



# Lean Software Development

presented by Werner Wild,  
EVOLUTION Consulting



# Contents

- Origins of Lean Development
  - The Toyota Production System
  
- Principles of Lean Thinking
  - Eliminate Waste
  - Create Knowledge
  - Defer Commitment
  - Deliver Fast
  - Built Quality In
  - Respect People
  - Optimize the Whole

# The Toyota Production System

- Just-in-time flow
  - Non stock production
  - Build only what is needed
  - Eliminate everything which does not add value
- Automation
  - Stop if something goes wrong
  - Zero Inspection

Taiichi Ohno



1912-1990

# Changing the Mental Model

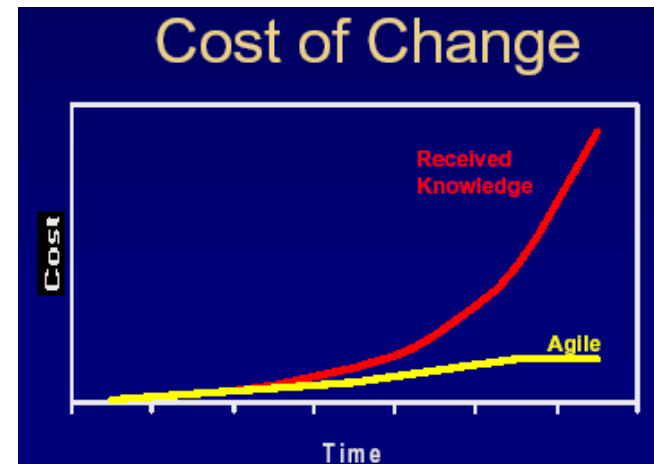


## ■ Received Knowledge:

- Die Change is Expensive
- Don't Change Dies

## ■ Taiichi Ohno

- Economics Requires Many Dies Per Stamping Machine
- *One Minute Die Change*



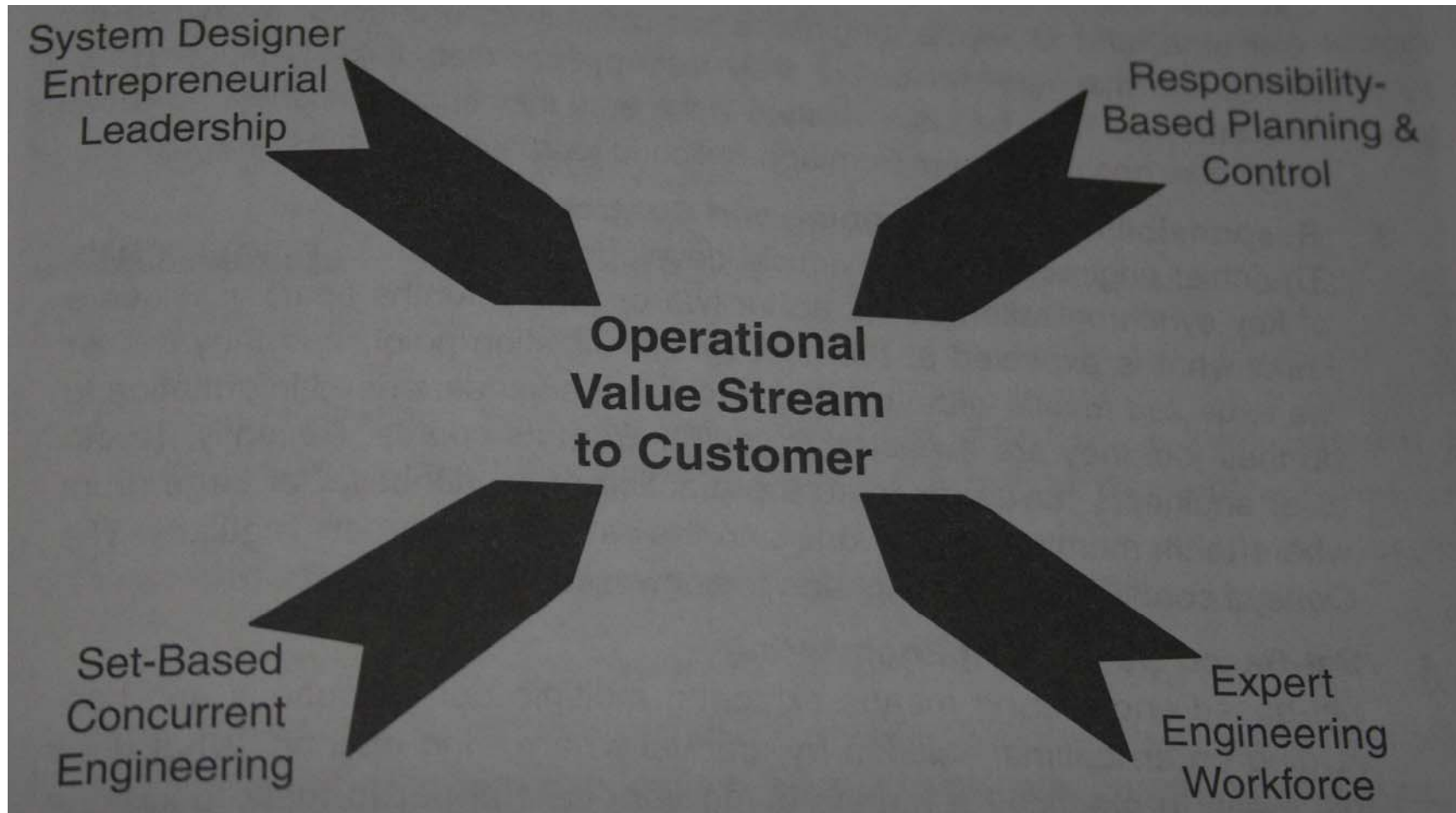
## ■ Received Knowledge:

- Code Change is Expensive
- Freeze Design Before Code

## ■ The Agile Imperative

- Economics Requires Frequent Change In Evolving Domains
- *Last Responsible Moment*

# Toyota Product Development System





# Principles of Lean Thinking

1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole



# Principle 1: Eliminate Waste

- Taiichi Ohno on how the Toyota Production System works:

*All we are doing is looking at the timeline from the moment a customer gives us an order to the point when we collect the cash. And we are reducing this timeline by removing the non value-adding wastes.*



# Eliminate Waste

- Waste

- Anything that does not create value for the customer
- The customer would be equally happy with the software without it

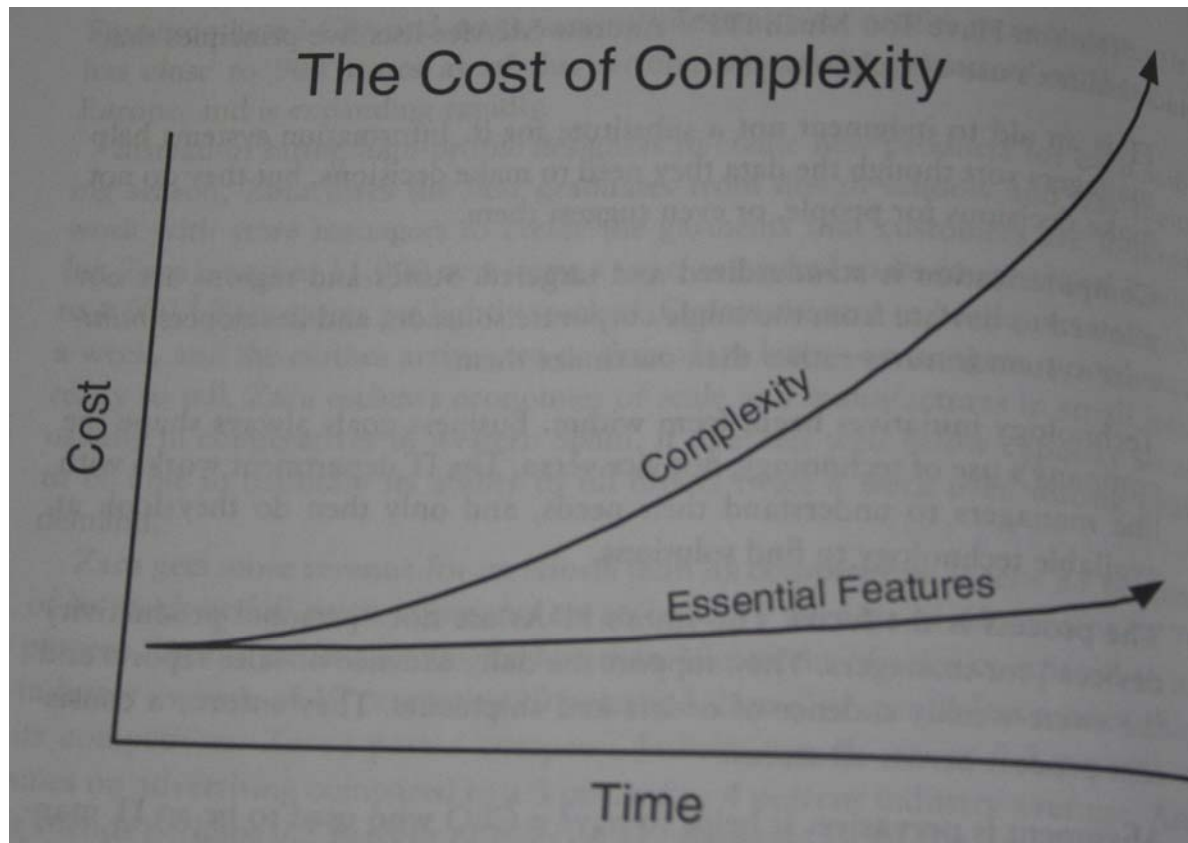
- Prime Directive of Lean Thinking

- Create **Value** for the customer
- Improve the **Value Stream** by removing non value-adding activities



# Complexity

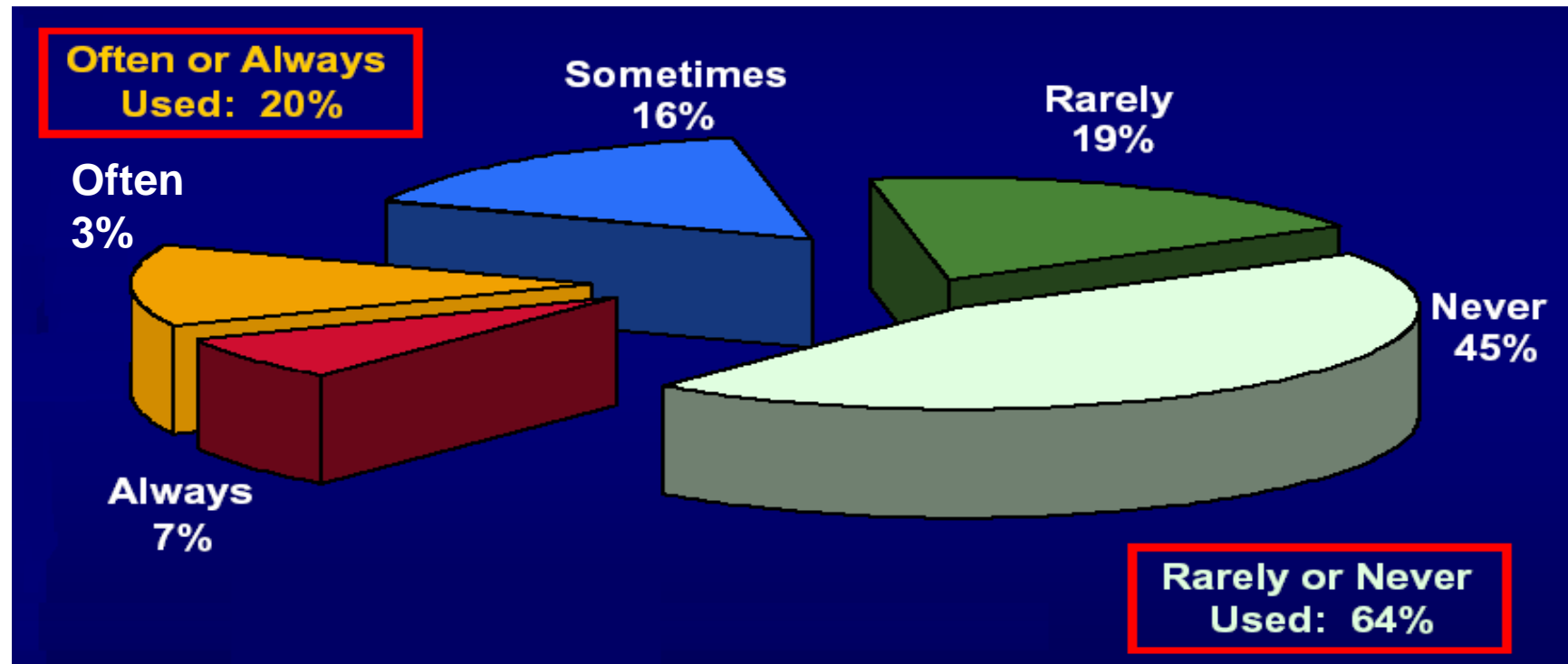
- Complexity is the biggest source of waste





# The biggest Source of Waste

## Features and Functions Used in a Typical System



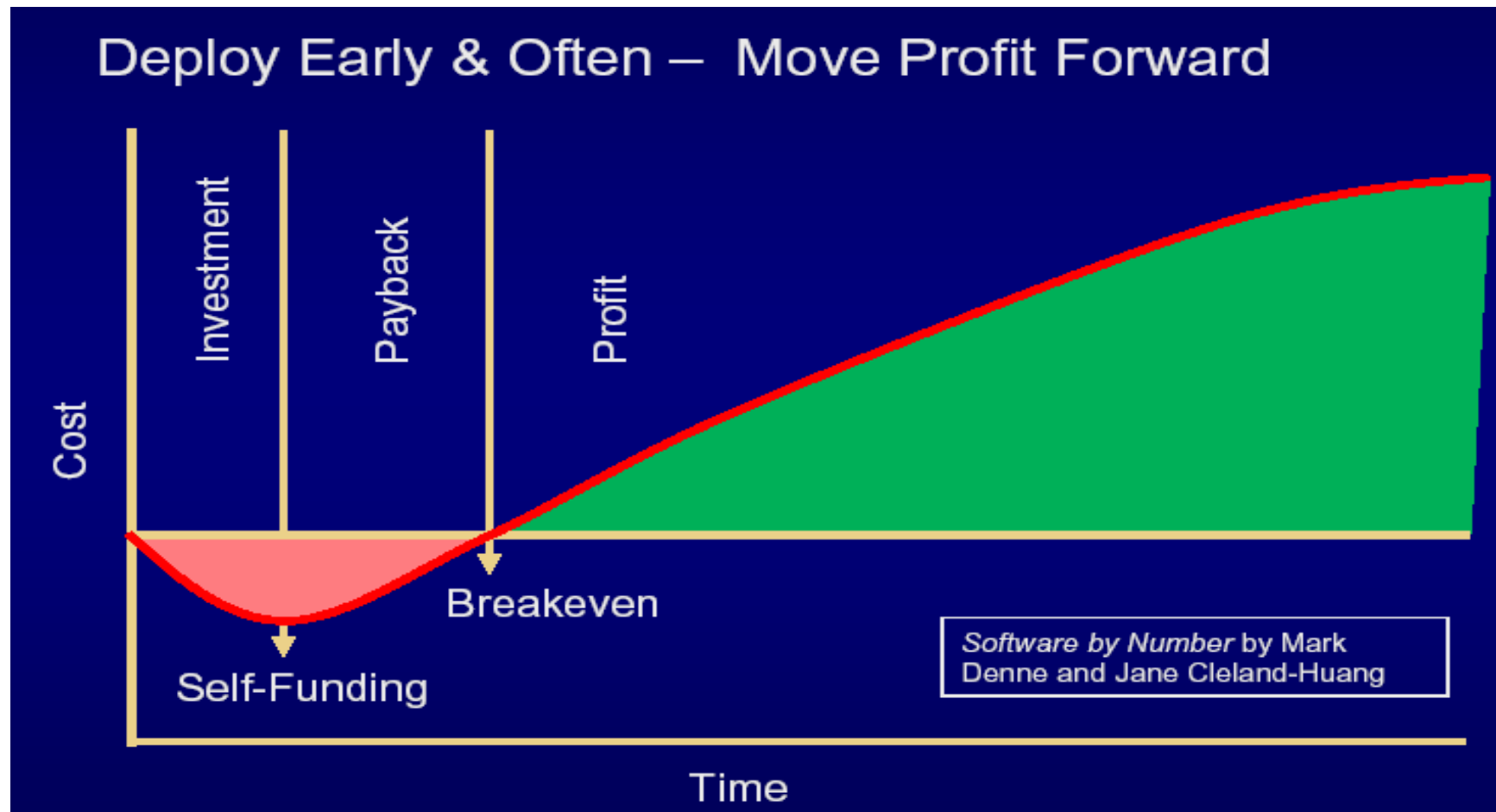
*Standish Group Study Reported at XP2002 by Jim Johnson, Chairman*



# Write Less Code

- Justify every feature
  - Limit the features and the functions that make it into the code base
  - Every feature should prove that it will create more economic value than its lifecycle costs
- Minimum useful feature sets
  - Divide software into minimum useful features and deploy these one set at a time, highest priority first
  - Allows to use the software much faster

# Minimum Useful Feature Sets





# 1st step is Seeing Waste

<b>Manufacturing</b>	<b>Software Development</b>
In-Process Inventory	Partially Done Work
Over-Production	Extra Features
Extra Processing	Relearning
Transportation	Handoffs
Motion	Task Switching
Waiting	Delays
Defects	Defects



# Principles of Lean Thinking

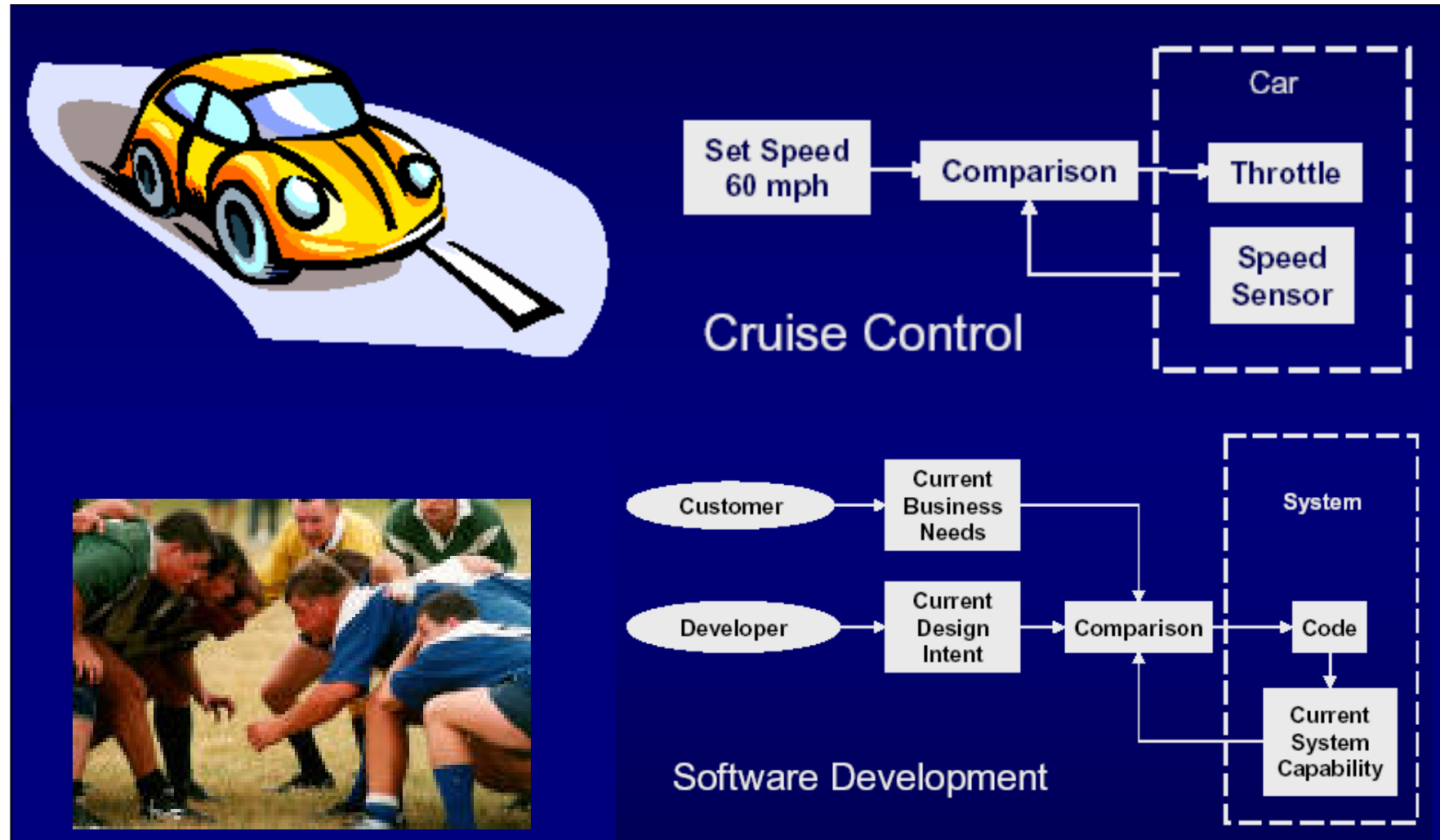
1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole



# Taking Feedback into Account

- Waterfall approach is based on the idea that knowledge in the form of “requirements” exists prior and separate from coding
- Software development is a knowledge-creation process; successful software products emerge
- Early design does not take ongoing feedback that comes from actually building software into account

# Principle 2: Create Knowledge







# Principles of Lean Thinking

1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole



# Defer Commitment

- The longer we defer decisions, the more we can learn
- Challenge to make decisions Just-in-time
- 2 Approaches for learning
  - Building a system which is change tolerant
    - Refactoring
  - Building several options
    - Set-Based Design



# Set-Based Design

- Is based upon the idea of building several options
- Leader with technical expertise knows where to maintain options
- At the **last responsible moment** the option that gives the best overall solution is chosen
- Appropriate approach for making high-impact, irreversible decisions
- Example: Red Eye Reduction

# Defer Commitment

## Two Kinds of Change

- High Stakes Constraints

- Examples:

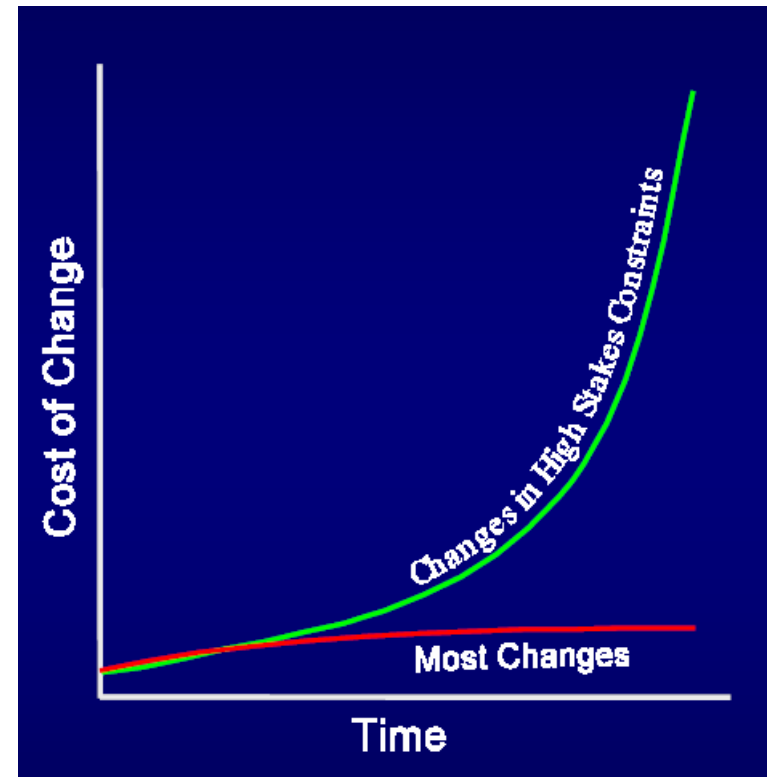
- Language
    - Layering
    - Usability
    - Security
    - Scalability

- Rule:

- Only a Few
    - At a High Level

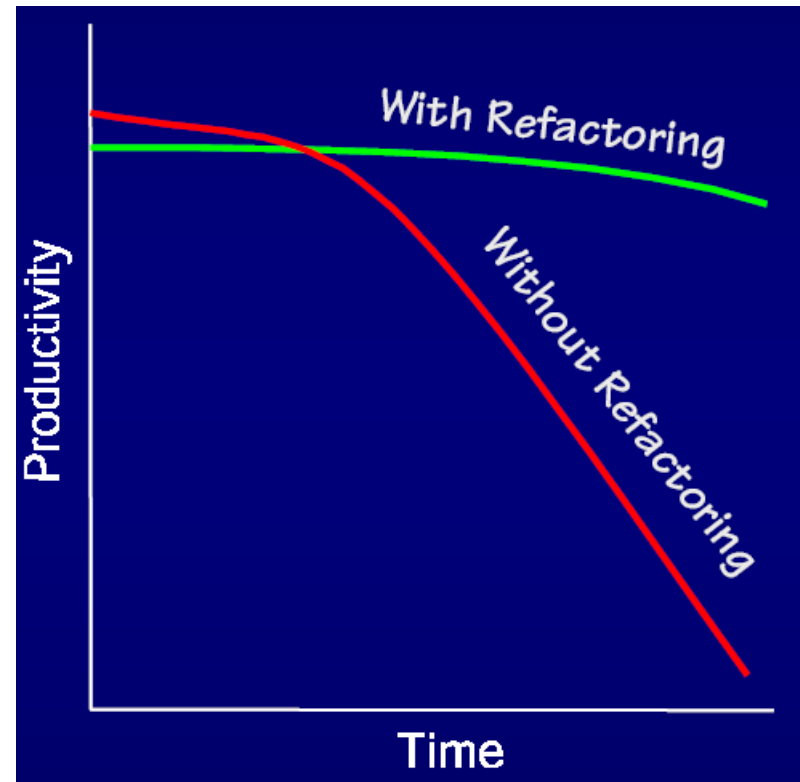
- Most Changes

- Keep the Cost Low!



# Refactoring

- Building a change tolerant code base which allows to adapt to changes
- Mitigates the risk and minimizes the cost of complexity in the code base
- Requires automated testing, continuous integration and stop-the-line





# Principles of Lean Thinking

1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole

# Principle 4: Deliver Fast

- The most disciplined organizations are those that respond to customer requests

- Rapidly
- Reliably
- Repeatedly



- Software Development Maturity

- The speed at which you reliably and repeatedly convert customer requests to deployed software
- Quality of a software development process can be measured by measuring the average end-to-end cycle time of the development process

# Queues



- Cycle Time
  - Average End-to-End Process Time
    - From Entering The Terminal
    - To Arriving at the Gate
- Time Spent in a Queue is Wasted Time
- The Goal: Reduce Cycle Time





# Queuing Theory

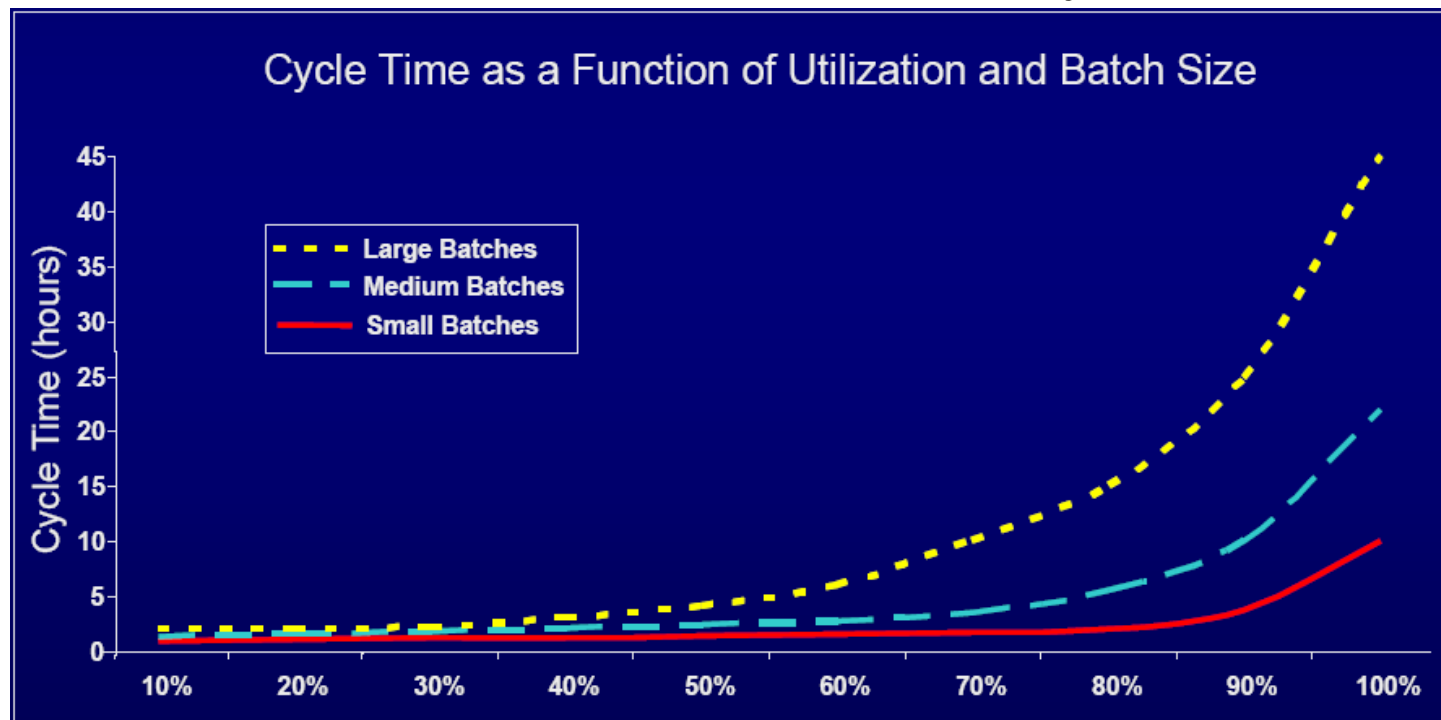
- Little's Law

$$\text{Cycle Time} = \frac{\text{Things in Process}}{\text{Average Completion Rate}}$$

- 2 ways to reduce cycle time
  - Do things faster
  - Reduce the number of things in the process

# Queuing Theory Lessons

- Small Batches Move Faster
- Slack Resources Decrease Cycle Time



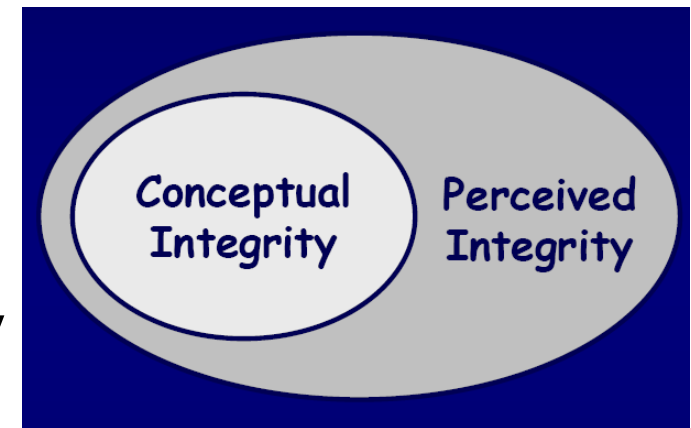


# Principles of Lean Thinking

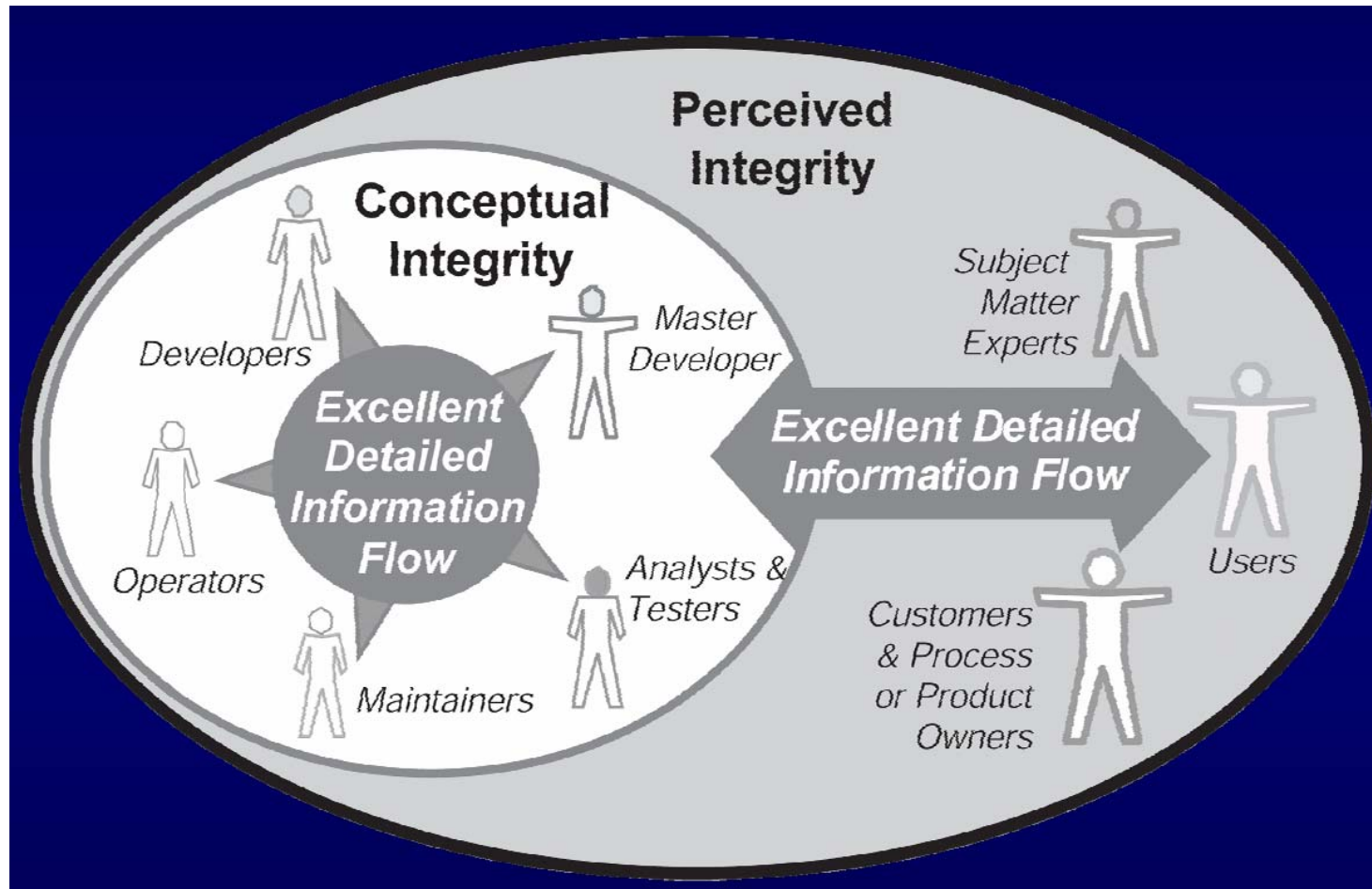
1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole

# Software Integrity

- Perceived (External) Integrity
  - The totality of the system achieves a balance of function, usability, reliability and economy that delights customers.
- Conceptual (Internal) Integrity
  - The system's central concepts work together as a smooth, cohesive whole.



# Integrity Comes From Excellent, Detailed Information Flow





# Leadership

- Successful development efforts are highly correlated with the existence of a champion who
  - deeply understands the customers' job and the technology
  - is responsible for making key product decisions and who is accountable for the result of those decisions



# Leadership


- Several models for implementing the role of a champion
  - Chief Engineer (at Toyota)
    - Responsible for the business success of a vehicle family
    - Understands the Target Customer and what they will value
    - In-depth knowledge of vehicle design
  - Leadership Teams
    - Two leaders: One technical lead and one with deep market understanding (e.g., Intuit)
    - Three leaders: Leaders from sales, product engineering and development (e.g., Honda)
  - Shared Leadership
    - Team of experts work together to come to a common understanding of what customers would value



# Complete Teams

- Complete products are developed by complete teams
- Example “Intuit”
  - Team included not only people from software engineering, but everyone necessary to put the product on the market
  - Checked with management team on a regular basis to report on status, receive guidance and to get approval to continue to the next checkpoint
  - Except for guidance the team made both product and process decisions on its own





# Built Quality In

- Built quality into the code from the beginning, not test it in later
- To really achieve quality control conditions so as not to allow defects in the first place
  - In test-driven development unit tests and acceptance tests are written before the code
  - Defect tracking systems are queues of partially done work



# Principles of Lean Thinking

1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole

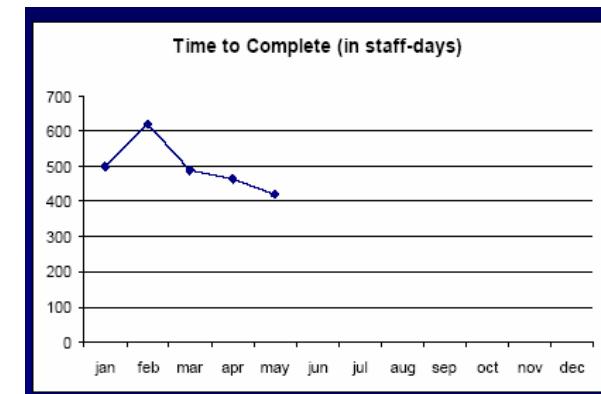
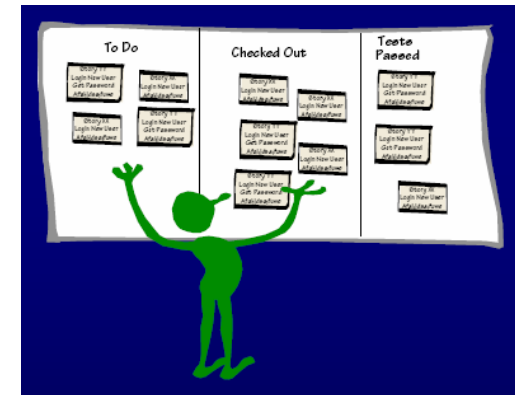


# Responsibility-Based Planning and Control

- Instead to tell people what to do, create an environment where they can figure it out by themselves
- Switch from dispatching to enabling
  - **Dispatching**: planning every step for someone else's job
  - **Self-directing**: setting up an environment that people can figure out how to do their job without being told

# Visual Workspace and Self-Directing Work

- **Kanban** to let people know what to do next
  - Index cards
- **Andon** to make problems visible so they can be addressed immediately
  - Lava lamps
- **Dashboard** to see the overall progress of their work
  - Burn-down charts
  - Visible charts





# Principles of Lean Thinking

1. Eliminate Waste
2. Create Knowledge
3. Defer Commitment
4. Deliver Fast
5. Build Quality In
6. Respect People
7. Optimize the Whole



# Measurement

- A lean organization optimizes the whole value stream (from customer order to deployment)
- Projects performance often measured based on cost, schedule and scope which does not take quality and customer satisfaction into account
- Lean measurements
  - Cycle Time
  - Customer Satisfaction
  - Financial Return



# References

- Mary and Tom Poppendieck: *An Agile Toolkit for Software Development Managers*. Addison Wesley, 2003.
- Mary and Tom Poppendieck: *Implementing Lean Software Development. From Concept to Cash*. Addison Wesley, 2006.



# Acknowledgements

Some of the slides are based on the Tutorial  
“Lean Software Development” by Mary &  
Tom Poppendieck and were created by  
Barbara Weber.

I would like to thank Mary & Tom & Barbara  
for their kind permission to use their slides in  
this presentation.





Thanks for your Attention !