



## **Value Stream Management is no longer optional**

**Eveline Oehrlich, Research Director Research in Action**

The topic of value stream management (VSM) is not new as it has been implemented within manufacturing organizations for a while. As enterprises are transforming their services and applications for the next normal, VSM has emerged as a key strategic framework. In the [Upskilling 2021](#) research, the adoption of VSM as a methodology was at 14% globally. The findings in [this research](#) (where I was fortunate to collaborate with my friend Helen Beal, Chair of [Value Stream Consortium](#)) showed that organizations are identifying value streams, there is a shift from project to product-oriented teams and there are roles and titles associated with the value-stream way of working.

### **The Promises of VSM: Optimize Value from Objective to Delivery**

While VSM is a lean practice it promises the following improvements:

- **Alignment across the entire team.** As VSM provides contextual insights across the different steps across a value chain, teams can understand the end-to-end perspective and such visibility enforces trust and enhance decision making for improvements.
- **Customer experience starts at the beginning.** A customer request or customer idea is the beginning of a value stream. During the design stage, there are many key areas which should be visible to the entire team. Examples are epics, sprint, and user stories. In the delivery stage understanding what stage code is in (e.g., code commit, deployed or release) and e.g., tracking the different parameters within allows for improvements on the processes and more. Speed, quality, and capabilities across the entire value chain can only be improved if the team has visibility into the different parameters and stages. The purpose is to deliver value to the customer who requested something or delivering the idea with value.
- **Synchronization of teams and resources.** The synchronization of resources, which could be technology capacities, skilled individuals, or ecosystem components during the work across the value stream improves the efficiencies of the product team. Bottlenecks and toil are reduced or minimized.
- **Assurance of compliance and governance across numerous stages of the development process.** One additional benefit is that by laying out the value stream (via value stream mapping), the different compliance gates which are necessary within an organization can be inserted.

### **VSM Must be supported through automation**

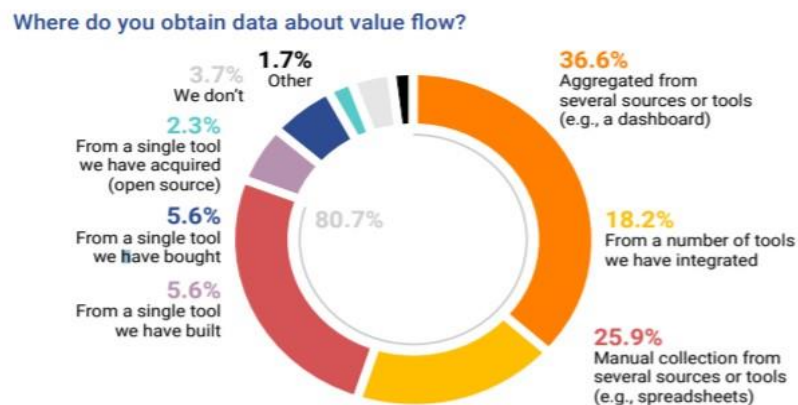
One of the main challenges of DevOps and other modern frameworks and methodologies is the complexity and knowledge gap created by the number of tools and services taking part in the entire software design, development, deployment, and delivery processes. There are hundreds of continuous integration and continuous deployment (CI/CD), collaboration, IT automation and hundreds of plugins and services connected to those tools. One must be wonder women to grasp the amount of information, knowledge, and essentials to get the big picture. Tool proliferation has always existed and in my career as an Industry Analyst has



gotten worse instead of better. I do however, think we are onto something today which is different. Here is what we know:

- To improve how ideas or changes are implemented, we know that the flow across the value stream must be improved (First Way Of DevOps).
- We also know that each team or role or function has their own tool to accelerate what they do (e.g., CI/CD tools, incident management, etc.).
- Each tool has a separate data source (e.g., CMDB, epic stories, testing details, release notes, backlogs, etc.).

On top of that, research by the VSM Consortium showed that 36.6% of survey respondents obtain data about value flow from several sources aggregating it into a dashboard (see Figure below).



Source: State of Value Stream Management, VSM Consortium, June 2021

## Don't waste your time: Leverage VSM platforms

Adopting VSM will ultimately optimize the flow of products and services horizontally, beyond IT and across the organization. But to achieve this, data and insights are needed to support this objective. This is where VSM platforms come in. These solutions are geared to support key roles across the business and technology teams with the ability to manage, track, and analyze value streams from end to end.

### The Definition of VSM Solutions

VSM software solutions capture, visualize, and analyze the flow of work across the entire Agile software delivery project. The capabilities include end-to-end visibility, traceability and governance over the entire process and help to plan, track, and steer work at the team, program, portfolio, and enterprise levels.

It includes the people working on a product, the systems which are operated and leveraged, and the flow of information and materials between teams. It enables the measurement of speed and quality for digital transformations.

The focus of the vendors offering VSM solutions is the value chain of software delivery including the macro steps of ideate, create, release, and operate.



The subprocesses within the macro steps are also essential and necessary to provide a complete picture of the value stream. The solution should cover the following key aspects:

- Normalization of data across related topics and other pipeline processes
- Analytics to measure pipeline efficiency, effectiveness of results and overall business value
- Integration with key other topic areas such as requirement management and portfolio management
- Ability to support compliance and governance requirements
- Visualization capability of e.g., resources, project status and quality details

I currently evaluating the different VSM platform vendors to help you decide which of these solutions should be on your short list.

**Top VSM Vendors included in our upcoming Vendor Selection Matrix™ report**

The research will be published in October of 2022 so you will have to wait a bit 😊.

Here is the list of vendors include (in alphabetical order): ATLISSIAN, BLUEPRINT, CLOUDBEES, CONNECTALL, DIGITAL.AI, GITLAB, IBM, KOVAI, MICROSOFT, OSHUB, PLUTORA, SERVICENOW, APPTIO, TASKTOP.

Stay tuned. Cheers.

Eveline Oehrlich