



# THE BUSINESS VALUE OF AGILITY

— *Discover the real value of Agility as we discuss the financial impacts of achieving better business outcomes.*


**MARTY BRADLEY**



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# IT'S BEYOND AGILE

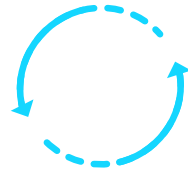
Transformation is never just about adopting Agile for the sake of adopting Agile. It's always about achieving better business outcomes.



IT'S BEYOND AGILE

# AGILITY AND WHAT IT REQUIRES

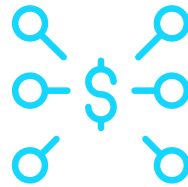
## THE ABILITY OF THE ORGANIZATION TO:



Renew Itself

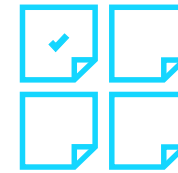


Adapt to Change



Succeed in a Turbulent Marketplace

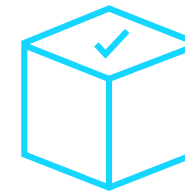
## AGILITY REQUIRES STABILITY THROUGH



Governance



Structure



Metrics

# DEFINING BUSINESS VALUE?

All forms of value that determine the health and well-being of the company in both the short-term and the long-term.

Some of which, are forms of value that aren't directly measured in monetary terms.



*Agility + Business Value  
= Business Agility*




— **#ELEVATEAGILE2019**



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# MOVING BEYOND I.T.

Agile isn't just for software development anymore. In fact, Agile is thriving in industries such as banking, manufacturing, healthcare, and more...



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MOVING BEYOND I.T.

# BUSINESS AGILITY IS ENTERPRISE-WIDE

What began as a movement within the software engineering community is now an enterprise-scale business approach.

More than just a team-level strategy. These are now competitive advantages:


- ▶ *Business Agility*
- ▶ *Agile Strategy to Execution*
- ▶ *Adaptive Portfolio Management*
- ▶ *Innovation*



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# IDENTIFYING END-TO-END BUSINESS VALUE

When you're able to identify the activities and decisions that will add the most value—end-to-end, all the way to the customer—Agility gets a whole lot easier.







# BUSINESS OUTCOME METRICS

An outcome metric is a quantifiable measure that a business can use to point toward the behaviors that led to either the success or failure of a particular activity.

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IDENTIFYING END-TO-END BUSINESS VALUE

# MAKING A CASE FOR AGILE

Your Transformation will look a little different depending on what it is that your organization values.


- ▶ *Predictability*
- ▶ *Quality*
- ▶ *Cost Savings*
- ▶ *Early ROI*
- ▶ *Product Fit*
- ▶ *Innovation*



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# **BUSINESS OUTCOMES**

Companies that link non-financial measures and value creation  
stand a better chance of improving results.



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## BUSINESS OUTCOMES

### **SPEED OF IDEA TO MARKET**

- ▶ *Develop your products with a sense of urgency, while still maintaining high-quality standards in design practices.*

### **COST REDUCTION**

- ▶ *Reduce costs to increase profits: looking for, finding, and removing unwarranted expenses from a business without having a negative impact on product quality.*

### **REVENUE GENERATION**

- ▶ *Revenue Generation is often times more important to the C-suite than Cost Reduction.*

### **PROFIT vs PROFITABILITY**

- ▶ *While profit is an absolute amount, profitability is a relative one. Profitability is a measurement of efficiency—and ultimately the organization's success or failure.*



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## BUSINESS OUTCOMES

### EMPLOYEE SATISFACTION

- ▶ *Consider that your team structures, environments, decision-making frameworks, and governance models must all exhibit the true meaning of the word Agility.*

### PREDICTABILITY

- ▶ *Without stable predictable teams, we can't have stable predictable programs, particularly when there are multiple dependencies between teams.*

### QUALITY

- ▶ *We can't meaningfully measure quality until we unpack its attributes and make each attribute observable so we can clearly identify what we want to measure and why.*

### ROI & PAYBACK PERIOD

- ▶ *If you want your CFO to get on board with your next Agile initiative, you might want to think about these two metrics.*



# PARTING THOUGHTS

- We Must Evolve the Way We Measure Success
- Place Higher Value to Measuring Business Outcomes
- Regularly Reevaluate the Measures You are Using to Link Activities to the Governing Objective

**THE DRIVERS OF VALUE CHANGE OVER TIME, AND SO MUST HOW YOU MEASURE SUCCESS**