



# DO YOU HAVE THE COURAGE TO BE AN AGILE LEADER?

By Marijke Brunklaus, Lindsay Chim, Deborah Lovich, and Benjamin Rehberg

**M**AKING THE TRANSITION FROM long-standing organizational norms to agile ways of working is difficult. Executives have to unlearn many of the things that led to their personal success, and the success of their companies, in the first place. (See [“Agile Starts—or Stops—at the Top,”](#) BCG article, May 2018.) In fact, one of the most common traps that companies fall into is redesigning the organization around agile principles and practices while senior managers, who are not part of the daily agile routines, keep doing things the way they have for years. (See [“Agile Traps,”](#) BCG article, May 2018.)

Agile is based on the principles of teamwork, autonomy, and alignment. The ability of teams to act autonomously spurs both ownership and creativity, enabling them to make quick decisions and move fast. This combination of ownership and decision making at speed also accelerates the development of talent on the teams, which enables faster and even more effective decision making. But a high degree of autonomy works only when there is also a

high degree of alignment in and among the teams.

One key role of agile leaders is to set and maintain strong alignment around overall company purpose, strategy, and priorities. Leaders need to communicate their intent, explaining both the what and the why. Then comes the hard part: leaders need to let go—and do so visibly—thereby releasing the teams to figure out how to address their assigned challenges. The more alignment that leaders are able to establish, the more autonomy they can afford to give, and the more they can and should *let go*.

In our work with many organizations, including our own, we have encountered leaders who are great at the alignment half of the equation but have a hard time letting go. These individuals have risen to their positions by doing the opposite—keeping a firm grasp on their teams and managing toward outcomes. But if they and their organizations are to gain the benefits of agile ways of working, they will need to double down and let go.

Here are six areas where you can start letting go.

## The Steering Committee

The role of senior leadership is to set the direction and the boundaries, creating alignment and enabling teams to pursue their own decisions. This makes traditional steering committees obsolete and potentially destructive: the benefits of agile are lost when the results of teamwork—a product innovation, for example, or a faster internal process—run hard into traditional processes and deliberate, drawn-out management approvals.

Agile is about transparency, which helps maintain alignment as well as autonomy. Leaders should have clear vision into what their teams are doing (because each team's work should be readily apparent to others), and if management is truly committed, an agile process of quarterly business reviews is enough to maintain alignment and focus in the organization, without the need for a steering committee. Progress can be tracked in more detail by active, personal engagement with teams and their projects through periodic demonstrations or discussions of emerging issues, rather than by tracking milestones. Leaders can spread and reinforce alignment in a variety of ways that include modeling their own behavior (see below) and strengthening governance mechanisms, measurement frameworks, and performance management practices. (See [“How CEOs Keep Agile Transformations Moving,”](#) BCG article, July 2018.)

## Nonessentials on the Leadership Agenda

Senior leadership is there to support the teams so that they can do their work; leaders should keep this basic principle in mind when drafting the agenda for the senior-leadership team meeting. The items that make the agenda should satisfy the simple criterion of whether they further alignment, autonomy, or their teams' work on current tasks. Everything else can be let go. At the end of each meeting, save a few minutes to determine if the right things

were discussed and modify the next meeting agenda accordingly.

## Perfection

Another basic principle of agile is testing and learning. Teams build MVPs (minimum viable products) for external and internal customers. They test their results to learn what's working and what needs fixing. This is a 180-degree turn from past practice for most companies, which have sought perfection (or as close as possible) before rolling out new products, services, or ideas. Agile organizations share ideas at an early stage and solicit feedback, which they incorporate and then move on to other tasks. When senior management shows that it is willing to test and learn as well, that makes it easier—and more easily accepted—for their staff to take chances and learn from experience, imperfection, and mistakes.

## Overemphasizing Skills

Managers typically value—and reward—technical and functional skills. Agile leaders elevate behavior to the same plane. High-value behaviors include collaboration, curiosity, flexibility, teamwork, and a willingness to take chances and to learn. Some companies go so far as choosing team members on the basis of behavior first—and then assessing knowledge and experience. These companies realize that while expertise and knowledge are critical, they can add value only if the person with the skills also fits into the new culture.

## Talent That Can't or Won't Change

Just about every management team that successfully transitions to agile ways of working finds that it needs to let go of some previously valuable members whose style and behaviors no longer fit the culture. (Companies that fail often realize that recalcitrant managers were one of the principal reasons.) Letting go of loyal executives is no easy task, especially when they have long histories or track records with the company. Still, it is best done decisively and ear-

ly in the transformation process so that old managers don't act as an anchor and new team members can step up and assume their roles. Appointing the right people at the senior level sets an example and acts as a catalyst in the transformation process. It also sends an unmistakable message to others who might be sitting on the fence of change: they need to get with the program before they encounter a similar fate.

## Old Ways of Managing

Visible change, even if it is symbolic, demonstrates commitment. Successful lighthouse projects can establish momentum and achieve scale as the results roll in and the organization gains an understanding of what agile can accomplish. But the extra push that comes from the CEO and the leadership team visibly adopting agile behaviors can play a crucial role in getting over the inevitable hurdles. At one company, the senior-leadership team abandoned

their corner offices for a shared table in the middle of the building—where they were accessible to everyone. They also gave up their assigned parking places and turned them over to client visitors, sending a combined message of teamwork and client-first priorities. And executive team members committed to hold weekly get-togethers with staff in the company café, during which they provided general business updates and answered questions but also spoke about what was working and what needed more attention, both for them personally and for the new organization.

**A**BANDONING LONG-STANDING WAYS of managing, and doing so visibly, secures agile leaders a double benefit. It furthers the transformation of their organizations through their own actions—and shows everyone that they are willing and able to let go of old habits and lead the way forward.

## About the Authors

**Marijke Brunklaus** is a senior advisor to Boston Consulting Group and the former chief human resources officer of ING Netherlands. You may contact her by email at [brunklaus.marijke@advisor.bcg.com](mailto:brunklaus.marijke@advisor.bcg.com).

**Lindsay Chim** is an associate director in the firm's Chicago office. You may contact her by email at [chim.lindsay@bcg.com](mailto:chim.lindsay@bcg.com).

**Deborah Lovich** is a senior partner and managing director in BCG's Boston office. You may contact her by email at [lovich.deborah@bcg.com](mailto:lovich.deborah@bcg.com).

**Benjamin Rehberg** is a partner and managing director in the firm's New York office. You may contact him by email at [rehberg.benjamin@bcg.com](mailto:rehberg.benjamin@bcg.com).

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