MEASURING OUTCOME

FACILITATE THE GAME

This game is based on Evidence Based Management (EBM). EBM is an empirical framework organizations can use to help measure the (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.

1. 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.
2. 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)

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Scrum Facilitators is a Dutch-based training organization on a mission to help professionals become awesome Scrum facilitators. A Scrum Facilitator can be a Scrum Master, Product Owner, developer or leader. Great Scrum Facilitators understand the Scrum values & principles and use these to effectively implement Scrum with their teams and organizations.

Scrum Facilitators is a **Scrum.org partner**. Our classes are accredited, always up-to-date, fun, super interactive and always facilitated by two trainers to maximize your learning objectives. Our trainers are **seasoned experts** and **Scrum.org certified** Professional Scrum Trainers with substantial real life experience in various settings.

Scrum.org
The Home of Scrum

Based on the 2020 EBM Guide. Learn about Evidence-Based Management (EBM) at http://scrum.org/EBM

CURRENT VALUE

The Value that the product delivers today


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UNREALIZED VALUE

The potential future value that *could be* realized

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


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TIME TO MARKET

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


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ABILITY TO INNOVATE

The effectiveness of an organization to deliver new capabilities that might better meet customer needs


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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


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It’s not about the Metrics, but about the Conversation


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Evidence Based Management at
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EBM Example Key Value Measures cheat sheet

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

Time-to-Market (T2M)

KVM	Measuring:
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.
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.
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.
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 an organization to fix an error.
Customer Cycle Time	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.
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.
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.
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 DORA 2019 report.
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 DORA 2019 report.
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 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 a new market-winning feature to when the organization responds with matching or exceeding new capabilities that measurably improve customer experience.

Ability to Innovate (A2I)

KVM	Measuring:
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.
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.
On-Product Index	The percentage of time teams spend working on product and value.
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.
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.
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.
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 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 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.
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 DORA 2019 report.

Source: EBM guide 2020, http://scrum.org/EBM


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