How Instana, High-Growth SaaS Company, Continuously Speeds Up Their Ability to Deliver Value

CASE STUDY

businessmap

How Instana, High-Growth SaaS Company, Continuously Speeds Up Their Ability to Deliver Value

Industry

SaaS

Size

200+

Platform Users

150+

Location

Distributed (larger offices in US, Germany, and Serbia)

Specializing in

Application Performance Management (APM) and Observability

" *If it is just about visibility, you might get away with any task tracker, but if you want to take it seriously, close the feedback loop and help teams make informed data-driven decisions, then Kanbanize by Businessmap is the obvious tool."*

Introduction

Instana is a high-growth SaaS company with over $57M funding and 200+ employees in a little over four years. In 2019, the Engineering team had more than 15 teams distributed across various European and USA locations and time zones with no easy way to understand the flow of work. To enable Engineering to accelerate their sustainable growth, Instana's management saw the need for an improved value delivery system.

For Instana Engineering management, the first step in this direction was **creating visibility** across the entire department and understanding the current processes. The goal was to enable teams **to balance the different kinds of demand, make informed data-driven decisions about process improvements, and close the feedback loop on various levels.** All these aimed to provide the fundamentals for an effective organization.

Looking for a method that will provide the needed set of tools to get there, they saw Kanban and the evolutionary process improvement approach it offers as the logical choice. The introduction of the flow-based approach and Businessmap gave Instana instant detailed **visibility** in its Engineering operations. Furthermore, it enabled the teams **to achieve process stability, focus on value delivery, and institutionalize continuous improvement efforts.**

The Journey to Process Stability and Continuous Improvement

However, before committing to a specific approach or a method, the starting point for further improvements was understanding the current situation. More specifically, the initial efforts were focused on:

- Understanding the structure and amount of **demand**
- Understanding the **capacity** and the current teams' **performance**
- Unhiding the amount of work inside the system

Choosing to start this way, even before officially implementing Kanban, Instana was already following the first principle of the method: **Start with what you do now.**

The situation back then was posing several challenges. With 15+ teams distributed across various locations and no coherent work management system, the only way of knowing who is doing what and what is currently in progress was by talking to everyone. As part of the initial analysis, the Engineering management collected and systematized the needed information from all teams in the department. During this process, they also put any potential future change in the context of **finding spare capacity, unburdening the work processes, and making value delivery sustainable.**

By respecting the current processes and roles, Instana managed to improve without creating major disruption for the organization - something we know from the Kanban principles as well.

The 4 Kanban Core Practices

#1 Start With What You Do Now
2 Agree to Pursue Incremental, Evolutionary Change
3 Respect the Current Process, Roles & Responsibilities
#4 Encourage Acts of Leadership at All Levels

Arriving at the point where the goals were set, as next, the tools to get there needed to be introduced. **Focused on transparency, value delivery, organizational sustainability,**

and continuous improvement, the Engineering management saw Kanban as the logical choice for Instana.

Implementing Flow-Based Work Management

The distributed company structure made the need for a digital Kanban tool obvious. Looking backward at the tool selection process, the initiative's lead was looking for more than just a tool that will grant visibility. For them, the platform of choice had to support the introduction of Kanban as a process improvement method in the organization and enable individual delivery teams to visualize the flow of work and model their processes.

Advanced analytics and reporting features were also central so that teams could improve their processes in a data-driven fashion. A high level of customization was crucial in order to allow the visualization of the complex demand mix and team-specific processes and ensure visibility across the portfolio. To make processes more efficient, they also evaluated the potential for automation of the different providers and their ability to integrate existing tools.

"If it is just about visibility, you might get away with any task tracker, but if you want to take it seriously, close the feedback loop and help teams make informed data-driven decisions, then the Businessmap Software Platform is the obvious solution. I've done this evaluation before, and it ended up with it being the clear winner, so it was pretty easy."

Nils Wloka
Director of Engineering

Moving forward with the Businessmap work management platform, the teams were given autonomy to build and customize their Kanban boards. Over time, all team's processes and work types were visualized in the platform. Maturing in their Kanban implementation, the teams were also continuously evolving their boards. This way, the platform gave everyone a comprehensive view of what is inside the system, becoming a single point of truth for work-related matters and prognoses.
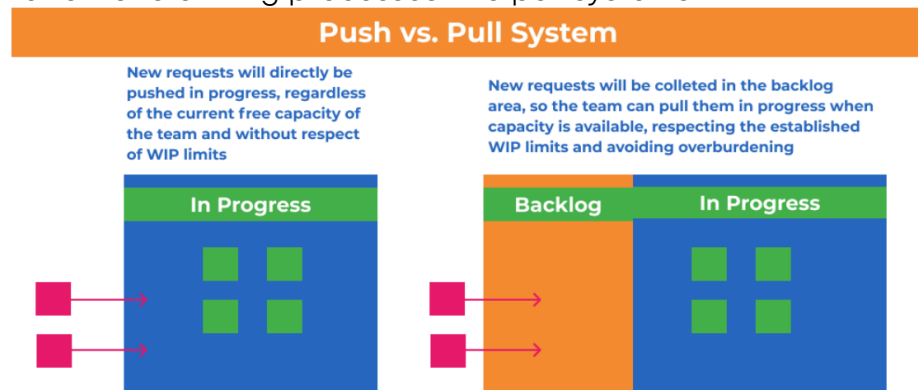
Applying the Kanban practices led to a more structured workload and to more stable processes. Team members were able to directly experience Kanban's benefits on a personal and team level, leading to people proactively managing the way work gets into the system. Furthermore, the new level of transparency into the work processes enabled them to identify optimization potentials on several levels. For Instana's management, this also meant visibility on a portfolio level.

Instana's Best Practices for Achieving Process Stability and Institutionalizing Continuous Improvement Efforts

Starting from visibility and moving towards stabilizing processes and active portfolio management, Instana applied several strategies to ensure the flow management journey will deliver notable results.
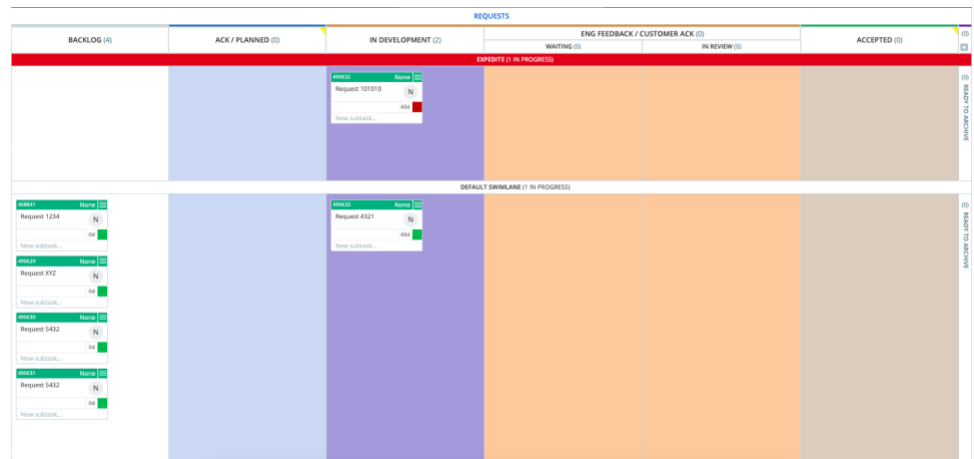
Transforming Processes into Pull Systems

One of Instana's main goals when implementing Kanban was creating a smooth and stable flow of work. Two main practices help teams get there - limit work in progress (WIP) and transforming processes into pull systems.

By transforming one particular process of their operations into a pull system, Instana's engineering department managed to stabilize the previous wild fluctuations in demand and remove the mountains of piled up unfinished work.

To achieve these results, the teams opened up the dialogue with their upstream stakeholders and started adapting their board. They created a dedicated backlog column that served as a queue for all incoming requests. The responsible team also allocated a defined amount of their capacity for this particular service and pulled the incoming requests at their own pace. To ensure urgent requests would not get stuck in the queue, the team also created an additional Expedite lane on the board, where emergency requests could be escalated.

Focusing on finishing requests and pulling new ones in the system only when capacity is freed, stabilized the workflow fluctuations. This new level of stability allowed the team to reliably predict how long they will need to get a request done, while previously, no such prediction was possible.

Key Results:

- Stabilized demand fluctuations
- Improved process stability
- Improved predictability
- Team s gained control over their workflow

Process Automation

To further optimize their workflows, Instana focused on automating processes where possible to unburden the teams from manual tasks and allow them to focus on delivering value.

One example is the automated replenishment of support requests. Integrating the Businessmap Software Platform with their ticketing system, Instana started sending all new incoming requests as Kanban cards in the Backlog of the Support Board in it. Another Kanban practice also played a role here - explicit process policies for the support process were defined.

Subsequently, based on these process policies, the sorting of all support cards in the Backlog of the board was automated via script. It evaluated all incoming cards and sorted them based on their input parameters. This way, as soon as the team had capacity to pull a new card, they could simply pick the one on the top of the backlog column without wasting time evaluating which one they should work on next.

Unburdening the process from constant manual replenishment allowed the team to focus on delivering value. Defining explicit process policies and automating rules that reinforce them helped further stabilize the process. Even more, it gave all stakeholders clarity on how requests are handled and confidence that the team would always work on the most valuable request.

The pull system mentioned above and the automated backlog replenishment provided the needed information for reliable forecasting when specific requests will be processed. This transformed the software platform into the single point of truth for answering Engineering performance-related questions.

Furthermore, knowing when requests are expected to be delivered allowed all stakeholders to work more effectively and escalate requests, only when a real need existed, instead of perceiving all work as urgent.

For further process automation, Instana also applied the Business Rules in the Businessmap Software Platform. To ensure work moves smoothly throughout the system, automated notifications for cards waiting too long to be pulled in progress were introduced on several boards.
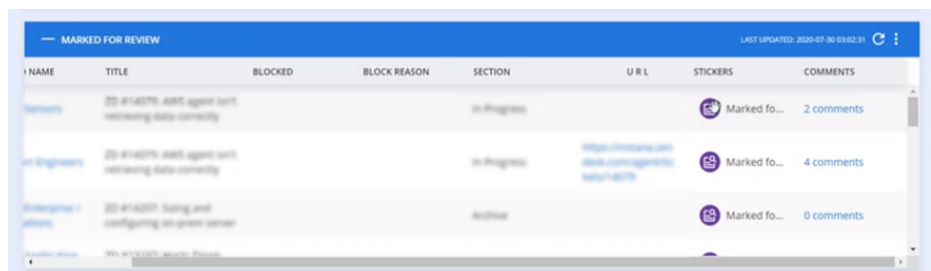
Key Results:
- Enabled teams to focus their resources on delivering customer value
- Further improved process stability
- Enabled reliable forecasting when work items are expected to enter and exit the system
- The Businessmap Software Platform became the single point of truth for answering Engineering performance-related questions

Closing the Feedback Loop on Various Levels

To continuously improve and stabilize their value delivery processes, Instana also focused on closing the feedback loop on different levels. For this, a few adjustments in the workflows and rituals of the various teams were needed.

One such modification was the introduction of Service Delivery Reviews as part of the work process. A Service Delivery Review is a Kanban cadence, focused on checking the team's performance against commitments, customer-focused metrics, quality, lead time, etc. Establishing this as a regular meeting, teams also agreed to keep all cards in the "Done" column of their boards until the next Service Delivery Review. This ensured all work items would be reviewed before being archived. The added process step allowed teams to close the feedback loop, reflect and analyze their delivery process and output, and collect insights for potential process improvements.

With stickers and comments in the platform, the Operations Review feedback loop was also optimized. To better streamline review requests, Instana's teams agreed that cards that should undergo Ops Review will be marked with a specific sticker and will receive a comment. Next, the team members responsible for the review collected all marked cards with a widget on the Dashboard in the platform. This way, a previously intransparent and complicated feedback loop became more approachable and easier to close.

In the platform, if one child card on the Team board is blocked, this is visualized on the parent initiative and on the Dashboard of the workspace. This allowed managers to quickly spot where the project progress is currently hindered and to identify urgent matters.

Key Results:
- Better alignment
- Continuous improvement of the value delivery processes
- All work items go through review before being archived

Data-Driven Continuous Process Improvement

Data supported the closing of various feedback loops even further. Focusing on metrics like cycle time and throughput, Kanban offers a data-driven approach to process improvement. As part of the flow-based approaches and the implementation of the work management platform by Businessmap, Instana's teams were coached to use the analytics of the platform as a source for process performance insights.

Looking at the data in the different charts, the teams were encouraged to search for irregularities - Is a specific card destabilizing the cycle time? Are cards getting stuck in a particular column of the board?, etc.

Identifying and analyzing such problematic elements allowed the Engineering department to proactively manage process risks and make process improvement to ensure workflow stability. This way, the teams established the practice of using the analytics of the platform to evolve their processes in a data-driven manner.
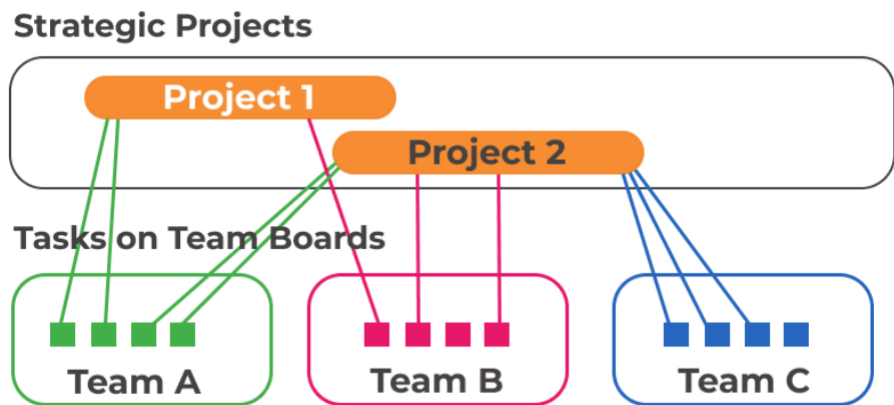
Key Results:
· Data-based process improvement efforts
· Proactive risk management
· Clear overview of the performance

Aiming for Portfolio Visibility

Instana started by visualizing team workflows and analyzing what kind of value was currently in their pipeline. However, visibility on a portfolio level was the long term goal in sight.

One of the strategies to get there was building a vertical card linking structure to connect single Kanban cards, representing tasks, to initiatives, representing strategic projects. Using this parent-child linking option gave Instana visibility into what the teams are executing on a portfolio level. Furthermore, having such transparency allowed for better alignment of strategic goals and operational efforts and ensured focused efforts on global level.

Structuring work in several hierarchical levels, the initiative workflows of the platform also gave further visibility on the overarching themes governing the demand the company was facing.

Key Results:
- Better alignment of strategic goals and operational efforts
- Focused efforts on a company level

Improvements

Looking at the results achieved since the initial implementation of Kanban and the platform, Instana notes all Engineering processes and types of work are now visualized in the platform, delivering the needed visibility for all stakeholders. Maturing how they apply Kanban and using the high-level flexibility of the platform, the teams have significantly evolved their boards by modeling and improving their processes.

The director of Engineering also shared that the platform's ability to automate on different levels via Business Rules and API helped remove the perceived overhead of the Kanban method and supported the implementation of advanced Kanban practices.

From Instana's perspective, the reporting and analytic capabilities of the platform enabled the introduction of data-driven continuous improvement efforts. Furthermore, they also helped to demonstrate the impact of the introduction of the Kanban method and to establish the necessary feedback loops.

Evaluating what supported the smooth implementation of the tool, the extreme responsiveness of the support and product management teams were noted as central contributors to the success. Furthermore, the close cooperation with the Customer Success team allowed Instana to answer all kinds of questions quickly and to find optimal solutions for tool-related challenges they faced.

"I have never had the pleasure to work with a more responsive customer success and customer support team, all over the products I have been using."
Nils Wloka
Director of Engineering

The frequent product releases of the platform also proved beneficial, as, through them, the platform continued to offer new valuable capabilities over time.

Future Plans

After the initial implementation of Kanban and the software platform by Businessmap, Instana is evaluating the option to expand the Kanban adoption along the value chain. Gaining visibility, stabilizing their value delivery processes, and integrating continuous improvement into their everyday operations, the expansion goal would be to achieve better fitness for purpose on an organizational level. Next, they also consider extending the influence of the delivery team along the value chain by making it more cross-functional to get better-integrated services.

Moving beyond the personal and team levels in their Kanban maturity, combined with the new level of transparency in the organization, Instana also plans to perform active portfolio management. Their goal is to better align strategy and execution by enabling portfolio initiatives to be more easily integrated into the teams' roadmaps.

Key Takeaways

Looking at the results achieved since the initial implementation of Kanban and the Businessmap Software Platform, Instana notes all Engineering processes and types of work are now visualized in the software, delivering the needed visibility for all stakeholders.

- Applying the Kanban practices through the platform led to a more structured workload and to more stable processes.
- Transforming processes into pull systems allowed teams to gain control over their workflow and helped stabilize demand fluctuations, resulting in improved process predictability.
- Through process automation, Instana managed to unburden teams from manual tasks and to focus their resources on delivering customer value.
- The achieved process stability, combined with the increased visibility of demand and capacity, allowed for reliable forecasting when specific work will get done. This transformed the work management software into the single point of truth for answering Engineering performance-related questions and significantly improved the relationship with the department's external and internal stakeholders.
- The reporting and analytic capabilities of the platform not only enabled the introduction of data-driven continuous improvement efforts but also helped demonstrate the impact of the Kanban introduction and establish the necessary feedback loops.
- Building a horizontal card linking structure to connect single Kanban cards, representing tasks, to initiatives, representing strategic projects, gave Instana visibility on a portfolio level, and allowed for better alignment of strategic goals and operational efforts.

About Businessmap

businessmap

Businessmap is an Enterprise Agility solution provider aiming to discover new management ways and share this knowledge through amazingly powerful, easy-to-use tools and professional services.

Businessmap offers the most flexible software platform for outcome-driven enterprise agility. Its unmatched functionality consolidates multiple tools into one, enabling affordable deployment at scale, visibility across all projects/portfolios and alignment on goals, to deliver quality work faster. Pairing it with the proprietary consulting program delivers a tailored solution that ensures lasting value and exceptional ROI.

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