

Value Stream Management

**The quiet
revolution
you need to
hear about**

HYPR

A prediction...

Value Stream Management is going mainstream. It's going to be the next new normal management practice.

A revolution is underway

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Like a slow slip quake, there are some things that don't seem immediately obvious but end up having profound consequences for the landscape.

We saw how Agile changed the software delivery landscape.

It began as a movement (we were there)...

...that became a revolution (we were pushing it)

...that became the new normal (we all just *do it that way* now).

But it took two decades! The early adopters, of course, gained all the competitive advantage.

First mover advantage

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Value Stream Management (VSM) is the next revolution. It's already shaping the business landscape in North America where enterprises move first to adopt game-changing new ideas. The opportunity for New Zealand and Australian enterprises is right now.

So why VSM?

...From Project to Product and activity to flow

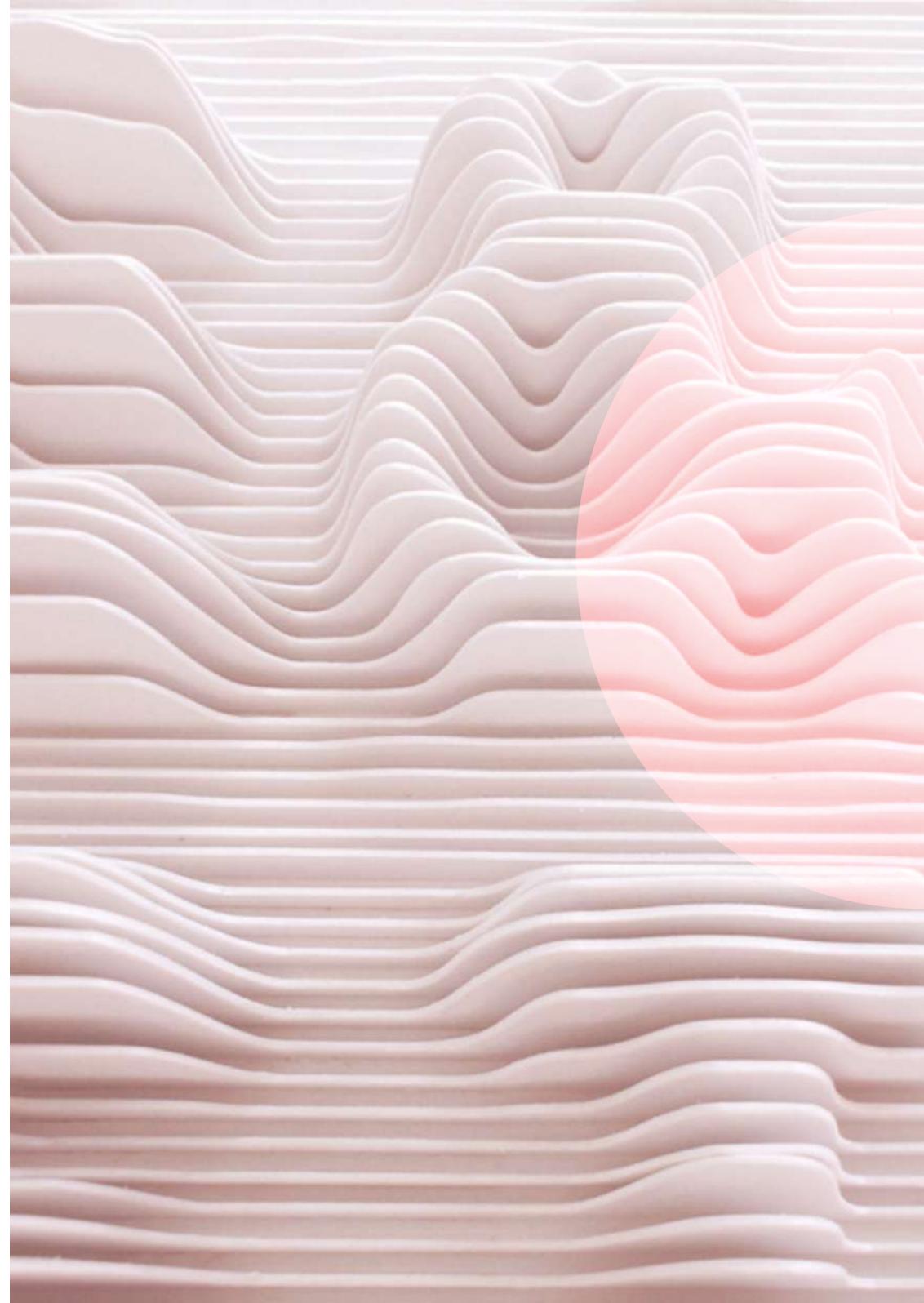
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VSM has its roots in the Project to Product movement. Together, they advocate shifting the organisation's focus away from 'project-oriented' IT (and the 'tyranny of the urgent') to 'product Value Streams' where the goal is to improve the FLOW of value to customers derived from technology.

Rather than measuring 'activity', VSM takes a data-driven approach to measure the flow of value in terms of business outcomes. This is far more meaningful to organisations where software is responsible for an ever-increasing share of the value they are providing for customers.

Improving the flow of value to customers helps organisations:

- Shorten time-to-market
- Increase throughput
- Improve product quality
- Optimise for customer-oriented business outcomes



Every movement needs a catalyst to become a revolution

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Three things have conspired to advance the Project to Product movement and bring VSM into the spotlight:

- IT's urgent need to shift to a customer value focus
- The business's urgent need to understand how technology delivery affects the flow of value to customers
- The development of a framework to help both happen

Flow is the future. And there's a framework for it

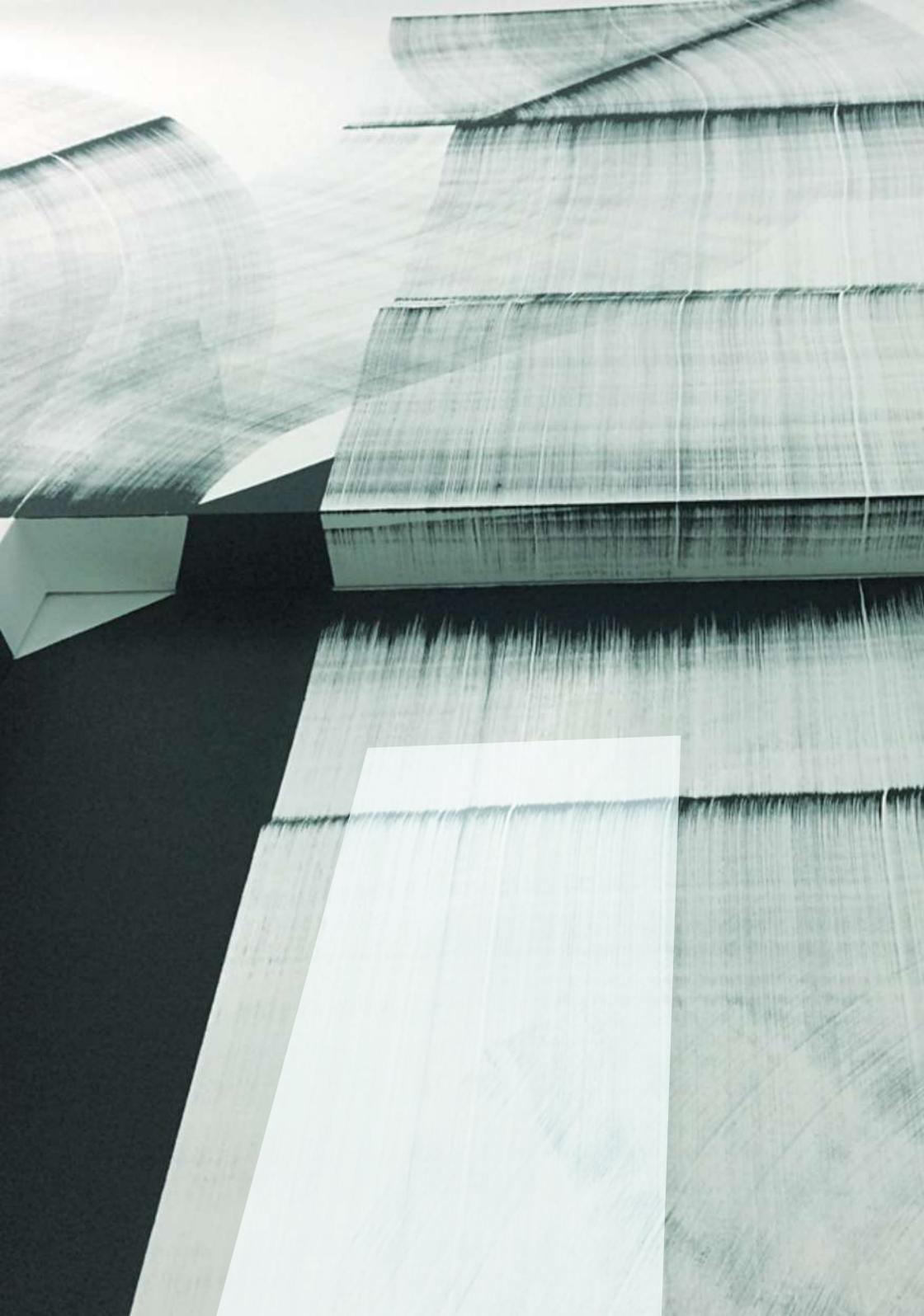
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In his acclaimed book *Project to Product*, Dr. Mik Kersten introduced a framework to understand and measure the flow of value – the Flow Framework® and Flow Metrics.

Together, they equip technologists and business leaders with a unified, non-technical 'language' that speaks to customer-oriented business outcomes – so *enabling the convergence of IT and business*.

The Flow Framework® and Flow Metrics have also enabled rapid development of Value Stream Management as a practice – ie. using the Framework and Metrics to improve flow in product Value Streams and to make better investment decisions...





Flow Metrics. Remove bottlenecks. Invest better

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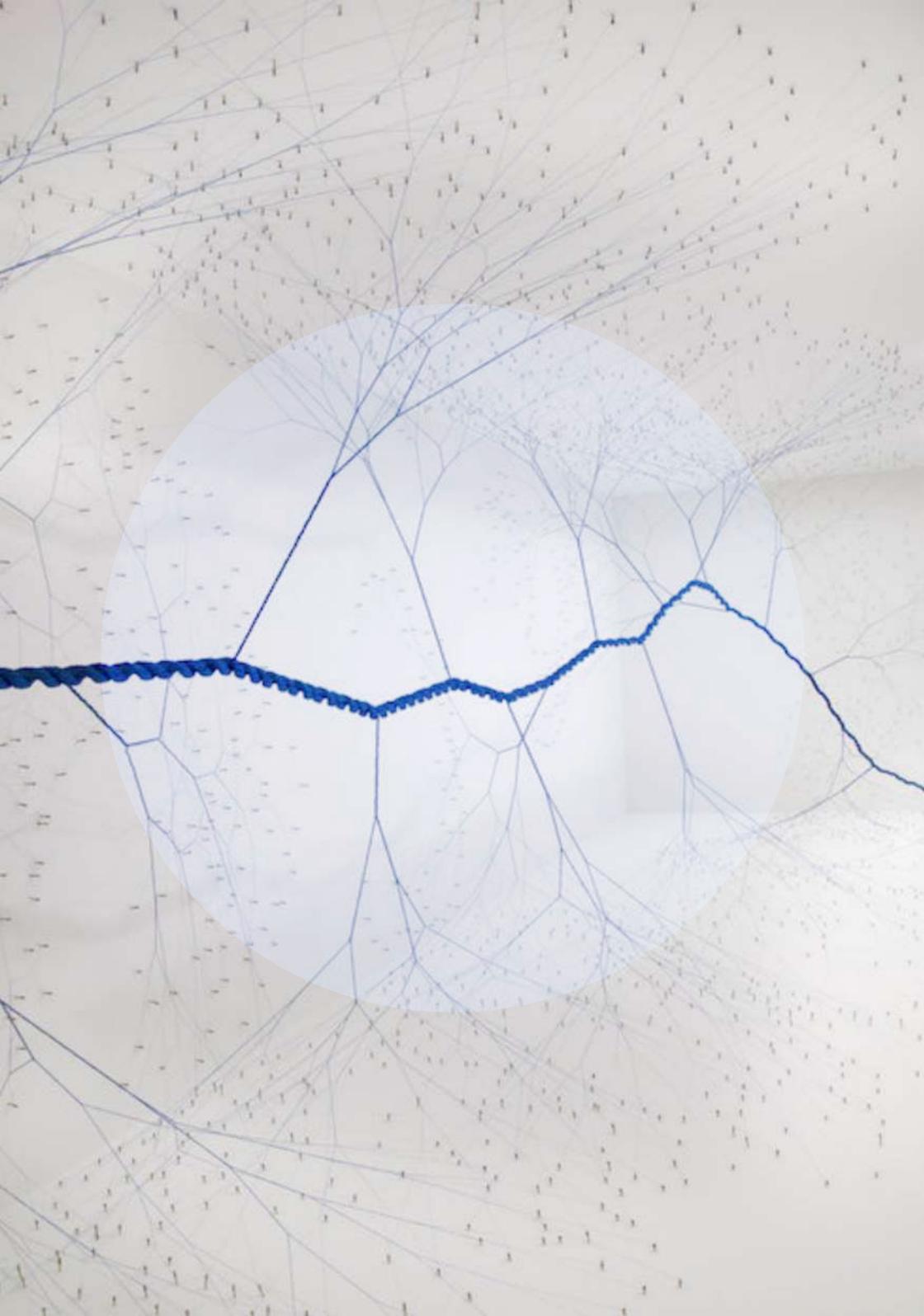
The Flow Framework® and five Flow Metrics show how work is flowing in a product Value Stream:

- ▶ Flow Velocity – ‘How much value did we deliver?’
- ▶ Flow Efficiency – ‘Where are the bottlenecks?’
- ▶ Flow Time – ‘How fast did we deliver value?’
- ▶ Flow Load – ‘Is demand overwhelming capacity?’
- ▶ Flow Distribution – ‘Are priorities in line with objectives?’

Flow Distribution measures and compares bottlenecks according to *four types of work / business processes*:

- Features / Feature to cash
- Defects / Defect to resolution
- Risks / Risk to mitigation
- Debts / Debt to pay-off

Stakeholders can easily see the areas where improvement actions are required to remove bottlenecks. They can also see where to target investment to achieve the most positive business outcomes.

A complex network diagram with a highlighted path. The diagram consists of a dense web of thin, light blue lines representing connections between numerous nodes. A thicker, dark blue line highlights a specific path that starts from the left edge, moves horizontally, then dips down, then rises up, and finally moves horizontally again towards the right. The background is a light, textured surface.

A Value Stream Management Platform from the creator of the Flow Framework®

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In addition to creating the Flow Framework®, Dr. Mik Kersten founded a business called Tasktop to develop the software platform that makes Flow Metrics visible and actionable, enabling organisations to practice Value Stream Management.

At the core of the Platform is Tasktop Viz. This extracts the relevant data from existing software delivery tools used by all stakeholders in a product Value Stream. It presents the data in clear, consistent dashboards:

- **Flow Metrics**
Measure flow of customer value from software delivery
- **Flow Insights**
Understand the problems hindering current performance
- **Bottleneck Analysis**
Identify what's really slowing down delivery
- **Business Results**
Measure business goals against IT investment
- **Portfolio Insights**
Visibility into vital signs of all product Value Streams

Tasktop VSM Platform sits on top of and across an organisation's existing toolchain (all major tools can be integrated through Tasktop Hub).

Already the world's leading VSM Platform

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The Tasktop VSM Platform is a category-defining leader. In North America, over half of the Fortune's top 100 businesses have implemented the Platform.

In March 2021, the Forrester Consulting Total Economic Impact™ Study, showed organisations using the Platform realised an average ROI of 640% over a three-year period. Forrester, along with other research companies (Gartner and GigaOm), have identified Tasktop as a VSM Platform leader.

Now here in New Zealand and Australia

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We believe the Flow Framework®, Flow Metrics, Tasktop VSM Platform and VSM practices will revolutionise the delivery of customer value. While HYPR is firstly a transformation consultancy rather than a tool vendor, there are some products which come along that promise to change the game. This is one of them.

We're now a fully-trained Tasktop Value Stream Partner for New Zealand and Australia. Through this strategic partnership, we've worked with Tasktop to offer the VSM Platform for up to 100 users (rather than 300+). It's perfectly sized for our markets and unique to the world.

We'd love to demonstrate how the VSM Platform and practices can transform your business. Explore further by following the links on the next page or contact us.

VSM practices offer transformational benefits

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- Shifts perceptions of IT being seen as a cost centre to a profit centre
- Executives focus on driving systemic improvements rather than local optimisations
- Executives can quickly identify the exemplary Value Streams that can be harnessed to mentor others
- Software teams become more highly engaged as they focus on releasing products that have the greatest impact on the business while executives are able to focus on driving better business strategies

Content links worth exploring

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HYPR web page _ From Project to Product

Case study _____ Financial services

Case study _____ Healthcare

White Paper _____ 'Data-driven Value Stream Management'

White Paper _____ 'The Age of Value Stream Management:
Beyond Agile and DevOps'

eBooks _____ *Flow Metrics: A Business Leader's Guide to
Measuring What Matters in Software
Delivery*

*Integration patterns: Architecting your
value stream for speed and quality*

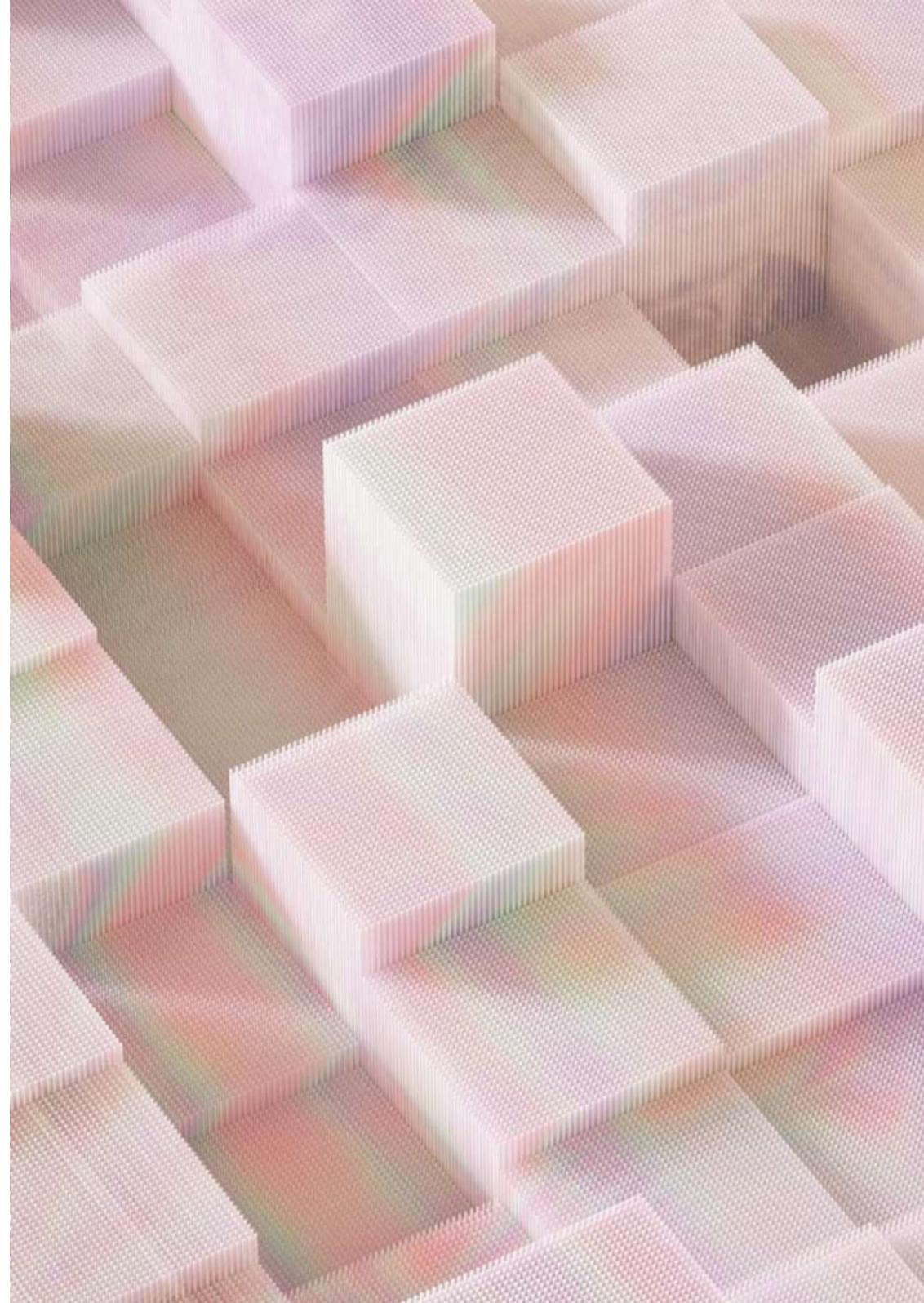
Call us

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We'd love to share more about VSM, the next new normal and how we're leading the shift from Project to Product. And we can also offer you a complimentary copy of Dr. Mik Kersten's book – *Project to Product – How to Survive and Thrive in the Age of Digital Disruption with the Flow Framework*.

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