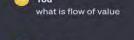


#### It's 2024, Let's Ask ChatGPT



0000

A state of being?



ChatGPT

The concept of "flow of value" is commonly used in business and economics, and it can be understood from a few different perspectives:

1. In Lean Manufacturing and Business Management: Here, the flow of value refers to the streamlined process through which a company delivers its products or services to customers. The goal is to minimize waste and maximize efficiency, ensuring that every step in the production and delivery process adds value to the end product or service. This concept is central to lean methodologies, where the focus is on creating value for

In these fields, the flow of value is often related to istomers through software products or services. vering working software frequently and edback, and adapting to changing requirements. ool used in lean methodology to analyze and mation required to bring a product or service to a sualized and analyzed to identify and eliminate

waste, thereby improving the efficiency of the value stream.

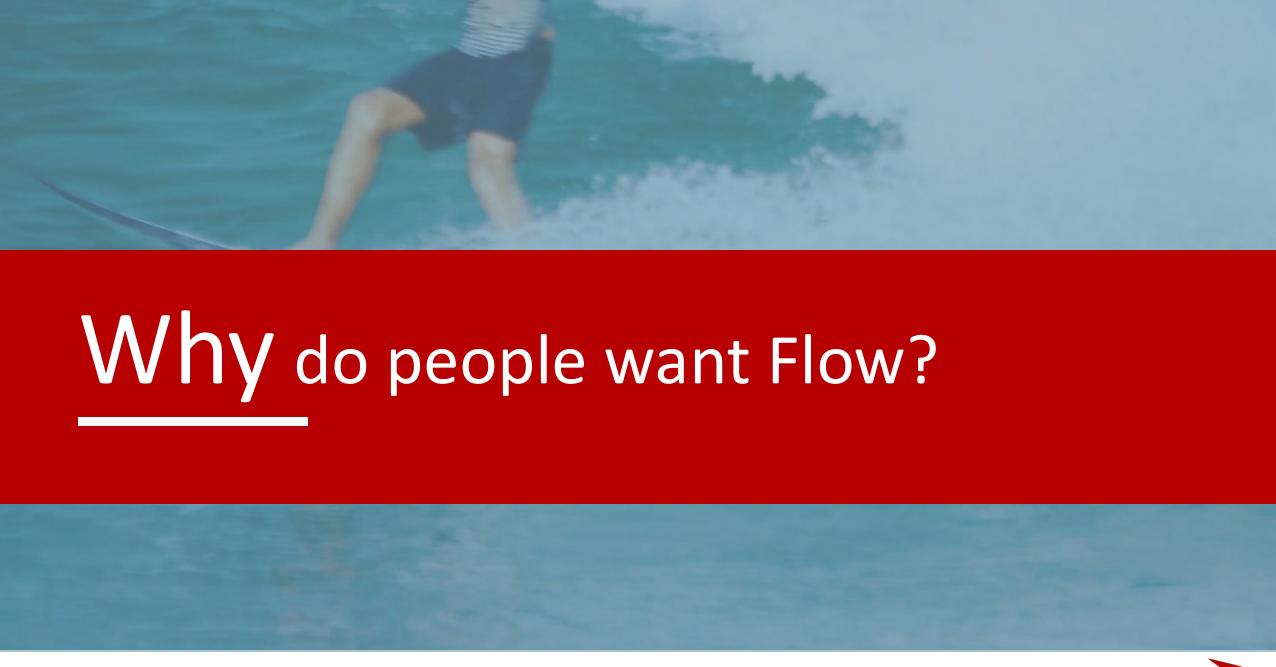
4. In Economic Terms: More broadly, in economics, the flow of value can refer to the movement of goods, services, and money within an economy. This includes how value is created, exchanged, and distributed among different actors such as consumers, businesses, and governments.

In all these contexts, the key idea behind the flow of value is the efficient and effective movement of goods, services, or information that brings benefit or value to the enduser or consumer. Optimizing this flow often involves identifying and removing obstacles or inefficiencies, streamlining processes, and focusing on customer needs and feedback.



A means to bring value sooner to customers?





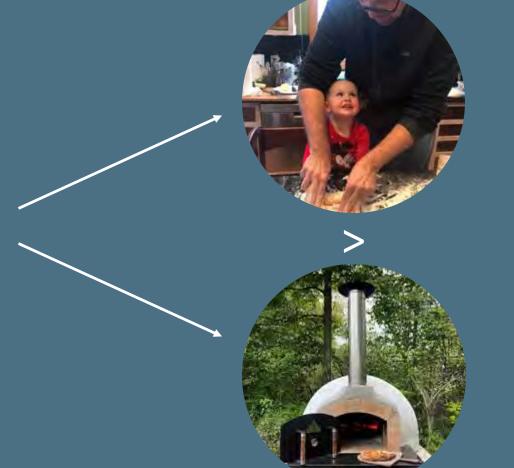


From the moment we are born, we are always chasing time



### Not All Time Has Equal Value

Which one means more?



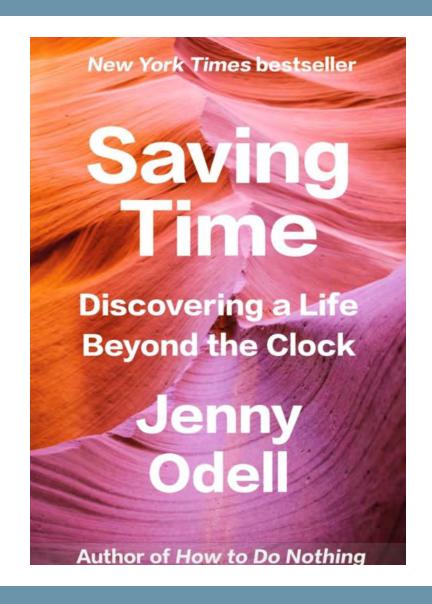


10 mins



3 summers

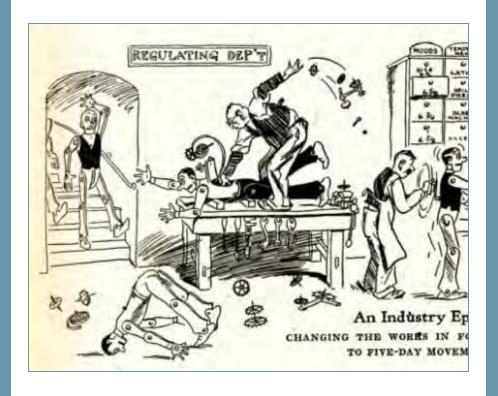




## Opting for **Surprise** over **Control**

"Time has felt the most expansive, and I have felt the most alive, when I was in an encounter with something or someone that was surprising, something that I didn't necessarily expect."

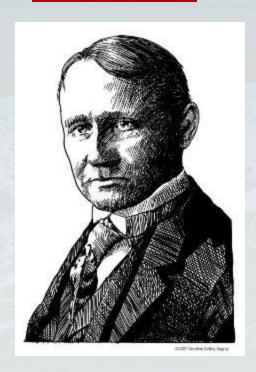




# Looking for Flow in the Industrial Age



# 66



Frederic Winslow Taylor

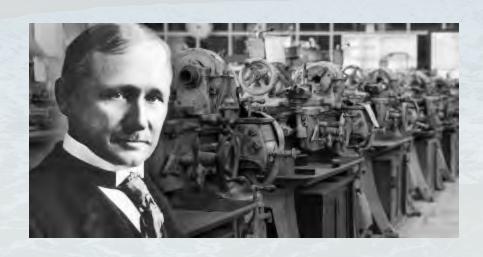
The guy who invented managers and consultants, and RACI charts

# Principles of Scientific Management, 1909

- 1. Discover the most efficient way to perform tasks
- 2. Clearly divide responsibilities
- 3. Pay according to performance
- 4. Rigid hierarchy and strict surveillance of employees



# 66



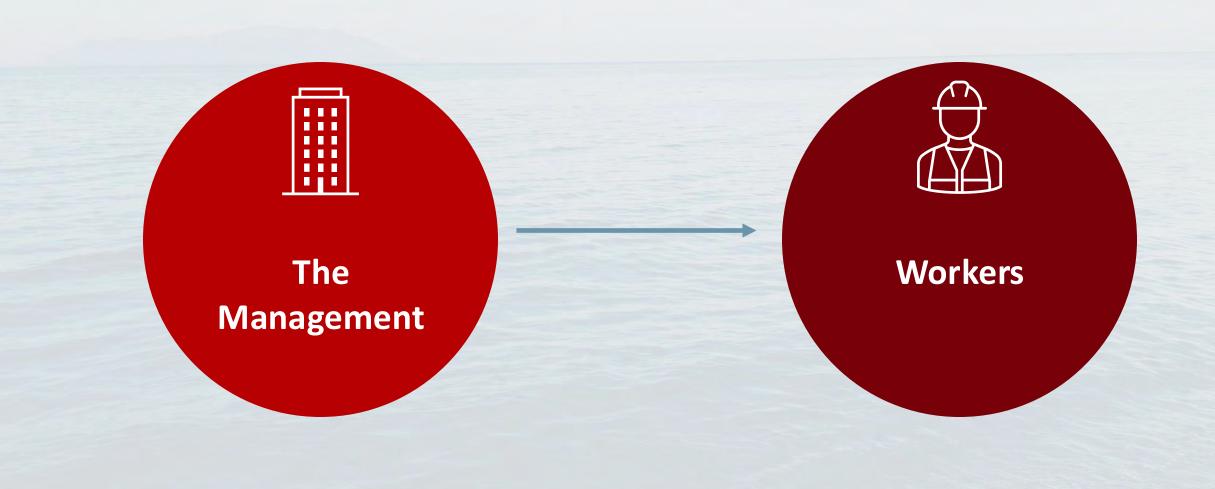
Frederic Winslow Taylor

# Divide the work from the responsibility

"In most cases one type of man is needed to plan ahead, and an entirely different type to execute the work".



### A Simplistic View of an Organization Emerges

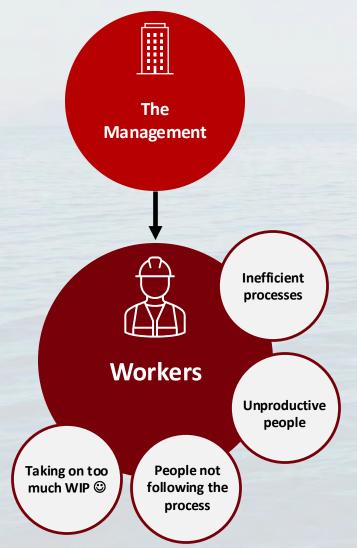




# Looking for Flow in the Digital Age



## 100 Years in - Why Some Managers Still Think Work is Delayed



# Principles of Scientific Management, 1909

- 2 1. Discover the most efficient way to perform tasks
- 2. Clearly divide responsibilities
- 3. Pay according to performance
- 4. Rigid hierarchy and strict surveillance of employees

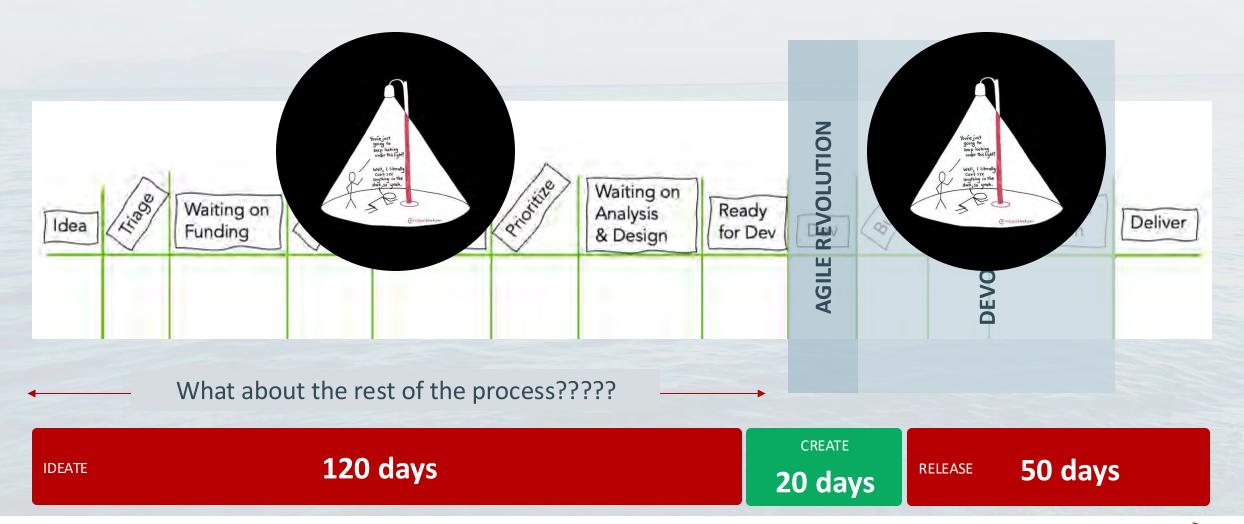


### Streetlight Effect



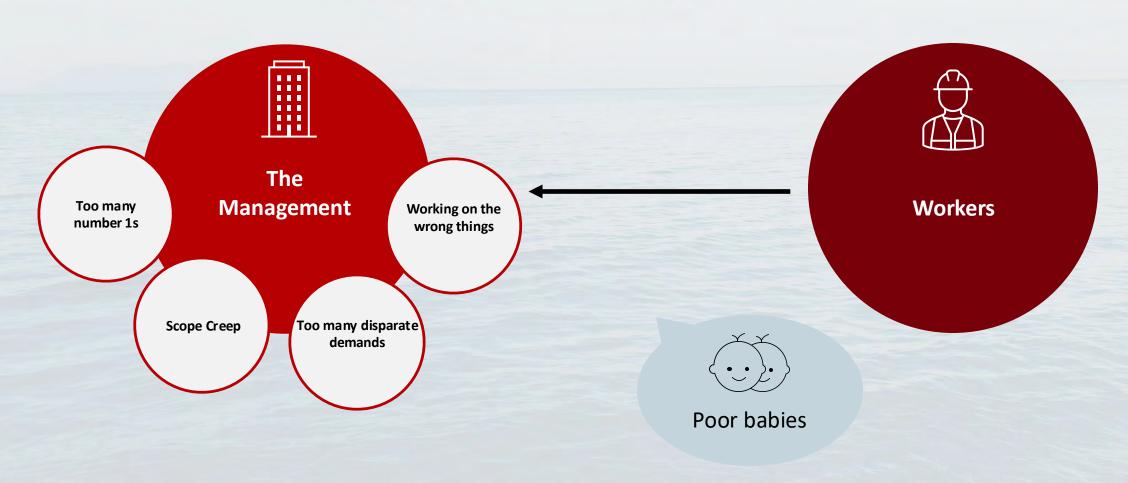


## What Did We Apply Lean Thinking To?





# Why IT workers (developers) think work is delayed



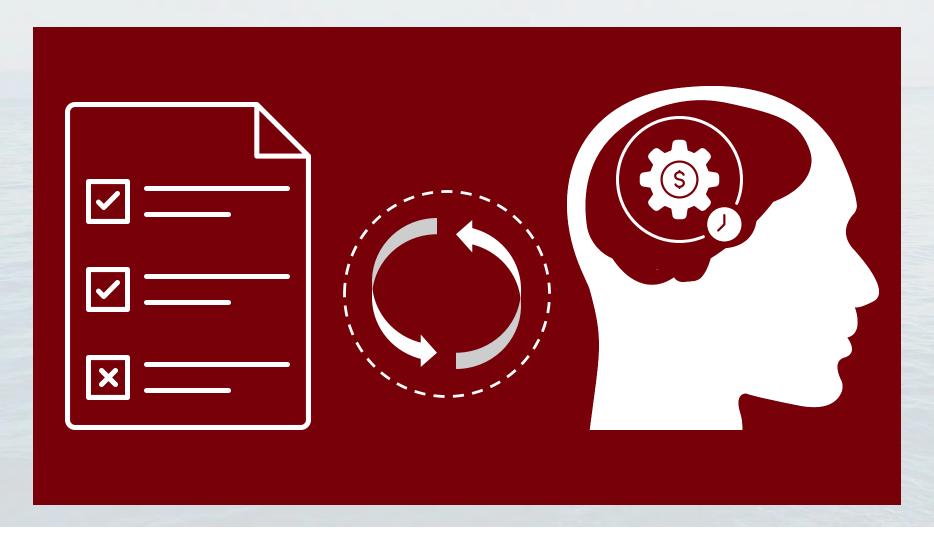


## So you can't keep up,

and you want me to dial back the demand?



## We've allowed ourselves to become task focused instead of value focused

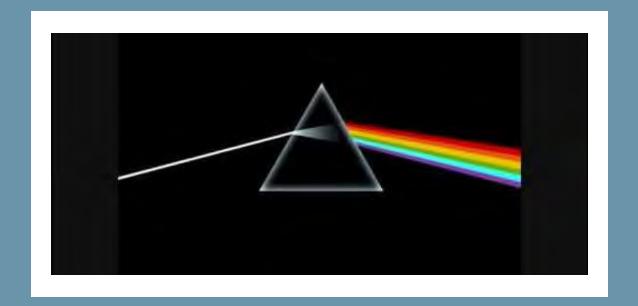




## "Eventually we become comfortably numb (in red)"\*



I've tried all these things, and none of them ever worked



But were they the right things?

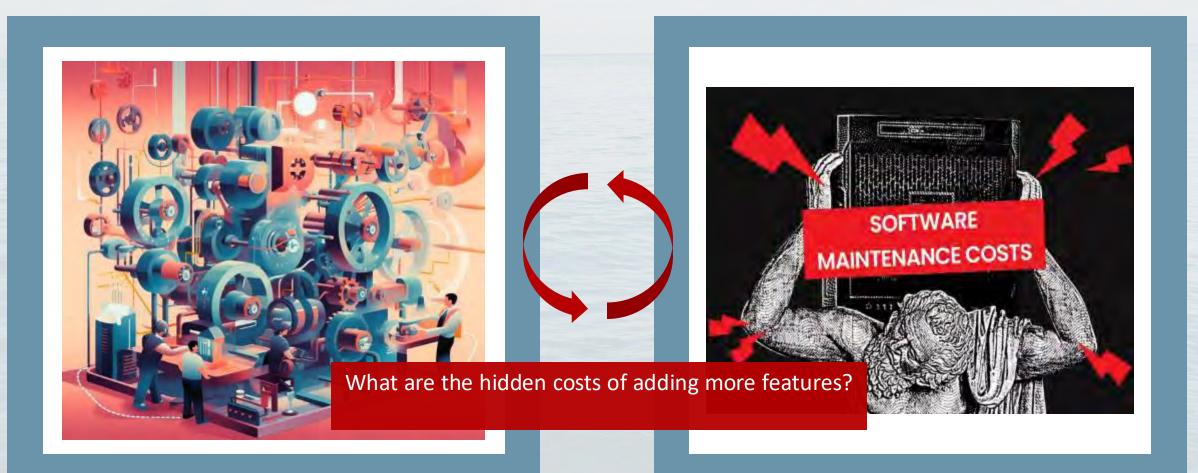






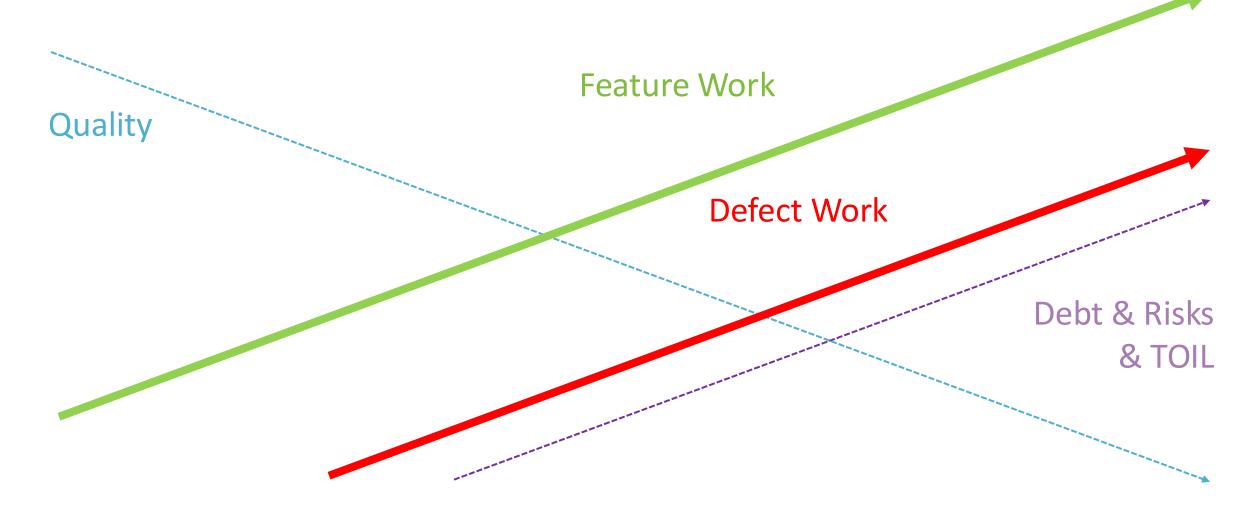
#### Obsessed with new features...

## But **90%** of software costs are **maintenance**?



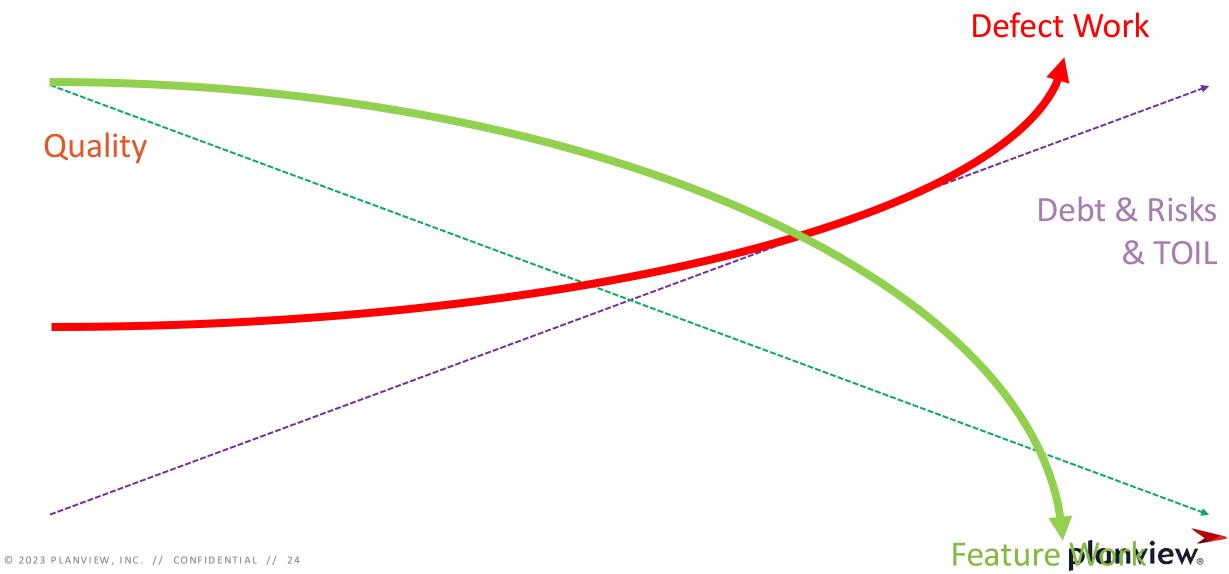


## Pushing new features to market

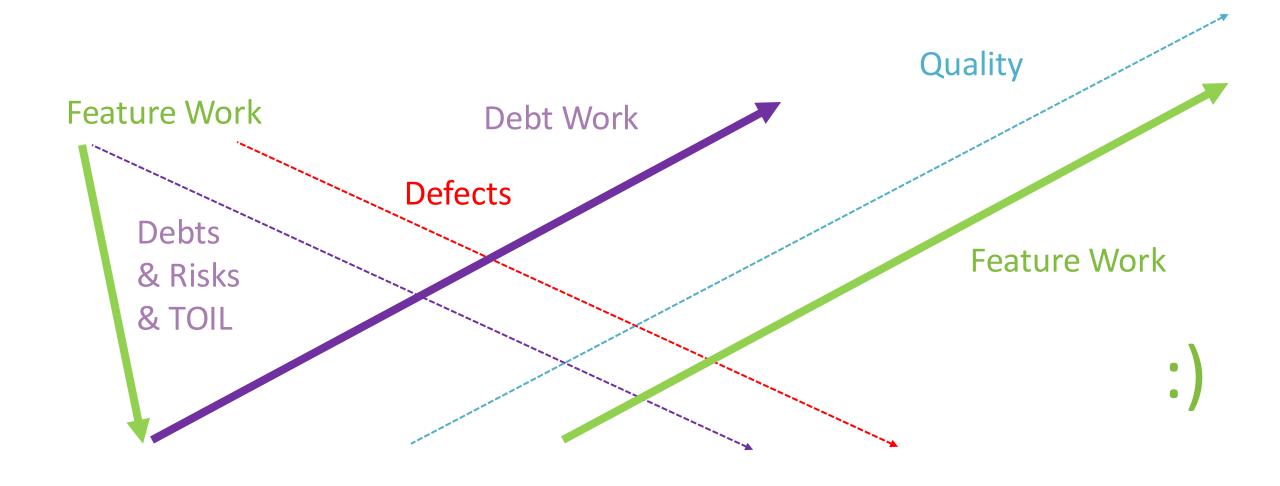




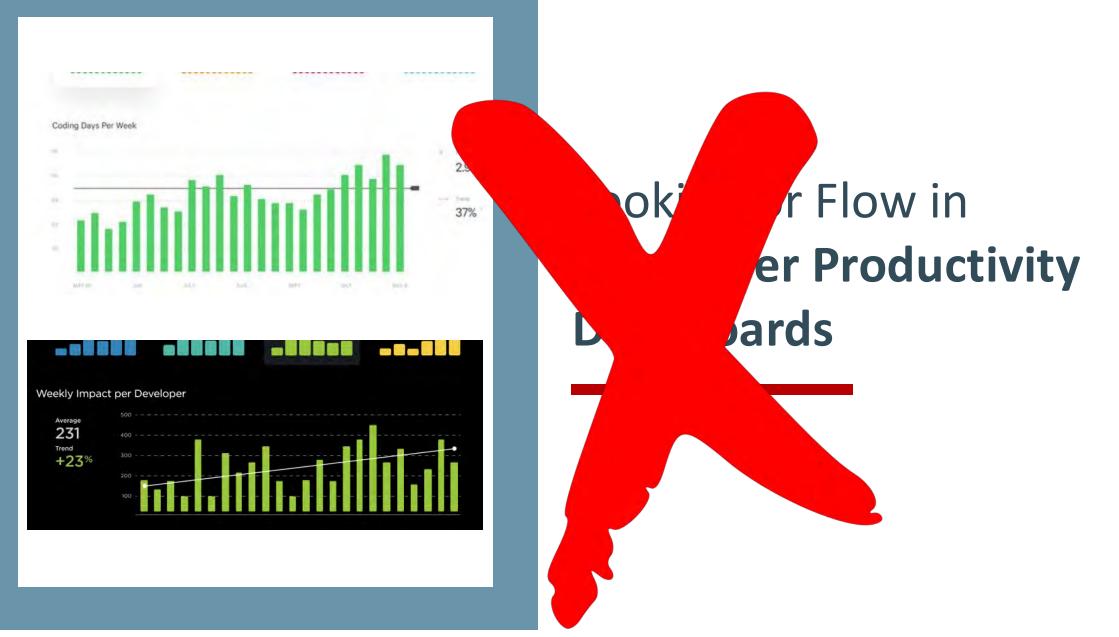
## Debt Spiral



### Debt, Risk & Defect Reduction









## If **90%** of software costs are **maintenance**?

## 70% of coding effort is understanding the code





Humans are most **energized** when they **feel** a sense of **agency** over the **work** they do

90% of the work is dictated by management







# So 70% of what we build our users don't use,

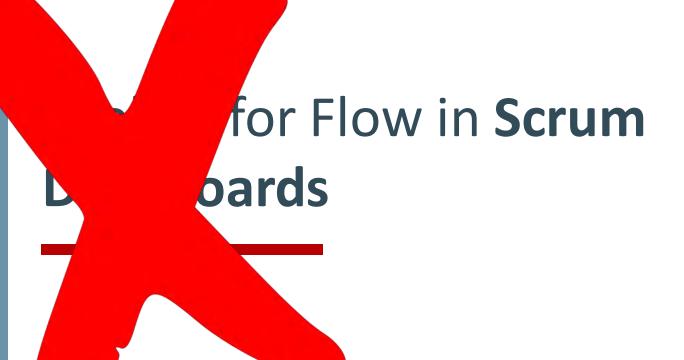
and you want me to be predictable?













## We are **delivering** stories (tasks) to an **artificial** cadence

## But our **delivery** of **value** looks like **2004**







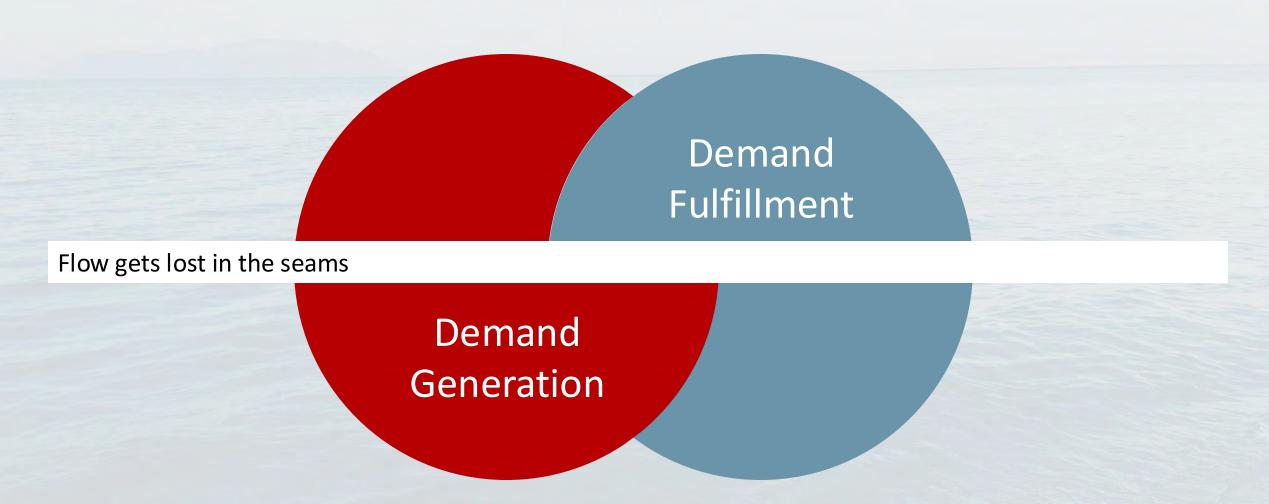


## There must be a Better Way



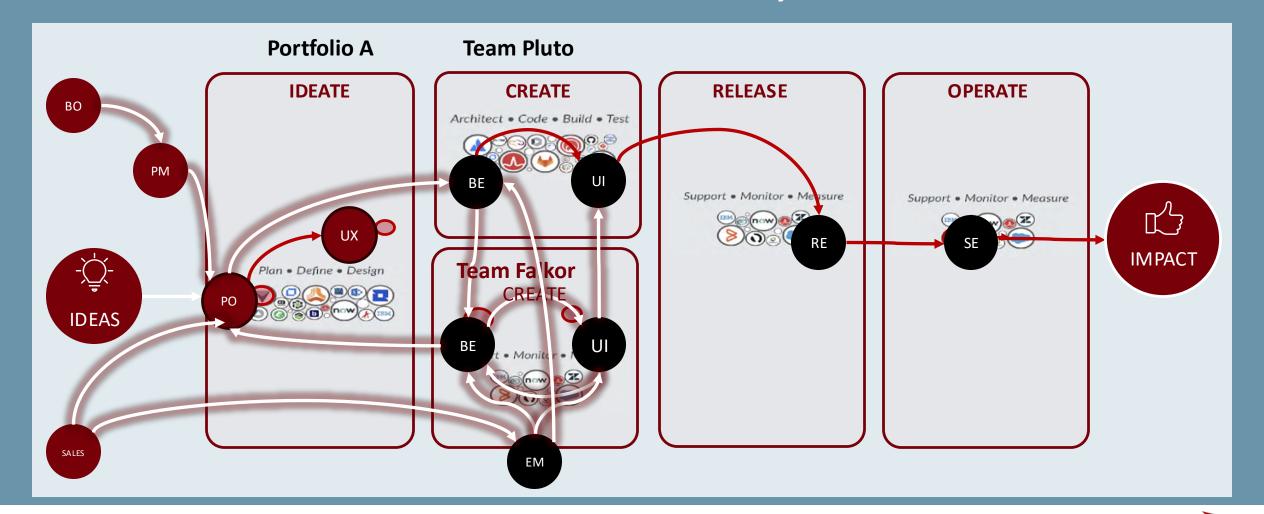


#### A Better View of Software Delivery



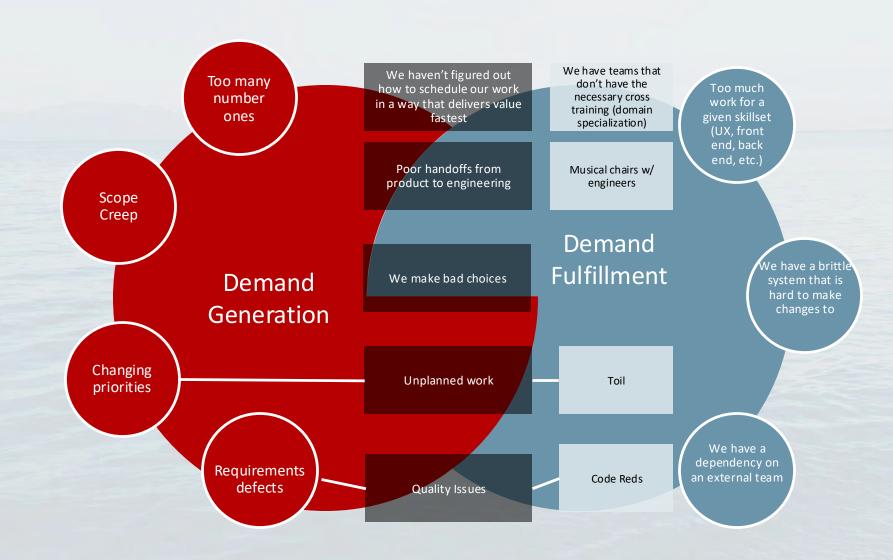


## It's actually way more complex – there are seams everywhere



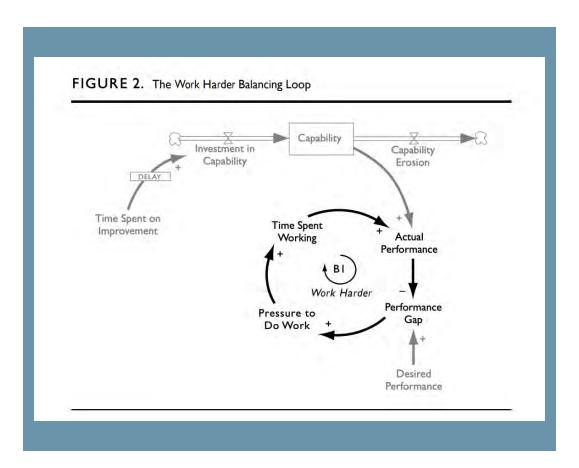


#### Real Reasons why Flow is Impacted

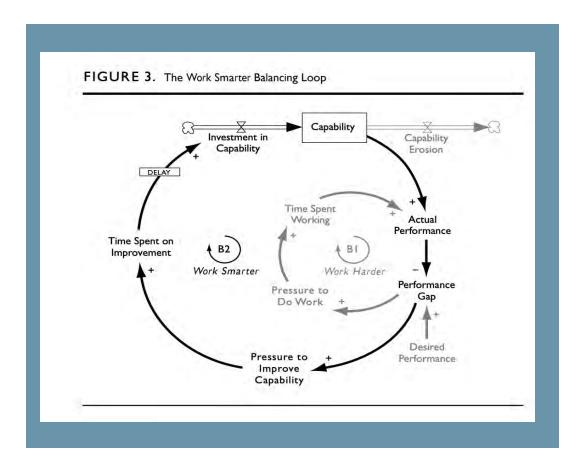


#### The Physics of Improvement

#### Everyone has a performance gap...



#### It takes discipline to keep it closed...



# 66

#### Don't play what's there, play what's not there.



"In systems thinking, increases in understanding are believed to be obtainable by expanding the systems to be understood, not by reducing them to their elements."

Dr. Russell Ackoff

# Resist the **urge** to **break** everything **down** and **focus** on the **pieces**.

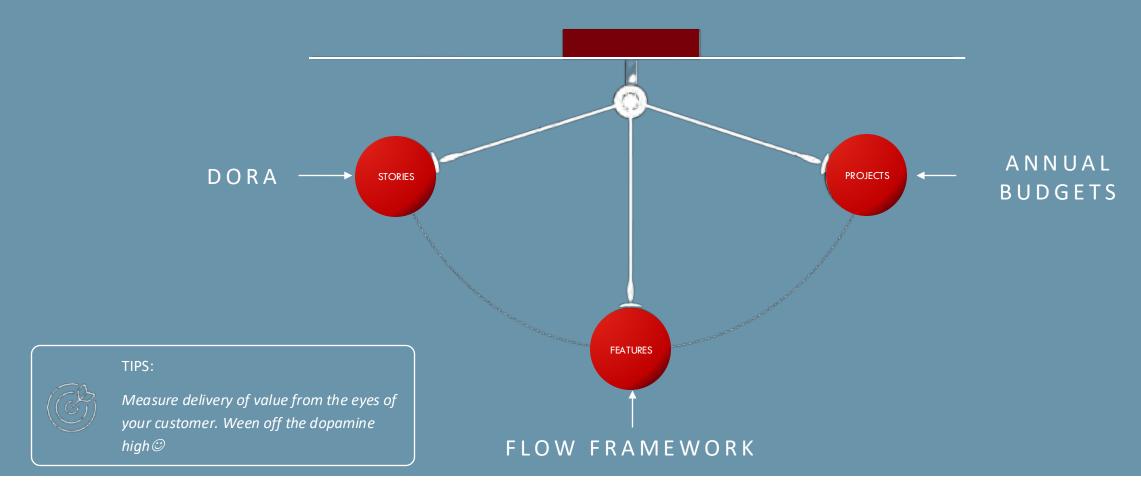
Miles Davis, Chopin, and others spoke of the spaces between the notes being where the magic resides—not just playing the notes themselves. This transformative idea of recognizing the importance of the relationships between the parts versus just looking at the parts and ignoring what ties them together is not unique to music.

Instead, adopt a mindset of seeing the big picture, recognizing how different elements within your organization are interconnected and impact each other.

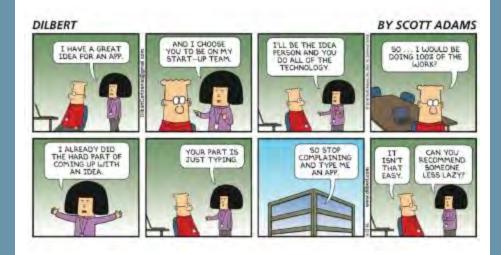
Unfortunately, the budgeting process usually runs counter to this principle—we break things down into line items, functions, and parts of a system and think we are seeing the whole, but we are missing the relationships among the investments and programs and functions—the space between the notes.

The seams

### The Value Measurement Equilibrium





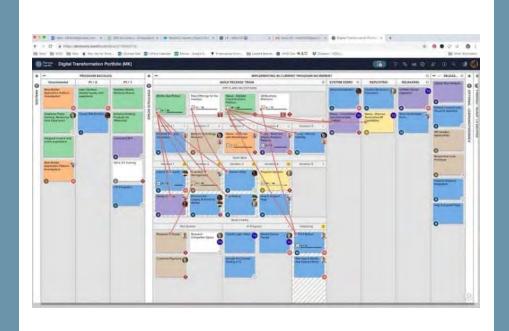


### Measure Twice, cut Once

#### TIPS:

Set aside enough time to allow engineers to properly design new work. Don't fall prey to using less experienced people to do the design.



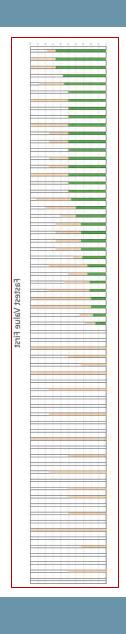


# Identify & Track Dependencies

#### TIPS:

Dependency tracking is hard. Do it anyway. Pay attention to the seams between teams.





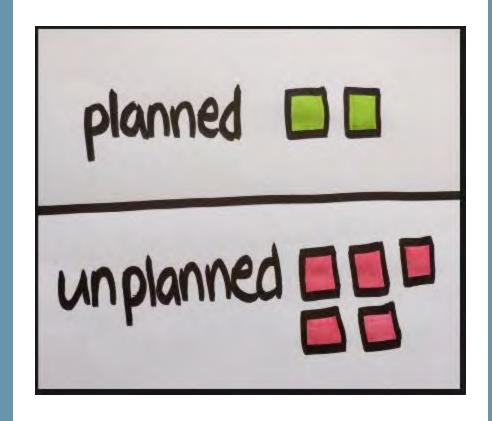
# Sequence Work Considering "Fastest Value First"

#### TIPS:

Focus on scheduling work in a manner which delivers customer value fastest. Emphasize finishing work over starting work. Less status meetings.





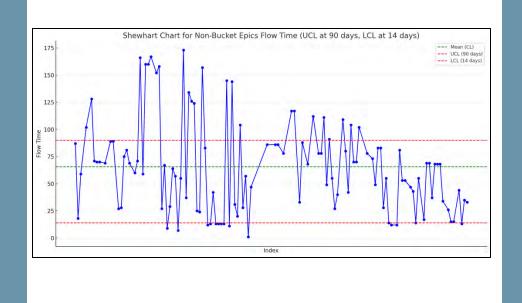


# Pay **Attention** to **Unplanned** Work

TIPS:

Nothing affects flow more adversely than interruptions. Measure interruptions rigorously and act when they get out of control.



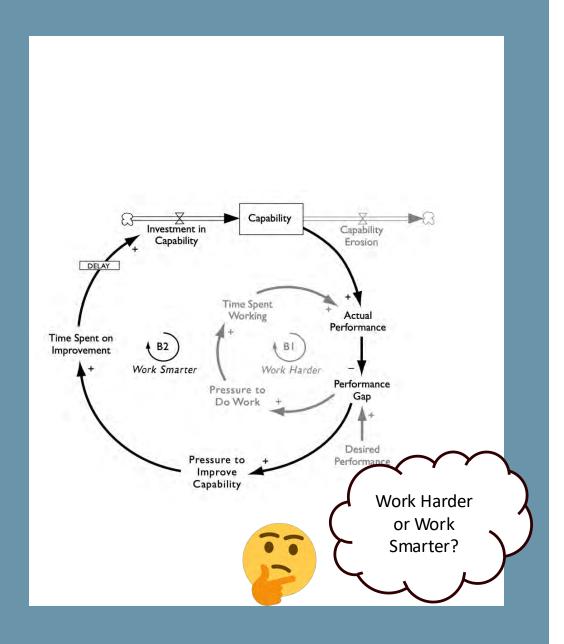


# Understand Your Variability

TIPS:

Be careful with averages. Look behind the numbers to see the real "lanes in the traffic". Understand what is causing each delay.





#### Make Better Choices

#### TIPS:

Things are the way they are because of the choices we make. Understand how your choices impact your performance, and make better choices to improve outcomes.



## Thank you

