



Introducing SAFe 6.0

To Optimize the Flow of Portfolio Value

“Those who master
large-scale software
delivery will define
the economic
landscape of the
21st century.”

—**Dr. Mik Kersten**
Project to Product



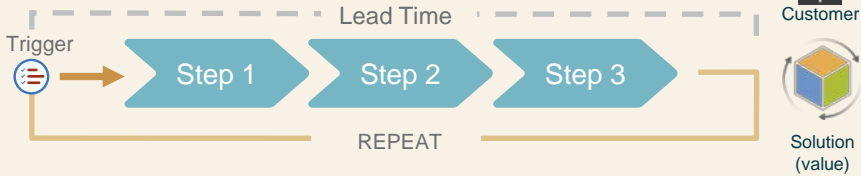
“To thrive in the digital age you need business agility.

This new way of working requires a new mindset, values, principles, and practices.”

—Dean Leffingwell, Creator of SAFe

SAFe Lean-Agile Mindset

Lean Thinking



Principles

- 1 Precisely specify value by product
- 2 Identify the Value Stream for each product
- 3 Make value flow without interruptions
- 4 Let the Customer pull value from the producer
- 5 Pursue perfection

Agile Values

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.

SAFE Core Values

Alignment



Transparency



Respect for People



Relentless Improvement





SAFe Principles

#1 Take an economic view

#2 Apply systems thinking

#3 Assume variability; preserve options

#4 Build incrementally with fast, integrated learning cycles

#5 Base milestones on objective evaluation of working systems

#6 Make value flow without interruptions

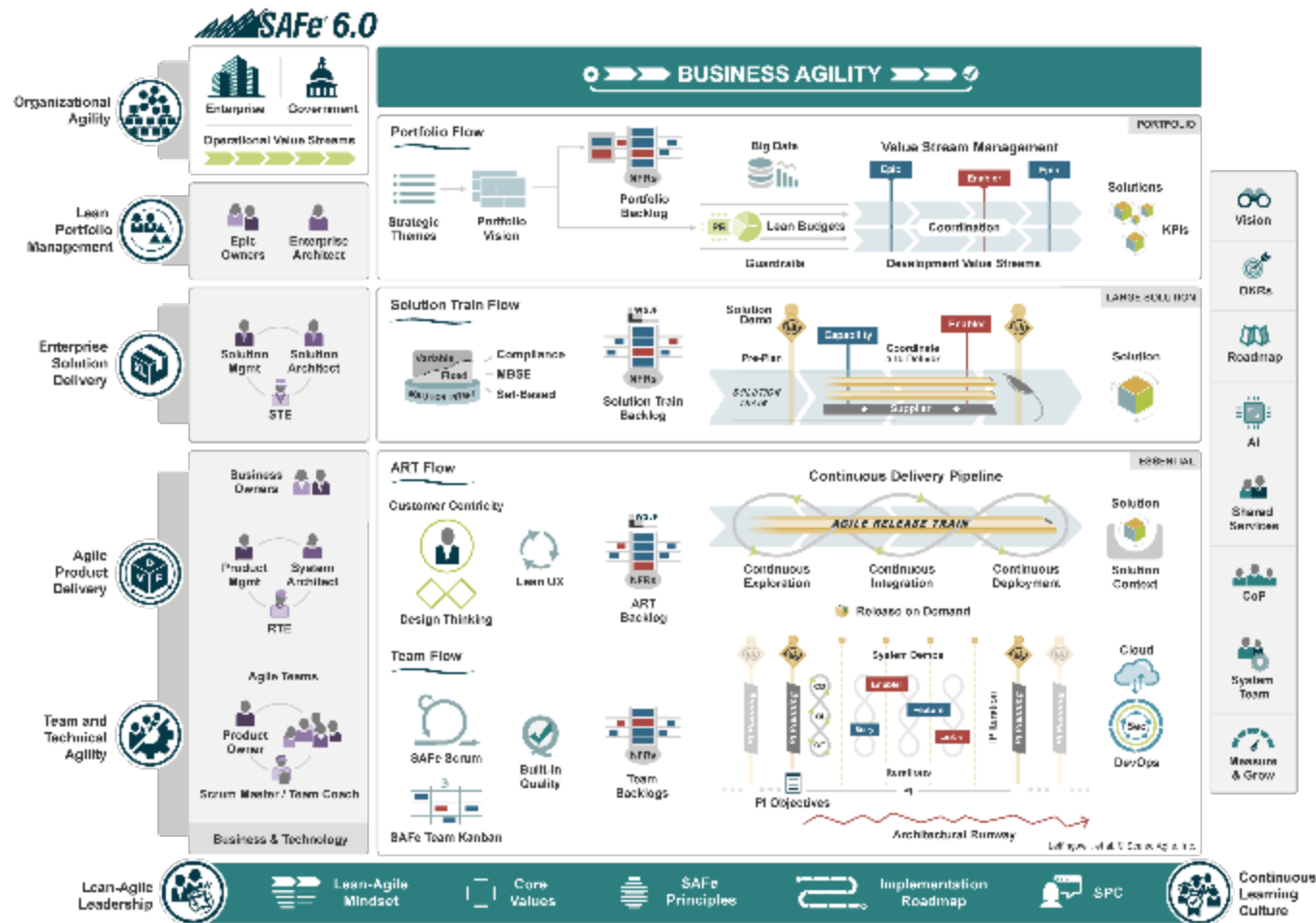
#7 Apply cadence, synchronize with cross-domain planning

#8 Unlock the intrinsic motivation of knowledge workers

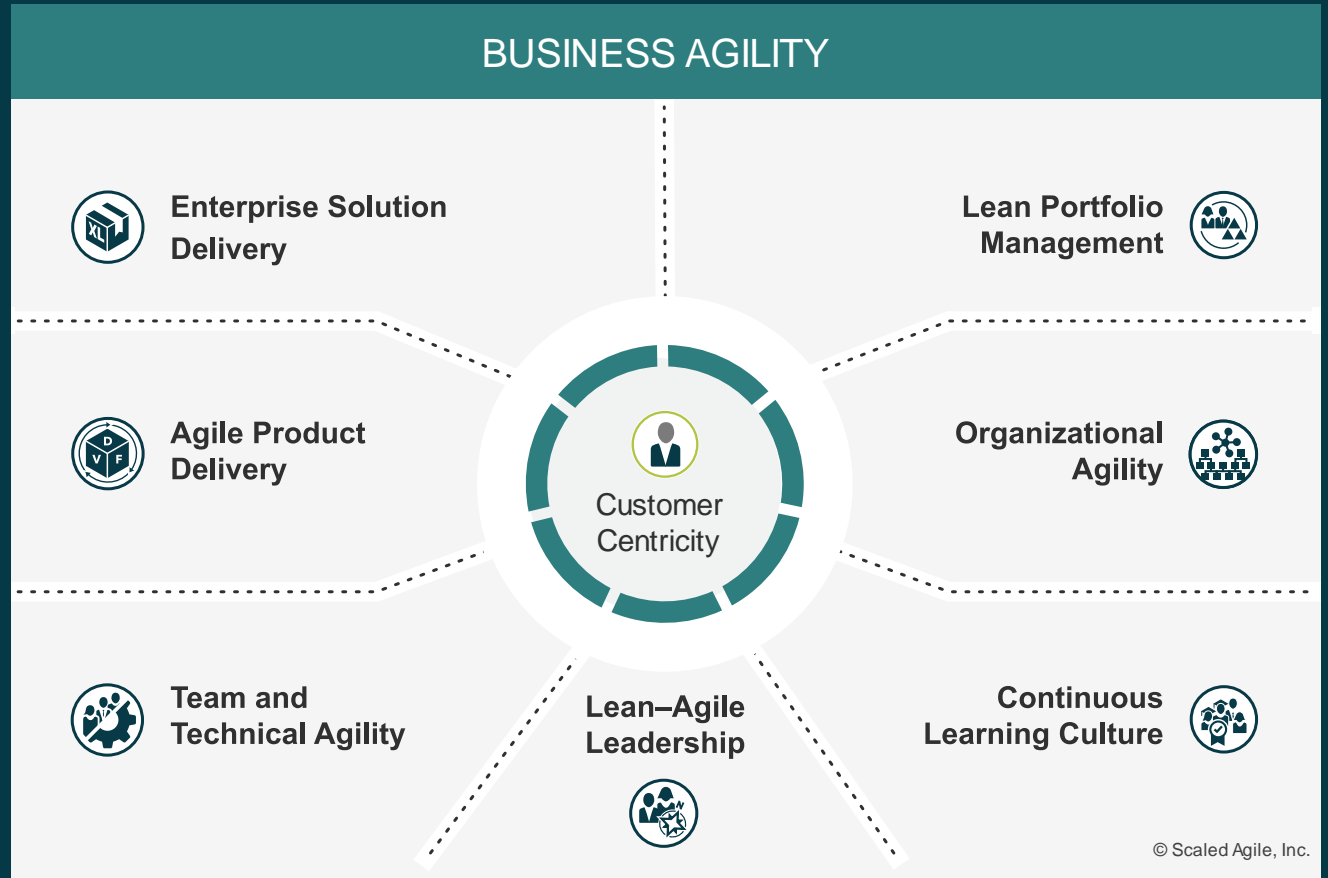
#9 Decentralize decision-making

#10 Organize around value

New practices form new ways of working



Apply SAFe's
seven core
competencies to
achieve
business agility



Introducing the Business Agility Value Stream

Business opportunity
emerges

Business opportunity
leveraged



2 – 6 months to Minimum Viable Product

Business Agility Enables Enterprises to ...

Sense opportunity - Foster market-sensing activities

Fund MVP - Respond to opportunity with nimble funding

Organize Around Value - Optimize value delivery

Connect to Customer - Create positive experiences

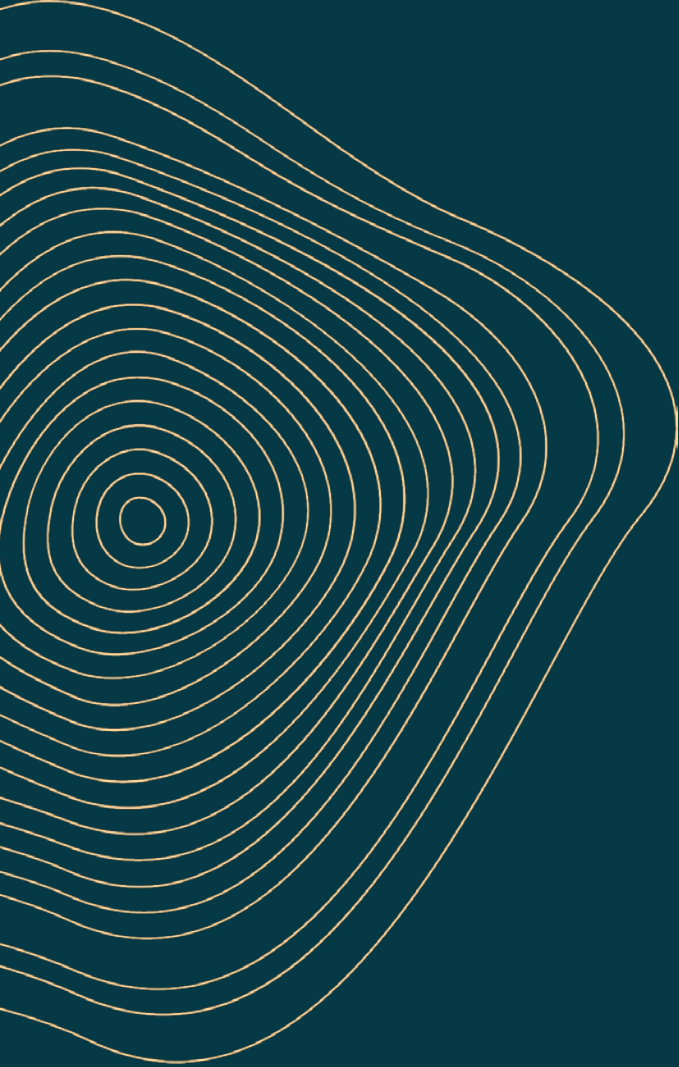
Deliver MVP - Lean, agile, iterative, incremental

Pivot or Persevere - Crucial investment milestones

Deliver Value Continuously - Small frequent releases

Learn & Adapt - Measure competency, flow, outcomes

Lean-Agile Leadership - Lean institutional thinking



That's fast.

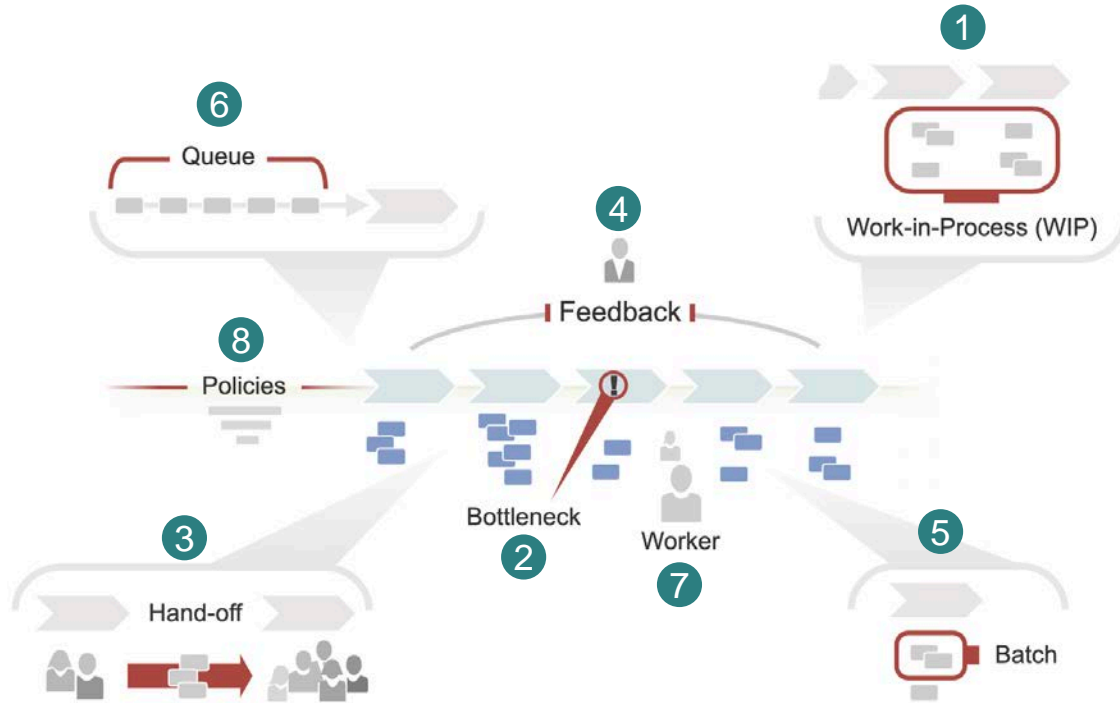
**But we can go even
faster with SAFe 6.0.**

“To enable fast and predictable lead times in any value stream, there is usually a relentless focus on creating a smooth and even flow of work.”

—**Gene Kim** et al., *The DevOps Handbook*



Eight properties of a flow-based system



- Flow occurs when there is a smooth, linear, and fast movement of work product through the steps in a value stream
- Flow properties describe the elements that always exist in a flow system

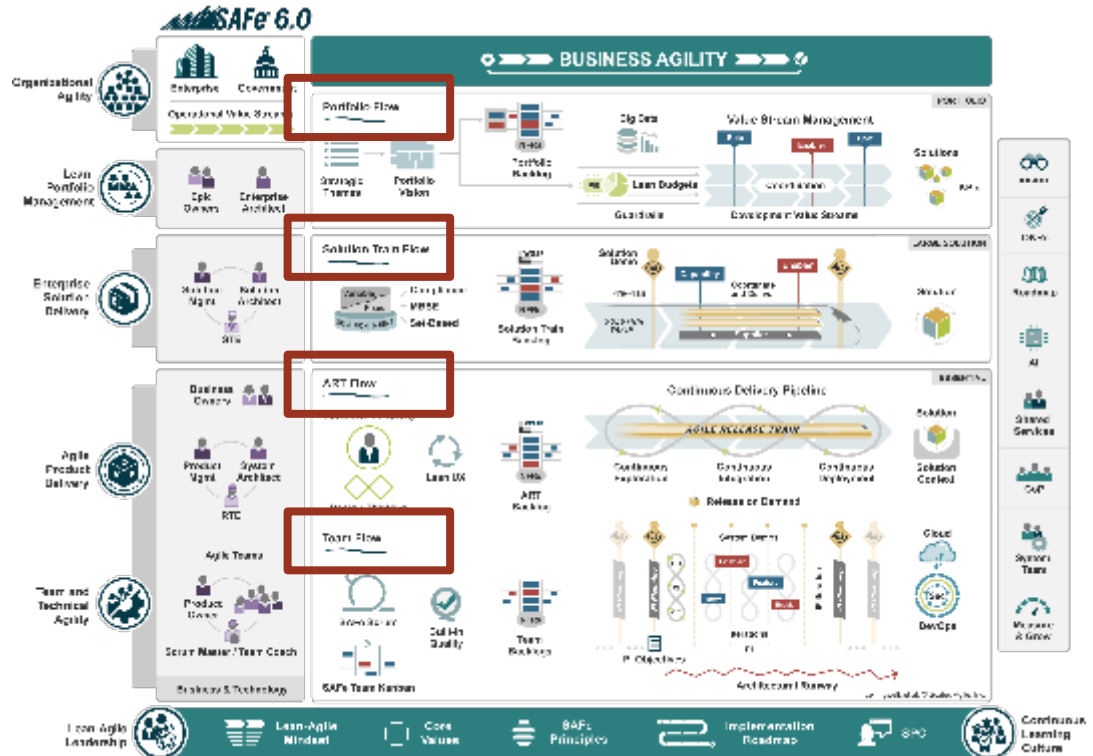
Eight flow accelerators

1. Visualize and Limit WIP
2. Address Bottlenecks
3. Minimize Handoffs and Dependencies
4. Get Faster Feedback
5. Work in Smaller Batches
6. Reduce Queue Length
7. Optimize Time 'In the Zone'
8. Remediate Legacy Policies and Practices

- Every accelerator offers an opportunity to optimize each flow property
- This is the topic of SAFe Principle #6: “Make value flow without interruptions”

Accelerators apply differently to each SAFe level

- Four new articles describe applying the eight flow accelerators:
 - Team Flow
 - ART Flow
 - Solution Train Flow
 - Portfolio Flow
- Each article offers techniques for addressing, optimizing, and debugging issues with achieving continuous value flow at that specific level

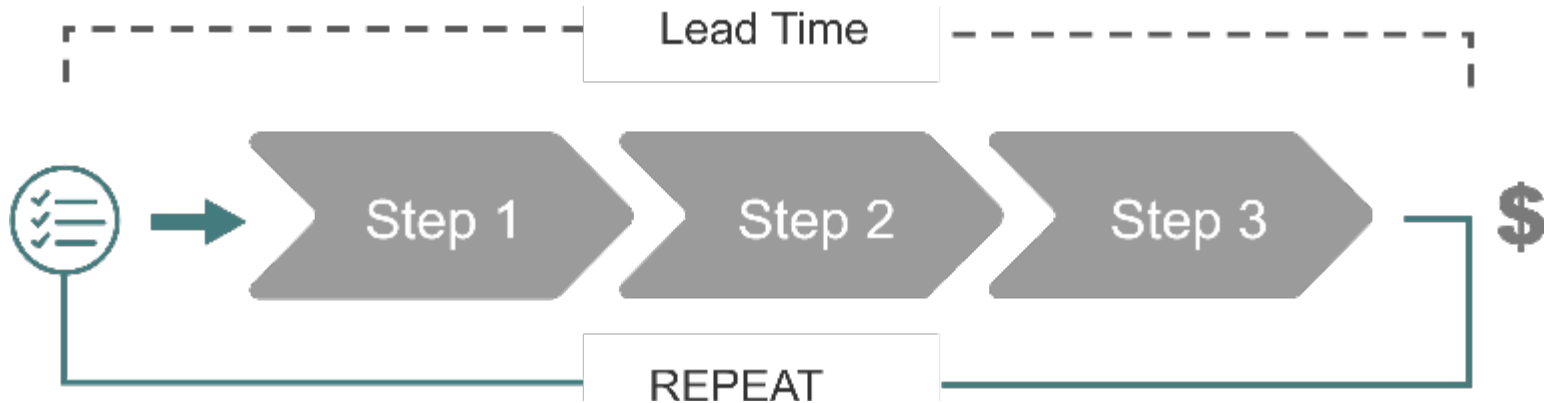


What is Flow?

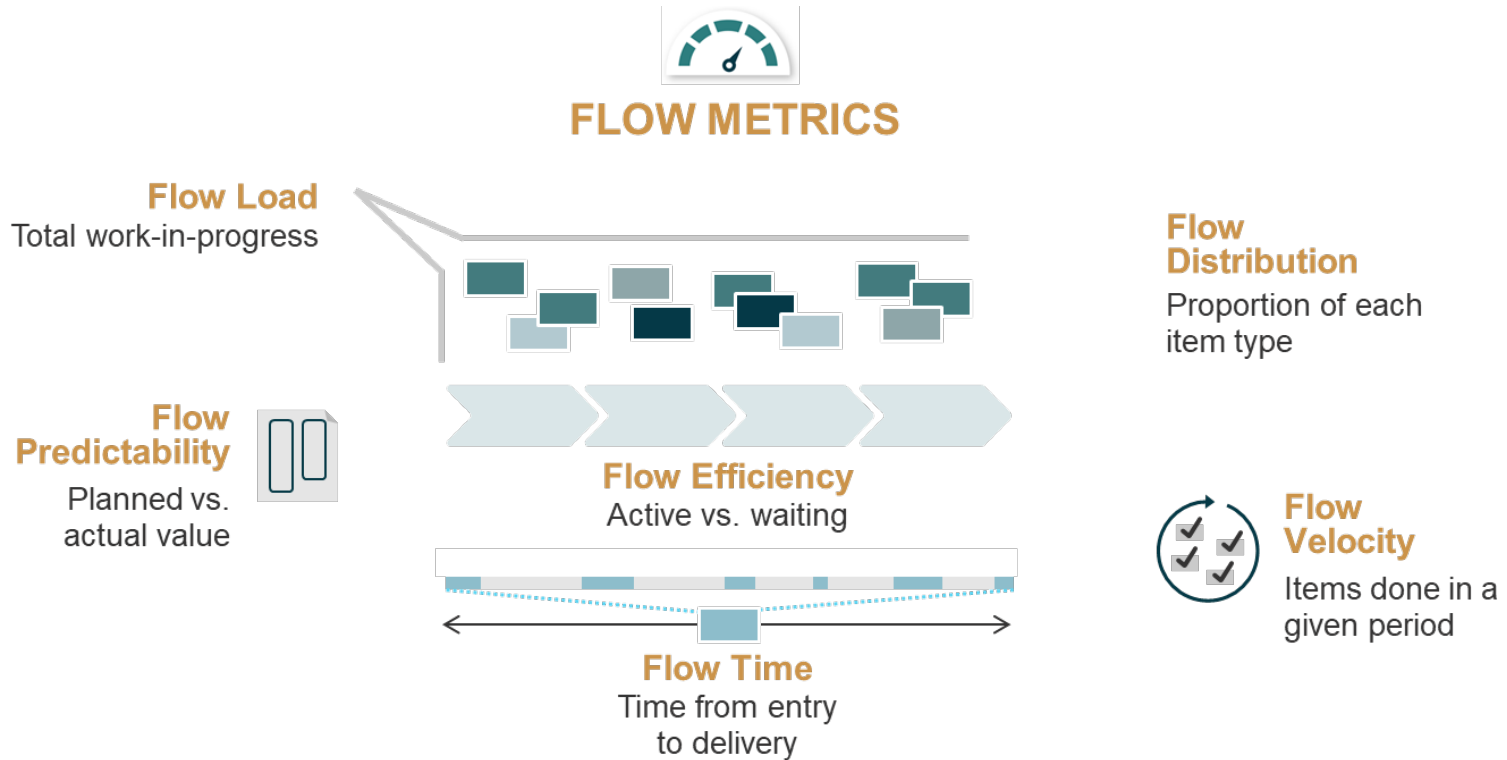
- Flow is characterized by a **smooth transition** of work through the entire value stream with a minimum of handoffs, delays, and rework.
- In SAFe, we consider flow to be present when teams, trains, and the portfolio can quickly, continuously, and efficiently deliver quality products and services from **trigger to value** (concept to cash).

Value Stream

- Flow requires all individuals and teams in the value stream to be tightly synchronized around value-creating activities.
- Otherwise, delivery is impeded by unnecessary interruptions.



How do we know we are going faster? Measure flow.



Flow Measurement

- Flow requires all individuals and teams in the value stream to be tightly synchronized around value-creating activities.
- Otherwise, delivery is impeded by unnecessary interruptions.
- Flow is so critical that SAFe provides six specific flow metrics to measure how efficient an organization is at delivering value:
 1. **Flow Distribution** – Proportion of each backlog item type in the workflow.
 2. **Flow Velocity** – Number of backlog items completed in a given time.
 3. **Flow Time** – Time elapsed from when a backlog item enters and exits the workflow.
 4. **Flow Load** – Total work in process (WIP) across all steps in the workflow.
 5. **Flow Efficiency** – Amount of elapsed time backlog items are actively worked.
 6. **Flow Predictability** – Overall planned versus actual business value
- Understanding flow and the metrics used to measure them allows organizations to continually optimize their value streams for competitive advantage.

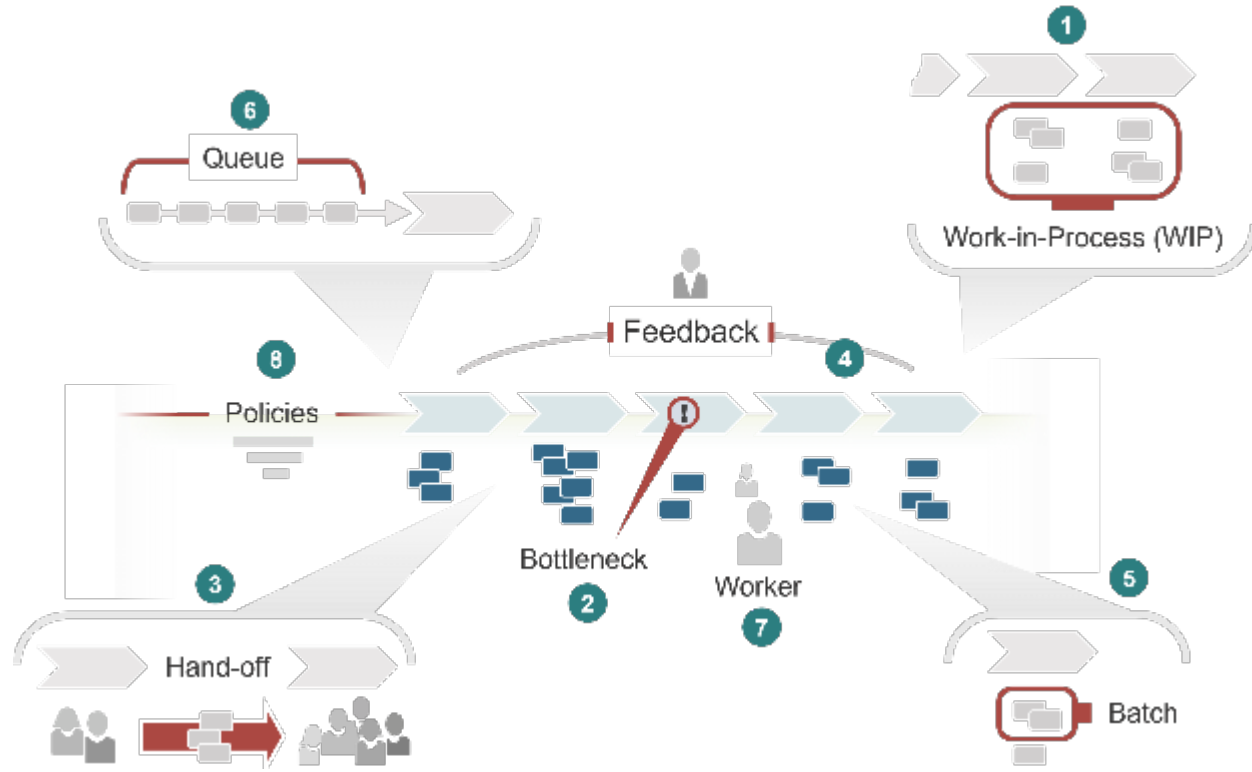
Flow Enables Business Agility

- Enterprises must develop the ability to sense and respond to business opportunities and threats faster than the competition with a Business Agility Value Stream (BAVS).



- This enables enterprises to not only deliver innovative solutions but to deliver them quickly and with maximum business value.
- The key to achieving business agility is a smooth and efficient flow of work through this entire process, from sensing an emerging opportunity to delivering the right solution.
- This requires all functions, processes, activities, teams, and events involved from end to end to be optimized for maximum speed and quality.

Eight Properties of a Flow System

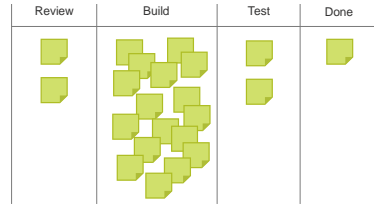


Eight Flow Accelerators

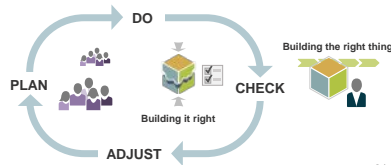


- ▶ Every accelerator offers an opportunity to optimize each flow property
- ▶ This is the topic of the updated Principle #6 - Make value flow without interruptions

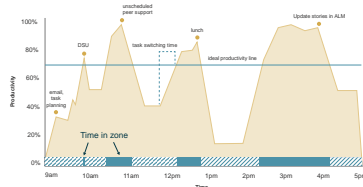
#1 Visualize and Limit WIP



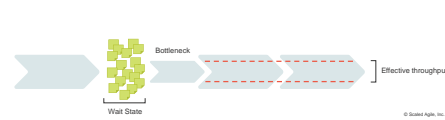
#4 Get Faster Feedback



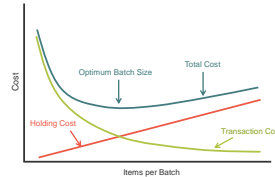
#7 Optimize Time 'In the Zone'



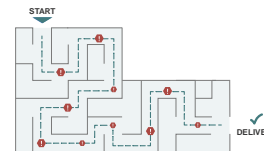
#2 Address Bottlenecks



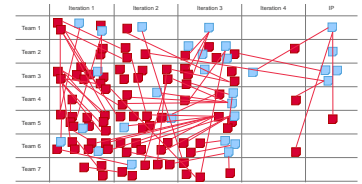
#5 Work in Smaller Batches



#8 Remediate Legacy Policies and Practices



#3 Minimize Handoffs and Dependencies



#6 Reduce Queue Length



Eight Properties of a Flow System—Cont'd

1. **Visualize & Limit WIP.** There is always some work in process in the system; if there weren't, there could be no flow of value.
2. **Address Bottlenecks.** In every flow system, one or more bottlenecks effectively limit the flow through the entire system.
3. **Minimize Handoffs.** Handoffs wouldn't be necessary if one person could do all the work. But in any material flow system, different individuals and teams will have different skills and responsibilities.
4. **Get Fast Feedback.** Customer and stakeholder feedback is integral to efficient and effective outcomes. Ideally, feedback happens throughout the entire process.
5. **Smaller Batches.** As any system has a finite capacity, all the work can't be done at once. Therefore, work through the system occurs in batches designed to be as efficient as possible.
6. **Reduce Queues.** It all starts with a set of work items to be done. In addition, each value stream needs a prioritizing mechanism to sequence the work for the best value.
7. **Time in Zone.** People do the critical work of moving work items from one state to another.
8. **Remediate Policies.** Policies are integral to flow. They may be local, team-based, or global policies like those that govern how work is performed within the company.

Portfolio Flow

- Portfolio Flow describes a state where Lean Portfolio Management provides a continuous flow of new epics to Solution Trains and ARTs to achieve the portfolio's vision and strategic themes.
- The [LPM](#) competency aligns strategy and execution by applying Lean and systems thinking approaches to strategy and investment funding, Agile portfolio operations, and governance.
- This competency has proven to improve business outcomes for SAFe enterprises building the world's most important solutions.
- But as with any system, flow can always be improved. Improving the flow of customer value through the portfolio is a key economic driver for the enterprise.

#1 Visualize and Limit WIP

Why it matters?

- Systemic WIP overload undermines performance and value delivery.
- Inhibits responding to new market and technology opportunities.
- Impacts cost, quality, ROI, sustainability, morale, engagement.
- Zero benefit to filling Kanbans to maximum capacity/utilization.
- Overloaded WIP undermines portfolio strategy and outcomes.

What to do about it?

- Make all significant portfolio level Epics visible in Kanban.
- Review and adjust the epic threshold to exclude non-epics.
- Review and validate portfolio Kanban WIP limits.
- Understand the capacity of each value stream and ART.
- Ignore sunk costs (descope misaligned legacy initiatives).

#2 Address Bottlenecks

Why it matters?

- Portfolio gridlock creates bottlenecks.
- Hinders Epic review, analysis, approval, and implementation.
- Delays most significant initiatives to achieve a portfolio's vision.
- Cascading delays threaten the downstream value stream performance.
- Creates a choke point that limits portfolio value delivery and imperils strategy.

What to do about it?

- Ensure LPM has the proper decision-making authority.
- Increase the pool of Epic Owners vs. overloading individuals.
- Understand development value stream or ART capacity.
- Ensure the Lean Business Case for all epics are lean and mean.
- Radically limit the number and complexity of portfolio Epics in flight.

#3 Minimize Handoffs & Dependencies

Why it matters?

- Portfolio workflow is critical, but the portfolio kanban is not complex.
- Fewer epics require fewer stakeholders with decision authority.
- Managing the portfolio Kanban requires different skills and people.
- Some degree of handoffs and dependencies will occur.
- Bringing the right people at the right time facilitates portfolio flow.

What to do about it?

- Properly support Epic Owners to optimize the flow of value.
- Ensure Epic Owners can reach the people they need promptly.
- Understand when cross-value stream coordination is required.
- Recognize the need to refactor value streams to optimize value.
- Frequently assess and refactor value streams on a regular basis.

#4 Get Faster Feedback

Why it matters?

- Faster Customer feedback is vital to evaluate new initiatives quickly.
- This is especially true in the early discovery phases of new initiatives.
- Fast feedback helps optimize or maximized the investments epics.
- Ensures only the correct solutions are quickly designed and built.
- Ensures value streams are aligned to portfolio and enterprise strategy.

What to do about it?

- Test assumptions if epics require changes to the business model.
- Test assumptions with business owners, executives, and customers.
- Validate viability of epics and ARTs by engaging with customers early.
- Validate epics with fast early mockups and low-fidelity prototypes.
- Focus on earlier, softer, and intangible leading indicators for MVPs.

#5 Work in Smaller Batches

Why it matters?

- Small batches flow quickly and with less variability, fostering faster learning.
- Smaller batches are important for the portfolio epics with longer lead times.
- Epics are big initiatives that take a long time to review, analyze and approve.
- Portfolio can't responsibly assess epics with traditionally larger batch sizes.
- Delays in decision-making and clogs the flow of value through the Kanban.

What to do about it?

- Limit the number of portfolio level epics reviewed during LPM events.
- Reduce the transaction costs of reviewing and analyzing portfolio epics.
- Conduct mixed-fidelity Lean UX tests during analysis, design, development.
- Leverage a common annual, quarterly, monthly, and bi-monthly cadence.
- Reduce exploratory experiment size, cost, complexity, and risk to fail fast.

#6 Reduce Queue Lengths

Why it matters?

- Long queues of portfolio work reduce strategy responsiveness.
- Cause enterprise and portfolios to miss critical market windows.
- Has a direct effect on the overall competitiveness of the enterprise.
- Impacts cost and effectiveness of enterprise and portfolio budgets.
- Impacts customers, regulatory authorities, employee, and contractors.

What to do about it?

- Immediately challenge and reroute non-portfolio epics elsewhere.
- Limit the portfolio queue to true epics that require portfolio attention.
- Understand and attend to critical market events and market rhythms.
- Eliminate non-strategic, bad ideas, and outdated legacy systems quickly.
- Replace fixed delivery schedules with flexible rolling wave roadmaps.

#7 Optimize Time in the Zone

Why it matters?

- Executives need time to manage strategies along with portfolio operations.
- Requires intellectual and mental energy free from daily business distractions.
- Need 'time in zone' to collaborate with peers over shared strategic planning.
- Ensures strategy and communication quality, effectiveness, and efficiency.
- Supports flow, evolution, and delivery of smooth strategy and tactical plans.

What to do about it?

- Ensure sufficient time is allocated to develop strategy and tactical plans.
- Hold effective Lean Portfolio events – Budgeting, reviews, synchs, etc.
- Recognize when Portfolio Epics no longer needs portfolio management.
- Eliminate redundant, traditional or hybrid portfolio governance practices.
- Invest in meeting facilitation, coaching, and training to optimize the zone.

#8 Remediate Legacy Policies & Practices

Why it matters?

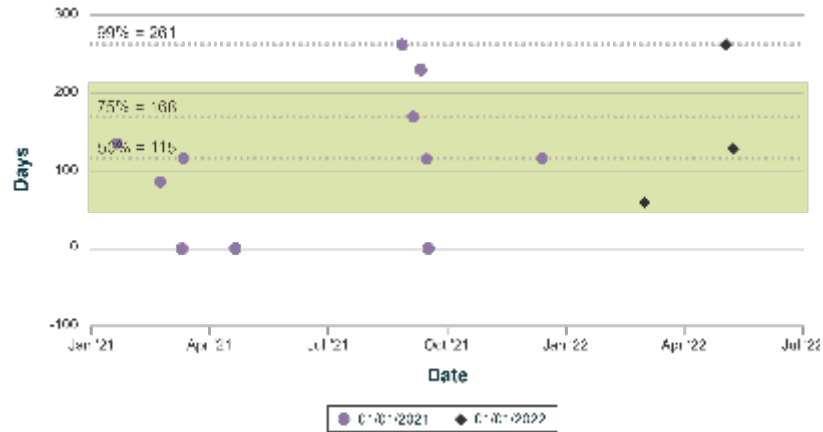
- Applying Lean portfolio management is a significant change for enterprises.
- Lean portfolio management is hindered by traditional governance policies.
- This means two different hybrid portfolio management methods may coexist.
- People may revert to the traditional portfolio management for new initiatives.
- This burdens enterprises, increases overhead, and slows the flow of value.

What to do about it?

- Train portfolio leaders on lean thinking and lean portfolio management (LPM).
- Organize around value, value streams, and stop funding short term projects.
- Identify the legacy portfolio activities that should be stopped or replaced.
- Take correction action based on measurement data and root cause analysis.
- Ensure reasonable fidelity to the SAFe lean portfolio management process.

Basic Portfolio Measure #1 – Flow Time

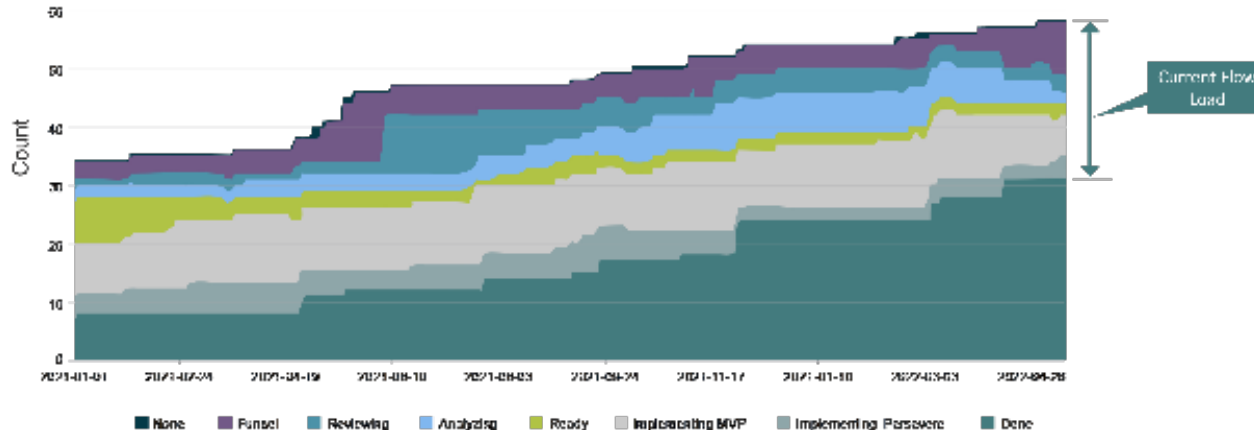
- Flow time measures interval needed for all steps in a defined workflow to be completed.
- Portfolio flow time can be estimated from ideation to production (or concept to cash).
- Or time epic is pulled into the 'review' state until its hypothesis has been evaluated.



- In this example, flow time is period it took an epic to go from 'reviewing' to 'done.'
- 'Done' means no longer a portfolio concern vs. implementation is complete.
- 99% of epics had flow time < 261 days, 75% < 68 days, and 50% < 115 days.

Basic Portfolio Measure #2 – Flow Load

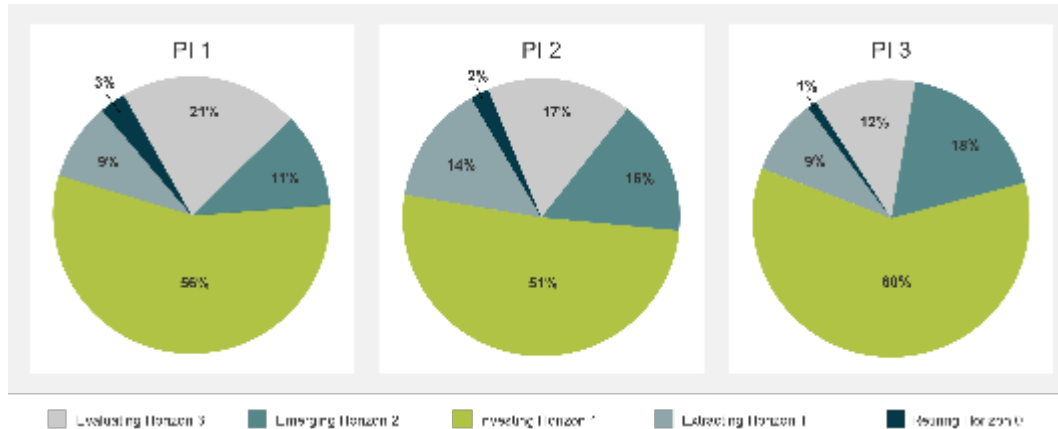
- Flow load indicates how many items are currently in the portfolio's Kanban system.
- Keeping a healthy, limited number of active items in portfolio WIP or Kanban is critical.
- Limiting WIP or balancing WIP with small queue enables the fast flow of strategic value.



- Cumulative Flow Diagram (CFD) depicts the flow load of epics for a specific time frame.
- The vertical line highlights the current low load, which excludes the 'done' state.
- Balanced, relatively flat horizontals without large bulges are healthy.

Basic Portfolio Measure #3 – Flow Distribution

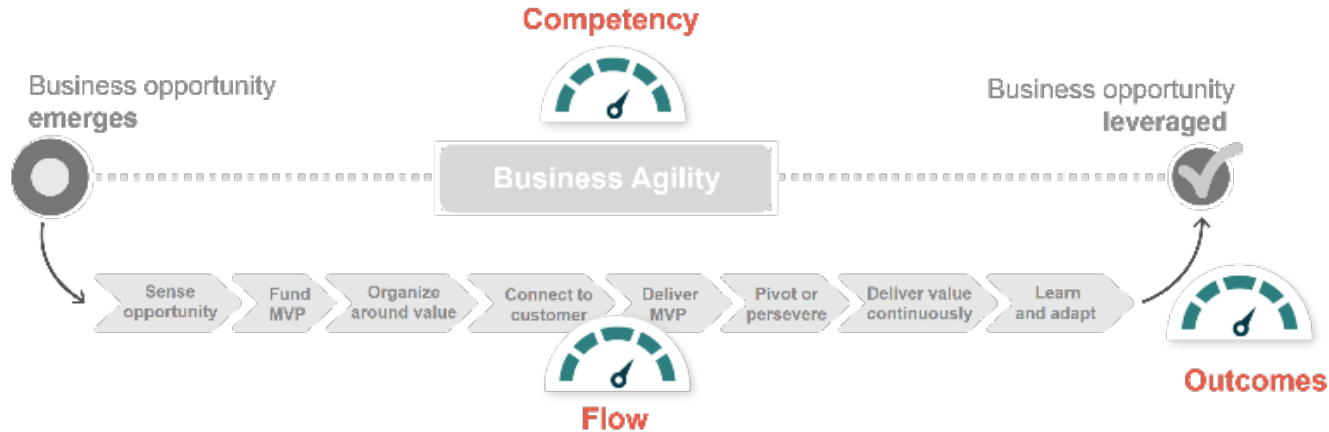
- Flow distribution measures amount of work type in the system at a specific time.
- Portfolio flow illustrates the trend of budget allocation across investment horizons.
- Want a good portfolio distribution across discovery, implementation, operations, etc.



- Grey/blue bars represent healthy investment in early discovery research initiatives.
- Green bars represent design, development, and test investments of new solutions.
- Horizon 1 bars represent ongoing operational systems extracting market value.

Business Agility – Three Measurement Domains

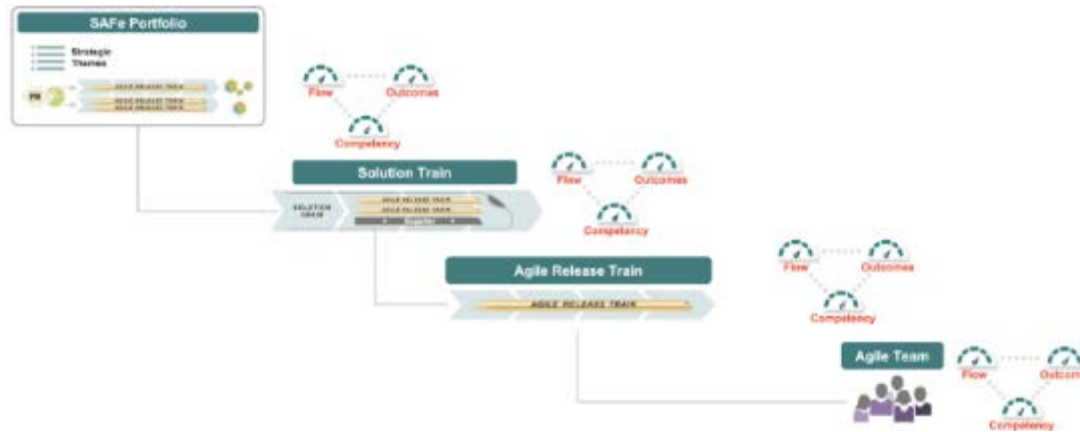
- The first and most important thing with metrics is understanding what to measure.
- The goal of Business Agility is a clear and quick response to sudden market changes.
- And address emerging opportunities with innovative digitally-enabled business solutions.



- SAFe's BAV visualizes how to achieve this with SAFe's three measurement domains:
 1. **Outcomes:** Do our solutions meet the needs of our customers and the business?
 2. **Flow:** How efficient is the organization at delivering value to the customer?
 3. **Competency:** How proficient is organization in the practices that enable business agility?

Three Measurement Domains Across Levels

- SAFe's three measurement domains are applicable at every level of an organization.
- Metrics can be used to measure performance within and across each SAFe portfolio.
- This includes Portfolios, Solution Trains, Agile Release Trains, and their Agile Teams.



1. **Portfolio:** Key Performance Metrics (KPIs), Objectives and Key Results (OKRs), etc.
2. **Solution Train:** Flow Time, Flow Load, Flow Distribution, Solution Predictability, etc.
3. **Release Train:** Flow Time, Flow Load, Flow Distribution, ART Predictability, etc.
4. **Agile Teams:** Flow Time, Flow Load, Flow Distribution, DevOps Maturity, etc.

Objectives and Key Results (OKRs)

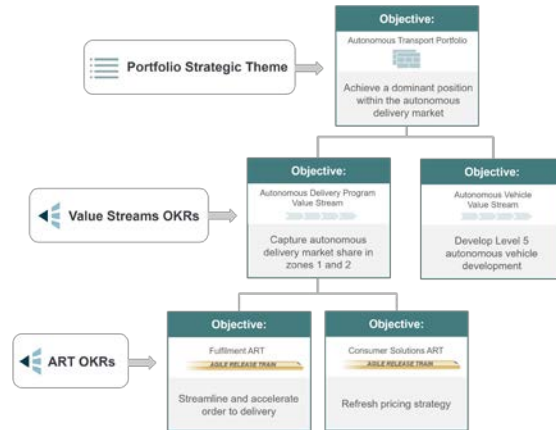
- Strategic themes (OKRs) inform KPIs since strategy determines portfolio targets.
- Strategic themes (OKRs) define specific portfolio outcomes to achieve future success.
- OKRs determine yet another set of critical outcome metrics usually measured quarterly.

Objective	Key Results	Q1	Q2	Q3	Q4
Achieve a dominant position within the autonomous delivery market	Increase serviceable market to 75% within 18 months	45%	↑ 55%	↓ 47%	↑ 52%
	Increase Net Promoter score from 35 to 60	35	↑ 49	↑ 54	↑ 57
	Improve repeat business rates from 60% to 80%	60%	↑ 64%	↑ 67%	↑ 72%
	Acquire 15% new customers over the next 12 months	2%	↑ 7%	↓ 4%	↑ 10%

- It's useful to create value stream OKRs aligned with portfolio strategic themes (OKRs).
- It's also useful to create OKRs for Solution Trains and Agile Release Trains (ARTs).
- Allows levels of scale to measure their impact and alignment with overall OKRs.

Objectives and Key Results (OKRs) – Cont'd

- OKRs often don't impact all development value streams in a portfolio equally.
- The work to execute against a particular OKR differs for each value stream.
- Its helpful to create value stream OKRs that align with portfolio level OKRs.



- This can be repeated to create OKRs for Solution Trains, ARTs, and Agile Teams.
- Hierarchical OKRs provide alignment and transparency at each level of scale.
- This helps stakeholders see the impact of each level against portfolio OKRs.

Key Performance Indicators

- Portfolios measure outcomes using Key Performance Indicators (KPIs) and Themes.
- KPIs are specific and quantifiable measures of Portfolio value stream business results.
- KPIs and OKRs are often organization, business model, customer, and solution specific.

Operational Value Stream Type	Example KPIs
Software product (Consumer facing web site example)	AARRR ('pirate metrics'): Acquisition, Activation, Revenue, Retention, Referrals
Fulfillment (Consumer loan example)	Conversion funnel analytics, avg time to decision, automated approval rate, net promoter score, default rate, customer lifetime value
Supporting (Customer support example)	Tickets outstanding, net promoter score, first response time, mean time to resolution, cost per ticket, customer experience score
Manufacturing (USB streaming microphone example)	Units sold, cost of goods sold, supplier health, throughput, cycle time, inventory turns, cash to cash cycle time

- For example, customer conversion rate has meaning to eCommerce but not microchips.
- Some KPIs may be successfully applied across contexts such as Net Promoter Score.
- SAFe provides guidance for defining appropriate KPIs for particular SAFe Portfolios.

Measuring Flow

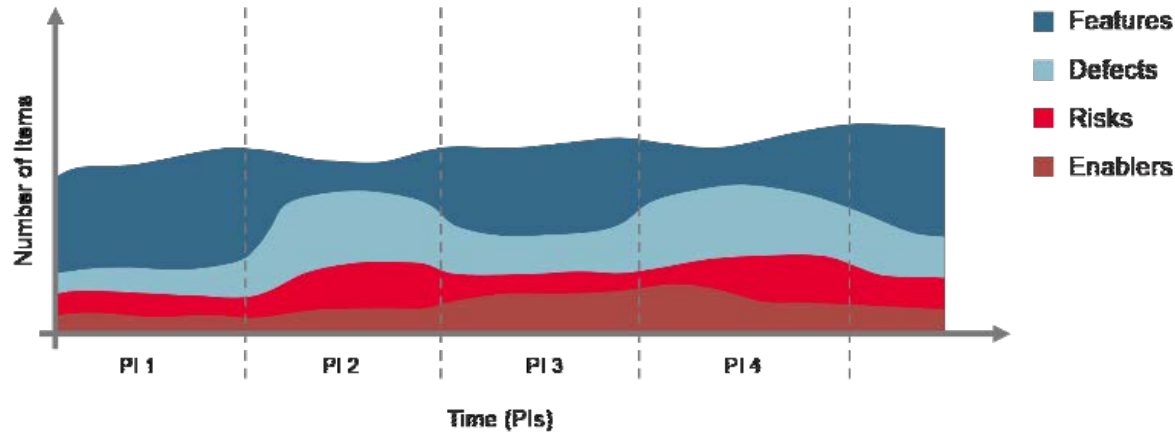
- Flow measures are used to determine effective an organization is at delivering value.
- SAFe provides five metrics that can be used to measure different aspects of flow.
- SAFe is a flow-based system so each metric is directly applicable to its levels.

Metric	Description
Flow Distribution	Proportion of work items by type in a system
Flow Velocity	Number of completed work items over a time period
Flow Time	Time elapsed from start to completion for a given work item
Flow Load	Number of work items currently in progress (active or waiting)
Flow Efficiency	Ratio of the total time spent in value-added work activities divided by the total flow time
Flow Predictability	How consistently teams, ARTs, and portfolios are able to meet their commitments

- SAFe defines Flow Predictability to measure business value against planned objectives.
- SAFe measures Flow Predictability for Portfolios, Solutions, ARTs, and Agile Teams.
- These include Flow Distribution, Velocity, Time, Load, Efficient, and Predictability.

Flow Distribution

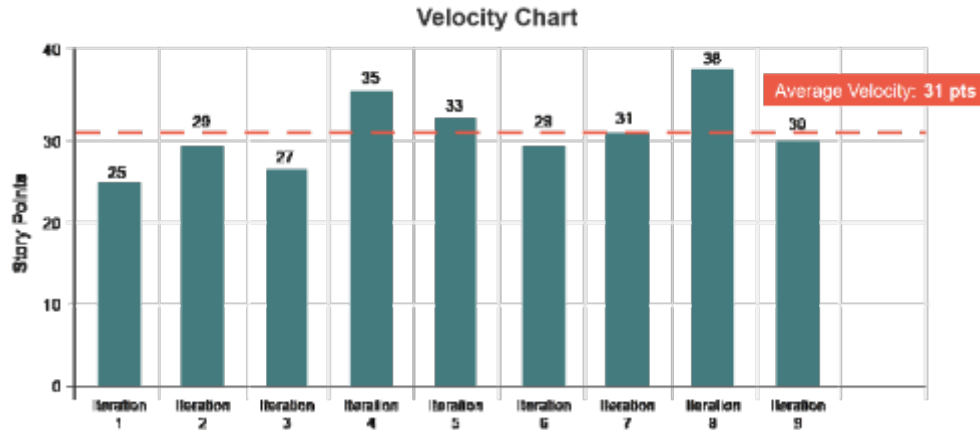
- Flow distribution measures the amount of each type of work in the system over time.
- This could include the balance of new business epics, features, stories, enablers.
- Also illustrates the distribution of funding allocation across investment horizons.



- An example is to count the number of each type of work item at any point in time.
- Important to balance current and future velocity to keep work flowing through system.
- Too much focus on just one type of works starves the value stream creating bottlenecks.

Flow Velocity

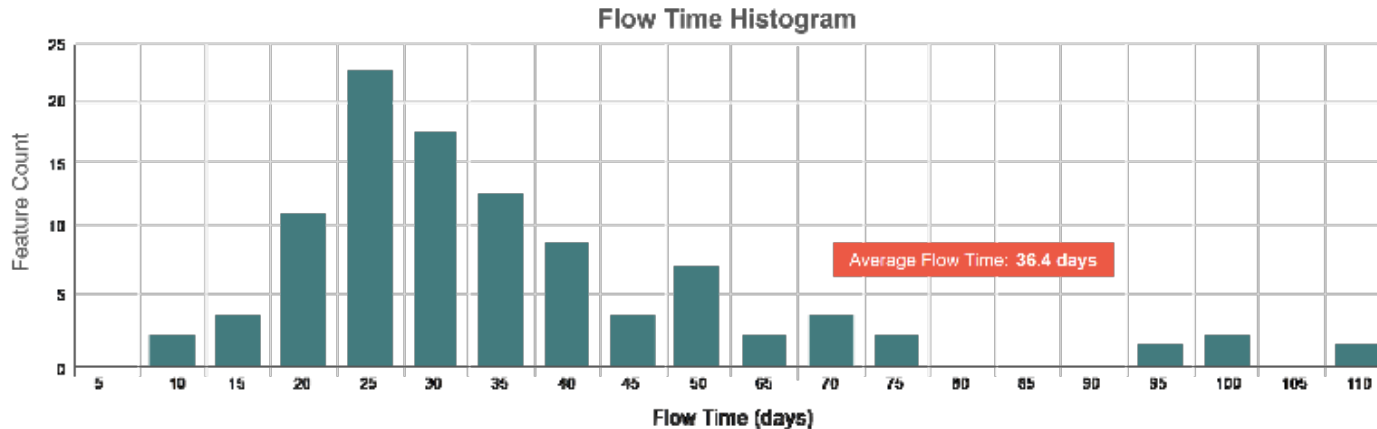
- Flow velocity measures epics, features, and stories completed in a timeframe.
- This is also known as the overall portfolio's or system's throughput of its work.
- This helps determine how quickly work can flow or capacity of a value stream.



- Simply count the number of work items completed over a PI or iteration time period.
- Higher velocity implies a higher output and is a good indicator of improvement.
- It's also used to identify and remove delays from the system (and stability).

Flow Time

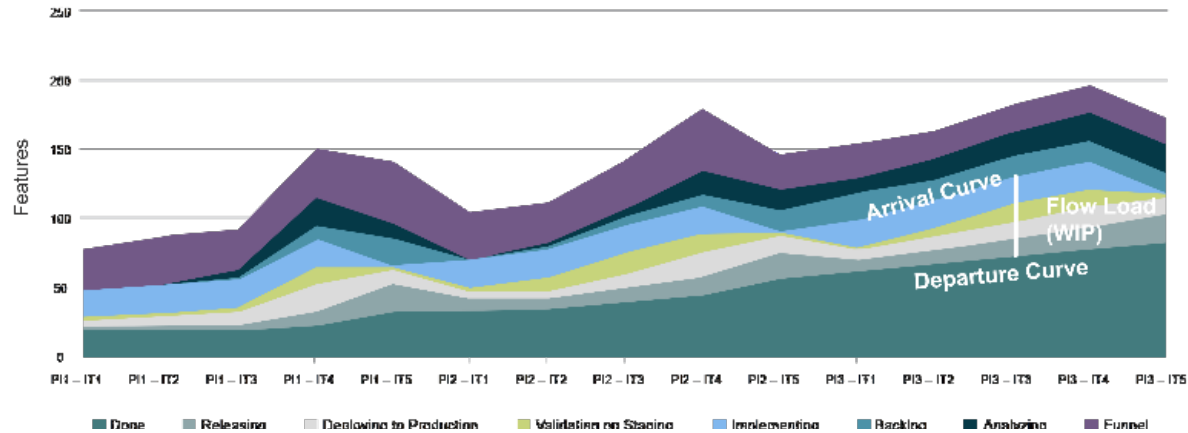
- Flow time measures the total time elapsed for all the steps in a workflow
- It's a measure of the efficiency of the entire business or portfolio system.
- It's typically measured from ideation (commitment) to production (deployment).



- It's the average length of time it takes to complete epics, features, and stories.
- Flow time ensures that organizations and teams focus on delivering essential value.
- The shorter the flow time, the less time our customers spend waiting for new features.

Flow Load

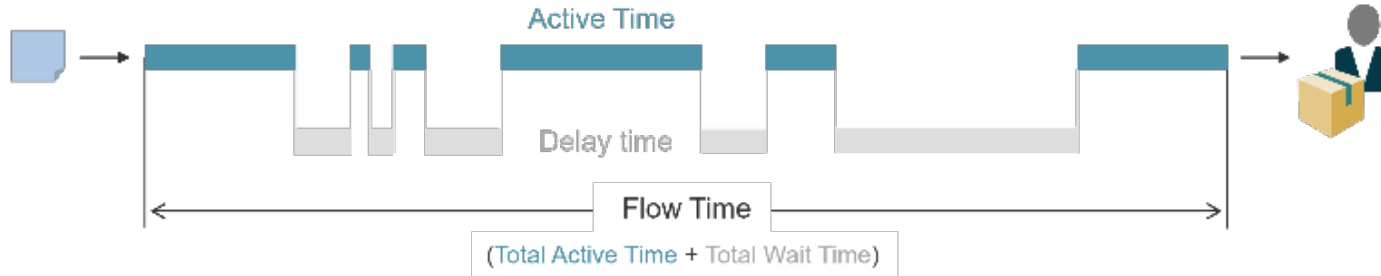
- Flow load indicates how many work items are currently in a portfolio's workflow system.
- It's vital to keep a healthy and limited number of active items (epics, features, stories).
- Limiting work in process is critical to enabling a fast flow of items through the system.



- Cumulative Flow Diagrams (CFDs) used to effectively visualize flow load over time.
- Cumulative Flow Diagrams (CFDs) show quantity of work in process in a given state.
- CFDs show the rate at which work items arrive and complete (as well as current load).

Flow Efficiency

- Flow efficiency measures quantity of overall flow time is spent in value-added work.
- That is, value adding activities vs. waiting, bottlenecks, and downtime between steps.
- This helps determine how long each activity takes (and bottlenecks and dependencies).



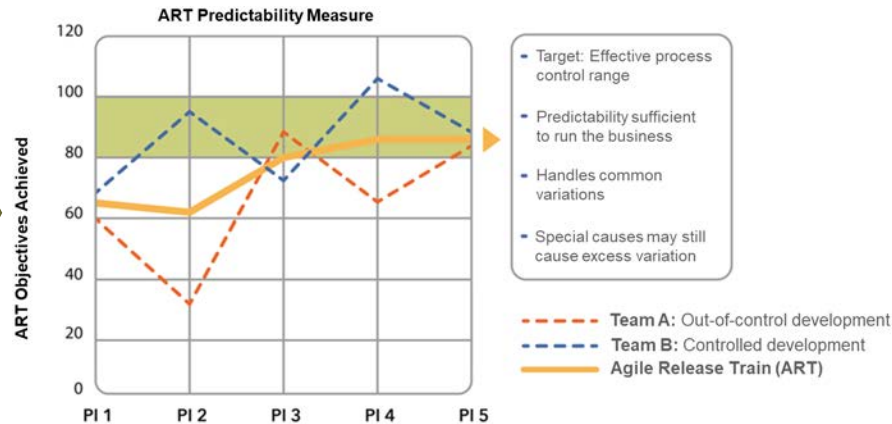
$$\text{Flow Efficiency} = \frac{\text{Total Active Time}}{\text{Flow Time}}$$

- Operational and development value stream maps are the best way to visualize workflow.
- A low flow efficiency highlights system waste (along with bottlenecks and delays).
- The higher the flow efficiency, the better the system can deliver value quickly.

Flow Predictability

- Flow predictability measures how well Solution Trains, ARTs, & teams meet objectives.
- It's a simplified version of measuring Objectives and Key Results (OKR) performance.
- The key is to measure value adding business outcomes (goals) vs. activities (work).

Objectives for PI 3	Business Value	
	Plan	Actual
• Structured locations and validation of locations	7	7
• Build and demonstrate a proof of concept for context images	8	8
• Implement negative triangulation by: tags, companies, and people	8	6
• Speed up indexing by 50%	10	5
• Index 1.2 billion more web pages	10	8
• Extract and build URL abstracts	7	7
Uncommitted Objectives		
• Fuzzy search by full name	7	0
• Improve tag quality to 80% relevance	4	4
Totals	50	45
% Achievement: 90%		



- Agile teams and ARTs establish S.M.A.R.T objectives during quarterly planning events.
- Business Owners score the value of S.M.A.R.T objectives before and after ART interval.
- This enables Solution Trains, ARTs, and agile teams to measure outcomes vs. activities.

Business Agility

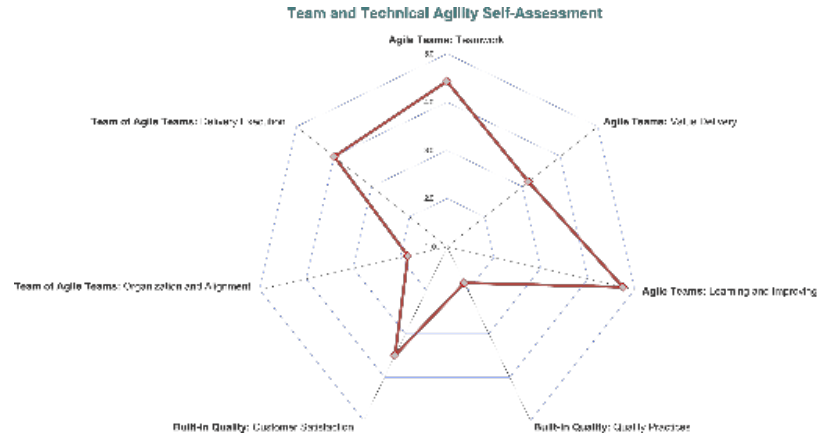
- Business agility measures degree of expertise across SAFe's even core competencies.
- Includes organizational agility, LPM, ESD, APD, T&TA, LAL, and CLC competencies.
- Competencies can be measured individually or as an aggregate of business agility.



- SAFe provides aggregate an assessment instrument to measure overall business agility.
- This provides critical business and portfolio stakeholders a measure of overall progress.
- SAFe also provides individual assessments for each dimension for technical analysis.

Team & Technical Agility

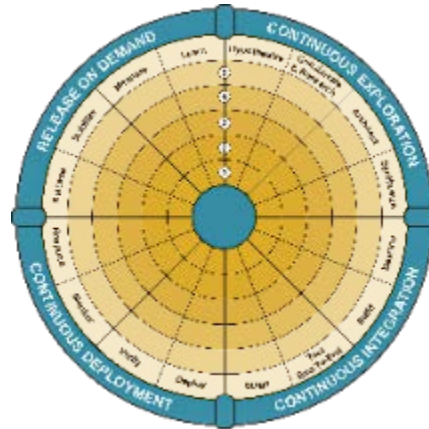
- Team and technical agility assessments measure Solution Train and ART performance.
- It focuses on execution, alignment, customer satisfaction, quality, value, and teamwork.
- Measures aggregated team or team performance (scaling efficiency and effectiveness).



- It's important to have well functioning teams (teamwork) producing high-quality outputs.
- It's also important to implement core SAFe practices aligned with business objectives.
- Value must be delivered, customers satisfied, and teams must continuously improve.

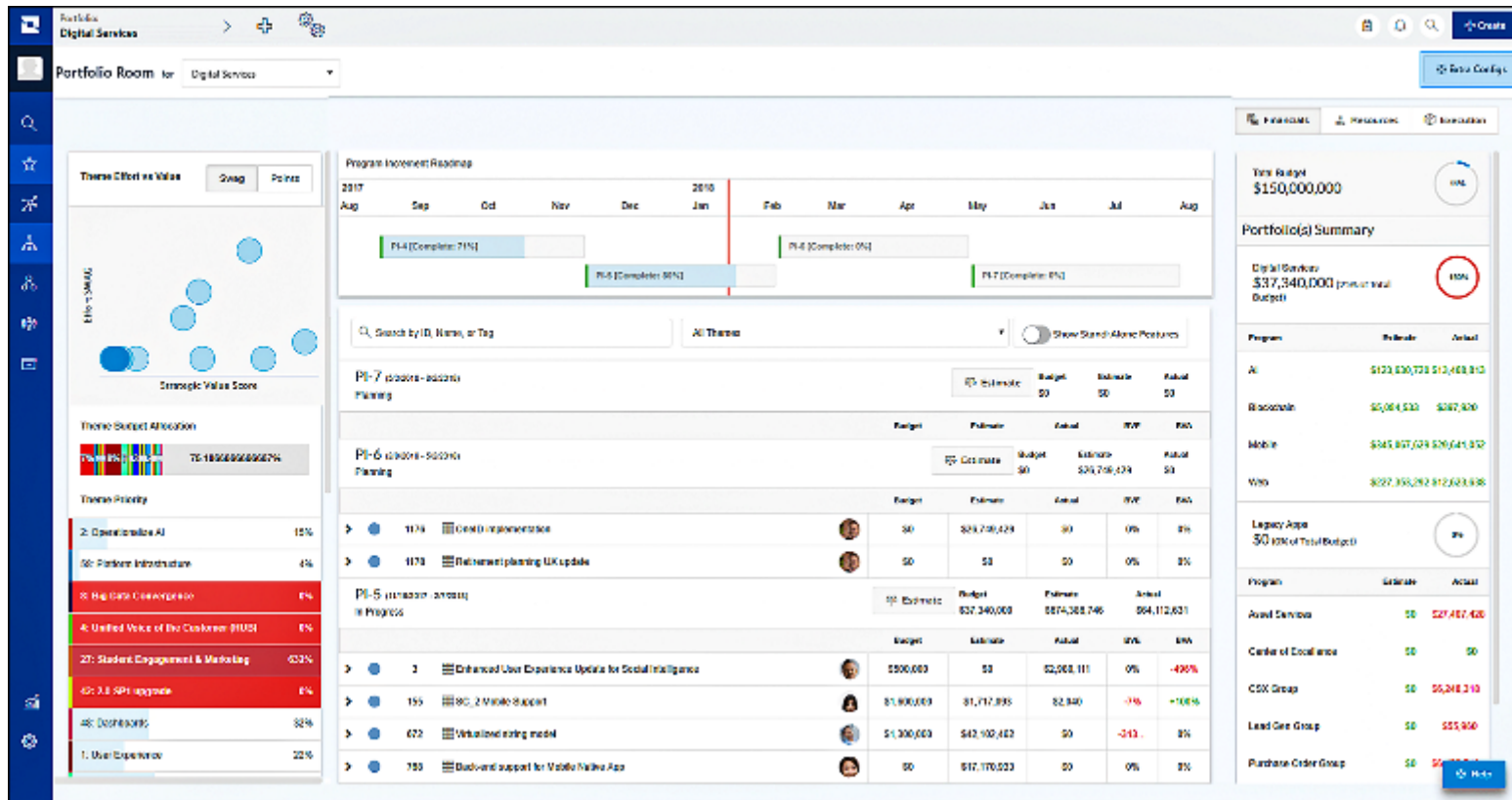
DevOps Maturity

- The DevOps Health Radar optimizes value stream, Solution, and ART performance.
- It provides a holistic health check by assessing continuous delivery pipeline maturity.
- It measures DevOps maturity at any point guide fast iterative transformation progress.



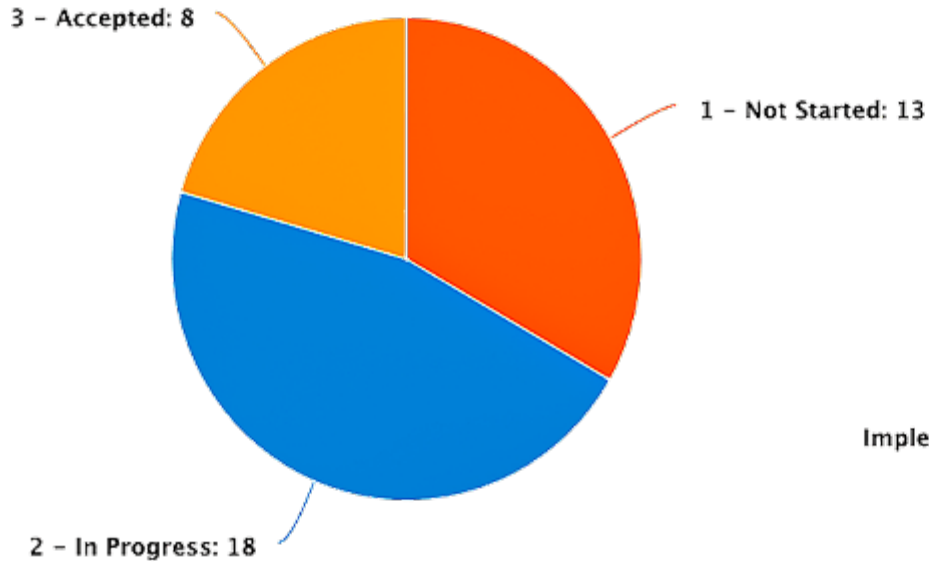
- It assesses maturity of the four aspects and 16 activities of continuous delivery.
- It's used with the Agile Product Delivery assessment to ensure full maturity coverage.
- These include continuous exploration, integration, deployment, and release on demand.

Portfolio Metrics Report – Jira Align – Portfolio Room

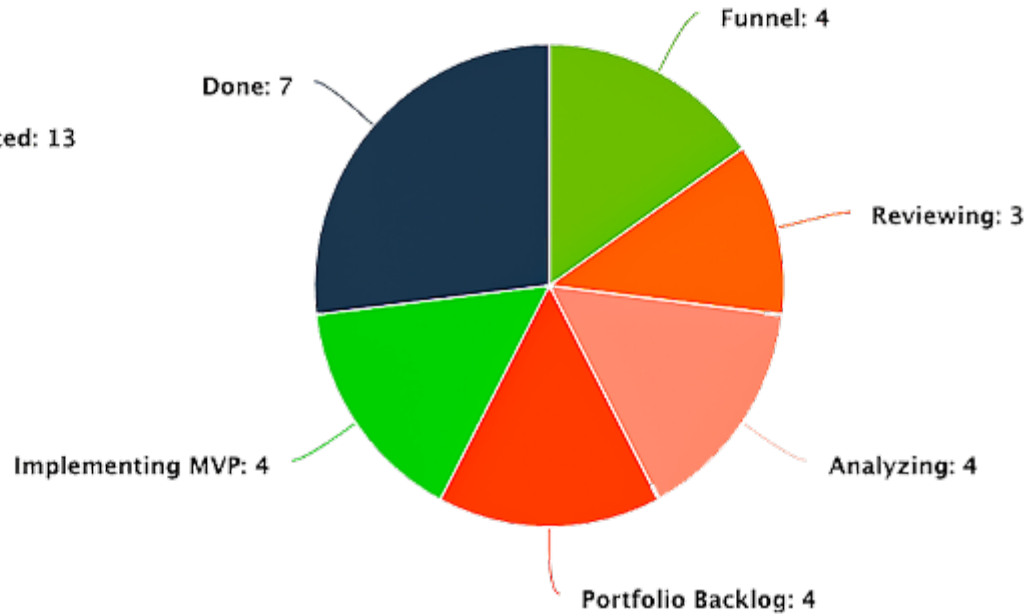


Portfolio Metrics Report – Jira Align – Epic Progress

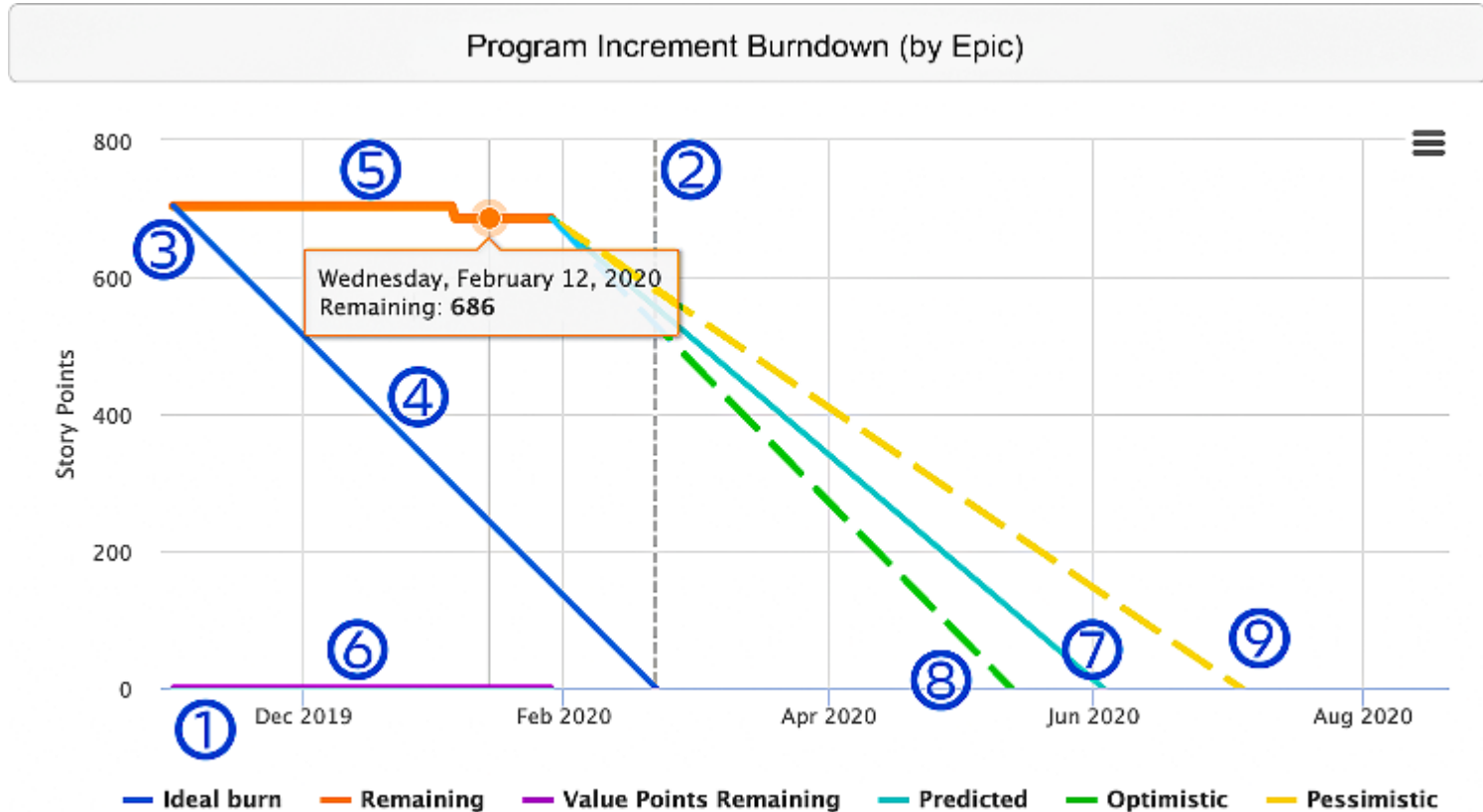
Epics By State



Epics By Process Step



Portfolio Metrics Report – Jira Align – Epic Burndown



Four Critical Success Factors for Effective Measurement

- Measuring organizational performance is a sensitive areas in every business.
- Subject to politics, dysfunction, interpretation, bias, miscommunication, misalignment.
- Performance measurement is dangerous and does more harm than good if done badly.
- These success factors enable effective measurements and better business results:
 - 1. Use measurement in conjunction with other discovery tools.**
 - 2. Apply metrics where they support improved decision-making.**
 - 3. Understand the effect of metrics on behaviors.**
 - 4. Interpret metrics carefully.**

#1 – Use measurement in conjunction with other discovery tools

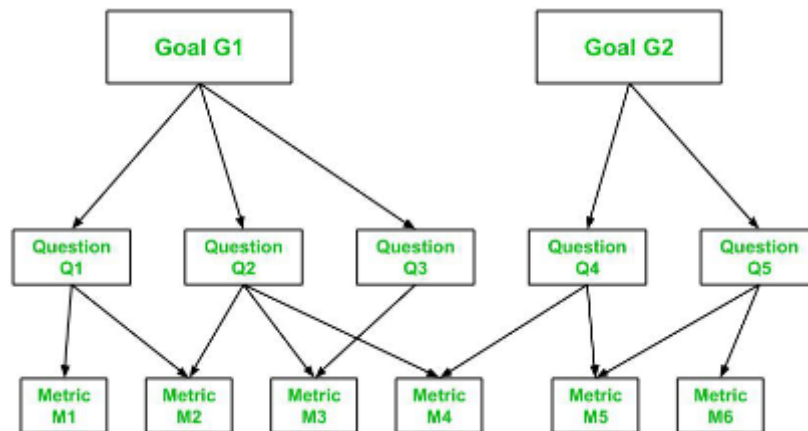
- Any measurement system provides only a partial picture of reality.
- Adding more metrics and reports does not necessarily improve visibility.
- There is a story behind every number that contains more important information.



- A powerful tool used in conjunction with measurement is direct observation (Gemba).
- Observation of the actual environment where value is created and meets the customer.
- 'Managing by just the numbers' in isolation leads to poor outcomes and worsens morale.

#2 – Apply metrics where they support improved decision-making

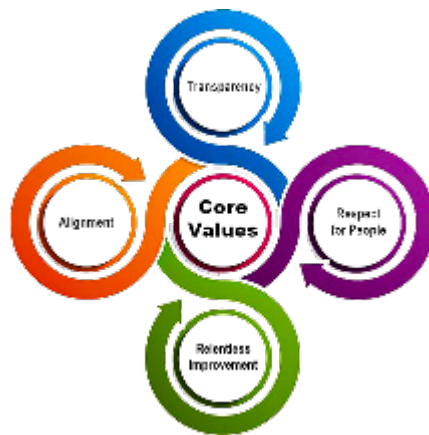
- A common trap is over-measuring for fear of not measuring enough.
- Metrics can be automated so the metric number and frequency increase.
- This increases the overall effort to collect, analyze, report, and maintain data.



- Ask, ‘What decisions do new metrics inform that existing metrics do not?’
- If the new metric helps to drive better decision-making, then it should be included.
- Also ask ‘Do we need to measure this right now?’ Otherwise omit or minimize them.

#3 – Understand the effect of metrics on behaviors

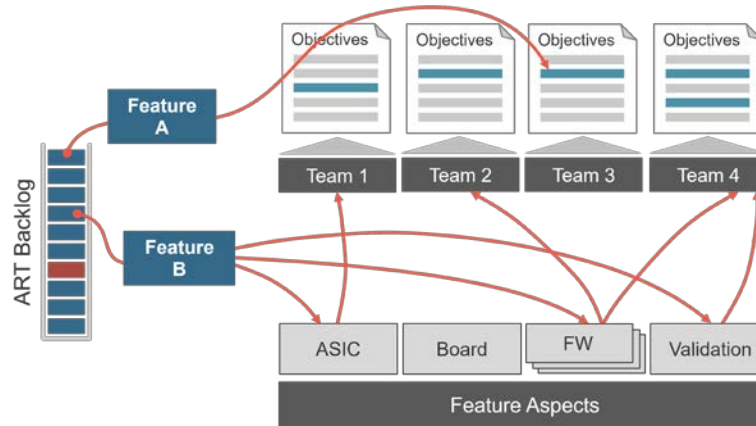
- Knowledge workers are motivated to deliver winning solutions in a positive culture.
- Must empower people to work with their own purpose, mastery, and autonomy.
- Incentivizing numerical targets doesn't improve them and leads to gaming.



- Additionally, the pressures to succeed often lead to the misuse of metrics.
- For example, flow efficiency may be used to blame ARTs for missed delivery dates.
- SAFe's Core Values create a foundation and environment for improved measurement.

#4 – Interpret metrics carefully

- Just collecting specific metrics, measures, and performance reports is not enough.
- If interpreted without proper understanding, indicators may be quite misleading.
- When measuring flow time, the work items must be actual, valuable work items.



- This includes epics, features, and stories directly tied to value streams.
- Work items should be linked to OKRs and PI Objectives with business value.
- There must be a focus on outcomes over outputs (activities) with qualitative linking.



**Work Differently.
Build the Future.**