v. 5.1 (2026)



AGILEVEL

Scrum Manager®
Uncovering better ways

AgiLevel

Assessing and improving agility in the organization

Version 5.1 (2026)

Scrum Manager ®

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Scrum Manager
Uncovering better ways

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Preface

AgiLevel is a guide for running diagnostics as part of agile assessment and improvement processes, both at team level and when scaling to the level of the whole company. Its purpose is to help diagnose and improve agility by measuring practices and bringing clarity to an organization's identity and intent.



It examines a range of factors, distinguishing between two dimensions of the organization: the operational or technical dimension, and the organizational one, which covers cultural and structural aspects. Managing either of them in an agile way is always shaped by the kind of support the organization provides, and above all by the support of its leadership.

AgiLevel brings the principles and values of agility into coherent alignment with each organization's cultural circumstances, and with the characteristics of the products or services it develops.

It is a model in constant evolution and improvement, driven by the knowledge and experience contributed by the Scrum Manager professional community.

This book is the core reference document for AgiLevel. It is written as a text for study and consultation, and it is aimed broadly at anyone interested in improving the agile management of teams, projects and organizations.

The book is divided into two blocks:

- **AgiLevel** (the introduction and Parts I to IV): covers the key concepts for approaching agility at company level, from understanding the differences between predictive and evolutionary management to looking separately at agility in the operational and the organizational dimensions of the company. This block is also **the official syllabus** for the AgiLevel professional certification exam.
- **Assessment and improvement processes** (Parts V to VIII): the AgiLevel assessment model is not prescriptive; it offers guidelines, not rules. It can be applied through strategies for partial adoption or for scaling agility, based on your own judgment and professional experience. That said, this second block also includes a protocol with step-by-step guidance, worked examples and practical tips. The protocol taught here is the Open Knowledge (OK) protocol, which is generic and free to use. It can be applied in most companies to design an

adoption or scaling strategy that fits the characteristics of the company in question.

Some prior knowledge of agile methodologies and techniques is recommended, particularly Scrum. If you are preparing for the official exam, we suggest completing the Scrum Manager Scrum Master core guide first, available at scrummanager.com.

After completing the training, you may take the exam, if you wish, at any official Scrum Manager training center. To keep learning, you have the Agile Club and the Skill Arena platform, and you can ask questions in the Community.

Discussions of agility are full of terms that take on a specific meaning within management. The guide follows three conventions:

- The key terms of the craft are used consistently throughout, so they are easy to find and to look up.
- Concepts with an established name in the profession keep that name, with a brief explanation the first time they appear.
- The names of the framework's roles and artifacts, such as Scrum, Product Owner, or Sprint Backlog, keep their capitals, as does the Definition of Done (DoD).

Introduction

Project management models fall into two broad groups:

- **Traditional or predictive management:** its aim is to deliver a complete, finished product within the estimated costs and dates.
- **Agile or evolutionary management:** its aim is to deliver a sufficient product, a "minimum viable product," as early as possible, and then keep it evolving and improving at a continuous pace.

To understand what agility is, beyond its management models, it helps to know that **knowledge work rests on three fundamental elements**:

- **people and their interactions**;
- the **processes** that structure the work;
- and the **technology** that enables it, the tools.

More than two decades ago, the *Agile Manifesto* set out a development strategy that values individuals and interactions over processes and technology. For agility, the first element is the core, supported by the other two.

Management models

Agile and traditional management models are answers to different circumstances and different needs. Through the twentieth century, industry focused on manufacturing standardized products and optimizing efficiency: producing faster, at lower cost and with greater margins. Mass production needs stability and predictability, and that environment allowed traditional management to settle in as the standard: detailed planning, tight control of deadlines and budgets, exhaustive documentation...

The turn of the century brought a new reality, one that demanded more than efficiency when developing new products and services. Innovation and the continuous improvement of value became essential, in ever shorter development cycles, along with attention to matters such as variety and personalization.

The cause was rapid technological and socioeconomic change reaching well beyond industry, and the result has been projects with unstable requirements. The roadmap often evolves and grows during development, and many projects never arrive at a "final product" at all; instead, they produce a succession of continuously improving versions.

Not every company operates in an equally volatile, uncertain, complex and ambiguous environment (a VUCA environment), but more and more of them do. These environments call for approaches to design, management and production that can absorb change, unlike traditional management models, which are built on closed plans.

Agile management emerged in the late twentieth century as a response to the limitations of traditional methods in highly uncertain environments, particularly in the

software industry. Approaches that were too tightly constrained proved ineffective at adapting to rapid, continuous change. In 2001, a group of 17 software development experts met to formalize a set of principles, which came together as the *Agile Manifesto*. It laid the foundations for an approach centered on iteration, constant adaptation and rapid response to the customer's changing needs.

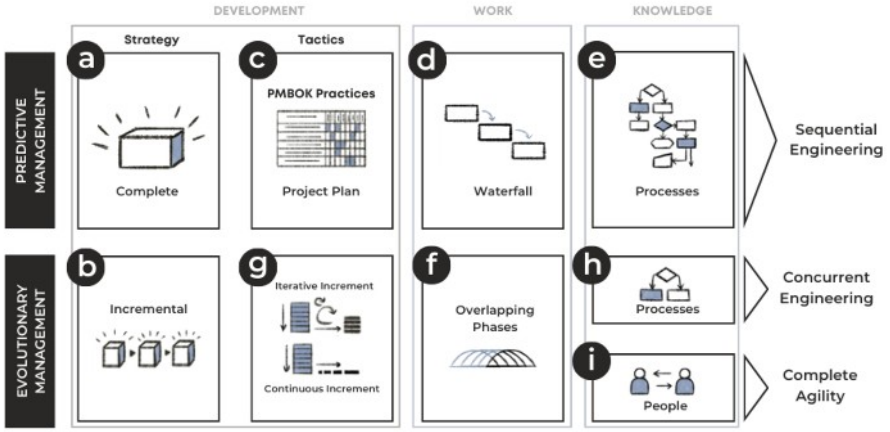


Figure 1. *Differences between predictive/traditional and evolutionary/agile management: how development proceeds, how the work is done and where the knowledge sits in each model.*

The diagram in figure 1 brings together the main characteristics of each model, giving perspective on their aims and on what separates them.

Predictive management

Predictive project management sets out to deliver a finished product within predetermined limits of time and budget. It works through **sequential engineering practices**.

- Requirements engineering techniques are used to define the product to be built **(a)**.
- On the basis of those requirements, a plan is drawn up **(c)** and then carried out through a sequential or waterfall life cycle **(d)**. That is, the work happens in specialized sequential stages, for example requirements gathering, analysis, construction, integration and testing. The final product takes shape as it passes through those phases.
- The knowledge the system needs rests on processes **(e)**, which are developed and improved through process engineering.

Evolutionary management

Within evolutionary management, two subtypes can be distinguished: **"concurrent engineering"** or **"technical / operational agility,"** and **"agility."** What separates them is where the knowledge sits.

- The **aim of evolutionary management** is to deliver a minimum viable product as early as possible and then grow and improve it continuously **(b)**.
- Product development does not follow a sequential cycle as it does in predictive management. In evolutionary management, one phase can run overlapping the ones before it. There is no need for a complete, closed set of requirements before starting to design the architecture of the first version of the software, for instance. Normally every development phase is running in overlap **(f)**, fed by the continuous feedback that each delivered iteration provides.
- Since there is no closed, predefined product, and therefore no closed long-term schedule, what emerges is a continuous flow of value delivery, increment by increment. Two different strategies are commonly used to keep that flow moving at a steady pace **(g)**: advancing at the rhythm of short sprints (usually called Scrum) or maintaining a continuous delivery flow with no division into sprints (Kanban).
- If the knowledge that determines the quality of the result rests on the **processes used (h)**, we are talking about **"concurrent engineering,"** "technical agility" or "operational agility," which ultimately means applying concurrent engineering using the techniques characteristic of agile teams. In other words, it is a matter of "doing agile."
- If the knowledge that determines the quality of the result rests on the **collective intelligence of the people developing it (i)**, we are talking about **"complete agility,"** agility properly speaking. "Collective intelligence" depends both on individual knowledge and on the level of collaboration. In other words, teams do not "do agile": they "are agile."

Explicit or tacit knowledge, and AI

The knowledge contributed by processes and technology is called **explicit knowledge**, because it is defined within them: it is structured knowledge that has been formalized and documented in some way. The knowledge contributed by people is called **implicit or tacit knowledge**, because it emerges from each person's background and circumstances. It takes in life experience, intuitions and judgment developed through practice, some of which is hard to put into words or document in full.

AI in the people–processes–technology triangle

Until we are talking about hybrid humans or systems with emergent meta-consciousness (awareness of one's own consciousness), **AI is technology**. It is not a person and it is not a process. Whether or not an organization uses AI therefore says nothing about whether it is agile, just as the use of any other technology says nothing about it.

The key question is not whether AI is used, but **in what role**: as the lead or as a supporting actor. The question is: **who is assisting whom?**

When the person is the one who "assists" in carrying out the steps laid down by the process–technology pairing, when work is organized around executing what a process or a technology (AI included) prescribes, and the decisive knowledge resides in those processes, we are looking at **process-based systems**. **Concurrent engineering**, or **"technical agility,"** belongs here.

When technology augments the person, automating routine tasks and supplying analysis, but the team is the one that prioritizes and decides, we are in an **agile environment where value emerges from collective intelligence** (individuals and interactions over processes and tools).

In AgiLevel, then, **AI sits under "technology,"** not as a member of the team; and agility is neither granted nor withheld on the basis of AI use, but on the basis of who is at the wheel. If technology assists people, and people are the ones driving the iterative, incremental cycle of value delivery, **we are agile**. If, on the other hand, people execute what the process or the tool prescribes, **we are practicing concurrent engineering, or technical agility**.

Scaling agility

Agile management began life in projects run by small, self-organizing teams that could make decisions quickly and respond effectively to change without depending on traditional hierarchical structures. As organizations began to recognize the benefits of the approach, however, interest grew in adapting agile principles to larger and more complex settings.

Putting agile practices, principles and values to work in large organizations is what is known as scaling agility. It allows multiple development teams to work in a coordinated way while keeping the flexibility and responsiveness that characterize agility.

Complex projects and products need several teams, which means practices that work at scale. Unlike agility in small teams, where communication and coordination are simpler, scaling brings additional challenges:

- Collaboration across multiple teams.
- Alignment of strategic objectives.
- Managing dependencies between different components of the product.

Frameworks such as SAFe (Scaled Agile Framework), LeSS (Large-Scale Scrum) and Nexus provide structures and practices for handling this complexity, allowing the organization to deliver value continuously at scale.

Each framework tackles these challenges with different strategies and approaches, which may suit some circumstances better than others. Communication across teams, for example, can be maintained through synchronization meetings; through shared artifacts such as common backlogs or kanban boards; or through specific roles such as SAFe's release train engineers, who facilitate coordination between teams. To achieve a continuous delivery flow, software companies use automation tools and DevOps practices, ensuring that increments are integrated and tested regularly.

But all of this is practices. Scaling agility also involves significant cultural and organizational adaptation. Fostering an agile mindset can matter as much as, or more than, using particular tools or applying a particular framework.

As we will see later, agile cultures are characterized, among other things, by empowered teams and by a culture of learning, trust and collaboration. We will also see that, for agile practices as well as agile principles and values to produce results and remain sustainable over the long term, the involvement of the company's leadership is essential.

Understanding why a company decides to adopt or scale agility is necessary in order to steer the strategy appropriately.

The reasons may be **operational**, such as delivering value early and continuously. In that case, a technical agility framework should be institutionalized and gradually adjusted to the organization's characteristics. For small companies, one of the most popular is the technical Scrum framework. For larger organizations, the best-known reference frameworks are the ones already mentioned:

- LeSS (Large-Scale Scrum).
- Nexus.
- SAFe (Scaled Agile Framework).
- Scrum of Scrums.

The reasons may also be **organizational**, centered on transforming the company's culture and structure. The aim here is to create environments that enhance the creation of value, built on people and their motivation: moving from vertical structures to flat or fractal ones, and from manager-led teams to self-managing ones. The reference models in this area are:

- Sociocracy, or dynamic governance.
- Holocracy.
- Fractal teams.
- Sociocracy 3.0.
- Holacracy®.

Some models, such as Holacracy® or technical Scrum, recommend being applied rigidly and in full, without mixing in procedures from other models or from the organization itself. Others, such as Sociocracy or SAFe, treat all of their components as optional.

From AgiLevel's point of view, flexibility is the better formula, always with documented reasoning behind it. Agile practices, and the various frameworks and systems, are the visible part of a style of management characterized by certain principles and values. An agile transformation is not achieved by installing a particular framework, but by understanding that philosophy and adapting it to the specific reality of the organization. This is the key to a transformation that succeeds and is genuine and lasting.

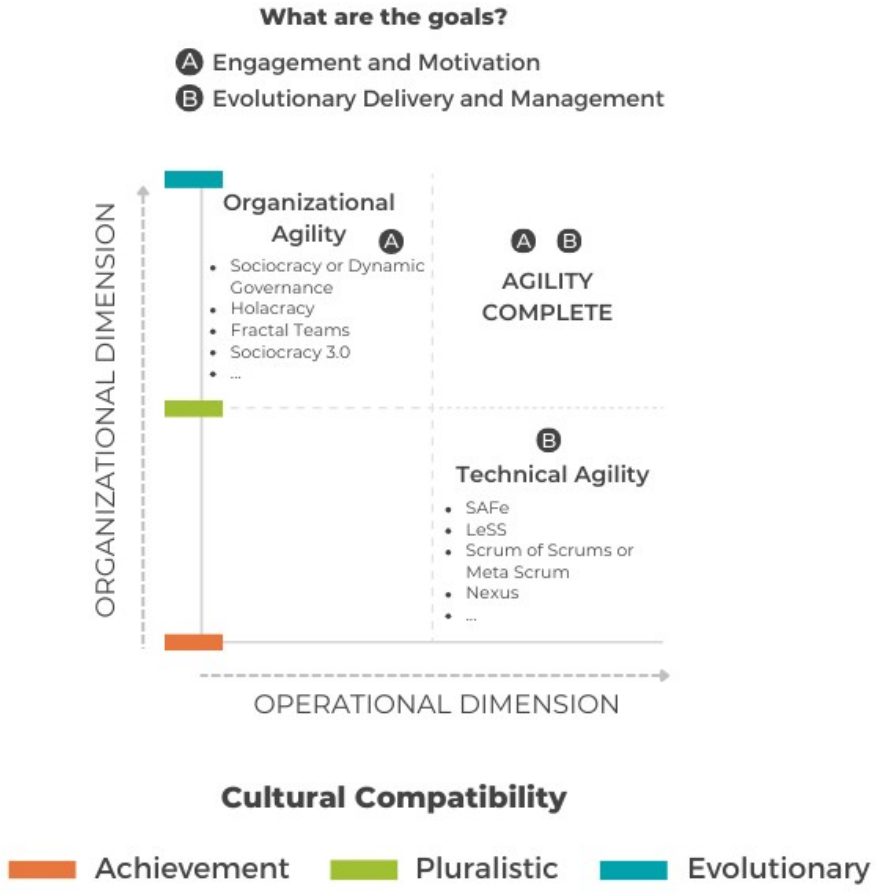


Figure 2. *Strategies for scaling agility: according to their goal, whether engagement and motivation or evolutionary delivery and management.*

Part I — AgiLevel

The AgiLevel model

Unlike SAFe, LeSS or Nexus, mentioned above, AgiLevel is not an agile scaling framework. It is a guide for diagnosing and improving agility, weighing up the degree and the strategy best suited to each dimension of the company.

AgiLevel assesses the level of agile maturity in each of them in order to identify the areas of the company where agility will have the greatest impact. Measuring those areas, along with the appetite for change, makes it easier to focus effort and to develop a plan aligned with the company's context and objectives.

As a starting point for agile transformations, AgiLevel offers several advantages to coaches, managers and executives looking to apply it in their companies. Its strengths can be summarized as follows:

- It is an empirical model, built from a defined set of variables measured through surveys and direct observation.
- It brings agile principles and values into harmony with the reality of each company, taking into account its cultural circumstances and the characteristics of its products or services. It provides a structure for making better sense of a complex reality, systematically and coherently, so that every implication agility has for the company can be addressed.
- Unlike models with more rigid or prescriptive approaches, AgiLevel encourages a holistic, integrated understanding of agility. It does not lay down what ideal implementation looks like in each case; it accepts that every situation is unique and starts from there.
- AgiLevel treats leadership sponsorship as an essential component of any agile transformation, and its absence as the main reason so many transformations fail.

The model is based on Frederic Laloux's work, and is divided into three dimensions in which a series of variables are analyzed in order to diagnose the strengths and weaknesses of the desired model of organizational agility. It is also a model in constant evolution and improvement, developed and endorsed by Scrum Manager® and nourished by the experience of an active professional community.

Dimensions and support

Two dimensions coexist within a company: operational and organizational. Both are continuously influenced by the support the organization provides.

- **Operational dimension:** the one that produces the company's products or services.
- **Organizational dimension:** made up of the company's cultural values and its structure.
- **Support:** the backing the organization gives to how the other two dimensions work.

Improving agility in the operational and organizational dimensions, and with it scaling agility, requires the commitment and wholehearted backing of the company's leadership, whether the aim is to improve in one dimension or in both. The goal may be a deep cultural change leading to full agility, or a new way of working closer to concurrent engineering. Either way, support is essential.

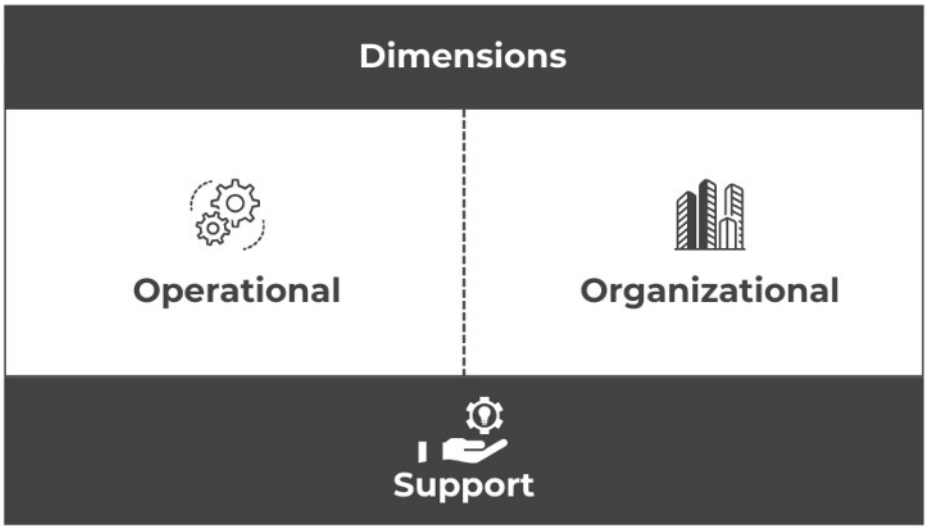


Figure 3. Dimensions of the organization, and support: the operational and the organizational dimensions rest on support.

AgiLevel analyzes these dimensions separately, alongside the organization's support:

- **Operational:** the technical side of the organization, that is, how work is done and how things get built.
- **Organizational:** the level of agile culture in the company, who takes part in it and how they are organized.
- **Support:** how involved the leadership is, whether they back the transformation, and whether there is coherence between the way they lead and the changes they say they want. Support is absolutely necessary but hard to assess, which is why it is left until last: whether leadership is genuinely involved is inferred by observing operations and culture.



Figure 4. *Principles, values and supports of agility: the operational dimension is governed by principles, the organizational one by values and structure, and both rest on support.*

Considerations

Scaling agility is often tackled across the operational and organizational dimensions at once, introducing changes to project management and development processes as well as to culture and the governance model.

Making operational and organizational changes simultaneously means two things are never weighed on their own merits:

- Whether the company's product, service or project can in fact be built evolutionarily, and whether doing so will bring advantages to customers or to how the offering is brought to market.
- Whether the company's owners and leadership actually want changes to the structure or the governance model, and whether they are aware of what those changes entail.

In companies that do not need, or are not able, to deliver incremental results to their customers, agility, if it makes sense at all, belongs to the organizational dimension rather than the operational one. That is the case, for example, at AES (energy sector, 40,000

employees), Heiligenfeld (mental health hospitals, 600 employees) and Zappos.com (online shoe retail, 1,500 employees).

If a company's objective is centered on shareholder returns, and if the know-how behind its products rests on process engineering rather than on people's tacit knowledge, then scaling agility may well fail if it reaches beyond the operational dimension and attempts far-reaching changes in the organizational one too.

Failing to consider each dimension separately closes off the possibility of adopting evolutionary management and concurrent engineering practices without having to make deep structural and cultural changes. It also works the other way round: it becomes impossible to introduce cultural or structural changes without also adopting technical agility practices, which may be a poor fit for the kind of product or service being developed.

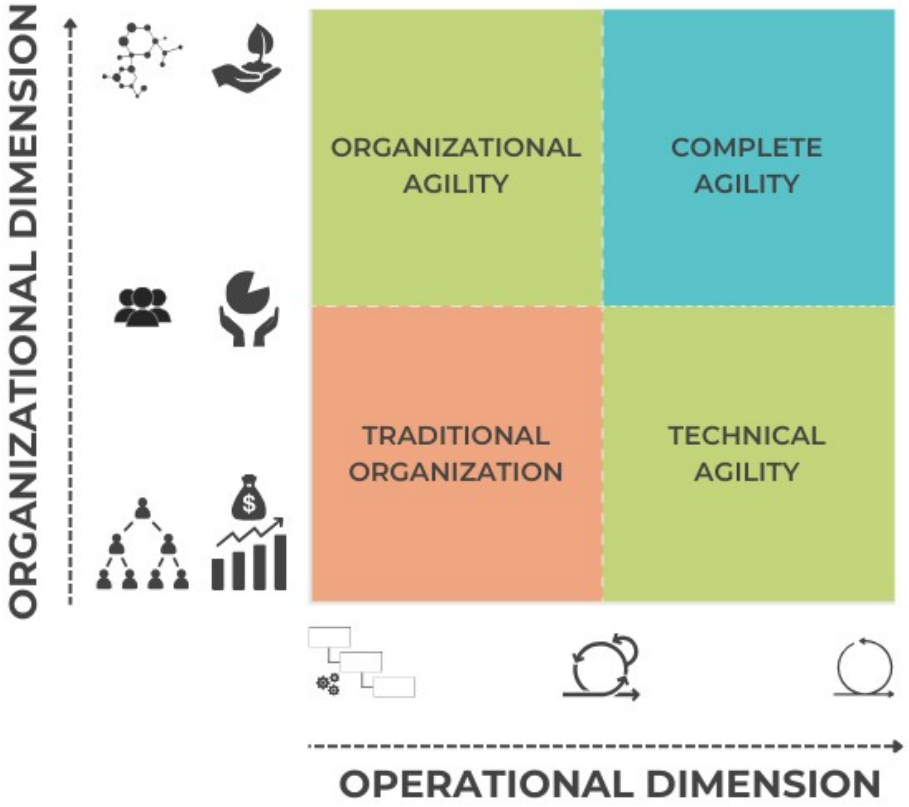


Figure 5. *Types of organization plotted on two axes: complete agility brings technical and organizational agility together.*

Agility in the operational dimension

This dimension is about how work is done and how value is produced. The question to weigh is whether the organization's product or purpose is more valuable when produced evolutionarily, with an early release followed by iterative, incremental growth.

The main **risks** when scaling agility in the operational dimension of the organization are:

- Lack of backing from leadership.
- Lack of training, or insufficient knowledge of agility.
- Lack of alignment and involvement on the customer's side.

Agility in the organizational dimension

Developing this dimension is a decision that ought to be coherent with the organization's culture. The aim is to align the way people are valued and organized with the company's principal source of knowledge, its engine and its generator of value.

It deserves particular consideration in so-called "knowledge companies." These span fields such as education, research and development, high technology, computing, communications, robotics, nanotechnology, and so on.

The main **risks** of introducing agile values into the organizational dimension are:

- That the company's owners do not share the proposed changes to the structure or the governance model.
- Lack of backing from leadership.
- Lack of training on the governance model, how it works and the principles behind it.
- Resistance to change, or open opposition from area heads towards the new structure and governance processes.

Cultural compatibility

Later on, in the organizational dimension, we will talk about cultural paradigms. Operational agility is limited to project management and engineering practices, which can be applied whatever the organization's cultural paradigm. The same is not true of organizational agility. In transformations that touch this dimension, it is highly advisable that the organization's owners are not averse to developing a Green or Teal culture, since certain behaviors characteristic of those cultural paradigms have to be present, such as self-organization and the autonomy of individuals and teams in decision-making.



Figure 6. *Compatibility between agility and organizational culture: technical agility fits any paradigm; organizational agility, the more pluralistic or evolutionary the culture is.*

Part II — Operational dimension

The operational dimension

The operational dimension comprises the principles that characterize how work is done in an agile organization, as distinct from the organizational dimension, which holds values and cultural aspects. We start here because it is generally the better starting point for agile assessment and transformation, particularly in companies with little experience of these management models.

The organizational dimension, as we will see, corresponds more closely to the company's "personality." As with people, the aspects that make up a personality are hard to change; working practices, by contrast, are easier to observe, measure and modify. And introducing new ways of acting may, over time, lead to deeper changes.

For example, agile organizations are characterized by reduced bureaucracy, preferring frequent direct communication between the parties involved in a project. Over time, that change in practice can strengthen agile values we will look at later, such as having a shared purpose.

The table below lists the principles of operational agility and the kinds of practice normally used to develop them. The specific practices mentioned are examples, there to help assess how well a principle has been adopted, or to make clearer what it consists of. AgiLevel does not measure the use of specific practices, but the presence of the principle those practices enable.

It is worth noting that the principles are connected, so that a single practice can serve several purposes and improvements in one principle can affect others. If operational visibility improves (principle 6, operational visibility), for example, those same practices will in many cases also help sustain a healthy working pace (principle 4).

For more on assessment, see Part V, "Assessment and improvement processes."

Principles	Practices
1. Value delivery	1.1. Share and understand the customer's vision. 1.2. Collaboration between customer and team. 1.3. Managing variability.
2. Continuous improvement	2.1. Review working techniques and methods. 2.2. Continuous improvement of the product or service.
3. Iterative and incremental development	3.1. Start from a minimum viable product. 3.2. Frequent integration points with feedback analysis, to resolve issues and clear the way forward. 3.3. Base milestones on the objective assessment of completed work.
4. Sustainable pace	4.1. Maintain a continuous, optimal workflow. 4.2. Maintain focus.
5. Continuous attention to excellence	5.1. Use of techniques that safeguard quality.
6. Operational visibility	6.1. Early identification of impediments. 6.2. Share information and development status.
7. Cadence and global synchronization	7.1. Cadence and synchronization through cross-team planning. 7.2. Predictability of increment deliveries and integrations.
8. People over processes	8.1. Professional knowledge, or hard skills. 8.2. Interpersonal skills, or soft skills.

Table 1. Principles of operational agility and the practices that develop them.

Principles of the operational dimension

These are the eight principles of the operational dimension, each with the practices that develop it.

1. Value delivery

Two kinds of "value" are worth telling apart: business value, and the value that products or services bring to customers. The agile approach is not centered on the first but on the second. Revenue, on this view, is not the goal but the consequence, the measure of success and the confirmation that the right things are being done. Focusing on profit rather than on product quality means confusing priorities:

> I have my own theory about why decline happens at companies like IBM or Microsoft. The company does a great job, innovates and becomes a monopoly or close to it in some field, and then the quality of the product becomes less important. The company starts valuing the great salesmen, because they're the ones who can move the needle on revenues, not the product engineers and designers. So the salespeople end up running the company. John Akers at IBM was a smart, eloquent, fantastic salesperson, but he didn't know anything about product. The same thing happened at Xerox. When the sales guys run the company, the product guys don't matter so much, and a lot of them just turn off [...].
> **— Steve Jobs (Isaacson, 2011)**

> They don't want quarter-inch bits. They want quarter-inch holes.
> **— Leo McGinneva, quoted in Levitt, 1983**

To make value delivery possible, a company's way of working should include practices aimed at keeping its vision aligned and adaptable.

1.1. Share and understand the customer's vision

Plainly, to meet the customer's real needs the team has to know, understand and share their vision. A great many specific practices across the various agile models exist for this, among them:

- Product vision board.
- Product Backlog.
- Vision box.
- Product canvas.
- PI planning.
- Product Owner's board.

One of the aims of all of them is to arrive at a vision shared by the people building the product and the people who need it.

1.2. Collaboration between customer and team

Related to the above, value delivery requires the person responsible for the product or service to collaborate with the team. This can happen directly or through an intermediary. In the latter case, the person assigned usually holds the Product Owner role, and collaborates with the team through certain events for communicating and synchronizing development. For example, Sprint Planning, Sprint Review, and so on.

1.3. Managing variability

Finally, being able to adapt the pace of development as requirements change is also part of value delivery. It is one of agility's key strengths, and one of the key differences from traditional management models. Customer needs can change for all sorts of reasons, and agile management operates in a way that makes a response possible. For example:

- Managing the project through living, prioritized documents such as the Product Backlog or kanban boards.
- Specifying requirements in the form of user stories or tasks.
- In ICT companies, integrating DevOps practices so that changes to requirements can be implemented more fluidly.

2. Continuous improvement

When we talk about continuous improvement, we mean it at two levels: the way of working and the product.

No method, practice or working model can go on performing well indefinitely, or even for very long. To avoid stagnation, agile organizations are continuously learning. First, because the reality in which professional knowledge is applied is permanently evolving and, second, because improvement is always possible.

2.1. Review working techniques and methods

> At regular intervals, the team reflects on how to become more effective, then tunes and adjusts its behavior accordingly.
> **— *Agile Manifesto*, 2001**

Since teams in agile organizations have to self-organize, it is the teams themselves that regularly carry out practices for analyzing and improving their working methods.

Examples of common practices for identifying strengths and weaknesses:

- Retrospectives (at team, department and organization level).
- Workshops for resolving organizational impediments collaboratively.

2.2. Continuous improvement of the product or service

The agile approach makes sure solutions can evolve in response to the changing needs of the market, the customer, the users... Working iteratively, delivering value in a sustained and adaptive way, gives the project the flexibility teams need.

There are several agile practices for continuously improving the quality of products or services, since this is a fundamental requirement of projects in VUCA environments:

- Working in incremental development cycles with short integration periods, and holding product review meetings at the integration points.
- Applying iterative design methodologies such as the plan-do-check-act (PDCA) improvement cycle, or one of its variants. The cycle consists of setting objectives and processes to achieve the intended results (plan); carrying them out (do); gathering information to evaluate the results of what was done (check); and adjusting on the basis of that information (act). The same cycle can be applied to how teams work, using retrospectives as the review point, for example.

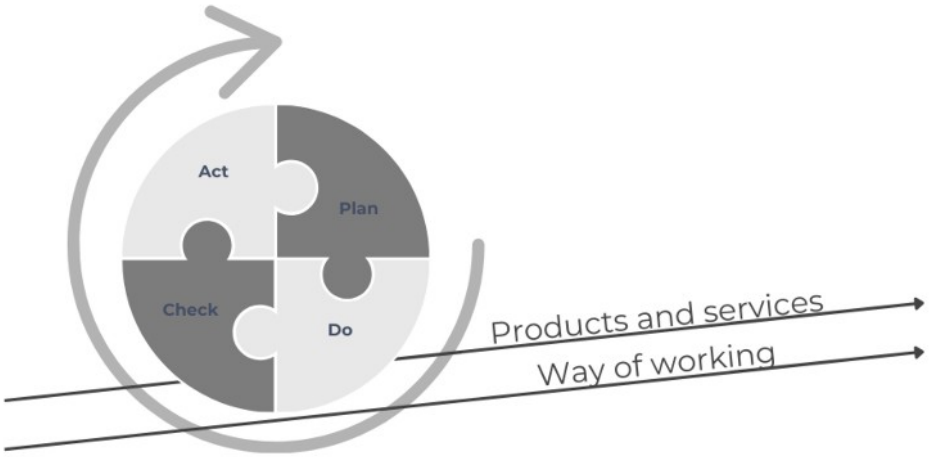


Figure 7. *Continuous improvement at every level, in the product and in the way of working: the same PDCA cycle serves both.*

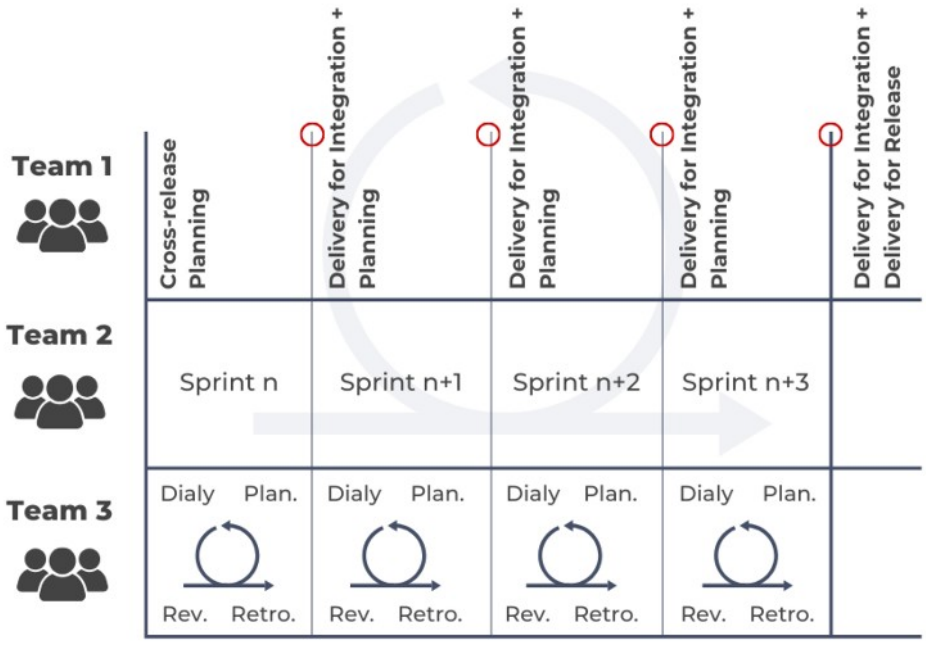


Figure 8. *An example of continuous improvement through review at integration points: at the end of each sprint, a delivery for integration and its review.*

3. Iterative and incremental development

Agile projects are not planned in full from the outset, nor delivered in a single final handover: the result grows and evolves from milestone to milestone. This kind of incremental development, geared towards change, does not require the best design up front. At every step, real and objective feedback comes back from users, and it feeds continuous improvements to design and functionality.

3.1. Start from a minimum viable product

Agile projects begin by releasing a minimal but useful part of the product or service. It is the simplest version, and even so it offers real value to the customer. It is usually called the minimum viable product (MVP), and its purpose is to minimize the time and resources needed to reach the market and start gathering early feedback, which in turn guides the development of later iterations. Continuous, frequent increments are then built on that first version.

Development does not always start straight at the MVP; it is also common to have a "sprint 0" to prepare what that first version needs. Using the "minimum viable" milestone as the launch point is a good indication that the work is genuinely iterative and incremental. In Scrum or Lean, for example, an MVP is built and released as the basis for validating and iterating.

3.2. Frequent integration points with feedback analysis, to resolve issues and clear the way forward

Frequent integration points let the team see how the various components of the product work together, which helps surface any discrepancy or compatibility problem. They include both technical testing of subsystems and demonstrations of the complete solution. Gathering feedback frequently from stakeholders and users, and adjusting development accordingly, keeps the project pointing in the right direction.

Scrum's sprint-based development is one example of this principle in practice, since it builds in review meetings. There are others, such as continuous integration (CI) in software projects: developers integrate their code into a shared repository several times a day.

3.3. Base milestones on the objective assessment of completed work

Project management here does not set development milestones by phases projected from an initial plan, such as requirements, design, development, integration... Instead, milestones are based on delivering working parts of the product, known as "increments." Each development cycle produces an increment: a part of the product or service that is completely finished and ready to use. Each milestone therefore represents real progress.

- One practice tied to this principle is the use of a **Definition of Done (DoD)**: the criteria for deciding whether an increment is finished. This Definition of Done goes beyond what the increment needs in order to work, and also covers testing, reviews and any documentation required. It includes whatever the project needs in order to close the increment at the end of the cycle.
- **Release planning** is another example belonging to this principle. It is a way of planning development that bases milestones precisely on the delivery of complete, usable features rather than following a schedule built around development stages.

4. Sustainable pace

In knowledge companies, projects often advance at a fairly relaxed pace that tightens as delivery dates approach. That is a problem, because both productivity and the quality of creative work fall under pressure and anxiety.

The answer is to put in place practices that encourage regularity in the work and stability in performance.

In assessing this principle, we look at whether technology and processes serve a sustainable human pace, or whether it is people who have to keep up with the pace technology and processes set.

4.1. Maintain a continuous, optimal workflow

An optimal flow is one in which the team maximizes its productivity without sacrificing quality or demanding unsustainable effort. The point is for work to be completed and delivered steadily and more or less predictably, avoiding both spikes of activity and long idle periods. Some practices and tools for spotting impediments or bottlenecks before it is too late are:

- Establishing frequent team rituals such as daily stand-ups.
- Tools for making progress visible, such as kanban boards.

These techniques also connect with other principles, such as operational visibility and maintaining focus.

4.2. Maintain focus

Keeping up a good working pace means attention and resources are not pulled away: staying aligned on a single objective or a set of related tasks, avoiding multitasking and minimizing interruptions. It also makes it possible to go deeper when solving complex problems.

Some strategies to that end are:

- **Limiting WIP (work in progress):** deciding how many work items, such as stories or tasks, can be in progress at once, and not exceeding that limit.
- **Setting aside uninterrupted blocks of time** for specific tasks, and taking steps so that team members can concentrate.
- **Visualization tools** that show the goal of the iteration or sprint or, better still, how it relates to the customer's vision. One example is the opportunity solution tree (OST), which shows how the solution being worked on relates to a specific business opportunity, and how that in turn relates to a desired outcome.

5. Continuous attention to excellence

> Continuous attention to technical excellence and good design enhances agility.
> **— *Agile Manifesto*, 2001**

A product adapts to change better when its design is simple and of high quality. And the more technical debt has piled up, the harder those changes become. Put another way, a product's capacity to adapt to change depends on how well it is designed and on how much technical debt has to be handled.

When we talk about excellence and quality, we mean it in two senses: functional or external quality, which meets users' expectations, and technical or internal quality, which makes continuous iteration possible.

5.1. Use of techniques that safeguard quality

To assess how far this principle has been institutionalized in a company, look for tools and working methods capable of filtering out and catching errors as they occur.

The techniques tend to be industry-specific. In software, for example, the common ones are:

- Test-driven development (TDD).
- Continuous integration.
- Pair programming.
- Refactoring.
- Collective code ownership.
- Simplicity in design.

Another example is the use of poka-yoke techniques ("mistake-proofing" in Japanese), which ensure products or systems are used correctly and safely.

6. Operational visibility

Information about the product's functionality and development has to be accessible to the whole team, and presented clearly and directly. This principle makes it easier to detect problems and impediments early.

In assessing this principle, we look at whether technology and processes increase transparency within teams or, on the contrary, create opacity and make it harder to know what is really going on: more bureaucracy, reports nobody understands...

6.1. Early identification of impediments

These are mechanisms that let the team spot any obstacle plainly and as soon as possible, so that it can respond quickly and in a coordinated way. Identifying impediments early is related to operational visibility and helps sustain a healthy working pace. Some common practices for achieving it are:

- **Information radiators:** physical or digital displays showing key project metrics, such as a burndown chart or kanban boards.
- **Frequent team rituals** such as stand-ups, for sharing information on progress.

6.2. Share information and development status

Team members need to know where the project stands and to be kept informed of any decision or change. Having no gaps in information is fundamental to collaborating effectively and to avoiding misunderstandings and delays.

Information radiators such as kanban boards contribute here again, and so do:

- Product meetings.

- Protocols for assertive participation, encouraging team members to share and take in any relevant information.

7. Cadence and global synchronization

In the context of operational agility at company level, one of the biggest challenges is coordinating multiple teams: sharing a common vision, aligning ways of working, aligning delivery times... This agile principle is about making sure that, when several teams collaborate on interrelated products or services, they do so in sync.

Putting this principle into practice means checking whether current practices across the product and service life cycle address these aspects.

7.1. Cadence and synchronization through cross-team planning

A steady or predictable rhythm of progress establishes a common time frame that makes it easier to coordinate schedules, align teams and handle integrations. Various kinds of coordination practices and meetings can be held regularly to achieve it:

- **Sprint coordination**, to align in time the increments produced by several teams so they can be integrated.
- **Planning Interval (PI) planning**, characteristic of SAFe. These are program-level planning meetings in which multiple teams plan and coordinate to work on a common PI. These typically span 8 to 12 weeks, distributed across several iterations.
- **Overall Sprint Planning**, characteristic of LeSS: meetings for managing and coordinating dependencies between teams working on different components of a project.
- **Portfolio Kanban:** a kanban board at portfolio level, for managing and visualizing the flow of work across multiple teams and programs.

7.2. Predictability of increment deliveries and integrations

Predictability is a direct by-product of cadence and synchronization done well. Setting a steady rhythm and coordinating planning across teams makes it possible to anticipate the delivery of increments and to carry out integrations without disruption. The practices covered in the previous point support greater predictability by setting the cadence, but the ones that also act as information radiators deserve a mention here. They help adjust planning where the project requires it:

- Kanban boards.
- Delivery tracking systems.

Cadence, synchronization and planning together are what make it possible to build effectively within a shifting product landscape.

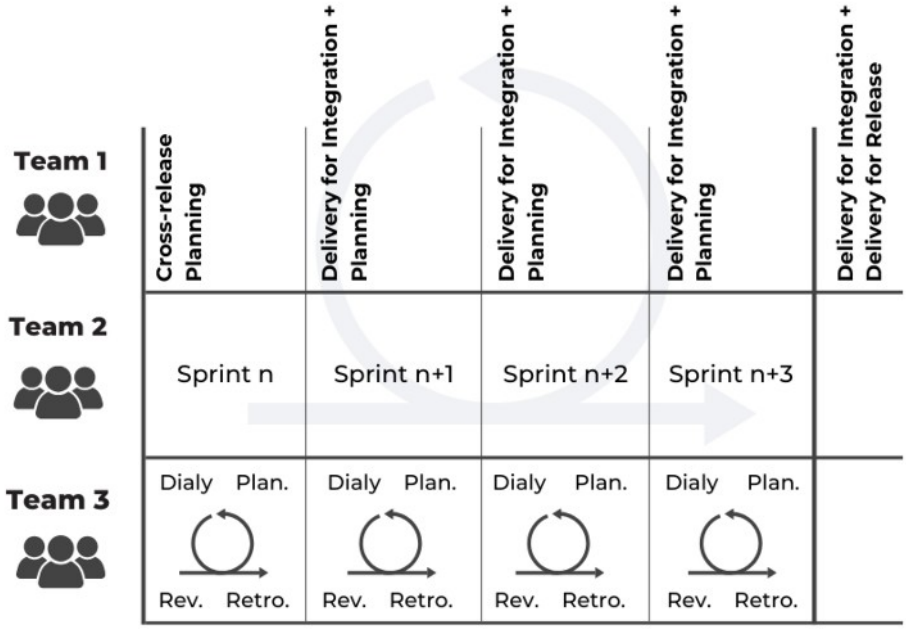


Figure 9. *Sprint synchronization: the teams share cadence, cross-team planning and integration points.*

8. People over processes

> (We value) individuals and interactions over processes and tools.
> **— *Agile Manifesto*, 2001**

Agility places its trust for the value of the result in the tacit knowledge of the people producing it, and in the collective intelligence they generate as a team, more than in the procedures or processes used. As already discussed, this is the fundamental difference between agility and other forms of concurrent engineering.

This principle is related to continuous attention to excellence, and it calls for assessing the extent to which the people working in the company, and their interactions, contribute value to the result. That can be done indirectly, but it does mean weighing the level of professional knowledge and of interpersonal skills (hard skills and soft skills), which makes assessing it a delicate matter.

Part VI, "Assessing the operational dimension," sets out how to approach the assessment of this principle. As a rule it is advisable to address other principles before this one, and not to assess soft skills unless you are familiar with them.

Assessing this principle is not only about measuring teams' skills; it also means looking at which kind of knowledge and skills the company invests in: whether the knowledge sits in the technology, the tools and the processes, or whether it comes from the people.

8.1. Professional knowledge, or hard skills

This refers to the technical knowledge required to do the job.

There are two areas within it:

- Technical knowledge about agility.
- Knowledge specific to the person's professional role in the company.

Some practices aimed at improving professional skills:

- **Pair programming**, in software companies. It is a practice in which two programmers work together at a single workstation. One writes the code while the other reviews the work in real time. They then swap roles.
- **Communities of practice**. These are groups of people who share a common interest in a specific discipline or field and meet regularly to share knowledge, solve problems and improve their skills.
- **Role rotation.**
- **Ongoing training** through courses, workshops and certifications related to agility and to specific technical skills.

- **Prompt crafting:** learning to communicate with AI. - **Developing the critical judgment** to supervise and question what AI produces, rather than accepting it passively. - **Understanding the capabilities and limitations of AI models**, so as to apply them in the right context.

8.2. Interpersonal skills, or soft skills

Also known as "people skills" or "transferable skills," these are not tied to a person's particular job but to their general disposition, above all towards their colleagues.

Agile practices that reinforce this principle:

- Activities that build empathy and collaboration, such as design thinking workshops.
- Practices for giving and receiving constructive feedback regularly, such as 360-degree reviews, one-to-ones or retrospectives.

Part III — Organizational dimension

When we scale agility, the changes are unlikely to stay at the operational level: they are also likely to affect the company's culture and structure. When that happens, we will have to move into the organizational dimension, and knowing **which cultural paradigm the company belongs to** can help.

Knowing the paradigm can help us diagnose whether a transformation is genuine, or whether there is a mismatch between the company's real culture and the kind of agility it aspires to.

Cultural paradigms

Every company operates with a personality that reflects its culture. Some are out to produce the maximum return for their owners or shareholders; others also care about the benefit to groups such as customers, employees, the local community or the environment. Some organize themselves in vertical or pyramidal structures; others spread out into flat organizations.

Every culture is unique, but it is possible to identify patterns that group several of these characteristics together and so make these personalities easier to identify and understand. AgiLevel's reference model is the one developed by Frederic Laloux and set out in his book *Reinventing Organizations* (Laloux, 2014), which draws inspiration from the eight-stage framework developed by Don Beck (Beck and Cowan, 1996), in turn based on Clare W. Graves's Spiral Dynamics theory (Graves, 2004).

The model describes how the cultural values with which humanity has created its various models of organization have evolved, from the prehistoric Infrared and Magenta stages through to the five later ones that concern us here, because they are the ones that shape today's organizations: Red, Amber, Orange, Green and Teal.

The Red and Amber paradigms refer to the earliest forms of organization, around 10,000 and 5,000 years ago respectively:

- **Red** is a response to a threatening, dangerous world, and produces dynamics in which the powerful make demands and everyone else submits in exchange for protection. It is also known as the impulsive paradigm. It survives today, after a fashion, in mafias, street gangs and urban tribes.
- With technological advances and better long-term planning came other models of organization that value stability, grouped under the **Amber** paradigm. It is characterized by pyramidal structures with rigid hierarchies and sharply differentiated roles, and by the use of processes that go largely unchanged over time. It is also known as the conformist paradigm, and can be found in settings such as the Church and the armed forces.

In the context of today's organizations, though, the most relevant paradigms are the last three: **Orange, Green and Teal**. The characteristics of each are set out below, as an aid to analyzing the organizational dimension with AgiLevel.

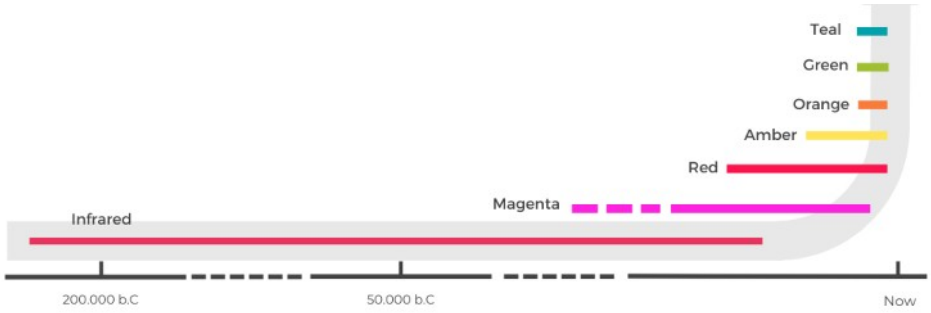


Figure 10. *Cultural paradigms of organizations through history: from the prehistoric Infrared and Magenta to the five that shape today's organizations.*

The Achievement, or Orange, paradigm

This paradigm comes with a shift in perspective on reality: the view that we are not in a fixed universe ordered by immutable laws, but in a system that works like a complex mechanism whose inner workings can be studied and understood. Seeing reality this way supports the idea that, by understanding better how things operate, greater things can be achieved.

This organizational paradigm has given us scientific research, innovation, meritocracy, accountability and entrepreneurship. It also carries downsides, though: corporate greed, short-termism in strategy and politics, excessive consumption, indebtedness and the over-exploitation of resources.

Aspect	Achievement, or Orange, paradigm
Characteristics	Focus on profit and growth by beating the competition. Innovation is the key value. Management by objectives.
Organizational model	Pyramidal. Meritocracy.
Examples	Multinationals, traditional companies and private education.
Contributions	Innovation, accountability and meritocracy.

The Pluralistic, or Green, paradigm

This paradigm arises as the antithesis of Orange, and its significance, at least initially, comes above all from how sharply it breaks with old structures.

It offers alternatives to Orange organizational models: decentralization, empowerment, a values-driven culture, and a focus on multiple stakeholder groups, taking in not only shareholders but also suppliers, customers, local communities, the environment and so on.

At present it is gaining ground in not-for-profit organizations, among activists and social workers, and generally in organizations of people who operate valuing relationships above results.

Aspect	Pluralistic, or Green, paradigm
Characteristics	Focused on empowering and motivating people.
Organizational model	Hybrid.
Examples	B Corps, cooperatives and social enterprises.
Contributions	Empowerment, cultural values and the stakeholder model.

The Evolutionary, or Teal, paradigm

> The key is about separating identity and figuring out "What is this organization's calling?" Not "What do we want to use this organization to do, as property?" but rather "What is this life, this living system's creative potential?"
> **— Brian Robertson, founder of Holacracy, quoted in Laloux, 2014**

In a Teal culture, success and recognition are not the goal, so evolving towards one means letting go of identification with the ego. What these organizations are after is a life well lived: that the people in the organization feel fulfilled. That usually goes hand in hand with the company helping or benefiting others beyond its own walls.

Evolutionary/Teal organizations make three contributions:

- **Self-management.** There are no members who decide and members who execute. By nature, not by delegation, everyone holds decision-making power, and the organization's structure includes holacratic processes for regulating the flow of information and decisions.
- **Wholeness.** In Teal organizations there are no promotions to fight over and no bosses to please. People show up fully, as themselves. These organizations invest a great deal of time in hiring, telling candidates about their values and ways of

working so they can decide whether they want to be part of the organization or not. Zappos.com, for instance, offers new joiners a check for $3,000 if they decide to leave during the four-week orientation.

- **Evolutionary purpose.** Profit is a by-product of work done well. The organization's aim is not shareholder value or maximum earnings, but its evolutionary purpose.

Aspect	Evolutionary, or Teal, paradigm
Characteristics	Developing the holistic potential of the people in the organization and of the community.
Organizational model	Fractal, holacracy, sociocracy.
Examples	Holacratic or sociocratic organizations.
Contributions	Self-management, wholeness and purpose.

Paradigm	Characteristics	Model	Examples	Contributions
Impulsive (Red)	Leadership through power. Held together by fear. Reactive. Short-term focus. Thrives in chaotic environments.	Pyramidal. Dictatorship.	Mafias, gangs, urban tribes.	Division of labor and command authority.
Conformist (Amber)	Formalized functions. Vertical command and control. Stability valued through rigorous processes.	Pyramidal. Caste hierarchy.	Church, armed forces, government, public education.	Formal roles and processes.
Achievement (Orange)	Focus on profit and growth by beating the competition. Innovation is the key value. Management by objectives.	Pyramidal. Meritocracy.	Multinationals, traditional companies, private education.	Innovation, accountability and meritocracy.
Pluralistic (Green)	Focused on empowering and motivating people.	Hybrid.	B Corps, cooperatives, social enterprises.	Empowerment, cultural values and the stakeholder model.
Evolutionary (Teal)	Developing the holistic potential of the people in the organization and of the community.	Fractal. Holacracy. Sociocracy.	Holacratic or sociocratic organizations.	Self-management, wholeness and purpose.

Table 2. Cultural paradigms.

Cultural paradigm	Achievement (Orange)	Pluralistic (Green)	Evolutionary (Teal)
Reason for being of the company	Economic benefit. Shareholders/owners.	Benefit to stakeholders. Shareholders, suppliers, employees, local community, environment, etc.	Evolutionary purpose. The company itself as an organism, part of a global system.
Strategy	Processes and methods.	From processes and methods to people.	People.
Organizational model	Pyramidal, meritocracy.	Hybrids.	Fractal, holacracy, sociocracy.
Examples	Multinationals/traditional company.	Agile organizations.	Holacratic or sociocratic organizations.
Contributions	Innovation. Accountability. Meritocracy.	Empowerment. Cultural values. Stakeholder model.	Self-management. Wholeness. Purpose.
Metaphor	Machine.	Family.	Organism.

Table 3. Characteristics of organizations by cultural paradigm.

Culture and structure

The organizational dimension makes up the organization's personality, and consists of cultural and structural values.

Assessing the behaviors that reveal whether these values and principles are present in the culture is no easy task. Anonymous surveys are possible, but various factors can skew the results. It is worth considering whether motivational distortion is at work, or whether the culture stops respondents from answering honestly. Given the difficulty, in most cases we recommend starting by assessing and working on operational agility.

That said, the operational and organizational dimensions can be developed separately, depending on the context and on what you want to achieve. For example, the organizational dimension can be developed without adopting incremental production practices, where the kind of product or service the company produces does not call for them.

The tables below show the cultural values and organizational principles that lie at the heart of an agile organization, and that this chapter goes on to develop.

Values	Behaviors
1. Assertiveness	1.1. Courage. 1.2. Respect.
2. Valuing talent	2.1. Bringing talent in and developing it. 2.2. Retention. 2.3. Professional development. 2.4. Corporate wellbeing.
3. Clarity	3.1. Transparency. 3.2. Honesty.
4. Trust	4.1. A safe environment. 4.2. Empowerment.
5. Shared purpose	5.1. A purpose known and shared. 5.2. Decisions guided by values.

Table 4. Cultural values, and the behaviors through which they show up.

Principle	Behaviors
6. Less hierarchical structure	6.1. Self-organization. 6.2. Flat structure.

Table 5. The structural principle, and the behaviors through which it shows up.

1. Assertiveness

Assertive communication looks for the balance between standing up for your own opinions and being receptive to other people's: courage and respect. It makes it easier for everyone involved to take part in the project through meaningful, honest contributions.

Being able to express thoughts, ideas and concerns clearly and directly, without fear of the consequences, is central to the health of an agile culture. It has a positive effect on many things, such as continuous improvement, product quality and trust between colleagues. It fosters a safe environment where problems are approached constructively and conflicts can be resolved faster.

1.1. Courage

The willingness of the organization's members to make difficult decisions, face uncertainty and take responsibility for their mistakes, accepting them as part of learning. Courage shows up in expressing sincere opinions and standing up for what is right for the project and the team, even when there is pressure to take the easier route.

Flagging a technical risk everyone else has missed, or proposing changes at certain moments, can be unpopular or uncomfortable acts that take courage, or at least self-confidence. Courage also shows in the willingness to take responsibility for mistakes and learn from them, rather than avoiding them, making excuses or blaming others.

1.2. Respect

Courage or self-confidence without consideration for others, however, can be bad for collaboration. Assertive communication also requires respect: recognizing and valuing everyone's ideas, opinions and contributions. This shows up in conversations where the participants listen actively and treat each other with dignity, whatever their role or level of experience. It also shows in things like not interrupting someone who has not finished speaking, respecting other people's time, and acknowledging contributions publicly.

Mutual respect is what allows courage to be expressed constructively. Differences of opinion become opportunities to learn and improve.

2. Valuing talent

To the extent that the value of the product comes from people's tacit knowledge rather than from the company's processes and technology, agile organizations do not manage people: they manage talent. This value can be seen in the effort put into recognizing, attracting, retaining and developing individual talent as the organization's most valuable resource.

That effort not only demonstrates the organization's commitment to its employees' personal and professional growth; it creates an environment where they can thrive and contribute at their best. Assessing this organizational value therefore centers on three behaviors: bringing talent in, retaining it and developing it.

2.1. Bringing talent in

This behavior concerns the extent to which attracting talent is the main objective of the activities through which people join the organization. It can be examined through selection and onboarding processes, and through job postings.

Recruitment processes should attract and select people who, as well as having the technical skills required, fit the organization's culture; that is, people with the soft skills that matter to the organization, such as critical thinking and assertiveness. Without that fit, it will be harder for those people to feel fulfilled, to develop and to collaborate. It is also worth looking at the onboarding process: whether there is a clear, structured one, and how well new joiners settle in.

To attract the right candidates, the value proposition offered to them has to be attractive too. That is where other aspects of culture and of talent retention come into play.

2.2. Retaining talent

Attracting the best professionals is not enough: you also have **to create an environment where they want to stay, contribute and grow**. Reducing turnover and keeping employees engaged for the long term gives stability and cohesion to an agile organization, where people and their interactions are the key. Losing talent in these companies can be highly disruptive, and not only for its effect on morale and team dynamics. Remember that shared knowledge, the experience gained through cycles of continuous improvement, is fundamental to the quality of products and services in an agile setting.

The working environment should be professionally rewarding and socially healthy, with policies geared towards retaining talent, such as:

- **Intrinsic motivation:** the company focuses on offering meaningful work, autonomy in decision-making, and opportunities for employees to feel fulfilled and valued.
- **Empowerment:** employees have real control over their tasks and decisions, which encourages responsibility and a sense of ownership over the work.
- **Knowledge of, and involvement in, the vision behind projects:** team members understand and are aligned with the mission and objectives of the project.
- **A sustainable pace:** through effective workload management, and by offering adequate breaks and flexibility.

These measures prevent burnout and make a healthy work-life balance possible.

2.3. Professional development

Investing in people's development so they can improve their skills and competencies should be a strategic objective for the organization. On one hand, it keeps the company competitive in a dynamic environment, able to innovate and adapt to new challenges. On the other, it improves employee satisfaction and motivation, which helps with both attracting and retaining talent.

Where this behavior is present, it shows up in practices that promote continuous learning and growth: regular training programs, mentoring and coaching between more and less experienced colleagues, or personalized career plans, for example.

Beyond practices, though, professional development also means creating an environment that encourages curiosity and learning, by creating dedicated space for experimentation, or by taking part in industry events, say. And also by fostering a safe space in which it is possible to make mistakes and learn from them.

2.4. Corporate wellbeing

Corporate wellbeing is the set of conditions, practices and values that make sure people can develop in a healthy and sustainable environment. It is not limited to benefits or one-off HR initiatives: it takes in psychological safety, trust, autonomy, a sense of shared purpose. It is about **creating environments where people can experiment and decide safely and effectively**.

In the current context, with organizations bringing in emerging technologies such as artificial intelligence, it has become more relevant still: in technical agility it works as a hygiene factor; in full agility it is a fundamental one.

In **technical agility** settings, it can help avoid employee turnover and the loss of creative people. AI and other technologies should lighten the load on teams, not add to it. It can help, for example, to maintain clear catalogs of practices and tools, and to allow local adjustments that respect each team's workflow. Wellbeing indicators (satisfaction, stress, motivation and so on) in project tracking can also be a considerable help. That way, the signs of burnout or disengagement surface much earlier.

In a **full agility** setting, tools and technologies should be applied as a catalyst, always respecting team autonomy. Reinforcing psychological safety and autonomy in how tools are used is essential. The culture should encourage experimentation in which mistakes are not punished and teams are free to choose whatever best suits the way they work.

That same culture should provide training on the tools that are going to be used, for example information on the ethical, responsible use of AI and on possible biases in generative AI. It is equally important to have spaces that encourage collective learning: forums, sessions or channels where teams share good practices, discoveries and lessons learned about the tools and technologies in use.

In general, it can help to design explicit policies on the use of new technologies that include criteria for human sustainability (keeping humans in control of key decisions, guaranteeing transparency in how data is used), and to promote both emotional and digital training.

3. Clarity

In agile organizations, clarity makes sure everyone has access to the information they need to do their work in line with the company's vision for each project. This is connected to the operational principle of **transparency**, but it also requires that information passes between people and teams **openly and honestly**.

Clarity also means being explicit about which decisions the team has made and which have been influenced or automated by an artificial intelligence. That keeps responsibilities clear and builds confidence in how decisions are made.

3.1. Transparency

This refers to open, continuous communication at every level of the company, for instance through meetings and through information radiators such as kanban and other boards, or shared documents. In some cases transparency extends to financial and strategic matters, though that is not always advisable.

The role of this behavior is to make decision-making easier and to empower the people in the organization. When information is open and accessible, collaboration is encouraged, misunderstandings and duplicated effort are avoided, and decisions can be made autonomously more easily.

3.2. Honesty

This behavior usually goes hand in hand with assertiveness and trust, and it is key to making interactions constructive. If people do not communicate sincerely, are afraid to admit mistakes, or feel uneasy about giving feedback or asking questions, misunderstandings become more likely and a genuinely shared vision less so.

Two visible signs of honesty are authenticity in feedback, which should, wherever possible, be given assertively, and alignment between words and actions. An assertive, honest environment creates a virtuous circle: solving problems quickly and communicating authentically and constructively builds mutual trust and respect.

4. Trust

In line with the other agile values already covered, trust is necessary for good communication and shared responsibility. Building trust means creating an environment where people feel safe to express themselves, take calculated risks and take part in decision-making. Without it, it is hard to ask for assertiveness or clarity. All of these values bear directly on continuous improvement, on the ability to respond quickly to change, and on the quality of the results.

Two kinds of trust can be distinguished: trust between colleagues (a safe environment) and trust between employees and the company (empowerment).

4.1. A safe environment

Without an environment where people feel free to speak up and trust their colleagues, innovative ideas go unshared, problems get hidden and opportunities to improve are lost.

Whether or not a safe environment exists can be seen, for example, in how mistakes are handled and in how proposals from different members of the organization are received. Agile cultures focus on learning, not on assigning blame. A badly handled mistake can demotivate people and discourage experimentation, whereas the opposite makes people feel valued and willing to take responsibility for their actions.

Safe environments cannot be forced; they emerge as the result of many other components. Encouraging assertiveness through policies and practices that value constructive communication is one step. Another is for leaders to set the example by showing vulnerability, admitting mistakes and being transparent.

That transparency matters a great deal in the use of AI, for instance. Leadership has to give the team enough confidence that it is in no doubt about artificial intelligence's role: is it being introduced to augment people, or to monitor and replace them? The slightest hint of doubt can create a hostile environment in which demotivation and mistrust gradually grow until they end up affecting the team's commitment.

4.2. Empowerment

Empowering employees reflects mutual trust between them and the organization. That reciprocal relationship is the basis for collaboration, autonomy and commitment, and behaviors such as micromanagement damage it.

One of the main signs that trust exists is the delegation of responsibility and authority. If employees can make significant decisions within their roles, without constant supervision, it reinforces their sense of ownership and their commitment to the results. For the trust to be mutual, meanwhile, the company should offer something in return for taking on that responsibility, and should recognize and reward achievements.

This also covers the team's freedom to choose the tools they need in order to work and how they want to use them. That means trusting that the team has enough judgment about its own area to know which tool is best and how to use it. A safe environment may well be a prerequisite here and, depending on the industry, this can be closely tied to motivation and to employees' sense of ownership over what they produce, not just their sense of agency.

5. Shared purpose

We saw in the operational dimension that sharing and understanding the customer's vision is key to value delivery. A company's shared purpose, however, goes beyond the shared vision of any one project or customer. Agile organizations have a defined purpose that all of their members know: the ultimate aim of their work, over and above whatever objectives their team, group or department may have. This keeps work aligned, gives individual effort meaning and cohesion, and guides decision-making.

5.1. A purpose known and shared

For the objective to be shared, it has to be known and understood by everyone. Where that is the case, it shows up in fluid communication between teams, in decisions that prioritize alignment with the shared purpose, and in a culture that celebrates the achievements contributing to it.

There are practices for institutionalizing and fostering shared purpose, among them:

- **Alignment meetings:** whether between teams, between departments or at organization level. These meetings are not only about operational results: they also review how day-to-day activities contribute to the shared purpose.
- **Purpose workshops:** sessions designed to get the organization's members reflecting on the impact of their work in a wider context. They discuss the company's values, the social or economic impact it is aiming for, and how individual goals connect to that larger objective.
- **Explicit documentation of the purpose:** keeping the purpose documented clearly and accessibly. This can include internal handbooks, regular updates in internal newsletters, or collaborative spaces where teams share how their daily activities line up with the purpose.

5.2. Decisions guided by values

This means **coherence between decisions, both strategic and operational,** and the ethical and cultural principles the company promotes, showing that the organization does not merely declare values but actively lives them.

It can be assessed by observing whether leaders and employees act with integrity, and whether, when weighing options, the ones that reflect the company's principles are prioritized even where they are less profitable or more complex in the short term. Decisions and the reasoning behind them can be communicated and examined in meetings such as retrospectives, reinforcing the company's credibility and employees' commitment.

It can also be seen in how tools, technologies and processes are used: clear values and a shared purpose allow tools, technology and processes to be applied ethically and

strategically, in keeping with the company's objectives and purpose. AI has no purpose; it executes objectives. It is the human being and their "why" that must direct AI's "how".

6. Less hierarchical structure

One of the basic characteristics of the agile approach is that teams work in a self-organizing way. For that, people need the information, authority and confidence to make autonomous decisions. Decentralized organizational structures therefore tend to develop, ranging from various forms of self-organization through to flat structures; that is, structures without hierarchy.

In assessing and improving organizational agility, it is worth considering whether hierarchical levels exist and what they regulate. Higher levels usually take charge of managing the flow of information, communication and the workload of the levels below.

6.1. Self-organization

A team's degree of autonomy varies with the range of responsibilities its members manage. At the lowest level, each person simply takes responsibility for the tasks assigned to them. At the highest, every function is shared regardless of role: development, task management, designing the way of working, and taking part in overall strategy. Four levels can be defined:

1. **Manager-led teams:** at this level there is no self-management. Team members have authority only over carrying out their tasks. Managers alone administer the project, monitor progress, design the way of working and take part in the organization's strategic decisions.
2. **Self-managing teams:** team members have authority over carrying out tasks and also over managing them within the project. This is the case, for example, with teams that use frameworks such as Scrum or Kanban to manage development.
3. **Self-designing teams:** team members have the same authority as in self-managing teams, and in addition they design the team's internal organizational model and its way of working.
4. **Self-governing teams:** the highest degree of autonomy. On top of the responsibilities above, these teams have decision-making power in certain areas of the organization's overall strategy.

In analyzing self-organization, bear in mind that level 2 (self-managing teams) may well be enough to enable agility in the operational dimension. To enable it in the organizational dimension too, level 3 is required in organizations with a Green cultural pattern, and level 4 in organizations with a Teal one.



Figure 11. *Cultural paradigms and team autonomy: the more evolutionary the paradigm, the more autonomy teams need.*

6.2. Flat structure

Hierarchical structures develop models of direction and control for managing workers who carry out their duties under instruction. At each level, the hierarchy designs the instructions for the level below and controls it.

This hierarchical control works in stable environments and Orange cultural paradigms, but it does not favor creativity, and it does not allow large organizations the continuous, rapid adaptation that complex environments demand.

Where people rather than processes are responsible for the result, however, autonomy and self-organization are needed, and that means flat organizational structures.

> It doesn't make sense to hire smart people and then tell them what to do; we hire smart people so they can tell us what to do.
> **— Steve Jobs**

Part IV — Support

Organizational support

The success or failure of an improvement plan is inescapably tied to the support the organization gives it. It depends on how involved the leadership is with agility, on compatibility with the company's culture, and on the resources allocated to carrying out the improvements. Those resources include the necessary training in agile techniques, and professional coaching.

In short, it depends on these five factors:

- Leadership involvement.
- Compatibility of the intended transformation with the company's culture.
- Resources available.
- Training.
- Coaching.

The first two are decisive. If the company's leadership does not believe in agility, or if the organization's culture is incompatible with the results being sought and does not look likely to change, it is better not to start at all and to reconsider the situation.

Let us assume, then, that the leadership is convinced and involved and that the cultural change envisaged is manageable. In that case, the improvement process will work provided the necessary resources are available and the right training and coaching for the intended change are provided.

Shortcomings in these supports can hamper improvement or even derail it, so they deserve close attention from the outset. You need to analyze the organization's current state, its willingness to change and, following from that, the level of risk each factor may introduce.

Framing this as risk

With support, assessing each aspect carries a risk formulation with it. It can be estimated by adding together the values for the current situation and the appetite for change in each factor assessed. The system is set out in detail in Part V, "Assessment and improvement processes".

This approach helps identify critical areas that could have a negative impact on the agile improvement plan. Depending on the degree of support, the level of risk is characterized as:

- **High risk:** a low degree of support, indicating a significant lack of backing and of appetite for change.
- **Medium risk:** a moderate degree of support, with some backing present but not enough to guarantee success.
- **Low risk:** a high degree of support, where there is strong backing and a real willingness to change.

Analyzing support

Analyzing support covers four aspects: cultural compatibility, the resources available, training and coaching, and leadership involvement.

1. Cultural compatibility

As we saw in the organizational dimension, a company's culture is comparable to its personality. It is complex to analyze and hard to change, which makes it crucial to look at whether the intended change can happen with the culture as it currently is. For example, if the changes wanted are in the operational dimension, they may well be viable even where we find an Orange organizational culture. If what is being sought is a shift towards a more agile culture, there should be behaviors that support it.

The first step is **to observe what the current culture is**. The cultural paradigms covered earlier can be a useful reference (→ "Cultural paradigms"). Certain practices and behaviors are more characteristic of Orange or Green cultures, say. They can be observed internally as well as in the products and services offered and in sales strategies. Here are a couple of illustrative examples:

- **Characteristics of an Orange culture:** internally, performance reviews based on individual KPIs, or results-based incentive schemes. Operationally, very aggressive sales strategies or a business model built on long-term contracts; a model, that is, that encourages signing customers up with no easy option to cancel. These specific practices reveal, on one hand, a meritocratic culture, and on the other, that value to the business is placed above value to the customer.
- **Characteristics of a Green culture:** internally, financial and strategic information shared openly with employees, or initiatives focused on employees' overall wellbeing, such as looking after physical, mental and emotional health. In operations and in the customer-facing offering, an example would be having a dedicated team or process to make sure customers get the maximum value from the products or services (CSM, customer success management). Practices like these demonstrate an interest in values typical of Green cultures: empowering employees, promoting personal wellbeing and building relationships.

Some practices are more compatible than others with certain cultural changes. Perhaps the clearest example is highly aggressive sales techniques, which neither solve real customer problems nor seek the dialogue needed to iterate and add value. Agility, at both the operational and the organizational level, requires the opposite: sharing the vision with the customer and building valuable increments towards it.

Other practices may turn out to be compatible, depending on the change being sought. An Orange culture can retain meritocratic aspects if the changes it is after are purely operational, for example. At the organizational level, however, meritocracy tends to be incompatible with fostering a safe environment, with people having the authority and confidence to experiment, or with a less hierarchical structure.

The reality is that most organizations do not fit neatly into these cultural paradigms; they show a mix of characteristics. The assessor, or whoever is responsible for the improvement work, has to observe in each case which practices exist externally and internally, and consider whether the plan will be feasible. Those observations also make it easier to assess leadership involvement, which we come to shortly.

2. Resources available

This aspect of support concerns the plan for the resources allocated to the assessment and improvement process. It may call for buying boards for workshops or to serve as information radiators, acquiring software licenses for better coordination in asynchronous teams, or investing in coaching, training or certification services, among other costs.

The resource plan has to reflect the company's needs adequately, and show whether the resources available are sufficient. Check that the resources needed have been sized, and confirm that the company will in fact provide them.

3. Training and coaching

Depending on which dimensions the transformation focuses on, employees should receive training suited to the change being pursued. For the operational dimension, check whether there is a training plan for agile techniques and whether staff are getting the right preparation to understand and apply these practices. For the organizational dimension, the training plan should focus on things like soft skills and collaboration, and support or coaching services are more likely to be needed.

Coaching is not always necessary, but in assessing this aspect you need to consider whether agile coaches are available to guide the teams and whether that support is in fact needed.

4. Leadership involvement

This is probably the most important aspect of support. We deal with it last because it is better not to assess it directly, but to extrapolate it from everything else observed.

Suppose the improvement work being proposed is incompatible with the company's culture, there is no adequate resource plan, and employees know nothing about agility and have received no training or coaching in agile techniques, nor will they. In a case like that, it is clear there is no leadership involvement.

If management is not involved, and without the right infrastructure, the change will not work. In fact, the attempt may destabilize the company and create factions and tension. A company cannot be one thing in essence while wanting to be another: it needs roots and coherence. The foundations come from management involvement, resources, training and a system of continuous improvement.

The lack of involvement may be conscious or unconscious. In the first case, since an improvement plan can destabilize the company, it is better to withdraw in good time than to do damage. In the second, management will need to be made aware of the lack of leadership backing, and the resource plan should be extended to include training and coaching for executives. When people have been working a certain way for a long time, change is very hard: they operate on autopilot. What is needed, then, is a willingness to learn, patience and persistence.

Consolidation

One aspect that has been mentioned but not assessed within support is the system of continuous improvement. Ideally, once the improvement plan has run its course, it should settle in and hold over time.

Continuous improvement is part of agile operations, so if the transformation succeeds and has backing, that aspect of operations serves to sustain the change: teams have to learn to self-organize and self-assess in order to hold on to the changes made and to go on improving under their own steam. For the new way of working and the new culture to take root, an extended period of putting them into practice is required.

Part V — Assessment and improvement processes

Bringing the theory down to earth: a step-by-step protocol for assessing each value and principle.

The Open Knowledge protocol

The AgiLevel theoretical framework can be applied freely or by following a protocol, that is, a set script with specific activities and artifacts.

The Open Knowledge protocol (OK for short), developed by Scrum Manager, is exactly that: a process for assessing agility with AgiLevel step by step. It is free to use, generic in nature and designed to adapt to most organizations.

The protocol's instructions follow. It consists of a series of surveys to be run anonymously and weighted at the assessor's discretion. We have also included advice and real use cases. If you like, you can use the spreadsheet or the web application available at agilevel.com to record survey results, set priorities and calculate risks.

If this protocol does not fit the circumstances of your project or business, or if you want to change it, **you can create a protocol of your own** and even have it approved for others to use. Instructions for designing and approving your own protocols are also on the official AgiLevel website.

We encourage anyone taking on this kind of process in their organization to think about how best to apply the theory in their own context, and to develop their own assessment criteria and protocols. AgiLevel is not a prescriptive model but a theoretical foundation for understanding agility in companies, solving problems and scaling.

There is no single right way to assess or to strengthen agility. But we hope this generic, freely usable protocol serves as inspiration and gives the theory something concrete to hold on to.

Surveys and weighting

Here is the first piece of practical advice. Survey responses will always be subjective, and they can be affected by factors that produce motivational distortion, such as pressure from the company's culture. The assessor may therefore want to apply weightings based on their own analysis and judgment.

When handing the surveys out to teams, we recommend preparing a dedicated workshop to explain briefly what the survey is for, that there is a code of ethics, that honest answers are expected, and that the surveys are anonymous for precisely that reason. Surveys give you raw results, and those results need calibrating.

Adjustments to survey results can be subtle, moderate or aggressive. It will depend on what direct observation shows.

Where improvement processes are guided by external consultants, those consultants should spend several weeks alongside the team, doing fieldwork and observing. Shadowing has proved a good strategy. In the first instance, the surveys and the objectives of the transformation are there to give you focus: to decide which aspects deserve the most attention, to check whether reality matches the answers, and to begin picking out risks and areas of impact.

Workflow

Here is what a basic AgiLevel workflow might look like:

1. **Run workshops by team or by department** to brief people and administer the surveys. At this stage it is better not to mention any specific practices that will be taught or used: you are only gathering data. A visual aid such as Mentimeter is commonly used to collect responses anonymously and display results in real time. With asynchronous teams the surveys can be sent by email, but it is still a good idea to share the most striking results.
2. **Accompany and observe the teams**, with the survey results and the organization's objectives in mind, in order to weight them. If you are using the OK protocol, the data can be recorded as you go in the protocol's spreadsheet or web application to produce charts.
3. **Once the results are weighted**, focus on two or three aspects per dimension and for support at most, and prioritize them. We recommend starting to map out the plan from here, and presenting the plan to leadership without overwhelming them with survey detail.

The possibilities from this point on are endless. If an area you want to improve (one that falls within the objectives) scores very low and there is a strong appetite for change, you might run another workshop before proposing a solution, for example. Teams will often be willing to collaborate on a cause-and-effect diagram to analyze the situation and look for root problems to work on. In other cases you may have identified areas where the weighting was very aggressive and there are cultural problems, or where training is what is needed.

Assessment reports

If you want to produce an assessment report from the data you have gathered, there is a guide and further information at agilevel.com.

You can also contact an official assessor to issue the report, before and/or after the improvement process. Every official assessor has at least 3 years' experience in management or advisory roles and has carried out at least 3 improvement processes or independent assessments with AgiLevel.

Workshops for questions, training and advice

Learning never stops: you can ask questions, share experiences and connect with training and advisory experts in the Agile Club and Community.

Part VI — Assessing the operational dimension

The operational dimension defines the way work is done inside an agile organization. To assess it we have to look at whether the practices in use genuinely advance the agile principles the organization is after.

Operational assessment criteria

The degree of agility in a company's operational dimension is determined by analyzing its practices in order to gauge how far the agile principles have been adopted.

Table 1 shows the principles of agile operations, together with the kinds of practice that make them possible.

1–7. Criteria for assessing practices

The parameters for quantifying the adoption of the practices behind principles 1 to 7 are:

Value	Criterion
0	Not implemented. Little or no evidence of practices serving the purpose under analysis.
1	Partially implemented. Suitable practices are used on occasion, but not often across the projects within the assessment scope, and not consistently.
2	Widely implemented. Suitable practices are generally used, though not institutionalized (with no guarantee of consistency or continuous improvement).
3	Fully implemented. The practices are always used and their application is institutionalized, with training and continuous improvement.

Table 6. Assessment criteria for the principles of operational agility.

8. Criteria for assessing "People over processes"

This principle looks at how far the collective intelligence of the people in the organization contributes to the value of what is produced. We have already seen that this is delicate ground, and that professional capability should not be assessed at the individual level. Doing so can create insecurity, tension and hostility as people find their performance compared. Beyond that, assessing the technical level of specialists such as engineers, data analysts, designers or advertising professionals calls for a very high level of technical knowledge.

We therefore advise against going down this road without experience in transformation processes. With one exception: knowledge of agile practices can be assessed.

Criteria for assessing knowledge of agile practices

Technical knowledge of agile frameworks and practices is the exception among hard skills. It can be assessed, even individually and without anonymity, so that training can be given to whoever needs it. It is, after all, the ground the assessor knows best, and a lack of training can put the company's intended transformation at risk (see Table 7).

If employees have already completed certified agile training, the information can be taken from there instead of from a survey.

Value	Criterion
0	**Insufficient:** the person or people do not know enough to carry out the tasks their job involves using agile practices. **Benchmark:** not enough knowledge to pass a Scrum Manager technical-level accreditation exam, or a standard Scrum Master exam from another provider.
1	**Technical level:** the person or people know enough to carry out the tasks their job involves using agile practices. **Benchmark:** enough knowledge to pass a Scrum Manager technical-level accreditation exam, or a standard Scrum Master exam from another provider.
2	**Expert level:** the person or people have ample knowledge to carry out the tasks their job involves using agile practices. **Benchmarks:** 1) enough knowledge to pass a Scrum Manager expert-level accreditation exam; 2) enough knowledge to pass a Scrum Manager technical-level accreditation exam, or a standard Scrum Master exam from another provider, plus at least 12 months' experience working in teams that use agile practices.
3	**Authority level:** the person or people are expert practitioners in the agile management of projects and organizations, and in Scrum. **Benchmarks to check against:** 1) the person or people hold Scrum Manager authority-level certification with more than 200 PDAs; 2) enough knowledge to pass a Scrum Manager technical-level accreditation exam, or a standard Scrum Master exam from another provider, plus at least 24 months' experience in agile teams.

Table 7. Criteria for assessing knowledge of agile practices.

Other providers of standard Scrum Master exams: scrumstudy.org, scrum.org and Scrum Alliance.

Considerations for expert assessments

Where a protocol or an expert assessment judges it appropriate to weight the result for this principle using information about these technical and interpersonal skills, we recommend:

- Assessing at team level through anonymous surveys, not at individual level. The aim is not to find out what each person can do, but what they can do together.
- Gathering the information in collaboration with the HR department or HR lead.

The surveys can also be run by the company's technical leads instead of the assessor. They should explain to participants what the survey involves, that it is anonymous, and that what is being measured is a team-level figure. Since nobody is singled out or assessed individually, many of the negative effects are avoided while the assessor still gets the information they need.

Value	Criterion
0	Poor knowledge.
1	Adequate knowledge.
2	Good knowledge.
3	Excellent knowledge.

Criteria for soft skills

If you decide to address this question, two aspects are worth considering:

- On the one hand, the right combination of roles within teams, working with Belbin or something similar. This can be taken into account when weighting.
- On the other, the specific interpersonal skills employees need in order to do their work well. Soft skills commonly looked at include communication, adaptability, work ethic, time management, conflict management, creativity, critical thinking, interpersonal skills and leadership.

For weighting purposes, these can be measured using the same scale as above, from 0 (poor) to 3 (excellent).

Calculating the operational dimension

Rating practices from 0 to 3 gives you the organization's degree of agility in its operational dimension, bearing in mind the following guidelines.

Guidelines

1. Mean values

The operational agility value is obtained by averaging the values of its component parts: agile practices and people's knowledge.

> Use the arithmetic mean, not the mode or the median.

2. Consistency

A lack of consistency between the partial values is a symptom of tension or friction in the organization, and it reduces or even cancels out the contribution to agility you would otherwise expect from the arithmetic mean.

> Where this happens, analyze the causes and weigh up whether the effect is significant enough that the arithmetic mean should be lowered.

3. Weighting

The analysis may weight the mean values obtained, bearing in mind that:

- In technical assessments (→ "Glossary"), we recommend including calculation criteria that account for the dampening effect of inconsistency.
- Expert assessments, unlike technical ones, are agile exercises, and in them the judgment of the person carrying out the assessment prevails over the technical output of the calculation.
- The weighting applied in expert assessments must set out the reasoning and the argument behind any adjustments made to the calculated mean values.

Calculation

The operational agility value is calculated by averaging the values of the principles, while the value of each principle is the arithmetic mean of the values obtained for its practices.

> An example of how the practices for the "Value delivery" principle might be rated:

Practices oriented towards	Value
1.1. Share and understand the customer's vision	2
1.2. Collaboration between customer and team	1
1.3. Managing variability	1
Value delivery	**1.3**

(**Note:** although the mathematical average is 1.3, the assessor has to interpret the result: the scores of "1" point to inconsistencies or weaknesses that need looking into).

Knowledge of agile practices

Once the values have been verified, take their arithmetic mean. The analysis should consider applying weighting criteria to the mean if more than 20% of the people within the assessment scope score 0.

An example of how verifying technical knowledge might turn out, measuring knowledge of agility alone:

Technical knowledge of agility	Value
Person's name	2
Person's name	1
Person's name	2
Person's name	0
Person's name	2
Technical knowledge of agility	**1.4**

Result

Averaging the results for the principles gives you the degree of agility in this dimension.

An example of how the result might look:

Principle	Result
Value delivery	1.3
Continuous improvement	2
Iterative and incremental development	1.5
Sustainable pace	2
Continuous attention to excellence	1.1
Operational visibility	1.3
Cadence and global synchronization	1
People over processes	2
Degree of agility in the operational dimension	**1.52**

Reading the result

1. **Raw value:** the arithmetic mean of the 8 principles is 1.52.
2. **Analysis:** the principle "Cadence and global synchronization" scores "1.0", so its adoption is weak.
3. **Conclusion:** although the average is 1.52, there is an inconsistency (a score of 1) that reveals tension in the organization. Although its quantitative value is 1.52, it should not be read as a simple pass mark, but as a warning sign.

Case study: technical improvements and trust

Now that we have covered the theory and these possible measurement criteria, this is a good moment to introduce a real case of AgiLevel in practice. We hope it gives shape to what you have learned and shows what the person leading an improvement process actually does.

For the operational dimension, we will look at an implementation at a financial-sector company with more than 11,000 employees. Despite a size and structure that make any change complicated, the impact ran deep.

The advisers had been brought in by the Quality Assurance and Delivery area, and the initial framing was strongly technical. The objectives were:

- Improve the metrics.
- Reduce the rate of work sent back during sprints.
- Improve software quality, both technical and functional.
- Automate a number of processes.

The first instinct, then, would have been to concentrate on what was being asked for: changes in the operational dimension. But as they conducted interviews and observation, those leading the work realized the problem was not merely technical but cultural. It is a recurring challenge in many organizations. As we saw in the theory, the dimensions are not isolated units.

Although the operational actions stand out, the advisers judged it worthwhile to work on creating a safe environment and empowering the teams as well. That decision followed from noticing a certain lack of trust. Some professionals, the tester engineers in particular, tended to be introverted and would not speak up in planning meetings, while managers and Product Owners imposed unrealistic dates and expectations. The result was low-quality products, production errors and, ultimately, dissatisfied customers.

Having diagnosed the situation with AgiLevel and observed the teams, they focused their efforts on three key variables to tackle the problem:

- In the operational dimension: interpersonal and technical skills.
- In the organizational dimension: a safe environment for the teams.

This is where the know-how and judgment of the people running the improvement process come in, since there is no single solution for strengthening any given agile value or principle.

In this case, to improve all three variables at once, they set up agile communities and a quality center of excellence. Within it, the tester engineers worked more closely with the business areas, and came to raise their hands during planning to flag risks and time constraints proactively. That transformed the workflow, cutting errors and waste at the end of each sprint.

Another agile practice introduced on the operational side was a shift-left testing approach, with testing in the earliest phases of development. That, plus a simple Definition of Ready checklist, helped the teams deliver on time and to specification and avoid expensive extra cycles. It is the kind of practice that, unconventional as it is, has been shown to cut operating costs and drive significant improvements in business results.

Waste came down and thousands of dollars were saved in production. An international testing certification was also recommended for the testing engineers, to formalize these techniques and take their implementation further.

Finally, improvement katas were run for process automation, another of the improvement objectives. Every Tuesday from 3 to 4, the 135 test engineers stopped what they were doing to compete in a hackathon: a piece of development was put forward to be optimized in 45 minutes. The last 15 minutes were spent finding out who had managed it, so they could share and give advice to those who had not, as a community. A knowledge base built up this way, an automation repository, while the teams' technical skills and shared knowledge improved alongside it.

Thanks to these changes, focused on two key aspects (people over processes, and trust), the objectives were met. This operational and cultural shift had a direct impact both on business results and on customer satisfaction.

Part VII — Assessing the organizational dimension

The organizational dimension is less tangible and harder to change than the operational one. To assess it we have to consider how far the company's cultural and structural values are aligned with the values and principles of agility.

The point is not to measure abstract values, but to observe whether the company's culture and structure create a safe environment in which people can grow. A high score in this dimension means the organization has started to "be" agile, not merely to "do" agile.

Organizational assessment criteria

Agility in a company's organizational dimension is the result of agility in its culture and in its structure.

1–5. Criteria for assessing culture

The criteria for assessing how present a given behavior is:

Value	Criterion
0	Behavior is exceptional. It rarely occurs.
1	Behavior is possible. It occurs infrequently.
2	Behavior is habitual. It occurs often.
3	Behavior is institutionalized. It always occurs and is formally institutionalized.

Table 8. Criteria for assessing the behaviors behind cultural values.

6. Criteria for assessing structure

These are the criteria for assessing whether a **less hierarchical structure** exists, that is, how far teams work in a self-organizing way and without hierarchy.

Self-organization

Value	Criterion
0	Manager-led teams.
1	Self-managing teams.
2	Self-designing teams.
3	Self-governing teams.

Table 9. Criteria for assessing the degree of self-organization.

Flat structure

The degree of agility for this behavior is determined by how many hierarchical levels the company is organized into:

Value	Criterion
0	More than three hierarchical levels (e.g., board members, directors, managers, technical staff).
1	Three hierarchical levels (e.g., strategic, tactical and operational).
2	Two hierarchical levels (e.g., strategic and operational).
3	No hierarchy.

Table 10. Criteria for assessing how flat the organization is.

Calculating the organizational dimension

The values of the behaviors in culture and structure determine the company's degree of organizational agility, following these guidelines and this calculation.

Guidelines

1. Mean values

The final value for each aspect (culture and structure) is obtained by averaging the values of its behaviors. Use the arithmetic mean, not the mode or the median.

The final value for the organizational dimension is obtained by averaging the culture and structure values.

2. Consistency

A lack of consistency between the partial values is a symptom of tension or friction in the organization, and it reduces, or even cancels out, the contribution to agility you would otherwise expect from the arithmetic mean.

Analyze the causes of that tension and weigh up whether the arithmetic mean should be lowered.

Consistency between values matters even more in this dimension: a serious weakness in one fundamental value, or in the structure, can undermine the benefit of having other values well established. A high organizational agility score is therefore only possible where every component shows a balanced, coherent level of maturity.

3. Weighting

The analysis may weight the mean values obtained, bearing in mind that:

- Technical assessments, where inconsistency arises, must include calculation criteria that account for its dampening effect.
- Expert assessments, unlike technical ones, are agile exercises. In them, the judgment of the person carrying out the assessment prevails over the technical output of the calculation.
- The weighting applied in expert assessments must set out the reasoning and the argument behind any adjustments made to the mean values.

Calculation

Agile culture

The degree of agility for each cultural value is the mean of the results obtained for its behaviors.

Here is an example of a result for the value "Assertiveness":

Behaviors	Value
1.1. Courage	2
1.2. Respect	1
Assertiveness	**1.5**

The degree of agility in the culture is the mean of the results obtained for the agile cultural values. For example:

Value	Result
Assertiveness	1.5
Valuing talent	2
Clarity	1.5
Trust	1
Shared purpose	1
Degree of agility in the culture	**1.4**

Agile structure

Averaging the results obtained for the various behaviors gives the degree of structural agility. Here is an example of a result:

Behaviors	Value
6.1. Self-organization	2
6.2. Flat structure	2
Structural agility	**2**

Averaging the results for the structural values gives the degree of agility in this aspect.

Result

The organizational agility value is the mean of culture and structure. For example:

Value	Result
Culture	1.4
Structure	2
Organizational agility	**1.7**

Reading the result

1. **Raw value:** the arithmetic mean of culture (1.4) and structure (2.0) is 1.7.
2. **Analysis:** the value "Trust" scores "1.0", below the 1.5 threshold. This points to a serious fracture in the cultural dimension.
3. **Conclusion:** although the average is 1.7, the weakness in "Trust" makes it impossible to regard the organization as having a systemically agile culture. Although its quantitative value is 1.7, it should be read as a critical warning.

Case study: why do we do what we do?

The importance of culture should not be dismissed even in processes aimed at improving the technical side of a company. Organizations commonly set out not to transform how they are, but to shorten time to market, cut unnecessary costs and so on. Experience shows, though, that the organizational dimension, its cultural paradigm, colors everything to some degree. Are people seeing their reality through Orange, Green or Teal glasses? That may be affecting operations in crucial and unexpected ways, and it needs assessing too.

Something along these lines came up in a real case, at a multinational looking to make changes in its operational dimension. Assessing the value "Shared purpose" turned up something striking enough to bring the work to a halt: although the company had a clear mission and made it known, most of its people felt that the mission was not actually guiding decision-making. That surprised the leadership, and dismayed them somewhat, enough to make them stop and take steps to understand where the disconnect was coming from. They wanted to clear this up before defining anything else.

This is not to say that things will, or should, go the same way in every organization. But it shows that some cultural aspects are fundamental, and that it makes sense to prioritize them when you find they are failing. There are organizations that place less weight on shared purpose. In this one, though, the leadership were clear that their mission ought to guide decisions, and were surprised to find it did not. If people do not feel their decisions are aligned with the organization's purpose, what are we all here for?

Part VIII — Assessing support

Value and risk level

The recommended way to build risk assessment for a company-level agility scaling or improvement process into a protocol is to rate, from 0 to 3, both the current level of support and the appetite for change for each of the 5 support factors a scaling process requires.

Value = current level of support + appetite for change

Support factor	0	1	2	3	4	5	6
Leadership involvement	Extreme	Extreme	High	Medium	Medium	Low	Low
Cultural compatibility	High	High	High	Medium	Medium	Low	Low
Resources	High	High	High	Medium	Medium	Low	Low
Training	High	High	High	Medium	Medium	Low	Low
Coaching	High	High	High	Medium	Medium	Low	Low

Table 11. Value and risk level.

Example:

Factor	Current	Appetite	Total	Risk
Leadership involvement	1	2	**3**	Medium
Cultural compatibility	1	2	**3**	Medium
Resources	2	3	**5**	Low
Training	3	2	**5**	Low
Coaching	1	2	**3**	Medium

Assessing risk

The current situation of each of the 5 factors is rated between 0 and 3 using the following criteria.

Current situation

Leadership involvement

Value	Criterion
0	The company's leadership does not know about, or does not promote, the agile principles and values the change requires.
1	The company's leadership has only a superficial grasp of agile principles and values, and its supportive attitude is questionable.
2	The leadership's knowledge of, and support for, the agile principles and values the change requires may not be sufficient.
3	The company's leadership knows the necessary agile principles and values and supports them wholeheartedly.

Table 12. Criteria for assessing leadership involvement.

Cultural compatibility

Value	Criterion
0	The company's cultural model is plainly incompatible with the changes required.
1	The company's cultural model needs to evolve substantially before it is compatible with the changes required.
2	The company's cultural model is relatively compatible with the changes required and needs some adjustment.
3	The company's cultural model is fully compatible with, and aligned to, the changes required.

Table 13. Criteria for assessing cultural compatibility.

Resources, training and coaching

Does the company provide people with the resources, training or coaching they need, and to the extent needed?

Value	Criterion
0	No.
1	Yes, but barely.
2	Yes, but not consistently or not sufficiently.
3	Yes, and sufficiently.

Table 14. Criteria for assessing the provision of resources, training and coaching.

Appetite for change

As well as assessing the current situation of each support factor, you also need to estimate the appetite for change in each one, since that reduces the risk it represents. Use the following criteria.

For each risk factor whose current situation could be improved (a value of 0 to 2), apply the following value according to how great or small the appetite for change is, as shown in this table:

Value	Criterion
0	The current situation is entrenched, and there is no wish or perceived reason to change.
1	The current situation can be questioned, so that whatever changes are judged appropriate can be applied.
2	The current situation is open and receptive to changes that would help improvement along.
3	(Applicable in expert assessments only) No risk whatsoever; strong appetite for change.

Table 15. Criteria for assessing appetite for change in factors that could be improved.

For each risk factor whose current situation carries no risk, the appetite-for-change value is:

Value	Appetite for change
3	There is a firm decision, and evidence that the current positive attitude will hold.
2	The current positive attitude seems unlikely to be lost.
1	The current positive attitude is likely to be lost.
0	The current positive attitude will not hold.

Table 16. Risk factors whose current situation carries no risk.

Practical advice

We close with some practical advice for applying the protocol.

Distill the strategy

AgiLevel can be overwhelming: there is a lot of theory and a lot of different things to measure. Giving leadership too much information at once can breed mistrust and make a poor first impression. We recommend that whoever is running the improvement process "distills" their results before presenting the strategy.

For example: "We'll focus on improving these 3 operational aspects, these 3 organizational ones, and these 2 at leadership level." It is also important to stress that this will be an iterative process, so that things do not pile up.

Additional statistics

Measuring and reporting additional statistics at the start and the end of the assessment process helps convince leadership and get them involved in the transformation. Changes in AgiLevel scores from start to finish are subtle, because the scale runs from 0 to 3. There may be only a 16% improvement by the end of the process. The point to get across is that a 16% gain achieved in a matter of months is a rise in organizational maturity, a change that other strategies might take years to deliver.

The best way to convey this is to show what it translates into in other statistics. In a real case with a 16% improvement in AgiLevel metrics, the following was observed:

- Planning time was three times faster.
- Speed to market increased by 175%.
- Errors in production releases were eliminated entirely.

Metrics of that kind show what an agile transformation is actually for, and give tangible results the company can feel good about. Making the changes visible in this way can be

a great help in embedding them, particularly in transformations guided by consultants, whose presence is only temporary.

Which additional statistics should you use? One source of inspiration is the *Annual State of Agile Report*, which shows the areas where agility creates the most satisfaction and impact. The most notable are delivery speed, improved product quality, customer satisfaction, priority management, process visibility, collaboration and alignment. When choosing what to measure, metrics aligned with the organization's objectives should take priority.

Support is not optional

As we have seen, a transformation may affect the operational and organizational dimensions to a greater or lesser degree, but support can never be left out of the process. Leadership involvement is essential: without it, there is a high risk that the process will prove unworkable and will create more problems than it solves. If that is not obvious, it needs saying clearly to the leadership.

Appendix

Glossary of the guide's terms, bibliographic references, Scrum Manager's resources and professional community, and quality control of the training.

Glossary

- **In category 2 assessments:** the list of projects and teams being assessed.
- **In category 3 assessments:** the list of sections or departments being assessed, indicating in each case which projects and teams are included.
- **Category 1, or "team assessment":** the system consists of a single team of people and may cover one project or several.
- **Category 2, or "department assessment":** the system consists of more than one team and more than one project. All the teams and projects belong to the same organizational unit (area, department, or branch).
- **Category 3, or "company or corporate assessment":** the system includes more than one organizational unit (area, department, or branch), each of which may include one or several teams or projects.
- **Level 1.** One of the assessors (lead or assistant) took part in the earlier advisory or training activities.
- **Level 2.** Neither the lead assessor nor any assistant assessor took part in the earlier advisory or training activities.
- **Level 3.** In addition to meeting the conditions for level 2, either no prior advisory or training activities for improving agility were carried out, or the people involved in them and the assessors belong to different organizations with no shared ownership or working relationship.
- **Official:** issued by AgiLevel, with a certified assessor acting as lead assessor.
- **Independent:** any other case.

Agile: said of a technique, procedure, or working or management method, it indicates that it is compatible with, and develops, agile principles or values in the organization's operations, structure, or culture.

Agility: a characteristic that helps ways of managing projects, people, or organizations adapt to change and deliver results continuously.

Assessed group: everyone belonging to the organization under assessment who is involved in managing or developing the projects that fall within the assessment scope. Unlike the assessment team, this covers everyone, whether or not they take part in the assessment.

Assessment scope: it depends on the category of the assessment.

Assessment team: the people belonging to the organization under assessment who are involved in the projects within the assessment scope. This refers only to those members

of the assessed group who take part in the assessment. See "Assessed group" for the difference.

Assistant assessor: a person who assists the lead assessor.

Category (of assessment): a term applied to an AgiLevel analysis or assessment of an organization to establish its breadth, according to the size of the system of people and projects it covers. The categories are:

Expert assessment: an assessment led by a person carrying out the role and responsibilities of assessor.

Flexibility: the AgiLevel index expressing the degree of technical agility resulting from an assessment.

Fluidity: the AgiLevel index expressing the degree of organizational agility resulting from an assessment.

Fundamental agility: agility applied across both dimensions of the organization, operational and organizational.

Independence level: a parameter applicable to assessments in organizations that have previously undertaken advisory or training activities related to the assessment.

Independent assessment: see "Rank."

Lead assessor: the person who directs an assessment. Depending on the assessment scope, they may need the support of assistant assessors.

Minimum viable product (MVP): a term widely used in agile product development for a product built with just enough features to satisfy early customers and provide feedback for its continued development.

Official assessment: see "Rank."

Operational agility: agility applied in the organization's operational dimension.

Organizational agility: agility applied in the organization's organizational dimension.

Protocol: a set of specific procedural instructions and resources designed to guide AgiLevel assessments in one or more particular settings, determined by the size of the organization to be assessed and the type of assessment used.

Rank: it characterizes an assessment, and may be:

Retrospective: the name of the meeting in which a team analyzes its way of working in order to improve it continuously.

Subjectivity in assessment: an indicator that flags whether the information a person has given through a form or interview is unreliable or appears distorted. The distortion may

be deliberate, where the respondent wants to present a situation that is not real, or unintentional, where the questions have been misunderstood or misconstrued.

Technical agility: synonymous with operational agility.

Technical assessment: an assessment with no assessor role, carried out to a set procedure and verified through assessment forms or applications.

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Information, resources, and professional community

Scrum Manager maintains an ecosystem of open resources and professional community for continuing to learn after this guide:

Club Agile →	BoK/Wiki →
Skill Arena →	Community →
Academy →	Comic strips →

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