

FUTURE WORKPLACE READINESS:

Building cultures to support agility



Research sponsored by



Foreword

I'm delighted to introduce this whitepaper, a testament to our commitment at Business Culture Connected to sharing learning with forward-thinking organisations intent on building positive and productive cultures.

In a business environment that is constantly shifting, the ability to adapt quickly shapes a winning, ongoing advantage. This whitepaper details how agile cultures thrive amidst change, providing greater flexibility, resilience, and responsiveness. You will find applicable insight on agile leadership, adaptive processes and a collaborative mindset – all set out for you, your leaders, and teams to win in tomorrow's world.

We would like to thank all those who have contributed their expertise and experience to this research, either through interviews or survey responses. And we would like to thank ZRG Consulting Solutions for sponsoring this research and paper. At Business Culture Connected, we believe that agility delivers not just a competitive edge but the DNA for sustainable success. We invite you to explore the insights and practical recommendations presented in this whitepaper, and join us in our mission to create dynamic, future-ready organisations.



Tim Pointer,
Co-Founder,
Business Culture
Awards & Business
Culture Connected



Amanda Fajak,
Global Culture
Practice Leader, ZRG
Consulting Solutions

I've seen first-hand that organisational agility is no longer just a competitive advantage - it's a necessity. Through research and hands-on work with leaders around the world, I've watched how agility enables businesses to adapt, innovate, and stay resilient in an increasingly unpredictable world.

With economic uncertainty, rapid technological shifts, and evolving workforce expectations, organisations are under immense pressure to pivot quickly and embrace change. But agility isn't just about speed - it's about fostering a culture where experimentation, collaboration, and continuous learning thrive. It's about cultivating an adaptive mindset that allows teams and leaders to navigate complexity with confidence.

Acknowledgments

Business Culture Connected would like to thank the members of our community who shared their time and insight for this report via surveys and interviews. This report was written by workplace and business journalist Katie Jacobs. Business Culture Connected would like to thank ZRG Consulting Solutions for sponsoring this research.



Why organisational agility matters

‘Change is the only constant’ is a phrase that’s been around since the days of Ancient Greece - but perhaps it’s never felt truer and more urgent than it does today. Organisations and all that steer and work within them are facing an intense, relentless amount of change. Yet, to quote Justin Trudeau’s famous speech at Davos: “The pace of change has never been this fast, but it will never be this slow again.”



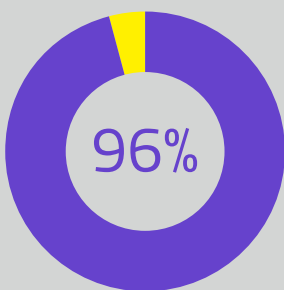
Businesses of all shapes and sizes are facing challenging headwinds, caused by a wide range of external drivers including continued financial uncertainty, geopolitical volatility and shifting regulatory landscapes. Simultaneously, they are navigating through transformation that has the potential to uncover opportunities (and risks) through the ongoing digital revolution and the rise of AI. Employee and consumer expectations of what companies should offer and how they should behave continue to evolve, and – rather unexpectedly – post-pandemic ways of working have turned into the latest item in a polarising culture war.

Little wonder then that for many leaders, embedding agility in business culture, leadership behaviours and ways of working

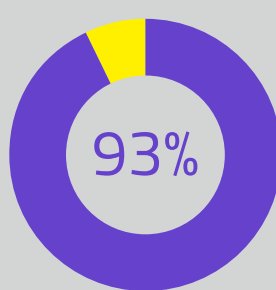
is seen as at least part of the solution for riding the change wave, enabling people at all levels to be open to transformation and agile enough to pivot when required. Every organisation is experiencing huge amounts of change, but it’s how you respond to it that counts.

According to one survey of leaders by executive search firm Heidrick and Struggles, 93% agreed agility was critical to business success and 94% said it was critical to new ways of working. And in our Business Culture Connected (BCC) community survey of almost 150 people and culture leaders, 96% of respondents either strongly agreed or agreed that organisational agility will be vital to their organisation achieving its future aims.

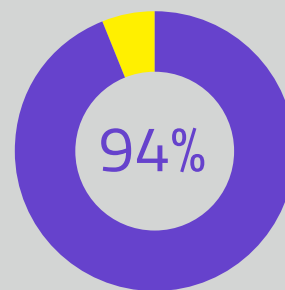
Agility*: a near-universal priority



of leaders in the BCC community believe organisational agility will be vital to their organisation achieving its future aims



of leaders surveyed by Heidrick and Struggles agree agility is critical to business success



of leaders surveyed by Heidrick and Struggles believe agility is critical to new ways of work

*For the purpose of this report, agility is defined as the ability to pivot quickly, adapt as required and be able to respond rapidly to changing conditions.

Leader voices: Drivers of agility



“There is so much volatility: we do not know what’s coming over the hill. If we’re going to be prepared for the unexpected, we need to have organisational resilience and to be more agile in the way that we operate. We can’t continue to work in a fixed and siloed way. We need people who are prepared to do whatever the job requires, but also have core skills that they can flex, so we are ready for what the future puts our way.”

Kerry Smith, CPO, British Heart Foundation



“All organisations need to be responsive to market shifts to stay relevant. Too much rigidity in approach is likely to result in

being overtaken by the competition. So, while organisations need a clear vision, mission and purpose for everyone to get behind, providing clarity on what you stand for, there needs to be an element of flex in the strategic plans, enabling course adjustment if needed. For my company, we need to stay ahead of trends to ensure our products meet the needs of our clients today, as well as being ready for the future.”

Nebel Crowhurst, CPO, Reward Gateway



Agility is front and centre of everything we do. We increasingly work as part of an ecosystem, with more partnerships and collaboration.

You’ve got to become more agile as you’re working across multiple teams and territories.

Consumer demand is more aggressive: they want

it now and are not willing to wait. Having an agile culture in an organisation becomes really important to delivering for consumers.”

Prem Patel, Former VP, Managing Director UK, Catalina



“We are going through transformation as an organisation, including receiving Open Digital Architecture (ODA) status. We have to drive our offerings to meet our customers’ ever-increasing need to be agile. Customer-centricity is driving values-led, rapidly iterative ways of working.”

Laura Murphy, Senior Transformation Lead, Network Services, BT



“The rapid changes in the world of work demand that all organisations are able to adapt quickly. Dealing with the impacts of the pandemic was a good example of when we all had to pivot very quickly and, for Standard Chartered, that meant ensuring most of our 80,000+ colleagues around the globe could work safely from home. This was a huge technological and cultural shift in our ways of working.”

Rebekah Heaven, Global Head – Future of Work & Advocacy Strategy, Standard Chartered

It is clear that in an increasingly uncertain and volatile world, agility (defined in this context as the ability for an organisation to pivot quickly, adapt as required and be able to respond rapidly to changing conditions) is a matter of survival for organisations.

For people and culture leaders then, building cultures that support agility is vital. But doing this in practice can be anything but easy, bringing with it the need to change and challenge leadership skills, mindsets and behaviours.

Leaders may be resistant or even act as obstacles to change and there are signals that employees are becoming fatigued by constant disruption. According to a survey by Gartner, while 74% of employees were willing to support organisational change in 2016, only 38% felt the same in 2022. The same survey also found that employees with above-average levels of change fatigue were less likely to intend to stay with their organisation, making the effective management of transformation and building supportive cultures that support agility a critical talent issue.



How prepared is the BCC community for change?

Encouragingly, our survey shows that, within the BCC community at least, people and culture leaders feel broadly optimistic about change readiness within their organisations.

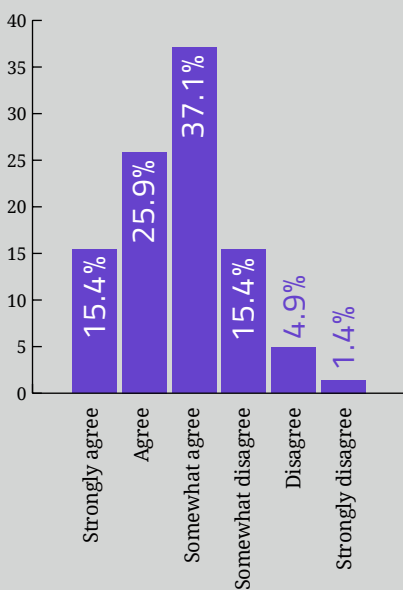
The majority of respondents at least somewhat agreed that their leadership population, workforce and HR function were agile and adaptable enough to embrace the current speed of change (see infographic), and more agree than disagree that their leaders, employees and HR function are agile and adaptable enough.

Although there is still a sizeable minority that feel there is much more work to do on shifting mindsets and behaviours to welcome change, the results suggest most organisations in the BCC community have at least laid the foundations for building cultures that support agility.

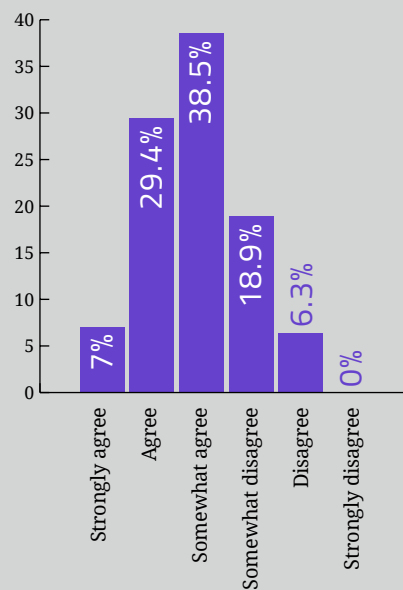


Change readiness

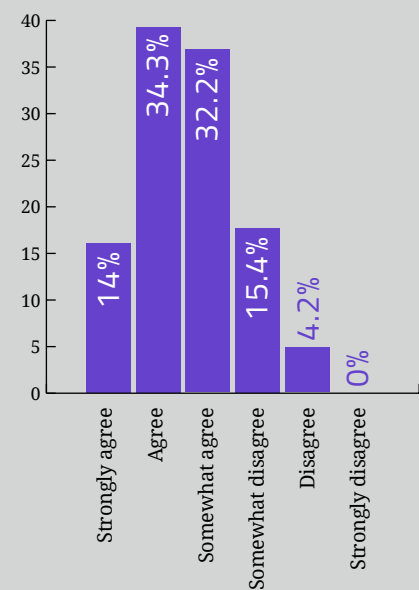
My leaders are agile and adaptable enough to embrace the current speed of change



My workforce is agile and adaptable enough to embrace the current speed of change



My HR/people team is agile and adaptable enough to embrace current speed of change



The cultural markers of agility

So, with agility high on the organisational agenda and people and culture leaders feeling broadly positive about the levels of change readiness within their organisations, let's dive into the building blocks of a culture that supports agility. What cultural markers should people and culture leaders be focused on?

What are the biggest enablers to building a culture of agility – and what are the biggest barriers?

For Nebel Crowhurst, CPO at Reward Gateway, the main markers of an agile culture include “a highly engaged workforce with high levels of productivity, an environment that enables autonomy and empowerment and a balance of curiosity mixed with disciplined ways of working”.

Equally important to her are a shared purpose and mission, and strong cross-functional collaboration.

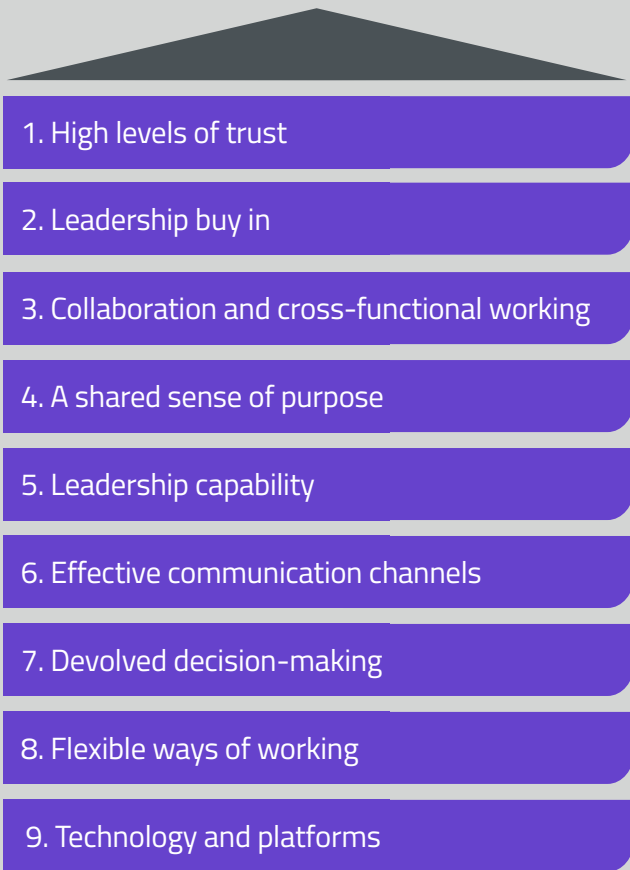
Laura Murphy, senior transformation lead, Network Services, BT, currently leading on the exit from the BT Tower, agrees that “a clear vision everyone understands, is brought into and understands their part in” is vital. She also calls out the importance of a flat structure, allowing for more devolved decision-making, and having “real self-awareness as an organisation” – genuinely and critically reflecting on lessons learned and welcoming the opportunity to pivot if required. Flatter structures and inclusive environments should drive quicker decision-making. “Agility is essentially a tempo thing,” Murphy points out. “Every two weeks we are going to chop, change, start, stop, continue.”

“A clear vision everyone understands, is brought into and understands their part in is vital.”



Enablers of agility

The top enablers for building a culture of agility, according to the BCC community:



Barriers to agility

The top barriers to agility, according to the BCC community:



“Agility is about striving for simplicity and looking for faster ways to get things done,” adds Prem Patel, former VP and managing director UK at retail insights firm Catalina. While there are clear methodologies and practical tactics to help with both (and more on those later), he believes having a growth mindset among teams and individuals is the key: “With the growth mindset, agility comes naturally”.

High levels of trust and psychological safety are also vital. “People have to get used to being empowered,” says Patel. “Some people don’t want to make a courageous decision, which means they defer things. If you want people to take ownership and accountability to make the decision, you

have to make clear that it’s okay if things don’t quite go to plan.”

Survey respondents also spoke of the need for people and culture leaders to focus on building cultures of psychological safety to drive agility. “Have a no-blame mindset, tracking the value of what is achieved and lessons learned along the way,” says one.

Another advocates having “leaders who are seen to embrace and celebrate failure as a way of learning and moving forward”. “Lead without fear and empower your people,” says another. “Agility thrives when people are trusted to act, iterate and improve, knowing progress comes from action, not perfection.”





Of course, barriers to agility also exist, with the top one cited by the BCC community being legacy operating and governance models. That's certainly something Murphy recognises, as even after an organisation has gone through transformation, the vestiges of a more bureaucratic culture can continue to slow things down. "If you're going to innovate at speed, you need a flat, equal and psychologically safe culture," she says. "If people aren't used to that, it can be challenging."

Interestingly, lack of budget to invest in technology was ranked second, despite technology and platforms being seen as far less of an impactful enabler than culture – although of course people need the appropriate tools for the job and increased flexibility and remote and asynchronous working must be digitally enabled. Patel agrees lack of investment can cause issues, for example if an organisation is unwilling or unable to invest in bringing in external

expertise. Ineffective communication channels was chosen as the third most common barrier. As one survey respondent puts it: "Blurry comms means people play it safe... Make sure comms are transparent."

Agility requires an outcomes focus. Leaders (and everyone else) must shift their mindsets from inputs to outputs and outcomes, ultimately judging performance on delivering meaningful and impactful results. This applies equally to the more flexible ways of working that can drive agility. "Managers need to build trust and judge productivity by achievements and outcomes, not the level of presenteeism in the office," says Rebekah Heaven, Global Head – Future of Work & Advocacy Strategy at Standard Chartered Bank. "Educating managers in how to effectively manage virtual teams and confidently assess productivity can help alleviate this mindset."

"Blurry comms means people play it safe... Make sure comms are transparent."





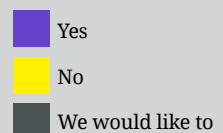
How to transform cultures to support agility

Having established what makes a culture ready to support agility, how do you actually do it? As one survey respondent put it, building a culture that supports

agility means managing the paradox “of a looser structure but a tighter focus on effectiveness, participation, measurement and stories”.

Agility practices

What specific practices are helping BCC community members embed agility into their cultures?



We have an active programme of leadership development focused on increasing agility in my organisation

36.4%

31.5%

32.2%

We encourage experimentation and destigmatise failure

58%

12.6%

29.4%

We work in cross-functional project teams across the organisation

79.7%

7%

13.3%

My people and culture team practices agile methodologies for project delivery

44.1%

21.7%

34.3%

We have embedded agility into our values and behaviours

55.2%

25.7%

23.1%



11 highly practical tips to help you create more agile, supportive cultures...

Tip 1: Start with the why

There exists a wealth of methodologies around agile working, but it's important not to get too ahead of where the organisation currently is. As with any transformation programme, the first step must always be to establish the 'why'.

"You have to start with a compelling story: why we have to get behind agility," says Patel. In his previous business, as in many others, there were legacy teams and some people didn't necessarily understand the need for change. "We had to create a compelling story and say, this is the new world and this is how our customers are operating. We showed how other companies had used agility to drive better outcomes, like innovation or resilience."

Starting with the why and coming up with a clear vision was a common theme among survey respondents. "Help the whole team understand and engage with the why and the benefits for them BEFORE launching a transformation programme," writes one – wise words indeed.

Tip 2: Co-create the future

While leadership is critical (as we will explore in detail in the next section), co-creation with the whole organisation is just as essential. "We involved the teams right in the early stage, rather than the leadership team saying 'we're going to do this,'" says Patel. "We co-created a strategy to move towards a more agile culture." Creating culture champion or coaches roles, team members who advocate for agility and share best practice with others, can be a powerful tool here.

BT's Murphy points out that co-creation is a great example of "going slow to go fast".



It may initially take more time to build, but "when you create that culture where people are bringing the best of themselves to the party, the outcome is that much richer, and drives more effective transformation".

Tip 3: Devolve decision-making

"Decentralise accountability" is one survey respondent's top tip for building cultures of agility. Another advises: "Minimise feedback steps as much as possible: decisions being made across 3+ levels dramatically reduces agility and risks you becoming distanced from the needs of the market."

As Patel has already pointed out, empowering team members to make decisions also means empowering them to take accountability and therefore requires high levels of psychological safety so people aren't afraid to make bold calls. "Agility can sometimes come with a level of uncertainty, this means there needs to be high levels of trust within an organisation and an environment of psychological safety, to enable people to feel they can make decisions, fail, learn and grow," adds Crowhurst.





Tip 4: Redesign processes for pace

With legacy operating and governance models chosen by the BCC community as the top barrier to agility, there is an urgent need to break down and rethink processes, prioritising pace. At Catalina, Patel asked teams: “If they had a blank piece of paper and were restarting this business, what would they do? We asked them to break everything they were doing and restart. That opened up a whole gamut of new ideas.”

He also introduced exercises such as condensing ideas into one or half a page rather than a long slide deck, part of a “strive for simplicity”, and challenges like cutting the time to run a campaign in half. Patel is a fan of the ‘12-week year’. “If you have to achieve your year’s target in 12 weeks, you think and act differently,” he explains. “We brought that thinking into the business with dynamic planning every quarter. You plan aggressively, with a lot of rigour, every quarter. What are you going to achieve at the end of those 12 weeks?”

Tip 5: Ruthlessly prioritise

Moving to shorter planning cycles, as Patel describes above, requires ruthless prioritisation. After all, no leader wants to achieve agility at the expense of the wellbeing of their team, and without prioritisation, pace can lead to burnout. “We made sure leaders were supported to say no and to reprioritise

projects and initiatives,” says Patel. “You have to make some tough choices, but as we got used to that, it became a lot easier.”

To help maintain the balance between pace, performance and wellbeing, Patel advises making sure main performance measures link to projects with the most impactful outcomes, as well as that constant focus on prioritising what matters.

Tip 6: Give clarity

Clarity is essential to enabling agility, yet too many organisations struggle with (as the earlier respondent puts it) “blurry comms” and overly complex organisational structures and processes that obscure accountability. Clarity means, in the words of one leader who responded to our survey, “agreeing what agility actually means for teams and the business”. Communications must be clear and transparent, as must objectives and desired outcomes. While working more cross-functionally and running project teams may mean breaking free from traditional silos and hierarchies, it requires strong clarity on accountabilities, goals and expectations. This is freedom within a framework rather than ‘anything goes’.

Tip 7: Role model agility

The tone from the top is absolutely critical (see the next section for more on this), and leadership role modelling is essential. “A lot of the work I do is role modelling,” says Murphy. “Agile is, at its heart, a deeply open, transparent, psychologically safe and inclusive way of working that breaks down organisational silos and focuses on value. One of the first things you can do is to role model that consistently.” She adds that this is even more important in legacy, more bureaucratic cultures.

Tip 8: Break down silos

Collaboration and cross-functional working was chosen as the third most important enabler to agility by our survey respondents, and almost 80% said they were already working in cross-functional teams across the



organisation. Yet with lack of collaboration and siloed working ranking as the sixth biggest barrier to agility, this can be easier said than done. Breaking down silos requires structure and intent. One survey respondent advises: “Build networks across functions and business areas, bringing people together to connect and ideate where day-to-day they may not.” This could be through formal learning programmes, such as the British Heart Foundation’s leadership programme, described in detail later on, cross-functional project teams or more informal learning and sharing networks.

Tip 9: Explore Agile methodologies

“There’s this assumption that agility is less rigorous, but actually Agile as a structure is even more so,” says Murphy. “Stand-ups, scrum meetings, liaisons with product owners... driving that work is more rigorous, not less.” While 44% of survey respondents said they were already using Agile methodologies for project delivery in their people and culture team, a further 34% were interested in beginning to do so.

Crowhurst is something of an expert here, a long-time champion of Agile HR. “We use the principle of OKRs (objectives and key results),” she explains. “OKRs differ from more traditional KPIs as they tend to have a shorter time lens, often three months, meaning they can be adapted regularly.” She adds that OKRs also tend to be more stretching and visionary, encouraging more ambitious planning and goal-setting, and less process-orientated than KPIs.

Within her people team, she uses a variety of Agile methodologies that enable highly collaborative working. “We encourage autonomy through self-organised teams, reducing the need for traditional hierarchy,” she says. “Using OKRs means that while we have a three-year plan set out in the people strategy, we have the ability to adapt and flex when we need based on the needs of our people. We use regular

feedback loops, using employee voice to help inform and prioritise what we deliver.”

Tip 10: Start small and experiment

According to Murphy, “pilots are the name of the game”. “I always start super small,” she adds. “Start small and demonstrate tangible outcomes. More people tend to jump on once you build that success.” An additional benefit of taking a pilot approach is that it takes the pressure off, she says. “People feel they can fail at a pilot. If you’re going to enable agility, you’ve got to approach experimentation and innovation in that way. People feel psychologically freer to drive agility.”

Experimentation was also mentioned by several survey respondents as their key tip for driving agility into organisational culture. “Encourage experimentation, embrace failure as a learning opportunity, and ensure everyone feels safe to voice their ideas or concerns,” says one. “Build examples of people experimenting and focussing on the learning that results from this approach, not the outcome per se,” writes another.

Tip 11: Build agility into values and behaviours

More than half (55%) of survey respondents have already built agility into their organisational values and behaviours, while a further 23% are keen to do so. “Look at your current practices and values and ask: Do they reflect agility?” writes one respondent. Another advises: “Build [agility] into your values and express as behaviours and embed it into performance management.” Others mention the importance of rewarding the desired behaviours.

Ultimately, this comes down to systems thinking around people and culture: there’s no point striving for a behaviour or way of working if this isn’t reflected and embedded into the whole employee lifecycle. As one survey respondent puts it: “Set and manage expectations regarding the criticality of agility, starting at interview and throughout the employee lifecycle.”



Case study



How Standard Chartered drives agility through ways of working

With flexible and hybrid working under attack in some quarters, Standard Chartered is clear that flexible working contributes to productivity and aids agility, as well as helping to attract and retain talent in a tough marketplace. “As we look to the future of work, we are very focused on agility being provided through how work gets done, particularly through the use of flexible working and the use of digital tools,” says Rebekah Heaven, global head – future of work & advocacy strategy.

As in many organisations, the pandemic was a catalyst for a huge technological and cultural shift in Standard Chartered’s ways of working, leading to the implementation of new collaboration tools. The bank implemented its flexi-working model in 2021, combining flexibility in working patterns and locations. Currently, it has been rolled out in 42 markets, with 76% of employees in these markets on agreed flexi-working arrangements that balance client, business, team and individual needs.

This significant shift in ways of working requires scaffolding and support. Individuals and leaders have been given toolkits and guidance to help them navigate

hybrid working, including support on how to organise team and individual work. “We have provided education and awareness on how our leaders can have conversations that support high performance in a flexi-working environment,” says Heaven. “This is focused on fostering psychological safety, building trust and accountability and improving collaboration and innovation.”

Enabling this new model to thrive requires ongoing agility, says Heaven: “To ensure success, you need strong trust, feedback and leaders who focus on performance and outcomes and not an old-fashioned view of presenteeism proving performance.” It also requires an agile approach in terms of being able to flex ways of working as required to respond to business and client needs. “Leaving an arrangement based on a one-time only conversation isn’t that flexible,” Heaven points out.

Ultimately, she says, this model enables Standard Chartered to be “more inclusive of the diverse needs of our workforce and support their wellbeing and at the same time consciously balance individual choice and flexibility with business priorities and client needs”.

Increasing leadership agility

As every people and culture expert knows, none of the above tips will lead to sustained cultural change without one vital component: leadership support and buy-in. “Leadership must buy-in to your suggestions otherwise it’s unlikely change will embed,” writes one survey respondent.

“Culture is often set at the top so if the environment does not lend itself to agility, work needs to be done with the leadership team for them to understand the benefit of different approaches to support agility,” adds Crowhurst. In our survey of the BCC community, leadership buy-in was chosen as the second most important enabler of agility. Encouragingly, leadership buy-in was ranked near the bottom of common challenges, suggesting most leaders in our community organisations support the need for change.

But even if leaders intellectually understand the need to shift to more agile cultures and ways of working, they may not have the capability to be able to effectively support

transformation – either consciously or unconsciously acting as blockers. They may be suffering burnout in the longtail of the pandemic and the more complex business environment that has emerged since. Indeed, the pandemic brought intense rigour and focus to many organisations, with leaders and teams pointing in the same direction and working towards a common purpose. In contrast, today’s environment can feel messier and trickier to navigate.

According to our survey, 41% of respondents felt confident that their leaders were agile and adaptable enough to embrace the current speed of change, but 37% only somewhat agreed this was the case and 22% disagreed to some extent. “A lack of open-mindedness, command and control leadership and poor leadership self-awareness can all impede a culture of agility,” warns Crowhurst. “Leaders need to want to develop their skills in the area of agility. This can be a challenge if they lack self-awareness.”

“Leaders need to want to develop their skills in the area of agility”





This requires, she adds, skillful coaching on the part of the CPO and people team. “You need to build trust with your peers and demonstrate integrity and credibility so that the leadership team feels able to have an open discussion.”

While just over a third of organisations say they have an active programme of leadership development focused on increasing agility, about a third do not and a further third would like to. At a recent BCC leader peer learning network meeting on leadership mindsets, skills and behaviours, one member shared how they were repurposing their leadership development programme, building it around the future ‘power skills’ required by leaders to drive the business forward. This includes the ability to act with agility, dialing specific skills up and down as required, helping teams prioritise more effectively and asking more challenging questions about whether activities are actually adding value to the business. (You can read more about an award-winning leadership development programme centred on boosting agility in the case study below.)

At Standard Chartered, all leaders are asked to sign up to a Leadership Agreement, designed to set clear expectations of

the leadership standards required to drive organisational performance.

“The agreement sets out the leadership behaviours we expect,” Heaven explains. “It also forms the foundation of a modernised development curriculum, including skills on coaching, performance management in business-specific contexts, leading for transformation, and leading through ambiguity.” Feedback is critical, with most leaders receiving it via an always-on feedback tool open to all colleagues, as well as structured 360-degree feedback for more senior leaders.

BT’s Murphy admits that she used to have a more commanding leadership style but has found the benefits of a participatory leadership style far more powerful since switching to more agile approaches. “It’s about enabling and empowering teams, using questions that drive outcomes that deliver real value for the business right now,” she says. She uses the example of the current project she is leading to move from the BT Tower: “I told my team: ‘Don’t just give me a document. Let’s start the process of moving equipment out of the building this year. What can we do and how can we learn from it?’ That gives momentum to the team and a real belief that we are going to be successful.”

“You need to build trust with your peers and demonstrate integrity and credibility”

Case study

Boosting leadership agility at the British Heart Foundation

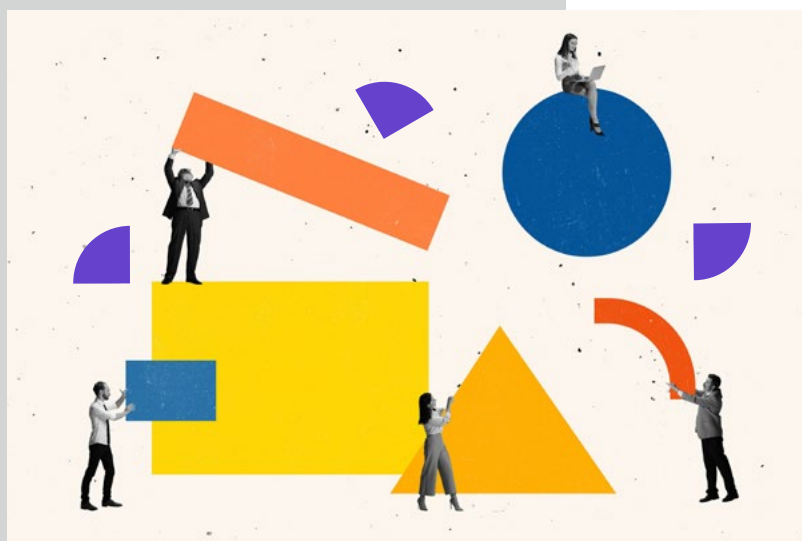
BHF knew that it needed to focus on improving leadership agility to help its leaders to thrive in a complex and rapidly changing environment. “For us, agility is about ensuring we have leaders that can be prepared for whatever comes their way,” says BHF CPO Kerry Smith. “We started with the senior team, unpicking the core characteristics of agility that we need to be demonstrating on a daily basis.”

Working with specialist OD consultancy Mayvin, BHF developed a programme, Leading Our Future, for its 130 top leaders. The aim was to develop leadership that could act bravely, make decisions with confidence and lead with agility in the face of complexity. “It was about making sure everybody could see they have a role in the leadership of the organisation, but also in supporting the organisation to be more ready for change,” says Smith.

Leaders came together to unpick current and future challenges, considering what skills and characteristics would be key for future success. They identified ‘wicked problems’ (complex and systemic challenges), working in cross-functional teams to come up with solutions. Participants were also sorted into smaller learning squads, meeting regularly to engage in peer learning, build connections and consider future challenges. “Working in that cross-organisational way enabled us to start thinking outside our own comfort zone and our own disciplines,” Smith explains.

Fittingly for a programme designed to increase agility, the design of the programme was agile itself, evolving

iteratively and shaped by participants, rather than following a rigid curriculum. For example, when it was uncovered that leaders didn’t feel empowered enough to work in the agile way BHF would like, the programme pivoted to focus on empowerment, discussing how to increase it and setting actions to help shift towards becoming a more empowered organisation.



“Where we ended the programme isn’t where we started it,” says Smith, acknowledging that this was a challenge for some leaders who were used to simply being sent on a development programme. “At the beginning, people were uncomfortable,” she admits. But it progressed, leadership maturity and confidence grew.

Since the programme, Smith says leaders “are feeling more confident with their leadership and that they can face uncertainties”. Engagement survey data also shows that people have more confidence in their leaders, and that they feel leaders are more inspirational.

The Adaptive Mindset: The Key to Building a Truly Agile Culture

Companies with an agile culture consistently outperform their competitors, particularly in their ability to adapt, innovate, and execute in fast-changing environments. To stay competitive and deliver value, organisations must be able to respond quickly to change, foster innovation, make smarter decisions, and iterate in real-time; all while avoiding the trap of rigidity. But how can businesses build and scale agility across the enterprise?

The answer lies in recognising that **agility is not just a process, it is an adaptive skill that requires an adaptive mindset and behaviors**. True agility involves mindset shifts, behavioral flexibility, and emotional resilience, not just following predefined methodologies. Agility demands navigating uncertainty, making decisions with incomplete information, and overcoming resistance to change, all of which are deeply tied to growth mindset, learning agility, and cognitive flexibility.

While technical skills such as Agile methodologies provide structure for agility, they are not enough. Many organisations implement Agile processes but remain rigid in decision-making and leadership behaviors, are unable to embrace mistakes and ultimately fail to sustain agility. The real differentiator is an agile culture that fosters adaptability and reshapes how empowerment, collaboration and experimentation are done inside the organisation.

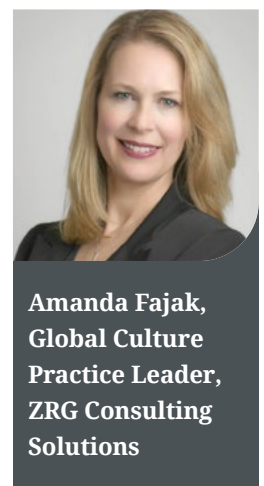
Research supports this. A 2021 McKinsey study found that organisations that were more adaptive were 1.5 times more likely



to outperform competitors financially. Similarly, Harvard Business School professor Amy Edmondson's research on psychological safety reveals that teams with high psychological safety are 76% more likely to adapt successfully in volatile markets.

To build a truly agile organisation, we must shift from merely DO-ING Agile to BE-ING Agile. Agility fails when organisations focus solely on technical processes without addressing the underlying mindsets and cultural norms. The most successful agile organisations prioritise adaptability, continuous learning, and psychological safety, empowering their teams to navigate uncertainty, pivot when necessary, and thrive amid change.

The question is no longer whether organisations should adopt agility, it's whether they have the adaptive mindset necessary to make it work.



Building cultures to support agility: 8 key takeaways for people and culture leaders

1. Prioritise building trust and psychological safety

If we want people to work differently and try new things, we have to remove the fear factor. Building trust and a sense of psychological safety are critical to empowering and emboldening people to work in a more agile way. Psychologically safe cultures require open dialogue, a mindset of continuous learning (including seeing failure as a learning opportunity) and empowering leadership styles. As one survey respondent neatly summarises: “Agility thrives when people are trusted to act, iterate and improve, knowing that progress comes from action, not perfection.”

2. Take active and intentional steps to boost leadership capability around agility

Leaders may be bought into the idea of agility – or at least make the right noises around the need to do things differently – but lack the capabilities to deliver. It's not enough to expect leaders to drive agility through their behaviours, they need to be intentionally developed to do so. Think about how you might need to rethink your leadership development strategy to support agility.

3. Build frameworks for collaboration

Cross-functional collaboration doesn't just happen by accident, it requires frameworks and support. That could involve building formal cross-functional project teams, but also through more informal interactions, such as setting up cross-functional mentoring and networking, encouraging new and unexpected connections. Focus on eliminating communication silos and creating clear shared goals and a sense of purpose.

4. Focus on clarity

Agility flounders without clarity: clarity of purpose, communication, expectations and outcomes are all essential. Successful cross-functional collaboration requires clear accountabilities and ownership, even as hierarchy becomes a thing of the past. People need freedom to experiment and take risks, but they also need a clear sense of direction and certainty on their role in achieving organisational outcomes. And having a clear vision doesn't mean you can't then flex in how you get there.

5. Take a look at yourself

Be honest: are you modelling the change you want to see in others? Or do elements of your behaviour still cling to the comfort blanket of bureaucracy and hierarchy? Role modelling is critical, especially from leaders, and this requires an element of honest (and perhaps at times uncomfortable) self-reflection and awareness. Take a moment to reflect on how your own behaviours match up to the change you want to drive in the organisation, and how you could shift if necessary.





6. Find a balance between pace, performance and wellbeing

Concerningly, according to one report only 3% of employees in organisations with system-wide agility report having a good work-life balance. But focusing on performance, pace and productivity without considering the importance of wellbeing is counterproductive. People and culture leaders must prioritise wellbeing alongside pace, empowering employees and leaders to set clear boundaries. Lack of clarity can also contribute to anxiety and overwhelm, yet another reason why ‘freedom within a clear framework’ is so essential.

7. Don't wait for perfection

Perfect is the enemy of good and too many organisations can wait too long to launch a much-needed transformation. Rather than

‘big bang’, view building cultures of agility as making a series of smaller changes, piloting, experimenting and iterating as required. As one survey respondent sagely advises: “Don’t strive for perfection – it never arrives.”

8. Be bold

Former Catalina MD Patel believes that key to future success is “breaking processes and practices”, adding that at his previous organisation “as leaders started breaking the status quo, they realised outcomes were much better”. People and culture leaders should be bold in their decision making, particularly around what activities to stop doing. Giving others the permission to also break that status quo, reprioritising where necessary, in recognition that you will not be able to do everything without people burning out.

Conclusion: Beyond a buzzword

For organisations to thrive in an uncertain future, it's clear that agility has to become more than a buzzword, instead embedded deep into business culture. Our research suggests that people and culture leaders are making significant strides towards doing this, but this is no time to be complacent. The environment businesses are operating in isn't likely to slow down or become less complex. Agility is the only option. People and culture leaders must focus on shifting mindsets, processes, practices and ways of working to support agility. We hope that this paper inspires you to continue in striving to create dynamic and future-ready organisations in which your people are empowered to flourish.

