rego University

SAN DIEGO · 2023

Five Biggest Challenges with Digital Transformation

Your Guide:

Laureen Knudsen

Five Biggest Problems with Digital Transformation	Digital transformation is hard, only 15% of businesses succeed. This course looks at the five biggest customer issues hurting the digital transformation, with a discussion around possible solutions.

Digital Transformation Remains Challenging

Value Stream Management Improves Visibility, Efficiency and Alignment

The Challenge

80% of companies report that they still have organizational silos ...

83%

correlate these silos with reduced customer value and product ROI[1]

The VSM Difference

84% of companies will adopt or expand their use of VSM by 2024 ...

92%

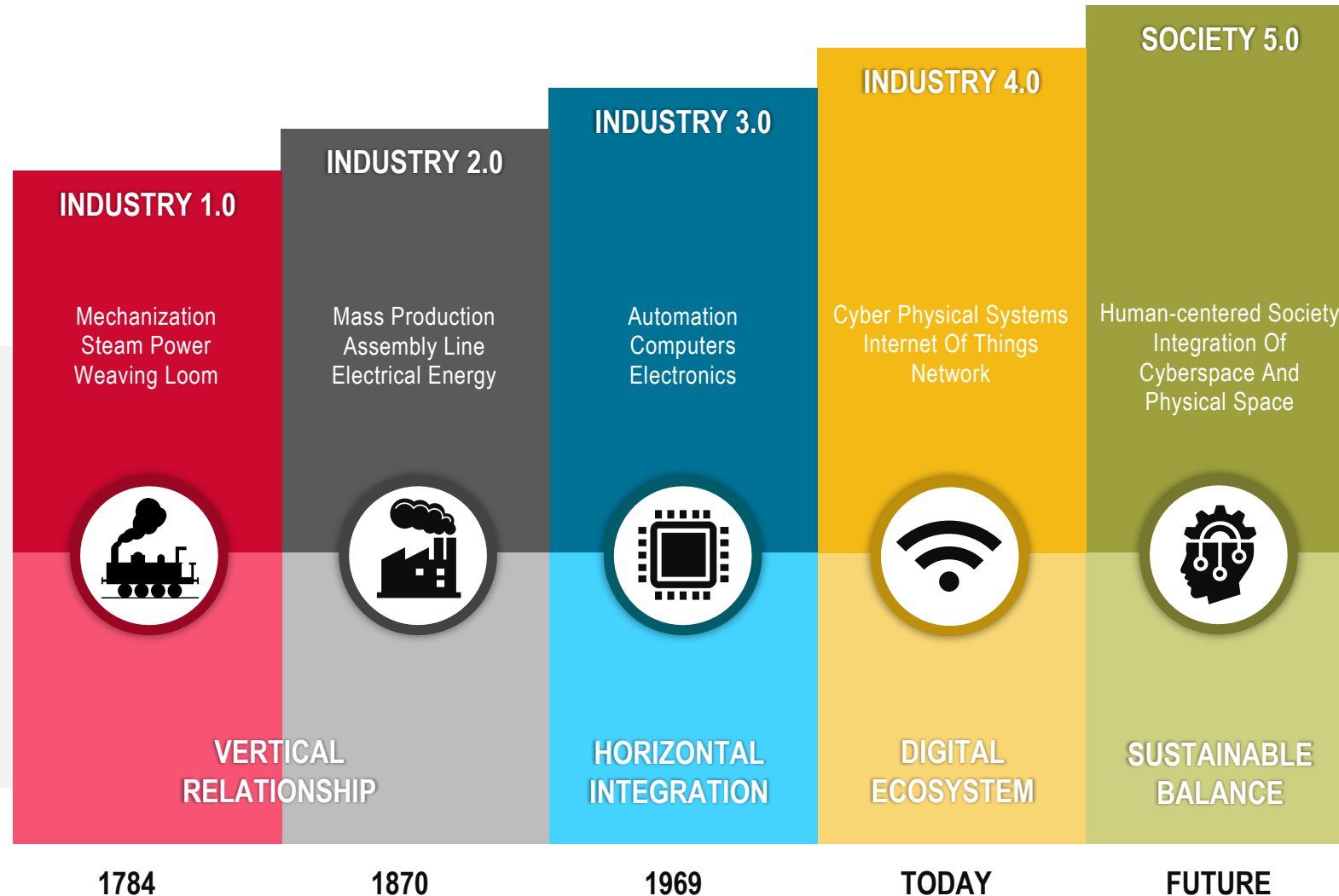**believe VSM will optimize their product lifecycle and delivery processes[2]**

Early Adopters

55% of companies are already implementing VSM initiatives ...

95%

have experienced improvements in visibility, efficiency, and alignment[2]

Dimensional Research, *Value Streams are Accelerating Digital Transformation: A Global Survey of Executives and IT Leaders,* October 2021
Dimensional Research, *Value Stream Management to Accelerate Digital Transformation in 2023: A Global Survey of Executives and IT Leaders,* January 2023

Challenge: Industrial Operating Model

ValueOps™
by Broadcom

Operating Model from Industry 2.0

INDUSTRY 1.0

Mechanization
Steam Power
Weaving Loom

INDUSTRY 2.0

Mass Production
Assembly Line
Electrical Energy

INDUSTRY 3.0

Automation
Computers
Electronics

INDUSTRY 4.0

Cyber Physical Systems
Internet Of Things
Network

SOCIETY 5.0

Human-centered Society
Integration Of
Cyberspace And
Physical Space

VERTICAL RELATIONSHIP

HORIZONTAL INTEGRATION

DIGITAL ECOSYSTEM

SUSTAINABLE BALANCE

1784   **1870**   **1969**   **TODAY**   **FUTURE**

Digital Operating Model

Industrial ▶ Digital

Industrial (Pyramid):
- Executive Management
- Middle Management
- Functional Leaders
- Functional Groups (Silos): DEV | IT OPS | LOB
- Group size: 1,000s
- Customers
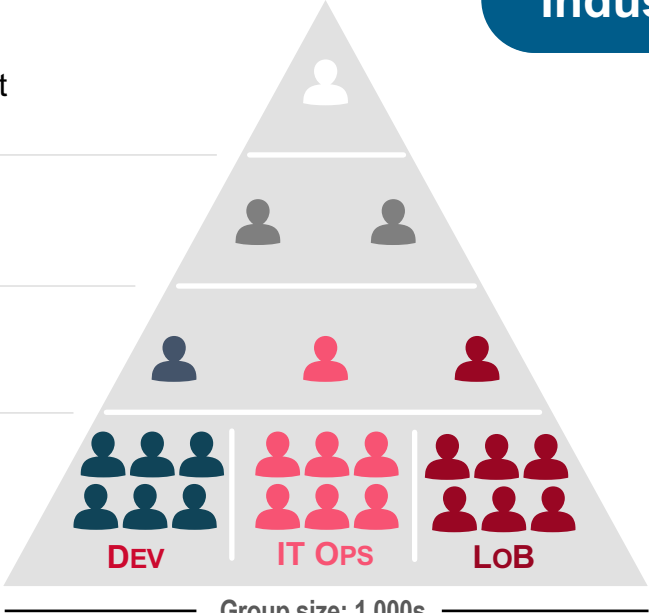
PROCESS-CENTRIC | SPECIALIZED SKILLS
HIERARCHICAL | RISK-AVERSE | SCARCITY

Digital:
- Leadership
- Teams
- Customers
- Value Streams
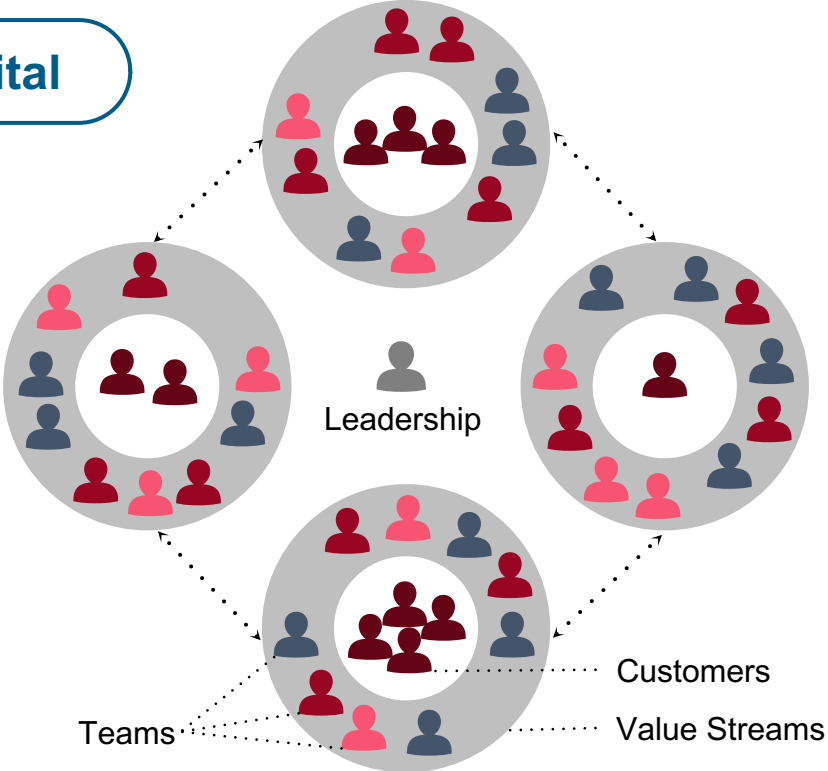
COLLABORATIVE | T-SHAPED
ACCOUNTABLE | DYNAMIC | ABUNDANCE

Challenge: Chasm between Strategy and Execution

Chasm Between Strategic and Execution

Millions Lost to Lack of Visibility, Alignment and Efficiency

Are we funding the **"right things"** to create value?

C-Suite
Executives
Portfolio Managers

Prioritization

People

OKRs

Metrics

Did we create value?

Portfolio

The chasm is the most expensive and disruptive area in an organization

...uilt?

Are we focused on building these things **"right"**?

Product Owners
Delivery Leaders
Developers

Sprints

Pipeline

Delivery

Metrics

Does it work well?

Teams

Fill the Gaps

Aligns Business and Delivery to Create Maximum Customer Value

Clarity™
by Broadcom

Investment Strategy
Innovation Roadmaps
Demand Management
Funding Decisions
Business OKRs
Financials Reporting
Business Agreements
Resource Management
Project Management

PI Planning & Tracking
Dependency & Risk Mgt
Capacity Planning
Execution Roadmaps
Engineering OKRs
Quality Management
Release Tracking
Efficiency Metrics
Enterprise Visibility

Rally®
by Broadcom

Value Stream Organization
New Ways of Working

Value created

C-Suite
Executives
Portfolio Managers

Right thing built

Product Managers
Resource Managers
Architects

Works well

Product Owners
Delivery Leaders
Developers

Prioritization
People
OKRs

Backlog
Balancing
Planning

Sprints
Pipeline
Delivery

Metrics
Insights

Metrics
Insights

Metrics
Insights

Visibility
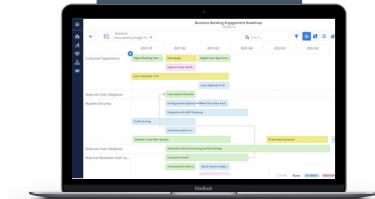
Alignment
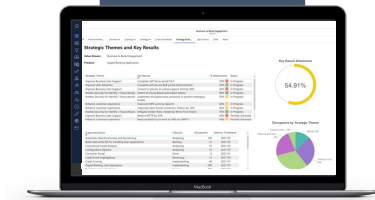
Efficiency
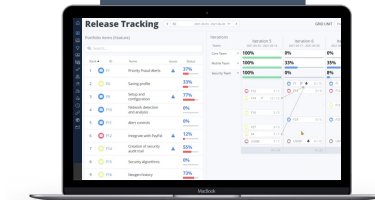
JIRA
Tricentis
Microsoft
GitLab
salesforce
ZEPHYR
Bitbucket
GitHub
Trello
digital.ai
servicenow.
MICRO FOCUS
IBM
bmc
aras
WhiteHat SECURITY.
MODERN Requirements
SMARTBEAR.
Gerrit
storyteller
SPARX SYSTEMS
iRise
jama connect
zendesk
Bugzilla
blueprint

Challenge: Lack of Visibility

Enhance decision-making, improve trust and minimize risk

ValueOps™
by Broadcom

Use Case 1: Enhance Decision Making

"We do not have access to accurate, real-time data from across the enterprise, which hinders our ability to make good decisions that maximize customer value."
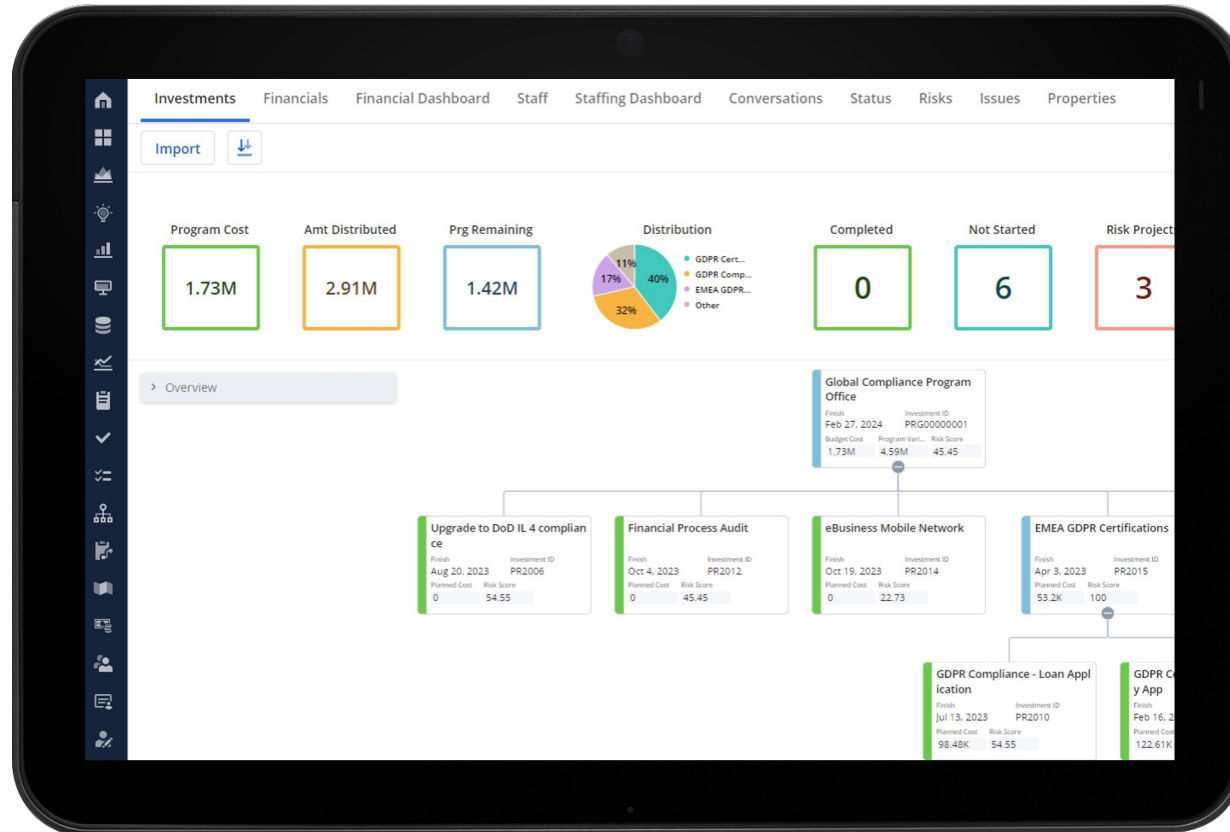
ValueOps icreases situational awareness and innovation

- Flexible, configurable modeling of complex business operations, scenarios, and methodologies to better define value creation

- Includes portfolios and value streams, not just projects

- Better value definitions mean better measurement and insights

Use Case 2: Improve Trust

"We do not trust data from other teams as it is often inconsistent with our own, is untimely, or does not actually answer our questions."
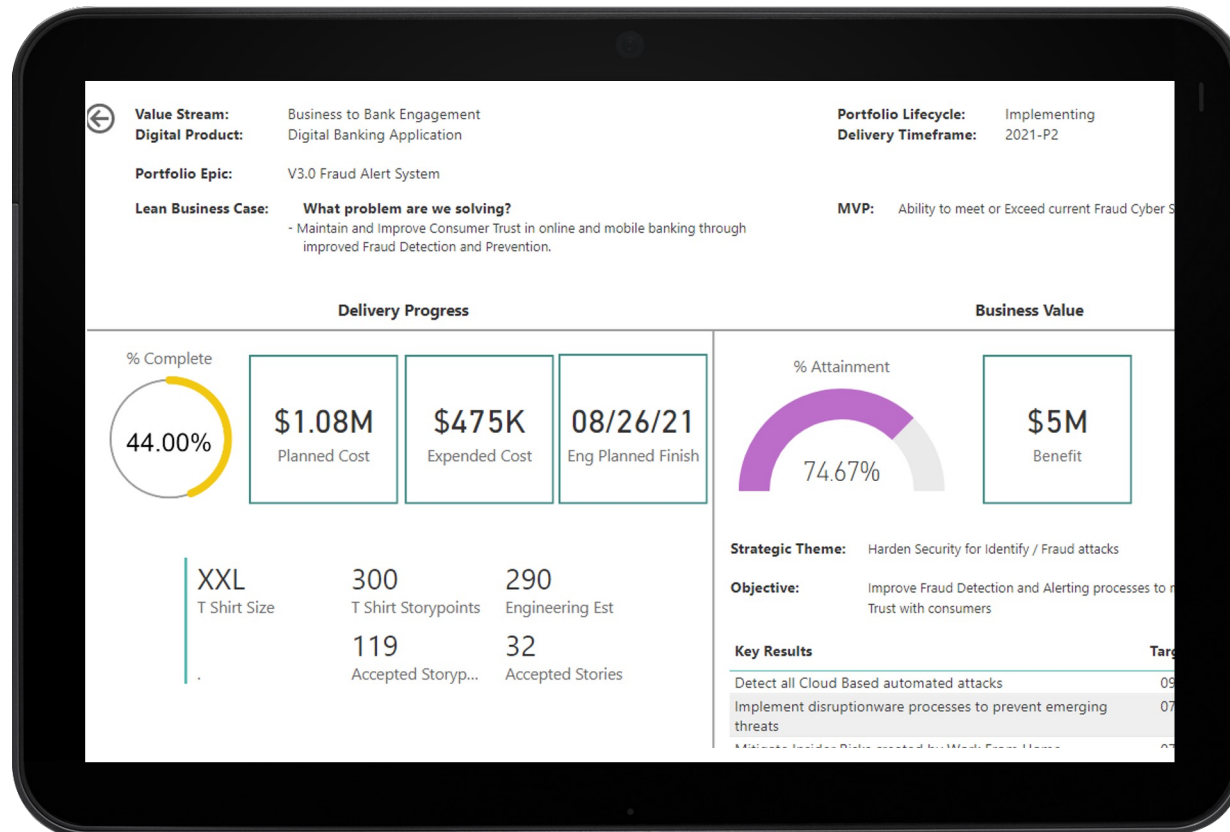
ValueOps removes organizational silos by delivering a single and consistent source of truth

- Connects value definition to work efforts to measure actual value creation
- Progress visualization for different stakeholders based on common data
- Insights relevant to different stakeholders
- Configurable rollups for meaningful, relevant executive reporting

Use Case 3: Minimize Risk

> "**We cannot measure performance and impact quickly and accurately, which makes it risky to move fast or pivot rapidly.**"
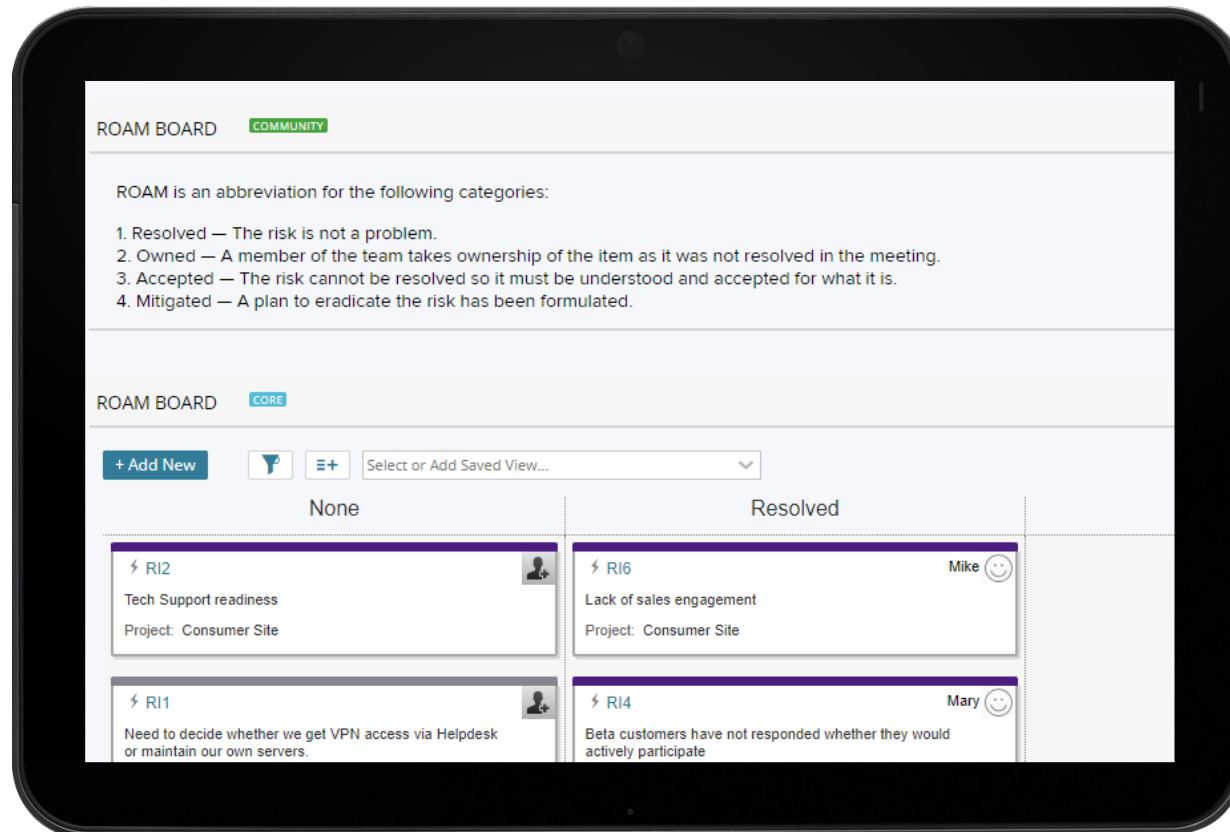
ValueOps increases agility, and awareness of issues or dependencies

- Synchronization of investment planning, work efforts, and delivery status drastically reduces reporting cycles and effort

- Risks and dependency insights

- Deploy with Confidence capabilities

- Correlation of data silos across CI/CD/ALM for rich data

Increase Visibility

Get accurate real-time data and insights from across the business to improve decision-making and enhance trust at every level.

- Business Intelligence Insights
- Data Aggregation and Rollup
- Dashboards and Reporting
- Smart Metrics with AI/ML
- ValueOps ConnectALL integrates data from toolchains across the enterprise
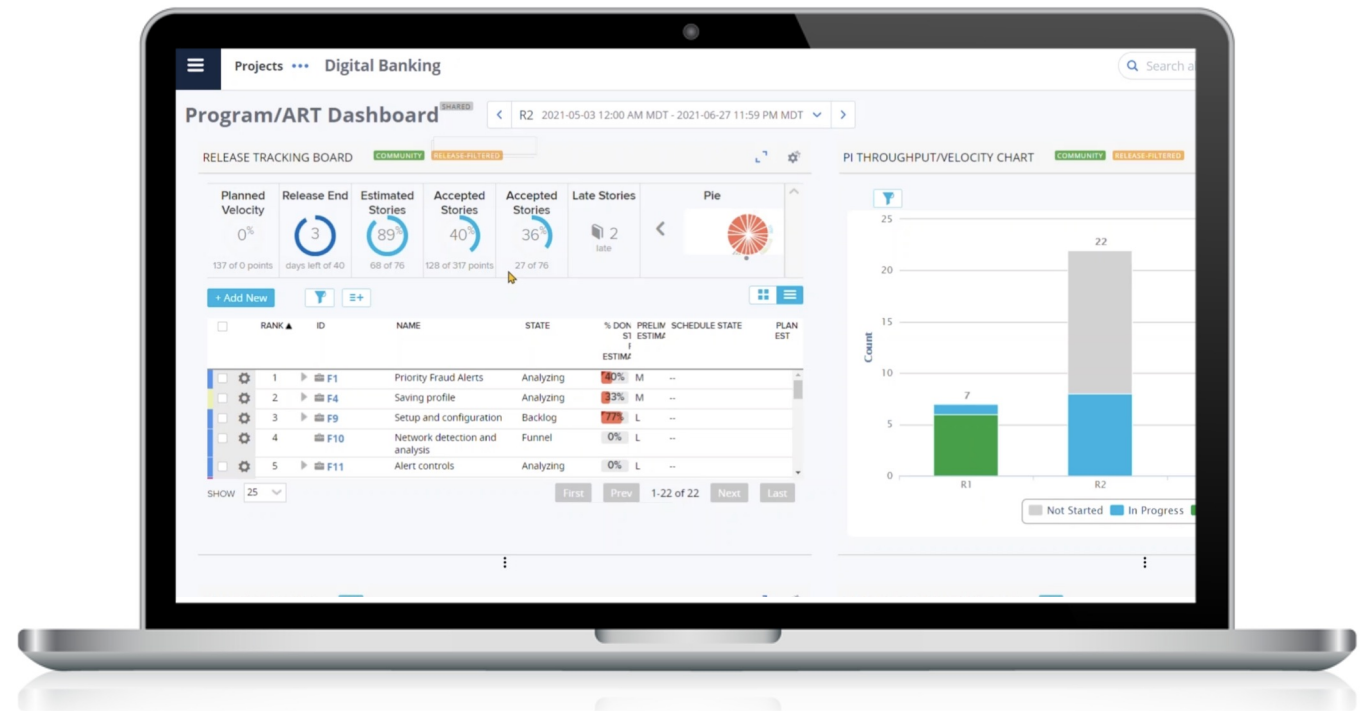
How It Works: Visibility

Features to improve decision making, enhance trust, and minimize risk

Gain access to real-time insights from platforms and tools across the enterprise

01 The only solution that models and tracks value and ROI consistently across the delivery cycle

02 Business intelligence metrics that reflect status, progress, risks and dependencies in terms of value

03 Real-time status reporting, DevOps metrics, and flow metrics that reflect business priorities

04 Simple first- and third-party integrations with ValueOps ConnectALL for expansive visibility
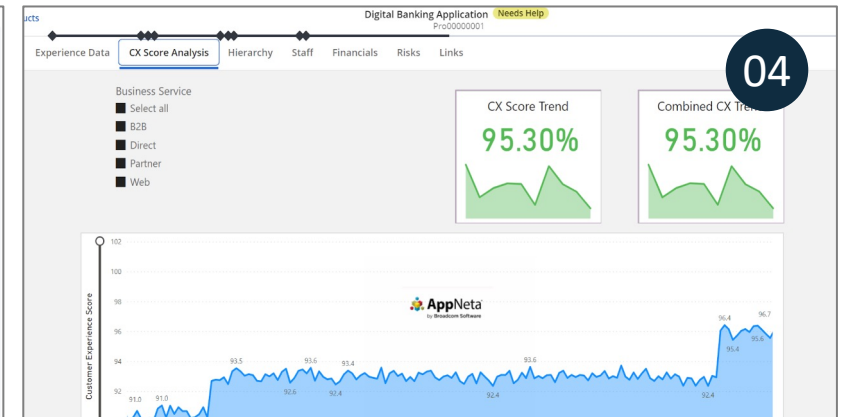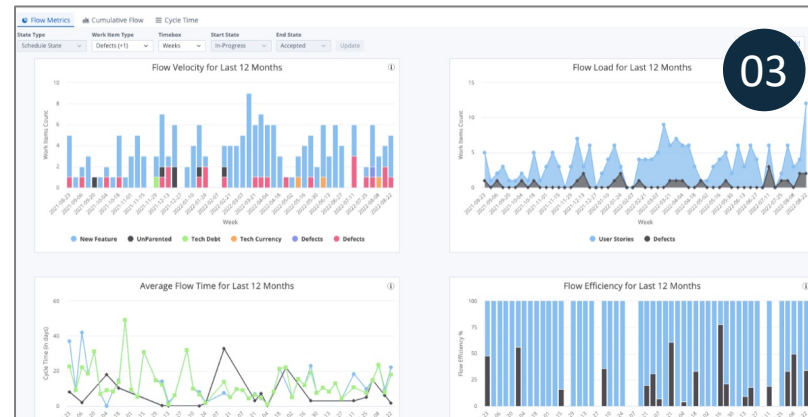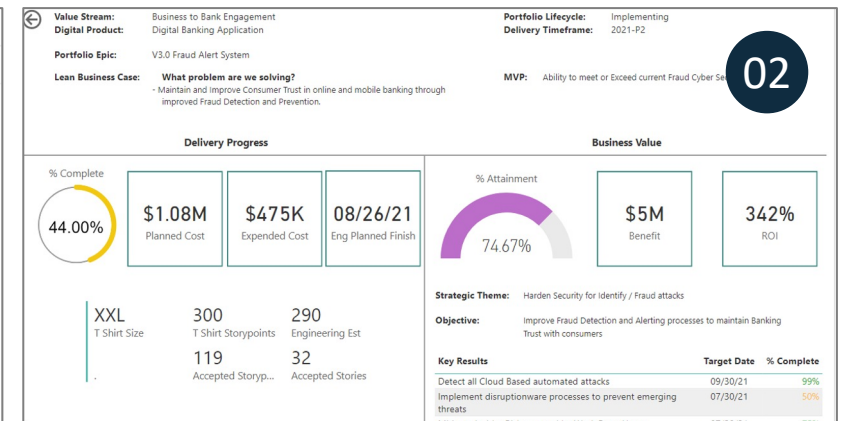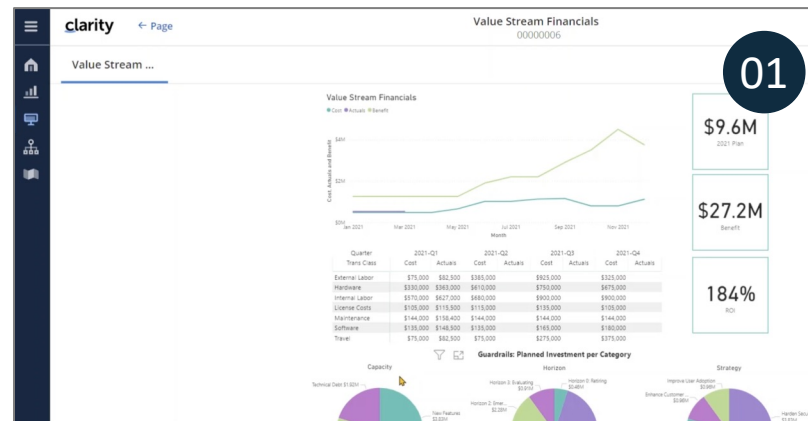
Insights from ValueOps Enable the Expansion of Digital Transformation Across The Hartford

"Feature lead time and time to market are down, predictability is up, and **our business partners have confidence in their planning decisions** and our ability to deliver."

Mike Gibson
Portfolio Lead

THE HARTFORD

ValueOps™
by Broadcom

Challenge: Misalignment and Silos

Align strategy, planning, and work across the organization

ValueOps™
by Broadcom

Use Case 4: Align Business & Delivery

> "We often have a breakdown in how our business strategy is translated into delivery plans, leading to over production."
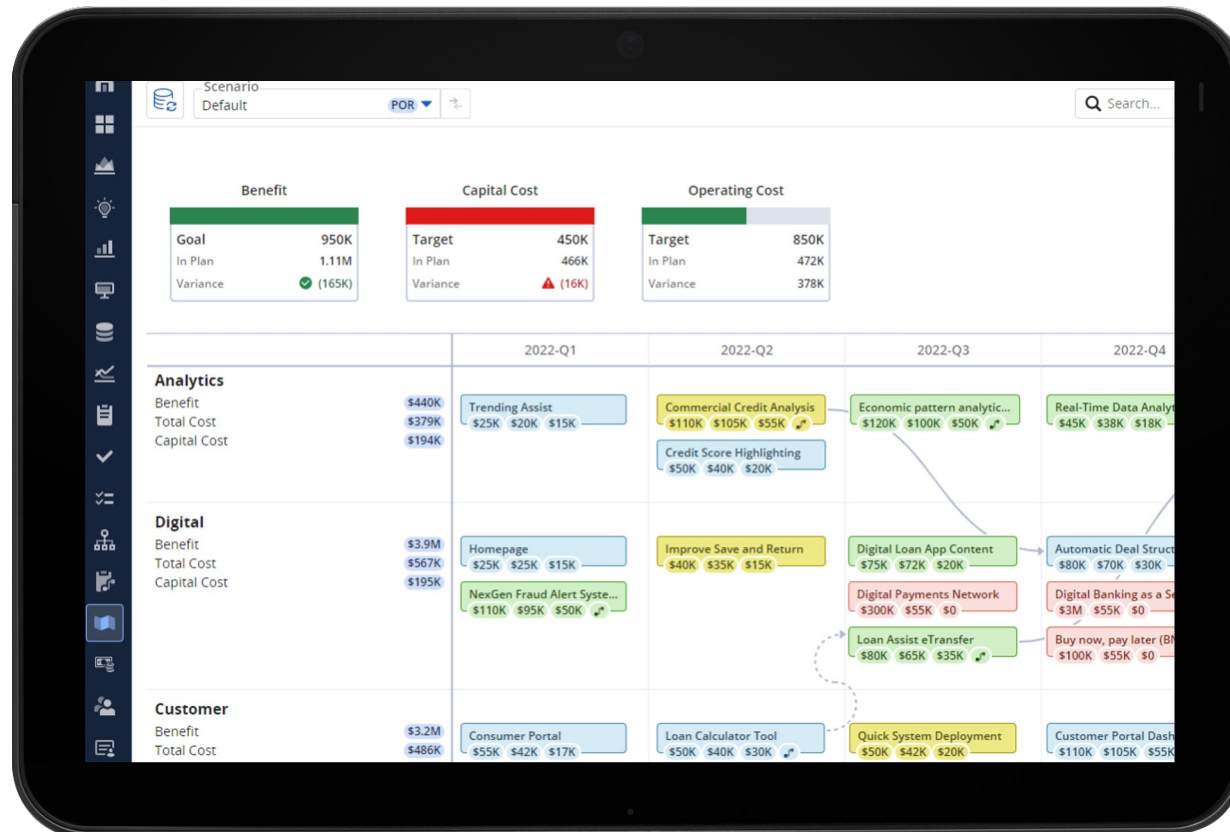
ValueOps eliminates the chasm between planning intent and delivery outcomes

- Perpetual team funding model increases agility for both business and delivery
- Manage products and streams, not just projects for more realistic planning
- Integrates budgeting and delivery processes for true value alignment
- Simplifies reporting and audits with insights for each role

Use Case 5: Reduce Friction

"**"Our teams do not have a consistent understanding of our strategic objectives, and how to balance work to achieve them."**

ValueOps streamlines movement from value definition to value realization

- Delivery status informs OKR status for one single source of truth

- Ranking and prioritization of work items to meet business objectives

- Business outcomes feed delivery planning for improved backlog, capacity, and resource management

- Common reporting customized for each discipline

Use Case 6: Foster Collaboration

> "Our business and delivery teams work in silos with conflicting objectives, making it hard to collaborate on planning and management."
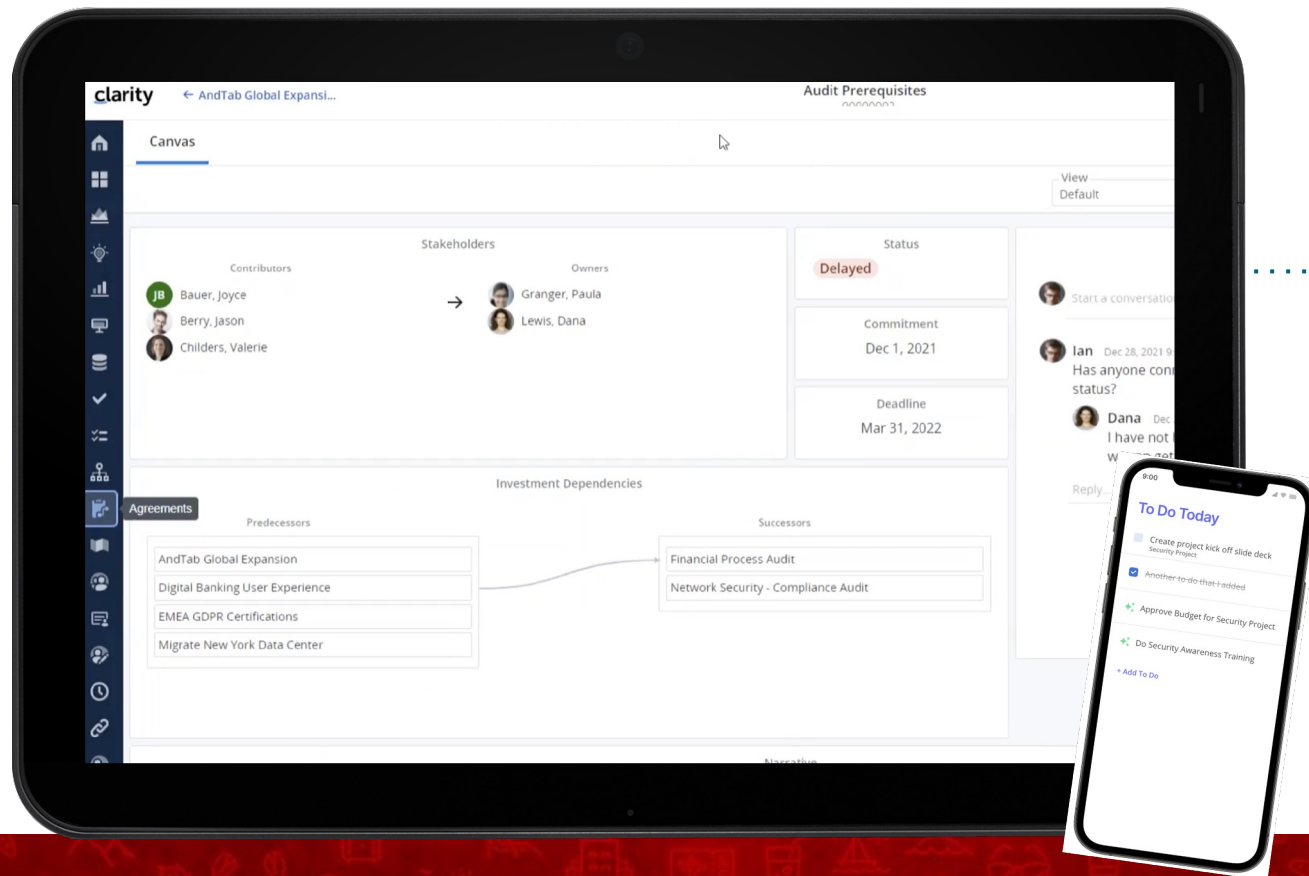
ValueOps helps delivery teams to "see the big picture" and optimize resource management

- Integrated CWM functionality reduces side channels

- Support for different teams, different methodologies

- Collaborative scope management further reduces friction and overhead during delivery cycles

Create Alignment

Align the efforts of everyone in the organization, from idea to outcome, to realize digital transformation.

- Objectives and Key Results (OKRs)
- Strategic/Innovation Roadmaps
- Collaboration Tooling
- Task Boards and Scoreboards
- Lean Portfolio Management
- Financial Management
- Project and Team Management
- Delivery and Release Tracking
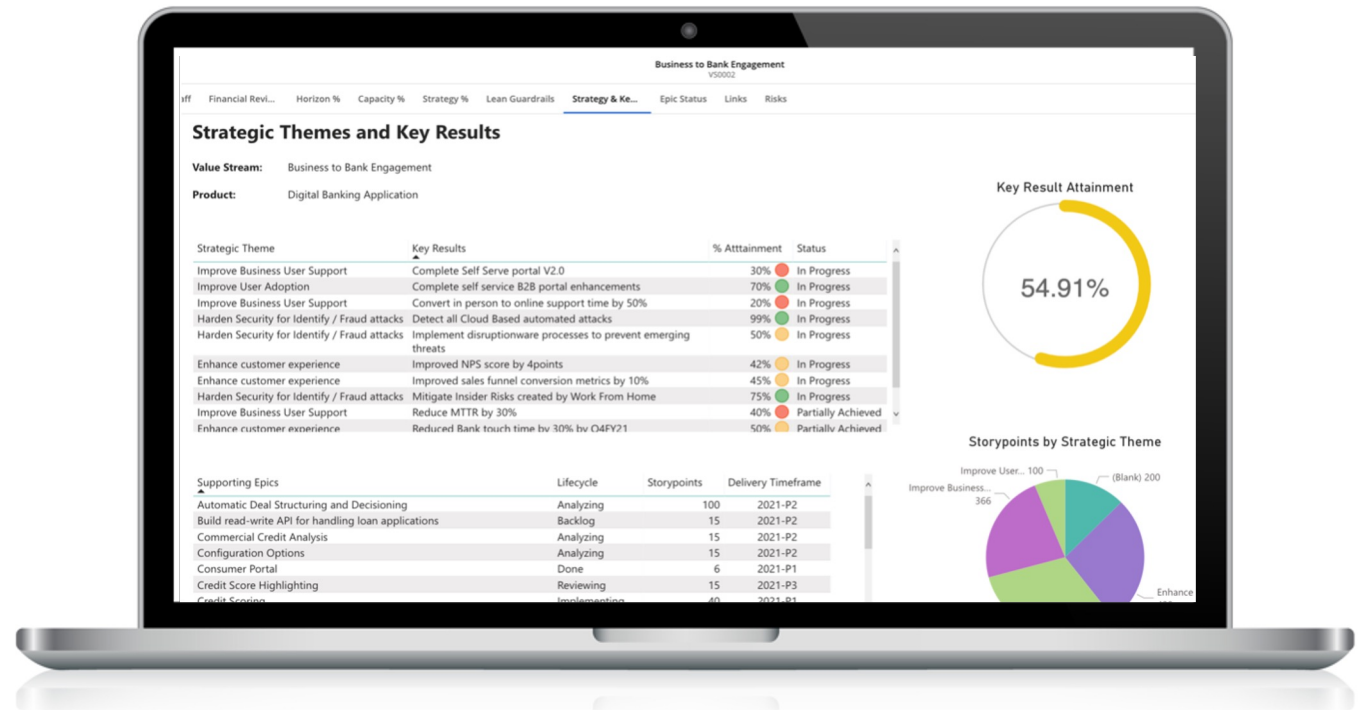
How It Works: Alignment

Features to align business and delivery, reduce friction, and foster collaboration

Improve digital transformation with resources aligned to business priorities

01 Eliminate the intent-outcome chasm with a common platform that models your organization

02 Reduce budgeting pain and overhead with integrated investment planning and funding

03

04 Robust OKR and roadmap tools foster a shared understanding of plans, risks, and work efforts

HONDA

Honda Increases Engagement and Alignment by Adopting Value Streams with ValueOps

"Executive management is **talking the same language as the delivery teams** and Broadcom's ValueOps is reflecting that."

Michael Lemley
Product and Process manager, EPMO
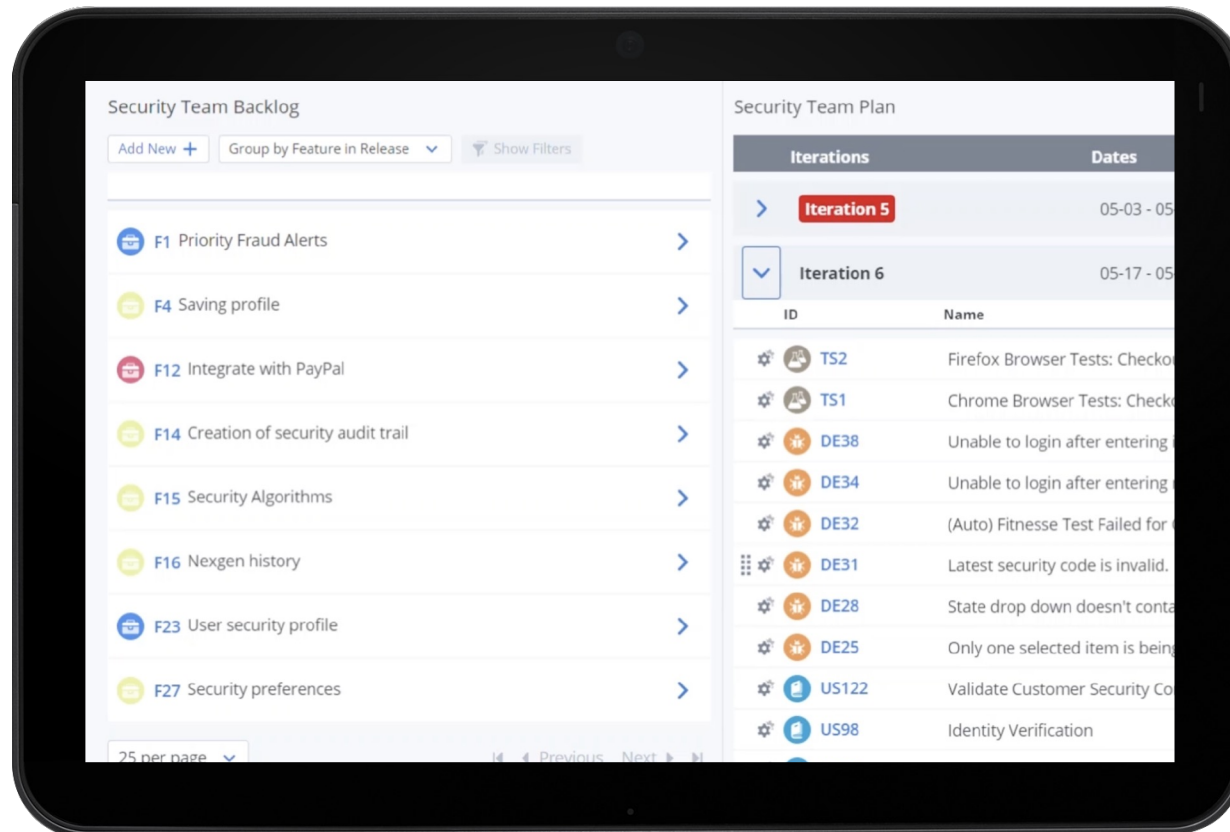
ValueOps
by Broadcom

Challenge: Inefficiencies and Ineffectiveness

Eliminate waste, improve speed to market, and drive continuous improvement

ValueOps™
by Broadcom

Use Case 7: Eliminate Waste

> "It is hard to prioritize innovation work due to challenges in capacity planning and dealing with the existing backlog."


Eliminates organizational silos by delivering a single and consistent source of truth

- Business strategy and delivery management integrated and synchronized in one platform
- Planning at every level of organization informed by business strategy, OKRs, and real-time status
- Funding for perpetual teams to further reduce administrative overhead

Use Case 8: Improve Speed to Market

"How do we innovate when we are already over capacity running the business?"
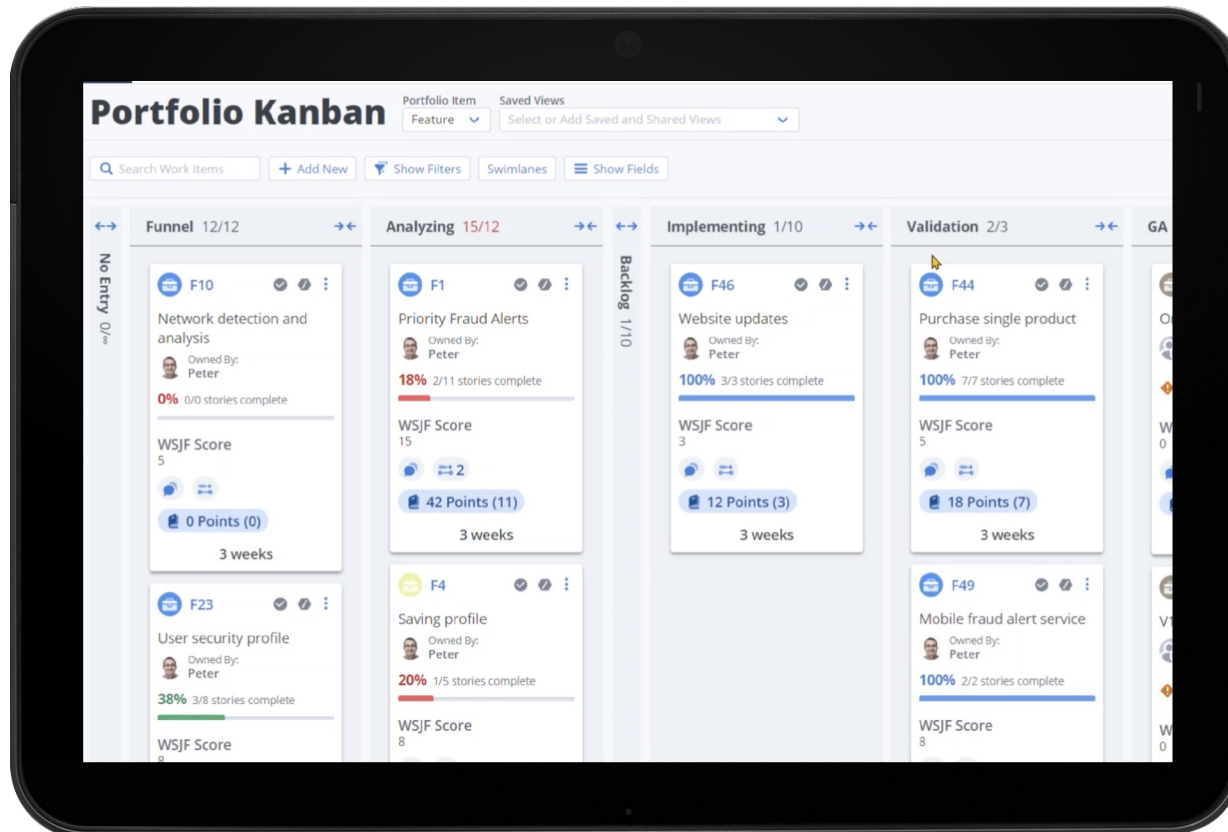
ValueOps helps teams, teams-of-teams, and the entire enterprise accelerate overall velocity

- Industry-leading team level work management

- Team-of-teams and portfolio rollup

- Metrics aggregated across teams

- Risk, dependency, release management across teams and the entire portfolio

Use Case 9: Drive Continuous Improvement

> "We are not coming out of each cycle with everyone understanding exactly what went wrong and what went right."


ValueOps enhances product quality, team productivity, and morale across multiple cycles

- Portfolio Epic Status Report
- Delivery metrics inform business value metrics
- Deploy with Confidence capabilities
- Work efforts correlated to ROI

Optimize Efficiency

Eliminate waste, increase productivity, and improve quality with new ways of working that optimize delivery.

- Capacity Planning
- Staffing and Resource Management
- Iteration and Release Management
- Agile Delivery Management
- Risk and Dependency Management
- DevOps Toolchain Integration
- Multiple methodologies
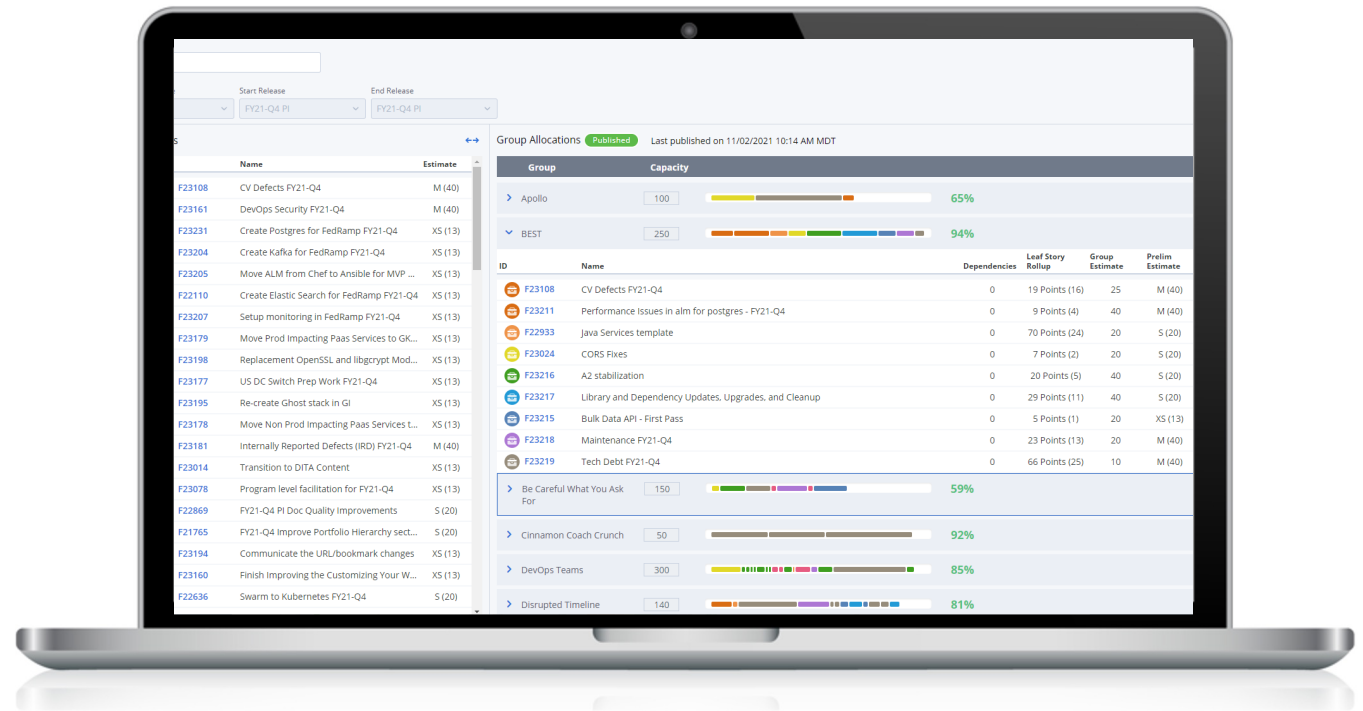
How It Works: Efficiency

Features to accelerate transformation, improve productivity, and drive improvement

Increase efficiency with value streams that optimize planning and development end-to-end

01 The best solution for managing complex portfolios of products, projects, and other initiatives

02 Unparalleled capacity, resource, and team planning to reduce waste and turbocharge efficiency

03

04 Trusted, world-class Agile delivery tooling scaled for teams, teams-of-teams, and the entire enterprise
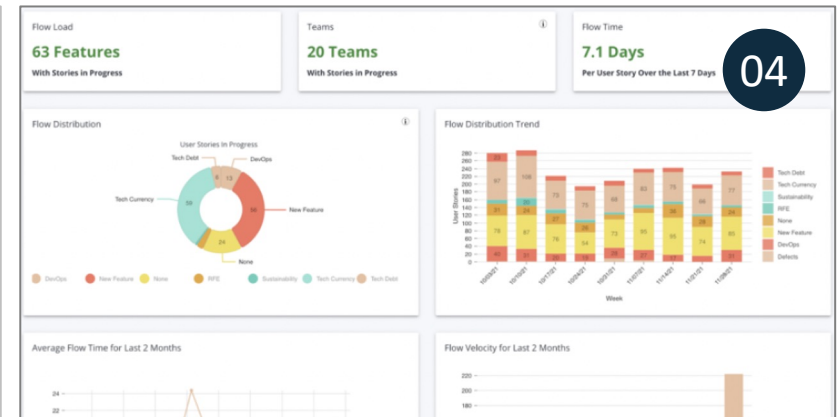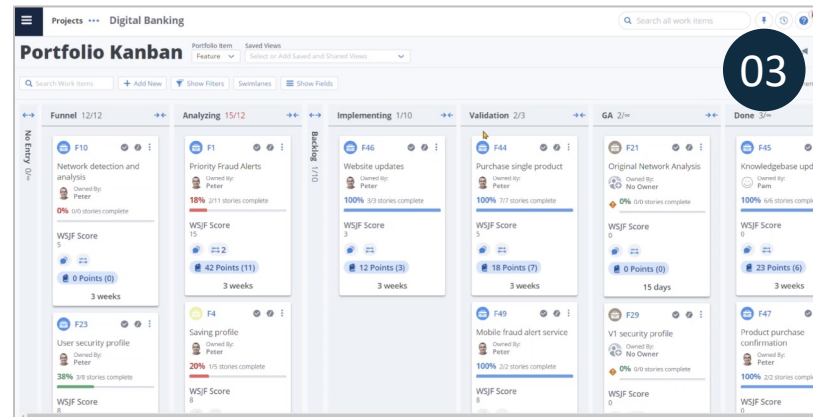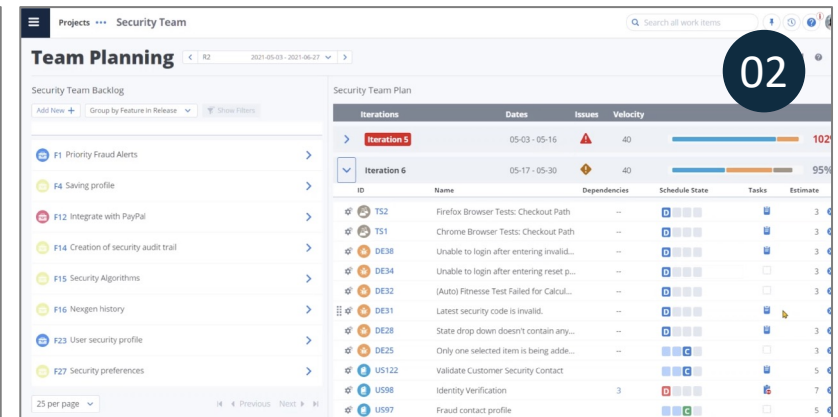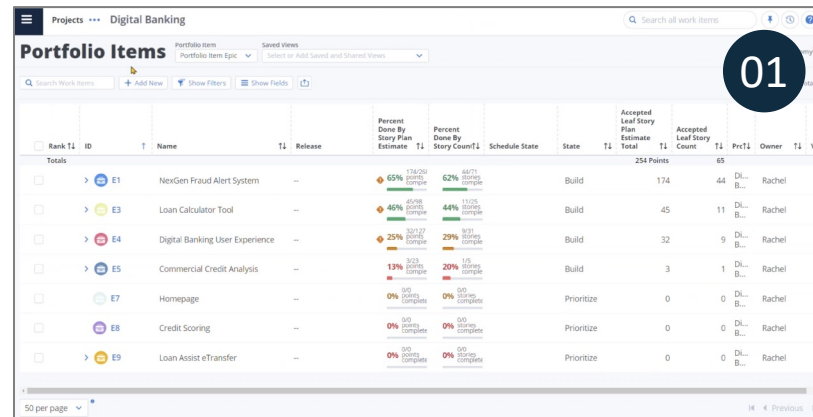
Boeing Eliminates Wasted Effort with ValueOps to Reduce its Technology Budget by Over 30%

"We always thought we were doing a good job producing value until we started to work through this … **in our first two years, we saved hundreds of millions of dollars.**"

Lynda Van Vleet
Portfolio Management Systems

BOEING

ValueOps™
by Broadcom

Value Stream Management Aligns the Enterprise

"I need to prioritize, define, and fund the most valuable capabilities and ensure our resources are being used **effectively**."

"I need to plan, manage, and track delivery with quality and speed to ensure we are executing most **efficiently**."

Define and articulate strategy

Execute with agility and efficiency

Business Lens

Execution Lens

Prioritize and plan for maximum effectiveness

Aggregate data and share insights
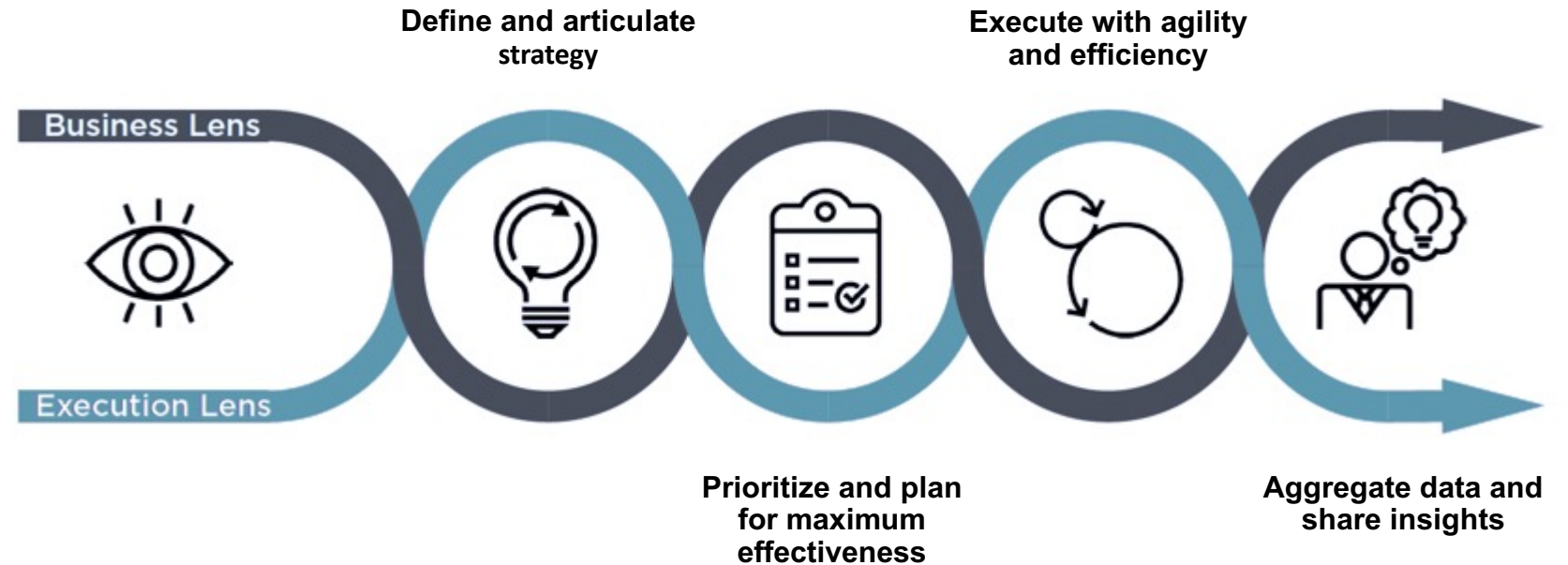
ValueOps Metrics Drive Innovation

70% Improvement in
Enterprise Alignment

75% Improvement in
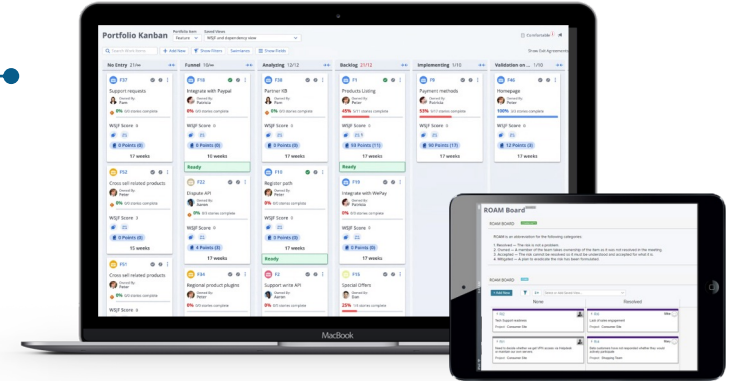**Resource Utilization**

50% Improvement in
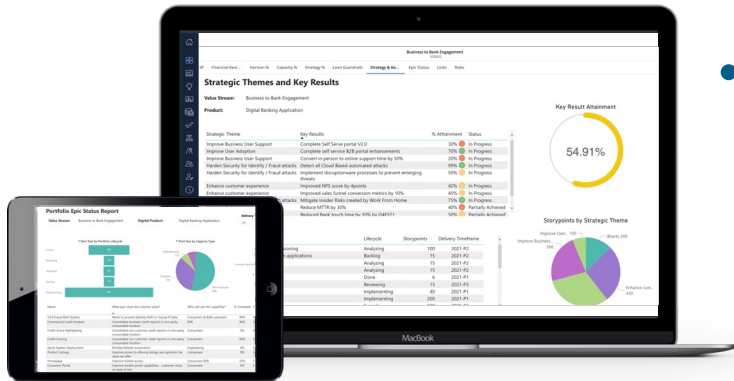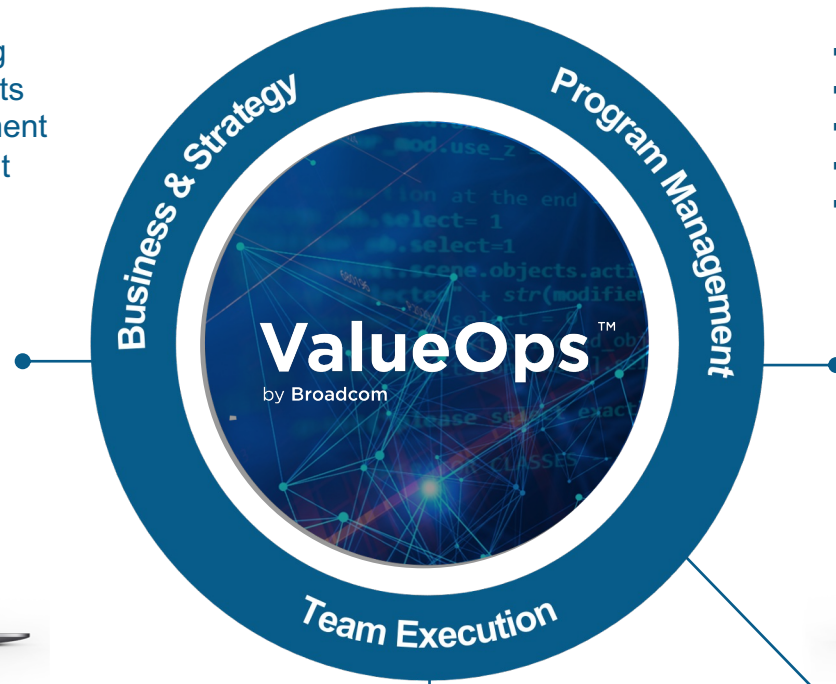**Software Quality**

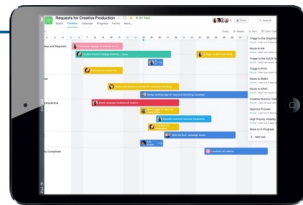**Enterprise Alignment Is Key to Successful Digital Transformation**

Broadcom ValueOps Enriched

- Investment Strategy
- Innovation Roadmaps
- Demand Management
- Funding Decisions
- Strategic OKRs

- Financials Reporting
- Business Agreements
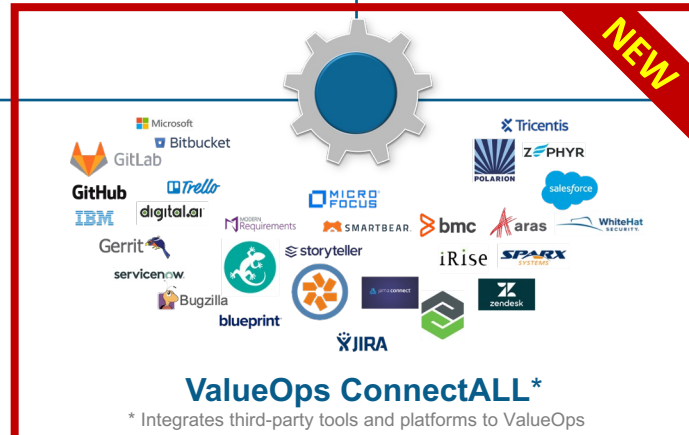- Resource Management
- Project Management

- PI Planning & Tracking
- Dependency & Risk Mgt
- Capacity Planning
- Execution Roadmaps
- Delivery OKRs

- Quality Management
- Release Tracking
- Efficiency Metrics
- Enterprise Visibility

Business & Strategy

Program Management

ValueOps™
by Broadcom

Team Execution

Collaborative Work

Project Management

NEW

Microsoft
Bitbucket
GitLab
GitHub
Trello
IBM
digital.ai
Gerrit
servicenow.
Bugzilla
blueprint
Storyteller
MODERN Requirements
SMARTBEAR
MICRO FOCUS
JIRA
Tricentis
ZEPHYR
POLARION
salesforce
bmc
aras
WhiteHat SECURITY.
iRise
SPARX SYSTEMS
jira connect
zendesk

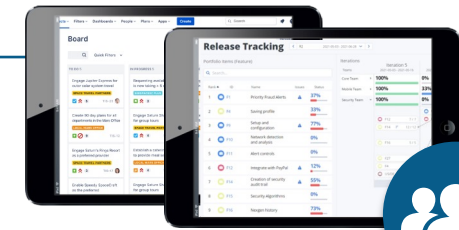**ValueOps ConnectALL***
* Integrates third-party tools and platforms to ValueOps

Agile Teams

Empower Innovation and New Ways of Working

A major leap forward in how enterprises can align priorities, progress, and results to accelerate time to value and succeed at digital transformation.

Build true value streams that span the enterprise to eliminate silos, enhance innovation, balance resources, and dramatically improve delivery.

- ✓ GigaOM Radar Report Leader for Value Stream Management
- ✓ GigaOM Radar Report Leader for Agile PPM
- ✓ Gartner Magic Quadrant Leader for Enterprise Agile Tools
- ✓ IDC Marketscape Leader for Agile PPM
- ✓ IDC Marketscape Leader for IT PPM
- ✓ Representative Vendor for Gartner Market Guide for Value Stream Management Platforms

Who We Help

BARCLAYS   amazon   IBM   CHIPOTLE MEXICAN GRILL

verizon✓   BOEING   HERSHEY   unum®

USAA®   pepsi   GE   T.RowePrice   HONDA

Results

75% improvement in resource utilization
66% reduction in program cost overrun
50% reduction in work not aligned
70% improvement in business alignment
25% reduction in delivery times
50% improvement in software quality

Questions?

Surveys

Please take a few moments to fill out the class survey.
Your feedback is extremely important for future events.