Your Roadmap to Lean-Agile Success

Growing numbers of organizations are realizing the need to become more Agile. Some are weighing the risks and benefits and seeking guidance. Others are implementing initiatives and are looking for ways to improve their return on investment. The road to Lean-Agile success has become less risky as the early adopters have paved the way for the next generation of Lean-Agile methodologies and practices that solve the common problems, and transcend the limitations that early adopters have struggled with.

Understanding Agile

The first step toward success is drawing a clear distinction between enterprise agility, and team agility. The benefits of Agile at the team level are very different than benefits at the enterprise level. The paths to success and the challenges presented are also very different. Enterprise agility enables an organization to respond effectively at the enterprise level to changing business needs while reliably delivering business value. Team agility is a component of that capability – *a component* – and not the equivalent of enterprise agility. This understanding is essential since team methods alone cannot deliver enterprise level benefits.

First generation methods made the assumption that team agility translated to the enterprise. This has been a costly simplification. Many organizations have attempted to achieve enterprise agility simply by creating more Agile teams. This often starts well, but usually ends up being impeded by enterprise level problems that team solutions do not solve. The next generation of Lean-Agile openly acknowledges practical truths, limitations, and organizational structures required to fulfill the needs of the entire Lean-Agile enterprise.

The Next Generation – Incorporating a Bigger View

While first generation team-focused Agile methods, such as Scrum and XP, have gained popularity, their inherent constraints have produced limited success beyond the team level. For these methods to endure and succeed, they must be supplemented by proven lean business and management methods that can extend their effectiveness throughout the organization. In this way, teams can become an integral participant in the enterprise value stream, through alignment, visibility and the guidance of Lean-Thinking. The next generation approach to the Lean-Agile enterprise provides the means to:

- Improve your teams with next generation methods, such as Kanban or Scrumban. Expand the effectiveness of team agility, enable smoother transitions, and make it easier for diverse teams to become Agile with less effort.

- Improve your enterprise with effective product portfolio management skills that align your business – in priorities and assignment of value. Manage the proper delivery of business value, and maximize the efficiency of your value stream.

- Improve your opportunity for a successful Agile enterprise adoption. Avoid the common points of failure and implement Lean-Agile strategies from a broader perspective.

- Include management in your transition. Recognize management's essential role in an Agile transition, and avoid or adapt first generation methods that ignore this role.

Avoiding the 7 Critical Points of Failure

Along your path to greater agility and effectiveness, be aware of the 7 most common points of failure.

1. Lack of fully visible, shared goals and values
2. Lack of an enterprise view
3. Improper product portfolio management
4. Improper release planning
5. Overloaded teams
6. Poor technical practices
7. Applying Agile practices without the support of Lean principles

Achieving Agility with Lean-Thinking -- Optimizing the Whole

Transcending these points requires Lean's "optimize the whole" view. In a nutshell, this means to gauge success by viewing the time from concept to consumption as shown in this diagram.

Optimizing the whole and managing the natural flow of value throughout the organization transcends the inherent limitations and problems experienced with a bottom-up approach.

In this organizational view of the flow of business value, the transparency and coordination across all levels has everyone focusing on the same vision and achieving the same goals – faster, higher quality delivery of value to the customer.

"For more than a decade, Net Objectives has been training and facilitating large and small organizations to achieve agility.   **Alan Shalloway, CEO**

We have gained rare and valuable perspectives on how to best enable companies to achieve the development results they want at both the team and enterprise level.

Assessing and addressing the 7 points of failure will help you to reduce risk and move your enterprise forward with greater clarity on the road to enterprise agility.

We do not promote one method as most other firms do – rather we pull from a broad knowledge base to offer an approach tailored to your situation."

Value Stream
Managing the flow of business value through an Agile organization from concept to consumption
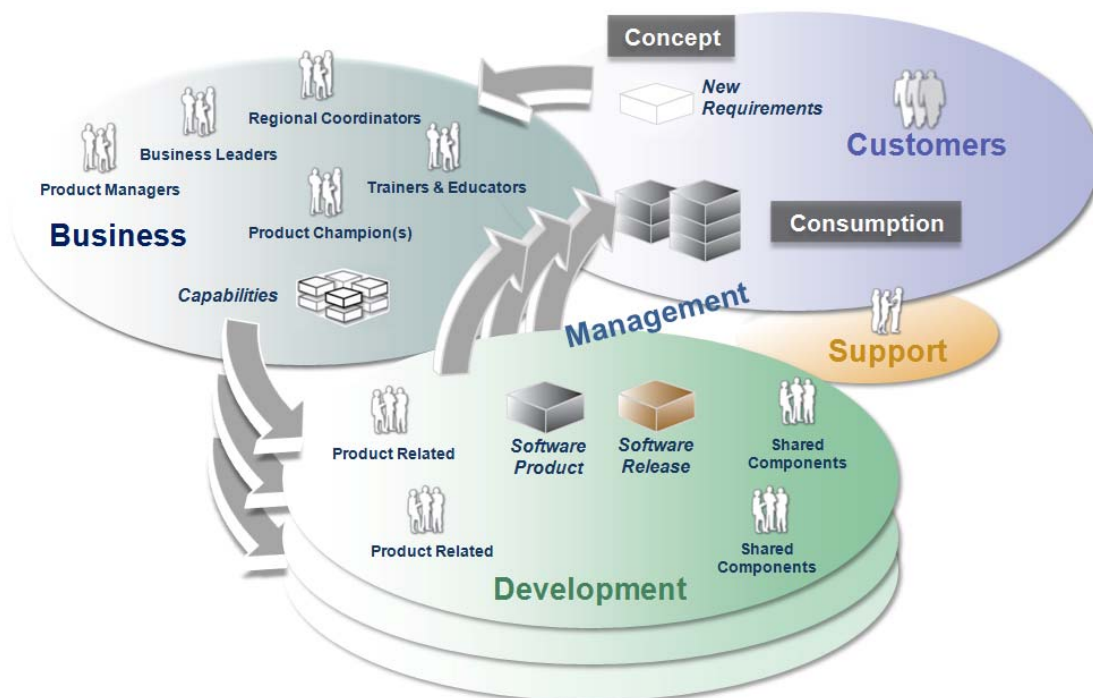
Understanding the Roles and Objectives in the Lean-Agile Enterprise

- Business: To properly select, size, and prioritize work based on business needs.
- Development: To build business functionality in an effective, Agile manner.
- Management: To manage the value-stream. To enable the development groups to work efficiently.

A functional enterprise view creates the context for effective product portfolio management and guides release planning across the enterprise. More importantly, it can stop the overloading of teams that creates so much inefficiency.

Surprisingly simple concepts and tools can enhance the flow of value. But it requires new skills, competencies, and a mindset that first generation Agile methods have not embraced.

Next generation of Lean-Agile organizations manage the amount of work in progress, defines the workflow within which this work takes place, and provides visibility throughout the entire value stream.

Failure of enterprise wide Agile adoptions to achieve the success desired is often due to ignoring these issues, and not providing the means that Lean-Thinking provides to effectively deal with them. While nothing is a panacea or a guarantee of success, the lack of a broader view and understanding can guarantee failure.

Undertaking your Transition to Agile

When transitioning to Agile methods, ensure the following mechanisms are in place:

1) Teams are capable of quickly delivering high value
2) Businesses are capable of selecting, sizing and prioritizing business capabilities to be developed
3) Management takes responsibility for improving the value stream and removing impediments facing teams

There is no one method to use at the team level. Answering these questions will help you to determine which to choose.

1) Do cross functional teams already exist and if not, how difficult will it be to create them?
2) Are certain staff essential for multiple teams
3) How many concurrent projects are teams currently working on at one time? (or individuals if teams don't exist)
4) What challenges face the organization in the areas of integration and deployment?

Assessing Team Options – New Perspectives

The comparison between Scrum and Kanban provides a good example of how methods and perspectives can impact your success, and how important it is to match your approach to your situation.

The dynamics of a Scrum derive from a bottom-up approach, contrasted to a Lean/Kanban approach that engages all levels of the organization to optimize the whole.

In an interview with Agile Collab, Ken Schwaber, the co-creator of Scrum stated, *"I estimate that 75% of those organizations using Scrum will not succeed in getting the benefits that they hope for from it."* Ken suggests it is because only *"25% of the organizations … are willing to make the effort to improve"*.

We believe it is because Scrum may be the right choice only 25% of the time. While Scrum can still be useful, it doesn't provide the insights necessary to enable the organizational changes it requires for success.

Kanban presents a more adaptable option for many organizations. Kanban's broader scope of guidance adapts to existing organizational structures and creates a dynamic across business-management-team by managing work in progress levels and providing Lean principles upon which to guide improvement. It provides a persistent working environment, creates tension for improvement, plus the necessary visibility to inform you if you are violating key development principles.

Kanban enables you to start where you are, and is evolutionary in nature, while a transition to Scrum can be abrupt and chaotic. Furthermore, Kanban proves effective at the team process level when teams need to share key members, and can also be used as a transitional tool for existing Scrum teams to facilitate a Lean-Agile enterprise implementation.

Scrum, Kanban, and the hybrid Scrumban, serve different needs, so it is imperative to investigate which approach is more appropriate before initiating or expanding any Agile initiative.

A Bright Future for Lean-Agile

The next generation of Lean-Agile is an expression of the maturity and understanding the industry has gained through assessing practical experiences and solving practical problems.

By adopting a new broader view with the openness to create holistic enterprise solutions to fulfill the promise of agility, next generation Lean-Agile organizations will set new standards of excellence through their business, management, and teams.

About Net Objectives

Net Objectives has been a thought leader in each of the Agile methods of the past decade. This enables us to provide the most effective approach to our clients' needs.

We serve organizations at the team, management, and enterprise level with comprehensive organizational consulting, coaching, and training.

Our Instructors and coaches enable your teams with skills, and competencies to leverage the power of agility as part of your value stream. Our consultants collaborate with your managers, stakeholders, executives, and experts providing insight and experienced guidance from the organizational view.

From assessment and planning to pilot and roll out, our goal is to facilitate organizations with customized approaches and solutions that are appropriate to their needs, structure, and goals.

Call us with your questions, and let us show you how the next generation of Agile can benefit your organization.

Comprehensive Services

Lean for Executives
Product Portfolio Management

Business

Lean Enterprise

Team

Management

Kanban / Scrum / ATDD
Design Patterns / TDD

Lean-Management
Project Management

Net Objectives
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