BROADCOM®
SOFTWARE

THE BUYER'S GUIDE FOR VALUE STREAM MANAGEMENT SOFTWARE

IDENTIFYING TECHNOLOGY PLATFORMS THAT WILL HELP YOUR COMPANY MAKE SMARTER DECISIONS AND DELIVER VALUE TO CUSTOMERS FASTER IN THE AGE OF RAPID INNOVATION.

INTRODUCTION

FOR TODAY'S GLOBAL ENTERPRISES, THE TIME FOR VALUE STREAM MANAGEMENT IS NOW.

Across every industry, enterprises face disruptive threats and an accelerating pace of business. The need for true enterprise agility has never been greater, but stubborn barriers remain.

Companies need to adopt new processes and technology that will enable them to deliver value to customers faster and more predictably. Value Stream Management (VSM) has emerged as an essential solution for helping organizations collaborate more effectively and execute against strategy more efficiently.

This guide introduces business and development leaders to the concept of VSM and the significant opportunities it presents and provides guidance on identifying a VSM software platform that will enable teams across your organization to capitalize on these opportunities.

Download your software evaluation kit.

WHAT IS VSM AND WHY DOES IT MATTER?

THERE'S BEEN A LOT WRITTEN ABOUT THE NEW NORMAL, WHICH IMPLIES THE NEED FOR CHANGE IS DONE. FOR GLOBAL ENTERPRISES, NOTHING COULD BE FURTHER FROM THE TRUTH.

Everything, including technologies, geopolitical realities, market landscapes, and supply chains, has seen radical and rapid shifts, and the pace of change is only accelerating. In recent months, initiatives like digital transformation have shifted from multiyear plans to need-to-happen-yesterday imperatives.

Waste, inefficiency, and strategic misalignment have always been challenges, but in today's environments, they can be devastating. This is exactly why Value Stream Management is gaining widespread adoption. When done well, it enables teams to reduce the inefficiency, misalignment, and waste that are stifling businesses, which is why **VSM has quickly become a key ingredient for business success.**

AS DIGITAL IMPERATIVES GROW URGENT, STUBBORN OBSTACLES REMAIN

77% say the disconnect between IT and business units results in significant costs.[1]

72% agree that agile and DevOps can provide project-level improvement, but report those benefits are negated by a lack of enterprise alignment.[2]

78% of enterprises fail to scale and sustain their digital transformation, and **73%** are unable to realize sustained returns on their digital investments.[3]

$5b is wasted every day because of poor implementation of strategy.[4]

[1] Harvard Business Review Analytic Services, in association with Broadcom, "BizOps: Connecting IT to Business Outcomes," June 2020

[2] Harvard Business Review Analytic Services, in association with Broadcom, "BizOps: Connecting IT to Business Outcomes," June 2020

[3] Everest Group, "78% of Enterprises Fail to Scale and Sustain Their Digital Transformation Initiatives,"
https://www.everestgrp.com/2018-08-78-enterprises-fail-scale-sustain-digital-transformation-initiatives-everest-group-says-old-school-operating-models-blame-press-release-46192.html/

[4] Brightline Project Management Institute, "The Brightline Initiative is closing the gap between strategy design and delivery," February 11, 2019,
https://www.brightline.org/resources/the-brightline-initiative-is-closing-the-gap-between-strategy-design-and-delivery/

WHAT IS VSM AND WHY DOES IT MATTER?

VSM DEFINED

VSM is a lean business practice that enables companies to optimize the end-to-end flow of value, from establishing business objectives and investment plans to customer delivery.

Through VSM, teams apply lean principles to enterprise management. At its core, VSM is about understanding all initiatives across the organization, so teams can make real-time feature and resource tradeoffs—all with a focus on maximizing customer value.

WHY NOW

VSM concepts have been around for decades, but several key forces are converging to raise both the stakes and the opportunities:

- **Digital imperatives.** Demands for digital transformation and innovation have continued to accelerate and intensify. Many of the characteristics and advantages of VSM are tightly aligned with the demands of modern digital enterprises.

- **DevOps maturation.** DevOps uses value streams as a foundational concept. Through Agile and DevOps, teams have made great strides, but through enterprise VSM, these teams can be positioned to make even greater advancements.

- **Technological innovation.** Employing VSM in large-scale enterprises has historically presented a number of obstacles. Innovative technologies are now enabling the real-time visibility and data-driven optimization that enables more teams and larger organizations to capitalize on VSM.

WHY VSM IS HERE TO STAY

When enterprises intelligently employ VSM approaches and technologies, they're optimally positioned to meet today's urgent imperatives—and to gain the speed, scale, and agility that will maximize results over the long term.

Successful value stream implementations help teams:

- **Ensure that actual customer value is at the center of all work.**

- **Optimize processes and tools to increase the rate at which they deliver customer value.**

- **Eliminate friction and waste.**

> " [VSM is] a combination of people, process, and technology that maps, optimizes, visualizes, measures, and governs business value flow (including epics, stories, and work items) through heterogeneous enterprise software delivery pipelines. VSM tools are the technology enabling the practices of VSM."
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> — Forrester, "Value Stream Management Tools Unlock Agile-Plus-DevOps' Potential: Takeaways From The Forrester Wave™," Christopher Condo, July 20, 2020[5]
>
> https://www.forrester.com/blogs/value-stream-management-tools-unlock-agile-plus-devops-potential-takeaways-from-the-forrester-wave/

[5] Forrester, "Value Stream Management Tools Unlock Agile-Plus-DevOps' Potential: Takeaways From The Forrester Wave™," Christopher Condo, July 20, 2020, https://www.forrester.com/blogs/value-stream-management-tools-unlock-agile-plus-devops-potential-takeaways-from-the-forrester-wave/

[6] Gartner, The Future of DevOps Toolchains Will Involve Maximizing Flow in IT Value Streams, Majunath Bhat, Daniel Betts, Hassan Ennaciri, Chris Saunderson, Thomas Murphy, 14 January 2020.

BEYOND DEVOPS: THE IMPERATIVE TO UNITE THE ENTERPRISE

Historically, silos between the business and development teams have led to a disconnect between funded initiatives, backlog execution, and production delivery. Initially, only DevOps teams focused on VSM, but the full promise of VSM won't be realized until silos are eliminated and an enterprise-wide approach is established. Only then can teams maximize alignment across the enterprise—from strategy through execution—and institute the continuous improvements that enable every team to maximize the value they deliver.

THE PROMISE OF ENTERPRISE-WIDE VSM

By establishing a comprehensive, enterprise-wide approach to VSM, organizations can create the transparency, efficiency, and accountability required to deliver continuous business value. VSM can help them:

Boost Alignment

Organizations establish the shared insights that foster trust and eliminate silos. This results in better business decisions and development processes that are fully aligned with value delivery.

Enhance Effectiveness

Teams assist digital transformation initiatives by optimizing prioritization, strategic investment planning, and digital product management. Organizations can have more confidence they're funding the most valuable efforts and track their ROI.
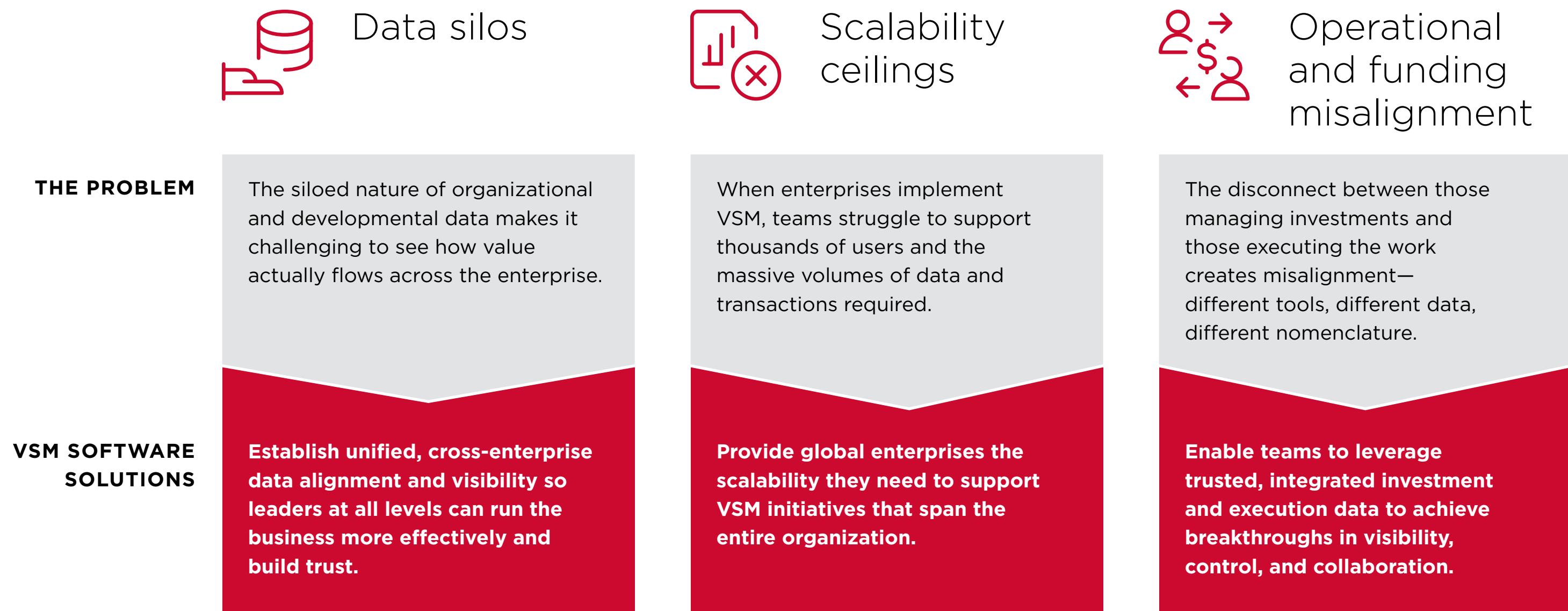
Maximize Efficiency

By establishing enhanced transparency and visibility, teams reduce bottlenecks and waste in their value streams to ensure they're building the right products at the right time, improving both speed and quality.

ENTERPRISE SOLUTIONS FOR ENTERPRISE CHALLENGES

VSM REQUIRES A SHIFT FROM FOCUSING ON PROJECTS TO OPTIMIZING THE FLOW OF PRODUCTS AND SERVICES BEYOND IT AND ACROSS THE ORGANIZATION. THESE STREAMS FLOW HORIZONTALLY, ACROSS TOOLS, TEAMS, AND DEPARTMENTS. FOR MANY ORGANIZATIONS, THAT REALITY PRESENTS SIGNIFICANT TECHNICAL CHALLENGES, AND THAT'S WHERE TRUE ENTERPRISE VSM SOLUTIONS SHINE.

	Data silos	Scalability ceilings	Operational and funding misalignment
THE PROBLEM	The siloed nature of organizational and developmental data makes it challenging to see how value actually flows across the enterprise.	When enterprises implement VSM, teams struggle to support thousands of users and the massive volumes of data and transactions required.	The disconnect between those managing investments and those executing the work creates misalignment—different tools, different data, different nomenclature.
VSM SOFTWARE SOLUTIONS	**Establish unified, cross-enterprise data alignment and visibility so leaders at all levels can run the business more effectively and build trust.**	**Provide global enterprises the scalability they need to support VSM initiatives that span the entire organization.**	**Enable teams to leverage trusted, integrated investment and execution data to achieve breakthroughs in visibility, control, and collaboration.**

# VALUE STREAM MANAGEMENT PLATFORMS: KEY REQUIREMENTS

TO CAPITALIZE ON VSM, AN ENTERPRISE NEEDS A UNIFIED PLATFORM, ONE THAT CAN DELIVER TRUSTED DATA REQUIRED FOR STRATEGIC INVESTMENT PLANNING, DEVELOPMENT, AND OPERATIONS DISCIPLINES. VSM CAN SUPPORT THEIR:

Strategic investment planning

Executives need a flexible platform that provides real-time insights into priorities and investments. They must be able to understand, track, and report on the value being delivered by those investments so they can make tradeoff decisions based on value. The platform should also aid these leaders in defining and articulating top-level initiatives as actionable deliverables.

Development and operations

Leaders need to manage teams efficiently, with a single unified backlog that is directly derived from the strategic plans. They must have visibility into the status and objectives of the business and have investment plans that directly drive Agile management efforts. Ultimately, they need end-to-end traceability within value streams so they can provide delivery teams with better visibility into dependencies, risks, scope growth, and funding changes, which helps improve decision making and foster trust.

VSM

STRATEGY

DATA-DRIVEN DECISIONS

OPERATIONS

EXECUTION
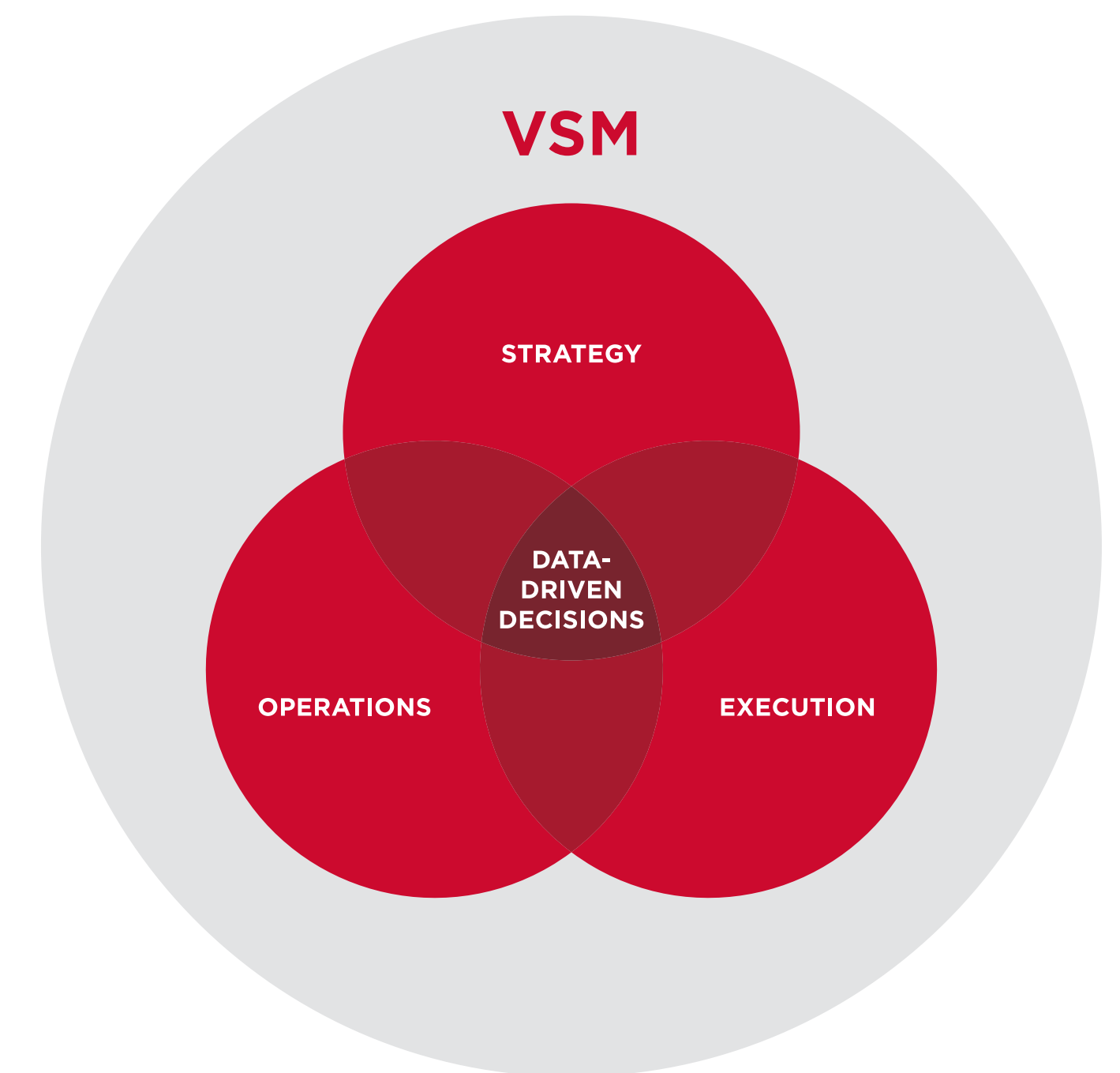
FOUR WAYS AN ENTERPRISE SOLUTION CAN MAXIMIZE THE POWER OF VSM

01

FACILITATE THE UPFRONT DEFINITION OF VALUE

When a leader is creating a planning canvas, they need to establish value with crystal clarity. VSM platforms need to support the definition and articulation of customer value upfront and track that value continuously by:

- Breaking down top-level value into the specific work streams that will become new product features or services.
- Helping teams effectively prioritize and plan efforts based on value defined.
- Tracking value throughout the value stream and providing a constant feedback loop that enables teams to determine whether value anticipated was actually delivered.

02

SUPPORT THE ESTABLISHMENT OF A REAL ROADMAP

Innovation requires future product vision in order to ensure customer value creation. That can only be delivered when strategic planning includes innovations and roadmaps include visualizations of that vision.

Many organizations establish a so-called roadmap simply by rolling up all their work items into a single report. This practice means work might not be aligned with key value imperatives and doesn't allow for innovation by the teams. VSM solutions need to enable all teams to define, manage, and view all types of roadmaps.

03

OFFER A UNIFIED AND TRUSTED DATA STRUCTURE

Leaders are looking to break down the final barriers that exist within their organizations, particularly those between business and technology teams, and between technology and operations teams. With VSM, teams should leverage enterprise tools to track, manage, and visualize how value is flowing through the organization. This transparency can only happen with a VSM platform that offers a unified data structure with cross-enterprise visibility so that:

- All departments and groups can use the same data to create relevant dashboards, eliminating the need to meet about status and increasing visibility and trust within the organization.
- Leaders can spot bottlenecks at every level and in every group within the organization.
- Executives can gain the insights needed to run the business much more efficiently and effectively.

04

ENABLE DATA-DRIVEN TRADEOFF DECISIONS

To realize the full potential of VSM, teams need to broaden the scope beyond DevOps and include the entire organization in their value streams. By providing the right data at the right level, organizations build the trust needed to allow for more decentralized decision making, which speeds up productivity in all areas and increases employee engagement and morale. Everyone benefits from VSM because:

- Business leaders need real-time insights into their investments so they can intelligently make tradeoffs based on value.
- Execution teams need a single backlog and visibility into business strategy and objectives so they're consistently focused on delivering value and addressing customer needs.
- Both business and technology teams need continuous and automated feedback loops to understand if customer value is being achieved.

CHOOSING THE RIGHT TECHNOLOGY PROVIDER

THE RIGHT TECHNOLOGY SOLUTION PROVIDER SERVES AS A STRATEGIC PARTNER AND WILL BE INSTRUMENTAL IN YOUR ORGANIZATION'S ABILITY TO MAXIMIZE THE POTENTIAL OF VSM. LOOK FOR:

Domain expertise

A provider with a history of successful VSM implementations and a track record of thought leadership and innovation in its foundational disciplines, such as digital product management, data ordinality, and enterprise agile.

Advanced, integrated solutions

A provider that offers the innovative and integrated solutions that empower all value streams across the enterprise—not just IT.

Demonstrated success in the enterprise

A trusted provider that has proven success with the scale and customization required by the world's largest, most complex organizations.

Robust partner ecosystem

A solution provider that can help your team with an extensive array of partners and leverage proven blueprints and strategies that help expedite the realization of value from your investments.

EVALUATION

KEY QUESTIONS TO ASK A POTENTIAL PROVIDER

Transparency to eliminate silos

- Can your solution be used across my organization, including teams in various lines of business, IT, development, marketing, human resources, and more, so I can establish true, enterprise-wide value streams?

- Can it be efficiently integrated with technologies I have in place?

Traceability of value

- Does your solution offer unified data models allowing me to track value, while enabling teams at every level of my organization to quickly and efficiently get the insights they need?

Drive efficiency by eliminating waste

- Does your solution offer the flexibility to effectively align with the unique requirements of our teams, and teams of teams, while enabling us to establish uniform guardrails that ensure compliance with policies and mandates?

- Does it scale to support thousands of users?

TAKE THE NEXT STEP IN YOUR VSM JOURNEY

Download your own copy of our evaluation sheet. This interactive resource will help you assess prospective tools and vendors and ensure you find the solutions that are best aligned with your business' needs.

DOWNLOAD VSM SOFTWARE EVALUATION CHECKLIST

ORGANIZATIONS USE VALUEOPS VSM TO DRIVE MORE VALUE

BY ADOPTING VSM BEST PRACTICES, SUPPORTED BY VALUEOPS VSM FROM BROADCOM, COMPANIES ARE ALREADY REALIZING THE BENEFITS OF ENTERPRISE VALUE STREAM MANAGEMENT.

NATIONAL FAST-CASUAL RESTAURANT

Boosting cross-team collaboration to fuel new customer value

As customer reliance on online ordering and third-party delivery grew exponentially, ValueOps VSM enabled seamless knowledge and data sharing across different departments at a fast-casual restaurant, including product teams, digital marketing groups, scrum masters, and planners. This visibility and collaboration enabled them to bring on several new delivery partners and **shrink rollout times from months to weeks**, maximizing customer loyalty and retention.

AERONAUTICS MANUFACTURER

Saving millions with unified, enterprise-wide visibility

With air travel essentially grinding to a halt within a matter of weeks, a large aeronautics manufacturer faced an urgent need to reduce expenses across traditionally siloed infrastructure and investments. They leveraged ValueOps VSM to gain a cross-team view so they could intelligently identify and eliminate overlapping tool sets, realizing **approximately $25 million in savings**.

MULTINATIONAL SNACK FOOD PRODUCER

Taking a data-driven approach to boost business agility

A multinational snack food producer was contending with dramatic shifts in consumer behavior and significant supply chain disruptions, forcing teams across the organization to pivot fast. ValueOps VSM proved instrumental by providing them with **end-to-end visibility of their digital ecosystem**. They were able to break top-level initiatives into Agile management-based work, and leaders were able to track progress based on actual work instead of manual status reporting.

CONCLUSION

VSM represents a strategic endeavor that can position your business to be successful in meeting its most critical objectives—both today and in the long term. Only true, enterprise-grade VSM solutions, like Broadcom's ValueOps VSM, provide enterprise technology with the scale and customization required by the world's most complex organizations, enabling them to fund, schedule, track, and manage work throughout its lifecycle. To fully capitalize on this opportunity, it will be vital to find advanced solutions that most effectively empower all your teams and enable the management of value streams across your enterprise.

TALK WITH A VSM EXPERT

Connect with a Broadcom VSM specialist to learn more about how VSM technology can help you eliminate waste, drive strategic initiatives more effectively, and align your entire enterprise to customer value.

VISIT BROADCOM.COM/VALUEOPS

ABOUT BROADCOM

Broadcom is a leader in the VSM software market. With our ValueOps solution, businesses can implement and manage an effective, efficient VSM strategy that enables internal teams to gain the visibility required to maximize alignment, reduce inefficiencies, and speed time to value. ValueOps seamlessly combines the proven investment planning features of Clarity™ with the advanced Agile management capabilities of Rally®—all in one integrated, easy-to-use, and flexible platform.

With ValueOps from Broadcom, executives can more effectively understand priorities, capacity, progress, and results across their organizations. The ValueOps VSM Platform enables every role within an enterprise to manage, track, and analyze unified value streams with a consistent value orientation and methodology.