Report to the Drucker Forum

November 6, 2015

www.scrumalliance.org

learningconsortium@scrumalliance.org
The Learning Consortium for the Creative Economy

Ericsson
Menlo Innovations
Microsoft
Riot Games

CH Robinson
Magna International
Brillio

SolutionsIQ
agile42
Learning Consortium for the Creative Economy

Nine firms went on mutual site visits:

<table>
<thead>
<tr>
<th>Firm</th>
<th>Location</th>
<th>Industry</th>
</tr>
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<tbody>
<tr>
<td>Ericsson</td>
<td>Europe</td>
<td>Networks/telecom</td>
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<tr>
<td>Microsoft</td>
<td>US</td>
<td>Software/electronics</td>
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<td>US</td>
<td>Technology consultant</td>
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<td>Transportation brokerage</td>
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Very different management practices

• Different goals
• Different structure of work
• Different way of coordinating work
• Different values
• Different way of communicating
Two surprising findings

• **Mindsets** are more important than **technology**.

  Without the management mindset of **enablement**, the methodologies and practices achieve **nothing**.

• Strong, inspirational **leadership** is key.
Our visit to Microsoft
Our image of Microsoft before the site visit
Our image of Microsoft after the site visit
“Would you ever go back to the old way of working?”

“No way!”
These workplaces look and feel “cool”
We investigated:

• “Agile is only for software”

• “Agile doesn’t scale”

• “Agile can’t handle complexity”

• “Agile isn’t reliable”

• “Agile doesn’t last”
Findings of the Learning Consortium:

- "Agile is only for software"
- "Agile doesn’t scale"
- "Agile can’t handle complexity"
- "Agile isn’t reliable"
- "Agile doesn’t endure"

Agile is spreading to everything
Agile scales without sclerosis
Agile handles complexity
Agile can be fail-safe
Some examples: 10-15 years
A different view of the world

- This is about **communicating**, not necessarily **computers**.
- This is about **transportation**, not necessarily **cars**.
- This is about **banking**, not necessarily banks.
- This is about **accommodation**, not necessarily hotels.
- This is about **health**, not necessarily hospitals.
The opposite of “top-down” is “outside-in”
The Copernican Revolution in astronomy
The Copernican Revolution in management
This is not just “news.”

This is “news that stays news.”

-- Percy Bysshe Shelley
Ahmed Sidky
Director, Development Management
Riot Games
League of Legends is a team-oriented action and strategy game
MOBA (multiplayer online battle arena)
Multiplayer (5 versus 5)

Battle Arena
League of Legends Stats

- 67 Million Monthly Active Players
- 27 Million Daily Active Players
- 7.5 Million Peak Concurrent Players

Stats released January 2014
WE ARE DEFINED BY OUR AUDIENCE: CORE GAMERS
OUR MISSION
WE ASPIRE TO BE THE MOST PLAYER FOCUSED GAME COMPANY IN THE WORLD
RIOT GAMES BUILDING ITS OWN NETWORK FOR LEAGUE OF LEGENDS

INFRA-STRUCTURE
E-SPORTS
HIGHLY DIVERSE WORK – TO DELIGHT PLAYERS
AUTONOMOUS, EMPOWERED, AND ALIGNED TEAMS
MISALIGNED CULTURE

Leadership
(Style, Values, Habits)

Strategy
(Goals, Measures of Success, Rewards)

Structure
(Roles and Responsibilities, Decisions, Organization)

Process
(Value Chain, Policies, Operations, Business Processes)

People
(Values, Beliefs, Attitudes, Norms, Habits)

Culture
HOW IS YOUR ALIGNMENT

Leadership
(Style, Values, Habits)

Strategy
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LESS AGILE   MORE AGILE
HUMAN-CENTRIC FOCUS

People (Values, Beliefs, Attitudes, Norms, Habits)

Process (Value Chain, Policies, Operations, Business Processes)

Structure (Roles and Responsibilities, Decisions, Organization)

Strategy (Goals, Measures of Success, Rewards)

Leadership (Style, Values, Habits)

Culture
I believe that my [Intelligence, Personality, Character] is inherent and static. Locked-down or fixed. My potential is determined at birth. It doesn’t change.

Desire to Look Good / To Demonstrate
Avoid failure
Avoids challenges
Stick to what they know
Feedback and criticism is personal
They don’t change or improve

Fixed Mindset

I believe that my [Intelligence, Personality, Character] can be continuously developed. My true potential is unknown and unknowable.

Desire continuous learning / To Develop
Confront uncertainties.
Embracing challenges
Not afraid to fail
Put lots of effort to learn
Feedback is about current capabilities

Growth Mindset
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Based on the work of Carol Dweck
Brian [Harry] is a move forward guy.

There are 2 types of leaders I have seen. One type has had success in the past and is always trying to repeat that success with the same model from the past.

The second type of leader is what I am calling a move forward leader. They recognize that things are always moving forward. Technology is moving forward, Customers are moving forward, the world is moving forward and he tries to move forward to keep up with all that by constantly learning and is not afraid to try new risky things
SUSTAINING A CULTURE OF AGILITY AT RIOT

Fixed Mindset

When faced with uncertainty they have a desire to reduce risk of failure by “forcing work to a known state” and fixing it there.

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RIOT Mindset

When faced with uncertainty they have a desire to learn, and discover effectively and efficiently through feedback then adapting based on what they learned.

Desire continuous learning / To Develop
Confront uncertainties.
Embracing challenges
Not afraid to fail
Put lots of effort to learn
Feedback is about current capabilities

Based on the work of Carol Dweck
The site visits showed that implementation of the goals, principles, and values requires strong leadership, with a particular mindset …

- The Learning Consortium for the Creative Economy, 2015 Report
Paul Madden
Head of Product Development
Ericsson
Athlone, Ireland
@paul_madden
What we’re doing in Ericsson

Athlone
Inner source
Getting everybody in the game
My visits
Rich Sheridan
Chief Executive Officer
Menlo Innovations
What could we do if we weren’t afraid?

Rich Sheridan, CEO, Chief Storyteller
@menloprez
Tear down the walls!
Embrace noise
Embrace Learning
Two heads
Two hearts
Four hands
Planning Game
Fight fear, embrace change: Run the experiment!
Rigor and discipline

- Automated Unit Testing
- Simple, powerful, ignored
- Living, breathing documentation
Questions
and
Comments
Thank you for your participation!

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