

MAKING YOUR PO BETTER NOW

“Transforming the World of Work”



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- 20+ years in senior level consulting to well-known firms in New York, London and Charlotte, and elsewhere.
- Focus on delivery of Business Value; interest in Lean
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- Was Senior Manager in Big 6 consulting
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Basics

Test

- 🌐 **There will be a test at the end.**
- 🌐 **Or: two questions that you each must answer.**

Key Issue

- 🌐 **Having better lives (the good life - Cf Socrates)**
- 🌐 **Smaller version: Getting more from Scrum.**

Would it be good to have more Business Value?

My opinion: Improving the Business Value is our **BIGGEST** problem. Getting more efficient is secondary.

What's in it for you? (Scrum)

- **More business value for the firm**
- **More for the customer**
 - More, cheaper, faster, better
- **Faster delivery (TTM)**
- **Higher quality**
- **Less risk**
- **Better way to work (for the workers)**
- **More fun**

The title mentions the PO...but

- 🌐 **Scrum is a team sport....**
- 🌐 **Everyone knows a part of the elephant.**
- 🌐 **This stuff is hard; any help we can get....**

What is the problem?

- **We are not delivering enough Business Value.**
- **Large success does happen often...why not much more often??**
- **And a larger success more often...**

Put another way

We need more...

 Beauty


 Innovation

 WOW factor

 Inventiveness

 Creativity

 Sex appeal

 Neat, cool, wonderful solutions to hard technical and business problems

Per Tom DeMarco

- **Project A will eventually cost about \$1 million and will produce value of about \$1.1 million**
- **Project B will eventually cost about \$1 million and will produce value of about \$50 million.**
- **What do we learn from this?**

Why is business value so hard?

- A. We don't talk to the customer**
- B. We don't understand the problem well enough**
- C. The customer can't explain what they want**
- D. Communication is hard (all along the line)**
- E. Many people are involved**
- F. Change in every dimension**
- G. Rampant disruptions**
- H. It depends on benefits vs costs**
- I. It takes too much time to build the stuff**

What we do now in Scrum

What does Scrum do 'out of the box' to get more business value?

1. Business and Technology collaborate
2. A FT Product Owner for each FT Team (of 7)
3. A Product Backlog
4. Ordered mainly by Business Value
5. Each sprint we have working product (per the DOD)...enabling management of progress
6. Each demo, we show the working product to 'business stakeholders' and get their feedback
As in: 'Did we build the best possible stuff for you this Sprint?'
7. We release earlier

But we can do more...!!

Can we get some more BV now?

 **Of course!**

 **But how?**

What else can we do?

- 🌐 **In small teams, with stickies. And large pens.**
- 🌐 **One items per sticky...**
- 🌐 **What are some concrete things we could start doing tomorrow that could raise BV?**
- 🌐 **You have 2 minutes. The Team with the most stickies wins....**

9 Ideas

3 Ideas

- **Clearer goal**
- **DOR (Def of Ready)**
- **Enabling Spec**

3 more ideas to try

- **Business Value Engineering**
- **Better business stakeholders**
- **Priority Poker / ROI/CBA**

OK, 3 more ideas to try

- 🌐 **The Pareto idea**
- 🌐 **Minimum Marketable Feature Set (and faster releases)**
- 🌐 **Agile Release Planning & Release Plan Refactoring**

1. Clearer goal

- 🌐 **Take the time to make the goal clearer to everyone on the team.**
- 🌐 **Again....**

“If you have to be very careful if you don’t know where you are going, because you might not get there.” Yogi Berra

Daniel Pink: Drive

 **Autonomy**

 **Mastery**

 **Purpose**

2. Enabling Spec

- 🌐 **Just-enough, just-in-time documentation**
- 🌐 **'Just enough information to enable a person of good skill to product the product'**
- 🌐 **How does it help?**

GIGO

- 🌐 **This is the opposite of the Garbage In, Garbage Out stuff that we are usually doing.**

Imagine

- **...how much more productive the Team would be....**
- **...if they actually understood what they were building.**
- **So, give them just enough information, just in time.**

3. Ready, ready criteria

- 🌐 **Each team has its own set.**
- 🌐 **The team votes on each story.**
- 🌐 **The opposite of 'GIGO'.**

4. Business Value Engineering

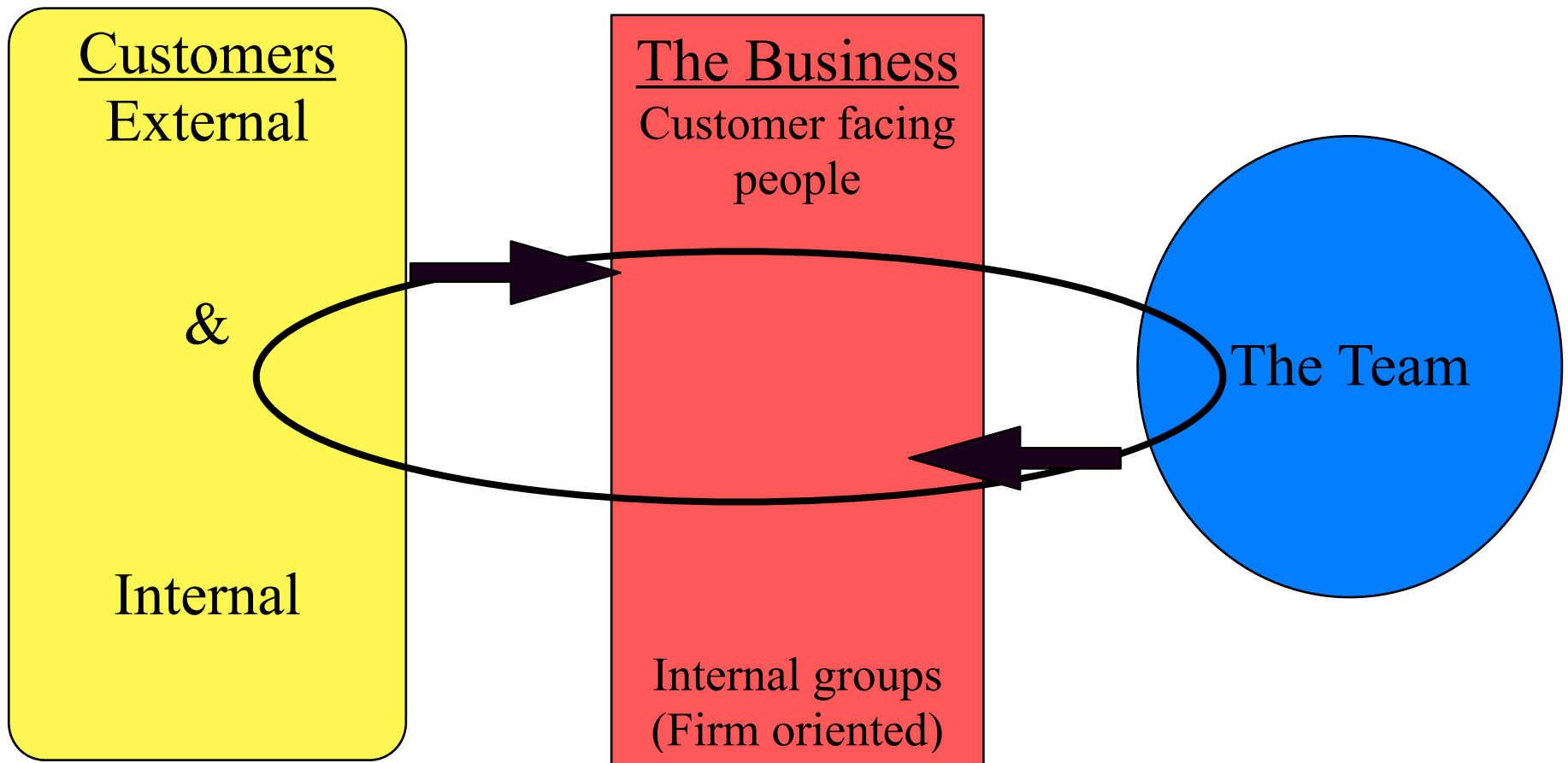
- 🌐 **A framework for continuously improving how you deliver more and more business value.**
- 🌐 **Steals from Value Stream Mapping (Lean)**
- 🌐 **Steals from Deming (Plan-Do-Check-Act)**
- 🌐 **Uses ideas similar to the scientific method**

The two essential questions

- 🌐 **How do we get the BV ideas and the requirements into the Team?**
- 🌐 **How do we deliver the 'product' to the customer?**

The BV process is visible and we articulate the underlying

🌐 Do you understand yours, end-to-end?



Hallmarks of good BV Engineering

- 1. The process is visible and articulated & always improving**
- 2. Failures in BV communication are identified and corrected frequently, quickly**
- 3. There are many theories, and a concerted attempt to prove out each theory**
- 4. There is appropriate dynamism and change**
- 5. Business & Technology are partners**
- 6. Success is forecast (modeled) and also measured after the fact**
- 7. Human judgment is involved (the numbers are not a dictator)**

5. Better business stakeholders

- 🌐 **Who are they?**
- 🌐 **How would they make a difference?**
- 🌐 **Choose better ones (eg, to help the PO)**
- 🌐 **Engage them more (eg, in the SPM and SR)**

6. Priority Poker (ROI, CBA)

- **Similar to Planning Poker, which you know and love**
- **Puts BV Points on each #\$\$%@ user story**
- **Done with the Team (by the right people)**
- **'It's the conversations, stupid.'**
- **Then add benefit-cost analysis (R Factor).**

What is it?

- **Priority Poker is very similar to Planning Poker, except it is about Business Value.**
- **Other differences:**
 - The reference story is the highest BV card. (Not the lowest effort story.)
 - We use the “5 best experts” on Business Value.

Planning poker cards



3 roles

- Product owner
- Scrum master
- Team

3 artifacts

- **Product backlog**
- Sprint backlog
- Sprint burndown

4 activities

- Sprint planning
- Daily scrum
- Sprint review
- Retrospective



<http://planningpoker.crisp.se>

What happens?

- **They select the reference story. BVP=100**
- **They choose a story (random) to evaluate**
- **They discuss**
- **They vote. Imagine: 2, 20, 20, 20, 40**
- **The two extremes talk**
- **The vote again: 13, 20, 20, 20, 40. It is close enough.**
- **The average is 23. (Meaning: On average, they feel it is about 23% of the BV of the reference story)**
- **They go to the next story**

What is the higher purpose?

 **To put a number on each story card?**

 **OR....**

 **That the 5 'experts' discussed some important issues, and 'everyone' now understands BV much better?**

Now...

- **R = BVP / SP for each story.**
- **We can order the stories mainly by R Factor.**
- **(Yes, we also must consider Risks, Dependencies, Learning, MMFS, and other factors.)**
- **We can do more work on the Pareto Idea... (up soon)**

The goal is...

- ...they see the same elephant (of BV)
- ...more motivated
-shared their tacit knowledge.

Enables benefit-cost analysis

 **We could never do this before....**

 **But now we can... at the story level**

Very simple...

 ...very powerful.

A word of advice...

- 🌐 **If the 'wrong' person explains Priority Poker, they won't do it**
- 🌐 **If the 'right' person explains it, they do it easily and see the value**
- 🌐 **Hard to explain why...but that seems to be the truth**

7. The Pareto Principle

- **We know this as the 80-20 rule...although not well enough.**
- **Vilfredo Pareto: The 'vital few'**
- **Sifting to separate...**
 - The gold, platinum, diamonds
 - The silver and copper
 - The dirt (even the dirt gives a decent return)

Start stopping

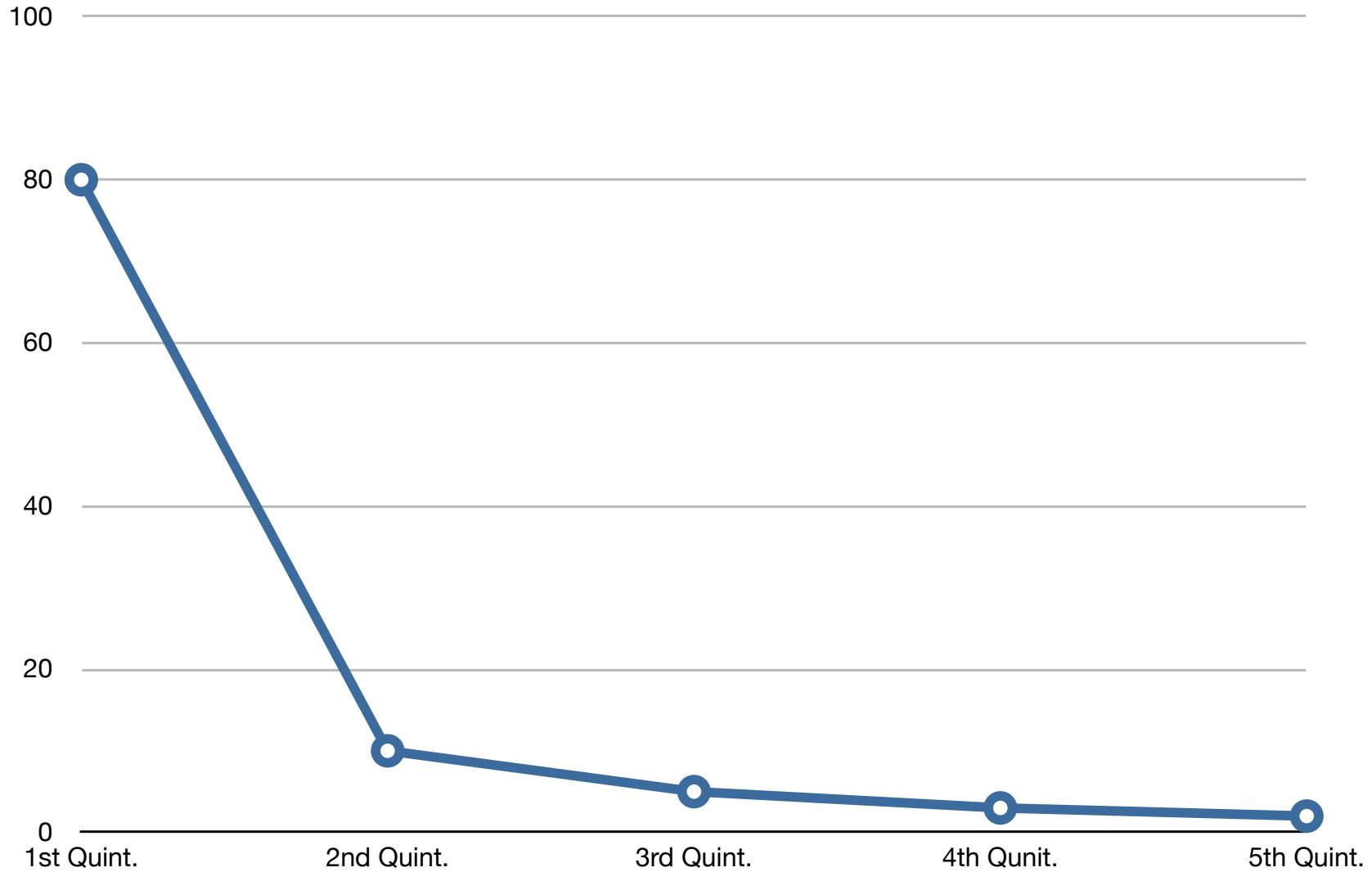
- 🌐 **Dig out the gold....**
- 🌐 **Then close the mine.**
- 🌐 **Forget the silver, the copper and the dirt.**

Linked

- **This idea (vital few)....**
- **...is closely linked to the Minimum Marketable Feature Set idea.**

Pareto's Rule (*you must prioritize!*)

Pareto Curve



Why Priority Poker & CBA

- **Simple**
- **Easy to implement**
- **Improves motivation**
- **Shares tacit knowledge**
- **Herds the cats (business stakeholders)**
- **Enables benefit-cost analysis, which is essential**

The Pareto idea

- 80-20
- The vital few
- Less is more...
- Example: The iPod, not the Zune

Why is this important?

- 🕒 **Time is far more important to the customer than we ever understand**
- 🕒 **Partially done work is terrible**
- 🕒 **They 'say' they want 'everything', but they really want it 'simple'.**

Pareto said...

- **You can re-apply the Pareto idea at every level of the population**
- **THUS:**
- **Every time you break down an Epic, part of it is high value, part medium, part low**

Advice

 **Smaller stories!!!!!!**

 **OK?...**

 **Smaller stories!!!**

More importantly...

- **You have been brainwashed, for years, into the 100%-100% rule**
- **And everyone around you has been brainwashed**
- **AND... we are still learning how to sift & see:**
 - gold, platinum, diamonds
 - silver, copper
 - dirt

Advice: Learn to say 'NO'

 ...in a nice way

 See: The Power of a Positive No, by William Ury

Advice: First do the 85%-50% rule

- **85% of \$3 million is \$2,550,000**
- **50% of 12 months is 6 months....**
- **THUS: a 70% improvement with just the 85-50 rule**

Advice: Work on it every day

- 🌐 **Work on it HARD every day**
- 🌐 **Every day there is some additional work (feature) you can identify NOT to do in the Release.**
- 🌐 **Identifying that is hard.**
- 🌐 **Saying NO is hard; getting it to stick is hard.**

Why use the Pareto Principle

- **Conceptually easy (but in practice hard)**
- **Avoids the Death March**
- **The right thing to do**
- **Time is so important!**
- **Minimize PDW / WIP**

8. Minimum Marketable Feature Set

- See Software By Numbers by Mark Denne and Jane Cleland Huang
- Similar to Minimum Viable Product
- Minimum, minimum!
- But also enough (it must be enough so that some customers can use it).

What?

- 🌐 **Well....he gives you all the reasons you must take more risk as a PO....**
- 🌐 **...if you are not a bit worried when you release, you waited too long.**
- 🌐 **You do NOT ever wait to get 'all' the features done.**

How?

- Well, that's when I want to talk about **Agile Release Planning...**
- ...and Release Plan Refactoring...**

9. Agile Release Planning

- **...and Release Plan Refactoring.**
- **Learn via Planning. Key idea.**
- **It's not the plan, it's the planning (learning).**

Agile Release Planning

- **Get the right people.**
- **Vision**
- **Product Backlog**
- **Business Value**
- **Effort**
- **Risks, Depend, Learning, MMFS, Other**
- **Finalize, Communicate, Fix**

Release Plan Refactoring

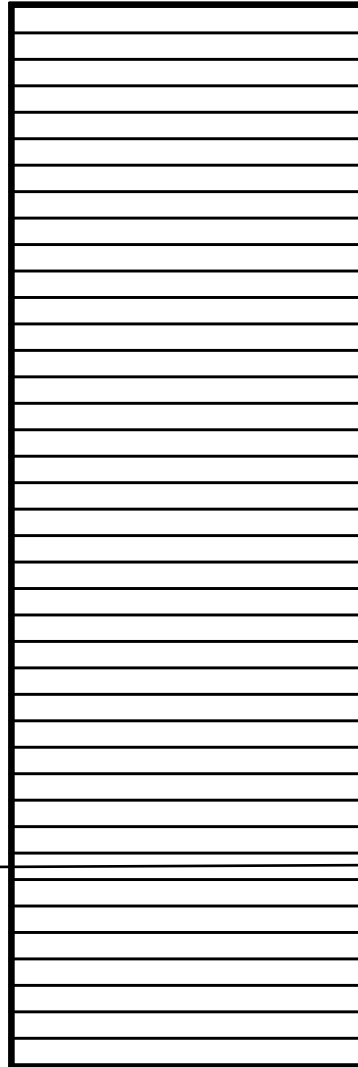
- **Every sprint! (Unless your team is so stupid they learned nothing in 2 weeks.)**
- **PO does many things in the 'red zone'**

- **One meeting - long-term.**
- **One meeting - short-term**
 - Reviewing the ready, ready criteria

Killing Babies or Sizzling Steak

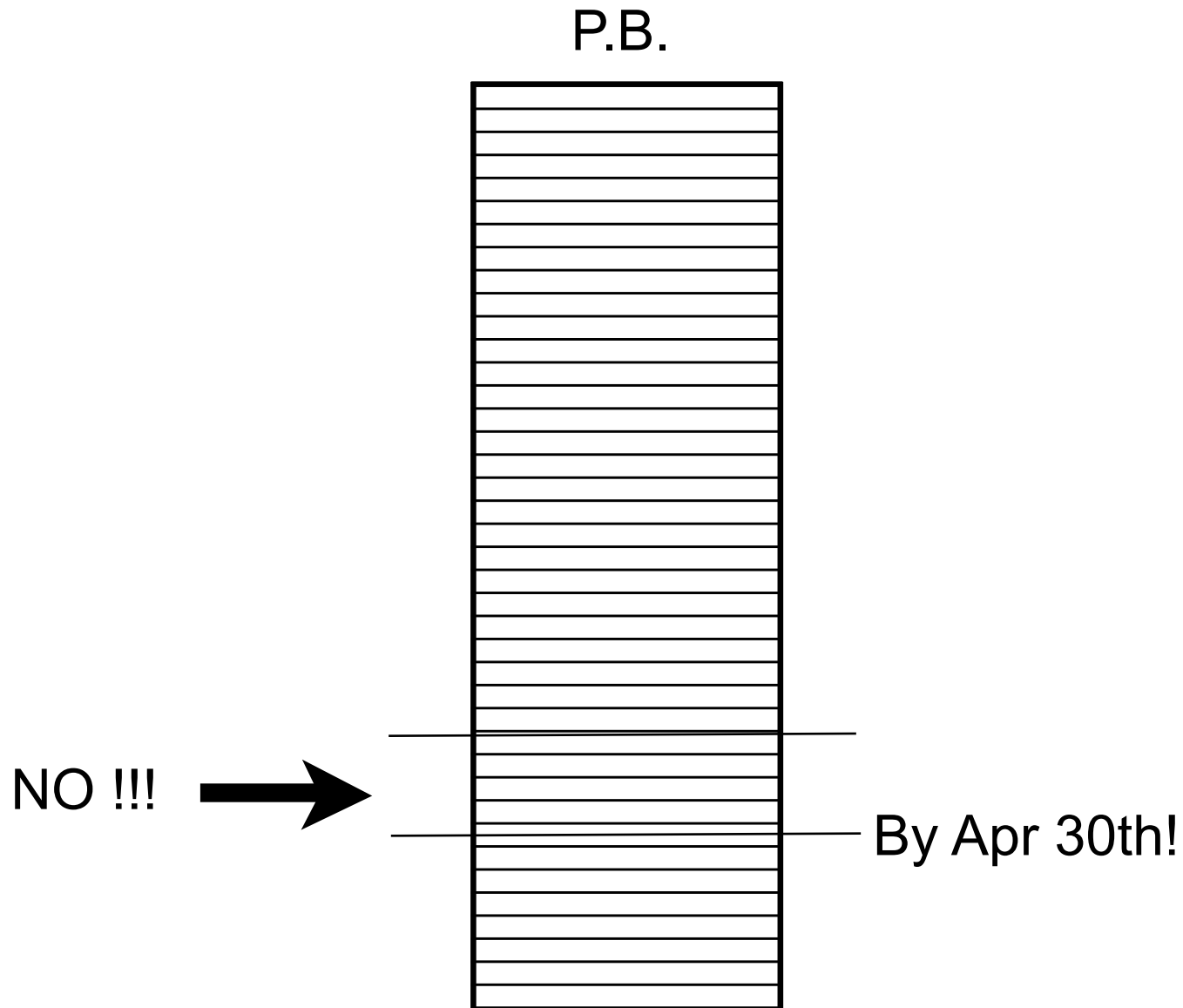
You have finished Release Planning...

P.B.

A vertical rectangular box with a black border and horizontal lines, representing a checklist or a list of items. The box is empty and occupies the central portion of the slide.

By Apr 30th!

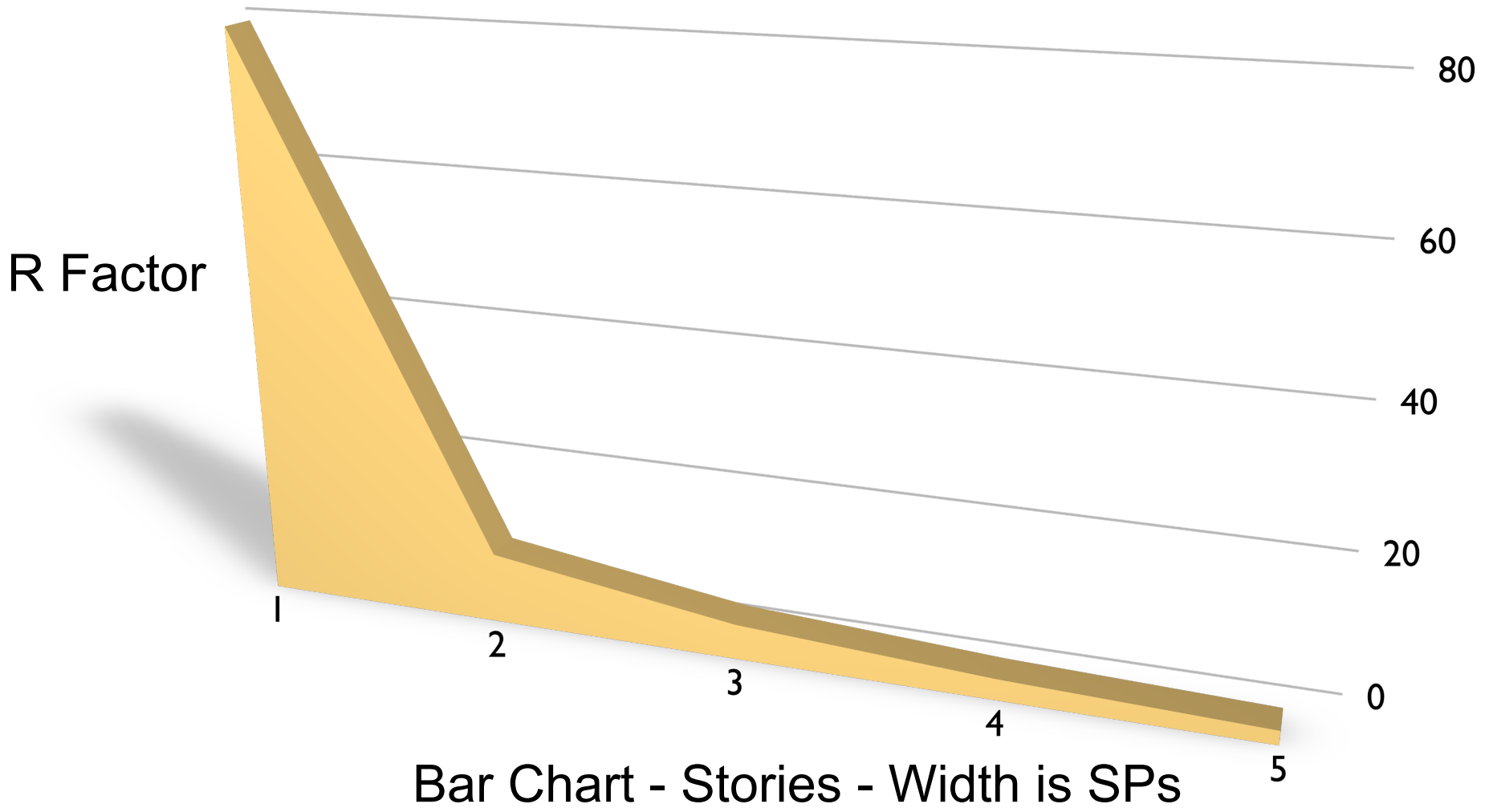
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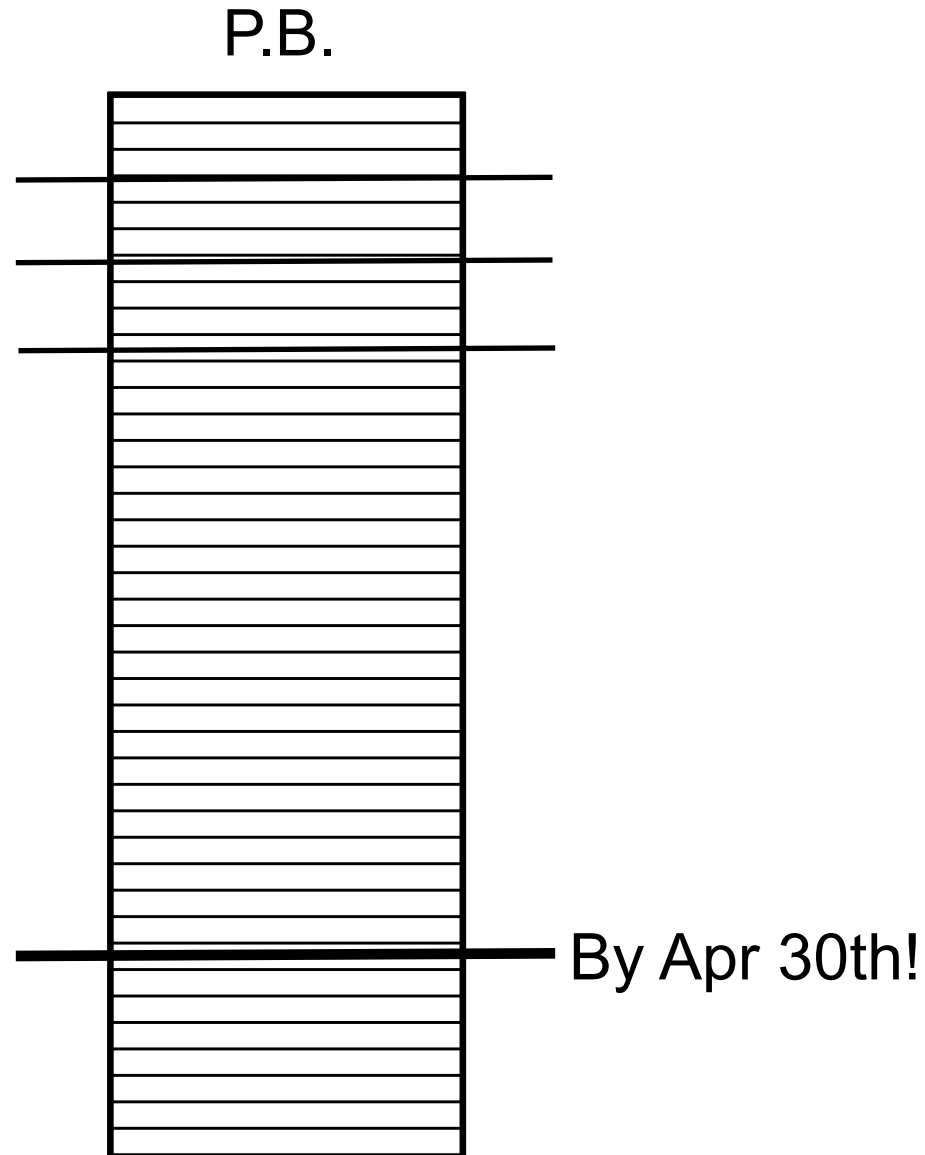
You meet with the business stakeholders immediately

- 🌐 **“Killing my babies”**
- 🌐 **I don't recommend it**

Show a Pareto Chart



You have finished Release Planning...



Sizzling Steak!

🌐 **Yes! We have to show the sizzling steak!**



You seduce them into the right thing

- **Better for them**
- **Better for the customer and the firm**
- **Better for the Team**
- **Easier than 'killing babies'**

Other basic ideas

Some simple things - 1

- 🌐 **Let the coder talk to the real user**
- 🌐 **Ask the Doers to think about business value frequently**
- 🌐 **Create a BV Model**
- 🌐 **Modify the BV Model once per month**
- 🌐 **Learn to cancel projects when better projects come along**

Some simple things - 2

- 🌐 **Identify & fix more technical debt**
- 🌐 **Make the PO better**
- 🌐 **Get more PO time for the team**
- 🌐 **Teach the PO about the product**
- 🌐 **Give the PO time to talk to end users and customers**
- 🌐 **Let the PO watch a master PO**

Some more simple things - 3

- **Get more creative**
- **Make the product more elegant or beautiful**
- **More feedback from the business stakeholders**
- **More time from the business stakeholders**
- **A better relationship between the business stakeholders and the PO**
- **Bring real end users to the Demo**

More simple things - 4

- **Map the stories (in several possible ways)**
- **The Doers should watch what the end users do (in a typical day)**
- **Re-calculate the BV Model more frequently**
- **Integrate more between Team planning and firm planning**
- **Study competitive products**
- **Faster feedback within the Sprint (Doers - PO)**

More simple things - 5

- **Have more fun!?!**
- **Ask: "What will delight the customer?"**
- **Measure BV delivered (measure after a release)**
- **Focus on TTM (time to market). Measure it.**
- **Identify the BV drivers specific to your effort**
- **Clarify the acceptance criteria (functional tests) more**
- **Automate the functional tests (more)**

Summary

Try these!!!

- **Clearer goal**
- **DOR**
- **Enabling Spec**
- **Business value engineering**
- **Better business stakeholders**
- **Priority Poker**
- **Pareto idea**
- **Minimum Marketable Feature Set**
- **Agile Release Planning**

If you do, you'll have more fun!

**Yes, even hard work can be fun, if
you do it the right way....**

Question 1.

 **Which one do you want to do first?**

Question 2.

 **Which will give you more long-term benefit?**

Thank you.

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