



STATE
OF **AGILE**
CULTURE
2020
REPORT

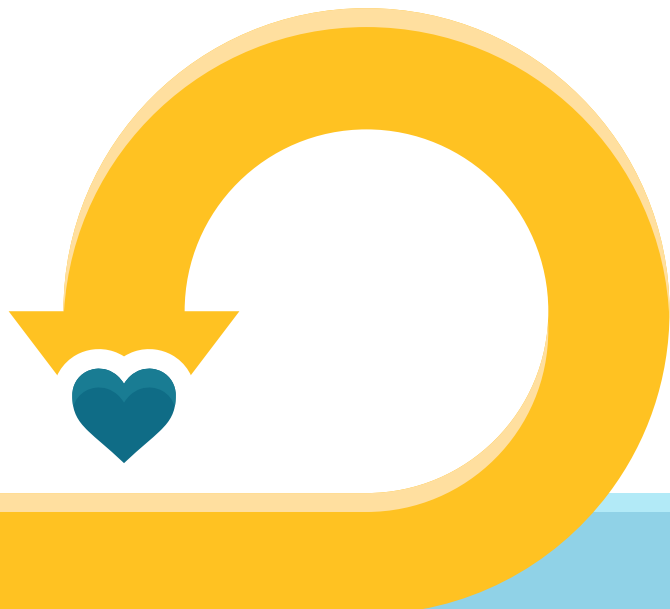
PRESENTED BY:





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EXECUTIVE SUMMARY

The benefits of agile in organisations is widely recognised, yet cultural issues with its adoption still present a problem. Version 1's [State of Agile Report](#) revealed that 48% of organisations cite this as their biggest challenge to successfully implementing agile.

Agile is shaped by the company set-up, the leadership and the people, although the detail behind these concepts are not always readily understood. We commissioned this report, a world first, to examine each of these viewpoints.

We did this by surveying people in organisations – at all levels – who are dealing with this challenge every day and uncovering what they think and feel. These are the same individuals who will deliver an agile culture.

We hope our findings will enable leaders to identify opportunities to introduce an agile culture to different types of organisation and to tackle the barriers to introducing and sustaining it.

“ The report should make happy reading. With the clear need to focus on direction-setting and environment-building, leaders of agile organisations are liberated from the bombardment of everyday decisions - because that's what they've **empowered their teams** to do. ”

NICKY KLEIN,
FORMER CHIEF DATA OFFICER,
DIRECT LINE GROUP

Our key findings include the following:



A strong agile culture improves business performance by 235%.



Organisations using more sophisticated agile operating models have a weaker culture.



Employees prefer to work in an agile environment.



Strengthening the culture takes time and commitment, but it pays off at each stage of growth.



As agile culture matures, the importance of the individual declines, and changes to a team focus.



The financial services industry has the strongest agile culture, while the public sector is one of the weakest.



“ This is a timely and interesting report that puts the spotlight on the real issues that face organisations as they transition to **more agile ways of working**. It provides useful evidence of the areas to focus on to deliver better value. ”

KATIE TAYLOR,
VICE CHAIR,
AGILE BUSINESS CONSORTIUM

WHY IS AGILE CULTURE IMPORTANT?

The **Agile Business Consortium** defines agile culture as ‘creating an environment that is underpinned by values, behaviours and practices which enable organisations, teams and individuals to be more adaptive, flexible, innovative and resilient when dealing with complexity, uncertainty and change’.

An agile culture enables organisations to focus on the areas of greatest value to quickly release its benefits, learning what works while listening to their customers and adapting their products or services as customer demand shifts. It creates high levels of trust, supports effective communication and increases transparency throughout the organisation.

“ From this report, we see clearly that **focusing on the culture** is a proven route to more effective organisational outcomes, in every sphere. Productivity, time to market, cost and risk reduction, and – most importantly – customer benefit, are all improved in organisations with an agile culture. ”

JOHN WILLIAMS, CEO, THE INSTITUTE OF LEADERSHIP AND MANAGEMENT

The key enablers of an agile culture are:

- ✓ Clear purpose and results
- ✓ Leadership role modelling agile behaviours
- ✓ Employee wellbeing and fulfilment
- ✓ Autonomous, collaborative teams
- ✓ Operate with trust and transparency
- ✓ Adaptability to change
- ✓ Openness to experimentation

“ We’ve supported more than 40 organisations **delivering £2.4bn worth of value** by embedding agile working. The most successful transformations sustained these benefits not because of methods and tools, but by achieving a complete shift in culture and behaviours. ”

VIKRAM JAIN, MANAGING DIRECTOR, JCURV

JCURV typically sees agile organisations report benefits of:



BACKGROUND AND REPORT INTRODUCTION

The report's analysis has been based on a novel approach to surveying, using cutting edge neuroscience to focus on three areas: **myself (employees), my company and leadership**, along with an innovative method of capturing user feedback. This ensured we identified key areas for improving agile culture in organisations, while removing conscious bias from respondents.

Focusing on these three areas allowed us to identify how the individual, company environment and leadership interacted to enable or inhibit agility. When combined with our background data, we were able to pinpoint striking insights into how organisations can succeed on their agile journey.

The survey ran from **June 2020 to July 2020** and was a collaboration between **JCURV, Truthsayers** and the **Agile Business Consortium**.

The aim of this report is to:



Give organisations and leaders the ability to identify key cultural enablers for organisational agility.



Benchmark agile capability in and across organisations, geographies and industries.



Provide insight into cultural attitudes which enable or inhibit success in an agile environment.



Identify the challenges different industries and differently sized organisations face to enable best practice.



ENGAGEMENT SURVEY QUESTIONS



- ▶ Leadership
- ▶ Ways of working
- ▶ Empowerment
- ▶ Clarity of purpose
- ▶ Value delivery



NEUROSCIENCE RESPONSE



- ▶ Focusing on what people feel, not what they say
- ▶ Utilising an online tool to capture users' responses implicitly

INSIGHT ACCURACY

Insight that allows leaders to improve their agile cultures by...

1

Focusing on how teams are feeling, not just on what they are saying

2

Identifying the key areas of improvement for leadership to create a thriving agile culture

3

Continually evaluating how teams are feeling and assessing their agile maturity

SURVEY APPROACH

We conducted our analysis using an advanced online surveying approach which measures implicit reaction time (IRT), rather than traditional tick box questionnaires. IRT captures people's immediate, intuitive, gut responses, which are often very different from what they say. Unlike traditional surveys, no questions are asked. The IRT bypasses conscious thought processes by measuring the reaction time of how employees respond 'yes' or 'no' to a statement.

Thirty years of advances in neuroscience have proved that emotions and feelings originate in the non-conscious part of the brain which traditional methods are unable to access. Traditional box-ticking exercises make it impossible for organisations to capture meaningful and honest data. As a result, normal employee surveys are unable to tap into employees' true emotions and feelings, and responses can be biased, making them ineffectual and inaccurate.

“ When it comes to change inside an organisation, it's extremely rare for everybody to be 'all in'. What people tell their leaders about a change initiative is heavily nuanced and often very different to how they feel. IRT is proving that transformation often fails to meet its objectives because decisions are based on optimism, apathy, conformity or fear. Traditional tick-box methods **struggle to make that distinction.** ”

SIMON STAPLETON,
CO-FOUNDER OF TRUTHSAYERS

The survey focused on three areas of cultural agility: **myself, my company and leadership.** The areas were further split into key components.

■ MYSELF

- ▶ I am learning a lot
- ▶ I can experience failure without being reprimanded
- ▶ I am being recognised for my contribution
- ▶ I am clear on what we need to do
- ▶ I make a positive difference to our business performance and customers
- ▶ I am really enjoying my role
- ▶ My work-life balance is very good

■ LEADERSHIP

- ▶ I feel empowered by our leadership
- ▶ Leaders encourage us to experiment to improve performance
- ▶ I am clear as to what the direction is of the organisation and my team
- ▶ Our leaders effectively prioritise our focus of me and my team on the highest value outcomes

■ MY COMPANY

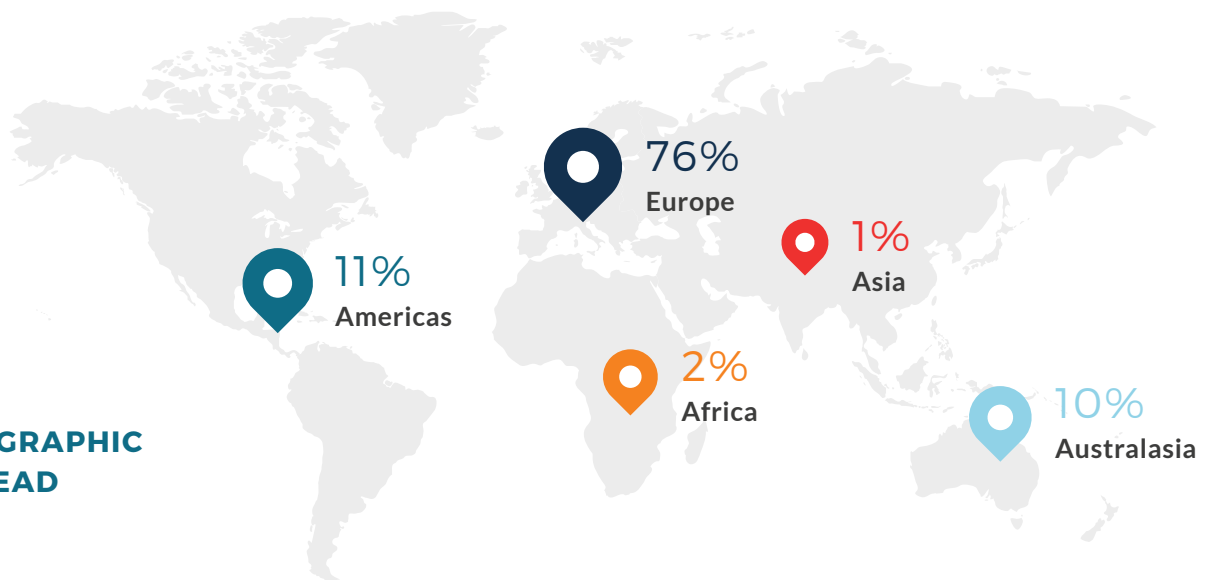
- ▶ Openly learns from its mistakes
- ▶ Our way of working is efficient in managing change
- ▶ Promotes a positive, collaborative environment
- ▶ Puts its people's best ideas into action
- ▶ Agile ways of working make a positive difference to our business performance
- ▶ We have great team spirit

The output gave us a combination of traditional survey results, along with a deeper view which reveals where cognitive dissonance occurs.

DEMOGRAPHICS OVERVIEW

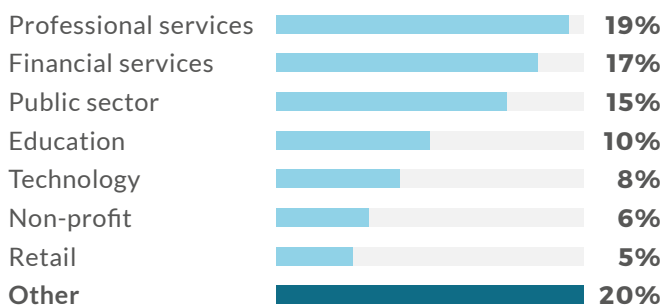
With 1,165 responses, the *State of Agile Culture 2020 Report* has been the year's largest global agile survey. Our respondents come from a variety of geographies, industries, and organisations.

We analysed the data across the various splits which allowed us to draw out culturally relevant insights to help organisations on their agile journey.

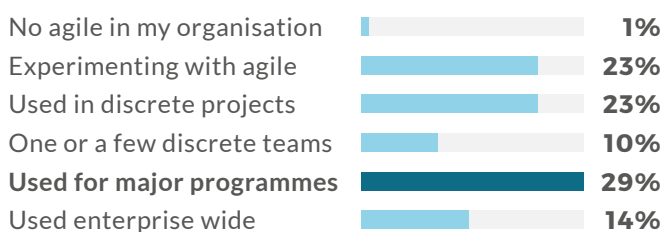


GEOGRAPHIC SPREAD

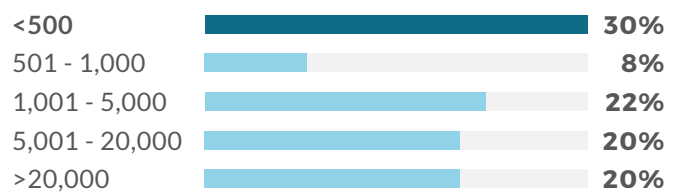
SECTOR SPLIT



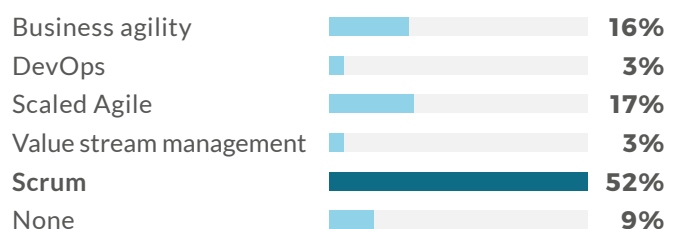
SCALE OF AGILE



ORG SIZE



AGILE METHOD



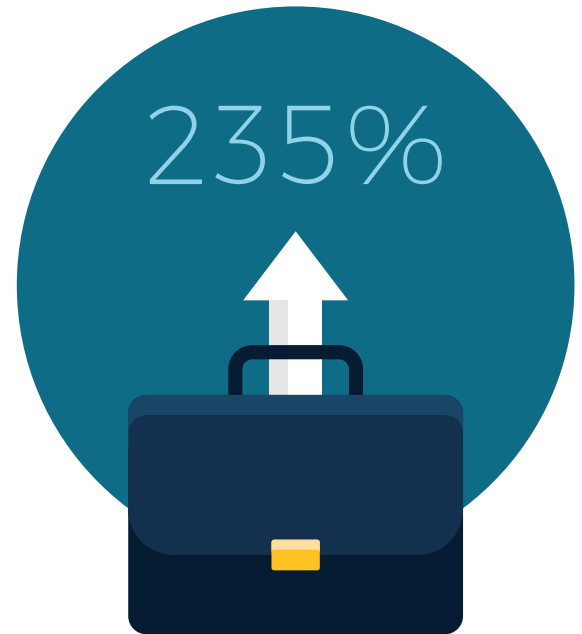
RESEARCH HIGHLIGHTS

A STRONG AGILE CULTURE IMPROVES BUSINESS PERFORMANCE BY 235%

Our research highlights a strong relationship between performance and an agile culture. Organisations which were able to build a 'very strong' agile culture saw a performance improvement of 235%.

This shows investing in agile culture will pay off in a performance uplift, and, as John Williams notes, **"There is clear evidence that organisations with an agile culture perform better, through employee commitment not merely compliance."**

Attitudes such as 'failure being acceptable' and 'empowerment' emerged as key focus areas to strengthen cultural agility. Organisations that invest in building a strong agile culture can expect an increase in business performance.



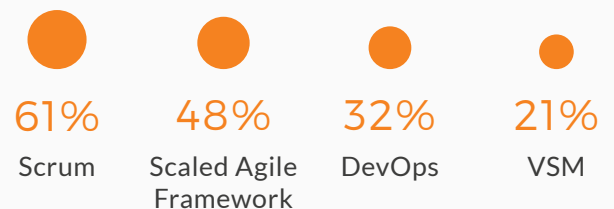
TURN THE VOLUME UP ON CULTURE WHEN USING SOPHISTICATED AGILE OPERATING MODELS

Organisations using Scrum and Scaled Agile Framework (SAFe) have the most mature agile cultures, especially in terms of leadership (see fig 1). Organisations using integrated methodologies such as DevOps (11%) and Value Stream Management (VSM) (9%) have significantly lower levels of cultural maturity.

Many organisations see VSM as a way of reducing costs, but these more sophisticated initiatives are rarely sustainable and fail to deliver the expected business efficiencies. Organisations using these approaches would benefit from investing in strengthening behaviours before restructuring the organisation.

LEVELS OF CULTURAL MATURITY ACROSS DIFFERENT AGILE METHODS

OVERALL AGILE CULTURE MATURITY



OVERALL LEADERSHIP MATURITY

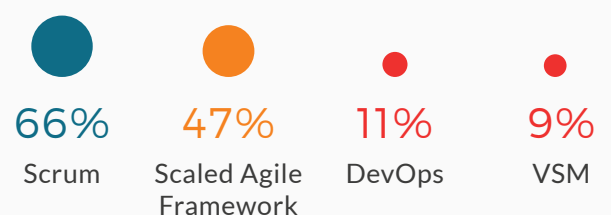


Fig 1

EMPLOYEES PREFER TO WORK IN AN AGILE ENVIRONMENT

Employees' enjoyment of their role increases with both the strength of the agile work culture and with their leadership exhibiting agile behaviours (see fig 2). Investment in strengthening agile culture will pay off as employees engage more strongly with their company's mission. This is essential with the challenges imposed by Covid-19 and the increase in home working.

Shelley Malton, Customer Services, Operations & Digital Director, **Vodafone**, says: "With remote working the 'new normal', it is even more important that organisations create emotional connection with their core purpose. Strengthening this sense of purpose helps to ensure that teams remain passionate about going over and above for the firm's mission."

ENJOYMENT OF ROLE INCREASES AS AGILE CULTURE GETS STRONGER

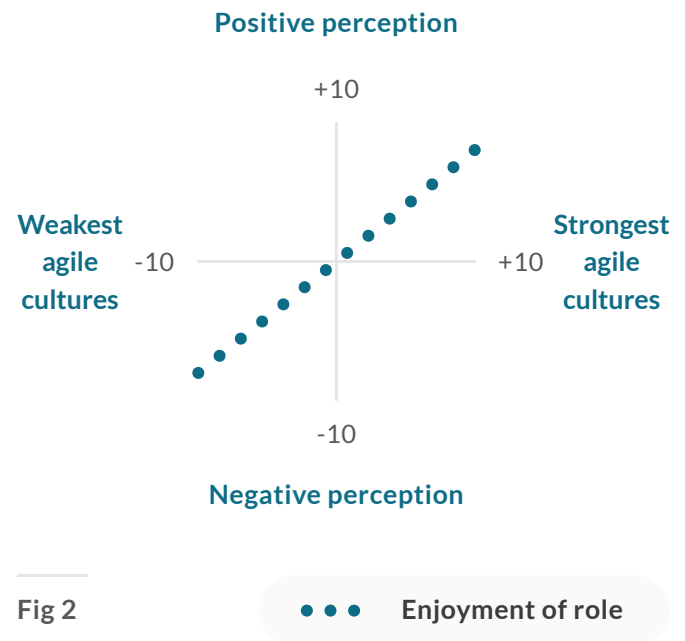


Fig 2

TEAMS ARE WORKING HARDER, BUT ARE HAPPIER!

As organisations increase their agility and strengthen their agile culture, work-life balance leans towards work, but employees' enjoyment of their role increases (see fig 3). This impact on work-life balance is not necessarily a bad thing if it is compensated for by other factors.

Our research indicates that people are putting more into their jobs because they are enjoying their work more.

We have seen staff report increased scores in their ability to make a difference, to learn more and to connect more closely with their organisation's purpose. Organisations which can leverage this will have a more motivated, harder working workforce, who are happy to put in the extra hours to achieve the team's goals.

STRENGTH OF AGILE CULTURE AFFECTS LEARNING, ENJOYMENT, FEELING OF MAKING A DIFFERENCE AND WORK-LIFE BALANCE

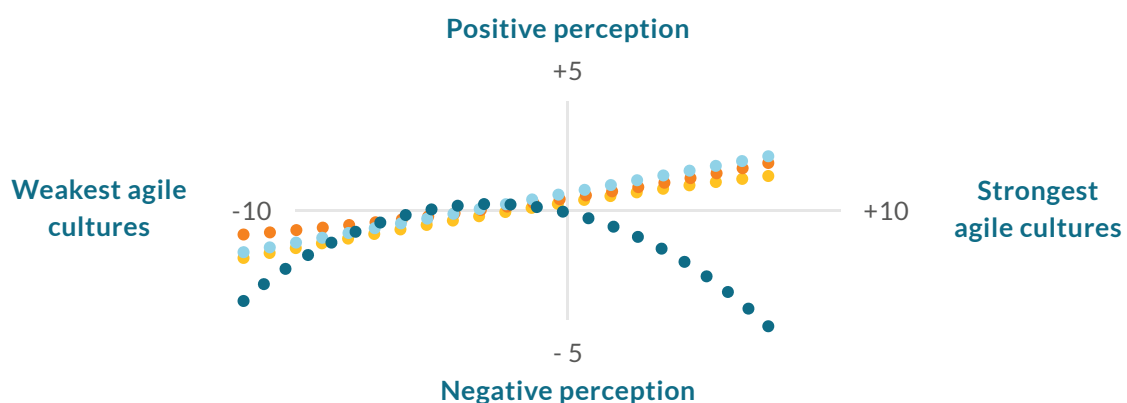


Fig 3

● ● ● Learning ● ● ● Enjoyment ● ● ● Make difference ● ● ● Work-life balance

■ TEAMS ARE WORKING HARDER, BUT ARE HAPPIER! (CONTINUED)

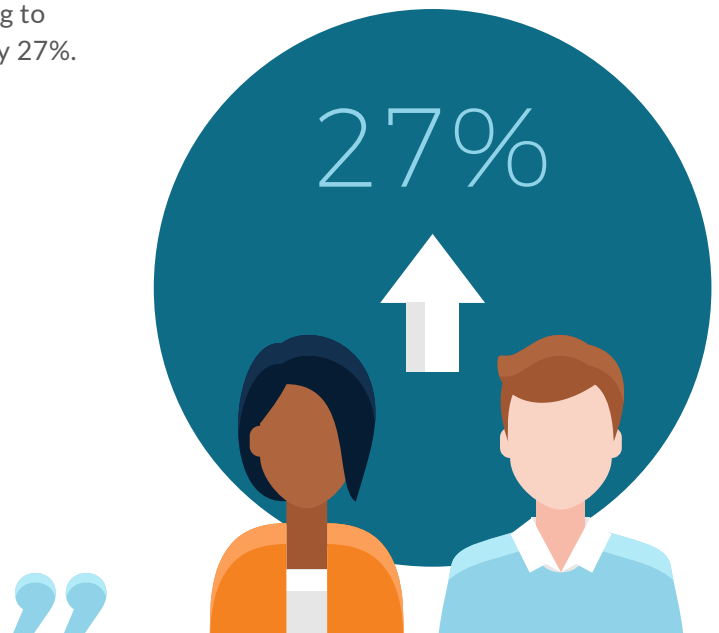
Some examples also show employees' shock at the realisation that they were not working as hard using their old processes. In other cases, it is due to higher engagement and thinking about work more often, driven in part by the switch to remote working.

Leadership teams need to feel confident that developing an agile culture will lead to increased engagement and they must support its development, but keep an eye on their teams' mental health. This is vital as organisations return to work post Covid-19.

CASE STUDY: BANK OF IRELAND

Within three months of introducing agile ways of working to Bank of Ireland UK, team engagement levels increased by 27%. One team member commented:

“ We are making a **genuine difference** to our customers at a pace we've not achieved before. It is easier to make changes and I am learning again!



“ WORKING HARD FOR SOMETHING WE DON'T CARE ABOUT IS CALLED STRESS: WORKING HARD FOR SOMETHING WE LOVE IS CALLED **PASSION.** ”

SIMON SINEK,
AUTHOR AND TED SPEAKER

STRENGTHENING THE CULTURE TAKES TIME AND COMMITMENT - BUT IT PAYS OFF AT EACH STAGE!

There is a positive relationship between the scale of agile use and how positively it is perceived among individuals, across the organisation and the leadership. This demonstrates that the greater the investment and application, the better the results. Katie Taylor says: **“This supports the Consortium’s view that agile is not just a set of processes but requires leaders at all levels to ‘be the change’ that inspires and supports others.”**

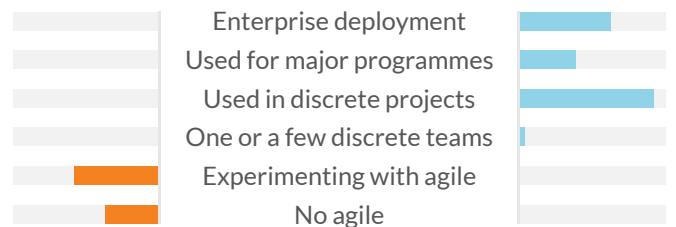
Organisations of all sizes which said they were 'experimenting with agile' score low on both agile culture and leadership. This shows that early on in an agile journey, practitioners rarely have support from their leaders. The data also shows that as organisations continue to invest in agile, the culture becomes more mature and enterprise-wide agile deployment delivers the greatest results (see fig 4).

If small-scale implementations are not having the expected impact, organisations need to commit to the long-term and do more rather than less. Remember, change can be challenging and achieving the benefits requires investment.

THE STRENGTH OF AN AGILE CULTURE IS IMPACTED BY THE SCALE OF THE DEPLOYMENT



STRENGTH OF AGILE LEADERSHIP CULTURE



STRENGTH OF AGILE 'SELF' CULTURE

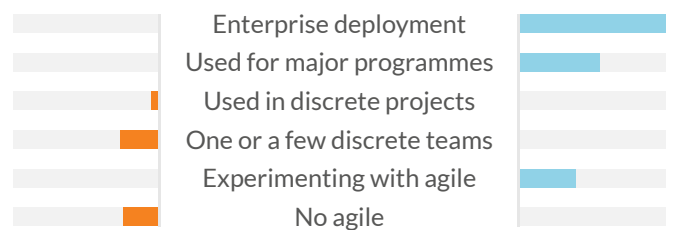


Fig 4

THERE'S NO 'I' IN TEAM IN MATURE AGILE CULTURES

As agile cultural maturity increases, the importance of the individual's contribution decreases. This is because in a mature agile culture, the cross-functional, self-managing team becomes jointly accountable for delivery over a specific individual. This moves organisations from a permanent crisis mode where 'martyrs' step in to rescue the delivery, to one where the team pulls together and moves as a unit towards its target. Employees also prefer to work in this way (see fig 5).

AS ORGANISATIONS INCREASE THEIR AGILE MATURITY, RECOGNITION OF INDIVIDUALS DECLINES

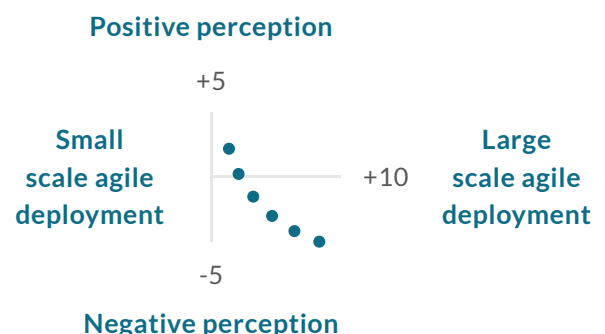


Fig 5

● ● ● Individual recognition

■ THERE'S NO 'I' IN TEAM IN MATURE AGILE CULTURES (CONTINUED)

Organisations which master this shift will enjoy greater employee engagement, and a culture which can seize opportunities.



It can be a huge change to move from a hero-based culture of individuals repeatedly 'saving the day', yet inadvertently starting more fires. A director at an investment bank recently confided that moving away from this way of working meant he struggled to know who 'deserved' a promotion. Thankfully, as the benefits became evident, he was able to identify the team players who were acting as **agents of change** and reward them instead.



BEN BEAVERS, AGILE COACH, JCURV

THE STRONGEST AGILE CULTURE

The industry that scored the highest overall was financial services. It scored particularly highly in the areas of the individual's perception of the culture and leadership.

Financial services organisations have invested heavily in agility over the last decade as their heavy reliance on technology has given the organisations who best leverage it a competitive edge. This has been especially important for incumbents to compete against fintechs.

The most agile organisations in financial services are embedding agile at scale and investing in addressing the challenges associated with agile budgeting.



LEAST MATURE AGILE CULTURES

The industries that scored lowest in agile culture were media, manufacturing and the public sector (see fig 6). This was felt most keenly when examining employees' engagement with their role with employees in both manufacturing and media responding negatively to the statement, 'I am really enjoying my role'.

Addressing staff engagement through an agile culture could help organisations in these sectors see similar performance benefits to those in other industries. Applying agility has given financial services and smaller retailers a competitive edge, making them benchmarks for other organisations.

■ LEAST MATURE SECTORS IN THEIR AGILE CULTURE

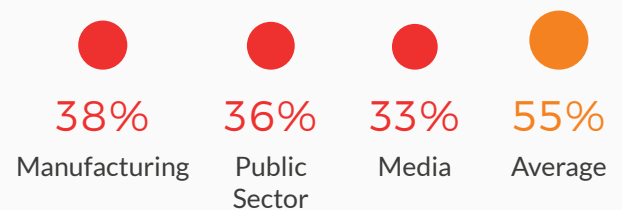


Fig 6

GLOBAL INSIGHTS

We divided the insights geographically across Europe, Asia, the Americas, Australasia and Africa and analysed the strengths and opportunities in each region. This reveals how organisations can expect to see cultural differences playing into transformations when implementing agility on a global scale.

CASE STUDY: LESSONS ON GLOBAL TEAMS FROM A FTSE100 BANK

A global bank was embedding agile assembly teams made up of colleagues from different countries. The Chief Operating Officer points out: “You can’t set up and support each team in the same way as each one will have different cultural biases.

South-east Asians were used to operating with strong hierarchies and the English teams wanted the protection of governance groups to support decision-making. We had to be sensitive to specific local needs and not apply a one-size-fits-all approach.”

TOP 3 AGILE CULTURAL STRENGTHS AND OPPORTUNITIES FOR EACH REGION

	 EUROPE	 AMERICAS	 ASIA	 AUSTRALASIA	 AFRICA
STRENGTHS	Encouragement of experimentation	I am clear on what to do	Agile makes a positive difference to performance	I am clear on what we need to do	I am learning a lot
	Enjoying my role	Recognised for my contribution	Company puts its people’s best ideas into action	Company puts its people’s best ideas into action	My company puts its people’s best ideas into practice
	Feeling empowered by leaders	Ways of working are efficient	Work-life balance is good	I make a positive difference to business performance and customers	I can experience failure without being reprimanded
OPPORTUNITIES	Promotes a positive collaborative environment	Leaders encourage us to experiment to improve performance	I am clear as what to do	Leaders encourage us to experiment to improve performance	I am clear on what we need to do
	My contribution being recognised	I am clear as to what the direction is of the organisation and my team	We have a good team spirit	I am learning a lot	I make a positive difference to our business performance and customers
	Have a great team spirit	I am empowered by our leaders	I am clear as to what the direction is of the organisation and my team	I am clear as to what the direction is of the organisation and my team	My company promotes a positive collaborative environment

Fig 7

■ STRENGTHS OF THE 3 CULTURAL COMPONENTS VARY ACROSS REGIONS

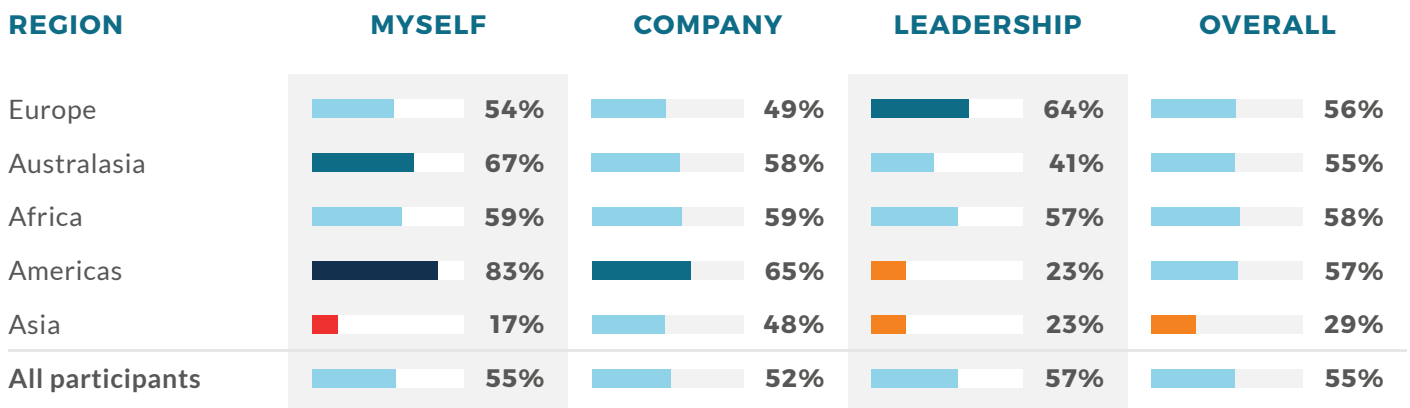


Fig 8

The individual's perception of the culture

The impact the organisation's structure has on the culture

The impact of the leadership on building the culture

In terms of leadership behaviours, **Europe** is the strongest, primarily because organisations in the region encourage experimentation and help employees feel empowered.

The **Americas** top the regions for both myself and company, but score poorly on leadership behaviours. People feel their company is supportive about what they should do, but their leadership does not encourage experimentation, set clear direction or empower its people.

Lack of direction is also a problem in **Asia** and **Australasia**. **Asia** scored lowest across all three areas, and organisations there will need to monitor cultural change closely when implementing agile as it goes against the cultural norm.

We are seeing trends around clarity across **all regions**, excluding **Europe**, both at the individual and company level. Business agility and Scrum scored strongly on both clarity and leadership, so may be the best methods for these regions. DevOps and SAFe did not score so strongly here, which suggests that organisations using these frameworks need to provide strategic clarity.



The geographical insight is a first for me, and while regional cultural traits may be seen as barriers, a key facet of an agile culture is the ability to **adapt** and **innovate**. With this in mind, we can find the right style for the region and build on the strengths shown, rather than slavishly forcing a homogenised way of working.



PHIL PRINGLE,
CTO, PROVIDENT FINANCIAL GROUP



I have found that all my teams globally have come together well. Through our agile journey we learned about each other, how different parts of the team were feeling and even the cultural differences in how Scandinavians, British, Canadians, and the other regions work together. The teams have all found an agile approach benefited, and it has helped them **collaborate more effectively**.



WILLAM MCDONNELL,
GROUP CRO, RSA

INDUSTRY

INDUSTRIES HAVE DIFFERENT CULTURAL STRENGTHS TO LEVERAGE AND OPPORTUNITIES TO IMPROVE TO ENHANCE AN AGILE CULTURE

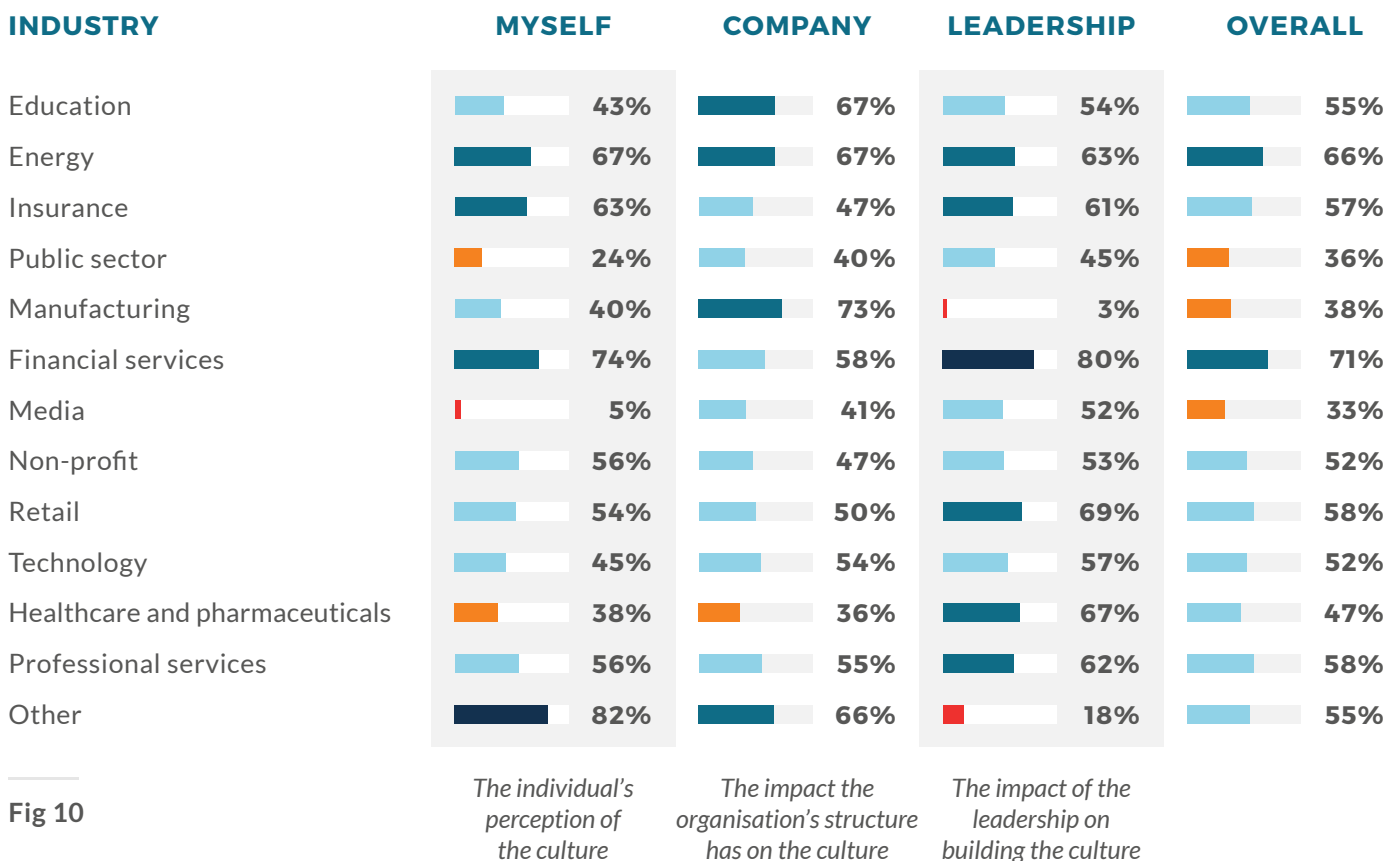
EDUCATION			ENERGY			FINANCIAL SERVICES		
My company openly learns from its mistakes	Company	96%	I am clear on what we need to do	Myself	97%	Our leaders effectively prioritise our focus on the highest value outcomes	Leadership	85%
My company promotes a positive, collaborative environment	Company	94%	I am clear on what we need to do	Company	95%	Leaders encourage us to experiment to improve performance	Leadership	84%
I am learning a lot	Myself	85%	I am really enjoying my role	Myself	89%	I am learning a lot	Myself	82%
Leaders encourage us to experiment to improve performance	Leadership	13%	My work-life balance is very good	Myself	0%	We have great team spirit	Company	8%
I make a positive difference to our business performance and customers	Myself	15%	My company openly learns from its mistakes	Company	7%	I am clear on what we need to do	Myself	30%
My work-life balance is very good	Myself	23%	I feel empowered by our leadership	Leadership	27%	Agile ways of working make a positive difference to our business performance	Company	36%

GOVERNMENT			MANUFACTURING			INSURANCE		
My company openly learns from its mistakes	Company	69%	My company promotes a positive, collaborative environment	Company	98%	Leaders encourage us to experiment to improve performance	Leadership	97%
I am really enjoying my role	Myself	65%	I can experience failure without being reprimanded	Myself	97%	I am being recognised for my contribution	Myself	91%
Leaders encourage us to experiment to improve performance	Leadership	59%	My work-life balance is very good	Myself	95%	I am learning a lot	Myself	89%
I am clear on what we need to do	Myself	6%	I am clear as to what the direction is of the organisation and my team	Leadership	0%	Our way of working is efficient in managing change	Company	2%
I make a positive difference to our business performance and customers	Myself	11%	I am really enjoying my role	Myself	0%	Agile ways of working make a positive difference to our business performance	Company	4%
My work-life balance is very good	Myself	13%	I feel empowered by our leadership	Leadership	1%	I feel empowered by our leadership	Leadership	4%

MEDIA			NON-PROFIT			RETAIL		
My company puts its people's best ideas into action	Company	98%	I am really enjoying my role	Myself	94%	My work-life balance is very good	Myself	96%
Leaders encourage us to experiment to improve performance	Leadership	97%	My company promotes a positive, collaborative environment	Company	91%	I feel empowered by our leadership	Leadership	94%
Our leaders effectively prioritise our focus on the highest value outcomes	Leadership	91%	I make a positive difference to our business performance and customers	Myself	89%	We have great team spirit	Company	85%
I am clear on what we need to do	Myself	1%	My company puts its people's best ideas into action	Company	1%	My company promotes a positive, collaborative environment	Company	3%
I am learning a lot	Myself	3%	I am being recognised for my contribution	Myself	5%	I make a positive difference to our business performance and customers	Myself	4%
Our way of working is efficient in managing change	Company	5%	We have great team spirit	Company	16%	Agile ways of working make a positive difference to our business performance	Company	35%
TECHNOLOGY			HEALTHCARE AND PHARMA			PROFESSIONAL SERVICES		
Agile ways of working make a positive difference to our business performance	Company	92%	Agile ways of working make a positive difference to our business performance	Company	99%	Agile ways of working make a positive difference to our business performance	Company	83%
I make a positive difference to our business performance and customers	Myself	87%	Our leaders effectively prioritise our focus on the highest value outcomes	Leadership	97%	I am clear on what we need to do	Myself	81%
We have great team spirit	Company	87%	Our way of working is efficient in managing change	Company	96%	I am really enjoying my role	Myself	78%
I am clear on what we need to do	Myself	16%	I am really enjoying my role	Myself	1%	My company promotes a positive, collaborative environment	Company	11%
My company promotes a positive, collaborative environment	Company	17%	I am being recognised for my contribution	Myself	3%	My work-life balance is very good	Myself	19%
Our way of working is efficient in managing change	Company	26%	My company puts its people's best ideas into action	Company	4%	I am being recognised for my contribution	Myself	37%

Fig 9

STRENGTHS OF THE 3 CULTURAL COMPONENTS VARY ACROSS INDUSTRIES

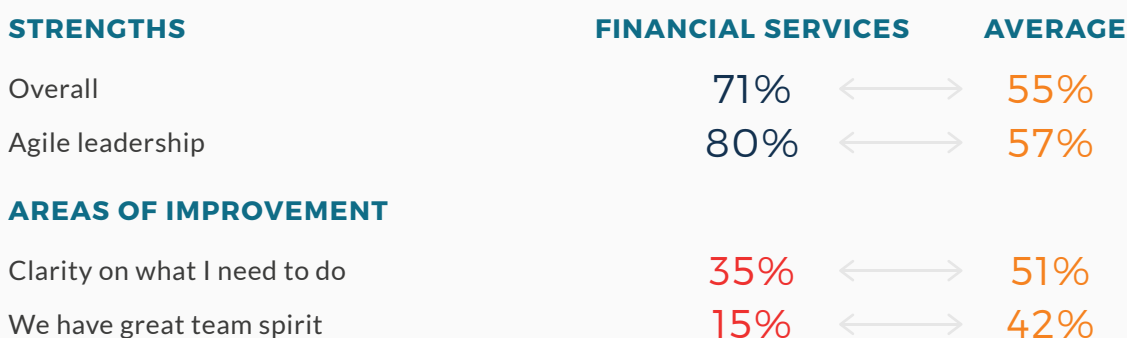


FINANCIAL SERVICES SHOWS STRONGEST AGILE LEADERSHIP

Across all the industries surveyed, financial services topped the scores for agile leadership (see fig 11). This skillset has been honed by many banks delivering significant agile transformations. In particular, the arrival of challenger banks forced a greater focus on customer centricity and product innovation. Banks have been working with agile for a long time and other industries, particularly insurance, should look to them for inspiration.

Within the industry, performance varied between different sizes of organisation: those with 501-5,000 staff had the strongest agile leadership, and the largest organisations (20,000+) had the weakest. This made an interesting contrast with insurance companies where we found that the largest organisations (20,000+ staff) demonstrated the strongest agile leadership.

FINANCIAL SERVICES HAVE A STRONGER CULTURE THAN MOST INDUSTRIES, BUT ARE WEAKER IN CLARITY AND TEAM SPIRIT



PUBLIC SECTOR HAS A WEAK AGILE CULTURE

Public sector scores poorly with agile culture. Employees are unclear about their role, they do not feel their work is recognised or that they are making a difference to the citizens they serve. They also feel that their leadership does not prioritise or empower them. Unsurprisingly, this impacts strongly on employee engagement. (see fig 12)



■ PUBLIC SECTOR SCORES LOWER ON AGILE CULTURE THAN THE INDUSTRY AVERAGE

	PUBLIC SECTOR		AVERAGE
I am clear on what I need to do	8%	↔	51%
Make a positive difference to our customers	18%	↔	54%
Leadership prioritisation	32%	↔	57%
Empowered by our leadership	39%	↔	60%
Recognised for my contribution	23%	↔	41%

| Fig 12

David Kershaw, Agile Procurement Thought Leader, **CURSHAW**, explains: “The public sector is one of the least agile of sectors globally and over-protection of the public purse causes:



Overgovernance



Overspecifying



Overspending



Overworking

To correct this, public sector procurement teams need to:

- 1 Design processes around users, including bidders and contractual suppliers.
- 2 Become fully embedded with users of procurement services and become part of a multi-disciplinary project team.
- 3 Use minimum viable procurement – governance works better this way, so delivery happens and it's quicker.

Embedding these actions will make employees happier, make them part of the solution and give them the satisfaction of knowing their services are helping their users instead of blocking them.”

The public sector is contending with a global recession, the Covid-19 pandemic and, in Europe, Brexit. It needs to demonstrate strong leadership and to focus its efforts where the most impact is made, as well as respond quickly to changing circumstances. Industry has proved that applying and embedding agile principles will enable them to respond swiftly and deliver more with less effort.

LARGER RETAILERS ARE LESS AGILE THAN THEIR SMALLER COMPETITORS

In the highly competitive retail sector, the ability to respond quickly to changing customer trends gives retailers an edge. This has been demonstrated by disruption from tech giants such as Amazon and eBay and the response to Covid-19 and Brexit. Our research indicates that smaller retailers have a stronger agile culture and leadership than their larger competitors (see fig 13).

This ensures they have a laser focus on changing customer needs, build partnerships with nimble supply chains and apply test and learn principles to their product lines, giving them a significant advantage.

This puts them in a strong position to continue to respond effectively to the continued uncertainty of Covid-19 and Brexit.

■ THE SMALLEST RETAILERS HAVE THE STRONGEST AGILE CULTURE

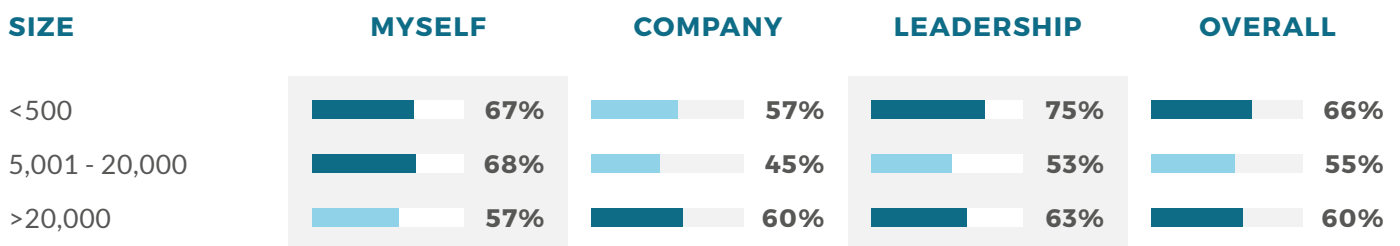


Fig 13

The individual's perception of the culture

The impact the organisation's structure has on the culture

The impact of the leadership on building the culture

Larger, less tech-driven retailers must take note, and...



...think big, start small and **scale fast.**

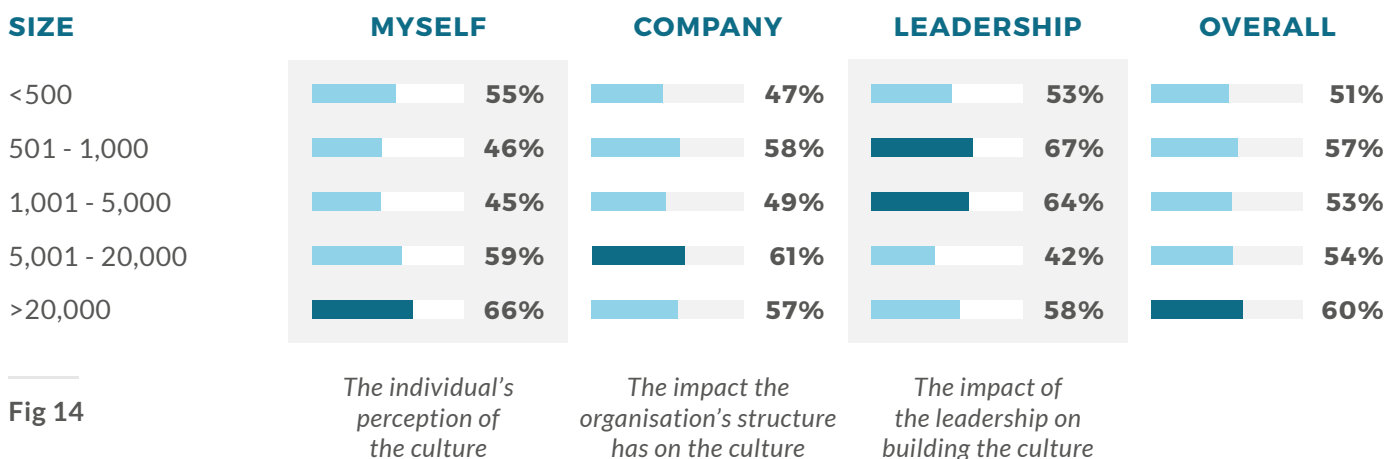


COMPANY SIZE INSIGHTS

We split the demographics along company size to identify the typical enablers and inhibitors for agile culture for organisations of a different scale. This enables organisations to identify effective role models. Organisations that have 5,001-20,000

employees are the strongest at applying agility across the company. Organisations which have 20,000+ employees demonstrate the strongest agile culture for individuals, but agile leadership is strongest in organisations with 501-5,000 employees.

DIFFERENTLY SIZED ORGANISATIONS VARY IN STRENGTH ACROSS THE THREE CULTURAL COMPONENTS



ORGANISATIONS OF DIFFERENT SIZES HAVE DIFFERENT CULTURAL STRENGTHS AND OPPORTUNITIES

	< 500		501 - 1,000		1001 - 5,000
I am really enjoying my role	Myself 76%	Leaders encourage us to experiment to improve performance	Leadership 90%	Our leaders effectively prioritise our focus on the highest value outcomes	Leadership 75%
Agile ways of working make a positive difference to our business performance	Company 73%	I can experience failure without being reprimanded	Company 84%	Leaders encourage us to experiment to improve performance	Leadership 73%
I can experience failure without being reprimanded	Company 72%	We have a great team spirit	Company 80%	I feel empowered by our leadership	Leadership 71%
We have a great team spirit	Company 22%	Agile ways of working make a positive difference to our business performance	Company 3%	I make a positive difference to our business performance and customers	Myself 18%
My company provides a positive, collaborative environment	Company 28%	My work-life balance is very good	Myself 15%	My company openly learns from its mistakes	Company 29%
My work-life balance is very good	Myself 29%	My company openly learns from its mistakes	Company 31%	I am really enjoying my role	Myself 30%

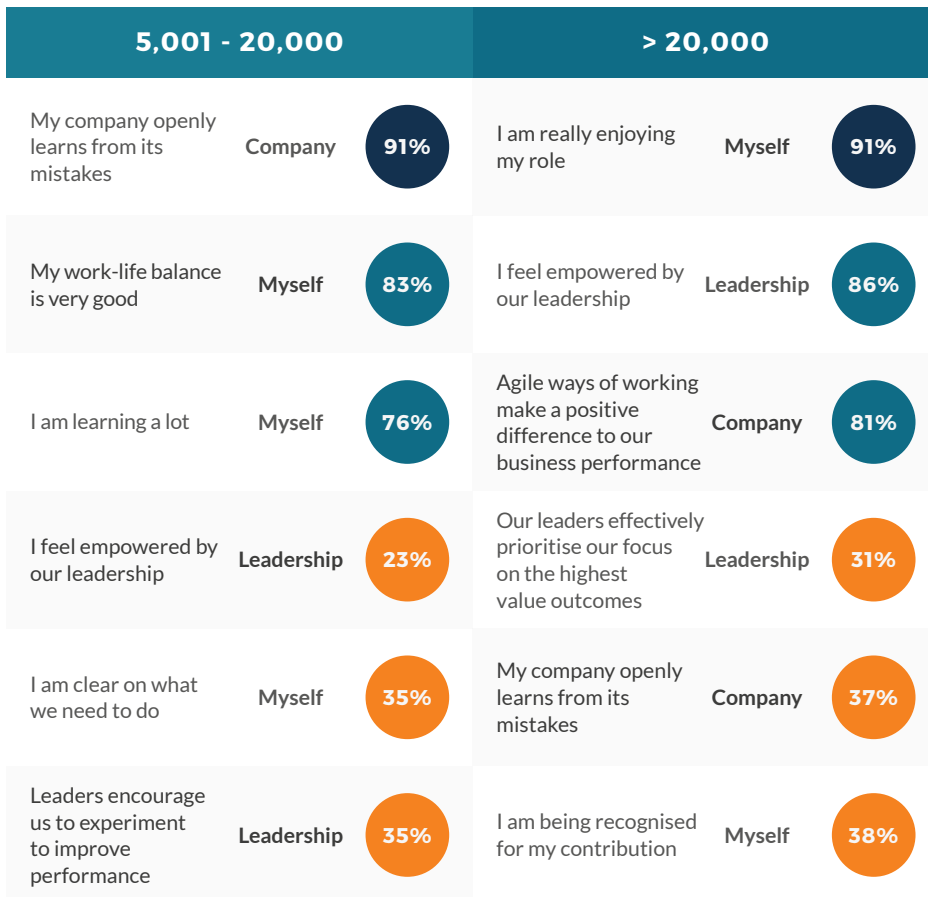


Fig 15

EMPOWERING TEAMS IS A KEY LEVER FOR CREATING A LEARNING CULTURE

The largest organisations need to focus on empowerment rather than collaboration when building a learning culture.

When organisations are facing complex new challenges and need to upskill team members, the leadership needs to share the mission with a cross-functional team and empower them to learn how best to solve it, rather than forcing collaboration between silos. (see fig 16).

This does not mean collaboration is bad, but it should be a by-product of learning, not the main goal, helping break down organisational silos and open up communications.

Organisations which master this can build a strong learning culture and have more resilience, which will allow them to address complex challenges and quickly identify new opportunities.

LEARNING IN LARGE ORGANISATIONS IS STRONGLY IMPACTED BY EMPOWERMENT AND COLLABORATION

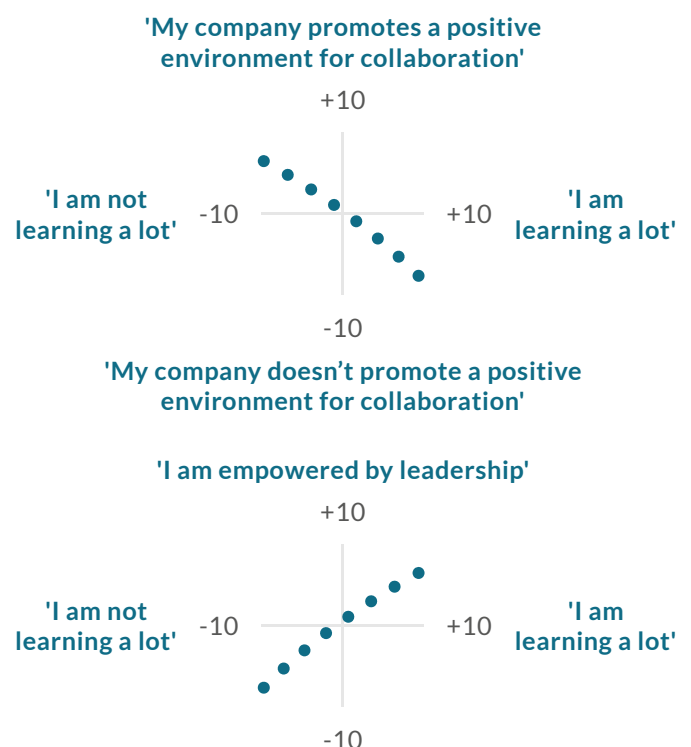


Fig 16 'I am not empowered by leadership'

AGILE METHODS INSIGHTS

DIFFERENT METHODOLOGIES HAVE VARYING IMPACTS ON AGILE CULTURE

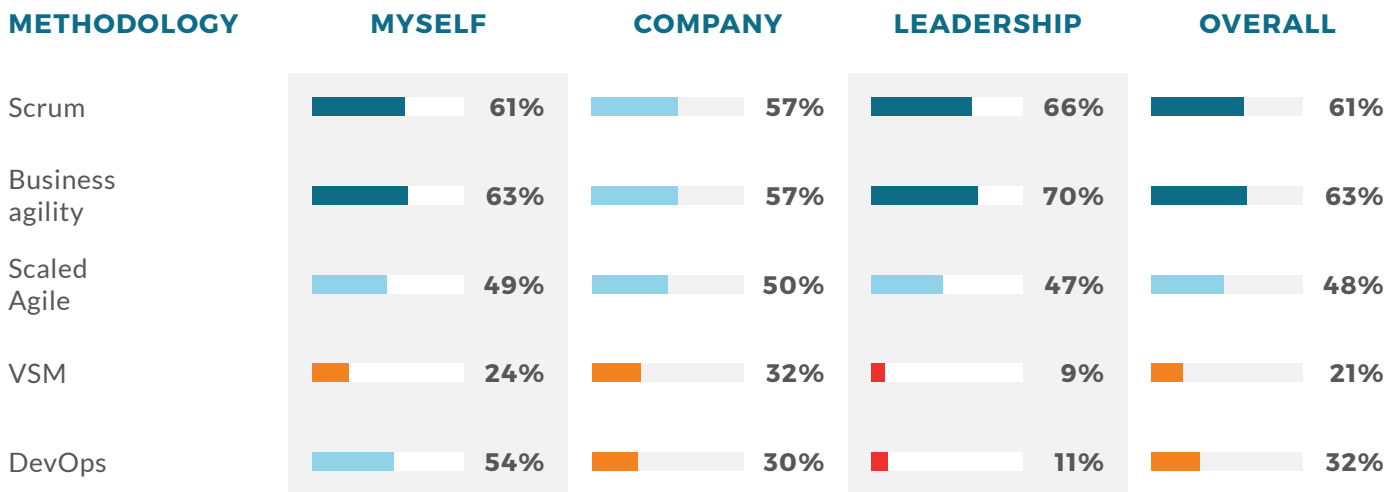


Fig 17

The individual's perception of the culture

The impact the organisation's structure has on the culture

The impact of the leadership on building the culture

SCALE OF AGILE DEPLOYMENT IMPACTS ON THE STRENGTH OF THE AGILE CULTURE

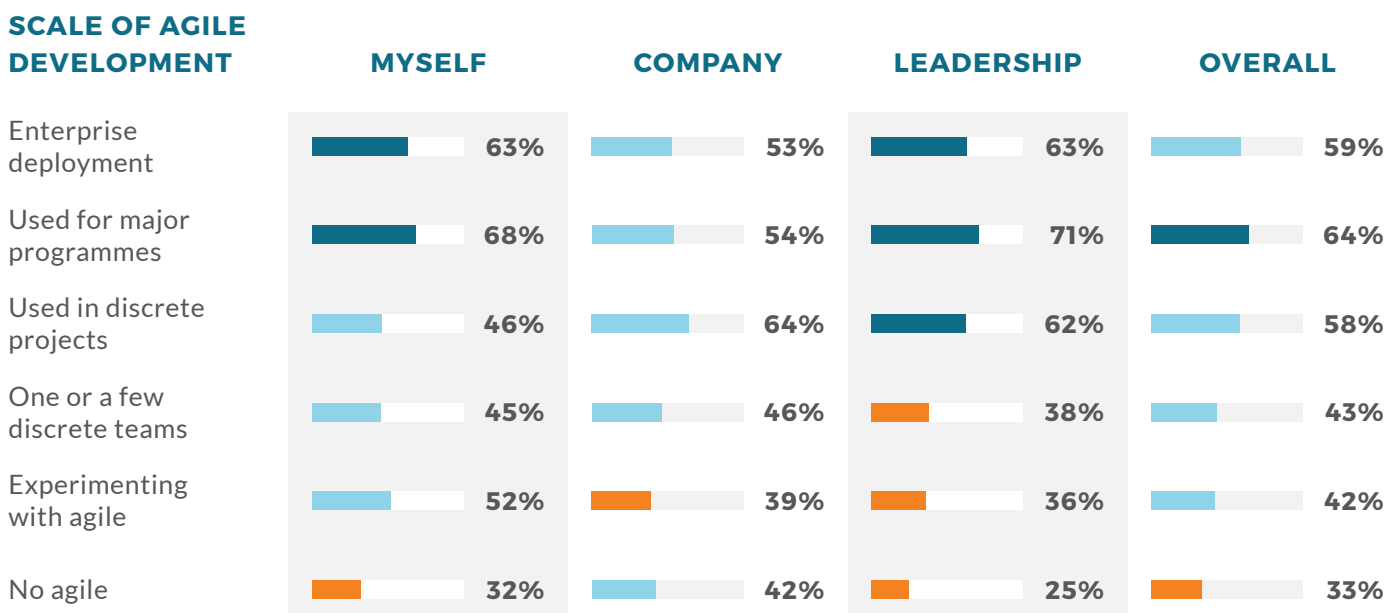


Fig 18

The individual's perception of the culture

The impact the organisation's structure has on the culture

The impact of the leadership on building the culture

AGILE METHODS CULTURAL STRENGTHS AND OPPORTUNITIES

SCRUM			BUSINESS AGILITY			SCALED AGILE		
I am clear as to what the direction is of the organisation and my team	Leadership	96%	I am clear on what we need to do	Myself	92%	I am really enjoying my role	Myself	86%
I feel empowered by my leadership	Leadership	94%	I am learning a lot	Myself	92%	Leaders encourage us to experiment to improve performance	Leadership	75%
Agile ways of working make a positive difference to our business performance	Leadership	85%	Agile ways of working make a positive difference to our business performance	Company	86%	I can experience failure without being reprimanded	Company	74%
We have great team spirit	Company	41%	My work-life balance is very good	Myself	23%	Our way of working is efficient in managing change	Company	17%
My company openly learns from its mistakes	Company	42%	I am being recognised for my contribution	Myself	24%	My work-life balance is very good	Myself	21%
Our way of working is efficient in managing change	Company	43%	My company puts its people's best ideas into action	Company	39%	I am clear as to what the direction is of the organisation and my team	Company	28%
VSM			DEVOPS					
My company puts its people's best ideas into action	Company	96%	I make a positive difference to our business performance and customers	Myself	98%			
I am really enjoying my role	Myself	78%	I am learning a lot	Myself	96%			
Our way of working is efficient in managing change	Company	55%	My work-life balance is very good	Myself	95%			
My company promotes a positive collaborative environment	Company	1%	I am clear on what we need to do	Myself	1%			
I am learning a lot	Myself	3%	I am clear as to what the direction is of the organisation and my team	Leadership	2%			
I feel empowered by our leadership	Leadership	4%	My company puts its people's best ideas into action	Company	4%			

Fig 19

COGNITIVE DISSONANCE

COGNITIVE DISSONANCE IN A NUTSHELL

An example of cognitive dissonance occurs when what we say and what we feel are different.

This leads to feelings of mental discomfort and may require changes in attitude, beliefs, or behaviours to restore comfort. Our survey data indicates when this dissonance occurs and is a key indicator that further work is needed to sustain the change journey. The data also highlights key areas of focus to support and enable the team.



DISCONNECT BETWEEN PERCEIVED AND ACTUAL IMPACT

This cognitive dissonance means employees consciously state that their contribution is higher than they subconsciously feel it is, generally by as much as 30% (see fig 20).

Interestingly, this figure is much higher in government, education and retail. We believe this disconnect between what employees say they contribute, versus what they subconsciously feel they add, leads to a poor alignment of their values and work environment.

In turn, this misalignment is likely to lead to disillusion and loss of motivation. Organisations looking to address this need to identify and implement metrics which demonstrate the impact that is achieved, which can then provide validation and motivate your team.

EMPLOYEES IN RETAIL, PUBLIC SECTOR AND EDUCATION SIGNIFICANTLY OVERSTATE THE CONTRIBUTION THEY MAKE IN THEIR ROLE

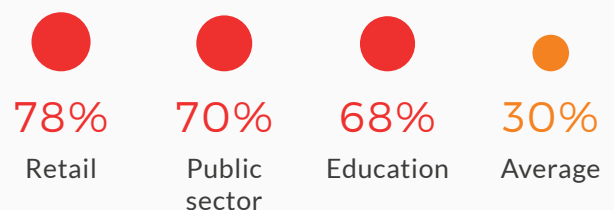


Fig 20

FINANCIAL SERVICES, PHARMA AND NON-PROFITS LACK TEAM SPIRIT

Team spirit is not as strong as it outwardly appears in these three industries. This misalignment means that people are not getting the support they need to succeed in their role.

In different organisations this could be triggered by different things: seeing colleagues as competitors, or suppressing, rather than managing, conflict in a team environment (even with good intentions). This results in a falsely positive working environment.

Organisations looking to address this need to build a strong team culture, position challenges as an opportunity to overcome them as a team and reward the success of the team over the individual.

EMPLOYEES IN PHARMACEUTICAL, NON-PROFIT AND FINANCIAL SERVICES SIGNIFICANTLY OVERSTATE LEVELS OF TEAM SPIRIT

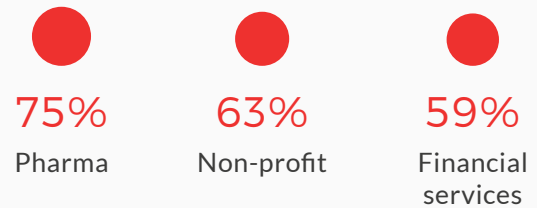


Fig 21

MANUFACTURING LEADERSHIP LACKS EMPOWERMENT

Leadership empowerment in manufacturing appears strong at face value, with 80% of respondents saying that they feel empowered by their leadership. However, this was not supported by their IRT scores which indicate a response of almost zero.

This is likely due to a combination of a heavily structured and process-oriented environment which is not conducive to a leadership culture of empowerment or employees feeling confident to act on any empowerment they are given.

To resolve this, leadership must ensure that they exhibit the required behaviours and enable their team to feel empowered.





ABOUT US



JCURV is a consultancy firm whose mission is to increase organisational agility, so they can thrive in an uncertain world. They help clients with:

- ▶ increasing enterprise-wide agility
- ▶ accelerating innovation
- ▶ programme and project acceleration
- ▶ rapid definition and strategy mobilisation
- ▶ extracting value from data at pace.



Truthsayers is a neurotech firm whose mission is to enable happier, more productive workplaces for millions of organisations worldwide.

It wants to fundamentally change the way that people engage at work, whether that is between an employer and their employees, or an organisation and its customers. It is what the team are passionate about and why they get up in the morning and come to work. Its Neurotech® platform combines neuroscience with technology and data to deliver insights that simply have not been made available to businesses before.



The **Agile Business Consortium** is a global leader in promoting business agility, with unrivalled expertise in the field. A not-for-profit organisation, it pioneered agile thinking and methodology. It continues to inspire new developments and agile thinking, such as the role of innovation at the heart of the Framework for Business Agility.

