



***Purple Bird
Technology***



Agile is alive! But false prophets kill it.
Commentary

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In our commentary, we would like to respond to the recently published strong statement from a study that agility leads to 268% more project failures, which was spread in high-reach media, such as heise. First, we will discuss why the reactions of the agile community so far have caricature traits. We then explain three serious methodological shortcomings of the study: a false understanding of agile management, errors in the application of statistical methods, and an outdated state of discussion. Finally, three valuable tips for people from the field are shared on what they can learn from the discussion.

Introduction

On 26.07.2024, heise published a report entitled "Agility leads to 268 percent more failures - can that be?". The article referred to a study by Junade Ali that agile management drastically increases the number of failures in software development projects. Just by the 268% mentioned. Junade Ali's conclusion: "It's time to question the adherence to the agile cult."¹

The result: a loud outburst of the agile community. The wording sometimes reads like religious zeal instead of fact-based analysis. In our response to Junade Ali's strong statement, we will explain why the community's reaction has some characteristics of a caricature. We will

also shed light on the glaring omissions in Junade Ali's analysis.

The study as the bone of contention

To get an overview of what got the whole thing rolling, it's worth taking a look at the beginning. On 04.06.2024 ENGPRAX publishes a post on its website titled "268% Higher Failure Rates for Agile Software Projects, Study Finds".

To put this into perspective, it helps to know that ENGPRAX is a consultancy in Scotland that offers audits, leadership advice and similar services. According to the Scottish Companies Register, the company was founded in September 2023, with the starting capital of one British pound.² The sole owner is the author of the

¹ Agile is alive! But false prophets kill it.

study, Dr. Junade Ali.³ On the ENGPRA website, there is little to learn about the company apart from a brief overview of the services offered. It is pointed out that one can read about their work in wide-reaching media such as "The Washington Post". However, there are no sources.⁴

Based on the initial situation described, it is a big marketing coup that heise published a report on this study on 26.07.2024. The title "Agility leads to 268 percent more failures – can that be?" gives a good insight into the lead of the article, which uses the results of the study to identify massive problems in agile management.

The even somewhat religious reaction of the agile community

After the report at heise, the keyboards of the commentators in the agile community are running hot. A quick Google search for buzzwords like "agile dead" provides a rough overview of the mood of the community. For example, at the end of August, you can read on heise:

*"I **don't** think agility is dead. I **also don't think** projects that follow an agile process are 268% more likely to fail."^{5 6} (Golo Roden, CTO native web, translated)*

Johannes Schartau, from holisticon, a medium-sized consultancy, blows the same horn. He also has doubts in his blog post, hopes and believes, but does not analyze the facts. Similar to many other

commentators from the agile community, both share their experiences and use them to evaluate the current situation of agile management.⁷ Even if there are valuable speeches, faith and hope are more core elements of religion and not of management.

What most speeches lack are the foundations of a thorough discourse, such as critically examining hypotheses. It gives the impression that it is more about taking the study as a hook to quickly throw one's own opinion into the ring than about dealing with the critical statement – 268% higher probability of failure – in the first step.

One of the few exceptions is Gabriel Steinhardt (an author on agile methods), who deals with the study on LinkedIn.⁸ Overall, Steinhardt's analysis has weaknesses. It is even doubtful that he has read the whole study, as he complains, among other things, that the term "failure" is not defined in the study. However, the study cites the question that study participants were asked to determine project success: "Thinking about the last software project you encountered; was it successfully delivered on-time and on-budget, to a high standard of quality?"⁹

Steinhardt's statement that agile management is unsuitable for standard and enterprise software is hardly comprehensible. This statement is not further substantiated, although a large part of the agile community would disagree. This statement would have the

potential to start the next round in the merry-go-round of outrage.

The ENGPRAx study belongs in the trash

The ENGPRAx study has such extensive methodological deficiencies that the results must be classified as unreliable.

The study is published in the book "Impact Engineering: Transforming Beyond Agile Management".¹⁰ Below, we'll focus on three selected issues.

1) Absolutely inadequate understanding of agile software development

The most serious mistake is the author's lack of understanding of agile management. The aim of the study is as follows:

„I wanted to put these to the test to see how they [the last three values of the agile manifest] actually impacted the delivery of software. Are software projects really more successful when they devalue having a documented, upfront plan in favour of shipping software without requirements and changing as needed?“¹¹

Let's be clear: What the author describes here is chaos and has nothing to do with agile management. The values of the Agile Manifesto are:

- Individuals and interactions over processes and tools
- Working software over comprehensive documentation

- Customer collaboration over contract negotiation
- Responding to change over following a plan

It is not clear how one can derive the author's steep thesis from these values. In agile frameworks – such as Scrum and SAFe – there is a process for capturing requirements. By no means, it's part of agile management to change requirements whenever you want. Such misunderstandings can be traced back to the fact that poorly managed agile development projects degenerate into chaos in which the requirements process collapses. The study's remaining finding, that poorly managed projects are more likely to fail than well-managed ones, is trivial.

2) Fundamental errors in scientific work

The study surveyed 600 developers. While short marketing publications cannot include details about the sample, it's common to include details about the respondents in the in-depth study. This section is missing in the study. This is a critical omission for two reasons:

The author uses statistical methods in the evaluation (namely t-test), which place strict demands on the selection of respondents in order to deliver reliable results. The book mentions that, at least in earlier studies, the author has used samples that do not meet the requirements of the statistical method used.

The alarm bells ring when 80% of the respondents state that they have recently been on a successful software project, as the author himself quotes (without naming sources) that according to studies, 70 to 84% of software development projects are a failure.¹² For the statistical evaluations chosen by the author, he would have had to select the respondents at random. The composition of the sample, 80% successful projects, raises doubts about this. The author does not address this.

In short, even the compilation of the sample reveals deficiencies. This may sound petty, but it is essential if the author wants to substantiate statements using statistical methods.

3) The study falls out of time

In the discourse of every professional community – including the agile community – it is important to gradually raise it to a new level as knowledge increases. Therefore, contributions that are oriented towards the current state of the discourse are valuable.

Remarkably, the author works on the Agile Manifesto, which was published back in 2001. Modern agile frameworks – especially those for scaled agile – formulate their own values. Of course, these go in the same direction as those of the agile manifesto. However, they show a significant further development.

Three important findings for practice

Finally, the question arises as to what decision-makers from practice can take away from this discussion. We would like to give you the following three tips.

1) Don't confuse agility with chaos

Be aware that agile working is based on good communication and clear structures. Agility is sometimes used as a cover for a chaotic approach. Don't fall for this, but insist on adherence to pre-agreed processes. This does not contradict the first value of the Agile Manifesto: "People and interactions over processes and tools." This value simply emphasizes the advantage of direct communication, which is a cornerstone of agile management.

The following example will help you understand. You have a Scrum team where a sprint lasts three weeks. This means that the team takes on new tasks every three weeks. The requirements must be clearly defined. The level of detail can vary depending on the team and the exact task. However, it is essential that a Scrum team only accepts a task that is sufficiently specified in its eyes. If, in the second week of the sprint, a critical software bug is discovered in the software used by end users, let's say a severe security vulnerability, it does not have to wait until after the end of the sprint. The team will usually solve the problem immediately after it becomes known. This



is an example of not getting stuck on the process.

2) Don't trust in false prophets

As the last discourse has shown, the discussion in the agile community is often shirt-sleeved – unfortunately, this also applies to some consulting practice. In general, it is advisable to consult external expertise for agile management for larger reorganizations. Also, in the event of a critical vacancy, it makes sense to fill agile roles with external interim managers.

Rely on consultants who bring enthusiasm and strong analytical skills to the table. You don't need prophecies, but a clear understanding for your organization's vision, based on sound analysis, as well as the hands of practitioners who work operationally to make the vision a reality. A consultant must bring all this with them.

3) Leave the time loop

Whether you're ambitious enough to lead the agile community, or you're just looking for pragmatic solutions for yourself, stay on top of the times. Don't make the same mistake as the discussed study and deal with yesterday's solutions to today's problems.

Rely on solutions that have been actively developed or even newly created in recent years. In response to the current challenges of agile management, for example, we have developed the Agile Run Framework. This was developed with special consideration of modern challenges such as the further spread of virtual teams and increasing cost pressure.

About the authors



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Chris West is Managing Director of Oak Wind Solutions, a company of the Purple Bird Technology Group. During his academic career, he completed a degree in technology management at the Ludwig-Maximilians University and the Technical University of Munich. He was a visiting scholar at UC Berkeley in California, where he conducted research in the field of digitalization. As a proven expert, he has been advising companies on agile transformation and the optimization of their processes for over 15 years.



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Thomas Maier is the founder and managing partner of Purple Bird Technology. After studying business administration at the Ludwig-Maximilians University and the honors elite course at the University of Regensburg, he worked as an employed management consultant, freelancer and for major corporations. In 2020, he founded the digitization and organizational consultancy Purple Bird Technology, headquartered in Munich. Prestigious companies, such as DAX 40 corporations, are among its customers. In addition, he completed various courses lasting several months, such as training as a business coach, the Certificate of Human Capital Management (Ludwig Maximilian University) and training as a business trainer.

¹ ENGPRAx (Hrsg.) (2024): 268% Higher Failure Rates for Agile Software Projects, Study Finds, ENGPRAx, [online] <https://www.engprax.com/post/268-higher-failure-rates-for-agile-software-projects-study-finds>

² Registrar for Companies of Scotland (Hrsg.) (2023): CERTIFICATE OF INCORPORATION OF A PRIVATE LIMITED COMPANY, Company Number 782529

³ Government UK (Hrsg.) (2023): ENGPRAx LTD, [online] <https://find-and-update.company-information.service.gov.uk/company/SC782529>

⁴ ENGPRAx (Hrsg.) (o.A.): Home, [online] <https://www.engprax.com/>

⁵ Golo Roden (2024): Is Agility Dead?, [online] <https://www.facebook.com/photo.php?fbid=900280695468197&set=a.599209758908627&type=3>.

⁶ Golo Roden (2024): Warum keiner mehr agil arbeiten will, [online] <https://www.heise.de/blog/Scrum-XP-Co-warum-keiner-mehr-agil-arbeiten-will-9846824.html>

⁷ Cf. e.g. Dr. Oliver Mack (2024): Das Ende der agilen Welle? Ist Agile schon tot?, [online] <https://xm-institute.com/xm-blog/das-ende-der-agilen-welle-ist-agile-schon-tot/> and Stefan Schumacher (2024): LinkedIn post without title, [online] https://www.linkedin.com/posts/stefanschumacher-947649144_scrum-xp-co-warum-keiner-mehr-agil-activity-7236635917610856449-8zIE/?originalSubdomain=de

⁸ Gabriel Steinhardt (2024): Agile Failure and Requirements Management, [online] <https://www.linkedin.com/pulse/agile-failure-requirements-management-gabriel-steinhardt-oslle/>

⁹ Junade Ali (2024): Impact Engineering: Transforming Beyond Agile Management, ENGPRAx, Seite 128

¹⁰ Junade Ali (2024): Impact Engineering: Transforming Beyond Agile Management, ENGPRAx

¹¹ Junade Ali (2024): Impact Engineering: Transforming Beyond Agile Management, ENGPRAx, Seite 127

¹² Junade Ali (2024): Impact Engineering: Transforming Beyond Agile Management, ENGPRAx, Seite 122