The Organizational Agility Heartbeat - TOAH

By Vincent Snijder, Henk Venema & Arthur Waterham

In a fast-changing world, organizations must be able to respond adequately to internal and external developments. Sustainable success depends on the speed with which adjustments in the strategy lead to an actual changed course. In other words: how long does it take for the organization to change course after turning the 'strategy steering wheel'?

Based on our experience in all kinds of organizations and situations, we have created a lightweight framework for organizational agility: The Organizational Agility Heartbeat (TOAH). The main characteristic of this framework is the rhythm in which organizations update their strategy, adjust their course based on this, and translate it into predictable execution. This rhythm is like a heartbeat that creates agility within organizations.

Through TOAH, leaders can be confident that their strategic decisions are translated quickly and effectively into operations across the organization. It gives them the control to lead their organization into a successful future.

In this article, the main points of the TOAH framework are described.

Overview

Within TOAH the rhythmic interaction of three parallel tracks creates organizational agility.

Strategic planning

This track focuses on long- and short-term strategic planning. This is the track in which leaders further develop the long-term vision and determine the focus for the next heartbeat-period.

By default, TOAH works with a heartbeat-period of a quarter. Depending on the specific situation, a different period can also be used. For example, in circumstances where more agility is required, such as a crisis situation or highly volatile market conditions, a heartbeat of a month can be chosen. Or, in organizations in more stable market conditions, a six-month or an annual rhythm might be sufficient.

The strategy is laid down, for example, in a 'rolling roadmap': a quarter is added at 'the end' of the rolling roadmap and the concrete priorities for the next quarter are determined. Or a 'theme-based roadmap' can be used, distinguishing between 'current priorities', 'next priorities' and 'possibly later'. The content of the roadmap is determined

by external and internal developments, but also by the progress, results, and experiences of the execution teams.

Prepare for execution

This track creates the link between strategic planning and the actual operational execution in teams. The priorities for the next period are prepared until they are 'ready for execution'. This usually concerns a further analysis of the prioritized topics, further refinement of the content, and distribution across different teams.

Execution

Ultimately, this is the track it is all about: all sorts of development teams and operational teams deliver value - the actual products, services and improvements that enable the organization to achieve its mission and strategy.

Because these teams are directly fed from the strategic course, the organization can quickly implement course changes - large or small - in all teams in the organization. This creates controllable agility at organizational level.

Handshakes

The three tracks within TOAH must work together integrally and seamlessly to achieve the desired agility. So-called 'handshakes' between the three tracks are therefore crucial. These handshakes provide a balance between strategic guidance and operational information flows.

The strategic guidance indicates where the priorities lie for the coming period and which changes are foreseen in the future roadmap. This may be the case, for example, in changing market conditions ('what is the competitor doing'), which necessitates a faster introduction of parts of the strategy.

The operational information flow is about what has been delivered and learned from the teams in the current quarter. Certain topics may have turned out to be more complex than planned. Or a technology used by the team accelerated, opening up even previously unknown possibilities.

Ultimately, these handshakes lead to a balanced and re-calibrated roadmap for the future and clarity in priorities for the coming quarter.

Obeya

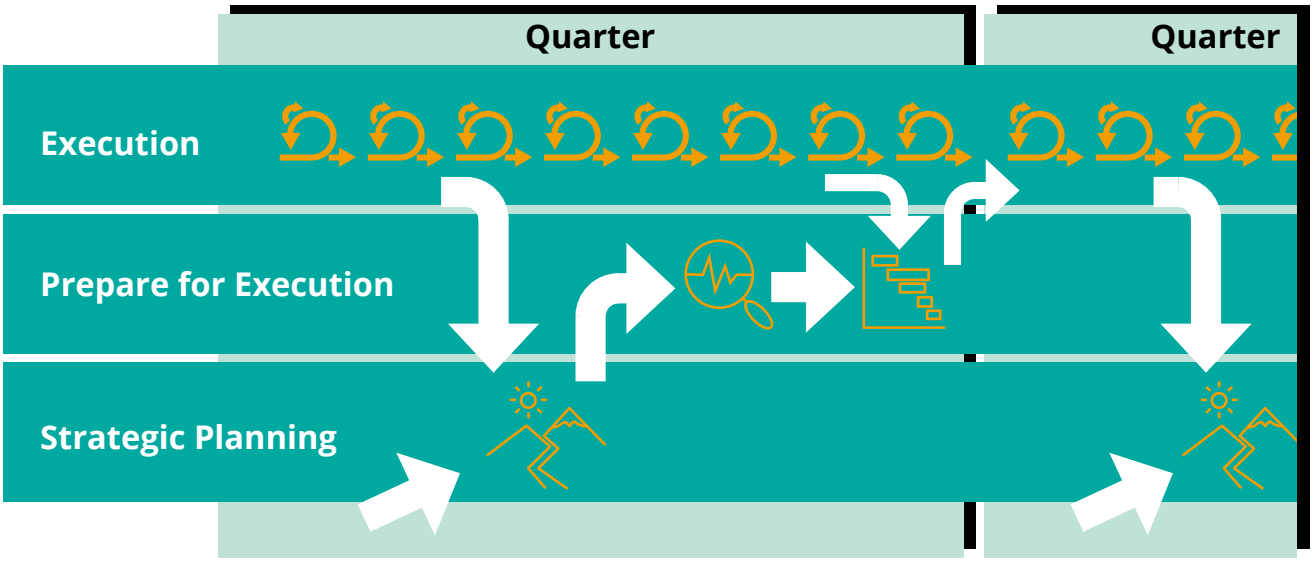
TOAH relies on the principles of Obeya, a powerful visual method to gain overview and insight faster and thereby enable better decision-making, plan actions, and launch improvement initiatives.

"Obeya means 'room' in Japanese. It's a way of working for management first used by Toyota in Japan.

An Obeya is a physical area where there is a visual link between strategy and operations. By visualizing the leadership system, a common view is created on where the team is, where they want to be and what must be done to get there.

Through a rhythm and routine, the team discusses the right things at the right time in the best-known way possible. As such, meetings in the Obeya are supported by visuals and are short, effective and results oriented, instead of long, dusty and sometimes boring traditional meetings."

(Source: https://www.obeyacoaching.nl)



TOAH Best Practice

NN GROUP - HR CAREER CENTRE

The NN HR Career Center made the switch to an agile organization model and way of working in mid-2020. New, multi-disciplinary squads have been created, targeting talent domains. These squads aim to find the best talent for NN Group, both temporary and permanent. In addition, guilds have been set up to work across squads in relation to a specific discipline. The operational activities are managed in a Kanban way and for continuous improvement within all squads and guilds the Scrum rhythm has been introduced.

"In addition to this rhythm in the squads and guilds, we are now introducing a quarterly rhythm to focus on the next quarter with all teams of the Career Centre together. We can build nicely on the quarterly meetings that already were in place. The TOAH framework provides the guidelines to structure this quarterly meeting and implement a quarterly rhythm in a very practical way. In this way we keep all teams aligned to act as one HR Career Centre, while they can all operate as autonomously as possible."

Mirjam van den Brand - Head of HR Career Centre, NN Group

Within TOAH, the Obeya concept is used to visualize the information from the three different tracks and create one place where decision-making takes place, based on factual and visible information. A place where the relationship between strategy and implementation is clear at a glance.

This only works if it is measurable and transparent to what extent an organization actually achieves its mission and strategy. This can be done, for example, by using the OKR philosophy: determining Objectives & Key Results and monitoring in a dashboard whether the organization is on track.

An Obeya can be set up both physically and digitally.

Applicability

TOAH is a lightweight, inspiring framework; it focuses on the core of agility in organizations and avoids unnecessary complexity. There is no need to reform the entire organization or introduce all kinds of new functions. TOAH connects in an easily accessible way to existing processes in organizations, so that a quick start can be made, and further improvements can be implemented based on the heartbeat rhythm.

The framework consists of a set of process- and product descriptions, including templates and examples, which provide a lot of guidance when translating TOAH to the specific situations of organizations.

TOAH The Organizational Agility Heartbeat

Connects to existing processes

For organizations that already work agile at team level and want to take a step towards agile at scale, the implementation of TOAH is an appropriate, logical and relatively easy next step. TOAH connects to existing processes around agile methodologies at team level such as Scrum and Kanban, Scaled Agile frameworks such as SAFe and LeSS, methods for Agile Portfolio Management, models for strategic planning such as OGSM and approaches for innovation such as Lean Startup.

TOAH is also a good starting point for organizations without agile experience that want to bring more agility into their organization. For example, a more traditional operating model with steering groups, projects and operational line teams can be enriched with a quarterly rhythm in which steering groups explicitly consider the strategy and determine priorities for the next quarter. Based upon this rhythm more and more agility can then be brought into the whole organization.

Large and small changes in direction, urgent situations

TOAH ensures that changes in the strategy are implemented quickly and effectively throughout the organization, resulting in a noticeable change of course. These can be minor or major changes in direction, depending on the circumstances and the choices the organization makes.

This can also be a huge change as a result of an urgent situation or a crisis. TOAH ensures that all processes to respond are embedded in business operations. In an urgent situation or crisis, the organization can fall back on this automatism, the ingrained rhythm and the associated processes. The rhythm of the heartbeat can be temporarily increased to face the situation.

Size of the organization

TOAH can be applied in large and small organizations, from schools to universities, from municipalities to ministries, from local companies to multinationals.

It can quickly add value, also in organizations where traditionally annual plans or multi-year plans are used but the connection with the execution is lacking. A roadmap can be quickly created based on existing plans and strategy. By introducing a rhythm to evaluate and update this roadmap, the link with the concrete operation can then be established and managed in an agile way.

TOAH Best Practice

PRAKTIJKSCHOOL OOST TER HOUT (HAARLEM)

Praktijkschool Oost ter Hout was looking for a way to translate the mission, vision and ambition (as laid down in the school plan for the next 4 years) into concrete action. There was a need for a plan-do-check-act cycle so that the school plan becomes a living, valuable and guiding plan; not just a mandatory document that must be made once every 4 years. There was also a need to improve the connection between the different school sections.

"Based on the TOAH framework, Vincent recently started a program at our school that I am very enthusiastic about. The simple fact that we now have a clear rhythm in which we cooperate and determine what we will focus on in the next period helps enormously. This gives a lot of confidence. I am sure that we will realize our ambitions with this way of working "

Frits Roemers - director of Praktijkschool Oost ter Hout

OOST TER HOUT
School voor Praktijkonderwijs

TOAH Best Practice

BAM INFRA NL

BAM Infra NL started its agile journey by transforming the IT department, called Digital Information Services (DIS), into an Agile Scrum working department. Subsequently, a scaling mechanism was added, in the form of a Big Room Planning per quarter in which all teams made a coherent high-level planning for the next quarter. This quarterly rhythm offered the business leadership of BAM Infra NL a valuable opportunity: they could now set priorities and actually give guidance to the teams each quarter. When leadership realized the potential of this, they installed a portfolio board to quarterly 1) review the long-term strategy and 2) set concrete priorities for the next period.

"By implementing this quarterly rhythm, we have made an explicit link between strategy and execution. It's great to know that the Digital Information Services teams are always working on the things that fit the strategy and deliver the most value to BAM's business. The TOAH framework that we used to implement this way of working turned out to be powerful and logical, but relatively easy to implement. With the input of several people, we were able to iteratively tune it to our specific situation. I believe this is the power of TOAH, compared to a more prescriptive and overwhelming framework like SAFe."

Paul van den Heuvel – Lead IT Business Partner, Digital Information Services BAM Infra NL

In large organizations, with substantial organizational layers between strategy and execution, the rhythm of TOAH will pass through those layers. In this way, TOAH gives large organizations the ability to act as a start-up: quickly and effectively change course if necessary. It is important to aim for as few layers as possible between strategy and execution because each additional layer requires interpretation and slows down the desired execution of the strategy.

It is also possible to introduce TOAH in a specific part of an organization, for example in a department where agility is required.

In organizations where major changes are managed by means of change-programs, TOAH can also be applied. In that case, the program objectives can be quickly and effectively brought to the execution projects or teams and the feedback from the execution layer can be quickly interpreted and processed in subsequent steps within the program. In this way, programs can move towards their goals in an agile way.

Conclusion

TOAH is a practical framework that delivers on the promise that 'Agile' has been making for years: it leads to the controllable organizational agility that is needed to be successful in a rapidly changing environment, so that organizations can continue to fulfill their mission.

Based on their experience in all kinds of organizations and situations, three partners of Inspinity have created TOAH - a lightweight framework for organizational agility. Please contact one of us if you have any questions or if you are interested to use the framework in your organisation. For more information, visit the website: https://toahframework.com

Vincent Snijder
snijder@inspinity.nl
+31 6 27 087 762

Henk Venema
venema@inspinity.nl
+31 6 54 287 950

Arthur Waterham
waterham@inspinity.nl
+31 6 83 802 340

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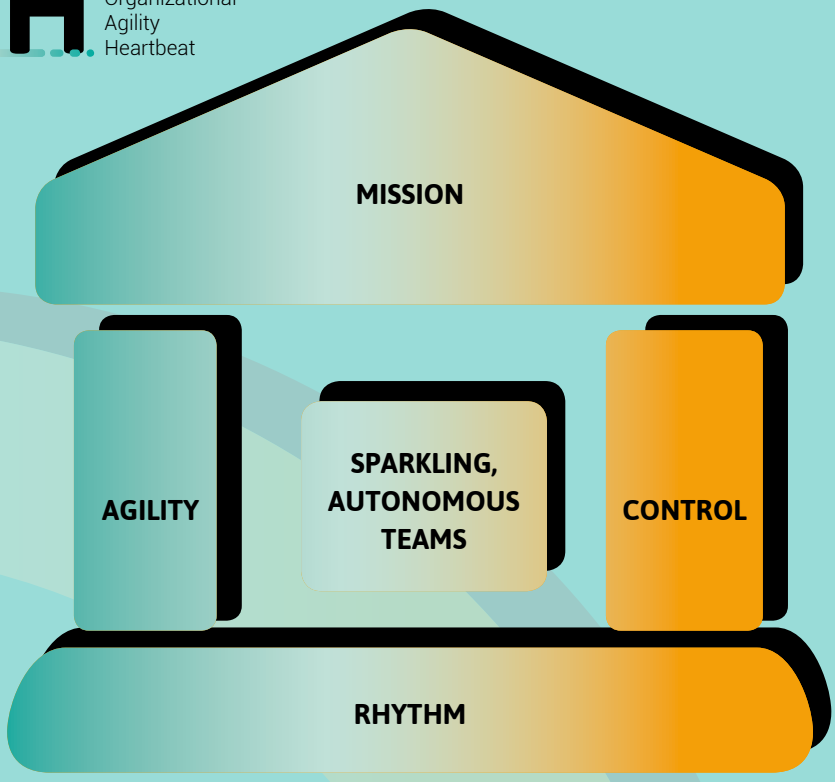

The basis of TOAH is rhythm. This rhythm is the solid foundation for being both agile and in control. As a result, TOAH creates a situation in which sparkling, autonomous teams together form a manageable organization that can fulfill its mission in a sustainable way.

RHYTHM

Rhythm is the foundation of TOAH. This is the cadence in which organizations update their vision and strategy, adjust their course based on this and translate it into predictable implementation. This rhythm ensures that leaders in organizations are continuously facilitated and inspired to further develop their strategic vision and to translate course changes to all operational teams. In this same rhythm, the leadership is fed with insights that arise from the execution. This handshake can lead to new insights for the strategic vision.

SPARKLING, AUTONOMOUS TEAMS

By using TOAH it is completely clear to every team how it contributes to the strategy and mission of the organization. These teams work as autonomously as possible: teams look for the best solutions based on the expertise of the team members - solutions that add the most value. This sense of purpose, autonomy and craftsmanship are important conditions for people and teams to sparkle: they get the best out of themselves, create a lot of positive energy and deliver optimal value for the organization.

AGILITY

TOAH increases the speed and effectiveness with which a strategic change of course within an organization leads to a noticeable change in the products and services provided. This agility is crucial to be successful in a rapidly changing environment.

CONTROL

TOAH offers leaders of organizations grip and control. It provides the assurance that the strategic vision flows throughout the organization and has a real impact on implementation. Leaders no longer have to hope that their vision will guide the executive teams, or take heavy control measures to enforce it, but can rely on it. Grip is crucial for agility, as grip is needed to steer.

MISSION

Ultimately, the application of TOAH leads to the controllable agility that is necessary to be successful in a rapidly changing environment, so that organizations can continue to fulfill their mission.