

An Agile District Council in the Making: A Behaviour-led Transformation

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1 Summary

Austerity and financial constraints have been threatening the public sector in the UK for a number of years. Foreseeing the threat of continued budget cuts, and addressing the situation many local councils face (Chu, 2018), requires internal transformations that help achieve financial stability without losing the key 'social reason' focus of their existence.

This paper introduces, describes and analyses an ongoing behaviour-led transformation in a district council in the UK, Aylesbury Vale District Council (AVDC). It presents the results of the analysis of a series of interviews with internal stakeholders at the council, of observations of different meetings among senior and middle management, and of an internal survey based on the Cultural Values Framework carried out in the period of January to May 2018.

The change programme started in 2008 with a behaviours-led programme of internal renovation in the way strategic planning and transactional operations are conducted at the council, with its most significant period of change up to the mid of 2017. During this period, all staff (except for the CEO and 2 directors) had to undergo a behaviour-based assessment and reapply for their job. Jobs were grouped into clouds and anyone could apply for a job in any cloud; the behaviour assessment test undertaken was specific to each cloud. Subsequently, there is a continual improvement approach revisiting adequacy of structures with a more recent restructure happening in October 2018.

This case study was carried out by the Agile Research Network (ARN), a collaboration between researchers at two UK universities, funded mostly by the Agile Business Consortium, working with organisations to bridge the gap between industry and practice. The aim of this case study was to follow part of the undergoing transformation journey as seen by the council's staff, and to act as a critical friend voice with observations of a snapshot of this journey drawing on existing literature and other perspectives on agile transformation.

The following summarises the main findings.

There is a strong overall positive message as a result of a massive transformation programme that touched the whole organisation. We found a council with a clear and inspiring purpose focusing on results to stakeholders; a supportive leadership, committed to transparency, fluid and constantly changing and iterating. There was a feeling of achievement and a sense of collective ownership with the people we talked to. The council is now financially sustainable, not for profit, restructuring when needed, continuously consolidating and learning. We found strong teams, supporting each other and with good communication.

In the context of such change there were naturally some challenges identified. The following reflect what we found between January and May 2018.

- Recruitment was a problem in some areas where it is difficult to recruit staff with both the right skills and the right behaviours
- Loss of focus on 'business as usual' due to the change programme
- Loss of knowledge due to people leaving who did not pass the behaviour assessment; also, people joining from outside the organisation with different perspectives and expectations
- Silos, new or old
- Lack of processes and procedures

- Heavy workloads
- Vulnerability of the leadership team who were still forming as a team, and reliance on a small group of individuals
- People challenges resulting from the impact of the transformation
 - Negative – trauma, survivor guilt, pockets of unhappy people, frustration, resentment,
 - Positive – emotional journey, novel/unique, support

We also found that there were differences between how the directors and assistant directors viewed the future of the organisation compared to how middle management, as represented in the strategic board, expressed their preferences for the future culture of the organisation.

The situation portrayed through these findings was assessed against the elements of the Agile Culture Development Matrix (Agile Business Consortium, 2019). Based on this viewpoint, two areas were particularly highlighted as worth further attention:

- Collaborative and autonomy, and
- Adaptability to change.

In summary, the recommendations are (see Section 6):

1. Consider suggested actions to help develop autonomous collaborative teams: surfacing and sharing assumptions, understanding contexts and rallying around a common interest.
2. Empowered teams need to have a view of the strategy and a clarity of purpose, boundary conditions and expectations. Goals and priorities need to be clear and all those affected engaged in discussion and development (ownership) to understand how they relate to their jobs. Consider mechanisms where every member of a team sees what every other member of the team is doing.
3. Allow for ways of working to be developed bottom-up.
4. Identify the coordination modes for different interactions and be prepared to change them as the situation evolves.
5. Develop processes and procedures from bottom-up where possible. Where processes and procedures need to be written down, follow agile documentation guidelines.
6. Work towards a strong sustainable core that can sense, seize and transform, considering the dynamic capabilities needed in a volatile environment; develop a succession plan.
7. Embed continuous improvement with retrospectives to reflect, learn and make changes.
8. Consider using the three principles of Integrating Simplification Theory to support adaptability: needing, rethinking and common sensing.

2 Introduction

There are many approaches to business agility and business transformation which can be grouped into: scaled-framework-driven (operational agility), business-driven (strategic orientation) and sustainable agility (cultural

orientation) (Karvonen, Sharp, & Barroca, 2018).

The case study reported in this paper can be considered as a *sustainable agility approach*, i.e. one that is oriented to culture. This approach addresses agility through a cultural understanding and orientation in the adoption of agile values for sustainable operational excellence. The link between sustainable operational excellence, culture and agility has been addressed by Carvalho et al. (2017). The authors suggest that a strong cultural orientation is key to achieving the organisational excellence and organisational agility that are sustainable in the long-term. Getting the right organisational culture is seen as the key aspect in planning and orchestrating transformation activities. While this approach may also leverage business- and framework-driven approaches to transformation, it is the people in the organisations who will be the main actors of any transformation, and therefore behaviours and values matter. The sustainable agility approach can be characterised by the notion that enduring enterprise agility is achieved as a result of culturally aligned, highly motivated, and empowered people working together towards a common cause, rather than as a result of business model renewal or adoption of an agile method or framework. Continuous business model renewal and adoption of an agile framework are outcomes of transformation rather than causes of enterprise agility.

The work undertaken, which followed part of the undergoing transformation journey by the council, was based on the perspective of culture being a major factor in the transformation. To understand the different perspectives on culture amongst the council staff, we deployed a questionnaire to obtain their views on the current and desired future cultures. We also interviewed staff and observed meetings. The data from both interviews and observations was analysed to understand success and challenges, and to assess where the council found itself on the transformation journey.

3 The Council and the Context

The district council covers an area just outside the London green belt; it serves around 180k residents, is the second largest district in the South East and a major area for growth.

For the last decade, the district council in this study has been undertaking an internal transformation, inspired by Simon Sinek's *Start with Why* (2009). With the expected disappearance of any government grants by 2020, senior management sensed the external environment and realised the need to achieve financial stability, while at the same time continuing to deliver improved services to their customers. They embarked on a transformation focusing on a behaviours-led programme of internal renovation (see Figure 1 and Figure 2). The aim of this transformation has been to achieve a 'world-class support for those who need it' being 'the best place to work in the area with the best people'. To achieve the financial sustainability required, it built on a social enterprise model underpinned by a commercial focus and agile approach. It took 22 months to implement a commercially-minded restructuring of the whole council based on the five following behaviours: customer focus and insight, delivering results, maximising personal potential, building effective relationships and innovating and adapting to change. Most staff had to go through a behaviour assessment exercise in the process of reapplying for their job, around 70 people left the organisation (some through early retirement) and a 100 new people were recruited. Throughout this process, staff could apply for any job at any level, with some ending up being promoted several levels.

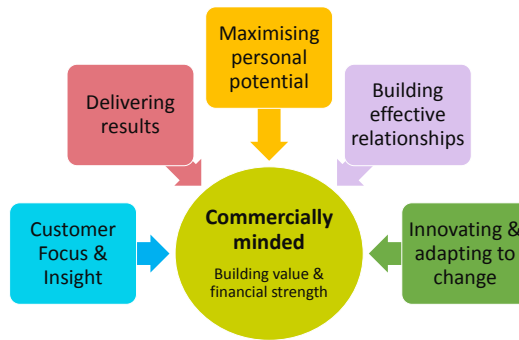


Figure 1 The Council’s Behaviour Framework

I act in a Commercially Minded way by:				
Customer focus and insight	Delivering results	Maximising personal potential	Building effective relationships	Innovating and adapting to change
I understand and am driven by providing excellent customer service.	I am accountable and take responsibility for doing what I say I will do.	I make commitments and take personal responsibility for delivering them.	I demonstrate and value the “One Team, One Council” approach.	I look to do things more efficiently, understanding the commercial implications.
I look for opportunities and propose solutions to increase value for our current/ future customers and partners.	I am motivated to achieve my personal best, knowing it will improve overall performance and maximise our commercial advantage.	My ambition is to make the Council a success.	I work collaboratively with others to deliver our objectives and bring value for our customers.	I work with others to create, develop and implement ideas, supporting the production of proposals and business cases.
I take time to ‘see’ our customer service through the eyes of the customer, informing and using appropriate data.	I look for and clearly voice my ideas to continually improve our processes and deliver commercially sound solutions.	I work with enthusiasm and desire to meet and exceed objectives and targets.	I share expertise, strengths and ideas.	I engage positively with change, focusing and reflecting on how the change will commercially enhance AVDC.
I am driven by delivering value for our customers and am ambitious to ensure each customer receives the best service.	I analyse, manage and take calculated risks.	I work to be the best I can be, identifying and filling gaps in my knowledge.	I build positive relationships, recognising that every interaction I have reflects on the AVDC brand.	I focus on finding solutions and keep trying until we succeed.
I understand and work to meet the needs and expectations of our diverse population, ensuring we deliver all our services (statutory & non-statutory) in a commercial way.	I am financially aware, knowing how much it costs to serve my customers.	I develop myself and others, updating my skills and expertise, whilst actively looking for opportunities to learn and apply knowledge.	I am open minded and look for opportunities to work with other people in order that we can confidently build on each other’s skills and expertise.	I am forward thinking, being prepared to think on my feet whilst remaining flexible.
I take responsibility for each customer service interaction, seeking professional advice and input when required.	I try to ensure there is a positive return on investment.	I listen and act appropriately to constructive challenge.	I value organisational diversity, engaging and involving others with respect and empathy.	I am outward looking, having an awareness of the ‘market’ in which we operate.
I constructively challenge how we do things.	I find and use appropriate data, considering wider Council implications to support and inform decision making.	I actively seek and act on feedback.	I manage our supplier/ partner relationships to ensure best commercial value.	I keep myself informed, up to date and seek out future ideas and trends.
	I make sure I understand our strategy and business model, using this to take the initiative and inform my actions.	I act with integrity, empowering myself and others to speak and act.	I actively listen and communicate clearly and appropriately with others.	I make decisions aligned with our corporate strategy and policies.
		I provide constructive feedback and challenge inappropriate behaviour.		I use analytical and critical thinking skills to solve problems.

Figure 2 Commercial Behaviours

4 Background

The ARN carried out this case study in the period between January and May 2018. The council had just come out of a massive restructuring and recruitment (with the bulk of it finished by September 2017) with most of the posts in place. Nineteen people at senior management level and above were interviewed with a couple being new recruits (six months into the organisation).

The purpose of the case study was to:

- follow a transformation journey of the senior management team
- identify successes and challenges in the whole journey
- be a sounding board for ideas in carrying out continuous improvement

We carried out 19 interviews between January and May 2018: directors, assistant directors (ADs) and senior and middle-level managers; we observed six AD weekly meetings, one middle manager core delivery group meeting, one

strategic management board meeting, and one senior board meeting. Throughout this period we also kept in regular contact with the transformation programme manager who was a consultant hired externally, and who introduced us to the organisation. We also collected data according to the Competing Values Framework (CVF) based questionnaire (K.S. Cameron & Quinn, 2011) to analyse the staff's thoughts on current and future organisational culture.

The CVF questionnaire identified subtle differences between different groups of staff about future organisational culture. We performed a thematic analysis on the interviews, using the meetings as context (Braun & Clarke, 2006) and compared our analysis findings with the Agile Culture Development Matrix (Agile Business Consortium, 2019) to understand the areas of success and challenges.

To help identify and structure potential areas of improvement highlighted through the empirical work, we also drew on literature on organisational culture and agility and agile transformation. In this section we describe the CVF and Agile Culture Development Matrix and the related literature.

4.1 Competing Values Framework

The Competing Values Framework (CVF) is a tool to assess a business' culture. We conducted the Organizational Culture Assessment Instrument (OCAI) questionnaire developed by Quinn and Cameron based on the Competing Values Framework.

The OCAI assessment is based on six key dimensions of culture that were found to make a difference in organisational success (dominant characteristics, organisational leadership, management of employees, organisational glue, strategic emphasis, and criteria of success).

Respondents assess them twice. First they rate the organisation in its current state. Next, they respond to the six culture aspects as they would prefer their organisation to be in five years, in order to be successful.

Figure 3 illustrates the CVF dimensions and four major culture types: 1) the hierarchy culture, 2) the market culture, 3) the clan culture, and 4) the adhocracy culture. According to Cameron and Quinn (2011) most organisations have one or two most dominating culture types and CVF allows the diagnosis of an organisation's cultural profile.

When considering organisational culture, Iivari & Iivari (2011) suggest that although agility is typically associated with the top-right quadrant in Figure 3, CVF is only one view of organisational culture and other comparators should be further researched. They recognise the importance of in-depth qualitative research based on case studies. We used the Agile Culture Development Matrix, described in the next subsection, as a comparator for our qualitative data.

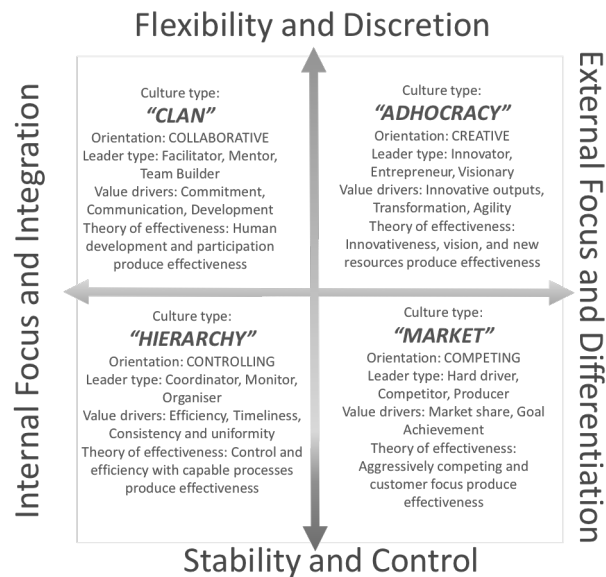


Figure 3 Competing Values Framework (K.S. Cameron & Quinn, 2011)

4.2 Agile Culture Development Matrix

The ABC has defined a culture assessment matrix with five levels: surviving, stabilising, secure, thriving and transformational. The matrix comprises seven elements (see Figure 4). Organisations can be assessed at different levels for each of the elements and some elements may be more relevant to one organisation than others. This matrix has been developed based on the CVF; it is a tool to help organisations that want to become more agile to assess in which areas they need to develop.

4.3 Other related literature

Dikert et al. (2016) carried out a systematic literature review on large scale agile transformations. Although the focus of this work is on large scale software development, most of the challenges they identify are not software specific. They identified 35 challenges that they grouped in: change resistance, lack of investment, agile difficult to implement, coordination challenges in multi-team environments, hierarchical management and organisational boundaries, requirements engineering challenges, quality assurance challenges and integration with non-development functions. The success factors, according to Dikert et al., are also mostly not software development specific. These were grouped in the following categories: management support, commitment to change, leadership, choosing and customising the agile approach, piloting, training and coaching, engaging people, communication and transparency, mindset and alignment, team autonomy and requirements management.

Carvalho et al. (2017) claim that it has not yet been demonstrated that there is a clear link between culture change and the development of capabilities for an organisation to continue to be adaptable in the long term; the desire to improve quality is often focused on scoring highly in the right quality programme rather than 'developing an enduring capacity to change'. It is this ability to adapt to change and continuously improve that makes an enterprise agile. The authors propose an integration between organisational agility, organisational excellence, and organisational culture, leading to sustainable organisational excellence and promoting adaptability

AGILE CULTURE DEVELOPMENT MATRIX



Level	Purpose and Results (PR)	Agile Leadership (AL)	Well-being and Fulfilment (WF)	Collaboration and Autonomy (CA)	Trust and Transparency (TT)	Adaptability to Change (AC)	Innovation and Learning (IL)
Transformational	Organisational purpose is clear and compelling	Our leader(s) act in a self-less and supportive way	People have a deep sense of fulfilment and achievement at work	People have an appropriate level of autonomy to carry out their work	There is a complete honesty and transparency in day to day working	New ideas are quickly adapted if appropriate or discontinued if not	A growth mindset, strong commitment to reflection and learning
Thriving	Individual and team goals are aligned to organisational purpose	Our leader(s) take responsibility for their actions and admit limitations	People feel valued and content with work-life balance	Cross functional collaboration is how people work here	It is safe to challenge and question	Routine change well handled but transformation 'too risky'	Some experimentation and learning built in
Secure	Work is primarily driven by targets	Our leader(s) listen but do not always act on feedback	People feel pressured when targets are not met	There are long established functional silos	People's behaviours are having an adverse impact on trust	Some proactive continuous improvement	Personal development but subordinated to operations
Stabilising	Organisational purpose and goals are not aligned	Our leader(s) are authoritative and give orders	People keep their heads down, focus is delivering work	People are a pair of hands to do as they are told	People have a feeling of not being heard	'If it is not broken, don't fix it'	Personal development mainly for high potentials
Surviving	Change in direction and priorities are chaotic	Our leader(s) are working in a crisis mode	People feel demotivated and disengaged	People are working in a crisis mode	There is not trust among our people	Changes are chaotic and uncoordinated	Mistakes are buried not learnt from

Note: Indicative scoring alignment with Pulse survey results would be: 0=Disagree and Strongly Disagree, 1 = Slightly Disagree, 2 = Slightly Agree, 3 = Agree and 4 = Strongly Agree.



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Figure 4 Agile Culture Development Matrix (<https://www.agilebusiness.org/agile-culture>)

They highlight that the failure of many excellence programmes in organisations is due to neglect of how to sustain them in the long term. This continuous push for sustainability requires that : '(1) senior leadership must be united in driving excellence, (2) the organisation, in a holistic perspective, must be committed and engaged, (3) the organisation strategy must be clear, defined and communicated, (4) the organisation must have process improvement ongoing activities together with self-assessment and (5) the use of information and data analysis must be a daily practice of the organisation (Brown, 2013)'.

'to be successful over time in unstable business environments, operational excellence initiatives need to promote an agile mindset. In order to do this, such initiatives will have to be supported by a cultural orientation towards sustainable operational excellence, promoting the enablers and adopting the tools of both operational excellence and organisational agility, and transforming the culture to one where every single person is engaged every day in making small, and from time-to-time, large changes (Shingo Institute, 2014).' (Carvalho et al., 2017).

By looking at examples of companies undergoing transformations, Doz and Kosonen (2010) proposed a leadership agenda to help with agile transformations. This agenda is constructed with a set of actions on three areas: strategic sensitivity, leadership unity and resource fluidity. It aims to help with increased sensitivity to internal and external environments, achieving true engagement and commitment of all, and making the required ingredients available for a successful transformation. Business transformation is a difficult process and the set of actions suggested constitute a practical way to help foster a successful process. We refer to some of these actions in Section 7.

5 Business transformation

5.1 Findings that emerged from the Competing Values Framework

To understand the different perspectives on culture amongst the council staff, we deployed a questionnaire to collect their views of current culture and desired future culture. The questionnaire was distributed to around 100 people. We had 44 answers to the OCAI questionnaire from two groups: the Leadership Team (LT) comprised the two directors, assistant directors and the PA to this team (eight responses on paper); the Middle Managers Team (MMT) comprised people in management lower down in the organisation (36 answers online).

Table 1 details the CVF characteristics for each type of organisational culture in the context of the case study.

Table 1 CVF and the council

ADHOCRACY Most dominant characteristics of the council organisational culture
CLAN Also common characteristics of the council organisational culture
MARKET Not very common characteristic of the council organisational culture
HIERARCHY Least common characteristics of the council organisational culture

Although the dominant characteristics of the council (based on the questionnaire results) seem to be already those of an agile organisation, it is important to understand the subtle differences in how both groups of people see the ideal organisation's culture for the future. The findings are as follows.

Dominant organisational characteristics

- Both groups did not indicate much change between the dominant characteristics now and those they would prefer in the future; however, LT scores slightly higher for adhocracy than MMT while MMT scores slightly higher for clan

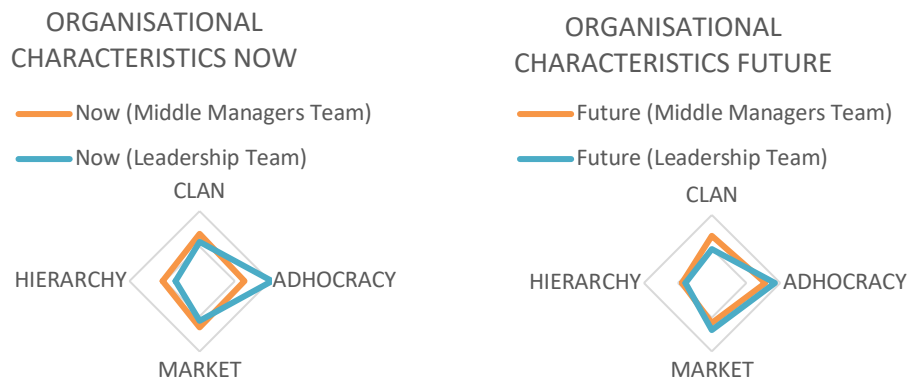


Figure 5 Organisational characteristics

Organisational leadership

- LT would prefer the organisational leadership to be more market-oriented
- MMT would prefer the organisational leadership to be more clan and less market-oriented

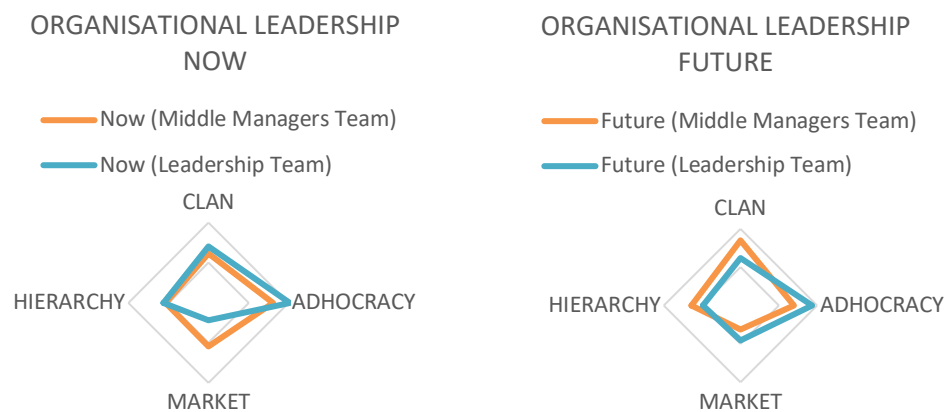


Figure 6 Organisational Leadership

Management of employees

- Not much difference between the two teams other than MMT would prefer the management of employees to be less market oriented (see below)

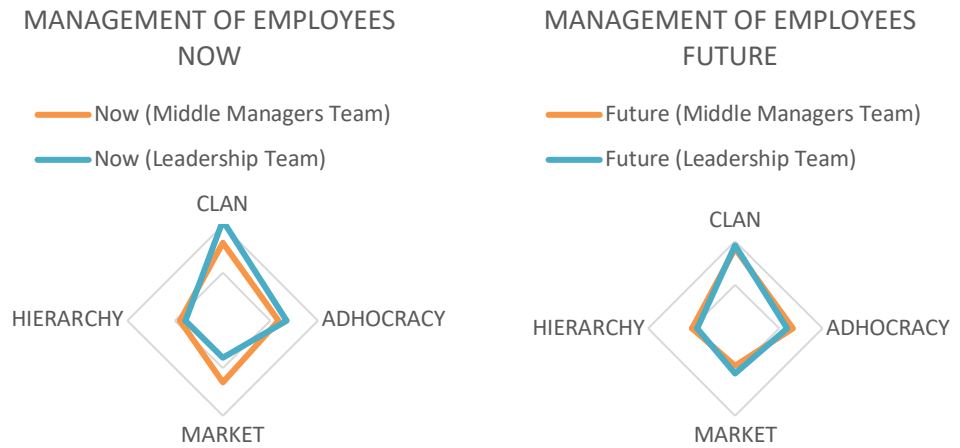


Figure 7 Management of employees

Organisational glue

- LT would prefer the organisational glue not to change very much
- MMT would prefer the organisational glue to be more clan-oriented

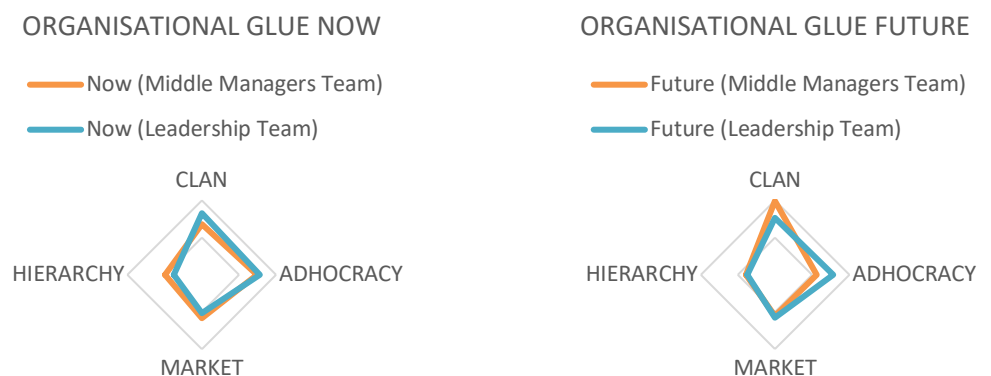


Figure 8 Organisational glue

Strategic emphasis

- LT shows a shift away from adhocracy towards market; MMT show a move away from adhocracy and market towards clan.



Figure 9 Strategic emphasis

Criteria of success

- LT would prefer the criteria for success to move towards market-orientation and away from adhocracy. MMT would prefer the criteria for success to be more clan and less adhocracy-oriented

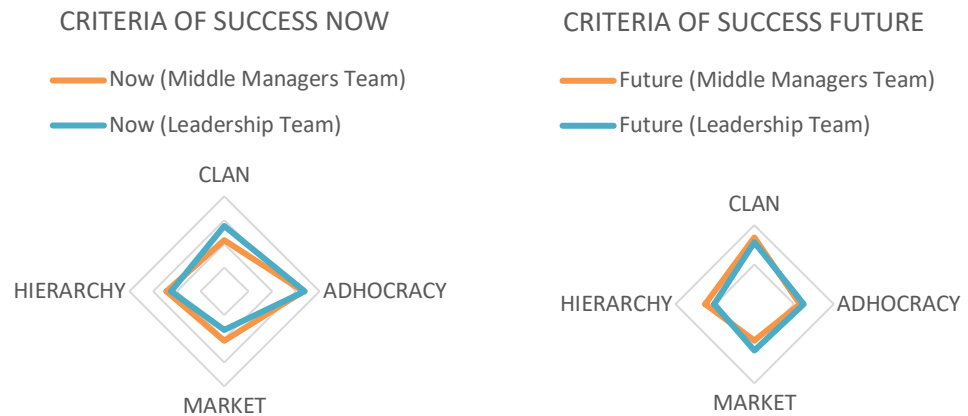


Figure 10 Criteria of success

5.2 Findings that emerged from the interviews

The results of the thematic analysis of the interviews using the meetings as context are reported here.

We have found very positive elements of an agile culture as in Table 2

Table 2 Positive elements of an agile culture

A council with a clear and inspiring purpose focusing on results to stakeholders	<i>I think we've done something incredible[.] all the money we make is about delivering customer services.] [our books are balanced[.] not just for this year, for the next four years[.] a huge amount of growth coming</i>
Supportive leadership	<i>We had to support each other [.] it's quite an enjoyable environment to work in.[.] we've got a team that doesn't wait to be asked to help people, it goes and helps other people when we see they need it</i>
A feeling of achievement	<i>It was monumental, what we did; It's really good.... Good stuff came out of it; our books are balanced[.] not just for this year, for the next four years[.] a huge amount of growth coming</i>
Commitment to transparency	<i>We try and be very transparent, or as transparent as we can be</i>
Sustainable, not for profit	<i>This bit of the organisation makes money and this bit of the organisation spends money, but that's ok ; increase employment and deliver bigger benefits (trying to)</i>
Fluid, constantly changing, iterative	<i>And it did take us about three or four goes to get that messaging right with staff; you've got the same language being spoken across all of the groups; encourage innovation; while they are here (young people) how can we learn so</i>

	<i>much from them as well as them learning from us</i>
Collective ownership	<i>We all cover each other</i>
Restructuring, consolidating, learning	<i>we've learnt a lot about it we definitely need to get through our lessons learnt; We need to maintain the momentum it's how do we, it's about maintaining that momentum</i>
Strong team, supporting each other	<i>The team is pretty cohesive and we've all had to support each other ...If somebody is struggling a little bit and not wanting to admit it, the rest of the team actually notice and go and give support; got to know some things about staff you didn't necessarily know about them before learning about other colleagues; And learning all of that sort of stuff together is quite good</i>
Good communication	<i>We sit together most of the time, we talk to each other every single day</i>

The analysis of the interview data highlighted some challenges that were present at the time of the interviews (January to May 2018). Some of these may no longer be current.

Table 3 Challenges encountered

Recruitment		<i>behaviours vs skills/knowledge – some people who did really really well in their interviews but when they did the behaviours they didn't reach the benchmark, and the external benchmark is also higher than the internal one which is a bit of a contention</i>
BAU vs transformation		<i>a lot of things fell through the cracks[..] we lost a lot of focus on the BAU delivery, the day to day delivery[..] the fact that we kept the services going is incredible[..] massive achievement in itself</i>
Loss of knowledge and experience		<i>that one person had all that knowledge[..] some things fell over[..] people leave and they have just taken 30 years of knowledge in their head</i>
Silos		<i>there is a definite difference between level 1 and level 2[..] far more process driven (on level 1)[..] they probably perceive us as not doing very much[..] it has only gone worse since we have been through the review[..] even more siloed</i>
Internal processes and procedures		<i>the structure we put in place isn't quite working</i>
Workloads		<i>staff are very overloaded</i>
Leadership vulnerability and resilience to change		<i>We have a tendency to maybe over-believe our own hype, and I think we've not been smart at bringing external organisations along with us a lot of loose ends[..] everybody understanding what their responsibilities are[..] you've got to stop undermining the pro...[..] you've got to support the process[..] corporate challenging corporate[..] it causes tension[..] we need some clarity[..] (ADs) they are still forming as a team</i>
People	<i>trauma, survivor guilt, pockets of unhappy</i>	<i>at the lower levels[..] and those more specialist levels[..] for them[..] a little bit of</i>

	people, frustration, resentment, old mindset, low morale (unitary)	<i>resentment[.] they were put through this process [.] at the end of it they are still doing the same job[.] for them not much has changed. [.] a lot of people shut down and said thank god it is over</i>
	emotional journey, novel/unique, support	<i>we've never done anything like that before here; it's been a little bit of a bruising time the support was huge. And so staff were given time to absolutely prepare themselves for this transformation</i>
	Old mindset	<i>there are people[.] who have gone back to what they are comfortable with[.] [.] people who passed the behaviours and then they haven't changed[.] the new framework hasn't landed</i>
Outside forces/ context (e.g. a imminent (at the time of writing) decision from UK Government about Unitary council, budget cuts, etc)		

The council was interested in understanding how their culture featured in the culture development matrix and highlighting the areas that needed attention (section 4.2).

We compared all the findings (CVF framework and interview analysis) with the culture development matrix to come up with an assessment. We did not have enough data to consider some elements of the matrix as we only engaged with senior management (in interviews and observations) and do not have a view of the whole organisation. All the areas of the matrix (see Figure 4) would require an organisation-wide consultation for a full assessment. Based on the staff we talked with, the council scored high (possibly Thriving to Transformational) on *Purpose and performance* and *Well-being and fulfilment*; for the elements we were able to assess the council also scored high (possibly Secure to Thriving) in *Agile leadership* and *Trust and Transparency*. We did not have enough data to assess *Innovation and Learning*. There were two areas of the matrix (*Collaboration and autonomy* and *Adaptability to change*) for which the data collected allowed us to identify challenges the council could face in moving up the matrix; these are discussed in more detail below. Also we have found recommendations from the literature that can help the council in these two areas.

In the meantime, the Agile Business Consortium, having identified the need, have developed the PULSE survey, which directly assesses the culture matrix. However, this was not available when we started this case study.

Collaboration and autonomy– a network of collaborative teams with more autonomy for decision making as appropriate

Based on our data, we assessed the council as 'secure' (or thriving) against this dimension, and highlighted challenges to progress to the next stage in the matrix.

A transformational organisation is characterised by 'a network of collaborative teams' and 'authority is distributed with an appropriate level of autonomy' and our data provides contradictions to both of these.

Although we found evidence of cohesive teams

the team is pretty cohesive and we've all had to support each other...If somebody is struggling a little bit and not wanting to admit it, the rest of the team actually notice and go and give support; got to know some things about staff you didn't necessarily know about them before learning about other colleagues; and learning all of that sort of stuff together is quite good,

it is unclear whether there is a network of collaborative teams and a clear

understanding of responsibilities and priorities. Networked teams need to operate in the context of everyone working together, but also to an agreed way of working.

One of the challenges raised through the interviews is that of the conflict between autonomy for decision making (empowered teams, 'get on and do it' attitude) vs lack of processes and procedures, and people creating them on the fly with impact on the reputation of the organisation. There is a recognition of the need to revitalise, maintain the momentum, and consolidate processes and procedures

[..]there is very much an attitude of get on and do it which I think is a double-edged sword [..] things are happening but it does mean that some of the processes and procedures aren't being followed or if they aren't existing processes and procedures people are creating them in the fly [..]sometimes we do things without having a solid robust procedure behind it

This also suggests that they didn't have the skills to be self-organising, i.e. that people went off and made decisions without reference back to (or independent from) the core (a characteristic of the 'secure' assessment)

[..] there is a risk that we started to see things that are happening and [..] we didn't even know we were doing that

We therefore assessed them as 'secure' overall, with a need to improve on the networked teams and the distributed authority with autonomy.

The following issues need to be addressed to help to improve in these areas.

1. How to develop autonomous collaborative teams?
2. How to achieve a suitable balance between empowering teams to do certain things and setting goals at the macro level? And how to recognise a suitable balance.
3. What is the role of processes and procedures in an agile organisation? What needs to be set down in some kind of process and what can be left to autonomous teams? How far into the teams can decisions be delegated and how much is needed higher up without destroying the agility?

Adaptability to change – a strong core that provides stability with flexibility to adapt and change

Based on our data we assessed the council as thriving (or secure) but have also highlighted some challenges.

A transformational organisation is characterised by having a strong core, i.e. a team of people that provides the stability to support the change. There is definitely an ability to change, as the council has gone through a big transformation and has come out of it very successfully. However it is probably too early to judge whether there is a strong core that can provide stability and flexibility to adapt and change. There are internal challenges identified in our analysis (e.g. vulnerability of core team, leadership still forming as a team, ...).

the organisation is still very reliant, I think, on the top team being very clear what it is trying to achieve.

We found examples of innovative approaches but we also found some concerns that 'the need to deliver today's results is an inhibitor to bold action'.

The following issues need to be addressed to improve in these areas.

1. How to ensure and consolidate a strong sustainable core?

2. How to embed continuous improvement (inspect and adapt mentality) into the normal way of working?

Other questions that should be paid attention to, are also:

- What is the right balance between new people with new ideas and keeping the 'old guard' who know the organisation well?
- How can loss of learning and experience be minimised?

6 Recommendations/Next Steps

In this section we consider recommendations in the two main issues that were suggested for discussion at the council: collaboration and autonomy, and adaptability to change. It is worth noting that since this study took place some changes have taken place, for example, a continual improvement change to the structures recognising already some of the key issues raised.

6.1 Collaboration and autonomy

1. *How to develop autonomous collaborative teams?*

Doz & Kosonen (2010) (see section 4.3) suggest a set of actions in three areas: strategic sensitivity, leadership unity, and resource fluidity. Two actions under leadership unity are relevant as recommendations to the council in supporting autonomous collaborative teams:

- Dialoguing: surfacing and sharing assumptions, understanding contexts – welcoming expressions of differences in executive teams, to build collective commitment
- Aligning: rallying around a common interest – build both aspirational and emotional images that become sources of engagement

2. *How to achieve a suitable balance between empowering teams to do certain things and setting goals at the macro level? And how to recognise a suitable balance.*

The balance between empowered teams and the macro level goals was a source of contention in the council as it is in many other organisations (Chodosh, 2017; Itsquiz, 2017). Sutherland (2001) suggests 'building a self-empowered team' requires that everyone has 'a global view of the product on a daily basis'.

- The council should consider a mechanism where every member of a team sees what every other member of that team is doing.

Spotify (Mankins & Garton, 2017) suggest that to achieve the right balance between autonomy and accountability, you need a strategy and clarity of purpose, and boundary conditions and expectations; these are recommendations to the council:

- to balance the freedom to innovate with following proven routines, you need to design appropriate ways of working for each area (areas that require speed of innovation vs areas that require repeatability and efficiency); and
- to balance alignment with control, you need to empower teams while ensuring coordination and connectivity.

Boehm and Turner (2004) also said that:

- the ways of working should be developed bottom-up rather than imposed from above.

Collaboration requires coordination. Dingsøyr et al. (2018) highlight the role of different coordination modes: group mode, individual mode and impersonal mode (Dietrich, Kujala, & Artto, 2013). Group mode allows for mutual adjustments through meetings. Individual mode happens when people in individual roles make adjustments through vertical or horizontal channels of communication, and impersonal mode occurs when codified blueprints of action are followed. Usually all modes are present in an organisation at some point, but it is important to be aware of how they change according to the tasks undertaken (their uncertainty, interdependence or size), how they change over time and what they need to be supported. A recommendation here would be:

- to encourage individuals and teams to actively choose which kind of coordination mode is most relevant when, and actively choose to change their approach as the situation becomes less (or more) uncertain.

3. What is the role of processes and procedures in an agile organisation? What needs to be set down in some kind of process and what can be left to autonomous teams? How far into the teams can decisions be delegated and how much is needed higher up without destroying the agility?

Agile software developers recognise that documentation is an important aspect of any project that can be made agile. There are a few interesting recommendations that Ambler (2018) gives that although not directly related to processes and procedures raise issues about 'when to write them down':

- Keep documentation just simple enough, but not too simple
- Document with a purpose
- Focus on the needs of the actual customers(s) of the document
- The customer determines sufficiency

6.2 Adaptability to change

1. How to ensure and consolidate a strong sustainable core?

Adaptability to change (flexibility) is core to an agile organisation. In the case of the council, the problem identified was not so much about adaptability per se but rather about how such adaptability is supported by a strong core that provides stability.

Teece (2016) defends the need for dynamic capabilities to foster adaptability to change but stability is also needed to support adaptability. These are the capabilities that will allow an organisation to respond to a volatile environment:

- (sensing) identifying, developing and assessing opportunities and threats in relation to users' needs – this is about hypotheses building and learning. Teece suggests abductive reasoning, i.e., using all available

data to identify coherent patterns and imaginatively creating hypothesis about the future

- (seizing) mobilising resources to address needs and opportunities – this requires flexibility, slack and has implications for the internal structures chosen, and
- (transforming/shifting) continued renewal. Organisations need to be very good at learning how to do new things (Reeves & Deimler, 2011).

To build a strong sustainable core also requires that:

- succession planning is carried out

2. *How to embed continuous improvement (inspect and adapt mentality) into the normal way of working*

Transforming/shifting is a form of continuous improvement and requires organisational learning. Learning is also about reflecting and acting on the changes required (Argyris & Schon, 1996).

- In agile development, retrospectives are a mechanism for learning, reflecting on what happened to improve practice (Derby & Larsen, 2006; Dingsøyr, 2005); a similar mechanism could be adopted by the council.

Stability in the face of uncertainty and change, requires that organisations develop and support a leadership philosophy of shared responsibility:

- all employees know the strategy, are aware of the environment, are expected to 'speak truth to power', and take the initiative to get work done. (Worley, Williams, & Lawler III, 2014)

Nandram (2015) proposes the Integrating Simplification Theory (IST) as a way to develop a client focus and promote innovation while engaging in simplifying processes. This theory has been induced from the experiences of Buurtzorg Nederland, which is often used as an example of adaptable organisations. IST is based on three principles underpinned by a set of questions that can be used to challenge current ways of working:

1. Needing, i.e. systematically identifying and assessing what is needed, to reset habitual patterns. Questions related to this principle are: What are the needs of the client? Why do we do things as we always do? and How does it help the client?
2. Rethinking, i.e., connecting to different types and sources of information and reconstructing perceptions of reality, to reset the mind. Questions related to this principle are: What is really going on? Are we doing the right things? and Is there a simpler way of doing things?
3. Common Sensing, i.e., designing and implementing tasks according to the current perceptions of reality until it doesn't work any more, to reallocate resources and create renewal Questions related to this principle are: What do I require for this novel approach? How do I bring this simpler thing into practice? and How does the new process improve the client focus?

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