Deloitte.

How fragile is your Agile? Six common pitfalls facing Agile project teams

Digital disruption continues to reshape the competitive landscape. Organisations are increasingly required to develop rapid cost-efficiencies and technological enhancements in order to stay competitive. This means that projects are becoming ever more characterised by greater uncertainty and the need to show wins within a short timeframe.

Agile project management methodologies have become far more commonplace in recent years because they offer a way to cope with uncertainty while targeting iterative gains. Project requirements and solutions evolve through collaboration between self-organizing, cross functional teams. However, the constantly changing nature of agile projects brings about a unique set of risks which need to be managed. **Here are six common pitfalls that we have seen our clients face in their Agile projects:**

- Using Agile when the project is not suitable. Agile principles can be applied to most projects, but are particularly appropriate where requirements are fluid or unclear, timelines are aggressive and where project teams can work physically close to their business client. Conversely Agile may not be the best choice where strict formal requirements exist.
- Not sticking to Agile principles. You need project team members who are fully trained and experienced in the use of Agile and who understand how to apply Agile principles appropriately. The classic example of a 'fake' Agile project is one in which Agile terms are used, but the project is run like a waterfall project with design and build in different phases.
- Reducing governance and oversight. Project managers have been known to claim that Agile projects reduce the need for formal governance processes. The opposite is true: less clarity around direction and requirements mean that the project governing body needs a greater degree of input and oversight than usual. The expected benefits and the project's ability to deliver on them must be continually reassessed.
 Sponsors and steering group members will themselves need an understanding of Agile to effectively oversee the project.



- A break in the flow of requirements. The reduced focus on maintaining artefacts and informal tracking methods can disrupt the flow of requirements through to design, build, testing and implementation. Emphasis must be placed on ensuring that the integrity of these links is maintained.
- Bypassing change management processes. New requirements must be channelled through an adequate change approval process, as for any project. While product owners directly interact with developers, they cannot be permitted to bypass established change management processes.
- Poor or non-existent forecasting. Schedules and budgets must be agreed, reviewed and updated. The implementation of 'pull' systems of task loading (e.g. JIT/Kanban) does not negate the need to create and maintain forecasts.

While it's possible to run a large transformation using an agile methodology, risks must be carefully managed to ensure that a quality outcome is still achieved. Contact one of our practitioners to chat about your agile transformation and our tailored assurance approach.

Know the worth of risk. www.deloitte.com/au/project-risk Waterfall projects create artefacts to evidence processes, so project assurance in these projects typically operates in a review role. Agile projects, however, tend to use more fluid, undocumented methods of organisation, such as through whiteboards or a flow of post-it notes. This means that project assurance practitioners have needed to become more nimble in their approach to these projects.

For a recent client project, we participated in daily Scrum standups and grooming sessions, and provided feedback directly to project teams. While we provided a Project Assurance Plan at the beginning and a final report at the end, we focussed less on formal reporting to the project board and more on pointed one-on-one feedback. The more involved role of QA also means that the QA team must be well versed on the change subject matter. We regularly draw on specialists in data analytics, compliance, financial modelling and actuarial science to supplement our project assurance experts.

Contacts



Phil Goulstone National Project Risk Lead Partner Tel: +61 2 9322 3260 phgoulstone@deloitte.com.au



Kuray Aslan Project Risk, Sydney Tel: +61 2 9322 3297 kaslan@deloitte.com.au



Natalie Smith Project Risk, Brisbane Tel: +61 7 3308 7216 natasmith@deloitte.com.au



Erik Kronborg Project Risk, Melbourne Tel: +61 3 9671 7223 Ekronborg@deloitte.com.au

Deloitte Australia's team of 30 core project assurance specialists is supported by individual subject matter experts across a broad range of products and industries. Our comprehensive methodology, highly experienced team and project benchmarking capability highlight us as leaders in this field. We have worked with our extended international team on complex international projects across Europe, Asia, the Americas and the Middle East.

This publication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively the "Deloitte Network") is, by means of this publication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this publication.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

About Deloitte Australia

In Australia, the member firm is the Australian partnership of Deloitte Touche Tohmatsu. As one of Australia's leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, and financial advisory services through approximately 6,000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit Deloitte's web site at www.deloitte.com.au. Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited © 2014 Deloitte Touche Tohmatsu.