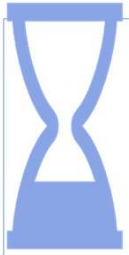




Dollar Driven Development

Measuring productivity in Dev teams



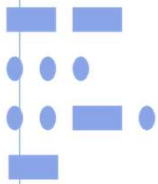
Hours worked

- A terrible metric
- Presenteeism is for stupid people
- Devs should be incentivized to develop valuable things



Story points completed

- A bad metric
- Stories may be repetitive and of little real value to the business
- Story points are useful only for internal dev planning and are of no relevance to the business



Lines of code

- A really terrible metric
- More code is not more value.
- Less code runs faster, is easier to maintain (as long as it's readable)



Origins of the work

- Dev teams develop what “the business” asks them to.
- The priority given to the work can be “who shouts loudest” rather than real business metrics
- The “productivity” of the team is measured by who’s happy in the business
- All bad metrics!

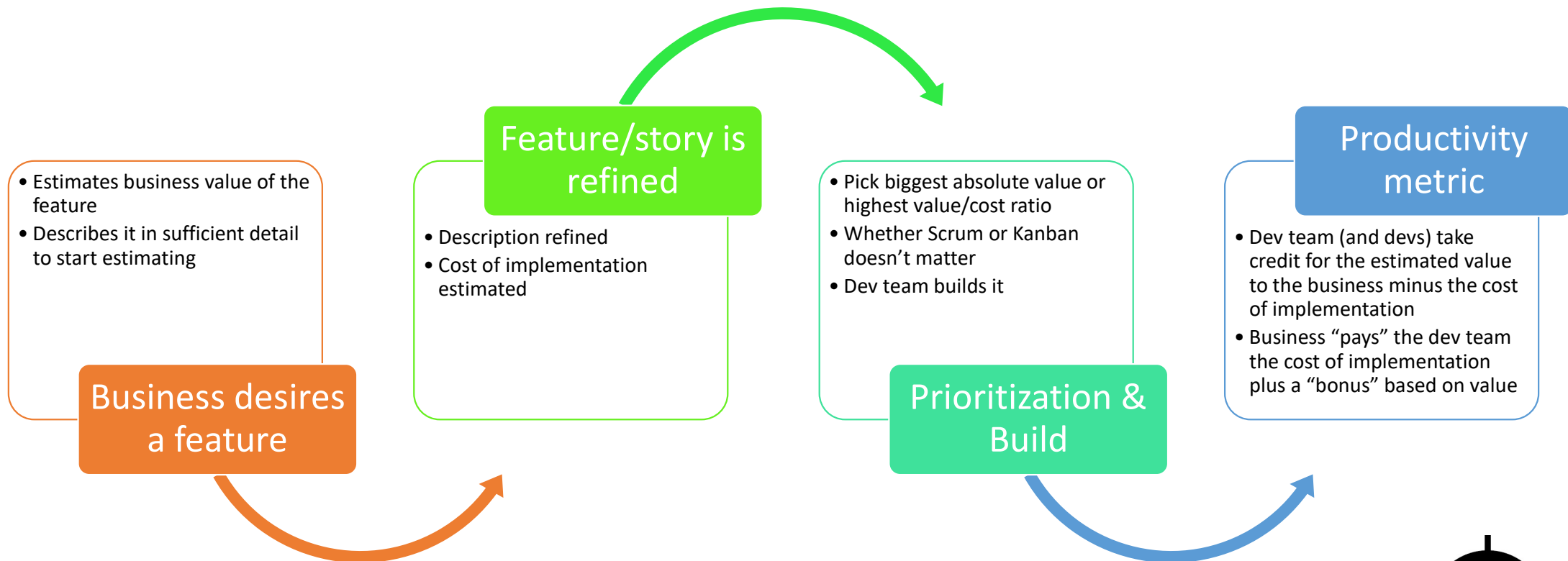


Money

- Not often used to measure software team productivity.
- But it should be used.
- The value of building a feature is the value to the business minus the cost of the build.
- The business pays the cost of build plus a “margin”



Prioritization and productivity



Broader budgeting/planning implications



The Dev Team

- Implements what the business really needs
- Is automatically concentrating on value to the business
- Gets measured on (estimated) business value created
- Gets rewarded for business value minus cost
- Earns spare capacity (usable for research, for instance) if the team creates a surplus
 - e.g. 10% of the difference between the estimated business value and the cost of implementation.

"Business Team"

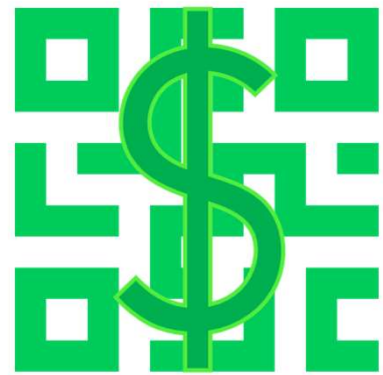
- Gets its desired features prioritized according to its own estimates of their value
- Pays a little more if its estimates of value are high
- Gets less priority if its estimates of value are lower
- Gets charged from its budget according to a simple equation (cost of implementation plus bonus)

Technical requirements get priority too

- There are requirements that are "pure" tech....
- A disaster recovery plan has value (look at the recent OVH fire)
- The value of doing whatever "technical" thing is proposed must be value TO THE BUSINESS, not merely a technologists desire

Finance

- If the business wants more dev work, they can have it
 - It comes out of their budget
- If their estimates are too high, that's a governance issue, easy to handle
- If their estimates are too low, the dev team will need to be scaled down.
- The dev team budget may have to be managed in arrears (would vary)
- The value of the dev activities is explicit and visible within the business



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