



**What does a “cultural  
transformation” look like?  
For whom? What lens?**

# Examples of "lenses"...

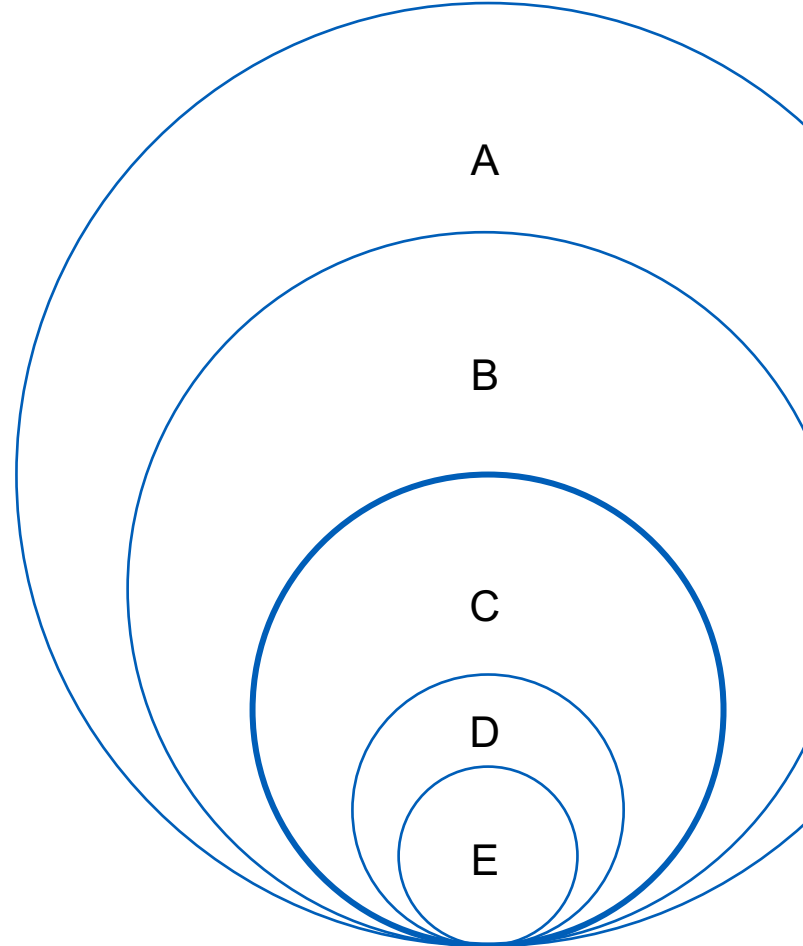
A) Outside perspective

B) Top management perspective

C) Middle management perspective

D) Business owner / Team Leader perspective

E) Grassroots change agent's perspective







# **Lens #1**

## **Transforming a company culture, outside perspective.**

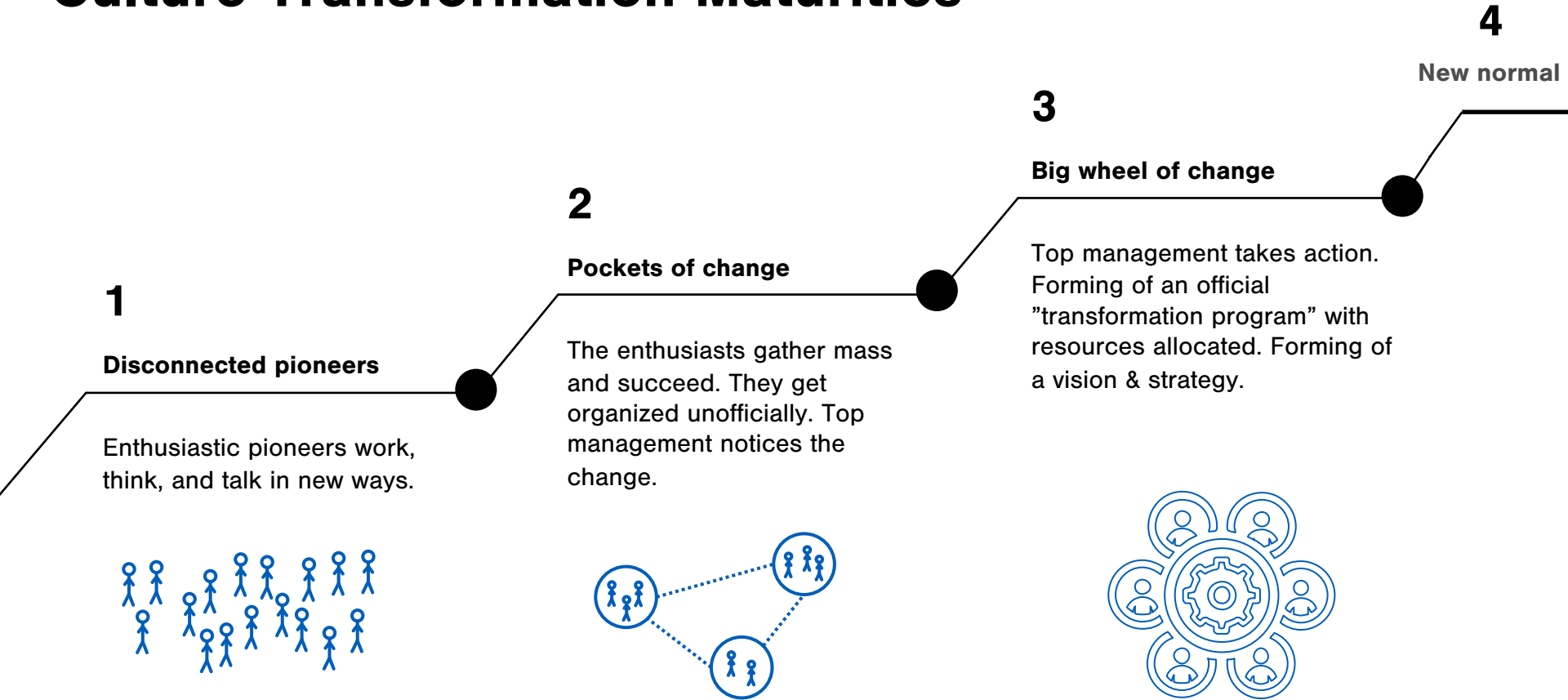




**Remember this?**  
**The anti-Taylor vision?**

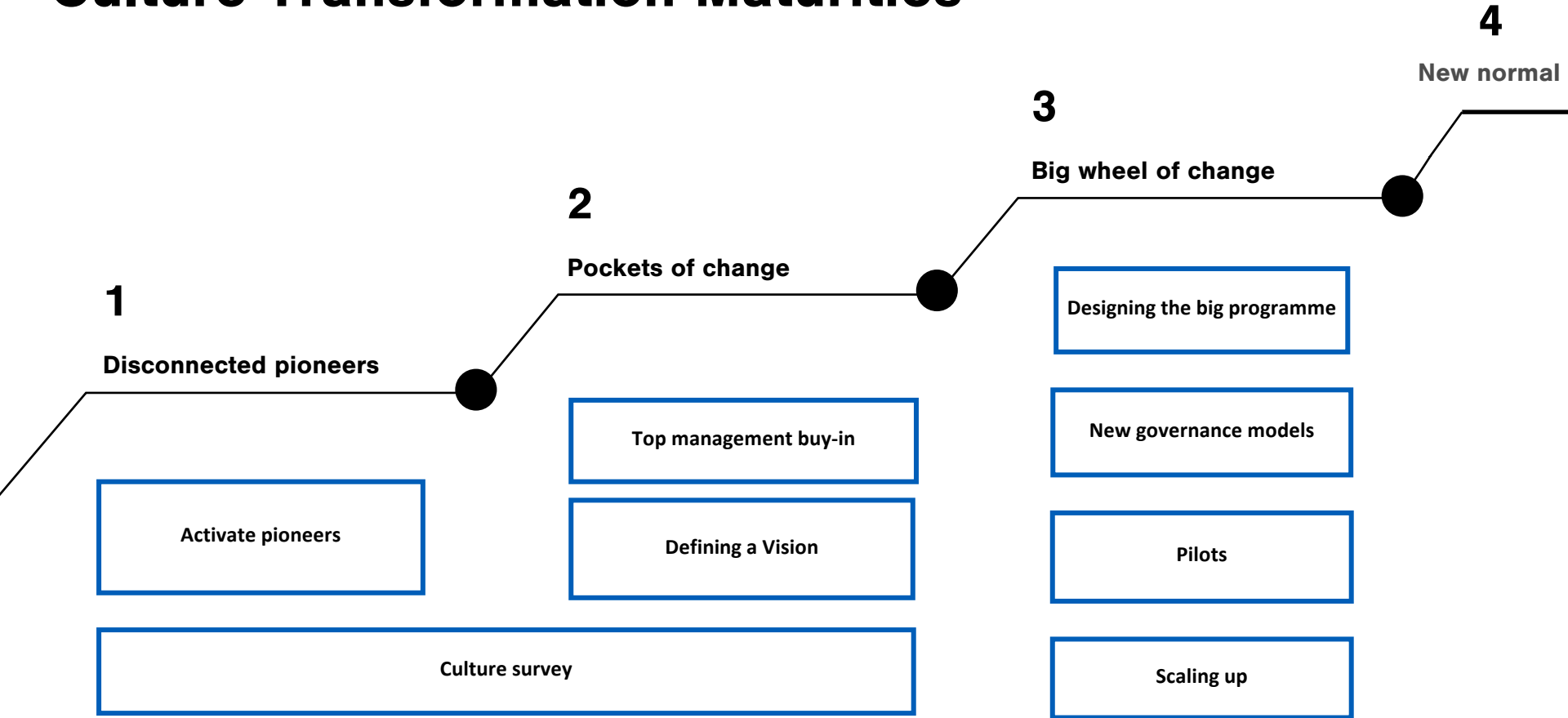
**The *Lean* New Culture**  
Grassroots take Responsibility  
Grassroots make Decisions  
Transparency of Information  
Focus on The End Result  
Happy, Creative, Talented People.

# Culture Transformation Maturities





# Culture Transformation Maturities

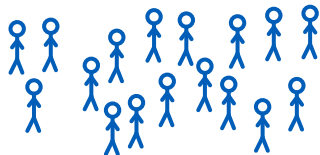


# Example: yle

1

## Disconnected pioneers

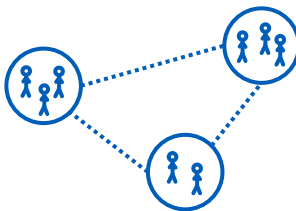
Enthusiastic pioneers of *Areena* digital development.



2

## Pockets of change

Agile PO trainings connect like-minded people.  
Events and get-togethers.  
Emergence of clear leaders and people to contact.

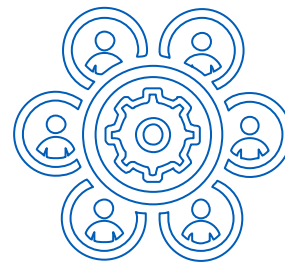


3

## Big wheel of change

Crisis of "company culture".  
Board takes "new culture" on their agenda. New CEO hired.

Top-level change, resources, support. Reaching outside own company (events, trainings etc).



4

## New normal

What is

What is  
*agile & /*  
reach?

Digital C  
a goal.

Meaning  
society.

# Example: yle

4

New normal

el of change

"company culture".  
akes "new culture" on  
nda. New CEO hired.

change, resources,  
Reaching outside own  
(events, trainings etc).

What is our vision?

What is the objective all this *agile & lean culture* is helping us reach?

Digital Customer Experience as a goal.

Meaningful work, value for society.



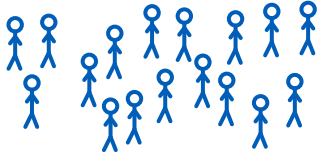


# Example: *anonymous*

1

## Disconnected pioneers

Enthusiastic pioneers want to create new business using lean, design, agile ways.

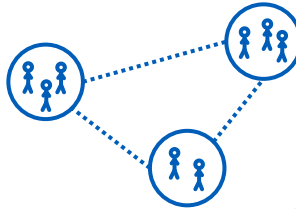


2

## Pockets of change

New people (and consultants) are hired to support new ways of working.

An acceleration program creates new concepts in new ways.



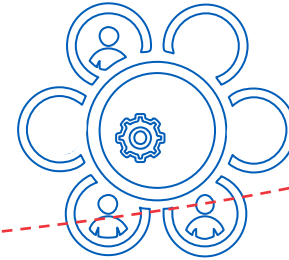
3

## Small wheel of change

The results fail to gather critical mass.

Next steps too small and lack top executive support.

The talented pioneers leave. Momentum withers...



4

Old normal



## Main point

**The company culture changes  
(processuality),  
the top management can only react to it.**

**...and the change is not linear,  
it happens in leaps.**

# Beware of Populism!

Don't fall for the  
“big bosses just don't get it”  
narrative.





**“Autonomous teams!”**

**“No bosses!**

**”Lean startup! Design Thinking! Agile Manifesto!”**

**”Give grassroots more decision power!”**

**“Old men in suits are dumb!”**



**“Let’s workshop this sprint on the Kanban!”**

**“Stiff, slow, bureaucratic!”**

**“Flat organisation!”**



**?**



**“Are you talking about projects, tools, capabilities, ways of working, R&D, or what?”**

**“How does all this fit our corporations other investments?”**

**“How do you coordinate among yourselves?”**



**“I hear you. How does this affect the rest 90% of our people?”**

**“And how should I present this to the board? The media and shareholders?”**

**“And in our international corporation this means *what* in practice?”**

Boss don't get it.  
Boss stupid!



These people have no  
clue about our business.  
This “agile culture” is not  
for us.





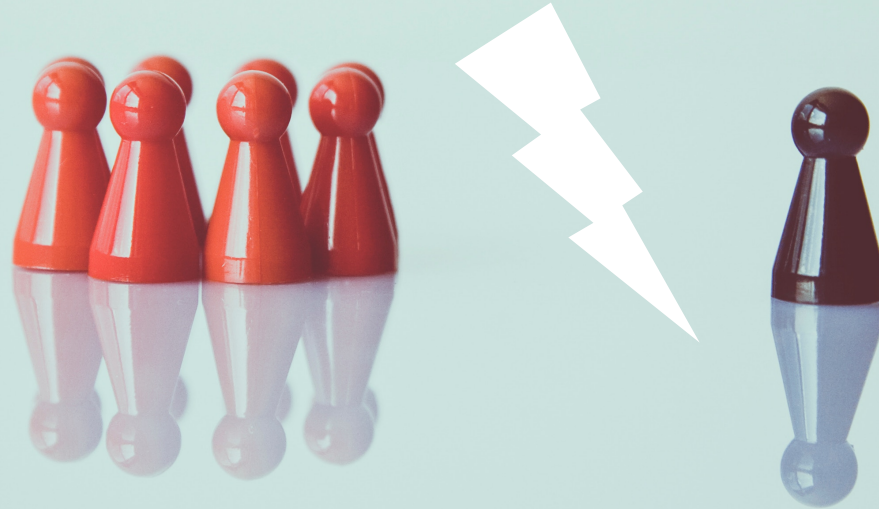
Revolution!  
Kick out the old  
men in suits!



No one is so crazy that  
they put a project level  
expert in charge of a  
corporation!



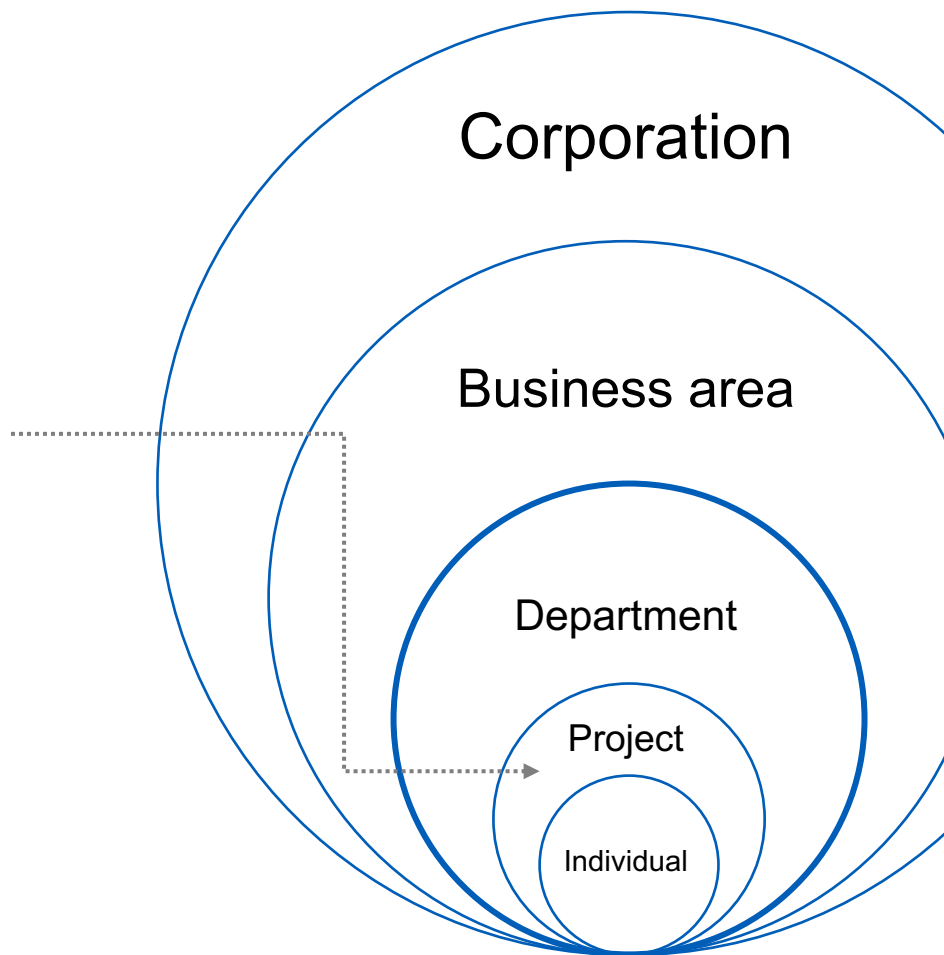
# What brought us here?



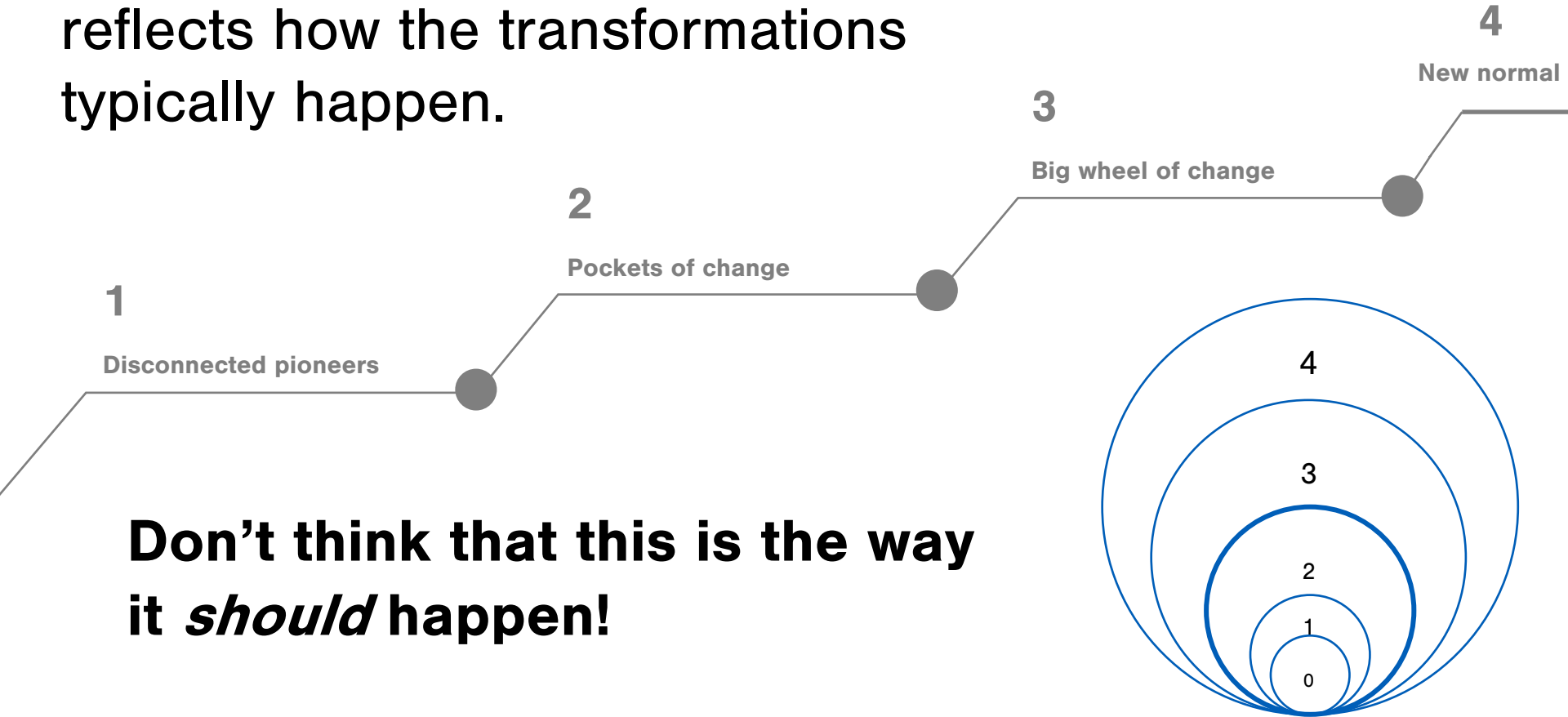
Agile, Lean Startup, Design thinking  
are partly to blame...

They all have their origins in the “lens”  
of a single product, service or innovation.

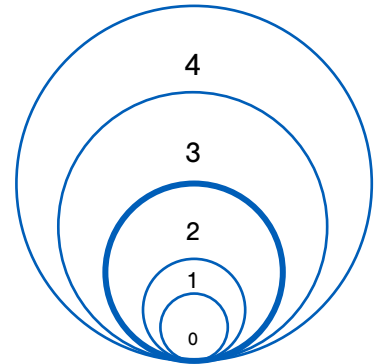
This is often a **blind spot** when it comes  
to using them to **design organizations**.



The prevalent narrative (lens)  
reflects how the transformations  
typically happen.



**If you could design an  
organization from scratch,  
would you start  
inside out?**



**Of course not!**

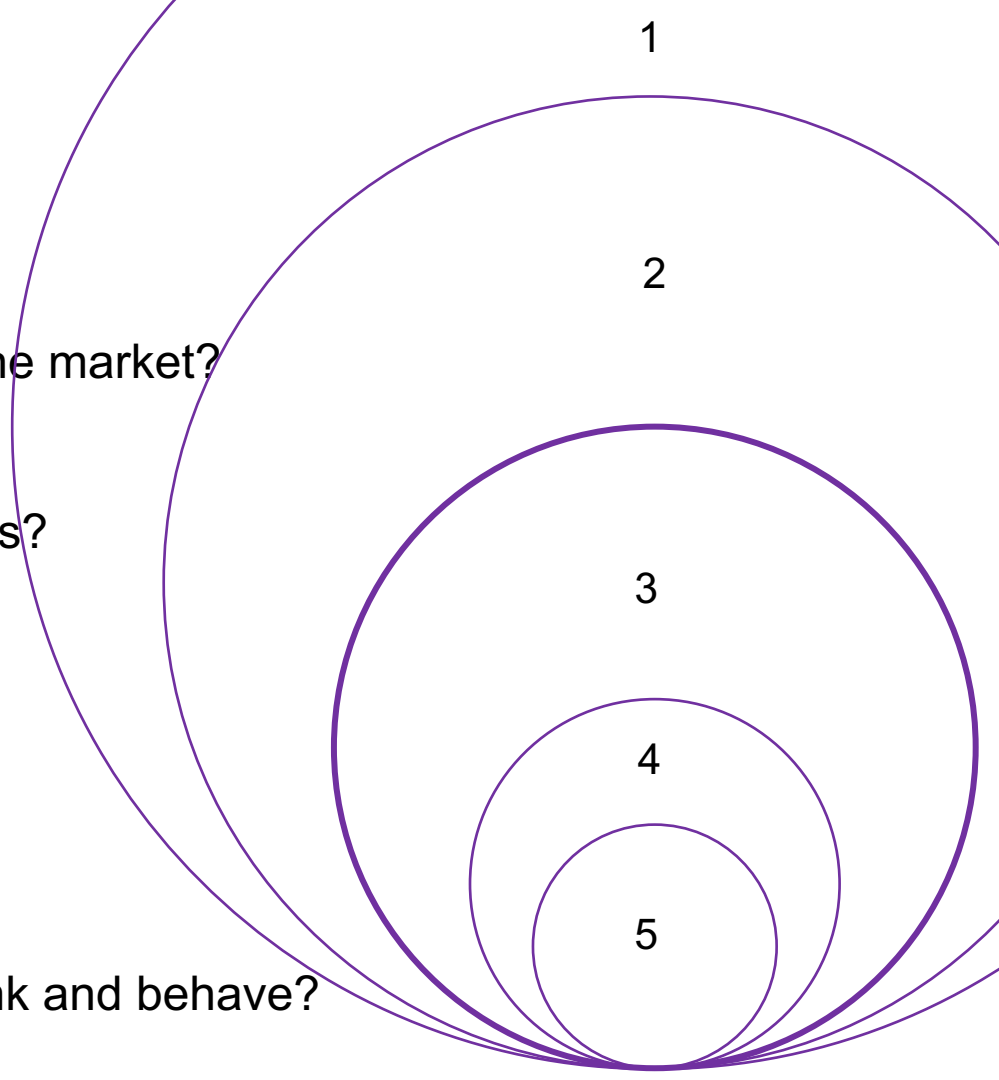
**You would design an  
organization based on  
customers, markets, and  
the business domain.**



**So, let's see how  
smart startups do it...**



1. What is our unique advantage in the market?  
What differentiates us?
2. How should we organize ourselves?
3. How do we make decisions, lead?
4. How do we split into teams?  
How do they work and function?
5. What individual talent we recruit?  
How would we like a person to think and behave?



**Large organizations' transformations  
happen inside out, because they are  
not a clean slate.**

**However, designing change should  
always happen outside in!**



# **Lens #2**

## **Transforming a company culture, top management perspective.**



# Top Level Roadmap for a new "company culture"

2.

1.

5.

3.

4.

6.





# THE 6 FOUNDATION STONES OF CULTURE TRANSFORMATION

## 1. TOP LEVEL DESIRE FOR CHANGE

Take a leap of faith from traditional management principles to a culture of experimentation, constant iteration and learning.

How is the industry changing, and by whom?  
Who do your customers want to become?  
What are your unique competencies?  
Are you shaping the market or adapting to it?  
What will you do and what you leave out?

Do you see learning and experiments as an investment?  
Is failure an inherent part of your learning?  
How easy is it to delegate decision making to others?  
Are you ready to overhaul the way budgeting and investments are shared?  
How will you personally embrace experimentation, iteration and learning?

## 2. A STRATEGY AND A VISION TO FOLLOW

Create a strategy that is functional, inspiring, and easy to understand so that everyone can adapt & adopt it to their own work.

What are your decision-making principles?  
What are your organization's priorities and reporting modes to implement the vision?  
How do the governance models and processes support experimentation?  
What are your critical ways of working, tools, and operating models?

## 3. SUPPORTIVE STRUCTURES

Build structures that enable people to learn, iterate, and experiment: governance models, investment principles, and guidelines for decision making.

Which legacy systems you need to work with?  
What is your strategy for recruitment and - war for talent?  
How will you increase learning and education?  
How future is the design, development, and device?  
What is the role of AI, data science, machine learning?

## 4. CAPABILITIES & COMPETENCES

Recruit, train, and encourage people who can lead, support others, and get it done. These people put your strategy to the acid test and make it better.

How have the teams adapted agile, design, and the new working principles?  
Are these strategically important capabilities?  
What's your plan for creating innovation hubs and units?  
Are you engineering outside institutions, competitors, or sponsors?  
How will you communicate the spearheads internally, to the outside world, to customers?

## 5. SPEARHEADS, PILOTS & AMBASSADORS

Launch and oversee new initiatives that demonstrate the new strategy, structures, and capabilities in action. Empower the participants to become ambassadors for change.

How will you communicate results, success, and why all this is done?  
Have you gathered learnings from first round and learning?  
How you make sure that culture change is on the board members' agenda?  
Have you created goals, metrics and success criteria for the change?

## 6. SCALE UP AND ORGANIZE CHANGE

Leverage the success from the spearheads and update your structures & models based on the learnings. Upgrade the transformation into a proper change programme.

You made it! Now gather your learnings and start your next iteration from the beginning.

Done together with BearingPoint Finland, 2018.





# **1. Top level desire for change**



Are learning & experiments an investment?

Is failure an inherent part of risk taking?

How easy is it to give away decision making?

Are you ready to overhaul the way budgeting & investments are done?

How will you personally embrace experimentation & iteration & learning?



## **2. A strategy and vision to follow**



How is the industry changing, and by whom?  
Who do your customers want to become?  
What are your unique competences?  
Are you shaping the market or adapting to it?  
What will you do and what you leave out?





# Wärtsilä Smart Marine ecosystem



Cloud based  
solutions



Data analytics



Connectivity



Security



Remote  
Maintenance  
Management



Intelligent  
Troubleshooting



Service



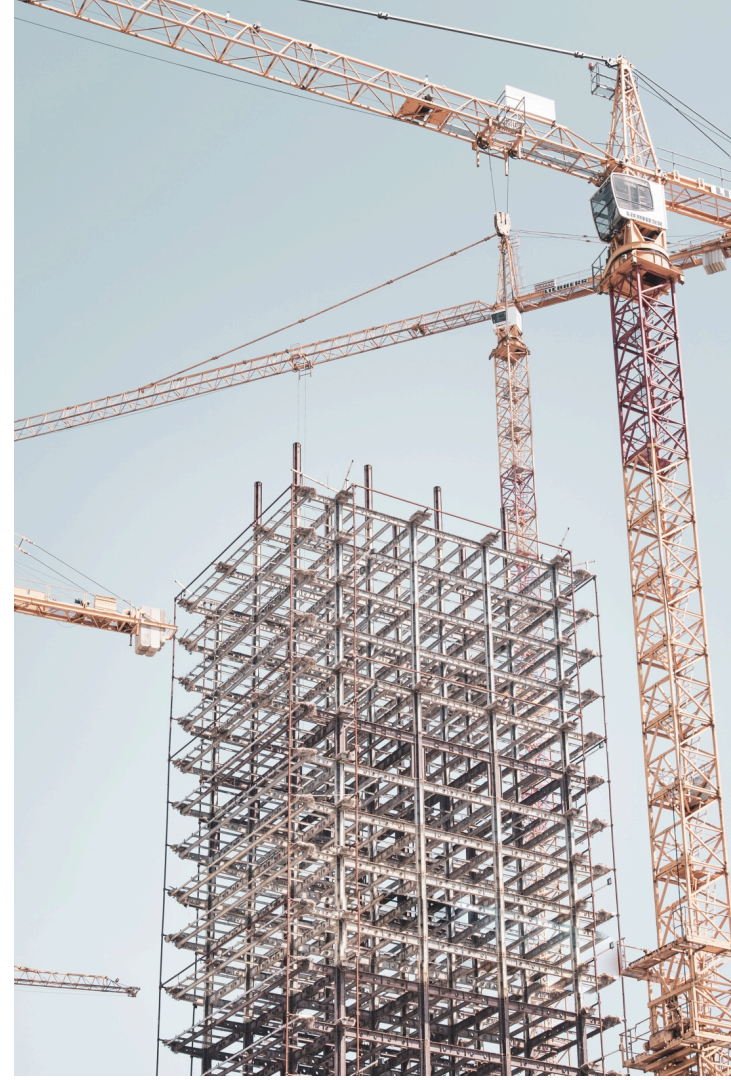
Transportation



Terminal



### **3. Supportive structures**



# 3. Supportive structures

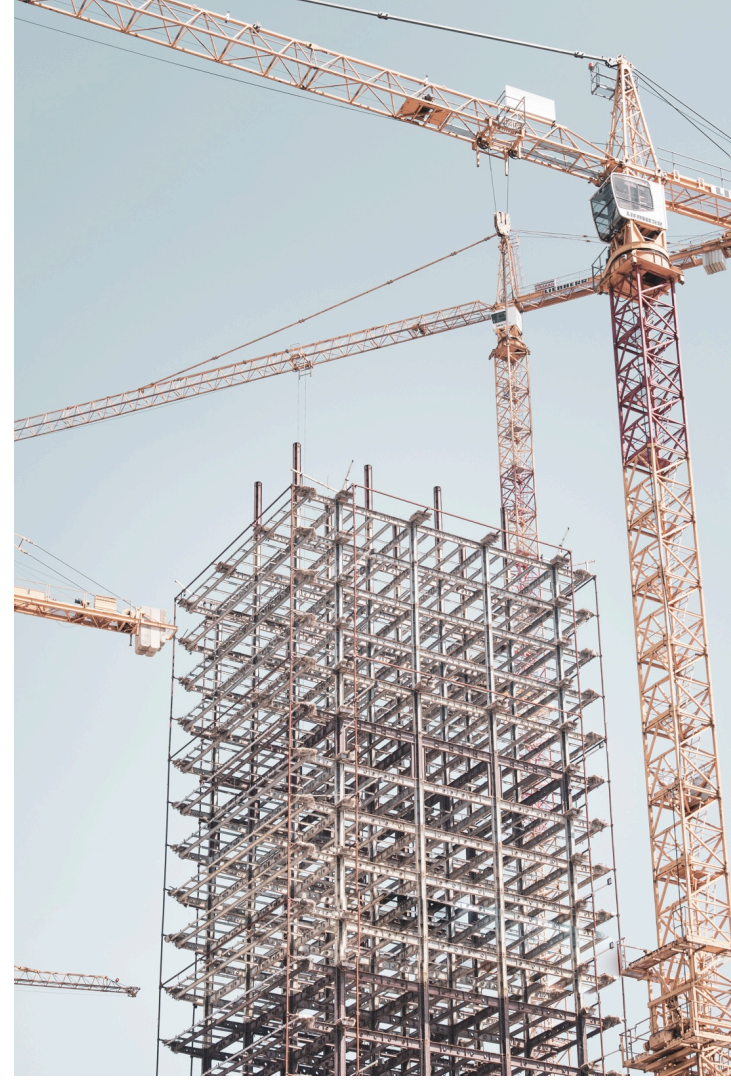
What are your decision-making principles?

What are your organisation structures and reporting models to create the new culture?

Your measurements of success?

How do the governance models and portfolios support experimentation?

What are your critical ways of working, tools, and operating models?



# futurice






A detailed view of a workshop's tool storage. On the left, a wooden board holds several hand saws with different blade colors (black, blue, silver) and wooden handles. To the right, a large wooden pegboard is densely packed with tools. At the top, five yellow hand planes are mounted in a row. Below them, a variety of screwdrivers with colorful handles (red, black, yellow, green) are hanging. Numerous chisels with wooden handles are organized in two rows on lower racks. Other tools like pliers, a mallet, and various files are also visible, all neatly arranged for easy access.

## 4. Capabilities & competences





Which legacy systems you need to work with?

What is your strategy for recruitment and war for talent?

How will you increase training and education?

How mature is the design, development, and devops?

What is the role of AI, data science, machine learning?

## 4. Capabilities & competences





## **5. Spearheads, pilots, ambassadors**



How have the teams adapted agile, design, and the lean startup philosophies?

Are these strategically important initiatives?

What's your plan for creating innovation hubs and labs?

Are you organizing outside hackathons, competitions, or sprints?

How will you communicate the spearheads internally, externally, to customers?

A large colony of penguins, likely King penguins, is gathered on a vast, flat expanse of white snow and ice. The penguins are scattered across the middle ground, some standing upright, others in small groups. The background shows a continuation of the icy landscape under a bright sky. The overall scene conveys a sense of a remote, natural habitat.

## 5. Spearheads, pilots, ambassadors



OP Lab

# SLUSH

## We are futureproof.

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Opportunities come to those focused on following the customer, not the industry. That is why we at OP Lab are creating a shared path for technology to meet our customers' needs today and in the future.

## Trending now in OP Lab

December 20, 2018

### DriveNow – What If Nobody Cares?

This is how DriveNow is driven, technical, and mod...

[Read more...](#)

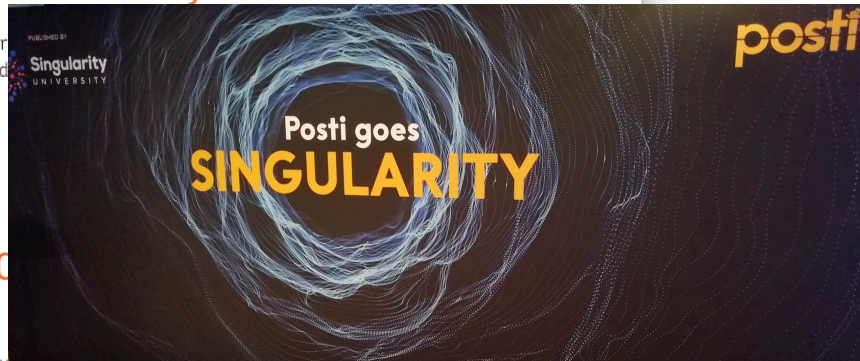
December 3, 2018

### OP at Slush 2018 enhanced

It's time to celebrate innovation again, as Slush 2018 starts in Helsinki tomorrow 4.11.2018. This year, OP Lab brings innovations that emphasize the power of...

[Read more...](#)

### 3 Companies Continue to OP Wealthtech Partnership Program's Pilot Co-Creation.

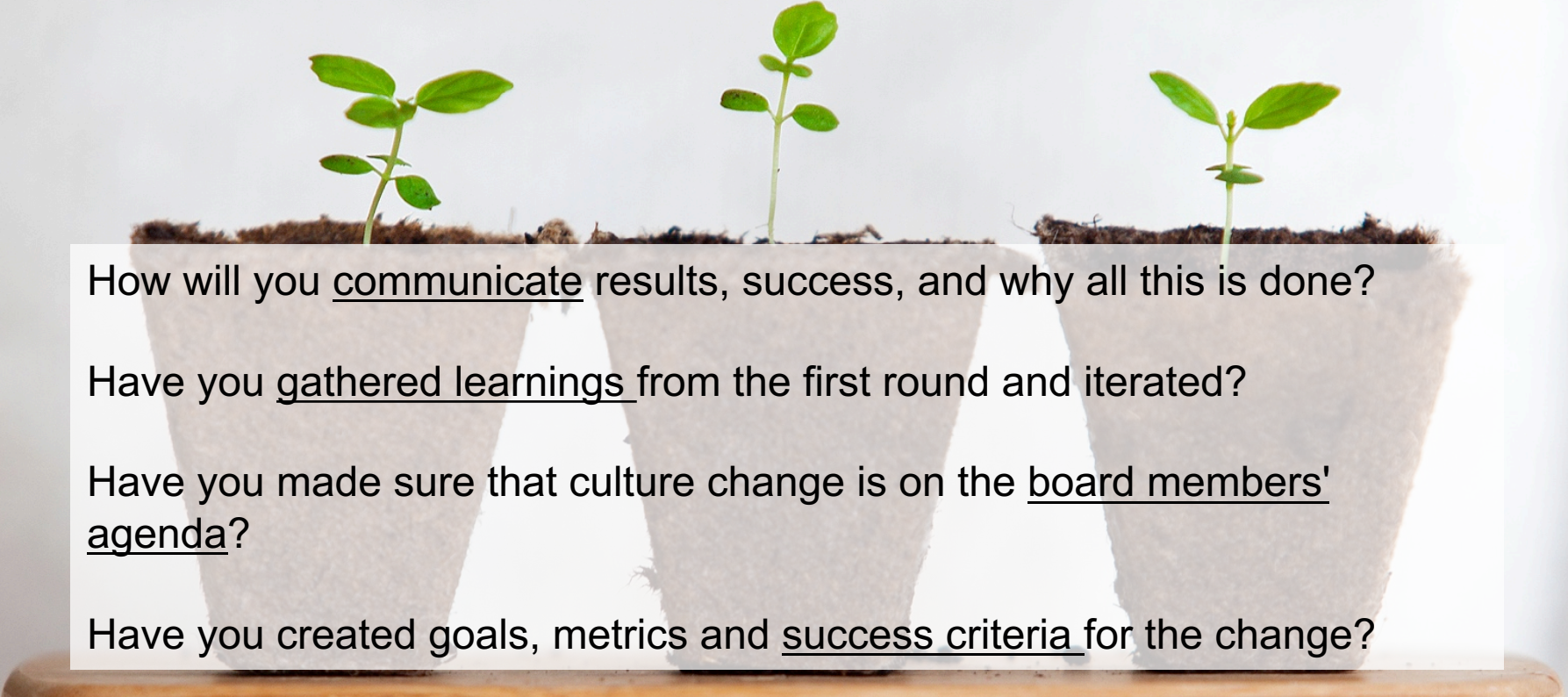




## 6. Scale up and organize change



## 6. Scale up and organize change

Three small green seedlings with two leaves each are growing in white, cone-shaped pots. The pots are arranged in a row on a light-colored wooden surface. The background is a plain, light gray wall.

How will you communicate results, success, and why all this is done?

Have you gathered learnings from the first round and iterated?

Have you made sure that culture change is on the board members' agenda?

Have you created goals, metrics and success criteria for the change?

Ohjelmat ja kanavat ▾

Suorat

TV-opas

Radio

LASTEN AREENA

HAE



Suosikit 9

Jatka ▶



Lean Culture in Business and Creative Work

Lean Culture in Business and Creative Work  
tapahtuma



LISÄÄ SUOSIKIKSI



JAA OHJELMA



**What will be your  
biggest road blocks?**





**“Governance”, PMO  
Valuation models  
Decision making**





**Budgeting cycles**  
**Principles of budgeting**  
**Portfolio management**





**Are discussion “proper work”?  
What about un-productive encounters?**





**Do career models support constant learning?  
How is risk-taking awarded? What about failures?**

## **Main point:**

**From the top perspective,  
"culture transformation" is holistic  
(not just an "agile & lean project").**

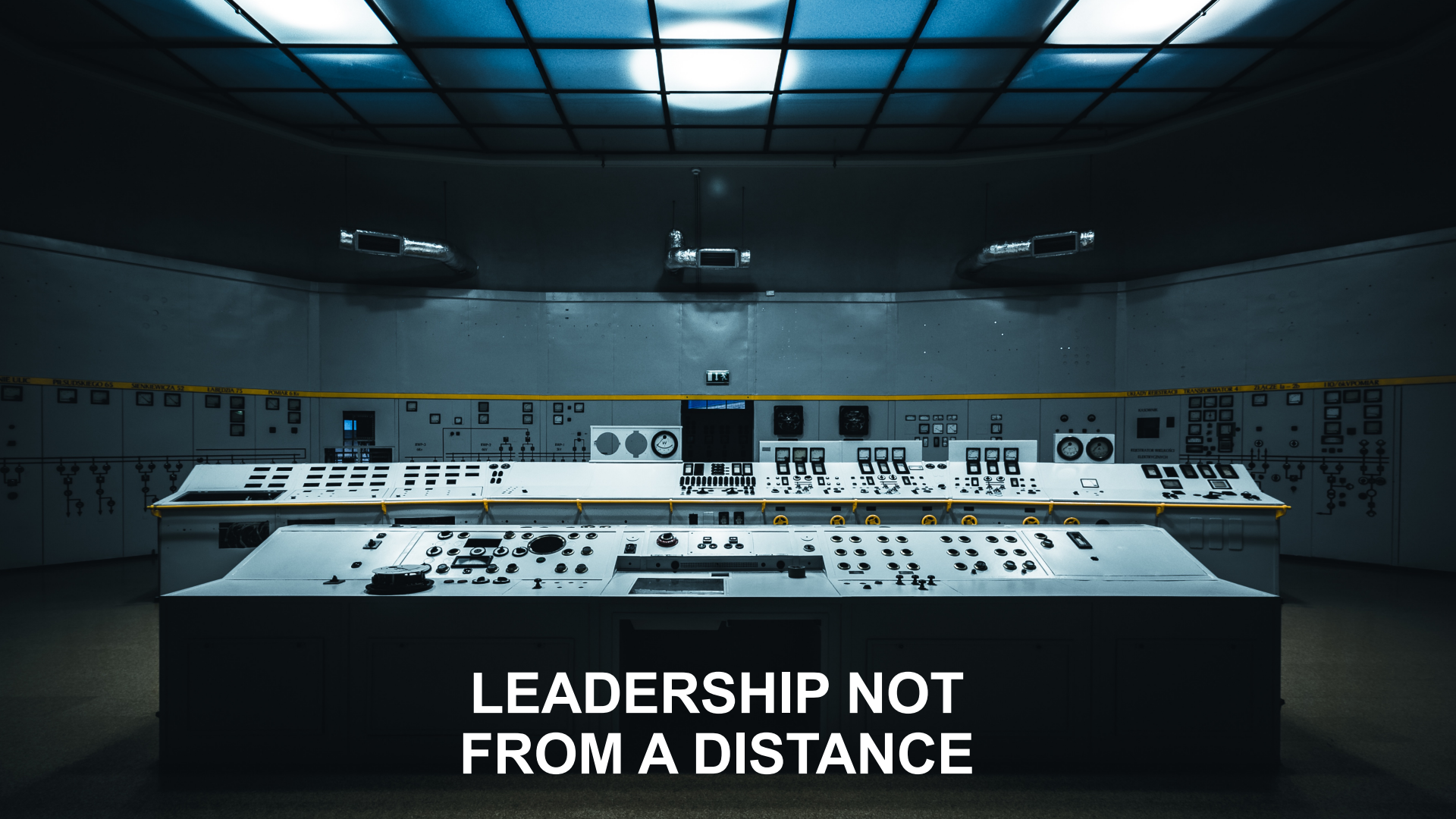
**It includes, i.a.,  
strategy, capabilities, innovations,  
organizations structures, governance,  
and the top executives themselves.**





# **Lens #3**

## **Transforming a company culture, leadership perspective.**



**LEADERSHIP NOT  
FROM A DISTANCE**





**MAKE MISTAKES. GET DIRTY.  
TRY THINGS AND TALK ABOUT IT.**





**CLEAR THE WAY  
FOR OTHERS  
TO PROCEED.**



A photograph of a paved road winding through a dense forest. The trees are covered in autumn foliage, with shades of orange, yellow, and brown. The road has a dashed yellow center line and solid white edge lines. The sun is shining from behind the trees in the distance, creating a bright glow and long shadows. The overall mood is serene and contemplative.

**CLARIFY  
STRATEGIC GOALS,  
CUSTOMER KNOWLEDGE,  
AND WHAT IS VALUED.**

**..BY LISTENING, TALKING, AND  
UPDATING.**





**CREATE AN ENVIRONMENT IN WHICH  
PEOPLE KNOW WHERE THEY ARE GOING  
AND WHY.**



# *Communities of Practice*

*Learning, Meaning, and Identity*

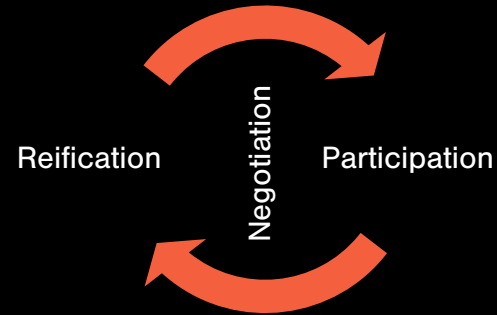
ETIENNE WENGER



LEARNING IN DOING: SOCIAL, COGNITIVE, AND COMPUTATIONAL PERSPECTIVES

Next week we dive deeper...

“Meaning is located in the process of negotiation.”



## **Main point**

**Leading change requires  
social interaction,  
encouraging creativity & risk-taking,  
curating shared meanings of  
what is valuable.**

**(i.e., infinite listening & dialogue  
+ making decisions when needed )**



# Exercise 2: the temporal onion

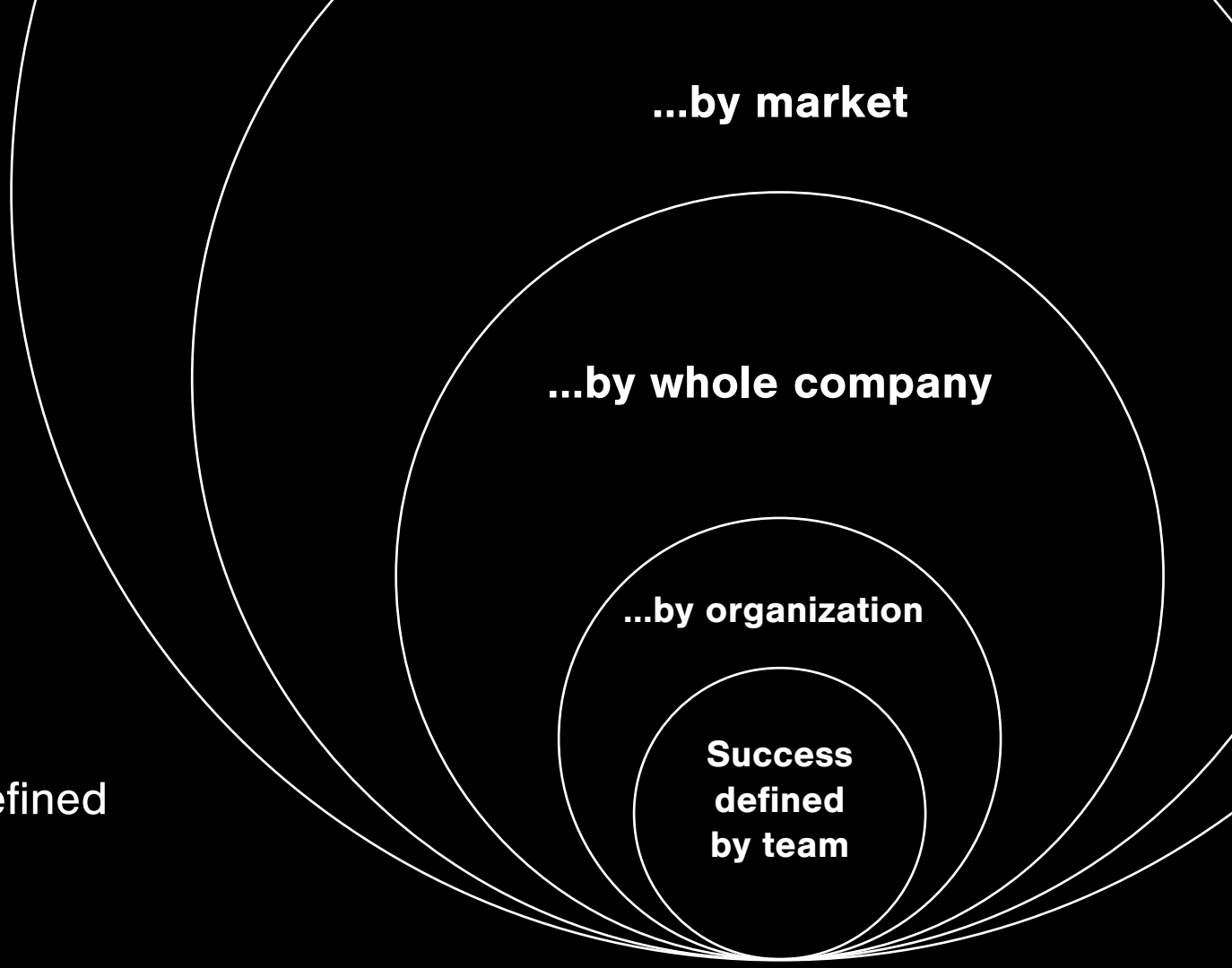
***Deadline 29.4.***

# Drawing & asking the temporal context:

*Before – during – after*



Success is always defined  
from the outside.

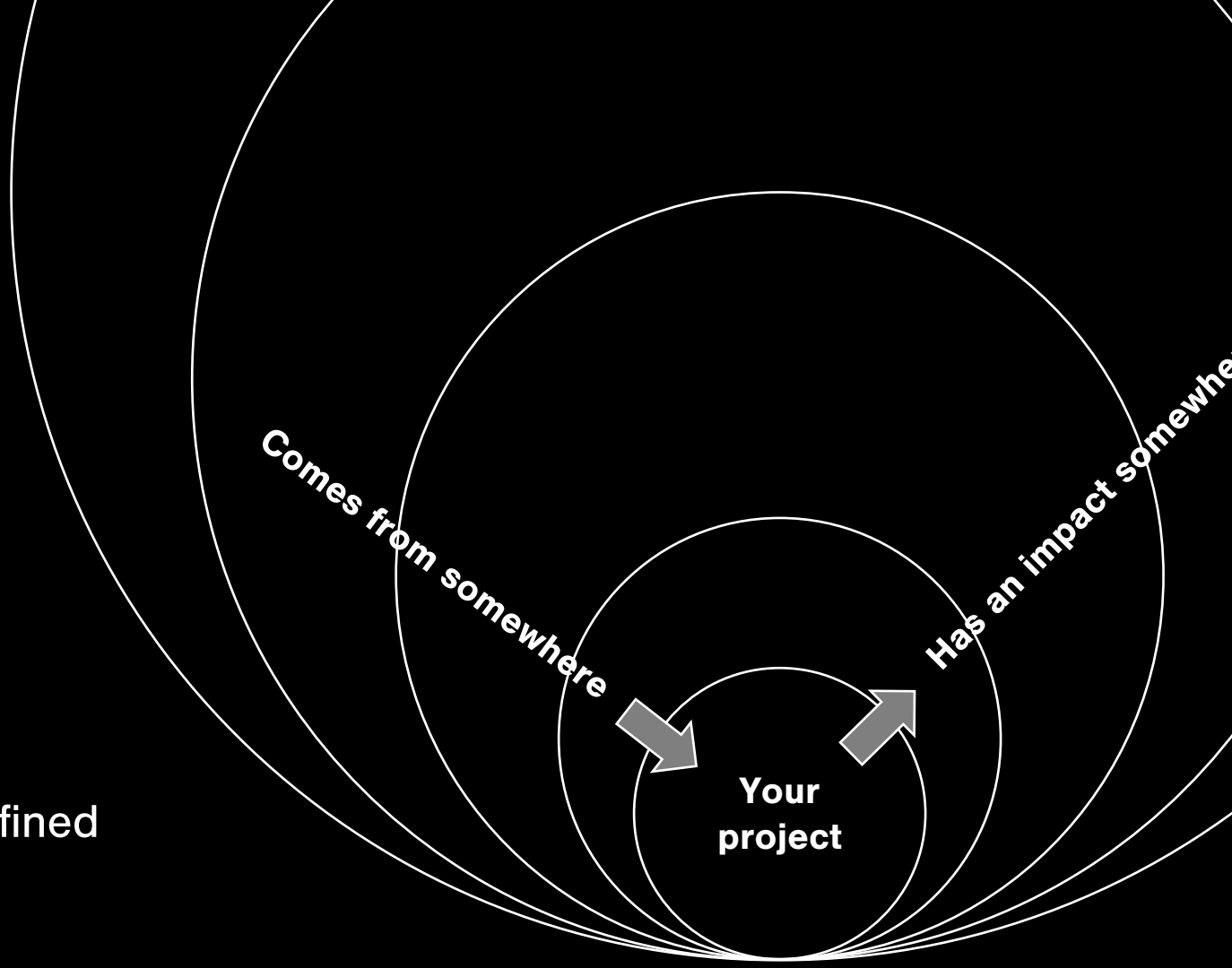


**The “onion” is static.  
It does not imply *change*.**

**How to draw it on a  
timeline?**

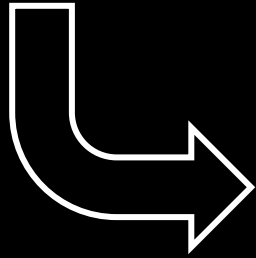


Success is always defined  
from the outside.



# Never in a vacuum!

**Comes from somewhere**



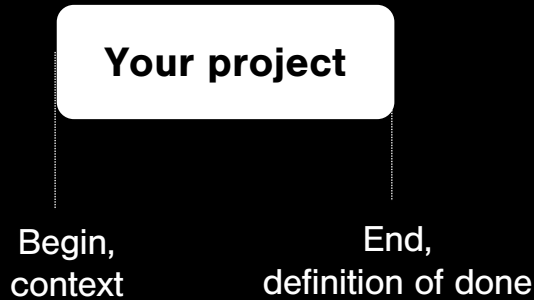
**Your project**

**Has an impact somewhere**



*Your success is defined  
after your task is done.  
Somewhere here.*

# How to plan with a larger context?

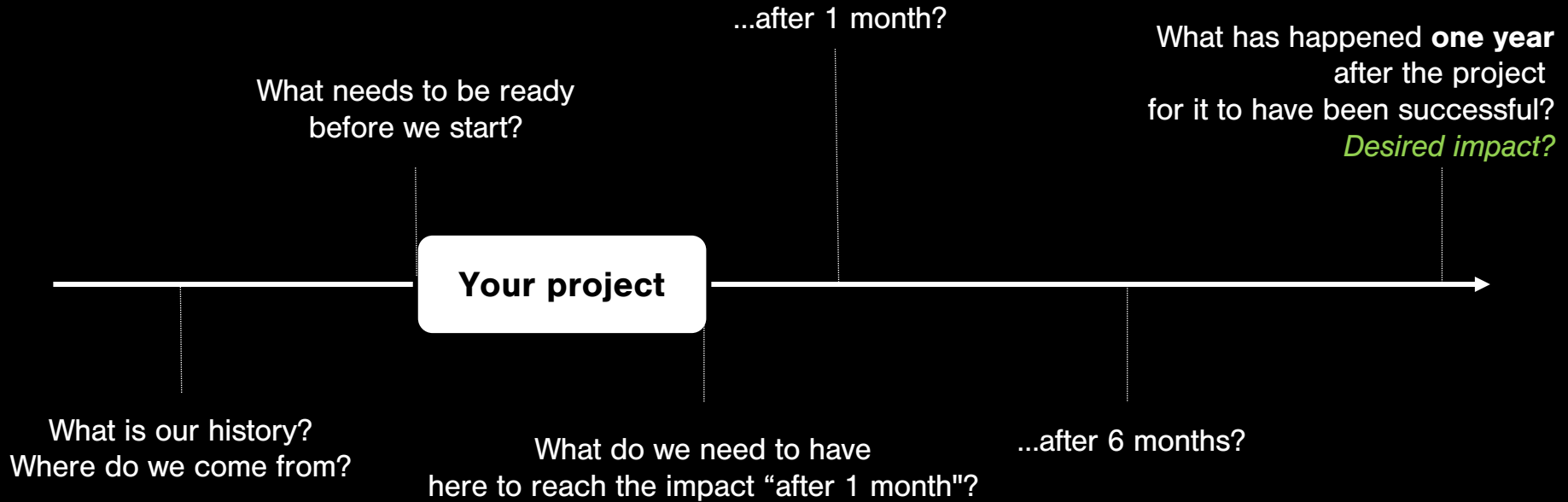


This is navel-gazing small picture.

It is also very selfish.

It doesn't care about other people's goals.





**...and now we plan our work in the larger context of  
*what is the **impact we desire**. The change!***

**Sounds childish?**

**Obvious?**

**Not “academic”?**

# Remember:

**The tool is not the “superstar!”.**

**It is only... a tool 😊**

**Pay attention to the  
process the tool facilitates:  
*what is hard, easy, complex, unclear...  
and what might be the root causes?***



# Draw the “before & after” of your pair’s work.

What is their current project?

It can be the same as in the “onion”.

Draw the before, during, after for the project/work.

Ask all questions on slide 3 steps before this 😊

Switch roles.

Interview & draw.

Make sure *you* understand what you are drawing.

Reflect 5 min what you learned and how would you apply the learnings.

Discuss learnings with your pair. When is this tool optimal?

Return your *drawings* and *reflection* bullet points [facilitating@aalto.fi](mailto:facilitating@aalto.fi) before next lecture.