

## Agile Organisations - The Need for Agility

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### Abstract

An organisation's ability to evolve for them to remain current in today's ever changing technological marketplace is paramount to the sustainability and viability of an organisation. Agility is perceived as a key attribute that aids an organisation in this endeavour. The concept of agile and agility has been around for a couple of decades now. Initially coming into existence through the Agile Manifesto, starting out as a predominantly technology focused paradigm. It has slowly but steadily moved into a mindset shift within projects and now more recently within organisations. The ability of an organisation to embrace agility and an agile mindset has been one of the core factors impacting the viability of an organisation and its place in the globalised marketplace.

**Keywords:** technological marketplace, organisation's ability, agile and agility.

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## INTRODUCTION

The agile way of working was first introduced via The Agile Manifesto back in 2001. Initially rolled out to software development teams, the benefits were impressive, faster, iterative development that allowed product teams to provide feedback soon became the norm. Initially, the agile manifesto saw technology teams embracing this new way of working. Smaller, incremental breakdown of work ensured a quicker and faster delivery of solutions to market. Making software development nimbler and more flexible in its delivery of tangible solutions and delivery times. The benefits that an agile way of working brought to software development, slowly started to filter through to project development, until most projects now run using an agile methodology. An ever-changing technological marketplace, being online 24 x7, without borders, without restrictions, have meant a new interconnected way of working, networking, and doing business, making a project that can deliver results quickly is paramount to the survival of any new or improved product or service. However, project delivery is only one facet of an organisation and its products and service. The organisation is the foundation upon which projects, and delivery teams work. It is no surprise, that we are steadily seeing a mindset shift in how

organisations operate. In order to remain competitive, organisations are looking to apply the agile way of work not only across software development teams and projects, but across their organisation as a whole, that is, as an Agile Organisation. Given this slow but steady shift to agility from an organisational perspective it is important to understand how this has occurred, and the factors that can assist an organisation to embrace agility and an agile mindset at an organisational level. In this paper we will briefly introduce the Agile Manifesto and how technological development has benefited from this manifesto. We will then look at how agile projects have slowly but surely become the preferred methodology for projects. We will then look at some of the key factors that influence why an organisation has needed to embrace an agile mindset at an organisational level. Focusing on the key aspects to becoming an agile organisation. We will then draw the conclusion and look at future studies in this field, that will help organisations embrace the agility and mindset shift required to remain competitive. Let us begin with a brief introduction into the Agile Manifesto and understanding how technological development benefited from this manifesto.

In February 2001, an Agile Alliance of seventeen people came together and formulated a set of

12 principles which emerged as an Agile 'Software Development' Manifesto. As the popularity of this manifesto grew and its applicability expanded beyond the software development paradigm, it is now referred to as simply 'The Agile Manifesto'. The Agile Manifesto contains 12 principles, which are based on the four core values defined as:

- Individuals and interactions over processes and tools
- Working software over comprehensive documentation
- Customer collaboration over contract negotiation
- Responding to change over following a plan

Whilst value is placed on items on the right, The Agile Manifesto places greater importance and therefore value on items on the left [1].

Initially, this new approach to working was rolled out to software development teams alone. It was game changing. Slow, rigid, and sequential development was replaced with a faster, more nimble, iterative approach, enabling software development teams to produce incremental work quicker. This provided product teams the opportunity to refine and incrementally build upon solutions. This new approach to working quickly became the preferred way of working. The benefits it brought with it, were unprecedented. However, it soon became evident that it could not remain within software development teams alone, software teams that were agile and worked with an iterative project plan, were being hindered by not having been supported and complemented with other project teams working in an agile framework. Initially developed as an Agile Manifesto for software development, it became obvious that to reap the full benefits of this new way of working, that it would be important for other project teams and projects to embrace this agile way of working. Hence the Agile Manifesto's applicability was rolled out progressively to other project teams. Until where we are today, whereby Agility is supported at a project management level.

Let us now look at how agile projects have slowly but surely become the preferred methodology employed by projects.

Software development and technology-based teams within projects were amongst the first teams within projects to embrace an agile way of working. Initially, the technology component of projects was run using an agile framework, however the remainder of the project remained sequential. This meant that project managers and project management offices slowly had to rethink how to incorporate and forecast agile teams within a more rigid project setting. However, this steadily evolved. Elements of an agile way of working, slowly crept into the project framework, as the flexibility, quicker delivery of smaller incremental work

became the new norm. It became more and more obvious that there was a mismatch in a modern, flexible, agile technology team being coupled with an inflexible, sequential project delivery framework. That is why, we have slowly but steadily seen an agile mindset shift that is extending beyond technology teams, to that of the project delivery framework. Project deliverables have significantly evolved and are now aligned with an agile framework. (Need references to Project Delivery). This has had a flow on impact, all project streams from business analysts, software developers through to change analysts and implementation managers have had a mindset shift in project delivery, and their work items and deliverables have evolved to an agile mindset.

Let us now look at some of the key factors that influence why an organisation has needed to embrace an agile mindset at an organisational level.

As discussed earlier in this manuscript, the agile manifesto brought on a new way of working, which initially began with software development teams, and it has steadily infiltrated project management frameworks. The benefits that an agile project management framework has brought with it to an organisation, has meant that organisations have been left to ponder, why stop there. Today's business environment is fast paced, online, ever changing, and constantly evolving which has meant that an old, rigid, and inflexible organisation can no longer remain competitive. Embracing agile at a software development level and project management level have all been good steps in the right direction. Organisations have reaped the benefits of embracing agile in these areas.

As detailed in [2], competition is global, opportunities are dynamic, business processes are highly complex. That is why, just like having a project management framework that allowed all project teams, not only technology teams to support an agile mindset meant extending the agile benefits, so too has been the perception that extending the agile mindset from project teams to organisations, will allow organisations to reap even more benefits of embracing an agile mindset. Competency with Agile has traditionally been adopted in a progressive manner, starting with technical teams, and flowing down to the business side and eventually the entire organisation [3]. Similarly, to how project teams slowly embraced an agile mindset and evolved their project management frameworks and methodologies, so too are we seeing played out at a much broader level, that is, at an organisational level. As agile adoption has increased over the last decade, many organisations have grown with agile and are scaling agile methodologies to help them plan, deliver, and track progress across their teams [4].

A key acronym on the mind of today's organisations is VUCA conditions, whereby

organisations have to contend with volatile, uncertain, complex, and ambiguous conditions, unprecedented for most, and a mammoth task for others, however with the right tool set, i.e., with an agile mindset, organisations are finding that navigating the VUCA conditions in today's marketplace is easily to manage. The business environment is becoming increasingly characterised by volatility, uncertainty, complexity and ambiguity (VUCA) [4]. Many factors have led organisations to seek a new way of working in order to keep up with today's accelerated pace of change, brought about by phenomena such as the exponential increase in connectivity, the global spread of mobiles, the widespread adoption of social networks, etc [5]. The VUCA conditions that exist in today's ever-changing marketplace left many organisations to determine the best way to evolve their organisation to ensure they remain competitive. Without such a capability to sense and respond proactively to the forces of change, people, teams, and organisations will find themselves increasingly frustrated - or obsolete [6].

The article [7], published a very succinct, claim that Agile was popular because the concepts around Agile all call to the objectives that executives crave for, being best summarised as:

1. Reduced waste
2. Increased Speed to market
3. Improved Productivity
4. Improved Decision Making
5. Improved Confidence
6. Improved trust and safety

As published in [8], more than 500 senior executives from around the world were interviewed in 2018, and 92% of them said they believe organisational agility is critical to business success. Along with this, a staggering 92 percent of executives believe that organisational agility, or the ability to rapidly respond to market conditions and external factors, is critical to business success. Eighty-two percent of respondents report that proficiency in agile approaches is important for the implementation of strategic initiatives. And 84 percent agree that organisational agility is necessary to succeed in digital transformation [8]. The results don't lie, the benefits that the agile manifesto brought to software development and project delivery has finally been recognised and in today's ever changing organisational landscape, it is no wonder that organisations and their senior executives are now in agreement, agility is a key aspect of ensuring not only the growth but even the viability of sustaining today's organisations.

Let us now look at the key aspects to becoming an agile organisation.

Several articles have been published, that document key factors that help an organisation to become agile. We will now summarise some of the key aspects that these articles have looked at. In [8], Forbes

Insights recommends 4 steps to a successful agile transformation, these are:

1. Encourage C-level executives - to play a key role in evangelizing agility and communicating its business value throughout the organisation.
2. Equip employees - with the capabilities to quickly adopt and implement new strategies through training, education and technology tools.
3. Fully utilise the PMO - to shape and influence an agile-friendly culture.
4. Address the cultural factors - that enable greater agility and help drive strategic initiatives to successful realisation.

The first factor focuses on C-level executives. Highlighting the need for support to flow down from the highest level of the organisation. Ensuring that support and enthusiasm for agile, transitions down the ranks so that all executives and managers support this great mindset shift.

The second factor focuses on an organisation's employees, ensuring that they are fully equipped to work in an agile organisation from formal and informal training right through to having the correct technological toolset to draw upon.

The factor step focuses on the Project Management Office (PMO). A fundamental factor to ensuring an organisation can fully embrace an agile way of working, is to ensure the PMO is onboard, and its framework and deliverables are all agile aligned.

The fourth factor called out by Forbes Insight is that of culture within the organisation. It is critical that the culture of an organisation is in full support of agility, a culture that is supportive of an agile mindset will ensure a more cohesive transition and embracement of agile at the organisational level.

When rolling out agility at an organisational level [6], summarises 8 key implications for executives and organisations to consider in this rollout:

1. Lead With Why
2. Train Agile Behaviours
3. Great Great Teams
4. Empower Decision Making
5. Support Agile Behaviour
6. Iterate Toward Better
7. Evaluate Organisational Structure
8. Promote an Agile Culture

These eight key implications are factors that all executives and decision makers within organisations need to consider and factor into their planning, when rolling out agility at an organisational level. An organisation that is perceived internally as aligned and in favour of agility at an executive and decision-making process, will assist in gaining support within an

organisation for agility. Helping to promote the agility mindset shift, and empowering employees with teams and structures that support this, are critical factors leading to a successful agile transition.

Whilst [4] provides 7 essential principles for practicing agile at scale

1. Defined roles and organisational structure changes
2. Customer-centric organisation and development
3. Agile practices and cadence: sprints, retros, iterations, improvements, and transparency
4. Adoption maturity: take time to change.
5. Dependency improvements
6. Bottom up & top-down buy-in - actually change!
7. People, lean & systems thinking.

Agility at scale has been tried and proven both within technological and projects alike. However, these principles are essential for organisations to take onboard when rolling out agile at a broader organisational level.

As highlighted above, the four steps to a successful agile transformation as recommended by Forbes Insights in [8], combined with the 8 key implications for executives and organisations to consider in rolling out agility, as introduced in [6], and the 7 essential principles for practicing agile at scale as provided in [4], are all important elements to consider when rolling out agility within an organisation.

As summarised in [8], by introducing flexibility and adaptability enterprise-wide, organisations can respond faster to fluctuating market conditions, improve overall organisational efficiency and enhance customer satisfaction. The benefits that organisations have reaped in embracing the agile manifesto and an agile mindset initially at a technology level, then at a project delivery level, are now being seen by embracing these at an organisational level.

As part of this transcript, the author has performed a robust literature review of the key benefits documented on transitioning to an organisation to an agile organisation, below is a summary of some of the key benefits that have been extracted from this literature review:

- When teams can easily communicate with each other, they can quickly adopt and spread new ways of working, making the whole organisation more efficient and adaptable [9].
- To survive and thrive in an increasingly hostile and chaotic environment, organisations will need to address the four tenets of agility, awareness, personalised service and responsiveness [10].
- Leaders are increasingly seeking ways in which they can build the capability to sense

and respond quickly to change ...this capability to be nimble or to adapt quickly to the environment is the essence of agility, and without it, organisations run the risk of accelerating their own obsolescence [6].

- Agile organisations can develop products five times faster, make decisions three times faster, and reallocate resources adroitly and quickly [11].
- 85% of organisations now have strong preferences toward agile product management operating models over traditional, linear, project management methods, with adoption set to reach 80% by 2022 [12].
- The rise of agile in every organisation and across every type of work and industry is driven both by the passion of those who love working this way and by organisations that have now come to a startling realisation: organisations based on 20th century management processes built atop 19th century management principles, won't thrive in a 21st century VICA (1) world [13].

We will then draw the conclusion and look at future studies in this field, that will help organisations embrace the agility and mindset shift required to remain competitive.

The Agile Alliance formulated an Agile Manifesto based on four core values and seventeen core principles, initially targeted to software development teams, however the benefits it brought with it, were hard to ignore, faster, iterative development, allowed product owners the ability to provide feedback iteratively. The benefits it brought with it were unprecedented-faster prototypes were developed, allowing product owners the opportunity to identify issues or weaknesses quicker and earlier in the development piece. Incrementally development, allowed for the breakdown of work into more manageable pieces of deliverables. Support for the agile way of working, came in parallel to advances in technology, the advent of the online, 24x7, online marketplace, meant products and services needed to be nimble. Faster turnarounds on new and improved products and services were an important aspect of the need for organisations to evolve and embrace this new way of working. The Agile Manifesto initially a software development manifesto, has as shown in this manuscript, as evolved to not only a manifesto applicable to project teams, but for an organisation to remain competitive and relevant needs to be embraced even at an organisational level. The Agile Manifesto has slowly but steadily evolved to become a Manifesto that is ideal to be applied and supported across an organisation completely. The core values and principles can and should be holistically applied across the organisation. Enabling an organisation to become

and/or remain as a relevant and competitive modern organisation.

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