

Agile Organisation

Managing Flow

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About the Presenter

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Nader Talai

Experienced agile practitioner specialised in leading organisational transformations, working with delivery teams as well as with leadership teams and key stakeholders to implement focused and aligned improvements in the process, people and technology aspects that reduce time to go-live and deliver business value faster with high quality in a range of customer focused businesses.



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Agenda

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- What is wrong with how we are managing work?
- What is the impact of functional thinking?
- What if we focused on flow?
- Example scenarios
- Summary
- Quiz

Defining the Problem

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- Organisational structures are defined on Command & Control hierarchies
- Employees serve the function and see their job as keeping the function head happy
- We have lost sight of the customer purpose our main purpose is to serve the functional silo
- Focused and measured on functional targets and achieving efficiency through high utilisation

Functional work break down

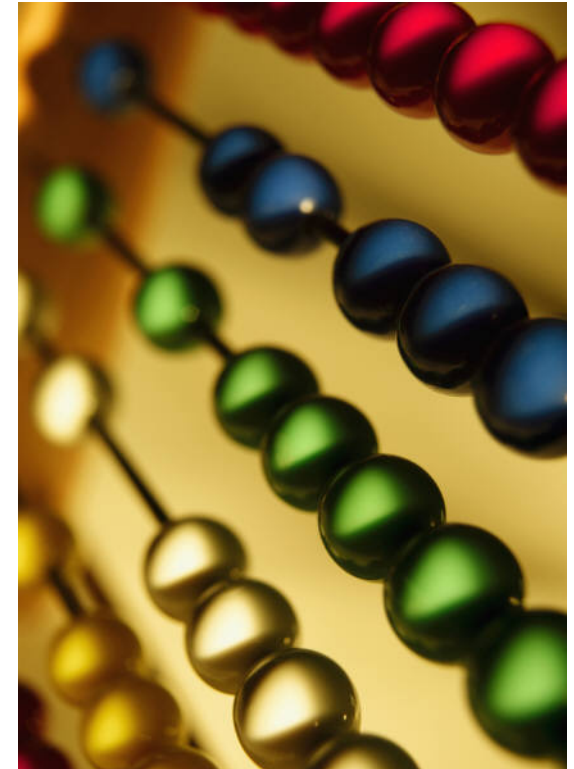
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Focus on managing the worker

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- Making sure there is enough work for each function
 - What is the available time per function
 - What is the estimated effort per function
 - Surely it doesn't take that long
 - Have they got enough work
 - I should think of more work



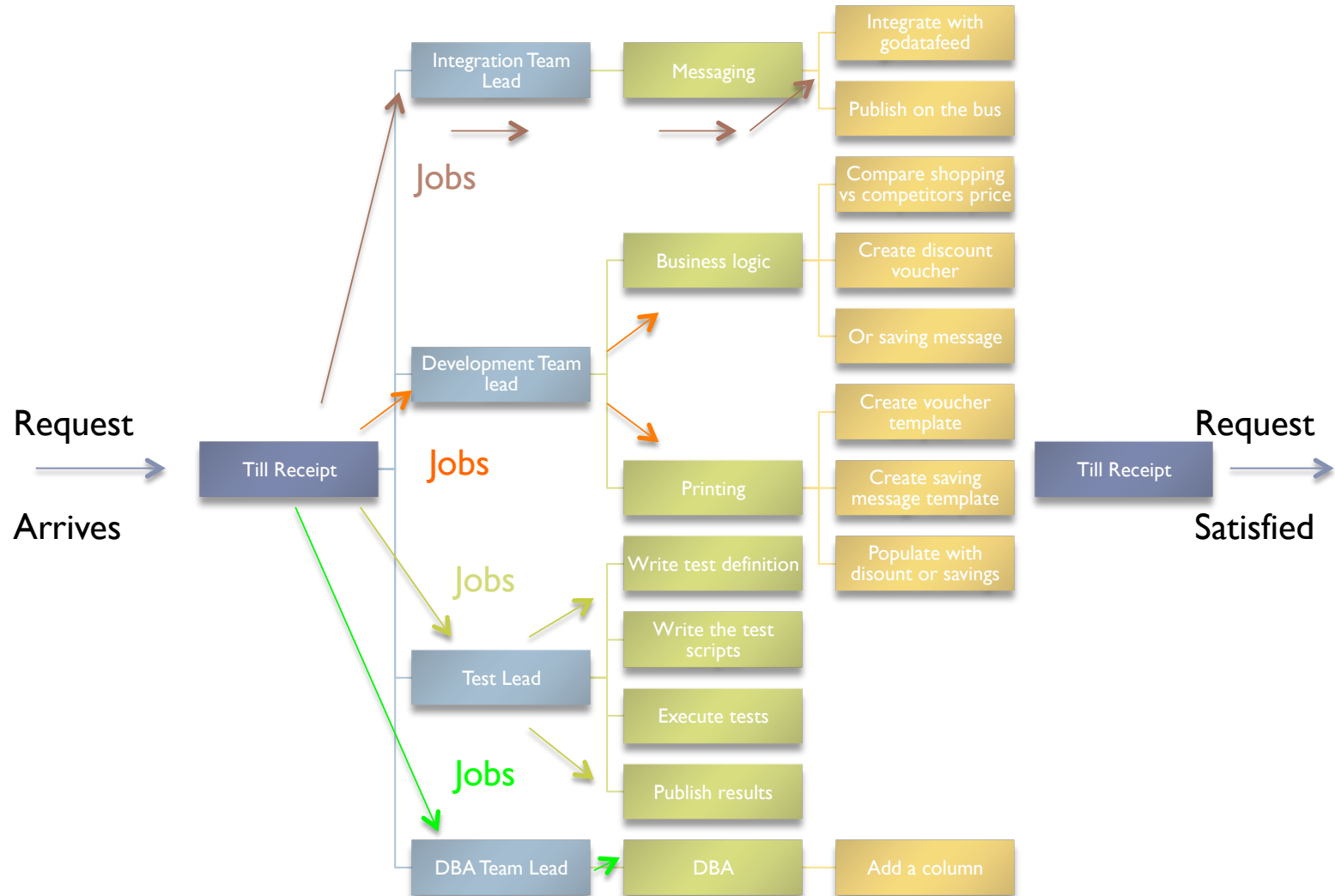
Functional efficiency thinking

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- Thinking
 - Sooner we start sooner we finish
 - The more we start the more we finish
- Lower morale
 - Busy juggling and not finishing
 - Reacting to the latest expedite request
 - Unhappy about cutting corners
 - Increased defects
 - Longer work hours
- But we can only **deliver** at the rate that we can **complete**
not the rate we can start

Functional work break down & delivery

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Thinking

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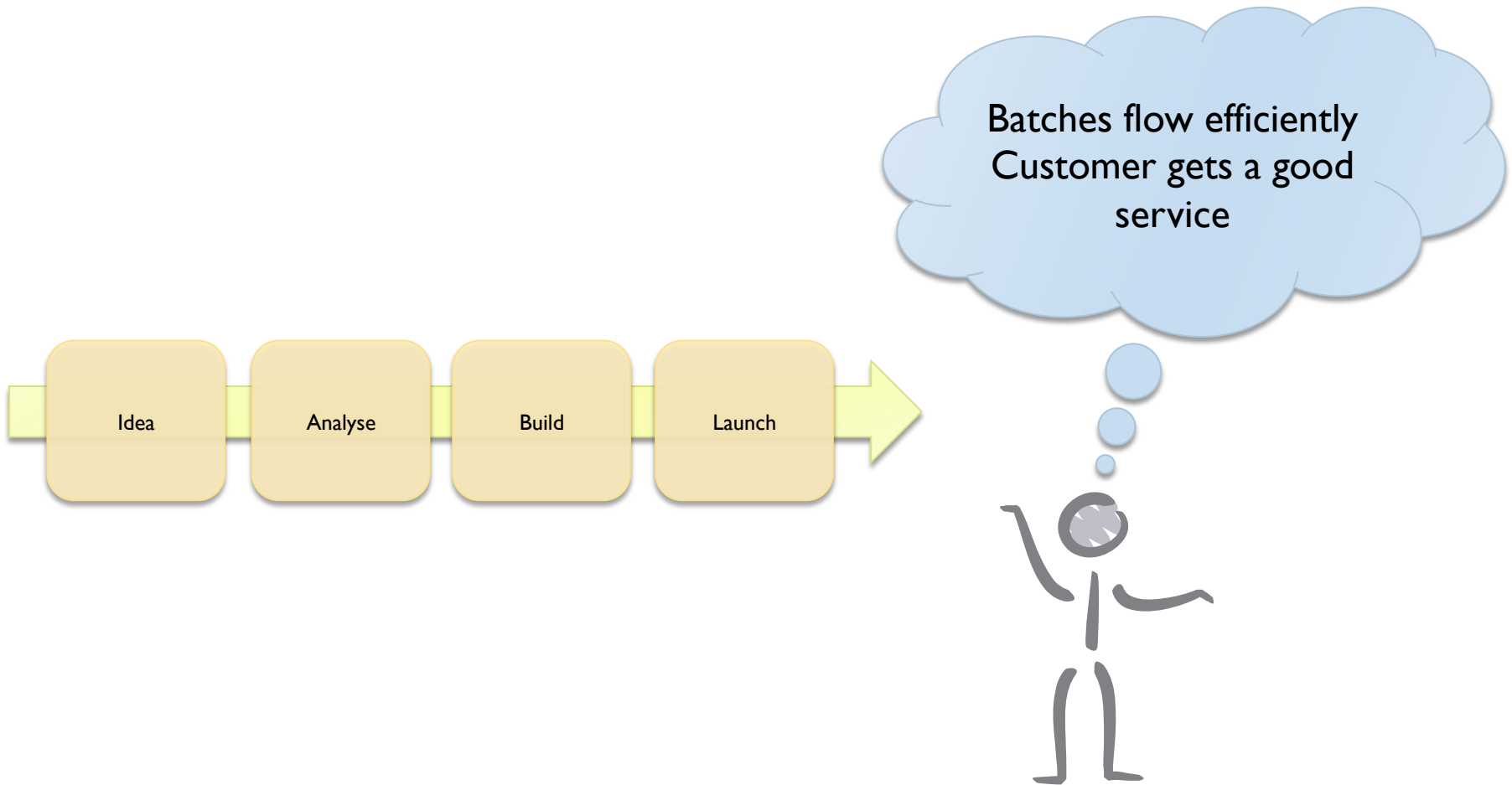
Impact of busyness

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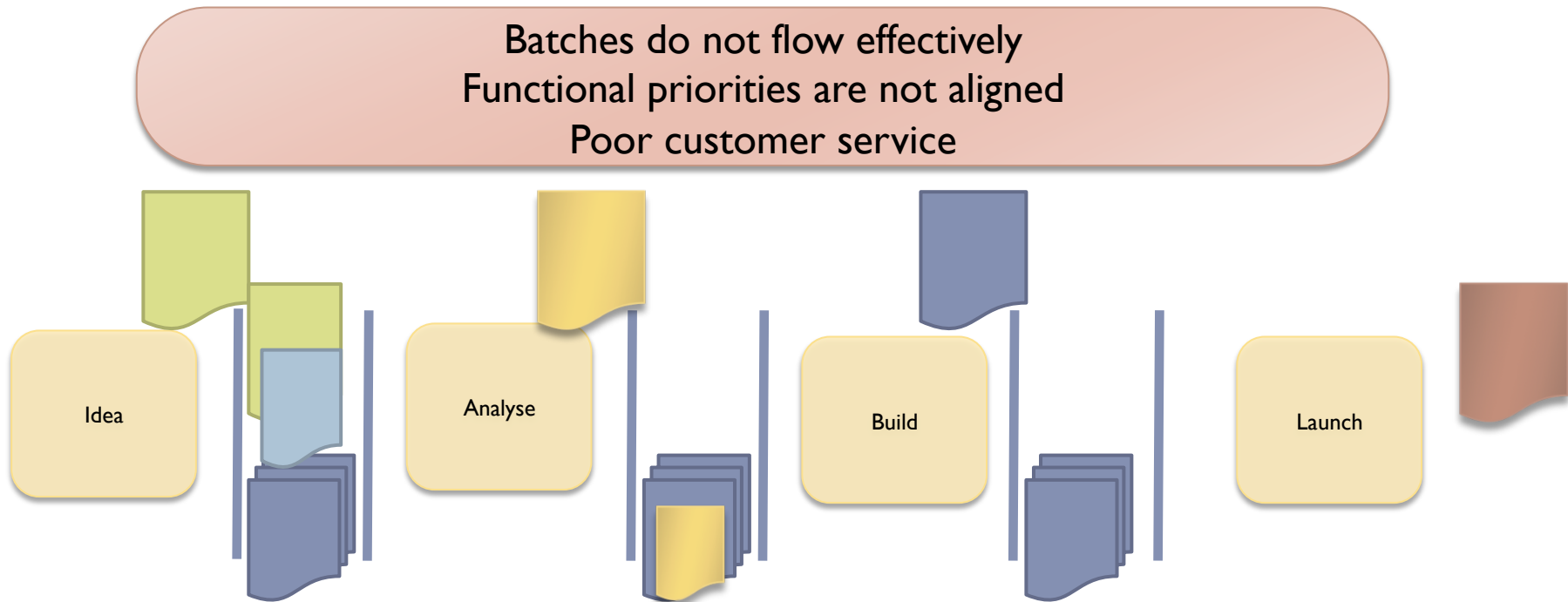
Think work flows like this

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Actual work flow

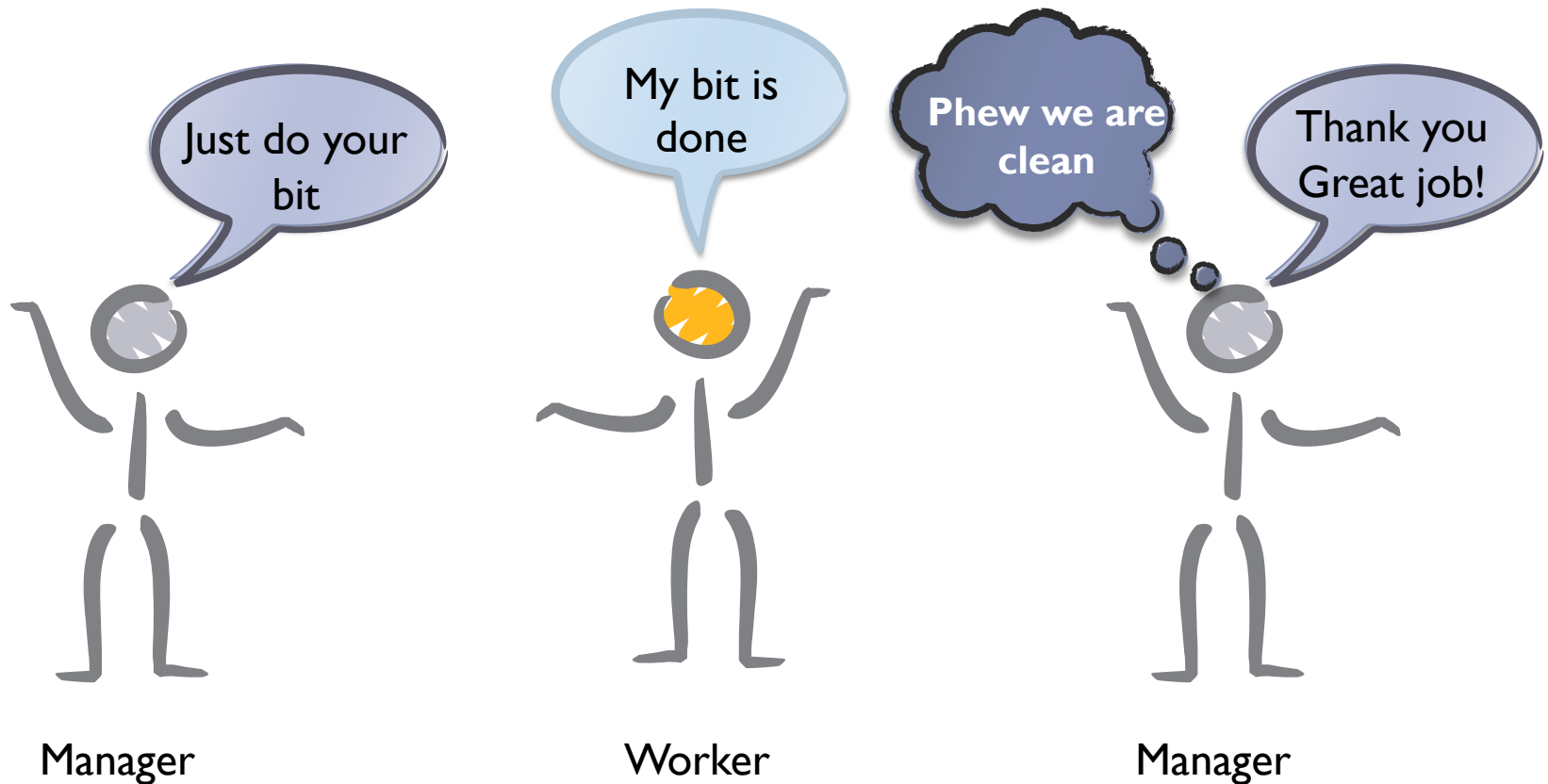
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A successful transformation to organisational agility would need to consider and resolve the impact of the organisations' structural boundaries on flow of work.

Functional behaviour

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Typical results

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Late Delivery

- Everyone is busy & working hard
- Low frequency releases per year
- Disengaged customers

Poor Quality

- > high escaped defects per release
- > 45% failure load
- mismatched requirements and delivery

High Utilisation

- 48% wait time
- Stressful work environment
- No clear view of what needs to be worked on



What if we focused on flow?



Managing the work

Steps

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- Define the system boundary as close to the edge as possible
- Focus on the customer request
- Demand Analysis
 - Sources
 - Types (Value, Failure)
 - Variation (seasonal, event based, time based, ...)
- Capability Analysis
 - Delivery rate
 - Completion time
- Flow Analysis
 - the process steps (wait time and doing time)
 - the total time
 - work in process
 - Queue & buffer lengths
 - Wait time per item
- Visualize the flow process



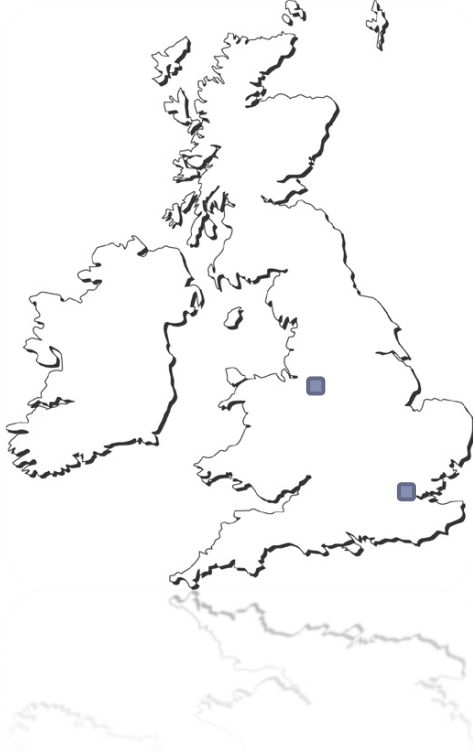
First scenario



Ongoing improvements

Background

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Organisation agility journey started 2010
> 15 scrum teams
Global organisation employs over 60,000
Distributed across UK and offshore two
different continents
> 5 different suppliers with in house team
members as well as independent
contractors
> 7m lines of code

Process Overview - 1

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Opportunity Assessment			
Name			
Business			
Description			
Why should we do this?			
Scored	Catch up	Get ahead	
Value Driver Classification		Weighting	Scores
Process Improvement			
Risk Mitigation			
Business Opportunity			
Total Value Score			
Size (Small (1), Medium (2), Large (3))			
Project Score (Total Value Score / Size)			

£
Investment Board

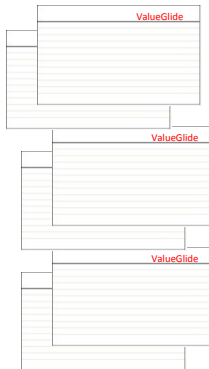


Business Analyst

Sponsor, Business Analysts,
Architects, Change
Function, Line of Business
Heads

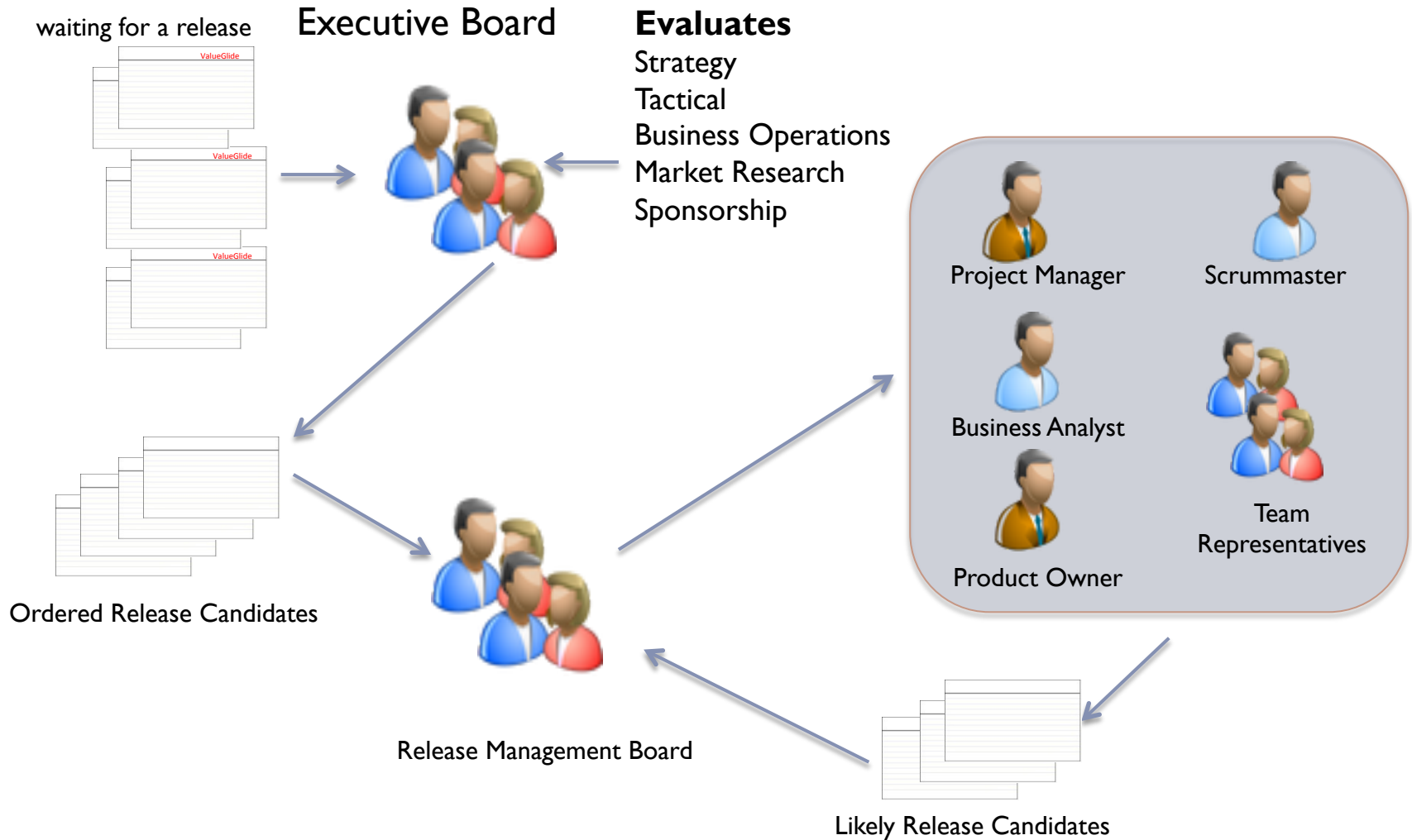


waiting for a release



Process Overview - 2

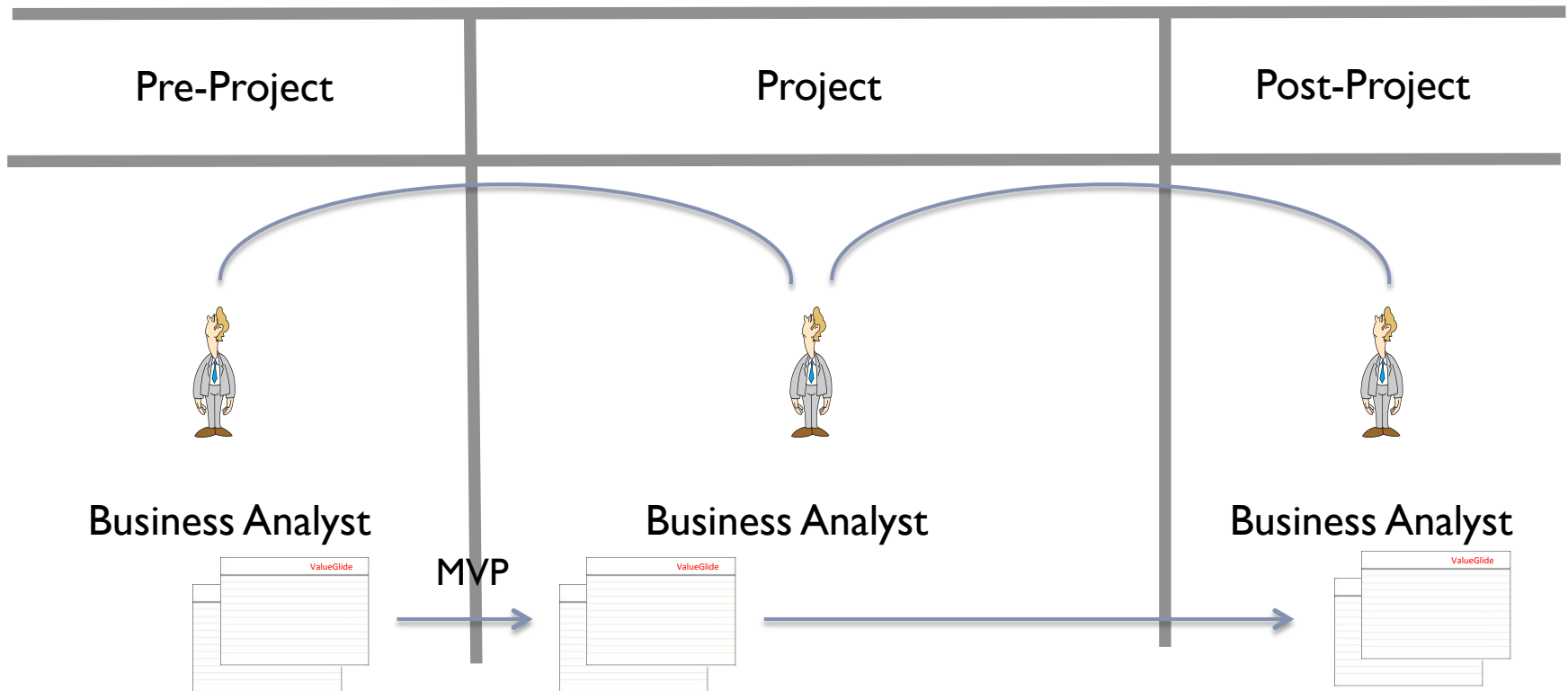
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Pre Project to Project Handover

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Refining and validated product scope



Visibility & Governance

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- Daily
 - Scrummasters, Development Manager
 - Release Management Board
- Weekly
 - Release Steering Board
- Every other week
 - Executive team



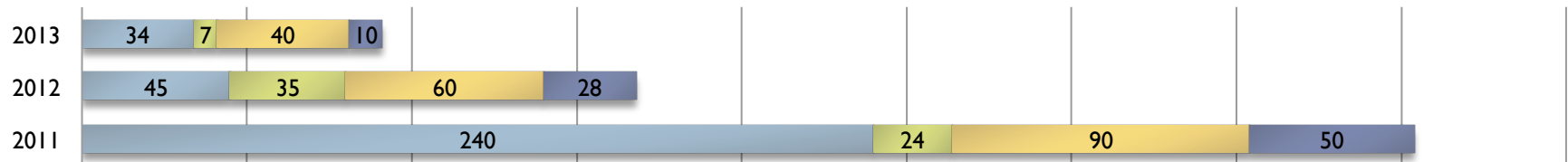
Dashboard

Release Times

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Total Time to launch
 2011 - 404
 2012 - 168
 2013 - 91

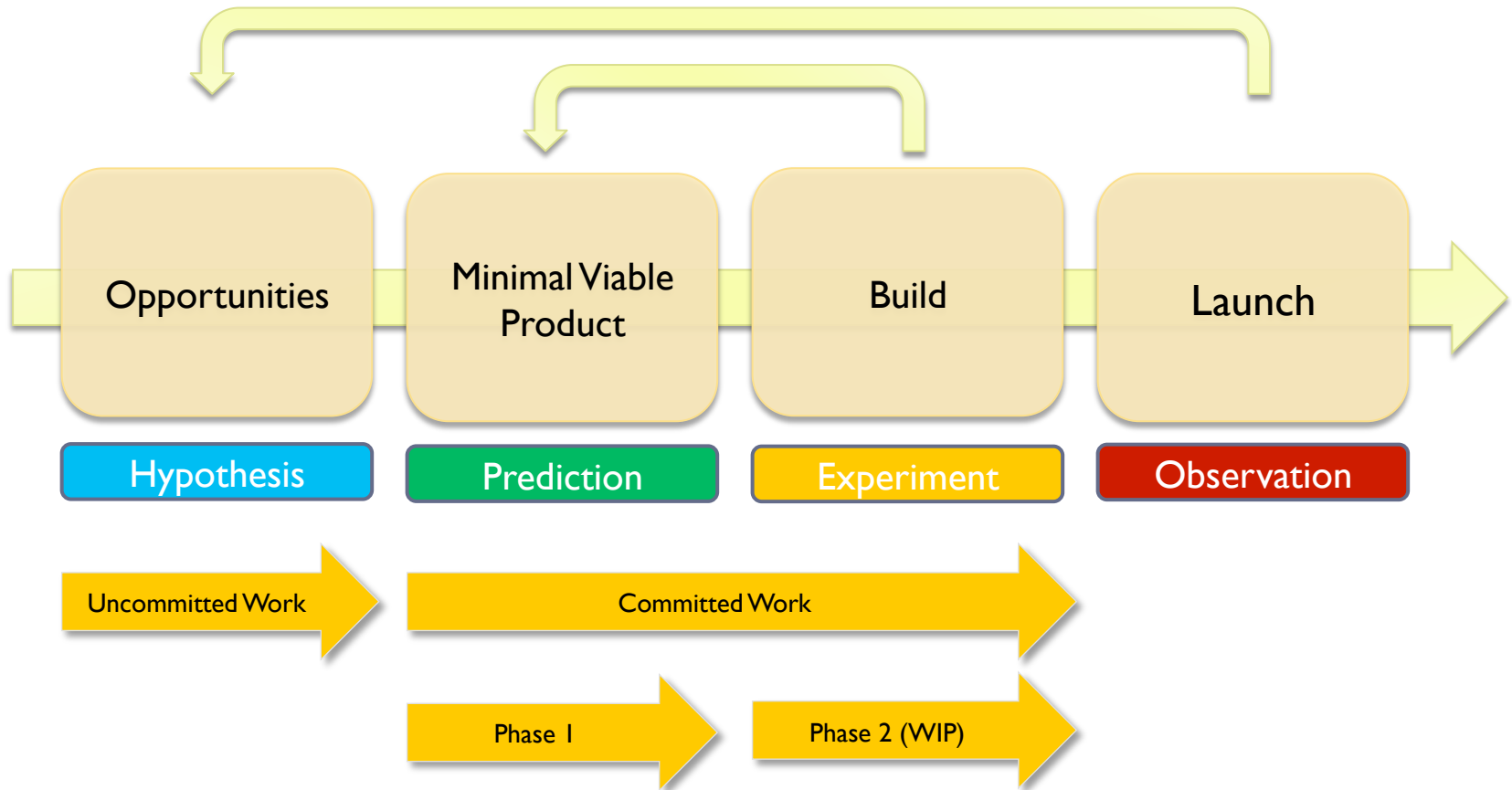
Release Time Distribution



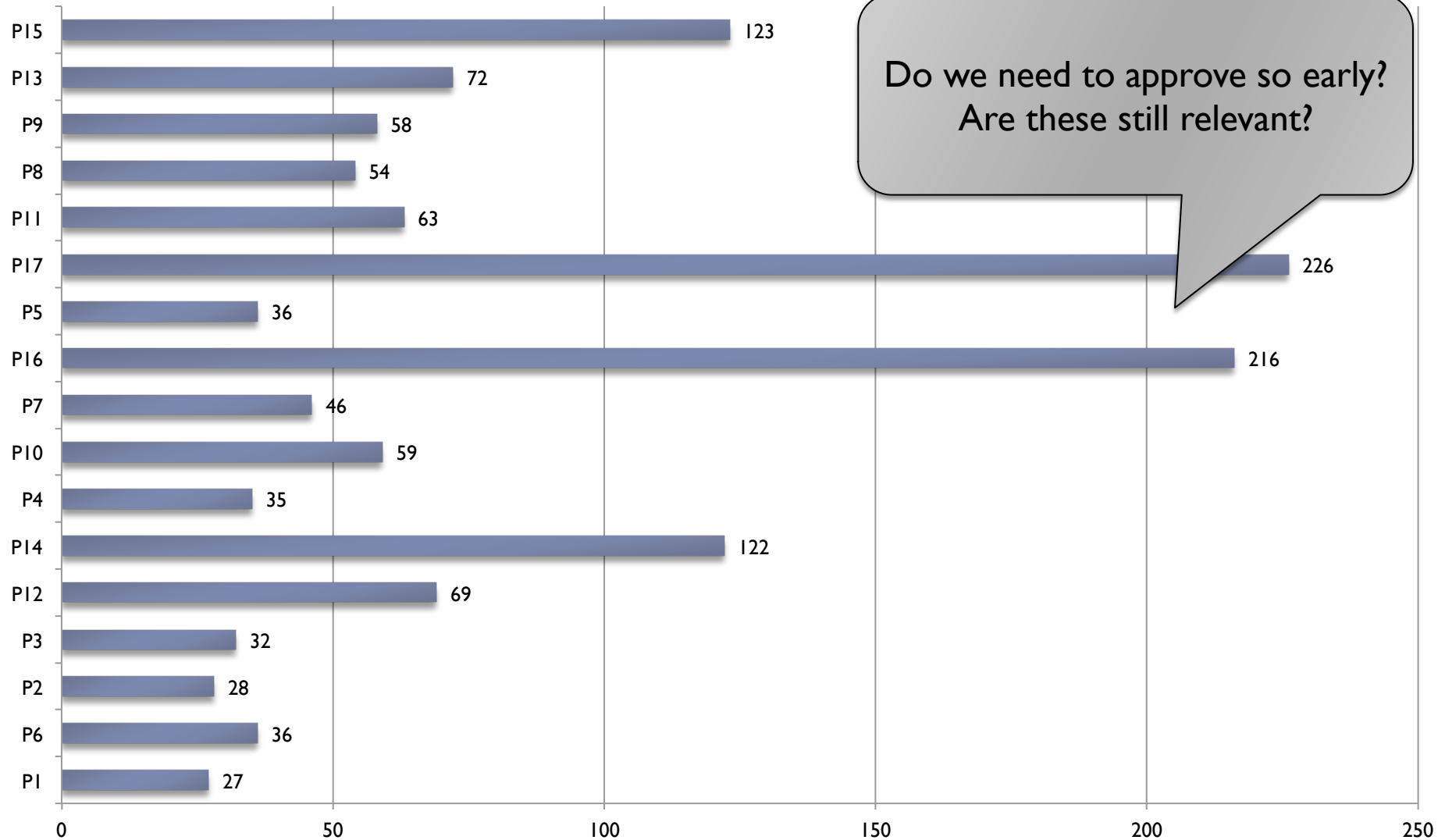
	2011	2012	2013
Investment Board	240	45	34
Waiting for a Release	24	35	7
Build	90	60	40
UAT	50	28	10

Agile Organisation: Minimum Viable Product

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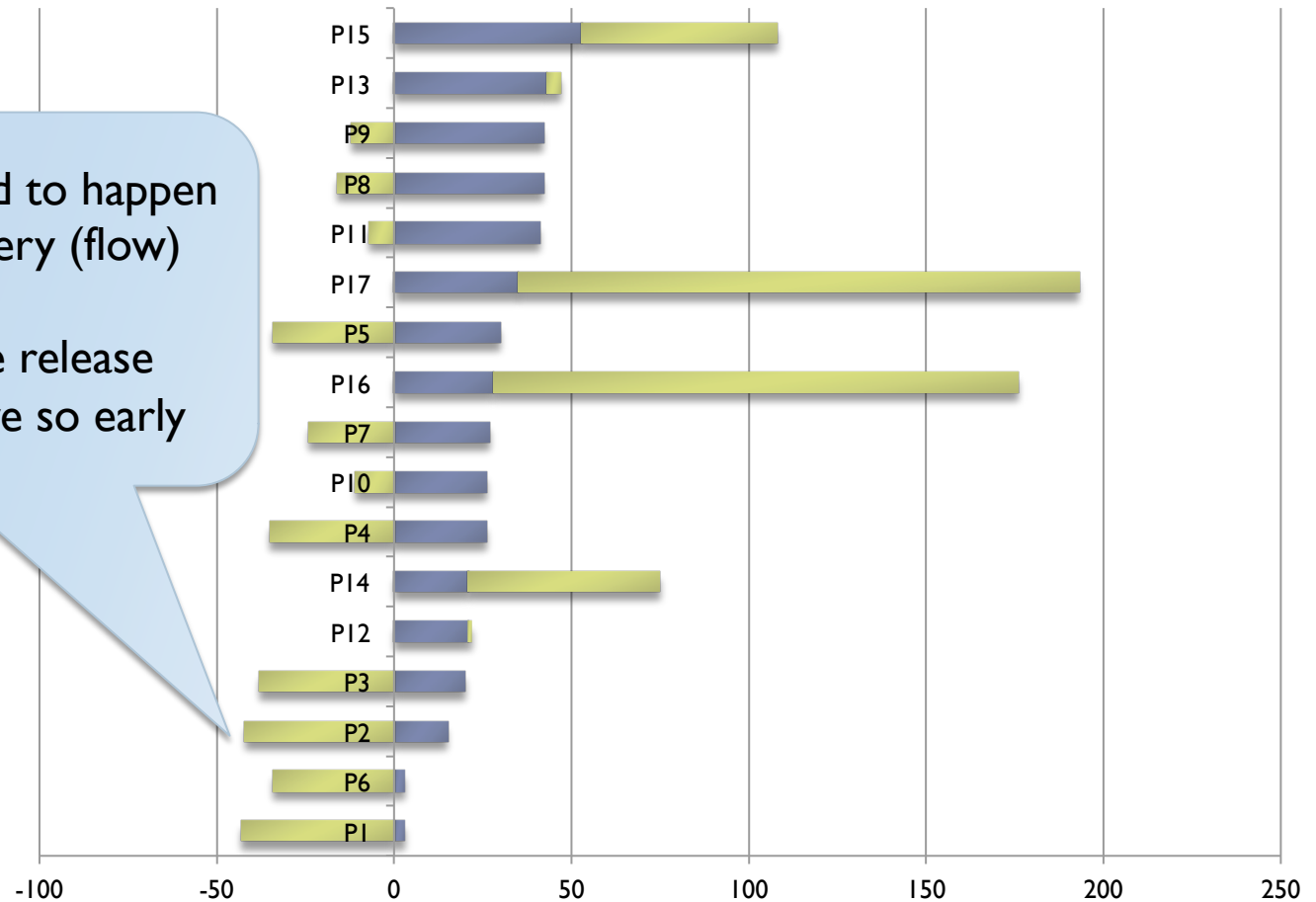
Project Lead Time (first story created to go live)



Project Wait Time Within Release

Interesting thing started to happen
as we improved delivery (flow)

Project pulled in the release
Don't need to approve so early



	P1	P6	P2	P3	P12	P14	P4	P10	P7	P16	P5	P17	P11	P8	P9	P13	P15
Project Completed - Waiting For Go Live	3	3	15	20	21	21	26	26	27	28	30	35	41	42	42	43	53
Project waiting for a Release	-43	-34	-42	-38	1	54	-35	-11	-24	148	-34	158	-7	-16	-12	4	55

So what?

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- Reduced escaped defects from 130 to below 5
- Increased frequency of major releases from 1 or 2 a year to more than 6 a year
- Improved collaboration across the organisation and within the team
- One big project per release to multiple projects per release
- Moving from certainty to being certain of uncertainty and building smaller products to validate hypothesis and market take up

How did we get there?

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- Focused on understanding and visualising the flow process
- Focused on reducing feedback loops as a result
 - Work towards Minimum Viable Product – acknowledge the need for market
 - Embedded BA, PM, PO, UAT, SMEs within the scrum team
 - Weekly continuous Integration to twice a week to multiple times per day
 - Build then test followed by UAT to build and test and UAT as we go along
 - Performance testing at the end and detached from the team to integrating Performance and other NFT tests (security and pe tests) within the build
- 3 year journey and on-going improvements and refinements



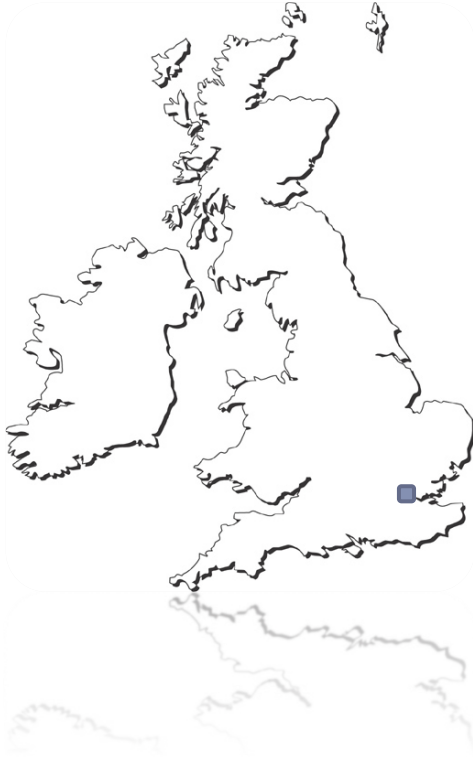
Second scenario



Flow Assessment

Background

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UK based organisation
young & rapidly growing
~300 employees
Located together
Highly reactive
Many projects
Everyone busy

Example

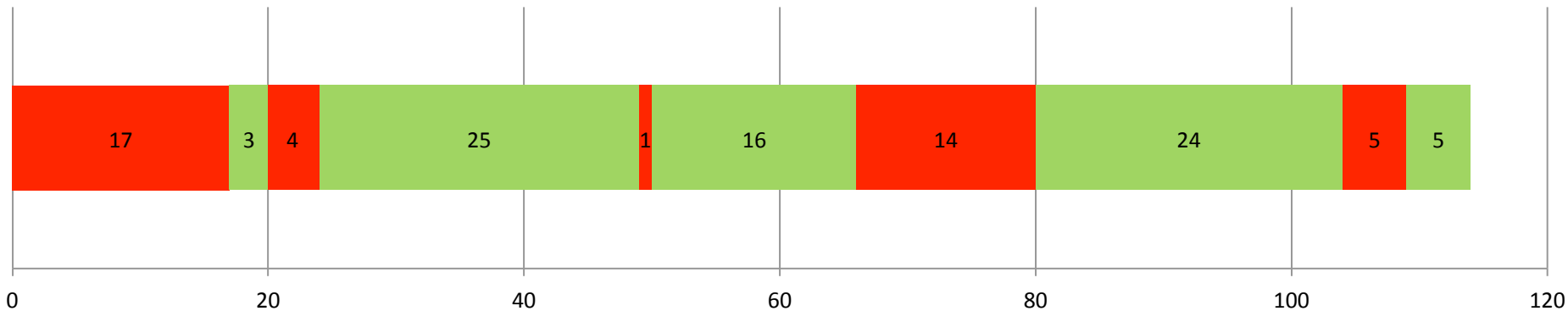
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Completion Time = 114 Days made up of **41 days waiting 36%**

This is only between different functions

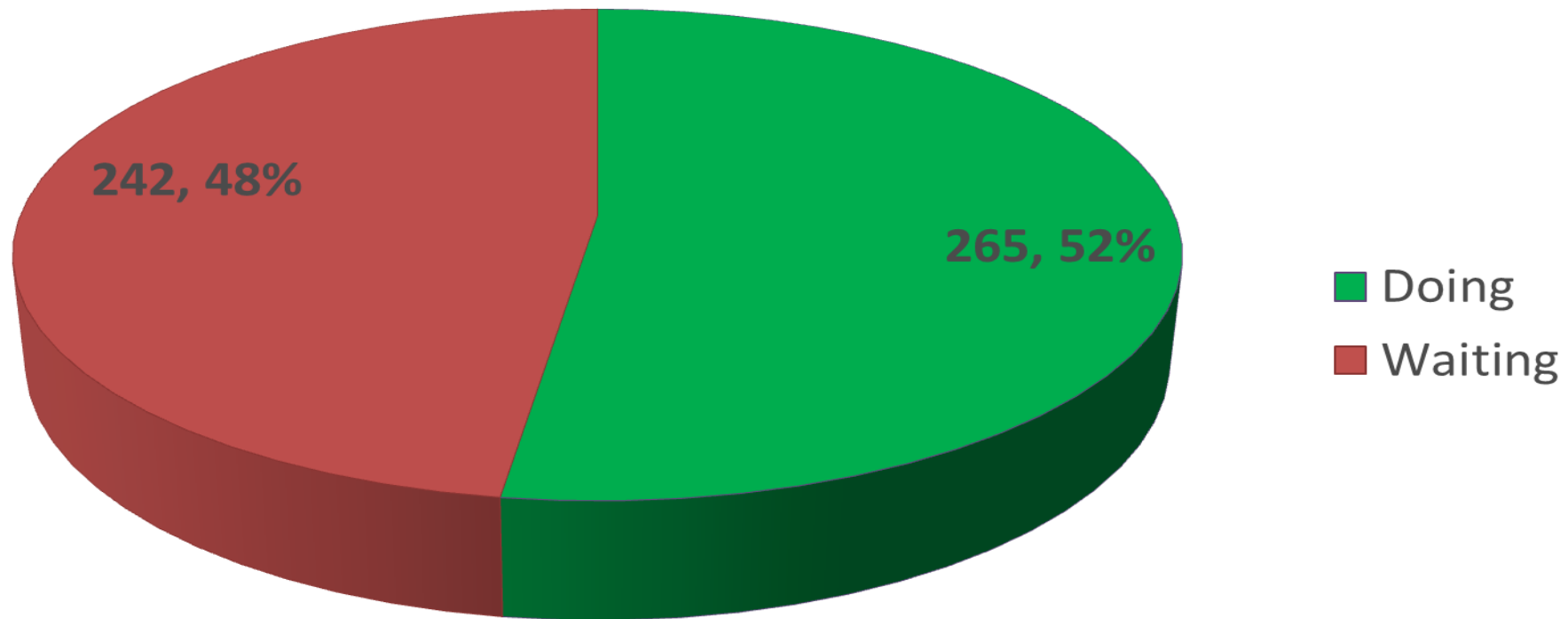
Does not include the wait time within a function

But this is just one sample can't be representative



It gets worse with more data

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So what?

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- Being busy doesn't deliver as much value
- Just because we are a small team you are not necessarily effective
- Need to change focus from utilisation to flow
 - Design structures that support flow
 - Build collaboration & coordination

Summary

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Functional efficiency

- Everyone is busy
- Output per head
- Doing my bit
- Weak customer purpose
- Longer time to service customer
- Poor quality
- Poor satisfaction employees & customers

Flow effectiveness

- The right people are busy
- Customer outcome
- Doing what is right for the customer request
- Strong customer purpose
- Short time to service customer request
- Higher quality
- Satisfied employees & customers

Quiz - Where would you rather be?

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Thank you

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ValueGlide

creating better outcomes

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