Success Story:
Siemens - Digital Factory • Factory Automation • Automation Systems

One of the project teams of the Siemens Digital Factory, consisting of around 50 employees, develops software automation systems, used by manufactures all around the world. However, by 2015, this market leading high-tech division aiming to provide innovative solutions to their customers was facing new challenges in terms of flexibility due to upcoming future trend developments in the industrial market, mainly driven by the upcoming trend of digitalization. In order to keep the driving position in the market, the project team had to take the next level of evolution.

They turned to us, agile42, an international company with extensive experience in coaching Lean and Agile methods. With seasoned coaches, proven results and an impressive collection of certifications, word-of-mouth recommendations resulted in us being asked to assist.
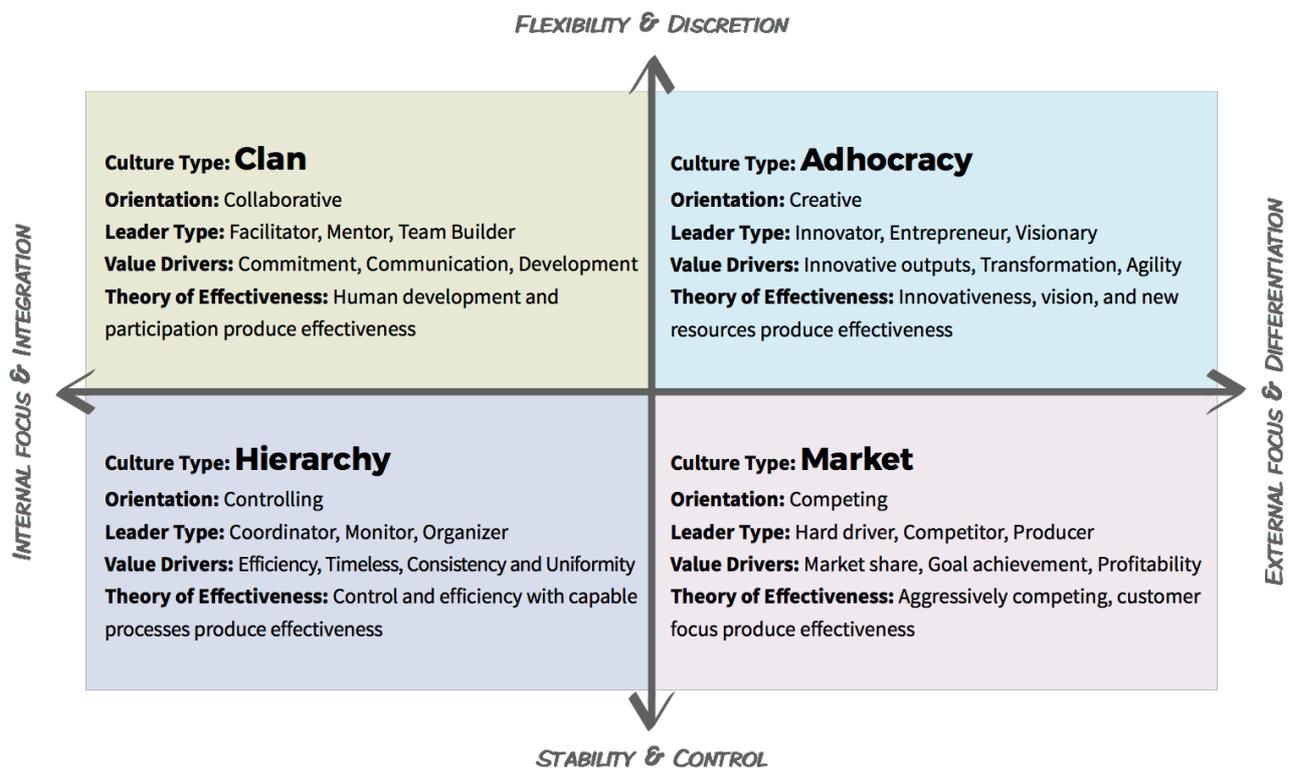
In some ways, this project team was a textbook case. The situation was ideally suited to agile methods because they are designed to tackle the challenges they were facing. Initially, around half of the project team was split into three agile teams to test out these ideas.

Nobody said it would be easy. They had to ease into their new roles and stumble a few times at first. Getting caught up on the definitions of tools and how to use them appropriately. In addition, trust does not simply build from one day to the next. The agile42 coaches did not just offer tools, but contributed their own expertise, helping the teams define in practice what they were arguing about in theory and clarify goals. Results already appeared at the first review after only 2 weeks. Seeing the Empirical Process Control in practice gave everyone a morale boost. Following this initial surge in motivation, retrospectives along the way became a mechanism to show the teams how far they have come, identify small improvements that helped to maintain that dynamic, and develop team responsibility.

These changes did not just inspire a change in behavior, they also started to nurture the deeper attitudes and culture that are best suited to an iterative and incremental approach; cooperation, experimentation, trust and responsibility.

The experience was ultimately such a success that it was rolled out to the whole project team, showing that not only they had taken the tools they were given and ran with them, but they also managed to scale them.

This brings us to 2017, two years after the original experiment. The teams were starting to doubt and second guess whether they were still on track. The agile42 team was called back to assess the subdivision's progress. In order to truly evaluate the changes that had taken place, the coaches and teams used the Competing Values Framework (CVF, Cameron & Quinn, 1999), a model for understanding organizational culture. It consists of two axes, running from flexibility to control and from an internal to an external orientation. The intersection of those axes creates four quadrants, representing different, competing cultures, each with their own core values and assumptions.

FLEXIBILITY & DISCRETION

INTERNAL FOCUS & INTEGRATION

Culture Type: Clan
Orientation: Collaborative
Leader Type: Facilitator, Mentor, Team Builder
Value Drivers: Commitment, Communication, Development
Theory of Effectiveness: Human development and participation produce effectiveness

Culture Type: Adhocracy
Orientation: Creative
Leader Type: Innovator, Entrepreneur, Visionary
Value Drivers: Innovative outputs, Transformation, Agility
Theory of Effectiveness: Innovativeness, vision, and new resources produce effectiveness

EXTERNAL FOCUS & DIFFERENTIATION

Culture Type: Hierarchy
Orientation: Controlling
Leader Type: Coordinator, Monitor, Organizer
Value Drivers: Efficiency, Timeless, Consistency and Uniformity
Theory of Effectiveness: Control and efficiency with capable processes produce effectiveness

Culture Type: Market
Orientation: Competing
Leader Type: Hard driver, Competitor, Producer
Value Drivers: Market share, Goal achievement, Profitability
Theory of Effectiveness: Aggressively competing, customer focus produce effectiveness

STABILITY & CONTROL

Team members can assign points to different characteristics and statements. Once the results are pooled, it becomes a powerful way not only to uncover organizational culture, but also to look at how it changes over time. To flesh out the model even more, our coaches combined the CVF with storytelling, by asking participants for personal stories describing how things are done now, compared to back then, which map to the different quadrants of the model.

The results were striking, and the picture speaks for itself and these are the stories they told:

Now the development teams are involved with the stakeholders and clients throughout the process and they can give them exactly what they need, in time and with high quality. Ideas for solutions to problems are taken back to the client in the form of prototypes,

resulting in a common creation through a transparent empirical process. Where once everyone focused on their own tasks, multiple teams can now decide for themselves to work in parallel on thessame project, focusing on a common goal. This is a result (and a process) that would have been impossible in the former, pre-Agile days. Now everyone can see that self-organizing teams deliver the best architectural solutions. Now no one has to make demands, or stay over time, unless they choose to themselves. Extending the methods to further project teams was not simply scaling; it was a thorough adoption and understanding of the essence and practice of being Agile.

Failsafe culture profile

— aktuell (2017)
— 2 years ago (2015)
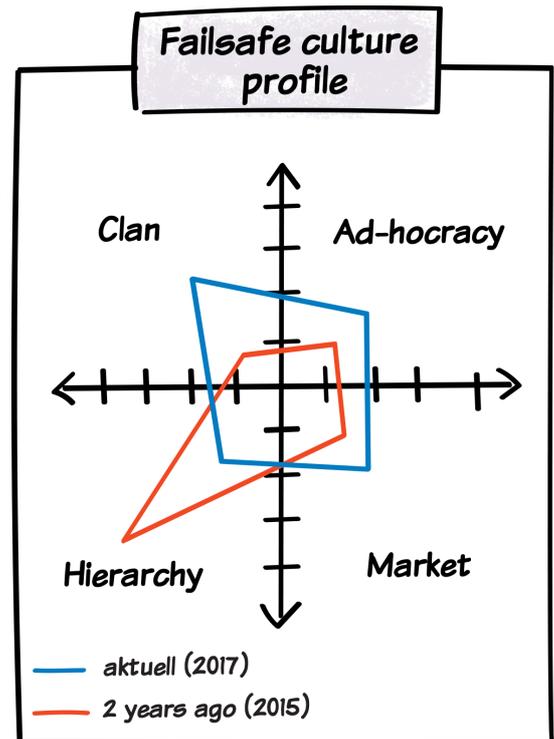
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