Agile Adoption and Parenting
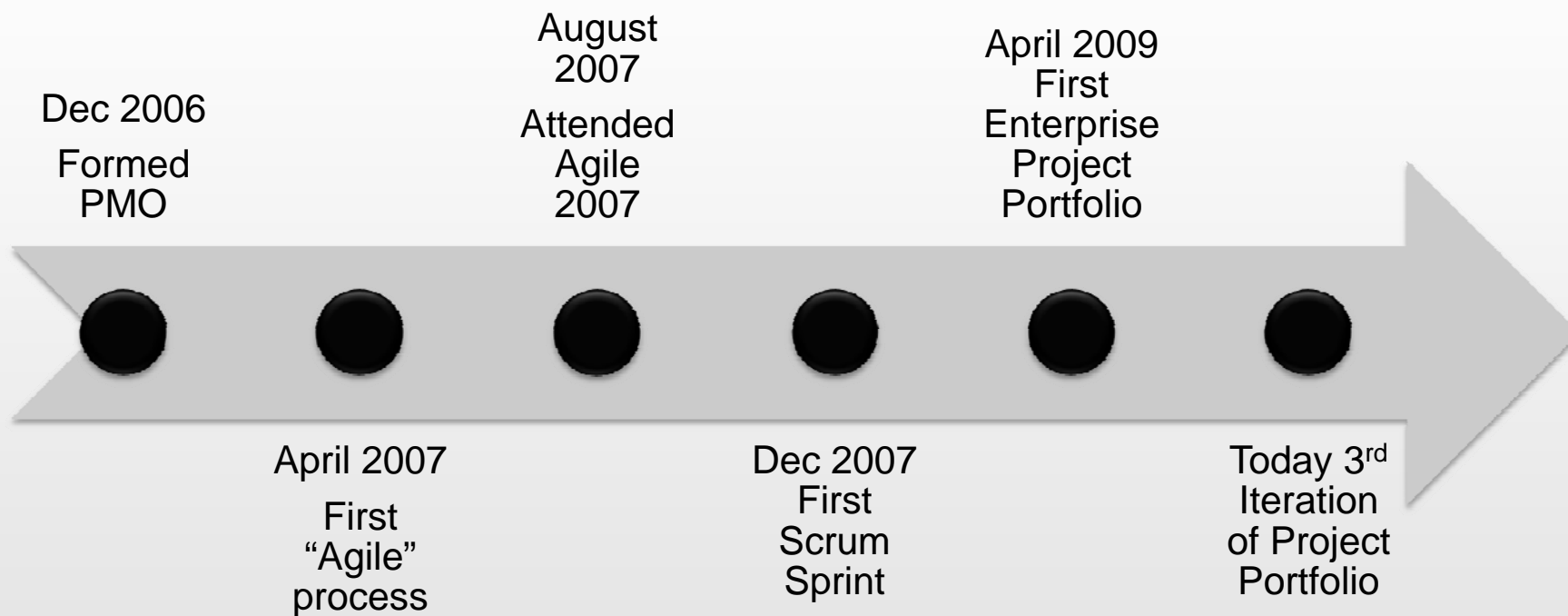
Max Keeler

The Goal
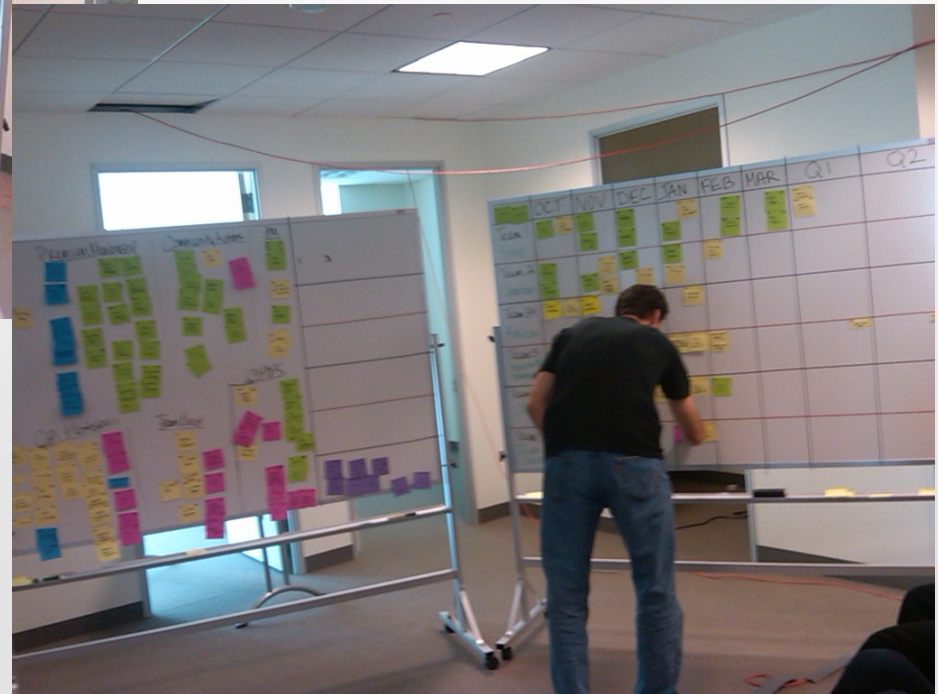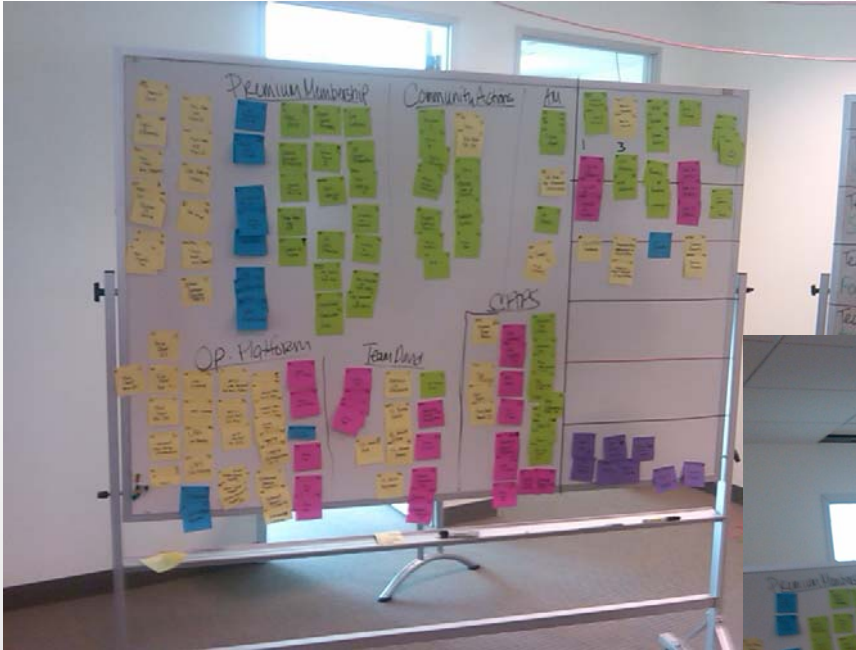
Hopes For This Presentation

- Share Agile adoption experience and lessons.

- Present a simple portfolio management and governance strategy.

- Disclaimer: I can't focus on every aspect of Agile, I'll be moving quickly.

If you remember this presentation 3 days from now? I'm happy.

Background – The Motley Fool

- www.fool.com
- Founded in 1994, now ~ 200 employees
- ~ 40 frontend and backend developers divided into 6 teams.
- ~ 5.2MM UVs, 55MM PVs per month
- Advertising, Premium Newsletter Subscriptions, CAPS, Retail Fund

Agile History

Dec 2006

Formed PMO

April 2007

First "Agile" process

August 2007

Attended Agile 2007

Dec 2007

First Scrum Sprint

April 2009

First Enterprise Project Portfolio

Today 3rd

Iteration of Project Portfolio

Pre Agile (2007)

Initiative Plan FY08

	Jun			Jul			Aug			Sep			Oct			Nov		
Project	Dev	CrS	PjM	Dev	CrS	PjM	Dev	CrS	PjM	Dev	CrS	PjM	Dev	CrS	PjM	Dev	CrS	PjM
Boards B. Free	1.5	0.5	0.5	1	0.5	0.5												
CMS	0.5	0	0.5	0.5	0	0.5	1	0	0.5	1	1	0.5	1	1	0.5	1	1	0.5
Fool.com - Homepage and Centers	0.5	2	0.5	0.5	2	0.5	1.5	3	1	2	4	1	2	4	1	2	4	1
Fool.com - CAPS Quotes																2	1	0.5
Landing Page Overhaul				1	1	0.5	1	1	0.5	1	1	0.5	1	1	0.5			
Lane - Destination Fool	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*
Lane - Premium Power	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*	*2*	*2*	*0*
Newsletter 1 - Stock Advisor Backend				1.5	1	0.5	1.5	1	0.5	1.5	1	0.5	1.5	1	0.5			
Newsletter 3 - All Access Pass																		
Shop 1 - Order Page	2	0.5	0.5	2.5	0.5	0.5	2.5	0.5	0.5	2.5	0.5	0.5	2.5	0.5	0.5	2.5	0.5	0.5
Shop 2 - AAP Bundle/Rebill																		
Shop 3 - Marketing Bundles																		
Total Demand	**8.5**	**7**	**2**	**11**	**9**	**3**	**11.5**	**9.5**	**3**	**12**	**11.5**	**3**	**12**	**11.5**	**3**	**11.5**	**10.5**	**2.5**
Supply	9.5	9.5	3	10	9.5	3.5	11	10.5	3.5	12	11.5	3.5	12	11.5	3.5	12	11.5	3.5
Supply - Demand	1	2.5	1	-1	0.5	0.5	-0.5	1	0.5	0	0	0.5	0	0	0.5	0.5	1	1

FTEs

Total Man-months:
Dest Fool 114
Prem Power 88.5

Provided a sense of direction and control.

Pre Agile Challenges

- **Business**
  - Difficult to respond to changing priorities (hitting the bees nest)
  - Lack of business accountability
  - All business interaction happened at the beginning
  - Business not sure how to behave
  - "Common Understanding" expensive and short lived.
  - Dates = Goals
- **Resourcing**
  - Splitting people across projects
  - Focusing on 100% allocation
  - Wall between functional teams

Same old problems, even though we were "agile".

Ah Ha

- Agile 2007 conference
- Inspired by several speakers:
  - Jim Highsmith
  - Ken Schwaber
  - David Anderson
  - Mary Poppendieck

The Agile philosophy had a red-hot focus on value, productivity, common sense and respect.

Adoption

- **Ready**
  - Education
  - Buy-in
- **Set**
  - Team Selection
  - Training
- **Go**
  - Select a Start Date with Clear Rules
- Wait and Watch

Education

Generated buzz and anticipation.

Buy-in

- Tech Leads articulated problems, opportunities and proposal into a single, "shoppable" document.

- Started with CEO and moved on to business leaders, eventually gaining consensus (in some cases barely).

- Brought in experts, Jeff Sutherland and Linda Cook, to help explain and guide.

- Presented plan to team after approval.

By this time, people were talking and there was a sense of inevitability and some reticence.

Training

- Contracted with Lithespeed to train everyone, simultaneously.

- Gave doubters a chance to ask questions

- Gave everyone a common language

- Marked the beginning of the transition with a major event (nothing like this had ever been done before).

Most people in the company knew and were talking about Scrum. There was a sense of anticipation and excitement.

Picked a Starting Point

- 12/3/2007 – Everyone is on a team and in a planning session.
- All teams collocated
- All teams, 2 week sprints
- Weekly releases

Sit Back and Watch

Team Proj vs Actual Velocity By Sprint

proj
actual

Trend

Ugly at first, but still a sense that it was better than before.

Unbeknownst to all of us, this was really starting to work.
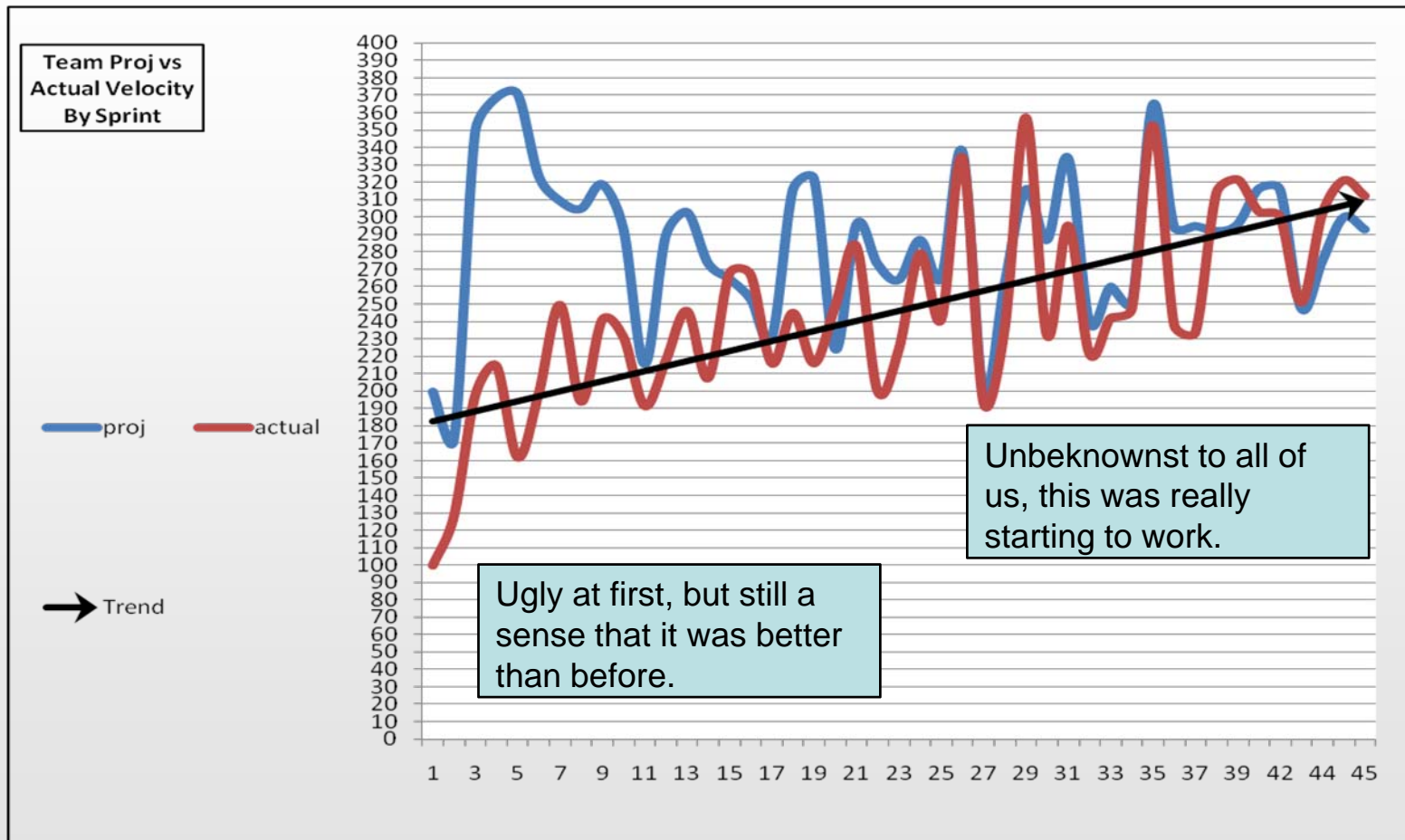
What Happened -- Pluses

+ Adapt to priority changes with little overhead

+ Identities forming across functional groups

+ Work aligned with backlog

+ Demonstrated performance increases

+ Conversations changed

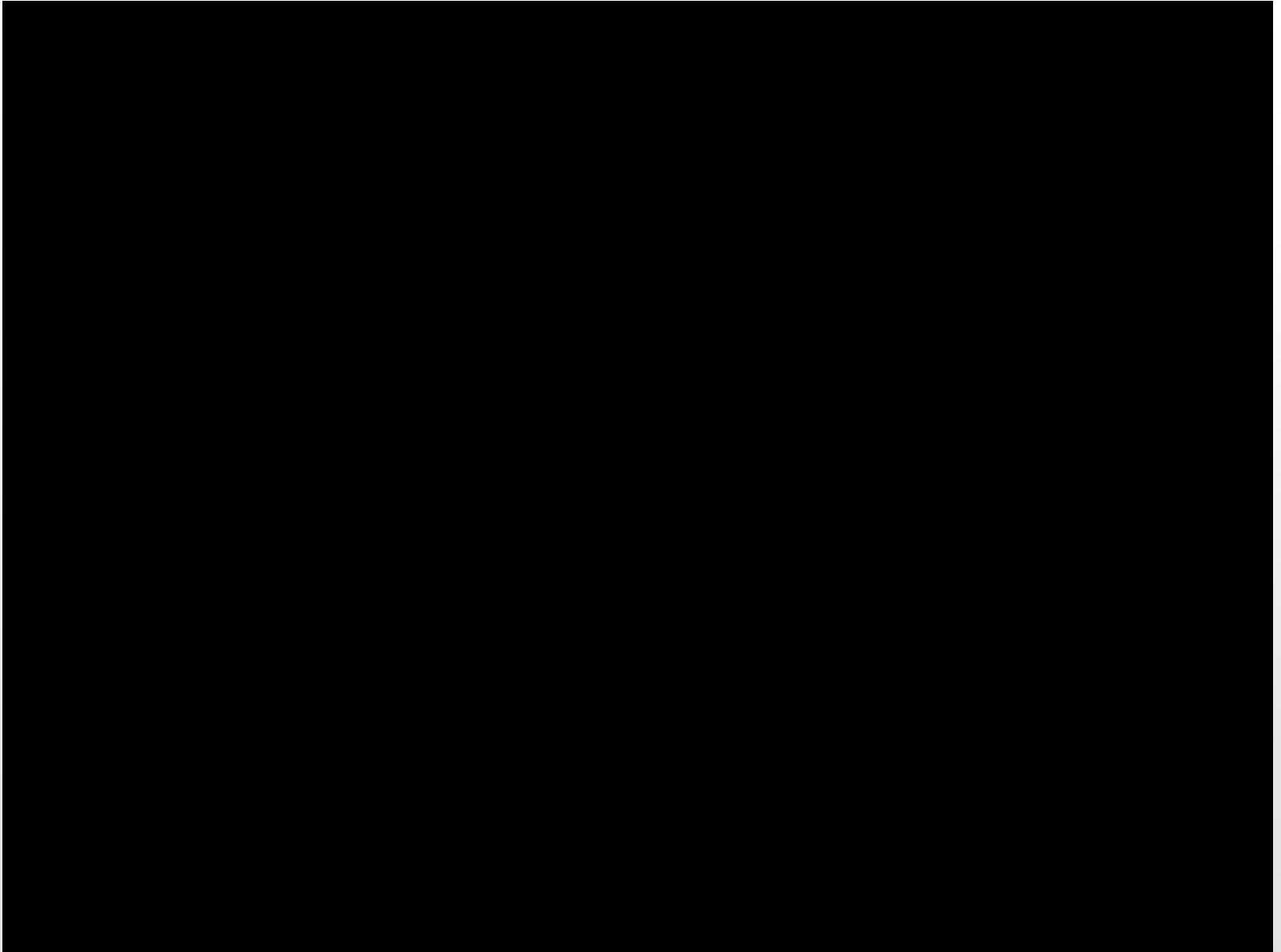 - ~~When will it be done?~~

  - What should we do next?

What Happened -- Minuses

- Strategy Silos

- Management Roles Harder to Grasp

- Balancing Speed, Quality and Value

- Feeding Teams

PM Transition to Scrum Master

- 3, slightly exaggerated examples..
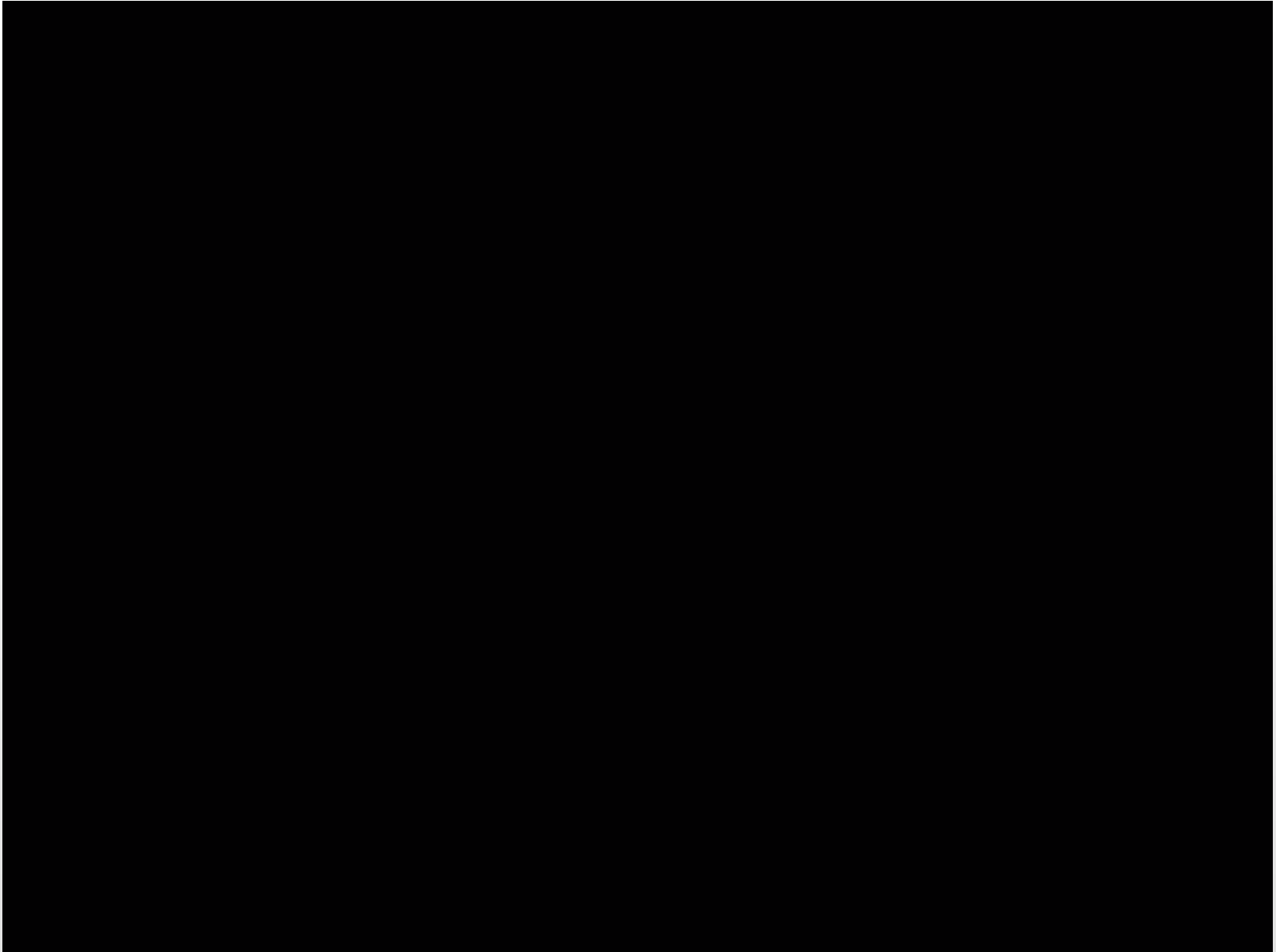
10 minutes into scrum

Project Manager Adjustments

Channel Leadership Energy Into:

Supporting, Guiding, Listening, Goal Building,

Channel Organizing Energy Into: Making Work Visible, Measuring Progress, Reporting Progress

Channel Creative Energy Into: Designing Experiments, Whiteboard, Incentives/Awards

Transfer PM accountability to Team Accountability.

Adoption

What Worked Well

- Creating a sense of change using marketing.
- Alliance with executives.
- Using the momentum to make significant changes.

What I'd Do Differently

- Get a better understanding of team needs.
- Recruit at least one group to be more orthodox.
- Focus more on releasing software.

Agile Portfolio Management

Agile Portfolio Management

- Business no longer constrained by productivity.

- Challenges are:
  - How can we keep teams aligned and focused on the right work?
  - How can we keep consistency across teams?
  - How can we make sure we're not generating technical debt?

Project Portfolio Management

- First Iteration – No real oversight, complete major initiatives.

- Second Iteration – We need to get all this done, can we?

This question created a series of considerations that lead to our first long term initiative plan since we rolled out Agile.

Iteration 1: Simple Portfolio Model

1. Unit of Supply/Investment – Story Point
2. Reserved Capacity for paying off "tech debt".
3. Prioritized remaining initiatives to fit within capacity.
4. Sequenced initiatives by quarter/by team.
5. Created a "Workable Plan".

Capacity Data

Team Proj vs Actual Velocity By Sprint

proj — actual

→ Trend

Ugly at first, but still a sense that it was better than before.

Unbeknownst to all of us, this was really starting to work.
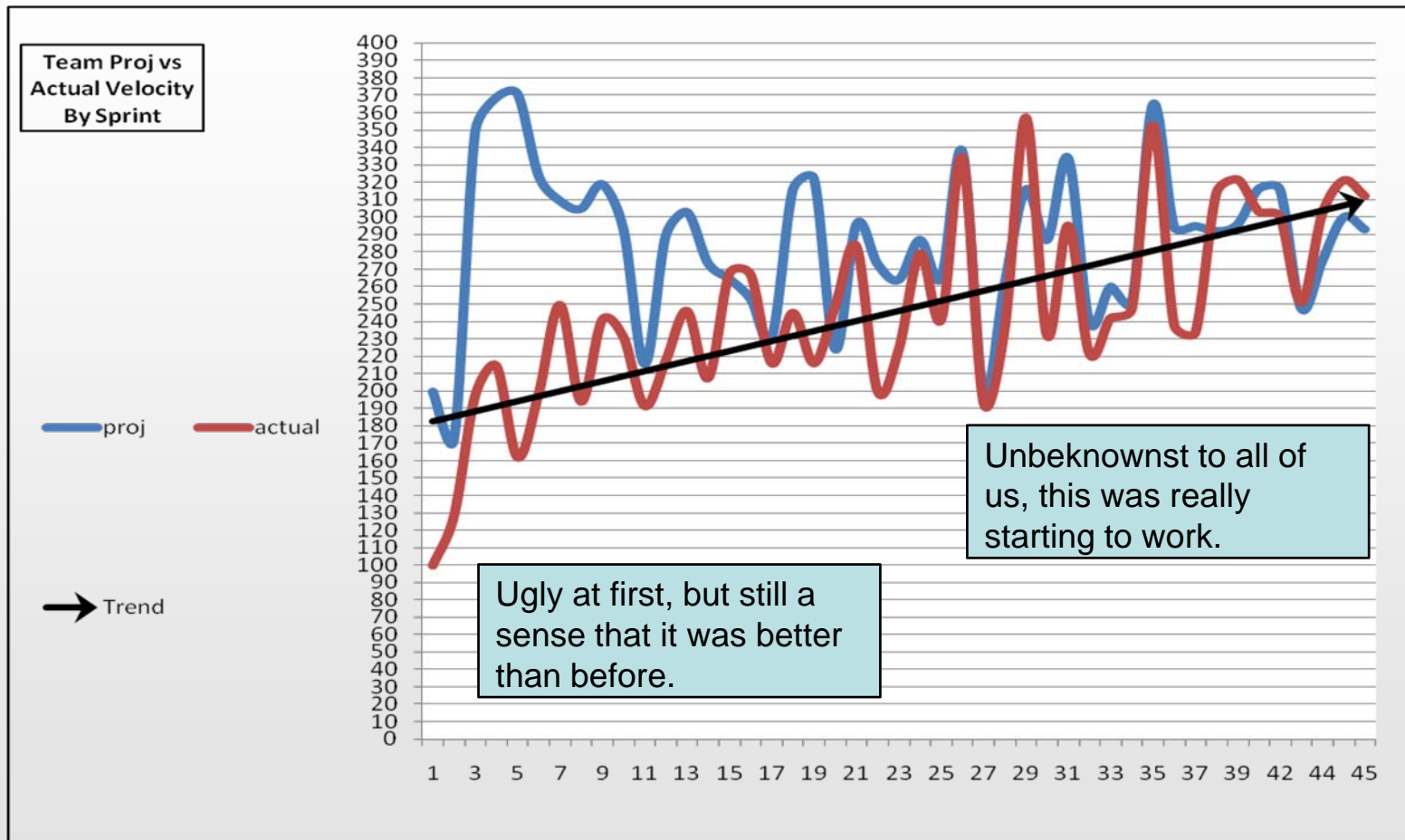
Workable Plan – Capacity

Initiative Demand

| Sum of SPs | | | | | |
Row Labels	Q1	Q2	Q3	Q4	Grand Total
Asset Management	100				100
CAPS	250	150	475	125	1000
Community Actions	475	315	215	165	1170
Premium	710	430	385	240	1765
Legal/Editorial	25				25
Brand/CX			25		25
OP		150	100	200	450
Community Strategy		225	150	225	600
UK	25	50	50	50	175
Grand Total	**1585**	**1320**	**1400**	**1005**	**5310**

	Demand	Capacity	Over/Under	
Q1	1585	1450	**9%**	135
Q2	1320	1450	**-9%**	-130
First Half	**2905**	**2900**	**0%**	**5**
Q3	1400	1450	**-3%**	-50
Q4	1005	1450	**-31%**	-445
Second Half	**2405**	**2900**	**-17%**	**-495**

Workable Plan – Team View

Team Initiatives	Q1	Q2	Q3	Q4	Grand Total
1					
Account Updater			50		50
Decline Code Mgt.			100		100
Jester's Court			25		25
Marketing Ops Maint. (LP/OP support)	10	15	10	15	50
Monthly Refund Proration	50				50
Fool Pass	200				200
Online Saves		90			90
Transactional Email Functionality		100			100
2	**300**	**225**	**225**	**225**	**975**
5	**300**	**150**	**250**	**200**	**900**
6	**250**	**150**	**325**	**125**	**850**
34	**300**	**315**	**215**	**165**	**995**
78	**175**	**275**	**200**	**275**	**925**
Grand Total	**1585**	**1320**	**1400**	**1005**	**5310**

# Work Plan Built by Those Accountable

Manage and Report Through Tools

Scrum Team 34 Community Actions: Fool.com, CMS, SEO, Distribution

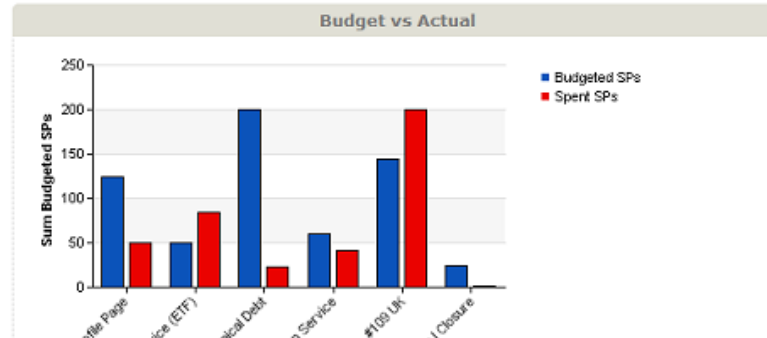**Point of Contact:** Danny Hsia

Iteration work by team.

Spent capacity vs. budget.

Current and Next Iteration	#601 Iteration 45	#603 Iteration 46
#447 ALP Optimization	13	24
#448 Homepage Optimization	5	
#450 Shop Page Relaunch	5	
#451 Ticker Page Optimization	49	8
#453 Partner Article Syndication		2
#455 Technical Debt	16	36
#456 Unbudgeted	3	2
#544 Partner Services	5	0
Totals	96	72
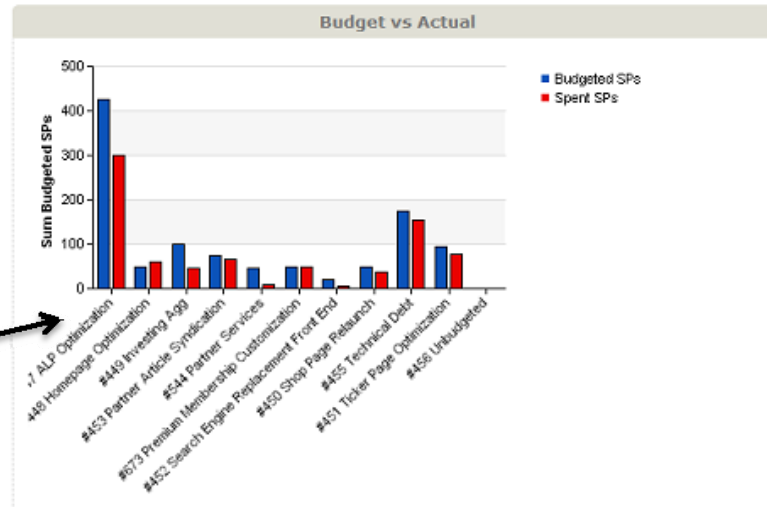
Scrum Team 78 UK, Champion Shares Newsletter, Special Projects

Point of Contact: Todd Etter

Current and Next Iteration	#230 Iteration 45	#231 Iteration 46
#99 Member Profile Page	0	1
#154 Technical Debt	39	24
#262 Tom's Education Service		23
(not set)		1
Totals	39	49

Old Resource Focused Plan

FTEs

Project	Jun Dev	CrS	PjM	Jul Dev	CrS	PjM	Aug Dev	CrS	PjM
Boards B. Free	1.5	0.5	0.5	1	0.5	0.5			
CMS	0.5	0	0.5	0.5	0	0.5	1	0	0.5
Fool.com - Homepage and Centers	0.5	2	0.5	0.5	2	0.5	1.5	3	1
Fool.com - CAPS Quotes									
Landing Page Overhaul				1	1	0.5	1	1	0.5
Lane - Destination Fool	2	2	0	2	2	0	2	2	0
Lane - Premium Power	2	2	0	2	2	0	2	2	0
Newsletter 1 - Stock Advisor Backend				1.5	1	0.5	1.5	1	0.5
Newsletter 3 - All Access Pass									
Shop 1 - Order Page	2	0.5	0.5	2.5	0.5	0.5	2.5	0.5	0.5
Shop 2 - AAP Bundle/Rebill									
Shop 3 - Marketing Bundles									
Total Demand	**8.5**	**7**	**2**	**11**	**9**	**3**	**11.5**	**9.5**	**3**
Supply	**9.5**	**9.5**	**3**	**10**	**9.5**	**3.5**	**11**	**10.5**	**3.5**
Supply - Demand	**1**	**2.5**	**1**	**-1**	**0.5**	**0.5**	**-0.5**	**1**	**0.5**

Focus on Individual Roles

Constrained by Resource Type

No Evidence that Initiative is appropriately staffed.

Team/Budget Focused Plan

Team Initiatives	Q1	Q2	Q3	Q4	Grand Total
1					
Account Updater			50		50
Decline Code Mgt.			100		100
Jester's Court			25		25
Marketing Ops Maint. (LP/OP support)	10	15	10	15	50
Monthly Refund Proration	50				50
Fool Pass	200				200
Online Saves		90			90
Transactional Email Functionality		100			100
2	**300**	**225**	**225**	**225**	**975**
5	**300**	**150**	**250**	**200**	**900**
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78	**175**	**275**	**200**	**275**	**925**
Grand Total	**1585**	**1320**	**1400**	**1005**	**5310**

Focuses on Team Capacity

Facilitates different investments in different initiatives.

Capacity based on empirical Evidence.

Creates well-understood constraints that allow for flexibility.

Iteration 2: Increase Planning Efficiency

- Bottom Up
- Teams work within existing capacity
- Roll-up and sequence plans to identify dependencies
- **Problem:** No prioritization, Over indexed on "small wins".

Efficiency can sometimes discourage good conversations.

Iteration 3: Balanced Portfolio

- Recreate Demand > Supply
- Schedule High Value and Critical work first (~ 20%, should be amply staffed)
- Balance remaining work to create a healthy/diverse set of initiatives:
  - Innovative/exploratory
  - Platform reinvestments
  - Process automation and improvements
  - Optimize existing cash streams

Governance Framework

- Council of executives to steer process, budget and resources

- Monthly meeting to review initiative progress, budgets and unplanned work

- Quarterly lookback at investment performance

- Quarterly cycle to create a rolling 12-month plan

Current Quarter Planned Initiative Work

Initiative	Q2 Budget	Q2 Spent	Total Budg	Total Spent	Metric	Baseline	Lift	Realized	Risk
Operating Platform	25	13	350	63	Availability, Page load times	99.8% 3 sec	99.9 % or down <9 hrs/yr, 2.85s (99.87%,, 2.71s)	EOQ2	M
Search	125	84	175	163	Click Rate / Cost	33%	10% (43%)	EOQ2	M-H
Technical Debt	50	18	230	108	Sustained Team Velocity	50	-	EOQ2	M
Indy Fund	20	57	120	175	AUM	$0	$40M ($20M)	EOFY	M
Publisher	54	0	104	29	Availability	Unknown	.990	EQQ2	M

Publisher blocked by O.P. work in progress
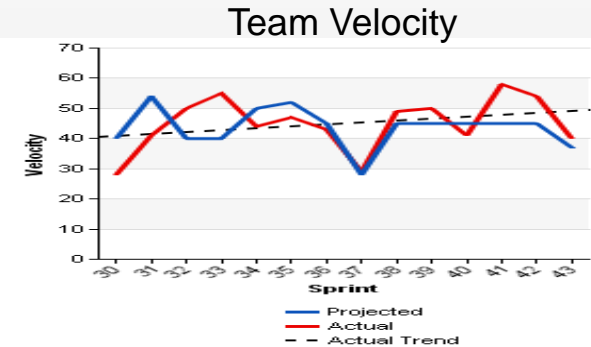
Optimization and Maintenance requests continue

Expect to decommission GSA in October

Next Quarter Planned Initiative Work

Initiative	Budgeted SPs	Metric	Baseline	Lift	Realized	Risk
Retail Fund	50	AUM	$20M	$40M	EOFY	M
Search	25	Click Rate, Cost	33%	10% (43%)	EOQ2	M
Operating Platform	50	Sustained velocity, enable capabilities			EOQ3	M
Blog Platform	110	Remove blockers, enable capabilities			Q1FY11	H
Publisher	54	Availability		Down < 88hrs / yr	EOQ3	M
Tech Debt	60	Improve deployments			EOQ3	M

Dates and Milestones
• 9/16: WWW and Boards fully Solr. Blogs and pitches available.
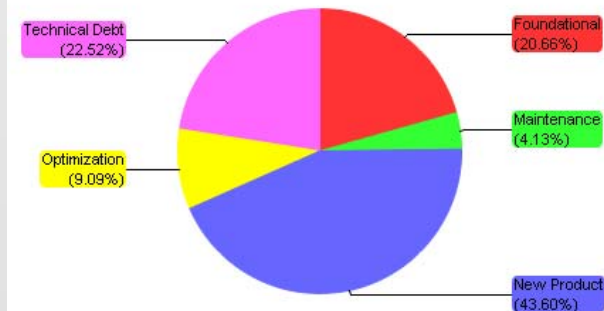
Team Blockers and News:
• Challenges with cross-team coordination of Search requirements.
• Sally moving to T2, Johnny to T5.
• Past and present T5 finally celebrated the Fund's launch.
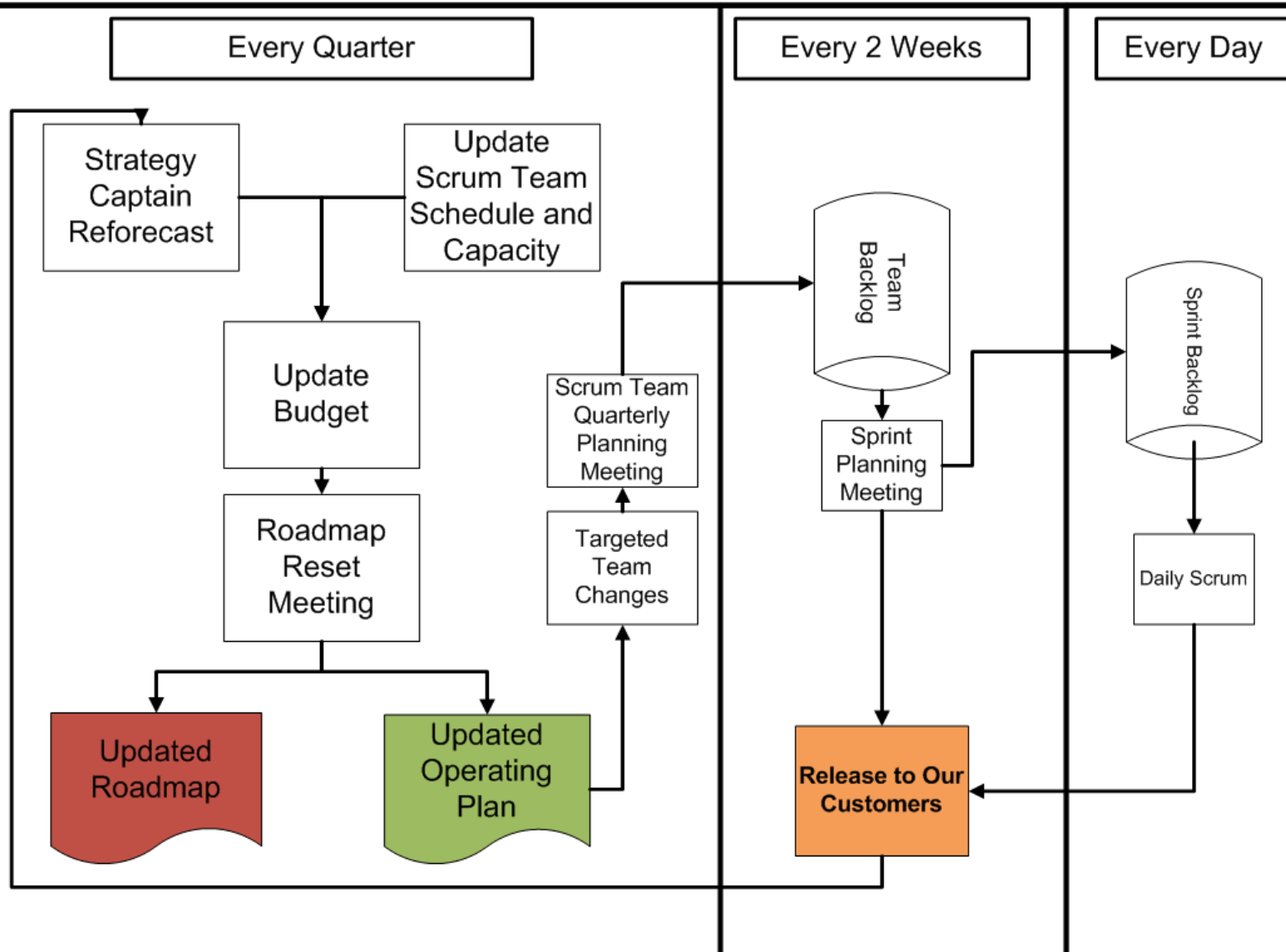• Low projected/actual velocity due to Innovation Days, vacation & team swap.

Team Velocity

Legend: Projected, Actual, Actual Trend

Fiscal YTD Work Distribution

Technical Debt (22.52%), Foundational (20.66%), Maintenance (4.13%), Optimization (9.09%), New Product (43.60%)

The Motley Fool Process

Highlights

- Adoption
  - Educate/Buy In
  - Common Language
  - Clear Starting Point
  - Expect some bumpiness
- Parenting
  - Repurpose project management energy into facilitation, workflow and experimentation.
  - Utilize empirical capacity data to make smart investment decisions.

Resources

- Scrum Book by Ken Schwaber
- Agile Management Blog by David Anderson (Agilemanager on twitter)
- Lean Software Series by Mary Poppendieck
- Sanjiv's Books!

Thank You

- Max Keeler
- Maxk@fool.com
- Max_keeler on twitter