

Executive Summary

Tata Consultancy Services (TCS), the group's IT flagship established in 1968, recognized the need to embrace agile methodologies to stay relevant in the rapidly evolving technology landscape. Conventional waterfall approaches lacked flexibility, customer involvement, and the ability to adapt to changing requirements, prompting TCS to adopt an agile mindset. Under Mustafa's leadership, TCS embarked on a large-scale agile transformation, aligning strategies, processes, and stakeholders. This customer-centric approach aimed to increase engagement, retention, collaboration, and quicker delivery, ultimately driving customer satisfaction.

The successful execution of the agile strategy, backed by senior leadership and stakeholder engagement, has enabled TCS to outperform industry standards and achieve strong financial performance, cementing its position as an industry leader. However, continuous improvement opportunities exist, such as seeking guidance from industry peers, customizing domain-specific plans, fostering global inclusion, developing reusable training materials, implementing incentives, tracking compliance, and incorporating retrospective feedback loops.

Background of Tata group

A person born in 1839 in the British Raj (British colonised India) and envisioned a highly ambitious dream of having a proudly Indian steel mill, a five-star hotel, a world-class university and even a hydroelectric powerplant. It is important to reiterate that we are talking about an era where the whole subcontinent was under British rule and most of the population was highly deprived and did not have the luxury of freedom and availability of plentiful resources we enjoy in the modern age.

It is a fact beyond doubt, that this person knew that he might not live to see the realisation of his dreams but still, took the right strategic move of setting up a startup in 1868 to improve the quality of life of communities, and then came a time when Tata Steel in 1907, Taj Hotels in 1903, Tata Institute of Social Sciences in 1936 and Tata Power in 1911 was established. The seed foundation was the Tata Group, and the visionary person was Jamshedji Nusserwanji Tata.

Present-day Tata Group being the largest conglomerate that originated from India has demonstrated successful strategic planning and execution in various eras, e.g. more than 150 old Organisations have successfully faced British rule in India, the Second World War's global economic challenges, different phases of Indian democratic journey involving corruption aspects and government shifts from socialism at the time of its inception to capitalism at present-day India.

TCS and its strategic challenges

Tata Consultancy Services is the most modern paramount organisation of Tata Group, it's not only the pioneer in the Indian IT industry but also to date, is considered among the top business entities in India in terms of their market capitalisation.

TCS was established in 1968 and like its parent group, it has also witnessed the different stages of the technology industry [Appendix 1.1](#). and possess a wide variety of industry experience, and because of the nature of their business, they have inherited the inherent challenges of the technology (ICT) industry, where the biggest challenge by far, is keeping themselves up to date with modern practices to stay relevant. Because of rapid advancements in the sector, new paradigms are emerging so frequently, which are of huge significance and organisations like TCS can't afford to miss the train in such changing dynamics just for their survival [Appendix 1.2](#). TCS is a privileged organization with dynamic capabilities with its executive in a relatively good position to sense and seize the opportunity available in the emerging industry dynamics however they seem to have challenges in the transformation phase which, this given case was indeed all about.

TCS being a highly customer-centric consultancy firm requires a single-point solution that will help them to increase customer engagement, customer retention, high level of collaboration, quicker delivery and above all highest level of customer satisfaction. And going Agile is indeed the right call from the top level. According to the information present in case the corporate level strategy was clear enough in [Appendix 1.3](#), but its cascading and downward integration was becoming challenging and causing hiccups which required some mid-level correction as streamlined by Mustafa, or in other words, the major strategic challenge, was the lack of functional and operational strategy to bring about the transformational change at a massive scale.

Why going Agile was the right choice.

Before answering this question, it is important to understand what exactly the Agile and Agile mindset is, and what competitive advantages it contains in this context. Agile is a collaborative and iterative approach to project management and software development, emphasizing flexibility, customer feedback, and delivering value quickly.

The history of Agile spans the 20th and 21st centuries, rooted in incremental and iterative development methodologies influenced by Lean manufacturing and management principles. The pivotal moment came in 2001 with the creation of the Agile Manifesto, which articulated four core values and twelve principles as illustrated in the case itself.

Over time, Agile principles expanded beyond software development, influencing various industries and domains, emphasizing collaboration, flexibility, and customer-centricity to address evolving business needs and technological landscapes.

Whereas The Agile mindset emphasizes adaptability, collaboration, and customer-centricity, promoting a flexible and iterative approach to problem-solving and continuous improvement in dynamic environments. It prioritizes responsiveness to change, teamwork, and delivering value to customers through iterative development and feedback loops.

Since TCS is more than 50 years old organisation, therefore conventional waterfall practices are closely attached with them, this includes the use of industry-standard design principles and common practices that are generally practised for getting the routine stuff done. This conventional approach is characterized by its sequential, rigid process, where each phase must be completed before moving to the next.

This model suffers from limited customer involvement, as feedback opportunities are scarce and typically occur only at the beginning of the project. Late detection of defects is common, as testing is deferred until the later stages, leading to potential delays and increased costs. Projects often take longer to complete, and the risk of failure is higher due to the inability to accommodate changes or adapt to evolving requirements. Additionally, the waterfall model lacks flexibility, making it challenging to respond to market feedback or incorporate innovations effectively. The waterfall approach's limitations become evident in today's dynamic business environment, where agility and responsiveness are essential for success.

Another important argument to support Agility is based on the outcome-based model, according to which often cited quote: "People don't want a quarter-inch drill. They want a quarter-inch hole." Customers want results and solutions to problems. They do not want a project or a software. They want an outcome. And because of TCS's nature of business, the solutions that they are developing are for their customers who are only interested in outcomes. Thus, by going agile TCS will not only ensure successful outcomes but also save a tremendous amount of operational and capex waste by realising the early failures of non-viable projects in their early stages.

Key Lessons learned from Mustafa.

This case encapsulates a variety of learning points for its readers a quick sum up, is listed below.

1. A good strategy is incomplete without good execution, and this altogether is called good management. (strategy+ execution = management)
2. The most authentic information can only be collected from the ground level, therefore it is important to collect feedback from the lowest possible level when driving change at a wide scale.
3. To ensure the success of strategy implementation, pre-alignment of structure and processes is essential [Appendix 1.4](#).
4. Five forces field analysis is very crucial for driving change [Appendix 1.5](#)
5. With rightful strategy execution your organisation can outperform the industry standard.
6. Vision & backing of senior leadership can play a pivotal role in executing a strategy [Appendix 1.6](#)
7. Onboarding senior leadership is essential for executing strategy at a functional level.
8. Large-scale strategy execution is a collective effort, that requires a higher level of stakeholder engagement [Appendix 1.7](#)
9. Every assumption is false unless it is validated and found true.
10. According to Heraclitus "There is nothing permanent except change" Always keep your tripod "People, process and technology" ready for this.

Recommendations

Although Mustafa was very successful in pursuit of his target, as reflected in the case and the company's current financial performance however, there are a few considerations that I would have suggested, to consider raising the efficacy of his approach and ensuring guaranteed success.

1. Seeking guidance from the other 29 sibling organizations especially the older one, if any such initiative were taken, this could save some time and provide more helpful insights.
2. TCS started their initiative in 2017, while the Agile manifesto was announced in 2001, certainly in 16 years, there would be a variety of firms who would have gone that path, and it would be very essential to approach a few of those firms and learn from their outcomes, to make TCS outcomes better.
3. Sub-level strategy definitions, when communicating the enterprise agile vision, they should have precisely defined the sub-level strategies, i.e. "employee, workplace, offering and customers" to ensure what these buzzwords exactly mean, and how are they related to TCS staff.
4. Customised domain-specific agile transformation plan, TCS operates in five distinct business domains, where each domain has its sector-specific preferential choices, a single agile transformation plan may not be efficient for all these domains.
5. Consideration for exclusion, although agile practices are proven efficient still there are cases where we can't apply them ruthlessly, e.g. yes you develop software with iterative hit and trial manner, but you can't apply the same principle in a surgical procedure, having a patient lying on the bed, the conventional industry specific procedures can't be altered here.
6. It would be good to have global inclusion participants to allow diversification of thoughts rather than leading the initiative transformation network from Indian offices.
7. Reusable training material, e.g. custom-made training & educational videos for the employee about agile can be very helpful here, also they can use the same for reinforcement learning purposes as well.
8. It would be good to have some sort of incentive system, for motivating and encouraging employees to take active participation in the transformation journey.
9. Non-compliant dashboard, it would be great to prepare and manage a digital dashboard of each business entity that must undertake the agile transformation and track them through the overall journey. It is possible in such large-scale organisations that some entities go unnoticed and unchanged however, this dashboard will enable them to list them, right at the time of discovery and act.
10. Feedback loop and room for improvement, agile practices are always incomplete without a retrospective analysis and actions based on the retro outcomes.

Conclusion

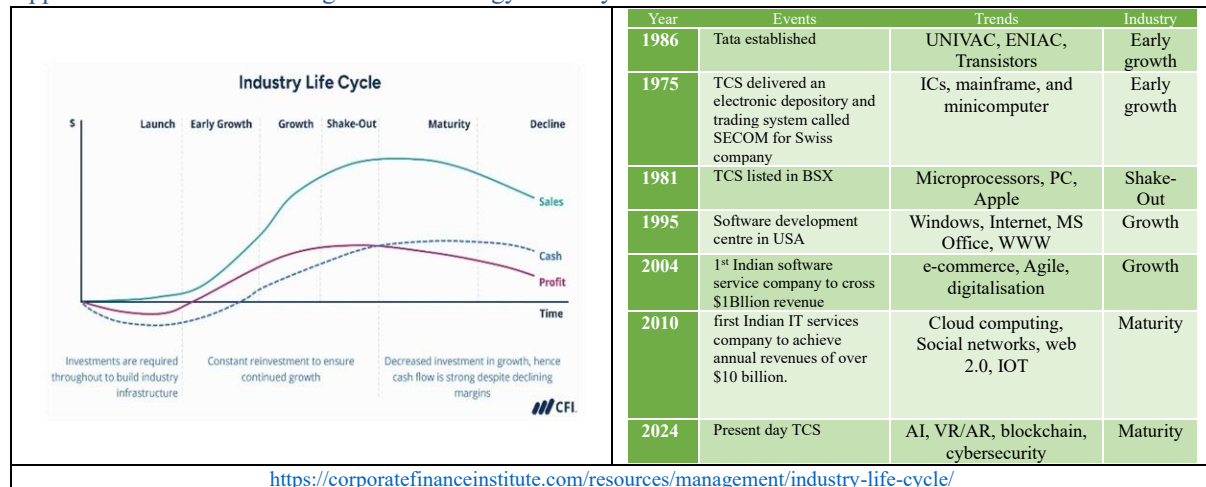
Tata Consultancy Services (TCS), the group's IT flagship, recognized the need to embrace agile methodologies to stay relevant in the rapidly evolving technology landscape. By adopting an agile mindset emphasizing adaptability, collaboration, and customer-centricity, TCS aimed to increase customer engagement, retention, and satisfaction while enabling quicker delivery and continuous improvement.

Mustafa's leadership in driving this large-scale agile transformation, by aligning strategies, processes, and stakeholders, has proven successful, as evidenced by TCS's strong financial performance and industry leadership.

However, continuous improvement through guidance from industry peers, customized domain-specific plans, global inclusion, reusable training materials, incentives, compliance tracking, and retrospective feedback loops could further enhance the efficacy of TCS's agile journey.

Appendices

Appendix 1.1 – TCS And Stages of Technology Industry



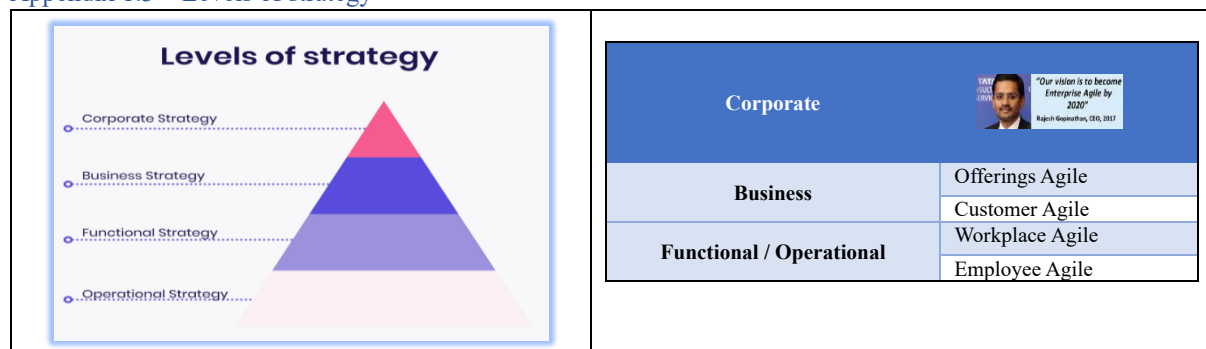
Appendix 1.2 – Darwin Correspondence

“According to Darwin's Origin of Species, it is not the most intellectual of the species that survives; it is not the strongest that survives; but the species that survives is the one that is able best to adapt and adjust to the changing environment in which it finds itself.

Meggison, 'Lessons from Europe for American Business', *Southwestern Social Science Quarterly* (1963) 44(1): 3-13, at p. 4.

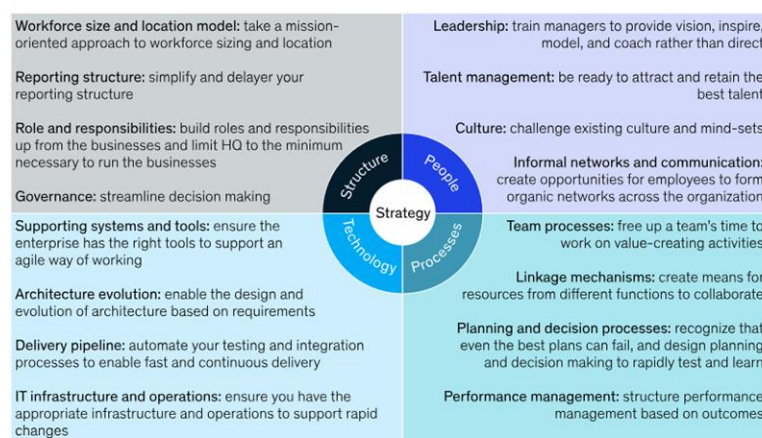
<https://www.darwinproject.ac.uk/people/about-darwin/six-things-darwin-never-said/evolution-misquotation>

Appendix 1.3 – Levels of strategy



Appendix 1.4 – Facet of Organization

A comprehensive transformation touches every facet of the organization, including people, process, strategy, structure, and technology.

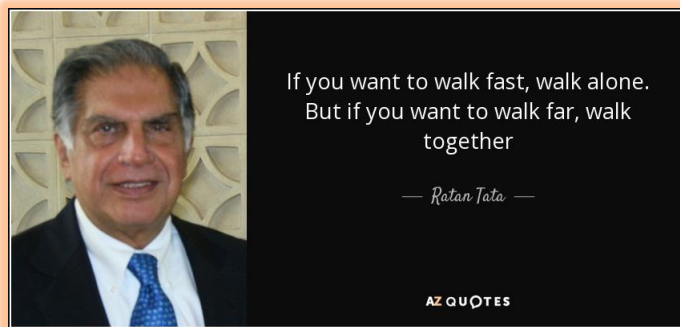


<https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/the-journey-to-an-agile-organization>

Appendix 1.5 – TCS Field Analysis

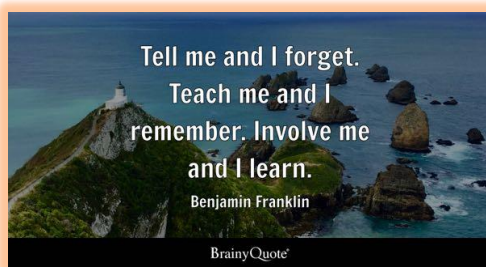
Force	Actor(s)	Driver Or Resistor
Environmental	Markets, technology, corporate, community	Driver
Organisational	Strategy, structure, culture, controls, capabilities, people	Driver – Resistor
Situational	Critical events, competing initiatives	Driver
Sociopolitical	Leadership, stakeholders, networks	Driver
Psychological	Beliefs, skills, motivation	Resistor

Appendix 1.6 – Ratan Tata's saying.



<https://www.azquotes.com/quote/878273>

Appendix 1.7 – Benjamin Franklin Saying.



https://www.brainyquote.com/quotes/benjamin_franklin_383997

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Outcome based model.

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TCS Enterprise Agile - Largest Transformation to Business Agility

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Agile Software Development Musthafa Soukath Ali, TCS

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Change is the Only Constant

<https://muhammadsajwani.medium.com/changer-is-the-only-constant-dca1e0d95982>