Agile
as a Competitive Advantage

Part 1: What It Takes to Go Agile

Part 2: Mastercard Case study

launch_code

What It Takes to
Go Agile

GOING BEYOND WATERFALL

In traditional Waterfall methodology, production is linear, with each distinct phase ending before the next can begin. Passing the baton has proven to work well for manufacturing, producing commodities at great quantities and maintaining simple processes. The rigidity of Waterfall structures is what makes those processes efficient and cost effective, but it leaves little room for optimization during the process. Agile methodology has allowed companies to harness adaptability as a core competitive advantage – it's how giants like Apple, IBM, and Netflix have continued to keep up with smaller, more dexterous organizations.

WHAT DRIVES THE DECISION TO IMPLEMENT AGILE?

51%

want to increase productivity [1]

PRODUCTIVITY

[1]13th Annual State of Agile Report

AGILITY IS THE ABILITY TO ADAPT AND RESPOND TO CHANGE. AGILE ORGANIZATIONS VIEW CHANGE AS AN OPPORTUNITY

Jim Highsmith

In today's environment, innovation inherently requires deftness and efficiency. Prioritizing customers and change response has been proven to lead to accelerated innovation and at least 60% higher revenue and profit growth than Waterfall organizations.[2] It's no longer just the cutting-edge, tech giants seeking a competitive advantage in adaptability. According to a McKinsey survey of 1,900 executives,

82%

underwent a strategy or structural redesign in the past 5 years, 23% were implemented successfully.[3]
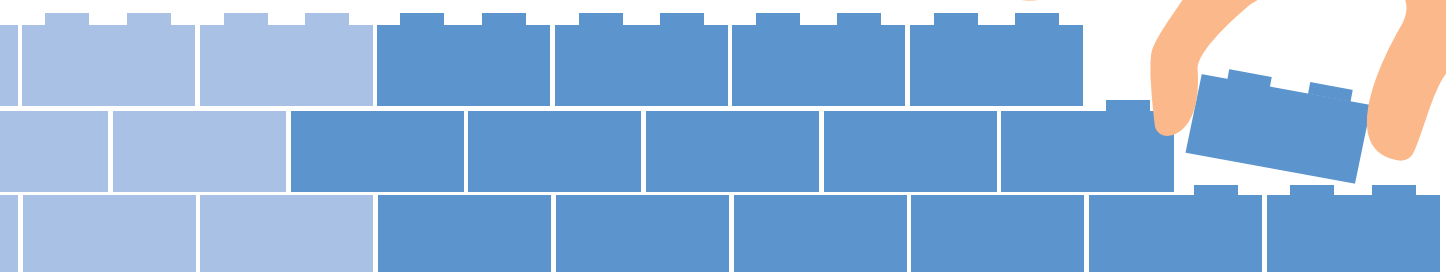
²CA Technologies Survey, 2018
³McKinsey Agile Compendium, 2018

CHANGE ISN'T EASY...

Customers and other stakeholders are well informed on the products available to them and, now more than ever, have a clear idea of what they do and do not like. As a result, machine-like organizations are distinctly inflexible in environments that evolve quickly and are disrupted easily, like those dependent on tech. They're unable to keep up with their more nimble competitors that consider and adapt to the changes of their environment, more like organisms.

However, the actual structural redesign to become more organic isn't simple. Over 1,300 companies were asked

"What keeps you from adopting and scaling Agile practices?"

52% said "Incongruent organizational culture"

48% said "Organizational resistance to Agile"

44% said "Inadequate support"

40% said "Lack of experience with Agile"

36% said "Insufficient training and education"[4]

Sound familiar? <u>Overcome your challenges and make the change.</u>

[4]13th Annual State of Agile Report

BUT IT'S WORTH IT.

Companies deploying agile at scale **accelerate their innovation**[5] by up to

80%

The structural or strategic redesign of your organization will likely be one of the last steps in your transformation. Your process should also include the following steps, in an order that makes sense for your teams.

Rethink how you create value. Create a mindset of collaborative problem solving that will allow you to create value *with* your stakeholders.

Listen closely to your customers. Introduce opportunities for your customers to give feedback and collaborate with you to solve their problems.

Test and iterate with a small team first. Focus on one product, and bring everyone who serves that product under the umbrella of one team.

Scale what works. Expand slowly, restructuring teams to be product-oriented where possible, ensuring their commitment to a collaborative mindset and customer obsession.

Set clear boundaries between Agile and Waterfall teams. There may be parts of your organization that operate well in a Waterfall structure – their needs and goals are inherently different than your innovative teams.

Seek guidance for your transformation. Your team may not be able to guide the Agile transformation while navigating it themselves. Trust the expertise of a team that has successfully implemented Agile before.

Boost Your Innovation

[5]McKinsey Agile Compendium, 2018

LEVEL UP YOUR TEAM

with LaunchCode's custom talent solutions

Agile teams benefit when we focus on finding and fostering the fundamental technical and strategic understanding to build a better product, navigate ambiguity and allocate a manageable workload. When we recruit talented, diverse candidates or identify candidates within your existing talent, we look beyond certifications to find those with drive and aptitude. With the right people, we train and prepare your team to innovate for your organization's future success.

1. Whether your organization is just beginning its transformation or overcoming the challenges of transitioning to Agile, we analyze your needs to develop a custom plan.

2. Your team's needs and goals inform who we recruit and how we train them. To identify apt candidates, we assess their product development understanding and the ability to collaboratively solve real-world problems.

3. Selected candidates go through training that we design and tailor to your team's objectives

4. Once candidates complete their training, you bring them on to your team as direct hires or apprentices to ensure the right fit.

Start the Journey

WHAT OTHERS ARE SAYING

"Models like [LaunchCode's] work because they remove risks from the hiring process. On one side, managers have a trial period to decide whether the worker would be an effective full-time hire. On the other, workers learn new skills and are compensated." **Forbes**

"The National Geospatial-Intelligence Agency is ahead of the hiring game. The agency needed an innovative recruitment approach to develop a robust internal tech development team, so – in 2017 – NGA began working with LaunchCode... [who] serves a broad spectrum of potential coders, no matter whether they have freshly-minted computer science degrees, are self-taught programmers, or are just motivated students who want to learn new technologies." **fedscoop**

"Organizations [like LaunchCode] are good for our nation because they increase the skill set of our country. They are good for our communities, because they add to the economic base of our neighborhoods. They are life events for those who attend this type of life-changing training. Lastly, they are good for us, as CIOs, because they expand the talent pool needed to sustain our ever-growing technical talent requirements." **CIO**

Part 2

Mastercard's Agile Transformation

Case Study

CHALLENGE:
SHIFTING TECHNOLOGY

Mastercard, a technology company in the global payments industry with nearly $15 billion in revenue in 2018, was growing steadily but competition in the industry was exploding. Many innovative technologies, including cryptocurrency, blockchain, machine learning, e-commerce, and mobile payment systems, threatened the company's long-term, global standing in the industry and in the minds of customers across more than 210 countries.
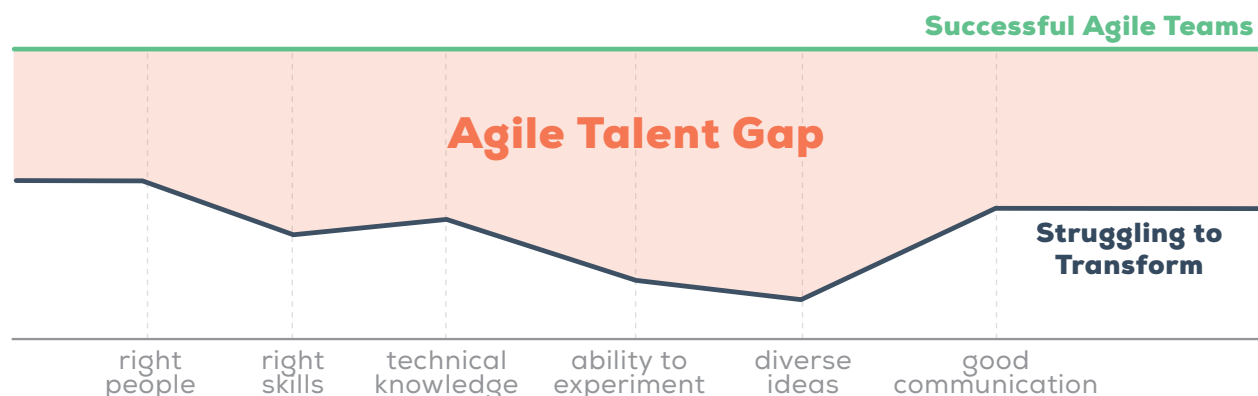
To better compete in an era of technology shift and customer focus, the company attempted an Agile transformation. During their transformation, leaders realized they needed to do more to make sure they had the right talent for the right roles. Mastercard approached LaunchCode to help them find the right junior talent for their Agile positions.

CRYPTOCURRENCY

CREDIT CARDS

MOBILE PAYMENTS

SOCIAL MEDIA PAYMENTS
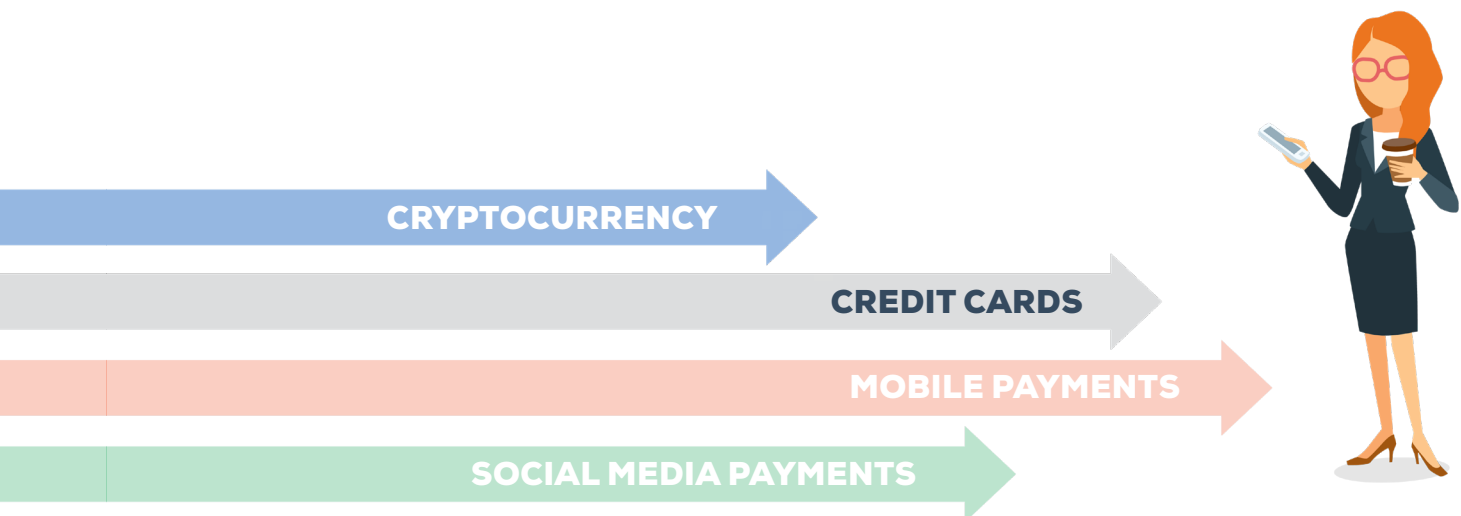
ANALYSIS:
ROOT CAUSES

LaunchCode met with senior leaders at Mastercard to listen and discuss their challenges finding great junior talent. Through discussions, LaunchCode identified key trends:

- **Internal role transitions had often failed.** Attempts at transitioning its project managers to Scrum or Product Owners were unsuccessful.
  - Many lacked the flexible mindset needed in an Agile environment
  - They struggled to communicate with developers due to insufficient technical skills
  - Many were unable to work with others effectively
  - Even after scrum certifications many were still not able to perform scrum tasks on the job

- **A lack of diversity held them back.** The company wanted more diverse ideas but was constrained by the existing population of people who already had Agile certifications and were predominantly from a uniform background and educational system.

- **Risk makes experimentation difficult.** Even though existing recruitment channels were unsuccessful, Mastercard was reluctant to try a new strategy for fear of being stuck with underperforming employees.

Successful Agile Teams

Agile Talent Gap

Struggling to Transform

| right people | right skills | technical knowledge | ability to experiment | diverse ideas | good communication |

SOLUTION:
CUSTOM RECRUITMENT AND TRAINING

LaunchCode worked with Mastercard to develop a customized training program and curriculum that would tackle all the identified issues. To combat the difficulty of transitioning team members without the right skills, LaunchCode would develop custom curriculum to meet Mastercard's product management needs on their required timeline and recruit entry-level talent for the course.

To mitigate the business risk of this new approach, All LaunchCode trainees served a 6-month apprenticeship where Mastercard could see the candidates in action on real-world projects while LaunchCode took care of payroll and human resources tasks.

STEP 1: RECRUITMENT

Find Candidates: To fill the class with technically skilled individuals from diverse backgrounds, LaunchCode recruited predominantly from its own high-quality education program graduates. Our free courses remove a major barrier to tech education, ensuring a wider variety of students can participate. With programs running multiple times each year, LaunchCode is constantly turning out more diverse new tech talent at a higher rate than surrounding colleges and universities.

Assessment: To assess candidate fitness for Mastercard's Agile roles, LaunchCode developed an ambiguous business case and provided a hypothetical product with stakeholders in multiple departments with different needs and ranks.

Using the hypothetical business case, LaunchCode rated the candidates on a scale based on their ability to write concise user stories, prioritize features, diplomatically negotiate, and identify areas for process improvement.

Approval: Mastercard had ten roles to fill, so LaunchCode ranked the top 20 candidates and provided interviews with Mastercard. From the group of 20, Mastercard selected candidates they deemed culturally diverse additions to their teams.

STEP 2: TRAINING

Curriculum Development: Mastercard and LaunchCode worked together on developing the curriculum to ensure LaunchCode students had the prerequisites and could complete Mastercard job objectives after training.
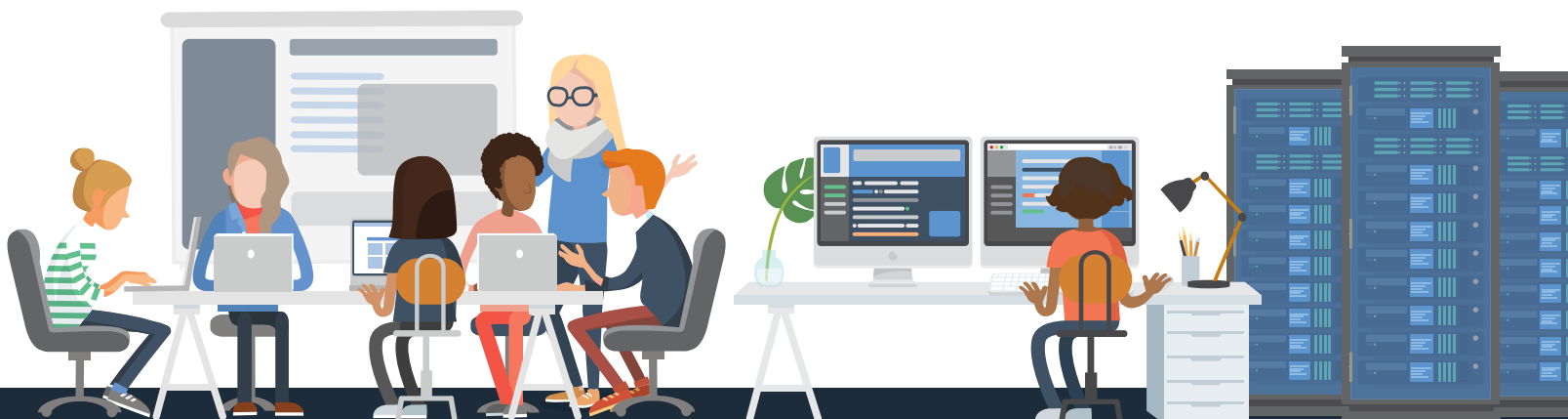
Because Mastercard's conductors had Scrum Master and Product Owner responsibilities, the companies chose to teach both roles as well as Kanban practices. Topics included Scrum, sprint planning, interviewing customers to identify features, measuring cycle time and many more.

Training Sprints: LaunchCode's training course was taught dojo style, with expert instructors for three sprints covering Scrum Masters, Product Owners, and Kanban.

STEP 3: APPRENTICESHIP

Following training, LaunchCode candidates began an apprenticeship. During the apprenticeship, they worked closely with a successful Scrum Master or Product Owner, allowing managers and teammates to ensure the individuals were a good fit for their technical needs and work environment.

RESULTS:
REPLICABLE SUCCESS

Within two weeks, the first group of nine candidates exceeded expectations, prompting Mastercard to ask for 10 additional candidates. They chose nine from the second pool of candidates for another round of hiring. Across both groups, Mastercard elected to hire all 18 candidates.

DON'T JUST TAKE OUR WORD FOR IT

"If we didn't have LaunchCode, we would still be struggling to find the amount of talent we are looking for," "LaunchCode is connecting us with people, who otherwise we probably didn't have access to without their help, so this has been very beneficial to us."

— Micah Schwanitz
VP of Strategic Program Management at

mastercard

"These people have an unmatched enthusiasm for their roles and are filling a gap that was otherwise hard to fill."

— Neal Sample
Chief Operating Officer at **EXPRESS SCRIPTS®**

"It's been a really great opportunity to partner to close a gap where we were struggling to find good talent. These guys took the bull by the horn and made it happen. I think this is a win-win for both of us."

— Jason Weems
Vice President, IT at **EXPRESS SCRIPTS®**

LET'S OPEN A CONVERSATION ABOUT HARNESSING
AGILITY

There's no one-size-fits-all solution for Agile. That's why, at LaunchCode, we develop a custom solution for the unique situation of each company we work with.

Our experience helping organizations overcome the challenges of adopting Agile can bring your team serious results.

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