Review Article

Agile ways of Working

Nilesh D Kulkarni[1*] and Saurav Bansal[2]

[1]Sr. Director – Application Architecture, Masterbrand Cabinets Inc, USA

[2]Application Architect, Masterbrand Cabinets Inc, USA

ABSTRACT

The document "Agile Ways of Working" provides a comprehensive overview of Agile methodologies in business. It focuses on how these practices enhance adaptability and innovation, highlighting the need for a balanced approach that merges operational stability with agile responses to market demands. The document underscores the significance of customer feedback in driving continuous improvement and the pivotal role of leadership in cultivating an Agile culture. It also explores the challenges and strategies of implementing Agile at scale, emphasizing the transformation of the entire business system for achieving a harmonious balance between efficiency and flexibility in innovation.

*Corresponding author
Nilesh D Kulkarni, 1Sr. Director – Application Architecture, Masterbrand Cabinets Inc, USA.

Introduction
Agile is the ability to create and respond to change. It is a way of dealing with, and ultimately succeeding in, an uncertain and turbulent environment. The authors of the Agile Manifesto chose "Agile" as the label for this whole idea because that word represented the adaptiveness and response to change which was so important to their approach [1,2].

It's really about thinking through how you can understand what's going on in the environment that you're in today, identify what uncertainty you're facing, and figure out how you can adapt to that as you go along [3].

How Agile Team Operates
Agile teams work differently from chain of command bureaucracy. They are best suited to innovation - that is, the profitable application of creativity to improve customer solution, business processes, and technology.

To tackle an opportunity, the organization forms and empowers, a small team, usually 3 to 9 people, most of whom are assigned full-time. The team is multidisciplinary and includes all the skills necessary to complete its task. It manages itself and it's strictly accountable for every aspect of the work. Leaders tell team members where to innovate but not how. Confronted with large, complex problems, the team breaks it into modules, develop solutions to each component through rapid prototyping and tight feedback loops, and integrates the solution into coherent whole. Members place more value on adopting to change, then sticking to the plan. They hold themselves accountable for outcomes (such as growth, profitability, and customer loyalty), not just outputs(such as lines of code or number of new products). The team works closely with customers, both external and internal. Ideally, this put responsibility for innovation in the hands of the people who are closer to those customers. It reduces layers of control and approval, thereby speeding up work and increasing the teams' motivation [4].

The product owner, typically from a business function, is tasked with delivering value to customers, including international and future markets. They don't dictate specific tasks or timelines to the team. Instead, the team splits top-priority tasks into smaller parts, determines workload and strategies, and agrees on a "definition of done." They then proceed to develop functional product versions in iterative cycles, known as sprints. A process facilitator (often as a train scrum master) guide the process and protect the team from distractions and help it put its collective intelligence to work.

Agile Enterprise
Agile Enterprises are more than aggregation of teams. They are carefully balanced operating models that use a journey method to run, the business, reliably and efficiently change the business to capitalize on unpredictable, opportunities, and harmonize the two activities [5-7].

In enterprises, there's a trend towards acting with certainty, especially at higher levels, where there's an expectation to always have the right answers. However, this "certainty" can be misleading and potentially harmful, often stemming from "pretend" or "arrogant certainty." This mindset overlooks the importance of acknowledging unknowns and embracing a discovery approach. Applying incremental work and customer feedback loops is recommended to counteract this, allowing for smaller, adaptable decisions based on evidence, thus fostering better decision-making and customer value. For an enterprise to become Agile enterprise, the organization should be embracing CVD framework. The core of a customer-value-driven (CVD) enterprise is a mindset that

understands the importance of discovery and incremental thinking that is continuously injected with customer feedback [8].

Operations and innovations are consistent with the Chinese philosophy of duality, or yin and yang. In Agile enterprise, the operations and innovations are complementary and interdependent activities that need each other to succeed.
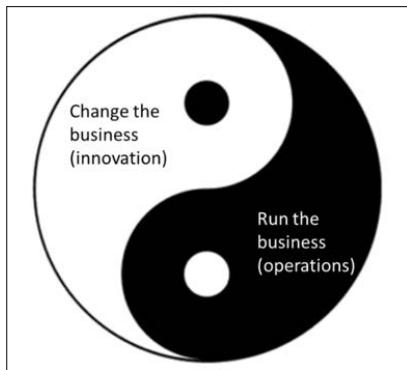

Figure 1: The Yin and Yang of Business

To make Agile Enterprise ready, Leadership needs to
1. Focus on the major business opportunity with a lot at stake.
2. Responsible for specific outcomes.
3. Trust to work autonomously - guided by clear decision rights, properly resourced staff with a small group of multidisciplinary experts who are passionate about the opportunity.
4. Committed to a following agile values, principles, and practices.
5. Empowered to collaborate closely with customers.
6. Able to create rapid prototype and fast feedback loops.
7. Supported by senior executives who will address impediments and drive adaptation of teams' work.

Measuring Agile Success
There is no simple metrics that an enterprise can use to assess its current agility or its progress towards greater agility. Instead, companies must develop their own customized indicators, testing -in good agile fashion - the relationship among the systems major components, including inputs, activities, outputs, outcome, and the purposes. Together command these components create the agile business system, doing Azure right means skilfully combining these components to perpetually pursue the enterprise purpose, even in volatile and unpredictable conditions.

Adopting Agile
To adopt agile the leadership team need to take five actions
- Communicate or even over communicate the strategic ambition to a broader range of people.
- Build decision makers.
- Strengthen line of communication among teams.
- Accelerate learning loops, emphasizing progress or perfection.
- Shift measurement and reward system to large teams.

In the initial phase of adopting Agile, organizations typically launch a few teams, assess the value they create and the challenges they encounter, and then decide on further steps. This evaluation balances the benefits of increased agility (in terms of financial results, customer outcomes, and employee performance) against its costs (both financial and organizational). If the advantages are significant, the organization scales up Agile by adding more

teams, addressing constraints in less agile areas, and repeating the process. If not, they focus on enhancing the value of existing Agile teams and reducing the costs of change, such as by promoting Agile successes or recruiting experienced Agile practitioners. Leaders can change the culture and organization only if they can change themselves. Leaders who aren't committed to learning and practicing agile methods shouldn't launch an agile transformation within an enterprise. Teams in an agile enterprise must make decisions quickly.

Agile Funding
Those who deliver stronger returns are rewarded with the more resources and responsibilities. The agile funding procedures often evolve to resemble those of a venture capitalist. They privatize strategic imperatives, but they also welcome unplanned initiatives. They fun persistent teams rather than projects when opportunities are enduring.

Customers are always beautifully and wonderfully dissatisfied, even when the report being happy and business is great. Even when they don't yet know it, customers want something better, and your desire to delight customers will drive you to invent on their behalf. - Jeff Bezos.

Strategic imperative or an unplanned opportunity, is responsible for delivering the customer outcomes that originally justified the investment. Agile constantly question whether increment investments are justified. Agile reward efficiency in experimentation.

RBS Royal Bank of Scotland also uses a technique called scenario-based funding to help ensure that it supports the most promising opportunities. It asked business unit heads to provide a base case request for innovation and investment funding and associated business value that they can deliver. It also asks them to project the incremental value they could deliver with 20% more funding and the value that would be lost with 20% less. This process allows RBS leaders to consider how shifts in funding among business units could optimize enterprise business value.

Agile at Scale
Doing agile at scale is a great start but doing agile right ultimately requires both agile teams and agile systems an agile enterprise. Agile at scale focuses on improving the performance of agile teams, allowing bureaucracy and innovation to coexist. Agile enterprises focus on creating agile business systems, transforming bureaucracy and innovation into symbiotic partners that collaborate to deliver superior results. Enterprise says create balance system that effectively adapt to changing customer opportunities in order to deliver superior results. The focus on improving the performance of entire business system. Stable operations and flexible innovations are not enemies. They are complementary, interdependent, mutually beneficial capabilities that need each other to survive.

Even if you are not currently planning a transition to an agile enterprise, we recommend taking few weeks to explore what such a transition might look like. How many teams could we have? What would they do and where would they report? How much additional value could the enterprise create? How could we better harmonize bureaucracy with innovation question? What would be the greatest improvement and risks to achieving such vision? How far could we realistically go, and how fast could we plan to get there? Envisioning and giant system in this manner encourages

holistic, integrative thinking. It creates an estimate of the value at stake, and it fosters gather alignment on ultimate destination, which helps to guide strategic decisions.

Adopting agile at scale it is important to keep in mind that more frequent winds an opportunity to celebrate them makes an agile enterprise more robust and scalable. Teresa Amabile and Steven J Kramer put it this way in their HBR article "the power of small wins" : Of all the things that can boost emotions, motivation, and perceptions during a work day, the single most important is making progress in meaningful work. And the more frequently people experience that sense of progress, the more likely they are to be creatively productive in the long run. Whether they're trying to solve a major scientific misery or simply produce a high-quality product or service, everyday progress - even a small win - can make all the difference in how they feel and perform [9].

Key Definitions
Agile: Represents adaptiveness and response to change, emphasizing the ability to succeed in uncertain and turbulent environments.

Innovation: Agile teams are characterized by their capacity for profitable creativity in improving customer solutions, business processes, and technology.

Holistic Integrative Thinking: Encourages comprehensive and integrative approaches in decision-making and strategic planning.

Self-Management and Accountability: Agile teams are self-managed and accountable for outcomes such as growth, profitability, and customer loyalty.

Sprints and Iterative Cycles: Agile teams break down tasks into smaller parts, developing product versions through iterative cycles known as sprints.

Agile Enterprise: Described as a balanced operating model that efficiently runs and changes the business in response to unpredictable opportunities.

Customer-Value-Driven (CVD) Framework: Emphasizes discovery, incremental thinking, and continuous customer feedback in Agile enterprises.

Symbiosis of Bureaucracy and Innovation: Agile enterprises transform bureaucracy and innovation into collaborative partners for superior results.

Agile Funding: Resembles venture capitalist approaches, focusing on strategic imperatives and rewarding efficiency in experimentation.

Leadership and Communication: In Agile adoption, leadership must communicate strategic ambitions, build decision makers, and shift measurement and reward systems.

Conclusion
The Agile Ways of Working emphasizes the importance of adopting Agile methodologies in enterprises for enhanced adaptability and customer-centric innovation. It advocates for a balanced approach, integrating stability in operations with agility in innovation. The key to success lies in recognizing the symbiotic relationship between these elements and leveraging customer feedback to drive continuous improvement. Leaders play a crucial role in fostering an Agile culture, focusing on customer outcomes, and enabling teams to make quick, informed decisions. Agile at scale requires not just team-level agility but a transformation of the entire business system, striking a balance between operational efficiency and innovative flexibility.

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