# MEASURING DUTCOME





#### **FACILITATE THE GAME**

This game is based on Evidence Based Management (EBM). EBM is an empirical framework organizations can use to help measure (perceived) product value, and the way they deliver their product(s). The measurements can be inspected to help maximize product value and improve the way of working.

- As a Scrum Facilitator, put the four Key Value Areas (KVAs) in a row on the floor (Current Value, Time to Market, Ability to Innovate and Unrealized Value). Explain each KVA to the participants.
- Form two groups and hand one group the green Key Value Measures cards (KVMs) and the other group the remaining purple KVMs.
- 3. Step 1: Invite the group(s) to discuss and put the KVMs under the correct KVA.
- 4. Step 2: Invite both groups to discuss their results and adapt their cards. Make sure by the end of this round, the KVM cards are under the correct KVA.
- 5. Step 3: Invite the participants to individually look at the KVMs and select one KVM that caught their attention. (A non-EBM KVM may also be chosen at this point)
- 6. Step 4: Invite the participants into groups of four. Ask each participant to explain why they chose their particular KVM and collaborate on how to implement it. (In case of non-EBM measures, pay attention that these are not vanity metrics and discuss the potential pitfalls)



Scrum Facilitators work globally with trainers in the Netherlands, United Kingdom, and Singapore. Our mission is to help professionals become awesome Scrum Facilitators by supporting Scrum Masters, Product Owners, Developers and Leaders. A Scrum Facilitator's work is based on Scrum Goals, Values & Principles. A Scrum Facilitator uses these aspects to support the effective use of Scrum in their organisation.

Scrum Facilitators are partners with Scrum.org and ProKanban.org. We design all classes to maximise the learning impact and student value. Our classes are highly interactive, industry relevant and an enjoyable learning experience. Each class has two certified, knowledgeable experts with extensive real-life experience.



Based on the 2020 EBM Guide. <a href="http://scrum.org/EBM">http://scrum.org/EBM</a>
The Measuring Outcome game v2.2.2 is licensed under CC BY-NC-SA
4.0 by Scrum Facilitators

## CURRENT VALUE

The Value that the product delivers today



**MEASURING OUTCOME** 

### UNREALIZED VALUE

The potential future value that could be realized

if the organization met the needs of all potential customers or users



**MEASURING OUTCOME** 

### TIME TO MARKET

The organization's ability to quickly deliver new capabilities, services, or products



**MEASURING OUTCOME** 

### ABILITY TO INNOVATE

The effectiveness of an organization to deliver new capabilities

that might better meet customer needs



**MEASURING OUTCOME** 



#### Customer Satisfaction



### Customer Satisfaction



### Defect Trends



### Defect Trends



### Product Cost Ratio



### Product Cost Ratio



### Change Failure Rate



### Change Failure Rate



### Installed Version Index



### Installed Version Index



## Desired Customer Experience or satisfaction



## Desired Customer Experience or satisfaction



## Time to remove Impediment



## Time to remove Impediment



## Build & Integration Frequency



## Build & Integration Frequency



### Time to Pivot



### Time to Pivot



### Production Incident Count



### Production Incident Count



### Release Stabilization Period



## Release Stabilization Period



### Lead Time for Changes



### Lead Time for Changes



### Market Share



### Market Share



## Customer Cycle Time



# Customer Cycle Time



#### Time-to-Learn



#### Time-to-Learn



## **Employee Satisfaction**



## **Employee Satisfaction**



## Customer Usage Index



## Customer Usage Index



## Revenue per Employee



## Revenue per Employee



## Release Frequency



## Release Frequency



# Mean Time to Repair



## Mean Time to Repair



## Lead Time



#### Lead Time



#### Innovation Rate



#### Innovation Rate



#### On-Product Index



#### On-Product Index



# Deployment Frequency



# Deployment Frequency



### Technical Debt



#### Technical Debt



## Time to Restore Service



## Time to Restore Service



## Active (Product) Code Branches



## Active (Product) Code Branches



## Time Spent Merging Code Between Branches



## Time Spent Merging Code Between Branches



# Time Spent Context-Switching



# Time Spent Context-Switching



# Customer or User Satisfaction Gap



# Customer or User Satisfaction Gap



# Don't measure Output. Measure Outcomes



**MEASURING OUTCOME** 



# It's not about the Metrics, but about the Conversation





# Learn more about Evidence Based Management at http://scrum.org/EBM





### **Current Value (CV)**

KVM	Measuring:
Revenue per Employee	The ratio (gross revenue / # of employees) is a key competitive indicator within an industry. This varies significantly by industry.
Product Cost Ratio	Total expenses and costs for the product(s)/system(s) being measured, including operational costs compared to revenue.
Employee Satisfaction	Some form of sentiment analysis to help gauge employee engagement, energy, and enthusiasm.
Customer Satisfaction	Some form of sentiment analysis to help gauge customer engagement and happiness with the product.
Customer Usage Index	Measurement of usage, by feature, to help infer the degree to which customers find the product useful and whether actual usage meets expectations on how long users should be taking with a feature.

### Unrealized Value (UV)

KVM	Measuring:
Market Share	The relative percentage of the market not controlled by the product; the potential market share that the product might achieve if it better met customer needs.
Customer or User Satisfaction Gap	The difference between a customer or user's desired experience and their current experience.
Desired Customer Experience or satisfaction	A measure that indicates the experience that the customer would like to have

KVM	Measuring:		
	Ability to Innovate (A2I)		
Build and Integration Frequency	The number of integrated and tested builds per time period. For a team that is releasing frequently or continuously, this measure is superseded by actual release measures.	KVM	Measuring:
Release Frequency	The number of releases per time period, e.g. continuously, daily, weekly, monthly, quarterly, etc. This helps reflect the time needed to satisfy the customer with new and competitive products.	Innovation Rate	The percentage of effort or cost spent on new product capabilities, divided by total product effort or cost. This provides insight into the capacity of the organization to deliver new product capabilities.
Release Stabilization Period	The time spent correcting product problems between the point the developers say it is ready to release and the point where it is actually released to customers. This helps represent the impact of poor development practices and underlying design and code base.	Defect Trends	Measurement of change in defects since last measurement. A defect is anything that reduces the value of the product to a customer, user, or to the organization itself. Defects are generally things that don't work as intended.
Mean Time to Repair	The average amount of time it takes from when an error is detected and when it is fixed. This helps reveal the efficiency of	On-Product Index	The percentage of time teams spend working on product and value.
Customer Cycle Time	an organization to fix an error.  The amount of time from when work starts on a release until the point where it is actually released. This measure helps reflect an organization's ability to reach its customer.	Installed Version Index	The number of versions of a product that are currently being supported. This reflects the effort the organization spends supporting and maintaining older versions of software.
Lead Time	The amount of time from when an idea is proposed, or a hypothesis is formed until a customer can benefit from that idea. This measure may vary based on customer and product. It is a contributing factor for customer satisfaction:	Technical Debt	A concept in programming that reflects the extra development and testing work that arises when "quick and dirty" solutions result in later remediation. It creates an undesirable impact on the delivery of value and an avoidable increase in waste and risk.
Lead Time for Changes	The amount of time to go from code-committed to code successfully running in production. For more information, see the DORA 2019 report.	Production Incident Count	The number of times in a given period that the Development Team was interrupted to fix a problem in an installed product. The number and frequency of Production Incidents can help indicate the stability of the product.
Deployment Frequency	The number of times that the organization deployed (released) a new version of the product to customers/users. For more information, see the <u>DORA 2019 report</u> .	Active Product (Code) Branches	The number of different versions (or variants) of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time to Restore Service	The amount of time between the start of a service outage and the restoration of full availability of the service. For more information, see the <u>DORA 2019 report</u> .	Time Spent Merging Code Between Branches	The amount of time spent applying changes across different versions of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time-to-Learn	The total time needed to sketch an idea or improvement, build it, deliver it to users, and learn from their usage.		
Time to remove Impediment	The average amount of time from when an impediment is raised until when it is resolved. It is a contributing factor to lead time and employee satisfaction.	Time Spent Context-Switching	Examples include time lost to interruptions caused by meetings or calls, time spent switching between tasks, and time lost when team members are interrupted to help people outside the team can give simple insight into the magnitude of the problem.
Time to Pivot	A measure of true business agility that presents the elapsed time between when an organization receives feedback or new information and when it responds to that feedback; for example, the time between when it finds out that a competitor has delivered	Change Failure Rate	The percentage of released product changes that result in degraded service and require remediation (e.g. hotfix, rollback, patch). For more information, see the <u>DORA 2019 report</u> .
	a new market-winning feature to when the organization responds with matching or exceeding new capabilities that measurably improve customer experience.	Sourc	te: EBM guide 2020, http://scrum.org/EBM





### **Current Value (CV)**

KVM	Measuring:
Revenue per Employee	The ratio (gross revenue / # of employees) is a key competitive indicator within an industry. This varies significantly by industry.
Product Cost Ratio	Total expenses and costs for the product(s)/system(s) being measured, including operational costs compared to revenue.
Employee Satisfaction	Some form of sentiment analysis to help gauge employee engagement, energy, and enthusiasm.
Customer Satisfaction	Some form of sentiment analysis to help gauge customer engagement and happiness with the product.
Customer Usage Index	Measurement of usage, by feature, to help infer the degree to which customers find the product useful and whether actual usage meets expectations on how long users should be taking with a feature.

### Unrealized Value (UV)

KVM	Measuring:
Market Share	The relative percentage of the market not controlled by the product; the potential market share that the product might achieve if it better met customer needs.
Customer or User Satisfaction Gap	The difference between a customer or user's desired experience and their current experience.
Desired Customer Experience or satisfaction	A measure that indicates the experience that the customer would like to have

KVM	Measuring:		
	Ability to Innovate (A2I)		
Build and Integration Frequency	The number of integrated and tested builds per time period. For a team that is releasing frequently or continuously, this measure is superseded by actual release measures.	KVM	Measuring:
Release Frequency	The number of releases per time period, e.g. continuously, daily, weekly, monthly, quarterly, etc. This helps reflect the time needed to satisfy the customer with new and competitive products.	Innovation Rate	The percentage of effort or cost spent on new product capabilities, divided by total product effort or cost. This provides insight into the capacity of the organization to deliver new product capabilities.
Release Stabilization Period	The time spent correcting product problems between the point the developers say it is ready to release and the point where it is actually released to customers. This helps represent the impact of poor development practices and underlying design and code base.	Defect Trends	Measurement of change in defects since last measurement. A defect is anything that reduces the value of the product to a customer, user, or to the organization itself. Defects are generally things that don't work as intended.
Mean Time to Repair	The average amount of time it takes from when an error is detected and when it is fixed. This helps reveal the efficiency of	On-Product Index	The percentage of time teams spend working on product and value.
Customer Cycle Time	an organization to fix an error.  The amount of time from when work starts on a release until the point where it is actually released. This measure helps reflect an organization's ability to reach its customer.	Installed Version Index	The number of versions of a product that are currently being supported. This reflects the effort the organization spends supporting and maintaining older versions of software.
Lead Time	The amount of time from when an idea is proposed, or a hypothesis is formed until a customer can benefit from that idea. This measure may vary based on customer and product. It is a contributing factor for customer satisfaction:	Technical Debt	A concept in programming that reflects the extra development and testing work that arises when "quick and dirty" solutions result in later remediation. It creates an undesirable impact on the delivery of value and an avoidable increase in waste and risk.
Lead Time for Changes	The amount of time to go from code-committed to code successfully running in production. For more information, see the DORA 2019 report.	Production Incident Count	The number of times in a given period that the Development Team was interrupted to fix a problem in an installed product. The number and frequency of Production Incidents can help indicate the stability of the product.
Deployment Frequency	The number of times that the organization deployed (released) a new version of the product to customers/users. For more information, see the <u>DORA 2019 report</u> .	Active Product (Code) Branches	The number of different versions (or variants) of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time to Restore Service	The amount of time between the start of a service outage and the restoration of full availability of the service. For more information, see the <u>DORA 2019 report</u> .	Time Spent Merging Code Between Branches	The amount of time spent applying changes across different versions of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time-to-Learn	The total time needed to sketch an idea or improvement, build it, deliver it to users, and learn from their usage.		
Time to remove Impediment	The average amount of time from when an impediment is raised until when it is resolved. It is a contributing factor to lead time and employee satisfaction.	Time Spent Context-Switching	Examples include time lost to interruptions caused by meetings or calls, time spent switching between tasks, and time lost when team members are interrupted to help people outside the team can give simple insight into the magnitude of the problem.
Time to Pivot	A measure of true business agility that presents the elapsed time between when an organization receives feedback or new information and when it responds to that feedback; for example, the time between when it finds out that a competitor has delivered	Change Failure Rate	The percentage of released product changes that result in degraded service and require remediation (e.g. hotfix, rollback, patch). For more information, see the <u>DORA 2019 report</u> .
	a new market-winning feature to when the organization responds with matching or exceeding new capabilities that measurably improve customer experience.	Sourc	te: EBM guide 2020, http://scrum.org/EBM





### **Current Value (CV)**

KVM	Measuring:
Revenue per Employee	The ratio (gross revenue / # of employees) is a key competitive indicator within an industry. This varies significantly by industry.
Product Cost Ratio	Total expenses and costs for the product(s)/system(s) being measured, including operational costs compared to revenue.
Employee Satisfaction	Some form of sentiment analysis to help gauge employee engagement, energy, and enthusiasm.
Customer Satisfaction	Some form of sentiment analysis to help gauge customer engagement and happiness with the product.
Customer Usage Index	Measurement of usage, by feature, to help infer the degree to which customers find the product useful and whether actual usage meets expectations on how long users should be taking with a feature.

### Unrealized Value (UV)

KVM	Measuring:
Market Share	The relative percentage of the market not controlled by the product; the potential market share that the product might achieve if it better met customer needs.
Customer or User Satisfaction Gap	The difference between a customer or user's desired experience and their current experience.
Desired Customer Experience or satisfaction	A measure that indicates the experience that the customer would like to have

KVM	Measuring:		
	Ability to Innovate (A2I)		
Build and Integration Frequency	The number of integrated and tested builds per time period. For a team that is releasing frequently or continuously, this measure is superseded by actual release measures.	KVM	Measuring:
Release Frequency	The number of releases per time period, e.g. continuously, daily, weekly, monthly, quarterly, etc. This helps reflect the time needed to satisfy the customer with new and competitive products.	Innovation Rate	The percentage of effort or cost spent on new product capabilities, divided by total product effort or cost. This provides insight into the capacity of the organization to deliver new product capabilities.
Release Stabilization Period	The time spent correcting product problems between the point the developers say it is ready to release and the point where it is actually released to customers. This helps represent the impact of poor development practices and underlying design and code base.	Defect Trends	Measurement of change in defects since last measurement. A defect is anything that reduces the value of the product to a customer, user, or to the organization itself. Defects are generally things that don't work as intended.
Mean Time to Repair	The average amount of time it takes from when an error is detected and when it is fixed. This helps reveal the efficiency of	On-Product Index	The percentage of time teams spend working on product and value.
Customer Cycle Time	an organization to fix an error.  The amount of time from when work starts on a release until the point where it is actually released. This measure helps reflect an organization's ability to reach its customer.	Installed Version Index	The number of versions of a product that are currently being supported. This reflects the effort the organization spends supporting and maintaining older versions of software.
Lead Time	The amount of time from when an idea is proposed, or a hypothesis is formed until a customer can benefit from that idea. This measure may vary based on customer and product. It is a contributing factor for customer satisfaction:	Technical Debt	A concept in programming that reflects the extra development and testing work that arises when "quick and dirty" solutions result in later remediation. It creates an undesirable impact on the delivery of value and an avoidable increase in waste and risk.
Lead Time for Changes	The amount of time to go from code-committed to code successfully running in production. For more information, see the DORA 2019 report.	Production Incident Count	The number of times in a given period that the Development Team was interrupted to fix a problem in an installed product. The number and frequency of Production Incidents can help indicate the stability of the product.
Deployment Frequency	The number of times that the organization deployed (released) a new version of the product to customers/users. For more information, see the <u>DORA 2019 report</u> .	Active Product (Code) Branches	The number of different versions (or variants) of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time to Restore Service	The amount of time between the start of a service outage and the restoration of full availability of the service. For more information, see the <u>DORA 2019 report</u> .	Time Spent Merging Code Between Branches	The amount of time spent applying changes across different versions of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time-to-Learn	The total time needed to sketch an idea or improvement, build it, deliver it to users, and learn from their usage.		
Time to remove Impediment	The average amount of time from when an impediment is raised until when it is resolved. It is a contributing factor to lead time and employee satisfaction.	Time Spent Context-Switching	Examples include time lost to interruptions caused by meetings or calls, time spent switching between tasks, and time lost when team members are interrupted to help people outside the team can give simple insight into the magnitude of the problem.
Time to Pivot	A measure of true business agility that presents the elapsed time between when an organization receives feedback or new information and when it responds to that feedback; for example, the time between when it finds out that a competitor has delivered	Change Failure Rate	The percentage of released product changes that result in degraded service and require remediation (e.g. hotfix, rollback, patch). For more information, see the <u>DORA 2019 report</u> .
	a new market-winning feature to when the organization responds with matching or exceeding new capabilities that measurably improve customer experience.	Sourc	te: EBM guide 2020, http://scrum.org/EBM





### **Current Value (CV)**

KVM	Measuring:
Revenue per Employee	The ratio (gross revenue / # of employees) is a key competitive indicator within an industry. This varies significantly by industry.
Product Cost Ratio	Total expenses and costs for the product(s)/system(s) being measured, including operational costs compared to revenue.
Employee Satisfaction	Some form of sentiment analysis to help gauge employee engagement, energy, and enthusiasm.
Customer Satisfaction	Some form of sentiment analysis to help gauge customer engagement and happiness with the product.
Customer Usage Index	Measurement of usage, by feature, to help infer the degree to which customers find the product useful and whether actual usage meets expectations on how long users should be taking with a feature.

### Unrealized Value (UV)

KVM	Measuring:
Market Share	The relative percentage of the market not controlled by the product; the potential market share that the product might achieve if it better met customer needs.
Customer or User Satisfaction Gap	The difference between a customer or user's desired experience and their current experience.
Desired Customer Experience or satisfaction	A measure that indicates the experience that the customer would like to have

KVM	Measuring:		
	Ability to Innovate (A2I)		
Build and Integration Frequency	The number of integrated and tested builds per time period. For a team that is releasing frequently or continuously, this measure is superseded by actual release measures.	KVM	Measuring:
Release Frequency	The number of releases per time period, e.g. continuously, daily, weekly, monthly, quarterly, etc. This helps reflect the time needed to satisfy the customer with new and competitive products.	Innovation Rate	The percentage of effort or cost spent on new product capabilities, divided by total product effort or cost. This provides insight into the capacity of the organization to deliver new product capabilities.
Release Stabilization Period	The time spent correcting product problems between the point the developers say it is ready to release and the point where it is actually released to customers. This helps represent the impact of poor development practices and underlying design and code base.	Defect Trends	Measurement of change in defects since last measurement. A defect is anything that reduces the value of the product to a customer, user, or to the organization itself. Defects are generally things that don't work as intended.
Mean Time to Repair	The average amount of time it takes from when an error is detected and when it is fixed. This helps reveal the efficiency of	On-Product Index	The percentage of time teams spend working on product and value.
Customer Cycle Time	an organization to fix an error.  The amount of time from when work starts on a release until the point where it is actually released. This measure helps reflect an organization's ability to reach its customer.	Installed Version Index	The number of versions of a product that are currently being supported. This reflects the effort the organization spends supporting and maintaining older versions of software.
Lead Time	The amount of time from when an idea is proposed, or a hypothesis is formed until a customer can benefit from that idea. This measure may vary based on customer and product. It is a contributing factor for customer satisfaction:	Technical Debt	A concept in programming that reflects the extra development and testing work that arises when "quick and dirty" solutions result in later remediation. It creates an undesirable impact on the delivery of value and an avoidable increase in waste and risk.
Lead Time for Changes	The amount of time to go from code-committed to code successfully running in production. For more information, see the DORA 2019 report.	Production Incident Count	The number of times in a given period that the Development Team was interrupted to fix a problem in an installed product. The number and frequency of Production Incidents can help indicate the stability of the product.
Deployment Frequency	The number of times that the organization deployed (released) a new version of the product to customers/users. For more information, see the <u>DORA 2019 report</u> .	Active Product (Code) Branches	The number of different versions (or variants) of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time to Restore Service	The amount of time between the start of a service outage and the restoration of full availability of the service. For more information, see the <u>DORA 2019 report</u> .	Time Spent Merging Code Between Branches	The amount of time spent applying changes across different versions of a product or service. Provides insight into the potential impact of change and the resulting complexity of work.
Time-to-Learn	The total time needed to sketch an idea or improvement, build it, deliver it to users, and learn from their usage.		
Time to remove Impediment	The average amount of time from when an impediment is raised until when it is resolved. It is a contributing factor to lead time and employee satisfaction.	Time Spent Context-Switching	Examples include time lost to interruptions caused by meetings or calls, time spent switching between tasks, and time lost when team members are interrupted to help people outside the team can give simple insight into the magnitude of the problem.
Time to Pivot	A measure of true business agility that presents the elapsed time between when an organization receives feedback or new information and when it responds to that feedback; for example, the time between when it finds out that a competitor has delivered	Change Failure Rate	The percentage of released product changes that result in degraded service and require remediation (e.g. hotfix, rollback, patch). For more information, see the <u>DORA 2019 report</u> .
	a new market-winning feature to when the organization responds with matching or exceeding new capabilities that measurably improve customer experience.	Sourc	te: EBM guide 2020, http://scrum.org/EBM

