



**Meet-Up**

**Tracing Local Optimizations  
throughout the System**

*November 1, 2018*



**Thanks to**



***Rabobank***

**Agile Community**

# Coming Up...



11/17 –

Certified LeSS Basics  
(CLB) | Basking Ridge |  
NJ



12/10-12 – Certified

LeSS Practitioner  
(CLP) | New York |  
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# What Is Local Optimization?

*"Everyone is busy and working so hard. Yet, the system is delivering slow and Users are not happy"*

How could that be?



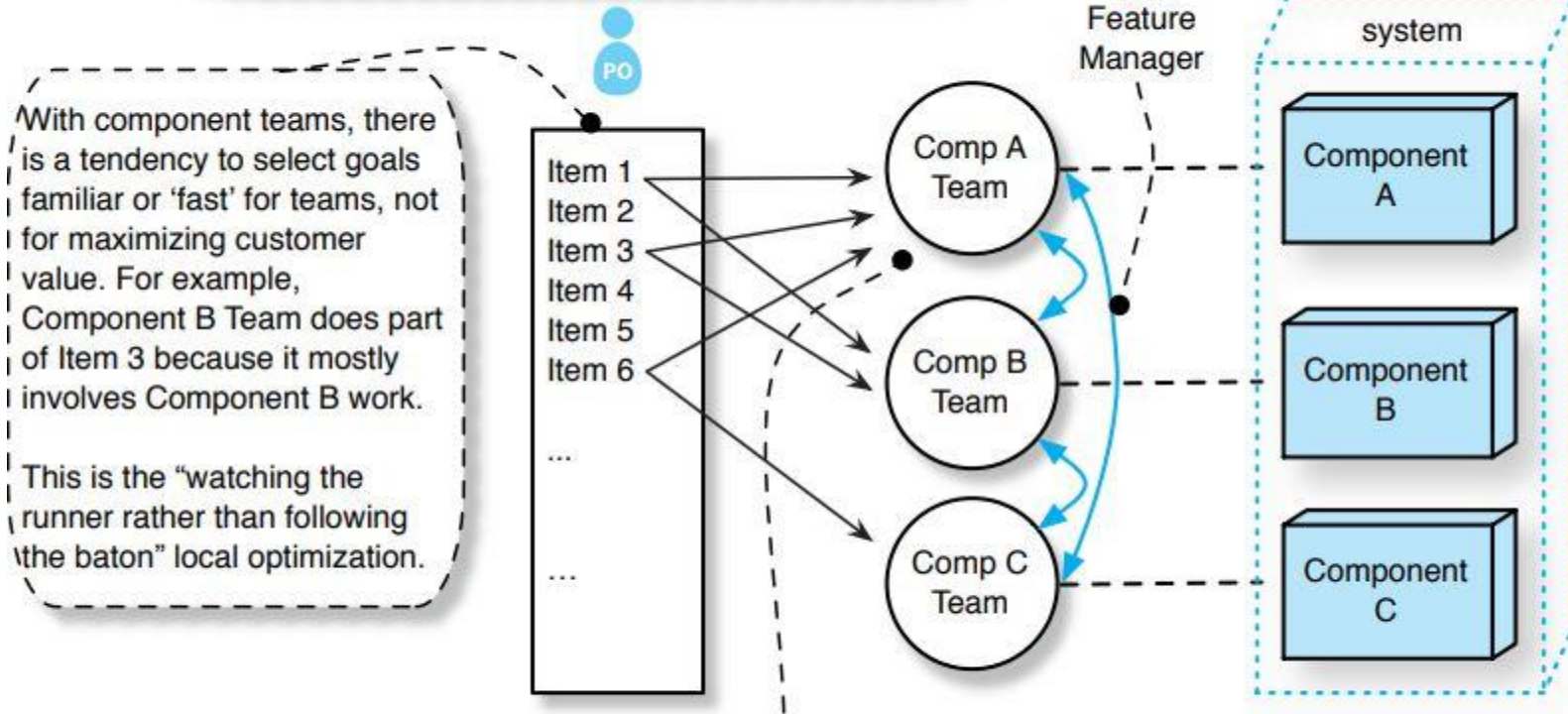
Also at: [https://less.works/less/principles/systems-thinking.html#Seeing\(andHearing\)LocalOptimization](https://less.works/less/principles/systems-thinking.html#Seeing(andHearing)LocalOptimization)

# Component Team

With component teams, a project or feature manager is used to coordinate and see to completion a feature that spans component teams and functional teams.

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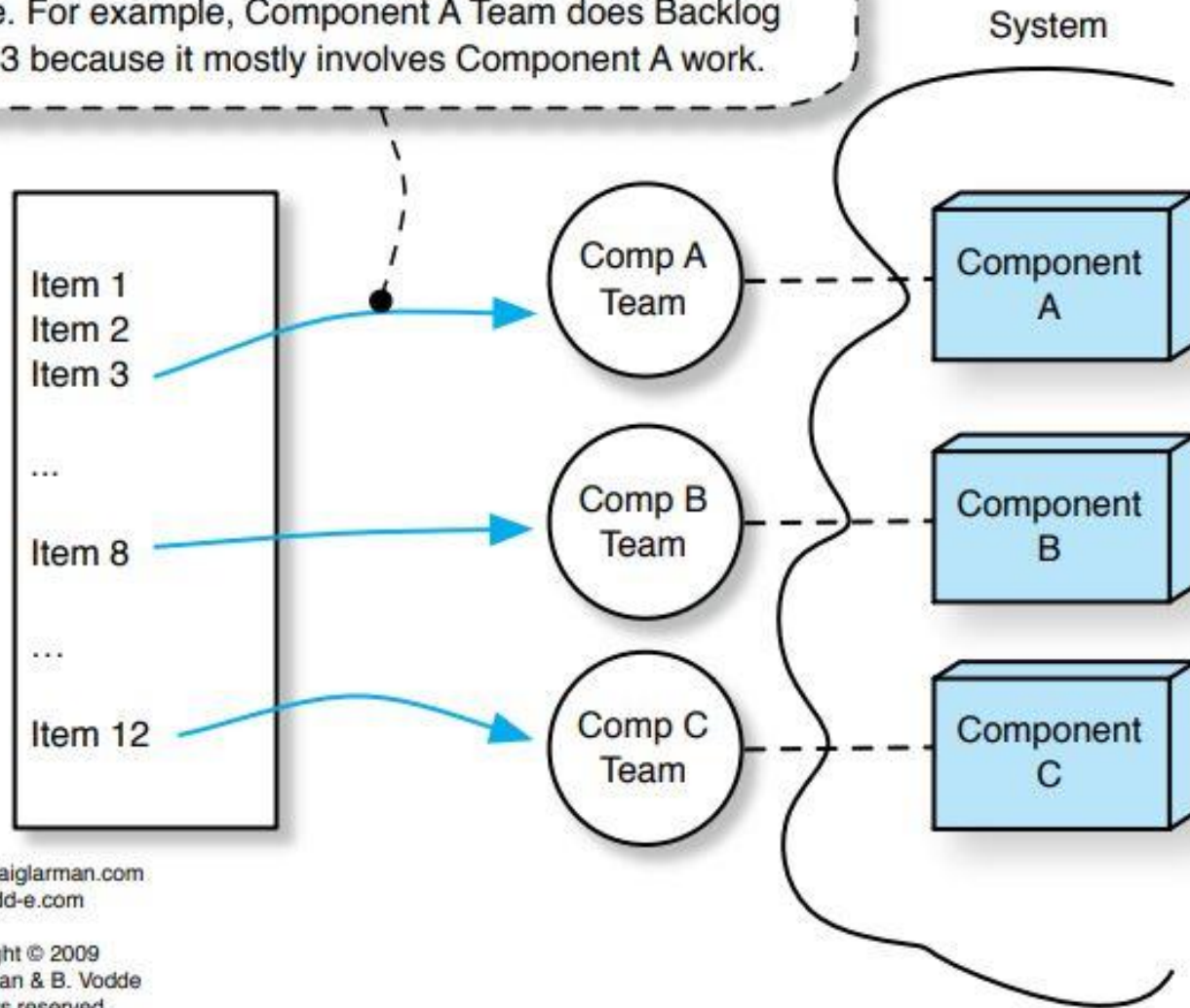
With component teams, there is a tendency to select goals familiar or 'fast' for teams, not for maximizing customer value. For example, Component B Team does part of Item 3 because it mostly involves Component B work.

This is the "watching the runner rather than following the baton" local optimization.

With component teams, there is increased delay, as one customer feature is split across multiple component teams for programming, and eventually transferred to a separate testing team for verification. There is handoff waste, and multitasking waste—as one component team may work on several features in parallel, in addition to handling defects related to 'their' component.

# Component Team - Cont.

With component teams, there is a tendency to select goals familiar for people, not for maximizing customer value. For example, Component A Team does Backlog Item 3 because it mostly involves Component A work.

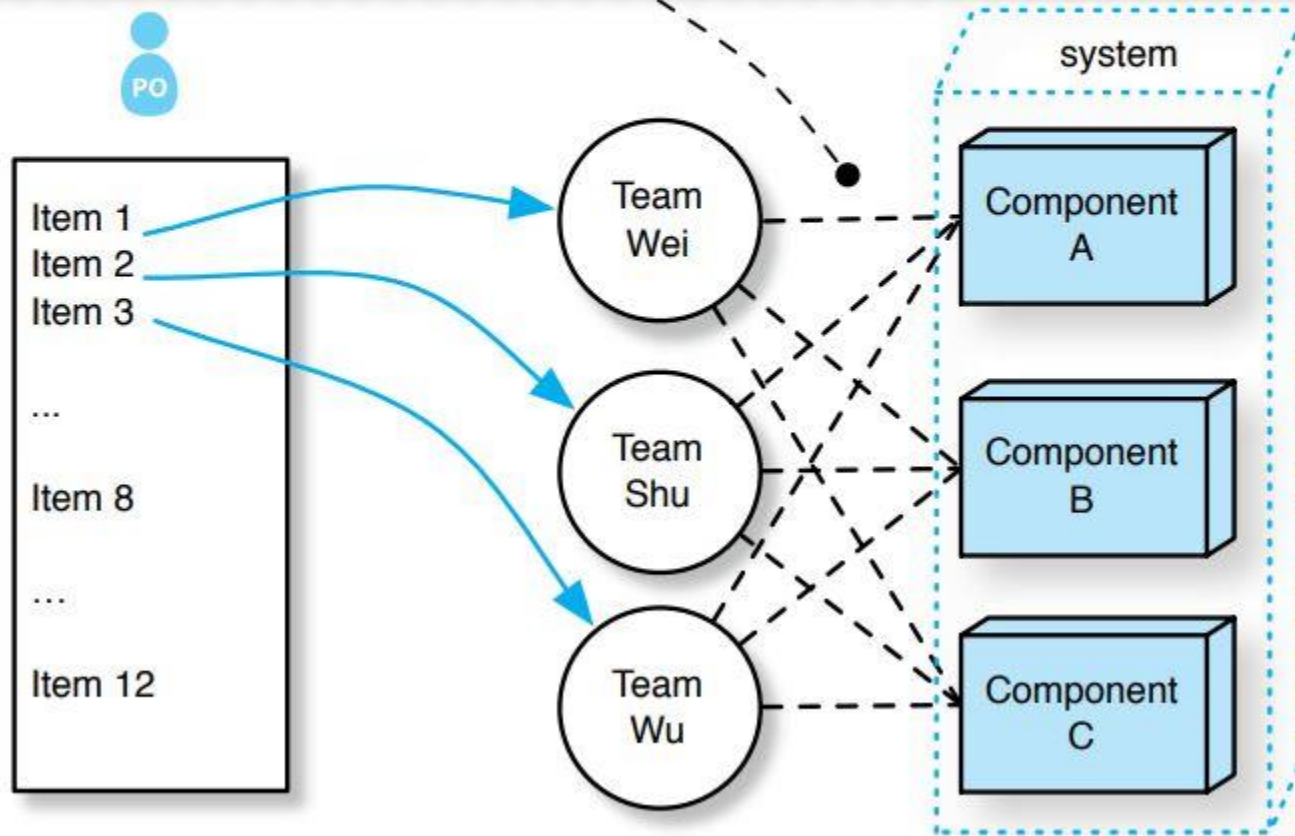


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# Feature Team

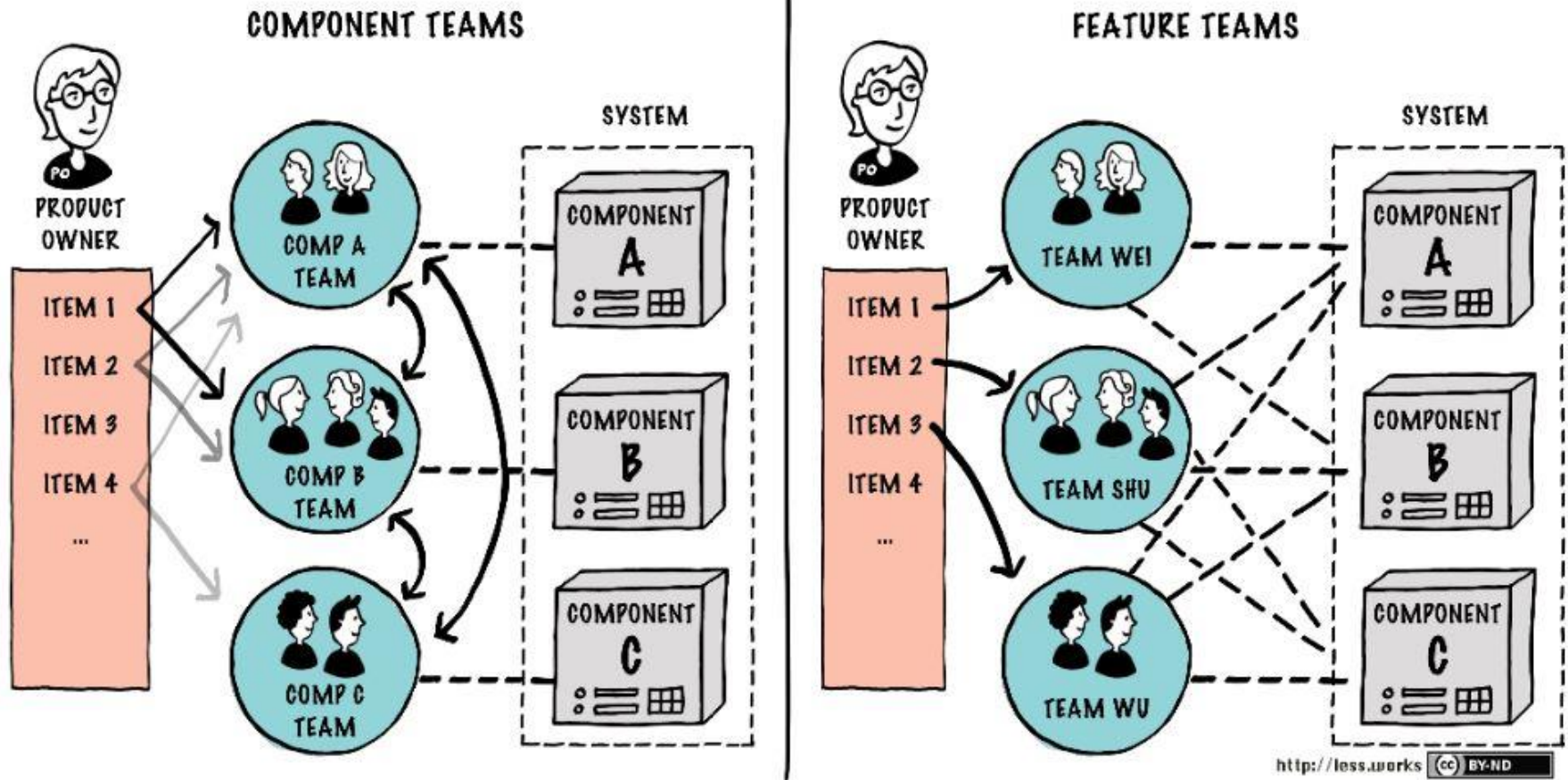
With feature teams, teams can always work on the highest-value features, there is less delay for delivering value, and coordination issues shift toward the shared code rather than coordination through upfront planning, delayed work, and handoff. In the 1960s and 70s this code coordination was awkward due to weak tools and practices. Modern open-source tools and practices such as TDD and continuous integration make this coordination relatively simple.



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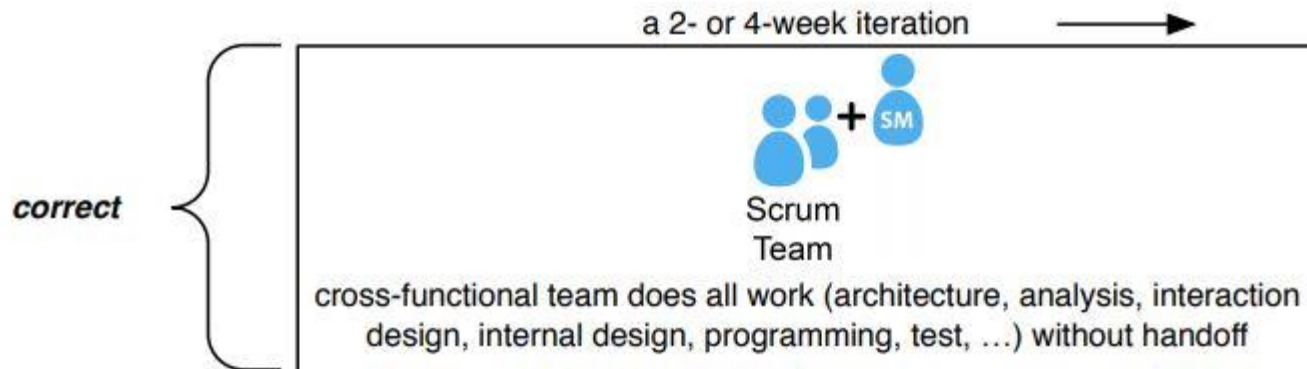
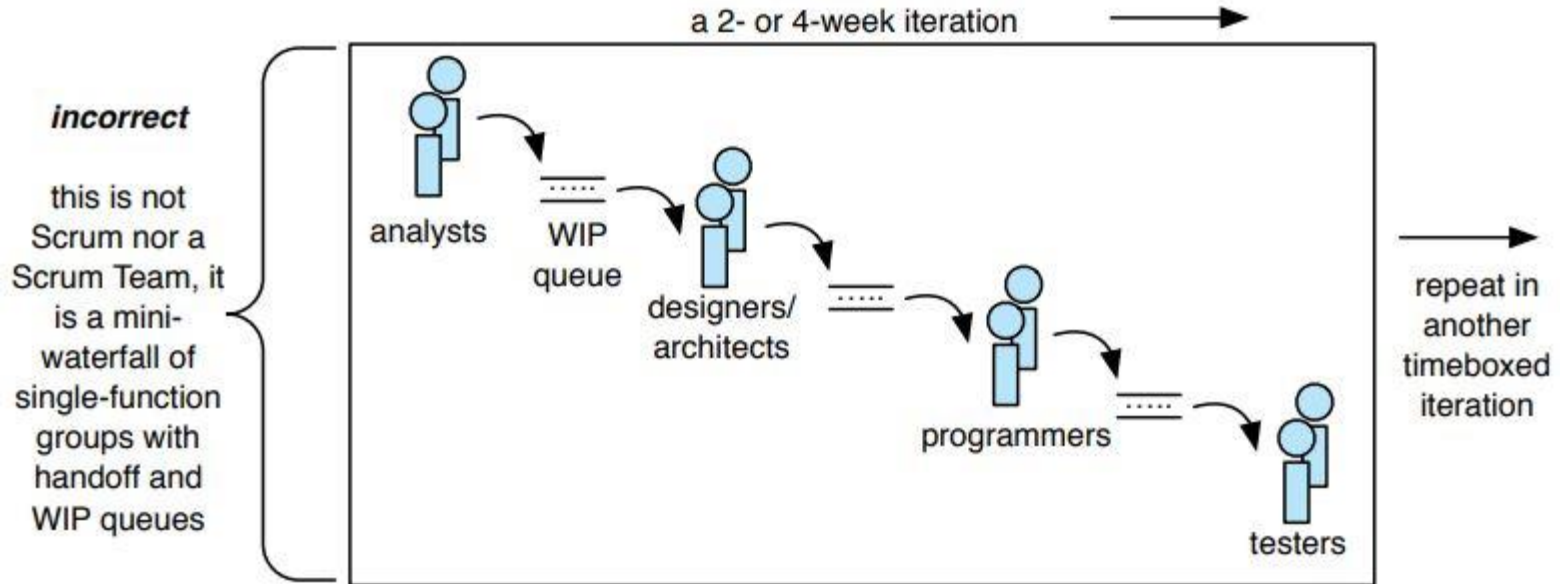
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# Component vs. Feature Team





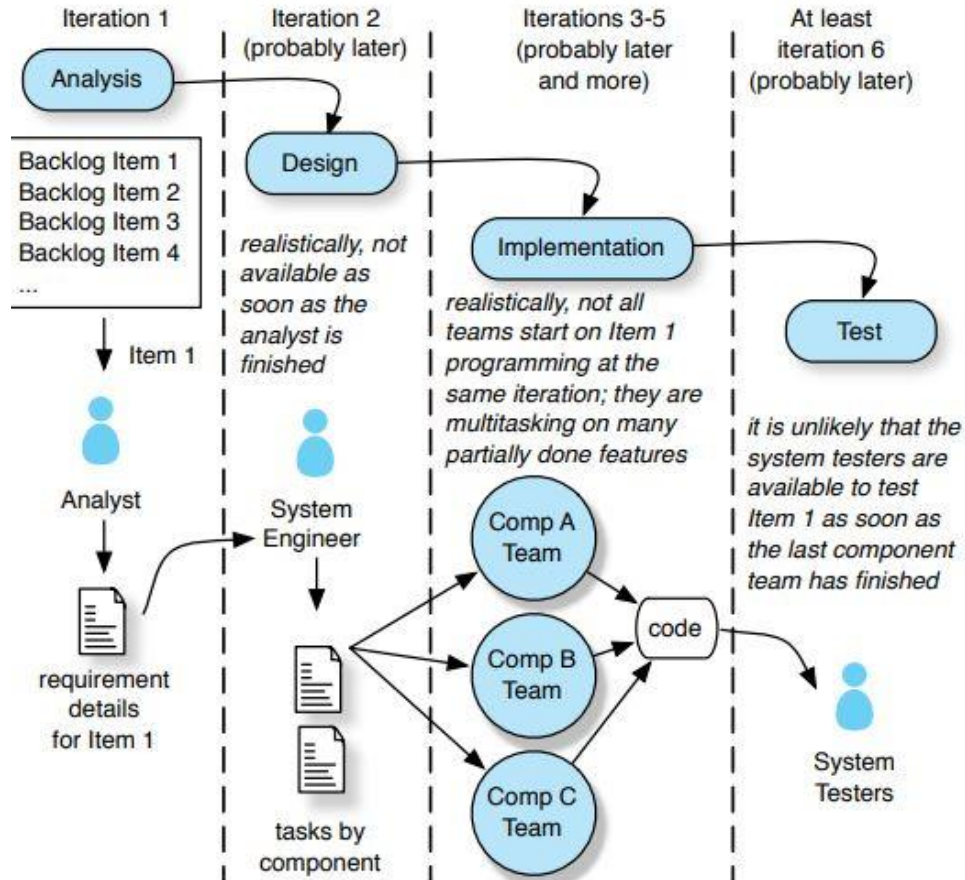
# Mini-Waterfall



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# Mini-Waterfall – Cont.



Component teams create sequential life cycle development with handoff, WIP queues, and single-specialist groups. This organizational design is *not* Scrum or agile development, which are instead based on true cross-functional teams that do all work for a feature without handoff. This "mini-waterfall" development is sometimes confused as agile development; that is a misunderstanding.

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# Seeing (Hearing) Local Optimization in...

Team Structures

Org. Structures

Documentation

Definition of Done

Backlogs

Role Definitions

Product Design

Goals & Metrics

Also at: [https://less.works/less/principles/systems-thinking.html#Seeing\(andHearing\)LocalOptimization](https://less.works/less/principles/systems-thinking.html#Seeing(andHearing)LocalOptimization)

# Q & A

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# Scaling Organizational Adaptiveness (a.k.a. "Agility") with Large Scale Scrum (LeSS)

Organizational De-Scaling / Flattening

Organizational de-scaling (flattening) takes months and years to complete and from a high perspective, looks like a gradual process.

However, throughout this long process, there are many phases (bursts) of: comprehensive preparation, followed by a organizational "flipping".

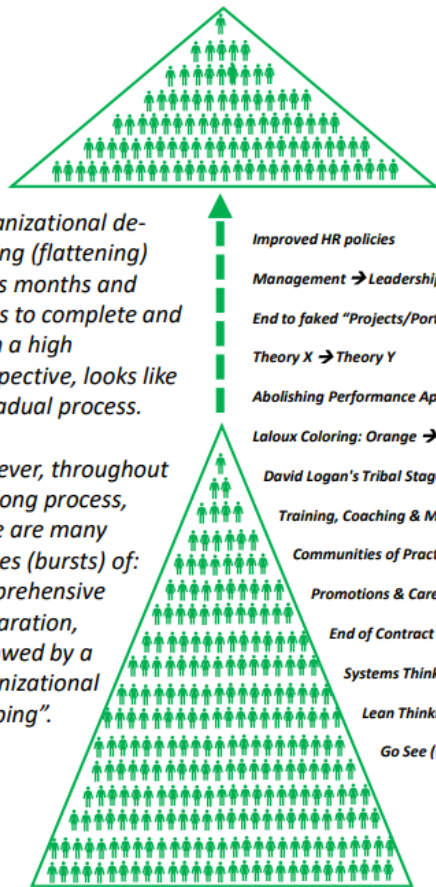


Diagram created by Gene Gendel

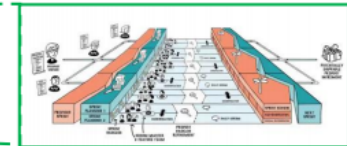
- Improved HR policies
- Management → Leadership
- End to faked "Projects/Portfolios"
- Theory X → Theory Y
- Abolishing Performance Appraisals
- Laloux Coloring: Orange → Green
- David Logan's Tribal Stage: 3 → 4
- Training, Coaching & Mentoring
- Communities of Practice
- Promotions & Career Paths
- End of Contract Game
- Systems Thinking
- Lean Thinking
- Go See (Gemba)

**LeSS Huge**  
 As in LeSS, + Product definition becomes too wide to be supported by a single Product Owner. Area Product Owners (+ staff) are identified, to support independent Product Areas. Coordination between Area Product Owners and [Overall] Product Owner ensures good product strategy and long-term planning is balanced across Areas. Changes to organizational policies (e.g. location strategies, compensation) are made.

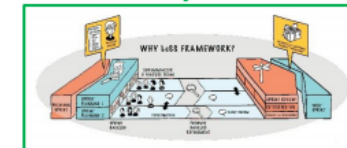
**LeSS**  
**Simplified organizational design. System Optimization.** Reduction of: silos, hand-overs, translation layers, bureaucracy and "muda". Scrum is implemented by coordinated, feature-centric teams (2-8), building the same, widely defined Product/serving the same PO. Cases of Local Optimization by single specialty roles are eradicated. Teams are collocated. No subsystem code ownership. Scrum is the main building block of IT org. structure. Teams are collocated. **Multi-site development** is used for multiple locations. Strong reliance of technical **Mentoring** and **Communities of Practice** (as oppose to first-line management). No subsystem code ownership. Gradual reduction of "undone" work and "undone department". Heavy focus on **Customer values**. Strong support of Senior Leadership. **Intimate involvement of HR.**

**Scrum**  
Copy-paste scaling (no conscious scaling strategy) of Scrum throughout an organization: many teams doing their 'own' Scrum. True product definition is weak. Cases of using **Scrum in component-centric development** are frequent (often, a result of trying to meet goals of agile transformation (% annually), set at enterprise level. Importance of **Scrum dynamics and roles is viewed as secondary**, to existing organizational structures and blueprints. Too many single-specialty experts and very few T-shaped workers. No meaningful HR changes.

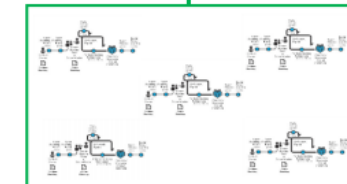
**Waterfall**  
**Complex organizational design.** Domains of single-function expertise, ownership and control. Numerous silos, hand-offs and translational layers between Component Teams. **Internal contracts.** Long cycle "from concept to cash". **Local optimization** by single-specialty workers/departments. Profound **organizational debt: Theory X management, individual performance appraisals and subjective bonuses.** Weak definition of product value from a stand-point of a paying customer. Manifestation of **Larman's Laws of Organizational Behavior.**



Transition from LeSS to LeSS Huge should not be the primary goal but only a necessary step, taken when a product has grown beyond what a single Product Owner and 2-8 LeSS teams can support



Transition from independent basic Scrum, performed by multiple teams to LeSS, is a desirable approach, when a product is widely defined and a real customer (Product Owner) is identified



Graphics are courtesy of <https://less.works>

Scaling Scrum

Waterfall