The “ART” of Value Streams

Best Practices for running a SAFe Value Stream Workshop
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Are you leveraging our resources to optimize the client value stream?

What?

I’m just messing with you. Nothing I say in meetings actually means anything.

Then why do you talk?

I tried listening once. It was awful.
Agenda
Agenda

- The challenge
- When should you run the workshop?
- How should you prepare for the workshop?
- What to expect when you execute the workshop?
- How do you get started following the workshop?
- Q&A
Step 1: Open the SAFe Summit Mobile App
Step 2: Tap on the Live Polling icon
Step 3: Tap on “October 3rd: The “ART” of Value Streams
Step 4: Tap on Poll #1
Step 5: Select your answer
Step 6: Tap on Finish
Step 7: Tap on Exit Poll
<table>
<thead>
<tr>
<th>Experience Level</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>What's a Value Stream Workshop?</td>
<td>0%</td>
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<tr>
<td>I've Never Attended One</td>
<td>0%</td>
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<tr>
<td>I've Attended One but Never Facilitated One</td>
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<tr>
<td>I've Facilitated One</td>
<td>0%</td>
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<tr>
<td>I've Attended and Facilitated Many</td>
<td>0%</td>
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The Challenge
Quick Intro to Value Streams

1. Operational Value Streams
   Used to deliver end Customer value

2. Development Value Streams
   Used to build the systems and capabilities that enable operational Value Streams

Our focus is the latter, but to understand the latter, you first have to understand the former.
Where’s the Value?

- Generally not obvious what the Value Stream(s) should be
- Hard to separate the flow of value from how you are organized (e.g. Development Value Streams)
- There is no perfect answer
- Everyone will have an opinion
When should you run the workshop?
When initially identifying Value Streams and defining your Solution Trains and ARTs

- Common Pattern: Leading SAFe + VSW
- Prioritize Value Streams

Re-evaluating your ART definitions due to initial compromises, revised Portfolio investments, or new target optimizations

- May need to launch an ART first
- May need to scale further before getting the right people engaged
How should you prepare for the workshop?
Key leaders from the Business and IT

- IT only workshops offer a tainted view of Value flow
- Use workshop as a way to start bringing the two sides together and creating awareness and empathy between the teams

Plan for potentially long cycles associated with getting the right people to buy in to the session and *get it scheduled*
Leadership and Strategy

- Anchor the conversation on what business results you are focused on
- Link to strategic business structure - future business model (business architects)
- What investments are intended to achieve the business results?
- Are there strong [emerging] lean portfolio management/ portfolio strategies at play?

Operators – what groups actually operate the value stream?
Role of the Lean Agile Center of Excellence

- Guiding Coalition of Executives, SPCs, etc.
- LACE (Lean Agile Center of Excellence) personnel
  - Facilitate the workshop (with coaching support if needed)
  - Provide objective insights and feedback
  - Help drive to concrete results
  - Be aware that the Value Stream ID may be the key input to the enterprise transformation roadmap
Do not walk in cold

- Presentations that explain the business internally and externally
- External website: how does the company position itself to the market?
- Put yourself in your external customer’s shoes, be careful you aren’t just thinking of your boss as your customer
- Conduct pre-meetings to get people thinking about value from a systemic standpoint – this could be a key cultural shift in the org
Do not walk in cold (cont.)

- Have your pre-meetings with the audience targets and ask them to describe their views on how value flows – then use that to set up additional meetings with potential audience stakeholders.

- Be prepared to conduct multiple iterations as people will ID other groups that need to be involved to validate the work.

- What does the current portfolio structure look like? Does structure ‘fit’ value?

- Overall goal: Have some options in mind heading in BUT don’t overly influence the outcome.
Business Value Stream

Card Capture

Authorization

Settlement
Business Value Stream – Who we didn’t think to involve!

- Store Employees
- Contact Center
- Ops Support/Loss Prevention
- Payment Cards
- Finance

Card Capture → Authorization → Settlement → $
What to expect when you execute the workshop?
LIVE POLL

Step 1: Open the SAFe Summit Mobile App

Step 2: Tap on the Live Polling icon

Step 3: Tap on “October 3rd: The “ART” of Value Streams

Step 4: Tap on Poll #2

Step 5: Select your answer

Step 6: Tap on Finish

Step 7: Tap on Exit Poll
Insert Web Page

This app allows you to insert secure web pages starting with https:// into the slide deck. Non-secure web pages are not supported for security reasons.

Please enter the URL below.

https:// api.cvent.com/polling/v1/api/polls/sp-o7gogk

Note: Many popular websites allow secure access. Please click on the preview button to ensure the web page is accessible.
### VSW Process Summary

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Identify an Operational Value Stream</td>
</tr>
<tr>
<td>2</td>
<td>Identify the systems which support the Operational Value Stream</td>
</tr>
<tr>
<td>3</td>
<td>Identify the people who develop the systems</td>
</tr>
<tr>
<td>4</td>
<td>Identify Development Value Streams that build these systems</td>
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<tr>
<td>5</td>
<td>Realize Value Streams into ARTs</td>
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</table>
What is likely to occur at first?
What is likely to happen?

- Morning: Thrashing
  - Disagreement on what the value streams should be
  - Larger voices dominating the conversation

- Tips
  - Keep asking them who the customer is (e.g. focus on Operational Value Stream)
  - Keep asking them what is the value the customer is looking for from us
  - Get them to write the Value Stream description(s) – start somewhere
What is likely to happen?

- Afternoon: Gradual Alignment
  - Light bulbs start to go off after a lunch break and some time to reflect
  - Consensus on candidate Value Streams start to emerge, starts to “feel right”

- Tips
  - Pick 1-3 Value Streams that seem to have the most consensus, move onto to the subsequent steps of identifying the steps in the value stream, affected systems, etc.
  - Great is the enemy of good
Potential Trap! Trains are work or repeat org structure

<table>
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<tr>
<th>Work</th>
<th>Payment</th>
<th>Stores</th>
<th>Digital</th>
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<tbody>
<tr>
<td>Remote Transaction</td>
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<td></td>
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<tr>
<td>Mobile Transaction</td>
<td>X</td>
<td>X</td>
<td></td>
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<tr>
<td>E2E Encryption</td>
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<td>Debit Card</td>
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<td>Online Fraud</td>
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<td>Alternative Payments</td>
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Two options for what we thought the trains might look like

1. Investments
   ▶ Sales,
   ▶ Professional Book of Record,
   ▶ Client Configuration,
   ▶ Adjudication,
   ▶ Reimbursement Management,
   ▶ Consumer Health,
   ▶ Information Management

2. Customers
   ▶ Individuals and families,
   ▶ Employers,
   ▶ Healthcare providers
What the value streams actually were!

- Benefits
- Reimbursement
- Networks
- Consumer Engagement
- Market Enablement
- Infrastructure
How do you get started following the workshop?
If you optimize locally, you may think to integrate Form File with File Maker and keep them separate from ERP. Instead think of enhancing the current ERP system to allow direct entry and auto-edit-checking of the purchase orders.
Future State

Enhance ERP to:
* Allow direct entry and auto-edit-checks of requisitions
* Review budgets & requisitions to eliminate Quicken and Excel

Electronic notification instead of sending physical copy.

* Add a review rules engine to automate the review process.
* Cross-train review staff to eliminate multiple review stages.
Build a Roadmap, pick a place to start and start sprinting!

<table>
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<tr>
<th>Area</th>
<th>Month 1</th>
<th>Month 2</th>
<th>Month 3</th>
<th>Month 4</th>
<th>Month 5</th>
<th>Month 6</th>
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<tr>
<td>Define Delivery Operating Model</td>
<td>Enable Look ahead sessions</td>
<td>Continue Lean out Operating Mode</td>
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<td>Business Agile Training</td>
<td>SAFé Training - Leading SAFé SAFé for Teams</td>
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<td>Product Manager / Owner Training</td>
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<td>Executive Leadership Training</td>
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<td>Release Train Engineer / Scrum master training</td>
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<td>Enable Lean P/MO Workshop</td>
<td>Agile Audit for 2018</td>
<td>Execute Lean P/MO Backlog</td>
<td>Build Center of Practicies for Role, Process and Workshops</td>
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<td>Product Kick Start For PI 1 Planning</td>
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<td>Product Evolution for PI 2</td>
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<td>Tools Assessment - ALM and Deliverly Enablement Tools</td>
<td>Backlog for Agile Lifecycle Management Tool Implementation</td>
<td>Further Improvements on Agile Lifecycle Tool</td>
<td>Operational Enablement of Tool</td>
<td>Program and Team Reporting</td>
<td>Portfolio Reporting</td>
<td>Enable Dev Ops tooling</td>
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**Leadership support Collaborating teams**

**Clear products or solutions**

**Significant program challenge**

**Opportunity**