ValueOps®
by Broadcom

3 Strategies for (Finally!) Aligning Business With Delivery

The Challenges That Prohibit
Business and Delivery Alignment

Strategic planning is vitally important. However, even the most well-conceived strategic plan is ultimately meaningless if it's not executed effectively.

For quite some time, it has been a challenge to bridge the gap between high-level business strategies and the practical execution of these strategies—and this remains a stubborn, maddening obstacle in many organizations to this day.

Too often, key individuals are left out of the planning process, and strategic plans aren't seamlessly integrated into daily operations. As a result, there is a disconnect between business objectives and the work delivery teams perform on a daily basis.

To foster effective alignment between business and delivery, leadership needs to overcome three key challenges:

Bridging the gap between strategic planning and execution. Leaders struggle to translate high-level strategic goals into actionable plans that teams can execute with confidence and clarity. When teams are unclear on what is expected of them or how their efforts add value, the work performed may not contribute fully to advancing strategic objectives, eroding the potential return on investment (ROI).

Defining and tracking metrics that matter. Value must be fully defined and integrated into planning, delivery, and funding processes. Teams must have metrics in place to know that the right work is being planned and completed. These metrics are essential in helping stakeholders avoid uncertainty, inefficiency, and poor performance.

Scaling alignment and adaptability. Achieving organizational success hinges on the ability to align goals and delivery seamlessly across all facets of the enterprise. However, ensuring alignment on a larger scale is proving difficult. Consequently, while incremental gains are being made, organizations aren't realizing all the potential gains they could be.

This challenge of aligning business strategies with delivery execution remains pervasive and requires concerted efforts to address effectively. This eBook examines the obstacles teams face in achieving this alignment and outlines three proven strategies for overcoming these challenges. Additionally, it demonstrates how ValueOps provides the key capabilities that support these strategies.

Bridge the Gap Between Strategic Planning and Execution

Despite trying a range of methodologies and technologies, many teams still confront a pervasive challenge: The struggle to translate strategic aspirations into practical, achievable actions. To address this challenge, organizations need to employ the following key approaches.

Apply Agile Strategic Planning Approaches

Market conditions will continue to evolve more rapidly for every organization, which places an increasing premium on quickly adapting to emerging realities. To meet this imperative, strategic goals must be broken down into smaller, more manageable objectives that can be shifted and evolved as necessary.

ValueOps offers integral support for this approach. For example, with the solution, teams can create their own unique classifications, attributes, and tracking mechanisms for different types of investments within their portfolio. This enables teams to effectively track, manage, and report on various types of investments across projects, programs, and initiatives. With the solution, organizations can be better positioned to remain aligned with their dynamic markets. ValueOps empowers teams to optimize value delivery and maintain alignment with tangible objectives, ensuring organizations remain agile and responsive in dynamic markets.

Organize Around Value Streams

Value Stream Management (VSM) can help teams gain a shared understanding of the end-to-end value creation and delivery process and organize around these workflows. This improved visibility and organization makes it much easier to collaborate as all roles and functions share a common understanding of value flow. ValueOps is uniquely equipped to help teams capitalize on the advantages of VSM. With the solution, teams can leverage a single platform that integrates all work, including that of specific individuals, teams, and value streams. This eliminates the data and information gaps that obstruct visibility and transparency.

Bridge the Gap Between Strategic Planning and Execution (cont.)

Maintain Alignment Throughout the Enterprise

With VSM as the catalyst, organizations can use centralized data, real-time tracking of meaningful metrics, and streamlined communication to build and maintain consensus across the enterprise. ValueOps provides individuals with context for their work, integrating all work within a designated value stream, regardless of the teams, departments, or functions involved. This helps them align efforts with value and ensure that the most important tasks are executed consistently.

Implement a System of Continuous Feedback Loops

It is essential to ensure that regular reviews occur. These reviews guide adjustments when necessary, creating a seamless flow of information and supporting the continued alignment between goals and delivery. In parallel, a shift from output-based metrics to outcome-based metrics is a fundamental element of measuring success based on value and alignment.

Define and Track Metrics That Matter

While most organizations track many different metrics around performance of their portfolios, few of those metrics typically provide any indication of the value being created and delivered. Complicating matters is that teams operate in silos using their preferred tools, with distinct dashboards and data formats. In fact, most departments use an average of over 200 applications (source: CIODive).

Because they lack objective metrics aligned with value delivery, leaders have tended to rely on subjective judgements and interpretations in managing prioritization, budgeting, approvals, and funding processes. To counter these obstacles, teams should look to pursue the following strategies.

Align Around a Value Stream-Based Metric Model

With ValueOps, teams can take a VSM approach to metrics and access those metrics from a unified, integrated data repository. ValueOps offers the flexibility to aggregate data from various sources across the organization and presents normalized data in persona-based dashboards. Leaders and teams access the same metrics and data, gaining unparalleled insights that fuel more effective decision-making. For example, leaders can make strategic plans based on a detailed understanding of both execution details and business outcomes of prior initiatives. Users can roll up metrics based on specific outputs, gaining insights into aspects like feature progress and OKR completion.

Gain Multi-Layered, Unified Visibility of Metrics

To accurately track the performance of all work against strategy, teams must be able to drill down from top-level strategies to the most granular area of work. They must also be able to roll all work up to associated top-level strategies. Data hierarchies are a native element of ValueOps, providing seamless drill-down and roll-up capabilities.

Harness Synchronized OKRs

Objectives and key results (OKRs) provide a structured approach to goal setting and alignment, helping fuel improved focus, accountability, and results. However, organizations need help validating that the OKRs established are consistent across teams and aligned with top-level strategy. With ValueOps, OKRs can be synchronized across business and delivery groups, ensuring that reviews across these teams are handled uniformly. Plus, the solution connects the dots between OKRs and work, fostering ongoing alignment.
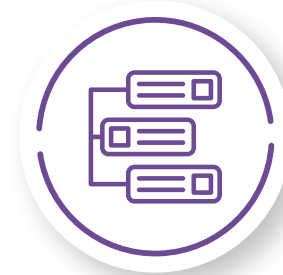
Preserve Tool Flexibility, While Gaining Unified Views

Using ValueOps connectors, teams can continue using the tools they prefer and are familiar with. Data seamlessly flows into ValueOps' information hub, preserving crucial relationships and alignments, such as those between epics, features, and stories. This integration provides teams with comprehensive data views from all tools used across the organization.

Scale Alignment

To pursue continued evolution and organizational growth, it is essential to scale processes, people, technologies, and capabilities. When groups struggle to align strategy and execution, this represents a significant challenge. To succeed, teams need adaptable planning processes that can evolve and grow with the business. They must be able to adapt their strategic planning, delivery, and alignment approaches at each stage of expansion. Here are some key requirements for scaling alignment.

Create Robust Feedback Loops

Standardized, repeatable feedback loops enable stakeholders to learn from successes and failures, identify emerging threats and opportunities, and gather insights from individuals and teams across the enterprise. With ValueOps, teams can embed scalable strategic processes within broader growth initiatives. This helps teams across the organization prioritize strategic alignment, even during disruptive expansion phases. This ensures that alignment remains a central focus at all levels of the business and fosters a culture of adaptability and resilience.

Establish Broad Visibility

Teams must be able to define and deliver on their own strategies in support of growth, while still maintaining alignment with overall organizational strategy. ValueOps investment and work management modules provide the flexibility that organizations need to make this happen. With ValueOps, teams can gain a consolidated view of work across multiple workspaces, teams, and applications. Teams and individuals can directly associate any work within a hierarchy, allowing them to transition from strategy to delivery in the way that works for them, without compromising their ability to visualize rollups and track alignment. The solution provides an integrated lens into everything that is happening, and how work is supporting strategy and growth.

Scale Capacity Planning

As organizations grow, planning becomes more complex, especially around capacity. ValueOps offers capacity planning functionality that allows teams and groups of teams to collaborate in a scalable fashion. Teams can create multiple what-if scenarios and plans inside of ValueOps. This modeling allows for the analysis and comparison of different potential portfolio mixes and aids planners in understanding capacity and potential bottlenecks. This means that when plans are confirmed and approved, stakeholders can be confident that they are maximizing capacity, without placing undue stress on delivery teams.

VSM in Action:
American Honda Motor Company

The Background

American Honda Motor Company (AHM), the North American subsidiary of Honda, is a mature organization, but its people are always looking to improve and embrace emerging ways of working. These motivators are what drove the decision to employ VSM. In turn, this challenged the IT organization at AHM to rethink how they worked, moving from traditional programs and projects to aligning around new value streams.

The Approach

Through a comprehensive enterprise introspection, business leaders were able to define and map their value streams. The IT team leveraged ValueOps to visualize and manage its value delivery pipeline.

They are now operating in a hybrid fashion, combining Agile and traditional delivery methods, and ValueOps is helping with both of those approaches. Business and IT teams are working more closely together, with roadmaps playing a pivotal role in providing a common language and understanding.

ValueOps also allows them to move funding higher up in the planning and approval process. With the solution, they are embracing a lean portfolio management approach and giving delivery teams greater autonomy.

The Results

Just nine months after reorganizing into value streams and adopting VSM, AHM eliminated manual spreadsheets and presentation materials, allowing for a more collaborative, effective, and efficient planning approach.

Flow metrics show that velocity is increasing, resulting in reduced time to value and cycle time. Beyond these practical elements, AHM business and technology teams now speak the same language, facilitated by ValueOps. All these intentional changes and focus on VSM fuel enhanced alignment and speed.

Conclusion

The persistent gap between high-level business strategies and practical execution poses a significant obstacle to many organizations' success. In these organizations, teams lack visibility into how their work connects to top-level strategies and customer value. This fundamental gap means resources aren't employed effectively and efficiently toward accomplishing key objectives.

To address these challenges, organizations must bridge the divide between strategic decision-makers and delivery teams. Today, ValueOps offers the advanced capabilities that enable organizations to meet these objectives. With the solution, teams can achieve continuous alignment and collaboration, even as priorities and technological realities change. In addition, customers can navigate uncertainties, capitalize on opportunities, and realize improved ROI.

ValueOps combines these industry-leading solutions: Clarity, Rally, ValueOps ConnectALL, and ValueOps Insights. ValueOps features a built-in data warehouse that collects business strategy and financial data from Clarity and execution progress data from Rally. In addition, with ValueOps ConnectALL adapters, you can collect data from a range of other systems, including continuous integration/continuous delivery (CI/CD) and application lifecycle management (ALM) tools. ValueOps Insights provides automated reports and real-time dashboards that provide continuous insights into business operations. These solutions give your stakeholders a holistic view of the flow of value throughout the organization.

To learn more about how ValueOps can help your organization, be sure to download our complete "Align Business and Delivery" white paper or contact us.