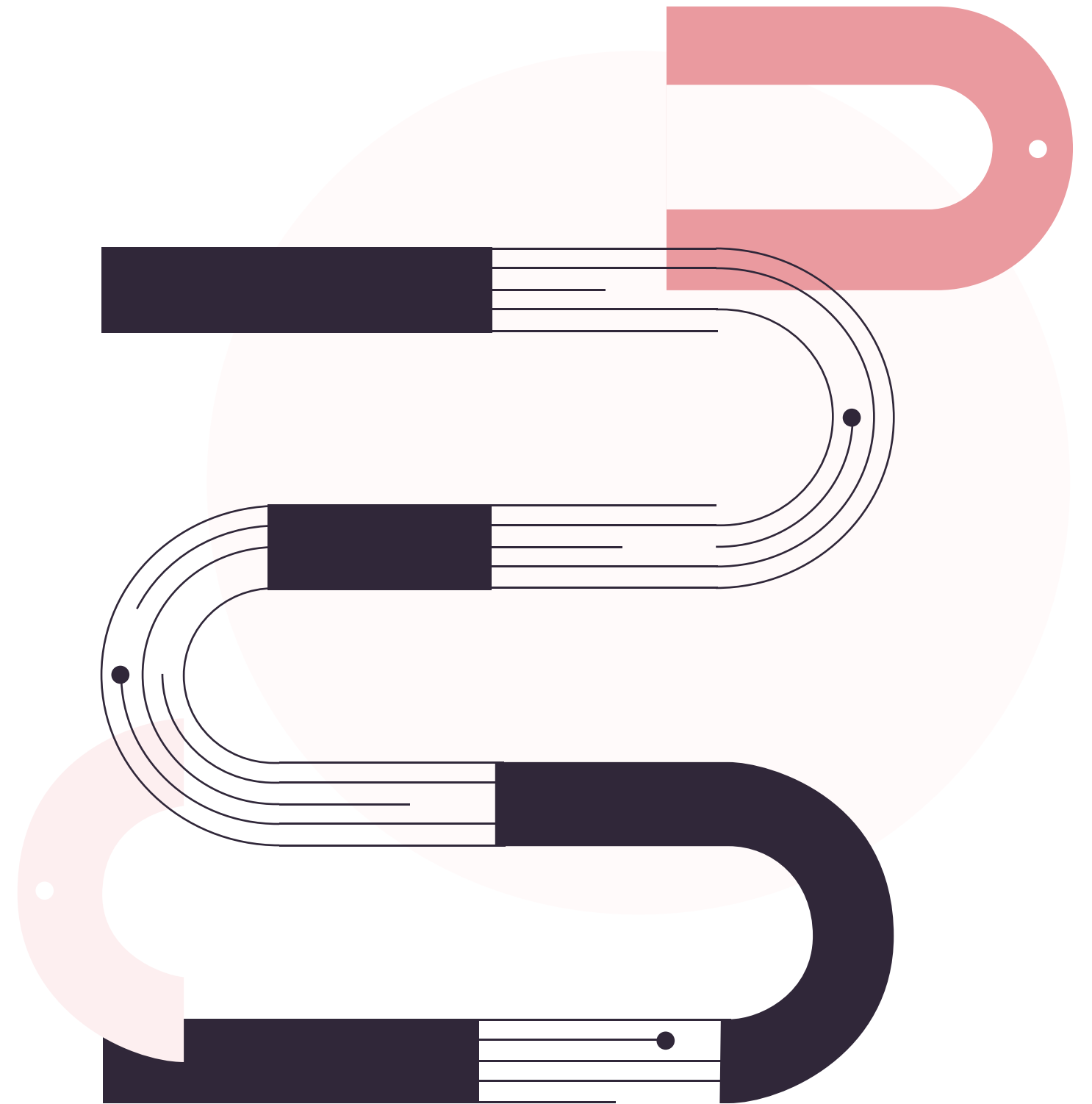


Scaling
Lean-Agile

Edit the DNA

The instructions for how organisations develop and survive are contained in the collective thinking of its people. This is the DNA that determines Lean Thinking, behaviours, the culture that emerges and the organisation's ability to compete. Have you got the right DNA?

Version A1.01



HYPR

Our playbooks

Our playbooks are a broad guide to **how we approach and deliver your engagement**. That engagement is unique and specific to you. We take nothing ‘off-the-shelf’ except a combination of useful models, interesting patterns that have emerged in our work and a deep knowledge of organisational, technological and human complexity. These ideas may or may not apply, but they’re a different way *for you* to consider what’s important for your play.



The Big Picture

The Golden Age is here

Our headline playbook sets the scene for the four transitions you need to make in Pursuit of Relevance... the ability to play in the Golden Age.

Each of these transitions are covered in more detail in the following playbooks...



Transition Technology

Untangle the net



Scaling Lean-Agile

Edit the DNA



Improve Practices

Enhance the flow



From Project to Product

Make value visible

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SCALING LEAN-AGILE _____ EDIT THE DNA

Setting the scene

Every organisation's future is dependent on the continuous delivery of value to customers. Making it happen is down to people.



Their collective talent to empathise, ideate, design, develop, test, deliver, operate, refine and adapt is the human dimension of organisational ability and agility.

To thrive in the Golden Age, an organisation needs to adopt the Lean-Agile principles that help its people to think and act in new ways. The scaling of Lean-Agile across the enterprise effectively edits the organisation's DNA to provide revised instructions that work best for the delivery of value in today's world, not yesterday's world...

Adapting for the knowledge economy

The current technological paradigm is a 'knowledge economy' where the nature of work is vastly different to that of the 'manufacturing economy' we're leaving behind. Organisations face an existential threat if their teams remain organised for the past, use creation and delivery practices embedded in the past and, most crucially, struggle to think beyond the past.

What good looks like for the knowledge economy

Most organisations know they need to make a transformational change in how people work and perform to deliver the value customers now expect. The desired state for people working in the knowledge economy looks broadly like this:

People have adopted contemporary Lean Thinking and ways of working that creates a culture focused on the delivery of customer value – *with the ability to adapt quickly to complex change*

In high-level terms, people and teams working in this state have a set of characteristics which develop over time through evolutionary 'edits' made in transition. The formal editing process is achieved through a framework such as Scaled Agile (SAFe®)...

| | | Desired characteristics | Required edit |
|-------------|-------------|--|---|
| State of... | ...Thinking | <p>Satisfying the customer through early & continuous delivery of valuable software</p> <p>Lean Principles become the foundational logic underpinning contemporary ways of working</p> | <p>Adopt a new customer-centric mindset based on the Lean principles of Design Thinking, Lean Startup, Agile & DevOps. Pay attention to the individual – help people develop the mental agility to thrive in complex adaptive environments</p> |
| | ...Acting | <p>Organised in value-aligned, cross-functional Agile ‘product’ teams</p> <p>Use collaboratively-agreed delivery practices focused on higher quality, flow & feedback</p> | <p>Reorganise people around the delivery of business value</p> <p>Adopt System Thinking & the Lean practices & processes of Design Thinking, Lean Startup, Agile Product Delivery & DevOps</p> |
| | ...Adapting | <p>Lean Thinking Manager Teachers lead change & guide others</p> <p>Learn continuously</p> <p>Explore & experiment creatively</p> <p>Improve collectively</p> | <p>Model desired behaviours to lead & inspire others into new ways of working</p> <p>Demonstrate & promote behaviours that create a continuous learning & improvement culture (exploration, experimentation, creativity)</p> <p>Expose/show the impact of collective intelligence</p> |

SET OF CHARACTERISTICS

A brief history of progress

How have organisations progressed towards adapting and supporting people to work in the knowledge economy? And what started their journeys?...

Catalysts of change

There are three dominant catalysts for change, each with similar solution approaches, but different departure points, different journeys and (usually) different outcomes.

Compelling event/burning platform

Organisations are compelled to change fast to avoid being disrupted to irrelevancy. These events create an urgency that has clear purpose and reason – *something different* must be done immediately to transform delivery of customer value and/or simply to survive.

Once the problems are understood, solutions are considered and implemented. Scaling Agile – whether it is absolutely appropriate or not – has been and continues to be the dominant chosen approach. Rapid introduction of Agile is possible but carries risk. We know of a global insurer that successfully launches six Agile Release Trains (each of 150 people) in a single day.

Proactive leadership

Visionary leaders in an organisation see a likelihood of future disruption and want to be ahead of that curve. They need to lead change, convince others of the compelling need for change, unpack some of the organisational structures and communication patterns and put change plans in place to address perceived problems.

‘Agile transformations’ are planned in priority areas to ‘enable digital’, and are then scaled out over time. The change management and leadership associated with this and the organisation’s commitment to implement needs to be steadfast, clear, uncompromising and long-lasting.

‘Surreptitious’ change

A delivery team inside an organisation recognises a need to improve its delivery and experiments with different ways of working. This is ground-up change that permeates out across other teams – usually through energetic, enthusiastic individuals and unofficial influencers bringing in new methods. Over time, they find that they’ve inadvertently scaled Agile to some degree.

Scaling Agile even further depends on whether the middle layer of management – the ‘permafrost’ – understands and recognises the value in this change and co-opts into further expansion. Many Agile journeys end here or remain low-level, hybrid implementations because they couldn’t permeate the permafrost.

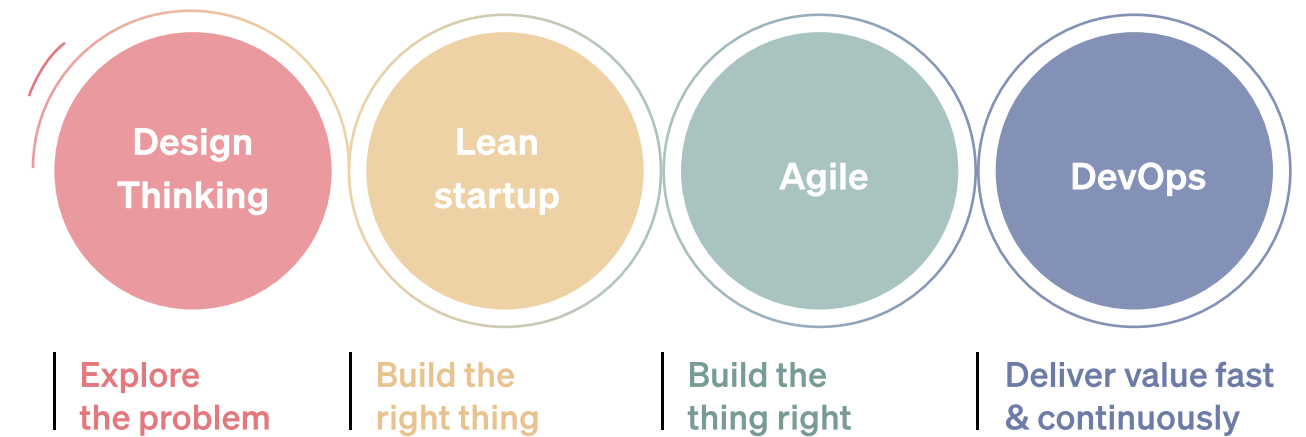
From Agile to Business Agility

For organisations that have embarked on significant transformation, the initial focus has always been in the IT function and on software delivery. Lean-Agile (and latterly DevOps) have become the mainstream and most widely adopted ‘new ways of working’ and, for software delivery, they’ve worked to some degree.

Agile software delivery helps teams deliver value faster and continuously and, crucially, to improve the value offering based on feedback loops. This approach is naturally open to observing and adapting to (potentially disruptive) change inputs. As such, leaders began to consider whether Agile approaches could be adopted in other organisational activities.

Agile’s spread beyond IT is continuing apace. It’s now commonplace in functions such as HR, marketing, legal and finance – a shift that has become known as ‘Business Agility’ (or ‘Enterprise Agility’). Think of it as a noun that describes a set of initiatives rather than outcome – the outcome is an adaptive organisation.

Business Agility initiatives are founded on the principles of Lean-Agile and encompass other contemporary ways of working such as Design Thinking, Lean Startup and DevOps. Each of these has its own complementary principles which, together, cover the entire value chain.



Most large legacy organisations are now implementing Business Agility initiatives through the adoption of these principles and practices to edit their organisational DNA over time.

“Many enterprises are facing an existential crisis. They see a world of opportunities but lack the capability to take advantage”

EDGE: Value-Driven Digital Transformation,
Highsmith, Luu & Robinson

Reorganising for value

In support of the adoption of new principles and practices, organisations have also recognised the need to reorganise their teams to maximise the delivery of value. There has been a shift away from ‘projects’ and the large, centralised Enterprise Project Management Office (EPMO). Now technologists are embedded in cross-functional/cross-enterprise *product* teams alongside design thinkers, product owners, Agilists and marketeers. These product teams are now the Value Stream.

This is another significant edit in organisational DNA because these product teams have significantly more ownership and visibility of the value they deliver. They’re also charged with the responsibility to listen to feedback and adapt quickly (which is exactly what leadership is looking for).

More importantly, with the right technologies and tools in place to support them, the product team is now effectively a mini-business in the system that *wants* to perform in its own mini-knowledge economy. This has significant positive impact on engagement levels and, importantly, helps them shift away from ‘doing digital’ to ‘thinking digital’...

Doing digital vs. thinking digital

Leaderships of legacy organisations long for digital-first or ‘native digital thinking’. But the DNA of startups was formed *in the knowledge economy, for the knowledge economy*, unencumbered by paradigms and systems of the past.

To expect people who have become used to working in legacy environments to magically ‘think like a startup’ after a transformation initiative is optimistic. Thinking digital is not something that can be taught. It’s something that is motivated and learnt through *the new experiences that happen when organisations focus on the delivery of outcomes rather than the utilisation of people in the system*.

As we adopt Lean-Agile principles and practices to edit the DNA, adopt contemporary ways of working and organise around Value Streams, product teams will learn to think digital through their experience.

| CHARACTERISTIC | TENDENCY TO DO DIGITAL | TENDENCY TO THINK DIGITAL |
|-------------------|--|---|
| Enterprise type | Legacy / traditional | Digital-first or native / startup |
| ECONOMIC PARADIGM | Manufacturing economy | Knowledge economy |
| Orientation | Economies of scale | Economies of flow |
| Focus | Utilisation of people in the system | Delivery of customer value |
| Organised around | Projects | Products (Value Stream) |
| Working practices | Command & control ways of working focused on managing tasks | Contemporary ways of working focused on outcomes |

DOING DIGITAL VS THINKING DIGITAL

SCALING LEAN-AGILE _____ EDIT THE DNA

Factors for successful change

Teams and individuals will be impacted by Scaling Agile initiatives so alignment and support is crucial. Here are three fundamental factors that will help people align, respond and adapt...

Leadership and a purpose for change

Sustainable transformation requires leadership to have clear, unambiguous and ambitious purpose. Leaders must commit to the change, communicate it effectively and be the first active participants in its implementation.

Clarity of purpose at the core level

Precisely what is the organisation trying to achieve and how will this impact the business?

This seemingly innocent and straightforward question is rarely greeted with answers that relate to the ‘big picture’ level. Organisations often respond, for example, that they are seeking to ‘implement Agile because... [...insert any reason here]’. The reasons given are usually of a lower operational focus and may lack ambition and clarity of purpose. Perhaps the better way of phrasing the question might be “do you understand the true challenge and opportunity that faces you and how will you approach it?”

To answer that – and to achieve a meta-level understanding of change that has clearer purpose – we can use Geoffrey Moore’s model Zone to Win: Organizing to Compete in an Age of Disruption. For full details on this model, [read the book](#), [see his presentation](#) or read more in our headline playbook [The Big Picture](#).

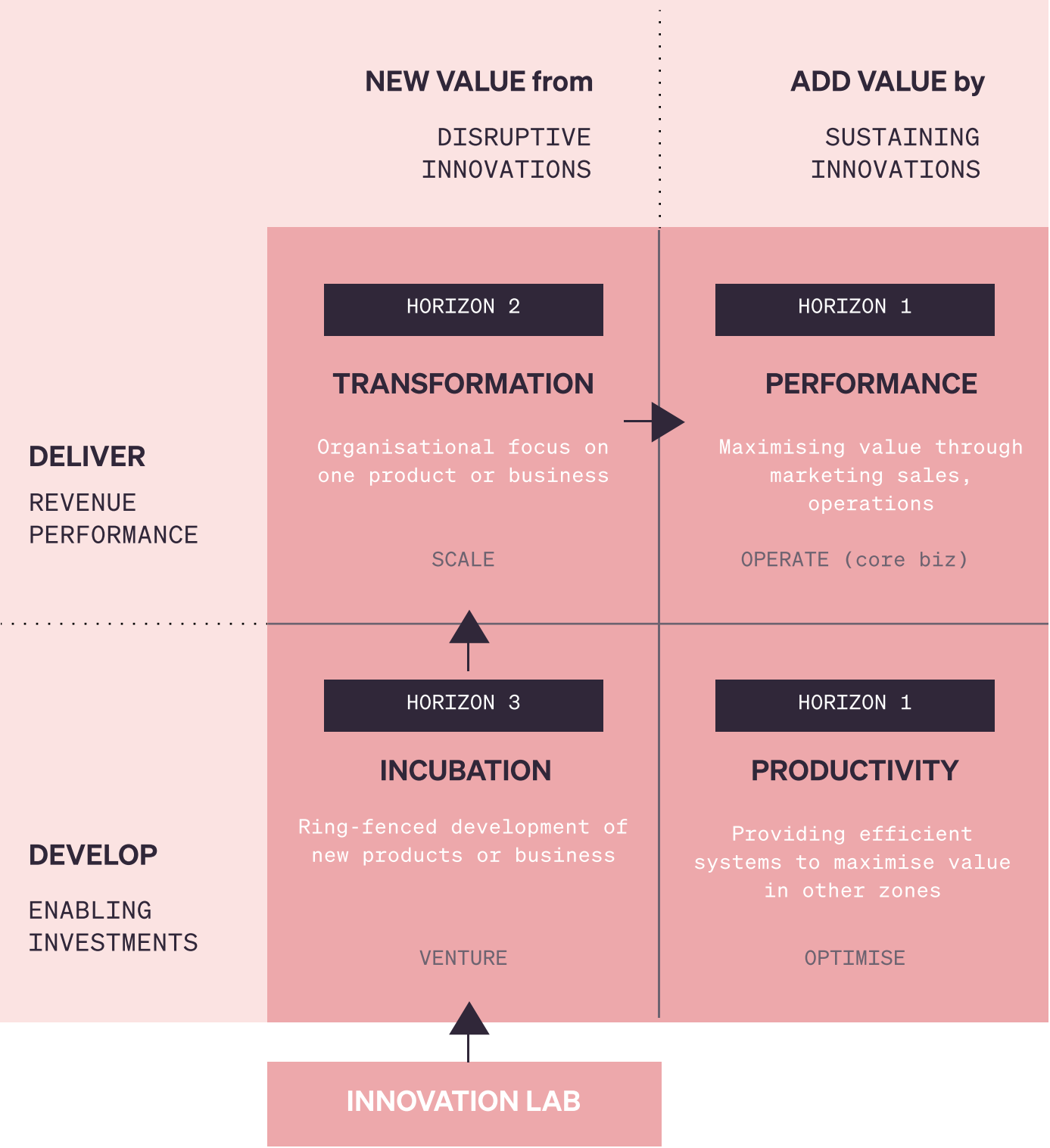


Diagram adapted from Geoffrey Moore's book *Zone to Win: Organizing to Compete in an Age of Disruption* & incorporating thoughts of Adam Thompson (*Zen Organisations*) & Frank Diana (*Reimagining the Future*)

Most transformation initiatives in New Zealand are focused on the right-side quadrants (Zones) in Horizon 1. The two relevant Zones represent operational activity focused on improving Performance and Productivity. The principle *purpose* of change here is *usually* cost-reduction or ‘making it better’.

Scaling Agile and introducing other contemporary ways of working have a key role to play in making improvements in these Zones, but change *solely in these Zones* won’t deliver a flow of new value or provide adequate response to disruption threat. It is simply *improvement* rather than meta-level transformation. Leaders who expect transformative change as a result of initiatives solely in these Zones will be disappointed with the outcomes – an all-too-familiar story in our nation.

It follows that *the edits in DNA* required to improve in H1 and *the experiences of teams working in H1*, will not be sufficient to *shift people*, a necessary uplift of the organisation’s ability to play in the Golden Age.

Profound transformation happens in H2 and H3

The big challenge for organisations therefore, is to operate effectively in the Transformation and Incubation Zones – H2 and H3 – and get used to moving work across to the right-hand Zones. Imagine a flow of value that starts in H3 and ends in H1?

Effectiveness in H2 and H3 Zones *is dependent on* the adoption of Lean Thinking and contemporary ways of working. It’s here that teams using these approaches and practices, *freed from from BAU and allowed to experiment safely*, can begin to truly *learn, experience and apply the digital craft* that informs digital thinking. This is what’s truly transformative for the organisation’s DNA.

We help leadership to think about those outcomes, to think at the core level, shift their thinking left on Moore’s Model and find the real purpose of change.

For the record, it’s usually necessary to begin implementing new ways of working in H1, and then use the experience of that to start working in H2 and H3. There are unique challenges in scaling Agile and adopting other contemporary ways of working in H2 and H3 Zones when people are accustomed to working solely in H1. We explore this more on page 22 – ‘Working in complex adaptive systems’.

Creating alignment to purpose

When leadership is clear on the purpose of change and the impacts it will make, it needs to create alignment across the organisation. Too often we see initiatives being described either as ‘top-down’ (with the danger that leadership pays lip service to the changes) or ‘bottom-up’ (changes rarely surface all the way up to leadership).

Ensuring alignment through the organisation is the responsibility of leadership – it can only start with them and it always starts *with a story*. We wrote in our headline playbook, *The Big Picture*, that one of the most significant reasons for digital transformation failure was the lack of a compelling story from leadership – ‘WHY, exactly, are we doing this and what does it really mean?’ If people don’t get the need, they’re hardly going to get with the plan to help it happen.

Influencing the way people think starts with a story that must be crafted by leadership and communicated across the organisation. It’s the first thing in any ‘transformation’ initiative and its principal aim is to help people *realise a need* for change.

From this point of realisation, they’ll be more open to the need for change and, especially, the change needed in *how they think*. Without this realisation, those tasked with the execution of change will simply build their own, often conflicting stories with the danger that change is about *doing* digital better rather than truly thinking and being digital. The DNA is not edited in this scenario – it’s damaged.

Lean-Agile leadership at scale

With a purpose, a story and organisation-wide alignment, leaders have three crucial ingredients for success. A fourth is their own behaviour. The organisation's DNA will not be edited by telling others what to do, nor by expecting others to abide by principles that they themselves are not prepared to adopt. Leaders must lead by example and actively promote the new. Here's a check-list for what we call 'leadership at scale':

Promote the right thinking and action

Leaders should lead *deliberately* and they should be trained in the principles of Lean Thinking so they can base their decisions on a sound, long-term philosophy. 'Lean Thinking Manager-Teachers' (a term derived from Eiji Toyoda's 'Toyota Way') take responsibility for enterprise success by teaching Lean-Agile behaviours to their people. Additionally, business owners take responsibility for the quality and fitness of the systems that support their lines of business. Ultimately, managers develop people and people develop solutions.

Unique cultures result from aligned thinking and collective action. If leaders aspire, for example, for their organisation to have a generative culture, they will assist the achievement of this by actively promoting experimentation and the generation of new ideas and ensure psychological safety for it to happen. Those things don't happen by themselves!

Promote practices that promote flow

Leaders should understand the importance of flow in the delivery of value and invest in uplifting the ability of the organisation through the transition of technology, practices, processes and tools. They must also be mindful of creating organisational (rather than technical) blockages to flow. Leaders should be trained in Agile (for executives) and have a basic understanding of DevOps and Continuous Delivery – including the CEO.

Promote the move from projects to product

Leaders should develop a product mentality and take action to reorganise resources away from projects and into Value Streams. These Streams are products where the team self-organises around flow and delivery with minimal waste. The value is exposed and expressed in terms of business outcomes.

Promote customer-centricity and innovation

Leaders should support investments that help teams understand customer needs, shine a light on quality and expose opportunities for new offerings. It is not enough to settle for good quality alone. Instead, it must be used as a foundation to deliver innovative new products that customers seek. Teams from across the organisation should be supported in the pursuit of innovation. Leaders themselves should experience Design Thinking to develop customer empathy because, in the process, they'll develop a much greater empathy with the process of ideation and the teams who must do it day in, day out.

Promote a growth 'mindset'

Leaders lead change and guide others, promoting behaviours that create a continuous learning and improvement culture (exploration, experimentation, creativity). They actively invest in the development of people, encourage them to bring their best thinking to work and empower local, fact-based decision-making that delivers valuable business outcomes. Continuous learning and the ability to adapt to change go hand-in-hand and represent a growth mindset – an ability that can be taken everywhere and which is always on. For further exploration on this, see page 26 – 'Mind the gap'.

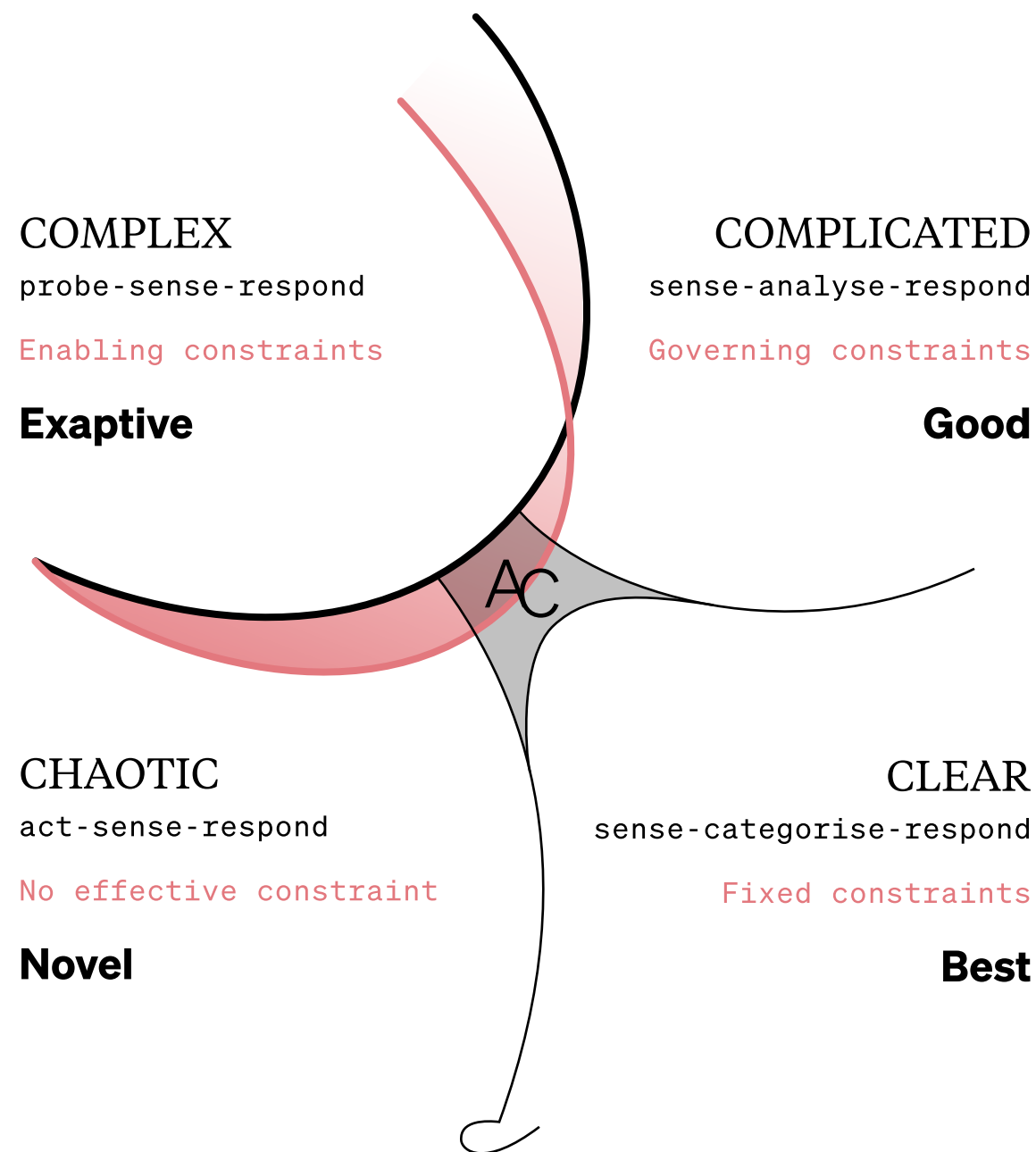
Working in complex adaptive systems

Transitioning focus away from Moore's Performance and Productivity Zones to the Incubation and Innovation Zones is necessary for more impactful transformation. These Zones, however, represent a new and complex world with substantively different requirements and demands on people.

Different environment. Different human requirements

Incubating and Innovating new products as a driver for transformation is highly experimental and requires sophisticated thinking and practices to succeed. The environment in which a team operates has high levels of ambiguity and there is a constant need to adapt to rapidly-changing scenarios. Teams need to juggle many different aspects of product delivery at the same time and finding the path to value requires types of practices which are very much leading edge from a Lean-Agile perspective.

It's simply not realistic to expect that those who are accustomed to working in Performance and Productivity be comfortable and work effectively in the transformative Zones. The following model gives insight into the differences.



Adapted from Dave Snowden's Cynefin St David's Day blogs 2020. This is Snowden's latest version of this diagram. [Read more](#) about the changes including use the term 'Exaptive' & 'A/C' (which stands for Aporetic/Confused)

The Cynefin Framework

The Cynefin Framework helps make sense of complexity across four domains, to see things from new viewpoints and address real-world problems confronting decision makers. Work and people traverse across these domains, dipping into Chaos as they innovate, then crossing into Complex and Complicated as patterns are created and established.

Individuals and teams need to have the ability to traverse these domains knowingly and confidently and adapt to the different constraints and cultures in each. For example, a novel story idea or feature generated in the Chaotic Domain will be experimented on within the Complex Domain. If the idea doesn't work so well, the people and the work will need to dip back to the Chaotic for inspiration. The culture of Chaotic is 'creativity'. The culture of Complex is 'experimentation'.

Performance and Productivity work in Moore's H1 spends little, if any time in the Chaotic and Complex Domains. Most of the patterns required to be effective in that work are broadly understood and set. The people delivering that work remain in the Complicated and Clear Domains with different constraints and different cultures.

How can organisations successfully work in H2 and H3 to create a stream of future value, while at the same time giving people the safe experiences they need to develop new abilities?

It looks something like this...

We worked with a client in the Performance Zone, implementing Agile and DevOps to get better at software delivery, fixing technology issues along the way. The client's teams were finding it increasingly hard to get product features to market. It was clear that the legacy systems were failing and there were quality issues which created reputational risks.

Continuous Delivery in H1

Our engagement began in H1 where the goal was to improve the technology situation and establish Continuous Delivery as 'the new normal'. This meant transitioning from six-monthly release cycles to a one-week reliable release cycle. This would build confidence in the team and introduce considerable new flexibility in the delivery of value – from both a resourcing viewpoint and customer satisfaction viewpoint.

While our work was *transformative* for the client, it wasn't real *transformation*. For that, we needed to help the client with experiencing delivery of new products in H3 and H2 and show them how that work, and the value of that experience, gets transitioned across to H1 over time.

Innovation in H2

With new product innovation, there's a high degree of experimentation and chaotic, creative activity which requires different practices, disciplines and processes. The client's existing teams couldn't be expected to be effective in this environment without significant guidance and education. We established innovation teams combining client and HYPR talent. Our teams are comfortable and capable of operating in these complex environments.

Together, our goal was to find *the best path to value*. By necessity, in product delivery, this demands that almost everything needs to be changed or built at the same time – pulling data, system architecture, infrastructure, tools and, of course, the practices used. This can be a little scary but, through transition, we were able to safely build capability and confidence and, more importantly, *observe simpler patterns that stabilised over time*.

How profound transformation is effected

Establishing these simpler patterns and achieving comfort with them was our signal that some of the work had started shifting from Complex (H2) to Complicated (H1). This meant two things:

First, we could bring more client talent across from the H1 Zone to experience work in the H2 environment – effectively distributing learnings to new people. We started by bringing over SAFe® coaches and people who were good at Value Stream Mapping.

Secondly, the patterns in technical practices, architecture etc. that were established through work in H2 could be moved for use in H1. This effects deeper organisational improvement – the more *profound transformation* for the client.

For the client's talent, of course, exposure to working in these environments in new ways, learning new ways of thinking and working can then be taken back to any Zone. This is how edited DNA spreads across the organisation.

Mind the gap – sustaining transformation

Helping people operate in complex, adaptive systems requires more than just practice-oriented learning. For transformations to be sustainable, we need to take much greater care of the individual. Understanding intrinsic motivations and helping people develop Mental Agility helps close this gap.

Mental Agility

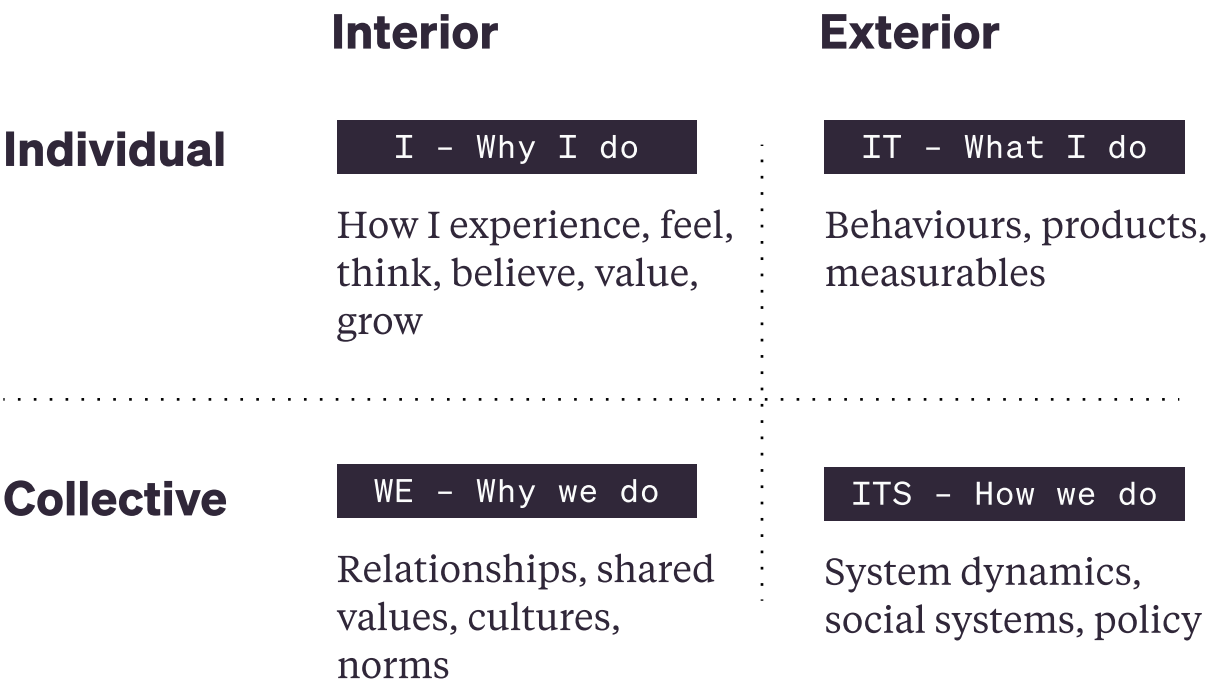
Mental Agility is the ability to bring our best thinking to complex and uncertain environments, wherever they are found. It is also the ability to adapt and respond to change with clarity, insight and resilience, irrespective of circumstance. It is not a skill or mindset, but an innate human capability that can be developed and accelerated in a team environment. The goal is a mentally agile workforce, aligned for collective success that sustains organisational transformation.

Capability and competency – the potential for a misstep

Having the *capability* to do something means having *the potential* to do the task without necessarily having mastered it. Having the *competence* to do something means the *ability* to carry out the task well.

Competency is a super-power that becomes part of who we are and *how we think* – not part of a toolbox. It is not turned on or off, taken out of the box and put back in. It is thinking and behaviour that is *always on* and it's key to achieving sustainability.

THE FOUR QUADRANTS



Helping individuals achieve mastery of tasks and practices in the digital world is usually done through formal class training and then through live delivery alongside more experienced co-workers. This is how Agile practices are usually learnt, irrespective of the framework used. The Scaled Agile Framework (SAFe®), for example, refers to ‘Competencies’ – people being able to do something rather than just having potential. But there is danger here.

What’s often missed in this learning is that, in the digital environment, the complex adaptive systems in which people must work are exceptionally challenging for most individuals. Without care and attention, those individuals may simply learn capability in concepts or practices and not have the Mental Agility skills to truly achieve competency. How many times do individuals – and even teams – backslide into old ways and habits, upending the best efforts of transformation? *Does anyone ask why this even happens? Here’s why...*

The ‘I’ and intrinsic motivation

One of the less contentious models that Ken Wilber introduced us to through his Integral Theory is The Four Quadrants. This model is widely used to show the different lenses through which we experience the world, our perspectives on reality, our ways of knowing and how we make sense of things in any situation. It also helps explain why our behaviours are determined and conditioned by what we think – our very personal ‘Why’, our very personal *intrinsic motivation*.

If we consider an organisation embarking on a well-planned, leadership-led transformation using a framework such as SAFe®, the change it's trying to effect usually relates exclusively to the IT, We, ITS quadrants. Too little or no attention is paid to the I Quadrant.

The individual, seeing the new reality in organisational terms, will understand that the transformation will change '**what**' I do, '**how**' we do things and '**why**' we're do things in this way. The organisation usually won't reflect or work on the individual's intrinsic motivation. To the individual, therefore, the transformation may be seen clinically as 'data over people' or 'behaviours over *thought*'.

This individual is then thrust into new ways of working in a complex environment that they're totally uncomfortable with, where the system begs that they have the *ability* to think, behave and interact in entirely differently ways. It's not that the individual doesn't want to play! It's that they aren't able. They don't have the Mental Agility ability.

Working on the 'I' (in any change initiative) involves the discipline of behavioural psychology to engage an individual's heart, mind and intelligence in such a way that they build a changed personal 'Why'. It looks something like this:

“My intrinsic motivations, professional interests and goals are being met and they are in alignment with team and business interests and goals”

Achieving this results in a '**triple win**': It's good for the *individual*, the team and the *business*. And in the collective sense, it is editing DNA from the inside out and from the individual up.

If we can help the individual to understand and align their personal 'Why', we can deliver the triple win and be well on the way to creating *sustainable* change. We explore how to help people achieve Mental Agility later in this playbook.



SCALING LEAN-AGILE ————— EDIT THE DNA

A framework for change

Adopting Lean-Agile principles and practices to change thinking and behaviour is what edits an organisation's DNA. It needs to be done at scale, across many teams. We believe that the Scaled Agile Framework (SAFe®) is the best framework to do it.

The Scaled Agile Framework – SAFe®

SAFe® for Lean Enterprises “is a knowledge base of proven principles, practices and competencies for achieving business agility using Lean, Agile and DevOps¹. It’s the world’s leading framework for scaling Agile across teams, across the enterprise. Its strength is founded on its commitment to Lean.

¹ Scaled Agile Inc.’s own definition

For transparency...

We’re a SAFe® practice. For good reason

HYPR is New Zealand’s leading SAFe® practice and, in our founders Gillian Clark and Gareth Evans, we have the nation’s only certified SAFe® Program Consultant Trainers (SPCTs). So we train most of NZ’s SAFe® trainers. Through our Gold SPCT Partnership with [Elevate.to](#), we are the only SAFe® practice in NZ qualified to offer Implementing SAFe® and public SAFe® Release Train Engineer courses. We have implemented SAFe® in many large organisations, contribute to the development of the Framework and are highly active in the global SAFe® community.

Doesn’t all that make us biased?

We’re positive towards SAFe® for good reason. It’s not without its faults, but no other Framework so closely maps to Lean Principles and Lean Thinking (in a knowledge work context). It’s super-rigorous in that regard (as we describe on page 35) and that’s the most important criteria for us. We don’t see anyone arguing against Lean!

We have a short SAFe® FAQs page at the back of this playbook that covers other questions and our views about SAFe®.

Scaling up (and scaling down?)

Scaling refers to ‘scaling Agile and other practices beyond one or two teams’ at the medium and large enterprise level. For smaller one/two team businesses, simpler implementations of Agile such as Scrum® and Kanban might happily do the job in the right guiding hands. Scaled Agile has some good thinking – ‘[Six good practices for S-Sized teams](#)’ – on how to apply SAFe® in a small firm context. Luke Hohmann also talks about ‘scaling down’ SAFe® (which might appear to be a contradiction in terms!).

Unpacking SAFe® for Lean Enterprises

SAFe® is built on firm foundations and strong building blocks. Here's an introduction to bodies of knowledge, values, mindset, principles, competencies and configurations that introduce the Framework.

A note on source materials

One of the strengths of SAFe® is the comprehensive resources provided by Scaled Agile Inc. Because it's an open framework that constantly evolves, those resources are being regularly updated. Rather than repeating that content in this playbook and risk being outdated, we've pointed you in the direction of the source material to explore things in more detail..

We also recommend reading our own blogpost on [how SAFe® Principles map to Lean](#) because it demonstrates some of the rigorous, practical applications in the delivery of value that might be lacking in other frameworks.

The four bodies of knowledge and four core values

SAFe® for Lean Enterprises is grounded in **four bodies of knowledge** that makes SAFe® broad, deep and scalable :

- Systems Thinking
- Lean
- Agile
- DevOps

The primary goal of a Lean enterprise is to deliver value in return for revenue, brand recognition and competitive advantage. Value should be delivered in the sustainably shortest lead time, providing the best quality and value to people and society. (Uplifting the organisation's ability to do this is what we call the 'Pursuit of Relevance').

SAFe® supports these enterprise 'Value Streams' which document how value flows through the organisation. The Value Stream comprises all the activities and groups that contribute to value delivered to a customer – from 'concept to cash'.

At the heart of SAFe® are **four core values** that represent fundamental beliefs which are key to its effectiveness. These values help guide behaviour and action for everyone who participates in a SAFe® 'portfolio'.

- **Alignment** to enterprise business objectives
- **Built-in quality** in every element & increment of the solution
- **Transparency** to ensure openness, trust & fact-based decision-making
- **Program Execution** to emphasise focus on working systems & business outcomes

CORE VALUES

Lean-Agile mindset

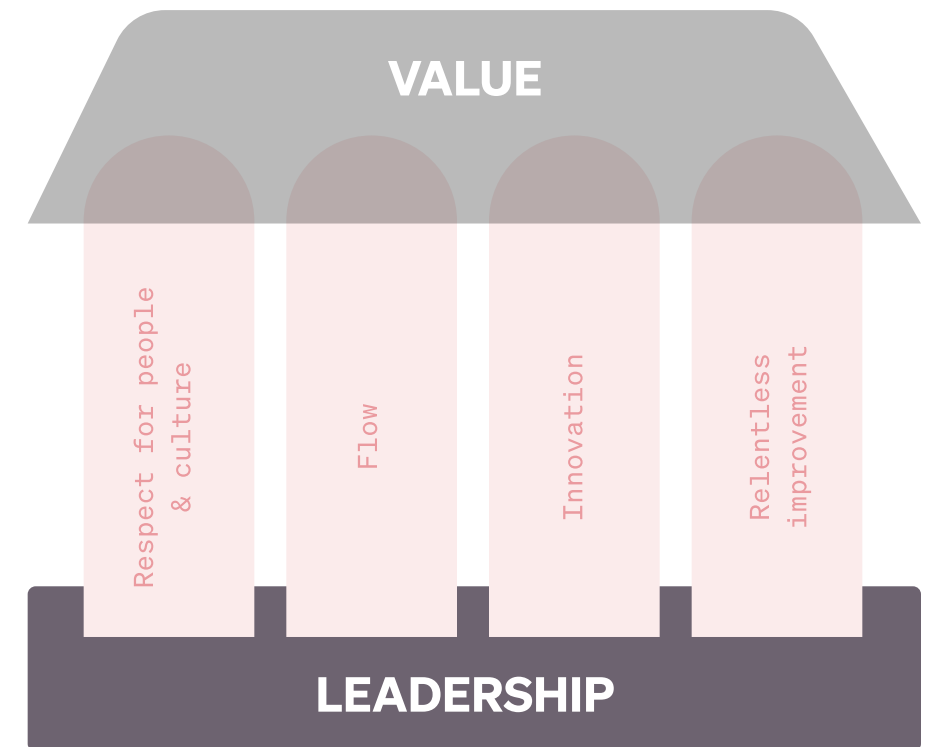
The Lean-Agile mindset is the combination of beliefs, assumptions, attitudes and actions of SAFe® leaders and practitioners who embrace the concepts of Lean Thinking and the Agile Manifesto.

- **The SAFe® House of Lean**

Initially derived from Lean manufacturing, the principles and practices of Lean Thinking have been applied to software, product and systems development and are represented in the SAFe® House of Lean. These concepts buttress the constructs of SAFe® in both theory and practice, synchronising the alignment, collaboration and delivery of work by large numbers of Agile teams across an enterprise.

- **The Agile Manifesto**

Created in 2001, the Manifesto for Agile Software Development has remained unchanged ever since and has been adopted beyond dev to infrastructure, systems and operations. In recent years, it has been embraced by teams across the enterprise and is a foundation for Business Agility. SAFe® 5.0 integrates the values and principles of the Agile Manifesto throughout the Framework.



Adapted from Scaled Agile
Framework House of Lean

LEAN-AGILE MINDSET

Origin of the principles and mapping them to SAFe®

The adoption of Lean Principles is crucial in motivating a **paradigm shift away from economies of scale to economies of flow** where we are more concerned with the delivery of value than the utilisation of people in the system. Don Reinertsen's 2009 seminal work *The Principles of Product Development Flow* created a new mental model for applying Lean Principles to software development organisations. Derived from the 'Toyota Way' and decades of field experience, his eight principles of product development were adopted and merged by SAFe¹ creating 10 principles for the Framework in total. While having roots in Lean manufacturing, the SAFe® principles recognise the differences inherent in knowledge work and the knowledge economy.

01. Take an economic view

02. Apply systems thinking

03. Assume variability; preserve options

04. Build incrementally fast, integrated learning cycles

05. Base milestones on objective evaluation of working systems

06. Visualise & limit WIP, reduce batch sizes & manage queue lengths

07. Apply cadence, synchronise with cross-domain planning

08. Unlock the intrinsic motivation of knowledge workers

09. Decentralise decision-making

10. Organise around value

SAFe® translates these principles into practical behaviours and activities at the delivery level – actively editing the organisation's DNA, orienting it towards flow and improving ability to deliver value (rather than utilisation of people in the system). We explore this in detail in Part 1 of our blog '[Mapping Lean Principles to SAFe®](#)', providing several examples of the rigorous and practical application of principles that make the Framework so powerful.

¹ Reinertsen's eight principles refer specifically to the Flow pillar of the House of Lean

SAFE® PRINCIPLES

LEAN TO SAFE® BLOG

Seven core competencies – the ‘SAFe® Overview’

SAFe 5.0 is built around the Seven Core Competencies of the Lean Enterprise. These are shown in the SAFe® Overview diagram on the following page.

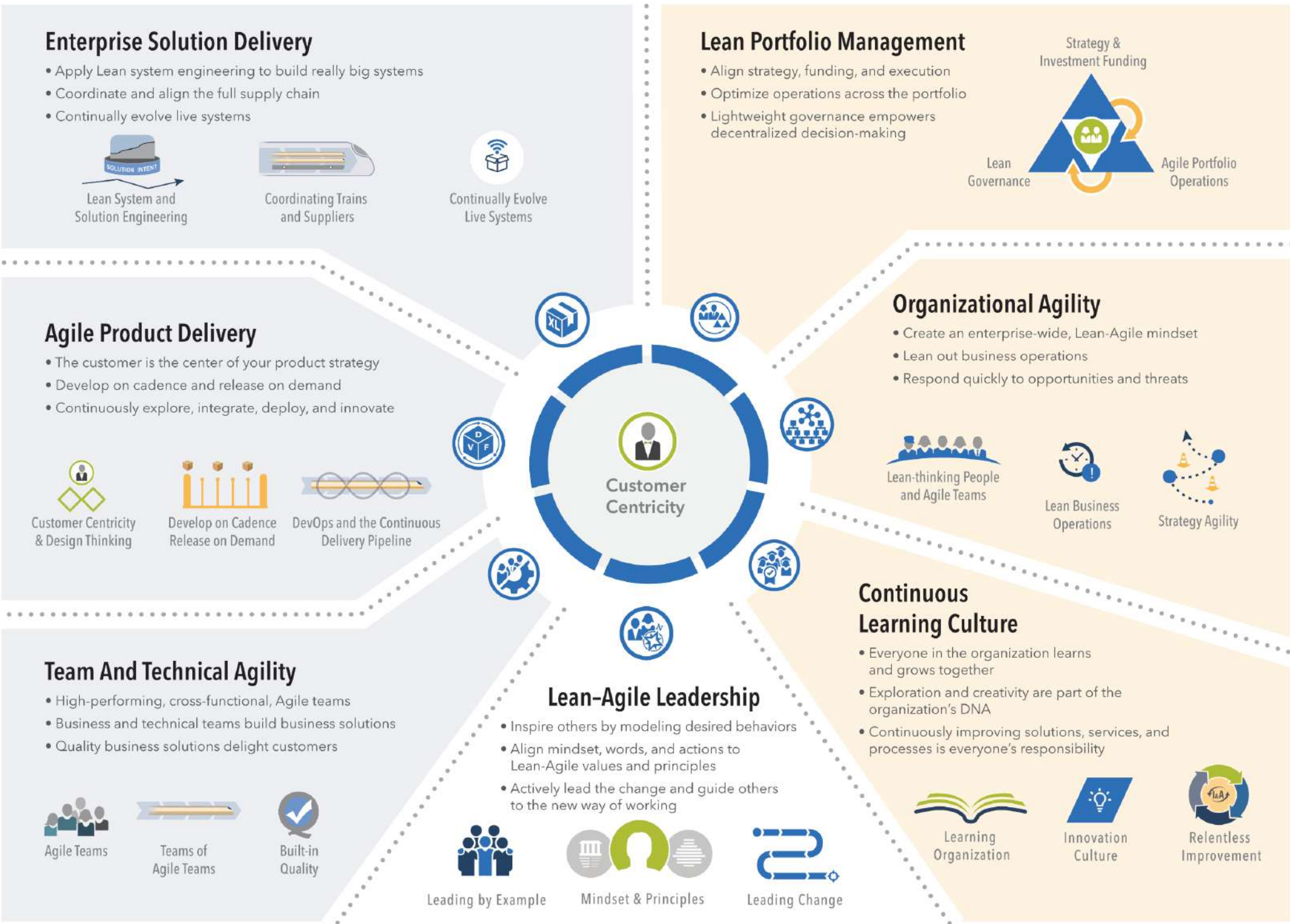
For a quick explanation of the Competencies

> [Learn more](#)

| | | |
|---|-------------------------------------|------------------------------|
| For more detailed discussion of the Competencies | Lean-Agile Leadership | > Learn more |
| | Team & Technical Agility | > Learn more |
| | Agile Product Delivery | > Learn more |
| | Enterprise Solution Delivery | > Learn more |
| | Lean Portfolio Management | > Learn more |
| | Organisational Agility | > Learn more |
| | Continuous Learning Culture | > Learn more |

These Competencies all support Customer Centricity (in the centre of the Overview Picture) and with Design Thinking at the heart of creating what customers love.

> [Learn more](#)



SAFe® 5.0 ‘Configurations’

Most people’s first acquaintance with SAFe® will usually include a showing of what used to be known as ‘The Big Picture’. It represented the ‘Full’ configuration of SAFe® implementation. Nowadays, it’s called ‘Full SAFe®’, but what hasn’t changed is the perceived complexity and the ‘OMG!’ reactions it may provoke. We’re not showing the Full SAFe® configuration picture here because there are no enterprises in New Zealand of the scale that merit it. Instead, we show Essential SAFe® which is more relevant for NZ. For the record however, the complete configuration line-up is:

Full SAFe®

Portfolio SAFe®

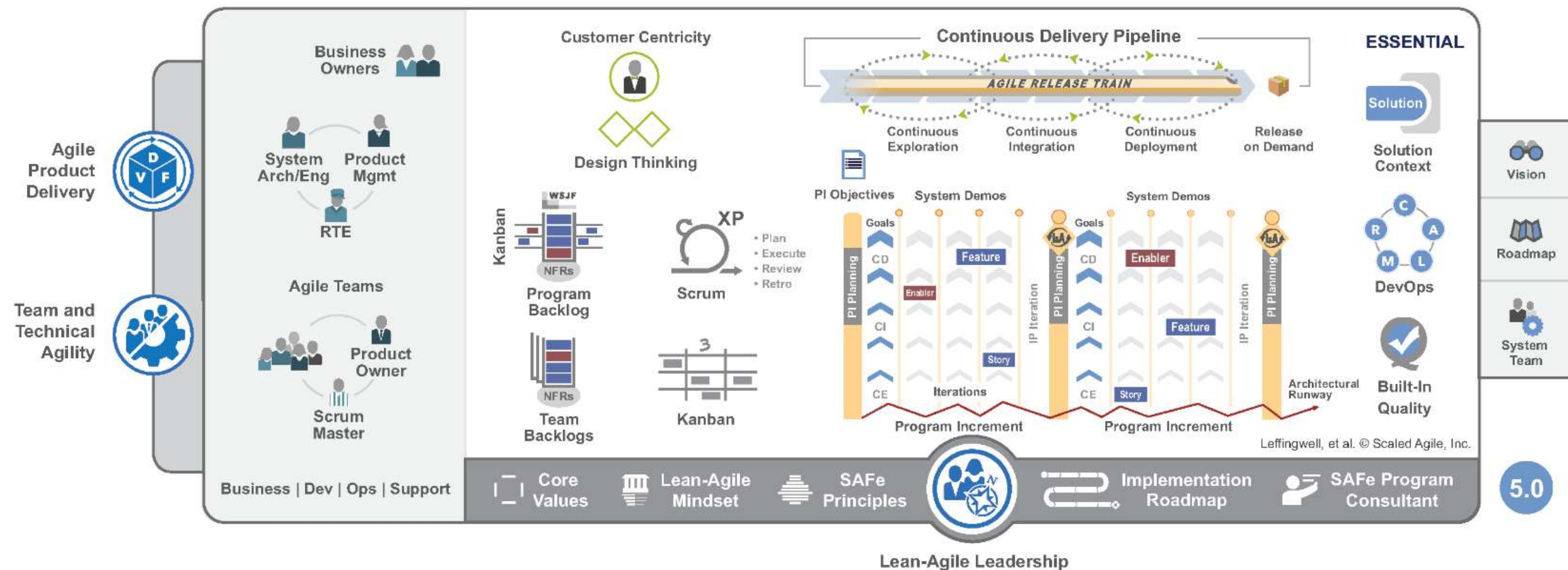
Large Solution SAFe®

> [Learn more](#)

Essential SAFe®

> [Learn more](#)

ESSENTIAL SAFe® – GOOD FOR MOST NZ ENTERPRISES



Essential SAFe®.

Good for New Zealand!

Essential SAFe® is the starting point for any size organisation and the only configuration that most NZ organisations are likely to need. The Essential SAFe® picture is above.

Because Essential SAFe® is the building block for all other SAFe® configurations, it has the critical components needed to make it work and deliver the expected outcomes. Specifically, it includes:

The Agile Release Train (ART) – the organisational structure where Agile teams, stakeholders and other resources comprise the Value Stream dedicated to delivering a mission solution. ARTs are effectively a ‘virtual organisation’ of between 5-12 teams (usually with 50-125 individuals).

ARTs work on a **Synchronised Cadence** called a **Program Increment (PI)** and they are aligned to a common mission via a single **Program Backlog**. The Synchronised Cadence is decided in **PI Planning** – an event that’s ‘the heartbeat’ of the ART:

- *All stakeholders meet face-to-face (but typically multiple locations)*
- *Management sets the mission, with minimum possible constraints*
- *Requirements & design emerge*
- *Important stakeholder decisions are accelerated*
- *Teams create – & take responsibility for – plans*

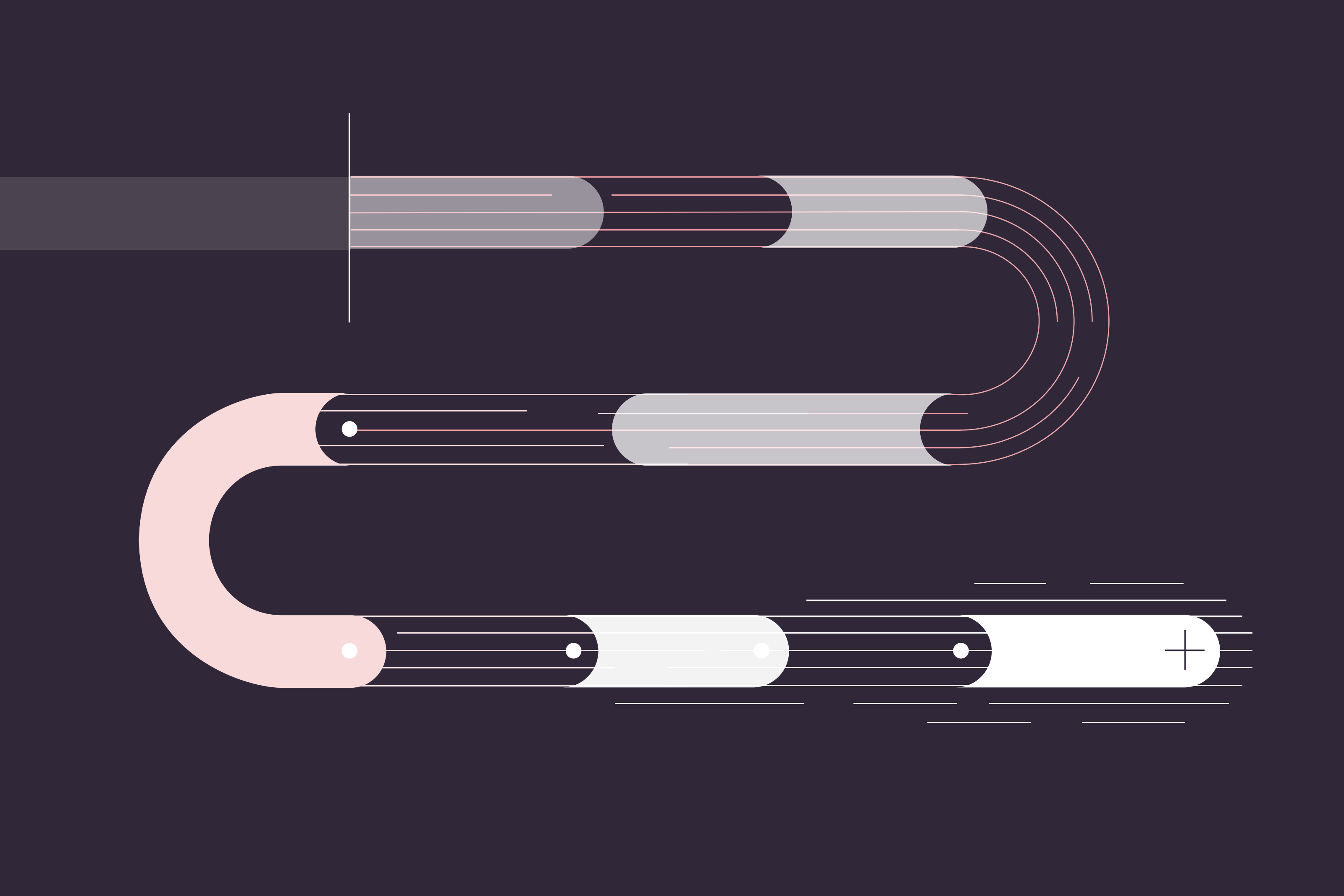
Essential SAFe® also includes other critical elements:

- **System Demo**
- **DevOps & Releasability**
- **Inspect & Adapt**
- **IP Iteration**
- **Architectural Runway**
- **Lean-Agile Leadership (this also fulfils all the requirements indicated on P11)**

SAFe® offers different practices for each configuration (reflecting the size of organisation) and every single practice remains consistent with the underlying principles of Lean-Agile. Different, yet consistent practices in each configuration, amplify the economic benefits that can be achieved through the adoption of SAFe® by extending agility beyond the team level into the entire organisation.

Scaled Agile Inc has comprehensive videos and presentations introducing SAFe® and the Essential SAFe® configuration components. And, of course, we’d be happy to take you all through it too!

LEARN MORE



SCALING LEAN-AGILE _____ EDIT THE DNA

Implementing SAFe®

Transitioning an organisation to become a SAFe® Lean Enterprise is a big step that must be led from the top and follow a clearly understood pathway. SAFe® provides a very good Implementation Roadmap which forms the basis of the journey. Here we consider that Roadmap in a New Zealand context...

SAFe® Implementation Roadmap

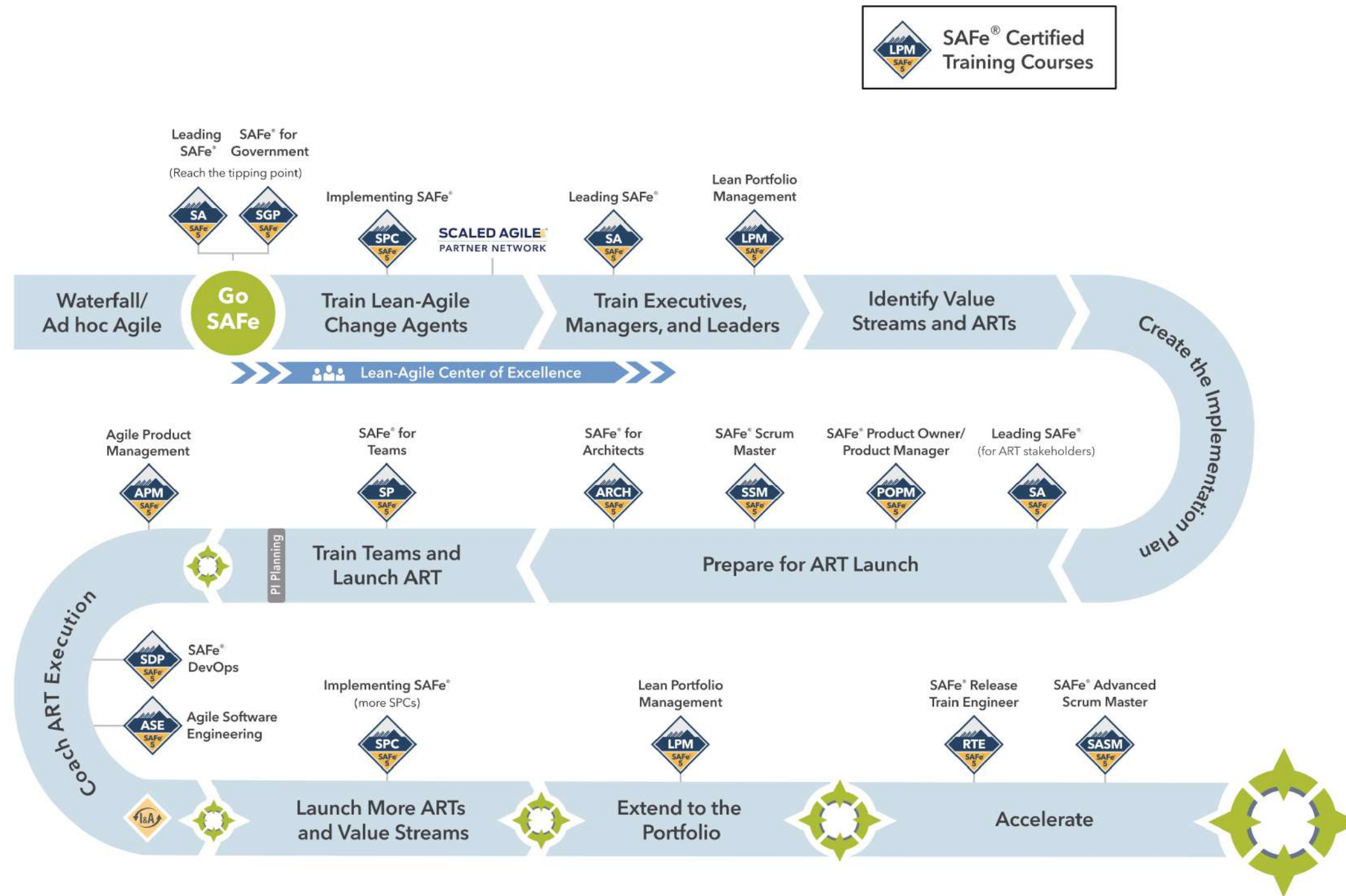
The formal SAFe® Implementation Roadmap consists of an overview picture and 12 detailed Instruction Sets for each stage of the journey. It's great in principle but should be 'fitted' to reflect 'New Zealand scale'...

IMPLEMENTATION

The 12 Instruction Sets

1. Reach the tipping point
2. Train Lean-Agile change agents
3. Train executives, managers & leaders
4. Create a Lean-Agile centre of excellence
5. Identify Value Streams & ARTs
6. Create the implementation plan
7. Prepare for ART launch
8. Train teams & launch the ART
9. Coach ART execution
10. Launch more ARTs & Value Streams
11. Extend to the portfolio
12. Accelerate

THE OFFICIAL SAFe® IMPLEMENTATION ROADMAP



Scale and maturity

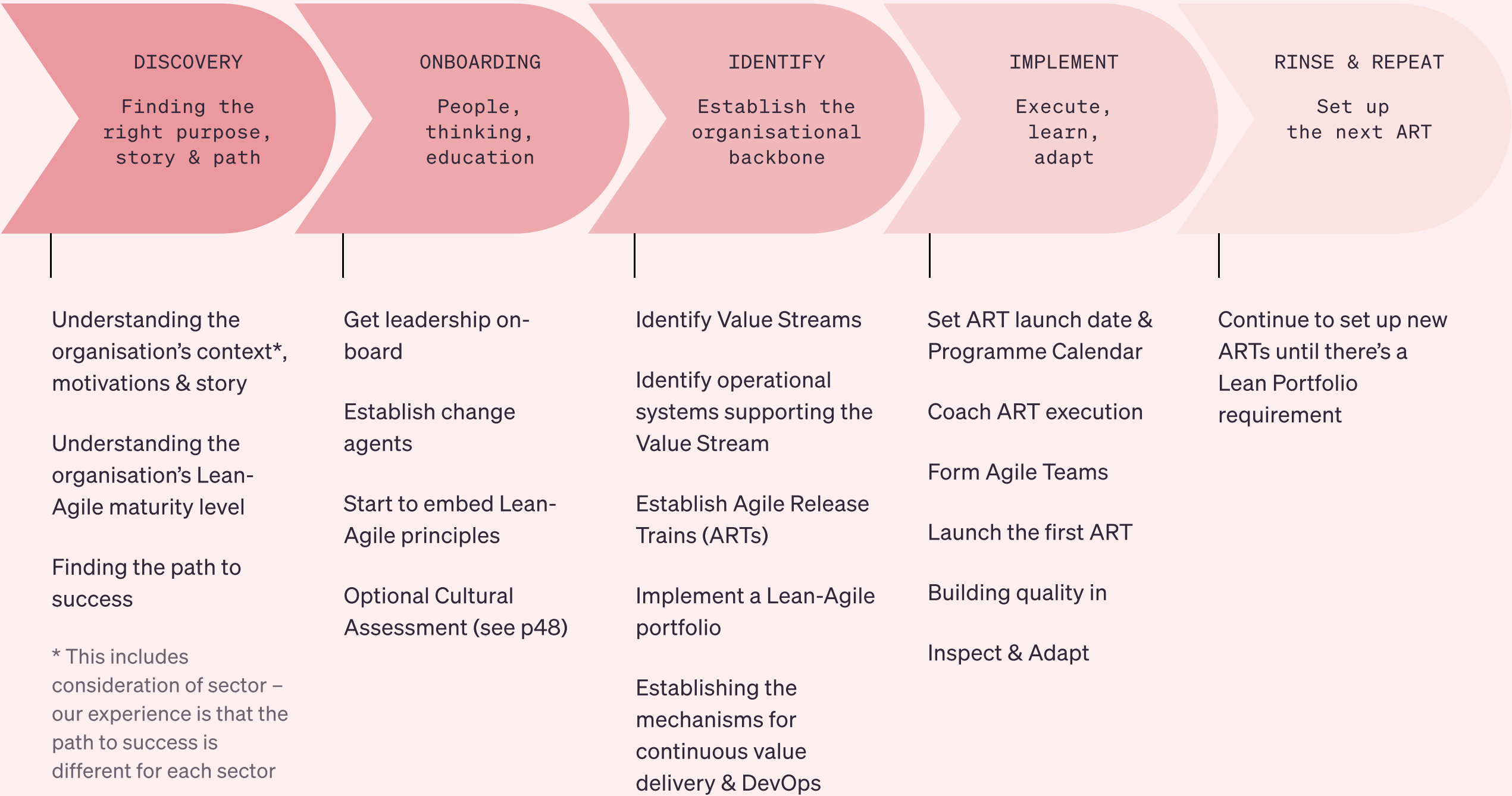
The SAFe® Framework was created to accommodate the very largest organisations through the Full SAFe® configuration. The Roadmap and its Instruction Sets have, therefore, *been first designed for implementation at that scale*. Those large organisations have a relatively high existing level of maturity in Lean-Agile thinking and principles – and this too is somewhat reflected/expected in the Instruction Sets.

New Zealand, of course, doesn't have super-sized enterprises and the Lean-Agile level of maturity is usually considerably lower than, say, the US. Because of this, there is some scepticism here around the Roadmap and the Instruction Sets. (We think you should read them if only to see the considerable thought and effort that has gone into creating them – it's actually what makes SAFe® so credible). So let's be sensibly accommodating for our nation.

With the right guidance, successful SAFe® implementations can be achieved by 'fitting' the Roadmap and Instructions to the configuration most relevant to NZ – Essential SAFe®. The basics don't change and it shouldn't imply taking shortcuts or 'hybridising', but our experience of implementing SAFe® here (137 clients to 2020) has provided us with patterns of understanding that allow us to implement in the New Zealand context. We stress the importance of *our experience in gaining that understanding* – *it allows us to pick the path most likely to be successful*.

The really vital elements – and a process snapshot

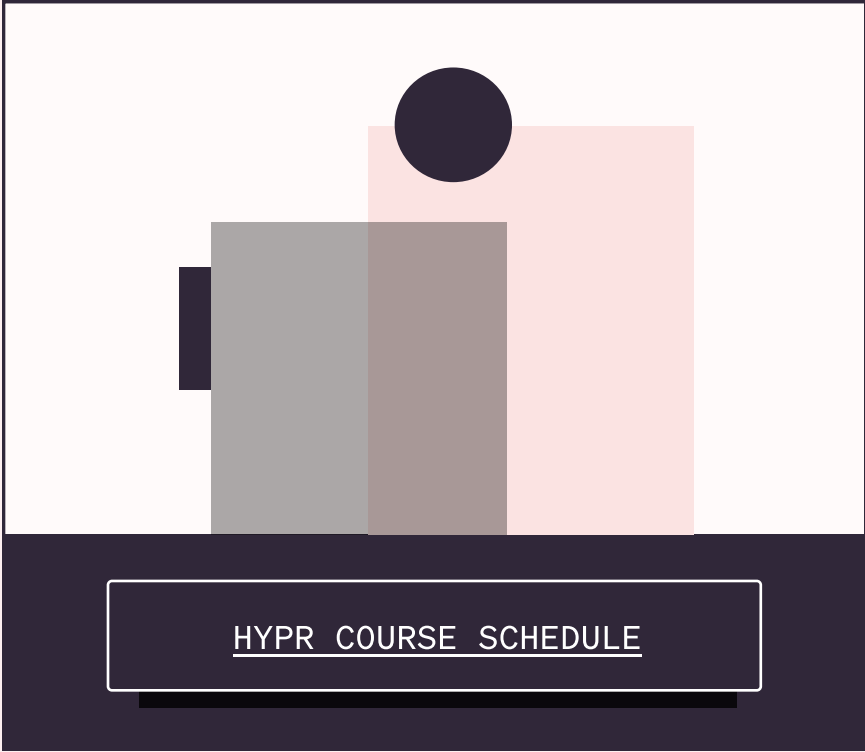
We want to ensure a sustainable transition through SAgile® that edits the DNA of the organisation and achieves all of the success factors described on pages 20-21. Here’s a snapshot of vital elements in a more user-friendly New Zealand journey...



SAFe® Certified courses

As New Zealand’s leading SAFe® 5.0 practice, we aspire to offer the best SAFe® training. Our SAFe® Transformation Gold Partnership with Elevate.to enables us to exclusively offer Implementing SAFe® 5.0 and public SAFe® 5.0 Release Train Engineer courses in New Zealand. We offer the following courses. We’ve provided links to full course descriptions on the SAFe® website.

| | | |
|---|--|---------------------------|
|  | Implementing SAFe® 5.0 with SPC5 Certification | > Details |
|  | SAFe® 5.0 Release Train Engineer with RTE Certification | > Details |
|  | SAFe® 5.0 For Architects with ARCH Certification | > Details |
|  | Leading SAFe® 5.0 with SA Certification | > Details |
|  | SAFe® 5.0 For Teams with SP Certification | > Details |
|  | Intro to SAFe® 5.0 | > Contact |



Closing the gap – Cultural Agility Labs

In ‘Mind the gap’ on pages 26-28, we described the importance of paying attention to the ‘I’ – the individual. Failing to do so increases the risk that organisational DNA is never fully edited and that transformations become unsustainable. Our solution is ‘Cultural Agility Labs’.

SAFe® talks about the importance of ‘mindset awareness’ and ‘being open to change’ in the context of Lean-Agile Leadership. However, there is little prescribed implementation for paying attention to all individuals, how each is expected to adapt to new, complex environments and work in new ways to deliver the ‘Triple Win’. Our Cultural Agility Lab addresses this, providing the means to help individuals develop Mental Agility, close the gap and achieve sustainable change.

Process snapshot

Cultural Agility Labs consists of Leader Engagement Meetings, a Cultural Assessment to explore existing resilience and baseline pre-change culture, Leadership Agility Coaching and three Team Labs (up to 15 people each with a different focus). Each component is designed for impactful change on individuals, teams and workplace cultures.

LEADER ENGAGEMENT

Listening to and understanding each leader, your team, your challenges and expectations of this engagement. Explore how to harness the potential of your team and the teams working together

CULTURAL AGILITY ASSESSMENT

Leaders in a 1:1 setting. Teams in small groups. Test for current barriers to individual and team potential. A report is prepared at this stage to outline the gap and the refined roadmap for closing it

LEADERSHIP AGILITY COACHING

Coaching and mentoring leaders in 1:1 sessions to bring out the best in others who consistently work in complex adaptive environments

FOUNDATIONS LAB

Mental Agility Foundations Lab is designed to provide the foundations for individual understanding of what creates individual Mental Agility

CAPABILITY LAB

The Mental Agility Capability Lab is designed to provide the opportunity to integrate new understanding personally and to see the implications for others

PRACTICE LAB

The Mental Agility Practice Lab is designed for the team to put Mental Agility into practice as a *team from different perspectives* and have the opportunity to experience team agility

After a period of time, we reassess the Cultural performance against the original baseline to see how the far the gap is closed. It's our experience that leaders who engage these Cultural Agility Labs for their organisations see a significant change in the engagement and success of individuals in the transformation. This is the key to achieving sustainable transformation.

Note: Cultural Agility Labs are designed & run by qualified and experienced mental health professionals who have experience in recognising risk, keeping a safe environment & recognising when to suggest additional support for team members

SAFe® FAQs

Is SAFe® too prescriptive?

Critics argue that SAFe® is too prescriptive. We believe that it's rigorous rather than prescriptive. Rigour is essential – otherwise you may as well make it up as you go along, with all the risks that entails. In respect of prescriptiveness, SAFe® has four levels of implementation based on the scale of the organisation. Most people come to SAFe® with views based on the old SAFe® Big Picture or current Full SAFe® Picture – which looks prescriptive and complex.

The reality is that Full SAFe® is for an organisation of 50,000 people and multiple solution lines. The foundation level, Essential SAFe®, is always where you should start and is perfectly appropriate for the vast majority of NZ organisations. Our experience with this is extensive and we know how to fit the configuration, Implementation Roadmap and implementation Instruction Sets for the NZ context... and still be SAFe®.

What if SAFe® is not the right option?

If SAFe® isn't right for you, we'll tell you and point you in the direction of alternatives that might work better. There is no benefit to us advising you to implement SAFe® if it's not appropriate or we believe the risks of failure are too high.

What's missing from SAFe®?

The individual. Specifically paying attention to individuals and their ability to adapt to and work effectively in the complex new environments created by transformation. The sustainability of Agile implementations is only as good as the intrinsic motivations of individuals in turning capability into ability. This is common across all frameworks – not just SAFe® – and it's a gap that needs addressing. We're doing this through our partnership with Mental Agility experts who bring behavioural psychology approaches into the individual and team environments. See pages 26 to 28 for more about this.

What are the alternatives to SAFe®?

There are a handful of other significant frameworks or models which can be used to scale Agile successfully with good guidance – for example, Spotify, Nexus, LeSS (Large-scale Scrum) and Disciplined Agile (a hybrid of others). We don't actively support these because we think SAFe® maps better to Lean Principles and Lean Thinking.

The biggest competitors to SAFe® and other models are (usually blended) models designed by Agile consultancies where reliance on that vendor is required. And then there are individual consultants who can help implement a 'roll-your-own' variety. In both of these cases, achieving sustainable transformation is essential because failure may mean having to start again with a proprietary framework. New Zealand's famous No. 8 wire mentality isn't always the right approach.

How successful is SAFe®?

Over 70% of US Fortune 100 companies have SAFe® professionals and partner consultants on-site. It's the leading global framework for scaling Agile on both consideration and adoption measures and has a low failure rate of 4%. Gartner rates SAFe® the leading framework.

Who's behind SAFe®

Scaled Agile Inc. is the global organisation behind SAFe® and is responsible for the continuous development of the Framework and its world-class education, courseware, certifications, trainers, partner network and community. The Framework is incredibly well thought through by global experts in Lean, Agile, DevOps and transformational change. It is continually evolved to meet new challenges and developments in the business environment. The community now numbers over 600,000 practitioners worldwide and has the feel of an Open Source movement (which we like very much). HYPR has contributed to developing the Framework.

How is success measured in SAFe®?

Scaled Agile Inc. is developing an inventory of self-assessment tools that enable enterprises to establish benchmarks, measure growth as they implement the Framework and identify any gaps that require addressing. You can read more in [this blog](#).

Why HYPR?

A different path

We're passionate about helping NZ organisations improve their ability to deliver value through software. We believe we have a different take on how best to achieve that and a uniquely talented team that proves it time and again.

By bringing our toolbox of models, frameworks, concepts and experience to your table, we aim to shine a light on your situation in ways that you may not have previously considered. Ways that help you see things through different lenses and which reveal the new paths to value that are worth exploring.

If you care about pursuing relevance, we'd love to help you find your path. And be your guide in travelling it.



Our team

Our team works at the edges of technology and best practice to make things better – for the people who are responsible for delivery and the people who use the software. We think of our team as ‘engineers of human architecture’ with incredible skillsets that help others build with the human dimension in mind.

Written by Gillian Clark, Gareth Evans and Nick Allan with **contributions from** Tanya Kennard-Campbell and Lynn Shrewsbury

Creative Direction: Anne-Amelie Berdugo

Thanks to: All the clients and ‘Friends of HYPR’ who provided feedback and the pioneers of ideas and models that help us see things in new and different ways



HYPR

The illustrations

Our illustrations are designed to capture the meaning of what we do and who we are. Like what you see? You can [download several of them](#) from our website for free, to use and share as you wish. We're also exploring printing them beautifully if there is demand. [Don't hesitate to demand :-\)](#)