



# Mindset Matters

When an organization is transforming to adopt agile practices, specific effort is needed to drive a cultural change and shift in the mindset at a collective level. To enable sustained benefits of agility, people need to be primed to accept and embrace agile change and adapt to what the future requires of them. This article discusses the biggest factor that thwarts transformation initiatives and how to realize true enterprise-wide agility.

## The Race for Agility and the Catch

Rapid changes in competition, demand, and technology have made it more important than ever for retail organizations to be able to respond and adapt quickly. Time-honored, traditional organizations are facing unprecedented change and disruption, and are being challenged to adapt to the demands for more speed and responsiveness to service their customer expectations.

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Adopting agile ways of working can enable people to adapt to continuous change and deliver innovative service offerings and/or products that will offer a more accessible and engaging customer experience.

According to a recent McKinsey global survey, organizational agility—the enduring ability to quickly reconfigure strategy, structure, people, process and technology towards value-creating opportunities—is proving elusive for most organizations.

Many agile transformation initiatives fail to deliver the full benefits expected, and a lot of it may have to do with the way people have been conditioned to think. The McKinsey survey concludes that the biggest challenges during agile transformations are cultural and what is in people's minds; agile transformations are more likely to succeed when they are supported by comprehensive actions to co-create an agile friendly culture and mindset.

## Mind Over Matter

The transformation to the agile way of working requires a paradigm shift from the traditional 'command and control' leadership style to a more enabling 'test and learn' way of working. This particular shift is engrained in deep-rooted people change. Deploying conventional top-down business change to encourage leaders to communicate for buy-in and planning to eliminate resistance to change is simply not working. In this approach, people may comply but may not be committed to change themselves to become agile. Over time, despite having access to better systems, processes, technologies and learning new skills, people give up defying the limits of their mindset all too easily and simply move back to their old ways of working.



In this scenario, an organization's leaders may not be able to bring about the agile transformation they want simply by investing in people learning the agile skills, routines, and practices. Success is dependent upon people personally committing to move beyond their status quo of the existing behavioral norms and the default working practices that they are accustomed to. The agile approach was originally conceived as a mindset described by the values and principles of the agile manifesto; therefore, agile transformation, ultimately, has to come from within.

Leaders must find the means to equip people to develop their mindset to perceive the agile way of working as a genuine solution for today's challenges. Transforming our mindset, the way we grow our capacity to look at and diagnose things, and advancing to a more sophisticated stage of mental development, is the key to agile success. Indeed, the agile mindset shift is not a theory. It has been noted by the early adopters of organizational agility that adopting a common agile mindset and embracing adaptive behaviors is the catalyst for breakthrough performance.

Steve Denning, management and innovation author defined this well; "If you have the right mindset, it hardly mattered what tools and processes you were using, the agile mindset made things come out right. Conversely, if you didn't have an agile mindset, it didn't matter if you were implementing every tool and process and system exactly according to the book, no benefits flowed."

Change practitioners know that a person's mindset is at the root of their performance – it governs our behavior and shapes how we perform when we work. In particular, during periods of change, our mindset can be a limiting belief in our personal performance, proving to be an impediment in implementing agile practices.

## A Self-Transforming Solution

The transformation challenge is to equip people to learn to build their own capacity to change and adapt so as to perform well whatever the future may hold. The agile mindset galvanizes personal responsibility for self-transformation and growth - helping people come to grips with the rationale that as the world is constantly changing, they need to increase their own ability to change, learn and grow as they go. Transforming organizations will benefit from a repeatable mindset development exercise that can be cascaded throughout the organization over a short period so everyone collectively adopts high-performing agile thinking and behavior in their daily work.

The solution is to design and deliver a simple exercise to enable individuals, and the groups and teams they work in, to test an agile mindset for themselves, and to remove any limiting beliefs that may be holding them back from adopting lasting agile behaviors.

From this, individual mindset can shift quickly and at scale, allowing the organization to accelerate the establishment of a high-performance agile culture.

## Conclusion

Future organization success and competitiveness lies in who we are and how we think as much as what we do and how we work. It is organizations who develop people with an agile, adaptable mindset that are set to prosper.

Achieving the benefits from an agile transformation depends on the commitment and action of the people involved to transform themselves as individuals, and as a community, to be more agile and adaptive for whatever the future holds. Culture is hard to change and shifts slowly. Mindset shifts, however, can be enabled faster, thus creating a climate to drive agile performance and change.

## About the Authors

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John Ward has 20 years experience in guiding leading organizations to achieve lasting benefits through transformation and change. John operates as a thought leader, consultant, and coach shaping organization transformation to respond to disruptive change by building the agile, adaptive, high-performance culture needed to succeed in a volatile, changeable future.

John's work has demonstrated that managing the human capacity for change—mindset, culture, and leadership—delivers real value for organizations, regardless of industry or challenges.