

AgileVietnam 2018

Making Realistic Contracts with Agile

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Background

- 13+ years in technology fields, with 10+ in management roles
- Customer-facing, on-site experiences in USA, Japan, France, China, Singapore, Philippines, Australia
- Frequent speaker at international and regional conferences:
 - Semicon Shanghai (2010), ICEC Hanoi (2012), HPC Conf Singapore (2013), GPU Techconf USA (2014), AgileVietnam (2017 & 2018)
- Expertise in Product Development and Program/Project Delivery, especially with Agile methodologies
- Rich experiences:
 - Big Data Analytics, Embedded Systems, High Performance Computing, Cloud & Distributed Systems, Machine Learning, Semantic Web
- MBA @ AIT (Bangkok) & PSM II certified

What is a contract?



- A **voluntary, deliberate**, binding **agreement** between two or more **competent** parties
- Can be **written, verbal** or even **implied**
- Each party acquires **rights and duties relative** to those of the other parties.
- All parties may **expect a fair benefit**, commonly, each party will **NOT benefit to an equal extent**.
- Usually have a **validity/expiry duration** and **liabilities**

(BusinessDictionary)

So, what are possible contracts in Agile context?

- Product roadmap?
- Release milestones?
- Sprint?
- Product Backlog?
- Sprint Backlog/Sprint Goal?
- Story?
- Velocity?
- Burn-downs
- Task/sub-task breakdown?
- Estimation?
- Scrum team allocation?
- Daily-Scrums?

So, what are possible contracts in Agile context?

- ~~Product roadmap~~
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→ The most important thing is with a “contract mindset”, your team will have more focus and seriousness to accomplish things

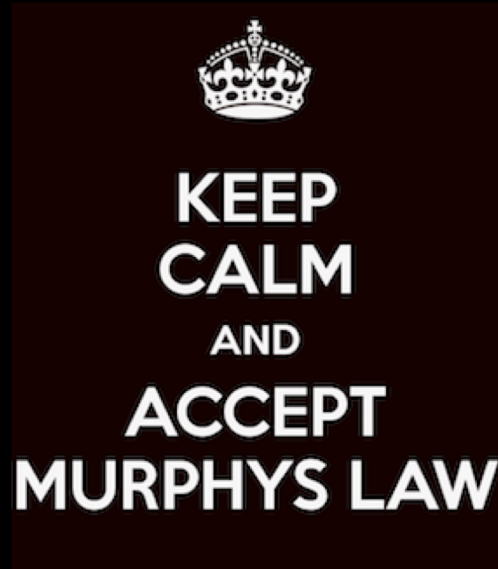
What can go wrong?

Anything that can go wrong will go wrong

(Murphy's law)

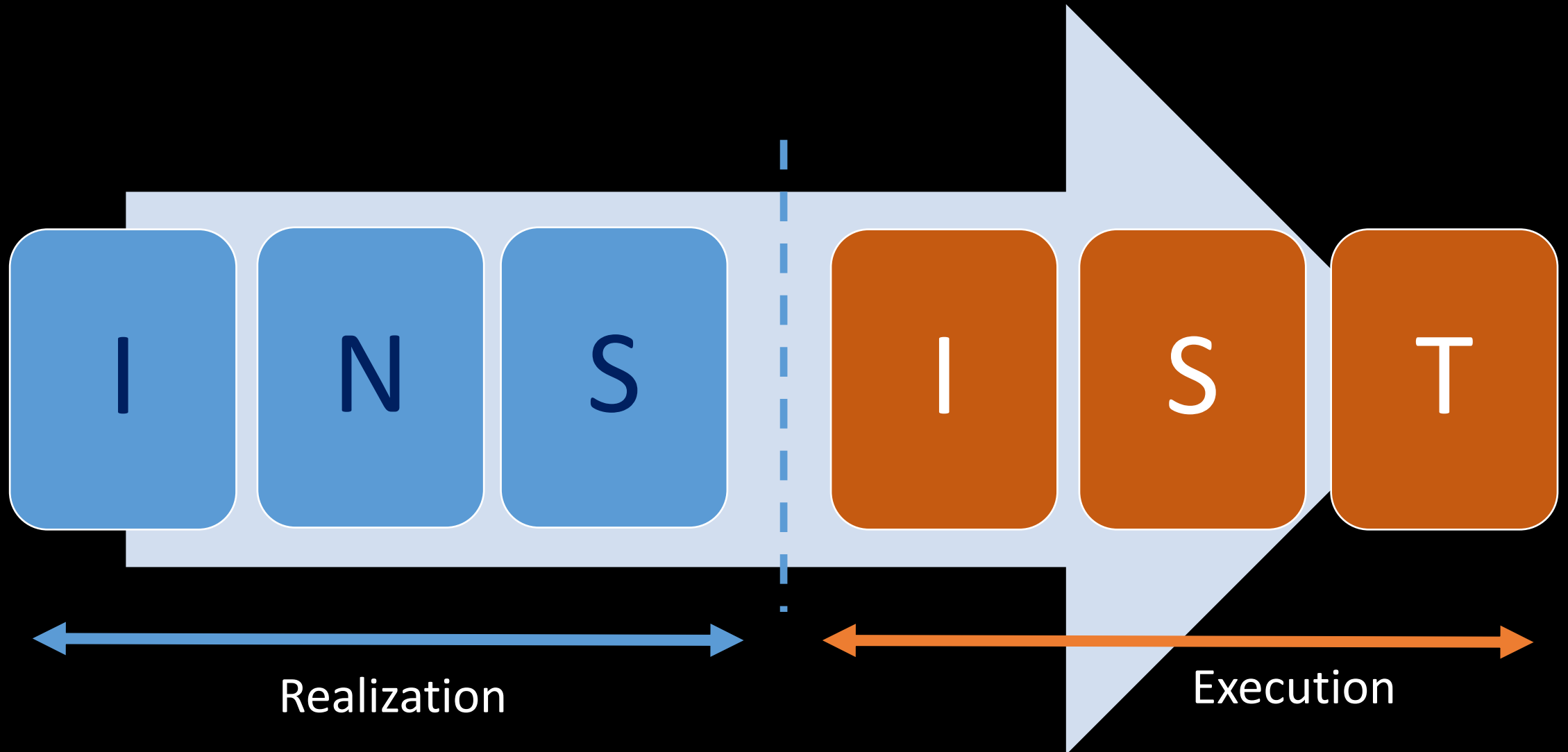
→ Things will go wrong in any given situation, if you give them a chance

Then, how to make them realistic?



→ If you are dealing with Agile, you need to face with **constant changes and adaptation**.

Then, how to make them realistic?



Then, how to make them realistic? INSIST

1. INSIGHTS

- Understand the background information
- Understand the decision-makers
- Understand the stakeholders
- Understand the situation
- Understand your peers and/or team-mates
- Understand the pros and cons



Then, how to make them realistic? INSIST

2. NORMS

- Setup **definitions**: DoR, DoD, project dictionary
- Setup **common processes**: code review, build/release, QA, DevOps
- Setup **reporting** mechanism
- Setup document **templates**
- Provide relevant and necessary **samples**
- Following the three values: **Clarity, Simplicity, Integrity**



Then, how to make them realistic? **INSIST**

3. SYNCHRONIZATION

- Negotiate to ensure **major benefits are met**
- Setup proper, explicit **expectations from all parties**
- Beware of **hidden implications**
- Setup effective **communication channels & protocols**
- Setup necessary **escalation paths**
- Verify **penalty clause enforcement** (if relevant)
- **Double check** and again



Then, how to make them realistic? INSIST

4. INSPECTIONS

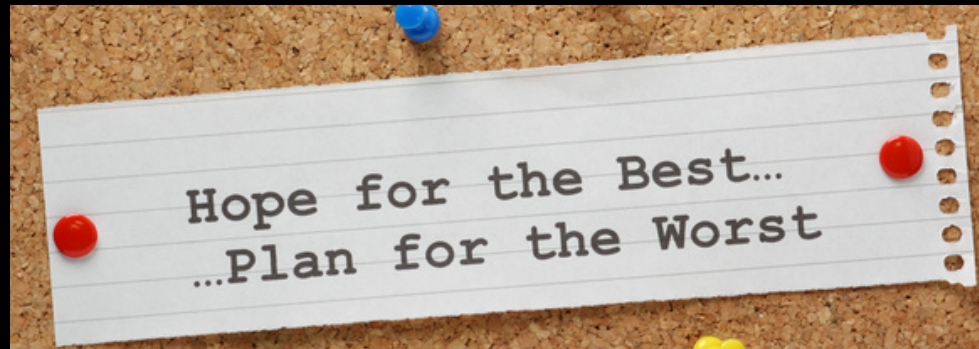
- Setup necessary and **suitable metrics** for inspection
- Make use of the **pre-defined checkpoints**, i.g:
Scrum ceremonies
- **Check with SMEs** before escalation
- Employ the **right escalation processes** and instructions
- Don't let them get into the way of work



Then, how to make them realistic? INSIST

5. SECONDARY PLANS

- Proper **estimation markups** based on **risk-analysis** (impact vs. probability)
- Prepare **Plan B, Plan C, Plan D...** accordingly
- Set **expectations in advance**, make sure **everyone on the same page**
- A good approach is **“No-Surprise” policy**



Then, how to make them realistic? INSIST

Risk-analysis matrix (usually 3x3 or 5x5)

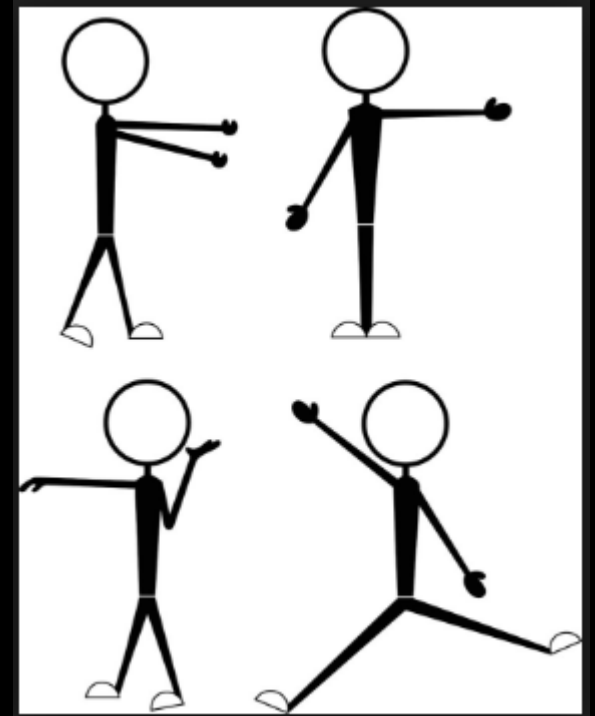
Likelihood ↑	Very likely	Acceptable risk Medium 2	Unacceptable risk High 3	Unacceptable risk Extreme 5
	Likely	Acceptable risk Low 1	Acceptable risk Medium 2	Unacceptable risk High 3
	Unlikely	Acceptable risk Low 1	Acceptable risk Low 1	Acceptable risk Medium 2
What is the chance it will happen?		Minor	Moderate	Major
		Impact → How serious is the risk?		

Probability ↑	Frequent	MODERATE	MODERATE	HIGH	HIGH	HIGH
	Probable	LOW	MODERATE	MODERATE	HIGH	HIGH
	Occasional	LOW	MODERATE	MODERATE	MODERATE	HIGH
	Remote	LOW	LOW	MODERATE	MODERATE	MODERATE
	Improbable	LOW	LOW	LOW	LOW	MODERATE
		Negligible	Minor	Serious	Major	Critical
		Severity →				

Then, how to make them realistic? **INSIST**

6. **TIMELY ACTIONS**

- Ensure the **top benefits** of the parties are still being met/considered
- Consider on **domino effects/chain reactions**
- Consider **sustainable approaches** instead of just imminent solutions
- **OT** should not be used as a plan, but only for **contingency**



For more information/questions:

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Thank you