Escape the Tragedy of WIP
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Escape the Tragedy of WIP

- Storytelling
- What led us here?
- Diving deeper into the nature of work
- Big, slow, highly effective changes
- Small, fast, incremental changes
First, a story...
Wow. I’m tracking 37 initiatives. Weekly.
That’s over 600 items my teams have to do in the next six months.

I only have eight teams.

And, I still have to meet my product goals for growth and margin.
A few months earlier...
Great idea!

Org-wide Init

Let’s do that!

“Yeah”
“Yeah!”
Org-wide Init

More great ideas!

Org-wide Init

Org-wide Init

One month later

These will help too!

“Yeah”

“Yeah!”
So many great ideas!

“Yeah”

“Yeah!”

One month later

Six weeks later

We’re good at this!

Org-wide Init

Org-wide Init

Org-wide Init

Org-wide Init

Org-wide Init

Org-wide Init

All good ideas

All positive intentions
Wow. I’m tracking 37 initiatives. Weekly.

That’s over 600 items my teams have to do in the next six months.
What’s a transformation leader to do?
Good news!

You’re not running a city transport system!
You are responsible!

You’re (probably) running a technology organization.

You can change the system.


Image: Google Maps
So what?

1. We've talked about WIP forever
2. We know WIP is a problem, and so do leaders in organizations
3. Saying it’s a problem doesn't help, it just shames
4. The real struggle leaders have is “How do we solve it?”
5. We need to look more carefully at the HOW of solving this
Understanding the problem
How Long Does it Take?

Customer lead time
(Time to market)

Queue time
(waiting)

Time in process
(TIP)

Great Idea!

I love it!

We should get started.

Ok, all good!
How Long Does it Take?

Time in Process (TIP)

What is this thing?

I think it works.

Now?

Nope!

Yep!

Whew! Ship it!
How Long Does it Take?

Time in Process (TIP)

<table>
<thead>
<tr>
<th>Analysis &amp; Design</th>
<th>Code</th>
<th>Test (and fix)</th>
<th>Ship</th>
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How Long Does it Take?

Time in Process (TIP)

Wait time = 18 days

Touch time = 2 days

Analysis & Design  Code  Test (and fix)  Ship
How Long Does it Take?

Time in Process (TIP)

Wait time = 18 days
Touch time = 2 days

Flow efficiency = \( \frac{\text{Touch time}}{\text{Wait time} + \text{Touch time}} \) = \( \frac{2d}{18d + 2d} \) = 10% efficiency
What is Your Goal?

Flow efficiency
- I love it!
  (Wow, that was fast!)
- Get things done
- < 10% efficiency

“Resource” efficiency
- I should get started...
  (but, I’m so busy)
- Keep people busy
- 100% efficiency
Companies want to create a flow of value

Poster version of goal
Keep value flowing!

Actual improvement goal
Create the Shortest Sustainable Lead Time (SSLT) for value delivery
We Have Lots of Work!

(Don’t we have both efficiencies?)
Enter the Tragedy of WIP
Work Interacts (through workers) ...
... and Impacts Throughput

![Graph showing Lead Time vs. WIP](image)

**Formula:**

\[ TP = \frac{WIP}{Lead\ Time} \]
Digging deeper: Not all WIP is created equal
Need to reconsider approach

Most work items follow a very consistent pattern for implementation.

Items tend to be very different from each other in how they are implemented.
Ability to foresee arrival

Work arrival rate and timing is not under control of the team.

Work is generally able to occur in a sequence and timing knowable in advance by the team.
Uniformity of business purpose

Disparate

Incoming work tends to come from many sources with many different associated business goals

Goal-aligned

Incoming work is generally aligned to a single set of business goals
Predictability of completion

Completion of the work requires an iterative approach and the solution cannot be accurately predicted in advance.

Completion of the work can follow a defined path and the nature of the solution is known in advance.

Correlates to Cynefin complex

Correlates to Cynefin complicated
Patterns define team mandates
Understand team’s work profile

- Map a team’s actual work patterns
- Look for multiple patterns in play
- Note the % of time/items in each pattern.
Example: New product feature team

- **Goal-aligned**: Most work is focused on advancing a specific product’s missions
- **Unique**: Each feature is different and requires a different path/approach
- **Planned**: There is generally a roadmap of features and desired outcomes
- **Exploratory**: Features require exploring user/stakeholder needs, iterating, and figuring things out
Example: Customer Love / Small Enhancement

- **Disparate**: Work tends to be scattered across many themes
- **Unique**: Each enhancement is different and requires a different path/approach
- **Planned**: There is generally a roadmap of planned changes
- **Exploratory**: Items require exploring user/stakeholder needs, iterating, and figuring things out
Example: Predictive data modeling team

- **Disparate**: Work tends to be scattered across many themes
- **Repetitive**: Each model follows very similar meta-pattern for implementation approach
- **Planned**: There is generally a roadmap of required models/predictors
- **Exploratory**: Items require exploring the data, predictors, iterating, and figuring things out
Example: Bug swat / customer escalation team

- **Disparate**: Work tends to be scattered across many themes
- **Repetitive**: Each issue follows very similar escalation, triage, and routing path. “Same fire drill”
- **Reactive**: No advance visibility in what the next most important issue will be, nor when it will arrive
- **Exploratory**: Solving each problem requires lots of “does this work?” tests
Example: OSS license review/rationalization

- **Disparate**: Work tends to be scattered across many themes
- **Repetitive**: Each issue follows very similar request and interaction path
- **Reactive**: No advance visibility in what the next request will be, nor when it will arrive
- **Defined-path**: The decision tree is fairly well-understood and the requirements are pre-defined
Example: L1 support team

- **Goal-aligned**: Support teams tend to be focused on a specific category of issues or requests
- **Repetitive**: Each issue follows very similar request and escalation path
- **Reactive**: No advance visibility in what the next request will be, nor when it will arrive
- **Defined-path**: The decision tree for each type of issue/request is well-understood
Example: Employee relations team

- **Goal-aligned**: Support teams tend to be focused on a specific category of issues or requests
- **Unique**: Each incident requires very personalized handling based on the situation
- **Reactive**: No advance visibility in what the next request will be, nor when it will arrive
- **Defined-path**: The decision tree for each type of issue/request is well-understood (despite unique handling)
Example: “Project” team, e.g. Data Center deploy

- **Goal-aligned**: Completely focused on a singular goal associated with project.
- **Unique**: Each project is generally distinct and requires a different path/approach.
- **Planned**: These are generally planned, including scheduling multiple interacting suppliers.
- **Defined-path**: To the extent possible, the overall plan and timing can be defined in advance.
Don’t mix mandates
Example: Bug swat / customer escalation team

“You fixed that huge customer problem! Thank you! Can you turn that into a complete production-ready feature?”

“Yes, of course…”

*boom*
Example: L1 support team

“You seem to have some spare capacity. Can you use that extra time to build some better frameworks to make your area easier to maintain?”

“Yes, of course…”

*boom*
Example: New product feature team

“You built this, so we think you should take over all the bug fixes for it, and also operate it. Can you do that?”

“Yes, of course…”

*boom*
Large-scale, directional solutions to WIP pollution
Time to juggle
Strategy #1
Generate alignment on outcomes & intent

• People make better decisions when they know the goals
• Fewer people have to be involved in decisions
• Fewer validation cycles of “Is this right?”
Objective & Key Results (OKRs) are one simple tool

Writing these is fast and easy ... IF you have clarity and cohesion as a leadership team; Otherwise, it’s time for the hard work.

Objective
e.g. Break & Fix Healthcare

Key Results
• Deliver to 6 markets
• 30% reduction in contract negotiation time
• Member Service Rating improves 4 points

True North
A Big, Hairy, Audacious Goal to inspire the organization

Objective
e.g. Own the Exchanges

Key Results
• Best in class new member experience by external raters
• Lowest cost to member vs. top 3 competitors

Key strategies
Our best collective decision on the most likely ways to achieve our True North

Strategy backgrounds
An A3-T or Strategy Canvas per strategy detailing:
• Background
• Current conditions
• Target conditions
• Root cause & analysis
• Likely initiatives w/ sponsors
• Initiative timeline / roadmap
• Metrics / evidence
• Follow-up
Strategy #2
Practice reduction in depth

• Clean the top to dramatically simplify the bottom
• Limiting WIP applies at every level
• Generating focus is a key role of every exec
Strategy #3

Inspire permission and safety when decentralizing

• Encourage safe-clarity behaviors
  – Back-brief
  – Work fit challenges
  – Learn from failure
  – Encourage experimentation

• Self-limiting behaviors: “put it down gently”
Tactics: Reduce stress to increase capacity
Tactic #1
Eliminate excessive backlogs

How valuable

How costly

very

not as

very

not as

Prioritize

Accept

Consider

Eliminate

Feature

Feature

Feature

Feature

Feature

Feature

Feature

Feature

Feature

Feature

Feature

Feature
Tactic #2

Clarify organizational change

- Communicate purpose, especially for small changes
- Introduce A3/OKR for large change initiatives
- Manage those change initiatives on a board, visualize how many there are

**Objective**

*e.g. Own the Exchanges*

**Key Results**

- Best in class new member experience by external raters
- Lowest cost to member vs. top 3 competitors
Tactic #3
Write team charters

• Make the mandate clear and unambiguous
• When things change, reflect on the change, be intentional, and make decisions based on that reflection.
• Challenge yourself INCREDIbLY hard before adding a differently shaped mandate
  – First, reimagine the value stream around the team
  – Then, consider if it is worth the disruption to add mandates
Summary of six approaches

**Bigger, systemic fixes**
- Generate alignment
- Reduction in depth
- Inspire permission and safety

**Quick win fixes**
- Eliminate excessive backlogs
- Clarify organizational change
- Write team charters
1. We've talked about WIP forever
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3. Saying it’s a problem doesn't help, it just shames
4. The real struggle leaders have is “How do we solve it?”
5. We need to look more carefully at the HOW of solving this
Pick a team

Model their work

Write their charter
Contact me!

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