Organisations Scaling Agile in Denmark 2020

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Introduction

In 2019 the phrase '*I wonder who might apply which scaled agile framework in Denmark?*' started the first mapping of the extent and nature of scaling agile in Denmark. 2020 has been a widely unpredictable year, due to Covid-19 and the impact on business and working life as we knew it. The new *modus operandi* seems to be with reservations on many former rock-solid statements. And therefore, the rapid pivoting enabled by agile has gained increased awareness among C-level and decision makers in general.

Data has been collected over the summer 2020 using the same questions and data collection method as for the 2019 survey, to make the numbers comparable across 2019 and 2020.

I hope you find it worth reading.

And his paper would not have been possible without all the people delivering insights on their organisation and hints on other relevant organisations to include.

Thank you all!

Frameworks for Scaling Agile

There are basically three ways to scale an agile organisation:

- apply a well-defined framework for scaling agile

- define your own structure for scaling agile, -or
- form a hybrid of the two.

These frameworks for scaling agile: SAFe, Nexus, Scrum@Scale and LeSS are all well-defined to the extent of having a detailed descriptions, applied elsewhere in practise and have a formal learning/ certification path. But additional frameworks/ concepts are described and applied in and outside Denmark.[1]

Scrum@Scale (scrumatscale.com) and Nexus (scrum.org/resources/nexus-guide) are both further developments of the well-known agile framework Scrum (scrum.org), and are formed around repeating the structures of Scrum at multiple levels of the organisation. In other words, they are both based on the condition that the structure that works for teams, can work for teams of teams and all the way up to the portfolio level.

SAFe (scaledagileframework.com) starts with the organisation's portfolio level and Lean. One objective is to have a lean enterprise with a clear description of roles and responsibilities. SAFe is not directly linked to neither Scrum nor Kanban, as teams are free chose their structure although within boundaries, like iterations. However, SAFe is by many regarded as applying scrum or Kanban at the team level.

The starting point for LeSS (less.works) is to simplify the organisational complexity (descale), prior to scaling the organisation. Thereby the amount of complexity, internal constraints and dependencies has been reduced, leading to that the scaled setup also becomes less complex. LeSS also applies the structure of scrum a team level.

Further, a number of organisations has been inspired by the structure formerly applied at Spotify. That has not been described to the same extent as the above-mentioned frameworks, but a number of videos can be found e.g. on YouTube[2].

The hybrids – which are combinations of frameworks and/or own developed structures - often combine one structure for the team level with one or more structures for the portfolio level. In some cases, different structures are applied for different areas at the team level.

Data collection method

Data has been collected during summertime in 2020[3] via LinkedIn, mail, Statistics Denmark (The National Bureau of Statistics), public presentations, www, and other public sources.

The same questions have been asked to all organisations and these are:

1. Name of organisation:

2. Which variant of scaling framework (or hybrid) is used:

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[1] Spotify, DSDM, MVB, FAST etc.
[2] Two examples are https://www.youtube.com/watch?v=2FuYyX27GKk&ab_channel=greg81805 and https://www.youtube.com/watch?v=Ddpm4IObKeA
[3] Due to the outbreak of the Covid-19 pandemic and the Danish lock down, the data collection was delayed in order to improve the response rate and the validity of the responses given.

3. Size of the scaling, that is number of people, teams, trains, tribes, guilds that currently work in the scaled agile setup:

4. Any other information on your way of working that may be relevant for other organisations to learn about

All answers have been collected and data merged with data from other sources.

We reached out to more than 130 screened and selected organisations which, has given a fine overview of the diversity of the agile environments in Denmark. A number of the contacted organisations have actively chosen not to scale agile/ not to use an scaling agile framework, which is quite consistent with *Individuals and interactions over processes and tools* from the agile manifesto.

Number of organisations scaling agile in Denmark

We have identified 53 Danish organisations scaling agile. 30% (16) of the organisations scaling agile operate within the financial and insurance domain, followed by 17% (9) in the IT domain. Together, that shows that almost half (47%) of the organisations scaling agile are within the domains that agile entered first.

The numbers also show that a little more than half of the Danish organisations scaling agile is now in domains like production, healthcare, public organisations, energy, retail, media, service, transportation and tele. The numbers can be seen in Table 1 below.

Domain	Organisations (number)
Retail	1
Energy	4
Financial	8
Insurance	8
Healthcare	6
IT	9
Media	1
Public	4
Production	7
Service	1
Tele	2
Transportation	2
Total	*53*

Table 1: Number of organisations scaling agile in Denmark by domains

The geographical distribution of scaled agile organisations in Denmark

The organisations scaling agile in Denmark are often present on more than one location. For the assessment of the geographical distribution, each organisation is accounted for by the head quarter only. No other locations are taken into account.

Organisations scaling agile are to a very high degree located in the biggest cities in Denmark, with 70% (37) in the Capital Region, and of these a total of 21 are in the city centre, in Copenhagen Kommune.

The Central Jutland Region covering the second largest city in Denmark, accounts for 15% (8) of the organisations scaling agile. The Southern Denmark Region has 5 organisations while 3 have been identified in the Zealand Region. Again in 2020, no organisations scaling agile are located in the Northern Jutland Region, despite 6% of all organisations with more than 250 employees are located there. The distribution is illustrated in Figure 1 below.
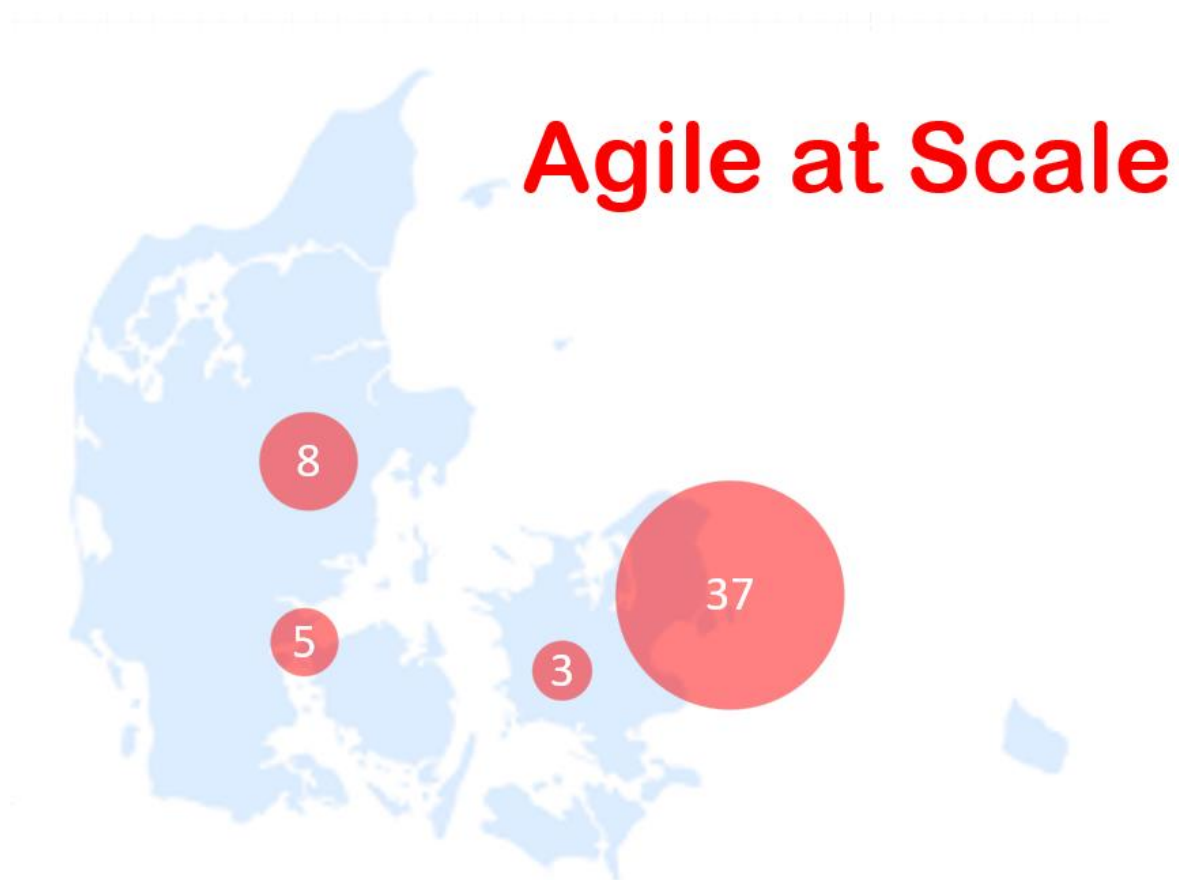

Figure 1: Geographical distribution of scaled agile organisations in Demark

The distribution across regions can be seen in Table 2 below. In addition, the number of organisations with 50-249 and 250+ employees have been added[4], so that the relative number of scaled agile organisations in each region may be compared. Not surprisingly, there are most medium sized (50-249 employees) and large (250+ employees) organisations in the Capital region by 38% and 51% respectively. However, Central Jutland and Southern Denmark regions each total up to 22%

[4] Number of organisations are for 2018, the most recent year available from Statistics Denmark. Numbers are not expected to have changed significantly since then.

respectively 21% of the medium sized organisations and 18% respective 17% of the larger organisations.

Despite that the Capital Regions has 51% percent of the larger organisations it still accounts for 70% of the scaled agile organisations in Denmark. The counterparts the Southern Denmark Region and Northern Jutland Region, account for 17% and 6% of the large organisations but has a relatively small portion of the scaled agile organisations with 9% and 0%.

The Central Jutland Region and Southern Denmark Region have approximately the same portion of companies across size. However, the Central Jutland Region has 60% higher number of scaled agile organisations, compared to Southern Denmark Region. The Zealand Region is quite close to the average in terms of fraction of organisations scaling agile.

Organisations (number)	50-249 employees	250 employees or more	Organisations with more than 50 employees	Scaling agile	Fraction % (50+ employees)	Fraction % (250+ employees)
Denmark total	3798	857	4655	53	1,1%	6,2%
Capital	1449	437	1886	37	2,0%	8,5%
Zealand	349	67	416	3	0,7%	4,5%
Southern Denmark	799	142	941	5	0,5%	3,5%
Central Jutland	828	158	986	8	0,8%	5,1%
Northern Jutland	373	53	426	0	0,0%	0,0%

Table 2: Number of organisations scaling agile in Denmark distributed on regions

Number of persons working in a scaling agile setup in Denmark

As more and more organisations chose to work agile or scaled agile, more and more people get involved in agile ways of working; either directly as part of an agile development team or as ScrumMaster, Product Owner or in any other role supporting the agile structure.

More agile certifications in frameworks as well as in specific roles emerge via the established frameworks, and this has further caused that the number of local people able to certify others is rising as well.

The number of persons that are part of an agile setup is computed via direct reporting (number of persons), in combination with number of scaled groups (e.g. teams or agile release trains) 'guestimated' to be 8 respective 80 persons, on average.

The total is at least 20,000 people in Denmark working in a scaled agile setup today. In addition, a substantial number of people work in agile (not scaled) teams, plus persons who currently do not but previously did work in a scaled agile setup. Hence, recruiting experienced scaled agile employees is possible, although recruiting *5+ years scaling agile* experienced people is still quite difficult.

Scaling agile frameworks applied in Denmark

In Denmark, all well-established frameworks for scaling agile are applied, either in the pure form, or in hybrids with other frameworks.

The most frequently used framework is SAFe by 57% (30 of 53), while 36% (19) use a hybrid of more than one framework and/or other elements (e.g. Lean Portfolio Management). Further, 2% apply each of Spotify, LeSS, Scrum@Scale and DSDM.

7 of 19 hybrids include some elements from SAFe, but also Nexus, Scrum@Scale, LeSS, Spotify-elements and MVB are included.

Figure 2 below, the show to which extent each scaled agile organisation use each scaling variant. As an example, 8% of the scaled organisations have included Scrum@Scale in their setup. Note, that the total number of scaling frameworks applied is 69 as some hybrids make use of more than one framework.
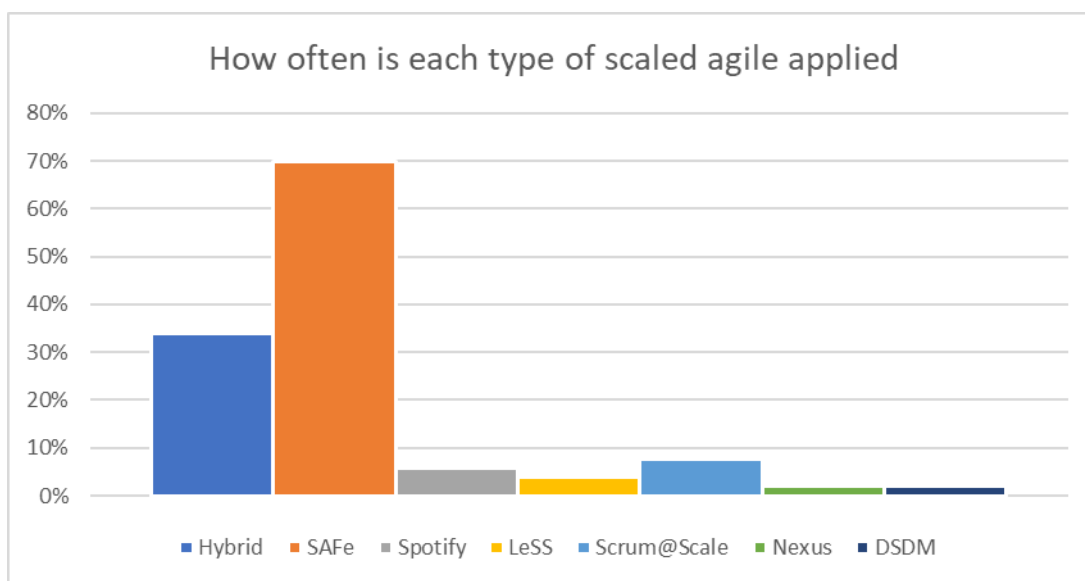

Figure 2 Distribution across types of scaled agile frameworks applied – across 'pure' implementations and hybrids

Further observations

Looking across how scaling agile is applied across Denmark, there is no single form that is the preferred. We have found curiosity and creativity in choosing, experimenting, and further developing the applied form across a large number of organisations.

Of the organisations new on the list we see a high degree of hybrids being implemented (70%), while the majority (65%) of the organisations in 2019 applied SAFe.

The chosen form for scaling agile is not impossible but complicated to adjust, and therefore naturally we also see a high stickiness to scaling variant from 2019 to 2020.

How (well, no longer if) the Covid-19 pandemic will change the collaboration inside each organisation, how the widespread use of remote and virtual working will affect the organisation of the work, is just too early to predict. But, it is now safe to say that the multi-location issue in larger organisations with development in different regions of the world was first escalated by remote working, but has turned out to reduce the noise from it, as this is now the new norm for most people.

Advice from the organisations scaling agile

Across the organisations scaling agile, a few general advises emerge. First, *only scale if you have to* in recognition of how complex scaling well is. For smaller/ medium size consider whether you need a scaling structure, or could do well with alignment, considering the cost of transformation and scaling.

Second, *descaling can be as hard as scaling.* Before adding a new structure on top of 'something' then a good starting point is to 'clean up the something' – in this context descale – before you scale.

And last, *successful scaling requires knowledge.* There are countless ways to add knowledge to a process, but the advice is to make sure you add sufficient knowledge either temporary, permanent or a combination, to support a smoother transformation. This could mitigate the fact that culture eats strategy for breakfast.

Scaled agile organisations in Denmark

Organisations are listed alphabetically in each category.

Hybrids
- Alka
- Alm. Brand
- Bankdata
- CBB Mobil
- Danske Bank
- Demant (William Demant)
- e-nettet
- FL Smith
- IBM Danmark ApS
- Lego Group
- Maersk
- NOVOZYMES A/S
- Planday
- Salling Group A/S
- Saxo Bank
- Siteimprove
- Universal Robots
- Velliv (Nordea Liv & pension)
- Widex

SAFe
- Arla
- ATP
- Bang & Olufsen A/S
- BEC (Bankernes EDB Central)
- DSB

- Energinet
- FDC
- GN Hearing
- Grundfos A/S
- HBK (Hottinger, Brüel & Kjær)
- Landbrugsstyrelsen
- Nordea
- NOVO NORDISK A/S
- Nykredit
- Oticon A/S
- PFA
- Seges P/S
- Siemens Gamesa Renewable Energy
- SimCorp A/S
- Sitecore
- Skandia
- SOS International
- Systematic A/S
- Temenos
- TOPDANMARK FORSIKRING A/S
- Tryg
- TV 2 DANMARK
- Udviklings- og Forenklingsstyrelsen
- Vestas Wind System A/S
- Ørsted

DSDM
- Københavns Kommune - Koncern IT

LeSS
- Scalepoint

'Spotify'
- Nuuday

Scrum@Scale
- WorldTicket A/S

What about the future

Can we, solely based on this, reason about the natural level for organisations scaling agile in Denmark? The brief answer is no, as the data is only a tiny corner of the information going into the Danish board rooms.

But looking at both 2019 and 2020 we can see that 38 organisations stayed with the same type of scaling agile, of these 26 stayed with SAFe. Among the organisations added to the list in 2020, 70% reported scaling agile by a hybrid structure.

But what is the natural level of organisations scaling agile in Denmark? Well, tricky to assess as board room evaluations leading to a scaling agile transformation are far from public. But the degree of scaling agile in Denmark varies across regions from Northern Region having zero scaling agile organisations to Capital Region with 8.5% organisations scaling agile.

Further, we do not believe that the full potential for organisations scaling agile in Capital Region has been realised. However, the unrealised potential here cannot readily be assessed.

Conclusion

Scaling agile is not a theoretical option, it is already happening in practise in Denmark. More than 50 organisations are currently operating this way.

There is no silver bullet for scaling agile that all organisations apply. Instead different frameworks and hybrids are being applied in different organisations.

The list is expected to grow further, just as organisations currently scaling agile is expected to pursue other/ more scaling frameworks in the future. It is positive that all established agile scaling frameworks are applied in Denmark, so that a 'Danish example' exist for each of them. Further, that the Danish organisations look beyond the established frameworks and thereby do put *Individuals and interactions over processes and tools* (agilemanifesto.org).

For an organisation who consider scaling agile, this paper may serve as a inspiration to where they might be able to harvest some experiences. Both in terms of a business domain, a geographical perspective as well as to which scaling agile frameworks to consider.

So, the questions seem now to be *who is the next organisation to embark on a scaling agile transition?*

Good luck with your agile journey!

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