

By Cynthia B. Hanson

Business agility—the ability for your business to pivot like a weathervane in a hurricane—is one of the most discussed and sought-out attributes of companies and organizations of all sizes, in all industries and sectors. Agile methodology, a specific, widely used, teambased accelerator of software development, has been generalized, adapted, and applied to other types of teams,

as well as startup companies and now even partnering. "Agile Partnering in Today's Collaborative Ecosystems" is the theme of the March 11-13, 2019 ASAP Global Alliance Summit in Fort Lauderdale, Florida.

But if you still are wondering exactly what "agile partnering" means, you're not alone. The nascent concept is not yet well defined in the alliance management community, as even the alliance management practitioners who apply agile concepts recognize.



I asked Norma Watenpaugh, CSAP, CEO and founding principal of Phoenix Consulting Group, "What's your definition of agile partnering?" Watenpaugh will present the session "Agile Partnering for Speed and Innovation" with co-facilitator Laura Powers, CEO of Radtac U.S., at the 2019 ASAP Global Alliance Summit "Agile Partnering in Today's Collaborative Ecosystem."

"I don't think we have one that's written out," Watenpaugh says, while acknowledging that it's a new, evolving concept. "We've been advocating for a way to partner that adapts the agile principles. In fact, we've done some work with the 'Agile Manifesto' and adapting that to a partnering context"—actually going so far as to take the Manifesto, the foundational agile framework, as the inspiration for an "Agile Manifesto for Partnering." (See graphics, Pages 13 and 14.)

"Agile partnering' is a buzzword somebody made up," responds Jan Twombly, CSAP, president of The Rhythm

of Business, while discussing the value of agile thinking in today's high-speed partnering ecosystem. "But I firmly believe you will see agile concepts making their way into partnering—that's what we're doing with the minimum viable partnership."

In her session "Partnering at the Speed of Business: Creating Your Minimum Viable Partnership," which took place last fall at the ASAP European Alliance Summit, Twombly pointed out the value of using an approach her firm calls "minimum viable partnership," or MVP, which seeks to "create agility and speed throughout the partnering process by essentially creating a prototype of the alliance's business model to get into the market as fast as you can," she explains. "Until you are in the market, you don't know which of the assumptions underlying your alliance are right and which are wrong. So don't spend six months building a business case. Define the critical assumptions and go test them, then refine your model."

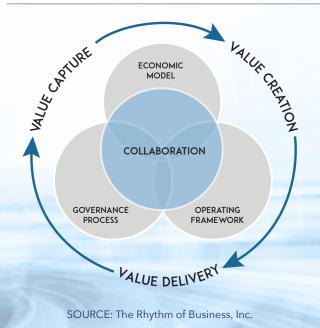
"What agile partnering should mean is following the principles of agile to design and operate your partnership," she explains. Your partnership has to act like a start-up, and agile principles are part and parcel of the way a start-up organization behaves. ... What we have always done from the very beginning with The Rhythm of Business is focus on treating a new partnership like it's a start-up entity."

A New Operating Model: Agility in Business

From a broad business perspective, incorporating agile principles into company frameworks is a burning topic and the focus of the 2018 McKinsey report "Leading agile transformation: The new capabilities leaders need to build 21st-century organizations," by Aaron De Smet, Michael Lurie, and Andrew St. George. "At the highest-performing companies, speed is the objective function, the operating model, and the cultural bias. And more: Speed is an imperative. ... The urgency imperative places a premium on agility," states the report, which explores agile principles within the individual mindset, teams, leadership, and company culture.

"Agile organizations can develop products five times faster, make decisions three times faster, and reallocate resources adroitly and quickly ... sense and respond quickly to market changes, shift resources and capabilities to where they will generate the most value, and constantly adjust in a volatile and unknowable environment. More specifically, leaders must learn how to disaggregate existing large businesses into a much more granular portfolio; transform corporate functions into a lean, enabling backbone; and attract a wide range of partners into a powerful ecosystem."

A second study published in 2018, the Collabnet



Speed to Market with an MVP - MINIMUM VIABLE PARTNERSHIP

The minimum common understanding at any point in time of how the partners collaborate to create, deliver, and capture value for customers and the partnering includes:

- The resources each contributes and how value and risk are shared
- Who does what
- How decisions are made and progress measured
- How IP is managed

AGILE MANIFESTO FOR PARTNERING

Four Values



VersionOne "12th Annual State of Agile Report," found indictors that agile is growing within organizations, "both more broadly and deeply." Some 25 percent of respondents reported that all or almost all of their teams are agile; in 2016, that percent was only eight. "The application of agile techniques to higher-level planning also saw an increase, with more respondents practicing Product Roadmapping (46%) and Agile Portfolio Planning (35%)," the report said.

"Agile principles in business require a high level of collaboration," Twombly points out. They are one of the pillars for making an organization more collaboratively oriented and prepared for the step of agile partnering. "If your organization is moving toward a more agile posture, if you are working in small, task-focused teams or objective-focused teams, you have to have in place the ability to collaborate for those teams to move forward together," she explains. "If your leadership system doesn't support that, you will wind up working at cross-purposes. It is incumbent upon those working to transform their organizations to have the stable backbone that will allow you to be agile and adopt a new way of organizing work and deliver customer success."

Created in 2001 by 17 software developers, the Agile Manifesto promotes four foundational values and 12 supporting principles. Watenpaugh and Powers explored the values and principles in the context of agile partnering, and then adapted them into their Agile Manifesto for Partnering. The adapted partnering principles are not "cast in concrete and made into stone tablets," Watenpaugh quickly notes.

She first began looking at agile partnering in a "more intentional way" while conducting an ASAP roundtable session on the Internet of Things several years ago. "What we were hearing about from the market mainstays was that their partnering models they were accustomed to weren't working anymore. They needed to be able to move a lot more quickly. That gave rise to the agile way," which she says includes:

- Maintaining a keen focus on the customer
- Working in short sprints and reiterating
- Embracing change and responding quickly
- Maximizing the work NOT done, i.e., minimum viable partnership delivering a minimum viable product
- Focusing on personal interactions versus process, tools, governance

Powers came to a similar conclusion when the cloud economy and some movements in digital transformation began to take root. "These markets were moving so fast, and there were so many startups and scrappy little innovative companies coming to market, that the traditional lifecycle partnering model and 200-page contracts were just not going to cut it," she says. By comparison, "agile was kind of a natural way to partner with small companies to start-up, and it had a lot of benefit to larger companies that wanted to be working with these smaller companies but also try to become more agile themselves,

AGILE MANIFESTO FOR PARTNERING **Twelve Principles of Agile Partnering** Our highest priority is to Working solutions for satisfy the customer through customer value is the primary early and continuous measure of progress. delivery of value. Welcome changing Agile processes promote requirements. Agile sustainable partnerships. processes harness change The partner teams and users for the customer's should be able to maintain a competitive advantage. constant pace indefinitely. Deliver working solutions frequently, from a couple of Continuous attention to weeks to a couple of months, partnering excellence and with a preference for the alignment enhances agility. shorter timescale. The most efficient and At regular intervals, the team effective method of reflects on how to become conveying information to more effective, then tunes and within the partner team and adjusts its behavior is face-to-face conversation. accordingly. Build partnerships around The best partnerships, motivated individuals. Give solutions, and business them the environment and outcomes emerge from support they need, then trust self-organizing teams. them to get the job done. Business people and Simplicity – the art of developers must work maximizing the amount of together daily throughout work not done – is essential. the partnership.

more flexible, more responsive to market changes, more responsive to customers."

Akin to the "failing fast" model, agile speeds up partnering process to determine if a partnership is not going to work. One of the main principles of agile, hence agile partnering, is "maximizing the amount of work that's not done. Keeping it simple, stupid," adds Watenpaugh with a chuckle. "Another one is ... focus continuously on customer value: how you create it, deliver it, test it, and validate that it truly is aligned."

That agile principle is supremely important, emphasizes Powers. On a regular basis, teams need to consider how to become more effective and attune and adjust their behavior accordingly. Frequently discuss what worked, what didn't work well, and what to change. "Agile is all about meeting you wherever you are right now," she says. "This isn't just for new partner situations that are spinning up. Existing alliances can choose to become more agile. ... It doesn't require a big bang; it can be evolutionary, beneficiary change."

The typical alliance lifecycle starts with strategy and then the contract and governance, "but most partnerships don't really start at point A and go to point Z," adds Watenpaugh. "Often we start in the middle somewhere with developing a solution and building on that. So you're actually kind of building the whole alliance lifecycle model from the inside out, but you're doing it in these small iterative steps, … keeping it very simple and focused on just the essentials."

Agile principles can be applied to partnering in large organizations and a wide range of industries. "Radtac is working right now with a very large pharmaceutical and has done pharmaceutical biotech, all kinds of regulated industries that you would not necessarily expect to be doing this kind of work [including] nonprofits. The challenge in biopharma, as well as some other industries, is that that they are regulated. You have to blend into that how you handle the regulatory aspects of working in an agile way, and the time frames," Powers adds. "I have a call tomorrow with one of the largest law firms in England. It's amazing where this is going. I'm not quite sure the world's ready for agile lawyers," she jokes.

The Value of Simplicity

"Agile, by definition means simple and quick. If you want agile partnering, my assumption is [it means] you find a way to partner quickly and easily," observes Candi-

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do Arreche, alliance management consultant and former alliance management executive for 21 years at Xerox Worldwide, and the author of two forthcoming books on alliance management. "A lot of the stuff we do as alliance managers, we need to do more easily. Streamlining is how to overcome resistance and keep it moving so that you can quickly and easily get your partnering process going."

"It's the mindset, a way of thinking that leads to different ways for your organization to behave, which in turn leads to different outcome."

Laura Powers,CEO of Radtac U.S.



"Because of tech and change in culture and instant gratification," our society has become accustomed to communicating and receiving notifications quickly, which has impacted the way we do business and manage alliances, he adds. "One thing I ask people to do in my workshop is write up all of the stuff that prohibits them from doing their job: e-mails, teleconferences, family issues, the list goes on and on. We have so much on our plates, and its taking longer to get things done," he points out, while shoring up his argument to make partnering simpler.

The results can be stellar, he then points out, citing his own personal experience. While working as an alliance manager at a global corporation, he was assigned to manage a collaboration with a large German IT services and consulting company. They were attempting to secure a multi-million dollar contract with an elevator company. The competition was stiff, but after sealing the deal, they completed the project "quicker than their typical deals ... because we made the process simple, easy to understand, went right to the point, and utilized the SCORE approach," he says.

Arreche devised the SCORE framework (Select, Connect, Onboard, Review, Execute) to help alliance managers simplify and become more agile to "overcome resistance quickly through enhanced communication and seamless execution," he explains. (For more information on the SCORE framework, see the April 11-12, 2018, two-part ASAP blog post "Five Ways to SCORE Big When Overcoming Obstacles and Conflict in Alliance Relationships," as well Arreche's September 20, 2018 ASAP Netcast Webinar "Partnerships that Perform: Accelerating Success in New Alliances.")

"If you think about partnering, we need to make it simpler. ... We need a method that can be used with both ends of the partnership. The tools should be quick and easy. SCORE, which is a platform and acronym, starts with agile. Do you have the right chemistry; are your goals aligned?" he explains.

Questions like these are critical for success and need to happen to become more agile, he continues, while noting, "We sometimes want to force a round peg into a square hole. Not all partnerships are meant to happen. SCORE helps you determine if you have the right partnership."

Companies increasingly need to embrace agile practices, especially in this age of instant gratification, Arreche believes. "We're requiring a different model. ...

We have so much on our plates that agile partnering is going to be critical for the future."

Today's business climate requires more communication and alignment, continues Arreche. "If we are requesting a quick and easy contract, legal and HR need to be aligned ahead of time. The teams need to be aligned with each other in respect to the focal point. The mantra and governing forces are aligned with the same marching orders from which the partnership evolves. Otherwise it will be destructive. You will have a team marching to a different beat."

The Agile Mindset

Great agile initiatives are not managed or delegated, they're led. For an organization to get the best return on its investment in agile, its leaders need to understand what their roles are and be willing to adopt new ways of working, points out Powers. An agile leader is not a command-and-control leader, he or she is someone who defines the vision, sets the direction, and then does what is necessary to support the organization in doing the work. Leaders remove impediments and enable and sustain the team.

Company culture is also key. It needs to be open to change. "Ultimately, an agile leader is a catalyst for change," continues Powers.

"The companies that are the best performing realize they need to harness a business ecosystem," Watenpaugh points out, citing the 2019 IBM Institute for Business Value Global C-Suite Study "Incumbents Strike Back," which places a high value on agile principles. "The study just straight-up says that the most successful companies are becoming more agile and harnessing the value of building partner ecosystems and platforms. ... We can talk a lot about the tools and the processes and techniques, but the most valuable part about agile is what's in your head—not in the tools."

It's the mindset, a way of thinking that leads to different ways for your organization to behave, which in turn leads to different outcomes, concurs Powers. "Everything you do for a team is one less thing that the team learns to do for itself. How do I coach groups of people and give them more autonomy to do the work and then figure out how to check in frequently enough that they don't get really off track?" That approach "frees me as a leader to manage value, to build those relationships. That mindset is the seed of brilliance in the marketplace in the 21st century."

Additional Resources

Leading Agile Transformation: The new capabilities leaders need to build 21st-century organizations, McKinsey & Company, October 2018, https://www.mckinsey.com/business-functions/organization/our-insights/leading-agile-transformation-the-new-capabilities-leaders-need-to-build-21st-century-organizations

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The 12th Annual State of Agile Report, Collab.Net VersionOne, 2018, https://stateofagile.versionone.com/

Embracing Agile: How to master the process that's transforming management, by Darrell K. Rigby, Jeff Sutherland, and Hirotaka Takeuchi, Harvard Business Review, May 2016, https://hbr.org/2016/05/embracing-agile

Own Your Transformation: A Five-Point Agenda for Creating Your Organization's Collaborative Leadership System for a Digital World, ASAP Netcast webinar by Jan Twombly and Jeff Shuman, The Rhythm of Business and Alliancesphere, Dec. 18, 2018, https://theasap.org/netcast/html/dec_B_2018.html

Partnerships that Perform: Accelerating Success in New Alliances, ASAP Netcast Webinar presented by Candido Arreche, CA-AM, Senior IT Partner Management Executive, September 20, 2018, https://theasap.org/netcast/html/sep_2018.html

No Normal is the New Normal: Make disruption work for your business, 2018 Global Executive Top of Mind Survey, KPMG https://home.kpmg/xx/en/home/insights/2018/06/top-of-mind-survey-2018.html

Understanding the Many Dimensions of

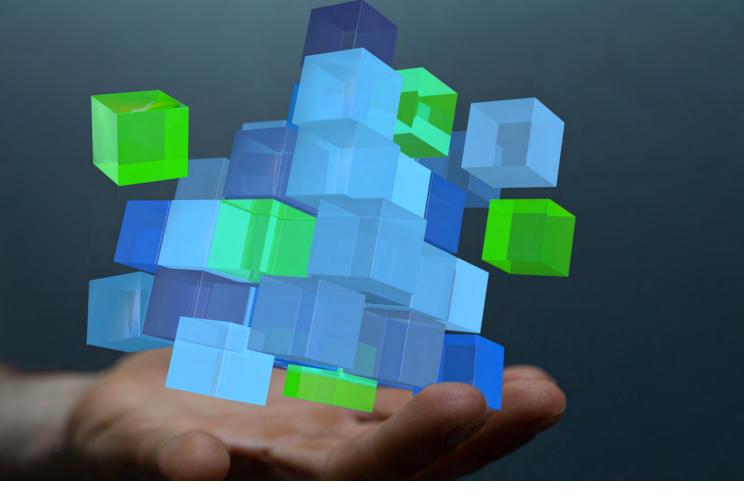
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Norma Watenpaugh, CSAP, CEO and founding principal of Phoenix Consulting Group, and Laura Powers, CEO of Radtac U.S., will be exploring the topic of "Agile Partnering for Speed and Innovation" at the upcoming 2019 ASAP Global Alliance Summit, "Agile Partnering in Today's Collaborative Ecosystem." Agile partnering is associated with greater ease and speed, but it is a complex topic to grasp because of its different interpretations. I spoke at length with the session leaders about the meaning of agility in business, and the value of transferring those concepts to "agile partnering."

Laura Powers: There's a difference between agile with a little "a" and a big "A." There's a lot of business jargon that talks about companies needing business agility. What they mean is nimble, able to shift course easily, and responsive to what's going on in the marketplace, because you don't have three years to specify a product design. In that amount of time, your competition can come along and change the whole nature of the game and you're out of luck. That's agile with a little "a." Agile with a big "A"—agile as movement, as a framework, as a way of doing work—really traces its roots back to 2001 when a group of primarily software developers got together to say "there has to be a better way." Out of that meeting in Utah

came the "Agile Manifesto" and "Agile Principles" initially applied to software development. Over time, what we have seen is that working in small time boxes—incrementally iterating toward your solution, rather than doing a huge design up front and then implementing it and trying to keep change out—all of the things that are part of agile software development are equally good in other functions of business. So it has crept into marketing and sales and human resources.

Norma Watenpaugh: Agile, at its root, is a collaboration model. ASAP has a lot of tools and best practices, but it's that collaboration mindset that really gets alliances off to a strong start. When you think about collaboration and the agile mindset, they're very synergistic and very similar. With the agile model, you work in small, empowered teams, pick something to take to market, see if it works, and if it does, build on it. We did this with the ASAP/NIP alliance. (See interview, Page 27.) We wanted to build a partnering capability assessment, and we had a big vision for it. As we began to design it, it became clear that it was much more feasible to put together a shorter, 20-question version that we could deliver in a short time, test with customers, and build on it. In this case the customers were alliance and



partner managers. So we put it together, launched it at the 2018 ASAP Global Alliance Summit, and got a lot of good feedback. We also learned we needed a multi-user or team version of it, so that became our next product and it was also done with very lightweight processes in terms of product design, governance, and contracts. I can't say we even had a business plan. What made it agile was the alliance's reliance on a customer focus to drive the product design and lightweight iterative processes.

Powers: It's a very tight, fast feedback loop. So in the focus on the customers, you want to design ways to try little things that don't cost a lot but help guide you, so you can course-correct before you've bet the farm on a particular idea. One of the tenets is the idea of keeping as many options open for as long as possible. So how do you approach what you're creating in a way that you don't decide that the house should be painted blue too early, when there might be an option for painting it brown on down the road? It's that idea of moving quickly, running experiments, failing fast, basically getting feedback quickly, and having more frequent conversations with stakeholders that are smaller in nature, so the stakeholders know where the work stands and can help guide the course-correction to avoid not hearing any-

thing for three months and then, once a quarter, finding out you wasted three months of work.

Watenpaugh: It's not like you build something in the garage, roll it out, and look for a customer. Customers are as integral to the collaboration as your partners. It's really an ecosystem play. When you look at customer-centric solutions, it's a plateful of partners and your customer.

Powers: There's a very definite methodology that has being taught outside of the software development teams around agile business. In the context of strategic alliances, that is what we're talking about. It's how you work in small time boxes, how you build a culture of transparency and sharing, so that a group of organizations that come together in an alliance to accomplish some objective are working in a faster moving, more nimble way, with this framework. There are lots of different ways to apply the principles that stem back to the "Agile Manifesto" and the "Agile Principles." My take on it is that it's kind of like having a good cookie recipe, and knowing how to adapt it. It's like an ocean—you can take a cup of water out here, and a cup of water out here, and in the end, it's all agility.