



SQUIRRELNORTH

I CAN KEEP MY PROMISES!

PRODUCT MANAGEMENT WITH KANBAN WEBINAR

HOSTED BY **digité**  **Swift**
Kanban
How work *really* gets done

OCT 14, 2020
7:30AM PST | 10:30AM EST



**PRODUCT
MANAGEMENT
WITH KANBAN**

WEBINAR



CONSULTING | TRAINING | COACHING

squirrelnorth.com info@squirrelnorth.com



MARTIN AZIZ



FERNANDO CUENCA



JAMES STEELE



ALEXEI ZHEGLOV

GOALS OF WEBINAR

PROVIDE
PRAGMATIC
TOOLS TO
ANSWER THESE
TOP 4
QUESTIONS

Do we have the capability and capacity to deliver on our promises?

What should we work on now, later, never?

Is this roadmap realistic?

How do we make high quality decisions in a fast-paced environment?



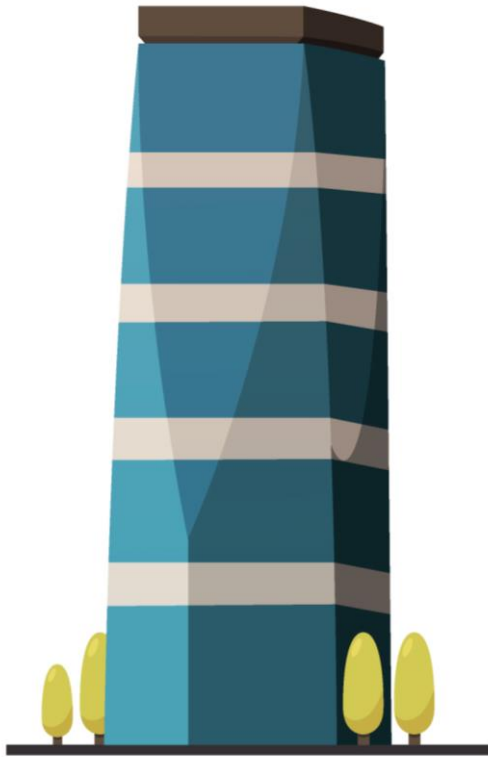
BALANCE

“Do we have the capability and capacity to deliver on our promises?”



BALANCE

OPPORTUNITIES
OUTSTRIP
CAPABILITIES



OPPORTUNITIES



CAPABILITIES

PRODUCT
MANAGEMENT
FEELS THE PINCH
BETWEEN THE
NEEDS OF THE
MARKET AND THE
CAPABILITIES OF
THE
ORGANIZATION.



BALANCE

GREATER CHANCES OF SUCCESS EXISTS
WHERE THESE TWO FORCES ARE IN BALANCE

CUSTOMER
NEEDS
CHANGE



DEMAND



CONTINUOUSLY
CONGRUENT



CAPABILITY



BALANCE

THE BUSINESS IMPACT IF LEFT
UNADDRESSED CAN BE SIGNIFICANT



Overworked but
unproductive
workers



Quality issues,
causing more delay
and dissatisfaction



Lack of predictability
Missed deadlines



Broken Promises

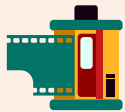


BALANCE

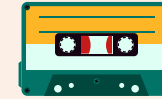
20th CENTURY APPROACHES TO SOLVING THIS PROBLEM



OVER PROMISE



REFUSE THE WORK REQUESTS?



HIRE MORE PEOPLE?



HIRE "SMARTER" PEOPLE?



BETTER TRAINING?



BALANCE

KANBAN PROVIDES TOOLS TO WORK ON
THE PROBLEM FROM BOTH SIDES

SHAPE DEMAND

- Cost of Delay
- Classes of Service
- Board Design
- Options Model
- Upstream Kanban
- Queuing Policy
- Decoupled Cadences
- Capacity Allocation

...



IMPROVE CAPABILITY

- Identify and Remove Delay
- Bottleneck Handling
- Dependency Management
- Understanding Variation
- Economic Cost Model
- Risk Review
- Feedback Loops
- Liquidity

...



BALANCE

MAKING CUSTOMER COMMITMENT MORE EXPLICIT



SHAPE DEMAND

- KEEP OPPORTUNITIES OPTIONAL UNTIL YOU HAVE EXPLICITLY COMMITTED
- COMMIT WHEN THERE ARE SIGNALS OF CAPACITY
- USE STABLE CAPABILITY TO MAKE ACCURATE PROMISES

COMMITMENT POINT

The point where we promise a customer we will start working on something.

IMPROVE CAPABILITY

- DISCOVERY OPTIMAL CAPACITY RATES
- LIMIT CAPACITY TO THIS RATE
- MAKE VISIBLE WHEN CAPACITY IS AVAILABLE
- STABILIZE DELIVERY RELIABILITY

REPLENISHMENT

"What should we work on now, later, never? "



REPLENISHMENT

**IRREFUTABLE
DEMAND - ARE WE
JUST ORDER TAKERS?**



PRODUCT
MANAGEMENT
NEEDS A
MECHANISM TO
REPLENISH ITS
DELIVERY SYSTEM
WITH CUSTOMER
DEMAND.

REPLENISHMENT

TREATING DEMAND AS OPTIONAL ENABLES PRODUCT MANAGEMENT TO DEAL WITH UNCERTAINTY

- DEVELOP GOOD ONES
- ACTIVELY DISCARD BAD ONES
- DEFER COMMITMENT

OPTIONS



- AVOID ABORTING
- KEEP YOUR PROMISES
- LEARN

COMMITMENTS

CONVERT OPTIONS INTO COMMITMENTS VIA REPLENISHMENT



REPLENISHMENT

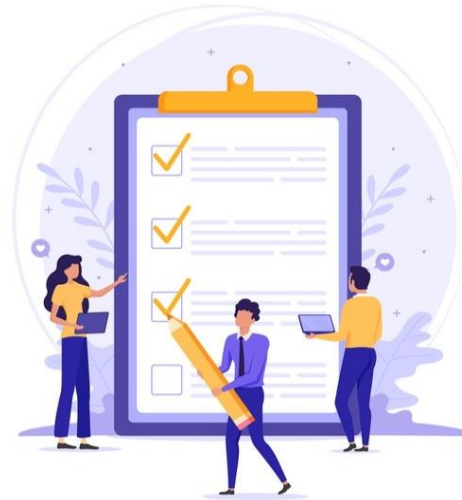
THE REPLENISHMENT ACT MAKES TRANSPARENT
OUR DECISION-MAKING PROCESS



We should meet
frequently to
look at **options**
that are ready



Our process for
evaluating &
selecting options
should be **explicit?**



Let those **responsible**
for **delivery** discuss
what can and should be
committed to now?



We must evolve how we
develop and **convert**
options

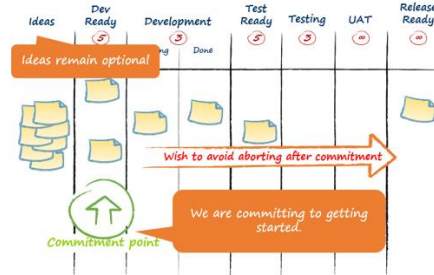


REPLENISHMENT

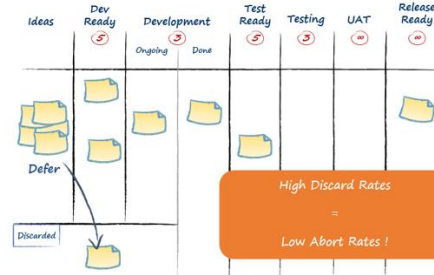
MOST PEOPLE WOULD RATHER BE WRONG THAN UNCERTAIN. WE'RE ADDICTED TO THE FALSE SENSE OF SECURITY THAT COMMITMENTS GIVE US.

KANBAN EMBRACES UNCERTAINTY

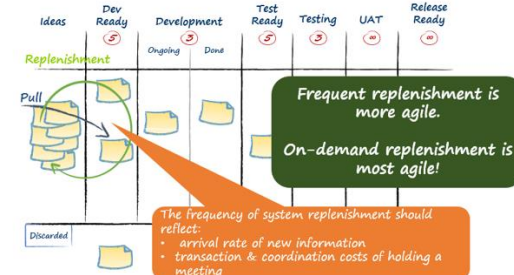
Commitment is deferred



Aim for high rates of discard



Replenishment Frequency



UNDERSTAND, LEVERAGE, & IMPROVE HOW YOU MAKE DECISIONS!

UPSTREAM

"Is this roadmap realistic?"



UPSTREAM

Product Managers, Where Do You Find Yourself In This Picture?

YOU'RE HERE!



A product development process visualized end-to-end. From a new idea to customer delivery.
Acknowledgment: Optimizely story, Lean Kanban North America 2017

WHAT ARE YOU DOING THERE?

Exploring the problem space

Generating ideas

Validating the business case for your idea

Making sure your ideas are feasible

Creating *Real Options*



UPSTREAM

Separate Ideas From Options!

FRESH
RAW
VAGUE

BRILLIANT (SOMETIMES)
"IT SOUNDED LIKE A GOOD
IDEA AT THE TIME" (OFTEN)
UNPROVEN (YET)

If committed prematurely, likely
to be abandoned mid-process
(after wasting some capacity)

IDEAS

YOU'RE HERE!



PROVEN
VALIDATED
GOOD BUSINESS CASE
FEASIBLE

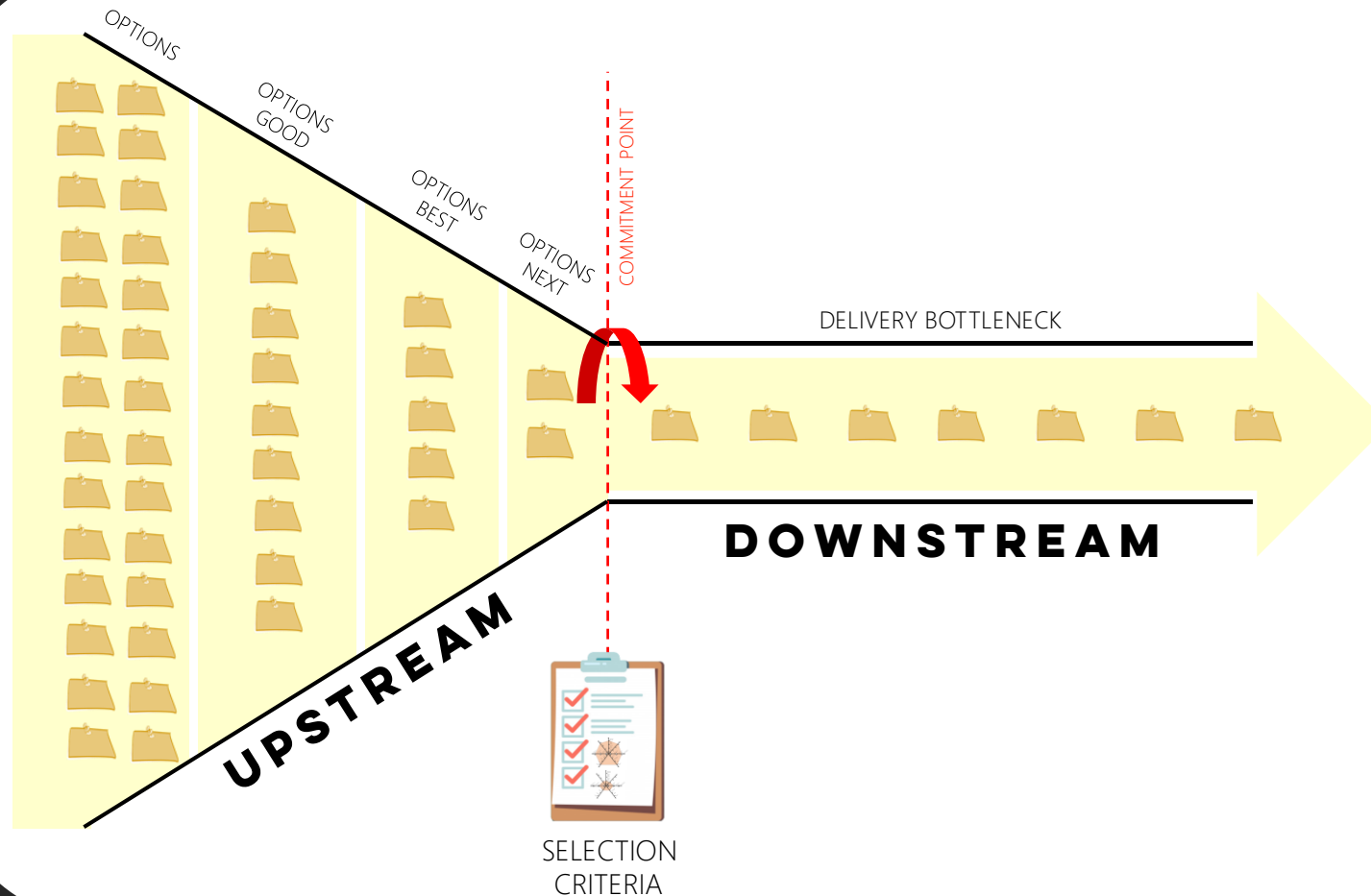
If selected at the next
replenishment/commitment
meeting, likely to be delivered
with predictable time and
quality

REAL OPTIONS



UPSTREAM

The Narrowing Funnel of Options



THE CURRENT ROADMAP?

What solutions you're bringing to market sooner

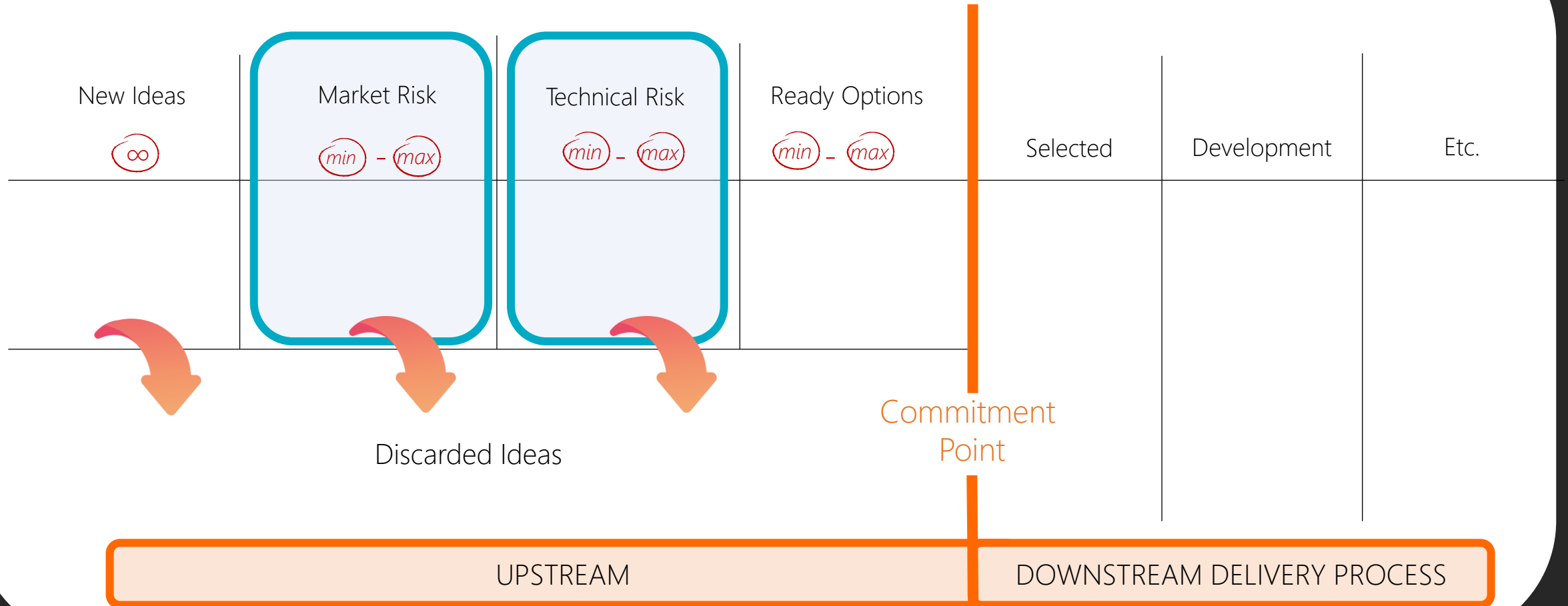
Solutions to what problems you'll find and deliver later

Basically, the snapshot of the left side of this picture



UPSTREAM

FROM AN IDEA TO A REAL OPTION



UPSTREAM

So, How Realistic Is Our Roadmap?



USEFUL QUESTIONS

The roadmap calls for 120 product features in 2021:

- Can we sustain throughput of 10 features per month?

Our market is very dynamic. Can't just plan, need market feedback to adjust our course

- Can we deliver those features with lead time of e.g. 1 month (typical), 2 months (worst case)?

And can we do all that while keeping the level of quality our customers expect?



UPSTREAM

Keys to a Realistic Roadmap: Trust In Two Capabilities

DELIVERY CAPABILITY DOWNSTREAM



Proven and measured (at least known and understood)



Predictable time and quality



A trusted partner responsible for delivery

YOUR OWN ABILITIES



To explore the problem space and generate ideas



To experiment, validate and create real options

Marker words: Kanban, Maturity Level 2 (ML2), Service Delivery Manager (SDM), STATIK (with a K), Lead Time.
You may not know what these words mean. But they're markers, indicating presence of that trusted partner.



RISK

"How do we make high quality decisions in a fast-paced environment?"



RISK

DECISIONS .. DECISIONS ..



"What should we work on, and in which order?"



RISK

CHANGING THE CONVERSATION

FROM

PRIORITIZATION

*How do we think
the future
will look like?*



TO

SELECTION

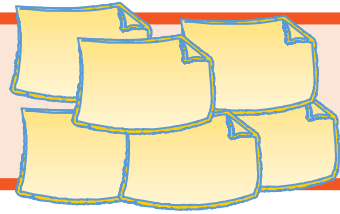
*What are we
deciding to do
now that will
affect the future?*



RISK

ONE OPTION = NO OPTIONS
MANY OPTIONS = TYRANNY OF CHOICE

(Ready)
OPTIONS



1

2

3

4

...

N

Cost of Delay

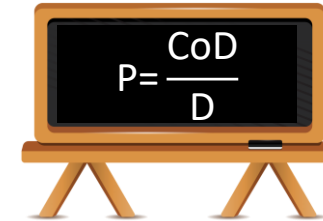
Expedite, Fixed Date, Regular, Intangible

Technical Risk

Bread & Butter, Things other have done but not us, Innovation

Market Role

Table Stakes, Cost Savers, Spoilers, Differentiators



Strategic Horizon

Maintain & Defend, Nurture Emerging Business, Create New Business

"Screw-up Factor"

Bad PR, Monetary Fine, Losing licence to do Business, Go to Jail

Product Line Contribution

Product A, Product B, Product C



RISK

Risk is “multidimensional”

MAKING CHOICES IS TAKING RISKS

Cost of Delay

What happens if we deliver late? Or too early?

Strategic Horizon

Are we balancing short and long term?

Technical Risk

Do we know how to build it? What blind spots do we have?

“Screw-up Factor”

If things go wrong, what happens?

Market Role

What part of the market are we leaving out?

Product Line Contribution

Are we focusing in the right products?

Risk is
exposure to
uncertainty

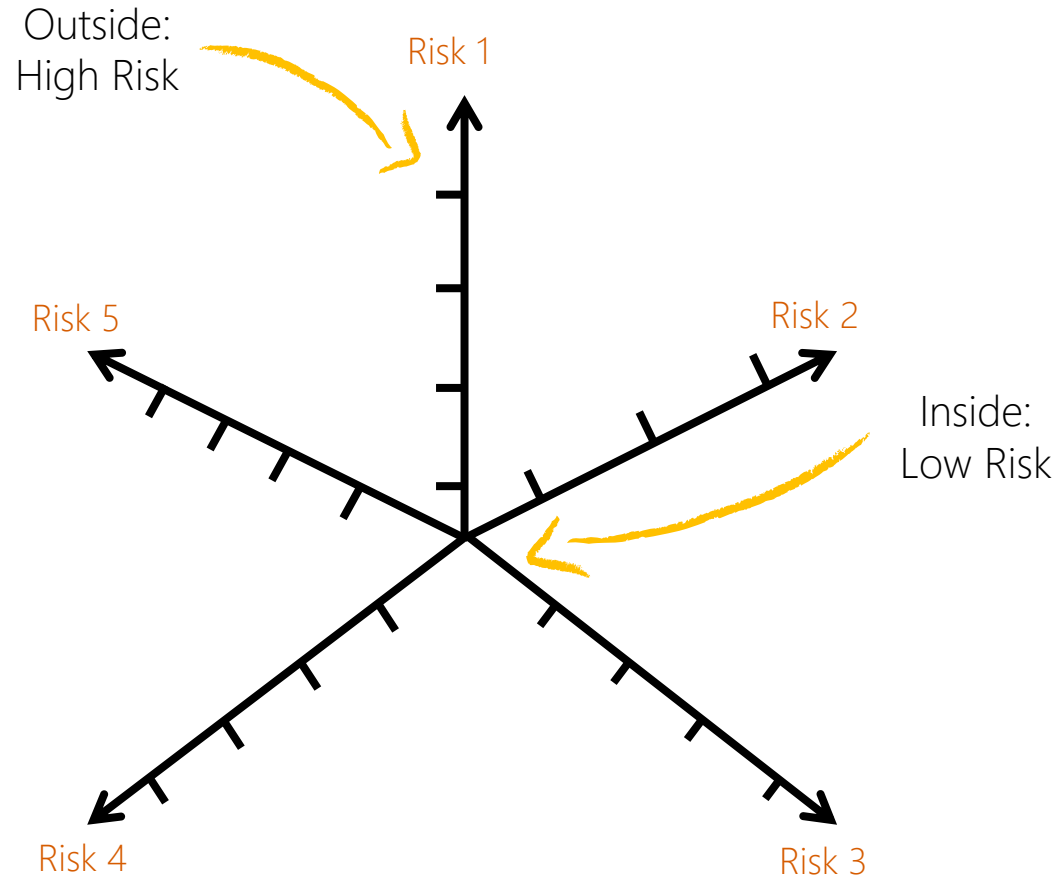


DOWNSIDE & UPSIDE

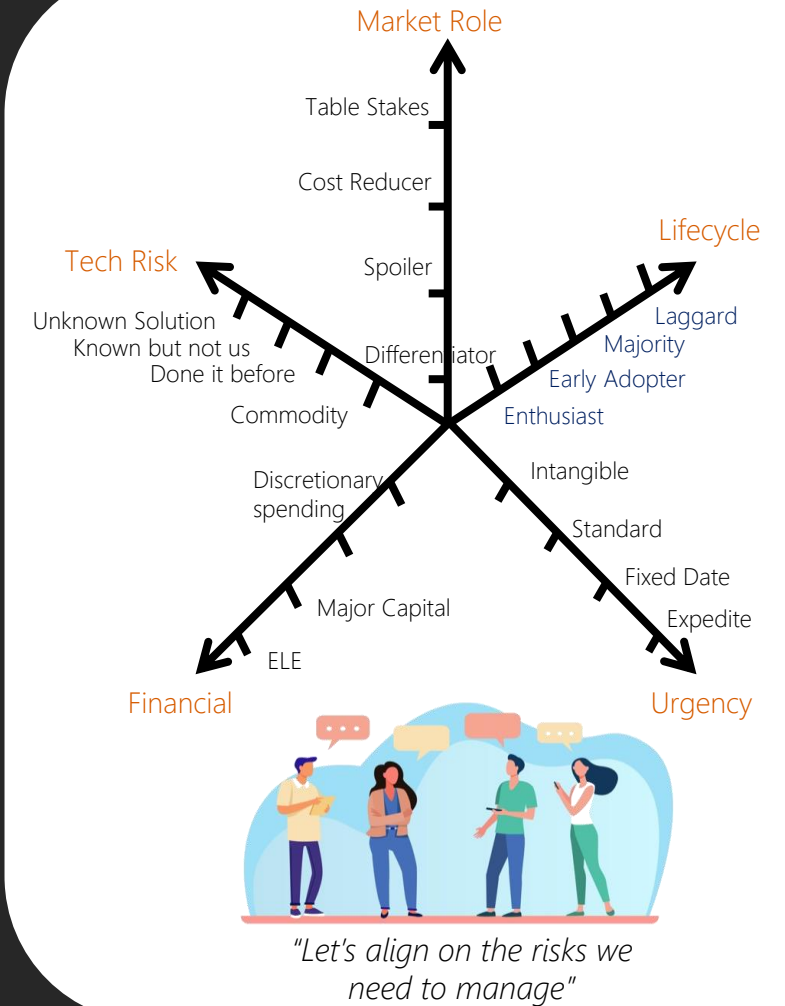


RISK

START WITH MAKING RISK VISIBLE

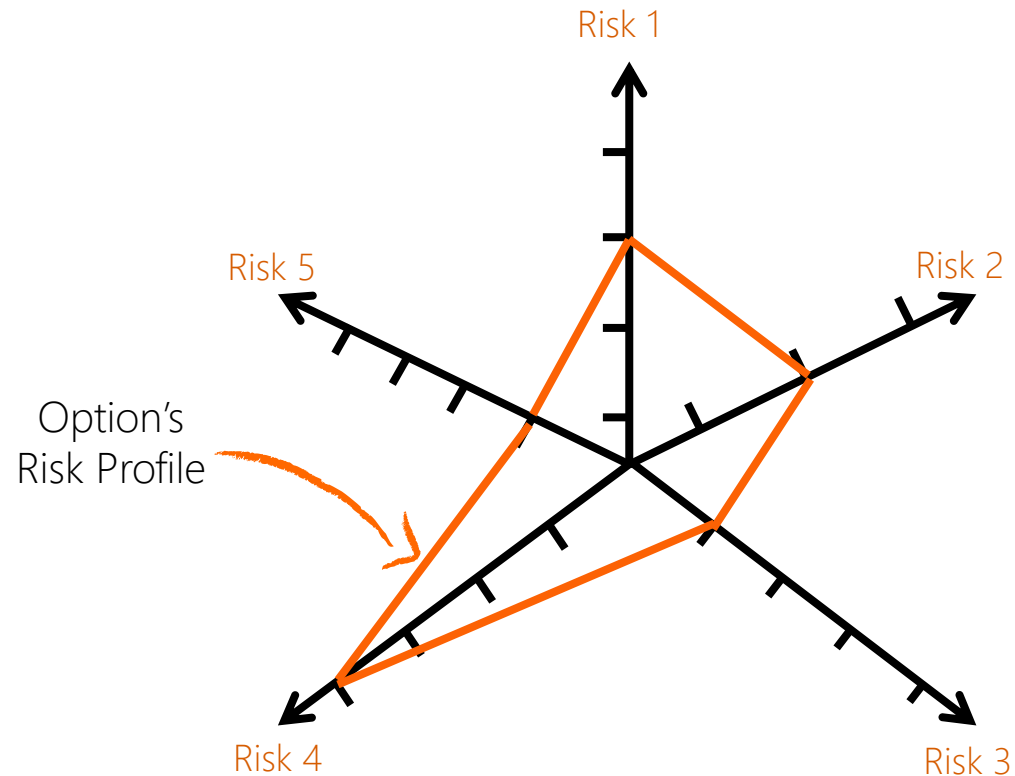


“KIVIAT” CHART



RISK

MULTIPLE ANGLES, SHARED AGREEMENT



**RISK ASSESSMENT
FRAMEWORK**

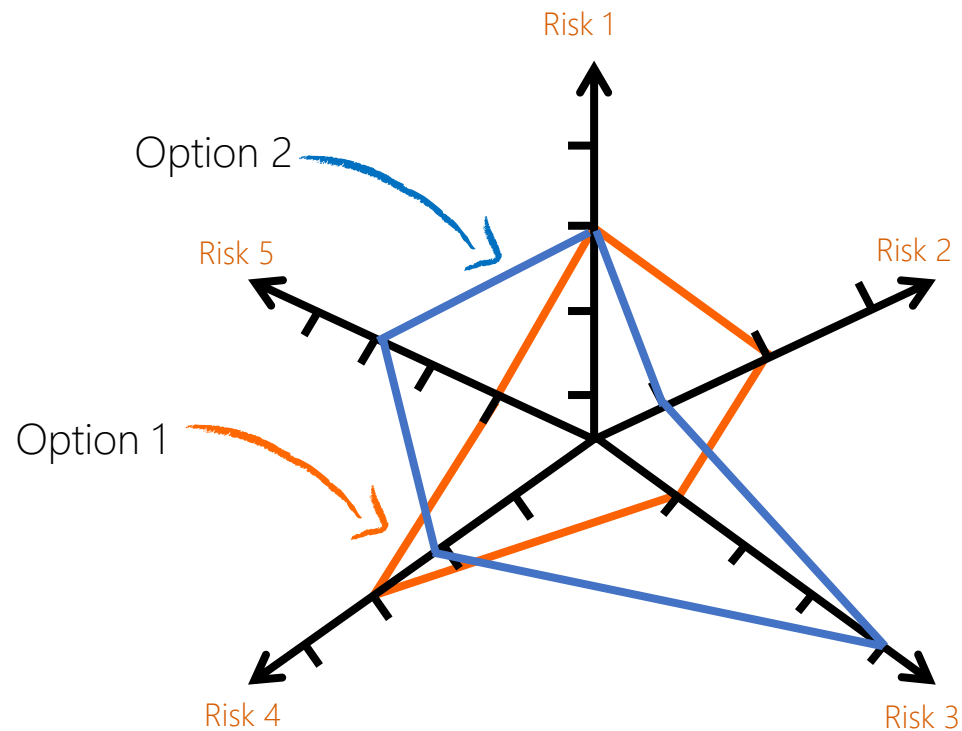


"Let's discuss this more objectively"

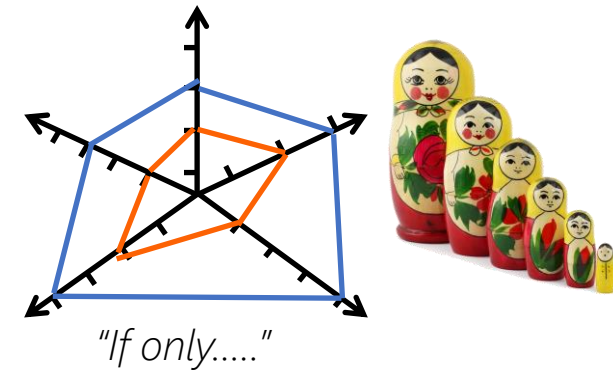


RISK

OBJECTIVE BASIS FOR COMPARISON



**RISK ASSESSMENT
FRAMEWORK**

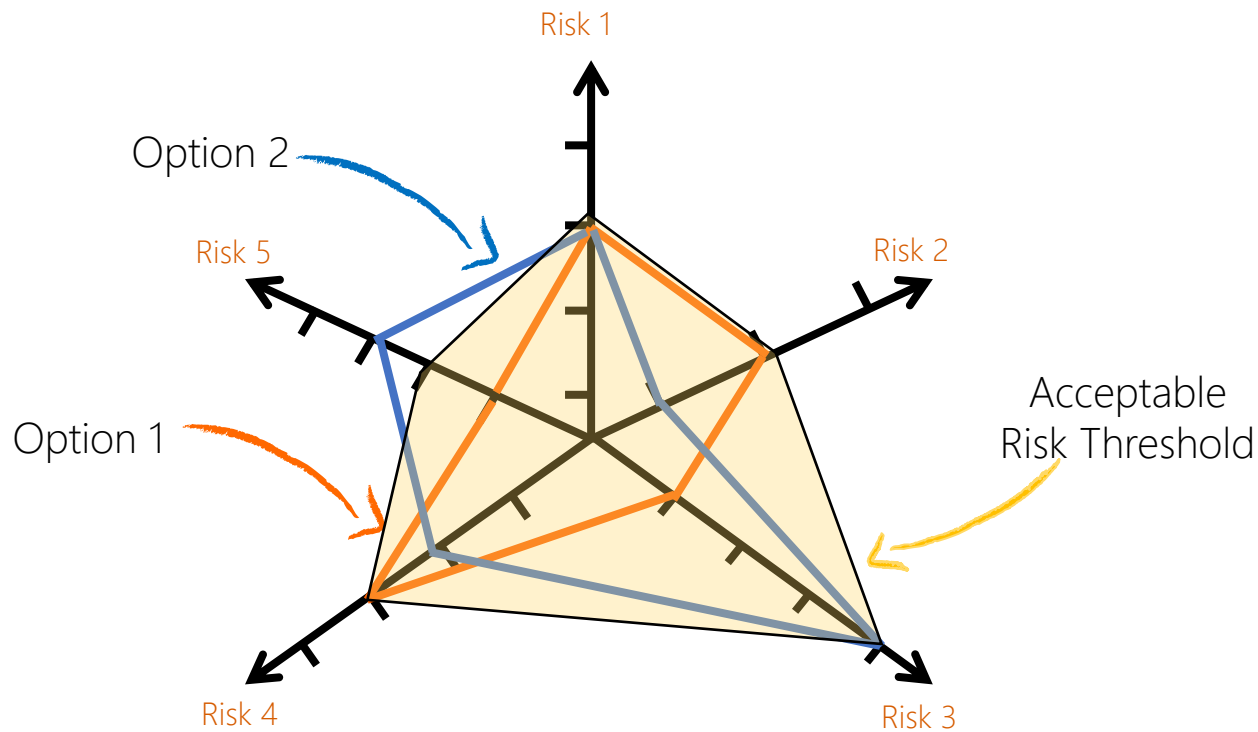


"Let's compare our options"



RISK

CODIFY DECISION MAKING FOR QUICK, DELEGATED DECISIONS



"All on the same page!"



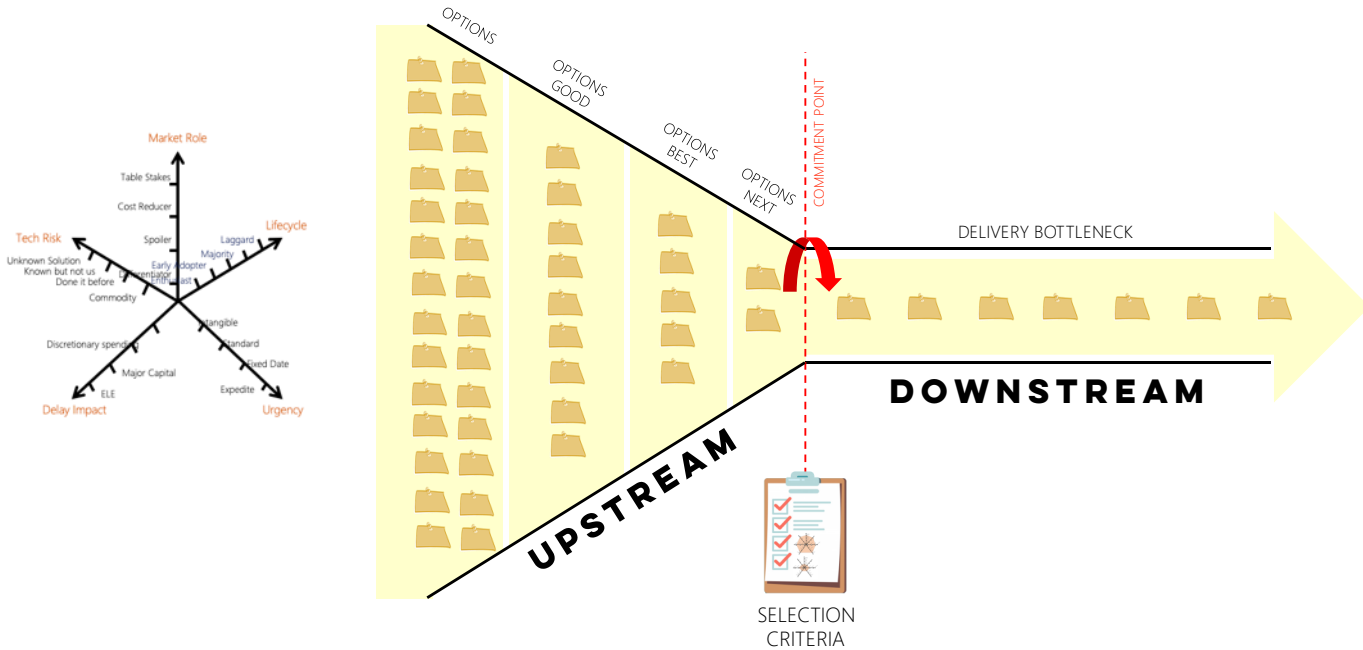
RISK

WHERE DO KIVIAT CHARTS COME FROM, AND WHERE DO THEY GO?

The diagram illustrates the Kiviat chart's role in project selection. On the left, a Kiviat chart is shown with axes for Market Role, Tech Risk, Delay Impact, and Urgency. The main part of the diagram shows a funnel of options (represented by folders) narrowing from 'OPTIONS' to 'OPTIONS GOOD', 'OPTIONS BEST', and 'OPTIONS NEXT'. A red arrow points from 'OPTIONS NEXT' to a 'COMMITMENT POINT' (a red dashed line). Beyond this point, the options flow into a 'DELIVERY BOTTLENECK' (a yellow arrow) and then 'DOWNSTREAM'. A clipboard with a checklist and a star is labeled 'SELECTION CRITERIA'.

Structure your
Upstream Workflow
to support the
exploration of risk.

Use the charts to support selection at Replenishment.





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BALANCE



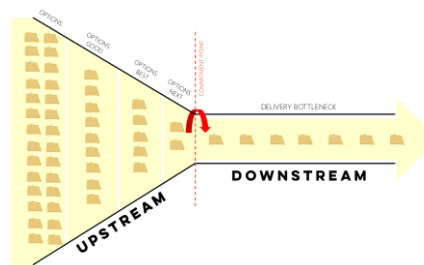
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REPLENISHMENT



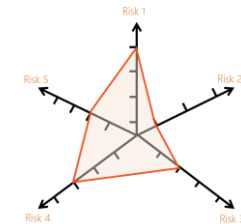
"What should we work on now, later, never?"

UPSTREAM



"Is this roadmap realistic?"

RISK



"How do we make high quality decisions in a fast-paced environment?"



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Q & A

+

THANK YOU

