

Agile/Lean Startup Organizations

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Abstract

Leading enterprise transformation experts offer diverse perspectives on how Agile methods and Lean Product Management practices can improve organizational systems and outcomes. Agile methods promote iterative product releases and pull risk-reduction earlier in product development. Lean product management methods test market hypotheses and rapidly adapt to discoveries. Applying agile and lean product principles to large organizations causes many new requirements, opportunities and discoveries to emerge.

1. Introduction

Advocates often believe that large agile and lean organizations must demand production excellence everywhere (not just in software), promote individual and organizational change, organize knowledge, train employees in agile and lean philosophies, and optimize the whole value chain from concept to cash.

Agile methods promote iterative product releases and pull risk-reduction earlier in product development. Characteristics include: cross-functional teams, rapid outcome testing (such as automated testing in software), continuous quality monitoring and deployment, pairing (for software, pair-programming), bias-avoiding estimation, process improvement and short feedback loops. Advocates claim agile development produces greater staff resiliency, better release forecasting, fewer product failures and more sustainable work pace.

Lean product management methods test market hypotheses and rapidly adapt to discoveries. Characteristics include: set-based design, A-B testing, unmoderated user-experience testing, direct market experimentation, customer validation and pivoting. Advocates claim lean product management produces greater market satisfaction, deeper customer engagement, earlier discovery of hidden market opportunities, higher revenues and more efficient resource utilization.

These papers look at applying agile and lean product principles to large organizations. Many new requirements, opportunities and discoveries emerge.

2. Papers

Release frequency provides a metric for organizational agility and can provide an early indicator of accumulated technical debt. Finance departments typically have all the data needed. Dan Greening describes his discoveries in “Release Duration and Enterprise Agility.”

Agile practices help foster knowledge sharing throughout the organization, according to Viviane Almeida dos Santos, Alfredo Goldman, and Heitor Roriz in “The Influence of Practices Adopted by Agile Coaching and Training to Foster Interaction and Knowledge Sharing in Organizational Practices.”

Large organizations and sophisticated agile teams require metrics that go beyond velocity, story points and burndown charts. Scott Downey and Jeff Sutherland describe metrics they have developed for high-performing teams in “Scrum Metrics for Hyperproductive Teams: How They Fly like Fighter Aircraft.”

Agile practices can transform the very foundations of legal contracts. Current legal contracts are written for “defined process” projects, not for the complex “empirical process” work that IT projects require. Susan Atkinson and Gabrielle Benefield make a case for re-writing contracts, in “Software Development: Why the Traditional Contract Model Is Not Fit for Purpose.”

While agile practices emphasize short-term corporate profits and service delivery, consumers and society should also benefit from agility. Stephen Cohen and William Money argue that agile practices can provide longer-term economic growth, and that a new framework of “philanthro-capitalist” goals can improve societal outcomes, in “Using Agile to Create Economic Value for Society.”

3. Summary

These works are in the frontier of agile and lean practice. Agile and lean principles will have greater impact if we can apply them to the cultures and large organizations that dominate many of our lives.