



# **BYE BYE, TIME & MATERIALS**

**Entering the Era of Agile, Value-Based Agreements**



Stijn van Gils

vr 6 sep

ICT-DIENSTEN

# ██████████ ziet verlies oplopen

## Legacy

De situatie bij ██████████, één van de grootste IT-bedrijven in het land, is niet uniek. De IT is de laatste jaren sterk veranderd, met een verschuiving naar kleinere projecten en minder werk op basis van vaste uurtarieven.

Meer traditioneel grote automatiseerders hebben last van de erfenis van hun verleden. Zo ervaren ook ██████████ geregeld stevige concurrentie van kleinere, meer veerkrachtige automatiseerders. Het Nederlandse ██████████ zag sinds begin 2010 meer dan 70% van zijn beurskoers verdwijnen. Sinds een hoogtepunt in 2000 verloor het aandeel zelfs 96% van zijn waarde. Op dit moment groeit het bedrijf uit ██████████ echter weer, met name in België waar het bedrijf ook actief is.

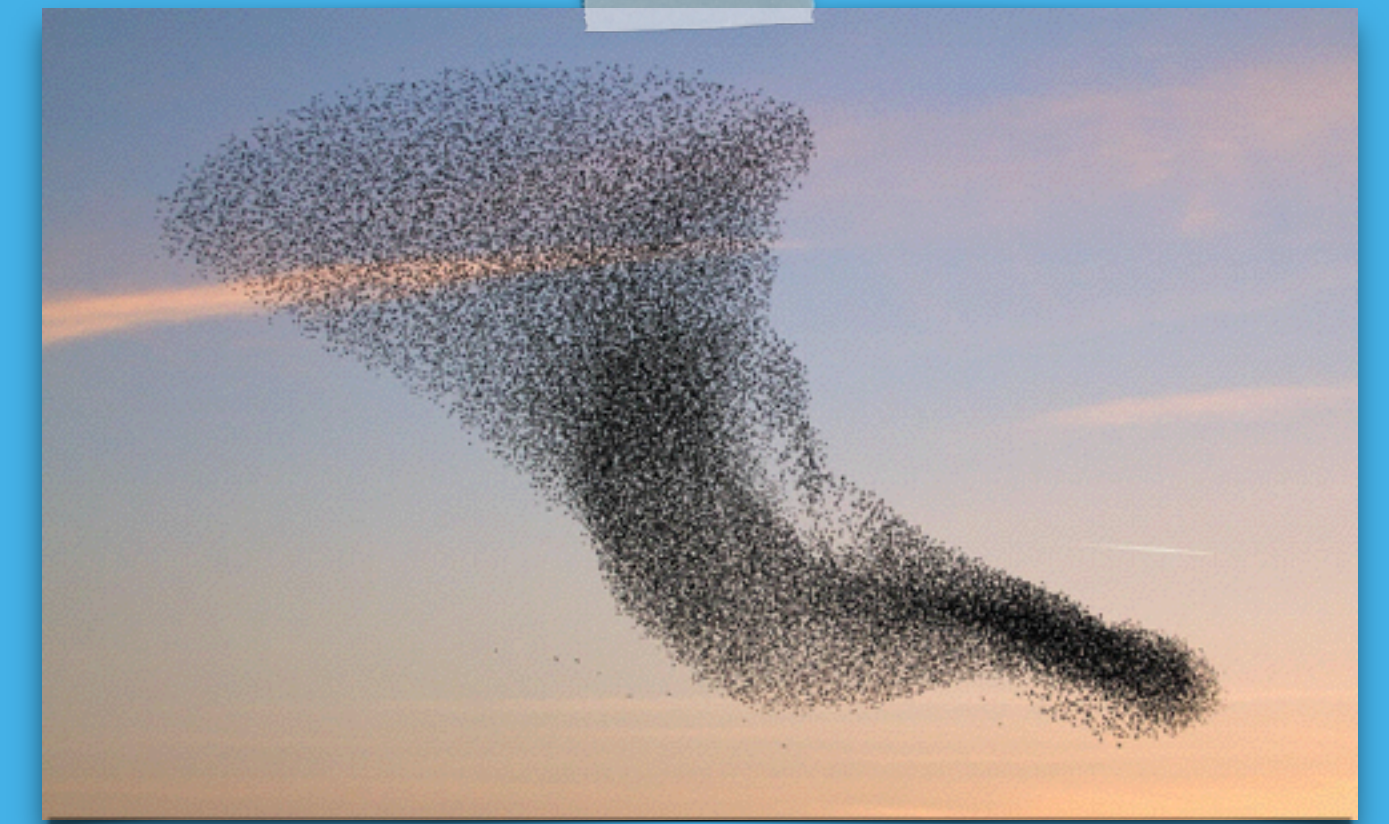




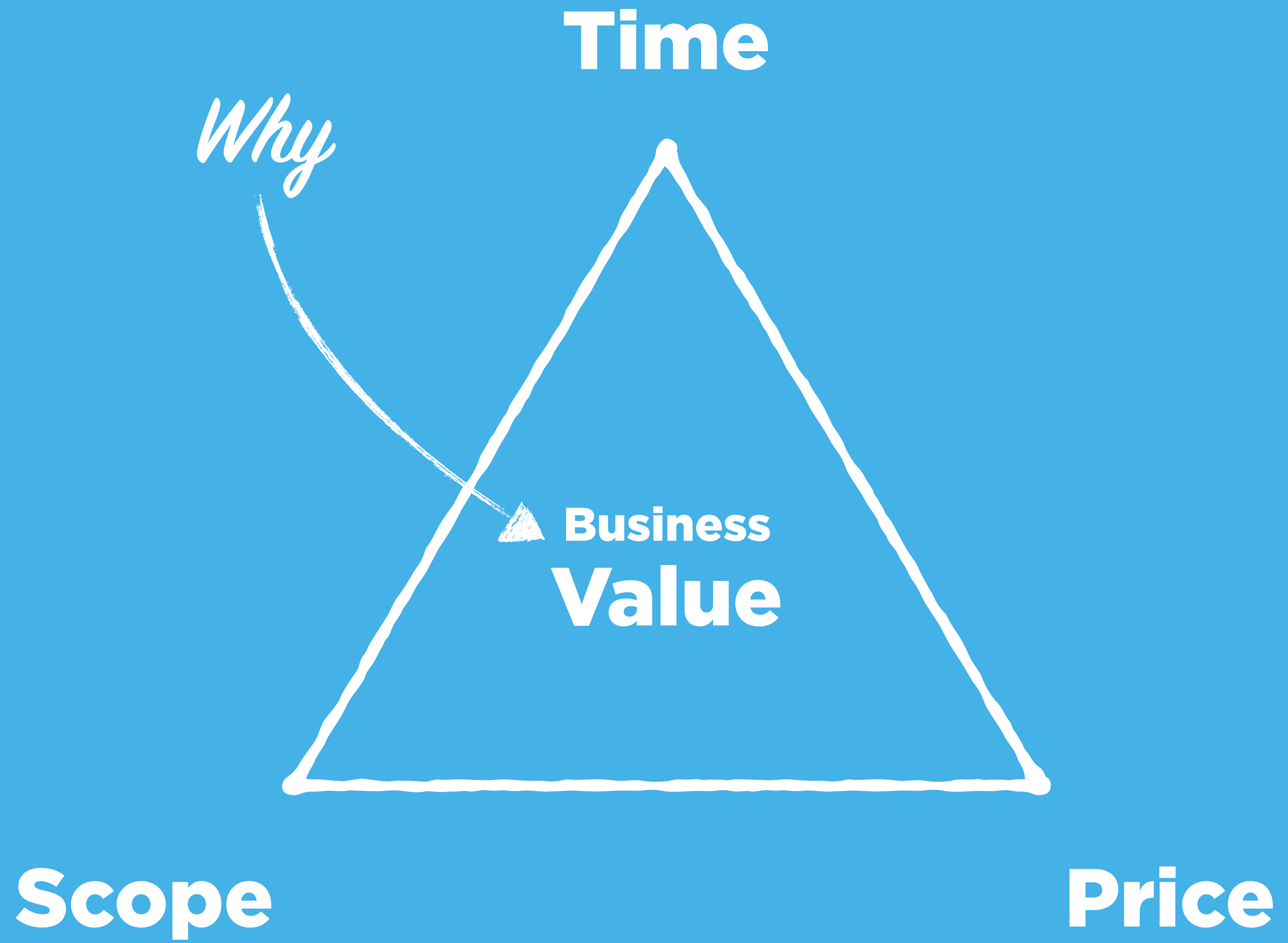
**Deliver  
Business Value**



**Align  
Interests**

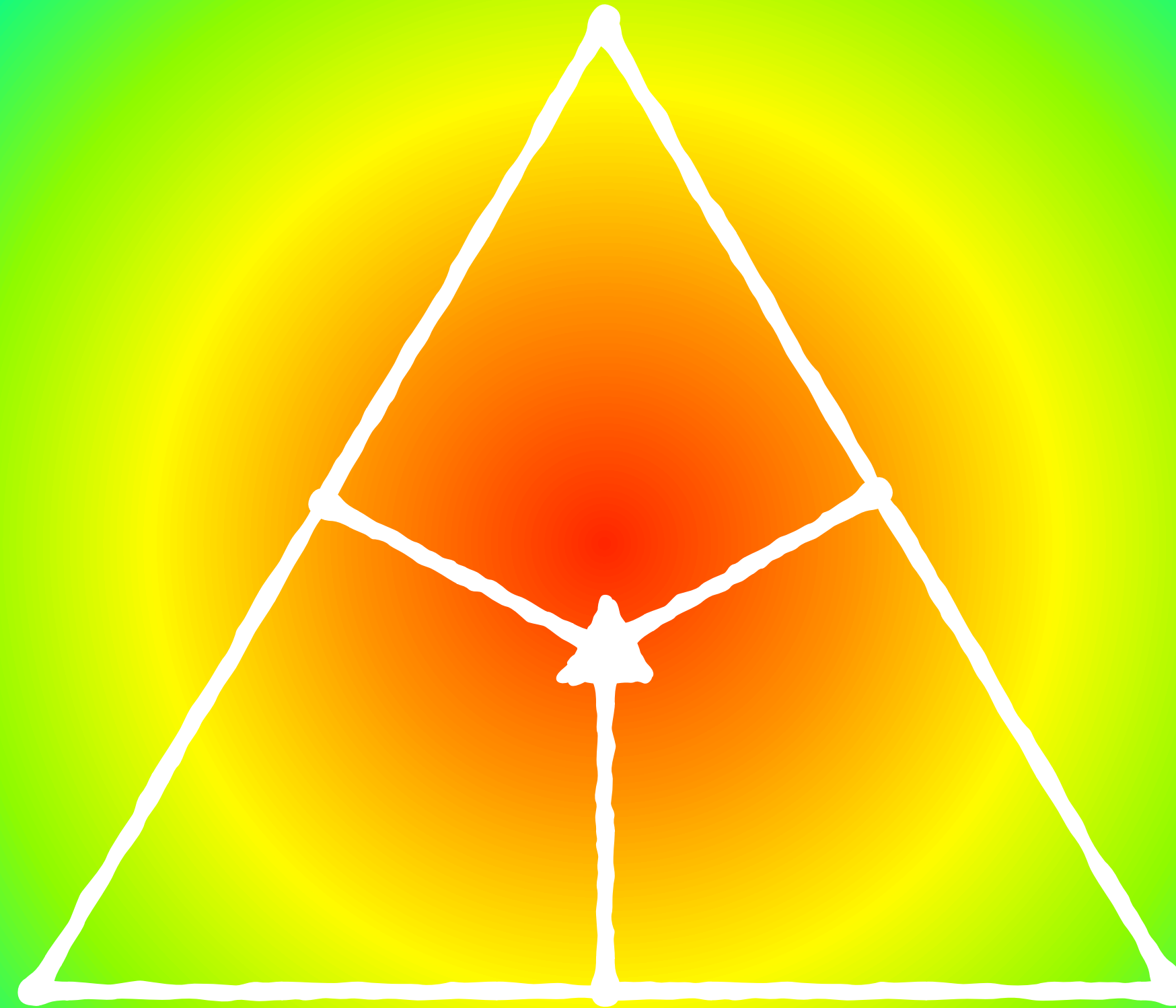


**Unlock  
Autonomy**





**Time**



**Scope**

**Price**







**Henk van der Schuur**

**SCHUBERG  
PHILIS**

**Before: AFAS, PhD**



# WE BELIEVE...

*“The right combination of smart people  
in the right setting  
with the right intentions  
can achieve anything.”*



# SCHUBERG PHILIS

A photograph of three men in a meeting room. The man in the center, wearing a red sweater, is leaning forward and pointing towards a whiteboard. The man on the left, wearing a dark sweater, is looking at the whiteboard. The man on the right, wearing a grey jacket, is also looking at the whiteboard. The whiteboard is covered with numerous colorful sticky notes (yellow, blue, green) and has some text written on it, including "COMISED to DELIVER" and "WAITING".

**No managers!**

**Mission- + business-critical IT**

**We want to actually deliver — 100%**



# AGILE WAY OF WORKING

Business value delivery

Aligned interests

Team autonomy



An hourglass with blue sand is positioned on a beach of dark, smooth rocks. The background is a soft-focus view of the ocean and sky. The hourglass is the central focus, with its wooden frame and glass bulbs clearly visible. The sand is a vibrant blue color, contrasting with the dark tones of the rocks and the muted colors of the background.

# VALUE-BASED CONTRACT

**Eliminating Time as the Basis for Invoicing**



# 'THIS WILL TAKE 3 DAYS'

Who will do it?

When do we start?

Risks?

External dependencies?

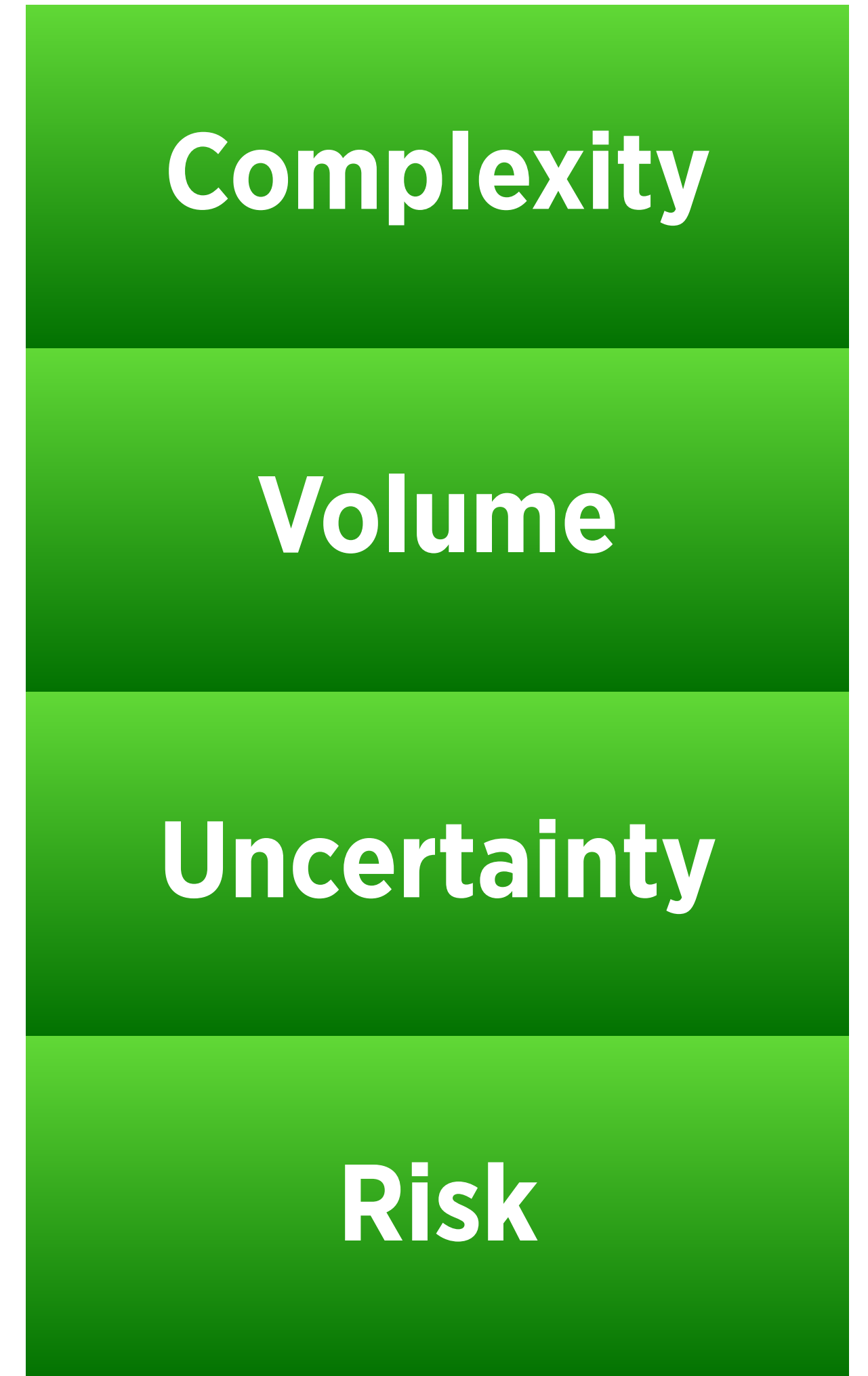
Who pays if 3 becomes 5?

*many assumptions*

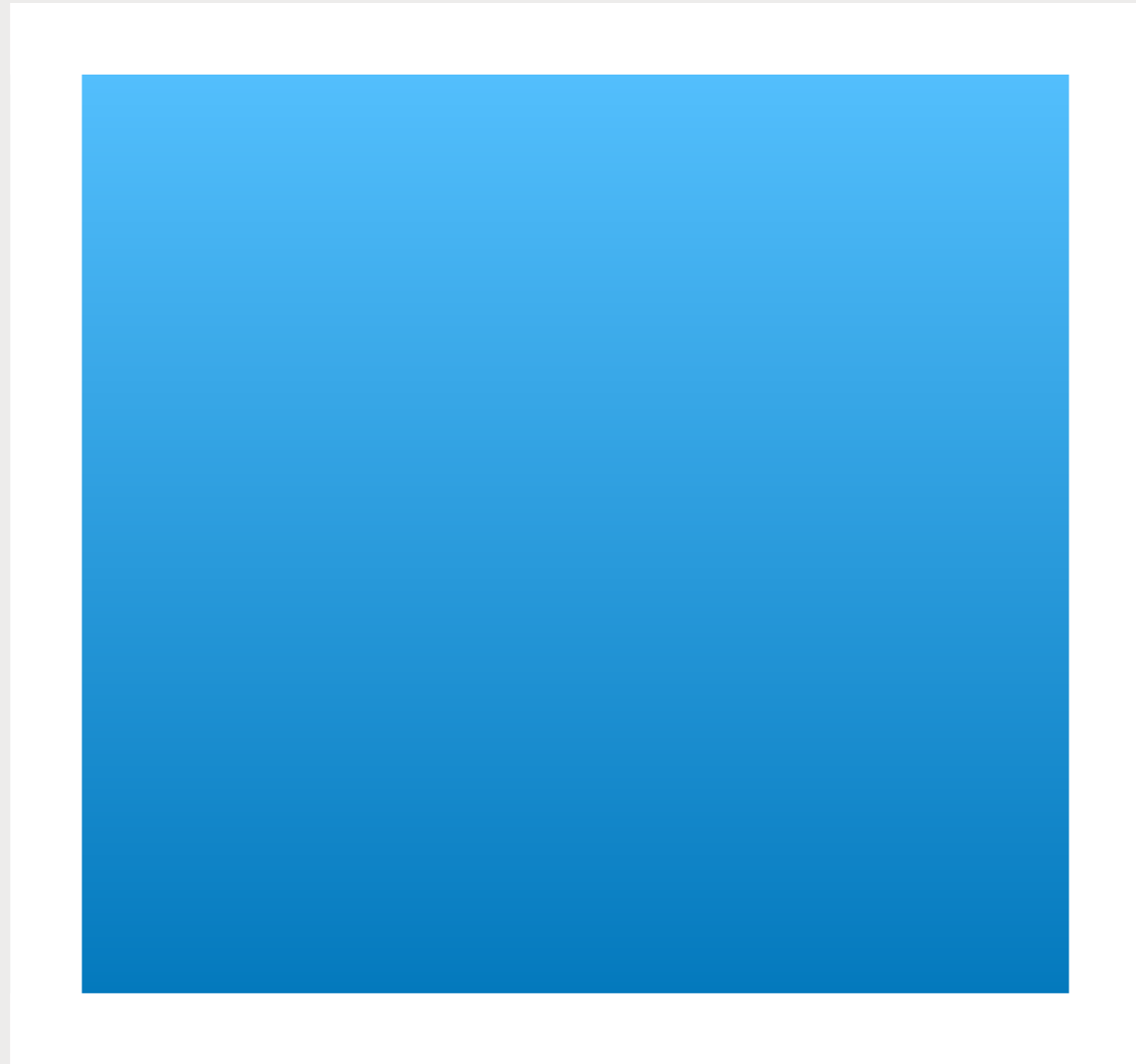




**STORY POINT**









**12 POINT**

**6 POINTS**

**15 POINTS**

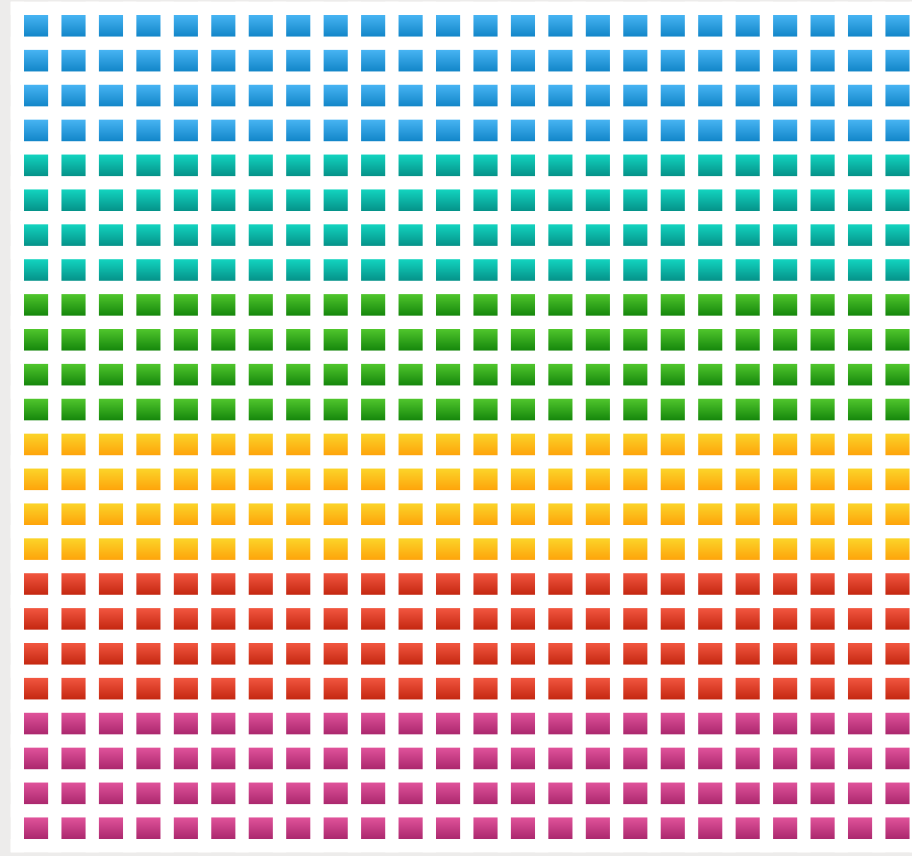
**3 POINTS**

**€5000**

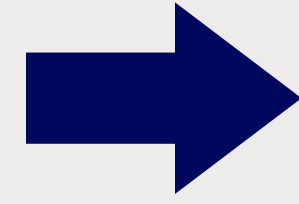
# **SPRINT BACKLOG**



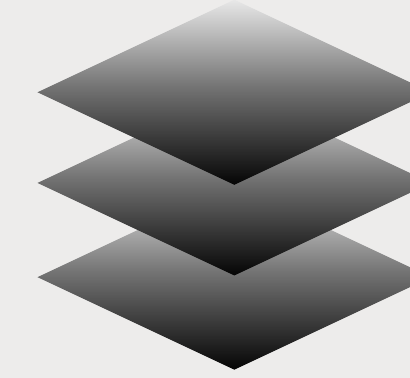
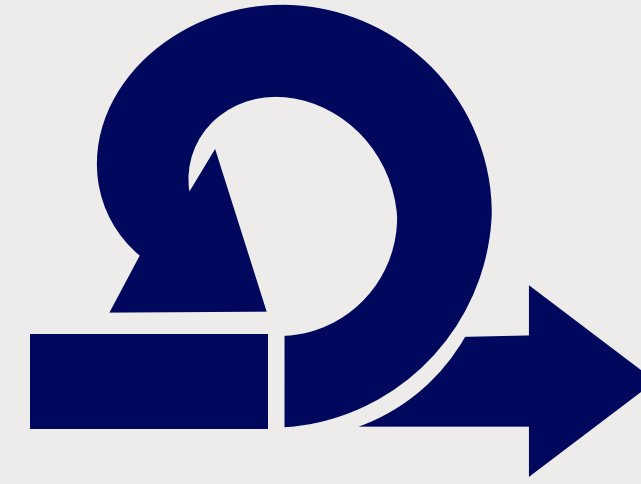
**OPERATIONAL**



**BACKLOG**



**SPRINT BACKLOG**



**PRODUCT INCREMENT**

**Start sprint**

**COMMERCIAL**



**MONTHLY INVOICE**



**SPRINT INVOICE**



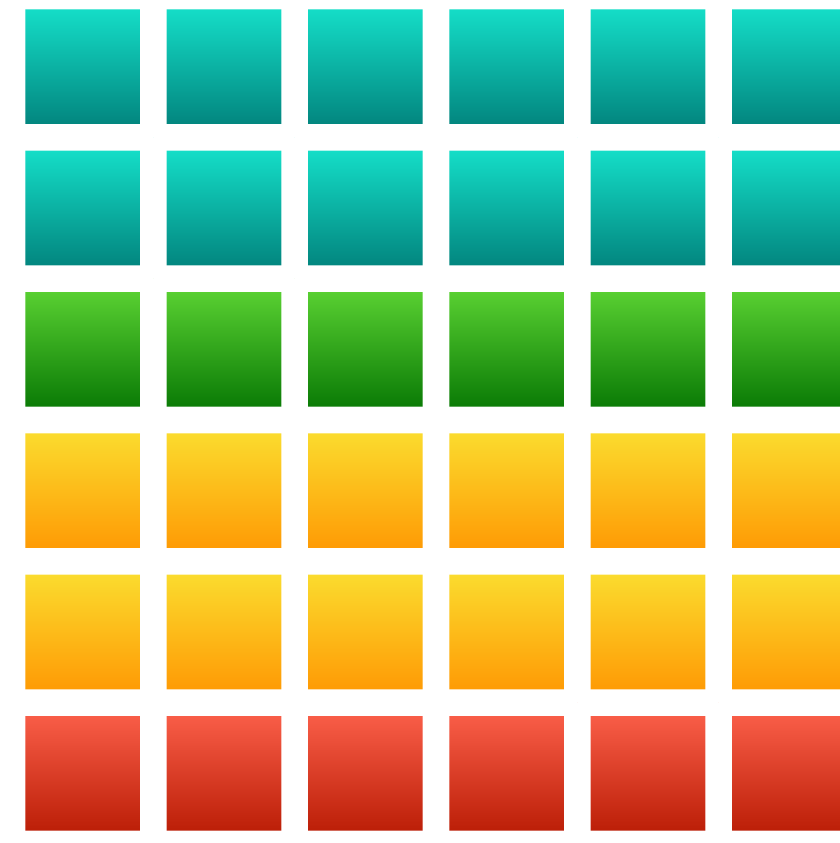
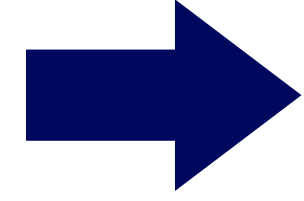
**INVOICE INCREMENT**



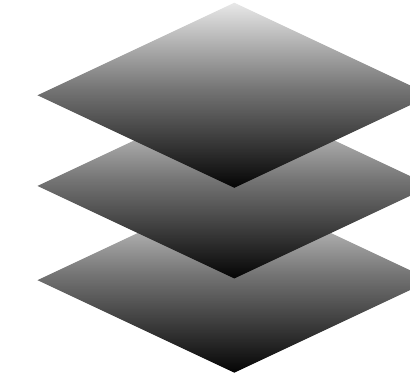
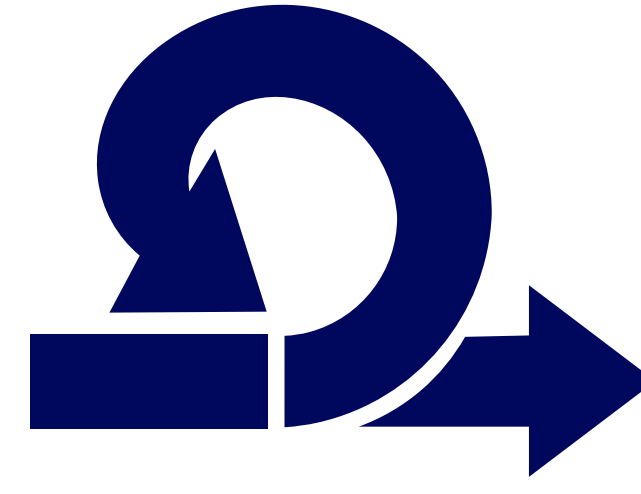
**OPERATIONAL**



**BACKLOG**



**SPRINT BACKLOG**

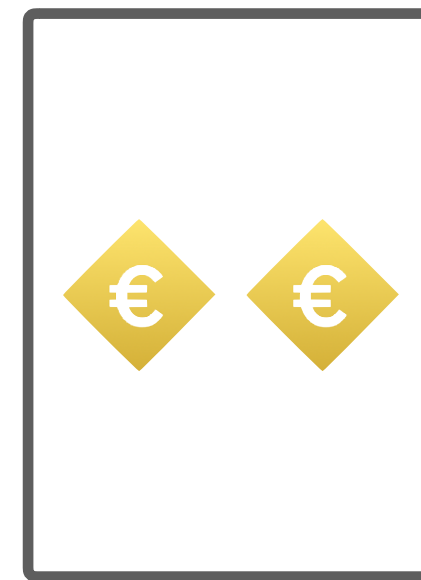


**PRODUCT INCREMENT**

**COMMERCIAL**



**MONTHLY INVOICE**



**SPRINT INVOICE**

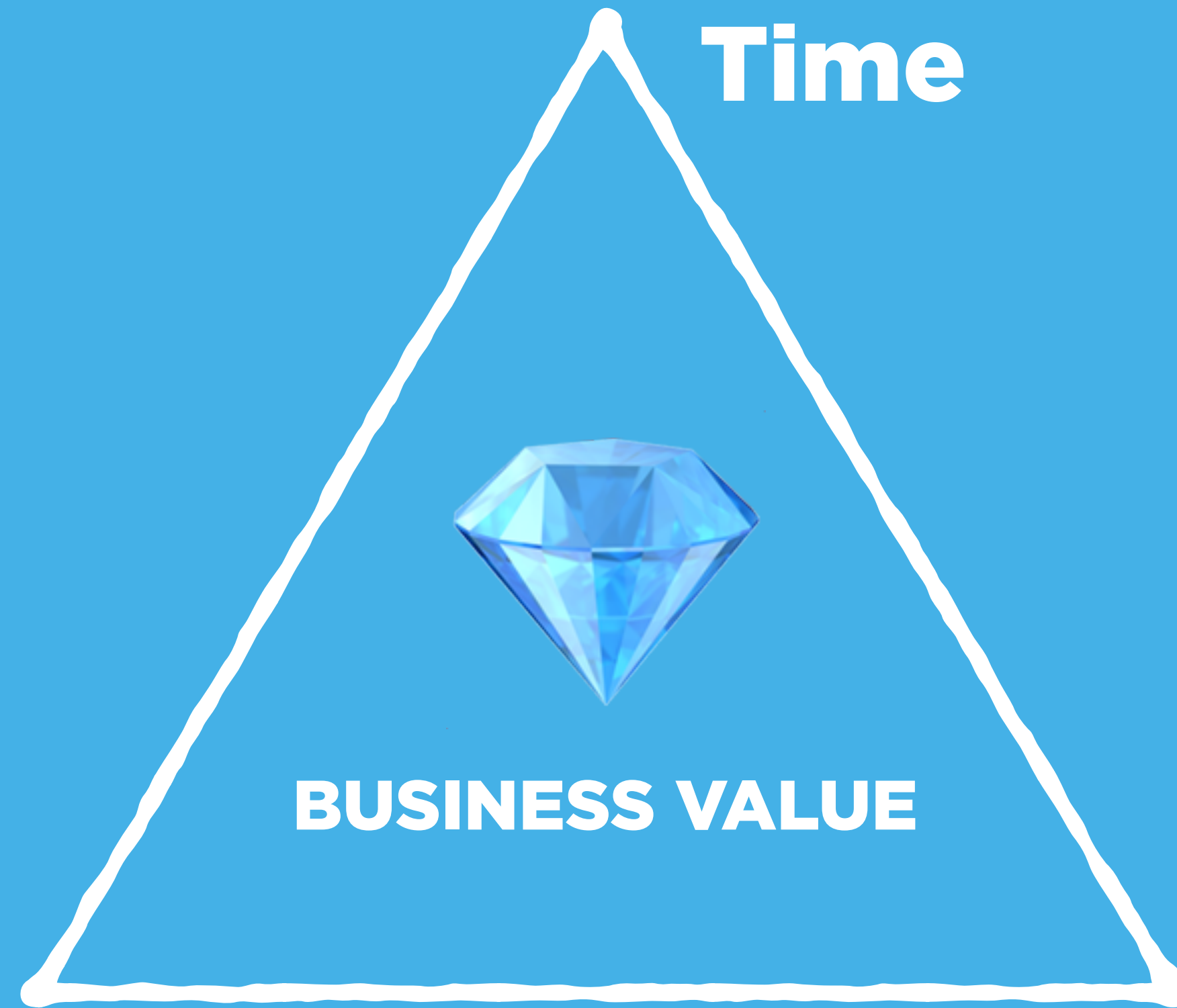


**INVOICE INCREMENT**





**2 WEEKS**

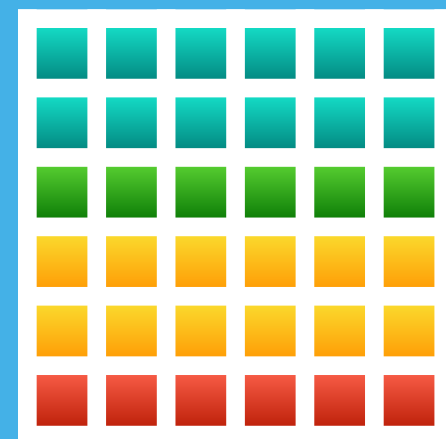


**Time**

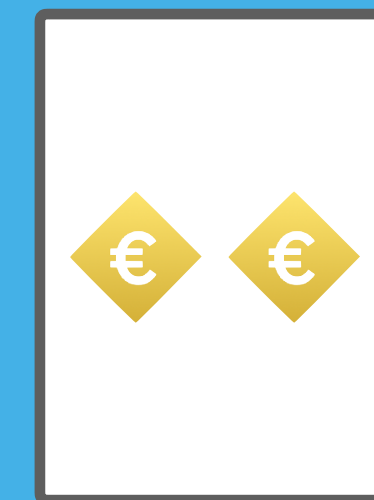
**BUSINESS VALUE**

**Scope**

**Price**



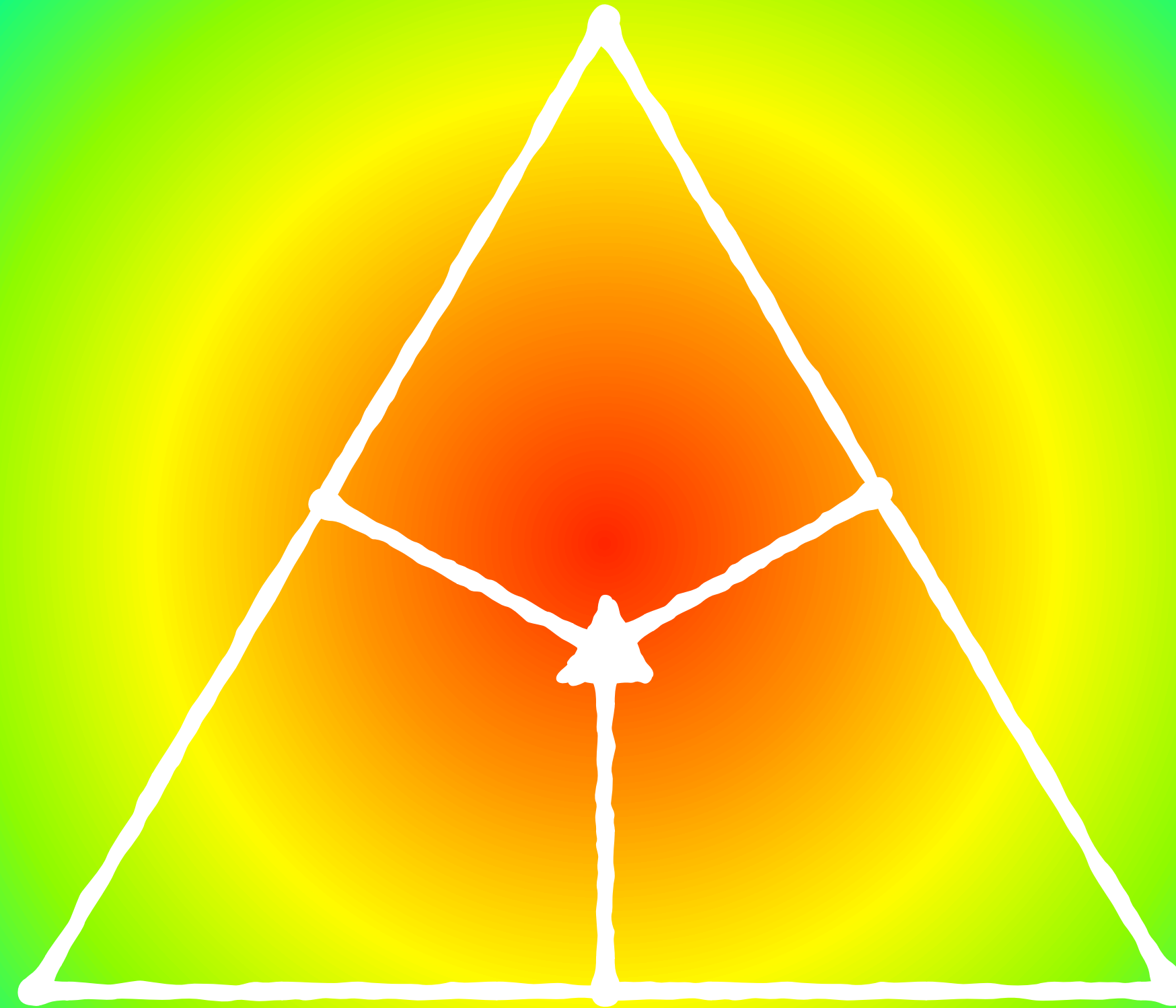
**SPRINT BACKLOG**



**SPRINT INVOICE**



**Time**



**Scope**

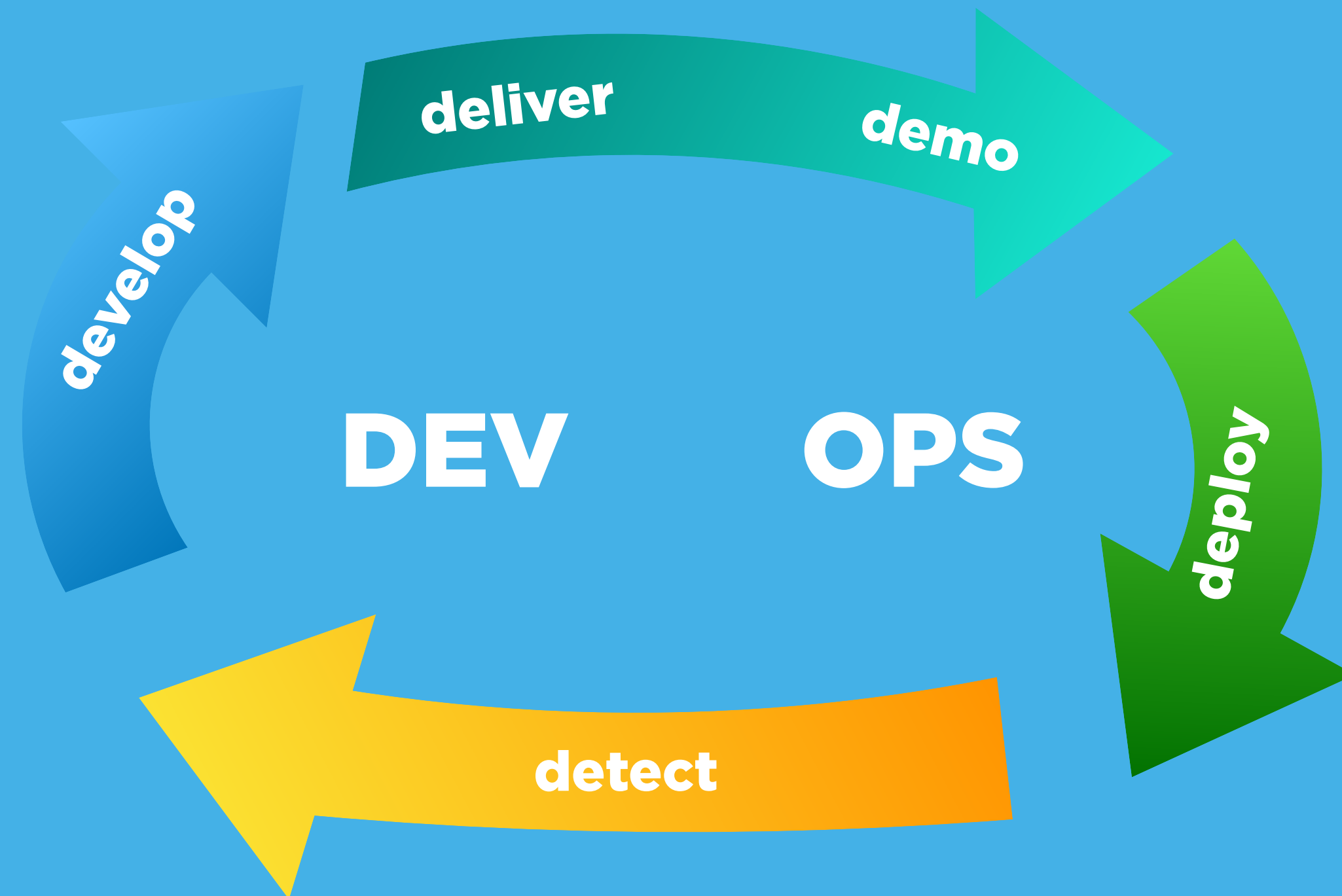
**Price**



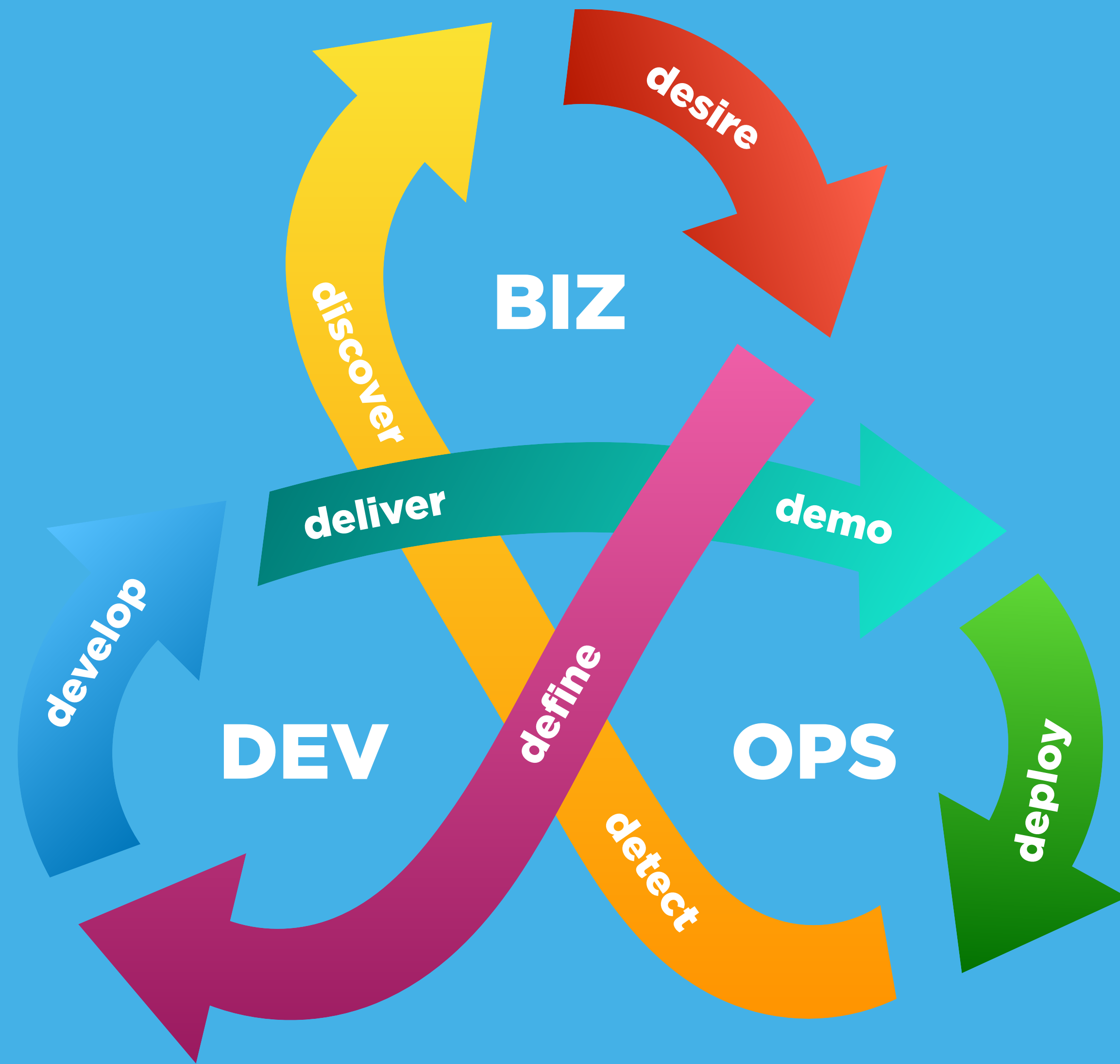




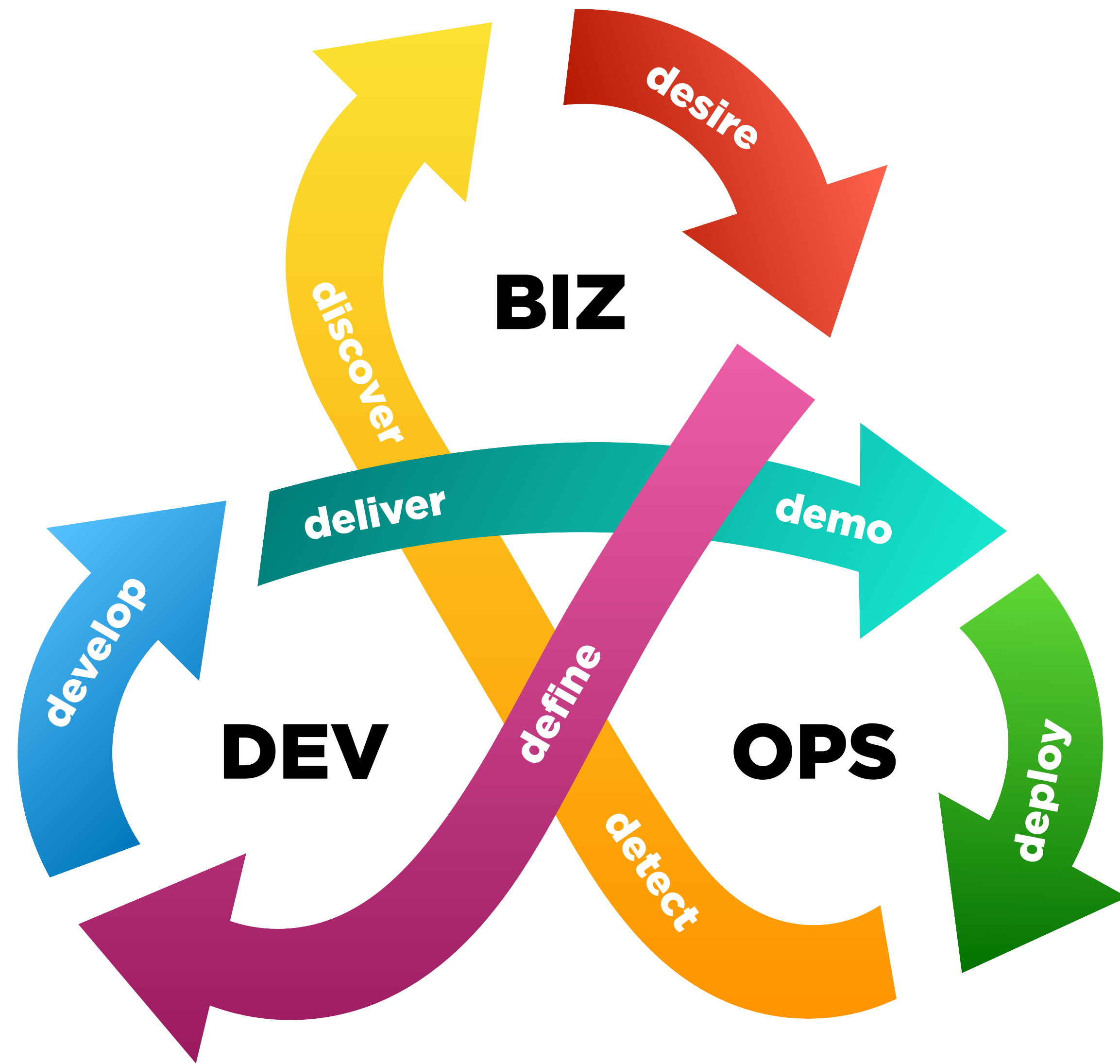














# ALIGNING INTERESTS



## Customer

Unqualified people  
Wrong writing of hours  
Slacking  
Bad code  
In-time payment  
Business value

## Supplier

Delivering results  
Unqualified people  
Wrong writing of hours  
Slacking  
Bad code  
In-time payment



# UNLOCKING AUTONOMY

## Who does what?

- \ Team decides!
- \ Estimation independent of skills and seniority

## Profitability

- \ Pressure vs. motivation
- \ Healthy discussion with PO

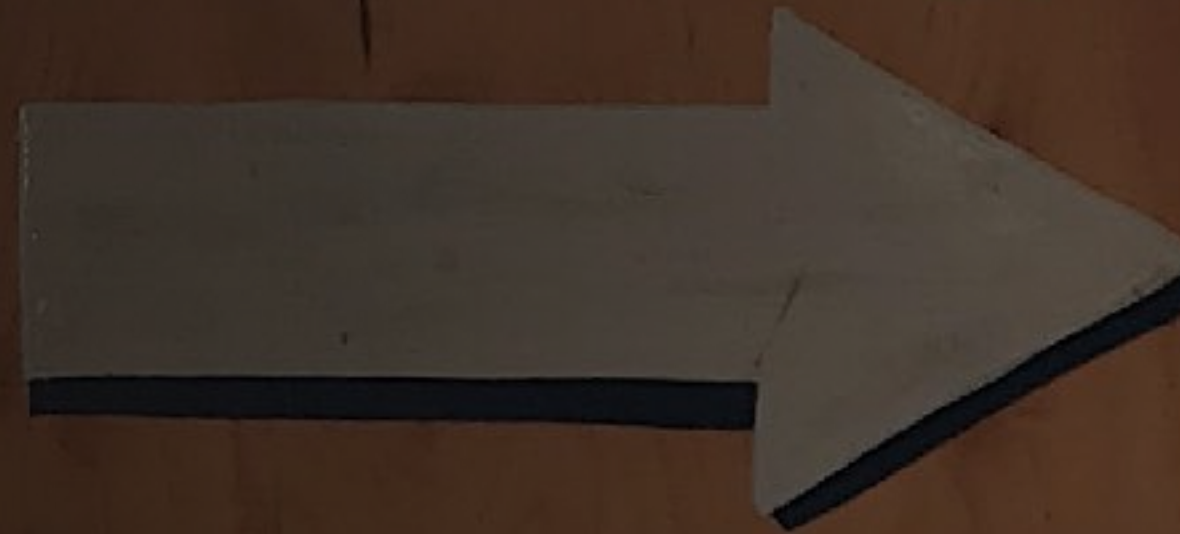


*“Why did you write so many hours in August?”*

*“I want that [smart / cheap] [junior / senior] guy/girl!”*

*“Why is that guy so expensive?”*

**AWESOME**



**LESS**

**AWESOME**



*“So... we only pay if you deliver?”*

*“You actually got skin in the game”*

*“The invoice was high... but hey, we got a lot of new features!”*

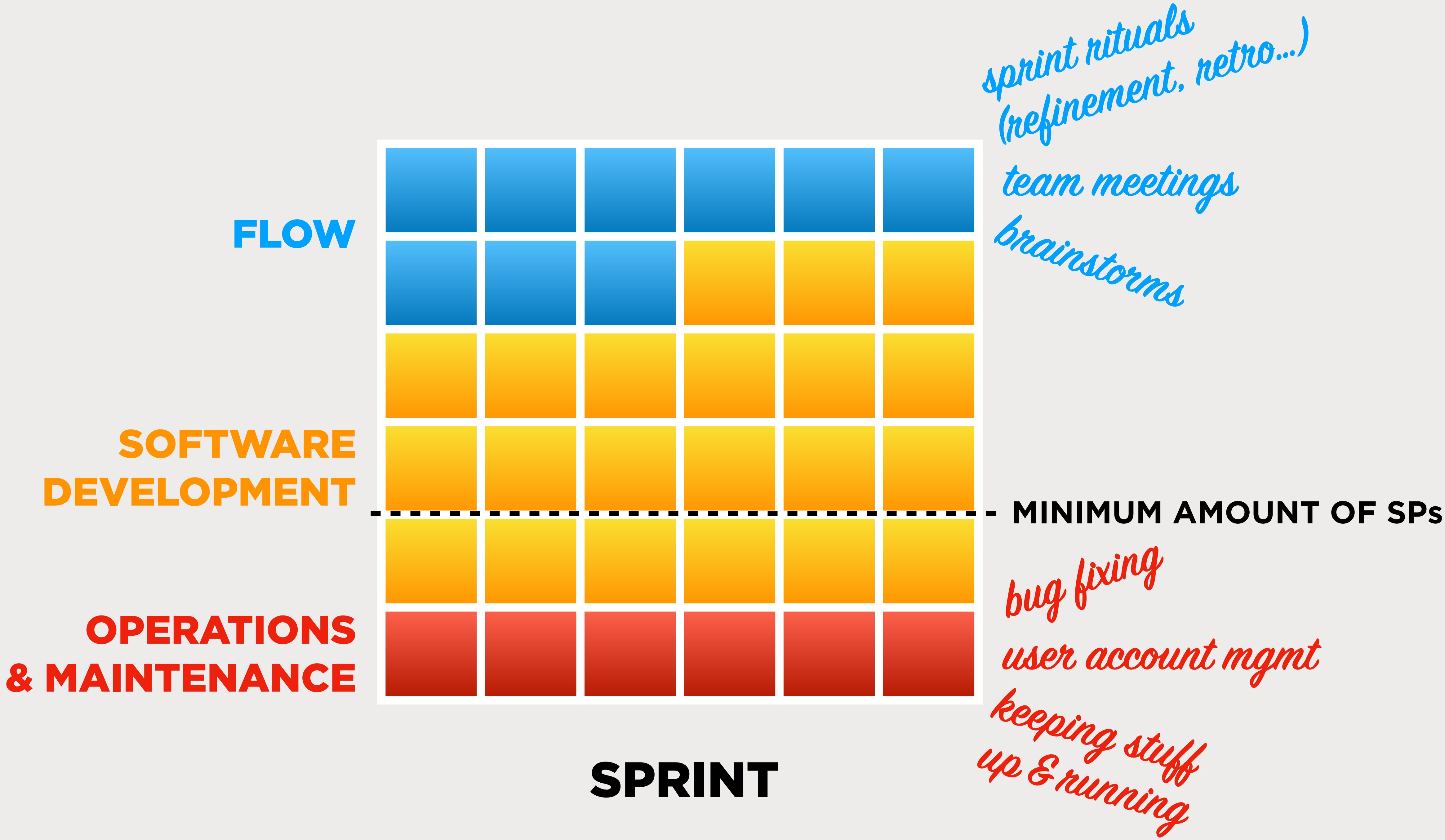
*“Why is security so expensive?”*



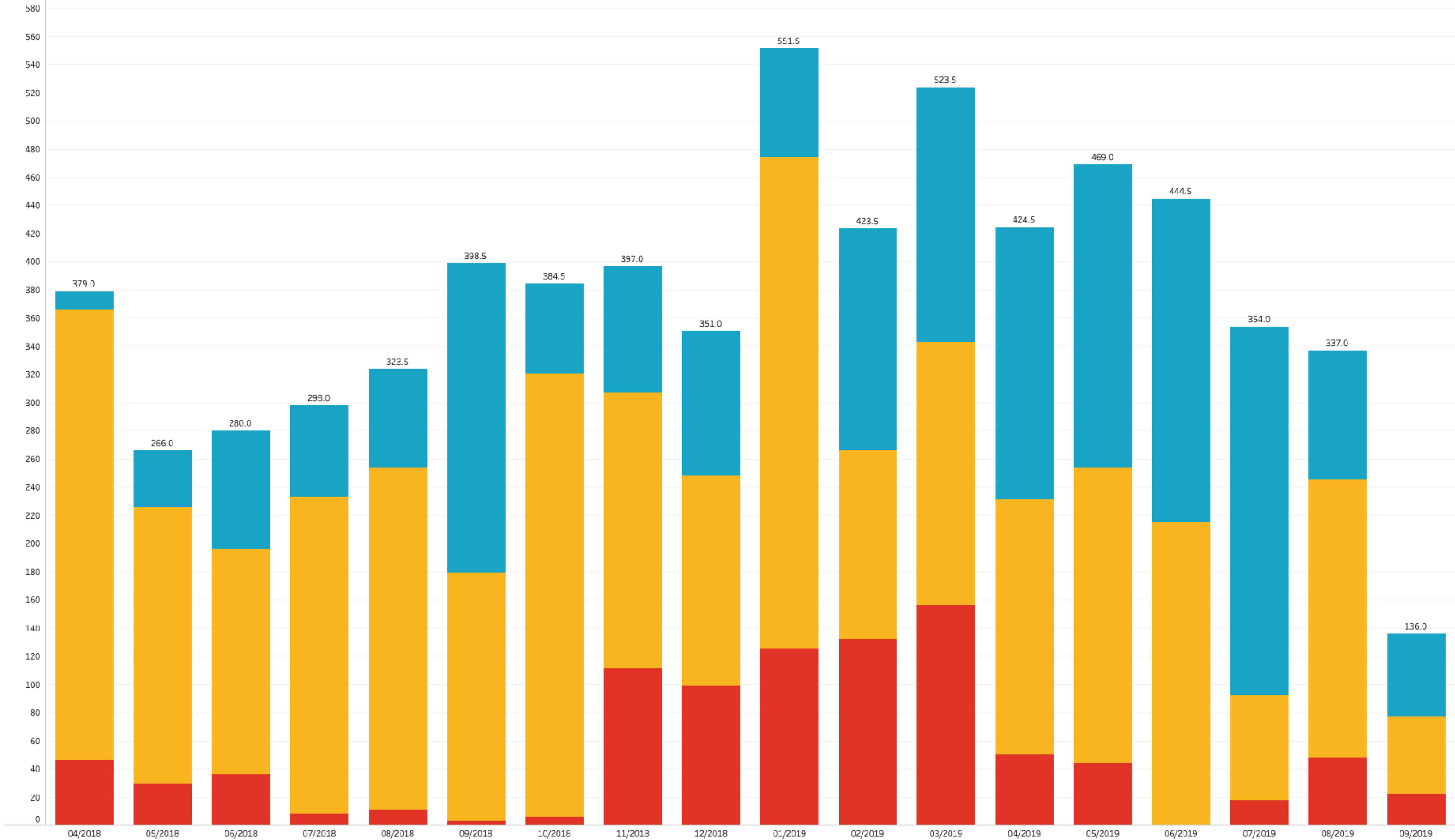


**BUT...?**





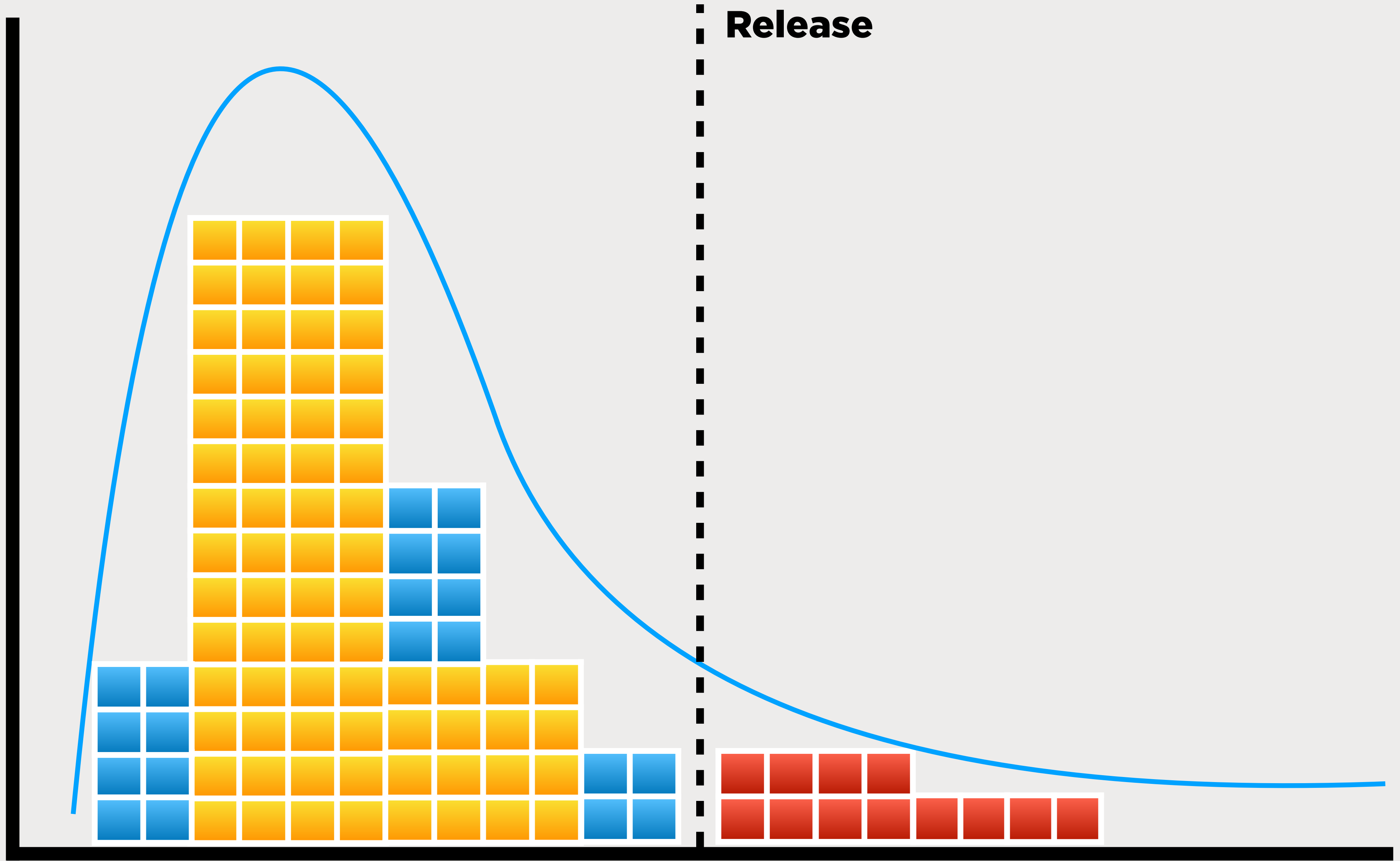






**Feature  
Development  
Effort**

**Release**



**BUILD**

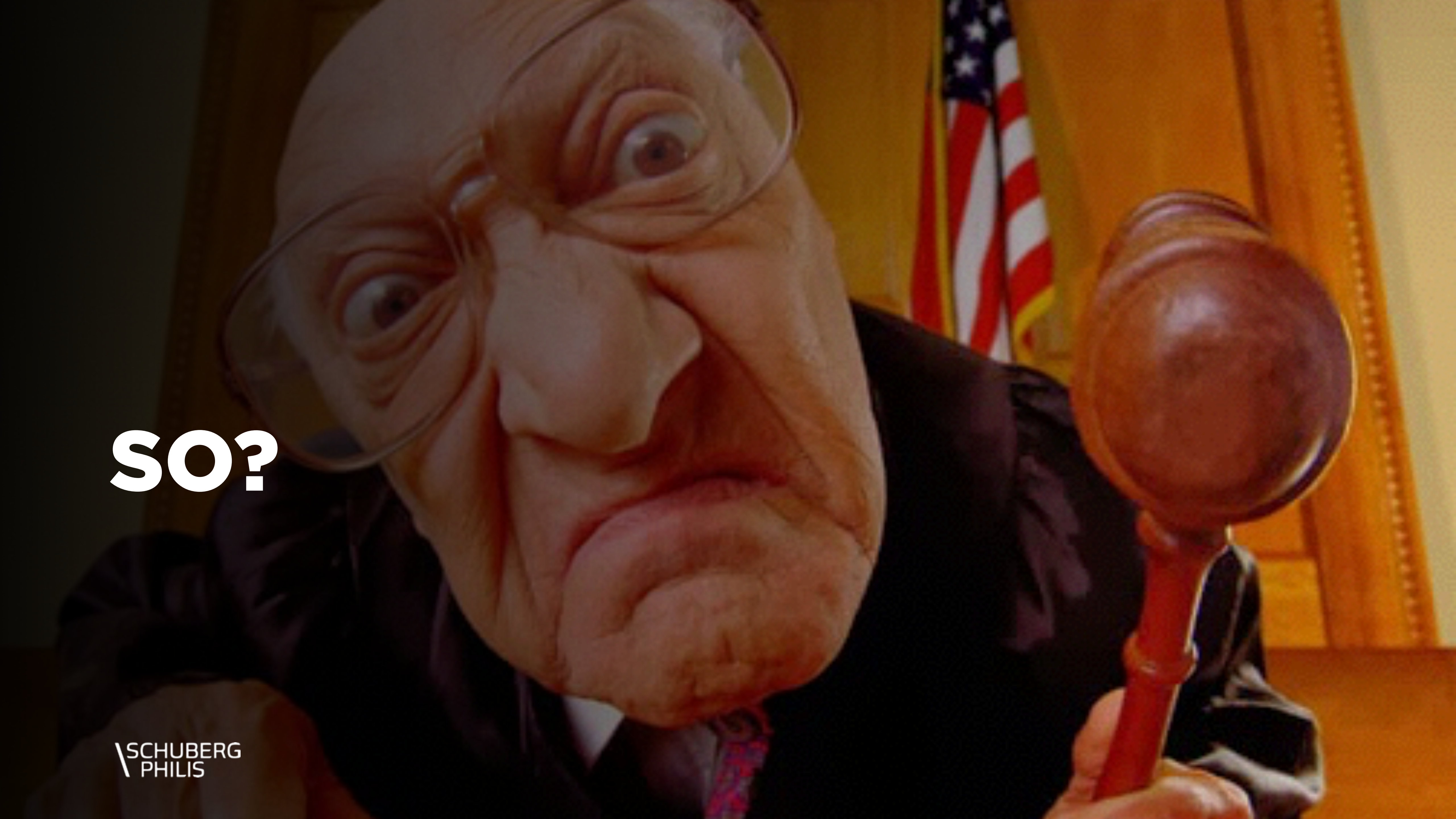
**MAINTENANCE**

**Time**









**SO?**



# VALUE-BASED CONTRACT

- 💎 **BizDevOps: increased awareness among stakeholders (commercial, technical, business value)**
- 🚀 **Fairer risk balance: delay is annoying for both parties**
- 🔓 **More freedom and ownership for the team**



# VALUE-BASED CONTRACT

- ⚠ Explain the model :-)
- ⚠ Product ownership is fundamental—  
Make sure the role is properly represented
- ⚠ Establish early how to charge non-development work



# THANKS!



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