A HOLISTIC APPROACH TO ENTERPRISE IT AGILITY
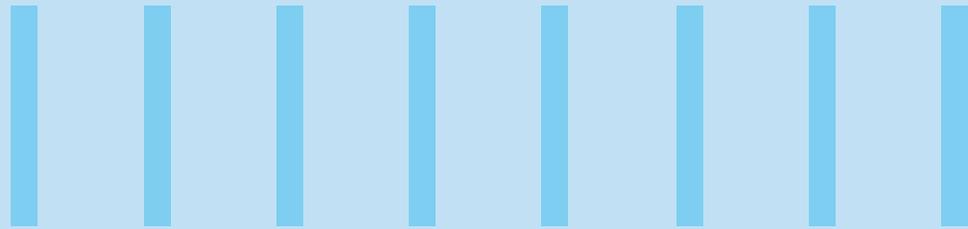
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Executive summary

With business agility the new watchword in senior management circles, more and more enterprises are looking for ways to adopt 'agile' into their technology practices. However, such an initiative needs to go beyond the mere adoption of agile in a few projects. To successfully implement enterprise IT agility, organizations need to understand the impact of agile across functions and groups, develop frameworks to sustain agile, empower teams across the board to work in an agile fashion, and invest in the right infrastructure. A strategic roadmap based on these considerations can help organizations infuse agile into their practices, processes and systems, thereby achieving true benefits of agile – faster returns, better quality and quicker time-to-market.

Are you struggling to deliver true business value even with more agile projects?

The past few years have seen a large number of enterprises on-boarding 'agile' practices to become more responsive to business needs and glean more revenue.

Most organizations want to adopt enterprise IT agility for the key benefit of quicker time-to-market owing to frequent releases and shorter feedback cycles, resulting in faster return on investment (RoI) (1). However, organizations seeking to adopt agile at scale face several challenges. One of the key reasons for this is that most enterprises view agility as the mere capacity to execute a large number of projects in an agile fashion. To be truly effective, however, agile should be about mobilizing core competencies to become flexible, responsive and adaptable while delivering customizable products and services (2).

This paper discusses the critical factors for an effective roadmap to implementing enterprise IT agility. It also outlines how these factors contribute to a successful enterprise IT agility strategy.

A Gestalt approach to agility: The whole is greater than the sum of the parts

To ensure successful implementation of enterprise agility across-the-board, organizations must design a roadmap with careful focus on four key factors:

1. Unity in agility – Common processes and practices

The nature of agile requires autonomous teams that interact and collaborate to set their own goals, design their own projects, and monitor their own performance. In large organizations, the lack of a hierarchical structure and predefined rules can pose several challenges. As the number of agile projects increases, organizational control over the scale and method of execution diminishes, thereby increasing the possibility of risks such as noncompliance with regulations. Thus, it becomes critical for large enterprises to strategize and deploy a common set of practices and processes from the beginning to ensure seamless and de-risked agility.

Further, the contextual definition of agile processes and practices provide more than risk mitigation. They are needed to standardize estimation, metrics, measurements, verification policies, gate reviews, definition of benefits, measurement of value, and to minimize documentation. While establishing this 'agile code' may be a tedious process and may result in some overheads, it is critical to deploy it to ensure successful business agility.

2. Clarity in agility – Defining the scaling blueprints

Enterprises should establish reference scaling blueprints for agile which should include clear definition of roles, responsibilities, key performance indicators (KPIs) and goals drilling down from portfolio, program and to project levels based on enterprise's needs, constraints and feasibility. This is needed to properly align the deliverables across various portfolios or programs to achieve common goals for a business line and manage dependencies across them. Further, as the scope and scale of agile processes increase within the organizations, such a reference blueprint can help define existing and emerging roles as well as realign changing responsibilities among them.

3. Flexibility in agility - Tools, technologies and infrastructure

To adopt agile, enterprises need to implement adaptive planning – the ability to plan and execute simultaneously. Compared to the rigidity of sequential planning, this approach enables flexibility and changes during execution.

Agile adoption necessitates changes within the engineering ecosystem of an organization.

As more projects adopt agile methodology, enterprises will need new technologies that enable faster delivery, tools that enable automation and infrastructure that can be provisioned on-demand. This is needed to ensure higher efficiencies. It is also important for organizations to assess how these changes will affect the bottom line and devise methods to ensure cost-effectiveness.

4. Evolution with agility – Effective organization change management

As an enterprise moves from traditional to agile, it is critical to implement a proactive and strategic change management initiative. As the systems, processes, projects, and business progress into agile, effective change management ensures that users and other employees evolve along with the organization. This is critical to maintain quality assurance, user satisfaction and to stay true to the spirit of agile.

To deliver an effective change management program, it is essential to understand how agile impacts the organization. The adoption of enterprise IT agility affects several functions and business groups. It is important for enterprises to be aware of this impact to be well-prepared for the ensuing changes:

- **Business decision-making**

  In a typical scenario, business stakeholders within an enterprise meet every quarter to discuss ongoing and future initiatives and define its scope. In an agile enterprise, it may create a substantial lag even before agile projects can commence development.

This means that agile is not limited to the development process. Businesses need to empower product owners by providing them sufficient bandwidth to make decisions on projects and modify the way of operation and collaboration with IT. Product owners can thus ensure agility in their own functions.

- **Support functions/ centralized groups**

  Centralized groups such as the architecture group or IT support groups need to realign themselves to adhere to the agile method of work and execution. This helps eliminate delays owing to dependencies that can become impediments for agile projects

- **Funding and contract management**

  Traditionally, organizations set an annual budget for projects identified before the start of year. In a true agile IT enterprise, funding and contract management processes need to adapt differently. Organizations need to provide flexible funding at portfolio levels that can be spread across or shifted at any point of time between projects based on value delivery. Alternatively, enterprises can adopt an incremental and continuous funding process. They must also develop a unified team culture that fosters trust and collaboration (rather than terms and conditions), and contracts with fixed price and fixed time with variable scope (rather than fixed scope).

- **Culture of change**

  Most importantly, enterprises need to undertake an exercise in transforming the mindset of all stakeholders. This is required across project management, project teams, project leadership, business stakeholders, and governing committees. Understanding of agile and encouraging the agile way of working should be high on the management's agenda.

Such a shift entails evolving from the business-management-IT-vendor model to "One Team", and from project management to continuous software and business value delivery.

- **Governance and monitoring**

  Senior management must learn the agile way of working and reassess their functions of governance, status reporting, dashboards, etc. This will ensure that they are agile and provide accurate insights without increasing overheads for project teams while still complying with organization rules and regulations.

- **Enterprise release management**

  Frequent soft launches of developed code can create challenges for release management teams that aim to execute a hard launch. Thus, it is necessary to improve frequency of hard launches by modifying change management policies and using automation and collaboration among development and Ops teams to ensure that the primary benefit of improved time-to-market is not lost.

- **Training and coaching**

  Organizations should focus on continuous training and coaching for agile adoption. Such training is different from the typical training programs conducted within an organization as it covers various roles and aspects besides that of developers and technology.

For instance, an agile training program should include the following components along with agile methodology training:

a. Soft skills training to enable strong communication and collaboration

b. Mindset change sessions for development teams and stakeholders

c. Role-specific training for scrum masters, product owners

d. Enabling business with knowledge for breaking down requirements into smaller projects

e. Agile specific tools and technologies

References

1. A review of Enterprise Agility: Concepts, frameworks and attributes, May 2007 http://www.sciencedirect.com/science/article/pii/S0169814107000236

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Conclusion

To realize the true benefits of agile, organizations need to break existing silos and implement a strategic roadmap that infuses agile principles into all enterprise functions – business, information technology and support. The roadmap should establish critical features such as a proper framework, agile systems and process, agile tools and technologies, and an effective change management process. Change management is probably the most crucial aspect as it steers the impact of agile on various groups and functions and allows organizations to design new processes and adopt better methodologies to evolve true enterprise agility.

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