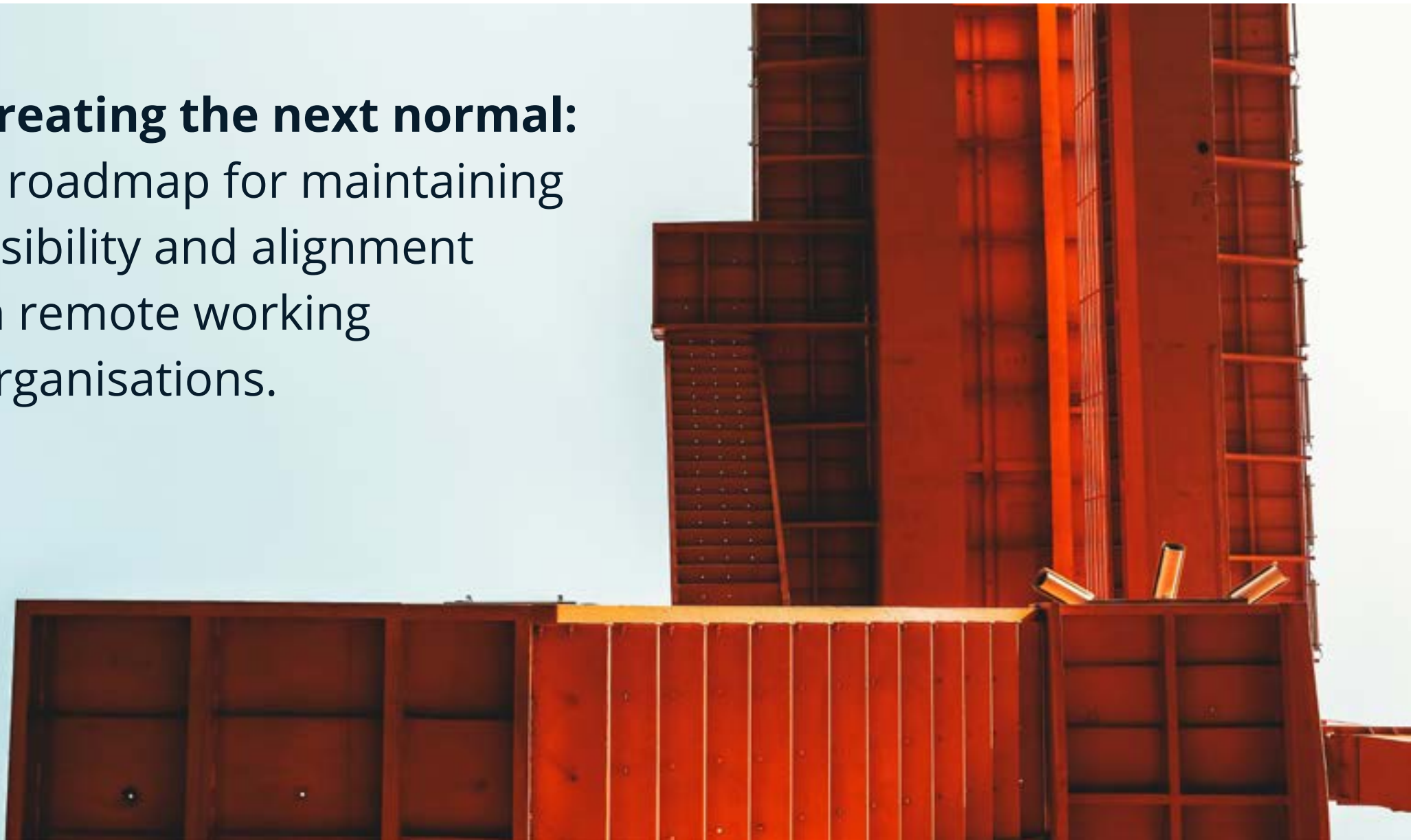




## **Creating the next normal:**

A roadmap for maintaining visibility and alignment in remote working organisations.



The spread of COVID-19 has had an unprecedented impact on the world. Social distancing and lockdowns have forced an unexpected shift to remote working, and many businesses have been caught unprepared. While some had no remote working capability at all, others were able to successfully enable their whole company to work from home. However, once the initial shift was made, few have clear processes or procedures in place for how to work together remotely over a sustained amount of time. With traditional agile leadership and governance structures specifically designed to help teams excel when they are co-located, what can you do when that's not possible?

## Introduction

**As the ongoing impact of COVID-19 continues to emerge, organisations with agile teams are among the best-positioned to succeed, given their ability to adapt to a rapidly changing business environment. With organisations focused on their ability to maintain profitability and survive, effectiveness and efficiency counts greatly. But to sustain the effectiveness of their agile teams, leaders must now overcome a new challenge.**

Transitioning to remote work affects ingrained behaviours, work practices, and daily rituals that are required to achieve goals, projects, and business-as-usual activities. We are changing the culture of the organisation. Being able to log in and access a digital working environment is only the beginning of the challenge. It's not possible to simply lift and shift your office culture. Migrating face-to-face collaboration processes, activities, and artefacts to a digital and remote context requires a significant shift.

In the current environment where we're facing a prolonged period of remote work, an efficient transition to business-as-usual will require a clear framework.

In the current environment where organisations may need to sustain prolonged periods of remote work, an efficient transition to business-as-usual will require a clear framework. The question for companies is: how do I achieve and sustain high performance in a foreseeable future where at least a portion of my organisation, if not all, is remote working?

At the same time, while we know that autonomy is essential for agile teams to be effective, it is critical to release control without introducing risk. Giving autonomy without establishing clear boundaries and aligning directionally to strategic goals, means that if something goes wrong, it can be difficult to preempt or even salvage the situation. Without a base level of governance, you can't confidently execute a strategy.

**Companies that fail to adequately adapt their governance systems to the new situation run the risk of losing agility. Leaders begin to micromanage in an attempt to regain control, team autonomy is reduced, and the organisational culture of openness and trust that is so vital in agile suffers as a result.**

Whereas companies that redefine their governance frameworks early will be able to rapidly outpace their competitors and also create the possibility for sustainable “work from anywhere” policies.

Doing so successfully, however, hinges on understanding the answer to one crucial question: how do we respect the autonomy of remote agile teams, while also:

- Being sure that the work is going to deliver as required?
- Knowing that what we’re doing still aligns with strategic objectives?
- Ensuring that we’re deploying capital wisely and maximising that investment?
- Remaining certain that teams aren’t introducing unmanaged risk, and that we’re meeting our compliance obligations?

So, how do you manage remote teams without losing visibility and control?

**We’ll show you.**



## Section 1

# A shift to remote working – redefining how we work

**To counter the additional challenges imposed by a sudden shift to remote working, a step change is required in leadership, governance, and measurement.**

### Leadership – Leading, not directing

A transition to remote working has unavoidably given leaders less direct access to their people. This can lead to the feeling of being left in the dark and disconnected from the work of the team because they no longer have the traditional control levers to pull. Without the visibility they are used to, there's a strong temptation to micromanage in order to regain control.

When leading a remote agile team, however, this interference can undermine the whole approach. Instead, leaders need to focus on creating an environment for success by setting guiding principles, clear boundaries and decision-making guide rails rather than managing activity. Done successfully, this ensures that execution aligns to strategy while still giving delivery teams the autonomy they need to respond to changing conditions. Teams then ensure they implement practices with the appropriate tooling to allow the work they are doing to be more visible to all.

Organisations that have adopted remote working enjoy significant benefits:

- Better availability of talent with access to a limitless geographic area and lifestyle diversity – A workforce made up of people from different cities, countries, and backgrounds can bring unique perspectives to solving complex problems.
- Higher employee engagement and improved retention – People have more professional and more personal time, increased control and flexibility over their daily lives, plus the organisation retains knowledge instead of losing people when they need to relocate.
- Lower operating costs – Businesses can save money on commercial space and cut down on overhead costs. Working remotely also avoids the expense of relocating new employees from other cities. Overall, these factors lead to better business practices and a future of sustainability.
- Increased productivity and a greater focus on value – Without a physical presence in a co-located space, the focus must become singular: the actual value that is delivered. Also, individual productivity increases as employees devote less time to office routines or distractions.

Performance data science allows teams to use data-driven actions, provide points to uplift capability and increase productivity, and measure results in real time.

### Governance – Monitoring without controlling

Appropriate governance requires implementing a way of monitoring that ensures the work of agile teams aligns with the organisation's top-level objectives without controlling how people achieve that alignment. This allows leaders to focus on creating an overall environment that supports careful and consistent decision making across a network of empowered teams. Leaders need to look for different information and ask different questions to ensure that alignment.

### Measurement – The new metrics

Remote working requires a different way of monitoring performance. Without a physical presence, it is more difficult for leaders to pick up on signals of decreasing performance and detect early warning signs in factors that may affect delivery and may require management support or interventions. The water cooler conversation, or the quick "can I grab you for five minutes" option, is either gone or has become infinitely more difficult.

Metrics should be used to construct a transformation dashboard to monitor markers across business dimensions such as predictability, speed, productivity, stability, risk, sustainability, responsiveness, quality, culture, team and individual health, and cost.

Performance data science allows teams to use data-driven actions to elevate this information, provide points to uplift capability and increase productivity, and measure results in real time. Waste and non-value adding activities can be removed from processes, allowing organisations to optimise delivery, reduce cost, and do more with less.

## Section 2

# The pillars of remote governance

Leaders now face a situation where they want to continue striving to enable autonomy in their agile teams, but shifting to remote working has added a suite of additional challenges, with reduced visibility and control high among them.

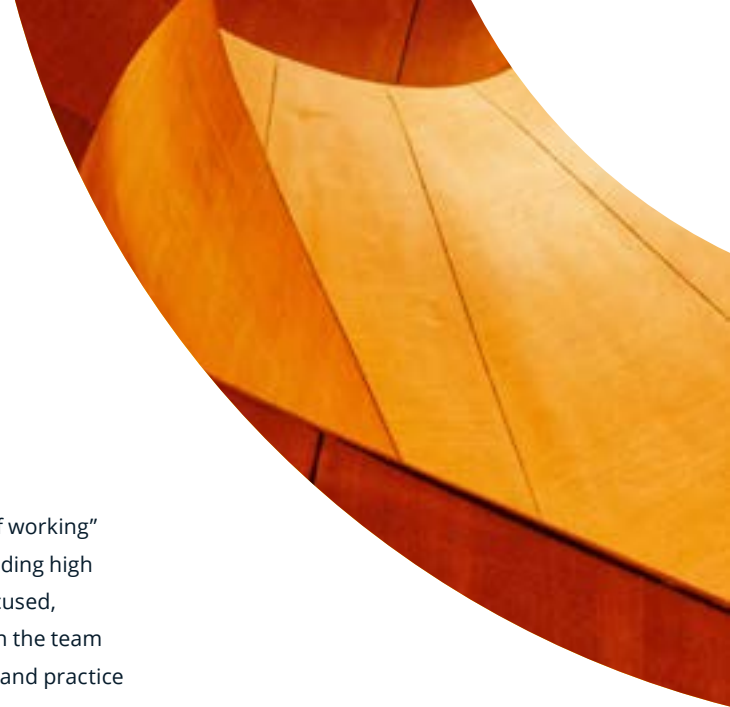
The key to sustaining agility in remote teams without losing visibility and control is implementing a framework that elevates the work of teams and inspires a level of trust that gives leaders the confidence to let go. Introducing governance framework patterns can help you regain control of delivery teams, while also maximising the promised benefits of agile.

Through sophisticated performance dashboards, lead indicators, and visualisation, leaders can confidently interrogate the system, forecast more predictably, gain a more holistic view of the state of play, and identify the parts of the delivery pipeline where intervention is most valuable.

### The four pillars that should be addressed are:

- System of work
- Radical transparency
- Intent-based leadership
- Performance data science





## Pillar 1 – System of work

In a dispersed workforce that delivers knowledge work, business processes and work are inherently more invisible. Greater visibility and encouraging a stronger sense of responsibility become more vital to high performing, productive teams.

Where fully remote work is relatively new to teams or organisations, systems of work may not be formal or planned – they have evolved over time to solve past problems. To reinforce these in the absence of a physical presence, they must be ‘formalised’ through team agreements and supported by digital tools that emulate ‘human workflows’ and interactions.

When people develop their own processes, they take more responsibility, there is more clarity, and there tends to a better adoption rate. Organisations can no longer rely solely on social interactions to establish norms; there is a need to co-design and coordinate repeatable processes that provide value internally or to customers directly. We also see teams that own their processes actually investing the time to improve them – rather than enduring the status quo.

### Foster a sense of ownership

Giving teams the ability to describe their own local “way of working” and creating a safe space for ideas to flourish is key to building high performing teams. This needs to be undertaken with a focused, disciplined, and collaborative approach to give everyone in the team clarity on how to move work through the system. Process and practice can vary, but the principles need to be aligned.

### Increase visibility

Knowledge work does not have the inherent advantage of the manufacturing shop floor production line where you can go to the “gemba” and see the work. Organisations need to replicate the unseen and elevate it. For leaders, creating visual representations of the teams’ work helps them to check-in on the balance of workloads, make sure that teams are evenly distributed and that unique skill sets are effectively used, target interventions, and identify opportunities to improve. They can see where things are blocked, and use this system to create meaningful data – which we cover in another pillar.



## Pillar 2 – Radical transparency

The key to agility lies in the speed at which information flows around the organisation, enabling people at all levels to make fast decisions. Transparency is an essential component of speed, allowing information to be shared in real-time with as many people as possible.

Transparency also fosters an environment of openness and trust which is essential in remote teams. The lack of physical proximity increases the need to rethink communication strategies in order to create clarity. In remote working, silos can quickly become chasms, and positional authority arguably carries a greater weight of responsibility – leaders need to work harder at communicating a cohesive, clear message, and reducing ambiguity for their teams.

Creating visual representations of the teams' work reveals a unique view of how work flows through the system. It can also improve team communication along with visibility over the course of a project or product, as team members can better understand how their actions impact the system and, therefore, embed a sense of ownership and accountability.



## Convert physical tools to digital

In physical working environments, we can help to stimulate the environment through visible cues and information, such as physical Kanban boards, information radiators, and Big Visible Charts. These have been an excellent way to communicate important information such as project status, metrics, or any issues; making the latest updates accessible to anyone, at any time. To adapt and evolve these mechanisms for remote teams, digital information can be stored in online tools and supported by amplified communication and information flows from leadership to teams.

## Dedicate space to sharing information

Used to reduce the need for meetings, an Obeya Room acts as a central source of information and has a long successful history of use for big room planning and day-to-day delivery. Similarly, the Remote Obeya is a digital space that creates the collaborative connective tissue that provides leaders with lead and lag indicators of business performance in order to make fact-based decisions faster at scale.

### Creating a Remote Obeya requires:

- Strategy and its decomposition into objectives for vertical connectivity
- Kanban systems for horizontal alignment across teams executing work
- Measures and metrics underpinned by performance data science
- Risk, issue, and dependencies for governance and delivery
- Team information for engagement, cultural norms, and healthiness
- Continuous improvement, Plan-Do-Check-Act (PDCA) planning and execution

## Pillar 3 – Intent-based leadership

For remote teams to sustain high performance in an unpredictable environment, remain connected to the organisational culture, and ensure that strategy can be effectively distributed and executed, intent-based leadership is key to success. To thrive, it requires enabling individuals and teams to be leaders themselves – being able to work autonomously, developing their skills, being able to make confident and informed decisions, and having a safe environment to fail and experiment.

It means that leaders need to rethink how they manage teams and ensure only the direction that is necessary to deliver an outcome is prescribed, leaving space for the teams to design the execution itself. We draw this from the concept of ‘commanders’ or ‘mission intent’.

### Cultivate new mindsets

To start a transition to intent-based leadership, management at all levels needs to change their own thinking and create the possibility of new behaviour from team members by forgoing, and evolving from, previously held mental models of leadership and management. In moments where others have the requisite skill and capability and can deliver a better outcome, they should be encouraged to lead. Remove the sense of ego or self-accumulation, the need to win, and allow others to win.

## Adopt mechanisms to increase alignment

People naturally talk to each other more and have greater opportunities for spontaneous communication and collaboration because of the intrinsic speed, ease, and effectiveness of communication in shared workspaces. We used to hold a theory that effective communication could only be achieved if people who needed to collaborate were within one bus length of each other. Now, we can devise mechanisms such as collaboration tools to bring people together across greater distances and achieve that shared cognition in real time. Aim to hold regular meetings in which the team discusses, and agrees on, the next steps, and leaders set clear goals and priorities, allowing the team to synchronise their work more frequently.

## Pillar 4 – Performance data science

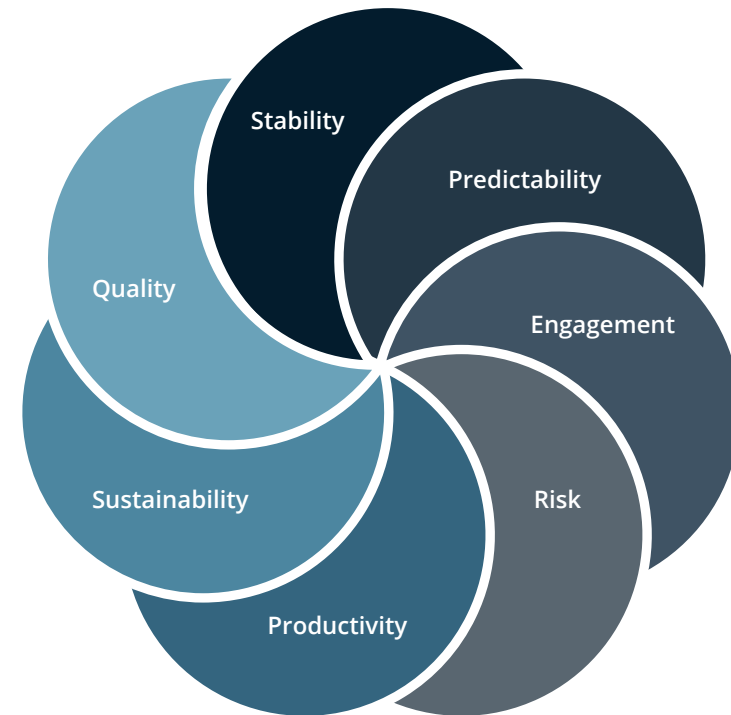
Remote working demands different ways of understanding where teams are in terms of their predictability, delivery, and improvement over time. It is also critical to see where different teams integrate when they are working towards common outcomes and objectives. A comprehensive set of reporting metrics that create a detailed picture of delivery performance are key in helping senior leaders to retain visibility and control without demotivating teams with overbearing command-driven control measures.


### Collect data that serves a purpose

Data should link back to, and be measured against, specific and measurable organisational or team goals. For this reason, it is imperative that these goals are clearly defined, for example, using the Objectives and Key Results (OKRs) framework designed to allow organisations to link outcomes to work without imposing methods of execution. In this sense, think along the lines of a corporate version of commander's intent.

### Build a transformation dashboard

Using data to reflect on the system as a whole, senior leaders are able to identify bottlenecks, break silos, and find more valuable places to intervene. A dashboard can be created from metrics that span the business dimensions of speed, predictability, stability, responsiveness, quality, productivity, sustainability, risk, team engagement, health, individual wellbeing and cost. All data should be viewed holistically to create an informed picture.





The creation of a real-time dashboard gives visibility into any team in the company that's using the system and generates insights on the flow efficiency of the program, plus other metrics for improvement.

### Performance data in practice

Working with a multinational healthcare and insurance provider, we've used performance data science to bring data to life and to increase productivity by optimising the flow of work.

The creation of a real-time dashboard gives visibility into any team in the company that's using the system and generates insights on the flow efficiency of the program, plus other metrics for improvement.

This allows waste to be removed from processes, enabling the organisation to do more with less, and reduce costs while optimising throughput and quality.

A reduction in median lead time across work systems, increased throughput, and increased productivity translates directly to dollars for the business in terms of faster speed to value, increased value delivery, and reduced cost to deliver.

## Conclusion

Under normal circumstances, sustaining high performance in agile organisations is a challenge in and of itself. There is a fine balancing act between high productivity and burn out, and the signs can be subtle and hard to read. We always want to push boundaries and stretch ourselves, but sometimes that stretching can break people.

Senior leaders, with their necks on the line, face tension in letting go and empowering teams to work autonomously. Now, as we navigate a global pandemic, leaders must adapt again to the added complexity of achieving and sustaining the same high performance in the face of a rapid shift to remote working.

There's no escaping the fact that the current situation presents a huge hurdle for businesses, but those that treat this event as an opportunity, rather than a temporary setback until the "return to normal", will enjoy sustained benefits in a post-crisis response COVID-19 world. Organisations that successfully adapt will be more

resilient, efficient, and purpose-driven, and will enjoy the benefits of faster decision-making and learning, increased experimentation, and less wasted effort. At the same time, operations will be better aligned with strategy, and higher levels of visibility will allow greater opportunities to use data to improve further.

By adapting leadership, governance, and measurement of outcomes, you can still get the most out of agile teams working in a remote environment, without losing visibility or control.