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Scaling or growing agile? Proposing a manifesto for agile organization development

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Abstract

In the face of today's world of uncertainty, many organizations aim for more flexible and less hierarchical forms of organizing. Relatedly, management scholars and consultants have increasingly taken stock of the agile concept, advocating a *scaling* of agile teams and their maverick practices to the organizational level. Considering four common challenges with organization-level agile in practice, we outline an alternative trajectory for agile in the context of organization design. This alternative trajectory builds on the notion of *growing* (rather than *scaling*) agile and is rooted in the Manifesto for Agile *Software* Development as the philosophical anchor of the agile movement. In this paper, we describe the journey of a Swedish software company along which we highlight the discrepancies in assumptions about uncertainty and people between manifesto agile and large-scale agile. Based on our case analysis, we propose a Manifesto for Agile *Organization* Development with four associated values, bringing the original Agile Manifesto and its mindset of trusting people to solve problems together locally to the organizational level. We further articulate five principles for agile organization development and illustrate through our case how bringing them to life can help address the common challenges of organization-level agile. Rather than a blueprint, our manifesto, and its associated values and principles are intended as an alternative basis for developing and discussing what manifesto agile means at an organizational level and how it can be turned into practice(s) in local contexts.

Keywords Organization design · New form of organizing · Agile · Scaling · Growth

Introduction

Today's world of uncertainty calls for new forms of organizing which are more flexible (Lewin et al. 1999; Schreyögg and Sydow 2010) and less hierarchical (Lee and Edmondson 2017; Billinger and Workiewicz 2019; Baumann and Wu 2022). It asks us to think and act differently about how we design our organizations. In that light, practitioners have recently turned to the notion of *agile* to inspire a new form of organizing (Doz and Kosonen 2008; Weber and Tarba 2014; Rigby et al. 2016; Girod et al. 2023).

The broad popularity of agile can be traced back to the Manifesto for Agile Software Development (Beck et al. 2001; Madsen 2020), which triggered the spread of more human-centered and pragmatic methods and practices for software development (Boehm and Turner 2005). Based

on the success of self-organizing software teams and their maverick practices, organizations across industries have increasingly attempted to *scale up* agile from the team to the organizational level (Rigby et al. 2016; Dingsøyr et al. 2018). However, practitioners and scholars quickly noted challenges associated with organization-level agile, and many (aspiring) agile organizations are failing to provide the flexibility, or agility, they are designed for (Rigby et al. 2020). In this paper, we advance values and principles for an alternative approach to organization-level agile—one which aims for *growing* (rather than *scaling*) agile. Being firmly grounded in the mindset and assumptions of the Agile Manifesto, this alternative *growing* agile approach, as we argue, holds potential for more successfully translating the success of agile software teams to an organizational level while circumventing—or at least approaching differently—challenges associated with a *scaling* agile approach.

The challenges large-scale agile organizations commonly face can be grouped into four categories: inter-team coordination; clash of culture and structures; knowledge and training; and architectural and task complexity (Dingsøyr

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and Moe 2014; Dikert et al. 2016; Rigby et al. 2016, 2018; Dingsøy et al. 2018; Kalenda et al. 2018; Beretta and Smith 2023). First, coordination between agile teams poses the most frequently mentioned and perhaps most fundamental challenge to large-scale agile organizations. Agile, as described in the Agile Manifesto, inherently focuses on team-level performance. Insufficient coordination and alignment between teams often hamper the success of many agile organizations as important tasks remain unhandled and important interfaces remain unintegrated (Dingsøy and Moe 2014; Dikert et al. 2016; Rigby et al. 2016; Dingsøy et al. 2018; Beretta and Smith 2023).

Second, when implemented in large organizations, agile often collides with the established culture and structures. As we will detail later, agile is different in mindset and assumptions from traditional hierarchical organizing approaches. Accordingly, organization-level agile implies stark changes in organizational culture and structures. Employees—especially those without a software development background—often remain attached to the “old way” and resist the required change toward more agile ways of working (Dikert et al. 2016; Kalenda et al. 2018). Further, the agile mindset may not fit all departments and teams (Rigby et al. 2018). In settings where not all departments and teams work agile, agile teams frequently run into conflicts with non-agile teams and the wider, hierarchical organization structures (Dikert et al. 2016; Kalenda et al. 2018; Rigby et al. 2018). For instance, agile teams do not mesh well with traditional annual budgeting cycles or hierarchical career ladders (Rigby et al. 2018).

Third, large-scale agile organizations commonly struggle with knowledge and training about agile. Often, employees do not understand the basic principles and concepts of agile, or their interpretations of principles and concepts may diverge (Dikert et al. 2016; Beretta and Smith 2023). Scholars largely attribute this to insufficient training (Dikert et al. 2016; Kalenda et al. 2018) and a lack of knowledge and information sharing (Kalenda et al. 2018; Beretta and Smith 2023). Beyond that, agile as expressed in the Agile Manifesto does not seem to be textbook-teachable—no concrete framework or list of dos and don'ts can be distilled from it (Rigby et al. 2016; Beretta and Smith 2023).

Finally, problems associated with architectural and task complexity can arise. Agile organizations can comprise hundreds of teams, each working on separate tasks which are complex to solve and even more complex to successfully integrate into large products and systems. Accordingly, it is difficult (if not impossible) to effectively design related product and system architectures (Kalenda et al. 2018) as well as interfaces between teams and organizational units (Rigby et al. 2018). Symptoms of ineffective design are common on both the technical side (issues with requirements engineering, quality assurance, and technical debt) and the human side (issues with high workloads, increased pressure,

and unclear responsibilities) (Dikert et al. 2016; Kalenda et al. 2018).

Responding to these challenges, management scholars and consultants have established *organizational agility* as a distinct cognitive capability (Weber and Tarba 2014; Teece et al. 2016; Rigby et al. 2020) and proposed frameworks to guide agile scaling efforts, the most popular one probably being the Scaled Agile Framework (SAFe) (Alqudah and Razali 2016; Dikert et al. 2016). However, with the business world taking increasing stock of agile as a management concept, the term seems to be on a trajectory toward increasing emptiness and faddishness (Madsen 2020). More specifically, the ability of generic frameworks to effectively scale agile has been put into question. For instance, SAFe has been argued to be both complex to understand and difficult to implement (Kalenda et al. 2018; Conboy and Carroll 2019). Also, scholars as well as practitioners have put forward that SAFe promotes the implementation of traditional structures, processes, and tools common to bureaucratic and hierarchical organizations (Conboy and Carroll 2019; Moe et al. 2021; Beretta and Smith 2023), thereby opposing the values and principles of the Agile Manifesto and interfering with agile teams and their (maverick) practices (Jeffries 2018). SAFe has also been criticized for being too rigid and one-size-fits-all, leading to employee resistance (Conboy and Carroll 2019).

More fundamentally, the assumptions inherent in the notion of *scaling* might be problematic (see also Pfothhauer et al. 2022) in the context of agile, as originally defined in the Agile Manifesto. As per the Cambridge Dictionary, the etymology of *scaling* implies a focus on pre-defined and fixed structural dimensions, quite contrary to what the Agile Manifesto implies. The term *scale* puts emphasis on measuring the size or quantities of an entity. *Scaling up*, in turn, means “to increase something in size, amount, or production”. When something is *scalable*, it implies that this something is possible “to be made larger in size” (Cambridge Dictionary 2023a).

In this paper, we challenge the notion of *scaling* agile, instead proposing the alternative notion of *growing* agile. In contrast to *scale*, which implies a focus on an increase in size along structural dimensions, the broader term *growth* refers to “the process of developing *or* of increasing in size” (Cambridge Dictionary, emphasis added 2023b). While today the term is often used to refer to economic growth in management contexts, the term's original meaning in reference to plants, and later applied to human beings (Online Etymology Dictionary 2023), is also widespread in everyday language, connoting the organic and relational nature of development, more in line with the original values of the Agile Manifesto. *Growing* agile—unlike *scaling* agile—thus emphasizes the necessity of *development*, departing from human experience (Dewey 1938) and reaching outside the already known

and fixed structural dimensions. Following the Agile Manifesto, it is the people within the organization, their values and principles that are the most crucial to such development (Highsmith 2001).

Aiming to inform how the maverick practices of agile teams can be successfully *grown* at an organizational level, we suggest returning to the Agile Manifesto as the philosophical anchor of the agile movement. The Agile Manifesto and its underlying values and principles are inherently designed for a world of uncertainty—albeit in the context of software development projects. We argue that these values and principles got lost in the *scaling* of agile from the team to the organizational level.

In the remainder of this paper, we first outline the differences in assumptions and implications between *manifesto agile* and *large-scale agile* along the empirical case of Zenseact, a medium-sized software company. Based on our analysis of the Zenseact case and informed by the original Manifesto for Agile *Software* Development, we propose a Manifesto for Agile *Organization* Development and a related set of agile organization development principles as a potential anchor for the growth and development of agile and related maverick practices. We sketch an alternative trajectory for organization-level agile, one which builds on the notion of *growing* rather than *scaling*. We then discuss the implications of the agile values and principles we put forward for the design and development of agile organizations before concluding our paper.

From manifesto to large-scale agile: the case of Zenseact

Zenseact is a medium-sized Swedish company developing a software platform for autonomous vehicles. Zenseact was originally formed as a joint venture between automotive manufacturer Volvo Cars and safety provider Autoliv in April 2017,¹ starting off with around 400 employees. After growing to a headcount of over 800 in less than three years, the joint venture was split in July 2020, with most employees and assets staying at Zenseact as a now wholly owned subsidiary of Volvo Cars. Since then, Zenseact's headcount fluctuates between 500 and 600.

As a research team, we have followed Zenseact's journey continuously since its foundation in 2017.² From an organization design perspective, Zenseact was *born agile*, designed

¹ The mentioned joint venture was called Zenuity and constituted a different legal entity than what is now Zenseact. However, given the strong continuance in its asset and employee base, we refer to Zenseact as a continued legal entity.

² Our empirical research at Zenseact is an ongoing longitudinal case study. So far, we have conducted more than 130 interviews and more than 30 h of observation.

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

- **Individuals and interactions** over processes and tools
- **Working software** over comprehensive documentation
- **Customer collaboration** over contract negotiation
- **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.

Fig. 1 Manifesto for Agile Software Development (Beck et al. 2001)

to be a fully agile organization across all its dimensions from day one of its existence in 2017. The Agile Manifesto served as a key reference point for Zenseact's original organization design.

Manifesto agile at Zenseact

The Agile Manifesto (see Fig. 1) can be seen as the formalization of the emerging agile movement within software development. The manifesto was formulated as a group of 17 practitioners and consultants, calling themselves the Agile Alliance, got together to discuss and agree on “better ways” of developing software compared to the traditional waterfall approach (Beck et al. 2001). Better ways were needed as the waterfall approach did not seem fit for a world of uncertainty. Concretely, the manifesto promotes valuing people and their interactions, continuous prototyping, and responsiveness to change over processes, tools, heavy documentation, and detailed plans.

This value statement is then further developed into twelve principles. These principles emphasize the importance of welcoming changing requirements throughout the process to “harness change”, and trust in people to enable the self-organizing teams relying on intense “face-to-face” collaboration (see also Fig. 3 in “Appendix”).

Overall, the two main assumptions inherent in *manifesto agile*³ are that: (i) uncertainty and change are inevitable and should be embraced rather than avoided; and that (ii) people can be trusted to self-organize and find their own local

³ *Manifesto agile* is an expression coined by Jeffries (2018), one of the initiators of the Agile Manifesto, which he used to refer to the “ideas” (values and principles) inherent in the Agile Manifesto and contrast them against those inherent in SAFe and other large-scale agile frameworks. We use it here to outline the same contrast.

solutions to emerging problems (Highsmith 2001; Boehm and Turner 2005; Nerur and Balijepally 2007). At its core, agile is about the “mushy” stuff of values and culture. It is about developing an environment “that does more than talk about ‘people as our most important ‘asset’ but actually ‘acts’ as if people were the most important” (Highsmith 2001).

The assumptions, values, and principles of *manifesto agile* were widely reflected in Zenseact’s original organization design. Zenseact’s initial CEO regarded change and uncertainty as fundamental operating principles in the emerging autonomous driving industry and trusted people to be “smarter than I am”. Accordingly, the organization was set up to avoid any hierarchical structures and levels beyond a small executive leadership group. Employees were grouped into small self-organizing teams as the nucleus of organizational decision-making.

Rather than using a traditional organization chart, Zenseact’s organization design was internally represented with a maverick tool called the “Zeniverse”. In this customized software tool, employees and teams were displayed as free-floating particles in the metaphorical Zenseact universe rather than constituting fixed blocks in a pyramid. From the beginning, mirroring the ethos of the Agile Manifesto, Zenseact departed from the motto “people at heart”, reflected in company values such as trust, inclusion, collaboration, engagement, and courage to innovate and push boundaries. “People at heart” remains a strong motto, which employees continue referring to in their everyday work.

Toward large-scale agile: implementing SAFe

While its motto and values were frequently brought up in day-to-day organizational discussions at Zenseact, how employees and teams could bring them to life often remained unclear. The Agile Manifesto resonated well with those values yet provided little actionable guidance beyond the level of individual teams. Following an initial phase of excitement about the new organization and its new ways of working, employees started noting difficulties—particularly when facing issues that expanded beyond the scope of a single team.

Though difficulties of inter-team coordination are to be expected for agile organizations of a certain size (Dikert et al. 2016; Kalenda et al. 2018; Rigby et al. 2018; Conboy and Carroll 2019), Zenseact’s context and approach further amplified them. Teams at Zenseact initially had the freedom to choose their own agile methodologies and practices, their own operating systems, their own programming languages. In the name of team autonomy, training needs and actions were largely left to the teams to decide—although many employees had never worked nor been trained in an agile way before. All that in an organization aiming to develop something the world has not seen yet—software which

enables cars to drive fully autonomously. How could you possibly coordinate and integrate the work of these teams effectively?

In search for guidance, Zenseact over time drew increasing inspiration from the large-scale agile discourse. Popular concepts like *end-to-end responsibility*, *alignment* between teams, or a *team of teams* logic were increasingly discussed and applied within the company. This development was formalized through an organization-wide introduction of SAFe in March 2021.

Although partially claiming otherwise, SAFe remains married to a traditional management logic (see e.g., Scaled Agile Inc. 2023a), thereby opposing the assumptions inherent in the Agile Manifesto. According to SAFe, uncertainty and change are to be expected but can and should be “reduced” through careful planning and management (Scaled Agile Inc. 2023b, 2023c). Furthermore, SAFe regards clear structures and “alignment”, implemented from the top-down, as necessary to steer people’s behavior in a common and desirable direction (Scaled Agile Inc. 2023a). The emphasis on alignment as a countering pole to Zenseact’s initial emphasis on the autonomy of individuals and teams represents a common narrative of the large-scale agile community (Rigby et al. 2016; Kalenda et al. 2018; Olsson and Bosch 2018; Stray et al. 2018; Khanagha et al. 2022). On its website, the provider of SAFe lists “alignment” as one of its core “values”. The meaning of alignment is further detailed as follows: “Like cars out of alignment, misaligned companies can develop serious problems. They are hard to steer and don’t respond well to changes in direction. [...] The solution is to provide clear, consistent alignment from the top of the enterprise through every level of SAFe, all the way to each individual contributor” (Scaled Agile Inc. 2023a). As illustrated by the metaphor of a car to be steered “from the top”, large-scale agile frameworks like SAFe promote a traditional structural, hierarchical approach to organization design—again, in contrast to the Agile Manifesto and its strong emphasis on the local agency of self-organizing teams.

Largely following the recommendations of SAFe, Zenseact since its 2021 re-organization has accordingly increased the emphasis on top-down *alignment* and control, for instance through the establishment of a program increment (PI) planning routine and a *Solution team*. More traditional roles and hierarchical structures—in accordance with the logic of Agile Release Trains (ARTs)—have been introduced, and conformity with industry and quality standards as well as work procedures is increasingly being pushed for. Overall, Zenseact aims for enhanced speed and efficiency in its operations through SAFe and its more rigorous, planning-driven approach to organization design.

While SAFe promotes the need for top-down structures and plans to effectively steer the organization, it does little

to emphasize the cultural dimension of people working together in an agile way. As such, SAFe does not resonate well with the Agile Manifesto and its trust in the responsibility of truly self-organizing teams. At Zenseact, the implementation of SAFe resulted in a perspective shift, focusing more on organizational structure than people and culture. What it meant to act with “people at heart”, to put trust, inclusion, and proactivity into practice, was not addressed with SAFe. Instead, the implementation of SAFe seemed to interfere with agile teams and their maverick practices, causing frustration among developers. As voiced on Slack, Zenseact’s main internal communication tool, one developer for instance claimed that “SAFe is definitely not agile”—a statement approved by several others through comments and reactions. In another post, a developer simply cited the Agile Manifesto with its emphasis on for instance “Individuals and interactions *over* processes and tools” (Beck et al. 2001, emphasis added), specifying in the comments that “we don’t live it [the manifesto]. It says ‘over’. That is a priority that I wholeheartedly believe in but often don’t see enacted.” Overall, the implementation of SAFe presented a clear—though perhaps unintended—departure from Zenseact’s original organization design as inspired by the Agile Manifesto.

Findings from the Zenseact case illustrate the discrepancy between the assumptions embedded in large-scale agile frameworks such as SAFe and those inherent in the Agile Manifesto, and how these assumptions imply different organization designs and practices. This discrepancy has also been highlighted by Ron Jeffries, one of the initiators of the Agile Manifesto. He particularly criticizes the tendency of large-scale agile frameworks to “impose” clear structures and processes on the supposedly self-organizing teams (Jeffries 2018). When organizations adopt such frameworks, the essence of agile risks getting lost as its values and principles are pressed into traditional management logics (see also Jeffries 2019).

Proposing a manifesto

As outlined above, attempts at *scaling* agile to an organizational level frequently run into challenges of inter-team coordination, clash of culture and structures, lack of knowledge and training, as well as architectural and task complexity. Instead of approaching these challenges with complex structural frameworks such as SAFe, we advance an alternative perspective, suggesting that aspiring agile organizations should focus on *growing* agile values, principles, and practices rather than on *scaling* agile teams. Based on our analysis of the Zenseact case, we identified a set of agile values which we bind together in a proposed Manifesto for Agile *Organization* Development (see Fig. 2). Our proposed manifesto assumes and appreciates the world to be constantly changing, and human beings to be inherently trustworthy and capable of

We believe that today’s world of uncertainty requires a human-centered approach to organizing. Aiming for organizational growth, we value:

- **Trust** over control
- **Relationships** over structures
- **Inclusion** over short-term efficiency
- **Proactivity** over conformity

While there is value in the items on the right, the items on the left are the organization’s main enablers.

Fig. 2 Manifesto for Agile Organization Development

handling complex issues locally through collaboration. Concretely, the manifesto proposes that agile organizations value:

- Trust over control
- Relationships over structures
- Inclusion over short-term efficiency
- Proactivity over conformity

The proposed values for the Manifesto for Agile *Organization* Development intentionally draw parallels to the original Manifesto for Agile *Software* Development, embracing the underlying paradigm shift of agile organizations. As implied by the original Agile Manifesto, valuing relationships, inclusion, proactivity, and trust over structures, short-term efficiency, conformity, and control suggests that “while there is value in the items on the right, we value the items on the left more” (Beck et al. 2001).

Trust over control implies that people are trusted to act with their best intentions and in the best interest of the organization rather than externally controlled and/or incentivized to do so. People also trust their own as well as their colleagues’ abilities to make things work, and the processes and structures they are embedded in to help them with that. Next, relationships over structures suggest that people, their actions, and relationships are more constitutive of the organization than the formal structures they are embedded in. Then, inclusion over short-term efficiency means that people from across the entire organization are included in discussions and decisions typically reserved for exclusive circles, even if this may hamper short-term efficiency. Finally, proactivity over conformity signifies that people are expected to voice their opinions and implement their ideas even if their opinions are bold and against common beliefs and trends.

A closer look at the values articulated in our proposed manifesto—though primarily derived from our analysis of the Zenseact case—reveals parallels to the original Agile Manifesto, bringing the values originally formulated for the context of software development teams to the context

of organization design and development. Concretely, trust over control captures the spirit of “working software over comprehensive documentation”; relationships over structures puts “individuals and interactions over processes and tools” into more general terms; inclusion over short-term efficiency broadens the focus on “customer collaboration over contract negotiation”; and proactivity over conformity captures the mindset of “responding to change over following a plan” (Beck et al. 2001).

Principles for agile organization development

To make the manifesto and its values more accessible and practicable, the authors of the Agile Manifesto also outlined twelve principles for the implementation of agile in software development teams (see Fig. 3 in “Appendix”). To offer actionable guidance for *growing* agile at an organizational level, similar principles are needed. Many of the organizations pioneering maverick ways of working explicitly build on a belief in people, their inherent capacities, and trustworthiness (see e.g., Semler 1993; Laloux 2014; Dignan 2019; Hamel and Zanini 2020)—similar to Zenseact and its motto of “people at heart”. Taking inspiration from such examples and the mindset they represent, we suggest the following five principles for agile organization development:

- Depart from the inseparability of freedom and responsibility
- Nurture an environment for people to thrive and share
- Develop people through practical experience
- Handle complexity with simplicity
- Grow the organization at its own tempo of trust

While the first four principles each address one of the four challenges associated with *scaling* agile, the fifth principle bases the agile organization and its design in the alternative notion of *growing* agile. Below, we go through the principles one by one, elaborating both on the connection between challenges and principles as well as how the principles are brought to life at Zenseact.

Principle 1: Depart from the inseparability of freedom and responsibility

By establishing self-organizing teams, agile organizations put a lot of freedom into the hands of local groups of people. As such, freedom is considered a relational rather than personal concept; “it is not a thing to be had, but an orientation toward self and others” (Dahlman et al. 2022, p. 1981). As Mary Parker Follett clarified, freedom is something we create together, seeing ourselves as parts of a whole;

“My freedom is my share in creating, my part in the creative responsibility” (Follett 1918, p. 72). Freedom without responsibility risks dissolving the organization into chaos, with people moving quickly but disorderly and important tasks remaining untouched. Agile organizations and their leaders hence need to embrace freedom and responsibility as an inseparable pair (Kanter 1972; Foss 2003; Laloux 2014; Hastings and Meyer 2020). This helps them face issues of inter-team coordination head-on, encouraging individuals and teams to consider their activities in a broader organizational and inter-personal context.

At Zenseact, freedom was embraced as a critical value from the beginning, with self-organizing teams being granted considerable responsibility not only deciding how they do things but also what they do. This, however, led to some tasks being done by multiple teams in parallel while other tasks—especially more tedious ones such as software debugging or testing—were falling between chairs. As a reaction, Zenseact reorganized in early 2019, with teams now supposed to take “end-to-end responsibility” for specific features. Though individual features were now being taken care of end-to-end, integrating these features into one software platform proved challenging. With teams struggling to coordinate their work, Zenseact was still reliant on individual “heroes” stepping up and doing tedious “cleaning work” for the organization. Since the move to SAFe in March 2021, Zenseact is very keen on assigning clear responsibilities for all tasks, visible to everyone on the company’s Confluence pages. This improvement in clarity and visibility of responsibilities has arguably brought with it compromises on the freedom of individual teams, with tasks more commonly defined at the top and task distribution being “fought out” between product owners. Fully embracing the inseparability of freedom and responsibility would entail more direct discussions and interactions between teams and their members. This would help reduce teams’ reliance on the political skills and management styles of their product owners in the definition of their work and foster the use of local knowledge and creativity.

Principle 2: Nurture an environment for people to thrive and share

Treasuring “people at heart” means putting people and their wellbeing first, even at the cost of missing deadlines or dissatisfying customers. Only when people thrive can they develop, and only when people develop can the organization grow sustainably. Though practices emerge locally, they reach their full potential when shared across the organization. Organizational leaders need to nurture an environment for people’s thriving and sharing to occur, encouraging open and transparent communication, experimentation, and reflection. Following this principle, *environment* first and foremost

refers to *organizational culture*, with (infra)structures only taking a secondary, enabling role. An agile culture implies openness and inclusiveness which helps avoiding the clash of culture and structures often experienced at large-scale agile organizations.

At Zenseact, the motto of “people at heart” clearly expresses the desire for a people-centered culture. Several smaller practices and initiatives bring this motto to life. For instance, Zenseact hosts monthly “cultural fikas”, picking up the Swedish coffee break tradition—an institutionalized cultural practice essential for informal exchange and culture building—and using it to showcase and celebrate occasions like Eid Mubarak, Iranian New Year, or St. Patrick’s Day. Also, over a year ago, a dedicated employee launched a Slack channel called #people-management-tip-of-the-day, where she has been sharing practical tips adapted from academic and popular management literature—first daily, now twice a week—on topics such as giving feedback, organizing meetings, or how to ask for help. More generally, Zenseact’s Slack workspace contains several channels encouraging open communication, such as asking questions to Zenseact’s leadership team (#ask-zlt-anything) as well as voicing opinions and emotions on both work- and non-work-related matters (#whine, #satisfaction). These Slack channels are among the most active at Zenseact.

That said, Zenseact has only recently started perceiving its culture as an asset to be nurtured and invested in beyond local initiatives, now building up infrastructures and development programs to further concretize and expand on the “people at heart” motto. With the introduction of SAFe, work on culture was indirectly down-prioritized at Zenseact. The structures and planning procedures inherent in SAFe embrace a software product logic, breaking down company goals into epics, stories, and tasks put in the backlog of ARTs and teams. However, work on culture is hard to put into clearly definable tasks and work packages; and what is not in the backlog is not being worked on. Relatedly, culture-related efforts within ARTs and teams are inherently pushed down or out of teams’ backlogs. For instance, at one of the PI plannings we observed, teams were asked to plan five days of work on a “team management plan” into the upcoming increment. However, several teams skipped or shortcut the planning (and eventually, the execution) of this activity as they struggled to put it into a definable task while fearing to lose time for their product-related activities.

Principle 3: Develop people through practical experience

While *scaling* agile implies a focus on an increase in size along fixed structural dimensions (e.g., ARTs in SAFe as *teams of teams*), *growing* agile regards development outside the already known and fixed structural dimensions as both

possible and necessary. In the spirit of the original as well as our proposed manifesto, organizational growth hinges on the development of people within the organization. Development, in turn, hinges on the practical experience of doing things together. When turned into effective practices, this principle helps agile organizations overcome problems with knowledge and training.

At Zenseact, people development initially was—and still largely is—the responsibility of individuals and their teams. While the self-organizing teams per se offer great environments for learning on the job, many teams have a niche focus and therefore offer a limited breadth of development opportunities. Some local initiatives and practices emerged over time to broaden the scope of development opportunities, for instance a quarterly “Innovation Day”, initially held at one of Zenseact’s ARTs, which encouraged participants to propose or join ideas outside their everyday job to work on for one day.

Though the first Innovation Day was received well by both participants and initiators and the initiative subsequently opened to the entire company, most recent Innovation Days—under the impression of tight PI plans—were “misinterpreted” as time to do focused work on stuff that got delayed in previous weeks, before the initiative was paused during an intense work period altogether. Same as for work on culture (see principle 2), work on learning, training, and development is hard to put into backlogs within a PI planning logic and thus prone to be down-prioritized. Realizing its overreliance on local initiative-taking, Zenseact recently started exploring how it can better support people and their development through shared practical experiences on an organization-wide level, for instance through coaching and facilitation.

Principle 4: Handle complexity with simplicity

Contrary to common organizational practice, growing agile does *not* require complex organization designs to handle complex tasks. Rather, complexity may better be handled with simplicity (see also Wheatley and Kellner-Rogers 1996; Eisenhardt and Sull 2001; Snowden 2005). Complexity lies in the situations people face and the work people do but should be avoided in structures. Accordingly, this principle helps addressing issues of architectural and task complexity by refraining from designing complex architectures and structures around the product, instead establishing simple yet strong values and guidelines based on which complex tasks can be addressed locally and interdependencies can be continuously discussed through inter-personal relationships.

Zenseact’s initial organization design was indeed embracing the idea of simplicity, aiming to establish self-organizing teams as the nucleus of organizational decision-making and trusting teams to find local solutions for local problems. Interdependencies between teams were only hinted at in the

Zeniverse, Zenseact’s alternative organization chart, with teams working on similar topics being depicted with the same color, floating around the organizational universe. Experiencing a widespread under-appreciation and under-management of inter-team dependencies though, Zenseact reacted by increasing structural complexity. The related organizational change toward SAFe was communicated using traditional pyramidal organization charts. These traditional charts now co-exist with the Zeniverse, telling confusingly different stories about how people (should) relate to one another at Zenseact. After adopting SAFe, Zenseact has considerably increased the number and formalization of different roles, procedures, and organizational structures. Some ARTs are now perceived as too big and complex to manage, leading to the introduction of “Sub-ARTs” and “Sub-ART Engineering Managers”—more and more representing a traditional divisional structure. In other words, Zenseact increasingly answers to product-related complexity with structural complexity. This poses risks of an “overloaded hierarchy” (Galbraith 1974), with the organization design becoming so complex that employees—especially those outside formal leadership positions—increasingly struggle to identify who to talk to and where to look to find the information they need to address local issues.

Principle 5: Grow the organization at its own tempo of trust

The dynamic and complex environments of today in general, and the concept of *agile* in particular, push organizations toward growth at an extreme speed. An overemphasis on speed however may lead organizations into the “agility acceleration trap” (Prange 2021, p. 28). Organizational growth, understood as development, is inextricably linked to people’s experience. Valuing trust over control remains essential for agile organizations, even (and especially) when they aim to grow. Sustainable growth hence means growth without compromising on the organization’s core values. Accordingly, long-term organizational growth needs to be grounded in trust—between managers and co-workers, among co-workers, and not least in all people trusting their own capacity to grow the organization together.

The pace at which growth can happen varies dramatically between organizations depending on the task at hand, the environment in which they operate, and the maturity of working with agile values (as proposed above) they display. For some organizations, this means they can only grow in size at a relatively slow pace as each new co-worker represents a unique skill or needs to be trained or encultured in the organization’s values and ways of working. For others, growth in size can happen remarkably fast.

As illustrated above, trust has been (and continues to be) a central value at Zenseact since the company was

founded—not only on paper. This has helped Zenseact successfully onboard a lot of new employees, especially in its early years. That said, the autonomous driving space that Zenseact works in poses a highly complex and uncertain technological, legal, and industry environment, putting possible limits on the speed of organizational growth. Let us briefly compare Zenseact to Spotify, a popular poster child of the large-scale agile community. Feature development for an autonomous driving software platform involves far more complexities and interdependencies than for a music streaming app. Spotify’s approach of “end-to-end responsibility”, assuming relative independence of teams and their workstreams, does not capture the integration needs and difficulties encountered at Zenseact. Also, Zenseact operates in the automotive industry, an environment with heavy safety regulations and a strong engineering culture. Regarding the former, if Spotify’s software fails, customers are unhappy; if Zenseact’s software fails, people may die. Regarding the latter, many of Zenseact’s original employees had been working in the automotive industry for years or even decades—an industry which traditionally seems inclined toward the values on the right side of our proposed manifesto (control, structures, short-term efficiency, and conformity). Altogether, the tempo at which Zenseact can grow sustainably is likely lower than for companies like Spotify—though an increased common understanding and enactment of agile values and principles would, as we argue, help Zenseact push its boundaries.

Growing agile at an organizational level

The title of our paper asks: Scaling or growing agile? With this question, we emphasize that aspiring agile organizations face an implicit choice between different understandings and logics of agile organization design, rooted in different assumptions about uncertainty and people. Following the notion of *scaling* agile, organizations implicitly ascribe to a traditional management logic, focusing on instrumentally extending agile along pre-defined structural dimensions (see Jeffries 2018; Scaled Agile Inc. 2023a). In contrast, we articulate an alternative logic of *growing* agile, one which builds on the assumptions inherent in the Agile Manifesto and instead focuses on developing people and their relationships, trusting them to successfully navigate today’s world of uncertainty together.

Organization-level agile entails four common challenges: inter-team coordination, a clash of culture and structures, lack of knowledge and training, as well as architectural and task complexity. *Scaling* agile and off-the-shelf frameworks like SAFe promote a structural response to these challenges, essentially pushing organizations into traditional hierarchical organization designs (Conboy and Carroll 2019; Moe et al. 2021; Beretta and Smith 2023). Our proposed alternative

of *growing* agile, instead, promotes a cultural response, based on the understanding that the success of agile mainly originates in the Agile Manifesto and its inherent values and principles as embodied within agile teams. Bringing that success to an organizational level, we argue, requires us to translate these values and principles to an organizational context—as we attempted with our proposed Manifesto for *Agile Organization Development*.

Growing agile, as expressed by our proposed values and principles, builds on a different logic and different assumptions than scaling agile. It entails a different philosophy, and a shift in perspective—from a focus on structures to a focus on culture. Growing agile hence, as exemplified along the case of Zenseact in the previous section, addresses the challenges of organization-level agile quite differently from *scaling* agile (as expressed by SAFe).

In addressing inter-team coordination issues, scaling agile emphasizes the need for balancing team autonomy with organizational alignment; growing agile views the emphasis on alignment as a countering pole to autonomy as misleading and instead views freedom and responsibility as an inseparable pair. Inter-team coordination becomes an act of constant discussions and interactions at the local level, seen as an integral facilitator of the teams' freedom rather than a necessary evil.

To avoid clashes between culture and structures, frameworks like SAFe push agile into a traditional, hierarchical management logic; growing agile instead holds “people at heart” and focuses on nurturing conditions for individual thriving and sharing. Unlike a scaling agile approach, growing agile puts culture first and structures second, encouraging open and inclusive conversations about both successes and challenges of putting agile values and principles into everyday practice.

Regarding knowledge and training, large-scale agile proponents have developed off-the-shelf frameworks and built a flourishing business of providing certified courses and standardized training programs; growing agile instead sees the practical experience of doing things together as the key to both individual and organizational development. Accordingly, learning becomes a continuous, exploratory, and largely self-directed journey rather than a sporadic textbook-style exercise. Following a growing agile approach, valuable knowledge lies in understanding agile values and principles and how to put them into practice locally, rather than in being able to rigorously implement specific agile methods and terminologies.

Lastly, in tackling architectural and task complexity, frameworks like SAFe build on sophisticated planning procedures, complex architect roles, and overarching coordination functions (“solution trains”); growing agile instead aims for structural simplicity, drawing on clear values to guide employees in their local solving of complex tasks. Rather than meticulously

pre-designing both product and organization in all detail, people are largely trusted to solve problems locally through constant interaction with agile values and principles as well as colleagues and customers on a micro-level.

Though we believe that *growing agile* is well-suited for addressing common challenges faced by agile organizations and making them flourish, taking this alternative approach is likely not an easy journey by any means, as also the Zenseact case illustrates. From a growing agile perspective, the success of agile teams cannot simply be scaled by introducing teams of teams along a pre-defined framework. A growing agile perspective does not (and cannot) provide an easily implementable blueprint for (agile) organizations. It requires conscious engagement with the underlying assumptions and implications of a world of uncertainty, acknowledging that appropriate organization designs and practices will always be contingent on local context (Lawrence and Lorsch 1967; Morgan 2007; Ormrod et al. 2007; Scott and Davis 2007). As such, growing agile requires considerable and sustainable investments of time and emotion in jointly developing a well-functioning organization—investments which will pay off significantly in the long-term.

While we see our proposed manifesto as a valuable point of departure on the journey toward agile organizing, its values and principles are of limited worth if people do not understand what they mean, and how they can both reflect and inform their daily work. Accordingly, growing agile entails developing local interpretations of these values and principles. It is the role of organizational leaders to facilitate this process and safeguard the emergent values and principles over time.

Ultimately though, it is not words but actual experience that makes things happen. To support such experience, local practices need to be developed. However, because such practices should support a continuous social process integrating people's local experiences, they cannot be fixed or standardized. Accordingly, we have refrained from suggesting specific maverick practices as part of our manifesto, believing that these need to be developed and negotiated in the local context. Maverick practices, from a growing agile perspective, cannot simply be copied or scaled. Instead, they need to be adapted and grown through local experience, based on an embodiment of the underlying values and principles of manifesto agile. Consider here, for instance, the advice process—a decision-making practice which is common across organizations in the new ways of working community, yet implemented differently across different organizations depending on their line of work, culture, and history (Laloux 2014). As we concur, continuous local discussion and development of values, principles, and practices is what enables agile organizations to grow—at their own tempo of trust.

Conclusion

In this paper, we highlight the discrepancy in assumptions and their implications between *manifesto agile* and *large-scale agile*, building on a study of the journey of Zenseact, a Swedish software company which was born agile. Based on our analysis of this case, we outline an alternative trajectory for organization-level agile by proposing a Manifesto for Agile *Organization* Development. The four values and five principles of this manifesto advocate the broader notion of *growing* agile over the extant notion of *scaling* agile. Departing from this manifesto and its associated values and principles, agile organizations embrace uncertainty rather than trying to tame it, trusting people to be proactive

in co-developing local solutions to challenges arising. While the intention with this manifesto is to inform the design of agile organizations, we stress the importance of further developing and discussing what the advanced values and principles mean and how they can be turned into practice(s) in specific local contexts. With our manifesto, we want to offer an alternative to the management concept trajectory agile may be on, suggesting that scaling is not the only way to growing an agile organization.

Appendix

See Fig. 3.

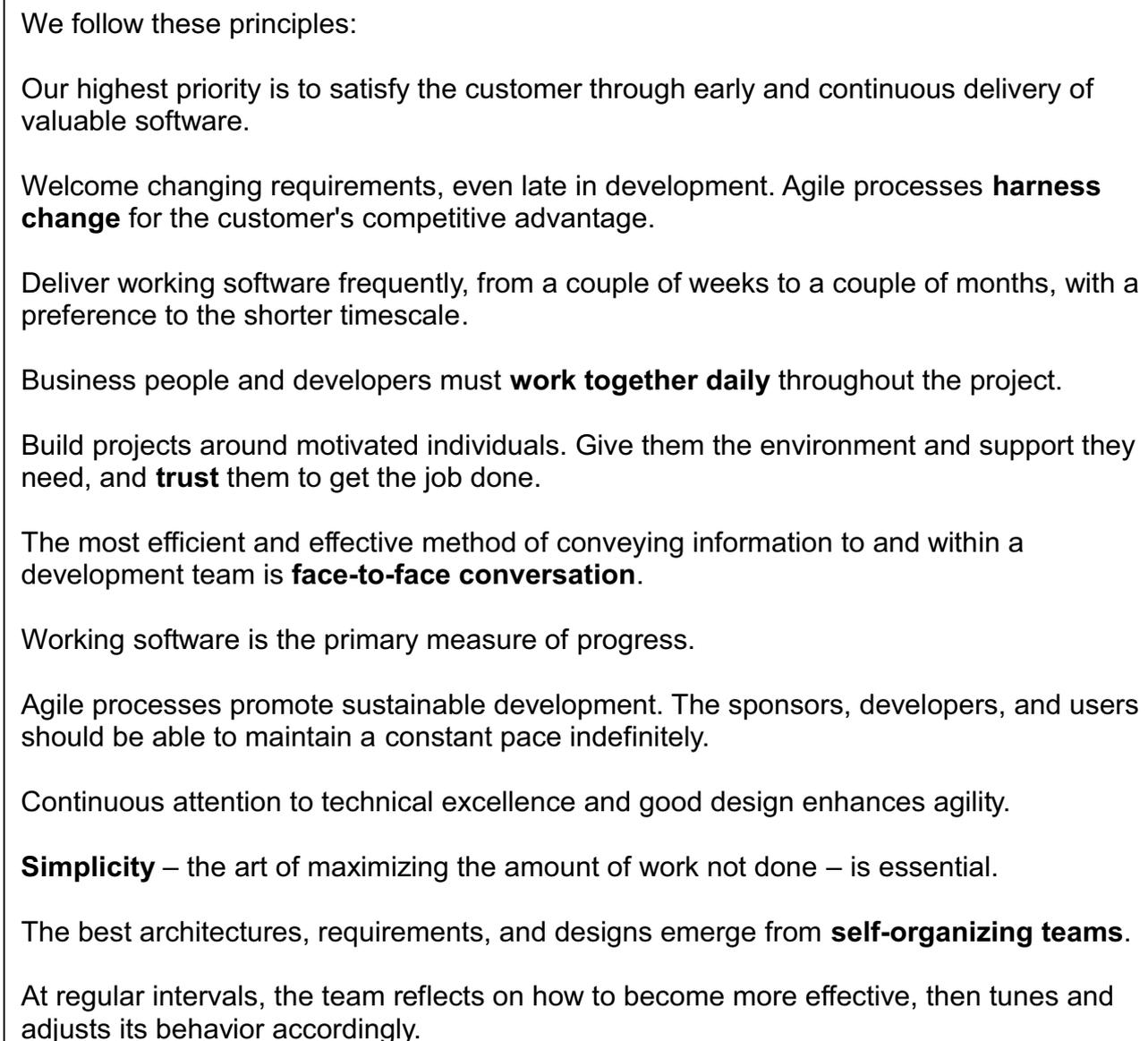


Fig. 3 Principles behind the Agile Manifesto (Beck et al. 2001; emphasis added)

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Declarations

Competing interests The authors declare that they have no competing interests.

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