

# **Business Value Driven Portfolio Management**

Managing the Choice and Sequence of  
Business Capability Development to Deliver  
Business Value

# Rod Claar

## Effective AGILE Development LLC

Principal Consultant

<http://rod-claar.net>

<http://www.EffectiveAgileDev.com>

[http://twitter.com/agile\\_coach](http://twitter.com/agile_coach)

[rodclaar@EffectiveAgileDev.com](mailto:rodclaar@EffectiveAgileDev.com)



# Effective AGILE Development

- Agile Coaching and Training
- Scrum Implementation Training
- Large and Distributed Team Practices
- TDD / Design Patterns / Code Quality
- Project Management Tool Selection and Implementation / VersionOne, VSTS/TFS
- Trusted Partnerships with Industry Leaders



# How Do We Decide What's Next?

- Traditionally there are a lot of methods used...
  - First In First Out Scheduling
  - What have we analyzed and planned out?
  - Work on every important stakeholder's #1 project
  - Annual budget related prioritization
  - Competition driven goals
- Other common factors
  - Keeping everyone busy in a matrix organization
  - Full project planning up front
  - Delivery of full, complete projects

# What Are We Trying to Do?

- Keep everyone busy
- Calm the noise from stakeholders
- Spend the money (wisely!)
- Have fun at work
- Beat the competition
- Solve the problem
- Keep the project going
- Justify our job, team, department, company

# What Should We Focus On?

- The delivery of business value quickly
- Get quick feedback to validate the course and the solution
- Deliver the business value in a repeatable and sustainable manner
- Deliver software solutions that add value now and do not slow down the delivery of business value in the future

# How Do We Do That?

- Create a language and system for establishing relative business value for every work item
- Use a relative ROI factor to prioritize the work
- Measure the progress of business value delivery by the team and organization
- Create an awareness of the velocity of business value delivery through automatically updating charts and graphs

# What Else Do We Do?

- Map out the system capabilities required to deliver each business capability
- Use Agile Analysis to deliver the requirements to the team in a just-in-time manner
- Map out the Release to return the maximum business value as early as possible
  - Identify Minimum Releasable Features
  - Map the System Capabilities for anticipated MRFs to identify areas of shared functionality

# Mapping System Capabilities

	Business Capability 1	Business Capability 2	Business Capability 3	Business Capability 4	Business Capability 5
System Capability A	X		X		X
System Capability B					X
System Capability C	X	X		X	
System Capability D		X	X	X	
System Capability E		X		X	
System Capability F	X	X			

# And, The World Changes

- The Release Plan needs regular examination and refinement considering what we have learned
- Priorities do change and when they do make smart, business value driven decisions
- Keep the map open and visible
- Continue to refine the process and look for impediments to business value delivery and sustainability

# Create a Vision and Mission

- Make the Vision Clear
- Measure and Report on Business Value Delivery
- Enable and Empower the Teams to Find Solutions
- Use Value Stream Mapping to Shorten Delivery Time
- Use Root Cause Analysis to Identify the True Cause of Impediments

# The Goal

Enterprise Sustainability  
Through the Delivery Of  
Business Value

# Enterprise Sustainability

- Clear and Visible Product Vision
- Great Product Leadership
- Highly Effective Development Teams
- Distributed Team Practices That Enable Not Detract
- Driven by Delighted Customers

# Scrum Workshop - Portland

**July 28-30, 2009**

**Courtyard Portland Downtown/Lloyd Center**

<http://scrum-workshop-portland.eventbrite.com/>

**Discount Code = BeEffective**



**Effective AGILE**  
Development