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Capitalizing on Agile by Scaling to Enterprise Level

Introduction

It was not too long ago that "Agile" was a buzzword in the IT industry. You could see people's eyes brighten when a colleague mentioned they use Agile. Years later, it has become a standard methodology used in many industries, including software. Agile has proven its worth and there is a general acceptance in software circles that, when done well, Agile is good for the team, good for the customer, and good for the project. The question that executives are now asking is, "How do we scale Agile to an organizational level?".

Most companies in today's technology industry are using some form of Agile, mainly at a team or product level. The challenge is scaling Agile to work in complicated settings with larger teams, more complex systems, longer timelines, and more diverse operating environments using multiple engineering disciplines.

What do we mean when we talk about scaling Agile? Scaling Agile means that similar processes which are sustainable are taken to multiple teams, multiple projects, or multiple products under the same umbrella. It is important to note here that the processes need to survive with a larger audience and be sustainable across that platform. Scaling Agile at an enterprise level means adoption across non-technical teams as well, such as HR, marketing, finance, etc. - a problem to be solved at a later time. This resource will focus on what to strive for and what to watch out for when implementing and scaling Agile methodology.

Scaling Challenges

There are a number of different scenarios in which an organization may consider scaling. Some of the most common scenarios are described below:

1. **Pilot team:** An organization decides to run a "pilot" Agile team. They select a team and lay out a process for that team, however, they still do not understand how to scale the methodology to the entire organization. In the meantime, the pilot team continues as an Agile island.

2. **Bottom–up teams:** A couple of teams decide to adopt the Agile methodology and are successful. The management recognizes their progress and implements Agile to additional teams. Unfortunately, they still do not understand how to scale, despite having more teams utilizing the methodology than ever before.

3. **Top–down team:** Management sees the potential in Agile and grants a few teams special privileges to try the new methodology. Although the teams are successful,

again, they do not understand how to scale it beyond their group. Management leaves it at that and directs the team using the new process to continue. The result is that they are unable to capitalize on the same value for the rest of the organization.

In all of the above scenarios, the underlying issue is the same: the inability for an organization to scale the tried and tested process at an enterprise level, sustaining it long enough to deliver benefits.

There are a number of scaling frameworks available, such as SAFe & LeSS, which focus on how to get teams doing the right work and have them fully integrated. These frameworks are a good starting point for discussion when considering Agile at an organizational level. Scaling frameworks also helps to resolve tension between the team or product goals and the organization, by aligning them with corporate goals. These frameworks, however, are limited in the ways they are implemented and a thorough assessment is needed before choosing and implementing one. Involvement at every level, from the executives to the teams, need to be aligned and help create sustainable processes for the teams. With so many variables there are a number of challenges we see arise. Some of the more common challenges we have seen are:

- The company's or organization's goals are not aligned with the team's process for completing daily work.
- Leadership is not willing or does not know how to change their leadership style to allow teams the freedom needed to successfully implement Agile.
- Processes are too stringent to fit some standard frameworks.
- Processes are generic as prescribed by someone outside the enterprise who does not understand the team dynamic, Agile methodology, or company values.
- Teams do not take the time necessary for retrospectives, analyzing their current processes to make adjustments for improved functionality moving forward.
- Leadership does not effectively look at metrics generated by teams to identify areas of potential improvement.
- Processes are not standardized across various teams.
- Teams do not use the right tools for collaboration and Agile infrastructure.

Retrospectives at the conclusion of each iteration are vital to overcoming and eliminating disconnects between team members and team leads.

Scaling Solutions

Shifting to an Agile mindset requires changes and intervention at various levels. It requires a cultural shift at a molecular level and changing management styles at every level. Teams are incredibly self-organized, requiring less involvement and interference

from management day-to-day. The function of organizational hierarchy shifts from a top-down structure to more horizontal in nature.

There are considerations that can help an organization accept and transition to an Agile mindset and scale it to an enterprise level. Several of them are described below:

1. Align Vision, Planning, and Execution

Alignment of an enterprise's vision to their portfolios, programs, and teams, is lacking in many organizations, causing their growth to slow. Proper management of production roadmaps become an unsurmountable task if teams, processes, tools, and goals are not aligned. That integration is required if alignment is to occur.

Globalization and distributed teams have furthered the need for better alignment across borders. Leaders find it more difficult to understand staffing needs and align them with strategic goals. Enterprises find it harder to manage budgets and accounts have become Excel wizards. Hour–based estimation has proven to fail and there is a burning need to come up with a creative way to handle budget and accounting needs. Teams must have the freedom to choose the appropriate Agile tool (Scrum, Kanban, XP, TDD, FDD, etc.) paying special attention to the orchestration for better alignment. Cross–functional dependency management is also a common problem, broadening the need for a better alignment.

2. Built-in Quality, Changing Priorities, and Faster Time to Market

It is a very competitive market and enterprises are under a great deal of pressure to accelerate product delivery. The secret to success lies in adaptability and quick responses to managing changing priorities. Continuous refinement of goals is also needed as projects progress. Enterprises are running out of excuses to delay value and end up losing customers to a fiercely competitive market. As enterprises are pushing to deliver zero defect software, the biggest hurdle they face is the lack of teams working together to deliver great products. Integration and automation testing is necessary and if not properly coordinated, can drive the cost up and hinder productivity and throughput. Furthermore, the mandate of compliance initiatives like SOX, PCI and other information security standards can increase business risk or hinder speed if not properly aligned with the enterprise practices.

3. DevOps Transformation

With the onset of innovative technology, DevOps is providing a platform to help continuously deliver value and enterprises are now facing an uphill task to capitalize on its full potential. Enterprises that were doing 8 to 10 releases a month are now doing multiple releases per day. Management is inundated with pressure to keep up with market speed because enterprises must keep up to remain relevant.
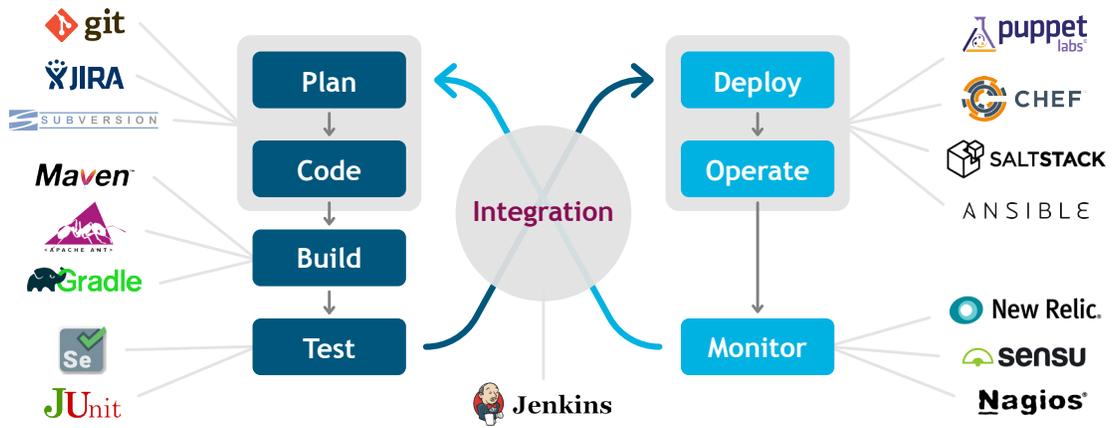
As delivery cycle times are reduced, we see there is an increase in technical complexity. If enterprises are not carefully marrying Agile with best technology and practices like Service Oriented Architecture, we see a decay in speed. The microservices architecture is becoming a key component of the implementation and it requires for proper alignment of technology teams across an enterprise. Approaches like value stream mapping helps facilitate the seamless rollout of technology. With many cloud-based tools available in the DevOps stack, security has become a key parameter to consider making way for new terminology called DevSecOps.

4. Foster Innovation and Boost Employee Morale

The invaluable asset in any organization are its employees. Some of the killers in enterprise agility are a lack of trust and transparency between teams. Proper alignment of processes, tools, and employees is a critical need that all enterprises face. Reworking lead times due to unplanned upstream or downstream dependencies demotivates employees. Lack of commitment from management in implementation of Agile practices is another big roadblock many enterprises have to deal with.

If not properly aligned, team members might work inefficiently, burning them out. It is not uncommon to see cases of stress related illness due to teams constantly working in escalation mode due to failed releases. Globally distributed teams often work off-times and late hours to meet demands and there is often little time dedicated to innovation in the schedule.
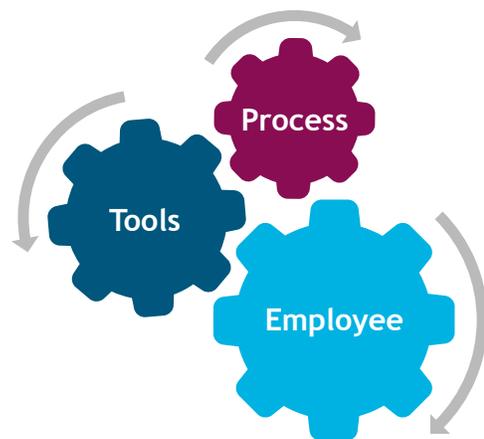
5. Quantify Value in Enterprise Improvement Efforts

Enterprises invest millions of dollars on improving processes and technology but struggle to validate their investment. Metrics-driven management will provide them with that data. Baselining metrics and monitoring the journey of an enterprise's Agile transformation is key for success. Metrics help identify pitfalls and put the transformation back on track.

Establishing Key Performance Indicators (KPI) and short term success criteria is critical for progress. DevOps helps to enable end-to-end metrics and enterprises should take advantage of it to mature their enterprise agility. Aligning the KPI with the enterprise accounting standards is important for making quality decisions.

Conclusion

The sooner the enterprises realize the value in scaling Agile, the faster they can harvest its benefits. Enterprises need to have some Agile principles that they can abide by, and then develop Agile practices that fit the organization. Sustainability of these processes and principles is required for successful scaling.

With customers like Gap and Macy's, Nisum is a leader in helping enterprises maximize their potential with successful enterprise Agile implementations. Reach out to us for a free consultation today.

Who We Are

Nisum enables transformation for industry-leading brands: we know how to build strong emotional bonds between B2C clients and their customers via smart technology solutions.

Nisum is a global consulting firm headquartered in Southern California. Founded in 2000 with the customer-centric motto, *Building Success Together®,* we've grown to comprise over 900 consultants and 8 offices across the United States, Chile, India, and Pakistan. Our philosophy and deep technical expertise result in integrated solutions that deliver real and measurable growth.

Whether you are a hot start-up or a major global brand, our approach is the same: forge the most powerful connection possible between people, processes and products to achieve unparalleled success. At the intersection of business and technology, Nisum has everything you need to grow your organization. From Strategic IT Planning, Agile Enablement and Business Process Engineering to Application Development, Test Automation and DevOps, Nisum has you covered. We specialize in building Adaptable Back-End systems such as Order Management, Inventory and eCommerce to facilitate true omni-channel success for our customers.

Nisum strongly believes in an organizational culture that is open, transparent and progressive. We encourage creativity and innovation and consciously maintain an environment that is conducive to positive employee growth, learning and performance.