When Agile and Lean Converge: The I.T. Transformation at American Electric Power
About us

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Photo of naked Columbus man showering in water main break goes ...
There was something in the water Wednesday morning. Apparently, it was a naked man. In a Facebook post, Cody Vickers shared a picture of a man ...

dispatch.com
Our Company

"Artwork" courtesy of Rob Reed

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17,600 Employees
26,000 Megawatts of Generating Capacity
5.4 Million Regulated Customers
264,000 Miles of Power Lines

American Electric Power (AEP)
aep.com

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IT Personnel: ~1150

Business Applications: ~500
AEP Agile Lean Journey

Before 2009
• Prescriptive waterfall
• Process over Value
• Agile experimentation

2009 - 2011
• ~4 agile projects
• Business satisfaction improved
• Little agile application consistency

2011 - 2013
• Corporate lean transformation partner engaged
• Time studies / efficiency gains
• Huddles & Huddle Boards
• Agile partner engaged
• Scrum is our agile framework

2013 - 2016
• 1st Lean IT Sustainability Open House
• Lean movement in IT lost momentum
• Scrum as lean software delivery method
• C-suite interest & buy in of agility
• 1st AEP Agile Conference
• ~15 active Scrum teams

2016 - Today
• Lean consulting partner
• D2D Value Stream
• Kaizens to achieve Future State
• VPA and VPP rollout
• LMS & Leader Standard Work
• A3 operational
• ITCI and ASC teams created
• 100% agility aspiration
• ~35 active Scrum teams

Tomorrow
• Relentless continuous improvement
• Strategy deployment – True North
• Funding models
• Agility beyond IT
• 100% IT agile delivery and support
• Kanban as second agile framework

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Initially seen as separate and distinct

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How different are they?

- Sprint Goals
- Team over Individual
- Self-organization

- True North
- Lean Management System
- Standard Work
- Visual Management
- People System
- Leader Standard Work & Behaviors

- Accountability Systems
- Product Vision
- Team Vision

- Scrum Framework
- Practices & Tools

- Information Radiators
- Transparency

- Collaboration
- Right people on teams
- Cross-functional

Interactions between Team and Management

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Commonalities of Lean and Agility

- Visual management
- Continuous improvement and learning
- Problems are treasures
- Driven by customer value and priorities
- Transparency
- Embrace change
- Eliminate waste
- Build quality into the process
- Visual Board
- Customer Satisfaction
- Team Changes

Visual Management

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Continuous Improvement & Learning

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"Problems" are Treasures

Find a problem

• Daily Scrum
• Sprint Review
• Sprint Retrospective

Fix a problem

• A3’s (5 Whys, Fishbone)
We’re not done

▪ Root problem solving
▪ Gemba & leader standard work
▪ Priorities
▪ WIP
▪ Lean leader behaviors
▪ Operationalizing outputs from Kaizens
▪ Discipline and fatigue
1. Lean and agile experts need to collaborate early and often
2. Align on terminology and practices to avoid confusion and increase interest
3. Not all challenges can be predicted – continue collaboration and get ideas into practice as soon as possible
4. Amount and frequency of management coaching cannot be underestimated
Thank You!

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