

What Is a Culture of Innovation, and How Do You Get It?
Learning Consortium Webinar Q&A
March 16, 2016

- Our developers complain about not being able to innovate more. They say the process is too involved; however, they want to follow a process. Further, I continually find myself having to facilitate and/or influence a culture change when interacting with the people who claim to be bought into the change. We are a start-up. We are based on Scrum and have spirited retrospectives (though we still focus on what is wrong, not what is next). Any thoughts/ideas to instill change and focus on what could be next for our team?
 - If you are a startup – focus all of your innovation on the point at which your company meets users. Sometimes innovation doesn't manifest itself in a feature or technology but in a way that you interact with customers. Sometimes innovation occurs around the wording of an email, the way you engage with customers, and the way you give them delight. Don't mistake innovation for far reaching ideas (they can be of course). For a startup, you are in either horizon 3 or 2 – focus on value and customer engagement.
 - Retrospectives can happen at different levels. Sometimes they aren't enough. Have your team innovate around how they manage innovation. Make them part of the process instead of expecting you to provide a model that works.

- What language do you use to help others feel less fearful of change/innovation in general?
 - The language I use is as follows:
 - Pull in change, not push it out to everyone and expect compliance.
 - Continual micro improvements versus big change that could fail is key to success.
 - The goal is to remove waste and increase value – not to implement process.

- Change starts with people – change must respect people. Companies aren't processes, they are people.
- I have a hard time trying to sell an Agile tools and process to senior management. How do you get the business leaders onboard with change/innovation? How do you show the benefits?
 - Don't sell Agile then. Sell the value that Agile provides. What senior manager doesn't like "not doing things that don't make sense" or "reducing waste" or "providing more value with less"? Forget about "Agile" as a prescription – start with the Why. If you sell them on the why, the How gets pulled in. (Again, don't mention Agile but rather specific practices. Then link to the Who.)
- In our experience with companies, we find that moving from strategy to execution is often a reason innovation fails. Any pointers on helping get over this hurdle?
 - How is strategy formed? Is it formed in a boardroom by executives? Is it formed by the highest paid people in the organization? Perhaps recognize that strategy is now formed in different ways – very much through experimentation and H3 initiatives. When you tie strategy to purpose that has been derived by H3 initiatives, execution will follow. There is a method called "Flawless Execution" that comes from the military. Without a deep understanding of the purpose that drives a high definition view of outcomes, execution will waver. To have flawless execution, everyone must be connected to purpose, which is exposed and built upon in H3 and H2 initiatives.

- During the process of establishing a culture of innovation, we have had difficulties because we get stuck and are unable to resolve our differences in an established timeframe. How can we solve this?
 - Call Joel to help you. Just kidding.
 - With that said, sometimes having a coach helps a lot. I coach a LOT of startups. I coach a LOT of executives for this very reason. I come in with an unbiased view and a whole lot of examples. Sometimes when your car gets stuck in the mud, you need to get pulled out. Don't be afraid to go outside for help. That's what coaches are here for.
- How is Agile implemented in innovation areas across a full organization that has more than 1000 employees? According to best practices, we need team sizes of no more than nine people. How can this be rolled out for a full company within two months? I know we can run multiple projects across the company, but how are successes or issues communicated to senior management? Does this mean we need to run disengaged Scrum teams to accomplish our goals?
 - This is a very big question, and I had honestly thought about writing a book on this.
 - I come back to the issue of "pushing out process" versus "pulling in practices that solve problems."
 - Stephen Forte and I speak and write a lot about the "Agile Buffet" as a way to scale Agile. In this model, you aren't pushing out pre-cooked, very structured practices. We both lived through the Rational Unified Process days and saw good practices happen to good people in bad ways. Instead, start with the Why, and coach teams on how to solve real problems with Agile techniques. Remember that Agile is a journey, not a destination.
- Sometimes, the Agile culture is difficult to transition to. What is the best approach to tackle this?
 - I may sound like a broken record, but perhaps let go of the idea that Agile is a place. Rather think about Agile as a process

- of change. It reminds of “the perfect body” – all the diets and exercise in the world won’t get most people there. Let go of “the perfect body,” and focus on being healthy. Focus on change for the better. Make sure change solves a real problem. Do this incrementally.
- The ONLY process that you should ALWAYS adopt is Kaizen – since it is the single most important process that exposes the why behind agile practices and allows the team to welcome change versus struggle with it.
- I've been in two small businesses, and the founders/execs are the hardest to explain Agile to. They don't seem to understand the importance agility plays in innovation. How do you break through that wall?
 - See my previous answers. Don't explain Agile. Why bother? Think about what is important to the founders and executives. Do you really think they care about Agile or do you think they care about what they can potentially gain by Agile.
 - Focus on “reducing waste” and “adding more customer value without increasing costs” or “increasing top line while maintaining the bottom line.” Talk about “not doing silly things that waste time and money.”
 - Focus on creating a cadence where a pain is identified. Use the 5 Why technique to get to a root cause. Solve that problem (with an Agile or Lean practice). Repeat, rinse. Over time, your organization will not even realize they have become Agile. Isn't that the goal?
 - I deeply believe in Agile and Lean, but I find that sometimes their names derail their purpose.
 - Start with the Why, then the How, then the Who.