



Project Zone Congress Innovation, Speed, Execution Excellence

Governing Agile

the changing role of project controls in an 'agile' environment

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Today

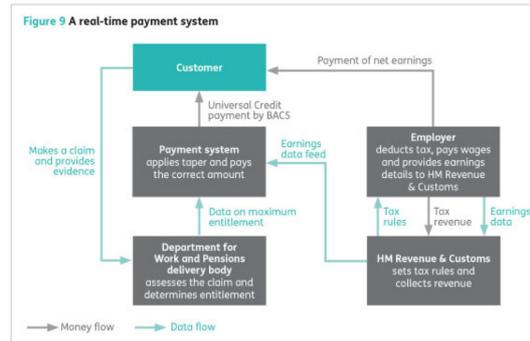
- Agile failures?
- Governance overview
- Traditional control systems
- A new paradigm is needed
- Understanding agile developments
- Proposed control parameters
- Governing for value

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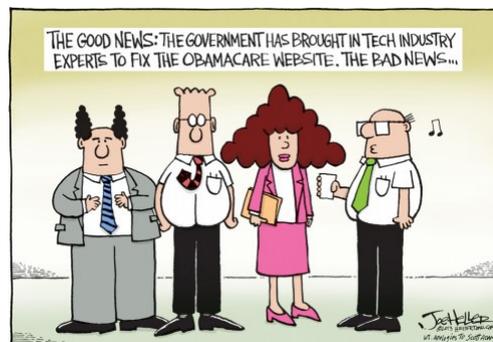
Agile Failures?

- UK: Universal Credit, £2.4billion
 - Persistent IT failures and delays in implementation
 - Write off of at least £34m on the program



Agile Failures?

- USA: Obamacare website
 - Designers point fingers at the government
 - Traffic didn't crash the site - bad coding did
 - Cost overrun of \$634 million





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Agile Failures?

- Both are delivering early successes!
- Primary cause of failure: poor governance
 - Lack of leadership
 - Lack of clear vision / architecture
 - Impossible timeframes
 - No 'Plan B' or fallback options (Risk management)

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Governance

- *The system by which entities are directed and controlled*
- The governing body = board or individual
 - Responsible for governing
- The governing body:
 - Represents the interests of the organization's 'owners'
 - Establishes and maintains the governance system

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Governance

- Objective: ***To align as nearly as possible the interests of individuals, organisations and society.***
- Good governance is **NOT** about excessive controls bureaucracy and process
- Good governance **IS good business**
 - ethical, effective, strategically aligned

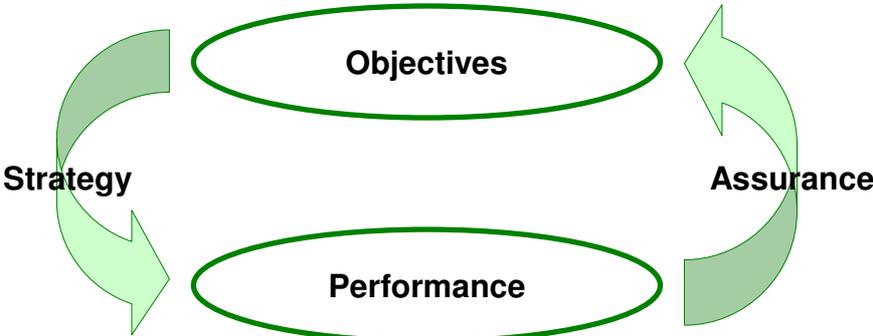
For more on governance see:
http://www.mosaicprojects.com.au/WhitePapers/WP1084_Governance_Systems.pdf

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Governance

- The governance control system



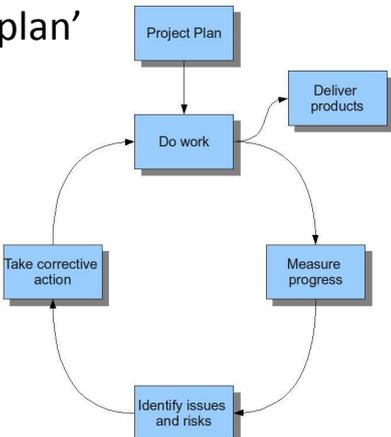
For more on PPP Governance see:
http://www.mosaicprojects.com.au/WhitePapers/WP1073_Project_Governance.pdf

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Traditional Project Controls

- Depend on a pre-set 'plan'
- Focuses on:
 - Time
 - Cost
 - Scope



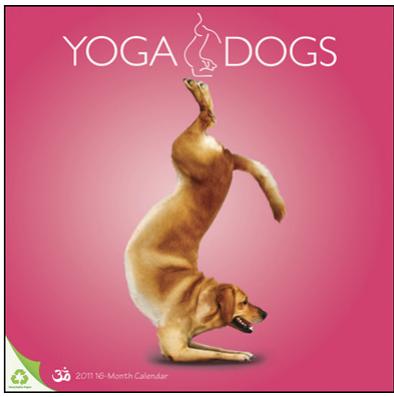
For more on project controls see:
http://www.mosaicprojects.com.au/WhitePapers/WP1093_Project_Controls.pdf

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A New Paradigm

- How to govern
 - Flexibility
 - Innovation
 - Value creation
- Without a pre-set 'plan'



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Agile Manifesto

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*

While there is value in the terms on the right, we value the items on the left more

Manifesto for Agile Software Development: <http://agilemanifesto.org/>

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Understanding Agile

- Agile = **consistent, intentional change**
 - Iterative lifecycles
 - Incremental lifecycles
 - Adaptive lifecycles
- High level vision is essential
 - Detail developed progressively ‘as needed’
 - Focus on creating value

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Understanding Agile

- Used in different situations:
 - Maintenance and enhancement
 - New system build
- Require different approaches to governance and assurance

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Maintenance & Enhancement

- **Forget** *'project management'*
 - Stable teams
 - Backlog management and prioritisation
 - Customer engagement
- Challenges – developing a clear vision for future enhancements
 - Value proposition owned by 'the business'
 - Avoid 'gold plating', 'tweaking' and 'work making'

For more on De-Projectising IT Maintenance see:
<http://mosaicprojects.wordpress.com/2009/03/06/de-projectising-it-maintenance/>

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Maintenance & Enhancement

- Assurance paradigms
 - System 'up time' / mean time between failures
 - Backlog size / time in backlog queue
 - Customer satisfaction
 - 'Work' accomplished
 - Value creation -v- cost of maintenance
- KPIs need to be carefully designed

For more on Key Performance Indicators (KPI) see:
<http://projectmanager.com.au/skills/communication/measuring-up-to-good-project-kpis/>

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New System Build

- **Adapt** *'project management'*
- Agile is a set of product creation methodologies
- Product creation using agile needs:
 - Managing (resourcing, organising, supporting)
 - Controlling (to achieve its objectives)
 - Governing

For more on managing an Agile project see:
http://www.mosaicprojects.com.au/PDF_Papers/P109_Thoughts_on_Agile.pdf

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New System Build

- Assurance paradigms
 - Are the objectives defined and prioritised
 - Are the objectives being achieved
 - Are the changes being managed
 - Is enough 'work' being accomplished
 - Value creation -v- cost of development
- KPIs need to be carefully designed
 - Traditional controls are not much use

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Governing For Value

- The customer is central
 - Vision and value proposition is the customer's
- Sponsor / SRO leadership is vital
 - Must own the customer's vision
 - Communicate the vision
 - Make decisions to support the achievement of the vision

For more on the role of the Sponsor see:
http://www.mosaicprojects.com.au/WhitePapers/WP1031_Project_Sponsorship.pdf

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Governing For Value

- Communication and trust are vital
 - Sponsor -to- project manager
 - Sponsor -to- customer's representatives
 - Customer's representatives -to- development teams
 - Project manager -to- development teams
- Accurate feedback on accomplishment is needed for assurance



Governance Questions

- At initiation
 - Is this the right investment?
 - How will it create value?
 - Is agile the appropriate development approach?
 - How much flexibility / change is expected / needed /desirable?
 - How do we know???

These questions can be adapted to a 'Gateway Process' see:
http://www.mosaicprojects.com.au/WhitePapers/WP1092_Gateways-Scorecards.pdf



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Governance Questions

- Before major funding commitment:
 - What are the specific objectives of the project?
 - How will they be achieved?
 - What is the vision / architecture of the product?
 - How will this be created?
 - How will we know the objectives and vision are being achieved???

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Governance Questions

- During development:
 - Are the objectives being achieved and how quickly?
 - Is the vision / architecture being created and how much has been accomplished?
 - How much change has been accepted and what is its effect on the value proposition?
 - Is the project still a valuable investment???

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Governance Questions

- After completion:
 - Did the project achieve its objectives?
 - Did the project create the 'vision'?
 - What have we learned?
 - Was it a valuable investment???
 - Is the product easily maintainable?



Management Questions

- What objectives contribute most to value?
 - Capability
 - 'Time to market'
 - Cost
- What strategy will offer the best chance of achieving value?
- Based on 'what we know now' what needs adjusting to maximise value?



Managing For Value

- The role of project controls
 - To develop information to facilitate answering the questions
- The role of project sponsor / SRO
 - To make timely decisions on behalf of the customer to maximise value
- The role of assurance
 - To keep the governing body informed



Creating Value

- Concept design / strategy / architecture
 - **Take time to plan**
 - Agree how the vision will be achieved
 - Resource and fund the plan
- This type of 'lean planning' is far more difficult than creating massively detail plans
(that don't work anyway)



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Creating Value

- Change and adaptation are expected
- The two key questions for each proposal are:
 - **Capability** - does it support / enhance the vision?
 - **Value** - is it worth doing?
- These are much harder to measure than traditional time and cost
 - Largely subjective during the project
 - Requires consensus

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Governing Agile

- Assurance is needed that:
 - The customer has a clear vision and objective and this is still relevant and valuable
 - There is a committed sponsor / SRO providing leadership
 - The project team know where they are and where they are going (effective KPIs)
 - **Value is being created**

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Agile Failures?

- Universal Credit
 - Lack of sponsorship
 - No clear architecture (still)
- Obamacare
 - Changes
 - Lack of skills and leadership
- **Or governance failings?**
 - The systems are being used by ‘the people’



Questions

