Using LEAN Portfolio Management to Enable Agile Acquisitions

Presenter: Kevin D. Rice, COO
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Agenda

- B3 Group Overview
- The Agile Mindset
- Waterfall versus Agile
- *Poll #1: How many of you already using an Agile framework?*
- Why Agile?
- Lean Portfolio Management
- *Poll #2: What stage are you in the Agile process?*
- Agile Roadmap – Key Milestones
- *Poll 3: What word would you use the ROI for Agile methodology?*
- Re-Defining ROI to ROA
- Digital Transformation Center (DTC) Contract
- Success Stories
- Finding the True North
- Questions
- Resources
B3 Core Values

- **Integrity**: We say what we mean, mean what we do, and do what we say.
- **Innovation**: We challenge the status quo, approach problems as an opportunity and drive creativity in our solutions.
- **Collaboration**: Our coming together is a beginning, our building together is progress, our growing together is success.

B3 Mission Statement

We believe in servant leadership – our concept of collaborating with others does not begin with leading, it begins with service. We learn an organization’s culture, strengths, and weaknesses, in order to better serve its needs. Our desire to serve acts as the root of trusted leadership.
This shift – to Agile – involves the constant incremental delivery of business value which reduces risk and allows rapid response to an ever-evolving environment.
Waterfall Versus Agile

Benefits:
- Innovative approach
- Saves time and money
- Redefines business value
- Allows for forecasting
- Engages team
- Offers flexibility
How many of you are already using an Agile framework?
Why Agile?

- Provides business values earlier and more efficiently than waterfall
- Creates a culture shift as Agile becomes part of an organization's DNA
- Helps the organization mature and evolve to sense and respond to change, with greater speed and transparency
- Provides flexibility to quickly adopt to market changes
- Increases overall Flow, Predictability, Customer Satisfaction, and Time to Value
Lean Portfolio Management

3 Dimensions of Lean Portfolio Management:

- **Strategy & Investment**: Funding ensures the entire portfolio is aligned and funded to create and maintain the solutions needed to meet business targets.

- **Agile Portfolio Operations**: coordinates and supports decentralized program execution and fosters operational excellence.

- **Lean Governance**: is the oversight and decision-making of spending, audit and compliance, forecasting expenses, and measurement.
Poll #2 Transition from Waterfall to Agile

What stage are you in the Agile process?
Agile Roadmap – Key Milestones

1. Go SAFe
2. Investment
   - Train Lean Agile Changes Agents
   - Train Executives & Managers
3. Corporate/Organization Commitment
4. Lean-Agile Center of Excellence
   - SAFe for Architects
   - SAFe for Architects
   - SAFe Scrum Master
5. Implementation SAFe
6. Leading SAFe
7. Lean Portfolio Management
8. Identify Value Streams & Agile Release Train (ART)
9. Create Implementation Plan
10. Train Teams & Launch ART
11. Prepare for ART Launch
12. Coach ART Execution
13. Launch More ARTs & Value Streams
14. Extend to Portfolio
15. Acceleration
16. Business Results

9/16/2020 Joint IT and Software Cost Forum Presentation
What word would you use to describe the ROI for Agile methodology?
Re-Defining ROI to ROA

Determine Metrics
• Diff between data and actionable intelligence

Evaluate Investment
• Determining where to invest; Baseline, adjust, pilot or persevere

Measure Return on Assets (ROA)
• Based on performance and efficiency

Reassess Frequently
• Time and cost
Re-Defining ROI to ROA

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**VA Digital Transformation Center (DTC) Task Order**

**Solution:** VA can accelerate IT delivery with an environment that enables OIT to leverage the benefits of the Cloud “as a service” software marketplace.

**2020 updates to this model include:**
- A One-Team Philosophy
- Empowered, Product-focused PSF Staff
- Updated, Scalable Contracts
- Universal Operational Accountability

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**Elements of the DTC Environment:**
- Platform Management and Governance
- Reusable ATOs
- Reusable Products, Components, and APIs
- Reusable Implementation Contracts
- Streamlined Licensing
- Agile and DevOps Focus

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**Outcomes**

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<tr>
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<th>Traditional VA Development*</th>
<th>Salesforce (2017-2019 data)</th>
<th>Salesforce Acceleration</th>
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<tbody>
<tr>
<td>Initial Product Deployments (median)</td>
<td><strong>584 days</strong></td>
<td><strong>92 days</strong></td>
<td><strong>635%</strong></td>
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</tbody>
</table>
Business Problem: Interagency response coordination is needed between VA, the National Institutes of Health (NIH), and the Food and Drug Administration (FDA) to determine the best course of action for 3D printing options during the COVID-19 pandemic.

Solution: A Salesforce Communities-based portal that connects patients and healthcare providers, local manufacturers, and designs for medical products needed for COVID-19 care.

Impact: Enables inter-agency personnel to coordinate the printing of critical supplies needed to combat COVID-19 (i.e., masks, ventilator parts, shields, test swab sticks, etc.).

Time to Value: The solution was built and deployed within ~3 days using the Salesforce Platform.
SaaS @ VA Customer Results Example:
VA/White House Hotline (WHHL) VACO Salesforce Module

- **Business Problem**: Part of the President’s mandated VA Modernization reform, the VA was tasked with developing a 24/7 call center in less than three months.

- **Solution**: Provides Veterans, Veteran family members, dependents, caregivers, and other constituents with the information and answers they seek regarding VA care, benefits, and services.

- **Impact**: The hotline has an average wait time less than 9 seconds with an average call time of 15 minutes. There have been hundreds of thousands of cases created with over 94% of them being closed to date.
  - **Users**: 200 Call Center Agents, Administrators, & Supervisors

- **Time to Value**: The solution was built and deployed within ~44 days using the Salesforce platform.
Finding the True North

**Thought Leadership:**
- Organize and reorganize around value
- Continue to focus on eliminating waste and delays
- Create a culture of relentless improvement

**Positive Disruption:**
- Eliminate the stagnant model.
- Tap into your employees’ passions
- Learn and embrace that failure isn’t bad.

**Cost Benefits:**
- Develop a portfolio roadmap
- Consider strategy and investment
- Connect Lean Portfolio management to enterprise strategy & business objectives

**Acquisition Structure - Deliver Time to Value:**
- Focus on small, frequent capability releases
- Respond rapidly to changes in operations, technology, and budgets
- Actively involve users throughout development to ensure high operational value
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Questions?
Resources

• Erik Rothwell, B3 Director of Technology, erik.rothwell@b3groupinc.com.
• www.scrum.org
• www.scaledagile.com