

# Agile Management Methodologies - Can it Drive Business Success in the UAE?

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## Abstract

Originally developed for software development, agile management has evolved into a flexible framework that can be applied across various industries. In the United Arab Emirates (UAE), a dynamic business environment marked by rapid market shifts and technological advancements, businesses can increasingly adopt agile approaches to enhance operational flexibility, efficiency, and innovation. This study examines the application of agile management techniques in the UAE and assesses their impact on competitiveness, innovation, and business productivity.

**Keywords:** Agile project management, Scrum, Kanban, Extreme Programming, Adaptive Project Framework, Iterative progress

## Introduction

Agile management has become more popular as businesses try to adapt to rapidly shifting consumer needs and market environments. Agile concepts, which emphasise flexibility, iterative development, and teamwork, are typically linked to software development, but they have been widely adopted in the retail, healthcare, construction, and financial sectors. Agile approaches can give companies looking to stay competitive a strategic edge in the United Arab Emirates, where economic diversification and digital transformation are top state priorities. This study examines how agile management can be implemented in several UAE industries and evaluates its impact on market competitiveness, innovation, and company efficiency.

## Definition of Agile Project Management

Agile project management represents a step-by-step and non-linear method for managing projects. It emphasises dividing substantial projects into smaller, more attainable tasks, which are executed in brief cycles during the project duration. Teams employing the Agile methodology can finish tasks more swiftly, adjust to evolving project needs, and enhance their processes. True to its name, Agile enables teams to be more prepared to shift focus and direction swiftly. Software firms and marketing agencies are highly cognizant of the frequent requests for changes from project stakeholders that arise weekly.

## History and Development of Agile Project Management

While it may seem like a 21st-century idea, agile project management has its roots in the rapid application development (RAD) methodology. English IT engineer James Martin first used it in the software development industry in the 1990s.

Inspired by technological developments in user interface design, Agile Management was developed to respond to the hierarchical "waterfall" approaches prevalent in previous decades. Reintegrating

development-phase insights into the project's design addressed problems early on rather than waiting until the end of the project.

The Manifesto for Agile Software Development outlines the four pillars that form the foundation of Agile software development. In February 2001, seventeen software developers seeking an alternative to the traditional linear product development process published it. (Laoyan, 2025)

The Agile Manifesto lists four pillars that support Agile project management:

1. People before processes and tools
2. Functional software over heavily documented software
3. Customer cooperation during contract negotiations
4. Flexibility

### **Methodologies of Agile Project Management**

The various approaches in the Agile framework are:

1. Kanban is a visual approach to Agile. Teams use online Kanban board tools to illustrate the status of specific tasks in the development process.
2. Scrum is a popular Agile methodology that incorporates small team sprints. The team's Scrum master removes barriers so others can carry out the daily tasks.
3. Extreme Programming (XP) is an Agile framework that delineates principles to facilitate more productive teamwork. It is generally applied in software development. (Agile Alliance, 2018)
4. Adaptive Project Framework (APF), also called Adaptive Project Management (APM) is based on the unknown factors that can appear at any point during a project. This method is mainly applied to IT projects where more conventional approaches to project management are inapplicable. (Laoyan, 2025).

### **Research Objectives**

1. To investigate how Agile management techniques are being used across different industries.
2. To examine how Agile approaches affect market competitiveness, innovation, and corporate efficiency.
3. To explore and conceptualise the benefits of adopting agile methodologies across various industries in the UAE, analysing their impact on efficiency, adaptability, and overall business performance.

### **Literature Review**

According to Richter (2024), BBVA utilised Scrum and Kanban to enhance adaptability in a rapidly changing banking sector. This improved delivery times, enhanced product development, and increased transparency and organisational functionality. PayPal applied Scrum to ease bottlenecks, improve organisation and improve product release times. This led to reduced bottlenecks, improved employee alignment and increased product offerings. PlayStation utilised Scrum and scaled agile frameworks to accelerate product delivery and enhance employee cohesion, resulting in improved team alignment and morale and saving up to \$30 million in its first year of implementation. Spotify adapted the Scrum methodology to align teams across multiple cities, facilitating growth that resulted in increased transparency, flexibility, and speed. Toyota implemented an adapted Scrum methodology, the Toyota Way, to align product delivery with customer needs and foster continuous improvement, reducing waste and ongoing efficiency.

Hajjidiab and Taleb's (2011) case study examines the adoption of Agile methodologies in the telecommunications sector, focusing on their impact on productivity, flexibility, and the effectiveness of project delivery. Their work highlights how Agile practices enable companies to react rapidly to changing market conditions, increase cross-functional coordination, and reduce product development time. They also explain how challenging it is for companies to deviate from traditional project management practices and transition to Agile systems.

Elkhatib et al.(2022) highlight the collaboration between Agile project management and risk management. They describe how Agile practices, such as iterative development and ongoing feedback, enable companies to manage uncertainties more effectively. They further discuss some drawbacks, such as the difficulty of scaling Agile in huge companies, the requirements for cultural changes, and finding the right balance between agility and long-term strategic planning. Their findings offer a balanced perspective on the strengths and limitations of Agile's ability to manage risk.

Dabash's (2022) research examines the application of Agile in the UAE construction industry and its integration with Building Information Modeling (BIM). According to the research, Agile practices significantly enhance a project's effectiveness by reducing timelines, improving resource control, and minimising waste. The study suggests that Agile's emphasis on iterative development and adaptability is most effective in the ever-changing nature of construction projects, allowing teams to respond to design changes and unexpected problems more effectively. However, the study also suggests that Agile's success in construction depends on proper training, teamwork, and stakeholder involvement.

Afifi and Marri(2024) analyse Agile's adoption in the UAE utility industry, emphasising strategic communication and collaboration as determinants of project success. Their study shows that effective Agile adoption by organisations means a collaborative culture of openness and ongoing improvement. Companies can enhance project coordination and decision-making by adopting agile communication practices, such as daily stand-ups and iterative planning. The research also establishes the role of leadership in facilitating Agile adoption and aligning Agile principles with organisational goals.

Saad and Jamil (2024) are more broadly oriented, addressing emerging trends and advances in Agile practices. These studies examine the application of artificial intelligence (AI) in Agile project management, proposing AI-driven tools that enable more informed decision-making, automate tasks, and improve project forecasting. The study also examines hybrid Agile frameworks, which combine Agile principles with traditional project management practices to develop a more adaptable method suitable for use across various industries.

These studies collectively depict Agile's transformative impact across sectors and acknowledge the challenges organisations face in adopting and expanding Agile practices. They emphasise the importance of leadership, communication, and sector-specific adaptations in achieving the significant returns of Agile project management.

## Methodology

This research employs a qualitative research design, focusing on the theoretical exploration of agile management practices and their role in driving business success in the United Arab Emirates (UAE). The study aims to synthesise insights from existing literature, case studies, and online research to comprehensively understand the topic.

The primary data collection method involved reviewing journal articles, research papers, and case studies related to agile methodologies and their adoption in various UAE industries. Additionally, internet

research was conducted to gather information from business reports, industry white papers, and expert opinions.

Since the study relies exclusively on secondary data, ethical considerations were limited to ensuring proper citation and acknowledgement of all sources.

## Findings & Discussion

The key findings from the study on Agile management methodologies and their impact on business success in the UAE are presented here. The findings were analysed with respect to major industries in the UAE. The discussion highlights insights from the existing literature to provide a comprehensive understanding of Agile's role in enhancing business performance in the UAE market.

### Construction industry

One of the most vibrant industries in the MENA region, the UAE's construction sector substantially contributes to economic growth. The market is expected to grow at a compound annual growth rate (CAGR) of 4–26%, from USD 41 billion in 2024 to USD 50–40 billion by 2029. Some major UAE construction companies are Arabtec, Al Futtaim Carillion, Khansaheb, ASGC, ALEC, and Al Habtoor Group.

The UAE construction industry can benefit from Kanban Agile Methodology. The benefits of this adoption are as follows:-

- **Flexibility and Adaptability:** Agile methodologies allow construction projects to be more flexible and adaptable to changes. Agile breaks down projects into smaller, manageable chunks, allowing teams to quickly adjust to new requirements, unexpected challenges, or changes in scope by implementing iterative planning and feedback loops.
- **Improved communication and collaboration:** Agile practices strongly emphasise regular communication and cooperation between all project stakeholders, including clients, contractors, and team members.
- **Increased customer satisfaction:** Agile methodologies involve clients in the project process and prioritise their feedback. This ensures that the final product aligns with the client's vision and requirements. This customer-centric approach enables more accurate and flexible responses to client needs, increasing client satisfaction.
- **Higher quality:** Agile's iterative nature allows for continuous improvement and quality control throughout the project lifecycle. Teams can identify and address issues early, apply lessons learned to subsequent phases, and adjust workflows to enhance efficiency and effectiveness.
- **Faster time to market:** Agile practices can significantly reduce the time to complete construction projects. By focusing on delivering smaller units of work quickly and efficiently, teams can achieve milestones faster and respond more promptly to changing requirements. (Kolosky, 2024)

### Banking and Finance industry

The UAE's financial services industry has grown strongly, bolstered by rising investments and robust regulatory developments. In 2024, the banking sector experienced 13% annual growth, reflecting sustained robustness with over 50 banks offering diverse services globally. The banking sector's total assets increased by 11.3% year-over-year, reaching USD 1.173 billion by June 2024. Gross credit also significantly rose, marking an 8.0% annual increase to AED 2,100.9 billion. Customer deposits followed

this upward trend, growing by 13.0% over the year to AED 2,692.5 billion. Emirates NBD, ADCB, Mashreq, and Emirates Islamic Bank are the major players in the UAE's banking sector.

The Scrum Agile methodology primarily used by the banking sector can benefit UAE banks in the following ways-

- **Address critical issues:** Since agile methodologies emphasise step-by-step and iterative product development, banks can immediately address and incorporate all improvements and feedback users share. This way, each iteration will help banks identify and address issues in their products and services, ultimately improving them.
- **Responsive and Customer-Centric:** Agile principles enable banks to collaborate with their customers in jointly developing products and services. Customer collaboration has become increasingly crucial due to the banking sector's evolving government regulations and policies.
- **Inter-team collaboration:** Agile in banking allows different teams to communicate and exchange their ideas and collaboratively tackle challenging problems. Regular information exchanges among teams and staff will improve the accuracy and efficiency of banking operations.
- **Transparency and Productivity:** Transparency and accountability will not only help banks become more effective and trustworthy but also enable them to maintain public support, safeguard their independence, and enhance policy effectiveness.
- **Regular reflection and adjustment:** Since banking processes are constantly evolving, retrospective meetings will enable management and teams to collaborate, communicate, and discuss the limitations of existing banking processes and ways to improve them. (Jile Product Marketing Team, 2023)

### Tourism Industry

The UAE continues establishing itself as a prime tourist destination, renowned for its beautiful beaches, luxury hotels, resorts, theme parks, and rich cultural offerings. In 2024, from January to September, Dubai welcomed 13.29 million overnight visitors, representing a 7% increase from the same period in the previous year. Significant contributions from key regions have bolstered this rise in visitors. Western Europe remained the largest market source, followed closely by South Asia, the Russian Federation, the CIS and Eastern Europe. Major UAE tourism companies are Safaraq, Rayna Tours and Travels and DNATA Travels.

The UAE tourism industry can utilise the Scrum Agile methodology, where teams break tasks into manageable portions and work collaboratively towards a common goal. Kanban will also work well, as it will help visualise the different processes of the tourism company. This will help manage the workflow and increase productivity. Lean methodology can prioritise efficiency and continuous improvement, reducing waste and enhancing quality by focusing on activities that add value. The benefits gained from the use of these Agile methodologies are -

### Enhanced Customer Experience:

- **Personalisation:** Agile enables hotels and resorts to promptly adjust to guest preferences and feedback, resulting in more personalised and satisfying experiences.
- **Responsiveness:** By promptly addressing guest grievances and recommendations, teams can increase general satisfaction and loyalty.



**Operational Efficiency:**

- **Streamlined Processes:** Agile methodologies help identify and eliminate operational inefficiencies, leading to faster service and reduced costs.
- **Effective Resource Management:** Better allocation and utilisation of resources based on real-time needs and priorities.

**Employee Engagement:**

- **Empowerment:** By incorporating employees in decision-making and appreciating their opinions, agile practices empower staff
- **Collaboration:** Enhanced collaboration and communication among team members improve job satisfaction and morale.

**Innovation:**

- **Continuous Improvement:** The iterative nature of agile encourages continuous innovation in services and operational practices.
- **Risk Management:** Implementing small, incremental changes reduces the risk of introducing new ideas, making innovation easier.

**Flexibility and Adaptability:**

- **Market Responsiveness:** Agile enables hotels to adapt quickly to changing market conditions, guest preferences, and industry trends.
- **Crisis Management:** Agile frameworks are beneficial in managing crises, such as unexpected events or shifts in demand, by allowing for rapid response and adaptation.

**Retail Industry**

The UAE retail industry has continued to experience robust growth, with a shift in consumer preferences towards product quality and lifestyle significantly elevating disposable income. In 2024, the sector has demonstrated remarkable resilience, showcasing a solid performance in consumer spending and sector expansion. As of 2024, the UAE retail industry is valued at approximately USD 58 billion, reflecting its continuous growth and significant potential. Projections indicate that the market will continue to rise steadily, potentially reaching approximately USD 70.5 billion by the end of 2027. Lulu, Majid Al Futtaim Group, and Apparel Group are the major players in the UAE Retail industry.

According to research (Pandey, 2023), the Scrum Agile framework best suits the Retail Industry. This methodology can provide the following benefits to the UAE Retail Industry:

- Agile enables faster time to market by allowing retailers to quickly build and launch new products or features, such as e-commerce platforms, mobile apps, and in-store kiosks.
- Agile focuses on customer satisfaction by incorporating customer feedback throughout the process. This approach helps ensure the final product meets shopper needs and expectations.
- Agile promotes collaboration and communication among team members, fostering a sense of teamwork and shared ownership of the project. Such collaboration is vital in projects with many teams and stakeholders.
- Agile enables greater flexibility, allowing retailers to promptly respond to market changes and adapt

- to customer needs. Agile always involves continuous testing and refinement to guarantee high-quality final products.

### Oil and Gas Industry

The UAE's oil and gas sector remains vital to its economic structure despite having a smaller share of the overall GDP due to persistent diversification efforts. The latest data suggest that the UAE ranks among the leading global oil producers, sustaining a daily production volume of approximately 3.2 million barrels. ADNOC, ENOC, and Al Masood are major UAE oil and gas companies.

By applying agile methodology, the focus on efficiency can be balanced with experimentation and accelerated learning to identify improvement opportunities rapidly. The shift to agile project management in the oil and gas sector could deliver a structured, iterative, and repeatable process. It could also afford the time to reflect and adjust field development and well-delivery strategies based on near-real-time results of targeted experimentation and rigorous well-performance assessments. (Bonny et al., 2020)

### Recommendations & Conclusion

Agile project management has revolutionised the way organisations approach complex and dynamic projects. It offers improved flexibility, enhanced collaboration, and increased customer satisfaction. The challenges in adopting the Agile methodology include scalability issues, role ambiguities, and reduced documentation. AI integration and hybrid models will be the future of Agile methodology adoption across industries.

This research suggests that many companies across various industries failed in agile implementation because they focused excessively on agile methodologies like Scrum and XP while ignoring the underlying principle of Agile. As a word of caution to the UAE companies that plan to adopt Agile management, concentrate on the five core principles of Agile to achieve success. The five core principles are –

1. Cross-functional approach
2. Team empowerment and accountability
3. Iterative planning
4. Feedback & Learning
5. Outcome focus

The analysis of agile management practices across various industries in the UAE proves their transformational potential to attain business success in the country's fast-paced economic climate. The research findings indicate that agile practices possess some cross-industry benefits, including greater flexibility, improved stakeholder collaboration, higher customer satisfaction, enhanced quality deliverables, and lower time to market.

Key findings suggest that different agile frameworks are better suited to specific industry contexts. For instance, Kanban depicts particular value in construction by improving the visual display of workflows and utilisation of resources. At the same time, Scrum has been effective in banking and tourism because of its disciplined sprint approach and emphasis on regular stakeholder feedback. As UAE firms increasingly operate through economic diversification strategies and digital innovation, agile management methods offer a strategic framework aligned with the nation's vision for innovation and sustainable growth. Integrating artificial intelligence with agile practices and developing hybrid models that combine agile principles with traditional management practices are promising avenues for the future of these practices in UAE industries.

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