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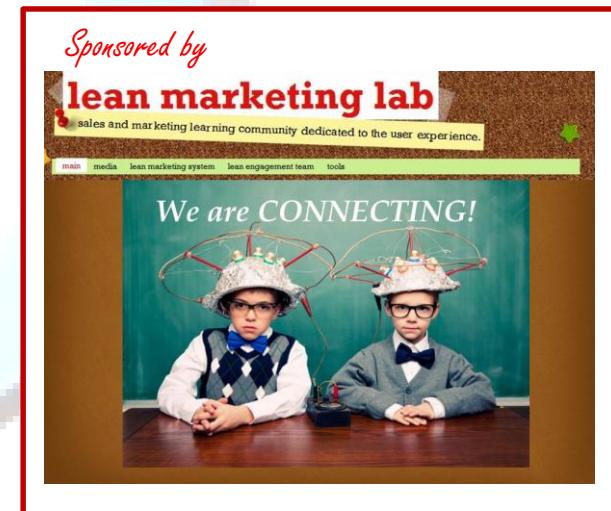
Implementing Lean Marketing Systems



Improving Interactions through the Lean Value Chain

Guest was Mattias Skarin

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Transcription of Podcast

Joseph Dager: Welcome everyone; this is Joe Dager the host of the Business 901 Podcast. With me today is Mattias Skarin, he is a Lean and Kanban coach at Crisp, helping software teams deliver with confidence and scaling Scrum over multiple teams and improving life in operations using Kanban. He is one of the authors of the book "Kanban and Scrum, Making the Most of Both." An active blogger on subjects at the blog: crisp.se. Mattias will be speaking at the upcoming Lean Kanban Central European Conference in Hamburg this November and correct me Mattias if I am wrong, but you are discussing two topics; "Improving the Full Value Chain" and another one on Visualization. I'd like to welcome you and tell me how did you rate to get two talks at the conference?

Mattias Skarin: Maybe I have too many ideas

Joe: What made you so interested in giving a talk on visualization? To me that is tough in a lightning talk because it is so easy to stay at that 20,000 foot level?

Mattias: Oh yes, you know I could easily go on for like one hour because I found this subject really fascinating and when I started to look at it, I saw a lot of different angles on this, which I did not expect so for me it's a really interesting subject. The reason why I stumbled into this is actually situations where I've walked into companies that might have a burndown chart, and you see that the burndown chart is more or less flat and then you ask so why is there no reaction. The visualization is there, but you don't see the reaction to this and I started asking myself well how come, why is it so, why is it that I feel that hey this is really bad, we got to do something guys but the people that just pass by don't react.

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So for me it sparked this question, is visualization the same thing as a reaction or why not?

Joe: Can I have you define a burndown chart a little bit for the audience in case they don't know what it is.

Mattias: Think of it as a status, what's the status of this project, is it green, yellow or red. Basically, the burndown chart shows what the progress is towards the goal. When I say the burndown chart is flat, it basically means we have no progress; progress is stalled, so we have a red light there. Everyone sees the red light, but no reaction and that sparked a couple of questions, so why is it, what might be happening, there might be many reasons why this is happening, but that was important for my question.

Joe: Well, I always thought when you saw the red that always triggered certain actions?

Mattias: Yes, for me it did but for the other people around me it didn't

Joe: What did it do? It's just a kind of just another measurement device that we don't really pay attention to?

Mattias: Here's the thing, what you see is not what you pay attention to and that's what I've discovered when I looked at what the research says about visualization and the couple of things that are happening. I mean our brain is actually a really, really smart pattern-matching engine, but it also needs to filter out information. For example, our eye would receive something like 10 million bits per second but if you look at what gets processed

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back into our brain, it's something less than a lot less, something like 20 frames a second. There's something that happens in between the information that reaches our eyes and the things that we get conscious of and the brain needs to do that in order to not go insane, and it's what happens in this process that is really interesting. That's when we decide what's important, and there are several ways which the brain makes this decision, and that means basically that what you see is not the same thing as you'll pay attention to.

Joe: How do we make it important to get into our brain, what kind of triggers are there to help us out in that area?

Mattias: The first observation is we only see what we've been trained to see or think of as important. If I haven't been trained to tell what a burndown chart really shows and what it's supposed to mean, it's very likely I'll see it, but I won't react. Our brain really picks what it thinks is important, and this is what magicians use for example I mean they deliberately let you focus on something and your eyes would notice the trick but it won't see it because your focus is somewhere else. These illusions, by projecting these illusions, they don't really mess up our eyes, but they mess up our brains and this is called "change blindness" - we only notice what we think is important, so unless you've been actually trained to see it, you probably won't notice the importance of what you see.

Joe: Is this why once we get accustomed to things that we have to make a change really in it for us to notice. Even in Kanban and Scrum, we get so accustomed to the information that it becomes so familiar that we may not even pay attention to it anymore?

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Mattias: It's absolutely right. If we see it every day and we don't see reactions, we might actually filter out the importance of what you see. The way to get around this if you want something to happen you need to pay attention to this and focus the attention of a team that would look at a Kanban board or Scrum board and point out what you think is bad, hey this is bad, maybe make a big circle around it and ask why is this happening because unless you do that it can definitely happen that the people around won't think it matters for them because they just see it every day.

Joe: Let me just stay on the Kanban and Scrum. Is that why when we get something, let's say new, that Kanban comes in and it replaces Scrum is that because it's new and different, and we react to it differently and start paying attention to it?

Mattias: Well it's hard to say, but definitely we pay attention to new things, because we're curious beings so if you want something to be paid attention to, if you change it, highlight it that highlight or change will spark interest and start the curiosity in us, so yes just by having small changes it's possible that you will get attention just by that.

Joe: You talk about improving the full value chain, how does that fit into your thinking?

Mattias: Well, to give an example, if you have multiple functions working together it can well be that a couple of these functions thinks that the world is pretty okay and that things are working fine and then somewhere down the line in the value chain you have another function that's tearing their hair out and why is there no reaction to this? Well, one reason could be simple that these function earlier up in the stream they do not see the effect of

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what is going on. I've seen several examples of this, when someone comes and tells them that you need to change the way you work, or that is no good, there are no tangible facts, nothing tangible which can prove if that is right or if it's wrong. Once you visualize what's going on, it's somewhat easier to separate facts from opinions, so if there is a real problem, that will be evident. By visualizing the full value stream, it's easier to really get a shared understanding of where do we need to focus.

Joe: Is that helped tremendously with a Kanban board?

Mattias: Well, I think it helps tremendously to get the shared picture about what is happening, where do we have our challenges. I think that is totally key and of course, a Kanban board can be one way to visualize this, to get this attention. But it sees the same thing that is the first crucial step to focus efforts later on.

Joe: Are you still an advocate of using Scrum, and when do you use Scrum over Kanban and vice versa, if you are?

Mattias: Well, both are tools which you can use, I mean there are situations where Scrum is definitely a superb tool and Kanban as well. Scrum primarily has been used to get the teams working, to get the time boxing working. Kanban is a bit easier to use, maybe across the value stream because it has fewer rules that tell you how you have to work with it, you can adapt it to fit the full value stream. For example, you can choose how many times you have a stand up, there's a lot more flexibility in designing the process, so for cross-teams, for cross-multiple functions, Kanban seems simpler to start with. Scrum

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seems simpler to start with to get working teams on a local level. After some time, you might end up working in the same ways, just different starting points

Joe: Part of what you talk about is how to get other people other than just the development team working.

Mattias: Oh absolutely, it's totally critical that we do not only think of product development as what the development teams do. I mean if you are concerned about how to get value for money or how do we build great products, it's very likely that there are more people involved in this than just software teams, so for me that's really, really important if you are concerned about what the real output needs to be.

Joe: Well that's where sometimes I have a problem with Scrum, because you're supposed to have this Scrum master that keeps everybody away from the development team so that they can get things done.

Mattias: Yea and that can be an example of a local optimization, and this is where I'd like us to re-think how we do that. Local optimization can happen not only within development; it can also happen within marketing or within support or sales and I'd like us to leave this parody that we think locally. I'd like to start with thinking okay what's needed to make it work, what's needed to make this product sell and be a great product altogether.

Joe: Well I have to mention that your site and your book are excellent. Especially on your site where you have downloads of the different Kanban examples. I don't know how many

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people I have sent to it for the different Kanban boards. It's just outstanding and to give someone, especially for an introduction to Kanban. Can these tools be used outside of software? I there value there?

Mattias: Oh absolutely, I'm currently discussing using some of these tools in marketing, and I've used it in sales, I've used it in support so definitely, these tools do not just stop in software.

Joe: Two things about marketing and trying to use a Kanban board is one, we're very event driven so that it always seems like the calendar overwrites the Kanban board, and always has to be used in combination with the Kanban board.

Mattias: Well, that's true but what Kanban will help out with is saying all right we accept the fact that prioritization can change very, very quickly, like daily but we still have the focus of the work that we start. We make sure that we complete it, but we allow prioritization to shift at any point of time and that's just natural in our environment.

Joe: If that prioritization is changing all the time, it seems more like an iteration, and it's hard to get an iteration within Kanban because Kanban seems to be a linear process. Can you elaborate on that thinking for me and how that works together?

Mattias: Even inside an iteration there are definitely linear steps; there are steps that you take to make sure the iteration is complete. This is just the same if you would think of Scrum or Development as if you use Kanban; there typically are the steps that guarantee

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you get a high-quality output. I'd like to say that there are more ways to deal with uncertainty; iteration is not the only way. If you have a very uncertain situation, for example, you might not know what solution that will work or what type of marketing message that the customer will buy into. Another way to approach it is to do set base design, so you run a multiple set of experiments in parallel. Then you evaluate really quickly which one of these works and you continue on with the ones that actually did work. This set base design is an underused mechanism in our organizations whereas we are getting pretty familiar with using iterations, but set base design can be as quick, or even more effective if deployed correctly.

Joe: It's like taking a PDCA cycle and doing Plan-Do-Check-Act but when we look at Plan, Do, Check, Act that's basically a linear progression but when we step back at it, it's an iteration.

Mattias: Correct, I mean now you could see iteration as a way to evaluate 10 parallel experiments and then say okay, so we did 10 experiments, which one of these worked. So each experiment would be a PDCA per se but you would have a PDCA on all the 10 experiments. Running them in parallel actually buys you time because if you didn't run them in parallel, you would have to run one after the other, and the question becomes which way is the fastest way to discover, or roll through this uncertainty.

Joe: What's the subset of what, and how does Lean fit in?

Mattias: Well I would say Lean is the goal of trying to optimize the whole so basically the

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approach, what we're trying to do is improve the full value stream. The second part of Lean is what should we focus on, what should we optimize, and we would say that we see that the economic value comes from shortening time to market. Lean provides us the focus of where we should put our improvements. That's the two most-important parts. There is a third idea also that I would grab from Lean, which is build quality in, meaning that we accept the fact that we never ship bad quality forward. So with these three things, optimize the whole, focus on flow, or improve flow and build quality in are thinking that we can bring with us that will help to improve the end value.

Joe: Tell me a little bit about what you do and what Crisp does.

Mattias: What I do is help companies use these tools. If you say okay I want to use Lean what does it mean for me, what I need to do, we typically will say well you're a software company, this is what will be Lean for you, these are the things you would need to look into to make it work in your domain. We work out at clients, helping them to use these tools Scrum, Kanban, Lean and find a way to work that suits them.

Joe: What area do you cover because I know you're located in Sweden, but you seem to be travelling all over the world?

Mattias: I guess it's a fact that the world is International today, so yes we work mainly in Scandinavia but also partly in Europe. From time to time, we might travel to Asia or U.S. but mainly I would say our focus is in Scandinavia and Europe.

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Joe: When you're helping software teams are you going in there and really helping them develop or are you helping them to develop these tools and the flow in their development.

Mattias: Both and you need to do both because you need to start and think okay what's the type of ideas, what's the types of thinking that goes behind what we're trying to improve, what's the goal of where we want to go. You need to give them an opportunity to reflect on that but at the same time if they say to you well I think this is impossible, I think this is a load of garbage, it won't work with us in our environments. You actually need to be able to go down and work them to say hey, it can work, so I think you need to do both. Sometimes if they get an idea, some teams or organizations just go and run with it because they immediately translate that to what that would mean for them and then all you need to do is support them with new ideas or where they run into trouble. If they say no, this is impossible, you need actually to be able to show them it can work. Otherwise they will give up. So I say you need to be able to do both.

Joe: You touched upon this in the marketing discussion. What I want to know is when you move out of that software team, when you move out of that IT world, how do others react to Kanban and Scrum, how does sales or operations look at that?

Mattias: Pretty positive in my experience, what they are curious about is generally what do you use it for or what's the purpose, help me understand how all this helps us. I think you can open up a conversation very easily without any trouble once you are open to saying okay, what is the purpose of how this fits in. If you can align that, they will be more

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than willing to find a way to work that will help you out. On the other hand, if you approach other functions and say hey, this is the way we work, now you adapt to us, you are very less, I would be less optimistic about your chance of succeeding with that change.

Joe: What is upcoming for Crisp and for you, do you have something besides the talk at the Lean Kanban Central Europe, are you doing other talks in Europe?

Mattias: Yes, I'm actually going to Ukraine, I'm doing a talk there and I'm going to Lean Kanban France where I'm going to do a talk on something called "Concepts." Which is an interesting idea; we more or less replace the traditional role of the product owner with saying hey, what if we let anyone who is passionate enough about the idea, run with it all the way until it works for the customer. I'll show how we use that idea in skilled scenarios to get really good output out of product development.

Joe: That's interesting, I like that concept.

Mattias: I'd like to share some of these ideas for the people who are interested and might give them some inspiration or things you can try.

Joe: I have to ask you a question because I've been writing about it recently are scenarios. I've seen scenarios playing out much more and using them more than I would say have in the past where scenarios were for large organizations, long-term futures, I'm seeing people build scenarios in shorter-time boxes, for lack of a better word. Have you seen that development lately?

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Mattias: Oh yes, absolutely, if we would look at how the abilities of organizations evolved, I would say that if you're a state of the art company you would be able to take one really huge scenario and ship it within four weeks, so we're talking about a really short timeframes today.

Joe: What seems to be popping up with you now, what's fascinating to you right now in this scope of things?

Mattias: What's fascinating me right now is the upside we can get if we decide that we want to move beyond just development and through the full value chain. There are several advantages that we can immediately get if we choose this focus and I also see the trend that these ideas, Agile, they do not stay within just I.T.; they are migrating out now to sales, marketing and other functions, which are basically just trying to unlock the energy and enthusiasm of people in their organizations. Those are two really strong trends that I have noticed lately.

Joe: And these ideas are they both Kanban and Scrum or just Kanban?

Mattias: Both Kanban and Scrum, so Kanban and Scrum are tools in which you can use to persist these ideas or find a way to work that suits you, but the basic ideas of trying to leverage people innovation power and enthusiasm that's very sticky.

Joe: What is the best way for someone to get a hold of you?

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Mattias: Send an email

Joe: Is your email on your website?

Mattias: Yes, I'm easy to find. Doctor Google will tell you pretty quickly where I'm at.

Joe: And what's your website URL

Mattias: www.crisp.se

Joe: Well I would like to thank you very much Mattias, I appreciate it, and I look forward to talking to you another time.

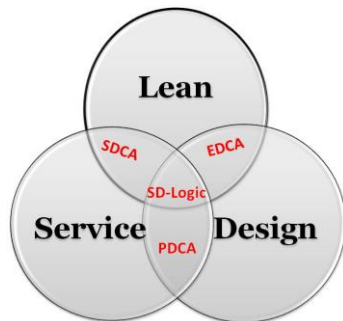
Mattias: Absolutely, so much looking forward to that and thank you Joseph.

Joe: Thanks Mattias. This podcast will be available in the Business901 Itunes store and the Business 901 blog site, so thanks everyone.

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Joe Dager is president of Business901, a firm specializing in bringing the continuous improvement process to the sales and marketing arena. He takes his process thinking of over thirty years in marketing within a wide variety of industries and applies it through Lean Marketing and Lean Service Design.

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