Quantifying Agility: Making impactful Transformation metrics for leaders

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Here with you today

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The 4 Majors - Agility Measurement Themes

1. Unstructured “Laundry Lists” / Kitchen Sink Syndrome

2. Generic / unspecified Definitions

3. Misleading Result Potential

4. Executive “so what?!?” Gaps
We have developed guiding principles to identify and scale the right metrics and segment those which are more relevant to executive groups.

Greater focus and structure is required during the development of Agile metric programs for outputs to resonate with executives.

Existing metrics for Agile teams and Agile transformations are generic, vague, misunderstood by executives, and do not provide a framework to identify the correct metrics to align with organizations' goals.
Meaningful metrics must be designed with organizational goals in mind so that they can collectively provide value and insight.

Guiding Principles for Meaningful Metrics:

1. Align to Org. Goals
2. Map Relationships & Hierarchy
3. Align with Target Behaviors
4. Start Early
5. Retrospect & Adapt

Creating an impactful metrics program requires clear understanding of your organizational Agile goals so you can select / develop the critical few and understand which metrics should be used where.
Using these Guiding Principles, we should still start with the “laundry lists” available from industry research as a starting point...

Sample List of Metrics (not exhaustive):

<table>
<thead>
<tr>
<th><strong>Transformation / Adoption Metrics</strong></th>
<th><strong>Team Execution Metrics</strong></th>
<th><strong>Executive Metrics</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• # of teams, % of staff in Agile</td>
<td>• Velocity / change in velocity</td>
<td>• Reduced Cost of Fixing Defects</td>
</tr>
<tr>
<td>• Ratio of spend on Agile vs. Waterfall</td>
<td>• Iteration velocity variance (is the team consistently getting better)</td>
<td>• Increased ROI / Reduced Customer Abrasion</td>
</tr>
<tr>
<td>• # and % of IT people trained in Agile</td>
<td>• % test automation</td>
<td>• Reduced cost addressing “Missing Requirements”</td>
</tr>
<tr>
<td>• # and % of business people trained in Agile</td>
<td>• Release, Sprint burndown, burnup</td>
<td>• Increased Staff Retention</td>
</tr>
<tr>
<td>• # of multi-team projects executed</td>
<td>• Program and Team Predictability</td>
<td>• Increased Speed to Market</td>
</tr>
<tr>
<td>• # of largest Agile-based projects (based on number of Scrum teams, spend, etc.)</td>
<td>• Member satisfaction</td>
<td>• Time to full rollout, time to first deliverable MVP to the customer (e.g., cycle time)</td>
</tr>
<tr>
<td>• Agile Maturity</td>
<td>• Resolution time of impediments</td>
<td>• Effectiveness measures – Business objectives met, fewer # of product rollout delays, fewer # of “missed” requirements, remaining feature backlog</td>
</tr>
<tr>
<td></td>
<td>• Defect generation/resolution rate</td>
<td>• Business sponsor / client satisfaction</td>
</tr>
<tr>
<td></td>
<td>• Backlog growth</td>
<td>• Reduction of administrative role (e.g., project managers)</td>
</tr>
<tr>
<td></td>
<td>• # of working / releasable product backlog items every sprint</td>
<td>• Audit pass rate</td>
</tr>
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</table>

**Metrics focused on measuring the adoption of Agile across an organization**

**Metrics focused on improving team maturity and execution**

**Metrics focused on showing the value of Agile transformations to executives**
... however, we need to apply the guiding principles to provide the overarching framework and create the needed picture

### Transformation Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Hypothesized Benefits / Leading Indicators</th>
<th>Executive Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximize ROI and Minimize Rework</td>
<td>Silos on Agile Teams removed between Testers and Developers</td>
<td>Reduced Defect Leakage / Production Defects</td>
</tr>
<tr>
<td></td>
<td>Smaller releasable functionality</td>
<td>Improved Feature Cycle Time</td>
</tr>
<tr>
<td></td>
<td>Faster realization of project value</td>
<td>Project end earlier</td>
</tr>
<tr>
<td></td>
<td>“Fail Fast”</td>
<td>Reduced IT Spend</td>
</tr>
<tr>
<td></td>
<td>Focus on creating MVPs</td>
<td></td>
</tr>
<tr>
<td>Increased Employee Engagement / Satisfaction</td>
<td>More empowered staff</td>
<td>Increased Staff Retention</td>
</tr>
<tr>
<td>Reduced Effort from Managing Teams</td>
<td>Long standing teams</td>
<td>Fewer “Project” Teams</td>
</tr>
</tbody>
</table>

**Start with Transformation Objectives**

**Map the hypothesis benefits, and potential leading indicators using the “5 Whys” to understand the relationship / flow of metrics**

**Finish with a tangible and measurable metric**
Once you develop metrics, they need to evolve over the course of your transformation to ensure relevancy

Some things to keep in mind:

1. **Metric Matching**
   Metrics should change and match to what you want to achieve at points in time; they will need to evolve as your Agile Transformation moves from phase to phase.

2. **Anti-metrics**
   Do not create metrics that encourage teams to go against target Agile behaviors.

3. **(Objective) Digital Exhaust**
   Start early to create, capture, and interpret the data to accurately “see” where you are going.

4. **K.I.S.S.**
   You can take action on so many metrics - pay attention to the core few.

5. **Windex It #nosmudges**
   Be transparent and communicative across all levels of the organization.
Thank You!!