

FUND PRODUCTS START AN ENOLUTION!



^
ADD
AGILITY



AGILE ON
THE BEACH

DAN GIBSON
HEAD OF CONSULTANCY



LEGACY PLC 'GO AGILE'

LET'S TALK TO THE PEOPLE ON THEIR AGILE JOURNEY

PORTFOLIO MANAGER BEN – BEFORE AGILE

HE'S A MONTH INTO PREPARING THE ANNUAL BUDGET


I HATE
Annual
Budgeting

150 Business
Cases to
prepare

HELP!

Most will
NEVER BE
STARTED





Maybe it's
too early for
High Fives?

LEGACY PLC HAVE 'GONE AGILE'

LET'S SEE HOW IT'S GOING

PORTFOLIO MANAGER BEN – AFTER AGILE

NOT A LOT HAS CHANGED!

Still HATE
Annual
Budgeting

170 'Lean
Business
Cases' to
prepare

LESS budget,
LESS will be
STARTED!





We feel
Customer
Connection

We found
our FLOW!

We solve our
own problems
and improve
continuously

We really
TRUST
each other

DELIVERY MANAGER VICKY – LOVING AGILE

HER TEAM ARE LOVING IT TOO!



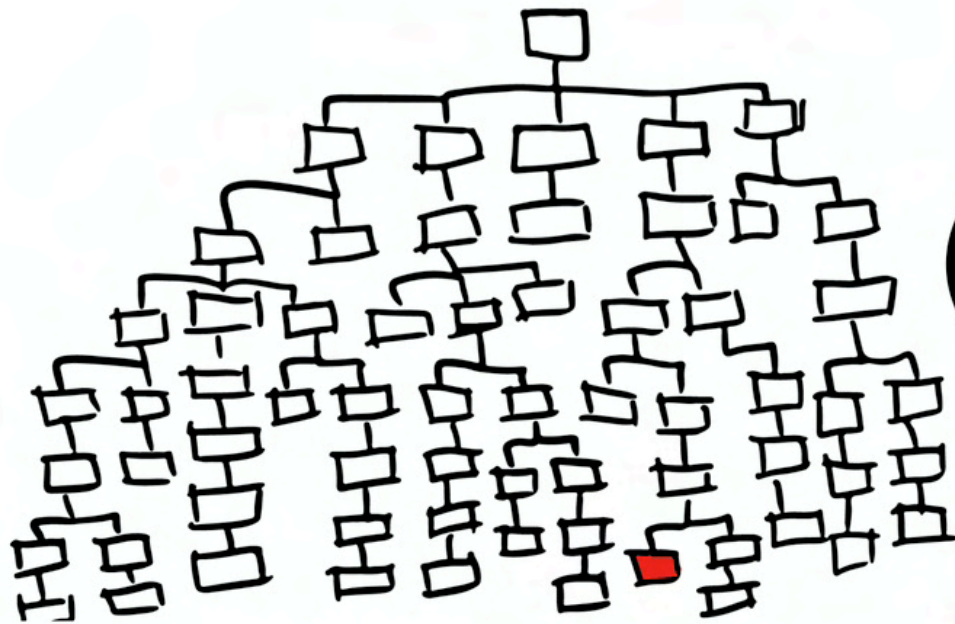
Budget gone.
TEAM gone

It's OK. There's
budget next
year. For a
FRESH TEAM!

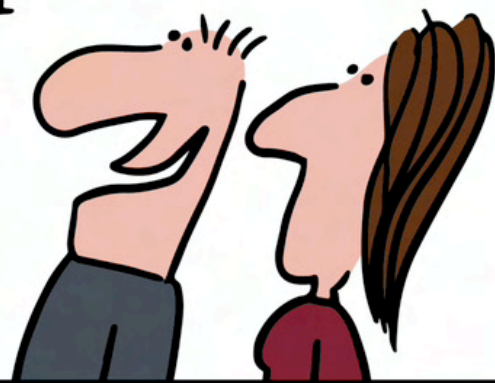
Oh no. There's a
Critical incident.
Where's Kevin?

WHAT AGILE GAVE, BUDGETTING TOOK AWAY

NO WAY BACK FROM DISSOLVING A HIGH-PERFORMING TEAM



... AND THIS
LITTLE RED THINGY
IS OUR AGILE
PROJECT



FINALLY WE'RE AGILE!

WHAT'S THIS TALK ABOUT

A NEW PRODUCT FUNDING MODEL CAN'T BE IMPLEMENTED IN A DAY





PART 1: WHY FUNDING PROJECTS FAILS



PART 2: THE NEW WORLD OF AGILE FUNDING



PART 3: START AN EVOLUTION



CONCLUSION: THE PROMISED LAND

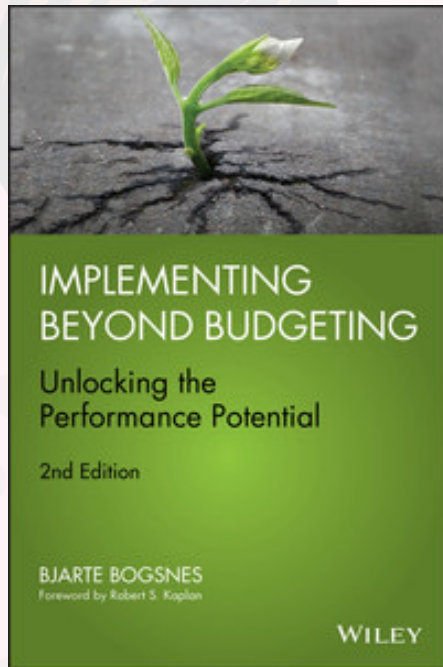


WHY?

PART 1: WHY FUNDING PROJECTS FAILS

ANNUAL PLANNING / BUDGETING

SOME KNOWN PROBLEMS



TIME CONSUMING



ASSUMPTIONS QUICKLY OUTDATED



DECISIONS MADE TOO EARLY, TOO HIGH UP



UNETHICAL BEHAVIOUR



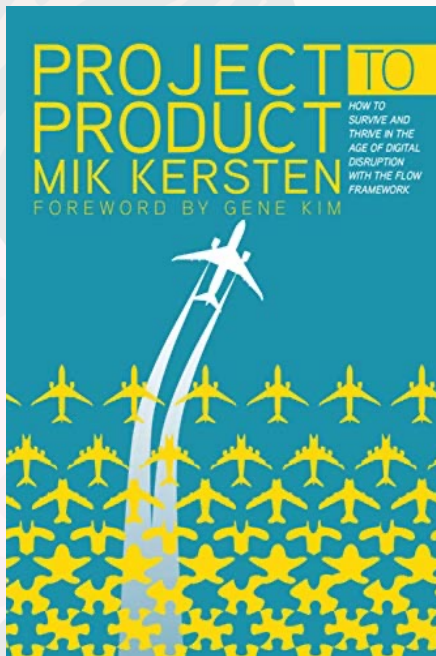
CREATES ILLUSIONS OF CONTROL



THE CEILING & THE FLOOR

PROJECT ORIENTATION

SOME KNOWN PROBLEMS



SUCCESS MEASURED BY AN IRON TRIANGLE



INFLEXIBLE PRIORITISATION



SHORT-SIGHTED



TEAM CHURN & COMPLEX ASSIGNMENTS

THE BUREAUCRATIC DEATH SPIRAL

EXCESS BEURACHCY IS AN ORGANISATION KILLER



A \$3 TRILLION PROBLEM

Hamel & Zanini



"If you only have a hammer, you tend to see every problem as a nail"

A.B. Maslow



PART 2: THE NEW WORLD OF AGILE FUNDING

**FUND
PRODUCTS**

**FUND
ARTs**

**FUND
VALUE STREAMS**

**FUND
TEAMS**



**FUND PEOPLE (AND THINGS)
*NOT THE WORK***

PRODUCT / AGILE FUNDING ASPIRATIONS

COMMON GOALS WE'RE TRYING TO ATTAIN

SUCCESS MEASURED BY VALUE not ON TIME, ON SCOPE AND WITHIN BUDGET

LONG LIVED PRODUCT TEAMS not EPHEMERAL PROJECT TEAMS

DELEGATED DECISION MAKING not CENTRALISED CONTROL

FUNDING PRODUCT LIFECYCLE not A SHORT-TERM (SHORT-SIGHTED) PROJECT

MINIMAL VIABLE BUREAUCRACY not WASTEFUL ACTIVITIES

PART 3: START AN EVOLUTION



Annual
Budgeting



Project
Management



Agile
Constrained



Product
Funding



HOW?



‘NUDGE’

NUDGE 1: RIDE THE PROJECT

LONG-LIVED TEAMS FUNDED BY PROJECT BUDGETS



USE THE PROJECT AS A FUNDING VEHICLE

TO FUND LONG-LIVED TEAMS NOT THE WORK

BEFORE

AFTER

VOLATILE

WELL DEFINED
WORK



(ANNUAL)
PROJECT BUDGET

TO

WELL DEFINED
(PRODUCT) TEAMS



(ANNUAL)
PROJECT BUDGET

STABLE

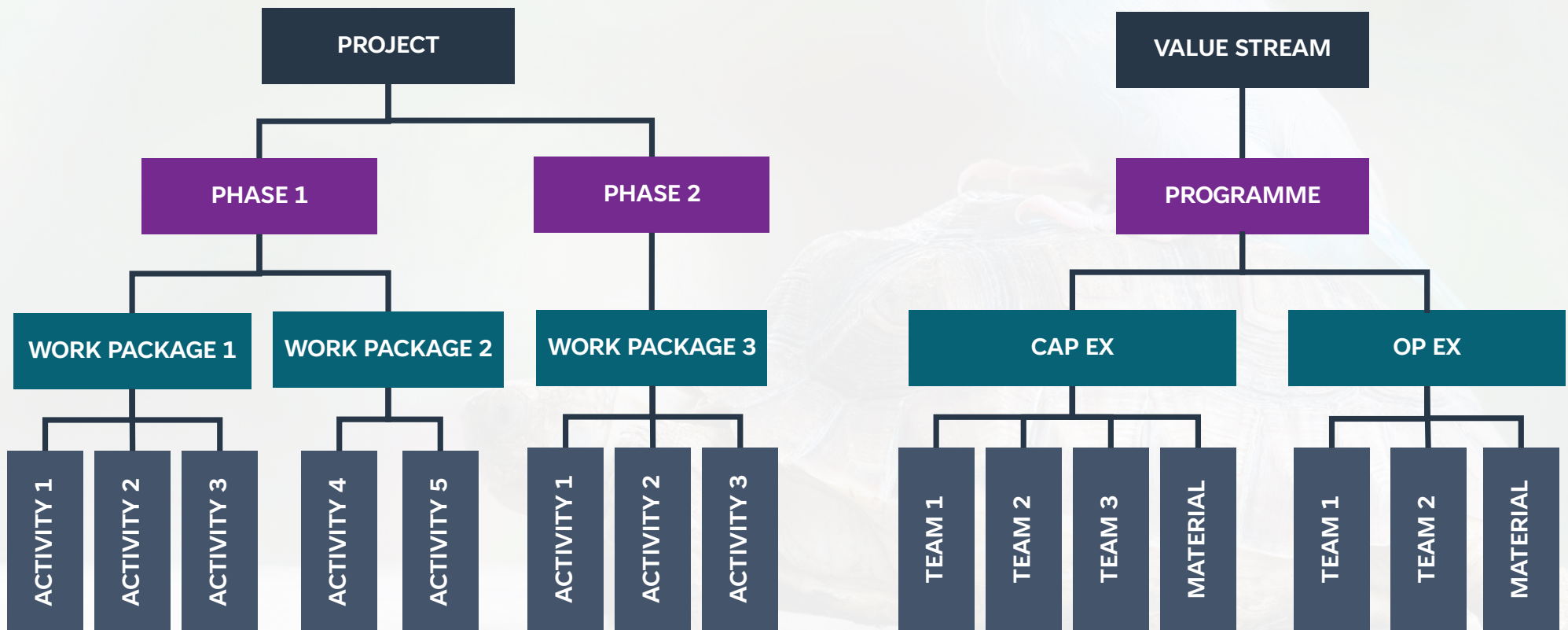
RIDING THE BACK OF PROJECT FUNDING

TELECOMS COMPANY PILOTS EVOLUTION OF WORK BREAKDOWN STRUCTURE

WORK BREAKDOWN
STRUCTURE (WBS)

TO

PEOPLE BREAKDOWN
STRUCTURE



A black and white portrait of Warren Buffett, an elderly man with glasses, wearing a dark suit, white shirt, and patterned tie. He is smiling slightly and has his arms crossed. The background is a plain, dark grey.

***"Price is what you pay.
Value is what you get."***

Warren Buffet



NUDGE 2: SOFTEN THE TRIANGLE

AGILITY THROUGH FREQUENT EVALUATION OF PRIORITIES

AGILITY TO ACHIEVE OUTCOMES

OPTIONS FOR FUNDING WORK WITH FLEXIBILITY TO CHANGE SCOPE

INCREASING AGILITY

BLURRY
TRIANGLE



HIGH-LEVEL SCOPE
DEFINED , DETAIL
EVOLVES



ROLLING
WAVE



BLURRY TRIANGLE
WITH PRIORITIES
REVISED AT TIMEBOX
ROLLOVER (Qs / PIs)

OUTCOMES



OUTCOMES ONLY,
OKRs POPULAR

ELEVATE OUTCOMES & RECOGNISE THE 'HOW'

A RETAIL PLC DOES ROLLING WAVE PLANNING WITH OUTCOMES

PREVIOUSLY SEPARATE PROJECTS,
NOW **ONE BUCKET** OF FUNDING



VISIBLE OUTCOMES & ABILITY TO
FLEX SCOPE TO MEET THEM



INITIATIVE	SITE VISITS	CONVERSION RATE CHANGE	AOV CHANGE	ANNUAL VALUE
PAYPAL	0%	3.5%	0%	£7M
SEO IMPROVEMENTS	+5%	0%	0%	£3.5M
ENHANCED RATINGS AND REVIEWS	+2%	+1%	0%	£1.5M
MULTI-BUY PROMOS	0%	+1%	+5%	£1M
RETURNING CUSTOMER PROMOS	+3%	0%	0%	£1M
PRODUCT VIDEOS	0%	0.51%	0%	£1M
ENHANCED BASKET PROMOS	0%	0%	+2%	£0.75M



"The best way to find out if you can trust somebody is to trust them."

Ernest Hemingway



NUDGE 3: EVOLVE INSIGHT

TRACK PROGRESS AGAINST OUTCOMES AND SATISFY FINANCE

PLC EXAMPLE - KEY CHANGES IN REPORTING

HIGHLIGHT OUTCOMES, SATISFY FINANCE

OUTCOMES FRONT AND CENTRE

North Star KPIs

NPS	+5
Contact Rate	-8%
Self Care Share	+7%

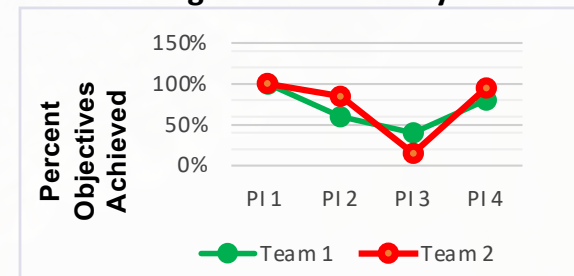
Features Delivered

Online Promotion
Order capture B2B

Detailed KPIs

Push Notifications & SMS	+6
Onboarding Calls per Activated Customer	-%
Calls on Contract Terms	5%
Logins per Day per Customer	-1%

Program Predictability



Budget Plan

Approved: 1,200k EUR

Timeframe: Q1-Q4 20212

Budget spend and forecast | €k

	Q1 / PI 1	Q2 / PI 2	Q3 / PI 3	Q4 / PI 4
Approved Budget (per PI)	300	300	300	300
Expected	100	230	370	500
Plan	80	200	390	515
Delta	-20	-30	+20	+15

MONITOR BUDGET GUARDRAILS



THE HURDLES



THE FIRST HURDLE: 'AND THE PRODUCTS ARE?'

IDENTIFYING 'PRODUCTS' IS A KEY STUMBLING BLOCK

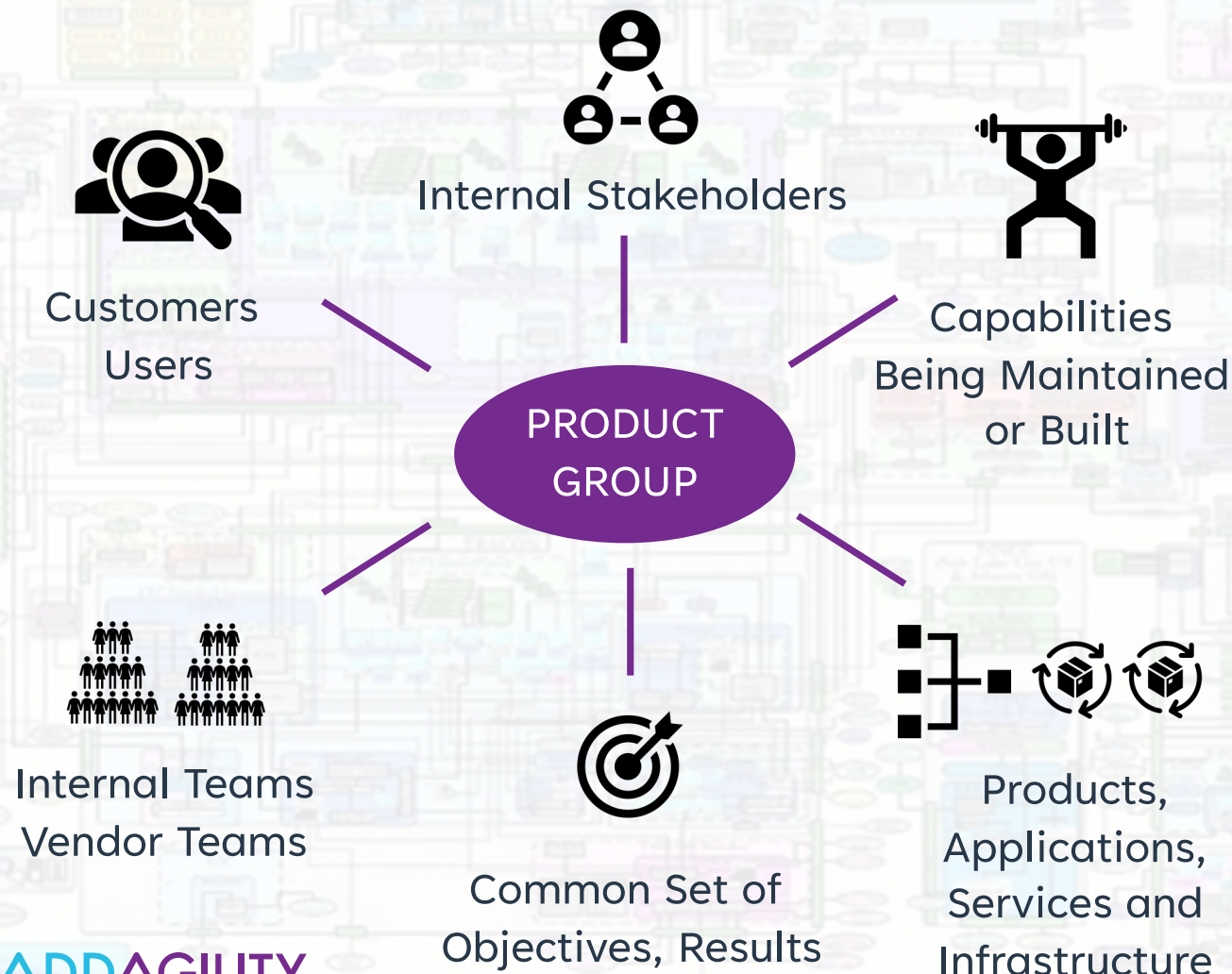
'A product is a vehicle to deliver value.
It has a clear boundary....

The 2020 Scrum Guide

PRODUCT GROUP

DECOMPOSING THE LANDSCAPE INTO RIGHT SIZED TEAMS

CLEARLY DEFINED AROUND:



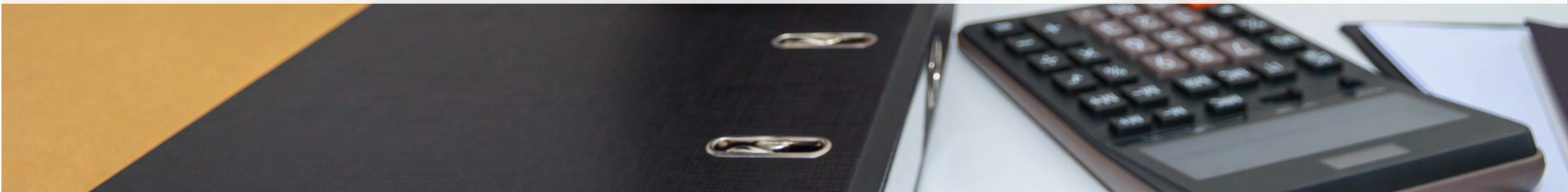
DEDICATED TEAMS,
OWNERSHIP AND
ACCOUNTABILITY

ACCOMODATES
VARIANCE OF CHANGE
ACROSS SYSTEMS



HURDLE: FINANCE AS A BLOCKER

FINANCE CAN CLOSE DOORS, BUT THEY CAN OPEN THEM TOO



WHAT'S WORKED FOR US...

INVOLVE FINANCE RIGHT FROM THE START

INCLUDE IN CHANGE TEAM, REPRESENTATION ON GUIDING COALITION

MUTUAL UNDERSTANDING

FINANCE NEED TO KNOW AGILE – YOU NEED TO KNOW FINANCE

MAKE SURE YOU CAN ACCOUNT FOR SPEND

PREDICTING THE FUTURE IS HARD, BUT YOU CAN REPORT ON THE PAST

A green rectangular sign with rounded corners and a white border of reflective dots. The sign is mounted on a wooden post and features the words "Promised Land" in a large, white, sans-serif font. The background is a bright blue sky with scattered white clouds.

Promised Land

CONCLUSION: THE PROMISED LAND

BENEFITS TO THE ORGANISATION

HOW THE NUDGES MEET OUR AGILE FUNDING AIMS

PRODUCT / AGILE
FUNDING AIMS

NUDGE 1
RIDE THE
PROJECT

NUDGE 2
SOFTEN THE
TRIANGLE

NUDGE 3
EVOLVE
INSIGHT

SUCCESS MEASURED BY VALUE

LONG LIVED (PRODUCT) TEAMS

DELEGATED DECISION MAKING

FUNDING (PRODUCT) LIFECYCLE

MINIMAL VIABLE BUREAUCRACY



BENEFITS TO THE PEOPLE WHO WORK THERE

REASONS TO HIGH-FIVE, WITH A NOD TO DAN PINK

AUTONOMY

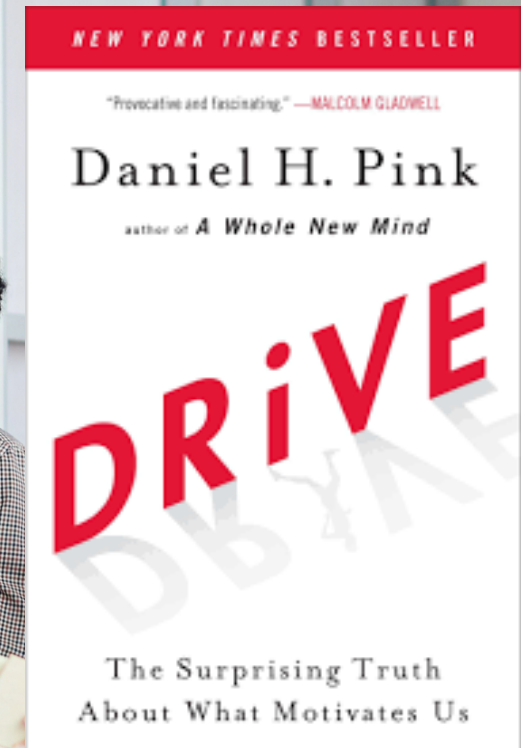
INDIVIDUALS AND TEAMS HAVE AGENCY

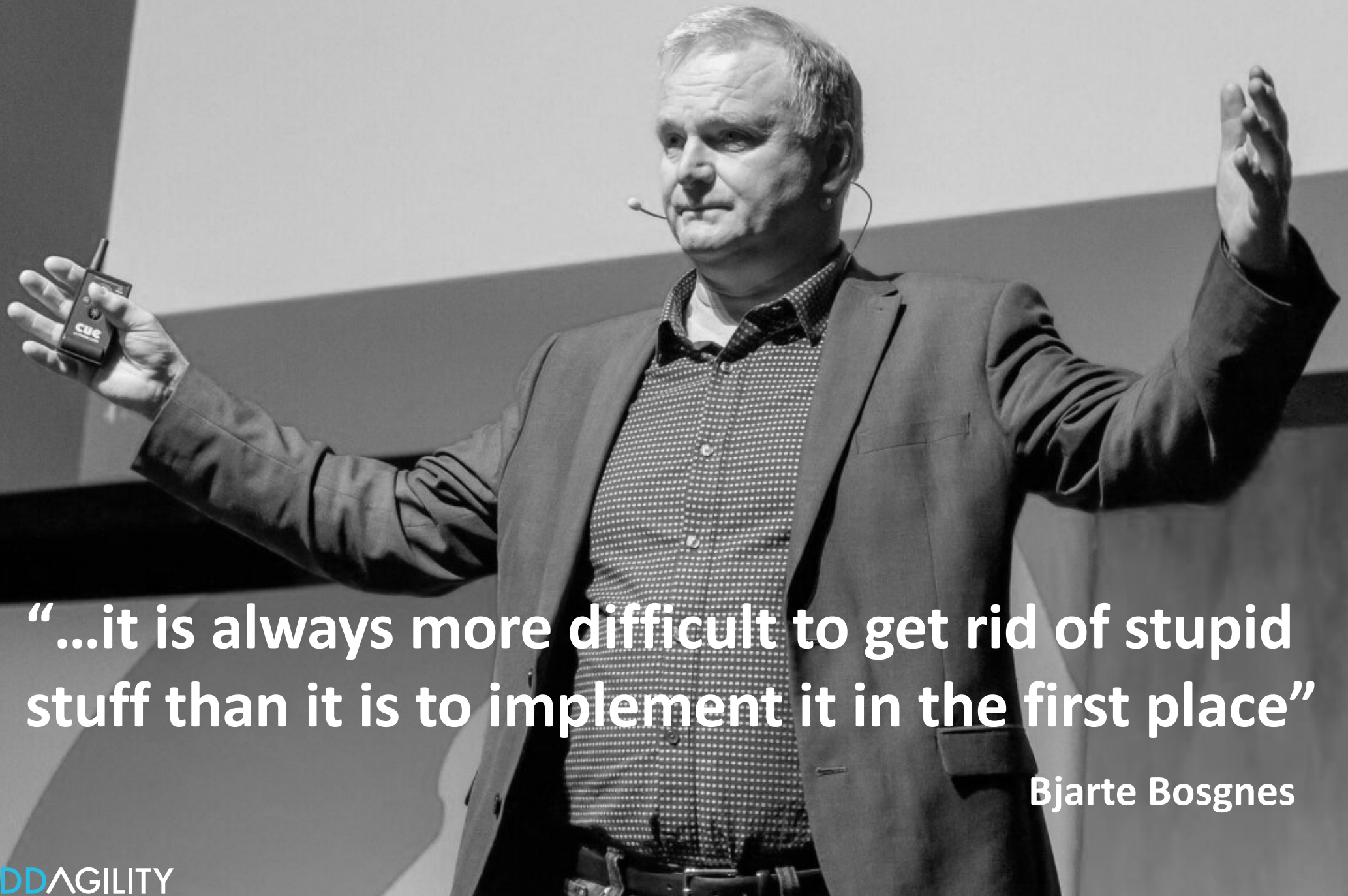
MASTERY

OF PRODUCT DOMAIN, TECHNOLOGY & WoW

PURPOSE

MEANINGFUL WORK TOWARDS OUTCOMES





“...it is always more difficult to get rid of stupid stuff than it is to implement it in the first place”

Bjarte Bosgnes

FUND PRODUCTS START AN EVOLUTION!



^
ADD
AGILITY

DAN GIBSON

HEAD OF CONSULTANCY

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