

WELCOME TO:

AgiLeanIT Webinar

Linking IT Transformation to Business Model and Strategy

June 22, 2018



AgiLeanIT
IT Transformed.

“Effective and successful Lean and Agile IT and Application Development Transformation need to be fully grounded in, and driven by the business and digital transformation strategies”

In this webinar you will:

- Learn how to develop and internally communicate your business and competitive strategy using Business Model and Process Visualization Tools and techniques
- Understand how to best use Lean Value Stream Mapping (VSM) and Value Chain Analysis to identify key transformation initiatives and target speed and quality metrics to show the direct impact on value delivered to key customers and stakeholders
- Be able to link your Scaled Agile SAFe® and Lean Transformation initiative and the Agile Trains and Scrum teams' backlogs to the most valuable and lowest risk, prioritized opportunities that can directly impact value delivered to customers

AgiLeanIT Overview

- AgiLeanIT is a division of Nouri Associates, Inc. (NAI) an international Business and Information Technology Management Consulting, training, benchmarking and solutions firm founded in 2001. We have a proven track record of successfully serving our clients with measurable business and IT improvement and scaling of Agile Solutions Delivery
- AgiLeanIT team of highly experienced IT and business strategy and process consultants and educators are focused on providing transformation enablement, coaching and mentoring services:
 1. Business and Digital Strategy and Transformation
 2. Lean and Scaled Agile Methodology (e.g. SAFe®) Deployment and Adoption
 3. SAFe® Quick Start Assessments
 4. Executive and Middle Management Agile Transformation Coaching
 5. Just-in-Time Staffing of Transformation Subject Matter Experts
 6. Lean Portfolio Management
 7. Enterprise Architecture and Digital Platform Planning
 8. Design Thinking, Lean UX, and Customer Value Mapping



Introductions

- **Hamid Nouri** – Mr. Nouri is AgiLeanIT and NAI Managing Principal, Senior Executive Advisor, and the Global Transformation Services Practice Leader. He was previously a senior executive at Gartner responsible for Strategic Business and IT Consulting offerings and delivery in Americas and Asia Pacific. He has been an Advisor and Management Consultant to senior business and IT executives for over 20 years across a variety of industries. His core areas of expertise include Business and IT Strategic Planning, Strategy Visualization, Business and IT Transformation, and Emerging Digital Technologies. He has facilitated the development of over a dozen Digital Strategy and Business and IT Transformation Plans in the last 4 years. He is a senior Lean and Agile Transformation Coach and Scaled Agile SPC (SAFe® Program Consultant), an ITIL/ITSM Master, ISO 20000 Consultant, CISSP, and an accomplished Enterprise, Business, and Technical Architect.



Introductions, Cont'd

- **Dan Madison** – Mr. Madison is an AgiLeanIT Lean Transformation Coach and Senior Business Advisor with over 20 years of experience in Lean, value stream mapping and analysis, process mapping, process metrics, process management, and process redesign across a wide variety of industries and organizations. He was an early pioneer, architect, and thought leader for process design principles which have revolutionized the creation of highly efficient and effective processes and customer value for numerous clients. He is the author of highly successful and frequently cited book *“Process Mapping, Process Improvement and Process Management”*, one of the highest ranked books on Amazon on the topic. Mr. Madison was one of the key thought leaders and original contributors to the Association of Business Process Management Professionals Body of Knowledge. His book is widely used as the main text at various universities in process and value mapping and continuous improvement.



Introductions, Cont'd

- **Prakash Bettadapur** – Mr. Bettadapur is an AgiLeanIT Managing Partner and Executive Coach. He has over 20 years of engineering leadership, product development, organizational change leadership, and management consulting in various technology sectors. He has been in senior leadership roles managing multiple large teams of over a hundred people each in various locations in USA, Canada, India and Russia. His work in Bell-Northern Research, Nortel Networks, Cadence Design Systems and in Cisco Systems enabled his employers and clients to achieve leadership excellence in global software engineering. He led Cisco's highly successful Lean and Agile Transformation initiative between 2012 and 2017, and was responsible for the on-time development and delivery of Cisco's next generation IP Platforms and Systems offerings. Mr. Bettadapur is a Certified SPC (SAFe® Program Consultant) and Enterprise Agile Coach, Certified Scrum Master (CSM), Certified Product Owner (CSPO) and Certified Scrum Professional (CSP).



Today's Webinar Agenda

- Aligning Business and IT by Connecting Business Strategy, Digital Transformation, and IT Transformation initiatives
- Business Model Canvas and CEO Metrics
- Digital Transformation and Innovation Opportunities
- Lean Value Stream Mapping and Metrics as Connecting Fabric for Value Delivery
- Overview of Lean Enterprise and Value Stream Mapping
- Aligning SAFe® Trains and Teams to Value Stream Maps and the Transformation Initiative
- Key Success Factors for Lean Digital Enterprise for Continuous Innovation / Disruption
- Wrap Up and Questions

Business Transformation = Digital Transformation

Software Engineering is the backbone for many Enterprise Business Transformations

Using digital tools and improved processes are the way to improve the business

- Overcome barriers to Digital Transformation
- Measure Technical debt
- Decentralize Transformation

IT spending remains as a cost center, or leads transformation to compete effectively against Digital Native companies like Amazon, Netflix, etc.?

Digital change need to be cross functional

CIOs taking technology first approach

CMOs focusing on Customer experience

bring them together

Bridge the gap between definition and delivery, vision and execution, goal and ability, wish vs reality

This is where Rubber hits the Road

Holistic Digital Transformation – Connecting Vision and Execution

- Make business think and innovate faster
- Innovation – creating new values across existing dimensions
- Embrace broad experimentation
- Transform from legacy silos of function to three holistic experiences – customer, worker, supplier/partner
- Focus on doing the right thing before doing everything right

- Trend towards Mass Personalization & 1-1 engagements. No “one size fits all”. Need local adaptations
- **Legacy IT challenges** – what we see is just the tip of the iceberg. Needs total IT renewal and robust execution

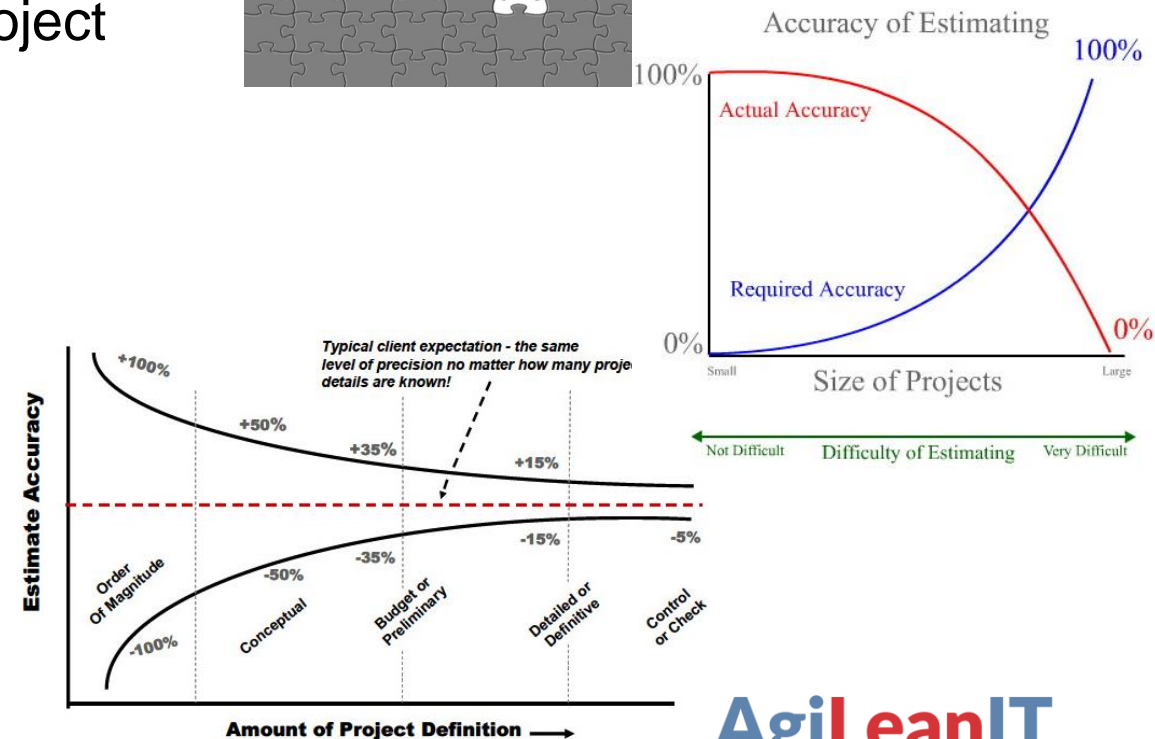
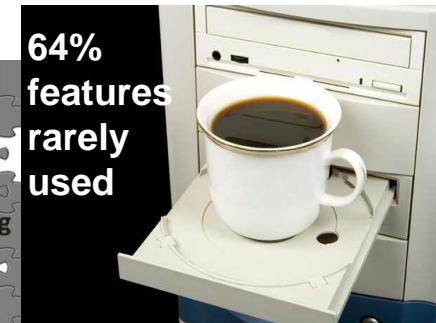
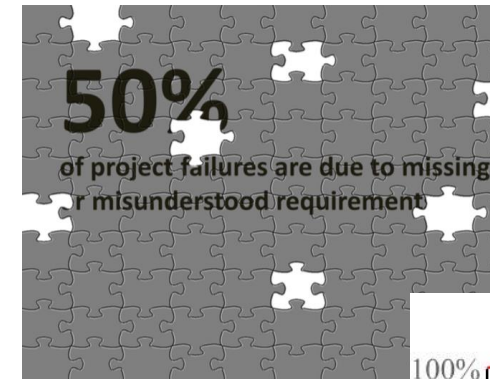
How do we overcome these challenges in IT Digital Transformations?

Need for Agility in Digital Transformations

Transformation project failures are all too common

- Requirements not understood
 - Business not engaged with technology
 - Many features are rarely used
- Detailed project committed when very little of the project is known
 - Technology uncertainties, erroneous estimates
 - Estimates before all project content details known
- Risks not managed well
 - Visibility into projects at the time of kickoff, or at some final milestones
 - No clear insight into intermediate checkpoints
- Expensive to manage change successfully

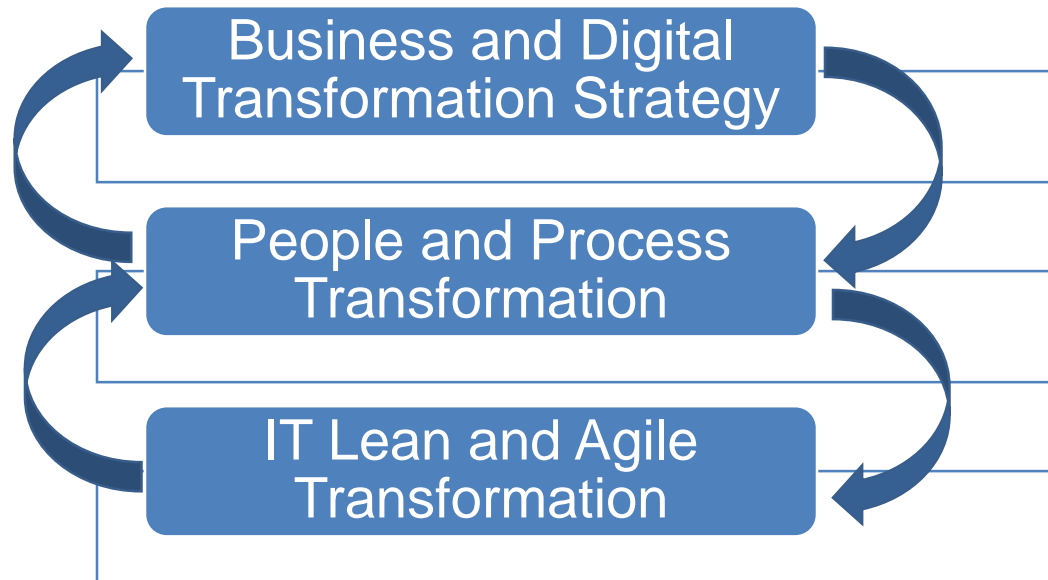
Change the paradigm – Move Towards Agility



Business Strategy, Organizational Transformation, and IT Transformation

Clear Linkages and Key Performance Indicators Are Keys to Success

Comprehensive Transformational Approach



Key Steps For a Successful Transformation Journey

1. Develop and/or Document the “Lean Business Model Canvas” and CEO Success Metrics
2. Identify and Articulate Digital Transformation Opportunities, the Impact and Innovation Process
3. Understand and Define Opportunities to dramatically change or Increase End-Customer Value Using Value Stream Maps and Metrics
4. Identify SAFe Trains, Teams, Backlogs (Large Solution and/or Program), and Metrics Focused on Key Improvement Opportunities

How are you Transforming into a Lean Digital Enterprise?

How Are You Improving the Existing Business Model and Value Proposition and Continuously Experimenting with New Business Models

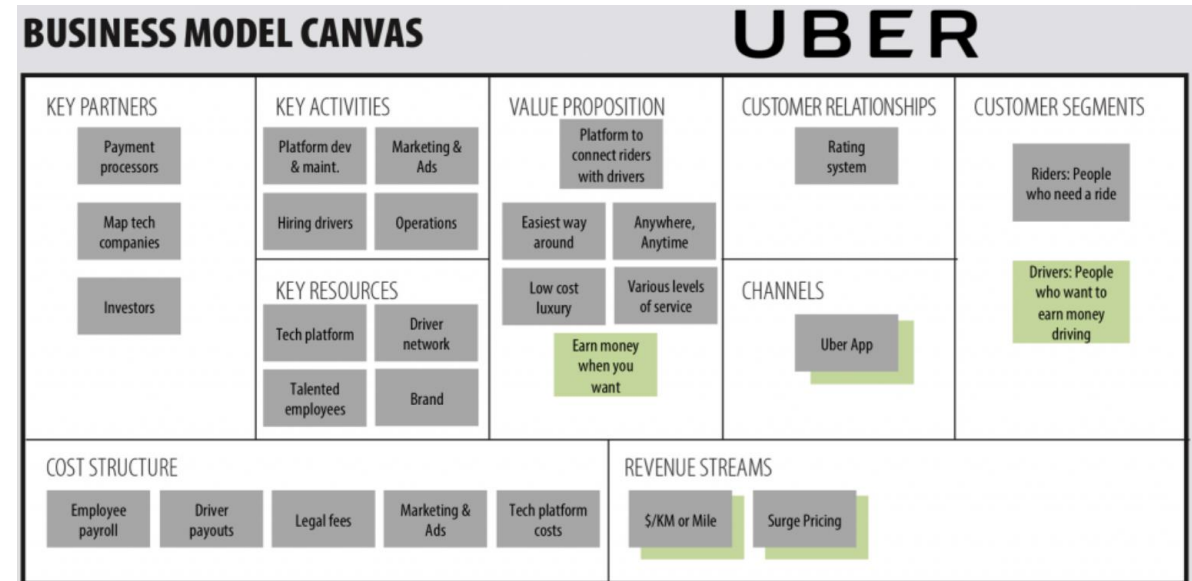
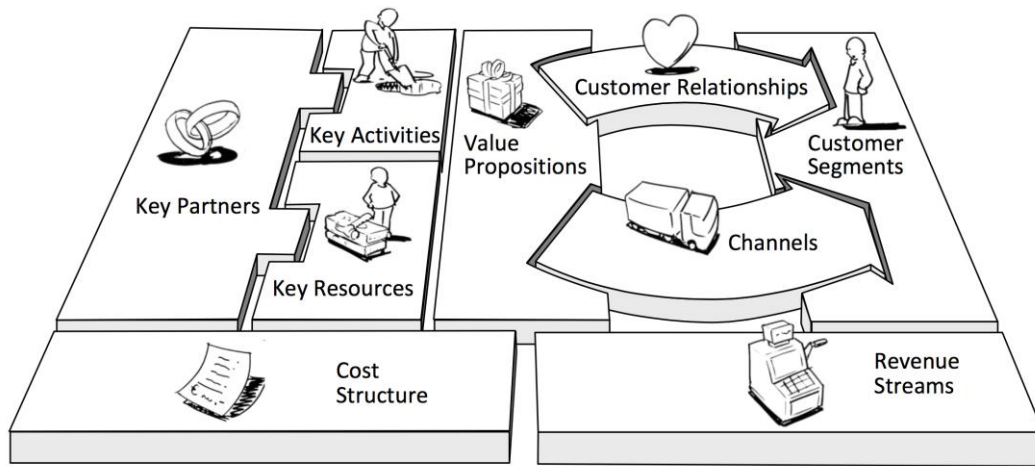
Strategic Questions to Explore

- Is our current and target Business Model and Value Proposition documented and well understood by all leadership and front line staff?
- Does it play sufficiently to our strengths?
- Does it take advantage of key emerging or available Digital opportunities?
- Will our current business model enable us to expand into new target markets – be these new products, services or geographies – and satisfy the expectations of our chosen customer segments?
- If not, what sort of approach do we need to rapidly Build-Measure-Learn with new Business Models?
- What is the size of the gap and how can we reduce it as rapidly as possible?
- Do we have a clear picture of the opportunities and risks entailed by each of the alternatives available to us?
- Do we have an operating model and a plan in place that will enable us to move forward quickly, while maximizing the opportunities and minimizing the risks?

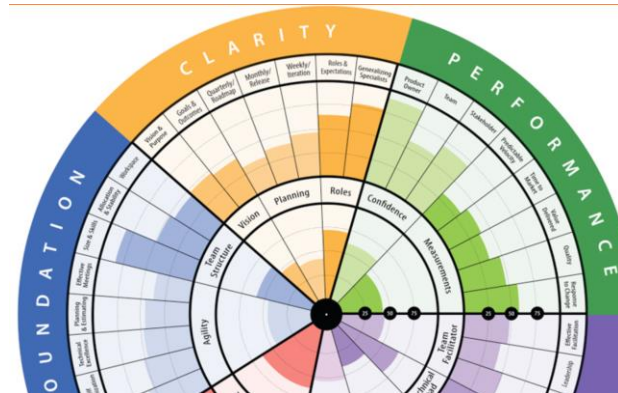
How can you *Reduce Complexity* and *Increase Transparency* to Achieve Enterprise-wide Alignment?

Step 1 of Journey: Business Model Canvas and CEO Metrics

Documenting the Current and Potential Target Business Models is Critical to Building Support



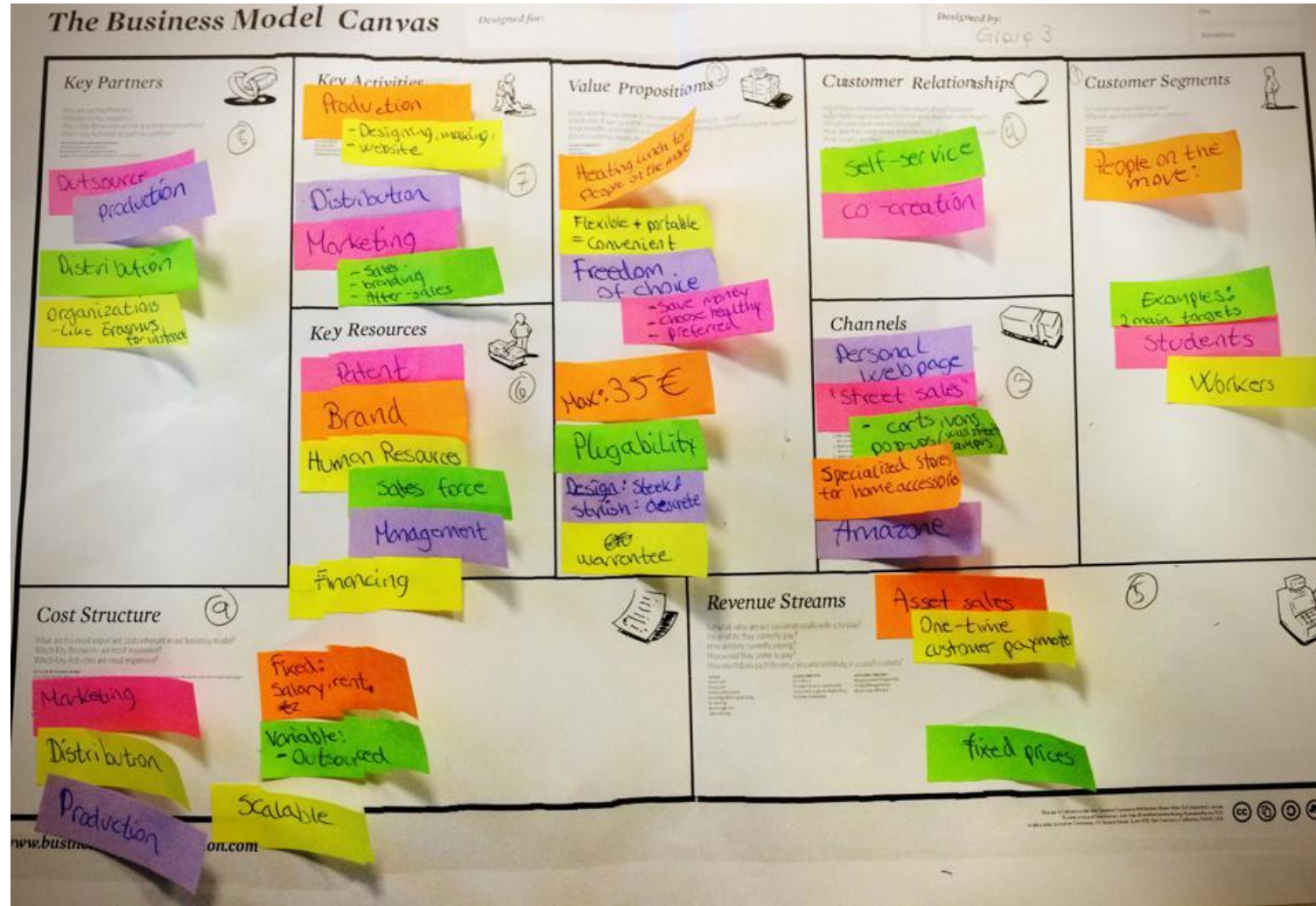
- The Business Model Canvas helps to quickly visualize the company's current and target business model and its key areas of focus
- AgiLeanIT team documents and confirms the Business Model and Key Success Metrics with Executive Management as the foundation for communicating the intent of Transformation



KPI	Current Performance	Optimal Digital Performance	Target Performance
Admin Costs	14%	▼ - 54 %	▼ - 40 %
Inventory	22%	▼ - 18 %	▼ - 25 %
Lost Sales & Service	42%	▼ - 60 %	▼ - 50 %
Transport & Warehousing	18%	▼ - 22 %	▼ - 30 %

Step 1 of Journey: Business Model Canvas and CEO Metrics

The Business Model Canvas Brings Agility to Strategic Planning



Step 2 of Journey: Digital Transformation and Innovation Opportunities

Hypothesis and Envisioning Impact on the Business Model and Experimenting

- **Artificial Intelligence**
 - Machine Learning
 - Big Data Analytics
 - Chatbots
 - Conversational Personal Assistants
- **Blockchain**
- **Cloud to the Edge and Mobility**
 - SaaS
 - xPlatform as a Service (PaaS – e.g. Integration)
 - IaaS (Private, Public, Hybrid)
- **Digital Platform, API Economy, and Microservices**
- **Immersive Experiences**
- **Internet of Things (IoT)**
- **Robotic Process Automation**



Step 3 of Journey: Understanding Value From the End-Customer Point of View Leveraging and Building on The Toyota Way to Get Started

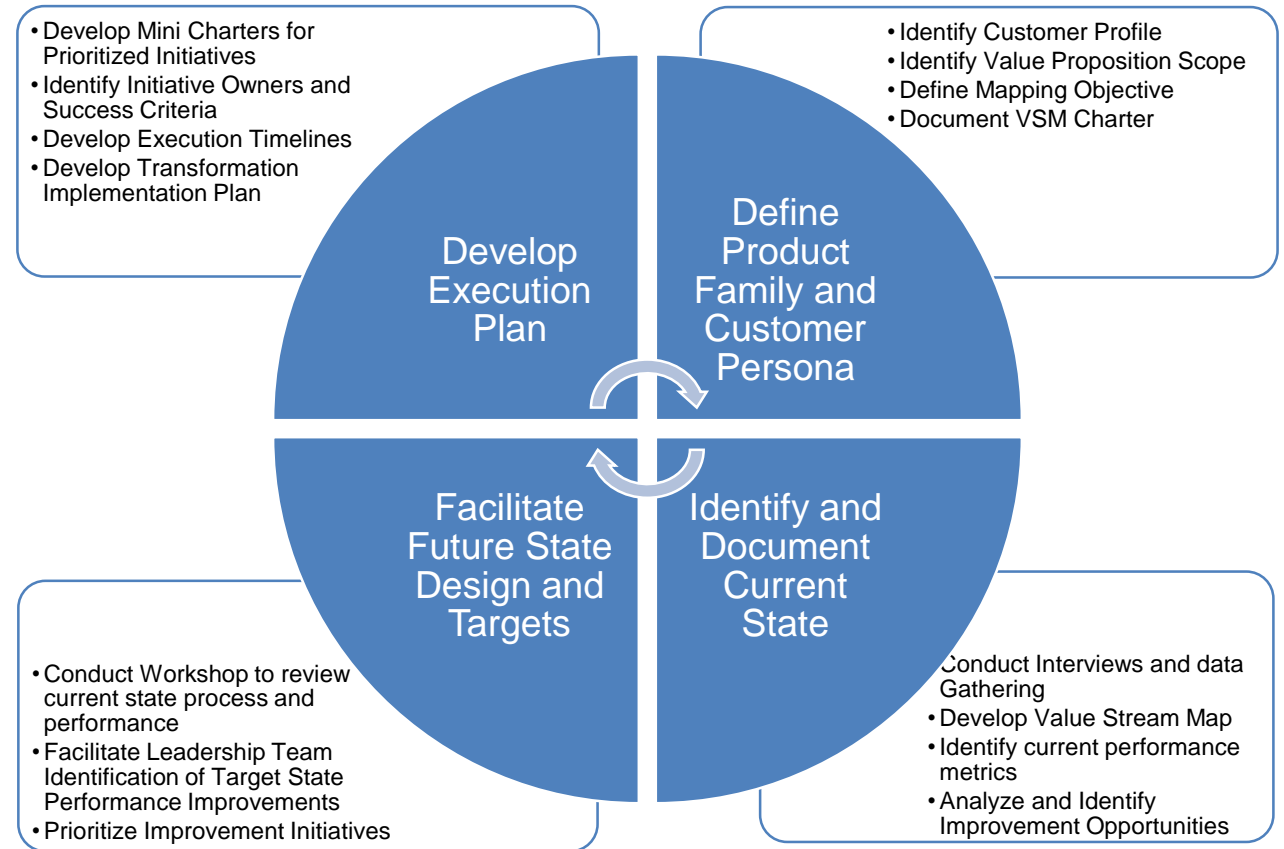
- Identify who is the customer (User Persona) and what is value added from their perspective
- Separate out the repetitive process from the unique, and start with the repetitive processes
- Map the flow to determine value added and non-value added
- Go out and observe, collect data, and find the wastes (Gemba Walk)
- Think about how to apply the lean principles and develop a future state map
- Start doing the new process and learn by doing



Step 3 of Journey: Understanding Value From the End-Customer Point of View

Value Stream Process Mapping and Metrics Methodology Overview

- Plot the main steps on how an organization creates value
- Collect data on quality and time
 - % Complete % Accurate, Lead Time, Process Time, Wait Time
- Identify opportunities for improvement and innovation
- Investigate / analyze those areas
- Identify and prioritize improvement opportunities
 - Process
 - Systems, Information Flow, and Emerging Technologies
 - Organizational Structure
 - Staffing and Resources
 - Training
- Develop Execution Plan



Step 3 of Journey: Understanding Value From the End-Customer Point of View

Symptoms of Broken Value Streams and Systemic Waste

- Complexity, exceptions and special cases
- Circumvent established procedures to expedite work
- Excessive information exchange, data redundancy, and rekeying
- High ratio of checking and review
- Managers spend a great deal of time “firefighting”
- No one manages the total process, process is managed in pieces
- We throw money at the problem and it doesn’t get any better



Step 3 of Journey: Understanding Value From the End-Customer Point of View

“Lean Digital Enterprise” for Continuous Improvement

- A lean Digital enterprise seeks to create the most value while generating the least amount of waste leveraging emerging technology innovations
- Lean focuses on creating a continuous flow of work and information to maximize customer value, Digitalization looks to embed Digital Technology into the Value Stream for highest client value



- By reducing waste, we improve flow
- By creating flow, we eliminate waste
- By applying Digital Technologies we optimize outcomes
- By eliminating waste and automation, we increase client value exponentially

Step 3 of Journey: Understanding Value From the End-Customer Point of View

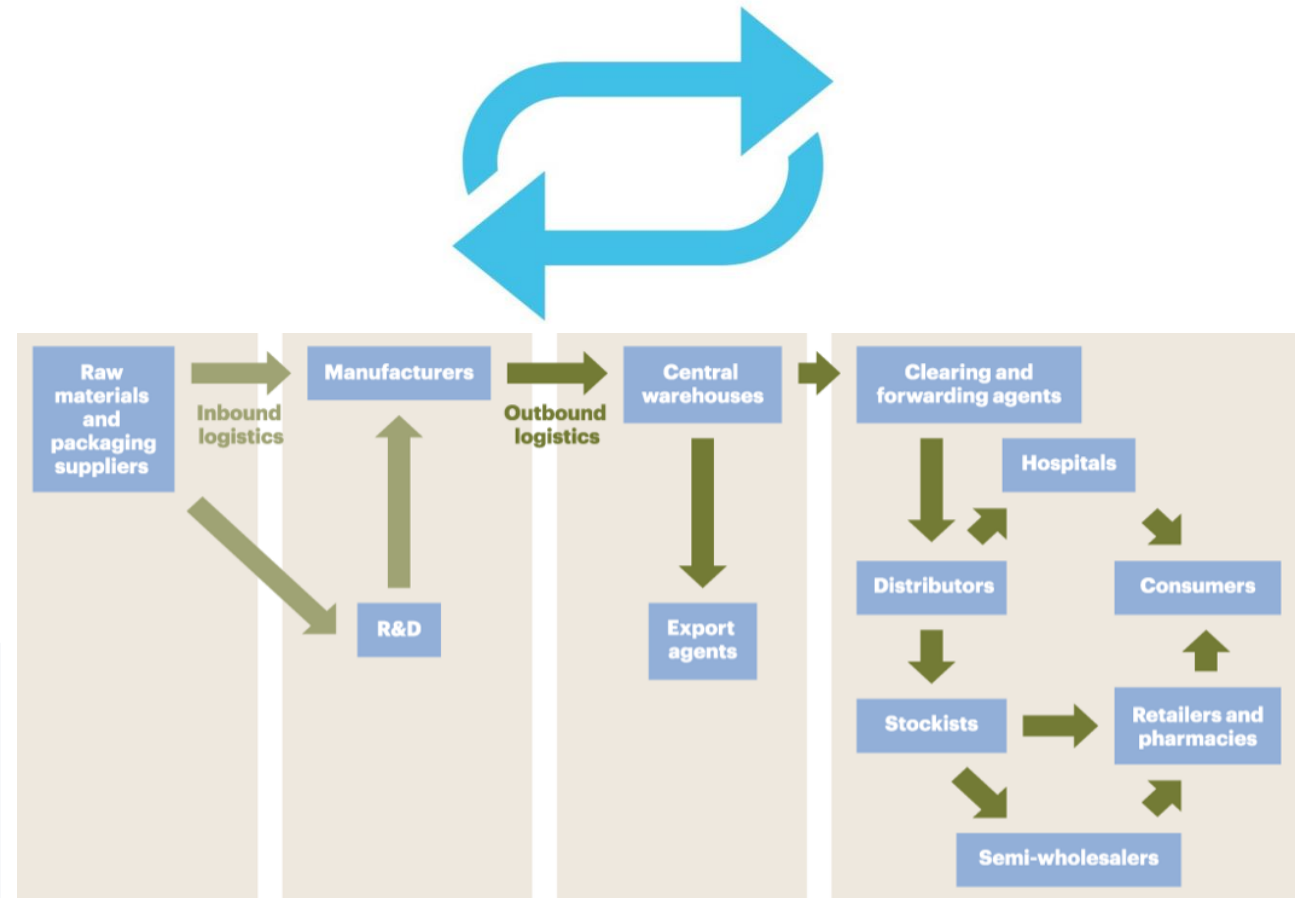
Advantages of Continuous Flow

- Shorter lead times
- Drastic reduction of work in process
- Drastic reduction of wait time
- Ability to quickly identify problems and fix them
- Reduced handling
- Flexibility in meeting customer demand
- Less worker frustration

How Can you Anticipate and Drive Higher Customer Value Up-Stream and Down-Stream Through Partners and New Ventures?

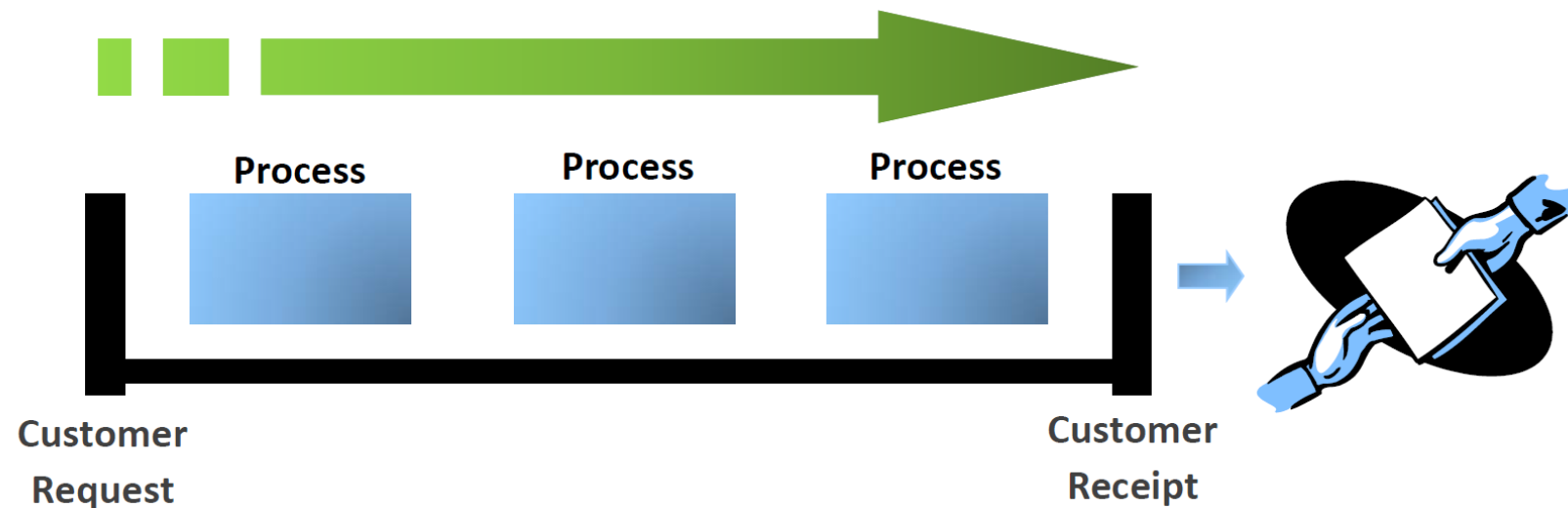
What are the Customer's Jobs, Pains & Gains?

Continuous Flow



Value Stream Definition

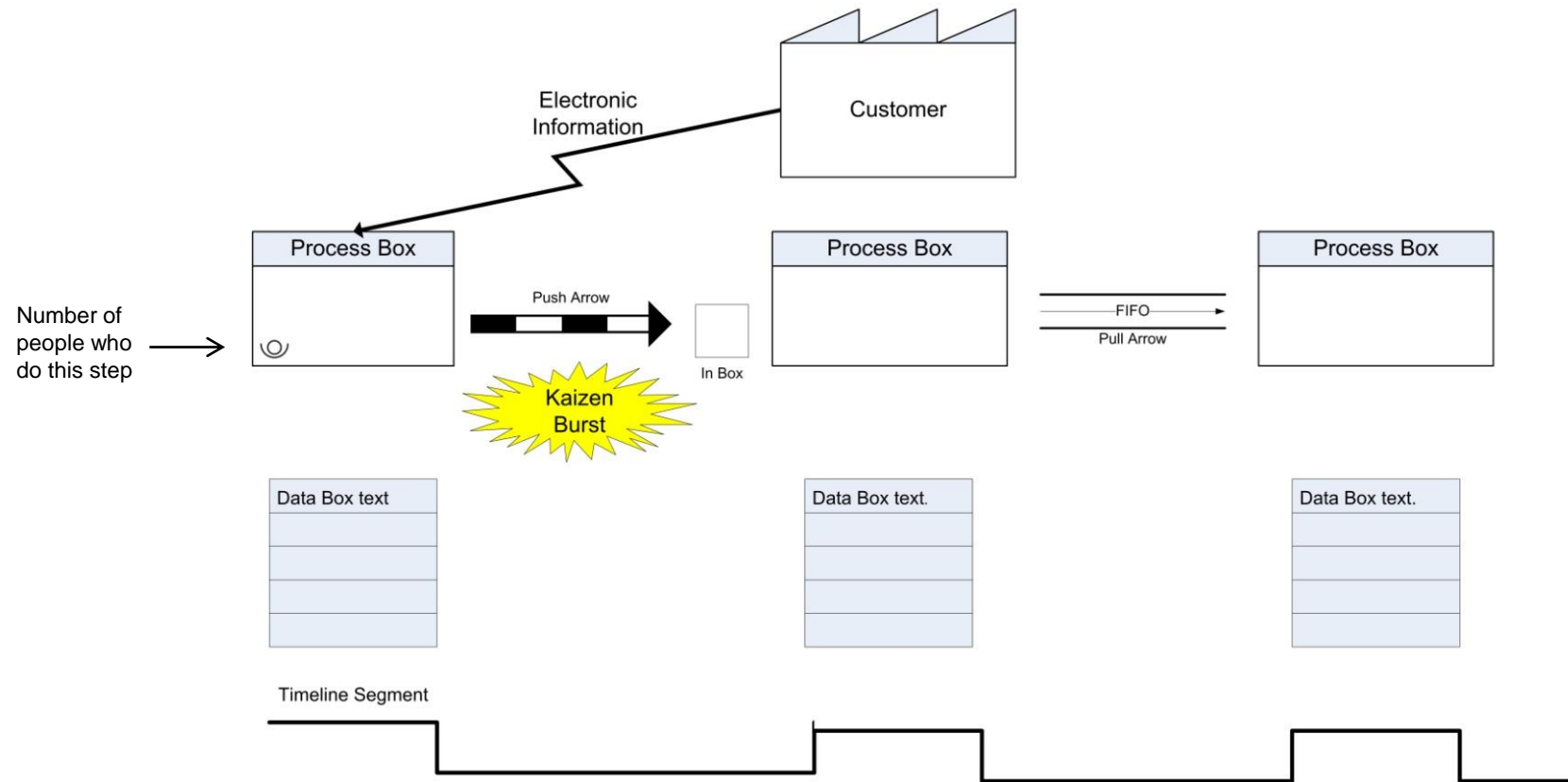
Value Stream: All the activities that an organization performs in order to transform an internal or external Customer Request into a Good or Service.



“The Machine that Changed the World”
James Womack, Daniel Jones, Daniel Roos - 1990

Value Stream Map Components

Office Value Stream Icons



Value Stream Map

Types of Data That May Be Captured to Determine Improvement and Innovation Opportunities

- **Processing Time** (P/T – The time that the item is being worked on by an Operator)
- **Lead Time** (L/T – The time it takes for one unit of the item being transformed to go through every step of the process)
- **Inventory / Queue Time** (The time that the thing gets shuffled around or sits around waiting for someone to work on it)
- **% Complete and % Accurate** (%C%A – The percent of deliverables that are received by the downstream operation or customer that do not need correction, addition, clarification, or rework)
- **Information Technology / Information System Used**
- **Demand rate** (Comes from the Customer Report Card)
- **Typical batch sizes**
- **Number of people**
- **Setup Time**
- **Available Time**
- **Reliability**



Value Creation

$$\text{Value} = \frac{\text{Quality} + \text{Service}}{\text{Cost} + \text{Time}}$$

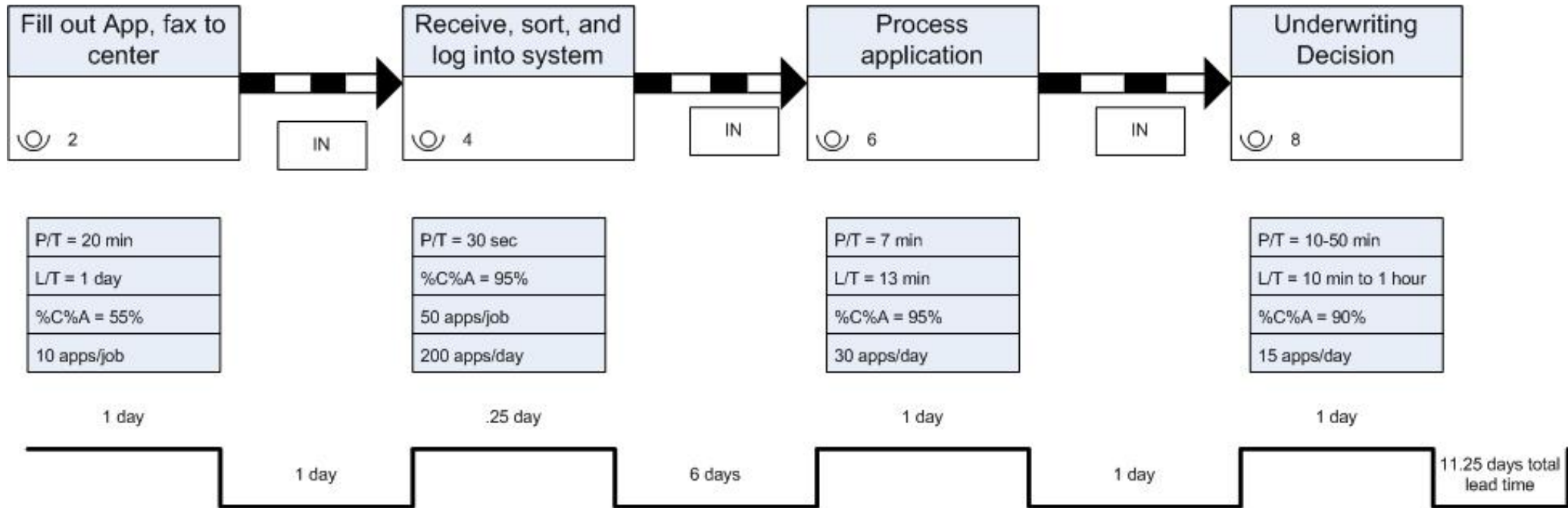
Customer Report Card

<i>Ranked Criteria</i>	<i>Process Performance</i>	<i>What an "A" looks like</i>
Health coverage meets person's needs	B+	Has all the features of competitors
Cost of coverage	B	Equal to or less than competitors
Time to complete and get coverage (9-11 days)	F	Equal to or less than best competitor (5 days)

Value Stream Map

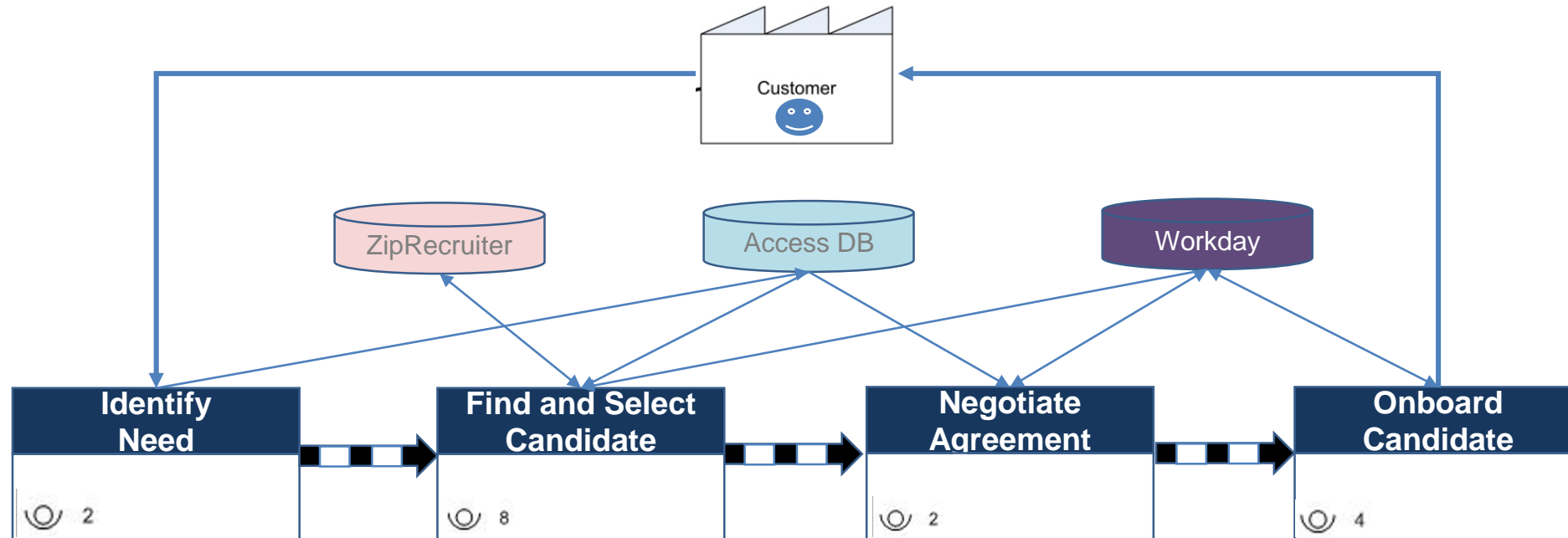
Health Insurance Company – Value Stream Example

Processing Individual and Family Plan Insurance Policies



Value Stream Map

Recruiting Value Stream and Information Flow Map and Metrics as Initial Diagnostic Tool

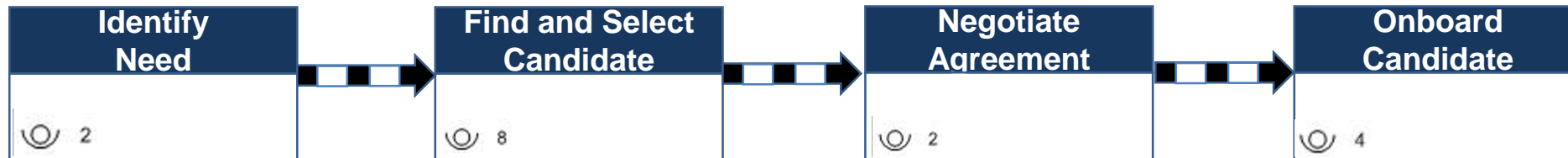


$$\text{Activity Ratio} = \frac{PT}{LT} = \frac{23 \text{ hours}}{1,320 \text{ hours}} = 1.74\% \quad \text{Percent Complete and Accurate} = 75.6\%$$

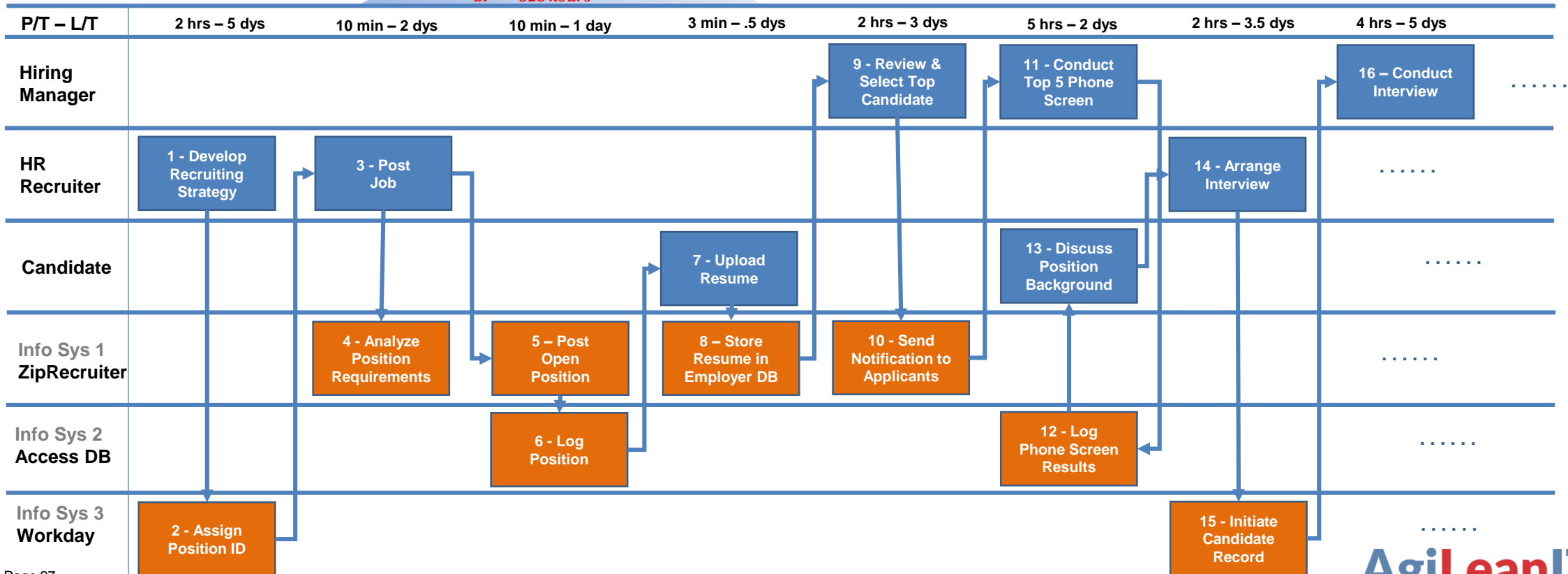
P/T – L/T	2 hrs – 5 dys	15 hrs – 22 dys	2 hrs – 10 dys	4 hrs – 8 dys
%C %A	82%	95%	98%	99%

Value Stream Map

Recruiting Process and Information Systems Flow Map to Identify Improvement Opportunities



$$\frac{PT}{LT} = \frac{15.38 \text{ hours}}{528 \text{ hours}} = 2.91\%$$



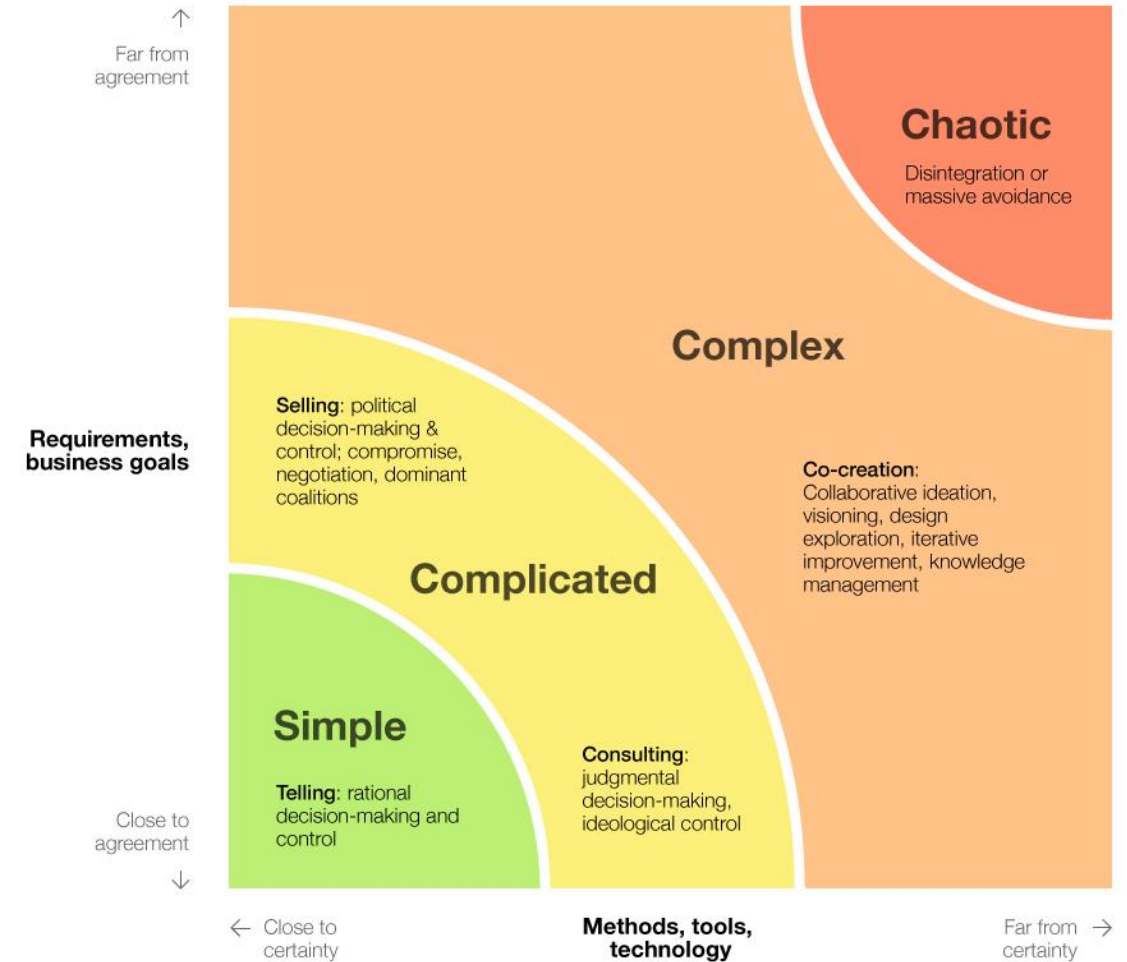
Value Stream Map

Value Stream Transformation Plan (Recruiting Value Stream Example)

Value Stream Transformation Plan																	
Value Stream		Staff Recruiting			Plan Review Dates												
Executive Sponsor		John Smith			24-Aug-18												
Value Stream Champion		Bob Baker			21-Oct-18												
Value Stream Mapping Facilitator		Dan Madison			22-Dec-18												
Date Created		6/29/2018			28-Feb-19												
Priority	Target Performance Level	Planned Countermeasure	Exec. Method *	Owner	Planned Timeline for Execution												Status
					1	2	3	4	5	6	7	8	9	10	11	12	
2	Improve quality of referral to 85%	Implement standard work for referral process	Project	BH													12%
3	Reduce lead time between scheduling and screening step to 45 minutes	Cross-train and co-locate work teams	Task	JC													25%
1	Only one check in per candidate	Conduct Background Check in ZipRecruiter	Work Order	JC													34%
11	Reduce wait time in waiting area by 50%	Balance work / level demand	Project	KI													32%
7	Eliminate 6 hour lead time associated with background check step	Implement Artificial Intelligence technology	Task	RI													45%
5	Eliminate redundant data entry	Auto populate between ZipRecruiter and Workday	Work Order	BH													20%
6	Visually managed inventory; no outages or expired items	5S screening area; implement kanban	Work Order	JC													10%
9	Reduce screening interview LT to half hour	Assign value-stream specific screeners	Project	RI													23%
10	Reduce resume delivery to Workday LT to 30 minutes	Increase % of recruiters receiving electronic delivery	Task	JC													23%
8	Reduce LT at resume review to 1 day	Visual metrics and indicators	Work Order	KI													2%
4	Improve quality of resume data gathering by 35%	Enable Recruiter Web Self-Service Access to selection criteria with a new Agile Team	Project	VM													14%
Agreement																	
Executive Sponsor				Value Stream Mapping Facilitator													
Signature:				Signature:													
Date:				Date:													

Step 4 of Journey: Applying Agility to Digital Transformations

- Traditional approaches – Waterfall
 - Well-understood projects, little variance, repeated implementations, less uncertainty
- Most Digital Transformations involve
 - New technologies, high uncertainties
 - Integrating acquisitions, combining requirements
 - New customer base, different expectations
- Traditional approaches no longer sufficient for addressing newer needs
- Stacey Matrix helps qualify approaches for new transformations
 - Technology Uncertainty
 - Requirements Uncertainty

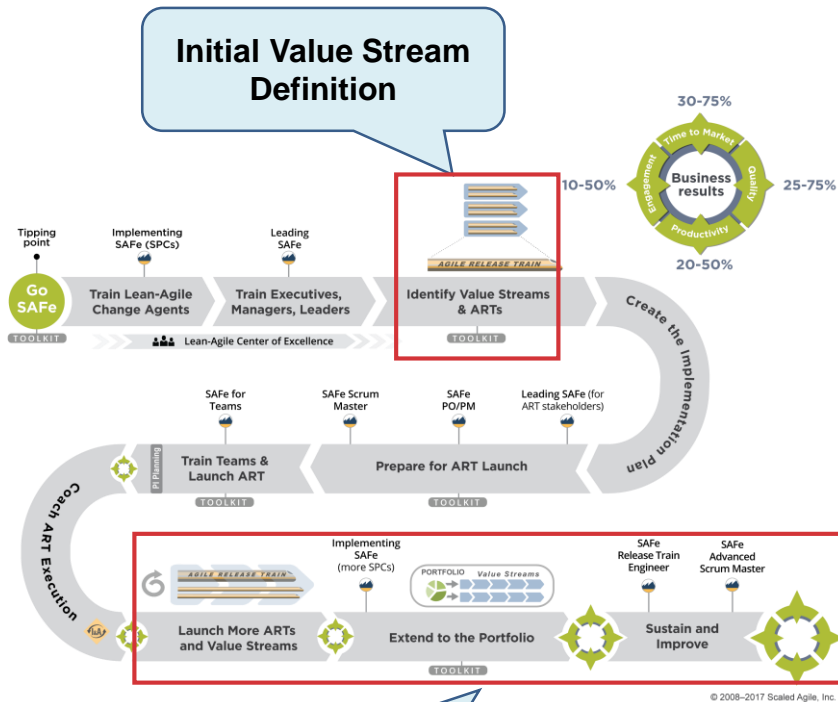




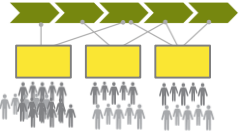
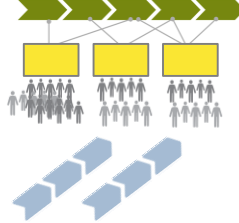

Step 4 of Journey: Steps to Address Uncertainties in Digital Transformations

- Clearly articulate what needs to be built to support transformations
 - Value Proposition Canvas for addressing customer pain points
 - Customer Journey Mapping for accommodating end-to-end experience considerations
- Continually engage and listen to the customer
 - Build vertical slices of functionality to show quick value to customer
 - Deliver and deploy valuable chunks of functionality to obtain feedback
 - Learn quickly from customer feedback to update requirements and pivot product directions
- Systematically experiment and apply new technologies
 - Plan Architecture Spikes and Infrastructure components to scale development by multiple development teams
 - Build Architectural runway and UX runway components just in time for system development
- Enable rapid deployment of developed software to minimize WIP and accelerate value delivery to customer
- Enable feedback mechanisms to accelerate learning through A/B Testing, etc.



Step 4 of Journey: Mapping SAFe® Trains and Teams to Transformation Initiatives



- 1 Identify an Operational Value Stream 
- 2 Identify the systems which support the Operational Value Stream 
- 3 Identify the people who develop the systems 
- 4 Identify Development Value Streams that build these systems 
- 5 Realize Value Streams into ARTs 

Re-evaluating your ART definitions due to initial compromises, revised Portfolio investments, or new target optimizations

Step 4 of Journey: Mapping SAFe® Trains and Teams to Transformation Initiatives

Examples of Value Streams to Organize Agile Development Teams

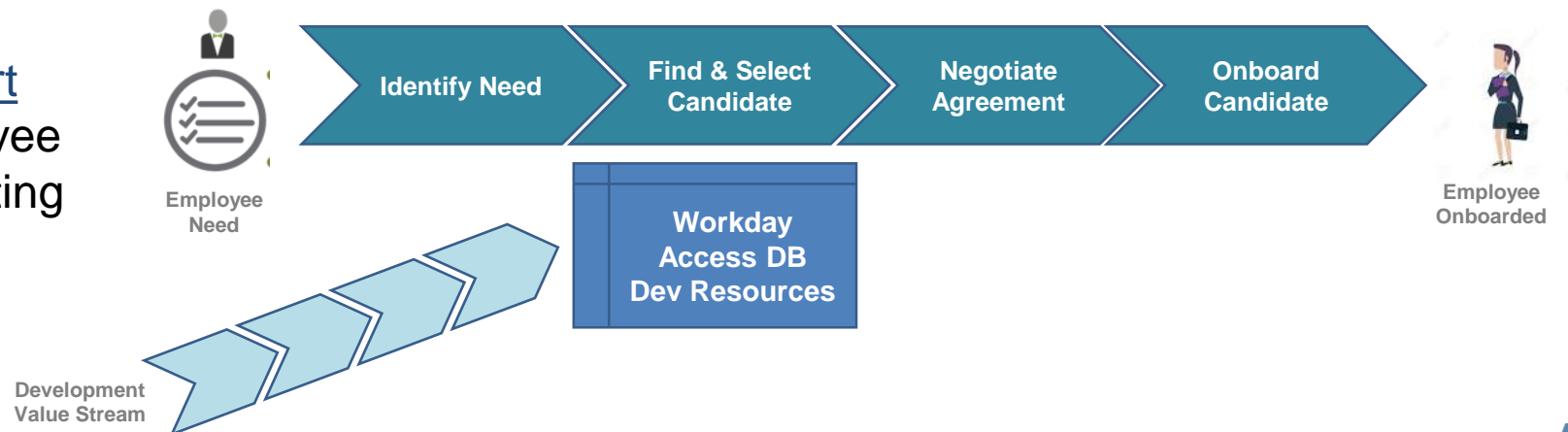
Operational Hospital patient services



Operational Consumer bank loans

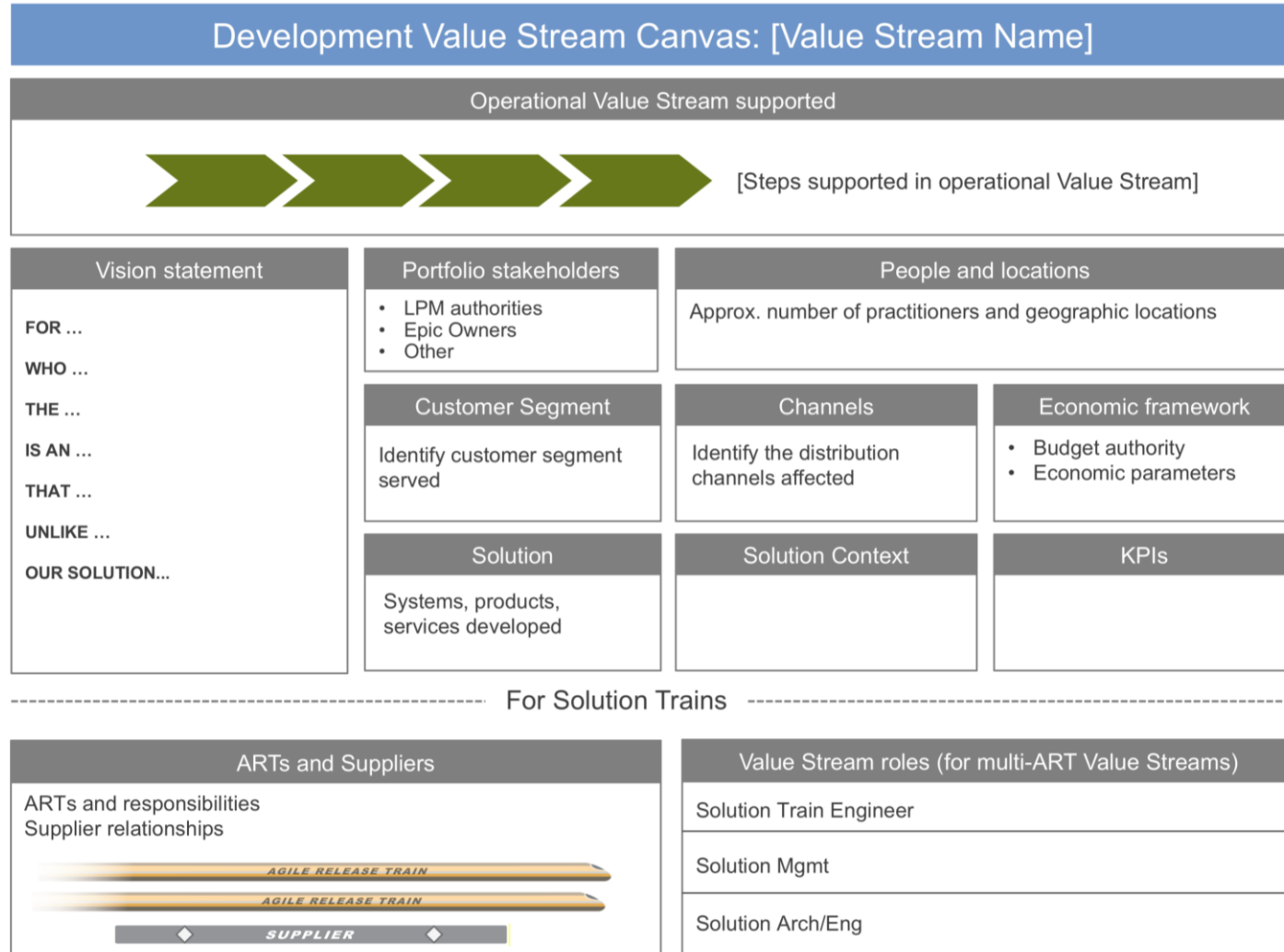


Support Employee Recruiting



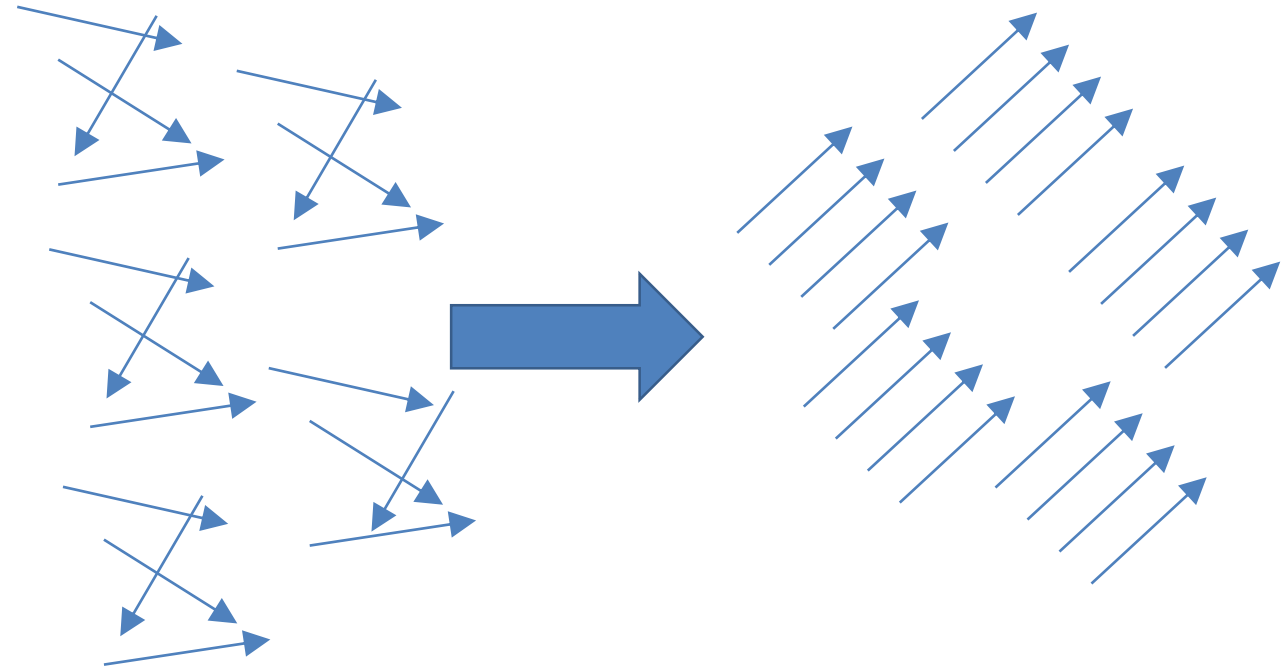
Step 4 of Journey: Mapping SAFe® Trains and Teams to Transformation Initiatives

Documenting a Development Value Stream



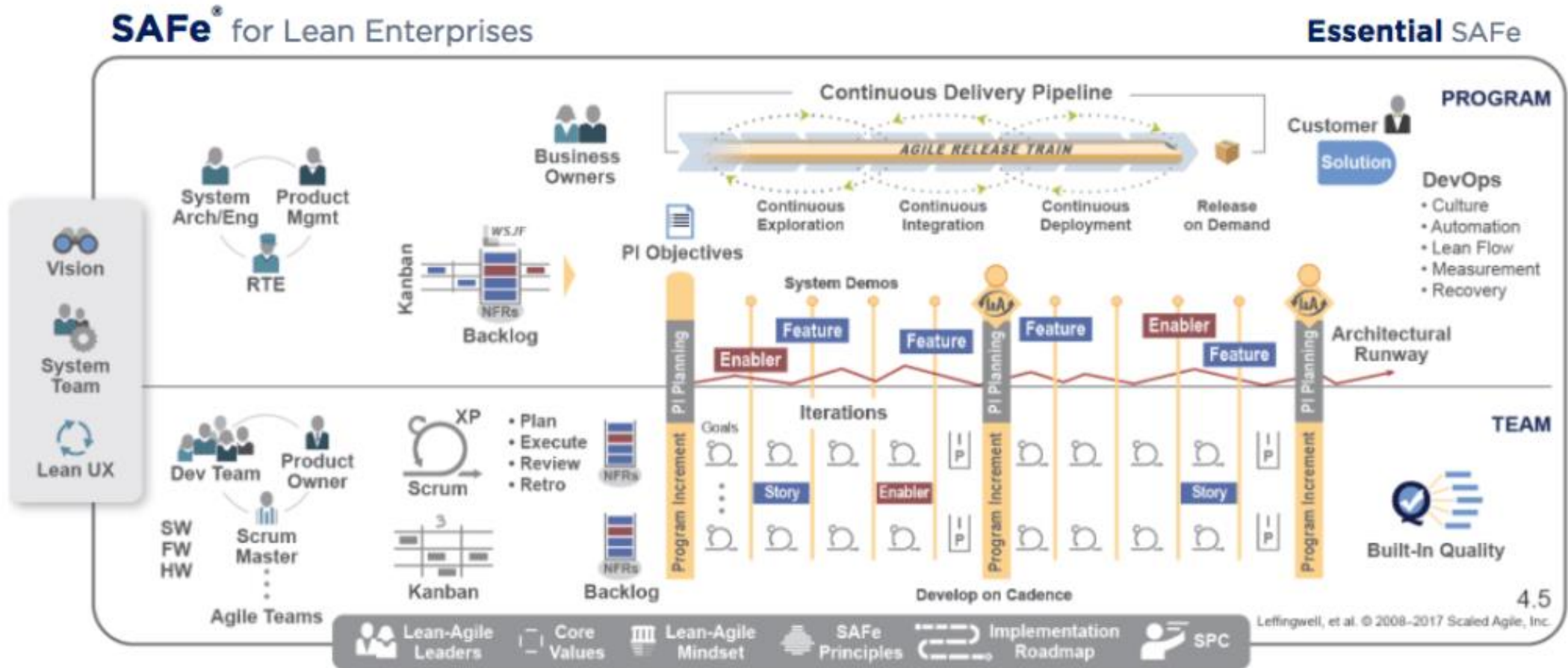
Step 4 of Journey: Scaling Agile and SAFe® for Large Digital Transformations

- Align within a team through self-empowerment, adopting the manifesto values and principles
- Scale to multiple teams and align across them for large-scale transformations
- Estimate accurately and incrementally for larger program increments and manage dependencies across teams and iterations/sprints
- Deliver valuable chunks quickly, yet plan and commit long-term deliverables of large projects to plan downstream dependent activities
- Improve transformation success dramatically by continuing to embrace the Agile values and principles in all scaled situations



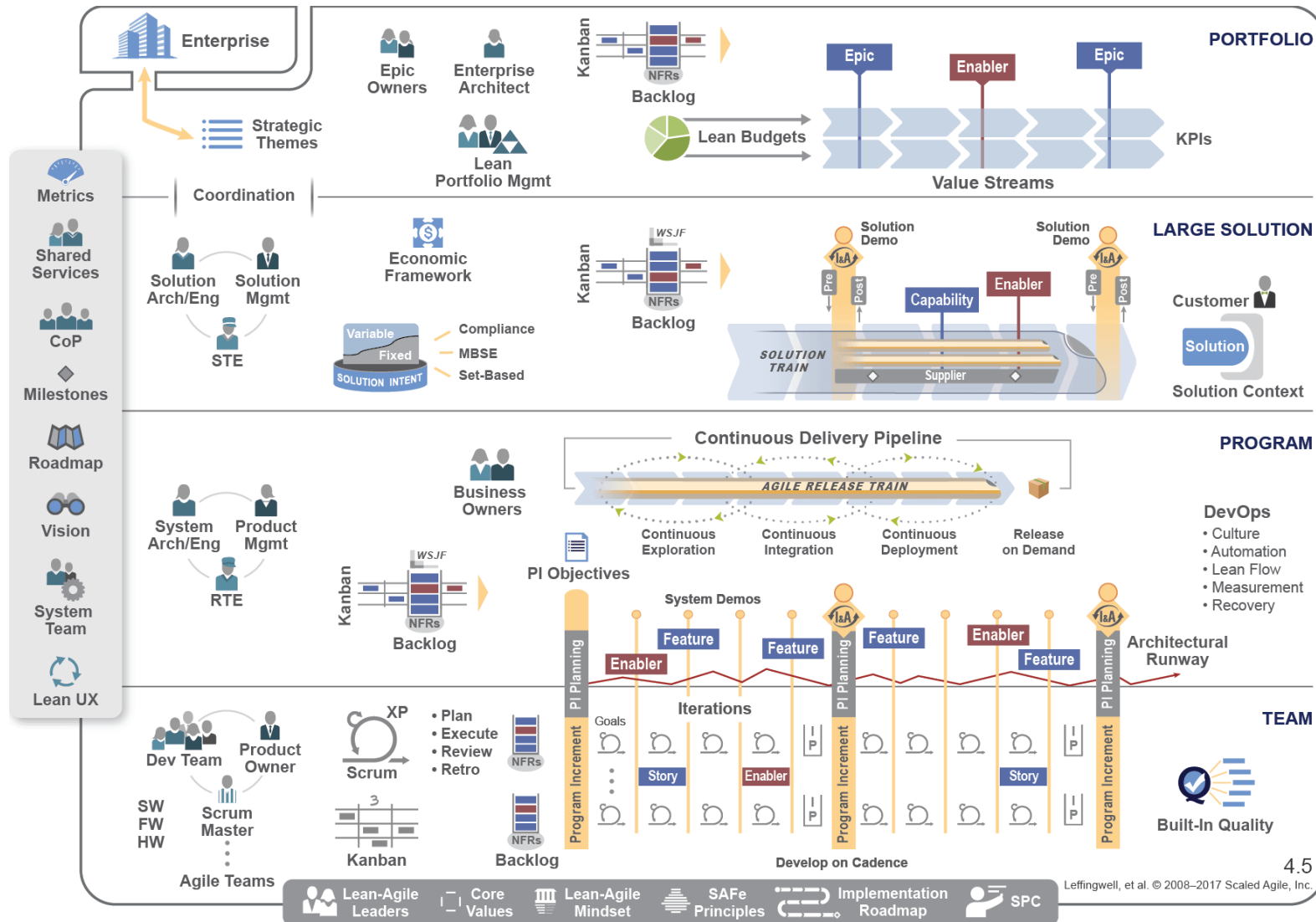
Step 4 of Journey: Mapping SAFe® Trains and Teams to Transformation Initiatives

Essential SAFe® – Release Trains, Programs, and Teams



Step 4 of Journey: Mapping SAFe® Trains and Teams to Transformation Initiatives

Full SAFe® Framework – Portfolios, Large Solutions, Programs, and Teams

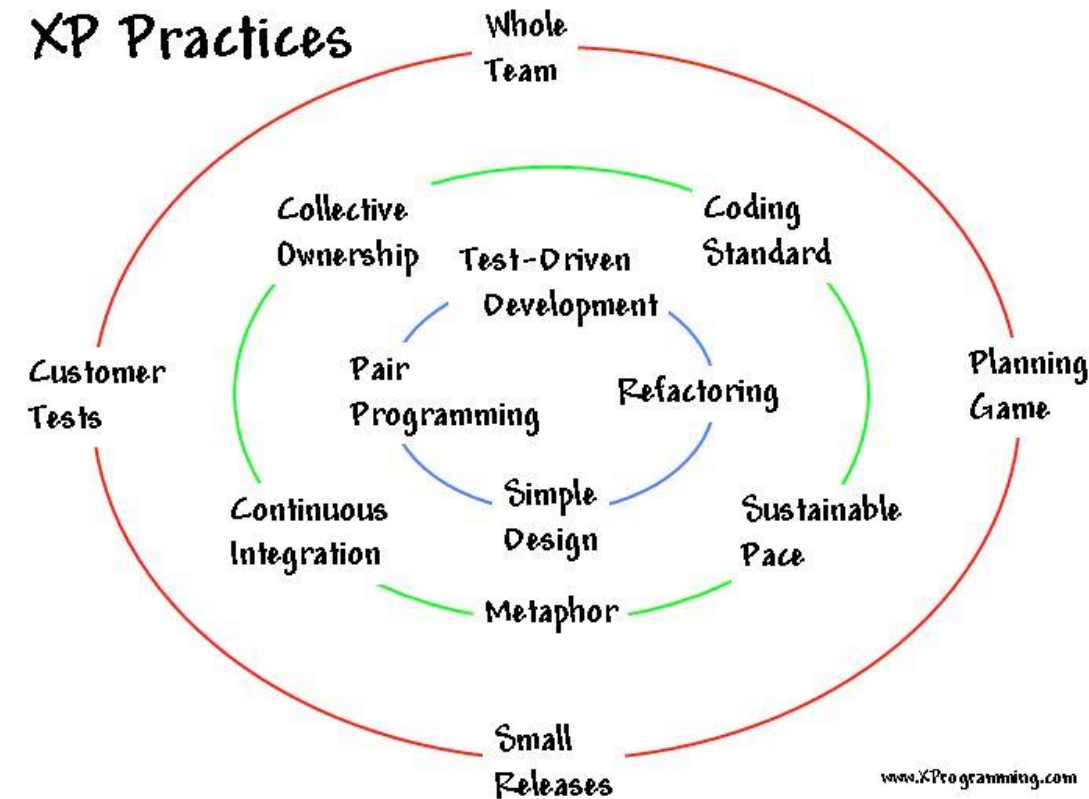


Key Success Practices to enable Digital Transformations

- XP – Extreme Programming Practices
- Skillset – T-Shaped Skills
- Team Structure – Long lived, High Performance teams
- HR Practices – changing reward mechanisms
- Enablement – Coaching, Mentoring and Agile Center of Excellence

Best Engineering Practices – XP

- Shared understanding, fine grained feedback, pair programming, collective code ownership
- Whole team involved in planning & execution
- Simple designs, architecture & UX runways, refactoring, coding standards
- Build quality in, Test-driven Development, continuous integration
- Sustainable pace

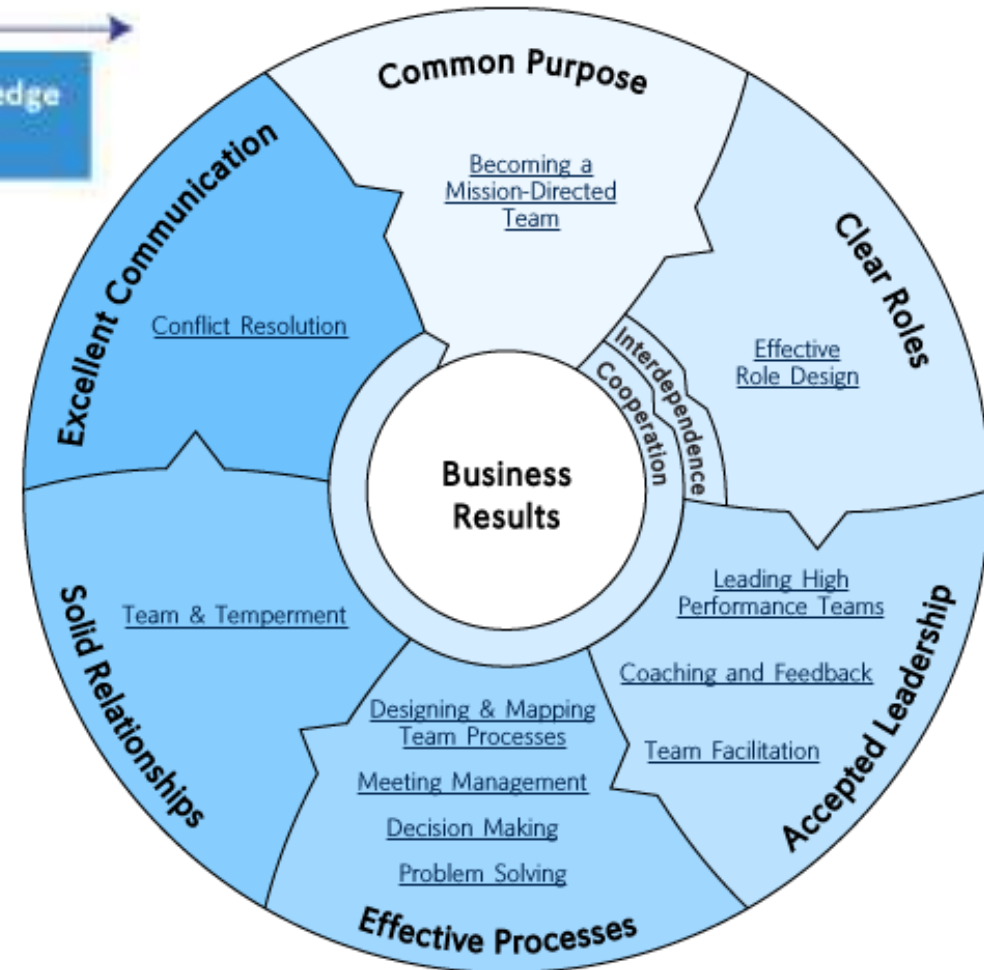
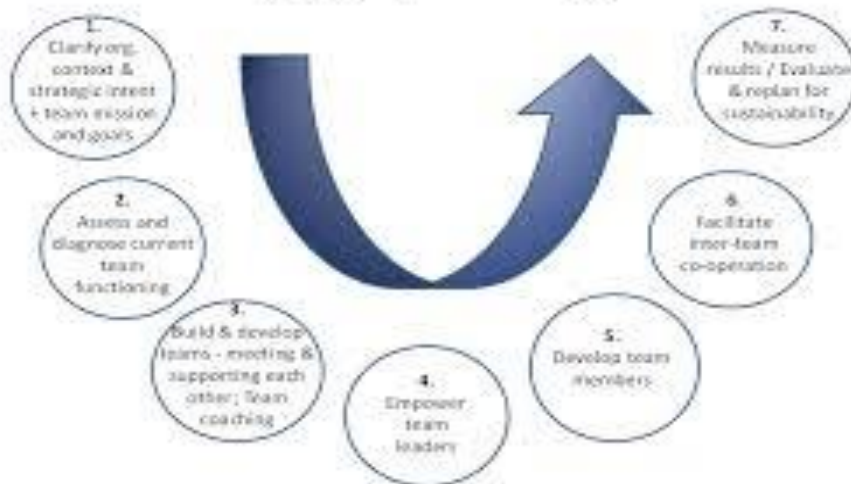


Skillset Management and Deployment

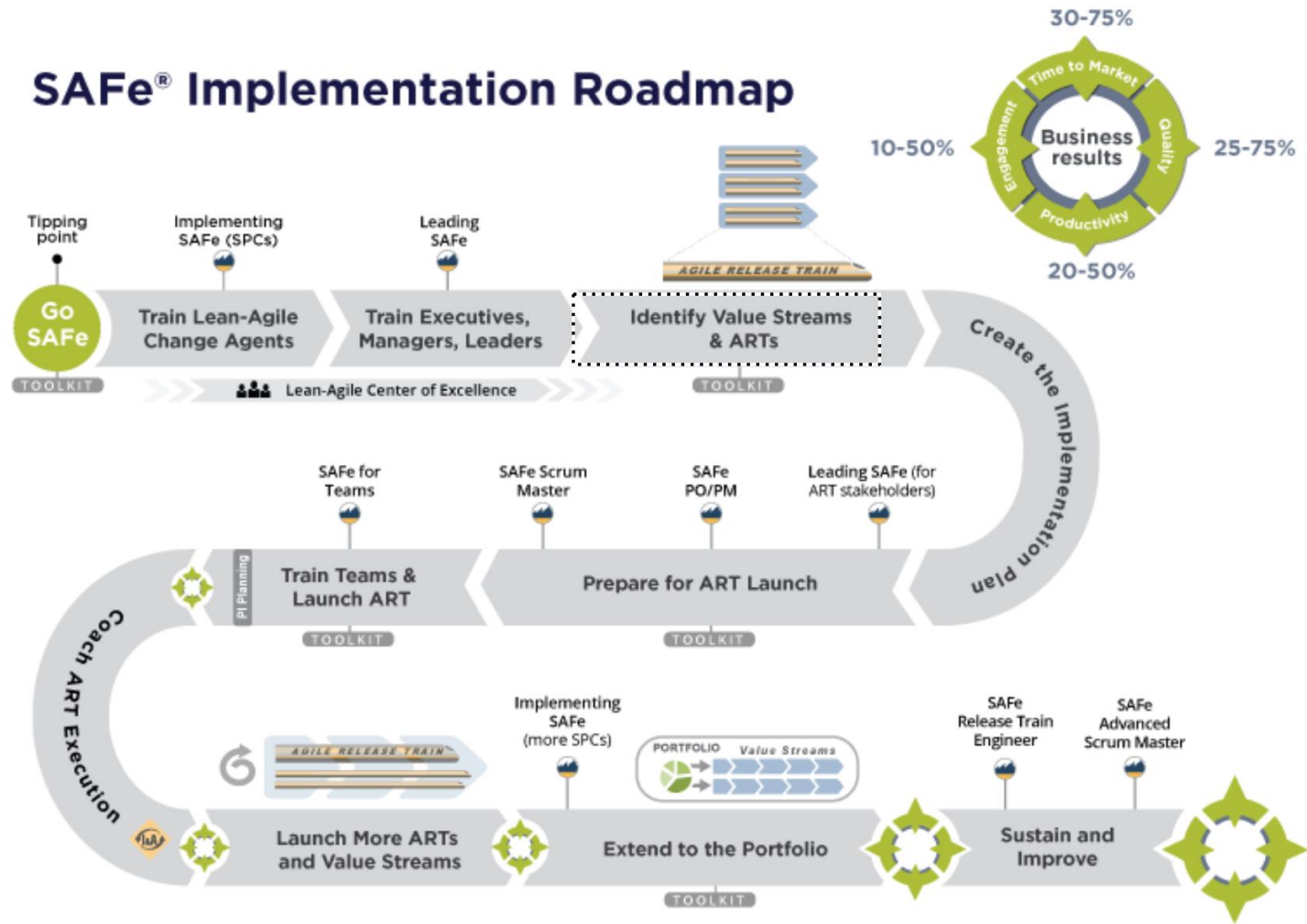
- T-Shaped skills - Broad skills in multiple technologies, depth in a few; willingness to work in multiple areas
- Feature based teams Vs Component teams
- Development and Test skills
- Long-lived Teams for High Performance
- Team-based Reward Systems



Building high-performing teams



Lean and Agile IT Transformation Roadmap – Leveraging SAFe® Guidance



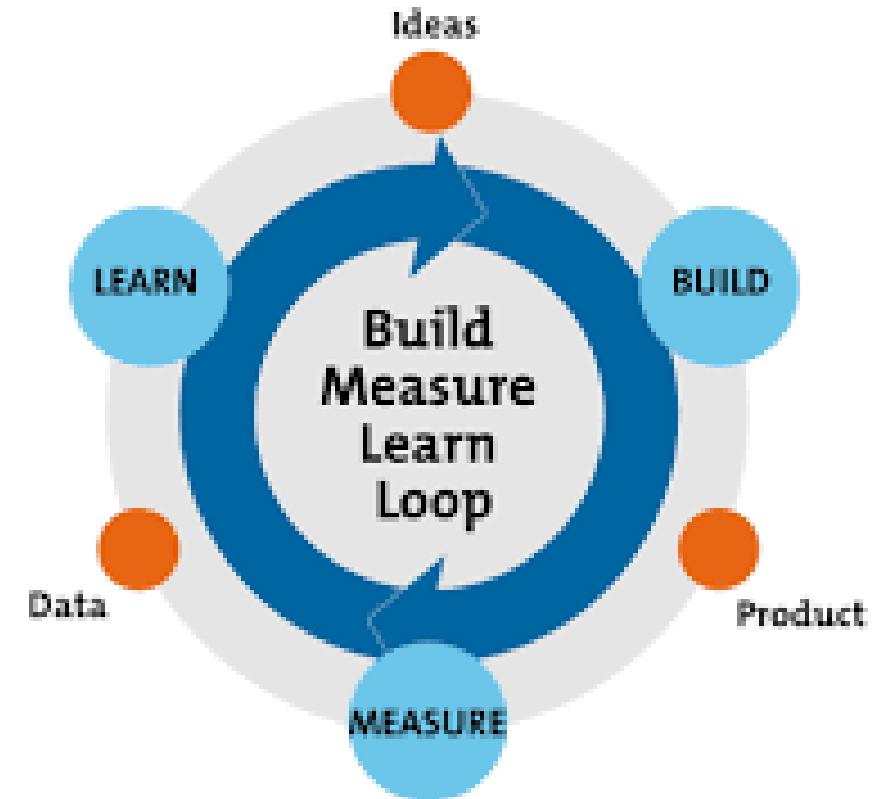
Key Resource Requirements for Scaled Agile Initiatives:

- Expert Coaches (Lean and Agile)
- Value Stream and Process Mapping Experts
- Release Train Engineers
- Scrum Masters
- DevOps Engineers
- UX Designers and Architects
- Systems / Technical Architects
- Enterprise Architects
- Security Architects
- Cloud Architects
- Integration Architects

Summary: “Lean Digital Enterprise” for Continuous Innovation / Disruption

Lean Digital Core Values

- **Minimum Viable Product** – Test fundamental business hypothesis
- **Continuous Deployment (only for software development)** – Continuous release of new functionality
- **Split Testing** – Different product versions are offered to customers at the same time
- **Actionable Metrics** – As opposed of vanity metrics emphasizing the positives
- **Pivot** - Structured course correction
- **Innovation accounting** – Effectively measuring progress, planning milestones, and prioritizing
- **Build-Measure-Learn** – Continuous cycle of experimentation and innovation



Summary - AgiLeanIT's Digital Transformation Approach

- Adopts all Agile Manifesto Values and Principles
- Leverages the best from all Agile Scaling and Hybrid approaches to enable high rate of success for Digital Transformation
- Applies Lean Startup Methodologies to better engage business and understand the customer needs
 - Business Model Canvas
 - Value Proposition Canvas
 - Customer Journey Mapping
- Uses appropriate frameworks (Scrum, Kanban) and appropriate terminologies and ceremonies to drive Transformation success
- Exploits and utilizes Lean Principles and Methods in every step of the Transformation Process

LEAN MANAGEMENT (‘80s, ‘90s)	
AGILE DEVELOPMENT (mid 2000s)	LEAN STARTUP (2010 onwards)
Product Roadmap	Business model canvas (Lean Canvas)
Product Vision	Product Market Fit
Release Plan	Minimal Viable Product
Sprint	Kanban
Sprint Review	Pivot
User Story	Hypothesis
Definition of done	Validated Learning
Red-Green-Refactor	Learn-Measure-Build
Customer Feedback	Customer Validation
Acceptance Test	Split Test
Continuous Integration	Continuous Deployment
Certified Scrum Master	Customer Success Manager

Questions?

Email us at: info@agileanit.com

- AgiLeanIT is a division of Nouri Associates, Inc. (NAI) an international Business and Information Technology Management Consulting, training, benchmarking and solutions firm founded in 2001. We have a proven track record of successfully serving our clients with measurable business and IT improvement and scaling of Agile Solutions Delivery
- AgiLeanIT team of highly experienced IT and business strategy and process consultants and educators are focused on providing transformation enablement, coaching and mentoring services:
 1. Business and Digital Strategy and Transformation
 2. Lean and Scaled Agile Methodology (e.g. SAFe®) Deployment and Adoption
 3. SAFe® Quick Start Assessments
 4. Executive and Middle Management Agile Transformation Coaching
 5. Just-in-Time Staffing of Transformation Subject Matter Experts
 6. Lean Portfolio Management
 7. Enterprise Architecture and Digital Platform Planning
 8. Design Thinking, Lean UX, and Customer Value Mapping



Appendix

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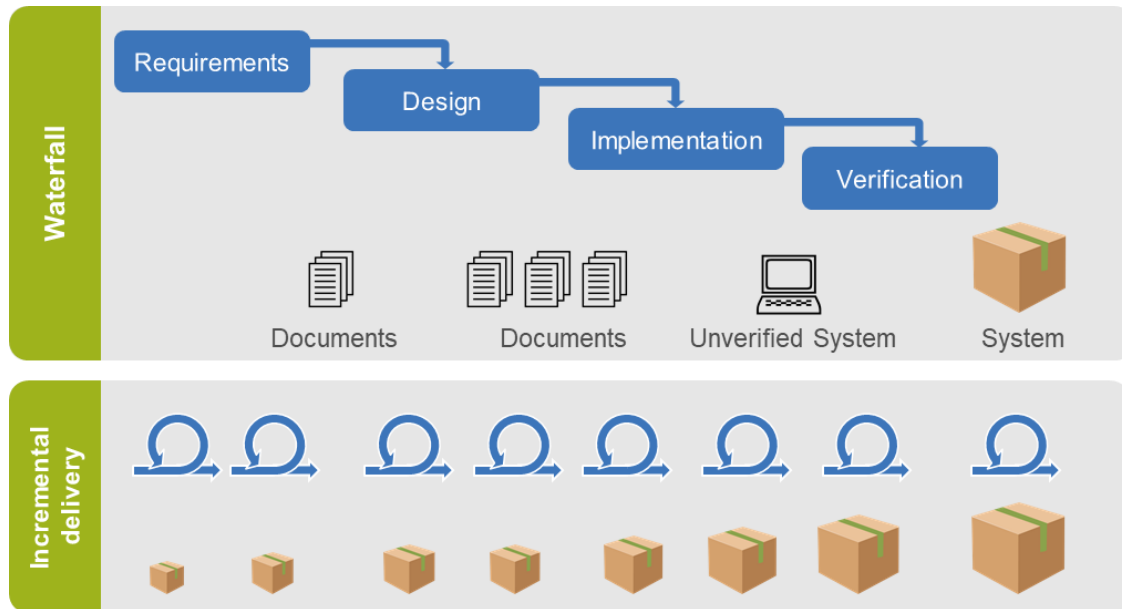
IT Transformed.

Agile vs. Waterfall Aspects – Comparison

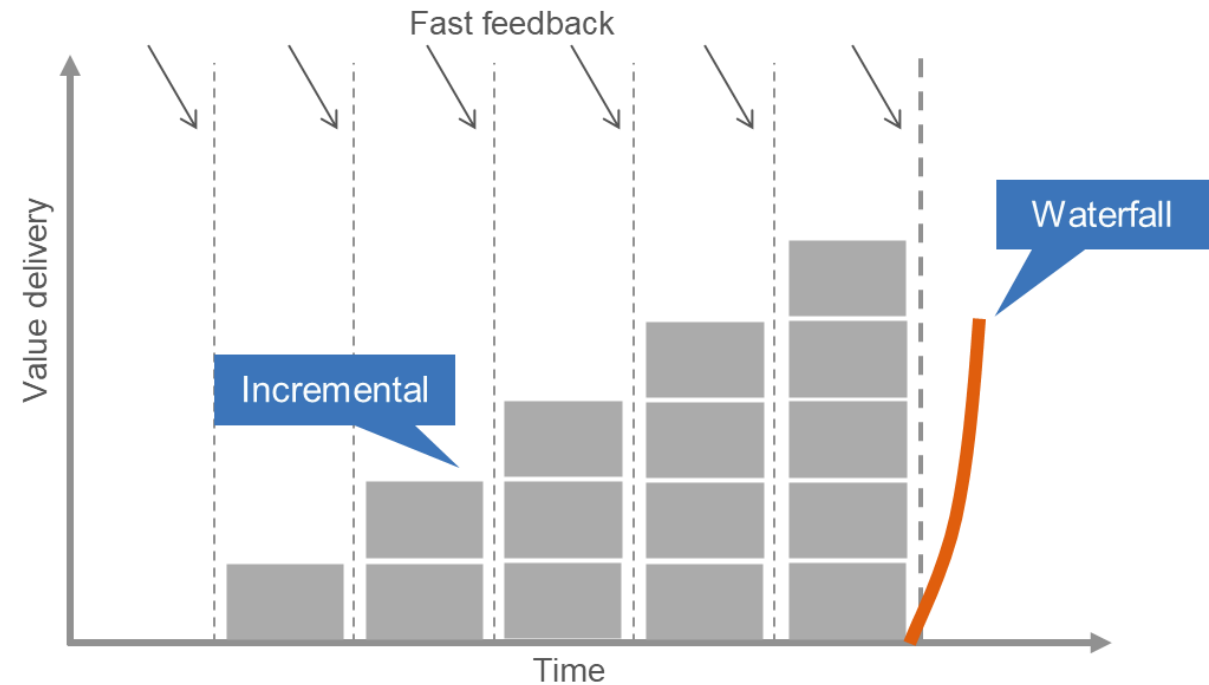
Aspect	Agile	Waterfall
Commitment and Delivery	<ul style="list-style-type: none"> Organize to reduce cost of change (not amount of work) Balance between value delivery now & future ability Deliver frequently, on cadence; scope varies, quality important Team responsible 	<ul style="list-style-type: none"> Artifacts reviewed & approved; changes can be costly Scope fixed, cost & schedule varies based on factors Deliver on deadline; early commitment matters Project manager responsible
Decisions and Adaptability	<ul style="list-style-type: none"> Effective before efficient Defer decisions to last responsible moment Fail fast, earlier and cheaper; maximize learning 	<ul style="list-style-type: none"> Optimize utilization Make early commitment; minimize changes Get it right first time; no room for failures
Tracking progress	<ul style="list-style-type: none"> Time boxed; Deliver shippable quality Continuous value delivery tracked for % progress 	<ul style="list-style-type: none"> Delivery on final deadline; review for quality compromises Progress is % completion of initial plan
Individuals	<ul style="list-style-type: none"> People, respect, trust, transparency Broad expertise, T-shaped skills 	<ul style="list-style-type: none"> Resources, technical skills matters, experts Deep expertise, specialist “resources”
Interactions	<ul style="list-style-type: none"> Self-organizing teams; keep colleagues informed Teams share ownership of decisions & results; work by consensus Servant leaders in trusting, supportive relationship 	<ul style="list-style-type: none"> Hub & spoke model – manager coordinating and organizing Teams not feeling ownership; looks to manager for decisions Command and control relationship

Agile vs. Waterfall Aspects – Comparison, Cont'd

Waterfall vs. Incremental



Value Delivery Over Time



Waterfall vs. SAFe® vs. LeSS vs. Hybrid – A Comparison

Waterfall

- Initial estimation and commitment when we know the least
- One delivery at the end – leading to success or failure
- No meaningful intermediate tracking
- Little experimentation and opportunities to change

SAFe®

- Concrete Planning with firm estimates and backlog for multiple Agile teams for duration of PI or release
- Intermediate deliveries at every iteration, integrated to whole product and deployed
- Great tracking, metrics and success measures
- Spikes encouraged, reasonable opportunities to change to steer towards success

LeSS/Spotify/Nexus, etc.

- Great planning scaling to multiple Agile teams for each sprint
- Single backlog for all teams, with focus on concrete product delivery at each sprint
- No long term, multi-iterations planning with no firm project end deadlines
- Highly Agile, great for new technologies and undefined requirements

Hybrid Agile Scaling

- Adequate planning with accurate estimates for next iteration and approximates for subsequent ones
- Regularly groom backlog to keep similar planning accuracies
- Track and deliver integrated product at every iteration similar to other scaling agile methods
- Combines the best of all positive characteristics from other agile scaling concepts

Overcoming Large SAFe® Transformation Challenges

- Overcoming cultural bias engrained at each level of management
- Management need for control and vanity metrics
- Preference for traditional project metrics and comprehensive plans
- Streamlining customer value creation
- Performance Management Systems incenting the wrong behaviors
- Overcoming organizational resistance
- Insufficient DevOps infrastructure and automation

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