Pull the cord - project funding model is defective
Manual proxy data = non-value add transactions

Incentivises irrational behavior

Deleverages Knowledge Capital

Why, pull the cord, on Project funding?
budget

noun
1. an estimate of income and expenditure for a set period of time.

funding

noun: funding
1. money provided, especially by an organization or government, for a particular purpose.
"the public funding of litigation remains a core question"

funding

verb
1. provide with money for a particular purpose.
the action or practice of providing funding.
"the World Bank refused to fund the project"
Budget gets created based on estimates*...

Fixed scope; suboptimal people + time allocations...

Funding approved based on estimated ROI...

Epiphany I: How much time and effort do you spend on this activity?

Epiphany II: If approved funding for next fiscal year, we'll wait until next fiscal cycle to get started or slack off on the work we are doing now as it will stop next fiscal... åh fantastisk 😞

Budget used for Performance Management and Goal Setting activities too! Foolish.

Project funding = heavy process...

Project = Deterministic && Product model = Stochastic
Product development vs. Product assembly
Budgeting and Funding

Paradigm Shift

Project funding
Plan Driven
Project Funding

Lean-Agile
Value Driven
Product Funding

Variable | Time | Teams | Scope

Scope = Demand
Exploit Variability

Timeboxes + Team/s = Capacity
Cadence & Synchronization

Fixed | Scope | Time | Teams

Matching Function
Limit WIP/Queueing Theory
Product vs. Project

Differences in Investment Portfolio styles

- Locus of control: **Internal** vs. **External**
- Budget + Fund: **Teams + Time** vs. **Project ROI**
- OBS: **Product value streams** vs. temporary projects
- Strategy: **Capacity allocations** vs. budget line items
- Planning: **Outcomes** vs. Output [Feature Factory]
- Measure: **Flow + Cycle Time** vs. resource utilization

**Pull** vs. **Push** - **Asset** vs. **Liability**
Watch the Work **NOT** the Worker
Don’t be shortsighted...

Kortsynet

Systems Thinking...

Corporate IT dept a Cost Center? Cost Center trap!
Lean **budget** + LPM = **Product** funding
Call-to-Action...

I. **Fund teams.** Teams are the atomic unit. **Persistent corporate asset.** Teams || Groups [Product Portfolio + Program]

II. **Lean budgeting.** Box Scores (Cycle Time, P&L, Customer Satisfaction). Strategic allocations.

III. **Portfolio Kanban.** Pull-schedule and WIP limits replace disparate funding workflow. **VC funding model.** Decision Velocity.

IV. **Lean accounting practices.** Reduce transactions = reduce waste. No proxy data. Information in the data (Cycle Time and CapEx). Start experimenting in parallel.
Fuzzy Front-end
empiricism vs. rationalism
The End