Advanced Agile Coaching & Training

Agile: The Next Generation

Meet your Guides

Arlen Bankston

- Entrepreneur, Founder of LitheSpeed
- User experience, product design & development background
- 16 years of Agile experience
- Lean Six Sigma Master Black Belt
- Trainer and agile consultant, coach, presenter and writer

Meet your Guides

Jessie Shternshus
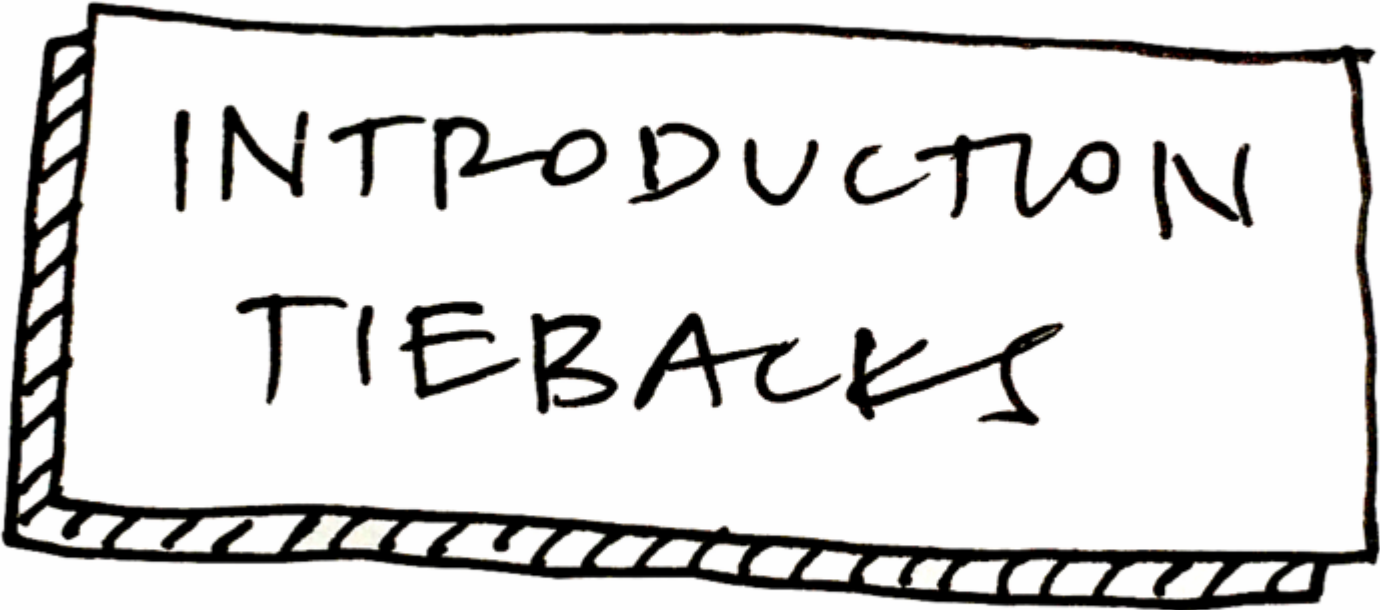
Training & Coaching Services:
- Group Dynamics
- Innovative Leadership
- Creative Problem Solving
- Effective Communication for Agile Teams
- Presentation Skills and Public Speaking Coaching

Diverse work experience that includes companies such as:
- Getty Images
- Fidelity Investments
- Johnson & Johnson
- Expedia

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INTRODUCTION
TIEBACKS

Course **Agenda**

Day 1: Building & Growing Agility

- State of Lean & Agile
- Personal Awareness and Effective Internal Communication
- Building Collaborative & Crossfunctional Behavior in Teams
- Stakeholder Management & External Communication
- Agile Practice, Principle & Tool Assessment Techniques
- Learning Games for Stakeholders & Teams

Day 2: An Agile Facilitation Toolkit

- Selling Agility
- Agile Contracting & Budgeting
- Launching Projects
- Tracking & Reporting
- Discovering the Problem: Root Cause Analysis Techniques
- Driving Continuous Improvement
- Distributed Development using Agile
- Building the Agile Organization
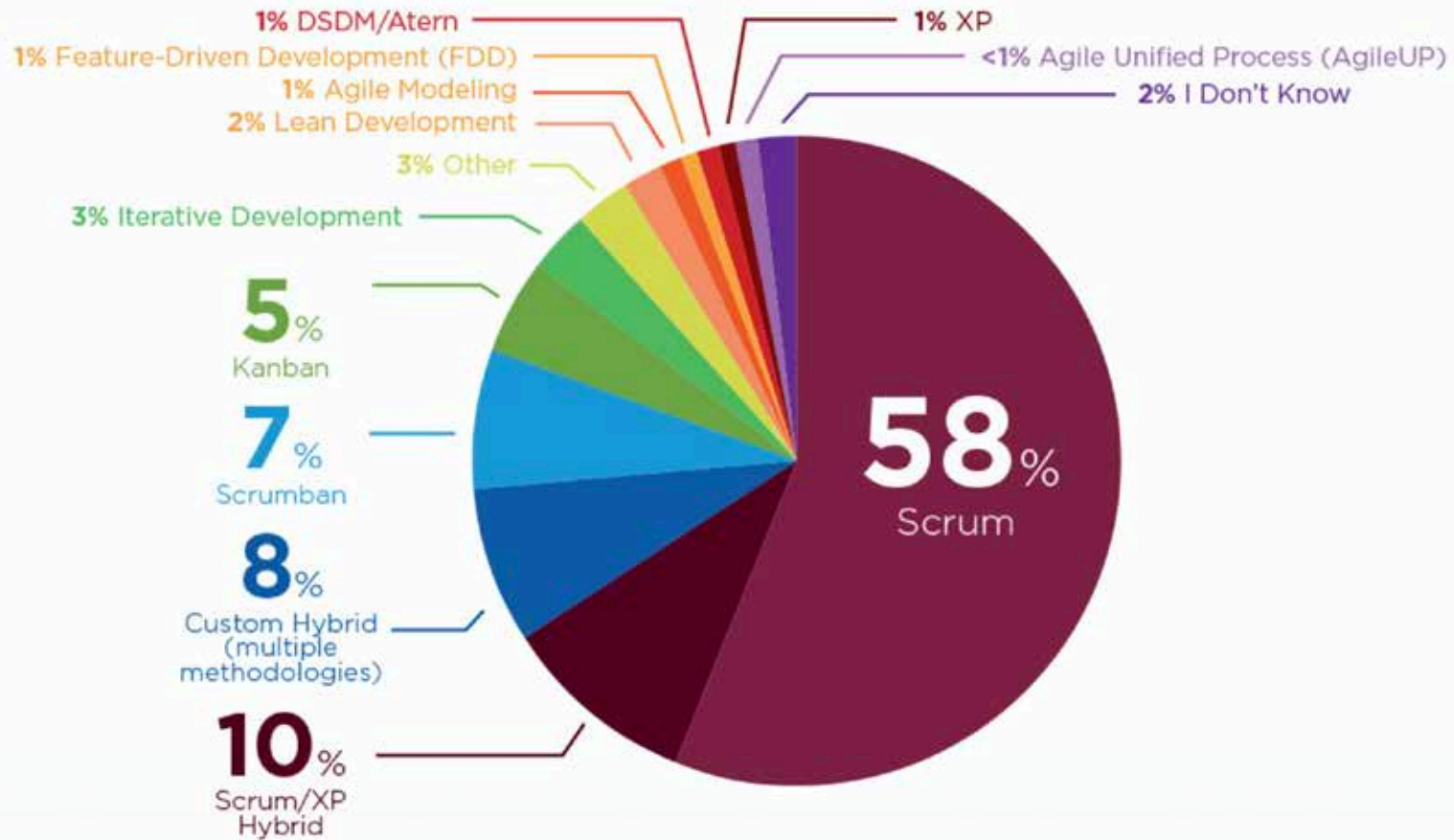
practice time
common challenges

practice time

commonality boggle

State of Lean & Agile

Trends of Today & Tomorrow

Agile Method **Usage Patterns**

Pie chart: Agile method usage patterns.

- 1% DSDM/Atern
- 1% Feature-Driven Development (FDD)
- 1% Agile Modeling
- 2% Lean Development
- 3% Other
- 3% Iterative Development
- **5%** Kanban
- **7%** Scrumban
- **8%** Custom Hybrid (multiple methodologies)
- **10%** Scrum/XP Hybrid
- **58%** Scrum
- 1% XP
- <1% Agile Unified Process (AgileUP)
- 2% I Don't Know

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Agile **Certification Trends**

The past decade has seen a **big rise in agile certifications.**

Leading certifications:

- **Scrum Alliance** Certified ScrumMaster, Product Owner, Developer & Professional

- **SAFe Program Consultant**

- **Lean-Kanban** University

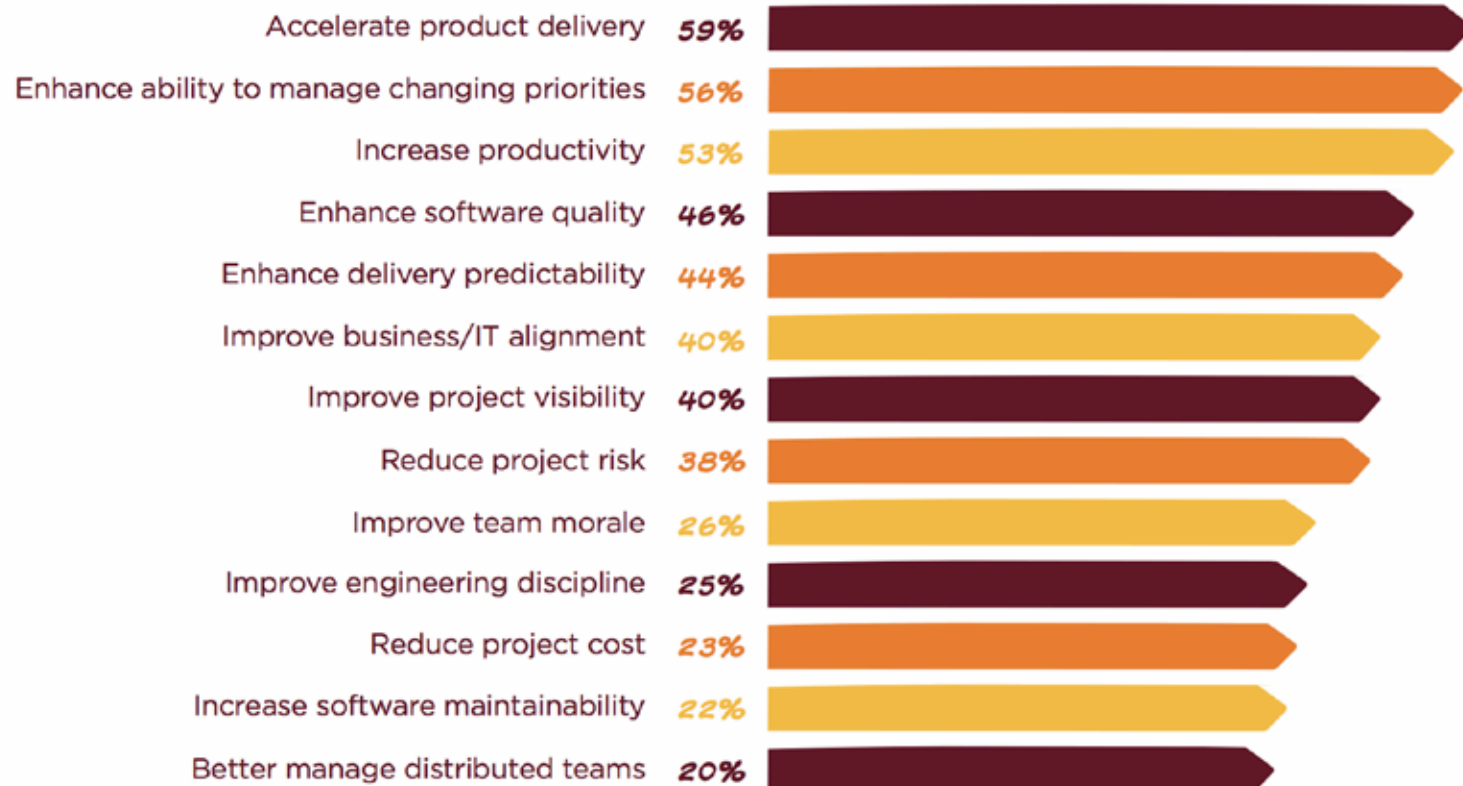- **PMI** Agile Certified Practitioner

- **Scrum.org**

- **IC Agile**

Certified Scrum Masters

Source: The Scrum Alliance
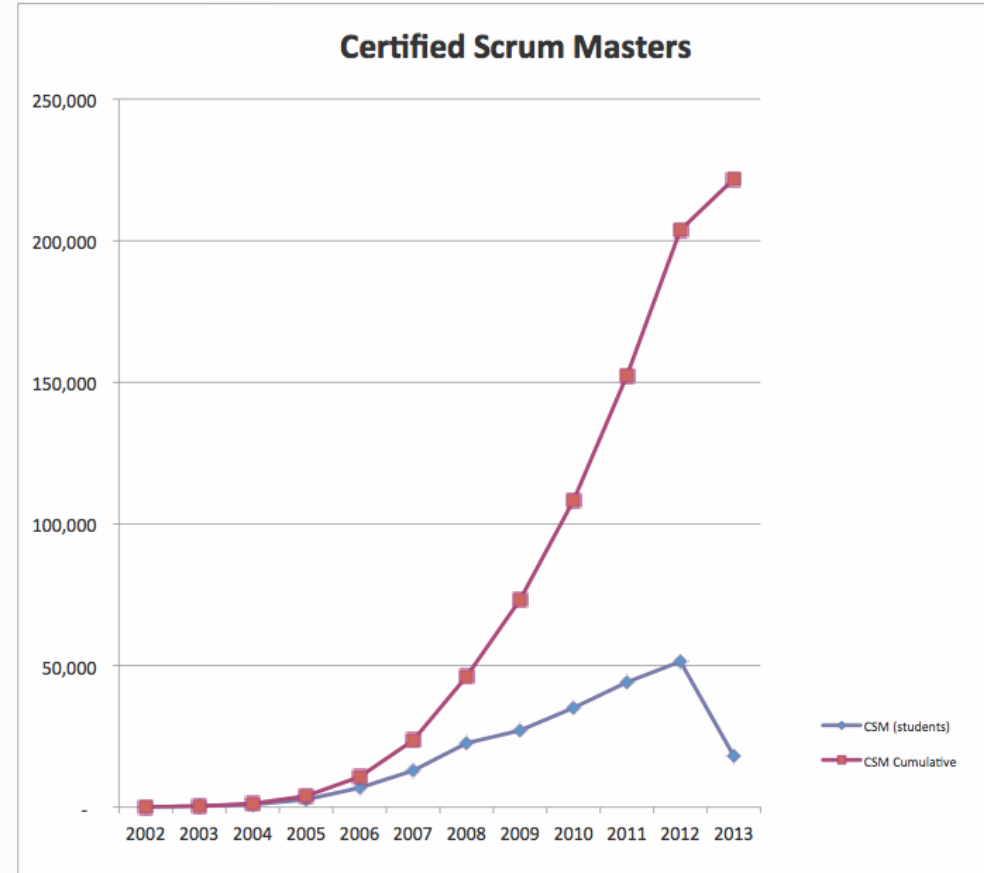
Commercial Success of Agile Methods

87% of respondents said implementing agile improved their ability to manage changing priorities.

53% said that the majority, if not all, of their agile projects have been successful.

Accelerate product delivery	59%
Enhance ability to manage changing priorities	56%
Increase productivity	53%
Enhance software quality	46%
Enhance delivery predictability	44%
Improve business/IT alignment	40%
Improve project visibility	40%
Reduce project risk	38%
Improve team morale	26%
Improve engineering discipline	25%
Reduce project cost	23%
Increase software maintainability	22%
Better manage distributed teams	20%

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The **Bad News**

1. **Only 13% of all employees** are "highly engaged." 26% are "actively disengaged."[1]

2. **Only 54% of employees** recommend their company.[2]

3. In hi-tech, **two-thirds of all workers believe they could find a better job** in less than 60 days.[3]

4. **80% believe their employees** are overwhelmed with information and activity at work.[4]

5. **More than 70% of Millennials** expect their employers to focus on societal or mission-driven problems.[5]

Gallup 2014, Glassdoor, Dice, Tech Salary Survey, Deloitte Human Capital Trends 2014, Deloitte, The Millennial Survey 2014
http://www.forbes.com/sites/joshbersin/2014/04/04/the-five-elements-of-a-simply-irresistible-organization/

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Depression, Complaints & Disillusionment

85% Would leave tomorrow or actively looking

79% Old-Fashioned Management Styles

75% Working Environment

70% Feeling Disengaged
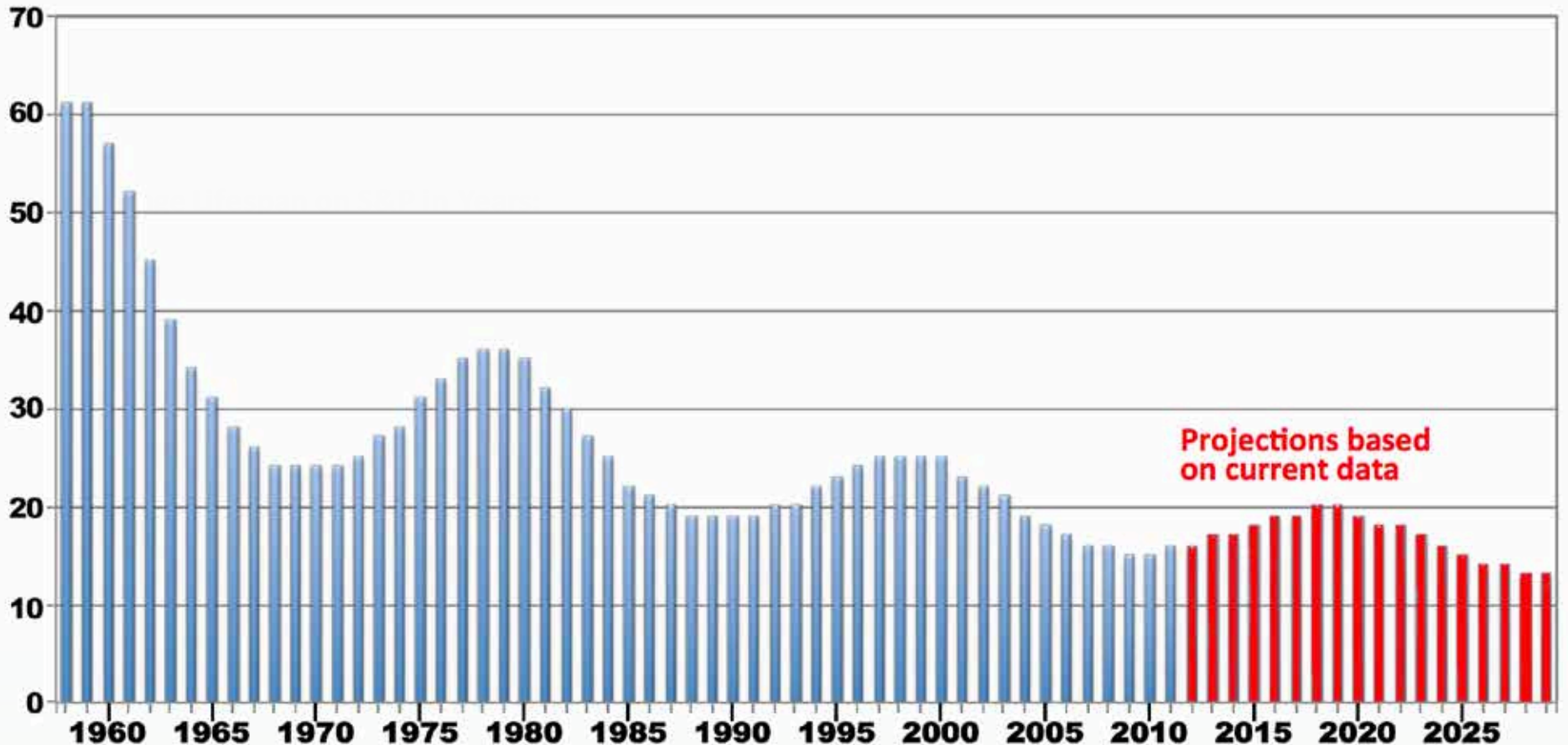
50% Uninspiring Work

Image from Huffington Post

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An Age of Creative Destruction...

At this rate, 75% of the S&P 500 should be replaced by 2027.

Projections based on current data

Limited Penetration of Agile Methods

34% Had teams that are in the early adoption phase with agile

42% Had teams ranging from very early to mature adoption

18% Had teams with mature adoption

42% Company philosophy or culture at odds with core agile values

37% External pressure to follow traditional waterfall processes

33% A broader organizational or communications problem

30% Insufficient training

44% Lack of experience with agile methods

38% Lack of management support

36% Lack of support for cultural transition

33% Unwillingness of team to follow agile

6% Not applicable/ Don't know

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Agile Patterns can be Found **Everywhere**

Scrum at **Rotterdam Hogeschool**

- Students learn/present in Sprints
- Professors evolve curriculums across classes

Scrum-built Cars at **WikiSpeed**

- Week-long releases, collaborative approach
- Modular, easily changed designs

Personal Kanban for Life Management

- Focus and manage your life visibly
- Limit work in process to get things done

practice time

spell your weekend

Personal Awareness

& Effective Internal Communication

practice time

agile documentation

journey

practice time

color advance

practice time
star, interviewer, publicist

Building Collaborative & Crossfunctional Behavior
## In Teams

practice time

evil twin

Poly-Skilling & the Generalizing Specialist

- A generalizing specialist acquires new skills so they can **do more than one thing well.**

- Poly-skilling removes single person dependencies, simplifies communication & collaboration, and **allows for flexibility in allocating work.**

- Poly-skilling helps a group **grow into a team**.
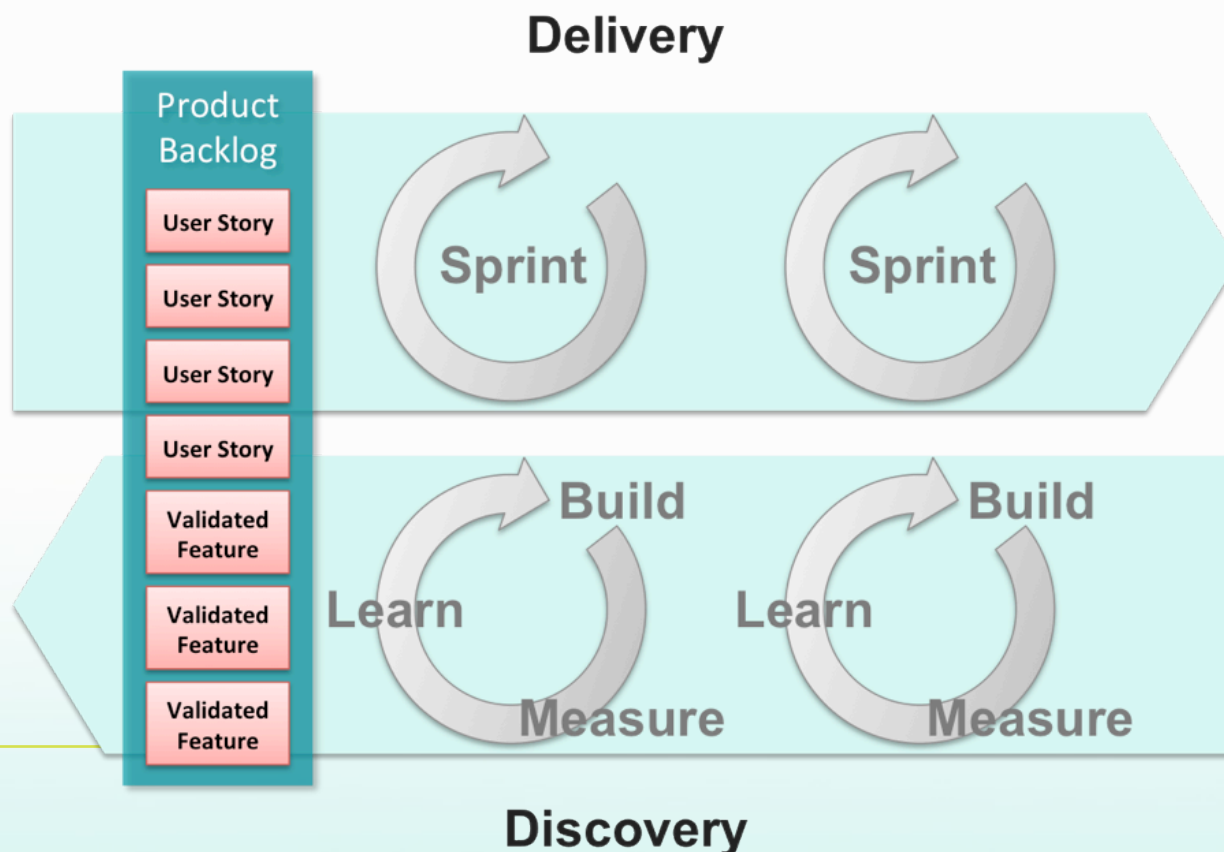
Task Verification by Volunteer
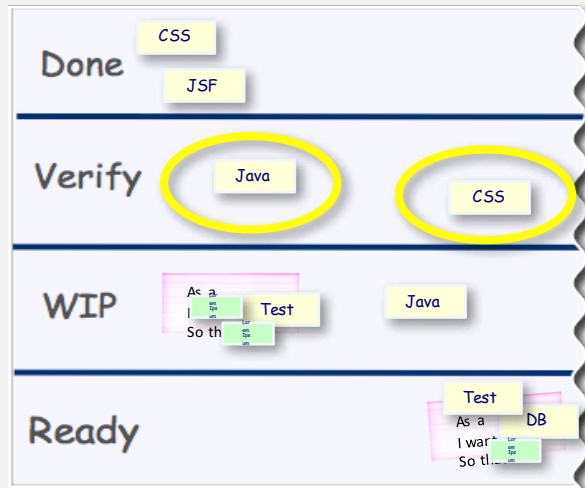
- Task enters verify, a volunteer reviews

- Easy to implement
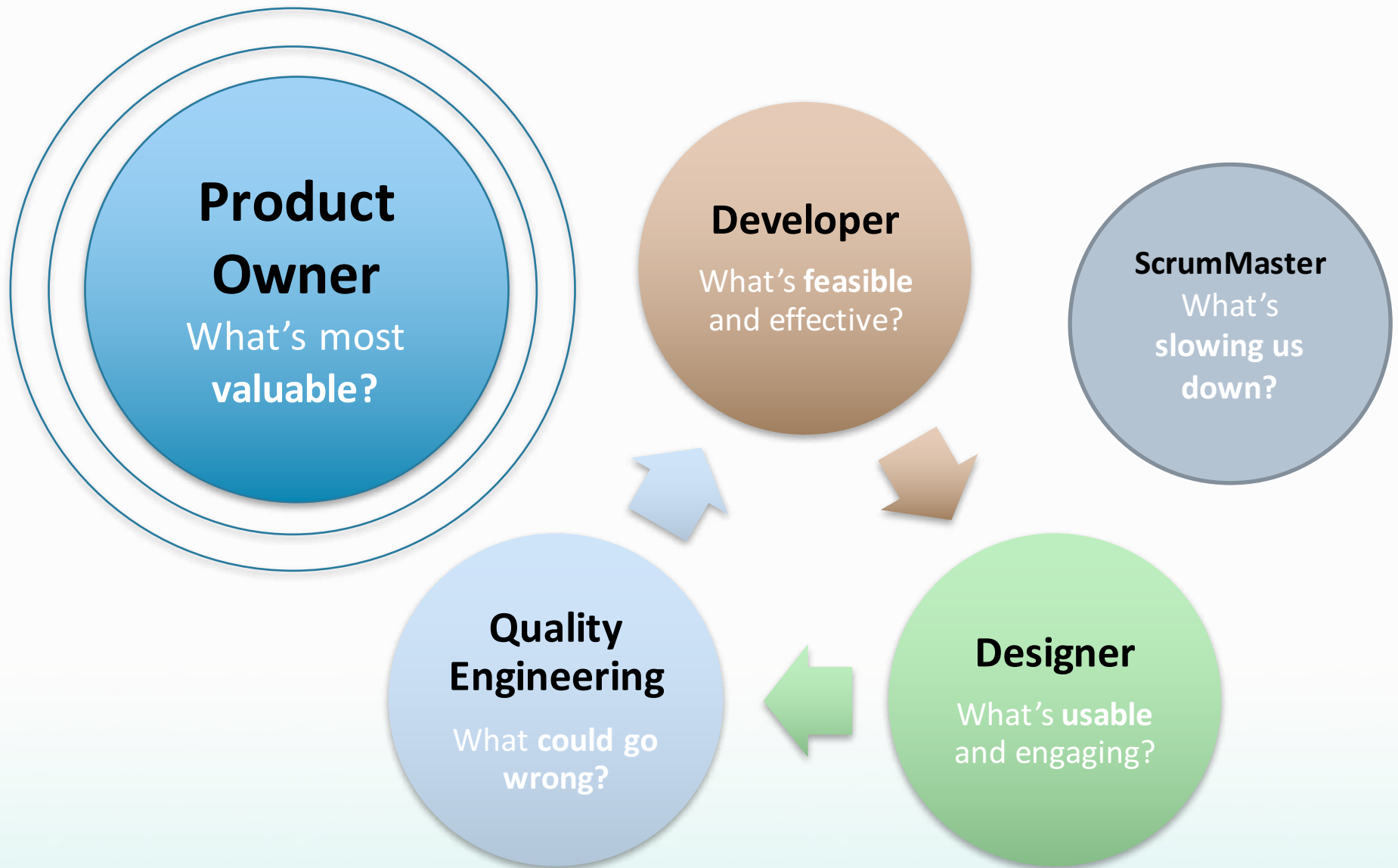
- Improves quality

- Shares knowledge

Dual-Track Agile

Dual-track Agile refers to simultaneously performing discovery and delivery. Team members validate features with customers while building features that have already been validated. Validated features are broken into user stories that can be delivered within a Sprint. During discovery the team builds low cost or no cost prototypes and mockups to validate features and incorporate learning into the cycle.
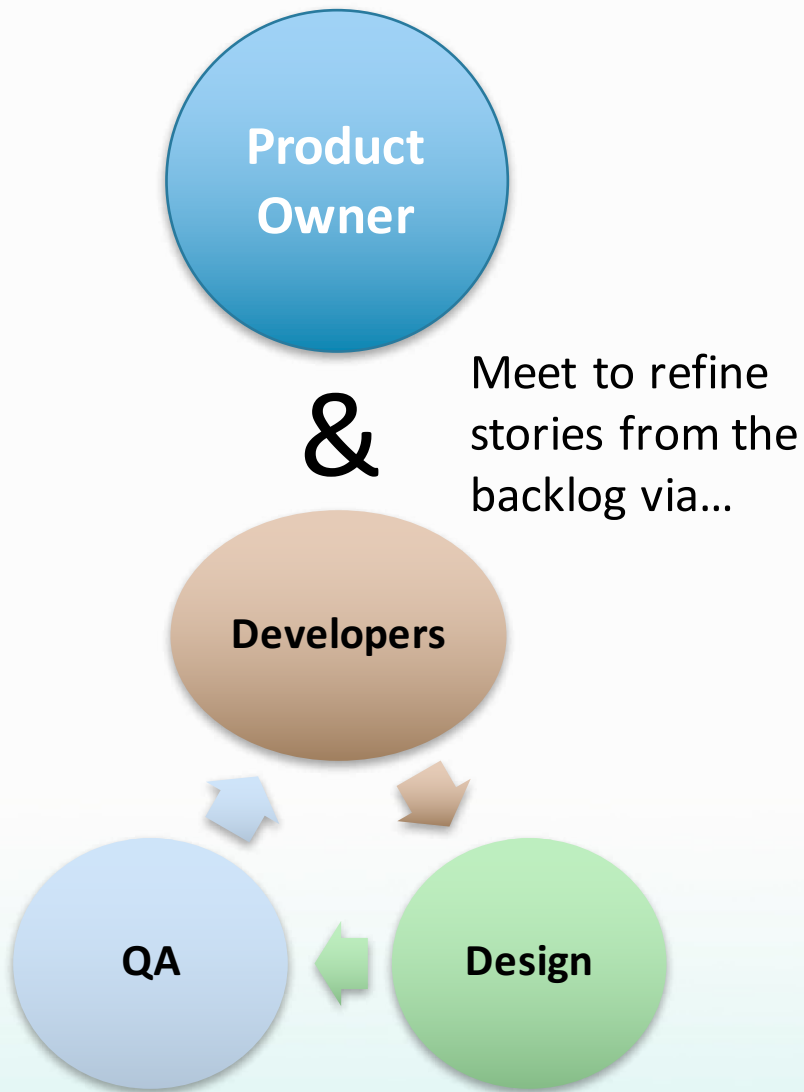
* Ideal for product innovation and fast delivery
* Utilizes a blend of enterprise Lean Startup, product discovery, Scrum, and XP
* Helps build the right thing, tied to business value

Delivery

Product Backlog

User Story
User Story
User Story
User Story
Validated Feature
Validated Feature
Validated Feature

Sprint

Sprint

Build
Learn
Measure

Build
Learn
Measure

Discovery

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The Grooming Crew ("3+ Amigos")

Product Owner
What's most **valuable?**

Developer
What's **feasible** and effective?

ScrumMaster
What's **slowing us down?**

Quality Engineering
What **could go wrong?**

Designer
What's **usable** and engaging?

The Grooming Process

Product Owner

&

Meet to refine stories from the backlog via…

Developers

QA

Design

Weekly

Backlog Refinement Meeting

- ~1 hour
- Predictable
- Good for external stakeholders
- One week's worth of stories

OR

Daily (as needed)

Story Time

- ~20 minutes
- Often right after Daily Scrum
- More real-time and current
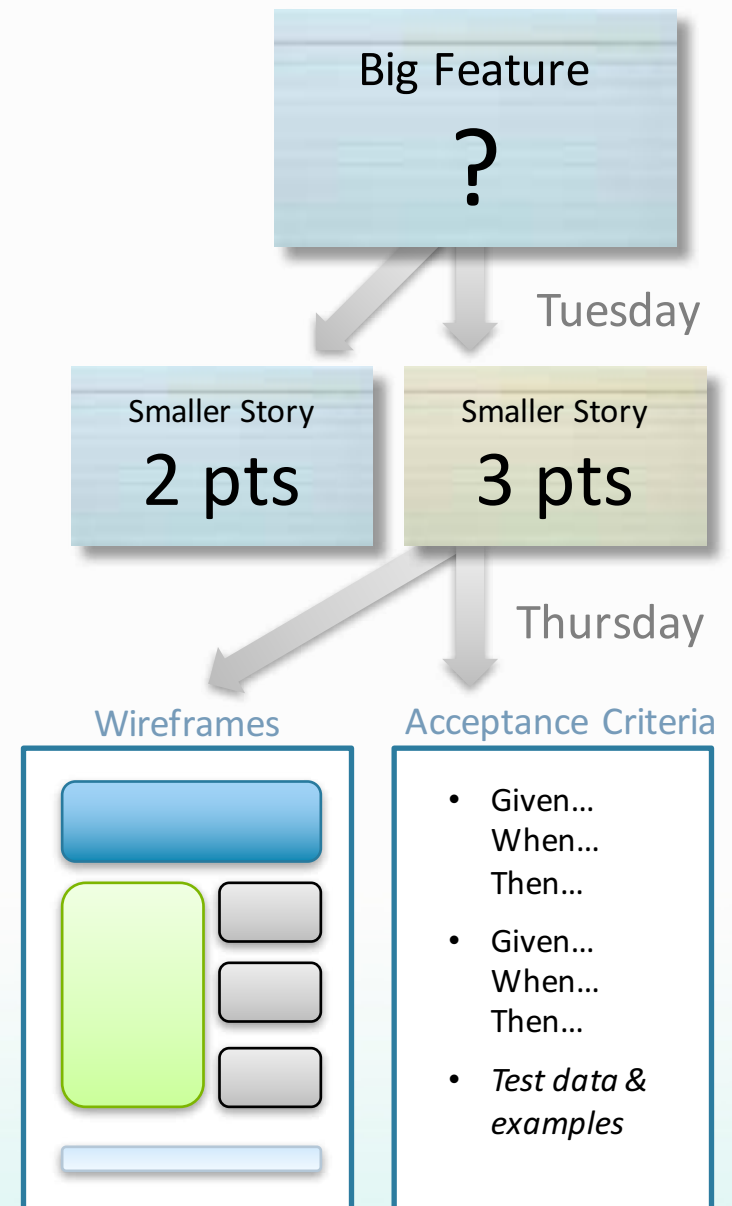- 1-2 day's worth of stories

Grooming Activities

User Story details are discussed:

- The nature of the **problem**
- Which **users** have the problem
- How we envision the **solution**
- How the solution delivers **value**
- How success will be **measured**

Specific activities to get stories "Ready" might include:

- Splitting
- Estimating
- Writing acceptance criteria, test data
- Collaboratively designing mockups
- Modeling & architectural design

Big Feature

?

Tuesday

Smaller Story

2 pts

Smaller Story

3 pts

Thursday

Wireframes

Acceptance Criteria

- Given...
  When...
  Then...
- Given...
  When...
  Then...
- *Test data & examples*

Standard Work Role Definition Example

Daily	Weekly	Monthly	Quarterly
'Getting Things Done' Cadence	**Delivery:** Monitor Tier 1 & Tier 2 Programs - What are the roles and do we endorse who is filling them? - Are there issues from the various domains (arch, PM, ADS)? - What delivery issues are we causing (ADS)	**Governance:** Monitor Information Life-Cycle Governance	**People:** Talent Management
		People: Manage Direct Reports	
		Delivery: Review Delivery Practices	**Semi-annually**
	Business Management	**Operations:** Review Performance	**People:** Performance Management
	Strategy: Lead & Manage Change	**Partner:** Manage Relationships	
	People: Associate Connections	**Strategy:** Contribute to Thematic Goals	**Ad-hoc**
	Operations: IT Service Desk	**Strategy:** Drive ADS Shared Priorities	Teach a class (e.g – Leadership Series Teaching Thursday)
		Strategy: Drive ADM effectiveness	Associate Recognition

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practice time

moving motivators

practice time

hydra

practice time

draw a _____

Draw a ___ **Requirements**

Collaboratively create an ideal team room, with at least the following characteristics:

- Public and private spaces

- Space for public writing and reading

- A way to fluidly communicate with people outside of the room

- Something creative and unexpected

practice time

team room gallery tour

Stakeholder Management
And External Communication

practice time

stakeholder management matrix

Agile Assessment Techniques
Practice, Principle & Tool

practice time

fear factor

practice time

how, how, how

How, How, **How**

HERE'S A "HOW, HOW, HOW" EXAMPLE

HOW? HOW? HOW?

the NEED

CLEAR RESPONSIBILITY — FIND OWNER IN MANAGEMENT — IN STAFF MEETING

ALLOCATE RESPONSIBILITY

INCREASE SERVICE FREQUENCY

GET SERVICE CONTRACT — IDENTIFY SERVICE COMPANIES — FROM ONLINE DIRECTORY

GET QUOTES — PURCHASE BEST QUOTE

OR

IN-HOUSE MAINTENANCE — IDENTIFY ENGINEER — IDENTIFY TRAINING NEEDED

TRAIN ENGINEER

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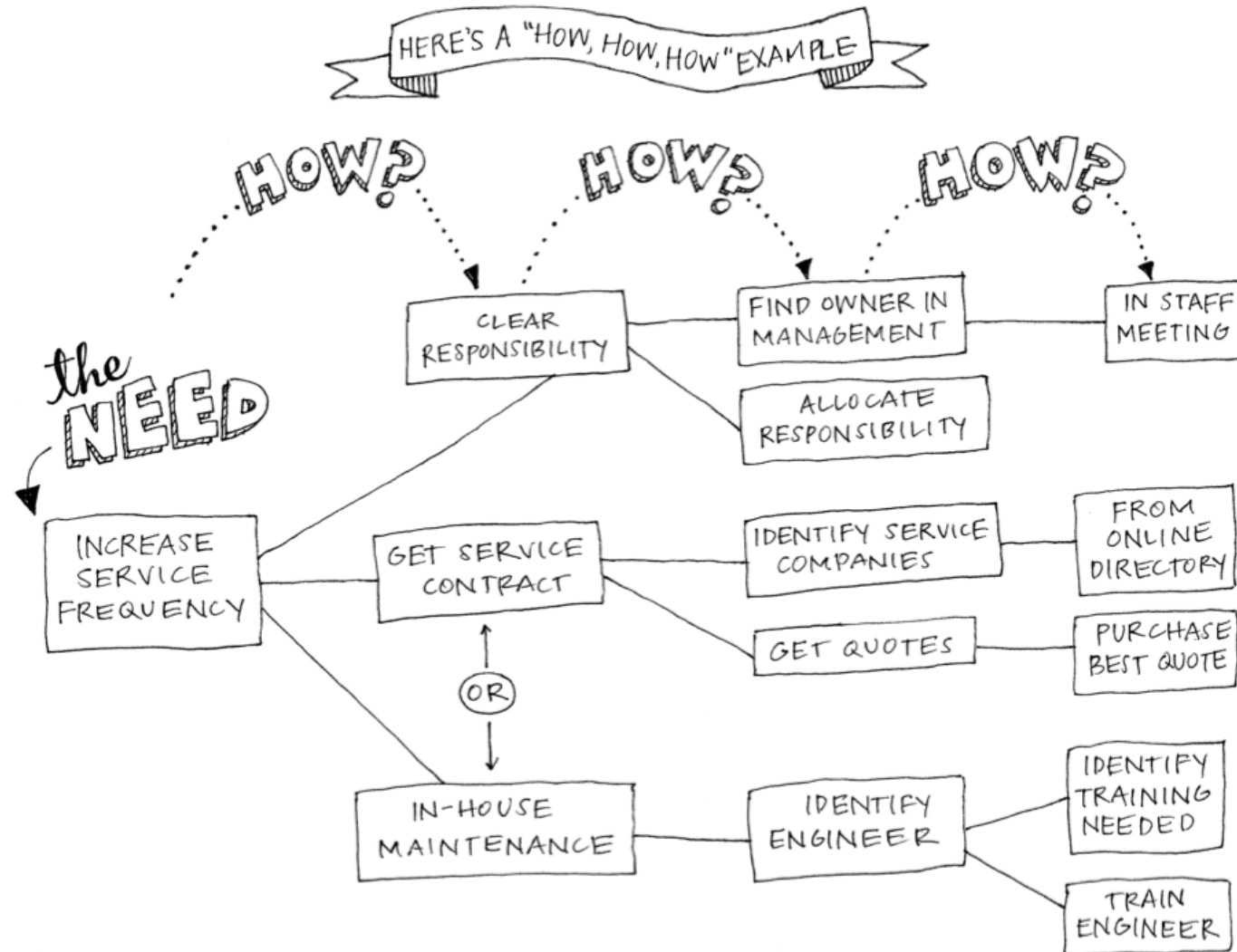
Team **Self-Assessment**

Practice	Description	Rating	Notes	
Peer Review	Peer review methods are employed to maintain standards, improve performance, and therebyimproving quality. Peer review is the action of inspecting the work of an individual by someone of similar competence. Code review is a peer review practice that inspect source code by a collegue. Peer reviewes are done on requirements document, test cases, or any other work products of the team. Paired programming is a common practice in the agile world. This process provides concurrent code review. **Does your team conduct peer reviewes on all the work that team does?**	0		**Beginner:** Team conducts peer review on sources code at most of the time. **Intermediate:** Team conduct peer review on all source code. Team conduct peer reviews on some of the other work products. **Advanced:** Team has regularly scheduled peer review meetings where they review code as well as other work products. Team estimates and plans the work involved in peer reviews in the over all work.
Technical Debt	Technical Debt describes the technical obligations incurred by a team to meet a goal, i.e., a design or construction trade-off that needs to be remedied in the future, usually at a higher cost. Technical debt can be categorized as either intentional or unintentional, and should be clearly visualized, addressed regularly and kept to a minimal level. **Does your team frequently identify and carry out work to reduce the technical debt that it creates in the process?**	1		**Beginner:** Technical debt is identified, but not tracked with other stories, and rarely prioritized for remedy. **Intermediate:** Technical debt is tracked, but no clear limits or guidelines for the team to address it are identified and maintained. **Advanced:** Technical debt is tracked, reported and regularly addressed, and is kept to a minimal level.
Refactoring	Each member of the development team is responsible for identifying improvements that must be made in the product as part of their work. Members should make those improvements alongside development of new features; for large items, they can be listed as technical debt. This ongoing improvement greatly improves the overall quality of the solution. **Is your team educated on good practices of refactoring and do they frequently improve code through refactoring?**	5		**Beginner:** Team is aware of refactoring but rarely applies the technique. **Intermediate:** Teams refactor code but these refactorings are ... **Advanced:** Refactoring is seen as an integral part of development ...

Help a team **review their performance** against accepted practices (or current Standard Work).

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practice time

agile practice assessment survey

Learning Games
For Stakeholders & Teams

Setup:

- **Dice** represent **features**.

- **Waterfall teams** have fixed roles

- **Kanban teams** have fixed WIP

- **Scrum teams** make their own plans

How much value can we deliver in

One minute?

Dysfunctional Daily Scrum

Instructions:

- **Four volunteers** represent **Team Members**
- Each Team Member **picks or is assigned a role:**
  - Phone addict
  - Unprepared and clueless
  - Gregarious alpha techie
  - Socialite
  - Naysayer
  - Random outsider

- **One volunteer** represents a **ScrumMaster**

Multitasking **Name Game**

Instructions:

At each table, pick:

- A writer

- A timer

The writer will fill out name tents for everyone else, first names only, in two ways:

1. One letter of each name at a time

2. Entire names at a time

Selling Agility
To Your Stakeholders & Teams

practice time

the whole goal

practice time

team vision canvas

Agile Contracting & Budgeting
Agreements & Finance that Work

Agile Contracting Principles

Most contracts focus on limiting risk. Good Agile contracts focus on finding the win-win situation.

- Clearly define the preferred business outcome

- Focus on tangible deliveries, not paper artifacts

- Align each parties' incentives with the preferred outcome

Tips for Agile Contracting:
- Encourage trust through guarantees and easy outs
- Minimize change control (reduced flexibility & increased cost)
- Stop when diminishing returns appear
- Build discovery activities into the contract instead of specific requirements
- Incorporate customer responsibility and collaboration activities
- Incentivize both parties to optimize business value

Fixed Price per Sprint for Control

Plan and pay for each Sprint **separately.** *Helps Customer focus on value and control risk.*

Pros:
- Reduces risk all around
- Matches Agile structure
- Encourages value-based prioritization & triage

Cons:
- Short-term budgeting can be challenging to sell
- May still need significant Discovery for overall budget

Tips:
- Budget for a rough number of Sprints, but incrementally plan & fund
- Include Agile collaboration framework in contract
- Focus on quality rather than rate-based criteria

Two-Phased to Establish Trust

*First phase is **fixed price and date** to build trust and clarify scope, second is **time & materials.***

Pros:
- Helps to establish trust
- Limits upfront risk for client
- Mixes traditional & agile approaches

Cons:
- Requires two budget buckets
- Developer takes risk at first

Tips:
- Guarantee satisfaction in Phase 1 to help build trust
- Provide a rough idea of scope in Phase 2 to help scope overall budget
- Consider reward for early delivery in Phase 2 at Customer's request

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practice time

agile contract & financing construction kit

Launching Projects
With Alacrity & Poise

practice time

crisis & object

Showtime!

The **Value Stream**

A value stream includes all the activities required to create a product or service and deliver it to a customer.

Three Types of Activities:

1. Value-creating
2. Important, but not value-creating
3. Waste

A *Lean value stream* creates the most value using the fewest resources.

Inputs from Suppliers
↓
Activity 1
↓
Activity 2
↓
Activity 3
↓
Output to Customer
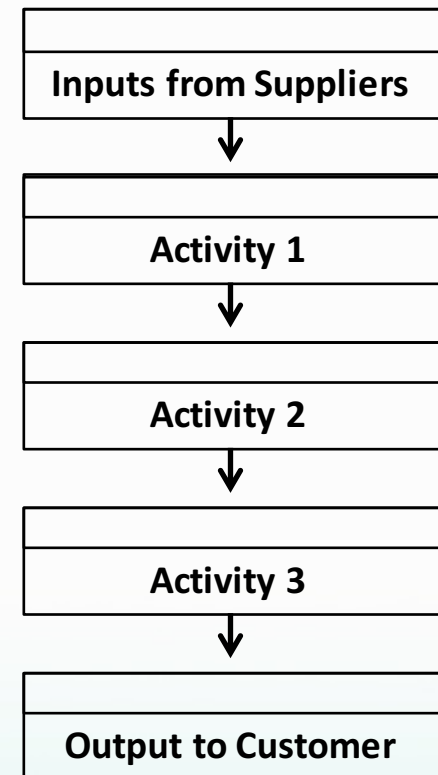
Example: Value Stream Map
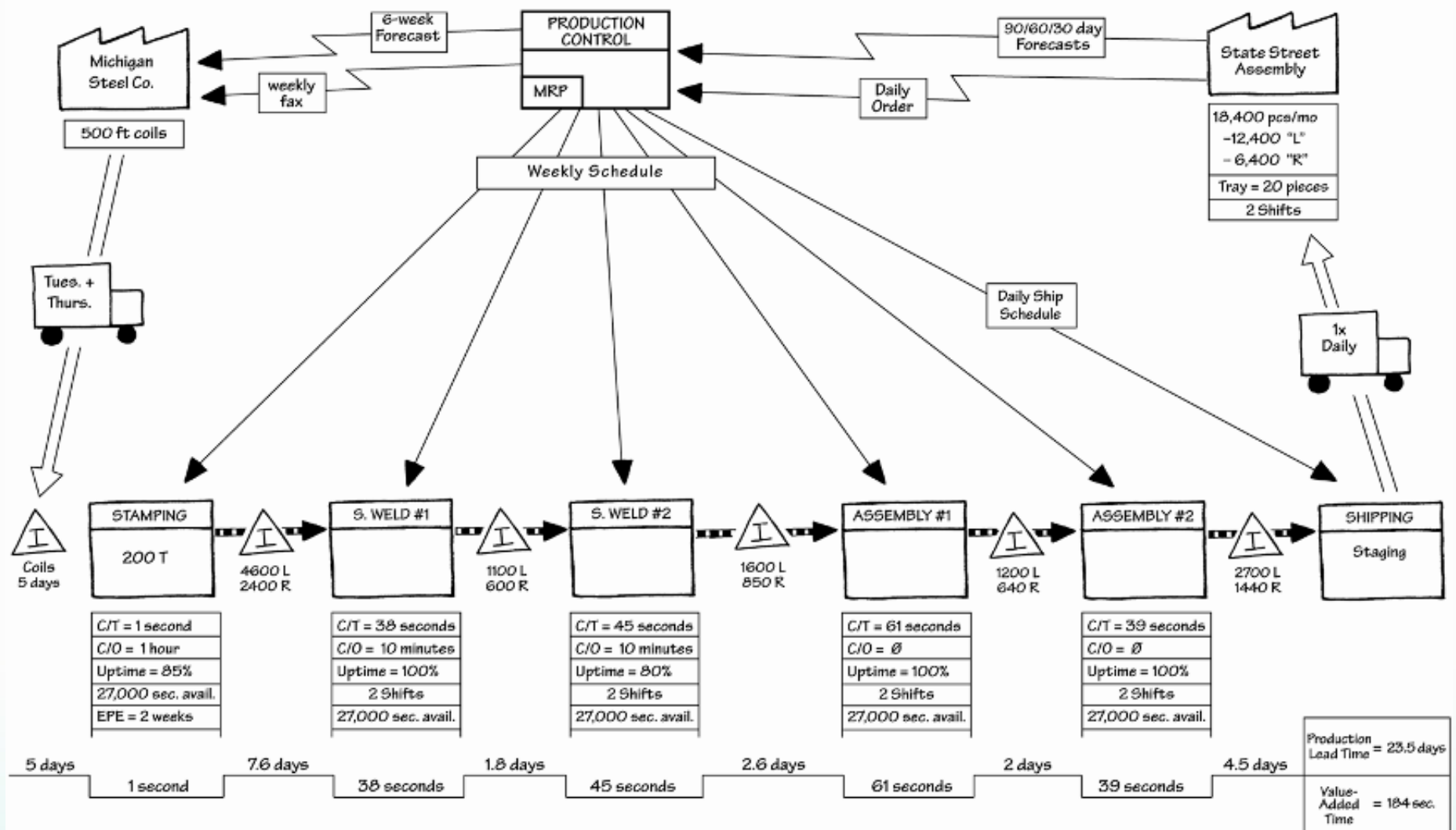
Example: Value Stream Map

PHLEBOTOMY HIGH-LEVEL VALUE STREAM MAP (CURRENT STATE)

Agency for Healthcare Research and Quality
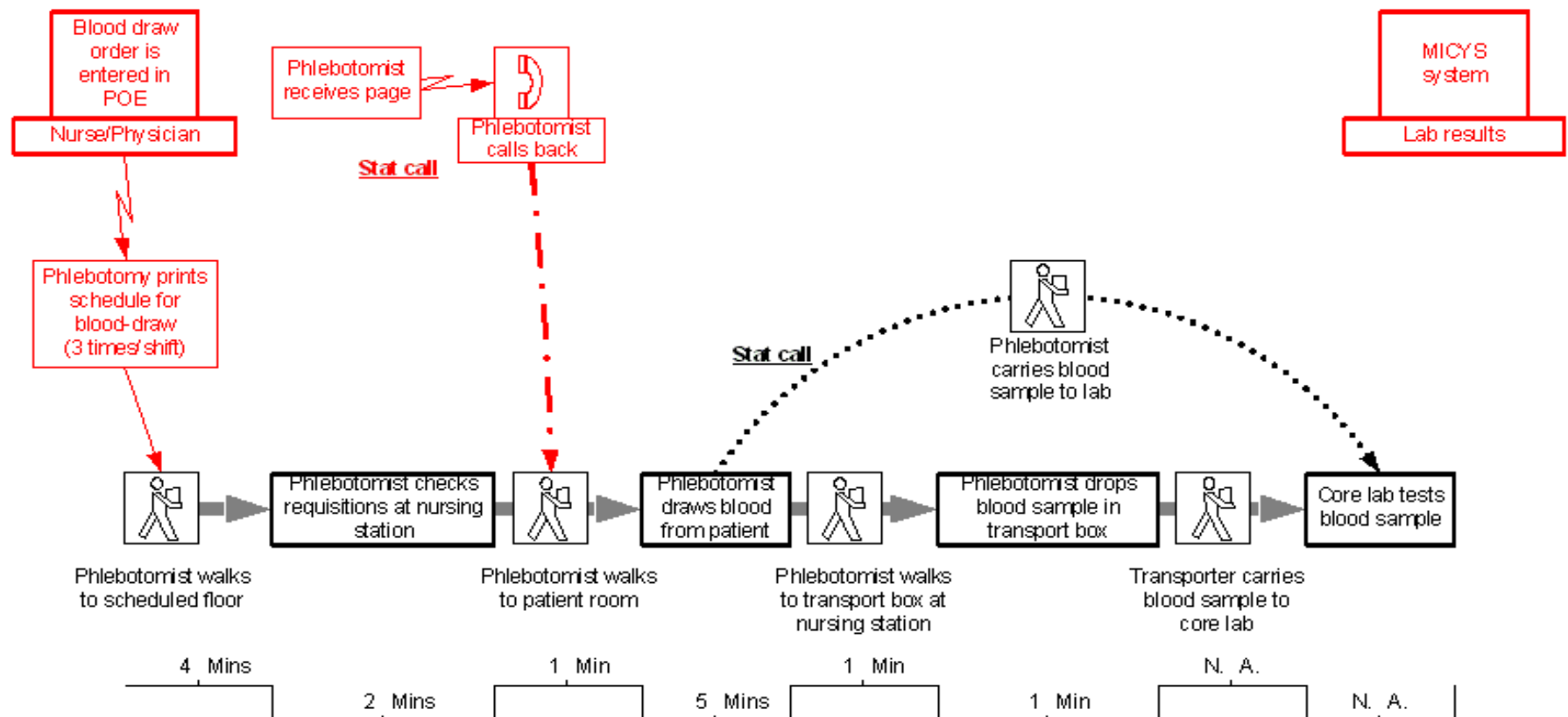
Example: Current & Future State Maps
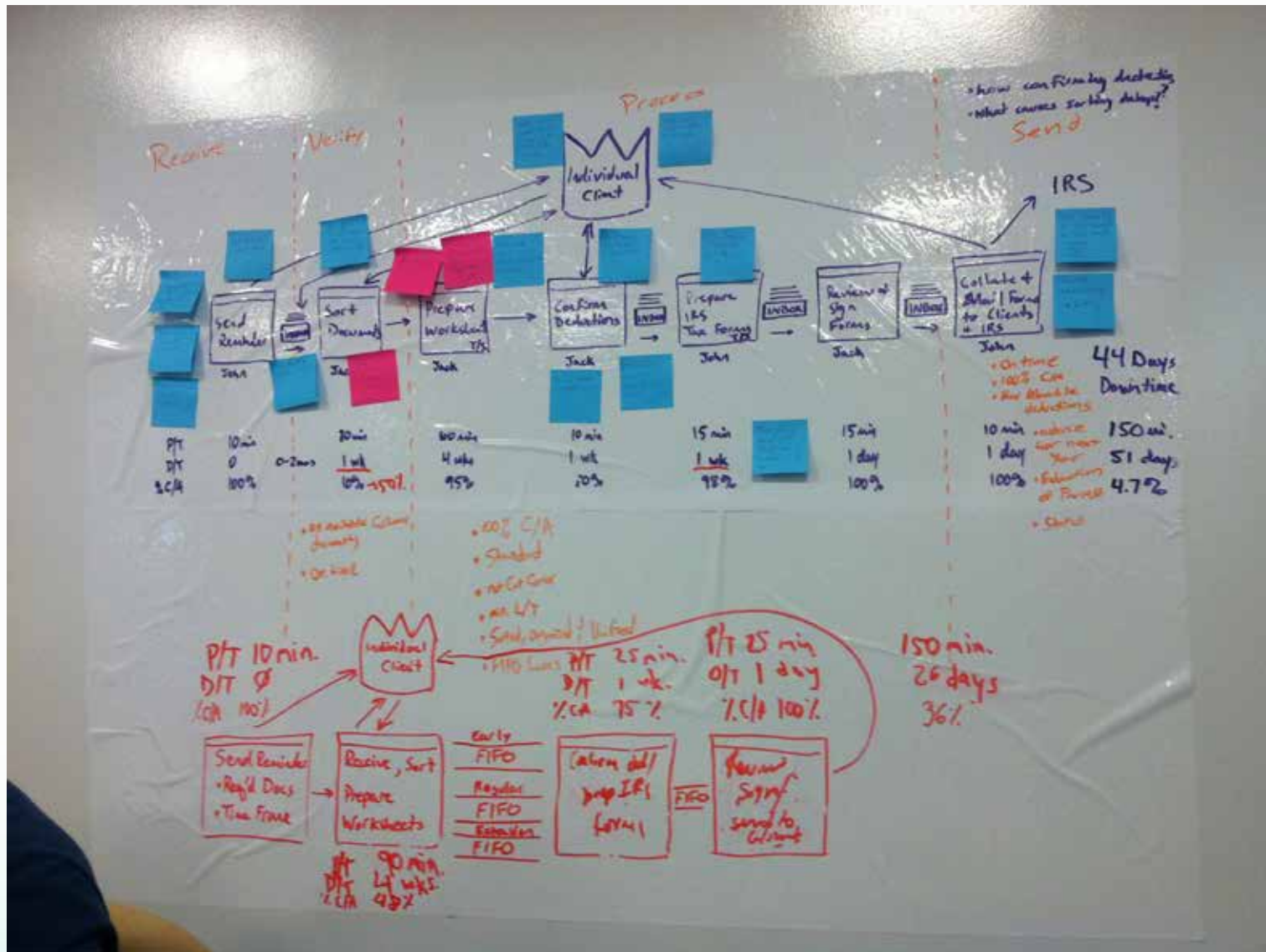
Exercise – Value Stream Mapping

Create your own!

VALUE ADDING — 5 HRS

NECESSARY OVERHEAD — 2 HRS

NON-VALUE ADDING — 24 HRS

$$\text{PROCESS CYCLE EFFICIENCY} = \frac{\text{VALUE ADDING}}{\text{NON-VALUE ADDING} + \text{NECESSARY OVERHEAD}} = \frac{5 \text{ HRS}}{26 \text{ HRS}} = 19\%$$
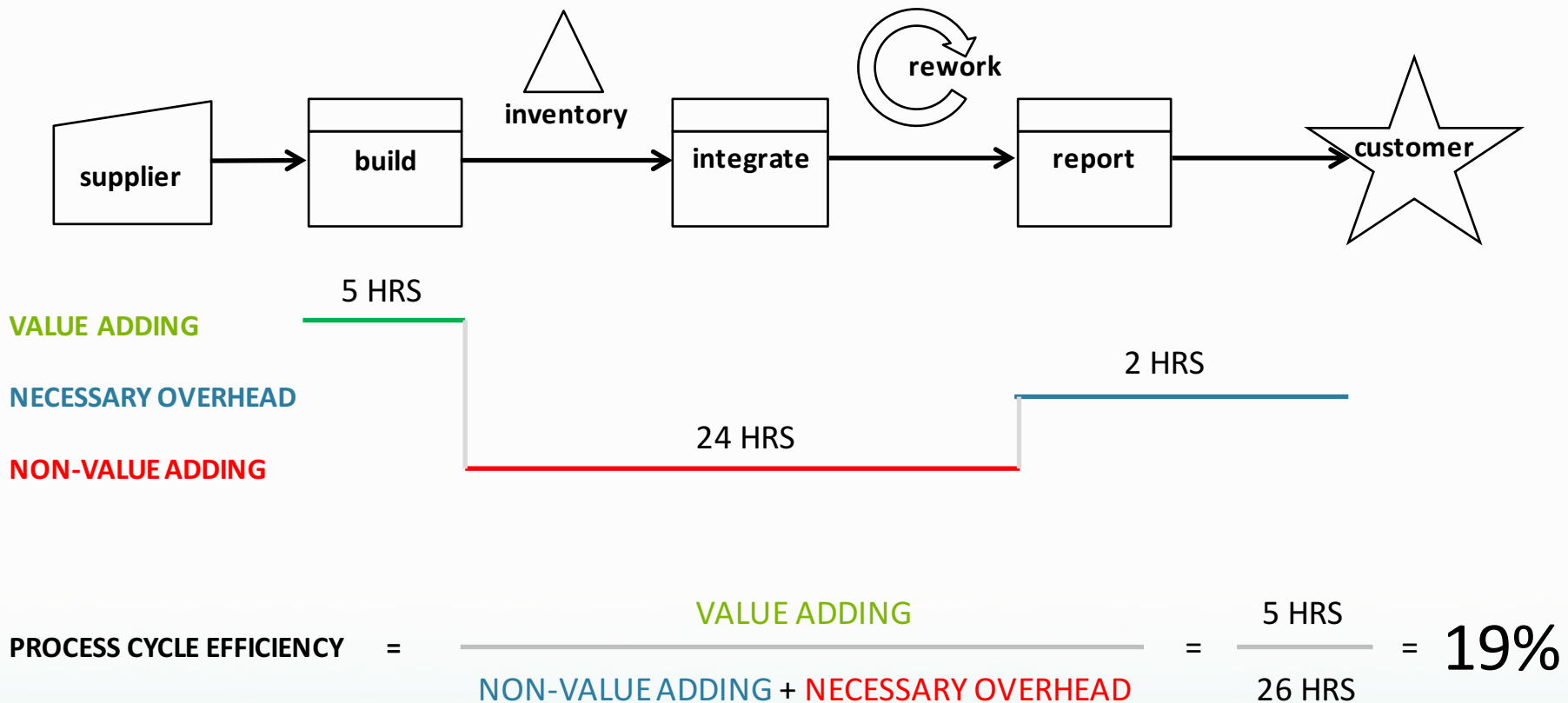
Planning Tool Gallery

Lean Canvas to draft your Business Model

Draft your business case in a simple, single-page format, and adjust based upon the results of your interviews, prototypes and releases.

PROBLEM	SOLUTION	UNIQUE VALUE PROPOSITION	UNFAIR ADVANTAGE	CUSTOMER SEGMENTS
Top 3 problems	Top 3 features	Single, clear, compelling message that states why you are different and worth buying	Can't be easily copied or bought	Target customers
1	4	3	5	2
	KEY METRICS		CHANNELS	
	Key activities you measure		Path to customers	
	8		9	

COST STRUCTURE	REVENUE STREAMS
Customer Acquisition Costs	Revenue Model
Distributing Costs	Lifetime Value
Hosting	Revenue
People, etc.	Gross Margin
7	6

Thanks to Ash Maurya, Leanstack.com

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Release **Roadmap**

R1: Paragon Concierge (MVP)

Benefit: Recommendations of personalized benefits for Elite members.

Features:

- One pilot hotel for field testing
- Manually allocate benefits to beta users to test algorithm

Succinctly communicate planned releases' goals and benefits.

R2: Paragon Elite

Benefit: Automatic allocation of personalized benefits.

Features:

- Benefits provided automatically to Elite members based upon profiles and activity
- Available to all US hotel chains

R3: Paragon for the People

Benefit: Personalized benefits for all.

Features:

- Benefits provided automatically to all loyalty program members
- Available to international hotel chains

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Story Maps

User Goals

- Minimize the time needed to access patient records
- Minimize the customer inputs necessary to access patient records

Persona

Night Nurse
Robin
Robin leaves for work at 6pm, after sleeping during the day. She works a 7pm-7am shift in Labor & Delivery, caring for prospective mothers and their babies. Complex computer apps make Robin grumpy.

NECESSITY -> FLEXIBILITY -> SAFETY -> PERFORMANCE

Priority

Access record	**Epics**	Review history	Update record	Medical Reference

Workflow Sequence

Provide Nurse ID	Provide Patient ID	View history	Enter updates	

Release Boundary
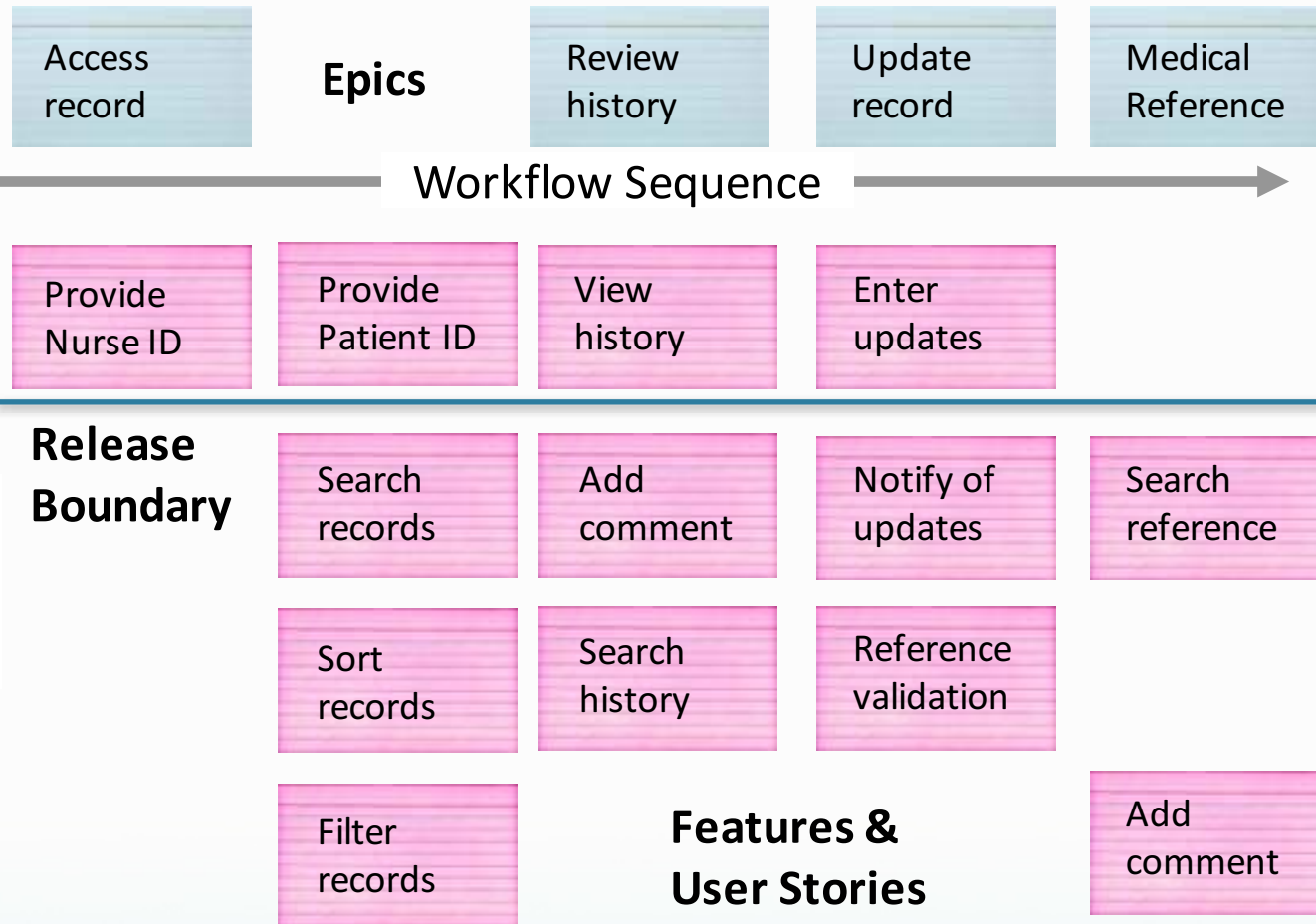
Search records	Add comment	Notify of updates	Search reference
Sort records	Search history	Reference validation	
Filter records	**Features & User Stories**		Add comment

Tracking & Reporting
With Minimal Waste & Maximum Utility

practice time

minimum viable meetings

practice time

sprint planning template

Standup by Work Instead of Worker

Go right to left, what/how can we pull to done?

- Laura and Sam just tested **"N"**, it is done.
- We also just finished **"A"**, as David and Raja confirmed…
- To get **"C"** to done we need Michael to …

Ready	WIP	Verify	Done
J D	O		M
I	K	C	N
P E	F	G	B
		L	A H
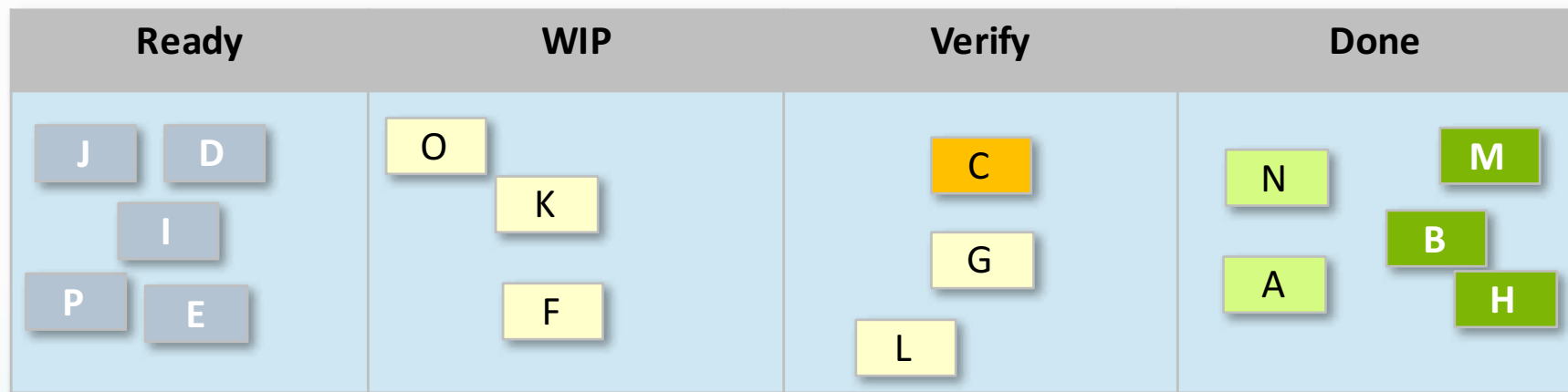
The Right Metrics

Pick a category of metrics:

- Engagement & Satisfaction (e.g. team/customer satisfaction)
- External Quality (e.g. Activation rate, mentions in journals, prizes, etc)
- Internal Quality (e.g. defect escape rate, first pass throughput)
- Productivity, Capacity & Planning (e.g velocity, earned value, function points etc)-
- Other?

Pair up and note if/how your organization or teams currently measure each.

Rate these metrics by effectiveness:

1 - Nobody ever looks at this or uses it to make decisions

2 - Difficult to manually create, and rarely used to make meaningful decisions

3 - Manually derived, and occasionally used to drive minor adjustments

4 - Manually derived, and frequently used to drive meaningful decisions

5 - Automatically derived with minimal manual inputs, and used directly to drive essential decisions and planning adjustments

How could you more efficiently or effectively measure those factors that drive truly impactful decisions within your teams and organization?

Portfolio Tracking Board

Grooming for Upcoming Sprint(s)   Execution of Current Sprint

Wed Thu Fri Mon Tue Wed Thu Fri Mon Tue

	Planned	Analysis	Ready	Defined	In Progress	Completed	Accepted
Product 1	US9 US13 US14		US6 US7				
Product 2	US15 US16 US17		US11 US12			US3	
Product 3							

At the beginning of the sprint, the appropriate amount of Ready stories are chosen for development.

The next highest priority stories are chosen to ready for the next sprint.

Artifacts

Number of ready stories

Review of Story by Dev-Test Dependency /Design conversation as needed

Coded Tested Reviewed In Master On Higher-level env.

Story Demo PO Approval

Definition of Done

Discovering the Problem

Root Cause Analysis Techniques

practice time

tear it down

Risk & Failure Mitigation - **FMEA**

Sample Template:

Potential Failure Modes and Effects Analysis

System _____

Subsystem _____

Part Number _____

Designer _____

FMEA Revision _____

FMEA Prepared By _____

FMEA Date _____

FMEA Revision Date _____

Item/ Function	Potential Failure Modes	Failure Mode Effects	S E V	Potential Failure Causes	P F	Current Controls	D E T	R P N	Actions Req'd	Owner/ Target Date	Actions Taken	S E V 2	P F 2	D E T 2	R P N 2

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D M A I C

practice time

pre-mortem

PRE-MORTEM

ORIGINAL GOALS

- ――――――――――
  ――――――――――
  ―――――――――
- ――――――――――
  ――――――――――
  ――――――――

ORIGINAL PLAN

- ――――――――――
  ――――――――――
  ――――――――
- ――――――――――
  ――――――――――
  ――――――――

WHAT WENT WRONG?
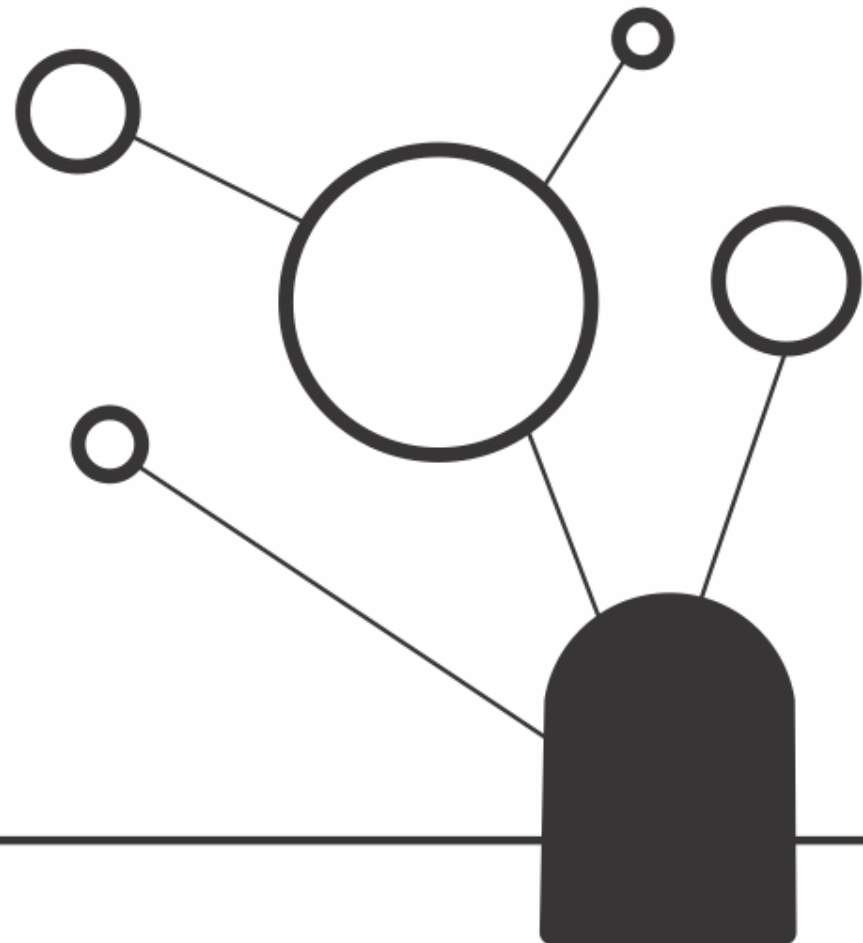
Standard Work Template

Simply describe how you do a job today:

- **Who** needs to do what?

- What information, tools or other **inputs** are needed?

- **How** will the work be performed?

- What are the expected **outputs**?

- **How long** should it take (if appropriate)?

Standardized Work Chart *

* Standardized work training example from Toyota.
Thanks to http://artoflean.com/index.php/2011/01/21/standardized-work/

Standard Work in a **Hospital**

1. Plan

2. Do

3. Check

4. Act

Images from http://leanhealthcarewest.com/Page/A3-Problem-Solving

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Benefits of Standardized Work

"Without standards, there can be no Kaizen."

– Taiichi Ohno

- **Holistic process improvement**
  Evolving standards in and across teams

- **Expectation management & reliable delivery**
  Definition of done, working agreements, coding standards

- **Audit & Regulatory support**
  Well-defined documentation standards

- **Organizational learning & training**
  Rapid bootstrapping of new team members

- **Self-organization**
 *Personal ownership & accountability for processes*

A Simple **Standard Work Process**

Drive continuous improvement by establishing standards, then **tasking teams to continuously improve upon them** and share their learnings.

Determine Standards	A3 Planning	Standard Work Experimentation	Adjust Standard Work

Determine Standards
- **Identify baseline Agile practices** used by teams or recommended
- **Capture current practices** as "Standard Work" on wall or wiki

A3 Planning
- **Hold Quality Circles** comprised of team members and managers
- **Review suggestions for improvements** in the forms of A3s
- Team members **iterate on suggested A3s**
- **Vote on A3 suggestions** to implement

Standard Work Experimentation
- Teams **experiment with selected A3(s)**
- Teams **document outcomes of experimentation**

Adjust Standard Work
- Quality Circles reconvene **to review results of A3 experiments**
- Adopt or reject process based on results: **adoption results in updates to Standard Work**

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A3s for **Storage & Estimation Process**

You can use A3s to improve **estimation practices** or **artifact storage** processes.
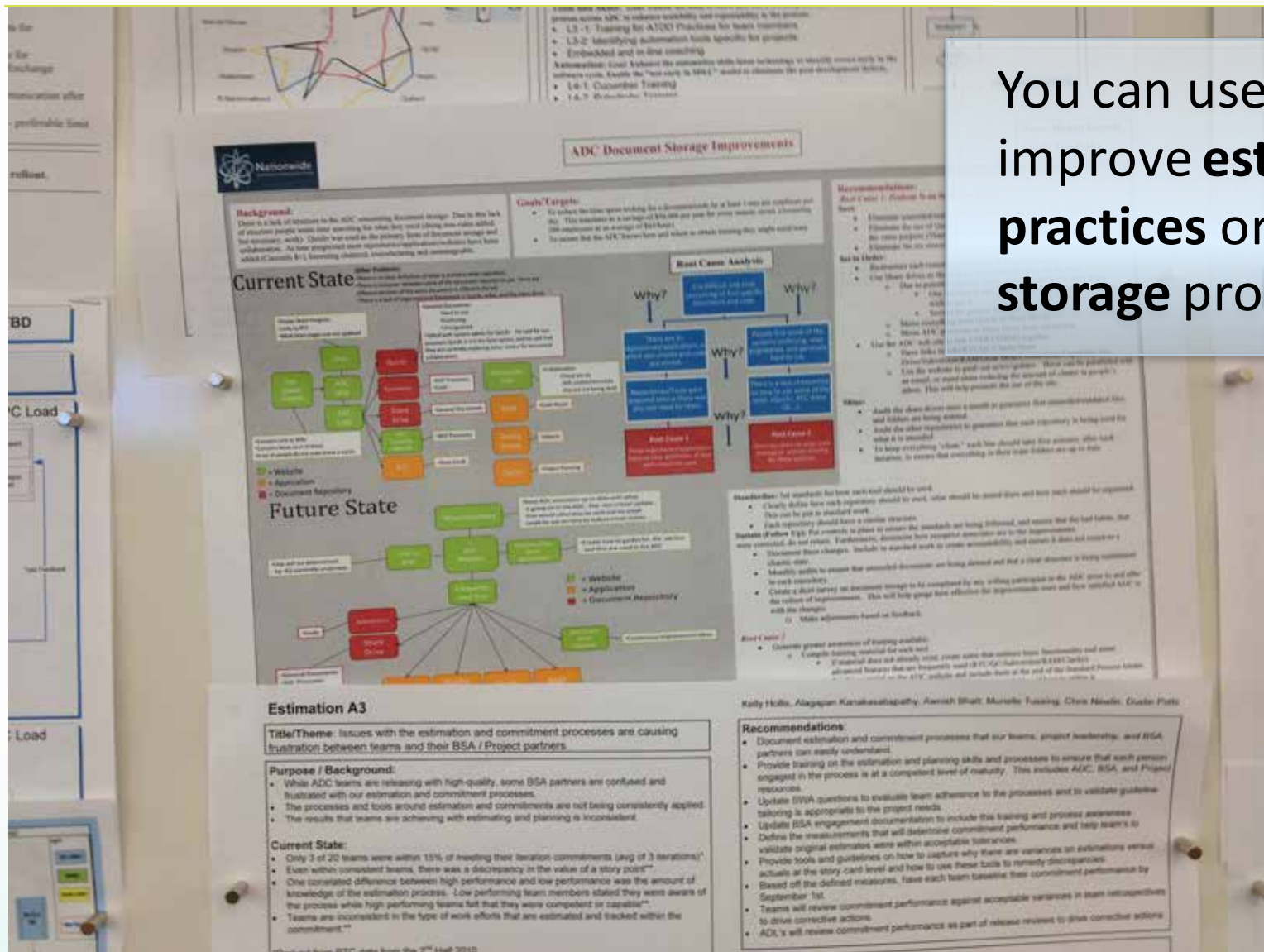
An Example: Scheduling Reviews (A3)

Background:

Three teams working on a single product have stakeholders that need to attend their respective demos.

Current State:

These teams have staggered their sprints so that stakeholders can attend all demos.

Analysis:

The staggering has created another issue, in that integration of the teams' codebases is now more complex, and demos don't represent integrated work.

Proposed Solution:

Describe a new process that might address the conflicting goals.

Plan:

What: Describe the steps you would take to implement your solution.
Who: Our Team
When: 12/15/13

Expected Results:

1. What do you think is likely to happen once this solution has been implemented?
2. How will you measure the results?

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Continuous Improvement Techniques
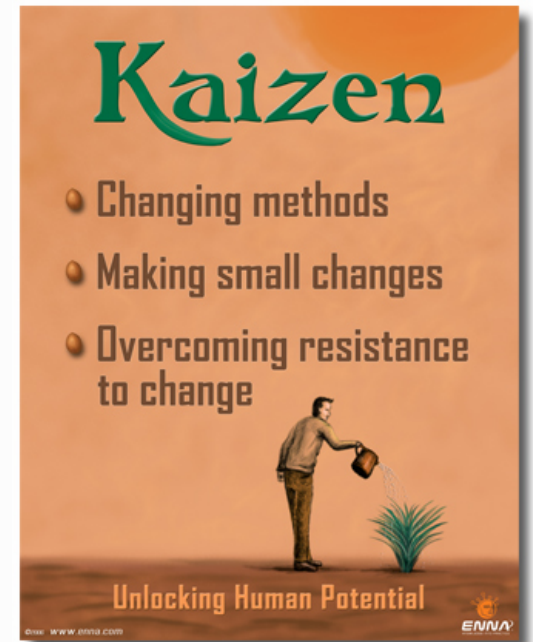## Making it Cultural

Improvement at Various Levels

- **Just Do It** – little changes made day to day to improve personal and team process or practice – Quick Wins

- **Retrospectives** – Team improvement on a continuous basis

- **A3** – Process improvements that apply to more than one team or are more complex or may be a small/team improvement that could apply more widely
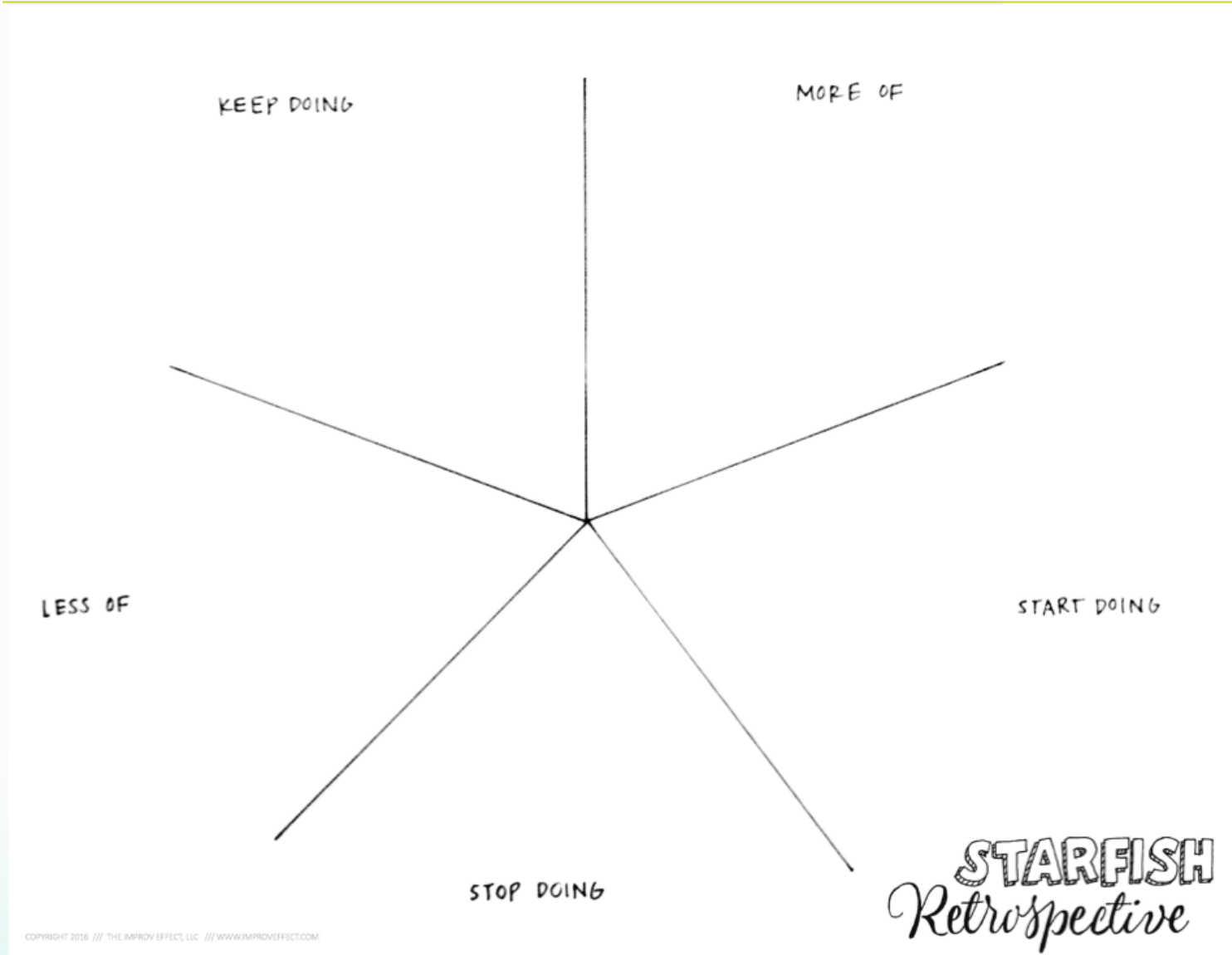
Just Do It - Culture of Continuous Improvement

The "Kaizen" Mindset:

- **Everything**, not just delivery, can and should be improved
- **Improvements** should be made day to day **by Everyone**
- Improve **Product** and **Process**
- The best improvements come from the **people doing the work**
- Move from criticism to suggestion
- **Keep improving**, even if things are working

Kaizen
- Changing methods
- Making small changes
- Overcoming resistance to change

Unlocking Human Potential

ENNA

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Starfish Retrospective

Exercise – **Awesome Island**

List forces **driving** and **restraining** improvement in **Value Delivery** in your team/organization.

1. Draw a **sailboat**, floating on a waterline

2. Determine the **goals** for your **Awesome Island**

3. Determine the **Next Target State**

4. List **Driving Forces** as "winds" above the waterline

5. List **Restraining Forces** as "anchors" below the waterline

6. Discuss ways your team can **reduce or eliminate restraints**

7. Pick 2-3 **Actions** to try
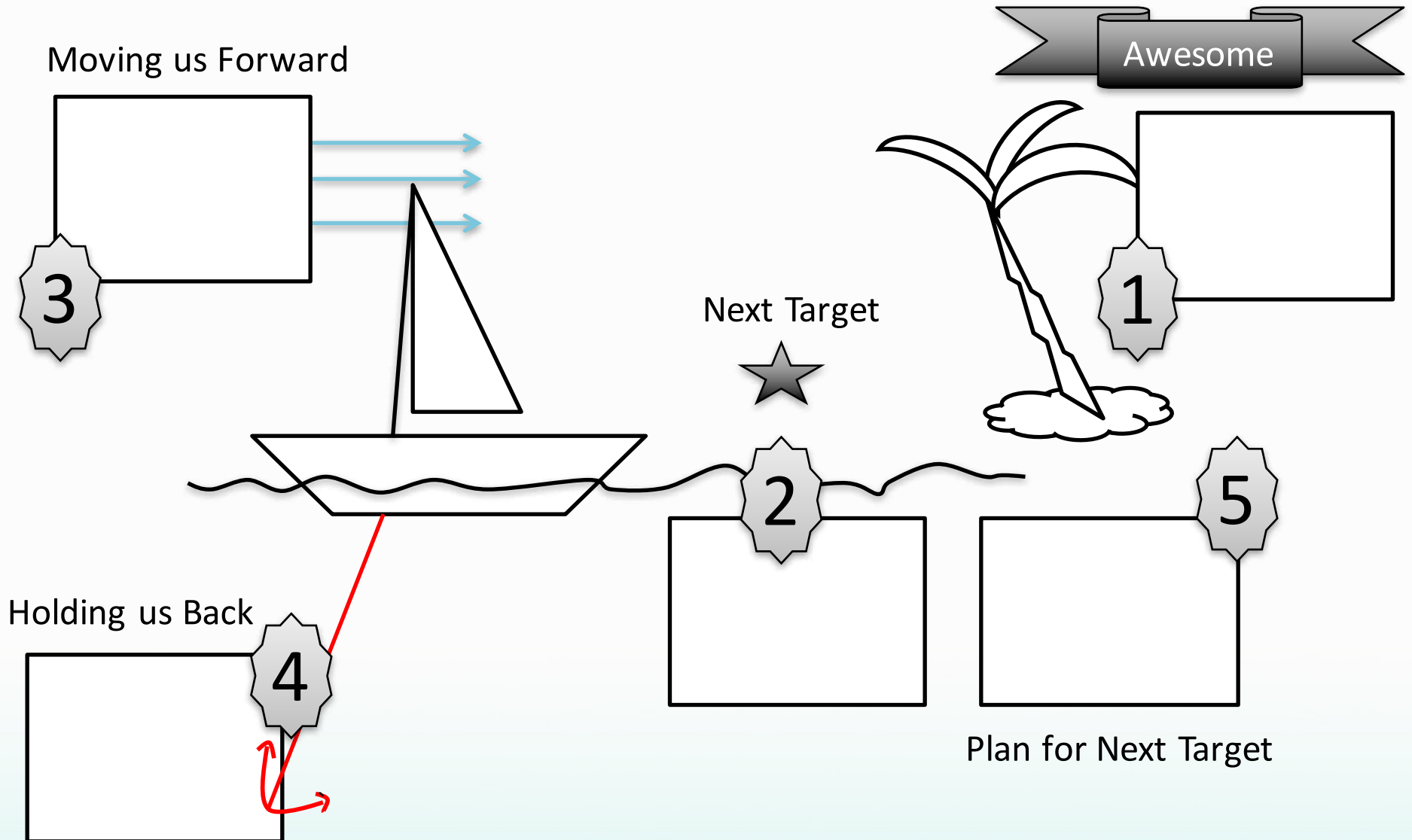
practice time

awesome island

Distributed Development
When You're Global & You Know It

practice time

app mash up

Building the Agile Organization

Agile Software Development **Manifesto**

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 & interactions	**over**	Processes & 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.
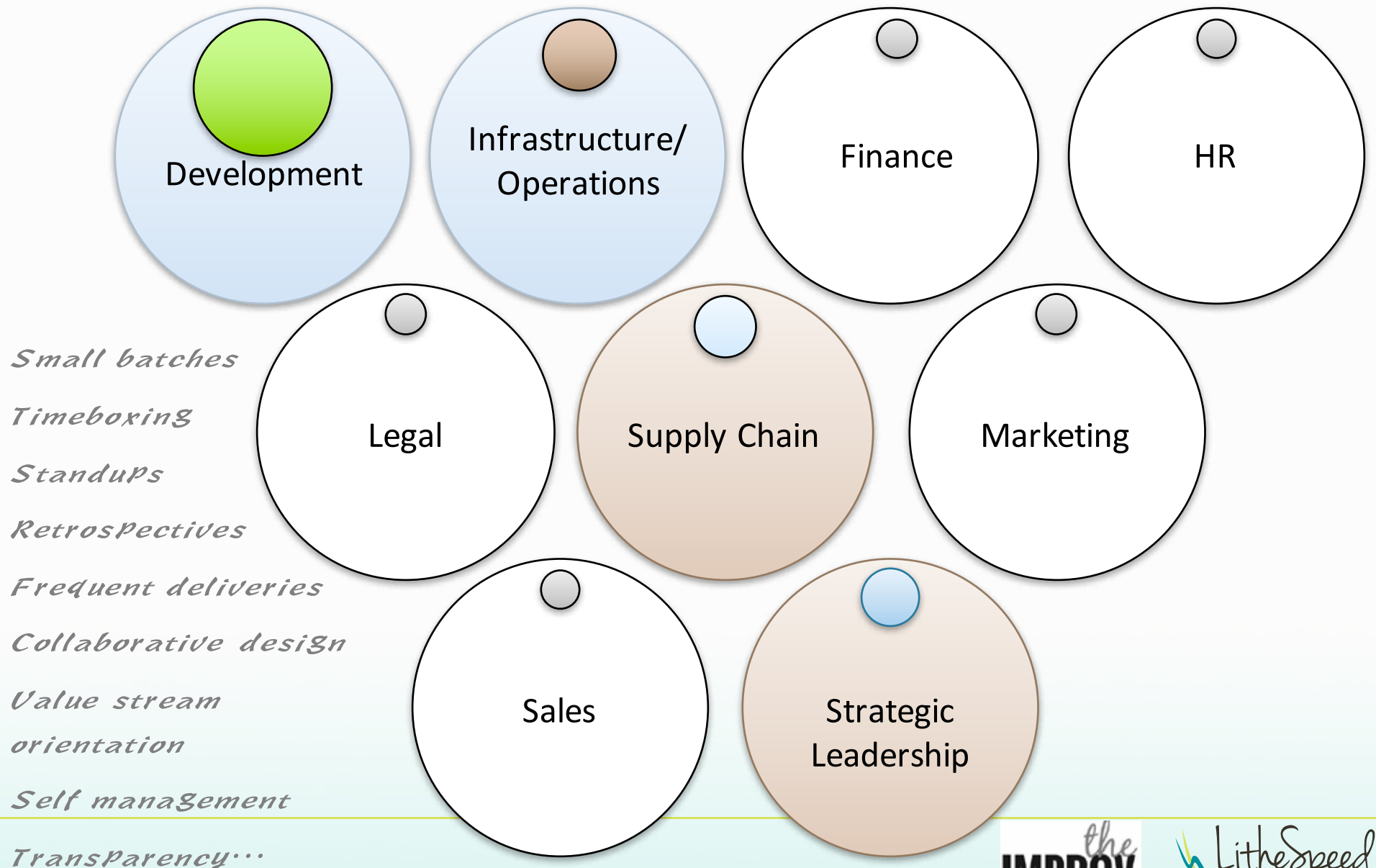
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Declaration of **Interdependence**

- **Increase return on investment** by making continuous flow of value our focus.
- **Deliver reliable results** by engaging customers in frequent interactions and shared ownership.
- **Expect uncertainty and manage for it** through iterations, anticipation and adaptation.
- **Unleash creativity and innovation** by recognizing that individuals are the ultimate source of value, and creating an environment where they can make a difference.
- **Boost performance through group accountability** for results and shared responsibility for team effectiveness.
- **Improve effectiveness and reliability** through situationally specific strategies, processes and practices.
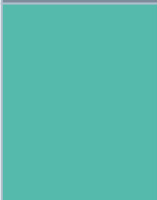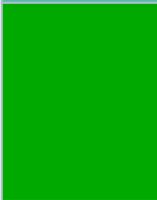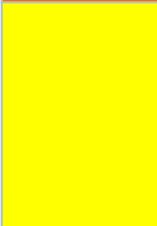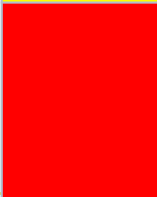
The Manifesto for **Organizational Agility**

ORGANIZATIONAL DESIGN & LEADERSHIP			
Self Management	over		Hierarchy
Wholeness	over		Work Focus Alone
Evolutionary Purpose	over		Static Missions

PORTFOLIO MANAGEMENT			
Experiments	over		Business Cases
Product & Service Flow	over		Transient Projects

PRODUCT DESIGN			
Iteration by Observation	over		Iteration by Opinion
Holistic Product Teams	over		Product Owners

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Where Have Lean & Agile Principles Flourished?

Development

Infrastructure/ Operations

Finance

HR

Legal

Supply Chain

Marketing

Sales

Strategic Leadership

Small batches

Timeboxing

Standups

Retrospectives

Frequent deliveries

Collaborative design

Value stream orientation

Self management

Transparency…

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Laloux's **Organizational Levels**

Model	Key Breakthroughs
TEAL Evolutionary	**Self Management, Wholeness, Evolutionary Purpose**
GREEN Culture Driven Organizations	Empowerment, Value Driven Culture, Stakeholder Model
ORANGE Large Corporations, Charter Schools	Innovation, Accountability, Meritocracy
AMBER Governments, Churches, Public Schools	Formal Roles, Hierarchies, Processes
RED Gangs, Mafias, Mercenaries	Division of Labor, Command Authority

Laloux Model from *Reinventing Organizations,* Image from Philippe Ballieu

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Self Management over Hierarchy

Keep hierarchies as flat as possible, but support **meaningful commitments** through:
- Clear localized decision-making policies
- Dynamic role allocation
- Pull systems with visible rules

Examples:
- **Patagonia**
- **FAVI**
- **Morning Star**
- **Holacracy**

Wholeness over Work Focus Alone

Support employees' **well being, motivation, growth and value orientation** through:

- Organic, human work environments
- Flexible hours, workspaces, tools, approaches
- Connection to a resonating purpose

Examples:

- **Google**
- *Motley Fool*
- **Nike**

Evolutionary Purpose over Static Missions

Let missions and roles **evolve organically, from within, based upon demand by:**
- Encouraging experimentation
- Enhancing and speeding feedback loops

Examples:
- **Whole Foods**
- **Semco**

Experiments over Business Cases

Prototype and test ideas before funding them through:
- Agile portfolio management
- Lean startup, UX approaches, hackathons
- DevOps-style integrated, flexible capabilities

Examples:
- **Capital One Digital Labs**
- **Google Labs**

Product Flow over Transient Projects

Establish stable teams and feed them **dynamic flows of work** via:
- Versatile, standing teams
- Agile portfolio management
- Continuous delivery/deployment

Examples:
- **Nationwide ADC**
- **Corbis**
- **Etsy**

Iteration by Observation rather than Opinion

Get feedback through **real-life usage and empirical data**, not just internal demos via:
- Continuous delivery
- Lean startup-style techniques
- Lean UX

Examples:

- **Amazon**
- **Netflix**
- **Spotify**

Holistic Product Teams over Product Owners

Use the **whole team to drive product design**, with facilitative rather than dictatorial leaders:

- Design thinking
- Collaborative design patterns
- Story mapping

Examples:

- **Pixar**
- **Blizzard**

Enterprise Agile **Misalignment**

Enterprise Dimension	Misalignment	Agile Approach
PMO	Too many simultaneous projects. A lot of spending, not a lot of delivery	Fewer simultaneous projects. Lower WIP to reduce delivery time
Resource Management	Focus on utilization by allocating individuals across too many projects	Dedicated, independent, cross-functional standing teams with common missions
Real Estate	Cubes that stifle communication	Open spaces for collaboration
HR	Hiring & performance management not aligned with agile approach	Team based performance management and hiring for agile skills
Functional Managers	Local measures and optimization by activity or skillset	Value stream optimization of end-to-end delivery flow
Business Partners	Big requirements, usually late and inaccurate	Light, real-time requirements
Compliance	Heavy and prescriptive	Focused on principles and continuous improvement

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Lean Startup **Enterprise Examples**

- **General Electric**
    - Ecomagination
    - Healthymagination
- **US Government** Office of the CTO
    - Innovation Pathway 2.0
    - Open Data Initiative
    - MyGov
- **Salesforce.com** – SaaS to simulate B2C in B2B
- **Intuit** Global Service - Simulated a stock application in India by manually texting farmers.

HealthyShare

What Changes in the **Enterprise?**

- Overcoming **risk-averse** culture
- Supporting **small experiments**
- Adjusting **portfolio management** policies to support innovation incubators
- **Adjusting budgeting & contracts** to support rapid modular development
- Making project goals **relative, not absolute**

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Brand Concerns

We don't want to release unpolished products and harm our reputation.

- Focus on just a few **high quality** features

- Test with **early adopters;** they're patient

- Make your customers feel like **partners** in growing their own solution
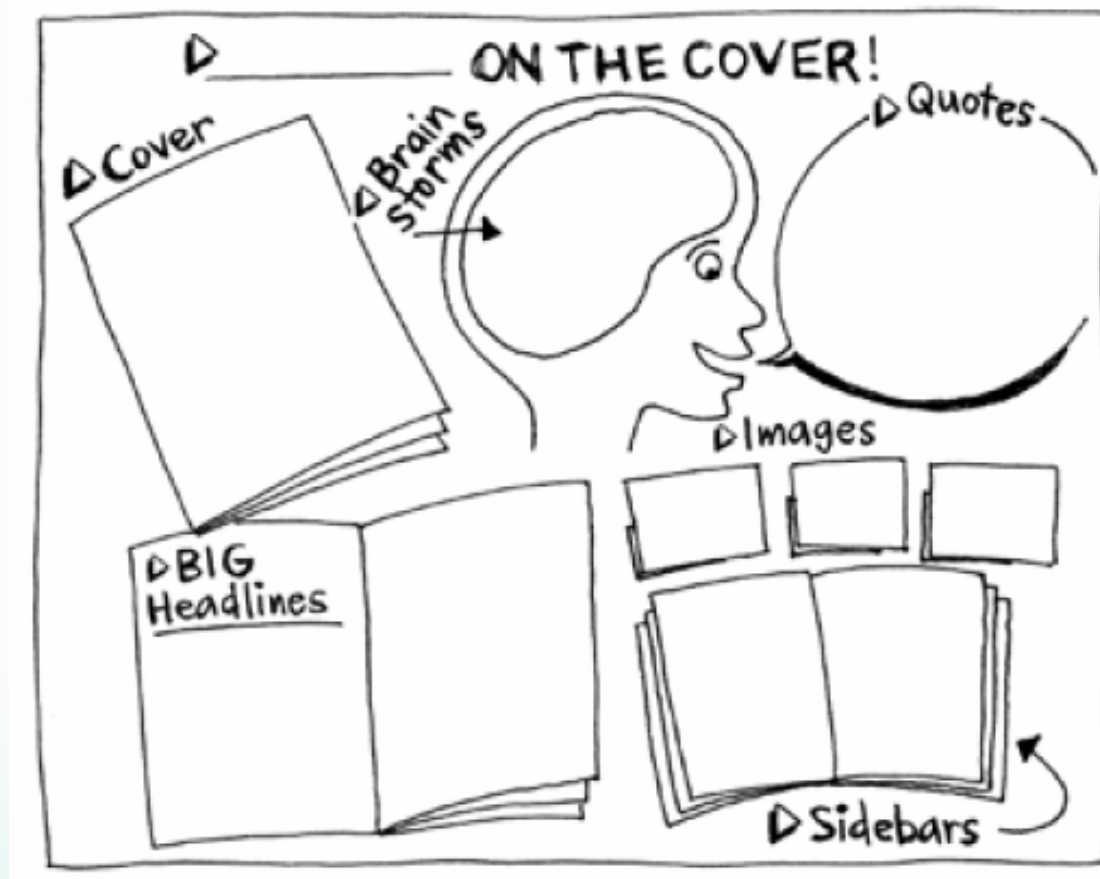
- Use **separate** brands (Google Labs)

practice time

cover story

Cover Story Instructions

Pick a non-development group (HR, Sales, etc).
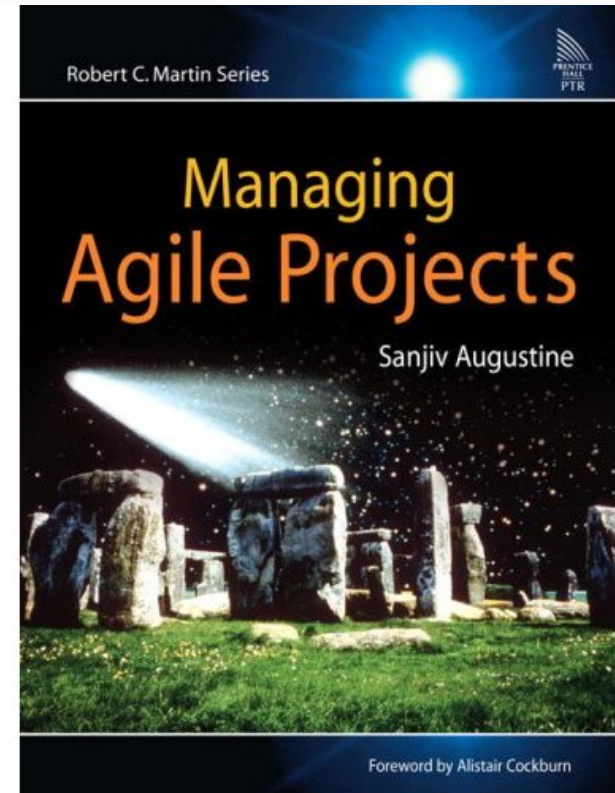**What would be the story of this group's ultimate agile state?**

Closing

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Robert C. Martin Series

PRENTICE HALL PTR

Managing Agile Projects

Sanjiv Augustine

Foreword by Alistair Cockburn

"I only wish I had read this book when I started my career in software product management, or even better yet, when I was given my first project to manage. In addition to providing an excellent handbook for managing with agile software development methodologies, *Managing Agile Projects* offers a guide to more effective project management in many business settings."
John P. Barnes, former Vice President of Product Management at Emergis, Inc.