Marie Kalliney

Professional Services Practice Director - Digital Transformation

As the director of Broadcom's Digital Transformation and Advisory practice, I collaborate as a thought leader, practitioner, and speaker on the cultivation and advancement of lean agile organizations. With my clients, I integrate advisory disciplines to solve the most complex business and technology challenges for senior executives seeking to accelerate their value creation at scale. For the practice, I am leading the transformation of our strategic execution, functional expertise, and service selling strategies to produce profitability growth, and effective utilization optimization with my team of consultants.

I've pioneered the application of digital transformation principles and practices to global and remote teams. In light of the current business climate, this expertise serves clients who are considering building dispersed teams and teams of teams. I have built and led teams in the US, India, South America, and Europe.

I reside in Manhattan.

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Laureen Knudsen

## Chief Transformation Officer, Broadcom Software

Award-winning senior business leader with 25+ year career that spans IT, financial and healthcare systems, and analytics. Led transformations at 4 Fortune 1000 companies and has transformed Product and Strategy, IT, Engineering, Professional Services, and Sales and Marketing organizations. Co-Author of **Modern Business Management: Creating a Built-to-Change Organization.**

Laureen is working with industry leaders and internal experts to define the future of business and bring Lean principles to all parts of an organization, focusing on optimizing end-to-end value stream flows, removing waste, and ensuring executives can make data-driven decisions.

I reside in San Diego, CA.

Forbes Technology Council member, Power50, Top 100 Women in Tech, Chief member, VSMC Board Member
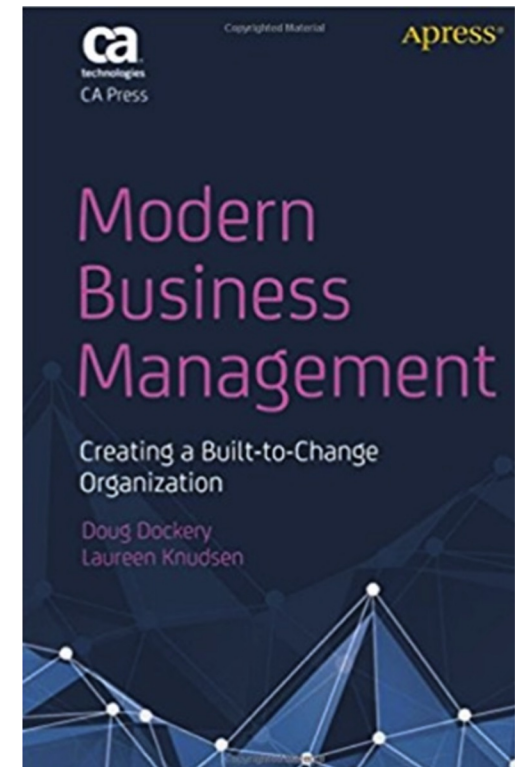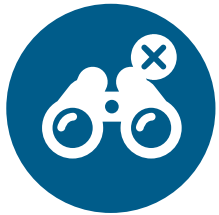
Agenda

 Value Stream Defined

 VSM Metrics and Measurements

 Incorrect Identification of Value

 End to End (VSM) vs. Single process (BPM); strategic (VSM) vs. tactical (BPM) and macro (VSM) vs. micro (BPM)
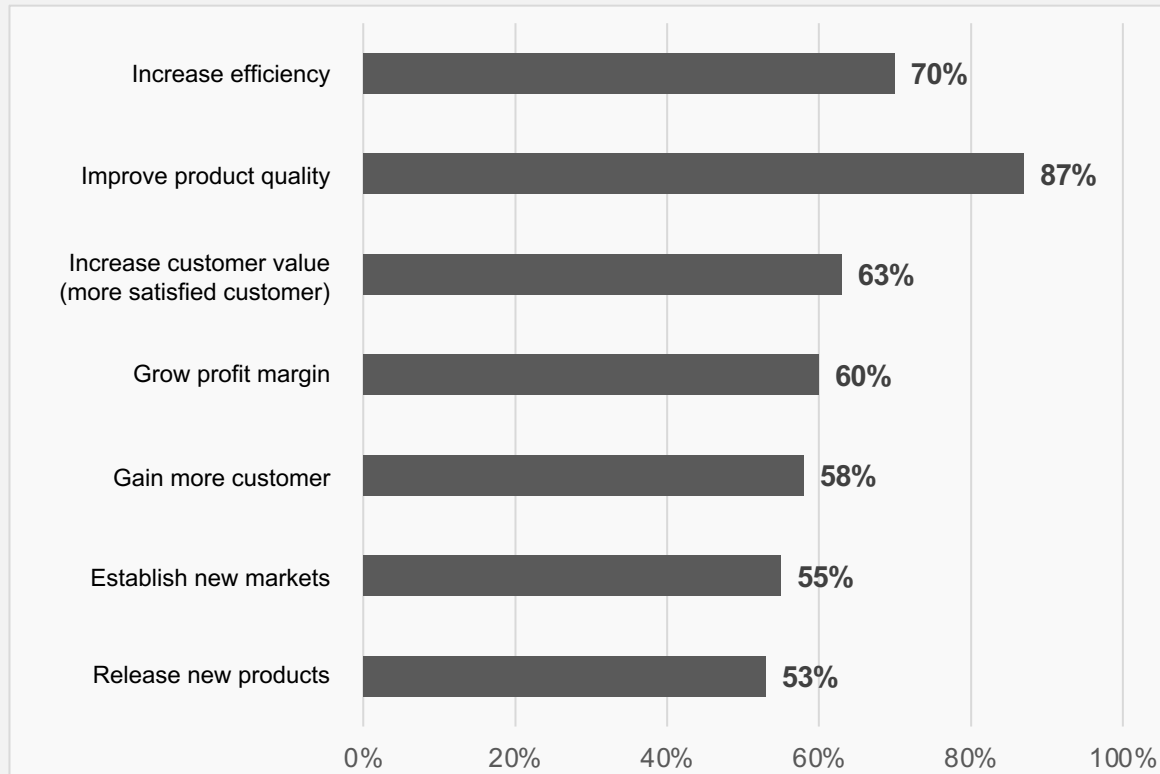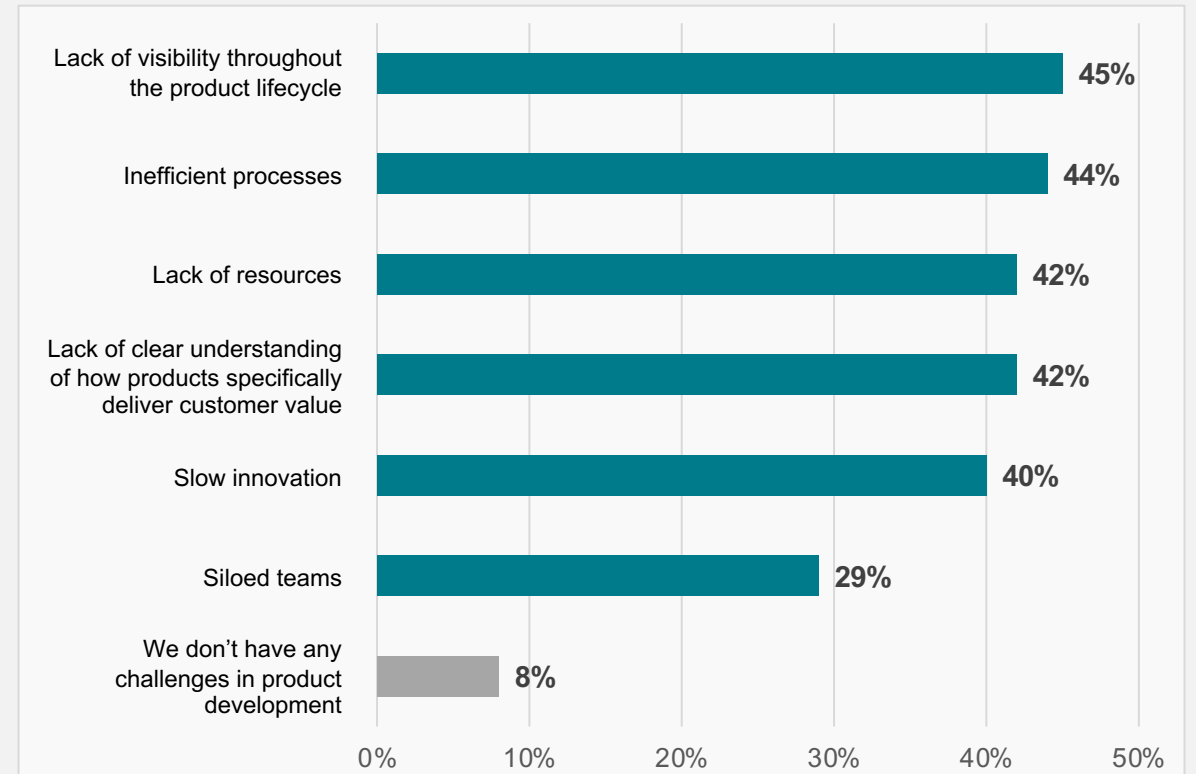
 Misidentification of Value Streams

 Q & A

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Why Value Streams?

Companies will be focused on increasing efficiencies, Improving product Quality, and customer value in 2022

Category	Percentage
Increase efficiency	70%
Improve product quality	87%
Increase customer value (more satisfied customer)	63%
Grow profit margin	60%
Gain more customer	58%
Establish new markets	55%
Release new products	53%

92% cited Product challenges with poor product lifecycle visibility and inefficiencies are they biggest challenges for 2022

Category	Percentage
Lack of visibility throughout the product lifecycle	45%
Inefficient processes	44%
Lack of resources	42%
Lack of clear understanding of how products specifically deliver customer value	42%
Slow innovation	40%
Siloed teams	29%
We don't have any challenges in product development	8%

dimensional research

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VSM Incorporates Other Lean Management Techniques

Optimize End-to-end Flow of Value

Lightweight Business Cases

Minimally Viable Products

Fund Products vs Projects

Value Stream Management

Alignment – Efficiency – Effectiveness

Lean Portfolio Management	**Agile Program Management**	**DevOps**
Agile/Digital Product Management	**Agile Teams**	**Operations and Monitoring**

Collaborative Work

Flow the Work

Align around Lean & Agile Principles

Stabilize People & Teams

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Value Stream Defined

Long-lived series of activities that deliver value from concept or customer request to delivery of a tangible result for the customer

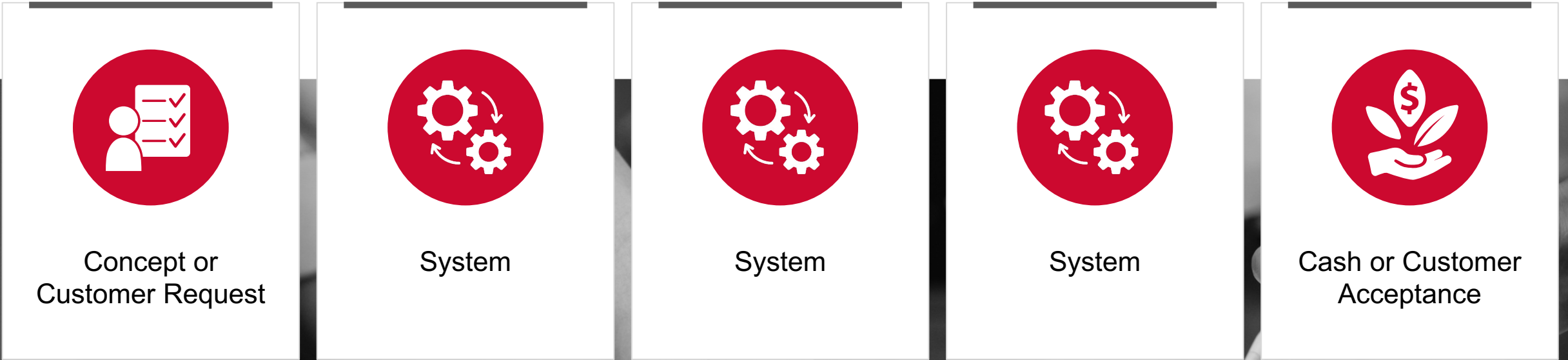| Concept or Customer Request | System | System | System | Cash or Customer Acceptance |

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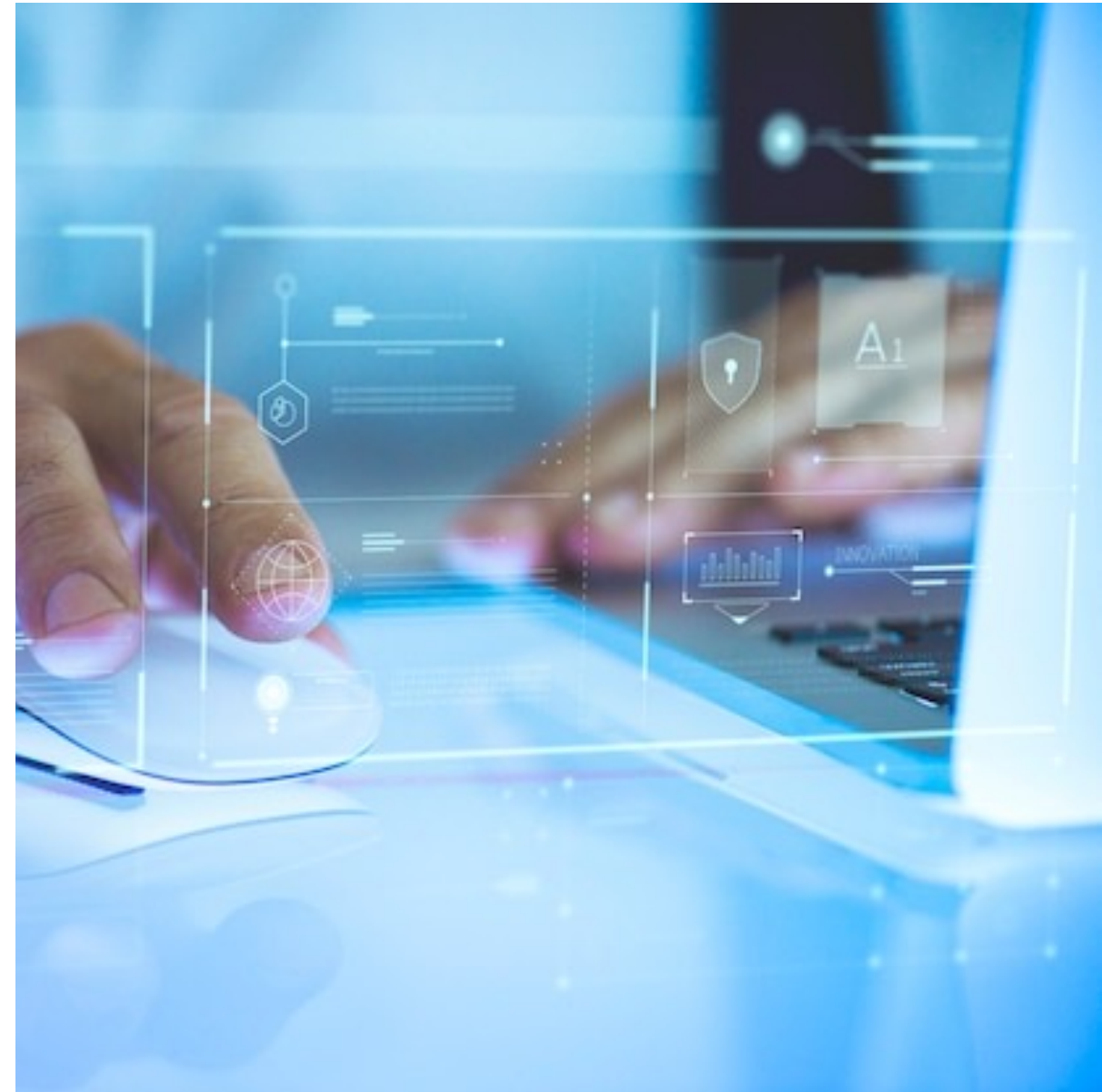
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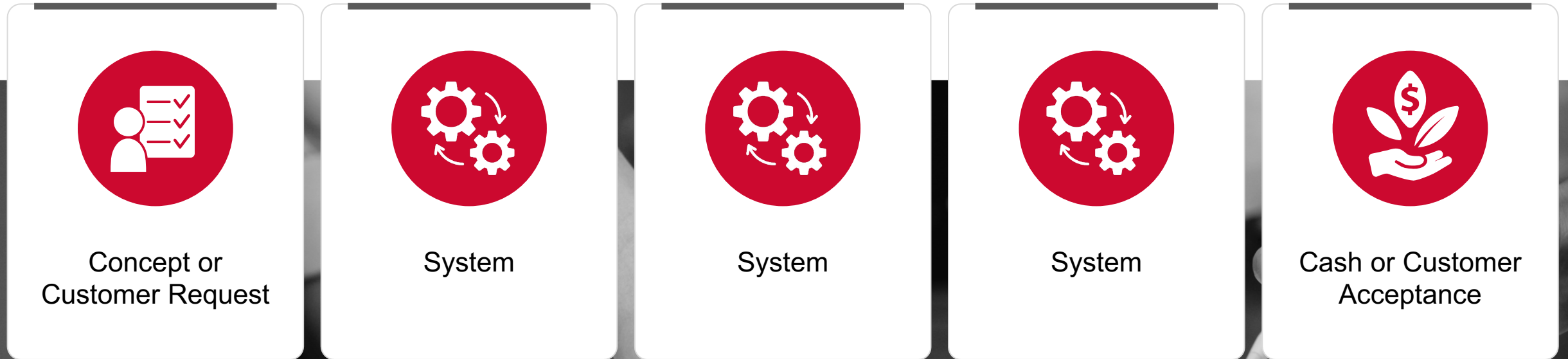
Pitfall #1:
Incorrect Identification of Value

Leaders at each level see value differently

Likely Sources of Business Value:

- Economic

- Compliance / Regulatory

- Parity with Competitors

- Risk Mitigation

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Success Patterns

Frequently Overlooked:

- OKRs

- Innovation Investments
  - Opportunity to Upskill and Reskill Workforce
  - Improvements to Product Development Flow

- Reputational Uplift

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Pitfall #2:
Misidentification of Value Streams

Value Streams are often bigger than we think

Dev work is only one portion of the VS

- Marketing

- Sales

- Operations

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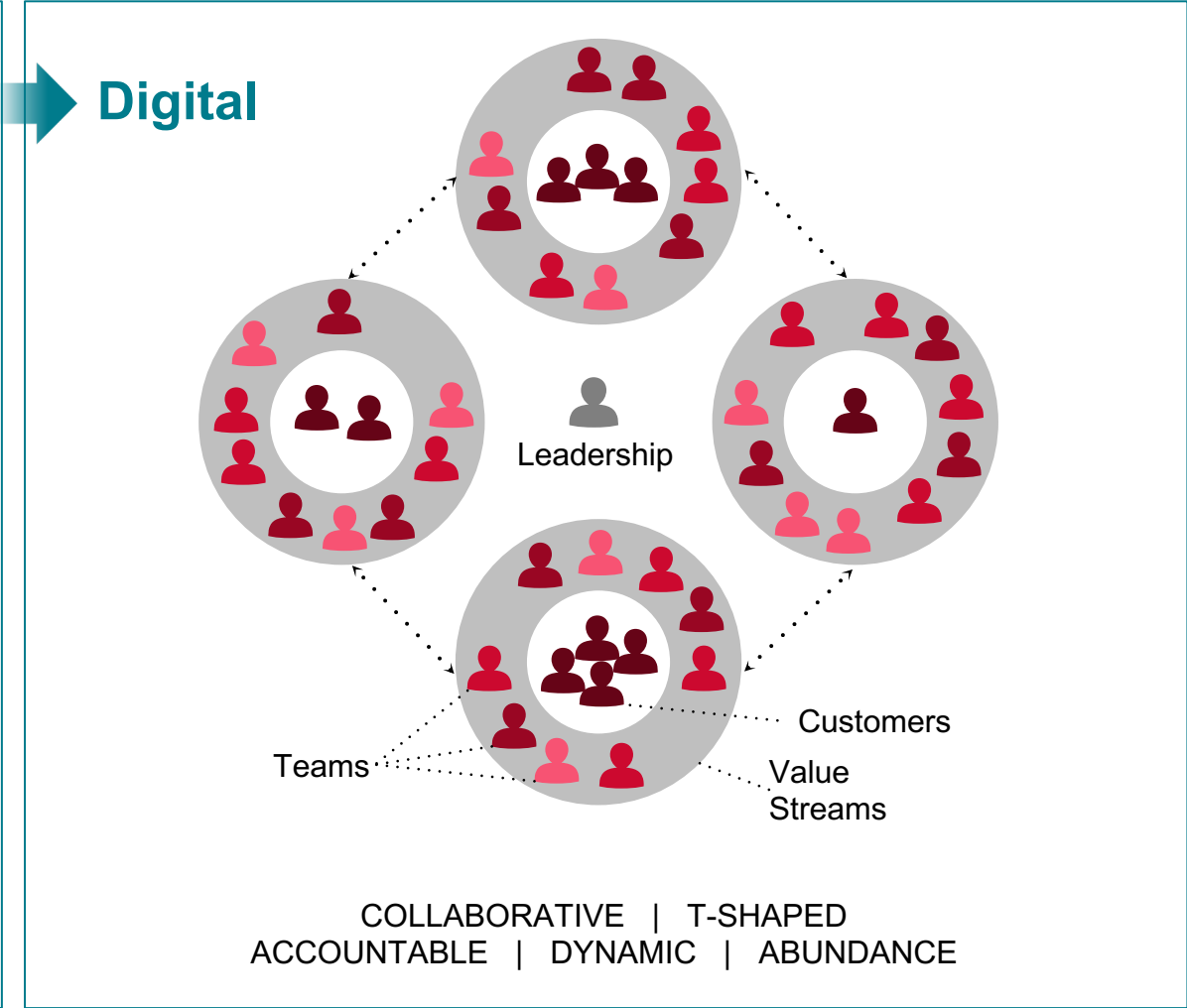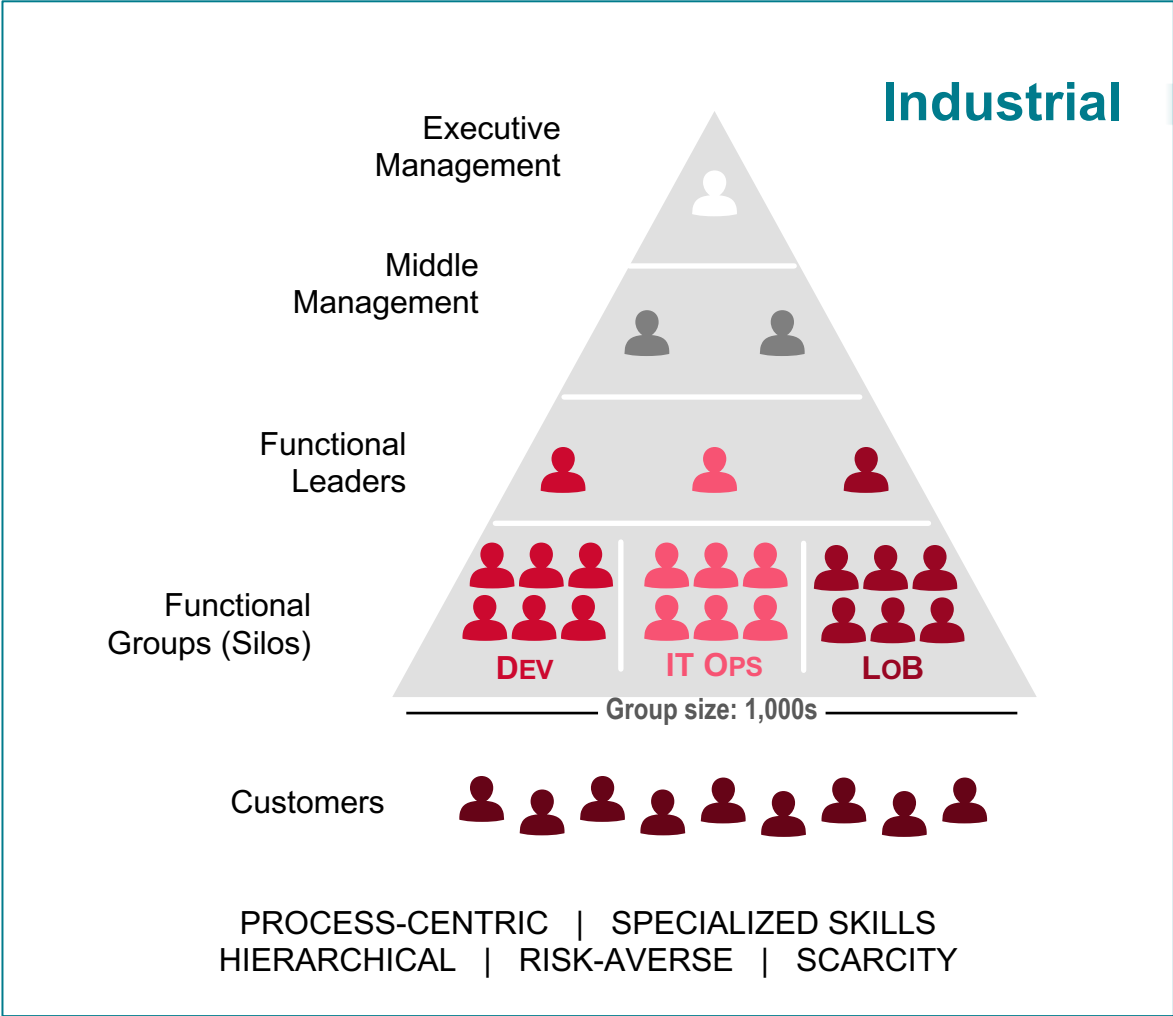SOFTWARE

Success Patterns

Alignment of Development and Operational VS's is very important and harder than we think
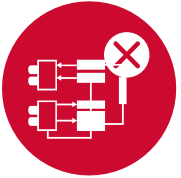
Leaders at each level see value differently

- Establish objectives and key results (OKRs) to develop outcome-oriented measures

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Value Streams need an Agile Operating Model

Industrial → **Digital**

Executive Management

Middle Management

Functional Leaders

Functional Groups (Silos)

DEV | IT OPS | LOB

Group size: 1,000s

Customers

Leadership

Teams

Customers

Value Streams

PROCESS-CENTRIC | SPECIALIZED SKILLS
HIERARCHICAL | RISK-AVERSE | SCARCITY

COLLABORATIVE | T-SHAPED
ACCOUNTABLE | DYNAMIC | ABUNDANCE

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For Whom Do You Create Value?

Identifying Value Streams does not mean mapping

Look inward and determine primary strategies, priorities, objectives, and key results

Look outward at current groups of customers

- What value do you provide each group?
- Are you meeting all their needs?
- Is there anything you can provide to differentiate your offering?

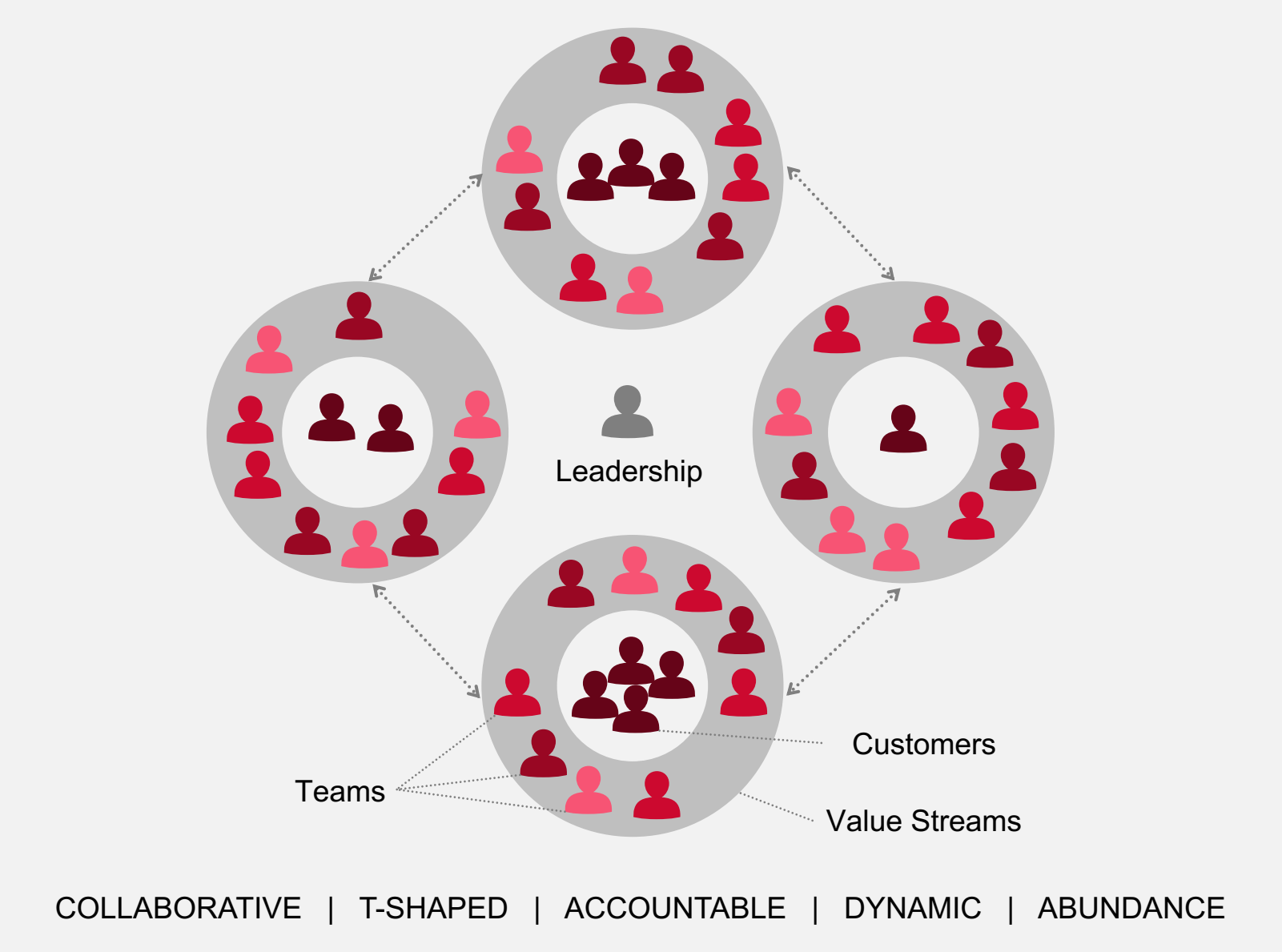Often there isn't just one way to look at this, but there is usually a best way

Value streams must span the entire business, from the initial investment idea through to customer value delivered, and they must be measurable

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Who Is Involved in Creating Value?

This step is often done by a team of executives or leaders

First determine the teams involved in creating the value

Then determine the supporting players

Leadership

Teams

Customers

Value Streams

COLLABORATIVE | T-SHAPED | ACCOUNTABLE | DYNAMIC | ABUNDANCE

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What Goes into Creating the Value?

This is where mapping comes in

But before you map, think about who needs to be involved in mapping

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Pitfall #3:
Metrics Traps

What gets measured get managed

Don't exclusively measure
the development teams

- Cycle Time

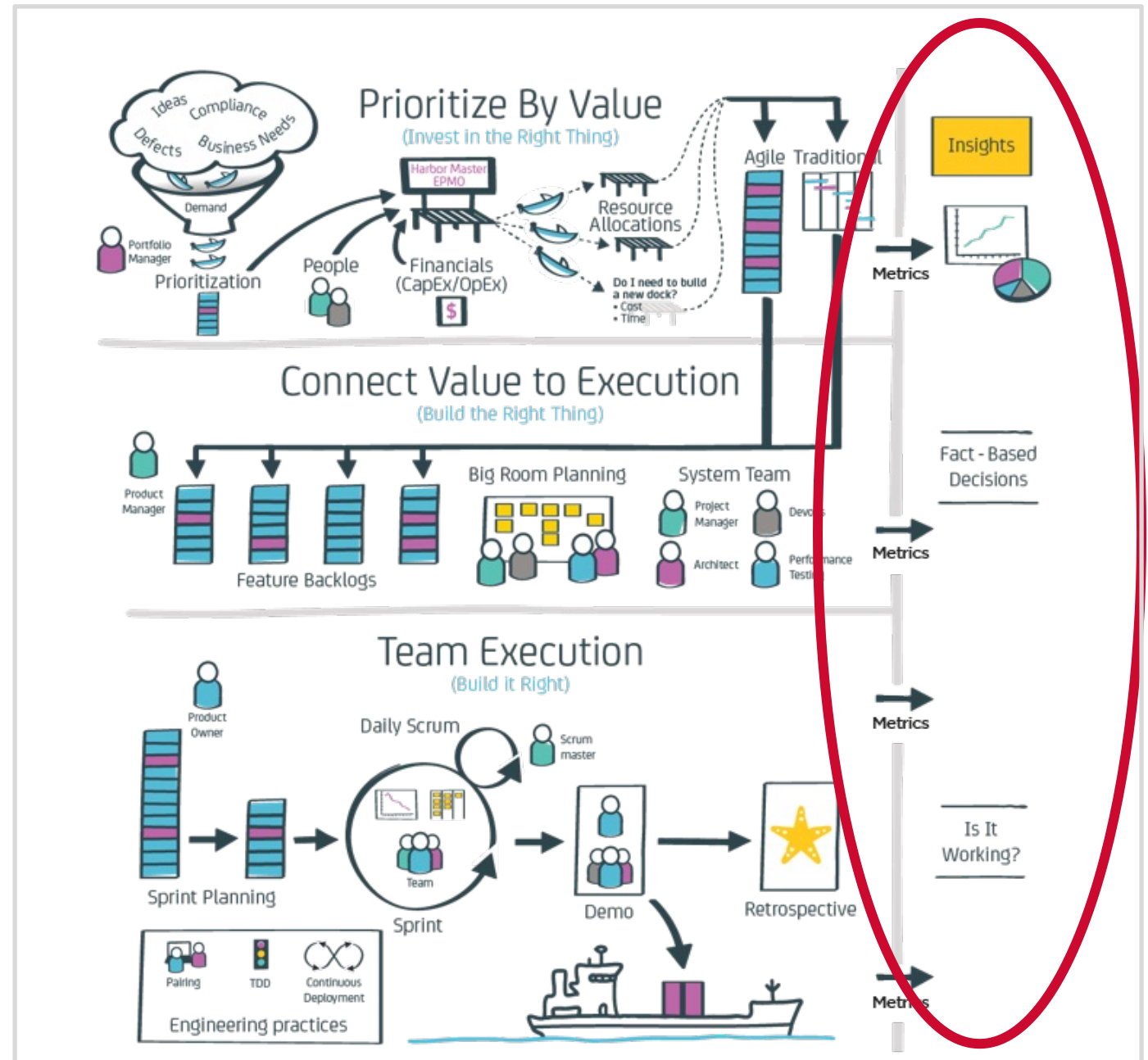- Lead time

- WIP

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Metrics at Every Level

We want to prioritize by customer value to invest in the right things

Connect the value to execution to build the right things

Align team execution to build it right

And have the data as a natural outcome to make data-driven decisions

Success Patterns

Additional Metrics that Matter:

- Deployment Frequency

- Throughput

- Distribution

- Flow load (WIP for entire VS)

- Bottlenecks

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Pitfall #4:
End to End (VSM) vs. Single Process (BPM)

	VALUE STREAM MAPPING	PROCESS MAPPING
VIEW	End to End - the whole value stream	Single process
PURPOSE	Strategic improvement plan	Tactical improvement plan
PERSPECTIVE	Macro – interconnected processes	Micro – steps within each process
PARTICIPATION	Heavy leadership involvement	Heavy frontline involvement
MAP	Streamlined. Few branches. Covers 80% of the cases	Conditional. Many branches and/or swim lanes. Covers 100% of the cases.

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Map Line of Sight from Idea to Value Realization

IDEAS

VALUE

Your maps should show the line of sight from ideas to customers

First create a simple view, then add in complexity

Use the familiar to define today's process

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Eliminate Anti-Patterns

This takes **collaboration and planning**

Enlist HR to help ensure **goals are aligned across the value stream,** regardless of department. Business, Technology, and Marketing should all have the same goals around delivering to the market.

Practice systems thinking to **ensure the entire Value Stream is included.**

Keep the **customer in view at all times.**

The goal is to do **as little as possible to succeed.** Work to change the mindset of everyone in your organization towards effectiveness and efficiency.

Change at the **right pace** for your organization and teams

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Foundational Things to Consider

Address inconsistencies in agile practices across teams.

Determine how teams governed by the iterations, and system teams work together.

Define outcomes at every level—have managers and directors help with this.

Managers are responsible for making sure their teams are continuously improving.

Remove the gaps in work breakdown and data rollup.

Regardless of tools used, all dashboards should show the same thing.

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Pulling It All Together

Make sure your process transformations don't get derailed by dogma

Adopt an evidence-based approach to your Value Stream Management practices

Align development tools and platforms to teams around service-based pipelines and flow

Increasing velocity is not just doing the same things faster—it's also maximizing the amount of work not done

Measure the rate of transformation, watch for anti-patterns, vanity metrics, and goals not being met

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Questions?