

South Florida Agile Association

- ▶ Value Driven Development - Requirements Practices.
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Requirement Scenarios

- ▶ Reviewed/Signed off Requirements are not part of development?
- ▶ Last minute requirements/changes before Code Freeze?
- ▶ Missed higher value work item in prioritization?
- ▶ Is Value the same as Prioritization?

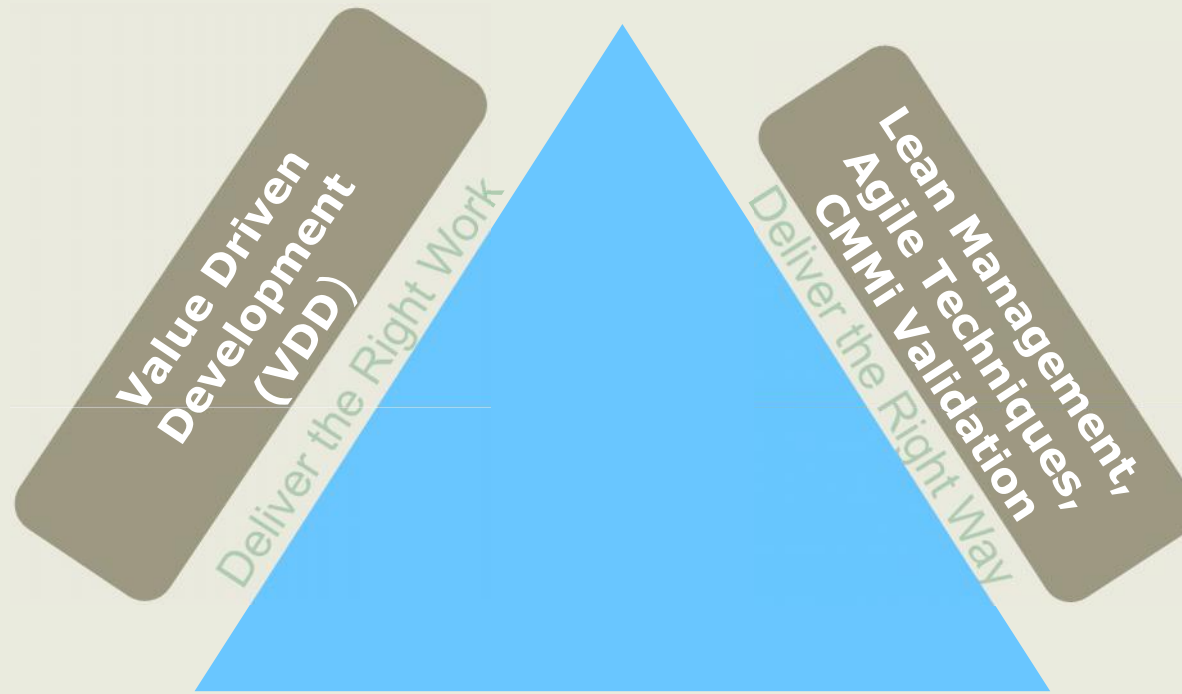
Today's Agenda

1. Identify the Right Goals for the Change.
2. Maximize the value on what we deliver.
3. Integrate with Agile and Kanban Delivery.

Assumptions

1. You care about Value and want to learn techniques for defining and measuring value.
2. Agile works. Don't change them, enhance them.
3. Your teams are delivering relatively well.

IT Priorities Triangle



With an Engaged IT Workforce

Collaborative development in a co-located environment using the optimal technology stack

Why Value Driven Development?

- ▶ Maximize ROI.
- ▶ Improve time to market.
- ▶ Change behaviors – focus on ‘value’ rather than ‘effort’.
- ▶ See a lightweight end to end version of the product very early in the project life cycle

Manifesto for Value Driven Development

dominion digital process
accelerology
consulting
solutions

Value over Velocity

Effectiveness over Efficiency

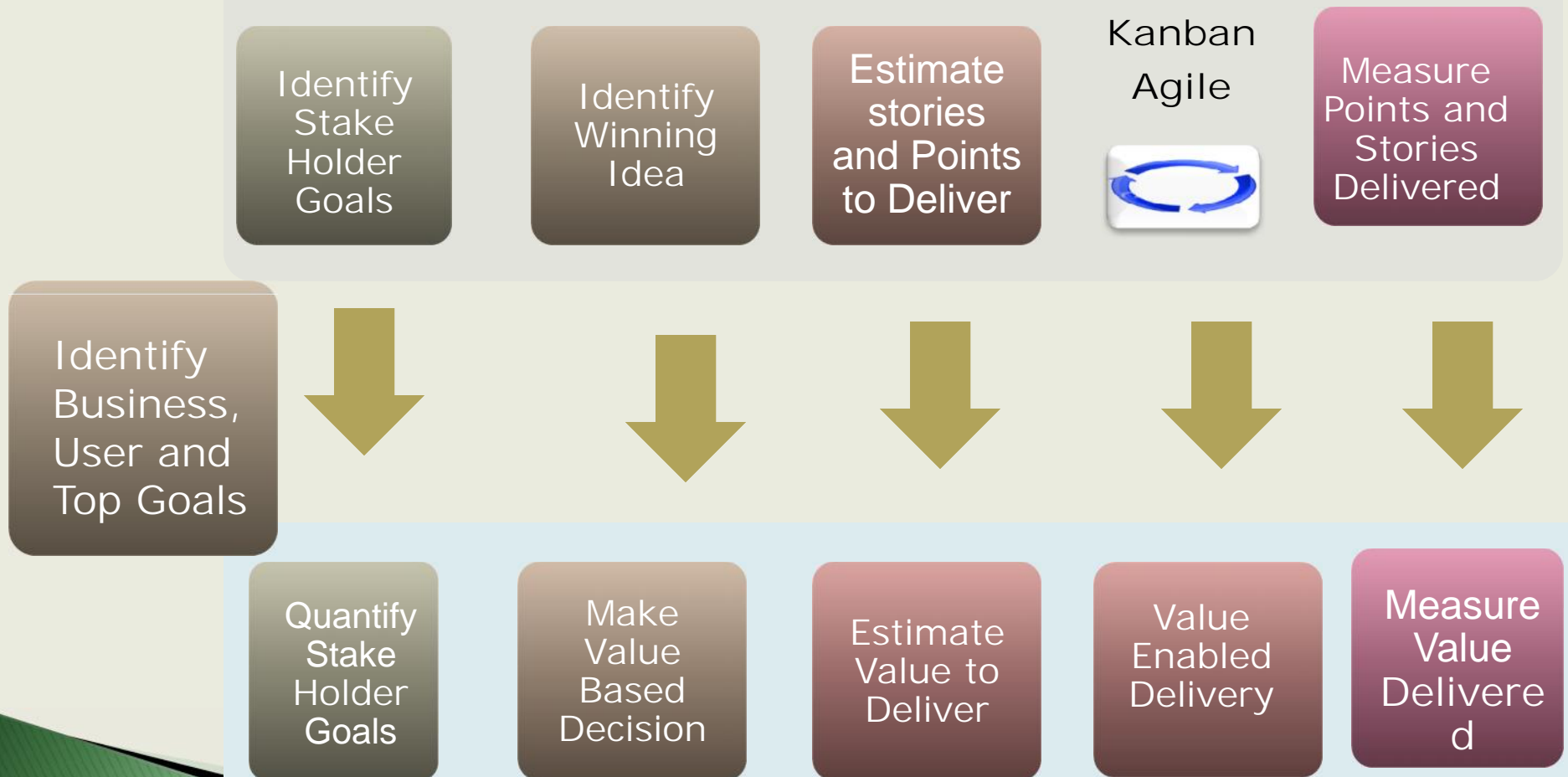
From	To
Building Features	Delivering Value
Focus on Means	Focus on Ends
Planning by Features	Planning by Value
Maximizing Velocity	Maximizing Value

As Delivery methods mature, I believe we need to bring greater clarity and focus on the items on the right

What is Value and Value Driven Development????



Value Delivery Requirements Framework



Identify User Goals

Aaron – PUW



Peter – IC PUW



Cheryl – EC PUW



Goals	<ul style="list-style-type: none"> Streamlined workflow for agent profitability and growth; automate manual analysis pre-work Fast, simple and consistent process for working action plans
Experience	<ul style="list-style-type: none"> Functions at the expert level and is knowledgeable about the systems and applications used. A Portfolio Underwriter analyses and assesses books of business to determine if any action could be taken to improve profitability and growth.
Personal Characteristics	<ul style="list-style-type: none"> Wide range of technical abilities. Naturally curious and knowledge seeker. Primarily work in office environment. Some travel to agent offices required. Willing to work outside of typical business hours in order to get the job done. Works remotely (from home) some of the time. Cooperative environment where work is re-allocated as needed. Strong relationship with assigned agents – agents rely on them for answers to questions about rating, UW rules and application navigation.
Tasks	<ul style="list-style-type: none"> Conducts agent-level analysis, prepares presentation for agency, monitors/manages action plan and conducts follow-ups. Regular communication (phones calls and emails) and meetings (in-person




Identify Business Goal - Example

Release 1 Goals:



ID	Business Goals	Explanation
BG1	Improved Underwriter effectiveness by enabling significant efficiency from a distribution, potentially resulting in greater capacity.	Desktop will enhance work flows (work management, work tracking, communication) by integrating multiple work sources into a single, intuitive desktop application.
BG2	Provide IC PUW a tool to measure Agent's Profitability and Growth	Build Portfolio Underwriting tool.
BG3	Significant upgrade in EC PUW a tool to measure Agent's Profitability and Growth	Upgrade Portfolio UW tool.
BG4	Provide flexible New Mailbox option to choose their work.	Consolidate work queue, flexible option to choose their work and policy presentation <u>WF</u> for new business for Auto and Property. Build Policy Presentation and Mailbox
BG5	End to End Process Improvement	Early feedback from the pilot group of the user work in policy presentation.
BG5	To integrate systems and applications used by IC and EC Screeners and Underwriters.	This desktop application will integrate & provide a single access point to Columbus and Des Moines platform systems used by Underwriters and Screeners.

Identify the Top Goals

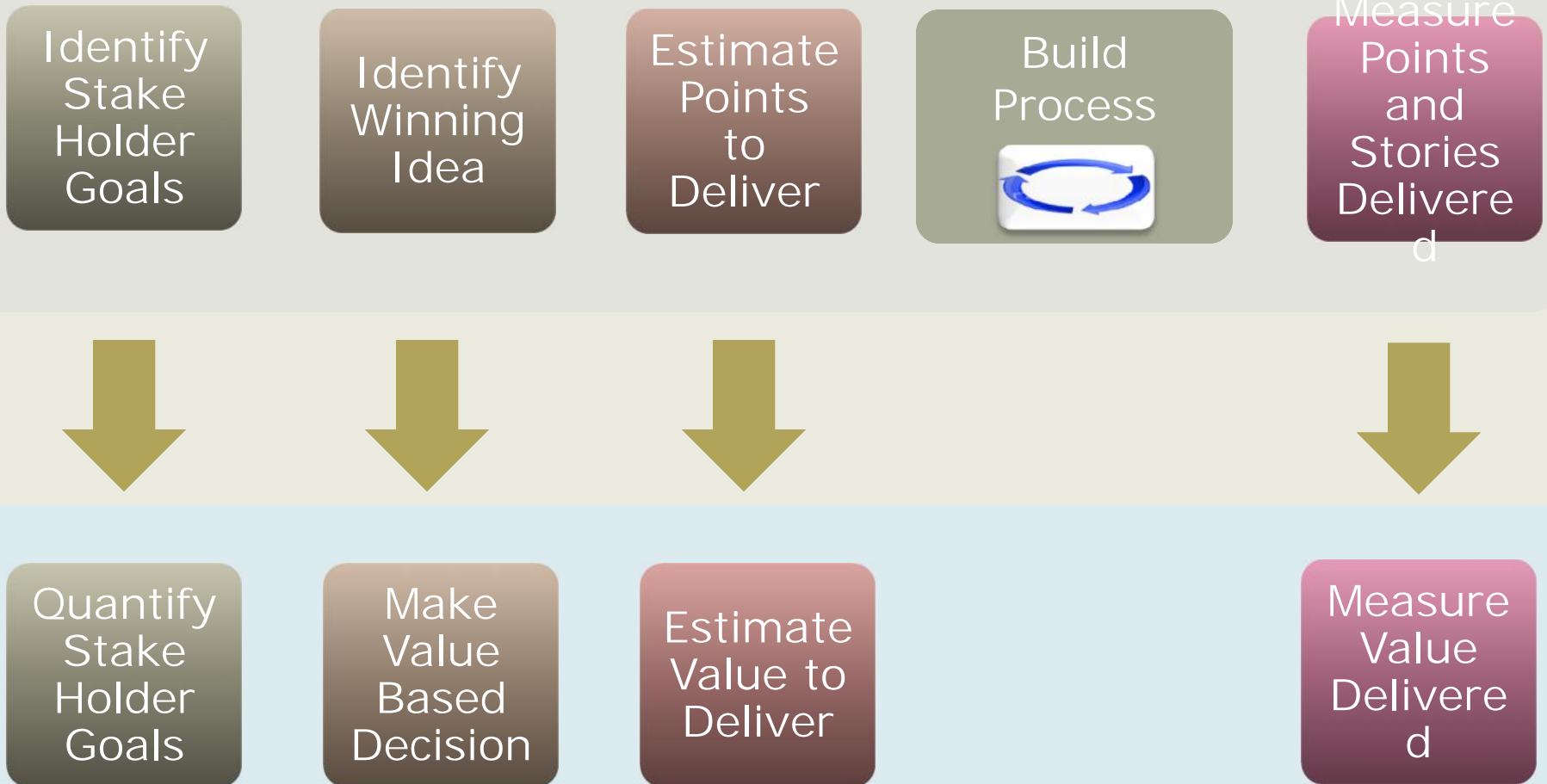
Don – PUW	Peter – IC PUW	Cheryl – EC PUW
		
<ul style="list-style-type: none"> Streamlined workflow for agent profitability and growth: automate manual analyze pre-work Fast, simple and consistent process for working action plans 		
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- ✓ Improve Ease of Use
- ✓ Measure Profitability and Growth of the Agencies.
- ✓ Improve Customer Self Service.
- ✓ Underwriting operations positioning to increase their readiness and skill sets to engage in effective portfolio underwriting (Portfolio Management training, UW Excellence, UW Curiosity)

Business Goals	Explanation
Improve Underwriter efficiency by enabling agent efficiency from desktop, potentially in greater volume.	Desktop will enhance work flows (work management, work tracking, communication) by integrating multiple work sources into a single, intuitive desktop application.
IC PUW a tool to Agent's Profitability and Growth	Build Portfolio Underwriting tool
Agent upgrade in EC tool to measure Profitability and	Upgrade Portfolio UW tool.
flexible New option to choose work.	Consolidate work queue, flexible option to choose their work and policy presentation W/E for new business for Auto and Property. Build Policy Presentation and Mailbox
End Process ment	Early feedback from the pilot group of the user work in policy presentation.
Integrate systems and tools used by IC Screeners and Writers.	This desktop application will integrate & provide a single access point to Columbus and Des Moines platform systems used by Underwriters and Screeners.

Value Delivery Framework



Why Quantify Goals??

- ▶ The main purpose of quantification is to force us to think deeply, debate, agree and specify, exactly, what we mean; so that others, later, cannot fail to understand us.

- Tom Gilb

- ▶ Goals start by defining precisely what you are trying to accomplish.

- Watts Humphrey.

Quantify Stakeholders Goals

Goal

- In the form of Action Verb + Noun Phrase
- E.g. Improve Portfolio Underwriting Capacity

Scale

- What to measure (Units)
- E.g. Time taken to import data, perform initial analysis and build action plans (in hours)

Method Of Measurement

- How to measure (method)
- E.g. Reported hours

Baseline

- Current Level
- E.g. 24 hours

Target

- Success Level to Achieve
- E.g. 8 hours

Constraints

- Failure Level to Avoid
- E.g. 16 hours

Example: Evaluate the Goal

- ▶ Understanding the benefits of SUD Release 1 (Desktop Shell + Portfolio UW application)
- ▶ Anticipated improvements (Yr 1 – increase over time as portfolio UW becomes a core competency)

IC UW	EC UW
From 0% to 10% of agents on action plans	From 12% to 15% of agents on action plans (+125 agents)
Targeted 0.2% improvement in Auto NWLR & 0.4% improvement in Property NWLR (\$5.6M annual)	Targeted 0.1% improvement in Auto NWLR & 0.3% improvement in Property NWLR (\$10.4M annual)
<ul style="list-style-type: none"> • Increase in multi-line % (one of most common action plans is cross selling mono-line customers); both primary & ancillary lines • Increase in retention (due to increase in multiline & stronger UW consultative relationship) 	<ul style="list-style-type: none"> • Increase in multi-line % (one of most common action plans is cross selling mono-line customers); primary & ancillary lines • Increase in retention (due to increase in multiline & stronger UW consultative relationship)

Value Delivery Framework – STEP 2

Identify
Stake
Holder
Goals

Identify
Winning
Idea

Estimate
stories
and
Points
to
Deliver

Build
Process



Measure
Points
and
Stories
Delivered



Quantify
Stake
Holders
Goals

Make
Value
Based
Decision

Estimate
Value
to
Deliver

Measure
Value
Delivered

Make Value Based Decision

Value Decision Table for Identify Winning Ideas				
Goals	Potential Ideas			Totals
	Idea #1	Idea #2	Idea #3	
Improve Ease of Use <i>Time to find info: 120 secs -> 20 secs</i>	20% +/- 10%	40% +/- 20%	70% +/- 30%	130% +/- 60%
Decrease Problem Resolution Time <i>Avg time: 72 hours -> 24 hours</i>	50% +/- 10%	20% +/- 20%	50% +/- 10%	120% +/- 40%
Improve Customer Self Service <i>Online Services: 0 -> 10</i>	0% +/- 0%	50% +/- 20%	40% +/- 10%	90% +/- 30%
Total Benefits	70% +/- 20%	110% +/- 60%	160% +/- 40%	
Resources				
Cost (in Story Points)	23	48	75	146
Total Benefits / Cost Ratio	3.0 +/- 0.9	2.3 +/- 1.3	2.1 +/- 0.5	
<i>Design with highest ratio is best "bang for the buck" and will deliver value quicker</i>				

Scrum: Linking Personas to Goals, Ideas and Backlog



Personas

PUW
 Represented customer for agent profitability and growth, extensive market analysis on needs
 Fast, simple and convenient access for working agent plans

Peter - IC PUW
 Function as the expert lead and a knowledgeable about the systems and application used
 A Portfolio Underwriter analyzes and assesses levels of business to determine if an action could be taken to improve profitability and growth

Cheryl - EC PUW
 With range of technical abilities
 Actively curious and knowledge seeker
 Proactively seeks to office automation, knows market to agent office support, willing to work outside of formal business hours in order to get the job done. Works weekends that extend some of the time.
 Capable of customer service work in a virtualized world
 Strong relationship with support agents - agents rely on them for assistance to questions about selling, CRM tools and application capabilities

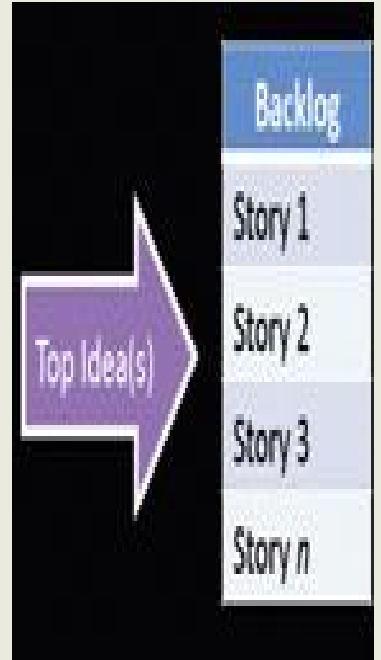
Personas
10-15 Quality of advice and time cost management, and making customer service supporting helpdesk resources to single, multi and multi agencies
10-15 Back Office Management
10-15 Support Function Officer
10-15 Underwriter and agent, leads agent to support and actively promotes self in the market to lead workforce
10-15 Back Office Underwriter and leader
10-15 Early feedback from the product of the market to policy presentation



- ✓ Improve Ease of Use
- ✓ Measure Profitability and Growth of the Agencies.
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Total Benefits	70% +/- 20%	110% +/- 60%	160% +/- 40%	
Resources				
Cost (in Story Points)	25	48	75	146
Total Benefits / Cost Ratio	3.0 +/- 0.9	2.3 +/- 1.3	2.1 +/- 0.5	
Design which has the ratio is best "save for the Best" ones with customer value question				



Example of the ADC Backlog -Story Mapping Board



- Story map shows the Business Goals as *Blue Cards*, Features as *Green Cards*, Epics as *Orange Cards* and User stories as *Yellow Cards*

Value Based Prioritization

- ▶ Story cards are prioritized by value of the cards.
- ▶ Example of Prioritization and Value

Skelton of Working Software

Skelton:

The walking Skelton should be an application that is useful, although not complete.

It could be put into production still the implementation will be very shallow and needs much more work to become a sound product Implementation starts with the first story in the first row.

All stories in the same row are implemented in order to create a walking skeleton.



Value Delivery Framework – STEP 3

Identify
Stake
Holder
Goals

Identify
Winning
Idea

Estimate
stories
and
Points
to
Deliver

Build
Process



Measure
Points
and
Stories
Delivered



Quantify
Stake
Holders
Goals

Make
Value
Based
Decision

Estimate
Value
to
Deliver

Measure
Value
Delivered

Example of Estimation and Value

As a Homeowner I want to build the bathroom in the basement so that my handicapped mother can access it easily.

Value: ?

Estimate: \$40K

As a Homeowner I want to build a new dinning area so that my family doesn't have to eat in living area.

Value: ???

Estimate: \$45K

Example of Estimation and Value

As a homeowner I want to fix the faucet so that it doesn't leak anymore.

Value: ?????

Estimate: \$100

As a Homeowner I want to build a play area so that my little kids have place to play.

Value: ???


Estimate: \$45K


Estimate the Value via tool

The screenshot shows a Jira Story Card for 'Resign Payment Details screen'. The 'Business Value' field is circled in red and contains the value '0'. Other fields include 'Type: Story Card', 'Field Against: describes', 'Nationwide Project: TACS-CSE-E Single Payments fr.', 'Application: ZOOM', 'Size Estimate: Unassigned', 'Story Points: 0', 'Progress: 0 h Estimated: 100%', 'Team Area: Incredibles', and 'Created By: Samhira, Manoj'.

- Platinum 13 Points
- Gold 8 Points
- Silver 5 Points
- Bronze 3 Points
- Steel 2 Points
- Aluminum 1 Point

Estimate the story Points via tool

Technical Card 114279 

Summary: * 

Loaded: Nov 10

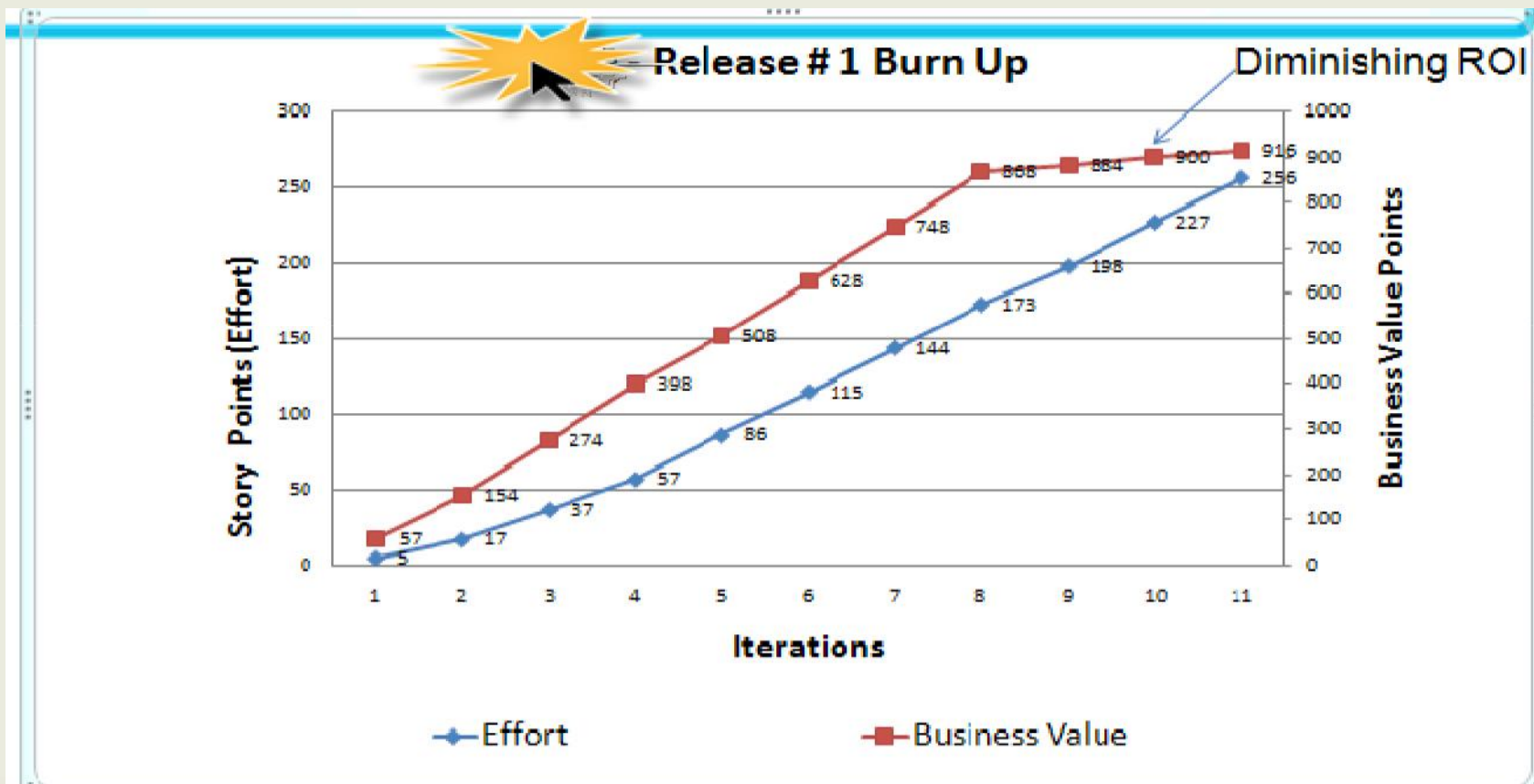
[Overview](#) [Acceptance](#) [Links](#) [Approvals](#) [History](#)

Details

Type:	<input type="text" value="Technical Card"/>	Tags:	<input type="text"/>
Filed Against: *	<input type="text" value="CSI"/>	Owned By:	<input type="text" value="Manickaraj, Sharmila"/>
Nationwide Project:	<input type="text" value="Unassigned"/>	Priority:	<input type="text" value="Unassigned"/>
Application:	<input type="text" value="Unassigned"/>	Blocked:	<input type="checkbox"/>
Size Estimate:	<input type="text" value="Unassigned"/>	Ready for Development:	<input type="checkbox"/>
Story Points:	<input type="text" value="1 pt"/>	Planned For:	<input type="text" value="Yellow 2011 I25 (12.14)"/>
Business Value Points:	<input type="text" value="<Not Set>"/>	Target Release:	<input type="text" value="NWT 01.0-12 (01/06/2012)"/>
Progress:	<div style="width: 0%;"><div style="width: 0%;"></div></div> Progress: 0 / 0 h Estimated: -	Nationwide Ranking:	<input type="text" value="Unassigned"/>
Project Area:	NF	Resolution Date:	Dec 15, 2011 6:19 PM
Team Area:	CSI	Resolved By:	Manickaraj, Sharmila
Creation Date:	Dec 8, 2011 2:08 PM		
Created By:	Islam, Syed		

Description [Edit](#)

Measure the Value Delivered



Today's Agenda

- ✓ Identify the Right Goals for the Change.
- ✓ Maximize the value on what we deliver.
- ✓ Integrate with Agile and Kanban Delivery.

Questions

- ▶ Please contact me at
- ▶ Karuna_chaudhary@hotmail.com
- ▶ 614-420-4377

References

- ▶ http://www.agileproductdesign.com/blog/the_new_backlog.html
- ▶ Nationwide work product