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Activated at the senior and middle tiers of management, this body of work affects how managers work with others above, below, and across their level of the organization, as well as with external stakeholders. It applies to the leadership of any kind of change effort, to leading management teams, and to "pivotal" conversations — discussions where parties don't see eye-to-eye and the resolution of differences is essential to achieving desired business results.

Stages in Developing Agile Capacities

Adopting an Agile mindset is an essential foundation for Agile leadership. However, in an in-depth, multi-year research project, my coauthor (Stephen Josephs) and I found that *being* agile crucially requires the development of certain cognitive and emotional capacities.[1] These capacities evolve through well-documented stages of personal development.[2] Here's a snapshot of the three most relevant stages:

1. **Expert** (~55%). At this stage, managers strongly identify with their technical or functional expertise and implicitly assume that leadership is exercised through authority and expertise. Experts have a passion for problem solving but tend to focus on one problem or person at a time without paying much attention to stakeholders or the larger context.

2. **Achiever** (~35%). Managers at this stage see authority and expertise as important resources but feel that leadership is primarily about challenging and inspiring others to achieve outcomes valued by the larger organization. These managers have developed an initial level of systems thinking that leads them to take a strategic approach to organizational change and to focus on the improvement of organizational and business systems. This perspective also leads Achievers to value teamwork and to see problems in a larger context.

3. **Catalyst** (~10%). At this stage, managers add an awareness and appreciation of the power of the "human system" (e.g., culture) that underlies the organizational and business systems where Achievers focus their attention. Catalysts set out to develop agile organizations and, in service of this aim, place special emphasis on creating a culture of participation, empowerment, collaboration, and constructive candor.

These stages unfold sequentially. New cognitive and emotional capacities emerge at each stage and take some time to develop, though this growth process can be accelerated with the right kind of support. As managers grow into new stages, they retain their ability to utilize previously developed capacities.

Middle Managers As an Impediment to Realizing the Potential of Scrum

How does the development of agile capacities contribute to the success of Agile adoptions? The following story is an amalgam of several real-life examples. Alpha is a software company that has started to implement Scrum in its engineering organization. The initial proponent of Scrum was Beth, the VP of engineering, who got her management team on board and hired an experienced Agile consultant named Alex.

Alex and others in his firm were quite experienced both in Scrum and in helping companies transform by establishing Agile management practices in other

functions, eliminating many of the impediments that Scrum inevitably encounters in any traditionally managed organization. Beth understood the ultimate value of this approach, but Alpha's CEO insisted on waiting to see the results they got from Scrum.

Alex began by taking the senior engineering team through a solid training about Scrum and their role in supporting it. ScrumMasters, product owners, and developers were all trained. Each training covered Agile principles and values, emphasizing that an Agile mindset is essential for realizing Scrum's benefits.

> *Not only were middle managers not that engaged in removing impediments, in many ways they seemed to be the impediment.*

They began by standing up a small number of teams. At the beginning, some developers resisted Scrum, and all three teams struggled. Yet with Alex's coaching, the ScrumMasters coaxed the teams to keep going, one sprint at a time, until they got the hang of it. Before long, team performance was better than before, and most developers were pretty enthusiastic.

Over time, they stood up a number of teams. It wasn't easy, but on the whole these teams also began to perform better and express genuine enthusiasm for Scrum. As Alex had anticipated, though, they experienced real friction with other parts of the organization, especially middle management. The teams' performance improvement seemed to hit an invisible ceiling. Not only were middle managers not that engaged in removing impediments, in many ways they seemed to *be* the impediment.

Initially, one of the biggest problems was interference in decisions that Scrum says should be made by the product owner alone; for example, demanding that a team take on work not in the current sprint. Alex dealt with this interference by coaching middle managers, reminding them of the need to shift from command and control to a more enabling style of leadership. A few took steps to change their leadership style, but many engaged in various forms of active or passive resistance.

Alex was not shocked. He told himself that Agile inevitably led to a diminished role for middle managers, so of course they felt threatened. Over time, he

mused, new role definitions and career paths could be put in place. Ultimately, the solution would be to adopt Agile management practices in all the company's functions. He brought this up with Beth multiple times, but Alpha wasn't ready to go there yet.

One day, Alex and Beth had a conversation that took them down a new path. They asked themselves whether they could help managers throughout engineering become leaders who would not only be more supportive of Scrum, but also help the engineering organization as a whole become more agile. At Beth's request, Alex did a search for an approach to Agile leadership that would best fit their needs. He landed on the Leadership Agility framework.

Four Types of Leadership Agility

As Alex learned more about this framework, he discovered that each developmental stage — Expert, Achiever, and Catalyst — is a configuration of eight cognitive and emotional capacities that evolve together as managers grow into a new level of leadership agility. When embodied in a leader's actions, these capacities work together in pairs to form four types of agility that are key to succeeding with any leadership initiative, whether the scale of that initiative is about organizational change, team development, or pivotal conversations:[3]

1. **Context-setting agility** — framing the need for change and the desired outcomes

2. **Stakeholder agility** — understanding stakeholders and creating alignment

3. **Creative agility** — engaging in analytic and creative thinking for planning and problem solving

4. **Self-leadership agility** — engaging in self-reflection and experimenting with new behavior

The Development of Agile Capacities: From Expert to Achiever

In his quest to better understand and address middle management resistance to Scrum, Alex learned that most middle managers operate at the Expert level of agility and therefore have not yet developed Achiever capacities. Table 1 provides an overview of how a manager's cognitive and emotional capacities develop as they grow from Expert to Achiever.

Type of Agility	Expert	Achiever
Context-setting	An Expert is aware of goals, but these fade to the background amid a focus on problem solving.	The primary focus is on achieving outcomes. Problem solving is a means to this end.
Stakeholder	Limited ability to put oneself in others' shoes leads to limited stakeholder engagement and avoidance of cross-functional collaboration.	The ability to put oneself in others' shoes leads to customer orientation, desire for stakeholder buy-in, and openness to cross-functional collaboration.
Creative	An Expert has a tendency to focus on one problem at a time and to be opinionated about best solutions.	An Achiever has the ability to see problems in a larger context and is open to changing opinions based on new data.
Self-leadership	An Expert has moderate self-reflective capacity. The tendency to take feedback personally leads to low openness to feedback.	An Achiever has robust after-the-fact self-reflective capacity. Openness to feedback helps achieve desired outcomes.

Table 1 — Capacity development from the Expert to the Achiever stage.

Expanding the Frame on Middle Manager Resistance

As Alex took in these findings, he began to see middle management's resistance to Agile in a new light. Previously, his interpretation was shaped by an "outside-in" perspective, which assumed that middle manager behavior is determined mainly by structural factors (e.g., role definitions, authority relationships, career paths). He now realized that behavior is also determined by internal factors. Nevertheless, he'd assumed that this was adequately addressed by encouraging managers to adopt an Agile mindset.

Alex felt his previous perspective was still valid, as far as it went. However, his new understanding of agile capacities and their stage-wise development gave him significant new insight. He saw that Expert capacities aren't really sufficient for the kind of leadership Agile requires of middle managers. Achiever capacities, with their emphasis on customer outcomes, robust reflection, and testing opinions with data, are much more compatible with Agile. Helping middle managers develop Achiever capacities and the leadership behaviors that go with them seemed highly relevant to moving beyond the engineering organization's current institutional ceiling on Scrum team performance.

Alex also saw that Catalyst leadership (explained later) goes even further to embody the true spirit of Agile.

While most of Alpha's middle managers would have their hands full developing to the Achiever level, he thought it would be fantastic if Beth's team could embrace Catalyst leadership. It seemed that these two agility-level shifts together would create a very strong Agile culture within engineering as a whole.

Bringing Leadership Agility to Alpha's Engineering Organization

Accompanied by Alex, Beth's senior team vetted the Leadership Agility approach by participating in a one-day workshop. The Leadership Agility facilitator guided the team through experiential exercises and group discussions that resulted in a clear picture and distinct feel for the Expert, Achiever, and Catalyst levels. The team then assessed their current level of agility as a team (Achiever) and compared that with their assessment of the pace of change and degree of interdependence in their work environment. The environment they identified was one that, according to the research, optimally requires Catalyst leadership.[4]

Next the team engaged in a facilitated discussion about what, if anything, they wanted to do about this discrepancy. They developed a consensus aspiration to operate at the Catalyst level, at least for certain types of decisions where this would offer the most benefit. Finally, they created an action plan with specific

accountabilities to make desired changes in team functioning.

Based on this positive experience, Beth's team, with Alex's support, decided to engage the engineering organization's middle and senior managers in a two-day Leadership Agility workshop on leading organizational change. Each participant was instructed to bring a change project for which they had major responsibility. The workshop was an interactive, action learning experience, in which each manager worked on their chosen project. The facilitators guided them through a series of exercises where they improved their projects while also increasing all four types of leadership agility. Each participant emerged with a change leadership toolkit and an action plan for specific changes in leadership behavior and mindset.

Alex felt one of the workshop's greatest benefits was that it showed middle managers they have a clear and vital role in an Agile organization that went far beyond "letting go of control" and "not being a traditional manager." As the ongoing Leadership Agility work progressed through this and other activities, Beth and

Alex felt engineering was on its way to creating an Achiever leadership culture at the middle levels, a Catalyst leadership culture at the top level, and becoming a much more agile department overall .[5]

The Development of Agile Capacities: From Achiever to Catalyst

Development of the capacities and behaviors needed for Catalyst leadership enables a senior team to embrace the full spirit of Agile and put it congruently into action. Table 2 provides an overview of how a leader's capacities develop through the Achiever to Catalyst transition.

Bringing Leadership Agility Straight to the Top

The previous story was about a Scrum adoption, but how is Leadership Agility relevant to Agile transformations? To illustrate the role that shifts to Achiever and Catalyst leadership can play in an Agile transformation, what follows is a subsequent "chapter" in the Alpha

Type of Agility	Achiever	Catalyst
Context-setting	The primary focus is on achieving outcomes. Problem solving is a means to that end.	The primary focus is to develop sustainable human systems. Achieving strategic outcomes is a means to this larger purpose.
Stakeholder	The ability to put oneself in others' shoes leads to customer orientation, desire for stakeholder buy-in, and openness to cross-functional collaboration.	A Catalyst has an interest in imagining what it's like to *be the other person* in their shoes and the ability to do this. A greater balance of assertion and receptivity leads to more effective collaboration.
Creative	An Achiever has the ability to see problems in a larger context and is open to changing opinions based on new data.	Increased awareness of contextual assumptions behind problem definitions and solution ideas increases creative problem-solving capacity.
Self-leadership	An Achiever has robust after-the-fact self-reflective capacity. Openness to feedback helps achieve desired outcomes.	A Catalyst has an emerging ability to reflect in the moment; curiosity about previously unnoticed feelings, assumptions, and behaviors; plus broader and more pro-active interest in feedback.

Table 2 — Capacity development from the Achiever to the Catalyst stage.

story, based again on an amalgam of real-life examples. Flashing forward in time, Scrum has now become an integral part of delivery work in the engineering organization, and the Leadership Agility work has made it a more collaborative, empowering organization. Business benefits include increased customer satisfaction, faster time to market, and a happier workforce.

But Beth and Alex felt that even greater benefits could be realized through an Agile transformation of the company as a whole. They began a dialogue with Alpha's CEO, Zack, and other key members of his top executive team, stressing the following points:

- The benefits realized in engineering through Scrum and the Leadership Agility work were substantial, but they were not as great as they could be because interdependent company functions like HR and accounting were still using traditional management practices. In HR, for example, traditional hiring criteria, job descriptions, and incentives were holding back Scrum team performance.

- Seeing what the Leadership Agility work had done for engineering, Beth and Alex felt it could be used to create an increasingly Agile leadership culture throughout Alpha.

- Research has shown that when enterprises become more agile, their business performance increases.[6] And Alex's firm had the experience and expertise to guide Alpha through a transformation that would bring Agile values, principles, and methods to all of Alpha's management and delivery functions.

Senior Management Gets to Work

When Zack and his executive team viewed these points in light of their thinking about Alpha's future, they eventually concluded that the benefits of a company-wide Agile transformation probably outweighed the investment that would be needed. They started by doing two workshops, one on Agile transformation led by Alex, the other on Leadership Agility, much like the one that engineering's senior team had done. As with that team, Zack's team diagnosed itself as operating at the Achiever level in a work environment where Catalyst leadership would be optimal. They also developed an action plan for using Catalyst practices for some of their most important decisions.

Zack got behind the idea that Catalyst leaders work to develop a culture of empowerment, participation,

candor, and collaboration. As other Catalyst leaders have done, he set out to create this culture within the executive team so they could model and lead this culture change together.

Toward this end, Zack's team engaged in a 360-degree feedback exercise using a tool based on the Leadership Agility framework. Each executive was assisted in putting together an action plan based on their feedback, followed by a leadership coaching engagement. A group debriefing helped them identify two areas they most needed to improve: context-setting and stakeholder agility. Positive changes came immediately and began to build. As trust and openness within the team increased, they got better and better at resolving difficult strategic and organizational issues.

Predictable middle manager resistance to the Agile transformation was addressed in three ways:

1. These managers learned how to apply Agile mindsets and methods to improve how they managed their own functions.

2. By engaging in the Leadership Agility work, they developed the capacities and leadership practices needed to shift from Expert to Achiever.

3. This shift was facilitated by more enlightened leadership and coaching from Alpha's senior executives.

Because Zack's team modeled the changes they wanted the company to make and asked for feedback on how they were doing, managers at other levels followed their lead. Alpha's transformation to Agile management was a huge undertaking with many challenges. Yet having a cohesive top team developing a genuine executive-level Catalyst leadership culture greatly enhanced the company's ability to ride the waves of change.

Later, after the transformational vision had moved much closer to reality, Zack reflected on what Alpha had accomplished:

> We're now distinctly more agile as a company, and this is paying off with increased profitability. We've moved to a stage where collaboration has become a part of the culture. Communication and trust have increased dramatically within my team and the company as a whole. Morale has also improved significantly. Bottom line, we've achieved a level of success that simply would not have been possible without the transformation work we've done.

Key Takeaways

The holistic approach to Agile adoption and Agile transformation presented in this article integrates several perspectives on organizational change. It's true that Agile methods can strongly influence change in individual behavior, especially if an Agile mindset is also activated.[7] However, a manager's behavioral repertoire is also strongly influenced by his or her cognitive and emotional capacities. Working simultaneously from the outside-in and from the inside-out is likely to have substantially more success than using either approach alone.

Similarly, establishing Agile structures (roles, processes, tools) helps create an Agile organizational culture, but culture is not determined by structure alone. The other essential lever for culture change is leadership. Here, it's important to make a distinction between Agile management (Agile portfolio management, Agile HR, Agile budgeting and cost accounting, Agile marketing, etc.) and Agile leadership.[8] Agile methods constitute a true revolution in management.[9] By themselves, though, they do not provide the too-often missing ingredient of Agile leadership.

The Leadership Agility body of work provides a roadmap of agility levels and methodologies that help managers develop agile capacities and corresponding leadership behaviors. When combined with existing Agile principles, values, and methods, Leadership Agility provides a unique contribution to an Agile transformation program.

Acknowledgments

Endnotes

[1] Joiner, Bill, and Stephen Josephs. *Leadership Agility*. Jossey-Bass, 2007.

[2] Kegan, Robert. *The Evolving Self*. Harvard University Press, 1982; King, Patricia M., and Karen Stohm Kitchener. *Developing Reflective Judgment*. Jossey-Bass, 1994; Loevinger, Jane. *Ego Development*. Jossey-Bass, 1976; Perry, William G., Jr. *Forms of Ethical and Intellectual Development in the College Years: A Scheme*.
Holt Rinehart & Winston, 1970; Torbert, Bill. *Action Inquiry*. Berrett-Koehler, 2004.

[3] Joiner and Josephs (see 1).

[4] Joiner and Josephs (see 1).

[5] As used here, "leadership culture" means that part of the corporate culture that sets norms and expectations for effective leadership. Like individual managers, leadership cultures operate at different levels of agility, with an Expert culture frequently predominating in the middle tiers and an Achiever culture at the top. Two survey research studies using this construct both reached an identical conclusion: the leadership cultures of companies that skewed more toward Achiever or Achiever/Catalyst had more agile organizations and better business performance than companies whose leadership culture skewed more toward Expert or Expert/Achiever. See Joiner, Bill. "Leadership Agility: A Global Imperative." *Dialogue Review*, 5 November 2015 (http://dialoguereview.com/leadership-agility-global-imperative/).

[6] Joiner and Josephs (see 1).

[7] "Outside-in" causality seems to be especially powerful at the lower tiers of an organization, but less so at the top, where behavior is less determined by structural constraints.

[8] The distinction between leadership and management, originally made by Warren Bennis and Burt Nanus in *Leaders: Strategies for Taking Charge* (Harper & Row, 1985), was further popularized by John P. Kotter in *A Force for Change: How Leadership Differs from Management* (Free Press, 1990). In Kotter's version, management focuses on planning and budgeting, organizing and staffing, and controlling and problem solving, while leadership focuses on setting direction, aligning people, and motivating and inspiring. Kotter believes that the best leaders are also managers, and the best managers are also leaders.

[9] Denning, Stephen. *The Leader's Guide to Radical Management*. Jossey-Bass, 2010.

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