



Agility and Agile: An Introduction for People, Teams, and Organizations

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Introduction

Technological advancement is continually driving changes in the business environment and society (Bodrožić & Adler, 2018). The World Development Report 2019, for example, outlines numerous ways in which work itself continues to evolve at a rapid pace (World Bank Group, 2019). Facing this turbulence, leaders are increasingly seeking ways in which they can build the capability to sense and respond quickly to change within themselves, other leaders, their teams, and within their organizations overall. This capability to be nimble or to adapt quickly to the environment is the essence of agility, and without it, organizations run the risk of accelerating their own obsolescence.

What agility looks like in one organization is often different from what it might look like in another organization at the surface level. Namely, organizations and even teams within organizations often evolve their own agile behaviors to what suits them best. At its core, however, agile people, teams, and organizations learn through doing and continually iterating toward higher levels of performance based upon feedback from teammates and customers. It is important to note that agility is not reckless flexibility. Instead, agility involves thoughtful interaction and evolution—anchored by a stable vision, mission, and commitment to core values.

In this paper, we introduce the concept of agility and what it comprises at the person, team, and organizational levels. We then describe what “Agile” means as a set of practices, methods, rituals, and other activities. Following that background, we provide a set of basic implications for practice and next steps for those readers seeking to create agile organizations, teams, and employees. While not a comprehensive review, this paper will provide readers with the basic terminology and concepts necessary to have a foundational understanding of agility and Agile.

Background

The terms “agility” (and often “agile,” as an adjective) and “Agile” (as a noun) are related yet refer to distinct sets of concepts. The common thread that connects these concepts is a mindset and associated cultural norms that favor behaviors such as continually scanning the environment, adapting quickly, learning through action and failure, caring deeply about customer perceptions and experiences, experimenting and iterating, bouncing back from setbacks, and making sense of uncertainty and ambiguity through communication and high-quality relationships. Below, we briefly define agility and Agile. Where possible, we cite and discuss relevant scholarly literature. It is important to note, however, that the research on these topics is currently in its infancy and draws from many different disciplines within the organizational sciences.

Agility

To begin, it is helpful to think about agility as a capability that one can have as a person, a team, or as an organization. Agility fundamentally comprises the ability to sense and adapt rapidly to new information, requirements, or strategically relevant conditions. At the individual level, we can consider agility as a competency that a person can possess much like other knowledge, skills, and abilities. The most relevant research on agility at this level comes from work on adaptive performance. Most notably, Pulakos, Arad, Donovan, and Plamondon’s (2000) research suggested eight competencies that are required for adaptability at work: (1) handling emergencies, (2) handling work stress, (3) solving problems creatively, (4) dealing with uncertain situations, (5)

learning work tasks, technologies, and procedures, (6) interpersonal adaptability, (7) cultural adaptability, and (8) physically oriented adaptability. Subsequent work suggests that we can assess individual adaptability (Ployhart & Bliese, 2006) and that the personality-related foundations of these competencies are focus, confidence, proactivity, optimism, and inquisitiveness (Baran, 2016).

At the team level, agility builds upon what we know about high-performance teams to incorporate behaviors and mindsets that facilitate sensemaking and rapid decision making. High-performance teams have three attributes: (a) they deliver on goals at a high level of competence, (b) they become increasingly capable over time, and (c) they continually learn and mature in their abilities (O’Neill & Salas, 2018). One could argue, however, that a team could be a high-performance team yet not necessarily an agile team. This is because agility at the team level requires the additional capability to sense and adapt rapidly to change. The research on teams in high-risk environments (for example, naval aircraft carriers) provides some insight into the attributes of team agility. In such environments, teams quickly make sense of threats and opportunities through continually monitoring the environment, having a preoccupation with what could go wrong, encouraging an egalitarian approach toward voicing opinions and dissent, and correcting small errors before they turn into larger problems (Weick, Sutcliffe, & Obstfeld, 1999). Similarly, teams in turbulent environments can benefit from supportive leadership and open communication practices that facilitate psychological safety (Edmondson, 1999).

At the organizational level, agility involves both quick adaptation to changes in the environment and proactive “pivoting” of the organization toward opportunities. Startups, for example, often face high levels of uncertainty and ambiguity given that they are by definition attempting to do something novel with their products or services. As such, they often use the concept of the “minimum viable product” or “MVP” to present customers with early versions of a product or service, learn quickly from those interactions, and iterate toward better versions (Ries, 2011). Although such practices are likely more pronounced and visible in startups, organizations of all types can benefit from similar ideas when adjusted to fit their situation. A simple, common example of the use of MVPs is in the application software industry. Application developers will often release versions of software to a group of users, obtain feedback from them as soon as possible, and then integrate those findings into their work on the next version of the product. As such, the developers are able to invest less time in planning up-front and reduce the risk of developing unnecessary features.

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Leading and supporting organizational agility is a task that must come from the executive level. Members of the top management team need to both understand agility at the conceptual level and understand their roles in creating and sustaining it. When describing how leaders support strategic agility, Doz and Kosonen (2010) outline three required metacapabilities: strategic sensitivity (awareness to developments), leadership unity (fast decision making without the influence of organizational politics), and resource fluidity (maintaining an internal structure that supports activities related to the efficient deployment of resources). In this way, we can see how organizational agility depends in part upon people, in particular, those involved in decision making.

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Alongside the literature on agility for entire organizations—in both the scholarly and practitioner realms—is a growing body of work focusing on agility as it pertains to specific business functions. For example, Cappelli and Tavis (2018) discussed the need for human resources to become agile by adopting more customer-centric, flexible practices. For example, the use of more frequent performance feedback mechanisms can support quicker and better employee development than what results from solely conducting yearly performance appraisals. Although a review of all business-function-specific agility literature is beyond the scope of this paper, it is safe to say that such work focuses on how individual business functions can operate faster and adapt better to needs of the business—as dictated by the external environment.

Agile

In contrast to agility writ large and “agile” as an adjective, “Agile” as a noun refers to a set of principles and related practices that have become increasingly popular within the field of software development. Many of these principles and practices embody ideas that were first publicized in 2001 in the Agile Manifesto (Beck et al., 2001). The Agile Manifesto simply states:

We are uncovering better ways of developing software by doing it and helping others do it. Through this work we have come to value:

- Individuals and interactions over processes and tools
- Working software over comprehensive documentation
- Customer collaboration over contract negotiation
- Responding to change over following a plan

That is, although there is value in the items on the right, we value the items on the left more.

Along with this statement of values, the Agile Manifesto specifies 12 related principles, which include concepts such as customer satisfaction and involvement, embracing change, frequent delivery of working solutions, collaboration, motivation and trust, face-to-face communication, simplicity, self-organizing teams, and systematic reflection to drive learning. Practical applications of these ideas abound, and they may include the use of Kanban (a visual display of workflow that originated decades ago in Japanese manufacturing), Scrum (a team approach with specific practices designed around Agile principles and values, see Sutherland, 2014), or other related practices. Regardless of the form that those practices take, the goal is typically to drive greater speed through autonomy and better design through frequent customer interaction. When people talk about an organization “going Agile,” particularly within the realm of software and information technology, they are usually referring to the adoption of these types of systems and practices to manage projects. This contrasts with traditional “waterfall” project management methods, which follow a sequential, linear path from defining project requirements through design, delivery, and maintenance. In our observation and experience, however, most organizations that attempt an “agile transformation” focus solely on their software or information technology related functions—not on overall agility as a capability.

Implications

Given the volatile, uncertain, complex, and ambiguous (or VUCA) business and geopolitical environment, it is increasingly important for organizations to build their agility. We outline eight key implications for executives and other organizational leaders below—in no particular order, as all are important. These come from a diverse breadth of applicable literature, our practical experience building organizational agility alongside clients, and insights gained from 1,152 leaders representing more than 280 organizations (Baran & Woznyj, 2019).

Lead With Why

Organizations seeking to become more agile in the face of change need to help their employees understand why agility is a strategic imperative. An agile orientation toward change is one that views change as ongoing, not as an event that eventually results in equilibrium. This view can be unusual to many people because it implies that the organization will be continually adapting, and some people interpret this to mean reckless flexibility. A fine line exists between agility and too much change. Unfortunately, the literature does not provide much of a guide for finding this middle ground. In our experience, however, leaders best navigate the balance between agility and reckless flexibility by making choices based upon a well-developed organizational strategy and the organization's vision, mission, and values.

Train Agile Behaviors

Most people and organizations do not know what agility looks like. One way in which they can begin to understand agility is through the formal adoption of systems like Scrum, which involves specific roles and a rhythm of meetings and interactions. Regardless of whether one chooses to use Scrum or another method to build agility, a particularly powerful element of Scrum is systematic, regularly occurring reflections on both how the work gets done and how the team works together with a focus on improving both.

Create Great Teams

Because decision making and sensemaking in complex or ambiguous situations often require interaction within a team context (Snowden & Boone, 2007; Weick, Sutcliffe, & Obstfeld, 2005), much of what we know about high-performance teams and teamwork is highly relevant to agility. Teams are best suited for work that is highly interdependent, so analyzing the nature of the work upfront is important when deciding if and how to create teams. Some key considerations to create great teams include (a) selecting team members with requisite technical skills and knowledge combined with a willingness to collaborate with others, (b) supporting



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an environment in which everyone feels valued and has a voice, (c) clarifying roles and team procedures, and (d) providing the team with the resources it needs. Additionally, team development should include creating a shared understanding of how the team accomplishes its tasks, who has special skills or knowledge, and how the team members will communicate and relate with each other to support the team's success. Doing so will help to develop shared mental models (Mathieu, Heffner, Goodwin, Salas, & Cannon-Bowers, 2000) to assist with sensemaking and adaptation.

Empower Decision Making

A central tenet of working in an agile way involves giving authority to make decisions to those people who have the most knowledge or expertise. This increases speed and decision-making quality, particularly in highly turbulent or risky environments. People also often benefit from training on decision-making frameworks. One useful tool is the Cynefin framework (Snowden & Boone, 2007), which helps people think about the type of problems they face and how their situation should determine whether to follow best practice, experiment, or act and learn. Such sensemaking is critical to the work that leaders and their teams must do to organize the ambiguity present in any quickly changing environment (Baran & Scott, 2010).

Support Agile Behavior

Because agile behaviors often fly in the face of traditional hierarchy, leaders must support and reward attempts to promote agility at the person, team, or organizational level. Without such support, people will quickly revert to their traditional modes of operating. Specifically defining all of the behaviors that constitute “agile behavior” is beyond the scope of this paper, but these behaviors include the adaptive performance competencies and Agile principles described earlier—along with behaviors often found in high-performance teams. Following analysis of the job or work, leaders could use such behaviors as definitions of performance for job descriptions, performance appraisals, and informal performance feedback.

Iterate Toward Better

By definition, agility requires people, teams, and organizations to learn quickly from feedback. This feedback may come from other members of the organization or from external stakeholders such as customers or investors. Regardless, agility includes the capability to receive feedback and quickly turn it into action, iterating toward increasingly better outcomes. To do so, people need to embody a growth mindset—the belief that people can change and improve their performance over time (Dweck & Yeager, 2019)—so that they can use new information about their performance or the environment to drive positive change.

Evaluate Organizational Structure

Given that agility often involves sensemaking in teams, organizations attempting to become more agile often need to evaluate their structure. In particular, they should ensure that groupings of people follow information flow and interaction—not simply functional similarity or proximity. As a first step, leaders should ask their people about their interactions and evaluate if those interactions are efficient given the nature of the work. If frequent interactions needed to complete certain types of work require frequently navigating “up and over and down” an organizational chart, for example, then the structure itself may need to be changed.

Promote an Agile Culture

Finally, many organizations attempt to promote agility through the adoption of a few techniques, an isolated set of practices for a few teams, or by holding a single training session. These approaches often fail, however, because the fundamental key to promoting agility involves culture and mindset. That culture and mindset—which leaders can build through role modeling, instituting new practices, training people on new tools, and aligning formal and informal reward structures with desired behaviors—includes values and norms such as deep interpersonal respect and candor, collaboration, humility, customer centricity, and continuous learning.

Next Steps

In a volatile, uncertain, complex, and ambiguous world, agility matters. Without such a capability to sense and respond proactively to the forces of change, people, teams, and organizations will find themselves increasingly frustrated—or obsolete. In this paper, we have attempted to provide a brief overview of what people mean when they talk about agility and Agile so that readers can have more informed conversations within their organizations and take some first steps toward agility. For those readers wanting to build agility within their organizations, we suggest the following next steps:

1. Start a conversation among senior leaders about how agility may benefit the organization strategically;
2. encourage a holistic approach to avoid making only one part of the organization agile, which often results in frustration for that one area; and
3. integrate aspects of the implications listed above into the organization's approach toward talent, leader development, training, and project management.

The business world in many ways is already embracing agility—or attempting to figure it out. Agility fundamentally involves human behavior and a supportive organizational culture. As such, leaders in human resources, organizational development, and industrial/organizational psychology are well poised to add tremendous value. We also see many opportunities for continued research on agility. Such studies may include (but are certainly not limited to) exploring the aspects of culture or climate that support agility, how to form and maintain agile teams, and how leadership development efforts might promote agility at either the person, team, or organizational level.

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