The Lean / Agile Mindset

SUE BLOCK, LEAN ENTERPRISE COACH, THE VANGUARD GROUP
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The Agile Manifesto...An Origin Story

History: The Agile Manifesto

On February 11-13, 2001, at The Lodge at Snowbird ski resort in the Wasatch mountains of Utah, seventeen people met to talk, ski, relax, and try to find common ground—and of course, to eat. What emerged was the Agile ‘Software Development’ Manifesto. Representatives from Extreme Programming, SCRUM, DSDM, Adaptive Software Development, Crystal, Feature-Driven Development, Pragmatic Programming, and others sympathetic to the need for an alternative to documentation driven, heavyweight software development processes convened.

Now, a bigger gathering of organizational anarchists would be hard to find, so what emerged from this meeting was symbolic—a Manifesto for Agile Software Development—signed by all participants. The only concern with the term agile came from Martin Fowler (a Brit for those who don’t know him) who allowed that most Americans didn’t know how to pronounce the word ‘agile’.

Alistair Cockburn’s initial concerns reflected the early thoughts of many participants. "I personally didn't expect that this particular group of agilities to ever agree on anything substantive." But his post-meeting feelings were also shared, "Speaking for myself, I am delighted by the final phrasing [of the Manifesto]. I was surprised that the others appeared equally delighted by the final phrasing. So we did agree on something substantive."

Naming ourselves "The Agile Alliance," this group of independent thinkers about software development, and sometimes competitors to each other, agreed on the Manifesto for Agile Software Development displayed on the title page of this web site.
2001, Really?... Look Harder

Some trace agile methodologies all the way back to Francis Bacon’s articulation of the scientific method in 1620. A more reasonable starting point might be the 1930s, when the physicist and statistician Walter Shewhart of Bell Labs began applying Plan-Do-Study-Act (PDSA) cycles to the improvement of products and processes. Shewhart taught this iterative and incremental-development methodology to his mentee, W. Edwards Deming, who used it extensively in Japan in the years following World War II. Toyota hired Deming to train hundreds of the company’s managers, eventually capitalizing on his expertise to develop the famous Toyota Production System — the primary source of today’s “lean” thinking. Iterative and incremental development
We value engineering as a discipline, so...

Does software engineering equate to physical engineering?

Let’s discuss!
Let’s get back to where we started

This sounds awesome, right? Where did it go awry?

Let’s retrospect on our own Agile experiences

Activity → Experience Mapping

Manifesto for Agile Software Development

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 and interactions** over processes and 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.
Debrief on the Agile Experience

Positive aspects of the experience

Negative aspects of the experience

Time
History Repeats

The Information Age was exploding.

1990’s
Disruptive technologies were terrorizing slow-footed competitors. Start-ups and incumbents alike sought better ways to adapt to the unfamiliar and turbulent environment. Software was becoming an integral part of nearly every business function.

Now

https://hbr.org/2016/04/the-secret-history-of-agile-innovation
Why Now? The Digital Revolution

Industry disruption
Digital native companies
Consumer experiences
Technology as a differentiator
Low cost of entry
Uncertainty is everywhere
Innovation is anywhere
Speed matters
Employee engagement

Source: McKinsey Digital Global Survey, 2016 and 2017; McKinsey analysis
What could the change look like?

<table>
<thead>
<tr>
<th>FROM</th>
<th>TO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition of Success</td>
<td>Outputs</td>
</tr>
<tr>
<td>Success is scope, schedule, budget</td>
<td>Success is achieving the desired business outcome</td>
</tr>
<tr>
<td>Deterministic</td>
<td>Iterative / Learning-based</td>
</tr>
<tr>
<td>Solutions are pre-defined, and built according to a fixed plan.</td>
<td>Solutions evolve as they are built, based on feedback and evidence of value.</td>
</tr>
<tr>
<td>Investment risk</td>
<td>High Risk / Big Bets</td>
</tr>
<tr>
<td>Large investments in a small number of enormous projects that must succeed.</td>
<td>Low Risk / Small Bets</td>
</tr>
<tr>
<td>Idea to realization cycle time</td>
<td>Months / Years</td>
</tr>
<tr>
<td>Typically 24-36 months from new idea to delivery of value for customers.</td>
<td>Days / Weeks</td>
</tr>
<tr>
<td>Primary focus of delivery teams</td>
<td>Efficiency</td>
</tr>
<tr>
<td>Teams must prioritize scope, time, and budget parameters over effectiveness.</td>
<td>Responsiveness</td>
</tr>
<tr>
<td>Business view of IT</td>
<td>Service Provider</td>
</tr>
<tr>
<td>IT is “hired” by business to build a pre-defined solution.</td>
<td>Partner</td>
</tr>
<tr>
<td>IT and Business seamlessly work together to identify and rapidly deliver value.</td>
<td></td>
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</tbody>
</table>
The most significant challenge is... culture

Cultural obstacles correlate clearly with negative economic performance.

Which are the most significant challenges to meeting digital priorities?

<table>
<thead>
<tr>
<th>Cultural and behavioral challenges</th>
<th>Cultural barrier</th>
<th>Other barriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of understanding of digital trends</td>
<td>25</td>
<td>2</td>
</tr>
<tr>
<td>Lack of talent for digital</td>
<td>24</td>
<td>4</td>
</tr>
<tr>
<td>Lack of IT infrastructure</td>
<td>22</td>
<td>13</td>
</tr>
<tr>
<td>Organizational structure not aligned</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>Lack of dedicated funding</td>
<td>21</td>
<td>18</td>
</tr>
<tr>
<td>Lack of internal alignment (digital vs traditional business)</td>
<td>19</td>
<td>16</td>
</tr>
<tr>
<td>Business process too rigid</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>Lack of data</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Lack of senior support</td>
<td>13</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: 2018 McKinsey Digital survey of 2,135 respondents

McKinsey & Company
Act Your Way to a New Culture

Unite by a shared view of the customer and a common definition of success

Have a bias to action

Think big, act small, move quickly

Assume accountability

Be humble

Learn quickly & safely

Macro & Micro Actions

Pound sand

It’s counterintuitive, but more than half of a transformation’s cumulative value arises from smaller-seeming initiatives. You’ve got to think small.

A Lean Operating Model

**PEOPLE**
- Broad Empowerment
- Innovation Culture
- Outcome Oriented Team Design

**PROCESS**
- Product-centric execution model
- Iterative Learning
- Lightweight Planning & Governance
- Value-driven Portfolio Management
- Continuous Delivery Capability

**TECHNOLOGY**
- Dynamic Budgeting & Funding
- Responsive, Evolutionary Architecture
- Democratization of Data
Blended Approach

Core Practices
- Work in short cycles
- Hold regular retrospectives
- Put the customer at the center of everything
- Go and see
- Balance discovery & delivery
- Do research
- Work & train as a balanced team
- Promote radical transparency
- Recognize the right behaviors
- Make experiments a first-class citizen of your backlog
Let’s Make a Change

Set an improvement goal:

1. What does ultimate success look like? -> define the outcome
2. What is the current state?
3. What is a directional indicator of success? -> define the outcome
4. What steps might you take to drive towards that direction?

The steps become opportunities to continuously improve
Maybe an Updated Set of Principles?

“Responding to change over following a plan” was incredibly important when we wanted to defeat waterfall with agile, he explains. Now we want to “experiment and learn rapidly” because “sometimes we don’t even know what the problem is.”

“Individuals and interactions” could be replaced by “make safety a prerequisite.” We want to provide psychological safety in our interactions.

Rather than “customer collaboration over contract negotiation,” Modern Agile’s “Make people awesome” is more important for our focus. We want our entire ecosystem to be awesome.

Though “working software over comprehensive documentation” was great in 2001, today we want to “deliver value continuously,” he says. “The bar has been raised.”

https://www.agilealliance.org/resources/videos/modern-agile/
Are You Inspired to Continue the Journey? 😊

1. GET SMART
   - Read the articles, presentations, blogs, & books; watch the videos
   - Follow folks
   - Try to understand the core concepts

2. GET EXCITED
   - Visualize and believe that there is a better way
   - Bring positive energy to the journey
   - Reflect on the changes you need to make

3. GET STARTED
   - Discuss with your peers, boss, team, and partners
   - Start small. Get better & better
   - Share your learnings
Some Recommended Reading