

The Role and Importance of Agile Management for Employees and the Organization - a Case Study

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Abstract

Agile management is crucial for the development and growth of an organization in today's era of rapid change, as it effectively motivates and inspires employees and enables the organization to adapt quickly to the market. That is why more and more organizations see the added value in adopting agile management and the associated agile Mindset, which focuses on finding customer solutions. The purpose of the case study is to conduct empirical research on agile management in Termo Shop d.o.o. In the theoretical part, we investigated the areas of leadership, agility, the role and importance of agile management for employees and the organization, and knowledge management. The empirical findings showed that the current management style in Termo Shop, d.o.o. is only partially agile. Therefore, we proposed improvements based on research findings to the organization's management under this study.

Keywords: organization, management, employees, agile, development

INTRODUCTION

Problem definition

The increasingly global way of doing business means that organizations must adapt to market conditions and fight for survival. More and more organizations see the added value in adopting agile management and applying an agile mindset, which teaches a proactive orientation towards finding solutions for the customer. All employees and managers must be involved in the agile mindset process, working together to develop meaningful and valuable concepts and tools. Agile management means leading one-on-one and creating working conditions that develop effective teams. An agile manager is characterized by continuous improvement, learning and growth while striving for a better team and work organization. (Majstorović Hajduković, 2019).

We see agile management as an essential factor for the development and growth of an organization, which can be used to motivate and inspire employees effectively. Therefore, we want to explore the contribution - the role and the importance of agile management for the organization and employees by conducting a survey among employees in a medium-sized organization in Slovenia which operates in the field of solar power plants and heat pumps. As Gajšek and Kovač (2019, p. 1) write, globalization has changed the business environment significantly, making it unpredictable and unstable and forcing managers to deal quickly and efficiently with the problems of day-to-day operations. Only an organization with agile, people-centred leadership can achieve rapid and effective adaptation to the demands of the environment. Therefore, transforming organizations from the traditional, more control-oriented, hierarchy-oriented way is essential for the organization's existence.

Purpose and aim of the survey

In practice, it is observed that agile management does not always bring benefits, such as the rapid and efficient adaptation of the organization to market conditions. That may be because one of the methods is used only occasionally in the organization or because the head of the department does not have enough knowledge and experience to develop effective teams. As a result, there is a problem of inefficiency in the employees' work.

The research aim is to explore the role and importance of agile management and highlight the benefits from an organizational and employee perspective.

Survey questions

For this survey, we stated the following research questions:

- RQ1: What positive effects does the organization most often perceive from introducing agile management compared to the previous traditional leadership?
- RV2: Which agile management techniques are most commonly used by department managers?

Survey and data processing methods

In the theoretical part, we used academic and scientific literature on management. We used the compilation method to summarise the findings of national and international authors.

In the empirical part, we used a quantitative and qualitative approach. We interviewed 67 full-time employees (excluding people working through student services).

In qualitative research, we used a semi-structured interview method to collect data. First, we interviewed 5 department managers (Business Support Manager, Customer and Process Support Manager, Warehouse and Purchasing Manager, Marketing and Sales Manager, Engineering and Implementation Manager and Production Manager).

THE THEORETICAL FRAMEWORK

Definition of leadership

Markič (2010, p. 5) defines leadership as influencing, guiding and encouraging workers at work and monitoring and checking those goals are being achieved. That means that the concept of leadership mainly refers to people. Kruse (2013) considers leadership to be a process of social influence that maximizes the efforts of others to achieve a set goal and points out that leadership derives from social impact rather than authority or power. Cepin (2020) points out that each individual slightly understands leadership differently. It can be understood as excessive authoritarianism, where the manager is supposed to completely control all things and people, to the view that people do not need to be led and will function most fully if they are not guided.

Pratt (2017) describes leadership as the ability of an individual or group to influence and lead other members of an organization. Leadership involves making informed (sometimes challenging) decisions, creating and articulating a clear vision, setting achievable goals, and providing other stakeholders with the relevant skills and tools needed to achieve these goals.

Lipovec (1987, p. 286, in Rozman and Kovač, 2012, p. 351) also defines leadership as influencing others to work together to achieve an organization's goal.

Twin (2022) argues that leadership directs an organization and its employees. Therefore, employees must know the organization's direction and who to follow to achieve the set goals. Leadership, therefore, primarily involves showing employees how to carry out their responsibilities effectively and regularly monitoring the fulfilment of their tasks.

Over the last 75 years, academics and practitioners have defined leadership differently. The term is not easy to explain, and there are probably as many definitions of leadership as there are authors. The point is that there is no single definition, theory, model or standard of leadership. The question remains as to what is the true meaning of leadership. Is it leadership: a position, a person, a behavioural act, a style, an attitude, a combination of things, or all of the above? The scientific answer to this dilemma is 'yes' or perhaps 'it depends', while many practitioners accept a results-oriented, situation-specific definition (Cox, 2011).

According to Janković (2012, p. 74), "Leadership is becoming a process that needs to be effective and efficient, both in terms of achieving the organization's goals and creating a favourable working climate and culture that ensures the achievement of the set goals." Malec (2017) also points out that managers must use each employee's knowledge and skills. The manager has done well if employees can exercise their strengths in a particular job. Therefore, leadership is "the ability to influence, encourage and guide colleagues to achieve desired goals, which is increasingly challenging in modern organizations, as it

requires new and authentic leadership models. These need to be able to adapt to the different contexts in which a person who is a manager has to operate successfully."

The fact is that there is a wide range of definitions in the literature relating to the concept of leadership. This fact confirms that leadership is an exciting field of study and has not changed significantly throughout history (Rozman and Kovač, 2012, p. 350).

Types of leadership

Strong and qualified leadership is crucial for an organization's business success. To motivate teams and harness talent, managers must communicate effectively with, empower, and mentor employees, inspiring them to follow the organization's business purpose and mission. That requires the flexibility to switch between different leadership styles - which does not always come instinctively or easily (Doyle, 2022). Čertalič (2014) points out that it is essential to adapt the type or style of leadership to every environment in which the organization operates. Thus, a manager must first set the goals they want to achieve. Then, it is essential that the manager directs, motivates and influences employees so that they perform their work tasks in the best possible way and at the lowest possible cost.

Managers usually use a leadership style based on their innate preferences and personality traits. That is not a bad thing, but knowing which leadership style naturally suits them best is one of the skills of a good manager. Rigidly sticking to one leadership style can hinder the organization's and the employees' growth. It is crucial to develop an adaptive leadership style that combines different leadership techniques and adapts to new situations to increase leadership effectiveness (Doyle, 2022).

Cherry (2022) explains that leadership style refers to a manager's characteristic behaviour in directing, motivating and managing groups of people. Many different leadership styles can be identified in the literature, e.g. transformational, transactional, situational, etc.

According to classical theory, Kovač et al. (2004, p. 24) divide leadership styles into:

- Patriarchal leadership style, in which the manager cares for employees and expects them to be loyal, obedient and appreciative. It is the assumption of a traditional role, such as a father's.
- Consultative leadership style, where the manager involves employees in decision-making. That is how employees express their comments, questions and concerns.
- Autocratic leadership style, which is mainly found in large organizations. That is based on the organization's hierarchical structure, and often employees are not in direct contact with the manager.
- Consultative leadership style, in which employees are involved in planned decisions. The manager consults with their employees and considers their views and possible comments.
- Participative leadership style, where decisions are taken collectively as a team. In this leadership style, employees are involved in the work and decisions.
- Delegation is a leadership style in which the manager presents the problems and indicates the boundaries within which employees can make decisions.

Lee (2020) lists the most commonly used leadership styles as follows:

- A top-down approach to all organizational decisions, procedures and policies defines the autocratic leadership style. In this leadership style, the manager focuses less on other team members and tends

to make all decisions that others are expected to consider. This leadership style can be particularly effective in decision-making, as one person takes responsibility. However, the disadvantage of this leadership style is that it is not conducive to diversity and is particularly weak in creativity, collaboration and innovation.

- The transactional leadership style is defined by control, organization and short-term planning. Managers who use this leadership style motivate their employees through rewards and punishments. There are many similarities between transactional and autocratic leadership styles. Still, the main difference is that the transactional leadership style involves an apparent exchange between the manager and the team members. For example, an employee could be rewarded with a promotion in return for compliance and high performance.
- A bureaucratic leadership style relies on a transparent chain of command, strict regulations and employee compliance. As the name suggests, this leadership style is standard in government entities and military and public organizations.
- Charismatic leadership is characterized by a manager influencing others through communication skills, persuasiveness, and charm. Charismatic managers are particularly valuable in organizations facing a crisis or seeking to move forward, given their ability to connect deeply with people.
- Transformational leadership is used by managers who create a vision based on identified needs and lead their teams to this single goal with inspiration and motivation. The main characteristic of the transformational leadership style is a focus on changing systems and processes that are not working.
- A democratic leadership style can be described as participative leadership. That is a leadership style that involves more people in the decision-making process. This leadership style can be seen in many organizations, schools and governments.

Lesonsky (2022) points out that leadership styles have been studied for decades. That has resulted in the identification of many suitable styles, but the essence of leadership stems from two distinct types: task-oriented and people-oriented. Therefore, the most effective leadership style depends on the manager and the situation. In today's changing business world, one leadership quality is crucial: adaptability.

Agility

Gradišek (2018, p. 5) describes the concept of agility as "a mindset, a way of working that allows product creators to adapt to stakeholder teams and customer needs easily." Orosz (2015) writes that an essential step towards advancing or defining the concept of agility was taken in 2001 when 17 very well-known software masters gathered in Utah to summarise their views on practical software development in a short document. The result of this meeting was the Agile Manifesto, which forms the basis of Agile software development (and marks the beginning of the Agile movement). The 4 values stated in the Agile Manifesto are:

1. Individuals and interactions over processes and tools.
2. Working software over extensive documentation.
3. Engaging the customers over contract negotiations.
4. Responding to change rather than following the plan.

To do something in an agile way means to make a small change quickly, learn from it, adapt your understanding of the problem and repeat it several times (Orosz, 2015). Kutnik (2021) explains that the concept of agility can be explained in two ways; on the one hand, agility is the ability of an organization to adapt quickly to changes that occur in the business environment, which is described in English as

"agility". On the other hand, agility is a combination of a specific approach and Mindset that aligns with the values and principles of the agile Manifesto, or "agile" in English.

Agility was first applied in software development in connection with work organization. By developing different tools, Agile programming enabled faster development and customer integration from the initial steps of the project. Today, agility is also associated with, e.g. product development, marketing, and handling employee capabilities. Moreover, it encourages organizations to dynamically design work and change organizational structures and processes (Sitar and others, 2019, p. 1).

Agile thinking in the organization

Grätsch and Knebel (2021) argue that Mindset describes a person's or team's beliefs and internal attitudes. This results in changed ways of thinking and patterns of behaviour. Synonyms for Mindset are, e.g. mentality, self-image or attitude. Agility means being flexible, agile and able to react quickly. In summary, an agile mindset is a mindset that enables employees to deal with change in a situational and constructive way and to accept change as 'normal'.

The agile Mindset is based on the following agile values (Grätsch and Knebel, 2021):

- openness,
- respect,
- flexibility,
- trust.

The agile Mindset is a set of perspectives that enable us to put into practice the values, principles and practices of an agile world and to deal productively with the uncertainties and ambiguities that occur. At the same time, the entrepreneur can cope in a relaxed and healthy way with constant adaptation to dynamics and complexity because the agile Mindset makes us dynamically robust (Maehrlein, 2020).

McIntosh (2016) argues that the synonym agile mindset is a hard-to-define concept that includes: respect, collaboration, cycles of improvement and learning, pride of ownership, a focus on delivering value, and the ability to adapt to change. Teams can use agile practices without an agile mindset. An agile mindset turns employees into high-performing teams that deliver exceptional results for their customers.

An agile mindset is an environment in which agile teams thrive. It is not a prerequisite for agile adoption, nor is it necessary for a functional agile team. If this Mindset is cultivated and nurtured before, during or after agile adoption, teams (and therefore organizations) will experience excellent results - happy employees delivering outstanding value and customers delighted with the results (McIntosh, 2016).

With an agile mindset, teams can successfully adapt to change, respond quickly to customer feedback and deliver a solution that is fit for purpose. In addition, this mindset shift helps teams build a culture of innovation without fear of being punished for failure (Nagesha, 2020).

Vovk (2022, p. 38) believes that people with an agile mindset are committed to continuous learning and, in addition, help others around them to progress. An agile mindset makes employees focused on acquiring new knowledge and skills. Their supervisors are committed to improving the work environment, are more open to feedback from their subordinates, and are also better mentors to them.

People with an agile mindset believe they can constantly develop and improve their talents and skills through learning, perseverance and passion.

Laws (2021) points out that the importance of an agile mindset does not begin and end with the regular employee. Many organizations have tried to adopt tools and practices that define an agile methodology that promotes adaptive planning and continuous improvement through cross-functional collaboration and adaptive development. However, the managers of the organizations soon realized that the Methodology alone was not enough. Implementing agile practices is about being agile, but adopting an agile mindset means being agile. When we talk about philosophy, the temptation is to observe things individually. If an organization wants to make changes at a business level, it has to embrace them at an organizational level. Adopting and transmitting an agile mindset is valuable, no matter what the organization does. It encourages employees to use resources efficiently: asking for help when needed rather than trying to do everything themselves and paying attention to which tactics are most effective rather than sticking to the most commonly used options. The agile Mindset drives the individual to become better. It encourages those around them to do the same, rather than achieving a certain level of performance and considering it good enough. It is essential that individual continuously upgrades their skills to overcome each new challenge they identify - a process that significantly increases the mental acuity of employees.

The role and importance of agile management for the organization

The Agile Coach teaches organizations about agile project management, agile employees and how to use their knowledge and competencies. It also implements significant structural and workflow changes to make teams more efficient. Agile project management is a project leadership philosophy that promotes continuous delivery, process improvement and adaptation to change (Waida, 2021). Burtan (2021) also considers that an agile coach is a transformation manager who "sells" this approach to employees at all levels: from team members to managers and board members. They must also be able to react to employee resistance. For example, we can teach people about Scrum (a scaled agile technique that connects multiple teams who need to work together to deliver complex solutions) or Kanban (a workflow management method that helps organizations manage and improve work systems). However, that is not the same as convincing them to use Agile regularly.

Most agile coaches advise starting agile practices with clear business objectives, a small number of selected teams and a few well-chosen tools. To build, expand, enhance and sustain the technological capabilities of their organizations, managers need to find the right balance between different teams, self-organizing principles, standards, tools and integrations. Agile systems and processes focus on delivering value to the end customer of the product. That puts customers at the centre of project development and shows a keen interest in their requirements and wishes. Agile work improves customer satisfaction for organizations, as organizations are thus constantly informed of progress and have continuous access to decision-making power during the agile process (Narang, 2022).

Burtan (2021) lists the following characteristics of a good agile coach:

- Patience - change can be challenging for some people. Therefore, an agile coach must be prepared to explain how and why these changes will affect everyone's work. There are many questions and hesitations within an agile transformation, so patience is crucial.

- Charisma - is subjective, as charisma is in the eye of the beholder. However, agile coaches must be seen as charismatic if they want to lead and sell the agile revolution. Charisma helps to persuade people to try new things and reduces potential frustration in case of failure.
- Leadership skills - for some, an agile coach is not just a leader but more of a "silent leader". This term refers to their ability to show people the way without feeling pressured by instructions from boards or managers. Instead, it is more empathetic, people-oriented leadership - less shouting, more listening.
- Knowledge - an agile coach cannot do something they do not know about, as employees will quickly catch them unaware. A thorough understanding of the different agile approaches is needed as it complements the complete soft skills set.
- A good listener - an agile coach is a moderator who listens to different perspectives and points of view and tries to find the best solution. For example, the board and team members may have completely different ideas about the agile transformation process. The agile coach must listen to both sides and find the best solution.

Agile employees

Schreiber-Shearer (2022) explains that to achieve agility, employees must be free to move to new roles when challenges arise and priorities change. This type of free talent exchange requires workforce planning, as managers need to anticipate future knowledge needs and lay the foundations for continuous improvement and re-training. Wilson (2020) highlights the following characteristics of an effective agile workforce:

- they are goal-oriented,
- they are open to using new technology,
- they are committed to a culture of learning and trust,
- are adaptable,
- are creative,
- they are results-oriented,
- manage or react to change seamlessly.

Workforce agility is vital as organizations face increasing competition, shorter product life cycles, and rapidly changing customer interests. That is why organizations have the option to become agile or face a 'slow death' as today's processes and procedures become tomorrow's barriers (Gottfredson, 2019).

Gottfredson (2019) further emphasizes that the Mindset of employees is fundamental, as it guides them towards a unique way of understanding the experience and leads them to act and react accordingly. In addition, perspectives drive employee thinking, learning and behaviour. As a result, to increase the agility of its workforce, an organization must ensure that employees have a mindset that enables them to view change positively and behave in ways that facilitate effective change within the organization.

The mindsets needed for agility in the workforce are (Gottfredson, 2019):

- Growth mindset - A growth mindset is the belief that employees can transform their talents, skills and intelligence. That differs from a fixed perspective, which is the belief that employees cannot change these key attributes. This Mindset dictates employees' priorities, affecting their ability to respond and react effectively during a change. People with a fixed mindset prioritize good looks and

validation because if they do not believe they can improve their talents, skills and intelligence, the least that matters to them is to be seen to be able to do so. Because employees with a growth mindset believe they can change their talents, skills and intelligence, they are less concerned with how others see them. So instead of seeking validation and avoiding failure, their priority is learning and growing. Their growth mindset allows them to see failure, challenge and effort as opportunities to develop their abilities, so they embrace them. As a result, someone with a growth mindset is much more agile. Yet about half of all employees have a more fixed mindset, say HR managers.

- Open Mindset - when employees have an open mindset, they listen to other people's ideas and are willing to take them seriously. That is different from a closed perspective, which excludes the ideas of others. Employees with a closed mindset are focused on being right. If they seek ideas from others, they seek only those that validate their perspective and see disagreement as a threat. Open-minded employees focus on finding the truth, even if it means being wrong. They are not afraid of ambiguity. They always look for new and different perspectives and see disagreements as opportunities to improve their thinking. Agility requires seeing new and different ideas as opportunities to think and navigate ambiguity more effectively, not as a threat to oneself or one's position.
- Forward-thinking - when employees think about progression, they focus on winning and gaining. In contrast, in the case of a preventative mindset, they are focused on not getting lost in the process and avoid problems. This Mindset causes employees to react very differently to change. Employees with a preventive perspective are primarily concerned about not getting lost in the processes and changes. They avoid problems, take no risks and try to maintain the status quo. In summary, employees with a forward-looking mindset are focused on achieving a specific goal. They can anticipate problems, are willing to take risks and are committed to progress.

An organization cannot promote and develop agility if the Mindset of employees resists change. Resistance only increases when stress and challenges related to external market demands intensify. In such cases, employees' survival instincts will be triggered, and they will revert to their old ways of thinking, which are rarely aligned with the changing demands of the environment (Gottfredson, 2019).

Schreiber-Shearer (2022) wrote that although most organizations have been striving for several years to become more dynamic and to dispose of an agile workforce, few can indeed be considered agile. Organizations can only be regarded as agile if their entire crew adopts more dynamic and fluid working methods. Managers must empower their employees to develop skills, take on new challenges and continuously experiment and innovate.

The need for employees and organizations to be agile will only continue in the future labour market as the pace of change accelerates (Schreiber-Shearer, 2022).

Agile organization

Many organizations in the labour market know the importance of further development. However, at the same time, many are also overwhelmed by the many tasks that accompany this development. Agile organizations, or those with agile management, address these problems directly through their organizational structure and ensure that all organization members are actively involved in development. Accordingly, not only individual employees are identified for restructuring in an agile organization. Instead, each team member becomes part of the agile organization and significantly contributes to achieving the goals (Lauenroth, 2022).

Lauenroth (2022) points out that an agile organization is characterized by the ability to adapt to new market demands in a short time. In doing so, the organization is always future-oriented and autonomously introduces changes that positively impact productivity, customer focus, flexibility and goal achievement. Therefore, the right Mindset is one of the most critical building bricks of agile working in an organization. Furthermore, it is a fundamental prerequisite for creating agile working practices in the whole team and establishing specific adaptability to new situations.

Hearn (2019) also argues that an agile organization responds quickly to market changes and workplace trends. Such an organization recognizes that organizational change is inevitable and regularly reviews its practices and processes to ensure that they are leading to optimal employee engagement, morale and performance. In addition, an agile organization responds successfully and quickly to new competitors - it is innovative and constantly challenges itself to advance, react and adapt.

Hearn (2019) argues that the five characteristics of agile organizations make them different from more traditional organizations in terms of management leadership. For example, agile organizations are generally more focused on goals, have ongoing performance conversations rather than one-off annual performance reviews, and are continuously forward-looking. These characteristics include:

- Agile organizations share a common purpose and vision. As a result, they are flexible in their resource allocation and strategies, and they can spot and seize opportunities, giving them a competitive advantage.
- They generally have a flat organizational form (a structure of relationships of tasks, responsibilities and authority or power). Managers are hands-on, all roles are clearly defined, and employees are empowered to fulfil their tasks.
- They are committed to transparency and continuous learning. They have a 'fail fast' attitude, which means they are open to experimentation. Even if these experiments fail, they still present valuable learning opportunities.
- Agile organizations encourage role mobility and entrepreneurial drive. Committed employees want to immerse themselves in the organization and help where possible. Such organizations promote this kind of thinking and drive.
- Importantly, agile organizations prioritize efficient, customer-friendly technology that facilitates decision-making, communication and feedback.

Symonds (2022) points out that an agile organization has structure, policies and capabilities designed to enable employees to respond quickly to a changing environment. The primary focus of this organizational approach is to adapt to evolving customer needs and changes in the business environment. In a traditional hierarchical organizational structure, power or hierarchy flows vertically, and employees are divided into departments. In other words, each employee has a clearly defined role and position and has a strict chain of command. In contrast, agile organizations are built on a network of empowered teams that operate with high standards of alignment, accountability, expertise, transparency and collaboration. That enables them to respond to the emergence of new competitors, rapid technological advances and sudden changes in general market conditions.

While a traditional organization is built around a static, discrete structural hierarchy, agile organizations are characterized as teams working in rapid learning and decision-making cycles. Traditional organizations place their management bodies at the top, with decision-making rights flowing down the hierarchy. In contrast, agile organizations inculcate a common purpose and use new data to grant

decision rights to the teams closest to the information. An agile organization can ideally combine speed and flexibility with stability and efficiency. Any organization-wide agile transformation needs to be comprehensive and iterative in terms of strategy, structure, people, processes and technology, and iterative in that not everything can be planned (Brosseau et al., 2019).

Lauenroth (2022) mentions the following benefits of an agile organization:

- The most obvious advantage, which the name suggests, is speed. Agile organizations can react spontaneously to certain circumstances and integrate them into their processes. That is particularly evident in product development. Agile methods can be used to implement short production cycles, which allows for faster market launches. Any adjustments based on customer feedback can also be made in short sprints to improve the product.
- That leads directly to the following advantage: focus on the customer. Customer feedback is the greatest asset an organization can have in product development. Thanks to agile working, opinions and feedback can be directly integrated into product management. That creates real added value for the customer, which in turn has a positive impact on customer satisfaction.
- The result is a corporate culture characterized by adaptability and flexibility. Agile methods create teams that work at cross-purposes, increasing communication and efficiency across multiple departments and leading to better results, happier workers and more satisfied customers.

Definition of the survey questions

Ažman (2013) points out that knowledge is a crucial competitive advantage for most organizations today. That is precisely why knowledge handling or knowledge management has become a central question in modern organizations. Chorna (2022) describes knowledge management as a collection of resources, activities and tools that enable the management and sharing of knowledge within an organization. Knowledge management is usually seen as a process involving three stages: capturing, sharing and using knowledge effectively. Tailored knowledge-sharing strategies help organizations to make knowledge accessible to everyone, to re-purpose the knowledge and experience collected, to prevent organizations and teams from repeating mistakes, and put extra effort into finding workable solutions.

Knowledge is the heartbeat of every decision taken in an organization. Product development, service improvement, customer engagement and the organization's overall functioning could not function without the team's knowledge. Therefore, the logical step in an organization is to ensure that the knowledge gathered is successfully transferred between employees (Chorna, 2022).

On this basis, we stated our RQ1: What positive effects does the organization most often perceive from introducing agile management compared to the previous traditional leadership?

Managers spend at least 80% of their working time communicating directly with others, in meetings, on the phone or informally with employees. The rest of the time is spent in the office writing and reading, which brings us back to communication (Dimovski et al., 2005, p. 243).

Meško Štok (2009, p. 61) argues that knowledge management places value on knowledge, durability and other information so that an organization uses its skills, experience, expertise and processes effectively, creatively and consistently.

Based on the above, we stated RQ2: Which agile management techniques are most commonly used by department managers?

RESEARCH

Presentation of the survey

The research used both quantitative and qualitative methods. The qualitative part of the research used interviews, while the quantitative part used a questionnaire. The study aimed to obtain the opinions and views of managers and employees on the state of agile management in the organization. Besides, that shows the benefits and effects of adopting agile management on the organization.

The survey questionnaire was prepared based on the questionnaire *The State of Agile in Slovenia in 2018* (Gradišek, 2018). The questionnaire consisted of closed-ended questions and was processed using MS Excel. The questionnaire consisted of 4 domains. The first area of questions refers to the knowledge and perception of agility and agile management in the company, the second to the knowledge and experience of the agile manager, the third to the agile management techniques and the fourth to the benefits of agile management. At the end of the questionnaire, demographic or general questions were added. The questionnaire was published online on the Ika portal. In addition, a link to the questionnaire was sent to the employees' work e-mail addresses.

In total, 67 employees were included in the survey and received a link to participate. Therefore, the survey sample represents 43 employees (64% of all employees). Of the 43 completed surveys, 39 completed the survey in total, and 4 completed the survey in part. All 43 surveys were used as a basis for further data analysis.

The qualitative method used was a semi-structured interview. We interviewed 5 heads of department. The interview questions were linked to different themes: development, experience and incentives for agile management. Thematic coding was used to process the data. This way, we gained a deeper and more holistic insight into the problem of the sporadic use of agile management methods and the insufficient knowledge and experience of the heads of departments, which results in the inefficiency of the employees in the work of the organization.

Discussion on the RQ

Survey question 1 was: What positive effects does the organization most often perceive from introducing agile management compared to the previous traditional leadership?

Sonke (2015) outlines 5 key reasons for introducing agility into an organization: accelerating change and innovation, embracing the digital revolution, customer focus and employee empowerment, and removing barriers between departments in the organization's structure. Many authors highlight the key reasons and benefits of adopting agility and agile management. Largosa (2022) adds that many organizations have found in practice that agility has been a powerful tool for their success for many years. Paterska (2021) also notes that agility enables companies and organizations to achieve results faster and with fewer barriers. He adds that the main reason for this is the real-time management of project risks and changes, unlike traditional project management. In particular, Jemec (2019) points out that by becoming more agile, organizations become more innovative, can better identify changes in the environment and necessary societal changes, develop flexible solutions and avoid crises. Mersino (2019)

also points to the benefits of agile management that organizations gain from being agile, such as increased competitiveness, happier customers, encouraging continuous improvement, and faster innovation and change.

The quantitative research findings show that responding quickly to change is the most commonly perceived effect of introducing agile management, followed by a company's ability to adapt.

In survey question 2, we asked which agile management techniques are most commonly used by department managers.

Grdišek (2018, p. 16) lists daily stand-up meetings, short iterations, iteration planning, and sprint planning among the main agile leadership techniques. Among the dominant methods, he includes Scrum (a framework that helps teams solve complex problems and develop products with the highest added value productively and creatively), Kanban (a generally applicable agile method), and interactive development (Gradišek, 2018, p. 16).

The quantitative research findings show that the most commonly used agile management technique is the approach of quick meetings, which are no longer than 15 minutes, followed by the workflow planning technique and the short meeting technique, which help to manage the complexity of larger projects. The fact that agile management techniques are frequently used in the studied organization Termo Shop, d.o.o. is attributed by the interviewed managers to the usefulness of attending training sessions. BSH Ltd (2022), which started its agile transformation in 2018, emphasizes that agile management techniques can change the agile Mindset and a new way of working.

Discussion of conclusions and proposals

Agile management is crucial for the development and growth of an organization in today's era of rapid change, as it effectively motivates and inspires employees and enables the organization to adapt quickly to market conditions. Therefore, more and more organizations see the added value in adopting agile management and the associated agile Mindset, which focuses on finding customer solutions.

The survey showed that Termo Shop, d.o.o. has only partially implemented agile leadership, so we propose to introduce the help of an agile teacher who would mentor managers to help employees adopt agile mindsets faster. The teacher should be a person who offers additional knowledge, is a facilitator, ensures good collaboration, advises and makes suggestions for solutions, and thus help the organization to achieve its goals.

Not all managers use agile methods, so we suggest that Termo Shop Ltd introduces short 15-minute meetings. This proposal aims to ensure that all stakeholders in the organization receive feedback on project implementation more quickly while also receiving praise or criticism. Small changes in words can significantly affect how the recipient understands them. And by getting it right, we help to create a positive climate in the organization, build trust, and respect, motivate individuals and serve as a catalyst for change. The key is to support and encourage positive behaviour with excellent feedback. That is how we make our employees even better.

Short meetings can also help an organization establish a process of innovation. This proposal can also help increase employees' motivation and commitment, especially those often convinced that the goal

cannot be achieved. Through feedback from colleagues, they recognize that the goal is achievable, which triggers a change in Mindset and contributes to the organization's agility.

CONCLUSION

Our theoretical findings have identified many differences between traditional and agile organizational management. From the perspective of efficient and effective organizational performance, we point out the following advantages of agile management over traditional leadership: speed, customer focus, adaptability, and flexibility. Domestic and foreign literature studies show that the most effective agile management methods are Scrum (a framework that helps teams solve complex problems and develop products with the highest added value productively and creatively) and Kanban (a generally applicable agile method). Among the techniques, Kanban, short iterations, iteration planning, sprint planning, and daily stand-up meetings are the most prevalent.

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