not lead to scaling challenges in the future.
4. Should not require noticeable change for the clients, or in the day-to-day work of the teams.
5. Should not require a change in team composition of any of the teams.

With the above boundaries set, we had three workshops with our Dutch Cell leadership team, our Team Product Owners, and Scrum Masters to figure out how to split the cell into two autonomous, client centred cells, with the right people to drive it to success.

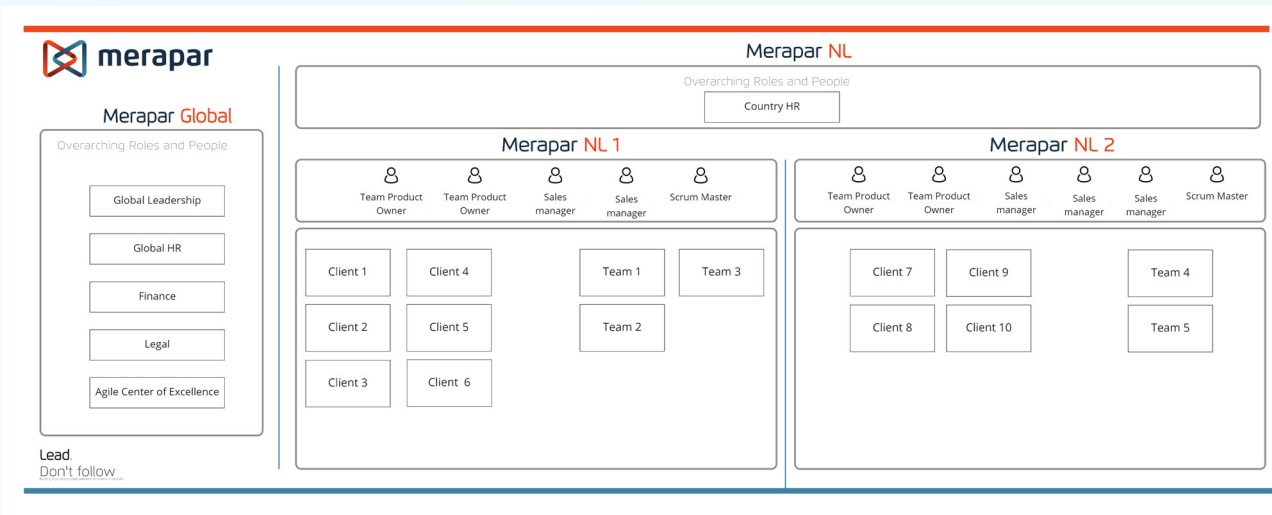
- Visualise the current cell layout with clients, teams, people, and roles and perform a first reconnaissance.
- Create a visual draft design for the cell-split to facilitate the discussion about the pro's, cons and how to perform the actual split.
- Finalise the cell-split design and agree on the process of performing the actual split.

After the new structure was communicated with everybody within the organisation, the new cells immediately commenced in their new setting.

Simplified representation of the NL cell before the cell split



Simplified representation of the NL cell after the cell split

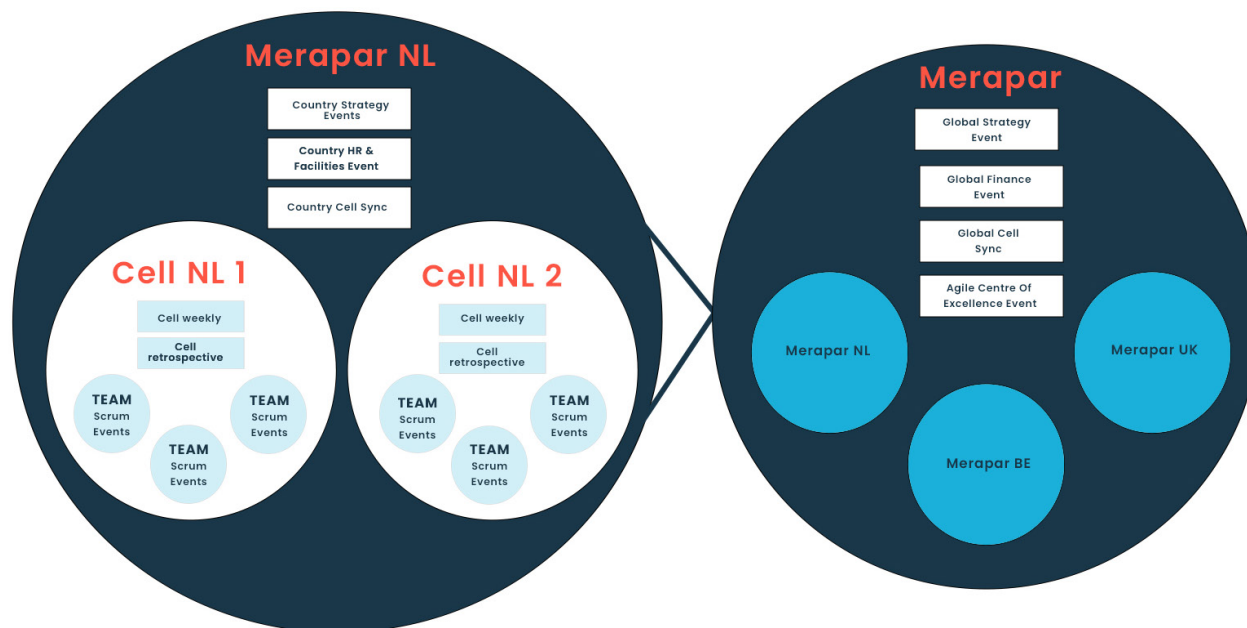


The agile meeting structure: Inspect & Adapt

As an agile, cell-based global organisation, the strategic and operational collaboration is organised around Inspect & Adapt cycles on those specific layers. Dedicated to delivering value to our clients, we have 'Inspect & Adapt' events which implement the Scrum Framework.

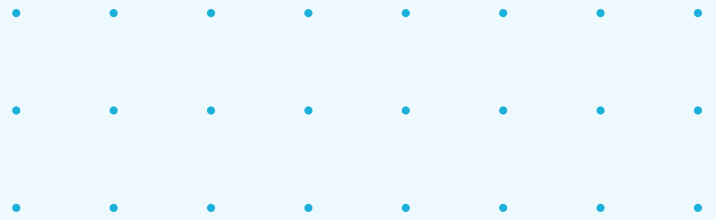
We also designed Inspect & Adapt events on strategy, operation, our services, and our process at all levels. Each event has its own structure, fostering continuous improvement.

Merapar Inspect & Adapt Cycles



The Inspect & Adapt events were designed as follows , and will continue to evolve as we enhance our offering:

Quarterly Inspect & Adapt	
Global Strategy Event	Goal: Clarity about the strategy, inspection on progress and improvements at a global level Owned by: Merapar Country leadership teams Timebox: 2 hours
Country Strategy event	Goal: Clarity about the strategy, inspection on progress and improvements at country level Owned by: Country leadership team and Cell Leadership teams Timebox: 2 hours



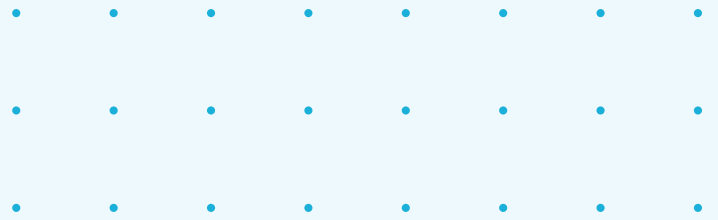
Monthly Inspect & Adapt

Global Finance Event	Goal: Focus and clarity on finance, inspection on progress and improvements Owned by: Country leadership team and representation from the Cell Leadership teams Timebox: 1 hour
Country HR & Facilities Event	Goal: Focus on HR, recruitment and facilities, inspection on progress and improvements Owned by: Country leadership team and representation from the Cell leadership teams Timebox: 1 hour
Cell Retrospective per Cell	Goal: Looking back on the past periods and discover improvements on people, relations and the process Owned by: Cell leadership team Timebox: 1 hour
Agile Centre Of Excellence Event	Goal: Continuously facilitate & improve the Agile knowledge and way of working of Merapar Owned by: Scrum Masters, Team Product Owners, Leaders and other Agile enthusiasts who like to contribute Timebox: 1 hour (during the writing of this whitepaper, a proposal was done by the ACE team to increase the interval, which we think is a welcome sign)

Weekly Inspect & Adapt

Cell Weekly	Goal: Inspect running operations with regards to running projects/new opportunities. Owned by: Cell leadership team Timebox: 1 hour
Country Cell Sync	Goal: Clarity about the strategy, inspection on progress and improvements at country level Owned by: Country leadership team and Cell Leadership teams Timebox: 2 hours
Global Cell Sync	Goal: Inspect global cell dependencies with regards to sales and/or teams Owned by: Depending on the subject, a representation of the Cell leadership teams per country. Timebox: 1 hour

As mentioned, the team uses these Scrum events as their Inspect & Adapt cycle.



Although it might look like an extensive list at first glance, thanks to the clear focus, ownership and tight structure, the total meeting time at the organisation level is significantly reduced compared to traditional meeting structures. Less input - maximum value and output.



The success of a cell structure

Merapar has been working with the new split cell structure for approximately 7 months, including the design phase.

This process has required people to be outside of their comfort zone, and to embrace new abilities/skills. But as the saying goes; outside of the comfort zone is where the magic happens.

The further increased focus, involvement, and collaboration in and between our cells is already a huge success. Our teams are learning, growing, and working autonomously, with the ultimate outcome of client satisfaction and technological innovation.

Organisational agility - the key to a truly successful business

Reduced risk, dynamic decision making, fewer errors, high team morale, faster quality deliverables and most importantly, client confidence and satisfaction – organisational agility makes great business sense.

Agile practices can be applied to a host of different business types. Yes, it requires a retraining of the mind and team however, with willingness and support from experts such as Merapar, impactful changes can be implemented in a short time frame, and successfully when embraced from all angles, and in tandem – the people, the culture, the product, and the processes.

Our first-hand experience at Merapar, together with endless research over the past 20 years, is proof that organisation agility can truly transform

a business. Technical expertise is not enough in silo; clients expect and deserve a level of service that instils them with confidence, and enthuses them daily. Implementing agile processes within an organisation, instils this level of service and quality within a team.

Erwin van Dommelen

Merapar CEO & Co-Founder comments,

“the key to a truly successful agile way of working is for leadership to fully understand and embrace it. When it comes to determining the maturity of a team, the leadership should find itself at least one level higher on the maturity ladder compared to the best performing team. This is the only way to grow the company in a controlled fashion. Lead. Don’t follow!”

Want to optimise your organisation and culture for ultimate success?

Experience first-hand, how Merapar can support your organisation on a journey to organisational agility.

Contact us today to explore further - info@merapar.com