midwest architecture community collaboration

MIDWEST ARCHITECTURE COMMUNITY COLLABORATION 2020

NOVEMBER 5, 2020

People Over Process: Leadership for Agility

Michael Levine

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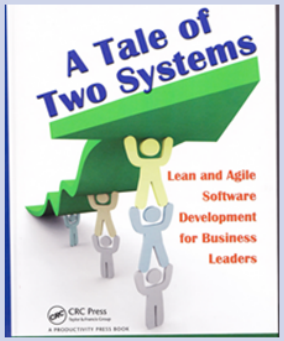
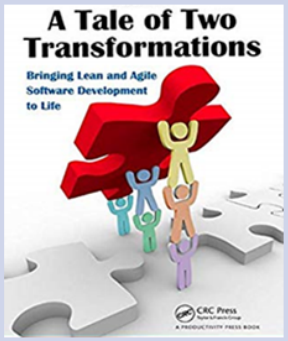
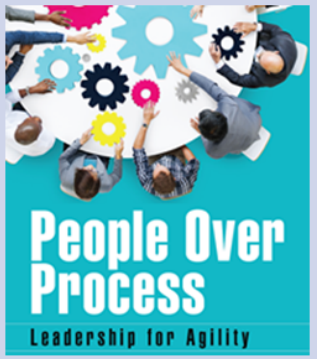
Michael's Agile Journey

	Prior to 2002	2002-2007	2007-2011	2011-2019
Career Focus	Financial Software Prod Mgt, Proj Mgt,; CTO	Scale mortgage operations & software; Wells Fargo CORE Failure	Leading Wells Fargo tech & process through mortgage crisis	Bringing agile to rigid "waterfall" US Bank. Revamp branch & consumer lending technology incl. digital
Lean / Agile Focus	**Agile before it had a name**	**Lean operations (LEI); Adopt Agile & Scrum; Lean Product Dev (U of Michigan)**	**Building & transforming teams to delivery quickly and well (be lean & agile)**	**Leadership, values & principles: "post-agile." Scrum <> agile!**
Message	**Use what works! Waterfall SDM, Method One, MSF, Info Engineer, CASE (not)**	***What is lean & agile & why do we do it?*** 	***How do we transform?*** 	***How do we sustain?*** 

Goal of Today's Discussion

Many Ideas, Simplified

Plan for Today

- Introduce the model and some implied obligations of organizational leaders
- Using the fictional Pacifica Bank and its digital / agile transformation, demonstrate in context leadership consistent with the model, and some enabling frameworks you might find useful.
- We'll cover meetings in general, and the process / tech arch simulation in particular as a great example of people & interaction focus.
- Then, depending on time, we will cover your choices of:
  - Roles on teams
  - Team structures
  - Responsibility-based planning, and
  - A3 Problem Solving
- At end, you will have actionable, concrete ideas for honoring the first Agile value, People over Process.

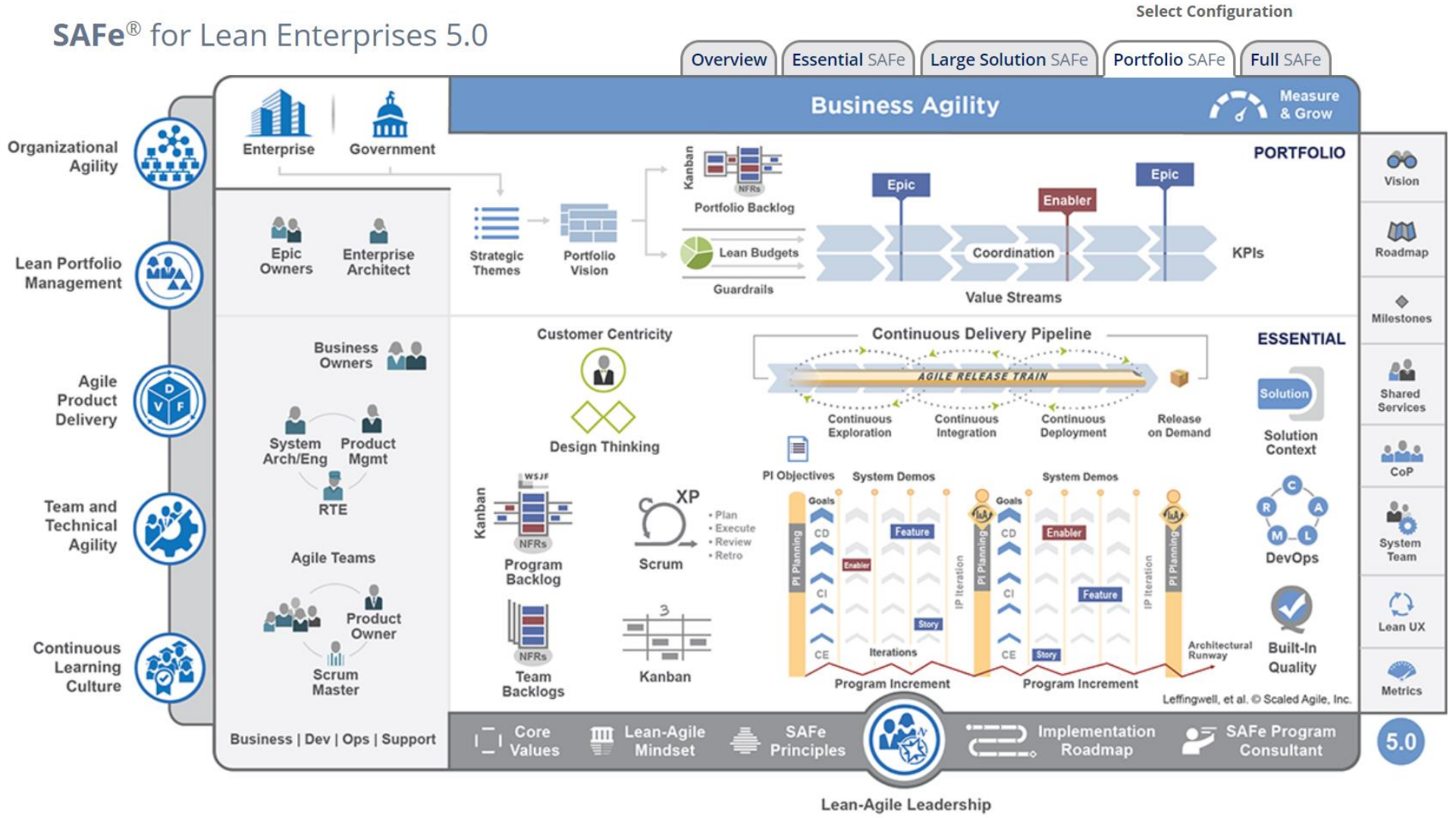
Manifesto for Agile Software Development

We are uncovering better ways of developing
software by doing it and helping others do it.
Through this work we have come to value:

Individuals and interactions over processes and tools
Working software over comprehensive documentation
Customer collaboration over contract negotiation
Responding to change over following a plan

That is, while there is value in the items on
the right, we value the items on the left more.

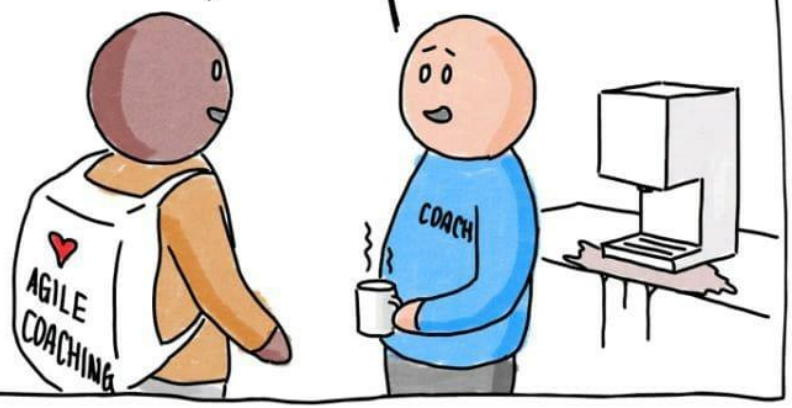
Lots of Productive Focus on Process



Comic Agilé

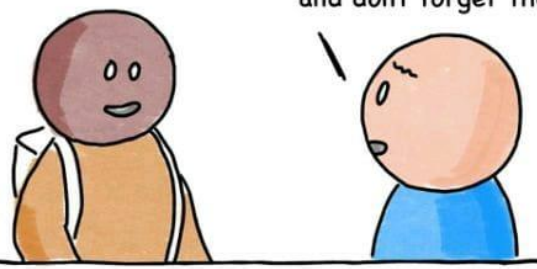
So, how's it going with your SAFe journey?

Okay, but I am a bit confused with the work breakdown hierarchy.



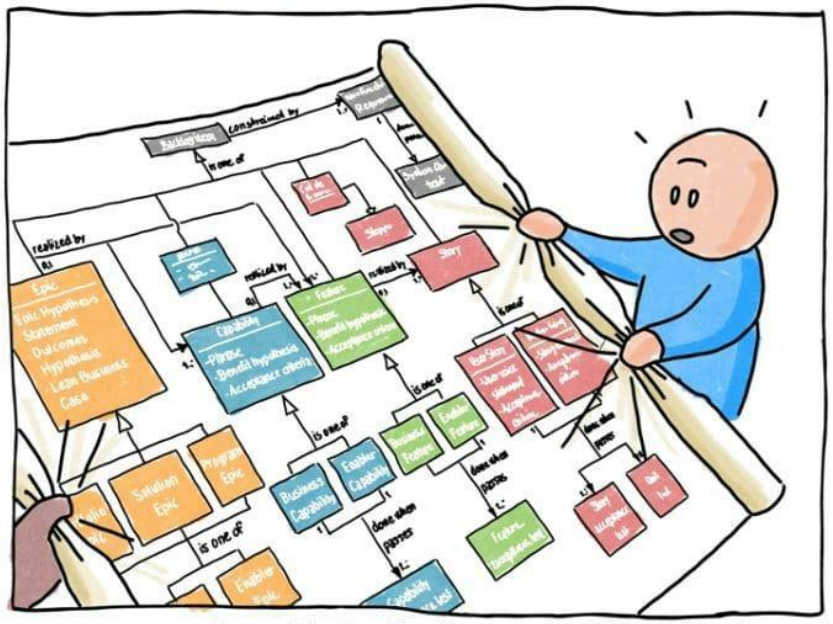
I think it's pretty simple; depending on your configuration of SAFe, you have Epics, Capabilities, Features and Stories.

But there are also different levels of Enablers, right? And some backlog items have hypotheses while others have Acceptance Criteria - and don't forget the NFRs!



I just think it's unnecessarily complex.

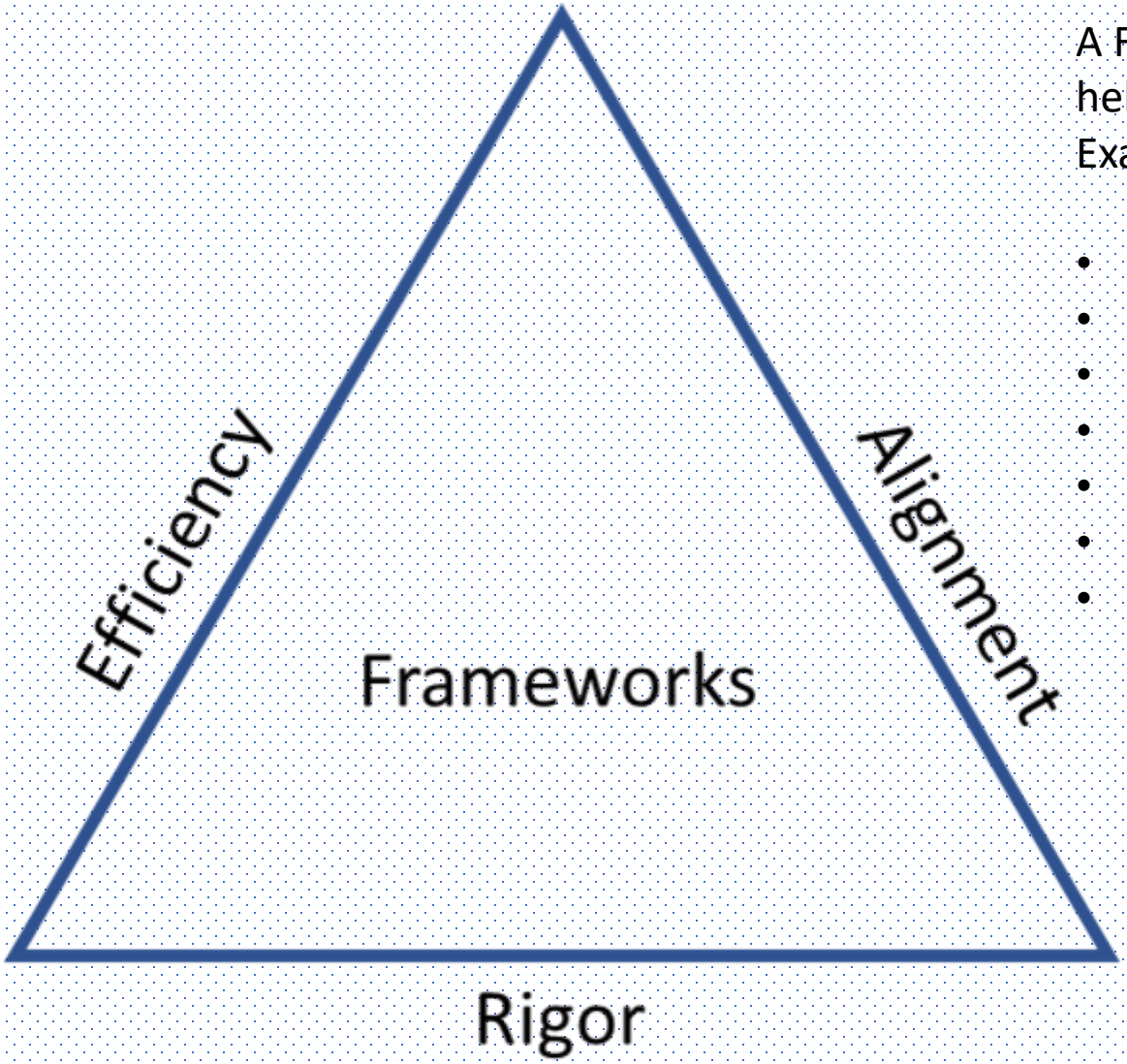
Actually, there's a SAFe Requirement Model that presents an easily understandable overview. Here, give me a hand and have a look.



Created by Luxshan Ratnaravi & Mikkel Noe-Nygaard

Leadership for Agility

Leadership for Agility



A Framework is like scaffolding helping teams build with RAE. Examples:

- Great meetings
- Scrum boards
- A3's
- Team structures & roles
- The Amazon memo
- Integrating Events
- Lean tools (Ishikawa 7)

Special Obligations of Organizational Leaders

Creating & Sustaining Agility: Responsibilities of Organizational Leaders

Rigor
Making good decisions

- Right talent, experience, skills, and roles
- Team composition
- Options considered
- Evidence for Decisions

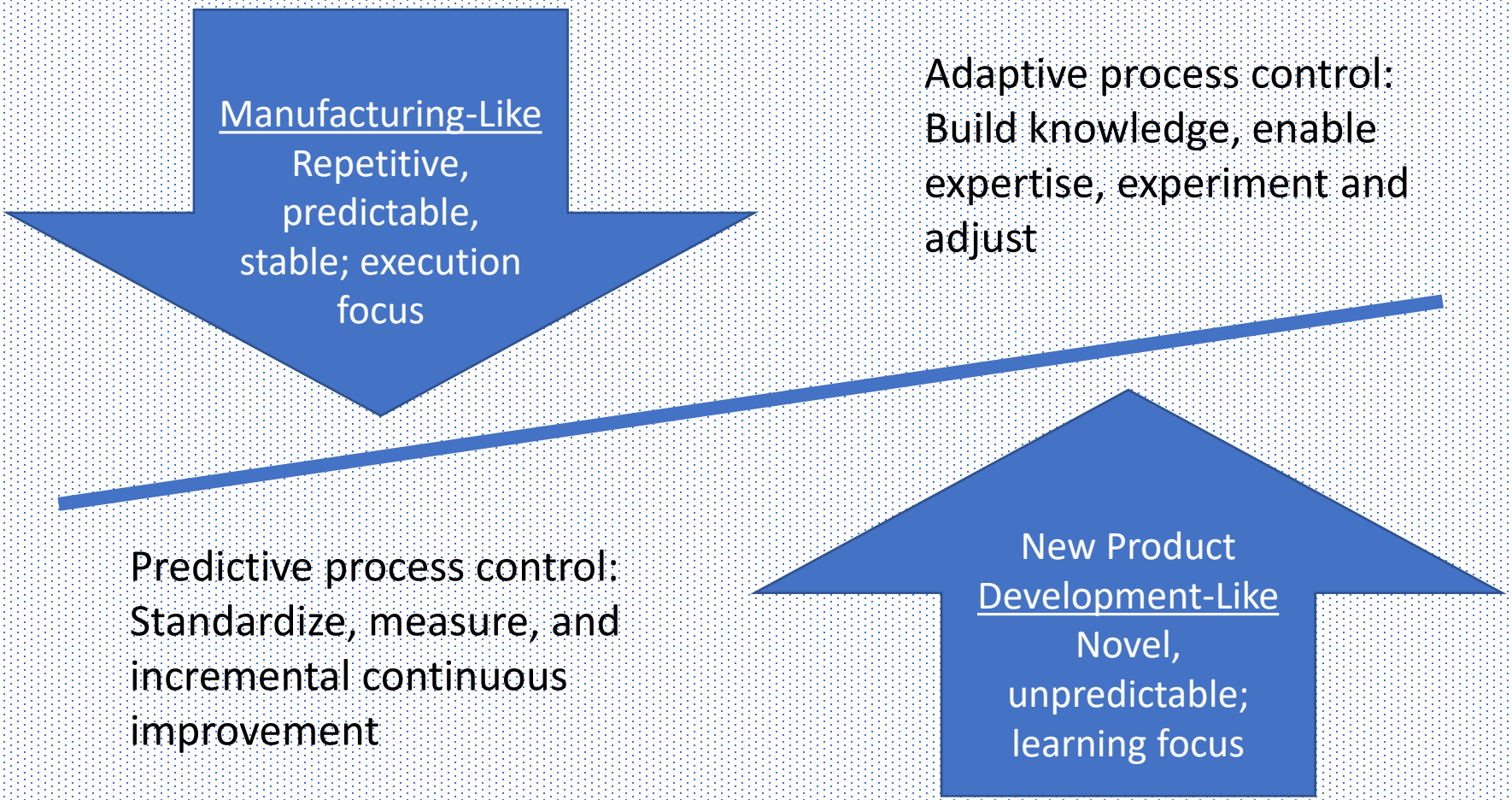
Alignment
Heads in game and moving together

- Right involvement
- Information available
- Input enabled
- Value consensus
- Someone to decide

Efficiency
Respect for people's time

- Balance "Agile" and "Planful" management
- Frameworks to provide context
- Extensive prep for meetings
- Tools and techniques

Balance “Agile” & “Planful” Management



Introducing Pacifica Bank

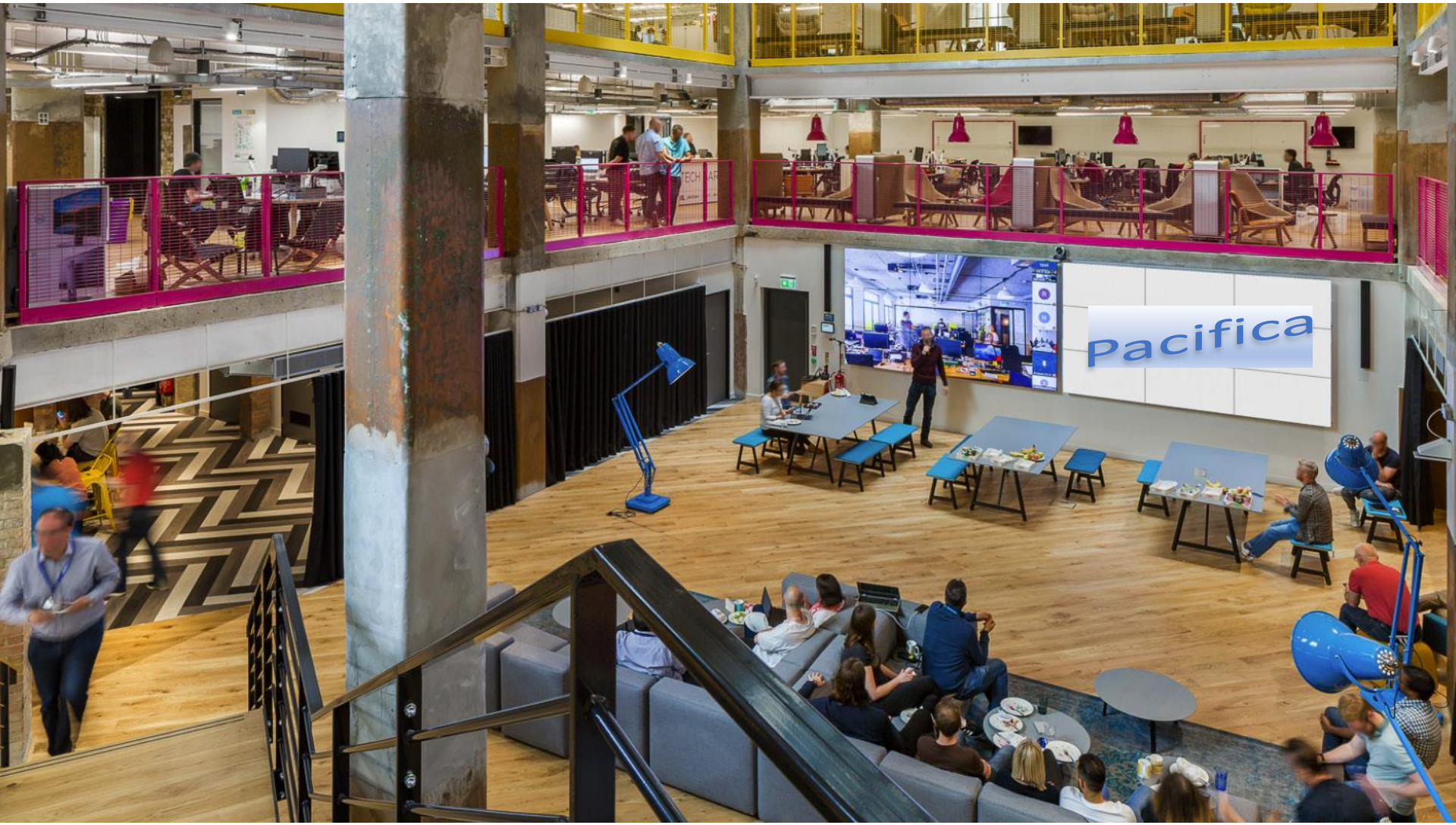
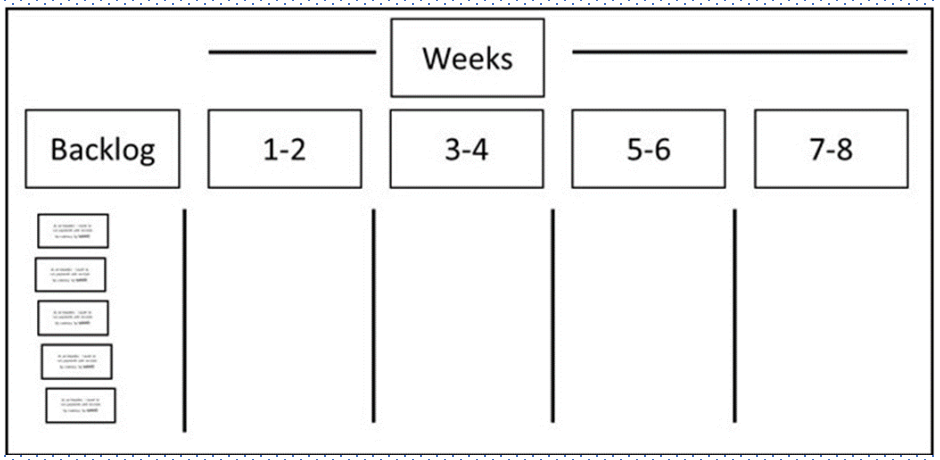


Photo from https://www.raconteur.net/business-innovation/future-workplace-2018/design-successful-work-space

Doing the digital /agile transformation!

Stuck!

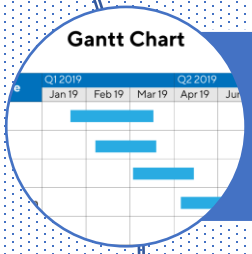


Do planning poker.
Assign story points.
Then allocate the backlog to the sprints!

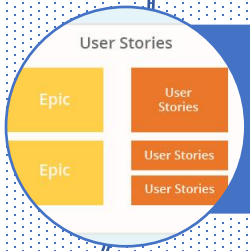
I understand the mechanics, and want to try to be agile. But..
What???!!???

Why is the team stuck?

The architecture isn't fleshed out to design level, so Fibonacci estimates for many items seem impossible and useless.



Without detailed designs and estimates, the team doesn't understand how it can commit to a delivery date.



The scrum approach being taught assumes the user story is the unit of development and needs to be done within a single 2-week sprint. How would this work with several different departments, systems, and companies involved?

The key vendor partner is not deeply involved in the core project team, and the details of their involvement is uncertain.

To Get Unstuck, Return to Foundational Leadership, Lean & Agile Principles

Principle	Action
Focus first on people, ensure team has expertise & teamwork it needs	Pacifica sponsor, collaborating with CIO & Consultancy, bring trusted delivery executive in as consultant to help team
Collaboration over Contracts	Key vendor partner asked to join team and help design the solution
Leadership: Focus on Rigor, Alignment, & Efficiency	Consultant helps structure “extraordinarily well-prepared meeting” for team

Meeting Outcome

Team agrees it needs more work on technical design & plan. On to business process / technical architecture simulation!

Extraordinarily Great Meetings

Prepare

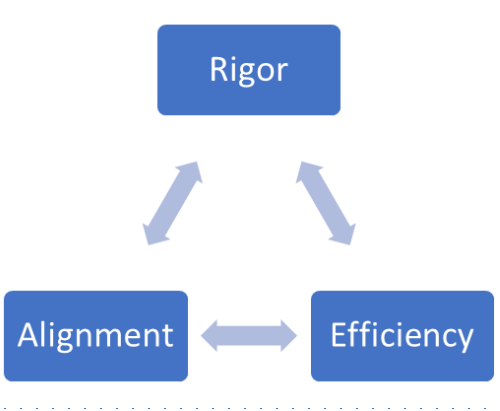
- Set simple & achievable objective
- Layout visible & active path to achieve; activities
- Get the "who" right: involved, roles / responsibilities
- Curate the physical (or online) environment
- Ensure alignment on the way in

Conduct

- Make path visible & start down it
- Control the flow: rules & agreements, activities
- Conduct the activities (e.g., Tool Demos)
- Have others do the work
- Deal with disruptions & path divergences

Conclude

- Check for alignment
- Agree on communication of results
- Set next steps

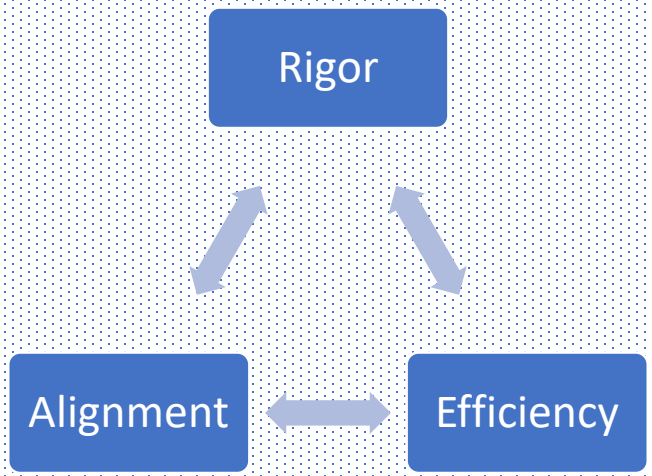


If a meeting doesn't best support our leadership goals of

Rigor, Alignment, Efficiency

Use a different mechanism!

The Business Process / Technical Architecture Simulation Meeting



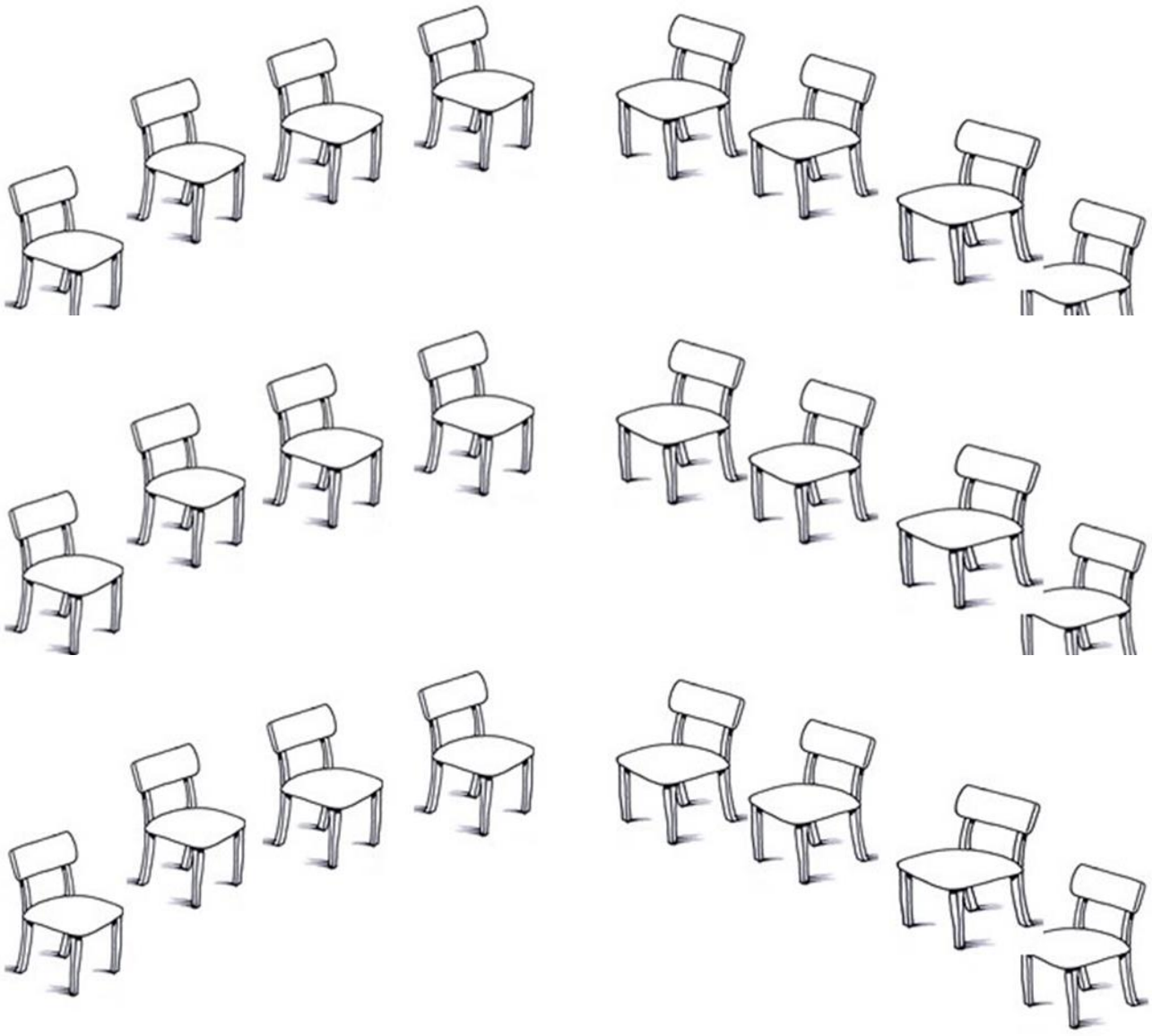
The objective is to gain broad understanding & alignment among our team members on several foundational items:

- The business processes we expect, starting with our customers and ending with provision of value
- The technology architecture that will support this business processes, including the technology components, what they each will do and what changes are required to accomplish this
- High fidelity between the processes and the technologies
- “Business” people understand technology, and “technology” people understand the business processes
- Relationships established among broad array of team members and leaders

Simulating At Scale: The Wells Fargo Elves

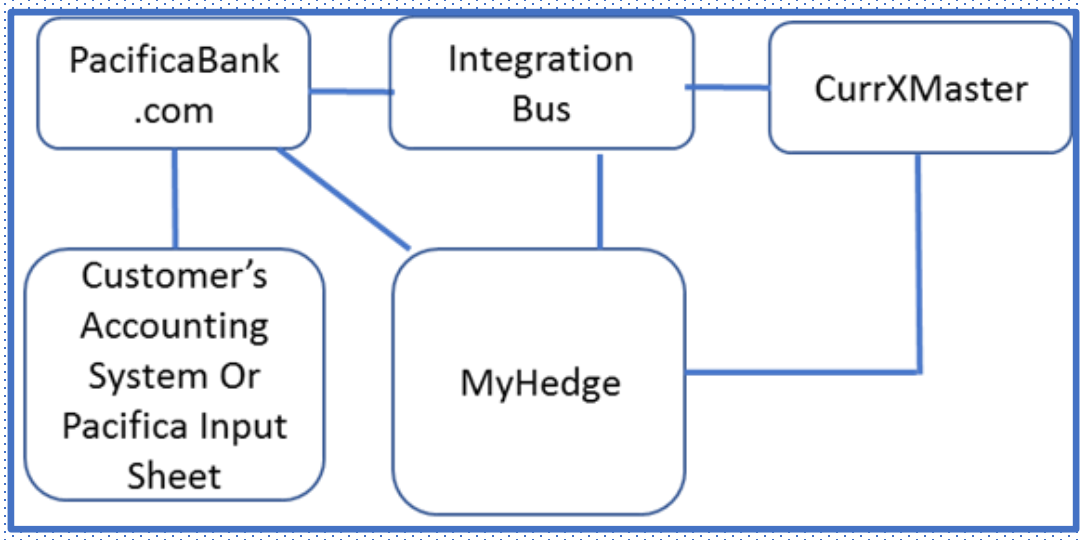
The Business Process / Technical Architecture Room Setup

(Pre-pandemic)



Architecture Diagram Wall

The Architecture Simulation



Scenarios:

1. Personal customer, in Japan, receiving dollars, hedging
2. Business customer, California, selling to China, yen, no hedge

Prepare:

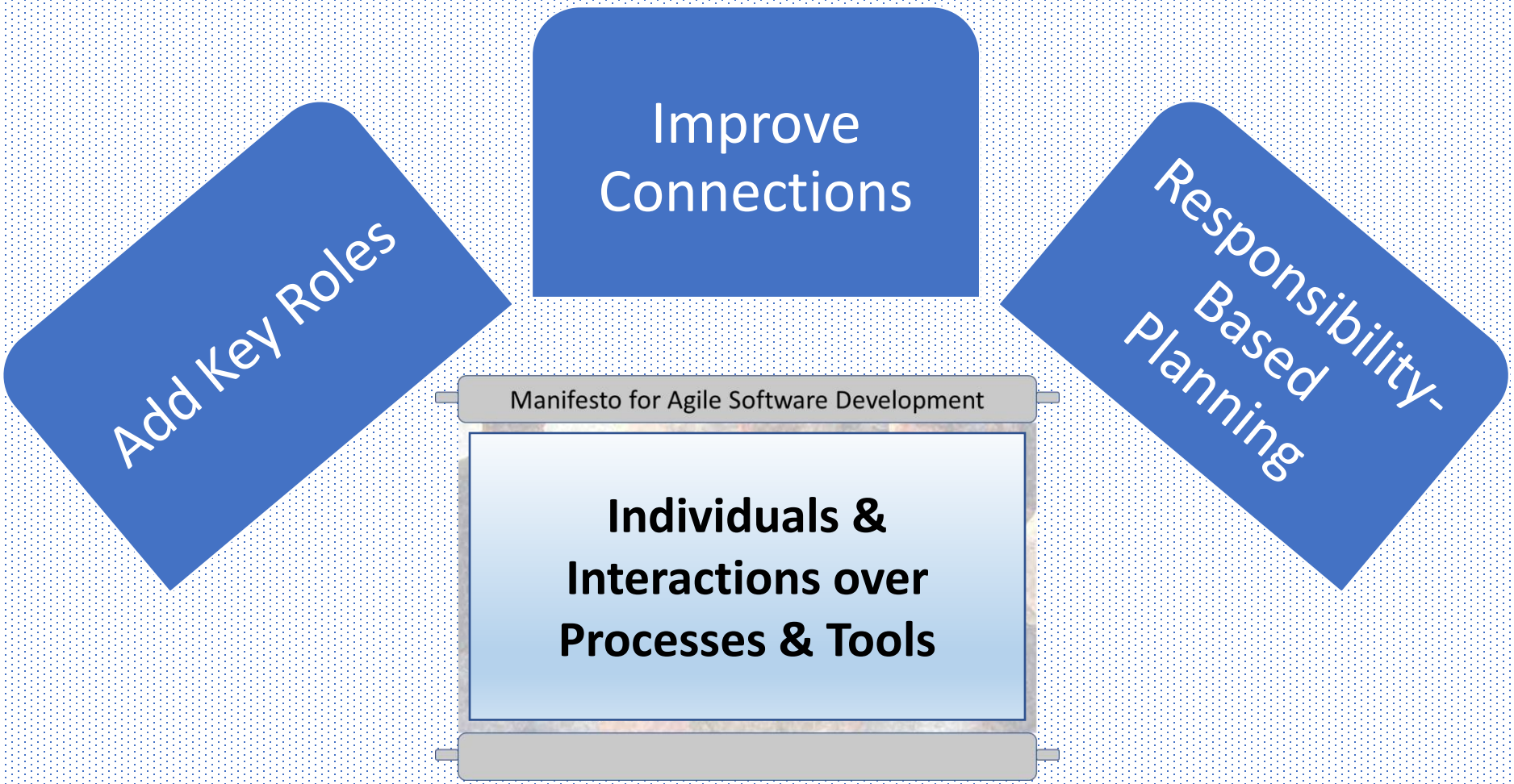
- Get architecture on big wall
- Arrange room to encourage interation

Conduct:

- First architecture, then business processes
- Audience participation
- Make it physical
- Make it human
- Have fun!

Rigor, Alignment, Efficiency

Pacifica's Turn to Execution



Fit Roles to People and Context, Not Just People to Methodology-Defined Roles

Pacifica Adds Three Key Roles

- Drawn from Toyota product development
- Compare to tech lead
- Senior, connected, respected
- Few direct reports, but overall technical delivery leader
- Often speaks for team externally

Chief Engineer

- Core team asked for this role to help coordinate test planning & execution across teams
- Focus on test environments, data, defect management
- With tech project manager, leads integrating events

Test Manager

- Reports to Chief Engineer
- Helps coordinate cross-team schedules and issue resolutions
- Manages financials
- Connect to peripheral tech groups
- Tech and organizationally savvy

Technical Project Manager

& now feels free to leverage and recruit other special skills, such as reliability/support engineer, test analysts, systems analysts, and whatever role fits and is available.

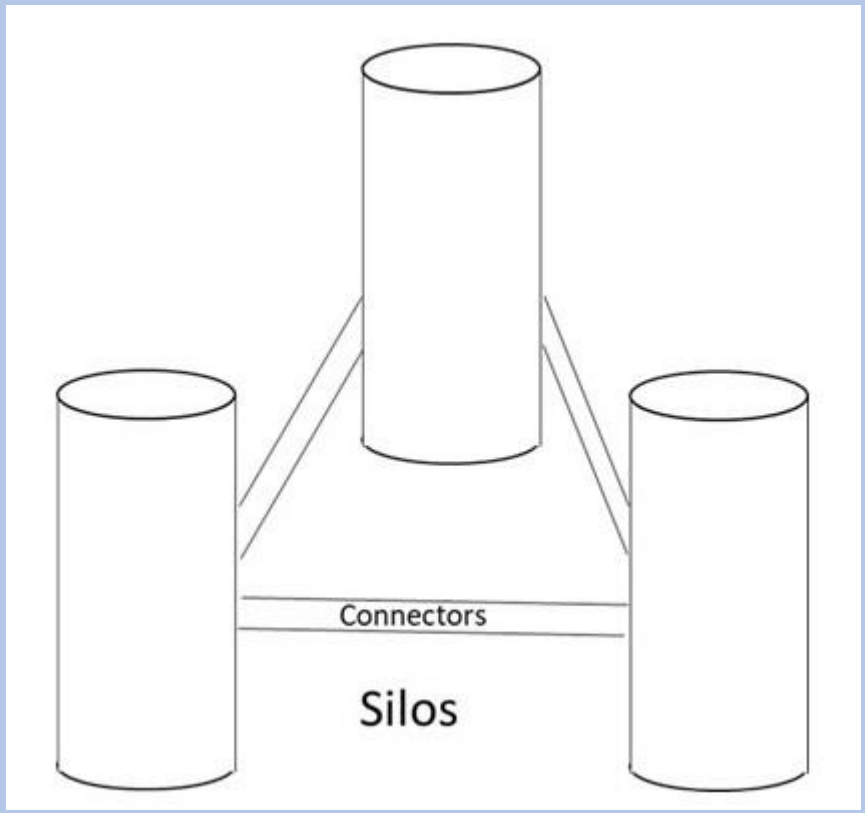
Pacifica Improves Leadership Connections

Build projects around motivated individuals.
Give them the environment and support they need,
and trust them to get the job done.

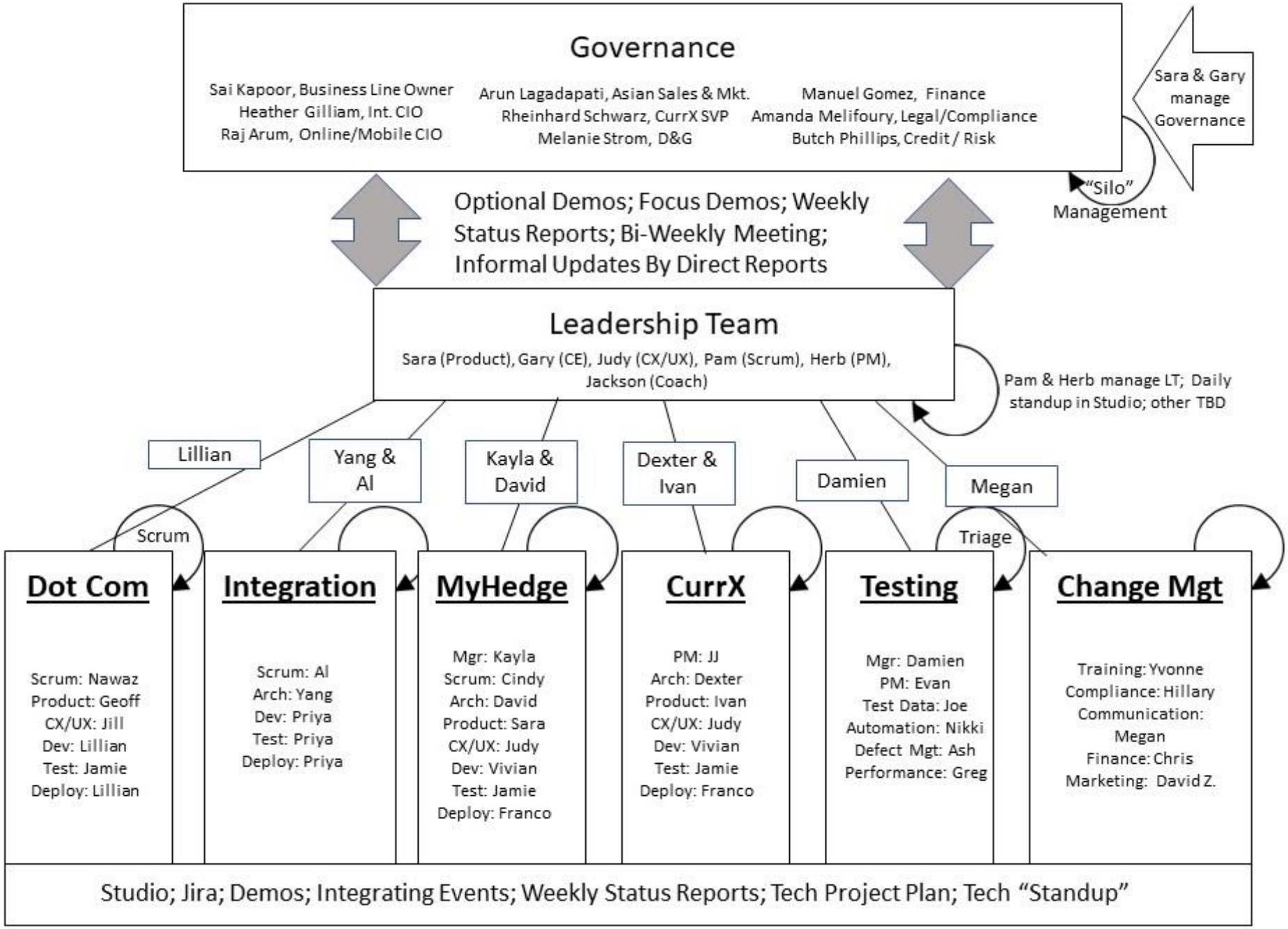
Love the emphasis on our team, but we could really use some more regular structure, help, and governance.

Structure People & Interactions for Rigor, Alignment, & Efficiency

- What are the teams?
- Who are the members & the leaders?
- How are they regularly connected?
- How are they steered & coordinated?
- How are they connected to senior leadership for help, guidance, and critical decisions?



WARNING
COMPLEXITY
AHEAD


Governance
Sai Kapoor, Business Line Owner
Heather Gilliam, Int. CIO
Raj Arum, Online/Mobile CIO
Arun Lagadapati, Asian Sales & Mkt.
Rheinhard Schwarz, CurrX SVP
Melanie Strom, D&G
Manuel Gomez, Finance
Amanda Melifoury, Legal/Compliance
Butch Phillips, Credit / Risk
Sara & Gary manage Governance
"Silo" Management
Optional Demos; Focus Demos; Weekly Status Reports; Bi-Weekly Meeting; Informal Updates By Direct Reports
Leadership Team
Sara (Product), Gary (CE), Judy (CX/UX), Pam (Scrum), Herb (PM), Jackson (Coach)
Pam & Herb manage LT; Daily standup in Studio; other TBD
Lillian
Yang & Al
Kayla & David
Dexter & Ivan
Damien
Megan
Scrum
Triage
Dot Com
Scrum: Nawaz
Product: Geoff
CX/UX: Jill
Dev: Lillian
Test: Jamie
Deploy: Lillian
Integration
Scrum: Al
Arch: Yang
Dev: Priya
Test: Priya
Deploy: Priya
MyHedge
Mgr: Kayla
Scrum: Cindy
Arch: David
Product: Sara
CX/UX: Judy
Dev: Vivian
Test: Jamie
Deploy: Franco
CurrX
PM: JJ
Arch: Dexter
Product: Ivan
CX/UX: Judy
Dev: Vivian
Test: Jamie
Deploy: Franco
Testing
Mgr: Damien
PM: Evan
Test Data: Joe
Automation: Nikki
Defect Mgt: Ash
Performance: Greg
Change Mgt
Training: Yvonne
Compliance: Hillary
Communication: Megan
Finance: Chris
Marketing: David Z.
Studio; Jira; Demos; Integrating Events; Weekly Status Reports; Tech Project Plan; Tech "Standup"

Thinking about "right" way to create silos

Investment Strategy	Minimize Dependencies	Ownership & Autonomy
Leverage	Product Strategy	Team Size
Tech Architecture	Customer Segment	Business Lines

Marty Cagan, INSPIRED: How to Create Tech Products Customers Love

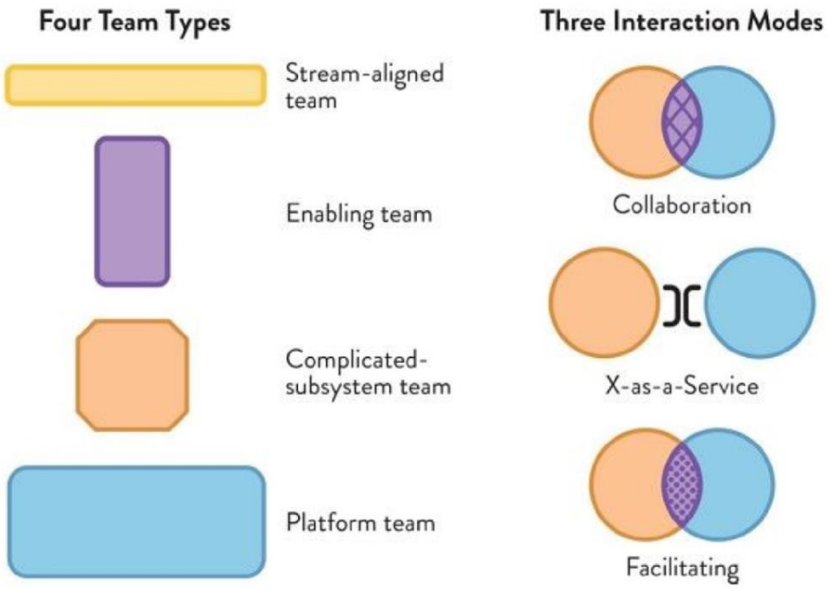
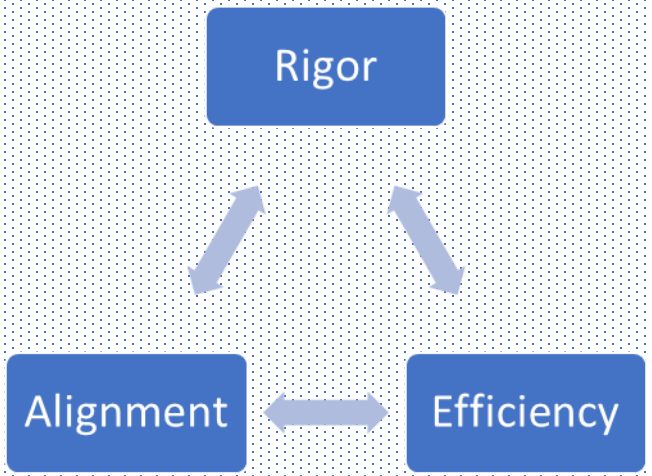


Figure 0.1: The Four Team Types and Three Interaction Modes

Matthew Skelton & Manual Pais, Team Topologies



Pacifica Adopts Responsibility-Based Planning

- Leadership fits process to context…RAE
- Multiple expert groups each have critical elements to contribute to solution
- The elements must integrate flawlessly or solution fails
- The integration is complex & novel, so complete upfront specification is impossible and/or ineffective
- The various contributing groups have their own internal dynamics – historical or intentional (to enable creativity & knowledge building)

Responsibility-Based Planning

1. Cross-functional team led by Chief Engineer establishes & manages delivery plan, anchored by scheduled Integrating Events

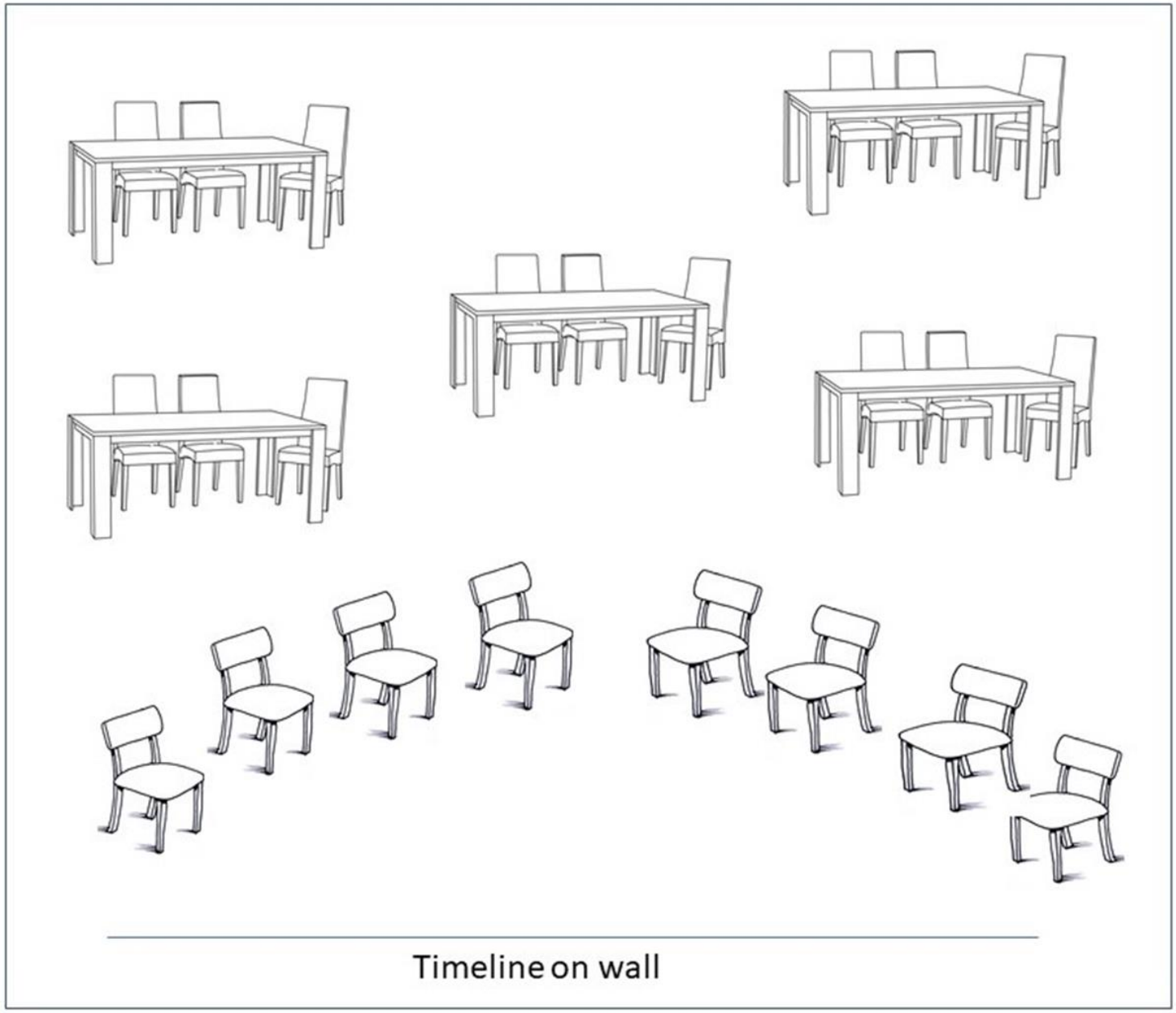
Delivery Teams

2. Each expert team uses whatever methods it chooses..just delivers!

3. Intensive testing, highly planned & coordinated, done at each event.

4. Adjust plan & on to next event!

The Responsibility-Based Planning Meeting (Pre-pandemic)



Pacifica's Starting Timeline

Code Complete **Final Debug** **Pilot** **Rollout**

	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Integrating Events		Data Map & Load								
PacificaBank.com										
Integration Bus										
MyHedge										
CurrXMaster										
Testing										
Change Management										

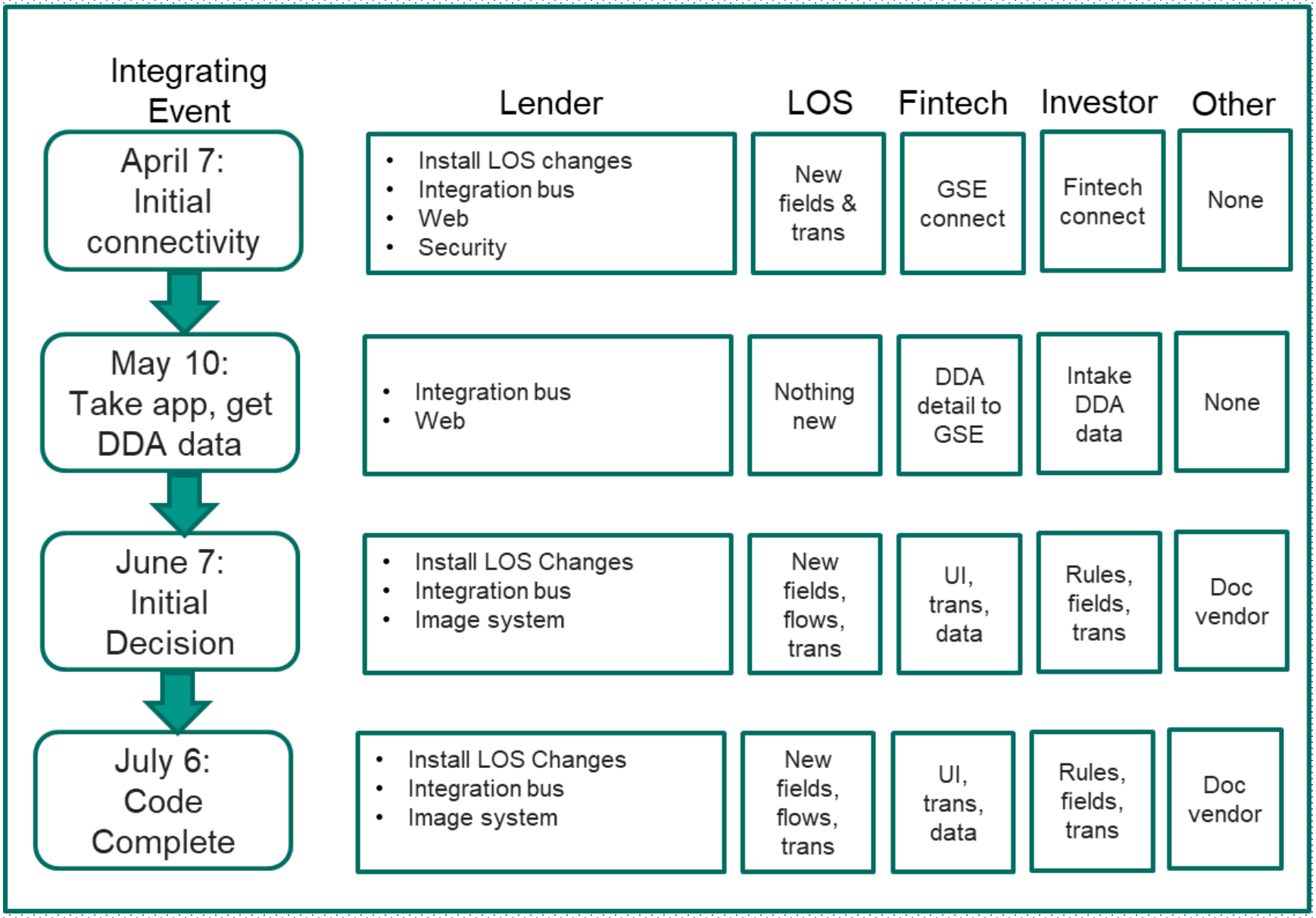
From Timeline & Events to Plan

- Breakout by team and establish small set of milestones and key activities (stickies).
- Present them to group one by one, and adjust / add / remove as needed.
- Test team proposes how they want to manage the integrating events, test environments, test data, code migrations, and defect management.
- Change management weighs in its needs for training, metrics, marketing, sales.
- Project manager leads the documentation, so each team can do its own detailed planning in its own way to ensure they can deliver as expected to each integrating event.

Check For Alignment

Team	Team Average	Team High Vote	Team Low Vote
PacificaBank.com	80% Reasonably Assured	100% Total Confidence	60% A Good Shot at It
Integration Bus	80% Reasonably Assured	100% Total Confidence	40% If All Goes Well
MyHedge	60% A Good Shot At It	80% Reasonably Assured	20% A Hope But Not Likely
CurrX	40% If All Goes Well	60% A Good Shot At It	20% A Hope But Not Likely
Testing	80% Reasonably Assured	80% Reasonably Assured	60% A Good Shot At It
Change Management	80% Reasonably Assured	100% Total Confidence	60% A Good Shot at It
Total	80% Reasonably Assured	100% Total Confidence	20% A Hope But Not Likely

Simplified Example of Responsibility-Based Plan from US Bank Instant Mortgage



Home / News / **U.S. Bank revolutionizes home borrowing experience**

U.S. Bank revolutionizes home borrowing experience

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Lending decisions made within minutes on many home mortgages and home equity applications.

“U.S. Bank is the first lender to go to market with technology which can validate both income and assets and evaluate creditworthiness at the time the mortgage application is submitted.”

“With the home equity offerings, U.S. Bank is the first large bank to provide homeowners the simplified experience of digitally syncing their home equity application with other trusted third-party sources of digital information such as online tax preparation and payroll platforms.”

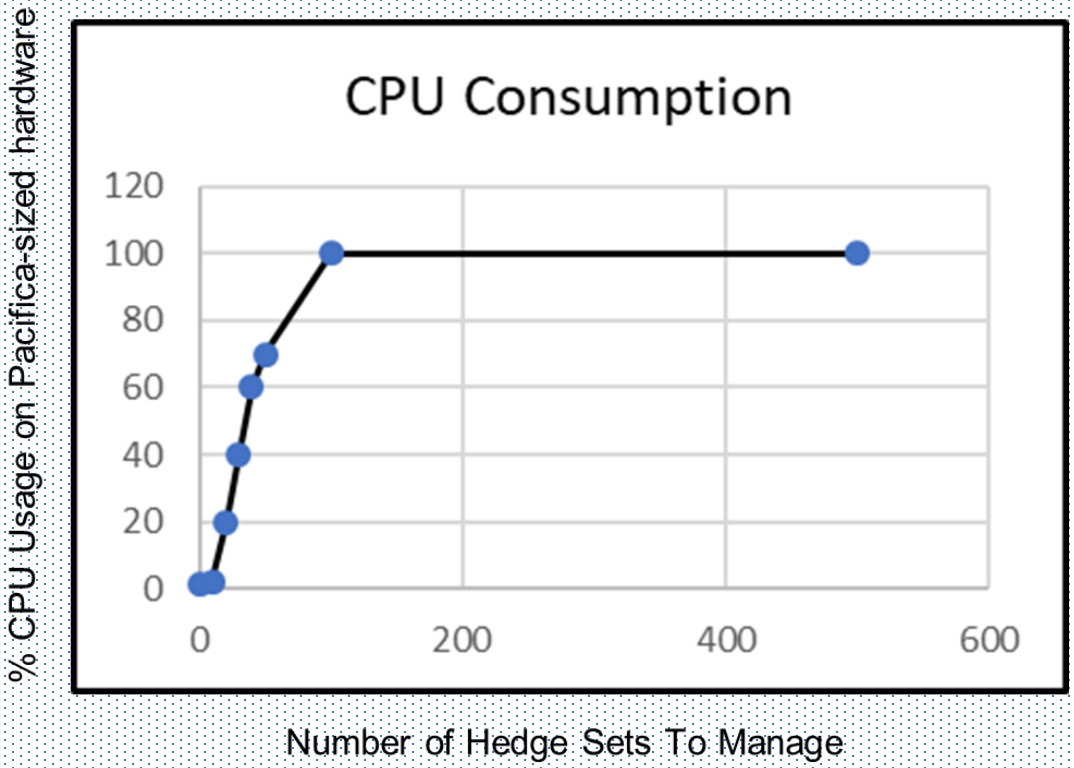
“The digital tools come with access to the same experienced staff, attractive rates and commitment to security that customers have come to expect from the nation’s fifth-largest bank.”

“Any of the applications can be completed on a mobile device, tablet or desktop computer. It takes about 15 minutes to complete a home equity application and 30 minutes for a mortgage application. The simplified applications allow borrowers to upload any required documents, track application status and electronically sign disclosures through a single, secure digital hub.”

“U.S. Bank worked with San Francisco-based Blend Labs Inc., a fintech software company, on the home mortgage and home equity enhancement.”

Problem-Solving: The Lean A3 Framework

Pacifica's Partner Finds a Problem



- Smaller businesses have simpler but more numerous hedge sets to manage
- The architecture doesn't handle this well
- No easy fix; need to make a significant change in deployment strategy, can't get done until product release six months out.
- What should the team do about its plan?

Now is when the focus on people and interactions should pay off most: handling a major problem!

Toyota's A3 Framework: Bringing Rigor, Alignment, & Efficiency

- Cultural practice developed at Toyota. Named for the large size of paper used in Japan.
- Goal is one page (easier if big paper). In practice often has appendices or runs on to two pages when using standard sized paper.
- Several types
  - Problem solving is most common (Plan Do Check Act)
  - Strategy A3 used in planning
  - Project initiation is a useful adaptation (one page SOW)
- Emphasizes facts presented visually. Conciseness is key.
- The development process & socialization ("nemewashi") more important than the document itself

Project Name

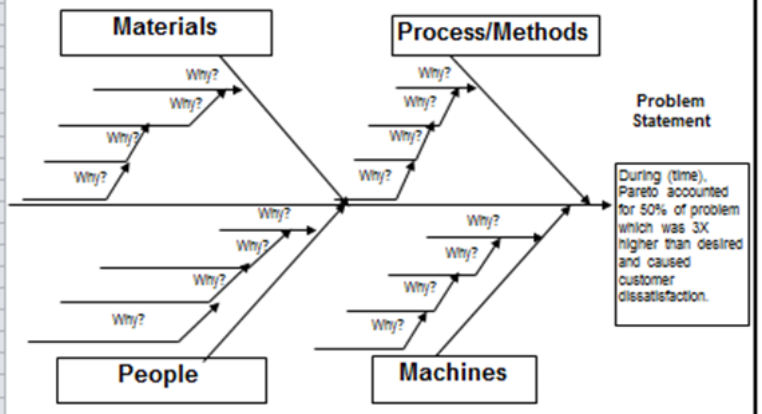
Team:		Start Date:	
Team Leader:		Consultant:	

PROBLEM/NEED

BACKGROUND

CURRENT SITUATION

ROOT CAUSES



TARGETS (Desired Situation)

PLAN

DO

Action	Who	When

CHECK

Target	Results	Eval

ACT

Future Action	Who	When

REFLECTIONS

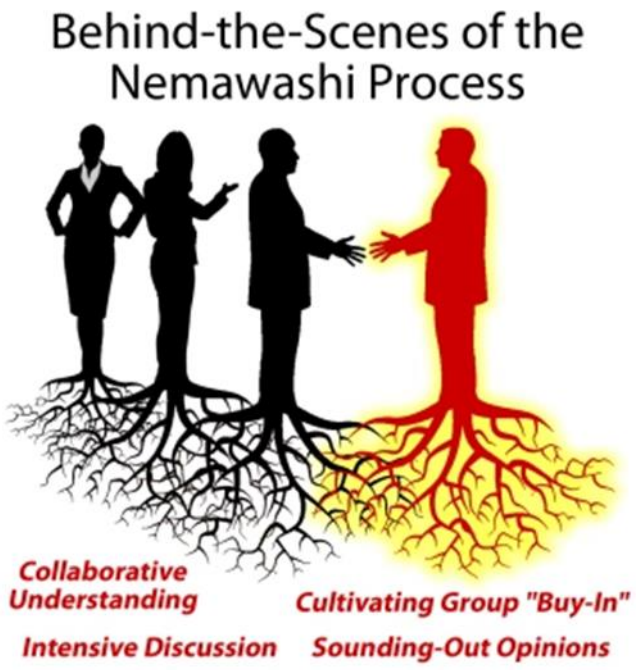
"Nemawashi"

根回し

Ne = "Roots" **Mawashi** = "Around"

An informal process of quietly laying the foundation for some proposed change or project, by talking to the people concerned, gathering support and feedback, and so forth.

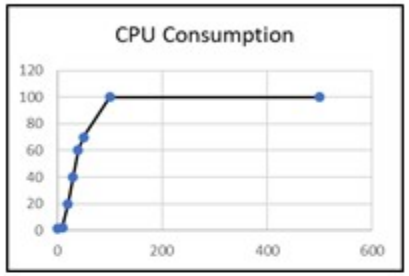
Building consensus.



Pacifica Bank MyHedge Program: CurrX Performance Issue

Problem Description

- As number of hedge sets grows CPU consumption on base CurrX rises quickly
- This is an architectural issue we cannot fix quickly

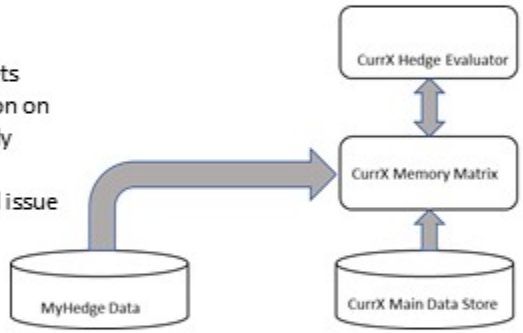


Options

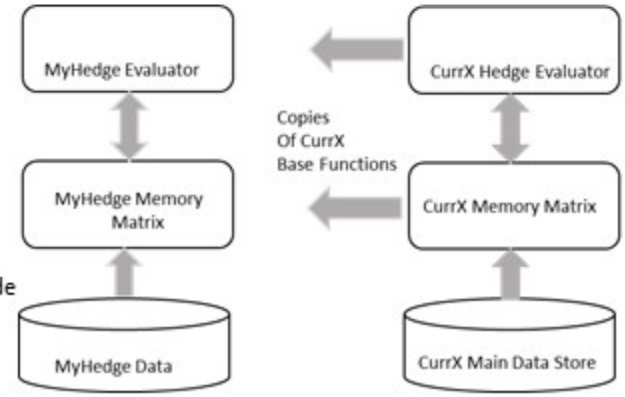
1. Delay pilot until reengineering complete
2. Extended low-volume pilot while reengineering
3. Add hardware capacity to enable more volume while reengineering

Current State

- As number of hedge sets grows CPU consumption on base CurrX rises quickly
- This is an architectural issue we cannot fix quickly



- The fix is to completely separate MyHedge at runtime
- TradeX estimates code complete on this not until end of Q1



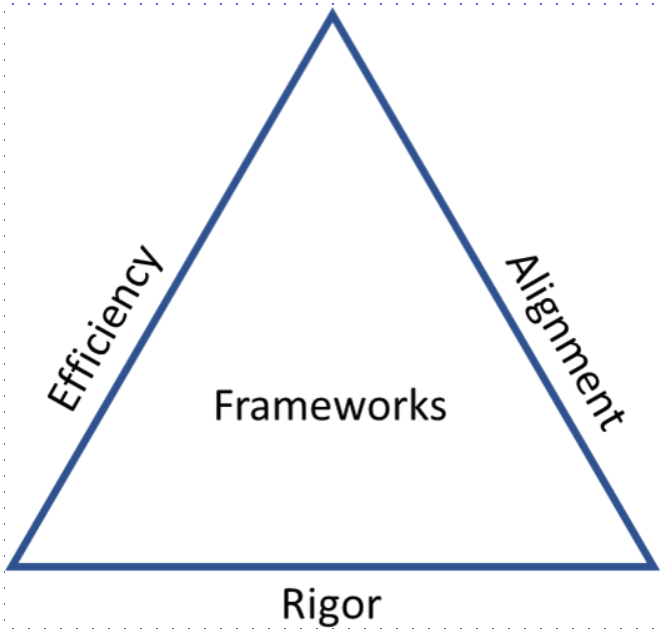
Analysis of Options

Option	Pilot Begins	Pilot Customers	Full Volume Enabled	Expense Add
1	Next April	Unlimited	Next April	$400k
2	November	~10	Next June	$800k
3	November	~ 50	Next June	$1.2m

- Expense estimates are plus or minus $100k
- Customer estimates are approximate for planning purposes
- Delay in full volume in options 2 and 3 is due to need to support temporary pilot

Decision / Next Steps

Leadership for Agility: Some Ideas To Try

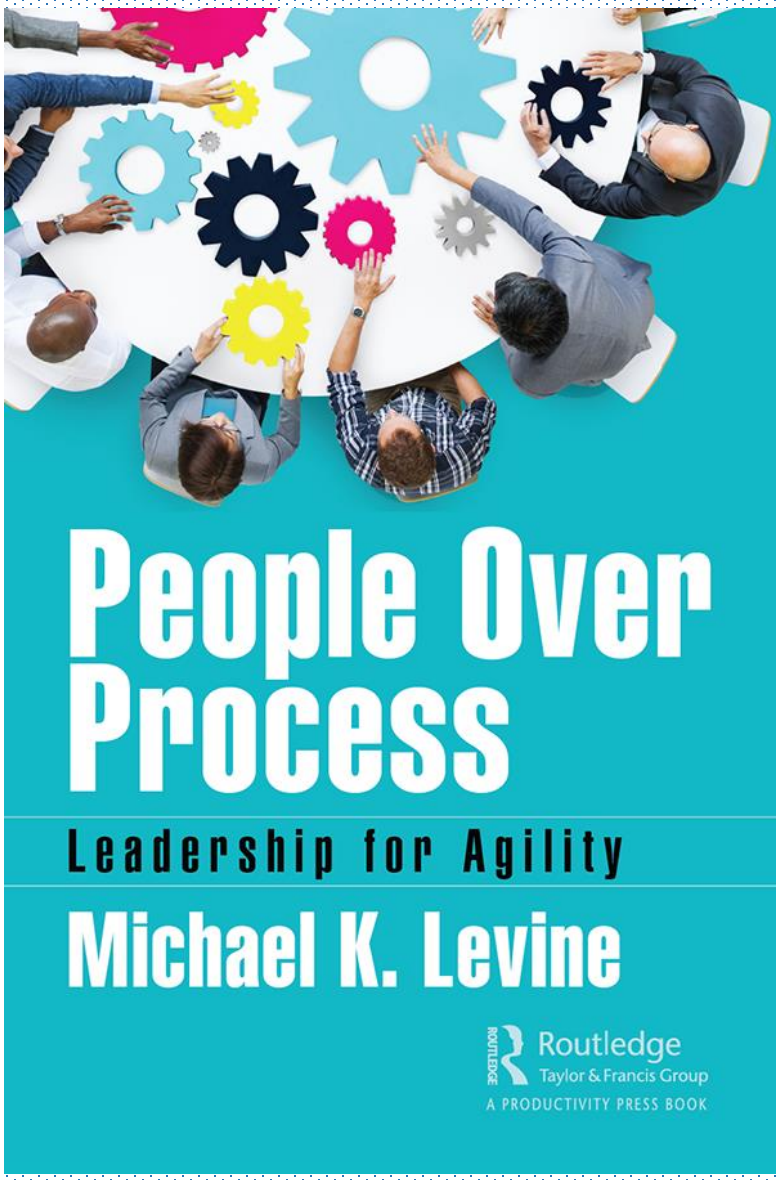
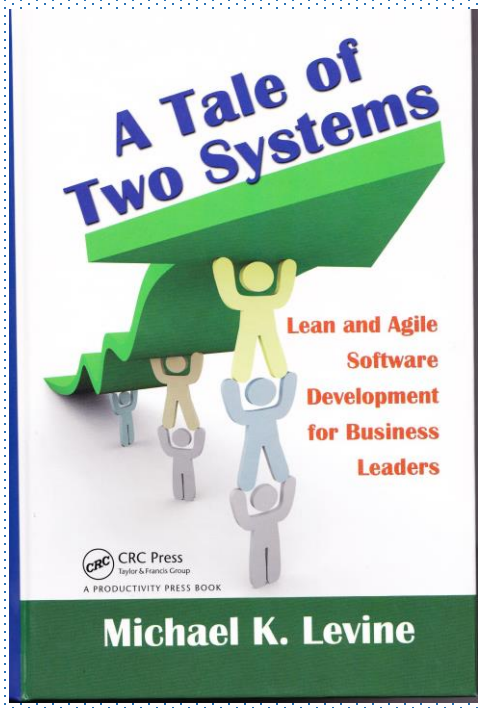
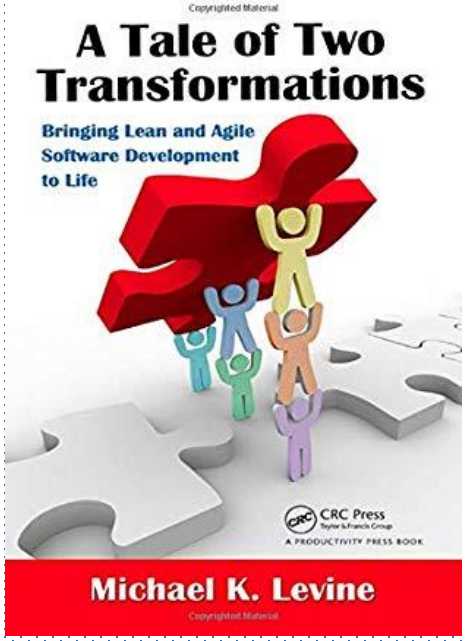


- Train leaders in meeting facilitation techniques
- Resolve to have better meetings; spend more time preparing
- Do a simulation
- Examine team structures and see how you might improve them
- How are senior executives involved? Probably room for improvement.
- Do an A3 for a problem or to start a new initiative
- Customize physical room setup for each meeting based on goals and leadership principles
- Stop projecting at meetings! Use whiteboards, stickies…be physical.
- Get others to do the work at meetings.
- Put methods in their place…knowledge & good practices. Not cookbooks.
- Hand out copies of my books and have discussion groups.

For more information:

TheTalesOfAgility.com

Or

Amazon or other online booksellers

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