

Organisations Scaling Agile in Denmark 2022

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Introduction

My interest in scaling agile started in 2014/15 after years of working in/ with agile teams, where cross-team collaboration became the norm over one-product-one-team relations. Understanding the frameworks is also knowing the concrete implementations of them, and that desire led to this series of papers on organisations scaling agile in Denmark starting in 2019.

We had not foreseen the worldwide events prompting for organisations rapid adaptability we had seen since 2020, but retrospect that provides an excellent reason for the relevance of being (or considering) agile ways of working at organisation or division level.

Knowing what I know not, and you are about to read, then it's fair to conclude that the Danish scene for organisations scaling agile has not converged on neither number, members nor preferred framework. In fact, it has moved in more directions since last year.

We collected data for the survey from September to mid November 2022, where the impact from energy crises were known and had started to materialise in new plans. We used the same questions and data collection method as for the 2019, 2020 and 2021 survey, to make the numbers comparable across the four years.

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

Being agile is being adaptable and being able to change when something changes, or when we want a different outcome compared to what we already have. Covid-19 and the current economic situation with scarcity on energy and high inflation are great examples of ‘something changed’. The lowered profit margin following the inflation rates are an example of ‘we want a different outcome’ so that we can remain in operation.

Scaling agile is to have the adaptability at larger levels, eg organisational level (or division level) which may materialise as accelerate/decelerate on a product area beyond the team(s) usually engaged with it, or by being able to engage with obstacles in a new way and/or new speed. In some cases, scaling agile is not about doing stuff faster. *It’s about being able to deliver stuff at all.*

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.

A relevant step both before and during agile scaling is the seemingly simple alternative to descale rather than (or before) scaling. And seemingly simple as the complex organisations are where they are today, because of the steps made earlier. Had it been easy to descale, this most likely would have been done earlier, given the cost-reduction often involved.

The four major and well-defined frameworks for scaling agile are SAFe, Nexus, Scrum@Scale and LeSS. They are all well-defined with 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](https://scrumatscale.com) (scrumatscale.com) and [Nexus](https://scrum.org/resources/nexus-guide) (scrum.org/resources/nexus-guide) are both further developments of the well-known agile framework [Scrum](https://scrum.org) (scrum.org), and are formed around repeating the structures of Scrum at multiple levels of the organisation. Scrum@Scale has been developed by Jeff Sutherland (one of the two co-founders of Scrum) while Nexus was co-created by Ken Schwaber (the other of the two co-founders of Scrum). Effectively, they are both based on the condition that the structure that works for single teams, can work for teams of teams (2 levels), 3 levels and even all the way up to the portfolio level, although there are clear differences in how they seeks to mitigate the higher levels.

[SAFe](https://scaledagileframework.com) (scaledagileframework.com) was the first of the scaling agile framework to be well-described and learning/ certifications programs. SAFe has a very clear focus on the organisation’s overall level (solutions and release trains) and how overall priorities descends to manageable chunks at team level. SAFe is inspired by Lean Portfolio Management, where 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 own operating structure although within

¹ Spotify, DSDM, MVB, FAST, Crystal etc.

boundaries (fixed iterations and teams within the larger cadence). However, SAFe is by many regarded as applying scrum or Kanban at the team level.

[LeSS](#) (less.works) is the framework which put most emphasis on the complexity induced by bringing larger number of peoples together to work on the same thing. And therefore, LeSS is most insisting on *simplifying* rather than *adding to* an organisation. ‘LeSS is more’ or simplify the organisational complexity (descale), prior to scaling the organisation. Only when the amount of complexity, internal constraints and dependencies have been reduced, scaling should be added. LeSS also included scrum in the foundation.

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 YouTube².

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 divisions at the (team of) team level. The common denominator for these is that they are built around the people, the product and the business situation they operate in. Therefore, none of these are identical nor can be directly transferred across organisations, although they generally share patterns.

Data collection method

Data has been collected during fall in 2022 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:
3. Size of the scaling, i.e. 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

We have collected all answers and merged the data with data from other sources.

We reached out to far more than 100 screened and selected organisations which, has given a fine overview of the diversity of the agile environment in Denmark. Few of these organisations have actively chosen to not be listed for 2022 due to various reasons. We hope to see them reappearing on the list for 2023.

A number of the contacted organisations have actively chosen not to scale agile/ not to use a scaling agile framework, or even descale prior to scaling, which is quite consistent with *Individuals and interactions over processes and tools* from the agile manifesto.

² Two examples are https://www.youtube.com/watch?v=2FuYyX27GKk&ab_channel=greg81805 and <https://www.youtube.com/watch?v=Ddpm4lObKeA>

Number of organisations scaling agile in Denmark

We have identified 52 Danish organisations scaling agile represented in this overview³. Of these 12 were not on the list for 2021.

Drilling down into the numbers, we see that if we combine the 29% (15) of the organisations scaling agile who operate within the financial and insurance domain, with the 17% (9) organisations in the IT domain, we find that almost half of the organisations scaling agile are among the early adopting areas.

15% of the organisations scaling agile are in the Production domain, every 9th (12%, 6) is from the Healthcare domain, which is not regarded as one of the an early adopting areas. The public sector counts for every 10th organisation scaling agile, which internationally seems to be quite high. In Denmark we see a drive in the public sector towards new ways of working which includes scaling agile. The remaining 17% are combined of Energy (4), Retail (3), Tele/media (1) and Transportation (1). The numbers can be seen in Table 1 below.

Domain	Organisations (number)
Retail	3
Energy	4
Financial	8
Insurance	7
Healthcare	6
IT	9
Tele/Media	1
Public sector	5
Production	8
Transportation	1
Total	52

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

The geographical distribution of organisations scaling agile in Denmark

A natural question to raise is where all the scaling agile organisations are located; are they clustered or spread out across the country similar to the distribution of the larger organisations? So, let's dig further into the data and learn how the employees with this skill set are spread across Denmark. In order to scale agile, your organisation is most likely larger than 100 employees and often counted in thousands. Some of these organisations are placed in on more than one location in Denmark, but for the overview here, we count organisations only by the headquarters address.

The last years we have seen that the organisations scaling agile are centred around the larger cities in Denmark. 2022 is no exception; in fact, the concentration this year is even stronger, with 69% in the Capital Region and 17% in the Central Jutland region. In fact, more than half (54%) of the

³ Further, we know of more than a handful organisations scaling agile, who are not represented here.

organisations scaling agile are in central Copenhagen (excluding suburbs) and Aarhus (Denmark's second largest city)⁴.

Every 9th organisation scaling agile is now in Southern Denmark Region, while the Zealand Region is now only represented by one organisation.

Another replicated finding from the previous years, is that no organisation scaling agile has been identified in the Northern Jutland Region, although the Northern Region is home for 6% of the organisations with 250+ employees in Denmark. The distribution is illustrated in Figure 1 below.

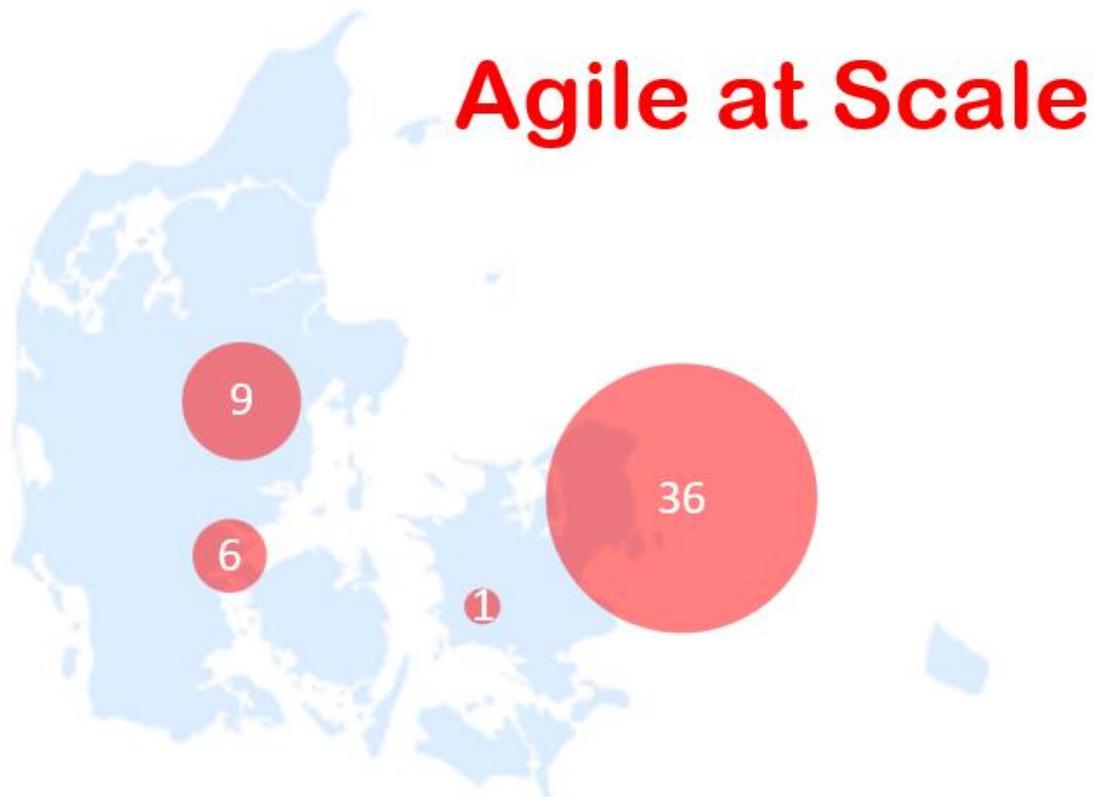


Figure 1: Geographical distribution of organisations scaling agile in Denmark

In Table 2 below you can see the distribution of organisations scaling agile across regions, combined with the number of organisations with 50-249 and 250+ employees have been added⁵, whereby the relative number of scaled agile organisations in each region may be compared. As anticipated, there are most medium sized (50-249 employees) and large (250+ employees) organisations in the Capital region by 37% (1432) and 52% (443) respectively. Central Jutland and Southern Denmark regions each total up to 23% respectively 20% of the medium sized organisations and 18% respective 17% of the larger organisations.

Despite that the Capital Regions 'only' has half (52%) of the larger organisations it still accounts for more than 2/3 (69%) of all the scaling agile organisations in Denmark. At the opposite end of the

⁴ Copenhagen, Frederiksberg and Aarhus commune combined.

⁵ Number of organisations are for 2020, the most recent year available from Statistics Denmark. We do not expect numbers to have changed significantly since then.

scale is the Northern Jutland Region accounting for 6% of the larger organisations but with the first organisation scaling agile yet to be identified. All the numbers can be found in Table 2 below.

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	3825	850	4675	52	1,1%	6,1%
Capital	1432	443	1875	36	1,9%	8,1%
Zealand	364	65	429	1	0,2%	1,5%
Southern Denmark	771	141	912	6	0,7%	4,3%
Central Jutland	880	153	1033	9	0,9%	5,9%
Northern Jutland	378	48	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

Along with the organisations scaling agile, we have the employees already experiencing the new ways of working, by being part of an organisation scaling agile. Being in an area with other scaling agile organisations open for meeting with likeminded and getting to learn from others who were in your situation months or years before you.

This leads us to where we can dig further into the data and learn how the employees with this skill set are spread across Denmark.

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, agile release trains or similar unit) 'guestimated' to be 8 respective 80 persons, on average.

We have calculated the total number of people currently working in a scaling agile organisation in Denmark as at least 26,000 people, for the 52 organisations on the list. However, the total number of people in Denmark who is currently, or has earlier, worked in a scaling agile organisation, is significantly higher. This is partly due to people who previously but not currently, are employed in a scaling agile organisation⁶.

Just over half of the employees are found in the 15 organisations in the financial/ insurance domain.

Scaling agile frameworks applied in Denmark

Across the 52 Danish organisations scaling agile, we have found use of three of the four official frameworks, one widely known method for scaling agile plus local scaling paradigms are used. Previously we have seen all four scaling agile frameworks applied in Denmark.

The most frequently used framework by organisations (in its entirety or partly) is SAFe by 67% (35 of 52), while 40% (21) use a hybrid of more than one framework and/or other elements.

⁶ In addition, there are a few organisations we know scale agile, but have not been able to deliver information this year.

Among the 52 organisations, more than half (56%) has constructed their own ways of working, either as a hybrid of scaling frameworks or framework plus own model (40%), or by forming their own model (15%).

SAFe continues to be the most applied framework in terms of number of organisations fully or partly using SAFe (67%) however, the tailor-made models are closing in (56%). Among the organisations only applying one established framework, SAFe completely dominates with 22. LeSS and Nexus are only applied as part of a hybrid, while use of Scrum@Scale has not been identified this year.

In general, we have seen a far greater appetite to challenge the established frameworks for fitness with each organisation, and subsequently seeking their own model. Figure 2 below, the show to which extent each scaled agile organisation use each scaling variant. As an example, 40% of the scaling agile organisations have applied a hybrid approach, while 15% build their own model (not identified as a combination of other frameworks).

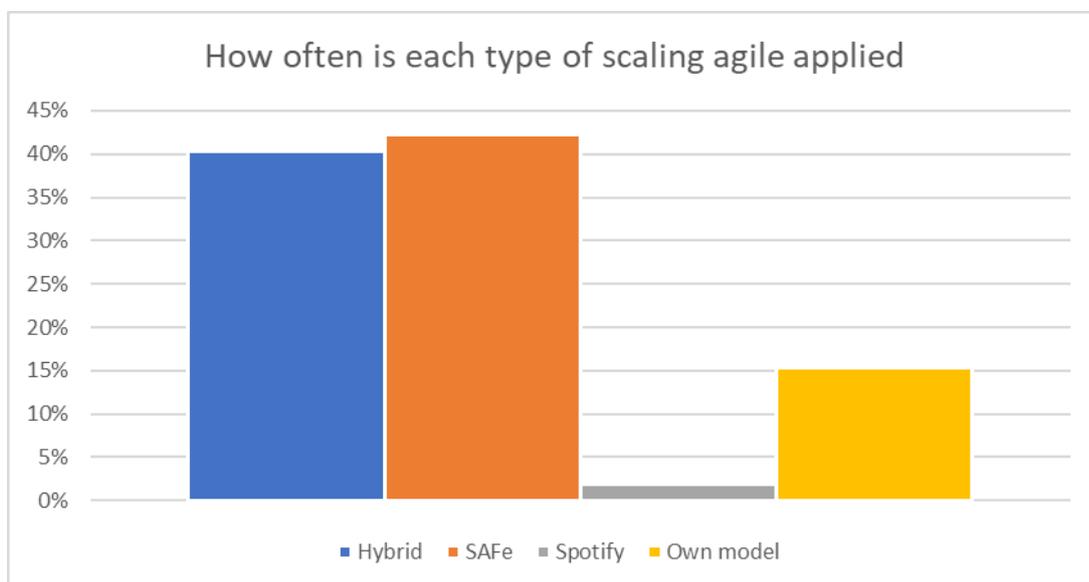


Figure 2 Distribution across types of scaled agile frameworks applied – across ‘pure’ implementations and hybrids

Further observations

Most commonly we see scaling agile applied within the fintech/ it domains, but this year’s survey clearly shows that scaling agile has moved beyond those areas in Denmark, eg with 10% represented by the public sector.

If we focus more on the the scaling model, then SAFe is dominating the market for scaling with a well-defined framework, most likely as this is only framework with a clear and recipe-like plan for how to adopt the scaling framework, while the other 3 scaling agile frameworks is subject to find-some-people-who-know and await their plan. In other words, if you are new to scaling agile (and perhaps even to agile) then the clear plan might be the conclusive point, and less the focus on what you want to achieve by scaling agile (or even by adopting agile).

What we also see is that organisations who implemented SAFe, seek also to continuously improve and in that, migrate from a full SAFe to a partly SAFe or even a hybrid-with-SAFE. Here it is important to stress, that there are no universally right or wrong model for scaling agile; any model that works

for an organisation (with their product, market situation, employees etc) is *their* right model. And if they decide to adjust or experiment with other elements, then that is *their right choice*.

The organisations who applied their own model, are more diverse in the scaling model they construct, eg. heavily inspired by Kanban, optimised around the lifecycle of the product development and optimised around the capitalisation of the value from end-to-end, to name a few.

Advice from the organisations scaling agile

When we ask someone for advice, we acknowledge that they may have been in a situation we would like to avoid, if possible; or that they have experienced an advantage that we would like to benefit from.

This year's advice are no exception; and summarised they come in three groups. The first is that scaling an organisation is really complex, so if there is anywhere you can **descale**, then start there, before you scale the agile ways of working. Anything that can make your organisation simpler, can make your transformation simpler.

The second advise is actually a double, in that you should have high attention on the required change, the **change of the culture**. And for that you may strongly benefit from **adding strong knowledge** and experience in nurturing the change, eg an enterprise/ agile coach, who can emphasize the needed organisational changes at all levels.

Last but not least, the organisation defined by teams and employees, should be granted the **mandate to experiment** to find the better ways of working for them, given their current product, market situation and the people involved. The individuals have the knowledge on the challenge and can improve on it without delay.

Organisations scaling agile in Denmark

We have listed the organisations alphabetically in each category below⁷.

Hybrids

- Aleta
- Bankdata
- CBB Mobil
- Danfoss Drives
- DXC Technology
- Erhvervsstyrelsen
- Grundfos
- IBM Denmark
- LB Forsikring
- Nemlig.com
- Nordea
- NOVOZYMES A/S
- PFA

⁷ Counting the organisations will result in 51. One additional organisation is part of the data but remains anonymous.

- Salling Group IT
- Sampension
- Schneider Electric
- Sitecore
- Systematic A/S
- Udviklings- og Forenklingsstyrelsen
- Vestas

Own model

- Danske Bank
- e-nettet
- Forca
- Lego Koncernen
- Saxo Bank
- SGRE
- Velliv
- Velux

SAFe

- Aety
- Arbejdstilsynet
- Arla
- Autorola
- BEC Financial Technologies
- CIMT (Center for It, Medico og Telefoni)
- Demant
- DSB
- Energinet
- GN Hearing
- Hottinger, Bruel & Kjær
- Jabra
- JYSK
- Landbrugsstyrelsen
- Nets
- Ørsted
- Planday
- Santander consumer Bank
- Seges Innovation
- Shure
- Sundhedsplatformen⁸
- Tryg Forsikring

'Spotify'

- If Forsikring

⁸ Shared organisation for Capital Region and Region Zealand

What about the future

Where does the bring Denmark in the future? Well, good question! So far, we have seen new organisations added to the list every year, plus we have no reason to believe the full impact of the covid-19 and energy crisis has emerged, wherefore there is no reason to believe this has levelled yet. Do we know what the level should be? No, we don't *know*.

But can we make a forecast? Well yes. A simple forecast is to assume organisations in all regions scale agile to the same extend as the Capital Region. Then there would be 90 (+70%) organisations scaling agile in Denmark, in total employing 45,000+ people in a scaling agile setup.

Currently, there is no reason to anticipate that the full level of organisations scaling agile has been reached in the Capital Region, wherefore there is also reason to anticipate an even larger level for Denmark as a whole. However, the unrealised potential here cannot be guestimated.

Conclusion

In 2022 we have seen that scaling agile has evolved on at least two parameters; namely the further spread across business domains, where public sector and production organisations a representing one quarter of the scaling agile organisations. In the early days of scaling agile, this was something almost exclusive to the financial/ fintech, and later the IT organisations. As we see scaling agile move into more sectors, we also see the potential for the nationwide application of scaling agile increase, as the business domains are not equally spread across the country.

The second strong point in 2022 is that the drive to experiment with 'what is best for our organisation' has increased, which is clearly shown in the increased use of own models and hybrid models. We strongly hope this trend continues as the goal in any organisation should be to achieve their goals and milestones *with* scaling agile rather than achieve the goal *of* scaling agile.

We hope to see most if not all, of the organisations on the list for 2023 – plus a range of new organisations who are currently is the process of making a go for scaling agile. We hope that you may find inspiration among those already on the list not only within their domain but also within their geographical region. And we will do our part in spreading the word that scaling agile is not a one-size-fits-all approach. There is plenty of room to fit your organisational DNA. With these words, the only thing left is to wish you all

Good luck with your agile journey!

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