

AWS
re:Invent



INO207

Two-pizza teams: Organizing for innovation

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Agenda

The 2 influences for two-pizza teams:

1. Culture
2. Technology architecture

What two-pizza teams enable us to do

How two-pizza teams work as the business scales



“Speed matters in business – plus a high-velocity decision-making environment is more fun too.”

Jeff Bezos
Founder and CEO, Amazon
“Letter to Shareholders,” 2016



Start with the customer and work backwards



- Be customer-obsessed
- Invent on their behalf

Our culture helps drive a customer-obsessed approach

Leadership Principles

We use our Leadership Principles every day, whether we're discussing ideas for new projects or deciding on the best approach to solving a problem. It is just one of the things that makes Amazon peculiar.

Customer Obsession

Leaders start with the customer and work backwards. They work vigorously to earn and keep customer trust. Although leaders pay attention to competitors, they obsess over customers.

Ownership

Leaders are owners. They think long term and don't sacrifice long-term value for short-term results. They act on behalf of the entire company, beyond just their own team. They never say "that's not my job."

Invent and Simplify

Leaders expect and require innovation and invention from their teams and always find ways to simplify. They are externally aware, look for new ideas from everywhere, and are not limited by "not invented here." As we do new things, we accept that we may be misunderstood for long periods of time.


Customer obsession

Leaders start with the customer and work backwards. They work vigorously to earn and keep customer trust. Although leaders pay attention to competitors, they obsess over customers.

➡ *Teams need to stay close to their customers*

Bias for action

Speed matters in business. **Many decisions and actions are reversible** and do not need extensive study. We value calculated risk taking.

 *Remove barriers to decision making, and enable teams to run fast*

Ownership

Leaders are owners. They think long term and don't sacrifice long-term value for short-term results. They act on behalf of the entire company, beyond just their own team. They never say, "That's not my job."

➡ *Teams need to own the end-to-end experience for their customers*

How two-pizza teams work



Benefits of two-pizza teams

- Single-threaded ownership
- Accountability
- Lower cost of experimentation and failure

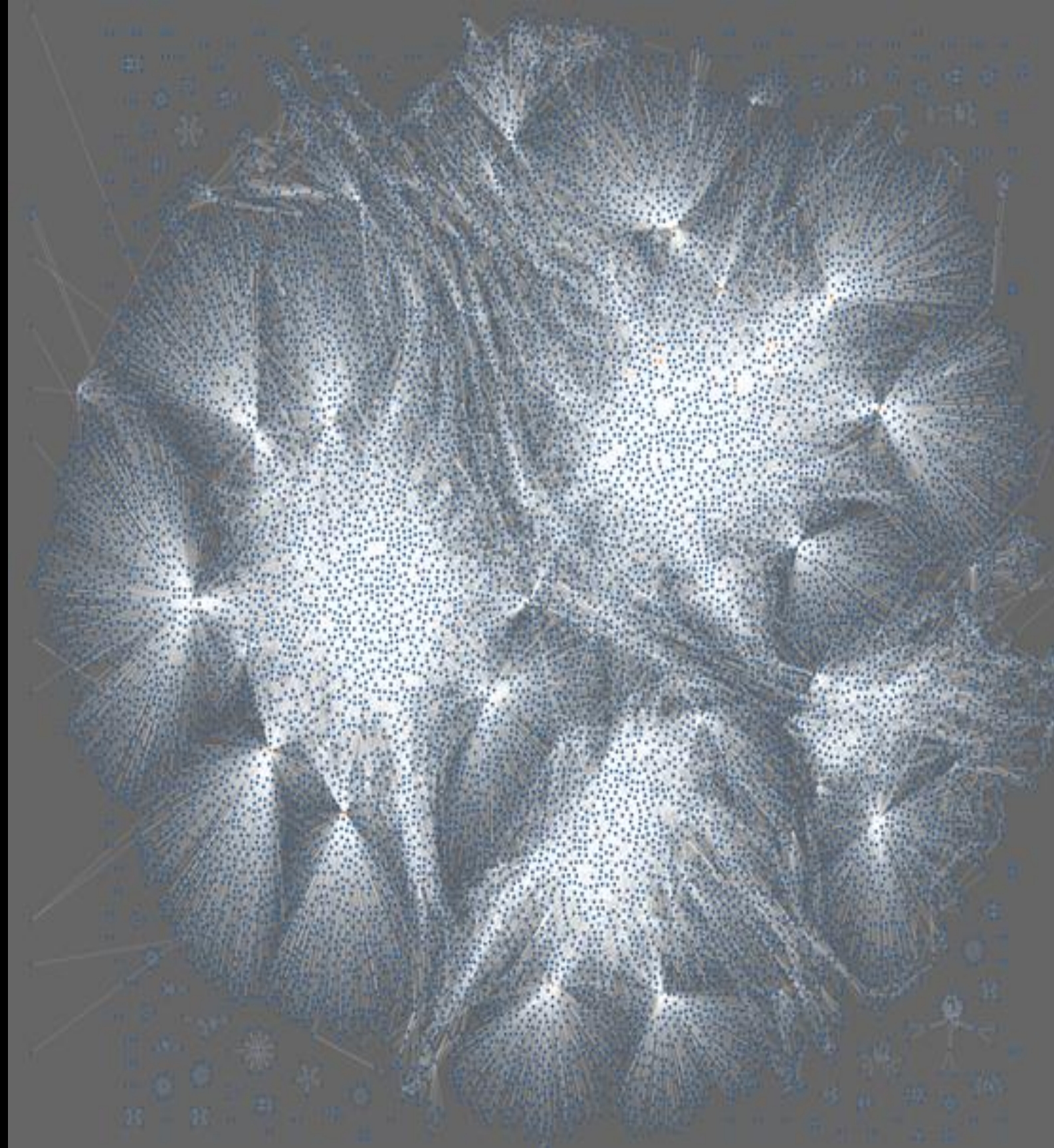


Shift from monolith to microservices



A shift to microservices

- Fewer dependencies
- More resources
- Rapid experimentation
- Build with scale in mind from the start

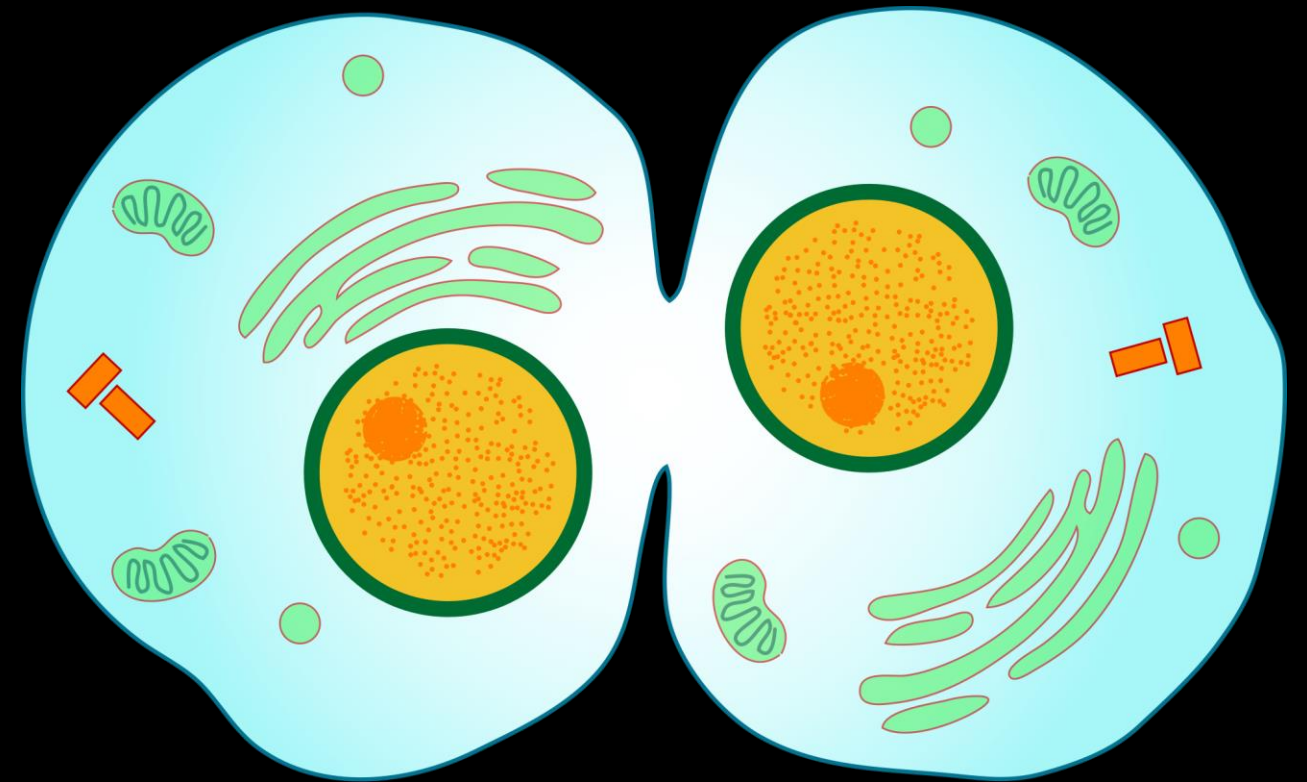


Two-pizza teams at scale

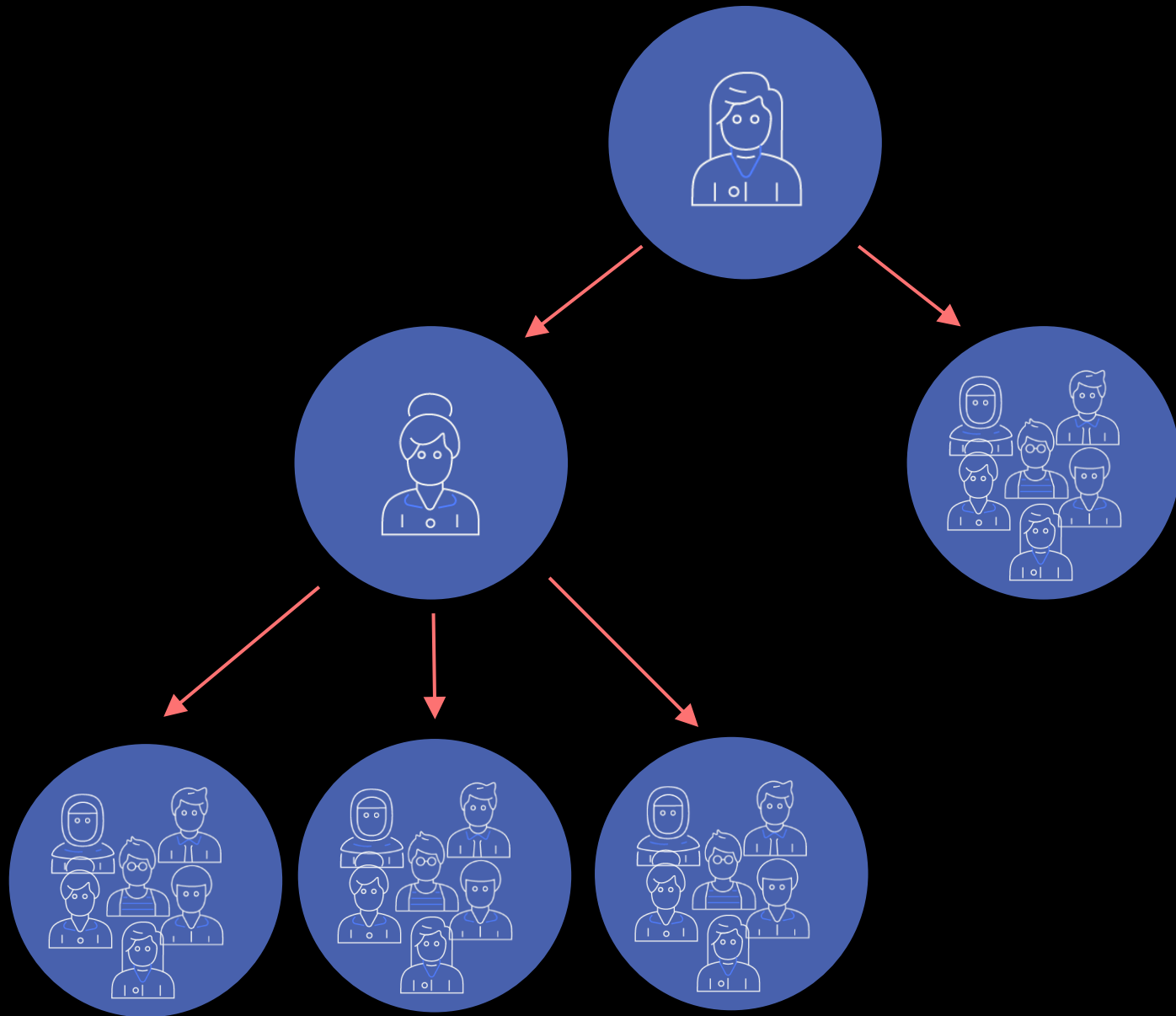


Splitting up two-pizza teams

- Avoids slowing down communication, decision making, and overhead
- Preserves agility, retains ownership
- Keeps focus on rapid, customer-centric innovation

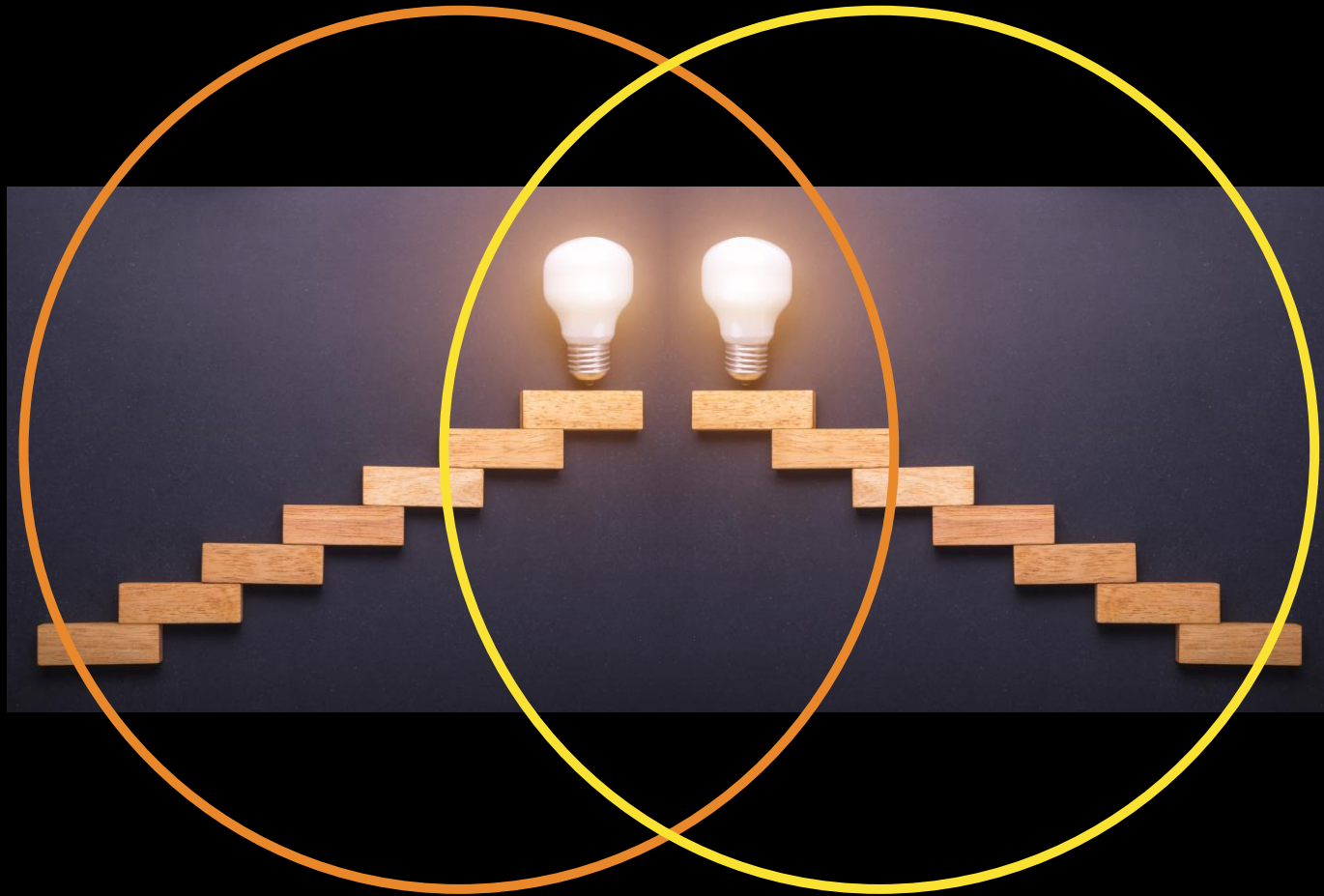


Single-threaded leaders



- Logically grouped to maintain ownership
- Keeps two-pizza teams focused on their customers

Efficiency in overlap



$$2 > 0$$

Key takeaways:

Two-pizza teams:

- Emerged from our cultural values
- Complement our service-oriented architecture
- Enable high-velocity decision making at scale
- Drive customer value through rapid innovation

Dive deeper into innovation

Dive deeper into innovation by visiting some of our other **Innovation Track sessions** at re:Invent

- INO201 - Amazon's culture of innovation
- INO202 - Innovating with Amazon
- INO203 - Amazon.com's architecture evolution and AWS strategy
- INO204 - Solving societal challenges with digital innovation on AWS
- INO205 - Amazon.com's use of AI/ML to enhance the customer experience
- INO206 - Working backwards: Amazon's approach to innovation
- INO207 - Two-pizza teams: Organizing for innovation

To further explore Amazon's approach to innovation, please contact your AWS Account Team.

Thank you!





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