



ZEIT AKADEMIE



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AGILE TEAMWORK

3 methods for successful
innovations

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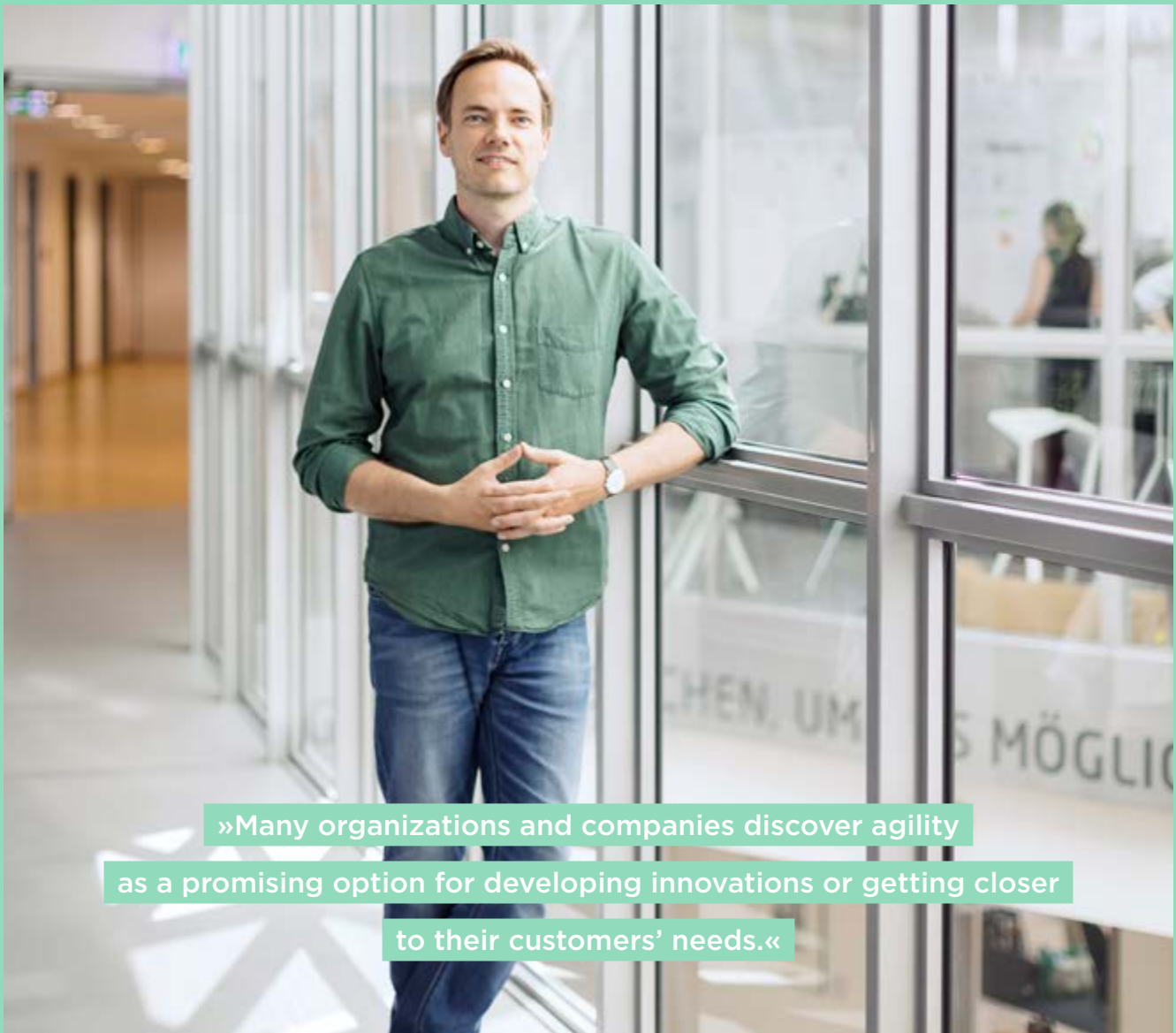




INTRODUCTION TO AGILE TEAMWORK

DR. HOLGER RHINOW

EXPERT IN DESIGN THINKING



»Many organizations and companies discover agility

as a promising option for developing innovations or getting closer

to their customers' needs.«

Agility is a concept that has been trending in management for some years. Seemingly every organization wants to be agile, as this means being able to respond flexibly, quickly and proactively to all manner of changes. Agile working methods offer young startups, traditional companies and international groups alike the opportunity to collaborate in small teams in order to analyze customer needs, improve products or develop innovations. Three agile methods, in particular, are prominent here: **scrum, lean startup and design thinking**. In the following chapters you will learn how the individual methods work, what they aim to achieve and the challenges that result from them.

What is agility?

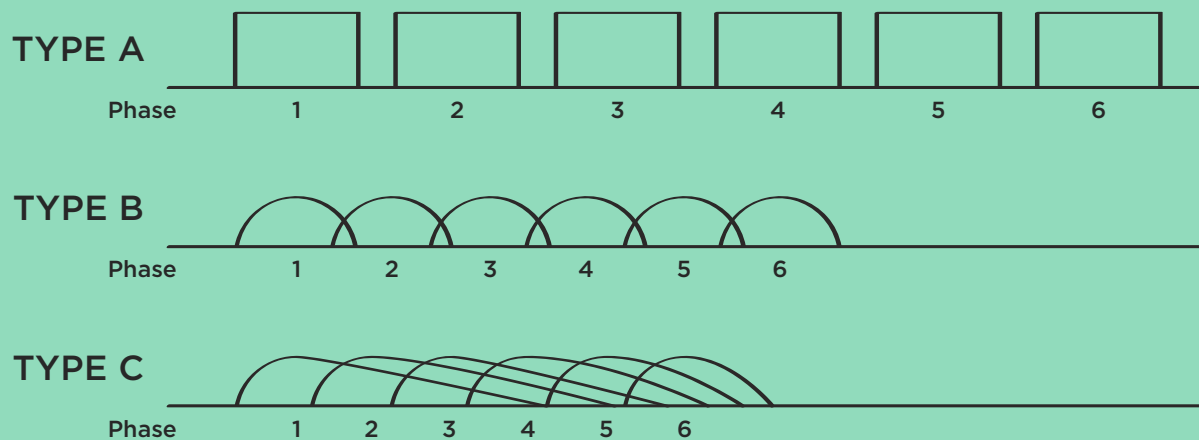
For a long time, the normal practice was to develop products entirely sequentially, meaning in a succession of separate steps. For example, one department would produce a market analysis and the next a requirements analysis, after which product designers, engineers and other employees were brought in one after another to design the production line, the quality management process and the business model. However, these sequential processes often led to problems, because the departments did not coordinate well with each other and written communications were imprecise or inaccurate. In addition, all these handovers and discussions took up time. The greatest disadvantage, though, was that products were immediately manufactured and put onto the market even if there was maybe no demand at all for them. The company would receive market feedback only years later, and an »update« would become possible only after another few years.

In the past, when markets and products were less complex, this way of working was feasible – **but now, technological**

innovations are being developed faster and faster, and these are resulting in a constant flow of new needs and possibilities. The risks involved in developing new products in the old-fashioned way are simply too great.

In Japan, this realization led to **changed ways of working back in the early 1980s**. In companies there, tasks were no longer processed one after another, but production phases began increasingly to overlap. At the optimum level, there was complete overlap among all the stages of development. As a result, individual departments were now compelled to engage much more in communicating with each other, coordinating and defining common goals. This changed way of working meant very many more innovative products could be developed with a substantially reduced time to market (*from idea to cash*).

SEQUENTIAL VS. OVERLAPPING PHASES OF DEVELOPMENT



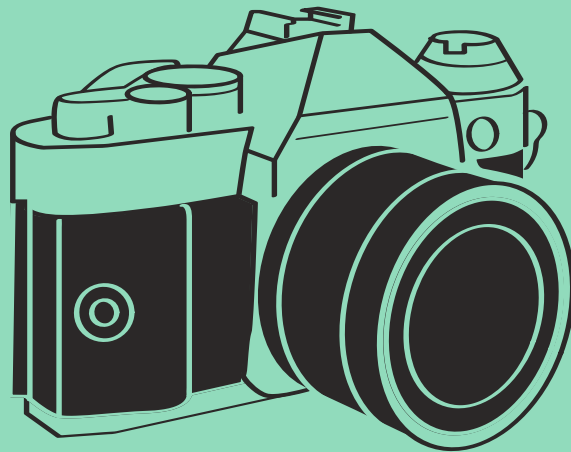
Source: Takeuchi and Nonaka, 1986

WORKING METHOD IN JAPAN

In traditional product development, each step was completed before a new one began (type A). Then teams experimented with having some overlap between the tasks of individual departments or individuals, which resulted in an increasing amount of simultaneous work (type B). The greater the overlap between the steps, the faster the teams became in developing the product, but this meant they had to interact far more with each other (type C)

The Japanese researchers Hirotaka Takeuchi and Ikujiro Nonaka investigated the influence that these changes in collaboration among development teams had on innovation in Japan in the early 1980s. In 1986, they published the article, »The New New Product Development Game,« where they first used the metaphor of a *collaborative game* to describe the shared work of Japanese development teams on a product or project.

Nonaka and Takeuchi examined just the development of hardware. One famous example that they cited was the development of the Canon AE-1, a single-lens reflex camera. This product was Canon's last attempt to catch up with its rival, Nikon, which at the time was streets ahead. The camera proved to be revolutionary in terms of price, size and technology and it soon gained huge market shares.



THE CANON SLR CAMERA

was a sales success that put the company ahead of its rival Nikon

The idea of cross-functional teams

According to agile principles, products are created across departments and with very close coordination among everybody involved in the development process.

But how are the individual departments now supposed to know how to proceed? For example, if the task is to develop a small, low-cost SLR camera with a super-fast autofocus that any enthusiastic amateur photographer can afford, how can that problem be approached?

Every task requires new competencies, which means that in agile companies, teams are constantly being put together from scratch. The idea of agile work is that **teams are cross-functional** – meaning that the development team should, as far as possible, have within it employees with a variety of skills and types of knowledge, to enable them to solve complex tasks quickly and independently. In their article, Takeuchi and Nonaka wrote about autonomous, cross-functional teams working together on one concrete task. They are independent and autonomous in the sense that they themselves decide how to solve a problem, although they do not define the problem itself.

Principles, rules and values of agile work

The changed nature of their collaboration enabled teams to go to market in faster iterations. This resulted in earlier feedback, which meant products could be improved or adapted to market requirements more quickly. Teams also started working deliberately with ignorance and putting products onto the market on a *good enough for now* basis, to see what would happen. For example, the need for an app store for Apple became apparent only after the first iPhone came onto the market.

Therefore, a key by-product of agile ways of working is **accelerated learning on a real product**: the more often a team tests a product on real customers or users, the better it can adapt it to market requirements.

However, agility does not mean that one employee should suddenly take on the work of ten colleagues and complete it in the shortest possible time. In other words, the point of agile working is not to achieve more throughput. Instead, it has a **focus on effectiveness**. The aim is to »build the right thing« – not the same product that is merely »cheaper and faster.«

The principles described by the two scientists Takeuchi and Nonaka were initially adapted outside Japan in software development, probably because experiments and tests can be performed faster and more easily in software development than in hardware production. However, this new form of collaboration was not given a name until 2001, when a group of software developers in the United States came together and formulated the »Agile Manifesto.« This declaration formulated the principles, rules and values of agile teamwork for the first time.



TO THE POINT

- The core element of agility is cross-functional teams, who work autonomously to find a solution to a pre-defined problem.
- A lot of their work revolves around tests on customers, and the development process involves trying out, adapting and trying again. As a result, teams learn more quickly and are able to adapt their ideas to customers' or market requirements.
- Agile working does not mean companies producing more, faster with the same employees. Rather, it is about »producing the right thing« - a product that is tailored to the market and customers.



QUIZ

1.

What is a cross-functional team?

- A A team composed of managers from different areas who decide together how the agile method is to be implemented
- B A team composed of equal numbers of women and men and covering as many age groups as possible
- C A team in which employees from as many different areas as possible and with the widest variety of skills work

2.

Agile working focuses on efficiency, not effectiveness.

- A True
- B False

2. Answer B is correct: the focus is on effectiveness, which means building the right thing – not the same thing faster and more cheaply.

1. Answer C is correct, because the team is supposed to be in a position to solve the problem without outside help and to make decisions autonomously and quickly.





Dr. Holger Rhinow

studied media consulting, political and social sciences and business administration in Berlin and New Zealand. He held a scholarship on the design thinking research program, which is offered by the Hasso Plattner Institut (HPI) in Potsdam in collaboration with the Stanford University School of Engineering in California. He is the author of numerous specialist articles, has already worked for a variety of organizations and agencies in innovation and strategy development and was a lecturer at the University of Applied Sciences in Berlin.

Today, he is a program manager at the HPI Academy and supports companies in implementing design thinking in agile working and learning environments. The HPI Academy has offered courses and workshops for professionals, specialist workers and managers since 1999. It is located on the Potsdam-Babelsberg campus, very close to the HPI digital engineering faculty and the University of Potsdam.



Markus Andrezak

is a veteran of the German internet. He was researching semantic networks before the term had been invented. He was designing and building large internet products back in the late 1990s. Today, Markus Andrezak advises numerous companies in the fields of strategy and agility. Many publications and talks have also made him well known on the international agility and kanban scene. He is a fellow of the Lean Systems Society and was nominated for the Brickell Key Award in 2012. He is also a certified innovation games facilitator.



Jan Schmiedgen

is an innovation researcher and strategist majoring in lean innovation. He is also very well informed in the fields of interaction design, social sciences and business management. Jan Schmiedgen advises companies on all aspects of design-driven strategy, ranging from startups and small and medium-sized businesses to DAX-listed groups. He is cofounder and partner of the co:dify Group, which supports managers and change agents in building sustainable and human-centered innovation systems in their organizations.



Selina Mayer

studied occupational, organizational and business psychology, as well as design thinking. She has worked for both a global technology company and a small Berlin startup and has thus become familiar with a very wide range of structures and work cultures. She is now putting this knowledge to use as a program manager at the HPI Academy in Potsdam, where she develops and delivers the most varied learning formats. Selina Mayer supports companies and individuals on their learning journeys, both by holding method-focused design thinking workshops and by giving input to long-term solution-oriented projects.



Flavia Bleuel

studied communication and media sciences, psychology and English linguistics at Friedrich Schiller University in Jena. She has worked as a lecturer at the University of the Arts in Berlin, teaching the social and business communication course. Today, Flavia Bleuel is a program and team manager designing and moderating innovation formats for professionals at the HPI Academy in Potsdam. Her main focus there is on methodical deep-dive formats, project sprints and implementation strategies. She coaches young innovators at the HPI School of Design Thinking. She teaches innovation and communication research and media psychology at a wide range of universities and colleges.

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