

Agile Value Management White Paper

Agile Teams and Value Management

Agile Software Development (From Wikipedia)

Agile software development is a group of software development methods in which requirements and solutions evolve through collaboration between self-organizing, cross-functional teams. It promotes adaptive planning, evolutionary development, early delivery, continuous improvement, and encourages rapid and flexible response to change.

The Agile Manifesto (From Wikipedia)

In February 2001, 17 software developers met at the Snowbird resort in Utah to discuss lightweight development methods. They published the Manifesto for Agile Software Development:

We are uncovering better ways of developing software by doing it and helping others do it. Through this work 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

That is, while there is value in the items on the right, we value the items on the left more.

Agile Teams Make It Happen

The concepts described as Agile Software Development (Agile) and Evolutionary Project Management (EPM) describe a method of problem solving and development based on:

- An adaptable process to produce rapid results incorporating the latest information
- A team that comes together to solve a specific problem and rapidly disbands when complete

- Motivated individuals with the requisite skill set
- Teams that maintain close proximity (co-location)
- Meeting project requirements through technical excellence

This approach emerged in the software development world to introduce a degree of efficiency into the problem-solving process to counteract the natural tendency towards overly complex solutions with long schedules that often did not address the root problem.

In the project world, a similar response to high-complexity projects can be found in large mega-project team meetings that cover all issues in a reoccurring format, often weekly. These meetings typically require the participation of most people associated with the project and may require individual participation on the meeting roster for months or years. Needless to say, this approach is usually an ineffective use of individual time and has been the basis for criticism leveled at boring ineffective meetings that accomplish little that could be called a creative solution.

Creativity

In the '70s a book by Arthur Koestler, titled *The Act of Creation*, attempted to identify the process that resulted in innovation in large organizations. He identified what he termed the optimal creative problem-solving model that was common throughout these successful organizations consisting of the following components:

- Gather great minds
- Load the mind
- Create a receptive environment

This approach has been validated time and again through highly creative small groups of experienced professionals that come together to focus on specific problems and generate innovation solutions. It is the most effective model for creative group problem solving and has been incorporated in many successful organizations focused on creative solutions. It is the basis for the spectacular creative success of the design firm IDEO and most other consistently creative organizations. And it is at the core of the Agile method.

It is also an integral component of the Value Management (VM) process and has been developed into a methodology that is much more than simple brainstorming. VM has been associated with solving problems with creative solutions since its inception in the '60s based on these concepts. And VM is back as a creative problem-solving tool, taking a page from the Agile playbook to utilize the VM Methodology as a leaner creative approach to problem solving that is sized for

today's organizational structures. A major component driving VM success from the onset is the strength of the collaborative approach inherent in the multidisciplinary team model. Repeatable creative results require a structured approach which, when done successfully, can infuse projects with high quality innovative solutions that provide real value to the stakeholders.

So, how do we accelerate the turn-around time required to solve problems and ensure that the solution is both high quality and addresses the often-varied needs of stakeholders? What is needed is a process that allows individuals and organizations to engage intelligently with a fast-paced and uncertain work world; allowing groups to come together quickly to accomplish the required tasks; and then, as in the Agile methodology, move on. The new group replacing the traditional team is the Agile Value Management team (AVM).

This group comes together with a specific goal identified, something that could be expected to be accomplished by a highly motivated small group (the high-performance team) in a limited time frame. The members of the AVM team follow a version of the traditional VE Job Plan, the six-step problem solving method detailed here.

1. Information Phase
 - a. Communicate
 - i. What do we know?
 - ii. Do we understand the problem?
2. Function Analysis Phase
 - a. Remove yourself from the current solution
 - b. Identify the functions that define the project
 - i. Structure the problem abstractly
3. Creative Phase
 - a. Build new concepts on abstract functions
4. Evaluation Phase
 - a. Choose the way forward
5. Development Phase
 - a. Integrate the new solutions into the plan
6. Presentation Phase
 - a. Present the alternatives

What is different about the AVM and traditional VE Studies is that for less complex problems or at the early stage problem definition stage, the AVM may only utilize the first four steps of the Job Plan and then turn the findings over to others to develop and integrate into the project, or in the case of a specific issue, to implement the identified solution.

When finished the group disbands and moves on to other organizational tasks. This approach brings the strengths of the creative problem-solving model, the high performance team, and the power of abstract function analysis to bear on the problem solving process.

Application

Where to use AVM?

- When I need a rifle shot approach to problem-solving and identification
 - During the development of IT software
 - Functional requirements definitions and interactions
 - During the development of service contracts
 - Understand and quantify the functional deliverables
 - During repetitive purchase contracts
 - Optimize an existing design before production release
 - Improve an ongoing contract to increase value
 - Solve quality problems
 - During the development of professional services requirements
 - A/E request for qualifications
 - Design-Build qualifications
 - IDIQ preparation
 - During the product development process as a component of a toll-gate approval
 - Ensure product satisfies owner's value proposition

The best application occurs when a fast and powerful effort is needed to develop a solution or analyze a problem. It allows the organization to leverage the strengths of their key people by limiting the time required without committing them to long drawn out meetings that sap energy and stifle creativity.

Here are some guidelines:

- Utilize a technically competent facilitator
 - Trained in the Value Methodology: SAVE Certified Value Specialist
 - Ability to structure the technical issues toward a successful outcome
- Leverage the strength of the multi-disciplined team
 - Different is good: focus on the diversity of the team to add new knowledge and perspective to the problem solving effort
 - These different perspectives and areas of expertise lead to better solutions than can be identified by the individual or most homogeneous teams

- Communicate information
 - Successful AVMs are communication vehicles
 - Dig for available information
 - The quality of the results is dependent on the quality of the information available to the team
 - The unhindered transfer of information is critical to success
- Start the process digitally
 - Online information in a team folder
 - Start the information review through a virtual meeting
 - Understand the goals, constraints, and desires

A New Direction

AVMs are focused efforts of short-lived teams to develop innovative solutions, increase communication, and achieve results that address the constant demands of our new work world. The concept behind the AVM team is that of coming together, doing the work, and then moving on to the next task. The process consists of bringing the required skills together (the high performance team), solving the problem with an innovative solution, and then moving on, releasing those individuals for other challenges in the organization when the task is complete.

Now that's agile.