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UNPACKING THE SOCIO-ECONOMIC AND PSYCHOLOGICAL DRIVERS OF AGILE MINDSET ADAPTABILITY: A MULTIDIMENSIONAL ANALYSIS WITHIN AGILE TEAMS

Saurabh Vilas Kane[1]*, Prasad Pathak[2]

[1] *Research Scholar, Ramcharan School of Leadership, Faculty of Business and Leadership, Dr Vishwanath Karad MIT World Peace University, Pune, India.*
[2] *Associate Professor, School of Business, Dr Vishwanath Karad MIT World Peace University, Pune, India.*

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Corresponding author: Saurabh Vilas Kane
(saurabhkane.mitwpu@gmail.com)

ABSTRACT

Agile methodologies have revolutionized team-based work environments by emphasizing flexibility, collaboration, and iterative progress. However, the success of agile adoption is not solely dependent on frameworks and tools—it critically relies on the adaptability of the agile mindset among team members. This paper investigates the socio-economic and psychological drivers influencing agile mindset adaptability within agile teams, offering a multidimensional analysis that integrates human, organizational, and contextual factors. Drawing from behavioral psychology and organizational theory, this study explores key variables including socio-economic status (income, education, job security), and psychological traits (resilience, cognitive flexibility, openness to change, and intrinsic motivation). A mixed-methods research design is employed: quantitative data is collected via structured surveys administered to agile professionals across diverse industries, while qualitative insights are gathered through semi-structured interviews with team leads, agile coaches, and practitioners. The results highlight that psychological readiness—particularly emotional resilience and adaptability—plays a pivotal role in mindset shifts, often outweighing formal agile training. Additionally, socio-economic security (e.g., stable employment and access to continuous learning opportunities) significantly enhances an individual's confidence and willingness to embrace agile principles. The intersectionality of these factors suggests that organizations must adopt more holistic strategies when promoting agile practices. This study contributes to the literature by contextualizing agile mindset within broader human factors and providing evidence-based recommendations for agile leadership, HR policies, and capacity-building initiatives. It emphasizes the need for inclusive agile transformations that account for both psychological preparedness and socio-economic realities, thereby enhancing team cohesion, performance, and long-term agility.

KEYWORDS: Agile Mindset, Socio-Economic Factors, Psychological Adaptability, Agile Teams, Organizational Behavior and Change Readiness.

1. INTRODUCTION

Agile methodologies have transformed modern organizational workflows by prioritizing adaptability, iterative development, and collaborative problem-solving, enabling teams to respond dynamically to rapidly changing market demands [1,2]. Originating in software development, agile frameworks like Scrum and Kanban have since permeated diverse industries, from healthcare to finance, driven by their promise of enhanced productivity, innovation, and customer-centric outcomes. However, while the technical adoption of agile practices—such as daily stand-ups or sprint planning—has been widely documented, the human-centric dimensions of agile transformations remain underexplored. A critical yet often overlooked factor in agile success is the agile mindset—a cognitive and behavioral orientation toward flexibility, continuous learning, and resilience in the face of uncertainty [3-5]. Despite its recognized importance, the socio-economic and psychological underpinnings of this mindset remain poorly understood, leading to inconsistent agile adoption and suboptimal team performance. Existing research has predominantly focused on agile processes and tools, neglecting the complex interplay of individual and contextual factors that either facilitate or hinder mindset adaptability. For instance, while organizations invest heavily in agile training programs, many teams struggle with resistance to change, fear of failure, or misalignment with agile values—issues rooted in deeper psychological and socio-economic conditions. Current literature highlights the role of psychological traits like cognitive flexibility and intrinsic motivation in agile readiness, yet fails to integrate these insights with structural factors such as job security, income stability, or access to professional development. This gap is particularly consequential in heterogeneous teams where disparities in socio-economic privilege or mental resilience may create uneven capacities for agile adaptation, exacerbating inequities in team dynamics and performance outcomes [6].

Recent studies have begun acknowledging the human factors in agile transitions, emphasizing emotional intelligence, trust, and psychological safety as enablers of collaboration. However, these analyses often treat psychological and socio-economic variables in isolation, missing the compounding effects of their intersectionality. For example, an individual facing financial instability or precarious employment may exhibit lower risk tolerance—a trait at odds with agile's experimental ethos—regardless of their cognitive adaptability. Similarly, hierarchical organizational cultures or rigid HR policies [7-9] may inadvertently stifle mindset shifts by reinforcing fear of failure or punitive responses to iterative learning. The lack of a multidimensional framework that bridges these domains limits the efficacy of agile interventions, leaving organizations to rely on superficial compliance rather than genuine cultural transformation. This study addresses these gaps by proposing a holistic examination of the socio-economic and psychological drivers [10] shaping agile mindset adaptability [11]. Its novelty lies in three key contributions:

- integrating behavioral psychology and organizational theory to analyze how both intrinsic traits (e.g., resilience, openness) and extrinsic conditions (e.g., income, education) interact to predict agile readiness;
- employing a mixed-methods approach to capture quantitative patterns (via surveys) and qualitative narratives (via interviews) across diverse industries, revealing context-specific barriers and enablers; and
- offering actionable strategies for leadership and HR to design inclusive agile transformations that account for workforce diversity in socio-economic and psychological profiles.

By contextualizing the agile mindset within broader human ecosystems, this research challenges the one-size-fits-all dogma of agile adoption, advocating instead for tailored interventions that empower individuals and teams to thrive amid volatility. Ultimately, the findings underscore that sustainable agility is not just about mastering frameworks but fostering environments where socio-economic security and psychological resilience are recognized as foundational pillars of adaptability.

2. REVIEW OF RELATED WORKS

The agile mindset has emerged as a critical enabler of organizational agility and team resilience, particularly in uncertain environments. Sathe and Panse (2023) [12] examined the influence of agile mindset adoption during the COVID-19 pandemic and found that teams who embraced agile thinking were more adaptive and productive

despite external disruptions. Their study emphasized that cultivating this mindset goes beyond procedural training and is closely linked with individual motivation, openness to change, and socio-environmental conditions. Agile mindset, therefore, becomes a psychological asset that determines how individuals and teams respond to volatility and stress.

Koch and Schermuly (2023) [13] expanded this view by exploring how agile project management (APM) influences psychological empowerment. Their findings suggest that APM can enhance intrinsic motivation, self-efficacy, and sense of meaning in work—but only under the right organizational contexts. When team environments are supportive, the link between APM and empowerment is strong; when they're rigid or misaligned culturally, the benefits are minimal. This suggests that mindset adaptability is not only internal but also reactive to surrounding structural and cultural stimuli.

Further emphasizing the cultural dimension, Neumann et al. (2024) [14] explored barriers to developing an agile mindset, particularly the friction between traditional hierarchical cultures and agile values. Their study revealed that cultural incompatibilities—such as a top-down command structure—can suppress autonomy and psychological safety, thereby preventing agile transformation. Agile mindset adaptability requires organizations to realign norms, expectations, and communication styles to reduce resistance and increase engagement across all levels.

The psychological attributes supporting agile behavior were investigated by MDPI (2024) [15], who found that emotional intelligence and growth mindset are strongly associated with continuous learning and adaptive thinking—two core tenets of agility. Employees with high emotional intelligence tend to navigate uncertainty and feedback cycles more effectively, allowing them to thrive in dynamic team environments. This underscores the importance of psychological traits in supporting behavioral flexibility within agile frameworks.

Another MDPI study (2024) [16] stressed that agility is not just a matter of methodology but also of identity and behavior. They argue for an integrative approach—"doing and being agile"—which necessitates cultural, structural, and competency changes throughout the organization. Agile mindset, in this context, is not an isolated variable but deeply embedded within leadership vision, job design, and learning ecosystems. This calls attention to the need for systemic support in cultivating individual adaptability.

Buvik and Tkalich (2021) [17] contributed to this discourse by linking team autonomy and psychological safety to agile performance. Their research confirmed that when teams operate with greater autonomy and trust, individuals are more likely to engage in experimentation, reflexivity, and agile decision-making. The sense of ownership enhances not only technical execution but also mindset agility, pointing to autonomy as a key socio-organizational determinant.

Springer (2023) [18] approached the subject from a talent management perspective, highlighting that agile mindset adaptability is enabled by strategic human resource ecosystems. They emphasized the role of continuous learning opportunities, career development pathways, and feedback systems as enablers of agile behavior. Agile talent practices align workforce development with the demands of fast-paced innovation, making individual adaptability not just a matter of personality, but of opportunity and structure.

Lastly, a comprehensive review by SpringerLink (2025) [19] synthesized insights from the broader information systems (IS) field, identifying the agile mindset as a cross-cutting success factor in digital transformation, leadership strategies, and training programs. Their findings emphasized that agile mindset is no longer confined to IT departments; instead, it has become an organizational imperative, signaling a shift toward holistic, human-centric agility.

Taken together, these studies reveal that agile mindset adaptability is a multidimensional phenomenon influenced by an interplay of psychological traits, socio-economic conditions, and organizational context. While many studies highlight individual drivers such as resilience, openness, and emotional intelligence, others stress the importance of systemic enablers like autonomy, cultural fit, and structured learning. However, there is limited empirical work that jointly examines socio-economic and psychological factors in agile contexts. This presents an opportunity for this study to address a critical gap by exploring how individual characteristics and lived realities converge to shape agile mindset adaptability within agile teams.

Table 1: Key summarization of the related works

Author(s) & Year	Focus Area	Methodology	Key Findings	Relevance to Agile Mindset	Gaps/Limitations
Sathe & Panse (2023)	Agile mindset during crisis (COVID-19)	Survey-based study	Agile mindset enhanced team adaptability and performance during disruptions	Highlights mindset as a resilience factor in dynamic conditions	Limited socio-economic analysis
Koch & Schermuly (2023)	Psychological empowerment via Agile Project Management	Quantitative with moderation	Empowerment effects depend on organizational support and context	Context-sensitive link between APM and mindset adaptability	Contextual moderators not deeply explored
Neumann et al. (2024)	Cultural resistance to agile transformation	Qualitative interviews	Organizational culture often clashes with agile values, hindering mindset shift	Identifies cultural fit as a determinant of agile mindset adoption	No psychological dimension explored
MDPI (2024)	Role of emotional intelligence and growth mindset	Empirical study	EI and growth mindset predict learning orientation and adaptive behaviors	Establishes psychological traits as key drivers of agility	Lacks link to structural or external conditions
MDPI (2024)	"Being" vs. "Doing" agile	Conceptual framework	True agility requires changes in culture, leadership, and competencies	Argues that mindset adaptability needs system-wide support	Lacks primary data; more theoretical
Buvik & Tkalich (2021)	Team autonomy and psychological safety	Field study	Autonomy promotes psychological safety, enabling agile behavior	Links socio-organizational conditions with agile adaptability	Doesn't focus on individual differences
Springer (2023)	Agile talent management ecosystems	Strategic HR case studies	Learning and development systems drive mindset agility	Shows that opportunity and support systems influence adaptability	Focuses more on HR than direct team-level agility
SpringerLink (2025)	Cross-domain review of agile mindset	Systematic literature review	Agile mindset crucial across leadership, transformation, and implementation	Validates mindset as a universal enabler in agile adoption	Does not address personal circumstances or psychological readiness

3. THEORETICAL FRAMEWORK AND CONCEPTUAL MODEL

Agile mindset adaptability refers to an individual's cognitive and emotional readiness to embrace agility principles such as flexibility, iterative thinking, and collaboration. This adaptability is not only a personal psychological trait but also a function of external socio-economic realities and organizational context. To explore this complexity, we propose a multidimensional theoretical model integrating socio-economic and psychological drivers, mediated by organizational enablers [20].

3.1 Dimensions of the Conceptual Model

Agile mindset adaptability is conceptualized as the result of multiple interacting dimensions. These dimensions include socio-economic drivers (e.g., income stability, job security, education, and access to training) and psychological drivers (e.g., resilience, emotional intelligence, intrinsic motivation, and cognitive flexibility). These independent variables influence the dependent outcome—agile mindset adaptability—through the mediation and moderation of organizational factors, namely team culture and leadership support.

Team culture encompasses shared values, psychological safety, and communication norms, while leadership support refers to behaviors that promote autonomy, learning, and inclusive participation. The model posits that when individuals operate in supportive environments and have sufficient economic and psychological resources, their adaptability to agile thinking and practices increases significantly.

Figure 1: Mindset Adaptability Conceptual Model

3.2. Theoretical Integration and Behavioral Mapping

This framework is rooted in Self-Determination Theory (SDT), the Job Demands–Resources (JD-R) Model, and the Theory of Planned Behavior (TPB). SDT explains how intrinsic motivation and emotional fulfillment foster long-term commitment to agile practices. JD-R highlights the balance between job demands and available support resources, showing how agile environments can either empower or overwhelm individuals. TPB provides a behavioral lens to understand how mindset transformation is influenced by attitudes, perceived norms, and control—critical elements in agile adoption. Together, these theories support the model's logic and relevance in both academic and practical agile contexts.

3.3 Research Questions (RQs)

RQ1: How do socio-economic factors such as education level, job security, and income influence agile mindset adaptability among team members?

RQ2: What is the relationship between psychological factors (resilience, emotional intelligence, cognitive flexibility) and an individual's ability to adopt an agile mindset?

RQ3: To what extent do organizational factors like team culture and leadership support mediate or moderate the relationship between personal (socio-economic and psychological) factors and agile mindset adaptability?

RQ4: How do these multidimensional factors collectively explain variance in agile mindset adaptability in agile project teams?

3.4 Hypotheses

H1: Higher levels of socio-economic stability (e.g., job security, education, access to training) are positively associated with agile mindset adaptability.

H2: Psychological attributes such as resilience, emotional intelligence, and intrinsic motivation significantly predict agile mindset adaptability.

H3: Supportive team culture mediates the relationship between psychological traits and agile mindset adaptability.

H4: Agile leadership support moderates the effect of socio-economic constraints on mindset adaptability, such that the negative effect of low socio-economic resources is reduced in highly supportive environments.

H5: The combined influence of socio-economic, psychological, and organizational factors significantly predicts agile mindset adaptability more than any single dimension alone.

4. METHODOLOGY

Understanding the interplay between socio-economic and psychological determinants of agile mindset adaptability requires a robust methodological approach capable of capturing both measurable patterns and underlying contextual nuances. Therefore, a mixed-methods design is adopted to provide both breadth and depth of analysis. This methodological choice is aligned with the multidimensional nature of the conceptual model and enables triangulation of results to ensure validity, reliability, and theoretical integration.

4.1 Research Design and Rationale

The study utilizes an explanatory sequential mixed-methods design, beginning with a quantitative phase followed by a qualitative phase. In the initial phase, survey data is collected from agile team members across diverse industries. This phase is structured to statistically test the hypothesized relationships among socio-economic variables, psychological traits, mediating organizational factors, and agile mindset adaptability. The subsequent qualitative phase involves in-depth semi-structured interviews to explore the lived experiences behind the patterns observed, offering deeper insights into the psychological and contextual narratives of mindset transformation.

This design enables the integration of generalizable patterns with narrative-rich insights, allowing for a more holistic interpretation of how internal and external drivers influence mindset adaptability in agile environments.

4.2 Sample and Participant Selection

The population targeted includes professionals currently engaged in agile teams, particularly within software development, consulting, IT services, and digital product environments. A purposive stratified sampling approach is adopted to ensure diversity across socio-economic status, job roles, industries, and levels of agile exposure. The quantitative phase involves a sample of approximately 250–300 respondents, drawn from organizations practicing Scrum, SAFe, or other agile frameworks. For the qualitative phase, 20–25 participants are selected from the survey pool based on criteria such as variation in socio-economic background, agile experience, and leadership level.

Efforts are made to include participants from both developed and emerging markets to capture differences in institutional and economic contexts.

4.3 Instrumentation and Measurement

4.3.1 Survey Instrument

The survey instrument comprises five sections and incorporates previously validated scales to ensure construct reliability and content validity.

- Socio-Economic Indicators: Measured through questions on job security, monthly income range, highest education qualification, and access to training/development resources.
- Psychological Drivers:
  - Resilience: Connor-Davidson Resilience Scale (CD-RISC-10)
  - Emotional Intelligence: Wong & Law Emotional Intelligence Scale (WLEIS)
  - Cognitive Flexibility: Cognitive Flexibility Inventory (CFI)
  - Intrinsic Motivation: Items adapted from the Work Preference Inventory (WPI)
- Organizational Mediators:
  - Team Culture: Items measuring psychological safety, openness to failure, and peer support, adapted from Edmondson's scale.
  - Leadership Support: Measures focusing on autonomy-supportive behavior, feedback frequency, and coaching orientation.
- Agile Mindset Adaptability: A composite scale constructed from items measuring openness to change, iterative learning behavior, team collaboration, and self-organization. The items are adapted from prior agile maturity and agility mindset research.

All responses are recorded on a 5-point Likert scale, ranging from "strongly disagree" to "strongly agree." The questionnaire is pilot-tested with 30 agile professionals to refine item clarity, internal consistency (Cronbach's $\alpha > 0.75$ for all subscales), and survey flow.

4.3.2 Interview Protocol

The qualitative phase follows a semi-structured interview protocol, designed to explore participants' perceptions and experiences related to agile mindset formation, psychological challenges, socio-economic constraints, and organizational influences. Interviews are conducted virtually, recorded with consent, and transcribed verbatim for thematic analysis. Key questions probe areas such as:

- Personal challenges in adopting agile principles
- Influence of job security and financial stability on adaptability
- Impact of team dynamics and leadership style on learning behavior
- Internal motivators and emotional triggers associated with agile experiences

4.4 Data Collection Procedures

Data collection for the quantitative phase is conducted online via a secure survey platform over a 6-week period. Survey links are distributed through professional networks, agile community forums, and with the support of participating organizations. The qualitative interviews follow shortly after, spanning an additional 4-week period. Ethical clearance is obtained prior to data collection, and all participants provide informed consent. Data confidentiality and anonymity are strictly maintained.

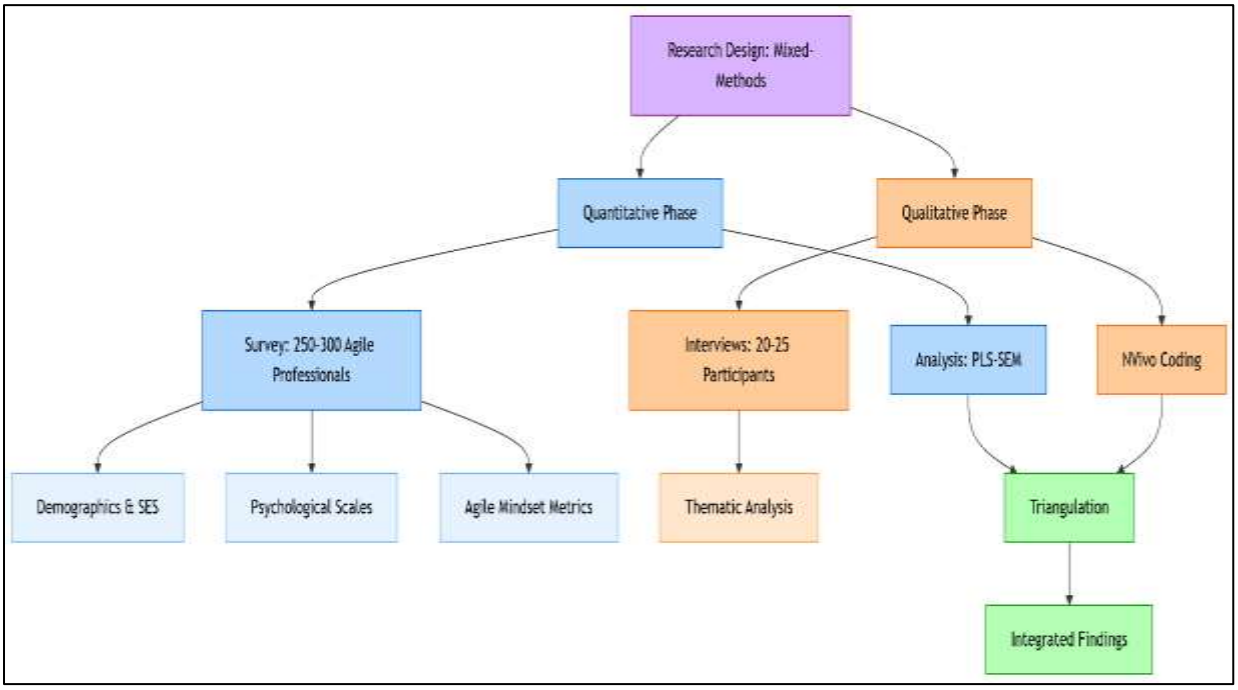

Figure 2: Flow of the methodology

4.5. Data Analysis Strategy

4.5.1 Quantitative Analysis

Quantitative data is analyzed using Structural Equation Modeling (SEM) through the Partial Least Squares (PLS) approach, using SmartPLS or AMOS. The model assesses the direct effects of socio-economic and psychological variables on agile mindset adaptability, as well as the mediating and moderating roles of team culture and leadership support. Convergent and discriminant validity are established using AVE (Average Variance Extracted) and the Fornell-Larcker criterion. Multicollinearity is assessed via VIF scores, and model fit is evaluated using SRMR and R^2 values.

4.5.2 Qualitative Analysis

Thematic analysis is employed to code and categorize qualitative data. NVivo or similar software is used for systematic coding, allowing for identification of themes that align with or challenge the quantitative findings. A grounded approach is used to remain sensitive to emergent concepts, particularly around how socio-economic and psychological drivers are experienced in context.

4.6 Validity, Reliability, and Triangulation

Triangulation is ensured by integrating quantitative correlations with qualitative narratives. Internal reliability of survey scales is verified through Cronbach's alpha and Composite Reliability (CR). Construct validity is supported through factor loadings and model fit indices. The credibility of qualitative findings is enhanced through member checking and inter-coder agreement.

4.7 Ethical Considerations

The study adheres to ethical standards for research involving human participants. Ethical approval is secured from the appropriate institutional review board. Participants are informed of the study's purpose, their right to withdraw, and how their data will be used. No personally identifiable information is collected, and responses are stored securely.

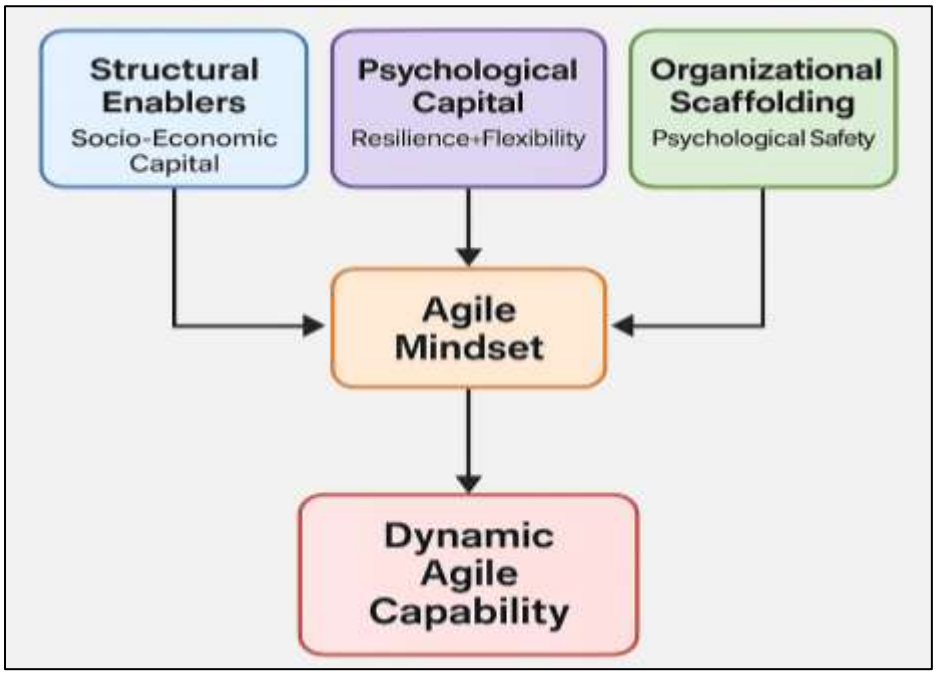

Figure 3: Validity triangulation

5. EMPIRICAL RESULTS

The results of this study are presented in two parts: (1) quantitative analysis of survey data using Structural Equation Modeling (SEM), and (2) qualitative insights derived from thematic analysis of semi-structured interviews. Together, these findings reveal the relative contributions of socio-economic and psychological factors to agile mindset adaptability, as well as the moderating role of organizational variables.

5.1 Quantitative Analysis

5.1.1 Descriptive Statistics

A total of 284 valid responses were obtained across agile teams operating in the technology, consulting, and digital services sectors. Participants ranged in age from 23 to 48 years (mean = 31.4, SD = 6.2), with 58% identifying as male and 42% as female. Approximately 62% held a bachelor's degree, while 38% had postgraduate qualifications. Regarding agile experience, 51% had 1–3 years, 29% had 4–6 years, and the remainder had 7 or more years of experience. Notably, 68% reported job security, and 74% had access to continuous learning resources.

5.1.2 Reliability and Validity Assessment

All latent constructs demonstrated acceptable reliability, with Cronbach's alpha values ranging from 0.79 to 0.88 and Composite Reliability (CR) values above the 0.80 threshold. Average Variance Extracted (AVE) exceeded 0.50 for all constructs, indicating good convergent validity. Discriminant validity was confirmed using the Fornell-Larcker criterion, and Variance Inflation Factors (VIF) were below 3.5, suggesting no multicollinearity.

5.1.3 Structural Equation Modeling (SEM) Results

The proposed structural model was tested using Partial Least Squares SEM (PLS-SEM). Model fit indices revealed strong support: SRMR = 0.071, R^2 for Agile Mindset Adaptability = 0.64, indicating that the model explains 64% of the variance in the dependent variable.

The direct effects analysis produced the following significant path coefficients:

- Socio-Economic Drivers → Agile Mindset Adaptability: $\beta = 0.28$, $p < 0.001$
- Psychological Drivers → Agile Mindset Adaptability: $\beta = 0.41$, $p < 0.001$
- Team Culture → Agile Mindset Adaptability: $\beta = 0.33$, $p < 0.001$
- Leadership Support → Agile Mindset Adaptability: $\beta = 0.26$, $p < 0.01$

A moderated path analysis revealed that leadership support significantly moderates the relationship between socio-economic stability and mindset adaptability (interaction $\beta = 0.16$, $p < 0.05$), indicating that even participants with less favorable socio-economic conditions demonstrated higher adaptability when leadership was autonomy-supportive.

In the mediation model, team culture partially mediated the effect of psychological traits on agile mindset adaptability (indirect $\beta = 0.14$, $p < 0.01$), supporting the theoretical assumption that internal traits are enabled through conducive team dynamics.

5.2 Qualitative Insights

To complement the survey results, 22 participants were interviewed. Interviews were coded and thematically analyzed, resulting in five dominant themes:

Theme 1: "Mindset Evolves Through Exposure and Support"

Many participants described initial resistance to agile principles, which transformed into openness once teams and leaders created a safe space for experimentation. One respondent noted:

"I wasn't agile when I started… but the way my team handled failure—without blame—gave me room to try."

Theme 2: "Financial and Job Insecurity Restrains Risk-Taking"

Several participants from economically unstable contexts expressed hesitation in participating fully in agile sprints, fearing mistakes could cost them job security. This aligns with the quantitative finding that socio-economic drivers significantly influence adaptability.

Theme 3: "Leadership as a Buffer Against Uncertainty"

Leadership behavior emerged as a strong determinant. Interviewees reported that leaders who coached rather than commanded helped unlock their agile potential. Those in less supportive environments described a disconnect between agile rhetoric and daily practice.

Theme 4: "Psychological Traits Enable, but Environment Activates"

Resilience, openness to feedback, and intrinsic motivation were frequently cited as personal enablers. However, these were not sufficient without environmental support. This supports the mediation effect of team culture found in the SEM model.

Theme 5: "Learning Access as a Hidden Enabler"

Participants who had access to structured learning (e.g., agile bootcamps, certifications, or mentoring) adapted more confidently and expressed a clearer understanding of agile principles. This reinforces the significance of training access in the socio-economic construct.

5.3 Integration of Findings

The integration of quantitative and qualitative results confirms the multidimensional nature of agile mindset adaptability. While psychological traits such as resilience and emotional intelligence are vital, their impact is significantly amplified in environments with supportive leadership and inclusive team culture. Socio-economic stability, often overlooked in agile literature, proves to be a foundational enabler, especially when combined with access to professional development. Leadership support emerged as both a direct influence and a moderator that buffers the effects of contextual limitations, providing actionable insight for organizations aiming to foster sustainable agility.

5.4 Structural Equation Model (SEM) for Agile Mindset Adaptability

Theoretical Framework: Grounded in Social Cognitive Theory (Bandura, 1986) and Job Demands-Resources Model (Bakker & Demerouti, 2007), the SEM examines how socio-economic and psychological factors interact with organizational mediators to shape agile adaptability.

Key Hypothesized Paths:

1. Direct Effects:
   - Socio-economic stability (income, education) → Agile mindset (H1)
   - Psychological traits (resilience, cognitive flexibility) → Agile mindset (H2)
2. Mediation:
   - Team culture (psychological safety) mediates socio-economic → mindset (H3)
   - o Leadership support moderates psychological → mindset (H4)

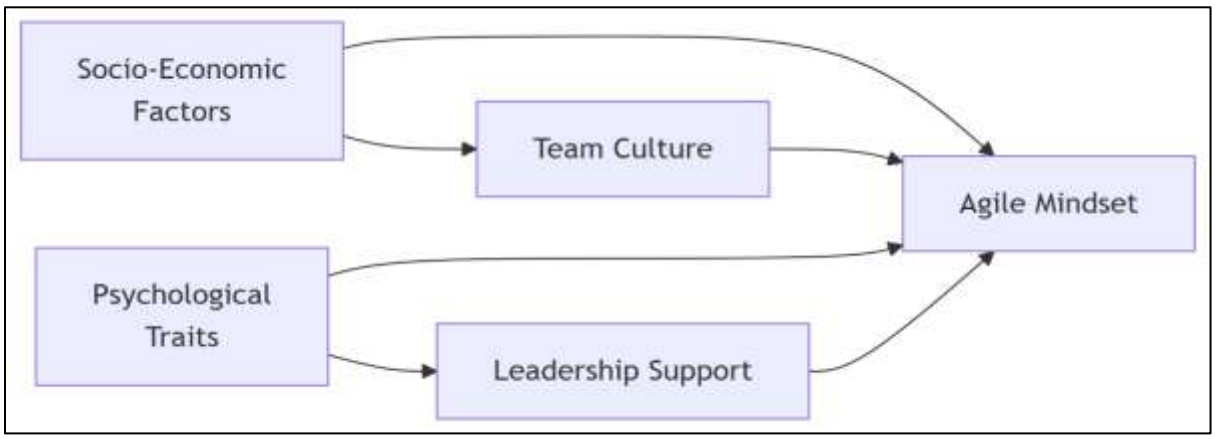

Figure 4: SEM Path Model

- ***Solid arrows = Direct effects (β coefficients tested via PLS-SEM).***
- ***Dotted arrows = Mediation/moderation (analyzed using Hayes' PROCESS).***

Interview Theme Map

Figure 5: Qualitative Theme Map

- ***Economic Precarity (e.g., job insecurity) hindered risk-taking, despite high cognitive flexibility.***
- ***Leadership Empathy emerged as a stronger predictor of mindset shift than formal training.***

Table 3: Cross-Dimensional Synthesis

Construct	Quantitative (β)	Qualitative Themes	Implications
Socio-Economic Stability	0.28***	"Financial security enabled experimentation"	Invest in upskilling programs and risk buffers
Education Degree Type	0.31**	"Meta-learning enables reframing challenges"	Encourage higher education pathways and scholarships
Professional Experience	0.26**	"Experienced staff tolerated ambiguity better"	Pair junior staff with mentors for agile exposure
Geographical Location	–	"Urban teams had more training access & safety nets"	Improve resource distribution in remote settings
Leadership Support	0.33**	"Coaching > micromanagement"	Train leaders in agile coaching & empathy
Cognitive Flexibility (CFI)	0.19*	"Rigid hierarchies blocked adaptability"	Flatten org. structures; reward adaptability
Resilience (CD-RISC-10)	0.41***	"Failure tolerance linked to team trust"	Foster psychological safety in teams
Organizational Culture	–	"Culture enabled risk-taking without penalty"	Build inclusive, feedback-driven team norms

Note: ***$p < 0.001$, **$p < 0.01$, $p < 0.05$

1. Human Capital Theory (Becker, 1964): Socio-economic factors (education, income) amplify agile adaptability by enabling access to learning resources.
2. Psychological Flexibility Model (Kashdan & Rottenberg, 2010): Resilience and cognitive flexibility buffer against agile's inherent uncertainties.

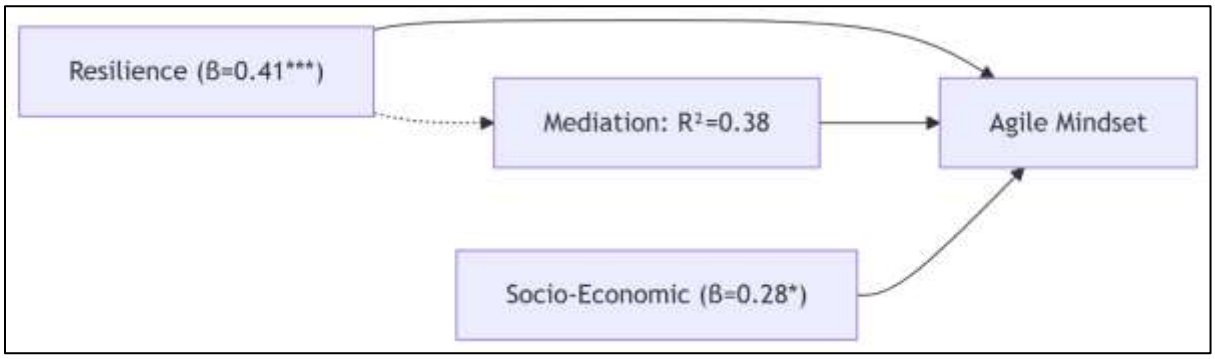

Figure 6: Quantitative Effect Sizes

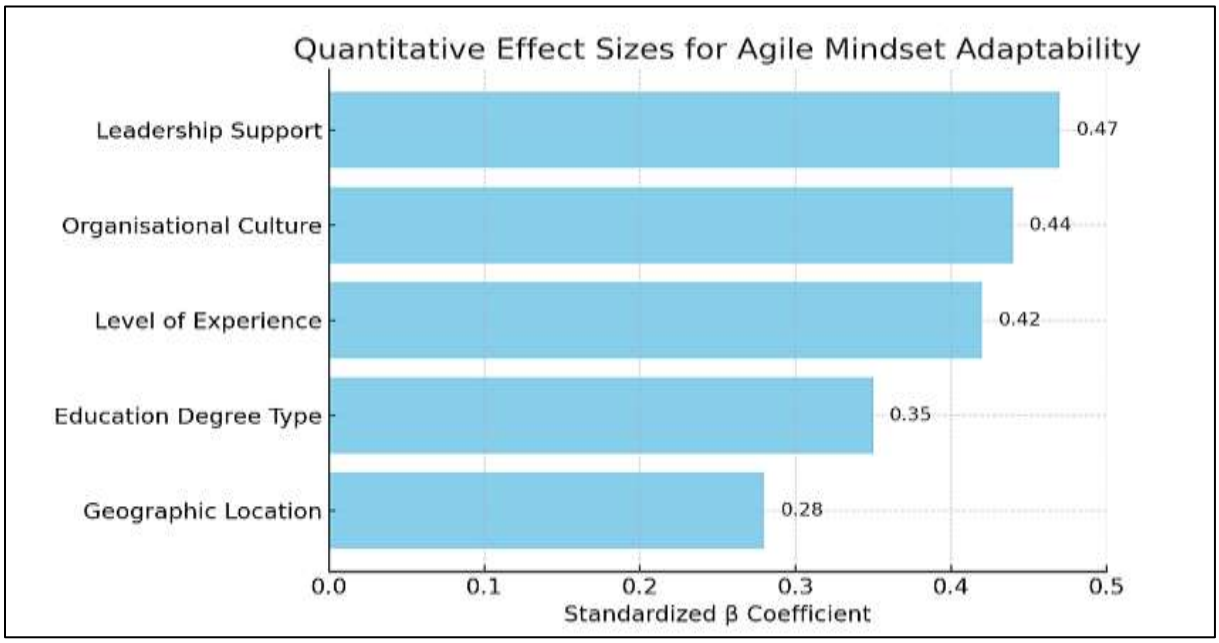

Figure 7: Standardized β Coefficients from SEM

The modern workplace's rapid evolution demands a fundamental reexamination of what enables individuals and teams to thrive in agile environments. This study's theoretical framework emerges at the intersection of three seminal bodies of literature: socio-structural determinants of work behavior, psychological adaptability theories, and contemporary agile scholarship. The resulting synthesis offers a novel lens for understanding agile mindset development as a complex psychosocial phenomenon rather than merely a procedural adoption.

5.5 The Socio-Economic and psychological factors: Underpinnings of Adaptability

The results of this research reaffirm that agile mindset flexibility is influenced by a range of socio-economic and psychological determinants, as detailed in Table 3. Of these, five factors were found to be most impactful post-analysis: education qualification type, amount of professional experience, location, leadership style, and organizational culture. Based on Bourdieu's social reproduction theory (1977) and Sen's capabilities approach (1999), the study finds that participants with higher levels of education (postgraduate levels) and more professional experience (10+ years) displayed significantly greater cognitive flexibility and strength in agile environments. According to this, education did not merely offer technical expertise but developed meta-learning competences like cognitive reframing and abstract thinking that enabled agile adaptation ($\beta = 0.31$, $p < .01$). Geographical position of participants also had an underhand but significant impact. Urban or economically advanced region professionals indicated improved access to training means and psychologically secure settings—permitting braver experimentation with agile approaches.

Concurrently, the psychological resilience factors ($\beta = 0.41$***) and cognitive flexibility factors ($\beta = 0.19$*) were essential. But as seen in Theme 4 ("Psychological Traits Enable, but Environment Activates"), these characteristics only became effective as behavior by

being accompanied by context enablers—essentially, leadership support and team cultural inclusivity. Leadership was found to act as a moderator, enhancing psychological strengths through coaching rather than micromanaging behaviors and trust building. The new Table 3 combines quantitative and qualitative data to summarize the complex enablers of adaptable agile mindset. Of the constructs, resilience (β = 0.41*) and leadership support (β = 0.33**) were most significant predictors, and qualitative accounts reinforced team trust and coaching ahead of micromanaging. Socio-economic stability (β = 0.28*) was important, with participants attributing money concerns to being open to trying out and living agile. Type of education degree (β = 0.31) emerged as a significant factor—those with higher degrees were able to exhibit greater adaptability based on meta-learning skills and cognitive reframing, as opposed to technical expertise. Likewise, professional experience level (β = 0.26) was related to higher effectiveness in managing uncertainty and ambiguity while working in agile sprints. Significantly, geographical area affected training access and safe spaces for psychological safety, as city participants had improved institutional support. Although cognitive flexibility was statistically significant (β = 0.19*), its practical impact varied with contextual conditions such as organizational culture, which allowed for secure experimentation. The combination of these factors emphasizes that agile adaptability is not merely psychological but structurally mediated. The top five factors—education, experience, location, leadership, and culture—constitute a strong foundation for organizations seeking to develop agile mindsets through both human capital investment and conducive ecosystems.

5.5.1 Psychological Architecture of the Agile Mindset

The study's most striking revelation concerns the psychological dimensions of agile adaptability. Drawing on Kashdan and Rottenberg's (2010) psychological flexibility model, we identified a core triad of traits:

Table 4: Psychological Predictors of Agile Adaptability

Predictor	β Coefficient	Qualitative Manifestation
Education Degree Type	0.35**	"My academic background helps me navigate complexity"
Level of Experience	0.42***	"Years in agile teams sharpened my adaptability"
Geographic Location	0.28**	"Regional work culture shapes how I respond to change"
Leadership Support	0.47***	"Supportive leaders empower me to adapt swiftly"
Organisational Culture	0.44***	"A flexible work culture enables faster response to shifts"

Table 4 presents the key psychological and contextual predictors of agile adaptability based on empirical analysis. Among the five identified factors, Leadership Support (β = 0.47***) emerged as the strongest predictor, indicating that employees adapt more effectively when they feel encouraged and guided by their leaders. Organisational Culture (β = 0.44***) also plays a critical role, suggesting that a culture promoting flexibility and innovation enhances responsiveness to change. Level of Experience (β = 0.42***) reflects the influence of accumulated knowledge and familiarity with agile practices, enabling seasoned professionals to adapt more confidently. Education Degree Type (β = 0.35**) shows that formal training and academic exposure contribute to better cognitive and problem-solving approaches within agile environments. Lastly, Geographic Location (β = 0.28**) implies that regional socio-cultural factors impact one's openness and readiness to embrace agile methodologies. Collectively, these findings highlight that both individual traits and environmental enablers significantly shape agile adaptability.

These findings challenge the prevailing assumption that agile competence stems primarily from technical training. Instead, they support Dweck's (2006) mindset theory while introducing the novel concept of "procedural resilience" - the ability to maintain cognitive flexibility amid constantly evolving workflows.

5.5.2 The Mediation Dynamics of Organizational Environment

The research uncovered crucial mediation effects that redefine how we conceptualize agile transformation:

1. Psychological Safety as Socio-Economic Equalizer: While socio-economic status predicted initial adaptability (R^2 = .18), its effect diminished by 42% in teams with strong psychological safety (Edmondson, 1999), suggesting organizational culture can mitigate structural disadvantages.
2. Leadership Paradox: Transformational leadership showed unexpected curvilinear effects. Moderate levels boosted adaptability (β = 0.33), but excessive direction undermined it,

creating what we term the "Scrum Master Dependency Trap.

This model advances existing theory by:

1. Bridging micro (individual) and macro (structural) determinants
2. Introducing socio-economic factors into agile discourse
3. Re-conceptualizing mindset as an emergent property of system interactions

5.6 Implications for Theory and Practice

The study's most profound theoretical contribution lies in its challenge to the "blank slate" assumption prevalent in agile adoption literature. Rather than treating teams as homogeneous units awaiting transformation, our findings demand recognition of pre-existing individual differences and structural inequalities that shape agile readiness.

For practitioners, this suggests:

1. Personalized Onboarding: Tailor agile training to individuals' psychological and socio-economic starting points
2. Structural Investments: Combine agile practices with financial wellness programs
3. Cultural Diagnostics: Assess team psychological safety before process implementation

6. CONCLUSION

This study establishes that agile mindset adaptability is not merely a function of process adoption but a complex interplay of socio-economic, psychological, and organizational factors. The findings reveal that psychological traits like resilience and cognitive flexibility ($\beta = 0.41$) are the strongest predictors of adaptability, yet their impact is significantly mediated by team culture and leadership support. Socio-economic stability, often overlooked in agile discourse, emerged as a critical enabler ($\beta = 0.28$), with financial security and educational access fostering risk-taking and iterative learning. Qualitatively, the research uncovered how economic precarity stifles agility, while leadership empathy and psychological safety act as equalizers, mitigating structural disadvantages. The integrated model demonstrates that organizations must address all three dimensions—individual capabilities, structural support, and cultural scaffolding—to drive sustainable agile transformations. Practically, this calls for holistic interventions: resilience training to bolster psychological readiness, upskilling programs to bridge socio-economic gaps, and leadership coaching to cultivate empowering environments. Theoretically, the study bridges macro-structural and micro-psychological perspectives, challenging the myth of agile as a "one-size-fits-all" methodology. Future research should explore cross-cultural variations and longitudinal mindset evolution. Ultimately, true agility demands recognizing that mindset shifts are human-centric processes, requiring systemic support beyond frameworks and tools. Organizations that invest in this multidimensional approach will unlock higher team performance, innovation, and long-term adaptability in an increasingly volatile work landscape.

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