



Tuesday, April 10, 2019 | 1pm ET/10am PT

**Shared Problem-Solving Discussion (2 of 6)**

*Connect directly with your peers to share a success or seek advice on what isn't working. This is also opportunity to collectively discuss topics/ issues members are focused on for 2019.*

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**Conversation starter from the member newsletter = What's one challenge you're facing this year where you could use some guidance? – What's one challenge you're facing this year where you could use some guidance?**

Agile – lessons learned, dos and don'ts.

Has agile impacted traditional HR programs like performance management, learning and development and compensation?

Jacqueline Welch - At Freddie Mac, we are in the midst of a Modern Delivery (our nomenclature for Agile) transformation. I am all ears for lessons learned, dos and don'ts. Further, I am keenly interested in the degree to which Modern Deliver (Agile) has or hasn't impacted traditional HR programs like performance management, learning and development and compensation. Hired McKinsey as a partner to lead this work. Coming out of Tech organization, CIO emphatic about Uptake good, 8 MVP. Growth plan 20 teams, double that in 2020.

Julie Fletcher – popping up where is makes sense. Not all in yet. Has the attention of executives where is makes sense?

Jacqui – what is driving their interest?

Julie - education. Something may take a year to build, but things change so fast, you have to move faster. Always in fast growth mode. New CIO jumped in and saw challenges of tech teams not embracing Agile. There were failures where agile wasn't used.

Zachary - Encouraging direct feedback. Providing coaching and training. Terms are a part of it too – in creating the culture. Names can have a stigma. You hire and promote experts, not managers.

Employment brand – important component and where HR can impact brand in attracting the right people. Coaches not managers

Jacqui – pay processes? Much of agile is working in teams. Traditionally we compensate the individual. Our current processes may be antiquated or not in support of agile.

Steve Antonoff – They are a 2 product line company, yet have a small software division which develops propriety software. 18 months ago moved to an agile model. Not directly involved but will reach out to scrum master for more information for the group. YES – they have a SCRUM MASTER! ☺

Jacqui - Talent knows what agile is. Asking if Freddie Mac is engaged in Agile work. If not you are not currently engaged in an agile endeavor, you will be touched by it.

Steve as seen this as well.

Data from Peter Cappelli's presentation presented to the C-TEN 11/1/17 ([can be found on website](#))

- The essence of agile = “putting people and their interactions above processes and planning”  
*Agile pioneers Alistair Cockburn and Jim Hightower, 2001*
- Small teams working collaboratively using an approach called “Scrum,” where decisions are made in an open fashion.
- Priority to face-to-face interactions, as opposed to top-down decisions, and to iterations over plans. Autonomy for the team.
- Customers/Users are involved all along including in design.
- Resources are allocated based on need as it emerges – including “sprints” where they are used intensively to crack hard tasks – as opposed to based on plans.
- Stand up prototypes quickly, get feedback to improve them.
- Feedback/tests everywhere.

Who is using it?

- This year, executives in PWC's annual CEO survey rated innovation as their top priority. <http://www.pwc.com/gx/en/ceo-agenda/ceosurvey/2017/us/key-findings/innovation.html>
  - *This is the driver behind agile*
- 90+ percent of IT departments are using versions of Agile 11<sup>th</sup> annual state of Agile Report. 2017. Versionone.com
- 79 percent of global executives in Deloitte's survey rated agile performance management as a high organizational priority 2017 “Redesigning performance management”
- From manufacturing to financial services to consumer products – anywhere innovation has become a priority

What's different about Agile?

- Start with client/customer goal
- An overall budget, but few restrictions on allocation or interim targets
- Customer feedback in design / fast prototype-more customer feedback
- Scrums for redesign
- “Sprints” request extra resources for hard tasks as they appear

Sara Albright– not using Agile model. In the middle of reinventing operations. Continues to work with board. Challenges – healthcare is very labor intensive – 70% expense is salary/wage. Hard to create a profit margin in healthcare. It's been a challenging year financially. Struggling to pull together across network to create economies of scale. Challenge is everyone defaults to we need fewer people. Yet how do you get the work done with fewer people. The answer to the problem is not go to where our expenses lie. Shortage discipline – 1 mil in healthcare.

Jacqui - Higher education and debt – good future topic. Freddie Mac is keeping an eye on this. Young people are disenchanted about the opportunity of future employment and then buying a house.

Skilled labor training - alternative to college

Steve - Getting HS level interested in construction, can make 6 figures. Attended a SHRM Advocacy D in DC. Went to Capitol Hill and met with the staff of house and senate reps to support the bill that would extend the tuition reimburse program on a tax deferred program. Technical and professional skills - this bill will help attract and retain talent. Federal level – write to your representative to support this bill.

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What are some thing you're working on right now? Your favorite accomplishment of 1<sup>st</sup> quarter?

Steve – set a goal to drag company into 20<sup>th</sup> century (haha). Making progress. Opened eyes internally, progressive use of social media in recruiting. Partner with firm that specializes in data recruitment. manage. Pay as you go. Shortage – truck drivers – shortage – using social medial to those who have CDL in their social media then pushing messages to them. They are moving into the modern world!

Sara – just transition to PTO, from having separate personal, holiday, sick. Single record keeper in retirement plan. Employee benefits education plan – so they are aware of all that is available and what a great plan it is. Held a town hall. Allows you to get at what they want to know. Compensation incentive program – in high turnover, entry level positions, to try and keep them in the jobs.

Jacqui – also just gone to PTO. Fiscal calendar did not line up with how they accrued vacation. Kicked off agile internally. 8 MVPS – successfully. People did offer up highest potentials so teams are well staffed and supported. Launched personas – looking at employees as where they are in their career stages. For younger – tuition reimbursement. Back end – elder care. Richer benefits offering.