

what is value?

@jezhumble | ThoughtWorks Studios

<http://continuousdelivery.com/>

#gotoaar, 1 october 2012

product manager activities

- work out what to build
- prioritization and estimation
- give feedback at showcases

scrum (as I understood it)

agile manifesto

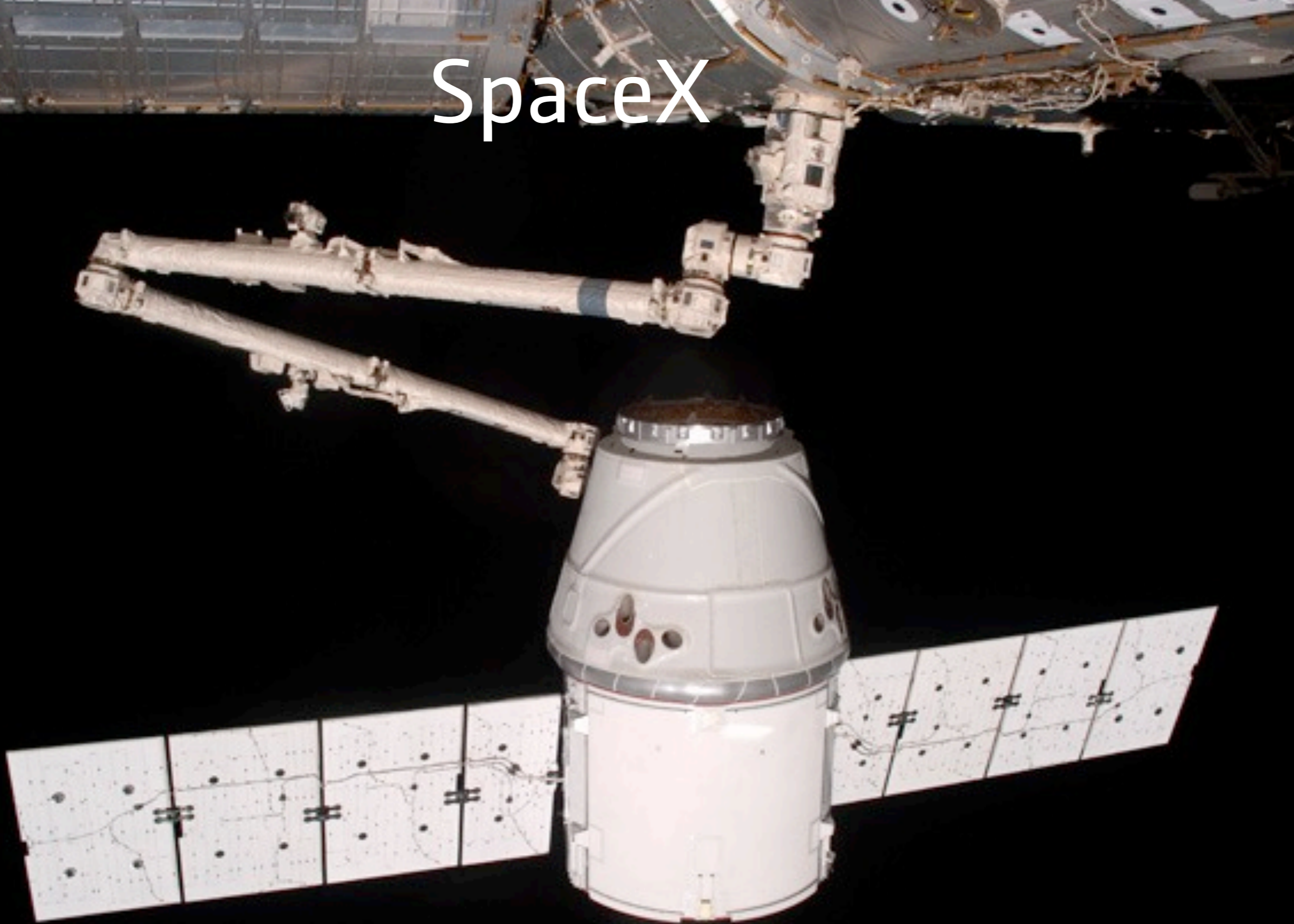
Our highest priority is to satisfy the customer through early and continuous delivery of **valuable software**

shareholder value

The directors of a public corporation have a *fiduciary duty* to maximize profits

Jensen and Meckling, *Theory of the Firm*

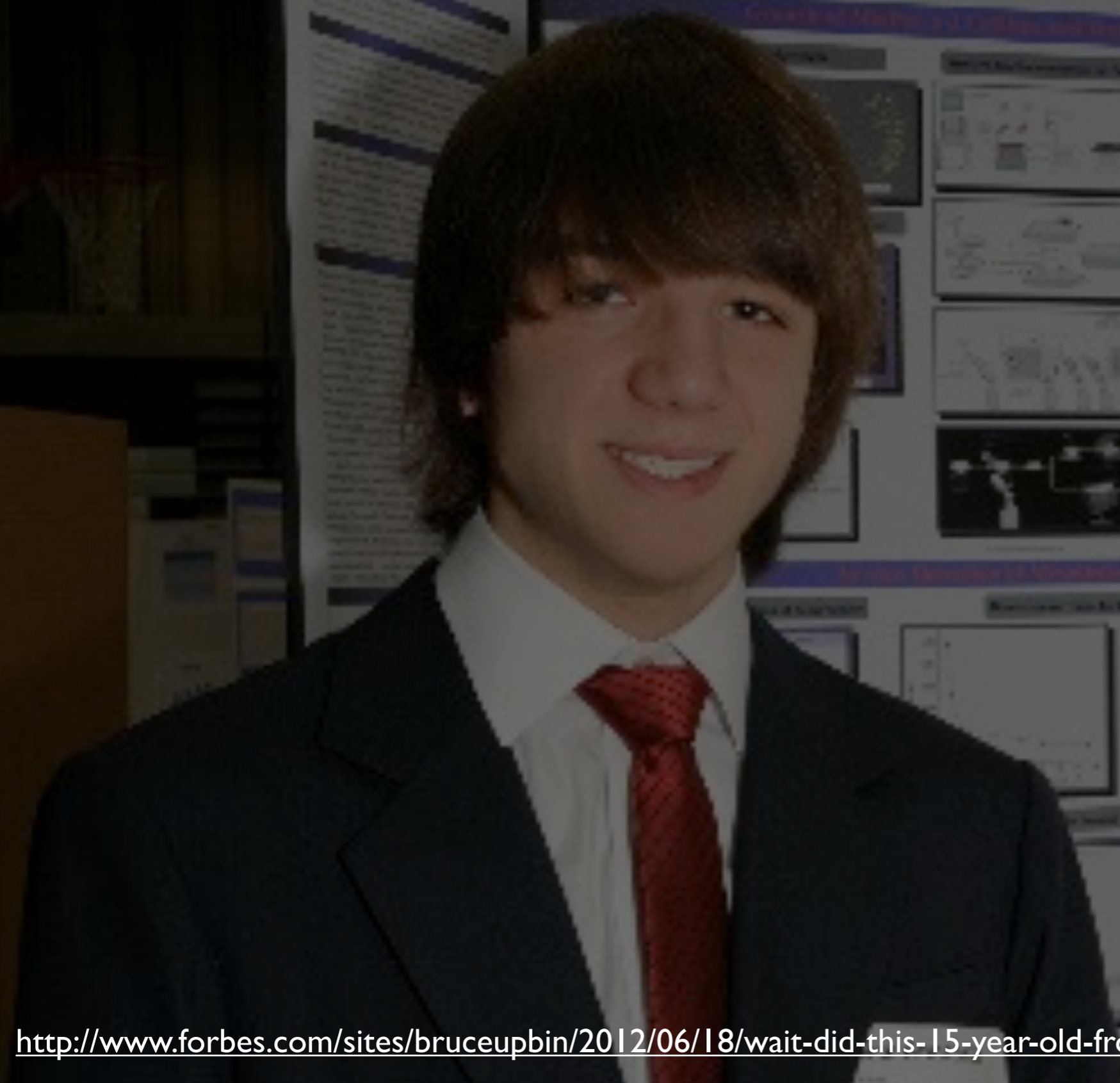
SpaceX



SpaceX

“The company was founded in 2002 by Elon Musk to revolutionize space transportation and ultimately make it possible for people to live on other planets.”

Jack Andraka



<http://www.forbes.com/sites/bruceupbin/2012/06/18/wait-did-this-15-year-old-from-maryland-just-change-cancer-treatment/>

Jack Andraka

His parents, he says, never really answered any of the questions they had. Go figure it out for yourself, they would say. “I got really into the scientific method of developing a hypothesis and testing it and getting a result and going back to do it again.”

shareholder value

Shareholder value is the dumbest idea in the world ... [it is] a result, not a strategy ... Your main constituencies are your **employees**, your **customers** and your **products**.

what do customers want?

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users are unable to articulate exactly what they need

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users are unable to articulate exactly what they need

yet they seem insistent about what they *don't* want

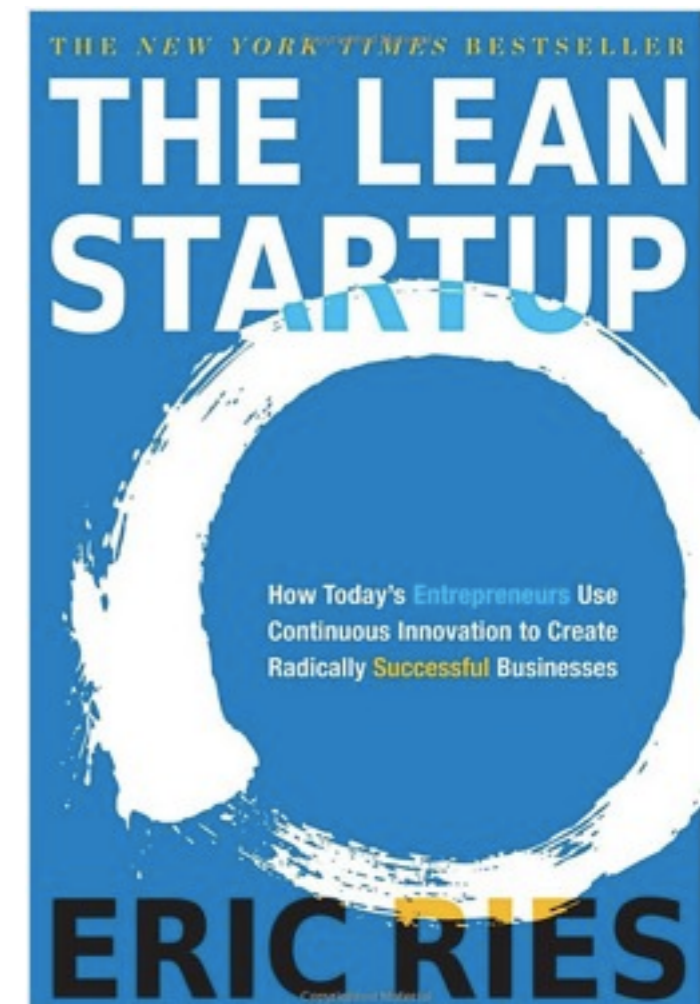
what do customers want?

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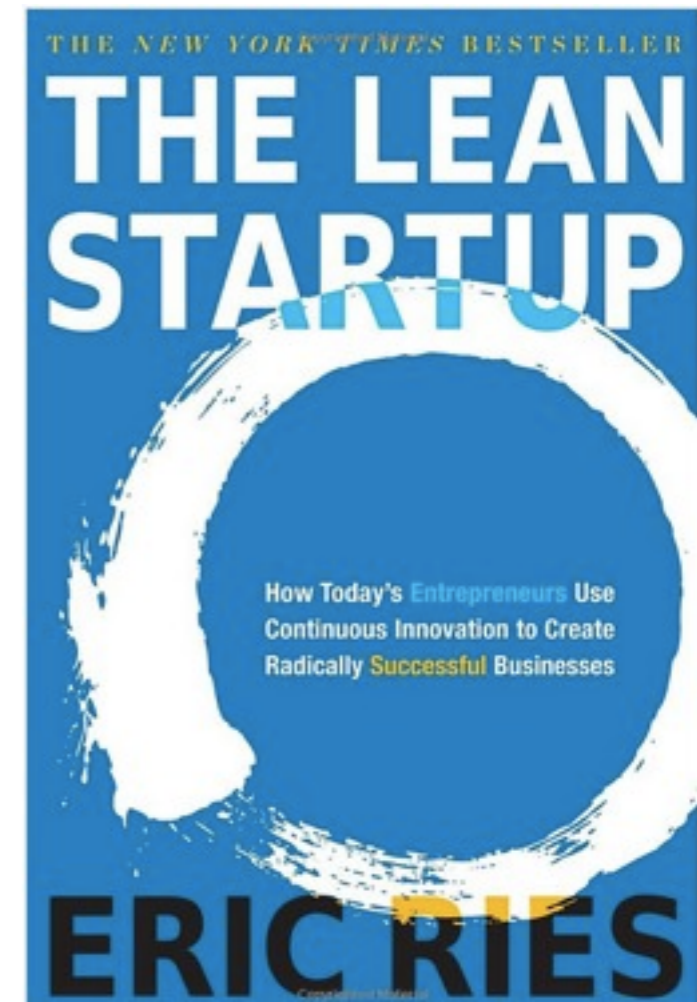
...once they see it

lean startup



lean startup

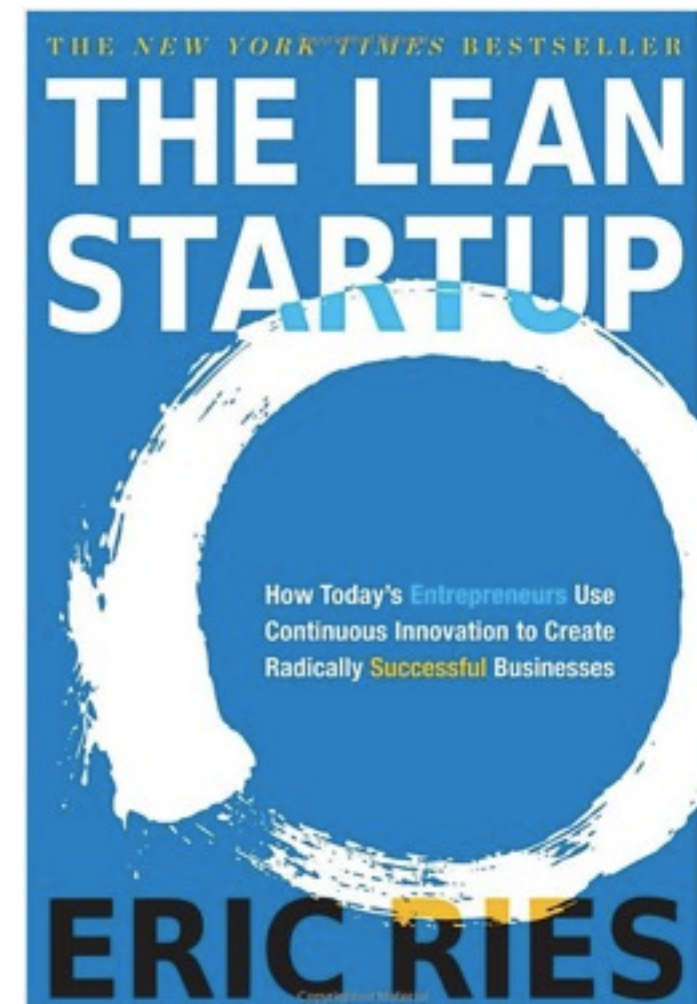
Have a vision for your product, make business model



lean startup

Have a vision for your product, make business model

Build the minimum viable product

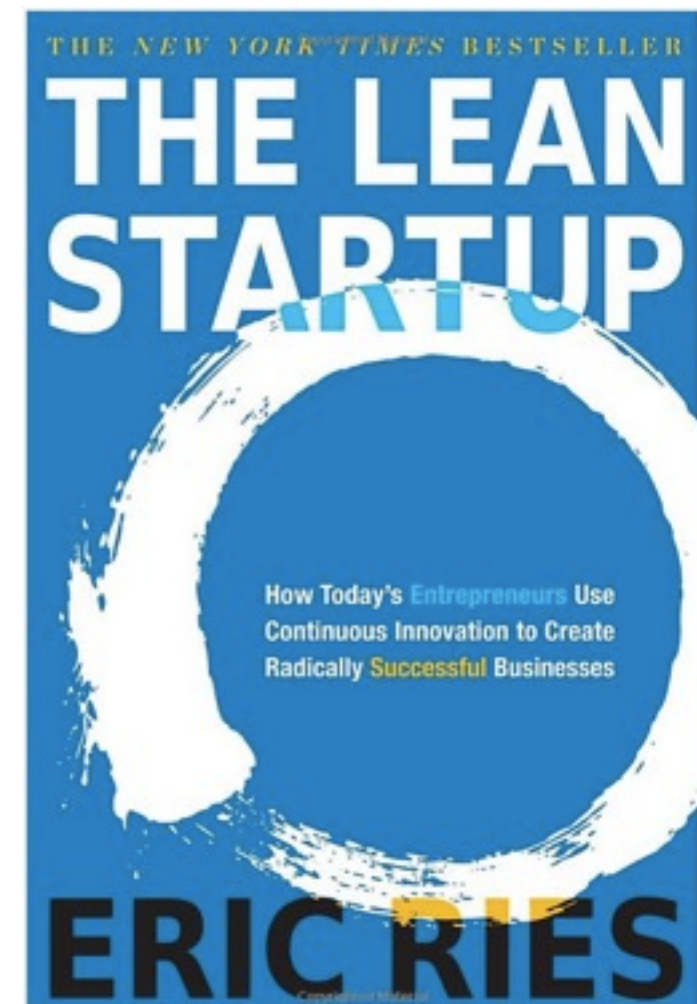


lean startup

Have a vision for your product, make business model

Build the minimum viable product

Test and iterate



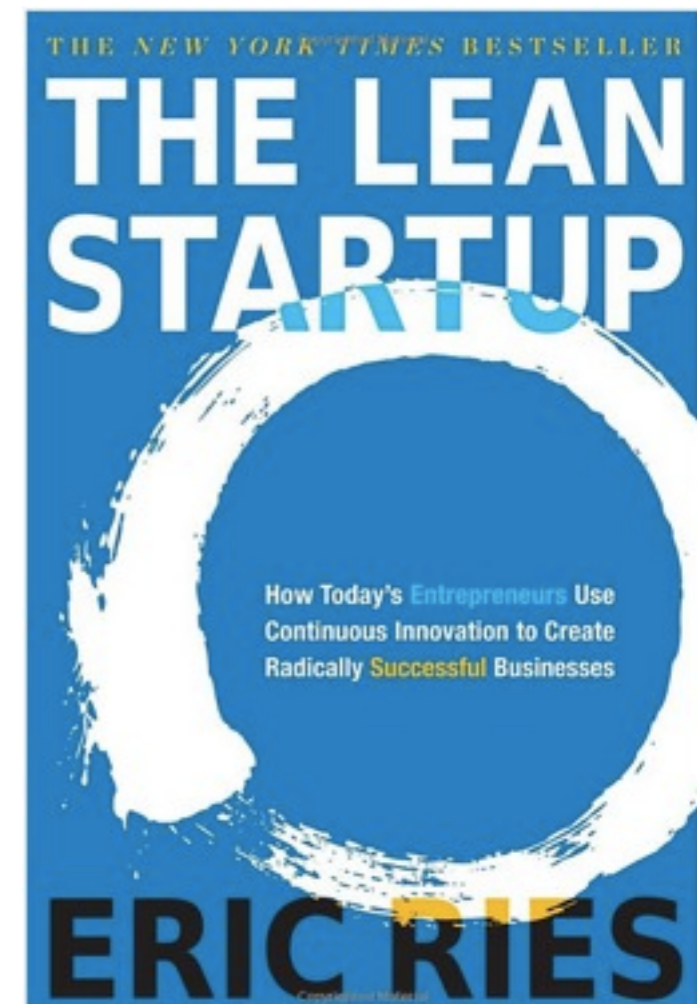
lean startup

Have a vision for your product, make business model

Build the minimum viable product

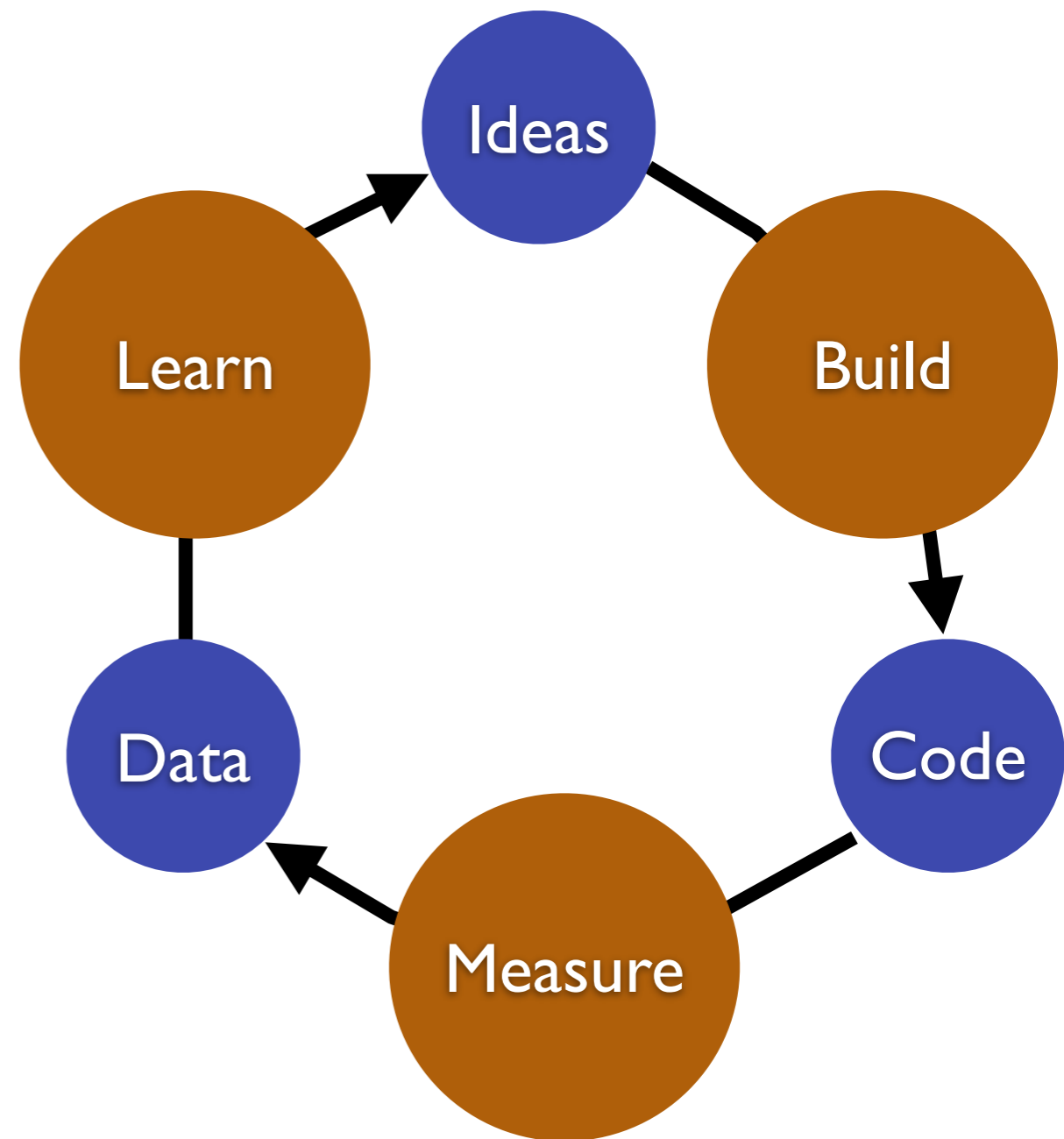
Test and iterate

Pivot when you reach a local maximum



process

optimize for
lead time
(time through
the loop)



the problem

the problem

that sounds like a load of crap





http://www.flickr.com/photos/subtle_devices/849361922/





Apple I on display at the Smithsonian, taken by Ed Uthman

apple macintosh

“Instead of arguing about new software ideas, we actually tried them out by writing quick prototypes, keeping the ideas that worked best and discarding the others. We always had something running that represented our best thinking at the time.”

“The Macintosh Spirit” | http://www.folklore.org/StoryView.py?project=Macintosh&story=The_Macintosh_Spirit.txt

personas

measuring value

measuring value

A/B testing

measuring value

A/B testing

Show your prototype to real users

measuring value

A/B testing

Show your prototype to real users

Measure business metrics

measuring value

A/B testing

Show your prototype to real users

Measure business metrics

Surveys, social media etc.

what is “done”?

“user stories were not considered complete until they led to validated learning”

votizen

Metric	v.1	v.1.1	v.2	v.3	v.4
Acquisition	5%	17%	42%	43%	51%
Activation	17%	90%	83%	85%	92%
Referrals	-	4%	54%	52%	64%
Retention	-	5%	21%	24%	28%
Revenue	-	-	1%	0%	11%

@dbinetti

- 1.0: 6 weeks, \$1206
- 4.0 18 months, \$120k, got seed funding

will people use it?

“Using a product is, above all, a transaction. The user donates his time and attention, which are supremely valuable commodities. In return, you, the creator, must give her something worthy of her gift to you.”

product manager

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Create and communicate shared vision

product manager

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Work with team to define measurements

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Work with team to define measurements

Run experiments to learn if your ideas are any good

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Create and communicate shared vision

Work with team to define measurements

Run experiments to learn if your ideas are any good

Optimize your process for cycle time

product manager

Create and communicate shared vision

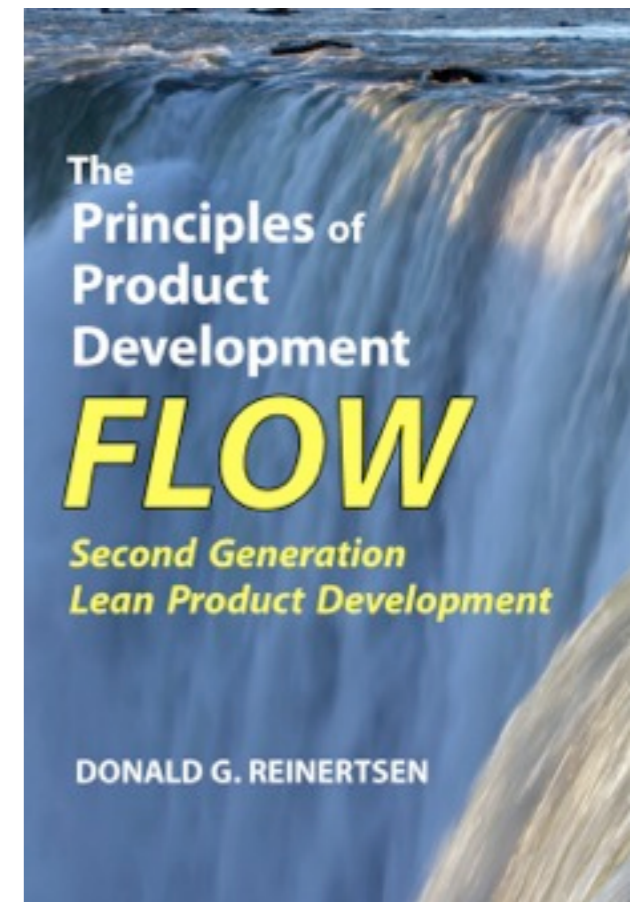
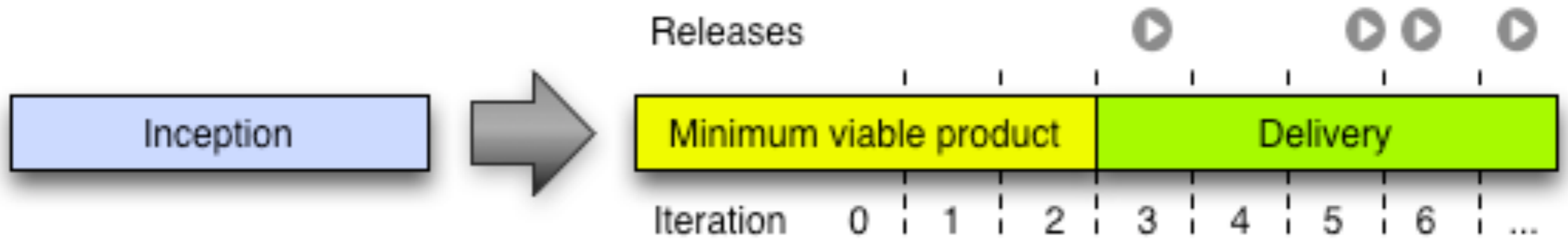
Work with team to define measurements

Run experiments to learn if your ideas are any good

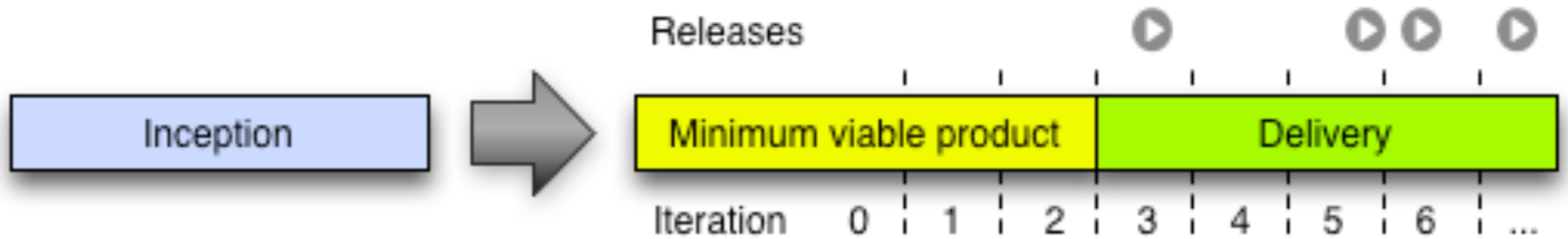
Optimize your process for cycle time

Quality is everybody's responsibility

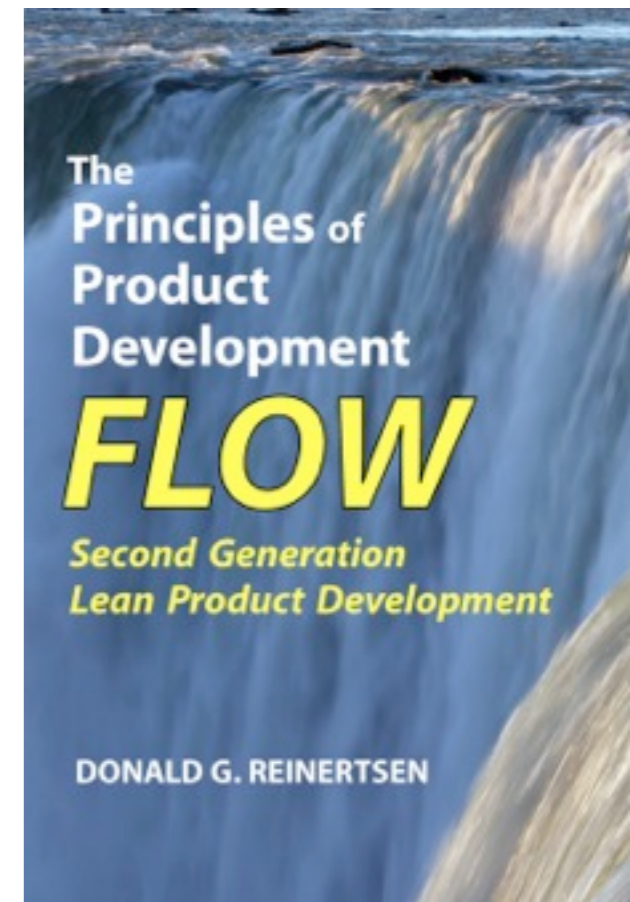
product development



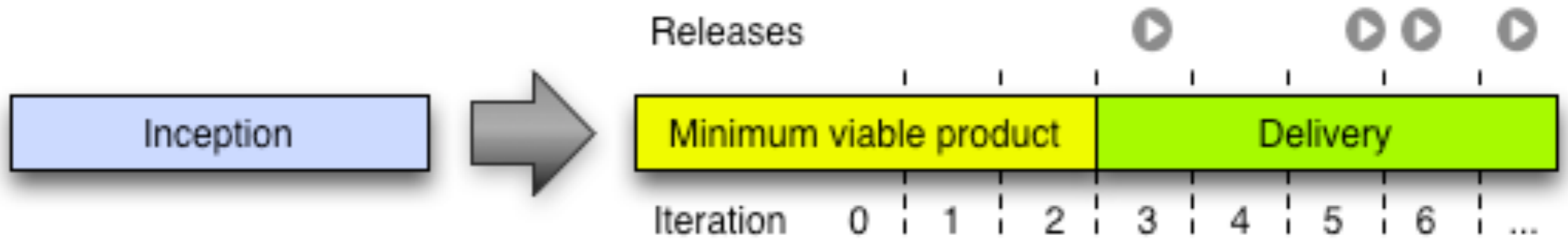
product development



inception: define vision, mvp

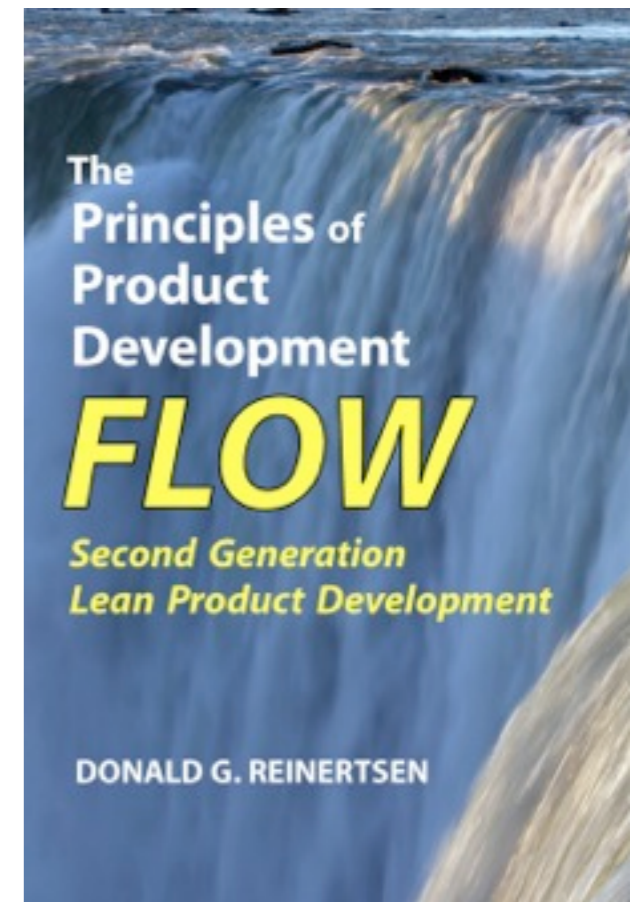


product development

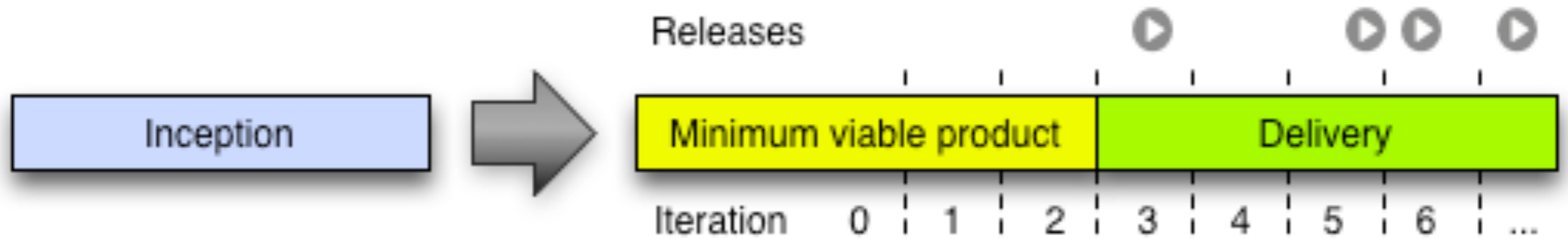


inception: define vision, mvp

deliver mvp, get feedback



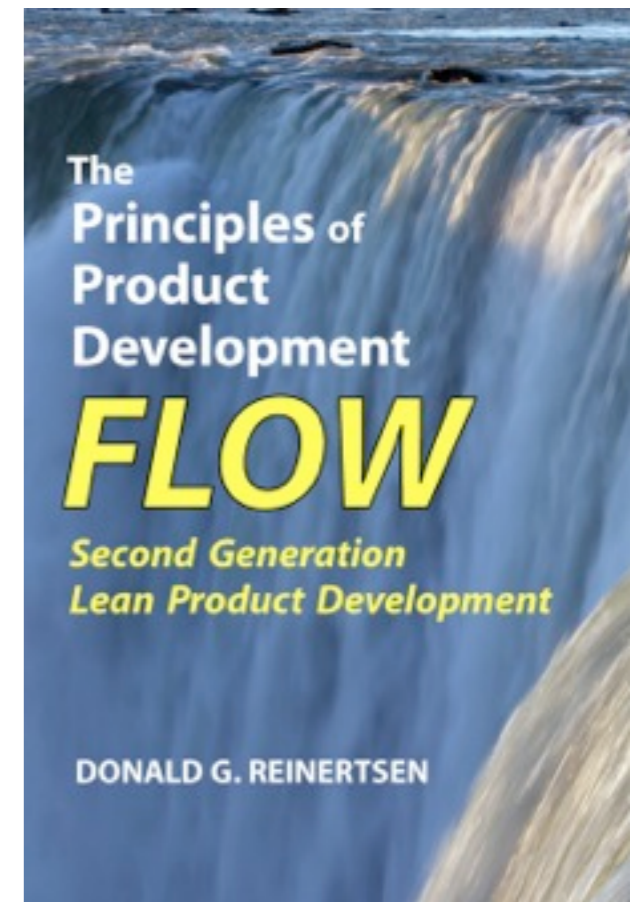
product development



inception: define vision, mvp

deliver mvp, get feedback

keep delivering small increments



postscript: individual productivity

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Lines of code?

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Lines of code?

Hours worked?

postscript: individual productivity

Lines of code?

Hours worked?



Ken H. Judy @kenjudy

13 Sep

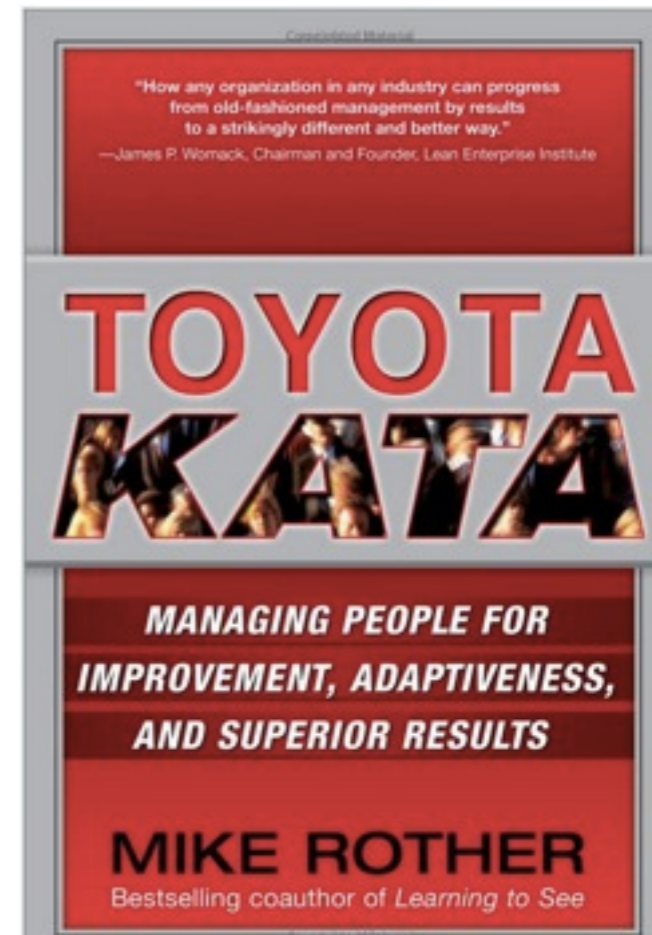


The cost center pattern fills the vacuum of our inability to define, model and measure the value most workers create for their organization.

 Retweeted by Jez Humble

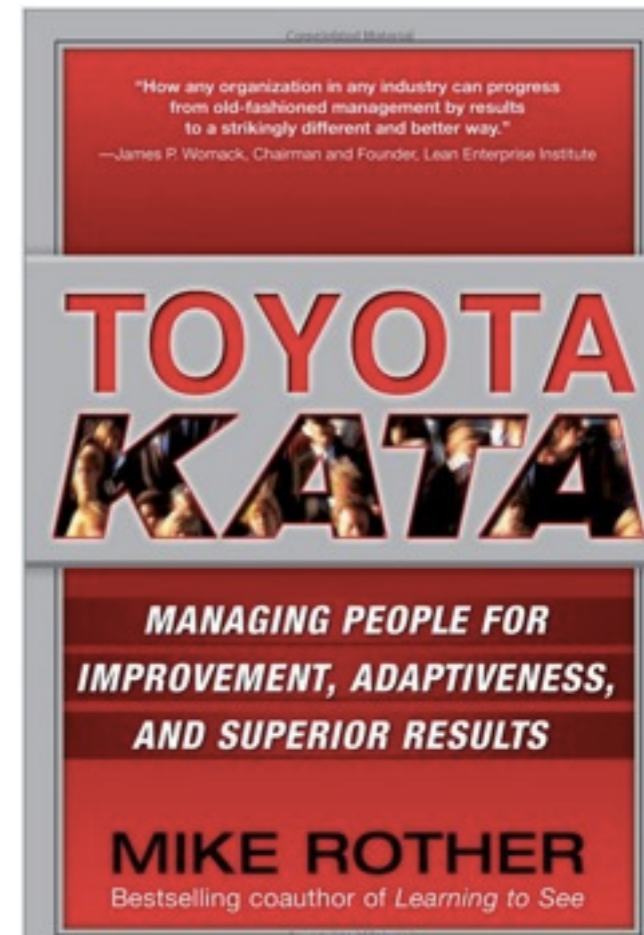
Expand

how do we improve?



how do we improve?

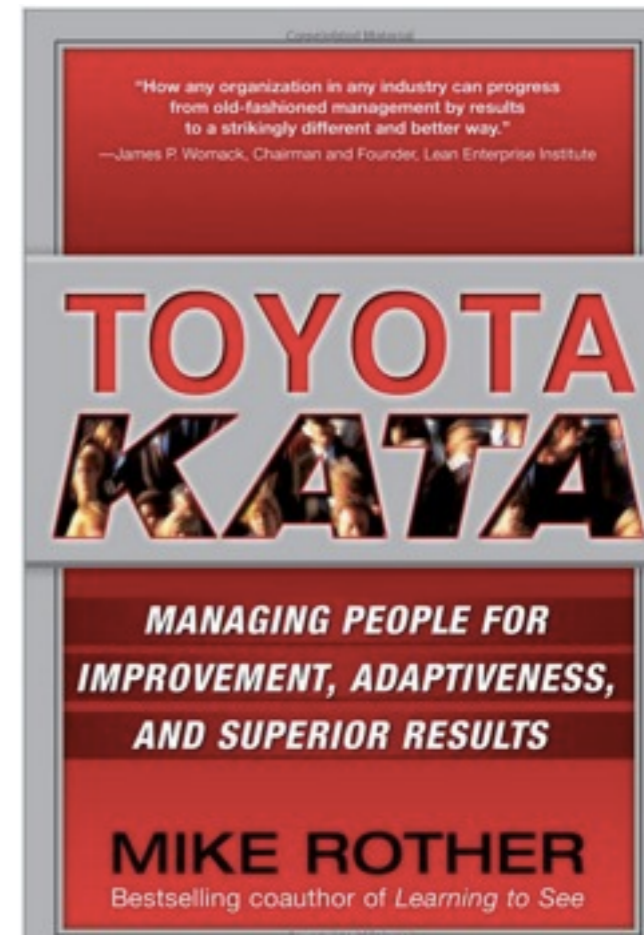
leaders are teachers



how do we improve?

leaders are teachers

optimize your process for experimentation

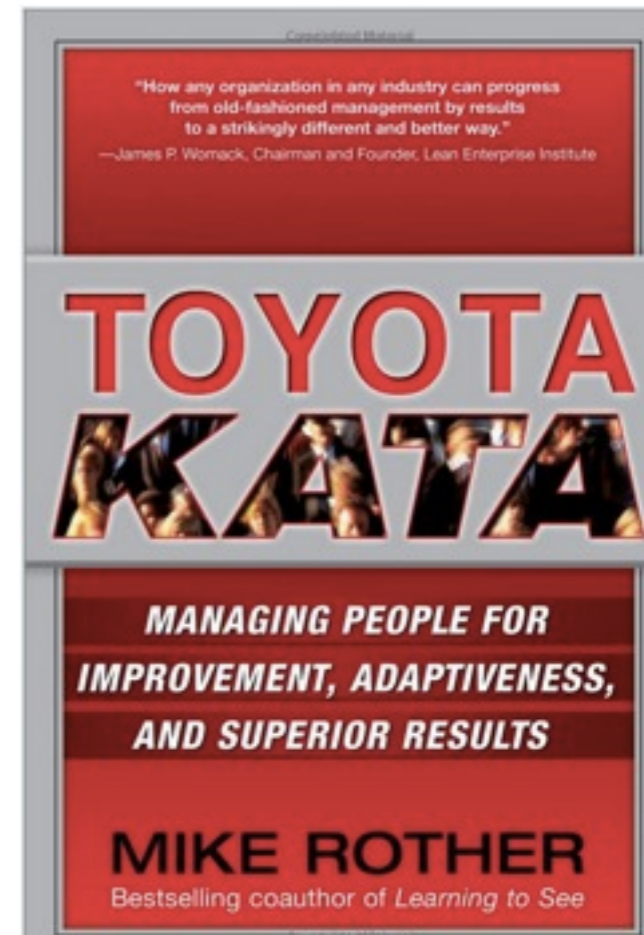


how do we improve?

leaders are teachers

optimize your process for experimentation

build organizations that learn fast



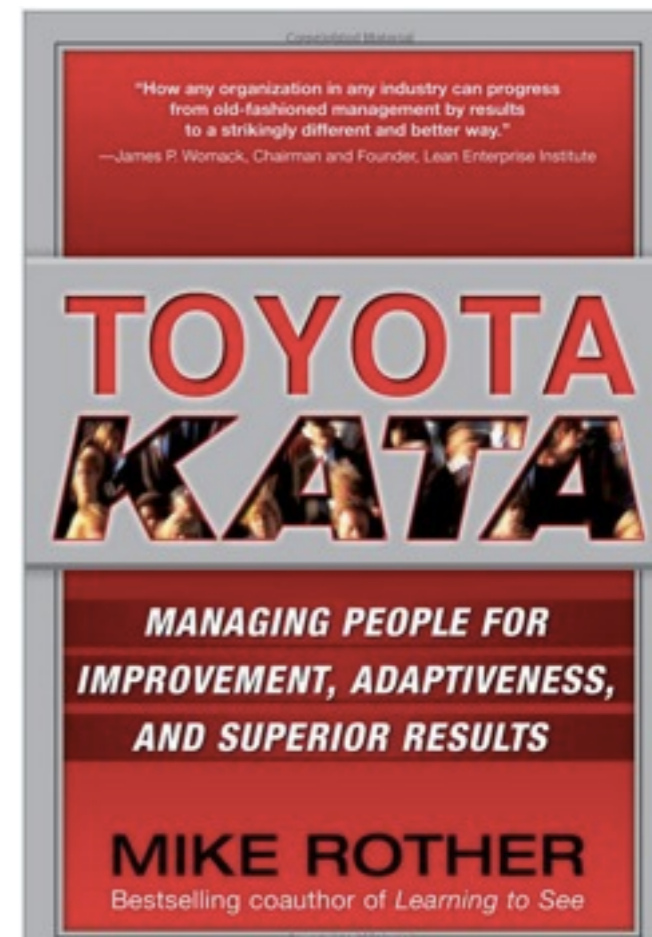
how do we improve?

leaders are teachers

optimize your process for experimentation

build organizations that learn fast

measure value delivered



Jack Andraka



Jack Andraka

“Make sure to be passionate about whatever it is you get into, because otherwise you won’t put the right amount of work into it.”

questions

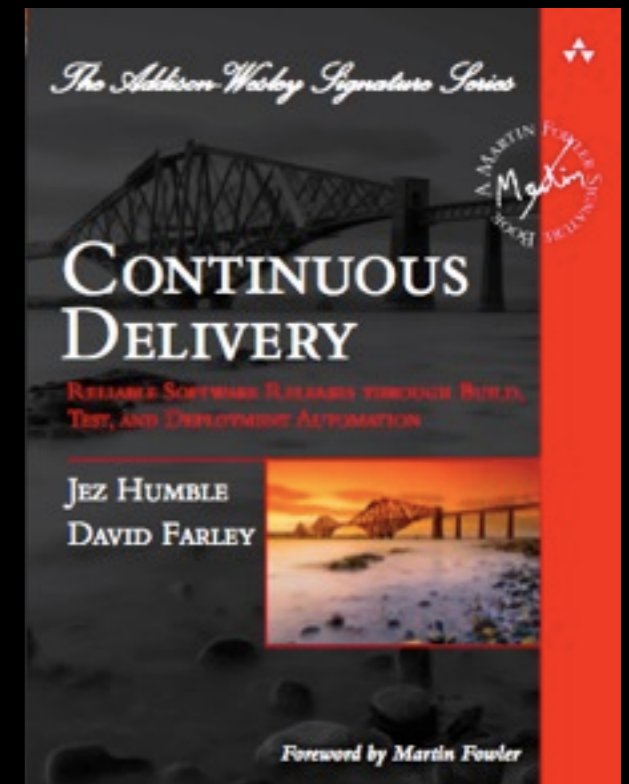
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<http://continuousdelivery.com/>

#continuousdelivery

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