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Lean-Agile Innovation!

* How Lean-Agile mindset and practices can foster innovation in your organization!

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PMP, PMI-ACP, CSM, SAFe Agilist, SPC

Agenda
• About innovation
• Lean-Agile framework*
• A Case Example
• Summary and Q&A

* Source: Scaled Agile Framework, SAFe®

Slide 1

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About Innovation

Innovation distinguishes between a leader and a follower.
Steve Jobs

BrainyQuote

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What is Innovation?

The process of translating an idea or invention into a good or service that creates values for companies and customers...

"*Innovation is both a complex science and a collaborative art. Sustainable change can only arise from a coalition of visionary thinkers, strategic planners, talented practitioners and fast-acting project managers.*" Innovation 360
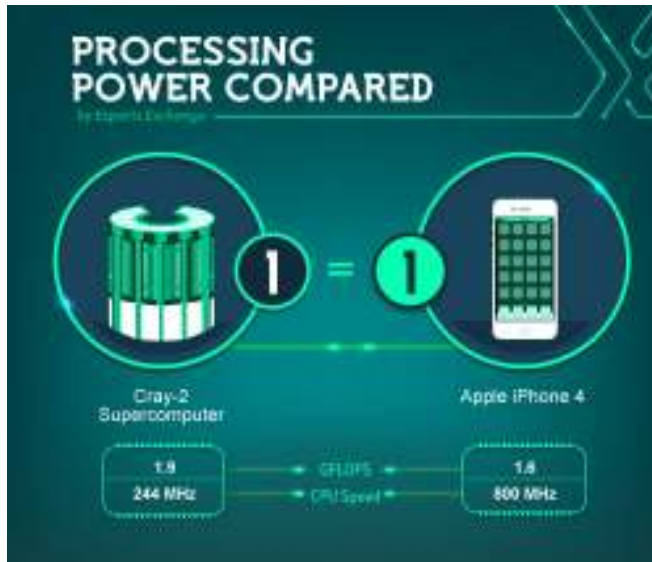

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Source: https://pages.experts-exchange.com/processing-power-compared

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Internet Traffic

Global data center IP traffic growth

25% CAGR 2016-2021

Source: Cisco Global Cloud Index, 2016~2021.

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Table III a. SI Units prefixes
with examples of correct usage.

Prefix	Symbol	Factor	Examples of usage	Origin
Yotta	Y	10^{24}	0.2 YW, 1.23Y [W]	Greek 'octo' (eight, 1000^8)
Zetta	z	10^{21}	3.33 Zs, 3.33Z [s]	French 'sept' (seven, 1000^7)
Exa	E	10^{18}	1.23 Ekg, 1.23E [kg]	Greek 'six' (1000^6)
Peta	P	10^{15}	7.5 Ps, 7.5P [s]	Greek 'five' (1000^5)
Tera	T	10^{12}	0.5 Tm, 0.5T [m]	Greek 'teras' = monster
Giga	G	10^{9}	1.2 GΩ, 1.2G [Ω]	Greek 'gigas' = giant
Mega	M	10^{6}	7 MW, 7M [W]	Greek 'megas' = large
Kilo	K, k	10^{3}	33 km, 33K [m]	Greek 'kilol' = thousand
hecto	h	100	Deprecated by SI	Greek 'hekaton' = hundred
deca	da	10	Deprecated by SI	Greek 'deka' = ten
deci	d	0.1	Deprecated by SI	Latin 'decima pars' = one tenth
centi	c	0.01	Deprecated by SI	Latin 'centesima pars' = one hundredth
milli	m, k	10^{-3}	22 mm , 1.2m [m]	Latin 'millesima pars' = one thousandth
micro	μ, u	10^{-6}	2.7 uJ , 2.7μ [J]	Greek 'mikros' = small
nano	n	10^{-9}	2.2 nF, 2.2n [F]	Latin 'nanus' = dwarf

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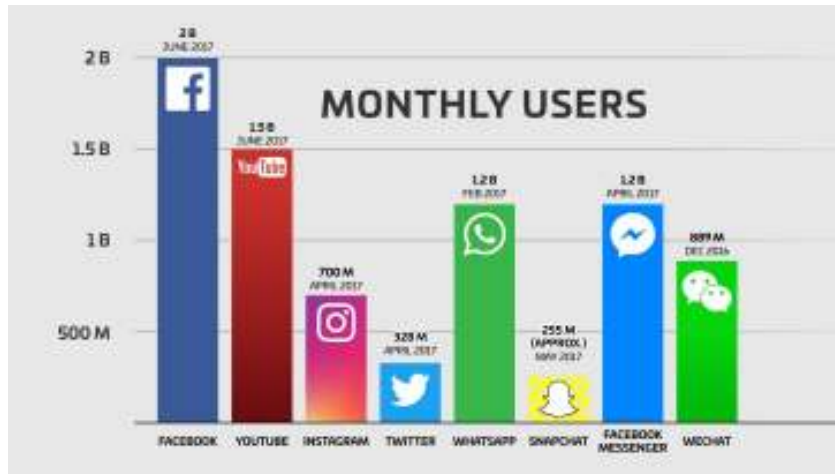# Top 3 Most Populated Countries

Which countries and how many people?

- 1. China   1.38 B
- 2. India   1.29 B
- 3. United States   0.33 B
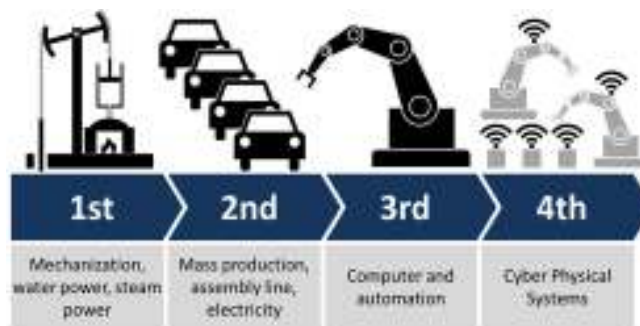
Source: U.S. Census Bureau   , 2017

www.**pmoaus**.com

Source: Techcrunch, 2017

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The Revolution Shift

The fundamental shift of value creation from industrial economies of scale to platform based digital innovation economies.

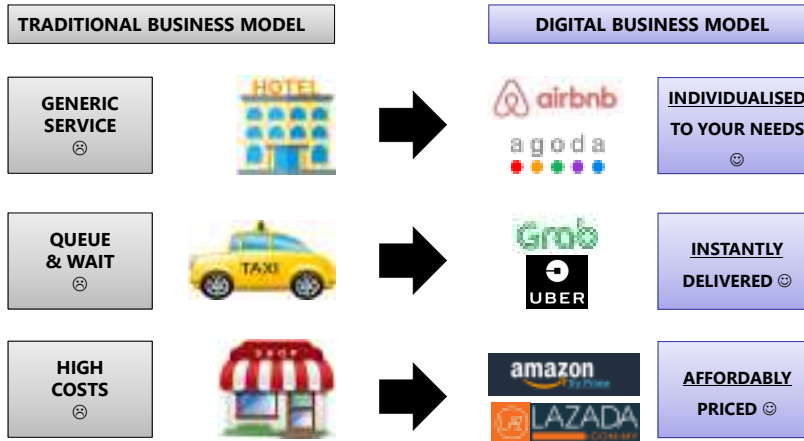Adapted from Jan Bartscht 'Innovate or Die'

*Every company. Every industry. **NOW**!*

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The 4th Revolution is Enabling
Many New Innovations!

The solutions are individualised, instantly delivered & affordable.

TRADITIONAL BUSINESS MODEL			DIGITAL BUSINESS MODEL	
GENERIC SERVICE ☹	HOTEL	➡	airbnb / agoda	INDIVIDUALISED TO YOUR NEEDS ☺
QUEUE & WAIT ☹	TAXI	➡	Grab / UBER	INSTANTLY DELIVERED ☺
HIGH COSTS ☹		➡	amazon / LAZADA	AFFORDABLY PRICED ☺

Adapted from Jan Bartscht 'Innovate or Die'

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Innovation Creates Growth
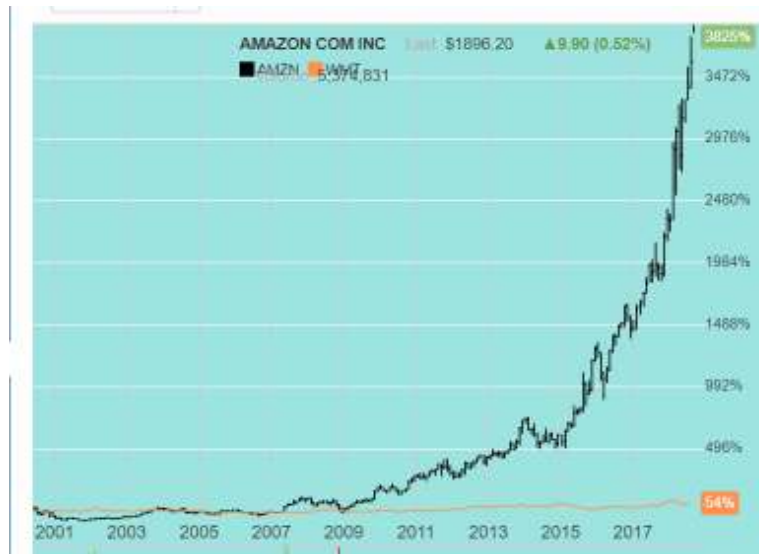
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Exercise

- In 5 seconds, choose one of the shapes below that you like the most!

Geometric Psychology

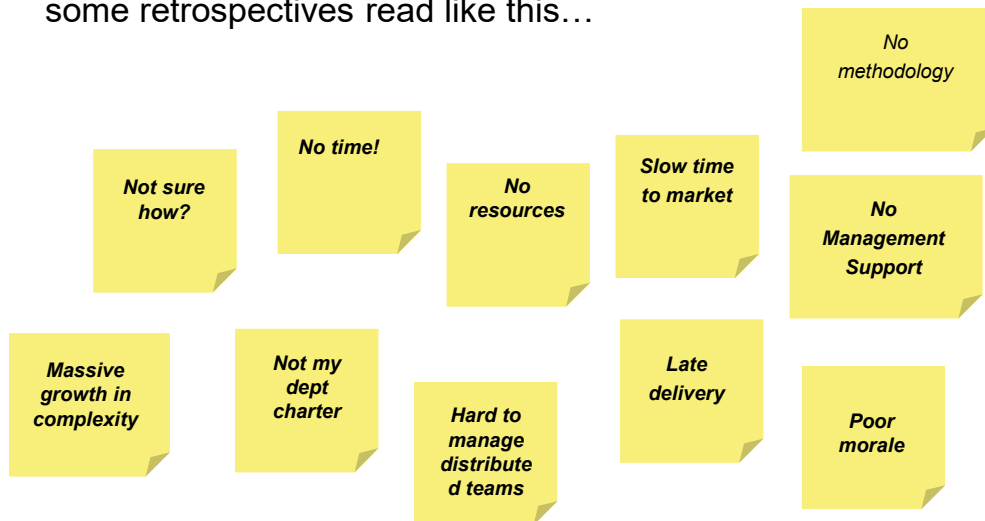| Square	Triangle
- Most structured of all shapes - Hard worker, determined to get the job done - Emphasize organization and logic - Need life to be predictable; everything must be in the right place at the right time - Love to collect and organize data - Excel when instructions and requirements are clear - Prefers maintaining status quo - Uncomfortable with conflict and emotional situations	- Shape symbolizes leadership - Concerned with their career - Ambitious and focused toward the top - Very competitive - Loves to make decisions for self and others - Able to focus on the goal of the moment - Movers and shakers, best politicians - Well respected, sometimes feared by others
Circle	**Squiggle**
- Smooth shape with no edges - Care about others, about all people - Smooth the waters and keep the peace - Best communicators /listeners of all shapes - Avoid making unpopular decisions - Holistic thinkers - Excellent "people" problem solvers and team players	- Irregular shape. symbolic of creativity (most unique as it has no closure) - Able to produce great and new ideas - Challenge the status quo - Future oriented; more interested is possibilities than reality - Excitable; energized by change - Disdains highly structured and mechanized work environments; prefers free-flowing, independent situations

Exercise

- What are the challenges (of your organization) to deliver more innovative products or services?

- Get to know your neighbours
- Discuss among 2 - 3 persons
- Summarize and share!

Assessing the challenges:
some retrospectives read like this…

No methodology

Not sure how?

No time!

No resources

Slow time to market

No Management Support

Massive growth in complexity

Not my dept charter

Hard to manage distributed teams

Late delivery

Poor morale

Embrace the Lean-Agile mindset

"It starts with a Lean-Agile Mindset"

—SAFe authors

www.scaledagileframework.com

SAFe® House of Lean:
Roof and Foundation

- Sustainably shortest lead time
- Quality
- High morale
- Customer delight

VALUE

Respect for people and culture

Flow

Innovation

Relentless improvement

LEADERSHIP

- Lead the change
- Develop people
- Inspire and align with mission
- Decentralize decision-making

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Pillars

- Don't overload them
- Don't make them wait
- Don't force them to do wasteful work
- Don't impose wishful thinking
- Build long-term partnerships based on trust

- Continuous and sustainable value delivery (no "start-stop-start" project delays)
- Build quality in; flow depends on it
- Integrate frequently
- Informed decision-making via fast feedback

VALUE

LEADERSHIP

- Optimize the whole
- Consider facts carefully, then act quickly
- Apply lean tools to identify and address root causes
- Reflect at key milestones; identify and address shortcomings

- Provide time and space for creativity
- Apply innovation accounting
- Pivot without mercy or guilt

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The Agile Manifesto

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.
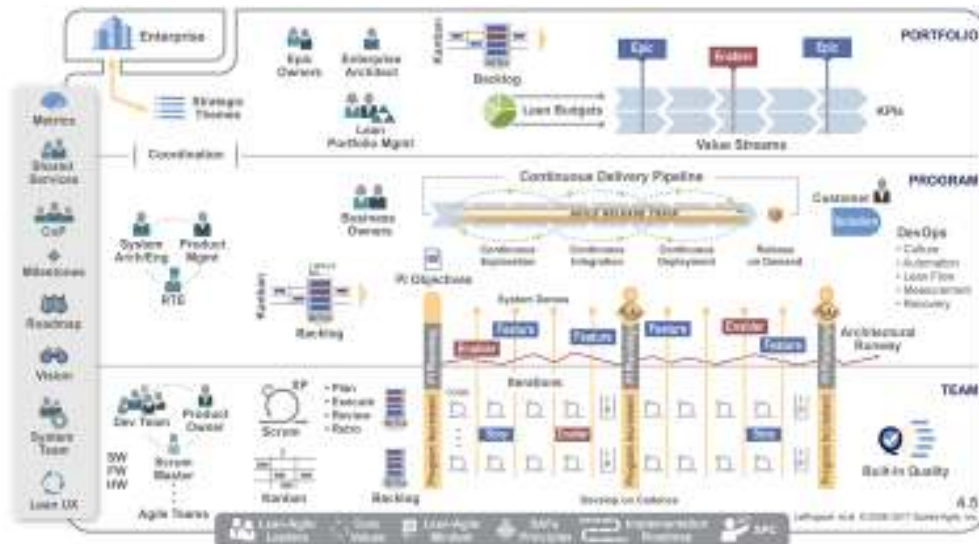
agilemanifesto.org

www.**pmoaus**.com

SAFe Lean-Agile principles

#1-Take an economic view

#2-Apply systems thinking

#3-Assume variability; preserve options

#4-Build incrementally with fast, integrated learning cycles

#5-Base milestones on objective evaluation of working systems

#6-Visualize and limit WIP, reduce batch sizes, and manage queue lengths

#7-Apply cadence, synchronize with cross-domain planning

#8-Unlock the intrinsic motivation of knowledge workers

#9-Decentralize decision-making

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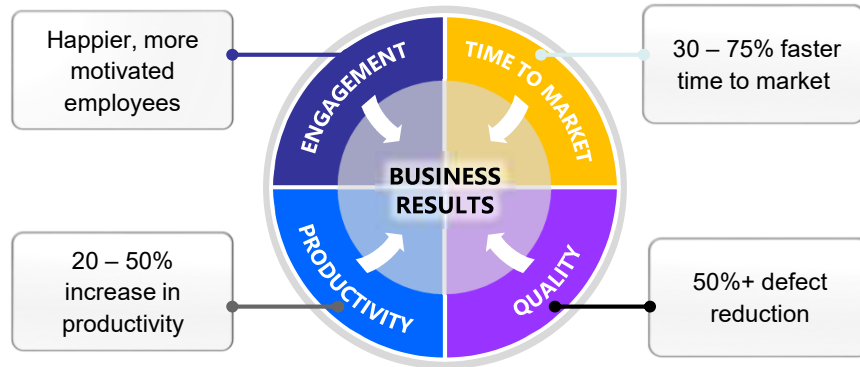
Portfolio SAFe Aligns Strategy and Execution

Source: Scaled Agile Framework, SAFe®

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Get Business Results

Happier, more motivated employees

ENGAGEMENT

TIME TO MARKET

30 – 75% faster time to market

BUSINESS RESULTS

20 – 50% increase in productivity

PRODUCTIVITY

QUALITY

50%+ defect reduction

See ScaledAgileFramework.com/**case-studies**

CISCO

Cisco

Industry: Technology

" *Continuous delivery improved quality, increased productivity, and improved the employee experience.*

—**Ashish Pandey**, Technical Lead, CSIT Team "

Results

- 16% drop in the defect rejected ratio

- 40% decrease in critical and major defects

- 14% increase in defect removal efficiency

- Improved employee satisfaction by eliminating the need for after-hours work and reducing meetings/calls

- 25% fewer quality assurance defects

- Sprints that ran more efficiently each subsequent time

SAFe CASE STUDY

SCALED AGILE   © Scaled Agile, Inc.

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Results

Westpac

Westpac

Industry: Financial

Everyone hearing the same message from the same trainers at the same time was a huge enabler for alignment and a 'one-team' culture.

—**Em Campbell-Pretty**,
Context Matters

- Westpac successfully took 150 people from waterfall to Agile in one week, and garnered positive feedback from teams

- Team and business engagement went up

- Cycle time and defects went down

SAFe® CASE STUDY

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A SAFe® Lean-Agile Implementation Case Example

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Source: Scaled Agile Framework, SAFe®

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Insurance Company "A"

- An established insurance company with many branches throughout Malaysia
- Competitive environment with many other insurance companies
- "Behind" in digitization to support its agents /customers
- Initiate "Digital Transformation" strategy to provide more values to agents /customers
- Coached and trained the executives, leaders and teams on SAFe® and successful started an ART
- More ARTs are running today to deliver values to customers!

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Two primary reasons to change

1. A burning platform The company is failing to compete, and the existing way of working is inadequate to achieve a new solution in time.

2. Proactive leadership In the absence of a burning platform, leadership must create a sense of urgency to proactively drive change by taking a stand for a better, future state.

Tipping point

Go SAFe

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Implementation Roadmap

- (1) Leadership support
- (2) Train Executive and SAFe® Champions
  - Leading SAFe® Boot Camp
  - SAFe® Champion Team (center of excellence)
- (3) Identify Value Streams
  - Value Stream Workshop
  - Organize into an ART team
- (4) Create an Implementation Plan
- (5) Preparing for ART Launch
- (6) Train Team and Launch ART
  - SAFe® Scrum Master / SAFe® for Teams
  - PI Planning and start the ART!
- (7) Coach ART Execution
  - Iteration Planning, system demo, retrospectives, Inspect & Adapt workshop
- (8) ART continues to deliver values…

Train executives, managers, leaders

"The moment you stop learning is also the one in which you will stop leading."

— *Bill Gates*

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Only management can change the system

It is not enough that management commit themselves to quality and productivity, they must know what it is they must do.

Such a responsibility cannot be delegated.

—*W. Edwards Deming*

"…and if you can't come, send no one"
   —*Vignette from Out of the Crisis, W. Edwards Deming*

Leading SAFe® Training

- Lean-Agile mindset, principles and practices

- Effective leadership values for managing the new generation of knowledge workers

- Leader's 'how to' guide
  – Execute and release value through ARTs
  – Build large systems with the SAFe Value Stream level
  – Build an Agile portfolio
  – Lead a Lean-Agile transformation at enterprise scale

Lean-Agile Leaders

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Create a Lean-Agile Center of Excellence

"A guiding coalition that operates as an effective team can process more information, more quickly. It can also speed the implementation of new approaches because powerful people are truly informed and committed to key decisions."

—John Kotter

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LACE – The guiding coalition

- Communicate the business need, urgency, vision for change and progress
- Develop the implementation plan and metrics
- Identify Value Streams, and help define and launch ARTs
- Provide coaching/training to ART stakeholders and teams
- Promote continuing Lean-Agile education
- Extend Lean-Agile practices to other areas of the company

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Identify Value Streams & ARTs

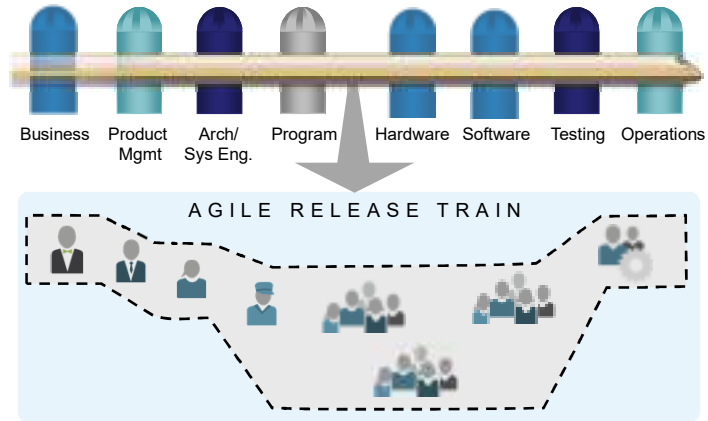*"Break down barriers between departments."*

—W. Edwards Deming

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Organize people into Agile Release Trains

- ~30 practitioners on a common mission
- Deliver Program Increments every 10 weeks
- Provide Vision, Roadmap, architectural guidance

Business | Product Mgmt | Arch/ Sys Eng. | Program | Hardware | Software | Testing | Operations
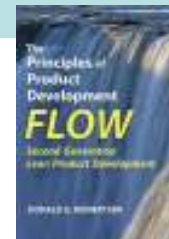
A G I L E   R E L E A S E   T R A I N

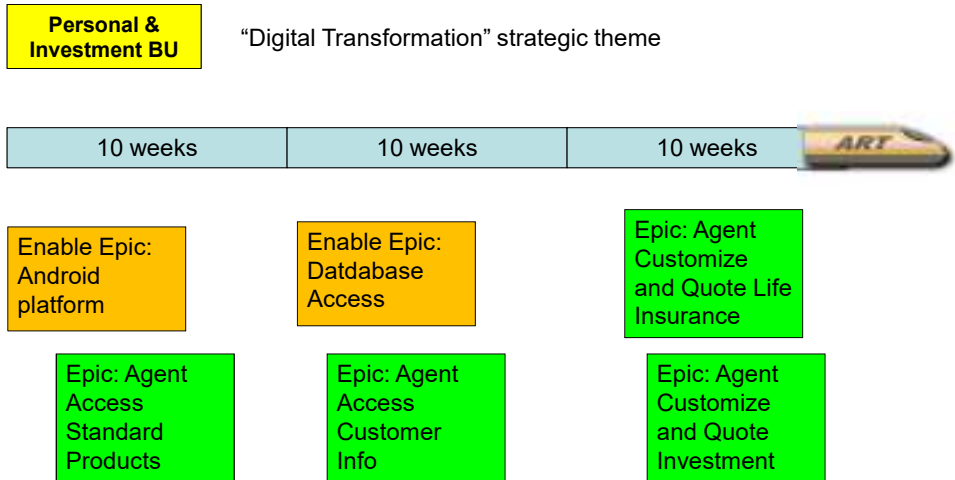# Create the implementation plan

Planning is prudent, but be careful:

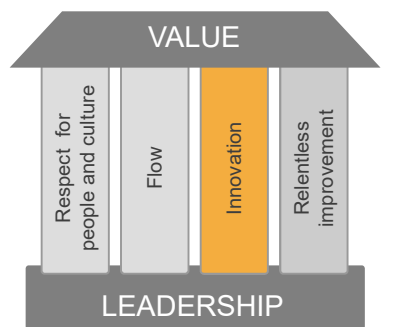*"The more detailed we made our plans, the longer our cycle times became."*

—Don Reinertsen

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Create an Implementation Plan (3 PIs)

Personal & Investment BU

"Digital Transformation" strategic theme

10 weeks	10 weeks	10 weeks

Enable Epic: Android platform	Enable Epic: Datdabase Access	Epic: Agent Customize and Quote Life Insurance

Epic: Agent Access Standard Products	Epic: Agent Access Customer Info	Epic: Agent Customize and Quote Investment

Innovation

VALUE

Respect for people and culture | Flow | Innovation | Relentless improvement

LEADERSHIP

Innovation comes from the producer.

—W. Edwards Deming

- ▸ Producers innovate; customers validate
- ▸ Get out of the office (Gemba*)
- ▸ *No useful improvement was ever invented at a desk*
    — Taiichi Ohno
- ▸ Provide time and space for creativity
- ▸ Apply innovation accounting
- ▸ Pivot without mercy or guilt

* Gemba: The "real place" where the work is actually done.

Prepare for ART launch

"Short-term wins help build necessary momentum."

—John Kotter

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Set the date: forcing functions drive change

- Scheduling the PI Planning meeting creates the timebox for the preparation.

- Minimizes work expansion.
  Not everything can (or needs to) be perfect.

- Assure people that the Inspect & Adapt workshop creates a closed-loop system so impediments are visible and addressed ASAP.

After Leading SAFe training, this leadership team launched their first Agile Release Train in 10 days.

Photo courtesy of SEI Global Wealth Services

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Preparing for the ART Launch

1

Form the
Agile Teams

- Features and components
- Candidates for Scrum roles and responsibilities

2

Train Product Managers,
Product Owners and
Scrum Masters

- Team (PO) and ART (PM) content authority
- Team servant leadership via the Scrum Master role

3

**Prepare the
Feature Backlog**

- Establish the current vision
- Define near term features for the Program Roadmap
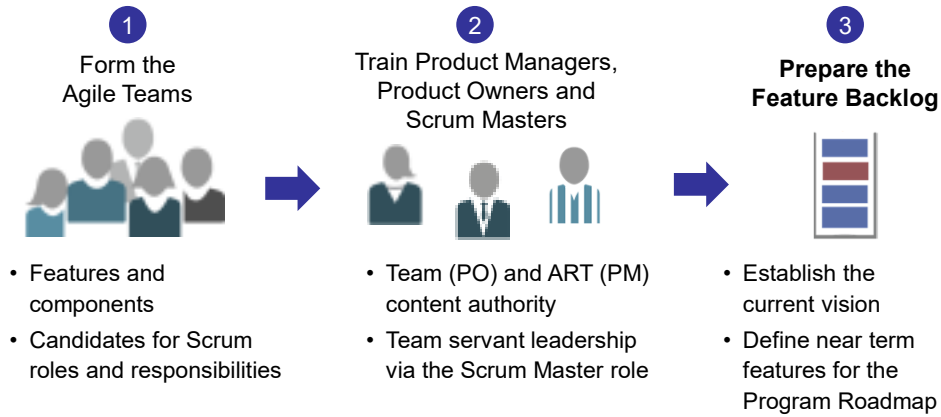
Slide 43

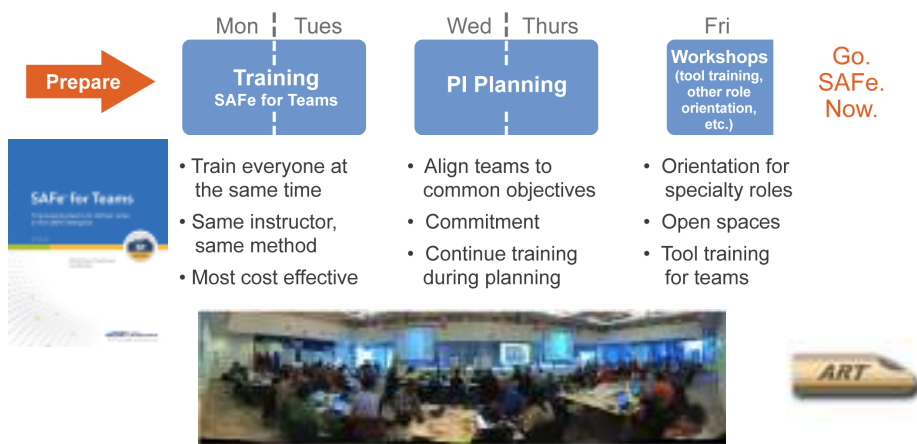www.**pmoaus**.com

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Train teams & launch ART

"We often don't think through carefully enough what new behavior, skills, and attitudes will be needed when major changes are initiated.

As a result, we don't recognize the kind and amount of training that will be required to help people learn those new behaviors, skills, and attitudes.

—John Kotter

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The ART Quickstart

	Mon ┆ Tues	Wed ┆ Thurs	Fri

Prepare →

Training
SAFe for Teams

PI Planning

Workshops
(tool training, other role orientation, etc.)

Go. SAFe. Now.

- Train everyone at the same time
- Same instructor, same method
- Most cost effective

- Align teams to common objectives
- Commitment
- Continue training during planning

- Orientation for specialty roles
- Open spaces
- Tool training for teams

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Synchronize with PI Planning

Future product development tasks can't be pre-determined. Distribute planning and control to those who can understand and react to the end results. — Michael Kennedy, Product Development for the Lean Enterprise

‣ All stakeholders are face-to-face (but typically multiple locations)

‣ Management sets the mission, minimum possible constraints

‣ Requirements and design emerge

‣ Important stakeholder decisions are accelerated

‣ Teams create—and take responsibility for—plans

See the companion video "Schroders PI Planning" at https://vimeo.com/169066536

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Coach ART execution

"Whenever you let up before the job is done, critical momentum can be lost and regression may follow."

—John Kotter

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Create the first win

- Help teams plan, execute, review and retrospect the first PI
- Manage WIP and improve flow
- Keep the focus on delivering value vs. completing tasks
- Coach new Scrum Masters and Product Owners
- Relentlessly improve with Inspect & Adapt

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Sustain and improve

"Excellent firms don't believe in excellence—
only in constant improvement and constant change."

—Tom Peters

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Summary and Q&A

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Summary and Q&A

- Innovation
- Lean-Agile mindset and framework
- SAFe® implementation example
    - (1) Leadership support
    - (2) Train Executive and SAFe® Champions
    - (3) Identify Value Streams
    - (4) Create an Implementation Plan
    - (5) Preparing for ART Launch
    - (6) Train Team and Launch ART
    - (7) Coach ART Execution
    - (8) ART continues to deliver values…
- Next steps

Our mission is to elevate Lean-Agile, Scrum and Project Management expertise of Organisations, Individuals and Communities in Australia and New Zealand. We provide coaching, training and consulting services.

Our popular courses include
- **Lean-Agile Leading SAFe® SA Boot Camp**
- **SAFe® Scrum Master SSM Boot Camp**
- **SAFe® Product Owner PMPO Boot Camp**
- **PMP® Boot Camp**
- **PMI-ACP® Boot Camp and others**

10% Off for Chapter Members

In Adelaide, Perth, Sydney and other cities near you.

Email us admin@pmoaus.com
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Thank you!

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