SolutionsIQ

Pin the Tail on the Metric

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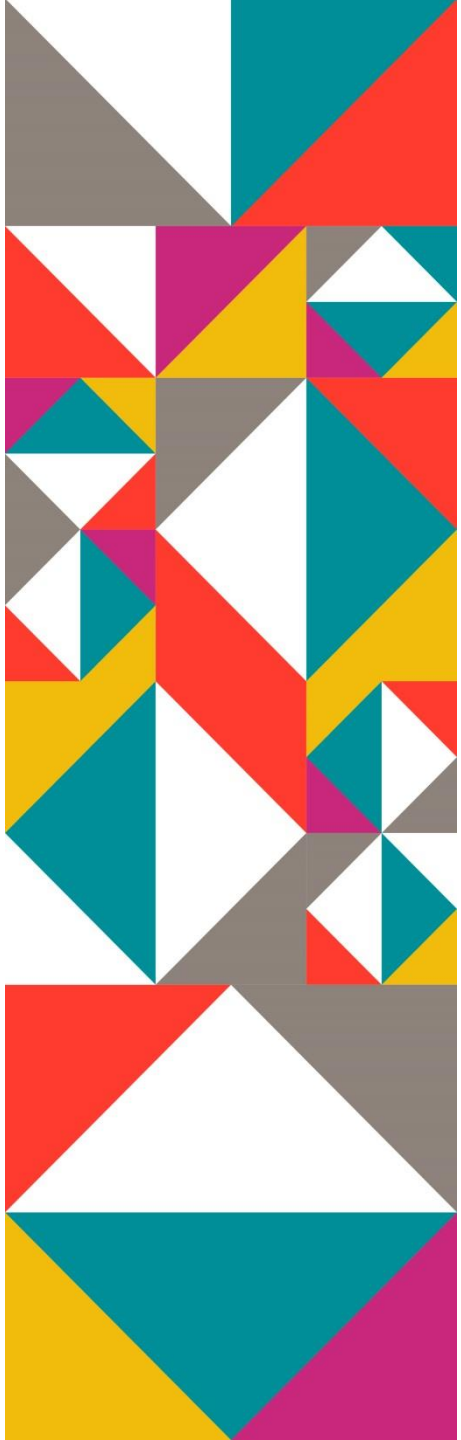


INTRODUCTION: WHY ARE WE HERE?

Workshop Objectives

1. Impacts of metrics on decision making processes

2. Gain understanding of what good metrics are versus bad metrics

3. Learn how to run the Pin the Tail on the Metric exercise to identify metrics to use

Couple housekeeping tips

Highly interactive – we'll moving around

Our time is limited - please refrain from using technology during session

Please feel free to ask questions

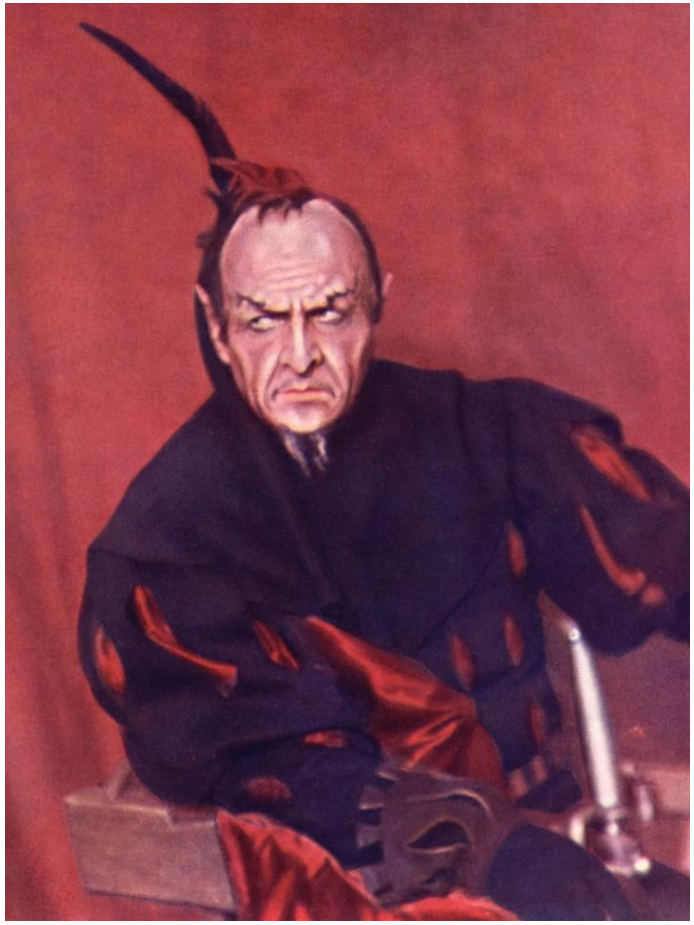
- But, want to respect our time box together
- May use a Parking Lot for questions
- Follow up afterwards to those we can't get to during the session

To get electronic copy of the deck, LinkedIn or leave your card

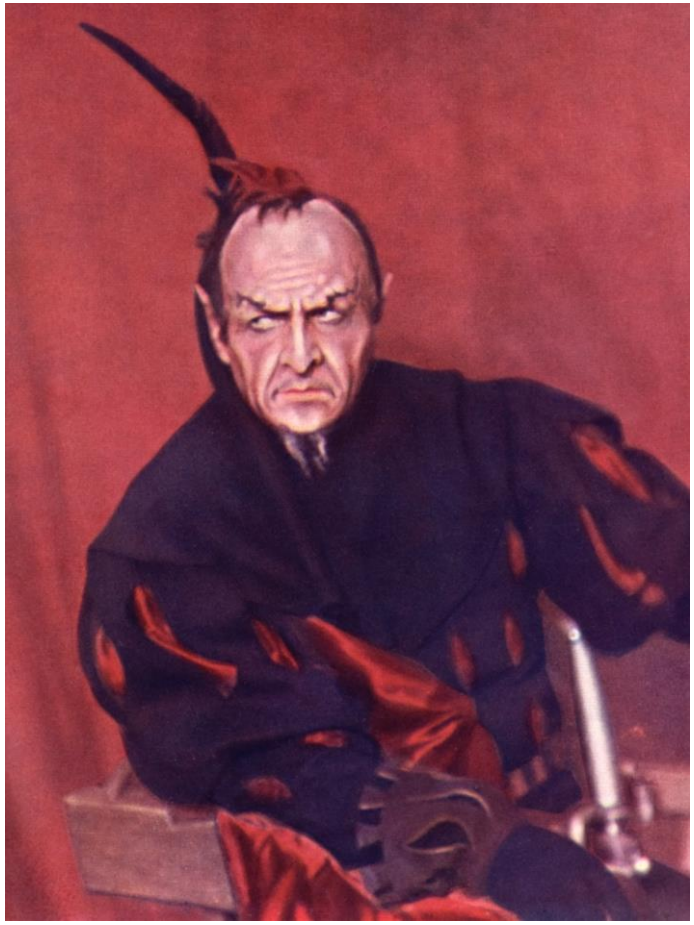
Opening Remarks & Exercise

Before I make my decision, I'd like to see those meaningless statistics again

Metrics =



Metrics ≠

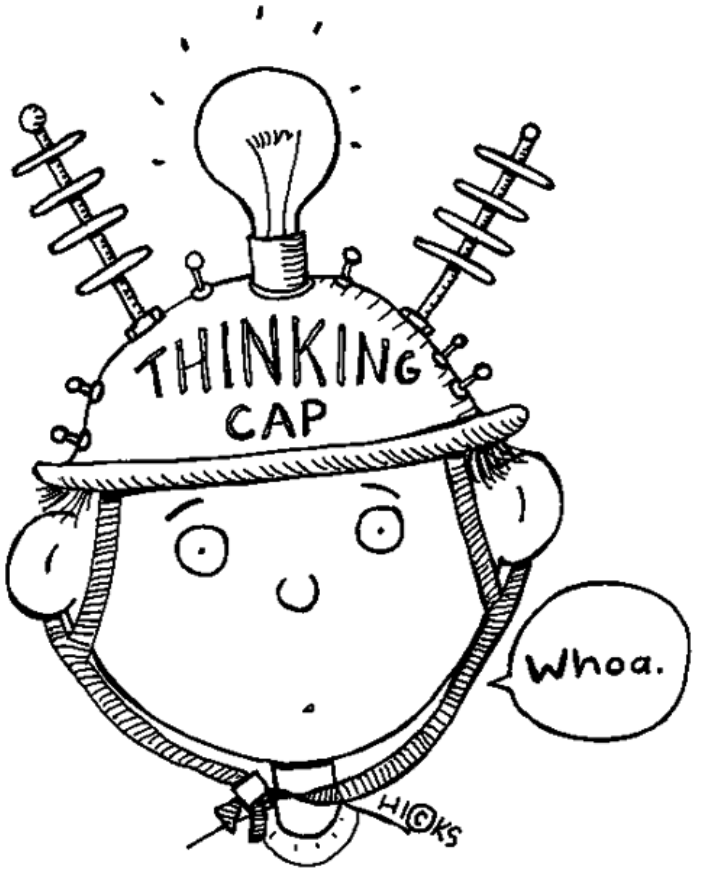


Small group exercise

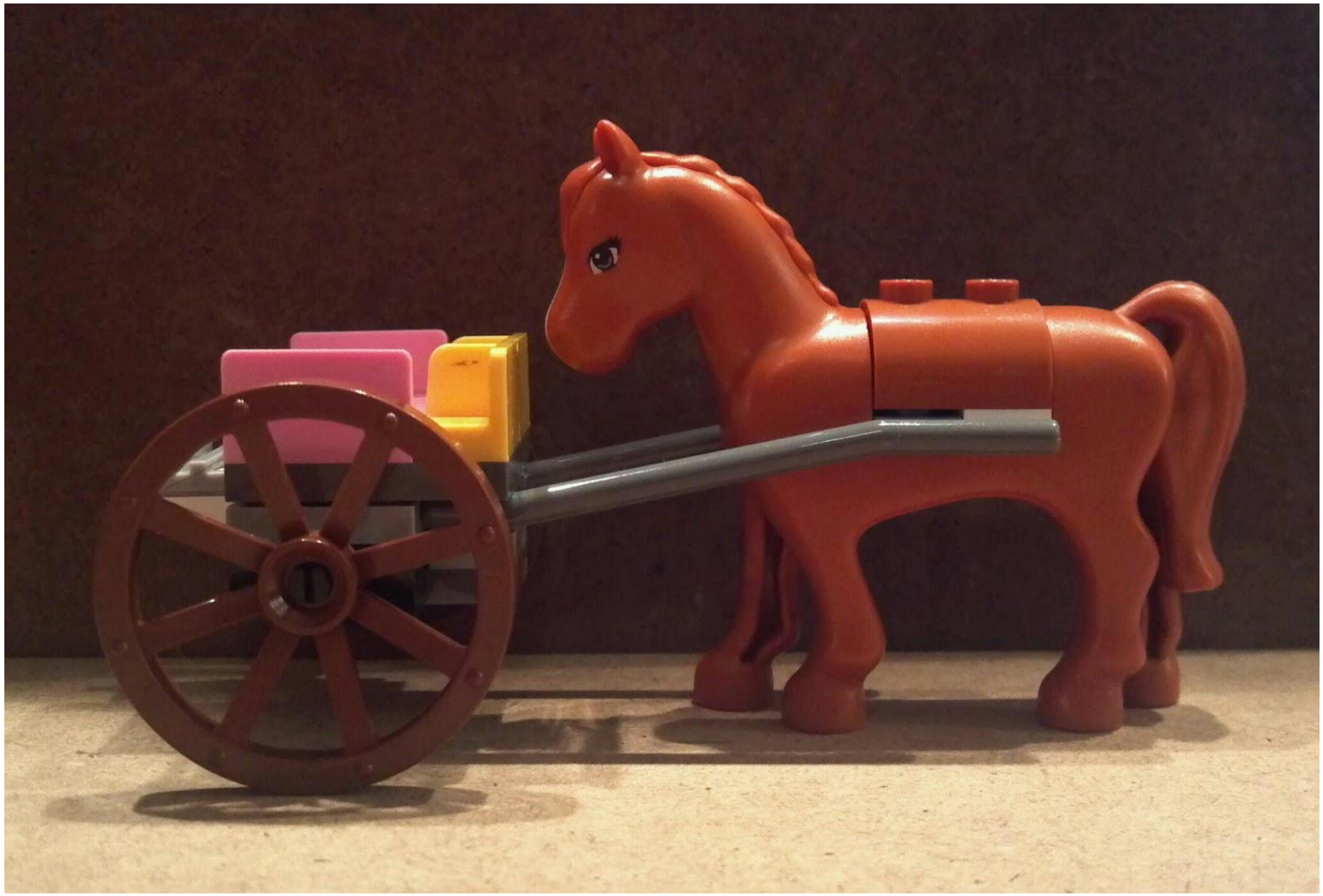
Introduce yourselves (if not done already)

So why do we need metrics anyway?

Time box: 4 Mins



Let’s talk metrics.



Let's talk ~~metrics.~~ *goals.*

So what do goals have to do with metrics?

Your metrics should provide information to help you guide towards achieving your goals.

There can be goals at multiple levels for multiple purposes

Teams

Portfolios / Programs

Organization-Wide / Company Transformations

Let's talk about Goals

Self organize into small groups (about 5ish) around a topic area that you want to discuss more about over the course of this workshop

- Teams
- Portfolios / Programs
- Organization-Wide Agile Transformations

In your small group, discuss what are the main goals

Timebox: 8 mins (to get in small groups and discuss main goals)

In summary…know your goals

Metrics should enable conversations about future action with respect to your goals, not be used a status report.

METRICS CONSIDERATIONS

Video

“Using Metrics”

https://www.youtube.com/watch?v=F4dCLrQpVsM

Featuring Martin Klubeck, author of "Metrics: How to Improve Key Business Results"; and Tim Chester, Chief Information Officer at the University of Georgia. Posted February 2012.

Shout it out

What makes a good metric?

Some Characteristics of “Good Metrics”

Aligned with goals (Teams > Portfolios > Organization)

Actionable

Leading (can they help make decisions in the future) vs.
Lagging (they “tell the news” and may make feel good/bad)

Easy to understand

Easy to collect data

Shout it out

What makes a bad metric?

Be aware of “vanity metrics”

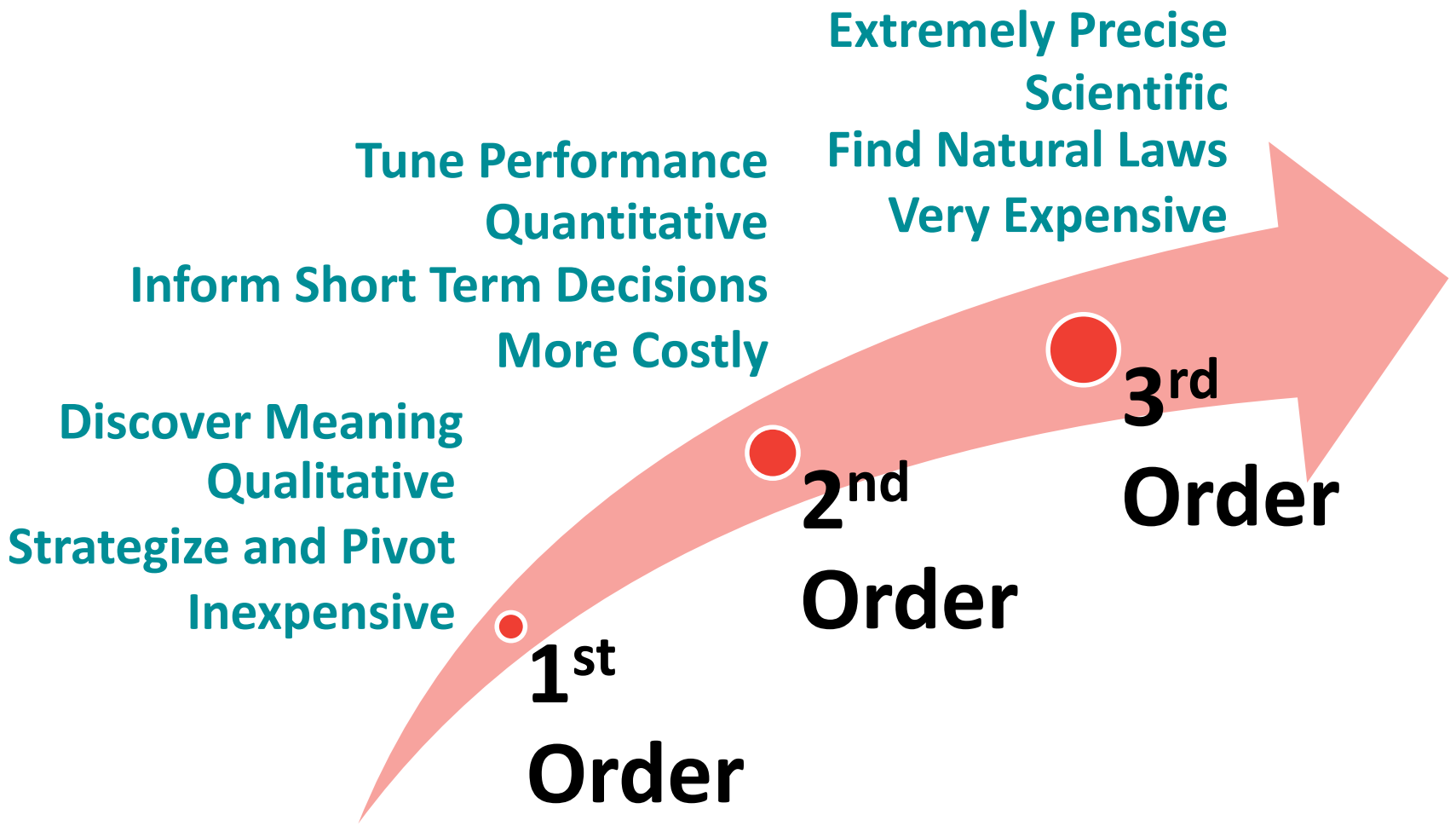
Those that go “up and to the right”

Non-variable

Non-actionable:

- # of page visits
- # unique visitors
- Total cumulative sales

Three Orders of Metrics



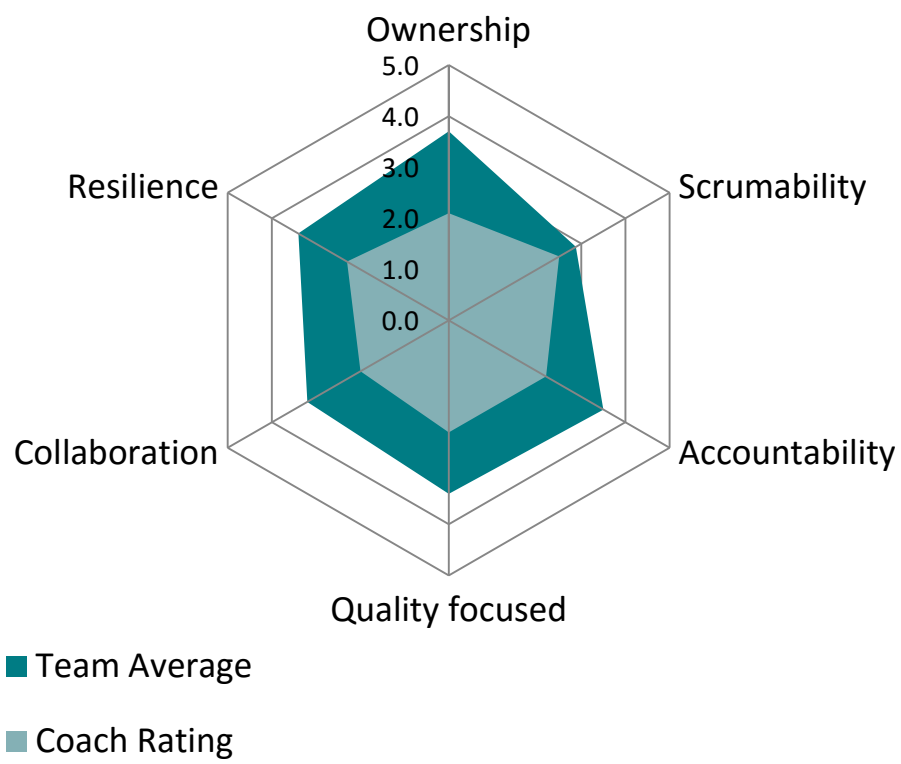
Source: Bolton, Michael. "Three Kinds of Measurement and Two Ways to Use Them". *Better Software*. July/August 2009.

Slide by Dan Fuller, SolutionsIQ

Let’s see some examples.

Example Radar Chart (1 Team)

After 5 Sprints (1 Team)



After 10 Sprints (1 Team)

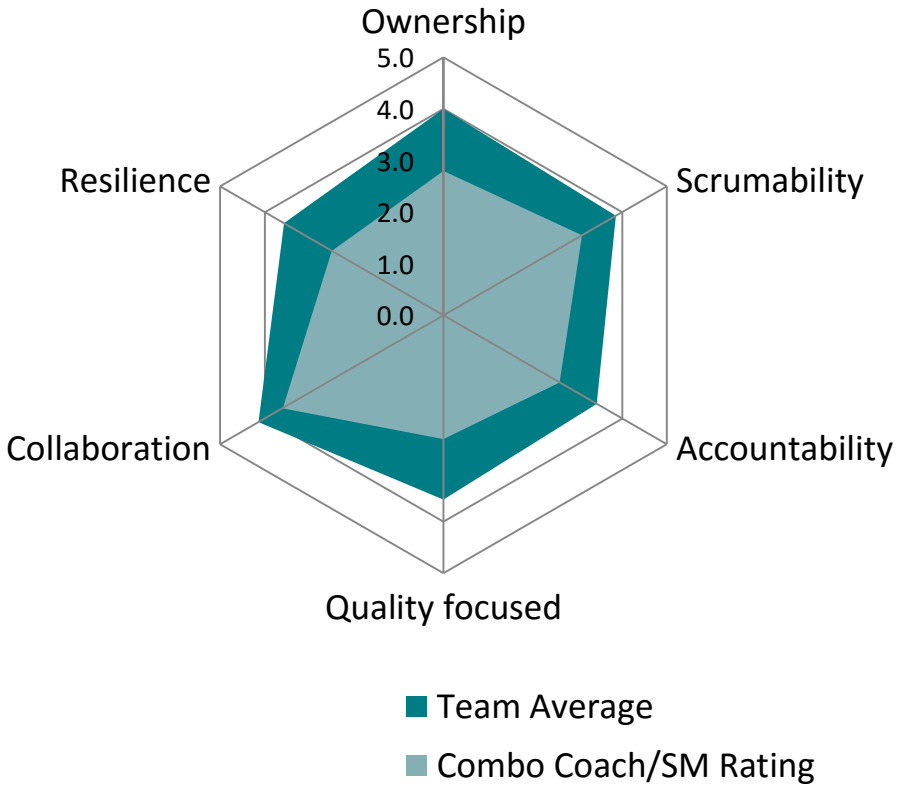


Table Discussions

- At your table, select the appropriate group of real metrics used at clients.
- As a table, discuss and decide – which ones tend to be “good” metrics and which ones tend to be “bad” metrics.

Teams	Portfolios/Programs	Transformations
• # hours spent in sprint planning • Velocity • # defects resolved within sprint • # stories groomed / ready for planning • % code coverage for automated unit testing • WIP (# stories)	• # stories completed • % Complete • # defects [that made it into] in QA environment [from Dev environment at end of sprint] • # automated regression tests • System performance • WIP (# stories)	• Change in Velocities per team • Customer Sentiment • # of teams trained • # of sprints/iterations completed per team • Lead Time (i.e. time to complete new requests) • # new [paying] subscribers

Manage quantitatively and objectively using only a few simple metrics

Quality

WIP (work-in-progress)

Lead time against target

Waste / Efficiency

Blocked work

Throughput

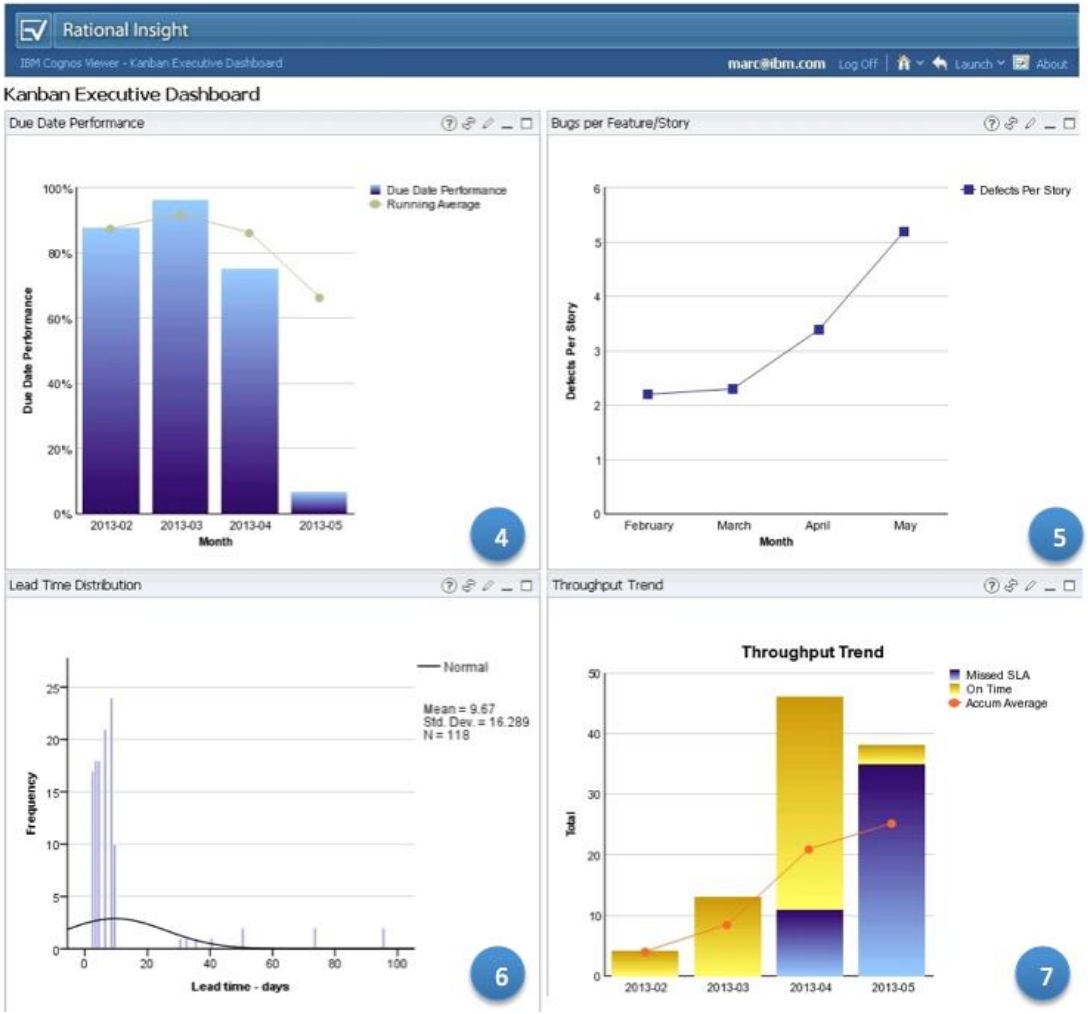
Evaluate / emphasize trends and variations, not individual data points.

Source: Anderson, David J. "Kanban: Successful Evolutionary Change for Your Technology Business." (Sequim: Blue Hole Press Inc., 2010)

What do you think of this “Post Release Scorecard?”

Business Expectations: • % User Story Definition Before Coding Begins (%) • Did Release meet release expectations (1-5, user)	**Quality:** • % Code Coverage for Unit Testing (%) • % Code Coverage for Functional Testing (%) • # Runs/Day for Unit Tests (#) • # Runs/Day for Functional Tests (#)
Communication: • % Items in Communication Plan Completed (%) • Effectiveness of Communications (1-5, user)	**Planning:** • # Story Points/Day (#) • Velocity Variance (%)

Example Dashboard



Source: Marc J. Nehme, Paulo Lacerda, “Improve predictability and efficiency with Kanban metrics using IBM Rational Insight”, Aug 2013.

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Other Characteristics of “Good Metrics”

Use a small number of metrics

- » Keeps focus on the goals

Revise/update metrics you use over time

- » Are your metrics still relevant?
- » Have goals shifted?
- » Are you “good enough?”

PIN THE TAIL ON THE METRIC

Pin the tail on the metric

An activity intended to be used with teams, managers, and executives to help identify the highest value-add, actionable metrics.

Can be used at any level (e.g. teams, portfolios/programs, transformations, etc.)

Supplies needed:

- Index cards or sticky notes
- Felt-tip pens (such as sharpies)
- Blue tape

Total timebox for exercise: typically 60 mins.

Pin the tail on the metric

Step 1: Create list of your current metrics.

Using your sharpies and sticky notes (or cards), write down each metric that you are *currently* reporting on and to whom.

One metric per sticky note.

Pin the tail on the metric

Step 2: Create your workspace.

Use your blue tape. On a wall (or on a table), create the scale as indicated.

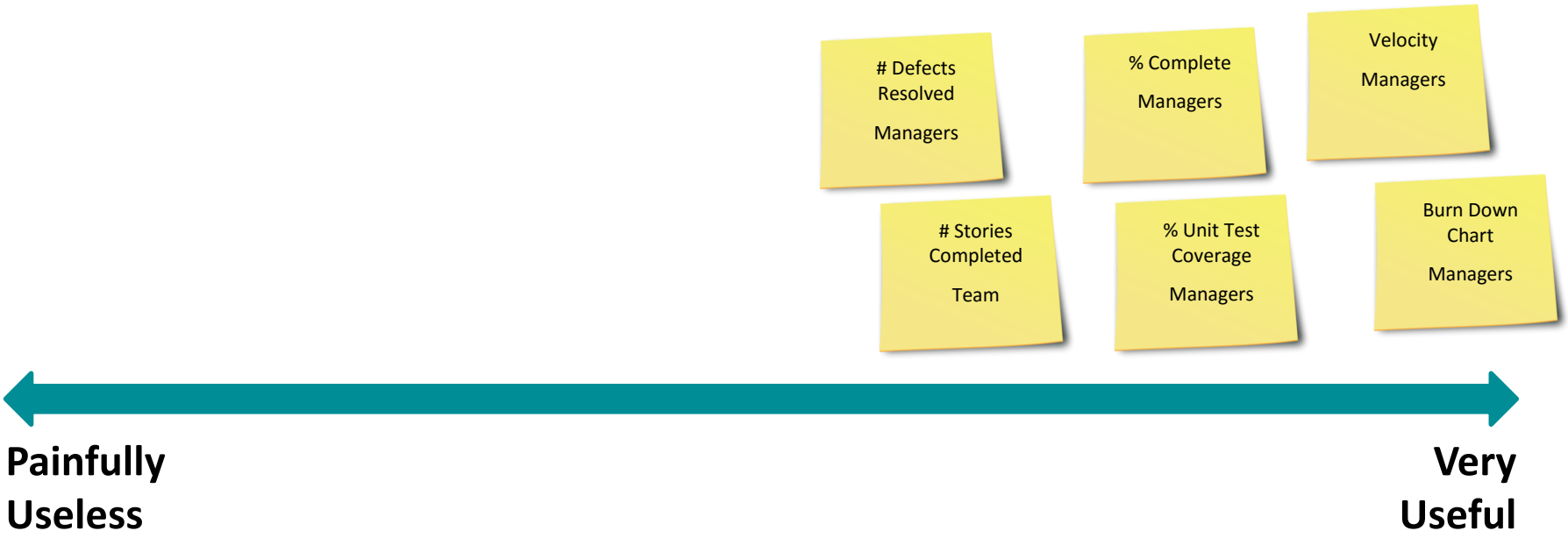
Painfully Useless

Very Useful

Pin the tail on the metric

Step 3: Silently place metrics cards on your workspace.

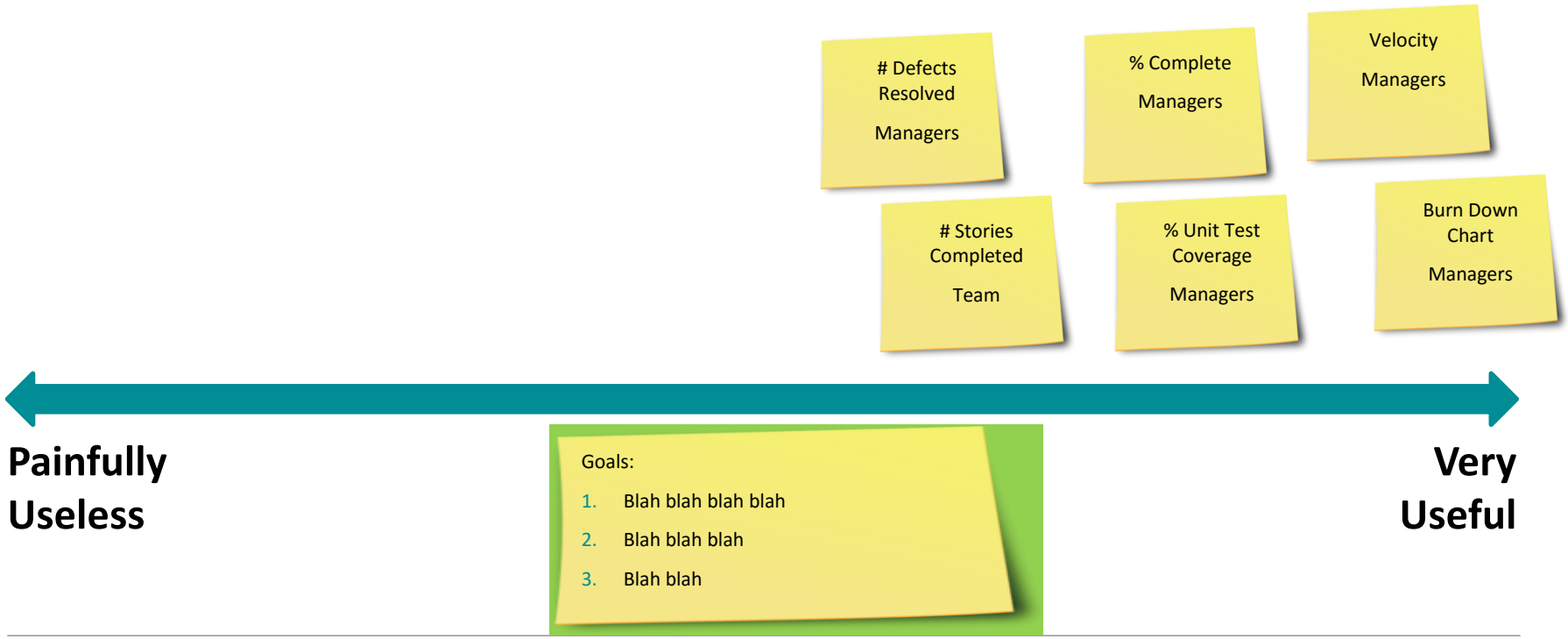
Be silent. Discussion will happen shortly…



Pin the tail on the metric

Step 4: Review your goals together.

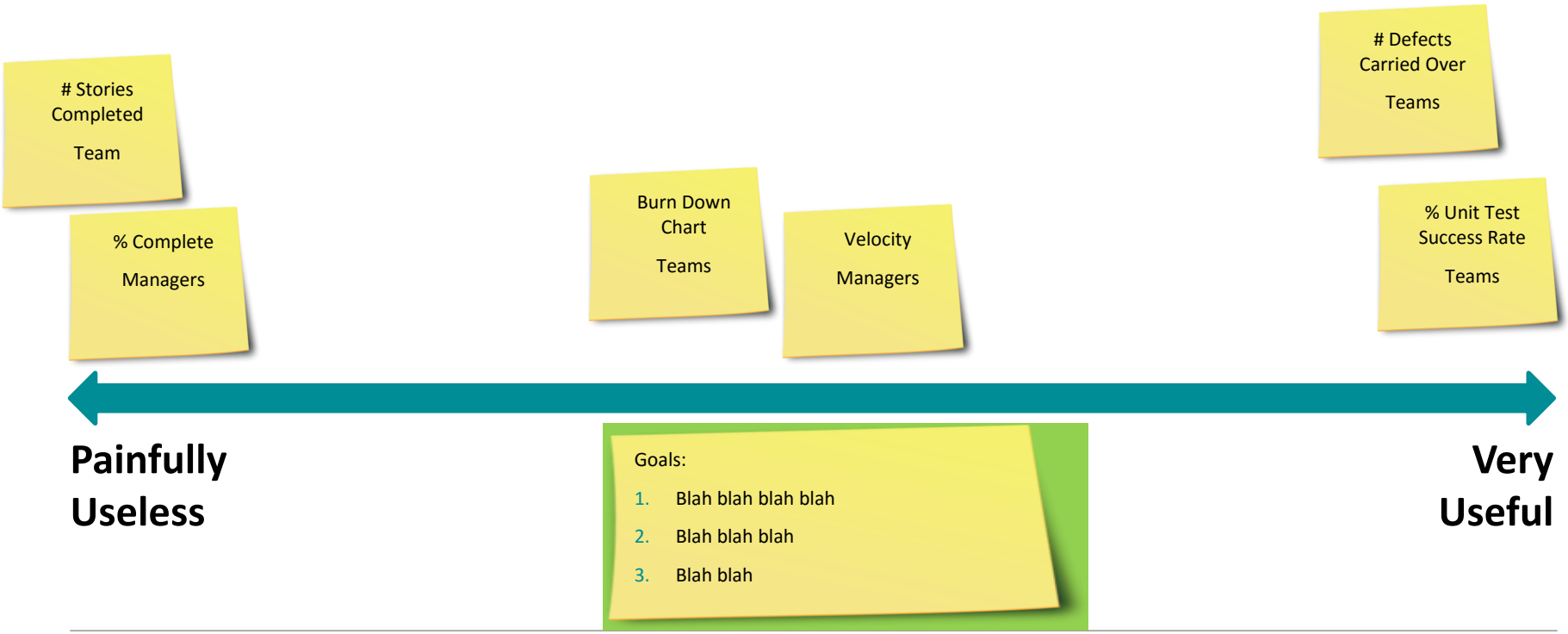
Post your goals next to the workspace. Read goals aloud.



Pin the tail on the metric

Step 5: Discuss (Majority of time spent here).

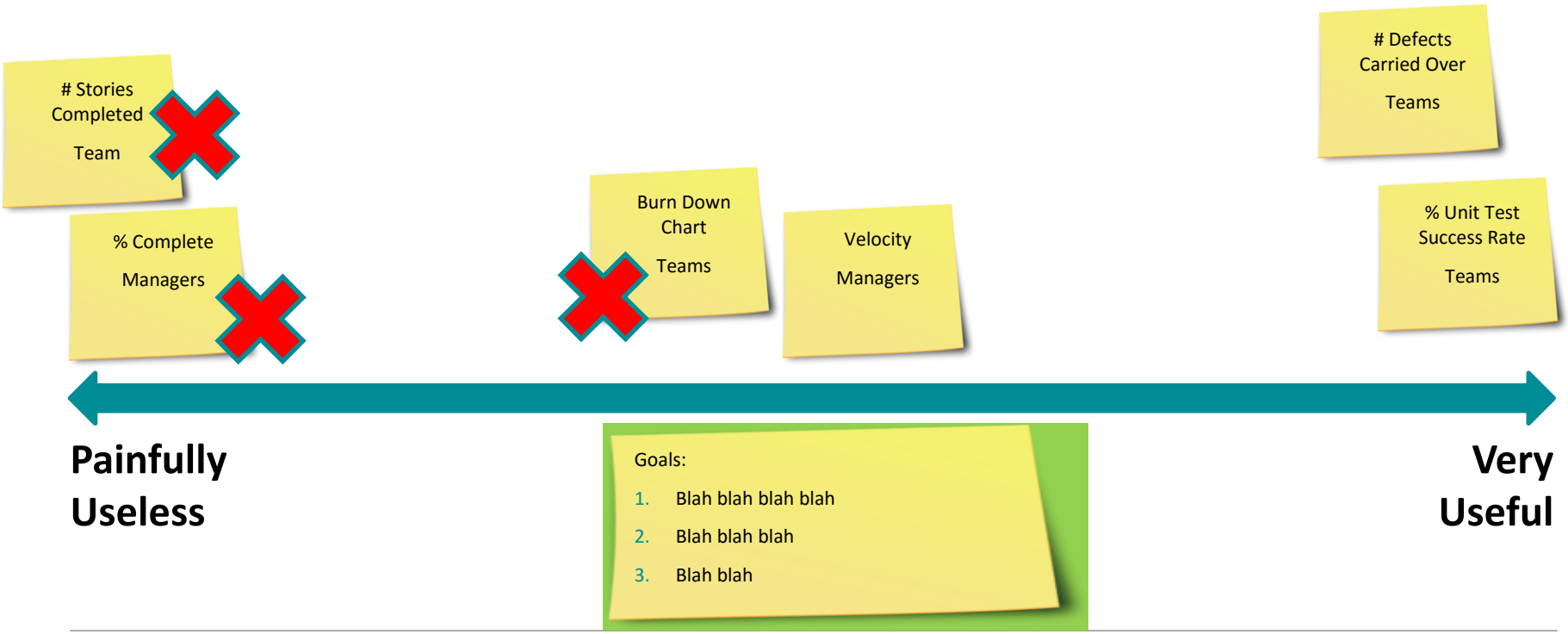
Together, discuss metrics with respect to goals. Add/remove/modify metrics as needed.



Pin the tail on the metric

Step 6: Determine reporting plan and frequency.

Transparency is key. You'll need to determine the (small) group of metrics that will be reported, how and when.



Next Conversations

Further Conversations

Metrics are only part of the story. You have to also look at your Governance process and how you make decisions.

You must have a culture of safety and trust with metrics.

It's OK to experiment with metrics. Did this give us the information we thought we needed? Is this type of decision (by which were gathering data for) still needed?

Q&A

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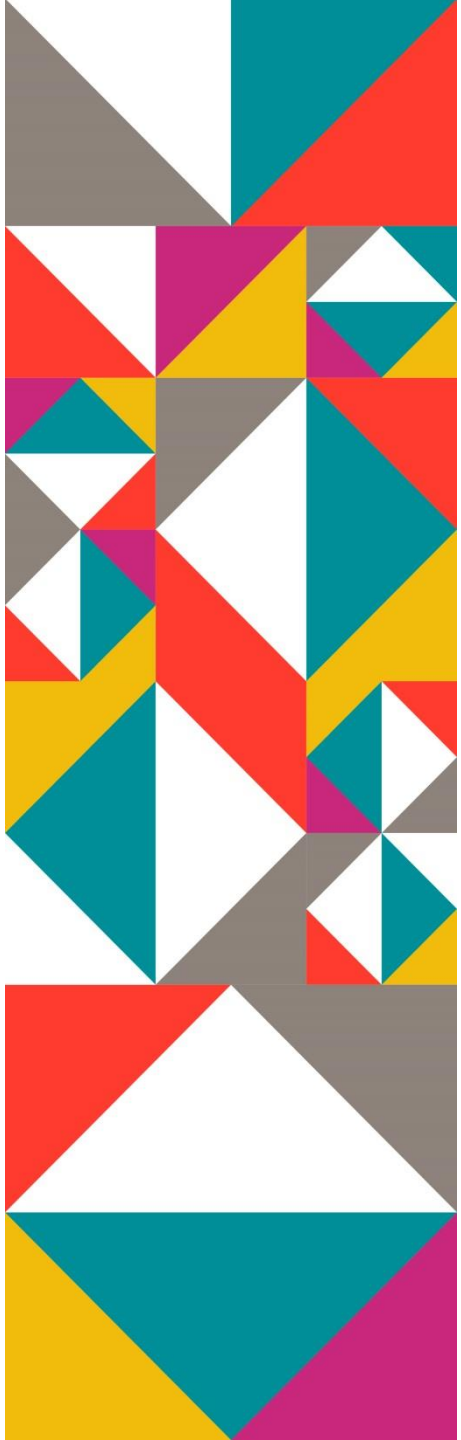


APPENDIX

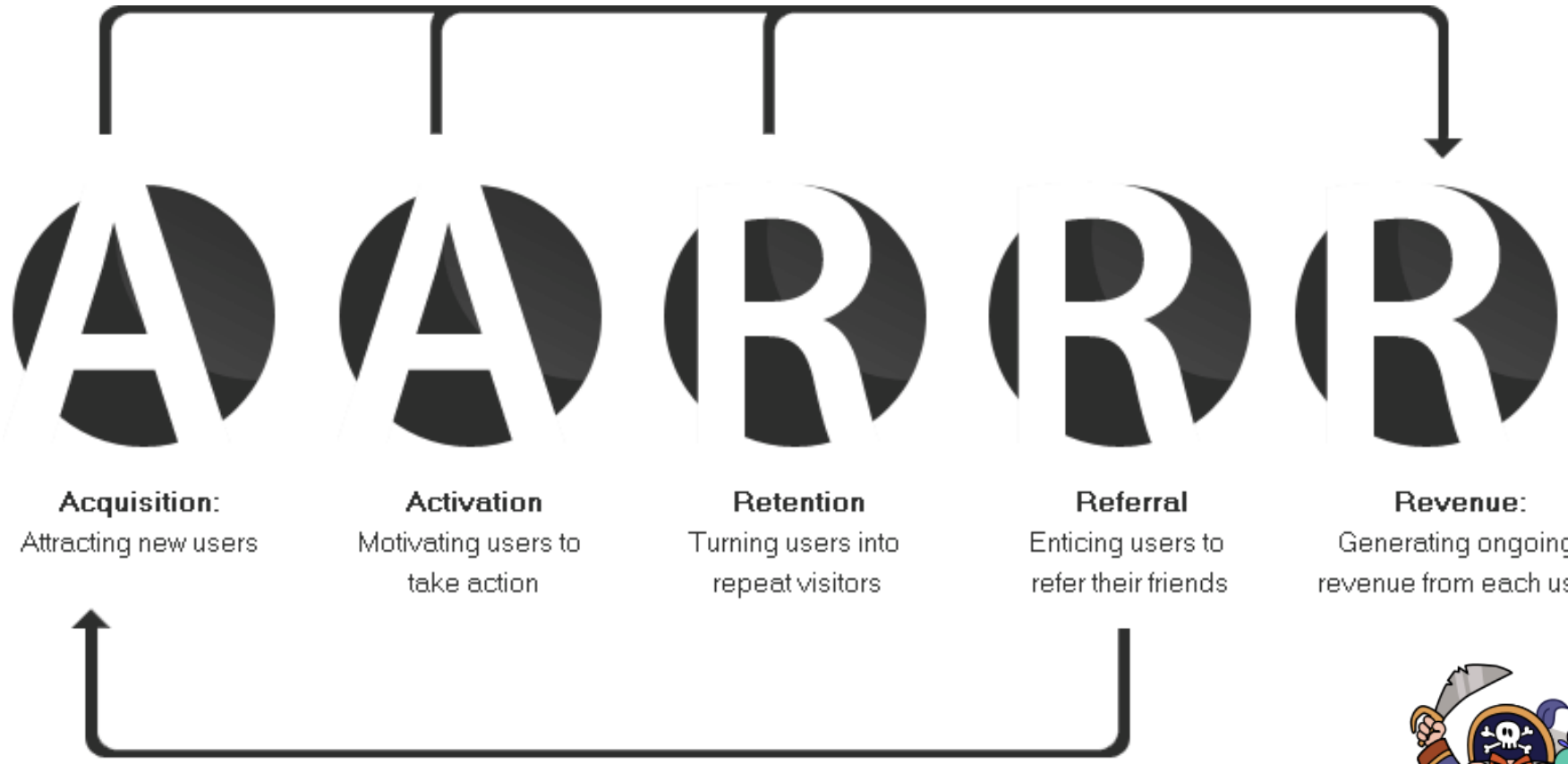
Additional Helpful References

https://www.linkedin.com/pulse/forget-roi-use-innovation-metrics-instead-steve-glaveski

http://scaledagileframework.com/metrics/

https://insights.sei.cmu.edu/sei_blog/2014/09/agile-metrics-seven-categories.html

Pirate Metrics



Innovation Metrics

5 most commonly used metrics:

1. **Revenue generated by new products**
2. **Number of projects in the innovation pipeline**
3. **Stage-gate specific metrics, i.e. projects moving from one stage to the next**
4. **P&L impact or other financial impact**
5. **Number of ideas generated**

Activity metrics show you're "busy stoking the boilers of innovation". Examples: # employees trained in LSU, # new product ideas in research

Impact metrics show your ship actually going somewhere. Examples: market share, cost reduction, revenue from new products/services in 1st year to market.

Kirsner, Scott, "What Big Companies Get Wrong About Innovation Metrics", Harvard Business Review, May 06, 2015.

Innovation Metrics

5 ways most measurement efforts go wrong:

1. **Alignment can take a while**
2. **Patience is a rarity**
3. **Failure isn't fun to measure**
4. **Having a vision**
5. **Measuring too much**

Kirsner, Scott, "What Big Companies Get Wrong About Innovation Metrics", Harvard Business Review, May 06, 2015.