The TestPeople

Title: The Iterative Consulting Engagement Model
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1. Vision

We are uncovering better ways of delivering sustainable, reliable and valuable products with our clients while enhancing capability in client teams. Through our work we have come to value:

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Priority over process
Throughput over headcount
Responsiveness over formality
Client collaboration over contract negotiation

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That is, while we value items on the right we value items on the left more. This document explains how we put these values into practice. We hope it will give you an understanding of what working with us will feel like as well as how we will fit within your existing system.

2. Patterns

This model has 5 core patterns. These are used in every engagement. These patterns work together to make delivery of the right solution built the right way and delivered to the right people the default outcome of the engagement. If these patterns are not suitable then this engagement model is not suitable.

The model also has 10 well understood optional patterns. When an optional pattern is suitable it is very valuable but it is not always suitable. An optional pattern may be requested by the client or suggested by the team but will only be used at the agreement of both the client and the team.

2.1 Core Patterns

2.1.1 Priority Delivery

The client has control of directing the team, at regular intervals, according to their understanding of value.

Why

As an engagement goes on it should become more certain that the engagement will deliver the required outcome. Ordering work by priority creates a virtuous cycle between what has been done and the certainty associated with the engagement being successful. Ordering work by other means often results in the perception of progress until the challenging or risky work, often the most valuable, are all that remain at which point most projects begin to fail.

How

As part of the engagement a totally ordered list of potential work, ordered by priority is created. This list is owned by the client and can be updated at anytime. At the start of each iteration the client and the team collaborate to identify a subset of the list to complete within the current iteration.

2.1.2 Iterative Delivery

The team will deliver items of independent value every iteration according to the priority agreed at the outset of the iteration.

Why

Without a mechanism for independent verification there is little to constrain optimism around completion of work. If work is packaged in a way which requires complex technical or domain knowledge it can be impossible to verify the completion of work independently. In an iterative delivery all work is packaged such that it can be verified by the client as satisfying a requirement. This allows the client to feel justifiably confident about the work left to be completed.

How

At the end of each iteration the team gathers with the client to prove completed work through demonstration. Work that is not thought to be wholly complete by the team is explained but not demonstrated - it is treated as incomplete until it is complete. Feedback is gathered on what has been achieved and this may be an opportunity to place new work on the work list.

2.1.3 Team Delivery

The team has control of how to deliver what the client has prioritised, including who will work on each part of the solution.

Why

It is easy to be comforted by the perception of control brought about by the ability to directly influence who carries out work and what process is used. Such a system often depends on the leader very heavily to understand all facets of both the solution and the

team. This situation is exacerbated when the team is external and the solution not in the clients' area of expertise. By creating a responsibility in the team to self organize around the completion of work we remove overhead from the client. This makes it easier to do what only the client can do - direct the priority of work.

Additionally we provide stable and gelled teams. These teams have worked together as a single unit on many engagements. This allows us to be confident about what the team can be reasonably expected to achieve and to support reduction of waste associated with gathering a cohesive team.

How
The team is never managed by the client in terms of how work should be done or who should do the work. The team is kept together as a working unit even when there are no client projects to work on - often undertaking learning, research or development of open source products. The team never takes on work that it does not contain the core competencies needed to achieve results on what the client needs.

2.1.4 Right Place
The team will be responsive to the needs of the work in deciding which site to work from but will always have final say in where work will take place.

Why
Working physically within the client organization brings significant benefit through more natural collaboration. Working physically independently of the client organization brings equally the significant benefits of greater independence and lower overhead. These benefits need to be balanced against each other throughout the project through adjusting the time spent physically within the client organization according to the needs of the work. By specifying the location of the team before the project we reduce the ability to balance these benefits.

How
The client and the team will agree when the team will be physically present at the last responsible moment. This moment often comes at the end of the preceding iteration. When this agreement cannot be reached the team will have final say in where the team works. It should be very rare that the client and the team cannot agree.

2.1.5 Costings Review
The client and the team shall meet at a pre-agreed regular interval to discuss the cost of the team working with the client.

Why
This engagement model is based not on the provision of people but the provision of measurable value. Deciding up front the value of what is likely to be delivered each iteration, and therefore the cost that the client will incur, is prone to error. Since the model delivers regular valuable work it is possible to refine the costs of the project to the client according to the value delivered.

How

It would be unrealistic to adjust the cost of each iteration on a standard basis. Client finance processes, overhead on the team resulting from costing review and the variability of the value delivered from iteration to iteration all mean that there is no universal number of iterations to undertake before each costings review. Instead we specify a number of iterations between each costings review on a per engagement basis.

The costings review is a simple meeting between representatives of the client and the team where negotiation based on measurements of value delivered will take place. If parties cannot agree on an adjustment each party will have the option of providing one iterations notice of the end of the engagement. If this option is not exercised the cost will remain the same.

2.2 Optional Patterns

2.2.1 Formal Reporting

In addition to iterative delivery formal reports will be provided in each iteration to cover the work of the previous iteration.

Why

Without formal reporting some organizations can struggle with issues like transparency of the value of the engagement beyond the immediate client representatives, proof of the activity of the engagement meeting internal or external auditory requirements and comparison of the engagement with other engagements to make decisions about further investment in the engagement.

How

At the beginning of the engagement the client and the team will agree on a format for the formal report. A document will be produced by the team and approved by the client to govern the contents of the formal report. This document will be strictly adhered to by the team in producing the formal report for each iteration. The formal report document will be provided under a suitable license, also specified in the governance document, to the client each iteration to cover the previous iteration.

2.2.2 Financial Control

The client will have the option of cancelling the engagement by giving one iterations notice at the end of any iteration.

Why

On what is expected to be a long engagement the motivation or ability of the team in relation to the delivery regular value may be in doubt. Rather than spend a lot of time, which could be used to deliver value, in the sales process, an option to cancel the engagement is provided once per iteration to the client.

Additionally many engagements come to a point of diminishing returns for the client. This is especially true for engagements aimed in part at increasing capability within client teams. Rather than predict up front when this diminishing return will reach a level where cost cannot be justified the client is similarly provided with the ability to cancel at the end of any iteration.

How

At the end of any iteration the client can provide written notice to the team of cancellation of the engagement. The team will then complete one further iteration aimed at easing the handover of work to other teams, in the client organization or a third party, after which the engagement will end.

2.2.3 Continuous Handover

In addition to iterative delivery items delivered will not be considered complete until they are maintained by client teams.

Why

When engaging an external team the intent is often that the duty of the external team will be at some point fulfilled by an internal client team. Leaving the handover of such duties to the end of a project creates a gathering of risk when timelines and budget are often tightest. Instead continuous handover means work will not be considered complete, and therefore to have delivered value, until the task output is maintained by client teams.

How

When the team accepts work into the next iteration the team and the client agree on a measurement used to determine if the work is maintained by client teams. This measurement forms part of the formal acceptance criteria alongside demonstration of the work to the client for work being considered complete.

2.2.4 Go Iteration

The first iteration of the engagement will seek to provide necessary access, information or hardware to the team and will deliver no independent value.

Why

Some engagements can be prevented from delivering value by barriers, such as system access or the presence of a prioritised work list, that the team and the client do not have full control of. This can result in a slow and disappointing start to the engagement which acts to cause friction between the team and the client. To minimise the risk of such a start the first iteration will not provide value outside of seeking to remove these barriers.

How

The engagements first iteration will have work solely focused on removing barriers to the delivery of value in future iterations. This iteration will be costed at two thirds of a standard iteration. Barriers remaining after the Go iteration are accepted by the client.

2.2.5 Integrated Working

The client will embed an agreed number of staff with the team for a portion of the duration of each iteration.

Why

The necessity of engaging an external team often results from a skills gap within the client organization. In many cases there is value in closing that skills gap. By embedding client staff within the team a process of continuous learning can occur which leaves the client with a strategic solution to similar problems that created the need for external team engagement.

How

At the beginning of the engagement the client and the team will agree on a number of fixed individuals and a fraction of those individuals time each iteration. Each iteration the team and the client will agree fixed blocks of time where the individuals will be physically located with the team. These individuals are on the engagement to learn and assist. As such there can be no expectation by the team or the client that they will increase throughput of valuable work.

2.2.6 Coordination Workshop

The team will facilitate a regular meeting between representatives of all third parties focused on minimizing duplication of work and enhancing collaboration.

Why

There can be great overlap between the work of teams, or indeed there can be large gaps where no team is tasked with delivering what is required. By conducting a coordination workshop at a regular interval some of these gaps can be narrowed and some overlap reduced.

How

The team will provide a skilled facilitator for a meeting aimed directly and solely at minimizing duplication of work and enhancing collaboration between third parties. This meeting will include a separate team member who will represent the team. This meeting will output a log of risks, actions, issues and dependencies created by the facilitator and agreed to by all parties.

2.2.7 Risk Sharing

The team will agree to a portion of the engagements revenue being tied to a number of agreed measurable objectives.

Why

The client or team may wish to closely align the output of the engagement with wider business goals within the client. This is most often true when engagements may have widely varying impact on business value in the clients organization. By creating measurable objectives tied to the clients overall organization with levels of satisfaction we can create a fair and progressive relationship between the output of the team and the results sought by the client.

How

Prior to engagement the client and the team agree a number of measurable objectives. These measurements are often taken as indicators of engagement success indirectly tied to the output of the team. For instance an engagement where work focuses on improving the performance of a key component of the clients system may have a measurable objective tied to the overall performance of that system. At the end of the engagement these objectives are measured against agreed levels of satisfaction, for example a 5% improvement in system performance. If these levels are met the client pays a pre agreed fee to the team, for example 5% of engagement cost.

2.2.8 Mediator

The client will have access to an escalation point outside of the team who has a remit to mediate disputes between the client and the team.

Why

It is desirable to minimise friction between the team and the client. One way friction can creep into the relationship is through attempting to resolve issues that have arisen through direct and unmediated communication. While the close collaboration of the team and the client already allows resolution of many issues it can be very important to both the client and the team that should an issue prove to create too much friction when approached without mediation there is a clear and defined point of mediation. This mediation should come from outside of the team.

How

Prior to engagement an individual within the team's wider organization, often of a very senior level, is agreed between the client and the team. This person can be engaged at no cost by the team or the client to mediate the resolution of an issue that has caused friction.

2.2.9 Project Milestones

The client will be provided with a list of milestones spread through the engagement to support understanding the completeness of key work within the engagement.

Why

Iterative Delivery provides a mechanism by which the client can measure progress. More opportunities to measure progress for key work may be required. This requirement may arise for many reasons, such as the uniqueness of the work, the dependence on the work by other teams or the scale of the project. Having too many milestones may create problems by discouraging the team from following the priority set by the client or by removing focus from other milestones.

How

A documented and established model is agreed between the client and the team prior to engagement. This model must include all assumptions made by the model as well as a method for estimating the effort required to achieve each milestone by the team. Milestones should be larger than any single piece of work that could be taken into an iteration, otherwise an item of work for the iteration would serve the purpose of the milestone.

2.2.10 Framework Agreement

The team's organization and the client form an agreement which is guaranteed by the team's organization should the team be unable to fulfil the agreement's terms.

Why

Budgetary signoff for iterative engagements can be complex and challenging, especially for large companies. The Framework Agreement is a document in which the requirements

for budgetary signoff, whether time, cost, scope or resource based, can be met by the organization without impinging the teams ability to deliver.

How

Negotiations will occur, usually without the team present, between the team's organization and the client. These negotiations produce a document that acts as a framework within which the teams work will take place. The framework means that should this model or the team be unsuitable the client is guaranteed by the team's company that fulfilment of terms in the Framework Agreement will still occur. Importantly no aspect of the teams work is subject to this commitment though the team will make every effort to meet the needs of the agreement.