

# Understanding Agile from a PMP®'s Perspective!

Exploding the myth that Agile is not in the PMBOK®



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The claim that Agile is *outside* the PMBOK® Guide has *no basis in fact!*

- Fact – The PMBOK® Guide included Rolling Wave Planning, Progressive Elaboration, and Decomposition *long before the Agile Manifesto was written.*

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The claim that Agile is a *revolution* is an *exaggeration!*

- Fact – Agile applies Lean Principles to project management. It offers improved planning and team management practices.

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*Every* Agile framework is missing *two key* components.

- Fact – Every Agile framework is missing *budgeting* and *sophisticated scheduling* tools. The PMBOK® Guide solves those problems and makes Agile better!

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Agile, *as practiced by many agilists*, ignores the needs of the organizational-customer for estimating and planning.

- Fact – Many Agilists ignore the proven scheme of ROM, Budgetary, and Definitive estimates for reliable planning that supports the organizational-customer. The PMBOK® Guide solves that problem and makes Agile better

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None of those facts mean  
I am *against* Agile!

Please let me introduce myself.

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## Introduction:

John Stenbeck, PMP, PMI-ACP, CSM, CSP



- Sr. PM Consultant for client-side ERP implementations
- Past President and VP of Prof. Dev. for PMI-SD
- Adjunct instructor at the University of California San Diego (UCSD)
- Trains technical professionals in Aerospace, Defense, High Technology, Financial Services, Bio-medical and Life-science fields

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PMI-ACP



**ACP Exam Prep Plus Desk Reference**  
*including the Project Management Agile Body of Knowledge*

**AGILE GOVERNMENT CONTRACTING**  
*Expert Guidance for Agency Leaders, Contracting Officers, Procurement Professionals, Program Managers, and Prime Contractors and Sub-contractors*

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Featuring:  
• Two Full Length ACP Final Exams  
• FREE Trial of Online Exam Simulator with Over 1,000 Questions  
• The Agile Process Map™  
• The Agile PMBOK™

A Field Guide with Agile-specific citations and step-by-step procedural outlines from including:  
• 50+ FAR and DFARS citations  
• 8 OMB citations  
• Several Executive Orders  
• Many Legislative Acts

GR8 IPM  
*Traditional. Agile. Hybrid.*

1st PMI-ACP Exam Prep book, published Jan. 2012

1st Agile Government Contracting, coming March, 2014

1st PMI-ACP & CSP Prep book, published June 2013

## GR8PM Introduction:



- PMP and ACP Exam Prep classes
- Scrum Master Certification classes
- Corporate On-site seminars:
  - Command Course in Agile Project Management
  - Project Management Boot Camp
  - Crash Course in Leadership
  - Masters Course in Estimating and Risk Management
- Agile-Organization Support Services:
  - Agile Enterprise Roll-out Consulting
  - Agile PMO Deployment

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## GR8PM Introduction:



### Partial List of Past Clients

- Booz Allen Hamilton, Inc., McLean, VA
- Guinness Bass Import Company, Greenwich, CT
- Lucent Technologies – Bell Labs, Allentown, PA
- Nike Corp., Beaverton, OR
- Oracle Corp., Redwood Shores, CA
- Qualcomm Inc., San Diego, CA
- U.S. Army – Space & Terrestrial Communications Directorate, Fort Monmouth, NJ
- U.S.D.A. – National Finance Center, New Orleans, LA
- Visa – Smart Cards, Foster City, CA

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Recent GR8PM research showed PMP®'s top Agile concerns are:

- What is the PM's role in Agile?
- Can Agile projects coexist in a Traditional environment?
- Can project-types be reliably aligned with specific Agile tools and practices?

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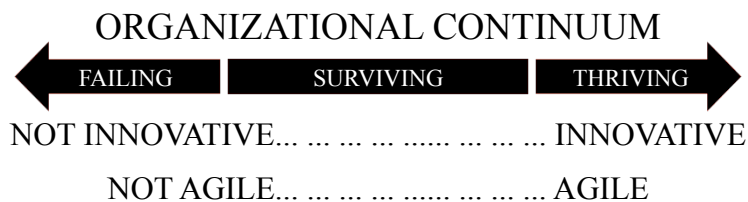
The PM's role in Agile depends...



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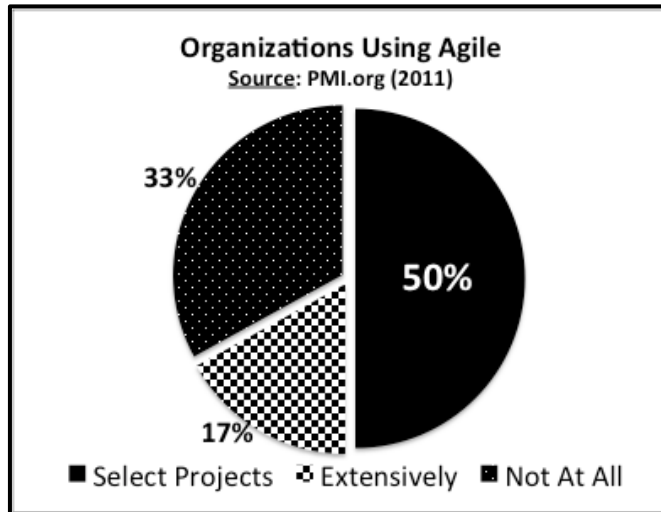
Why is agility so important?



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Why is agility important to YOU?



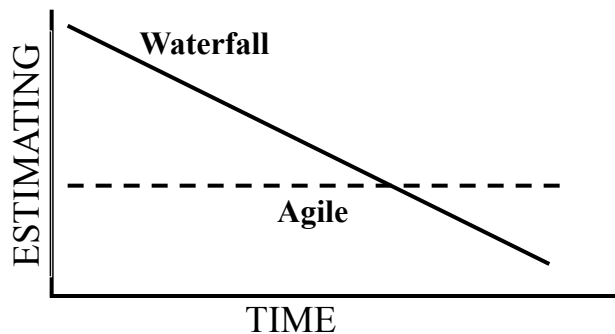
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Can Agile projects coexist in a Traditional environment?

When is it best to do detailed estimating, (a) when you know very little or (b) when you know a lot?



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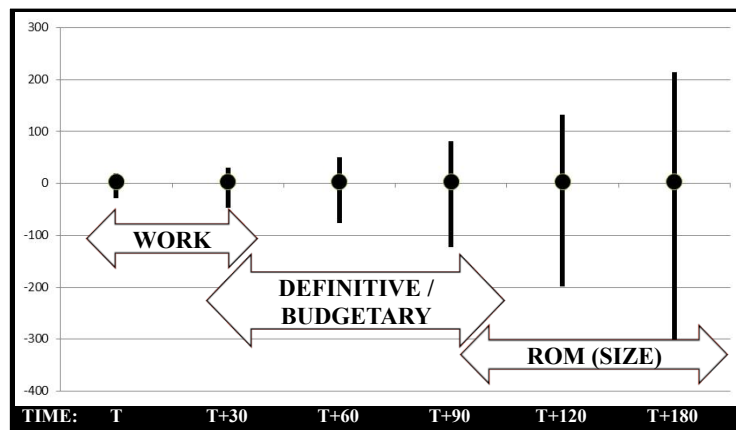


## Fundamental Premise of Planning

<u>Estimate Types</u>	<u>% Design Complete</u>	<u>Estimate Accuracy</u>
ROM	0 – 10 %	+100% to – 50%
Budget	15 – 25 %	+30% to – 15%
Definitive	45 – 100 %	+15% to – 5%

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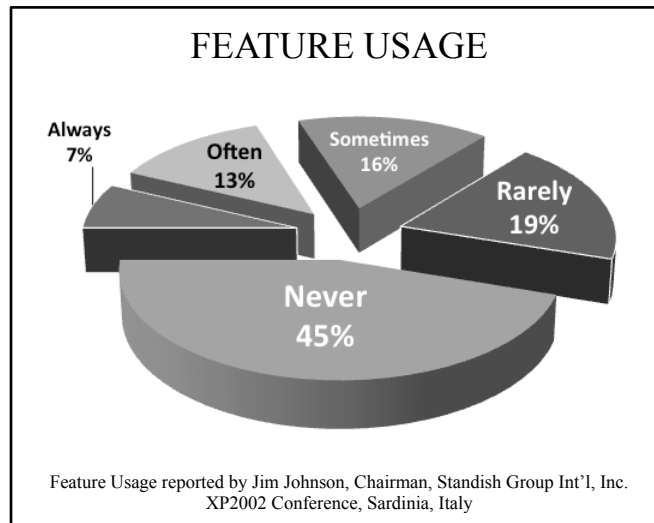


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How is level-set planning and estimating done?



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● Where does agility come from?

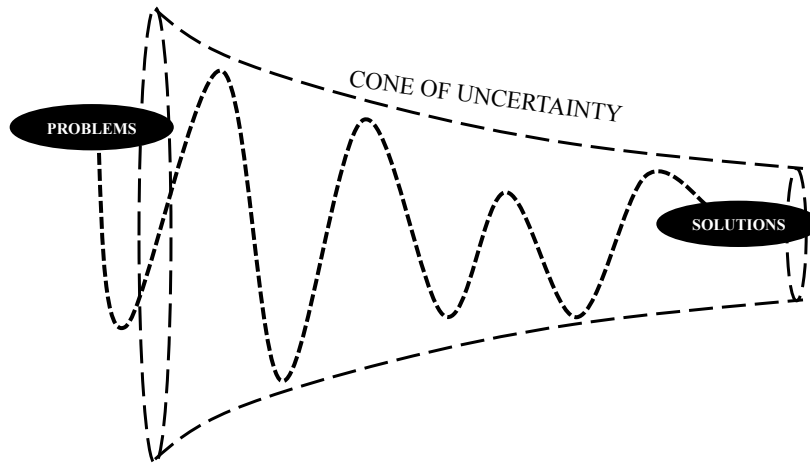


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What is the Agility “Challenge”?

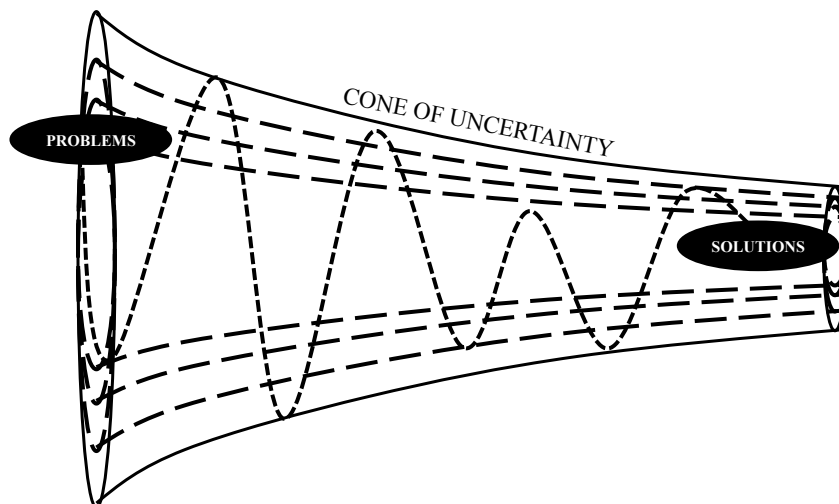


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How is Agility Increased?

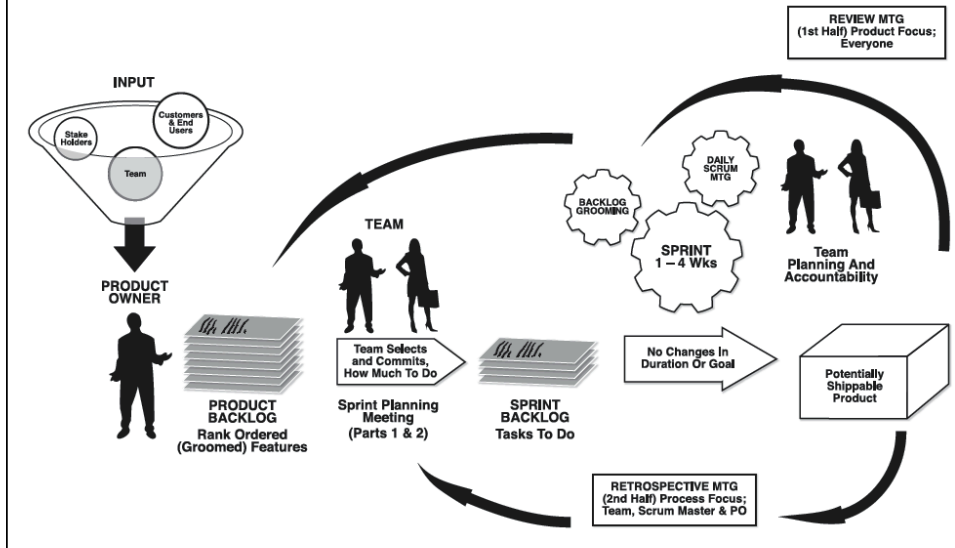


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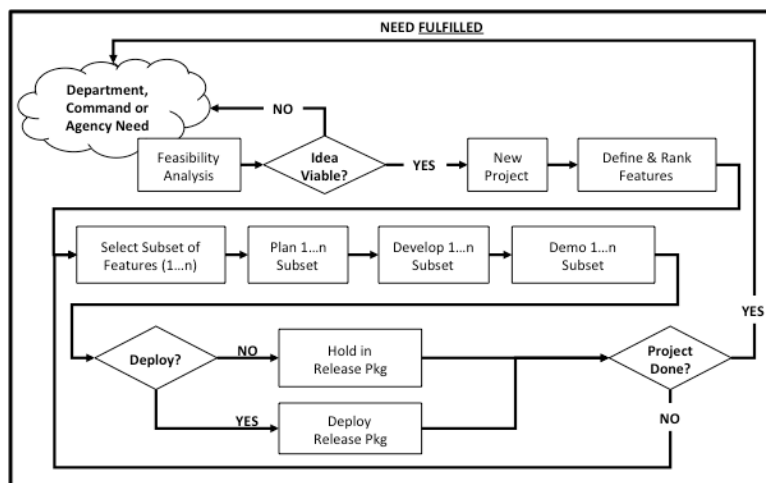
## Agile's Best Known Process



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## ● Planning *Despite* Complexity and Uncertainty



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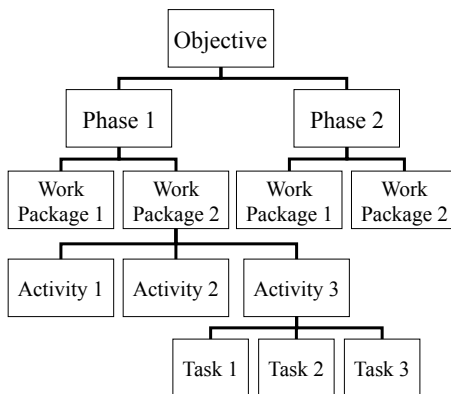


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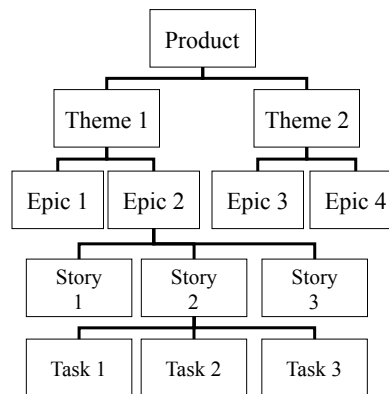


Recognize Similar Taxonomy for Each Methodology

**Traditional:**  
Graphical WBS



**Agile / Scrum:**  
Feature Structure



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Definitions are completely arbitrary logical devices.

<u>PMBOK:</u>	<u>AGILE:</u>	<u>DEFINITION:</u>
1. Objective	1. Product	1. Business-level Full Function Vision
2. Phase	2. Theme	2. What a User <u>Class</u> wants to see or experience (Sub-function; End-to-end workflow)
3. Work Pkg.	3. Epic	3. What a User will do and the result(s) they will see
4. Activity	4. Story	4. Workflow component in User words
5. Task	5. Task	5. Technical job plus acceptance criteria

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### Recognize Similar Taxonomy for Each Methodology Traditional vs. Agile/Scrum Roles Map

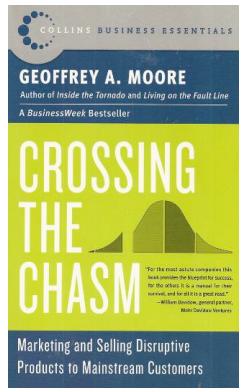
<u>Traditional:</u>	<u>Agile / Scrum:</u>
• Stakeholders & Sponsor	• Stakeholders & Sponsor
• Program or Sr. Project Manager	• Product Owner
• Jr. PM or Team Lead	• Scrum Master
• Team and SME's	• Team and SME's
• Everybody else	• Everybody else

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## Why is PMI-ACP® Important to YOU?



- First adopters = 16%
  - Innovators and Early Adopters
- Second Adopters = 34%
  - Early Majority
- Third Adopters = 34%
  - Late majority
- Fourth Adopters = 16%
  - Laggards

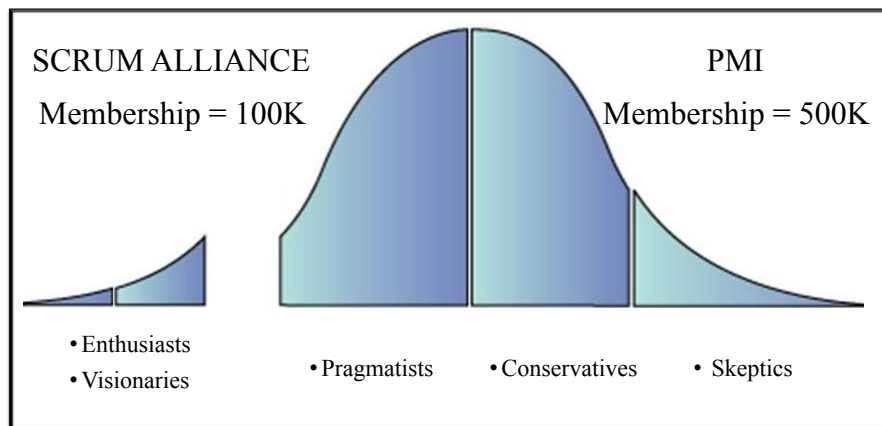
*Crossing the Chasm: Marketing and Selling Disruptive Products to Mainstream Customers*, by Geoffrey A. Moore, HarperBusiness, 1991

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## • How Do We Know Agile Has Crossed Over?

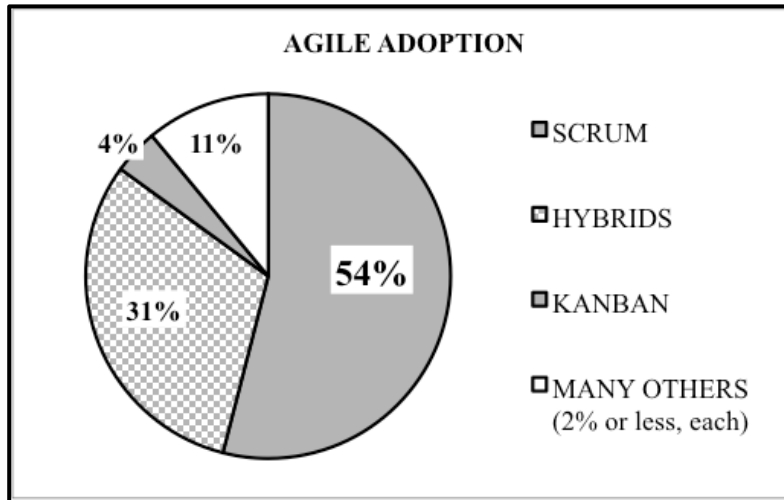
- The **math** says so!



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### ● Seventh Annual "State of Agile Development"

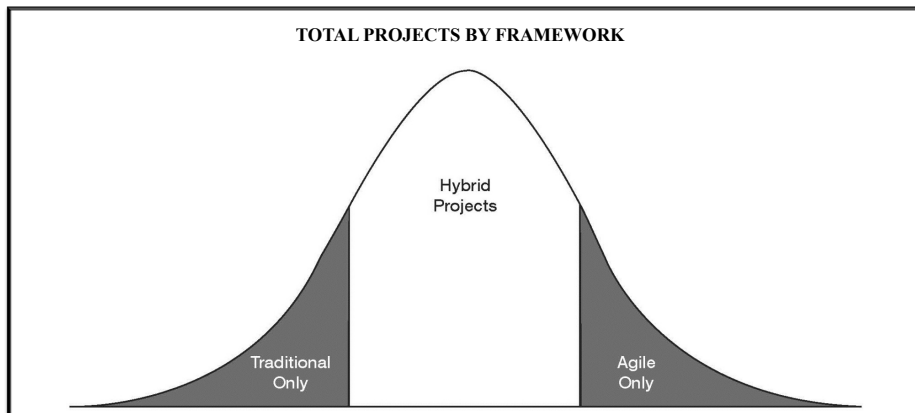


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### Why is PMI-ACP® Important to YOU?



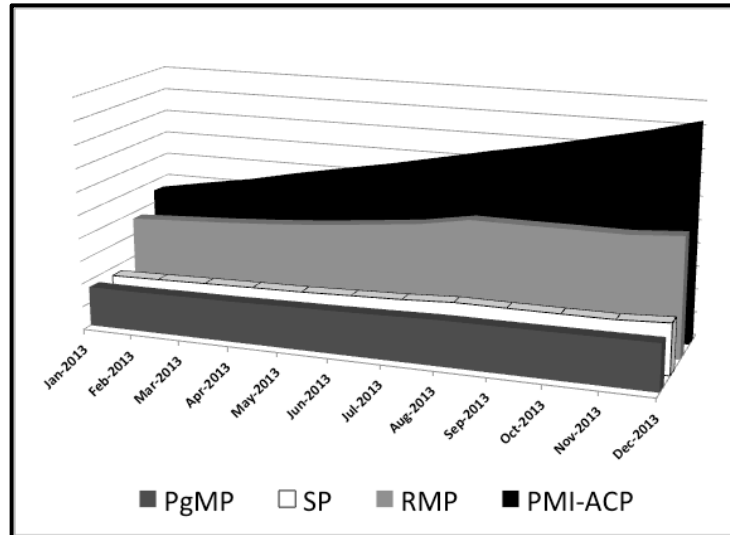
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### Why is PMI-ACP® Important to YOU?



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### Does the *PMBOK*® *Guide* allow Agile?

- Fact – The *PMBOK*® *Guide*, **in every Edition**, supplies standards for good project management practices, but does **not** advocate any particular methodology.
- Fact – The *PMBOK*® *Guide*, *Third Edition* stated, “...there is **no single best way** to define an ideal project life cycle.”
- Fact – The *PMBOK*® *Guide*, *Third Edition* states the project management process is “a collection of **generally sequential** project phases whose name and number are **determined by the control needs of the organization ...**”

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Knowledge Areas	Project Management Process Groups				
	Initiating	Planning	Executing	M & C	Closing
Project Integration	• Develop Project Charter	• Develop Project Management Plan	• Direct and Manage Project Execution	• Monitor and Control Project Work • Perform Integrated	• Close Project or Phase

### Fact – Integration Management

- Integration, in the context of managing a project, is making choices about where to concentrate resources and effort on any given day, anticipating potential issues, dealing with these issues before they become critical, and coordinating work for the overall project good.  
— *PMBOK® Guide, Third Edition*
- Integration management is a juggling act of trade-offs and coordination as part of balancing the project execution and the expectations of the stakeholders.

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Knowledge Areas	Project Management Process Groups				
	Initiating	Planning	Executing	M & C	Closing
Project Scope Management		• Collect Requirements • Define Scope • Create WBS		• Verify Scope • Control Scope	

### Fact – Scope Management

- Project Scope Management includes the processes required to ensure that the project includes all the work required, and only the work required, to complete the project successfully.  
— *PMBOK® Guide, Third Edition*

Which is riskier, 2 critical paths or 1? Traditional fixes scope and tries to control 2 variables - time and cost. Agile fixes those two and controls 1 variable - scope.

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Knowledge Areas	Project Management Process Groups				
	Initiating	Planning	Executing	M & C	Closing
Project Management	• Develop Project	• Develop Project	• Direct and Manage	• Monitor and	• Close Project or
Project Time Management		• Define Activities • Sequence Activities • Estimate Activity		• Control Schedule	

### Fact – Time Management

- Time management includes the processes required to accomplish timely completion of the project.  
— **PMBOK® Guide, Third Edition**

Using high-precision low-accuracy information to predict dates or plan sets a project up for failure. Manage time by **forecasting** instead of **prediction**.

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Knowledge Areas	Project Management Process Groups				
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Project Management	• Develop Project	• Develop Project	• Direct and Manage	• Monitor and	• Close Project or
Project Cost Management		• Collect Requirements • Define Scope • Create		• Verify Scope • Control Scope	

### Fact – Cost Management

- Project cost management includes the processes involved in planning, estimating, budgeting and controlling costs so that the project can be **completed within the approved budget**.  
— **PMBOK® Guide, Third Edition**

We cannot maximize business or customer value without working closely with the customer. The goal of estimating and budgeting – cost management – is to **help the customer select the best cost/performance trade-off**.

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Knowledge Areas	Project Management Process Groups				
	Initiating	Planning	Executing	M & C	Closing
Project Quality Management		• Plan Quality	• Perform Quality Assurance	• Perform Quality Control	

### Fact – Quality Management

- Project Quality Management processes include all the activities of the performing organization that determine quality policies, objectives, and responsibilities *so that the project will satisfy the needs* for which it was undertaken. — **PMBOK® Guide, Third Edition**

‘Quality’ is what the customer gets out and is willing to pay for. Customers pay only for what is of use to them and gives them value. Nothing else constitutes ‘quality’.

— Peter Drucker.

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Knowledge Areas	Project Management Process Groups				
	Initiating	Planning	Executing	M & C	Closing
Project Management Integration	• Develop Project Charter	• Develop Project Management Plan	• Direct and Manage Project Execution	• Monitor and Control Project Work • Perform Integrated Change Control	• Close Project or Phase
Project Scope Management		• Collect Requirements • Define Scope • Create WBS		• Verify Scope	
Project Time Management		• Define Activities • Estimate Activity Resources • Estimate Activity Durations • Develop Schedule			
Project Cost Management		• Estimate Costs • Determine Budget			
Project Quality Management		• Plan Quality			

**Inputs**

- Project Statement of Work (Light version)
- Contract (Agile version)

**Outputs**

- Project Vision Statement
- Feature Descriptions

All projects – Traditional and Agile – use a kick-off ceremony to describe the engagement and manage expectations. It usually includes reviewing the Project Charter that describes Why, What, When, Where, and for Whom the project is being done.

The key difference lies in the approach to the question, “How will it be done?” Agile uses iterative development to increased business involvement, team commitment, and process improvement.

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Project Quality Management		• Plan Quality	• Perform Quality Assurance	• Perform Quality Control	

**Inputs**

- Project Vision Statement
- Feature Descriptions

**Outputs**

- Roadmap and Release Plans
- Epic-level Stories

The PMBOK® Guide recommends Progressive Elaboration as the process to update and refine project plans which matches Agile's use of Stories to develop a Roadmap that is composed of Release Plans. Release Plans are equivalent to a project management plan.

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Project Quality Management		• Plan Quality			

**Inputs**

- Release Plan
- Epic and User Stories

**Outputs**

- Product Backlog
- (Initial) Prioritization

The PMBOK® Guide identifies Define Scope and many PMs interpret that as a one-time activity even though it conflicts with Progressive Elaboration. Agile embraces Progressive Elaboration by establishing a framework – the Product Backlog – for scope management. The Backlog is prioritized and frequently reviewed and revised to manage project scope.

Given the high uncertainty about requirements and/or high technological risks facing most projects it is a wise approach.

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Project Quality Management		• Plan Quality			

**Inputs**

- Prioritized Product Backlog

**Tools**

- Prioritization techniques
- Sizing and Estimating techniques
- Iteration Planning techniques

**Outputs**

- Prioritized Iteration Backlog
- User Stories

Traditional project management uses a hierarchy of Program, Project and sub-Project plans to sequence work and measure progress. Agile uses a hierarchy of Roadmap, Release, and Iteration plans to do the same thing.

Agile project sequencing is more dynamic because of its Lean-driven focus to eliminate the waste of non-value-added work.

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Project Cost Management		• Estimate Cost • Determine Budget			
Project Quality Management		• Plan Quality			

**Inputs**

- Roadmap and Release Plans
- Product Backlog
- Iteration Backlog

**Tools**

- Sizing and Estimating techniques
- Velocity Analysis

**Outputs**

- Cost Baseline
- EVM Baseline

Key concept – *Estimates are wrong by design!* Knowing this truth, Agile avoids false precision in order to eliminate waste and focuses on producing useful, reasonable cost estimates and schedules to support needed and required planning.

Over time project metrics – such as velocity, quality, and change rates – stabilize and Agile cost estimates become more reliable than traditional ones.

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Project Cost Management		• Estimate Cost • Determine Budget			
Project Quality Management		• Plan Quality			

**Inputs**

- Product Backlog
- User Stories

**Tools**

- Modeling techniques

**Outputs**

- Models (Multiple, small, interlocking models)

Agile's approach to Quality is Organic, and Overt if needed.

Projects include more frequent quality review steps because the Team includes QA. Smaller, more frequent reviews reduce waste by reducing how far off-track any work can actually go.

Organic means that the Customer/Proxy must be involved with defining story specifics, among other things. Overt means specific data capture and reporting can be called out if needed or required – by regulators, for example.

**GR8PM**  
*Traditional • Agile • Hybrid*  
Training • Coaching • Consulting



May I have  
*your permission*  
to close with a bit of  
*shameless self-promotion?!?*



## Foundational Agile Class



### Agile 101 for PMP®s – Best Practices

- Clarify *if, when,* and *how* you should use Agile
- See Agile projects in an “emersion” environment
- Become well-equipped to manage Agile projects
- Learn how to handle projects with *dynamic, changing scope* and *fixed dates and costs*
- Examine Agile budgeting and progress reporting
- And much, much more

**PMI-No. Nevada Class**  
**1-day ♦ 12 PDUs**  
**April 11, 2014**

## Advanced Agile Class



### *Advanced* Agile-Enterprise *Practices* for PMP®s

- Discover the PM’s role in Agile
- See Agile projects coexist in a Traditional environment
- Test project-types against Agile tools and practices
- Learn how Agile handles long-range planning
- Study how Agile optimizes estimating variances
- Examine Agile budgeting and progress reporting
- And much, much more

**PMI-No. Nevada Class**  
**1-day ♦ 12 PDUs**  
**April 12, 2014**



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at [jstenbeck@gr8pm.com](mailto:jstenbeck@gr8pm.com)