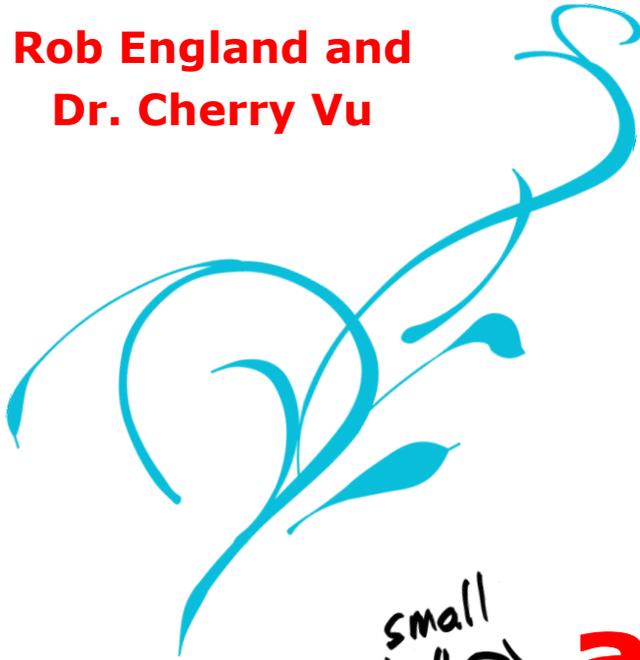


**Rob England and
Dr. Cherry Vu**



small
"a" →

The
agile
Manager

**New Ways of
Managing**

A sample from the book



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The agile Manager

Thank-you for your interest in our book. This is an extract, which you may use and distribute unaltered, from our 300-page book *The agile Manager* (small “a”).

You may like to be a part of the agile Manager community.

Go to www.agilemanagers.club to find links to community pages and resources for this book, or Rob and Cherry live at www.tealunicorn.com.

You can find us on Facebook: The agile Managers Club.

Rob is on Twitter @theitskeptic, and Cherry is @drcherryvu.

Drop in regularly: we will share fresh learning, and we will update parts of this book, in preparation for a Second Edition someday.

Join our mailing list: <http://twohills.co.nz/subscribe>.

What people are saying about Teal Unicorn and our New Ways of Managing

[For] the first time in our company history, we have an improvement machine which helps to remove constraint and makes the workflow much faster. People start behaving differently, they work in a co-operative and supportive way toward a common goal.

– CEO, large manufacturer

I've gained a great deal on how to explore people's talent. I change my way of working to empower people. That makes everyone happy, and, of course, we get better results.

– Vice General Director

I have changed my mind. I stop blaming people. I give my people a task with clear instructions. When something goes wrong, we all work together and find out the causes not pointing fingers at someone. That helps us to create a comfortable environment and positive thinking.

– Factory director

I see when my opinion and consciousness have changed, a lot of things changed. I can't describe it clearly, but after coming home from your training, I look at things clearer, more excited, more confident, and that inspires others. Then change happens every day. I go on making small changes and people continue to follow, I don't need to urge them.

- Company owner and CEO

Before the training, I was aware of letting my staff take the initiative, but sometimes I made mistakes. Since I learned from you, I am aware of what I do clearly when I act. Your method is easy to understand, and I could apply it immediately after the training. I got the outcomes immediately.

- CEO, midsize business

What people are saying about the book

Every organization needs to work out how to do whatever it does in a more agile way, but while many resources exist for implementing agile in technology organizations, less do so for traditional industries. This book is a useful resource for anyone wondering what agile means for them.

- Ben Kepes, professional board member, investor, commentator

When all the buzzwords become overwhelming, this is a book you can come to for a bit of clarity. Remember that dogma is the enemy of learning, and agile has a small “a”...

- Dawie Olivier, Chief Information Officer, Westpac NZ

Get this book, read it, digest it, internalize the concepts. Useful, thought provoking, informative, useful, applicable.

- Tim White, independent consultant

New ways of managing is no longer an option. Doing 'stuff' in a more agile manner is no longer an option. All you need to know to become a competent and capable agile manager is in this book.

- Karen Ferris, author of *Game On! Change is Constant*

The agile Manager is a good compendium covering many of the aspects of agile. It also comes pre-loaded with numerous recommended activities to help the reader establish the guidance provided. Readers should take note of the final call to action from the authors. 'Life is not a dress rehearsal. Do it'. Fine words to live by both in and out of work.

- Mark O'Loughlin, Managing Director, Red Circle Strategies

Introduction

The agile Manager is about how to *manage* in an agile way, not what agile *work* looks like. Plenty has been written about that. Some books about agile management don't seem able to separate the two. Managers need to know something about the agile work, but what gets overlooked or confused with that is how managers *manage* that work.

The book is for managers, and those who govern them, develop them, or consult to them. Executive managers, middle managers, line managers, governors, auditors, coaches, consultants. Business, government, not-for-profit, around the world.

It's more for horses than unicorns: "horses", the established organisations with existing management structures, need this more than the seemingly-magical ones that already work in new ways, the "unicorns".

You need this book because the world is changing too fast to continue to use the old ways of working and managing. Other books deal with new ways of working, but we think management is critical to unlock those new ways. There aren't enough books focused on agile management. We operate in this space and we want to share our ideas with you to help you.

Teal Unicorn have been working together for three years in New Zealand and Vietnam. Rob's background is Information Technology, including the Agile-related ideas of "DevOps". Cherry's background is organisational and government leadership, both teaching leaders and forming companies. Together we focus on advancing ways of management to help improve the work of organisations, through teaching, coaching, training, workshops, and consulting.

The new ways are challenging: they overturn principles on which we have based our careers. This book will confront you with those challenges, explain them, and show you how to move forward to new ways of managing.

At first sight, these ideas can seem insane, impossible, plain wrong. Stick with us while we make sense of them for you, and show how you can apply them. If you understand these ideas and embody them in your unthinking behaviour as a habit, then you are a new manager, the agile Manager.

Why

“Start with why” is the principle expounded by Simon Sinek: that only once we understand the “why” of our work can we think about the “what” and the “how” properly. He draws these as concentric circles - thinking about why is known as the Golden Circle.

Why new ways?

Change is now the permanent state, not an event. There is never any stable static state. Everything is constantly evolving, driven by a massive thinking+science+technology engine. More scientists are working now than have ever worked *in total* in the past. The internet connects us and accelerates sharing as never before. Digital, biological, and materials technologies create new possibilities daily. Often, as a result, society itself is changing; new values, new ways of thinking and acting.

This presents significant risk for all organisations:

- ❖ We can't deliver new needs quickly enough.
- ❖ What we need is constantly changing. If there is too much lag between start and end of work, then we deliver the wrong thing.
- ❖ We can't adapt what we are doing quickly enough to track changing needs.
- ❖ When we try to change too much at once, it has serious impact if we don't do it right.
- ❖ The future is opaque, it has become unpredictable.
- ❖ The uncertainty and volatility impacts staff wellbeing badly.
- ❖ Complexity is unmanageable with current practices.
- ❖ We get too slow to fix things.
- ❖ Rushing, changing, and not fixing all drive quality down.
- ❖ When we run out of time, we deploy or leave low quality in our systems.
- ❖ Security gets weakened and overlooked when we hurry.

In this ever-changing world, to address these risks, we measure the success of an organisation using four factors:

- quality of work: how satisfied are customers? are we giving them value?
- speed and throughput of work: are we fast enough to value?
- sustainability of work: can we keep working like this forever?
- improvement: are we always getting better? how quickly do we adjust to changing circumstance?

How are you doing on those? Are all four tracking positively in the past few years?

If the way you work now is meeting the needs of your organisation which is thriving and leading in its sector, then you may choose to keep doing what you are doing... for now. Most industries are being disrupted by new models, so keeping an eye ahead is still wise.

If your current way of working is *not* achieving what it needs to, and your organisation is not as successful as it has to be, or is falling behind in a changing world, then doing the same thing is not going to be a winning strategy. What got you here won't get you there.

The Institute for the Future sees¹ ten essential work skills for a future which is already upon us:

- sense-making.
- social intelligence.
- novel and adaptive thinking.
- cross-cultural competency.
- computational thinking, analytical skills.
- new media literacy.
- transdisciplinarity.
- design mindset.
- cognitive load management: disseminate and filter.
- virtual collaboration.

¹ *Future Work Skills 2020*, Institute for the Future, 2011

http://cdn.theatlantic.com/static/front/docs/sponsored/phoenix/future_work_skills_2020.pdf

So, let's assume most of you need to do something different, and the rest of you will need to soon. Then why embrace these particular new ways of working?

Firstly, because these new ways are the emergent ways of working that logical thinking naturally arrives at when we apply all that we know. It's not someone's crazy idea: it is the answer anyone arrives at eventually when they understand the underlying principles.

Secondly, because they work. This is a global movement towards embracing Agile and resurfacing Lean and opening everything up and adopting millennial culture. The weight of evidence - both data and anecdote - is substantial, in fact incontrovertible. You should take the time to "do your research, man" and confirm this for yourself. **This is not hypothetical.** We are not going to try to convince you.

Nothing in this world is perfect, and every human endeavour falls far short of the ideal. What's more, the path to success is through failure. Therefore, you can find plenty of negative anecdotes about these new ways thrown up by the conservative and cynical. But you can also confirm for yourself that these new ways of working result in happier people, higher productivity, and better outcomes than conventional ways of working.

Specifically, the benefits include²:

Satisfied and involved customers and stakeholders

The whole organisation moves faster. We get better results faster: velocity through quality. This means less wasted work, more efficiency.

Satisfied employees, better retention. We develop greater capability and confidence, excellent working relationships, better team coordination, clearer roles and responsibilities, and more celebration, acknowledgement, and enjoyment.

Reduced risk, greater safety. The organisation works sustainably, able to continue indefinitely. We see earlier problem solving.

² Most of these are from *Agile Business*, R Gower, Rally 2013

What

“New ways of managing” or “agile Management” are Teal Unicorn’s terms for the aspects of the ways of working which are new (or re-emergent) in this millennium and which are specific to management.

These are the things which managers need to learn, understand, apply, and eventually grok. If you are not one of the cool kids you may be unfamiliar with the term “grok”: it means to understand something viscerally, with your gut, with the very fibres of your being³.

Teal Unicorn’s realisation is that most organisations find themselves locked, unable to advance to Agile (or Teal, Beta, or Open: there are many words for future ways of working – read on), and the key to advancement *isn't* about new ways of working.

The key is new ways of *managing*.

Change the governance, policy, KPIs, systems, products, services, and people development. The culture and work will change.

Trying to change the culture (beliefs, attitudes, behaviours) and work (procedures, rituals, roles, models, structure) directly is futile until you change the ways of managing first to unlock advancement.

It's the system, stupid. **Change the way we manage work, in order to change the system of work, which will change the way we work, which then entrenches itself in our culture.** Attempts to “make work agile” or to “change culture” on their own will fail.

Changing how we manage is another way of saying change the conditions of the system. **Changing a complex system is an organic process**, like healing a patient. You can’t directly change it, you must treat it with stimuli and observe the effect.

Granted, direct change to ways of working succeeds at a team level up to a point, if you can create enough white-space for change to survive. But beyond that point, change must be systemic. Managers must change the work system.

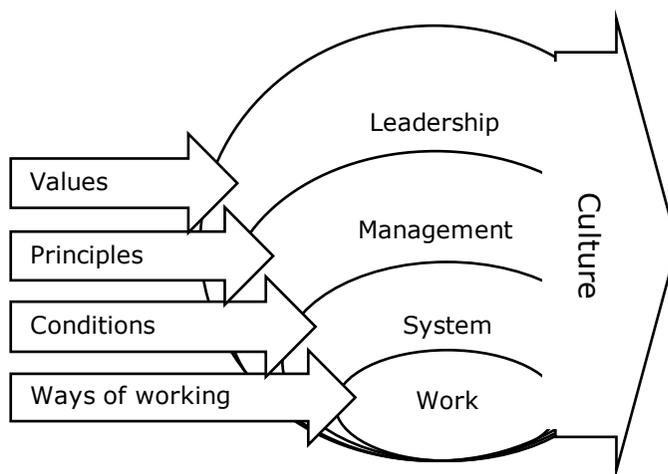
“Learn to fix the system instead of fixing symptoms”

- Niels Pflaeging

³ originally coined in the science fiction book *Stranger in a Strange Land* by Robert Heinlein in the 1960s

As well as inducing *intrinsic* change in people to change culture, we must make *extrinsic* change to the system they work in.

And, fairly soon, it must be holistic at an organisational level. Executive leadership must direct managers. More of this in section 4.



According to Accenture⁴, agility comprises four capabilities:

- Deliver fast and responsively (delivery agility)
- Innovate and disrupt (product innovation)
- Adapt organisation and culture (organisational adaptability)
- Lead through complexity (leadership effectiveness)

(Note that those four capabilities are more about management of work than doing work). There are many models and methods for new ways of working, discussed in Section 3 and the Appendices, with plenty of other books going into greater detail.

This book is not about intrinsic culture change - what people think and believe and feel. That is also well covered by others.

Nor is this book about those new ways of working, it's not about what organisational agility is. There are books about leadership, and systems,

⁴ Accenture are a major business consulting and accounting firm. This quote comes from an acquired subsidiary Solutions IQ.
<https://www.solutionsiq.com/capabilities/unlock-business-agility/>

and new ways of working, but we think there isn't enough attention paid to the middle bit, the managers.

This book is about the key that unlocks how to get there: management. These new ways of working struggle for acceptance amongst some managers, especially in established organisations. The primary obstacle to advancement in our experience is conservatism and risk-aversion within management: the lock is adherence to old ways of managing. This book is about unlocking new ways of managing.

Let's be clear that those conservative managers are reluctant to change for valid and intelligent reasons⁵:

- We often neglect equipping them and helping them to change (that's the reason for this book).
- They are tasked with, amongst other things, protecting the organisation and controlling risk.
- We will never get it right first time: it's the managers who will most likely see the faults.
- They are loyal and caring to "their people": they will resist anything they see as unjust.
- They need time to absorb new ideas.
- Conservative people stop at middle management.
- They have their own interest in status and power.

While "losing control" is one of the biggest fears in management, "having control" is one of the biggest illusions.

- Bjarte Bogsnes

"Consciously or unconsciously, leaders put in place organizational structures, practices, and cultures that make sense to them, that correspond to their way of dealing with the world.

This means that an organization cannot evolve beyond its leadership's stage of development."

- Frederic Laloux

⁵ Niels Pflaeging taught us this in *Organize for Complexity*

So what

In a world of constant change, these new ways of working and managing give us the agility to constantly rethink, redesign, and rebuild the ways we work, so that we constantly adapt, evolve, and thrive.

What got us here wasn't wrong for the world of the past. Hierarchy, projects, budgeting, command and control were all demonstrably successful ways of working. But what got us here won't get us there, into that fluid turbulent unpredictable world of the future.

Agility is now the essential survival skill of an organisation, to be able to quickly change how it works and what it does. These new ways of working and managing are targeted at exactly that.

It goes further. This renaissance in work is driven by higher causes than mere survival. As you will hear in this book, we want to create organisational culture that is “teal”, that according to Frederic Laloux⁶, makes three realisations or “breakthroughs”:

Self-organising. People work best in small autonomous teams with no one “in charge”. Work flows to the teams and people flow to the work. Staff have skills rather than roles. The organisational system works on peer relationships not hierarchies.

Wholeness. being true to ourselves, bringing our whole self to work (Maslow's “self-actualisation”). We restore the unity between truth, goodness, and beauty.

Emergent⁷ purpose. The organisation is organic, it grows. We are driven by a purpose and direction that emerges from the organisation.

Although we get the concept of “teal” from Laloux, the colour spectrum came originally from Ken Wilbur's Integral Model⁸ which sees it slightly differently and talks about even higher levels still. Laloux stops at teal because that was the highest level he could find in practice, but teal is

⁶ Laloux is a current philosopher, writer, and politician who wrote an influential book *Reinventing Organisations*

⁷ Laloux uses the word “Evolutionary”, but, as we discuss in this book, evolution is a complicated concept that often leads us astray when thinking about organisations

⁸ *A Theory of Everything*, Ken Wilbur

notable as the first colour in what Clare Graves called “second-tier” human evolution. We are breaking through to new levels of enlightenment.

Does being self-organising eliminate management? Mostly, eventually. We need less managers and sometimes very few. One business Cherry, the author, owned employed hundreds (and in her father’s case, thousands) of staff, with a couple of bosses, an accountant, a foreman, a delivery clerk, a few sales people, and almost no other defined roles. They make complex and exquisite carved furniture with few roles, no job descriptions, no written policy, no HR, no written procedures.



Design © Cửa Hàng Đồ Gỗ Mỹ Nghệ Đức Thắng (Duc Thang Fine Art Furniture)

Will we get there soon? No. Teal is our aspirational goal, a star we sail towards. In the meantime, this book is about better managers, not eliminating managers.

“The 21st Century is a different game with different rules... The pursuit of efficiency was once a laudable goal, but being effective in today’s world is less a question of optimizing for a known (and relatively stable) set of variables than responsiveness to a constantly shifting environment. Adaptability, not efficiency, must become our central competence.”

- Gen. Stanley McChrystal

New ways of working

Agile is a way of thinking about work. Agile is a thing now, it has become a noun as well as an adjective. Agile thinking is impacting Information Technology, organisations, government, and now society, in expanding ripples. It may have started in IT but now it is transforming work everywhere, and even how we operate as a society. It's not just the cool kids doing "digital transformation": Agile is changing conventional - even staid - organisations too. It is changing government, and social policy⁹. Its impact is far-reaching enough to talk of it as a *renaissance* in work, a refresh or step change that comes only once or twice a century.

The new ways free people to be knowledge workers, to design the work and make the decisions. We treat them like they are over 18 and on the same side. We build capability and confidence. Conventional management too often treats people like clerical workers, plug-compatible wetware, "human resources"; who can't be trusted, who are evaluated numerically, who need to be shaped and standardised, who are an overhead to be minimised, who need to be told what to do and how to do it. That approach is not productive, nor conducive to satisfaction and mental health. New ways of working are a tonic for unhealthy organisations, or if you prefer a coarser analogy: a laxative.

The Agile way is iterative, incremental, experimenting, exploring complex systems. This is displacing the principles/myths of conventional organisations: big-bang projects; zero risk; certainty and accuracy; plan once execute perfectly; make it stable; failure is not an option.

It is not just Agile: there is a suite of ideas transforming work. Along the way, Agile is resurfacing (and standing on the shoulders of) the ideas of Lean, the leading methodology for work flow; and Agile is drawing on the principles of complex systems theory; and on the modern understanding of human behaviour and social constructs. Most of all, it seeks to open the organisation, to restore humanity to work, to make the workplace a more natural community. They all aim for what Jonathan Smart calls "better value sooner, safer, happier".

⁹ E.g. *The Path to "Agile" Policymaking*, Arjun Bisen,
<https://www.innovations.harvard.edu/blog/path-agile-policymaking>

These ideas aren't new. Some are a century old. Most are decades old. What is new is the synergy, the coalescence, the synthesis of them all. Especially, what is new is their increasing adoption and impact, the wave that is building, the renaissance. There are three key themes to the new ways of working:

Human: people, humanity, wholeness, culture, sharing, empathy, diversity, inclusiveness, equality, trust, integrity, authenticity, open, transparency, learning, mastery, pride, empowerment, freedom, authorisation, servant manager, safety, wellbeing, health. [states]

Systems: customer, value, flow, feedback, quality, lean, streams, iteration, networks, complexity, chaos, antifragile, shift left, teams, organisation, collaboration, ritual, sharing, resilience, human error, holistic, data, science. [artefacts]

Agility: ambiguous, uncertain, iterate, increment, experiment, explore, observe, adjust, fluid, improve, curious, embrace failure, fail fast, small, granular, simplify, flexible, pragmatic. [actions/adjectives]

We searched far and wide for a collective term for all these ideas of the new ways. We found no generally agreed word or term for what is happening. This renaissance in social thinking, this new age of work, this confluence of a century of work and social philosophies, has no name (yet). Isn't that bizarre? We think perhaps one day the word will be "Open", but not yet. So, we will refer to the new ways as **Human Systems Agility** (for now).

agile Management

Part of new ways of working is new ways of *managing*. **This book is about the impact of these new ideas on *management* in the modern organisation.**

We wrote it for managers, not philosophers. On theoretical topics like Agile and Lean, the book might over-simplify or be too casual for some purists' tastes, but we hope that it is useful for people in everyday organisations trying to manage the work.

Too often, managers view the advancement to new ways as something done to improve the practitioner workforce, not management. This can't be. For an organisation to change, the managers must change our own

ways. This is one of the biggest issues facing organisations moving to agile ways of working. Managers must understand and focus on freedom, collaboration, agility, openness, and flow. New ways of managing is a special focus for the authors' business, Teal Unicorn, when we advance whole organisations or their IT functions.

Why focus on management in agile advancement? Because we see it often neglected, and because it turns the key, as we will explain. So, we talk about New Ways of Working And Managing. Cumbersome but it makes the point.

What to label “new ways of managing” specifically? Anything with “new” in the name gets old, and always sounds like hype. We decided on “agile management”. “Agile” has baggage for some people, but it is so widely adopted as the collective term that we have to go along until something better emerges. In this book, we use capital-A “Agile” to refer to the specific Agile movement, and small-a “agile” to refer to the behaviour of new ways of working and managing in general. If you were wondering why this book’s title has a small “a”, that's why: this book is about agility in management.

We thought about calling the new ways of managing “Teal Management”. Our brand is Teal Unicorn, because the unicorn is an Agile symbol of aspirational ways of working, indistinguishable from magic, and as we know teal is Laloux’s colour-code of aspirational culture. But not everyone likes Laloux’s model, and - as we will see - a teal organisation isn’t keen on management at all.

We could have used “Open Management”, and almost wish we did, but we don’t quite go so far in this book as to base everything on the Open movement. That is the next generation, what comes after agile Management. We are talking here about management ideas in existing conventional organisations on the journey to higher culture.

So, we call the new ways of managing small-a “agile Management” (aM) and the new ways of working and managing collectively “Human Systems Agility”.

“Right now, your company has 21st century Internet enabled business processes, mid-20th century management processes, all built atop 19th century management principles.”

- Gary Hamel

Transformation and advancement

Many use the word “transformation”, but it is a dangerous word: it implies a one-time big-bang step-change finite project, a “fairy godmother” change, consultants with a magic wand and a pumpkin. Sometimes they actually *mean* this, which is a Bad Thing, as we will see. Other times they use it to mean continual improvement, a never-ending journey towards our goals, which is great, but we struggle with the word. It was all through early versions of this book, but it jarred, so it had to go.

We went on another quest to find the right word: “quest” was an option. So were journey, transition, trajectory, safari and many others. It needs to imply an endless movement, and also imply improving. We already used “improvement” for more general activity in the organisation, so the word we finally settled on was **advancement**.

A challenge for you

Lots of managers tell us consultants that they “get” the new ways of working, and then they send us off to fix their staff, while they have no self-awareness of the need for their own ways to change – they are in “unconscious incompetence”. Many don’t “talk the talk” (understand it) and even fewer actually “walk the walk” (internalise and exhibit the principles). Meanwhile those who do absorb the concepts struggle with colleagues who don’t.

Do you get it?

- If you behave as if change is always happening in the world, that there are few stable states any more...
- If you're treating your staff, suppliers, and customers as empowered adults who know more than you do about how to do the work...
- If you treat work as complex systems full of people: systems which need to be designed, built, and managed holistically and organically...
- If you don't try to change a system, only create the conditions and inputs for it to change itself...

- If you understand that design-then-build is a fallacy, that the result is unknown until you get there ...
- If you embrace experiment and failure as the normal and essential path to success...
- If you never have an end state, if you have standing teams, if everything is a journey of improvement...
- If you increase velocity and quality and granularity of work in order to decrease risk, system debt, and culture debt...
- If you are agile in how you *change* the way you work...

If you do these things, then good on you, you get it; we hope you will still find value in this book.

If you don't, then you *really* need to read this book for the sake of your own career, and for your staff and organisation.

Here are two bonus questions:

Can you show how your staff's work will be better in a year?

Is there any improvement programme, or any bandwidth for improvements, or any culture based on improvement?

Can they keep working in this way indefinitely? Is the current rate and way of working sustainable? Or is there system debt (compromises made and shortcuts taken that will get in the way in the future) or culture debt (damage to people and culture) being accrued?

These are two powerful challenges. Few managers in conventional organisations can look you in the eye and say they are happy about both these questions.

If you want some pre-reading before you embark on this book, we recommend *The Age Of Agile* by Steve Denning. He masterfully elucidates the expansion of Agile into the organisation.

What if I told you...?

As we said at the outset, the new ways of thinking can mess with our heads, challenging deeply held beliefs about work:

You don't know the end when you begin change. You don't know what it will be, when it will be ready, how much, or how hard.

Most of the system of work is hidden.

Managers are servants of their employees.

Success is found under a pile of failure. Failure is a normal part of working. Welcome and reward failure.

Managers don't know more than workers. The higher they are in the hierarchy, the less they know about the work.

Management is too often an overhead, a burden on the work. Flip the hierarchy so management supports the work.

If your staff are too slow, ask them to do less.

If you have to fire someone, consider you may have failed.

Don't run anything or anyone at 100%.

Don't blame the individual first. Look at the system they work in.

New ways of managing

Management is about getting stuff done with the organisation's resources, through people. That doesn't change, but managers need to change the *way* we manage. The roots of conventional management thinking go back to the start of the industrial revolution. For the past century¹⁰, management has been seen to have the following five functions, but they aren't working for us anymore.

Forecasting and planning.

In a state of constant change, we can see less and less of the future (as if we ever really could). It becomes more important to plan for how we will be working, how to be more agile, not what we will be doing, what the work will be. And we change how we plan, to create constantly evolving, disposable plans.

Organising.

¹⁰ *Administration Industrielle et Générale*, Henri Fayol (1916)

Amidst constant change, organisations must be fluid, organic, responsive. The good news is people are self-organising anyway: we can command but the reality is always different, something that evolved. Managers must empower this, create freedom, enable people to organise around work, and evolve their own work systems under our guidance.

Staffing.

It has become a centralised specialty management function to recruit staff. Much of the organisational fluidity of the future will come from smaller self-organising teams, who need to trust each other and work together. Recruiting needs to be more in the hands of colleagues, with central guidance and support. Growth is more organic than planned. Employee development is still essential, but we do it in new ways: coaching, empowering, learning on the job.

Directing.

Managers should no longer tell people how to do work, or micromanage them (with exceptions: the inexperienced, or the low-performing). Managers never really did have an advantage in coming up with the answers – being smartest isn't the only criterion for promotion – but that is even more so in a changing world. Management is shifting to directing policy not process: set the rules not the gameplay.

Controlling.

We still need to track the work system against goals, and act when it moves away from them, but the way we do this changes. The goals themselves are ever-shifting, the controls must promote agility not limit it, standardised repeatability can be a problem not a solution, and most of all we move from making staff meet the goals to motivating them to do so.

The world needs to rethink management, to do different things.

There isn't as crisp a generally-agreed model for the new ways of managing as there is for the conventional ways. The ideas are still forming and coalescing around the world.

Here is our model. Teal Unicorn see the functions of agile Management as being:

Attracting.

Managers act as an attractor, a magnet bringing resources and people together around a stream of work. We are inclusive, we build diversity. We throw the net wide, bringing in as much as we can to get results. We gather and orchestrate resources to help them. We recruit.

Nurturing.

A manager is a gardener: we provide the conditions and the inputs for people to flourish and a work system to grow. We encourage constant learning, and improvement in all systems.

Freeing.

Managers flip the conventional hierarchy: we act as servants of the value work. We give staff the authority, capability, space, and resources to get the job done. We define the challenge not the solution. We open the work system up, remove impediments, get out of the way, and trust people to find the answers and do their work. We deal with controls and reporting so that those doing the work don't have to.

Motivating.

Managers give people the vision, goals, incentives and most of all the feeling of engagement to help them want to achieve our goals. We give them a reason and a desire to do the work, and we build their confidence. We restore humanity to work.

Exploring.

The source of most work innovation is managers¹¹. We have time to step outside the work and think about it. We allow freedom, we look for new ways, we understand that diversity means discovery, we stimulate curiosity. We take intelligent risks, embrace failure as the path to success, welcome the unknown, and see chaos as opportunity.

Observing.

¹¹ *Gemba Kaizen : A Commonsense Approach to a Continuous Improvement Strategy*, Second Edition, Masaaki Imai (2012). A good read but beware it contains some outdated concepts.

Managers keep close to the work. We observe, monitor, and measure how it is going. We analyse work and track trends. We provide fast feedback to everywhere where it is needed, from the people doing the work to the governors, across all parts of the value network from customers to colleagues.

Harvard Business Review has a similar model¹²:

To help organizations meet today's challenges, managers must move from:

Directive to instructive: helping others extend their own frontiers of knowledge, and learning through experimentation to develop new practices.

Restrictive to expansive: Too many managers micromanage.

Exclusive to inclusive: Too many managers believe they are smart enough to make the decisions without anyone else's aid.

Repetitive to innovative: Managers often encourage predictability.

Problem solver to challenger: Solving problems is never a substitute for growing a business.

Employer to entrepreneur: Many jobs devolve into trying to please one's supervisor

This is a huge shift in thinking, organisationally and personally. Never underestimate the impact on you: most people are not fully aware of how far they need to grow. This book will help you get there.

The management renaissance

This shift is often spoken of as a “Copernican revolution”, meaning it is as significant as when science moved from an Earth-centred to a Sun-centred model of the solar system.

It is important for managers to realise that the organisation doesn't revolve around them, but we think the analogy should be even broader.

¹² <https://hbr.org/2018/10/the-role-of-a-manager-has-to-change-in-5-key-ways>

This is as profound a shift in ways of working and managing as the Renaissance was to artistic, cultural and scientific thought and method.

Consider the characteristics of the Renaissance¹³:

1. A focus on humanism: personkind as the driver of all thought, not abstract entities.
2. A resurfacing of learning from classical sources.
3. A flowering of literature, a greater sharing of ideas.
4. Depicting a more natural reality, model things on how they are not how we might stylise or imagine them.
5. Reform for learning for everybody, not just elites.
6. Emphasise observation, data, and inductive reasoning.
7. Upheaval, reform, disrupting the status quo.

The new ways of managing do the same:

1. Making work human again, treating people like people not resources, adults not children, as if we are all on the same side.
2. Building on work that goes back a century: scientific management (1900s), statistical production (1930s), Training Within Industry TWI (1940s), Toyota Production System (1960s), Total Quality Management TQM (1980s), Lean (1990s), complex systems (2000s), Agile (2000s).
3. A flow of management ideas flourishing on the internet, coming from all directions: e-commerce, war, information technology, space travel, robotics, medicine, social policy, politics...
4. Overcoming our cognitive biases and defeating the myth of simple systems; modelling how the world really works, not how we would like it to.
5. Freeing knowledge workers to invent their own solutions instead of imposing models from gurus and consultancies.
6. Making observation and experiment the centre of our work.

¹³ Wikipedia, so it must be true

7. Flipping the hierarchy, getting out of the way, bringing real work to the fore. Communications and networked ways of working breaking down hierarchies.

The Renaissance brought new ideas (Section 1 of the book), a new culture (Section 2), new ways of working (Section 3), and a fresh start (Section 4). The same is happening to management around the world, and has been for two decades – it’s a management renaissance.

M: “New ways of working doesn’t mean people can do anything they want”.

R: “Sure it does. Why not? They’re adults, working for you.”

M: “What if they do the wrong thing?”

R: “Then we’ll explain why it is wrong without blame or punishment, and learn better ways.”

M: “I’ll be held accountable for it.”

R: “So we better focus energy on explaining policy clearly and often, so they make the right choices”.

Target state

There isn't one.

Many frameworks and methodologies and bodies of knowledge tell you what the ideal state looks like. Having some aspirations - some navigational stars - is useful and gives us a direction, but there is no state that we seriously expect to arrive at and stop.

Agile is a means of improving work. As fast as we improve towards some aspirational state, we will never reach it, because the world changes and that aspirational goal moves. The Toyota Improvement Kata¹⁴ has always recognised this by setting short term goals that we iterate towards, but each time we reach that short-term goal we revalidate the long term vision because it is likely to have moved in the interim.

Some modern thinking goes further: *any* consideration of future state is not the best use of effort. Consider instead the optimal current state

¹⁴ *Toyota Kata*, Mike Rother

and work towards that. We haven't found anything more solid on this than online discussions, but it bears watching, and thinking about.

If expensive "kids in suits" consultants claim they can tell you what your operating model will look like in two years' time you should show them the door. Nobody can know that.

A big leap forward in our understanding is the realisation that in much of the real world we are dealing with complex systems: in a complex system we can never know what the future state will be at any point in time nor do we expect that state to ever be a static one. The concept that our operational state is a static stable state with brief interim periods of change is outdated and outmoded.

We must understand that change is the permanent state; that stability is a myth or at best an occasional accidental state; and that future conditions are arrived at by exploration, experiment, and iteration. We are on an endless journey of advancement.

The Teal Unicorn solution

We haven't got one.

Again, if some consulting firm claims that they have a solution for how your organisation should find its way, you should find someone else. Exactly what approach will change the behaviour of a group of hundreds or thousands of people can only be discovered by experiment. Every organisation uses different methods to follow a different journey. Any model named after a company is a snapshot of that company at some past point in time. Those organisations are constantly changing, or should be. Case studies are interesting sources of ideas which may or may not apply.

The solution to advancement is unpredictable; in fact, the very idea of a solution is invalid. The journey is unknown except in hindsight. The only things that are common across organisations pursuing new ways of working and managing are the principles and general theoretical models which we apply along the way. (Because so many want The Answer, we relented somewhat and provided patterns in Section 4 which we think often work in advancing a culture).

What we at Teal Unicorn can do, or any good consultant, is:

1. guide and coach an organisation to find its own solutions within itself, especially within those doing actual work.
2. build an understanding and capability within the organisation which renders the consulting services redundant.

We have to be careful not to patronise managers. Most managers will be doing at least some of these new ways already. So assume nothing. Ask questions. Listen before speaking. Find out what managers know and what they need help with.

These new ways are universally applicable, so long as you use intelligence. There are no templates, no formulas. We apply common principles to guide us in our designs and decisions, but we must think to understand their applicability in each context.

For example, some of the Agile ideas work best when you build something fungible, like software. It is cheap and easy to rebuild, to change, to improve, to copy, to throw away. Tangible physical constructions are less forgiving: you must get them right first time, they're expensive to fix.

Some Lean concepts work best when you are making the same thing repeatedly, incrementally improving quality of a stable standardised flow, like cars. Intangible work is harder to observe, and is usually different every time, so smooth repeated flow is harder to achieve – we need more buffering and other mechanisms to deal with variability.

Some systems are simple, such as... Actually, we think all real-world systems are complex, because they all have humans in them somewhere. Sometimes a simple system model or a linear flow model is a useful approximation, so long as we remember that it is – like all models – wrong.

None of these things preclude using the new ways of working and managing, and none of them mean that the new ways aren't better. Because they are. This stuff works a charm in creating the fluidity, the responsiveness we need for an organisation to be constantly reinventing or at least adjusting itself in the volatile, uncertain complex and ambiguous modern world.

To summarise:

The agile Manager: an extract

- This is the biggest change in management thinking in a century, ever since we invented “management”.
- Nearly everything you based your work and career on gets flipped upside down.
- We don’t have any answers.
- You have to find your own answers, and you can’t see them from here.

M (after a team in a simulation game quadrupled their throughput):
“I’m in shock. It can’t be that easy.”

R: “Sure it can. You just saw it. What’s hard is the politics, and the cultural baggage. Fixing the system is easy if you’re allowed to.”

M: “But what to fix? How do we know how to do this?”

R: “You don’t. I don’t. Experiment. Find what works and do more of that.”

At this point, many of you will be perplexed or frankly incredulous. Perhaps an example will help. It is fictional, but not hypothetical: it combines many of the experiences we have seen or heard about.

Narwhal Design, a tale of agility

Simon owned a costume jewellery manufacturer, Narwhal Design. He knew something was wrong with the company. Their competition was beating them out of the market with new designs and faster delivery. Everything he tried wasn't helping. So he brought in some advisors to help who a friend had recommended.



The first thing the advisors did was to walk around. Talking to those doing the work, they soon learned his designers were frustrated because Simon had to approve all of the designs personally, and, frankly, Simon didn't understand what customers wanted. One of the first changes made was to convince Simon to believe in his designers, and free them to approve their own designs as a team. The designers would be rewarded based on the success of their designs in the market, and the higher the sales the more likely that a designer would have their future designs chosen by their team.

Building on this example, the advisors convinced the management team to rip more approvals out of the workflows. They ran workshops with teams to challenge the controls, and everybody agreed to take a lot of unnecessary governance out in many places. Plenty of managers were relieved not to have to do rubber-stamp approvals that they had never understood anyway. The advisors were careful to review and beef up the risk management process to ensure that gates weren't being left wide open. Work freed up in many areas. A lot of workload came off managers and governors.

Managers started to be uncomfortable. Simon was always keen on reducing head-counts, and some of them were feeling extraneous. The advisors put them to work re-designing the reporting structures. Everywhere that line managers - or even worse, workers - had to do

reporting work, the managers were to change the process so that a manager observed the work, noted the data, and wrote the reports themselves. This got managers out of their offices and further freed up the workflows. (It also exposed that more than half the reports served no useful function, or were redundant; suddenly managers want reporting to be efficient when they have to do it themselves.).

Digging deeper into that flow of work, it was discovered that the team building the prototype jewellery to test the designs weren't really talking to the designers at all. There was a strained relationship between them because of past frustrations: the designers are the higher-prestige team, and wouldn't accept feedback from the prototyping team if a design was hard to make. The prototypers had to figure out how to build a design, and were seen as not clever enough if a design was unbuildable or had problems in production. All communication happened through their managers, often escalated up to the common boss, Simon.



The advisors sat the two teams down face to face and led them to talk through the issues. They were asked to create better feedback and iteration between the design and prototype teams, to make sure that designs were practical. This was to happen directly, not through managers, and preferably by getting up and walking over there. The team managers also organised informal activities between the teams, a curry lunch every Thursday, where they could informally talk about anything they wanted as well.

The next step in the value stream was passing the prototype to the engineering team to set up the factory to make the jewellery at large scale, and then a production run. There were many delays in manufacturing and sometimes a design would not be produced fast enough to catch the season it was designed for, or to meet the customer's delivery expectations. It turned out that production runs would need to be set up two or three times, only to be cancelled part way when something more urgent came along, or when a design fault was discovered part way through the run, or one component hadn't arrived

in sufficient quantity. Then the half-completed products and materials needed to be stored somewhere (where it was sometimes cannibalised to meet another shortage). This was news to Simon, and to everybody outside of the production factory. The factory had been managing the turmoil internally, presenting a brave face. They didn't want to show how bad the problems were: Simon wasn't good with bad news.

A lot had been invested in "increasing efficiency" in the factory. Production lines ran flat out, never pausing longer than they had to for a re-fit for a new product. Staff - including managers - were exhausted. The slightest hitch (and there were always some, due to design and materials problems) caused work to pile up everywhere. With such high utilisation in the factory, the work still moved slowly.

The advisors applied Lean methods to map the value streams. They analysed the flow of information, and quickly showed that production's chaos wasn't entirely of their own making, but also came from failures of communication and low-quality work elsewhere. These other areas thought the defects were trivial, but the impact of these small hiccups were catastrophic on a factory running flat out.

They analysed the flow of work of a design from initial idea all the way to delivery of product to the market, and the flow from materials to market of a single piece of jewellery. Although each department's workflow was well understood, nobody had ever tracked the timelines end to end.

This uncovered a big time-lag between prototype and production which had lain hidden to pretty much everybody except one clerk who did his job diligently managing the huge queue of work. And it showed that all the work to speed up the factory had actually only addressed a few percent of the total time of a value flow, and in fact slowed the over-all cycles down with all the chaos caused by them being flat out. It was making them worse.



The advisors coached the clerk and the factory managers to introduce a visual work management system, on the wall outside the clerk's office in a corridor where everybody could see it. Every new batch of work appeared on the wall as soon as a design was in prototyping. It flowed across the wall, with its status and problems shown in different colours. They had to expand the column for the backlog that the clerk was managing because nobody had realised quite how much there was.



A new gating technique was introduced, where work didn't start until it was 100% ready, with all materials onsite and a tested design. Materials were locked down on a palette dedicated to the job so they couldn't be cannibalised. If a job needed more material than fit on one palette, then it had to be split into smaller production runs. The job went up on the wall in a backlog of work ready to run. The senior managers agreed the priority of the runs for each day, and everybody had to agree to suspend a job part-finished. All the planning and decision making was done standing in the corridor around the planning wall. This kept meetings short.

Simon was upset that he was excluded from the advisors' whole improvement process. His advisors explained to him that it was better to let the people doing the work design the work without him in the room. He didn't like what he was hearing about reducing utilisation in the factory, and holding work until everything was ready to start. It sounded like backward steps to him. He wanted to know what was going on, but the advisors kept him at arm's length.

A crisis came six months into the changes, when Simon realised that the factory was working in new ways that he didn't understand, and the designs being produced were ones that he would never have chosen himself. The sales results were yet to be seen, and he was deeply uncomfortable about losing control of his company.

He became moody and critical of everything. He was deeply frustrated that he seemed to be losing control of his own company.



Then several things happened to change his views.

One of the largest projects which Simon's advisors had convinced him to do was to consolidate several small lunchrooms into a new larger area in an unused end of the warehouse, fitted out with a kitchen, good coffee, and nice new furniture. There was even a barbeque outside and some indoor plants! The senior managers also lost their own private lunchroom, which was a tough battle. Simon was brooding in the brand-new cafeteria one lunchtime - worried about its expense and the message it sent while the company was in trouble - when the background noise finally intruded on his thoughts. It dawned on him that all he could hear was laughter and chatter at energy levels that he had never heard in the company before. He looked around and saw tables with staff from all parts of the organisation sitting together in conversation.

Several days later, he went for a walk around the factory, as his advisors had coached him to do. He asked the foreman of the production line about a problem with a particularly complex piece of jewellery, and she said "Not to worry, we worked it all out over lunch with the design and prototype teams". Simon had resisted the new cafeteria, because he saw them as time-wasting spaces. He had kept the lunchrooms small and cramped to encourage people to get back to work, but here they were breaking down barriers, and having a good time doing it. Had he been wrong all along?

Where the factory joined the warehouse, there was another open area in the warehouse, and a new table tennis table had appeared. Nobody was using it at the time, but Simon scowled anyway. And where was all this free space in the warehouse coming from? It was a worry if buffer stocks of materials were being run down. And yet Simon knew throughput and profitability of the factory was up, with less stocks and apparently more spare time. Something didn't add up.



He was walking down the corridor outside the production clerk's office and saw several employees standing around the wall covered in work, in heated conversation, working out a production problem. Simon stopped to ask what the issue was, and made a call to help resolve the deadlock.

Only after he walked away did he realise they were all low-level team leaders and – gasp – actual workers, and that it had been so easy to resolve because they were involved directly in the work and knew exactly what was going on. A similar problem had been an agenda item of his executive team meeting over and over again for weeks in the past.

When he got back to his desk, the initial sales figures had at last arrived for the latest round of designs, and it was clear from the numbers that one of the designers had a particular flair. Three of his designs were selling hot, higher than any previous design the company had produced. They were all designs that Simon would have rejected. He felt crushed. He had been holding back his own company.

Simon met with one of his advisors, Amalia, who had become something of a mentor to him. She had introduced him to the habit of walking meetings, so they set off on a stroll away from the factory. She sensed he was unhappy, and soon had him sharing his disappointment in himself.

Amalia explained that such a reaction was natural, and some of the self-criticism was valid. “But don’t be hard on yourself, Simon. You built a successful company. The recent problems were a sign to you that what got you to here isn’t going to work anymore. The world is changing too quickly. You can no longer keep up with design tastes as you once could. It was time to let go of that. Your customers want more variety and they want it faster. The old production methods that were so low cost can’t keep up any more. The world is still scrambling to come up with these new ways of working and managing. They haven’t been around long and are still evolving. You didn’t cause any of that to happen. That is change in the environment. Our job is to increase your agility to deal with that new environment. You need these new ways, and you are already seeing the results, even if you still have plenty to improve. Look at it this way: you feel bad because things are getting better. That’s silly. Celebrate with your staff. Throw a party.”

So they did.



The rest of the book

This document is the introduction from the 300 page book *The agile Manager (small "a")*. Feel free to share this.

What's in the rest of the book?

In section 1, we look at the new ways of thinking, the new ideas that underpin it all.

Then in section 2 we unpack the new management ideas that embrace these concepts.

Section 3 discusses the new ways of working, but only the management aspects. We assume familiarity with the basics of the new ways of working. If you don't have that, we summarise them in the Appendices.

Finally in section 4 we look at how to grow out of the current state and advance towards these new ways of working and managing.

All through, the common threads are our realisations that:

1. management practice organically drives the system to change, allowing people to work in new ways, which becomes new culture.
2. this advancement requires a continual improvement "machine" to drive it, as a source of energy, direction, and coordination.
3. management is naturally conservative, and unlocking those managers who resist is the key to advancement in management practices.

The agile Manager is available on Amazon in both paperback and ebook formats.

Come visit at www.agilemanagers.club to find out the latest about availability, and to link to the community and content surrounding the book.

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