Agile Transformations with Lean Change

Based upon Chapter 7 – A Disciplined Approach to Agile Transformations

Mark Lines

- Enterprise Agile Coach
- President, Disciplined Agile Consortium
- DA Fellow
- Managing Partner, Scott Ambler + Associates

- mark [at] scottambler.com
- @Mark_Lines
DA Day May 15th!

- 1-day virtual conference
- Recertification credits in one day
- Panelists from companies that have benefited from this approach
- Register at disciplinedagileconsortium.org
Agile software teams are building awesome race car engines…
...but they are surrounded by organizational tractors
The Disciplined Agile Framework

Disciplined Agile Enterprise

Disciplined Agile IT

Disciplined DevOps

DAD

http://www.disciplinedagiledelivery.com/the-agile-tractor-engine-analogy/
Most organizations focus on just Adoption using Agile or Lean
And there is more – DA for the Enterprise
Agile Transformations

- Agile Adoption != Transformation
- Team Coaches != Enterprise Coaches
- Consider creating a Disciplined Agile Centre of Excellence
- An Agile Enterprise Coach helps to “Grease the skids” for the Agile Teams
- We use “Lean Change” as our OCM approach to make small, non-disruptive, sustainable changes over time
Transformation

Enterprise Agile Transformation using Lean Change (8 days/month x 6 months)

Adoption

Executive

Assessment & Implementation Planning (3-5 days)
Executive Workshop (1 day)

Executive Coaching (2 days/month x 6 months)

Functional Management

Other Stakeholder Intro Disciplined Agile Training (1 day)

Functional Manager Training (1 day)

Functional Manager Coaching (continuous part-time with teams x 6 months)

Business and other Stakeholders

Product Owner Training (1 day)

Business Coaching (continuous part-time with teams x 6 months)

Incremental Team Adoption

Team #1

Team Training (3 days)
Inception Planning (3-8 days)
3 Iterations x 2 weeks of Construction (6 weeks)

Team #2

Team Training (3 days)
Inception Planning (3-8 days)
3 Iterations x 2 weeks of Construction (6 weeks)

Team ...n

Team Training (3 days)
Inception Planning (3-8 days)
3 Iterations x 2 weeks of Construction (6 weeks)

Team Coaching (continuous part-time with teams x 6 months)
Transformation Timeline – It is a multi-year process

- Agile Training
- Skills Training (testing, architecture, …)
- Experiments
- Communities of Practice (CoPs)/Guilds
- Agile Center of Excellence (CoE)
Agile Champions/Sponsors

- Agile champions external to the team can help support and promote change.
- Help to accelerate agile “transformation” in the organization.
- Without executive sponsors in it for the long term it is very unlikely your adoption will succeed.
- Need an internal Product Owner for your Transformation.
Establish Centres of Excellences (CoE) & Communities of Practice/Guilds (CoP)

- **Centres of Excellence**
  - Typically staffed full time by “experts”
  - Temporary
  - Ensure consistency of approach and messaging
  - Provide leadership and purposely disseminate information
  - Enterprise & Team Coaches

- **Communities of Practice/Guilds**
  - Part-time responsibility staffed by practitioners (could be guided by CoE)
  - Long-term
  - Shared learnings and experiences
  - Improve their collective craft over time
<table>
<thead>
<tr>
<th>Network Services</th>
<th>Network &amp; Data Centre Facilities</th>
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<tbody>
<tr>
<td>Personal Computer Systems</td>
<td>Personal Computing Platforms</td>
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<tr>
<td>ECM &amp; Portal Platforms</td>
<td>Software Technology Platforms</td>
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<tr>
<td>Discipline Agile &amp; Continuous Improvement</td>
<td></td>
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<tr>
<td>Integration &amp; Disciplined Agile Delivery</td>
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</tbody>
</table>
Invest in Coaching
Culture is Hard to Change

• Typical goals of agile transformations
  – Build high performance motivated teams
  – Optimize enterprise groups for agility (such as finance, architecture, UX, QA)
  – Centers of Excellence/Communities of Practice
  – Incorporate agile governance
  – Alignment with HR/People Operations

• These goals require culture change
• Cannot force people to change
• Change must be negotiated continuously
Kotter’s 8-Step Change Model
Change Efforts have a Lousy Track Record

- Average success rate of change initiatives 34%
  - Standish Group, 2011
- Reasons
  - Lack of a structured change management process
  - Irrational human behavior
  - Treating change as linear process initiatives
- Managing change requires a feedback-driven approach, not plan-driven
- We need to use an agile lean/approach to change
- Solution: Use both a structured AND feedback-based agile approach
Lean Change

- We have found the ideas from Lean Change to be effective (Jason Little, Jeff Anderson and others)
- Leanchange.org
Executive Workshops
- Education
- Vision
- Guiding Principles

Transformation

Enterprise Agile Transformation using Lean Change (8 days/month x 6 months)

Adoption

Executive

Assessment & Implementation Planning (3-5 days)

Executive Workshop (1 day)

Executive Coaching (1 days/month x 6 months)

Functional Manager Training (1 day)

Functional Manager Coaching (continuous part-time with teams x 6 months)

Functional Management

Business and other Stakeholders

Product Owner Training (1 day)

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3 Iterations x 2 weeks of Construction (6 weeks)

Team Coaching (continuous part-time with teams x 6 months)

Supplemental Training as needed (Architecture Owner, DW/BI, Team Leadership, Agile Modeling) (10 days total)
Several “Big Visible Charts” will help communicate our Vision & progress against it.

### Change Canvas - Agile Transformation 2017

<table>
<thead>
<tr>
<th>Urgency</th>
<th>Target State</th>
<th>Vision</th>
<th>Communication</th>
<th>Change Recipients</th>
</tr>
</thead>
</table>
| Poor ratio of work between enhancements and defects | High performance teams | **Our Transformation Goals:**  
- Improve IT delivery dependability  
- Improve response time to customer needs  
- Improve quality  
- Develop high performance teams | Bi-weekly Exec updates  
Weekly lean coffee  
Monthly town halls | Executive  
Product Management  
QA  
Delivery Teams  
Managers |
| Too many bugs discovered by customers | **Success Criteria:** Reduction in post release defects | | | |
| Attrition too high | | | | |

#### Commitment
- Coach from Scott Ambler + Associates 8 weeks x 4 days  
- Internal Agile Coach 70%, Product Management 4 hours/week  
- Executive Sponsor 1 hour/week

#### Wins and Benefits
- 20% increase in customer satisfaction scores in 2017  
- 10% reduction in attrition  
- 20% decrease in defects found in Production

<table>
<thead>
<tr>
<th>2 Months</th>
<th>1 Month</th>
<th>2 Weeks</th>
<th>Next Week</th>
<th>This Week</th>
<th>Prepare</th>
<th>Introduce</th>
<th>Review</th>
<th>Done</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Tasks" /></td>
<td><img src="image2.png" alt="Tasks" /></td>
<td><img src="image3.png" alt="Tasks" /></td>
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<td><img src="image6.png" alt="Tasks" /></td>
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<td><img src="image8.png" alt="Tasks" /></td>
<td><img src="image9.png" alt="Tasks" /></td>
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On our Journey towards Enterprise Agility we will Follow these Guiding Principles

**Moving From**
1. Dispersed Teams
2. Projects
3. Large Projects
4. Part-time Allocation of Resources
5. Annual Budgeting
6. Project Managers
7. Functional Specialists
8. Traditional Governance
9. Etc...

**Moving To**
1. Collocated Teams
2. Releases
3. Small Initiatives
4. Dedicated Team Members
5. Continuous Funding
6. Team Leads
7. Generalizing Specialists
8. Agile Governance
9. Etc...
Lean Change Cycle

Options

Insights

Minimum Viable Change (MVC)

Prepare

Introduce

Review

DAD’s Exploratory Lifecycle
Minimal Viable Changes (MVC)

• A Minimal Viable Change is a change that you believe is small enough to be successful that balances disruption and organizational value

• Experiments

• Steps to incorporate the change:
  1. Agree on the reason for the change
  2. Negotiate the change
  3. Validate the Option (introduce the improvement)
  4. Learn & verify Improvement

• How to identify MVCs?
Tool: Insights, Options, & Approved Backlog of options

Example:
- Insight: QA requires more details to test from
- Options for MVC:
  - More detail in Use Cases
  - Supplement stories with screen mock-ups
  - More detail in Acceptance Criteria
  - QA participates in all conversations

As a process decision framework, DAD provides a rich set of options to choose from

Having selected an option for an experiment, it is moved to the approved/next backlog
Pulling MVCs from the Backlog

<table>
<thead>
<tr>
<th>Insights</th>
<th>MVC Options</th>
<th>MVC Backlog</th>
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<tbody>
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Lean Canvas – Agile Transformation

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<th>Target State</th>
<th>Vision</th>
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<td>Poor ratio of work between enhancements and defects</td>
<td>High performance teams</td>
<td>Build a high-trust culture</td>
</tr>
<tr>
<td>Too many bugs discovered by customers</td>
<td></td>
<td>Develop team sends of pride and commitment</td>
</tr>
<tr>
<td>Attention too high</td>
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</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Success Criteria</th>
<th>Change Recipients</th>
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<tbody>
<tr>
<td>Reduction in post-release defects by 90%</td>
<td>Executive</td>
</tr>
<tr>
<td></td>
<td>Product management</td>
</tr>
<tr>
<td></td>
<td>Product delivery</td>
</tr>
<tr>
<td></td>
<td>QA</td>
</tr>
<tr>
<td></td>
<td>Delivery teams</td>
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</tbody>
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<table>
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<tbody>
<tr>
<td>Bi-weekly executive updates</td>
</tr>
<tr>
<td>Monthly team talks</td>
</tr>
<tr>
<td>Weekly team Coffees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure teams</td>
</tr>
<tr>
<td>Structure backlogs</td>
</tr>
<tr>
<td>Continuous team introdution metrics</td>
</tr>
<tr>
<td>Review incentive programs</td>
</tr>
</tbody>
</table>

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<tr>
<th>Commitment</th>
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<tr>
<td>Coach from Scott Ambler + 1 week: 6 weeks x 6 days</td>
</tr>
<tr>
<td>Internal Agile Coach: 70% Executive Sponsor 3 hours/week, Initiative Champion, 4 hours/week</td>
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<table>
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<tr>
<th>2 months</th>
<th>4 weeks</th>
<th>3 weeks</th>
<th>2 weeks</th>
<th>This week</th>
<th>Prepare</th>
<th>Introduce</th>
<th>Learn</th>
<th>Done</th>
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</table>
Work grouped by Vision goals

- Improve Speed to Market 2 issues
  - Teams are not focused since they work on multiple projects
    - Option: Ensure all team members are dec
    - LCT-19
  - Project startup too costly and takes too long
    - Option: Introduce streamlined Inception
    - LCT-2
- Adopt Agile Product Management Approaches 1 issue
  - Team structure needs to be optimized for product management
    - Option: Feature teams should be created
    - LCT-7
- Increase Quality 1 issue
  - We need a metric to gauge quality for work delivered in an iteration
    - Option: Introduce metric to capture defex
    - LCT-11
Work in Progress board
Part of “Introducing” the change is Negotiating with the change recipients.

*Eg) Why should we redesign, collocate teams, and keep them together?*

<table>
<thead>
<tr>
<th>Questions</th>
<th>Guiding Principle</th>
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</thead>
<tbody>
<tr>
<td>How long will this team be together?</td>
<td>Teams improve over time, striking/disbanding teams is expensive, learnings lost</td>
</tr>
<tr>
<td>Do we have 100% dedicated Developers and QA?</td>
<td>Anything less that 100% is an excuse for non-commitment, hurts team morale, very costly due to task switching, reduced accountability</td>
</tr>
<tr>
<td>Who are the team members’ managers?</td>
<td>Team makeup is often suboptimal if tied to functional hierarchy</td>
</tr>
<tr>
<td>What is the team size?</td>
<td>Ideal team size is 5-9 people</td>
</tr>
<tr>
<td>Is a PO/BA dedicated? Busy?</td>
<td>A PO/BA should be dedicated</td>
</tr>
<tr>
<td>Is team collocated?</td>
<td>Productivity and collaboration increases dramatically with collocation</td>
</tr>
<tr>
<td>Is this a feature or component team?</td>
<td>Most organizations have a mix</td>
</tr>
<tr>
<td>Is this a “whole team”?</td>
<td>Reduced dependencies on resources external to team is beneficial</td>
</tr>
</tbody>
</table>
## Metrics Design with GQM

### Goals
- **Improve IT Delivery Dependability**
- **Improve Response Time to Customer Needs**
- **Quality Needs to Improve**
- **Are the Teams delivering value more frequently?**

### Questions
- Are Teams Dedicated to Meeting their Commitments?
- Do Teams Deliver within their Forecasted Dates?
- Are the Teams Delivering Value more frequently?
- Is the maintainability of our code improving?

### Candidate Metrics
- % Planned vs Delivered Work
- % Scope-driven Projects Delivered within Ranged Estimates
- Cycle Time Trend (how long from starting work to completion)
- Trend of Defects found in Production (escaped defects)
- Trend in New Work delivery vs Fixing Quality
- % of Time Dedicated to Work off Team Backlog
- Lead Time Trend (how long from requested work to delivery)
- Cyclomatic complexity trend

**Goals trace back to Vision canvas goals**
A Strategy Board helps tie high level objectives from the Vision canvas to smaller enablers.
• This is a journey, not a destination
• Once the key transformative work has been complete, the transformation changes more to a continuous improvement approach
MVC example:

Redesign & collocate teams

DA106: Disciplined Agile for Managers
https://www.disciplinedagileconsortium.org/da106
Another example

Get plans out of MS Project & make them visible.

(no hidden work!)
Another example:

Replacing detailed project charters & requirements docs with 3-day Inception phases
Another example: Workspace design…

No need for meeting rooms!!

Fosters continuous collaboration
Parting Thoughts... Critical Success Factors

• Communicate, communicate, communicate (town halls, radiators, wikis, lean coffees) – radical transparency!

• Have a Product Owner for your Transformation

• Executive sponsorship is critical

• Coach and mentor people over the long term
  – Everyone and at all levels of the organization, not just IT

• Get some help from experienced Enterprise Coaches

• Certified Disciplined Agile Coaches (CDACs) have passed a DAC Board Review and had references checked

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Questions?