

# Enterprise Agility – do you really want this pain? ... Why?

Ver 3

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# Корпоративный Agile...

## Зачем вам эта боль?

Ver 3

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Let's talk about ...



... as an example

# Who uses Skype?



Agile Saturday, 28th of September, 2013

# Some facts about Skype

- In 2003, the same Estonian programmers who created the file sharing network **Kazaa** programmed **Skype**
- Skype was acquired by eBay Inc. (NASDAQ: EBAY) in October 2005 for **\$2.6 billion**
- In 2009 Silver Lake and partners acquired 65% of Skype for \$1.9 billion from E-Bay, valuing the business at **\$2.75 billion**
  - Beginning of **Agile and Scrum** era
- Microsoft (MSFT) acquired Skype for \$8.5 billion in 2011

**\$5.75 billion in  
less than 2 years**

# TeleGeography

Over 40 percent of Skype's traffic is now video

TeleGeography: cross-border Skype-to-Skype voice and video traffic **grew 44 percent** in 2012, to 167 billion minutes

Increase in International Phone and Skype Traffic, 2005-2012



Notes: ILD traffic reflects TDM and VoIP. Skype traffic growth reflects Skype-to-Skype traffic, including video calls. Skype calls to the PSTN are excluded.

Source: TeleGeography

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„This increase of nearly 51 billion minutes is more than **twice that achieved by all international carriers in the world, combined.**“



# skype™

# 10

# €6.4bn

Amount spent by Microsoft to acquire Skype



# 1.4tn

We have now talked for a collective 1.4 trillion minutes on Skype

# 35%

Total percentage of small businesses that use Skype as a primary communication service

# €74

Average spent yearly by a paying Skype user



# 2.6m years

If all that was put back to back into one call, the conversation would have started 2.6m years ago

## How long did it take to reach 300 million connected users



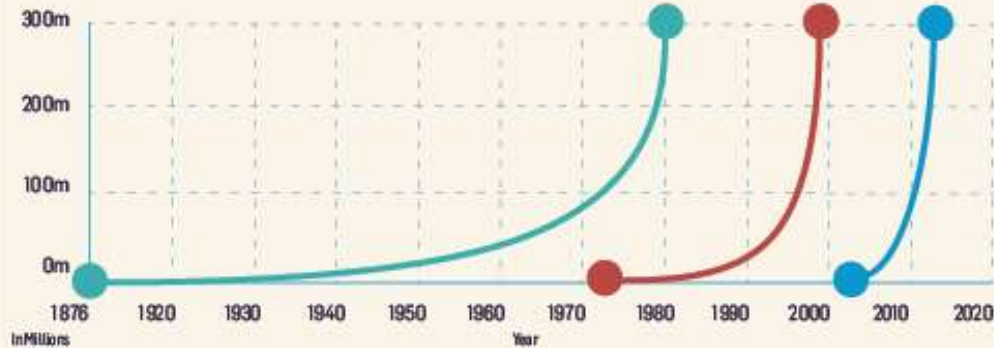
**TELEPHONE**  
**104 years**  
Invented in 1876,  
by Alexander  
Graham Bell



**MOBILE PHONE**  
**25 years**  
Invented in 1973,  
by Martin Cooper



**SKYPE**  
**10 years**  
Founded in 2003,  
by Janus Friis and  
Niklas Zennström



# 27 min

Is the average time spent on a Skype conversation

# Dynamics of Enterprise Agility



# Why to go agile in the Enterprise?

- High Speed/Velocity - To innovate and be competitive on the market
- To address complexity/uncertainty, plan and forecast better
- To be more efficient and effective in operations
- ...
- “We are innovative company – we do what is trendy”

IBM agile development

www-01.ibm.com/software/ratio

IBM Industries & solutions Servi

IBM > Software > Rational > Agile >

# Agile development

Overview **IT and enterprise agi**

## Accelerate your agile deve

To remain competitive and responsive to cust development practices to streamline software companies to more rapidly deliver solutions th on product quality. But many organizations str

IBM helps development teams of all sizes to b groups to those working in large complex deve

IBM Rational solutions for agile development, Jazz platform, enable teams to embrace the collaboration, transparency, continuous impro

IBM Rational solutions for agile development help you to:

- Accelerate product innovation
- Maximize profitability
- Manage the enterprise product record

**Agile Maturity Report:** Benchmarks and guidelines to imp your agile development effectiveness

Agile Product Lifecycle M x

www.oracle.com/us/products/

ORACLE

PRODUCTS SOLUTIONS DOWNLOADS

Products and Services > Oracle Applications > Ag

## Agile Product Lifecycle Manag

**Comprehensive Enterprise PLM Soluti Managing Your Product Value Chain**

Products and requirements are growing more co ever. Oracle's Agile Product Lifecycle Managemer innovate profitably, with the broadest and most co solution to efficiently centralize product data, strea processes, and launch quality products faster.

Video: Introducing Oracle's Agile Product Lifecycle Management (1:29)

**Agile PLM Report**

Overview Resources

- Accelerate product innovation
- Maximize profitability
- Manage the enterprise product record

**Agile Maturity Report:** Benchmarks and guidelines to imp your agile development effectiveness

Agile Development | Micro x

www.microsoft.com/visualstudio/eng/alm/agile-development


Visual Studio

Products ALM Download Buy

Change happens. Embrace it.

Use change to your advantage throughout the modern app lifecycle instead of resisting it by adopting agile practices with Visual Studio 2012.

Download the white paper



# Who uses .... ?



June 2009



January 2010



10. veebruar 2010



Connect. Freely.

December 2, 2010



May 15, 2013

AgileDays, Moscow, 21th of March, 2014

**“So what's next?** Technology companies live and die by their ability to innovate, and Skype is no different.” – *Irish Independent*

<http://www.independent.ie/business/technology/skype-still-calling-the-shots-but-competitors-are-gaining-29557133.html>

UPDATED 06 SEPTEMBER 2013



Managers



Scrum, SAF, ...



Engineers  
Coaches

Process  
designer

Directions

Process

Design and facilitate  
education

Follow

Team/  
Worker

WTF?!

ACTUALLY, YOUR TOOTH IS QUITE  
HEALTHY... IT'S THE DOORKNOB  
I'M REPLACING ...



Skype goes agile



# Skype reason to go agile (my personal view)

- To show value of the deal to the investors
  - ... to sell it later for the bigger price

2010-12: How – transformation strategy

# „Top-Down Push“ of Agile/Scrum

- Initiated by Silver Lake team
- Organizational transition program (so called "OPUS") was prepared and executed
- Consultancy agencies (many) was deeply (and expensively) involved
- Coach was hired

# Skype going agile

## Situation - **Headaches** (2010)

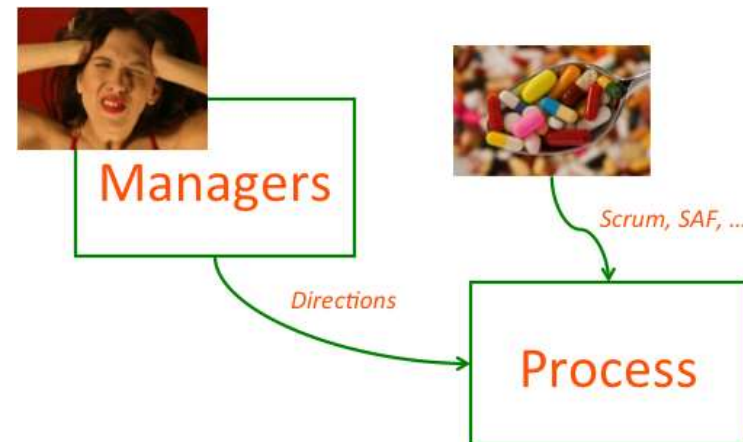
- Optimized around project
- Ad hoc engineering practices – lack of discipline
- No common taxonomy
- Knowledge sharing was missing
- Unsatisfactory release cadence – too much time to deliver

## Business Goals - **Treatment** (2011-12)

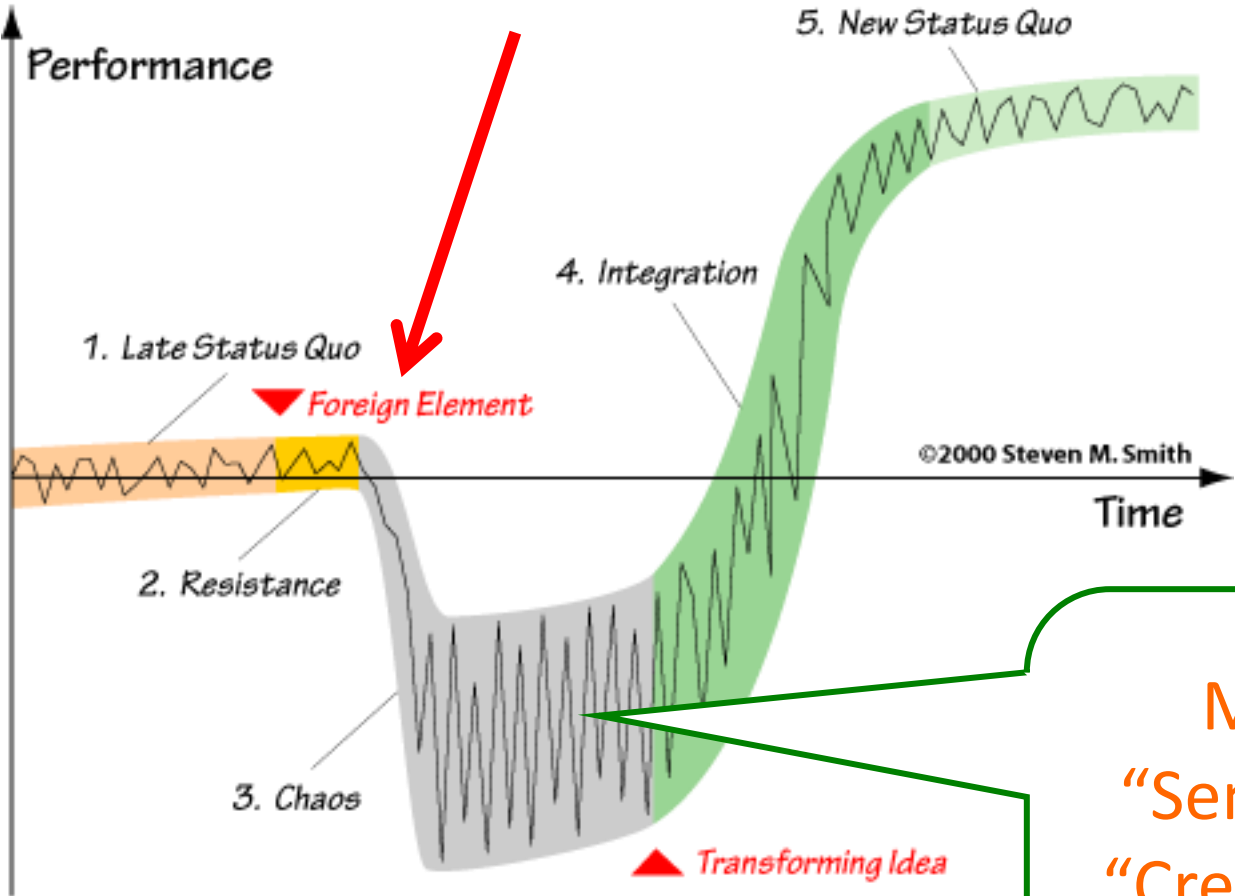
- Forming product teams
- (forced) Scrum process
- (forced) Shorter delivery cadence
- (forced) Common devtools and codebase

# Skype and Agile -Summer 2010

- Why Scrum was picked as a common framework for the development process?
  - “Easy to explain and start” (...*hard to implement properly*)
- Why Product teams were formed?
  - “We expect the teams to own the product, deliver at the end of every sprint and grow their velocity”



Foreign Element –  
eg. Big Boss coming from some conference or  
reading an agile book



[http://www.stevenmsmith.com/images/satir\\_graph.png](http://www.stevenmsmith.com/images/satir_graph.png)

Managers: “WTF!?”  
“Send coach(s) on them!”  
“Create metrics - I want to  
understand where to steer”

# “Mickey The Coach” Model



Managers

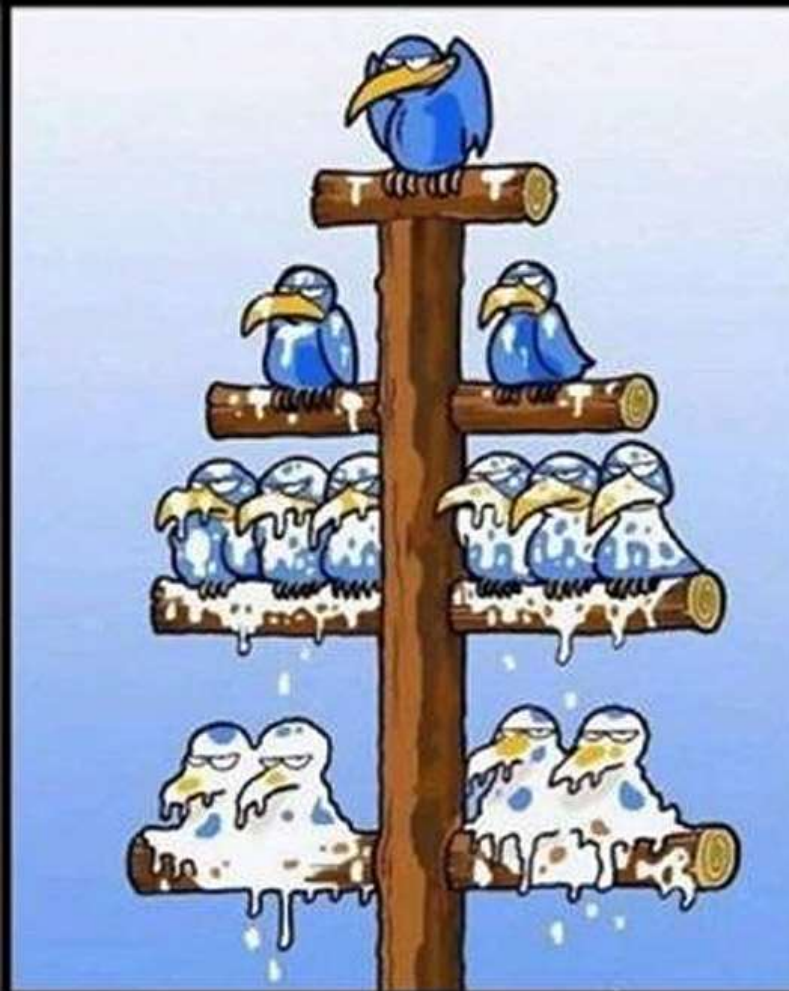


Team/  
Worker

Coaches



**WHEN TOP LEVEL GUYS LOOK DOWN  
THEY SEE ONLY SHIT**



**WHEN BOTTOM LEVEL GUYS LOOK UP  
THEY SEE ONLY \*\*\* HOLES**



... What You Get

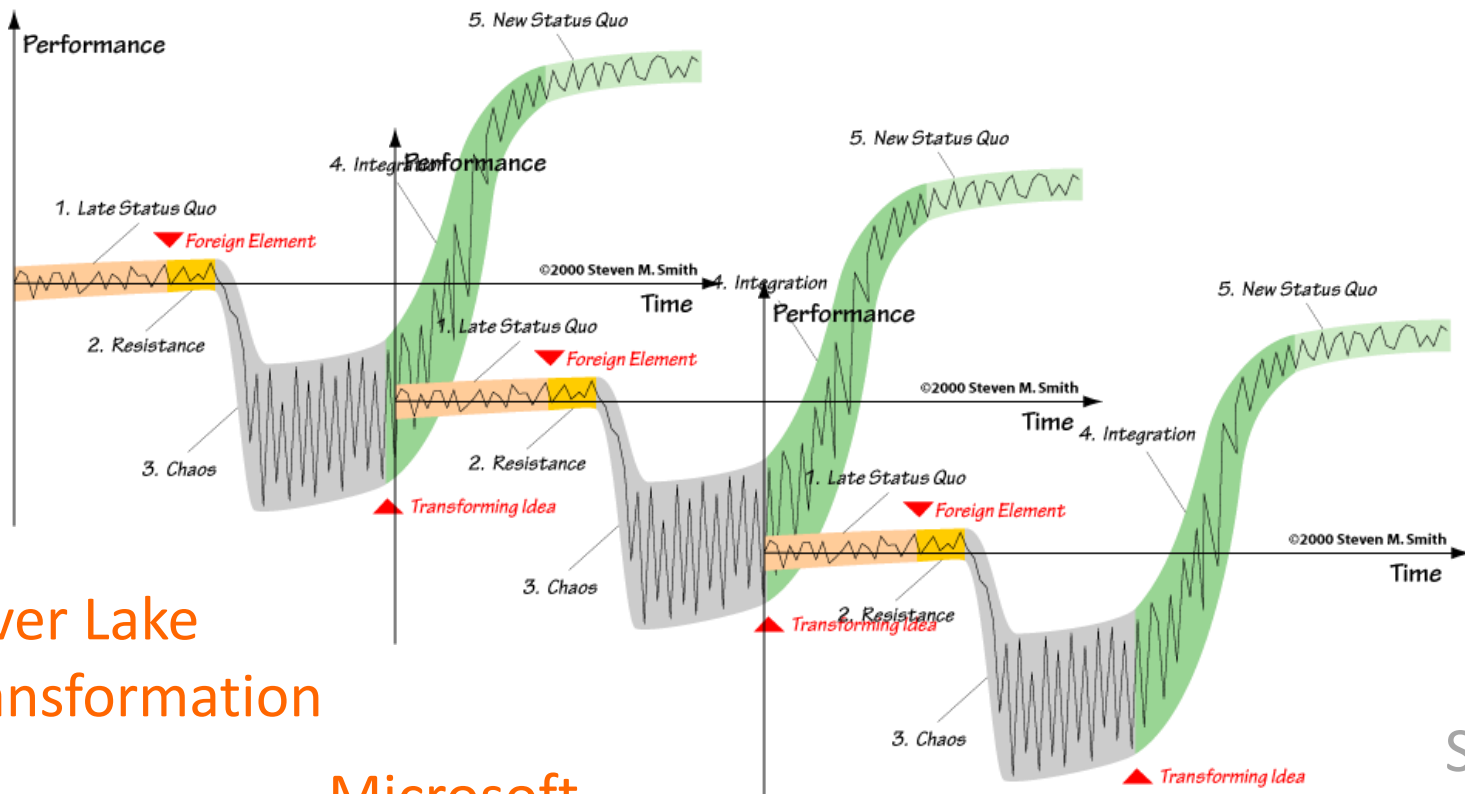
# Skype and Agile – *pros*

## (Sept' 13)

- Around 200 Scrum teams releasing around 150 products at least once a month (*some of these are internal releases*)
  - In comparison
    - Summer 2010 – on avg. 1.5 Years
    - March 2012 – on avg. 2 months
  - Many teams **can** deliver once a week
    - Some teams can deliver even faster - environment and processes improvements needed
    - Continuous Deployment is not a wet fantasy and automation helps the teams
    - ... Continuous Delivery is still a vision

# Skype and Agile – *improvement opportunity* (Sept'13)

- Cross-product planning done on management level
- Team are incentivized to deliver priority features given by execs
  - Holistic delivery is damaged as teams are not interested to collaborate – **aka.incentivized not to collaborate**
    - “Team is not dealing with corporate priority nr. 1 as they are incentivized to deliver item nr.27 from the same corporate backlog. As a result dependent teams working on item nr.1 can't get needed feature from them”
- Delivery of the most important for business cross-product MVPs is **VERY slow**
- People and stakeholders are demotivated ... and dissatisfied - continuous reorganization



Silver Lake  
Transformation

Microsoft  
acquisition

Microsoft's  
Skype reorg.  
(continuous)

Skype Agile - winter'14

So what's next? will we see  
"Let's finish this "unsuccessful  
experiment"??

... or Skype (MSFT) will transform  
the idea and embrace the  
change?

New management approach  
needed

# Fear and old management skills (habits)



[http://farm1.staticflickr.com/6/9555513\\_4eae2fefdf\\_z.jpg?zz=1](http://farm1.staticflickr.com/6/9555513_4eae2fefdf_z.jpg?zz=1)

Absence of readiness to learn and adapt being in the rapidly changing environment (a new era of „Management 3.0“) will lead to extinction of these old management tribes (and eventually some companies)

# Mighty Servant 3

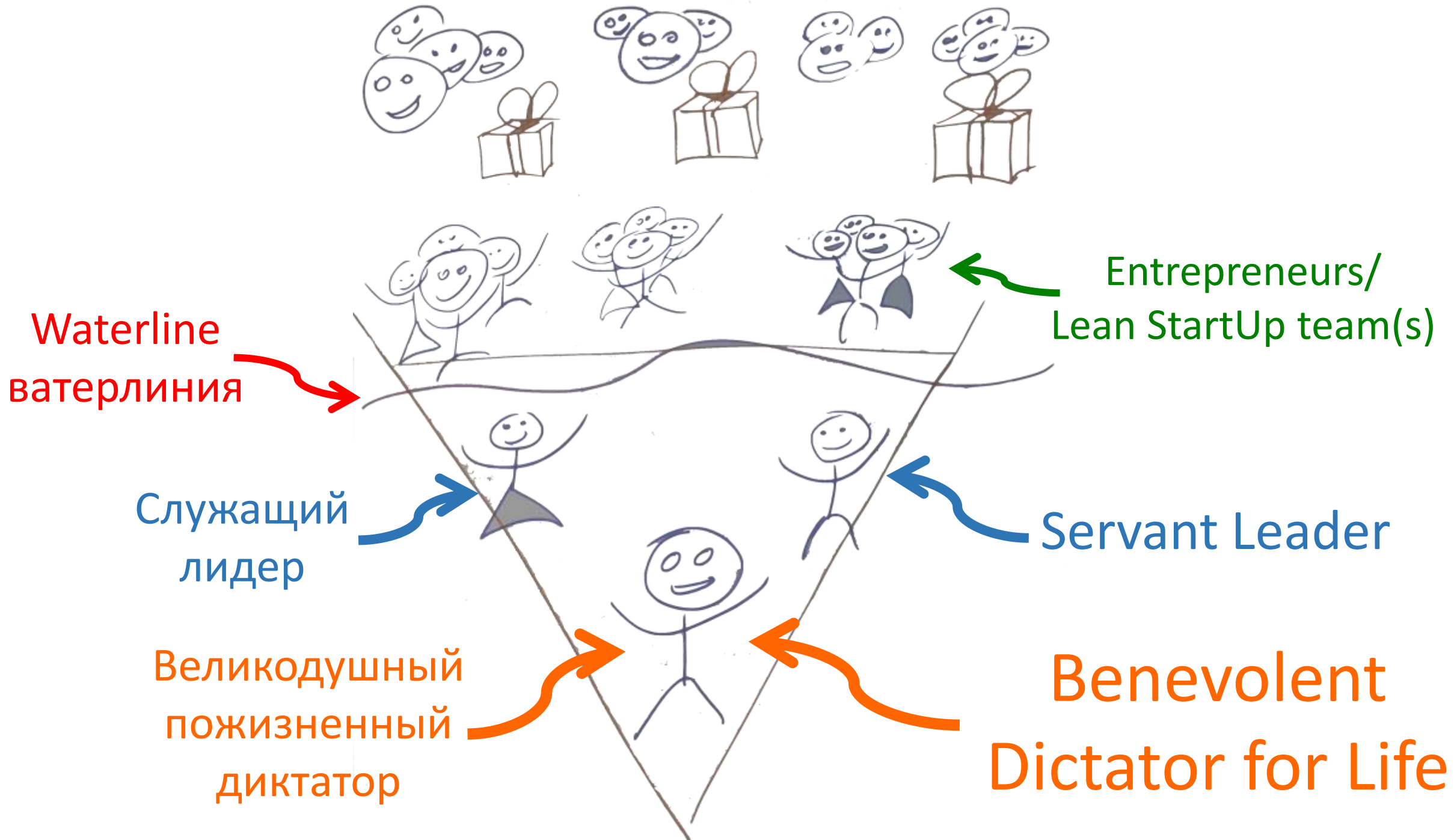




Servant Leadership is ...

A ship carrying a ship  
carrying a ship carrying  
a...





# Reality about Business Agility

- Any Change can not happen in one day
- **Failures (pains) are built-in into the package** of Agile Transition and even more - strongly supported (“fail often and brake fast” mentality)
  - No manual or “ABoK” (agile book of knowledge) (**no pain reliever pills**)
- Old management habits (command and control) not working and has to be quitted/“die”
- Focusing on Value (= Knowledge Value + Customer value) is crucial
- **Supporting system of collective and continuous learning is a key** to deal with the changes and failures – **management courage to be servant**

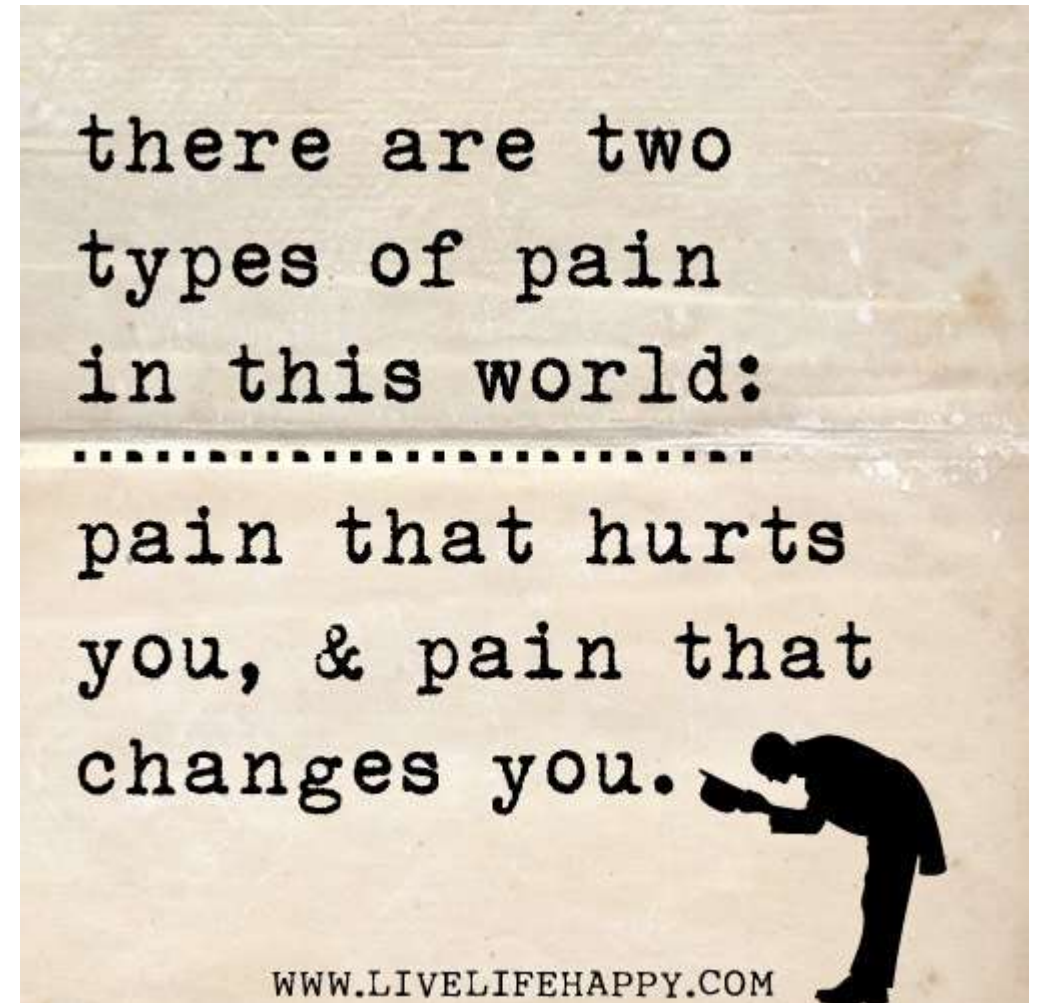
# Simple things

- Waterline
  - You can't do this – else – DO-DO-DO
  - Failure is not a problem – hiding the failure is a worst weakness
- Retrospective/Debrief/Root cause analyses
  - Continuous Learning and Improvement
- Knowledge sharing
  - Communities of practice
    - ScrumMasters Weekly meetings
- Product Owners Weekly meetings
- Formal Trainings
- Coaching
- Collaborative Planning
  - Vision and SMART Goals setting
  - All levels – Vertical Slice of Organization
- Fast and Continuous Delivery
  - Rapid Feedback
  - Winning Increases Team's Entrepreneurial Motivation



# Change is a pain. And...

- No good and sound report about “agile pain relievers” existing – no “Agile manual” in place
- „Doctor’s“/consultant’s technics for a lesser pain are still evolving
- There are no universities able to teach how to be an agile manager and how to serve big agile companies



Learning  
is  
Messy





THINKING IS  
EASY, ACTING  
IS DIFFICULT,  
AND TO PUT  
ONE'S THOUGHTS  
INTO ACTION IS  
THE MOST DIFFICULT  
THING IN THE WORLD.

*Johann Wolfgang von Goethe*

 SYMPHONY OF LOVE  
PHOTO BY STEVE SLATER