



# How Agile Teams Innovate

## A Business Journey to Agile

Expert team leads use Agile project management to guarantee the best outcome for their organization and the people they serve. The unexpected benefit? These teams innovate the way they operate and the solutions their projects deliver.



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Aspiring leaders are thrown into the team lead role without the safety net of knowing how a successful project team works. This is often an emerging leader's first chance to prove themselves. Or they have led before but feel very passionate about this project; they really want it to succeed and want to improve their chances of a positive outcome. Either way, there is a lot riding on the success of the project. How does the team lead ensure the project produces fantastic results?

Agile is a project management methodology that emphasizes value delivered rather than output. Innovation leaders use Agile as they explore new ideas because their purpose is to discover new value for their organization and for the people they serve. Using Agile with your business team will incorporate innovation in the way you work, making every team you lead full of innovators. The result? Greater outcomes from the projects you lead.



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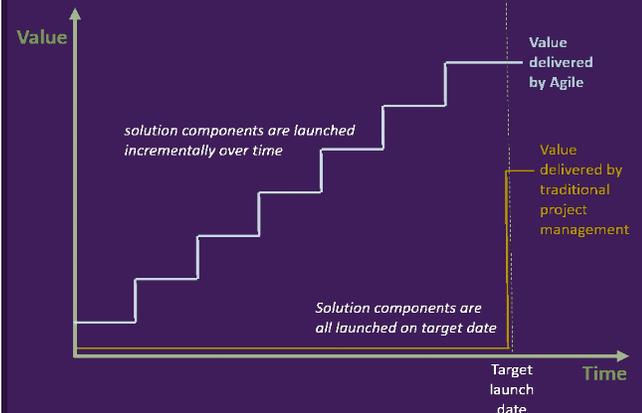
### What is Agile?

In a nutshell, Agile is an iterative approach to project implementation. Instead of mapping out all the steps and milestones in a long, detailed project plan, Agile identifies the goal for the project, the outcome the team aspires to achieve, and allows the “how” for the project, what steps to take to reach that goal, evolve as the project progresses.

Agile project management has a couple of core principles that guide the approach:

1. Deliver value at each increment – instead of waiting to the end of a project for one big release, Agile delivers in increments. This allows the project team to validate that increment before moving to the next, adjusting the goal for the project as they learn.
2. Planning happens in increments – at the end of each increment, the team assesses progress, gathers feedback and plans for the next increment. The scope of the project may change based on what the team learns during an increment. That's ok because the team lead is using the validation of increments to guide these changes.
3. Trust in team members – Agile is a bottoms-up approach where the team lead is guiding project implementation and removing barriers, trusting that motivated team members are in the best position to decide how to deliver their piece of the puzzle.
4. Collaboration and communication are valued over individual contribution – team members in Agile are fluid, working across roles and pitching in where needed to complete a project increment. Collaboration includes user engagement, working with the people the project is intended to serve.

### Agile vs Traditional Project Management



Agile delivers higher value outcomes than traditional project management because as increments are validated, new ideas for improvement are discovered.

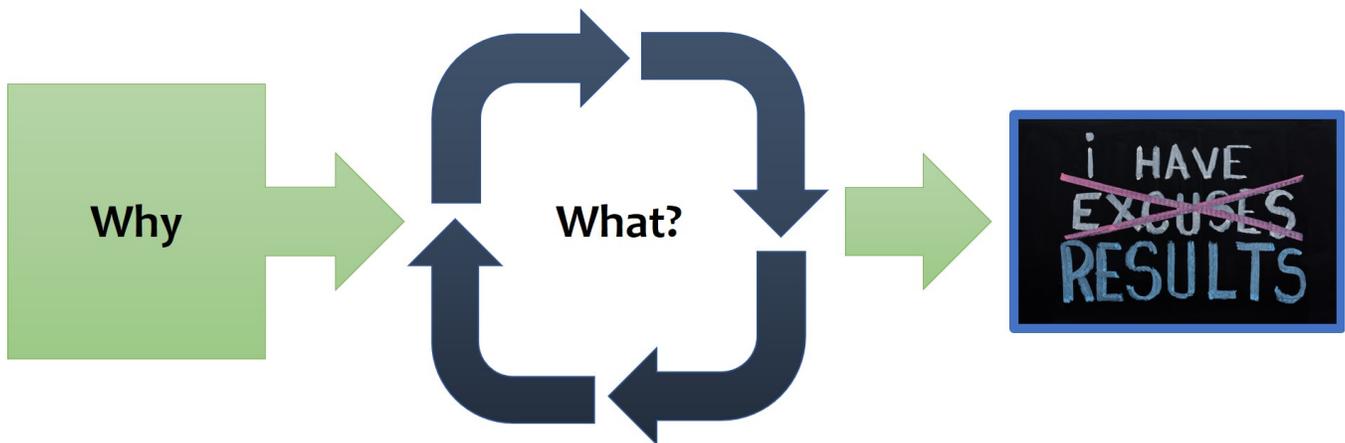
Because value is delivered incrementally, the project appears to be ahead of schedule but that's not necessarily true - Agile does not inherently lead to faster launch of the complete project. But Agile does deliver on time, something you can't say about traditional methods.



### Agile is an Outcome-Driven Approach to Project Management

This approach may make you uncomfortable – if you keep changing the goal, how can you ever reach it? This is one of the biggest gotchas with the way projects are defined: the goal for the project is defined by *what* is being delivered rather than *why*. For example, if a project's goal is stated as, "implement a new process", it is difficult to change the goal to instead automate a particularly difficult step in the existing process. Yet that change might yield exponentially larger results for the same amount of effort.

Instead, an Agile project's goal is defined by the desired outcome. **Why** is this project important for the intended user? For our organization or team? What will the transformation look like, from before the project to after implementation? For the project example above, the goal might be to decrease the time the process takes, to improve the quality or reduce the risk from error, or to reduce the volume of items that need to be processed. Any of these why-oriented goals will allow **what** the project team delivers to be fluid but will ensure that the goal for "why" is met.



An Agile project is scoped to meet a business goal – why it is important for the organization to do this project now. What the project delivers is discovered through iteration. At the end is results – real outcomes – instead of output that doesn't meet expectations.

“ Intelligence is the ability to adapt to change ”

- Stephen Hawking



## How Agile Works for Business Teams

So you've been asked to lead a team. Perhaps a project need emerged, and you were the most senior person on the team. Or maybe there was an idea you have been trying to get implemented and your manager finally said "go!" then assigned it to you. Whatever the case, you need to step up your game to get the team on board and show that you know what you are doing. Here are some key steps to take right away in collaboration with your team to set yourself up for success.

### *Work on your project goal.*

You have the project defined but now you need to engage the team to help discover why it is important that you do this now. For example, use language that supports helping a target user complete a task, perhaps making it easier or more efficient. Ask if the resulting statement captures your project's *why* and if not, keep working until it does.

Your project goal is similar to a vision statement; it captures the intended impact of your project or the change you expect to see. One exercise you can do with your team is to ask them to imagine standing at the finish line of the project. What is different?

### *Break your project into distinct pieces.*

Rather than thinking of these pieces from the perspective of something your team needs to implement, define them by how they will be used. For example, break them up by steps in a process or phases in their task.

## Agile Project Checklist



- Create Your Project Goal
- Break your project into distinct pieces
- Plan your first increment
- Capture the team's assumptions
- Estimate time per increment
- Capture success measures
- Plan for team collaboration
- Capture the Agile project journey

Use this checklist to set your Agile project up for success.



As you break your project down, think about creating components that can be validated independently, or if not completely separate, with minimal dependencies. Fit these components together like a puzzle or a map and capture your description of what each will do – this will inform what you use to validate them.

### ***Plan your first increment.***

See if you can identify the most important piece of the project and do that first. Make sure that the result of this increment is something that can be tested with your users or demonstrated to stakeholders. If you are not sure, ask your users or stakeholders to help you prioritize.

**project increment:**  
adding or growing a project through progressive delivery of project value

Your first increment will provide the first indicator that your project is on the right track. Its success will both validate the project direction and motivate the team. Pick something that is doable and that clearly backs up your project goal.

### ***Capture the team's assumptions about this increment.***

For example, are you assuming the people your project serves will use it a certain way? Do you have assumptions about how other teams or technology will support your implementation? Plan how you will test these assumptions in this increment.

Because Agile is an iterative approach, becoming skilled at identifying assumptions and testing their truth is essential. Science labs are a great foundation for this – create a hypothesis and then formulate tests that separate it from other assumptions. For example, if you are assuming your project will deliver a web page, separate 1) ease of access, 2) familiar navigation, and 3) the ability to link to other resources, into three separate assumptions about what you believe the visitors to that page need. Each assumption can be tested and validated independently, helping you identify the most important features.

### ***Estimate how much time it will take the team to complete the increment.***

If the estimate is greater than 2 – 3 weeks, break it into smaller pieces. You will still wait to test the results at the end of the increment, but to keep momentum up you should try to break each increment into smaller sprints.



Why 2 – 3 weeks? There are funny things our brains do when we have a lot of time to accomplish something. We might wait to get started, and then panic when it looks bigger than it really is. We struggle to get started if it is not clearly broken into steps. And we get worn out if we don't see rewards from our efforts. A 2 – 3 week focused effort gives the team a target that is in sight and keeps the motivation high. It also provides a milestone to be celebrated.

### ***Capture how you will measure the success of this increment.***

It could be something simple like, "it will take less time to complete the first step of this process". It could be a measure of simplicity, usability or effectiveness. The key is to tie it to the benefit this project increment is delivering.

Going back to your hypothesis test and our example of a web page, the success measures could be a visitor's time to start and complete a task, and whether the links to other resources helped or distracted them from completion.

### ***Plan how the team will work together.***

How often will you meet and what information will you share? How will barriers be addressed that are keeping a team member from progressing? Consider these three types of meetings or information sharing:

1. Planning – at the beginning of a 2 – 3 week "sprint", hold a team meeting to plan key deliverables and who will do what. Create key performance indicators (KPIs) that will help you track progress. For example, a simple KPI is implementation of the deliverable.
2. Tracking – at the beginning of each day the team is working on the project, ask team members to report progress from the previous day, the work they plan to get done today, and any dependencies they have on others to get their work done. Some teams do this as a 15 minute "stand up" meeting at the beginning of each day; others use a tool like Slack or a team discussion board. Update the percent completion of each KPI based on progress reported by the team in a place where everyone can see.
3. Retrospective – at the end of each 2 – 3 week "sprint", hold a team meeting to assess how things went. Did the team complete what they set out to do? What worked well and what can be improved? Does what you learned in this sprint change what you want to do next or change any of the other increments?

### ***Capture the project journey and the evolution of what your project is building***

Since Agile is iterative, think about how you can capture each iteration as a step in the journey to completion of your project. Expert Agile team leaders capture pivots in what they are building, showing how each iteration allowed them to learn more about how to reach the goal for the project (aka their "why") that yielded a better outcome for the project.



## Agile Case Study – Delivering Value-Based Care

This team's mission was to help healthcare providers, especially those small clinics run by a few doctors, move to providing value-based care. These physicians were used to being paid for each service they delivered to their patients. If a patient came in with an infection, they were incented to maximize their treatment, not minimize the chances it would happen again.

The team leader realized that the things they were doing to help providers was falling short of expectations. Even worse, their help was sometimes making it harder for the people they served to comply. The issues causing this were complex, from a call center that was cut off from the rest of the organization and resources that were convoluted and too general, resulting in physicians making the wrong decisions rather than the right ones.

### A multi-pronged approach

The team lead divided the team into 3 smaller projects to address different aspects of the problem. They looked at the points of engagement they had with providers and had Team A work on the front end, when their customers first engaged with their organization. Team B looked at years two and three, when physicians started to expand their value-based practices. And Team C addressed the reactive support they gave all their customers.

Leading the team to create a goal for their project was difficult. They had multiple stakeholders asking for different, sometimes competing solutions. The team lead decided to start with interviewing both stakeholders and physicians so they could gain a common understanding of the problem. From there they were able to create goal statements that helped their physicians complete a task: to help them sign up, scale up or get help.





### Iterations

To make their projects less complex and create more tangible, immediate goals, the team leader led the teams through an exercise to divide the projects into smaller increments. They used their interviews to prioritize the increments so that they could deliver the highest value first. Because there were some inter-dependencies between the teams, one team's first increment was delivered to the other teams for them to build upon.

Team A delivered the first increment to Team B and Team C after two weeks; those 2 teams spend their first two weeks getting everything ready so that they could implement their first increment in a week once they received Team A's output. The teams had decided to focus on helping specialty practices like physical therapists (PTs) through the entire process. That way they could test their first increment with a small subset of practitioners.

The results of their first test were mixed. The new PTs loved the streamlined resources to get them started and the help they received to address barriers. But those familiar with the old way got lost, still trying to do things the wrong way rather than the right way. As the team leader held an retrospective for this increment and planned for the next one, they decided that the two teams would continue to their next increment as planned but the third team that was focusing on scaling up would pivot to an increment that would re-train existing practitioners on the new approach instead of expecting them to scale from a less stable base.

### Results

The project yielded much better results than stakeholders expected, delivering a solution that solved some of the hardest issues that practitioners faced when providing value-based care. Because there were dependencies identified early on, the team did deliver a little later than expected but since the team lead was communicating status to stakeholders at each increment, they were able to reset expectations early on. Practicing Agile gave the team leader and the rest of the team confidence in their ability to create more value with their projects and they started looking for other ways to improve and innovate for their practitioners.

“ The outcome was so much better than I thought it would be! ”

- Project Stakeholder



## Why Agile Leads to Innovation

How does any of this relate to innovation?

Innovation comes from Latin innovat- 'renewed, altered', from the verb innovare, from in- 'into' + novare 'make new'. Innovation then is to make changes in something established. Innovation is different from invention. In its purest sense, invention is defined as the creation of a product or introduction of a process for the first time. Innovation, on the other hand, occurs if an existing product, process or service is improved.

Agile seeks to discover new ways of delivering the output of a project with the goal of improving the outcome. While at the outset a project outcome may seem obvious, Agile will typically discover a better outcome, allowing the team to innovate "the way things are done here" and improve the organization.

Many organization leaders view innovation as the pursuit of shiny, new products but that is invention, not innovation. Adopting Agile for project management will allow the organization to integrate innovation in the way it operates, creating a culture of innovation and continuous improvement. Team leads are in the ideal position to start this evolution; those that do will be the organization leaders of the future, leading people who are engaged and motivated because they can make a difference in their work.

## Get Started with Agile



If you are ready to get started with Agile, you are in the right place. Use this eBook as your guide and if you would like to explore how this would work for your team, [contact us](#) for a free 15 minute consultation.

[Sign-up](#) for our email list to get resources like this sent directly to you. We are continuously releasing new guides, tools, webinars, training and coaching programs.

*Thank you for all you do to make the world a better place.*

*Kristann Orton,  
Chief Innovator at Inceodia*

