Max Control – Stress + Predictability + Sustainability = Kanban

Passion for Projects 2017

Annette Vendelbo
March, 2017

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Some of My Passions

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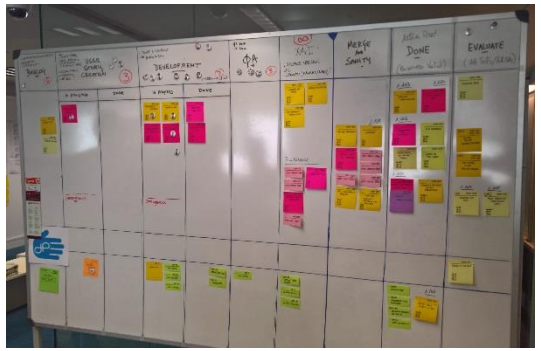
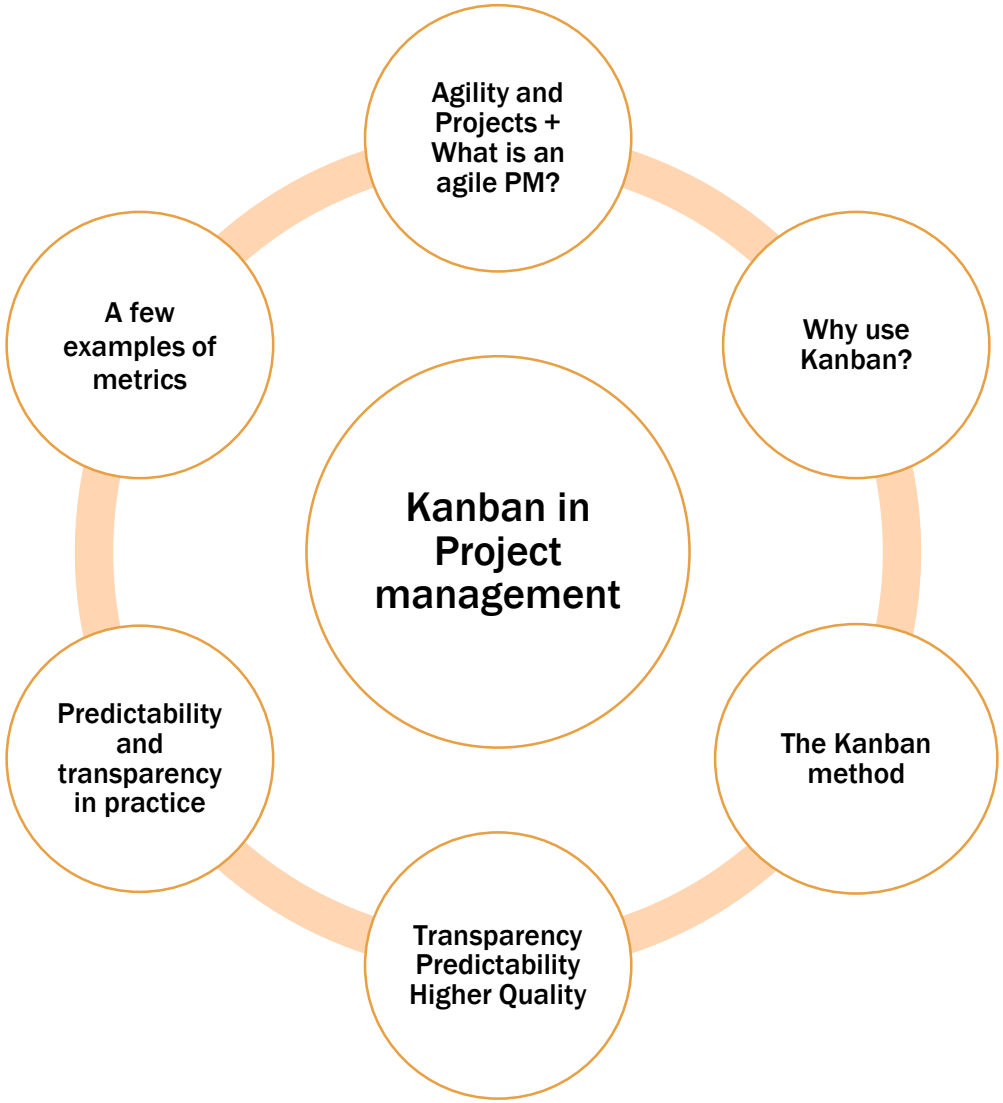


- Agile trainer and coach
- IT Project Manager
- Columnist, blogger
- Former President of PMI Denmark Chapter
- Part of PMI's global agile taskforce in 2015
- Reviewer of PMI's Agile Practice Guide (on its way in 2017)


Agility and Projects + What is an agile PM?
Why use Kanban?
The Kanban method
Transparency Predictability Higher Quality
Predictability and transparency in practice
A few examples of metrics
Kanban in Project management

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Agility and projects + What is an agile project manager?

Project Performance in general

"Organizations are wasting an average of $97 million for every $1 billion invested, due to poor project performance—that's a 20 percent decline from one year ago"

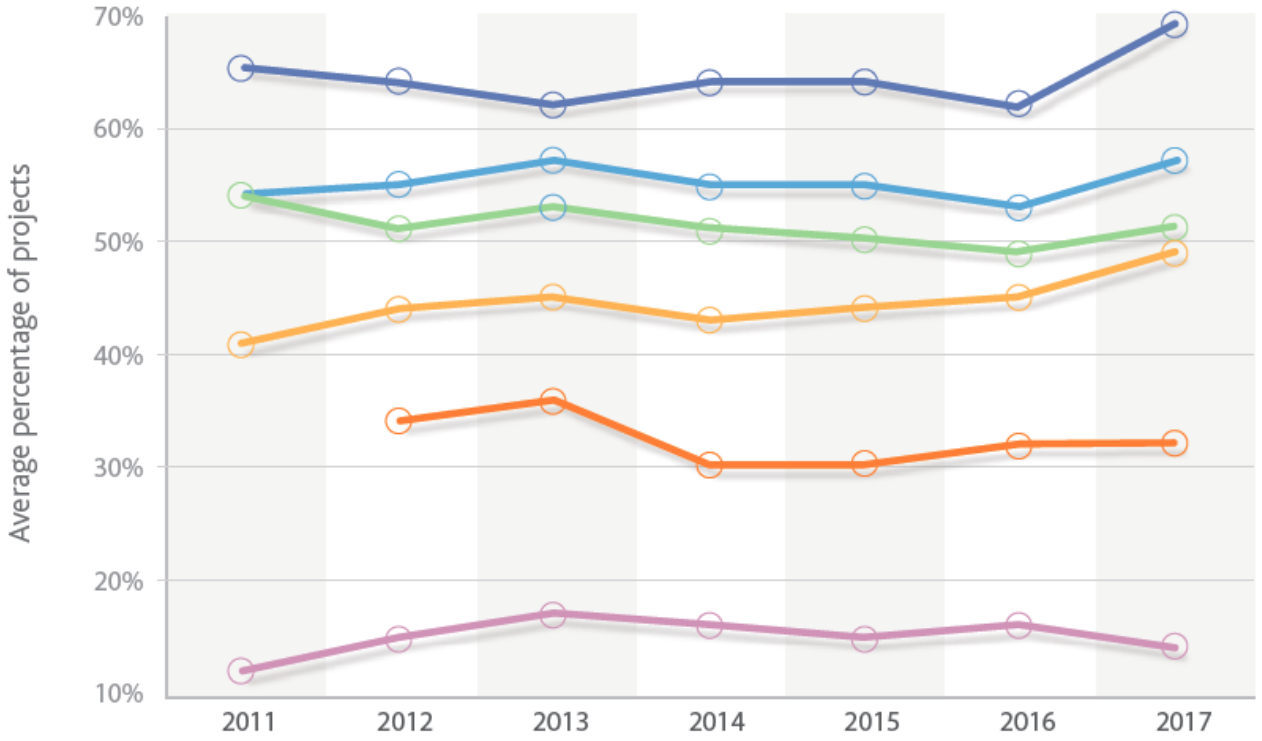


Figure 1: Project Performance Metrics

- Met original goals/business intent
- Completed within original budget
- Completed on time
- Experienced scope creep
- Failed projects' budget lost
- Deemed failures

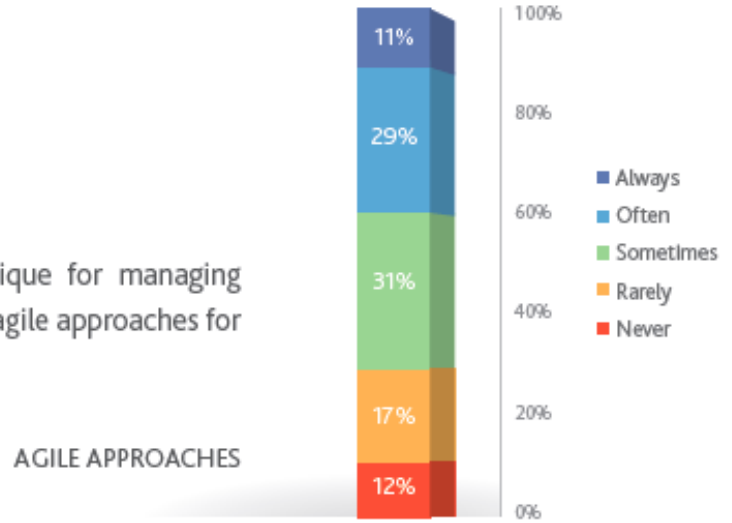
Source: PMI Pulse of the Profession 2017

What does PMI say about agility in general?

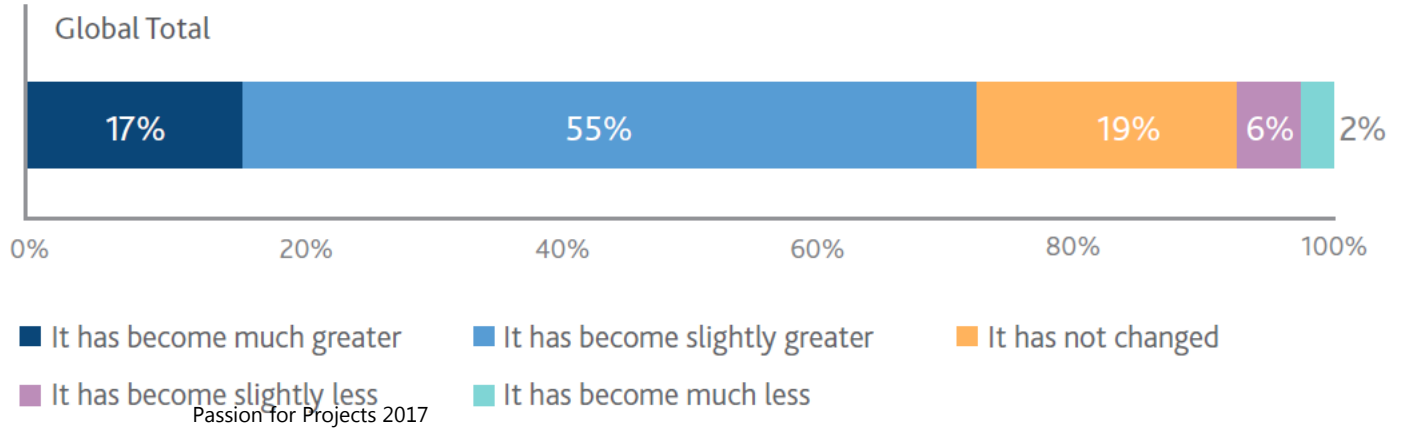
Source: PMI Pulse of the Profession 2017

AGILE

Organizations increasingly embrace agile as a technique for managing projects. A full 71 percent of organizations report using agile approaches for their projects sometimes, often, or always.



Q: How has the organizational agility of your organization changed over the last five years?



What is an agile project manager

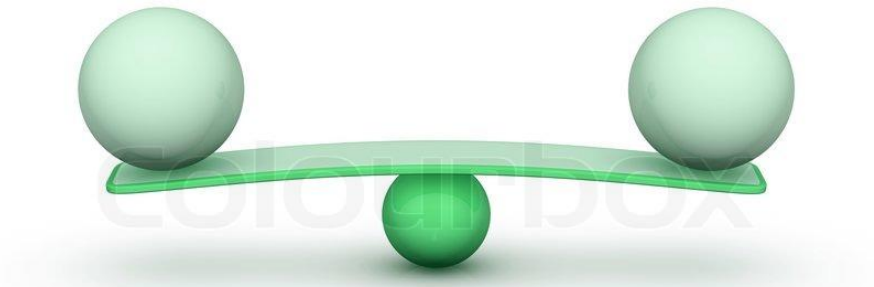
- “Agile project management is a value-driven approach that allows Project Managers to deliver high-priority, high-quality work and look like rock stars to their stakeholders. It is nothing like the plodding, costly and error-prone approach to project management, which has delivered inconsistent results for years.”
  - Source: VersionOne
- “Agile project management focuses on continuous improvement, scope flexibility, team input, and delivering essential quality products. Agile project management methodologies include scrum, extreme programming (XP), and lean, among others. These methodologies all adhere to the Agile Manifesto and the 12 Agile Principles, which focus on people, communications, the product, and flexibility.”
  - Source: Agile for Dummies

What is an agile project manager

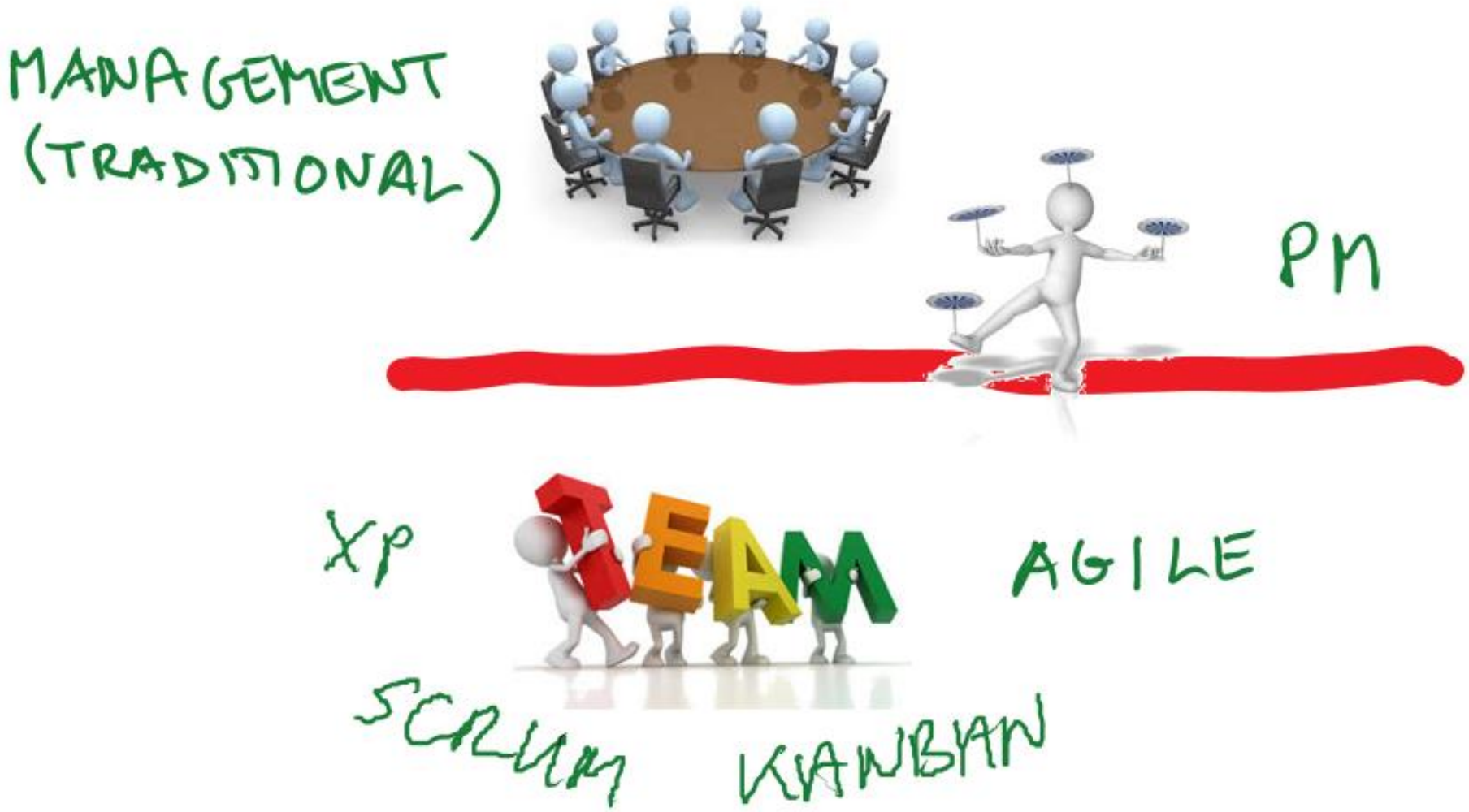
- When it comes to agile project management roles, most agile processes - Scrum in particular - do not include a project manager. Agile “project manager” roles and responsibilities are shared among others on the project, namely the team, Scrum Master and product own
  - Source: Mountain Goat Sof

What does PMI say?

- The PMI Agile Certified Practitioner (PMI-ACP)® formally recognizes your knowledge of agile principles and your skill with agile techniques. It will make you shine even brighter to your employers, stakeholders and peers.
  The PMI-ACP spans many approaches to agile such as Scrum, Kanban, Lean, extreme programming (XP) and test-driven development (TDD.) So it will increase your versatility, wherever your projects may take you.
  - Source: PMI



The agile project manager’s balancing act

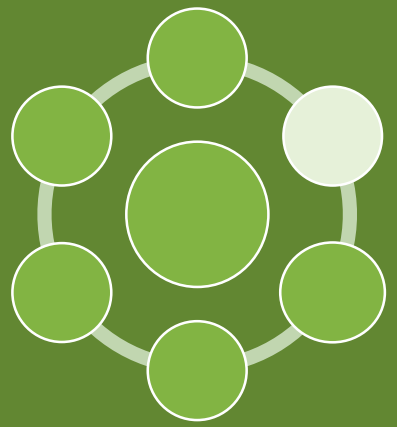


What are we Project Managers really?

Maybe that’s not really the right title?

Who do you want to be?

Let Kanban help you



Why use Kanban?

Agile – the safe path to success?

”Kanban systems help organizations improve predictability of knowledge worker activities

Kanban can give you reliable, predictable, trustworthy services”

Quote: David J. Anderson

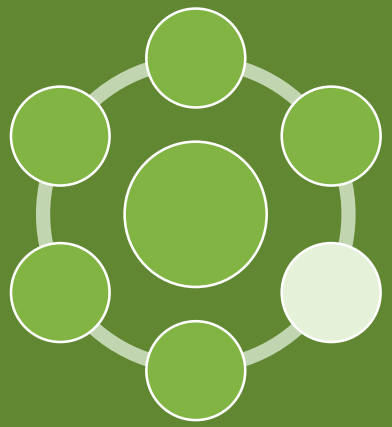
Kanban and Projects

Projects can be viewed as a big batch – sometimes a very big batch - of work

This batch is treated according to Kanban practices and agreed policies to optimize throughput and flow

Why use Kanban to control your projects?

- It makes invisible project work visible
- Just a glance at your board gives you a clear view of how your project is doing
- No competing backlogs. What is not in your Kanban system does not exist
- You control all ”suppliers” in one board
- The tasks flow faster = shorter time-to-market



The Kanban Method

The ultra-short version

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The Kanban Method

Simple underlying principles

1. Intangible Goods (professional services) businesses can be managed like physical, tangible goods businesses
2. Represent intangible goods with tangible artifacts
3. Make invisible work & workflows visible
4. Control and limit inventory of intangible goods

The Kanban Values

Agenda 1 Improvement

- Transparency
- Balance
- Collaboration

Agenda 2 Service transformation

- Customer focus
- Flow
- Leadership

Agenda 3 Organizational change

- Understanding
- Agreement
- Respect

The Four Change Management Principles

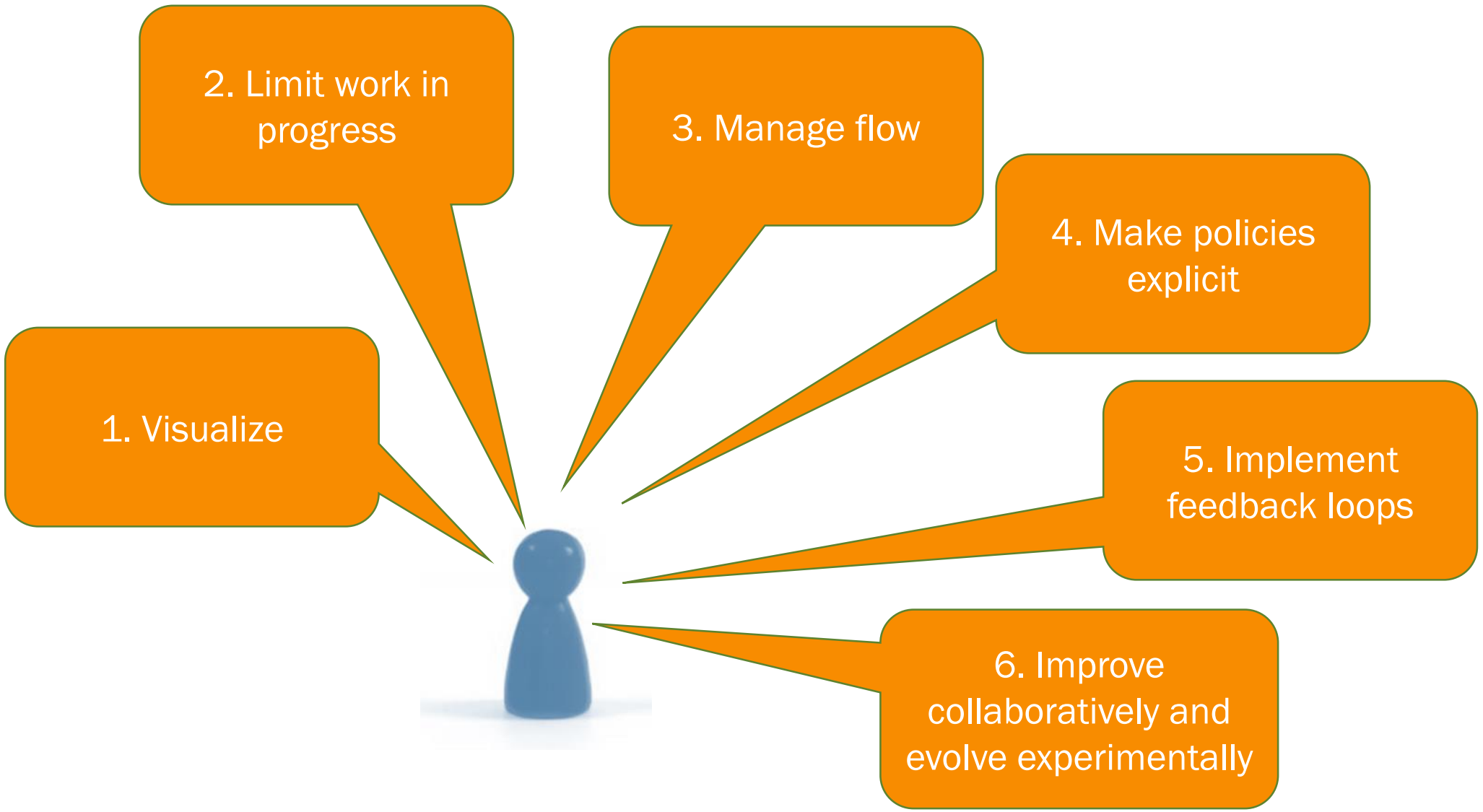
1. Start with what you do now
- Understand the current processes, as actually practiced

2. Agree to pursue improvement through evolutionary change

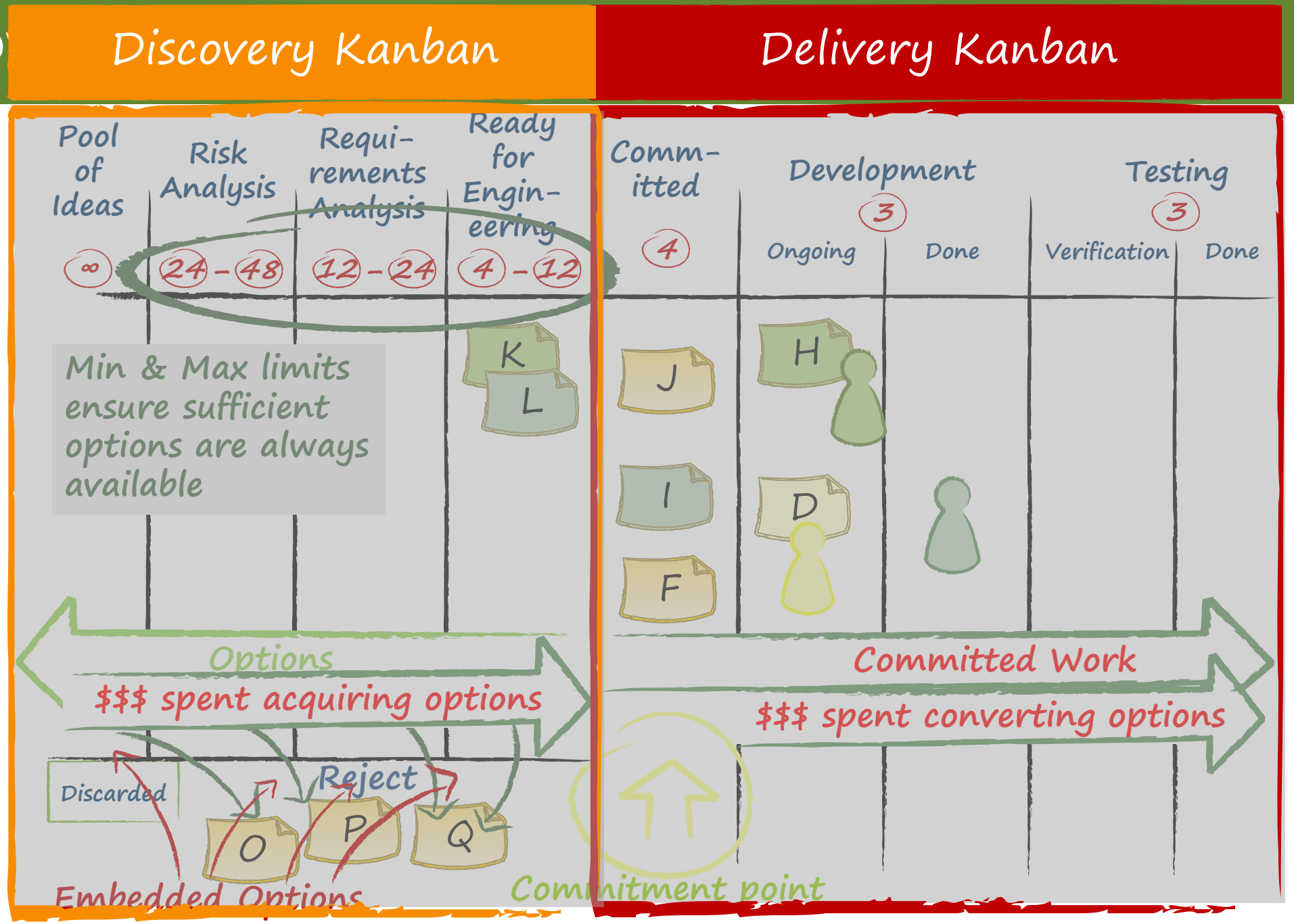
3. Initially, respect current processes, roles, responsibilities and job titles

4. Encourage acts of leadership at every level in your organization
- from individual contributor to senior management

The six core practices



Disco



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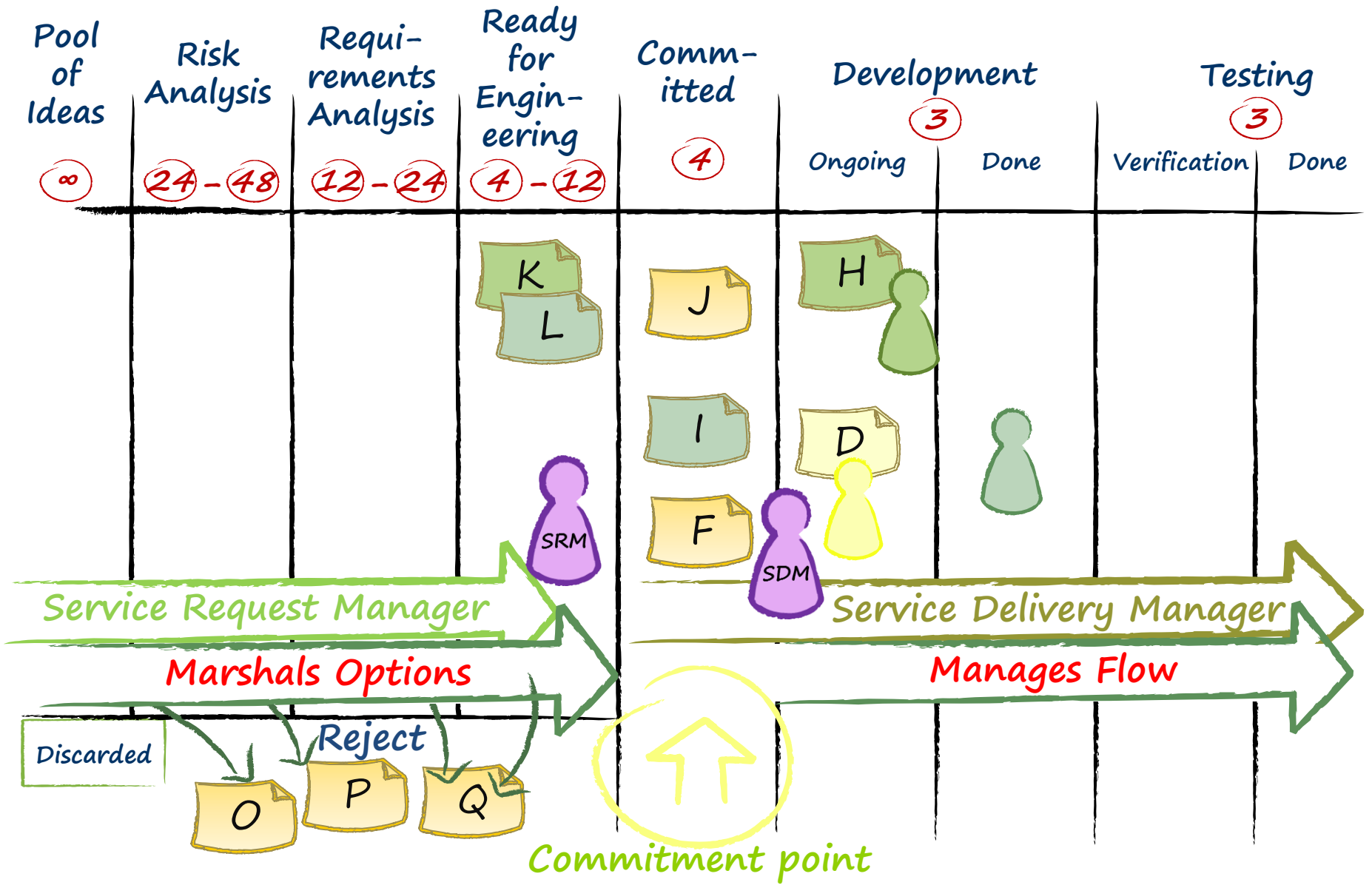
Roles



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Transparency, Predictability, Higher Quality

The Cynefin (/ˈkʌnɨvɪn/ *kun-EV-in*) framework

3. Unknown unknowns

2. Known unknowns

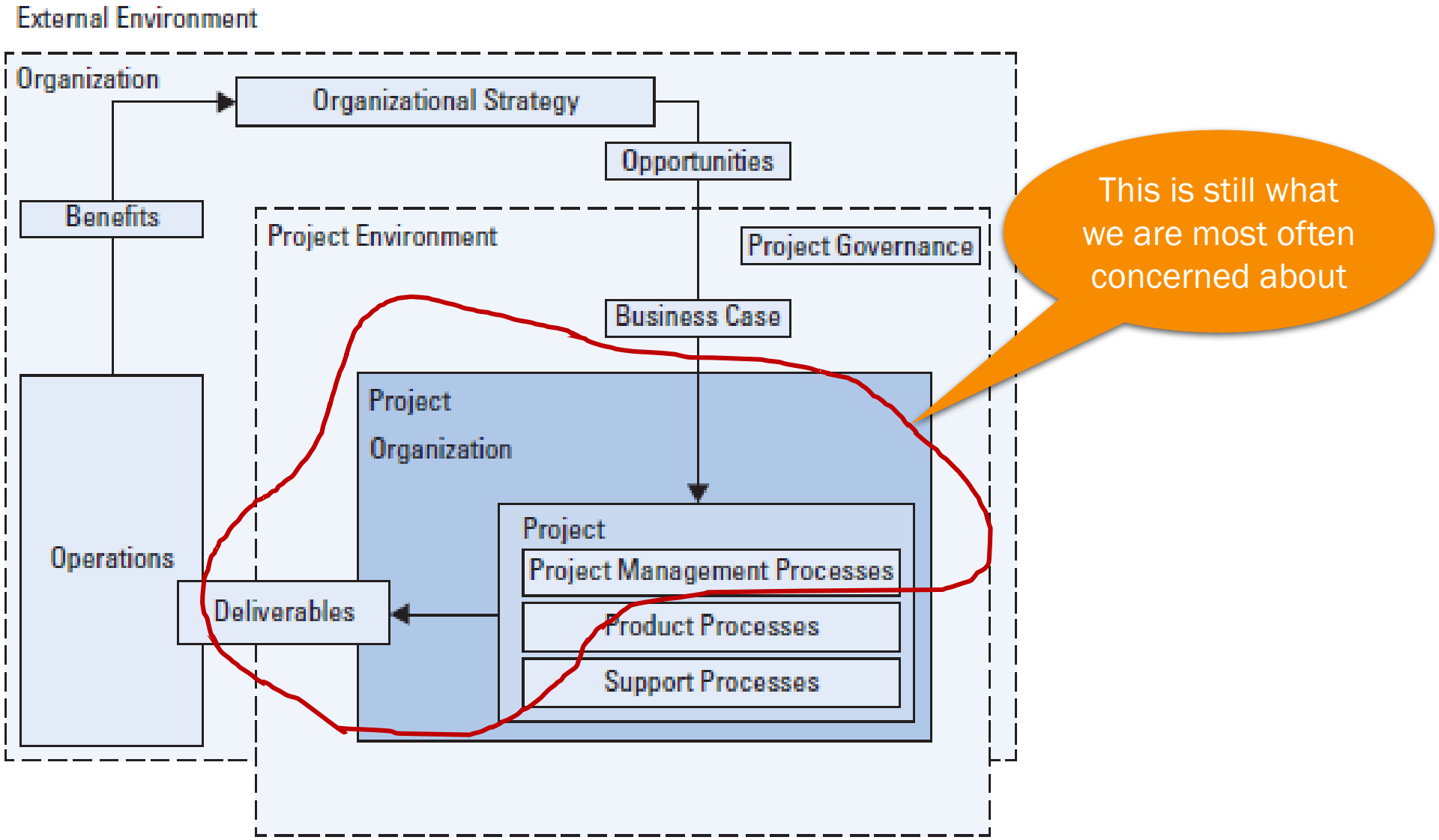
4. Too confusing to wait for a knowledge based response

1. Known knowns

1. We have no clue where this belongs

Dave Snowden, 1999

The Big Picture from the ISO 21500 Standard



Build an information flow

Replenishment meetings force social collaboration from multiple stakeholders who have to agree on selections or agree a democratic voting system or a capacity allocation system

Operations Review

Risk Review

Service Delivery Review

Replenishment/ Commitment Meeting

Kanban Meeting

Delivery Planning Meeting

change

info

Monthly

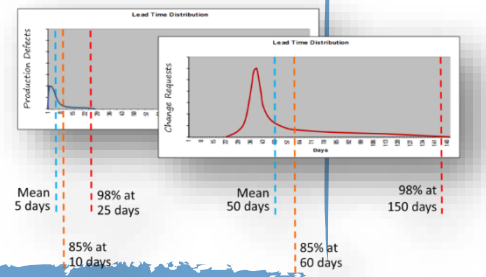
Bi-Weekly

Quarterly

Weekly

Daily

Per delivery cadence



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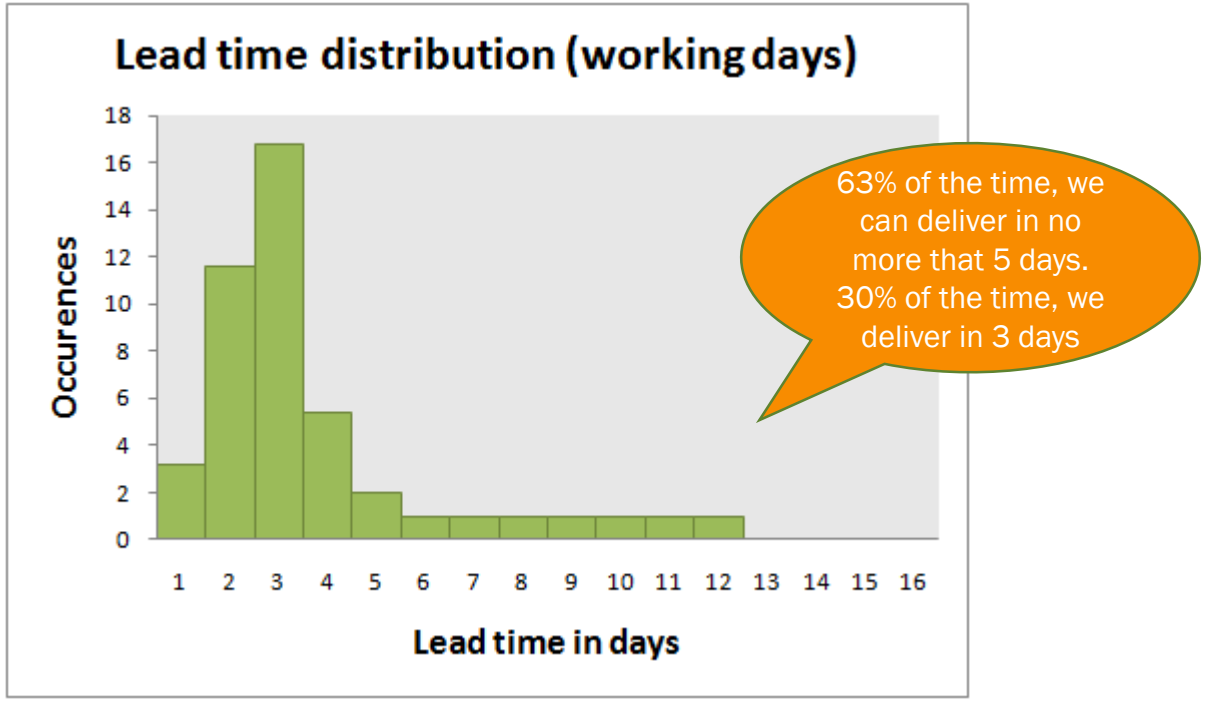
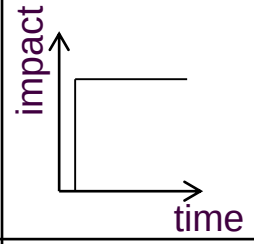
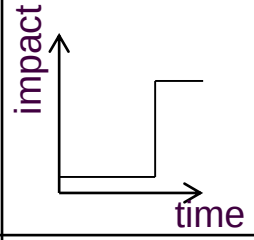
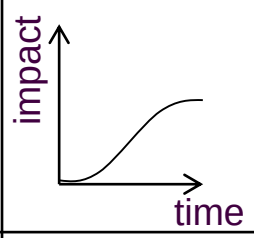
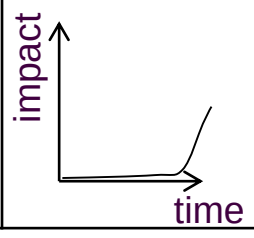
Bullseye or ballpark?

Deterministic planning

Kanban works with probabilistic planning



Cost of Delay function sketches and Class of Service

Color	Function	Class of service and its policies
		**Expedite** – white; critical and immediate cost of delay; can exceed other kanban limit (bumps other work); limit 1
		**Fixed date** – orange; cost of delay goes up significantly after deadline
		**Standard -** yellow; increasing urgency, cost of delay is shallow but accelerates before leveling out
		**Intangible** – blue; cost of delay may be significant but is not incurred until significantly later, if at all

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Standardization of requirements etc.

Requested by:_____ **Date Requested**_____

Feature name_____

Format: [customer] [action] [purpose]

Description_____

_____

_____

Cost of Delay Classification (required)

Check ☑ the type of Feature per the cost of delay.

☐ **Expedite** – critical and immediate cost of delay

☐ **Fixed date** – cost of delay goes up significantly after deadline….**date**:_____

☐ **Standard-** cost of delay goes up increasingly over time

Provid **one or more of the following** (optional)

☐ **Projected Revenue**_____

☐ **Opportunity Cost**

- Estimated 6 month **revenue loss** if not implemented_____
- Estimated 6 month **operating expenses** if not implemented_____
- Estimated cost of man hours or other resources if not implemented_____

_____ xperience, quality of service, etc)

Suggested stories (optional)

Class of Service

This portion of the form quickly fell out of use. It is an example of an evolutionary relic

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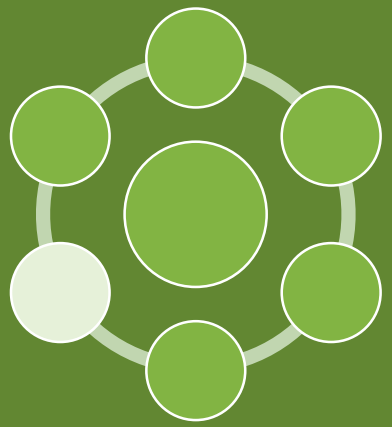


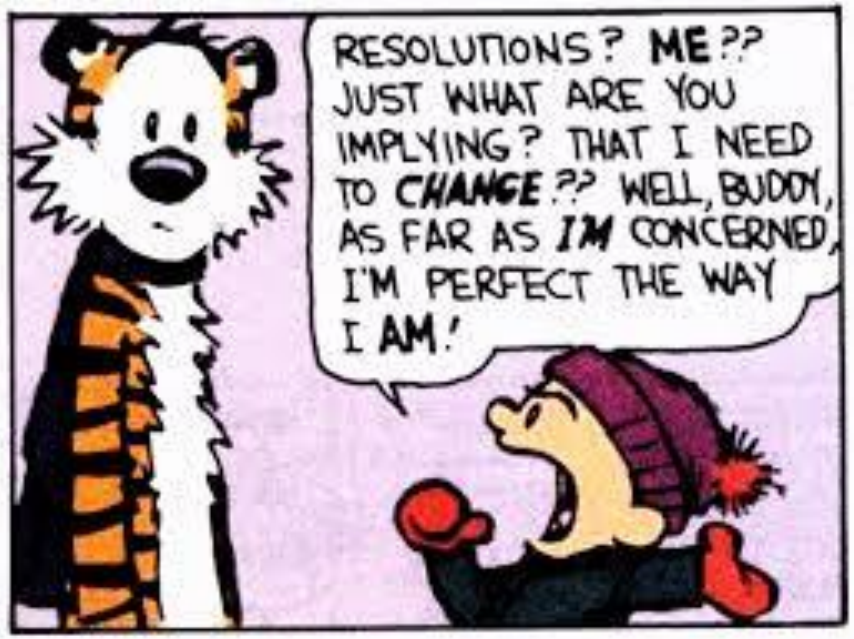
Predictability and transparency in practice

If it doesn't work – try something else

We cannot put people on formula, but we may be able to persuade them to look at the way they work

Kanban controls the work and not the people

- Forget "Method dogma"
- Look at the results and leave old habits if they are not effective
- Transparency matters (but can be intimidating)



The goals of “flow” systems

Goals:

- Reduce context switching
- Reduce work in progress
- Steadier workflow
- Reduce massive workload (achieve balance)
- Make sure the work is important and focused
- Clearer priorities from stakeholders

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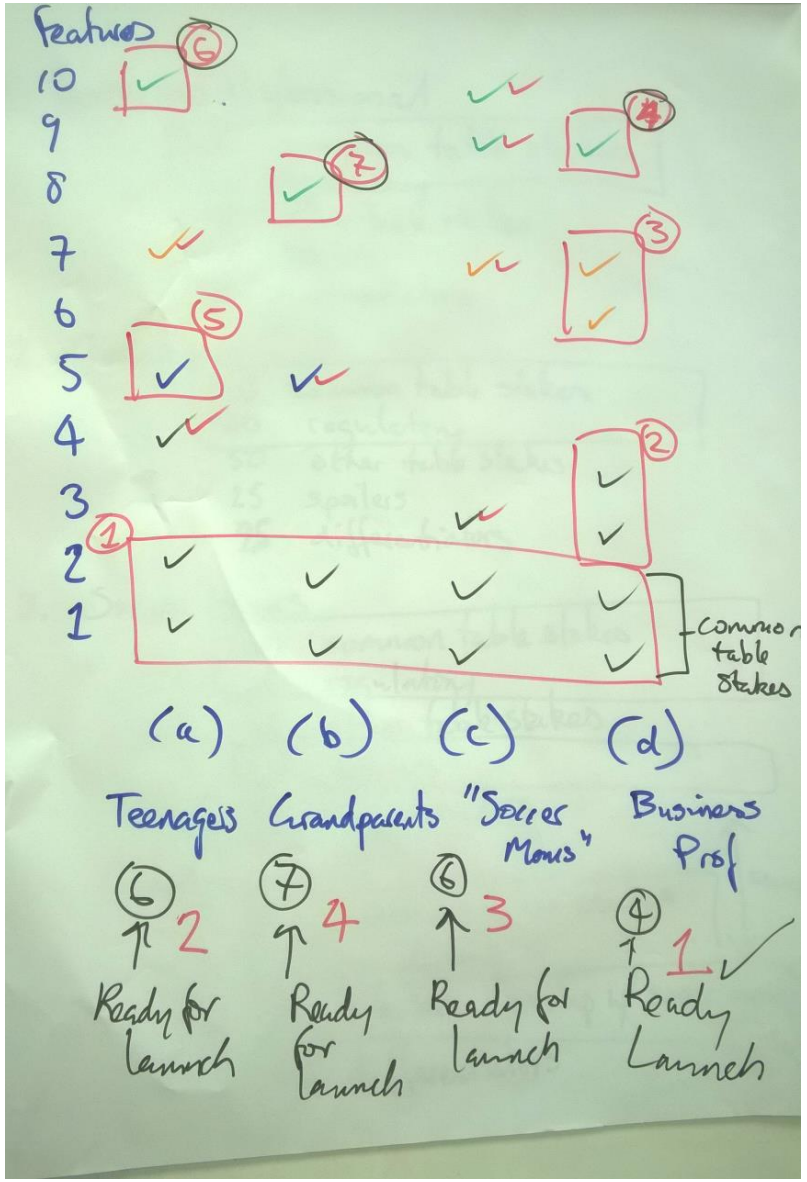
Example: Prioritizing Market Segments



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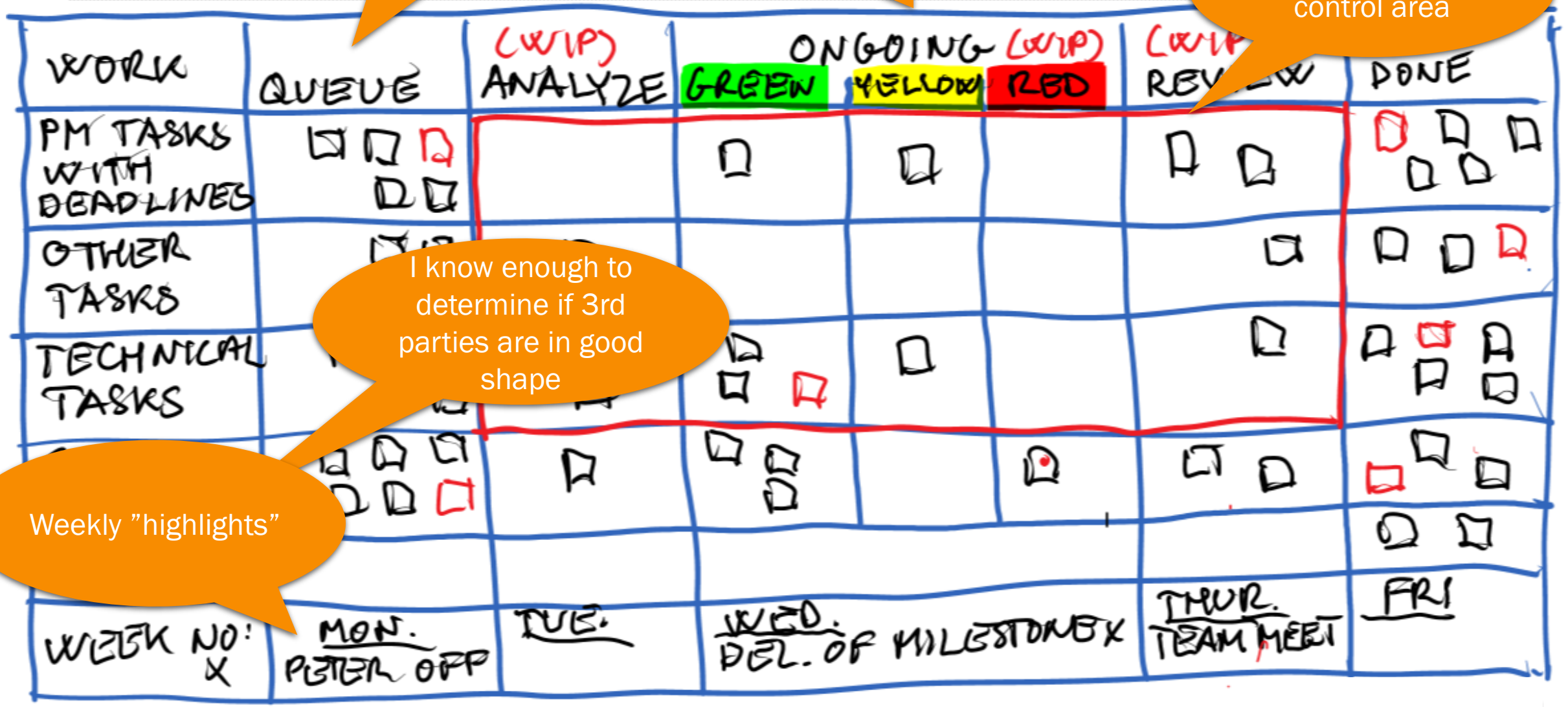
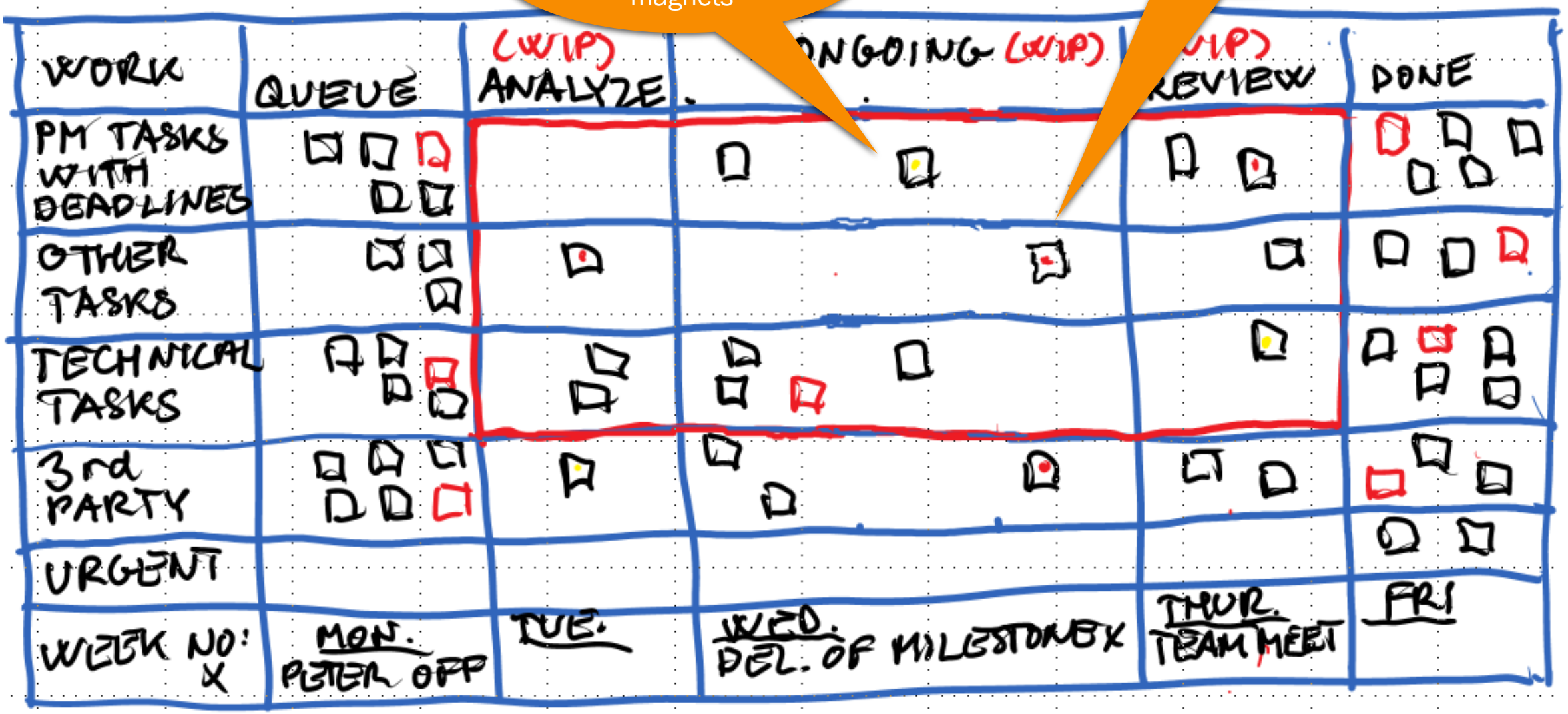
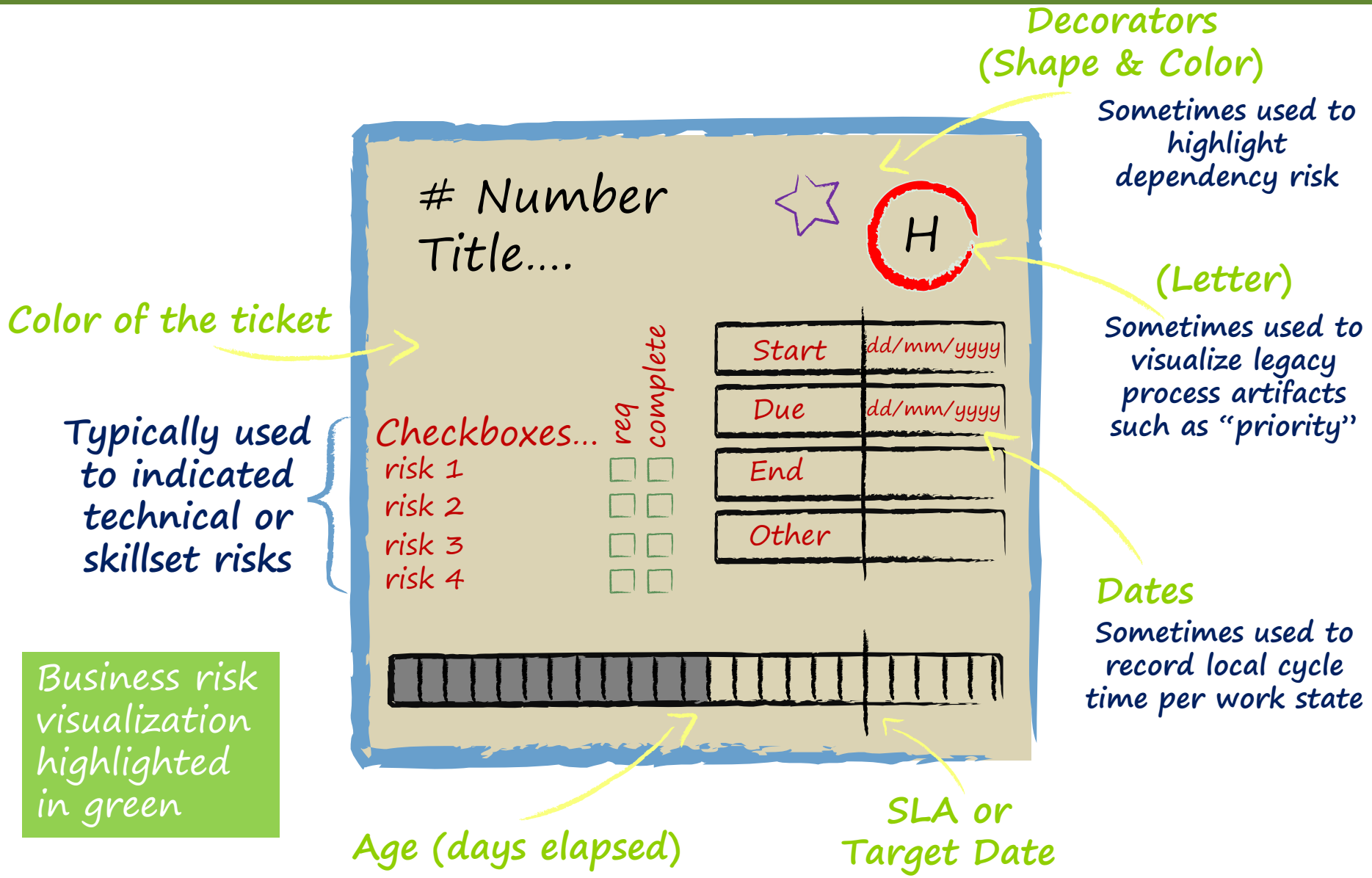
Project X


No more to-do-lists
Visualization of risk
Red box = WiP control area
I know enough to determine if 3rd parties are in good shape
Weekly ”highlights”
WORK
QUEUE
(WIP) ANALYZE
ONGOING
GREEN
YELLOW
(WIP)
RED
(WIP
REVIEW
DONE
PM TASKS WITH DEADLINES
OTHER TASKS
TECHNICAL TASKS
WEEK NO: X
MON. PETER OFF
TUE.
WED. DEL. OF MILESTONE X
THUR. TEAM MEET
FRI

Displaying risk and l[illegible]letion a



An advanced example of a Kanban card/ticket



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Triage: Cleaning up the backlog

- "Pull" creates a pressure to triage:
  - What should we do immediately?
  - What can wait until later?
    - And if so, when? (a scheduling problem)
  - What shouldn't we do at all? (discard)
- When you develop a strong triage discipline you will be on your way to achieving end-to-end "pull"

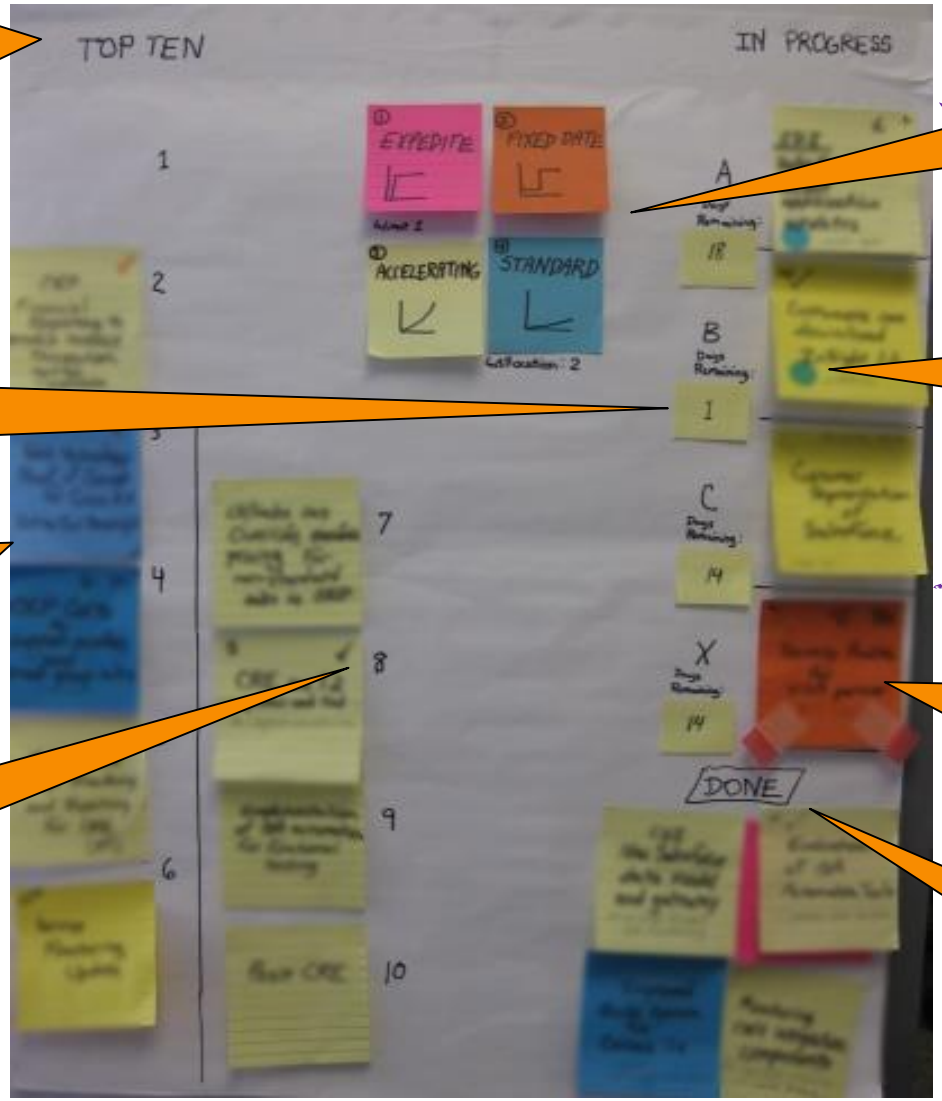
Example: Replenishment meeting board

"Top 10" customer committed features

SLA clock ticking (days)

"Intangible" capacity allocation

Sized as "21 days or less"



"Cost of delay" class of service index

Dots depict dependencies

Expedite Feature borrows people from regular teams

Trophy cabinet "recent features complete"

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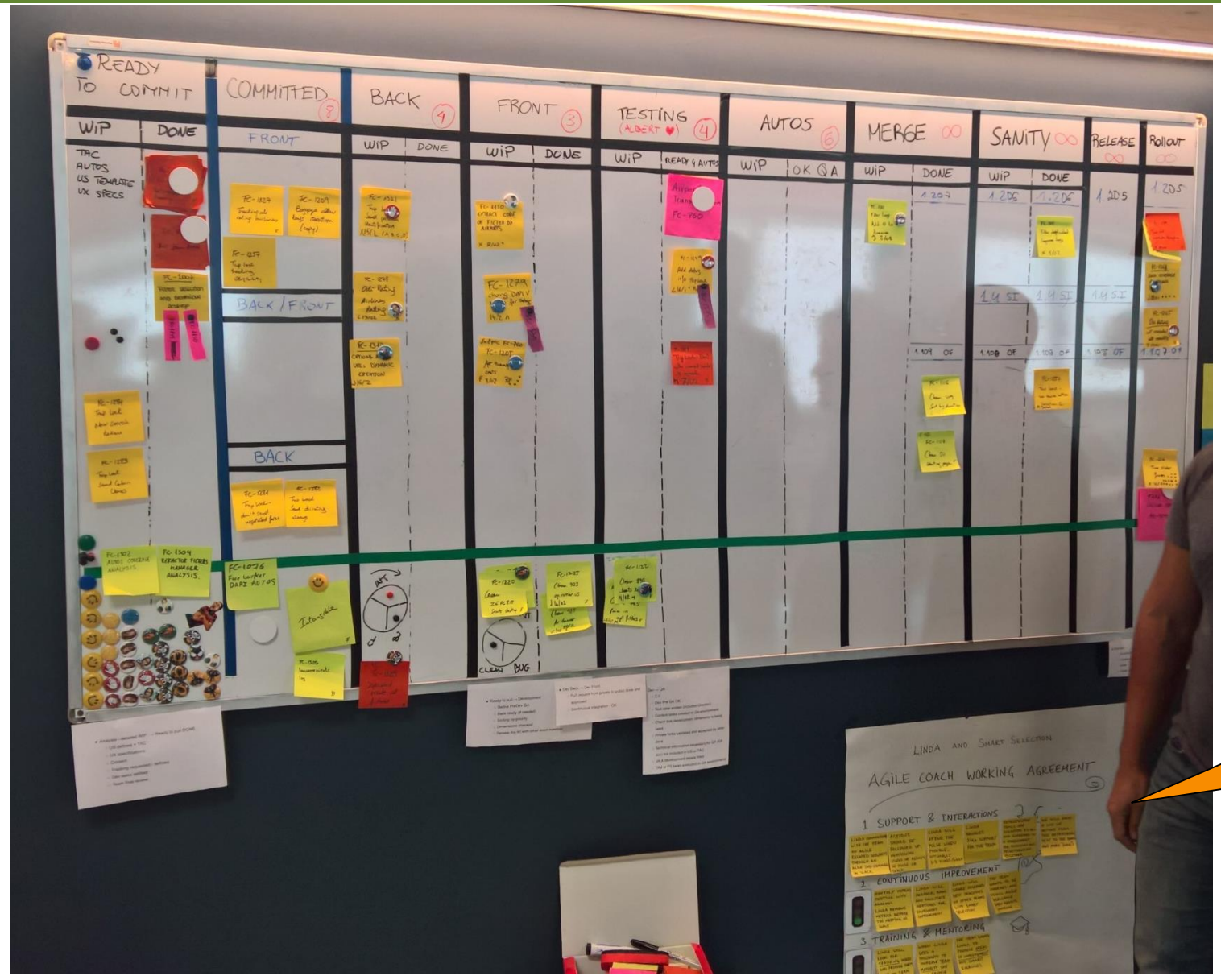
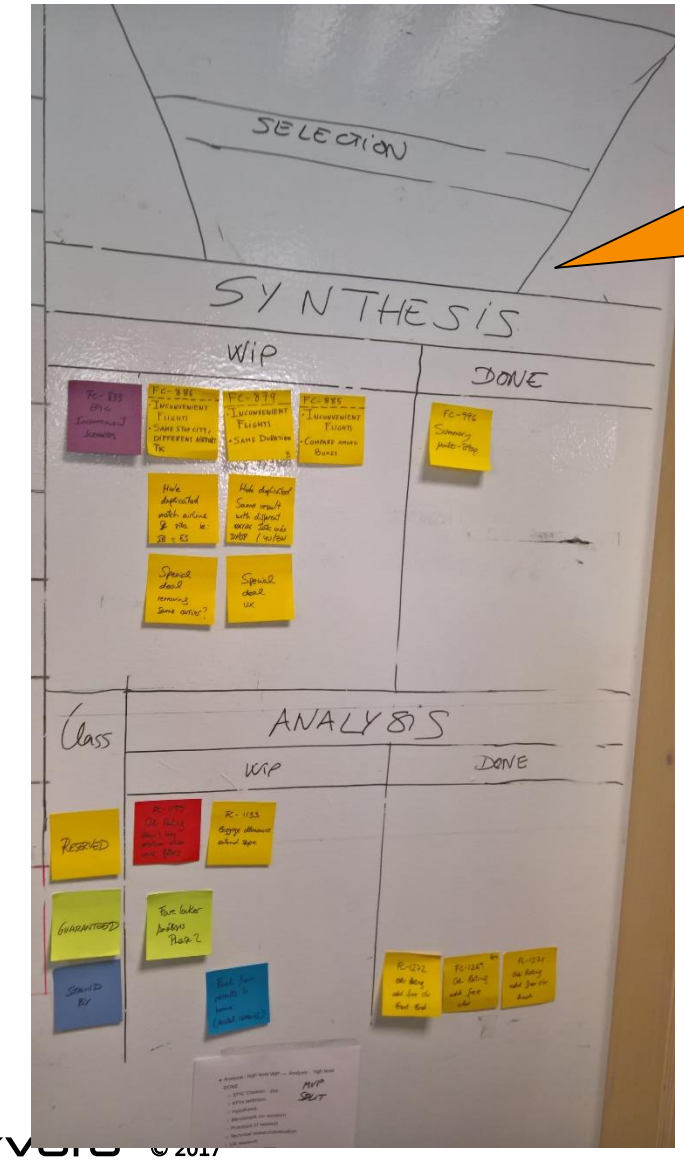
A real-world example: The delivery board

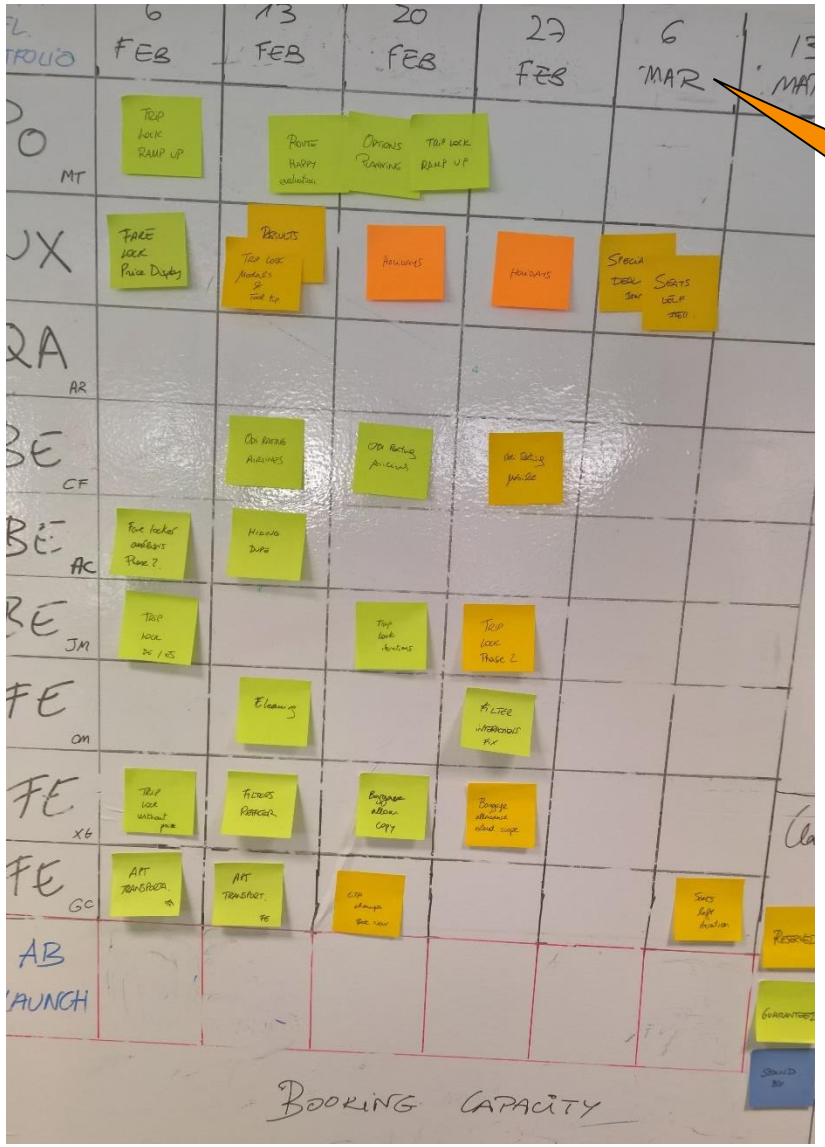


NB! There is an agile coach working with the team working agreements have been made

A real-world example: The discovery (upstream) board and the dependency board



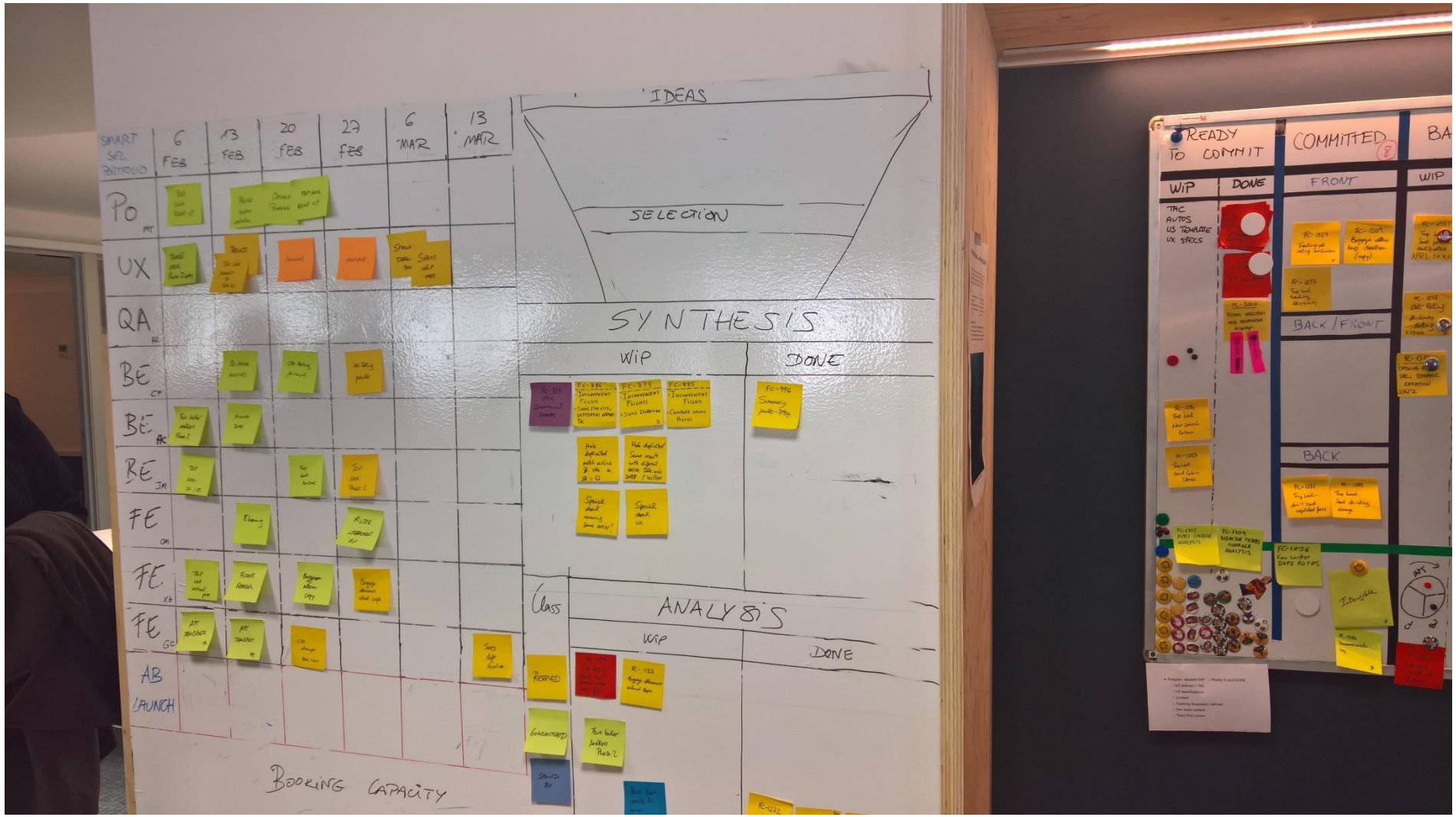
This is how requirements are qualified and prioritized in this board



In this board you see dependencies 6 weeks rolling

© 2017

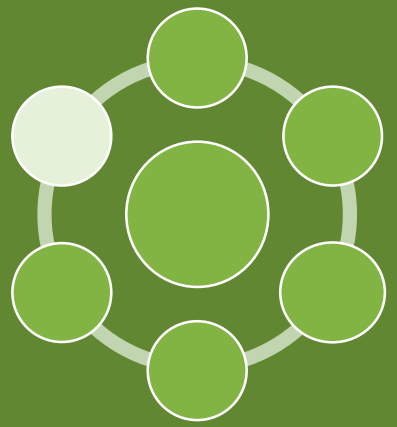
The 3 boards seen in connection



What makes the real difference

- Visualization and transparancy
- The well-defined cadences
- Frequent dialogue with the customer
- The predictability
- Simply the **simplicity!**

Why does my kanban board not work???



A few examples of metrics and reporting

No matter how you control your projects – the classic way or agile – there will usually be a legitimate reporting requirement from you management, steering committee, or customer

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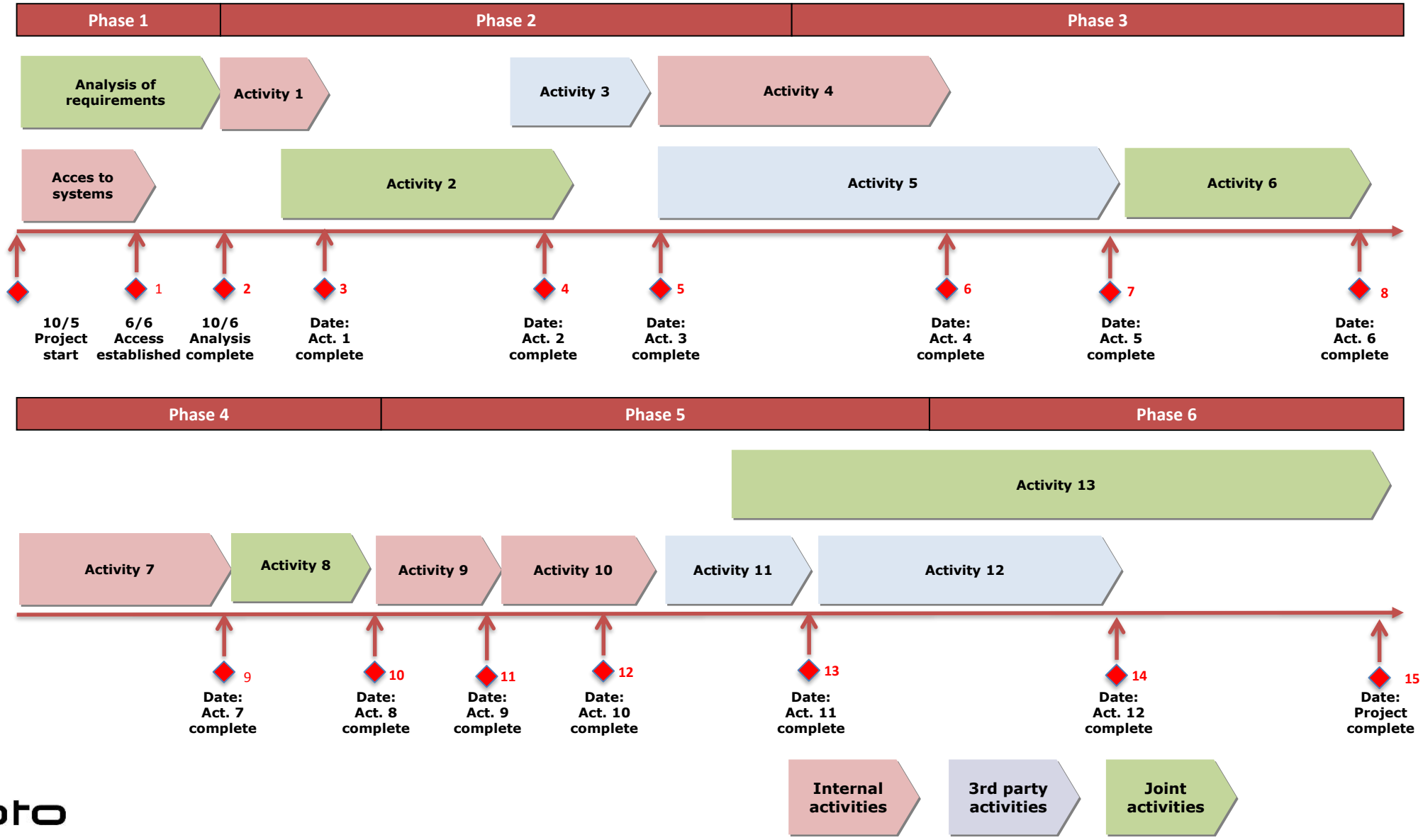
Project X
High level deliverables and milestones



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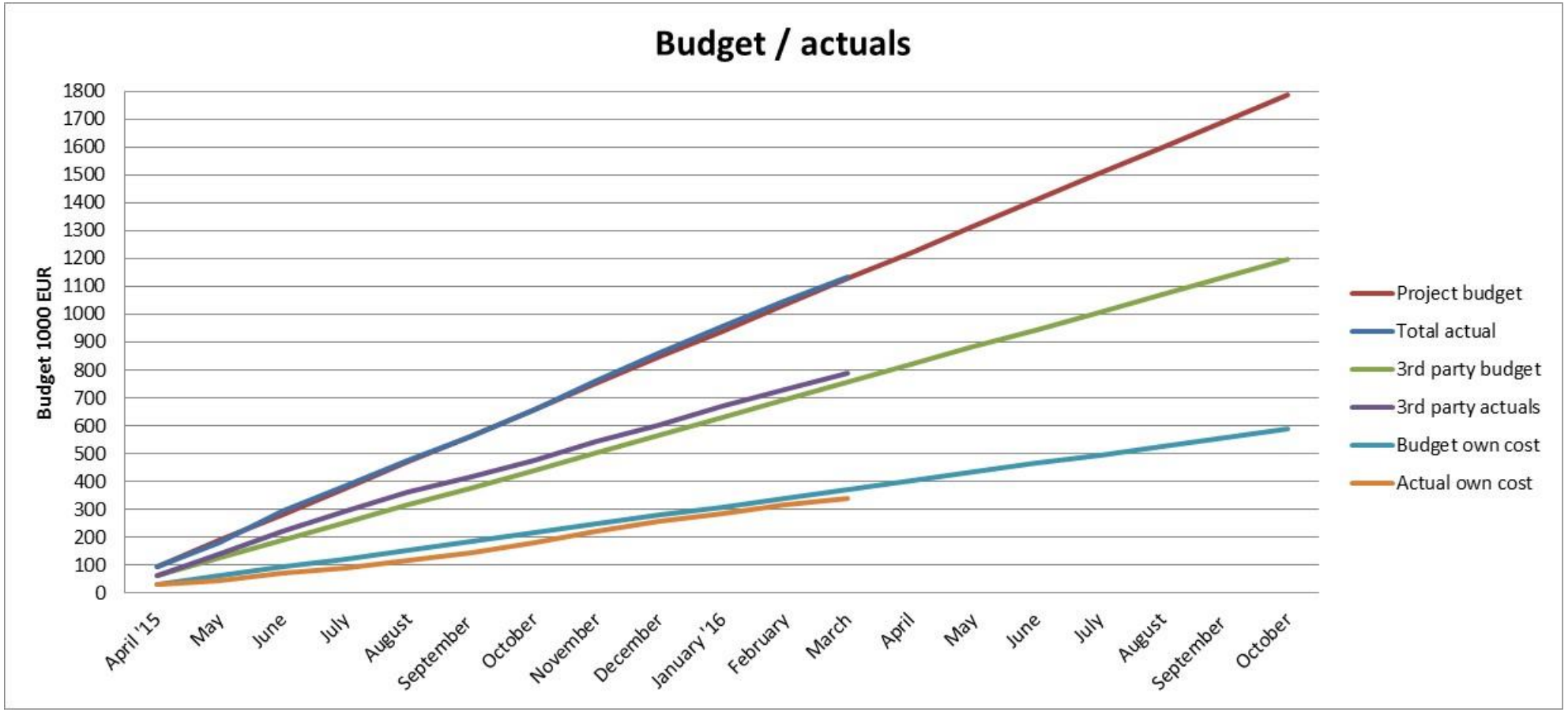
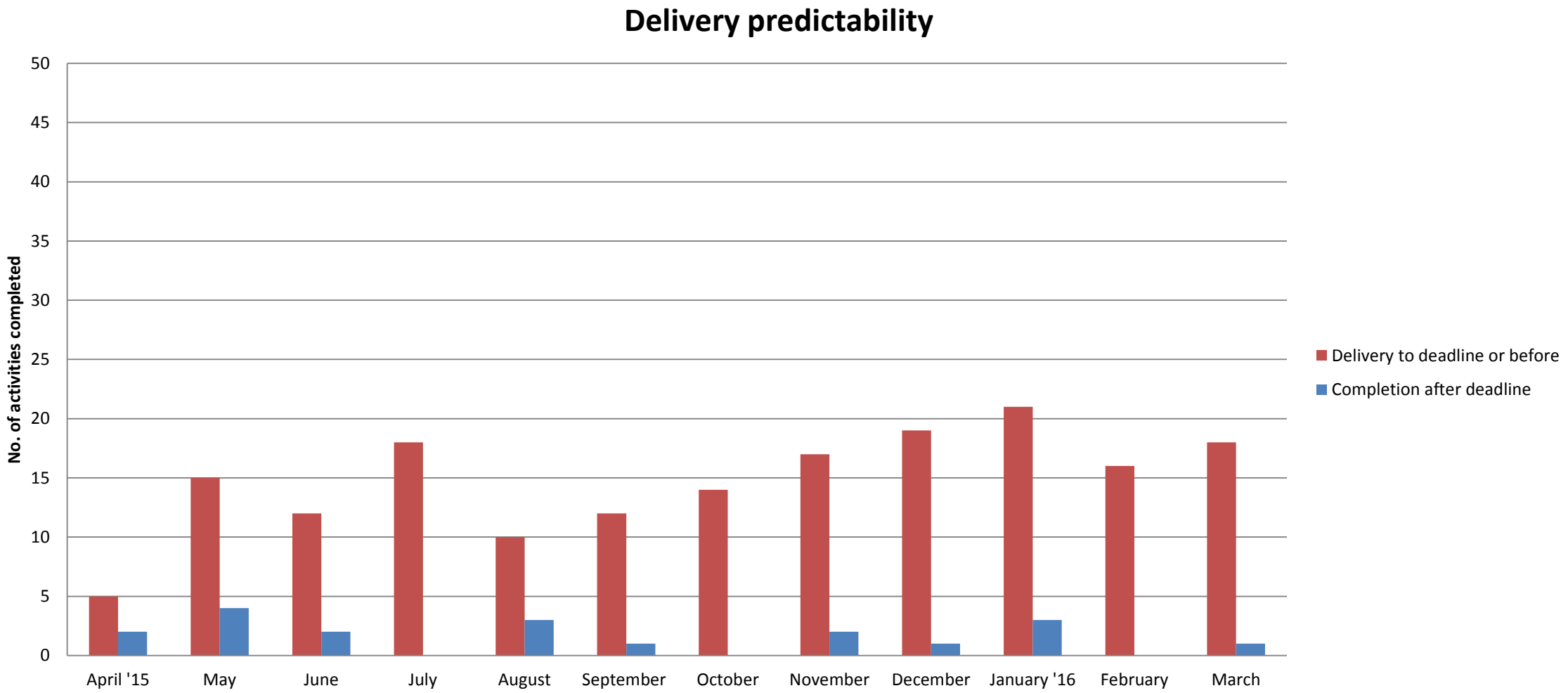
How are the finances doing?



Will we finish on time and with the right quality?

How good are we at keeping our deadlines?



The monthly/weekly report

- A brief report showing only the highlights. It contains brief information about:
  - Budget and calendar risks
  - Quality delivered
  - Forecast accuracy
- A couple of pages are usually enough
- Make progress transparent

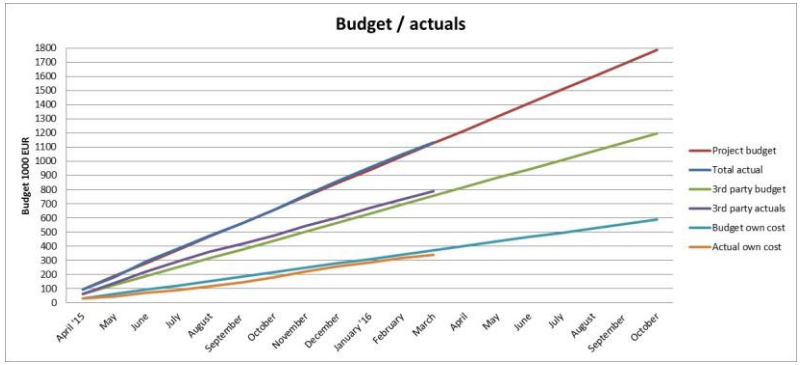
Project Status Report – March 2016

1. General status

The project team is delivering in a stable pace. Both the subcontractor and our internal team.....

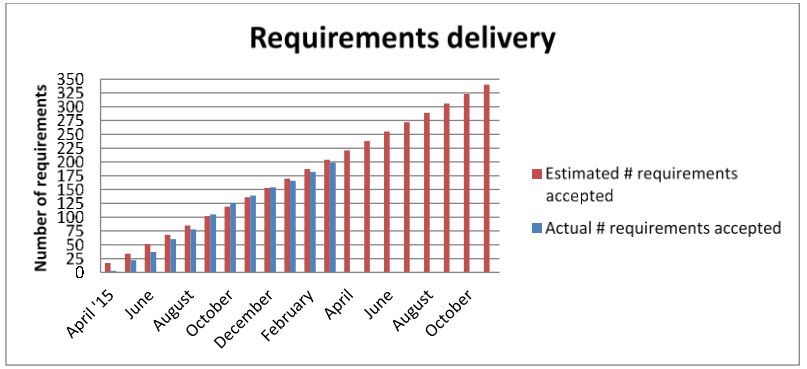
2. Project budget vs. actuals

During the past month we have managed to keep the total budget on track. We are a bit above our budget for 3rd party effort but a bit below own budgeted cost. During the next month we intend to.....



3. Requirements acceptance rate

During the month of March we have seen only few requirements that have not been accepted. We are still a bit below the number of the total expected accepted requirements, but we.....



4. Delivery to agreed deadlines

In March the team has shown high stability and have delivered nearly all activities according to the agreed deadlines. We are not facing any risks concerning ....

Yes, but how?

That's all good and fir
how do I get info out c
Kanban board and int
reports?
Depending on reporting requirements, note the needed information, such as dates in and out, on each Kanban card/ticket. Then you can do the rest in Excel.

Everything can be measured and quantified

- Measure often!
- Measure what keeps you in control
- Measure what you want your stakeholders/steering committee to know
- Measure what your stakeholders/steering committee want to know

Predictability matters

Key take-aways

- Visualization and transparency makes all the difference
- Showing predictability will give you peace to do your work

- The techniques in Kanban improves flow = faster time-to-market
- Be close to your customer, and under-stand what value means to him or her

I am sometimes asked:

"But can you prove that it's Kanban that makes it work?"

Then I will ask:

"Is your project track record where you want it to be? If not – what have you got to lose?"

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The End

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