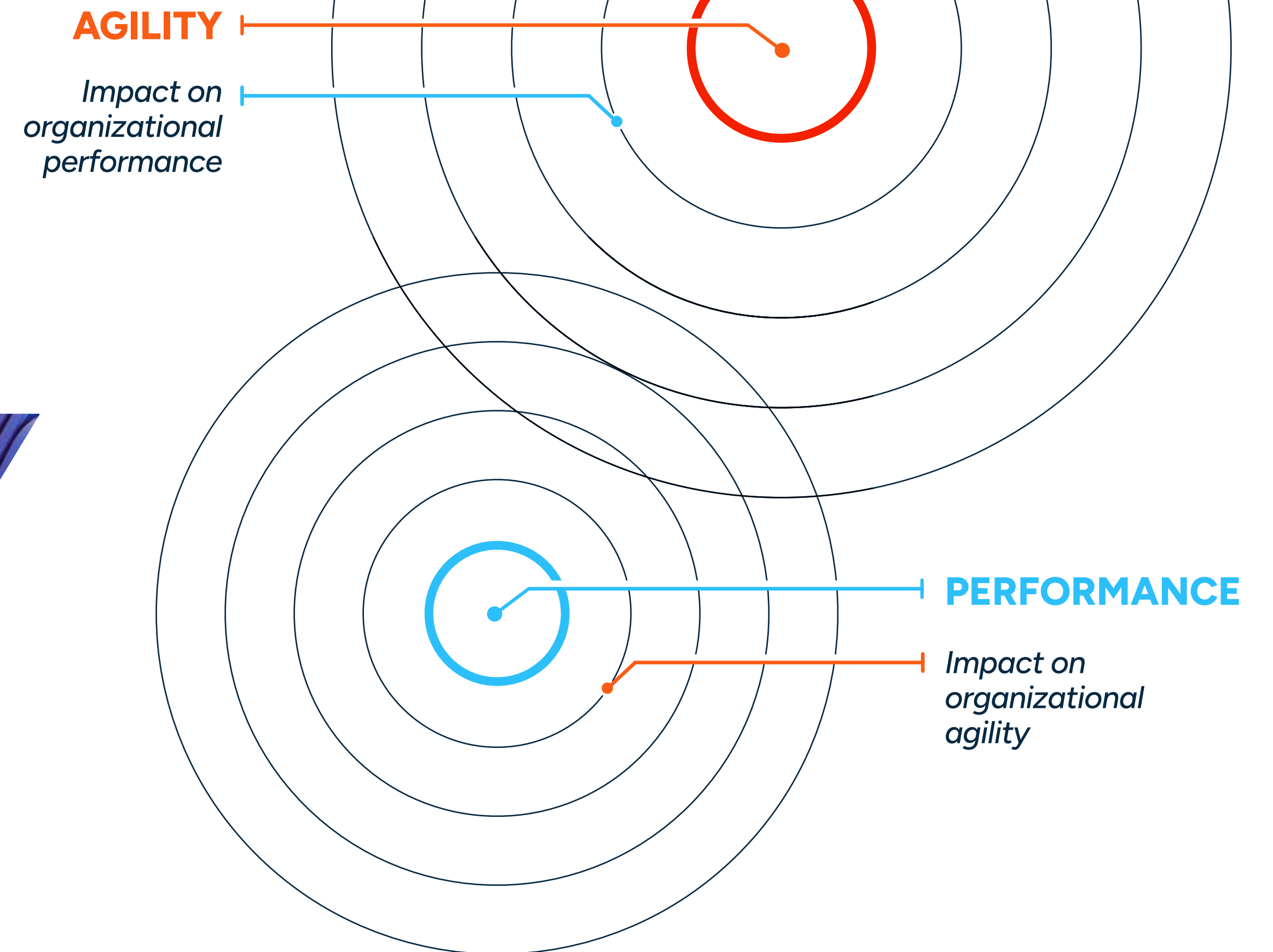


THE AGILITY INDEX:

A new path to performance



AGILITY AT WORK.

We live in a high-performance world

Thought leaders, development consultants, and inspirational business books all emphasize the necessity of constantly striving to be better, faster, and stronger.

Here are 3 significant findings from our research

1

High-agility organizations outperform low-agility organizations in every critical KPI—from communication and conflict resolution to trust-building and risk-taking.

2

High-agility organizations are nearly **4x more likely to see strategy alignment** across talent, execution and technology.

3

High-agility organizations are **2x more likely to report upward revenue trends** in 2025.

For over a decade, organizations have invested in building high-performance or high-potential cultures defined by internal accountability, alignment on key performance indicators (KPIs), and a focus on trust and psychological safety to retain and motivate top talent. This approach has become a widely adopted blueprint for success across industries and organizations of all sizes.

Yet even companies with established high-performance cultures can collapse rapidly, victims of disruptions they never saw coming. The business world is shaped by unpredictability and volatility—performance alone has proven not to guarantee long-term success.

We asked a simple question—what’s missing? The answer was clear: **organizational and operational agility is the key differentiator.**

This is the new reality: If you're not building agility, you're building fragility

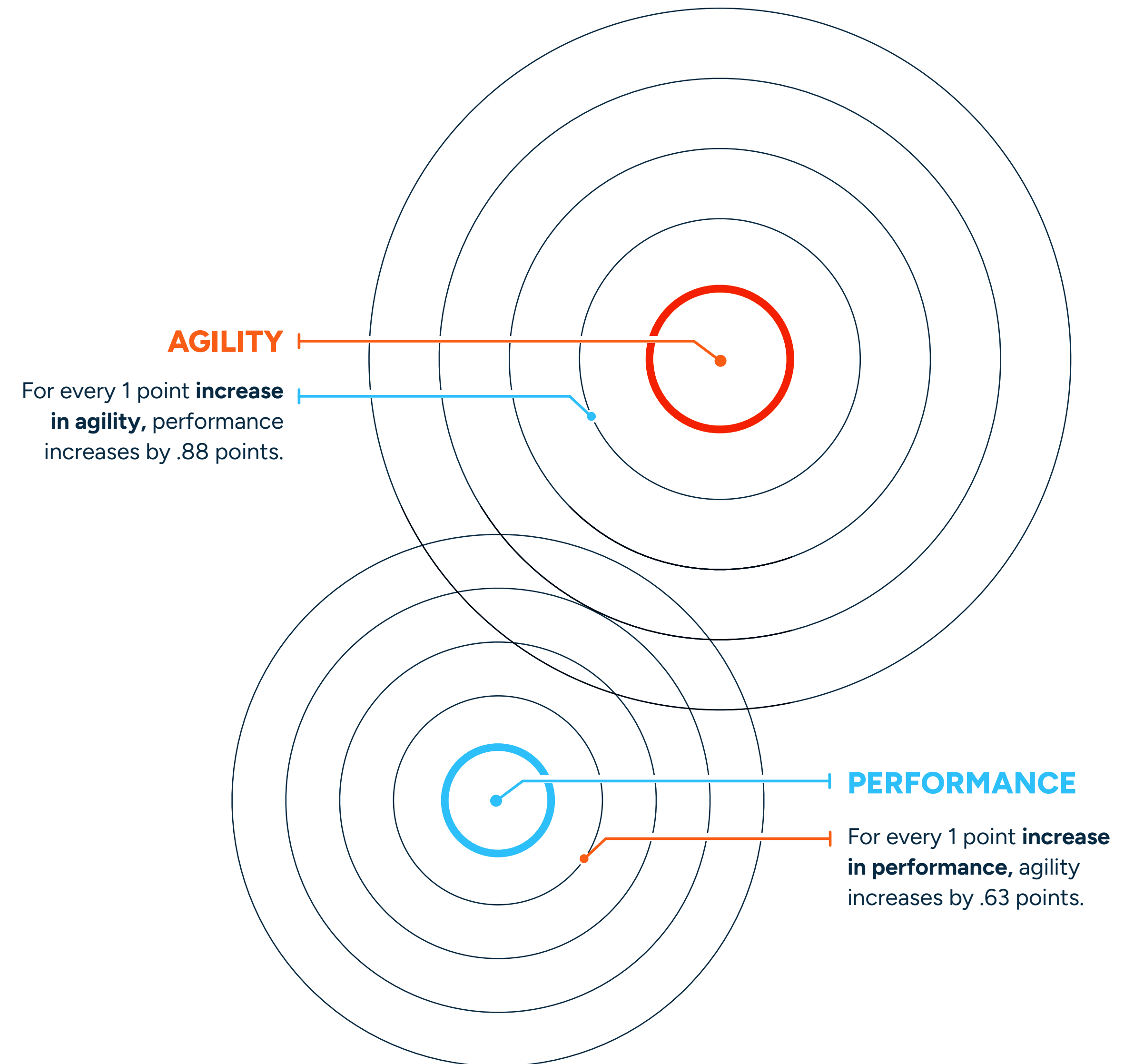
We demonstrate why in this report, examining:

- 1 | Why agility is the strongest predictor of long-term success.
- 2 | What the Highspring Agility Index reveals about organizational risk and readiness.
- 3 | How even high-performing companies can avoid falling prey to hidden agility gaps that threaten long-term success.
- 4 | A practical model for embedding agility into strategy, talent, and execution.

Our data shows that tomorrow's success demands agility

Operational rigidity, entrenched silos, and challenges in attracting the right talent all limit the ability of even high-performing organizations to pivot when conditions inevitably change.

The writing is on the wall: **Without agility, organizations that see success today won't see success tomorrow.**



What got you here won't get you there

For years, building a high-performance culture has been the ultimate business credential.

It has historically driven better customer satisfaction, higher revenue, tighter operations, and stronger margins.

Emphasis on a performance-based culture alone assumes conditions stay relatively stable, but businesses have been operating in an environment of sustained disruption since 2020. That pressure isn't easing, and the cracks are showing—some once-stable organizations have crumbled.

Few organizations are prepared to evolve their performance strategies at a rate that keeps pace with change. But that level of agility is now a necessity. Our research proves it.



Agile organizations outperform rigid organizations | By the numbers

Highly agile organizations have responded well to market shifts and economic disruption. We surveyed 517 leaders, asking them questions that rated their operational agility and comparing their scores against reported performance metrics and KPIs.

We measured agility across three major domains

1

Operational agility

An organization's ability to rapidly respond to internal and external changes by efficiently resolving problems, acting on feedback, and reallocating resources. It reflects how quickly and effectively teams can adapt operations to maintain performance and service quality in dynamic conditions.

(i.e., time to resolve problems, time to act on feedback, time to shift resources)

2

Talent acquisition and retention strategy

Practices and frameworks organizations use to attract, develop, and retain skilled talent. It includes capabilities like scalable hiring processes, targeted training and development programs, and strategies to match evolving business needs with relevant skills in the labor market.

(i.e., training and development, ability to scale, ability to find relevant skills)

3

Culture of innovation and integrated solutions

An organizational environment that encourages cross-functional collaboration, continuous improvement, and the proactive adoption of new technologies and processes. It focuses on minimizing siloed thinking and promoting frequent updates to tools, systems, and workflows to stay competitive.

(i.e., siloing, frequency of updating technology and work procedures)

We then compared the business outcomes of organizations that scored high on agility against those that scored low on agility to identify any patterns

Metric	Low-agility	High-agility
Positive revenue growth in Q1 2025	46%	97%
Project revenue growth for 2025	45%	97%
Experienced a layoff in the last 24 months	51%	31%
Talent strategy is aligned with business strategy	25%	90%
Have open and honest communication	43%	96%
Solve conflicts constructively	50%	97%
Employees trust each other	50%	94%
Feel safe taking risks	46%	94%
Employees are optimistic about organization outlook	42%	98%
Leaders are optimistic about organization outlook	49%	98%
Average employee Net Promoter Score (eNPS)	-27	69

We measured business outcomes in terms of revenue trends, disruptive events (i.e., layoffs, mergers, etc.), NPS, and other key performance indicators.¹ The results spoke for themselves.

These findings underscore a critical reality: Agility isn't just a cultural or operational idea—it's a measurable competitive advantage.

High-agility organizations consistently demonstrated stronger revenue growth, faster time to market, and higher employee engagement, proving that adaptability translates directly into performance.

1. For a deeper dive into all of the organizational outcomes we tested, see Appendix page 24.

The performance-agility gap

The over-indexing on performance is apparent when comparing the average performance and agility scores.

In addition to measuring agility, we also measured the manifestation of high-performance culture in respondent organizations. We defined high-performance cultures as having high levels of role clarity, continuous development, strong leadership, customer success, and other key employee performance elements.²

Organizations have focused on performance optimization by driving output, increasing margins, and improving short-term efficiency. High-performance culture creates results when conditions are stable, but it fails when circumstances require speed, flexibility, or coordination.



Plotting the data reveals that many organizations that have successfully built a high-performance culture are relatively rigid.

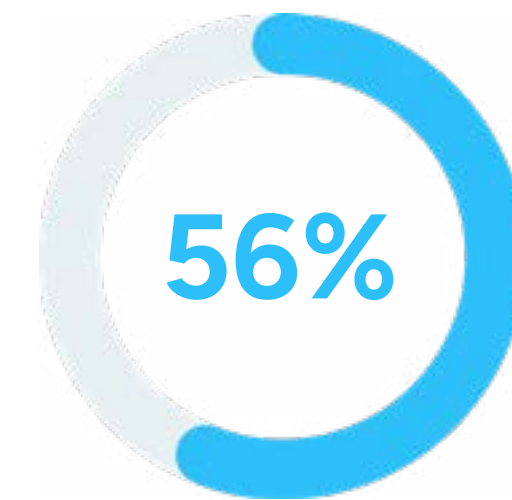


2. For a more detailed breakdown of how we evaluated high-performance cultures, see Appendix page 25.

Performance vs. agility

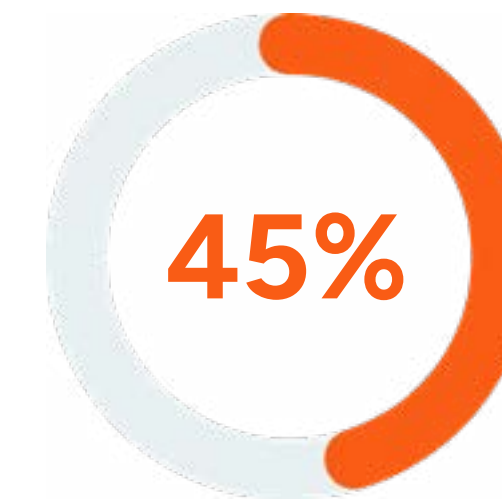


The agility deficit shows up in several key areas



56% of organizations **can't move teams to a new initiative within 3 weeks.**

That number climbs to **73%** for enterprise companies.



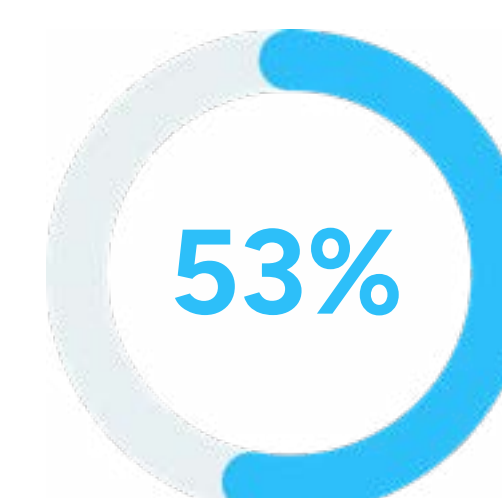
Only 45% of organizations are **confident they can quickly find the right skills** when new opportunities emerge.

In enterprise organizations, it's just **31%**.



Only 30% of organizations would **describe their leadership team as aligned and responsive.**

Among enterprise companies, it drops to **18%**.



53% of organizations are either **at or behind the curve** in their industry.

Rigid processes, siloed teams, and slow decision cycles don't break overnight. They erode performance from the inside. These organizations are particularly vulnerable to market shifts, as they may struggle to redirect resources and personnel to meet emerging needs.

Organizations with an agility gap feel it in their outcomes.

When we **compared highly agile high-performing organizations** to rigid high-performing organizations, we found highly agile high-performing organizations are:

42% more likely to have **talent strategies aligned** with their business strategies.

37% more likely to have **technology aligned** with business strategy.

31% more likely to have **execution aligned** with business strategy.

19% more **likely to be profitable** in 2025.

19% more likely to have **talent with an optimistic view** of their organization’s outlook.

High-performance culture has hit a ceiling

Organizations optimizing for efficiency are seeing diminishing returns as they tighten processes and technology. Like a precisely tuned engine, these organizations become delicate, liable to spin out of alignment when they encounter rough terrain.

Overfocusing creates an illusion of control and strips out the capacity to adjust under pressure. When disruption inevitably hits, these companies respond slowly. Strategy locks up. Talent leaves. Leaders look for playbooks that no longer apply. And the systems that once delivered results become the very thing that prevents adaptation.

Investing in agility closes that gap. It enables teams to move, adjust, collaborate, and deliver without waiting for permission or stability. Without it, performance becomes a short-term metric—and a long-term risk.

Measuring organizational agility

Assessing responsiveness in uncertainty

To better understand agility and its organizational impact, we decided to measure it.

From our research, we developed the **Agility Index**, a proprietary framework that quantifies how well an organization can adapt, align, and act in moments of change.

This index measures the following:

Operational agility

- Time to resolve problems
- Time to act on feedback
- Time to shift resources

Talent acquisition and retention strategy

- Training and development
- Ability to scale
- Ability to find relevant skills

Culture of innovation and integrated solutions

- Siloing
- Frequency of updating technology
- Frequency of updating procedures



The Agility Index score



The **Agility Index score** measures an organization’s ability to respond to market uncertainty—the higher the score, the more likely an organization is to absorb change while maintaining performance and delivering consistent outcomes.

The **12 questions of the Agility Index** give insight into specific organizational strengths and weaknesses: where movement flows, where it’s blocked, and what’s slowing it down.

Together, these insights turn an abstract concept like agility into something measurable, diagnosable, trackable, and fixable.

Danger zones: who's vulnerable and why

One of the Agility Index's key values is identifying where specifically an organization's agility shines or lags. In the latter case, our research identified a number of chronically rigid areas and cohorts.

Siloing as a structural weakness

According to the **Agility Index**, silos are a major barrier to agility. They slow decisions, block feedback, and make coordination harder just when it's needed most.

Despite people and organizations being acutely aware of silos, they're still surprisingly common.

70% of organizations have siloed departments

Executive leadership and human resources (HR) were the most commonly siloed, with **74%** and **71%** of respondents, respectively, stating that these key departments are siloed. While sales departments were the least siloed, even this is not saying much. They may fare better, but the data shows **67%** of sales departments are still siloed.

Many organizations are structured in ways that naturally create silos. The impact of silos shows up most clearly when the environment demands agility. It's important to note that the ability to reorient to meet new challenges was the next least endorsed, with only **43%** of respondents reporting that they would be able to reorient within 3 weeks. Siloing is the most likely culprit behind this organizational lag.

Enterprise organizations struggle with agility

Across our research, agility scores varied widely by company size and segment. These patterns revealed how structure, scale, and strategic focus shape an organization's ability to respond.

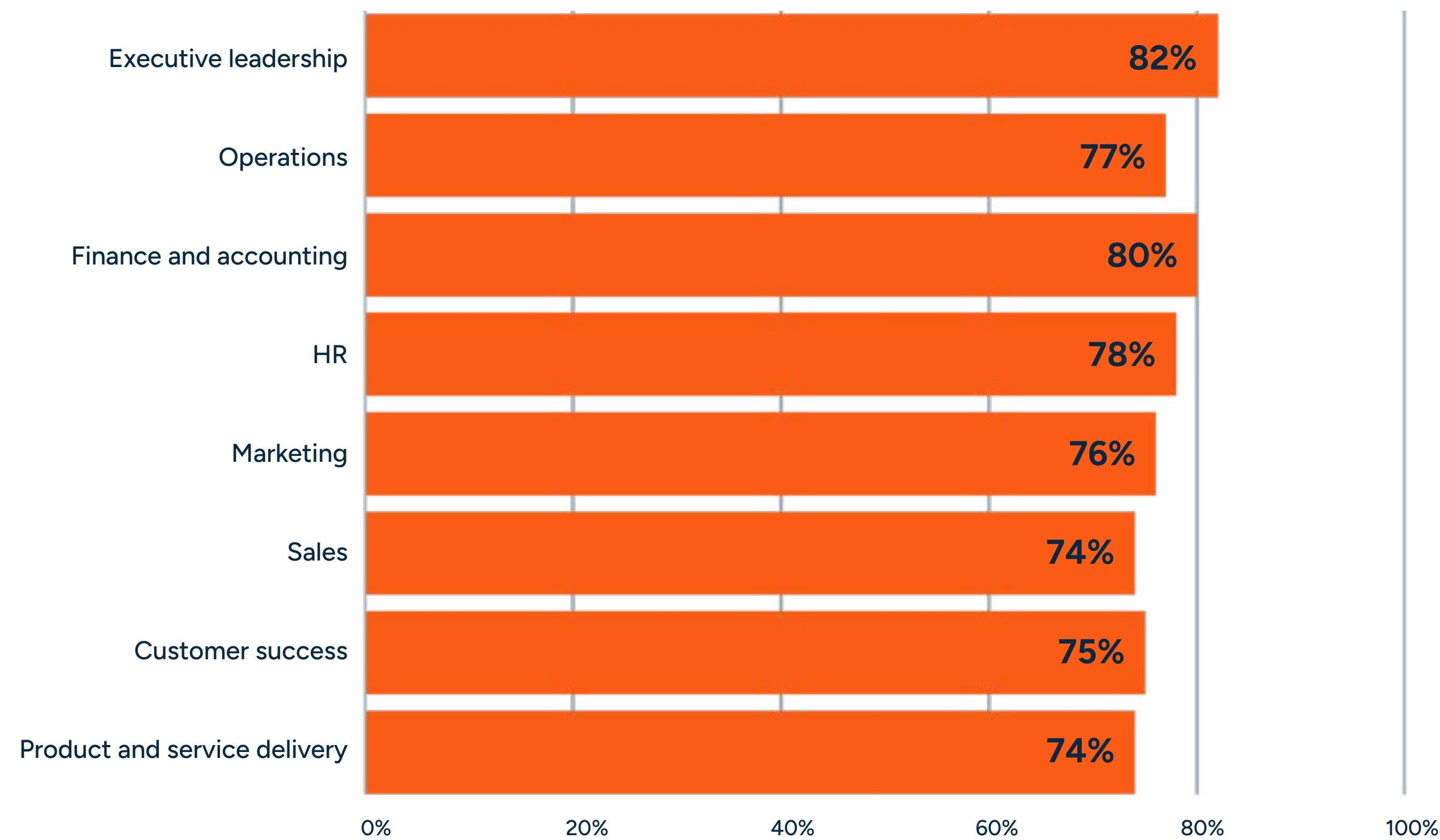


Mid-market organizations consistently demonstrated the highest agility scores. These companies are large enough to have defined processes but aren't too big to quickly change direction. They can adjust strategy without navigating excessive bureaucracy or legacy infrastructure. Agility is more likely to be built into the way they operate.

Small and medium-sized businesses (SMBs) scored lower, but for different reasons. Many of these companies lack the resources or structure to respond at scale. Agility is often informal, reliant on founder or executive decisions, ad hoc collaboration, and personal relationships. What looks like flexibility often breaks under sustained pressure.

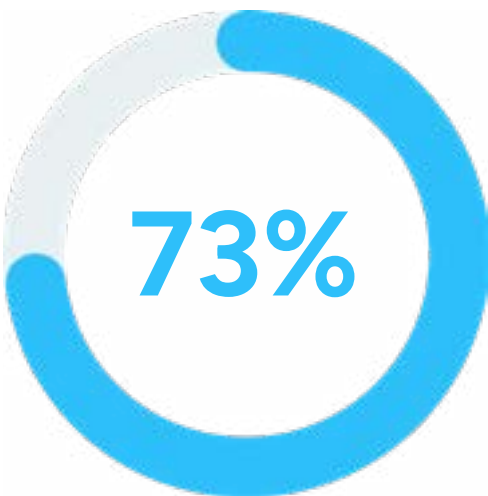
Enterprise organizations posted the lowest agility scores
The biggest contributor? You guessed it, siloing.

Overall, 77% of Enterprise departments are siloed



If you’ve ever wondered why leadership can seem disconnected, procurement takes so long, or customers feel like nobody is reading their NPS surveys, this may be why.

Reorienting quickly to new ideas, budgets, or product changes



73% of Enterprise organizations **cannot successfully pivot within 3 weeks.**

Size, complexity, siloing, and layers of bureaucracy create organizations that struggle to translate market trends into action.

Finding the right stuff fast



69% of enterprise organizations **cannot rapidly find people with the skills** to meet emerging opportunities.

Siloed data, unclear skill inventories, and outdated systems prevent organizations from mobilizing talent when it matters most.

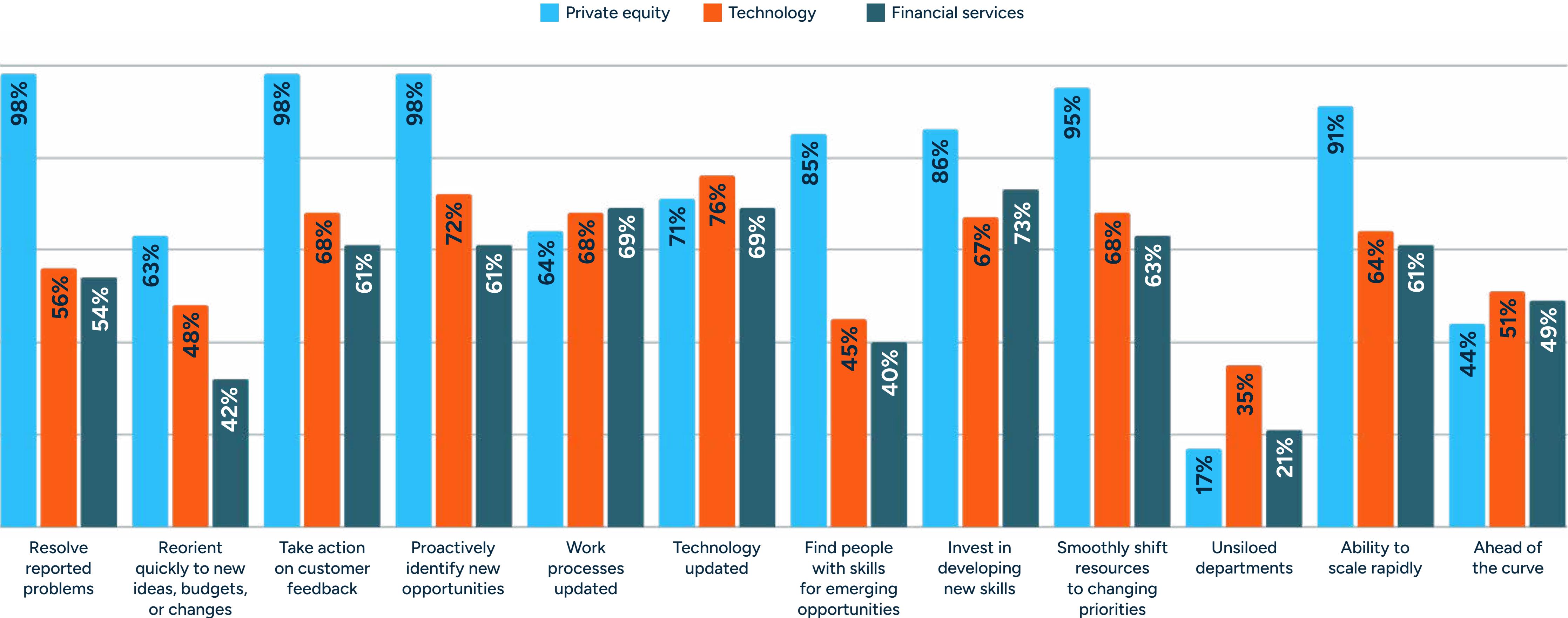
Industry differences drive agility challenges

In addition to size, industry differences introduced their own patterns of vulnerability.

For example, private equity (PE) firms overall show both high agility and established high performance cultures. Part of that is demonstrative of their industry and is a key to their success. But PE firms aren’t perfect: They struggle with cohesion. Moving fast isn’t an issue, but when it comes to moving together, cracks start to show. Aligning multiple stakeholders, leadership layers, and portfolio entities remains an ongoing challenge.

Financial services organizations have the lowest agility among the industries we tested. These organizations struggled significantly with internal trust, conflict resolution, and open communication—key agility drivers in other industries.

Agility by Industry



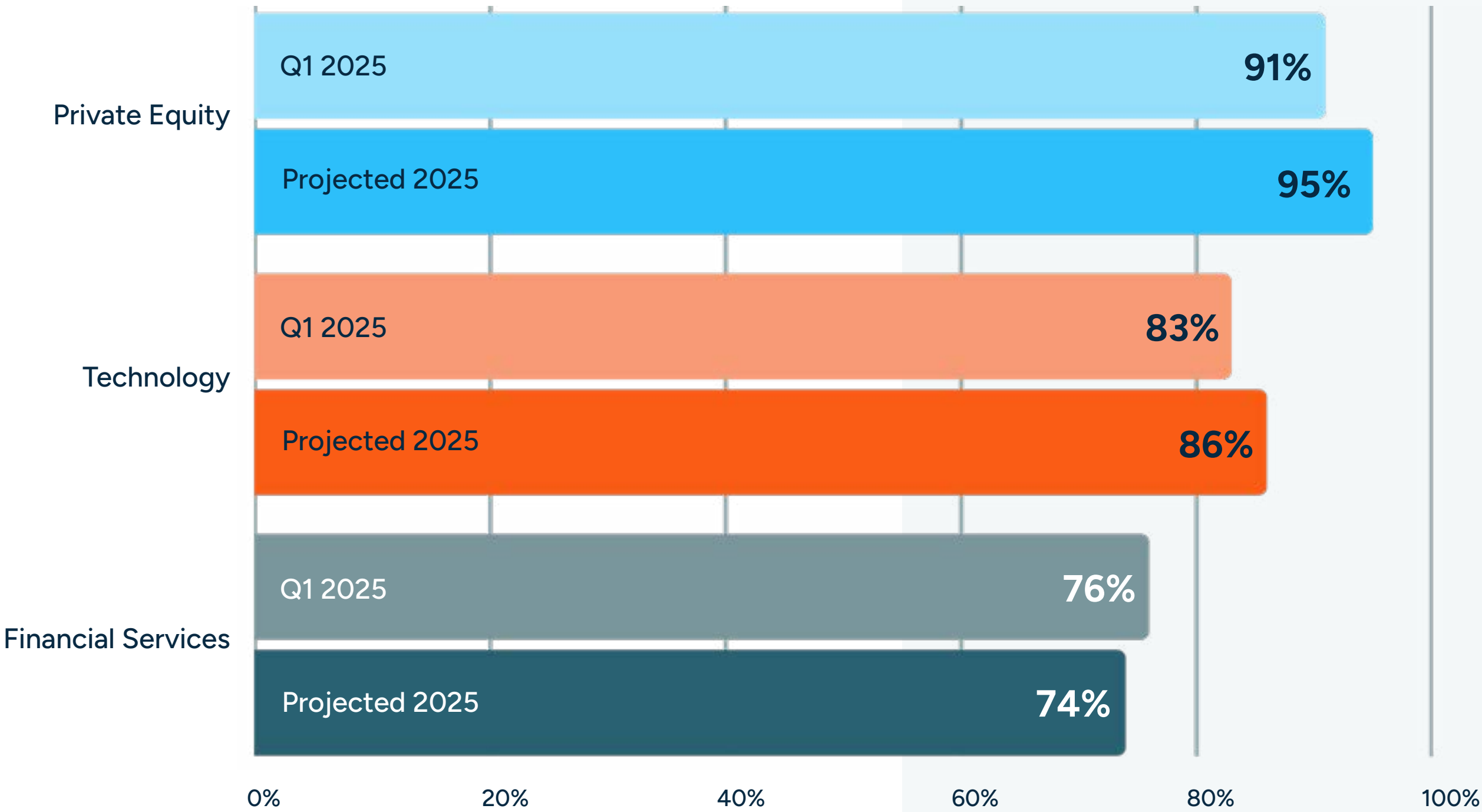
Despite coining the agile methodology, technology organizations do not perform much better than financial services.

While technology boasts the least siloed (but still quite siloed) departments, they struggle more than financial services with updating work processes and investing in skills development.

The difference is built in. PE firms are designed for disruption and agility, sacrificing some cohesion, whereas financial services companies were designed to be steady, reliable, and controlled, sacrificing agility at the expense of almost everything.

That model no longer holds. Agility doesn't replace stability, but without it, stability starts to crack. The proof is in the performance: PE firms are 20% more likely to report growing revenue in one of the toughest market environments on record.

Revenue by Industry



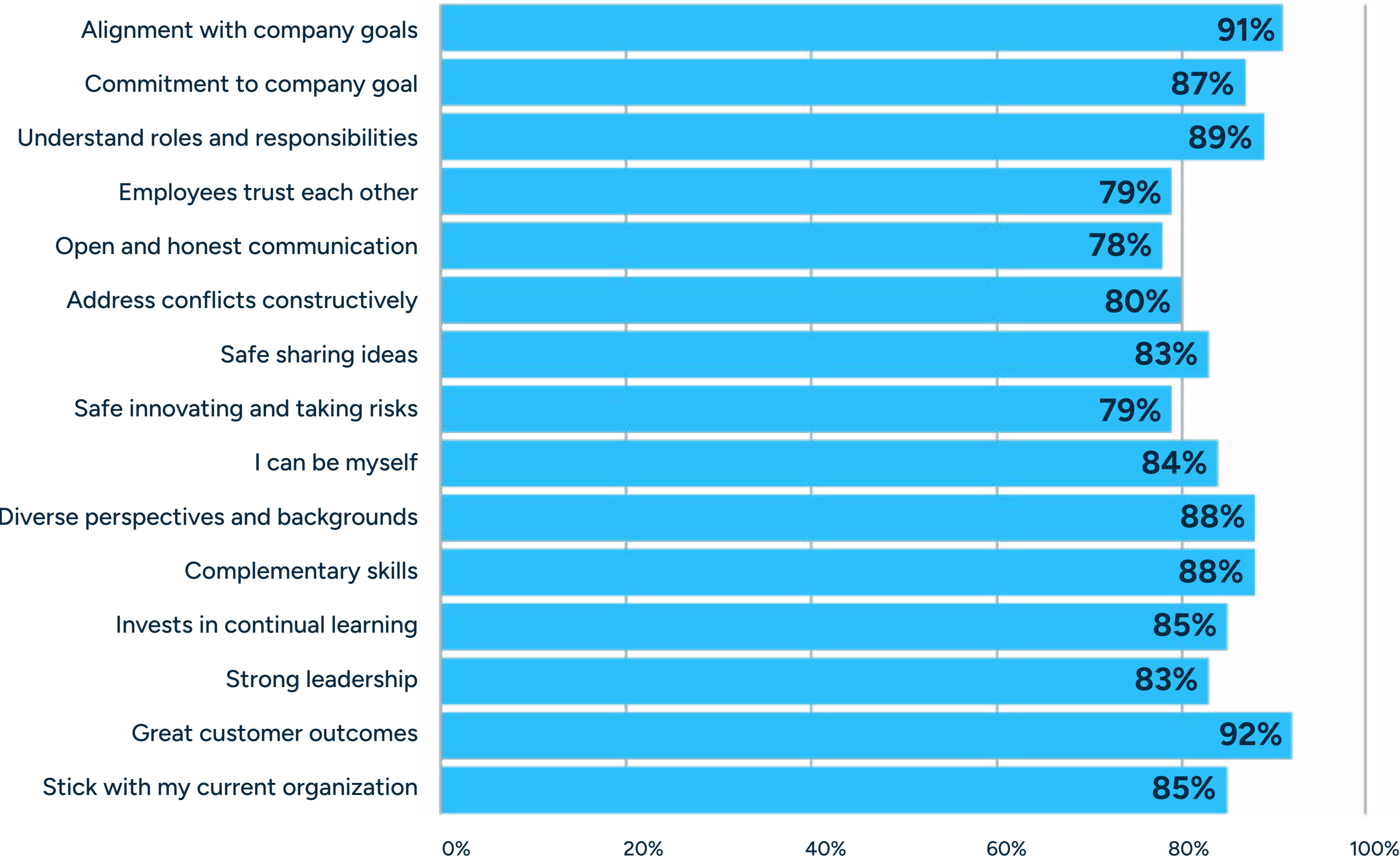
Designing agile organizations

Historically, businesses have focused heavily on building high-performance cultures.

Their efforts have paid off: average performance scores are high across all organization sizes and industries.

Like performance, **agility happens by design.** The popular fixation on developing performance cultures above all else has hobbled responsiveness. The effort to build these cultures wasn't wasted, but organizations need to orient themselves to a more balanced approach that includes agility.

Performance components



Getting agility back on track

Agility fuels growth, protects against disruption, and creates alignment across people, technology and execution strategy. Critically, agility is essential to maintaining the high-performing cultures that organizations worked so hard to achieve in the face of constant market change.

Every organization, regardless of industry, structure, or scale, has the ability to build it. The question is *how*.

Here's a roadmap:

1 | Diagnose

Assess where agility is working and where it's blocked. Use agility banding to evaluate teams, functions, and leadership tiers. Look for friction. Find the disconnects.

2 | Design

Build programs that prioritize agility from the start—leadership enablement, team structure, learning and development, and technology that makes movement easier, not harder.

3 | Execute

Tie agility to outcomes. Build it into KPIs. Incentivize it. Reinforce it through feedback, experimentation, and real-world metrics like retention, optimism, and delivery speed. Deploy resources and strategic thinking exactly where, when, and how it is needed most.

Agility delivers staying power through speed, clarity, and alignment

Any organization can achieve this. There are best practices. The tools exist. And you don't have to do it alone. There are partners like Highspring who've done this work and who understand how to help organizations shift without losing what makes them strong.

This is a transformation you can start today.



Conclusion: some hard truths

Highspring didn't begin as a unified organization. We were a \$1 billion+ business spread across separate brands, services, and systems. We were delivering but not moving as one.

That fragmentation was slowing us down. We saw it in the way priorities competed. We felt it in the distance between ideas and action. And we knew that if we didn't shift, we'd fall behind the very clients we were trying to serve.

So we rebuilt from the inside out.

We integrated Consulting, Managed Services, Talent Solutions, and Technology. In doing so, we unified our various brands within a new organization represented by two connecting brands, Highspring and Vaco by Highspring.

We call this shift **Agility at work**.

Yes, it's our tagline, but it's also how we operate, it's how we make decisions, and it's how we deliver clarity to clients—fast, aligned, and transparent.

We conducted this research in part to validate this decision. In addition to identifying areas for improvement, we also validated some lessons learned along the way:

- **Performance culture, on its own, hits a ceiling.** Growth stalls when execution can't flex.
- **High-performance cultures break when twisted.** Strong performance under pressure doesn't matter if the system can't rotate. That's organizational shear.
- **The shift always comes.** The only question is whether you're ready when it does.
- **Agility enhances a performance culture.** The data proves it, and we've lived it. Nearly every high-agility company in our research was also a top performer.

Agility at work was our answer. It's what our practice is all about, and our data shows that it's effective.

"What got you here won't get you to the next milestone. Not without agility."



Brian Waller, CEO and Co-Founder, Highspring

Appendix

This report’s findings are based on research conducted by Highspring in spring 2025.

The primary aim was to validate organizational agility as a distinct, critical factor influencing business outcomes and employee experiences—not interchangeable with performance but correlated to it.

The study sought to:

- Confirm that agility correlates with better business and employee outcomes.
- Demonstrate that investing in agility produces greater benefits than focusing solely on performance.
- Highlight the agility gap in high-performing but rigid organizations.

Design:

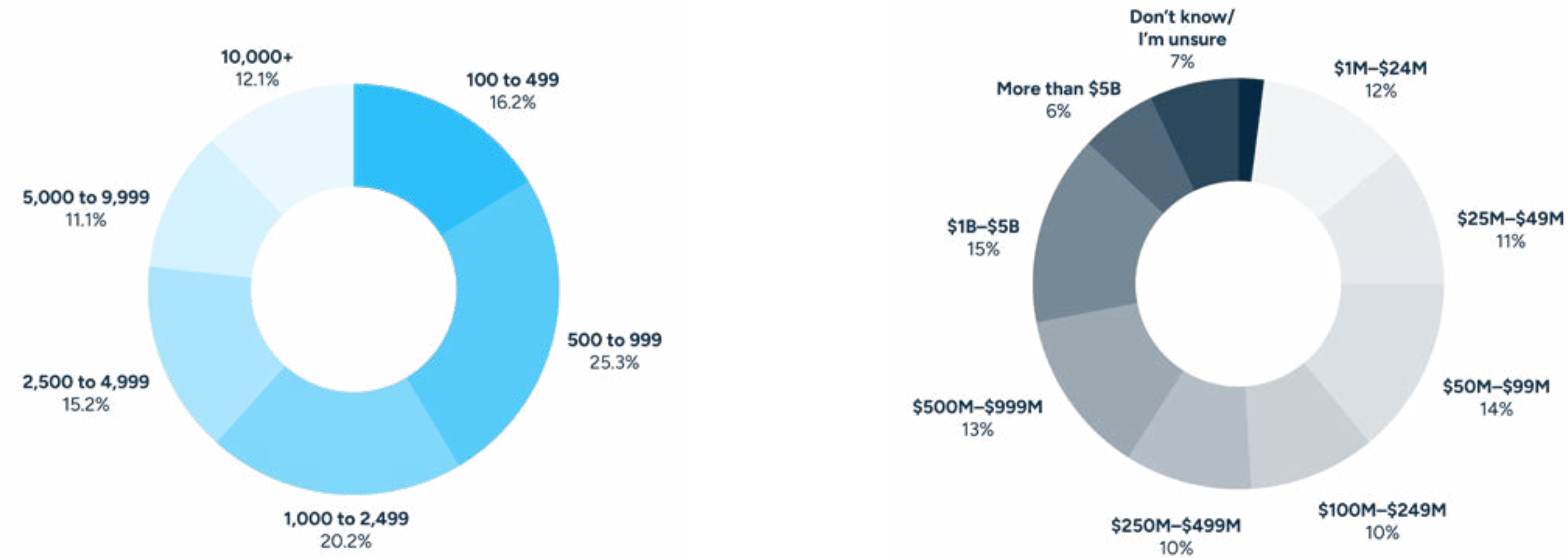
The study was built around three diagnostic frameworks:

- 1 | **Agility Index**
- 2 | **Organizational performance diagnostic**
- 3 | **Key measurable business metrics**

Respondent makeup:

The study included 517 total respondents with **purchase decision-making responsibility** in talent, consulting, and managed services.

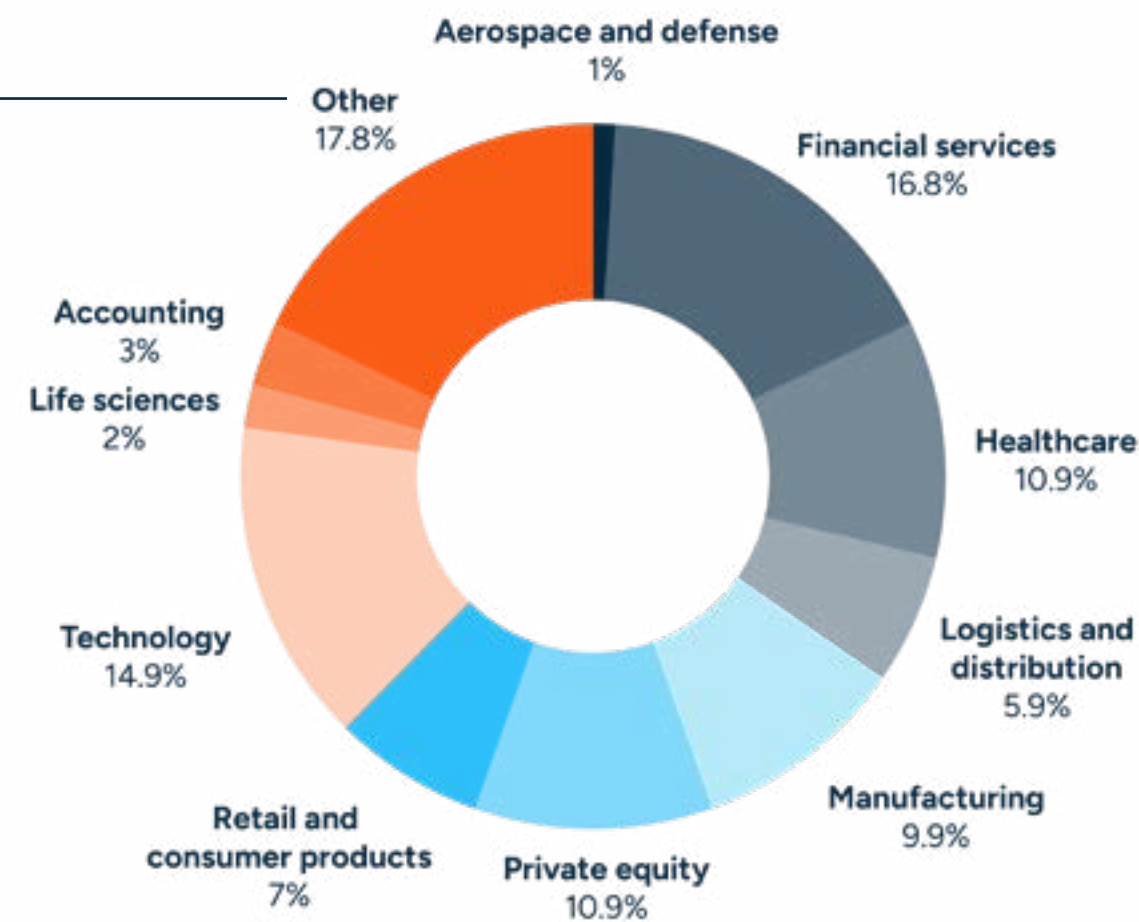
Company size and revenue



Industry

List of additional industries (Other)

Agriculture	Government	Real Estate
Automotive	Health and Wellness	Research and Social Science Research
Behavioral Health and Psychiatric Services	Higher Education	Resorts and Theme Parks
Construction	Insurance	Restaurants
Customer Service	International Development	Security
Education	Legal	Software
Engineering	Logistics	Telecom and Telecommunications
Entertainment and Sports	Nonprofit and Not-for-profit	
Energy and Energy Services	Performing Arts	
Event Management and Production	Professional Services	
	Public Utility and Utility Construction	



Data collection areas

- Organizational demographics (size, revenue, industry)
- Respondent role and purchasing involvement
- Agility, performance, and measurable organizational outcome

Analysis approach

- Statistical analysis, including **correlation measurement** ($r \approx 0.845$) between agility and performance
- Cross-segment comparisons (e.g., SMB vs. Mid-market vs. Enterprise)
- Industry-specific cuts (Private Equity, Technology, Healthcare, Financial Services)

Definitions used

Organizational agility

Definition: Momentum, balance, and control at the moment of changing direction.

What we measured

- Speed of decision-making and problem-solving
- Adaptation to new challenges and opportunities
- Communication effectiveness
- Ability to scale and manage resources
- Departmental siloing

Agility Index metrics

- A1–A12 scores ranging from -30 to +30
- Dimensions include reaction times to problems, reorienting to change, acting on feedback, proactive opportunity identification, updating processes and tech, and scaling abilities.

Agility bands

Band	Score range	Description
Very High Agility	21+	Embedded agility, thriving on change
High Agility	11–20	Strong agility practices
Average Agility	0–10	Inconsistent agility
Low Agility	≤0	Rigid, reactive

Organizational performance

Definition: Organizational alignment, execution, and impact that’s measured in outcomes, not effort.

What we measured

- Employee alignment to goals
- Role clarity
- Psychological safety
- Trust and communication quality
- Diversity and inclusion
- Continuous development
- Leadership quality
- Customer success
- Employee retention

Performance diagnostic metrics

We set Highspring’s definition of agility against a diagnostic for measuring the prevalence of high-performance culture in organizations.

This diagnostic consisted of 15 questions and measured widely accepted aspects of performance validated in existing organizational research and thought leadership.

These included:

- Employee alignment with and commitment to company goals
- Role clarity
- High-quality interactions
- Psychological safety
- Diversity
- Continuous development
- Strong leadership
- Customer success
- Employee affinity and retention

Our objective in incorporating high-performance culture into this study was to ground our novel notion of agility against a more commonly understood and accepted interpretation of organizational success. We also sought to validate that the presence of high-performance cultures did indeed still correlate with positive organizational outcomes.

How we measured business outcomes

We used the following key performance indicators (KPIs) to measure the relative outcomes of different cohorts.

- Revenue trends for Q1 2025
- Projected revenue trends for 2025
- Employee retention
- Frequency of disruptive events, including:
 - Restructuring
 - Layoffs
 - Mergers and acquisitions
 - Expansion into a new market
 - Launching a new product/service
 - Sunsetting a market
 - Sunsetting a product/service
- Employee and leadership optimism about company outlook
- Business strategy alignment with talent, execution, and technology strategy.
- Net Promoter Score (NPS)—adjusted to “Would you reapply for your job?”

These measures were drawn from existing thought leadership and in-depth conversations with business leaders, subject matter experts, and analysts from diverse industries.



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