

LONDON  
INTERNATIONAL  
SOFTWARE DEVELOPMENT  
CONFERENCE 2015



goto;  
conference

# *The End of Projects and what happens next*

*Allan Kelly - @allankelly.net*

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Workshops: Sept 14-15 // Conference: Sept 16-18, 2015



# Allan Kelly...

- Training for Agile
- Advice on
  - Agile, adopting Agile
  - Organizing teams

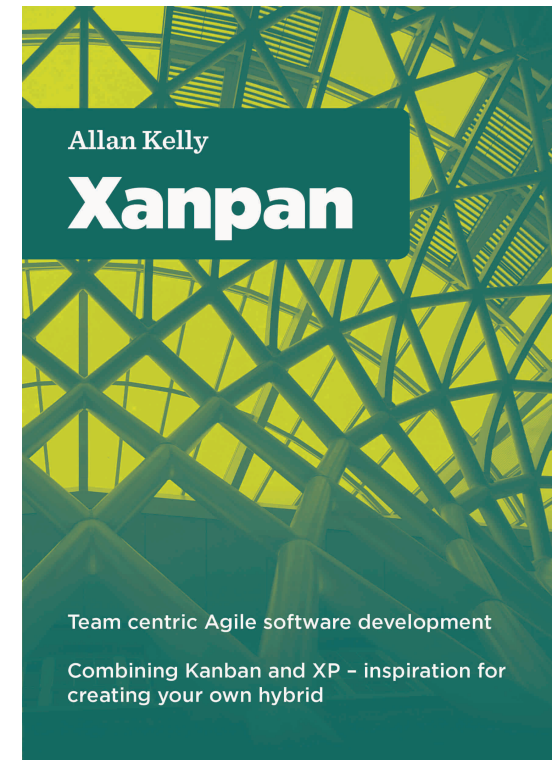
## Author

- **Xanpan**: Team Centric Agile Software Development  
<https://leanpub.com/xanpan> (2014-2015)
- **Business Patterns for Software Developers** (2012)
- Changing Software Development: Learning to be Agile (2008)

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# Problem #1 - Benefit

## Project Success Criteria

- On Schedule
- On Budget
- On Quality (Features)

Where's the  
value?  
£ \$ €



# Project Model Assumptions

1. Value is knowable

And is known before start

2. There is no value in flexibility

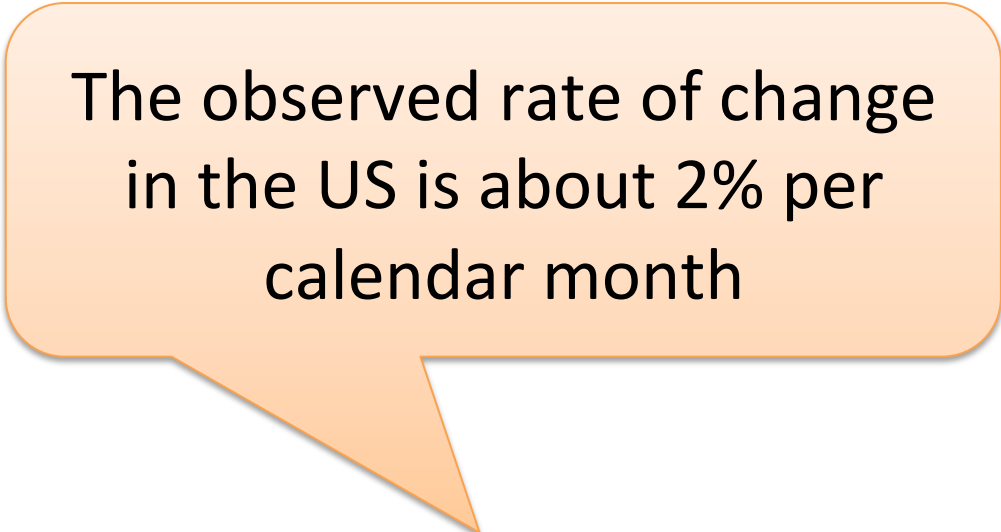
i.e. Options are valueless



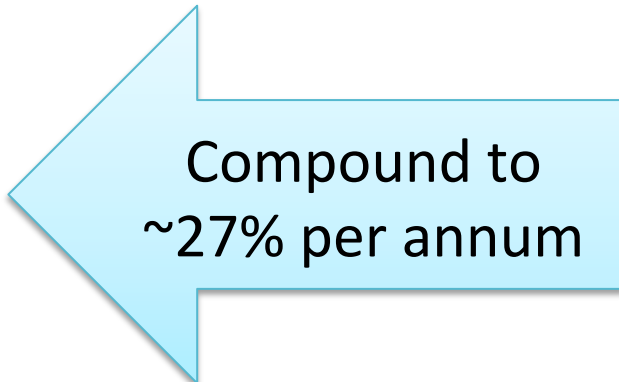
# Pre-defined outcome?

Requirements change

The world changes



The observed rate of change  
in the US is about 2% per  
calendar month



Compound to  
~27% per annum

Capers Jones, 2008

# IT/IS & Business Manager survey

70% believe they are failing to identify and quantify the benefits adequately

38% openly admit they overstate the benefits in order to obtain funding

80% report that the review and evaluation of completed projects is also inadequate

due to the focus on [achieving] cost, time and quality objectives and not on whether the intended benefits were realized.

Delivering value from IS and IT investments, John Ward, Cranfield School of Management, 2006 – survey of UK & Benelux managers

<http://www.som.cranfield.ac.uk/som/dinamic-content/research/documents/deliveringvaluereport.pdf>

The Project  
model leads  
to...



Conflict and....

Goal displacement

- Chasing date over benefit
- Chasing time over benefit
- Chasing cost over benefit
- Chasing features over benefit

# Solution



# Focus on Benefit not The End

Ask not, “When will the software be done?”

Do ask: “When will the software deliver value next?”



Think: Stream of Value  
(which might stop one day)  
Not: An end date

# Change Governance

- Base Governance on actual delivered benefits
  - Not milestones completed
  - Not documents
  - Not budgets

What have you delivered for me lately?

Picture from Picasa - Creative Commons License  
[http://commons.wikimedia.org/wiki/  
File:House\\_of\\_Parliament\\_6\\_2012-07-08.jpg](http://commons.wikimedia.org/wiki/File:House_of_Parliament_6_2012-07-08.jpg)



# Governance based on results

- Experiment friendly
  - Failure tolerant
  - Fail fast, fail cheap (salvage)
- Align with strategy
- Governance through *Iterative Portfolio Management*

# Iterative Portfolio Management

- Fixed schedule for gate reviews
- Review what is ready on a date
  - Benefit delivered to date
  - Potential benefit if continued



# Problem #2 – The End

Software isn't temporary

# Successful software doesn't stop

Successful software continues to change

Only dead software has an end-date

Projects end  
Successful software  
doesn't



# Successful software?

1) If they use it, it will change

2) Only Dead Software Stops changing

Data from SourceForge search for "WebBrowser" 19 Jan 2014

Search Results for "Web Browser"

Sort By: Relevance

Showing page 1 of 13.



**Moodle**

Moodle is a Course Management System (CMS), also known as a Learning Management System (LMS).  
23,239 weekly downloads

Moodle is a Course Management System (CMS), also known as a Learning Management System (LMS).  
Learning Environment (VLE). It is  
<https://moodle.org/>

Last Updated: 3 days ago

4.7



ENTERPRISE

**Moodle**

Weekly downloads: 23,239

Last update: 3 days (16 Jan)

Download Now



**WebTorrent**

Webtorrent is a web based GUI written in JavaScript for Bit Torrent Library. It is designed for server applic...  
0 weekly downloads

Webtorrent is a web based GUI written in JavaScript for Bit Torrent Library. It is designed for server applic...  
installation of desktop bt clients are not required

Last Updated: 2013-04-17

**Web Torrent**

Weekly downloads: 0

Last update: 17 April 2013 (9mths)



**PerlLORD - A web-wr**

Web wrapper for the up...  
0 weekly downloads

Web wrapper for the up...  
program converts ANSI to  
telnet client or anyt

Last Updated: 2013-02-25

**PerlLORD**

Weekly downloads: 0

Last update: 25 May 2013 (8mths)

# End dates damage quality

- Short term thinking leads to...
  - Corner cutting
  - Known & unfixed bugs
  - Residual technical debt
  - Knowledge lost





End Date considered harmful

Late requirements considered inferior



# A Project is...

**“A temporary organization that is needed to produce a unique and predefined outcome or result at a pre-specified time using predetermined resources.”**



PRINCE2 definition  
of project

A project is....



"PMI defines a project by its two key characteristics:

- it is temporary and
- undertaken to create a product, service, or result that is unique."

Project Management Institute - <http://pm4id.org/1/2/>

Software  
Development



Project  
Management

## A Match Made in Hell

Software is forever

Projects are  
**TEMPORARY**



# Rational end dates?

In the US more than half of the large projects ... predetermined end date is selected, and it is forced on the project by arbitrary decree.

Capers Jones, 2008



# Solution

- Work to the business deadline
  - Do what you can in the time
  - Do good work

Deadlines Good



End dates Bad



# Temporary organizations

The most destructive idea known to software  
development



# Temporary Organization?

- Storming
- Norming
- Forming
- Performing
- Destroying



Takes time & money!



*Why destroy performing teams?  
Why spend that money?  
Why loose knowledge?*

# Temporary organizations

The most destructive idea known to software development

Disbanding teams destroys

- Knowledge
- Capability
- Performance

## **Corporate Psychopathy**

Process by which corporations  
disband performing teams and  
release staff



# Solution

Base work around stable

- Teams

Aim for continuity

Continuous flow

Continuous improvement

Continuous delivery

Continuous benefit

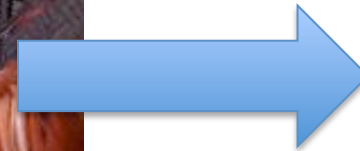
Continuous not Temporary

Bring the work to the team

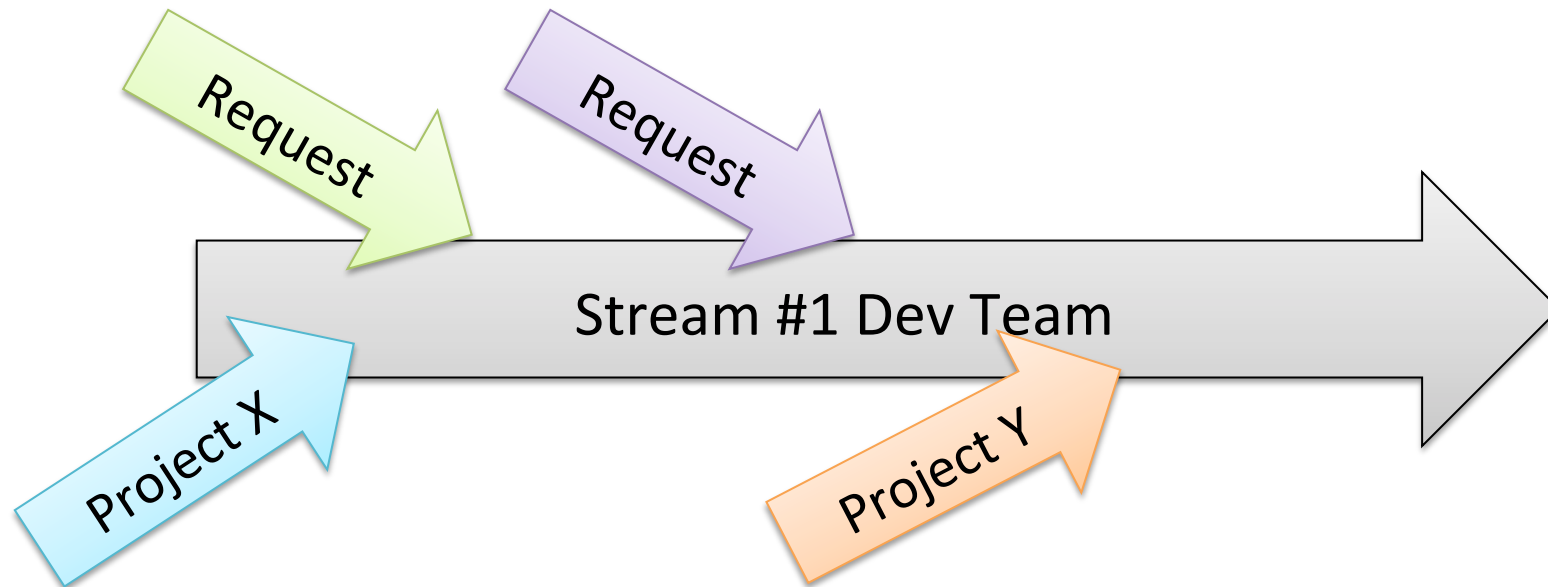
Bring the work to the team

Bring the work to the team

Bring the work to the team



# Organize by business stream & team



- Aim for stable teams & continuity
- Close to business
- Manage queues within capacity

# What to do about it...

- Keep teams together
- Flow work to the teams
- Work in the small
- Work continually
- Demonstrate value





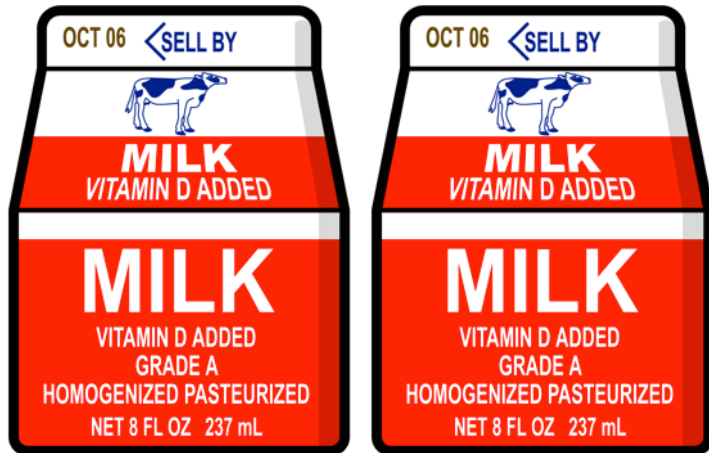
# Problem #4 – Projects are Big

- Project model is optimized for big
- Used on small pieces of work it inefficient
- Projects push big decisions up
  - to big men
  - with big cheque books
  - top-down authority

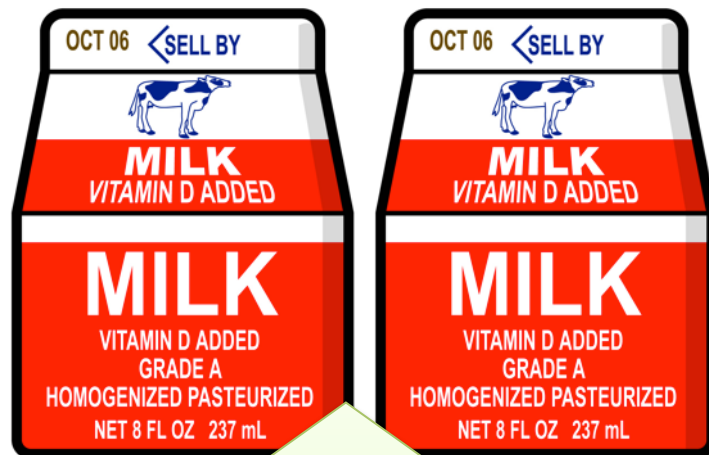
# Software development...

- Does NOT have economies of Scale
- Development has DISECONOMIES of scale





Milk is cheapest  
in BIG cartons



Software is  
cheapest in  
lots of small  
cartons

And small cartons  
of software  
reduce risk



Big increases  
risk

# Solution

# Software development...

- Does NOT have economies of Scale
- Development has DISECONOMIES of scale

Therefore

- Stop thinking **BIG**
- Start thinking SMALL



Project A: Risk = 30% Value at risk = £1m  
Therefore risk weighted value = £300,000

Consider a large project

Prj B: Risk = 15%  
Value @ risk = £½m  
Therefore ... = £75,000

Prj C: Risk = 15%  
Value @risk = £½m  
Therefore ... = £75,000

E: Risk = 6%  
@risk = £200k  
Therefore =

F: Risk = 6%  
@risk = £200k  
Therefo

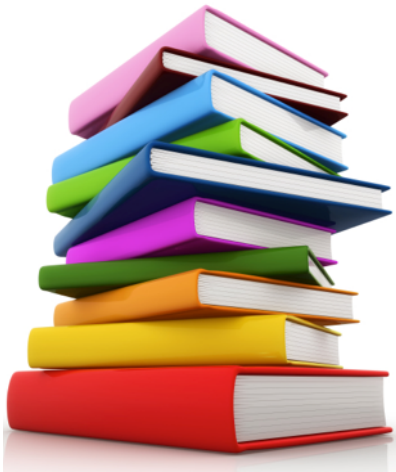
G: Risk = 6%  
@risk = £200k  
Therefore

H: Risk = 6%  
@risk = £200k  
Therefore

I: Risk = 6%  
@risk = £200k  
Therefore =

J: Risk = 6%  
@risk = £200k  
Therefore = £12k

# Big Batch Size



Build this!



Wait



Deliver this!



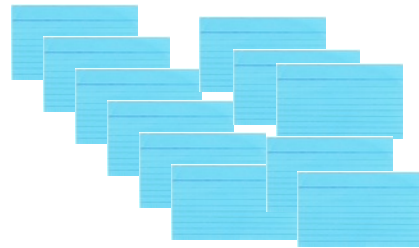
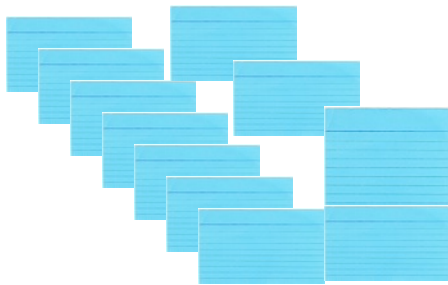
Wait



Make lots of this!



# Small Batch Size



... and keep going

# The End of Projects



- Projects are accounting codes
- Finished Software is Dead Software
  - Living software changes
  - Dead software doesn't
  - Living software doesn't end
- Project thinking kills software

# Wait a minute....

Project  
Manager



Not fair!  
You misrepresent us!

We don't

- Break up teams
- Stick doggedly to requirements

We do

- Allow change
- Consider value
- Work continually

So what is "A project"?

Why does Prince 2  
contain this definition?

And what does a "Project  
Manager" actually *Manage*?



# Problem #3: Language

# “False Projects”

When the language of projects is used to discuss work which is not a project



**Confusion!**

**Stop confusing people  
Stop misleading  
yourselves**

# Beyond Projects

A new model....





# Waterfall 2.0 Continuous Flow



Jonathon's Run Fall, Pennsylvania by Hubert Stoffels (<http://flickr.com/photos/22195940@N00>)  
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# Continuous flow

- Work in the small
- Get good at doing small things
  - Deliver small increments of value
  - And evaluate results
- Go fast
- Value seeking
- Repeat, don't stop





# Organize for...

Work management optimized for small

- Lots of small decisions
- Devolved authority

Base work around stable

- Teams

Aim for continuity

# Could this ever work?

- Governance by results?
- Fail fast, fail cheap?

Seems to work  
well on Sand  
Hill Road ...

BENCHMARK



**BV**  
Battery Ventures

**ACCEL**<sup>®</sup>  
PARTNERS

**khosla ventures**

**KPCB** | KLEINER  
PERKINS  
CAUFIELD  
BYERS

**SEQUOIA**  **CAPITAL**



*Please*

**Remember to  
rate this session**

*Thank you!*

# Thanks !



## Beyond Projects

- It ain't ever over
- BAU is not a dirty work

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[www.softwarestrategy.co.uk](http://www.softwarestrategy.co.uk)

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