Transitioning to Agile Project Management
Realizing Customer Value through Throughput, Teamwork and Leadership

APLN NYC Initiation
Sanjiv Augustine
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Agenda

- APLN National Overview (10 Minutes)
- Agile at a Glance (15 Minutes)
- Agile Project Management Defined (05 Minutes)
- Transitioning to APM (40 Minutes)
  - Exercise: Penny Flow
  - Throughput
    - Manage the Flow of Value, Not Activities
  - Teamwork
    - Create an Integrated Team, Not Functional Silos
    - Focus on Project Context, Not Content
    - Move from Lessons Learned to Project Reflections
  - Leadership
    - Coordinate Execution through Commitments, Not Commands
- Discussion (10+ Minutes)
APLN National Overview

- Founded in 2004
- Goal is to facilitate the movement towards
  - fast
  - flexible
  - customer value driven approaches to leading projects of many types
- Declaration of interdependence (http://www.pmdoi.org) captures value system

APLN National Overview (contd)

- Organizing Vision
  - Worldwide network
  - Self organizing chapters
  - “Sufficient-to-purpose” central body
- Current membership
  - 20 local chapters, including ones in Canada, UK, and Denmark
  - APLN, APLN NYC
  - APLN MD
  - APLN Calgary
  - Bay Area APLN

Bay Area APLN
APLN National Overview (contd)

What's in it For You:

[Diagram showing various components and connections, possibly related to APLN and its benefits for individuals or organizations.]

Agile at a Glance
Corporate IT is Leading the Second Wave of IT Adoption

Agile software development processes are in use at 14% of North American and European enterprises, and another 19% of enterprises are either interested in adopting Agile or already planning to do so.

Early adopters of Agile processes were primarily small high-tech product companies. But a second wave of adoption is now underway, with enterprise IT shops taking the lead. These shops are turning to Agile processes to cut time-to-market, improve quality, and strengthen their relationships with business stakeholders.


The Agile Landscape

Agile Methodologies
- eXtreme Programming (Kent Beck, Ward Cunningham, Ron Jeffries)
- Scrum (Ken Schwaber and Jeff Sutherland)
- Crystal Methods (Alistair Cockburn)
- Feature Driven Development (Jeff DeLuca)
- Dynamic Systems Development Method (DSDM Consortium)

Agile Management Frameworks
- Agile Project Management
  Jim Highsmith, Ken Schwaber, Sanjiv Augustine
- Agile Management
  David Anderson
- eXtreme Project Management
  Rob Thomsett, Doug DeCarlo

Agile Basics - Key Principles

Focus on customer value - Employ business-driven prioritization of features.

Iterative & Incremental Delivery - Create a flow of value to customers by “chunking” feature delivery into small increments.

Intense Collaboration - Face-to-face communication via collocation, etc; diversified roles on integrated teams.

Self Organization - Team members self-organize to fulfill a shared project vision.

Continuous Improvement - Teams reflect, learn and adapt to change; work informs the plan.

What is Customer Value?

The right product for the right price at the right time:

- The right product is the product with exactly the features that the customer wants.
- The right price is the price that customer believes is a fair deal.
- The right time is when the customer wants it.
Key Agile practices include:

- **Release Planning**  
  (creates Product backlog)
- **Sprint Planning**  
  (creates Sprint backlog)
- **Daily Scrum Meeting**
- **Fixed-length sprints**
- **Feature Review**

Identify the top-priority items and deliver them early and often.

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**How is Agile Different?**

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<tr>
<th>Waterfall/Traditional</th>
<th>Agile Methodologies</th>
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<tr>
<td>Batch Manufacturing</td>
<td>Flow of Value</td>
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<td>Large, Specialized Silos</td>
<td>Small, Integrated Teams</td>
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<td>Contract Negotiation</td>
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<td>Hierarchical Control</td>
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<td>Upfront Perfection</td>
<td>Continuous Improvement</td>
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Agile Project Management Defined

- **Agile Project Management (APM):**
  - Is the work of energizing, empowering and enabling project teams to rapidly and reliably deliver customer value
    - By engaging customers, and
    - Continuously learning and adapting to their changing needs and environments
  - Focuses on project throughput, teamwork and leadership

From *Managing Agile Projects*, Sanjiv Augustine, Prentice Hall 2005
Exercise – Penny Flow

- **Round 1**
  - Each person flip all pennies
  - When done with entire batch, pass to next person in line

- **Round 2**
  - Each person flip one penny and pass to next person
  - Keep flipping and passing until done
Throughput – Managing the Flow of Value (contd)

- **Manage throughput**
  - Reduce utilization
  - Limit work to capacity

- **Reduce WIP**
  - Reduce batch size
  - Fewer simultaneous efforts
  - Limit queue size

- **Manage constraints**
  - Identify bottleneck(s)
  - Increase throughput at bottleneck(s) to increase completion rate and overall throughput

\[
\text{Lead Time} = \frac{\text{Work in Process}}{\text{Avg. Completion Rate}}
\]

Source: The Lean-Agile PMO, Sanjiv Augustine & Roland Cuellar, Cutter Consortium, 2006

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A Value Stream is the set of all activities in getting a product from concept to customer delivery.

In most organizations, much of the time that is expended is not of value to the customer due to:
- Wait Times
- Handoffs
- Defects that get passed on
- Inefficient paperwork

Local efficiencies do not create fast throughput.

Need to manage at the value-stream level, looking to maximize throughput across organizations.
Teamwork - Creating an Integrated Team

Traditional Project Organization:

![Diagram showing traditional project organization with roles such as Project Manager, Customer, Stakeholder, and various team members like Analysts, Architects, Developers, and Testers.]

Teamwork - Creating an Integrated Team (contd)

![Diagram showing integrated agile team with roles like Core Project Team, Peripheral Project Team, Product Owner, BA, BSA, Designer, Developer, Tester, etc.]

Traditional Silos:
- Product Owner
- BA
- BSA
- Designer
- Developer
- Tester

Integrated Agile Team:
- Core Project Team (7 plus or minus 2 people)
- Peripheral Project Team
- Release Manager
- Capacity Planner
Teamwork - Focusing on Project Context

- Need to look upward and outward toward stakeholders and sponsor:
  - What are the project’s end goals or desirable outcomes?
  - What are its objectives?
  - What is its scope?
  - How does it relate to other projects?
  - On what other projects/factors does it depend?
  - What value will it add to the organization?
  - How will it contribute towards achieving the organization’s strategic goals?
  - What is the strategy to deal with external changes?

- Defer to the technical team on technical details

Source: The Thomssett Company. Used with permission.

Teamwork - Moving to Project Reflections

- Conduct reflections/retrospectives every 2-3 iterations to analyze, adapt and improve processes and practices

- Sample project reflection guidelines:
  - Arrange for a neutral facilitator
  - All project team members seat themselves in a large conference room, preferably in a circle
  - All participants follow simple ground rules
  - Each team member provides feedback on these questions: what’s working well, what can we improve, and what are some obstacles or issues facing the team
  - A brainstorming period follows to address the major issues
  - Facilitator captures action items
Leadership - Coordinating Execution through Commitments

- **The Language/Action Perspective:**
  - Work in organizations happens through the making, keeping and coordination of individual commitments
  - People make commitments and deliver on them through performance or action
  - Customer value can only materialize if the networks of these commitments are coordinated effectively
  - Need to engage in conversations that create and coordinate team members’ commitments

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**Discussion**
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