KPMG

Agile Transformation

From Agile experiments to operating model transformation:
How do you compare to others?

2019 Survey on Agility

Preface

What comes to mind when you think of Agile?

Do you think of IT? Realising results fast? Developing software?
Or do you think broader?
— Working as a team?
— Working with multiple self-organising teams?
— Collaborating with customers?
— Integrating business and IT?

There is no single answer. Originally defined in 2001 in the Agile Manifesto as a reaction to the slow, bureaucratic and stifled creativity experienced in traditional waterfall methods of software development, Agile formed the basis for a revolution in the way software is developed.

Nowadays we see this revolution increasing its footprint as principles to define entire organisations and is vastly outgrowing the development of software on a team level. Digitisation is driving the need for flexibility and the increased role of technology in delivering value. Scaling agility across teams and organising through product-oriented or value stream oriented organisations appears to be the new normal, replacing outdated and traditional demand-supply models.

This survey is driven by our curiosity on this matter and on how organisations apply Agile methods ranging from small teams to large corporates that work with thousands of employees together – in a smart way – delivering value to the company every day.

Driven by leadership ambition to remain relevant in the digital future, we see in both our Global CEO Outlook 2019 and our Harvey Nash/KPMG CIO Survey 2019 that Agile is increasingly a strategic priority towards becoming future ready. In this survey, we would like to dive into this topic further and involve the target operating model on how Agile can be implemented.

We see that we live in a diverse world – our survey shows Agile maturity is different from country to country. Originally a European survey, we concluded the survey with responses from more than 120 participants from 17 countries, which include:

— Argentina	— Denmark	— Poland
— Austria	— France	— Singapore
— Belgium	— Germany	— Sweden
— Bolivia	— Hong Kong	— The Netherlands
— Brazil	— Italy	— Turkey
— Czech Republic	— Norway	

We hope you enjoy our survey; that it contributes to your insights on how to apply agility for your organisation, and supports you in quickly learning how to deal with the typical challenges.

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Benefits of Agile

Better   Faster   Smarter   Happier

Agile is extending!
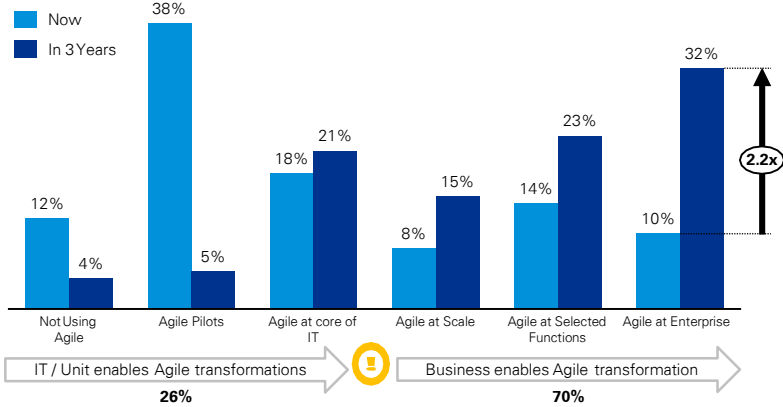
Current position vs. Expectation in 3 Years

- Now
- In 3 Years

Category	Now	In 3 Years
Not Using Agile	12%	4%
Agile Pilots	38%	5%
Agile at core of IT	18%	21%
Agile at Scale	8%	15%
Agile at Selected Functions	14%	23%
Agile at Enterprise	10%	32%

2.2x

IT / Unit enables Agile transformations **26%**

Business enables Agile transformation **70%**

Main drivers for agility

Faster product delivery adjusted to changing customer needs	68%
Increased Flexibility	45%
Solve silos between Business & IT	45%
Fast & Continuous improvement of customer satisfaction	42%
Needed for digital agenda	26%

Challenges encountered in shifting towards agility

Culture and Performance Management	59%
Flawless operations	48%
Scaling beyond team level	44%
Limited Suitability for Systems	41%
Availability of resources with Agile delivery	39%
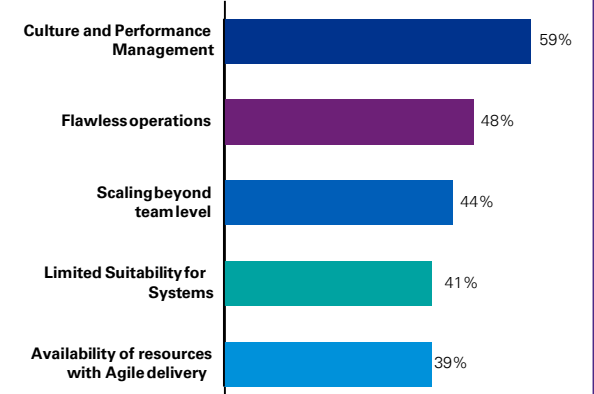
Agile is extending!

We see Agile being scaled with 70% of respondents indicating an ambition to integrate both Business and IT enabled Agile transformation in the next 3 years. The most commonly used framework among respondents for scaling is SAFe. We also see Agile quickly outgrowing front-end IT development into business units and becoming an integrated approach to deliver business value across the entire value chain.

Driving product delivery speed and customer satisfaction

With over 68% most organisations state faster product delivery as one of their key drivers for agility, while customer satisfaction comes fourth with 42%. In addition to quick delivery to the customer, we see organisations striving to finally solve the gap between business and IT, as well as solve the silo thinking inherent to the demand-supply model.

Employee and culture at the heart of the transformation

There is no doubt that adopting Agile values and principles beyond the team level requires a cultural shift. This is emphasised by 59% of respondents mentioning culture and performance management as their key challenge in their shift towards agility. 39% of respondents states that availability of resources with Agile delivery is as an important challenge.

An operating model challenge

Although culture and skilled employees are a key challenge, we see organisations struggling across the operating model when scaling agility. This highlights our view that this is an operating model challenge influenced by not only the employees, but also operations and processes, technological challenges such as Continuous Improvement (CI) / Continuous Delivery (CD) and performance management.

Remain relevant in the digital era through agility

Digitisation affects organisations fundamentally

Digitisation is a key phenomenon that will affect organisations fundamentally. Digital is not a specific technology or a solution, but is simply a word that describes our world today. Advances in technology have blurred the lines between the physical and virtual world, resulting in the emergence of digital disruptors that provide new ways for organisations to create value. Speed and flexibility have become drivers of value for organisations, and as such, have a fundamental impact on the operating model of organisations.

We believe digital is broad in its impact, but also industry-specific. It goes far beyond the front office to facilitate true enterprise-wide business transformation, enabling organisations to build a sustainable competitive advantage. IT and technology are no longer the exclusive domain of the IT organisation: end-users and clients have a greater understanding of the capabilities and limitations of technology than the IT organisation itself. Businesses no longer accept development projects that take years to complete. Organisations need quick results and key stakeholders need influence. At the same time, technology is becoming increasingly intuitive and easy to use, giving users greater autonomy to harness its potential[1].

We see new technology-driven organisations entering the market, challenging existing business models through rapid technology-driven and customer-focused innovations and value delivery. Todays customers are used to the experiences they have with the large tech firms and platforms and expect that other organisations meet the same standards.

Organisations need to react through providing agility

To most organisations it is no longer the question whether you should react to digital developments, but how and to which extent. To keep up and embrace speed of delivery and customer centricity, agility is typically a key enabler.

Organisations look at examples such as Netflix, Spotify, and ING Bank for inspiration and realise agility is more than just rapid IT development on a team level but can be leveraged to the entire organisation.

It can mean a fundamental shift in how organisations function when agility is truly embraced. The entire operating model of organisations potentially changes. In our view this ranges from structure and governance, to capabilities & processes, technology, sourcing, people & culture, and performance management. All these domains are optimised for customer focus, speed and flexibility, while increasing transparency, predictability and control, and while lowering costs through efficiency. These changes typically require a lot from employees as the environment they are used to changes. Both structural items such as functions, collaboration mechanisms and processes change, but also culture and values are impacted.

Although these changes are severe, we typically see employee happiness and company attractiveness increasing as the organisation embraces agility and steps into the digital era.

This survey was initiated to better understand how organisations are changing their operating model and the extent to which organisations actually aim to introduce agility across customer journeys, products and the entire value stream. We aim to create and share insights to help your organisation prepare for the digital era.

[1]De Koning et al. (2018), The CIO Journey to agility, Compact Magazine

What is Agile?
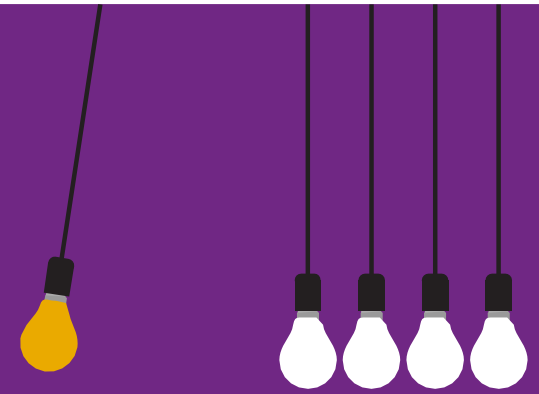
Striving for agility

We believe that striving for agility is an integral part in realising your digital strategy. We currently see a strong uptake with 81% of our respondents initiating their Agile transformation in the last three years.

That being said, agility is not achieved in the same way for every organisation. This starts with a strong grasp on the concept of agility and how these concepts apply on a larger scale than only IT development on a team level. The foundations for the Agile approach date back to at least the 1950s where incremental software development was already practised, and build upon various concepts from systems thinking to the Lean manufacturing principles in the Toyota Production System. In this system, key concepts are introduced on which organisational agility is built, such as: Lead time, Flow, the Pull system and continuous improvement through among others Gemba Kaizen.

Agile software development was popularised through the manifesto. In 2001, a group of software developers created a new way of approaching software development.

They created the Agile Manifesto, which reads:

'We are uncovering better ways of developing software by doing it and helping others do it. Through this work, we have come to value:

1. *Individuals and interactions over processes and tools*
2. *Working software over comprehensive documentation*
3. *Customer collaboration over contract negotiation*
4. *Responding to change over following a plan*

That is, while there is value in the items on the right, we value the items on the left more'.

Source: Agile Manifesto, 2001. www.Agilemanifesto.org

The four Agile values from the manifesto, along with twelve supporting principles, make up the Agile approach. Building on these values and principles, numerous methodologies and frameworks have been developed, ranging from Scrum and Kanban, to SAFe, LeSS and the Spotify model.

When applied to a broader audience beyond IT development to the organisation, interpreting the concept of agility becomes increasingly complex and invasive. For a quick glance on what it actually means to become an Agile organisation, we recommend the short video on the right.

81% of respondents have started their Agile transformation within the last 3 years

- Just Started
- 1 Year
- 2 Years
- 3 Years
- > 3 Years

26%
20%
26%
9%
19%
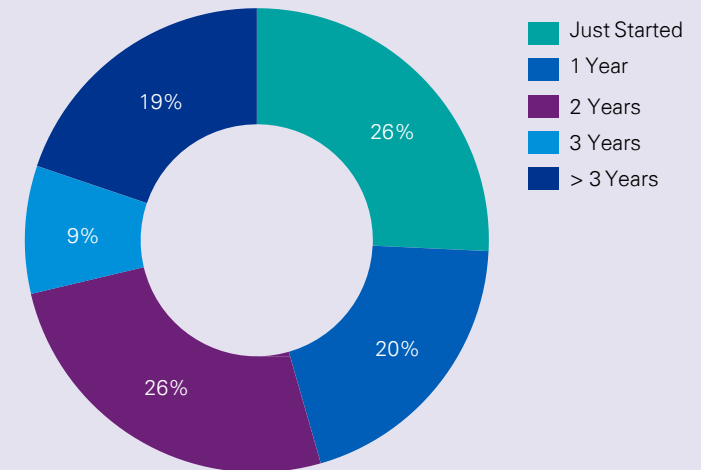
Figure 1: For how long have you been working on an Agile transformation?

Want to know more about how Agile transformation works?

Click or scan the QR code to watch

The goal of becoming an Agile organisation requires courage and perseverance based on a clear ambition. In the coming chapter, we discuss the Agile ambition and how to approach it practically.

Your Agile Ambition

These days, the words 'Agile' and 'organisational agility' cause a lot of buzz. Beyond the buzz, we see that many organisations feel the pressure to do more than only talk about becoming 'Agile'. Organisations today are exploring what an Agile way of working can deliver for their overarching digital strategies and we see organisations translate their findings into a clear ambition.

According to Figure 2, more than 50% of respondents acknowledge that they are currently performing Agile pilots or adopting agility in their IT department. In 3 years time, however, almost all respondents indicated an expectation to scale further towards enterprise-level agility. While this certainly indicates a strong ambition towards becoming Agile, we often experience that organisations do not always fully realise the impact of such a transition on the culture and operating model of an organisation. When setting an Agile ambition, it is therefore paramount for organisations to ask themselves the question: 'Are we setting an unrealistic Agile ambition?'

Interestingly, only 5% of respondents indicated an expectation to perform Agile pilots in 3 years, revealing to us that either Agile is already common within organisations or that a majority of organisations have the ambition to scale in agility within their organisations in the coming years.

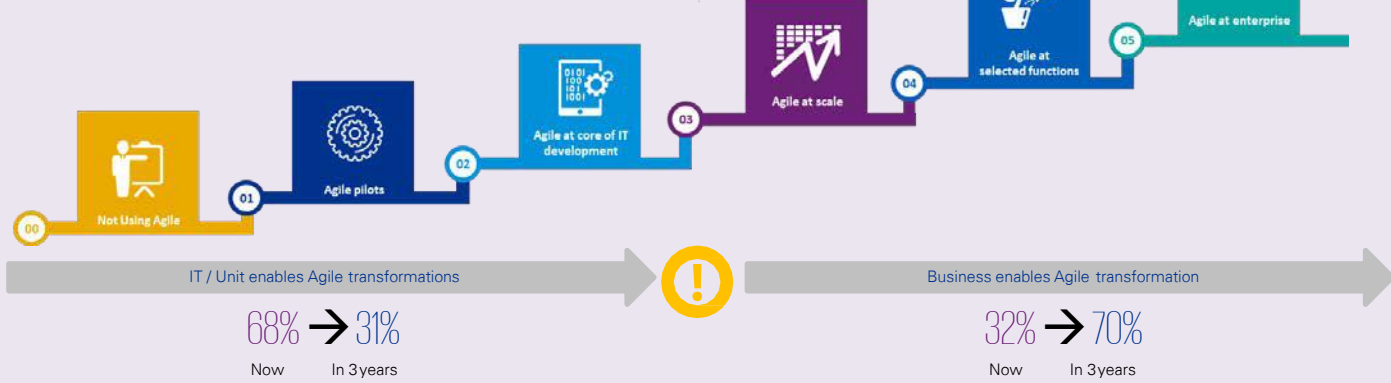Respondents expect to transition from Agile pilots towards Agile at enterprise-level within 3 years time

IT / Unit enables Agile transformations

68% → 31%
Now   In 3 years

Business enables Agile transformation

32% → 70%
Now   In 3 years

Figure 2: Current Position vs. Expectation in 3 years

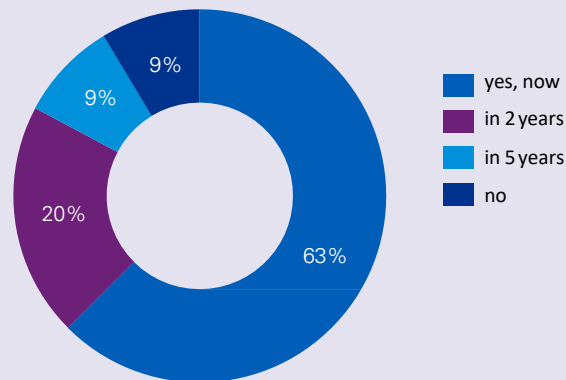A majority of respondents (63%) state that it is a strategic priority to become an Agile organisation now

- yes, now
- in 2 years
- in 5 years
- no

Figure 3: Is one of your strategic priorities to become an Agile organisation?

The Bigger Picture is Clear

Beyond a clear ambition, nearly two-thirds of the participating organisations have already stated that the transition towards becoming an Agile organisation is a strategic priority. This indicates a clear desire from the organisation at the top to increase their agility over the coming years.

At KPMG, we believe it is not only important to state your Agile ambition, but it is also important to acknowledge that becoming Agile is not a Big Bang and requires top-down support to meet existing bottom-up initiatives and eagerness. Thus far, we have not seen any organisation that does not have its own Agile champions! Agility does not happen overnight, leaders should take sufficient time to

transform their organisations harnessing the already existing knowledge and initiatives across the organisation.

Despite indicating a strong ambition towards becoming Agile and setting Agile as a strategic priority, we find that many organisations have only recently started their journey towards agility. Our results show that while 81% of respondents have started their Agile transformation in the last three years, **only 32% of those respondents are just starting on their Agile transformations**.

Looking further into these results, we find that the amount of time an organisation has been working on an Agile transformation ranges per country. Interestingly, while organisations in The Netherlands are already thinking about scaling Agile with 43% of respondents indicating they have been working on an Agile transformation for longer than 3 years, their counterparts in Belgium have primarily been working on an Agile transformation for a year (58%) and the organisations participating out of Germany – to a large extent – are just starting up (44%).

Every path towards agility is unique in its route and needs

The majority of respondents aim to scale up in their Agile Way of Working towards the enterprise-level.

There were also organisations that also expect that their ambition will scale back in 3 years time. While we cannot say for certain why this may be, we often see organisations scale towards the Agile Way of Working before addressing key challenges that could, and eventually do impede their transformation efforts.

Respondents from different countries reported varying ambitions to scale towards Agile at enterprise or Agile at selected functions.
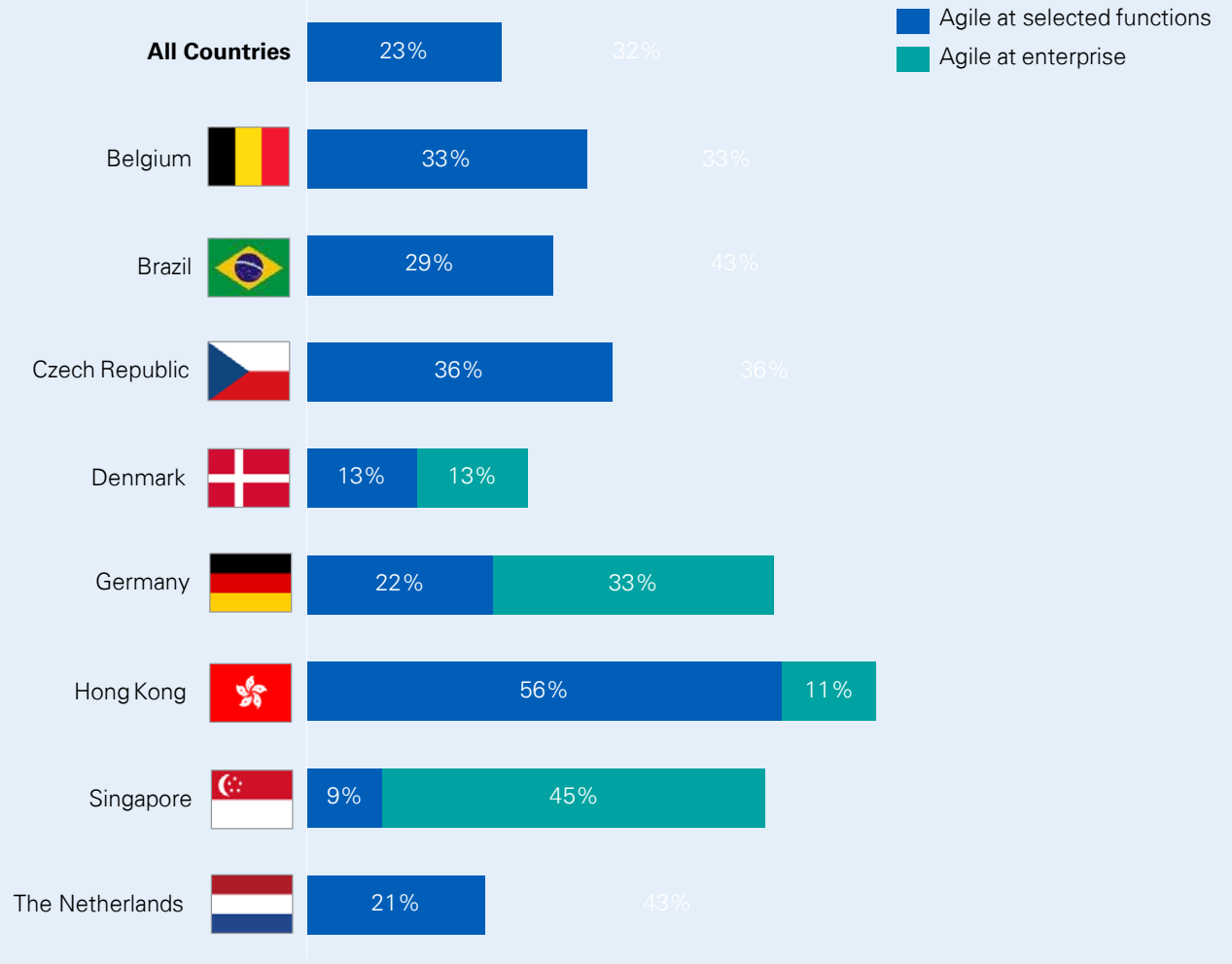
Figure 4: Where do you expect your organization to be in three years?

Faster product delivery is the most common driver for agility

Organisations have various drivers for shifting towards agility. Our survey showed that out of the most common drivers for shifting towards becoming Agile is a **faster product delivery** to better respond to changing customer needs. In addition, in combination with **continuously improving customer satisfaction**, steering towards the customer's needs and/or satisfaction was a driver for 85% of respondents.

Today's customers expect more. With the introduction of digital natives such as Amazon and Netflix, customers increasingly want to see the simplicity and effortless experience that they have with these organisations also in their experiences with other organisations.

At KPMG, we believe that in order to respond to changing customer needs, organisations should connect their front, middle and back office as their digital agenda. For more information, refer to KPMG Connected Enterprise

The most common driver for shifting towards agility is a faster product delivery to better respond to changing customer needs
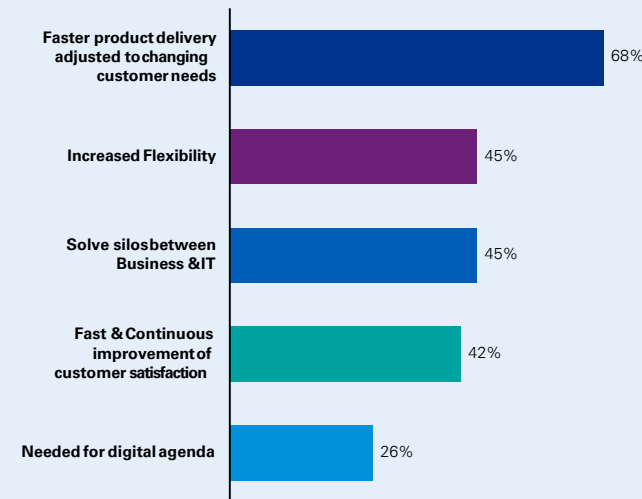

Figure 5: Select your main three drivers for shifting towards agility

Increased flexibility

45% of respondents indicated that increased flexibility was a main driver for shifting towards agility. In our digital age, industries are rife with disruption. The increased flexibility to adapt when faced with change in the Agile way of working is increasingly crucial to avoid becoming irrelevant.

Organisational silos between business and IT

45% of our respondents indicated that breaking down silos between business and IT was a main driver for their shift towards agility. Our world today is digital. As such, the boundaries between IT, technology and business are blurring. There is no longer a business strategy with an IT strategy based on it. Technology should be part of the strategy, truly embracing digital. The Agile way of working allows for those silos between business and IT to be broken down, encouraging a new way of working that is cross-functional, collaborative, human, and technical.

Achieving flexibility and speed does not involve a cost goal

Notably missing from the top drivers was **low cost** and **predictable costs**. In the end, organisations want to achieve flexibility and speed when shifting towards the Agile way of working. This does not directly involve a cost goal. However, we do see organisations achieving a higher efficiency through agility which typically enables cost savings.

Leadership sets the example

Working in an Agile organisation, especially when scaled beyond project or IT-level and towards unit or enterprise level, requires a fundamental shift in thinking and the role of leaders is crucial in this. Leaders at the top have to demonstrate not only the ambition to change, but also set the example for the change. It is key that leaders empower employees to transform towards an Agile way of working and stimulate their intrinsic motivations.
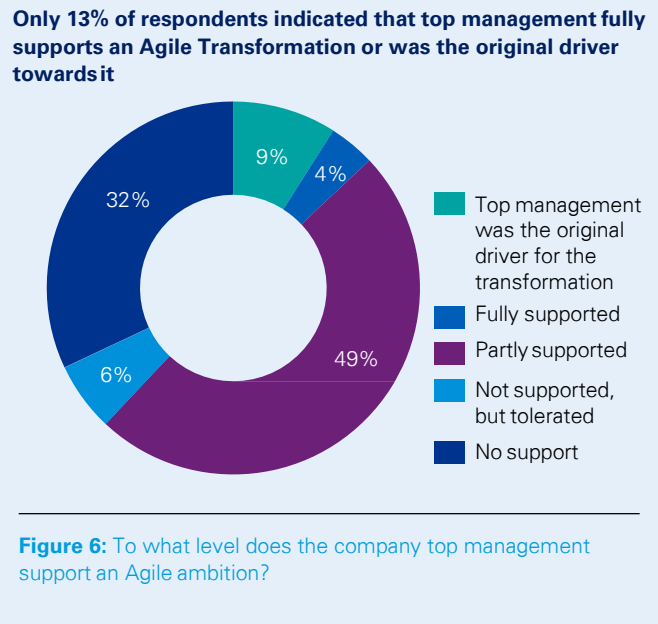
We see many creative statements and specific (cultural) manifests being written across organisations to capture what should actually change in culture, leadership and behaviour. Out of these we believe the Modern Agile approach (modernAgile.org) captures the key components of Agile leadership and Agile culture effectively:

The Modern Agile Approach

1. **Make People Awesome**
2. **Make Safety a Prerequisite**
3. **Experiment & Learn Rapidly**
4. **Deliver Value Continuously**
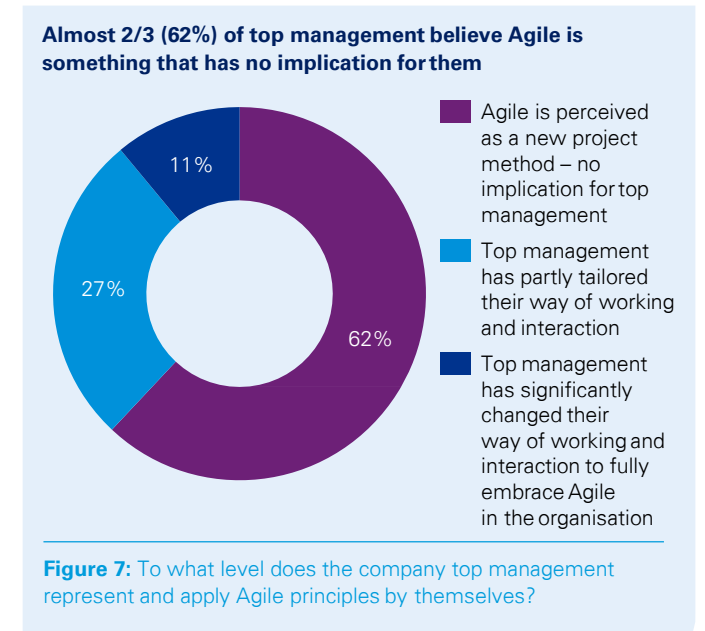5. **Lead by Example**

www.modernAgile.org

Only 13% of respondents indicated that top management fully supports an Agile Transformation or was the original driver towards it

- 9%
- 4%
- 32%
- 6%
- 49%

- Top management was the original driver for the transformation
- Fully supported
- Partly supported
- Not supported, but tolerated
- No support

Figure 6: To what level does the company top management support an Agile ambition?

Despite having an intrinsic role in the success of an Agile transformation, we often find that leadership does not always take the helm in an Agile transformation. Often, Agile transformations emerge bottom-up. In Figure 6, we see that top management was identified as the original driver of the Agile transformation only 9% of the time. As Agile is quickly making its way onto the strategic agenda for organisations, we believe top management should align with these bottom-up initiatives to bolster the efforts towards agility, and nurture its further growth. Leadership support is critical to the success of the transformation, and their support should be felt across the organisation.

Another crucial aspect to a successful Agile transformation is the education of leaders and teams on Agile principles and behaviour. We see successful organisations investing heavily in Agile awareness sessions and trainings, in addition to knowledge and training on frameworks, concepts and methods, such as SAFe, Scrum and Kanban for their teams.

To make the change sustainable, the education and training should go hand in hand with coaching on behaviour. This holds for all levels in the organisation from team to the executive board. We typically see coaching being applied only on a team and scaled level, while the leaders of the organisation try to embrace a new way of doing things through conceptual knowledge focused trainings only.

Almost 2/3 (62%) of top management believe Agile is something that has no implication for them

- 11%
- 27%
- 62%

- Agile is perceived as a new project method – no implication for top management
- Top management has partly tailored their way of working and interaction
- Top management has significantly changed their way of working and interaction to fully embrace Agile in the organisation

Figure 7: To what level does the company top management represent and apply Agile principles by themselves?

Thomas de Rycke
Transformation Leader
Proximus Group

Thomas de Rycke: about the importance of leadership in the Agile transformation at Proximus

The Proximus Group is a telecommunication & ICT company operating in Belgium and several international markets. They are the leading provider in Belgium through their Proximus and Scarlet brands. Currently, one of the key objectives of the company is to move towards a more empowered organisation and simultaneously to become an Agile organisation.

For the past one year and a half, Proximus has been working towards becoming an empowered company. In achieving this, certain areas of the organisation are applying Agile at scale, with their first SAFe Portfolio to be rolled out very soon. Thomas de Rycke, Agile Transformation Leader at Proximus, is at the forefront of this transition. But how is he driving the change in the organisation? He replies: "*For me, it is really walk the talk and act as a servant leader. I make sure that I empower my team, communicate very clearly to be transparent and ensure that we are aligned with senior managements and everybody on what we are doing. As a servant leader, it is very important that colleagues trust you and you lead by example and practice what you preach*".

In addition, De Rycke makes sure that colleagues are ready for the transition to an Agile environment. He has set up elaborated training plans within their ***Agile academy*** and established an ***Agile Centre of Excellence*** to promote continuing Lean-Agile education. De Rycke emphasises that for some Agile thinking is already in their DNA, whereas for others it might take more effort to train. This is something to always keep in mind if you are in an Agile transformation. **Nonetheless, aligning everybody with the shared vision on where to go and how to get there remains one of the main challenges for De Rycke**. He works on reducing the amount of resistance in enabling these changes, but inherently some teams and individuals require more attention.

Ensuring that senior management take sufficient time to get educated on Agile represents another main challenge for De Rycke. Senior management is often part of decision making process concerning the transformation, therefore it is important to **avoid misinterpretations as a result of lacking knowledge**. For instance, it sometimes proves to be conflicting to balance a control and empowerment. Nevertheless, senior management at Proximus believes in practising what they preach and show a lot of willingness to change, even for themselves.

Where is Agile applied in the organisation?

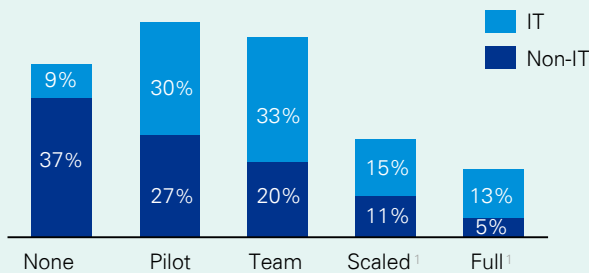## An Agile transformation does not happen overnight
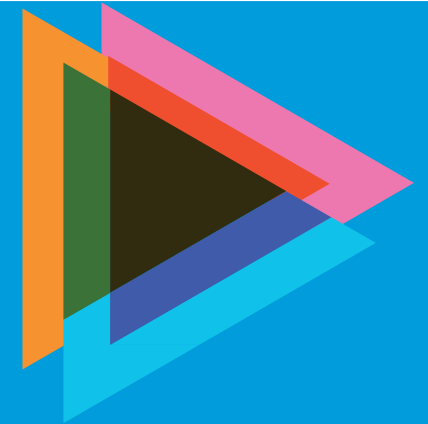
Having the ambition to shift to an Agile way of working is not enough. We find that HOW an organisation applies Agile principles and approaches is also instrumental to the success of its efforts.
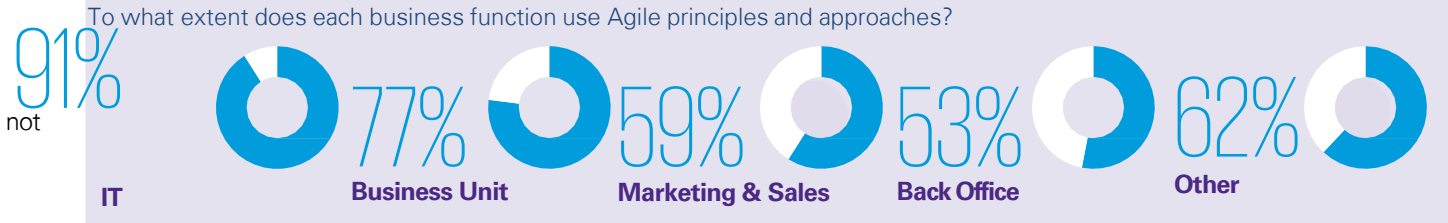
We typically see IT take the lead in Agile transformation

Based on our survey results, we see this illustrated in the difference in Agile adoption between IT and non-IT functions within the organisation with IT taking a lead in adopting Agile principles and approaches.

Most respondents both in and outside of IT use Agile until the team level

Legend: IT / Non-IT

None: 9% (IT), 37% (Non-IT)
Pilot: 30% (IT), 27% (Non-IT)
Team: 33% (IT), 20% (Non-IT)
Scaled[1]: 15% (IT), 11% (Non-IT)
Full[1]: 13% (IT), 5% (Non-IT)

Figure 8 – To what extent do business and IT functions use Agile principles and approaches?

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To what extent does each business function use Agile principles and approaches?

91%
IT

77%
Business Unit

59%
Marketing & Sales

53%
Back Office

62%
Other

It is, however, becoming increasingly clear that Agile principles and approaches are no longer simply an IT way of working, and we are seeing a spread in adoption across different functions in the organisation.

… but Agile is also commonly used outside of IT

Interestingly, 77% of respondents reported using Agile principles and approaches within their Business Units which indicates a clear sign of the adoption of Agile outside of IT functions. Even more interestingly, of the 9% of respondents that do not adopt Agile in their IT functions, 1 in 6 of them reported using Agile in their Business Unit or Marketing & Sales functions. This is a clear sign that the adoption of Agile is no longer exclusively used in IT functions; it is spreading across other business functions of organisations.

[1] Note: The percentages in scaled and full in Figure 8 should in theory be equal. However, due to the calculation of Non-IT (average of responses in non-IT functions), these numbers do not appear to be the same

The level of Agile that is applied however differs. Although many organisations nowadays apply Agile principles on a smaller scale, Agile at the enterprise level is applied less frequently, and more respondents working in IT state they use scaled methods.

Agile at Enterprise

As organisations embark on the journey of transforming themselves towards an Agile way of working, we typically see that frameworks such as SAFe, LeSS, Nexus, etc. are used as the transformation grows in complexity, scaling from smaller pilots to eventually Agile at the enterprise-level.

These frameworks help organisations to apply Agile methods with more than just one or a few teams, and enable working together on a portfolio-level across many departments.

Start with the Basics: Lean, Scrum and Kanban

To successfully realise an Agile transformation organisations need to start with implementing the basics. Many of the concepts and thinking behind Agile stem from the school of Lean, the understanding of which we believe is crucial for starting larger Agile initiatives. However, we believe the best basics to start with instrumentally are Scrum and Kanban.

Applying methods and tools is a relatively easy part of the transformation simply because it is instructive, learned easily, and applied easily. It also shows the need for proper understanding of values and principles, and fuels continuous improvement. Every team, whether IT related or not, can benefit from it and learn it quickly. Limiting WIP (work in progress) that is discussed and re-committed quickly enables the team to deliver tangible results and to deliver results that are actually needed. Because the team recommits and reshapes their work every two to four weeks, the team becomes more results oriented.

Then work your way up

It is important to be careful not to see the Agile transformation as purely instrumental. It can help in setting foundations and basics correctly organisation-wide. These foundations are indispensable for the subsequent steps to transform to an Agile organisation. Start with the basics, ensure several (small) Agile teams are sufficiently mature on a team level and then work your way up to working with multiple Agile teams through the enterprise.

84% **of respondents reported using either Scrum or Kanban in their organisation, where 78% uses Scrum and 46% uses Kanban**

The Basics: Scrum and Kanban

As you probably know, Agile methodologies originally focus on developing software step-by-step in incremental phases. It is a way to manage change and succeeding in uncertain times. Scrum and Kanban are Agile methodologies that both involve using a board with all kinds of activities or tasks that need to be done. Both methodologies provide insight in the status and movement of work and seem the same, but they are not.

Scrum is an Agile framework for managing projects where work is committed for every iteration, which are referred to as sprints. Scrum teams often deliver, focus on ready products and have clearly defined roles such as a product owner or scrum master. Scrum is aptly summarised by Henrik Kniberg, founder of the Spotify model[1]:

- Split your work into a list of small, concrete deliverables. Sort the list by priority and estimate the relative effort of each item
- Split time into short fixed-length iterations (usually 1 – 4 weeks), with potentially shippable code demonstrated after each iteration
- Optimise the release plan and update priorities in collaboration with the customer, based on insights gained by inspecting the release after each iteration
- Optimise the process by having a retrospective after each iteration

Kanban focuses on visualising work, limiting the work in progress and ensuring that work keeps on flowing. In contrast to scrum they do not work in intervals but focus to limit the time it costs to complete the tasks. Again appropriately summarised by Henrik Kniberg[1]:

- Visualise the workflow: Split the work into pieces, write each item on a card and put on the wall and use named columns to illustrate where each item is in the workflow
- Limit Work In Progress (WIP) – assign explicit limits to how many items may be in progress at each workflow state
- Measure the lead time (average time to complete one item, sometimes called "cycle time"), optimise the process to make lead time as small and predictable as possible

[1] Source: Based on Kniberg, (2012). Scrum and Kanban, making the most of both

Jan-Willem Burema: realising agility through the needs of the team

As part of the NN group, which operates in 18 countries, Nationale-Nederlanden is one of the leading providers of financial services in The Netherlands with over 5 Million customers. Nationale-Nederlanden has embarked on a journey to realise sustainable agility across the organisation.

One of the key attributes of the transformation approach is the fact that Nationale-Nederlanden is building agility through setting a very strong foundation on a team level and continuously challenging and extending this scope towards the scaling and portfolio levels.

The needs of the team are central in the approach inspired by the Maslow Pyramid. Elements such as clear roles, one language, clear and effective feedback loops on impediments and a strong training and learning portfolio are considered crucial. Only with this strong foundation you can enable highly skilled workers to work in stable product teams. Teams are also strongly involved in shaping the role of management into Agile leaders.

Nationale-Nederlanden stimulates the infamous building of T-shaped profiles in the teams to prevent dependencies on single team members but also uses the "me-shaped" profile. In addition to strengthening the needs of the team, the me-shaped profile specifically pays attention to the development needs and wishes of the individual employees.

Given the knowledge intensiveness and diverse nature of NN services across domains such as insurance and banking, the role of for example a PO can differ significantly in terms of the needed domain knowledge and market expertise. Therefore Nationale-Nederlanden has defined the key competences and skills of the PO to make impact from this role while Nationale-Nederlanden leaves sufficient freedom to tailor roles in domains while the skills and competences to make impact in the role of PO are part of foundation of the role.

Agility is not a goal in itself but as a means to drive value. Nationale-Nederlanden thrives to create the conversations around value, and not around scores. To reach this end, Nationale-Nederlanden implements Agile Growth Models, where the value is in the conversations between teams and leaders and the next steps are set up together.

Jan-Willem Burema
Lead Agile Transition NN Life Nationale-Nederlanden

A standard framework or build your own?

For scaling agility there are many frameworks available, each with its own specific focus (refer to figure 9). Organisations that scale Agile often tailor existing frameworks or develop their own Agile framework. We see this for two reasons:

1. They believe customisation of one or more frameworks is required to catch the specifics of the organisation

2. They would like to align all current initiatives based on different frameworks and all energy from various teams. A new framework is neutral ground where everyone is able to contribute his or her good practices

SAFe and Scrum of scrums are the most common scaled frameworks in organisations, but many use others or a custom framework
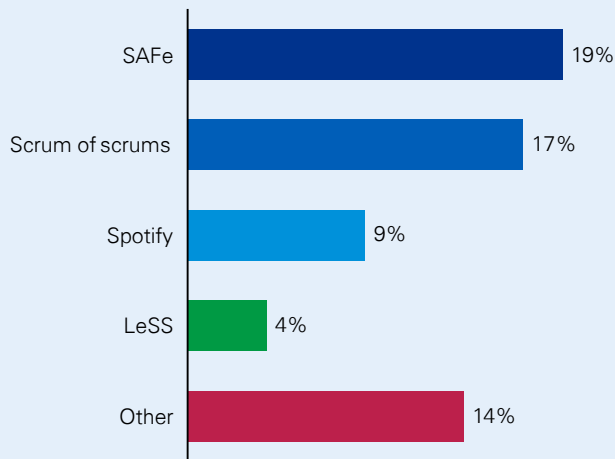
Figure 9 – Which scaled frameworks are used in your organisation?

Allow freedom at empowered teams but strive for a common language to ensure mutual understanding

Overall, we find that when multiple frameworks are used scattered across the organisation, they become quite an obstacle to scale towards an enterprise-level. Organisations need to choose and apply one framework. Consistency of at least terminology is key in successfully applying Agile a common understanding and vocabulary are crucial in helping employees adopt to the change in mind-set.

Select a framework and make it your own

When evaluating which framework to use, it is crucial to ensure it fits your organisation. Before making your selection, it is important to carefully evaluate the framework for its synergies with your organisation's ambition, culture and maturity. Do you require hands-on support and guidance? SAFe would be handy in these cases as it is one of the most elaborate frameworks you can use. Conversely, if your organisation is more attuned to learning by doing, the Spotify model would typically be a good way to model. It is really about what you need as not all frameworks cover all parts by itself. Ultimately, the focus should be on which framework suits your organisation's ambition, culture and maturity rather than which framework is 'the best'.

Don't overanalyse: start

Once the framework of choice is clear, start. It is a common pitfall to get stuck engaging in lengthy conceptual discussions defending either one of the leading thinkers behind the frameworks. Very little can be gained from protracted discussions over the difference between a train and an area. Instead, we find that the best approach is to choose any framework that suits the character of your organisation, and just start. DO rather than overanalyse.

Overview of Common Agile Scaling Frameworks

	Description	Creator	Created
SAFe	sets Lean-Agile practices at the enterprise level by defining three segments: Team, Program and Portfolio	Dean Leffingwell (Scaled Agile Inc.)	2011
LeSS	is a framework for scaling Scrum up to eight teams or up to a few thousand people for one product (LeSS Huge)	Greg Larman & Bas Vodde (The LeSS Company B.V.)	2006
Disciplined Agile	is a toolkit organized into four scope layers that aim to help teams to organizations to streamline their processes in a context-sensitive manner;	Scott Ambler & Mark Lines (Disciplined Agile Consortium)	2012
Scrum @ Scale	aims to set-up a 'minimum viable bureaucracy' via a 'scale-free' architecture	Jeff Sutherland	2018
Scrum Nexus	is an addition to (and overlays) the existing Scrum Agile framework	Ken Schwaber (Scrum.org)	2015

Note Refer to the Appendix for an overview of how these Scaling Frameworks compare

The 8 Key Principles of the QBR

1. **Transparency**: QBRs are open meetings. Decisions are made in a transparent manner
2. **Leadership gives strategic direction.** Agile teams determine how they can make a maximum contribution to the strategic vision
3. **Goal over process**. The design of the QBR is flexible and is constantly being improved to match the organisational context
4. **Concrete Results.** The results of the QBR are as concrete as possible so that the teams can translate them into features and stories
5. **Focus on Working Together**. Leadership provides direction so that Agile teams are able to give substance to the strategic direction
6. **Full Commitment**. Time investment is an important aspect to the success of the QBR
7. **Decisions are made in the QBR**: Decisions are made in the QBR, not before or after
8. **QBR leads the execution.** Decisions from the QBR are leading. After the QBR, Agile teams can focus on achieving the goals[1]

Align on what needs to be done through a QBR or PI Planning Meeting

When scaling agility, organisations need a way to come to decisions and next steps involving the entire value stream taking strategy into account. A Quarterly Business Review (QBR) meeting is a way to take this into account. It starts with leadership giving direction and focuses on the next steps to take. The good thing is that everyone is together face-to-face and the group as a whole is able to take decisions in the meeting itself based upon participants' commitment. The QBR has four main goals:

1. *Conducting a dialogue about the delivered (customer) value*
   The delivered value (benefits) of the Agile teams is evaluated and compared with the delivered value in previous quarters. Relevant successes are celebrated and lessons learned are included in the following quarter. An important condition is having a joint understanding of value (benefits)

2. *Realising a broad understanding of the strategy and change portfolio*
   QBR participants must gain clear insight into the strategic goals for the coming quarter as well as the coherence within the strategic portfolio

3. *Prioritising the backlogs for the coming quarter*
   The QBR participants decide together what the priorities are for the backlogs. They create a sense of cooperation for the realisation of the goals for the coming quarter

4. *Managing capacity and other limitations*
   In certain cases, capacities can be redistributed in the QBR to ensure realisation of maximum value (benefits)

One implementation of a QBR is a SAFe Programme Increment (PI) Planning Meeting, which is similar to the QBR but is more specific. SAFe provides a standard two-day PI Planning agenda that includes business context, vision, team break-outs ultimately leading to a final plan for the coming sprints (increments) of the Agile release train involving every one, from business leaders to developers.

What is a Programme Increment Planning Meeting?
One of the most important events in SAFe is a Programme Increment Planning Meeting that gives everyone in the release train the means to determine priorities, jointly determine progress and synchronisation.

It has four goals[2]:
1. Realise a broad understanding of the strategy and change portfolio
2. Have a dialogue on delivered (customer) value through a retrospective
3. Prioritise backlogs for the coming period
4. Manage capacity (constraints)

The Scaled Agile Framework also allows multiple Agile release trains to work together in one meeting using a pre and post PI planning. It allows for alignment and synchronisation of many Agile Release Trains including suppliers.

[1] Source: KPMG methodologies and best practices [2]Source: Scaled Agile Framework

Guillermo Tolosa: about facing the company transformation to compete in the digital space.

ICBC Argentina is currently the only Chinese bank in Argentina and has a large network of outlets, establishing a sound retail business service. ICBC strives to provide customers with comprehensive, high quality, efficient and modern financial services. Nonetheless, improving time to market has always been a challenge for the bank. **Because ICBC wants to compete in the digital space, increasing business agility became a critical capability to succeed.**

In order to achieve that, the IT department of ICBC Argentina decided to face a transformation in which they were going to adopt the Bi-modal recipe by Gartner. Their plan was to combine Agile methods with Design Thinking discipline, transforming their way of developing products and services. Especially the development items closely related to the digital capabilities of ICBC were heavily affected by the transformation. However, working Bi-modal not only represented a change in the methodological aspect, the company culture too was a significant area of impact. Guillermo notes: "no change is easy."

During the transformation, KPMG has helped the IT+LoB senior management to understand Agile methods and apply them correctly. They showed the organisation the criteria to decide when to apply which methodology and how to deal with the coexistence of Agile- and non-Agile teams. With KPMG's help and the support of a local company, ICBC Argentina then created their first Agile teams.

So far, they have created 16 Agile teams and hired 4 certified Scrum Masters in the IT team. The Scrum methodology has also been adopted in other units of the bank, as Corporate Banking, Anti-Money Laundering, and HR now apply it to support their daily activities. They have learned how to measure the productivity of an Agile team and can now easily review performance at the monthly project committee meeting. Nonetheless**, the most valuable outcome of the Agile transformation must be the breaking of the internal silos.** The adoption of Agile has contributed to the collaboration of different business units with a customer-centric mindset and an MVP-approach. This increased collaboration has led to an improvement in our Net Promoter Score (NPS), which is one of the best in the Argentine financial sector.

The Agile transformation at ICBC Argentina is far from completed, Guillermo shares: **"we still have a lot of work ahead, but agility is not an option. It is a critical capability to succeed!"**

Guillermo Tolosa
CIO
ICBC Argentina

Agility as an operating model challenge

The operating model perspective enables organisations to approach the Agile transformation holistically

The Agile organisation is more than a collaboration between teams applying Scrum and Kanban methods to deliver their value. Although focus is typically on the way of working, constraints in other domains soon become visible during the transformation.

We are convinced that a balanced and holistic view across the operating model during the transformation ensures early identification of constraints and challenges, and includes relevant stakeholders in the journey.

While in the traditional way of working and thinking the transformation would include a "grand design" detailed across the operating model as a blueprint for implementation, we believe the Agile transformation should be a journey of learning by doing and making incremental and larger (e.g. structural) changes along the journey and across the domains of the operating model, or when a change is needed due to changes in the market/environment. These changes can be based on designing new elements, but would typically follow the constraints and impediments experienced by the teams and teams of teams.

In this chapter, we will go through some of the typical challenges across the operating model that have been identified in this survey. We found that the challenges differ slightly depending on how long organisations have been working on their Agile transformation, but a strong and consistent challenge on culture and behaviour to support agility.

The KPMG Agile operating model framework
The Agile operating model requires changes across all domains in the operating model. Examples include:

— A change in structure and governance from demand-supply to value streams
— A new way of working and delivery processes across the organisation
— A modular architecture with strongly automated IT for IT
— A culture supporting experimentation, people with T-shaped profiles and strong intrinsic motivation for self-steering

Culture & Performance Management is consistently the top challenge across organisations

Currently: Agile Pilots

1. **Culture & Performance Management**
2. **Availability of resources with Agile delivery experience**
3. **Scaling beyond team level**

Currently: Agile at Enterprise

1. **Culture & Performance Management**
2. **Scaling beyond team level**
3. **Flawless Operations**

Just Started

1. **Culture & Performance Management**
2. **Limited suitability for systems**
3. **Availability of resources with Agile delivery experience**

3+ years

1. **Culture & Performance Management**
2. **Limited suitability for systems**
3. **Scaling beyond team level**
3. **Flawless Operations**

Figure 10 – Top three challenges based on current use of the Agile way of working (top); Top three challenges based on how long an organisation has been active in Agile transformation (bottom)

Challenges of Agility

The road towards the Agile way of working leads to many challenges along the way. In our survey, we find that regardless of how long an organisation has undergone an Agile transformation or the maturity of their current use of the Agile way of working, Culture and Performance Management is consistently the most felt challenge among respondents. Furthermore, regardless of whether an organisation has 'Just Started' their transformation or have been undergoing their transformation for 3+ years, the limited suitability for systems (e.g. modularity, complexity, technical debt, etc.) remains a challenge.

Among organisations who have just started their Agile transformation and/or are currently conducting Agile pilots, a key challenge is the availability of resources with Agile delivery experience. And conversely, organisations who have been undergoing an Agile transformation for 3+ years or currently identify their use of the Agile way of working as enterprise agility find that scaling beyond the team level and Flawless Operations are key challenges that they face. The following sections will unpack these challenges further starting with the Agile culture.

Frantisek Aubrecht

Head of Enterprise Architecture
Ceskomoravska stavebni sporitelna

An Enterprise Architecture of a bank impacts agility

A large building society, Ceskomoravska stavebni sporitelna, has been preparing to become Agile as their way of working for the past six months, but has recently had to pause due to a new implementation strategy. When they started to allocate their employees into new teams, they found that they were unable to make independent teams. This was predominantly due to a overcomplicated IT environment, and to their existing application portfolio. Frantisek Aubrecht, who is Head of Enterprise Architecture and Business Analysis of Ceskomoravska stavebni sporitelna, declared that, "**we needed to share the resources between teams and it led to inefficiencies**. In our company, we now have two types of projects that can be delivered – bigger projects with integration impact are still developed in waterfall model, while small changes without integration impact could be developed according to the Agile methodology. To enable small changes to be delivered Agile, we also need to switch from fixed-time fixed-price contracts with external suppliers to in-house software development, or time and material contracts – which also leads to greater responsibility shifting towards internal IT". In architecture nowadays, the architects are

allocated at the beginning of the project to outline the future solution description. Their goal is to move more to a situation where the architecture team defines the main principles and the decisions will be made in realisation teams.

The challenges of an Agile architecture

Aubrecht mentioned that it is very important for their management to evaluate the benefits via cost-benefit analysis (in business case). They are trying to include the technical enablers into planned projects. Nevertheless, this approach leads in technical debt in the overall architecture. The second way for technical enablers' realisation is to prepare the positive business case for such realisation. Typical reasons include: decreasing price of future projects, decreasing licenses prices shortening EOD closure, among others – this is part of an organisation's IT strategy. In order to create built-in quality, Aubrecht states that, "we started to prepare the concept for possible SW development automation (GITHUB migration, testing automation, etc.). Also, we are making the architectonic changes to increase the solution stability".

**Organisation
& Governance**

45% of IT in organisations is driven by demand-supply constructs, while 23% have embraced a value stream or product-based model where IT and business work as one

Value/Product-based model

1	4%
2	19%
3	32%
4	28%
5	17%

IT and business work as one (23%)

Traditional IT driven by demand-supply (45%)

Demand-Supply model
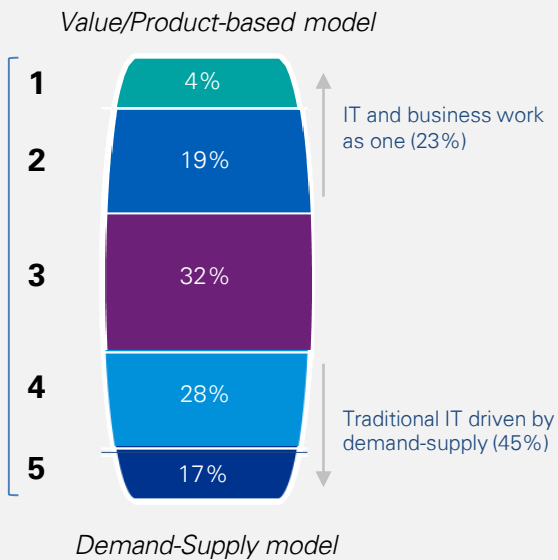
Figure 11: Is your IT organisation based on demand-supply constructs with functional specialisations or have you embraced a value stream or product-based model?

Multidisciplinary teams and collaboration over functional silo's

In order to achieve agility within your company, it is essential to pursue value in everything you do. In this approach, IT and business work on business questions, creating value collaboratively, in multi-disciplinary teams structured according to the value stream and customer journey or the company products.

In the traditional model, Business and IT worked in silos and needs were translated to requirements, designs, and developed and delivered through different silos. Each focused on optimisation of activities rather than on continuous flow of releasing value across the value streams.

The Value/Product-based model is not easily achieved. Our research shows that 45% of the respondents have not yet been able to take the first steps into realising new structures. 32% of participants indicate that the value driven approach is gradually being adopted while only 23% has already embraced value stream or product-based model.

Organisations that want to pursue with value-driven agility should focus on collaboration supported by proper metrics. Collaboration enables everyone to truly understand value by working in cross-functional teams and frequently interacting with customers. The fact-based approach of using metrics helps to provide

insight of value in an organisation, such as the return on each dollar or hour invested in development so everyone can understand which value their work is adding to the company.

The end goal is agility, but the journey will lead through a hybrid model[1]

The majority of organisations are in a state of transition where both demand-supply constructs, and value stream or product-based models are used. In these cases, we frequently see organisations organising their front-end and digital business driven IT in an Agile manner, while retaining demand-supply constructs in their back-end or legacy environments mostly due to technical complexity.

Opting for the hybrid model is a logical consequence of an Agile transformation, but organisations should be aware that this is not the end state. We strongly believe the hybrid model is an intermediate state, and through continuous learning the value and product focus will eventually become the key organising and governance principle across the entire organisation. In the end, the entire organisation will use value stream and product-based models, potentially supported by component teams.

We see significant differences across countries

Across the countries involved in this survey we see a large difference in the extent to which the demand-supply model has been replaced by a modern operating model. Although this may be partly explained by the scope of participants across countries and industries, it does show the potential of looking at your own local organisations or peers across countries to share insights and knowledge.

[1]Note: This hybrid model is also referred to as Bi-Modal or multi-speed. Bi-modal is a term coined by Gartner while BCG mentions two speed, IT as a linking pin in a digitising world in 2012.

Performance Management

Collaboration is key

How we evaluate performance and the metrics we use here, typically has a strong influence on our behaviour and focus. Individual KPIs for managers stimulate the optimisation of their silos, while metrics focused on value delivery to clients stimulate collaboration to achieve this goal. We argue that in an Agile environment the key metrics in an organisation should be aligned to value stream or customer journey achievements, thus stimulating collaboration rather than individual goals.

According to our survey only few organisations master the art of Agile performance management to their satisfaction

According to our survey (Figure 12), only 17% of respondents reported that their organisation has a performance management system that suited their Agile ambition. To address this discrepancy, we believe it is important for organisations to evaluate how their performance management is steering the organisation, and whether the value in the new way of working is reflected in the KPIs used.

Metrics differ strongly across the levels of the organisation from team to scaling on a programme or business unit level to the enterprise. Building a proper scorecard across the organisation to align to the Agile goals is a complex and time-consuming undertaking but frameworks such as SAFe provide a good foundation through recognising metrics for each level[1]. In this survey, we pragmatically elaborate on the key impact of funding on metrics and the need to build trust before stepping into value management.

Pre-funding capacity requires a different view on performance management

The shift to agility requires organisations to look differently at funding change. Pre-defined results are no longer funded based on illusive ideas that this is possible for multi-year changes. Rather, teams are pre-funded on capacity and their results are based on priorities of business and customer value. This brings in another challenge. Focus shifts from milestones against time and budget to measuring value delivery versus time invested by teams.
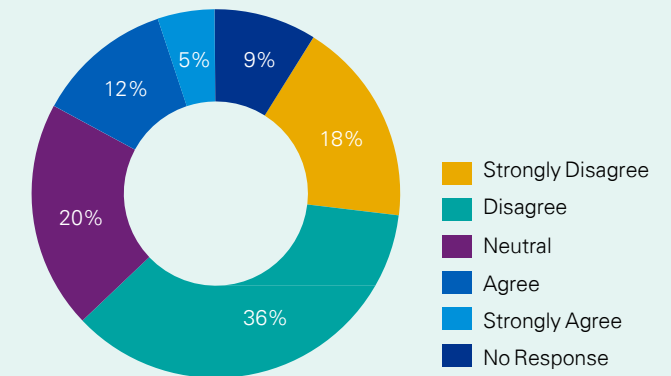
Metrics in an Agile environment need to build trust

A lot has been written on Agile metrics to measure team performance. We believe the key metric here is predictability. Once teams (and the governance on teams of teams) are sufficiently mature, they have a consistent velocity and can quite reliably estimate the weight of features while business owners estimate value.

As such, they can commit to features with sufficient reliability. After each sprint, the incremented value of features (and potentially capabilities and epics) are showcased. The actual delivery is validated against the commitment for the specific sprint. Through optimising the process within the sequences, the predictability increases significantly while transparency is continuously high. This increases trust, and helps to make the change sustainable across all levels. We dive one step deeper into value management on the next page through the KPMG Benefits Management approach.

Only 17% of participants agree that their performance management systems support their Agile ambitions

- Strongly Disagree — 18%
- Disagree — 36%
- Neutral — 20%
- Agree — 12%
- Strongly Agree — 5%
- No Response — 9%

Figure 12: Agree/Disagree: Our performance management system sufficiently supports our Agile ambition

What does your organisation use metrics for?
Do they focus on measuring customer centricity, collaboration level and delivery of value, or are they still mostly focused on the optimisation of specific activities?

Note: For more details, see
www.scaledAgileframework.com/metrics/

Performance Management

Value in Agile is measured differently

What is the value of activities that are employed within the Agile organisation? Scoring organisations how they score on value works differently than in traditional waterfall organisations. In value management for Agile teams, value creation is elaborated upon using Lean business cases and value profiles. When assessing organisations, we use the activities from the KPMG Agile Benefits Management approach stating how to organise this[1]:

1. **Define a vision on Teams of Teams** that aligns to the transformation needed
2. **Create a portfolio backlog** as a repository of agreed and prioritised epics until these are picked up by the Agile Release Train. Epics are approved by Lean Portfolio Management that guards organisations strategy
3. **Create teams and budget** that are responsible for defining, testing and delivering value across. Provide these budget over a long period
4. **Define epics** for the to be developed solutions. Analyse them, define the minimum viable product and estimate costs

5. **Define features** that includes the estimated business value and story points, which are essential for defining, planning and implementing business value
6. **Lean Business Case approval** defined by the epic owner to get approval of Lean Portfolio Management, amongst others including analysis, MVP and estimated costs
7. **Organise programme increments including system demos** defines time lines for incremental development and validation of solutions.
8. **Continuously measure team predictability** by comparing estimated Business Value to realised Business Value. When the predictability of a team improves, uncertainty in Lean Business Cases is lowered and the portfolio backlog is improved

Further, a five-step approach is used to elaborate value from identification to actual delivery such that Agile benefits can managed:

a. **Identified value**, which is merely a rough estimation
b. **Defined value** based upon a business case
c. **Guaranteed value** stating the value in a project plan
d. **Delivered value** where value is from the customer using the solution
e. **Realised value** in the profit and loss statement

Subsequently the value in the five steps is defined in four dimensions: financially and operationally and for the customer and for the employee.
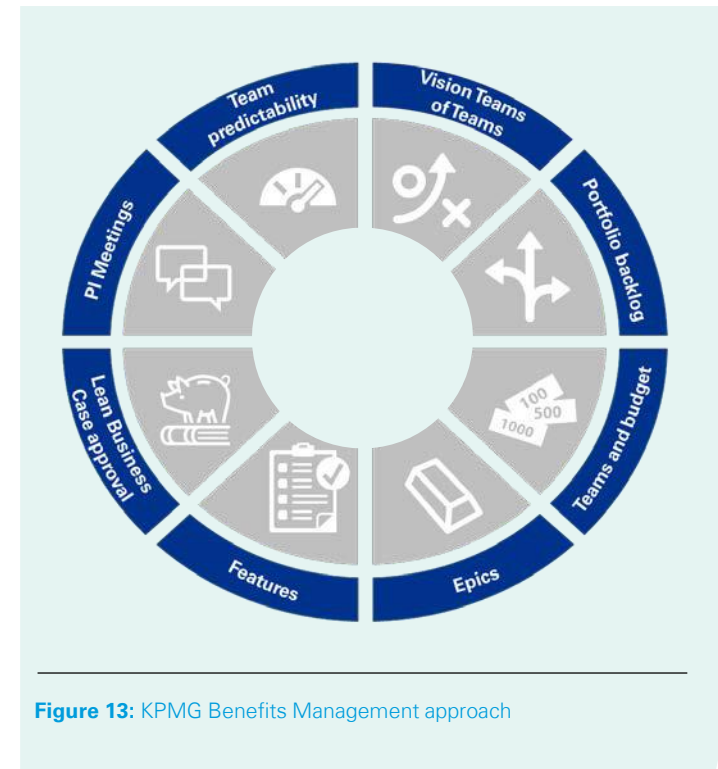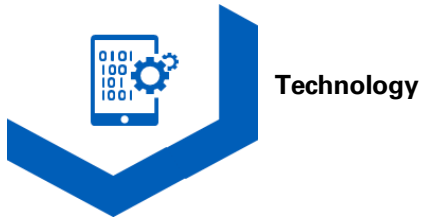
Figure 13: KPMG Benefits Management approach

How does your organisation score?
The eight activities of Agile benefits management can be used to score your organisation on whether it reaps the full benefits of Agile. Do your colleagues view this the same? Could KPMG help you in any way?

?

Technology

Systems should support agility

An Agile transformation does not only impact your team composition, structure or methods, but it also requires a landscape and architecture that can cope with the speed and flexibility. When striving for agility at scale, technology and organisation go hand in hand. One of the key challenges in respondents' Agile transformations was a 'limited suitability of systems'. In the next sections, we explore what makes a system suitable for agility.

Incompatible Architecture and Tooling hampering agility
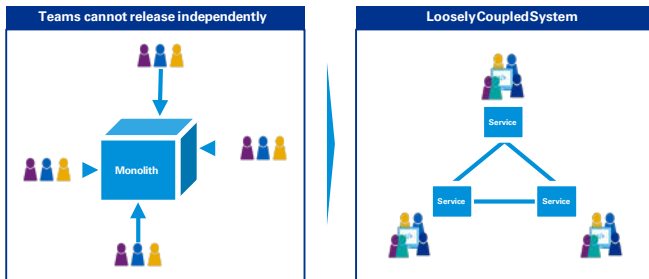
Conway's law states that any organisation that designs a system will produce a design whose structure is a copy of the organisation's communication structure[1].

Architecture can thus be a major constraint in the value stream. In order for an organisation to be flexible and work with small, empowered teams, organisations need to shift towards a technology stack that supports small and modular components. Dependency on legacy, spaghetti-like architecture, or architecture that is monolithic and tightly coupled, introduces dependencies between different teams that limit their ability to work independently and across teams. Additionally, it makes Continuous Integration and Continuous Deployment more difficult as changing the code base frequently introduces more risk on the system as a whole.

56% of respondents do not agree that their architecture and tooling support Continuous Delivery

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response
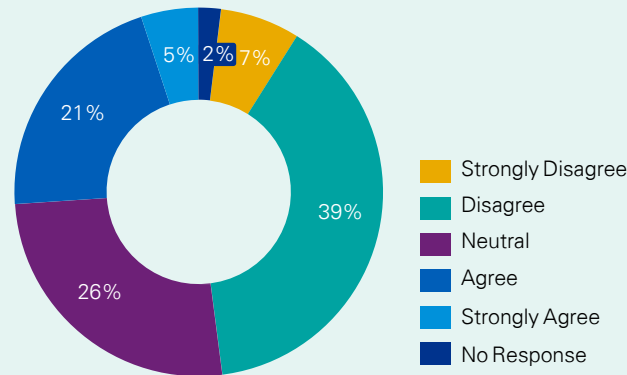
Figure 15: Agree/Disagree: Our architecture and tooling support Continuous Delivery (e.g. automate, build, test, integration, deployment)

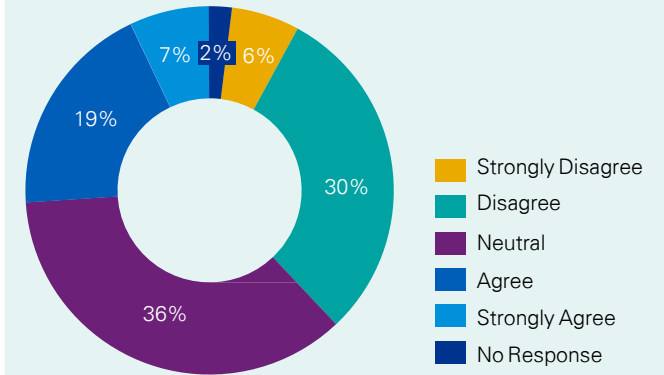**36% of respondents stated that their entire landscape was not suited for their Agile ambition**

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response

**Figure 16:** Agree/Disagree: Our application landscape supports our Agile ambition

What makes an Agile architecture?

A good architecture support teams – for example, by conducting testing without requiring an integrated testing environment. It should also enable teams to independently deploy and release without impacting other teams or services which in turn increases the speed and agility of teams.

Using Continuous Delivery enables an evolutionary type of architecture that gives the ability to incrementally change and evolve with every release and quickly pivot and understand the functionality the user wants.

Tooling has evolved to enable and support more agility in the way of working. However, tooling simplification is key. Having too many tools can hinder the automation effort and
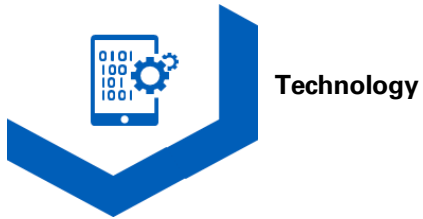
Technology

introduce integration challenges. Tooling landscape needs to be simplified and support the Continuous Delivery and automation culture.

Introduction to DevOps

We believe that DevOps (short for Development Operations) is an integral part of the Agile way of working as it extends business agility and reduces frictions between the different teams involved in value creation.

As such, it is no surprise that 74% of respondents surveyed have already begun applying DevOps through pilots or in at least one of their teams.

So, what is DevOps?

DevOps is an extension of Agile Development stretching from coding and building up until deploying and operating.

At its core, DevOps is an amalgamation of philosophies, practices and tools that enables the fast flow of value from development to operations while achieving the stability and security objectives.

74% of respondents are currently applying DevOps in the organisation

Don't Know	None	Pilots	Few Teams	Most Teams	All Teams
10%	16%	24%	34%	14%	2%

Figure 17: Do you apply DevOps?

This is done by fundamentally breaking down the silos between development and operations teams – hence 'Dev-Ops' and optimise for product goals instead of local goals. Additionally, by applying Lean principles and practices (e.g. eliminating waste, reducing batch sizes, building quality in) organisations are able to move faster and more flexibly.

As with Agile, DevOps is primarily introduced in IT, but is increasingly being used as a method to improve collaboration between IT and Business ushering in the practice of 'BizDevOps'.

Code · Build · Integrate · Test · Release · Deploy · Operate

Agile Development

Continuous Integration

Continuous Delivery

Continuous Deployment

DevOps
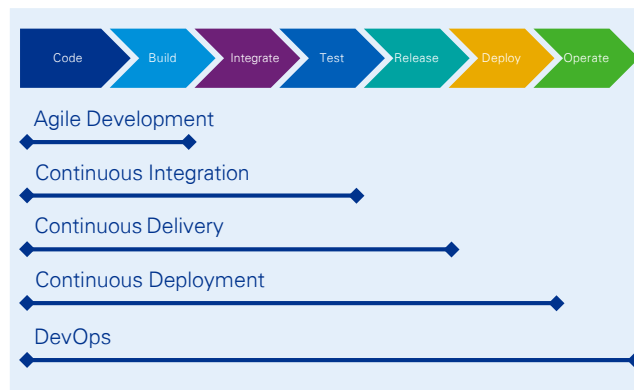
Automate as much as you can

One of the core principles of Continuous Delivery is to automate everything. Manual, repetitive tasks are error prone. People are good at novel work, while machines are better in repetitive tasks. Therefore, automation enables engineers to focus on more innovative, added-value work. In addition, automation also helps to reduce compliance overhead such that the team can focus on the customer needs and demands without having to spend the time on compliance-related activities.

The Value Case for DevOps

KPMG recognises the following reasons organisations use the DevOps philosophy:

1. It enables fast flow of value from development to operations and hence faster time to market
2. It helps increase the systems stability and reliability
3. It enables rapid experimentation and innovation (e.g. hypothesis-drive development and A/B testing
4. It helps embrace and meet customers' ever-changing needs and demands by releasing more frequently
5. It helps increase job satisfaction and reduces levels of burnout

**Culture,
People & Skills**

Organisational agility typically has a strong impact on culture

Transforming the organisation to agility demands that employees break through organisational silos and collaborate more cross-functionally. In practice this is not an easy endeavour, and requires grassroots support (bottom-up) as well as top-down endorsement and structural changes from Agile leaders. Management can motivate employees to work in a certain way, but the teams themselves are accountable to change their own way of working.

When asked whether their organisation's culture supported agility, just over 3 in 4 respondents reported being neutral or simply disagreeing with the statement. This suggests that a culture that supports agility is elusive and not easily attained.

Agile culture goes further than management support as it also extends to suppliers, partners and even the customers the organisation is working with. A challenge might be that culture is mostly not yet shared with suppliers, partners and customers.

An Agile culture requires complete transparency within an organisation, shared responsibilities and real shared goals. It requires a culture that champions experimentation and is free of a fear of failure. A culture where teams are allowed to make failures and learn from them and share them rather than sweeping them under the carpet. Employees should also be intrinsically motivated to work across disciplines – to understand and learn from each other through expertise sharing.

The Agile culture supports employees, ensuring that they are treated with respect such that they are empowered to work, take decisions, improve themselves and their teams towards becoming a truly autonomous team.

Separating the What from the How

We see that when the priorities (the **WHAT**) and the competences, people and development (the **HOW**) are separated, organisations are ready to transform to agility both in culture and behaviour. This is a common challenge as leadership that used to manage a team on both is required to shift towards either a facilitating role focused on developing employees or a (chief) product owner role where priorities are key rather than how jobs are tackled. Similarly we see employees struggling with the concept of having a hierarchical boss evaluating their performance while a more functional boss with who they work on a daily basis determines their priorities.

Three quarters (~ 75%) of respondents did not agree that their organisation supports an Agile culture

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response
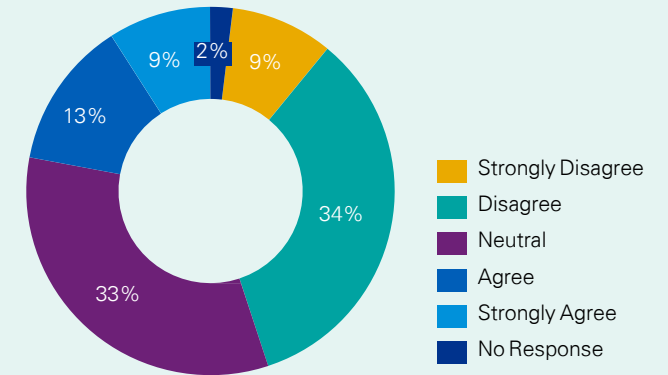
Figure 11: Agree/Disagree: My organisation's culture supports agility

Employees working in a project environment are typically more used to this; where the project managers would determine their daily priorities and the project team their daily environment. Meanwhile their hierarchical boss would reside elsewhere in the organisation. Employees working in a line environment would typically experience separating the 'what' and 'how' as more impactful.

Are your employees ready?

Our findings indicated that less than 15% of respondents believe that their employees are ready for the Agile way of working. This is consistent with our finding that the availability of resources with Agile delivery experience is one of the top 3 challenges for organisations currently undergoing an Agile pilot or just starting their Agile transformation. It is instrumental for organisations, when undergoing an Agile transformation, to secure resources to serve as change agents with sufficient experience with Agile values and the application of principles, as well as firm grasp on Agile methodologies and (scaling) frameworks, such that they can coach the organisation in behaviour and content.

The Scaled Agile Framework (SAFe) states that first a powerful coalition is needed to start after which leadership is trained. They recommend setting up a central place, such as a 'Lean-Agile Center of Excellence', which can serve as a central place to guide the road towards scaled Agile, and act as a 'go-to' place for employees who have questions or require assistance (www.scaledAgile.org). Irrespective of the name or function, a Center of Excellence is pivotal in mending the gap in employee readiness identified in this survey.

Agile coaching

One method to counter the lack of such resources is through hiring Agile coaches. Agile coaches can be an excellent accelerator to guide teams on the Agile mind-set, behaviour methodology and best practices on the field.

Agile coaches underpin the road towards agility and they should be present at all levels of the organisation such that all levels have the proper guidance in realising change. While external coaches have their benefits given their independent view, internal coaches secure sustainable change through continuous improvements, and can embrace the change from within.

Sufficient attention to training

Every employee requires training in the Agile principles and way of working when the ambition is set on enterprise. This helps to come to a common understanding enabling a shared recognition of challenges. A proper continuous training approach should be applied, and organisations must be willing to invest.

T-Shaped Profiling

We typically see in teams that employees value their specialisation and do not directly see the need to learn each others expertise, or work across their functional expertise. A common example is developers not liking testing. This can severely impair flow in the teams with stories halting on functional lines. It can also result in teams becoming too big to cover all needed expertise and lose efficiency. Stretching employees to become team members in a multidisciplinary team requires that they shift towards becoming more T-Shaped.

In other words, team members should not simply possess a depth of knowledge in their own field, but also possess base knowledge and skills in a breadth of other functions. This may sound easy and evident, but in practice is frequently difficult to realise as it means changing the way employees have worked for many years.

Structural Availability of resources is vital

Typically we see our clients struggling with accommodating to availability of critical resources which are scarce (e.g. financial, control, compliance, etc.). When dealing with limitations in availability of resources, such as part-time resources, it is important to provide focus and time for your people to create structural availability. People do their best work when they can focus. Timing your cadence to accommodate your team balances the availability and commitment of your people.

Less than 15% of respondents agree that their employees are ready for an Agile way of working

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response
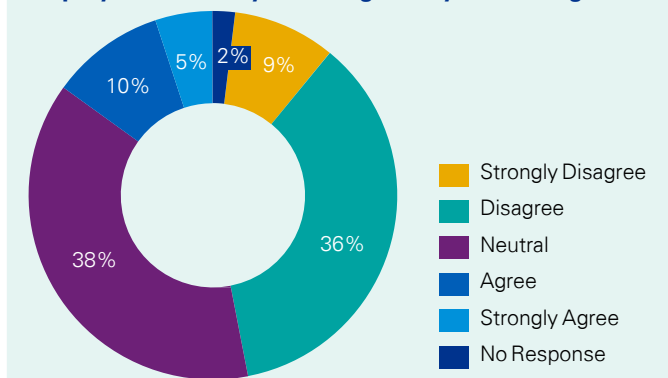
Figure 14: Agree/Disagree: Our employees are ready for an Agile way of working

Inti Benites
CIO
BIND (Banco Industrial)

No Agile transformation without a culture transformation

The financial sector is one of the leading sectors in becoming an Agile organisation. FinTechs, start-ups and further digitalisation are disrupting the market, requiring organisations to quickly adapt and respond to these changes. BIND (Banco Industrial), based in Argentina, is currently transforming their way of working by implementing agility. Inti Benites, the CIO of BIND states that **one key challenge of their transformation was the adoption of agility by the employees**. In order to overcome this challenge, it was necessary that everyone within BIND was convinced about the value of agility. For BIND, this started with convincing the directors of the board and managers of the advantages of agility. Having the top-level directors and managers understand the value of agility and support the step towards becoming an Agile organisation was essential for the transformation to succeed.

Once the top management was on board, the transformation was underway. While typically IT functions in traditional companies find it challenging to become Agile, Benites believes that changing the business side of these companies is even more difficult. Business people often perceive agility as something that is relegated to the IT domain, and this is due – in a large part – to their relative inexperience in following certain procedures or

methodologies. Benites thus recognises the necessity to train product owners and business specialists by working side-by-side with a very advanced team of Agile experts who helped BIND train employees on the methodology. **These expert helped the organisation steer based on best practices, and subsequently coached the team directly on the "field",** supporting them in their first Agile experiences. When starting out, there will be failure, misunderstanding or frustration within teams. It is in these moments that the support of Agile experts is most needed.

After engaging the Agile experts, BIND reviewed their current team compositions and added new member to the team if required. In addition, Benites mentioned that it was important to identify early adopters (also known as Champions) for each individual team and empower them to become the change-agent. *"**Change-agents will help drive the Agile transformation even further**"* states Benites.

Finally, BIND asked team members to actively participate in the retrospective. Active participation for Benites means discussing the lessons learned from previous iteration, and proposing changes for the next one. For BIND, seeing the impact of changes proposed in the retrospective in the next sprint promoted the adoption of the methodology as it provided a quick way to take ownership of the new way of working.

Sourcing

Transformation together with suppliers

Many organisations have outsourced a large part of their projects and services across the technology stack to external suppliers. This has resulted in a large dependency on our suppliers. The increase in speed, flexibility and efficiency and any other goal put forward in the Agile ambition, should thus align to how organisations work with their suppliers.

Only one fifth of respondents of the survey believe that their suppliers sufficiently support their Agile ambition. As an organisation moves towards the Agile way of working it is paramount that the partner ecosystem supports this. The reality is, however, that many organisations rely on demand-supply type of governance with heavy contracts pushing SLAs which focus on processes and activities rather than value. The contracts emphasise fixed scope or sticking to an original plan, which do not lead to the value Agile teams are delivering.

Working Agile requires that organisations change their relation with suppliers from a supply-demand relationship to a true partnership in which suppliers collaborate and through trust, can deliver the most value.

The organisation, suppliers and partners must cooperate to support flawless operations. Suppliers must be part of the Agile teams, just as internal resources do. Organisations should aim to create shared values and shared goals & ambitions within their partner ecosystem. Partners should support the Agile ways of working, and organisations can expect that larger suppliers are often strong in the Agile domain and act as examples.

Working Agile already starts in the sourcing process[1]

Organisations can expect from their suppliers that they are flexible and work together towards common goals integrated with other Agile teams.

KPMG recommends that when selecting suppliers using an Agile approach, organisations are advised to follow the following guidelines in their selection process:

1. Don't write every requirement in detail unless they are hard requirements from legal, security and compliance so that requirements can be given shape during the process
2. Involve internal stakeholders at an early stage of the project, including supporting departments such as Sourcing, Finance and HR to get buy-in and a shared starting position
3. Properly staff the buyer transaction team and make resources available for sessions with the supplier

4. Share process steps and timelines, and request early feedback from suppliers

Using an Agile approach to selecting suppliers is more fluid and maintains flexibility to change as necessary ensuring business requirements are well understood before the proposal phase significantly reducing the time to contract a supplier.

Other benefits include a higher quality service offering, stronger collaboration that focuses on business outcomes instead of having a fixed-scope contract.
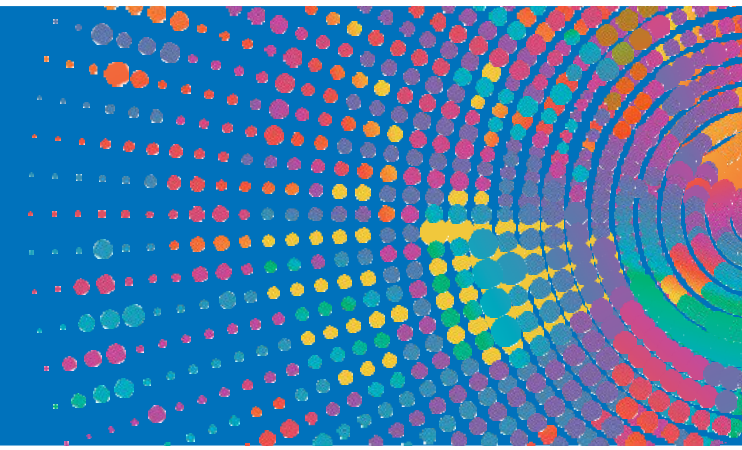
45% of organisations say Agile is very difficult in an outsourced environment

- Strongly Disagree — 14%
- Disagree — 31%
- Neutral — 32%
- Agree — 16%
- Strongly Agree — 6%
- No Response — 1%
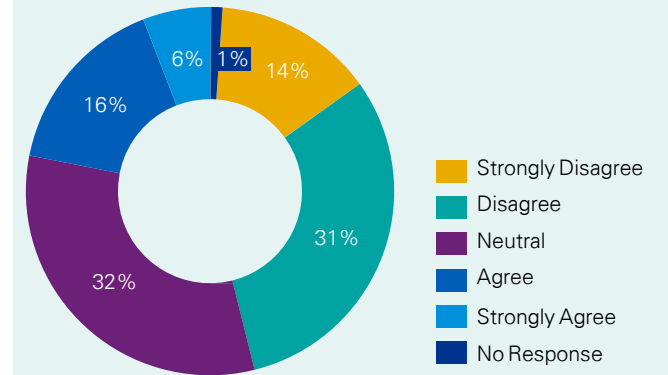
Figure 18: Agree/Disagree: Our suppliers and support sufficiently support our Agile ambition

[1] Source: Adapted from Keur, Visser 2018, KPMG Compact Magazine

Agile: not whether but when, where and how

Agile is increasingly becoming a new currency in business. Our survey shows that Agile is recognised as a strategic priority by the majority of respondents. In our digital age, it is no longer a question of whether an organisation wants to become Agile, but when, where, and how. We see that currently only 12% of the participants do not apply agility, and is expected to decline to 4% in only three years. A stunning 70% of respondents expect to be scaling to at least in three years time, of which the majority is aiming for enterprise agility. Faster product delivery is the most common driver for agility, with over 68% of respondents claiming it as one of their main drivers for agility, followed by 45% of respondents claiming an increased flexibility, and 42% of respondents claiming customer satisfaction

We see a fast uptake of new frameworks and methods that help organisations operationalise the Agile way of working, with SAFe being the most popular scaling framework applied at 19% of our respondents' organisations. We believe that Agile transformation (especially Agile transformation beyond the team level) becomes a holistic operating model challenge. One that is more than adjusting your vocabulary for the way you work or relying solely on Agile coaches. Instead, an Agile

Transformation should have the proper governance, leadership, culture, performance management, having a real Agile architecture and involving suppliers in your journey. In short, it is a complete organisational transformation.

Organisations must realise that the road to agility is not realised through a Big Bang but through applying Agile concepts in itself. Through experimenting across levels in the organisations and learning, the model evolves; it is not designed as a blueprint to be implemented. In our view an Agile transformation can only be successful when leadership truly understands what it is about and what the impact will be. However, 62% of our respondents mention that management does not expect implications for top management by regarding Agile solely as a new project management approach. Leadership has to set the right conditions such that Agile can flourish. As such, we believe there is a lot of room for increasing knowledge and awareness on a board level.

We find that every path to agility is unique.
Our results indicate that most organisations are on their way from Agile at the team level towards enterprise agility. The change journey should clearly acknowledge the

different parts of the operating model. And in our survey, we explore where organisations are, what their challenges are and what paths they are taking towards agility.

We see that key challenges differ depending on the amount of years that an organisation is already pursuing the Agile transformation journey, but that culture and performance management are considered are on top in every category, typically followed by flawless operations and the suitability of systems to support the Agile transformation.

When comparing the survey results between different countries, we have seen that countries differ widely in their adoption of Agile. Whereas one country is quickly adopting Agile in some countries more traditional methods are every day business

We have seen that it is essential to pursue value in everything that is done in order to achieve organisation-wide agility. Working on collaboration and working using effective metrics improves value. Making employees ready to embrace new performance metrics and train them in the Agile philosophy.

KPMG helps organisations in their end-to-end journey from initiation and Agile pilots to enterprise agility. This includes assessing where organisations are in their Agile journeys, defining maturity, setting up roadmaps, balancing the operating model elements, designing technical architecture, realising true DevOps, coaching on how to improve agility, and inspiring and training leaders to adopt an Agile way of working. At KPMG, we believe that this should always be done together, shoulder-to-shoulder, working together towards each organisation's unique path to agility. By directly applying the concepts together and experimenting, challenging behaviour and learning from inspiring examples, we can walk down the path of continuous improvement together with you, shoulder-to-shoulder.

Questions? Contact us!

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PARTNER
GOLD

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About the Survey

In this study, we aimed to analyse the different perceptions, adoptions and interpretations of agility throughout Europe, Asia and South America. We were having discussions with global clients and colleagues and we noticed that there might be some discrepancy in the concept of agility. In order to achieve this global participation, we had to translate the survey to four languages, namely: English, Spanish, Dutch and Polish.
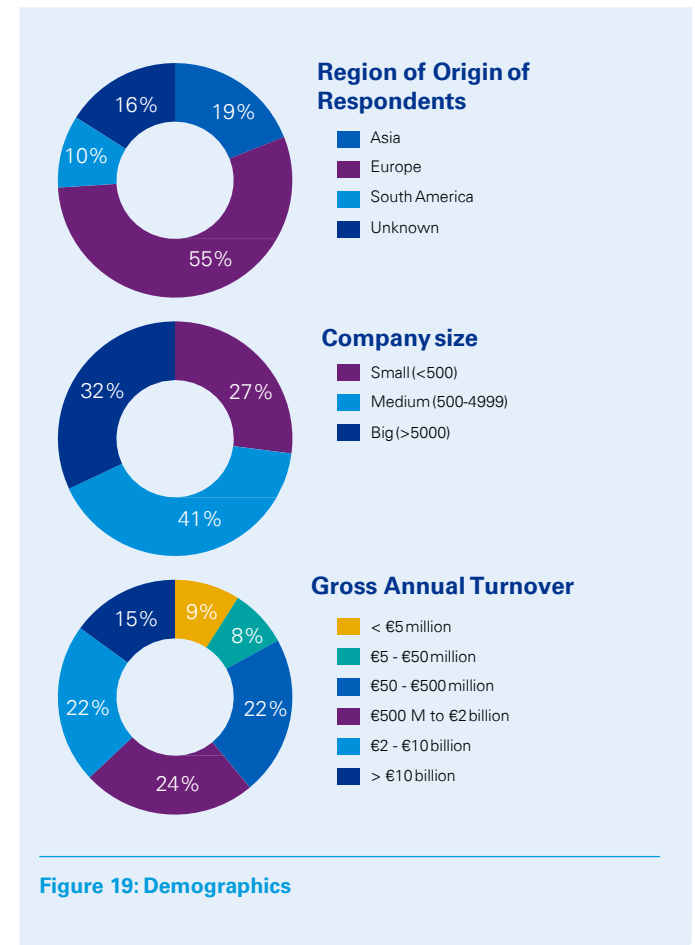
We applied two different methodologies in collecting the responses. We firstly applied a direct approach, where we used our Agile Centre of Excellence's network to spread the survey across the world. The invites were sent from an individual who knew the respondent personally. By applying this approach we made sure that the respondents had sufficient knowledge on the topic of Agile. We specifically aimed for those who are actually involved in working Agile on a daily basis.

In our second approach, we used an indirect methodology. Here we used the social network channel LinkedIn to share the survey across our connections and beyond. We were always able to distinguish between the two methodologies.

At the closure of the survey, we asked our participant whether they would be interested in a follow-up interview with one our colleagues. Nearly 30% mentioned that they would be interested in such an interview. Since this number was too extensive to interview them all, we randomly selected individuals allocated across different countries. The interview helped us in creating a deeper understanding in one's reasoning behind the answers provided in the survey.

We managed to collect a total of 128 responses from 17 different countries. The 8 countries that together represent more than 50% of the respondents were separately mentioned in this appendix. Figure 19 depicts how the respondents are allocated across the different regions in the world.

The variety of company size of the respondents were evenly spread (see Figure 2). Although nearly 44% of our respondents were working in IT departments, we were also able to collect responses from other departments such as, Management, Finance and Research & Development. We would like to thank all participants for their contribution to this publication, and especially the organisations we have interviewed. Some insights from these interviews and survey have been included as anonymous quotes.
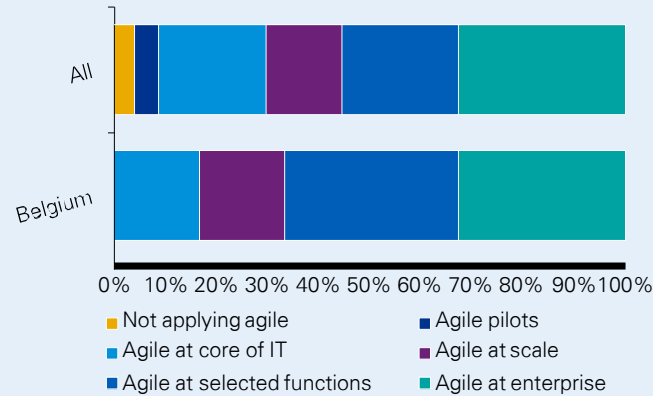

Region of Origin of Respondents
- Asia
- Europe
- South America
- Unknown

Company size
- Small (<500)
- Medium (500-4999)
- Big (>5000)

Gross Annual Turnover
- < €5 million
- €5 - €50 million
- €50 - €500 million
- €500 M to €2 billion
- €2 - €10 billion
- > €10 billion

Figure 19: Demographics

Demand-Supply vs. Value-Based Model

- Total Average
- Belgium

Do you apply DevOps?

0% 8%
25%
50%
17%

- None
- Pilots
- Few Teams
- Most Teams
- All Teams

Where do you expect your organisation to be in three years?

- Not applying agile
- Agile at core of IT
- Agile at selected functions
- Agile pilots
- Agile at scale
- Agile at enterprise

Our employees are ready for an Agile way of working

- Total average
- Belgium

Belgium

The survey outcomes show that on average, the Demand-Supply Model is still very common and that a real Value Stream/Product model is still far away in Belgium. Ambitions over where the organisation should be are high, however; this follows other countries' averages. Most common challenges encountered in the Agile transformation are culture/performance management and flawless operations indicated by respectively three fourth and two third of participants.
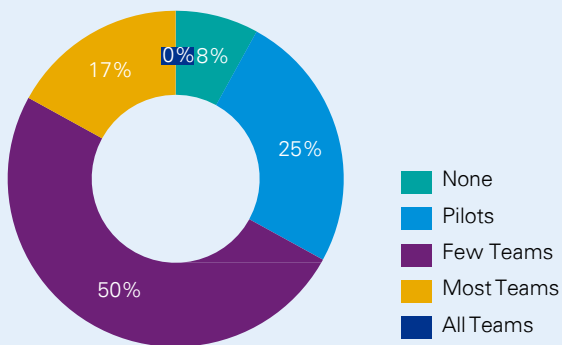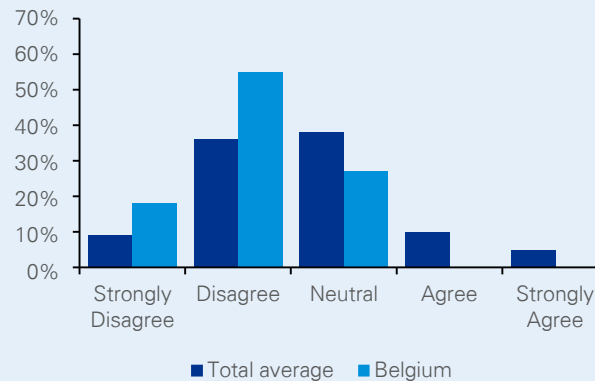
More than 70% of Belgian participants indicate that they disagree with the fact that employees are ready to work in an Agile manner. It is interesting to note that the root cause is not to be found in a lack of management support, as all participants stated that an Agile organisation is supported by management.

DevOps Trials

Although DevOps is something we often only see implemented in more mature Agile organisations, our results show that most Belgian firms are using DevOps, regardless of their Agile maturity. However, it is mostly limited to just a few teams.
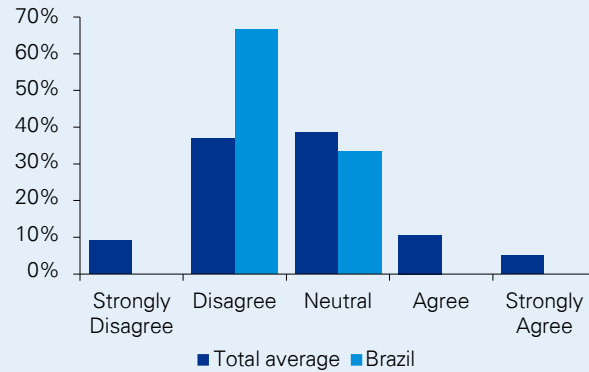
Does your organisation's culture support agility?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response

Where do you expect your organisation to be in three years?

- Not applying agile
- Agile at core of IT
- Agile at selected functions
- Agile pilots
- Agile at scale
- Agile at enterprise
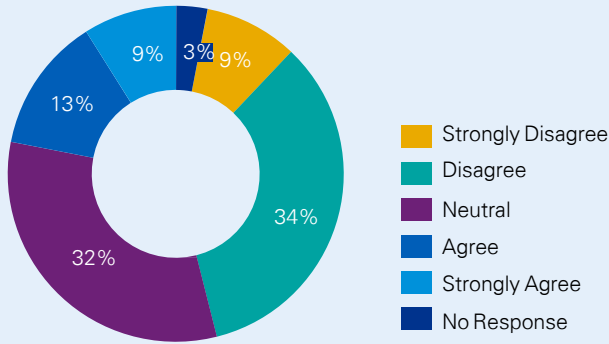
Have you aligned your suppliers to support your Agile ambition?
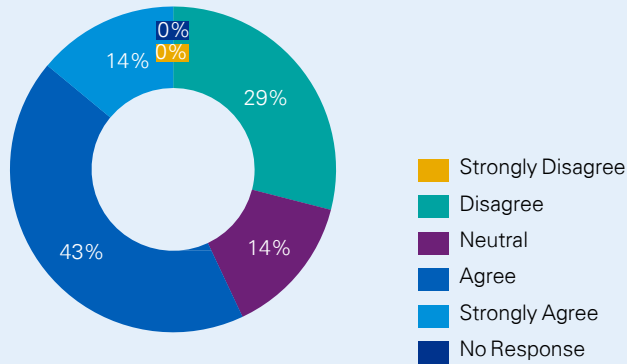
- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response

Our employees are ready for an Agile way of working

- Total average
- Brazil
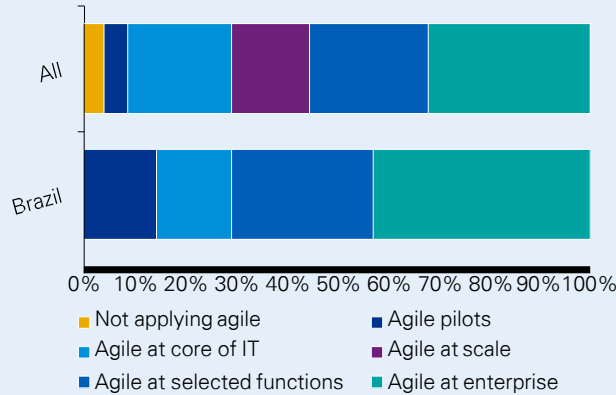
Brazil

Similar to many other countries, Brazil has set high ambitions regarding Agile. Over 40% of the respondents have indicated their wish to become Agile at an enterprise-level within three years, and no respondents indicated that Agile is not applied. Currently, our results show that Agile maturity within IT is well-developed on the team-level. Outside of IT, this is lower than IT and mostly only Agile pilots are undertaken. On average, their IT departments have adopted an Agile way of working. In contrast, most retail firms are still running Agile pilots. Either way, Brazilian organisations seem to be on the brink of adopting Agile on a wide-scale.

Aligning Suppliers for Agility

Suppliers play a critical role in any Agile organisation. Their expertise often accelerate development. When suppliers are aligned to an organisation's Agile ambition, they are enabled work in the same cadence. In Brazil, most companies have already aligned their suppliers. Although it is just one of the many facets that will help organisations to become truly Agile, Brazilian firms are sure to benefit from this. Nonetheless, successful Agile transformations also require culture management and strong top management support, which is a challenge in Brazil because 70% indicated their organisation does not support agility and 60% indicated their management does not or only partly supports the Agile organisation.
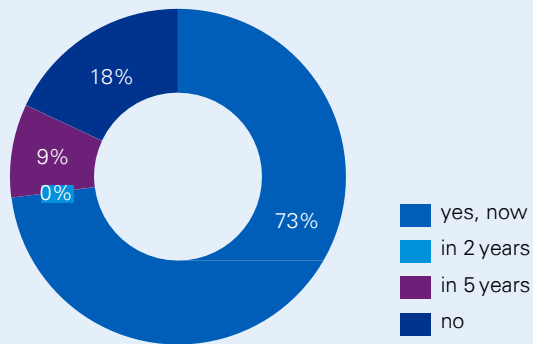
Demand-Supply vs. Value-Based Model
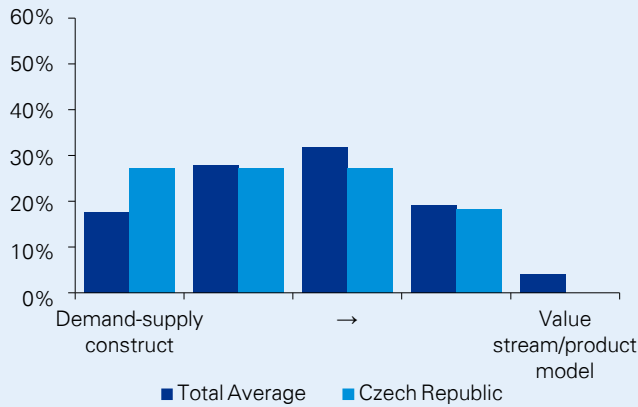
- Total Average
- Czech Republic

Where do you expect your organisation to be in three years?

- Not applying agile
- Agile at core of IT
- Agile at selected functions
- Agile pilots
- Agile at scale
- Agile at enterprise

Is one of your strategic priorities to become an Agile organisation?

18%
9%
0%
73%

- yes, now
- in 2 years
- in 5 years
- no

Our employees are ready for an Agile way of working

- Total average
- Czech Republic
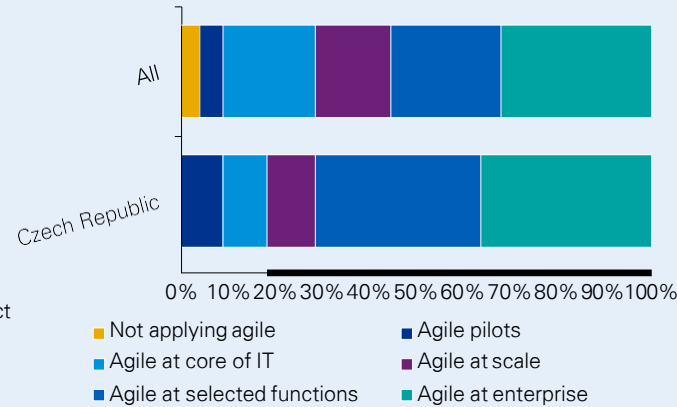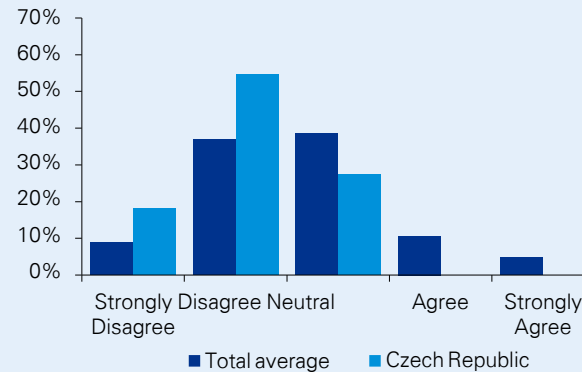
Czech Republic

In our survey results, the Czech Republic stood out as a country that has already embraced Agile on a large scale. The banking sector especially, where many of our respondents indicated to work in, boasts high Agile maturity. In the coming years, Czech firms expect to scale their Agile efforts even more. The Demand-Supply vs. Value-Based model follows the average, but is still lacking a true value stream/product model. What also lacks is the readiness of employees in adopting the Agile way of working: 70% of participants state their employees are not ready; challenges lie ahead. Not shown in the graphs, but only one-third of participants indicated Agile coaches are present on all levels of the organisation. These two figures indicate challenges lie ahead
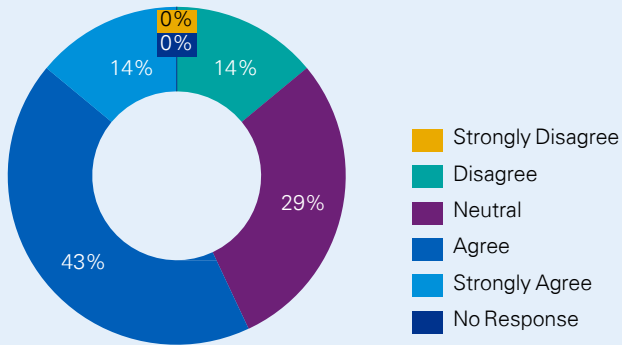
Prioritising Agile

73% of Czech respondents indicated their organisation has a strategic priority of becoming an Agile organisation now. According to us, this exemplifies the willingness to undergo an Agile transformation in the coming years. We think that the Czech Republic could become an Agile front-runner when other facets, such as implementing value-based models, are also prioritised.
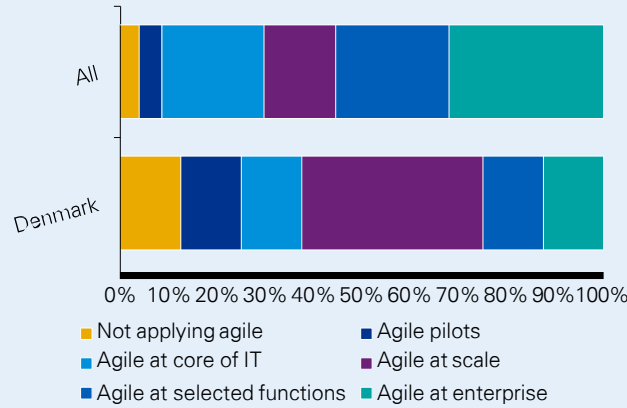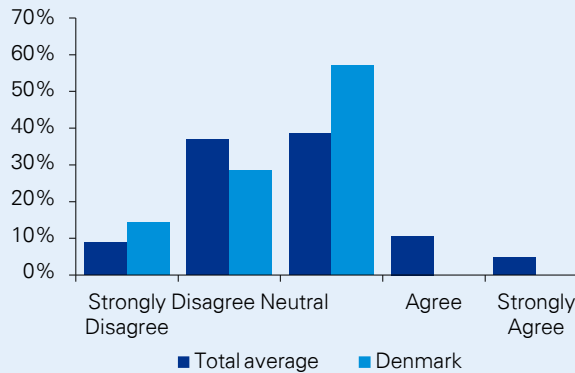
Demand-Supply vs. Value-Based Model

- ■ Total Average
- ■ Denmark
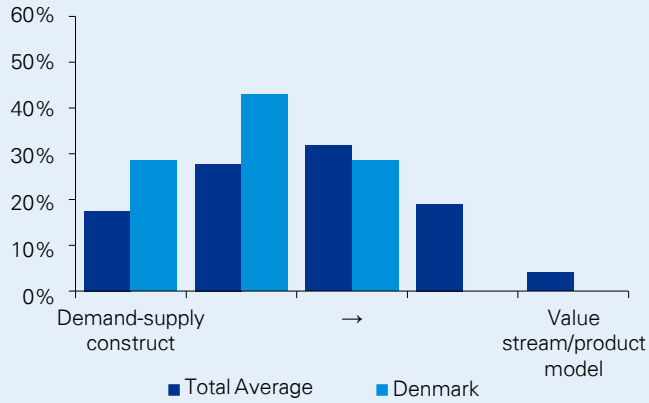
Are processes driven and supported by Agile tools and working methods?

- 0%
- 0%
- 14%
- 14%
- 43%
- 29%

- ■ Strongly Disagree
- ■ Disagree
- ■ Neutral
- ■ Agree
- ■ Strongly Agree
- ■ No Response

Where do you expect your organisation to be in three years?

All

Denmark

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

- ■ Not applying agile
- ■ Agile pilots
- ■ Agile at core of IT
- ■ Agile at scale
- ■ Agile at selected functions
- ■ Agile at enterprise

Our employees are ready for an Agile way of working

Strongly Disagree   Disagree   Neutral   Agree   Strongly Agree

- ■ Total average
- ■ Denmark

Denmark

In Denmark, Agile is adopted at a fast pace. The industry average is Agile at scale but the industry leaders in Denmark are already applying Agile at an enterprise level. In other industries however, Agile transformations are in their initial phases. Although the participants in the survey ranged from management to the 'work floor', and despite there being pilots run in Agile, no respondent seemed to believe their employees were ready to adopt an Agile way of working. Interestingly, this may not easily be improved because almost two-thirds of participants from Denmark disagree that Agile coaches are present in all levels of the organisation.

Nearly forty percent of participants do, however, indicate that in three years, Agile methods and principles are scaled beyond projects and are increasingly applied on a programme level using various scaling approaches. As can be seen from the top right hand graph, relatively high compared to other countries.
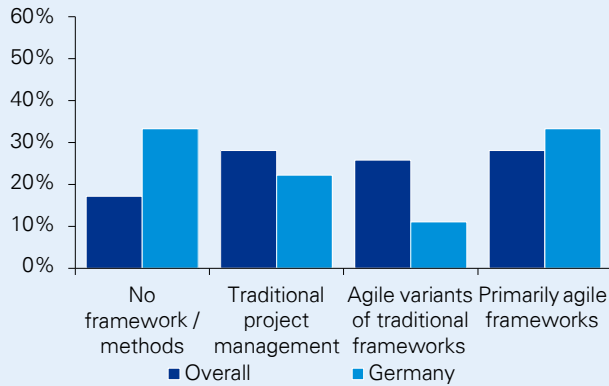
Agile tooling is also not widely adopted, around half of the respondents agree that processes are driven and supported by Agile tools and working methods, which seems to be in line with the adoption of an Agile way of working in Denmark.
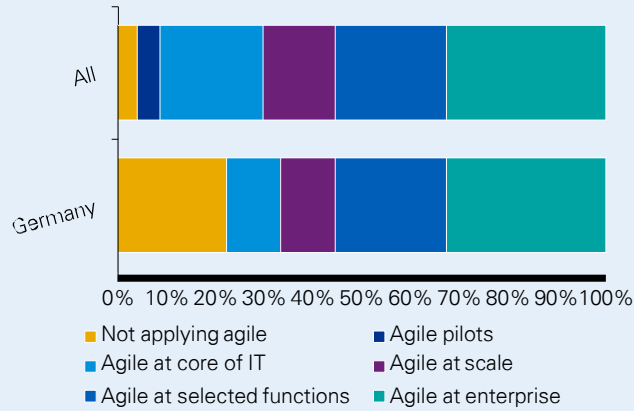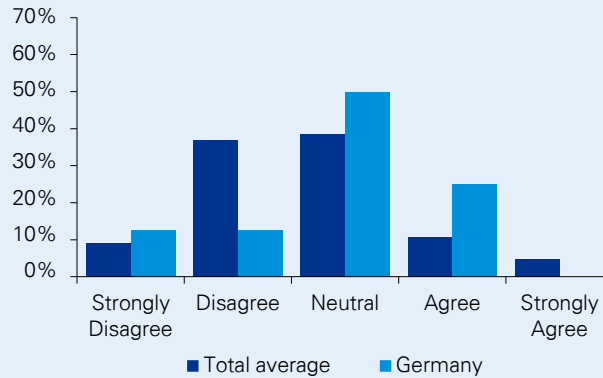
Demand-Supply vs. Value-Based Model

Legend: Total Average, Germany

X-axis: Demand-supply construct → Value stream/product model

Where do you expect your organisation to be in three years?

Rows: All, Germany

- Not applying agile
- Agile pilots
- Agile at core of IT
- Agile at scale
- Agile at selected functions
- Agile at enterprise
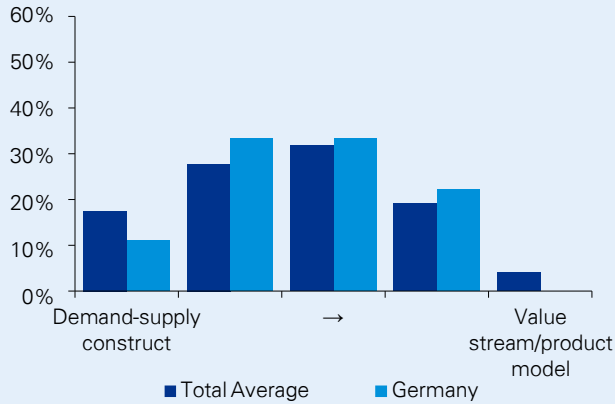
To what extent do you use Agile frameworks and methods within your organisations?

X-axis: No framework / methods, Traditional project management, Agile variants of traditional frameworks, Primarily agile frameworks

Legend: Overall, Germany

Our employees are ready for an Agile way of working

X-axis: Strongly Disagree, Disagree, Neutral, Agree, Strongly Agree

Legend: Total average, Germany

Germany

The German respondents show that Agile still has a way to go. Agile concepts are known, but traditional methods are still alive and in every-day business.

Insights

Two-thirds of German participants see that Agile is becoming a priority now. That's significantly less than the average. And, as can be seen in the top-right graph, more than 20% of German participants expect that Agile is not applied within three years whereas this is on average only 4%. Interestingly, the expectations for Agile in selected functions, at scale and at enterprise follow the total average.
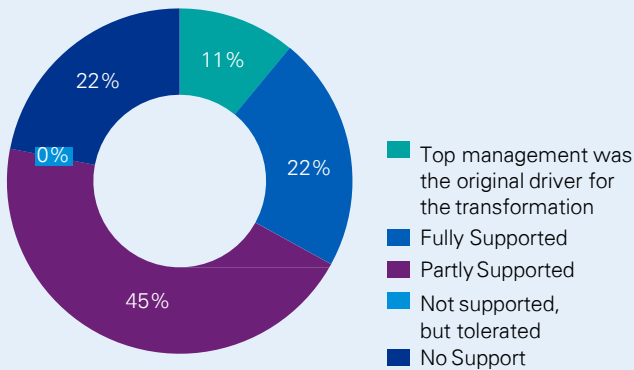
In Germany, one third of responses show that no project management framework or method is used, and only one third of responses show that primarily Agile frameworks are used. The demand-supply vs. value-based graph follows the total average, but the value stream/product model is not applied yet. Two-thirds of German participants state that their employees are somewhat (neutral) or ready for an Agile way of working.
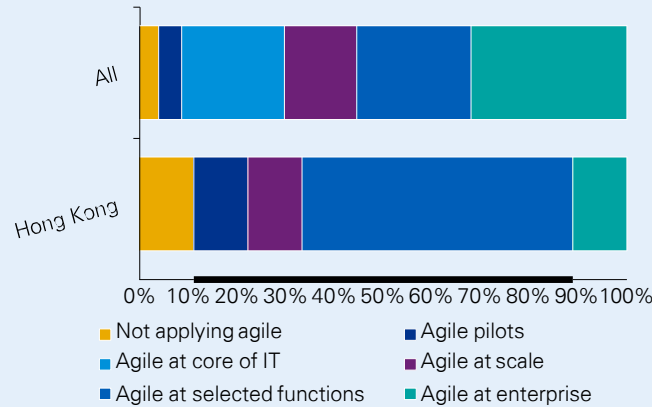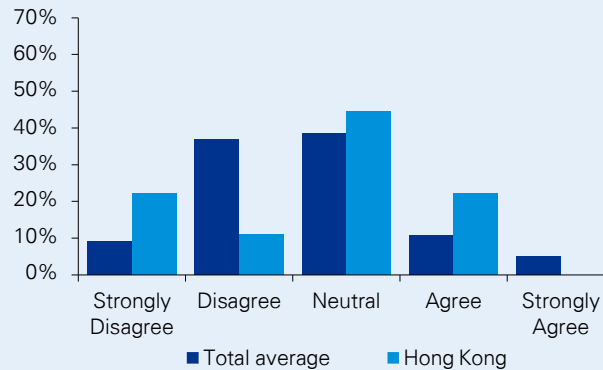
Demand-Supply vs. Value-Based Model

Legend: ■ Total Average ■ Hong Kong

Where do you expect your organisation to be in three years?

Legend:
■ Not applying agile   ■ Agile pilots
■ Agile at core of IT   ■ Agile at scale
■ Agile at selected functions   ■ Agile at enterprise
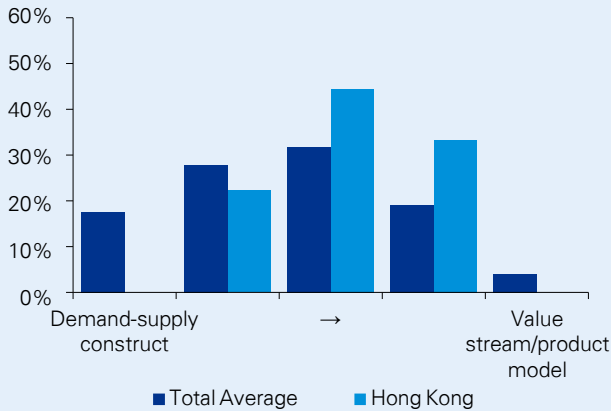
To what level does the company top management support an Agile organisation?

11%
22%
22%
0%
45%

Legend:
■ Top management was the original driver for the transformation
■ Fully Supported
■ Partly Supported
■ Not supported, but tolerated
■ No Support

Our employees are ready for an Agile way of working

Legend: ■ Total average ■ Hong Kong

Hong Kong

Looking at our results, tech-savvy Hong Kong is ready to adopt organisational agility on a large scale. Most employees are not unwilling to start working in an Agile way; and top management often supports the transition. What stands out too are the high ambitions the country has. Although most organisations are currently running pilots, they aim to achieve Agile at selected functions in three years.
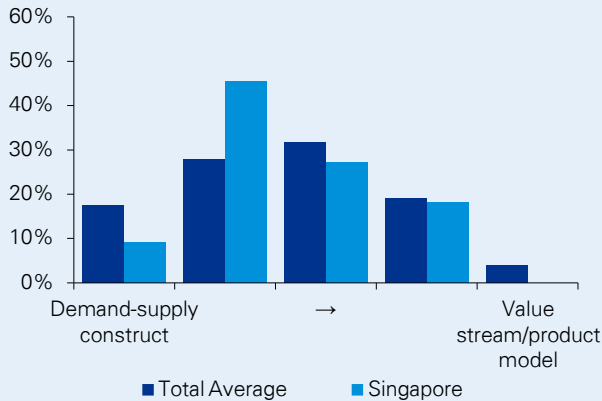
Strong Management Support

One aspect that could potentially be an important driver behind the rapid adoption of agility across many firms in Hong Kong would be top management support. In comparison to other countries, top management teams in Hong Kong offer more support to transform the organisation. Strong support helps teams within an organisation start experimenting with Agile and quickly find a method that suits them, therefore easing the transformation.
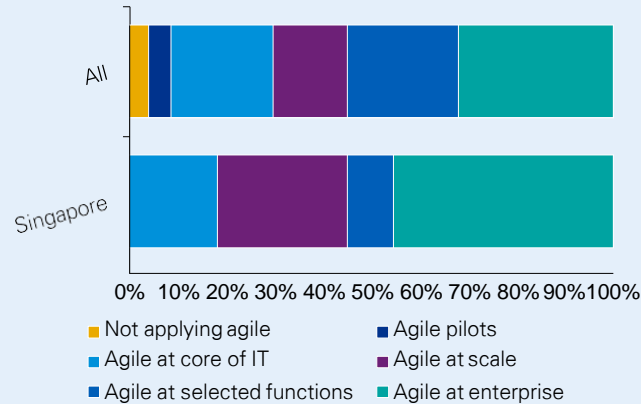
Nonetheless, significant challenges still lie ahead in Hong Kong; almost 80% of Hong Kong participants scored the challenge of limited suitability for systems as a challenge. This is two times higher than the average (not shown in graphs).
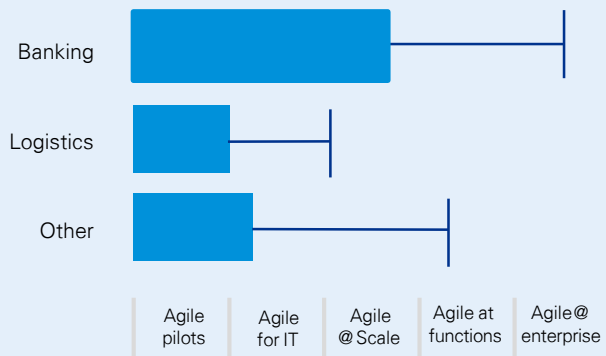
Demand-Supply vs. Value-Based Model

■ Total Average ■ Singapore

Singapore: Industry maturity and maturity of Agile leaders

| Agile pilots | Agile for IT | Agile @Scale | Agile at functions | Agile@ enterprise |

Where do you expect your organisation to be in three years?

■ Not applying agile   ■ Agile pilots
■ Agile at core of IT   ■ Agile at scale
■ Agile at selected functions ■ Agile at enterprise

Our employees are ready for an Agile way of working

■ Total average ■ Singapore

Singapore

Due to its strategic location at the bottom end of the Malay peninsula, the city state of Singapore serves as a logistic and financial hub for the entire region. Our Singaporean respondents, who predominantly worked in either the logistic or banking sector, are characterised by their high ambitions regarding becoming an Agile organisation. The banking sector is especially already well on its way to adopt Agile at an enterprise level, whereas the logistic sector is running pilots and aims to scale within the next years.
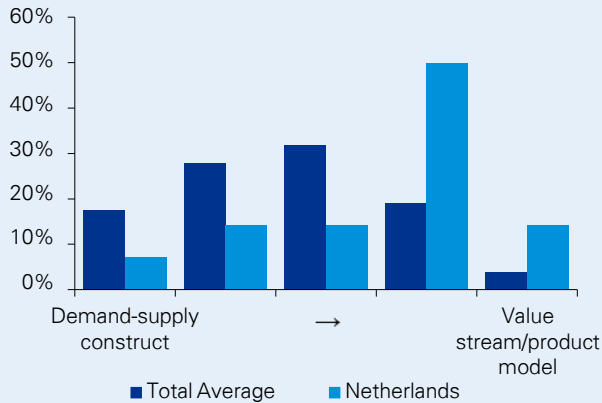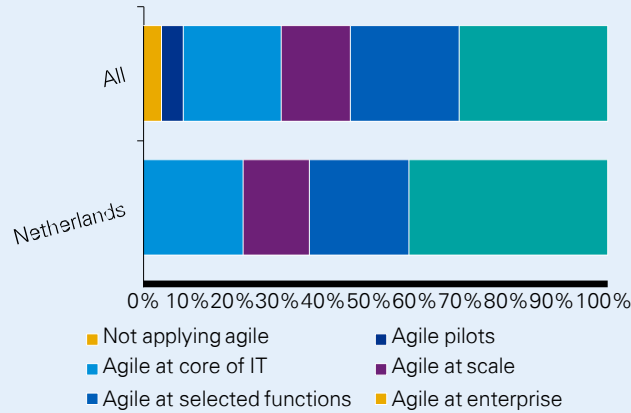
High, but Challenging Ambitions

Every Singaporean respondent has indicated that they expect to have Agile at the core of IT in three years. In addition, almost 45% of respondents project that their organisations will have agility at enterprise. This number is well above the global average. Although these ambitions are very high, significant challenges lie ahead. We know that an Agile transformation does not happen overnight. Looking at our results, we observe that Singaporean employees are generally not yet ready to adopt the Agile way of working. When looking at the Demand-Supply vs. Value-based graph we see that, additionally, many firms do not yet equip a value stream model.
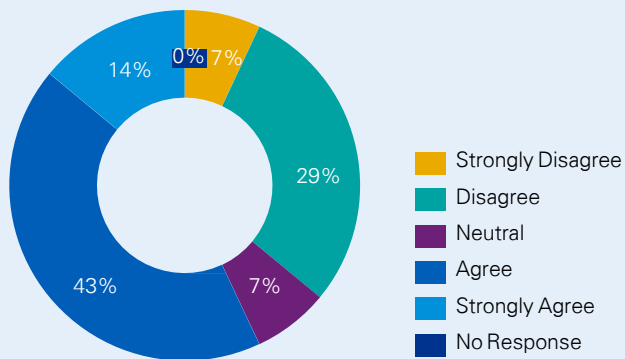
Demand-Supply vs. Value-Based Model

- ■ Total Average
- ■ Netherlands

Where do you expect your organisation to be in three years?

- Not applying agile
- Agile at core of IT
- Agile at selected functions
- Agile pilots
- Agile at scale
- Agile at enterprise

Do you have Agile coaching present on all levels in your organisation?

- Strongly Disagree
- Disagree
- Neutral
- Agree
- Strongly Agree
- No Response

Our employees are ready for an Agile way of working

- ■ Total average
- ■ Netherlands

The Netherlands

Compared to other countries, the Agile transformation within The Netherlands is already in a more advanced stage as depicted in the demand-supply vs. value-based graph. Organisations are no longer thinking on whether to adopt agility, rather they are considering how. Looking at the results, we observe that organisations in The Netherlands take measures to become successful in agility. Many firms have already adopted a value stream-model, and Agile coaching is present on all levels in Dutch organisations. Firms in The Netherlands have high ambitions too, with over 40% expecting to be Agile at enterprise in three years.
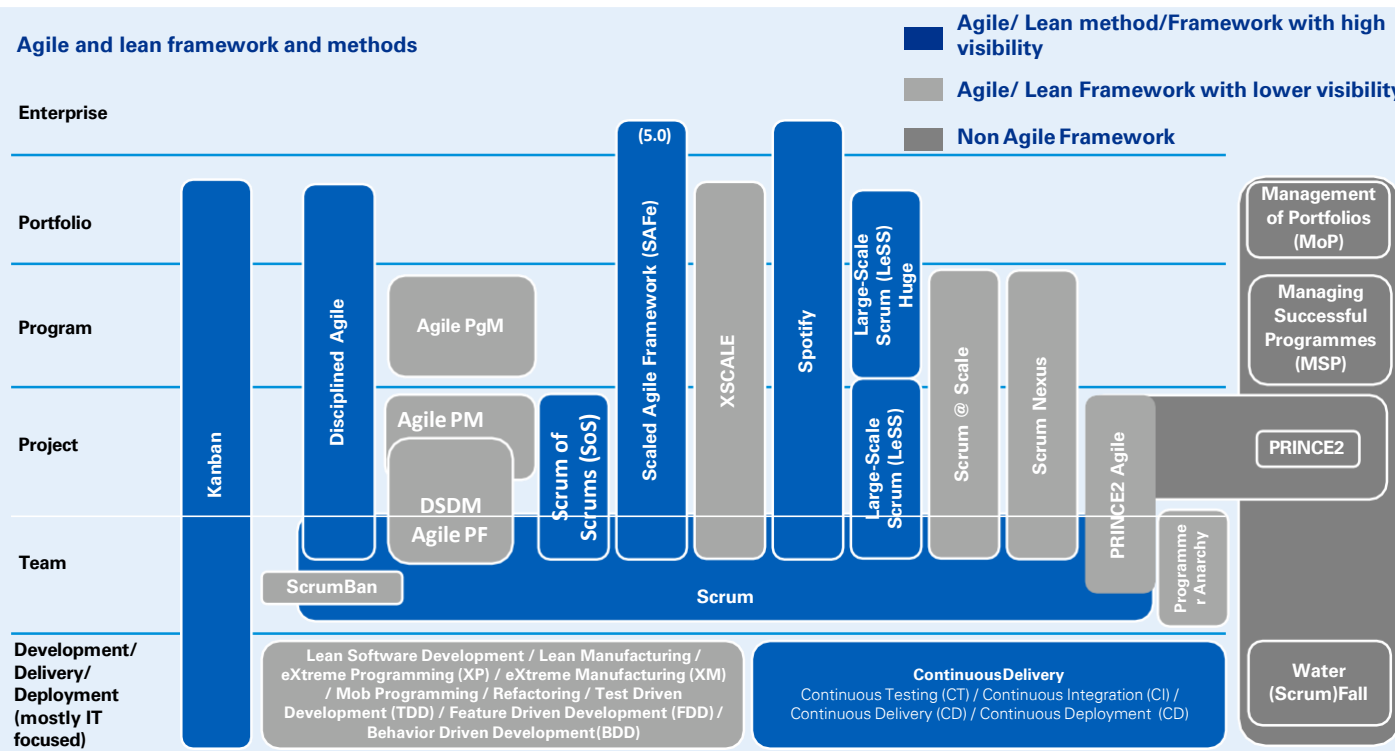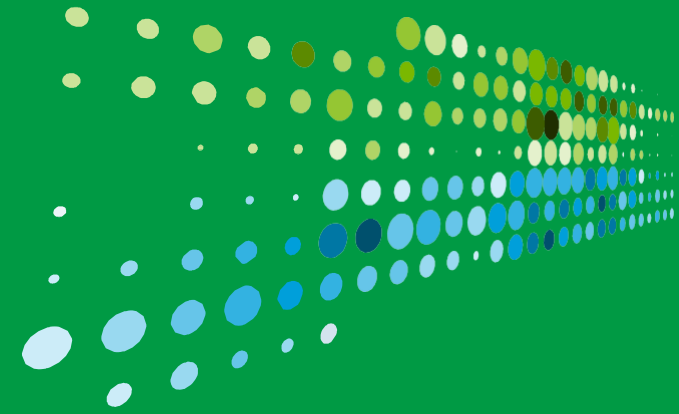
Front-runners in Coaching

Our survey shows that most Dutch employees are not yet ready to adopt the Agile way of working: only a minority thinks that their colleagues are ready. Fortunately, the majority of respondents from The Netherlands reported the presence of Agile coaches on all levels in their organisation. Educating employees on Agile and coaching them to become successful in an Agile environment is essential to any transformation.

Each approach has its own goals, scope and relations to standards

Agile and lean framework and methods

Legend:
- **Agile/ Lean method/Framework with high visibility**
- **Agile/ Lean Framework with lower visibility**
- **Non Agile Framework**

Rows (top to bottom): Enterprise, Portfolio, Program, Project, Team, Development/ Delivery/ Deployment (mostly IT focused)

Frameworks shown: Kanban, Disciplined Agile, Agile PgM, Agile PM, DSDM Agile PF, ScrumBan, Scrum of Scrums (SoS), Scaled Agile Framework (SAFe) (5.0), XSCALE, Spotify, Large-Scale Scrum (LeSS) Huge, Large-Scale Scrum (LeSS), Scrum @ Scale, Scrum Nexus, PRINCE2 Agile, Programmer Anarchy, Management of Portfolios (MoP), Managing Successful Programmes (MSP), PRINCE2, Water (Scrum)Fall, Scrum, Lean Software Development / Lean Manufacturing / eXtreme Programming (XP) / eXtreme Manufacturing (XM) / Mob Programming / Refactoring / Test Driven Development (TDD) / Feature Driven Development (FDD) / Behavior Driven Development(BDD), ContinuousDelivery: Continuous Testing (CT) / Continuous Integration (CI) / Continuous Delivery (CD) / Continuous Deployment (CD)

Figure 20: inspired by 'Agile PMG' by Miroslaw Dabrowski, 2015. Expanded based on KPMG insights and market analysis

Source: Inspired by Agile PMG by Miroslaw Dabrowski , 2015. Expanded based on KPMG insights and market analysis

Choose a framework, any framework or a combination of frameworks. In any case, make a clear choice and remain consistent

The transition to Agile requires a renewed look at the operating model of which various aspects were discussed in this survey. Various frameworks exist that can help in understanding how to organize for agility and scaling, and which roles and functions to create. In practice we see that various frameworks are in use and organizations frequently combine elements of methods and frameworks that best suit their organizations. Make a clear choice among frameworks and how they relate in order to prevent overlap. Also, avoid flooding the organization with new terms and ensure consistency of Agile terminology and concepts during the transformation.

Read More

KPMG/ Harvey Nash CIO Survey 2019

"Agile or Irrelevant" KPMG Global CEO Outlook 2019

"Agile Transformation of the (IT) Operating Model" Compact 2018/1

" The CIO Journey to Agility" Compact 2018/2

"Continuously improve your agility" Compact 2019/1

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