



AUGUST 5 - 9

WASHINGTON D.C.

AGILE2019

# Presenters

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**Wayne Hetherington**

Independent Agile Coach  
contracted to RBC



**Farahnaz Henley**

Scrum Master



**David Sabine**

Professional Scrum Trainer  
Licensed by Scrum.org

# Agile Reporting for PM Brain

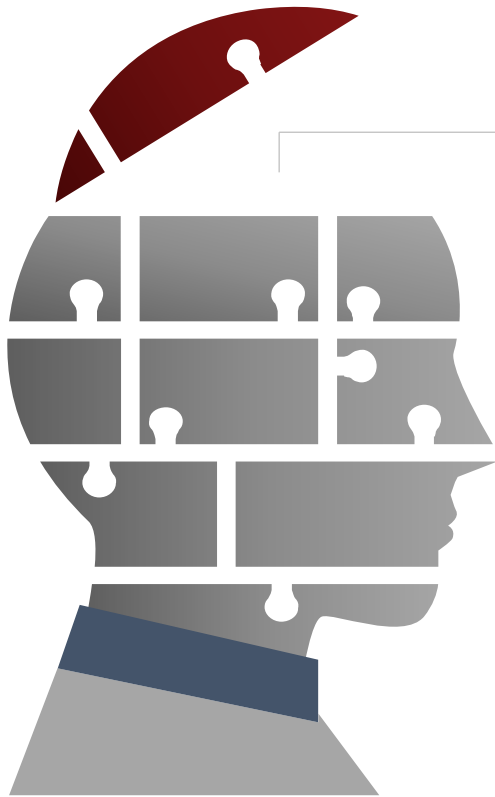
## Live Poll Quiz: Busting Brain Myths

- 1 Open a browser on any laptop, tablet or smartphone
- 2 Go to <http://etc.ch/AFGj>
- 3 Answer the three questions

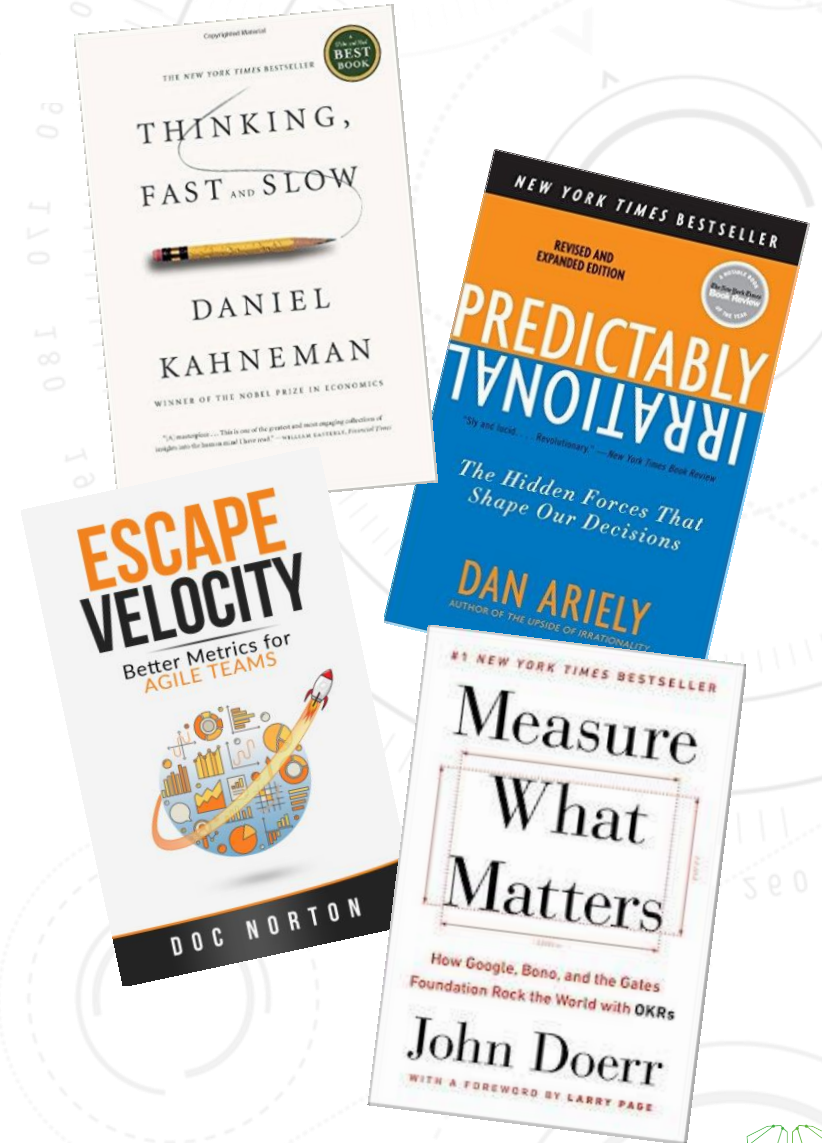
<https://directpoll.com/r?XDbzPBd3ixYqg85Vqj4vmcNv0ZFuQb9fSuYIAqAr/>



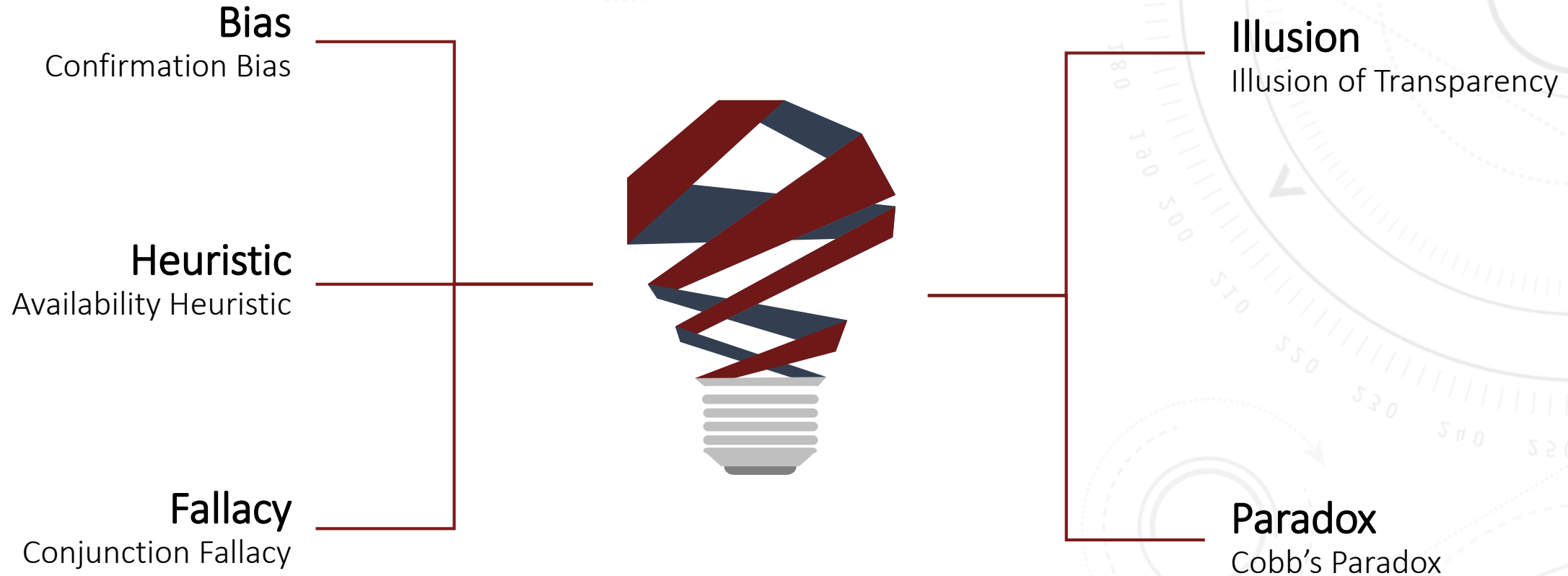
# Introduction



- **Thinking Fast and Slow**  
Daniel Kahneman
- **Predictably Irrational**  
Dan Ariely
- **Escape Velocity**  
Doc Norton
- **Measure What Matters**  
John Doerr



# Basic Cognitive Terms



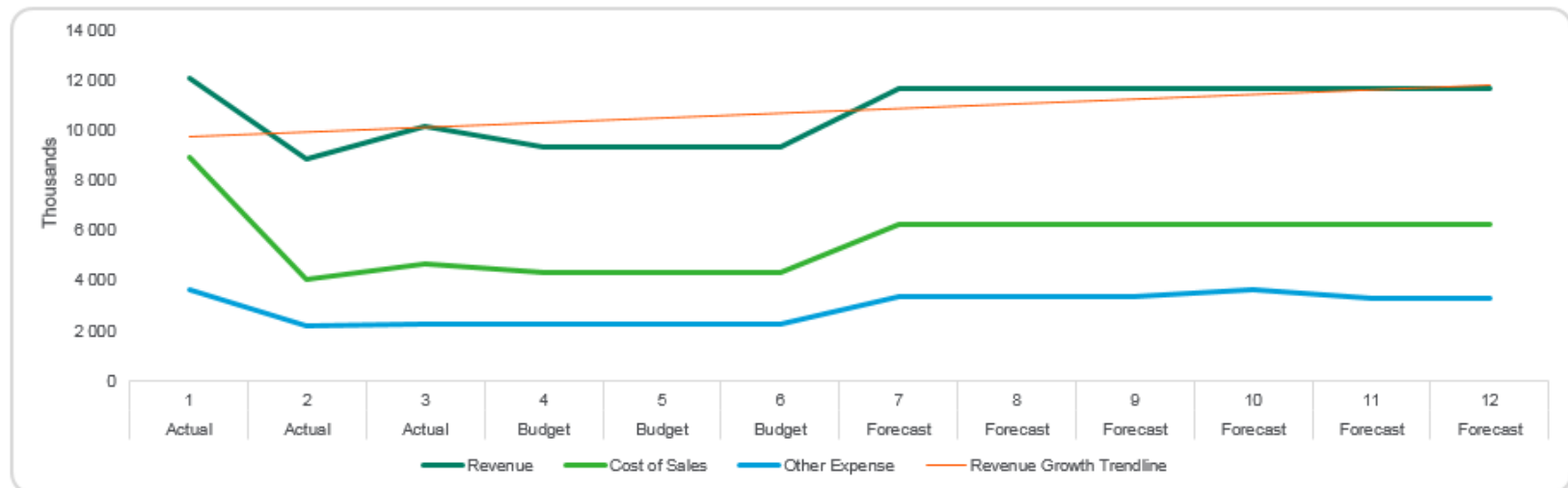
# Forecast Income Statement

Company Name:  
Current Year:  
Select Month End Period for Actuals:  
Select Month End Period for Budgets:

Elephant Lifting  
2013  
3  
6

Forecast % Adjuster

Revenue increased by 25%  
Cost of Sales increased by 45%  
Other Income increased by 20%  
Other Expenses increased by 50%



	Actual 1	Actual 2	Actual 3	Budget 4	Budget 5	Budget 6	Forecast 7	Forecast 8	Forecast 9	Forecast 10	Forecast 11	Forecast 12	YTD
9 Revenue	12 102 769	8 856 138	10 149 325	9 380 000	9 380 000	9 380 000	11 725 000	11 725 000	11 725 000	11 725 000	11 725 000	11 725 000	129 598 232
10 Cost of Sales	8 951 541	4 069 618	4 638 555	4 314 800	4 314 800	4 314 800	6 256 460	6 256 460	6 256 460	6 256 460	6 256 460	6 256 460	68 142 878
35 Distribution Cost	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Gross Profit/(Loss)</b>	<b>3 151 228</b>	<b>4 786 520</b>	<b>5 510 770</b>	<b>5 065 200</b>	<b>5 065 200</b>	<b>5 065 200</b>	<b>5 468 540</b>	<b>5 468 540</b>	<b>5 468 540</b>	<b>5 468 540</b>	<b>5 468 540</b>	<b>5 468 540</b>	<b>61 455 354</b>
4 Other Income	106 924	305 737	106 597	182 000	182 000	182 000	218 400	218 400	218 400	218 400	218 400	218 400	2 375 657
16 Profit/Loss on Sale of Non-Current Asset	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Profit/Loss On Exchange	0	0	0	0	0	0	0	0	0	0	0	0	0
32 Other Comprehensive Income	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Dividends Received	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Income</b>	<b>3 258 152</b>	<b>5 092 256</b>	<b>5 617 366</b>	<b>5 247 200</b>	<b>5 247 200</b>	<b>5 247 200</b>	<b>5 686 940</b>	<b>5 686 940</b>	<b>5 686 940</b>	<b>5 686 940</b>	<b>5 686 940</b>	<b>5 686 940</b>	<b>63 831 011</b>
36 Administration Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Other Expense	3 661 935	2 178 374	2 259 191	2 275 006	2 221 106	2 221 106	3 331 659	3 331 659	3 331 659	3 616 659	3 275 198	3 275 198	34 978 746
13 Unallocated IS	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Profit/(Loss) Before Interest &amp; Tax</b>	<b>(403 783)</b>	<b>2 913 883</b>	<b>3 358 175</b>	<b>2 972 194</b>	<b>3 026 094</b>	<b>3 026 094</b>	<b>2 355 281</b>	<b>2 355 281</b>	<b>2 355 281</b>	<b>2 070 281</b>	<b>2 411 742</b>	<b>2 411 742</b>	<b>28 852 264</b>
12 Tax Expense	10 799 858	0	3 714 598	0	0	0	0	0	0	0	0	0	14 514 456
<b>Net Profit/(Loss) After Tax</b>	<b>(11 203 641)</b>	<b>2 913 883</b>	<b>(356 423)</b>	<b>2 972 194</b>	<b>3 026 094</b>	<b>3 026 094</b>	<b>2 355 281</b>	<b>2 355 281</b>	<b>2 355 281</b>	<b>2 070 281</b>	<b>2 411 742</b>	<b>2 411 742</b>	<b>14 337 808</b>
14 Dividends Paid	(1 466 571)	0	3 000 000	0	0	0	0	0	0	0	0	0	1 533 429
<b>Net Profit</b>	<b>(9 737 070)</b>	<b>2 913 883</b>	<b>(3 356 423)</b>	<b>2 972 194</b>	<b>3 026 094</b>	<b>3 026 094</b>	<b>2 355 281</b>	<b>2 355 281</b>	<b>2 355 281</b>	<b>2 070 281</b>	<b>2 411 742</b>	<b>2 411 742</b>	<b>12 804 379</b>

# Illusion of Control

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Let's play a game to clarify the concept:

- ☐ Pair up with someone – 1 roller & 1 watcher
- ☐ You can bet up to \$10 against the house but keep the amount secret to yourself
- ☐ Roll the die!
- ☐ If you roll 6; you both win otherwise you both lose



# Good, Bad & Ugly Metrics

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Be careful of cognitive bias when picking metrics

90/90 Rule

Parkinson's Law

Hofstadter's Law

Vanity Metrics





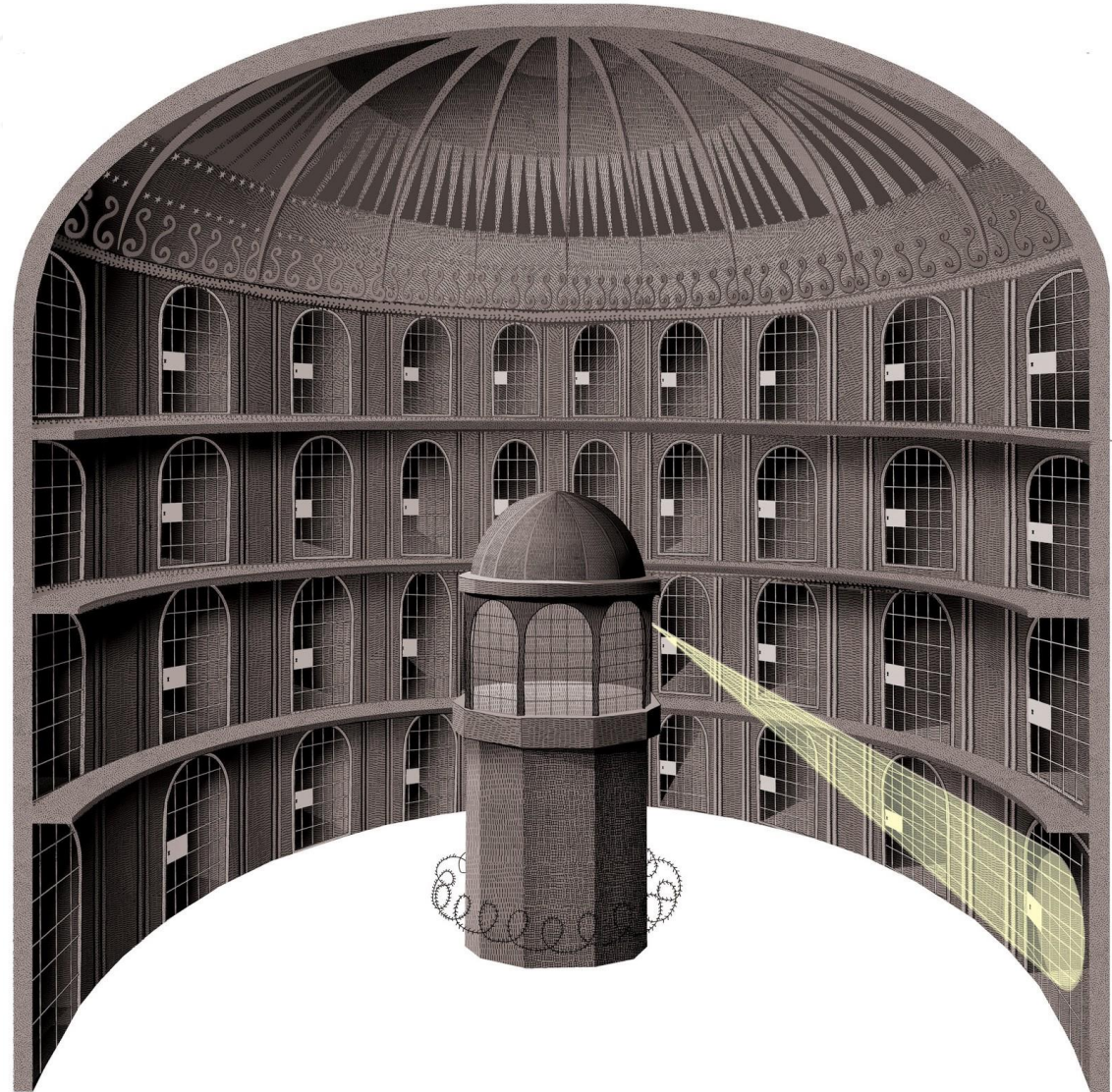
# Observer Effect

## Observer Effect

(Hawthorne Effect)

## Goodhart's Law

Don't measure metrics that  
you're not willing to improve!



# Select your Metrics

A good place to start is a goal-based approach:

## **GOAL**

Start by asking yourself what **GOAL** you would like to achieve

## **QUESTION**

Then come up with the **QUESTIONS** you would like to answer

## **METRICS**

You can choose proper **METRICS** based on the answers above

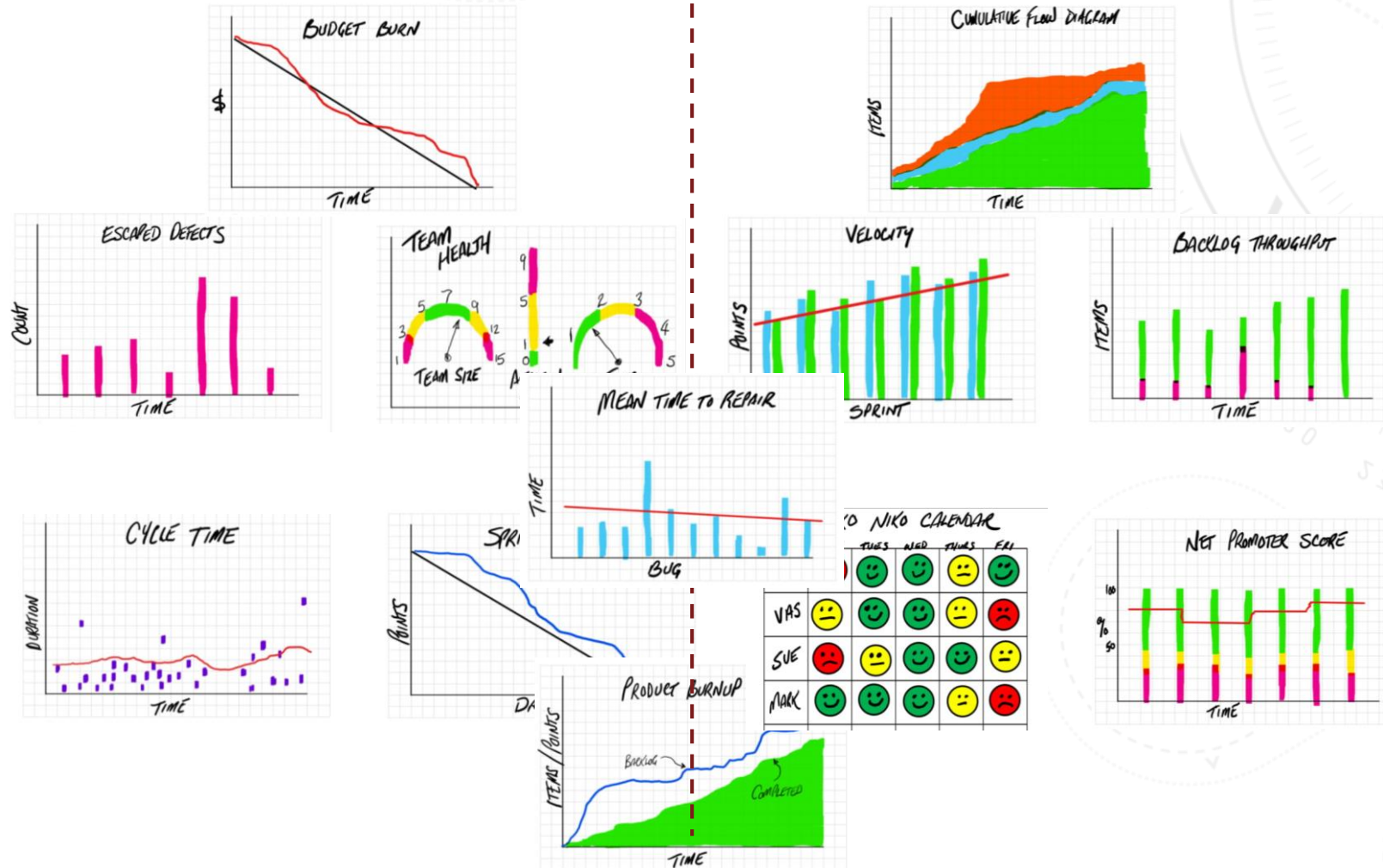
## **OKR: Objectives & Key Results**



# Build a Dashboard

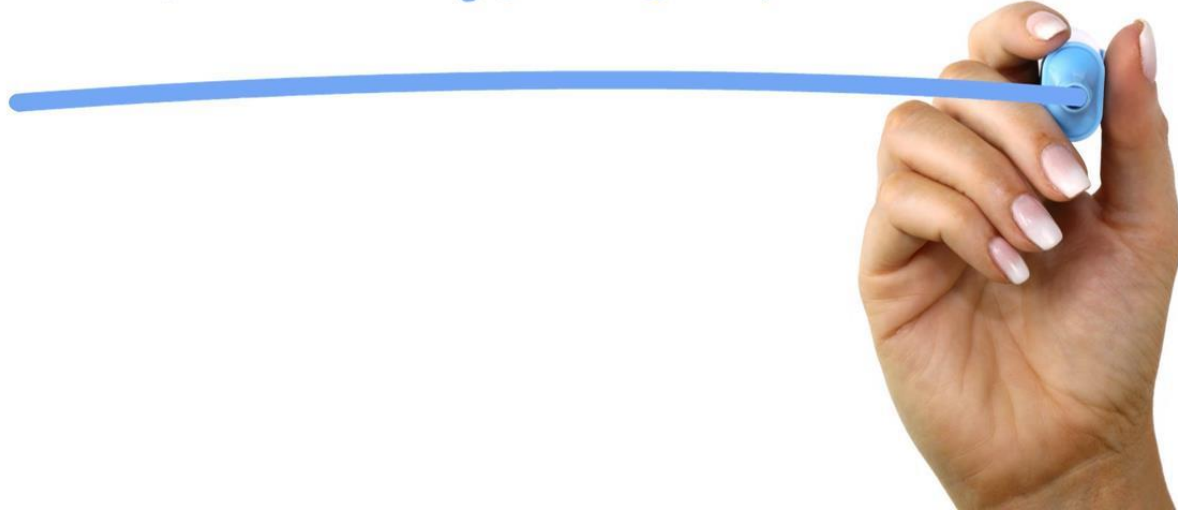
Product

Process





# WORKSHOP



## Instructions

- Groups of at least 3 people
- Read goal and questions
- Refine goal, add question
- Propose metrics
- Test each metric against these criteria
- Timebox of 10 minutes
- Defend/Explain your choices

<https://qoomon.github.io/time-timer-webapp/>



# What Makes a Good Metric

- Does it fool me into believing something that is not true?
- Does it pacify stakeholders?
- Does it fail to drive right behavior?
- Can it be easily gamed?
- Will managers turn this into a target?
- Are stakeholders unwilling to invest in its improvement?
- What business decision can I make?



Use the personal mini-dashboard to try options or think about other goals.  
Help yourself to sample metrics.

# Thank You

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Feel free to ask us your questions.

Feedback is **really** important. Please leave us feedback.

Give feedback online or in the app.

Wayne and David