The Agile Journey:
Finding the Right Fit

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Need for Change

Technological changes and globalization result in persistent market competition that puts pressure on organizations to change in order to deliver faster services and better products to customers. **Agile** is becoming a real trend among many organizations and across many industries. Agile generally signifies dividing tasks into small pieces of work or 'sprints' involving a constant feedback loop with stakeholders and users resulting in quicker and more valuable deliveries.

The main factors underlying the need for agile change include:

• Delivering immediate or long-term value and future savings

• Reducing risk

• Regulatory requirements

• Experimenting or making a strategic bet

• Improving a process for an internal or external beneficiary

• Increasing functionality and updating

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. [1]

Execution, however, can be a challenge. Deciding what type of change is needed to deliver the desired outcomes is sometimes overlooked by the biggest organizations.

From our research, we have seen that the majority of change within organizations falls into one of two high-level types of change: either 'finite delivery' or 'continuous delivery'. Finite delivery has been commonplace for 20-30+ years, whereas continuous delivery has arisen from new ways of arranging staff and skillsets, combined with the advancement of technology allowing for more frequent releases of changes and fixes.

Finite delivery encapsulates 'projects', 'programs', 'portfolios' and 'change'; for example, a bank needing to change an operational process due to a new regulation. A project would be set up with this goal in mind and would be closed when the goal has been achieved. Continuous delivery refers to the constant development of a product, service, or application, and in its broadest definition covers 'maintenance', 'run', and 'business as usual' (BAU) activities. For example, an insurance provider running and continually developing a customer claim mobile application would likely operate a continuous delivery framework.

Can organizations operate in finite deliveries only? Unlikely. There is a difference in emphasis, mindset, and working practices between finite project type change versus maintaining business as usual services. There is also a risk of limited consideration of BAU activities in a singularly focused change environment. Could organizations operate with a continuous delivery-only set of working practices? Perhaps. Will organizations always need to perform both types of activities (change and BAU) regardless of their definitions? YES!

## What Synechron has heard from clients who use more traditional frameworks:
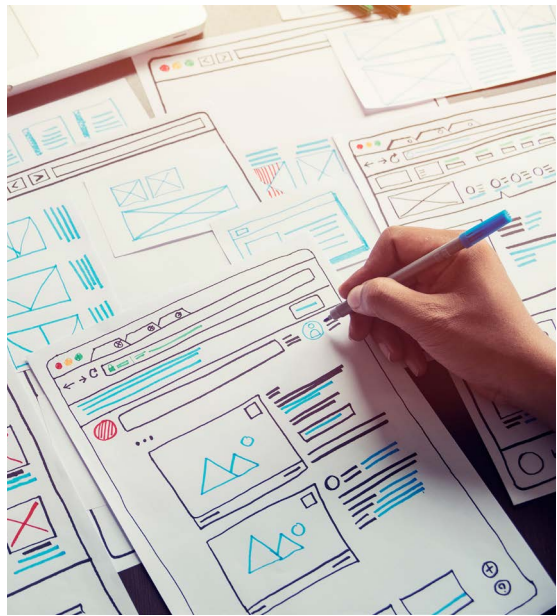
"Is the project/program within time, budget and scope? Hardly ever."

"It seems like we're going around in circles, redoing our analysis when we're halfway through our development."

"We have no feedback loop. If we were to do it again, what would we do differently? How can we embed that learning into the organisation? How do/can we do this if this is a one-off delivery?"

Challenges we hear from clients who use more agile frameworks:
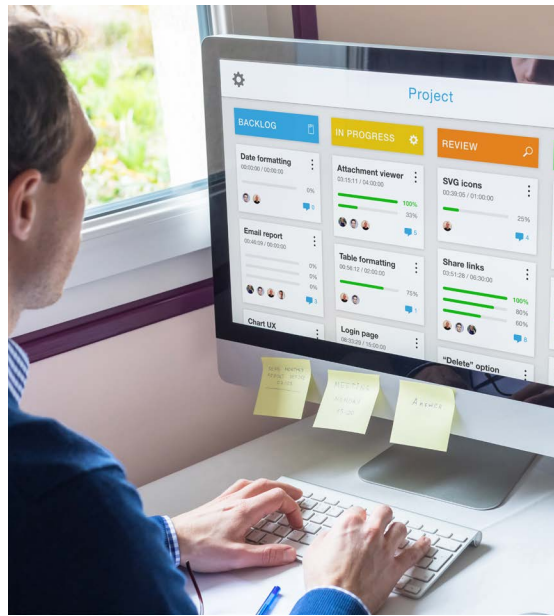
"Our agile teams are not disciplined or predictable, plus we have lots of technical debt."

"We need agile and DevOps to continuously deliver so we can keep up with the competition."

"We want a more agile portfolio and budgeting process but our stakeholders demand commitments before we have started and have the budget."

Implementing agile practices

Why should an organization change its current ways of working? One piece of recent research has indicated five areas of business value that emerged from agile transformations. These were:

- Allowing the organization to focus on what is important for the business

- Delivering better customer value

- Delivery value faster through the ability to make rapid changes due to more frequent releases

- Higher employee morale

- More streamlined work activities [1]

There are areas of change that may be less compatible with more agile ways of working. Regulation and compliance generally live in a black and white world, while in the agile world a proportion of the methodologies include grey areas. This contrast of rigidity versus flexibility is at the heart of many of the considerations when organizations try to evolve their way of working. Another area of difficulty in applying agile methods is within pure business change where there is no technology transformation required. Applying agile methods works well in technology projects and change initiatives where both business and technology changes are required.

Our view of the adoption of agile practices
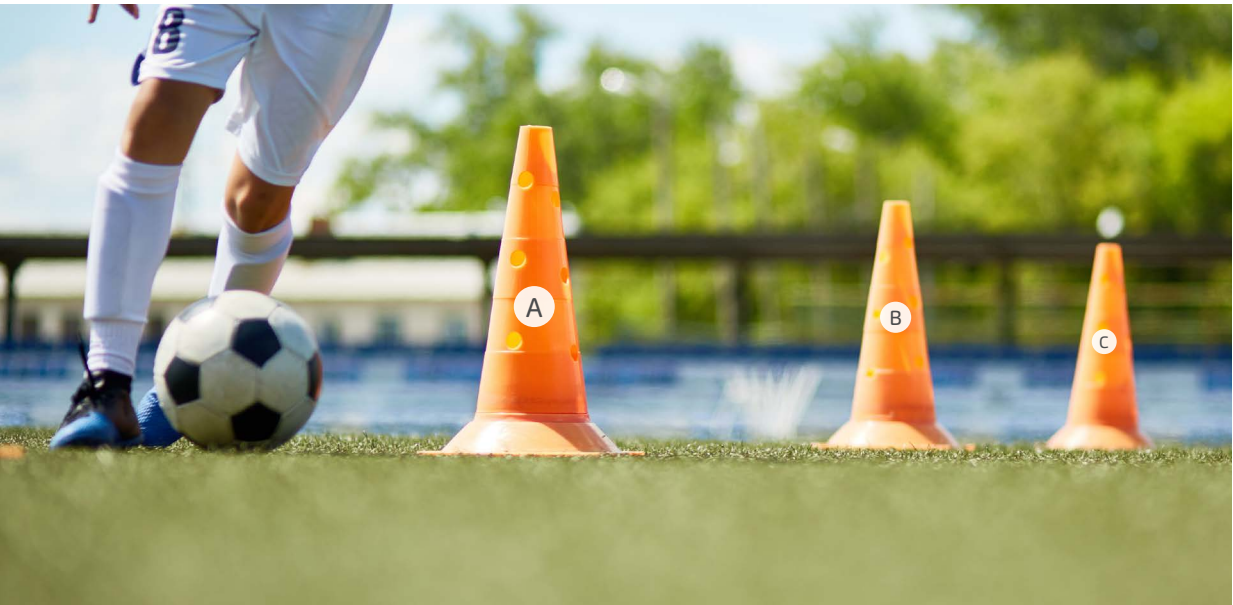
Synechron serves the financial services industry and a number of clients have already fully adopted agile practices. Other clients are in the midst of their experimentation with multiple aspects of agile delivery across their whole organization. Each organization has its own culture, size, skills and business objectives. Therefore, it is essential for organizations to identify the right way of accommodating agile principles.

Following are three examples that illustrate different scenarios of how organizations can apply agile practices that may be applicable to other organizations.

Different real-world scenarios for agile:

- **Client A**
  Implementation of scaled agile in an enterprise transformation

- **Client B**
  Creation of a pilot team to test new agile ways of working

- **Client C**
  Running production support activities alongside agile change initiatives

Client A Implementation of scaled agile in an enterprise transformation

This program aimed to replace 25+ legacy systems into a single global platform, and materially reduce operating costs. During its lifecycle the program transitioned away from a more traditional waterfall way of working by committing to the utilization of a number of key features of agile methodologies.
In this new way of working, all teams were synchronized into two-week sprints. These shorter delivery cycles supported greater autonomy and in parallel focused delivery on quality and business impact.

The transition focused on implementing a scaled agile model on top of the client's existing agile methodology. The implementation of two-week sprints, adding sprint reviews, rolling out automated tooling, performing training to introduce team members to new concepts and definitions, implementing smaller and more frequent releases, and building up multiple squads delivering changes in parallel are examples of the incremental changes tested and implemented. The roll out of this new agile way of working occurred across teams who were geographically dispersed which provided an additional complexity that required clear, consistent and transparent communications and trainings.

Client B Creation of a pilot team to test new agile ways of working

This involved an optimization program with 40+ underlying projects across seven workstreams. Multiple departments such as Finance, Risk, IT and Treasury were required to deliver on project milestones. The program was originally set up within a more traditional (PRINCE2) framework. Some project milestones related to critical regulatory deadlines. Within the program the delivery of milestones was often delayed. One reason for this was that interdepartmental alignment and joint workflow of activities was suboptimal. Due to this misalignment, significant rework was required too close to delivery dates and the ownership of problems and final deliverables was missing. Additionally, technology teams who were working in agile squads were missing their sprint deliverables due to the constant shifting of priorities during sprints.

To address these issues, a pilot was started within one of the projects inside the program to create a multidisciplinary team in one physical location which was empowered by their individual departments to make decisions. Further evolutions of the methodology included the program ring-fencing three teams to solely work on the technology backlog. This ring-fencing of team capacity ensured that the future impact of changes in priorities limited any delay to project delivery. Next to this, standard agile rituals such as week-start meetings, retrospectives and multiple boards in DevOps delivery tools, such as Azure DevOps, were introduced.

Client C Running production support activities alongside agile change initiatives

When a change sprint starts, what do you do with new and urgent requests that are raised? What about an unexpected bug in production unrelated to any changes being implemented in that sprint? When systems go down the priority is to bring them back up and ensure all services are running smoothly again. Some of these tasks can be added to the backlog and can be prioritized and implemented accordingly. However, not all of them can wait for the next sprint with some needing attention as soon as they arise, potentially even in real time. It is easy to see how destructive a lack of production support capacity and contingency planning can be to delivery commitments and prioritizations.

The near certainty of some sort of bug, issue or incident happening, however rare, requires both traditional and agile frameworks to ensure a mechanism exists inside or external to change delivery teams to respond to such scenarios. In a more traditional framework where production support sits outside the project team, this could take the form of change request, risk, issue, assumption, or dependency tracking processes. Conversely, where organizations are operating in a continual delivery method this may be incorporated by operating standard throughput at 80% capacity saving 20% of the team's capacity to deal with unexpected issues.

Agile adoption must be unique

Agile adoption will be a unique approach for each organization. There is no single path to agile transformation. Our primary and secondary research, and the client examples above, show that adopting agile principles requires time and a change in organizational mindset.

Any change to, and intended adoption of, a new way of working is a learning process for everyone.

It typically does improve over time, but it does take time for new actions to become understood, improved and embedded. Experience of using the chosen, likely bespoke, methodology is required to further adapt processes and procedures. The need to achieve a critical mass of group learning and understanding means that the time to achieve this is primarily dependent upon team size, existing mindsets (i.e., openness to change) and existing communication methods.

Key considerations for agile transformations

1. **Change takes time -** culture is crucial but it takes time to change. Training and quality of communication can assist to reduce this time to change.

2. **Strong leadership is required -** communicate effectively and demonstrate buy-in to employees. There can be tension between an agile environment and the demand from senior management to have clear timelines, scope and delivery commitments.

3. **Combine frameworks to suit the context, size and skillsets of your organization -** just changing role or team names is not adopting agile. A balance between the required speed of delivery and potential for continual re-prioritization of activities should be strongly considered.

4. **Avoid the big bang -** do not try to introduce a new organizational way of working as a 'big bang'. Start out by introducing new ways of working within existing initiatives that add value directly to customers or business users. Ensure the rollout is to business and technology teams at the same time and evaluate and adjust the way of working when needed. Apply the principle of 'change-test-update-test again'.

5. **Align principles -** where projects are set up in an agile manner, owners and key stakeholders need to fully embrace the principles. If one or both groups fail to do this, change initiatives will be at an increased risk of delay, overspend and potential failure.

6. **Team discipline and behavioral changes are required -** to move quality earlier in the delivery process to realize faster delivery value while maintaining quality.

7. **Assess your capabilities -** is your technology capability and infrastructure able to deliver changes in faster release cycles?

8. **Accept limitations -** not all change initiatives may be suitable for a purely agile way of working.

Conclusion

There is a plethora of delivery methodologies out there - from extremely comprehensive frameworks with associated documentation to high-level sets of principles. We are seeing a shift away from the attempted adoption of a single methodology by organizations, to the adoption of organization-appropriate features from multiple methodologies to create bespoke ways of working. This cherry-picking approach, combined with an incremental 'change–test–update–test again' experimentation method, seems to lead organizations to a best-fit framework of working that suits their capabilities, size and context. Furthermore, we see that an open mindset for how to bring new value to customers via finite delivery in combination with continuous delivery of service is required to achieve the desired benefits from agile change that organizations seek.

Synechron's Program Management Services Practice, Amsterdam, The Netherlands

Synechron's Program Management Services Practice helps organizations to optimize business value and minimize delivery risk with a focus on high quality delivery in the financial services and insurance industries. Our Program Management Services Practice professionals operate across 18 global locations, particularly in Amsterdam, London and Singapore and are closely connected and regularly share ideas and experiences. This ensures our capabilities and knowledge are not only market leading, but market changing.

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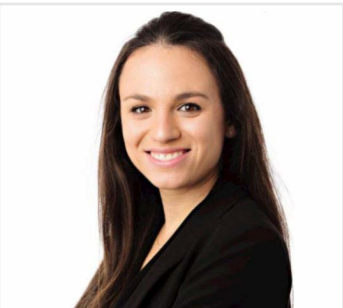
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[1]Capgemini Research Institute, "Agile at Scale – Four ways to gain enterprise-wide agility", (2019)

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