

A decorative network diagram in the top-left corner featuring a complex web of grey nodes and lines, with several nodes highlighted in orange and some circled in orange.

Parallel Organisation



Hello!

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Disclaimer

All presented opinions are personal opinions of Konstantin and do not express the views or opinions of his current or former employer.

A decorative network diagram in the top-left corner, consisting of various sized circles (nodes) connected by thin lines (edges). Some nodes are solid grey, while others are hollow with a grey outline. The connections form a complex, branching structure.

What exactly does *Parallel Organisation* mean?

A decorative network diagram in the bottom-right corner, similar to the one in the top-left, featuring a cluster of interconnected nodes and edges.

LeSS Guide of Parallel Organization - **Misunderstood**

In the third **LeSS Book** (p. 74), there is a **Guide of Parallel Organizations**. It means that: “...you keep your existing organization as it is and gradually build the new organization next to it, starting with a few feature teams or one Requirement Area...”. Your parallel organization will become a blueprint for a bigger, future organization.

Please, **DO NOT REPLICATE !!!** your existing organizational structure, on a smaller scale, and call it Parallel Organization just to be “compliant with LeSS”. **It is not cool and misleading** 😞.



Source: Gene Gendel

What exactly does Parallel Organisation mean?

Option 1: One, single business entity



Option 2: Two business entities





Important to understand:

Why is a parallel organisation useful?

&

What is critical when implementing it?





Why Parallel Organisation?



The short answer ...



“

Organizations are implicitly optimized to avoid changing the status quo middle- and first-level manager and “specialist” positions & power structures.

—1st Larman’s Law of Organisational Behavior



The longer answer ...

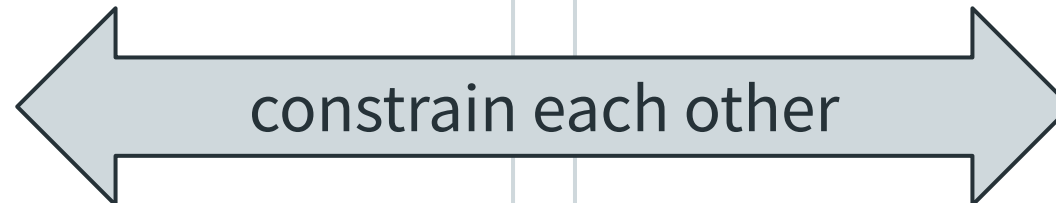
Definition of Terms

Organisational adaptiveness

- Ability to change organisational setup.
For example, easiness of moving one team to another Requirement Area
- Change product's direction

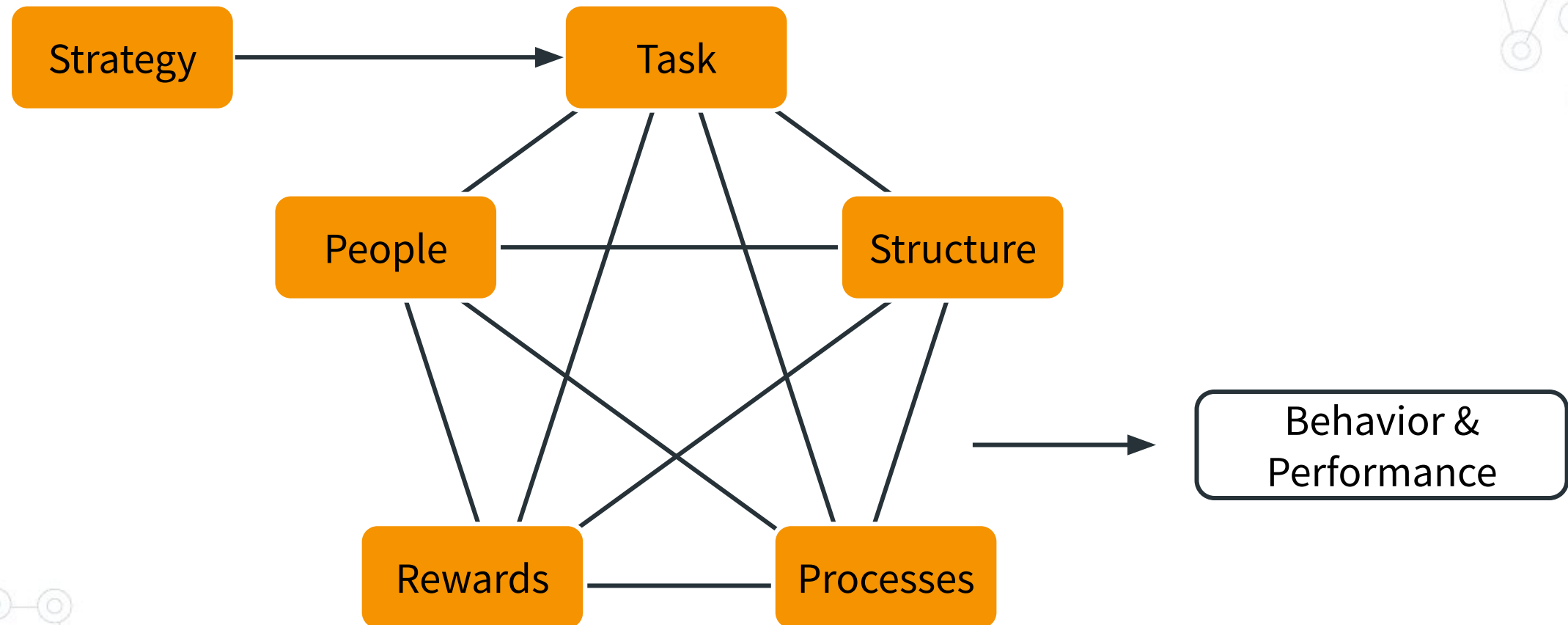
Technical adaptiveness

- Ability to adapt/change direction of the technical infrastructure & technical stack.



The Product Development System



Based on Jay Galbraith's organisational design framework—The StarModel™





All models are wrong, but some are useful.





The first law of diagramming:
we model to have a conversation.

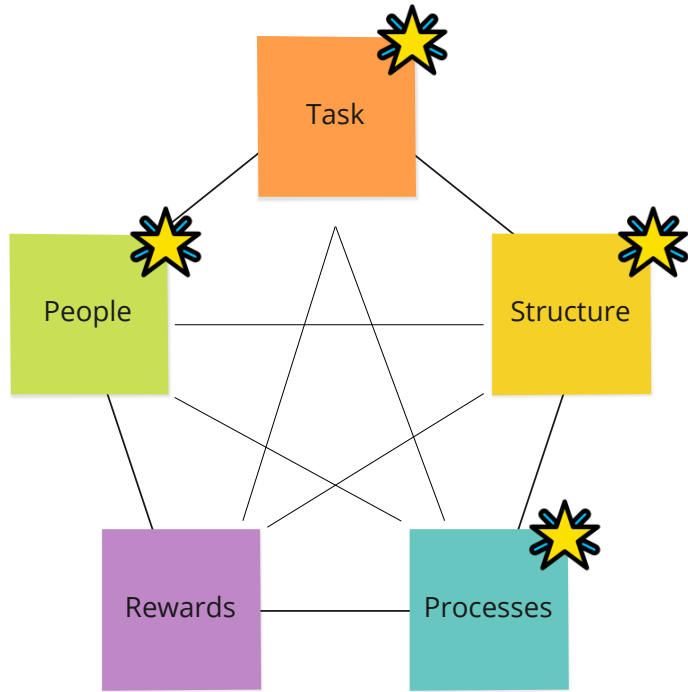
A decorative graphic at the top of the slide featuring a network of interconnected nodes and lines. A central node is highlighted with a dashed circle and a solid circle, containing a large orange quotation mark.

“

Causation Fallacy: *Every effect has a cause... and we can tell which is which.*

—Gerald M. Weinberg

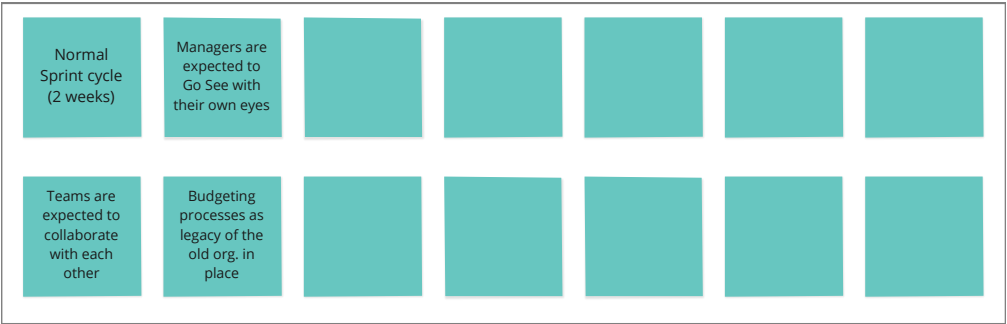
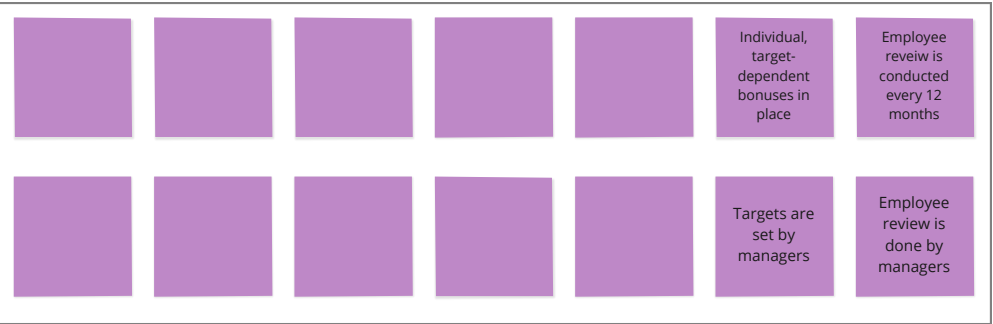
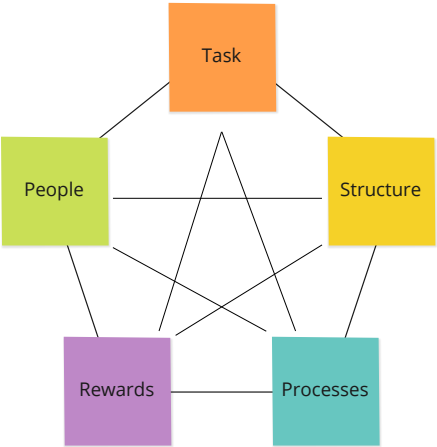
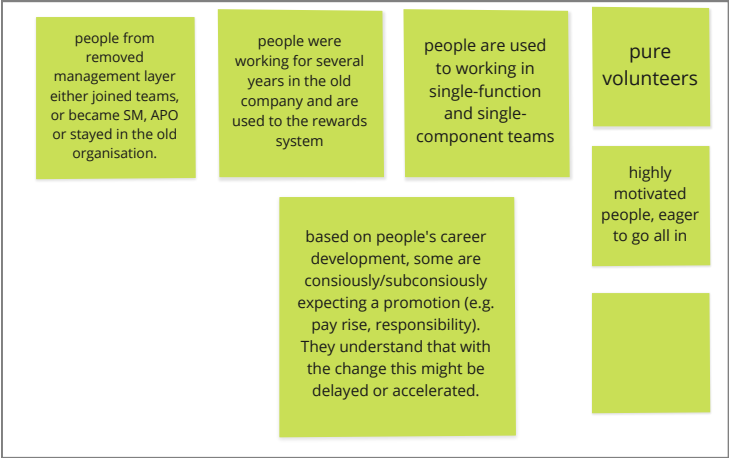
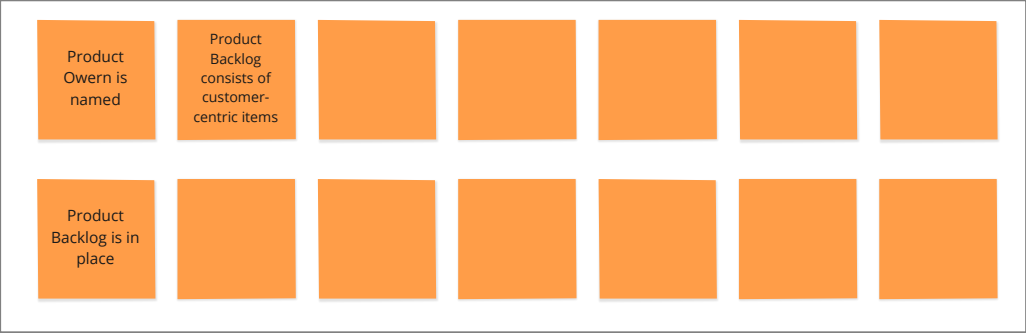
The situation...



- Well-established corporation with embedded products (HW & SW) and high degree of legacy in their tech stack
- We spined off a Parallel Organisation
- Task, Structure, Processes are set up
- Rewards & HR policies remain unchanged
- True volunteers joined the new organisation

What is likely to happen one/two years later?

The start



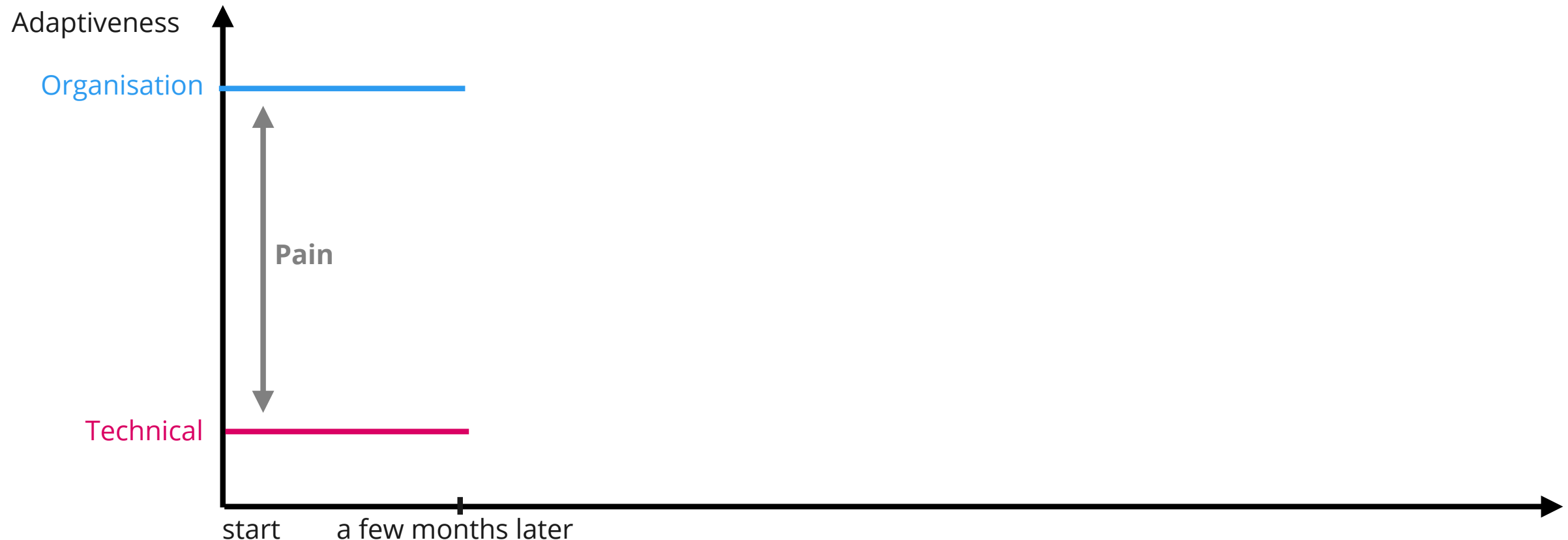
The start

- Euphoria is high, people are motivated
- Organisational adaptiveness is high
- Since the organisation is "agile", some people expect an increase in performance



A few months after the start

- Teams notice that the learning curve is very steep.
- Some people start informing their manager or Scrum Master that they cannot cope with the broadness of the items in the Product Backlog.
- Transparency uncovers hidden problems. Organisation discovers that the legacy tech stack is very rigid.
- The organisation realises that they cannot create as much outcome as they thought they would.
- Management starts to get nervous, and becomes bussy introducing counter measures. (no more time for GoSee)



This situation calls for fast action...

The most tangible thing managers observe is that some people wish for a narrower focus.

Note:

Some people have issues dealing with the broadness, some are fine with it.

Managers are used to a single-function and single-component setup. They delivered products for decades this way and consider it a working system compared to the current chaos...

... Therefore, managers consider reducing the focus for teams and reflect it in the organisational design.

What is likely to happen? What kind of experience do decision makers have?

Create specialized teams to support weaker teams (ex platform teams)

Legacy decision making style

What worked 2 years ago?

Push more work through the pipeline

Divide team into specialties

move to component teams for narrower focus

What will get me a bonus?

Feeling stressed out and responsible for making everyone happy

Create team-specific backlogs/items to narrow the focus

Try to provide support network/training

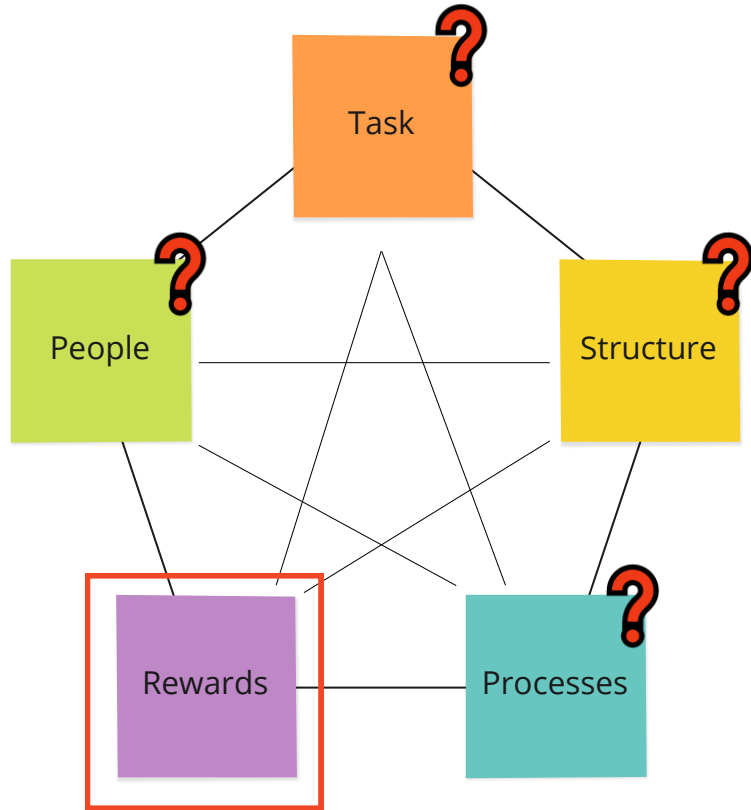
People default to what their supervisor expects, good or bad.

Move people to different teams where they have more support

Management step in to organize and simplify
People look for managers to organize the "chaos"

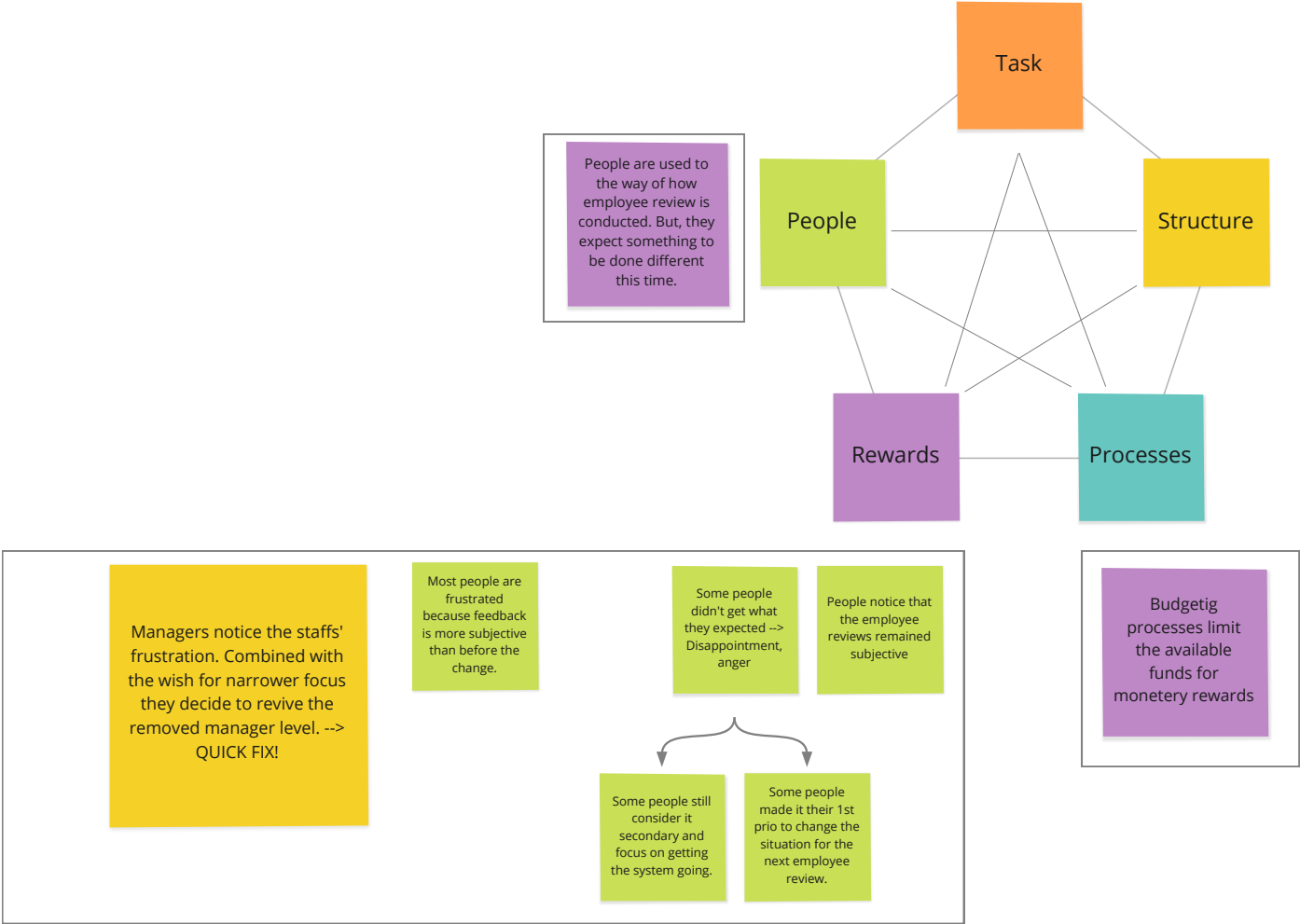
Decision makers will narrow the focus

The next cycle of employee reviews



- What do people expect?
- What do they probably get?
- How will this effect the other elements?

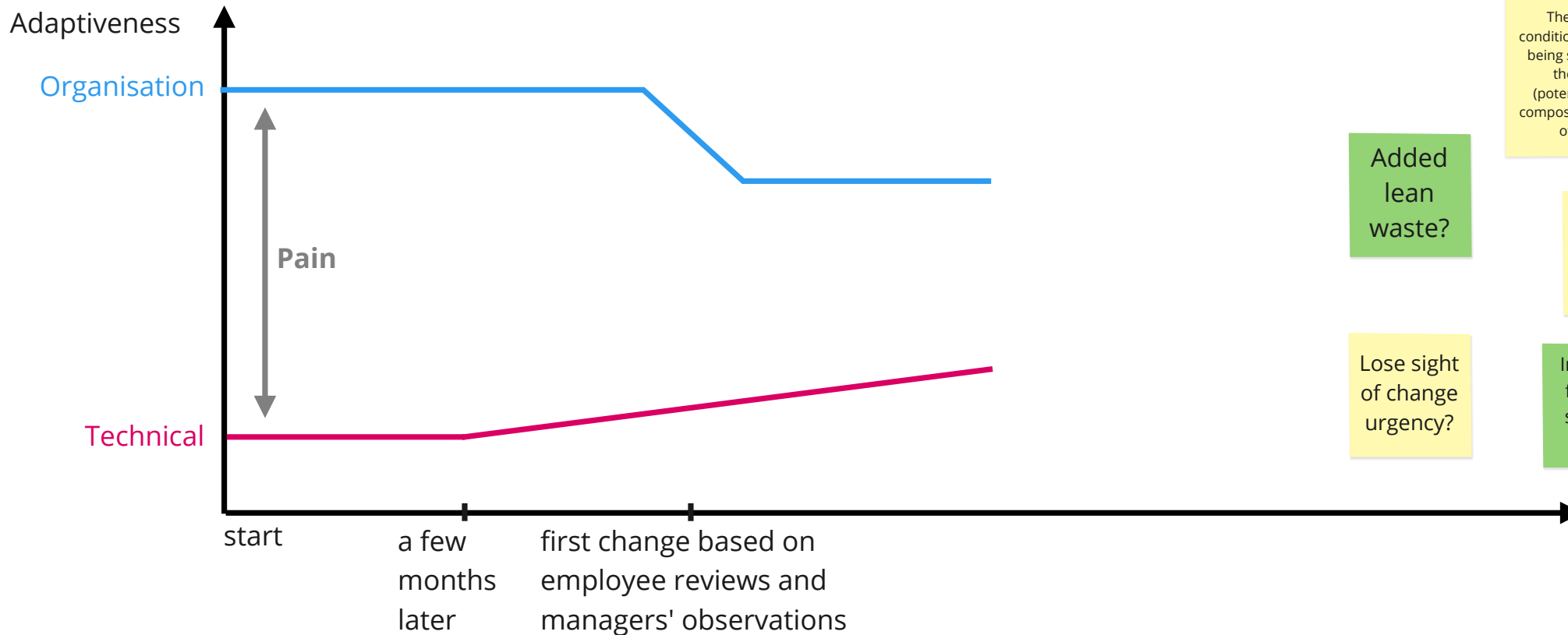
Effects on the Product Development System #1



Effects on the Product Development System #1

- Previously removed manager level is revived.
- Managers have a smaller span of control --> produces a false feeling of objectiveness for employee reviews.
- What else might have changed?

To narrow focus, the Product Backlog transforms from customer-centric items to component based tasks



Added lean waste?

The market conditions, problem being solved, and therefore (potentially) the composition or type of work

People got comfortable with feeling the pain knowing it will improve with practice

Increased # of dependencies?

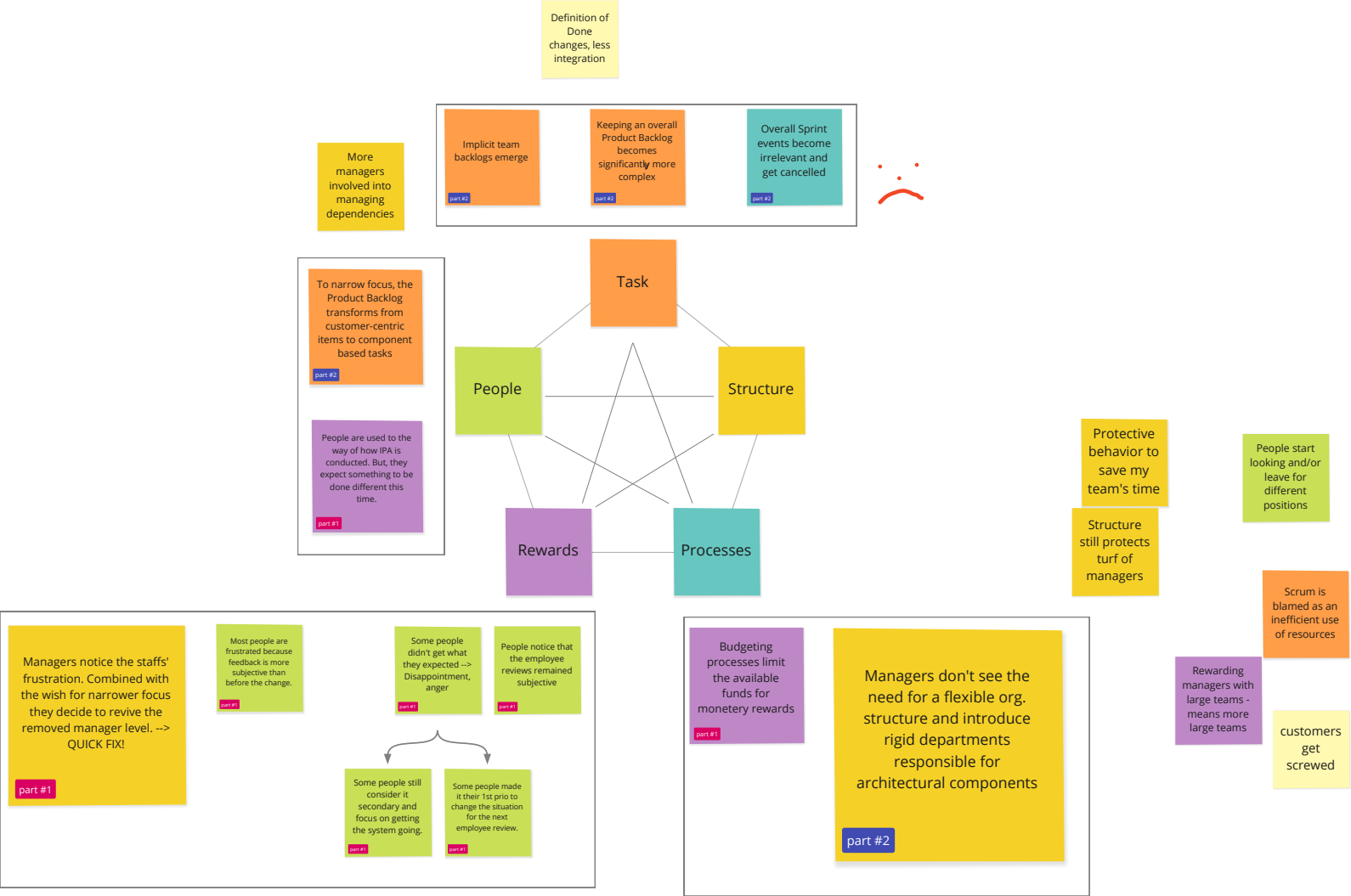
dependencies and delays start to grow cross-functionality decreases

Lose sight of change urgency?

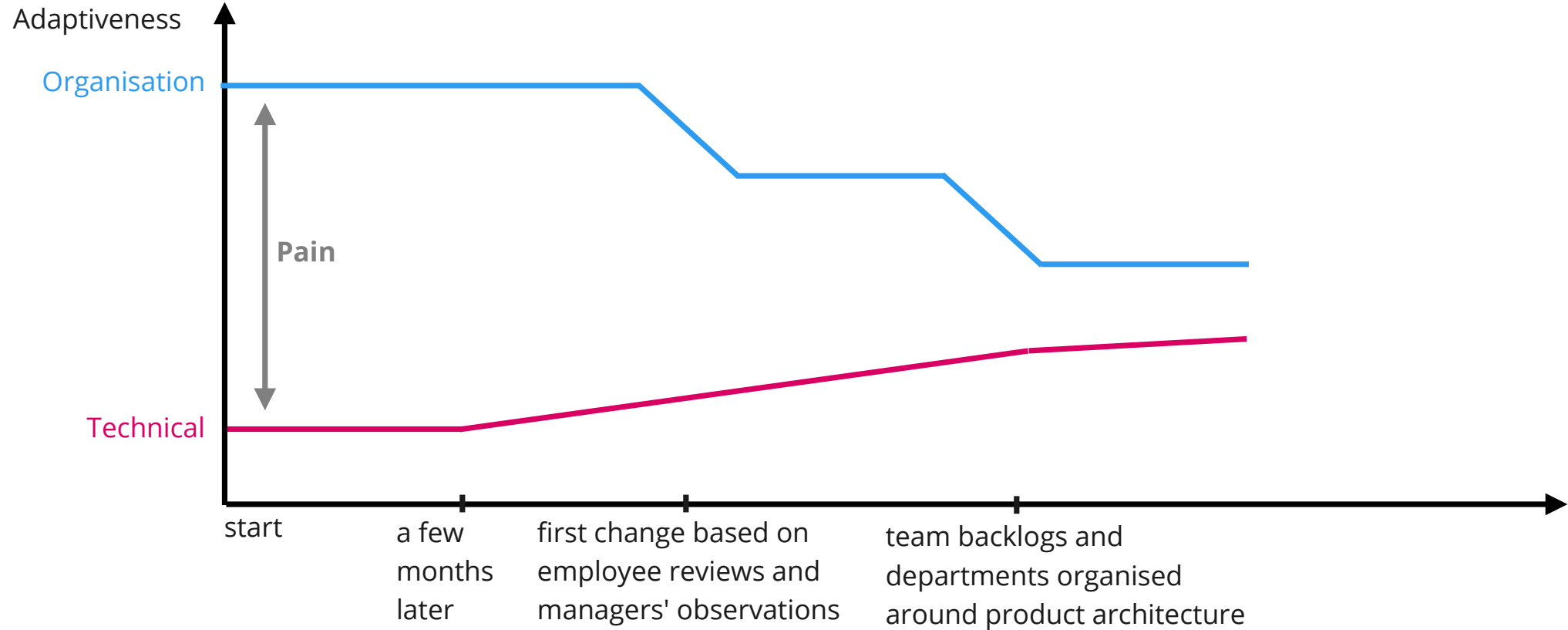
Increased focus on specialty skills?

newly revived managers drive for changes that make them look good

Effects on the Product Development System #2

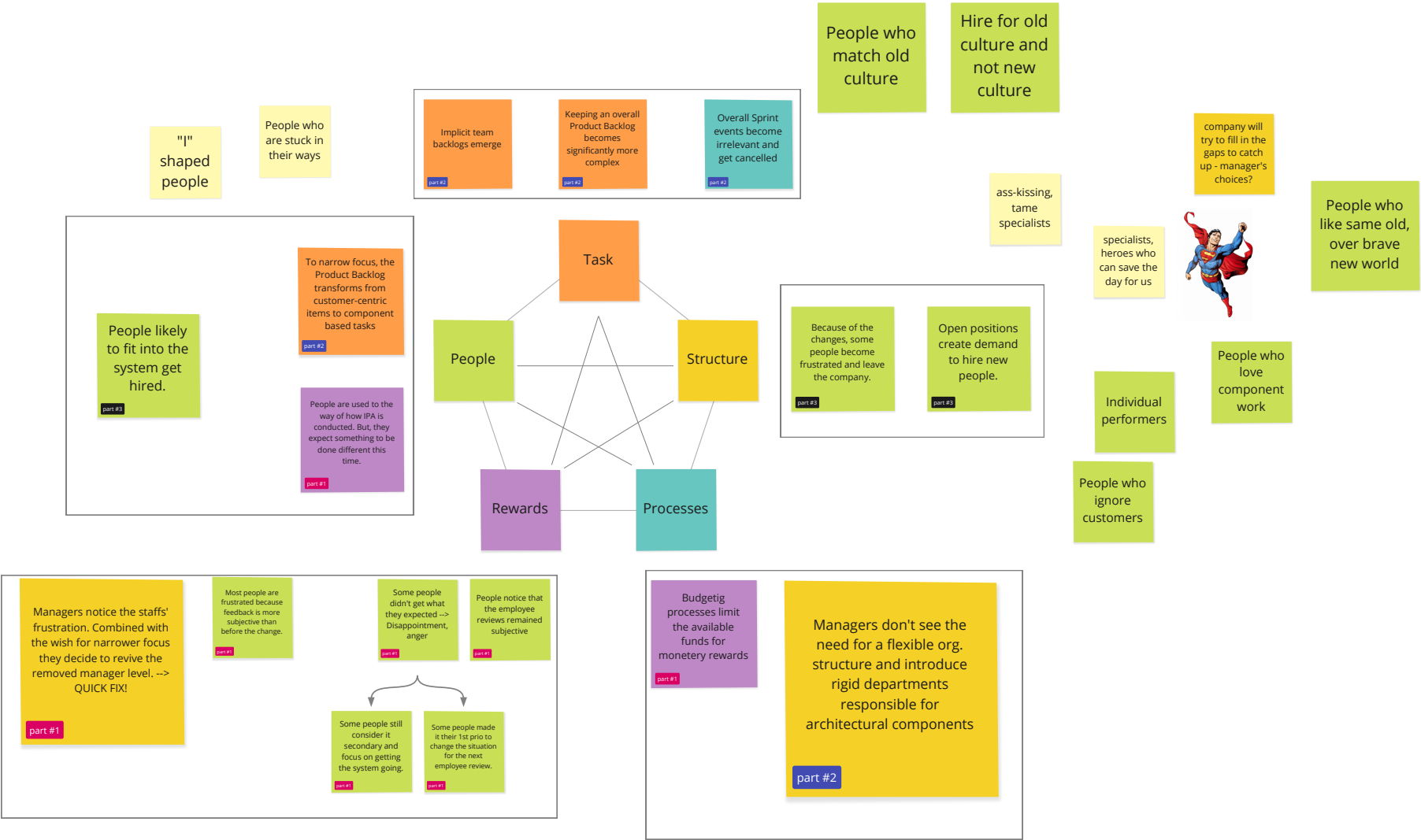


Effects on the Product Development System #2

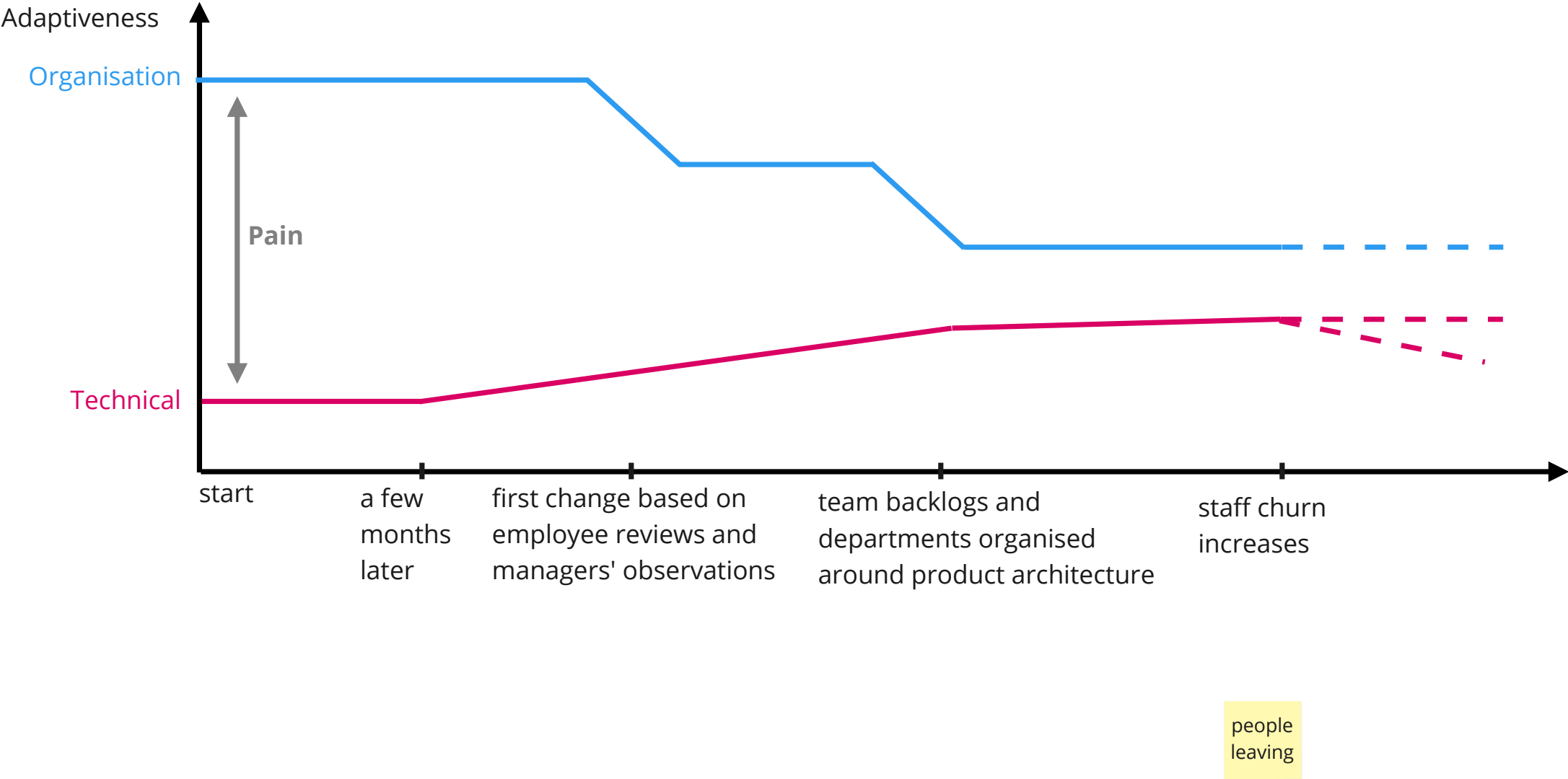


Effects on the Product Development System #3

Which people is this system likely to attract?



Effects on the Product Development System #3

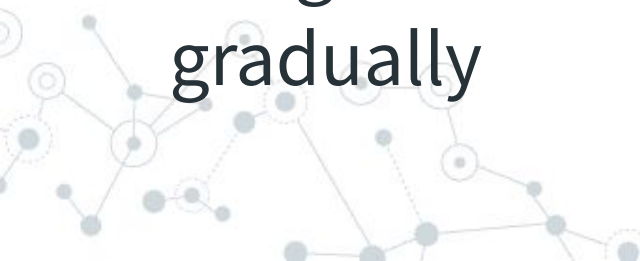




How Parallel Organisation?



How to implement a LeSS-friendly Parallel Organisation?

- ◎ Line of organisational reporting must be separate from the traditional organisation
 - ◎ Both organisations work...
 - ...out of one Product Backlog
 - ...within the same code base
 - ◎ Merge teams from the traditional to the parallel organisation gradually
- 



Questions & Answers