

PART ONE

Defining Agile HR

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Introduction

What Agile HR is

Agile HR takes everything we know about the Agile mindset, alongside the tools and techniques that bring it to life, and translates these concepts into the context of human resources and people operations. Agile places the customer at the heart of everything we do, and our work becomes defined by the value we deliver to the customer. This definition of value also becomes the main way we prioritize and focus our work on the most important thing to deliver at any one point in time.

In Agile HR we aim to deliver this value to our customer incrementally, slice by slice, validating as we go through a test-and-learn approach. To achieve this, we build feedback loops directly into how we work in order to constantly validate the value we're delivering to the customer and to guide our next increment. Through Agile HR we begin to think more like a scientist and use experimentation and prototyping to continuously test what works and what doesn't. The outcome is a data-driven and evidence-based method of working that allows us to demonstrate why and how an organizational change should be made or a new people process introduced.

While this incremental development cycle of 'plan, do, check and act' may seem obvious once you are familiar with Agile, the practice is often revolutionary for HR teams. HR no longer needs to follow the tradition best practice because that's the way it's always been done or because it worked at a previous organization. In our ever-changing and complex world, not only is best practice too static, but it also leads HR to blueprint one-size-fits-all HR processes and systems that are then implemented through big-bang, company-wide change.

For example, it's not uncommon to hear of new performance management systems being introduced in one go as full end-to-end solutions across whole organizations. Despite good HR intentions, this top-down, often hierarchical approach to process design means these systems end up being perceived as tick-box exercises by the users because it feels like yet another add-on to their everyday work. The consequence is HR teams spending the next couple of years trying to get buy-in and acceptance, and they're often overheard saying things like 'it's all about the conversation, not the tool', in an attempt to get employees and managers to use a system that is not adding the intended value. What's worse, the implementation of these heavy, top-down processes has left a legacy of HR as a compliance function, rather than enablers of great performance and people's careers.

Viewed through this lens, Agile HR heralds a whole new method and approach in how we design our HR services – one that fundamentally reshapes the concept of change management. No longer do we manage people 'through change' and deal with 'change resistance' along the way. We now 'co-create change' directly with our people.

WHAT THEY SAY

HR need to be the facilitators of success, not the dictators of best practice.

Kate Rand, Group Employee Experience & Inclusion Director, Beyond

Agile HR – a way to deliver value

In HR we talk a lot about the need to 'add value' for the business but often struggle to clearly quantify and define what this value is. We also discuss the need for a 'seat at the table' and to be accepted as another business function rather than a transactional service provider. However, we've often lacked the data to back up our viewpoint and demonstrate why time and money should be directed towards initiatives such as people development or cultural change, which can be perceived as a cost to business rather than an essential component of building a successful company.

Most HR leaders express a keen desire to modernize their operations and start to deliver value at speed across their organization. Indeed, they face very similar problems to other business leaders, who need to innovate and respond rapidly to our ever-changing and extremely complex business world. In HR we also face the challenge of clearly articulating and measuring

how our services directly contribute to the business bottom line and help delight the end-customer, not just our internal customers.

Most HR strategies contain big complex topics, such as designing a personalized employee experience for a diverse workforce or developing future leaders for roles that don't even exist yet. While these complex goals are worthy aims, the value being delivered at any one point in time is often left undefined or linked directly to big-bang releases, such as a new employee benefits package or leadership development programme. A good challenge to set ourselves is: if HR needed to stop 50 per cent of our work tomorrow, can we easily pinpoint which initiatives we should keep and what to remove, based on their value and direct impact on the end-customer? Indeed, too many times, HR projects can be seen by other parts of the business as blockers to getting work done, because HR often asks people to do extra tasks on top of their paid job, such as filling in a form or ticking a box.

As a remedy, Agile helps HR break down these big complex problems into achievable slices of value. It helps us prioritize our work based on value, and clearly articulate what we're delivering to the organization and why we're doing it. The first question we need to ask when embracing Agile HR is how we help our people succeed in their work, and through this we help create value to the end-customer.

Employer branding is another important area where HR needs to embrace the concept of value creation in order to be successful. Building a place of work where talented people want to be is very much like developing a great product that customers want to buy. For HR, the ability to create an end-to-end employee journey where people feel connected to the purpose and vision of the organization is an essential part of 'winning the talent war'. As we will see in Chapter 17, one Agile HR team has been so successful with the product development of their employer brand that they're now hailed as an award-winning company that attracts, and more importantly keeps, elite tech talent despite not being a high-paying business.

While the Agile mindset helps businesses innovate and deliver great customer products, it is first and foremost a mindset that develops high-performing teams and organizations. It does this by building feedback loops directly into the cycle of work and inviting teams to continuously assess how they work, what they're achieving and what improvements need to be made. By further supporting this cycle of inspection and adaptation, with real data from both the customer and internal metrics, it also becomes an evidence-based way of working. In this sense, HR leaders look towards Agile HR as a proven method to lift the performance of their own teams, as well as a way to start ruthlessly prioritizing time, effort and budget.

The other key point Agile makes is: why hire great people only to tell them what to do? Agile releases the power of each individual by inviting them to work in a collaborative team that self-organize and make their own decisions based on what will deliver the most value to the end-customer. One of the biggest benefits HR professionals discover once they embrace Agile is the creative energy that Agile teamwork brings to their everyday job.

Agile HR – a human-centric approach

For a long time now, the HR profession has talked about the need to become more human-centric in how we work – an aim that is intimately connected with a growing focus on the employee experience and a desire to understand how our people think, feel and act at work.

One of the most powerful elements of Agile HR comes to the forefront when we consider who is HR's internal customer. Within the organization, employees are the customer, and this means Agile HR places people at the heart of everything we do. As a result, HR's work becomes truly human-centric, with the aim of building human-friendly solutions that are not only validated and tested, but crucially adapted and valued by the users of the employee experience – our people.

By focusing on the customer, and constantly exploring how to enrich our customer's or user's experience of work, Agile HR helps us build great places of work where high-performing teams are driven through purpose and the impact they have on the end-customer.

Interconnected with this focus on the human in Agile HR is the need to build psychological safety and feedback loops across our teams and organization. The ability to run safe but small experiments, where it is OK to fail, is a core component of the Agile mindset. Only through experimentation can we learn through retrospect and gather the evidence needed to make decisions. It's crucial that people and teams feel comfortable in seeking out and sharing feedback about how they work and what delights the customer – a mindset that has the power to drive continuous improvement not just at the team level but throughout the whole organization.

As the champion of continuous improvement, an Agile HR professional becomes a facilitator of the Agile feedback loop, helping leaders and teams give and receive feedback, openly share their learning when something goes wrong and actively plan how they can improve in their next increment of work. HR also needs to do this within their own teams and at a personal level if we are to truly live the mindset and behaviours that underpin Agile.

All of this helps to build a new type of HR capability that moves the profession beyond the image of a transactional service provider to that of a true business collaborator and Agile HR coach.

WHAT THEY SAY

The networked-based organization and the Agile way of doing things are growing at an explosive rate. So, every large company we're talking with is saying we're going Agile or we are Agile. Consumers, buyers and customers can switch so quickly that if you're not continuously altering and iteratively developing your product or service, you lose the market. So you have to operate like this.

Josh Bersin, Global Industry Analyst (Hellström, 2020)

Agile HR – a new operating model

Excitingly, Agile HR promises a whole new operating model for HR and the end of the traditional HR silo. In Agile, the handovers and deferred decisions that were common in traditional project management methods or product design are viewed as slowing us down. Instead, Agile advocates small, multi-skilled, self-organizing teams that can make quick decisions in response to evolving customer needs. This means overcoming our traditional HR silos, made up of single-point topic owners, such as recruitment versus talent, and HR generalists versus specialists, to work together and solve problems for the business in a holistic way.

Agile HR also represents a new whole new method of partnering and collaborating with the business. Rather than designing in isolation, different business roles and skills are now invited into the Agile HR team to co-design the solution and, more importantly, validate the user experience of what is being delivered.

All this leads HR to developing T-shaped people and T-shaped teams – people and teams that have a breadth of experience and can work across a range of different business scenarios and projects, as well as deep dive into specific specialisms as needed. One challenge, however, is how we build an HR operating model that can successfully manage both business-as-usual (BAU) and the more creative solution design. We'll explore this topic in Chapter 10.

Agile HR – an unlearning of old habits

For HR, adopting the Agile mindset is as much about letting go and unlearning old habits as it is about learning new ones – an acknowledgement that it's time to move beyond our traditional, top-down legacy and modernize the HR operating model.

For example, when HR teams work in Agile ways, they quickly discover that receiving feedback early and before a solution has been perfected is a positive, because that's the only way to incrementally develop a great product. In the past, we might have shied away from more critical feedback until we were happy with the end result. Instead, Agile helps us time-box work and control the length of time in which we might fail to achieve an intended result. We can then safely use these situations as learning opportunities to discover what improvements to make next, rather than perceiving the result as a costly mistake.

For HR, Agile means we should no longer work on a product design, such as a leadership programme or peer feedback tool, with a view to making it shiny and perfect before it's released. Indeed, what Agile HR teams quickly learn is that the longer we take to release it, the longer we wait to validate if it truly delights the customer. What's even worse is that all the upfront work we did to make it shiny and perfect becomes wasted effort or sunk costs if it fails upon the first interaction with the customer.

The Agile HR concept of testing and experimentation doesn't have to be elaborate or a time-consuming exercise. It could be as easy as walking down the corridor to ask five people what they think of a piece of company communication before we hit Send. Or it can be more involved, such as a deep dive into the user experience to unearth their pain points, followed by testing prototypes to discover what solves their problems before committing to an overall design. The key is designing a prototype or a physical first draft in the customer's hands or creating an experience to assess their real-life reactions and responses.

Agile for HR and HR for Agile

To help HR professionals conceptualize Agile HR, it is useful to divide the topic into two distinct sections.

Agile for HR

The first section, Agile for HR, looks at how HR can apply an Agile mindset and various working methods *within our own* teams and projects.

Just as much as an Agile mindset can transform the wider business, Agile for HR has the power to help our profession modernize, innovate and deliver value at speed. Agile for HR also benefits HR professionals and teams no matter what the context. It's not necessary to work within an Agile organization or groovy tech start-up to embrace Agile HR practices and realize these benefits. By simply applying a few of the basic Agile steps outlined in this book, a more human-centric, performance-focused and value-driven approach can be achieved within any HR team.

HR for Agile

The second section, HR for Agile, looks at *our role in helping the organization* transform to meet the challenges of an increasingly complex business environment. HR for Agile looks at how to design modern workplaces by combining all our previous know-how in organizational development and cultural change with Agile ways of working. HR for Agile also focuses on the need to redesign existing HR and people practices to enrich the employee experience and enable business agility throughout the organization in which we work.

Finding your own Agile HR flavour

Like Agile itself, no blueprint exists for how to do Agile HR and it's important to find our own flavour based on culture, industry, team size and business needs. It's also essential to build this new model of working incrementally through a test-and-learn cycle. Many of the case studies we'll explore in this book look at how an emerging practice was formed over time as the HR teams experimented with different Agile techniques and found their own operating model by keeping what worked well and eliminating what didn't.

The other key message is that HR will not be able to lead on organization transformation and develop wider business agility if they do not embrace an Agile mindset themselves. Without this, there exists a real danger of HR teams rushing into organization-wide solutions in topics like performance and reward for Agile teams, without truly validating both the problem they're trying to solve and the stages of cultural and behavioural change people need to go through to accept new ways of working.

How does HR ensure they embrace both the mindset and the methodology? By ensuring they adopt 'Agile for HR', as well as 'HR for Agile'. Only by doing, being and experiencing Agile within our own teams and projects can we begin to understand how, why and what HR needs to redesign to support enterprise-wide business agility.

Building a great place to work

In summary, Agile HR is all about building a great place to work, where awesome people want to be. It aims to be a shared value across the organization between the business, the customer and its employees – a virtuous cycle that attracts amazing talent who are inspired by the opportunity to see the impact of their work on the customer and a business that benefits from highly motivated people constantly improving their performance and results. All of which leads to a delighted customer who craves to be part of the experience their product creates.

Agile HR therefore not only helps HR truly transform their own results, but it helps enable high-performing teams and hugely successful businesses.

References

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