

## MANAGING AN AGILE ORGANIZATION – KEY DETERMINANTS OF ORGANIZATIONAL AGILITY

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**Purpose:** The subject of this study is to look at the management of an agile organization with the identification of key factors affecting its agility.

**Design/methodology/approach:** The method used in the study is based on the interpretation of the literature on the subject, the analysis of the author's own experience and the analysis of the results of secondary research.

**Findings:** There key factor of organizational agility is always a man with his competences - knowledge, skills and attitude towards changes - a man with his ability to be agile. Whether and how the organization will be ready to cope with the changes taking place around it, and thus what level of agility it will be able to demonstrate, depends on the openness to this human agility and agile competences possessed by people who create this organization. There will be as much agility in the organization as there will be openness to agility in the people who create it. This is a factor that, is crucial in defining the ability to agile transformation of an organization.

**Practical implications:** Based on the conclusions of the analysis, when implementing agile work systems, organizations should pay the greatest attention to people – not only technology, as is the case in many business organizations - and start agile transformations from people.

**Originality/value:** The article presents a detailed, multifaceted analysis of the factors determining organizational agility, which in the era of BANI world is crucial, for the survival and success of business organizations. The conclusions contained in the paper can be the base to prepare, implement and constantly increasing organizational agility.

**Keywords:** agile management, agile leadership, competence, organizational agility.

**Category of the paper:** Literature review and viewpoint.

### 1. Introduction

Social, economic and political changes, globalization, the development of new technologies and generational changes pose new challenges to the organization of the 21st century. What we can define as the only constant element of modern reality is change.

The ability to quickly adapt to ubiquitous changes can be defined by the adaptability of the organization - organizational agility. The level of organizational agility is conditioned by many factors - both internal and external.

Undoubtedly, there can be said that the first half of the 21st century and the related challenges faced by organizations is the time of organizational agility testing, readiness to agilely respond to the challenges set by everyday reality.

Organizational courage, commitment, determination, proper preparation and openness to change, treating change as a constant factor accompanying us in today's world, but also a factor driving innovation and development, agility in adapting to change, will determine the success or failure of the organization.

The importance of agility for organizations is constantly growing, the reason for this is the influence of many factors such as continuous development, unflagging progress and technological changes, constantly increasing market expectations and social and economic changes. Organizations tend to come to the conclusion that the traditional organizational structure makes them too slow, and therefore inefficient and characterized by low effectiveness. This, in turn, results in the inability to quickly adapt to changing conditions.

The way organizations can operate effectively in a complex, unpredictable, ambiguous and constantly changing environment is referred to as "VUCA" (Bennett, Lemoine, 2014 p. 311-317), which has been a dominant topic in both the business and academic worlds. VUCA is a type of acronym that was first used in 1987. The United States Army military college implemented the VUCA concept to accurately describe the post-Cold War world: Volatility - volatility, Uncertainty - uncertainty, Complexity - complexity, Ambiguity - ambiguity. The concept of VUCA, especially after the attack on the World Trade Center, gained great popularity and functions both in the context of the military and strategic leadership in organizations. (EY Poland, 2023)

The high volatility, uncertainty and unpredictability of the situation that we could observe during the outbreak of the global COVID-19 pandemic was a kind of test for many organizations that had to adapt overnight to the new conditions in which they functioned. It was the level of agility of the organization that determined whether and how quickly they would be able to adapt to the new reality.

The speed of changes that takes place around us results in the feeling of permanent chaos, anxiety and a strong need to define ourselves and the world around us in a new reality.

In 2020, Jamais Cascio attempted to update the VUCA approach by creating a new model - the acronym BANI - whose task is to help understand the effects of the pandemic, the processes that are happening around us and which we are experiencing, and what we can expect in the future (Cascio, 2020). As in the previous model, also in the BANI model, each letter has its own meaning: Brittle - fragile, Anxious - restless, Non-linear - non-linear, Impereceptible - incomprehensible. As defined by Cascio (Cascio, 2020) "What used to be unstable is no longer reliable. People no longer feel insecure, they are restless. Things are no

longer complicated, instead they are subject to non-linear logic systems. What used to be ambiguous, today seems incomprehensible to us”.

The answer to this is the concept of agile organization management, which is the next stage in the evolution of the implementation of new management models.

A big challenge when introducing changes towards agility is also preparing the organization - in terms of structure, technology, competencies, but also in terms of the way of thinking. Ability to quickly adapt to changing market conditions and expectations.

The subject of this study is to look at the management of an agile organization with the identification of key factors affecting its agility. The method used in the study is based on the interpretation of the literature on the subject, the analysis of the author's own experience and the analysis of the results of secondary research, illustrating the subject of organizational agility.

## **2. Literature review**

The concept of agility has been used in literature and business for many years, and interest in the subject is growing day by day. The first mentions of agility can be found as early as the 1920s, and in particular in the 1960s, when management scientists undertook activities aimed at developing a concept illustrating how organizations deal with a constantly changing and unstable external environment. The concept and term "agility" was further explored in the 20th century by researchers at Lehigh University in Pennsylvania, who initially focused on agile manufacturing. Subsequently, the concept of agility was continued by researchers dealing with production and supply chain management, production economics, and information technology. However, the adoption of the concept of agility by production software and the IT industry, where this concept is most often used today, was of key importance for the development of the agility concept. Methods that operationalize agility, such as Design Thinking, Scrum, or Kanban, are widely known and relevant. It is also a fact that the topic of agility has become one of the main business concepts of the 21st century (Włodarkiewicz-Klimek, 2018, p. 148; Trzecieliński, 2011, p. 75).

### **2.1. What is organizational agility?**

The literature on the subject points to various features that make up agility. In relation to the company, it is speed, i.e. the ability to quickly perceive market opportunities and threats that flow from the environment. Agility is also understood as the ability to use available resources, intelligence, i.e. the company's ability to understand the situation and react appropriately to it, and astuteness, i.e. the ability to use knowledge to deal with new, changing situations in practice (Włodarkiewicz-Klimek 2018, p. 148; Trzecieliński 2011, p. 75).

As the authors of *Fast and flexible: Corporate communications in agile organizations* (Zerfaß et al., 2018) point out, agility means that an organization by establishing new ways of organizing work and planning should become more flexible, definitely faster and take over the activity in responding to emerging internal and external challenges and needs. Agility requires a change in the organization of work, introducing more flexible and resistant teams, a flatter functional structure as well as openness to cooperation with a wide range of stakeholders.

Organizational agility is an intangible concept, the definition of which was consistently not uniform, and the researchers of the subject defined the concept of agility in various ways. The conducted research shows that agility itself is an abstract concept, affecting both the internal and external aspects of the organization's functioning.

Capturing the concept of agility as a concept that captures agility as a whole turns out to be a big challenge. The definitions of agility that are widely known come mainly from research on the manufacturing industry. Research on the concept of agility has led to an image of agility that is characterized by several similarities, some areas indicating contradictions and showing some gaps (Harraf, Wanasika, Tate, Talbott, 2015, pp. 675-686).

Conducted research in the area of organizational agility (Dyer, Shafer, 1998, p. 6) led to the conclusion that agility is not an individual achievable standard. There is no single formula for what agility looks like, so an organization may become more and more agile, but it will probably never be completely agile (Alzoubi, Al-otoum, Albatainh, 2011, pp. 503-515).

Sharifi and Zhang are among the most frequently cited authors when it comes to the description of agility, in particular in terms of attributes characterizing this agility (cf. Sharifi, Zhang, 1999, pp. 7-22).

They divide the organization's agile capabilities into four categories/criteria, namely:

- responsiveness, which is described by the authors as the ability to identify changes and react quickly to them,
- competencies that they perceive as a broad set of skills that ensure productivity, efficiency, and effectiveness of activities in relation to the challenges and goals of the company,
- flexibility/adaptability, i.e. the ability to process different products and achieve different goals with the same approach,
- speed, i.e. the ability to perform activities in the shortest possible time.

Organizational agility can be defined as the effective use of competitive factors such as speed, flexibility, quality and profitability, activities that strengthen innovation by integrating variable resources and best practices in a knowledge-rich environment, in order to provide products and services that will be tailored to the needs of customers in rapidly changing market environment (Yusuf et al., 1999, p. 37).

**Table 1.**  
*Agility criteria by. Shari and Zhang*

<b>Agility criteria</b>	<b>Defined by:</b>
<b>RESPONSIVENESS</b>	<ul style="list-style-type: none"> <li>- Sensing, perceiving and anticipating change</li> <li>- Immediate response to changes by entering them into the system</li> <li>- Recovery after change</li> </ul>
<b>COMPETENCES</b>	<ul style="list-style-type: none"> <li>- Strategic vision</li> <li>- Appropriate hard and soft technology or sufficient technological skill</li> <li>- Quality of product services</li> <li>- Cost effectiveness</li> <li>- Speed of introducing new products</li> <li>- Change management</li> <li>- Competent people with knowledge and commitment</li> <li>- Operational efficiency and effectiveness</li> <li>- Internal and external cooperation</li> <li>- integration</li> </ul>
<b>FLEXIBILITY</b>	<ul style="list-style-type: none"> <li>- Product volume flexibility</li> <li>- Flexibility in product configuration and modelling</li> <li>- Organisational flexibility and flexibility within an organisation</li> <li>- People flexibility</li> </ul>
<b>SPEED</b>	<ul style="list-style-type: none"> <li>- Speed of introducing new products to the market</li> <li>- Speed and timely delivery of products and services</li> <li>- Speed of operations</li> </ul>

Source: Sharifi, Zhang, 1999.

In turn, Gunasekaran (Gunasekaran, 1999, pp. 87-105) defines agility as "the ability to survive and thrive in a competitive environment of constant and unpredictable change, by responding quickly and effectively to changing markets, driven by products and services designed by customers".

Worley and Lawler look at the issues of agility differently (Worley, Lawler, 2010, pp. 194-204), indicating the definitions of agility in the following way: "Agility is a dynamic design of the organization, it is the organization's capabilities that allow you to sense the need for changes

coming from both sources, both internal and external, and allowing the change to be carried out as a routine activity while maintaining above-average performance”.

An interesting look at agility is presented by Lu and Ramamurthy (quoted by Lu, Ramamurthy, 2011, pp. 931-954), who define agility as "the company-wide ability to cope with changes that often occur unexpectedly in business environments, through quick and innovative reactions, taking advantage of changes as development opportunities. In turn, Dove, in his 2001 publication, *Response Ability: The Language, Structure, and Culture of the Agile Enterprise*, (quoted in Dove, 2001, pp. 1-36) sees organizational agility as "the company's ability to deal with rapid, inexorable and uncertain changes in an environment where changes occur continuously and unpredictably”.

Another researcher who attempted to define organizational agility is Felipe (cited Felipe et al., 2016, pp. 4624-4631), he defines organizational agility as a key ability of organizational dynamics and defines it by referring to "the company's ability to sense changes in the environment and responding to them effectively”.

The definition of agility given by Haq and Boddu (2015) indicates that agility covers many aspects of an organization. This pair of researchers have defined agility as "a business-wide opportunity and its organizational structures, information systems, and especially mindset”.

The already quoted Dove R., continuing research on agility, in his webinar "Agile Systems and Processes (...) from 2018 (quote Dove 2018) defines agility as "an effective response to opportunities and problems within the organization". At the same time, he emphasizes the effectiveness of the reaction and additionally defines its characteristics. According to him, a reaction can be considered effective if it is:

- fast enough to deliver value,
- cost-optimal,
- predictable,
- comprehensive.

The concept of an agile organization is also described by Linda Holbeche (2018), who points out that "agility goes beyond being flexible" and that "a flexible business is able to make changes within the current organizational system when a predictable event occurs", while "agile organizations are able to change the whole system completely in response to an unpredictable external force”.

Thus, organizational agility is the overall ability of an organization to react quickly and benefit from changes initiated by external and internal environmental factors. Agility includes the ability to identify significant changes that will have a key impact on organizations and to respond to them proactively, effectively and efficiently with the involvement of a team competently prepared to cope with these changes. Agility is based on flexible functional structures, not on hierarchical models of organizational structures. An important aspect of agility is the ability to quickly create flexible processes and organizational structures that

respond to the current, often changing needs of the organization and the right selection of people for changing tasks.

Extremely interesting research related to the agile transformation of organizations was conducted by McKinsey (cf. Salo, 2017). In the McKinsey Global Survey, "How to create an agile organization", organizational agility was defined as the ability to quickly reconfigure strategy, structure, processes, people and technology towards the possibility of creating new and protecting the existing value. The cited studies clearly show that companies that are undergoing a transformation in terms of increasing agility observe much greater efficiency and higher work results in units where agile methods have been fully adopted compared to other areas of the organization where agile transformation has not yet been completed. For many respondents to the McKinsey study, agility is a strategic priority. However, respondents indicate that few agile transformations across the organization have been completed so far, with only 4% of all respondents confirming that their companies have fully implemented agile solutions across all areas of their business.

The areas that the survey respondents indicate as those where agile transformation and agile work methods have been implemented to the greatest extent are those that are in contact with the client, in particular, they relate to innovation, sales, service and building positive customer experiences and product management. Nearly half of respondents say their companies are adopting agile ways of working in operations, strategy and technology processes, and roughly a third say they are also doing so in supply chain management and talent management. Over 70% of respondents to the survey confirm that organizational agility is one of the top priorities in the organization's development programs, and over 80% of respondents working in agile units confirm an increase in overall efficiency since the implementation of agile transformation.

According to Prats et al. organizational agility is characterized by three abilities: sensitivity, security and fluidity (Prats, Siota, Wyman, Gillespie, Singleton, 2018, p. 7).

- Sensitivity is defined as the organization's ability to recognize, identify and assess opportunities and challenges related to the changing external environment. It addresses the need for change at a particular point in time and the areas where switching, innovating and adapting is required. This function supports making well-thought-out and informed decisions.
- Security refers to the company's effectiveness in engaging the required resources from various areas - internal and external organizations - in order to properly use the potential of the opportunities identified by it.
- Fluidity indicates the organization's ability to transform internally as a response to the emerging demands of the external environment.

In this sense, agility means the ability to change not only the company's resources, but also the way it works. Organizations with such abilities are the most open to changes (Juchnowicz, Wolińska-Skuza, 2021, p. 29).

Organizational agility is therefore a broad concept and requires a multidimensional consideration, both taking into account the aspects of dealing with challenges coming from the outside as well as inside the organization. At the same time, the view on agility and the organization's ability to quickly adapt to change should be considered in the context of operational, organizational, technological and competence agility. Only such a view gives a full picture of agility.

## **2.2. External agility enablers of the organization**

The focus of attention and strong emphasis on developing corporate agility has its sources both in the external environment and the changes taking place there, as well as in internal factors - both the organizations themselves and the people who create these organizations. These changes are undoubtedly a source of potential opportunities and opportunities for the organization, but they can also be a significant threat to it.

Both the literature on the subject as well as conducted research and observations lead to the identification of key factors having a significant impact on the growing agility in organizations. One such factor is the ubiquitous technological changes regarding, in particular, the digital transformation of work and life. Technological changes affect all parts of the value chain. Significant changes and acceleration are observed in the development cycles of new products and technologies, thanks to which organizations become much faster and more flexible in operation. High-speed internet is also an important driver of agility. mobile phones, artificial intelligence, big data analytics and the technological cloud.

Intelligent systems and machines take over boring and repetitive tasks. Automation of processes, robotization and increasing efficiency results in less demand for employees. New needs, growing demand for new products and services result in the emergence of new professions and new jobs. This situation, in turn, determines changes in the qualifications and development of employees and the creation of new, not yet functioning jobs.

Growing market requirements are also an important external factor driving the development of organizational agility. Rapidly changing markets, ever-increasing costs, inflation, increased competition on the international market, growing customer expectations for an individual approach and personalization of products, higher quality requirements and longer delivery times encourage organizations to adapt to market conditions. New competitors, start-ups are often smaller and faster, and thus more agile (cf. Zerfass et al., 2018, pp. 4-33).

Generational changes also have an impact on the increase in corporate flexibility and agility. As the authors of the study indicate (Zerfass et al., 2018, pp. 4-33), employees of generations Y and Z have different expectations related to their professional career than previous generations. They want to take responsibility for their own projects and definitely prefer teamwork. For many of Generation Y and Generation Z, leadership is no longer a top priority. A much more important aspect that fits their expectations is the flexible work structures that are characteristic of agile organizations.



An important catalyst for changes towards increasing organizational agility is also an unstable and complex political environment, regulatory changes that put enormous pressure on enterprises. The flexibility of the organization also determines the need to adapt the organization to changing legal regulations in various areas, in particular in the area of data protection, environmental protection, etc. The impact of changes introduced by companies and the ongoing digital transformation on regulatory changes is also significant, experts are considering changing the regulations to take into account the role of artificial intelligence (AI) in various areas of activity, in particular in consumer finance. As Zdrojewski points out (Zdrojewski, 2022), for example, in order to avoid gender inequality in credit decisions, it is important to take into account the role of artificial intelligence in consumer finance . It turns out, therefore, that the growing flexibility of the organization has a significant impact on the need for regulatory changes.

The conclusions defined in the Institute for the Future - Future work skills 2020 study remain valid, as indicated by Balog (Balog, 2020, pp. 14-27), we can distinguish six factors determining changes, and thus factors affecting increasing agility, they are:

- Increasing life expectancy, which significantly affects changes in career and learning - lifelong learning and changing careers several times in the course of life is becoming something natural.
- Partnership of machines and people - the use of synergy and the use of human competences for more complex tasks.
- Digital synergy - in a computerized world, all devices are interconnected, and interactions between them are recorded and transformed into data, which can build new connections and patterns that increase productivity.
- New media - communication tools, video production, digital animations, augmented reality and gamification give birth to a new, more advanced form of communication and transmission.
- Organizations with a "superstructure" - technology community - organizations known today, are considered products of the last century. New organizational and work skills will not come from traditional management theories, but from areas such as game theory, neuroscience and positive psychology.
- Global multicultural teams - outsourcing of experts scattered around the world requires different processes and methods of work.

All this raises the need for change in the construction and management of a modern organization, an organization that meets the expectations posed by the reality of the 21st century.

### **2.3. Internal factors affecting agile transformation**

For agile transformation, both the above-mentioned external factors are important, which induce the need to introduce agile solutions, but equally important is what the situation inside the organization looks like and what elements must interact with each other for agile transformation to occur and be efficiently implemented.

One of the most important links in any organization are the people who create it - without people there was no company. It is the human aspect - the agility of a person and his openness or reluctance to change - that will determine whether the agile transformation into an organization will run smoothly and bring the expected results. The human factor is one of the first factors to be taken into account when planning an agile transformation.

An organizational culture that favors agility is a culture based on trust, openness, diversity, mutual acceptance, support and knowledge sharing. Organizations increase their agility precisely because of the actions of the people who create these organizations. Managers and employees need openness to work in interdisciplinary teams for which the foundations of an agile organizational culture become jointly cultivated values with which the entire organization identifies.

As the report *The Future of Jobs Report*, *The World Economic* (2018) indicates, one of the most important factors having a key impact on the course of agile transformation is the role of top management in the organization. It is the attitude of the company's management board, its openness to changes, unconventional, forward-looking thinking, its readiness to depart from the clichés to which the organization has become accustomed over the years and commitment to change - agile transformation - that will determine the success and effect of the implemented changes. The lack of support from the board and its lack of openness to change is one of the biggest obstacles on the way to agile organizational transformation.

An extremely important internal factor that is significant for the course of agile transformations in organizations, and as a result for the effectiveness and efficiency of an agile organization, is the area related to the competences of its leaders and employees. Importantly, unlike previous trends, as indicated by research and analysis of the literature on the subject, soft skills turn out to be the key. This has also been confirmed in numerous studies conducted in this area. The desired competencies of employees in agile organizations will be discussed in more detail later in this study.

Undoubtedly, an important factor affecting the agile capabilities of an organization is the concept of continuous development - the concept of lifelong learning. This concept radically changes the view on development, learning and changes in the scope of functions, positions and changes in professions in the course of a person's life. The changing environment and the requirements related to it are a kind of motivator to take adaptive actions to keep pace with the changing reality. It is the level of openness, on the one hand, on the part of employees, to learning new things, and, on the other hand, on the part of the organization, to diagnosing

future needs and enabling employees to develop, combining the needs of both, will determine the subsequent success and level of agility of the organization.

Another factor qualified as an internal factor is the size of the organization. Undoubtedly, it is much easier for smaller organizations, such as start-ups, to implement agile work models. The level of complexity of the processes here is much lower compared to the complex, multi-level structures of large corporations. Nevertheless, many large corporations, realizing the benefits of agile structures and a high level of organizational agility, have no doubts that implementing changes towards increasing flexibility and agility is something necessary and indispensable to be competitive on the market.

The authors of *Fast and flexible: Corporate communications in agile organizations* (cf. Zerfaß, 2018, pp. 6-8) express the view that not all companies are suitable for implementing agile working methods. Pointing to industries such as accounting, investor relations or legal services, they are of the opinion that agility is not a favorable model for these areas of activity, and rigidly defined chains of command and responsibility will work better. The author of the study does not share the above-mentioned view. Each industry, area of activity or process requires looking through the prism of agility. Looking through the prism of the definitions of agility quoted in the earlier parts of this study, as well as based on the author's long-term experience in improving and increasing the flexibility and agility of processes and organizations, it should be stated that in each of the areas of activity, you can find space for increasing agility. Of course, one should not forget about the key aspect underlying agile change - the aspect of purpose and efficiency resulting from increasing organizational agility. In some areas, agile transformation will be possible to a much wider extent, while in others, its dimension will be smaller. The ability to look at the organization not from the perspective of hierarchical dependencies, but from the point of view of the architecture of the processes that are implemented in it, is the key to flexibility and speed of operation, and this determines the agility of the organization. Bureaucratic, hierarchical organizational management structures can significantly slow down the implementation of tasks by e.g. extended decision-making process. Difficult flow of information and lack of transparency, which translates into low efficiency. Flat organizational structures, decentralization of power and the transfer of decision-making powers to properly empowered process owners and multifunctional teams translate into the speed of decision-making, and thus the effectiveness of processes implemented in individual areas. Operational agility is an important factor determining the agility of the entire organization.

Agile teams tend to be faster, smarter, more effective and more valuable compared to traditional hierarchies (Balog, 2020, pp. 14-27).

As pointed out by Zerfaß, A. et al. (2018) access to modern technologies and work tools is a prerequisite in today's world for organizations to function in an agile manner. We are talking here about extremely useful, agile methods and tools such as Scrum, Design Thinking or Kanban, which are a huge added value when creating and managing an agile organization.

At the same time, modern technologies cannot be omitted, including in particular tools supporting cooperation in virtual teams, often scattered around the world. Platforms for managing and sharing knowledge are also of great importance - by supporting quick access to aggregated data resources and knowledge needed to make decisions, they also serve the aforementioned development of the organization's employees.

#### **2.4. Internal factors affecting agile transformation**

As mentioned earlier in this study, the competencies of its leaders and employees are of great importance for the agility, and thus the effectiveness and efficiency of the organization. While in the past, "hard" knowledge was of key importance, now soft skills play and will play the most important role in the future. This has also been confirmed in numerous studies conducted in this area.

The topic related to the competencies that support the agility of organizations, which are in demand on the market, was raised, among others, by in The World Economic Forum's 2018 Report, which identifies as key skills for agility such as flexibility, emotional intelligence, analytical thinking, innovative approach, proactivity, learning and complex problem solving skills, digital and technological agility, attention to detail, resilience, creativity, originality, initiative, critical thinking, influence and negotiation skills.

Similar conclusions are also drawn by the Ministry of Education Singapore (Ministry of Education Singapore, 18.10.2021), in the article "21st Century Competencies", which was published on October 18, 2021 on the ministry's website, indicating the key competences of the future, the development of which should be ensured by implementing appropriate changes to the education system. The authors of the article focus on the competences that are components of emotional intelligence. As the most important competences, they indicate in particular: self-awareness, social awareness, self-management, responsible decision-making, relationship management skills. They also point out that the essence of shaping the leader of the 21st century is taking care of shaping one's own identity, recognizing and managing emotions, a sense of responsibility, caring for oneself and others, building and developing relationships with other people, facing challenges, and the ability to make responsible decisions.

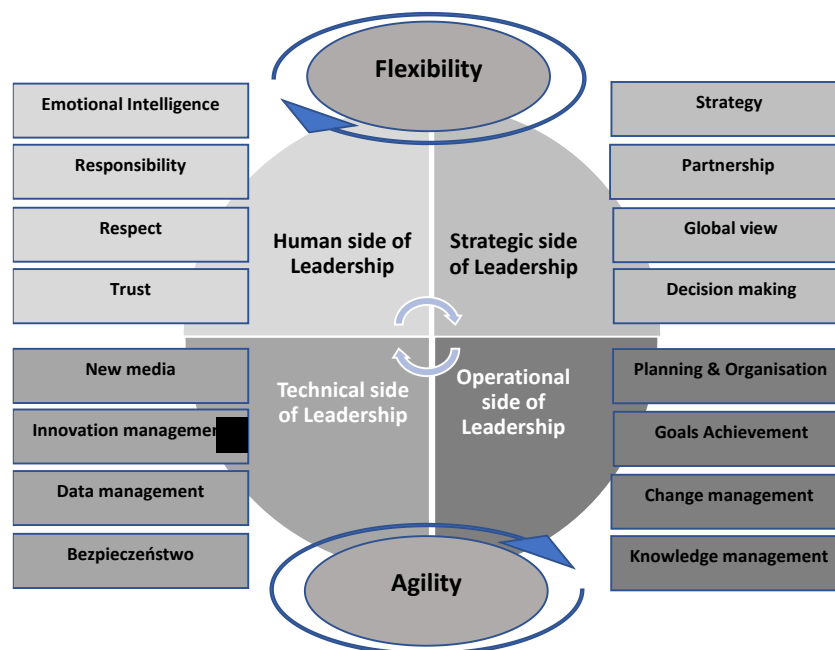
Minouche Shafik, Director of The London School of Economics and Political Science, also points out the importance of soft skills and the need to develop them at the stage of university education. In an interview with Alain Elkann on April 1, 2018 (Elkann, Shafik, 2018), Shafik points out that in order to educate people who will meet the challenges of the future, emphasis should be placed on key competences already during the university education process. The key competencies include: synthesizing and analyzing information, and the ability to critically look at it. As she says: "In the past, work was about muscles, now it's about the mind, in the future it's about the heart".

Shafik also shares the conclusions drawn by the Singapore Ministry, noting the important role of emotional intelligence - skills that robots cannot do will be in demand in the future. It also emphasizes the ability to work in multicultural, multidisciplinary teams as important. Shafik does not forget about digital competences, rightly stating that in the era of ubiquitous automation, they are desirable competences in agile organizations of the 21st century (Elkann, Shafik, 2018).

The author of this study attempted to define the model of competencies of leaders of the future, leaders of agile organizations in the article "The key competencies of leaders in organizations of the 21st century" (Grześ, 2022, pp. 164-169), indicating four areas of leadership and distinguishing key competencies for each of these areas. In the model, the author took into account the needs and roles that a leader assumes in his work, separating four key, mutually complementary areas of a leader's competences, which simultaneously define four aspects of his activity. They are:

- Human side of leadership - including such competences as emotional intelligence, responsibility, respect, trust.
- Strategic side of leadership - including such competencies as strategy, partnership, global view and decision making.
- Technological side of leadership - including new media, innovation management, data management and security.
- Operational side of leadership - which includes planning and organization, achieving goals, managing change and managing knowledge.

The areas shown in the model, which are the centers of the leader's competence, are shown in Figure 1.



**Figure 1.** Model – Key Areas of Competence of the XXI century Leader.

Source: Grześ, 2022, pp. 164-169.

The competences of the future affecting the agility of the organization have also been identified by researchers in the report *The Future of Skills: Employment in 2030* (Bakhshi et al., 2017, pp. 7-120), in which they indicate the key skills conducive to meeting the needs of employees the requirements of the future – the requirements of agile organizations. Researchers have identified the competencies of agile employees of the future, which include the following skills:

- Sense-making – identifying this competence as an individual's ability to make sense of tasks and perceive important aspects on many social levels.
- Social intelligence - widely understood social intelligence, ensuring efficient and understandable communication as well as the ability to express empathy and understand the perspective of another person.
- Cross-cultural competency - the ability to cooperate in a multicultural environment.
- Virtual collaboration - the ability to effectively collaborate in a virtual team.
- Knowledge of new media (ang. New-media literacy) - an individual's ability to efficiently use new media that are offered by the market.
- Novel and adaptive thinking - it is the ability to go beyond the usual patterns and think "out of the box", but also the speed of adapting to a turbulent environment and quickly exploring knowledge about missing information.
- Information management (cognitive load management) - the ability to prioritize information in terms of its relevance.
- Design mindset - the ability to model effective thought processes leading to the achievement of intended goals.
- Transdisciplinarity - a skill understood as global thinking, a broad view of reality, thinking going beyond the area of a given field.
- Computational thinking - is the ability to properly use the available data, combine them together and use them to make the right decisions.

### **3. Discussion and Conclusions**

On the one hand, the world of VUCA, which all the time seems to be present, characterized by constant volatility, uncertainty, complexity of situations and their ambiguity, and at the same time emerging fragility, restlessness, non-linearity and incomprehensibility defined by the BANI model, provide strong grounds for saying that openness to agility and the ability to follow it in today's world is a key attribute for the survival and development of an organization. As it has been described in this study, we must look at the agility of an organization from many aspects. Both external and internal factors – individual for each organization – should be taken

into account. The key external factors affecting agile transformation are dominated by technological changes, in particular the digital revolution and work transformation, automation, robotization, the use of artificial intelligence and growing market requirements. The transformation of life and generational changes, as well as employees' expectations regarding the development of their career paths are also significant, which also have a significant impact and accelerate processes aimed at increasing the agility of the organization. People and soft skills are of key importance in accelerating or slowing down the agile transformation, which, as indicated by the research cited in this study, turn out to be one of the most important in the 21st century. An important issue is the answer to the question whether investments in the development of people and soft skills are actually recognized as an important point in the development plans of the organization? How organizations prepare employee for agile transformation and whether it is one of the priorities in their plans? The answer can show the real preparation of business to inevitable changes.

#### **4. Summary**

Organizational agility is therefore a broad concept and requires a multidimensional consideration, both in terms of the organization's ability to deal with external and internal challenges. At the same time, the view on agility and the organization's ability to quickly adapt to changes should be considered in the context of operational, organizational, technological and competence agility. Only such a view gives a full picture of agility.

In the center, however, there is always a man with his competences - knowledge, skills and attitude towards changes - a man with his ability to be agile. Whether and how the organization will be ready to cope with the changes taking place around it, and thus what level of agility it will be able to demonstrate, depends on the openness to this human agility and agile competences possessed by people who create this organization. There will be as much agility in the organization as there will be openness to agility in the people who create it. This is a factor that, in the opinion of the author of this study, is crucial in defining the ability to agile transformation of an organization.

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