Agile Demystified

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Introduction

There is so much "noise" about Agile that I wanted to write a paper that enables everyone with different levels of knowledge to get onto the same page. My hope is that this paper will help you understand the terminology, the basic concepts that underpin an Agile approach, and the benefits of working in this way.

I will also touch on complementary subjects that include recognising [Agile is a cultural change](#) and the need to [involve more than just your own team in Agile practices](#), but you can read more by using the links to these terms.

What do we mean by Agile?

Agile means different things to different people, depending on their role in an organisation but one thing that is common to all organisations is that their interpretation of Agile will be unique to them. This is because Agile is an approach to how work is done and is affected by the cultural norms in the organisation including how information is shared, the level of autonomy individuals have to carry out their role, how decisions are made and the level of collaboration that takes place.

To help people understand what is meant by Agile, I divide agility into two broad categories:
- Strategic agility
- Tactical agility

Strategic agility

This refers to how the organisation approaches how it works. Executives demand "organisational agility" which is the ability to respond faster and more flexibly to changes in the market. This is in response to multiple changes taking place that disrupt the normal pattern of customer behaviour. New "disruptors" offer things that had not been thought of before and organisations are vulnerable to losing market share and profitability if they cannot respond quickly.

The group of people grappling with these issues are not those that are going to be defining exactly how Agile works in their organisation, so there is a desire for fast and flexible responses, but this is not always matched by an understanding of what is involved.

Traditional hierarchies, governance structures and decisions that are always taken at the top prevent effective Agile working. They need to be replaced by:

Criteria

There is a need for clearly defined criteria so that staff further down the hierarchy can be empowered to take decisions. Empowerment and self-directed teams are common phrases in Agile but this does not happen spontaneously. Individuals will take on more responsibility for decision making only if the scope of their power is clearly defined. Those transferring power further down the hierarchies of their

organisation need to establish criteria upon which decisions should be made, and move away form subjective criteria (it feels right) which are difficult for more junior employees to emulate.

Information sharing

Agile demands openness of information, sharing and not hoarding it (information is power). This means a willingness to share information with whoever needs it, and that includes cross functionally. This openness is in direct contrast to silo-based working, encouraging those involved in Agile working to understand the end to end value stream and work with all those who can contribute to it.

Experiments

Agile requires the creation of an environment that celebrates experiments which generate learning through failure and success. This is a scientific mindset which celebrates those who identify hypotheses for testing and those who can design experiments to prove or disprove a concept.

However, getting commitment to making these changes is very difficult, so there is often a conflict between the desire for Agility and the cultural and behavioural changes needed to make it a reality. The changes I have just outlined have one thing in common: they distribute power further down the hierarchy of the organisation, and this can be uncomfortable for those used to exercising power as a result of their hierarchical position within the organisation structure.

There is also a whole category of agility that refers to flexible working patterns, where people can choose where they work, which hours they work etc. This isn't the Agile that I am talking about, but it is worth mentioning because some organisations will claim they are Agile because they have these working practices, even though they are not delivering their work in Agile ways.

Tactical agility

This refers to the Agile working practices that started life in IT, shaping how software is developed and has moved to embrace how projects are managed. Work is delivered incrementally to the customer, not waiting for until the end of the project but released as soon as it is ready, and there are frequent changes in direction based on the feedback from customers in response to what they are receiving. These approaches have now been adopted for all types of work, from running marketing campaigns to creating new products and services for customers.

Tactical agility has been achieved by applying many of the "brands" of Agile (see later section of this document), replacing traditional approaches to project management. There is a danger that one set of methodologies (e.g. PRINCE2® is replaced by others e.g. SAFe®, with strong views which state that only by following this method in its entirety can Agile working be achieved.
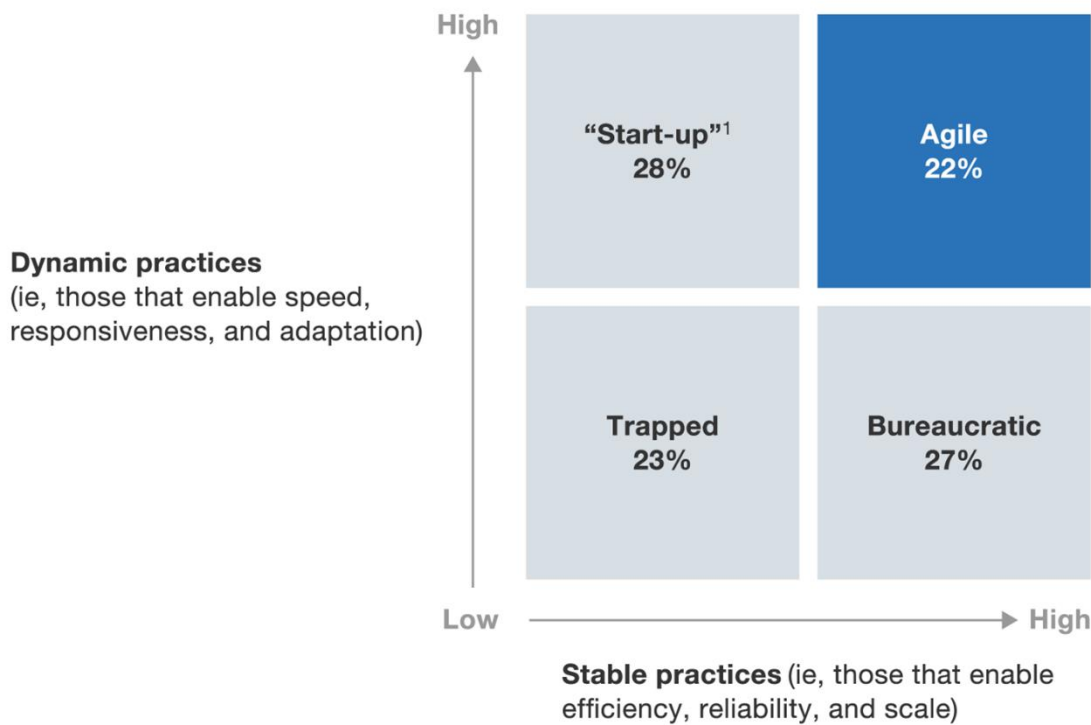
However, as Agile is a way of thinking and behaving, tailoring your approach to your circumstances is critical for success and over-reliance on a single, Agile approach is restrictive and the opposite of the flexibility we associate with Agile.

Why is Agile such a hot topic?

There is no denying that Agile is a key talking point. Towards the end of 2017 McKinsey[1] undertook a survey that identified that 75% of CEOs felt that Agile was a top or at least a top 3 priority and that 40% were currently undertaking an Agile transformation.

A truly Agile organisation blends speed and responsiveness with certainty of process that enables it to know it can deliver on its promises. This table highlights the ideal that many boards are trying to achieve with their Agile adoptions.

High

"Start-up"[1]
28%

Agile
22%

Dynamic practices
(ie, those that enable speed,
responsiveness, and adaptation)

Trapped
23%

Bureaucratic
27%

Low ──────────────→ High

Stable practices (ie, those that enable
efficiency, reliability, and scale)

Karin Ahlbäck, Clemens Fahrbach, Monica Murarka, and Olli Salo, "How to create an agile organization," October 2017

For me, this explains why Agile continues to be an executive level objective, because Agile is a common-sense response to the increasing uncertainty and volatility of our environment. Increasing uncertainty means there is no obvious answer to the problem. There are too many moving parts to be able to clearly state: "If we do X we are guaranteed to get Y."

Therefore, the willingness and ability to experiment to find the best answers whilst continuing to deliver business as usual via reliable, efficient processes is the leadership challenge of the 21st century.

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[1] Karin Ahlbäck, Clemens Fahrbach, Monica Murarka, and Olli Salo, "How to create an agile organization," October 2017.

What are the benefits of Agile?

There are many benefits of adopting Agile practices at the strategic and the tactical level. McKinsey have published research to prove that those organisations that are able to balance speed and stability are in the top quartile for organisational performance.

At the tactical level, there is a lot of evidence to show that projects run on Agile principles greatly reduce the risk of building the wrong solution. This is because of the involvement of those that will be using what is created throughout the creation process, along with the constant trialling of what is being produced through incremental delivery.

There are financial benefits, as incremental delivery means that there is the opportunity for early realisation of benefits, so there is no need to fund a long lifecycle prior to the benefits coming on stream. Instead, reductions in cost and increases in revenue are sought from the end of the first Sprint.

Incremental delivery provides the opportunity to respond to changing circumstances. By not following a detailed plan from start to finish, as information is received about the workability of what is produced, the response from customers and new ideas that emerge, changes can be made.

How does it work?

In this section, I am going to provide a brief overview of some of the most important elements of Agile delivery:
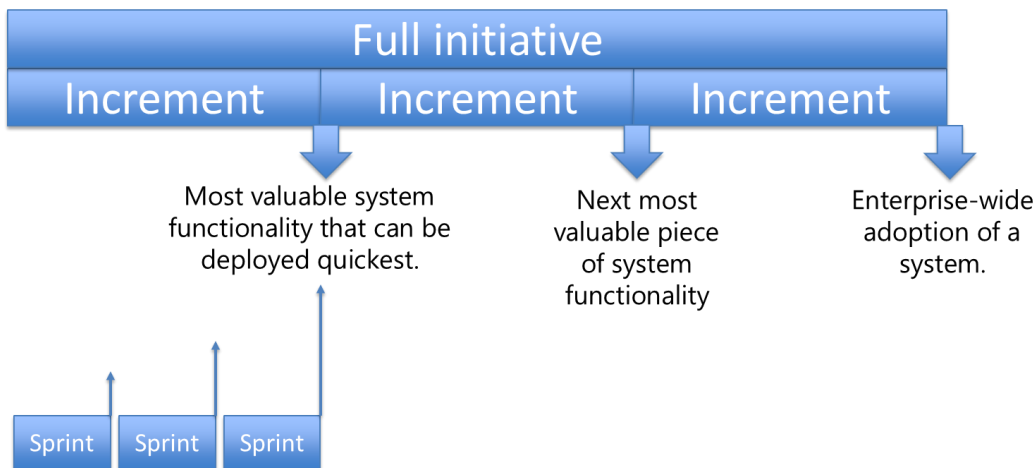
- Delivery Plan
- User Stories
- Prioritised Requirements List

Delivery Plan

To achieve this style of working, we must replace building a plan from the bottom up using all the requirements we identify at the start of a project. We must be clear what the end project delivery will be, and then use a breakdown technique to sub-divide this into individual pieces of functionality, each capable of adding value to the organisation by solving a problem or adding new services, products or improved service to the customer.

One of the most recognised elements of Agile is the delivery of products through Sprints, also known as Timeboxes. I like the second term because it describes what it is, a box of time in which we focus on delivering something workable and valuable to our customers.

Source: Melanie Franklin 2019

User Stories

What is achieved in each of these sprints or timeboxes is defined by the Prioritised Requirements List or Product Backlog as it is also known. This contains the ideas, requirements and activities needed to create something valuable and they are written in a specific format called a User Story.

Source: Melanie Franklin 2019

I think the concept of a User Story is a brilliant discipline for achieving critical thought:
- Engagement – achieves clarity on who will benefit from this element of the solution, and makes sure that the requirement is written from their perspective.
- Achievement – the requirement is clear on what is to be created for the stakeholder, so it is not a stand-alone idea, but is connected to a specific customer and can be tested with this customer to check it meets their need.
- Driver – ensures there is a clear need for whatever is being produced. Often this will not be immediately obvious as a benefit, so be prepared to show the logical sequence for how this

initial reasoning leads to a benefit. For example: "As a Finance Manager, I need data input to be automated *so that* I can spend more time talking to customers, *so that* I can solve more of their problems, *so that* they will increase their positive view of my organisation, *so that* they will buy more from us.

Prioritised Requirements List

User Story	Priority	Sub Requirement	Priority	Increment	Timebox
Customer interview	Must Have	UK Customer	Must Have	1	1
		Overseas Customer	Should Have	TBA	TBA

**Must Have
    Should Have
        Could Have
            Won't Have This Time**

Source: Melanie Franklin 2019

As the name suggests, these stories are prioritised in the Prioritised Requirements List so that there is common agreement on what work to do next, based on pre-defined criteria. For example, there are lots of ideas to pursue, but I will work on those that deliver the most business value, or that are deemed essential by regulators and rule makers.
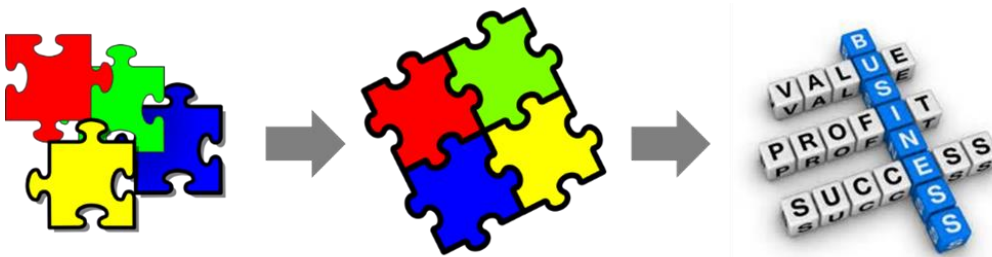
This enables value to be delivered incrementally and achieves early return on investment which are core benefits of an Agile approach. Re-prioritisation after every delivery (at the end of a Sprint or at the end of several Sprints) creates a flexible response to feedback, as what is delivered next becomes a decision, not driven by what is next on the list, but what is needed most.
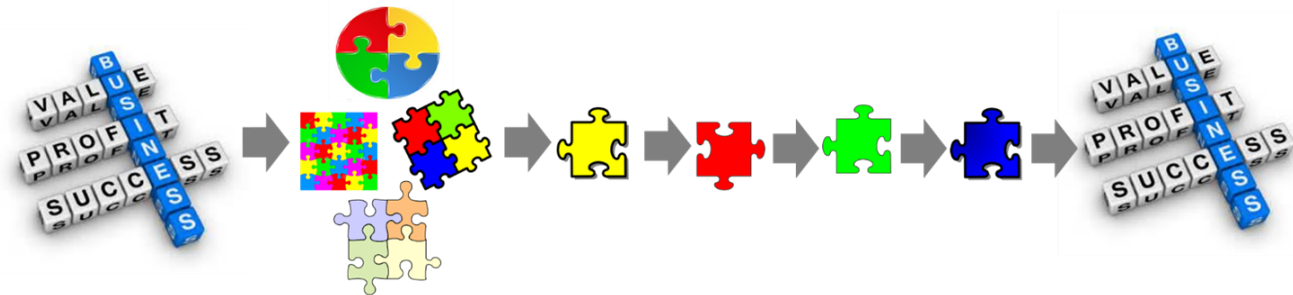
Agile is different!

Agile turns our traditional approach to delivering new ideas on its head. Instead of gathering all the requests for new ways of working and all the requirements for features and functions up front, we are encouraged to create an experiment. We take part of our idea, perhaps something that we can develop quite quickly and put it in front of customers to get their feedback. If the idea is greeted with enthusiasm, we further develop it, and if customers don't like it, it goes no further.

Old ways of working – gather requirements first and develop them into a single deliverable at the end of the project:

Source: Melanie Franklin 2019

New ways of working – brainstorm potential ideas, develop part of them, get the feedback and build on what works.
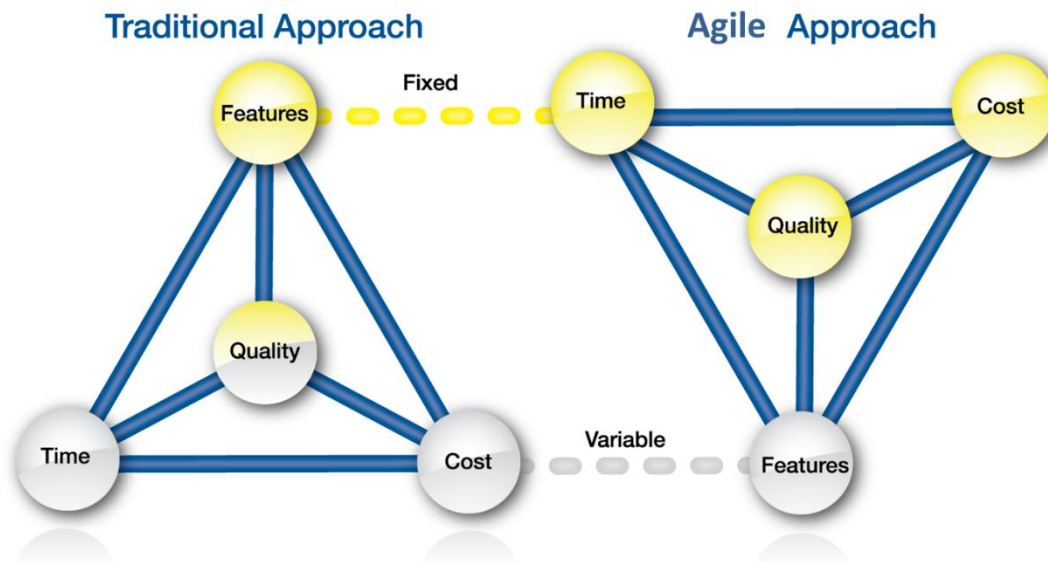

Source: Melanie Franklin 2019

Clearly, the second diagram shows how in Agile we edge towards the right solution, building on the feedback that we gather from all those impacted by what we have created. The different possibilities (which jigsaw to choose) are debated, and once a decision has been made, each piece of the jigsaw is delivered. If the necessary value is delivered after only two or three pieces of the jigsaw have been completed, then the project can be terminated early, and costs saved.

New constraints

This diagram shows how the constraints that we operate under are different as we edge towards a solution that is unknown in detail at the beginning. In this case time becomes the controlling factor.

Source: AgilePM Handbook V2.0, Agile Business Consortium

We can vary the contents of what we deliver (as long as it delivers value) within the agreed timeframe. When time is fixed, to a large extend, costs become fixed because the majority of costs come from standing up a team to develop the work. The longer the team is in place, the greater the cost.

It sounds so simple, but in my experience of watching people first adopt Agile, it requires a demanding set of skills including:

- Understanding the desired business value – unless you have a really good grasp of the commercial imperatives of your organisation and how your idea will contribute to them, you will be experimenting with things that are possible to do, and perhaps solve a current problem, but are not addressing the important issues of cost saving and revenue generation.
- Deconstructing a big idea to find the quick win – Agile is all about early return on investment, but that means identifying something that can be delivered on its own, without being held back by lots of interdependencies but that could be added to later on if it's a success.
- Thinking like a scientist – it is not enough to get customer feedback, it is important to identify up front what would constitute a successful experiment, and what failure would look like. Construct questions to source feedback that fully check out the idea, not that generate an immediate emotional reaction but which doesn't necessarily reflect how customers would behave in the real world. How many of us have been to demonstrations where there was lots of excitement and positive comments but afterwards there was no follow through in use of the products or services?

- Coping with constant, unrelenting change – I have written about [change overload](#) before, but we mustn't forget that Agile is a major factor in the high volumes of change that those in the front line and back offices of organisations are trying to cope with.

One of the biggest challenges in moving from the old ways of working, is the perception of certainty that this offered. By putting a detailed plan in front of executives, and describing each step the project will take, with clear milestones and a deadline for final delivery, I can create an impression of certainty and control.

Applying an Agile approach, I am forced to describe incremental delivery, selling the benefits of an emergent approach, where I cannot give certainty over what will be delivered. Agile is responsive to feedback, but when describing the Delivery Plan, it lacks detail which sounds like it lacks certainty and control. It is a much harder sell than the traditional, up-front, detailed plan.

Is Agile really delivering benefits?

In my experience there, what agile should and could be and what it ends up being are two different things. It is very frustrating, because on paper, Agile provides a common-sense answer to many of the dilemmas that organisations are facing: high volumes of change; pressure to deliver within shorter timescales; uncertainty over what is the right answer.

However, when talking to those involved in Agile transformations, Agile is not greeted with unalloyed joy. Instead, there are concerns about the pressure that Agile working is having on the "business as usual" environment. The most often cited element of Agile is the continuous delivery and how hard the business are finding it to keep up with the constant stream of changes.

Instead of being excited by the early delivery from projects, the business is often frustrated. We should be excited by freedom of flexing the features and functions of what we deliver, giving certainty over when we deliver and to what cost. But the reality in the business is not excitement but frustration.

The minimum viable product gives the business a lot of issues – after all, would you want to take responsibility for something that is the minimum of what it could be, or do you recognise that as it is the minimum version it will be missing useful features and will require more manual intervention? What is minimum for the business and what is minimum for the creators are two different things. Something might work, but that does not mean it works well for those using it and this constant stream of compromises does wear people down.

I know a lot of executives who are putting pressure on Agile teams to hold off on releasing project deliverables to their departments until they have several pieces of the puzzle, because of the productivity dip caused by the interruptions of becoming aware of what's new, trying out what's new and incorporating it into business as usual. Too much emphasis on this and not enough emphasis on business as usual means poor customer service, long wait times etc.
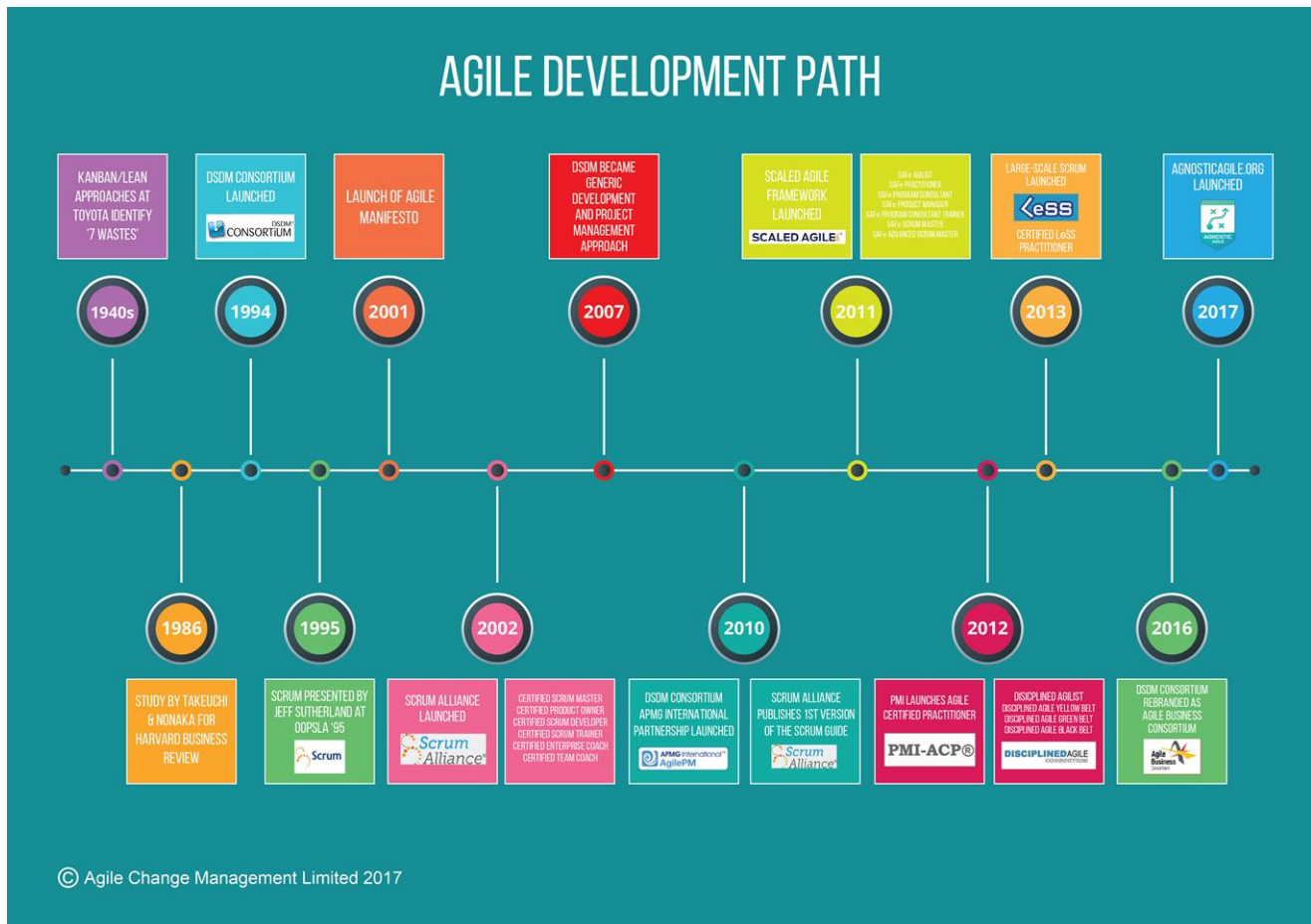
Currently, I believe many implementations of Agile approaches have improved the delivery capability of organisations. This means that they are getting very good at creating new ideas. However, this must be partnered with an ability to successfully implement what has been created, without destabilising day to day business. In my experience, we are only just recognising this as the issue, and have made very little progress in addressing it, so this is the next Agile challenge.

Multiple brands

The number of organisations adopting Agile ways of working continues to increase, as do the brands or flavours of Agile that are available. I think the proliferation of these different flavours of Agile tells us something important i.e. Agile is not as easy as it looks, and lots of clever people are trying to define how to make it work as well as it could.

This infographic provides a summary of the lifecycle of Agile approaches so far, and I am sure there are more to come:

Most notable brand names are:
- Scrum – this is a term that is frequently used to describe any kind of fast paced development where there is minimum documentation and the team decides what work to do in each 'sprint' which is focused period of time during which they are going to create something that they can deliver to a customer. This approach is supported by the Scrum Alliance and the Agile Alliance, not for profit organisations who spread the word about the benefits of an agile style of working.
- AgilePM® – this is an approach owned by the Agile Business Consortium, another not for profit organisation that shares ideas about best practice agile approaches. AgilePM® is an approach that explains how to run a project using agile concepts. It is described in a handbook which is the set text for the qualification-based course that was launched in 2010.
- SAFe® - this stands for Scaled Agile Framework which take the concepts of Agile working for a single team and define how multiple teams working in Agile ways can be used to deliver large-scale, complicated pieces of work.

Conclusion

As a way of working, Agile is here to stay. I wrote this paper to help describe the reality of adopting Agile, and to clarify the core elements of this approach. All of us are going to experience a style of Agile working, and I think it is important that we keep ourselves well informed so that we can take part in the debate about what Agile means and how best to make it work for our organisations. This can only happen through information and debate, and I hope this paper contributes to this.

About the author

My job is to help organisations develop the capability to manage change and transformation. This involves a wide range of activities as no two organisations are the same. For example, I might devise the framework and methods to be used to become more Agile, more digital or more innovative. Other times I am leading the creation of an internal network of change management champions who lead themselves and their colleagues through transformation to achieve new ways of working. I am often in the board room supporting senior leaders to become effective sponsors and I go on to provide executive coaching throughout the life of significant change initiatives.

I love my job so much that I write lots of articles and text books to help transfer my knowledge and experience to the next generation of change managers. I am passionate about my profession and help to lead the growth of the Change Management Institute in the UK as well as promoting our professional globally.

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