The Guiding Principles of the Agile Product Operating Model

an evidence-based approach

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Executive Summary

The Agile Product Operating Model (APOM) is a principle-based framework that aligns an organization's strategy with technical execution through an evidence-based approach. The APOM is designed to help organizations deliver value continuously, adapt faster and thrive in uncertainty. Rather than a rigid blueprint, it provides a holistic framework for navigating complexity and delivering measurable value to stakeholders.

Key Areas of APOM

- **Strategy**: Integrates business and technology goals using long-term roadmaps and outcome-based metrics rather than fixed output milestones
- **People:** Focuses on empowered, cross-functional teams supported by servant leadership and skills-based communities
- **Structure:** Replaces bureaucratic hurdles with governance, agile procurement, and team-owned processes
- **Value Cycle:** Unifies **Discovery** (validating ideas), **Delivery** (scaling value), and **Support** (operations) into a single, continuous feedback loop

Core Principles

- **Evidence-Based:** Decisions are driven by objective data and learning rather than assumptions
- **Empirical Agility:** Prioritizes small, frequent releases to accelerate feedback and reduce the cost of failure
- **End-to-End Ownership:** Product teams own the entire lifecycle from ideation to production support to minimize handoffs and latency
- **Outcome Focused:** Success is measured by the actual impact on customer value and business goals, not just adherence to a plan

This document details APOM and outlines the guiding principles to help teams navigate complexity and maximize value delivery. Additionally, the paper provides specific evidence-based metrics for each principle, offering a practical way to measure and adapt the operating model based on real-world outcomes.

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Definition of the Agile Product Operating Model (APOM)

An operating model describes how an organization executes its strategy and delivers value to its stakeholders, users, and customers. It complements the business model by providing a clear description of how, for each product the business defines, develops, maintains, and supports the product or service.

APOM focuses the operating model on the product, an evidence-based approach, and agile paradigms.

Product	A vehicle to deliver value. It has a clear boundary, known stakeholders, and well-defined users or customers.
Agility	Feedback loops ensure that the product and working practices are open to change through transparency, reflection and ownership. Agility provides an adaptive approach to work.
Evidence-Based Approach	Each opportunity is described in terms of measurable outcomes, enabling organizations to leverage agility by focusing their work on value.

Because each situation is unique, APOM does not provide a comprehensive blueprint; instead, it offers a set of guiding principles that, if followed, support agility and focus the organization on delivering product value.

By being principle-based, APOM enables organizations to implement an operating model tailored to their specific situation and build upon their existing position.

AGILE PRODUCT OPERATING MODEL

STRATEGY
- VALUE
- BUSINESS
- TECHNOLOGY ROADMAP
- OPERATIONS

PEOPLE
- ORGANIZATION
- LEADERSHIP
- CULTURE
- TALENT & SKILLS
- INCENTIVES

STRUCTURE
- GOVERNANCE & COMPLIANCE
- PROCESS
- SYSTEMS & TECHNOLOGY
- PROCUREMENT

VALUE CYCLE
- DISCOVERY
- DELIVERY
- OPERATIONS

Evidence-Based Approach

Strategy

The product strategy is the intersection of the business and technology strategies, along with the constraints that govern them. Products should leverage technology to support a business strategy. Some products differentiate, while others offer commodity capabilities. Being transparent about the role the product plays within the business and its strategy includes clarity for decision-making. This means products have a long-term roadmap that describes how they will evolve over time, based on current business and technology perspectives. These roadmaps provide a baseline for work, enabling changes to be managed effectively and efficiently. Each product should have a clear description of value, business, technology, and operations. These descriptions may be part of a single product strategy or multiple documents.

Strategic Element	Description
Value	A product provides clear value to the organization, which, at its simplest, means it costs less to build and operate than it delivers. How an organization measures value will be very subjective; for example, a product may be a loss leader for other products or part of a broader value ecosystem. Over time, this equation changes as the product matures and the nature of the value changes.
Business	Understanding and making transparent the assumed business context is crucial for a product. The context will change over time, and the forecast timescale also provides a shared understanding for the product team to build the right product and support it with the right operating model. Some products differentiate, while others offer commodity capabilities. Being transparent about the role the product plays within the business and its strategy provides clarity for decision-making.
Technology	Products provide value in the intersection of business and technology opportunities. Technology will change over time, and appreciating the overall technology landscape for the product provides the foundation for building the right product and building it right. Unlike a project mindset, a product exists after the work is completed, so understanding the long-term view of the key technologies that support it is crucial for long-term success.

Strategic Element	Understanding the overall strategy for the product's operations is fundamental for APOM, as it provides context for the operating model. Operations define how a product will perform once released — encompassing reliability, support, service levels, risk, and cost trade-offs. Decisions need to be made regarding how the product will be supported. For example, does the operating model include first and second-line support, or is that managed outside the model, thereby creating a delivery dependency? Answering these key questions for today and the future provides an understanding of the model.

When building a product strategy for the product, the following principles should be evaluated:

Evidence	Principle	Description
% of strategic initiatives explicitly tied to a clear business objective or customer outcome	**Start with why** Product strategy must be purposeful and understood.	Understanding the business opportunity requires understanding the reasons behind both the organization's actions and its customers' needs. Each strategic element will require a clear connection to the organization's why.
Time required to pivot or re-prioritize roadmap items based on new evidence	**Build for agility** Assume environmental volatility and structure systems to facilitate rapid, low-risk adaptation.	How do the elements of value, business, technology, and operations connect in the product's ability to respond to change? What is changeable and what is not? Providing a clear description of where things can vary and where they cannot helps clarify long-term decision-making.

Frequency of validated customer input influencing strategic decisions	**Customer first** Always filter strategic options through the lens of customer and user value delivery.	Delivering the most value to customers and users within the constraints of the domain, mission, and environment is fundamental to every product; the strategy should describe this and highlight any underlying assumptions. For internal products, customers describe users and stakeholders of the internal product.
Number of external dependencies per product initiative	**Minimal dependencies** Dependencies are necessary but should be transparent and minimal.	Products will always depend on things outside of their control or influence. Those dependencies should be documented, communicated, and kept to a minimum.
% of strategic initiatives with defined outcome metrics (not output milestones)	**Measurement drives progress** Ensure every strategic initiative includes embedded metrics to enable continuous performance feedback.	Measurement is a fundamental requirement for all empirical approaches. Each strategic element should provide clear measures that show when it will be achieved. This provides clarity for teams to execute as necessary to support the measurable outcome rather than doing work for the sake of the strategy. By giving clear measures, this also reduces the subjectivity of value, providing a clear baseline for everyone involved.

Explicitly defined risk tolerance per strategic initiative	**Risk and governance are choices** Strategy should define maximum tolerable risk and the clear governance structure for managing it before launching any initiative.	Each strategic element must consider the risk tolerance associated with that element. Those tolerances and supporting governance and oversight needs should be transparent and considered.
Cadence of strategy reviews based on delivered outcomes	**Frequent delivery and inspection drives progress** Design the strategic roadmap to maximize the frequency of measurable output and objective critique	Strategy describes the future, but the reality is that any future is unknown. It is therefore crucial to specify how incremental progress is measured and reviewed for each strategic theme. Strategy is a fundamental element of the business and should be examined within a consistent business review cycle alongside other key business and product metrics.
Rate of technical debt growth	**Simple solutions are best** Strategy should prioritize simplicity in all aspects.	To be agile requires an almost manic focus on quality, which ultimately means simplicity. Everything built is ultimately outdated and accumulates technical debt. By accepting that the product will have some accumulated debt upfront, you can service that debt from day one, rather than allowing it to build up and then require significant work.

People

APOM encourages small, focused teams who deliver, learn, and change as needed. Working in cross-functional teams is the primary way that product work is done. A team is a group of people with a common purpose. Each team possesses the necessary skills to provide value and operates flexibly to support the goal. Building the right environment for teams to thrive is the primary responsibility of the operating model.

Organization

This describes how people are organized, communicate, and perform the key roles required to deliver valuable product increments. For APOM to be successful, each product organization must be structured to meet its own needs. Hierarchy and bureaucracy should be avoided in favor of simple structures with a clear focus and alignment to user and customer needs.

Evidence	Principle	Description
% of decisions made by teams without escalation	**Empowered Teams** Cross-functional, self-managed, outcome-oriented teams aligned around products.	Teams have all the necessary skills to deliver value and are empowered to do that. Leadership provides clarity on the boundaries of their authority and the ultimate goals they seek. Teams should be aligned with products. Being on multiple product teams should be avoided.
Number of cross-team handoffs per delivery	**Low coupling** When dependencies exist, strive for as-a-service dependencies between teams.	Dependencies inhibit agility and delivery, but are the reality for many products. Ideally, product teams have high cohesion and low coupling to other teams.

Participation rate in communities of practice	**<u>Skill-based communities</u>** Establish skills-based communities that enable cross-functional teams.	Individuals are aligned to products but supported by their skill-based community. Product Goals set their focus, but professional development, status, authority, and promotion can be gained from this community. People are a strategic advantage for product-based organizations and require support in their development.
Decision latency (time from issue to decision)	**<u>Flatter structures</u>** Flatter structures should be encouraged to avoid complexity and size.	Rapid decision-making is crucial for product organizations operating in complex, changing environments. Hierarchy and size extend decision-making loops and should be avoided.
Cycle time stability	**<u>Flow metrics</u>** Utilize flow metrics to pinpoint bottlenecks and impediments.	Flow Metric, also known as Lean metrics, can provide clarity into product team efficiency, but should be used solely by product teams and not as a proxy for personnel objectives.

Leadership

Although the primary delivery mechanism for APOM is cross-functional teams, leadership remains essential in providing the right environment for those teams to thrive. Leadership may be embodied in various roles, including people, product, operations, and technology. Ultimately, it is everyone's responsibility to illustrate leadership principles in the context in which they work. At the heart of leadership lies a simple yet profound truth: in complex environments, trust, transparency, and accountability are essential.

Evidence	Principle	Description
Employee engagement score	**Servant leadership** Servant leadership enables trust, empowerment, and motivation.	Servant leadership is best described as the simple idea that a leader is successful when the people they lead are successful. In pursuit of that idea, they respect, trust, and support their people, creating an environment that fosters their success. How this applies to each person and leader will be different; however, the outcome is that individuals are their best, most effective selves.
Team-reported clarity of strategic intent	**Provide direction and guard rails** Productive leadership is defined by setting a clear strategic vision and building an environment that empowers people to execute and adapt autonomously toward shared value.	At its most fundamental level, a leader provides a clear description of the direction they are leading and an environment that enables the people they are leading to execute on that objective effectively.
Use of outcome metrics in leadership reviews	**Measurement drives progress** Implement measures that support the strategy and drive improvement.	In an evidence-based environment, measures provide objective evidence for decisions and choices. Leaders need to identify these measures.

Rate of organizational improvements driven by evidence	**All management is change management** Effective leaders continually drive and model organizational evolution (change management), focusing equally on optimizing the product (value cycle) and improving the operating environment.	Ultimately, managing change involves understanding and delivering the product, as well as refining and improving the organization that delivers it. This is at the heart of all leadership activities. Leaders are not only able to change, but they have to lead change.
Transparency of leadership decisions and assumptions	**Lead by example** Model the core behaviors of the APOM—transparency, accountability, and continuous learning—by ensuring that all strategic decisions, assumptions, and plans are openly shared, subject to inspection, and adapted based on empirical evidence.	Leaders model values such as transparency, accountability, and learning. Misalignment quickly erodes trust and reduces a leader's effectiveness, but alignment creates synergy and motivation.

Culture

Often described as magic within an organization, culture encompasses the product group's knowledge, beliefs, social behaviors, and norms. Culture is hard to change, but, as with everything within APOM, it is essential that culture be made transparent, then inspected and adapted.

Evidence	Principle	Description
Stakeholder satisfaction trend	**Stakeholder centricity** Anchor all product strategy and work in measurable customer outcomes, continuously inspecting and adapting to ensure that the value delivered exceeds the cost to build and operate, satisfying all known stakeholders.	Products serve users, customers, and other stakeholders, and they should influence every decision made. Often, this is described as customer centricity, but all stakeholders, to a greater or lesser degree, should guide the teams' actions. For example, building a product solely for users without considering other stakeholders would undermine its value.
Reduction in approval-based delays	**Trust and empowerment** Delegate decision-making authority and holistic ownership to small, cross-functional teams, fostering intrinsic motivation (*Autonomy, Mastery, Purpose*) by aligning them directly with product outcomes and transparent strategic goals.	When working in a complex and ever-changing environment, transparency is key. Trust and safety can erode an individual's desire to be transparent. By empowering teams and individuals closest to the problem, decisions are made faster and learning improves. Everyone feels that they have authority and wants to make decisions.
Number of experiments run per period	**Continuous learning and improvement** Treat all work as an experiment: measure the impact of every delivery against defined outcomes, creating continuous feedback loops to inspect working practices, adapt strategic assumptions, and maximize the ability to innovate.	Improving the product and how it is made is the responsibility of everyone, not just leaders and managers. Everyone can propose improvements.

Visibility of goals and metrics across teams	**Collaboration and transparency** Ensure all goals, constraints, assumptions, and learning are open and visible. This facilitates collaborative, integrated decision-making across teams and enables fast, effective inspection and adaptation	Delivering an excellent product requires people to work together openly and transparently. Communication and transparency should be encouraged.
Speed of response to market or user changes	**Adaptability** Design the organization, investment, architecture and processes for continuous flexibility, favoring product mindsets over fixed plans, and treating uncertainty as the default condition to be exploited through fast, empirical feedback.	Holding ideas passionately but loosely is at the heart of APOM. Being willing to try things and accept that they might change is a crucial aspect of the culture necessary for empirical work.
Release frequency	**Delivery and experimentation** Prioritize small, frequent deliveries that act as minimum viable experiments, rapidly generating empirical data (Time to Market & Current Value) necessary to reduce risk, drive organizational learning, and inform product direction.	Product delivery is frequent and based on learning and value. Instead of spending a lot of time evaluating ideas, the culture at APOM is to pick a strategy and then work out which experiment would be the least expensive and lowest-risk to either prove or disprove that decision.

Talent and Skills

At the heart of APOM's approach to talent and skills development is the fundamental idea that growth and flexibility are fostered by people helping and developing others. Promotion is a result of that support rather than an individual's contribution.

Evidence	Principle	Description
Stability of product teams over time	**<u>Separate talent management from work management</u>** Separate the management of specialized skills (*Talent*) from the execution of value (*Product Teams*). Organize teams to be cross-functional and product-aligned, while using skills-based communities or guilds to handle talent development, growth, and specialization.	Hiring the right people and developing and supporting skills development are key to the long-term success of any product. Creating a separate skills-based community organization can effectively decouple work management from skills development, allowing for a more focused approach.
Internal mobility and skill progression rate	**<u>Promotion and development achieved by mastery and mentorship</u>** Align career progression and incentives with the continuous development of knowledge (*Mastery*) and the active sharing of expertise (*Mentorship*), reinforcing intrinsic motivation over short-term output goals.	The most effective organizations are those where people help others in pursuit of shared goals. APOM encourages this approach by supporting the idea that developing others is a key responsibility of everyone.

Time-to-productivity for new hires	**Hire for Mindset** Prioritize hiring for a culture of curiosity and an empirical mindset (agility, learning, and autonomy) over existing technical skills, recognizing that digital work demands adaptable, empowered knowledge workers able to solve unknown problems.	Skills evolve, but adaptability and collaboration drive long-term success. By making the mindset explicit and transparent and actively hiring for that mindset, product-based companies build the foundation for long term flexibility and success. In practical terms, that might mean hiring someone with less experience because they are a better fit from a mindset perspective.

Incentives

Tangible and intangible incentives can shape how people act within any system. APOM approaches the system holistically, encouraging an appreciation of incentives and their effect on self-management, flexibility, and a focus on product value. The product teams may not be able to change incentives, but they must recognize that they are present and understand their impact on shared outcomes. They may, however, be able to recommend changes or identify where the issues lie.

Evidence	Principle	Description
Shared understanding of incentives measured by a survey.	**Make incentives transparent** Make all incentives (visible and invisible) explicit and transparent, ensuring they are clearly aligned with the behaviors, culture, and ultimate value outcomes required by APOM.	There will always be incentives present for everyone within a product organization. Some will be tangible, while others will be intangible. By ensuring that all incentives are transparent while also ensuring privacy and confidentiality, everyone can appreciate the impact of change.

Correlation between incentives and product outcomes	**<u>Incentives MUST align with product and organization goals</u>** Design all reward systems to directly reinforce organizational goals and the delivery of product value (EBM: Current Value and Unrealized Value), ensuring incentives consistently drive behavior toward shared, transparent outcomes.	The product group is focused on delivering valuable products. It is therefore crucial that product goals are not undermined by individuals having different incentives.
Cross-team collaboration frequency	**<u>Incentives must encourage teamwork and discourage a scarcity mindset</u>** Design incentives (including status and authority) to reward collective, cross-functional team success and the sharing of knowledge, actively discouraging internal competition or local optimization that detracts from overall product value.	Agility requires teamwork and taking risks with a view to growth. Incentives can easily undermine those objectives.
Stability of metrics after being used for decisions	**<u>Information value neutrality</u>** Ensure all data, metrics, and outcomes are presented factually, transparently, and free from political interpretation or rhetorical bias, allowing for objective inspection and evidence-based adaptation without fear of consequence.	Measures can easily become weaponized and used to drive negative rather than positive behaviour. For example, a measure of performance is made a target and then instead of being used to improve it becomes a stick that undermines improvement.

| Recognition of learning and collaboration behaviors | **Behaviors, not only outcomes**
Actively inspect and reward the desired behaviors (e.g., curiosity, collaboration, transparency) that enable organizational adaptation, recognizing them as precursors to long-term value creation, not solely focusing on short-term product outcomes. | It is much easier to reward an action or outcome, but motivation and behaviour is also valuable. By unpacking actions and rewarding behaviours, even if the outcome or action did not yield an amazing result, it can positively affect culture. For example, rewarding the desire to run an experiment even if the learning from that experiment meant a change in direction. |

Structure

The underlying structural elements of the operating model must support a focus on value, frequent inspection, and adaptation.

Governance & Compliance

The tension between governance and delivery/discovery practices is present in most product delivery organizations. Governance is perceived to slow down delivery, adding unnecessary steps to already complex delivery processes. Delivering high-quality products requires active and transparent governance practices. Unlike traditional approaches, where governance is ancillary to discovery and delivery, it is a fundamental part of the operating model. That requires governance to be treated like any requirement or constraint and described in terms of impact, outcomes, and value. Once defined in that manner, it is possible to make explicit choices about how to resolve that item.

Evidence	Principle	Description
Governance objectives are defined as outcomes	**<u>Outcome-based governance</u>** Define all governance and compliance requirements as clear, outcome-based objectives, empowering product teams to autonomously choose and adapt the most effective solutions for meeting these mandatory goals.	Governance and compliance, like any part of APOM, is ultimately a series of objectives and solutions. The choices made regarding compliance are only possible if the objectives are described not in terms of their implementation, but in terms of the outcomes they aim to achieve.
% of compliance checks automated or embedded	**<u>Shift governance left</u>** Embed compliance and governance controls directly into the discovery and delivery workflow, treating them as automated checks and transparent quality gates owned by the product teams, rather than as separate, sequential checkpoints executed at the end of the cycle.	Instead of building a process to deliver value and then adding governance, governance should be considered alongside other requirements from the outset.
Frequency of governance effectiveness reviews	**<u>Inspect governance outcomes frequently</u>** Apply the empirical process to governance itself: continuously inspect the effectiveness of outcome-based compliance and regulatory solutions, and adapt the operating model's *Structure* and Process based on evidence of friction or failure.	Frequent feedback enables governance to serve as an active control point throughout the discovery and delivery process.

Process

The process is designed to enable teams to deliver more value more frequently, rather than for management to control teams and measure their performance. Product teams have a choice when it comes to process, allowing it to evolve rather than being imposed on them. Careful consideration must be given to methods for describing interactions among multiple teams or external stakeholders, along with their dependencies.

Evidence	Principle	Description
Frequency of team-initiated process changes	**People own the process** Delegate ownership of the working process to the people closest to the product, ensuring they are empowered to continuously inspect and adapt their methods to optimize flow, learning, and value delivery based on their current environmental needs.	It is essential to separate the process for getting work done from the organization's requirements to ensure governance and that money is spent wisely. The governance process is mandated and controlled. The work process is designed to serve as a tool for product teams to facilitate collaboration, streamline workflows, and expedite delivery. It is therefore owned by the people doing the work.
Use of metrics for improvement (not evaluation)	**Process is a tool for the teams** Utilize process metrics exclusively for transparent diagnosis, continuous flow improvement, and systems management, never for individual or team performance ranking, thereby eliminating the incentive for local optimization or data manipulation.	Productivity, impediments, queues, and other process and flow metrics are valuable tools for product teams to better understand their processes. They should not be used by management to determine the effectiveness of product teams. Any use of metrics mustn't undermine the team owning the process.

Time from delivery to feedback	**<u>Feedback loops</u>** Design every process and workflow to embed rapid, continuous feedback loops, ensuring that the team frequently delivers value and immediately gathers empirical evidence to drive necessary adaptation and organizational learning.	Delivering "stuff" to review is key to making any process effective. The longer people work without feedback, the higher the risk that their output will be valuable. Process, therefore, needs to support frequent observation with stakeholders and the product teams. Work prioritization should be driven by value, ensuring the most useful tasks are completed first. Continuous improvement of the process requires time and effort, and any process should explicitly include an opportunity for that review and for the improvements to be made. Reviewing without time to implement improvements is a waste and should be avoided.
Reduction in manual, repeatable work	**<u>Automate where possible</u>** Encourage automating repeatable tasks (especially compliance and documentation) through systems and technology, but strictly safeguard flexibility by ensuring that automation choices do not impose rigidity or override the team's ability to adapt the process empirically.	Process automation can help remove repetitive tasks and increase quality. However, process automation can add overhead and complexity, ultimately reducing the process's value. Any automation should be reviewed for value, impact, and its effect on flexibility.

Procurement

Most products have dependencies and integrations with other products and components. Commercial dependencies mean product teams must work with external third parties. Traditional approaches to procurement require product teams to work with a centralized procurement department in a waterfall, project-based approach. Instead, APOM encourages a collaborative, iterative, and incremental approach, in which product teams partner with third parties in value-focused relationships. They are supported by procurement professionals in building the skills necessary to deliver on this approach.

Evidence	Principle	Description
Early supplier involvement in product discovery	**Collaboration over negotiation** Engage suppliers as strategic partners through early, transparent collaboration (e.g., Lean Agile Procurement (LAP) Big Room events), replacing adversarial negotiation tactics with a shared, continuous pursuit of superior product value and mutual success.	Rather than an adversarial, transaction-focused relationship, agile procurement prioritizes building collaborative partnerships with suppliers. This involves working closely with internal stakeholders (such as IT, legal, and finance) and suppliers throughout the entire process. The goal is to create shared value, resulting in improved long-term outcomes and stronger relationships.

Evidence	Principle	Description
Ability to change the contract without explicit negotiation	**Adapt and embrace change** Treat all supplier contracts as living, empirical agreements, prioritizing adaptive terms (e.g., shared risk and frequent review cycles) that enable rapid, low-friction changes in scope, capability, and direction based on emergent product learning.	In contrast to traditional procurement's fixed plans and requirements, agile procurement expects and welcomes changing needs, even late in the process. It uses flexible, iterative contracts (such as time-and-materials contracts) that can adapt to evolving requirements, rather than fixed-price agreements. This enables the organization to respond promptly to market shifts and emerging opportunities.
Time of first value delivered by the supplier	**Deliver early with value** Execute procurement and contracting through short, iterative cycles (e.g., days to weeks via LAP) to enable the rapid onboarding of partner capabilities, thereby delivering measurable product value to the market continuously, not at the end of a long contract negotiation.	The primary measure of success in agile procurement is not adherence to a plan, but the **early and continuous delivery of value** to the customer or end-user. This is achieved by breaking large procurements into smaller, shorter cycles, or "Sprints," which enable incremental value delivery and frequent feedback. The goal is to deliver a working product or service more quickly, rather than waiting for a comprehensive solution.

Decision autonomy of product teams	**Empowerment and trust** Shift procurement relationships from command-and-control risk aversion to a trust-based model (Culture), empowering product teams and strategic partners to make autonomous decisions and adapt within clearly defined outcome-based constraints.	Agile procurement fosters a culture of trust by building projects around motivated individuals and empowering them to make decisions. It moves away from micromanagement and rigid approval hierarchies, enabling cross-functional teams to self-organize and streamline the procurement process.
Regular inspection of supplier outcomes	**Continuous Improvement** Establish regular, collaborative review cycles with product teams and partners (e.g., contract renegotiation schedules) to continuously inspect procurement processes and supplier performance, adapting both based on empirical metrics and emergent product learning.	Agile procurement is not a one-time event; it's a continuous learning and refinement process. After each short cycle, teams hold retrospectives to reflect on what went well and what could be improved. This ongoing feedback loop helps the procurement function become more efficient, reduce risk, and improve outcomes over time.

Value Cycle

APOM includes three types of value cycles: **Discovery**, where ideas are validated, refined, and explored; **Delivery**, where ideas are scaled, and **Support**, where users and other stakeholders are supported in the use of the product. Ideally, these three distinct value cycles would be supported by the same product teams, enabling a dynamic execution approach. This shared ownership enables product teams to deepen their knowledge, ultimately reducing handoffs and improving overall product value and quality. Additionally, product value is complex and ever-changing, making the rigid distinction between research, development, and support more nuanced. Information and context are very temporal, and value is reduced by lengthening decision cycles and increasing process oversight. At the heart of APOM is the trust instilled in the product teams and their leadership.

Discovery

Product discovery is the essential, continuous function that ensures the organization is building and evolving the right product for its users, customers, and stakeholders. Unlike the traditional, project-centric approach, where requirements are fixed and delivered as a one-time phase, discovery in this model is a continuous, integrated process that runs in parallel with product delivery. Discovery focuses on understanding value by evaluating assumptions and outcomes, and by using tools such as hypothesis-driven learning, experimentation, and data analysis.

Evidence	Principle	Description
Frequency of user research	**Continuous Discovery** Never stop probing: If you aren't testing a hypothesis while you're shipping a feature, your loop is broken. Treat every delivery as an experiment to validate the next assumption in parallel.	Discovery is an ongoing capability embedded into everyday product work. Unlike project models that front-load research, product teams continuously explore problems, assumptions, and opportunities in parallel with delivery.
% of discovery work with explicit hypotheses	**Hypothesis-driven learning** Never fund a feature without a hypothesis, and never start the next cycle without a learning *receipt*. If a deliverable didn't prove an assumption about value or feasibility, it wasn't a product increment; it was just noise.	All discovery work is framed as testable assumptions about customer value, behavior, or feasibility. Learning is captured explicitly and used to guide prioritization, investment, and decision-making.

Ratio of problem vs. solution validation	**Outcome validation** Don't commit to a 'How' until you can quantify the 'Why.' If you can't describe the customer's pain and the target outcome as a number, you aren't ready to code a solution.	Discovery prioritizes understanding and validating customer problems and desired outcomes before committing to specific solutions or features.
Frequency of direct user contact	**Direct user access** Remove the go-between: If the team isn't talking directly to the person with the pain, they aren't building a product—they're playing a game of 'Telephone' with your strategy. Never let a proxy decide what a user needs.	Product teams maintain unmediated access to users and stakeholders to build empathy, context, and real-world understanding, avoiding proxy decision-making.
% of delivery items influenced by discovery	**Discovery informs delivery** Discovery without a pivot is just a hobby. If your research didn't force you to build something different, kill a feature, or change your timeline, you haven't done discovery—you've done paperwork.	Discovery only creates value when learning visibly alters delivery decisions — what is built, delayed, or stopped — rather than existing as an isolated research activity.

Delivery

Delivery is the high-efficiency process that takes validated opportunities from discovery and turns them into measurable value for the customer and the business. It is the core execution arm, operating on the principle of continuous flow rather than batch-and-wait projects.

The focus of delivery in APOM shifts from meeting a fixed scope and schedule (the project mindset) to maximizing the speed and quality of value flow to the end-user.

The distinction between **Discovery** and **Delivery** is arbitrary, as product teams must deliver to discover value, mitigate assumptions, and learn from their experiences. However, product teams and stakeholders need to understand when something requires further clarification or when something has been proven and needs to be scaled or hardened. Different processes, quality criteria, and data and support requirements will vary, depending on the situation, requiring leadership decisions.

Evidence	Principle	Description
EBM Current Value trend	**Outcomes over outputs** Ditch the checklist: Delivering 100% of your plan is a failure if you moved 0% of your outcome metric. If your roadmap isn't shrinking or shifting in response to last week's data, you aren't delivering—you're just busy.	Delivery success is measured by customer and business impact rather than completion of predefined features or plans. Scope adapts as learning evolves to maximize value.

Release frequency	**<u>Ship small, ship often</u>** Break your work into increments small enough to fail fast and cheap; anything larger than a week's Flow Time (how long the complete process takes) is a bet you can't afford to lose.	Work is delivered in small, production-ready increments to reduce risk, accelerate feedback, and enable rapid learning from real usage.
Production defect rate	**<u>Built-in quality</u>** If it's too broken to run, it wasn't delivered. Treat technical debt and reliability as 'Features'— if you skip the quality work to ship faster today, you are just stealing from next week's capacity.	Delivery is not complete until the product is reliable, operable, and maintainable. Quality is embedded rather than traded off for speed.
Cycle time stability	**<u>Flow Efficiency</u>** Stop trying to keep everyone 100% busy and start making the work 100% visible. If an item isn't moving, find the bottleneck and fix the flow—maximizing 'busy-ness' is just a faster way to clog the system.	Delivery systems are optimized for a smooth, predictable flow of value rather than maximizing utilization or throughput, continuously addressing bottlenecks.
Time from release to learning	**<u>Delivery enables learning</u>** Stop shipping answers and start shipping questions. If a feature goes live and you don't have a plan to measure exactly how it failed or succeeded by a certain day, you didn't deliver a product increment—you delivered a blind spot.	Each delivery creates new evidence that feeds directly back into discovery, reinforcing a continuous inspect-and-adapt loop.

Support

In a product-centric organization, agile product support is the discipline that integrates the traditional functions of technical support, maintenance, and operations directly into the continuous value cycle. It is not a separate, reactive cost center, but a vital feedback loop that fuels product discovery and continuous improvement.

This approach ensures that the organization views the entire product lifecycle from idea to post-deployment care as one integrated value stream.

Evidence	Principle	Description
Mean Time To Repair	**Product-owned support** Ditch the 'Cost Center' wall: If support tickets aren't treated as roadmap requirements, your product is failing in public. Your support queue is the only real-time map of your Unrealized Value—ignore it, and you're just paying to push customers away.	Support and operations are first-class product concerns, directly affecting customer trust, adoption, and long-term value — not a separate cost center.
% of roadmap informed by ops data	**Operational feedback loops** If your support tickets and incident reports aren't rewriting your next Sprint's backlog, you're building a fantasy, not a product. Every crash and churn pattern is a 'Pull' request from reality—obey the data or lose the customer.	Incidents, support tickets, and usage patterns actively shape discovery and delivery priorities rather than being treated as downstream noise.

Service availability	**<u>Operability by design</u>** If you can't see it failing, you can't ship it. Treat monitoring, telemetry, and 'self-healing' as the first features of every roadmap—if the team can't sense the product's health, they are just building a liability.	Products are designed with observability, reliability, and recovery in mind from the start to reduce operational risk and cognitive load.
Team ownership continuity	**<u>End-to-end ownership</u>** If you built the mess, you live in the mess: Stop handing off your code to a 'Support' team. The second you delegate production pain to someone else, you've doubled your feedback latency and killed your incentive to build it right.	Delivery systems are optimized for a smooth, predictable flow of value rather than maximizing utilization or throughput, continuously addressing bottlenecks.
Technical debt trend	**<u>No Leaks Policy</u>** If your support work isn't shrinking your technical debt, your product is a sinking ship. Every operational failure is an unpaid debt—ignore it today, and you'll spend 100% of tomorrow's budget just trying to stay afloat.	Effective support prevents unmanaged technical debt and operational fragility, preserving the organization's ability to innovate over time.

References

The guiding principles listed in this document evolved from the research and development of Scrum.org's products. They are based on many different papers, books, and presentations in the area of agile product development, modern management practices, company building, and software development. However, the following documents are key in the development of these principles.

- Scrum Guide - https://scrumguides.org/
- Nexus Guide - https://www.scrum.org/resources/online-nexus-guide
- Evidence-based management guide - https://www.scrum.org/resources/evidence-based-management
- Lean Agile Procurement - https://www.lap-alliance.org/why-lap/what-is-lean-agile-procurement
- Spotify Model - Scaling Agile @ Spotify with Trides, Squads, Chapters and Guilds, October 2021 Henrik Kniberg and Anders Ivarsson (Crisp Blog)
- REINERTSEN, D. G. (2009) The principles of product development flow: Second generation lean product development. Redondo Beach, CA, Celeritas Publishing

About Scrum.org

Scrum.org, the Home of Scrum, was founded by Scrum co-creator Ken Schwaber as a mission-based organization to help people and teams solve complex problems. We do this by enabling people to apply Professional Scrum through training courses, certifications and ongoing learning all based on a common competency model.