

Fender

Fender Musical Instruments Corporation (FMIC) is the world's leading guitar manufacturer, and its name has become synonymous with all things rock 'n' roll. With an illustrious history dating back to 1946, Fender has touched and transformed music worldwide and in nearly every genre: rock 'n' roll, country and western, jazz, rhythm and blues and many others. Today, FMIC brands include Fender®, Squier®, Guild®, Gretsch®, Jackson®, Charvel®, EVH®, SWR® and Groove Tubes®, among others. In January of 2008, FMIC also acquired Kaman Music Corporation (KMC), the largest independent U.S. distributor of musical instruments and accessories.

Agile and Guitars?

It may surprise you to discover that Fender is deploying and scaling Agile application lifecycle management practices. In fact, Agile has spread well beyond the software industry and is helping bring greater productivity and market responsiveness to companies ranging from financial service providers to restaurant chains to musical instrument manufacturers.

A growing portion of Fender's revenue is dependent upon ecommerce, so having business-responsive technology is crucial to their success. They sell the majority of their inventory through an extensive network of dealers who can purchase products via dedicated websites.

The web team is where Fender began their Agile transformation. Their first project was broken out into three main releases: First, bring all product data from different subsidiaries into a single database. Second, launch websites for the European dealers and other key subsidiaries (all European orders are currently placed via email, fax, or phone). And finally, upgrade Kaman Musical Corporation (KMC)'s existing website. At this time, Fender is working on the second release.

The Challenge

Why did Fender decide to implement Agile practices? It was imperative for IT to deliver more value faster to the business and increase response time. Michael Spandau, Fender CIO, explains.

"This was a pervasive waterfall development culture because we had SAP and ERP implementers working here, and that was their methodology. And so we were using that same waterfall methodology on our ecommerce initiatives, which presented some issues.

"In June 2009, the key lead on the ecommerce project tried to figure out when we could implement the next round of features. With waterfall, he determined that it would be six to eight months with very detailed dependencies and milestones. This was not acceptable; the business was not willing to wait. We needed to find a new methodology."

Michael heard about Agile at a CIO conference in Phoenix. By chance, he attended a breakout session where they were talking about Agile development. He says, "I couldn't believe it. I was very impressed by this new approach. I immediately determined that Fender should be looking into this."



Company and Industry

- Instrument Manufacturing
- Fender Musical Instruments Corporation (FMIC) is the world's leading guitar manufacturer of iconic instruments such as the Telecaster®, Stratocaster®, Precision Bass® and Jazz Bass® guitars.

Development Environment

- The team runs 4 week iterations, and releases approximately every 4 months

Challenges

- Slow to bring important features to market
- Geographically dispersed team

Solution

- Implemented Rally's Agile lifecycle management solution along with Rally's Product Implementation and Implementing the Agile Team training sessions.

Results

- Value delivered to the business every month, rather than after 9-12 months
- Company-wide visibility into development progress
- Greater team camaraderie and motivation

Scaling Software Agility®



Partnering with Rally

At the CIO conference, Michael learned about Rally. Rather than undertake a formal evaluation, Fender did their homework trying to get up to speed on Agile and the methodology itself. They quickly determined that they needed consulting support to help with the transition.

Michael hired one of Rally's Agile coaches to assist with the transition. He also hired a new Program Manager, Chris Ingraham, who is responsible for helping the company transition to Agile.

Rally Services

Rally's trainer was tasked with providing an overview of Agile, explaining the value of the methodology and transitioning the team away from their age-old way of working which was part of the company's DNA. This was crucial. The team would be working much more closely with Fender's business stakeholders, who required a more market-responsive approach to development.

Michael says, "It is very different from waterfall and the risk is that if you don't get a professional trainer, you don't quite understand the practices and don't become successful for it. It was a wise move to get a coach involved. He helped the team understand the methodology."

Development team members are based in Mexico, Arizona, Connecticut and the UK, so they brought everyone to the Scottsdale office for training. First, they trained the larger team on the basics of Agile and Scrum, then pared back to their core e-commerce team for the rest of the work. They conducted four days of Rally training on "Product Implementation" and "Implementing Agile Teams" to get started with Agile, Scrum and the Rally tool. They started iterating and are learning as they go.

Rally helped them build the product backlog, break down epics into user stories, size their stories and work with their product owner who prioritized the requirements. They reviewed the cadence of iterations and releases and focused on the first sprint. Chris explains the process:

"We had a lot of Q&A sessions. First we used post-it notes to capture what everyone wanted to get out of the training session. You can imagine a lot of the questions were about how to work well as a distributed team. Rally gave us some advice there, and things to watch out for. Based on their experience with other teams, they gave us recommendations."

The Benefits of Learning from Rally

By using Rally's tool and supporting services, Fender has gained significant benefits in the short time the company has transitioned to Agile. The distributed development team is more cohesive and has learned new ways of working together despite the distance. Their Agile competency grows each time they complete an iteration. Chris elaborated on what his team learned, and mentioned these six highlights:

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Michael Spandau
CIO
Fender Musical
Instruments Corporation



1. More comfort with change

Chris says, "Having a trainer onsite helped to get everybody on the same page. Everybody's always a little resistant to change, so the opportunity to ask questions on why you do it this way, why do you estimate in story points instead of hours, etc., was a real benefit."

2. Understanding how to estimate

Chris says, "Without a trainer onsite I think it would have taken us longer to understand some of the concepts, like how to figure out the difference between a story and an epic, or how big each task should be. It took the first couple of sprints to get the hang of it."

3. Learning from other companies

During the training, Rally's coach referenced several companies that successfully adopted Agile. He took lessons from his work with other organizations and tailored them for Fender's unique processes and style. Chris says, "For example, we might have had more pain working as a dispersed team without the feedback and recommendations the coach gave us."

4. Better communication

As part of the transition, team members came up with questions and doubts. "It was good having a coach there to answer questions in person and get a better judge of how the team was feeling, were there questions, are people getting lost or confused." says Chris. "You can ask if everybody is following along on the phone and usually the answer is 'yes, yes, we're okay' but if you're looking at people in person sometimes you can tell otherwise."

5. Greater understanding of the Rally tool

Chris states that having Rally Services onsite gave them a really good explanation of the Rally tool. Before, the team was more Excel-based, "kinda sorta using Agile or Scrum". The coach's tool overview gave people a groundwork and framework for moving ahead.

6. More visibility and communication

Fender's development team is heading toward even greater visibility and communication. By using Rally, the developers are better able to understand upcoming requirements and make sure that they are working on the most important things first. Chris works with the product owner all the time on grooming the backlog, handling blocks and looking at individual capacity to make smart decisions on who works on what.

Breakthroughs for the Business

The ecommerce team's breakthroughs have led to the business and IT teams working together more cohesively than ever. Before Agile and Rally, the business side of Fender saw no value created over a nine to twelve month period between product releases. Now with the Agile transition, the business sees value created every month. Michael states that oftentimes the business is not asking for 150% solution because an 80% solution may be good enough, and deriving value sooner is more important than waiting and delivering a perfect release. He says that time is of the essence, especially when it comes to ecommerce initiatives.

"Having a trainer onsite helped to get everybody on the same page, able to ask questions. You know, everybody's always a little resistant to change, so the opportunity to ask questions on why you do it this way, why do you estimate in story points instead of hours, etc., was a real benefit. It helped us just get over those initial humps."

Chris Ingraham
Global IT Program Manager
Fender Musical
Instruments Corporation



Now, Fender's business management no longer wonders when they'll get the functionality they requested. Agile and Rally have brought them visibility and influence over what the team will work on. With their renewed sense of control and with Chris on the team, Michael doesn't worry about the ecommerce group anymore.

What about energy and motivation? Now with their new way of working, Agile has created a high level of urgency within the team. Michael has started getting calls from people concerned about meeting deadlines for the end of a sprint cycle. This was a welcome change. He typically hadn't seen that behavior in longer waterfall-based cycles.

An Agile Future

Fender is still new to Agile, and they have a lot of room to grow. Will they continue to work with Rally? Michael says, "The Rally tool is excellent, convenient, polished and very effective. It is working very well for us. And I feel that the quality of the people at Rally is top-notch. They are way better than what I typically see from other companies. They are very articulate, smart and thorough and really understand the methodology. They come with a level of enthusiasm which is absolutely key."

He says, "Hold onto the quality of people you work with. Just keep it up."

About Rally

Rally is the leader in Agile application lifecycle management (ALM) dedicated to making leaner development organizations that respond faster to changing customer needs. According to a study by QSM Associates, teams that rely on Rally's Agile lifecycle management products and services are 50% faster to market and 25% more productive than industry averages. Rally's products were honored with four consecutive Jolt Awards (the software industry's equivalent of the Oscar® award) in 2006, 2007, 2008 and 2009. The company's end-to-end solutions for Agile development also include Agile University, the largest source for Agile training, and Agile Commons, the largest collaborative Web 2.0 community dedicated to advancing software agility.

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