Doing the right thing, better

Leading with efficiency in mind

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Leadership & executive coach, organizational developer
LeadDev West Coast, October 2023

Doing the right thing, better

Putting the "management"
into "engineering management"

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It's (been) a year

Microsoft's Nadella Says Tech Needs Efficiency as Job Cuts Loom

Layoffs.fyi
465 tech companies w/ layoffs · 126057 employees laid off · In 2023

Layoffs.fyi
1049 tech companies w/ layoffs · 161411 employees laid off · In 2022

HOME > TECH
A major Alphabet investor said the company should cut even more jobs and addre...

Salesforce to Lay Off 10% of Staf...

TECH · GITHUB
GitHub is layin...
office space

...th 500

That was 7 months ago

Amazon Is Said to Plan to Lay Off Thousands of Employees

IBM to Cut About 3,900 Workers, Still Hiring i 'Higher Growth' Areas

Dell to Cut About 6,650 Jobs, Battered by Plunging PC Sales

Microsoft confirms job cuts after calling for growth to slow

How does a bank collapse in 48 hours? A timeline of the SVB fall

Meta prepares for more layoffs days after announcing investments

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Our industry has been changing. What do these changes mean for our roles as leaders*?

*person who influences, guides others

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Has your company done layoffs recently?

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Is your company bootstrapped?

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Do you work on technical initiatives with your team?

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Do you find talking about money uncomfortable?

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Does your team have *no* Product Manager?

Does your team *have* a Product Manager?

Are the engineers on your team asking "why can't we just $technical_investment"?

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Have you ever wondered
what your boss thinks about?

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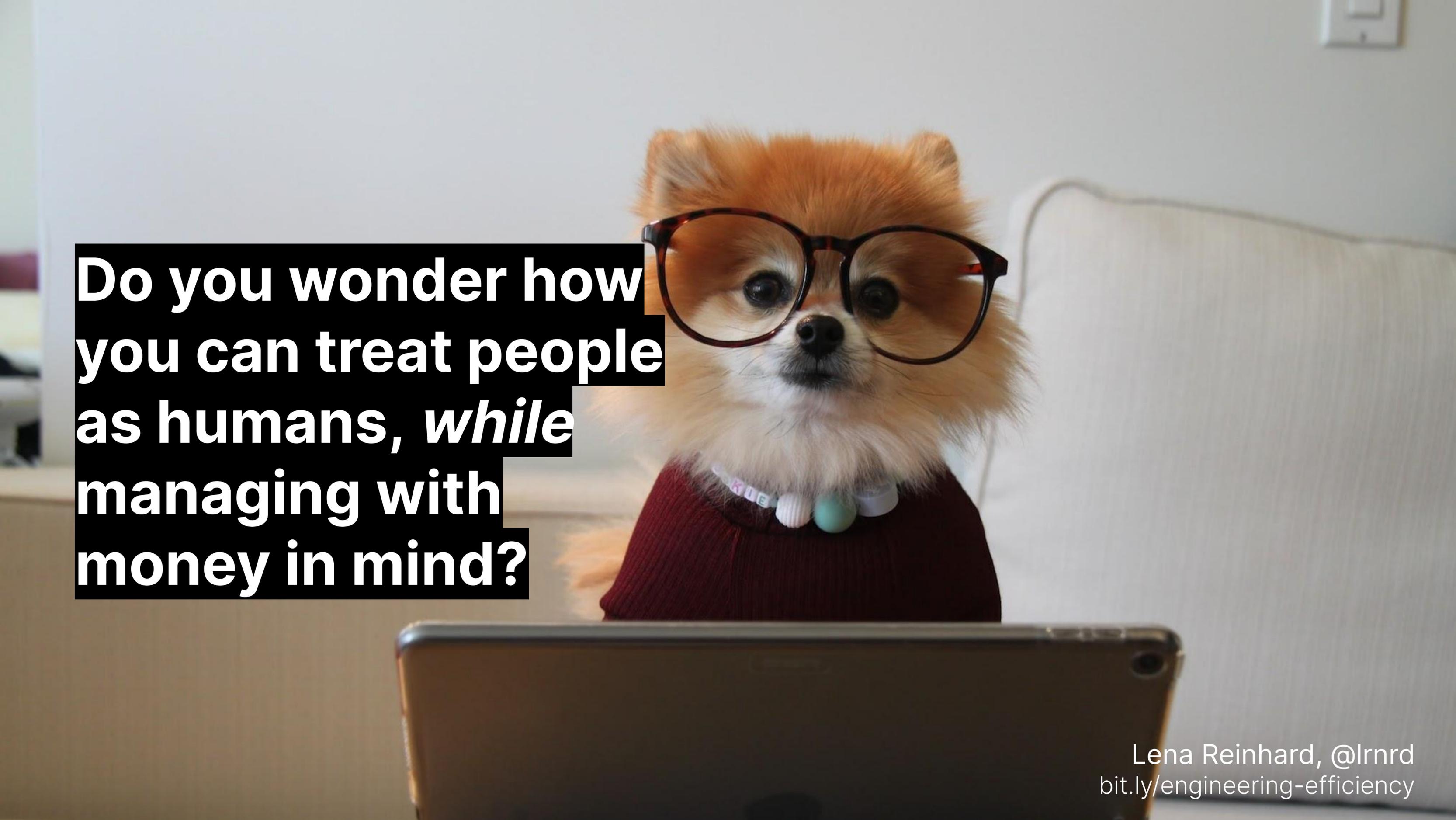
Do you wonder how you can treat people as humans, *while* managing with money in mind?
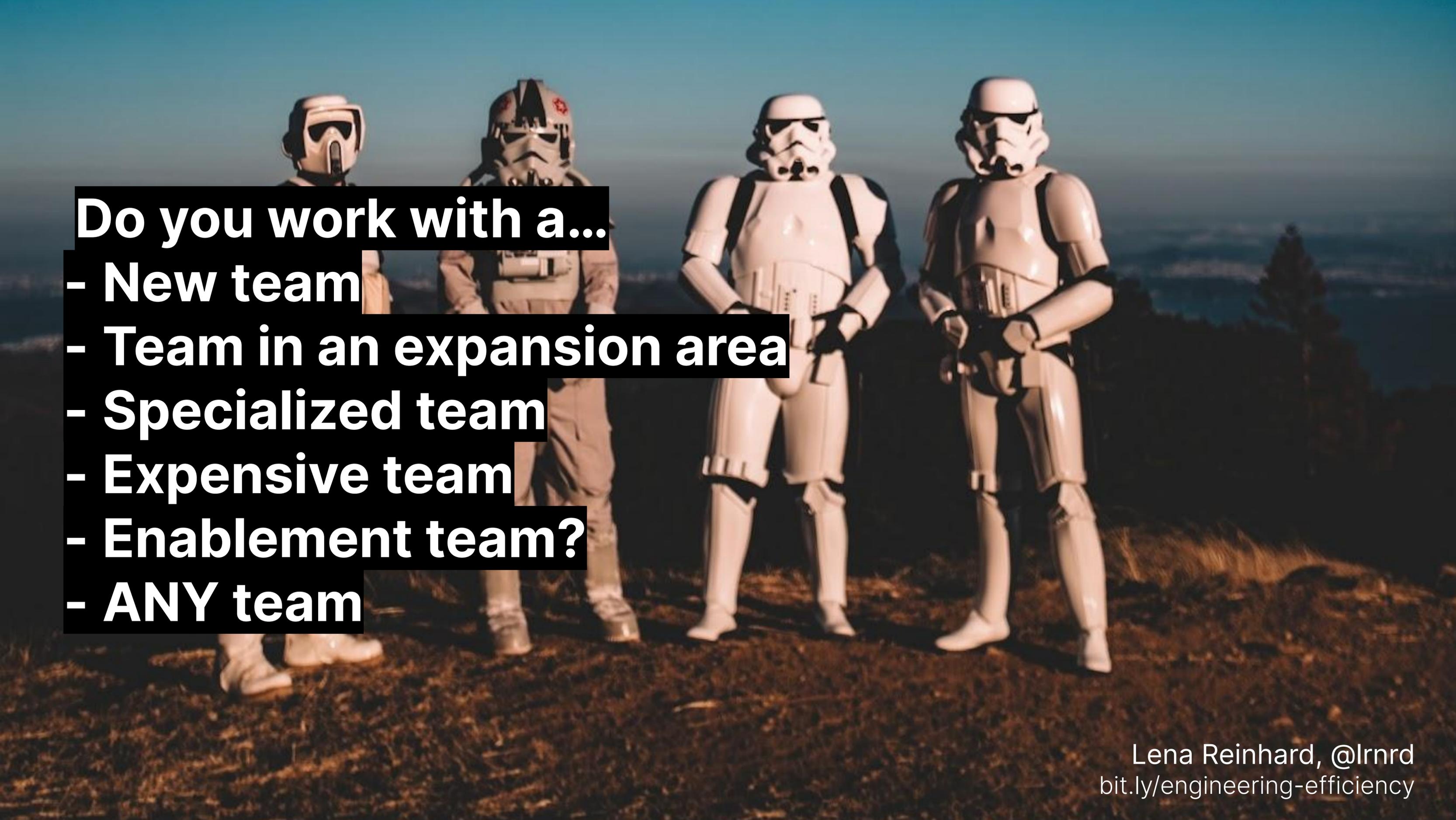
Do you work with a...
- New team
- Team in an expansion area
- Specialized team
- Expensive team
- Enablement team?
- ANY team

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Efficiency is your job!

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What should engineering leaders do?

It's our job to use resources smartly to help our business achieve its goals.

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use resources smartly to
help our business achieve its goals.**

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What should engineering leaders do?

It's our job to
be efficient and
effective.

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We need to talk about eff-words

eff·words:
Shorthand for effectiveness and efficiency

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Efficiency

What steps are we taking, and how?

- Actions, the "right way"
- Avoiding waste
- Measured by
  - Waste-limiting
  - Output

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Effectiveness

Are we achieving our goals?

- Goal, the "right thing"

- Doing what's most important

- Measured by

  - Alignment

  - Structure

  - Goal attainment, quality

Efficiency

What steps are we taking, and how?

- Actions, the "right way"

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Productivity: More output in the same time
Efficiency: Fewer resources (like time) used to generate the output

Can be efficiency

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Not efficiency
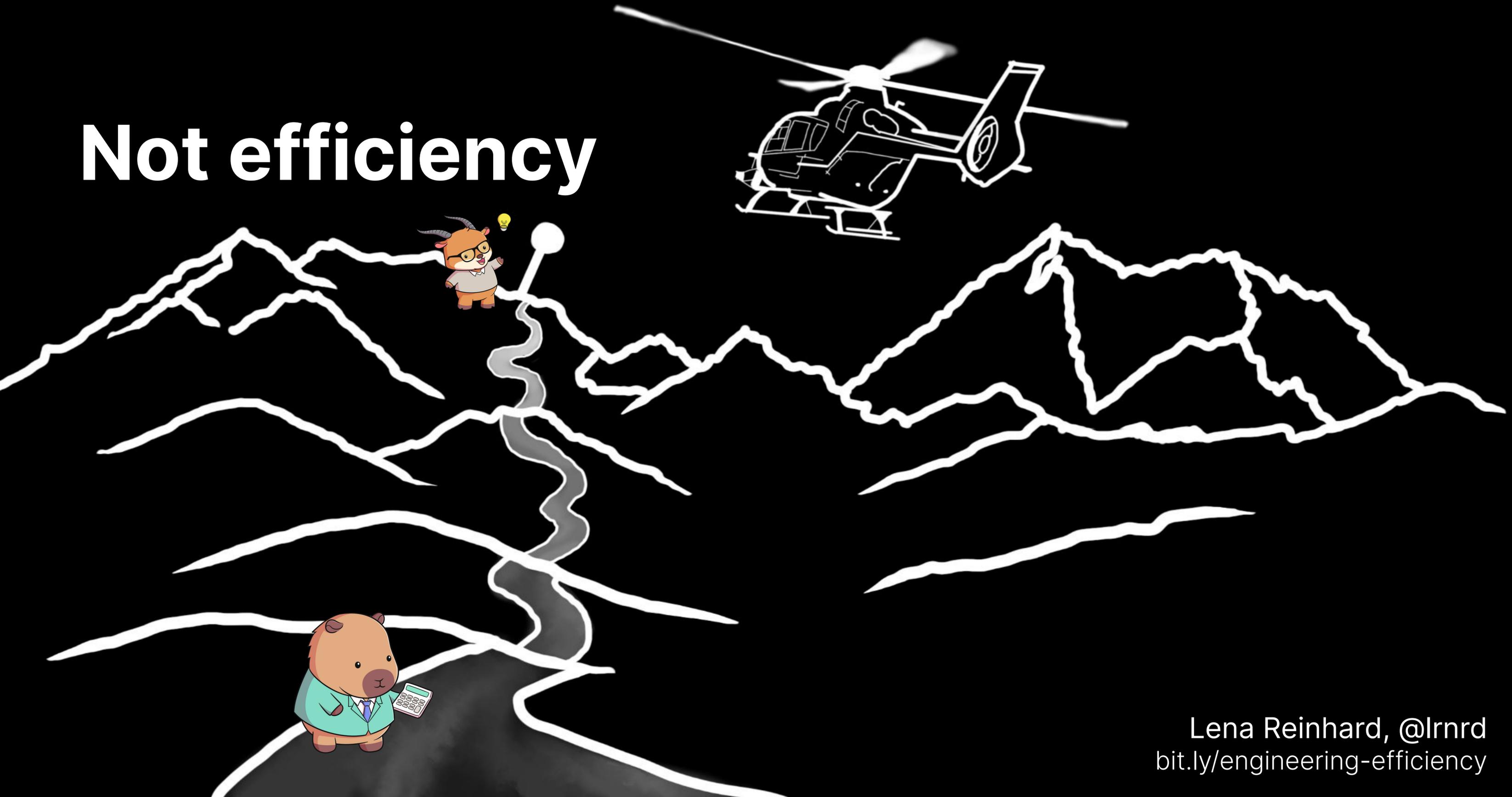
What do companies optimize for?
It depends & may change over time

Effectiveness

The goal

Efficiency

The actions

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Monday morning at 9am

Eff-ortlessly: Doing the right thing, better– every day

ef·fort·less·ly:
Involving minimal difficulty or effort

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How to do the right thing, better

1. **Map:** Know your organization
2. **Flashlight:** Define how you'll know
3. **GPS:** Know your position
4. **Hiking boots:** Make it real
5. **Binoculars**: Watch out for changes

Communicate to validate

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Efficiency is in every decision you make with your team, every single day, to help you reach your goals.

1 **Map**
Know your organization
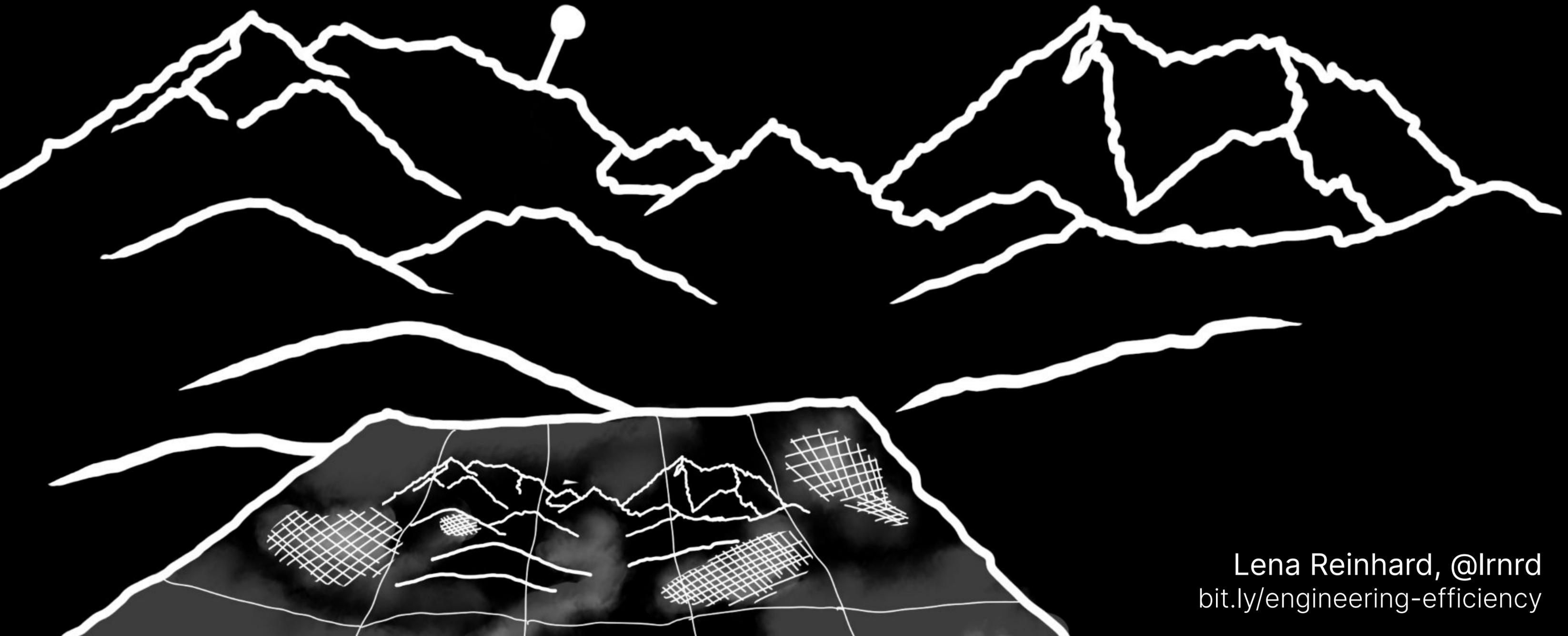
Know your organization & your boss

Questions

- **What are our values/principles and constraints?**
- **What are we optimizing for?**
- **What is our goal?**
- **How are we making & costing the business money?**
- **What's our budget?**

Sources

- Speak with your boss
- Review documents
- Follow industry news
- Budget: Ask HR/Finance partner

Know your organization & your boss
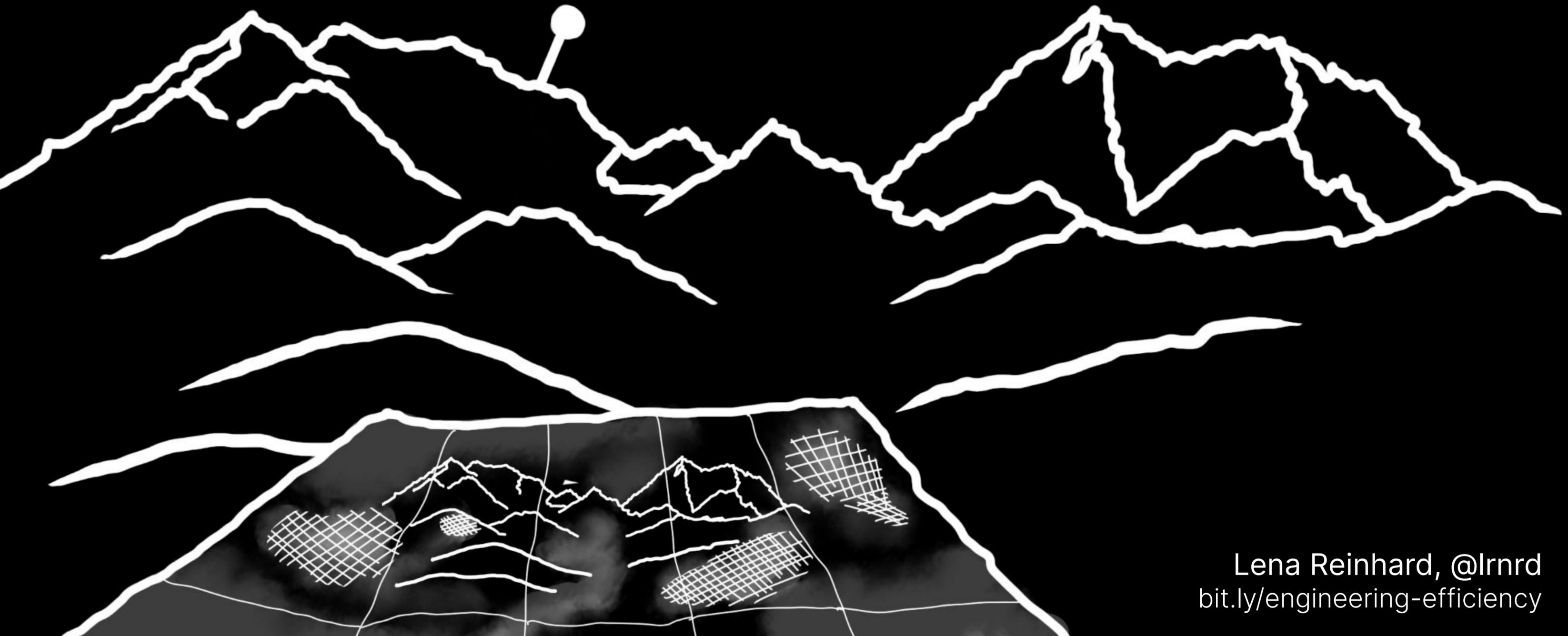
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2 Flashlight
Define how you'll know

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Metrics create incentives. Incentives create behaviors. Behaviors create culture.

Your metrics matter more than you think.

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It doesn't matter if you use DORA, SPACE, DevEx, Flow, or $framework/$metrics

if

1. they don't measure what matters to your company

2. you don't have your team & boss on board

3. you don't use them to inform your decisions

The right metrics for your team are the metrics that are shared and used

- Measure effectiveness <u>and</u> efficiency for balance

- Mix leading and lagging indicators

- Start with what you can easily know and impact

- Just because it's not easily quantifiable doesn't mean that it doesn't matter

- Avoid "wrong" incentives: *"What if we took this to the extreme?"*

- Make clear if metrics are *for* or *about* a group

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Effectiveness metrics

- **Alignment**

- **Structure**

- **Goal attainment**

*Typical visibility,
early to late*

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Effectiveness metrics

- **Alignment**
  - Goals roll up to next-level goals
  - Team understands goals
  - ... plus deliverables, timing, approach

- **Structure**
  - Maturity
  - Employee engagement, turnover
  - Knowledge distribution
  - Future readiness

- **Goal attainment**
  - %, y/n
  - Timeliness
  - Quality (MTTR, CFR, escaped defects)
  - Customer satisfaction

*Typical visibility,
early to late*

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Efficiency metrics

- **Waste-limiting**

- **Output**

Typical visibility,
early to late

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Efficiency metrics

- **Waste-limiting**
  - Deployment frequency (DF)
  - Focus: disruptions, work in progress
  - Agile metrics: Lead time, cycle time,...
  - Cumulative flow
  - Toil
  - Visibility: Available metrics, observability
  - Feedback regularity
  - # experiments

- **Output**
  - Lead time for changes (LT4C)
  - Planned-to-done ratio
  - Pull Request (PR) Rate

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Effectiveness

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Pushing information: Communicate to validate 👍

With your boss, peers
bit.ly/pushing-information

With your reports & stakeholders

Summary: [1-2 sentences]
Request: What I need from you is...
Context: My understanding is...
Actions: Therefore, I intend to...
What do you think?

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2 Flashlight
Define how you'll know

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3 **GPS**
Know your position

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Review where your team is at & where you can improve

Identify what you can do to put your team in the best shape possible

When: Now (and 2x/year onwards)

Zoom out and review
- Budget, making and spending money
- Tech
- Delivery, processes
- Structure, staffing

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Find improvement opportunities

- **Waste:** Where are we wasting resources like money, time, focus?
- **Near-term improvements:** How can we increase our impact by doing things better/differently?
- **Long-term:** Which areas can we invest in now for long-term improvements?

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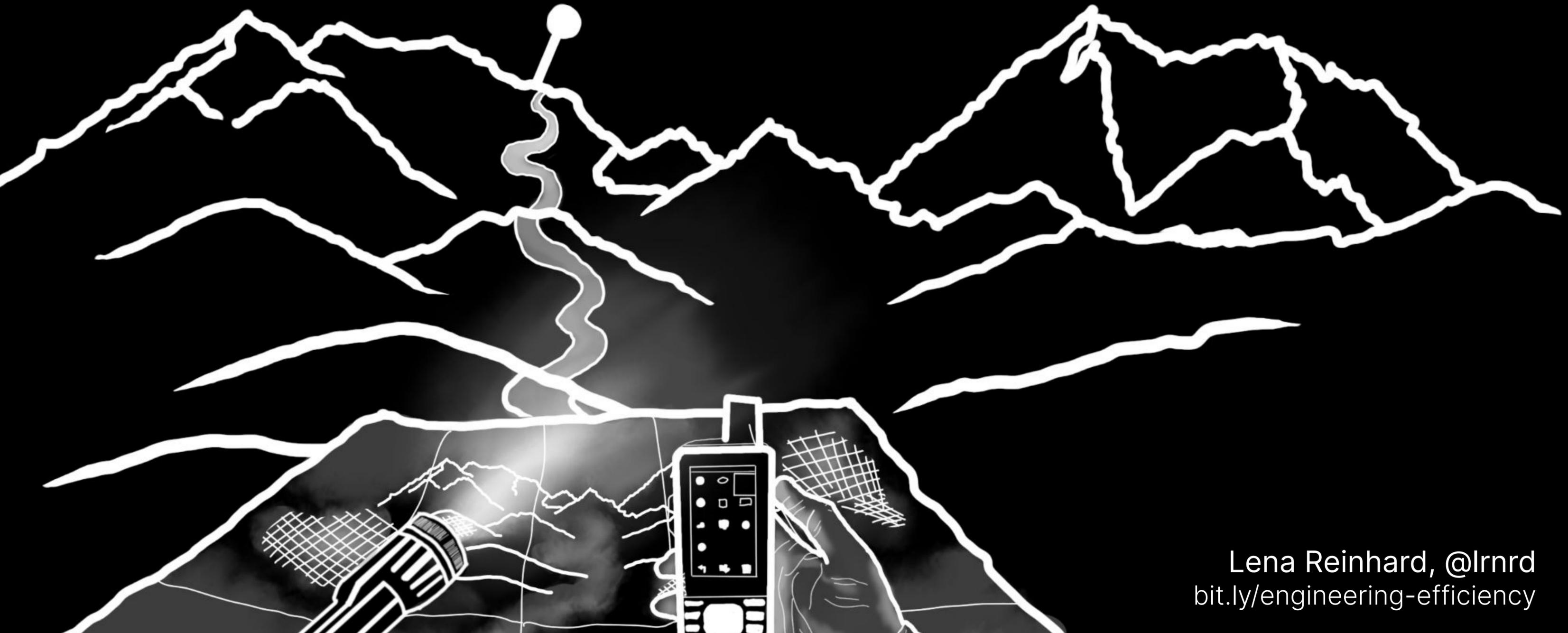
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4 Hiking boots
Make it real

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Make it real!
Every day, week, and quarter

Daily

Standup
Prioritization
Interruptions
Delivery

Weekly(-ish)

Metrics review
Delivery
- Backlog grooming
- Work breakdown
- Estimation
- Planning
Team development
Retrospectives

Quarterly

Goal review
Goal setting
Investment plans

Make it real!
Every day, week, and quarter

Daily
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Team development
Retrospectives

Quarterly
Goal review
Goal setting
Investment plans

1. Pick one for next week
2. Tell the person to your right your pick

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5 **Binoculars**
Watch out for changes

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Keep your binoculars out

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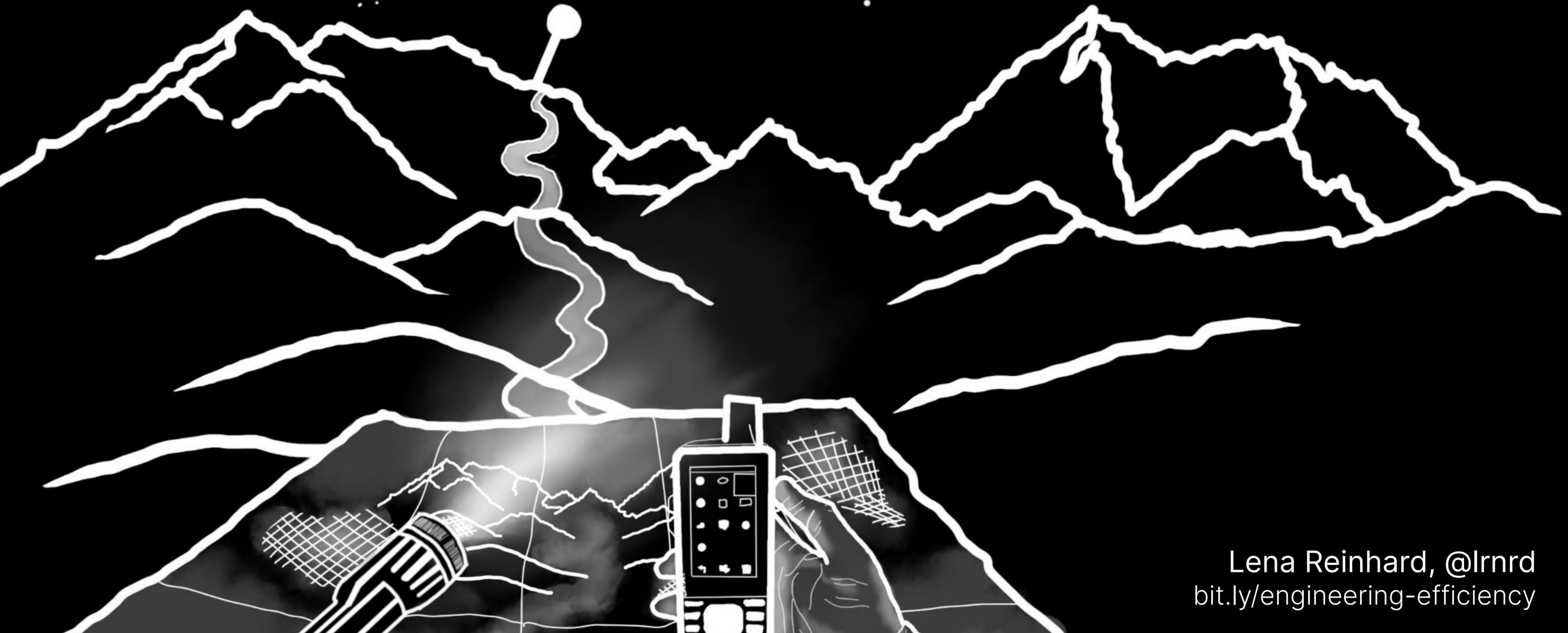
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Strategy Cheat Sheet
bit.ly/strategy-time

Bonus: Strategic bagel!

Strategy Cheat Sheet

What you think about and the way you spend your time is the kind of leader you are, so make strategic leadership a habit! "Strategic leadership" means leading (daily) from an idea of the future (strategy). Find more information under bit.ly/strategy-time.

The STABB Framework for strategic leadership
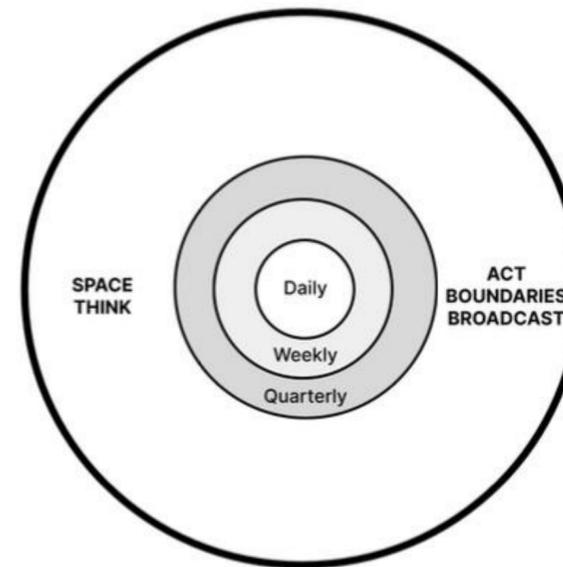
Space to
Think about the big picture.
Act to execute, set
Boundaries and
Broadcast your actions.

Make it a habit:
Daily, weekly, quarterly.

(Diagram: concentric circles labeled SPACE THINK, ACT BOUNDARIES BROADCAST, with inner rings Daily, Weekly, Quarterly)

Daily strategic leadership actions

STABB	Step	Action
Space, Think	Start the day with 15 minutes of strategy time	– What's the most important thing for us? – What are we <u>not</u> doing to accomplish it? – How can I help my team draw connections between their work and strategy? – How am I investing in capabilities we need to meet our strategic goals?
Act	Ask strategic	– What business problem are we trying to solve?

The el-eff-ant in the room
Leading with efficiency in mind, every day

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*I'll see myself out shortly

Engineering Effectiveness & Efficiency Cheat Sheet

bit.ly/engineering-efficiency

Engineering Effectiveness & Efficiency Cheat Sheet

This cheat sheet will help you lead your teams in achieving their goals more efficiently, every day. Follow the steps outlined here and you'll:

1. **Understand your company's ultimate goal(s)** so you can make sure your team(s) is aligned on them.
2. **Get visibility** through a set of metrics that you and your team(s) use to measure your effectiveness and efficiency
3. **Know improvement areas** in your team: know what changes you can make to put your team in the best shape possible.
4. **Be able to adapt over time** by knowing the signals for when to change tactics and **create alignment**
   a. With your boss: You understand the business strategy and apply it in your area.
   b. With your team(s): Your team knows the business context and applies it to their work.

What are effectiveness and efficiency?

Effectiveness: Do we reach our goals?	**Efficiency:** What steps are we taking, and how?
The goal, "right thing", and doing what's most important: **What we're going after, and why.** Effectiveness is the ultimate goal. Metrics • Alignment • Structure • Goal attainment, quality	The actions, steps, "right way" of doing things: **How we're moving with people and resources to achieve our goals, and avoiding waste along the way.** Efficiency is a tool to help us be effective. Metrics • Waste-limiting • Culture-building • Output

1. Understand your organization's goals so you can align your team(s)

Questions to ask
- What are our values/principles and constraints? - What are we optimizing for? High effectiveness, high efficiency, or a balance of both? What do these terms mean in our organization? ←- → High effectiveness   High efficiency - What is our goal? - How are we as a team making and costing the business money? - What's our budget? - What are we optimizing for globally vs. locally? - *Example: Streamlining deployments is great, but only has the best possible effects if many teams use the same process, instead of each team optimizing locally by setting up their own process.*

Sources:
- Speak with your boss

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Know your organization (and boss)
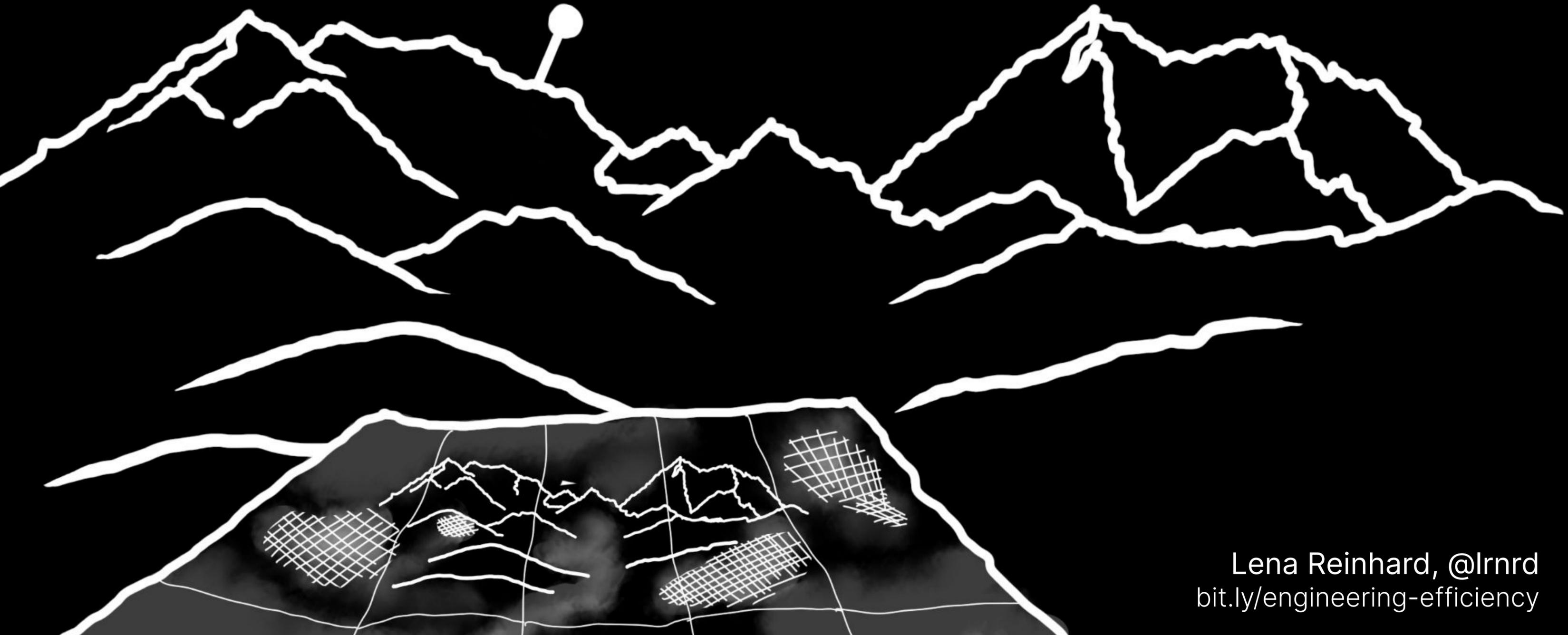
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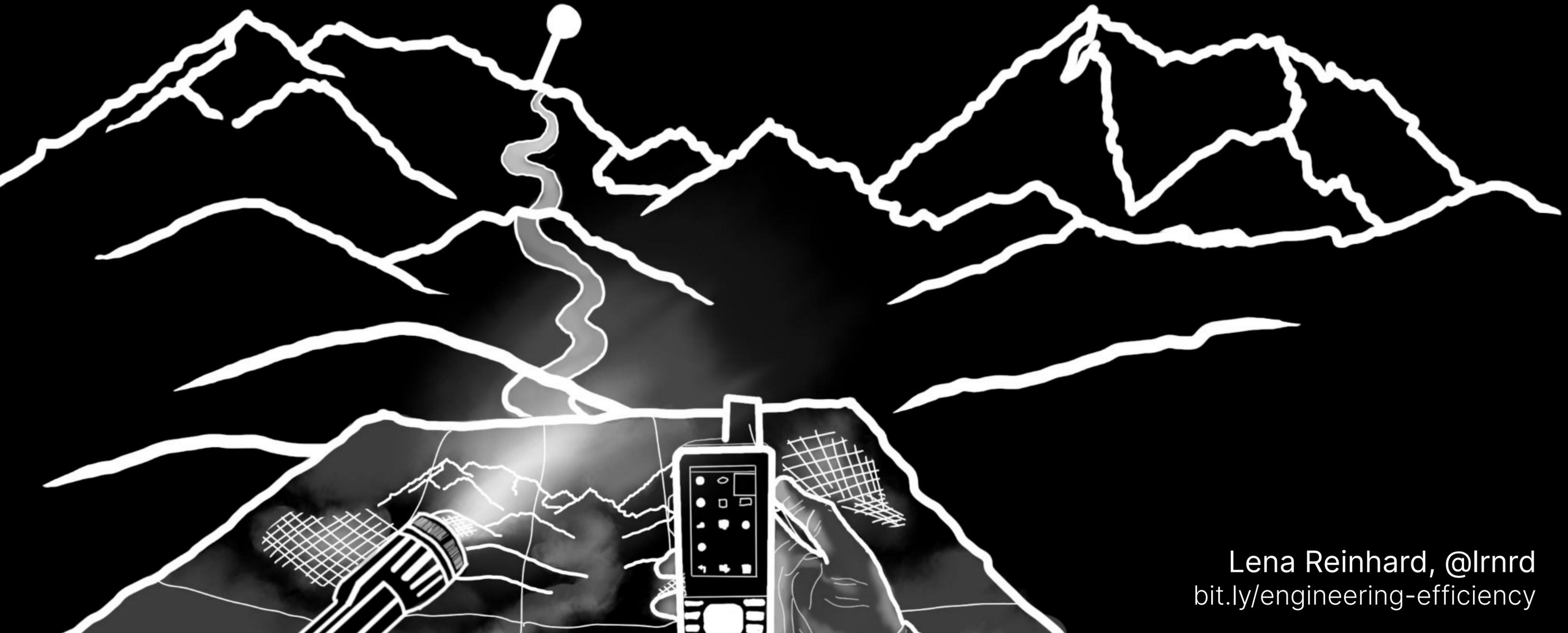
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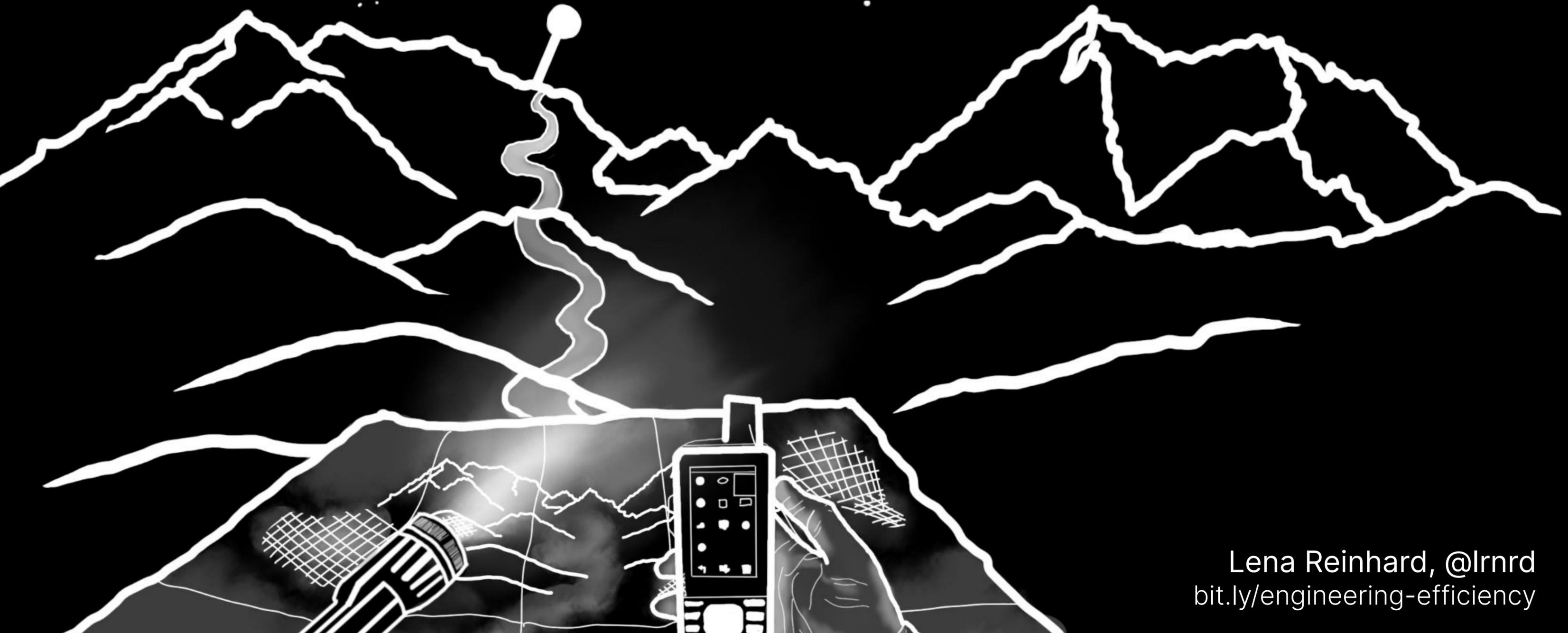
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Leap
every once
in a while

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Efficiency rule #8

Put the "management" into "engineering management"

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Capybara carer

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