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APPLICATION OF AGILE METHODOLOGY IN SMALL BUSINESS AND STARTUP PROCESSES: OPPORTUNITIES AND RESULTS

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Abstract

We know that in the context of the digital economy, market demands are changing day by day, consumer tastes are shifting rapidly, and competition is intensifying. Under these circumstances, alongside large corporations, small businesses and startups also increasingly need flexible approaches to organizing their operations. Originally emerging in the field of software development, Agile methodology is now widely applied across every sector — marketing, product development, finance, and even manufacturing. This article examines the essence of Agile methodology, the opportunities for applying it in small businesses and startups, and the practical results that can be expected from it.

Keywords

Agile methodology, startup projects, risk, iterative approach, waterfall model, resources, limited budget.

What is Agile methodology? Agile is an iterative (step-by-step) approach to project management, based on breaking large tasks down into small, manageable pieces (sprints). At the end of each sprint, the team evaluates the outcome, gathers feedback from the customer or the market, and makes adjustments for the next stage. Unlike the traditional "Waterfall" model, which relies on rigid planning and struggles to adapt to change, this approach is built on flexibility and speed.

Opportunities for application in small businesses and startups:





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1. **Fast decision-making and flexibility.** Small teams typically face fewer bureaucratic obstacles than large corporations. This makes it easier to implement Agile principles — decisions are made faster, and communication between team members is direct.

2. **Continuous engagement with customers.** For startups, finding product-market fit is of vital importance. The Agile approach requires gathering customer feedback at the end of every sprint, which prevents wasting excessive resources on the wrong direction.

3. **Efficient use of limited resources.** Small businesses typically operate with limited budgets and human resources. Agile's concept of a "minimum viable product" (MVP) allows an idea to be tested at low cost and investment to be directed only toward approaches that prove effective.

4. **Risk reduction.** By breaking a project down into small stages, errors can be identified and corrected early, preventing the loss of significant amounts of money and time.

Practical results: small businesses and startups that implement Agile methodology typically see the following results:

- Shorter time-to-market — working from an MVP significantly shortens the path from idea to finished product.
- Increased team efficiency — daily short stand-up meetings help identify and resolve problems in a timely manner.
- Higher customer satisfaction — continuous feedback ensures the product is adapted to real needs.
- Reduced financial risk — prevents large sums of money from being spent in the wrong direction.



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Challenges: Agile is not a magic wand. Small teams may sometimes encounter the following problems: applying the methodology superficially without fully understanding it, neglecting long-term strategic planning, and the adjustment period required for team members to adapt to a new way of working.

Conclusion: Agile methodology is an effective tool for small businesses and startups, enabling them to respond quickly to market changes, allocate resources wisely, and create products that meet customer needs. However, successfully implementing it requires the team to deeply understand the essence of the methodology and adapt it to the specific characteristics of their business.

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