

HERE'S WHY STRATEGY, NOT AGILE, IS THE MISSING KEY TO BUSINESS AGILITY

Responding to the
next most
important problem
to solve

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- 25+ year Consulting Career across Tech, UX, Product, Mobile, Digital & Agile Transformations
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- Selected as one of the top 12 global OKR thought leaders by Profit.co
- Located in the Washington, DC area



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**KEY QUESTIONS
TO ASK**

Is being better at (big-“A”)
“Agile” helpful?

What can Transformation
promise us?

What skills will we need?

What role do “empowered”
teams play?



**SHARE IN CHAT:
HAVE “AGILE” & AGILITY WORKED
BEYOND THE TEAM LEVEL?**



Have we been sold the wrong solution?



RESPONDING TO THE NEXT MOST IMPORTANT PROBLEM TO SOLVE

Nokia successfully
used speed &
adaptability to
outmaneuver
Ericsson to become
the dominant mobile
device maker.

But they were about
to face the biggest
test of their agility...





DAWN OF A NEW MOBILE ERA

Nokia management knew *everything* about Apple's secret upcoming "iPhone" project, including detailed specs a year before launch.

How well was Nokia able to respond to the threat?



IPHONE >> THE APP STORE

- In 2007, as the iPhone debuted, Nokia was valued at over \$150 billion
- The following year, as of 2008, Apple and Google launched their iOS and Android App Stores, and Nokia lost over 60% of its value
- By 2009, Nokia had shed $\frac{2}{3}$ of its value, down by over \$100 billion
- And still no response from the most “Agile” of companies



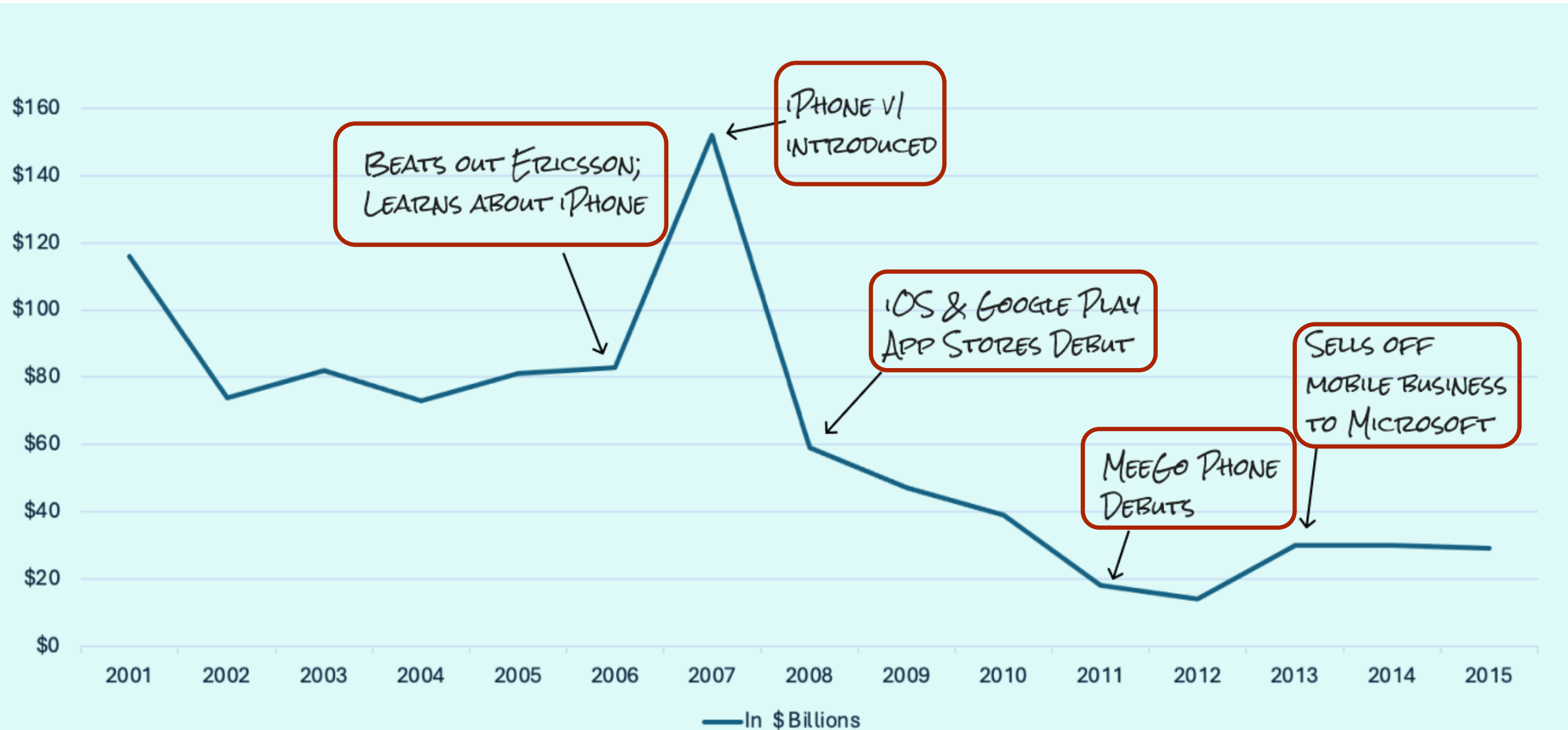
FINALLY, NOKIA ANSWERS

A full FIVE YEARS after they learned about the iPhone, Nokia responded with their “MeeGo” device and associated app store in 2011

...but it was too little, too late...



NOKIA MARKET CAP ANALYSIS



A CAUTIONARY TALE



Nokia's fall ranks among history's most spectacular business failures, right up there with Kodak and Blockbuster.



All three collapses share one trait:
The companies knew exactly what was coming.



All 3 companies had the chance to dominate first





mashrc

AGILE ALONE WON'T SAVE YOU





THE GLOBAL AGILE OPERATING MODEL CHAMPION

- Nokia was also one of the first big companies to fully embrace Agile
- Largest Scrum implementation to date



THE “NOKIA TEST” (2007)

- You know who the product owner is
- There is a product backlog prioritized by Business Value
- The Product Backlog has estimates created by the team
- The team generates burn-down charts and knows its Velocity
- There are no project managers (or anyone else) disrupting the work of the team





We were promised that
“Agile” would make us agile

But Agile Transformations
have a 46–96% failure rate

Failed Agile can also mean
going out of business

THE “BEST” HAVE NO SET AGILE PROCESS

Company	Is There a “Central” Methodology?	What Project Management “Methodology” Is Typically* Used for Engineering Projects?	Who Typically Leads Engineering Projects?
Amazon	No, teams can choose	Plan (6-pager)->Build (iterate)->Ship	Tech lead
Apple	No, teams can choose	Plan->Build (iterate)->Ship	Tech lead
Datadog	No, teams can choose	Plan (RFC)->Build (iterate)->Ship	Tech lead or an engineer
Facebook	No, teams can choose	Plan->Build (iterate)->Ship	Tech lead or an engineer
Google	No, teams can choose	Plan (Design Doc)->Build (iterate)->Ship	Tech lead or an engineer
Netflix	No, teams can choose	Plan->Build (iterate)->Ship	Tech lead or an engineer
Shopify	No, teams can choose	GSD (Get Shit Done, 6-week cycles)	Tech lead or an engineer
Spotify	No, teams can choose	Plan->Build (iterate)->Ship	Tech lead or an engineer
Uber	No, teams can choose	Plan (ERD)->Build (iterate)->Ship	Tech lead or an engineer





Strategy, brought to life by
“The Product Trio”:

Product Management

Design

Technical Leadership

THE KEY FOUNDATION: STRATEGY

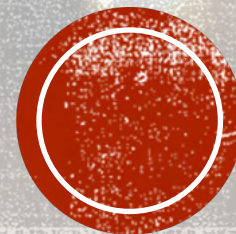
Strategy is the key foundation because it helps us identify **the right problems to solve** and **unites us around a set of choices** we believe will solve those problems.

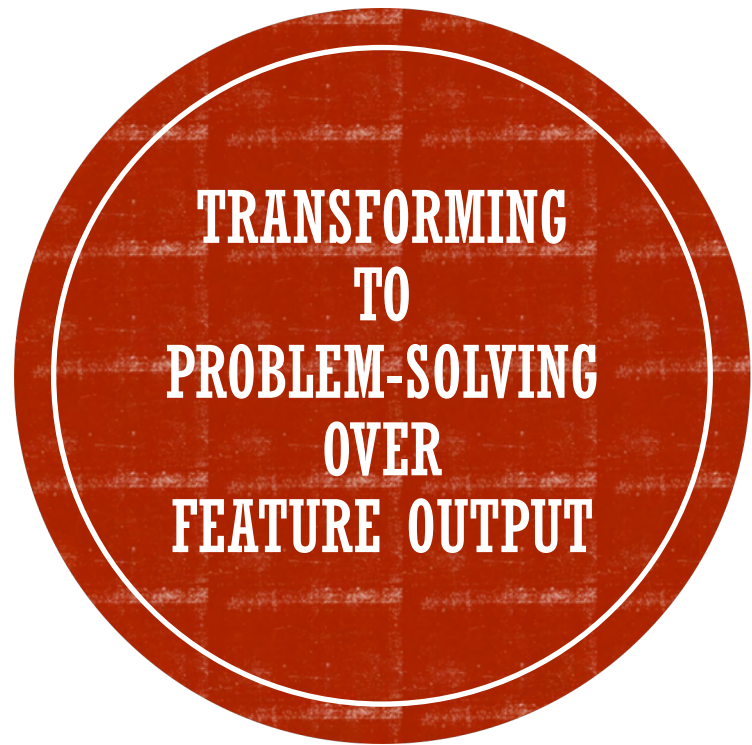




THE PRODUCT OPERATING MODEL

Continuously turning Strategy into Value





**Changing how you decide
which problems to solve**

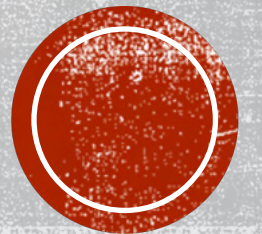
**Changing how you solve
problems**

Changing how you build

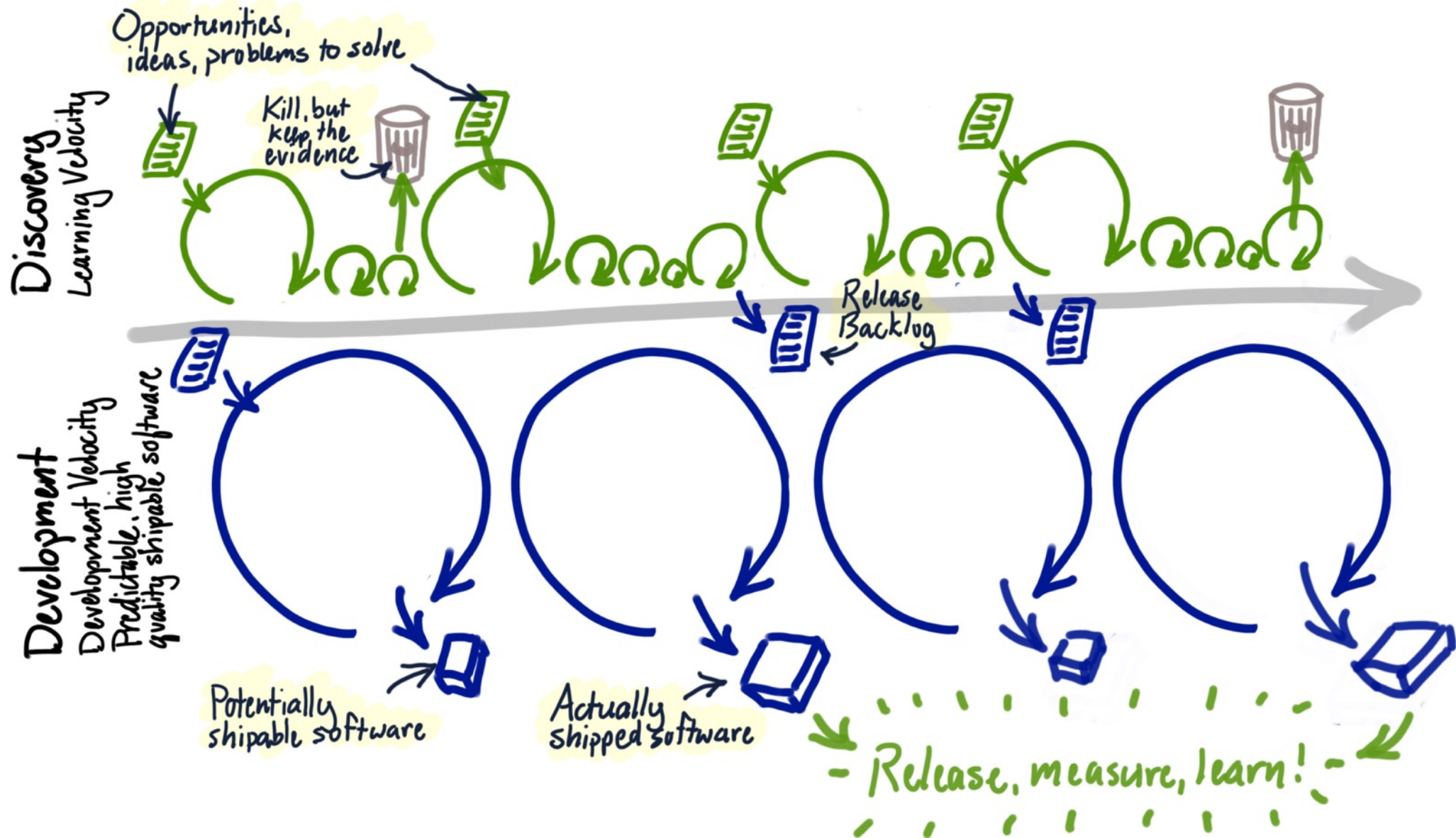


MY TRANSFORMATION STORY: CHOICES & COACHING PRODUCT

So much more than “just execute” with this Scrum Team

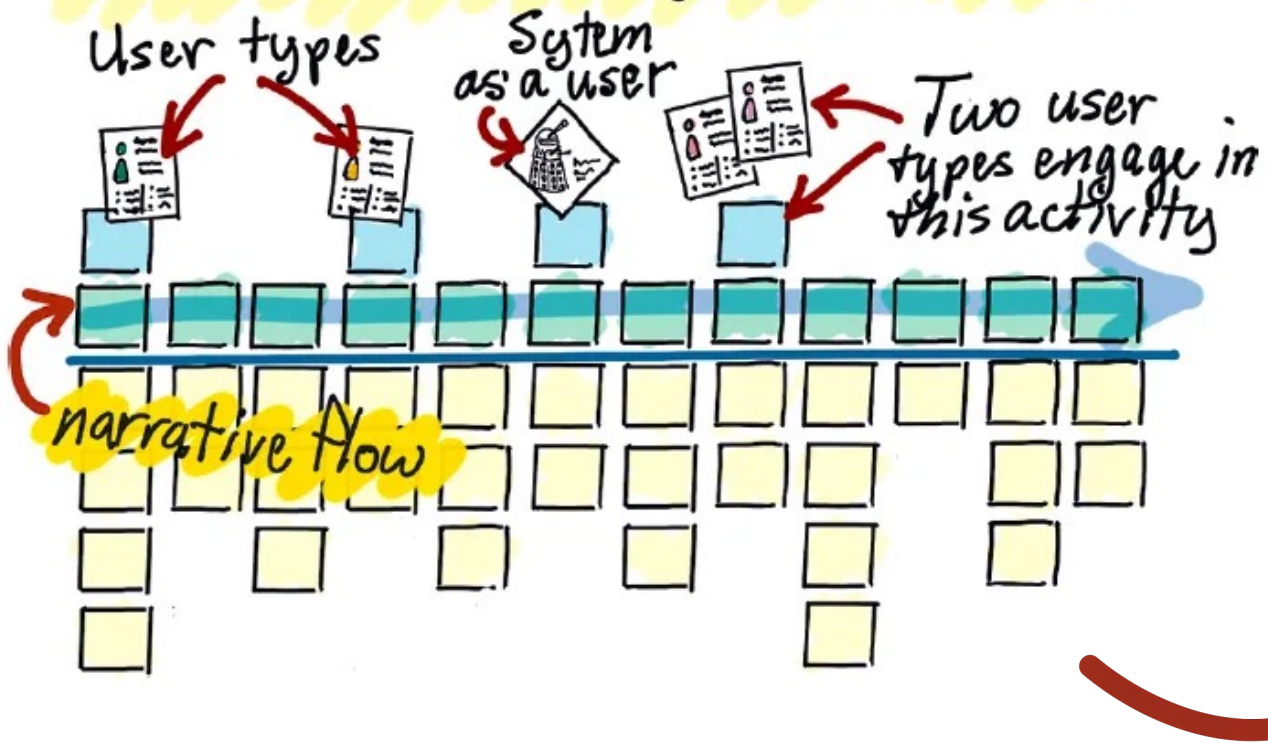


CONTINUOUS DISCOVERY & DELIVERY



USER STORY MAP TO SOFTWARE = 60 DAYS

This map crosses many types of users





THE KEY: MAKING STRATEGIC CHOICES

Small, autonomous, & empowered team grew product into industry-leading app that scaled from zero to millions of conversations and formed the foundation of the organization's go-to-market sales strategy.





Internal exercise where we analyze & sequence resources

Choices made under certainty

Focuses on influencing internal behavior, which we have complete control over



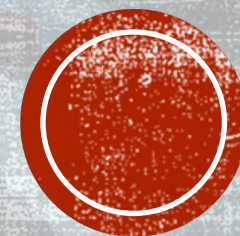
A client-centric, problem-solving framework

Choices made under uncertainty and within constraints.

Focuses on influencing client behavior, which we recognize we have no direct control over



**THE KEY STRATEGIC ROLE—
PRODUCT MANAGEMENT**





Align product-level strategic choices to support higher-level company strategic choices

When strategy is simple, clear, & well-understood across the organization

Product-level decisions don't require the "band-aid" of prioritization frameworks.



FROM AGILE TO PRODUCT TRANSFORMATION





**FROM AGILE TO
PRODUCT
TRANSFORMATION**



From a delivery approach
focused on process
adherence

Understanding and solving
customer & business
problems in a
learning model.



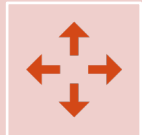
WHAT ABOUT EMPOWERED TEAMS?



EMPOWERMENT DEPENDS ON STRATEGY



One core Agile belief is to empower the teams, and leave all decision-making up to them



But when we're focused on delivery at the team level, this can lead to teams optimizing for their own needs.

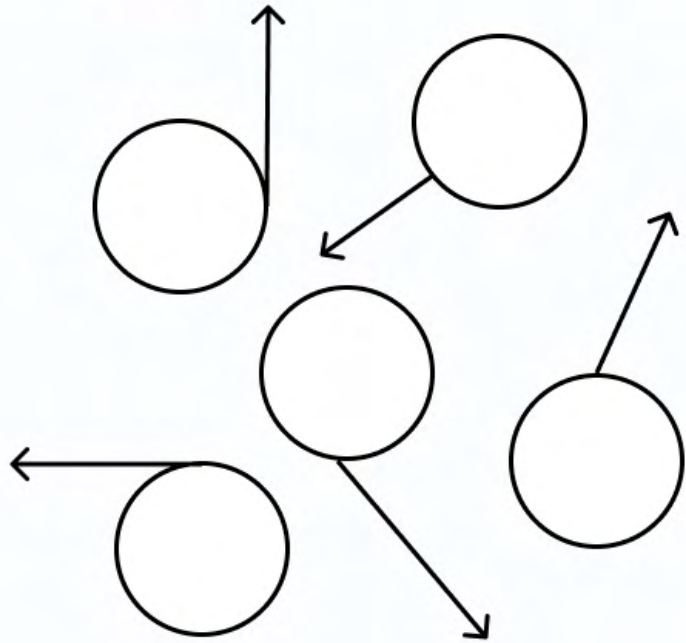


Empowerment can boost our “agility” when we take the time to make and clearly communicate our strategic choices.

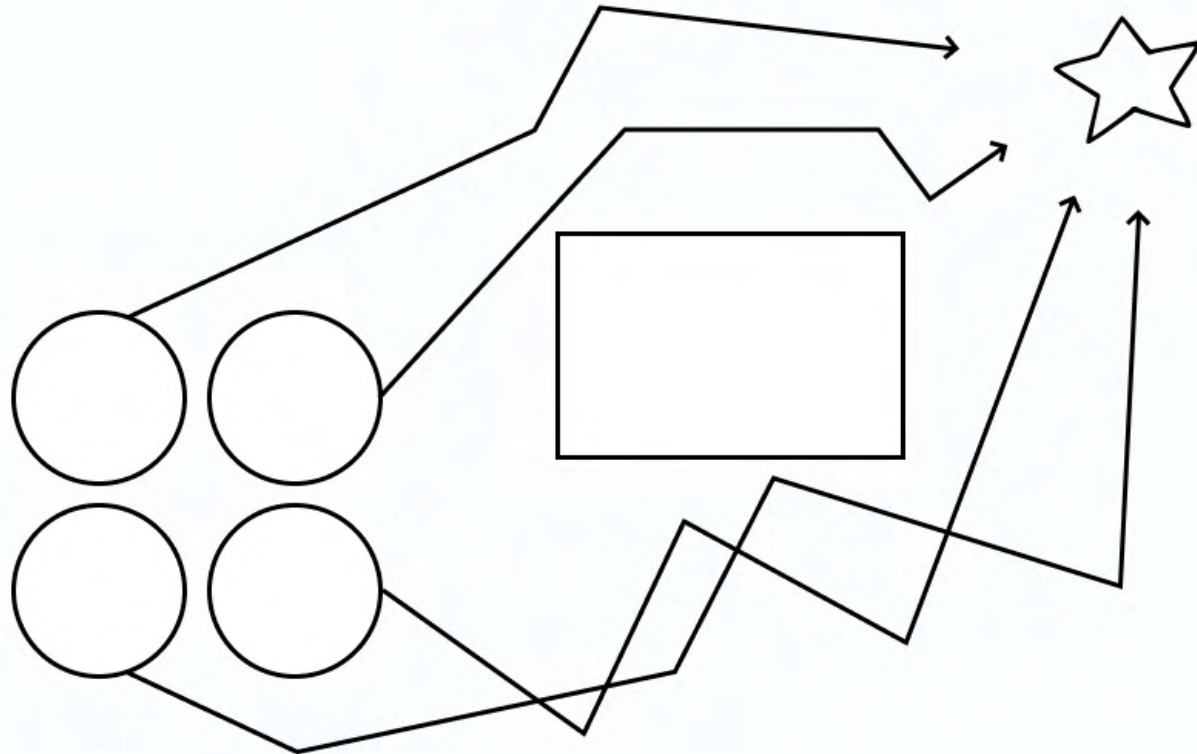


THE RIGHT WAY TO EMPOWER: STRATEGY

AGILE, EMPOWERED TEAMS
OPTIMIZE AT THE TEAM
LEVEL



WITH STRATEGIC CONTEXT,
EMPOWERED TEAMS CAN RESPOND
TO CHANGE AND ORCHESTRATE TO
DELIVER GREATER VALUE





SUMMARY AND TAKEAWAYS





Strategy, brought to life by
“The Product Trio”:

Product Management

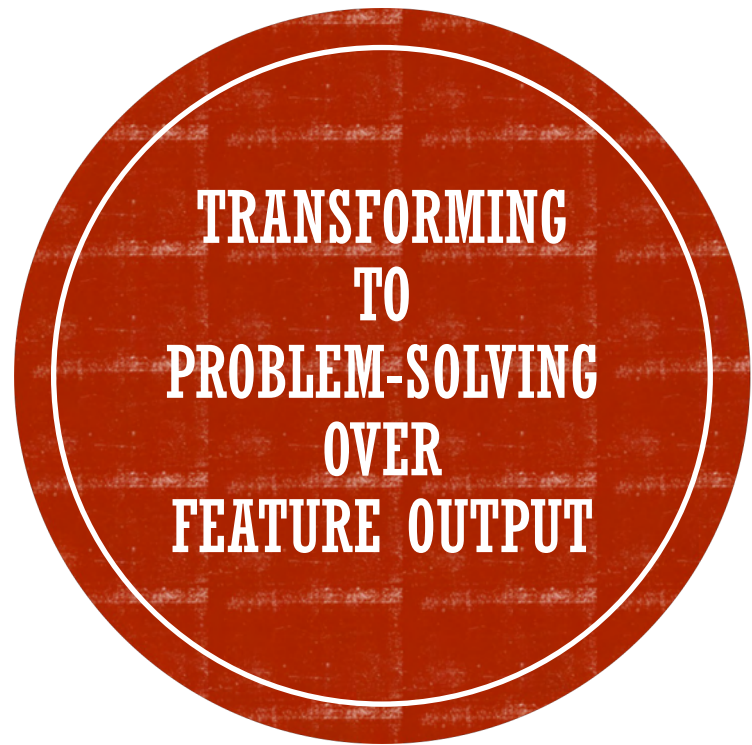
Design

Technical Leadership

LEARNING STRATEGY & PRODUCT IS HARD

When our goal is Business Agility to respond to changing conditions rapidly, we must look beyond Agile processes





**Changing how you decide
which problems to solve**

**Changing how you solve
problems**

Changing how you build



QUESTION & ANSWER



LINKS FOR MORE INFO

- [This full article on my website](#)
- [My strategy articles](#)
- [My OKR articles](#)



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