Objective Agility

What does it take to be an Agile company?

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Agile, Lean Kanban Exchange
December 2010
Allan Kelly

- Training & Coaching for Agile adoption and deepening
- Author:

*97 Things Every Programmer Should Know*, Henney, 2010

*Context Encapsulation in Pattern Languages of Program Design* volume 5, 2006
XP
Scrum
Agile
Lean thinking
Organizational Learning
Kanban

More prescriptive
More philosophical
Value & idea based
Deepening – learning & change

What/Why are we building?

Applicability
Agile, Agile methods & Agile toolkit

The State of Agile (our objective)
• Quick on our feet
• Deliver quickly
• Respond to change rapidly
• Seize opportunities

Agile Methods
Promise to create the state of Agile
• Test Driven Development, Refactoring
• Iterations, Time boxing
• User Stories, Feature injection
• Retrospectives, ....
Agile – *still not convinced?*

Agility can deliver new systems and capabilities in a matter of weeks or **months instead of years.**

A frequent iteration cycle also keeps IT **developers and business users in sync** on requirements and priorities.

Agile development may not be right for every project.

However, since this approach is **most effective when business needs are shifting**, it is gaining favor among many IT departments.

McKinsey's, *Reshaping IT management for turbulent times*, December 2010
Where do you find Agility?

• Sprinkling Agile dust does not make everything right

• Agile paints a picture of sweetness and light
  – An aspiration

• Agile is a reverse engineered term
  – A term used to describe where we want to be
Where is Agile?

The future is already here - it is just unevenly distributed.

Agile is already here - it is just unevenly distributed.

William Gibson, author, NPR interview 1999

Allan Kelly, 2010
Many companies exhibit some Agile characteristics
  – Easier for small companies to be Agile
• Large companies
  – Agile in some ways
  – Maybe not in others

Agile is already here - it is just unevenly distributed.
Defining Agile

Professor Donald Sull of the London Business School ... defines [Agility] as a company’s ability consistently to identify and seize opportunities more quickly and effectively than rivals.


Repeatedly demonstrate agility - not a one off
Why do you want to be Agile?

• Fashion?
  – Everyone else is doing it?

• Reduce costs?

• Improve ROI?
  – Meaning?

• Avoid IT failure?

• Today:
  – Agile means better
  – Better IT delivery

• Tomorrow
  – Agile creates new opportunities
  – Competitive advantage
### Strategy, Portfolio & Operational Agility

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<th>Strategic Agility</th>
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| • Patience: wait for right opportunity  
• Boldness: to act  
• Small probes: small acquisitions, alliances, minority stakes | • Cultivate new opportunities; cull failing ones  
• Tools to evaluate projects; make difficult decisions  
• Develop internal staff and managers | • Exploit opportunities, cut-costs faster than competitors  
• Spot opportunities: systems to gather and share information  
• Act on information: processes to make decisions |

# Today - Operational Agility

| Operational Agility | • Exploit opportunities, cut-costs faster than competitors  
|                     | • Spot opportunities: systems to gather and share information  
|                     | • Act on information: processes to make decisions |

Where we are today
• IT centric  
• Scrum for Project Management  
• XP for Engineering  
• Lean for Improvement

Tension with non-Agile
• Portfolio  
• Strategy  
  “Are we there yet?”
Portfolio Agility

| Portfolio Agility | • Cultivate new opportunities; cull failing ones  
|                  | • Tools to evaluate projects; make difficult decisions  
|                  | • Develop internal staff and managers |

- End annual planning cycle
- Iterative Portfolio review
  - Regular schedule – monthly, quarterly
- Projects & Teams demonstrate:
  - Value added v. Cost
- Align with
  - Strategy, Risk profile, Resourcing

RIP: 14 September 2008
Remember: Agile is Empirical

• Can’t know
  – How long it will take until you start doing
  – How many people you need until you start doing

• Teams have responsibility
  – Give them the tools, give them the problem

Do a little – Measure - Adjust

Deming / Shewhart cycle
PDCA: Plan, Do, Check, Adjust
Simple Portfolio recipe

• 10\textsuperscript{th} of each month
  – Management by rhythm
• Each team 15 minutes
  – Benefits delivered this month
  – Cost this month
  – What’s next?
  – Alignment to strategy (\textit{why do this?})
  – Requests, impediments, new opportunities

• Action: \textit{Status Quo, Grow, Shrink, Close}
Agile Strategy

Strategy realized in Operational Decisions and the Structure/Form of organization
Strategy: Operational Decisions

• Thousands of small decisions make difference
  – Between Agile or Not
  – Between strategy alignment or Not

• Know the decisions you can delay
  – And those you cannot
  – Avoid early commitment
  – Recognize value in options
Strategy: Operational Decisions

• Fail fast, fail cheap
  – Experimentation over planning
  – Modern tools (+ Agile methods) = cheap to try
  – Only way to know is to try

• Know thy customer
  – Who are they?
  – What problems do they have?
  – What problem do you solve?
Strategy: Structure & Form

• Resource strategically
  – Keep teams together
  – Start small, grow slowly
  – Shrink to close

• Vertical teams with responsibility
  – End-to-end delivery

• Balance Managers to workers
  – Avoid too many Chiefs and too few Indians
Strategy: Structure & Form

• Limit Work In Progress
  – End salami slicing people between projects
  – More WIP, Less delivered
  – WIP makes it hard to see issues
  – Task switching is expensive

• Focus on outputs
  – Not inputs
  – Value add over cost
Strategy: Structure & Form

• Succession planning for Knowledge
  – Grow your own experts
  – Outsourcing can hollow out knowledge

• Short planning horizons with feedback
  – Railway timetable Portfolio reviews
  – Plan early, plan often, include feedback
Thank you!

Questions?

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