

Iterating Effectively: A Case Study in Agile Contracting with SBA

Presenter

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Motivation

“More information is always better than less. When people know the reason things are happening, even if it's bad news, they can adjust their expectations and react accordingly. Keeping people in the dark only serves to stir negative emotion”

— Simon Sinek



Examples of Successful Agile

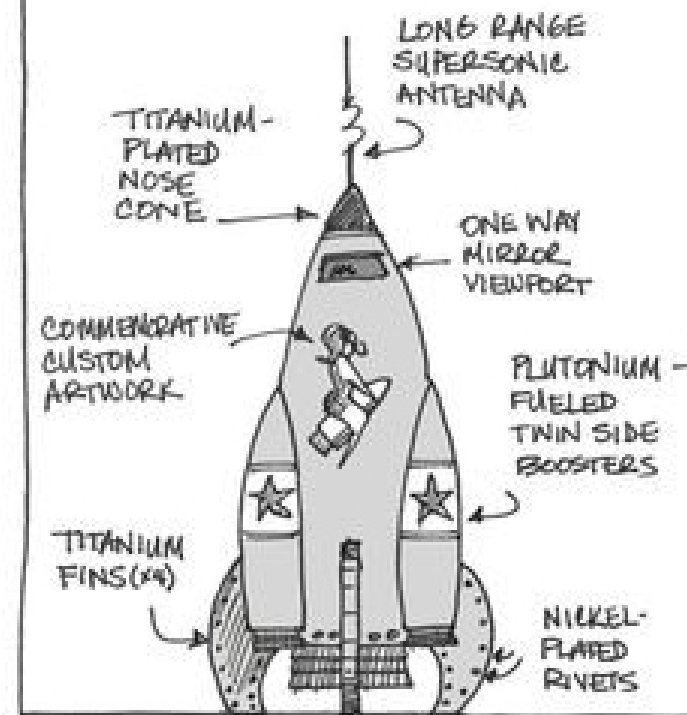
Procurement

- Challenge-based procurements like DHS FLASH, where working software was required as part of RFP submission
- Creative procurements like Philadelphia's FastFWD that create opportunities for entrepreneurs and Government to collaborate, co-develop, and deploy solutions to address public sector problems
- Modular Contracting as a procurement strategy from 18F
- 8(a) Program Digital Service Initiative from United States Digital Services
- Many others at Federal, State, and Local levels

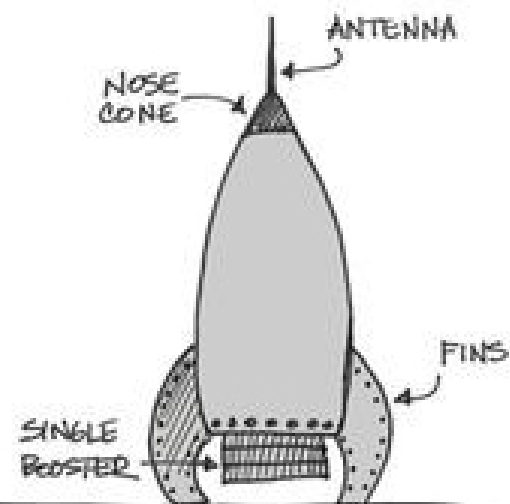


Why We Need To Talk

RFI Submission



RFP Submission



Contract Signature





Need more discussion on Agile contract execution!



Our Story

- Fearless was contracted to work with SBA to modernize the HUBZone Program's public-facing services (Map and Application Process)
- SBA utilized an Agile Contracting model in procuring services
- One of the first Agile contracts for SBA spawned out of the IDEAs lab at the agency in conjunction with United States Digital Services (USDS)
- Contract spanned two Presidential Administrations

The logo for Fearless, featuring a stylized purple 'f' followed by the word 'earless' in a bold, purple, sans-serif font.

+



U.S. Small Business
Administration



What is a HUBZone?

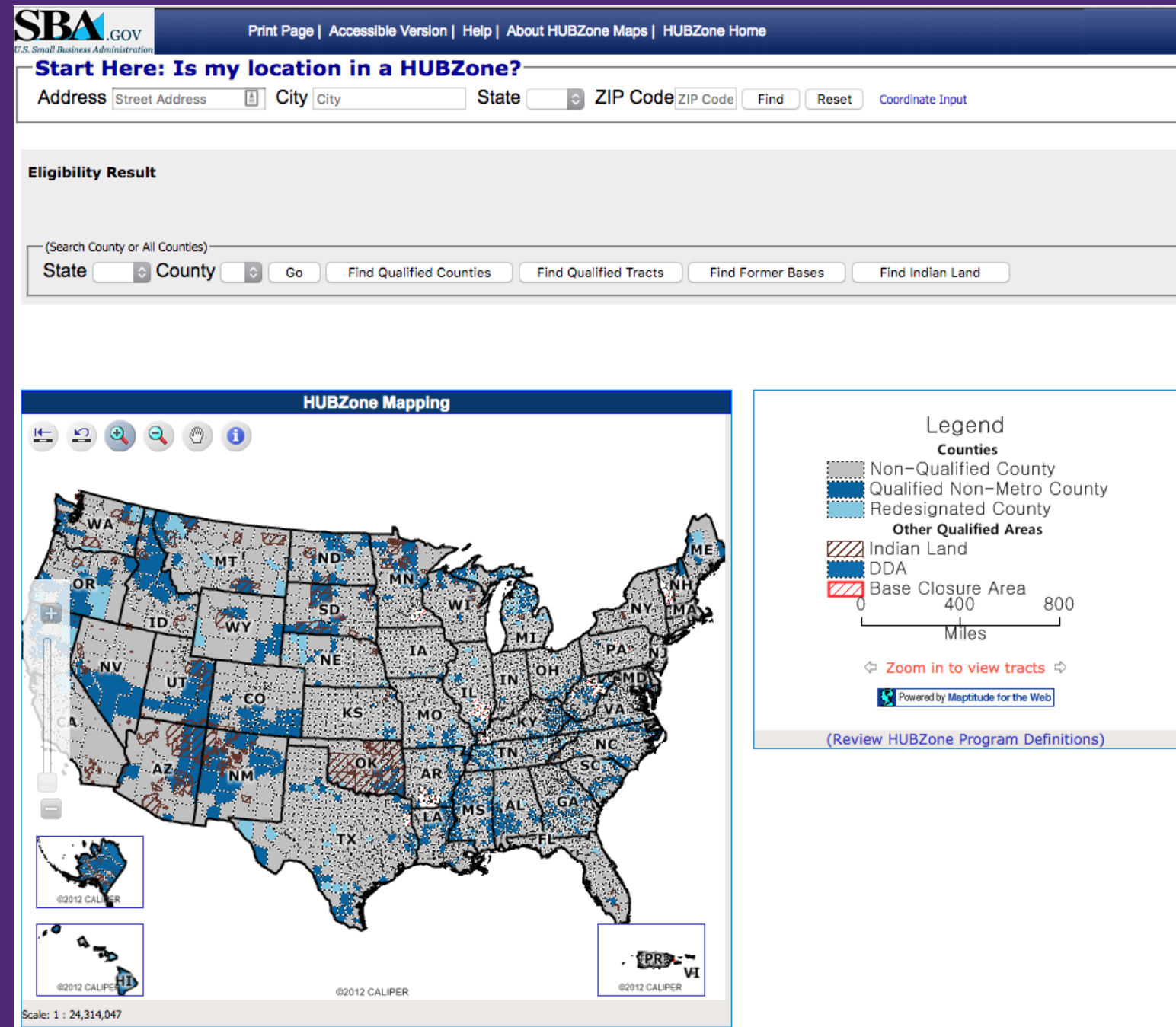
The primary goal of the HUBZone Program is to provide federal contracting assistance for qualified small businesses located in historically underutilized business zones in an effort to increase employment opportunities, investment, and economic development in such areas.

To support this mission, SBA initiated a modernization effort to build a new platform for small business certifications for SBA's various small business contracting programs (Small Business Certifications), including the HUBZone program.



The Project

Independently develop a new HUBZone Certification and Geospatial Infrastructure and integrate them into the new, modernized Small Business Certifications platform.



The RFP

- RFP focused on technical approach to meeting HUBZone modernization efforts AND asked how Fearless would operate against a Firm Fixed Price Iteration Based contract. Provided multiple sprint length pricing:
 - 2 week fixed priced iteration
 - 3 week fixed priced iteration

Fearless RFP response consisted of the following documents:

- Performance Work Statement (PWS) mapped against the Statement of Objectives (SOO)
- Quality Assurance Plan (QASP)
- Cost Proposal

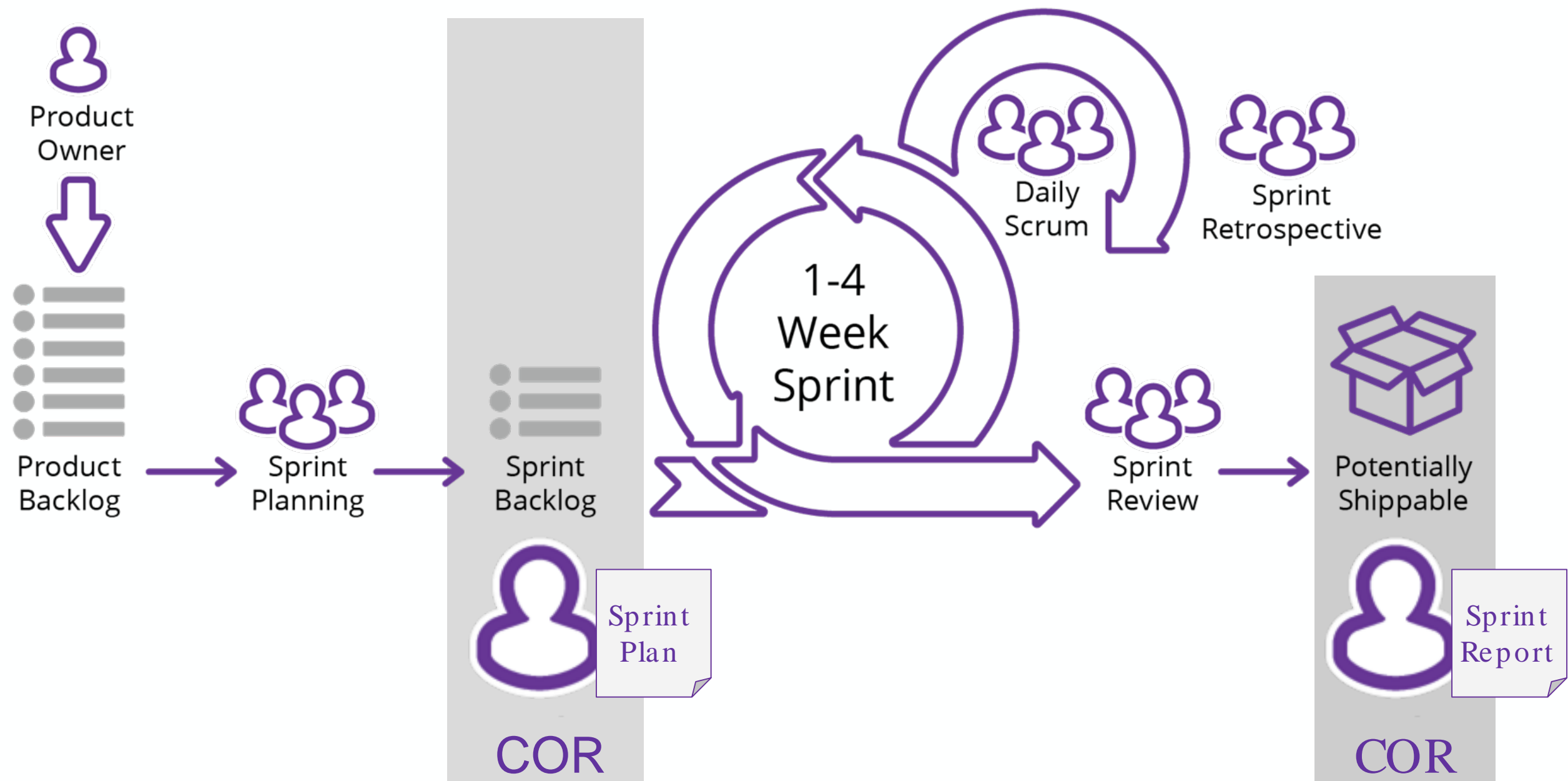


The Contract

- 1 Base Period + 3 Option Periods
- Each Period of Performance - 6 months in length (~13 iterations)
- Each 2 week Iteration is completed upon the acceptance and verification by the Contracting Officer Representative (COR) in coordination with the Product Owner
- Fearless proposed utilizing Scrum to manage each iteration
- Fearless proposed working from our offices in Baltimore

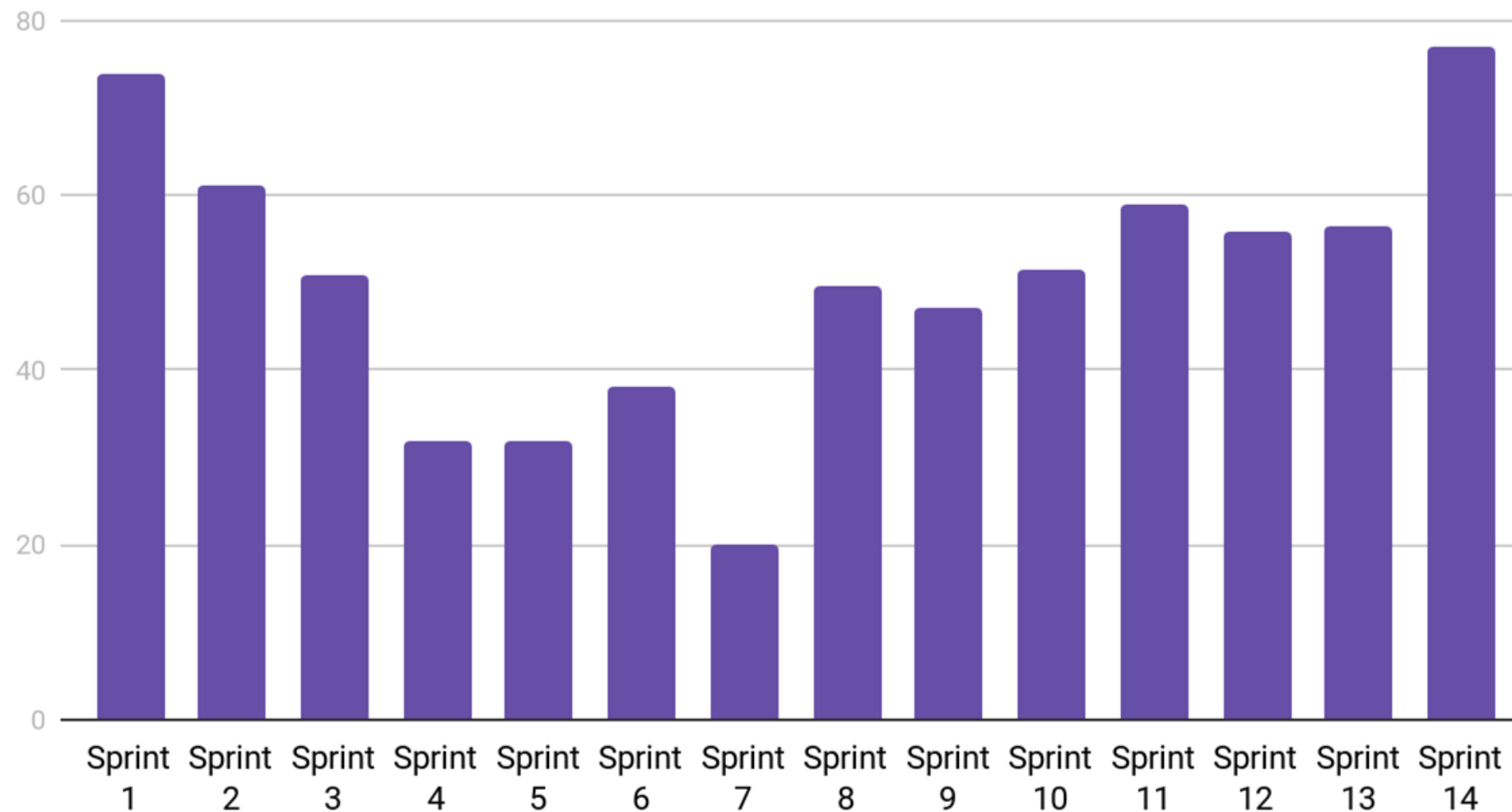


Agile/Scrum





HUBZone Team Velocity - Base Period



Base Period

Oct. 2016 - March 2017

Key Objectives

- Responsive Map
- Downloadable HZ Report



Base Period:

Observations:

- Both Fearless and Government wanted to stick to terms of contract verbatim
- Trust needed to be established quickly
- Multiple contractor project teams building out CERTIFY platform”

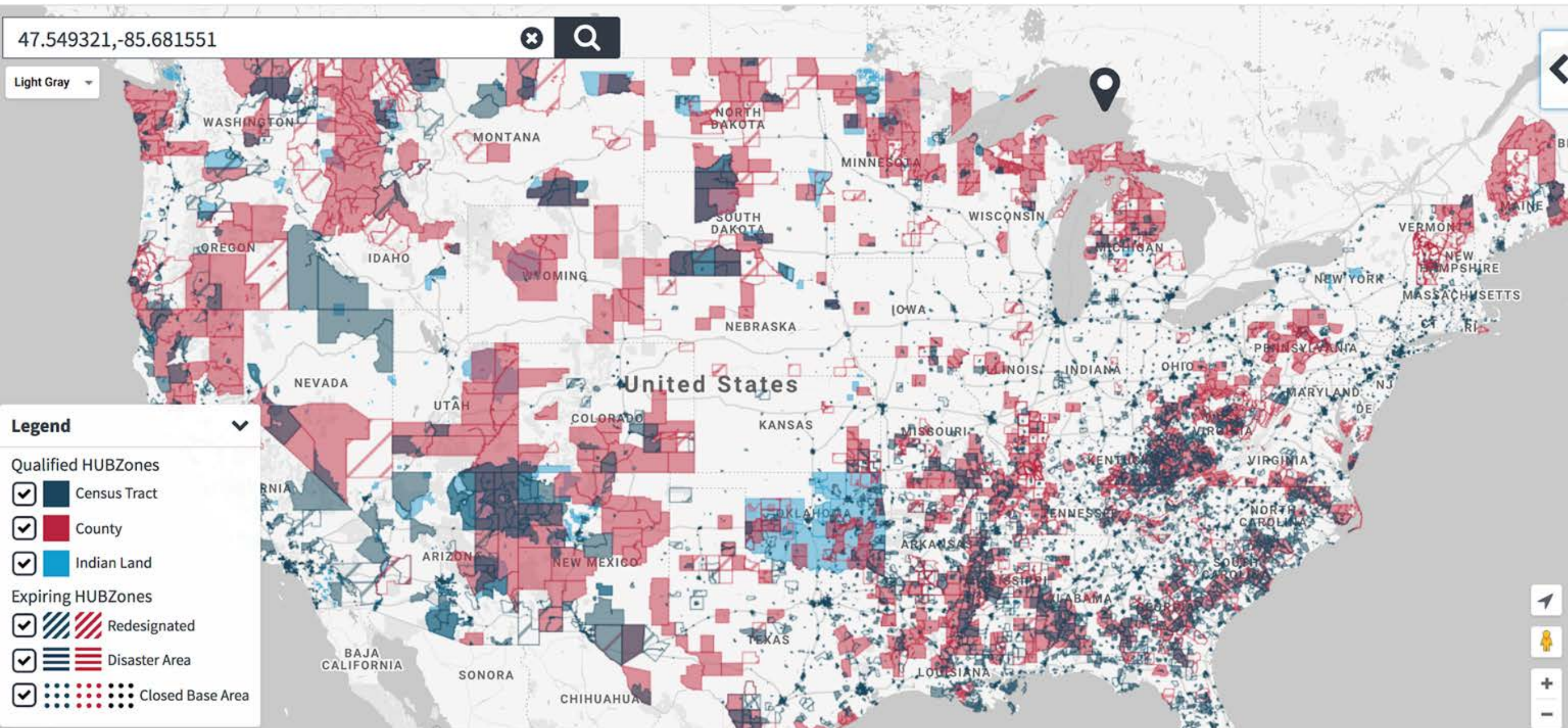
Challenges:

- Mutual start date for entire delivery team
- Questions on what is true velocity
- The holidays

Successes:

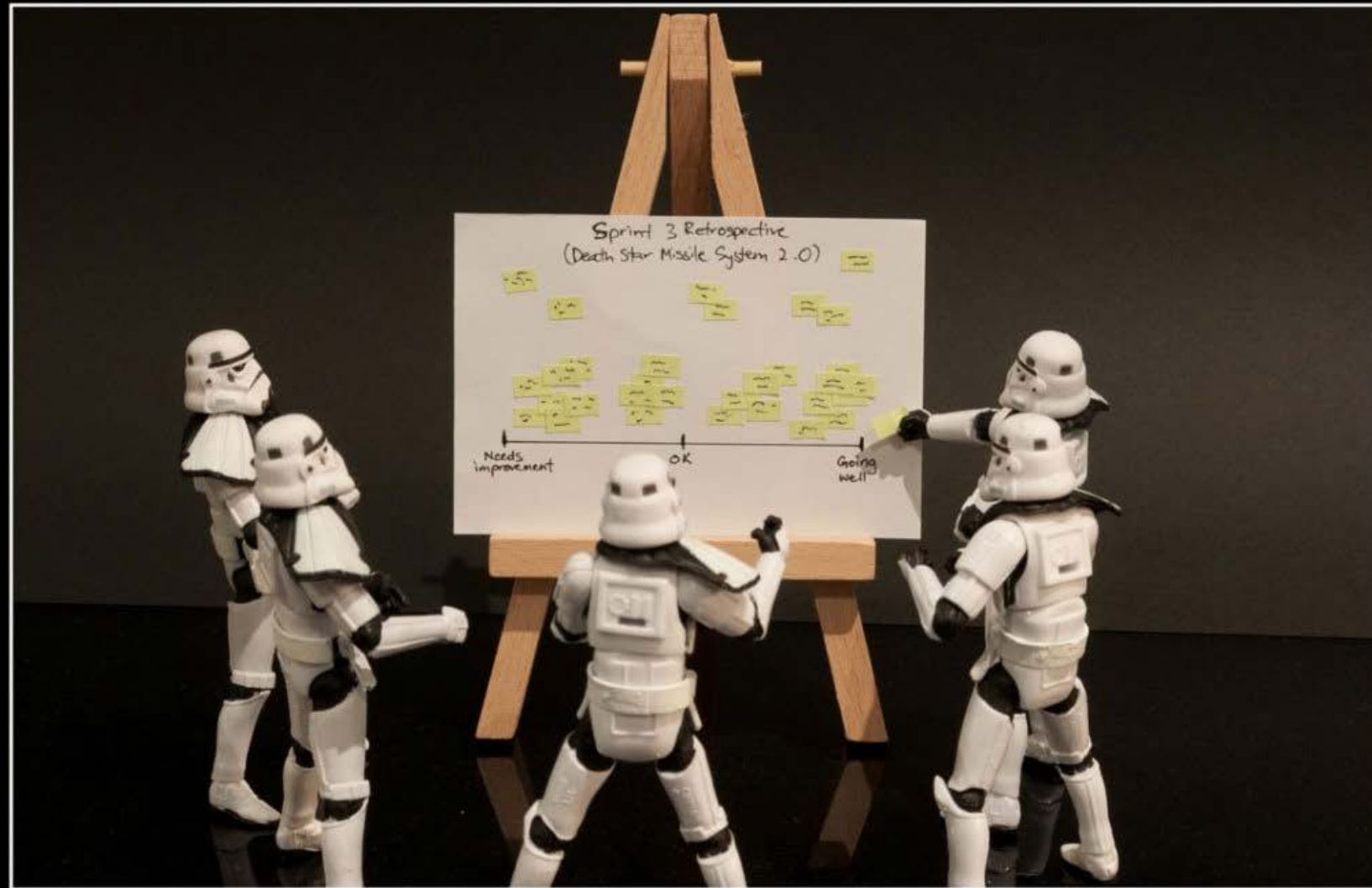
- **MAP MVP IN 6 MONTHS!**





<https://maps.certify.sba.gov/hubzone/map>





SPRINT RETROSPECTIVES

OK guys, Darth choking developers in sprint reviews is something we really need to fix stat!

© ScrumShortcuts.com

... we needed a contract -based retro



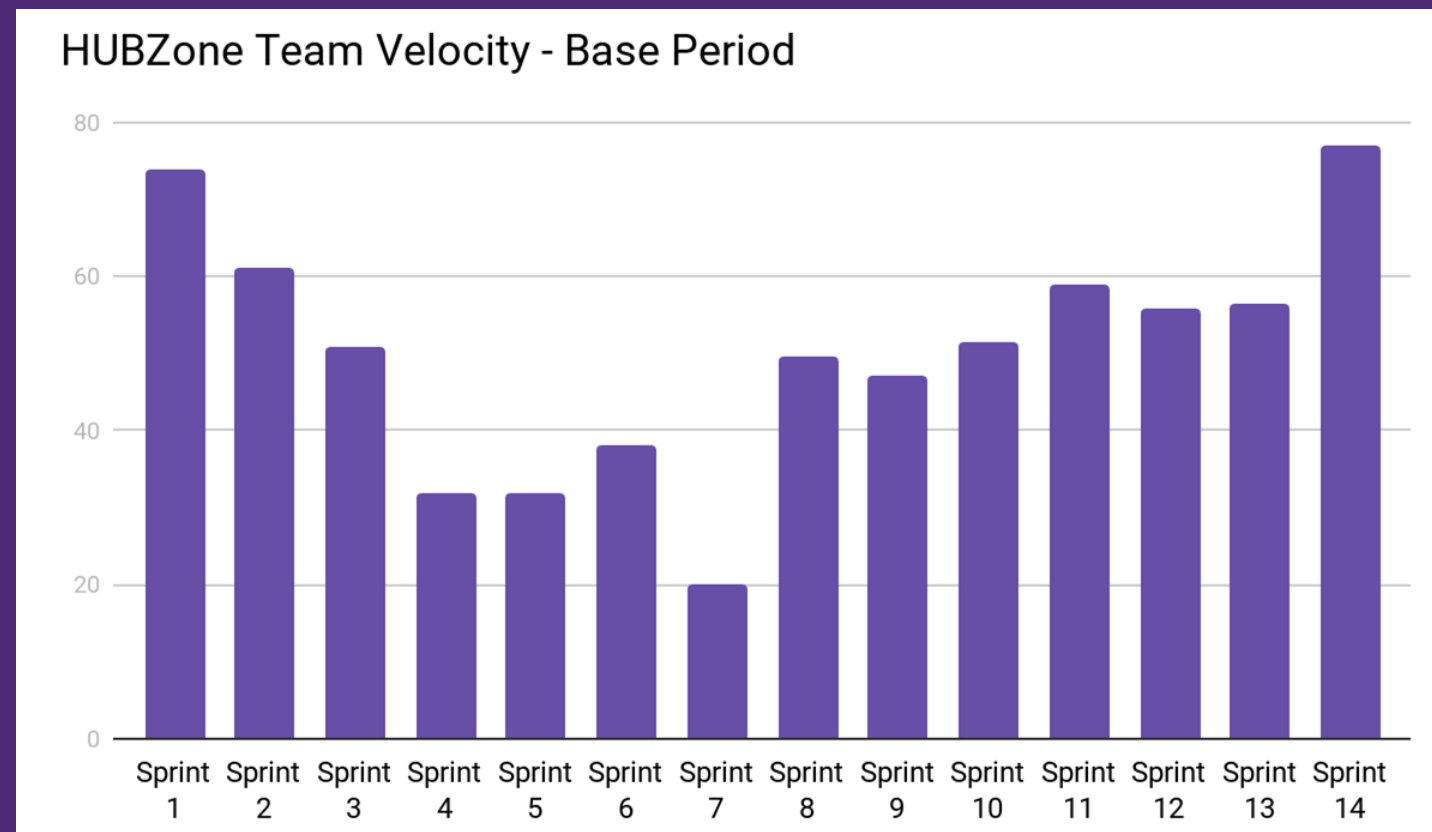
Base Period Retro:

- Project success required delivery team AND program leadership from SBA and Fearless
 - Delivery team had challenges that went above the project team influence
 - Agreed to setup recurring leadership meetings to address those challenges
 - Enlisted Success Manager to help with organizational hurdles

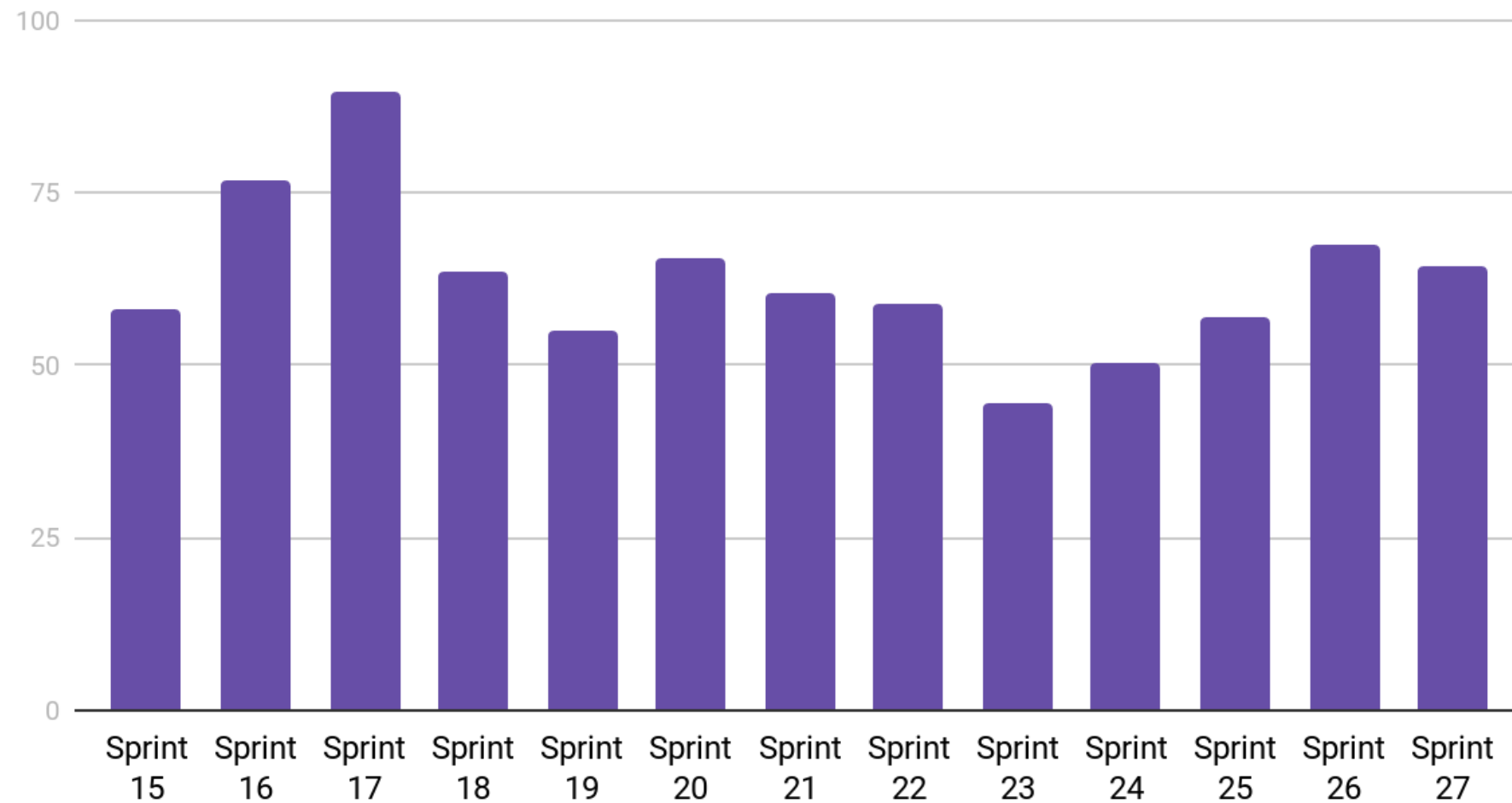


Base Period Retro:

- Mutual start for entire delivery team presented challenge for Fearless
 - Proposed for any new contracts to utilize T&M contract until true team velocity can be established
- Time off during holidays impacted velocity



HUBZone Team Velocity - Period 1



Option Period 1

April 2017 - Sept. 2017

Key Objectives

- Certify Microservice Approach
- White House Demo



Option Period 1:

Observations:

- Great team morale built on success of HZ Map launch
- Trust beginning to build with entire team

Challenges:

- Changes in scope for delivery team
- New SBA Program deadlines for CERTIFY platform
 - Need for increased integration with larger CERTIFY Program Team

Successes:

- **Successful demo to White House!**

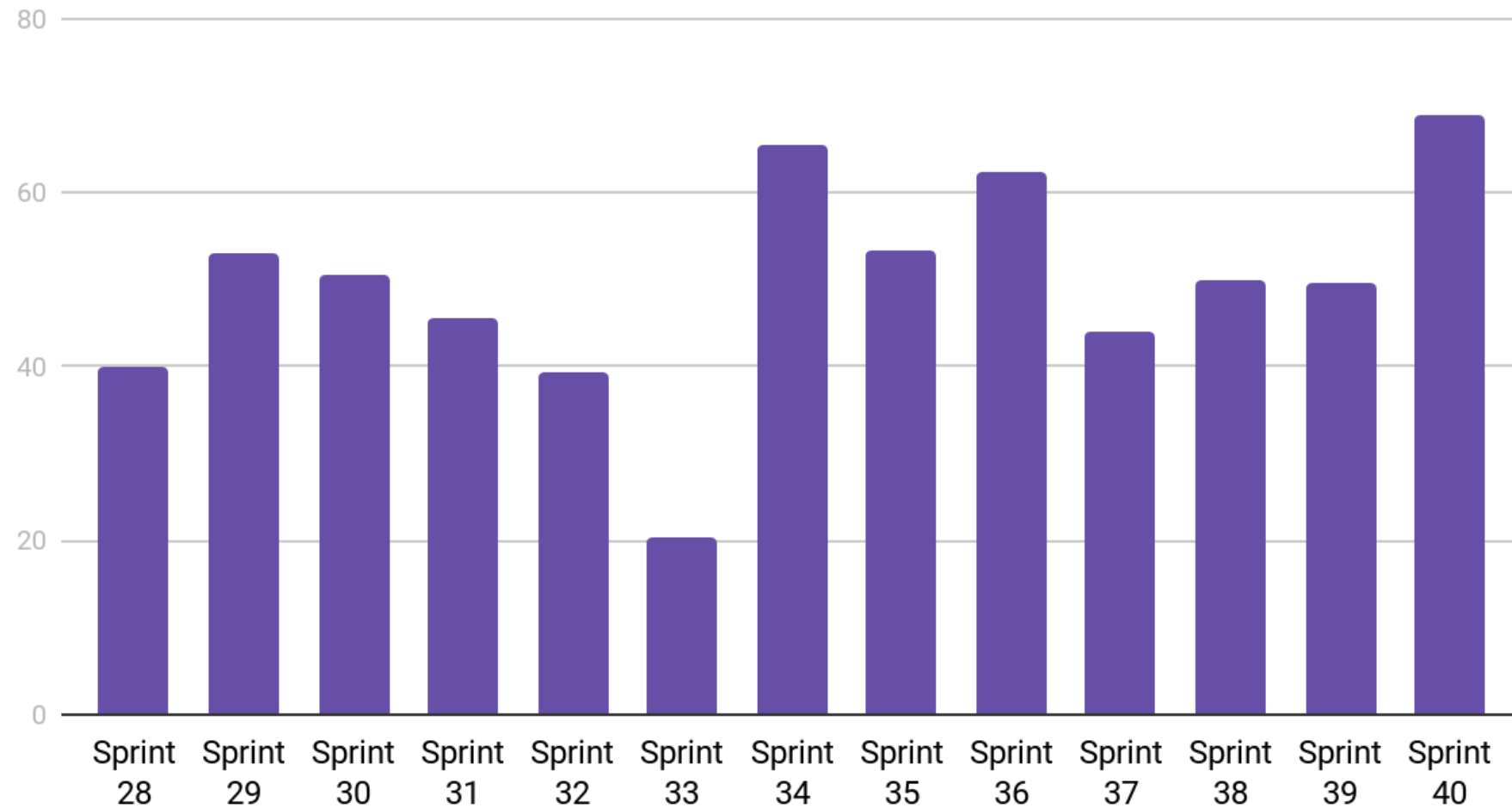


Option Period 1 Retro:

- Cultivating strong team dynamics was critical for on-time project delivery
 - Built team outings and get togethers into the sprint
- Changes in project scope were handled like any requirement within Scrum
 - Coordinate with COR and PO on priority of work
 - Capture scope change in sprint plan and sprint report



HUBZone Team Velocity - Period 2



Option Period 2

Sept. 2017 - March 2018

Key Objectives

- Infrastructure Strategy (Docker)
- SBA IDP (Login.gov, Max.gov)



Option Period 2:

Observations:

- 1 year into delivery of program
- Change in the Administration

Challenges:

- The holidays again!
- Increasing technical complexity of the project

Successes:

- **Our agile contract is changing how the SBA delivers capability across the agency**

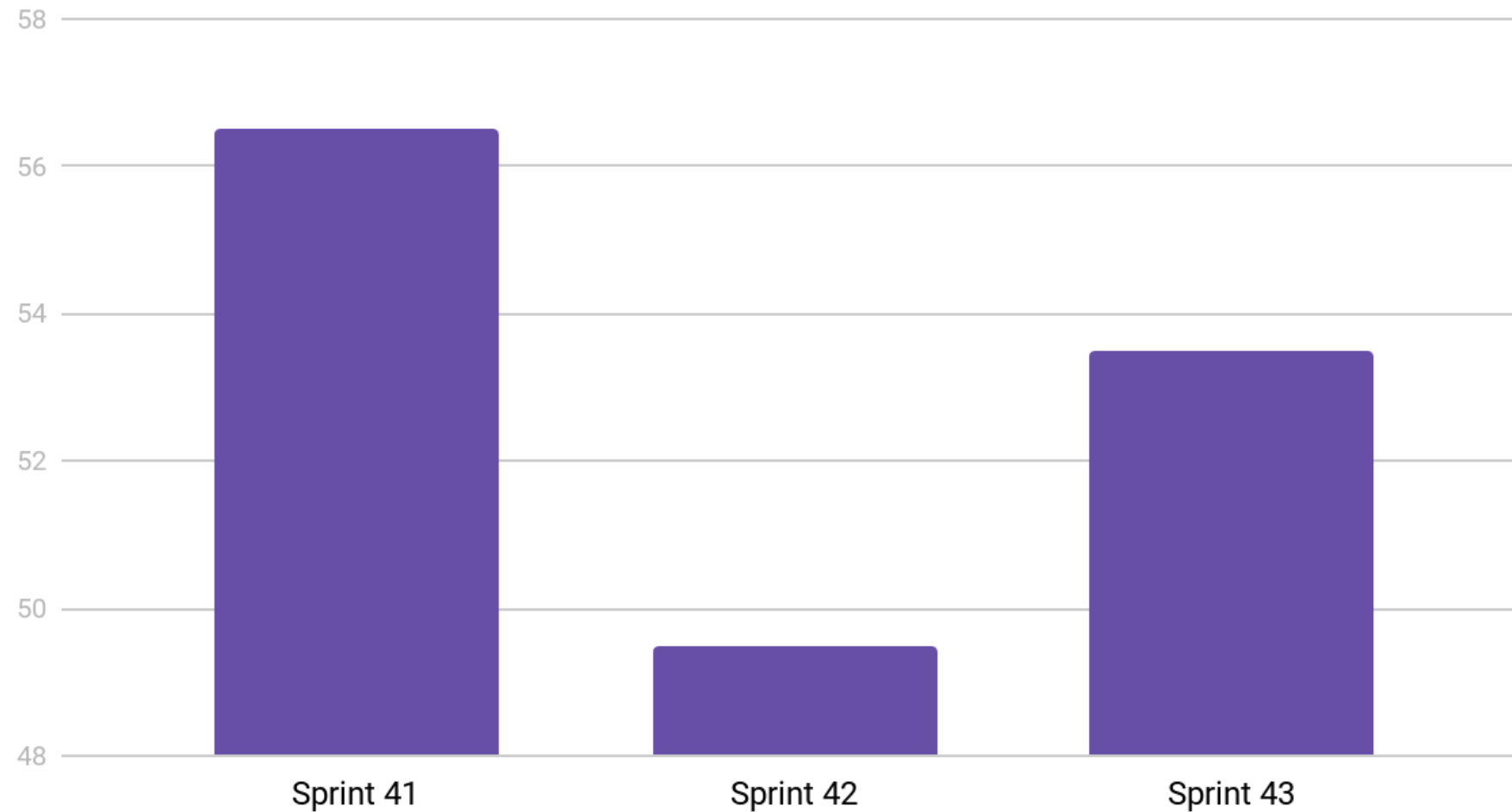


Option Period 2 Retro:

- Changes in team velocity from holidays required modifying contract language to have a ceiling per sprint and not an absolute cost
 - PO and delivery team would notify COR if major changes in velocity were expected due to holidays or vacations
 - Delivery team, PO, and COR would negotiate price for that sprint based on historical actuals
- Increased focus on following Scrum as technical needs of the program increased
 - Had other Fearless Scrum Masters sit in on ceremonies to critique team and provide feedback



HUBZone Team Velocity - Period 3



Option Period 3

April 2017 - Sept. 2018

Key Objectives

- Document Management
- HUBZone Questionnaire



Option Period 3:

Observations:

- Extreme levels of trust between Fearless and SBA
- Continued integration of Agile constructs and DevOps into other areas of SBA

Challenges:

- Agile fatigue due to continual delivery of capability every sprint
- Contractual and mission delivery deadlines



Lessons Learned Recap

- Team success required Fearless and SBA leadership to continually remove contractual roadblocks as they occurred
- Utilize T&M contracts to begin Fixed Price Iteration contracts until consistent velocity can be established
- Add team building activities into actual sprints



Lessons Learned Recap

- Changes in project scope should be captured in sprint plan and evaluated when sprint report is submitted
- Utilize sprints of 2 and 3 weeks in length to account for changes in delivery complexity
- Include NTE costs per sprint to allow for negotiation during periods of anticipated reduced velocity
- Go back to Agile basics when things get rough (rely on fundamentals)



Agile Contract Manifesto???

- Focus on maximizing Win-Win over minimizing loss or risk
- Value collaboration over contract negotiation
- Jointly own problems over placing blame
- Pay for value over paying for cost



A dark purple silhouette of a cow, facing left, occupies the right half of the image. The cow has a long neck, a small head, and a large body. Its legs are visible at the bottom. The background is a solid dark purple color.

Questions?

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541511 541512 541519 541990