What got you here, wont get you there – A Story of transformations

Mirco Hering
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About me

Mirco Hering
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At work

• Run a team of passionate transformation agents
• Create solutions for clients
• Fix problems

Blog at http://notafactoryanymore.com

Upcoming Book

DevOps: The Modern Enterprise
Mirco Hering

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What Got You Here Won’t Get You There

Discover the 20 Workplace Habits You Need to Break

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The problem at hand

An attempt of an explanation

DevOps Practices & Tools

We are here

DevOps Organisation

Etsy

Netflix

amazon

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The Transformation lifecycle

Stable State

Transformation = Investment

Cost Reduction

Stable State

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Stable State

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The Transformation lifecycle

Ongoing stimulus

Transformation = Investment

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Working with the wrong mental model

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Misaligned principles and processes

“Right now, your company has 21st century Internet enabled business processes, Mid 20th century management processes all built Atop 19th century management principles.”

- Gary Hamel, American Management Expert
IT can be managed based on Engineering/manufacturing principles

Predictable Production Process allowing you to measure Productivity and define output

Based on functional specialisation of labour

Importance of upfront planning

Automation is improving productivity

Economies of Scale and effort of scaling

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Not a factory anymore?
Three dimensions of change

- Ecosystem of vendors and applications
- Technology Architectures
- Organising and managing knowledge workers in IT

Rigorous Continuous Improvement

Innovation
Speed
Agility
Quality

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Technology – Enabling Small Batches

Cost vs. Items per Batch

Optimum batch size (lowest total cost)

- Holding cost
- Transaction cost
- Total cost

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Technology – Evolving Architecture

“We need a simpler core and we are also going to simplify our processes and products”

“We need agility on top of our core systems to become digitally enabled”

“Our core systems need more functions / we need to consolidate across our businesses”

“We have different businesses with different agendas, one size does not fit all; decouple”

“We will try this out to test if it will work for us, putting it in the core now is not feasible”
Technology – Governing Delivery
People – Providing Context

DEFINE IT

Design Thinking
- Ideate
- Form Insights
- Observe ‘Outside-in’
- Define ‘Inside-out’
- Capabilities Mapping
- Customer Journey

BUILD IT

Lean Engineering
- Learn
- Build
- Measure
- DevOps
- MVP

Agile Development
- DevOps
- MVP

RUN IT

Ops Automation
- Operate
- DevOps

DevOps

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People – The Platform Movement

Delivery Governance
- Agile Governance function
- DevOps Governance function
- Quality Assurance

Test Automation COE
- Plat 1 team
- Plat 2 team
- …
- Plat n team

DevOps Platform Team
- Test automation
- Automated App Release
- Environment provisioning

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Ecosystem – Evaluating Software Vendors

Functionality + Architecture + Engineering Capabilities

- Autoscaling
- Self-Healing
- Monitoring
- Change-ability

- Source Code
- APIs
- Modularity
- Cloud Enablement

In-House IT Capabilities
Ecosystem – The Evaluation Challenge

Vendor A: 100 Dollar per day

Vendor B: 80 Dollars per day

Vendor C: 60 Dollars per day
Ecosystem – The Evaluation Challenge - Part 2

**SLAs**

- Password Reset – 2h
- Sev 2 in Production – 1 day

**First Time Resolution**

Rate/Resolution Time

- Auto-Corrected
- Requiring Ticket
- Identified by User/Customer
- Identified by System
- Manual Resolution
- RPA augmented resolution
- RPA augmented resolution
Ecosystem – Partner or Vendor

Are you using average daily rate as indicator of productivity, value for money, etc.?

Do have a mechanism in place that allows your SI to share benefits with you when they improve through automation or other practices?

Do you give your SI the “wiggle room” to improve and experiment and do you manage the process together?

Do you celebrate or at least acknowledge failure of experiments?

Do you know what success looks like for your SI?

Do you deal with your SI directly?
Silver bullet or Snake Oil?

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To receive the following:

- A copy of this presentation
- An excerpt of *DevOps for the Modern Enterprise*
- Videos and slides from my DevOps Enterprise talks
- Most popular blog posts from notafactoryanymore.com
- Get early access to any material coming out with “DevOps For the Modern Enterprise”

Just pick up your phone, and send an email:

- To: mirco@SendYourSlides.com
- Subject: devops