Business Agility in a Social Services Agency:

Evolving from Waterfall to Agile Strategic Planning

Dan Montgomery
Agile Strategies

Business Agility 2017

AgileStrategies

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Non-traditional Funding

- Declining government funding
- Innovative new mechanisms, eg B-Corp, L3C

Competition

- Other non-profits
- For-profit companies

Partnership Networks

- Leverage your core competencies
- Expand range of partners –
  - ✓ Corporate
  - ✓ Academic
  - ✓ Foundations
  - ✓ Other non-profits

Innovation

- New treatment modalities
- New service settings
- Information technology

Demand for Impact

Focus on measurable outcomes

ALIGNED FOR IMPACT AND LEADERSHIP BY 2016

Children & Families

Financial Stewardship

Internal Efficiency

Leadership & Growth

Demonstrate Value to Community

Demonstrate Service Impact

Increase Partnerships

Improve Financial Sustainability

Demonstrate Quality Service Delivery

Improve Communication

Improve Staff Efficiency

Improve Data Availability Sharing

Build a Culture of Innovation & Leadership

Enhance Staff Tools & Resources

Increase Leadership Development

Improve Use of Staff Ideas

Redefine Collaboration

OPERATIONAL EXCELLENCE

INNOVATION

STRATEGIC PARTNERING

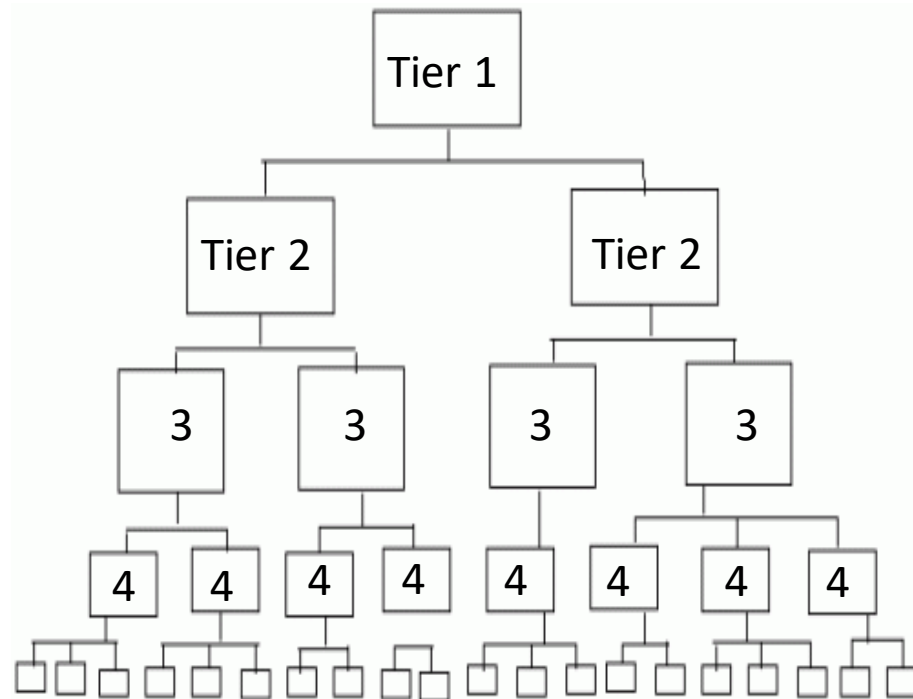five acres

FIVE ACRES PROMOTES SAFETY, WELL-BEING AND PERMANENCY FOR CHILDREN AND THEIR FAMILIES BY BUILDING ON THEIR STRENGTHS AND EMPOWERING THEM WITHIN COMMUNITIES
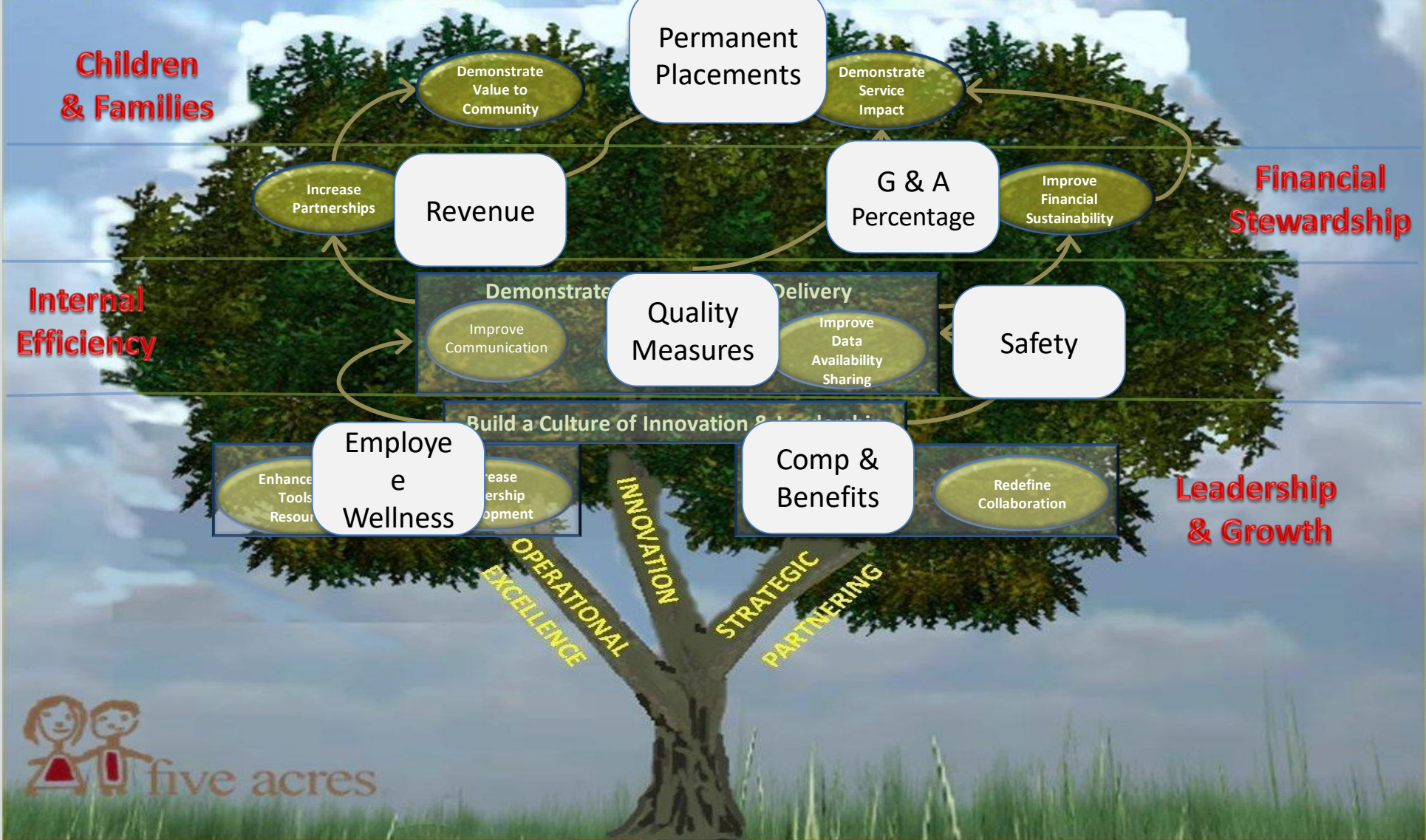
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Waterfall Goal Setting

- 3-5 year planning horizon

- Hierarchical and tightly coupled

- Objectives and measurable results "cascade" down the hierarchy

- Strategic initiatives prioritized for entire cycle

What Happened

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- Committed to a complex and expensive scorecarding app to keep track of all the measures and projects

- Cascading process broke down

- 30 strategic initiatives managed directly by the CEO

- Threw away major portions of the planning framework and succeeded in spite of it…. Or maybe because….

ALIGNED FOR IMPACT AND LEADERSHIP BY 2016

Children & Families

Internal Efficiency

Financial Stewardship

Leadership & Growth

Permanent Placements

Demonstrate Value to Community

Demonstrate Service Impact

Increase Partnerships

Revenue

G & A Percentage

Improve Financial Sustainability

Demonstrate ... Delivery

Improve Communication

Quality Measures

Improve Data Availability Sharing

Safety

Build a Culture of Innovation & Leadership

Enhance Tools Resources

Employee Wellness

Increase Leadership Development

Comp & Benefits

Redefine Collaboration

OPERATIONAL EXCELLENCE

INNOVATION

STRATEGIC PARTNERING

five acres

FIVE ACRES PROMOTES SAFETY, WELL-BEING AND PERMANENCY FOR CHILDREN AND THEIR FAMILIES BY BUILDING ON THEIR STRENGTHS AND EMPOWERING THEM WITHIN COMMUNITIES

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COMPLICATED

Cause and effect can be known given enough data & analysis

1. Analyze
2. Predict
3. Plan

- Top-down
- 3-5 year cycle
- Plan and control
- Tightly coupled
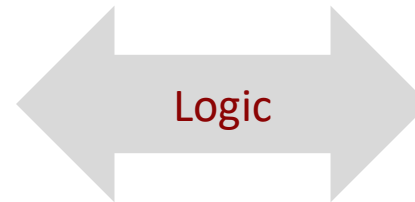
COMPLEX

Cause and effect can only be perceived in retrospect

1. Probe
2. Sense
3. Respond

- Bottom-up
- Quarterly cycle
- Emergent
- Loosely coupled

Logic

Action

Strategy Management

Credit: Dave Snowden, Cynefin Framework

OKRs (Objectives & Key Results)

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Objective

- 1-3 at a time
- Set by the teams themselves
- Qualitative & aspirational
- Loosely coupled with enterprise OKRs
- Fast cadence: review and reset quarterly

Key Results

- Quantitative outcomes, not tasks
- Teams set their own targets
- A stretch, but not impossible (50%)

Wellness Resort
OKR Team Example

1. SHARED ASSUMPTIONS	3. TEAM OBJECTIVE
Prospective guests have lots of options to choose from and prefer to book themselves	Build an awesome website that makes signing up for a week at Bodhi Beach irresistible!

2. TEAM MISSION	4. KEY RESULTS
We use social media to attract guests to Bodhi Beach	1. 20% Click-through rate 2. Time spent on site > 2 minutes 3. Conversion of 5% to guests

What do we Aspire to?

Objective: What will we Improve?
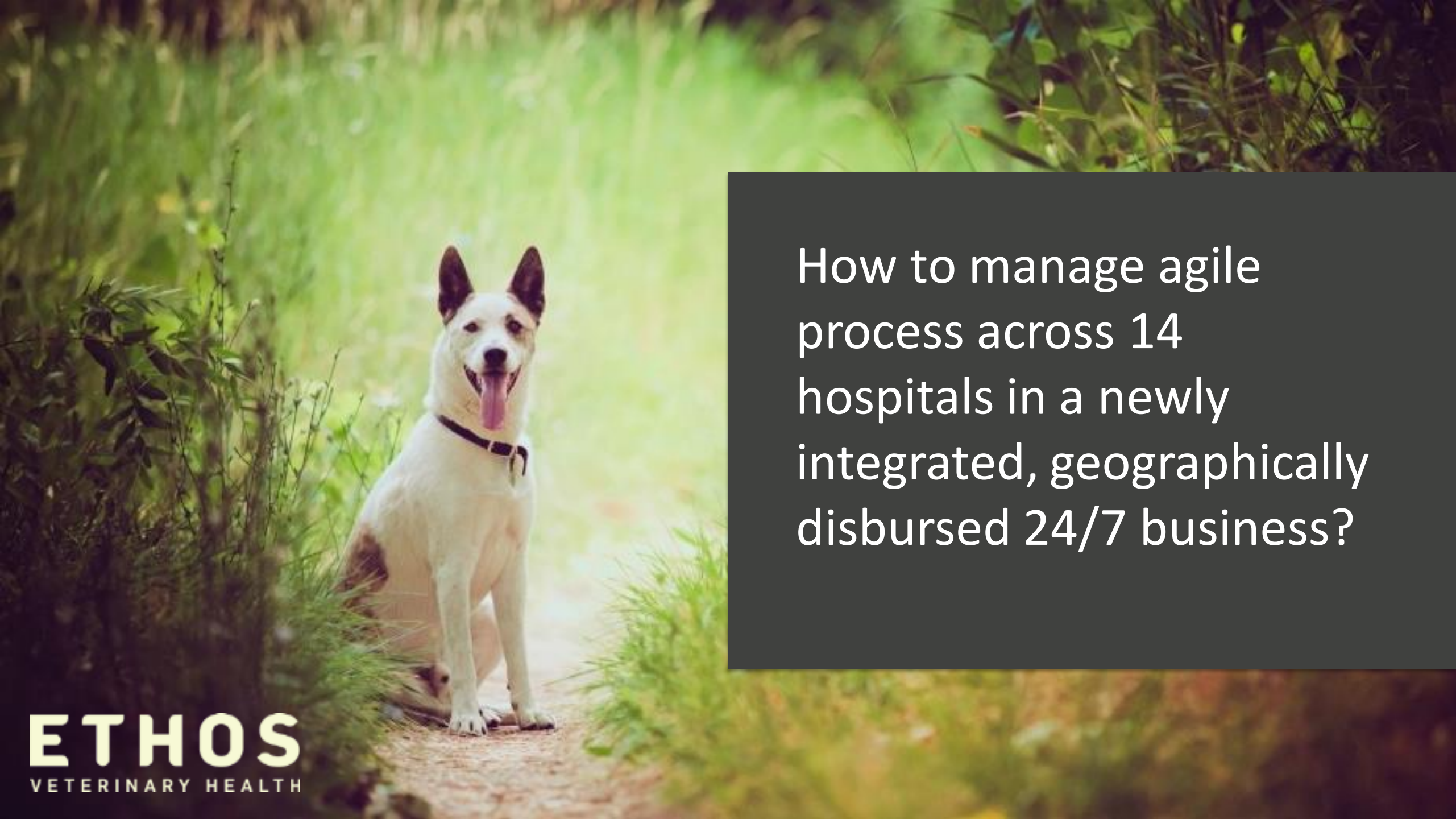
Key Result: How will we measure Success?

What's our Purpose?

five acres

2020 vision: leading in changing times

business IQ: integrated data systems that will inform decision making

business IQ: all supervisors will be trained in agency project mgt

children & families

20,000 children by 2020

cause awareness: increase cause awareness by 20%

financial vitality: 20% growth in revenue and G&A under 15%

workforce wellness: we will rank in the 80%tile for best companies

mission: we promote safety, well-being and permanency for children and their families by building on their strengths and empowering them within communities
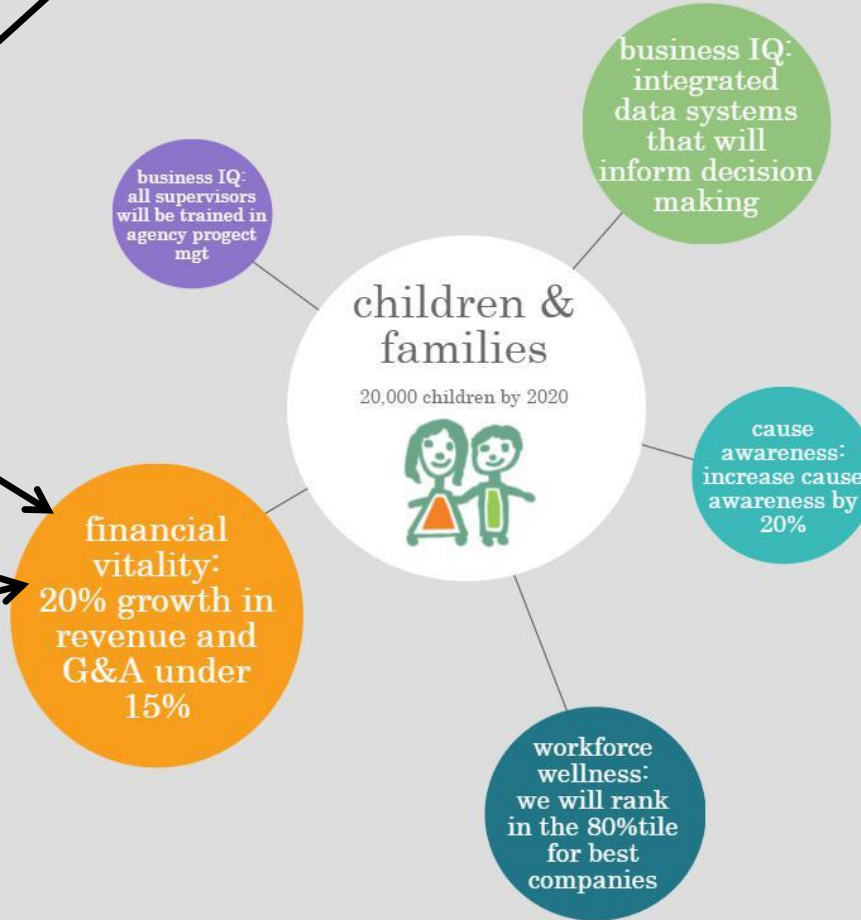
- Bottom up review of planning assumptions
- Agency-wide Vision & OKRs
- 16 teams developed their own OKRs
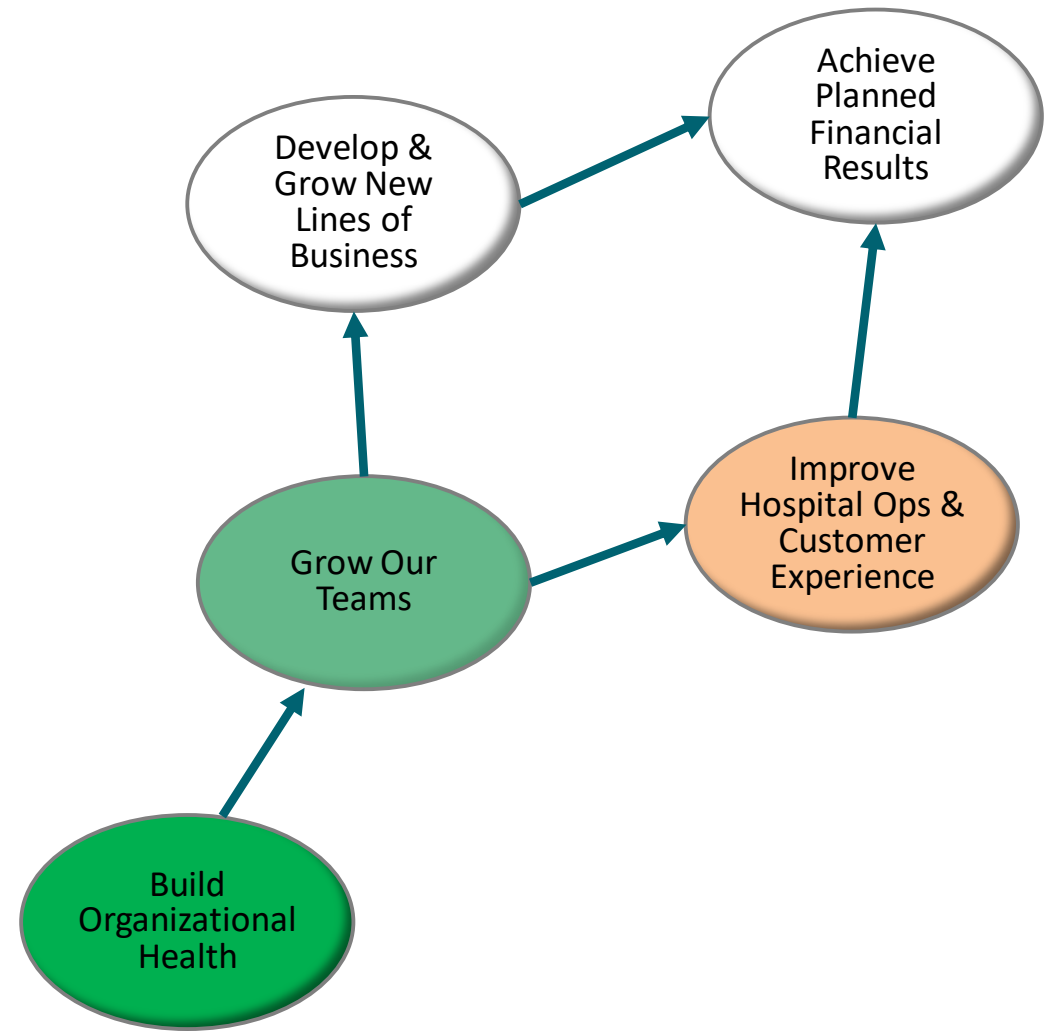- Big room meeting to celebrate, align, and prioritize
- Bi-monthly retrospective and reset

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How to manage agile process across 14 hospitals in a newly integrated, geographically disbursed 24/7 business?

ETHOS
VETERINARY HEALTH

Alignment Optimization™

Recognize Alignments

Reconcile Misalignments

Pinpoint Conversations

Coordinate Actions

Visualize Alignment

A Complete Opinion Dataset

- Measure & maximize alignment around:

  - ## ASSUMPTIONS

  - ## GOALS

  - ## CONSTRAINTS

- ASYNCHRONOUS - online alignment cycle with minimal commitment of face to face meeting time

- ANONYMOUS - to reduce bias and power dynamics

- FAST – 1/3 the time of a regular strategy process plus reduced meeting costs

Alignment Cycle Findings

- Strategy supported but not broadly understood – desire for more communication

- Need to address staffing, utilization and role definition issues immediately

- Concern that day to day hospital operations and customer experience may suffer due to competition from "bright shiny objects"

- Agreement on 47 detailed Goals

- Executive team prioritizes and fund Epics each quarter

- Each Epic is managed by a cross-functional team

- Teams:

  - Define Objectives & Key Results

  - Build an action portfolio, prioritize and manage projects within it

Develop & Grow New Lines of Business

Achieve Planned Financial Results

Grow Our Teams

Improve Hospital Ops & Customer Experience

Build Organizational Health

Simplifying the Complex: From 177 Opinions to 47 Goals to 5 Epics

The Mantra...

Thank you!

START LESS

AND

FINISH MORE