

THE STATE OF AGILE IN SOUTH AFRICA

2018

AGILITY

HAVE WE REALISED THE PROMISE OF AGILE?

After the successful launch of the inaugural State of Agile South Africa (SA) Research Report in 2017 titled: 'The Path to Business Agility - Mapping Agile adoption in South Africa', we decided to follow up with the 2nd State of Agile SA Report. The reports highlight the changes in adoption, frameworks, and patterns within the Agile Industry in South Africa.

This year, based on key findings from the 2017 report, we decided to focus on two specific areas:

- **The lack of engineering practices used within organisations adopting Agile**
Our aim was to determine if this is still the trend, and if so why?
- **The move to Business Agility**
In 2017, we found that Agile adoption was primarily driven by IT, however, there was a view that the adoption would spread across the organisation, with the focus on customer-centricity, as well as supporting functions such as Human Resources, Finance, and Procurement. The focus of this year's qualitative research was to determine the maturity of organisations in their move to Business Agility; this not only applies

to adopting Agile in supporting functions, but making the Agile philosophy part of the organisation's DNA.

Through our qualitative interviews, we managed to obtain some interesting insights from key stakeholders in organisations using Agile approaches in their new ways of working.

The question was raised as to "why Agile", and the feedback from Rene Rautenbach (Vodacom) hit the mark

"Agile ways of working were introduced to improve our internal ways. How can we break down silos, how can we improve collaboration and then also be more responsive and quicker into the marketplace? Really at the centre of it all is the customer."

What is even more refreshing is how Human Resources has become a key stakeholder in the adoption of Agile.

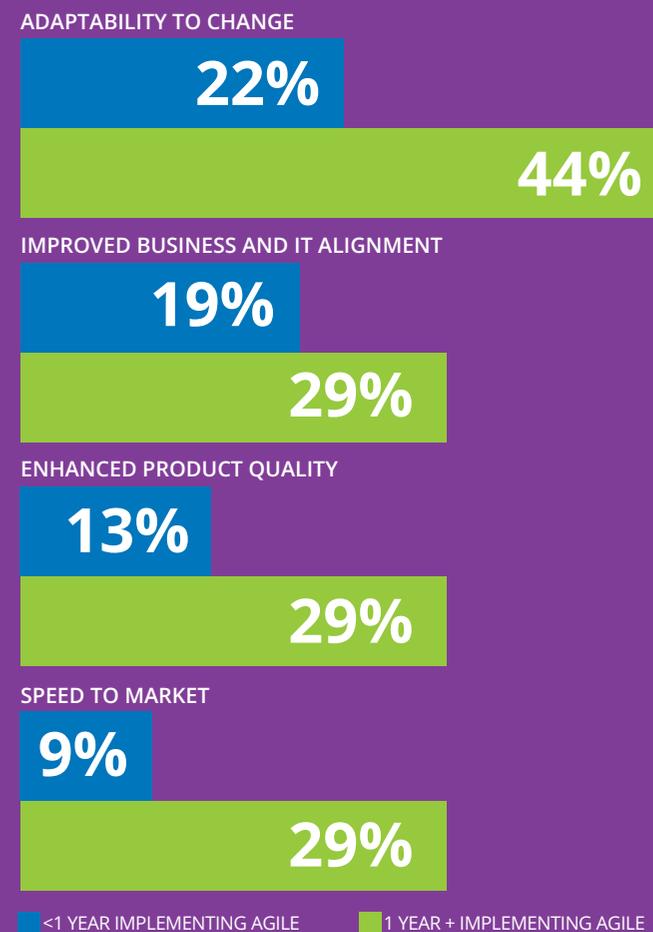
KEY FINDINGS

- Agile is still predominant in Financial Services, with 38% of respondents coming from within this industry. However, there seems to be growth in both the Retail and Insurance industries, with Retail growing from 2% to 9% and Insurance from 8% to 13% from last year's study.
- While Agile still seems to be driven by IT, there is a shift to an adoption in functions outside of IT, such as Human Resources, Finance, and Procurement.

45% of respondents indicated that Agile was adopted in one or more business functions outside of IT

- One to two years of adoption seems to be the point at which the benefits of Agile start to be realised. For example, companies who have been practicing Agile for less than a year, are less likely to see great improvement in their ability to adapt to change, or see alignment between IT and Business.

CORRELATION BETWEEN BENEFITS AND YEARS OF ADOPTING AGILE



- The primary reason why organisations adopt Agile, Accelerate product delivery (60%), and the actual benefits that organisations realise are once again not aligned. When it comes to the actual benefits realised, better visibility, the ability to adapt to change, and increased productivity and motivation seem to be the main benefits realised. This may be due to the fact that not enough investment is made in automation and engineering practices, which would speed up the delivery.
- Engineering practices are still immature compared to the process-driven practices. For those adopting engineering practices, there are some clear benefits. However, there are many challenges facing the implementation of these practices. Worryingly, this is the foundation of Agile frameworks, yet, organisations don't seem to understand the benefits.
- Not surprisingly, and in line with international standards, Scrum is still the most prevalent Agile framework (56%). However, what is interesting is that Kanban is growing, especially in non-IT environments (24% in business functions vs. 14% IT).

56% of respondents use Scrum, with Kanban increasing by 3% to 17%

- Scaled Agile Framework (SAFe) is the most dominant scaling framework, which is in line with international trends.
- Similar to last year, leadership buy-in is key to the success of Agile adoption followed by a focused change management approach.
- Business Agility still does not seem to be a widely understood term as most understand it as implementing Agile practices in non-IT environments. Business Agility goes beyond principles and practices and focuses on how to embed an Agile culture in the organisation. All while focusing on delivering value to the customer.

A WORD OF THANKS

This year's report was made possible through the efforts, determination, and focus of a few individuals within IQbusiness. Firstly, specific mention goes out to Natalie Janse van Rensburg, who coordinated the delivery of the quantitative and qualitative portions of the research. She was supported by Monica Trichardt, Candice O'Regan, Elsa Antunes, Marlene Koekemoer, Nkebe Sekhaolelo, Jaco Marais, and Gareth Stephenson. A huge word of thanks goes out to this team for crafting an awesome report.

We would like to thank the following people for their support in producing this report on the state of Agile in South Africa.

Rene Rautenbach

Head Executive: Human Resources
Vodacom

Maggie Makuba

Head of Transformation and Talent
Absa, Engineering Services

Maarten Coetsee

Global Value Chain Lead
Sasol

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Agile Coach and Relationship Lead
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DEMOGRAPHICS

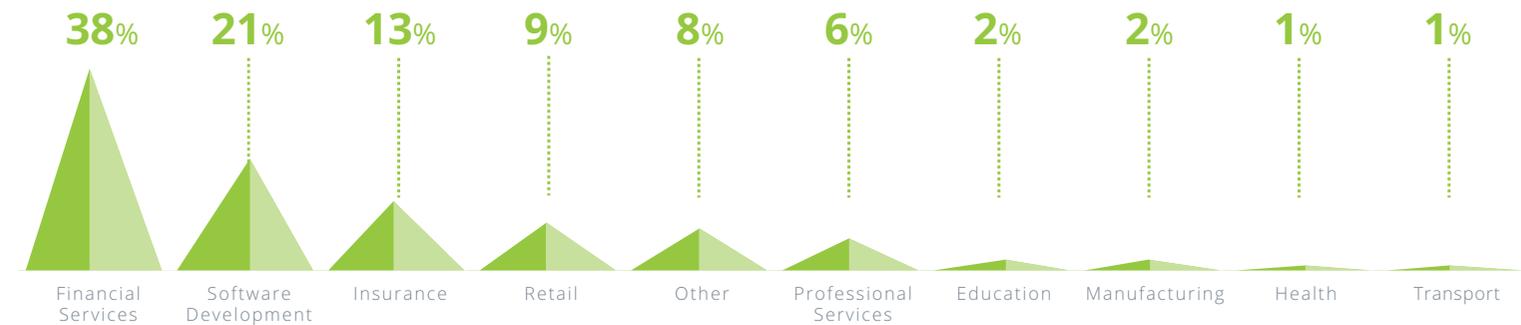
The adoption of Agile remains prevalent in the Financial Services arena, whilst there has been a growth in the Retail and Insurance industries.

The 2018 sample shows a greater diversity of industries, including a larger percentage from the Insurance and Retail sectors. Other demographic variables are fairly comparable to that of the 2017 sample.

WHAT IS THE SIZE OF THE COMPANY, IN TERMS OF EMPLOYEES?



WHAT IS THE PRIMARY INDUSTRY IN WHICH YOUR COMPANY OPERATES?



IN WHICH FUNCTIONAL AREA DO YOU WORK?



AGILE ADOPTION

Growth in the adoption of Agile; within IT, across the organisation, and into new industries.

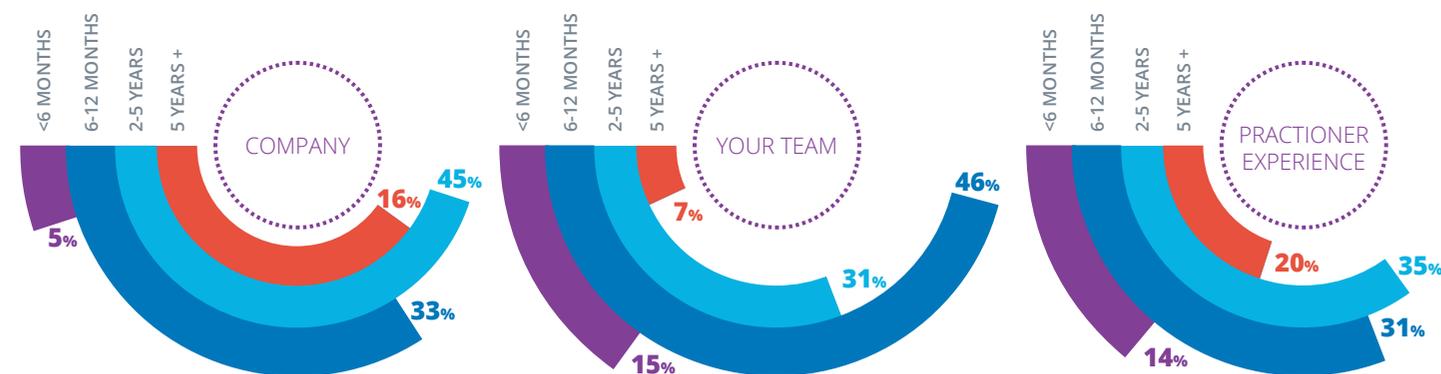
It is clear that the awareness around and prevalence of Agile has continued growing since 2017. Our 2018 findings show a continued spread of adoption within IT, across the broader organisation, and into new industries.

A large portion (61%) of respondents from this year's survey work in teams that are relatively new to the use of Agile (less than 2 years). However, a much smaller portion of companies are new to Agile (38% less than

2 years), pointing to a continued growth of adoption within companies already familiar with Agile. This growth is not limited to IT, as we also saw an increased adoption in other business functions such as Human Resources and Finance.

Once again, Agile practitioners have more experience than the organisations in which they work, indicating a high demand for specialist Agile skills in the market.

YEARS USING AGILE TECHNIQUES

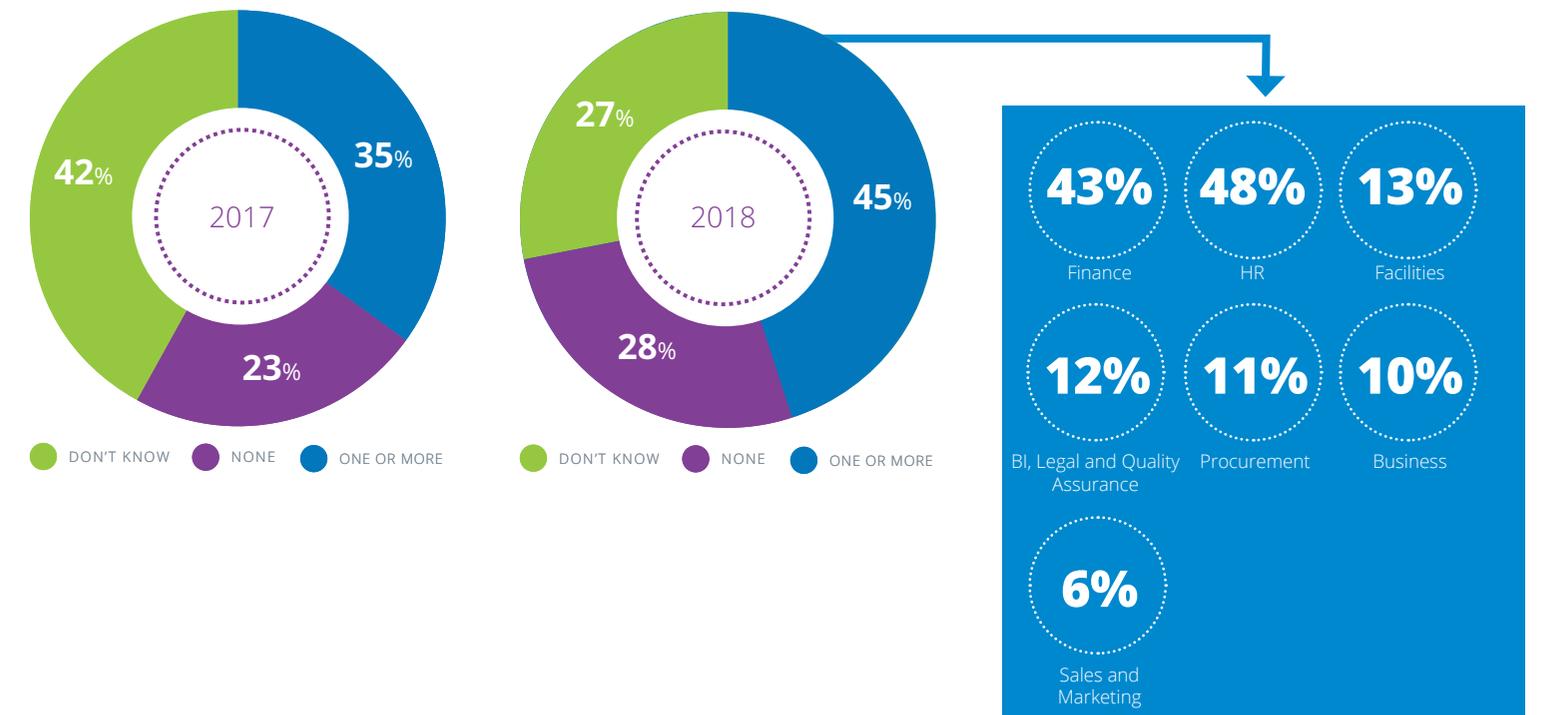


MOVING INTO NEW BUSINESS AREAS

In 2018, 45% of respondents indicated that Agile was being adopted in one or more business functions outside of IT. Although it is a relatively large growth (10% year on year), it should be noted that the percentage "Don't know" has also decreased. Therefore it is possible that

at least some of the growth we see is due to a higher awareness of the use of Agile in the broader organisation. Regardless, it does show a growth in the adoption of Agile across the organisation.

ARE ANY OTHER BUSINESS FUNCTIONS WITHIN YOUR ORGANISATION USING OR PLANNING TO USE AGILE?





MOVING INTO NEW SECTORS OF INDUSTRY

The players in the Financial Services sector continue to move forward as South Africa's earlier adopters, with Retail being the predominant newcomer. Our survey found that 88% of companies in the Retail sector have

been practicing Agile for less than 2 years. In the Insurance sector, this figure is also high at 46%. Notably, Financial Services lies predominantly between two and five years.

	Financial Services	Insurance	Professional Services	Software Development	Retail
Less than 2 years	22%	46%	33%	31%	88%
Between 2 to 5 years	60%	42%	56%	49%	6%
More than 5 years	18%	13%	11%	20%	6%

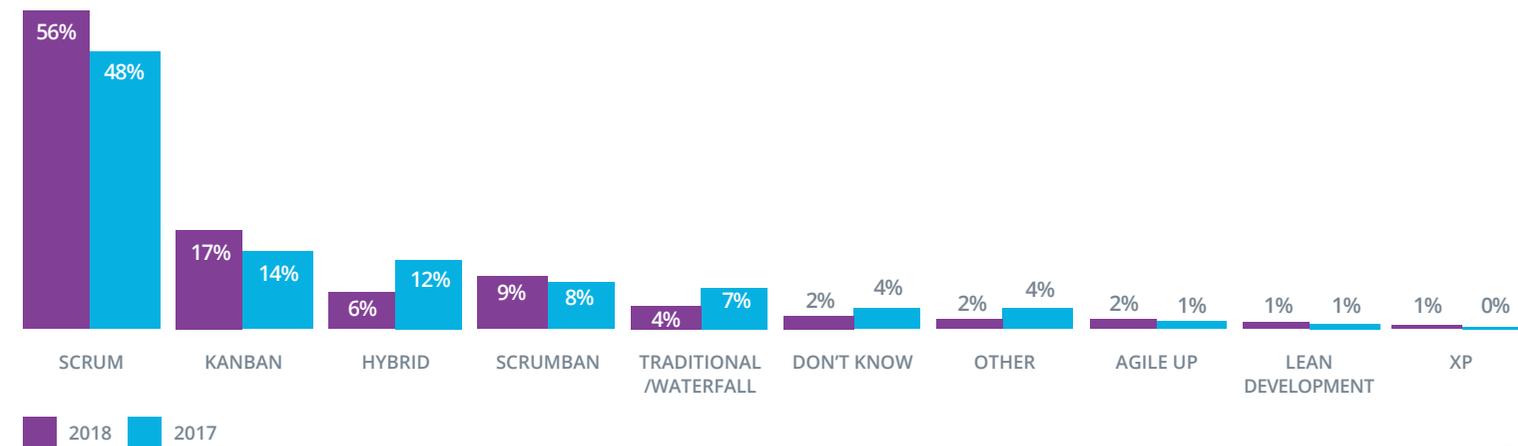
FRAMEWORKS AND PRACTICES

THE USE OF FRAMEWORKS

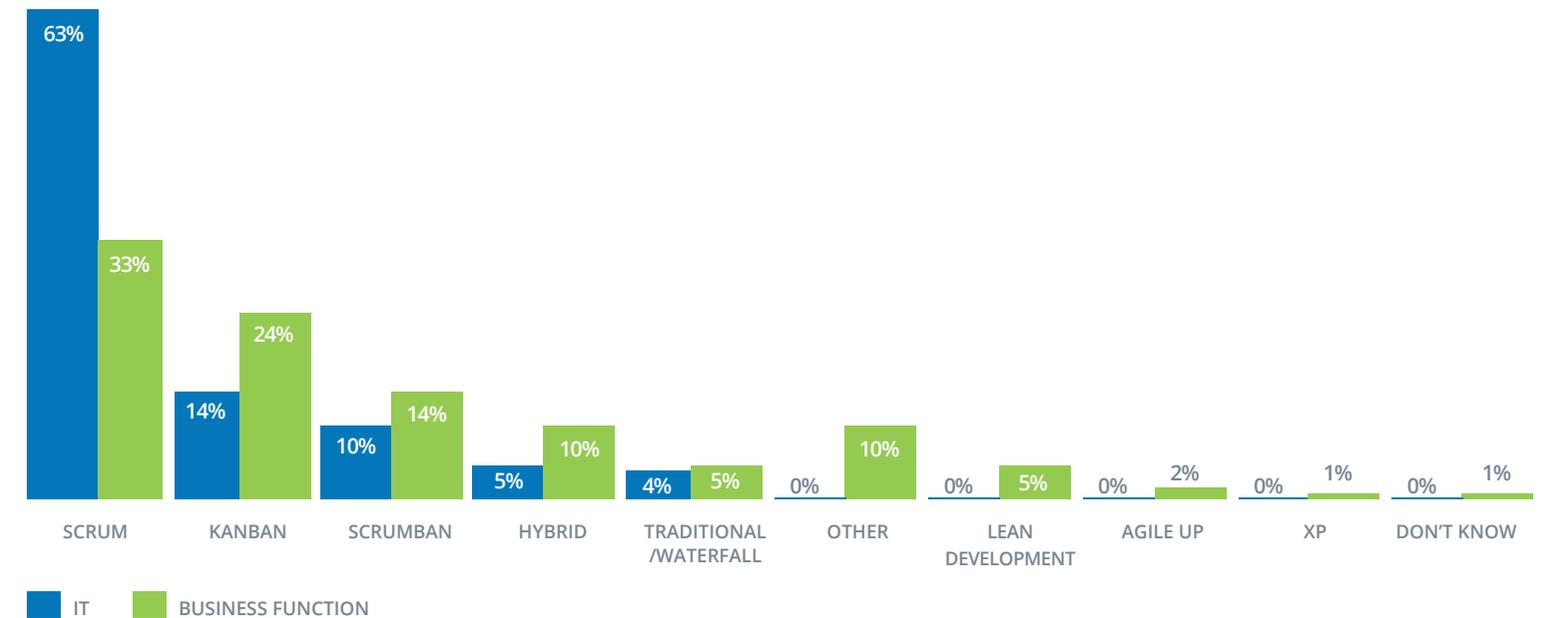
Scrum is consistently the most common framework both locally and internationally. However, there has been a strong growth in the use of Kanban, specifically in non-IT areas.

The 2018 Agile Index shows a shift away from using Scrum remains the most popular framework, within Hybrid models, and that traditional approaches business functions and IT. (e.g. Waterfall) are starting to fall away.

MOST CLOSELY FOLLOWED FRAMEWORKS



IT VS BUSINESS FUNCTIONS FRAMEWORKS



Kanban is more popular within Business (non-IT) with 24% of respondents from within a business function indicating that they use Kanban, as compared to 14% within the IT function. It is assumed that Kanban is a better fit for operational functions that don't require time-boxed iterations for product development. Scrum remains, by far, the dominant framework within IT, with as much as 63% of IT respondents indicating that they use Scrum.

"I think the essence of Agile will hold true, because it's proven to be the best way of working for cognitive types of work. I think what will change in the future is that the emergence of new frameworks will fall away, and the emergence of new patterns will increase. This is based on patterns allowing people to change things for themselves, which is the essence of Agile. Practically, you get the data, you analyse it and you make a micro change..."

"...Based on the new data, you decide what the next pattern is going to look like. I think that frameworks are a starting point for any organisation, but I think the transition from framework adherence to pattern creation is an important aspect of maturing an organisations Agile thinking"

- Reneshan Moodley, IQbusiness

FRAMEWORKS AND PRACTICES

SCALING FRAMEWORKS

Our 2018 respondents reported that the majority of organisations in South Africa have not adopted a scaling framework.

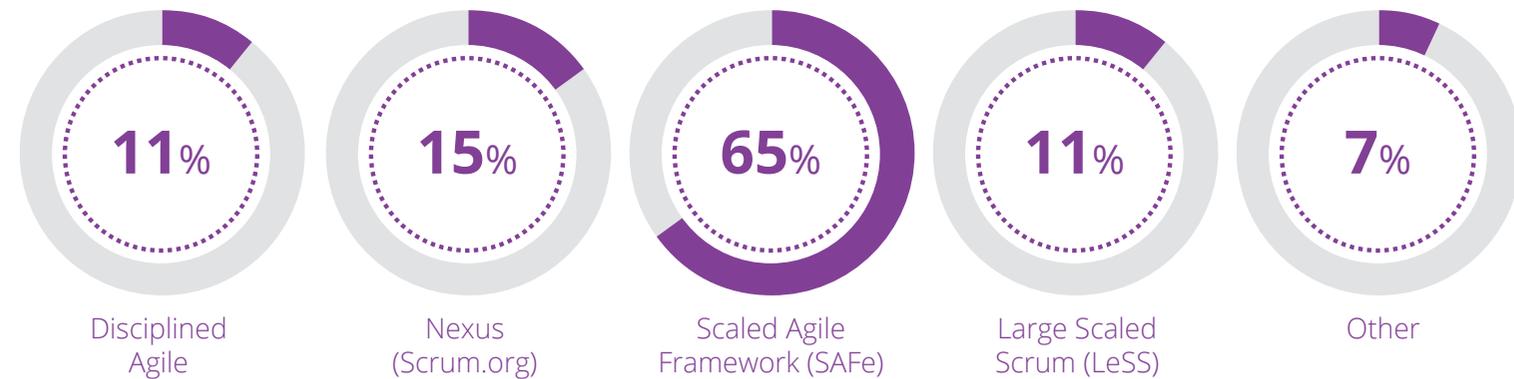
Of the 28% that have implemented a Scaling framework, Scaled Agile Framework (SAFe) is by far the most-applied scaling framework – being utilised by 65% of the organisations that have adopted a scaling framework.

Interestingly, in organisations with fewer than 250 employees, Nexus and Disciplined Agile (DA) are the preferred scaling frameworks; whereas the majority of medium to large organisations (251 – 5000 employees)

are using SAFe. Organisations larger than 5000 employees are also generally using SAFe, but show a slightly more diverse use of frameworks.

There seems to be a relatively clear distinction between the chosen scaling approach and the size and complexity of the organisation. It appears that most large organisations do not take a unified approach to scaling, and the reason behind that is likely that it may be more challenging to gain organisation-wide buy-in. Smaller businesses (that usually operate in less complex environments), generally find a more lightweight scaling approach such as LeSS or Nexus more suitable.

SCALING FRAMEWORKS FOLLOWED

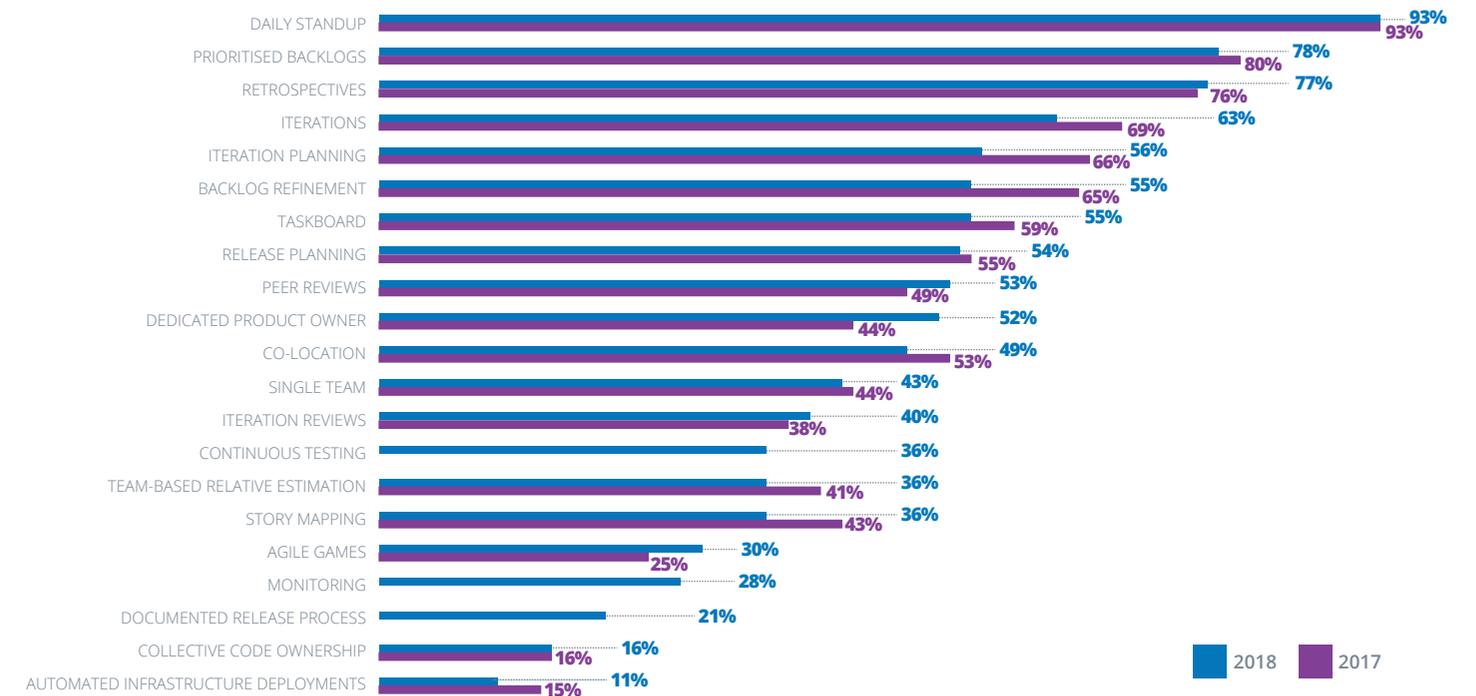


PRACTICES

Process-driven practices, tools, and techniques are favoured over engineering practices, tools, and techniques.

Daily Stand-ups, prioritised Backlogs and Retrospectives remain the most used Agile practices. The 2018 sample shows slightly lower use of most other practices, except

for Peer Reviews and the involvement of a Dedicated Product Owner where an increase was observed.

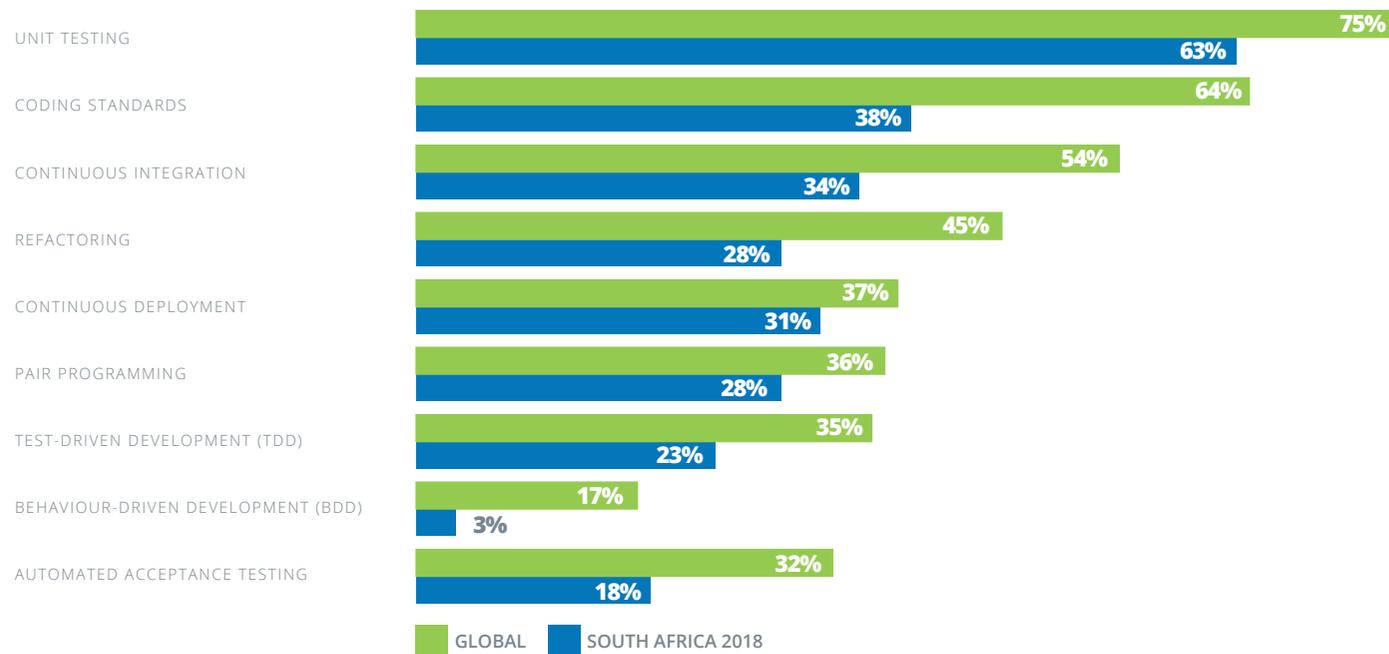


ENGINEERING PRACTICES - OUR DEEP DIVE

The use of Engineering practices remains similar to the 2017 results, with a very low use indicated. This is in line with the global trend reported in the 12th Annual State of

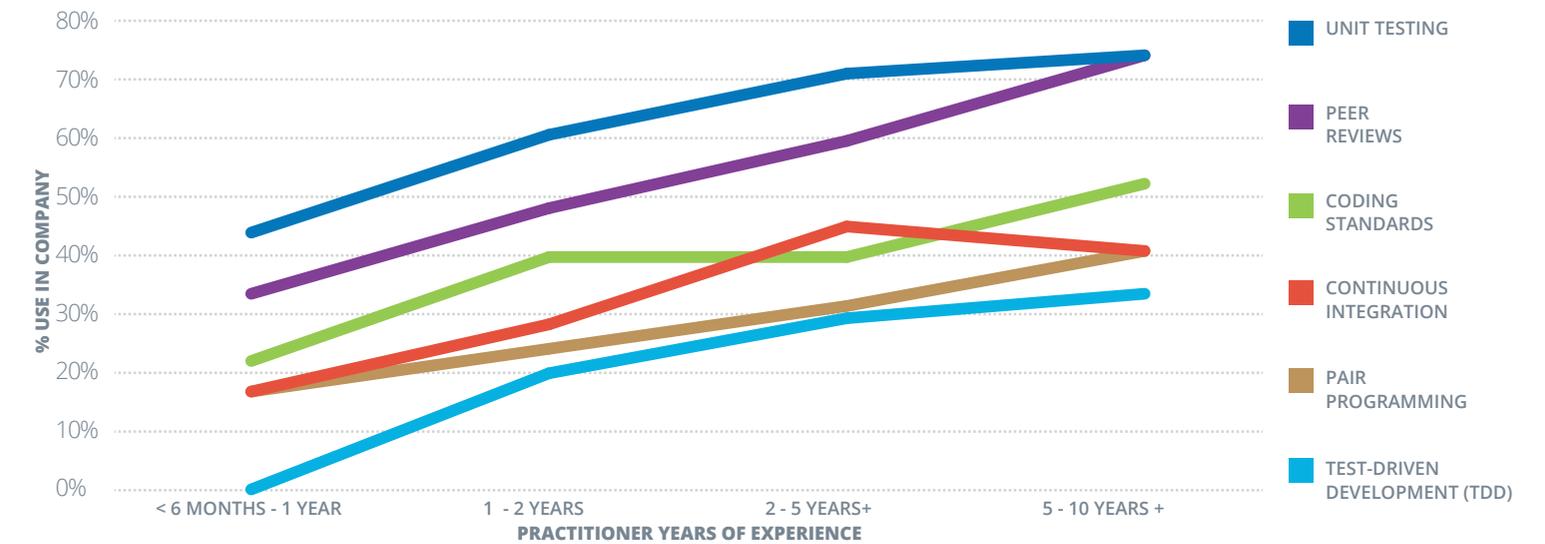
Agile report by VersionOne; although South Africa does show an even lower rate of use. Currently, Unit Testing is the most used Engineering Practice in South Africa.

ENGINEERING PRACTICES EMPLOYED



In general, a positive correlation exists between the use of engineering practices in organisations and the experience levels of the Agile practitioners they employ. The more experience a practitioner has, the more likely the company is to focus on improving engineering practices. As teams and practitioners mature they move beyond process-driven practices to include Engineering practices; here they tend to achieve better success.

We also see levels of activities or practices that involve team collaboration and face-to-face communication increasing as practitioners realise that code-based engineering practices (unit testing, coding standards, and TDD) provide some level of safety, and are more likely to propel a team to success when supported through a shared understanding and a solid communication foundation built between team members.



"I believe that a Project-based mindset is still prevalent in South Africa, whereby Engineering and DevOps practices are pushed aside whilst chasing a predetermined deadline. In most instances these deadlines are unrealistic."

- Survey respondent

ENGINEERING PRACTICES - OUR DEEP DIVE

ENGINEERING PRACTICES IN SOUTH AFRICA

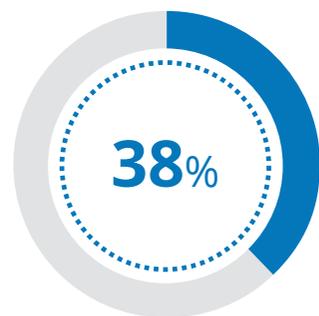
Maturity levels of those embracing Engineering Practices are increasing, even if the rate of Engineering Practices remains low overall.

38% of respondents reported following coding standards; moving away from intuitive coding.

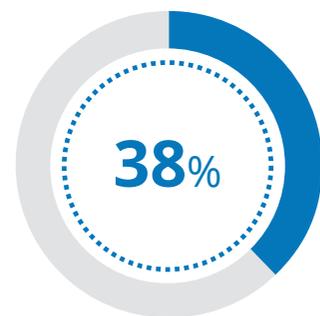
Uptake of good coding practices allows new and existing team members to get to the core logic of code written by others, without having to reinterpret nuances introduced by non-standardised code.

62% of these respondents have coding standards deeply embedded in their development activities; reflecting the importance of unifying code design, and improving the maintainability of the codebase.

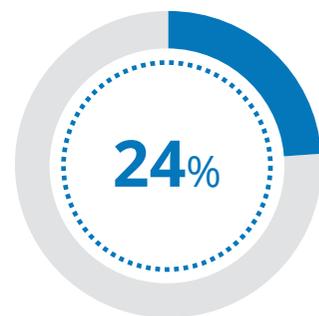
CODING STANDARDS TEAM/S ADHERE TO



Coding standards are currently under review or being implemented



Coding standards are deeply embedded into the development activities



Coding standards are embedded, and tooling used to monitor and alert on violations

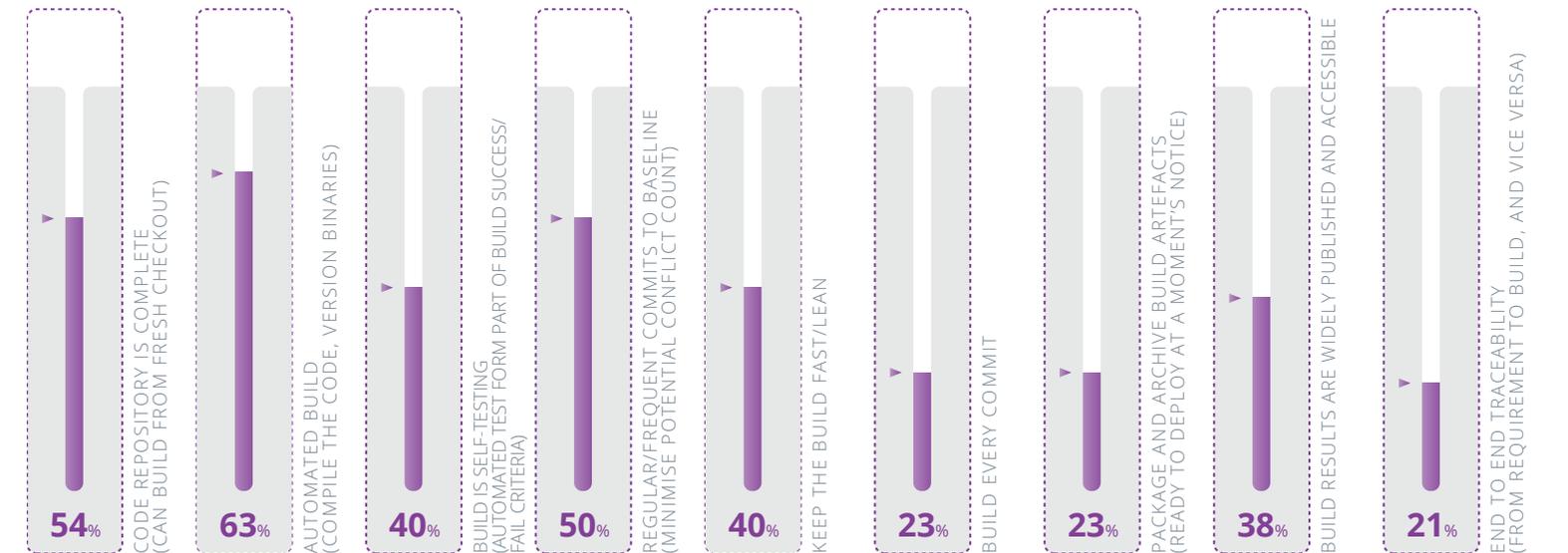
There is an interesting split in the the continuous integration principles being applied, “between Regular / frequent commits to baseline” (50%) and “Build every commit” (23%). The split could indicate that teams are more interested in knowing that they have a working build (high degree of confidence), than getting quick feedback on each commit to the source control repository (low degree of confidence, but able to fix problems quickly).

however, only half of them can build their solution from a fresh code checkout. This indicates that there is still a fair amount of manual intervention to get these builds going smoothly.

The low level of traceability is concerning, as teams don't have a view of which requirements are addressed by which build. This poses the risk of performing testing on the wrong build, which would result in wasted efforts.

63% of the respondents rely on automated builds,

CONTINUOUS INTEGRATION PRINCIPLES TEAM/S ADHERE TO



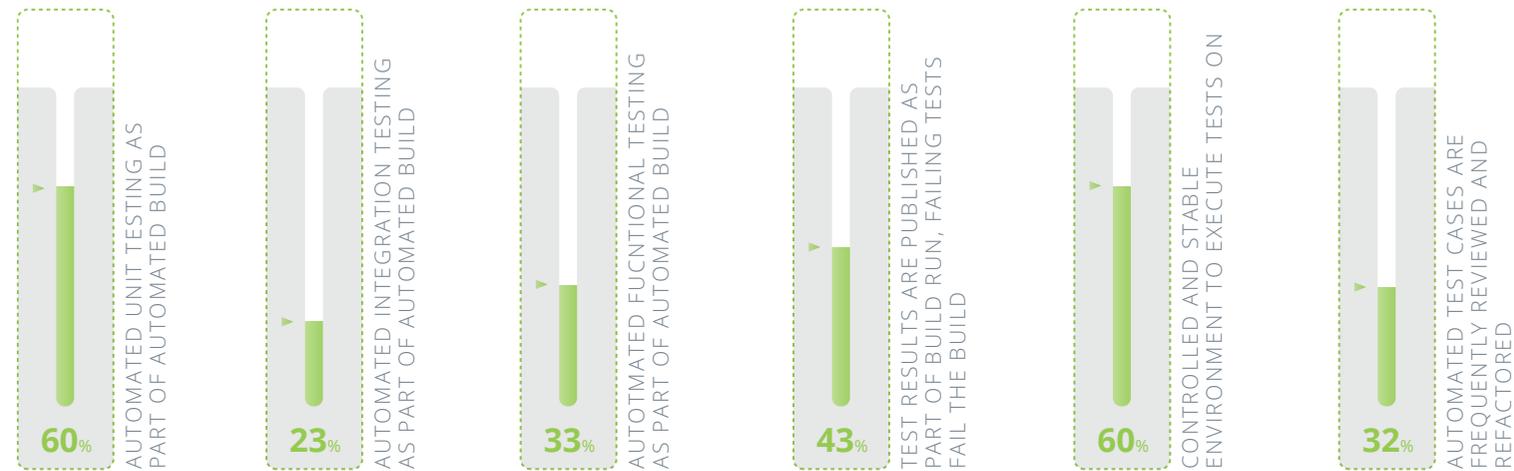
ENGINEERING PRACTICES - OUR DEEP DIVE

The 60% adoption rate of unit testing indicates that Developers' need to safe-guard their code against future refactoring, and improves the maintainability of their code.

According to our respondents, 60% of the software

development teams have controlled and stable testing environments. This has a direct impact on the team's ability to control changes going into the test environments, and to gain the stability required to perform regression or long-running tests.

CONTINUOUS TESTING PRINCIPLES TEAM/S USE

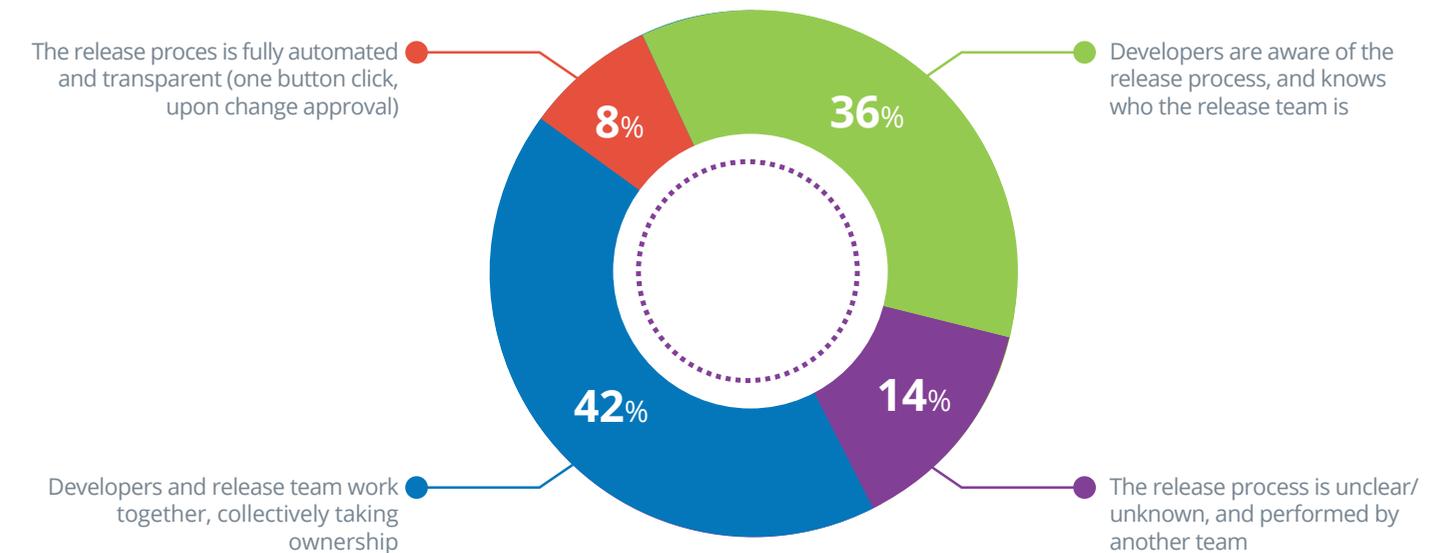


MATURITY OF RELEASE MANAGEMENT PROCESSES

Collaboration is improving, with 43% of respondents indicating that the Developers and Release teams are working together and collectively taking ownership of delivery.

DevOps is becoming more accepted as a means to help Developers (who are employed to facilitate change

within an organisation via the software they produce) and people within Operations (who are employed to facilitate stability within an organisation by minimising change) to find a middle ground. A place where a shared understanding of both environments can be leveraged to help both groups achieve success.

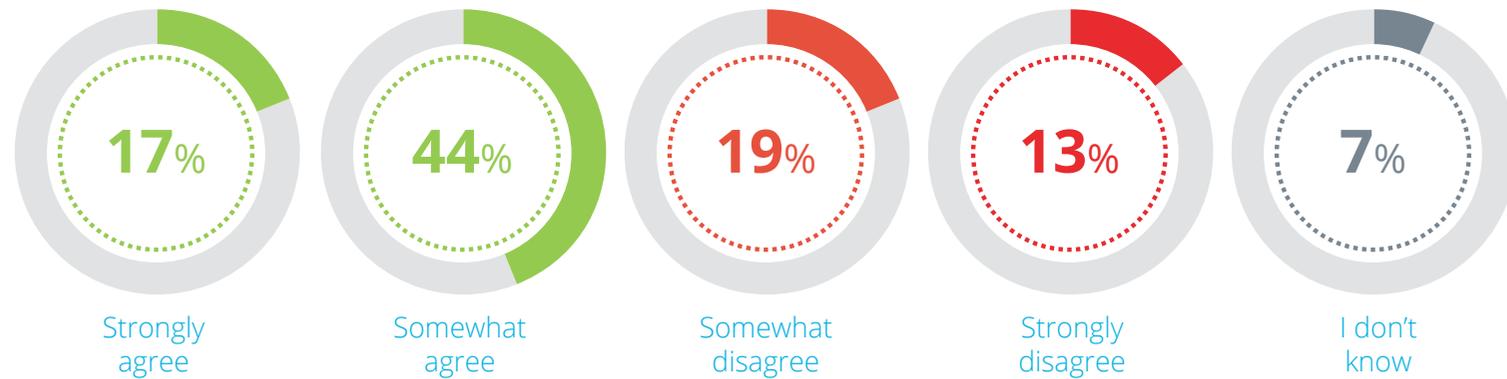


"If we think of DevOps in its truly holistic nature, DevOps is the most encompassing approach to making sure that an organisation is focused on understanding and delivering the customer's demands"

- Reneshan Moodley, IQbusiness

ENGINEERING PRACTICES - OUR DEEP DIVE

BUSINESS, SOFTWARE DEVELOPMENT, AND IT OPERATIONS ALIGNMENT TOWARDS A COMMON RELEASE OBJECTIVE AND STRATEGY



To optimise results, Development, IT Ops, and Business need to be aligned to a common release objective. Only 61% indicate that this alignment happens, most of whom only agreed to some extent (44%) and not strongly.

As Agile-related practices become more prevalent in the business and operations spaces, the work produced by each area will come together; using a common, universal language to communicate and create shared understanding.



"...There is definitely still a waterfall mentality in corporate South Africa, even though teams are performing Agile practices like Scrum, etc. While the software development teams are embracing new ways of working, their outcomes are still tracked and measured using traditional Project Management techniques. Change is difficult to effect, as compromised versions of Agile ways of working are being used within teams, optimising locally instead of throughout the organisation."

- Gareth Stephenson, IQbusiness

ENGINEERING PRACTICES - OUR DEEP DIVE

INSUFFICIENT UNDERSTANDING OF THE BENEFITS, LACK OF SKILLS IN TEAMS, AND FEAR OF CHANGE ARE THE MAIN REASONS FOR THE LOW LEVELS OF ADOPTION

OUR RESPONDENTS PROVIDED SOME REASONS THEY SAW AS CONTRIBUTING TO THE LOW ADOPTION OF ENGINEERING PRACTICES AND / OR DEVOPS

INSUFFICIENT UNDERSTANDING OF THE BENEFIT OF INVESTING IN ENGINEERING PRACTICES; AND THE RESULTANT LACK OF STRATEGIC FOCUS OR SPONSORSHIP.*

"Lack of understanding; not able to prove the value."

"Infrastructure and Development teams with different strategies and management"

"Lack of organisational understanding and buy-in at senior management level"

"Leadership support is lower than one would imagine. Generally, they want the benefits of Agile practices etc. but unwilling to dedicate the time and money to let teams do things properly."

"Lack of sponsorship, and people are being used on multiple projects. Too much work with too few people in the environment."

"Lack of clarity on what this entails and how to implement it successfully."

"Teams are still focusing on practices and processes on a team level and DevOps is still seen as post deployment."

LACK OF THE REQUIRED SKILLS TO EMBED ENGINEERING PRACTICES*

"No slack time to allow teams to explore and adopt these practices."

"People are not being trained."

There is also a controversial view that most Agile coaches and Scrum Masters are not technically-focused, and so, will drive the processes and team culture rather than focusing on Engineering Practices.

FEAR OF CHANGE*

"One of the main reasons for these dissatisfying levels of use of Engineering Practices and / or DevOps is that people do not understand, and they don't know why the change is needed and what benefits can be derived. At best, people are dumped with the new ways of working and not supported through the change."

"... Fundamental changes to the organisational setup and ways of working are difficult when people are resistant to change."

"People are resistant to change."

"Afraid of change and what can go wrong."

"Organisational structures, red tape, and an old mentality"

WHY SHOULD PEOPLE BE IMPROVING IN THIS AREA?

"DevOps enables organisations to create a safe system of work, where small teams are able to quickly and independently develop, test, and deploy code and value quickly, safely, securely, and reliably to customers."

- The DevOps Handbook, Gene Kim, Jez Humble, Patrick Debois, John Willis

ARE WE REALISING THE PROMISE OF AGILE?

The 'need for speed' remains the primary reason for Agile adoption. It seems that the potential benefits range more widely than faster product delivery, with a general view that a better way of working has improved the culture and general levels of collaboration.

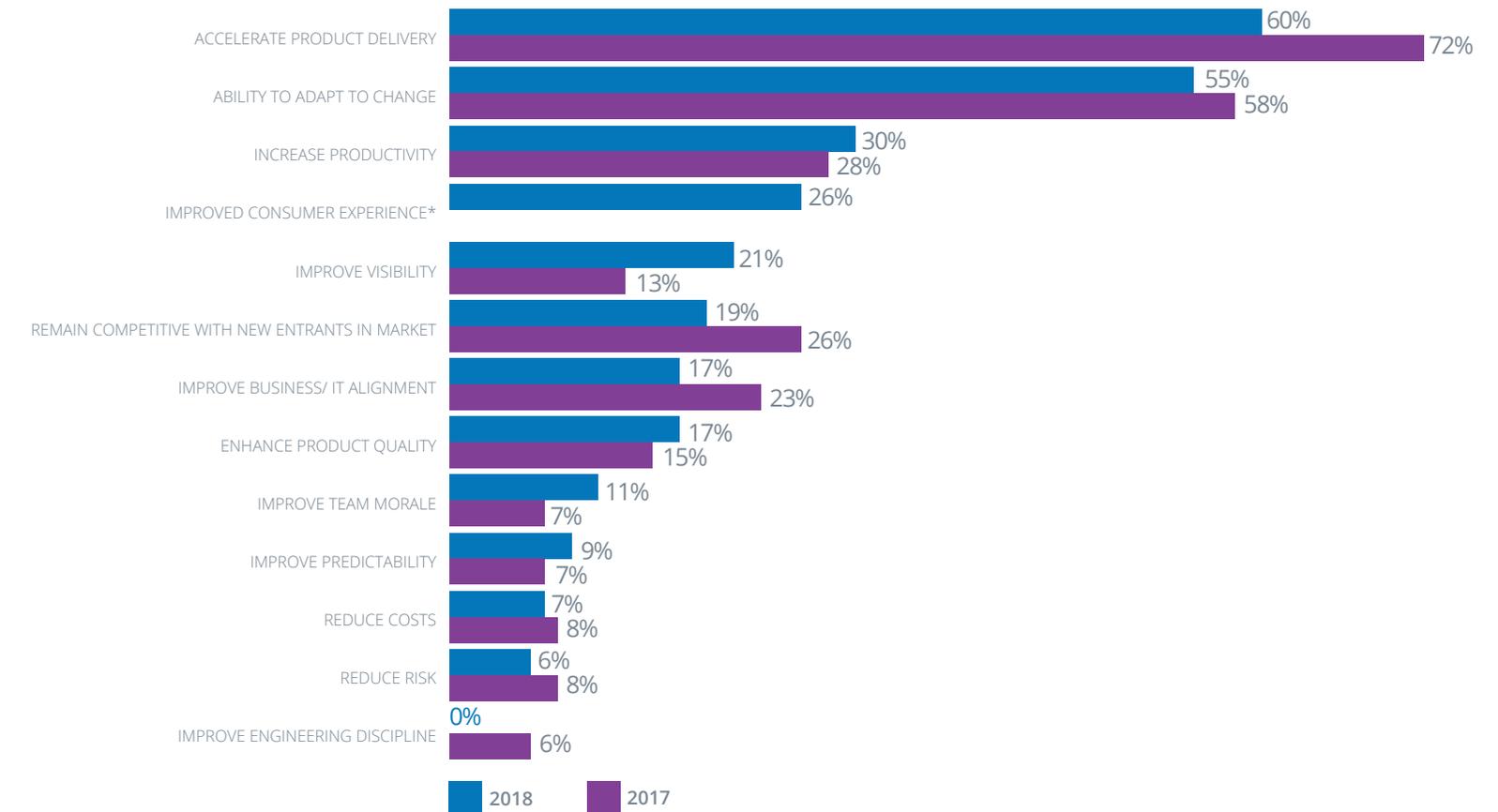
WHY AGILE?

The number one reason for adopting Agile remains the belief that Agile software development will result in faster product delivery (60%), followed closely by the need to adapt to change (55%). In 2017 these two reasons also stood out ahead of other reasons by a fair margin.

It's curious that only 26% included creating a better customer experience as a motivating factor for adopting Agile*. The Agile Manifesto contains several references to better customer collaboration and delivery of value to the customer, "Our highest priority is to satisfy the customer through early and continuous delivery of

valuable software." This is even more concerning based on the trend that organisations are striving to be more customer centric.

In 2017 only 6% of respondents reported improving engineering discipline as one of their reasons for adopting Agile, with no respondents reporting this as a reason in 2018. Without focus, there is no drive, and this may result in lower adoption rates. From the feedback received in the survey it is evident that Agile-related training was attended, but only 9% of people attended DevOps training in 2018.



*This is a new metric we have introduced for the 2018 Report and will continue measuring going forward.

"Agile ways of working were introduced to improve our internal ways. How can we break down silos, how can we improve collaboration, and then also be more responsive and quicker into the marketplace? Really at the centre of it all is the customer."

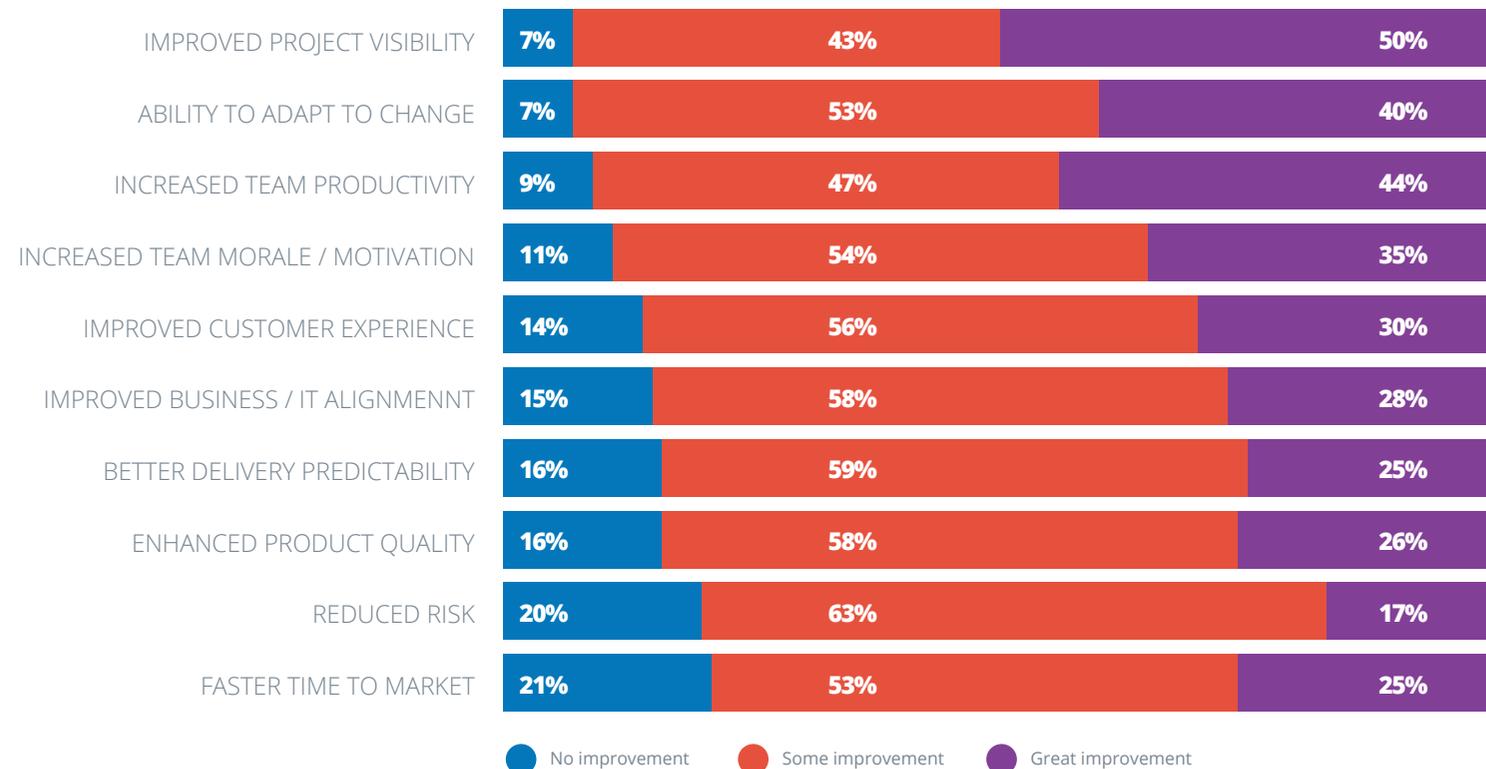
- Rene Rautenbach, Vodacom

ARE WE REALISING THE PROMISE OF AGILE?

BENEFITS REALISED

Although 'Faster time to market / Accelerate product delivery' remains the highest expected benefit, only 25% of respondents report a significant improvement. Instead, we see that improved project visibility and the

ability to adapt to change remain the benefits most realised, with a respective 50% and 40% of respondents reporting a great improvement.



A NEED FOR SPEED

An Agile adoption is multifaceted; complex from a people-change perspective, and time-consuming; meaning benefits such as 'faster time to market' may not be realised immediately.

It is our opinion that due to the lack of focus on automation and improvement in Engineering Practices, organisations are not experiencing the benefit of faster time to market. Even if agile teams are able to develop faster within smaller increments; if testing, deployment, and release into production are still manual processes, the benefits that Agile software development promises won't be realised.

In an article released by Martin Fowler in August 2018, Martin asks the question as to what happened to Software

Development in Agile Software Development . "On the surface, the world of Agile software development is bright, since it is now mainstream. But the reality is troubling, because much of what is done is faux-agile, disregarding Agile's values and principles. The three main challenges we should focus on are: fighting the Agile Industrial Complex and its habit of imposing process upon teams, raising the importance of technical excellence, and organizing our teams around products (rather than projects). Despite the problems, the community's great strength is its ability to learn and adapt, tackling problems that we original manifesto authors didn't imagine."

"I don't think organisations go into it with the understanding that the journey is generally longer than a year. And the larger the organisation, the longer it will take. The longer it will take, the more expensive it will become."

TEAM PRODUCTIVITY AND MORALE

“Where we’ve got Agile embedded in the team, we’re seeing people being energised. We’re seeing people being very engaged in bringing solutions. We’re seeing cross-collaboration, teams talking to each other, actually enabling the system.”

- Maarten Coetsee, Sasol

An improvement in Team morale and motivation was noted by 89% of respondents; with 91% seeing an improvement in team productivity.

“Build projects around motivated individuals. Give them the environment and support they need and trust them to get the job done.”

- The Agile Manifesto

Our interview participants commented that leaders understand the need to motivate people on the ground, with focus being placed on employees’ personal growth, ensuring that their strengths and capabilities are recognised. Being output-focused even fosters a better work-life balance as more is often achieved in a day than before.

“Agile processes promote sustainable development. The sponsors, developers, and users should be able to maintain a constant pace indefinitely.”

- The Agile Manifesto

THE STATE OF AGILE

WHAT DRIVES A SUCCESSFUL ADOPTION?

As per any large-scale transformation or change initiative, leadership buy-in is required at all levels. The investment in adequate people-related change management is often underestimated even though it is crucial to a successful adoption.

“So for me what’s critical is sponsorship. You need to have a very strong leader that actually sponsors it. Then you need to get people that are passionate about change to drive it. And then you need to empower those people. Really, you need to have the leader saying, “This is where I want to go. I’ve got a clear vision; I want to change.” Then people that think differently, that challenge the norm with the right support.”

- Maarten Coetsee, Sasol

The top drivers for success (Leadership and Change Management), when absent, will surely become the top impediments to the successful adoption of Agile.

LEADERSHIP

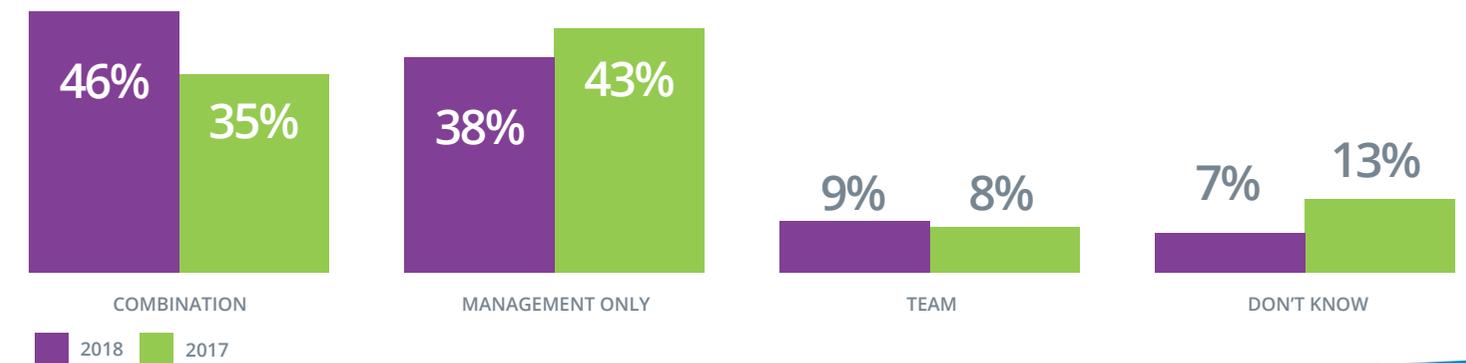
When executives are committed and actively supportive in the “Business agility” transition, they foster an environment in which employees are supported in this step-change, and it resonates throughout the organisation. When top management does not buy into the transformation journey, the employees find it too easy to revert to old ways of work. Leaders need to go first, and guide them along the way.

When looking at the initiator of the Agile transformation,

it is still rarely initiated from a team level only. In 2017 a ‘top-down approach’ was apparent; in 2018 we see a shift into a combination of Management- and Team-initiations of Agile adoption.

It is important to note that an initiation from management level is not necessarily indicative of buy-in and active participation. It is specifically executive commitment and active support which have been raised as pertinent to a successful adoption.

WHO INITIATED THE ADOPTION OF AGILE?



“Leadership needs to transform first and model the behaviours that they expect from teams. It is often being done the other way around.”

- Survey respondent

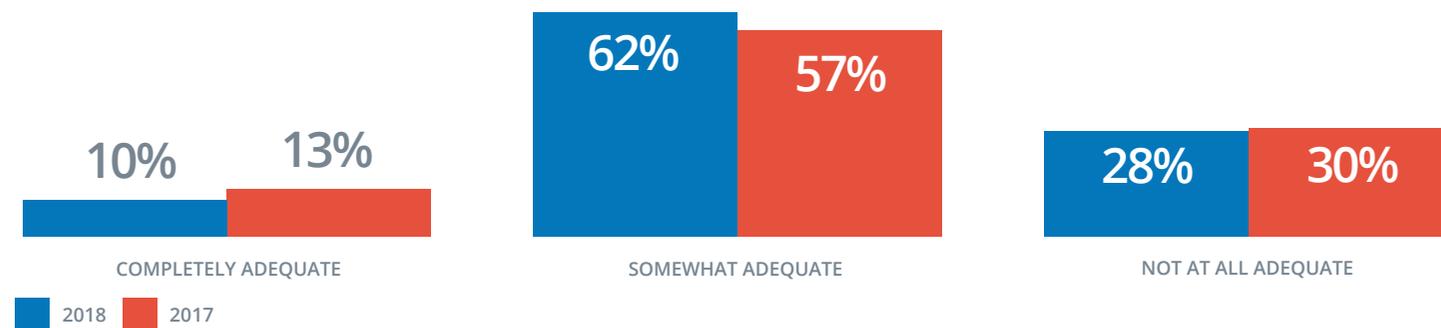
WHAT DRIVES A SUCCESSFUL ADOPTION?

CHANGE MANAGEMENT

Adopting a new way of work has a direct effect on employees, which needs to be accommodated for with Change Management strategies. When the reason for change is not communicated, employees cannot resonate with what is expected of them. This could potentially lead to resistance to change.

Change Management efforts around Agile have not yet shown great signs of improvement. Nearly a third of the respondents feel that the efforts were completely inadequate and only 10% feel that it was a complete success.

SUCCESS OF CHANGE MANAGEMENT



BUSINESS AGILITY

“Business Agility is far more than agile processes outside of IT. It is a state wherein the Agile culture, values, and way of working is embedded in the way the organisation operates; allowing the organisation to adapt to changes in the market, providing a competitive advantage. It is about being customer-centric through the networked interaction of small, autonomous, multi-disciplinary teams.”

- Biase De Gregorio, IQbusiness

“The world is entering a new age: the age of Agile. An unstoppable revolution is now under way in our society, affecting almost everyone. Agile organisations are connecting everyone and everything, everywhere, all the time. They are capable of delivering instant, intimate, frictionless value on a large scale. They are

creating a world in which people, insights, and money interact quickly, easily, and cheaply. For some firms, the revolution is uplifting and beautiful. For others, it is dark and threatening.”

- Stephen Denning*

We interviewed several industry stakeholders to gain their perspective on what business agility means.

“... business agility for me has a lot to do with the cross-collaboration piece and finding the different skillsets, and different perspectives working on a project or a problem or activity. It’s also about the transparency...it’s really breaking out of the traditional silos that are currently in place.”

- Rene Rautenbach, Vodacom

“Business agility is, for me, about the adaptability. It’s about how quickly you can change and then how you actually think differently...connecting the dots, seeing the bigger picture, and then saying I need to tackle it with a different approach, being more adaptable to what the customer needs. Always, what does the customer want, how do I adapt to that, how do I deliver it, and how do I deliver it rapidly?”

- Maarten Coetsee, Sasol

* Reference: Why Agile is Eating the World - Steve Denning <https://www.forbes.com/sites/stevedenning/2018/01/02/why-agile-is-eating-the-world%E2%80%8B%E2%80%8B/#39d563744a5b>

BUSINESS AGILITY

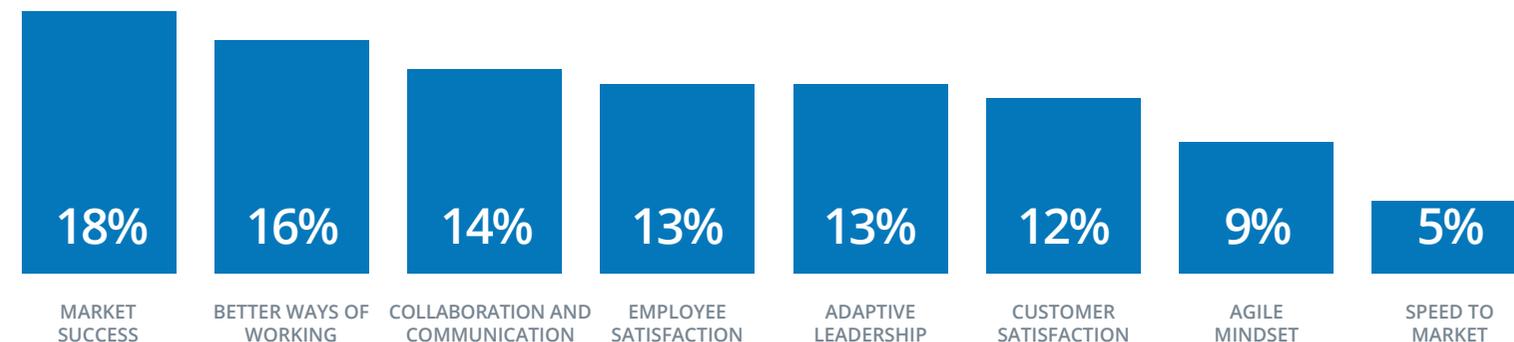
BENEFITS OF BUSINESS AGILITY

Although 'Business Agility' is a fairly new term in South Africa, our interviewees reported the following benefits:

- **Quality output and elevated solutions:** due in large to collaboration and increased intellectual capital from information sharing.
- **Continuous improvement:** a mindset aimed towards continuous improvement enables massive positive changes to be realised over time.
- **A positive organisational environment:** by breaking the 'hero mentality' where there are shared wins, a sense of collective accountability is achieved, and a well-knitted culture is co-created inside the organisation.

This year, the Business Agility Institute released The Global Business Agility report, which cited the following benefits of Business Agility:

MOST SIGNIFICANT ORGANISATIONAL BENEFITS OF BUSINESS AGILITY



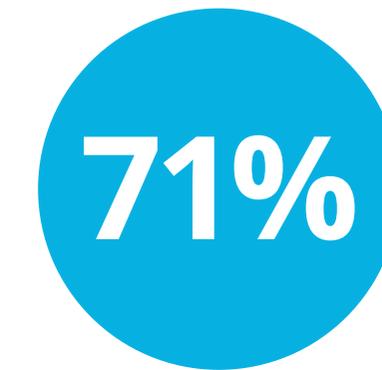
CHALLENGES IN ACHIEVING BUSINESS AGILITY

The fundamental challenge in achieving business agility is that most organisations believe that attaining this is the promised benefit of a successful Agile adoption, but most have yet to foster an environment fully supporting such an adoption.

No matter how we slice the data (whether by region, industry, company size, or respondents), the average business agility fluency is well below the minimum "favorable" Run or Fly ratings (7+). Across all domains, the average fluency rating is between 4.1 and 5.4 (all within the Walking range).



Average business agility fluency



of companies have low business agility fluency (< 7)

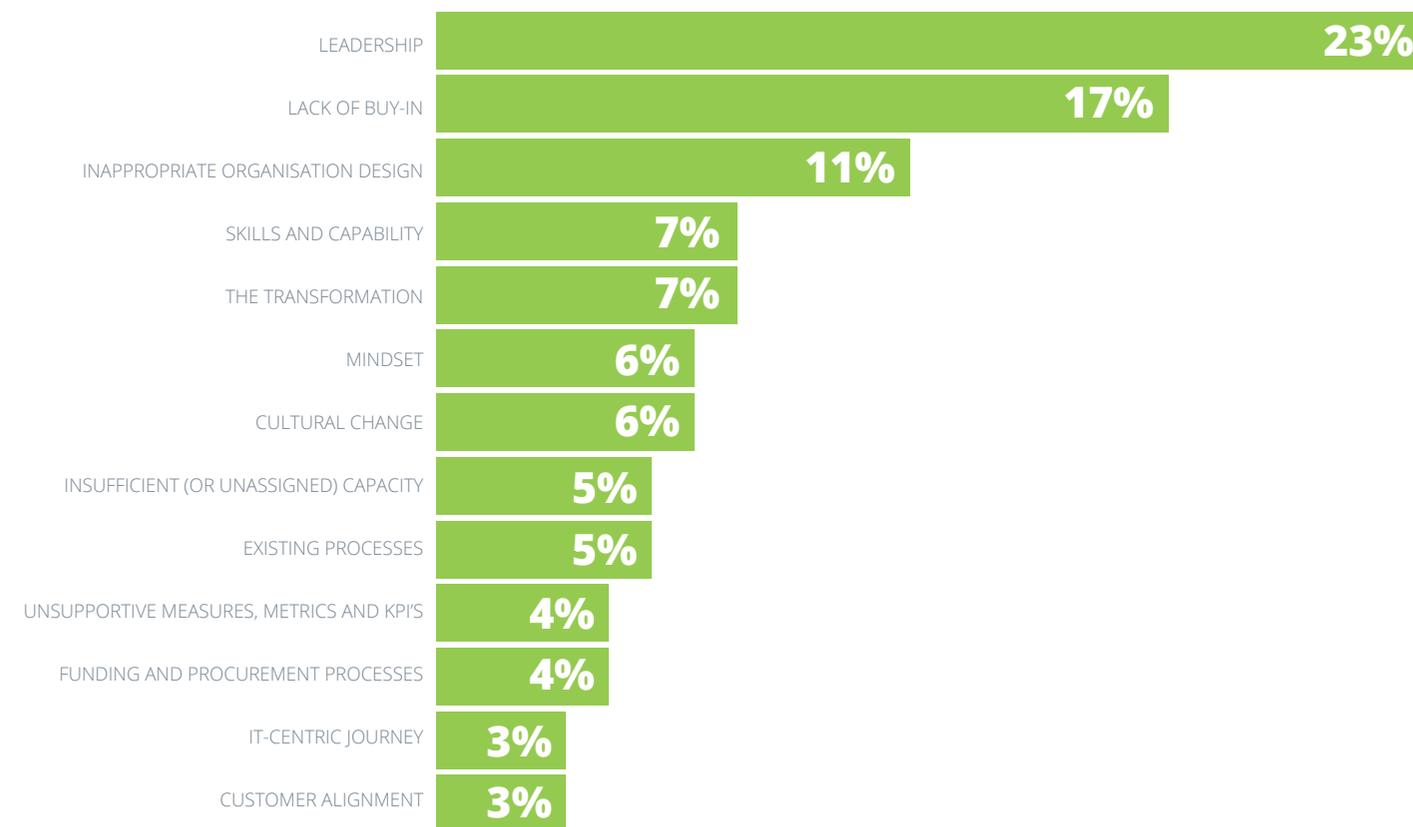
Reference: The Global Business Agility Report (2018) – Business Agility Institute

"The hero mentality starts breaking away and people start volunteering their collaboration. 'You stole my idea', now becomes 'our outcome'."

– Maggie Makube, Absa

As per most transformations, the Global Business Agility report (2018) indicates that the biggest challenge of achieving Business Agility is Leadership and Lack of Buy-in.

THEMES FOR ADDRESSING CHALLENGES ALONG THE JOURNEY



LESSONS LEARNT

Our findings continue to highlight certain key considerations that should be in place in order to accelerate the adoption of Agile ways of working within your organisation. These include:

- 1 Leadership needs to drive the Agile adoption in the organisation; they need to provide a clear vision and guide their people in the right direction.
- 2 Support needs to trickle down to team level so that the drive for 'business agility' is sponsored, reinforced, and supported. The sponsors need to be involved and committed.
- 3 The Human Resources function plays a huge role in the success of any Agile adoption; it is essential that processes such as performance management support and empower the ways of working. An example of this would be implementing team-based measures if the aim is team delivery.
- 4 Appoint and empower change enablers - organisations need to attract people who are passionate about change so that they can energetically drive it, and those people need to be fully supported in their roles.
- 5 Organisations need to evolve with the change; this needs to be a journey which people can embrace.
- 6 The organisation's uniqueness needs to be taken into consideration and used as a strength, meaning that the approach should not be rigid. Flexibility is key, and customisation of frameworks should remain possible. Every organisation's Agile journey is unique, it's important that the approach is customised to suit its internal make-up.
- 7 Time and money need to be invested in order to realise full impact: the larger the organisation, the longer it may take.

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About IQbusiness

IQbusiness is the leading independent management consulting firm in South Africa, helping clients overcome their business challenges and achieve better results. Since 1998, we have been enabling banks, insurance companies, retailers and others to take their products to market faster, improve customer satisfaction, upskill teams, eliminate waste and strengthen governance and compliance.

Drawing on our core strengths - consulting, research and contracting - we solve clients' problems by providing innovative, faster and more cost-effective services and solutions, backed by teams with real expertise and experience.

Although proudly South African, our perspective is international through the experience of our people, our clients and our business partners. IQbusiness is privately owned and fully empowered with a level 3 B-BBEE certification.

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