The ABC of Agile Business Change

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BCS
17 September, 2013
Introduction

• Purpose is to explore the concept of Agile Business Change
  – What does it mean?
  – Why might it be a good thing?
  – Where and when is it applicable?
  – Practical experience?

• My background
  – 30+ years IT experience
  – 13 years of Agile experience
  – Cofounder of IndigoBlue
    - Agile adoption / recovery / improvement programmes
    - Delivery of large-scale Agile programmes
    - Advanced Agile techniques / Agile governance framework
Context

• Agile comes from IT
• Can it be directly for a different discipline?
  – Or in some modified form?
• IT projects typically exist within a wider Business Change context
  – It is not possible to achieve the full benefits of Agile without involving the wider context
  – Agile IT projects frequently start modifying the way their context works – the tail wagging the dog
  – The standard Agile messages do not fully address how the context actually needs to change
Agenda

• What is Agile?
  – The standard answer
  – Additional insights

• Applicability
  – In general
  – Specific experiences
Agile Business Change

What is Agile?
Umbrella Term

• A family of processes with similar principles
• Specific examples include
  – Scrum
  – DSDM (dynamic systems development methodology)
  – Extreme programming (XP)
• The Agile Manifesto
  – Individuals and interactions over processes and tools
  – Working software over comprehensive documentation
  – Customer collaboration over contract negotiation
  – Responding to change over following a plan
The Mechanics

- An ordered list of things to do (AKA Product Backlog)
  - Prioritised
  - Small items (AKA Stories)
  - Dynamic

- Iterations (AKA Sprints)
  - Time-boxed
  - Well-defined ceremonies
  - Focus on closure

- Collective ownership
  - Avoid defined roles within the team
  - Avoid hand-offs and partially complete tasks

- Continuous integration
  - Build a complete system
  - Validate it
  - Then change it

- Continuous process improvement
  - The same process is repeated over and over
# The Product Backlog

<table>
<thead>
<tr>
<th>ID</th>
<th>TITLE</th>
<th>EFFORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>34</td>
<td>A sales manager can add new products to the catalogue to extend the sales portfolio</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>A member can view the products in the catalogue to select what he wishes to purchase</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>A member can add goods to his/her shopping cart in order to purchase them</td>
<td>13</td>
</tr>
<tr>
<td>8</td>
<td>A member can pay for his purchases using a credit card to enable dispatch</td>
<td>20</td>
</tr>
<tr>
<td>76</td>
<td>An account manager can suspend a member account to stop future purchases</td>
<td>5</td>
</tr>
<tr>
<td>22</td>
<td>A member can select the type of shipping and calculate shipping costs</td>
<td>13</td>
</tr>
<tr>
<td>54</td>
<td>A sales manager can suspend an item in the catalogue to prevent purchases being made</td>
<td>13</td>
</tr>
<tr>
<td>....</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>The account manager can upload a picture to personalise the sales invoice</td>
<td>20</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>1265</strong></td>
</tr>
</tbody>
</table>
Iterations

- KICK-OFF
- Daily stand-up / Scrum Meetings
- DEMO
- REVIEW
End-to-End Process

**INITIATION**
- Backlog prep
- Some design
- Project setup

**TEST**

**BUILD**

**DESIGN**

**TEST**

**BUILD**

**DESIGN**

**TEST**

**Pre Release Preparation**

1 to 4 weeks

2 weeks

2 weeks

2 weeks

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What’s the Big Deal?

• Focus on closure at the expense of ...
  – Rework
  – Regression testing

• Focus on “cost of change”
  – Software is soft
  – Advanced engineering techniques

• Avoid forward investment
  – If something is taken off the Backlog the full “budget” is available to be used in some other way
  – Emergent design

• On-going decision-making
  – Decisions need to resolved quickly
  – Requires continuous engagement from decision makers
  – Constant reference to business goals
  – Feedback loops
The Four Pillars of Agile

WHEN
- Iteration process
- Time-boxing
- Production-ready code each iteration
- Planning and tracking

WHAT/WHY
- Product backlog
- Focus on the value to the business
- Incremental strategy
- Define end-to-end scenarios
- Prioritisation strategies

WHO
- Act as a team not individuals
- Team focused on business objective
- Increase levels of direct communication
- Objective-driven documentation
- Customer collaboration

HOW
- Removing the fear of change
- Make the cost of change constant
- Test-driven build, refactoring
- Automated regression test
- Continuous integration
Benefits

• Responsive to business drivers
  – Thus the name “agile”
• Early return on investment
• Reduced delivery risk
• Customer satisfaction
• Productivity
  – The economics are complex
• Build quality
  – Defect rates
  – Cost of ownership
• Functional quality
Challenges

• Commitment
  – Formal delegation
• Project initiation/discovery
  – How much to do before starting to build
• Sense of control
• Handling large, complex problems

• You can do all the mechanics and still not “be Agile”
Additional IndigoBlue Perspective

• Agile is not something you do or don’t do
• It’s really a question of balance, on 3 key axes
  – Collaboration
  – Batches size (incremental value)
  – Uncertainty management
Collaboration – Team-in-a-Room

- Get the right knowledge, skill and behaviour inside the room
- Set clear goals
- Remove interruptions and obstacles
Batches Size - Incremental Value

**WATERFALL**
- single deliverable

- Investment tied up in programme
- Not responsive to change
- Pressure towards the end of the programme
- Compromised quality?

**AGILE**
- "flow" of incremental deliverables

- Collaboration and feedback
- Risk management
- Potential for early ROI

- Focus on quality
- Clear visibility of progress
- Responsive to change

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Uncertainty Management

• “Fail to prepare, prepare to fail”
• Do not delay high priority solution resolving low priority uncertainty
• Be explicit about the uncertainties and how best to resolve
Agile Business Change

Applicability?
Applicability to IT

• Collaboration
  – No different from any other discipline
  – Small teams can achieve a lot
  – Challenges with models as offshoring

• Opportunity for incremental value
  – IT solutions naturally evolve over time anyway

• Value of delayed uncertainty resolution
  – It is fundamentally hard to resolve uncertainty up-front

• Cost of change
  – New practices exist
  – New tools exist
Applicability to IT in the Context of Business Change

• Agile delivers significantly less benefit if
  – IT is thinking incrementally
  – The customer is thinking single-batch
  – IT is trying to dynamically manage uncertainty
  – The customer assumes there is no uncertainty ...
  – ... or actively plans to resolve it up-front ...
  – IT is trying to collaborate
  – The customer wants to delegate and come back when its done ...
  – ... or treats discussions
Applicability to Business Change

• Collaboration
  – ?

• Opportunity for incremental value
  – ?

• Value of delayed uncertainty resolution
  – It is fundamentally hard to resolve uncertainty up-front

• Cost of change
  – Need new tools
  – People’s tolerance of change
Modelling Objectives

• Start by modelling the value proposition and how it maps to a proposed solution
  – Business objectives are inherently hierarchical
  – There is a point in the hierarchy where the intent is stable (there is no uncertainty)
  – Below that uncertainty occurs because more assumptions are made ...
  – ... and assumptions should be validated
  – Identify specific measurements at various points
  – Build measurement into the implementation process
  – Minimise waste by avoiding building things
Thank You

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