About SPS Commerce

- Mission:
  - To connect all retail trading partners through the easiest-to-join and use network *freeing them to focus on what they do best*

- Vision:
  - To be the world's retail network
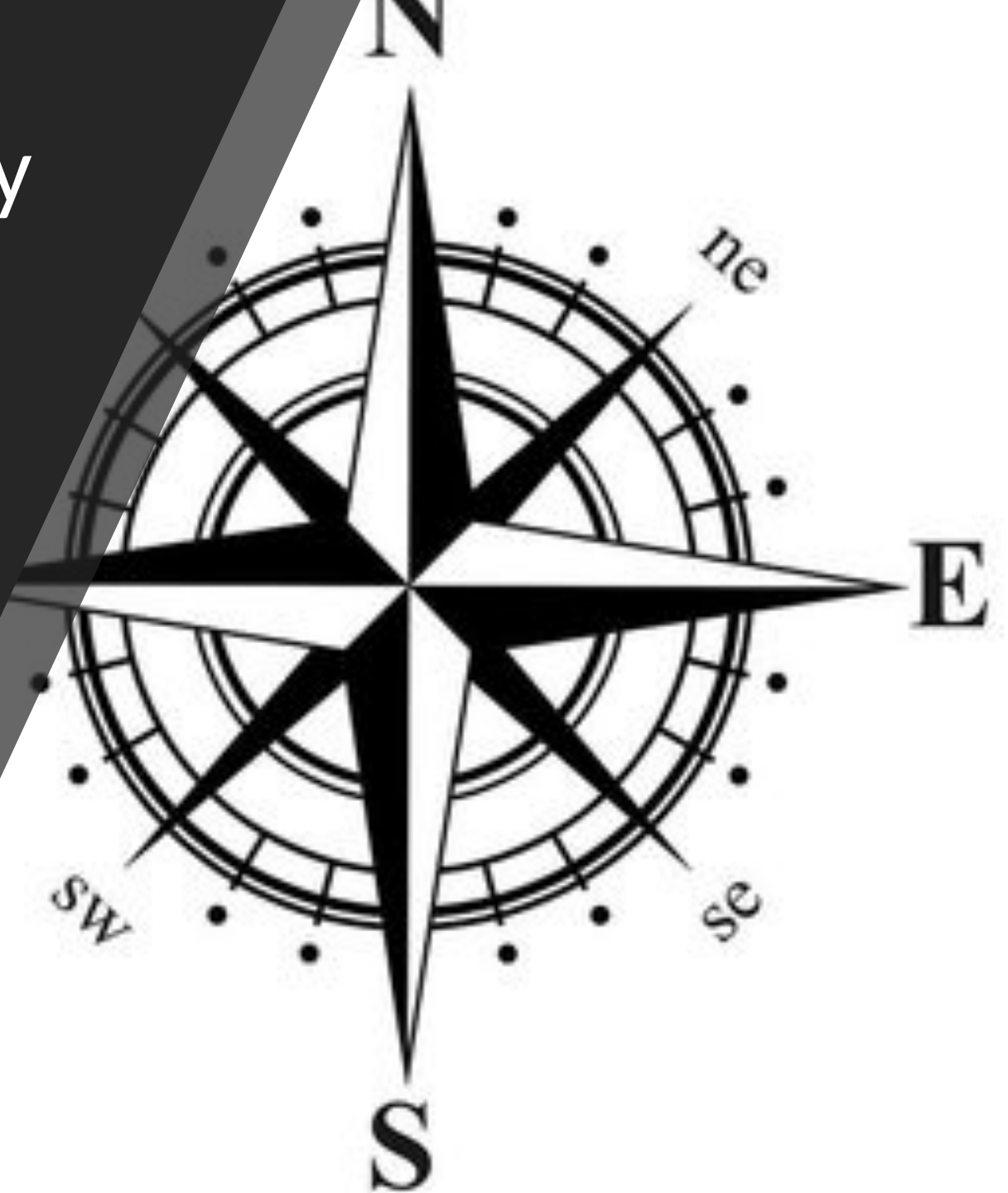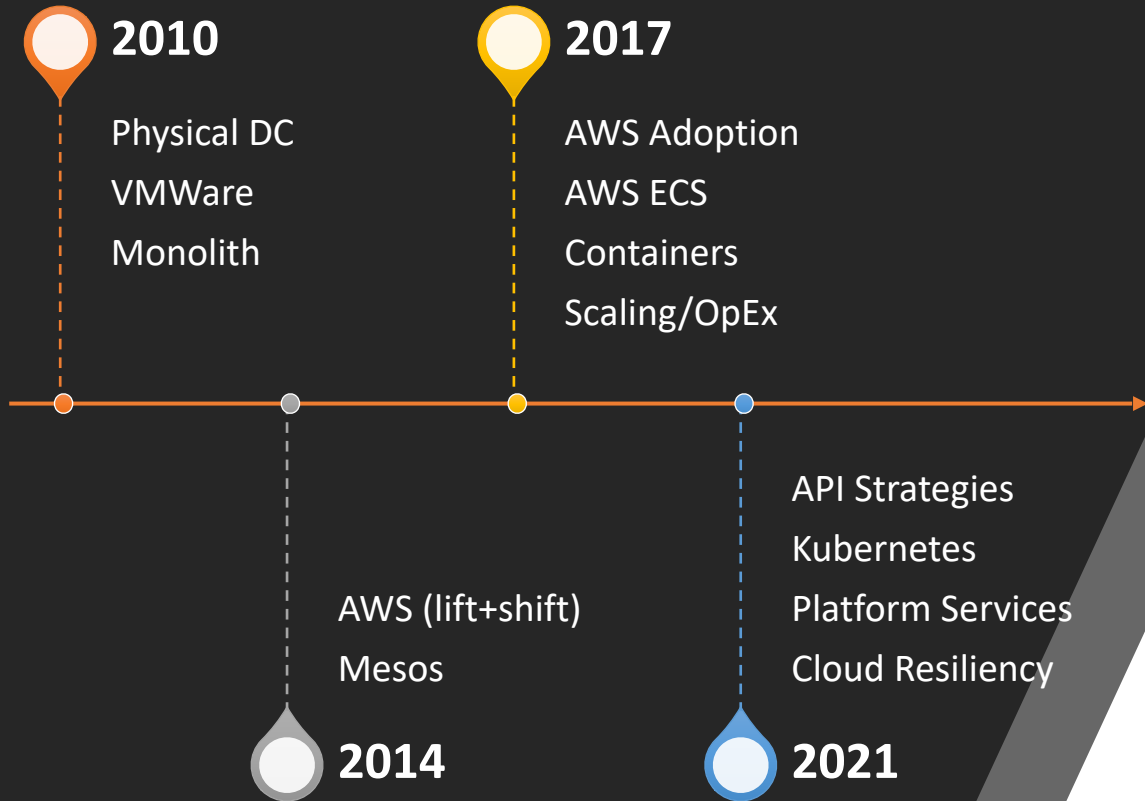
- Customers:
  - 105,000+ … and growing

The SPS Story

- Solving meaningful customer problems with higher quality and better cost
- Customers stay for the value, reliability, availability and security
- New customers choose us for our leadership and value
- Significant value opportunities via new features
- Responsibly profitable

Our Technology Journey

2010

Physical DC
VMWare
Monolith

2017

AWS Adoption
AWS ECS
Containers
Scaling/OpEx

AWS (lift+shift)
Mesos

API Strategies
Kubernetes
Platform Services
Cloud Resiliency

2014

2021

Guiding Principle

"Where you choose to solve the problem matters…"

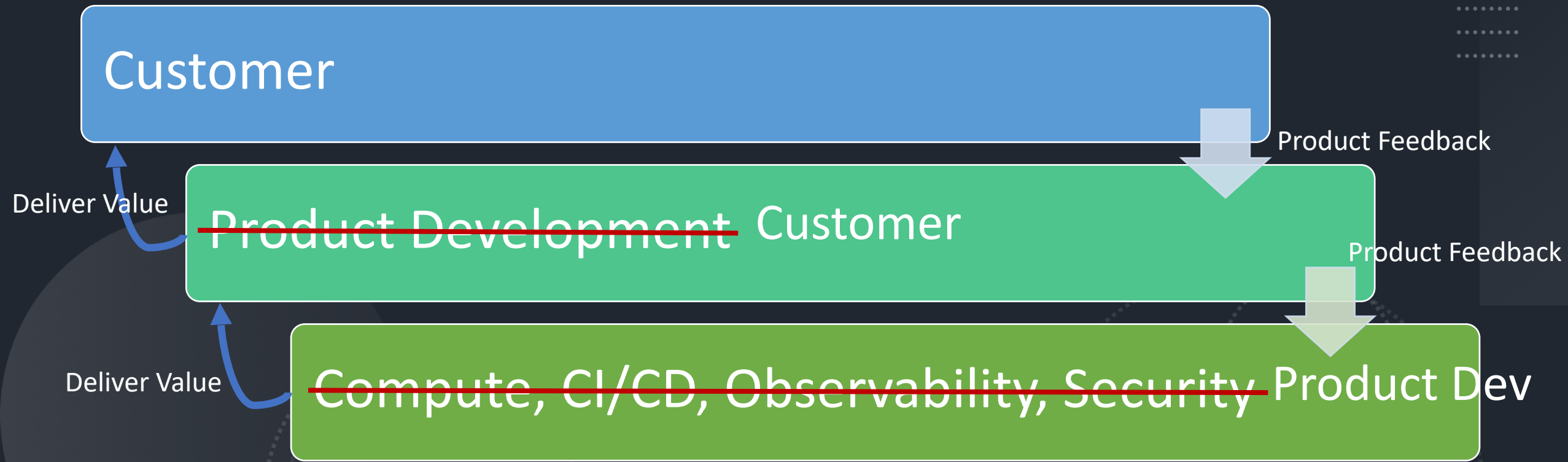- SPS CTO, Jamie Thingelstad
@thingles

Priority Friction

- Success requires our developers to be able to deeply focus on customer problems but also requires our developers to deliver highly available, secure, and cost-effective services

So Now What?

The New Product

- Undifferentiated Engineering
  - This is engineering effort that **must** occur *to some degree* for service delivery
    - Deployment, Infrastructure, Security, & Monitoring
  - Undifferentiating Engineering efforts are some of the most valuable solutions to **share** within an organization; especially at scale
  - An organization that is highly effective at Undifferentiated Engineering solutions has a competitive advantage

Before Getting Started

- Leadership Alignment
  - Decide Important Competencies
    - Strengths today, tomorrow
    - Partnerships
  - Future business priorities (example: multi-region, budget, etc…)
  - What do you 'want to' versus 'need to' be good at?

- Incubate Your Organizational Mindset
  - We're going to share common solutions to improve our velocity and ability to focus on the customer
  - Change can be hard, we expect teamwork and collaboration

Success Factors – Vision & Commitment

- Align Vision & Value to Function then make Commitments
  - What is valuable to your organization

Function	Priority	Infra	CI/CD	Observability	Security
Feature Velocity	Top	X	X		X
API Strategy	Top	X	X		X
Geography	Top	X	X	X	
Availability	Top	X		X	X
Scalability	Top	X		X	
Security	Top	X	X	X	X
$OpEx$	Tippy Top	X		X	

Success Factors - Roles

- Effective Product Development Includes a Number of Critical Roles
  - Including: Engineering, Product Management/Owner, Launch Management, Developer Relations, Customer Success, Scrum Master, etc...

- Roles do <u>not</u> have to be Job Titles
  - Don't get stuck waiting to fund various positions
    - Managers make great Product Owners
    - On-Call Engineers make great customer success partners

- Establish Reasonable Expectations
  - What does success of these roles look like?
  - Be explicit about who they are

Success Factors – Execution Strategy

- This approach is <u>not</u> a Waterfall IT Project
  - Implement a Product Development Strategy
    - Transparent Roadmap
    - Customer Feedback Channels
    - Measure the Impact
- Set Expectations
  - Change will create debt
    - Focus on establishing your new product then create strategies for adoption
      - Automation
      - Align to Business Events (Security, Scale, Etc…)
  - New tech has a learning curve, it will feel more complex at first

Success Factors – Gravity Builds Momentum

- Create Gravity – Pull don't Push
  - Low Friction, Transparent, & Active Communication Channels
  - Integrate Customer Product Requirements (Gateway, Authorization, etc…)
  - Reduce Burden of Compliance Requirements
  - Demo Often
  - Make Space for Learning
 - Advertise Wins (Product Owner/Dev Rel)

Headwinds You'll Face

- Priority Conflict is Unavoidable; be Empathetic
  - Expect old to get older, navigate commitment to new temporarily
    - Unplanned work will fluctuate while forming & norming
  - Get Over that Hump

- Culture Concerns and Common Negative Reactions
  - Shared patterns and tools?!?! My tool is way better for my use case
    - The perception of loss of control frustrates all of us. Be empathetic.
  - How am I supposed to be innovative with restriction?
    - Of course we want innovation, but innovation with purpose. Solve customer problems with your creativity.

Tailwinds

- The larger and more talented your teams, the more costly it is to work on the wrong thing. Most can respect this.
  - Fighting the current is not productive
  - Duplicating effort is not productive
  - Momentum simplifies almost everything
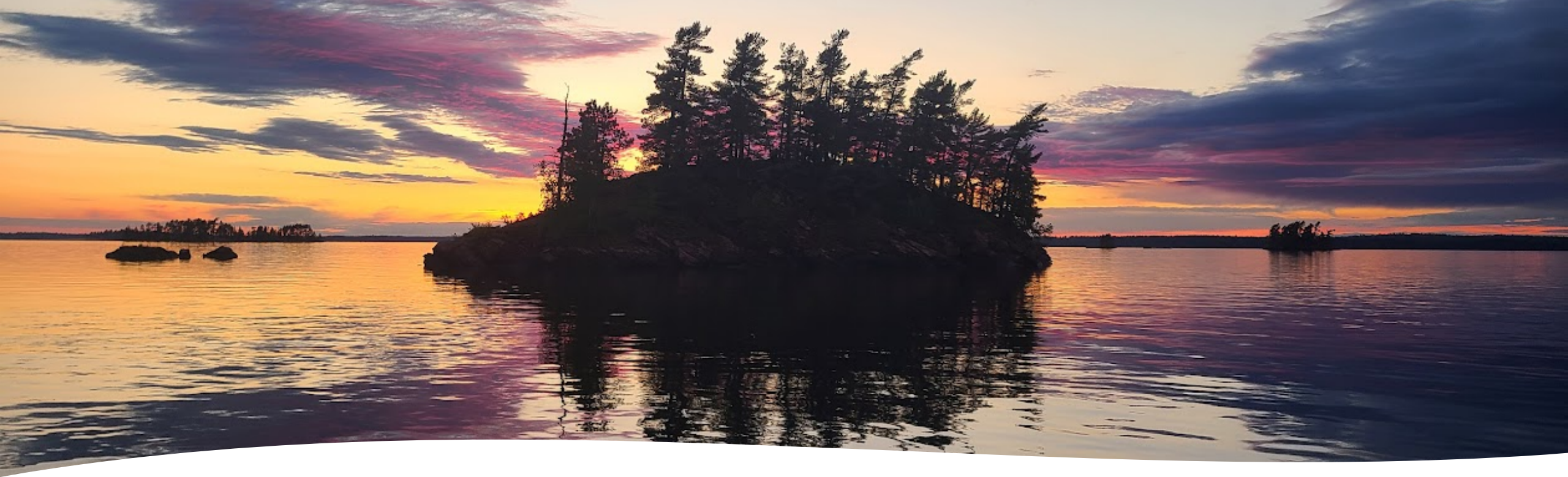
Directional Aspirations Matter

- Be explicit on what you choose to share
- Explain the importance of requirements
- Communication is not precise
- Focus helps build momentum

Thank you so much!

Continue the conversation with me in Slack, on Twitter @AndyJD_ or find me on LinkedIn.