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Understanding The Agile Mindset



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The Agile management revolution is [transforming the world of work](#). It took off in software development in [2001](#) and is now spreading rapidly, under various labels, to all parts and all kinds of organizations, including the [five largest and fastest-growing firms on the planet](#). It is truly a [Copernican revolution in management](#). As [Professor Julian Birkinshaw](#) declared [in 2016](#), we have entered the age of Agile. Agile firms are now capable of delivering [instant, intimate, frictionless value at scale](#). In case you hadn't noticed, everything is different.

A striking feature of the revolution is the widespread view among Agile practitioners that success in Agile management depends on an Agile mindset. Initiates' enthusiasm for that expression has sometimes sounded to outsiders like a pledge of allegiance. Such enthusiasm, while stimulating for practitioners, has often turned off newcomers, who sense or fear they are entering a cult.



If You Change Nothing, Nothing Will Change. Photocredit: Getty GETTY

What Is An Agile Mindset?

As to what “having an Agile mindset” means, things were initially unclear. Some resorted to the Supreme Court’s approach to defining pornography: “You know it when you see it.”

Yet over time, the nature and content of the Agile mindset have clarified, particularly by way of contrast to the *bureaucratic mindset* that is still prevalent in many large organizations.

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Practitioners are thus said to have an *Agile mindset* when they are preoccupied—and sometimes obsessed—with innovating and delivering steadily more *customer* value, with getting work done in small self-organizing *teams*, and with collaborating together in an interactive *network*. Such organizations have been shown to have the capacity to adapt rapidly to a quickly shifting marketplace.

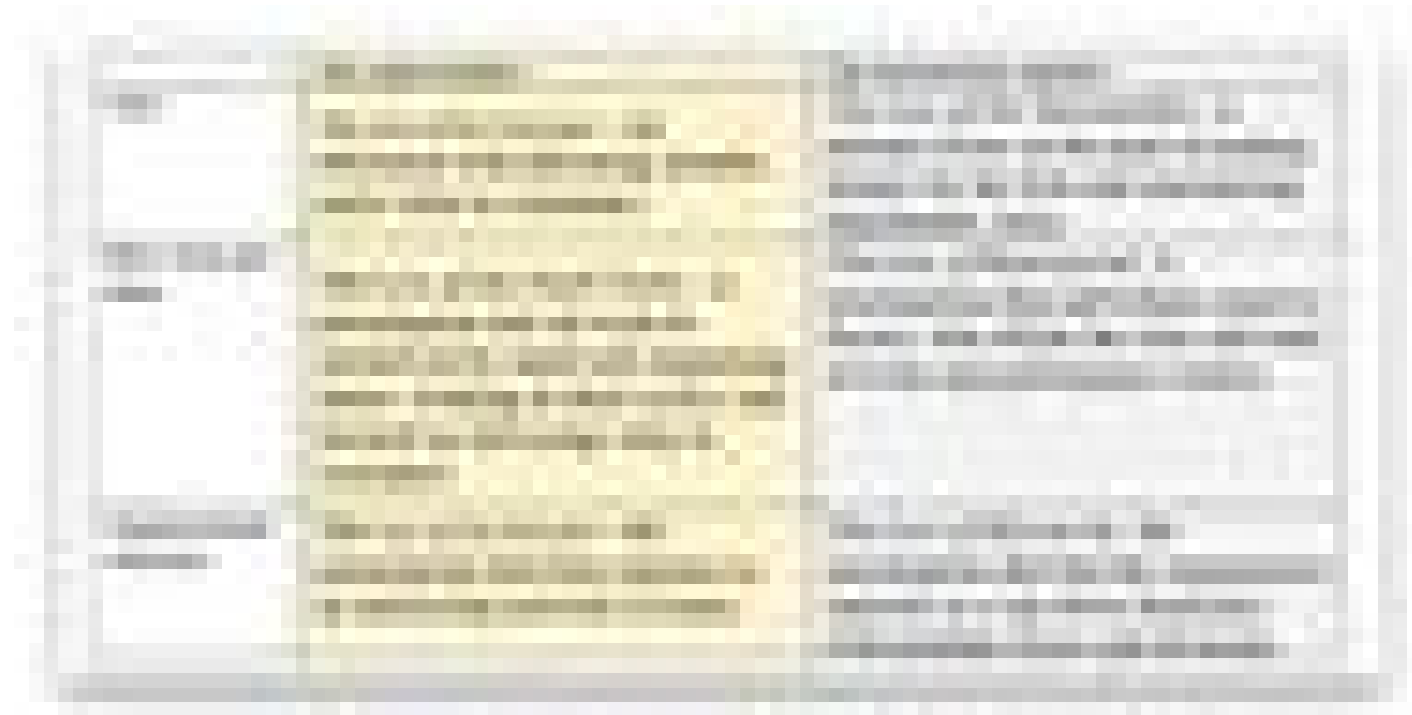
By contrast, managers in traditionally run organizations are often said to have a *bureaucratic mindset* when they are primarily preoccupied with *making money for the company* and its shareholders, when they are organizing work according to *rules, roles and criteria* that they determine, and when they are operating the organization as a *top-down hierarchy* with multiple layers and divisions.

As **Gary Hamel** says,

“ Strategy gets set at the top. Power trickles down. Big leaders appoint little leaders. Individuals compete for promotion. Compensation correlates with rank. Tasks are assigned. Managers assess performance. Rules tightly circumscribe discretion.”

The bureaucracy that ensues from such a mindset often finds it hard to adapt to a world in massive rapid change.

The two different kinds of mindsets exert a powerful influence on the behavior of their respective organizations and can be seen as having the *de facto* force of organizational laws, as shown here.



The Agile mindset vs the bureaucratic mindset STEPHEN DENNING

It's not that those with a *bureaucratic mindset* don't care about the customer: it's just that they generally focus more on making money for the company and its shareholders. Nor do they never use teams; it's that in a bureaucracy, self-organizing teams are the

exception, not the rule. Nor is operating as a network unknown in a bureaucracy: it's just that maintaining the pyramid of layers and divisions is seen as more important.

A bureaucratic mindset, when shared by tens of thousands of staff, tends to create a radically different—and less adaptable—kind of organization than one peopled by those with an Agile mindset.

My First Encounter With The Agile Mindset

The profoundly pragmatic [Agile Manifesto](#) of 2001 makes no mention of any “Agile mindset.” My 2010 book, *The Leader's Guide to Radical Management*, talked about attitudes, approaches, points of view and philosophies but it didn't mention “mindset” either.

I first came across the term “mindset” in 2015 when the member firms of the [Learning Consortium](#) were trying to describe what they had learned in a series of site visits to firms like Microsoft, Ericsson, and Menlo Innovations who all said they implementing varieties of “Agile management.”

In those discussions, we asked ourselves: what exactly were these firms doing and why? We were puzzled by the many variations in principles and practices that we observed, as well as by the fact that some firms seemed to embody the spirit of Agile without ever using the Agile label.

What did these firms have in common? We were struck by one thing: managers in successful firms seem to speak and act differently from those in the less successful firms.

When managers spoke and acted in this way, benefits seemed to flow even if there were shortfalls in processes, practices or systems. By contrast, when managers spoke and acted in a more traditional bureaucratic manner, few if any benefits seemed to flow, even when the firms were implementing Agile processes and practices according to the book.

What was going on?

In our discussions in the Learning Consortium, Menlo Innovations CEO Rich Sheridan suggested a term that might encapsulate what we were trying to describe: these managers could be said to have “an Agile mindset.” Those who didn’t, didn’t. And that was the central conclusion of [our 2015 report](#).

“ A universal feature of all the site visits was a recognition that achieving these benefits is dependent on the requisite *leadership mindset*. Where the management practices and methodologies were implemented without the requisite mindset, no benefits were observed. Individually, none of the observed management practices are new. What is new is the way that the new management goals, practices, and values constitute a coherent and integrated system, driven by and lubricated with a common leadership mindset.”

In fact, the term, “Agile mindset” had been pioneered at least five years earlier in 2010 by Agile thought-leader Ahmed Sidky, as depicted in his [brilliant diagram](#) below, which shows the Agile mindset as preceding, and even driving, the values and principles of the [Agile Manifesto](#).



The Agile mindset: image by Ahmed Sidky IMAGE: AHMED SIDKY

Carol Dweck's Growth Mindset

Even earlier, in 2006, Stanford psychology professor Dr. Carol Dweck had popularized the term, “mindset” in her best-selling book, *Mindset: The New Psychology of Success*

(Random House, 2006). She distinguished between a Fixed Mindset and a Growth Mindset. The Fixed Mindset was one in which “I believe that my intelligence, personality, character, are inherent and stale. locked down or fixed. My potential is determined at birth. It doesn’t change.” By contrast, a Growth Mindset was one in which “I believe my success is based on hard work, learning, training, and doggedness.” Dweck offered educational research showing that teaching practices based on a Growth Mindset got better results than those based Fixed Mindset.



Dweck's Mindset, Broza's Mindset & McGregor's Theory Y PUBLISHERS

Some Agile practitioners have equated the Agile mindset with Dweck's Growth Mindset. That is an unusual usage, as it would appear to omit the main elements of the Agile

management revolution—the focus on customers, small teams and networks. Dweck's own research is thus more concerned with individual education than management.

Two further concerns about Dweck's work should also give pause to those equating the Agile mindset with the Growth Mindset. One is that Dweck's research has, despite multiple efforts, yet to be replicated—a key requirement to establish its validity in its original field of education, even before exporting it to management.

Another is that the management examples cited in her wide-ranging book appear somewhat the opposite of Agile management. The Growth Mindset is said to have led Jim Collins' firms from Good to Great and its heroes are said to include Jack Welch at GE and Lou Gerstner at IBM. Meanwhile, the Fixed Mindset is cited as the reason behind the failures of Lee Iaccoca at Chrysler, Albert "Chainsaw Al" Dunlap at Sunbeam, Steve Case of AOL Time Warner; and Ken Lay and Jeff Skilling of Enron. In such boldly expansive writing, one has to wonder whether the concepts of Growth and Fixed Mindset have been stretched from their original concept beyond breaking point.

Douglas McGregor's Theory Y

The Agile mindset is also often associated with the work of MIT management professor Douglas McGregor. His Theory Y, in which managers are encouraged to trust and support their people to do the right thing, is opposed to Theory X, under which managers distrust their employees and tell them what to do. McGregor's book *The Human Side of Enterprise* (1960) is an application of the concept of mindset before the term itself became popular.

While the Agile mindset is congruent with the Theory Y mindset, it goes considerably beyond it. Thus McGregor remained neutral on the roles of the customer vs. the shareholder, the hierarchy vs the network, and even Theory X vs Theory Y. His approach offered a way of looking at the issues rather than solving them and was more influential among humanistic thinkers than it was among managers. In the decades following 1960, firms focused steadily more on downsizing and shareholder value. Theory X came to dominate, while Theory Y remained a largely unrealized ideal.

Gil Broza: Multiple Mindsets?

Gil Broza in his interesting book entitled *The Agile Mindset* (3P Vantage Media: 2015) wrote that a leader may have multiple mindsets – Agile, Waterfall and Lean – and may choose the appropriate mindset according to the task at hand as if choosing which pair of clothes to wear on a particular day.

The elements of the Agile mindset, however—the prioritization of customers over shareholders, of self-organizing teams over boss-driven individuals, and of networks over top-down hierarchies—are not the kind of viewpoints that are likely to change on a daily basis. Nor are the objects of the Agile mindset amenable to adjustment on a moment's notice. There is thus much to be said for the view that you either have an Agile mindset or you don't.

Agile As A Professional Mindset

It may be better to think of the Agile mindset as something akin to the mindset of a profession, such as that of a lawyer, a doctor or an economist. Thus, lawyers, doctors, and economists think about certain problems in characteristic ways. They notice certain kinds of information, data, and concerns in their respective subjects. They analyze the issues in their respective ways. They pursue their respective kinds of solutions. These different ways of thinking, perceiving and acting as lawyers, doctors, and economists, are acquired over years of training and practice, which in turn generate characteristic attitudes, values, modes of thought and approaches to problems. Professional mindsets are not things that can be acquired overnight or a two-day training course.

Similarly, those managers with an Agile mindset also pay attention to certain kinds of information, data, and concerns. They analyze problems in particular ways. They tend to pursue certain kinds of solutions—focusing on value for customers, working in small teams and operating as a network. Their ways of thinking, perceiving and acting are often acquired over a period of years of practice. We should not be surprised that the Agile mindset too isn't something that can be acquired overnight or a two-day training course.

What we are talking about with the Agile mindset is the emergence of management itself—finally—becoming a real profession.

The Nature Of The Agile Mindset

The Agile mindset is an attribute of practitioners more than theorists. It is pragmatic and action-oriented more than a theoretical philosophy. It goes beyond a set of beliefs and becomes a tool for diagnosis and the basis for action. It tends to be built on the hard-won

knowledge of experience and crafted from the lessons of trying to cope with massive change in the face of incomprehensible complexity.

The Agile mindset might also be called a framework, a paradigm, or a common model. Yet “mindset” seems a better choice of word, reflecting a coherent tradition of exploration, paths of analysis and patterns of reasoning.

The Agile mindset reflects ways of thinking that have developed over time. It is a certain cast of mind that emphasizes some things over others. It should continue to grow and evolve. It reflects attitudes and viewpoints that tend to endure. Over time, it leads to people being seen as having a certain makeup or character. Once we have understood the Agile mindset, we can anticipate types of behavior that should occur.

Lessons From Earlier Shifts

Big, deep, epochal changes of the kind we are now undergoing have led to deep changes in society before, such as Copernicus’ revolution in astronomy in 1539 and Sir Frances Bacon’s revolution in science in 1620. In those intellectual revolutions, we can see that the processes and practices varied, but in each case, the change was driven by a constant mindset. We can also see that in each case, change was initially resisted and full adoption by society took a very long time. Fake versions of the change were also continuing problems. Yet in the end, resistance was futile. The better mindset proved stronger than society and prevailed.

Agile of course is more than a mindset. It includes many different values, principles, and practices. But what is important is the human intelligence, the sensibility, and the values that are driving those processes, practices, and systems. They may be used for good or evil. They may lower and dehumanize humanity or to uplift and sustain it. Understanding the Agile mindset may help us attain the latter.

And read also:

[Why Mindset Is Driving The Age Of Agile](#)

[What's Missing In The Agile Manifesto: Mindset](#)

Check out my [website](#).



Steve Denning

My new book, "The Age of Agile" was published by HarperCollins in 2018 and was selected by the Financial Times as one of the best business books of 2018. I consult with... **Read More**