



THE BOSTON CONSULTING GROUP

AGILE STARTS—OR STOPS—AT THE TOP

By Deborah Lovich, Vikram Bhalla, Elizabeth Lyle, and Vinciane Beauchene

SOME LEADERS GET IT. Others need to. For organizations to embrace agile ways of working, their senior executives have to change their ways of working. This isn't as simple as it sounds: agile behaviors are not the behaviors that propelled these people into senior leadership positions in the first place. Unlearning what led to personal success in the past is a tall order.

There's a lot at stake. Entire companies, or divisions of companies, are making huge investments in transformation programs in pursuit of agile's many benefits. These include greater speed, better product and service quality, lower costs, and heightened customer orientation. But if leaders don't change their own behaviors, they will limit the return their companies can realize on their agile efforts.

There's no one model for agile leadership, but more and more, we see successful executives doing four things.

They prioritize, focusing on the few agile behaviors that they see as most important for

themselves and their organizations. There is a general set of agile behaviors, but prioritizing those that are most acutely needed for the organization requires self-awareness of the existing culture. Achieving organizational alignment means being able to articulate the priorities in a way that the organization recognizes and can act on.

For example, one European financial institution that converted its entire organization to working in agile ways described the priorities for its leaders in these terms:

- **Openness.** Be receptive to feedback on your own behavior and activities.
- **Trust.** Feel comfortable that not everything will be planned; let trial and error show the right direction.
- **Collaboration.** Go for the greater good of the company, which is not necessarily good for a particular unit.
- **No Ego.** Have everyone speak with one voice—as an organization.

- **Transparency.** Call out those unwilling to change or to reflect the “new world.”
- **Accountability.** Hold one another accountable.

The CEO of a North American bank instructed his top-management team: drive results, adapt and change, unlock people’s potential, and speak up for the good of the company rather than your function or division.

They commit themselves to personally acting as role models of behavioral change.

It’s easier to talk about what needs to change than to make an actual public commitment to new behaviors. The most effective agile leaders commit themselves to daily “workouts”—in full view of their colleagues and team members—that involve individual and leadership team action plans. These plans are explicit about how leaders model new behaviors in their own work and routines, what and how they communicate, and how they engage the organization. The plans are specific and timely: for example, “I will push decisions down to the front line, cancel meetings, and instead attend team stand-up meetings to see how I can help every day or week.”

At the European financial institution mentioned previously, all the executive team members committed to holding weekly “town hall” meetings in the company café. In addition to providing general business updates and answering questions at these meetings, they spoke about their personal-development agendas. In doing so, they publicized their commitment to changing their own behaviors.

They enable and empower themselves, each other, and their teams. Effective leaders recognize that behavior change doesn’t happen just because they want it to. They seek help—in the form of coaching, feedback, and opportunities—for reflection and skill building. They don’t consider seeking assistance to be a sign of weakness. They understand that to achieve any operational improvement, they need to invest to get results. Coaching and putting real time into changing personal and team

behavior are just that—investments in becoming a better agile leader. Effective leaders recognize that others need help and often personally play the role of coach—which is very different from the role of decision maker—for their teams. And in coaching others to work differently, they also reinforce their own new behaviors.

One of the most difficult agile behaviors, especially for those who have grown up in command-and-control and risk-averse organizations, is pushing decision making down to staff closest to operations, processes, and customers. This is the essence of empowerment, but it does not come easy. A senior executive at a global automaker asserts that “the hardest thing is to learn to let go. It’s like when you raise kids: you need to decide when to let go and when to tell them what to do.”

At the same time, good leaders reinforce transparency and accountability. While they empower teams more, they also demand more transparency in each team’s activities—a quid pro quo for agile leaders. A top executive at another European bank told us, “Giving teams space takes discipline, but the short cycle times and guardrails of agile make it easier.” A senior executive at an automaker gives her teams considerable autonomy and empowerment to achieve their goals, such as building an innovative self-driving car. But she also follows a venture capital-style model of accountability, returning to the team every few months to see results demoed and to provide outside-in feedback.

They champion—and reward and celebrate—new behaviors. Leaders in an agile setting face a continuous change management challenge: to encourage, reinforce, and model behaviors that are unfamiliar to most organizations. These behaviors can include pushing for minimum viable products that test a value thesis over fully finished products, encouraging experiments (even those that most likely will not work at first), and celebrating failures as opportunities to learn and improve. Agile leaders need to change the ways that they

celebrate success and the ways that supporting systems, such as performance management, reward desired behaviors. They may also need to make some tough staffing choices, saying goodbye to loyal leaders and high performers who have delivered results in the past but are not exhibiting the required behaviors needed for achieving success in the future.

ADAPTIVE LEADERSHIP HAS always been about change. The shift to agile ways of working adds a new layer of urgency, complexity, and challenge. For an organization to transform successfully, its leaders need to develop their own agile capabilities and show the way.

About the Authors

Deborah Lovich is senior partner and managing director in the Boston office of The Boston Consulting Group. You may contact her by email at lovich.deborah@bcg.com.

Vikram Bhalla is a senior partner and managing director in the firm's Mumbai office. You may contact him by email at bhalla.vikram@bcg.com.

Elizabeth Lyle is a principal in BCG's Boston office. You may contact her by email at lyle.elizabeth@bcg.com.

Vinciane Beauchene is a principal in the firm's Paris office. You may contact her by email at beauchene.vinciane@bcg.com.

Acknowledgments

The authors are grateful to their BCG colleagues Martin Danoesastro, Hans Montgomery, and Benjamin Rehberg for their insights and assistance.

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