

# Government Enterprise Agility

## Scaling to the Portfolio with SAFe

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Digital disruption is affecting every industry across the globe.

# It's not just tech companies.

From shipbuilders and farmers to banks,  
airlines, and government agencies,

**virtually every major organization is on  
some sort of digital transformation journey.**

In 2018, enterprises are expected to invest **\$1.3 trillion** in digital transformation initiatives.

**Many will not reach their stated goals.**

IDC Worldwide Semiannual Digital Transformation Spending Guide

<https://www.idc.com/getdoc.jsp?containerId=prUS43381817>



How do you ensure that your organization will be one of those who succeed with digital transformation?

# Introducing the **Lean Enterprise**

The Lean Enterprise is a thriving digital age business that delivers competitive systems and solutions to its customers in the shortest sustainable lead time.

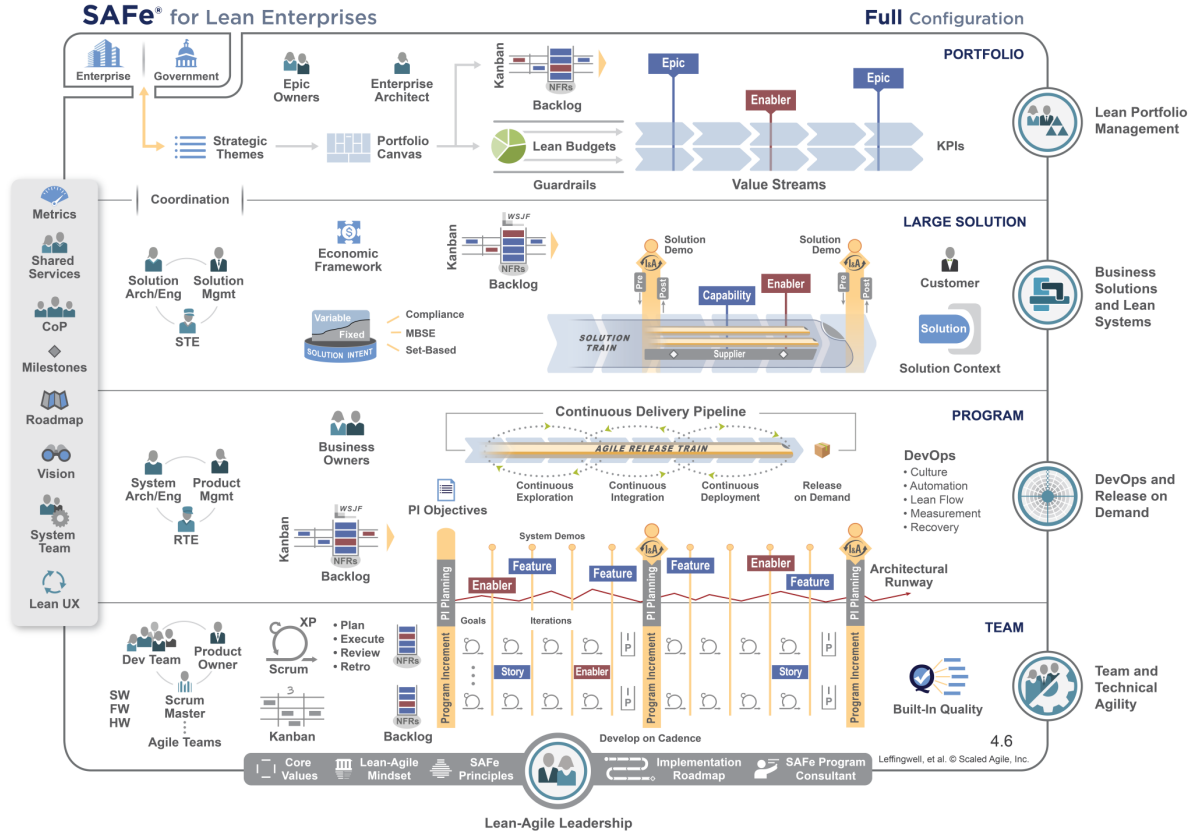


The world's leading framework for enterprise agility

SAFe® for Lean Enterprises is a knowledge base of proven, integrated principles, practices, and competencies for Lean, Agile, and DevOps

[scaledagileframework.com](https://scaledagileframework.com)

# SAFe® 4.6 for Lean Enterprises





# Within enterprise and government



Fannie Mae

pôle emploi



(Dutch Tax Administration)

# SAFe® 4.6 introduces the Five Core Competencies of the Lean Enterprise



Lean-Agile Leadership



Team and Technical Agility



DevOps and Release on Demand



Business Solutions and Lean Systems Engineering



Lean Portfolio Management

*“We just don’t have the knowledge and leadership skills to transform.”*

## Lean-Agile Leadership

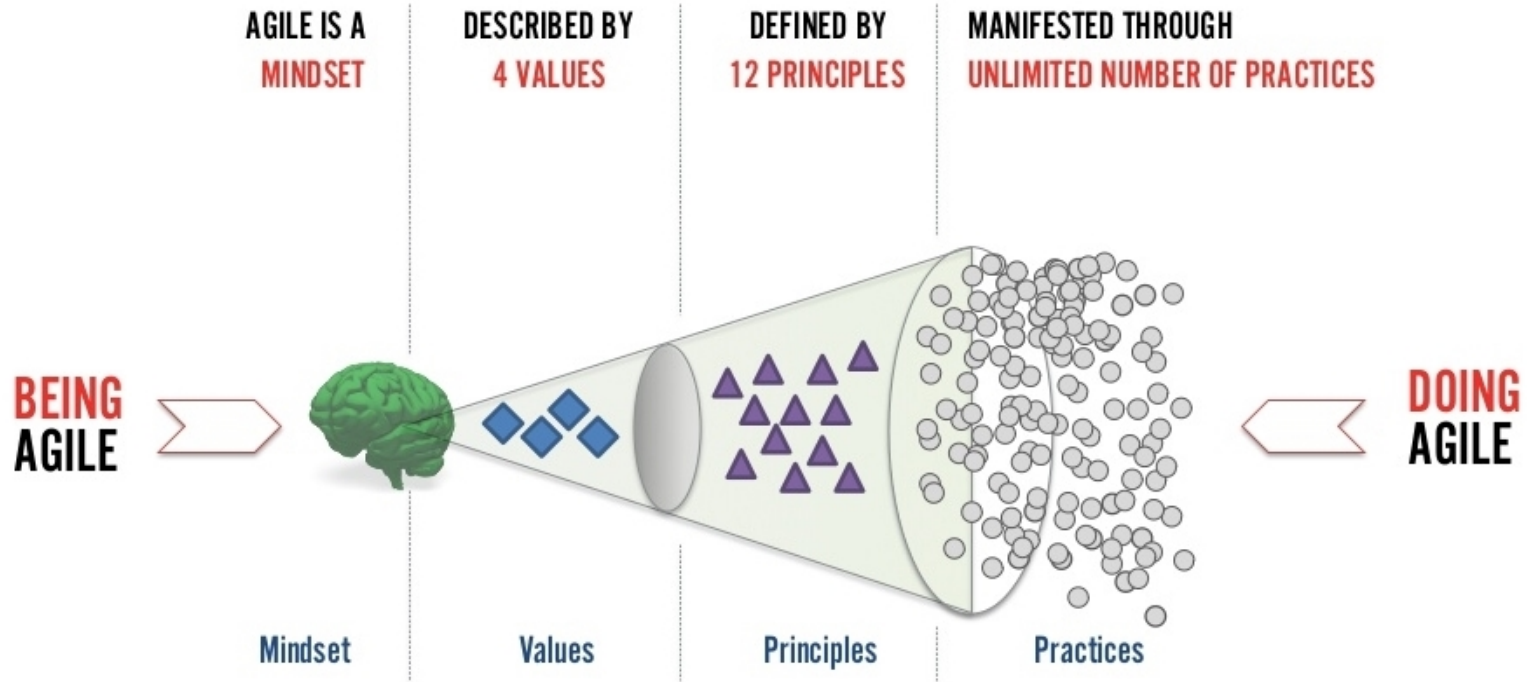
### Core Competency

The Lean-Agile Leadership competency describes how Lean-Agile Leaders drive and sustain organizational change and operational excellence by empowering individuals and teams to reach their highest potential.

They do this by learning, exhibiting, teaching, and coaching SAFe’s Lean-Agile mindset, values, principles, and practices.



# What is Agile?



Source: Ahmed Sidkey, Agile 2014

# Lean-Agile Leadership provides the basis for success

- ▶ Exemplify the Core Values
- ▶ Embrace a Lean-Agile Mindset
- ▶ Apply the SAFe Principles
- ▶ Lead the transformation

*Lean-thinking manager-teachers*

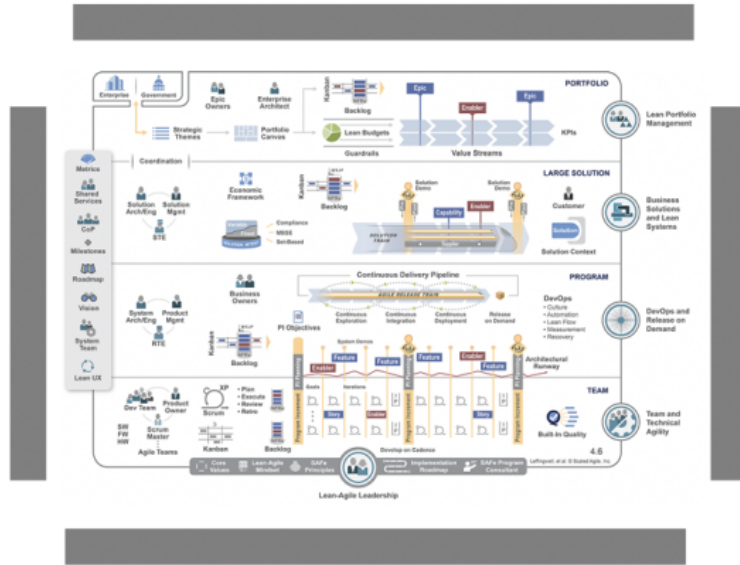


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# Exemplify SAFe Core Values

## Built-in Quality

Alignment



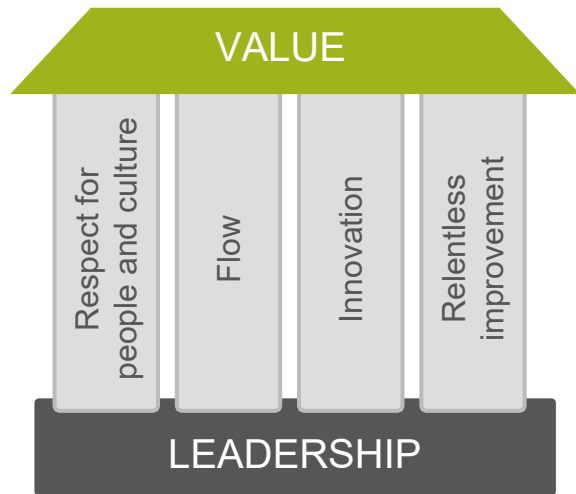
Transparency

## Program Execution

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# Embrace the Lean-Agile Mindset

## House of Lean



Value in the shortest sustainable lead time

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## Agile Manifesto

*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.*

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# Apply SAFe Principles

#1 Take an economic view

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#2 Apply systems thinking

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#3 Assume variability; preserve options

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#4 Build incrementally with fast, integrated learning cycles

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#5 Base milestones on objective evaluation of working systems

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#6 Visualize and limit WIP, reduce batch sizes, and manage queue lengths

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#7 Apply cadence, synchronize with cross-domain planning

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#8 Unlock the intrinsic motivation of knowledge workers

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#9 Decentralize decision-making



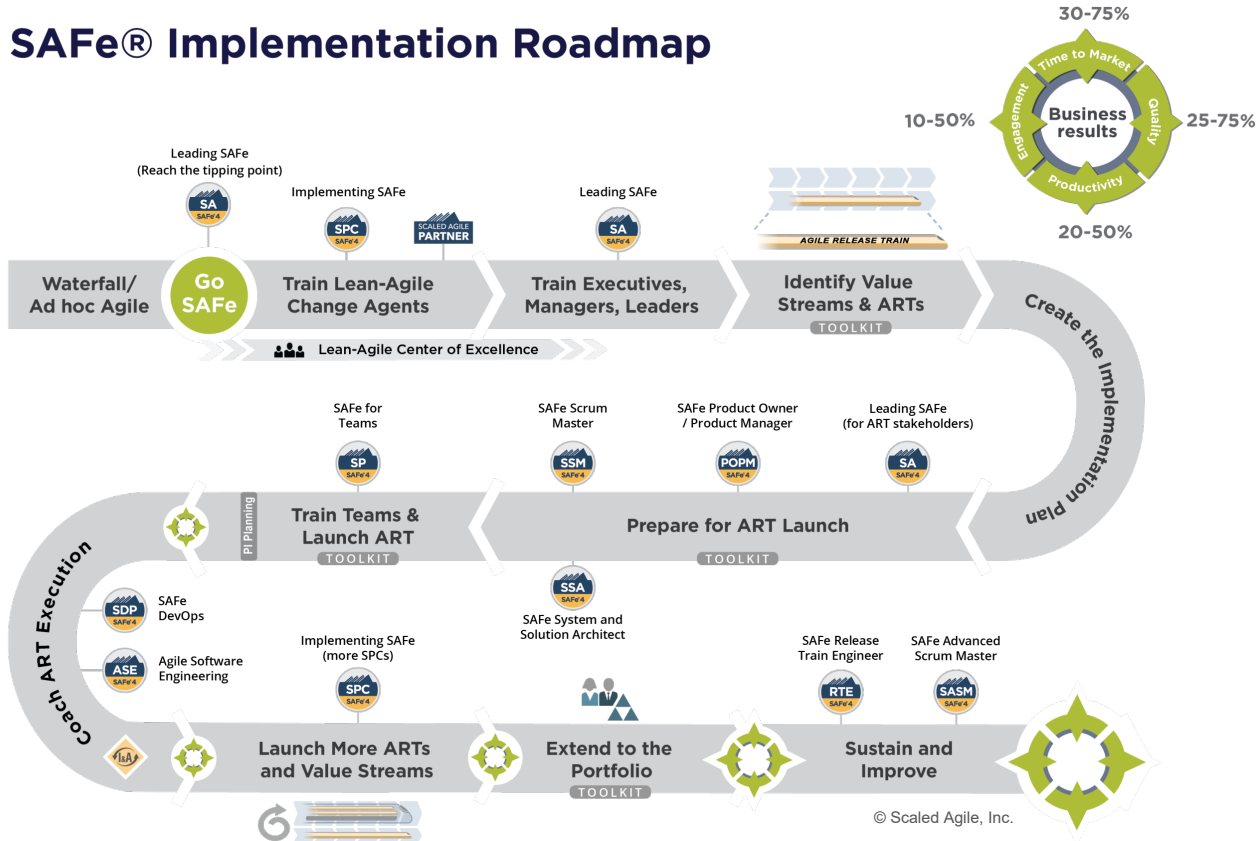
# Use the Digital Service Plays

***Today, too many of our digital services projects do not work well, are delivered late, or are over budget. To increase the success rate of these projects, the U.S. Government needs a new approach.***

- Understand what people need
- Address the whole experience, from start to finish
- Make it simple and intuitive
- Build the service using agile and iterative practices
- Structure budgets and contracts to support delivery
- Assign one leader and hold that person accountable
- Bring in experienced teams
- Choose a modern technology stack
- Deploy in a flexible hosting environment
- Automate testing and deployments
- Manage security and privacy through reusable processes
- Use data to drive decisions
- Default to open

# Lead the transformation

## SAFe® Implementation Roadmap



*“Our Agile teams are not disciplined or predictable, plus we have lots of technical debt”*

## Team and Technical Agility

The Team and Technical Agility competency describes the critical skills and Lean-Agile principles and practices that are needed to create high-performing Agile teams who create high-quality, well designed technical solutions.

Core Competency



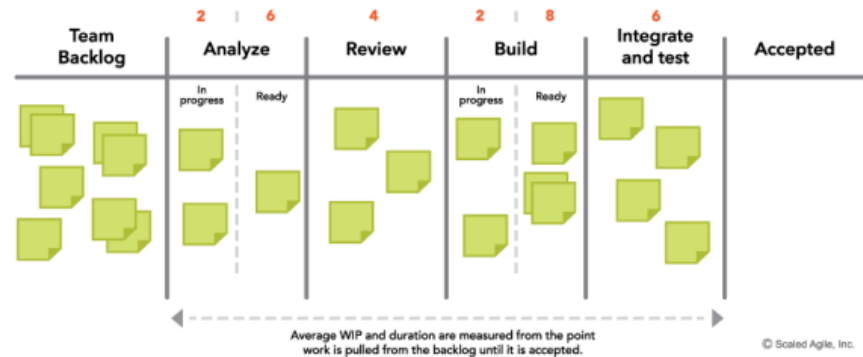
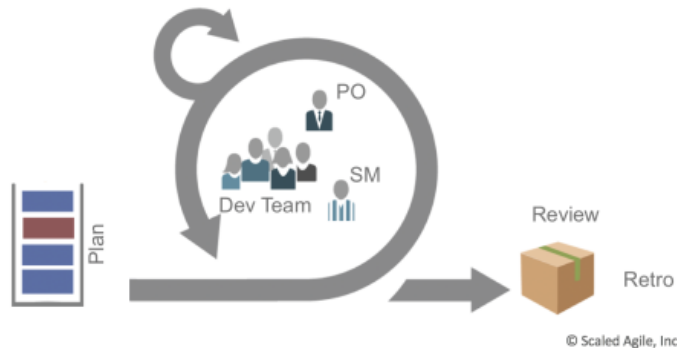


Continuous attention to technical excellence and good design enhances agility.

—Agile Manifesto

# Scrum and Kanban provide the basics

- ▶ Agile teams are cross-functional, self-organizing entities that can define, build and test, and where applicable deploy, increments of value
- ▶ Scrum optimizes teams for communication and value delivery
- ▶ Kanban is applied to optimize value flow

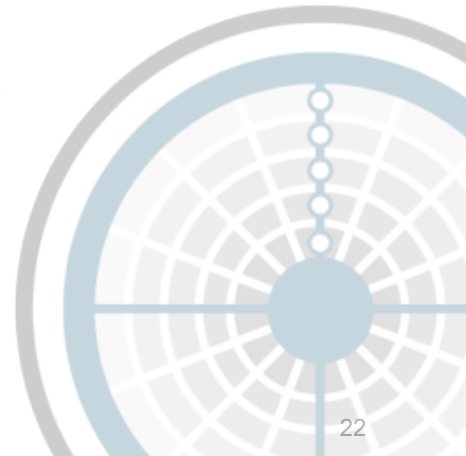


*“Now we need DevOps and continuous delivery to keep up with the competition!”*

## DevOps and Release on Demand

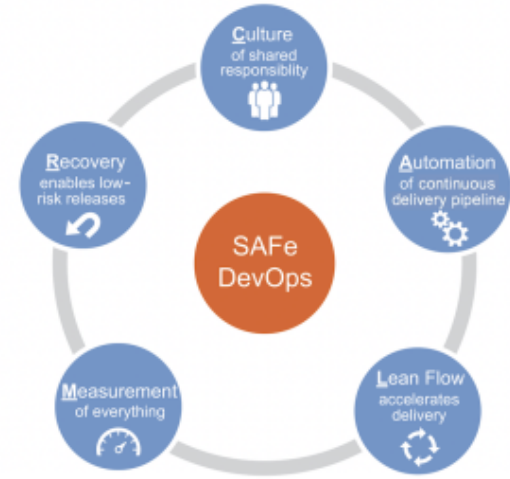
### Core Competency

The DevOps and Release on Demand competency describes how implementing DevOps and a continuous delivery pipeline provides the enterprise with the capability to release value, in whole or in part, at any time necessary to meet market and customer demand.

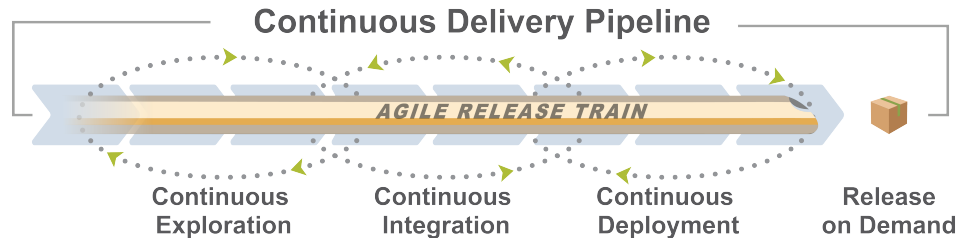


# DevOps and Release on Demand

- ▶ DevOps provides the culture, automation, Lean-flow, measurement, and recovery (CALMR) approach that enables continuous delivery and release on demand
- ▶ Agile Release Trains (ARTs) are teams of agile teams that are organized to release value on demand via a *continuous delivery pipeline*

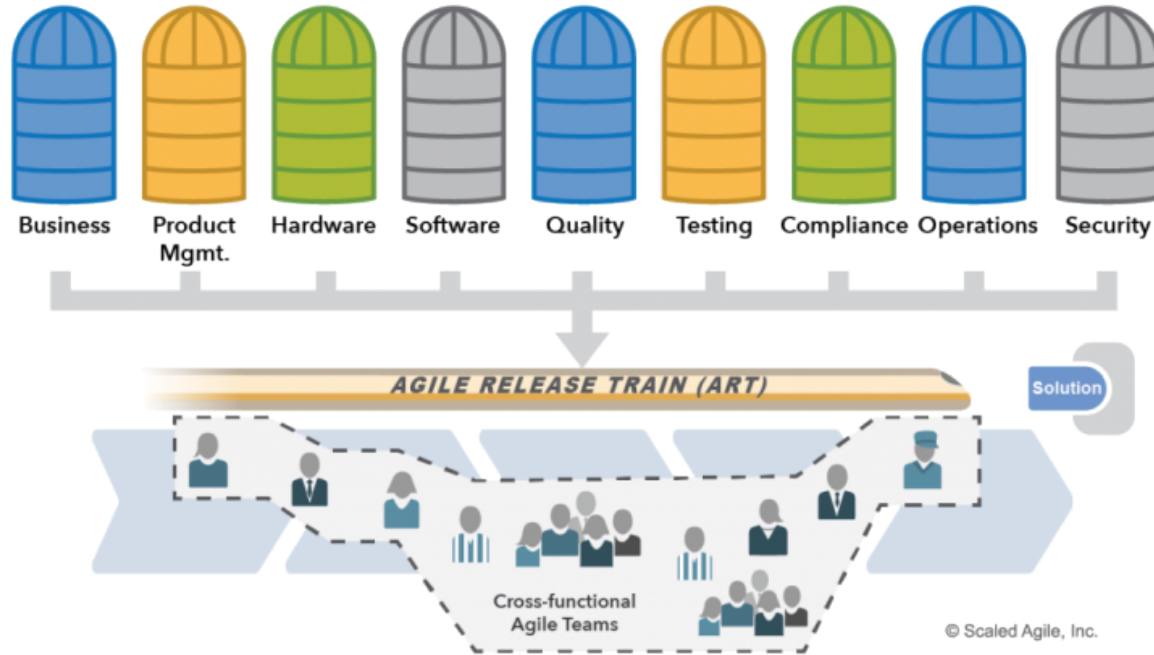


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# ARTs are organized to define, build, deploy and release



5-12 teams working together on a solution



# Synchronize with PI Planning

There is no magic in SAFe . . . except maybe for PI Planning

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- ▶ All stakeholders face-to-face (but typically multiple locations)
- ▶ Management sets the mission, with minimum possible constraints
- ▶ Requirements and design emerge
- ▶ Important stakeholder decisions are accelerated
- ▶ Teams create—and take responsibility for—plans



For a short PI Planning example,  
see: [youtu.be/ZZAtI7nAB1M](https://youtu.be/ZZAtI7nAB1M)

*“We build really big systems, subject to rigorous compliance, it takes hundreds of people, and you can’t integrate continuously.”*

## Business Solutions and Lean Systems Engineering

Core Competency

The Business Solutions and Lean Systems Engineering competency describes how to apply Lean-Agile principles and practices to the specification, development, deployment and evolution of large, complex software applications and cyber-physical systems.



# Cooperation between the Components



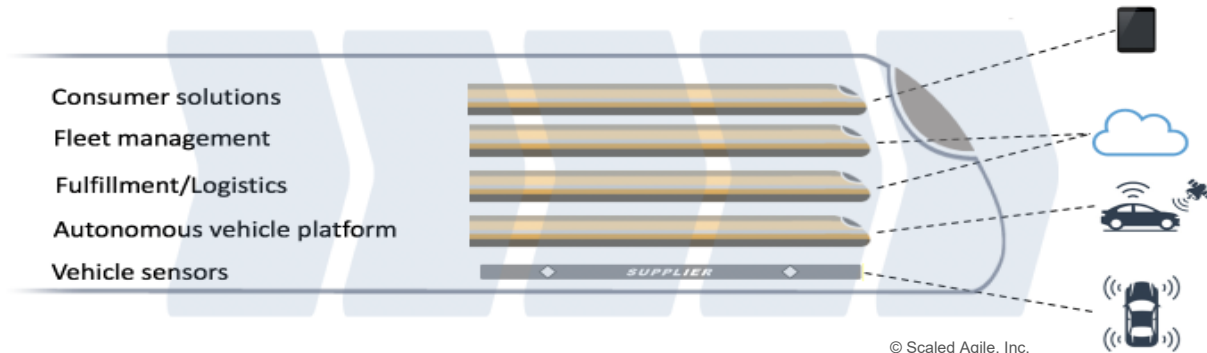
*Management of a system requires knowledge of the interrelationships between all of the components within the system and of everybody that works in it.*

*—W. Edwards Deming*

Photo courtesy of the W. Edwards Deming Institute®

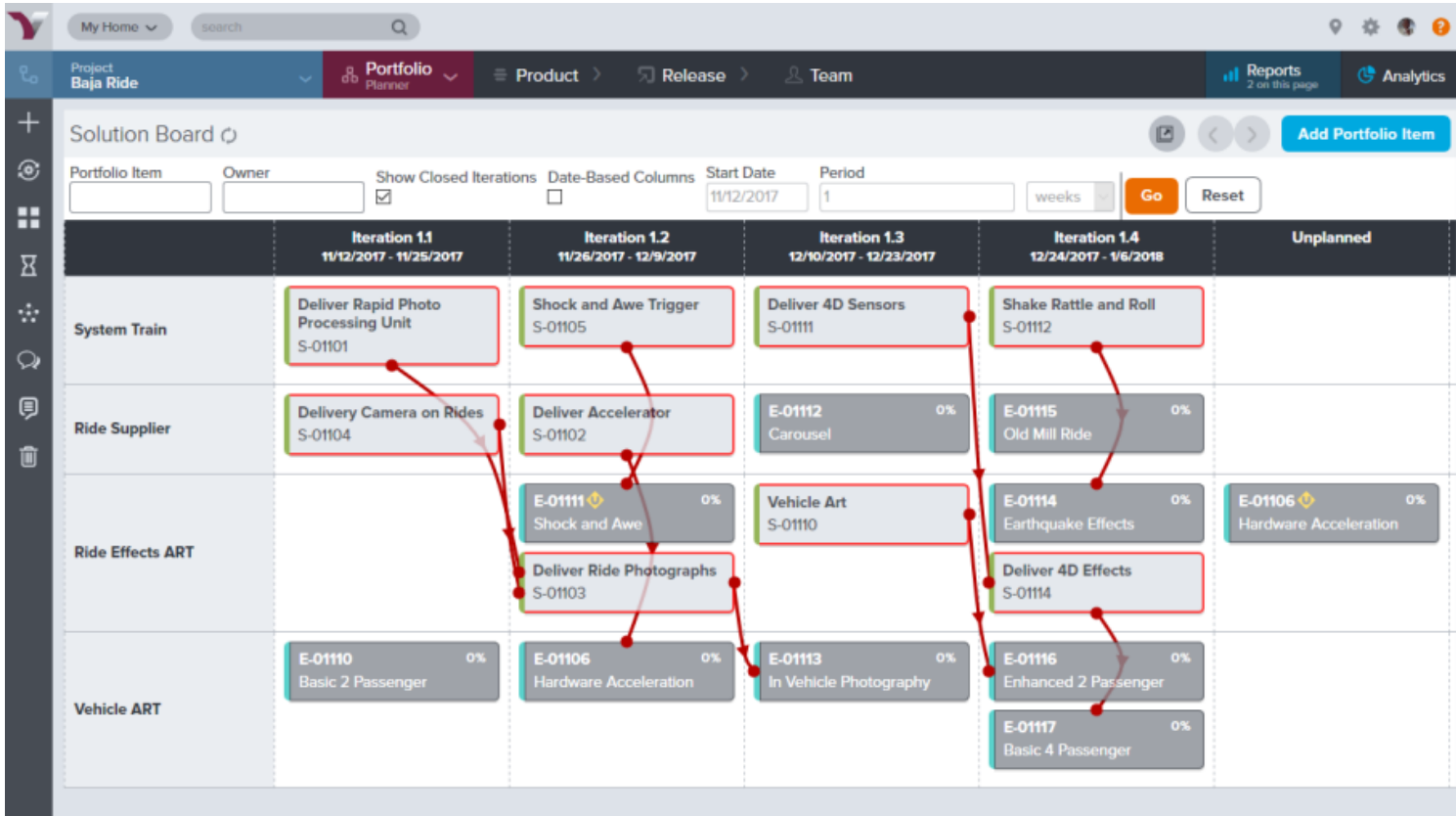
# Solution Trains deliver Business Solutions and Lean Systems

- ▶ Solution trains coordinate multiple ARTs and suppliers
- ▶ Manage frequent integration
- ▶ Continuously address compliance concerns
- ▶ Architect for scale, modularity, releasability, and serviceability

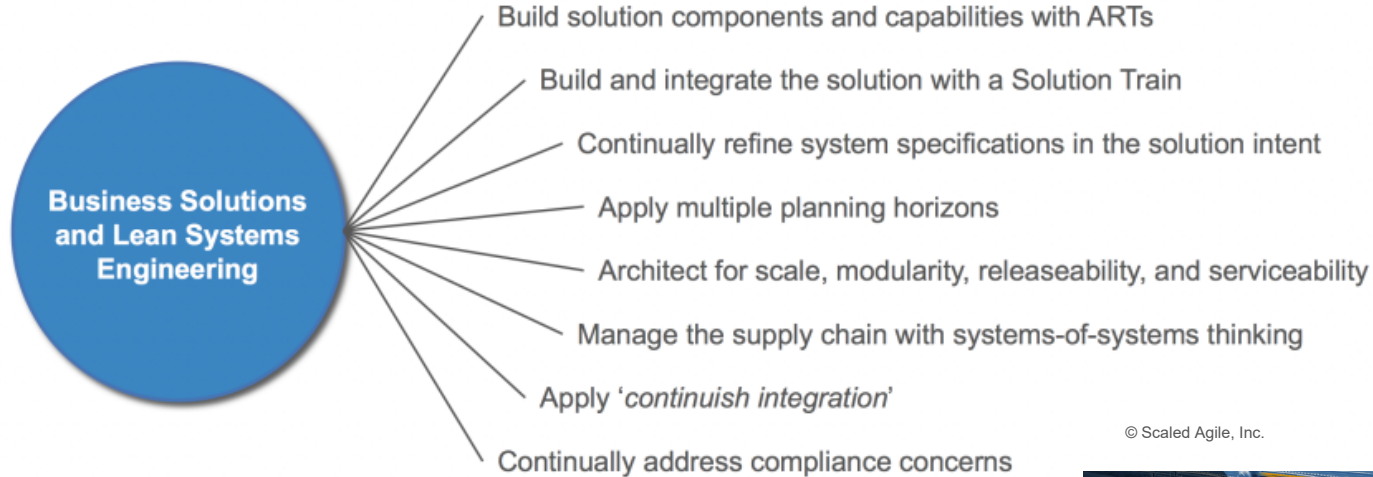


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# Example: Solution Board



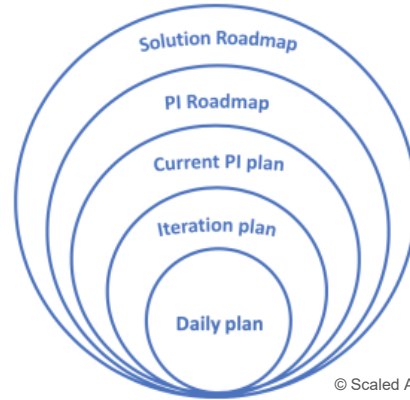
# 8 practices for building large and complex solutions



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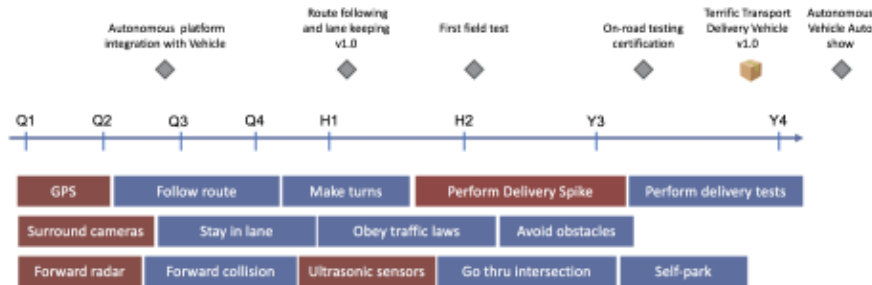


# Apply multiple planning horizons



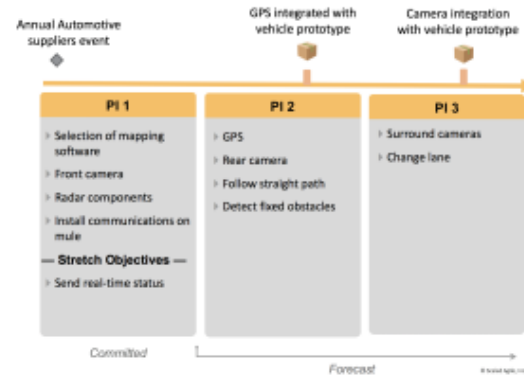
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## Solution Roadmap



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## PI Roadmap



*“For executives and leaders who want to weave strategy and execution together into a single way of working”*

**Core Competency**

## **Lean Portfolio Management**

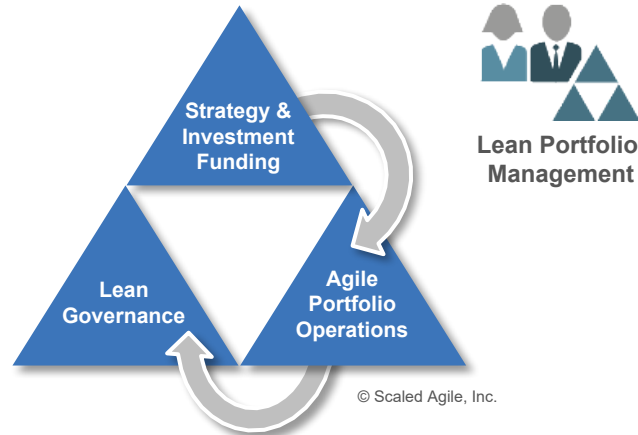
The Lean Portfolio Management competency aligns strategy and execution by applying Lean and systems thinking to strategy and investment funding, Agile portfolio operations and governance.





# Lean Portfolio Management creates strategic alignment

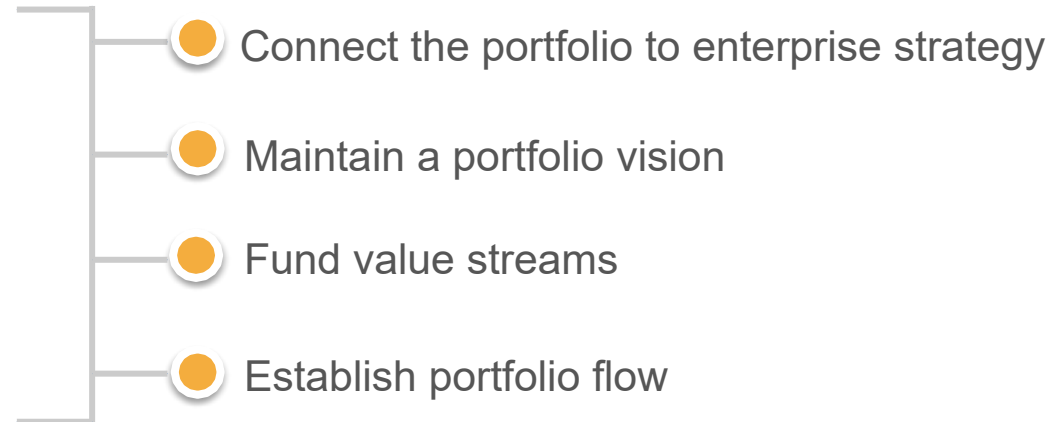
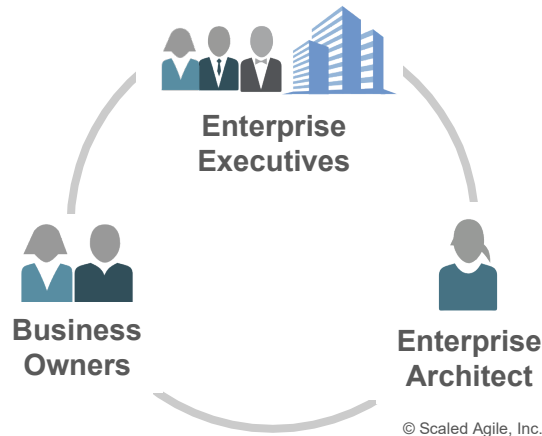
- ▶ Connects enterprise to portfolio strategy
- ▶ Creates Lean budget and investment guardrails
- ▶ Manages portfolio operations
- ▶ Provide Lean governance across value streams



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# Strategy and investment funding

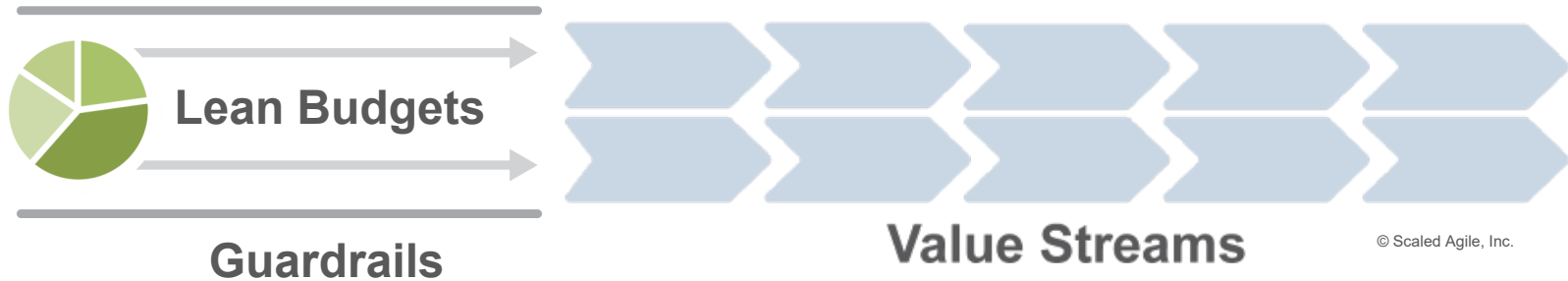
- ▶ Key stakeholders collaborate, developing and communicating the portfolio strategy
- ▶ They provide lean budgeting and funding to the value streams that develop and maintain the portfolio products and services
- ▶ Build a Portfolio Kanban system to establish flow



# Fund value streams aligned with the business strategy

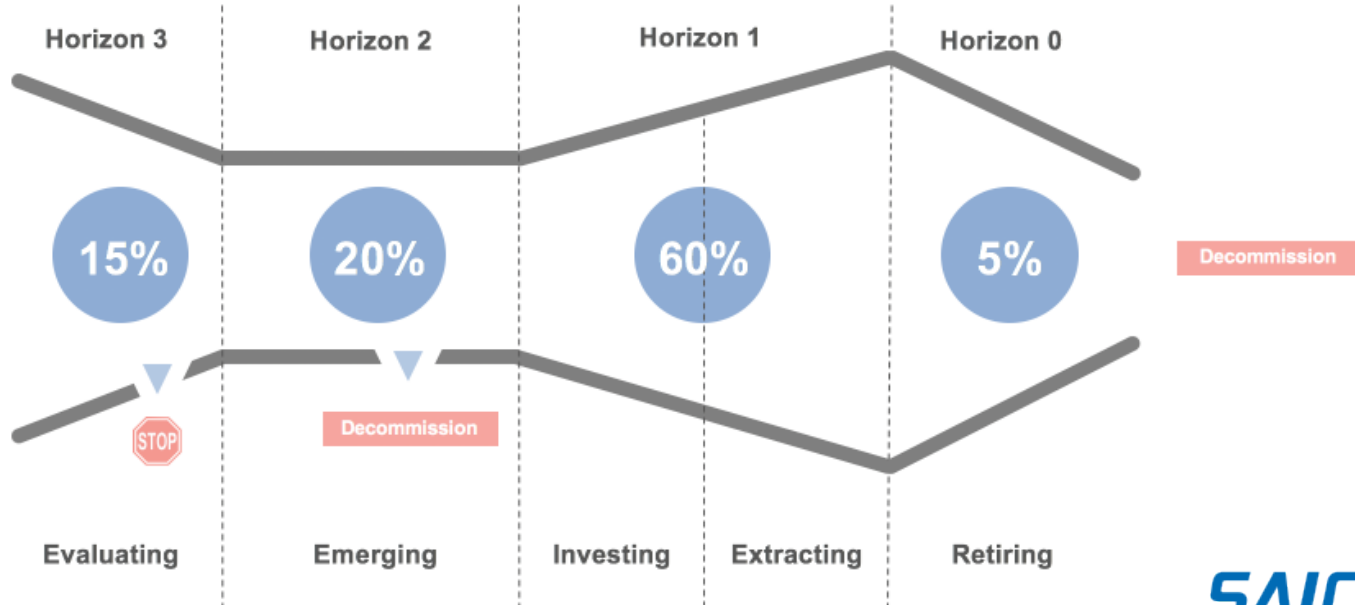
Funding value streams instead of projects provides the following benefits:

- ▶ Full control of spend
- ▶ No costly and delay-inducing project cost variance analyses
- ▶ No resource reassignments
- ▶ No blame game for project overruns

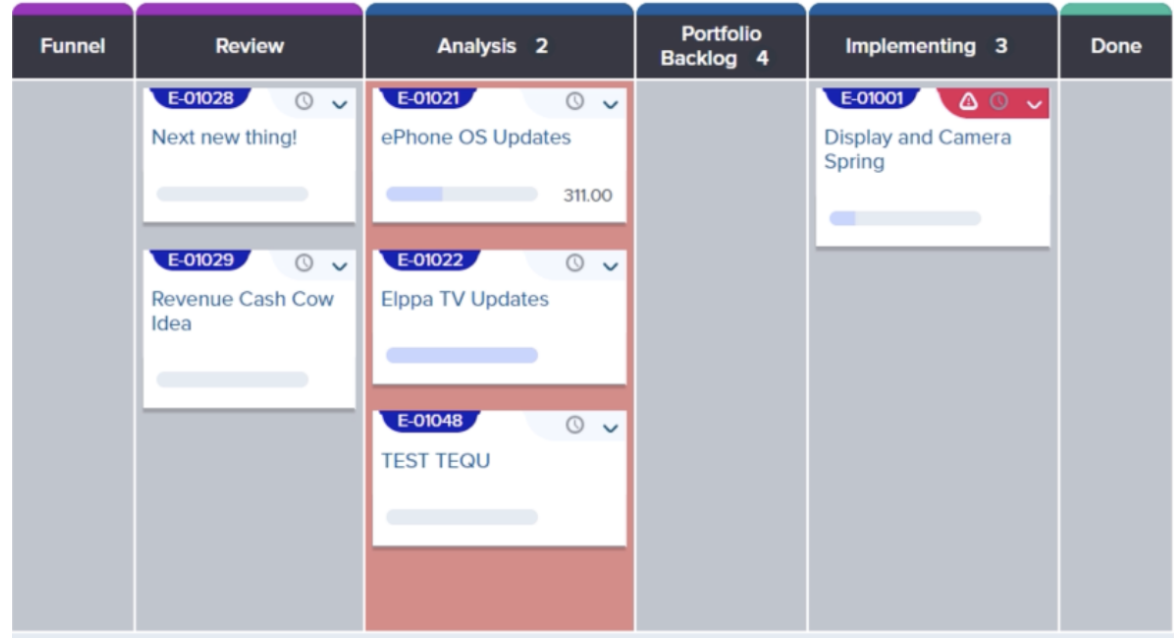
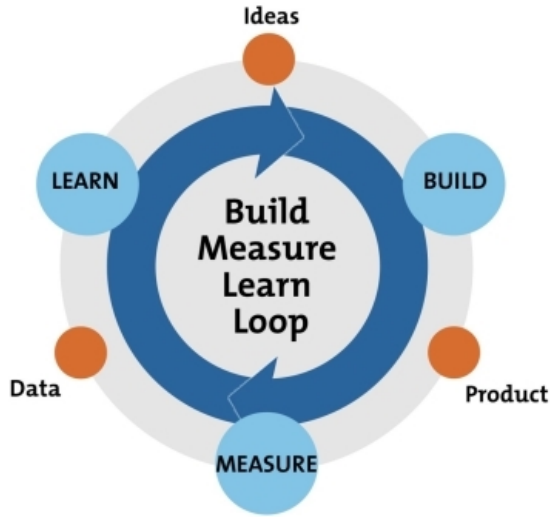


# Establish Lean Budget Guardrails

1. Guide investments by horizons
2. Apply capacity allocation to optimize value and solution integrity
3. Approve significant initiatives
4. Continuous business owner engagement

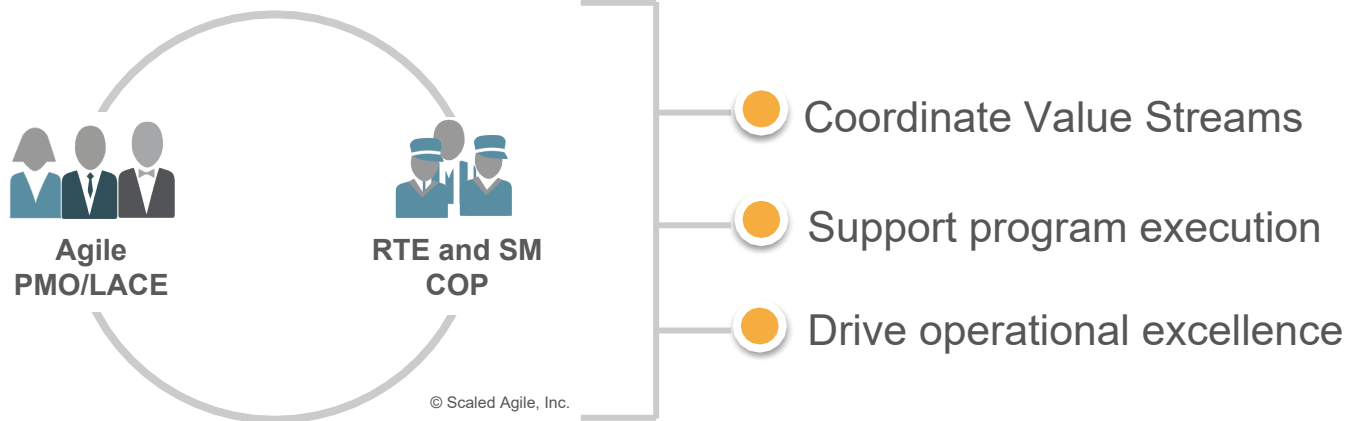


# Establish Portfolio Flow



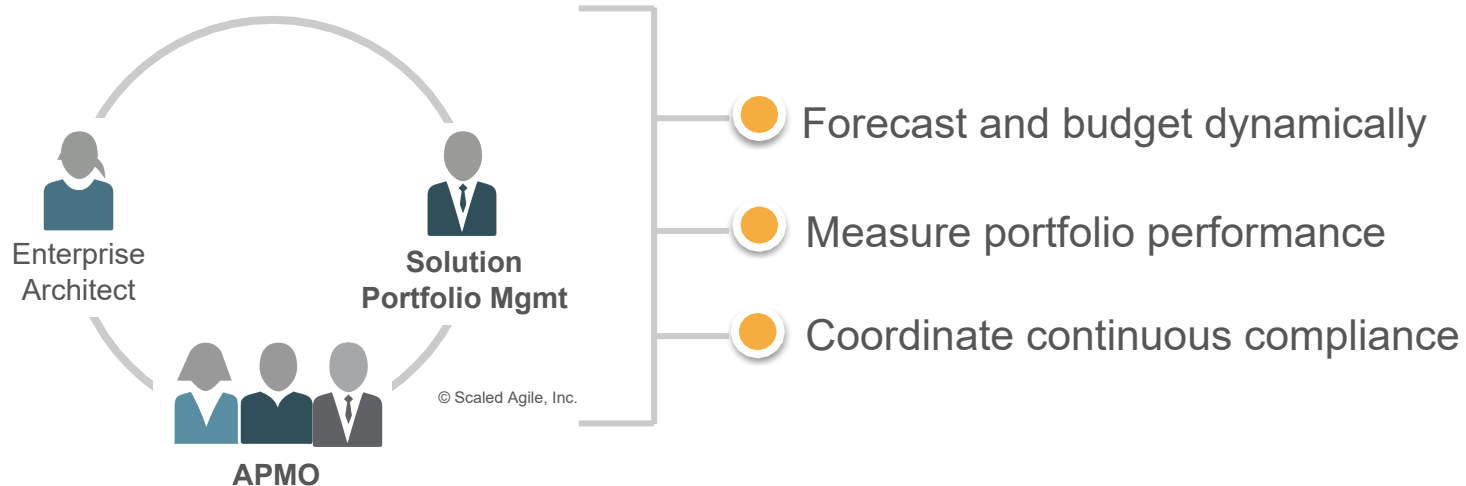
# Agile portfolio operations

- ▶ Support SAFe implementation, relentless improvement and Agile practices to achieve business goals
- ▶ Enable continuous flow of value through coordination of Value Streams and ARTs



# Lean governance

- ▶ Collaborate on forecasting and dynamic budgeting with an agile approach
- ▶ Establish minimum Lean portfolio metrics necessary to assure strategy is being implemented





Continue your  
journey...



*U.S. Air Force photo by Staff Sgt. Clay Lancaster*



# New LPM Course



The screenshot shows the Scaled Agile website header and a course banner. The header includes the Scaled Agile logo (Provider of SAFe®) and navigation links: FAQs, Partner Programs, About, Resources, SAFe Website, Member Login, and a search icon. Below the header is a secondary navigation bar with links: SAFe Courses, Find Training, Certification, Find a Partner, Enterprise Solutions, and Community. The main banner features a photograph of a woman presenting to a group of people in a meeting room. Overlaid on the photo is the text: **Lean Portfolio Management**, *Aligning strategy with execution based on version 4.6 of SAFe*. Below the banner is a green search bar with the text "Find a Course" and three dropdown menus labeled "Course", "Country", and "Month", followed by a blue "Go" button.

**Learn more and register here:**

<https://www.scaledagile.com/certification/courses/lean-portfolio-management/>

# Additional Resources

- ▶ SAFe Government Portal: <https://www.scaledagileframework.com/government/>
- ▶ Defense Science Board Report: [https://www.acq.osd.mil/dsb/reports/2010s/DSB\\_SWA\\_Report\\_FINALdelivered2-21-2018.pdf](https://www.acq.osd.mil/dsb/reports/2010s/DSB_SWA_Report_FINALdelivered2-21-2018.pdf)
- ▶ FedCLASS: A Case Study of Agile and Lean Practices in the Federal Government: [https://resources.sei.cmu.edu/asset\\_files/SpecialReport/2018\\_003\\_001\\_527599.pdf](https://resources.sei.cmu.edu/asset_files/SpecialReport/2018_003_001_527599.pdf)
- ▶ Section 809 Panel: <https://section809panel.org/>
- ▶ Digital Services Playbook: <https://playbook.cio.gov/>
- ▶ TechFAR Hub: <https://techfarhub.cio.gov/>

# Questions

