

What is Agile Coaching really worth?

As an Agile Coach, I have often been asked what value I actually contribute to a project in which I “coach”. I am not really productive. And I also cost the project money. And after all, I would probably no longer be needed after the initial support once everyone knows how things work.

So what is an “Agile Coach” worth? Does he/she bring at least as much value to a project as he/she costs?



My favorite answers to this are... – but let's first take a project example with 8 members (FTE) and a term of 2 years, which is supposed to bring the company an additional turnover of €600,000 at 10% EBIT in the 12 months after the end of the project.

The Agile Coach ensures that the way of working is adhered to, the clear prioritization, visualization and goal definitions for sprints and stages are set, and takes care of collaboration within the team and with external partners. In this way, he helps to avoid delays and to get the team to work independently and in a self-organized manner. The Agile Coach in my sense is not part of the project team (like a Scrum Master), but is neutral and enjoys a high level of trust.

Now I'll do the math:

- A delay of 4 weeks would cost the company an additional budget (8/12 annual salary = €45,000) plus the lost profit for one month ($\text{EBIT } 60,000 / 12 = \text{€}5,000$).
- In the project team, all tasks are prioritized and planned transparently at all times, so that a large amount of dead time and loops are minimized during the project period, e.g. 2 hours/week for each team member ($2 \times 8 \times 40 \times 2 = 1,280$ hours = 160 days at €100/day = €16,000)
- Employees are more positive and motivated, benefit from an improved culture of trust and more independent work – the fluctuation rate drops.

- Regular, short coordination and feedback meetings lead to many small improvements in collaboration and process, which can have a great value for follow-up projects after 2 years.

As a coach, I can definitely manage an average of 4 projects in parallel. Assuming that as a senior agile coach I needed 40 days a year for each project, I would spend around €32,000 on the budget for each project.

In the example above, as an agile coach I would have avoided a typical delay of 4 weeks and at the same time improved the team's productivity - a total of €66,000. This does not even include improved motivation and a culture of trust as well as continuous improvements.

What do you think - is the €20,000 well invested if I help save €66,000 and more compared to traditional project management? Write a comment or send me a message 😊

