

AGILE TRANSFORMATION AND ITS INFLUENCE ON FARMACITY'S CULTURE: A STUDY FROM THE EMPLOYEES PERSPECTIVE


LA TRANSFORMACIÓN ÁGIL Y SU INFLUENCIA EN LA CULTURA DE FARMACITY: UN ESTUDIO DESDE LA PERSPECTIVA DE LOS EMPLEADOS

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Recepción: 01 Mayo 2025

Aprobación: 04 Junio 2025

Publicación: 30 Noviembre 2025



Acceso abierto diamante

Abstract

The objective of the research was to understand the influence that the transformation towards agility has on organizational culture, through the study of a unique and reference case in the Latin American market, such as Farmacity, from the perspective of the employees. To achieve this, a qualitative approach was implemented through individual interviews, group interviews and observations. As a result, it was possible to clarify the perception of employees in various aspects of the culture such as work forms and processes, values and behaviors, leadership, autonomy and decision making, interpersonal relationships, learning and development, change management and innovation. Although positive traits of influence of agility on the organizational culture are observed, some points to improve are also recognized in order to continue consolidating the transformation, such as the levels of autonomy and innovation, the development of skills, the conception of career development and the transformational leadership model. Finally, the study represents a valuable contribution for organizations that wish to initiate or are in the process of agile transformation.

Keywords: organizational agility, agile transformation, agile culture.

Resumen

El objetivo de la investigación fue comprender la influencia que tiene la transformación hacia la agilidad sobre la cultura organizacional, a través del estudio de un caso singular y de referencia en el mercado latinoamericano, como Farmacity, desde la perspectiva de los empleados. Para ello se implementó un enfoque cualitativo por medio de entrevistas individuales, entrevistas grupales y observaciones. Como resultado se pudo relevar la percepción de los empleados en varios aspectos de la cultura como las formas y los procesos de trabajo, los valores y conductas, el liderazgo, la autonomía y toma de decisiones, las relaciones interpersonales, el aprendizaje y el desarrollo, la gestión del cambio y la innovación. Si bien se observan rasgos positivos de influencia de la agilidad sobre la cultura organizacional, también se reconocen algunos puntos a mejorar con el fin de continuar consolidando la transformación, como los niveles de autonomía e innovación, el desarrollo de habilidades, la concepción de desarrollo de carrera y el modelo de liderazgo transformacional. Finalmente, el estudio representa un aporte de valor para las organizaciones que deseen iniciar o estén en proceso de transformación ágil.

Palabras clave: agilidad organizacional, transformación ágil, cultura ágil.

1. Introduction

Agile organizations and agile working emerge from the need to respond to the challenges of an increasingly dynamic and constantly evolving environment, coupled with technological changes (Tyszkiewicz & Pawlak-Wolanin, 2017; Rad & Rad, 2021; Ramirez-Barrera & Rojas-Berrio, 2024). The way organizations operate is changing due to digitalization, the need to maintain competitiveness in an uncertain business environment, and the need to take advantage of emerging opportunities (Wiechmann et al., 2022; Walter, 2021; Ragin-Skorecka, 2016).

Chonko and Jones (2015) define agility as the ability to maintain profitable operations in a competitive environment marked by continuous and unpredictable changes in customer preferences. Agility is a dynamic organizational design capability that can detect the need for change from both internal and external sources, implement those changes regularly, and maintain above-average performance (Rad & Rad, 2021). Organizational agility is a company's ability to manage rapid, persistent, and uncertain change to thrive in competitive, changing, and unpredictable environments (Dove, 2002; Teece et al., 2016).

According to Dikert et al. (2016), agile frameworks are increasingly being incorporated into the quest to navigate this complexity in the pursuit of organizational transformation at all levels. While a variety of agile techniques and practices exist, businesses are interested in developing their own ways of implementing agility to respond to their unique contexts (Ayed et al., 2012).

However, according to Appelbaum et al. (2017a, 2017b), true transformation toward agility goes beyond the process level and focuses on the minds of the people who run the organization. In this sense, Gerster et al. (2019) emphasize that certain learnings and capabilities must be developed when companies manage to evolve from doing things in an agile way to being agile. Driving sustainable transformations requires learning from, for, and with various social actors, both formally and informally, as well as individually and collectively (Barth et al., 2023).

This emphasizes the relationship between the transformation toward agility that organizations seek and the importance of culture as a success factor in achieving it, given that organizational culture is the set of shared beliefs, values, norms, and priorities that lead to certain behaviors (Holbeche, 2018; Schein, 2017).

The need for a culture that supports an agility-seeking strategy is reflected in a well-known quote attributed to Peter Drucker, who says that culture eats strategy for breakfast (Holbeche, 2018). Along these same lines, Tolfo et al. (2011) point out the importance of considering the different levels of organizational culture in order to develop a long-term agile culture.

Based on an empirical study, Iivari and Iivari (2011) point out that a hierarchical culture is incompatible with agility. The transition to agility in hierarchical organizational cultures leads to an increasing formalization of agile methods, and over time, this can lead to the loss of key elements of agile work.

According to Schein (2017), leaders in particular play a fundamental role in determining an organization's culture. For Dessein and Prat (2022), the direct contribution of leadership to the creation of an organization's capital is crucial for long-term success and ensuring its adaptability. Leadership in contemporary organizations requires more collaborative and inclusive models, along with a culture of trust, respect, and empowerment, where leaders act more as facilitators and enablers than sole decision-makers (Orieno et al., 2024).

Kocot and Olak (2024) emphasize the relationship between an organization with agile practices and a culture of change and innovation, stating that companies need to develop flexibility in their strategies, processes, and organizational structures to respond to changing market conditions. This requires not only the right tools and processes, but also an organizational culture open to change and innovation.

Strode et al. (2022) discuss the challenges of transforming into an agile organization, which entails significant changes in strategy, structure, culture, operations, and technology. These transformations cause various tensions that arise not only in fully agile organizations but also during the transformation process.

For all of the above reasons, the objective of this research is relevant: to understand the influence that the transformation toward agility has on organizational culture, through the study of a unique and benchmark case in the market, Farmacity, from the perspective of employees.

1.1 *Farmacity*

Farmacity is a company founded in 1997 in Argentina, operating in 15 provinces, the Autonomous City of Buenos Aires (CABA), and recently entering the Uruguayan market. It is one of Argentina's leading retail companies for pharmaceuticals, health, and wellness. Farmacity's headquarters are located in CABA. It has more than 7,800 employees, 330 subsidiaries, and four logistics platforms comprised of two distribution centers for mass product supply and two pharmacies authorized for pharmaceutical logistics.

Since 2013, the company began incorporating new commercial proposals aligned with its mission of offering experiences that contribute to people's well-being, complementing its product and service offerings. It established the following model, comprised of four businesses: Farmacity (a pharmacy chain), Simplicity (a multi-brand store offering beauty, fashion, home, personal care and entertainment products), Get The Look (an exclusive cosmetics, makeup, and perfume store), and The Food Market (a market selling healthy and sustainable foods). Currently, the company offers 15 private labels produced by more than 70 Argentine SMEs. In addition to being the leading pharmacy chain in the Argentine market due to its national reach and number of locations, the company can be considered a retailer with various business formats that offers experiences that enhance the care and well-being of the community.

In 2014, Farmacity began its foray into e-commerce through its own platform. Currently, the company operates each of its value propositions with its own online platforms, as well as on MercadoLibre's marketplace platforms with its official stores and on the Lastmillers platform.

Regarding the recognitions received, in 2019, the company was inducted into the Great Brands Hall of Fame for its trajectory as a national brand, a distinction awarded at the 14th Effie Awards Argentina gala. At the same time, since 2013, it has been recognized by the Merco Ranking as one of the 100 companies with the best corporate reputation in Argentina.

1.2 *The transformation of the company's design*

As a background, in 2017 and 2018, inter-area projects were launched for cross-company challenges, sponsored by directors and supported by the PMO, working with cross-cutting objectives and with multidisciplinary teams from different areas. This was a first experience that allowed us to become aware of the organization's new needs to face significant changes in a competitive context.

In 2019, Farmacity began a reflective process on the possibility of incorporating a new organizational design and began implementing some agility experiences through projects, identifying the need to provide employees with greater autonomy and increase fluidity in communication and decision-making in a context of constant change. For its part, the COVID-19 pandemic heightened the organization's sense of urgency to create an organizational framework for this crisis; and, as a preliminary step, it allowed us to validate the potential of working with agility models. However, it was in October 2020 that a transformation team was specifically formed, kicking off a work process that resulted in a new organizational design for all teams in the organization by early 2024; with the exception of the local and logistics departments, which were gradually incorporated over the coming years, due to the nature of their roles.

Prior to the transformation, Farmacity had a traditional pyramidal design supported by a hierarchical structure. This type of structure fostered control and supervision and promoted specialization within a single job position. The number of levels and the scope of control of the leaders were determined by the complexity

of the processes they managed and the size of the team they managed. The structure included nine categories determined by evaluating the complexity of their knowledge, thinking, and actions (see Table 1).

Table 1
Levels of the pre-transformation structure

Level	Position
1	CEO
2	Director (C-Level)
3	Director
4	Senior Manager
5	Manager
6	Assistant Manager
7	Specialist/Team Leader
8	Analyst
9	Assistant

Following the organizational design transformation, the levels of the previous structure were eliminated, and a new domain-based design was created following the EAI Framework (Enterprise Agility Institute, s. f.). This model was based on the principle of agility, enabling greater organizational capacities for collaboration, learning, change, innovation, and autonomy, along with decentralized decision-making. This domain-based design involved distinguishing between different organizational dimensions to address the defined focus, placing the customer at the center. This latter focus is currently reflected in the high NPS values of all the company's value propositions, with high levels compared to industry standards.

With this new vision of the organization, it began to be understood through four domains: business domain, digital domain, cultural domain, and organizational domain (see Table 2).

Table 2
Design by Domains

ORGANIZATIONAL	BUSINESSES
Focus: Continuously develop the efficiency platform to improve processes and promote the delivery of business value, in line with the company's strategy and key objectives.	Focus: Enhance the value of the four businesses according to the strategy of each format, ensuring that products and services evolve in line with customer needs and expectations.
CULTURAL	DIGITAL
Focus: Promoting agile culture and transformational leadership, seeking well-being and innovation in organizational talent management.	Focus: Provide consistent service and boost business through technology products and the digital platform, with the goal of adding value to the customer experience.

In each of these domains, two types of self-organizing and self-managing agile teams were defined; some called experience teams, multidisciplinary in nature, and others called efficiency teams, specialized in a specific discipline. At the structural level, this involved moving from job descriptions, with objectives, tasks, and responsibilities within a specific scope, to the creation of a new organizational design with roles associated with the value delivered to the organization and to the teams through the skills of each member, across different challenges and projects, without holding a fixed position (see Table 3).

In addition, across teams, communities of practice were created, comprised of people who share the same skill across the different teams they comprise. They meet periodically to exchange information, discuss ideas on a topic of common interest, and share learning. In this way, they are able to evolve the skills of community members, incorporate best practices related to the skill, and improve internal and inter-team processes related to the skill.

Table 3
New organizational roles

Role	Purpose
Sponsor	Define the business strategy.
Owner	Implement the strategy, define the objectives, and define the value proposition. This role differentiates between the experience owner, who represents the customer's perspective, and the efficiency owner, who seeks operational efficiency.
Mentor	Support the development and updating of skills. This role differentiates between the business mentor, who focuses on developing competencies to evolve the business, and the practice mentor, who focuses on developing the technical skills of their community of practice.
Team Member	Execute objectives collaboratively, defining how to achieve them.
Agile Coach	Design, maintain, and evolve the agility model, as part of the transformation team.
Facilitator	Ensure the implementation of the agile working methodology for teams, communities, or initiative groups, as part of the transformation team.

Finally, as a fundamental part of the agile methodology, different types of team meetings were defined, referred to internally as ceremonies, each with a specific purpose, participants, and frequency (see Table 4).

Tabla 4
Ceremonies

Ceremony	Purpose	Participants	Frequency
Refinement	Review the task backlog and prioritize what needs to happen in the sprint (work period) based on the objectives to be achieved.	Owner, Team.	Before starting the new planning.
Planning	Define as a team what will be done within the iteration based on the priorities and commitments the team considers feasible to meet in the execution of the initiatives with the greatest impact and value delivery that will occur during the sprint.	Owner, Team, Facilitator.	Immediately after the closing of the last sprint.
Daily / Weekly / Synchro	Share the status of tasks to achieve the stated objectives, share progress, identify impediments or needs for assistance on specific issues, and coordinate short-term actions.	Team, Facilitator.	The frequency is defined by each team (every day, 2 or 3 times a week, once a week).
Review	Review the work done during the sprint to achieve continuous improvement. The results of the Review conversations are used to design and plan the next sprint. The quarterly closing is a specific type of review in which the experience teams meet and, in addition to sharing achievements, milestones, and lessons learned from that period, launch the goals for the following quarter or half-year.	Owner, Team, Facilitator, Sponsor, Agile Coach, Key Stakeholders.	After the iteration days have elapsed, the sprint is closed with this ceremony.
Retrospective	Reflect on how work is being done to establish a common understanding within the team and improve interpersonal relationships for continuous improvement.	Owner, Team, Facilitator.	After the iteration days have elapsed, after conducting the review.
Strategic Cycle	Generate a strategic thinking meeting between the value focus or domain sponsor and the roles within the structure with whom they review, define, and build strategy.	Sponsor, Experience and/or Efficiency Owners, Facilitators, Agile Coach, and experts from other domains and/or focuses depending on the specific needs of strategy co-creation.	The frequency is defined by each domain or value focus (weekly, biweekly, monthly, etc.).

2. Methodology

The methodology implemented was a case study, which, as Yin (1994) points out, is an empirical investigation that studies a contemporary phenomenon within its real-life context. Farmacity is of particular interest as a case study given that, in its industry and type of organization, both locally and regionally, no other transformations toward agility have been carried out in such a profound and comprehensive manner; it has reached a level of evolution that makes it a unique case. Furthermore, as a contemporary phenomenon, the topic of organizational redesign with an agility-based approach is relevant and pertinent in the current era, characteristic of the current times in organizations, their concerns, and trends.

Since this is a critical and benchmark case for other organizations and professionals interested in learning about its transformation, the study requires a method that can understand the contemporary phenomenon studied in a particular company like Farmacity, which is experiencing it in a unique way, and is also becoming a model of agile transformation for other companies in Latin America. This confirms the importance of focusing the case study on the aforementioned company, in line with what Dyer and Wilkins (1991) stated for this type of method.

The fieldwork, conducted between July and October 2024, involved a qualitative approach. In-depth individual and group interviews were conducted to understand the perceptions of the actors involved in the

transformation, from the various roles. In addition, observations of meetings and work ceremonies were conducted to visualize and understand the agile behaviors and relationship modes among people in the organization in practice.

A total of eleven individual interviews and eleven group interviews were conducted, with twelve people each, covering 143 employees from all roles in the organization. Eleven individual interviews were conducted with employees in sponsor roles; two group interviews with employees in efficiency owner roles; two group interviews with employees in experience owner roles; one group interview with employees in mentor roles; Four group interviews were conducted with employees in team member roles, one group interview with employees in agile coach roles, and one group interview with employees in facilitator roles.

A total of five observations of work team meetings were conducted, with 155 employees from different organizational roles participating in planning, synchronization, review, quarterly closing review, and strategic cycle ceremonies.

The criterion for forming the sample, out of a total of 298 employees included in the interviews and observations, was that all subjects had experience working in the company before and after the transformation process, also achieving representativeness of all current roles.

The interviews were semi-structured, with open-ended questions that sought to understand employees' perceptions of the influence of the agile transformation on different aspects of the organization's culture: work methods and processes, values and behaviors, leadership, levels of autonomy and decision-making, interpersonal relationships, learning and development, change management and innovation (see Interview Guide Appendix).

The qualitative data analysis procedure was carried out manually, transcribing each of the interviewees' responses and taking notes from each observation. This allowed for a comparative analysis of each question, identifying patterns, coding common data, and drawing conclusions.

3. Results

The results obtained from the interviews are accompanied by transcripts of some of the responses, in quotation marks and with only the interviewee number (I1-I11) in the case of individual interviews with people in sponsor roles; and the profile of the interviewed group (G1-G6)¹ in the case of group interviews, to maintain confidentiality. In the case of group interviews, the results are complemented by observations from team meetings, in parentheses and with the observation number (O1-O5)².

3.1 Results of the individual interviews

3.1.1 Work methods and processes

Those in sponsor roles state that the new work process is fundamentally based on an agile methodology that ensures all teams in the organization follow a common way of working, agreeing on results to achieve shared objectives. They also state that this methodology, in turn, shifts from working in isolation to solving problems by integrating different people and teams:

"A problem is no longer solved in the place where it arose; instead, we need the perspectives of people with different perspectives and skills to seek a solution (I2) jointly." "I think that before, people worked more in silos and in a less integrated manner (I7)."
"Teams are the ones that create key results (KRs) to achieve objectives (I8)." *"The way we work has become more standardized; today, we all talk about sprints, for example; we plan, we hold review meetings, and we hold retrospectives (I10)."*

3.1.2 Values and behaviors

Interviewees highlight several values that are reflected in people's behavior, such as commitment, pride in belonging to the organization, collaboration, teamwork, listening, putting the customer first, autonomy, experimentation, and risk-taking:

"There is a characteristic that has been built: commitment, a sense of belonging, and pride. I believe this pride enabled the transformation (I1)." "The customer is at the center, asking ourselves why we do what we do, so as not to do things that don't generate value impact. Another value is the awareness of short-term experimentation; before, we didn't go out without something well-proven (I2)." "People are more open to listening. This can be seen in meetings, which allow you to hear and get to know people and talents that would otherwise be unseen or that were previously hidden (I7)." "We try to move toward teams with greater autonomy, responsibility, and greater risk-taking (I8)." "I think there is a strong commitment to teamwork, collaboration, and an effort to avoid working in silos and prioritize common goals (I11)."

3.1.3 Leadership

While a leadership style is generally perceived as accompanying the transformation towards agility, with features of horizontality, decentralization in decision-making, pursuit of people development and empowerment of teams, the organization's sponsors understand that leadership is in transition in terms of the model pursued by the organization, given that it is not yet the same in all cases, and more verticalist styles still exist:

"We're moving from a transactional model to a transformational model (I3)." "There have been important changes, but there's resistance. There's less verticality, with democratic listening. Before, each leader had two or three trusted people with whom they made all the decisions. Now, they have to let the teams do their own thing, with less control (I5)." "It's in the process of change. Before, leadership was very focused on the how, and today it's more about thinking strategically, defining what the teams should pursue, and leaving the definition of how to the teams (I6)." "There's a search for more mentoring leadership, helping the team develop skills, to broaden their perspective. It's clearer which leaders are committed to the transformation and which are less willing (I9)."

3.1.4 Levels of autonomy and decision-making

It is observed that the new agile organizational design provided a greater level of autonomy for individuals and teams, enabling faster decision-making. However, the sponsors mention that the levels of autonomy required for the transformation do not yet exist, associated with the need to develop higher levels of skills so that individuals can achieve greater autonomy:

"The team doesn't need to validate some actions; they just happen (I1)." "Each business also has more autonomy because in the previous structure, a single board made decisions for all of them (I2)." "We want to provide autonomy and move quickly, but sometimes the team isn't ready to take on certain things (I3)." "Today, the methodology already promotes a particular form of decision-making, with space for people to get involved (I4)." "Decisions are more decentralized (I6)." "In the previous structure, decision-making took a long time due to how things were scaling. Now, it's the team that decides in a conversation and resolves issues (I9)." "In some cases, people already have autonomy, but in others, we need to work on that and on developing people (I11)."

3.1.5 Interpersonal relationships

Regarding relationships between people, the sponsors believe there are more exchanges and opportunities for engagement as a result of the transformation; this, in turn, adds to the need for higher levels of quality in conversations due to the increased complexity of communications inherent in a more complex organizational structure:

"The new structure, drawing a parallel with brain wiring, invites and facilitates greater organizational rewiring (I1)." "Something is happening where everyone connects with everyone else, regardless of the degree or level of the previous structure."

We're getting people to see not just their expertise but the whole picture. We all contribute to everything (I3). "Communication and relationships occur across departments, unlike before, where they were more limited within departments (I4). "The silo kept you in a single division. Today, we're more intertwined (I6). "There's more collaboration because we're all intertwined. Communication is more difficult because it used to be within the same vertical, but now it's more complex. Teams require a lot of coordination (I8)."

3.1.6 Learning and development

Interviewees understand that the transformation has ended the paradigm of vertical career growth and development, shifting to a view of development in terms of skill growth based on action, exchanges, and relationships inherent to the new way of working and the possibility of changing roles and gaining new experiences. This new conception of learning and development, which gives greater visibility to people and their talents, also implies a proactive attitude toward self-management of development. However, they believe this is still not understood by all employees, who express concerns about growth, and that the organization must also offer a clearer response:

"The way to learn is by interacting with people who have other skills. Interacting opens the opportunity to learn new things, to seek horizontal development. Today, I think there is more pain than perceived opportunity. And there is concern about vertical growth and salary (I2). "Today, visibility will begin to enhance resource mobility (I6). "There is a challenge in providing greater clarity to development opportunities, because in a traditional structure, it is clearer (I7). "In general, I believe we are all increasingly in a self-management model (I8). "What the model invites us to do is grow based on skills. But it is also something that is also under construction; there is no clear path to skills and how to make them grow (I10). "Today, people learn by doing; there is more definition of learning through action, but development is a space of high uncertainty in teams, especially for people who had middle-level leadership roles and were left without them in the new structures (I11)."

3.1.7 Change management and innovation

Innovation is enabled by the decentralization of decision-making, greater autonomy, and empowerment of people, with a focus on the customer; although high levels of innovation are not yet perceived. On the other hand, greater and more diverse participation and listening facilitate the emergence of ideas. This greater democratization is also linked to openness and a willingness to change:

"When you decentralize and empower people with autonomy, innovation emerges (I1). "There is greater proximity and knowledge of the client, and that allows for better innovation (I2). "In my team, things happen faster, because before, we had to ask permission from functional areas (I3). "I think we're better off in the sense that more ideas are being heard (I4). "Everything is more democratic, and the willingness to carry out change is greater. I think we have a larger brainstorming pool because there are many people willing to take risks and express their opinions (I5). "I think we're faster at processing changes by adapting to the movement, although I don't think the level of innovation has changed that much; but I think it will lead us to more accelerated innovation in the future (I8). "Before, we killed innovation because of egos, because if the idea wasn't from the one in charge, it remained there. But now that there is more diversity of voices, the blockers to innovation are more exposed, and the necessary conversations are encouraged (I10)."

3.2 Results of the group interviews

3.2.1 Work methods and processes

People from different roles emphasize the value of prioritization and order provided by the new work methodology with its different ceremonies and work periods. Furthermore, they highlight the greater focus on the client, along with a more collaborative, interdisciplinary, and strategic way of working. (O4: The teams shared their progress, lessons learned, and results from the quarter; some participants asked questions and others offered suggestions for improvement to achieve the goals for the next period.) Another aspect

highlighted is the empowerment of the teams, who decide how to achieve the objectives, which are shared and clear for all:

"The relationship model is changing, with people with different skills, more involved in the strategy, empowering the team (G1)." "One pillar is understanding the client; we are closer and understand each other better with this new paradigm (G2)." "The way we organize ourselves with interdisciplinary tables is now standard (G3)." "What allowed us to do was organize ourselves knowing what to attack in the coming weeks with priorities (G4)." "The ceremonies and their tools, combined with iteration, organized us, helped us focus, take on tasks, and initiatives with an impact on indicators. Today, debates are opened with other perspectives, which is richer and breaks down work silos (G5)." "Before, it was the what and how the leader would tell you. Today, the priorities are told by the owner, but in the how, we have the autonomy to decide how to do it (G6)."

3.2.2 Values and behaviours

Among the values and behaviors enunciated by the different groups, the following stand out: collaboration, camaraderie, teamwork, listening, respect for the opinions of others, experimentation, transparency, and a sense of belonging reinforced by being part of the transformation. (O2: This was not a routine meeting to update each other on the progress of the actions; rather, on this occasion, they decided to use this space to prepare for the review meeting to be held the following day. They reviewed the presentation in a friendly atmosphere, agreeing on the parts each person would present and on the timeframe each person would take, the order of intervention, clarifying doubts, and ensuring everyone understood each topic.) Autonomy is recognized as a value, but at different stages of evolution among individuals and teams in the organization:

"In more evolved teams, everyone's perspectives are heard, and decisions are enriched by everyone. There's testing and experimentation. There's also transparency; for example, in the objectives, which allows everyone to know what each other is doing, because before, there were many silos (G1)." "It makes more sense for me to continue working at the company where I actively participated in the transformation and feel that transcendence (G2)." "What I notice is a culture that the transformation reaffirms, based on collaboration, mutual respect, and cooperation (G3)." "Collaboration is generated among team members when someone needs support on a topic they don't have any knowledge of. Anyone can give their opinion, and it's taken into account (G4)." "It's a culture that allows you to be a protagonist, to make suggestions. One of the values is autonomy, which, regardless of the degree of evolution, was strengthened by the transformation. I don't see autonomy equally across the team, due to the stage we're each at (G5)." "When someone raises their hand, there's a willingness to help the other person, even if they don't have a solution in place. You feel like the company is yours; it's your company, your business (G6)."

3.2.3 Leadership

A shift in leadership style is perceived, moving from transactional to transformational. This involves taking a guiding role, supporting teams, letting go of control, letting others make decisions, empowering people, and making them visible. (O5: The leader encouraged team members to make proposals and exchange ideas about opening a new location or expanding the brand, and facilitated conversations so everyone could discuss options for increasing customer satisfaction. The leader shared his or her opinion on these topics once the other team members participated.) However, people note that this change is a challenge when living with both types of leadership, due to the difficulty some leaders have in adopting the new model:

"It's difficult to let go of control and focus on guiding and supporting teams (G1)." "There's still verticality; we're coexisting with both styles: transactional and transformational (G2)." "This type of leadership has made it possible to make visible people who were previously invisible, voiceless, or hidden. Today, people are more empowered (G3)." "When someone isn't aligned with that style, it's much more noticeable than before (G4)." "Today, leaders don't tell you what to do; they help you think (G5)." "The two mentalities that coexist today are also noticeable among leadership types. I see people who don't connect with the new way of leading, after many years in the company, accustomed to power and decision-making (G6)."

3.2.4 Levels of autonomy and decision-making

It is understood that the transformation toward agility implies greater autonomy for individuals and work teams, given the decentralization of decision-making. The agile methodology and working with objectives and key results (OKRs) encourage teams to define the actions to be carried out themselves. This requires assuming responsibility and commitment. (O1: Each team member voluntarily assigned themselves to the initiatives; later, some members proposed themselves as coordinators of the different initiatives and mutually agreed upon the start date for each one.) Furthermore, it is noted that greater levels of autonomy also require three important aspects to continue developing within the organization: an appropriate leadership style, strategic alignment, and a higher level of skills to be able to make the right decisions:

"The level of autonomy that can be generated depends on the leadership (G1)." "What we promote is achieving mastery in teams to achieve greater autonomy (G2)." "Working with OKRs gives teams autonomy when defining initiatives (G3)." "It depends on the level of skills of the people. And it changes depending on the team members (G4)." "Previously, there was no autonomy; if you proposed something, a boss would tell you yes or no. We're moving toward a more decentralized model, with more decisions in less time, because there are more people making decisions (G5)." "In some tasks, we may have greater skills and autonomy, and in others, not. And that influences the ability to make decisions. The challenge lies in defining objectives aligned with the strategy, to align and guide the team. It entails greater responsibility as owners of the initiatives; it generates greater commitment in me (G6)."

3.2.5 Interpersonal relationships

People perceive a greater number of connections and conversations generated and driven by the new work methodology based on collaboration and the breakdown of siloed work. Communication flows in all directions and is necessary to drive team action forward. (O3: Progress and results were shown at the end of the sprint, as planned, in financial, technological, marketing, sales, operations, and human resources areas; and next steps were communicated; additionally, presentation participants were asked for suggestions, feedback was provided, and questions and comments were made.) An improvement in the quality of connections is perceived both within and outside each team. Knowing more people and understanding their roles is also seen as a driver of camaraderie:

"Communications aren't directional; if someone needs information, they should proactively seek it out. (G1)." "Before, we were segmented, with less interaction (G2)." "With the methodology, I'm starting to work with people I hadn't worked with before (G3)." "The conversations have taken on a different quality; they're more constructive. It led us to have more difficult but also more honest conversations, putting ourselves in each other's shoes (G4)." "No matter how much disagreement there is, the openness and constructive approach builds a better bond. It fosters a more collaborative relationship. The methodology has helped us communicate more and better. (G5)." "Now you understand each other better because you know what they're doing. That makes you feel more like a teammate. There's greater unity and a sense of belonging to the same boat. Regarding the team's internal work, the meetings have helped us make things transparent and get to know each other better (G6)."

3.2.6 Learning and development

It is understood that the way to learn is through diverse work experiences, which in turn contribute to the development of different skills. This is perceived as an opportunity by people in the organization. They also understand the value that communities of practice provide for development and the importance of self-development, which is not managed in the same way by everyone. However, at the same time, there are concerns regarding the form of career development and the compensation that they believe should accompany this professional growth. In this sense, it is perceived that the conception of growth is not the same for everyone and that in some cases, the expectation of vertical growth could clash with the organization's development paradigm and its own structure:

"In the way we work with diverse teams with multiple skills, we learn from day to day (G1)." "Now you're open to everyone learning wherever they want and feeling they can contribute (G2)." "Growth no longer comes from moving up, climbing a step,

and today we're expanding our skillset. This is difficult to understand for the vast majority of people and for those just joining (G3). "What everyone asks us is how I grow. Learning and development has become central to the individual, who has to take the initiative to train or ask for feedback (G4). "I think communities of practice will be a springboard. Because sometimes we see that more junior people need to increase their skills in order to then have autonomy. In reviews, everyone shares how they work on initiatives, and learning is generated among colleagues (G5). "Today it's an uncertainty. I've asked about it several times. The range of learning has widened, but it's not specified at the career level. Flattening structures makes it difficult to visualize growth." Personally, I struggle with self-development, doing things to make other things happen. You just have to ask for feedback and drive growth. For me, learning more about other sectors, areas, and skills awakens new interests. The possibilities have expanded; before, they were only within your area. Today, the panorama is opening up. I think it's important to clarify issues of compensation in return for proposals and ideas. Some people were thinking about growing vertically, but the transformation changed the rules of the game for them, and this could have left those people feeling sad when they saw their situation cut short. And talent could be lost (G6).

3.2.7 Change management and innovation

In general, changes are perceived as inherent to the transformation, with a strategic perspective and as opportunities for continuous improvement. At the innovation level, while an increase in ideas is perceived, stemming from greater exchange and openness to listening, this is not yet visible at the business level. On the other hand, focusing on and being close to the business is perceived as a future opportunity for innovations that generate value:

"Continuous improvement is here, but I'm critical of seeing if we're even more innovative in terms of business (G1). "I feel we've learned that if things don't work out, we learn from our mistakes and can improve them later. Agility accelerates the ability to test an innovative initiative and make a U-turn if necessary (G2). "Today, everyone presents their ideas; it's multiplied. It makes sense to me that innovation is facilitated more now with people who are in teams in business focuses, because it streamlines it (G3). "We're constantly building, which is why changes are constant and natural (G4). "Since everyone has already transformed, changes flow more smoothly, and making mistakes is fine. We're encouraged to test (G5). "We're so open to experimenting that many ideas emerge. One thing the transformation has brought is analyzing a change more strategically and analyzing its relevance from the business itself (G6)."

4. Discussion

Employees, across all roles, demonstrate the influence that agility has had on their ways of working, especially with the incorporation of a new methodology for all work teams. This highlights the importance of the frameworks mentioned by Dikert et al. (2016) in achieving organizational transformation at all levels.

Certain values were mentioned concurrently by all employees as present in the behaviors they observe in people within the organization, referring to collaboration, teamwork, listening, autonomy, experimentation, and pride or a sense of belonging. This aspect is important in the pursuit of a transformation toward agility, given that, as Holbeche (2018) and Schein (2017) affirm, values play a fundamental role in determining people's behaviors.

Although a change in leadership style is observed, currently more oriented toward empowering individuals and teams, it is evident that it remains one of the organizational challenges, given that some leaders still perceive a vertical orientation. This point is an alarming factor for organizations seeking agility because, as Iivari and Iivari (2011) postulate, a hierarchical culture is incompatible with this pursuit. Furthermore, as Dessein and Prat (2022) point out, leadership has a special implication in the creation of organizations that can adapt.

This is related to the different levels of autonomy observed and the need to continue improving decision-making. Although greater decentralization of decisions is noted, it is understood that increased skill development is required for all employees to be able to make decisions and, at the same time, continue modeling a leadership style aligned with the new paradigm of agility. This is consistent with the statements

made by Orieno et al. (2024) as organizations today require leaders who are facilitators and enablers rather than sole decision-makers.

On the other hand, there is consensus that relationships and ties have increased within the organization, fostering greater communication between people from different teams. This greater networking could be a driver of agility and continue to foster the transformation of organizational culture at its different levels. The latter, as Tolfo et al. (2011) affirm, is a relevant condition for ensuring long-term agility.

Regarding learning, employees generally perceive that daily work experiences, with different people and teams, are constant sources of opportunities for skill development. This perception of learning driven by different actors, in line with what Barth et al. (2023) postulates, is precisely what is required to drive sustainable transformation. However, there is also agreement that the concept of career development is not the same in all cases and that there are concerns about how the transformation fosters organizational growth.

Finally, there is recognition of a greater openness to change and the generation and exchange of ideas generated by the new way of working, which becomes an organizational advantage for responding to changing market conditions and continuing to strengthen the culture internally, according to Kocot and Olak (2024). However, high levels of innovation are not yet observed in the business.

5. Conclusion

From the perspective of Farmacity employees, the transformation toward agility, which is a process underway throughout the organization, has influenced its culture in line with what is required to achieve organizational agility in several aspects, such as work methods and processes, values and behaviors, leadership, autonomy and decision-making, interpersonal relationships, learning and development, change management, and innovation.

However, employees recognize that there are still some aspects of the culture that need to be improved to continue transforming the organization toward agility, especially referring to the need to increase levels of autonomy and innovation, align the concept of professional growth, and continue designing practices that ensure the required skills and strengthen the transformational leadership model. At this point, it is worth highlighting the recent nature of the transformation toward agility, encompassing the entire company, and that other stages of the transformation process may be analyzed in the future.

These latter perceptions, from the perspective of Strobe et al. (2022) are part of the tensions of any agility transformation process; and they represent findings for the implementation of future initiatives in the organization that can continue to create the culture necessary for a long-term agile transformation. Finally, the study as a whole represents a contribution for other organizations that wish to incorporate agility or are in the process of transformation.

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Appendix

Interview Guide

1. How do you think work methods and processes have changed with the transformation?
2. What values do you see reflected in the behavior of people in the organization?
3. Thinking about leadership before the transformation, what differences do you see today?
4. What differences do you see in the level of autonomy and decision-making?
5. In what ways do you think interpersonal relationships have changed?
6. How do you experience learning and development?
7. What differences do you see in change management and innovation capabilities as a result of the transformation?

Notes

- 1 G1: Agile Coach. G2: Facilitador. G3. Mentor de Práctica. G4: Owner de Eficiencia. G5: Owner de Experiencia. G6: Miembro de Equipo.

2 O1: Planning. O2: Sincronización. O3: Revisión. O4: Revisión de cierre trimestral. O5: Ciclo estratégico.

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Ciencias Administrativas

núm. 27, e173, 2026

Universidad Nacional de La Plata, Argentina

revistacadm@econo.unlp.edu.ar

ISSN-E: 2314-3738

DOI: <https://doi.org/10.24215/23143738e173>



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