atlanta

GEORGIA

July 25-29, 2016

Agile Alliance
Ryan Ripley

The Business of Agile: Better Faster Cheaper
A podcast devoted to the individuals and interactions that make agile work.
#Agile2016
GM ignition switch death toll reaches 100

by Chris Isidore  @CNNMoney

The flawed ignition switch could make the cars shut off while being driven, which could disable safety features including airbags, anti-lock brakes or power steering.

GM's compensation fund is now estimated to be costing the company $150 million, according to the company's most recent earnings report. The total cost of recalls, including repairs expenses, came to $4.1 billion last year, according to the company.
Obamacare website crash stemmed from extreme government incompetence

Correcting the defects was costly. The estimated cost of the six primary contracts on the job rose from $464 million to $824 million, the inspector general said.

A month before the launch, problems were discovered with the website's coding, including incorrect versions and outdated code.

As many as 250,000 people had tried using it at once, much greater than the planned capacity, the inspector general said in its report. By the end of the day, only six people were able to submit an application and select a health plan.
Volkswagen is seeking to dig out from the fallout of the seven-month-old scandal. On Friday last week, the company revealed that it suffered the biggest loss in its history due to 16.2 billion euros ($18.4 billion) in provisions to cover repairs and legal risks.
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BUSINESS OF Agile
"NERGER, FASTER, CHEAPER"

- Better = Customer Focused
- Faster = Time to Market
- Cheaper = Cost
- Cheaper, if faster
- Upper of any problems can be
- Better = Quality
- FASTER = Tech Stash
- FASTER = Architectures

PREDICTABILITY, ADAPTABILITY
NO BASELINES / BUSINESS IN SILENCE

INVESTMENTS -> COST ANALYSIS / ACTIVITY (JOBS)

WHAT IS THE COST OF NOT HAVING THIS?

WHO LOSES?
SHARED RESPONSIBILITY

NOT A $ DISCUSSION
WHAT DO YOU LOSE (S) IF YOU CANNOT

ALIGN ON CADELIZE (62 + 11)

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AGILE IMPACTS EVERYONE

- Organizational Change
- Leadership Change
- Team Change
- Status Change
- Job Description Change
- Role Change
- Culture Change
SCRUM IN ONE SLIDE

ROLES: Scrum Master, Product Owner, Developer
ARTIFACTS: Product Backlog, Sprint Backlog, Product Increment
SCRUM MANAGEMENT

- Manage the boundaries
- Build Stable Teams
  - Hire people – Grow skills
- Act transparently
- Examine systems & correct faulty ones
- Give guidance when asked/needed
- Reach across org charts
- Definition of Done
- Continuous improvement
- Expect working software every sprint

Vision – Direction – Goals

“I finally have time to do my job.”
“I get all that… BUT how is all of this agile stuff any better, faster, or cheaper than what we do today?”

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Stacey Diagram

- **Simple**: Everything is known
- **Complicated**: More is known than unknown
- **Complex**: More is unknown than known
- **Chaotic**: Very little is known
BETTER

SMARTER
At the heart of agile is experimentation
We are uncovering better ways of developing software by doing it and helping others do it. Through this work we have come to value:

- Individuals and interactions over processes and tools
- Working software over comprehensive documentation
- Customer collaboration over contract negotiation
- Responding to change over following a plan

That is, while there is value in the items on the right, we value the items on the left more.
“Three pillars uphold every implementation of empirical process control: transparency, inspection, and adaptation.”

--The Scrum Guide
Scrum is not a problem solving framework. It’s a problem finding framework.
Better means different things at different times
38. What were some of the challenges faced by your organization in achieving its goals with Scrum? (Multiple answers allowed)

The biggest struggles are measuring Scrum success and transitioning from Waterfall to Scrum.
“The second you embarrass someone with a metric, your metric program is over.”

An in-depth discussion on using metrics to drive coaching insights

EPISODE 35: Agile Driven Coaching with Troy Magennis

“Metrics are often in contention with one another.”

Creative Commons – Hans Splinter “balance”
“Your metrics have a half-life of about 3 months…”
“People want to be treated fairly and know when they aren’t.”

EPISODE 35: Agile Driven Coaching with Troy Magennis
An in-depth discussion on using metrics to drive coaching insights
“Trends, not individual data points.”

EPISODE 35: Agile Driven Coaching with Troy Magennis
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EPISODE 35: Agile Driven Coaching with Troy Magennis


An in-depth discussion on using metrics to drive coaching insights

“Favor the cheapest metric.”
“Our highest priority is to satisfy the customer through early and continuous delivery of valuable software.”

Creative Commons – kit “projection”
5 Metrics to Help Get Started

1. Throughput
2. Defect Density
3. Customer Satisfaction
4. Team Satisfaction
5. Value Delivered Per Sprint
5 Metrics to Help Get Started
1. Throughput
2. Defect Density
3. Customer Satisfaction
4. Team Satisfaction
5. Value Delivered Per Sprint
People do not fail, systems do

- Commitment to continuous improvement
- Trend more important than individual data points
  - Investigate the bottlenecks
  - Monitor cycle time
5 Metrics to Help Get Started

1. Throughput
2. Defect Density
3. Customer Satisfaction
4. Team Satisfaction
5. Value Delivered Per Sprint
The number of bugs discovered during a sprint

• Commitment to quality
• Trend more important than individual data points
  • Increasing # of bugs could mean too much WIP
  • Downward trends could point to improvements in practices
5 Metrics to Help Get Started

1. Throughput
2. Defect Density
3. Customer Satisfaction
4. Team Satisfaction
5. Value Delivered Per Sprint
How happy is your customer?

- Commitment to alignment
- Trend more important than individual data points
  - Address negative feedback quickly
  - Glad – Mad – Sad is low-res means to collect data
  - Net-promoter scoring
<table>
<thead>
<tr>
<th>Features</th>
<th>Q3</th>
<th>Q4</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>MKT</td>
<td>CORP</td>
<td>LUMB</td>
<td>PAINT</td>
<td>TOOLS</td>
</tr>
</tbody>
</table>
| ARCH     | ![Diagram](image)
| EVENTS   | ![Diagram](image)
| SCHEDULE | ![Diagram](image) |
16. When your organization was adopting Scrum, which of the following were important?

Senior management support outweighs other factors by at least 5 times when organizations are considering the adoption of Scrum.

**KEY SUCCESS FACTORS WHEN ADOPTING SCRUM**

- Active senior management sponsorship and support: 72%
- A clear set of business goals to be achieved with Scrum: 14%
- Alignment of Scrum with the strategic and financial goals of the company as a whole: 7%
- A smooth and conflict-free transition from existing practices to Scrum: 5%
- Clearly identified metrics to identify and measure the success of adopting and implementing: 2%
5 Metrics to Help Get Started
1. Throughput
2. Defect Density
3. Customer Satisfaction
4. Team Satisfaction
5. Value Delivered Per Sprint
How happy is your team?

• Commitment to safety
• Trend more important than individual data points
  • Possible retrospective activity
  • Is it safe to say you’re unhappy about something?
5 Metrics to Help Get Started
1. Throughput
2. Defect Density
3. Customer Satisfaction
4. Team Satisfaction
5. Value Delivered Per Sprint
What is the value of the work?

- Commitment to delivery
- Trend more important than individual data points
  - Higher numbers expected earlier in the project
  - Downward trend could be an indicator to end the project
“Wait... what about velocity??? I love that metric.”
At the time, velocity seemed like a good idea. It wasn't.
Agile enables “better” by helping us act smarter
EXERCISE 1
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<table>
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**Features**

**ARCH**

**EVENTS**

**SCHEDULE**

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FASTER
SOONER
SOONER
SOONER
SOONER
“Now you’re talking: Baby we were born to run!!!”
Agile isn’t faster...
Cheer up Boss. We do get a lot of things SOONER.
PROJECT
• Value delivery
• Features
• Alignment
• Predictability
• Decreased risk
• Engagement
• Adaptability
• Visibility

LEARNING
• Continuous Improvement
• Spikes
• Knowledge sharing
• Onboarding

FEEDBACK
• Fail Fast
• Know right thing/right time sooner
• Quality improvement
• Trust

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Mob Programming
A Whole Team Approach
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But the development isn’t faster...
Sprints are fixed length. Teams are fixed size. Going faster can only mean lower quality...and that isn’t faster.
Bugs for days... !!!
CHEAPER SAFER
No matter which methodology your team uses, you will spend the same amount to employ them.
Comparing cost of output doesn’t work either if an agile team builds a better feature faster than a waterfall team builds a similar feature, are we satisfied if what we really needed was a different feature?
Simplicity - the art of maximizing the amount of work not done - is essential
Customer collaboration over contract negotiation

1. Transparency is essential
2. The team is upfront about their limitations
3. Stakeholders are open about their needs
13. Is there tension between the way Scrum teams are run and the way the rest of your organization is managed?

The majority of respondents see some level of tension between Scrum teams and the rest of the organization.

**TENSION BETWEEN SCRUM TEAMS AND WIDER ORGANIZATION**

- Yes: 36%
- To some extent: 35%
- No: 22%
- Not sure: 7%
EPISODE 37: Cost of Delay with Johanna Rothman
An in-depth discussion on how Cost of Delay impacts projects
An in-depth discussion on how Cost of Delay impacts projects.

Causes of Delays:
- Missed Dates
- Multitasking
- Experts
- Gold Plating
- Technical Debt
- Doing the Wrong Things
- Indecision
- Not Starting
- Dependencies
WHY are you changing the way you work?

• Visualize the goal
• Set targets
• Measure the improvements
• Show the value
BETTER – FASTER - CHEAPER
SMARTER – SOONER – SAFER
Alignment
That’s what I’m talking about!

@ryanripley

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