

Agile Software Project Management

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Agile Value



Introduction to Agile Value

- Agile methods focus on **delivering measurable value** to customers.
 - Value can be defined in multiple ways:
 - **Business value:** Profitability, revenue growth, competitive advantage.
 - **Stakeholder value:** Meeting expectations of customers, employees, and investors.
 - **User value:** Ensuring usability, functionality, and efficiency.
 - Agile teams prioritize **high-value features** while minimizing waste.
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Calculating Value

- Various financial methods help assess value:
 - **Net Present Value (NPV):** Future project earnings compared to present costs.
 - **Return on Investment (ROI):** Measures project profitability.
 - **Internal Rate of Return (IRR):** Evaluates long-term project feasibility.
- Agile teams use value assessment to prioritize **high-impact user stories**.

Planning for Value

- Agile teams plan based on delivering **incremental value**.
- Steps:
 - Define **key objectives** aligned with business goals.
 - Break down work into **user stories** and **features**.
 - Prioritize high-value tasks for **early delivery**.
- High-risk user stories should be addressed **early** to mitigate issues.

Adaptability and Value

- Agile allows **frequent changes** to maximize value.
- Adaptive planning ensures:
 - Teams respond quickly to **new market trends**.
 - Features are continuously evaluated for **business impact**.
 - Unnecessary features are removed to **reduce costs**.



Agile vs. Traditional Changes

Agile Approach	Traditional Approach
Continuous planning	Extensive upfront planning
Changes are welcomed	Changes require formal approval
Customer involvement is ongoing	Customer is involved mainly at milestones
Value delivered incrementally	Value delivered at project completion

Minimally Marketable Features (MMF)

- **MMF:** The smallest set of features that provide **real value** to customers.
- Ensures product releases happen **frequently** instead of waiting for full completion.
- Reduces risk and delivers **incremental benefits** to stakeholders.
- Helps Agile teams achieve **faster feedback loops**.

Tailoring Agile for Value

- Agile processes should be **customized** based on project needs.
- Teams should regularly assess:
 - What **worked well**.
 - What **needs improvement**.
 - What **should change** in future iterations.
- Continuous **process improvements** enhance value delivery.

Delivering Value

- Agile maximizes value by **eliminating non-value-adding activities**:
 - **Unfinished work**: Incomplete tasks waste effort and budget.
 - **Unnecessary processes**: Excessive documentation and rigid approvals slow progress.
 - **Bugs**: Quality issues require costly rework.
 - **Miscommunication**: Delays and misunderstandings lead to wasted effort.
 - **Extra Features**: Not required or good to have features; wasting time doing unneeded work.
 - **Waiting around**: Wait for sign offs.
 - **Switching Projects**: Working on Multiple Projects
- Agile teams aim to **focus only on work that delivers real value**.

Task Boards for Value Delivery

- Agile teams use **Task Boards** instead of complex scheduling tools.
- **Benefits of Task Boards:**
 - High visibility of current work progress.
 - Tracks real-time updates on tasks and deliverables.
 - Enables teams to align with **customer priorities**.
 - Reduces dependency on unnecessary paperwork.

Analyzing and Determining Value

- Agile teams must **continuously assess** value by:
 - Evaluating how features **align with business objectives**.
 - Measuring how features improve **user experience**.
 - Using **customer feedback loops** to refine priorities.
- Techniques:
 - **Customer feedback sessions**.
 - **Market response analysis**.
 - **Sprint retrospectives** for team improvements.

Analyzing and Determining Value

Item Description	Feature #1 (\$)	Feature #2 (\$)
Benefit	15,000	8,000
Development cost	-5,000	-2,000
Delivery cost	-1,000	-500
Total value	9,000	5,500

Value Prioritization

- Agile teams rank features based on:
 - **Customer needs** and expectations.
 - **Business goals** and market trends.
 - **Technical feasibility and risk factors.**
- Prioritization frameworks:
 - **100 Points Model / Monopoly Money:** Divide money or 100 Points to stories
 - **MoSCoW Method** (Must-have, Should-have, Could-have, Would like to have).
 - **Weighted Shortest Job First (WSJF)** for economic prioritization..

Confirming Value

- Agile teams validate delivered value through:
 - **Sprint Reviews:** Demonstrate completed work to stakeholders.
 - **User Testing:** Gather feedback from real users.
 - **Key Performance Indicators (KPIs):** Measure success.
- Helps ensure Agile projects **meet stakeholder expectations**.

Tracking and Reporting Value

- Agile reporting tools help track value in real time:
 - **Burndown charts:** Track remaining work within a Sprint.
 - **Burnup charts:** Show work completed against total project scope.
 - **Cumulative Flow Diagrams:** Identify workflow bottlenecks.
- Agile reporting ensures transparency and **effective decision-making**.

Chapter Summary

- Agile focuses on **delivering and maximizing customer value**.
- Agile planning is **adaptive and iterative**.
- **Minimally Marketable Features (MMF)** speed up delivery and minimize waste.
- Teams use **task boards, burndown charts, and retrospectives** to track value.
- Value confirmation is done through **stakeholder feedback and sprint reviews**.