



# Evolving Agile Organizations for the Future

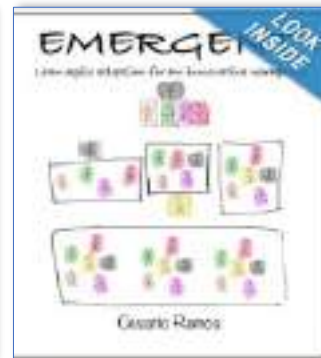
Belgrade  
October 28, 2024.



Cesario Ramos  
[cesario@agilix.nl](mailto:cesario@agilix.nl)

# Cesario Ramos

## Management Adviser



# Is Agile & Scrum Dead?

*SOLD OUT*

ScrumAlliance®

# REGIONAL SCRUM GATHERING™

28-29 OCTOBER 2024 | BELGRADE

*SOLD OUT*

**SOLD OUT**

*Thank  
you*



**According to McKinsey, BCG, KPMG and Bain & Company, the risk of organizations transformation failure falls somewhere between 70% and 95%**

Source: 12 Reasons Your Digital Transformation Will Fail by [Dr. Corrie Block, PhD](#) (Forbes 2022)



“Of the \$1.3 trillion that was spent on DT, it was estimated that \$900 billion went to waste.”

**Source:** Digital Transformation Is Not About Technology (Harvard Business Review, 2019)

**Source:** Why Digital Transformations Fail: Closing The \$900 Billion Hole In Enterprise Strategy (Forbes)

# Why Digital Transformations Fail: Closing The \$900 Billion Hole In Enterprise Strategy



**Steven ZoBell** Former Forbes Councils Member

**Forbes Technology Council**

**COUNCIL POST** | Membership (Fee-Based)

“Digital Transformation investment levels for 2022-2024 are expected to be \$6.3 trillion and are 55% of all ICT investment by the end of 2024.”

**Source:** IDC Research - IDC FutureScope: Worldwide Digital Transformation 2022 Predictions





# The 17th State of Agile Report



61% of Large Orgs  
Say Agile Does **NOT**  
work well

# The 17th State of Agile Report



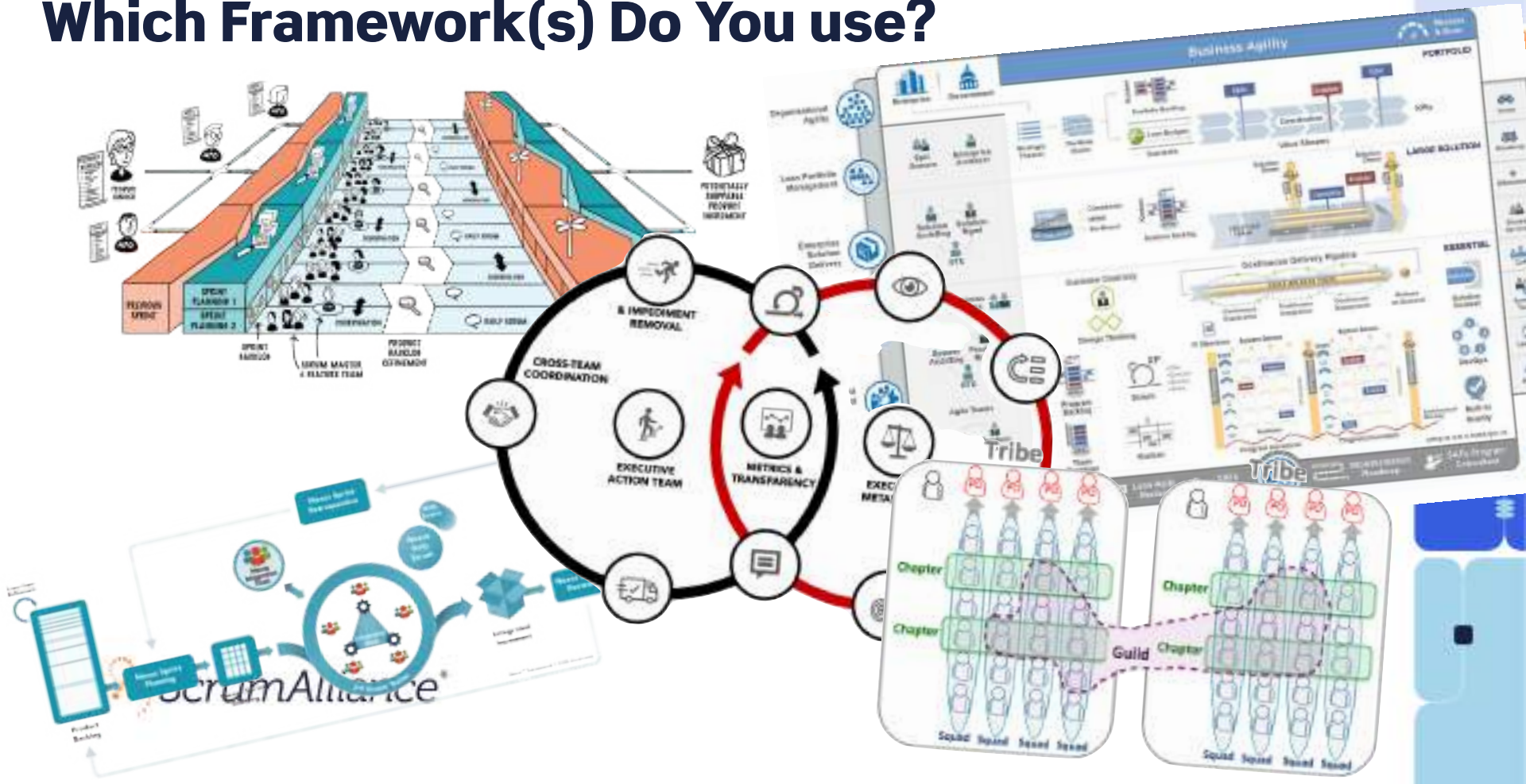
59% Use a Scaling  
Framework

Why is this happening?, and what can we do differently?



# Failing to Adapt Frameworks to Organizational Needs

# Which Framework(s) Do You use?



# Risk To Fall For Spreadsheet Agile Adoption





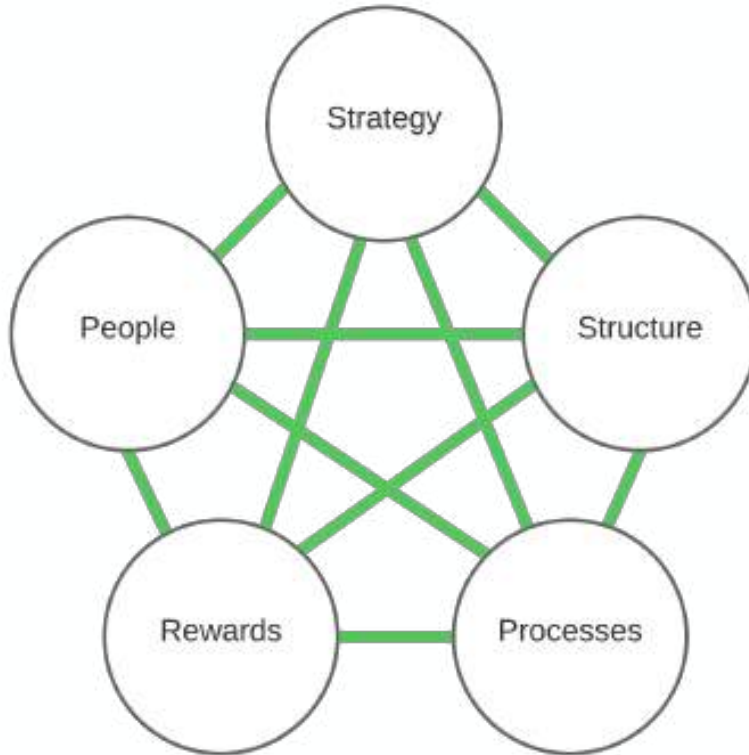
# Illusion Of Having a Fixed End State





# Framework Tunnel Vision

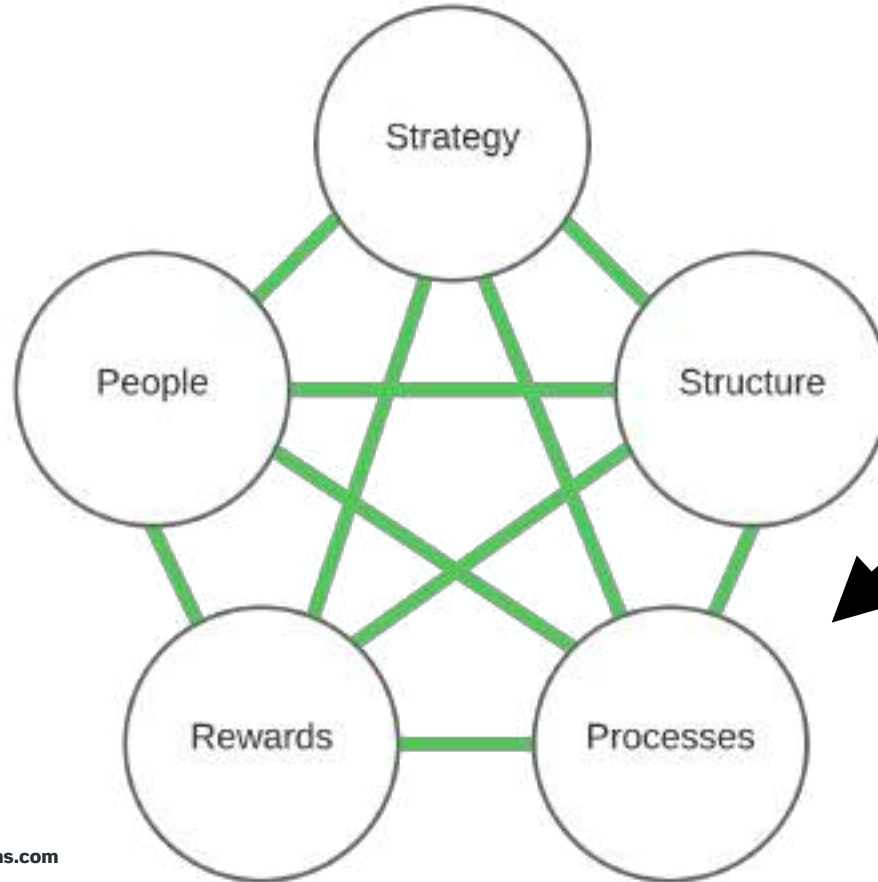
# Organizational Design



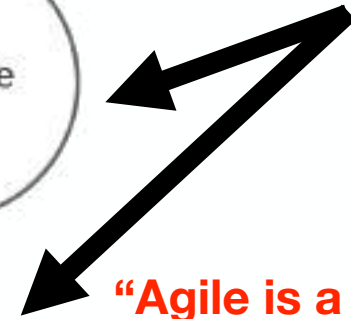
Prof. Jay Galbraith | MIT

Professor Emeritus

# Only Part of The Organizational Design



**Cover Mainly  
Only These At  
Teams Level**



**“Agile is a  
Process and  
Mindset.”**

**Multi-team  
meetings**

# Problem Of What To Choose From The Buffet

# Problem Of How To Fill In The Blanks

Prescriptiveness



MIL Standard

SAFe

LeSS

Scrum

CAO

5th Discipline

RUP

Systems Thinking

...

# Potential Risks of Scaling Frameworks

**Illusion of Fixed End-State:** There is no fixed end state, the end-state is dynamic as things keep changing.

**Poor Ownership:** Risk of teams to not owning their problems and processes, so no continual improvement.

**Framework Tunnel Vision:** Risk of focusing more on adhering to the methodology rather than delivering value, which leads to frustration and inefficiency

**Incomplete:** Scaling Frameworks often cover only a small part of the organization design.

**Tailoring Mistakes:** How To Tailor To Your specific context?

**Agile Scaling Frameworks often fail not because they are bad, but because people struggle to tailor them to their organization's unique and ever-changing context.**

**ING**

## Our journey towards scaling agile

Business Lending Belgium & The Netherlands

11-09-2018

ING 





# Tailored Spotify Model To Context



## How did we perform on the 3 KPI's?

Approach



Increase **focus** with 1 PBL prioritised on the **highest customer value**



**Cross functional teams** to be able to deliver **shippable products**



Invest in **skills** and **expertise** of our **people** to contribute to target solutions

Drivers

**Epic completion**  
Q2 70% | Q3 75% | Q3 80%

Q1 55% | Q2 64% | Q3 80%

Deliver value in **every sprint**  
(short time cycles)

In **every** review we show delivered value (over 50 reviews in Q3).

Improve **happiness**  
Improve/broaden **skills**

Happiness score improved from 5,84 tot 6,04

**SO, INSTEAD OF ASKING:**  
**“How Can I Adopt Framework X”**

## **WE SHOULD ASK**

**'How can I evolve my framework to meet my organization's changing needs?'**

# The 17th State of Agile Report

**12%** Created Their Own  
Framework

# Trend for the past five years

**2023:** 12% of organizations reported creating their own custom Agile frameworks.

**2022:** Around 8% to 10% of organizations indicated a preference for building customized Agile practices, focusing on hybrid methods.

**2021:** About 8% of organizations opting for tailored methods.

**2020:** Custom frameworks by approximately 6%-7% of organizations

**2019:** About 5%-6% of respondents reporting that they used custom frameworks .

# Success Is Tailoring To Specific Context



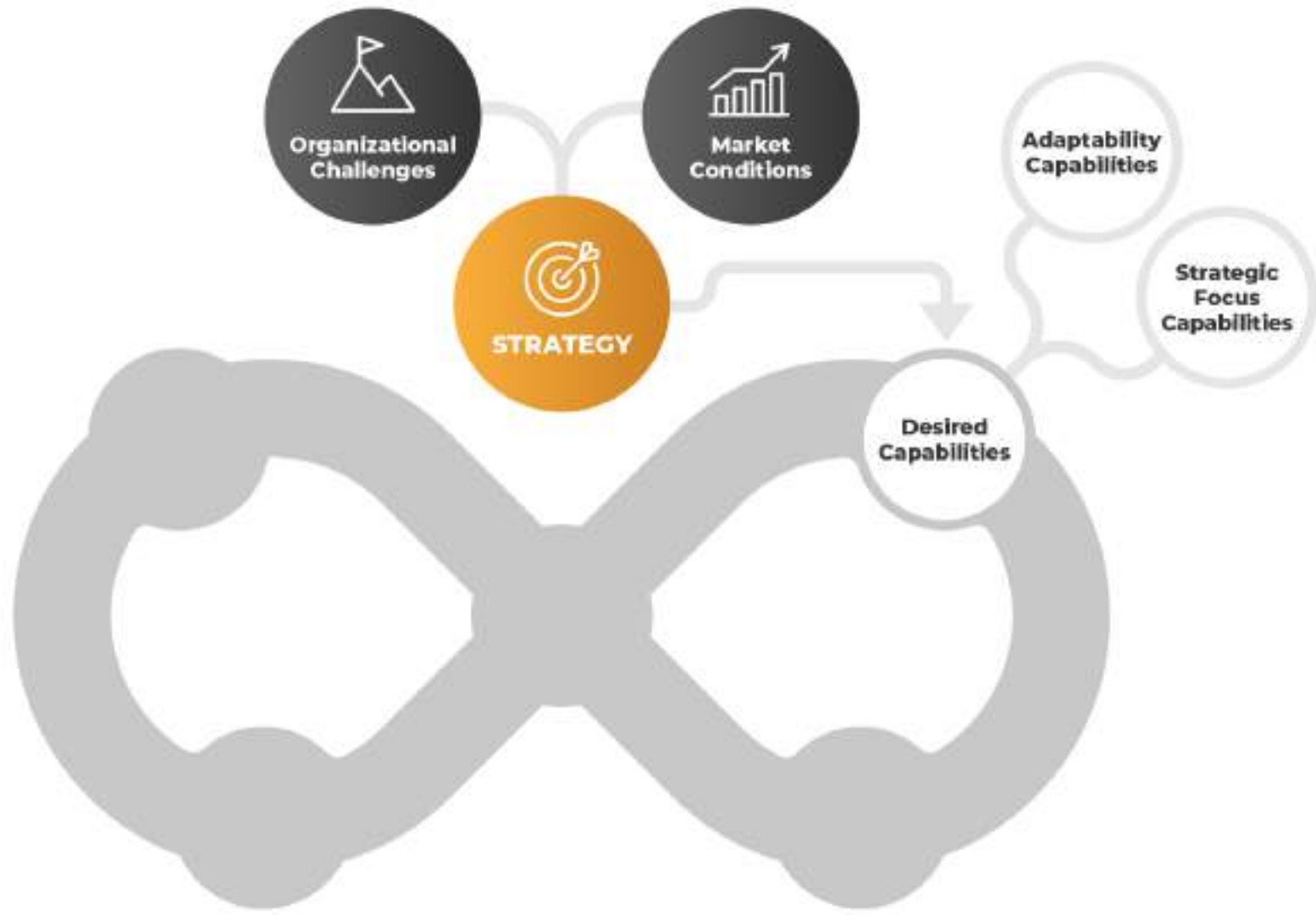


**Evolving  
Your Own Large Scale Model  
Seems Key to success.**

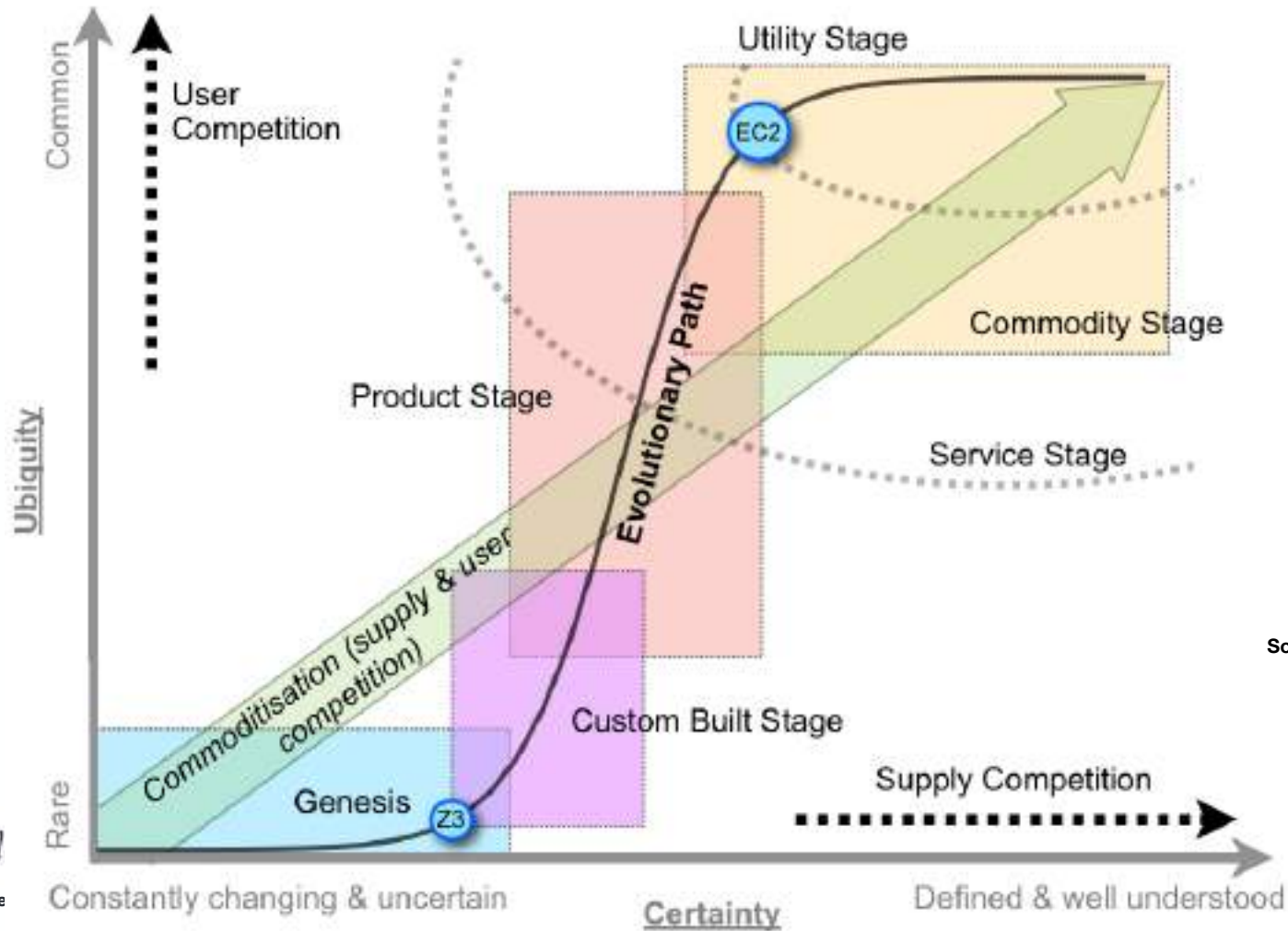
# But then...

How to create a framework to my organization's specific needs?





	<b>Product Focus</b>	<b>Operational Focus</b>	<b>Customer Focus</b>
<b>Structure</b>	Around Products	Around Process	Around Customer (segment)
<b>Adaptability</b>	Changes in market and technology.	Changes in volume.	Tailored solutions for customers
<b>Rewards</b>	New features product releases Revenue	Consistent quality, Cost to serve Resource efficiency	Customer satisfaction customer retention
<b>People</b>	Technical excellence	Operational excellence.	Customer care



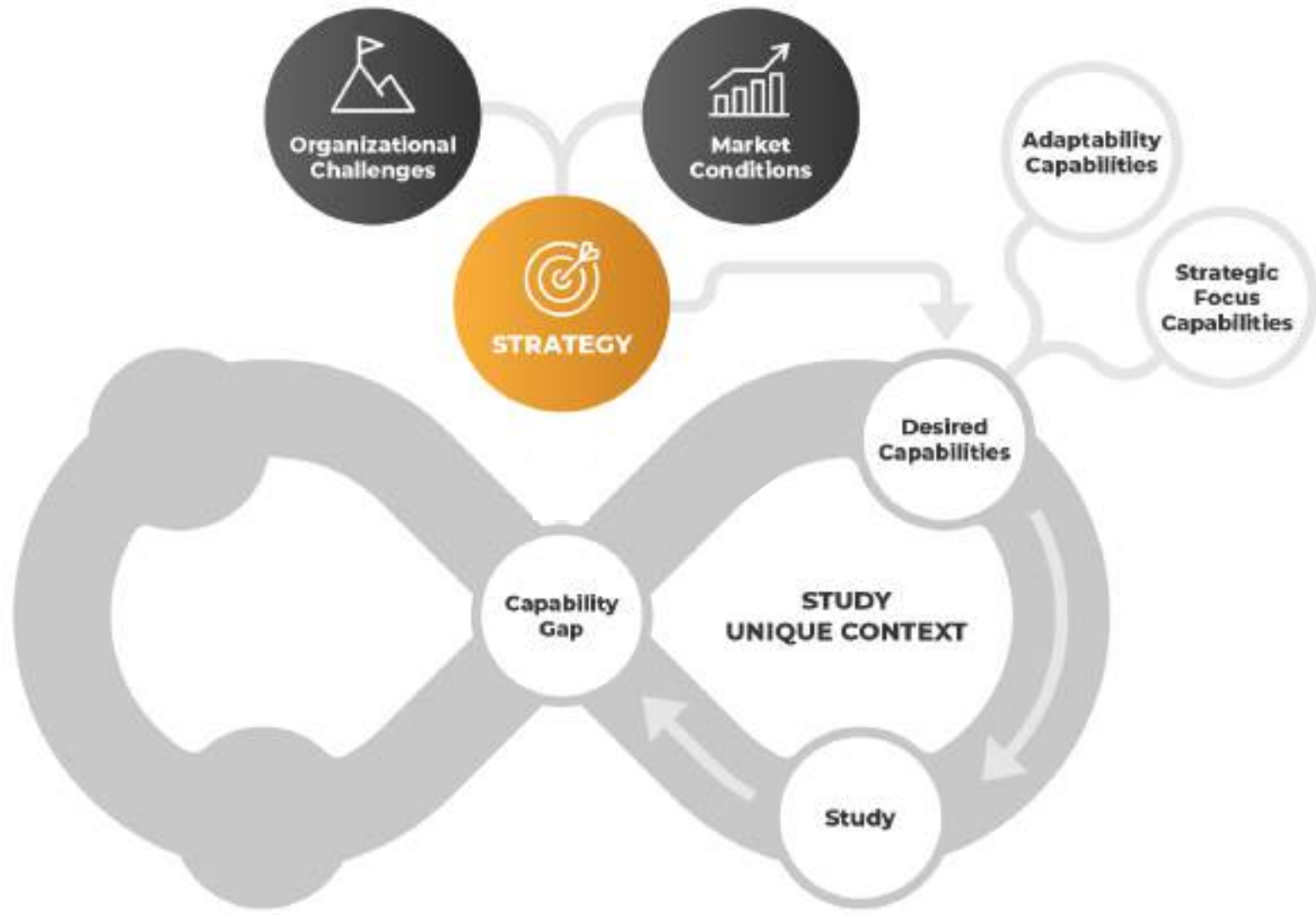
Source: Simon Wardley

	<b>Product Focus</b>	<b>Operational Focus</b>	<b>Customer Focus</b>
<b>Structure</b>	Around Products	Around Process	Around Customer (experience)

# CAPABILITY GAP

## Using a Operational Focused Focus Needing a Customer Focus

<b>Rewards</b>	New features product releases Revenue	Consistent quality, Cost to serve Resource efficiency	Customer satisfaction customer retention
<b>People</b>	Technical excellence	Operational excellence.	Customer care





# Measure Transformation, NOT Conformation



## Capability Gap:

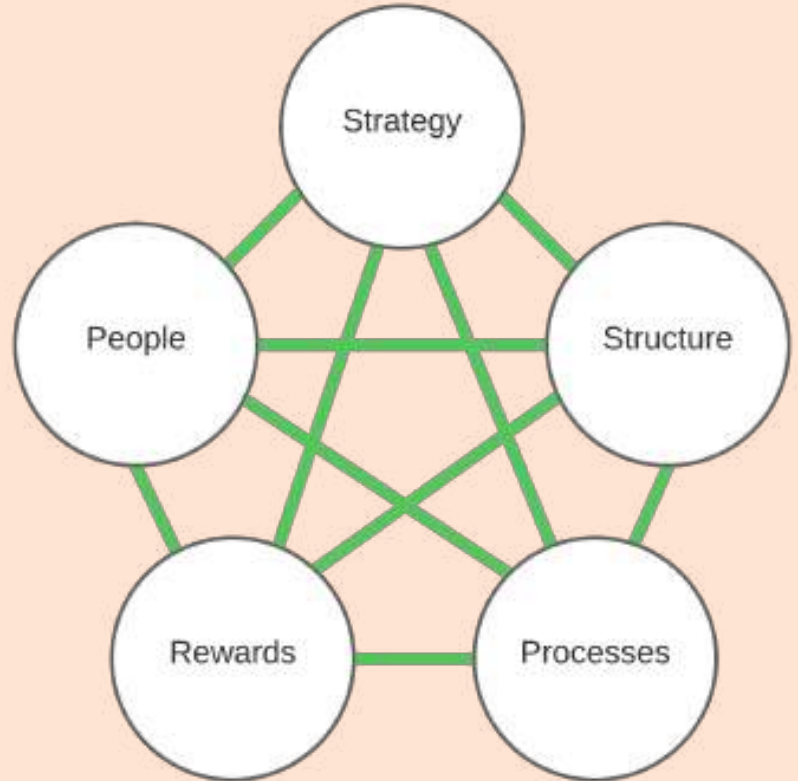
Customer-Centric  
Product Development

## Measure Expected Behaviour:

Teams actively gather,  
analyze, and prioritize  
customer feedback.

## Management Metric:

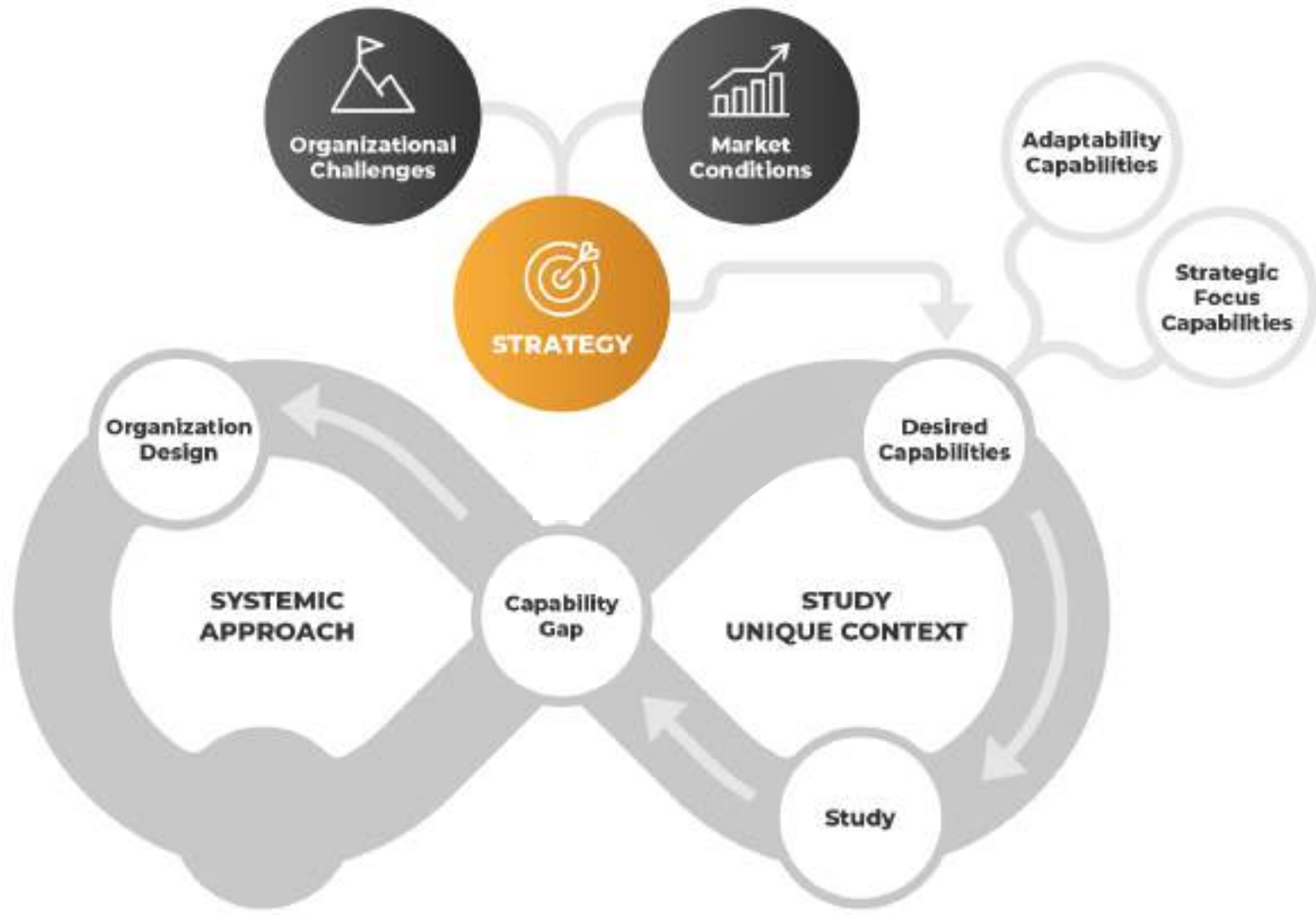
**Customer Satisfaction**  
**High Value Delivery**



# Team Coaching's Brutal Truth

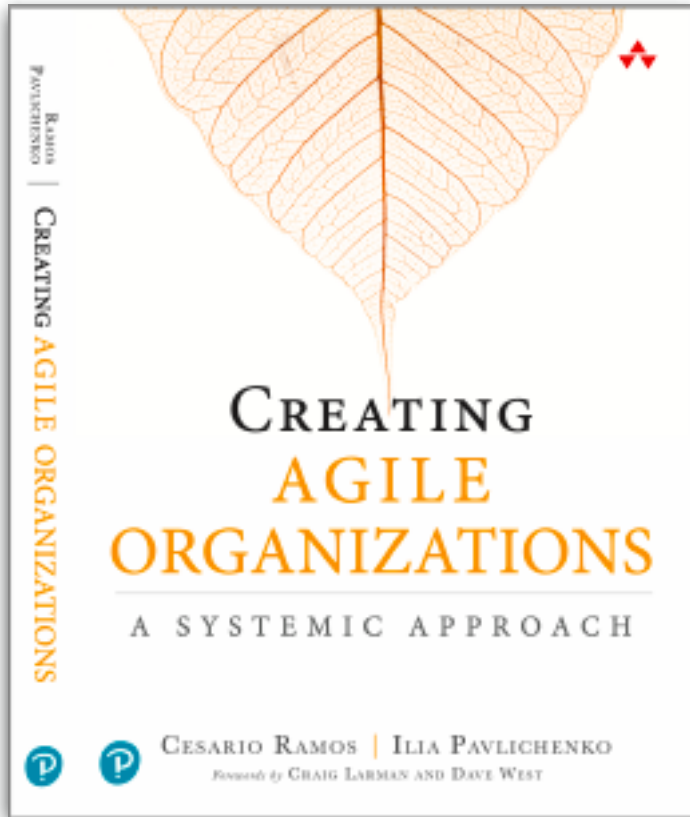
“90% of your team’s success is locked in before you even think about coaching”

-Ruth Wageman. Senior Leadership Teams: What It Takes to Make Them Great (Harvard Business Review Press, 2008)









## SYSTEMIC APPROACH

**Therefore,** we first define the whole product with all its parts, and then we redesign the parts to improve their interactions.



# How To Find The Parts?

# Define Your Products

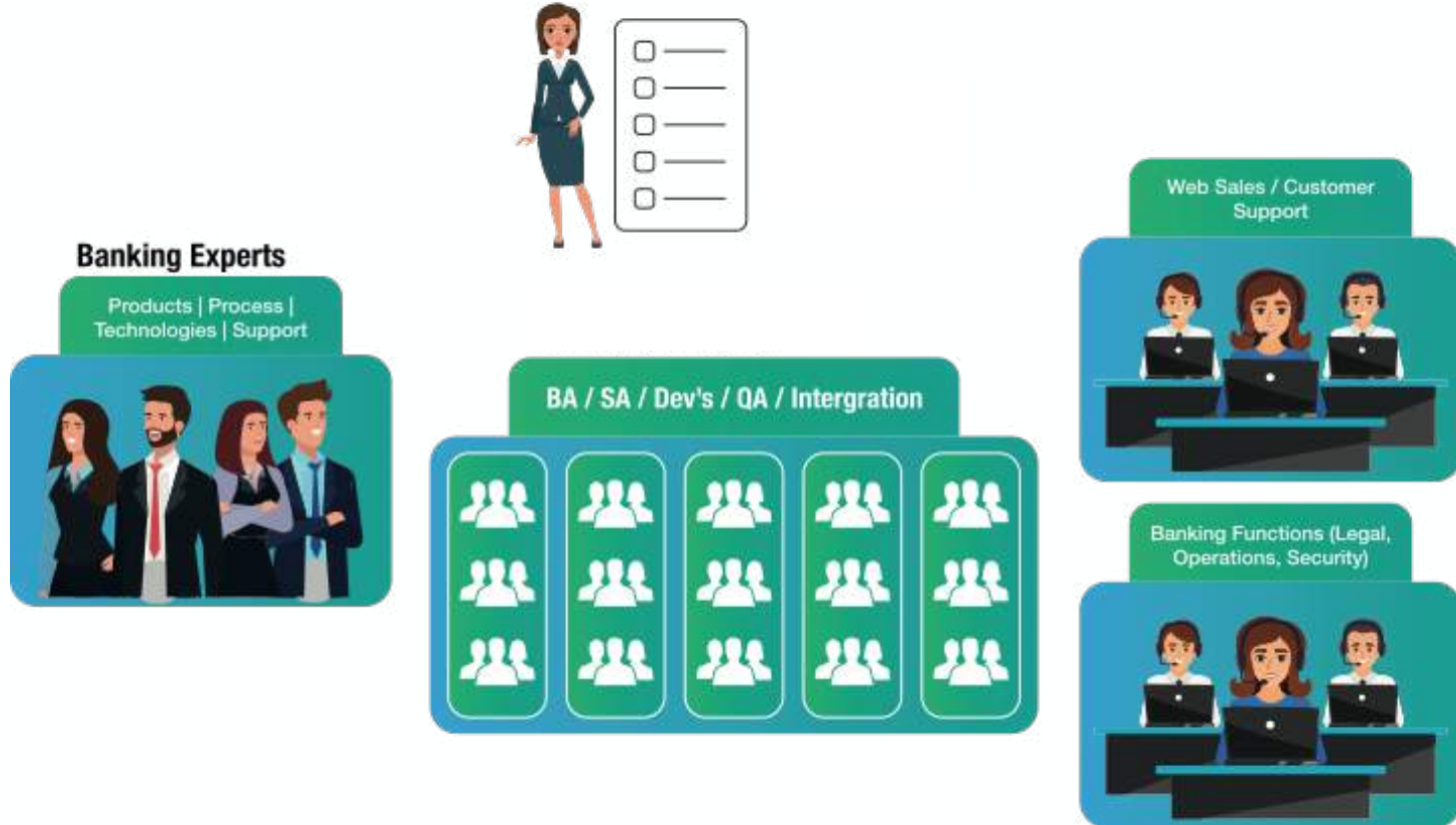
**Product  
Catalog**



**Organizational  
Elements**

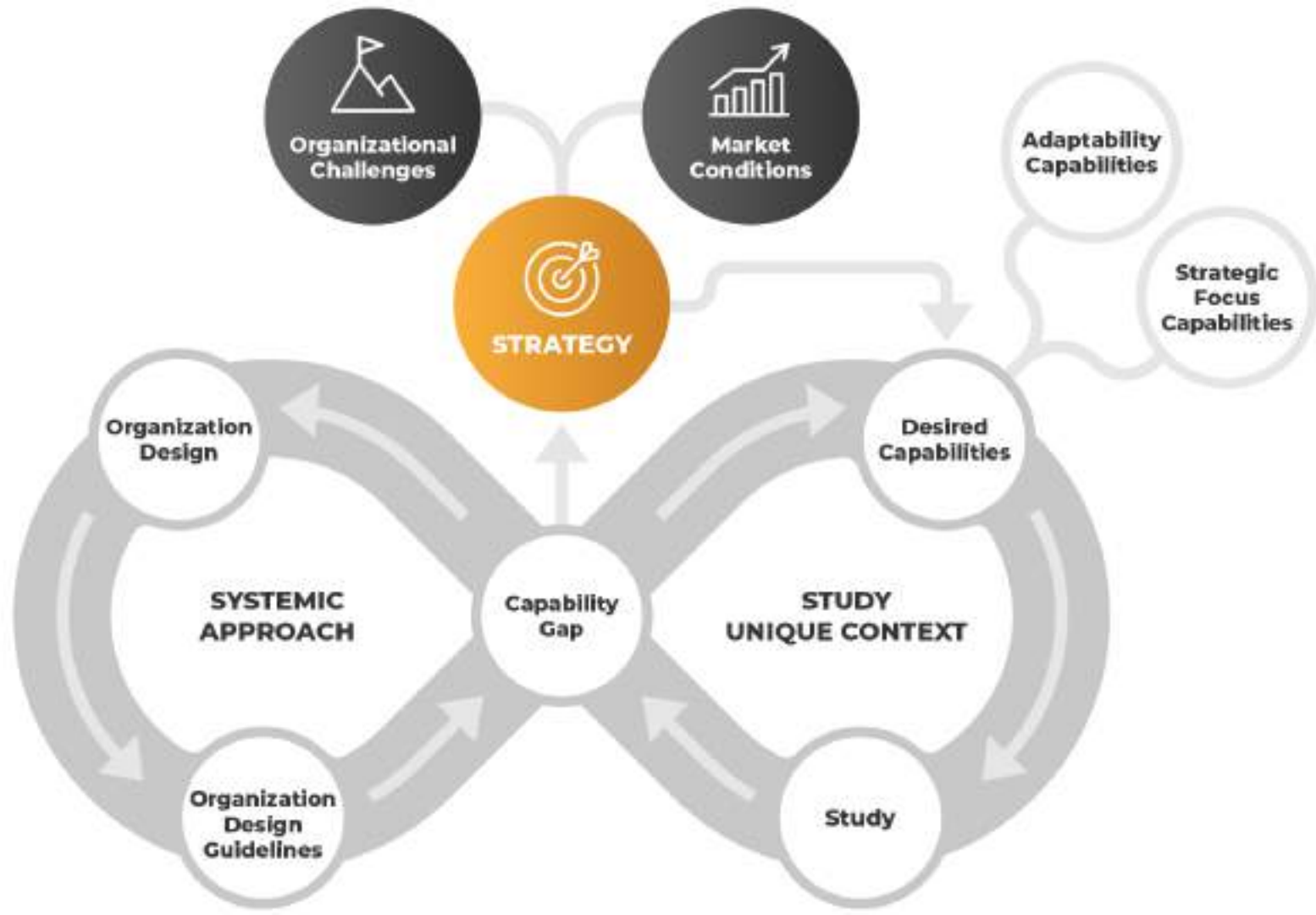


# Building Block: Product Group





# How To Improve The Interaction Of The Parts?



# Improve Interactions By Reducing Complexity

“Complexity is associated with increased coordination costs, goal conflicts, ineffective or dysfunctional government, loss of productivity, and, most importantly, **lower ability to respond to change.**”



Professor N. Worren  
Norwegian University of Life Sciences

# Bottom up Perspective

A complex organization is one with many cross-unit interdependencies that requires frequent coordination and information exchange.

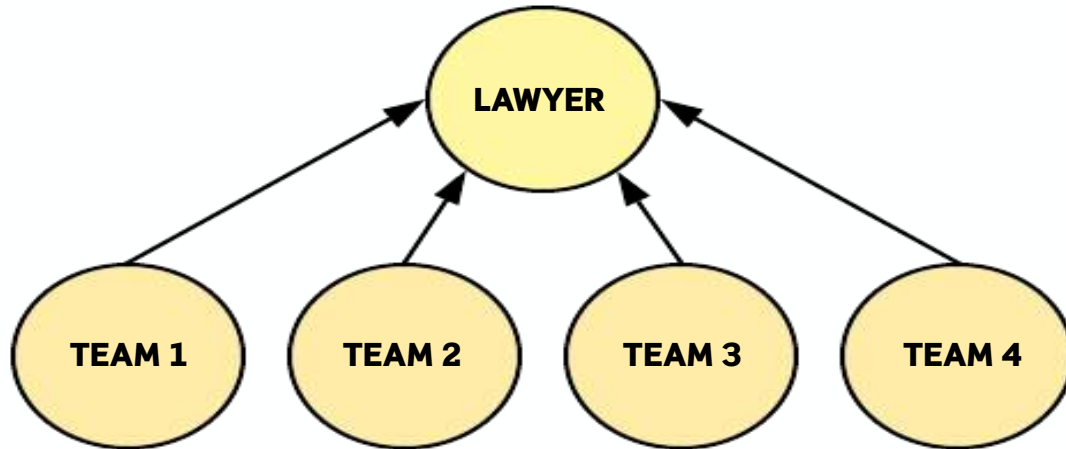


Prof. Steven Eppinger | MIT

# Heat Map To Determine Strength

	WEB	SIEBEL	LEGAL	SALES FORCE	APP	EXPERT
TREND GRAPH						
REPAY LOAN						
ALERT						
BUY STOCK						
F5						
F6						
F7						
F8						
F9						
F10						
F11						
F12						
F13						
F14						
F15						
F16						
F17						
F18						
	68%	57%	27%	57%	60%	51%

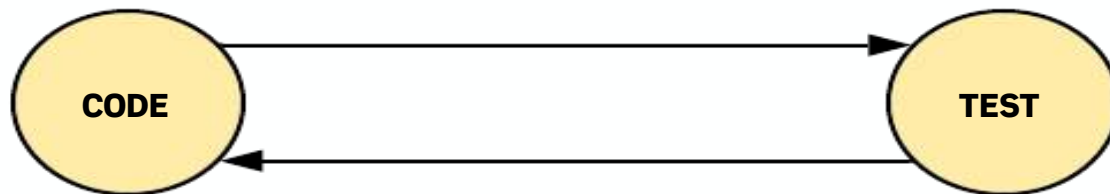
# Pooled



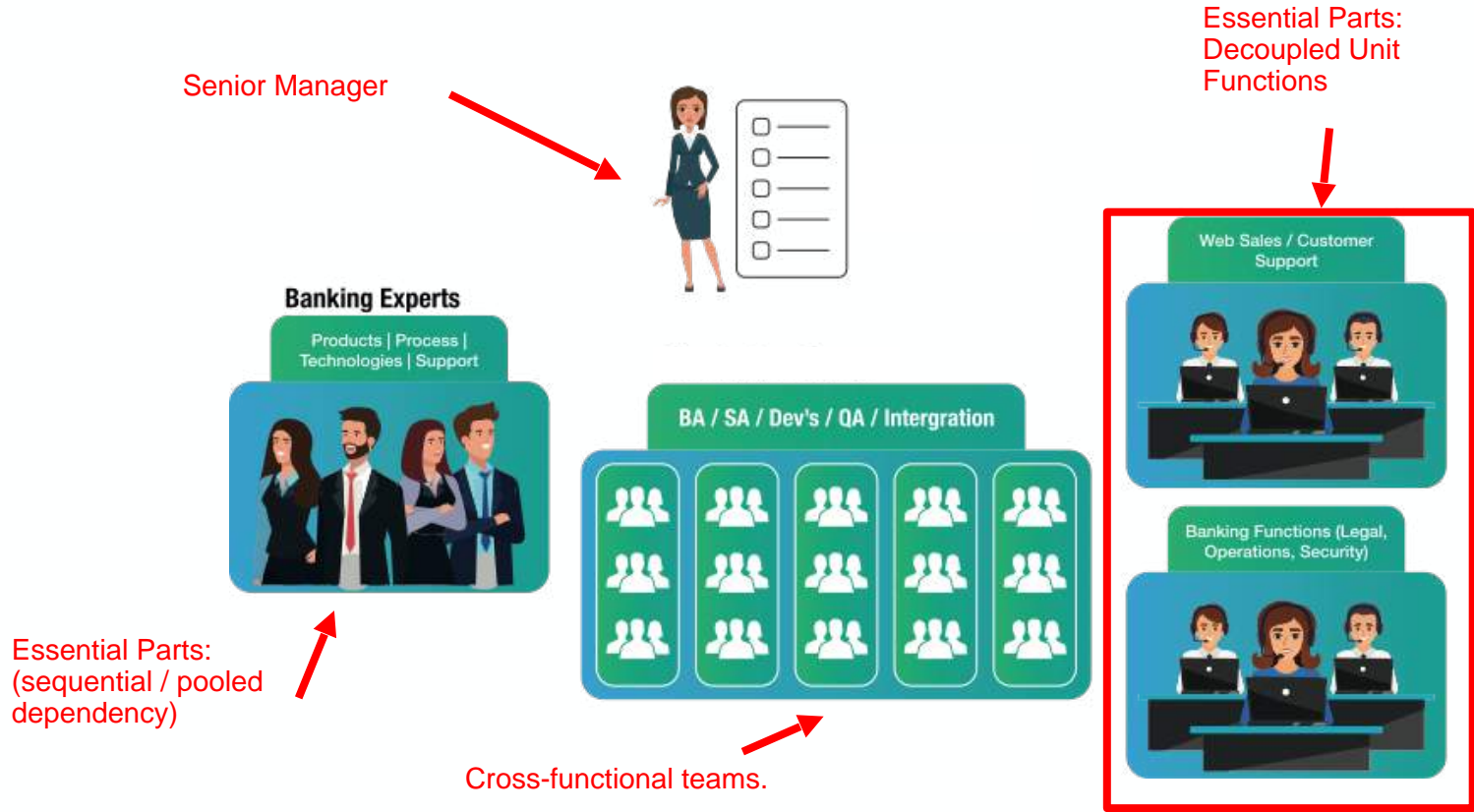
# Sequential



# Reciprocal



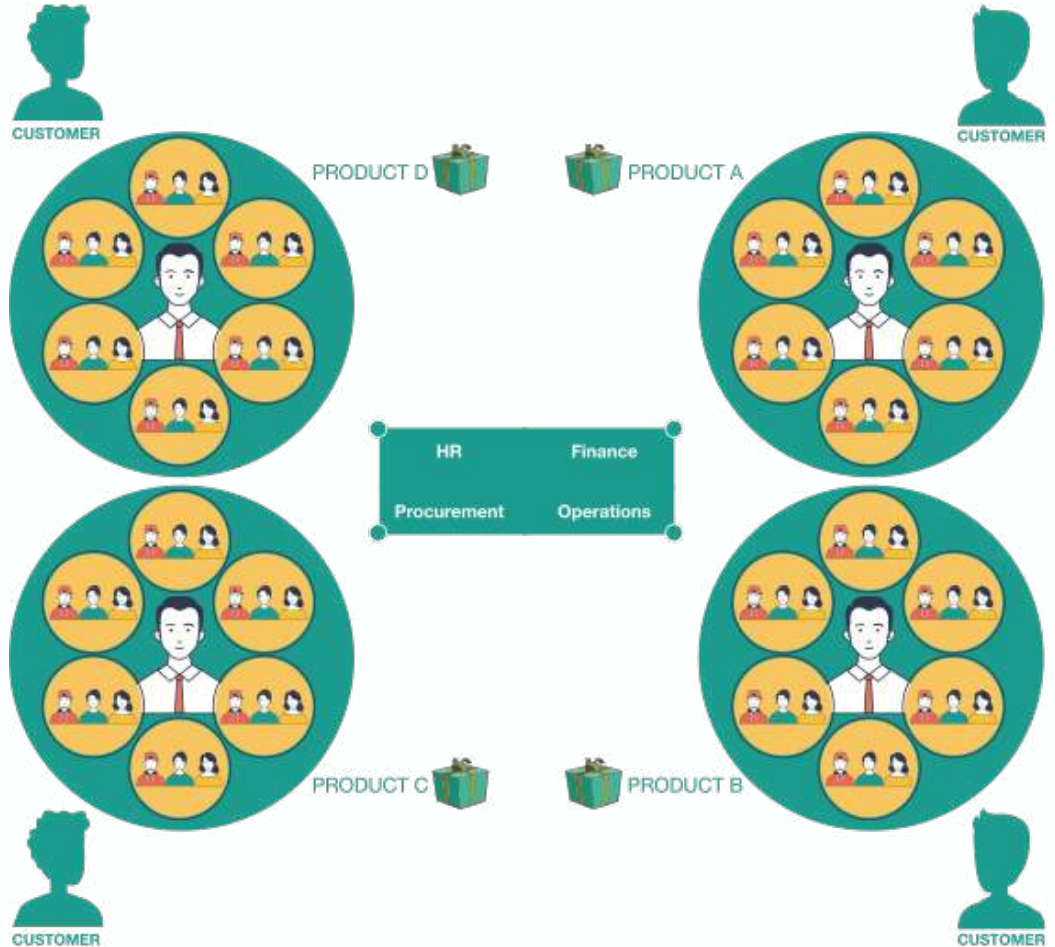
# Study And Make Informd Decisions

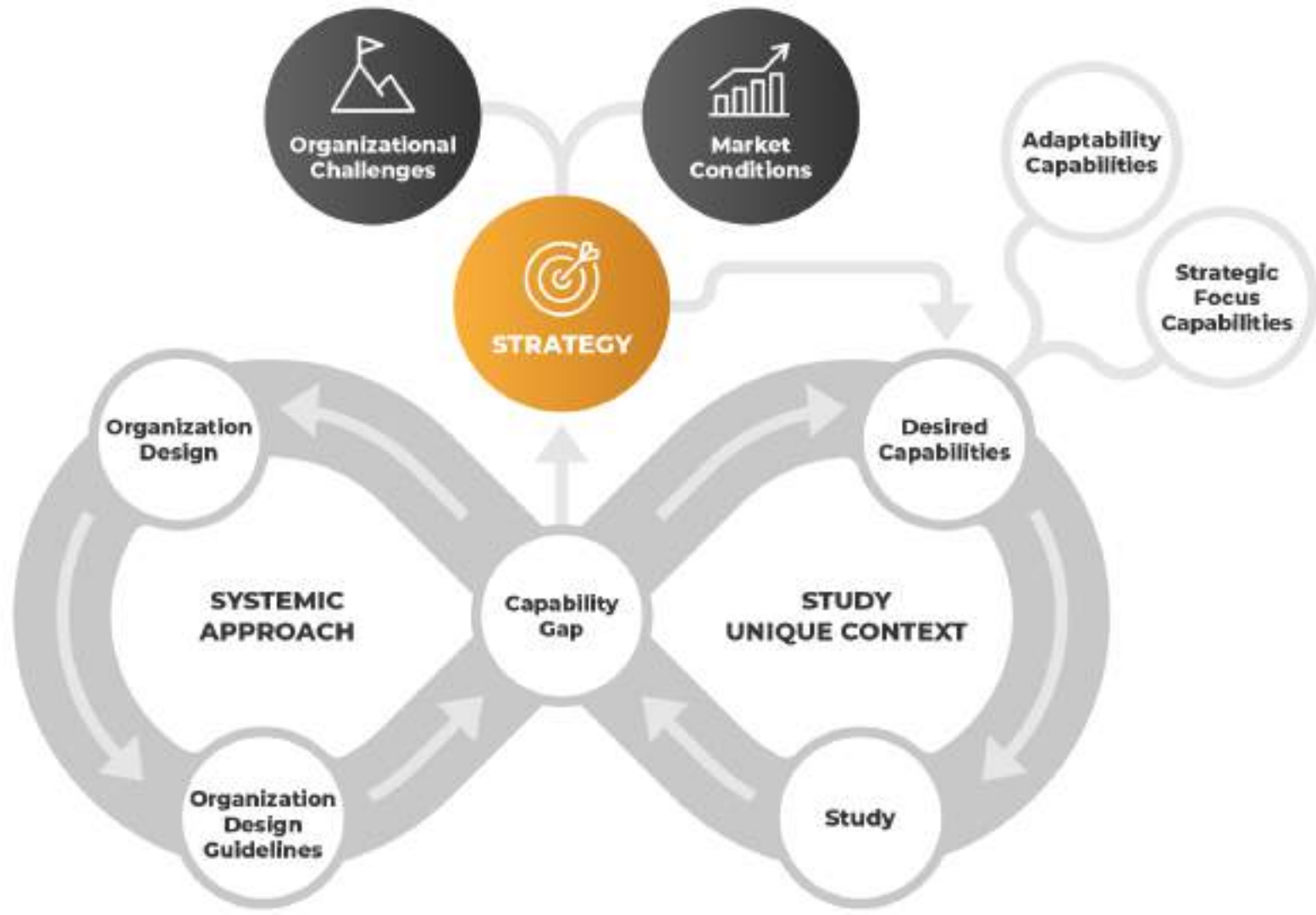




# Prototype of Agile Organization Structure

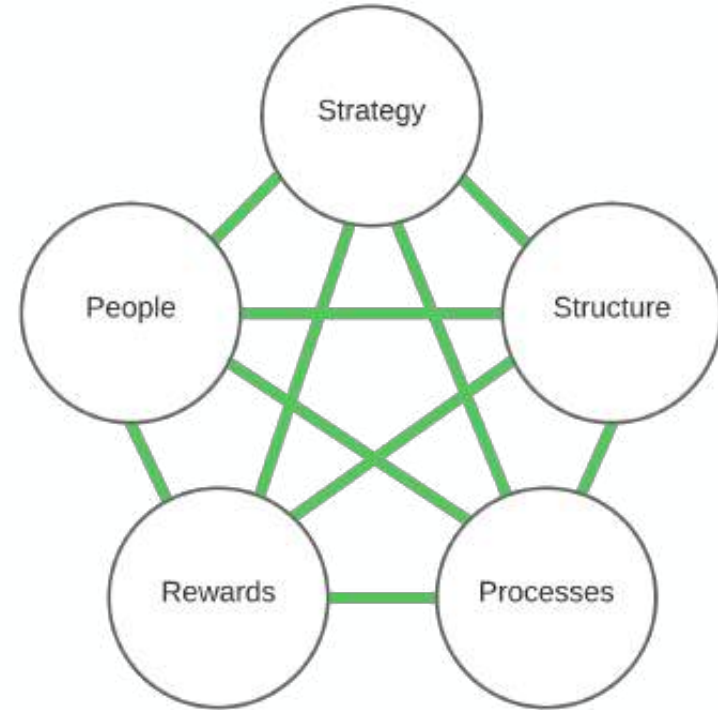
## Semi-independent Product Groups





# Key Points

- Rigidly Following Scaling Frameworks Often Leads To Failure.
- Study To Understand Context
- Re-design To Close Capability Gaps with Axioms, Guidelines And Principles.
- End State is Dynamic



**When You Leave Today, Ask yourself:**

**Is our current Agile approach truly serving us, or  
are we conforming to a rigid framework?**

**How can we evolve our design to meet our  
specific needs?**



**START**

**WHERE YOU ARE**

**USE**

**WHAT YOU HAVE**

**DO**

**WHAT YOU CAN**

**“Innovation  
distinguishes between  
a leader and a  
follower”**



# Thank You!

Remember, Agile is not a destination—it's a journey.

It's time to stop conforming to rigid frameworks and start evolving Agile frameworks that truly fit your unique challenges.

# Want to learn more...



CREATING AGILE  
ORGANIZATIONS

[creatingagileorganizations.com](https://creatingagileorganizations.com)







# Evolving Agile Organizations for the Future

Belgrade  
October 28, 2024.



Cesario Ramos  
[cesario@agilix.nl](mailto:cesario@agilix.nl)