

Agility is Inefficient

Klaus Bucka-Lassen

Closing Keynote
GOTOpia Chicago
April 20th, 2021

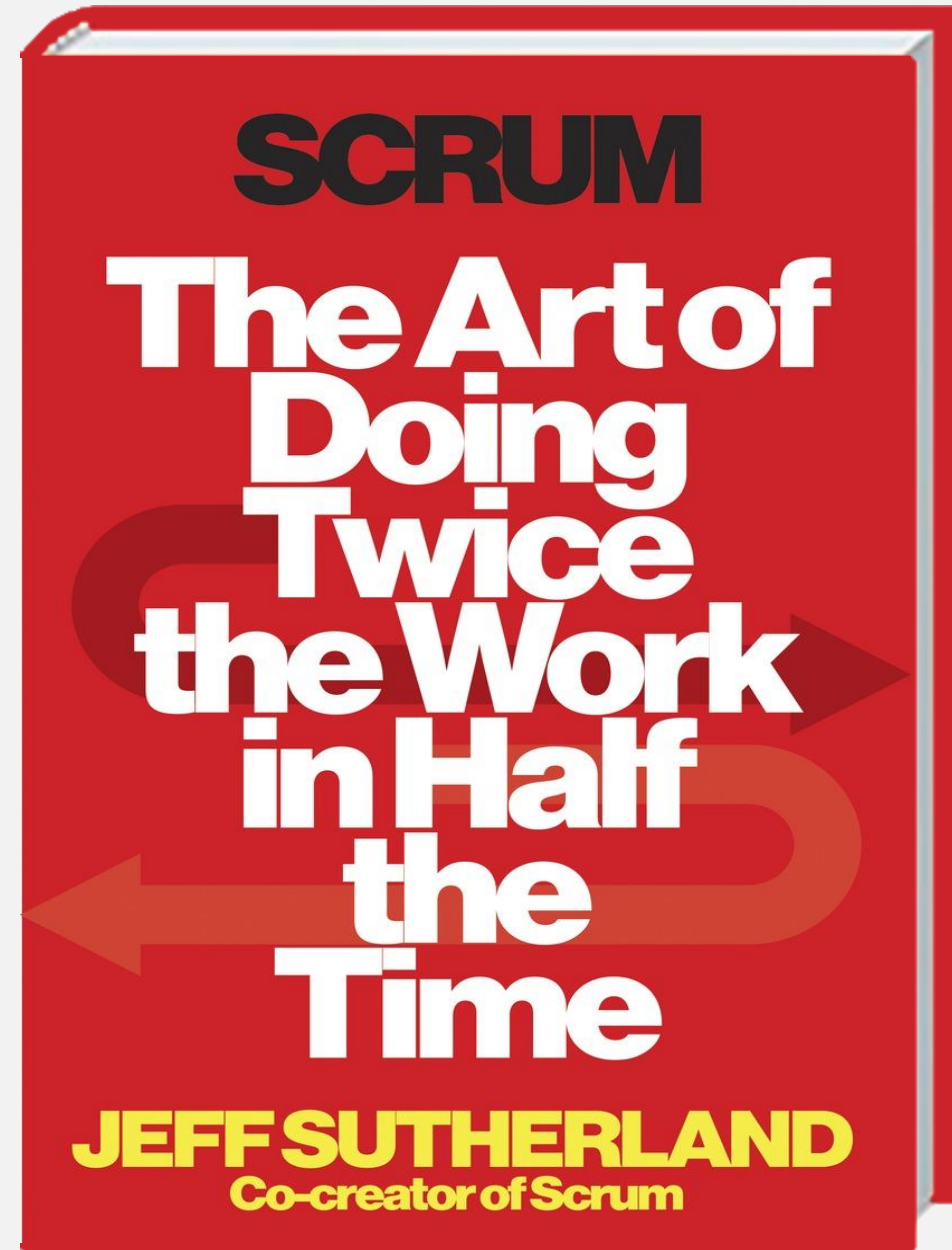


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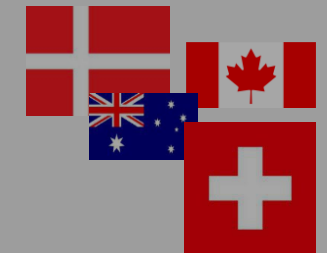
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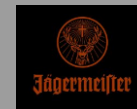
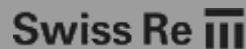
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Agile Trainer, Coach & Consultant
Speaker at Agile Conferences



More than 20 co-trainings
with **Jeff Sutherland**



Goal

- Provoke Discussion
- Detect «Fake gility»



**DOING
THE
RIGHT
THINGS**

EFFECTIVENESS

EFFICIENCY

**DOING
THINGS
RIGHT**

Where is the Customer?

HOW

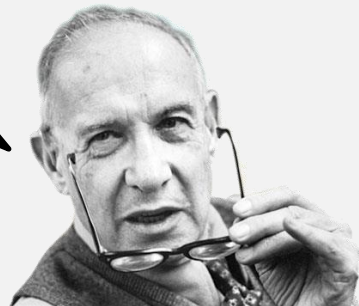
- EFFICIENCY = looking inwards, defining and optimizing processes, automate, ...
- EFFECTIVENESS = looking outwards, observe the market, pivot, innovate

WHAT

Success

“It’s **more important** to
do the right things than
to do things right”

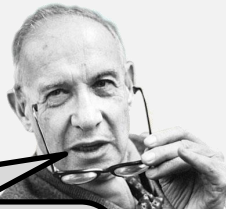
— Peter Drucker



«DOING THE
RIGHT
THINGS
RIGHT»

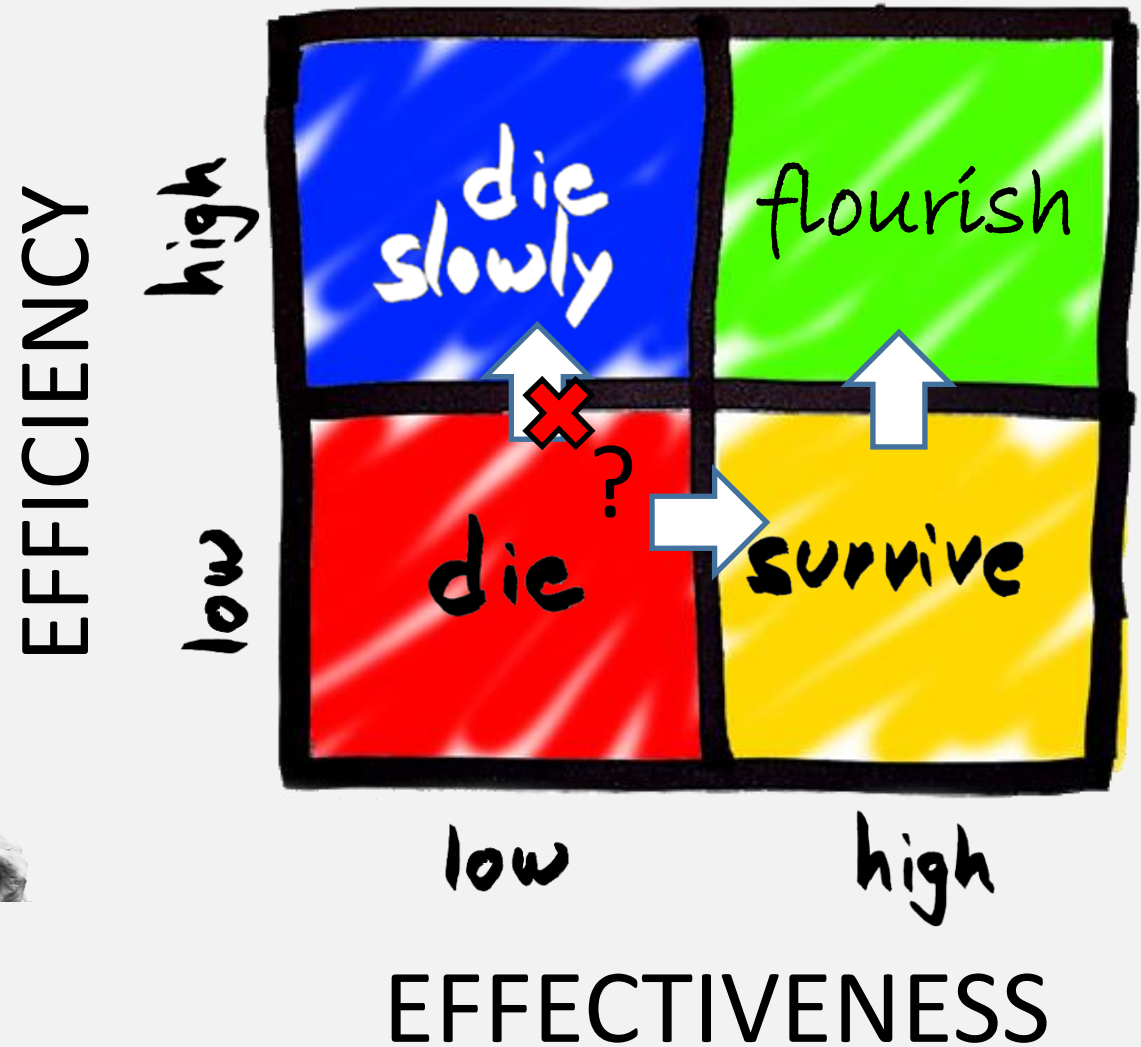
[EFFICIENCY * EFFECTIVENESS]

Strategy



*“There is nothing quite so **useless** as doing with great efficiency something that **should not be done at all**”*

— Peter Drucker



Strategy

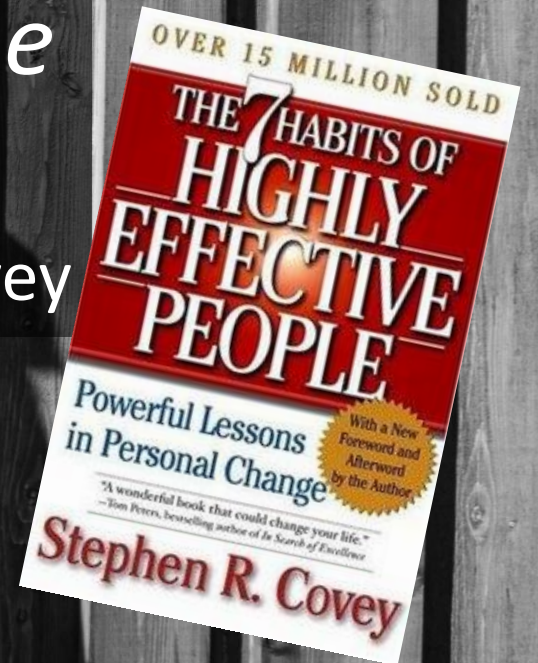
What comes first?

EFFICIENCY

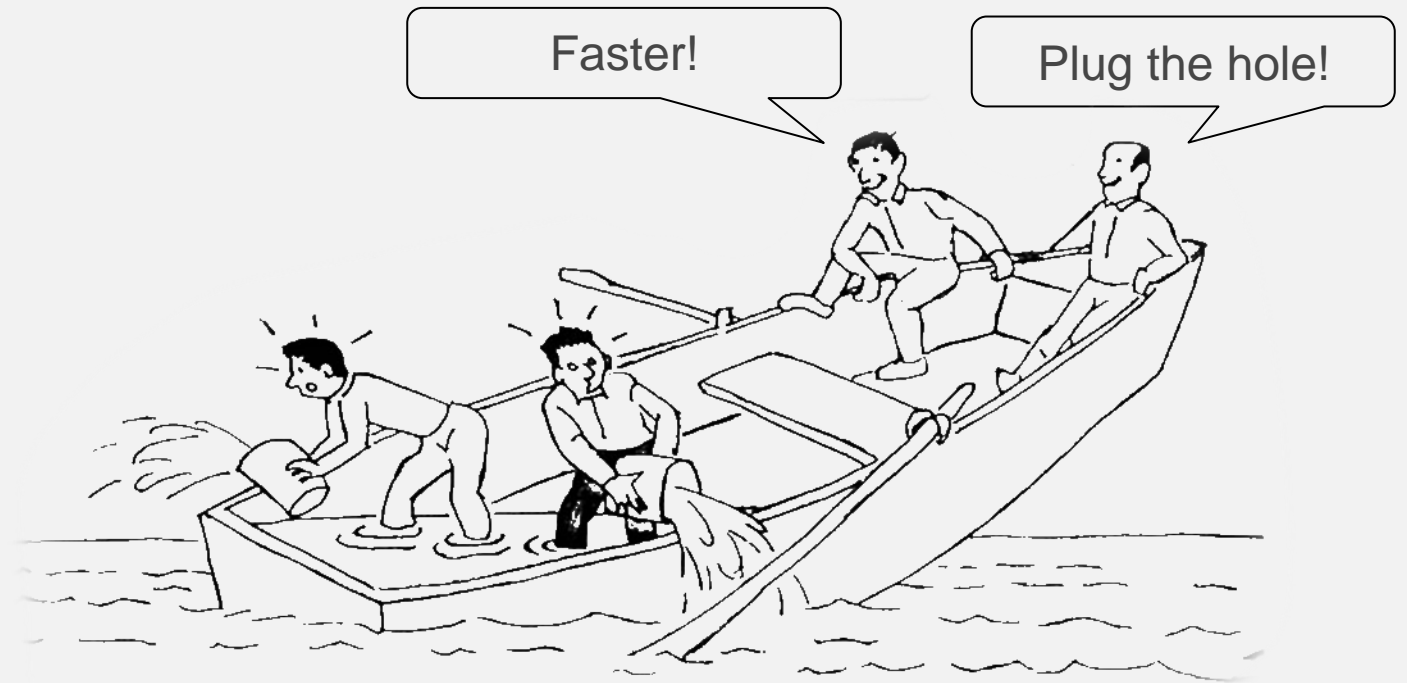
or EFFECTIVENESS

"If the ladder is not leaning against the right wall, every step we take just gets us the wrong place faster"

—Stephen R. Covey



MR. EFFICIENCY?
MR. EFFECTIVENESS?



FOUR EXAMPLES

a)





+ 9085 branches

Bankrupt Because of Efficiency

“The irony is that Blockbuster failed *because* its leadership had built a well-oiled operational machine. It was a very tight network that could execute with extreme efficiency, but poorly suited to let in new information.” [Forbes]

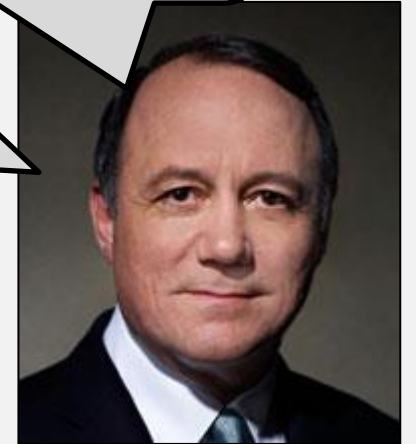
[Forbes, Sept. 2014]

Blockbuster

2008

“Neither **RedBox** nor **Netflix** are even on the radar screen in terms of competition”

“DVDs are a melting glacier...Yes, it’s melting, **but it’s a slow melt.**”



Jim Keyes, CEO



Kevin Lewis
Head of Digital Strategy

“We’re strategically better positioned than almost anybody out there. Never in my wildest dreams would I have aimed this high.”

2010

Netflix, Inc. (NFLX)

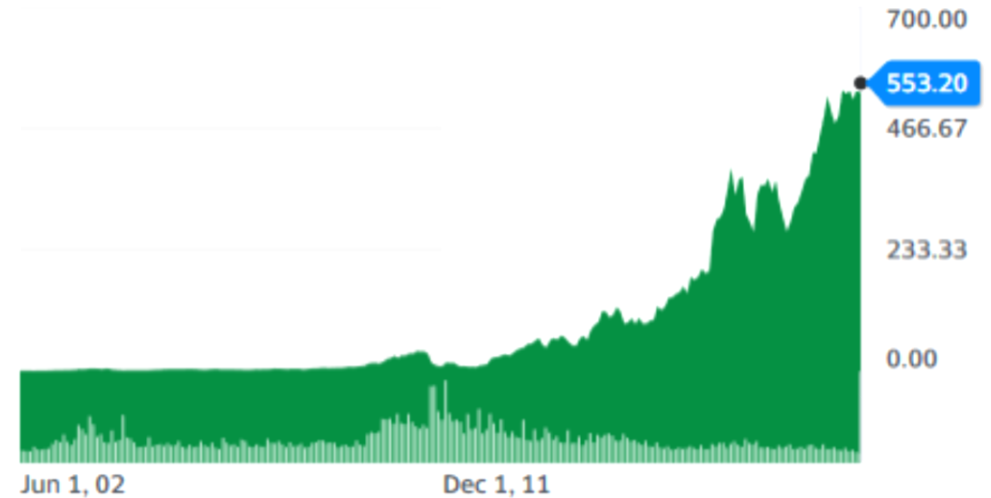
NasdaqGS - NasdaqGS Real Time Price. Currency in USD

553.12 +6.58 (+1.20%)

As of 3:36PM EDT. Market open.

Previous Close	546.54	Market Cap	245.063B
Open	546.90	Beta (5Y Monthly)	0.79
Bid	552.97 x 800	PE Ratio (TTM)	90.96
Ask	553.23 x 900	EPS (TTM)	6.08
Day's Range	545.53 - 556.44	Earnings Date	Apr 19, 2021
52 Week Range	393.60 - 593.29	Forward Dividend & Yield	N/A (N/A)
Volume	3,141,503	Ex-Dividend Date	N/A
Avg. Volume	4,570,830	1y Target Est	622.74

1D 5D 1M 6M YTD 1Y 5Y **Max**



Trade prices are not sourced from all markets

b)



**CAN ANYONE
CATCH THE
CELL PHONE KING?**

Forbes, 2007

- ▶ “... Nokia's problem was that it had a completely inflexible global platform and the processes that went with it. Nokia was like a **very large ship** that took forever to change direction. Nokia could only do as well as they could forecast trends and the market environment 18 months out. This is completely different than how Samsung operates.

The iPhone and touch screen devices were a big disruption in the market. Nokia was a really **efficient machine**, but efficient at producing the **wrong type of product**. Their **internal structure and way of operating made it very hard to respond** to the iPhone ...”

“Who Killed Nokia? Nokia Did”
comment from a former employee



The Business School
for the World®



Steve Balmer on the iPhone 2007



c)

Matthias
Müller
on Tesla
Oct. 2017

Die Zukunft der Automobilindustrie


VERLAGSGRUPPE PASSAU



“The Future of the Automobile Industry”, Passau, 2017

"I like our strategy"

Die Zukunft der
Automobilindustrie



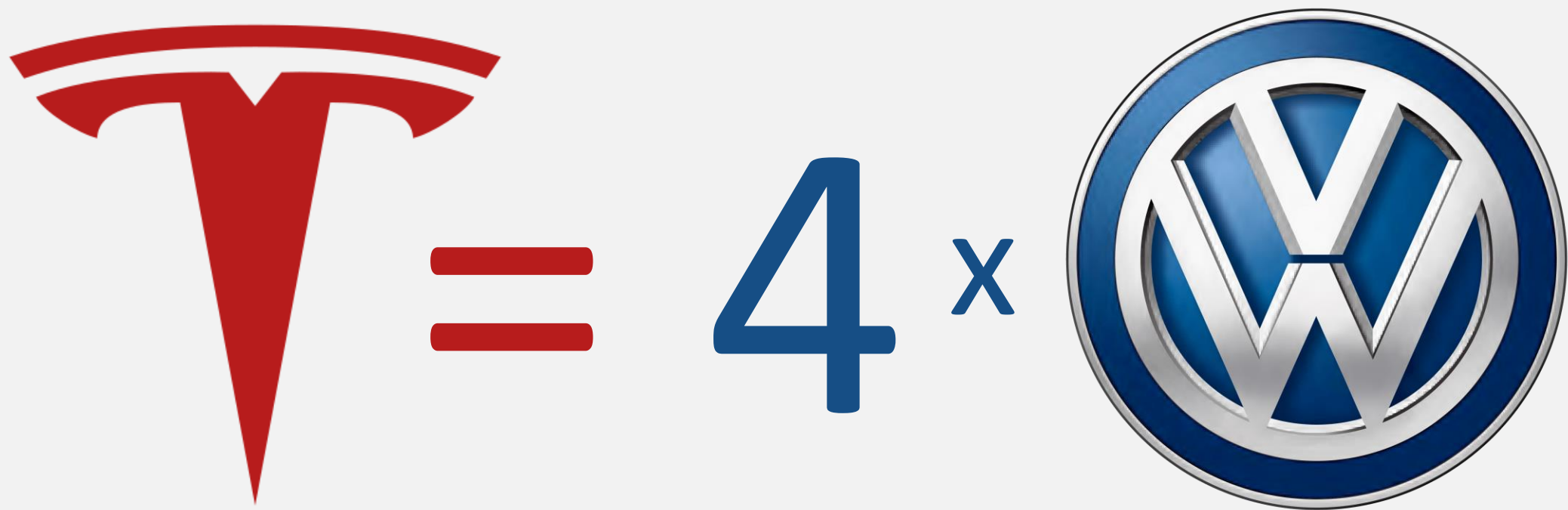
VERLAGSGRUPPE PASSAU

October 19th, 2017



+75%

April 19th, 2021





d)



4

Warning Signs



#1

Budgets & Cost Cutting

(rather than continuous funding)



#2

Company Run by Process People

(rather than product people)

HEAD OF PROCESS EXCELLENCE PROGRAMME

██████ is the leading Swiss private banking group with a focus on servicing and advising sophisticated private clients and a premium brand in global wealth management. That is why a comprehensive range of services and first-class service quality are essential – as are the committed teams that provide them.

YOUR CHALLENGE

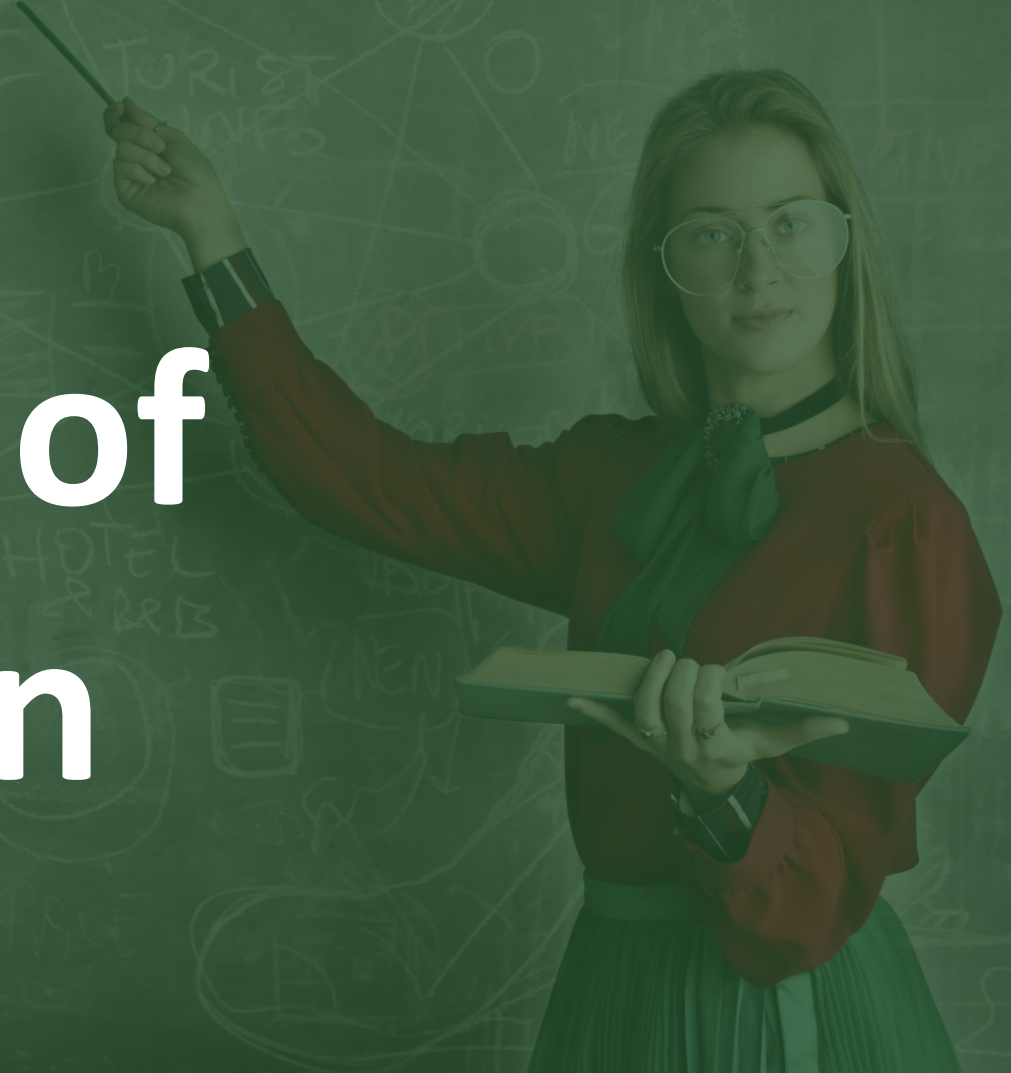
- As Head of the Process Excellence programme, you build, structure and lead a new high-profile team of multidisciplinary professionals to transform ██████ process portfolio, actively driving comprehensive change across all areas of the organization. Your team acts as a centre of competence for **process design and optimization** work across ██████, with initial focus on the bank's Swiss booking platform
- You shape the process transformation programme at ██████ by developing and maintaining a comprehensive overview of the bank's process portfolio and identifying process **optimization measures** jointly with the organization. You actively support the design of new processes and **control transformation success centrally**. You assume a strategic, yet hands-on operational role and leverage your entrepreneurial spirit to chart the team's course
- You build sustainable and strong links to all levels in the organization, from senior management to business leaders and ██████ staff working on **processes to be optimized**. You actively trigger discussions with management and process owners around **process excellence** and align, challenge, measure and steer process transformation efforts in close collaboration with business. You see yourself as a service provider and become a trusted advisor
- You apply a structured process transformation framework, develop process-related documentation, modelling and governance standards and **enforce adherence**. You continuously enhance approaches, methods and tools used by the team, also leveraging **best practices** from other industries. You stay ahead of latest developments in the area of process excellence and form views on how to develop the program further
- You foster a culture of **continuous improvement** throughout all levels of ██████. For this purpose, you define targeted communication and training measures and leverage your

#3



High Degree of Specialization

(I over T-shapedness)

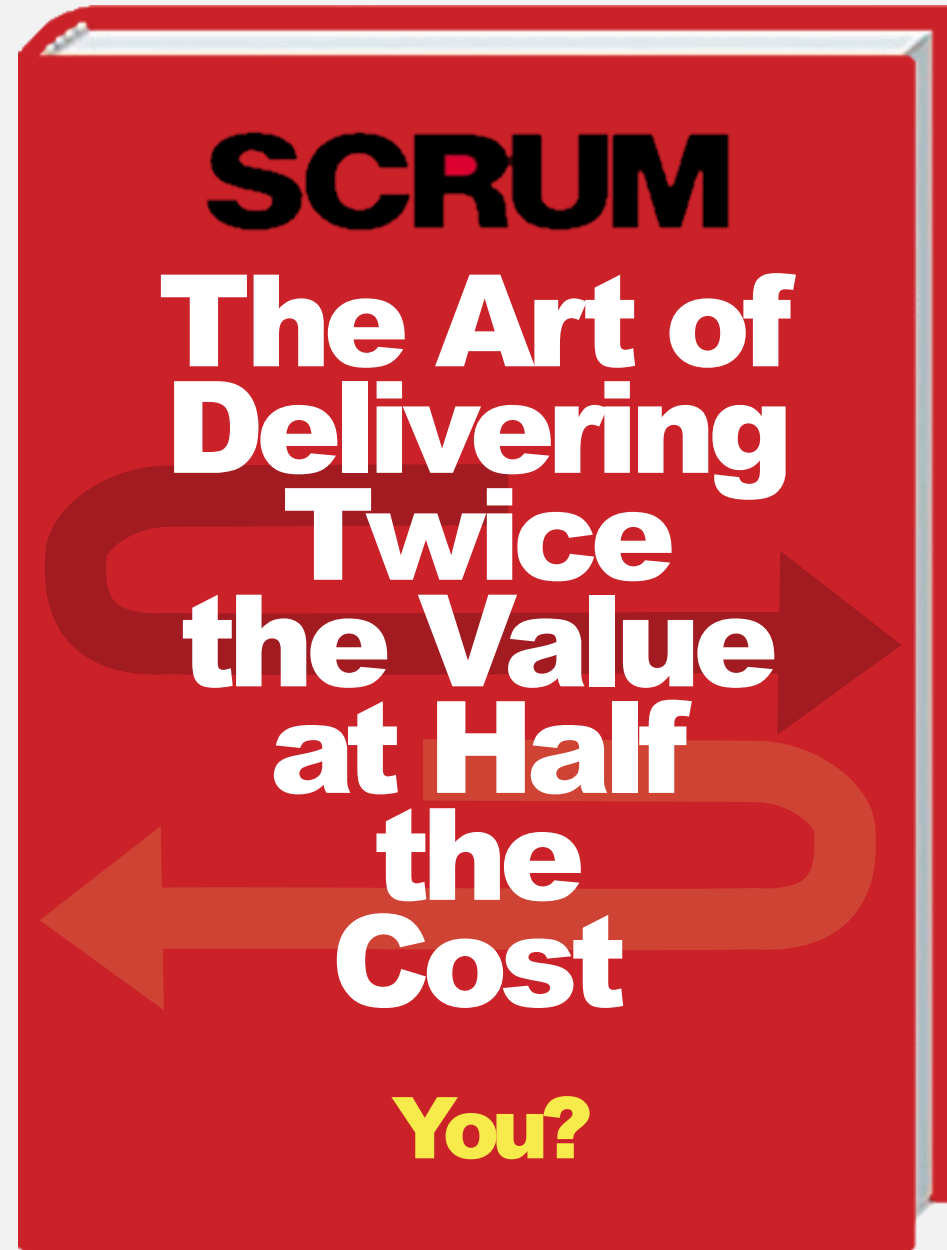


The background of the slide is a monochromatic orange-tinted photograph of an industrial facility. Several tall smokestacks are visible, with thick plumes of smoke or steam rising from them into the sky. In the foreground and middle ground, there are several high-voltage electrical transmission towers (pylons) with cross-arms, and a network of power lines stretching across the scene. The overall atmosphere is hazy and industrial.

#4

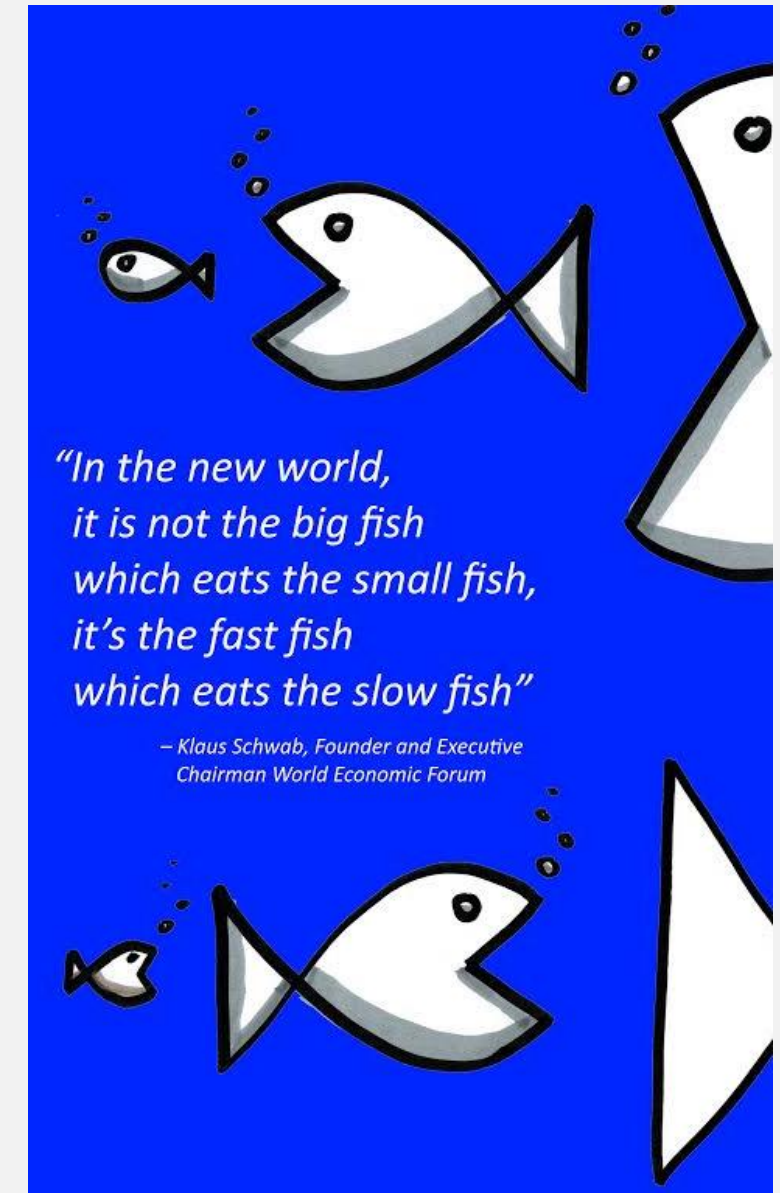
Utilization Maximization

(not even being *efficient*)



Summary

- Agility is ***also*** about **efficiency**, but **effectiveness** is ***more important***, and *must* come first
- The more **complex** your context, the more important is effectiveness (and therefore agility)
- **Be aware (!)** when people in your vicinity primarily speak to efficiency (or even worse to maximization of *utilization*)
- **Small steps** with regular course corrections will lead to a better result (even if small steps *might* feel inefficient)
- **Scrum is awesome**. It will make you more efficient, but even more so increase effectiveness (if you do it right)!

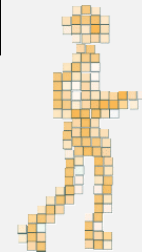


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Thank you for
your attention



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Did you enjoy this keynote? Drop me a line, post on **LinkedIn** and tag me, join me for a **Scrum Course** (Scrum Master, Product Owner, Scrum@Scale), or allow me to support you and your organization in becoming more agile