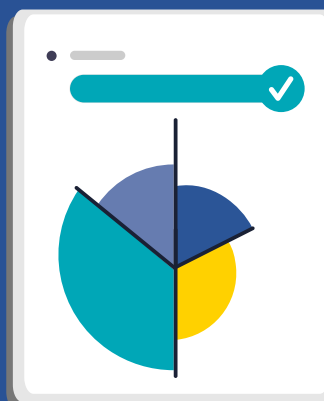
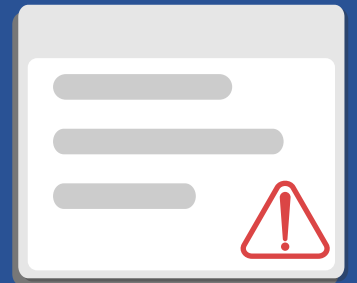
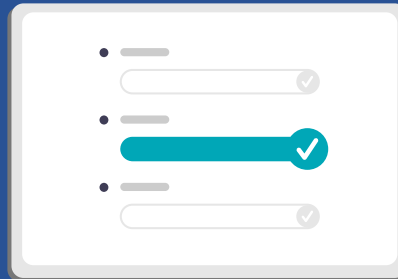


Agile Metrics that Matter

Choosing agile metrics to track your journey
toward meaningful business outcomes



Ask yourself: what do you think you are going to measure and why do you want to measure it?

When it comes to metrics in Agile, capturing the data itself is not the goal — instead, it's a means of tracking your journey, testing hypotheses, and providing feedback as you head toward the goal.

That goal, the big 'why', should be focused on business outcomes, not outputs. Path to Agility outlines 9 business outcomes to center your agile transformation around which will inform your custom agile transformation roadmap.

| | | |
|---|--|--|
| Continuous Improvement The ability of the organization to relentlessly pursue optimizations in all aspects of business functions. | Speed The time it takes to deliver an idea into the market. | Predictability Teams maintain a predictable cadence of delivery enabling the business to make informed business decisions. |
| Innovation New ideas, creative thoughts, or novel imaginations provide better solutions to meet new requirements, unarticulated needs, or known market needs. | Customer Satisfaction Customers are satisfied with the experience, benefits and outcomes when using your product or service. | Employee Engagement The product or service meets the expectations of the market for usability, reliability, etc. |
| Productivity Increase the business value realized while maintaining or reducing costs. | Market Responsiveness The ability of the organization to pivot quickly to respond to ever-changing market demands. | Quality The product or service meets the expectations of the market for usability, reliability, etc. |

Reasons To Measure

There are many reasons to measure progress towards your desired business outcomes during a transformation. These include:

- Knowing where to invest your money – and to do so based on more than just gut instinct
- Knowing if you are building the right things for your market
- Creating feedback loops on your systems' performance
- Knowing if your customers and employees are delighted (or not)

We recommend that your organization choose **only 2-3** business outcomes.

This allows you to focus on the highest priority goals, helping create focus and a clear sense of urgency and making it easier to limit your organizational WIP (Work in Progress).

Successful agile transformations put in place metrics systems that focus on business outcomes and meaningful feedback loops. Here are a few example ways to measure each of the Path to Agility business outcomes:

| Business Outcome | Example Measures |
|------------------------|---|
| Continuous Improvement | <ul style="list-style-type: none"> Value delivery system flow efficiency Reduction in recurring impediments Cumulative flow |
| Speed | <ul style="list-style-type: none"> Cycle time Lead time Deployment frequency Meantime to restore (MTTR) |
| Predictability | <ul style="list-style-type: none"> % complete of Sprint plan Velocity variability Say-Do ratio Unplanned work items |
| Innovation | <ul style="list-style-type: none"> Market Share Number of validated business-level hypotheses developed and tested Number of failed experiments Allocated time for learning |
| Customer Satisfaction | <ul style="list-style-type: none"> Number of times a week team members talk to an actual customer NPS Retention (DAU/MAU) Referrals |
| Employee Engagement | <ul style="list-style-type: none"> eNPS Bad turnover Employee referrals Offer acceptance Feedback surveys Team learning logs |
| Productivity | <ul style="list-style-type: none"> Value delivered ROI KPIs Flow efficiency |
| Market Responsiveness | <ul style="list-style-type: none"> AARRR (Acquisition, Activation, Retention, Referral, Revenue) HEART, (Happiness, engagement, adoption, retention, task success) |
| Quality | <ul style="list-style-type: none"> Defects in production Change fail percentage Automated test coverage Ratio of fixing work vs feature work |

There are many anti-patterns to be mindful of when implementing metrics in agile settings:

- **Comparing metrics across teams**
Teams all have different contexts. Velocity and throughput are relative and team-dependent. Comparison can remove safety and learning.
- **Focusing on lagging over leading Indicators**
For example, unemployment level is a lagging indicator; by the time you see an upward trend, it's too late to stop it. Leading indicators suggest future trends and are actionable.
- **Choosing vanity metrics**
Good for feeling awesome, but bad for taking action.
- **Ignoring companion measures**
Measure holistically, so you can see the tradeoffs. If you're working on improving cycle time or throughput, you should also keep an eye on quality as well as team morale.

Go Beyond Measurement with Path to Agility Navigator

Track and visualize your progress towards chosen business goals across all levels, rolled up into a single view with Path to Agility Navigator.

Navigator gives clarity and focus on the actions needed to successfully manage agile transformations, enabling you to prioritize and track progress on those actions and deliver measurable business outcomes.

- **Align teams, systems, and organizations** with a powerful, outcome-driven process that adjusts to your Agile transformation objectives.
- **Gain continuous visibility** into your entire transformation journey—track progress, uncover details, and identify impediments.
- **Communicate and demonstrate progress** with key stakeholders using data-driven visualizations, kanban boards, and live dashboards.
- **Focus on prioritized action items** that directly impact desired business outcomes.

