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## Governing Agile

the changing role of project controls in an 'agile' environment

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## Today

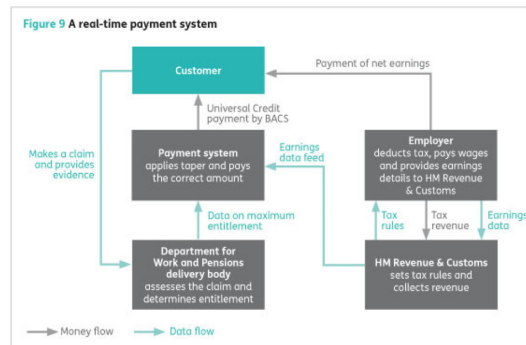
- Agile failures?
- Governance overview
- Traditional control systems
- A new paradigm is needed
- Understanding agile developments
- Proposed control parameters
- Governing for value

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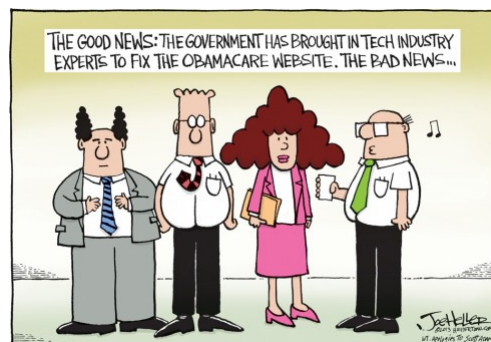
## Agile Failures?


- UK: Universal Credit, £2.4billion
  - Persistent IT failures and delays in implementation
  - Write off of at least £34m on the program



## Agile Failures?

- USA: Obamacare website
  - Designers point fingers at the government
  - Traffic didn't crash the site - bad coding did
  - Cost overrun of \$634 million






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## Agile Failures?

- Both are delivering early successes!
- Primary cause of failure: poor governance
  - Lack of leadership
  - Lack of clear vision / architecture
  - Impossible timeframes
  - No 'Plan B' or fallback options (Risk management)

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## Governance

- *The system by which entities are directed and controlled*
- The governing body = board or individual
  - Responsible for governing
- The governing body:
  - Represents the interests of the organization's 'owners'
  - Establishes and maintains the governance system

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## Governance

- Objective: *To align as nearly as possible the interests of individuals, organisations and society.*
- Good governance is **NOT** about excessive controls bureaucracy and process
- Good governance **IS good business**
  - ethical, effective, strategically aligned

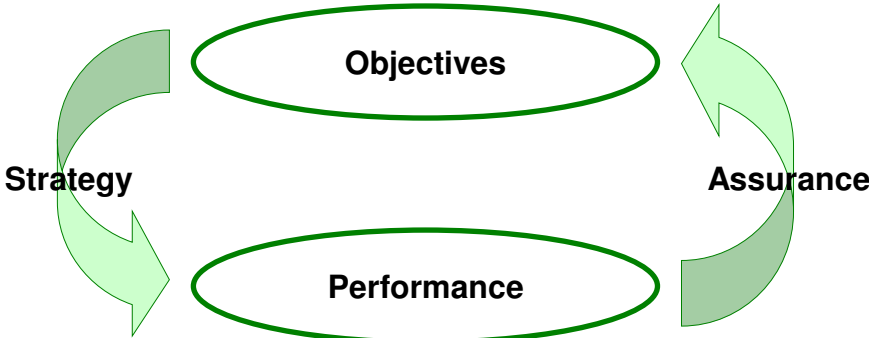
For more on governance see:  
[https://www.mosaicprojects.com.au/WhitePapers/WP1084\\_Governance\\_Systems.pdf](https://www.mosaicprojects.com.au/WhitePapers/WP1084_Governance_Systems.pdf)

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## Governance

- The governance control system



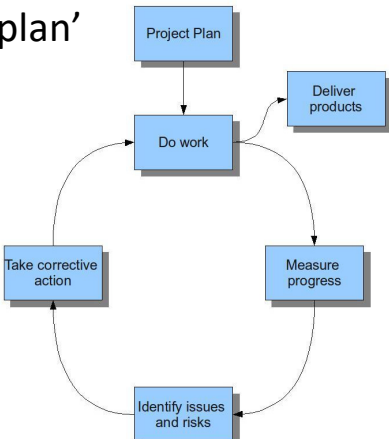
For more on PPP Governance see:  
[https://www.mosaicprojects.com.au/WhitePapers/WP1073\\_Project\\_Governance.pdf](https://www.mosaicprojects.com.au/WhitePapers/WP1073_Project_Governance.pdf)

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## Traditional Project Controls


- Depend on a pre-set 'plan'
- Focuses on:
  - Time
  - Cost
  - Scope



```
graph TD; PP[Project Plan] --> DW[Do work]; DW --> DP[Deliver products]; DW --> MP[Measure progress]; MP --> IIR[Identify issues and risks]; IIR --> TCA[Take corrective action]; TCA --> DW;
```


For more on project controls see:  
[https://www.mosaicprojects.com.au/WhitePapers/WP1093\\_Project\\_Controls.pdf](https://www.mosaicprojects.com.au/WhitePapers/WP1093_Project_Controls.pdf)

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## A New Paradigm

- How to govern
  - Flexibility
  - Innovation
  - Value creation
- Without a pre-set 'plan'



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## Agile Manifesto


*We have come to value*

- Individuals and interactions over processes and tools*
- Working software over comprehensive documentation*
- Customer collaboration over contract negotiation*
- Responding to change over following a plan*

*While there is value in the terms on the right, we value the items on the left more*

Manifesto for Agile Software Development: <http://agilemanifesto.org/>

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## Understanding Agile

- Agile = **consistent, intentional change**
  - Iterative lifecycles
  - Incremental lifecycles
  - Adaptive lifecycles
- High level vision is essential
  - Detail developed progressively ‘as needed’
  - Focus on creating value

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## Understanding Agile

- Used in different situations:
  - Maintenance and enhancement
  - New system build
- Require different approaches to governance and assurance

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## Maintenance & Enhancement

- **Forget** *'project management'*
  - Stable teams
  - Backlog management and prioritisation
  - Customer engagement
- Challenges – developing a clear vision for future enhancements
  - Value proposition owned by 'the business'
  - Avoid 'gold plating', 'tweaking' and 'work making'

For more on De-Projectising IT Maintenance see:  
<https://mosaicprojects.wordpress.com/2009/03/06/de-projectising-it-maintenance/>

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## Maintenance & Enhancement

- Assurance paradigms
  - System 'up time' / mean time between failures
  - Backlog size / time in backlog queue
  - Customer satisfaction
  - 'Work' accomplished
  - Value creation -v- cost of maintenance
- KPIs need to be carefully designed

For more on Key Performance Indicators (KPI) see:

[https://mosaicprojects.com.au/Mag\\_Articles/SA1018\\_What\\_you\\_measure\\_is\\_what\\_you\\_get.pdf](https://mosaicprojects.com.au/Mag_Articles/SA1018_What_you_measure_is_what_you_get.pdf)



## New System Build

- **Adapt** *'project management'*
- Agile is a set of product creation methodologies
- Product creation using agile needs:
  - Managing (resourcing, organising, supporting)
  - Controlling (to achieve its objectives)
  - Governing

For more on managing an Agile project see:

[https://www.mosaicprojects.com.au/PDF\\_Papers/P109\\_Thoughts\\_on\\_Agile.pdf](https://www.mosaicprojects.com.au/PDF_Papers/P109_Thoughts_on_Agile.pdf)





## New System Build

- Assurance paradigms
  - Are the objectives defined and prioritised
  - Are the objectives being achieved
  - Are the changes being managed
  - Is enough 'work' being accomplished
  - Value creation -v- cost of development
- KPIs need to be carefully designed
  - Traditional controls are not much use



## Governing For Value

- The customer is central
  - Vision and value proposition is the customer's
- Sponsor / SRO leadership is vital
  - Must own the customer's vision
  - Communicate the vision
  - Make decisions to support the achievement of the vision

For more on the role of the Sponsor see:

[https://www.mosaicprojects.com.au/WhitePapers/WP1031\\_Project\\_Sponsorship.pdf](https://www.mosaicprojects.com.au/WhitePapers/WP1031_Project_Sponsorship.pdf)



## Governing For Value

- Communication and trust are vital
  - Sponsor -to- project manager
  - Sponsor -to- customer's representatives
  - Customer's representatives -to- development teams
  - Project manager -to- development teams
- Accurate feedback on accomplishment is needed for assurance



## Governance Questions

- At initiation
  - Is this the right investment?
  - How will it create value?
  - Is agile the appropriate development approach?
  - How much flexibility / change is expected / needed /desirable?
  - How do we know???

These questions can be adapted to a 'Gateway Process' see:

[https://www.mosaicprojects.com.au/WhitePapers/WP1092\\_Gateways-Scorecards.pdf](https://www.mosaicprojects.com.au/WhitePapers/WP1092_Gateways-Scorecards.pdf)



## Governance Questions

- Before major funding commitment:
  - What are the specific objectives of the project?
  - How will they be achieved?
  - What is the vision / architecture of the product?
  - How will this be created?
  - How will we know the objectives and vision are being achieved???



## Governance Questions

- During development:
  - Are the objectives being achieved and how quickly?
  - Is the vision / architecture being created and how much has been accomplished?
  - How much change has been accepted and what is its effect on the value proposition?
  - Is the project still a valuable investment???



## Governance Questions

- After completion:
  - Did the project achieve its objectives?
  - Did the project create the 'vision'?
  - What have we learned?
  - Was it a valuable investment???
  - Is the product easily maintainable?



## Management Questions

- What objectives contribute most to value?
  - Capability
  - 'Time to market'
  - Cost
- What strategy will offer the best chance of achieving value?
- Based on 'what we know now' what needs adjusting to maximise value?




## Managing For Value

- The role of project controls
  - To develop information to facilitate answering the questions
- The role of project sponsor / SRO
  - To make timely decisions on behalf of the customer to maximise value
- The role of assurance
  - To keep the governing body informed



## Creating Value

- Concept design / strategy / architecture
  - **Take time to plan**
  - Agree how the vision will be achieved
  - Resource and fund the plan
- This type of 'lean planning' is far more difficult than creating massively detail plans  
*(that don't work anyway)*




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## Creating Value

- Change and adaptation are expected
- The two key questions for each proposal are:
  - **Capability** - does it support / enhance the vision?
  - **Value** - is it worth doing?
- These are much harder to measure than traditional time and cost
  - Largely subjective during the project
  - Requires consensus

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## Governing Agile

- Assurance is needed that:
  - The customer has a clear vision and objective and this is still relevant and valuable
  - There is a committed sponsor / SRO providing leadership
  - The project team know where they are and where they are going (effective KPIs)
  - **Value is being created**

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## Agile Failures?

- Universal Credit
  - Lack of sponsorship
  - No clear architecture (still)
- Obamacare
  - Changes
  - Lack of skills and leadership
- **Or governance failings?**
  - The systems are being used by ‘the people’



## Questions

