Scrum Day India

Gurugram

Saturday, 20th July - 2019

Evidence Based Management

Organized By

Scrum.org

The Home of Scrum

Agile

www.Agilewow.com

Who am I?

Sanjay Saini

Worked across different domains – healthcare, manufacturing, energy efficiency, banking etc.

Wanted to be a fighter pilot, dolphins in my pool and horses in my farm

Professional Scrum Trainer from Scrum.org

Founder of AgileWoW

Will be a co-learner along with you all during the session

How Agile are you?

1. 100%

2. Between 75% to 100%

3. Between 50% to 75%

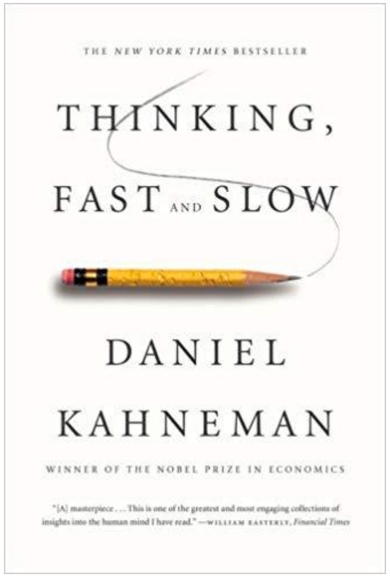
4. Less than 50%

Thinking – Fast and Slow

A bat and ball cost $1.10, the bat cost $1.00 more than the ball. How much does the ball costs?

System 1 – the instant, unconscious, emotional, intuitive thinking. It operates automatically, with no effort.

System 2 – the slower, conscious, rational reasoning and thinking. It allocates attention to the effortful mental activities



%age Agility?

How do you know?

What do you measure?

Opinion or Evidence?

Measurement

We usually measure How we do work

We should measure What we do

Pizza Metrics

Delivery Metrics	Owner Metrics
Pizzas delivered per trip	Revenue per delivery
Miles per delivery	Popular Pizzas
Gas used	Customer Satisfaction
Route Efficiency	Employee Satisfaction
Time for delivery	Investment and Cost

Do you remember this?

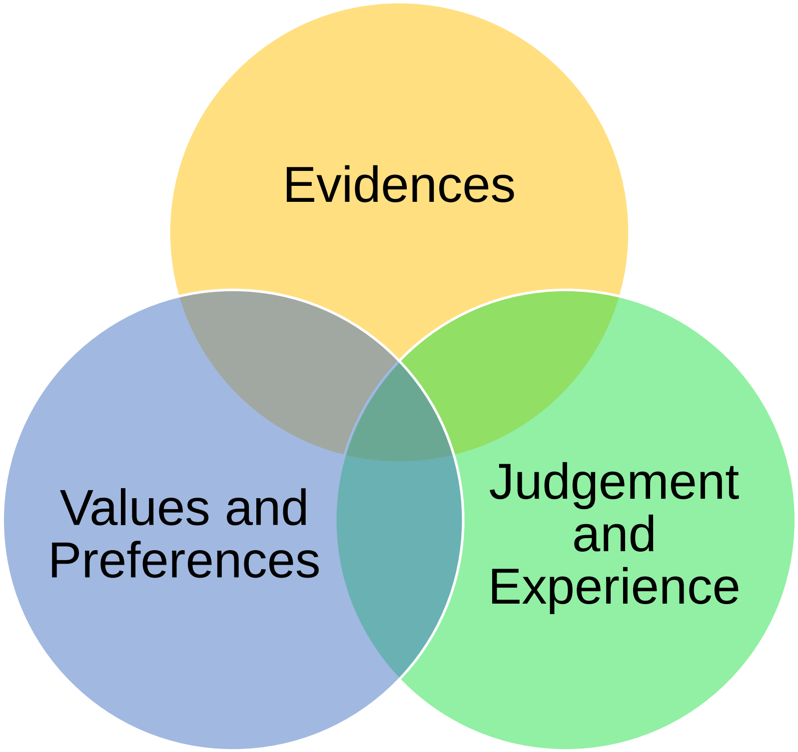
And this?

And this?

Evidence Based Management

1. Part of larger Evidence Based Practices

2. Being followed in education, social care, justice etc. and more prominently in Medicines



Sources of Evidence

Evidence = **Assertion** (System 1 Intuition) + **Data** (System 2 Reason)

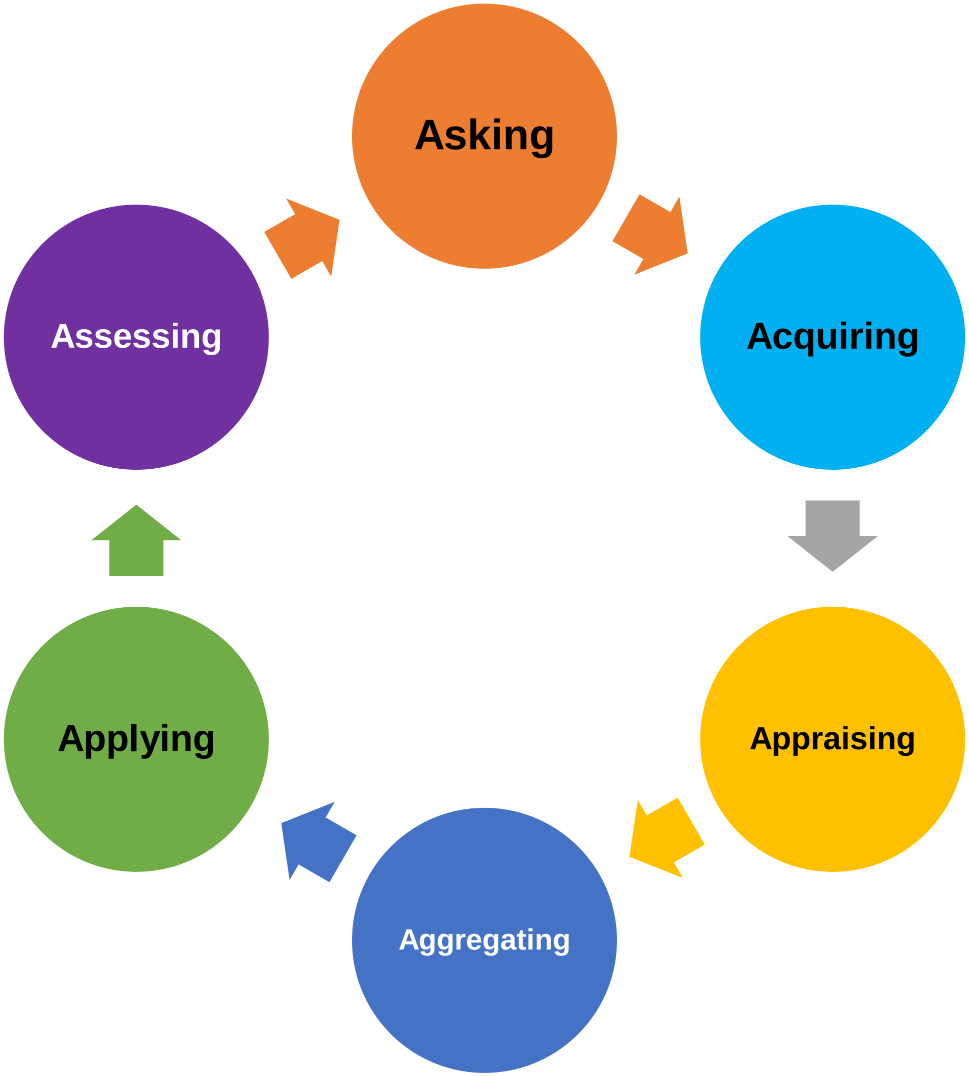
The scientific literature

The organization

Practitioners

Stakeholders

Evidence Based Practice



Being Agile means

1. Adaptive and Responsive
2. Creative and Innovative

Agile (Physically)

Agile (Mentally)

Agile (Management)

Agile (Business)

EBM in Product Development

Current Value

The value that the Product/Organization delivers to its stakeholders, today

Time to Market

organization’s ability to quickly deliver new capabilities, services, or products

Ability to Innovate

ability of a product development organization to deliver new capabilities that might better meet customer needs

Unrealized Value

potential future value that could be realized if the organization could perfectly meet the needs of all potential customers

EBM – Current Value

Current Value

The value that the Product/Organization delivers to its stakeholders, today

1. Revenue per Employee
2. Customer Satisfaction Ratio
3. Employee Satisfaction Ratio
4. Product Cost Ratio

Value Proposition Canvas

Impact Mapping

Surveys

EBM – Time to Market

1. Release Frequency
2. Cycle/Lead Time
3. Release Stabilization Period
4. Mean Time to Repair

Time to Market

organization's ability to quickly deliver new capabilities, services, or products

Value Stream Mapping

Automation of Delivery pipeline

Removing internal communication bottlenecks

Production like environments

EBM – Ability to Innovate

Architecture

Code Quality/Complexity

Hackathon events

Ability to Innovate

ability of a product development organization to deliver new capabilities that might better meet customer needs

1. Technical Debt Trend
2. Installed Version Index
3. Feature Usage Index
4. Production Incidents Trend
5. Active Code Branches, time spend in merging code

EBM – Unrealized Value

1. Overall Market Growth
2. Current Market Share
3. Competitors Strengths

Opportunity Model Canvas

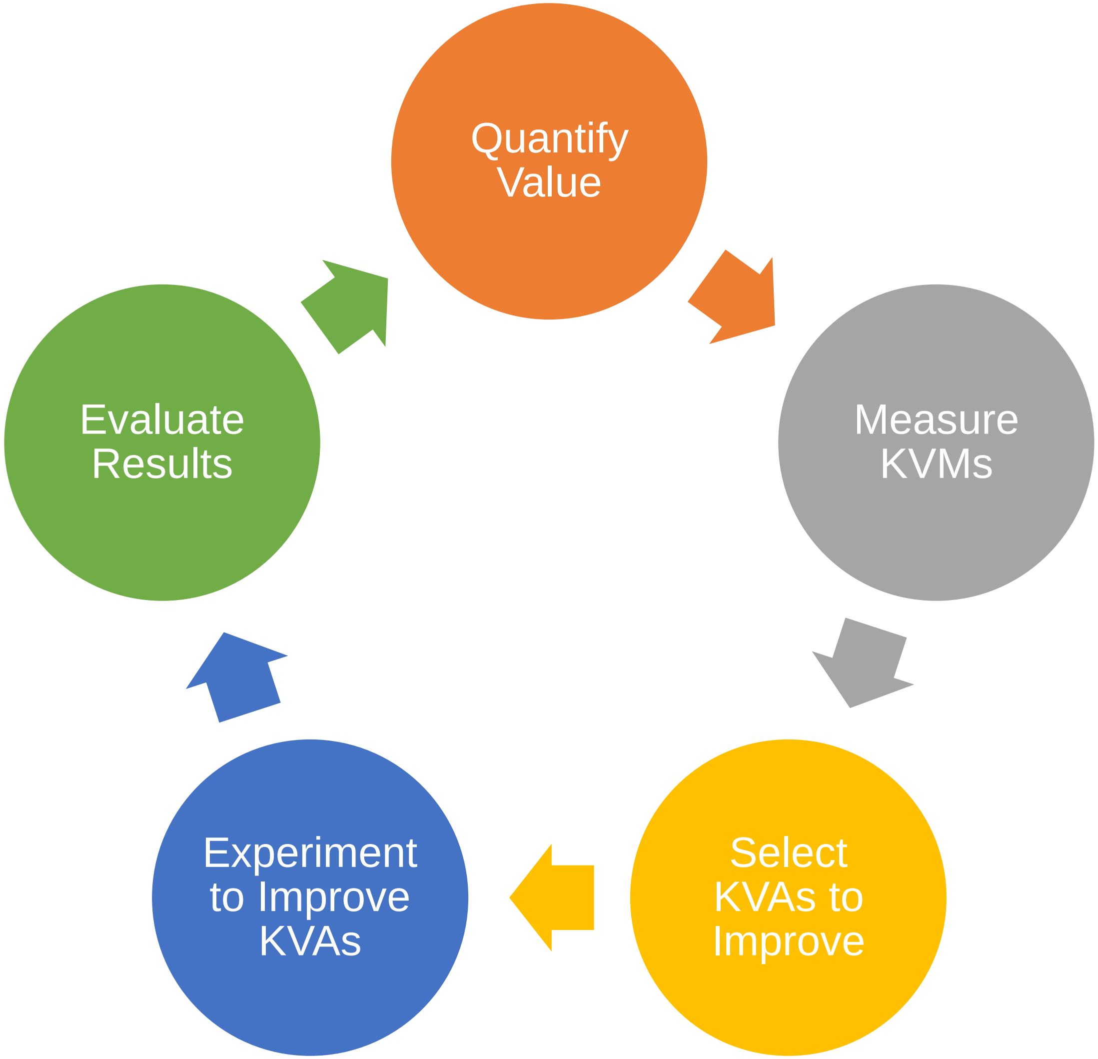
Competitive Analysis

Market Trend Reports

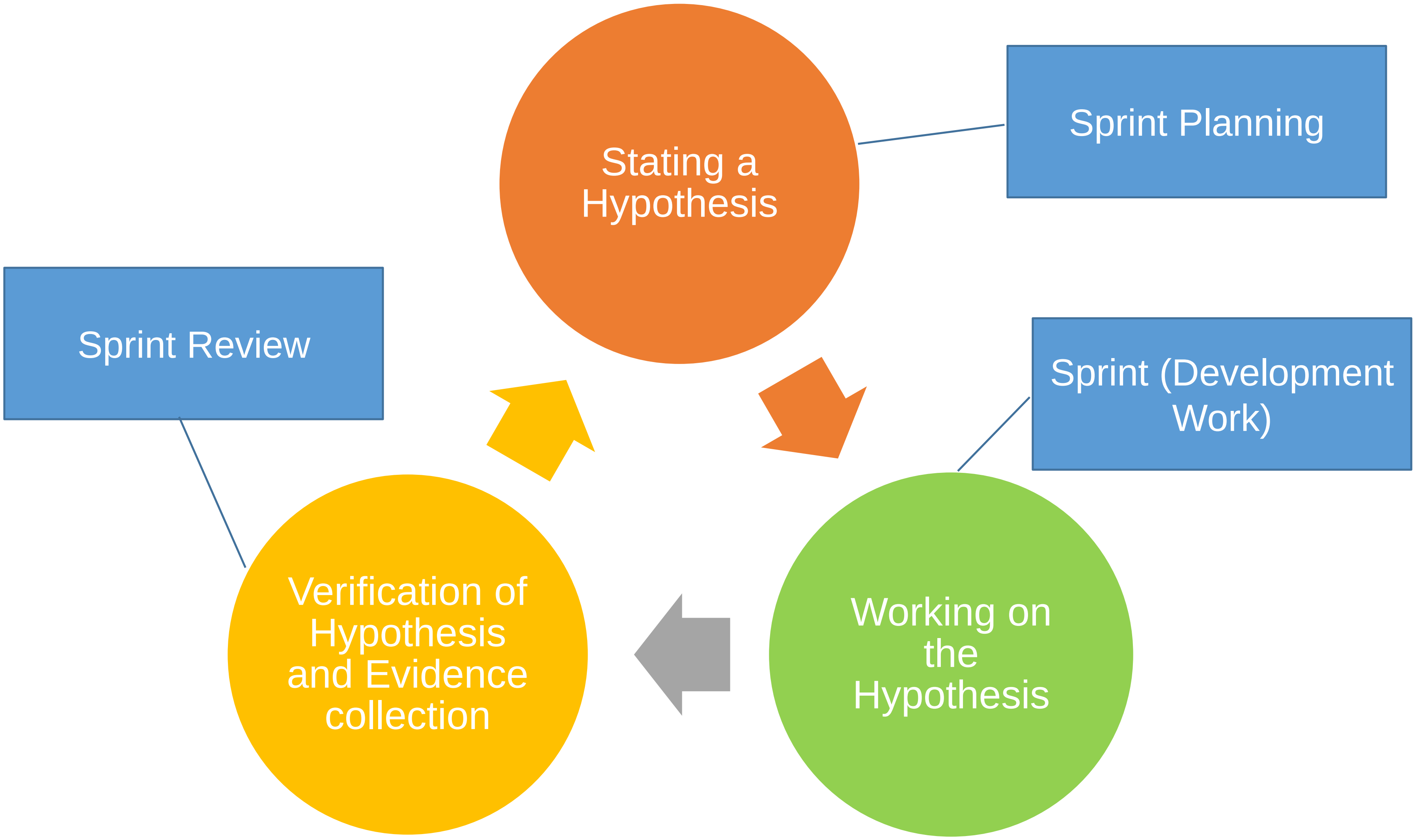
Unrealized Value

potential future value that could be realized if the organization could perfectly meet the needs of all potential customers

EBM in Product Development

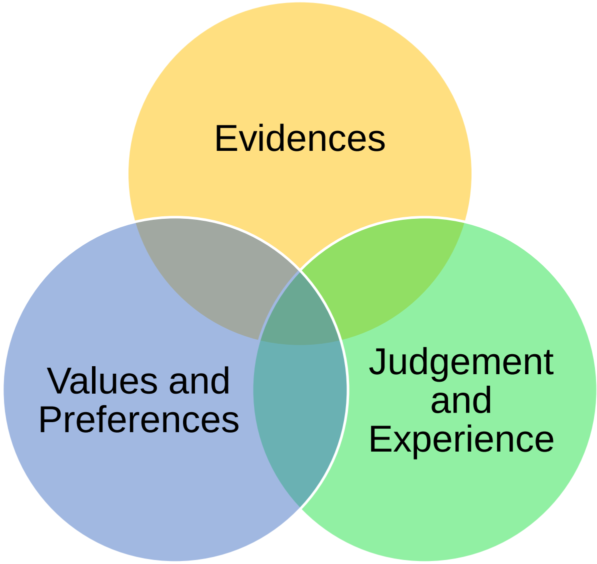


EBM in Scrum Framework



Misconceptions about EBM

1. It ignores the practitioner’s professional experience
2. It is all about numbers and statistics
3. Manager’s don’t have time for EBM
4. Each organization is unique so the scientific data is not available



Recap

1. Management has social and professional responsibility of making a better world

2. Make decisions based on evidences, not just on opinions

3. Being Agile – adaptive, responsive, creative and innovation

4. EBM in Product Development – Current Value, Time to Market, Ability to Innovate and Unrealized Value

5. Use EBM in an Empirical way

6. Always ask –
    1. What is the evidence for that?
    2. How trustworthy is it?
    3. Is this the best available evidence?

Inspirations

1. https://www.slideshare.net/tomek_w/evidencebased-management-for-software-organizations - Tomasz Wlodarek

2. https://scrumorg-website-prod.s3.amazonaws.com/drupal/2016-06/Empirical-Management-Explored.pdf – Gunther Verheyen

3. Center for Evidence Based Management – https://cebma.org

4. EBM guide – https://Scrum.org