

KANBAN

WHAT DOES IT LOOK LIKE IN 2019?



THEN



NOW

ABOUT
MARTIN AZIZ

martin@squirrelnorth.com

[@martinaziz](https://twitter.com/martinaziz)

squirrelnorth.com

KANBAN

A 21st CENTURY
MANAGEMENT METHOD
TO IMPROVE BUSINESS PERFORMANCE

BALANCE

HOW WE DEFINE AGILITY

CUSTOMER
NEED
CHANGE

DEMAND



CONTINUOUSLY
CONGRUENT

CAPABILITY



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WHAT HAPPENS

WHEN DEMAND AND CAPABILITY ARE OUT OF BALANCE?

Overworked but
unproductive
workers

Quality issues,
causing more delay
and dissatisfaction

Lack of predictability

Missed deadlines

DEMAND



CAPABILITY



SQUIRRELNORTH

HOW DO YOU HANDLE TOO MUCH DEMAND, NOT ENOUGH CAPACITY?

REFUSE THE WORK
REQUESTS?



HIRE MORE
PEOPLE?

BETTER TRAINING?

DEMAND

CAPABILITY

KANBAN HAS TECHNIQUES TO BETTER MANAGE DEMAND & CAPACITY

Shape Demand

- Cost of Delay
- Classes of Service
- Board Design
- Options Model
- Upstream Kanban
- Queuing Policy
- Decoupled Cadences
- Capacity Allocation
- ...

DEMAND



Improve Capability

- Identify and Remove Delay
- Bottleneck Handling
- Dependency Management
- Understanding Variation
- Economic Cost Model
- Risk Review
- Feedback Loops
- Liquidity
- ...

CAPABILITY



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WHAT IS

THE KANBAN METHOD?



DEMAND

CAPABILITY

The Kanban Method
seeks to achieve balance
between (customer)
Demands and (business)
Capabilities.



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EVOLUTION

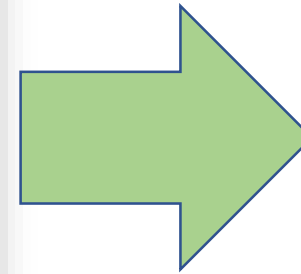
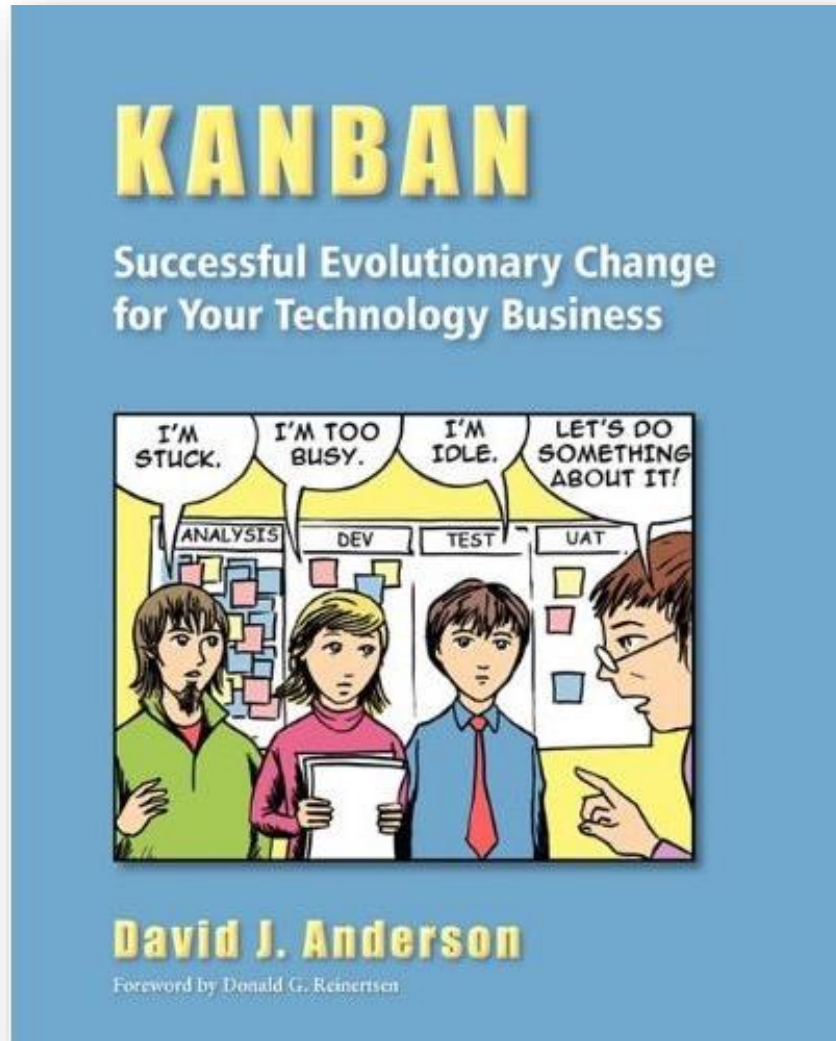
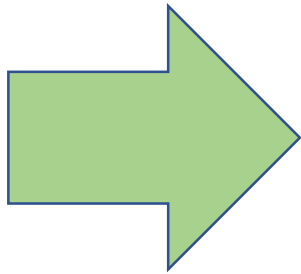
OF THE KANBAN METHOD



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KANBAN

A METHOD THAT CONTINUES TO EVOLVE



ORIGIN

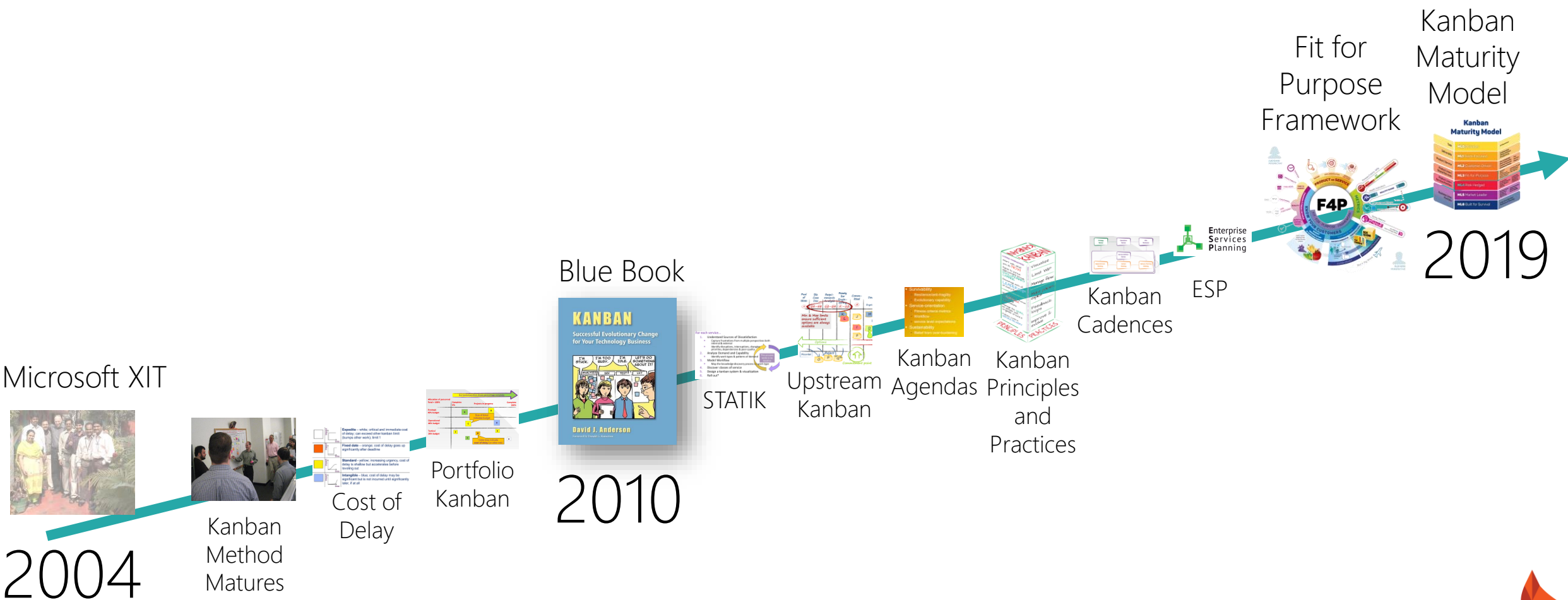
OF THE WORD "KANBAN"

- *Kanban* written in Japanese Kanji (Chinese characters) means "sign" or "large visual board"
- **The Kanban Method** refers both to a visual signal that capacity is available, to a "slot" or "bin" indicating capacity, and to a whole system of balancing demand for work with capacity to deliver work.



2004 – 2019

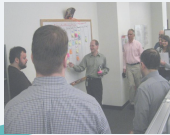
15 YEARS OF EVOLUTION IN THE KANBAN METHOD



2004 – 2019

15 YEARS OF EVOLUTION IN THE KANBAN METHOD

Microsoft XIT



Kanban Method
Matures

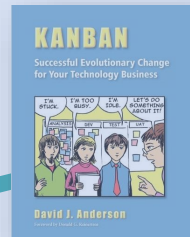


Cost of
Delay

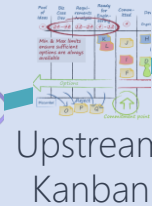


Portfolio
Kanban

Blue Book



STATIK



Upstream
Kanban

Kanban
Agendas

2010

ENTHUSIASTS



Kanban
Principles
and
Practices

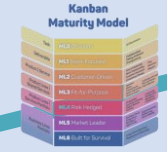
Kanban
Cadences

Enterprise
Services
Planning
ESP



Fit for
Purpose
Framework

Kanban
Maturity
Model



2019

**EARLY
MAJORITY**

**EARLY
ADOPTERS**



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2004 – 2009

PIONEERS PERIOD

MICROSOFT XIT



Dragos Dumitriu and David Anderson find a new way to manage work!

- Dealing with overburdening with distributed teams
- A Pull system emerges
- Identify work services
- Treat different work differently
- Work in Process Limits
- SLAs replace Estimates
- No Boards yet

2004 – 2009

PIONEERS PERIOD

MATURE KANBAN METHOD EMERGES




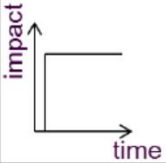

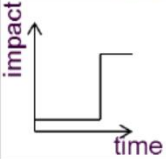



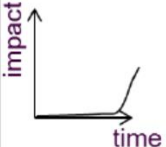
The method matures at Corbis.

- Kanban Visual Boards
- Multiple Class of Service
- WIP Limits as a stressor for change
- Transparency
- Metrics

2004 – 2009

PIONEERS PERIOD

COST OF DELAY CODIFIED

		Expedite – white; critical and immediate cost of delay; can exceed other kanban limit (bumps other work); limit 1
		Fixed date – orange; cost of delay goes up significantly after deadline
		Standard - yellow; increasing urgency, cost of delay is shallow but accelerates before leveling out
		Intangible – blue; cost of delay may be significant but is not incurred until significantly later, if at all

- The relationship between Cost of Delay and Class of Service matures
- Four archetypes codified
- Multiple Class of Service

2004 – 2009

PIONEERS PERIOD

PORTFOLIO KANBAN & BIG PROJECTS

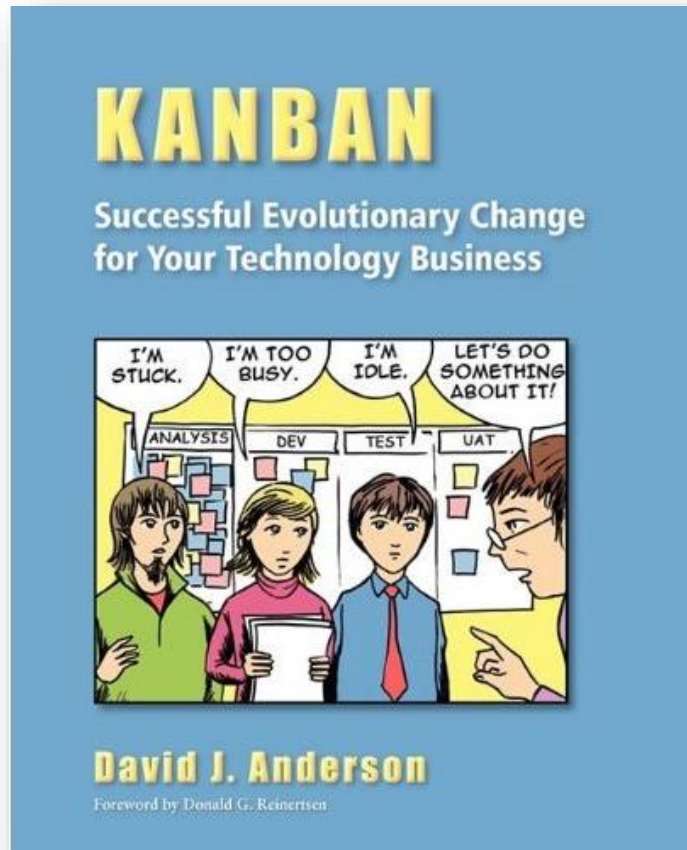


- \$11 million budget project with up to 55 people
- Multi-tiered Kanban Boards
- Visualizing various team structures
- Portfolio Level needs to be treated differently

2009 – 2014

ENTHUSIASTS PERIOD

THE BLUE BOOK

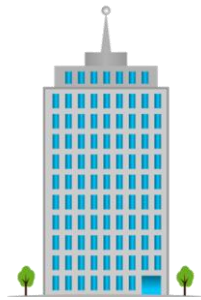


- David Anderson introduces Kanban to the broader technology community
- All the concepts for the Kanban Method are there: Managing Overburdening WIP Limits, Visualization, Class of Service, Principles & Practices, Underpinnings for STATIK
- Still a top seller!

2009 – 2014

ENTHUSIASTS PERIOD

KANBAN AGENDAS



SURVIVABILITY

- Resilience/anti-fragility
- Evolutionary capability



SERVICE-ORIENTATION

- Fitness criteria metrics
- Workflow
- Service level expectations



SUSTAINABILITY

- Relief from over-burdening

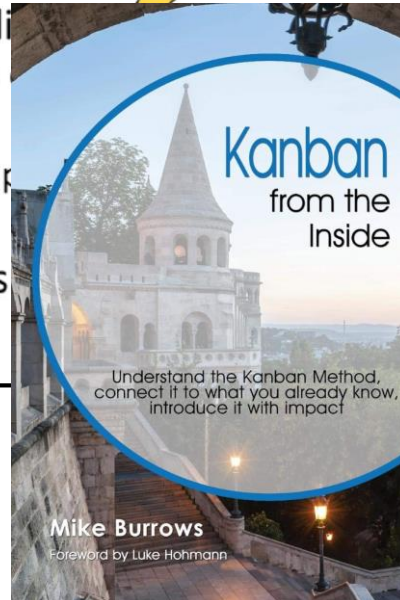
2009 – 2014

ENTHUSIASTS PERIOD

STATIK – A WAY TO KICKOFF

For each service...

1. Understand Sources of Dissatisfaction
 - Capture frustrations from multiple perspectives both internal & external
 - Identify disruptions, interruptions, changing priorities, dependencies & poor quality
2. Analyze Demand and Capabilities
 - Identify work types & patterns
3. Model Workflow
 - Map the knowledge discovery process
4. Discover classes of service
5. Design a kanban system & visualize it
6. Roll out*

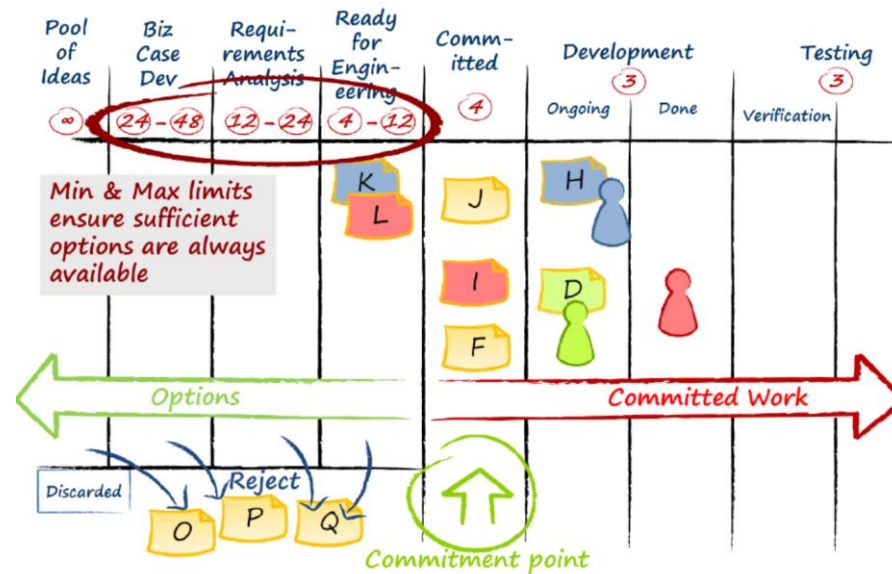


- Systems Thinking Approach to Introducing Kanban
- A way to coherently start or improve your Kanban implementation
- Guides you to orient yourself as a service with customers, and to solve problems affecting this.
- 2014 – Kanban from the Inside, first book to provide an overview of STATIK

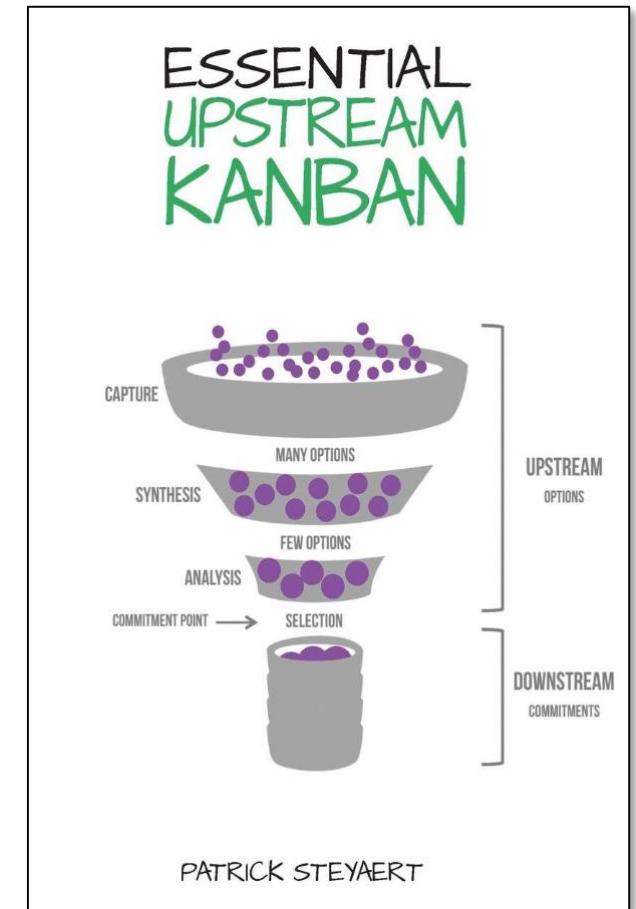
2009 – 2014

ENTHUSIASTS PERIOD

UPSTREAM KANBAN

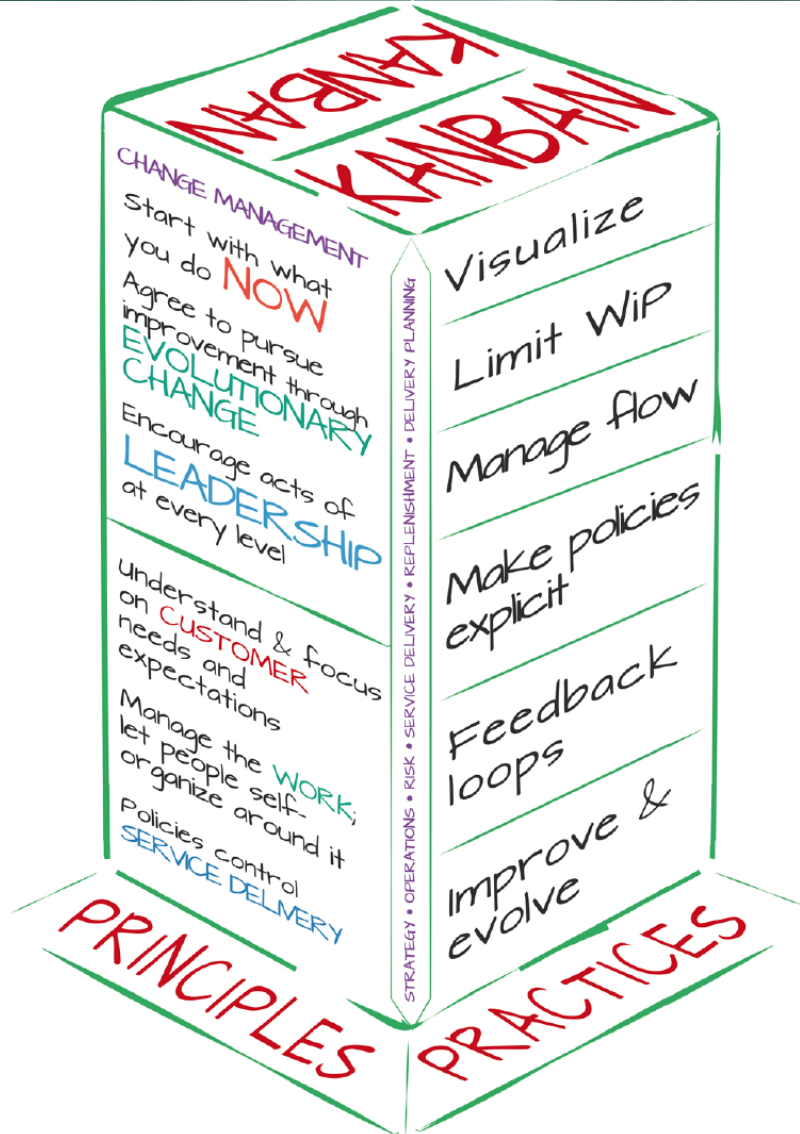


- The realization that OPTIONS and COMMITTED WORK flow differently.
- WIP minimums start to make sense
- Ability to increase Discard Rate and decrease Abandon Rate.
- Visualizing and plan for work that is about to start
- Patrick Steyaert's book is published much later in 2018



2014 – 2019

EARLY ADOPTERS



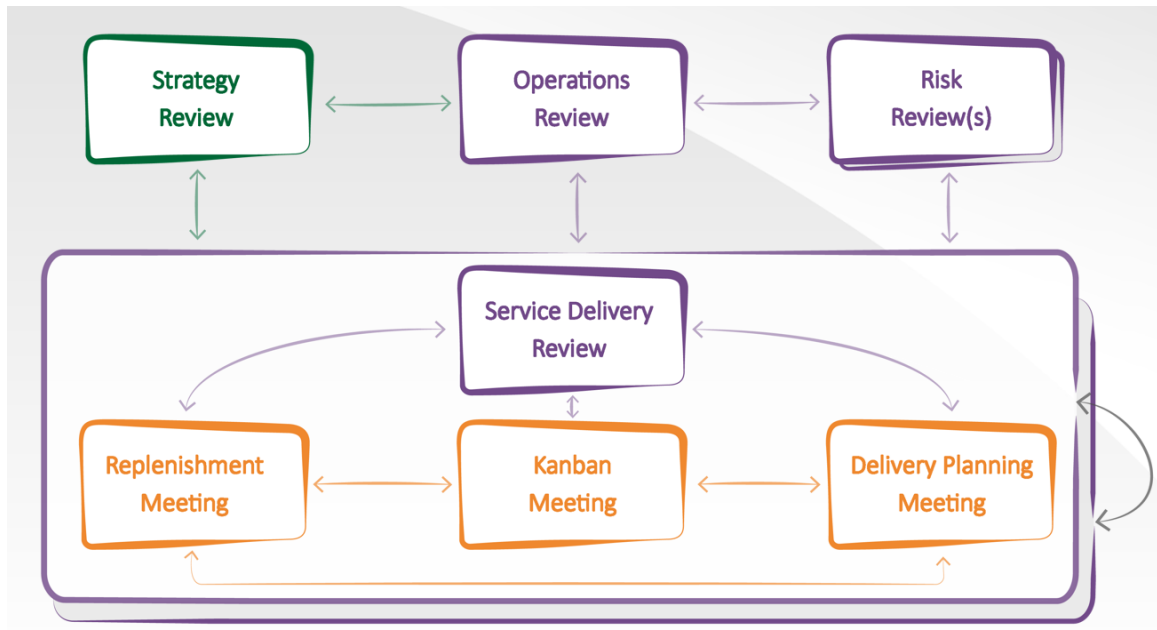
KANBAN PRINCIPLES AND PRACTICES

- Already in common use since 2011, the P&Ps were published in the book: Essential Kanban Condensed Guide (Carmichael, Anderson)
- Focused on being **Pragmatic & Actionable**
- 6 Principles on Change Management and Service Delivery
- 6 Core practices

2014 – 2019

EARLY ADOPTERS

CADENCES

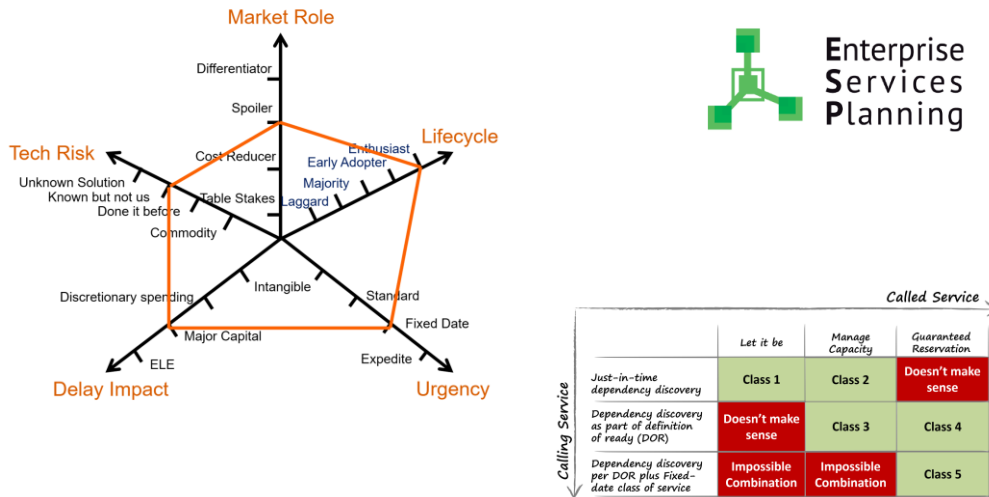


- Evolved from Kanban Kata introduced in 2012.
- Kanban Community identified significant feedback loops required to both operate and improve services.
- Additional cadences introduced to further support the 3 Kanban Agendas.

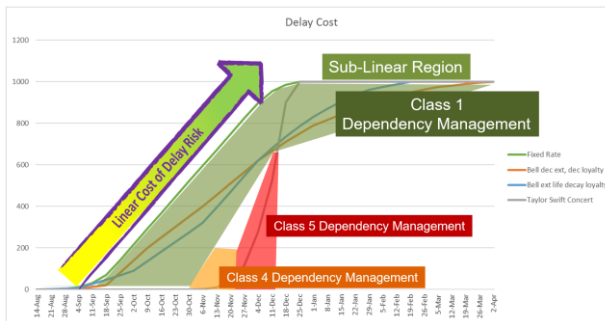
2014 – 2019

EARLY ADOPTERS

ENTERPRISE SERVICES PLANNING



Calling Service	Called Service		
	Let it be	Manage Capacity	Guaranteed Reservation
Just-in-time dependency discovery	Class 1	Class 2	Doesn't make sense
Dependency discovery as part of definition of ready (DOR)	Doesn't make sense	Class 3	Class 4
Dependency discovery per DOR plus Fixed-date class of service	Impossible Combination	Impossible Combination	Class 5



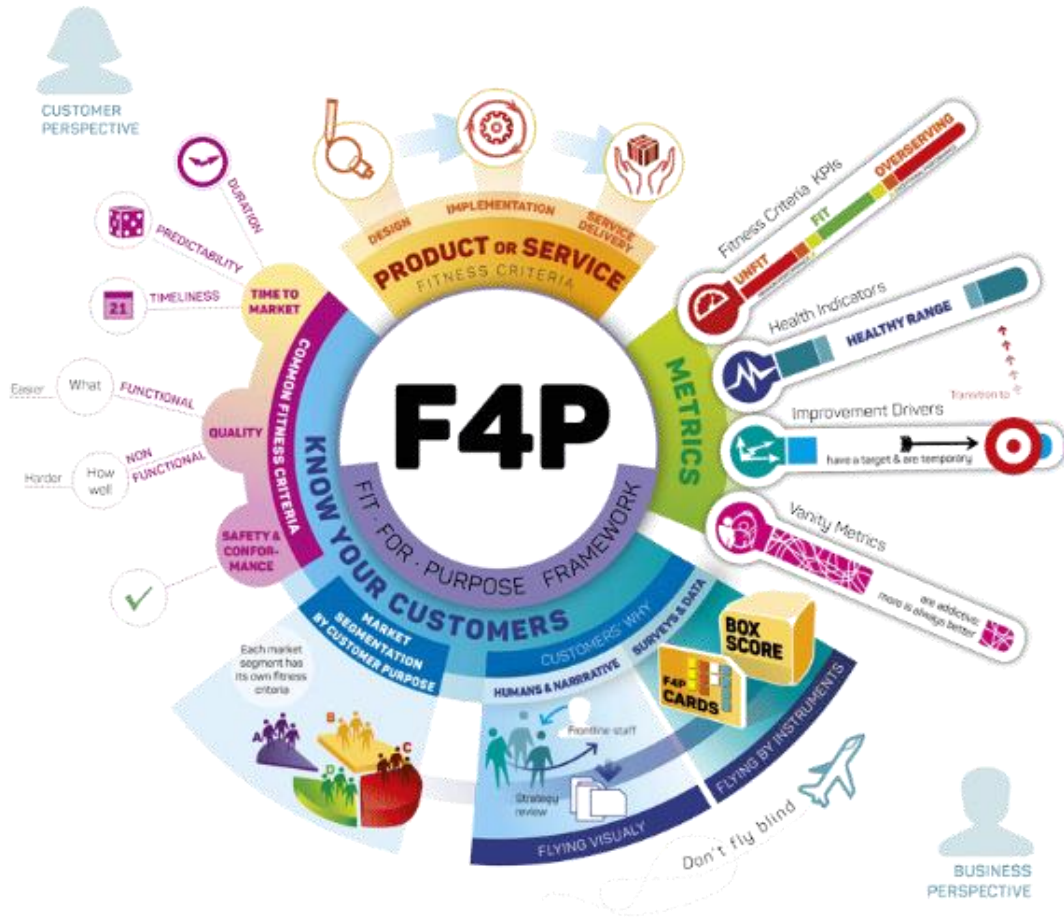
Focuses on Organizational Survivability

- Anticipating Demand
- Allocation of Capacity
- Fitness for Purpose
- Visualizing and Aligning on Market Strategy
- Codifying Risk
- Coherent product and service selection

2014 – 2019

EARLY ADOPTERS

FIT FOR PURPOSE



Published in 2018 by Alexei Zheglov and David Anderson

- Fitness as a concept explained: your offering is the one that your customer's actual needs are met
- Breaks down 3 aspects of a successful Product or Service
- Codified ways of measuring for fitness

2019 + EARLY MAJORITY

KANBAN MATURITY MODEL

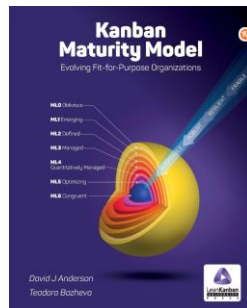
Kanban Maturity Model

Task	ML0 Oblivious	Achievement
Deliverable	ML1 Team-Focused	Collaboration Taking Initiative Transparency
Product Service	ML2 Customer-Driven	Acts of Leadership Basic Understanding Customer Awareness Evolutionary Change Flow Narrative Respect
Product Lines Shared Services	ML3 Fit-for-Purpose	Agreement Balance Customer Service Deeper Understanding Fitness for Purpose Leadership at All Levels Short-term Results Unity & Alignment
Product Lines Services Portfolio	ML4 Risk Hedged	Competition Customer Intimacy Deeper Balance Fairness Leadership Development Regulatory Compliance
Business Lines Portfolio	ML5 Market Leader	Business Focus Congruence Equality of Opportunity Experimentation, Rediscovery, Social Mobility
	ML6 Built for Survival	Long-term Survival Tolerance & Diversity

Democratizing Kanban Coaching!

Launched in beta in 2018 it advises kanban coaching appropriateness based on linking:

- Culture
- Practices
- Outcomes



Kanban Maturity Model: Evolving Fit-For-Purpose Organizations
by David J Anderson and Teodora Bozheva

Kanban Method

Kanban Maturity Model

Evolving Fit-For-Purpose Organizations

Release 1.0



General Practices

1. Visualize (with kanban board)
2. Limit work-in-progress (with kanban)
3. Manage flow
4. Make policies explicit
5. Implement feedback loops
6. Improve collaboratively, evolve experimentally using models & the scientific method

Service Delivery Principles

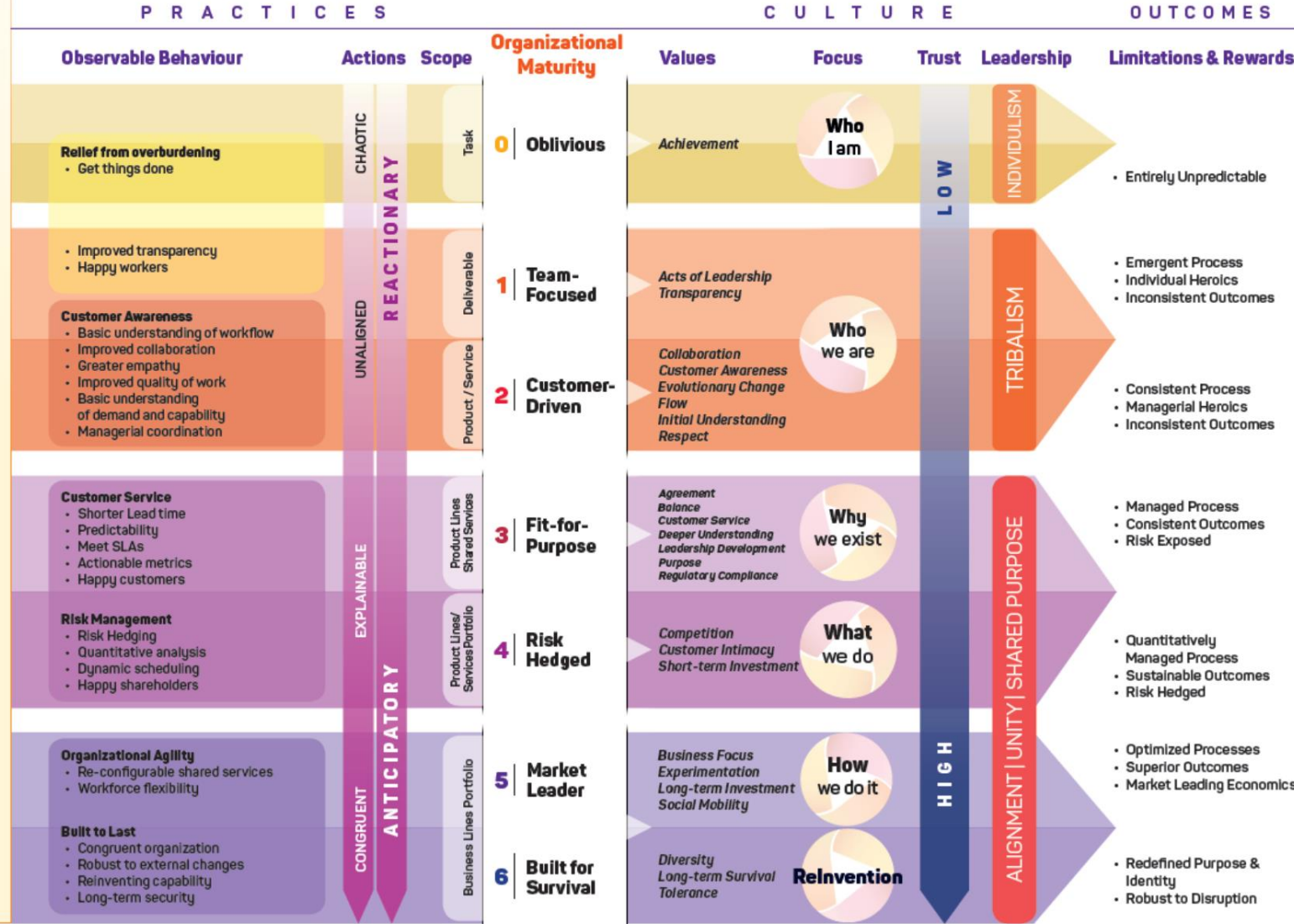
- Your organization is a network of interdependent services with policies that determine its behavior. Therefore:
1. Understand and focus on the customer's needs and expectations
 2. Manage the work; let workers self-organize around it
 3. Regularly review your network of services and manage policies that affect its performance to improve desirable outcomes

Change Management Principles

1. Start with what you do now
 - Understanding current processes, as actually practiced
 - Respecting existing roles, responsibilities & job titles
2. Gain agreement to pursue improvement through evolutionary change
3. Encourage acts of leadership at all levels



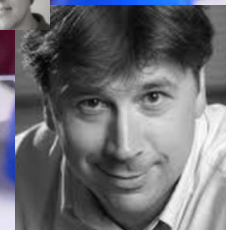
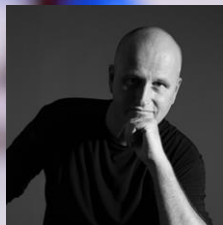
Kanban Maturity Model



More Information: www.kanbanmaturitymodel.com

KANBAN EVOLUTION

THROUGH A GLOBAL PEER NETWORK



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EVOLUTION

THROUGH A GLOBAL PEER NETWORK



Method Feedback Loops:

- Kanban Leadership Retreats
- Multiple Online Forums

Outcomes:

- Developing case studies with empirically observed effects.
- Accepts mutations and novel new approaches
- Expanding, developing and codifying repeated successes.
- Filters out the unproven, unpragmatic and unactionable.

TRAINING

AND CERTIFICATION



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KANBAN

TRAINING AND CERTIFICATION



LeanKanban
UNIVERSITY

edu.leankanban.com

Lean Kanban University, established in 2011, globally offers Kanban training, certification, publishes books and runs conferences.



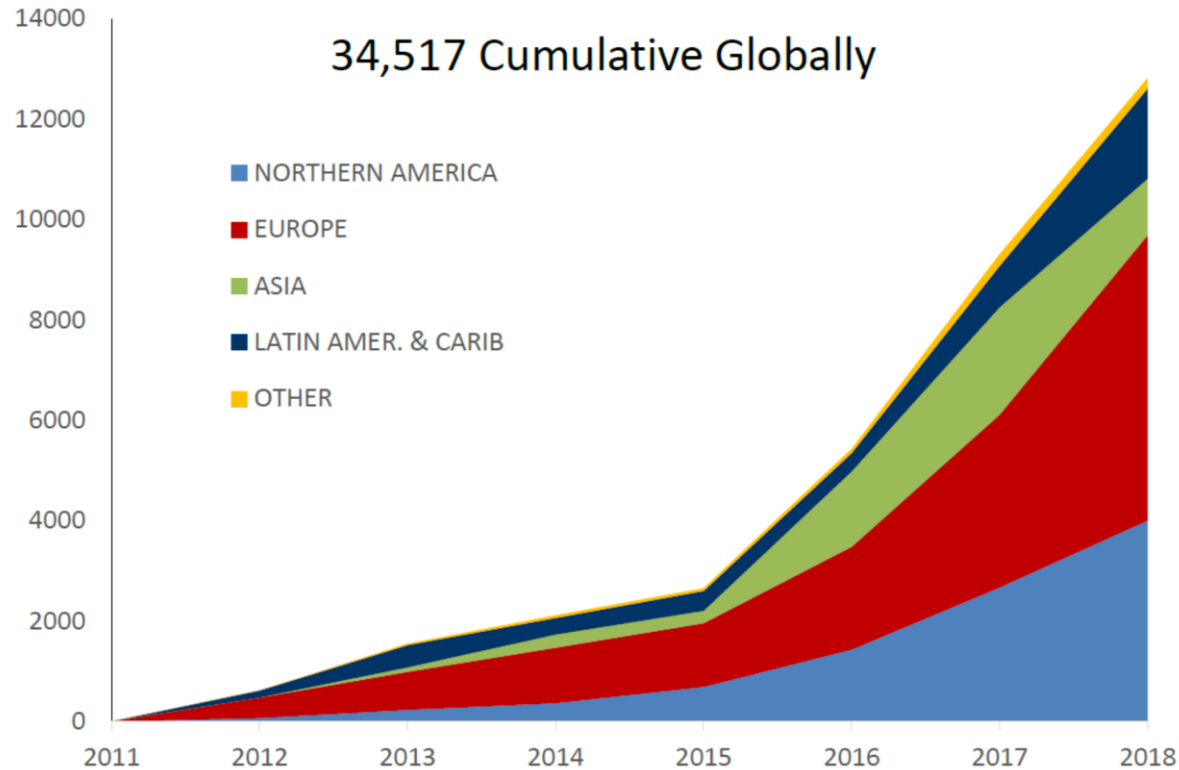
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STEEP GROWTH SINCE 2015



Kanban Students Trained

34,517 Cumulative Globally



- Sharp growth in certification seen through Lean Kanban University.
- Europe, UK, USA & Brazil are the biggest markets.



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KANBAN

TRAINING AND CERTIFICATION

	Team Members	Managers	Coaches	Executives	Trainers	Kanban Experts	
	✓						} Tens of thousands
		✓	✓		✓		
					✓		} Hundreds
 Enterprise Services Planning			✓	✓		✓	
						✓	} < 120



WHAT IS

THE KANBAN METHOD?



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WHAT IS THE KANBAN METHOD?

The Kanban Method can be applied at 3 levels:

- **Teams** to develop sustainable practices
- **Managers** to improve their ability to provide products and services
- **Organizations** to develop responsive enterprises that can navigate an increasingly changing market.

While the Kanban Method is appropriate in all 3 areas, its biggest benefits are realized *at and beyond* Management. For this reason it is appropriately referred to as a *Management Method*.



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KANBAN USED

AS A MANAGEMENT METHOD

ACHIEVE ORGANIZATIONAL BALANCE THROUGH 5 KEY CONCEPTS

Visual
Models



Improved
Predictability
through Flow



Maximize
Agility



Service
Delivery
Commitment



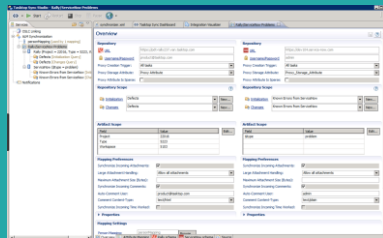
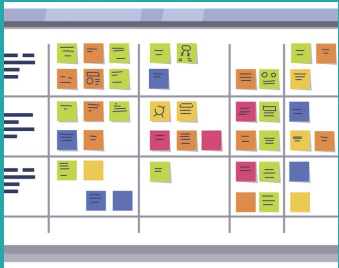
A Culture of
Respect &
Leadership



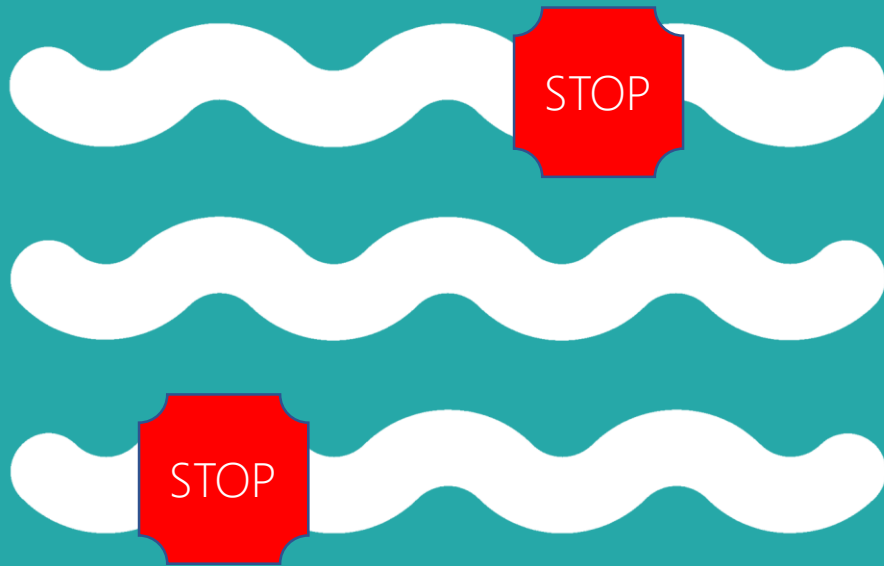
VISUAL MODELS

Knowledge Work is largely intangible. Kanban uses visual models such as boards and metrics to “unhide” work in progress.

This creates visibility into status and a single point of truth for collaboration



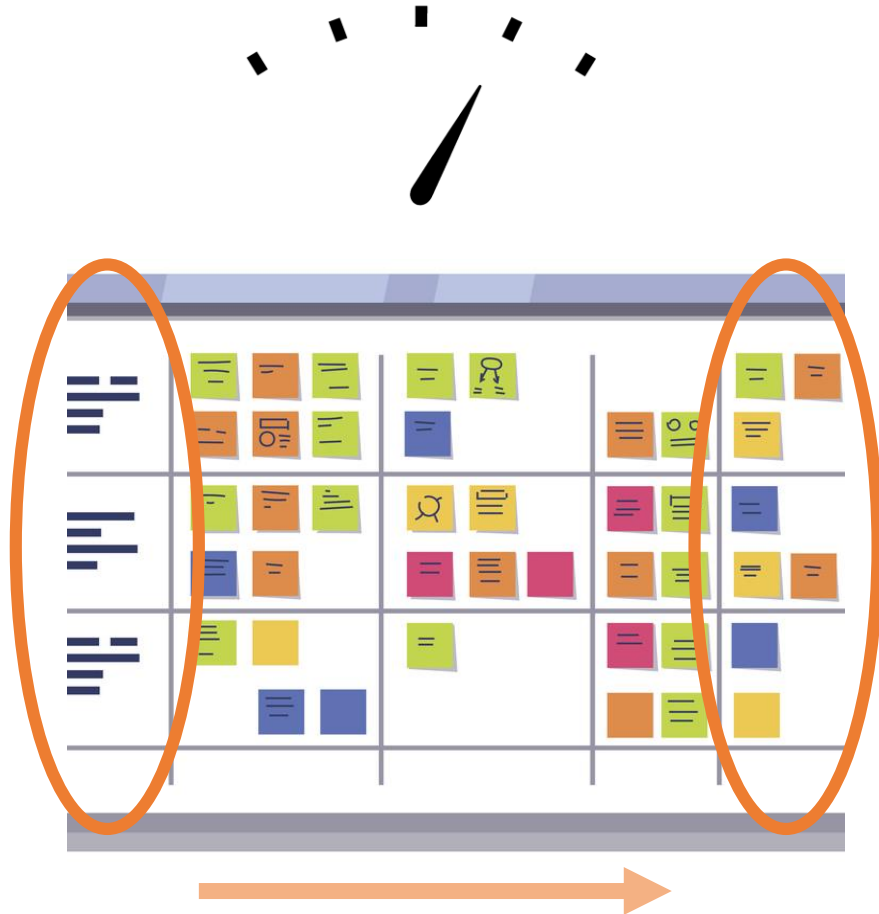
IMPROVED PREDICTABILITY THROUGH FLOW



There are many ways in which our work can get stuck: dependencies on others, rework, unclear needs, interruptions, and bottlenecks to name a few. These delays introduce risk to your ability to provide predictable and reliable products and services.

The Kanban Method provides techniques to manage flow, remove delays, and get risks under control.

MAXIMIZE AGILITY



Agility is the ability to match the pace demanded by your market. The more frequently your market changes, the more agile you may need to be. Maximize your agility by offering approaches to manage your:

- Frequency of starting work
- Speed of delivery
- Consistency of delivery
- Frequency of delivery

SERVICE DELIVERY COMMITMENT

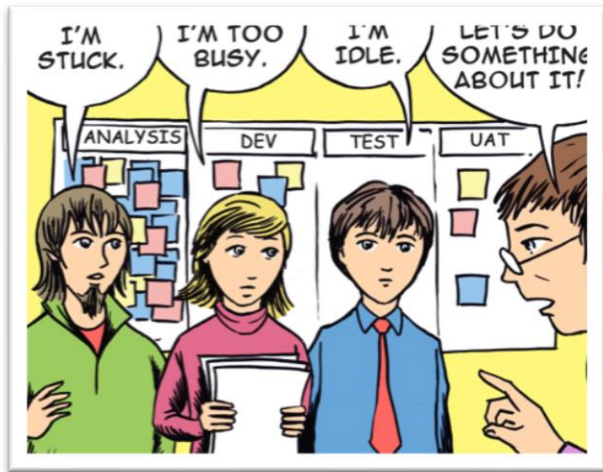
The Kanban Method allows you to manage your capabilities so that you can make promises that you can keep.

With Kanban you can effectively measure your service, judge the impact of changes you introduce, and use data to effectively predict your delivery capabilities.



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A CULTURE OF RESPECT & LEADERSHIP



In many companies, the structure of the organization prevents people from reaching their full potential

The Kanban Method encourages participation throughout your workforce to lead change.

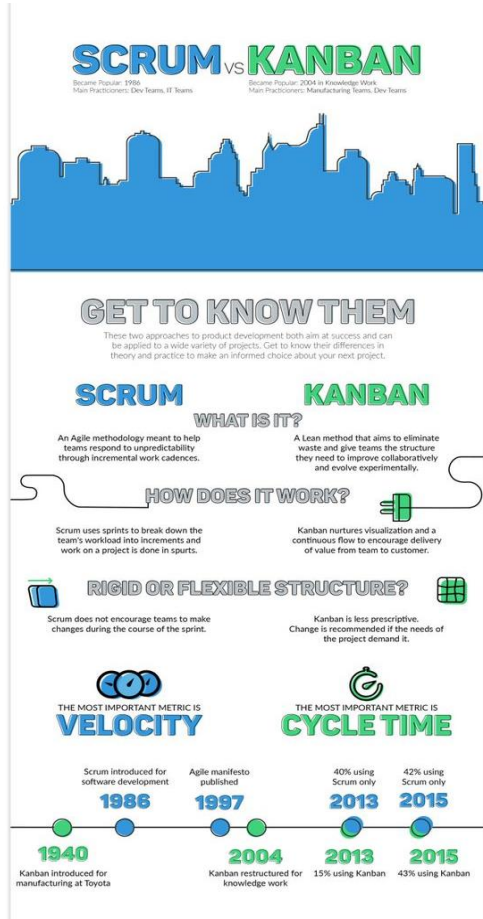
It is done in an evolutionary way, starting with what you do now, to avoid change resistance and introducing unmanaged risks

KANBAN

MYTHS

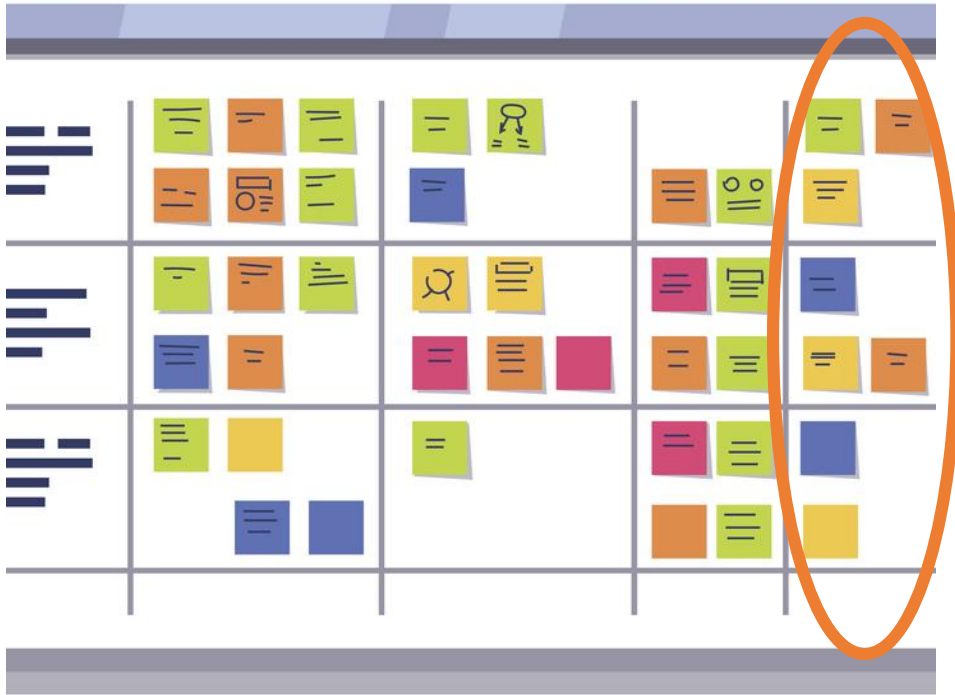


KANBAN MYTHS



Myth: You have to choose Kanban vs something else. E.g. Scrum, SAFe, Waterfall, XP, etc..

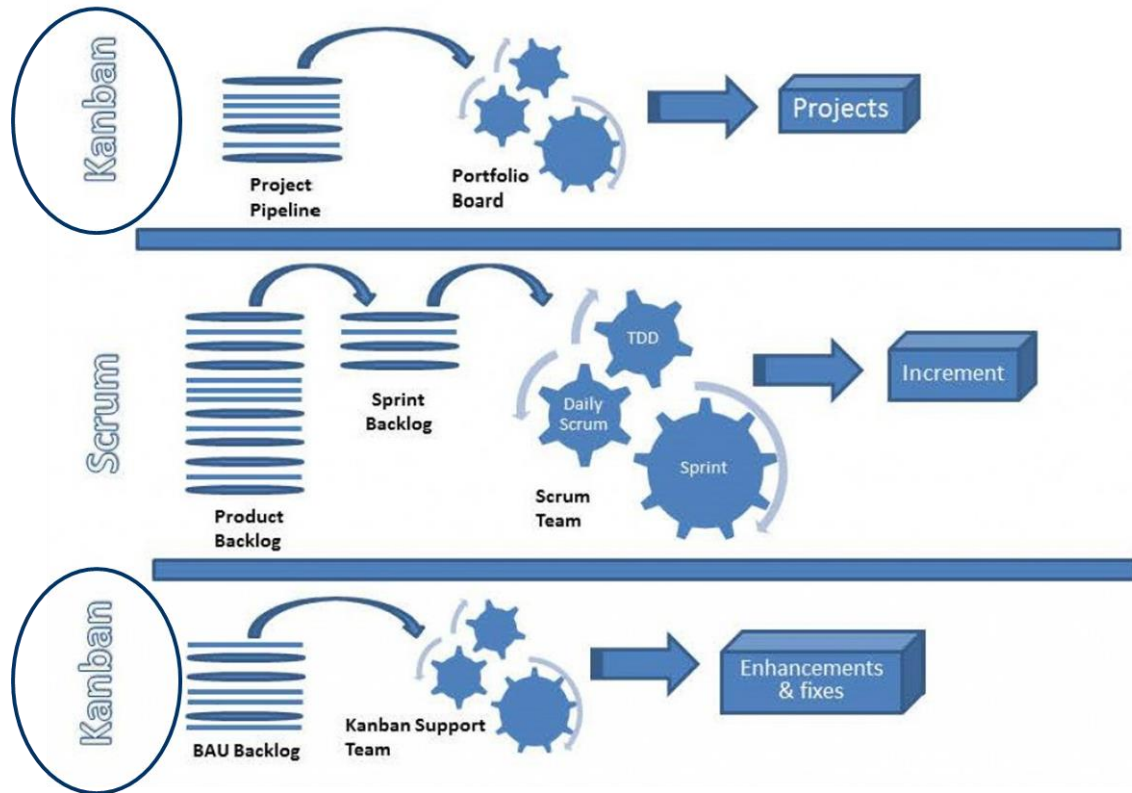
KANBAN MYTHS



Myth: You can only use Kanban if you wish to do continuous delivery.

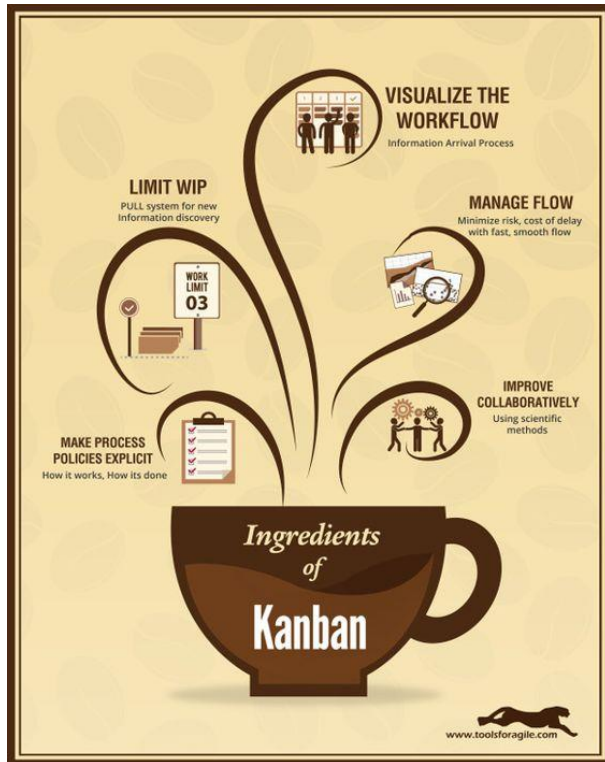
KANBAN MYTHS

THE “KANBAN SANDWICH” OF AGILE PRACTICE AT SCALE



Myth: Kanban has its place as part of something else.

KANBAN MYTHS

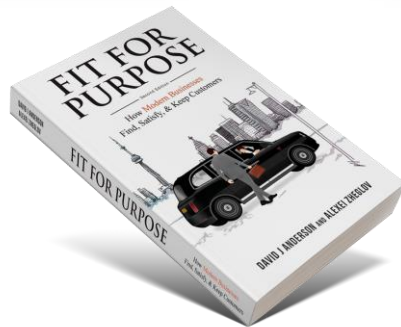
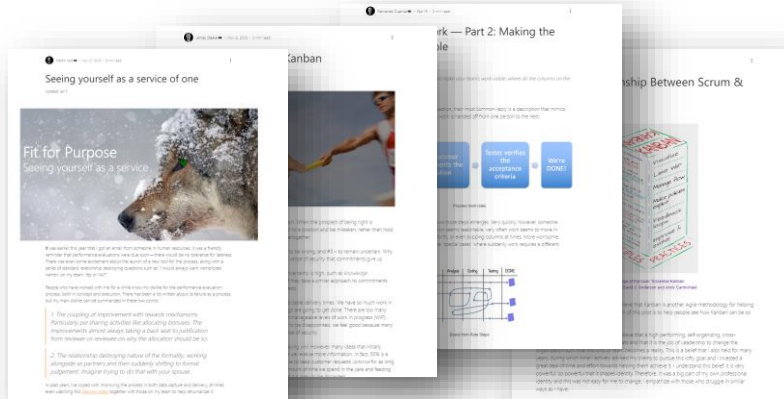


Myth: You do Kanban by following a recipe. You just follow a set of Kanban practices

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MONTHLY KANBAN MEETUP

squirrelnorth.com/kanbanto



KMP I - Kanban Systems Design | May 27 & 28
Management tools for leaders seeking agility.

AGILE METRICS | May 29
Know what and how to measure. Use data to manage & predict.

KMP II - Kanban Management Professional | May 30 & 31
Become adept at the Kanban Method and get KMP certified.

Sign up individually or take KMP I or KMP II with Agile Metrics
Learn more and register here: squirrelnorth.com/metrics-kanban-week

SQUIRRELNORTH

Instructors: Fernando Cuenca, KCP, AKT
Martin Aziz, KCP, AKT



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THANK YOU!

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martin@squirrelnorth.com

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