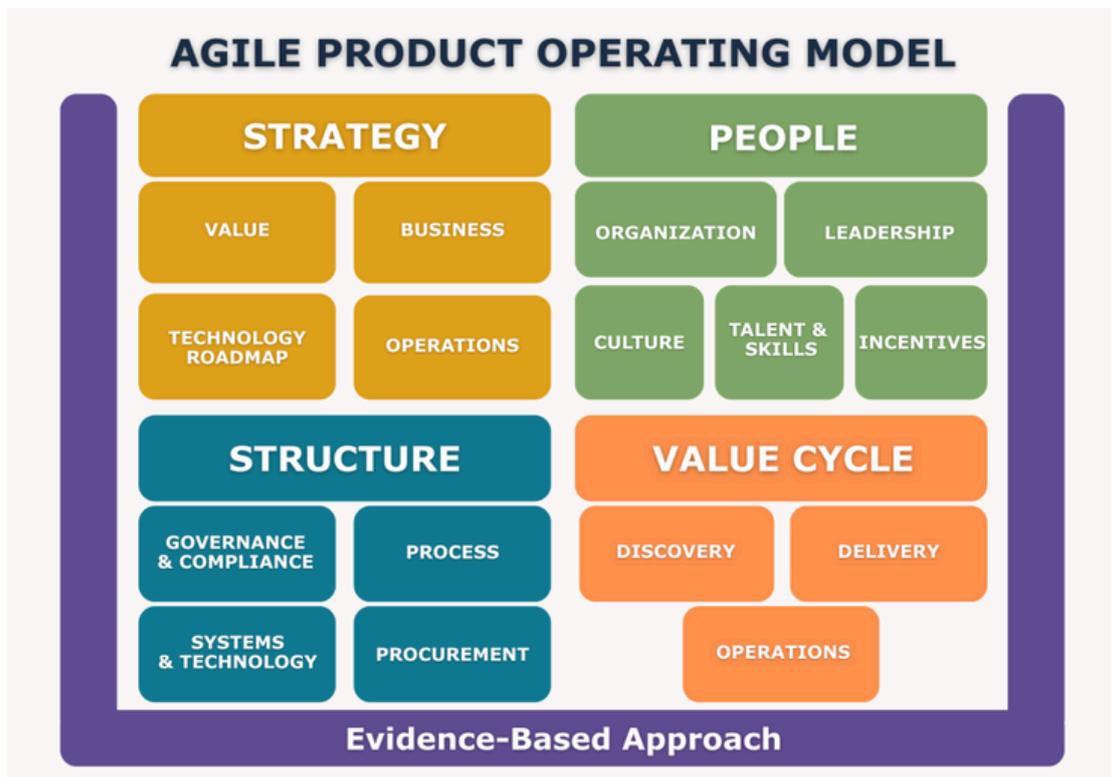


Unlocking the Agile Product Operating Model (APOM): *Addressing the Core Barriers to Value Delivery*

Data Analysis from Scrum.org APOM Survey

Executive Summary

Traditional operating models are no longer enough in an era of constant change and rising complexity. By combining the ideas of modern product management, agile delivery and Evidence-Based Management (EBM), organizations can build an operating model that aligns clearly with their digital goals. This is where the Agile Product Operating Model comes into play. By extending Professional Scrum with the Agile Product Operating Model, modern organizations can create a holistic environment for agility to thrive. The Agile Product Operating Model is designed to help organizations deliver value continuously, adapt faster and thrive in uncertainty.



This report synthesizes the findings of the Agile Product Operating Model Survey conducted by Scrum.org, which assessed the alignment of organizational practices with modern agile and product-centric principles. The analysis reveals that while a strong desire for value-driven development exists, organizations consistently struggle with core challenges.

Key areas for improvement include:

- The conflict between prioritizing value versus features and deadlines
- A lack of universal consensus on whether product development is a strategic enabler or a cost center
- Significant inconsistencies in applying evidence-based decision-making

Furthermore, a substantial portion of organizations face structural impediments, such as persistent silos and hierarchical structures, that limit genuine team autonomy, transparency and end-to-end ownership. The recommendations outlined in this report focus on a deliberate cultural shift, strengthened leadership behaviors, and structural realignment to an Agile Product Operating Model.

Key Insight: The Consistency Crisis

The survey found that organizations adopt agile practices on a situational basis rather than systematically. High 'Sometimes' and low 'Always' responses reveal that teams apply agile principles when convenient, not by default—creating unpredictable outcomes and undermining trust in the transformation. This inconsistency, more than lack of knowledge, is the primary barrier to maturity. The organizations are choosing not to use agile practices, even if they know when to use them, leading to unpredictable outcomes and a lack of understanding for stakeholders.

The Transformation Plateau: Many organizations are stuck in 'Sometimes' mode—having moved beyond traditional waterfall but not achieving consistent agile practice. This middle ground may be the most dangerous place to be: teams have agile vocabulary but lack agile muscle memory, creating the illusion of progress while outcomes remain inconsistent. Organizations on this plateau risk permanent mediocrity unless they commit to systematic, not situational, practice.

Introduction

Scrum.org conducted a survey of over 130 enterprises to better understand the state of adoption of the Agile Product Operating Model. The Agile Product Operating Model Survey was designed to gather granular insights into contemporary practices across product strategy, development, organizational culture, and leadership. Responses were solicited between August and October of 2025 and compiled into this report.

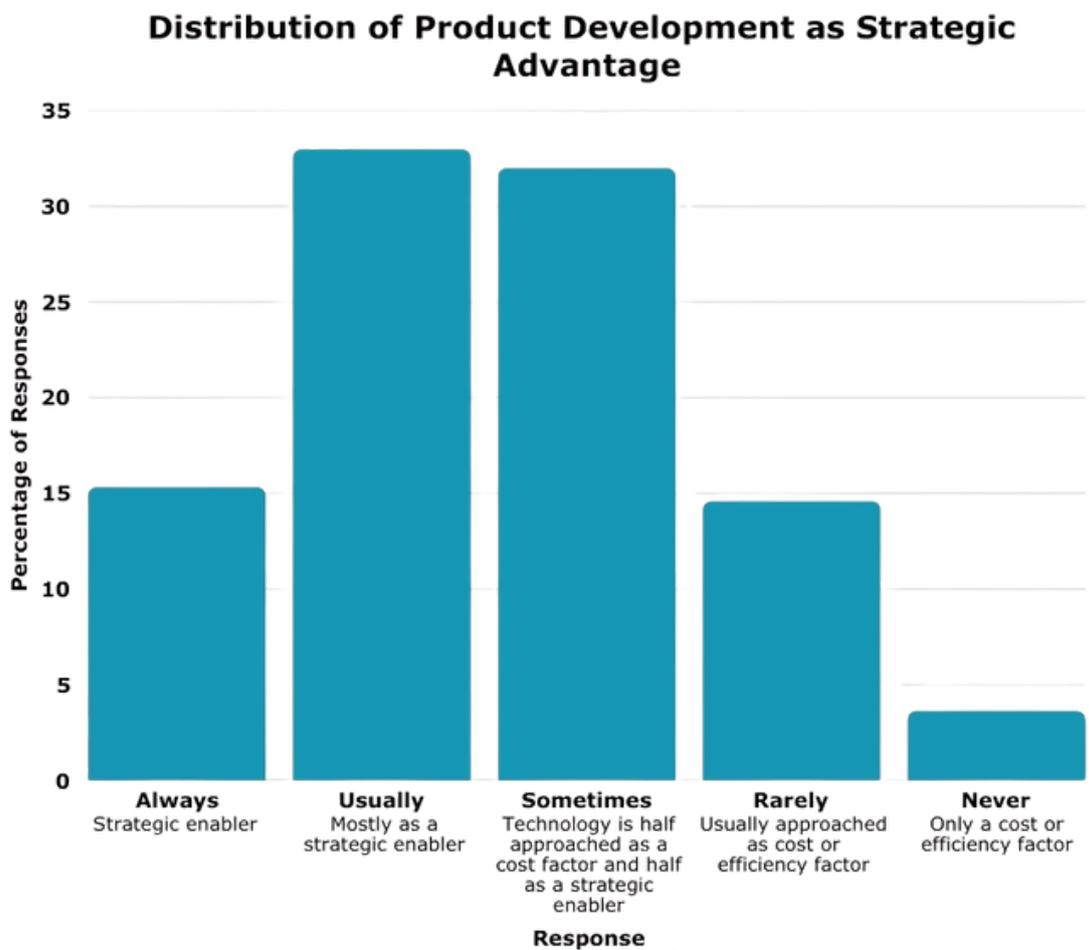
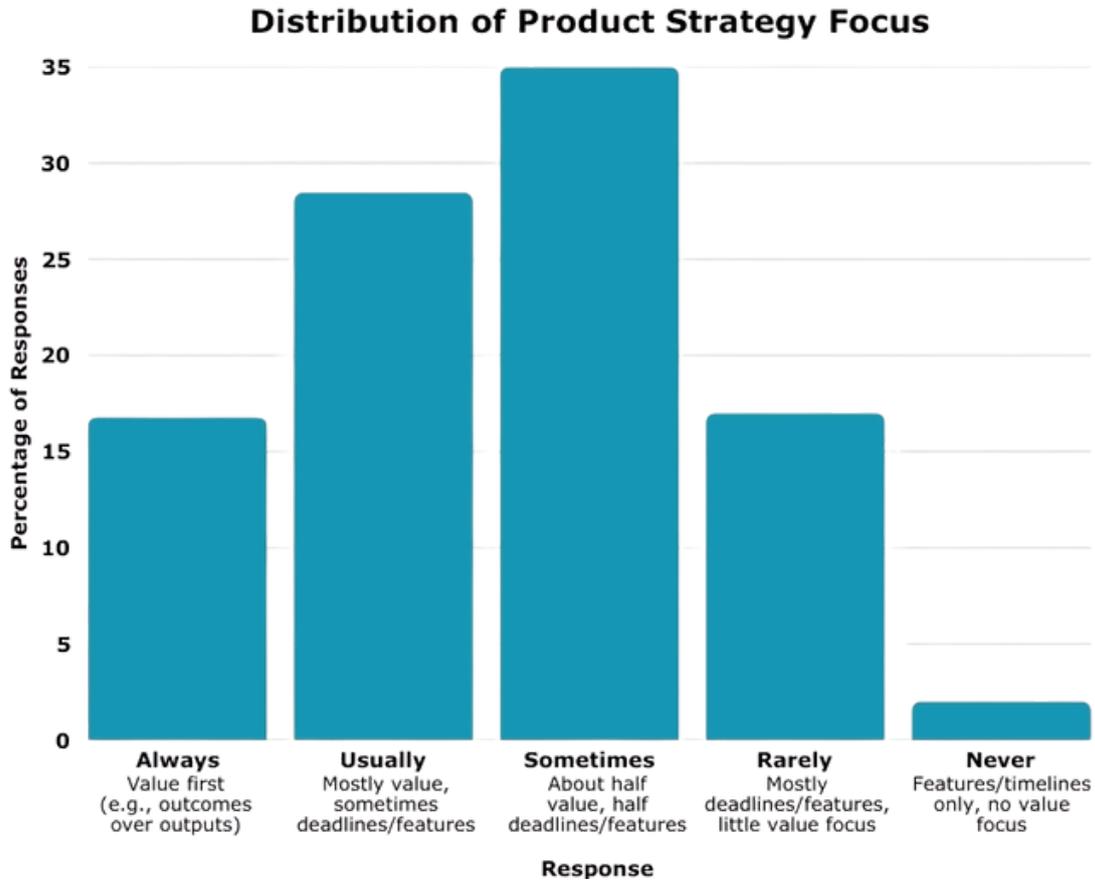
The goal was to benchmark current operational realities against the aspirational goals of a fully agile, value-focused organization. The respondent base comprised professionals predominantly in agile and product management roles, representing a diverse range of company sizes, from small enterprises to large corporations. The following sections detail the key findings, highlighting the most critical gaps and opportunities for improvement.

Analysis of Core Challenges

The survey results reveal four critical areas where organizations exhibit inconsistency in their agile product management and operating models:

- 1. Product Strategy and Value Alignment**
- 2. Decision Making and Empiricism**
- 3. Organizational Structure and Autonomy**
- 4. Leadership and Culture**

Product Strategy and Value Alignment

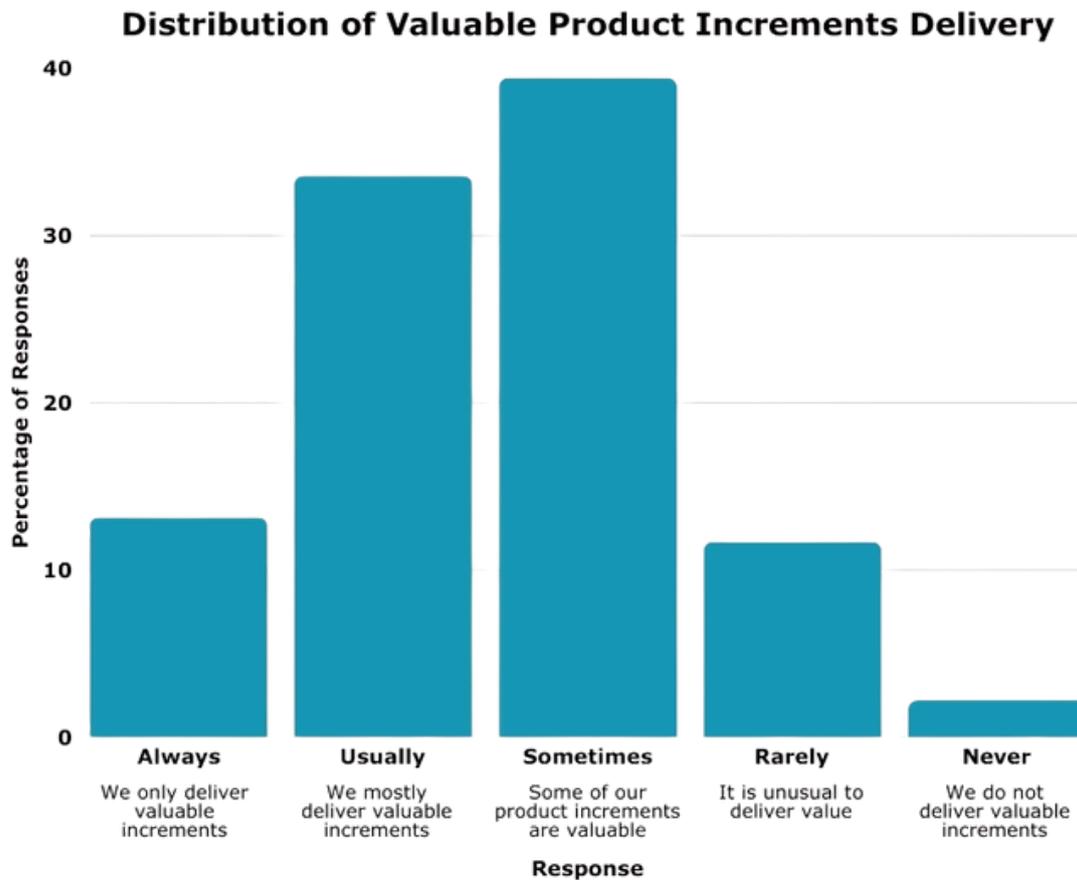


The data indicates a persistent tension between value and delivery constraints:

- **Value vs. Deadlines/Features:** Value vs. Deadlines/Features: Only 16.9% (23 organizations) of respondents consistently prioritize value. A significant 63.9% (87 organizations) report a mixed approach, prioritizing "Mostly value, sometimes deadlines/features" or Sometimes "half value, half deadlines/features," underscoring the struggle to maintain a "value-first" focus in practice.
- **Strategic Perception of Product Development:** Product development's role is ambiguous. 33.1% (45 organizations) view it as "Mostly as a strategic enabler," yet an equal number (33.1% or 45 organizations) see it as "Sometimes - About half as a strategic enabler, half as a cost factor." This mixed perception complicates investment and strategic integration.
- **Alignment with Business Goals:** While 44.1% (60 organizations) reported their strategy is "Usually aligned" with business goals, 22.8% (31 organizations) indicated "Sometimes aligned," suggesting a lack of clear, consistent communication and direct link between product activities and organizational outcomes.

Decision-Making and Empiricism



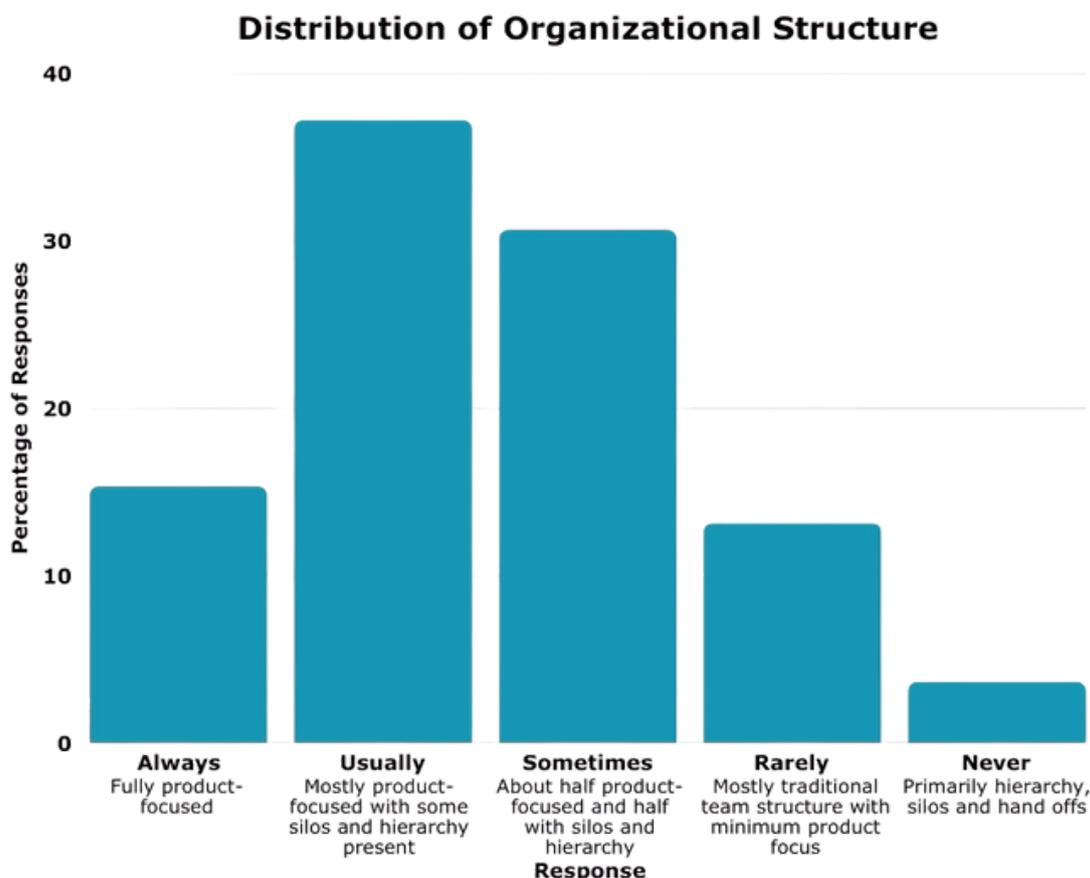


A critical finding concerns the application of empirical methods in product management:

- **Evidence vs. Opinion:** The reliance on evidence is weak. **28.7%** (39 organizations) report decisions are "Sometimes - half evidence-based and half opinion-based," and **22.1%** (30 organizations) rarely use evidence. This reliance on opinion over validated data is a significant roadblock to maximizing value.
- **Delivery of Valuable Increments:** The ability to consistently deliver small, valuable increments is limited. **39.7%** (54 organizations) stated that "Sometimes - Some of our product increments are valuable," suggesting a failure to optimize for measurable impact and continuous learning.
- **Continuous Learning:** Practices like using real data, measurable goals, and intentional experiments are only used "Sometimes" by **38.2%** (52 organizations). This inconsistency indicates that a fully embedded culture of continuous improvement through data-driven experimentation is not yet widespread.

- **Innovation Theater: Low Experimentation:** Only **35.2%** (48 organizations) consistently use data-driven experiments and intentional learning, which is the core of iterative product development.
- **Implication of Innovation Theater:** Without genuine experimentation, product teams build features, not insights, risking becoming an 'agile theater' where they act like they are agile, but are not. The organizational culture punishes failure and rewards certainty over learning, causing teams to deliver output, not validated outcomes.
- **Strategic vs. Operational Gap (Agile Theater):** Only **37.5%** (51 organizations) consistently meet governance requirements, and **62.5%** (85 organizations) struggle with process efficiency, despite leadership embracing agile strategy. The implication is a risk of becoming '**agile theaters**'—running Sprints without fundamentally changing how work gets done or decisions get made.

Organizational Structure and Autonomy



Structural and cultural factors continue to impede agile flow:

- **Team Ownership:** While **30.9%** (42 organizations) reported that product teams "Mostly own and improve the path to delivery," a combined **45.5%** (62 organizations) indicated "Rarely" or "Sometimes" ownership, with specialists frequently handling delivery processes. This compromises end-to-end responsibility and speed.
- **Silos and Hierarchy:** A substantial **37.5%** (51 organizations) are in organizations that are "Mostly product-focused with some silos and hierarchy present." Only **15.4%** (21 organizations) reported being "Always - Fully product-focused," confirming the persistence of traditional structural challenges that hinder cross-functional collaboration.

Leadership and Culture

Leadership behaviors and cultural norms show room for improvement:

- **Leadership Consistency:** Leadership effectiveness in demonstrating expected behaviors, setting goals, and empowering teams is "Usually" present for **51%** (56 organizations) but "Sometimes" for **32.4%** (44 organizations).
- **Trust and Transparency:** While **51.4%** (70 organizations) "Always" or "Usually" foster trust, transparency, and collaboration, **31.6%** (43 organizations) indicated "Sometimes", suggesting that a robust culture of psychological safety is not universally established.

The missing middle: leadership behaviors indicate agile strategy with waterfall management:

- **Middle Management Gap:** Only **14.7%** (20 organizations) of organizations report consistent leadership behaviors that actively empower agile ways of working, despite **52.9%** (72 organizations) "Always" or "Usually" reporting a product-centric organizational goal.
- **Implication:** The transformation stalls when middle managers fail to shift from a command-and-control mindset to a servant-leadership role, thereby becoming an impediment to team autonomy and flow.

- **Evidence of Command-and-Control:** This gap manifests as managers demanding detailed plans and commitments upfront, teams escalating decisions rather than making them, and leaders measuring utilization rather than actual outcomes.

Portfolio chaos at scale: portfolio management has significant room for improvement:

- **Weakest Performance Metric:** Portfolio management scored the lowest across all metrics (**38.9%** effective), highlighting the most significant structural challenge.
- **Coordination Failure:** A substantial **61.7%** (84 organizations) of respondents report inconsistent cross-product coordination.
- **Scale Breakdown:** This issue is most pronounced in larger organizations (**48.6%** of the respondent base), where product autonomy, successful at the team level, breaks down when inter-product dependencies require coordination.
- **Implication of Local Optimization:** Without a highly visible and effective portfolio function, agile teams optimize locally (for their product) at the expense of global enterprise sub-optimization (duplication of work, conflicting roadmaps, painful late integration).

Strategic Recommendations

Based on these findings, a deliberate and comprehensive strategy is necessary to close the gap between aspiration and practice.

- **Drive a Value-First Product Strategy:** Organizations must move beyond a focus on feature delivery and deadlines. Leadership must establish clear, measurable outcomes and consistently prioritize delivering customer and business value to embed a true value-first mindset.
- **Position Product as a Strategic Enabler:** Leadership should position Product development as a source of strategic advantage and business growth, not merely an operational cost to be minimized.

- **Institutionalize Evidence-Based Decision-Making:** Invest in data literacy, robust data collection practices, and experimentation frameworks. All significant product decisions must be consistently validated by real evidence of user problems and measurable impact, shifting the culture away from opinion-based choices. Evidence-Based Management (EBM) would be a recommended place to start.
- **Foster a Culture of Intentional Learning:** Require every product initiative to start with a one-page 'learning plan': What do we believe? What will we measure? What would prove us wrong? Leaders must publicly celebrate teams that learn, regardless of whether their experiment succeeded or failed.
- **Simplify Governance and Process:** Replace one major approval gate with a 'show and learn' review where teams demonstrate a working product and gather feedback—no PowerPoint decks, no status reports, just a working product and conversation.
- **Invest in middle management:** Target leadership development at the director/VP level. These leaders bridge strategy and execution; transformation lives or dies in the middle.
- **Cultivate Consistent Leadership and Aligned Incentives:** Leaders must model expected agile behaviors consistently. Incentive policies must be reviewed and aligned to reward teamwork, continuous learning, and value delivery over individualistic or output-focused achievements.
- **Maximize Team Autonomy and End-to-End Ownership:** Organizational structures must be revised to empower product teams with full ownership over the entire path to delivery, minimizing reliance on shared services and specialized teams for operations and release processes.
- **Dismantle Silos and Reduce Hierarchy:** To achieve a fully product-centric model, organizations must actively break down functional silos and reduce unnecessary hierarchy to facilitate fast, cross-functional collaboration aligned through common incentives.

- **Establish a Cross-Product Portfolio Synchronization Rhythm:** Implement regular, highly-visual portfolio-level meetings focused solely on coordinating dependencies, identifying risks, and aligning investment decisions across product lines to ensure global enterprise optimization.
- **Foster a Strong Culture of Trust and Transparency:** A foundational culture of trust, transparency, and psychological safety must be consistently reinforced to enable open communication, honest feedback and rapid, continuous improvement through empiricism.

Conclusion

The survey data confirms that the journey to product-centricity is incomplete for many organizations. While the intention to be agile is widespread, the operational reality is one of fragmented practices, structural friction, and inconsistent leadership. The opportunities for improvement are clear:

- **Establish a rigorous value-driven strategy**
- **Commit to evidence-based decision-making**
- **Implement effective portfolio management and governance**
- **Structurally empower autonomous teams**

All of these must be supported by consistent agile leadership in order to come to realization when adopting the Agile Product Operating Model. By focusing on these cultural and structural shifts, organizations can more effectively realize the full strategic potential of their product development and operations efforts.

Demographics:

Job Titles: The most frequently reported job titles include:

- Product Owner: 11 respondents
- Agile Coach: 7 respondents
- Scrum Master: 7 respondents
- Product Manager: 6 respondents
- Product Lead: 6 respondents
- Head of Product: 5 respondents
- Director of Product: 5 respondents
- Software Engineer: 4 respondents
- Product Management: 3 respondents
- Business Analyst: 3 respondents

This distribution indicates a strong representation from roles directly involved in agile methodologies and product management.

Company Size: The company size distribution is as follows:

- 10,000+ employees: 34 respondents
- 1,000–4,999 employees: 32 respondents
- 250–999 employees: 29 respondents
- 50–249 employees: 21 respondents
- Less than 50 employees: 11 respondents

This shows that the survey captured insights from a diverse range of organizations, with a significant proportion from medium to large enterprises.

About Scrum.org

Scrum.org, the Home of Scrum, was founded by Scrum co-creator Ken Schwaber as a mission-based organization to help people and teams solve complex problems. We do this by enabling people to apply Professional Scrum through training courses, certifications and ongoing learning all based on a common competency model.

