

Agility is Inefficient

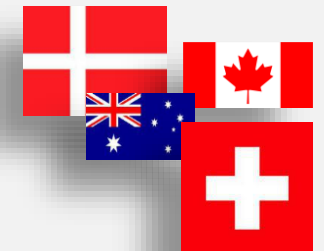
GOTO Aarhus
June 15th, 2022



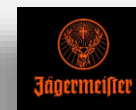
Klaus Bucka-Lassen
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Agile Trainer, Coach & Consultant
Speaker at Agile Conferences



BESTSELLER



Agility is Inefficient

Klaus Bucka-Lassen

GOTO Aarhus
June 15th, 2022



loading...

Agility is Inefficient

Klaus Bucka-Lassen

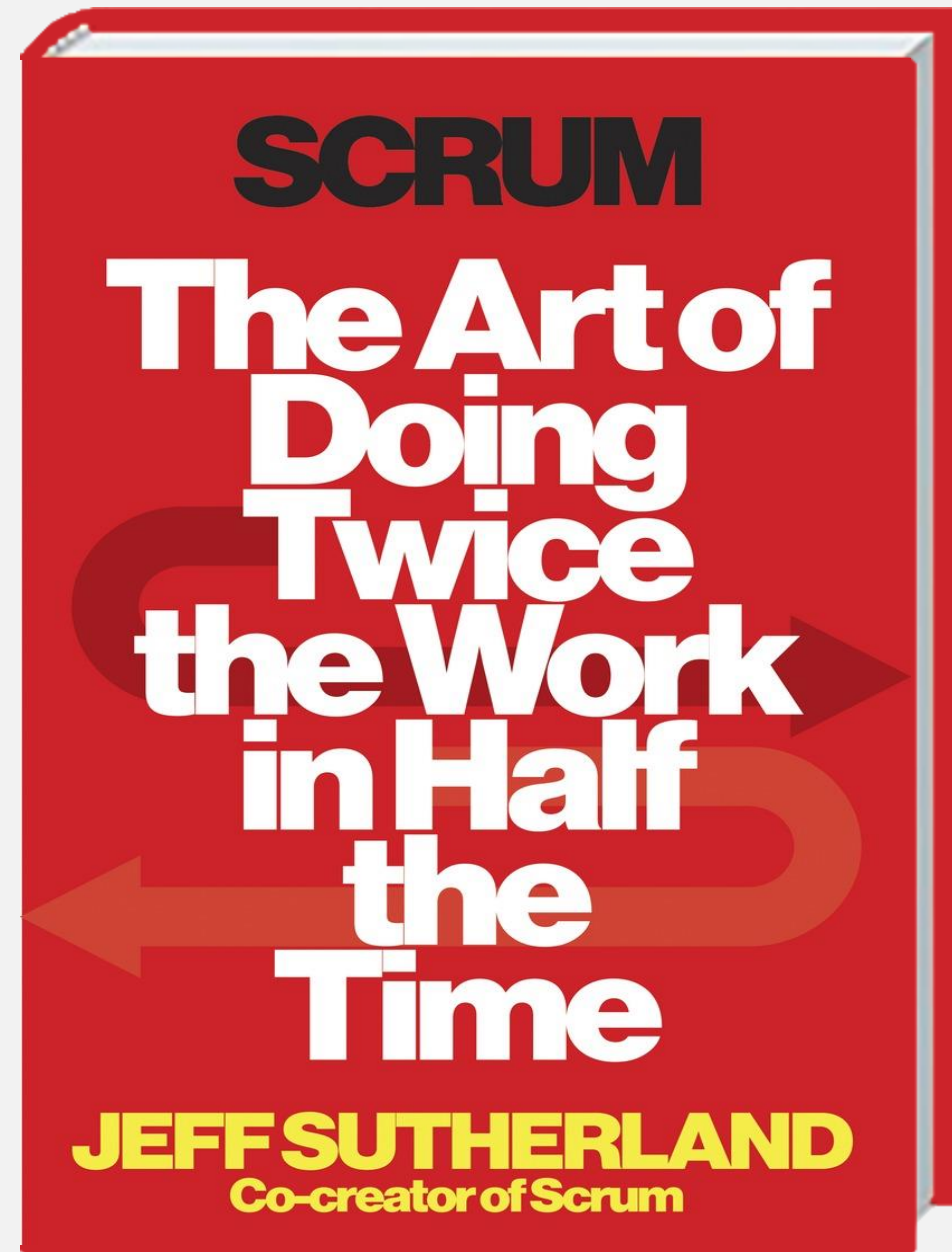
GOTO Aarhus
June 15th, 2022



Agility is Inefficient

Klaus Bucka-Lassen

GOTO Aarhus
June 15th, 2022



Goal

- Provoke Discussion
- Detect «Fake gility»



Worst words on the job

Danish Association of Lawyers and Economists

DJØFBLADET

Sådan satte I jeres krydser

4.053 læsere deltog i afstemningen, hvor man kun kunne stemme på ét udtryk. Stemmerne fordelte sig meget bredt. "Det er jo helt umuligt at vælge én favorit blandt den perlerække af kvalmestimulerende ord og udtryk," som en læser skrev.

	Udtryk	Andel af stemmerne
1	Rejse	11,2%
2	Jeg hører, hvad du siger	10,3%
3	Agil	9,7%
4	Vi lægger sporene, mens vi kører (etc.)	7,8%
5	Spille hinanden gode	6,7%
6	Must win battles	5,8%

www.djoefbladet.dk, June 2nd 2022

**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, ...

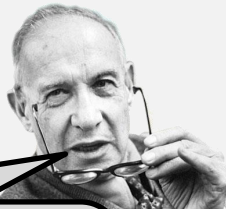
WHAT

Success

«DOING THE
RIGHT
THINGS
RIGHT»

[EFFICIENCY  * EFFECTIVENESS]

Strategy



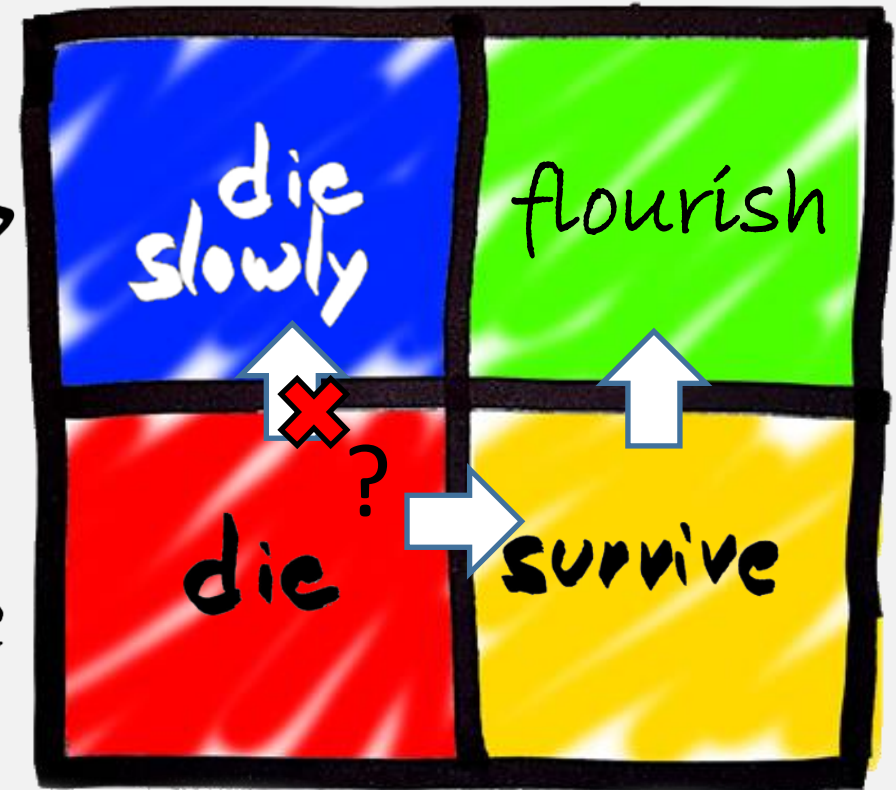
*“There is nothing quite so **useless** as doing with great efficiency something that **should not be done at all**”*

— Peter Drucker

EFFICIENCY

high

low



low

high

EFFECTIVENESS

Strategy

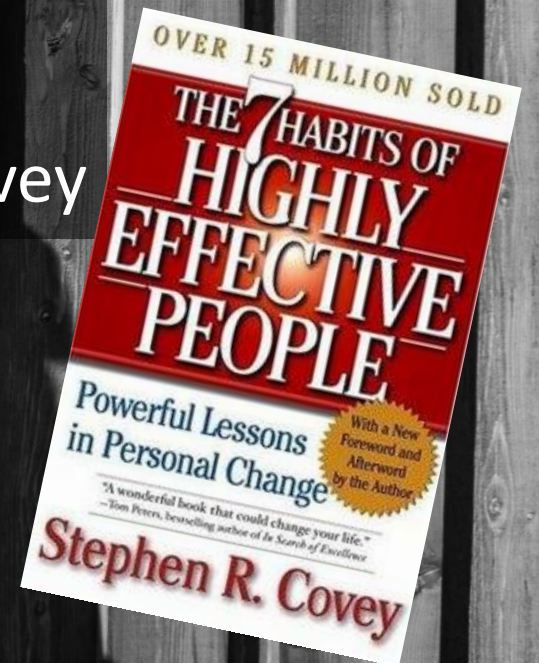
What comes first?

EFFICIENCY

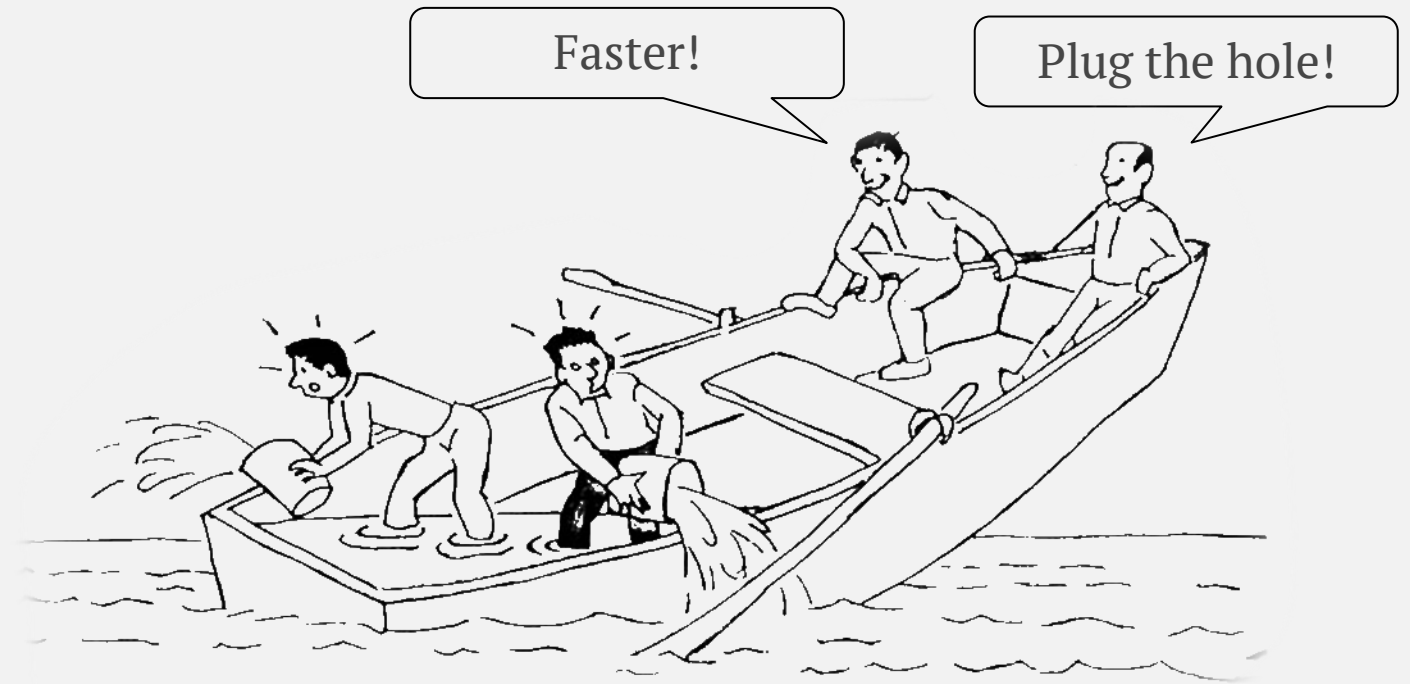
or EFFECTIVENESS

“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?



A FEW 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]

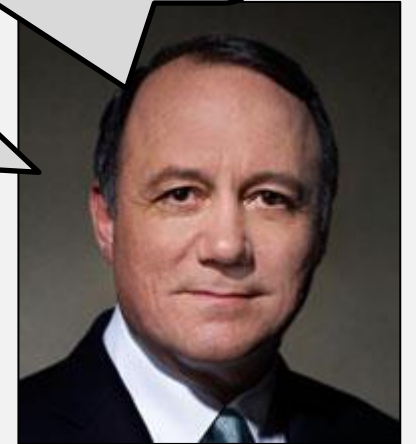
[Forbes, Sept. 2014]

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)

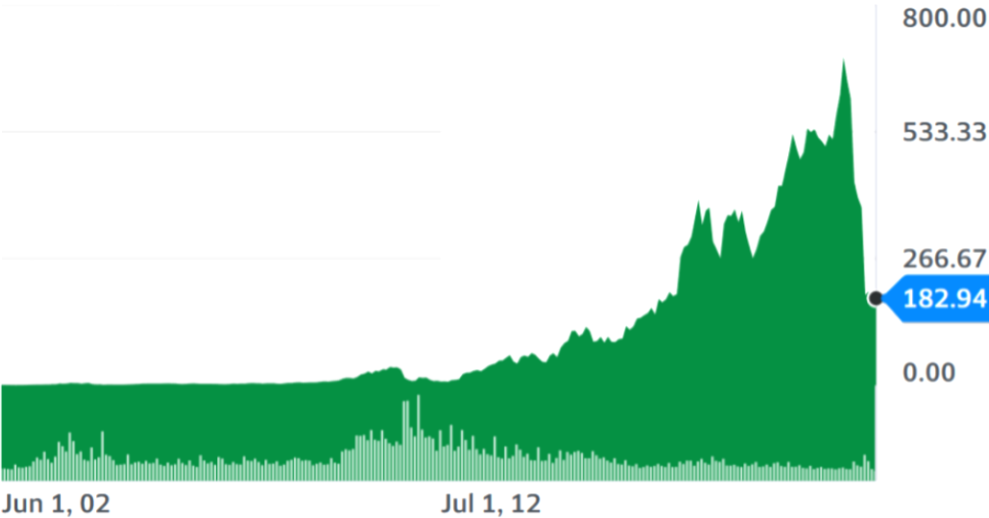
NasdaqGS - NasdaqGS Real Time Price. Currency in USD

182.94

At close: June 10 04:00PM EDT

Previous Close	192.77	Market Cap	81.275B
Open	182.64	Beta (5Y Monthly)	1.28
Bid	182.40 x 2200	PE Ratio (TTM)	16.61
Ask	183.28 x 900	EPS (TTM)	11.02
Day's Range	180.91 - 185.86	Earnings Date	Jul 18, 2022 - Jul 22, 2022
52 Week Range	162.71 - 700.99	Forward Dividend & Yield	N/A (N/A)
Volume	13,074,280	Ex-Dividend Date	N/A
Avg. Volume	12,520,473	1y Target Est	323.00

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



Trade prices are not sourced from all markets

b)



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

VOW3.DE

TSLA



yahoo!finance

"I like our strategy"

Die Zukunft der
Automobilindustrie

M E
2017
WIRTSCHAFT

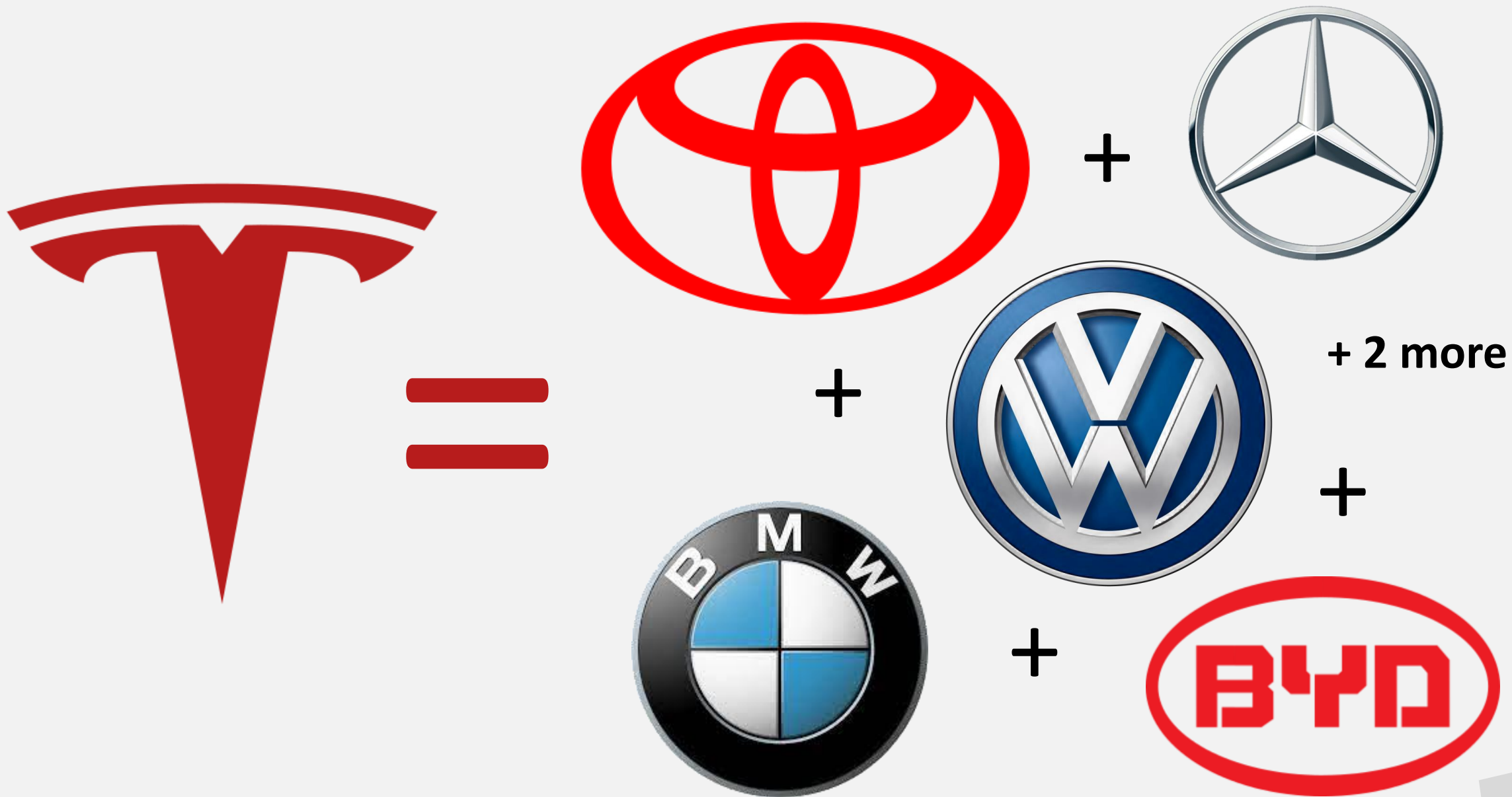
October 19th, 2017





7 x





“Efficiency-
expert, cost-
cutter and
strategist”

Süddeutsche Zeitung

Auto

Herbert Diess: Effizienz-Experte, Kostendrucker und Stratege

24. September 2019, 16:24 Uhr



Die Staatsanwaltschaft Braunschweig hat die Führungsspitze von Volkswagen wegen Marktmanipulation angeklagt. Aufsichtsratschef Pötsch, Vorstandschef Herbert Diess und dem Ex-Vorstandsvorsitzenden

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

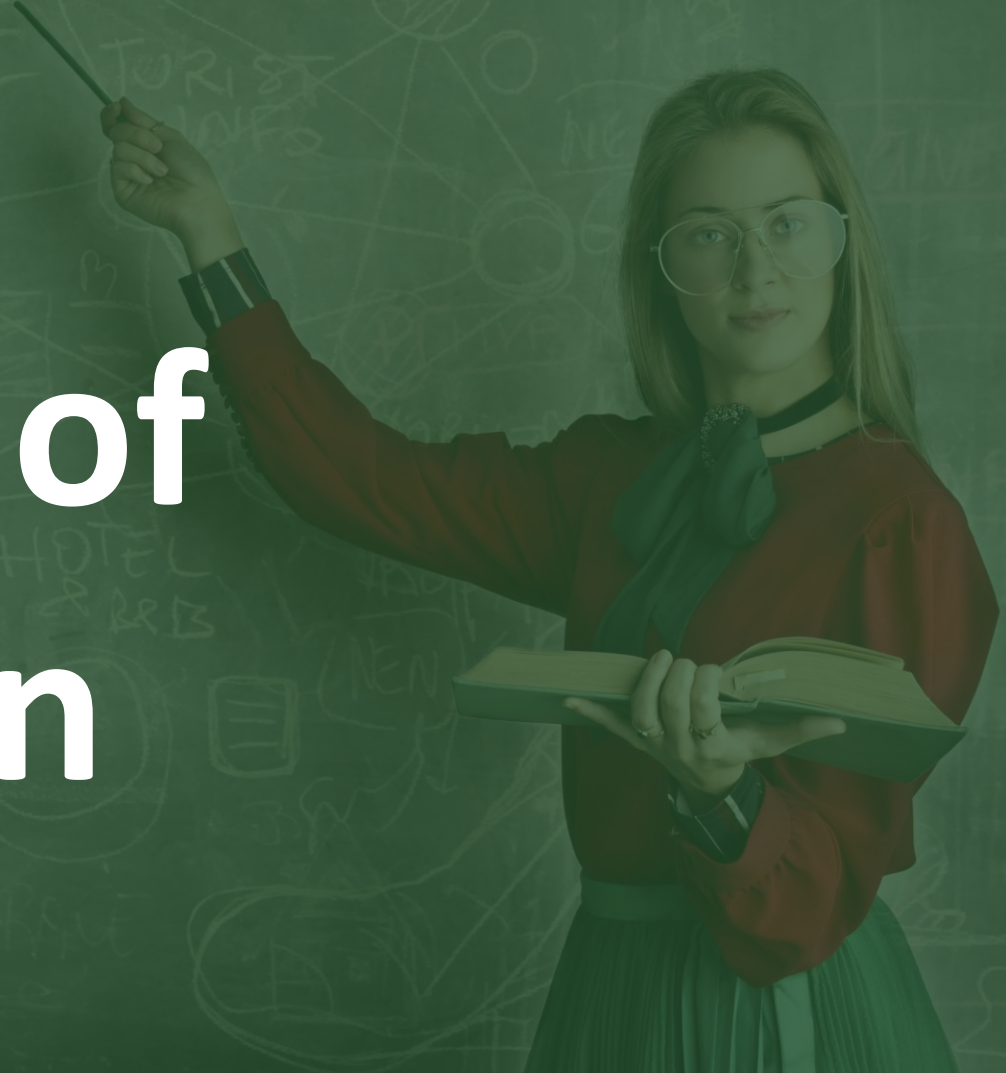
- As Head of the Process Excellence programme, you build, structure and lead a new high-profile team of multidisciplinary professionals to transform ██████████ process portfolio, actively driving comprehensive change across all areas of the organization. Your team acts as a centre of competence for **process 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)



#4

Utilization Maximization

(not even being *efficient*)

WHAT

NOW?

FIGHT



CONTAIN





FIGHT

Tactic:
Hack



CONTAIN

Tactic:
Adapters

Both start with curiosity:
Understand the **Why**
(goals, perspective, etc.)

EXAMPLE 1

Budgets



- **Why:** management tool to govern and control
- **Goal:** to stay within budgets
- **Perspective:** management wants status reports
- **Hack:** *Add* measurements, don't replace – exploit status meetings – talk about what matters: e.g. outcomes & impact

EXAMPLE 2

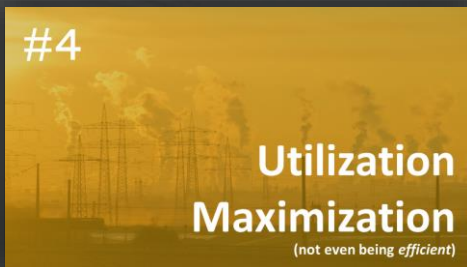
Specialism



- **Why:** specialization makes certain tasks quick
- **Goal:** ensure coverage of all necessary tasks
- **Perspective:** proud specialist
- **Contain:** Shadow specialist – build relationship – reduce dependency

EXAMPLE 3

Utilization



- **Why:** personal need to feel as contributor
- **Goal:** help the organization
- **Perspective:** team member feels under utilized
- **Contain:** identify lower-priority tasks outside team – team has priority

A person with long hair, wearing a red and blue plaid shirt, is sitting on a wooden dock. They are facing away from the camera, looking out over a calm lake. In the background, there are green hills and snow-capped mountains under a blue sky with some clouds. The dock is made of wooden planks and has two black posts on either side of the person.

“

.....

God, grant me the serenity to
accept the things I cannot change,
courage to change the things I can,
and wisdom to know the difference.

.....

– Reinhold Niebuhr

Third Option: RUN



(minor selection of)

Companies that have reinvented themselves

- Lego: Wood to Plastic to Digital
- Netflix: DVDs to Streaming
- Apple: Computers to Devices
- IBM: Hardware to Services
- Amazon: Books to Everything
- ...

Agility is Inefficient

**Thank you for
your attention**



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