

Lean portfolio management

Accelerating project delivery using lean thinking

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Current situation at Síminn

- Implementing Scrum challenges the overall organization and forces prioritization through the entire company
- Project sizing becomes more and more common for business teams
- New opportunities arise for an enterprise product portfolio that we need to explore
- More productive teams doesn't mean more frequent deliveries on the customer hands (bottleneck syndrom)

Traditionnal approach

Every september, business teams elaborate a yearly plan (roadmaps) validated by stakeholders and available fundings. The project management office evaluate and establish an “**Enterprise priority project list**”, ensure the best progress and reallocate ressources along the way to meet the business objectives

Limitations

- Big project are not “flexible” and we need to respond competitive market with quick changes
- “Top project wins, others gets nothing” model
- The project ranking doesn't reflect the real status across departements at a given time
- Difficult to get a correct understanding of the project status and overall people activities on such long period

What can agile do for our portfolio ?

- Agile planning based on value completion (features) instead of tasks
-> **Better accuracy**
- Testing is part of an iteration and will avoid big delays when it comes to release
-> **More trust in the release date target**
- Project breaks down into a smaller set of features (MMFs)
-> **More flexible and early ROI opportunities**
- Regular customer feedbacks through sprint demos help to improve the overall quality of the product
-> **Better customer satisfaction**

Agile methods has helped development teams to reduce multitasking and to get a new sense of commitment

Scrum is a transparent process. If applied company wide, it gives you the possibility to know precisely what's happening at a given time

Synchronized actions becomes now a reality and will be part of our new product portfolio management

Before that, our main challenges

Product owner teams

- Identify the new product value streams and associated PO teams
- Product Owner teams set priorities per highest value
- Project definition & sizing into MMFs (chartering)

Development process improvement

- Identify your critical path (bottleneck) and apply lean thinking
- Get a team of facilitators
- Align expectations with others every quarter (enterprise heartbeat)

Example of product value streams

- Talsími
- GSM áskrift
- Frelsi
- Gagnaflutningur og internetþjónusta
- Sjónvarp Símans

....

Product owner teams at Síminn

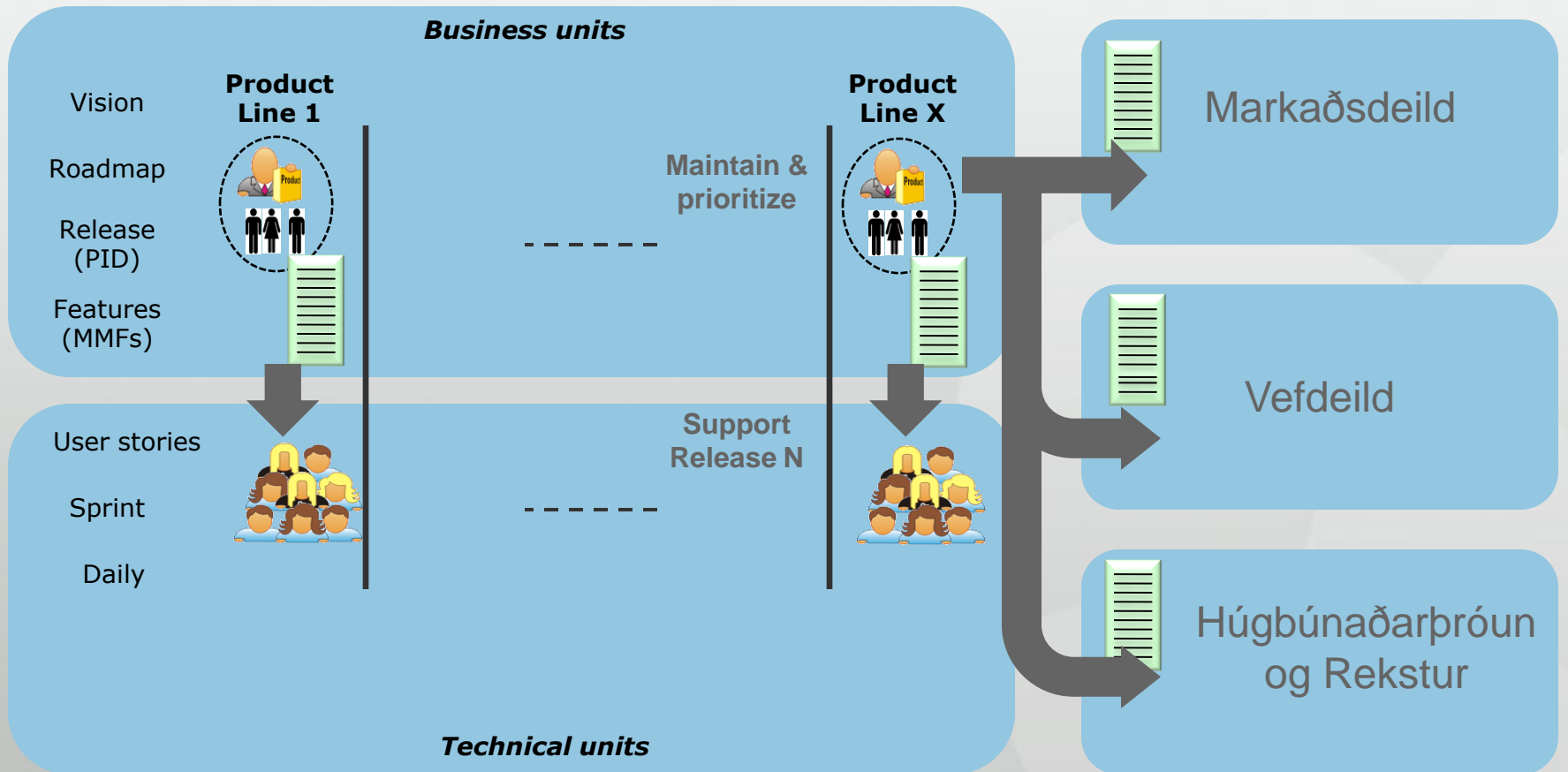
- Number of participants: 4 to 5 people max
- Some participants might be invited occasionally (ex:roadmap session)
- Product managers (residential and/or corporate), Technical leaders, designers, customers...
- Discuss next priorities
- Project sizing & definition (release chartering)
- Shorten the communication between the business & technical teams
- Speed up the requirement process and dev feedbacks

Product ownership responsibilities

PO (technical)	PO (Marketing & Sales)
Product technology focus	Marketing / Customer facing
Colocated & report into development/technology	Report into marketing / business
Focus on product and implementation technology	Focus on market segment, portfolio and ROI
Owns the implementation	Owns the vision & roadmap
Drive the iteration	Drive the release

Product development core system

Síminn Portfolio Management



Customers

Product lines as “value streams”

Síminn Portfolio Management

Business units

Release N+1

Product Line 1

Product Line X

Vision

Roadmap

Release (PID)

Features (MMFs)

Maintain & prioritize

Markaðsdeild

User stories

Sprint

Daily

Support Release N

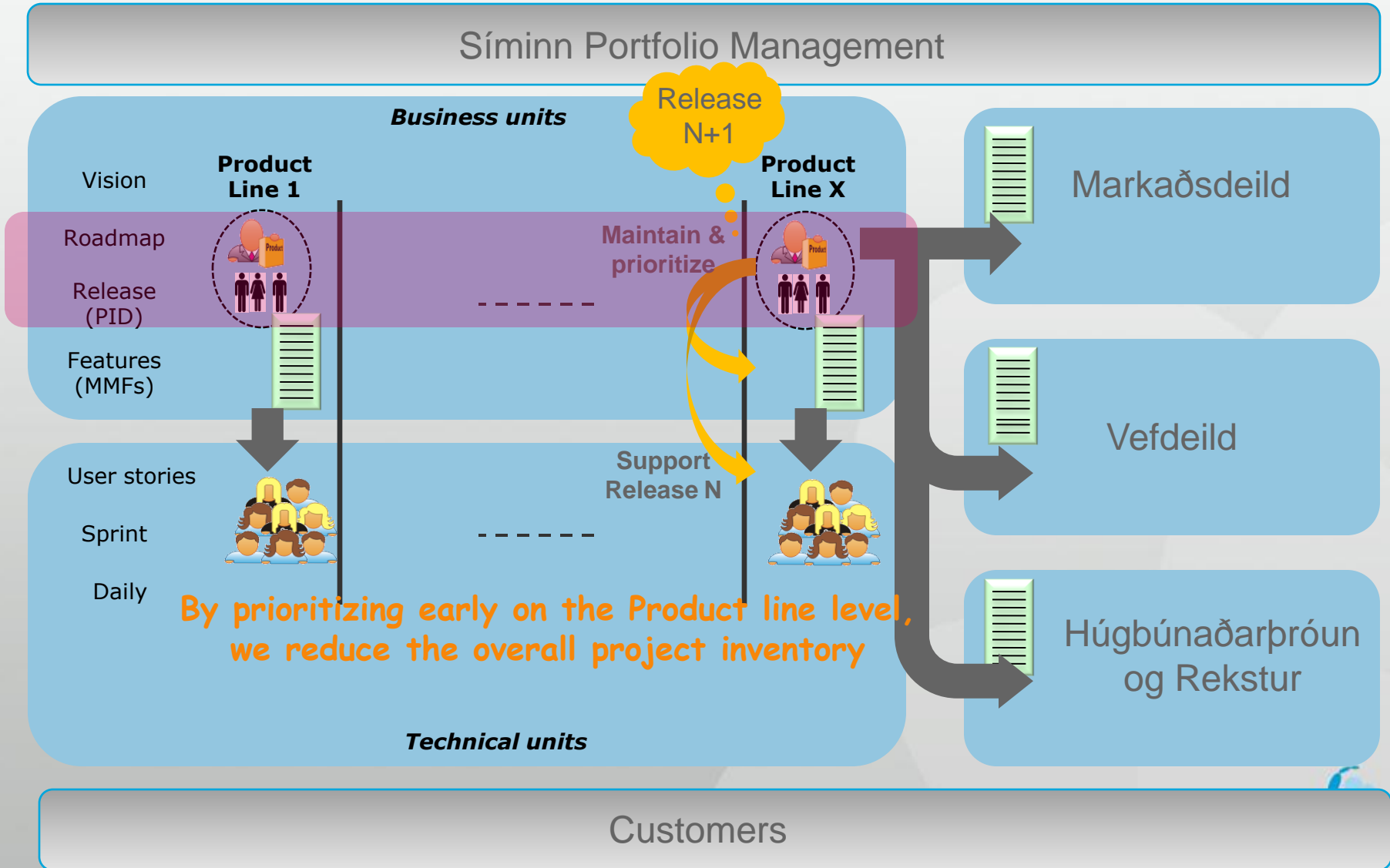
Vefdeild

By prioritizing early on the Product line level, we reduce the overall project inventory

Húgbúnaðarþróun og Rekstur

Technical units

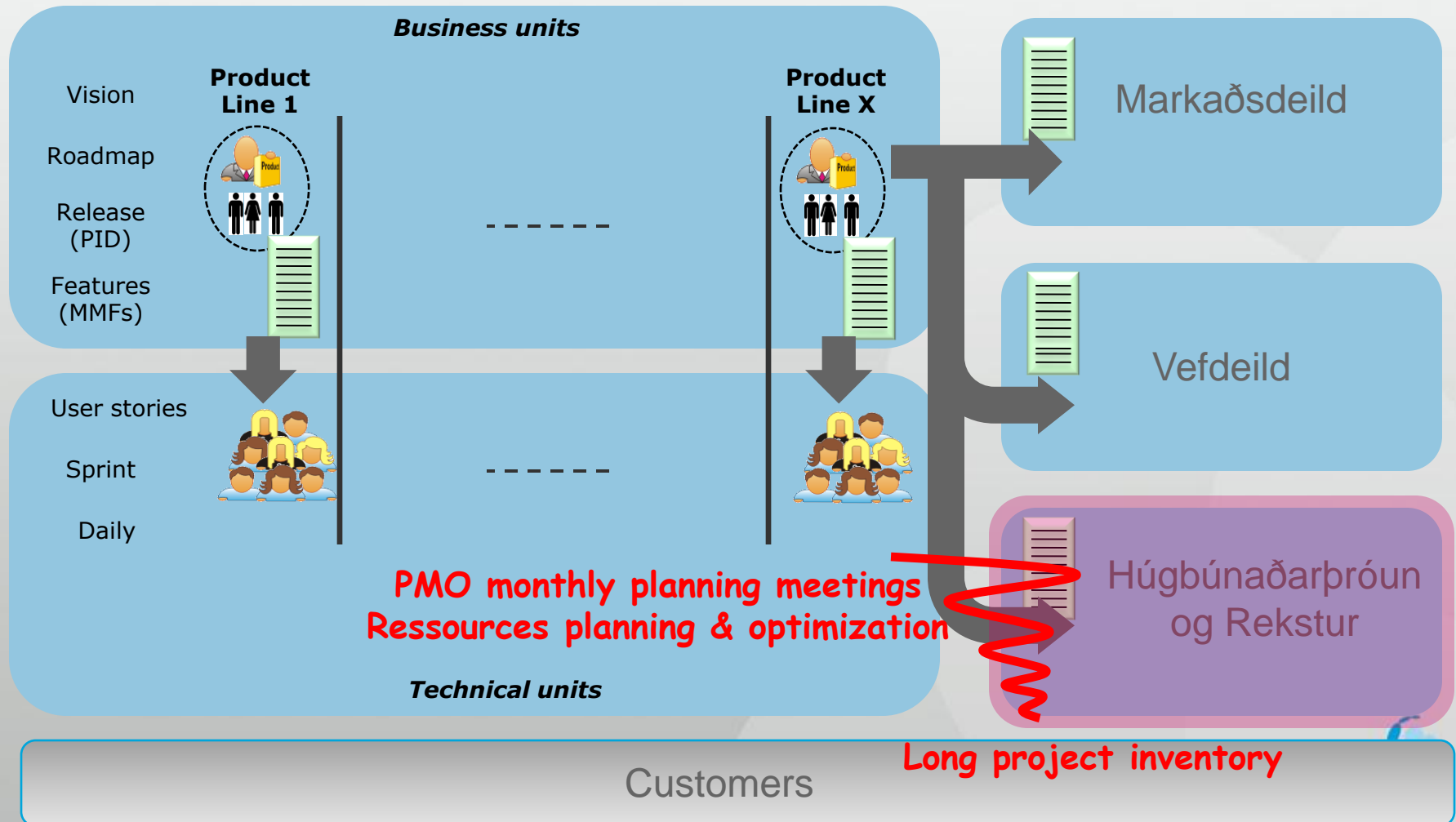
Customers



“ A lean organization does not waste
ressources starting project faster
than it can complete them”

Our critical path

Síminn Portfolio Management



Bottleneck definition

“a situation which occurs when one section of an operation cannot cope with the amount of work it has to do, which slows down the later stages of the operation and business activity in general”

Symptoms

- Project list grows significantly (inventory)
- Input work request size is usually too big
- Requirements are usually poorly specified when it comes to development (no definition of Ready for development)
- Long cycle time delivery from idea to live deployment
- Business analyst design too much ahead
- Project that have been waiting too long need some re-design work
- Return to development after deployment is significant
- Project abortion rate significant (business case out of date)

“Lean PMO” objectives

- Reduce project inventory / WIP
- Deliver small releases more frequently (project sizing)
- Visualize the workflow using Kanban
- Optimize for throughput
- Focus on managing constraint

*The idea is to treat MMFs ticket like **user stories***

*Kanban will help us to optimize the overall workflow
from definition to live delivery*

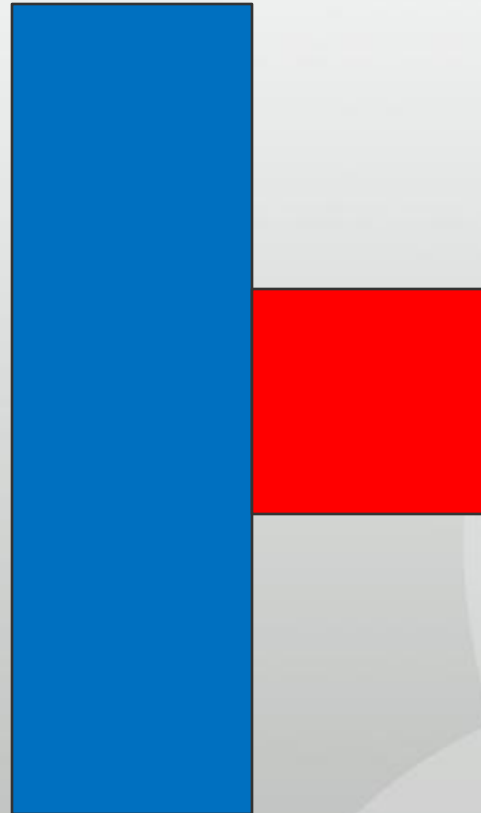
Business / technical hands off

Waiting time for new feature is too long

Big project inventory

Hard to know what user wants

Hard to understand technical stuff



Feel the pressure

Team morale up and down

Commitment is hard

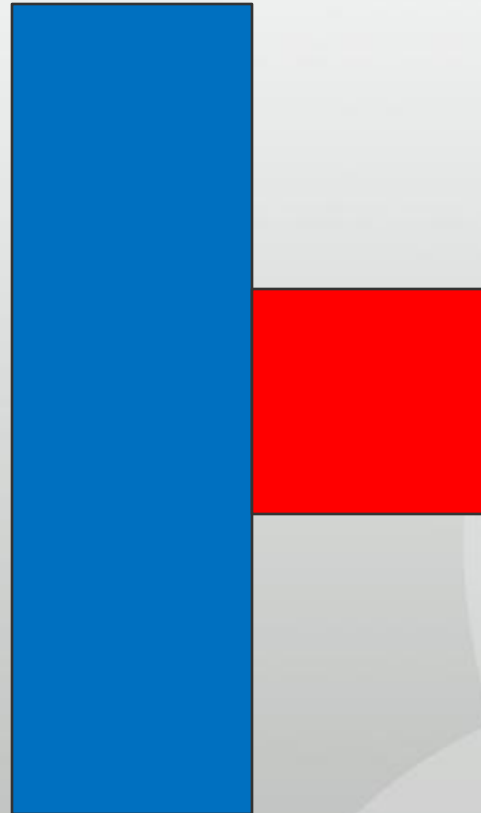
Missing informations

Late delivery (long time to market)

Are you sure that we can't do nothing about it and that this is only a ressource problem ?

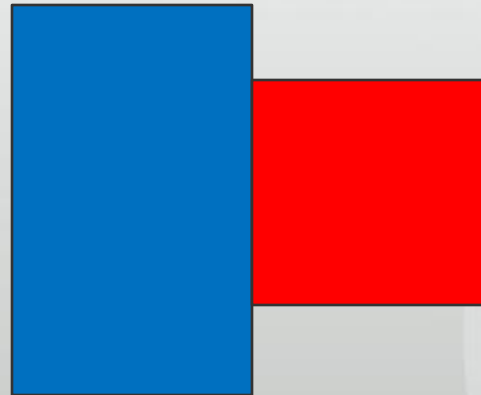
First step, limit your inventory (lean thinking)

Projects are prioritized and reorganized through main product line categories (Product value streams)



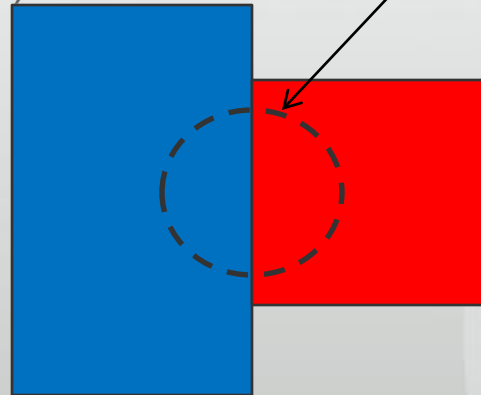
First step, limit your inventory (lean thinking)

Projects are reorganized through main product line categories (Product value streams) and reprioritized



Second step, visualize the workflow...

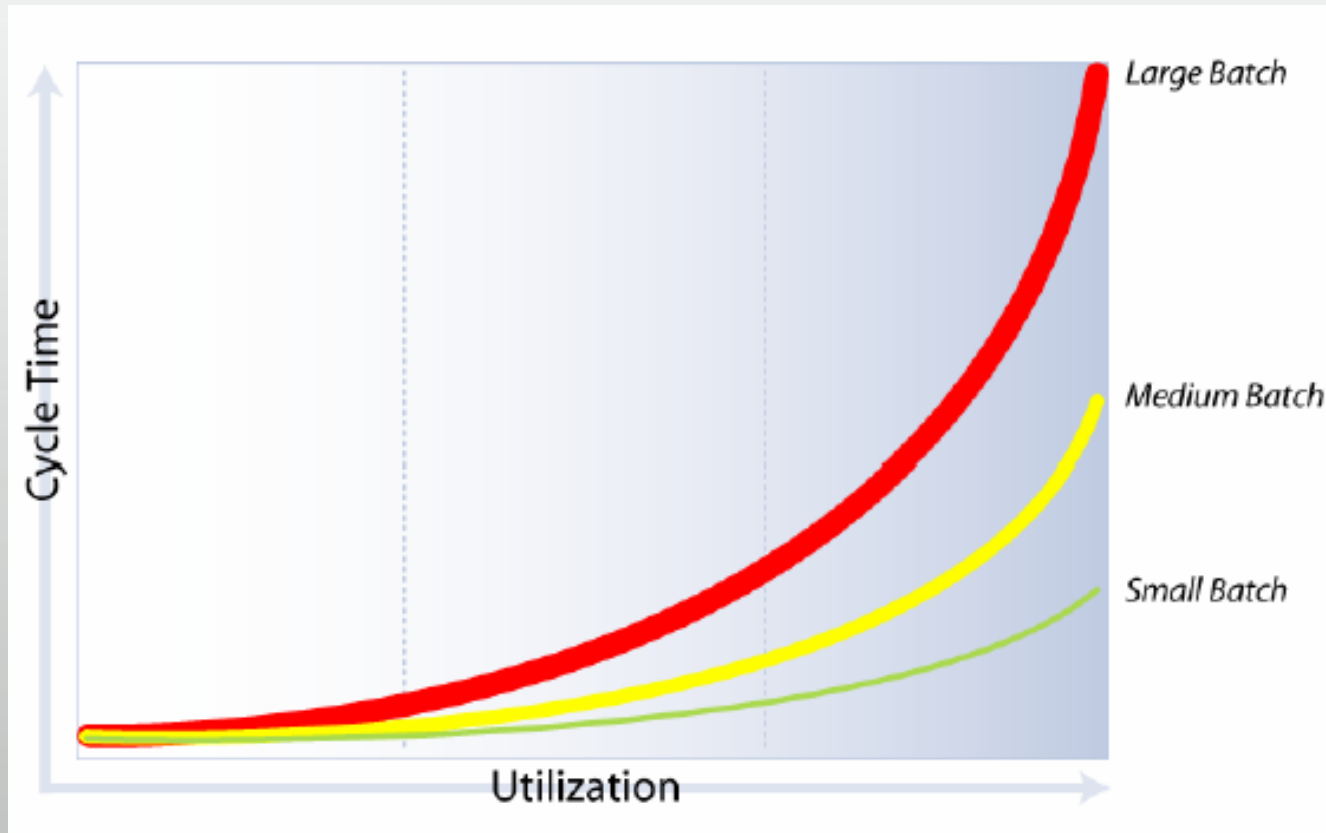
Tailor your big projects into smaller MMFs chunks of delivery (Minimal Marketable Features)



Define & visualize the minimal valuable steps that describes the process (Kanban wall)

Get the business and the technical teams to focus on the wall through active collaboration to speed up delivery of MMFs tickets
(Change of focus)

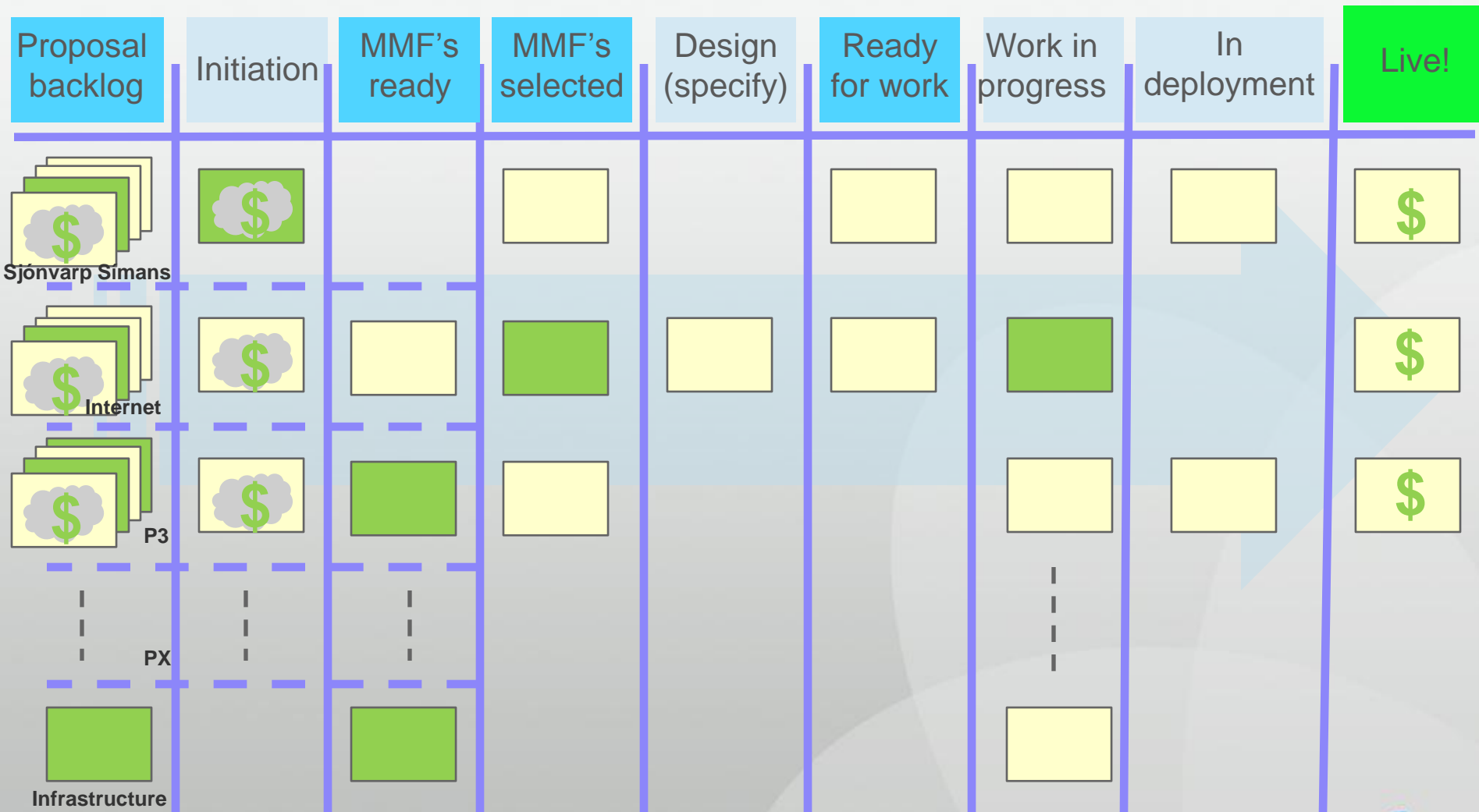
Break large projects into smaller ones



Define the minimal valuable steps

- Make it visible using a Kanban wall !
- Create a “definition of done” for each step
- Limiting the work in progress (creating WIP limits)
- Limiting the overall project inventory through product line backlogs
- Implement the Pull system for a “Just in time” process
- Optimize the all & eliminating waste (facilitation)

Síminn kanban project board

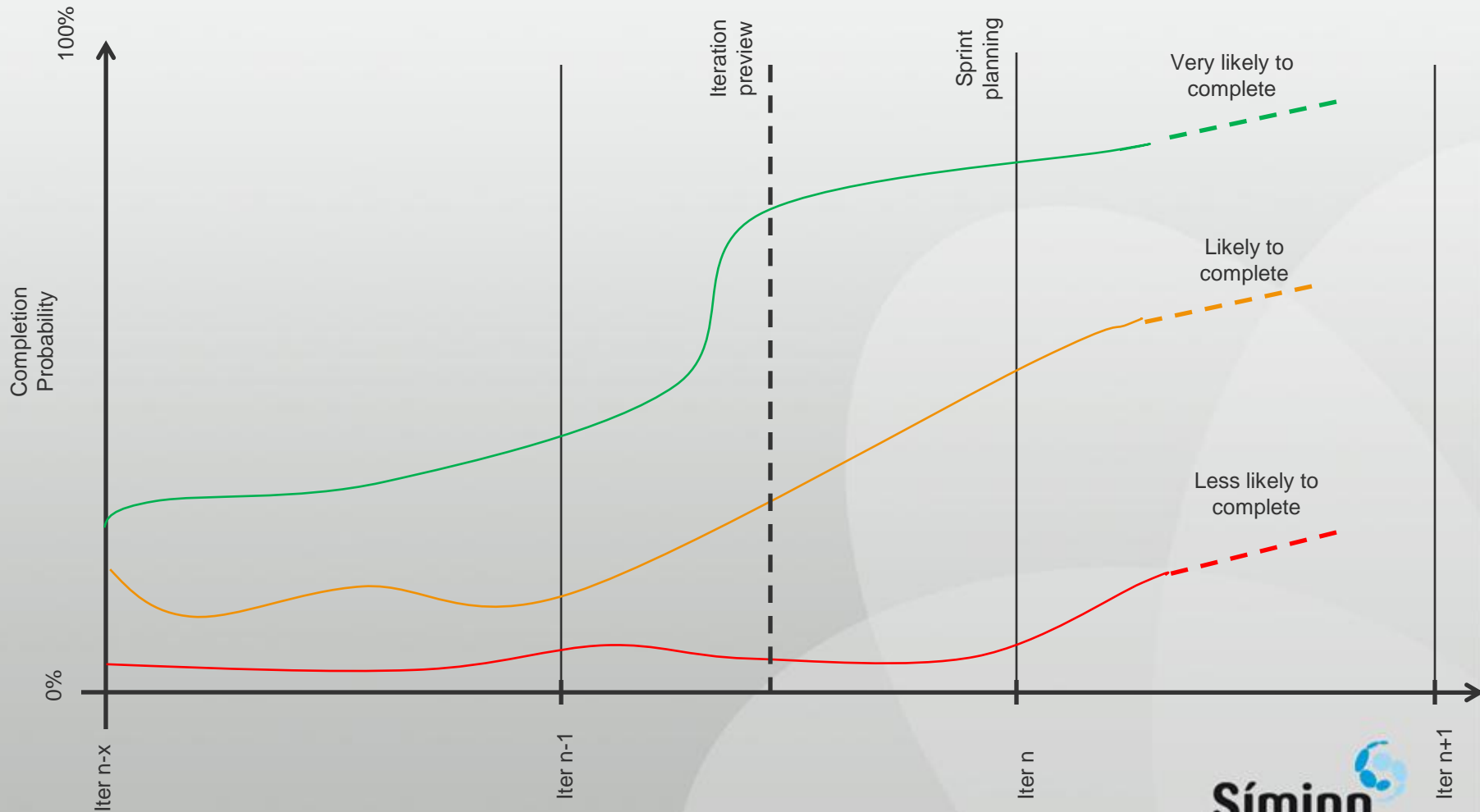


Project cards	Columns
New features	Work "in progress"
Infrastructure	Ready "In queue"

Benefits expected

- A better requirement elaboration process
- A higher team commitment ratio during the sprints
- “Just on time” collaboration between business and technical teams (when needed)
- Business & technical team get more focus in delivering what matters
- Improve the overall throuput delivery (average cycle time)
- More frequent deliveries means more ROI opportunities

Kanban helps us to reduce sprint failure

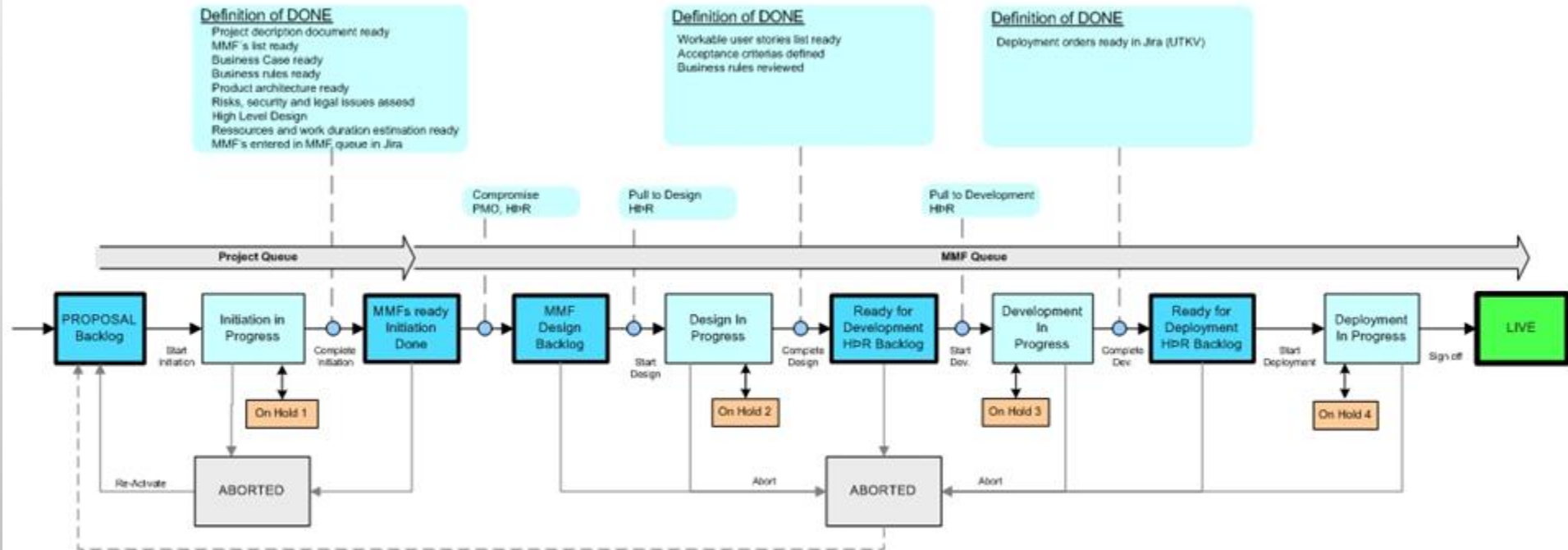


How did we get started?

- Get a team of facilitators
 - Promote the Kanban wall, its use and benefits
 - Ensure that teams understand and respect the “definition of done”
- Update the wall once a week with the different parties representatives involved
- PMO starts facilitation process by encouraging the PO teams to deliver the next MMFs tickets and to collaborate in the design with the dev teams when needed

From definition to live deployment (JIRA)

Kanban project board



Responsibilities

Hugbúnaðarþróun og rekstur Optimization

Product Owner Prioritization

Project Management Facilitation

Kanban board levels

Product Portfolio level

Kanban project board (Project/MMFs level)

Initiation	Backlog (PMO)	Design (specify)	Ready "In queue"	In progress	Deployment	Maintenance

Product Team level

Scrum or Kanban team wall (User story level)

Initiation	Backlog (PMO)	Design (specify)	Ready "In queue"	In progress	Deployment	Maintenance



Summary of actions

- Projects are grouped and prioritized per product line (value streams)
- Product owner teams
 - prioritize and define what should come next
 - project tailored into MMFs (Minimal Marketable Features)
 - Roadmap & “plan of intent” updated every quarter
- A Kanban project board defines the critical path (bottleneck) from proposal to live deployment
- A team of facilitators helps to get the new process started (pull system)
- Regular inspection & adaptation
- Grounds of the new enterprise portfolio will be based on MMFs output statistics (cycle time, enterprise backlogs synchronisation...)

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