

# Spotify Rhythm

How we create focus

Agile Sverige, 2016-06-01

Consultant



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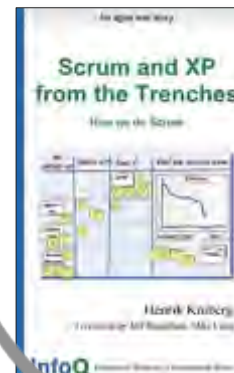
Dad

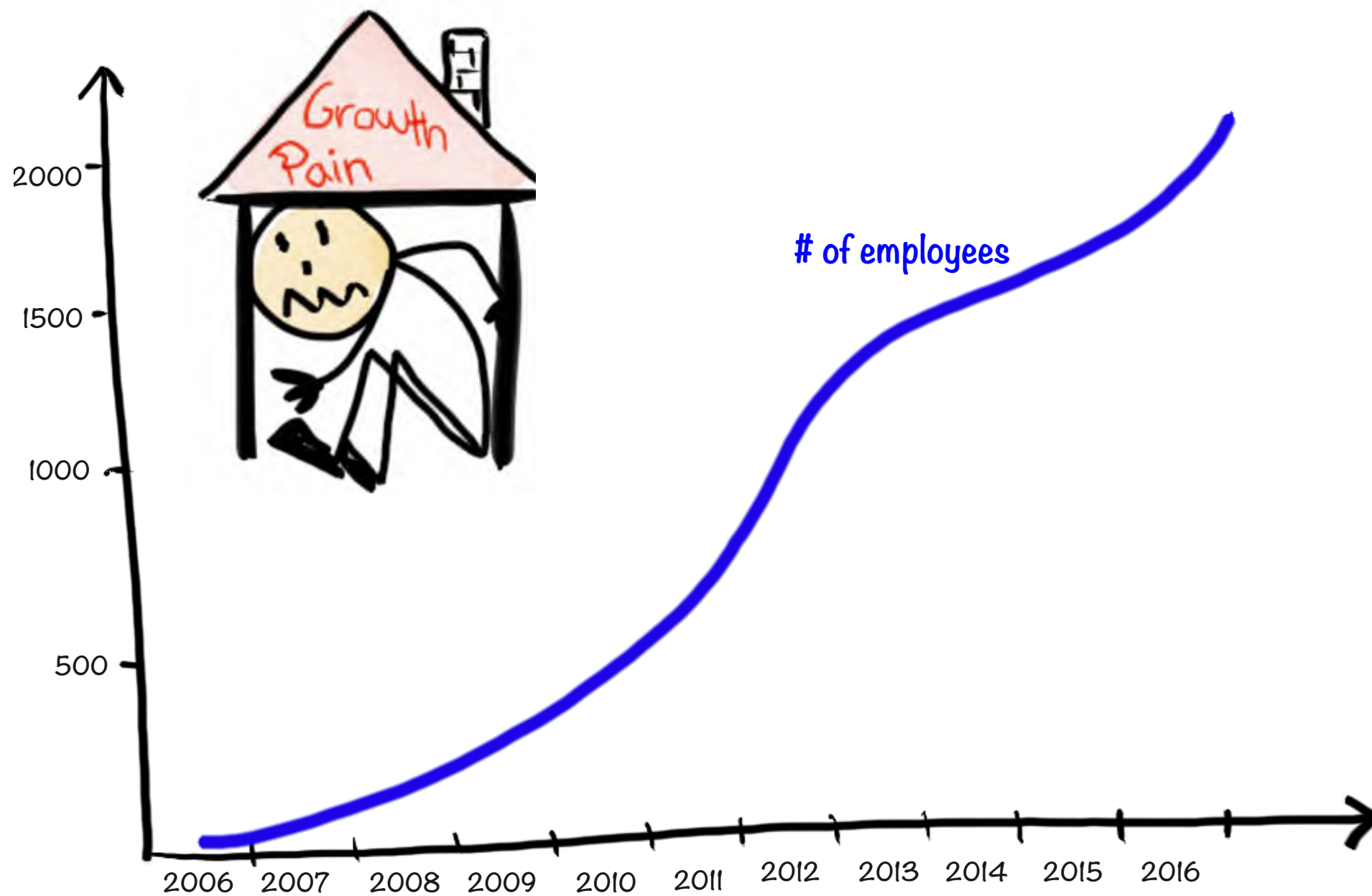


Organizational  
Refactorist

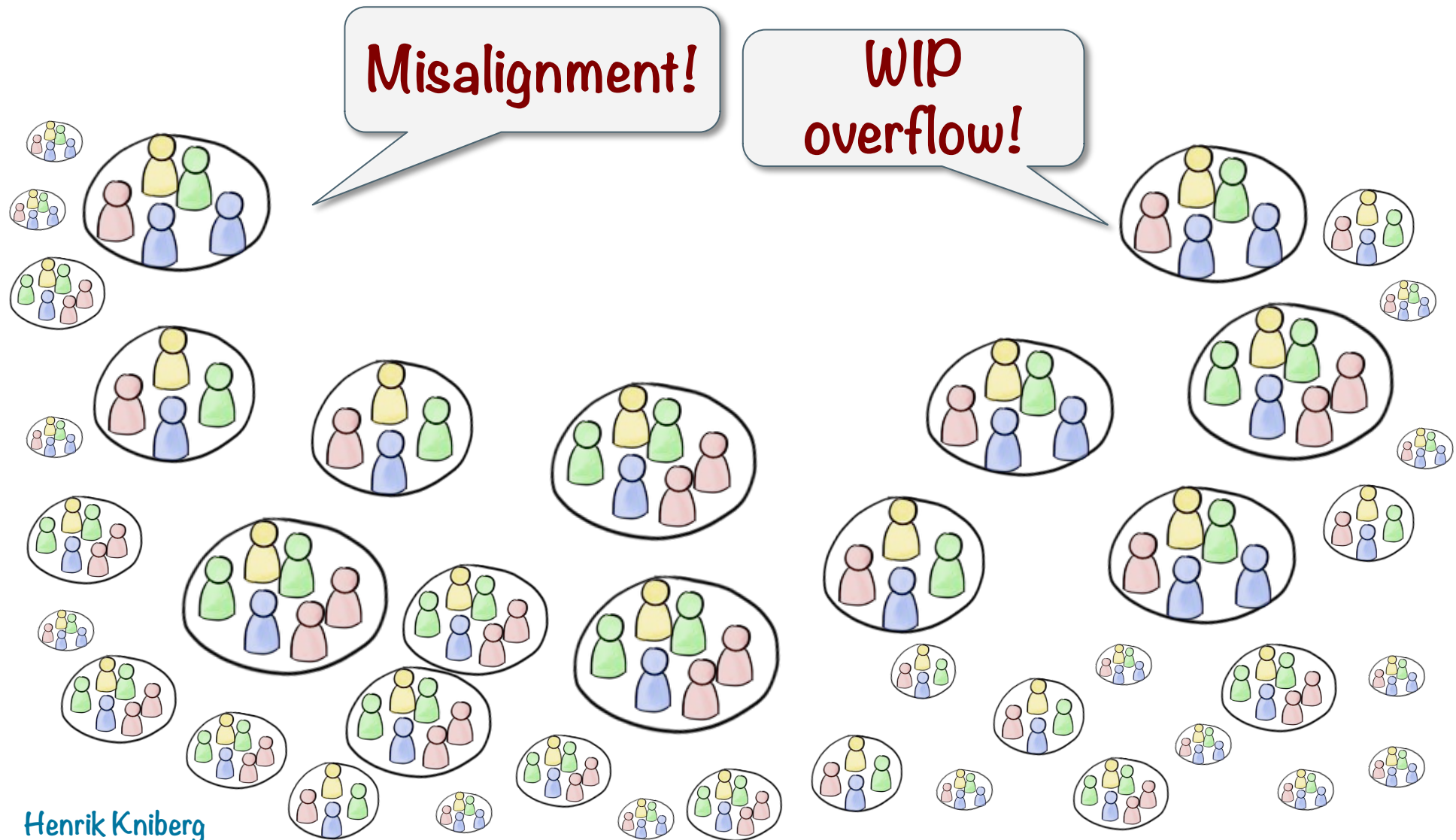


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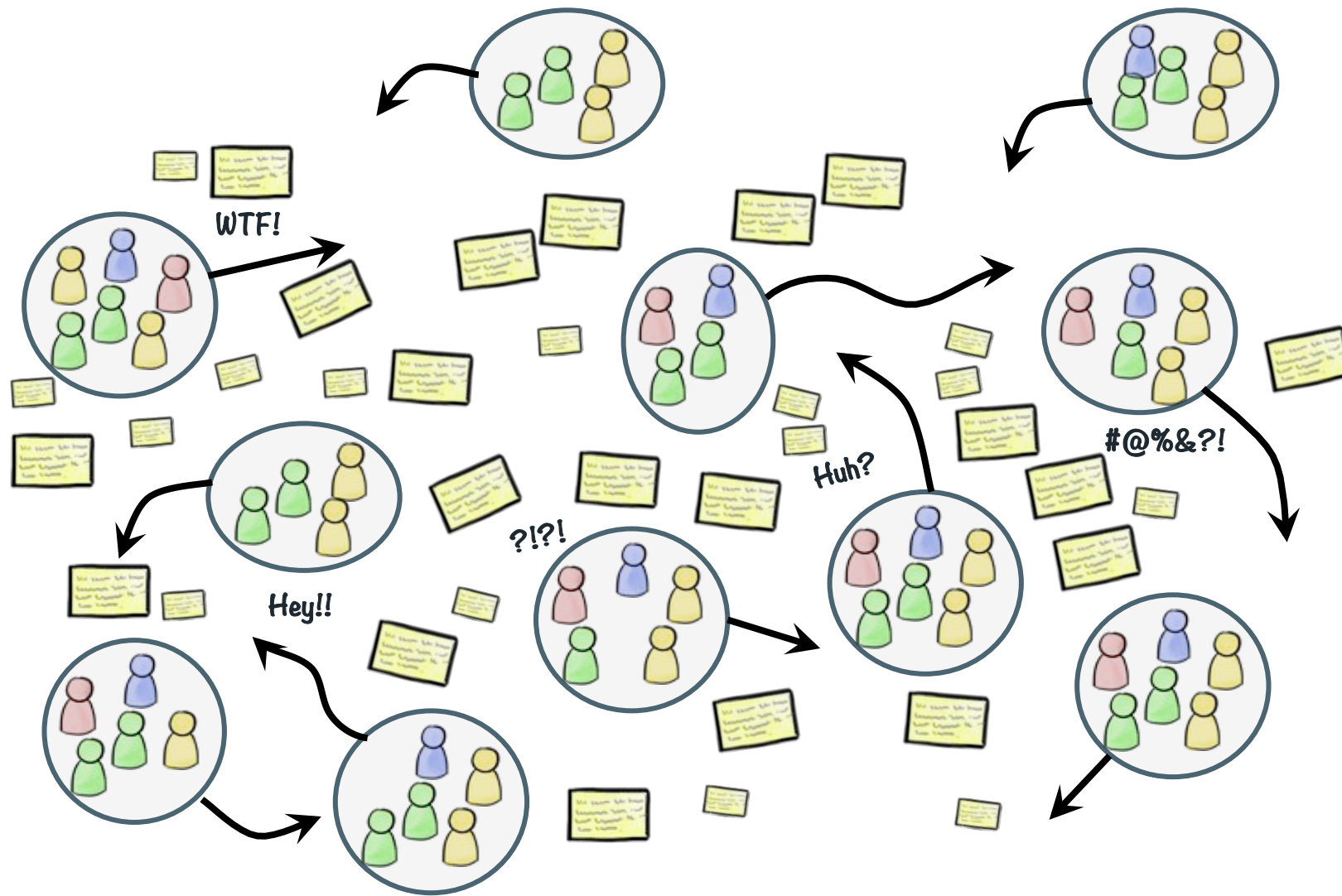




# Fall 2014 research: “What’s slowing us down?”

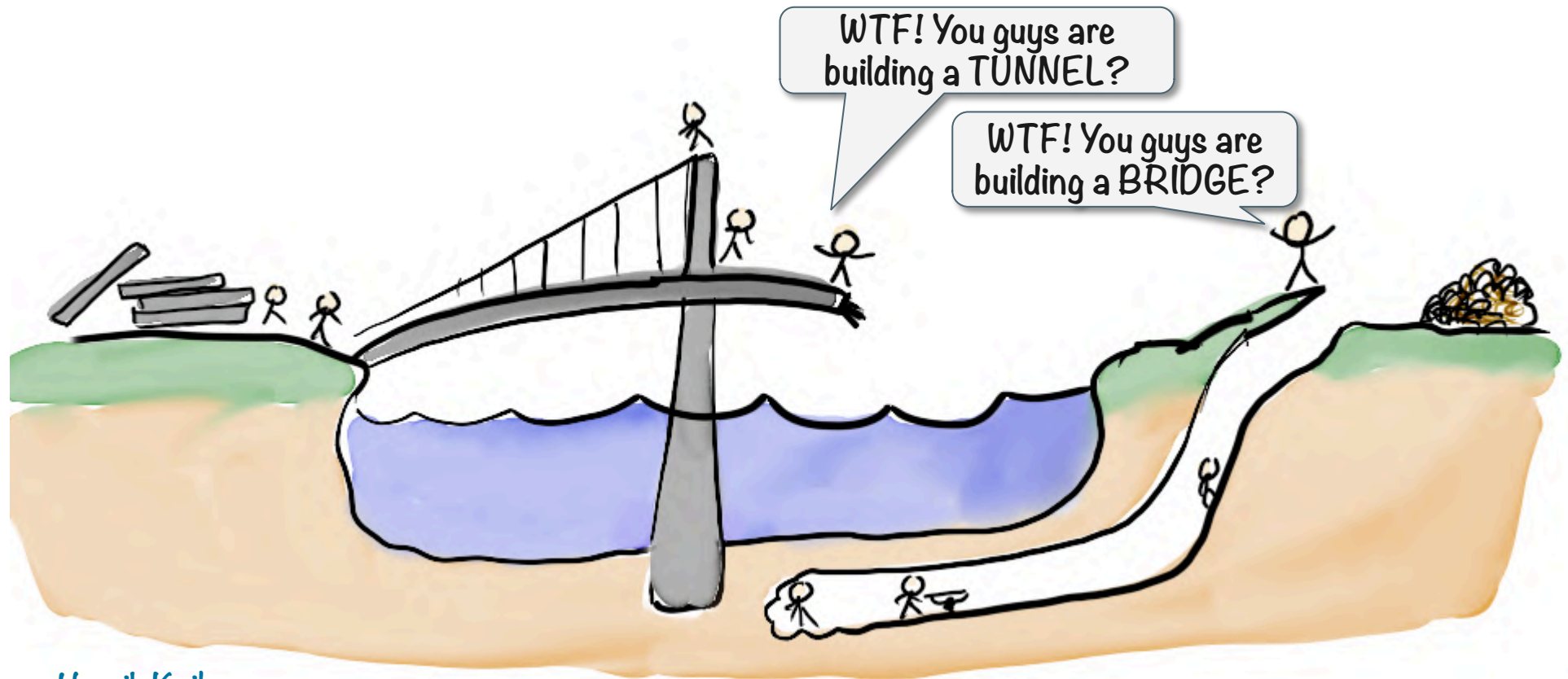


# This doesn't scale



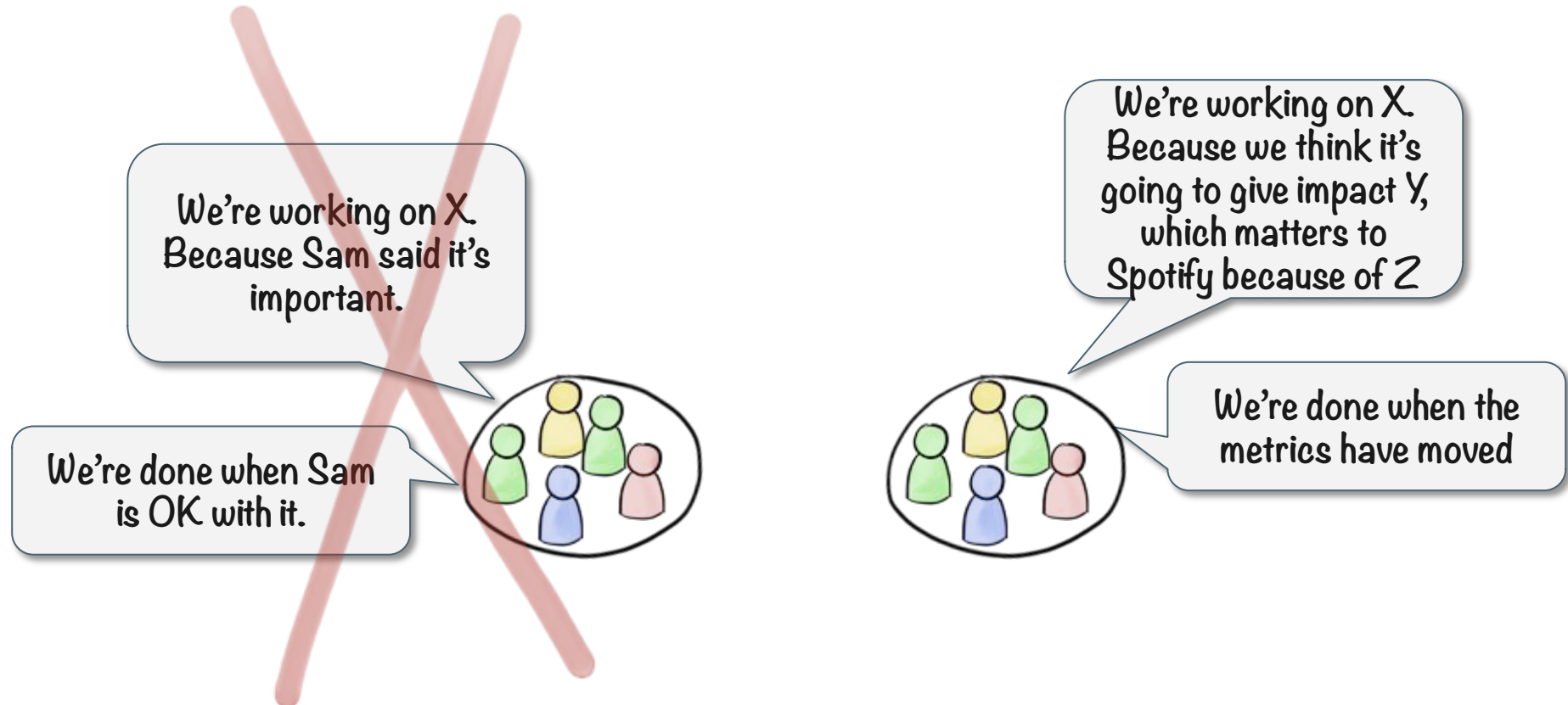


Misalignment  $\Rightarrow$  WIP overflow



Henrik Kniberg

# Goal: Clear priorities, Data-driven decisions, Learning loop





Objectives & Key Results



Priorities & Achievements

Spotify  
Rhythm



# Spotify Rhythm: Taxonomy

An overview of the language used in strategic planning at Spotify

**Company Beliefs** are at the center of our strategic planning model. Beliefs are produced by Daniel and reflect the world as it is today and the world we can help build over the course of the next 3-5 years. These Beliefs are formed from the data and insights we have about the world around us and our users.

**North Star & 2-year Goals** are targets that Daniel and the Lead Team have set for Spotify. These Goals are ambitious, but are measures of success that we think we can achieve if we are correct in the way we view the world (Beliefs) and the way we spend our time and energy (Bets).

**Company Bets** are large projects or cross-organization initiatives that are sourced by the Strategy Team. These Bets generally last 6-12 months and we believe they can substantially drive towards the 2-Year Goals. Bets do not comprise of all the work we do at Spotify.

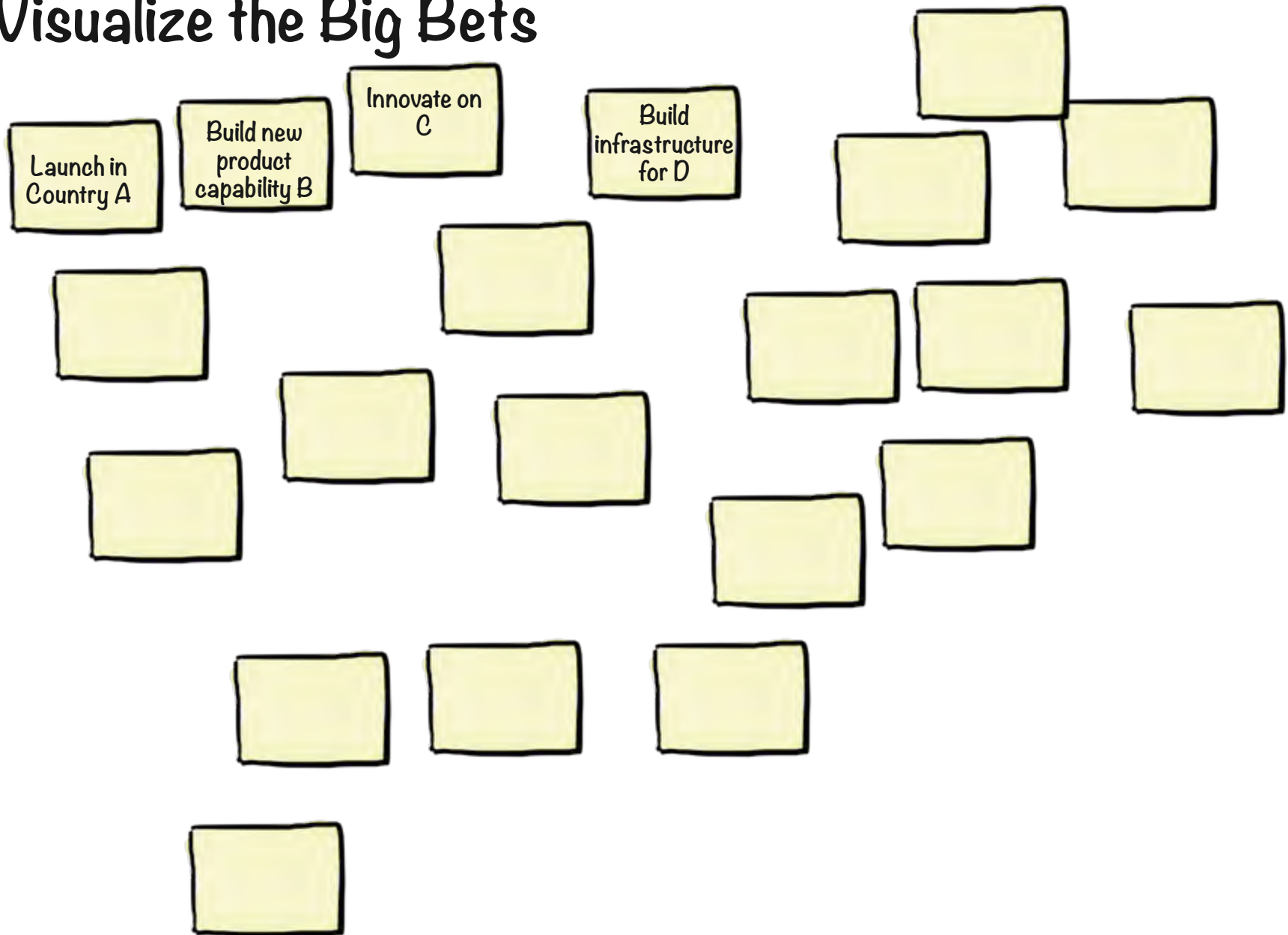
**Functional Bets** are large projects that generally take place within single functions and are set by Functional Leads. Functional Bets often ladder up to Company Bets, but can also exist independently. Both Company and Functional Bets should be arrived at by a combination of bottom-up and top-down planning.

**Markets Bets** are initiatives and investments carried out by markets teams related to Company or Functional Bets or guided by their market categorization.

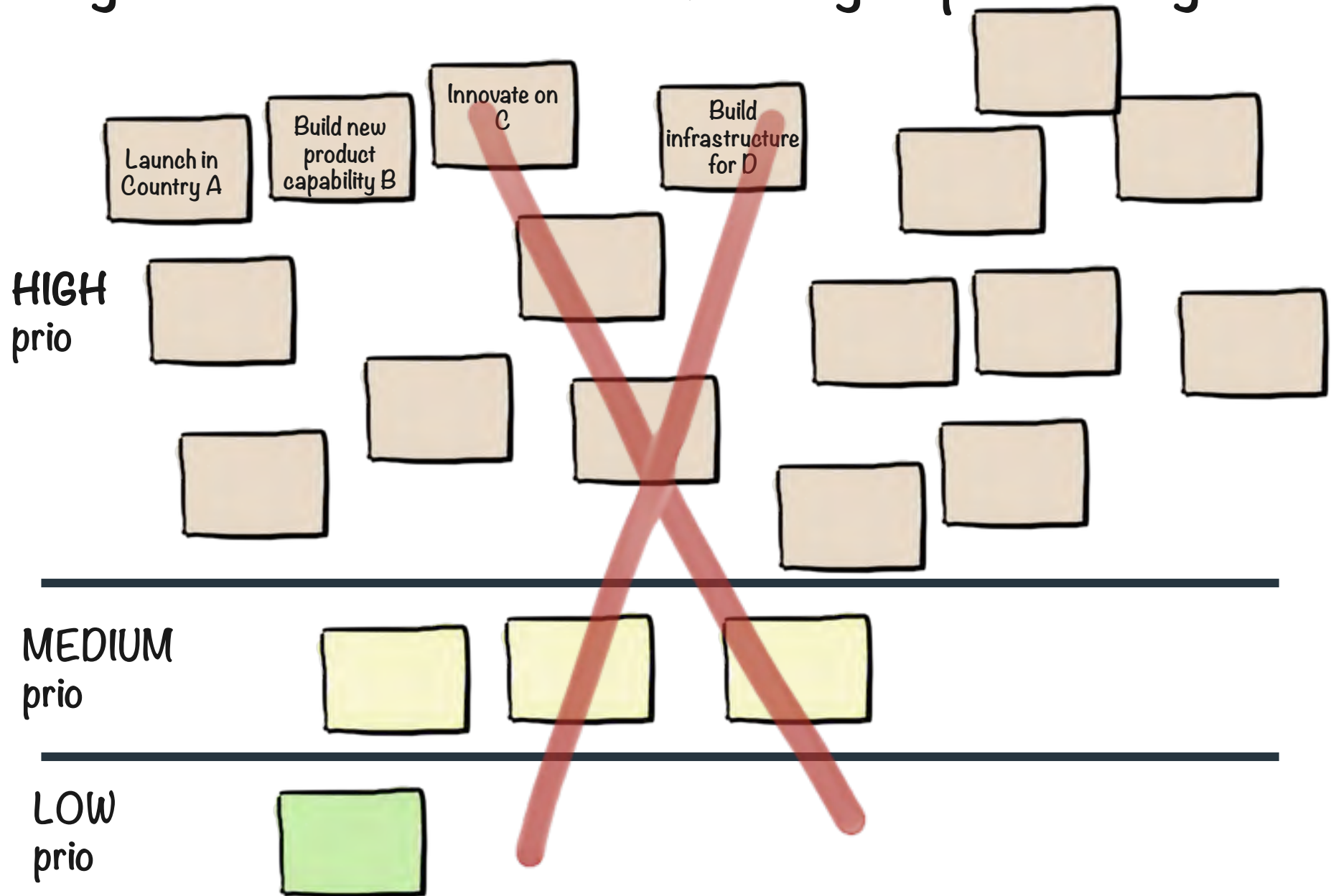




# Visualize the Big Bets



# High-Medium-Low = a broken way of prioritizing



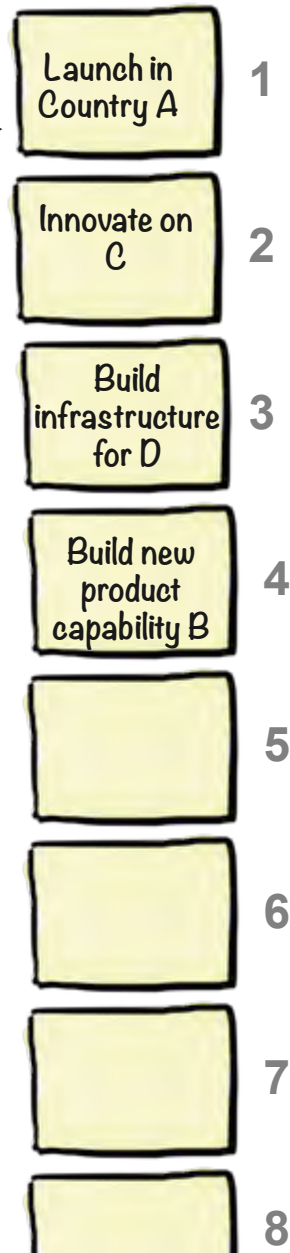
# Stack rank

Only ONE thing gets  
to be priority one!



If we only can do  
one of these two  
things, which one  
would we do?

Why?

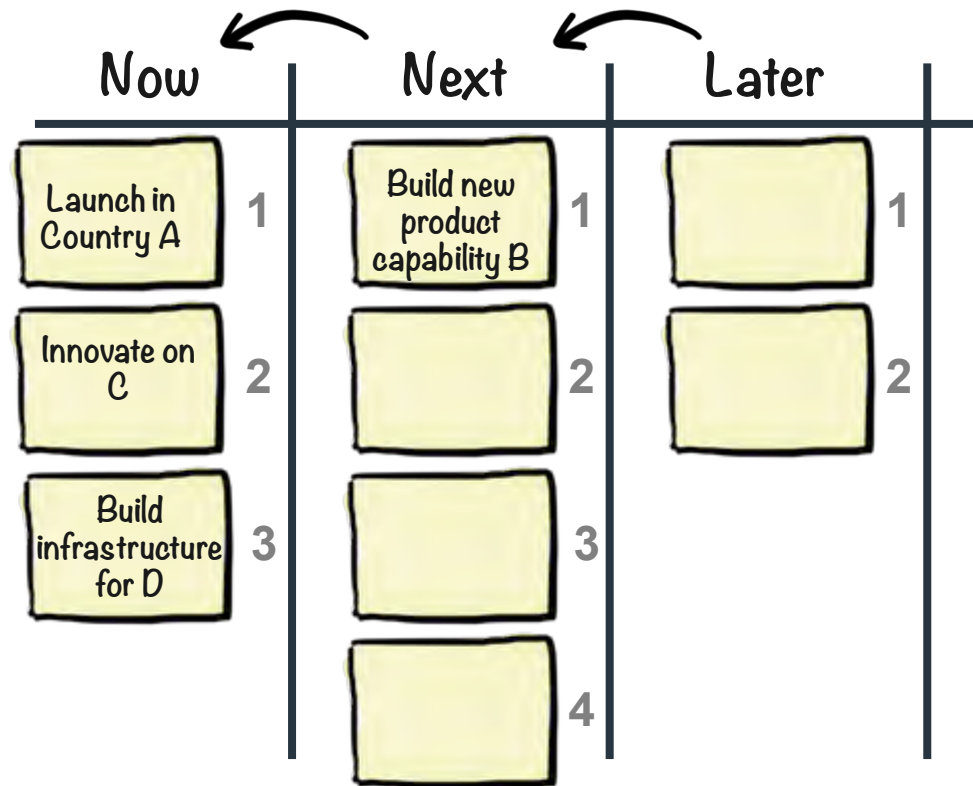


North Star goals



Company  
Beliefs

# Don't do it all at once





# The Bets Board is a Google Spreadsheet

Open to everyone at the Spotify

COMPANY BETS BOARD

Last Strategy Team meeting: March 21  
Next Strategy Team meeting: June 13  
Company Beta Prioritization Process

NOW

We have done the experimenting, we have learned, and we're ready to build it for the world. It is fully funded, plans are clear and we can predict with reasonable confidence what impact the Bet may have.

Rank	Company Bet	Sponsor	RM
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			

NEXT

We're experimenting with different ways to create value with an opportunity we've identified so we can build the right thing, the right way, at the right time.

Rank	Company Bet	Sponsor	RM
1			
2			
3			
4			
5			
6			
7			
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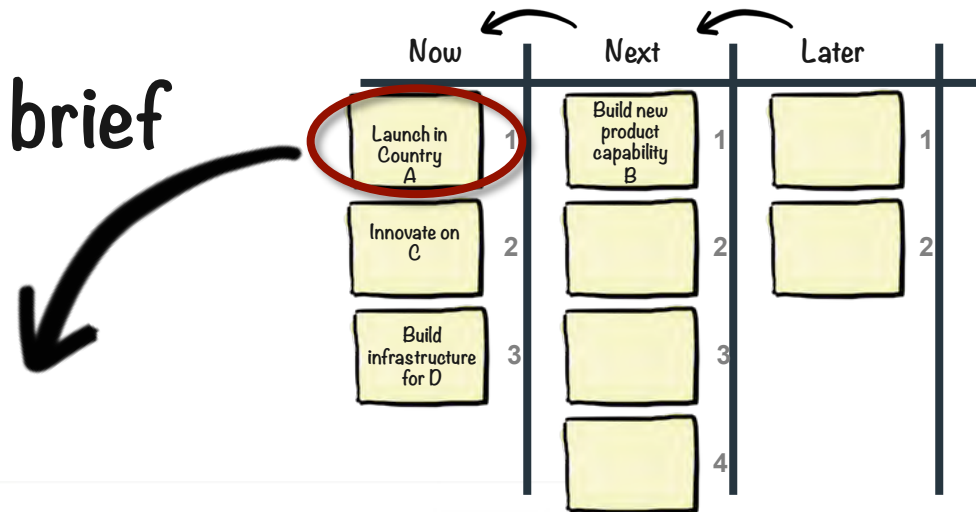
LATER

We believe there's an opportunity to drive toward our Mission and Vision, and we're investigating if it's true, and how much we should invest in it.

Company Bet (not in order of prio)	Sponsor	RM

# Each bet needs a 2-page brief

(google doc)



Lead team sponsor	Road Manager
Key stakeholders	Success metrics
Related bets	.....

DIBB			
Data	Insights	Belief	Bet

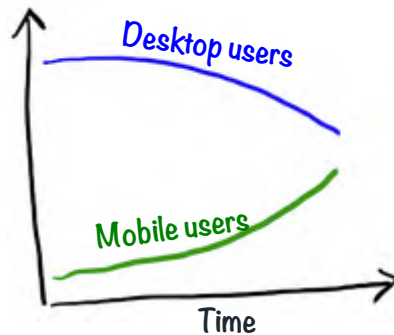
# DIBB – an argument framework

Example:

(Something like this happened a few years ago)

Data ⇒ Insight ⇒ Belief ⇒ Bet

How people listen to music



Mobile is overtaking desktop as primary music gadget!

WTF we're optimized for the wrong thing!

Hire a bunch of mobile devs

For long term survival, we need to become mobile-first

Train a bunch of our desktop devs into mobile devs

We have very few mobile devs compared to desktop

Build infrastructure for iterating fast on mobile

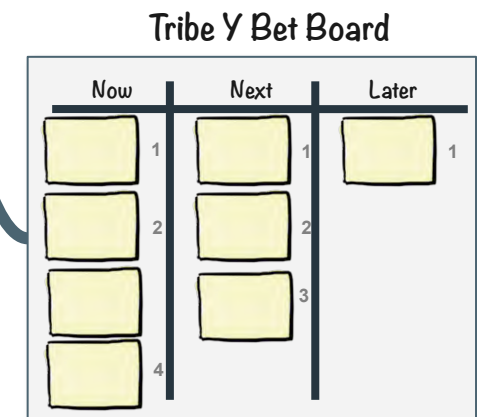
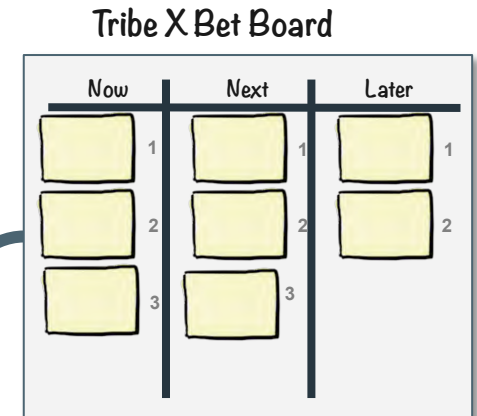
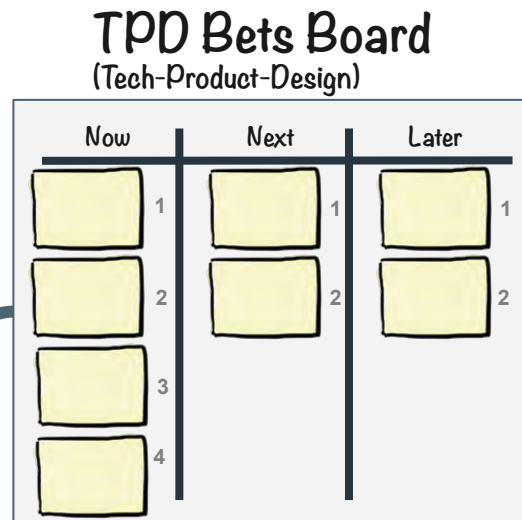
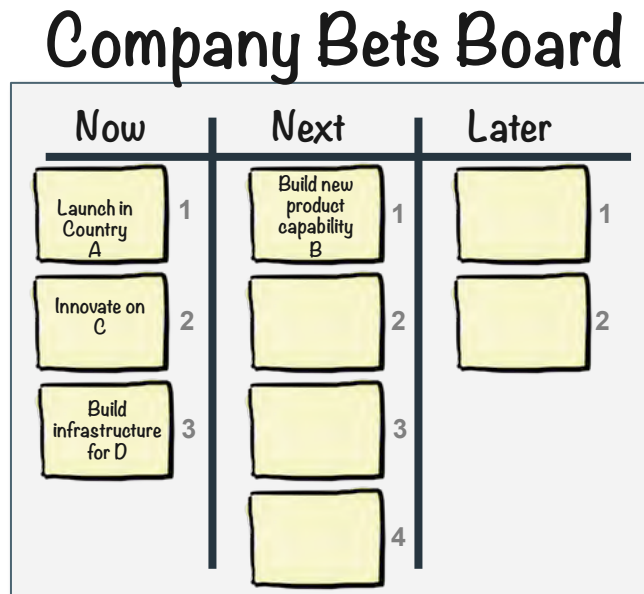
How we're staffed



Feedback loop



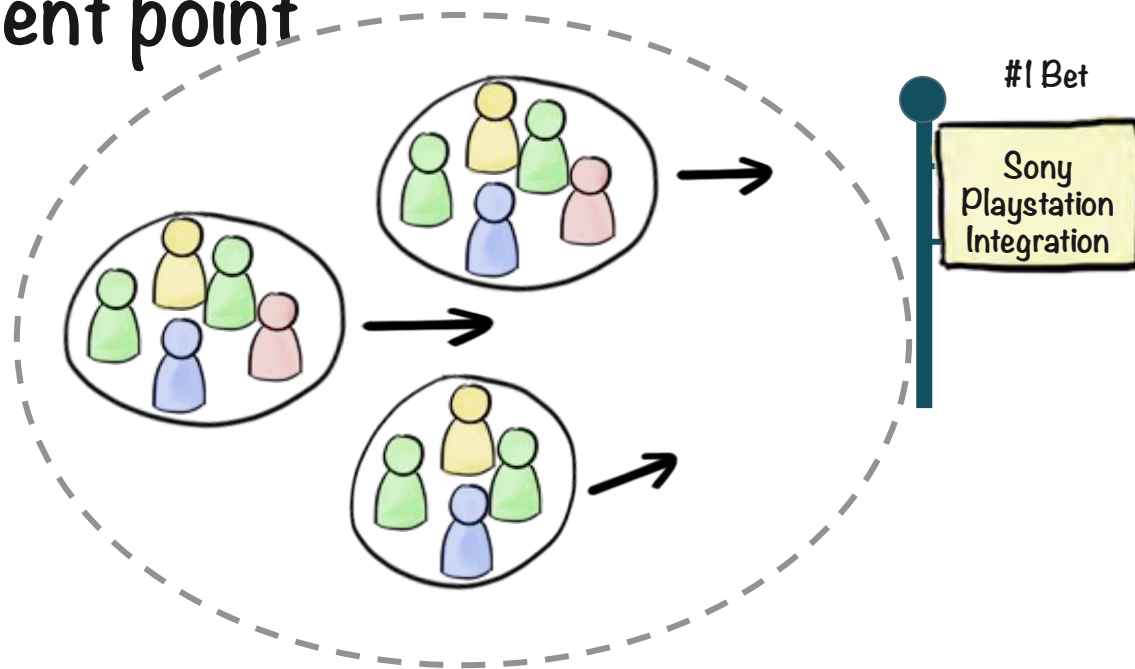
# More Bet Boards started popping up



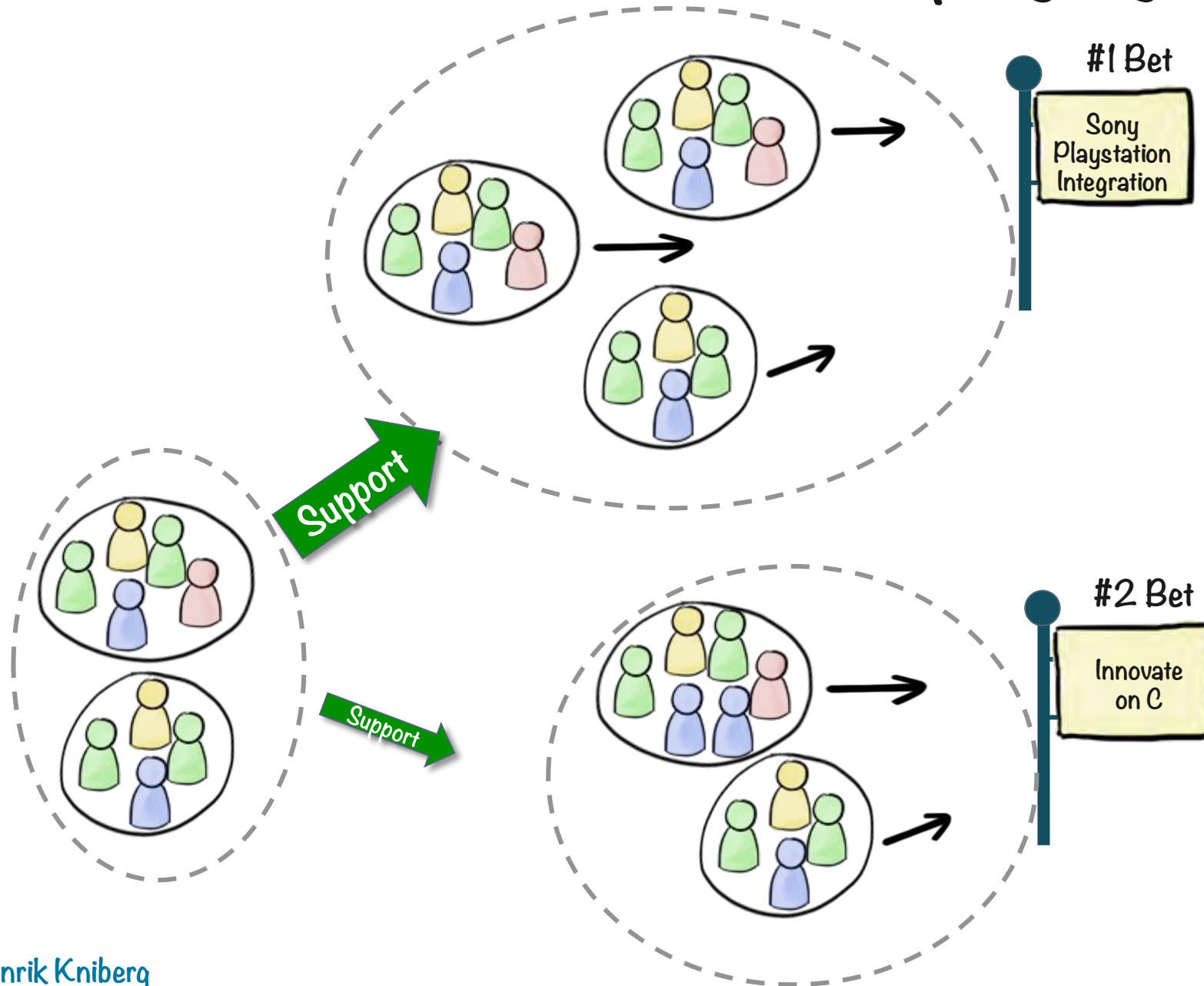
Content,  
Revenue,  
Marketing,  
etc



Bet = alignment point

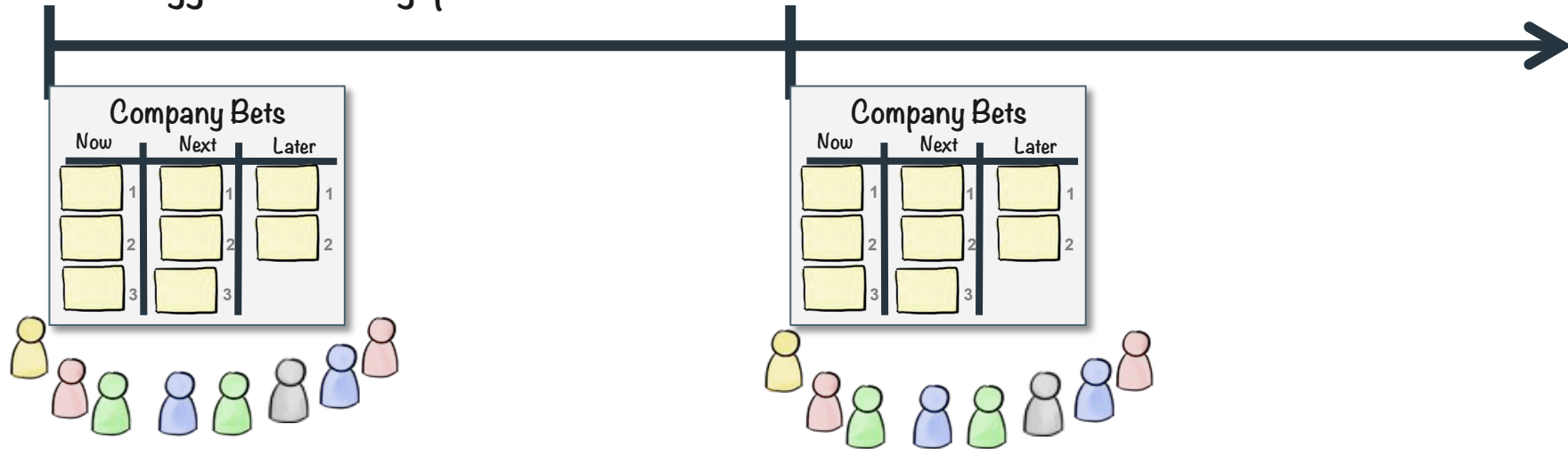


# Stack-ranked bets enable cross-company alignment

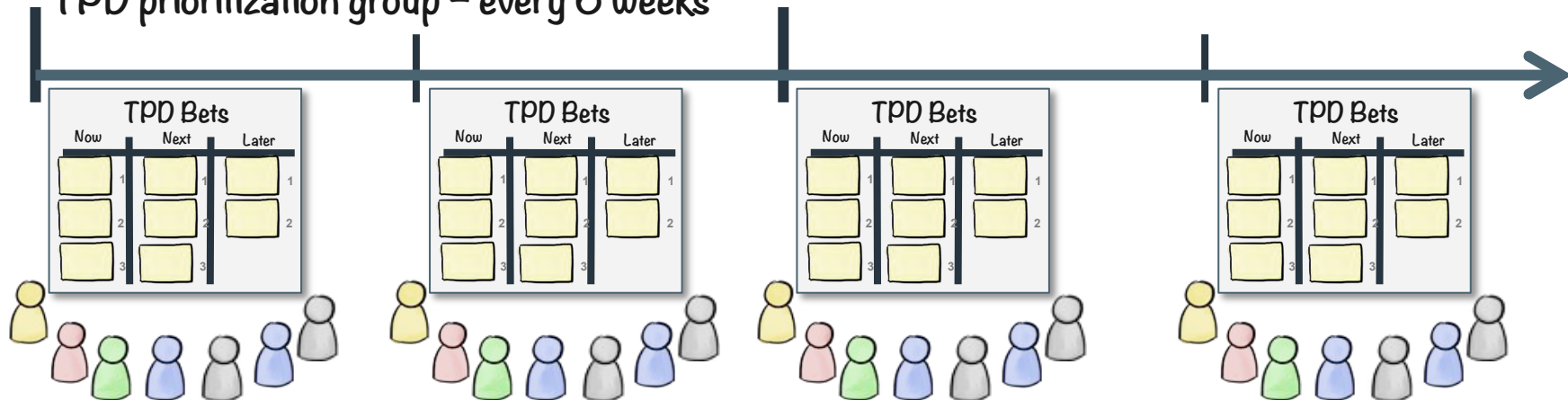


# Spotify Rhythm = cadence for deciding what to focus on

Strategy team – every quarter




TPD prioritization group – every 6 weeks

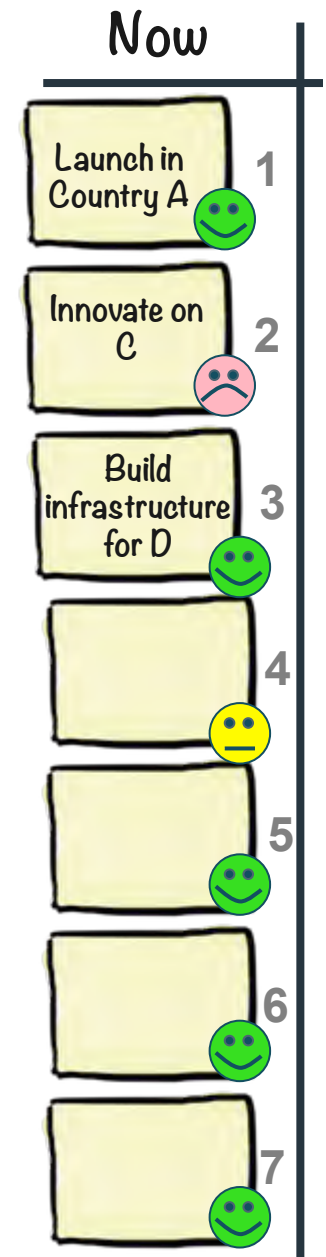


# Tempo markers

 = Moving as fast as it could

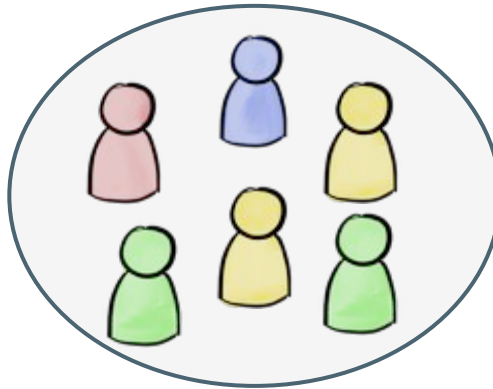
 = Moving slower than it could

 = Blocked





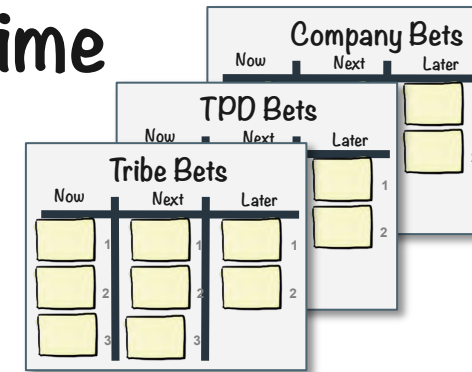
# What does Spotify Rhythm mean for squad autonomy?



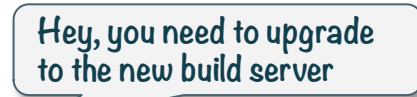
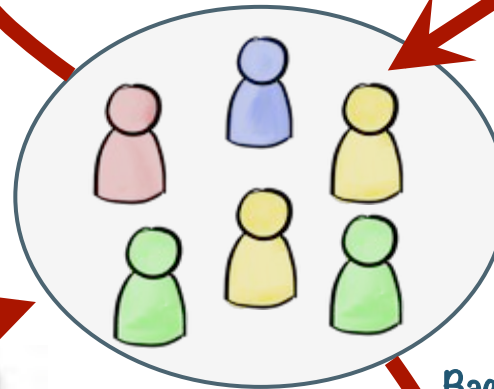
# Squads are (still) responsible for figuring out how to make best use of their time

- Bet Boards & DIBBs provide context

★ North star goals



User data



# Take-aways

- Agile techniques can be used to lead a company
- Autonomy only scales if leaders provide high-level context
- Simple tools = fast evolution
- Use different time scales at different levels
- Keep experimenting but don't forget to follow up!

## Current Challenges:

- How does innovation fit in?
- How do we minimize waste / process overhead?

