Case Report: Hodge Industries – Agile

Grace Xiques

Knowledge Check

The Agile Mindset: What is it?

In 1970, the waterfall model was created which outlines a somewhat linear series of events for progressing a project from the initial ideation stages all the way to final implementation. This model was intended to coordinate project development across multiple teams and disciplines. However, many found that this model was too rigid, and it was unable to keep up with clients' changing needs and the increasing speed which technological advances offered businesses. Thus, the agile manifesto was released in 2001 in response to the waterfall model[1].

Agile is a general mindset for approaching business functions and organization. Agile encompasses four foundational values and is defined by twelve basic principles. Its four foundational values are: (1) individuals and interactions over processes and tools, (2) working solutions over comprehensive documentation, (3) collaboration over negotiation, and (4) responding to change over following a plan[2].

What Does Agile Solve and How is it Relevant?

The Agile mindset is best characterized by adaptability and responsiveness to change. With recent technology advances, businesses must learn how to quickly change course at a moment's notice to resolve problems and stay current in the consumer economy. While the waterfall method was linear, agile is structure as a free-moving circle as shown in Figure 1. The advantage of the agile mindset is that changes can be recognized and effected within hours which is incredibly important when clients change their mind or consumer desires change.
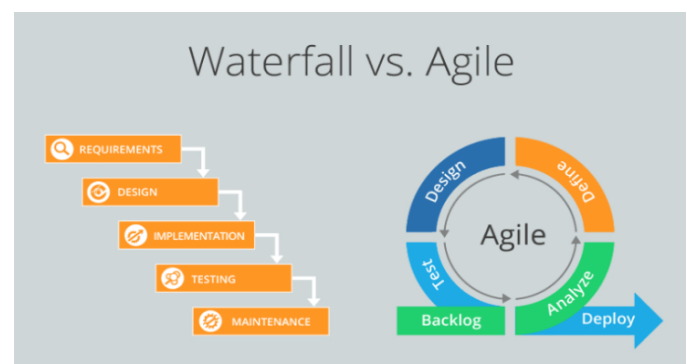

Figure 1

This image is property of trustradius.com. Graphic comes from the *What is the Difference Between Agile vs. Waterfall?* article.

[1] Sacolick, I. (2022, April 8). *A brief history of the agile methodology*. InfoWorld. https://www.infoworld.com/article/3655646/a-brief-history-of-the-agile-methodology.html

[2] *How to live the 4 values in the Agile Manifesto*. (n.d.). Scrum.org. https://www.scrum.org/resources/blog/how-live-4-values-agile-manifesto

Customer Introduction

Client Facing Agility

Since the beginning, Hodge Industries has placed agile methods at the core of its client facing functions. HI uses Client Teams – which are made of seven to ten cross-functional employees – to organize project responsibilities. These teams are usually stable across long time periods and actively use the scrum process in its work. Client Teams are then clustered into groups based on software or client type. Client Team leaders meet once a week to maintain communication across the company.

Employee Facing Agility

The agile mindset is less prominent in the employee organization than it is in the client facing teams. Employees are organized by discipline in a vertical manner rather than a flat structure. Each division reports to a single authority in upper management. While this structure offers stability in position responsibilities and clarity of internal communication, it leaves little room for cross-divisional communication, and decisions are made top-down rather than bottom-up.

Agile-related Problem or Goal (Option A)

As discussed in the HX portion of the Hodge Industries case report, HI employee experience is currently in high turmoil as it undergoes changes caused by macroenvironment influences. Some of the HX problems facing HI include a misunderstanding and a lack of unity regarded remote or hybrid work schedules, concern and worry for the future of an employee's position within the company, and unanswered employee questions regarding recent changes made by the new CEO.

I believe these problems and more threaten to disrupt employee experience within Hodge Industries. If left unresolved, HX problems will result in detrimental consequences in employee productivity, retention, and profit. Thus, I consider employee experience to be the top priority for HI and should be resolved before any other problems facing the company. However, employee experience itself is too large to tackle all at once and must be broken down into specific aspects first. I recommend first applying an agile mindset to remote or hybrid work schedules.

Furthermore, I strongly believe an agile mindset is the best course of action for addressing these issues. Employee experience is a wicked problem that will require some trial and error to find the best fit for a particular company culture and structure. Because the agile mindset is built for quick change and adaptability, it offers the best possible set up to test different policies and processes.

Proposed Solution

Addressing Remote or Hybrid Work Schedules

Prior to the Covid-19 pandemic, remote and hybrid work schedules were growing in popularity with 25% of employees choosing a hybrid schedule. From this, we can infer that the pandemic is not the sole catalyst for hybrid and remote work popularity meaning there must be other motivations for desiring flexible work schedules. Once Covid-19 regulations lifted, the HR department sent out mass notices of returning to in-person work which was met with extensive pushback.

I propose that Employee Teams should be formed. These teams would include up to ten members pulled from upper management across related divisions as well as HR/HX representatives. These teams would conduct stand up meetings weekly to discuss employee feelings towards remote or hybrid work schedules and how to best address the concerns. Scrum processes will be implemented to effectively collaborate to develop solutions that are custom made per the needs and desires of individual divisions.

Image is property of hugo.team/blog. Graphic is found in Daily Meetings: 5 Reasons to Stand Up and Scrum Every Day.

One a month, teams will conduct micro-audits in each division to take a pulse check and measure the effectiveness of the proposed solution. If results are not as desired, the Employee Team may repeat the process to collaborate and design a new solution to test out. Potential solutions may include:

- o Allowing individual employees to choose which type of work schedule they wish to have and discuss specific with their direct supervisor
- o Implementing hybrid schedules where employees are only required to work in person on days when division meetings will be held
- o Introducing work features such as company daycare or transportation compensation to eliminate concerns regarding in person work schedules

Using agile tools such as stand-up meetings and scrum will allow for potential solutions such as these to be quickly tested and quickly adjusted as needed. Scrum is a framework that relies on continuous experimentation and frequent feedback loops[3], and stand up meetings facilitate team coordination[4].

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[3] Scrum.org. (2019). *What is a Daily Scrum?* Scrum.org. https://www.scrum.org/resources/what-is-a-daily-scrum
[4] *What is a Stand Up Meeting and How to Make Them Effective.* (2020, January 28). Ideas. https://www.wework.com/ideas/professional-development/management-leadership/what-is-a-standup-meeting

Proposed Timeline, Scale, and Resources

Employee Teams should be formed and organized within two weeks of implementing the proposed solution. Once team assignments are made, a formal agile mindset training will be facilitated by either a member of HR who understands and studies agile methodology or an outside professional who specializes in agile methodologies. The purpose of the training is to ensure that once the Employee Teams are set loose, team members clearly understand their end goal and purpose. It should take no more than a month to organize this training.

Usually, I would recommend organizational changes be introduced in phases (meaning testing micro-pilot programs within one division before scaling across the entire company), however Hodge Industries is a unique situation. The new CEO has already implemented many company-wide changes which has placed all its employees on unsteady ground, seeking for clarity and resolution to their concerns. Thus, I suggest the proposed agile solution be implemented companywide immediately to show employees that upper management appreciates the situation the workforce has been placed in, and management is prioritizing employee needs. It is important this message is not just spoken but proven as well; this will help stabilize employee relations and company culture and values.

Evaluation of Proposed Solution

Unintended Consequences

When reexamining the proposed solution, I anticipate a few potential unintended consequences. First, the implementation of the Employee Teams may result in added uncertainty and stress for employees depending on how it is received. Either employees will embrace the team structure, knowing it can resolve their concerns, or employees will view it as one more company change and added uncertainty to their positions.

Additionally, there may be unintended consequences regarding company profits. When testing out various solutions for remote or hybrid work schedules, ineffective solutions may cause a decrease in employee productivity which in turn will decrease company profits. While these consequences would be temporary as the Employee Teams would adjust the work schedule policy as needed, there may be profit consequences regardless.

Included Assumptions

My proposed solution does operate on a few assumptions. First, I am assuming that members of the Employee Teams will only require one training on the agile mindset. In reality, team members may require semifrequent trainings to ensure they do not revert to traditional methods previously used. Also, I am assuming that team members will have sufficient time in their already existing work schedules and responsibilities to effectively work in the Employee Teams.