Scrum down!

In the second in a series on agile methods, David Parmenter explains why finance teams should consider adopting the scrum communication technique

Do your meetings go nowhere slowly? Is there a stagnation of ideas? Is the finance team stuck in 'groundhog day'? If so, you need to completely change the way you communicate with each other.

Agile planning and scrum communication is a technique that was developed to radically reduce the time it took to write new software applications. It recognised that teams in very intense work periods do not always function properly. Common features of large projects are that they are:

* typically late with lots of pressure, no fun and have long dysfunctional meetings, going nowhere quickly
* slowed even further when more resources are applied to help speed them up, as the new staff are tripping over each other with unnecessary duplication
* often over-planned only to find that the game has changed
* constantly hitting road blocks, with members not having the skills or internal authority to fix the problem by themselves.

A 1986 *Harvard Business Review* paper, *The New New Product Development Game* by Hirotaka Takeuchi and Ikujiro Nonaka, noted that the best teams looked like sports teams: all linked together, working intensively to overcome obstacles and with frequent, short, targeted communication.

Jeff Sutherland, a consultant, discovered that software companies benefited greatly from starting each day with a stand-up meeting. He, along with others, started to promote this method, which is now known as a daily stand-up scrum.

Clear vision

Instead of over-planning, you need a clear vision of what you are trying to achieve. You then take a chunk of work – between one and two weeks of effort – which is a standalone part of the project and is signed off at the end by the customer. This chunk is called a sprint. For the finance team, the month-end should be treated as a sprint.

Each day the finance team members delivering the sprint (month-end) meet in a stand-up scrum meeting. They are asked to talk for one to two minutes about what they did yesterday, what they are doing today and any current roadblocks. Each debrief is to take no more than a minute or so; some teams even have a rule that you can only talk as long as you can hold a dumbbell in your extended arm. The team leader or 'scrum master' notes all the roadblocks and immediately sets about removing them with an appropriate phonecall or walkabout visit. At the end of the session, the group touch fists (embarrassment levels permitting) – an homage to the source of this technique.

Team members now get to know what has been done, and what is going to be done and by whom. They also know that they will be having a scrum tomorrow, alleviating the need to email. Everyone is accountable, with no place for 'cruising'.

Every month-end should be scrummed. Start around day minus two (the day before the last day) and ensure everybody who works on month-ends attends the scrum. By the time you get to day plus two, many members do not need to attend, as their month-end activities will by now be finished. Continue to scrum until the month-end is in the CEO hands.

Every year-end should also be scrummed. This time it starts with the month-minus-12 scrum and continues. Have the senior auditor attend once they are on site. Every annual plan should also be scrummed; start with the team planning the next annual plan and expand as you go into the collecting numbers phase. Finally, every finance project should be scrummed, such as implementing a planning tool. ■

Next steps

1. Visit Jeff Sutherland's YouTube presentation on scrums
2. Visit **tinyurl.com/qc4hrfc** to find out more
3. Email me (**parmenter@waymark.co.nz**) and I will send you a useful paper on agile planning.

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