

Agile Inception: Approving Agile Projects in a Waterfall World by Kenny Rubin

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www.innovation.com

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Kenny Rubin Background



Object
Behavior
Analysis



First
Scrum
Project
GENOMICA



Managing Director



1980

1990

2000

2010



What is Initiation / Inception / Chartering?

• *Go/No-Go Decision (Approval)*

Document These:

- Project description
- Vision
- Business case
- Requirements
- Assumptions & dependencies
- Constraints
- Risks
- Cost model / budget
- Schedule / plan
- Success measures

Funding?
(Yes/No)



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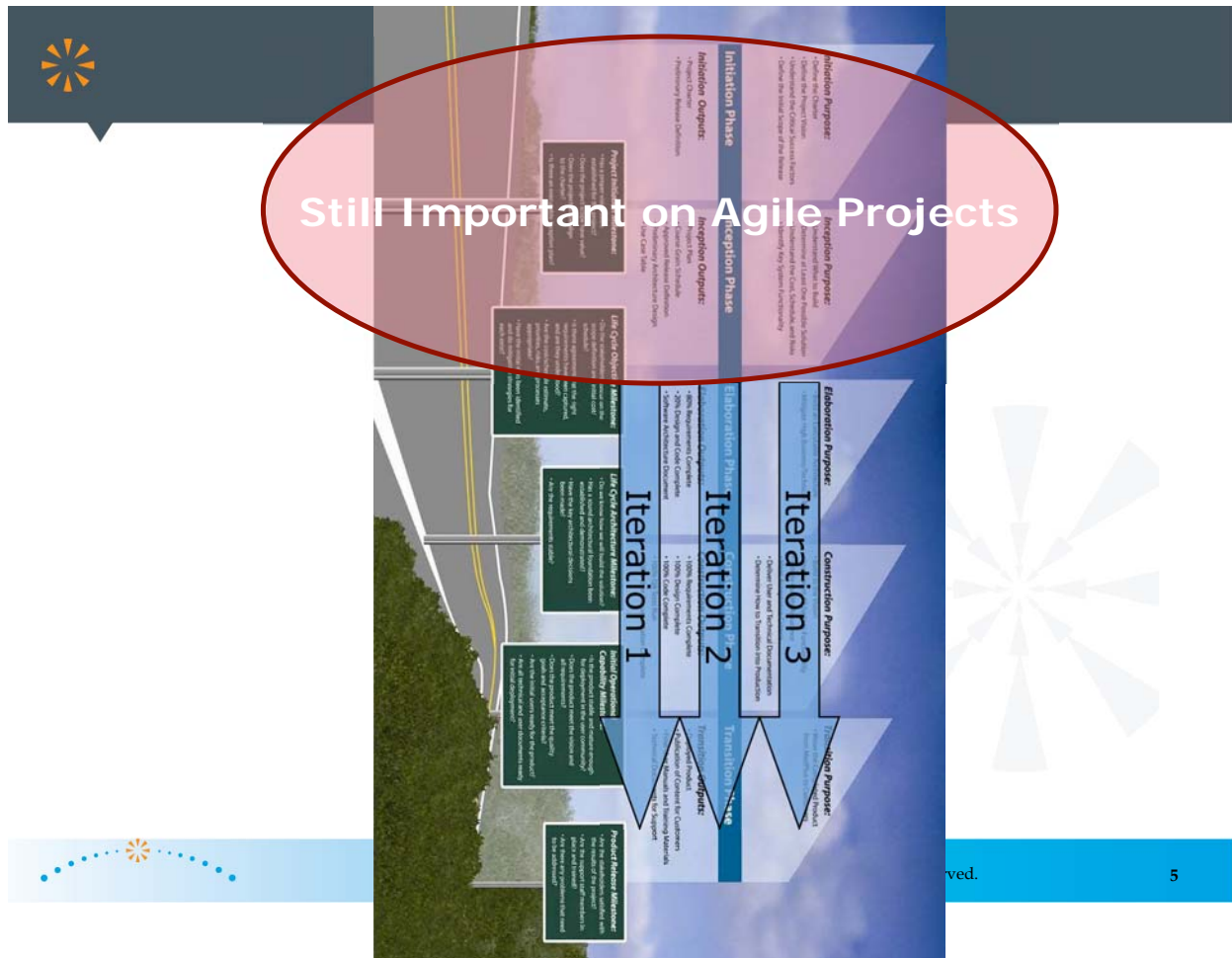


Stage/Gate Model with Inception Phase



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✶ Agile Planning Principles

Upfront planning should be helpful without being excessive

Focus more on the planning than the plan

Balance effort against the probability of being wrong



Upfront Planning Should be Helpful Without being Excessive

- ✧ Project goal is to get from the top of the mountain to the bottom using the equipment, time and resources that you have been allocated
- ✧ Create the complete plan before you start!



Extreme Skiing

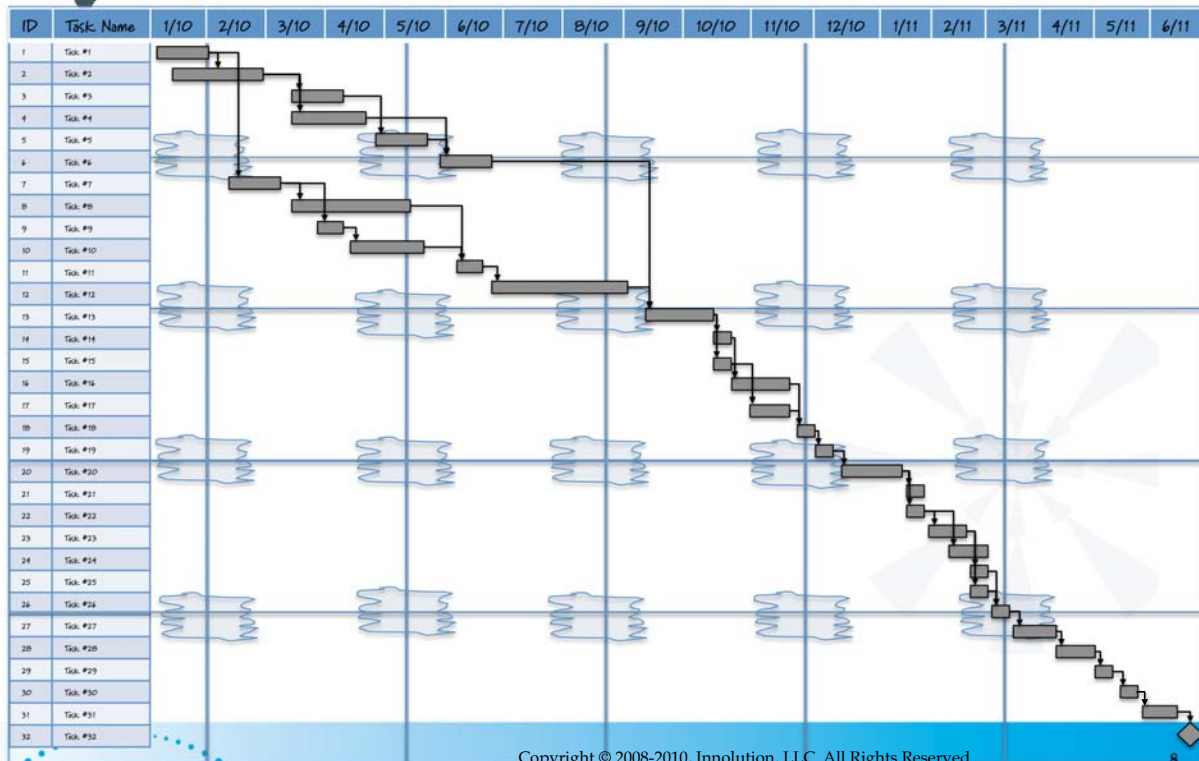


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Focus More on the Planning Than the Plan

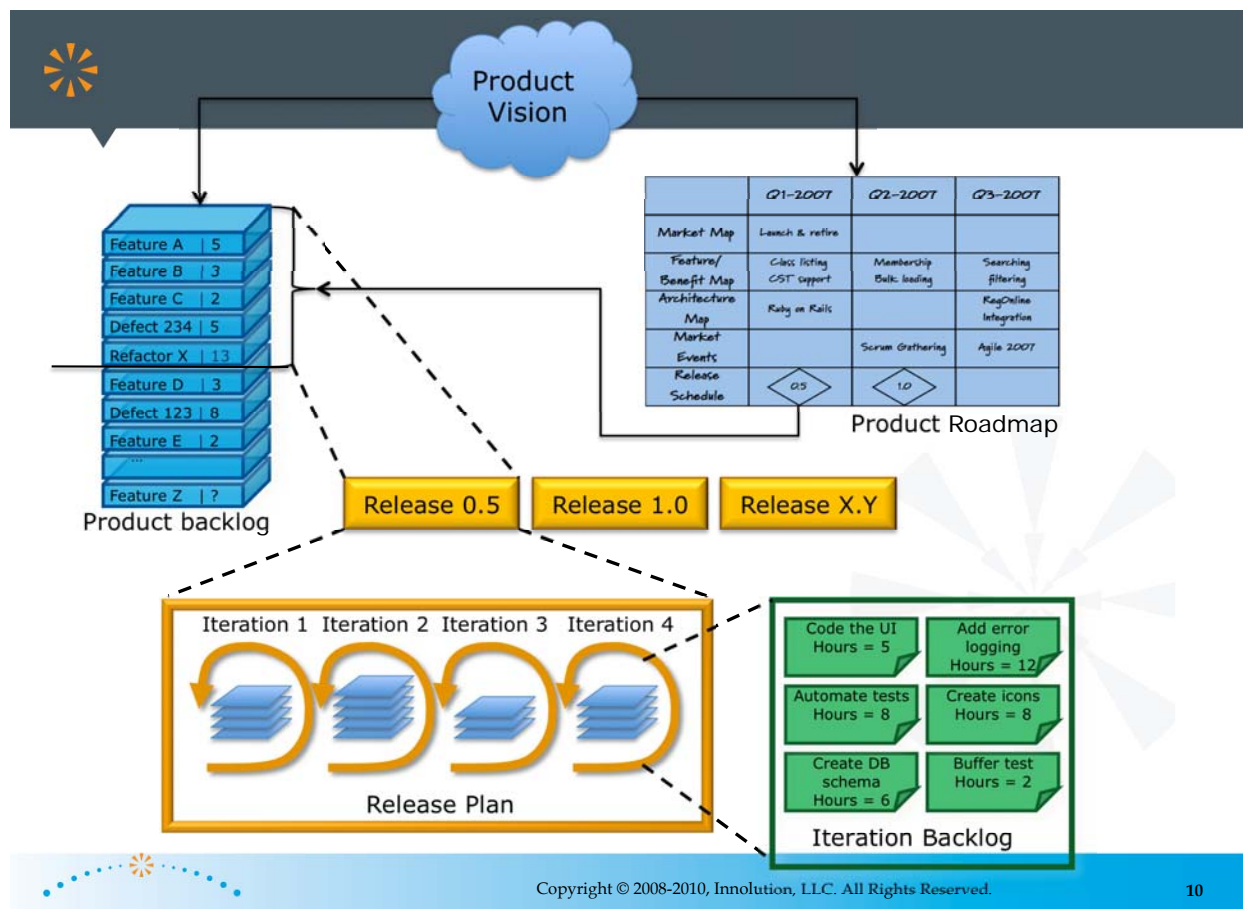
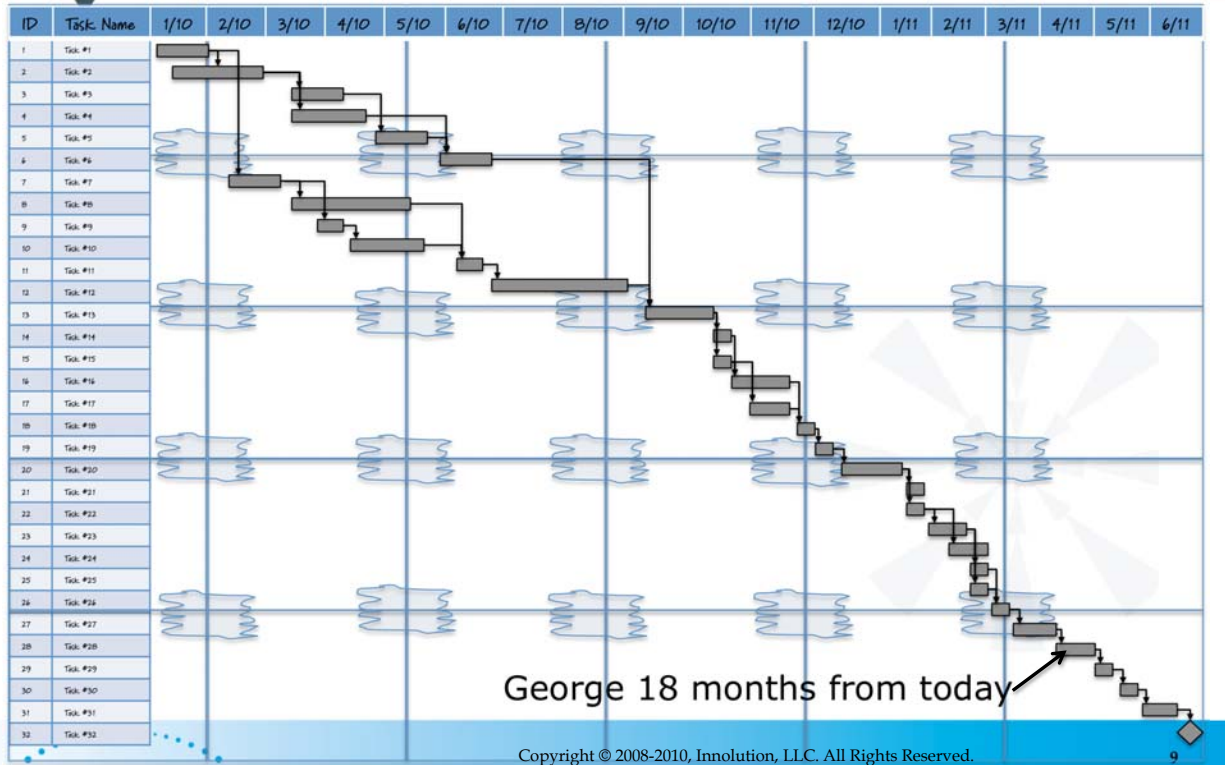


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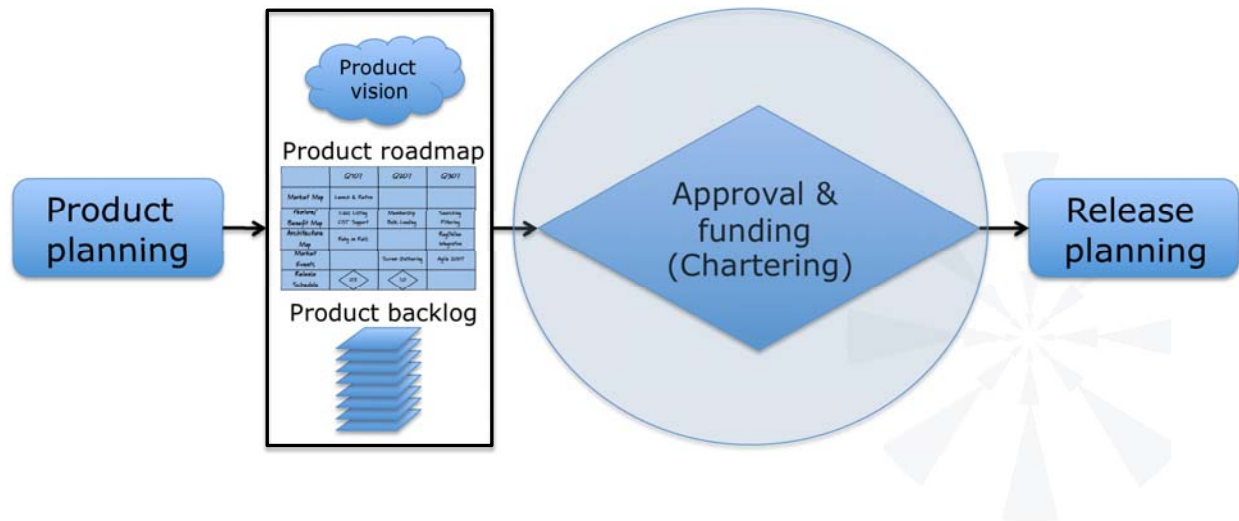


Balance Effort Against the Probability of Being Wrong





Chartering in the Agile Planning Process



Principles of Agile Chartering

- ✱ As simple as possible
- ✱ Just enough predictive chartering based on project's nature, size and risk-level
- ✱ Allow details of some artifacts to be created just-in-time
- ✱ Make best decision today using reasonable information obtained in a financially sensitive and time-sensitive manner
- ✱ Real value isn't the actual charter document, but insight gained and understandings that are reached



* The Big Disconnect!

Develop in an Agile way, but to get the project approved, we still need to provide the same plan-driven artifacts (e.g., extensive up-front requirements, full budget and precise schedule)



* Can't Have it Both Ways

* Organizations can't have it both ways



If we are doing Agile, we can't also expect all of the same Waterfall-type up-front artifacts to clear Inception





Exercise – Exploring Your Chartering Process

Purpose: To better understand your chartering process and how it might be adapted for Agile development.

Background: ✨ Your knowledge of how chartering takes place today for your projects.

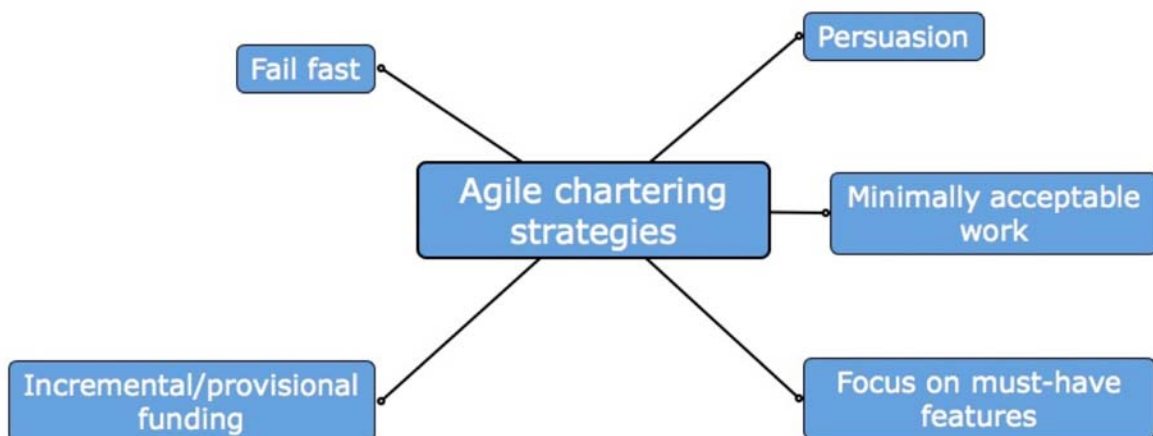
Instructions: ✨ Organize into teams of three or four. Begin by describing to each other your company's chartering process.

Question:

- ✨ What would happen if the chartering process at your company were eliminated?
- ✨ For each output of your chartering process, who is the primary beneficiary?
- ✨ How would you simplify your chartering process?

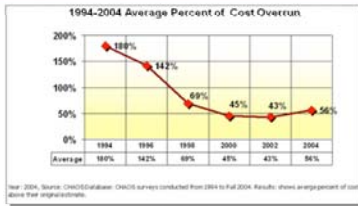


Agile Chartering Strategies

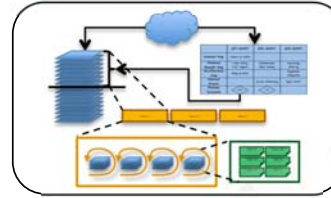


1. Persuasion

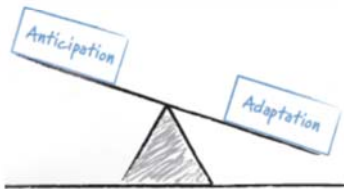
Has it ever really worked?



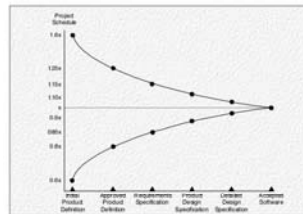
Multi-level planning



Finding the proper balance



Cone of Uncertainty

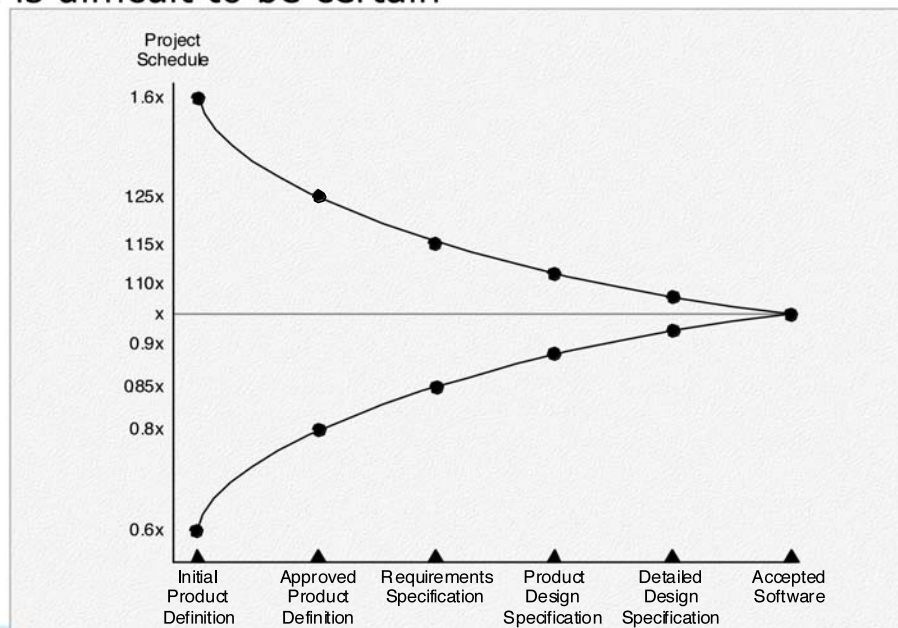


No more single point answers!

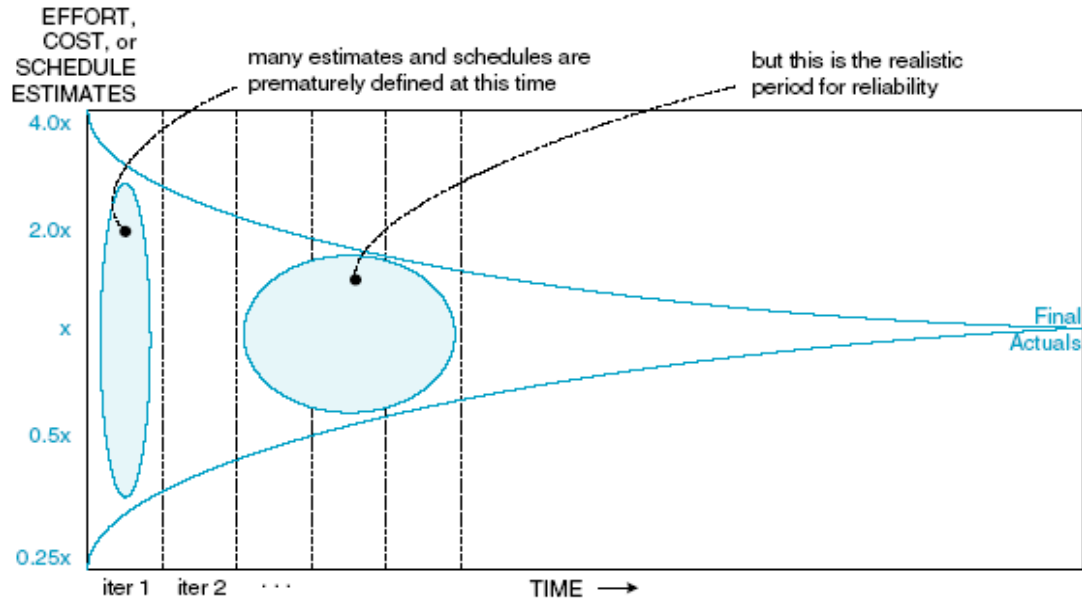
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

The Cone of Uncertainty

- Early in a project when we have poor information it is difficult to be certain



✶ The Budgeting Problem

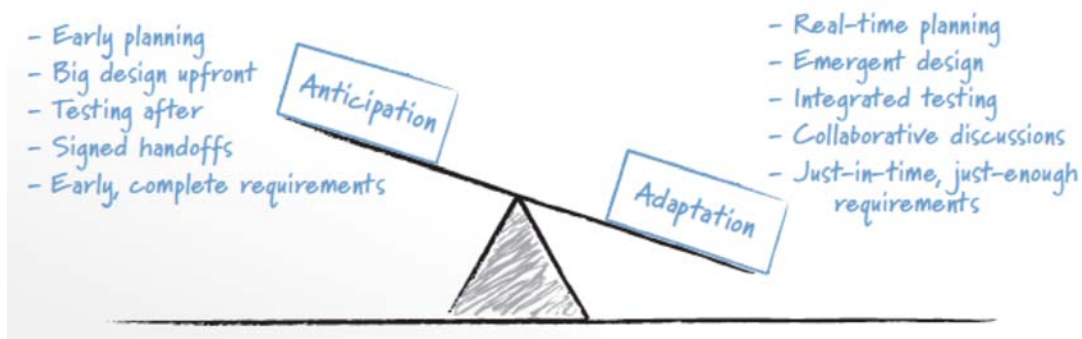


Source McConnell 1998

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✶ Need to Balance Anticipation with Adaptation

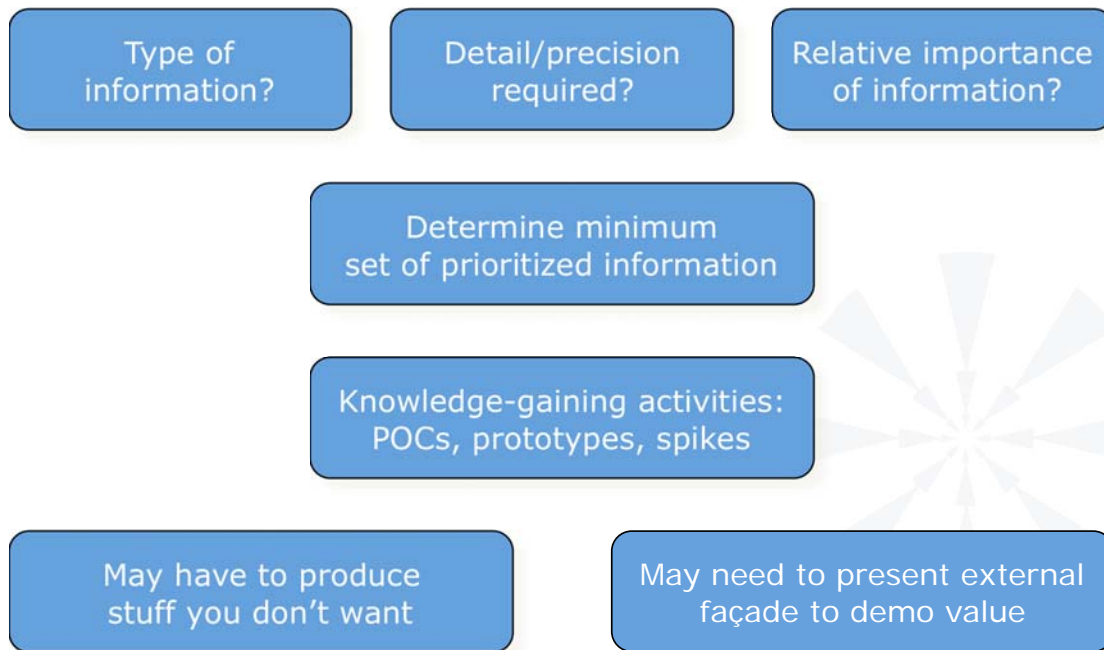


Source: Mike Cohn, Succeeding with Agile.

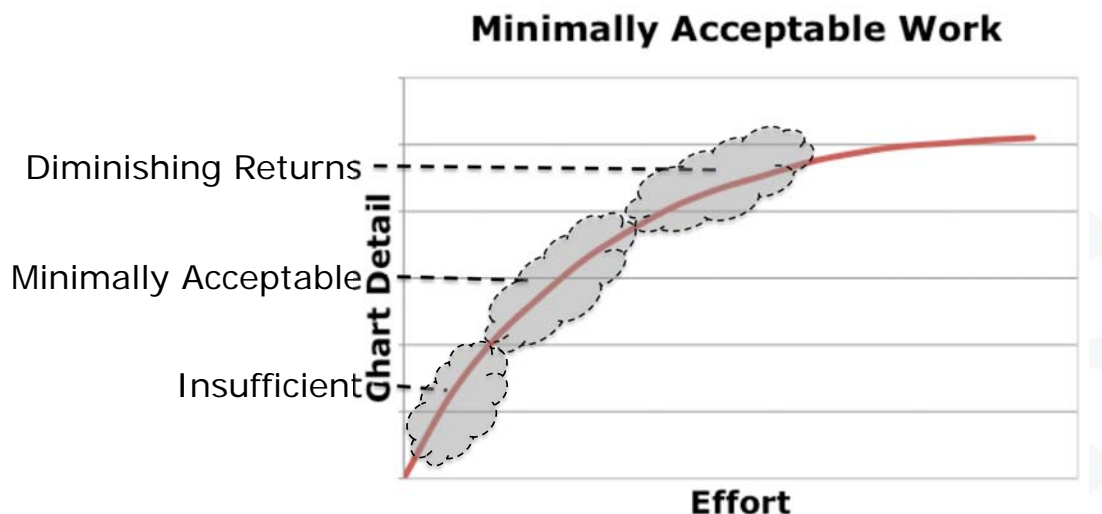
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✱ 2. Minimally Acceptable Work

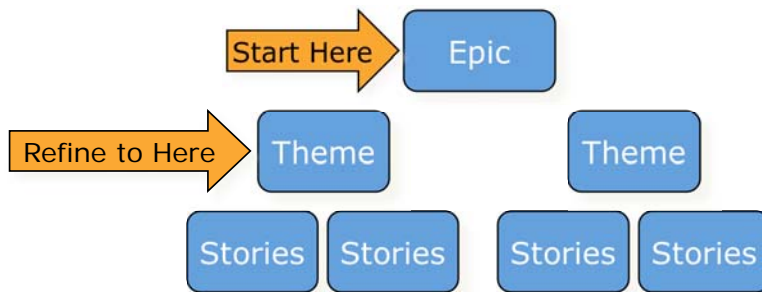


✱ Visualizing Minimally Acceptable Work

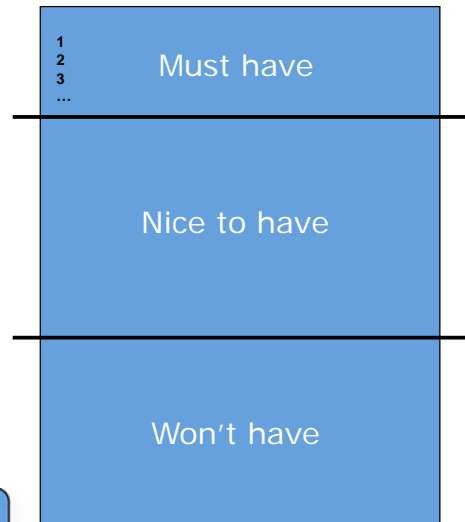


✱ 3. Focus on the Must Haves

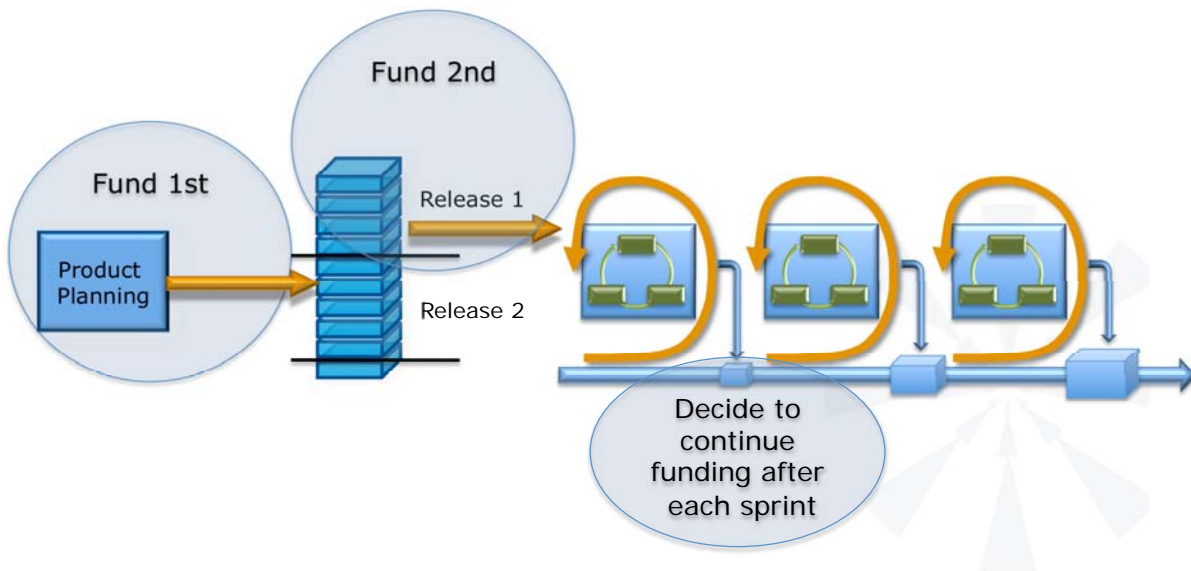
- ✱ Features that must be included:
 - ✱ Will not ship without them
 - ✱ Minimum Releasable Features



Product Backlog

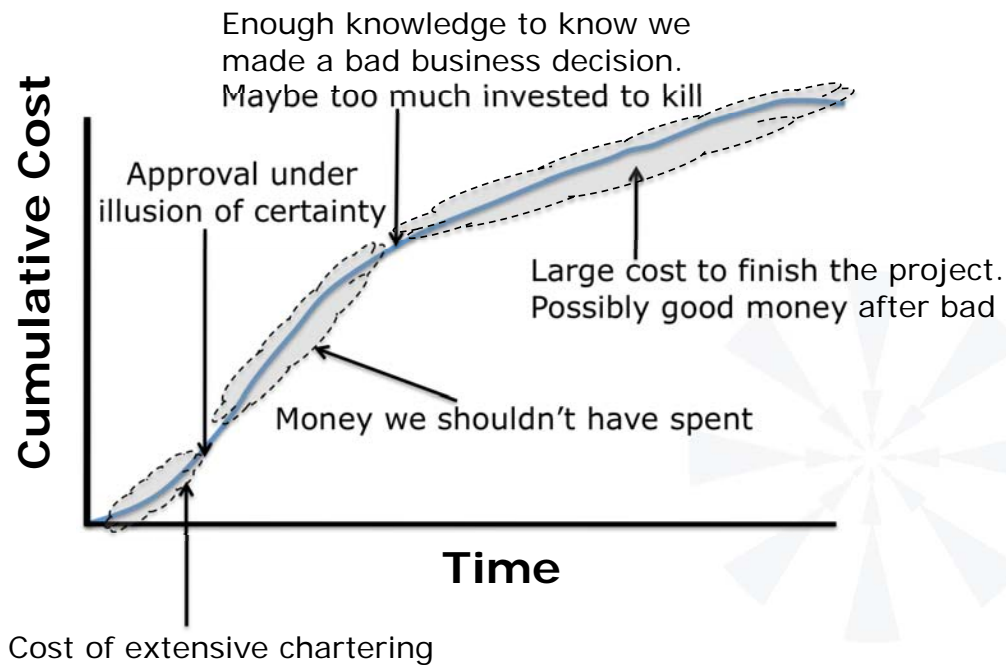


✱ 4. Incremental / Provisional Funding





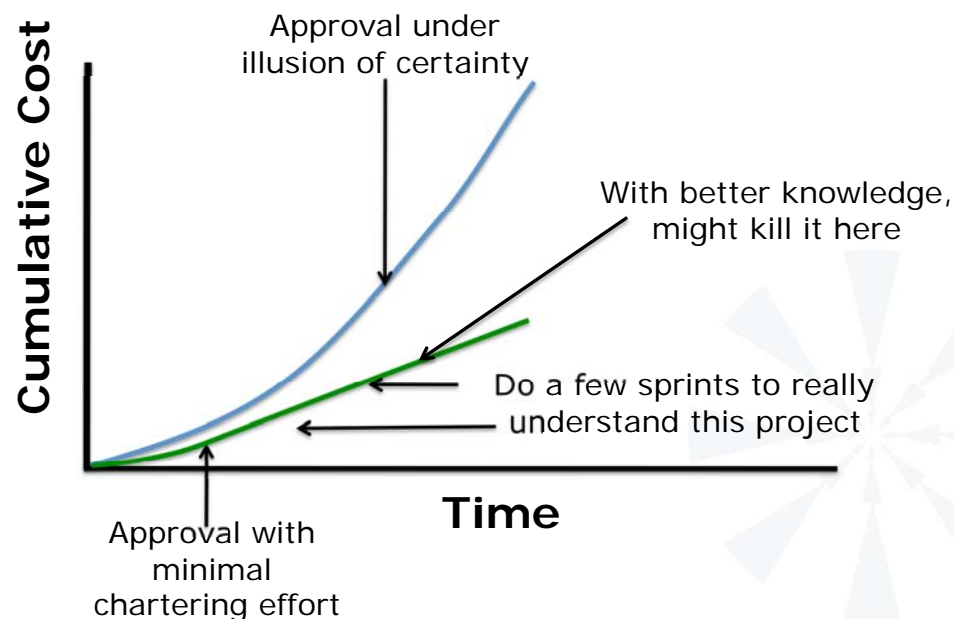
5. Fail Fast—Difficult with Traditional Chartering



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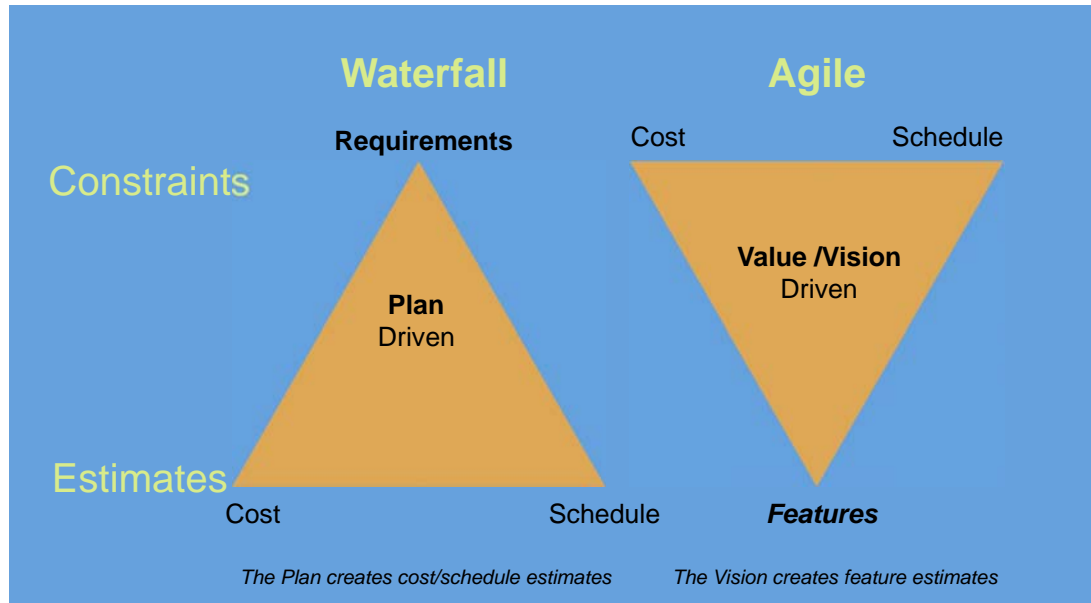


5. Fail Fast—More Practical with Agile Chartering



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* The Agile Paradigm Shift



* Fixed-Everything Model

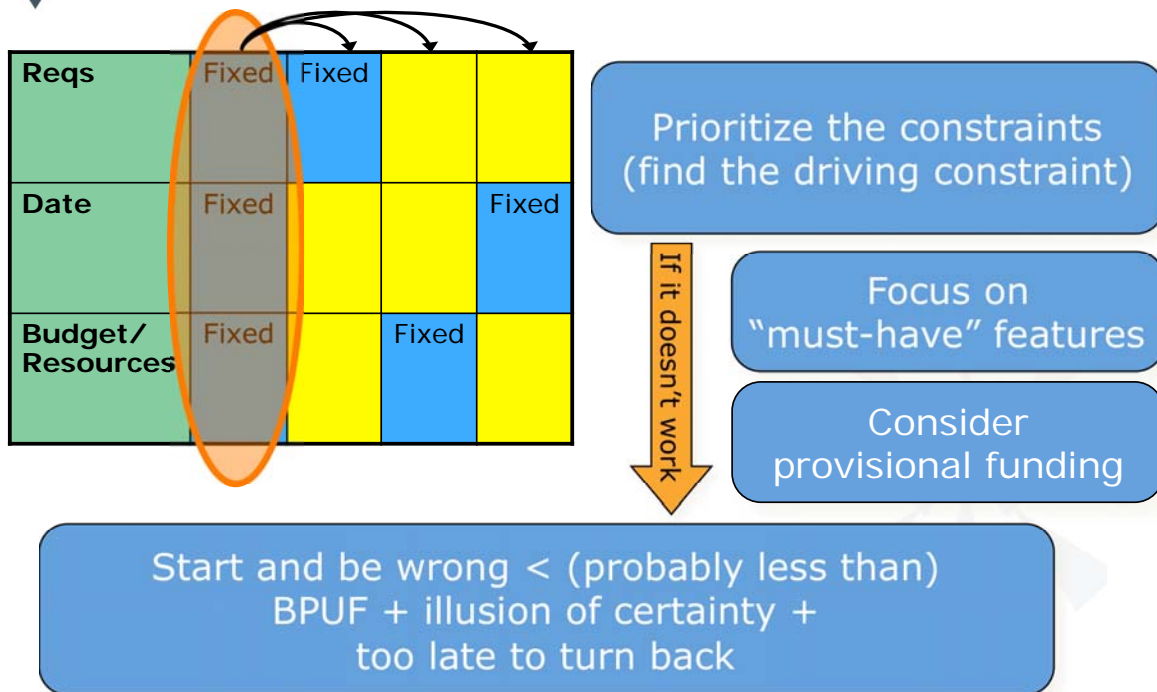
Reqs	Fixed	Fixed		
Date	Fixed			Fixed
Budget/ Resources	Fixed		Fixed	

Need to engage management to reinforce why this doesn't work

Can't fix all of these variables up-front on innovative projects and expect to get it right!



✱ Fixed-Everything Model – Strategy



✱ Exercise – Overcoming Fixed-Everything

Purpose: How would you help your executives overcome a Fixed-Everything Inception request?

Background: ✱ Your executives have asked you for all of the traditional artifacts to approve a fixed-everything (fixed date, fixed scope, fixed budget) project.

Instructions: ✱ Organize into teams of three or four and discuss the following question.

Question:

- ✱ What is your strategy for how you will address their request for artifacts?
- ✱ Your strategy must be both realistic in terms of what you can do and produce results that are satisfactory enough to the executives to approve the project.

Fixed-Scope Model

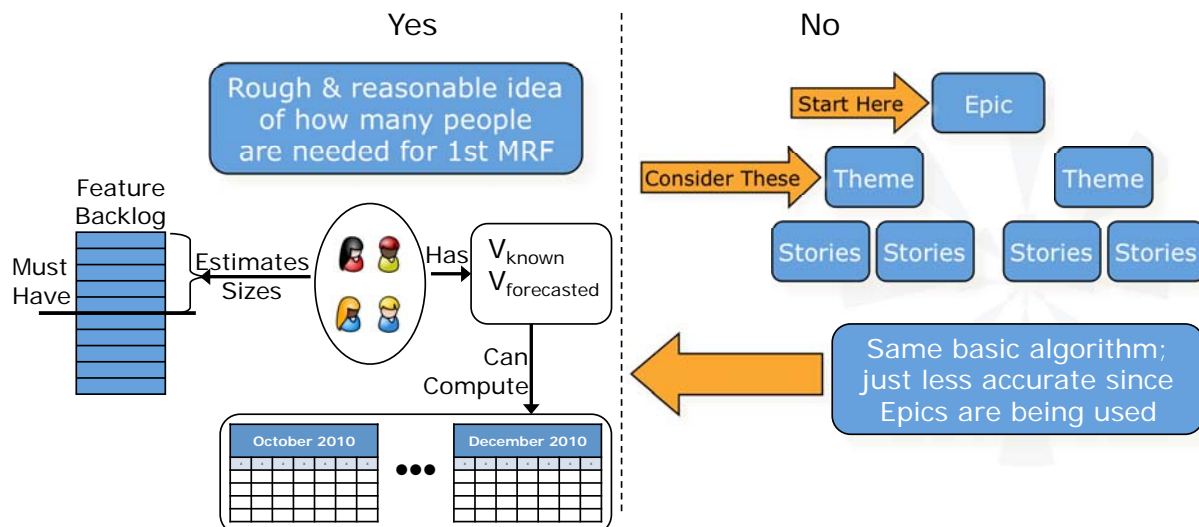
Reqs	Fixed	Fixed		
Date	Fixed			Fixed
Budget/ Resources	Fixed		Fixed	

Presumes requirements can be known up-front

Will need to compute end dates and/or budget

Fixed-Scope Model – Computing Dates

Can we reduce scope to a subset of the features (MRF)?



Fixed-Scope Model – Computing Dates (Continued)

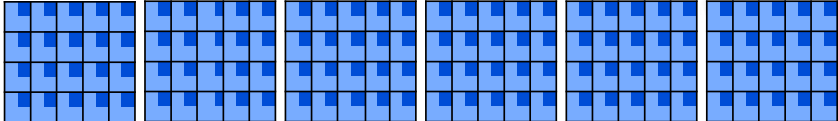
When will all of this be done?

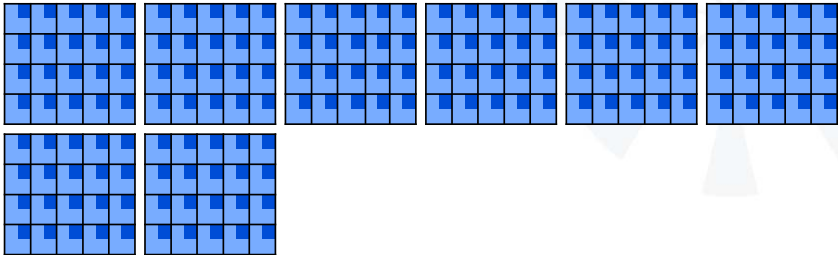
1. Sum all the backlog items the customer *needs*
2. Measure or estimate velocity as a range
3. Divide total story points by average long-term velocity
 - * This is likely the shortest number of Iterations it could take
4. Divide total story points by average low velocity
 - * This is the “expected” number of Iterations it should take



Fixed-Scope Model – Computing Dates: An Example

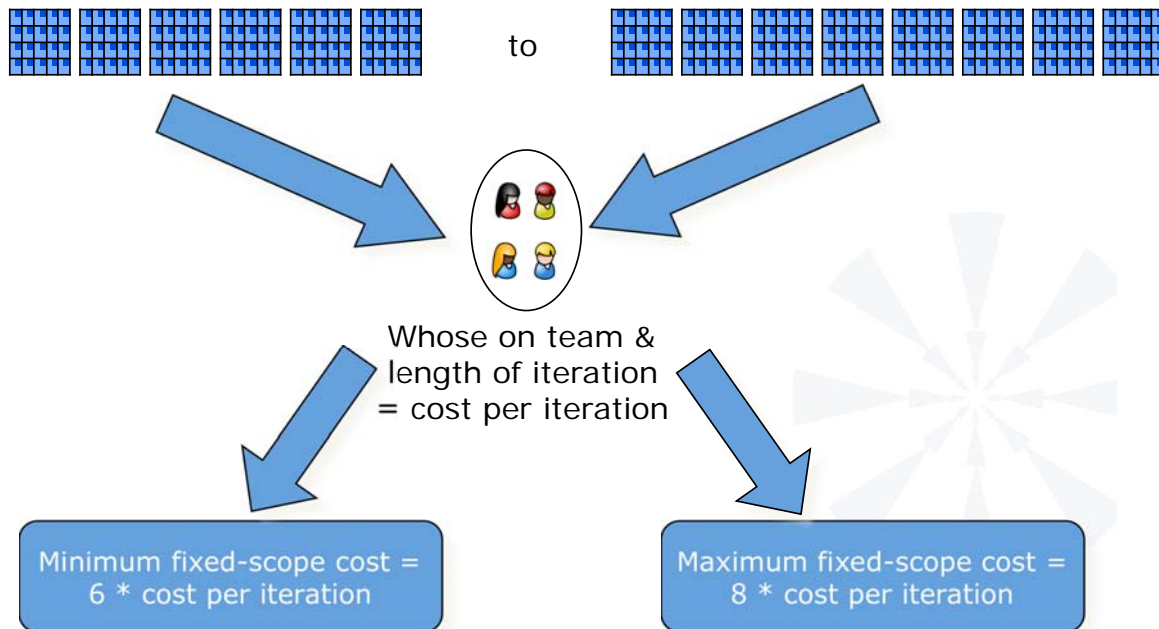
Total story points desired	120
Average low velocity	15
Average long-term velocity	20

$$120 \div 20 =$$


$$120 \div 15 =$$




Fixed-Scope Model – Computing Costs



Fixed Cost Model

Reqs	Fixed	Fixed		
Date	Fixed			Fixed
Budget/ Resources	Fixed		Fixed	

Based on budget, compute available FTEs

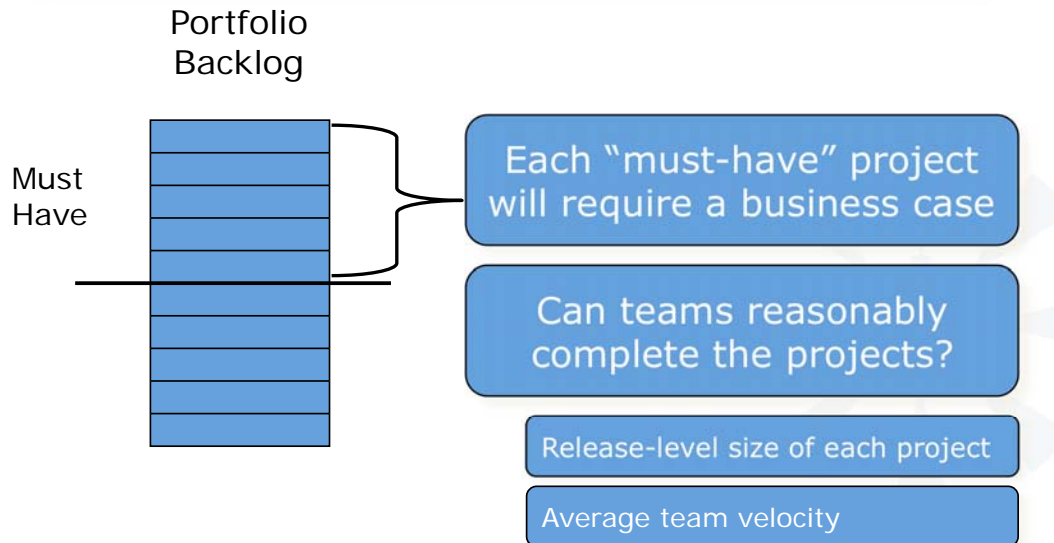
Group or division allocated budget based on % of projected revenue

Project-specific business case projecting revenue or cost savings → budget



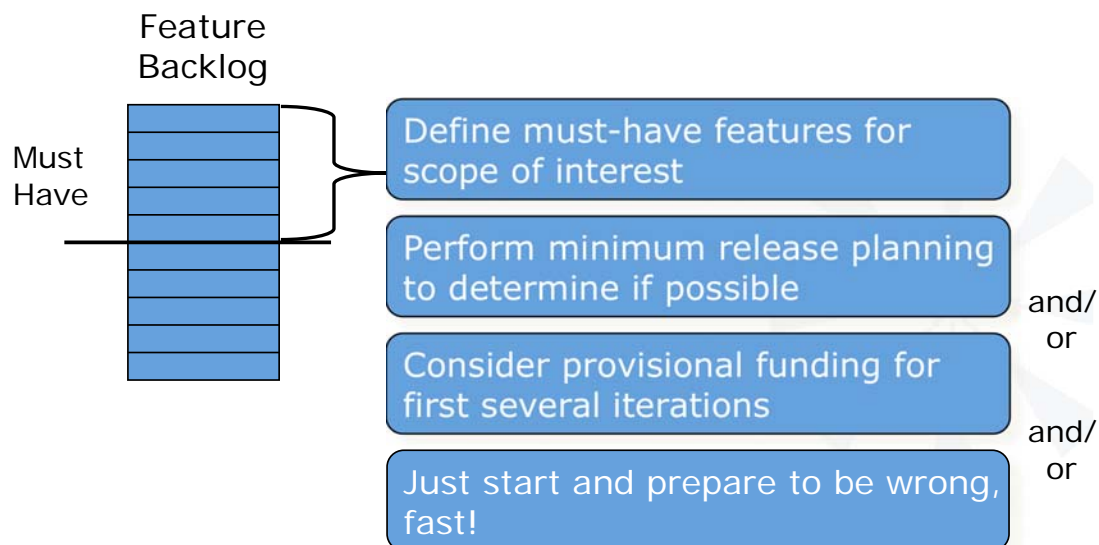
Fixed Cost Model – “Multi-Project” Strategy

What projects can we get done with these teams (by a specific date)?



Fixed Cost Model – “Single-Project” Strategy

Can we finish a specific project with these teams?



Fixed-Date Model

Reqs	Fixed	Fixed		
Date	Fixed			Fixed
Budget/ Resources	Fixed		Fixed	

Delivery date is fixed in advance

Budget is frequently fixed based on:

- What a responsible business case would dictate
- Availability of resources and their ability to collaborate within the timeframe

Most often we are trying to determine what features will be available on the end date



Fixed-Date Model – Computing Scope

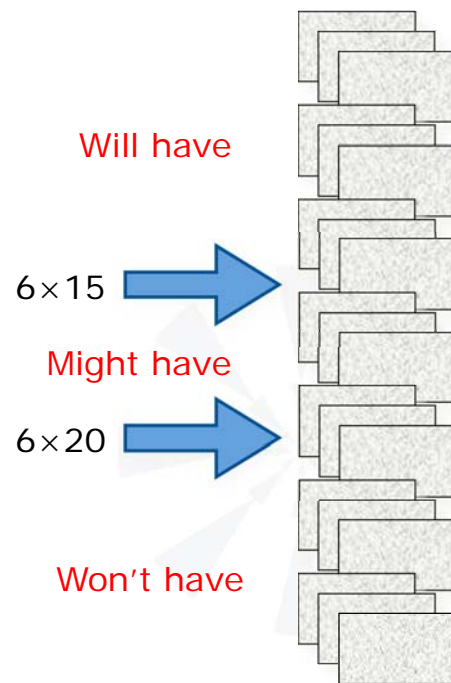
How much can I get by <date>?

1. Determine how many Iterations you have
2. Measure or estimate velocity as a range
3. Multiply average low velocity \times number of Iterations
 - ✱ Count off that many points
 - ✱ These are “Will Have” items
4. Multiply average long-term velocity \times number of Iterations
 - ✱ Count off that many more points
 - ✱ These are “Might Have items”

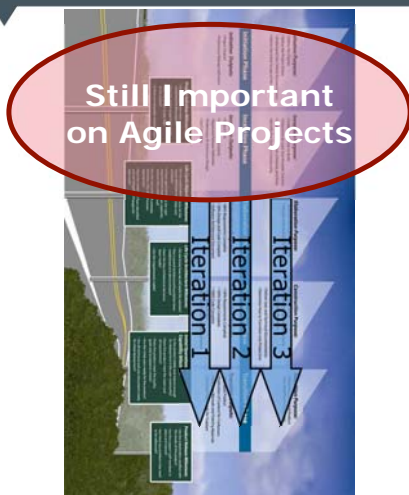


Fixed-Date Model – Computing Scope: An Example

Desired release date	30 June
Today's Date	1 January
Number of Iterations	6 (monthly)
Average low velocity	15
Average long-term velocity	20



Agile Inception Conclusion



Reqs	Fixed	Fixed		
Date	Fixed			Fixed
Budget/Resources	Fixed		Fixed	

Persuasion

Do barely sufficient amount of work

Focus on "must-have" features

Use incremental/provisional funding

Fail Fast—okay to be wrong



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