



FORTLANE PARTNERS
STRATEGY · M&A · TRANSFORMATION

Agile Transformation Report 2024

A quantitative view on the state of Agile Transformations in Germany

Preface

This report contains an Agile maturity benchmark of ~60 major German companies and the results of a survey conducted with >100 practitioners to shed light on the status and success factors of Agile Transformations.



Formula 1 legend Ayrton Senna once insightfully remarked, 'You cannot overtake 15 cars in sunny weather, but you can when it's raining.' This metaphor aptly reflects our current era of compounded crises - 'bad weather' for which only a few were prepared. The pressing question on everyone's mind is: How can we position ourselves to succeed amidst these daunting challenges? **What distinguishes the organizations that not only survive but also grow stronger from such crises?**

We firmly believe that Agile can be a vital component of the solution for many organizations. Compared to traditional approaches, the key benefits – enhanced customer focus, greater flexibility, and consequently reduced risk, along with quicker adaptability – are more crucial today than ever before.

This report applies various angles to address key questions with regards to Agile transformations:

Where do organizations stand today? We compared ~60 large German corporates against a benchmark comprising companies with very high Agile maturity.

What is driving and hindering the success of Agile transformations?

To uncover this, we surveyed >100 practitioners on their experiences and assessments.



“You cannot overtake 15 cars in sunny weather, but you can when it's raining.” Ayrton Senna

Key Results

Agile Transformation continues to be on the CxO agenda for most companies and is no longer solely relevant for tech or software players, however, most large German corporates are only at the beginning of the journey.

EXECUTIVE SUMMARY

01 Few German companies achieved high agility so far
Only 4% of the practitioners surveyed stated that their company has a high level of Agile maturity. This is validated by our Agile Performer Index, where only about 12% of Germany's largest companies meet the benchmark for high agility.

02 About 50% of organizations appear in the process of an Agile transformation
Of the ~60 companies analyzed, about one-third have such a low number of Agile experts that one can assume they have not yet engaged in any form of Agile transformation. However, around 50% are on the journey, with a few having added more than 500 Scrum Masters and Agile Coaches over a period of 12 months..

03 SCRUM, SAFe and custom adaptations account for 90% of frameworks used
German companies mainly rely on SCRUM (46%) and SAFe (24%), although larger organizations frequently develop custom frameworks. Overall adherence is relatively low, with low to moderate adherence in roughly three-quarters of the implementations.

04 One specific aspect of low adherence is the ratio of Agile Coaches to Scrum Masters
Typically, benchmark companies maintain a ratio of one Agile Coach for every four Scrum Masters. In contrast, German companies often have fewer agile coaches, and ratios that appear disproportionate.

05 Lack of experienced Agile practitioners perceived as a major problem
The survey reveals that about 80% of Agile projects are understaffed with Scrum Masters and Agile Coaches. Additionally, 22% of respondents stated that one Scrum Master has to manage more than two teams at their organization.

06 High agility only attainable when a top-priority in the organization
Commitment of leadership, empowered teams, and agile culture are the most critical success factors. However, there is a consistent disparity between the perceived importance of these success factors and their actual level of development within organizations.

ABOUT THE STUDY

Where do organizations stand today in their Agile Transformations?

- We compared ~60 large German corporates against a benchmark comprising leading software and tech players.

What is driving and hindering the success of Agile transformations?

- To uncover this, we surveyed > 100 practitioners on their experiences and assessments.

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The authors would like to thank Philip Scherbaum, Leon Schulz and Philipp Sokol for their contribution to this publication.

“Our findings reveal that a high level of agile maturity remains elusive for most German companies. With the **growing premium on flexibility and resilience**, we expect a surge in initiatives aimed at **enhancing agility**.”



BJÖRN RÖBER
PARTNER

Methodology & Design

The Agile Performer Index aims to quantify the Agile maturity of companies, thereby providing an indication of the status quo of Agile Transformations.

- We were looking for an objective **proxy for the Agile maturity of companies**
- Therefore, we analyzed over 4 million employee profiles on LinkedIn and captured how many employees identify themselves as **Scrum Masters, Agile Coaches**, and generally as **practitioners of Agile**
- We captured the data in Q4 2022 and Q4 2023 to also be able to assess the **development over the last 12 months**
- On average, about **60% of overall workforce** of the companies in the sample are **on LinkedIn**
- Ratio of employees on LinkedIn declines to **below 10%** for companies with **large share of blue-collar workforce**
- As there is a higher share of **white-collar workforce** on LinkedIn and Agile is more relevant for those employees, the ratios are more comparable across different industries



Companies in Sample

76 companies across three different categories (a. benchmark companies, b. DAX40 companies, c. selected non-listed DACH champions) have been analyzed to quantify the status of their Agile Transformation.

Companies analyzed

n=76

a. Benchmark companies

n=17

Adobe	Cloudflare	Intuit	ServiceNow	Zoom
Atlassian	Crowdstrike	Meta	Shopify	
Autodesk	Datadog	Microsoft	Snowflake	
Block	Google	Salesforce	Workday	

b. DAX40^[1]

n=39

adidas	Commerzbank	E.ON	MTU Aero Engines	Siemens
Airbus	Continental	Fresenius	Münchener Rück	Siemens Energy
Allianz	Covestro	Hannover Rück	Porsche	Siemens Health.
BASF	Daimler Truck	Heidelberg Mat.	QIAGEN	Symrise
Bayer	Deutsche Bank	Henkel vz.	Rheinmetall	Volkswagen (VW)
Beiersdorf	Deutsche Börse	Infineon	RWE	Vonovia
BMW	Deutsche Telekom	Mercedes-Benz Gr.	SAP	Zalando
Brenntag	DHL Group	Merck	Sartorius	

c. Selected non-listed DACH champions

n=20

Aldi Nord	Bertelsmann	Carl Zeiss AG	Knauf	Otto
Aldi Süd	Biontech	Dachser	Knorr-Bremse	Phoenix Pharma
Asklepios	Boehringer Ingelh.	Freudenberg	Lidl	Remondis
B. Braun Melsungen	Bosch	Heraeus Holding	Mahle	Würth

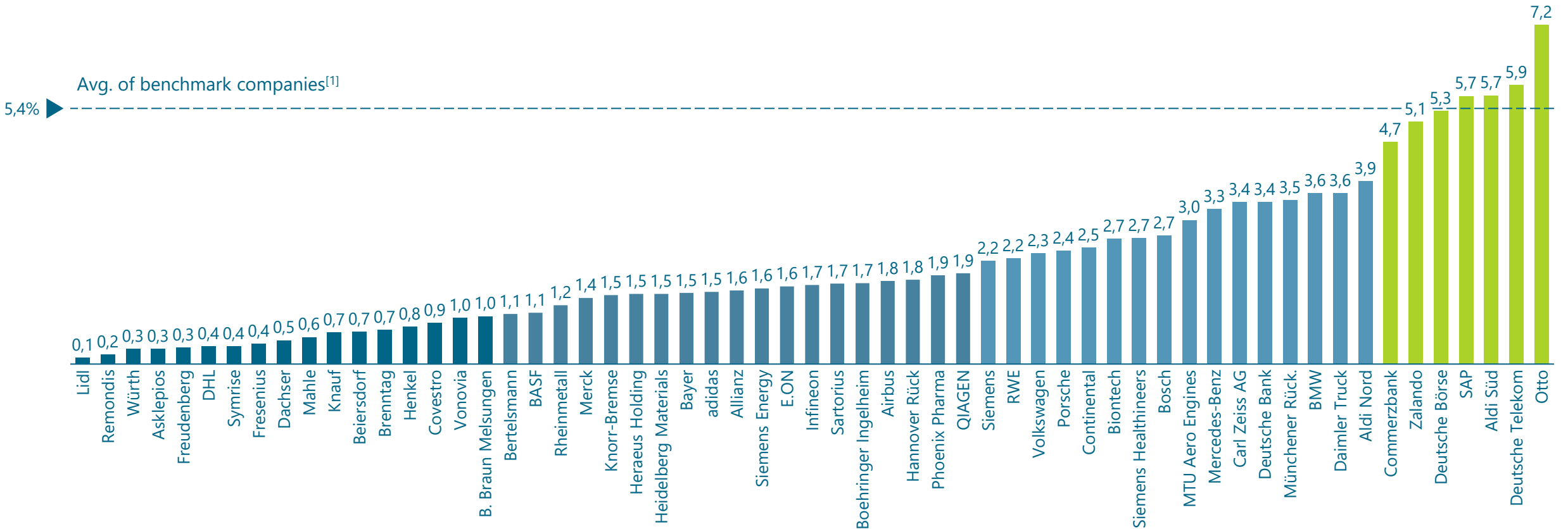
Commentary



- As a benchmark we looked at 17 large (min. 4,000 employees) and high-profile software companies
- Agile maturity in leading software companies is very high, though a similar level can also be found in other industries (e.g., ING, Roche)
- We compared their Agile maturity with the DAX40^[1] and 20 additional large private corporations from various sectors
- For all companies, we reviewed the following figures:
 - # of employees
 - # of employees on LinkedIn
 - Share of employees on LinkedIn
 - # of Scrum Masters, Agile Coaches, and employees with 'Agile' in their profile
 - Various ratios have been analyzed
- We determined that the best proxy for Agile maturity is the sum of the share of Scrum Masters and Agile Coaches

Overview of Agile Maturity Score | German Companies

The survey results are largely validated by an objective measure of agile maturity, showing that only about 12% of Germany's largest companies meet the benchmark of high agility.



Laggards

(17 / 29%)

Advancers

(19 / 32%)

Transformers

(21 / 27%)

Leaders (7 / 12%)

As of Q4 2023

[1] > 4,000 employees & high-profile software companies

Source: LinkedIn, Fortlane Partners

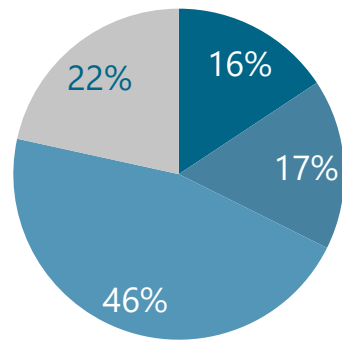
Survey Design

The survey results are based on responses of 112 Agile practitioners from various industries with a focus on large organizations with over 10,000 employees.

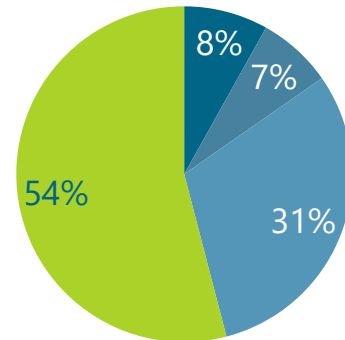
Participants of the Agile Transformation Survey work in different...



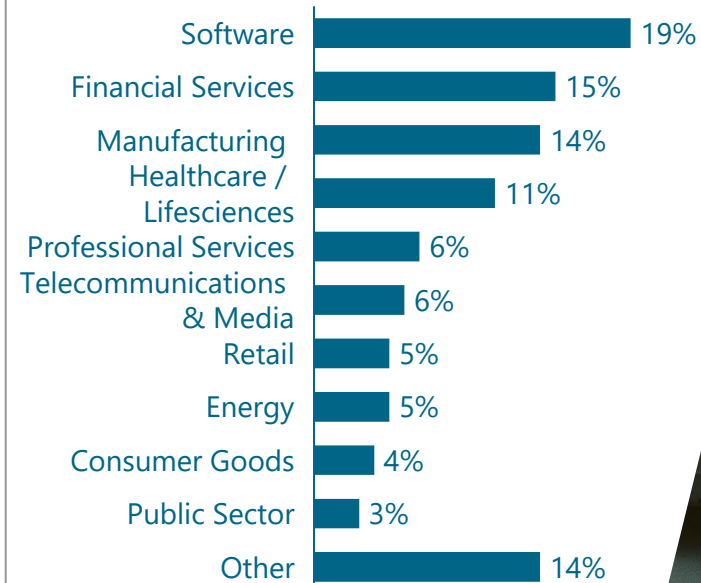
... roles ...



... organization sizes ...

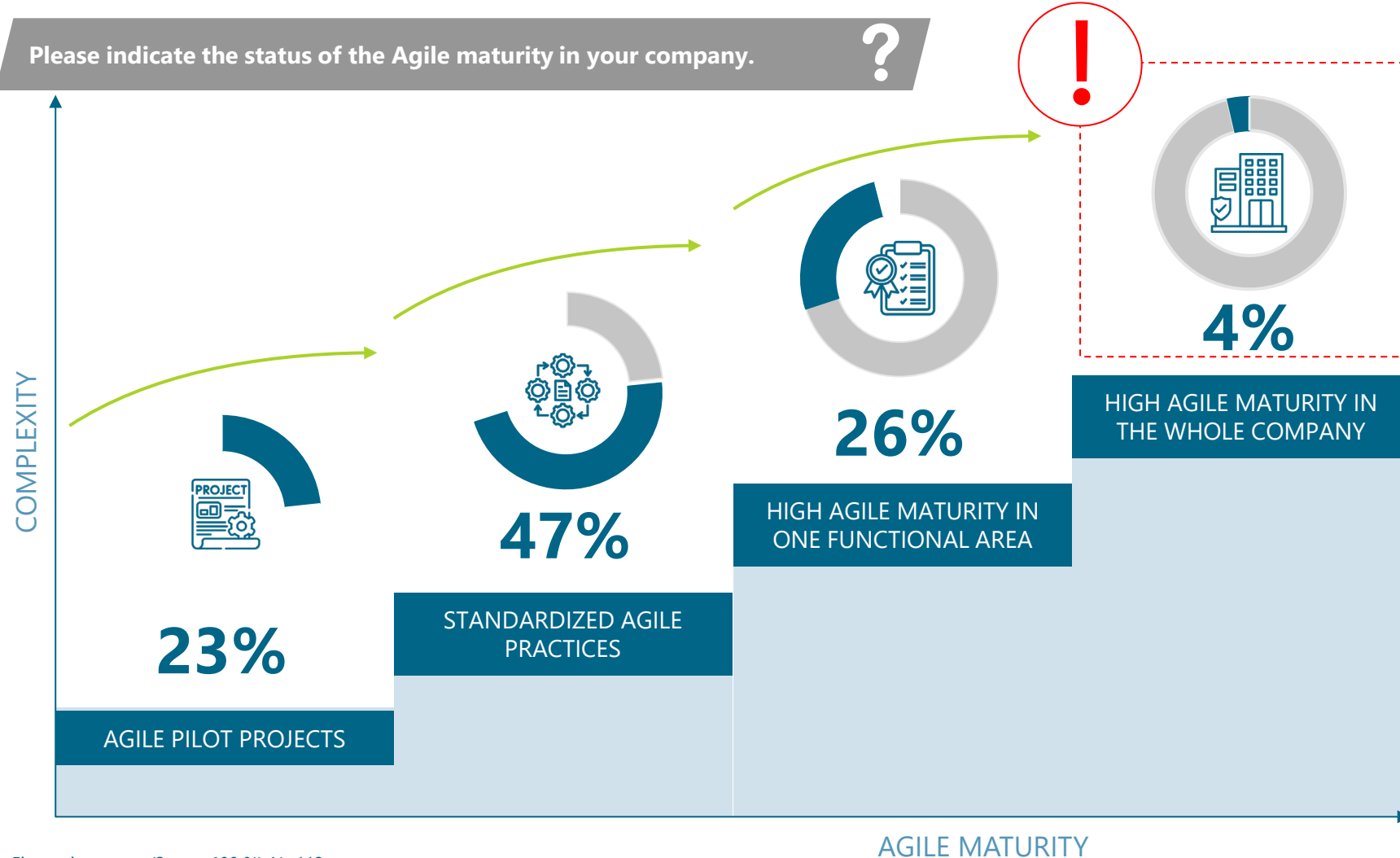


... and industries



Maturity Snapshot: State of Agile Maturity in German Companies

Even though many companies have already left the initial state of Agile pilot projects and Agile practices are becoming more and more standardized, only 4% of respondents stated that their company has a high level of Agile maturity.



Commentary



- Already 3/4 of companies surveyed have left the initial state of Agile pilot projects and are in the process of standardizing Agile practices more and more
- Almost half of them already speak of "standardized Agile practices" within the company
- A further 26% say that there is a high degree of "Agile maturity" through transformation in just one functional area
- Only 4% of respondents stated that their company has a high level of Agile maturity

Full Report

A) AGILE PERFORMER INDEX

- The Agile Performer Index aims to quantify the status quo of the Agile Transformation for selected sample companies
- We analyzed the status quo of the Agile Transformation of companies by comparing
 - Overall Agile maturity, shown as Agile Maturity Score
 - Ratios of scrum masters and agile coaches
 - Development from 2022 and 2023



B) AGILE TRANSFORMATION SURVEY

- The Agile Transformation Study aims to shed light on the importance of Agile in companies, reflected by Agile practitioners
- We surveyed 112 Agile practitioners such as Scrum Masters, Agile Coaches, Product Owners and other Agile experts
- Our sample is covering various sectors and organizational sizes with a focus on large multi-national companies
- We derived insights on success factors, negative side effects and outcomes driven by Agile Transformations

Please contact Fortlane Partners for further insights on the Agile Performer Index & Agile Transformation Survey, including the data base, type of data collection and specific results on the survey questions

About Fortlane Partners



ADVISORY FOR STRATEGY, M&A AND TRANSFORMATION

Fortlane Partners is a leading European advisory firm specializing in strategy, M&A, and transformation.

With an integrated advisory approach, Fortlane Partners combines management consulting and corporate finance expertise to help businesses successfully shape their future.

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