

Broad Introduction **Agile Methodologies**

For Business Executives, Technical Project Managers, and Developers

Dr. David F. Rico, **PMP, CSEP, FCP, FCT, ACP, CSM, SAFE, DEVOPS**

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Website: <http://www.davidfrico.com>

LinkedIn: <http://www.linkedin.com/in/davidfrico>

Agile Capabilities: <http://davidfrico.com/rico-capability-agile.pdf>

Agile Cost of Quality: <http://www.davidfrico.com/agile-vs-trad-coq.pdf>

DevOps Return on Investment (ROI): <http://davidfrico.com/rico-devops-roi.pdf>

Dave's **NEW** Leadership Video: <http://www.youtube.com/watch?v=70LRzOk9VGY>

Dave's **NEW** Business Agility Video: <http://www.youtube.com/watch?v=hTvtsAkL8xU>

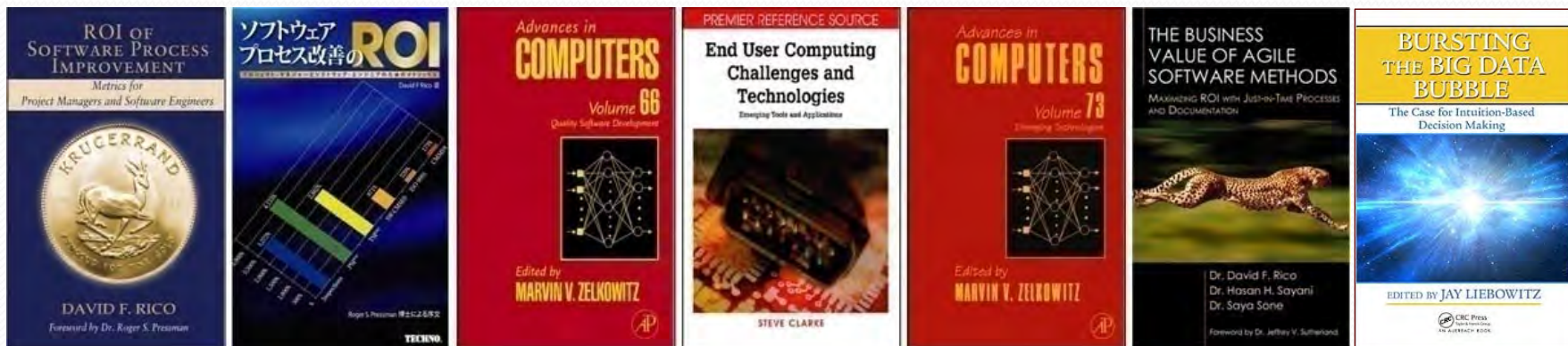
Dave's **NEWER** Scaled Agile Framework **SAFe 4.5** Video: <http://youtu.be/1TAuCRq5a34>

Dave's **NEWEST** Development Operations **Security** Video: <http://youtu.be/X22kJAvx44A>

DoD Fighter Jets **versus** Amazon Web Services: <http://davidfrico.com/dod-agile-principles.pdf>

Author Background

- Gov't contractor with 35+ years of IT experience
- B.S. Comp. Sci., M.S. Soft. Eng., & D.M. Info. Sys.
- ☞ □ Large gov't projects in U.S., Far/Mid-East, & Europe



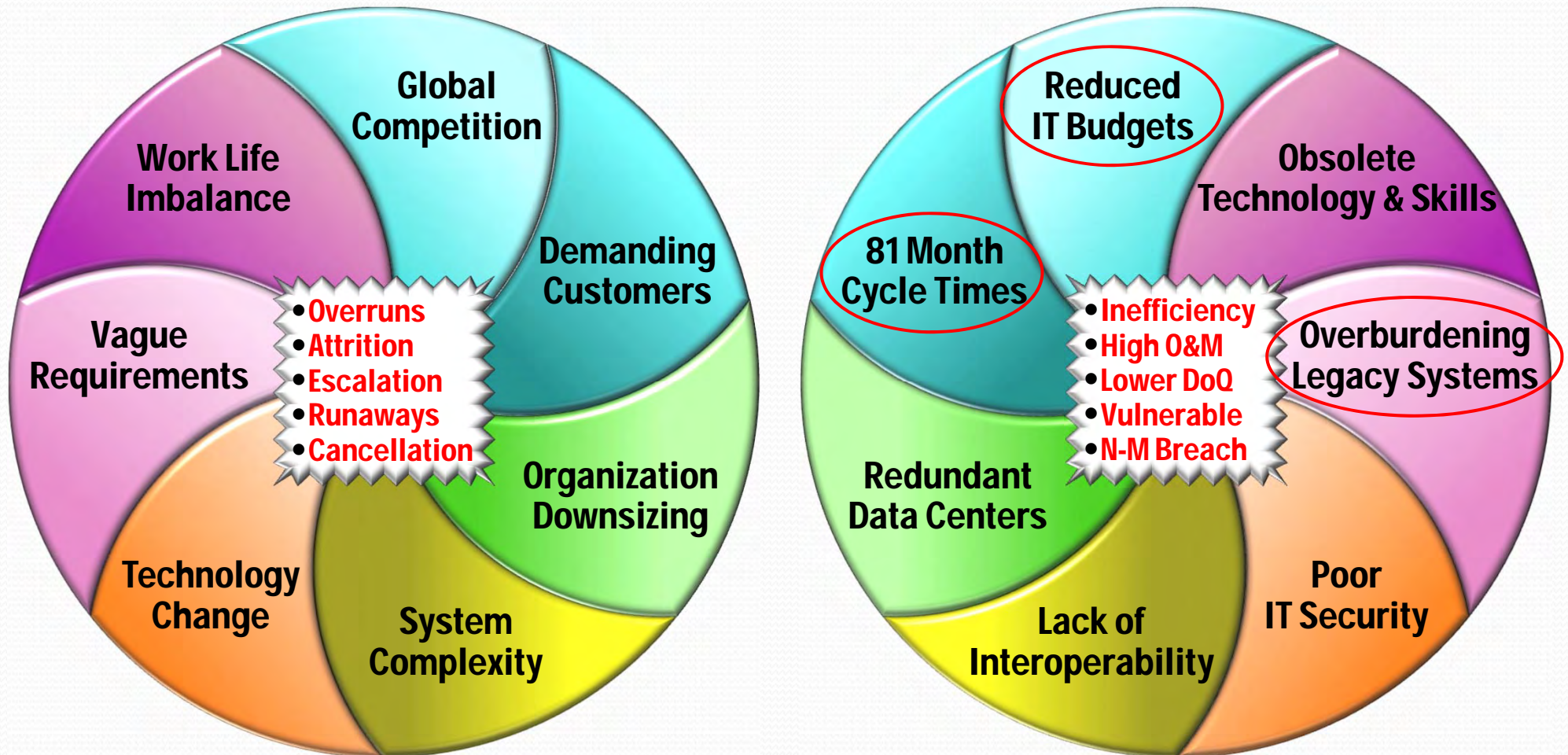
- Career systems & software engineering methodologist
- Lean-Agile, Six Sigma, CMMI, ISO 9001, DoD 5000
- NASA, USAF, Navy, Army, DISA, & DARPA projects
- Published seven books & numerous journal articles
- Intn'l keynote speaker, 207+ talks to 20,000 people
- Specializes in metrics, models, & cost engineering
- Cloud Computing, SOA, Web Services, FOSS, etc.
- Professor at 7 Washington, DC-area universities

Internet of Things—Dinosaur Killer

IoT is an Extinction Level Event

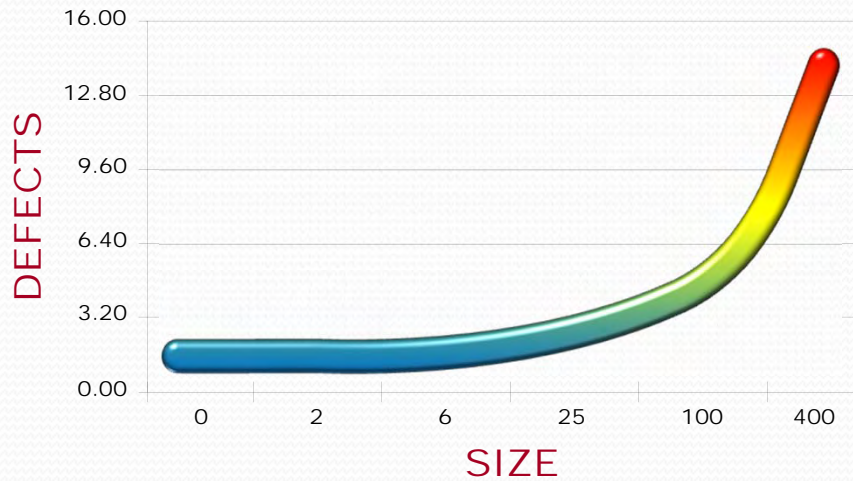
- **25-50B Devices on IOT**
- **5-10B Internet Hosts**
- **4-8B Mobile Phones**
- **2-3B End User Sys**
- **Mass Business Failure**

Today's WHIRLWIND ENVIRONMENT

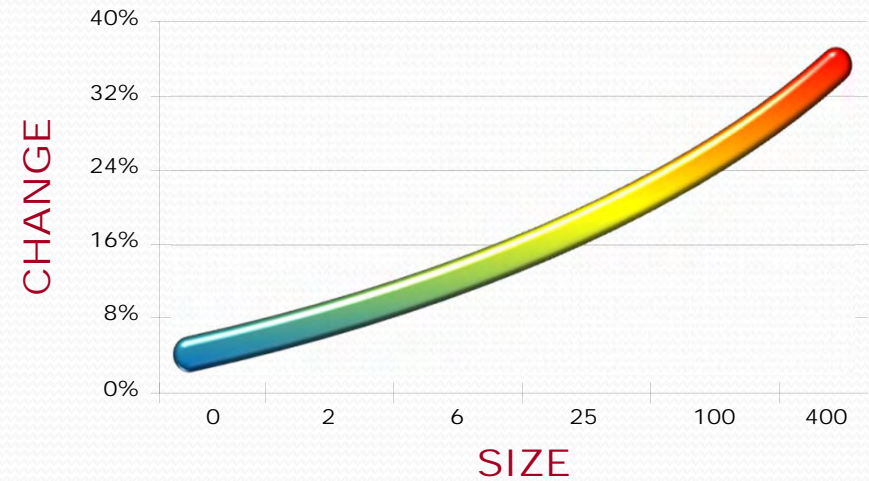


Large TRADITIONAL Projects

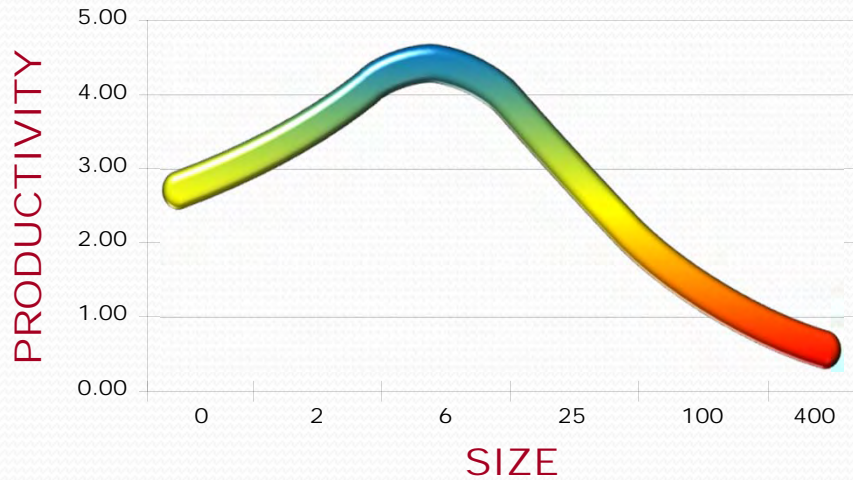
Size vs. Quality



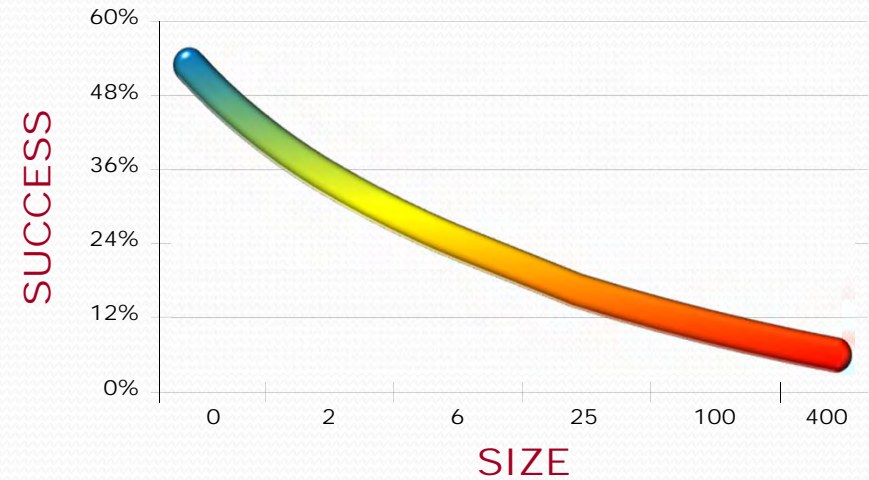
Size vs. Change



Size vs. Productivity

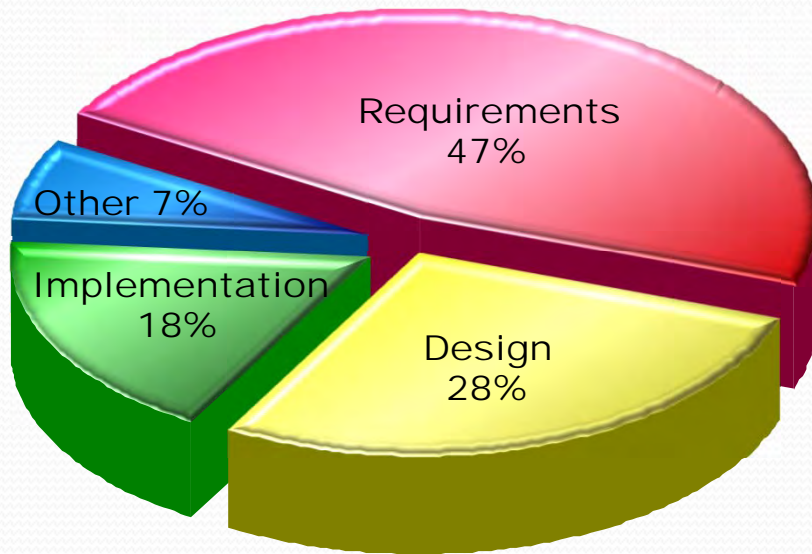


Size vs. Success

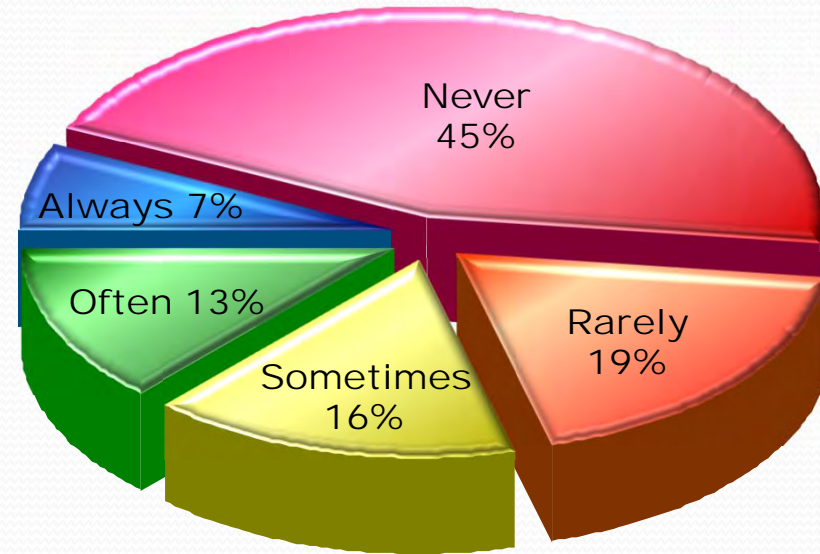


Large TRADITIONAL Projects—Cont'd

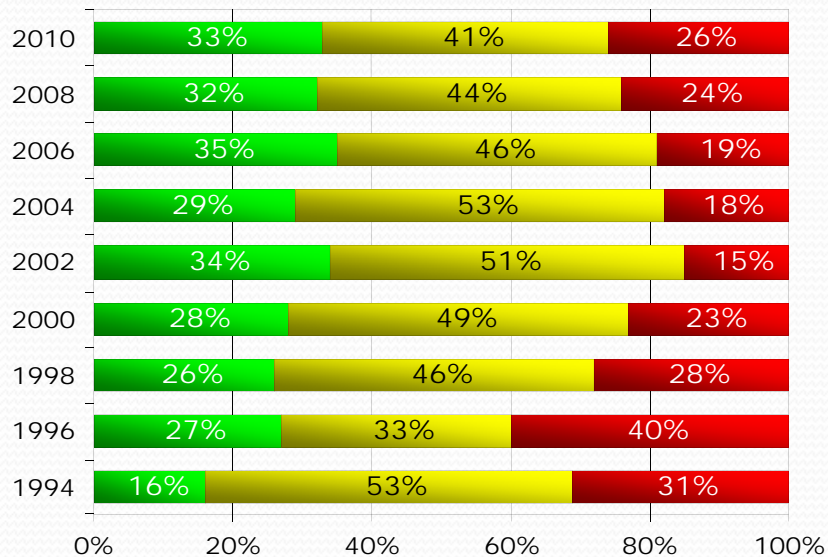
DEFECTS



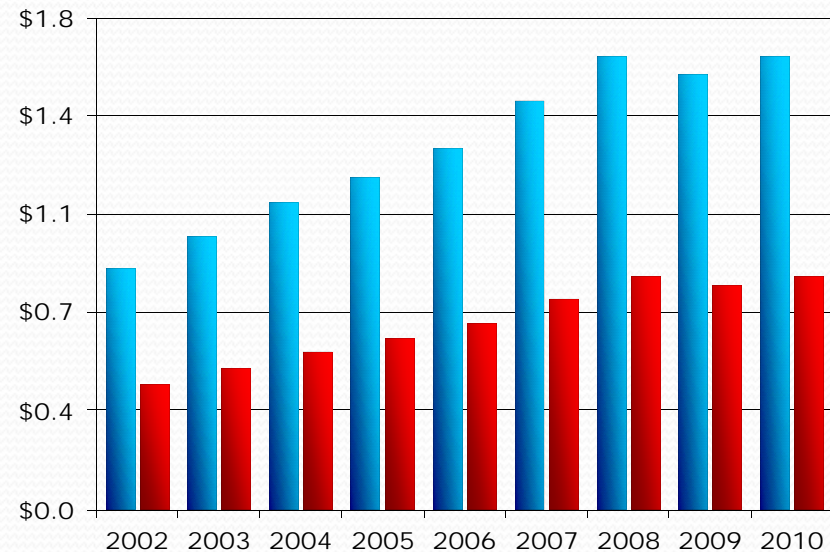
WASTE



IT PROJECT FAILURES



GLOBAL IT PROJECT FAILURES



What is Agility?

- A-gil-i-ty (ə-'ji-lə-tē) Property consisting of quickness, lightness, and ease of movement; To be very nimble
 - *The ability to create and respond to change in order to profit in a turbulent global business environment*
 - *The ability to quickly reprioritize use of resources when requirements, technology, and knowledge shift*
 - *A very fast response to sudden market changes and emerging threats by intensive customer interaction*
 - *Use of evolutionary, incremental, and iterative delivery to converge on an optimal customer solution*
 - *Maximizing **BUSINESS VALUE** with right sized, just-enough, and just-in-time processes and documentation*

What are Agile Values?

- People-centric way to create innovative solutions
- Product-centric alternative to documents/process
- ☞ □ Market-centric model to maximize business value

**CUSTOMER
COLLABORATION**

VS CONTRACT
NEGOTIATION

**INDIVIDUALS &
INTERACTIONS**

VS PROCESSES
AND TOOLS

**WORKING
PRODUCTS**

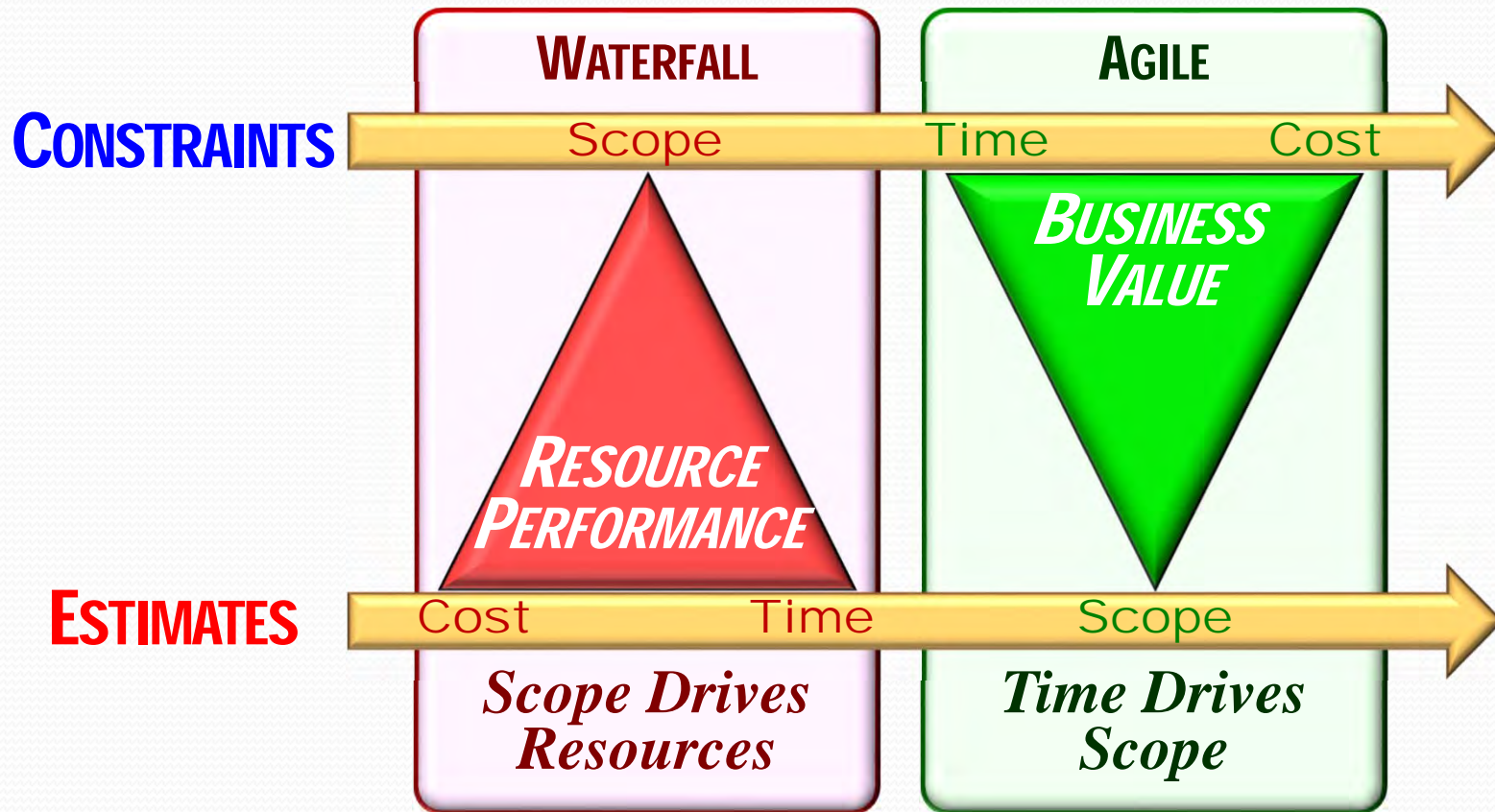
VS COMPREHENSIVE
DOCUMENTATION

**RESPONDING
TO CHANGE**

VS FOLLOWING
A PLAN

Agile GOLDILOCKS Zone

- Traditional project management is scope-based
- Agile project management is primarily time-based
- ☞ □ Early, iterative, & release of valuable features #1 job



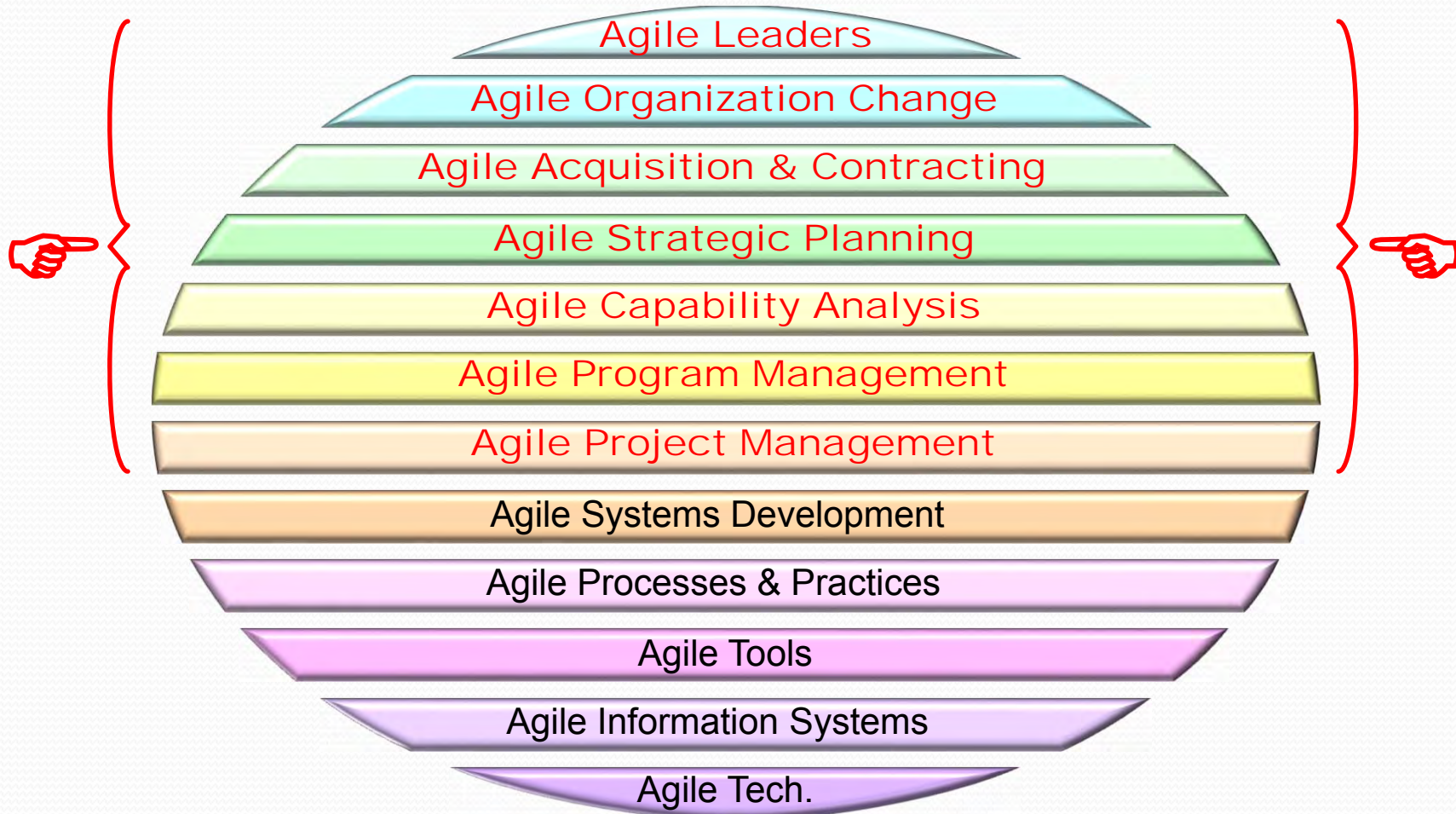
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Sylvester, T. (2013). *Waterfall, agile, and the triple constraint*. Retrieved December 16, 2017, from <http://tom-sylvester.com/lean-agile/waterfall-agile-the-triple-constraint>

Pound, E. S., Bell, J. H., Spearman, M. L. (2014). *Factory physics: How leaders improve performance in a post-lean six sigma world*. New York, NY: McGraw-Hill Education.

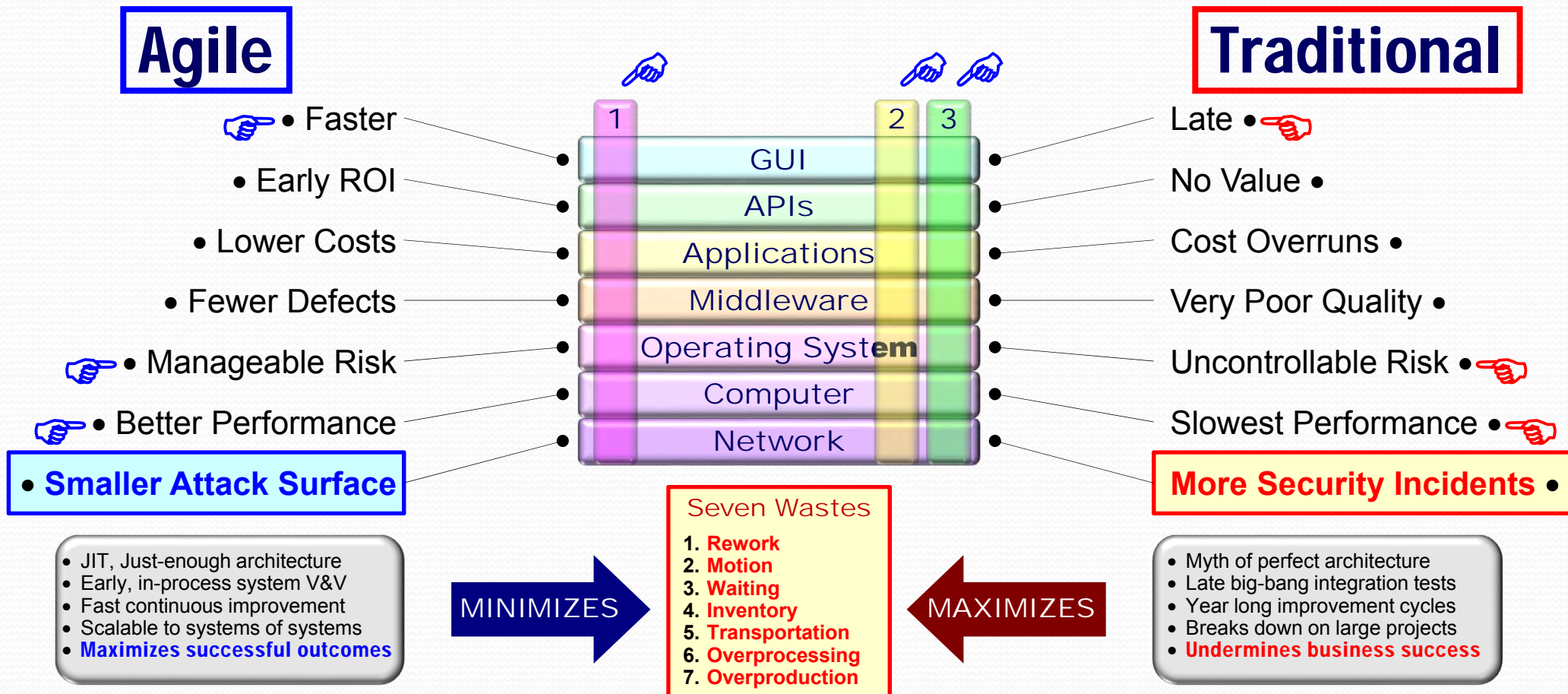
Agile World View

- “Agility” has many **dimensions** other than IT
- It ranges from **leadership** to **technological** agility
- ☞ □ Today’s focus is on **organizational & enterprise** agility



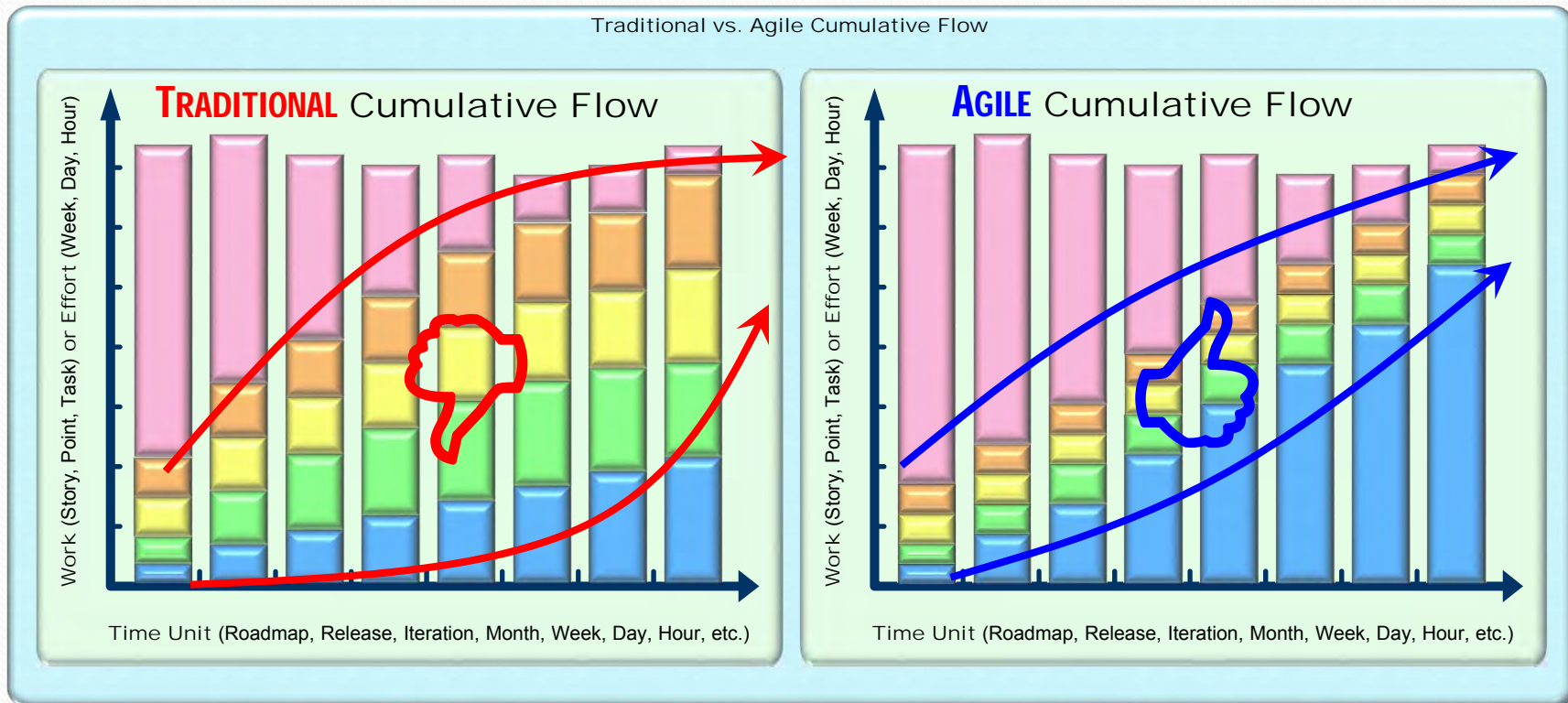
Agile Methods—How they work?

- Agile requirements implemented in slices vs. layers
- User needs with higher business value are done first
- ☞ □ Reduces cost & risk while increasing business success



Agile Methods—Workflow Results

- ❑ Late big bang integration increases WIP backlog
- ❑ Agile testing early and often reduces WIP backlog
- ☞ ❑ Improves workflow and reduces WIP & lead times

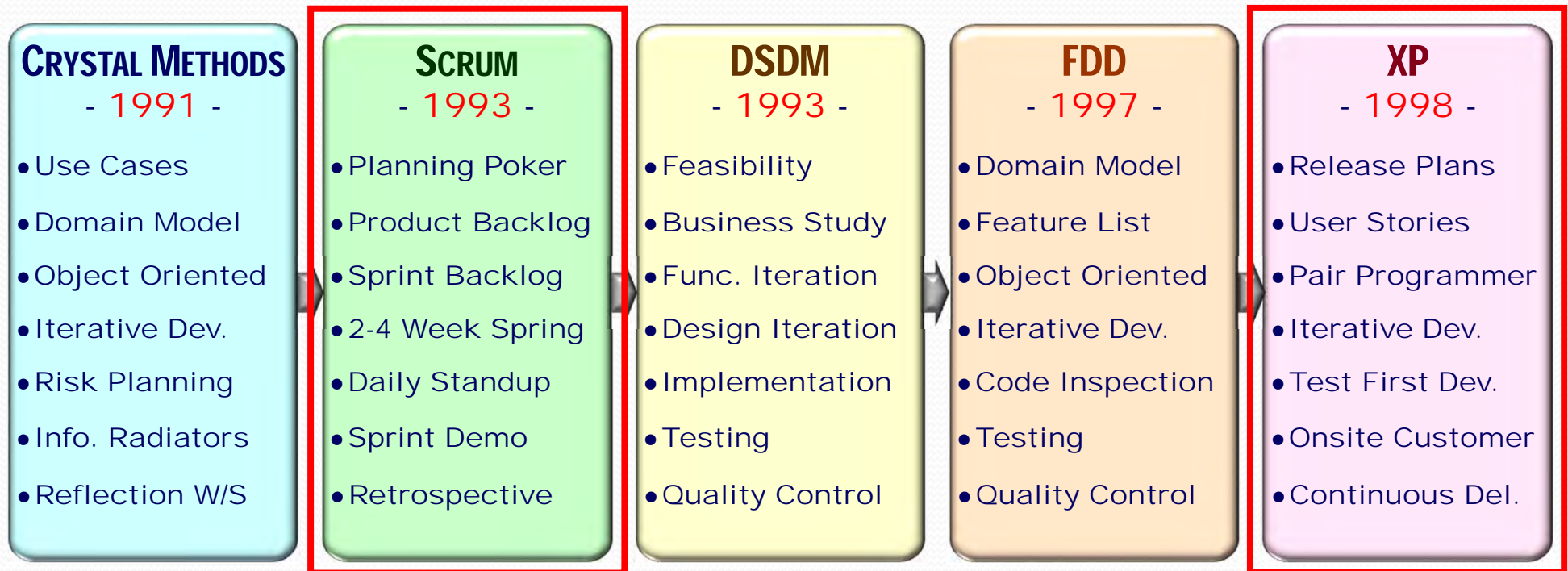


Anderson, D. J. (2004). *Agile management for software engineering*. Upper Saddle River, NJ: Pearson Education.

Anderson, D. J. (2010). *Kanban: Successful evolutionary change for your technology business*. Sequim, WA: Blue Hole Press.

Models of AGILE DEVELOPMENT

- Agile methods spunoff flexible manufacturing 1990s
- Extreme Programming (XP) swept the globe by 2002
- ☞ □ Today, over 90% of IT projects use Scrum/XP hybrid



Cockburn, A. (2002). *Agile software development*. Boston, MA: Addison-Wesley.

Schwaber, K., & Beedle, M. (2001). *Agile software development with scrum*. Upper Saddle River, NJ: Prentice-Hall.

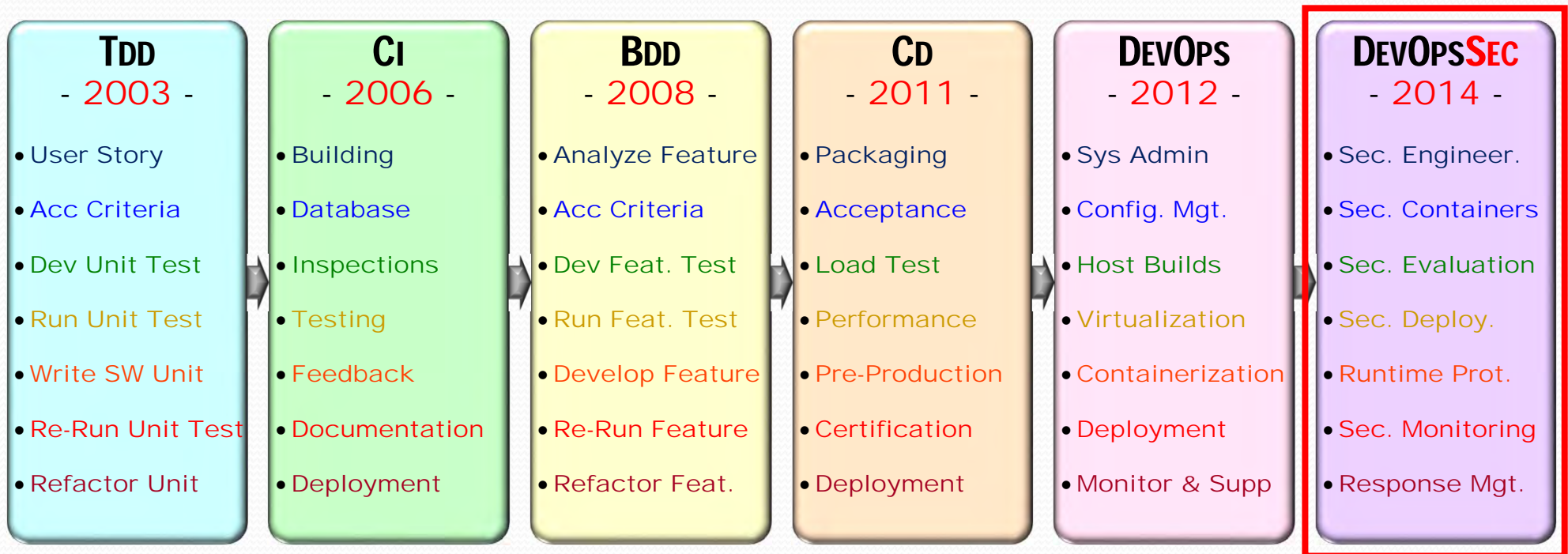
Stapleton, J. (1997). *DSDM: A framework for business centered development*. Harlow, England: Addison-Wesley.

Palmer, S. R., & Felsing, J. M. (2002). *A practical guide to feature driven development*. Upper Saddle River, NJ: Prentice-Hall.

Beck, K. (2000). *Extreme programming explained: Embrace change*. Reading, MA: Addison-Wesley.

Models of **AGILE DELIVERY**

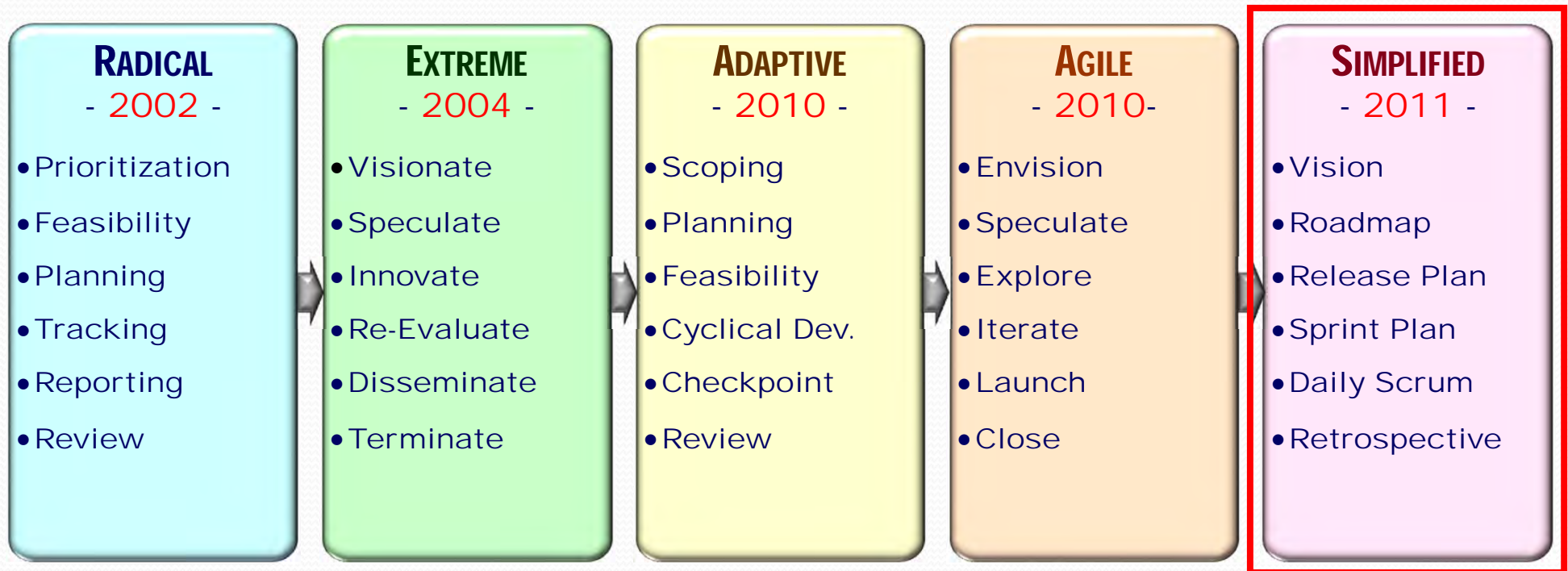
- Numerous models of lean-agile testing emerging
- Based on principles of lean & agile one piece flow
- ☞ □ Include software, hardware, system, & port. testing



Beck, K. (2003). *Test-driven development: By example*. Boston, MA: Addison-Wesley.
Duvall, P., Matyas, S., & Glover, A. (2006). *Continuous integration*. Boston, MA: Addison-Wesley.
Barker, K., & Humphries, C. (2008). *Foundations of rspec: Behavior driven development with ruby and rails*. New York, NY: Apress.
Humble, J., & Farley, D. (2011). *Continuous delivery*. Boston, MA: Pearson Education.
Huttermann, M. (2012). *Devops for developers: Integrate development and operations the agile way*. New York, NY: Apress.
Bird, J. (2016). *Devopsec: Delivering secure software through continuous delivery*. Sebastopol, CA: O'Reilly Media.

Models of **AGILE PROJECT MGT.**

- Dozens of Agile project management models emerged
- Many stem from principles of Extreme Programming
- ☞ □ Vision, releases, & iterative development common



Thomsett, R. (2002). *Radical project management*. Upper Saddle River, NJ: Prentice-Hall.

DeCarlo, D. (2004). *Extreme project management: Using leadership, principles, and tools to deliver value in the face of volatility*. San Francisco, CA: Jossey-Bass.

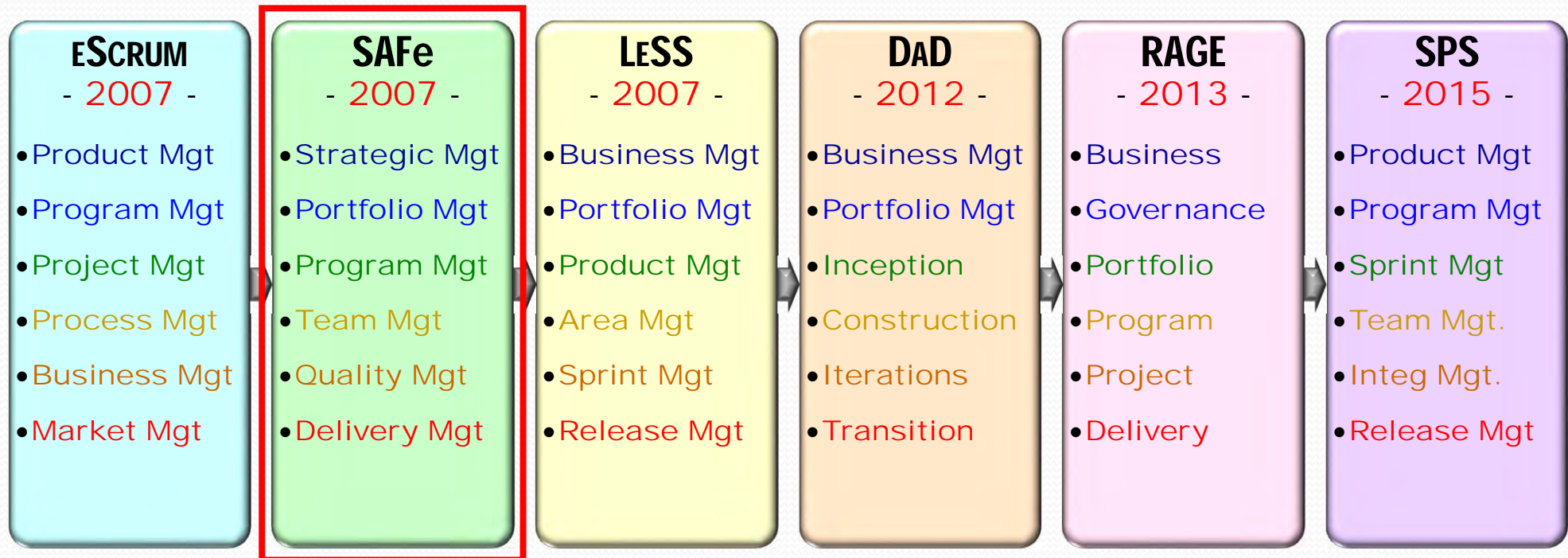
Wysocki, R.F. (2010). *Adaptive project framework: Managing complexity in the face of uncertainty*. Boston, MA: Pearson Education.

Highsmith, J. A. (2010). *Agile project management: Creating innovative products*. Boston, MA: Pearson Education.

Layton, M. C., & Maurer, R. (2011). *Agile project management for dummies*. Hoboken, NJ: Wiley Publishing.

Models of AGILE PORTFOLIO MGT.

- Numerous models of agile portfolio mgt. emerging
- Based on lean-kanban, release planning, and Scrum
- ☞ □ Include **organization**, **program**, & **project** management



Schwaber, K. (2007). *The enterprise and scrum*. Redmond, WA: Microsoft Press.

Leffingwell, D. (2007). *Scaling software agility: Best practices for large enterprises*. Boston, MA: Pearson Education.

Larman, C., & Vodde, B. (2008). *Scaling lean and agile development: Thinking and organizational tools for large-scale scrum*. Boston, MA: Addison-Wesley.

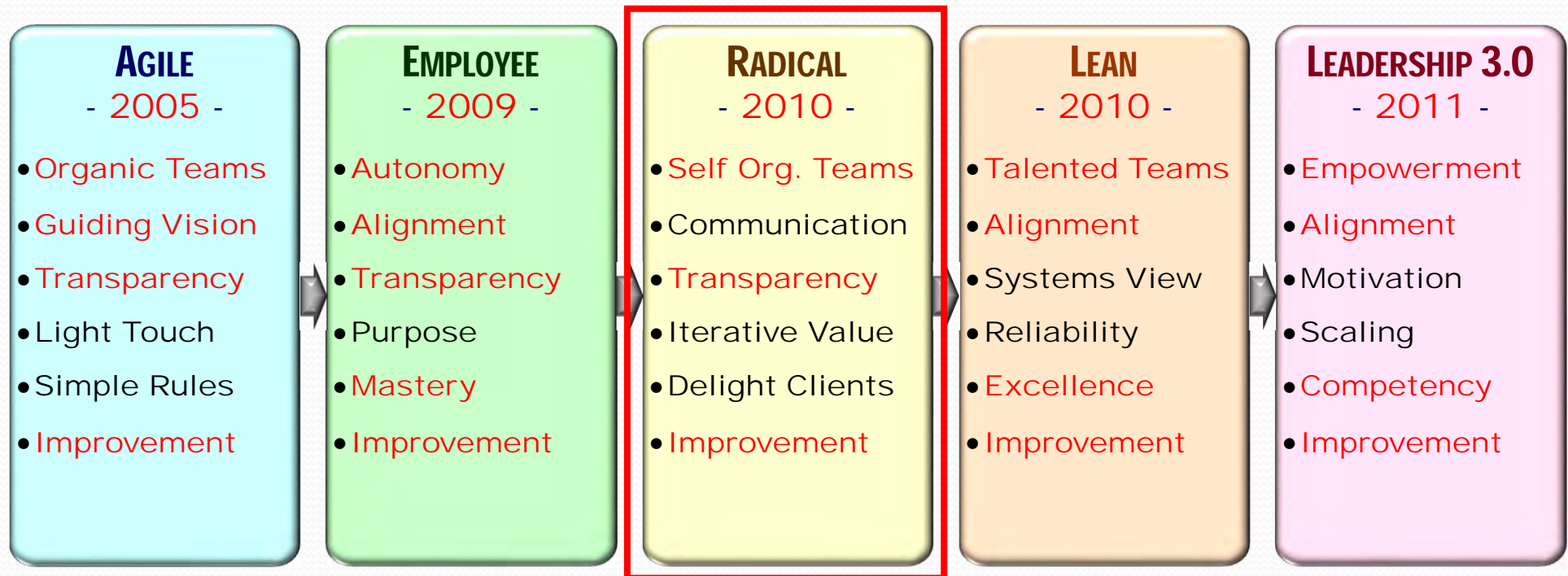
Ambler, S. W., & Lines, M. (2012). *Disciplined agile delivery: A practitioner's guide to agile software delivery in the enterprise*. Boston, MA: Pearson Education.

Thompson, K. (2013). *cPrime's R.A.G.E. is unleashed: Agile leaders rejoice!* Retrieved March 28, 2014, from <http://www.cprime.com/tag/agile-governance>

Schwaber, K. (2015). *The definitive guide to nexus: The exoskeleton of scaled scrum development*. Lexington, MA: Scrum.Org

Models of AGILE LEADERSHIP

- Numerous theories of agile leadership have emerged
- Many have to do with delegation and empowerment
- ☞ □ Leaders have major roles in **visioning** and **enabling**



Augustine, S. (2005). *Managing agile projects*. Upper Saddle River, NJ: Pearson Education.

Pink, D. H. (2009). *Drive: The surprising truth about what motivates us*. New York, NY: Penguin Books.

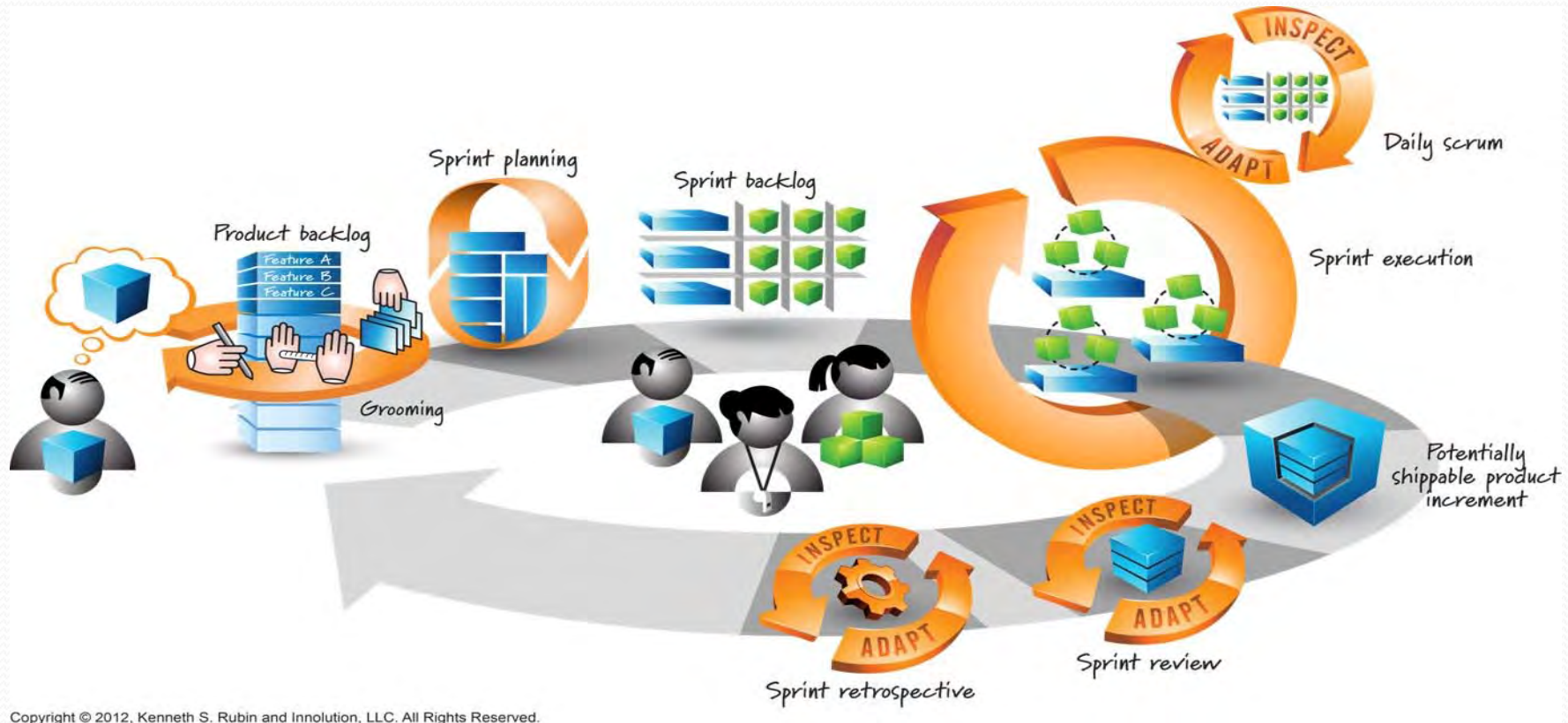
Denning, S. (2010). *The leader's guide to radical management: Reinventing the workplace for the 21st century*. San Francisco, CA: John Wiley & Sons.

Poppendieck, M., & Poppendieck, T. (2010). *Leading lean software development: Results are not the point*. Boston, MA: Pearson Education.

Appelo, J. (2011). *Management 3.0: Leading agile developers and developing agile leaders*. Boston, MA: Pearson Education.

Basic SCRUM Method

- Created by Jeff Sutherland at Easel in 1993
- Product backlog comprised of prioritized features
- Iterative sprint-to-sprint, adaptive & emergent model



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Scrum—SPRINT PLANNING

- **Description.** Specific iteration goals and tasks
- **Owner.** Product Owner and Development Team
- **Frequency.** At the start of each sprint [2-4 hours]

Process Steps

1. Establish goals and choose user stories.
2. Decompose stories into tasks and create sprint backlog.

Goals & User Stories

As a mobile banking customer, I want to create an account so I can write personal checks

- Create account.
- Login to account.
- Setup checking account.

Sprint Backlog

Task	Pri	Status	Who	App.	M	T	W	T	F
• Create account:									
- Setup	1	Done	Sue	Joe	4	4	0	0	0
- Install	2	Done	Sue	Joe	4	4	0	0	0
- Schema	3	Done	John	Joe	0	0	8	0	0
- Queries	4	In-work	Bob	-	0	0	0	8	0
- Forms	5	N/S	Patty	-	0	0	0	0	0
- Test	6	N/S	Sam	-	0	0	0	0	0

Product owner, Scrum Master, and Developers create sprint plan. **Sprint planning done at start of sprint. Product backlog must be ready. Developers select sprint goal and what can be done.**

Scrum—DAILY STANDUP

- **Description.** Establish & coordinate daily priorities
- **Owner.** Development Team
- **Frequency.** Daily [15-minutes]

Process Steps

1. Hold daily standup meeting.
2. Update sprint burndown chart.
3. Perform design, development, test, and evaluation.

Daily Standup

All Developers on Team Answer Three Questions in Round-Robin Style

- What has been done since the last meeting?
- What will be done before the next meeting?
- What obstacles are in my way?

Sprint Burndown



Developers hold daily standup meetings. *Purpose is to coordinate daily priorities. Identify what was done, what will be done, and impediments. Task boards and Sprint burndown are updated.*

Scrum—SPRINT REVIEW

- **Description.** Demonstration of working product
- **Owner.** Product Owner and Development Team
- **Frequency.** At the end of each sprint [2-4 hours]

Process Steps

1. Prepare sprint review meeting.
2. Hold sprint review meeting.
3. Collect feedback from stakeholders.

Product Demonstration

Developers Perform a Live Demo on Target Hardware and Answer Stakeholder Questions

- What was the goal of the sprint?
- What user stories were attempted?
- What user stories were implemented?

Stakeholder Feedback

Poll Stakeholders One-by-One in Round-Robin Style to Solicit their Feedback

- Is the product acceptable as implemented?
- Is the product acceptable with modifications?
- Is the product unacceptable as implemented?

Developers hold a sprint review. *Sprint review performed at end of sprint. Developers demo validated code to stakeholders. Stakeholders vote on demo outcome. Product backlog reprioritized.*

Scrum—SPRINT RETROSPECTIVE

- **Description.** Refine environment and processes
- **Owner.** Development Team
- **Frequency.** At the end of each sprint [1-2 hours]

Process Steps

1. Plan sprint retrospective meeting.
2. Hold sprint retrospective meeting.
3. Inspect and adapt.

Sprint Retrospective

Poll Developers on Team to Answer Three Questions to Reach Group Consensus

- What went well in the last sprint?
- What could be improved in the next sprint?
- What people, process, and tools should change?

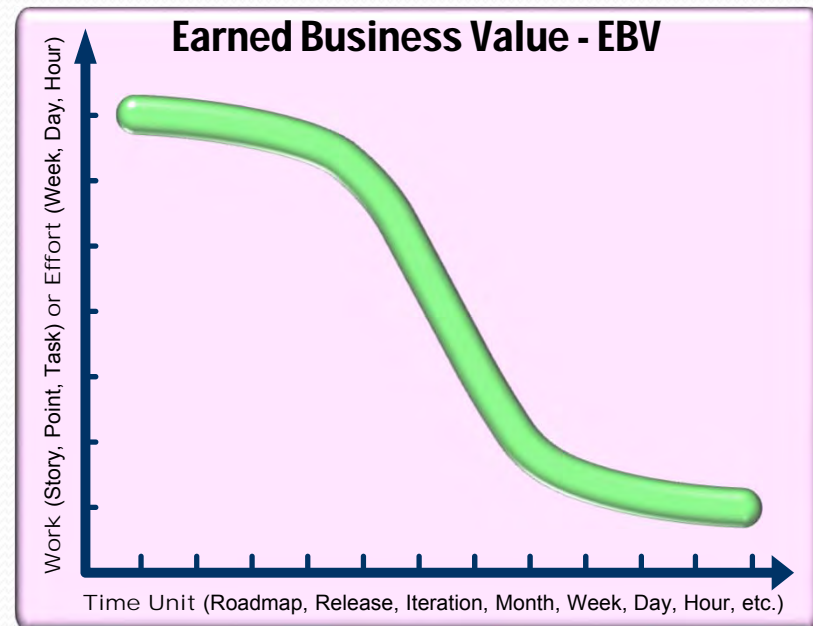
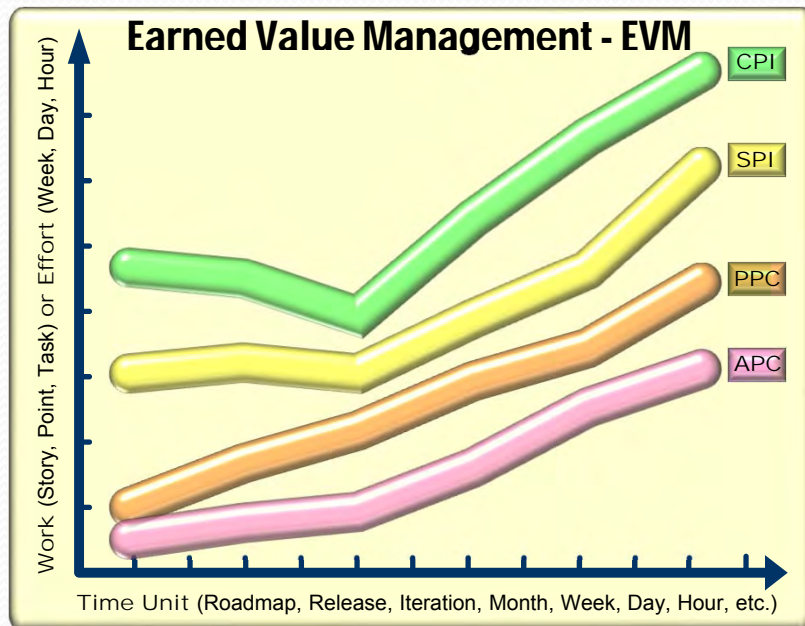
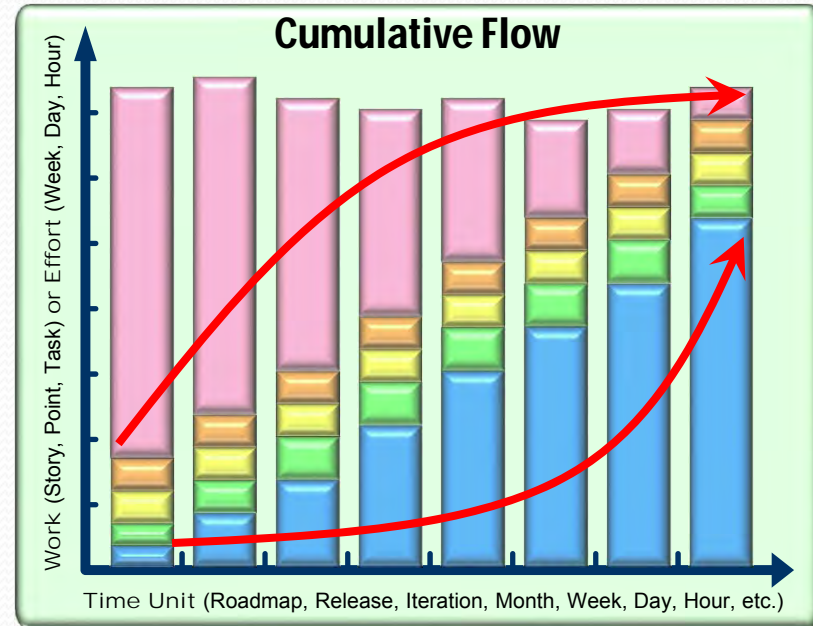
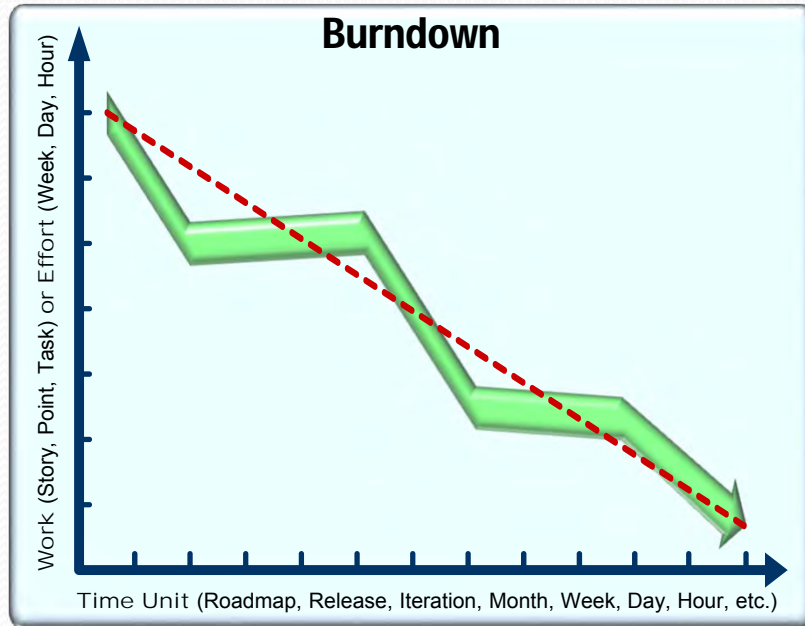
Process Improvements

Scrum Master Records Action Items and Prepares Process Improvement Plan

- Scrum master records suggested improvements.
- Developers prioritize suggested improvements.
- Add high-priority non-functional items to backlog.

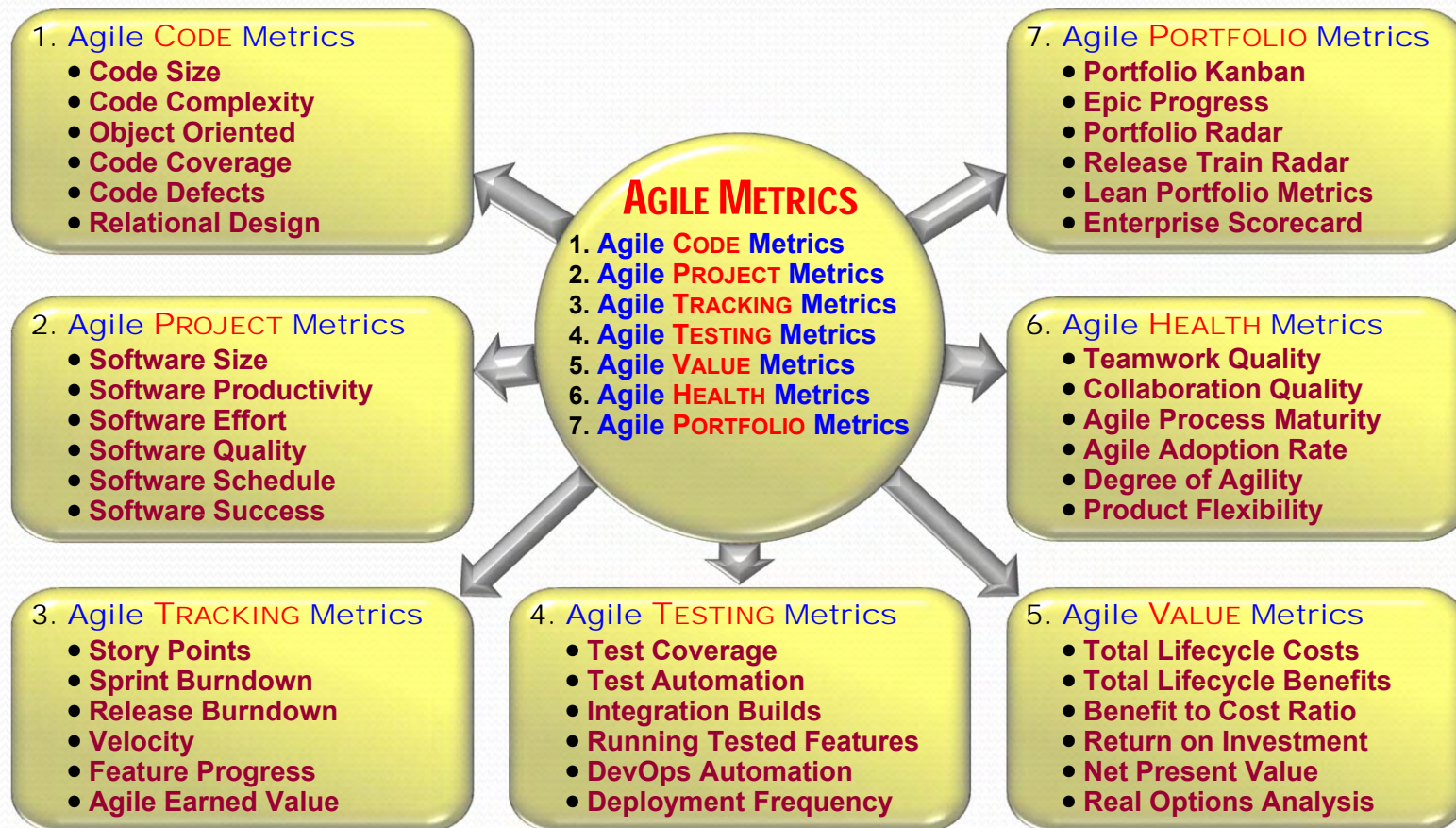
Developers hold sprint retrospective. *Retrospective held at end of sprint. Developers identify the good and bad. Scrum master records results. Processes, tools, and backlog may be adjusted.*

Agile Methods—Basic Metrics



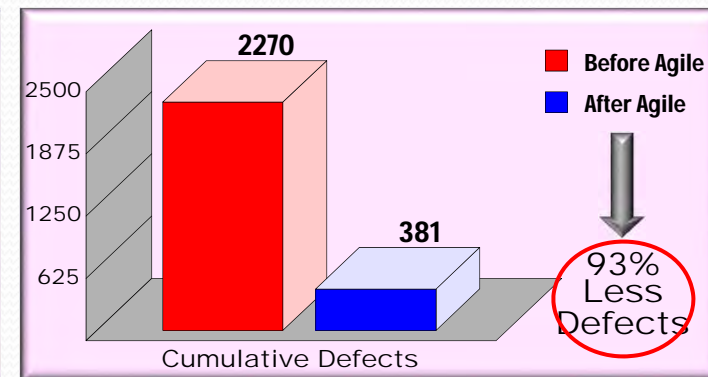
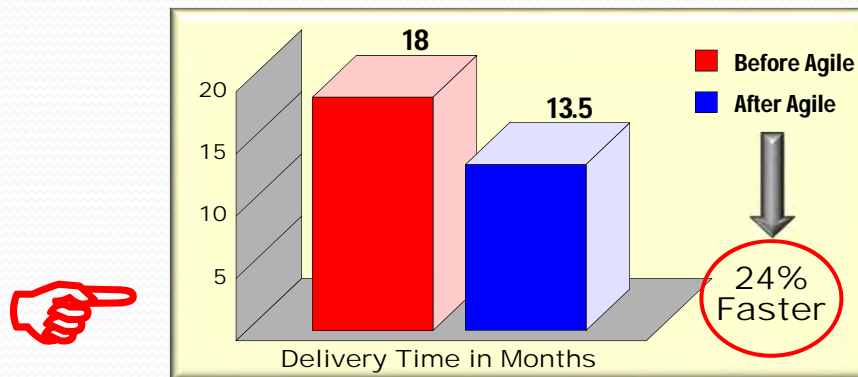
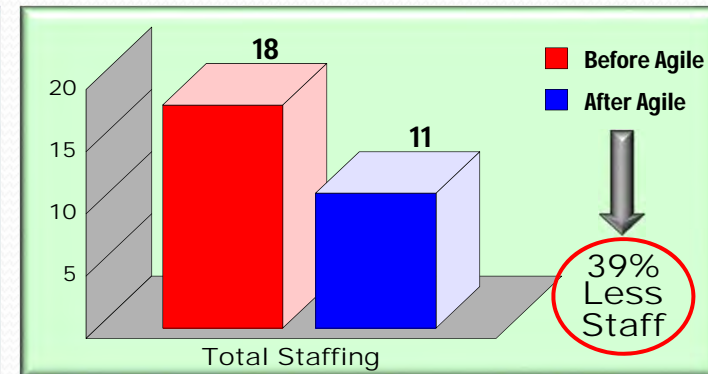
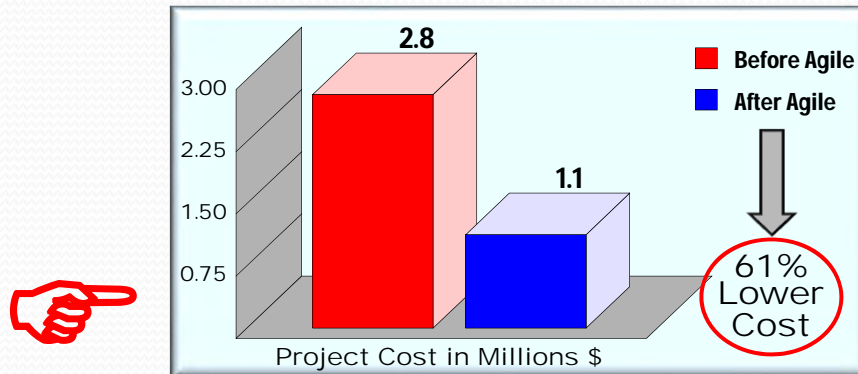
Agile Methods—Metrics Taxonomy

- Agile methods are based on traditional measures
- Story points, velocity, and burndown basic metrics
- Experts use Agile EVM, test, ROI & portfolio metrics



Agile Methods—Costs & Benefits

- Analysis of 23 agile vs. 7,500 traditional projects
- Agile projects are 54% better than traditional ones
- ☞ □ Agile has **lower costs (61%)** and **fewer defects (93%)**



Agile Methods—Return on Invest.

- Costs based on avg. productivity and quality
- Productivity ranged from 4.7 to 5.9 LOC an hour
- ☞ □ Costs were \$588,202 and benefits were \$3,930,631

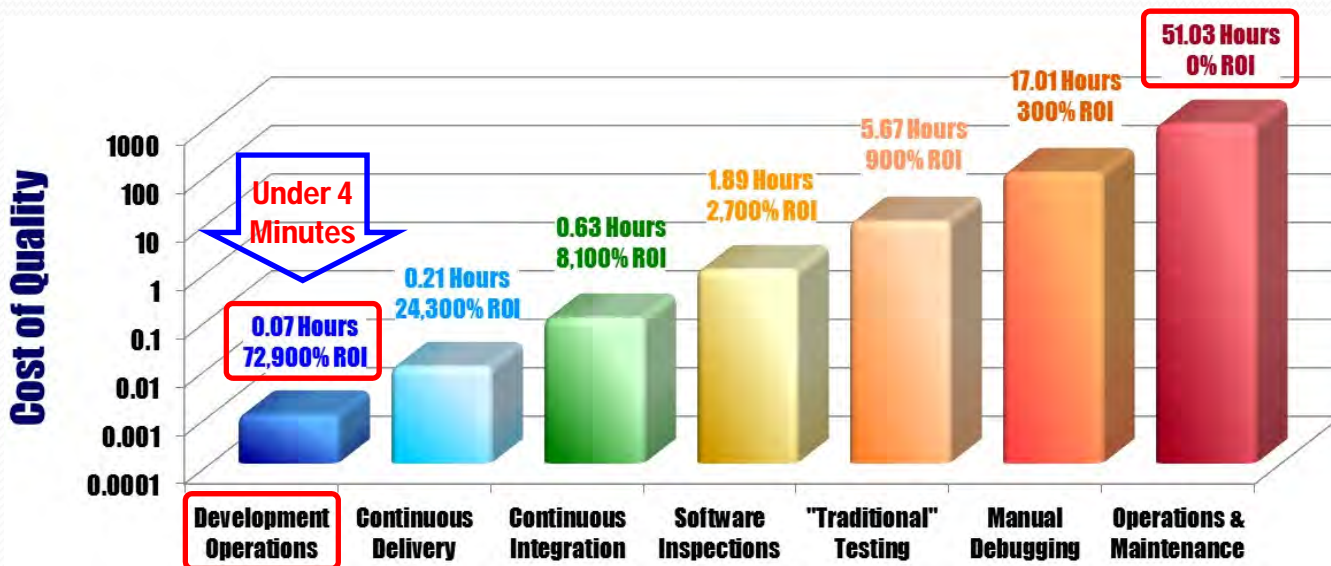
Metric	Formula	Trad. Testing	Agile Testing
Costs	$(10,000 \div 5.4436 + 3.945 \times 10 \times 100) \times 100$	\$588,202	\$233,152
Benefits	$(10,000 \times 10.51 - 6,666.67 \times 9) \times 100 - \$588,202$	\$3,930,631	\$4,275,681
B/CR	$\$3,930,631 \div \$588,202$	7:1	18:1
ROI	$(\$3,930,631 - \$588,202) \div \$588,202 \times 100\%$	567%	1,734%
NPV	$(\sum_{i=1}^5 (\$3,930,631 \div 5) \div 1.05^i) - \$588,202$	\$2,806,654	\$3,469,140
BEP	$\$588,202 \div (\$4,509,997 \div \$588,202 - 1)$	\$88,220	\$12,710
ROA	$\text{NORMSDIST}(2.24) \times \$3,930,631 - \text{NORMSDIST}(0.85) \times \$588,202 \times \text{EXP}(-5\% \times 5)$	\$3,504,292	\$4,098,159

$$d1 = [\ln(\text{Benefits} \div \text{Costs}) + (\text{Rate} + 0.5 \times \text{Risk}^2) \times \text{Years}] \div \text{Risk} \times \sqrt{\text{Years}}, \quad d2 = d1 - \text{Risk} \times \sqrt{\text{Years}}$$

Agile Methods—Cost of Quality

- Agile testing is orders-of-magnitude more efficient
- Based on millions of automated tests run in seconds
- ☞ □ One-touch **auto-delivery** to **billions** of **global** end-users

Activity	Def	CoQ	DevOps Economics	Hours	ROI
Development Operations	100	0.001	100 Defects x 70% Efficiency x 0.001 Hours	0.070	72,900%
Continuous Delivery	30	0.01	30 Defects x 70% Efficiency x 0.01 Hours	0.210	24,300%
Continuous Integration	9	0.1	9 Defects x 70% Efficiency x 0.1 Hours	0.630	8,100%
Software Inspections	3	1	2.7 Defects x 70% Efficiency x 1 Hours	1.890	2,700%
"Traditional" Testing	0.81	10	0.81 Defects x 70% Efficiency x 10 Hours	5.670	900%
Manual Debugging	0.243	100	0.243 Defects x 70% Efficiency x 100 Hours	17.010	300%
Operations & Maintenance	0.073	1,000	0.0729 Defects x 70% Efficiency x 1,000 Hours	51.030	n/a



4,500 x Faster than Code Inspections

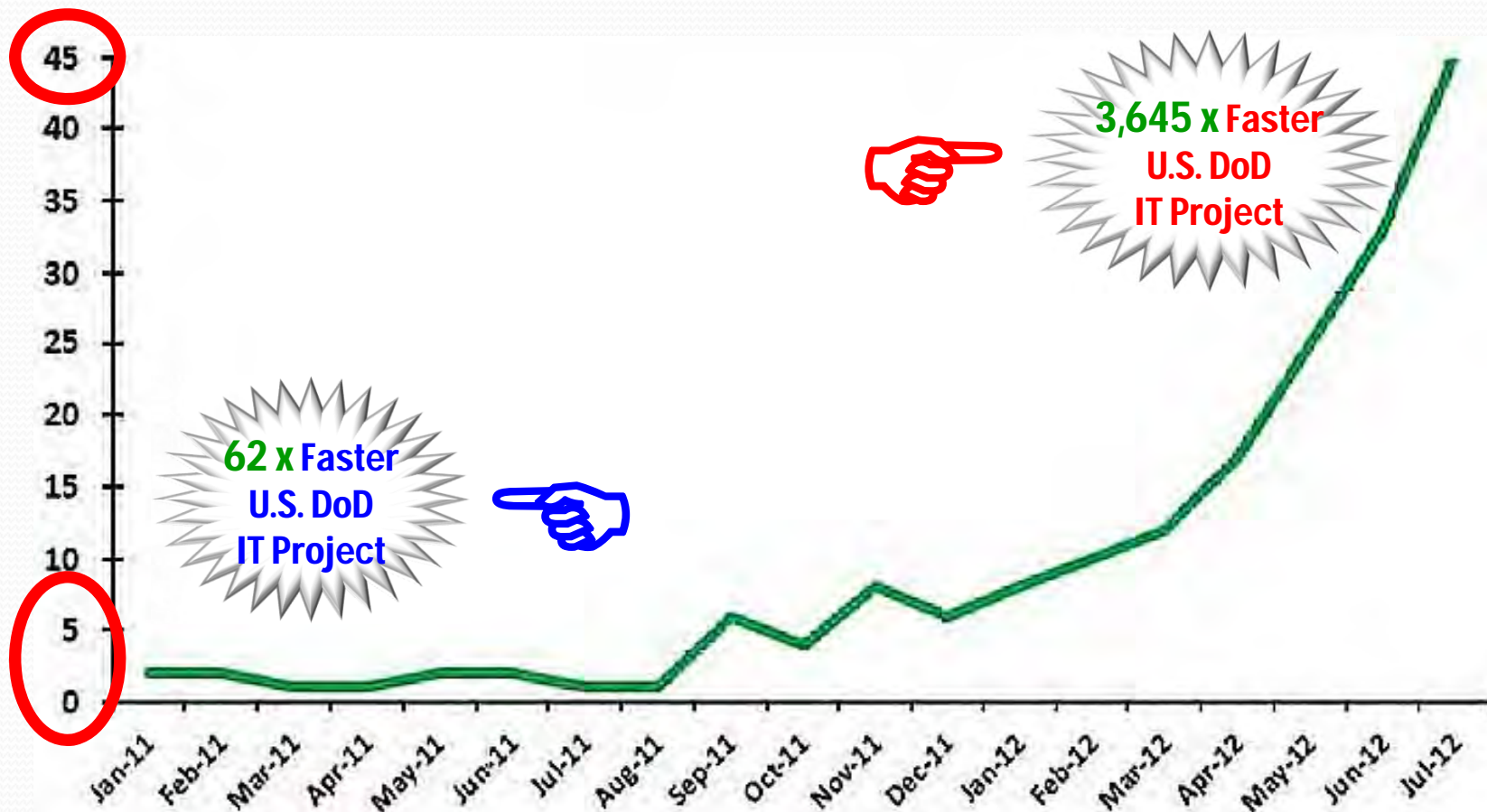
Agile Methods—HP Case Study

- Hewlett-Packard is a major user of CI, CD, & DevOps
- 400 engineers developed 10 million LOC in 4 years
- ☞ □ Major gains in testing, deployment, & innovation

TYPE	METRIC	MANUAL	DEVOPS	MAJOR GAINS
CYCLE TIME IMPROVEMENTS	Build Time	40 Hours	3 Hours	13 x
	No. Builds	1-2 per Day	10-15 per Day	8 x
	Feedback	1 per Day	100 per Day	100 x
	Regression Testing	240 Hours	24 Hours	10 x
DEVELOPMENT COST EFFORT DISTRIBUTION	Integration	10%	2%	5 x
	Planning	20%	5%	4 x
	Porting	25%	15%	2 x
	Support	25%	5%	5 x
	Testing	15%	5%	3 x
	Innovation	5%	40%	8 x

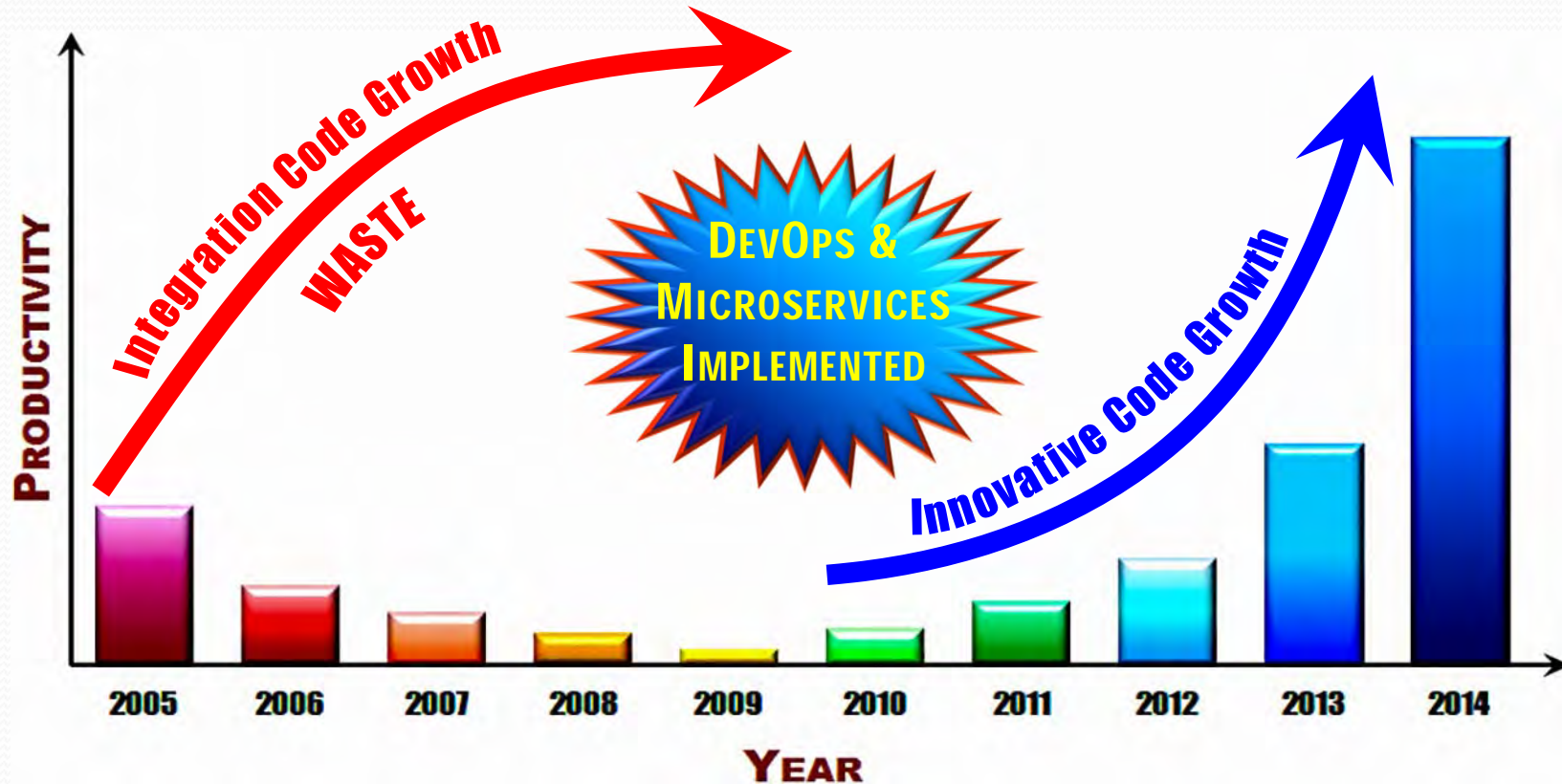
Agile Methods—Dot Com Cases

- Assembla went from 2 to 45 releases every month
- 15K Google developers run 120 million tests per day
- ☞ □ 30K+ Amazon developers deliver 136K releases a day



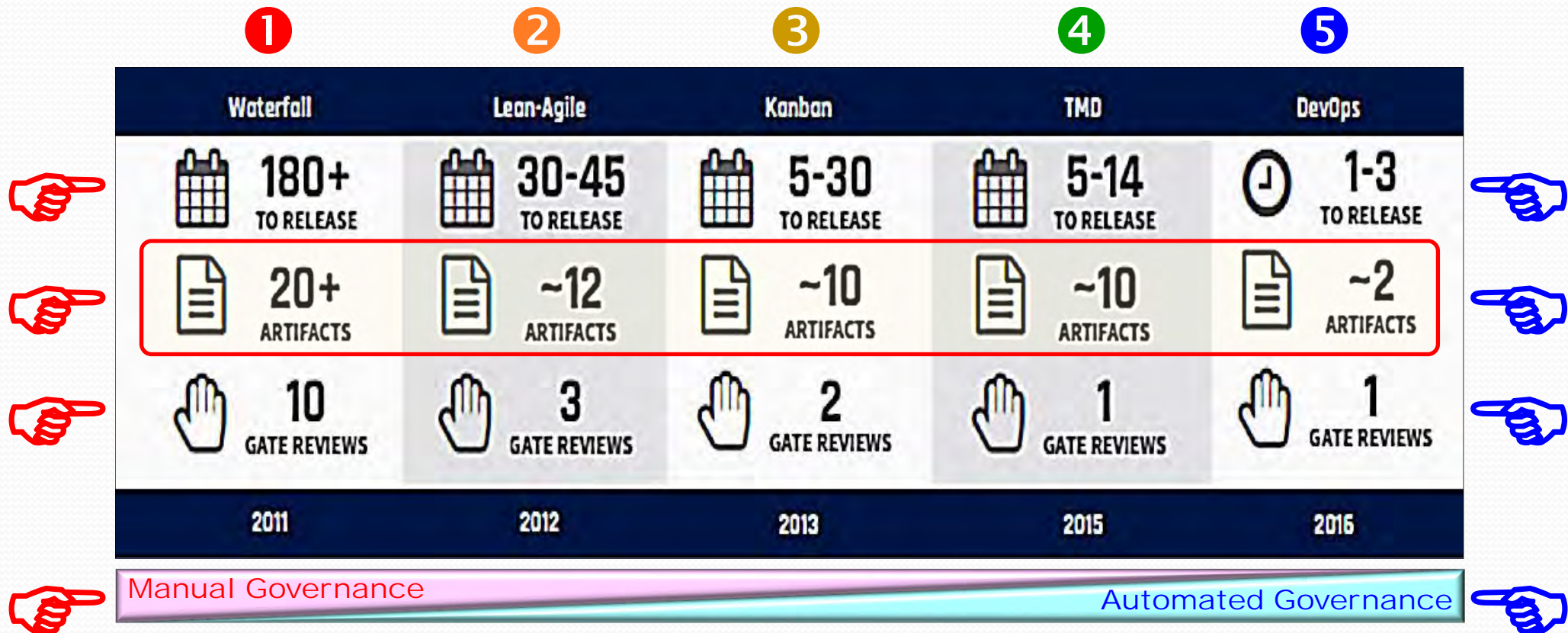
Agile Methods—Blackboard Case

- Productivity **STOPS** due to excessive integration
- Implements **DevOps & Microservices** around 2010
- ☞ □ Waste elimination, productivity & innovation skyrocket



Agile Methods—U.S. DHS Case

- 1st gen replete with large portfolios & governance
- 2nd-3rd gen yield minor incremental improvements
- ☞ □ 4th-5th gen enables big order-of-magnitude impacts



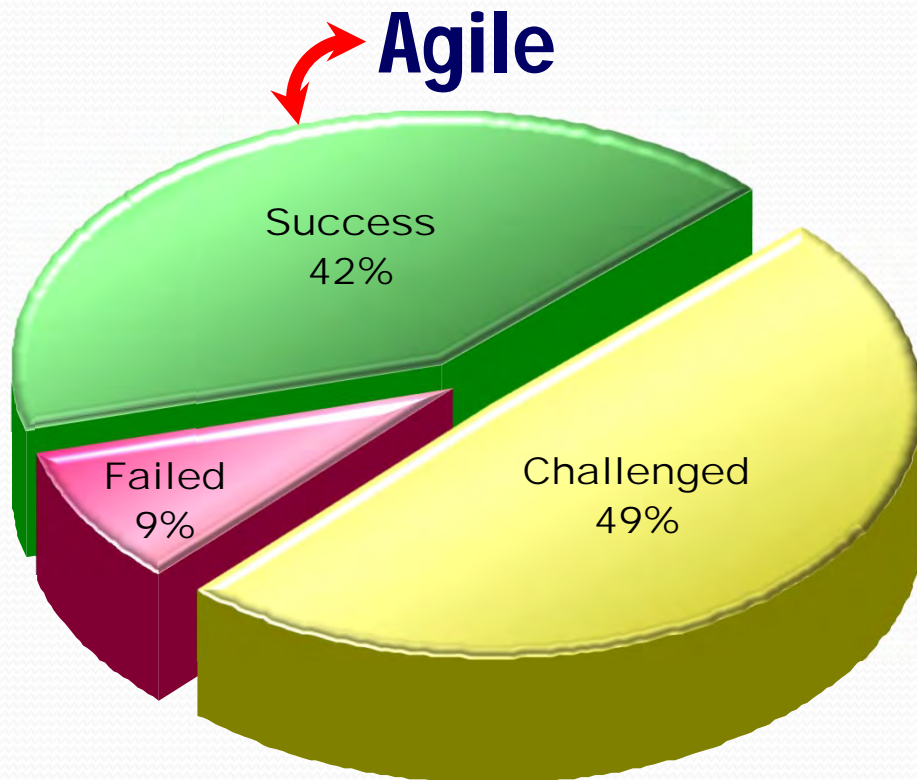
Agile Methods—Enterprise ROI

- Detailed DevOps economics starting to emerge
- ROI ranges from \$17M to \$195M *with minor costs*
- ☞ □ Benefits from cost savings, revenue, and availability

Org	Low Perf	Med Perf	High Perf
Small - 250 -	\$23M Benefits	\$29M Benefits	\$17M Benefits
	\$0.2M Costs	\$0.2M Costs	\$0.2M Costs
	13,589% ROI	17,799% ROI	9,932% ROI
	<i>3 Day Payback</i>	<i>2 Day Payback</i>	<i>4 Day Payback</i>
Medium - 2,000 -	\$42M Benefits	\$66M Benefits	\$36M Benefits
	\$1.3M Costs	\$1.3M Costs	\$1.3M Costs
	3,101% ROI	4,901% ROI	2,663% ROI
	<i>11 Day Payback</i>	<i>7 Day Payback</i>	<i>13 Day Payback</i>
Large - 8,500 -	\$114M Benefits	\$195M Benefits	\$76M Benefits
	\$5.6M Costs	\$5.6M Costs	\$5.6M Costs
	1,942% ROI	3,375% ROI	1,254% ROI
	<i>18 Day Payback</i>	<i>11 Day Payback</i>	<i>27 Day Payback</i>

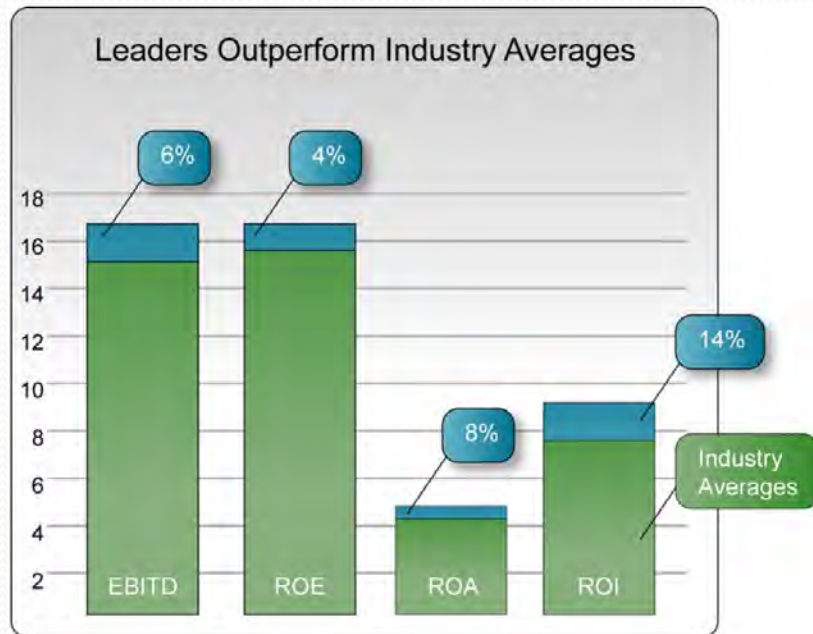
Agile Methods—Success Rate

- Traditional projects succeed at 50% industry avg.
- Traditional projects are challenged 20% more often
- ☞ □ Agile projects succeed 3x more and fail 3x less often



Agile Methods—Business Benefits

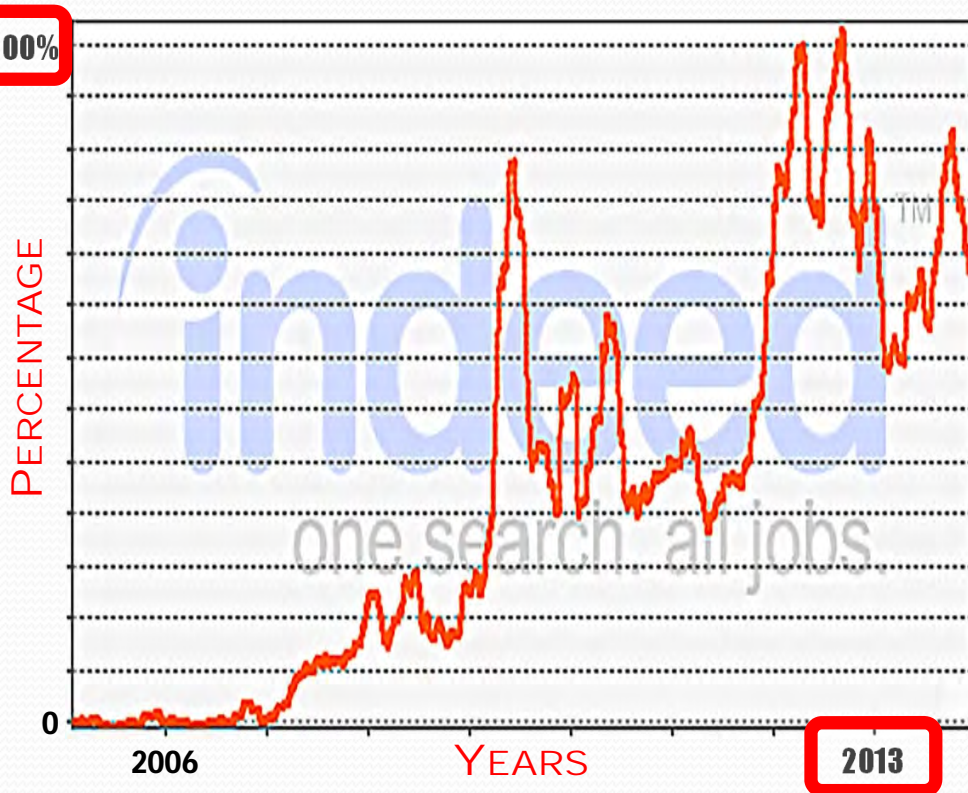
- Study of 15 agile vs. non-agile Fortune 500 firms
- Based on models to measure organizational agility
- ☞ □ Agile firms out perform non agile firms by up to 36%



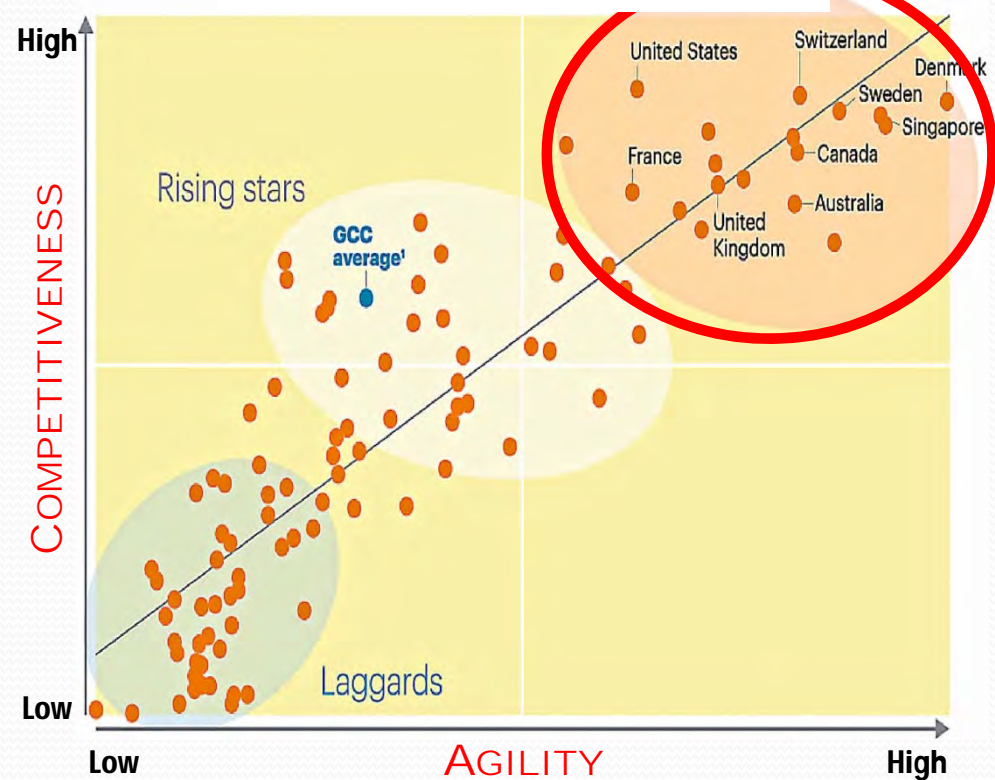
Agile Methods—National Benefits

- U.S. gov't agile jobs grew by 13,000% from 2006-2013
- Adoption is higher in U.S. DoD than Civilian Agencies
- ☞ □ GDP of countries with high adoption rates is greater

GOVERNMENT AGILE JOB GROWTH

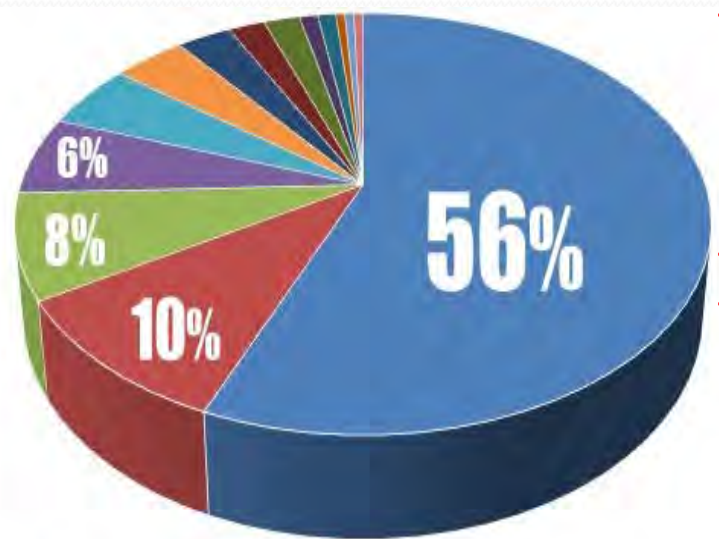


GOVERNMENT COMPETITIVENESS

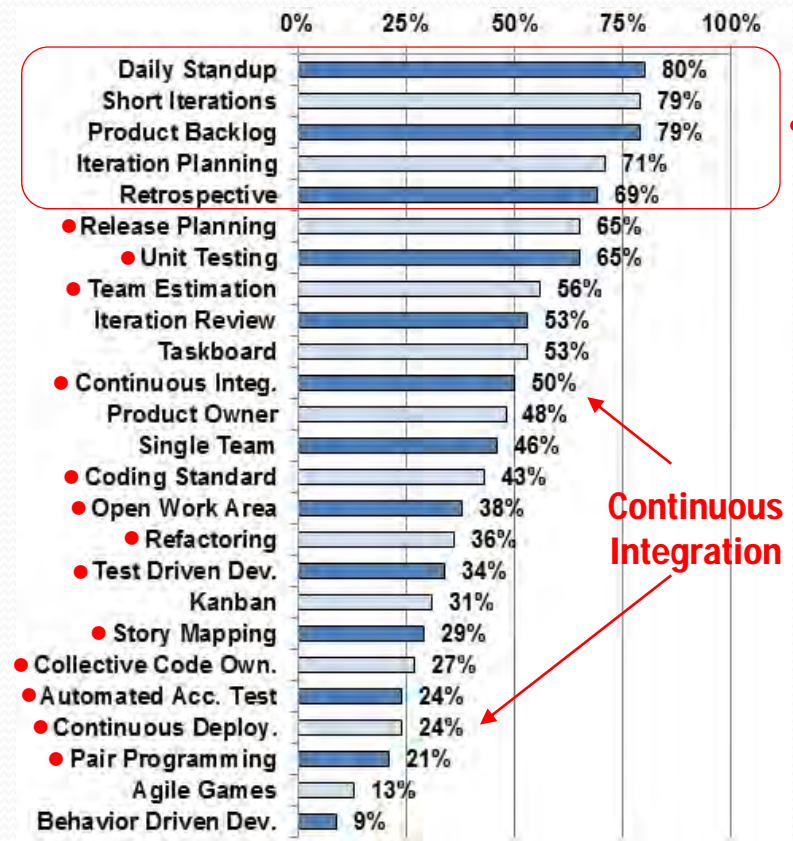


Agile Methods—Adoption Statistics

- VersionOne found 94% using agile methods today
- Most are using Scrum with several key XP practices
- ☞ □ Lean-Kanban is a rising practice with a 31% adoption



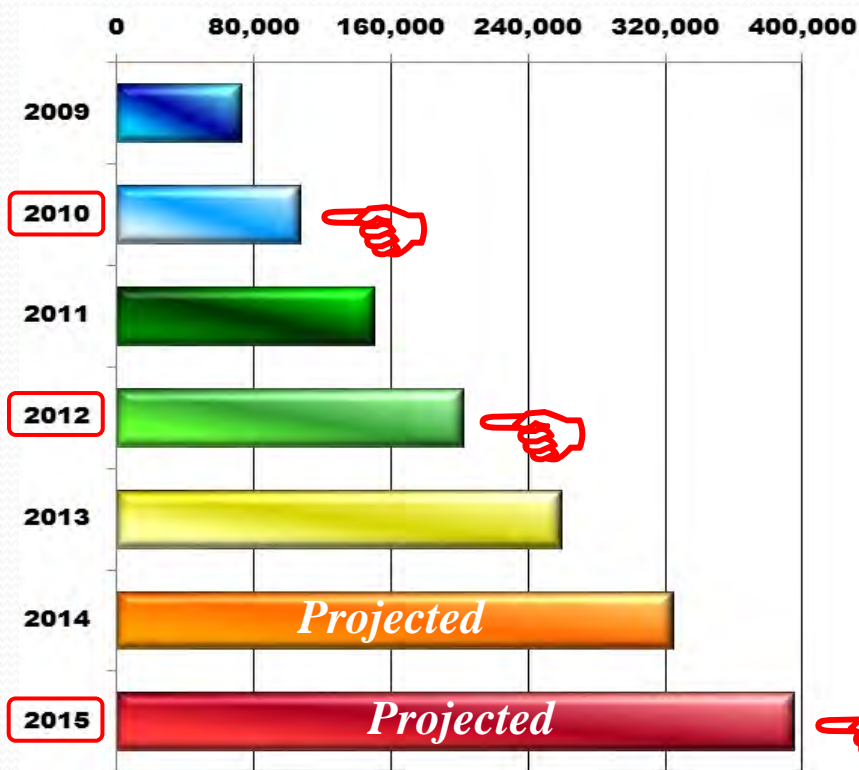
- Scrum
- Custom Hybrid
- Kanban
- Don't Know
- Other
- Feature Driven Development
- DSDM
- Scrum/XP Hybrid
- Scrumban
- Iterative Development
- Lean Development
- Agile Modeling
- Agile Unified Process
- XP



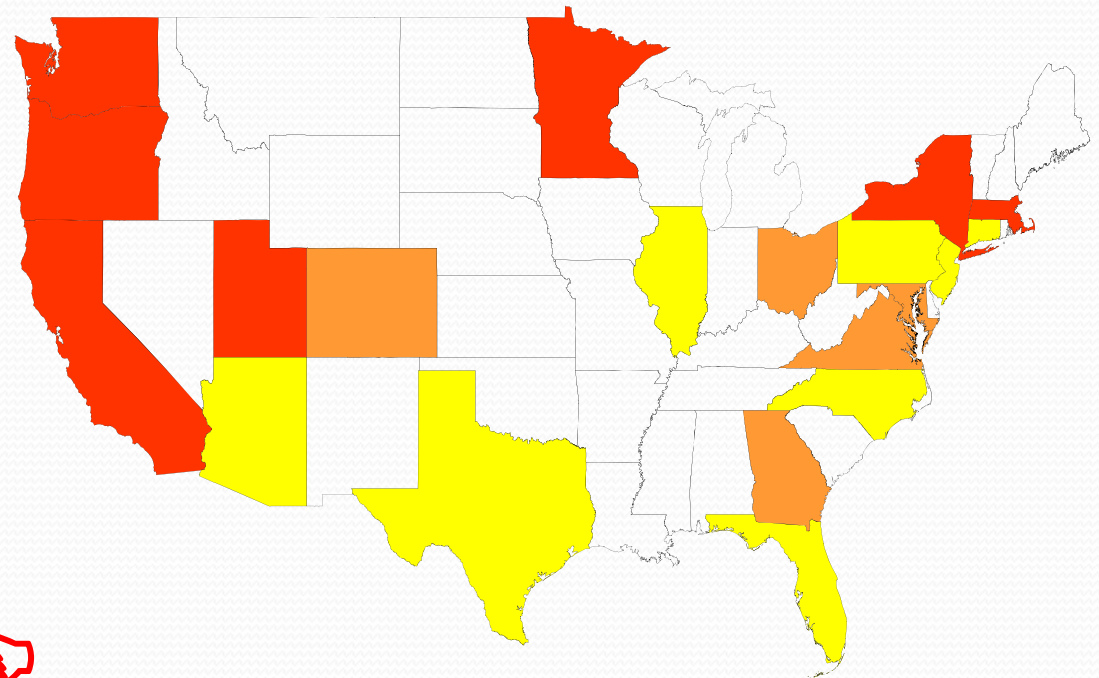
Continuous Integration

Agile Methods—National Adoption

- Number of CSMs have **doubled** to **400,000** in 4 years
- **558,918** agile jobs for only **121,876** qualified people
- ☞ □ **4.59** jobs available for **every** agile candidate (5:1)



* PMI-PMPs grew from 552,977 to 625,346 in 2014 (i.e., added 72,369)



Agile Methods—Summary

- Agile methods **DON'T** mean deliver it now & fix it later
- Lightweight, yet disciplined approach to development
- ☞ □ Reduced cost, risk, & waste while improving quality

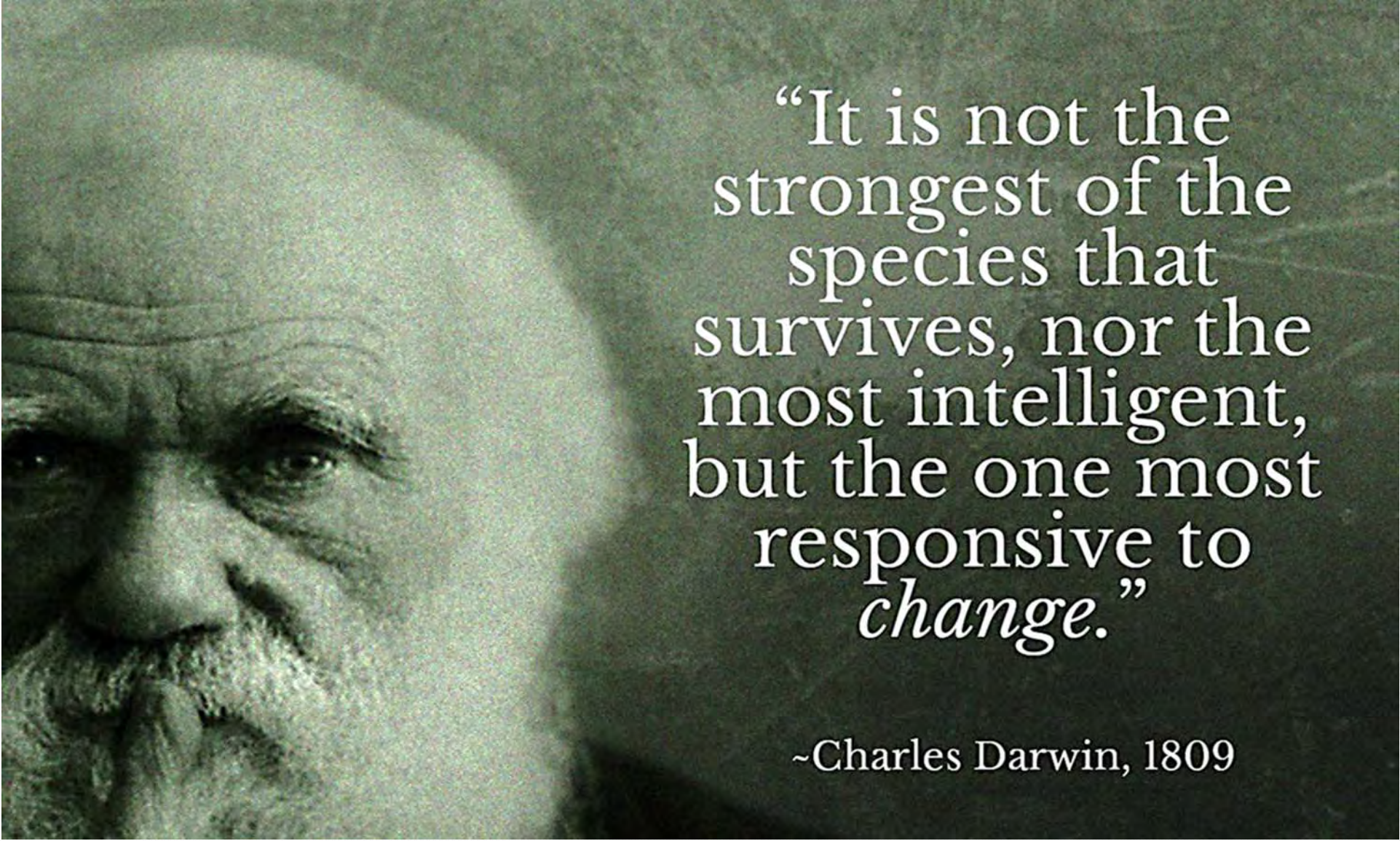
What	How	Result
Flexibility	Use lightweight, yet disciplined processes and artifacts	Low work-in-process
☞ Customer	Involve customers early and often throughout development	Early feedback
☞ Prioritize	Identify highest-priority, value-adding business needs	Focus resources
☞ Descope	Descope complex programs by an order of magnitude	Simplify problem
☞ Decompose	Divide the remaining scope into smaller batches	Manageable pieces
Iterate	Implement pieces one at a time over long periods of time	Diffuse risk
Leanness	Architect and design the system one iteration at a time	JIT waste-free design
☞ Swarm	Implement each component in small cross-functional teams	Knowledge transfer
☞ Collaborate	Use frequent informal communications as often as possible	Efficient data transfer
☞ Test Early	Incrementally test each component as it is developed	Early verification
☞ Test Often	Perform system-level regression testing every few minutes	Early validation
Adapt	Frequently identify optimal process and product solutions	Improve performance

Rico, D. F. (2012). *What's really happening in agile methods: Its principles revisited?* Retrieved June 6, 2012, from <http://davidfrico.com/agile-principles.pdf>

Rico, D. F. (2012). *The promises and pitfalls of agile methods.* Retrieved February 6, 2013 from, <http://davidfrico.com/agile-pros-cons.pdf>

Rico, D. F. (2012). *How do lean & agile intersect?* Retrieved February 6, 2013, from <http://davidfrico.com/agile-concept-model-3.pdf>

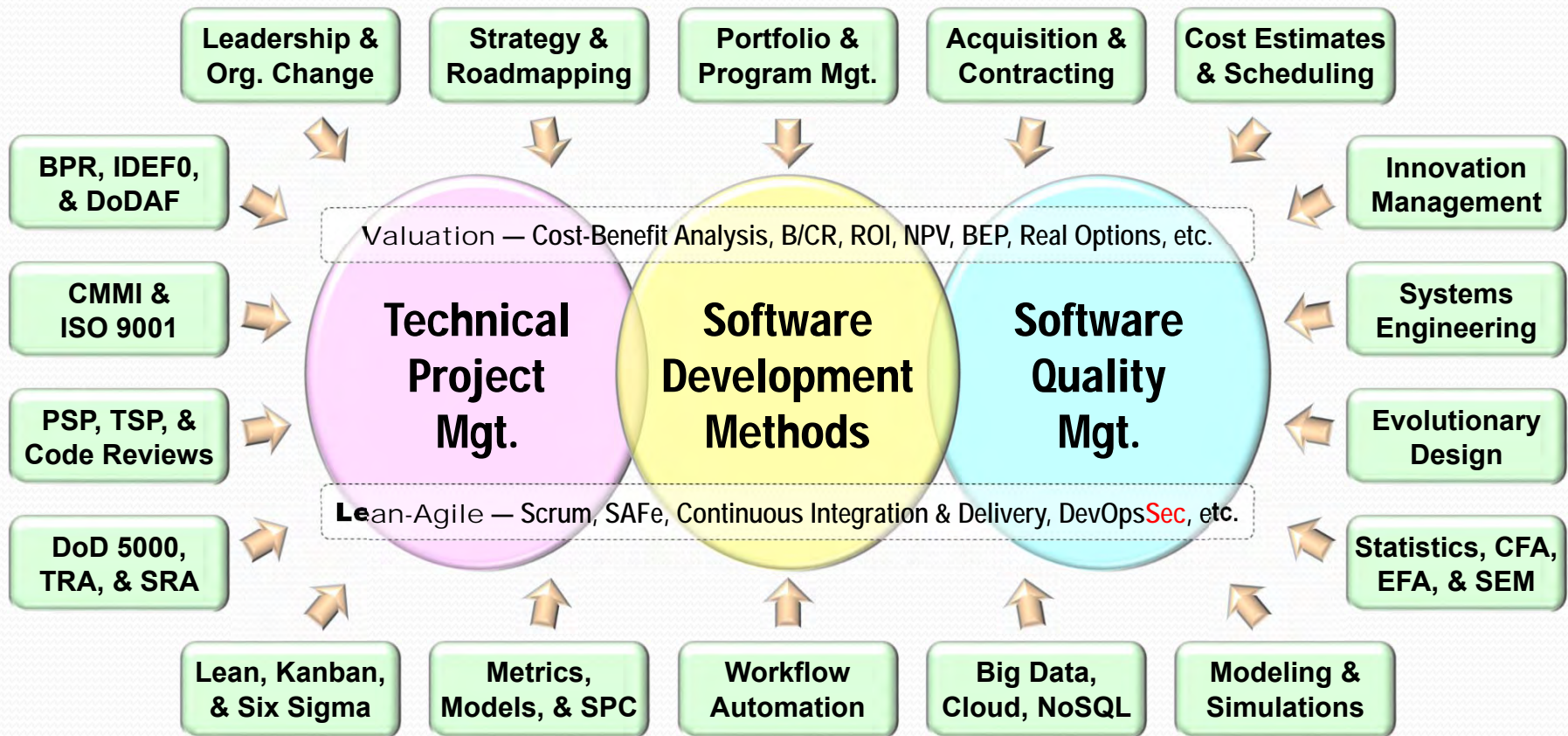
On Adaptability — Charles Darwin



“It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to *change*.”

~Charles Darwin, 1809

Dave's PROFESSIONAL CAPABILITIES



STRENGTHS – Communicating Complex Ideas • Brownbags & Webinars • Datasheets & Whitepapers • Reviews & Audits • Comparisons & Tradeoffs • Brainstorming & Ideation • Data Mining & Business Cases • Metrics & Models • Tiger Teams & Shortfuse Tasks • Strategy, Roadmaps, & Plans • Concept Frameworks & Multi-Attribute Models • Etc.



- **Data mining.** Metrics, benchmarks, & performance.
- **Simplification.** Refactoring, refinement, & streamlining.
- **Assessments.** Audits, reviews, appraisals, & risk analysis.
- **Coaching.** Diagnosing, debugging, & restarting stalled projects.
- **Business cases.** Cost, benefit, & return-on-investment (ROI) analysis.
- **Communications.** Executive summaries, white papers, & lightning talks.
- **Strategy & tactics.** Program, project, task, & activity scoping, charters, & plans.

