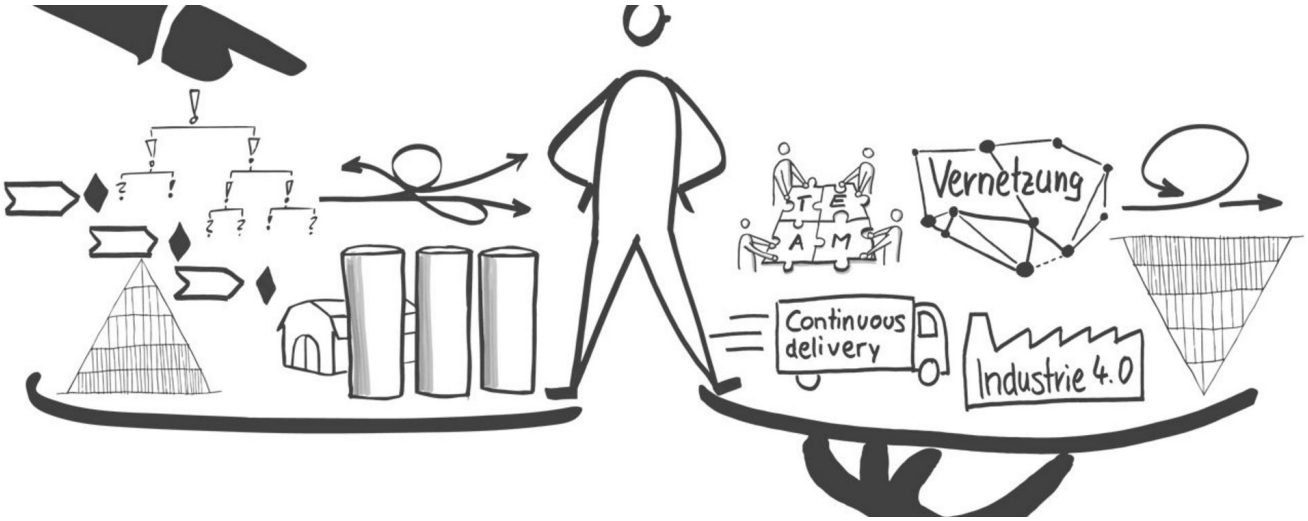


ANIKA BANK

© Denis Gabriel

Working agile? That's how it works at TRUMPF!

Industry 4.0 combines business processes, digitalization and mechanical engineering – and that means it brings together different people from different parts of the company. TRUMPF has a name for this approach: agile collaboration.

Why does TRUMPF need agile methodologies?

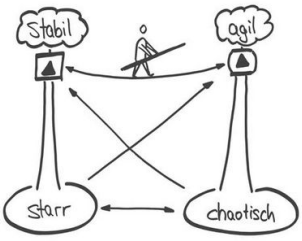
Nowadays, many things are faster and simpler than they were in previous decades.
And raising capital is no exception. It's no longer only money that is the limiting factor, but also the search for the brightest minds in the global workforce. In the industrial age, companies invested a lot of time in drawing up detailed plans, because it was difficult to raise capital. But nowadays companies are more willing to experiment. Today, the primary competitive factor is speed, and companies that devote too much time to planning now find themselves left behind by their competitors. What matters is being flexible enough to deliver your goods quickly, because otherwise customers will simply turn to the next provider. Businesses today are shifting from zero-defect strategies to zero-time strategies, and that explains why they need to take a new approach to how they work. The industrial age coined the terms "thinkers" and "doers," leading to line structures and hierarchical thinking within organizations. And that's where we're now seeing the biggest transformation of all – the shift towards collaborative methods of thinking and working.

The company has already made great strides in cross-functional collaboration and encouraged the widespread adoption of iterative planning methods. Based on values such as openness, transparency, and the belief that people should work together on an equal footing, TRUMPF is rapidly pushing ahead with the implementation of agile methodologies. Underpinning these efforts is a fundamental understanding, namely that every single person is there to create value for the customer.

What are the key components of a sprint?
A sprint always follows the same basic pattern. We start by planning what needs to happen over the next three weeks - in other words, which development teams need to tackle which tasks. Once the sprint gets underway, we meet up regularly in what we call scrums. In theory, these are held daily and they give people a chance to touch base with how everyone is doing, what point they have reached so far, and whether any problems have come up. In reality, we don't do it every single day because some days there's nothing to coordinate, but theoretically the scrums are a daily event. At the end of a sprint, which lasts three weeks, we have what we call a demonstration: a meeting at which we discuss the results to ensure that everyone is on the same page. Then we plan what should happen over the next three weeks, and the whole cycle begins again.

What are the advantages of this approach and what improvements have you seen?
There are two key advantages. The first one is greater transparency, which allows us to successfully manage a huge pool of developers scattered across multiple locations on different continents and in different time zones. It makes it easier to distribute jobs more smoothly, allowing us to shift capacities back and forth to tackle the tasks that are currently on the table. That leads to the second advantage, which is the ability to plan things more accurately. The way sprints are structured allows us to check how things are going at shorter intervals rather than just having a long-term plan made up of product roadmaps and project schedules. As a result, we can detect relatively early on if results are going to be delayed and then take swift action to ensure we meet our long-term targets.

Over the years, markets have evolved, moving from the manufacturing age (small markets, products tailored to the customer) to the industrial age (broader markets, standardized products) and then onwards to today's knowledge age (global markets, return to customization). Companies in our globalized world are under enormous pressure because they are constantly at risk of being ousted or superseded. This risk doesn't just stem from competitors in their own markets, but also from providers in other sectors whose products influence those markets. The reason behind all this is digitalization: companies that offer physical products are increasingly facing competition from providers of digital services.



Denis Gabriel

For a flexible organization, you need both stability and agility.

Graph: Denis Gabriel

ANIKA BANK