Strategy Deployment, Portfolio Planning, & Organization Design...Oh My

@mattbarcomb / #dsmagile

IntentionallyAdaptive.com
Something I’d like to try:

Result that is hoped for:

Unblocked next step:

Who else could be involved:
Why does this topic matter to you?

Want these slides?

Email: info@IntentionallyAdaptive.com
Empowered?

Goal: Sense & respond from any position.
Strategy
Deployment
Portfolio
Plan
Organization
Design
Definition: Strategy Deployment

A communications & alignment technique.

Not strategy *design*.

“A well deployed strategy becomes a decision making framework that provides internal focus for external value creation.”
What (Strategy Design)

How (Strategy Deployment)
Strategic Intents
1-3 initiatives
3-5 years to achieve

Operational Objectives
1-3 objectives per organizational unit
12-18 months to achieve

Tactical Activities
1-3 prioritized items per front-line team
4-12 weeks to achieve
High Order Planning

1. Balance

2. Align

3. Balancing

Low Order Planning

4. Align

Disseminate

Clarifying Feedback

Back Brief

Clarifying Feedback

Align
Definition: Portfolio Plan

A constrained capacity investment plan.

Not a list of hierarchial projects.

“Budgets for an organization’s products, services, and sustaining operations then allocates scarce resources to achieve measurable outcomes.”
Segments, Allocations, Options & Returns

- Product A: 35.0%
- LOB 1: 30.0%
- Value Stream: 20.0%
- Shared Service: 10.0%
- Exploration: 5.0%
Definition: Organization Design

A subset of social systems design.

“Intentionally influencing a social system so that its processes and structures, both explicit and implicit, are better configured to achieve its desired outcomes.”
How they interconnect

Strategy
Deployment

Defines the long-term portfolio of business

Balances & prioritizes goals between departments

Portfolio Planning

Adds focus by allocating capacity
How they interconnect

Optimizes flow within departments

Clarifies functions of groups and roles

Portfolio Planning

Organization Structure
Strategy Deployment

Portfolio Planning

Organization Structure

Aligns, Balances & Focuses
Optimizes & Clarifies
Amplifies or Dampens Desired Outcomes

How they interconnect
But this system doesn’t always work well...

...or at all, so we need to be able to sense when there are gaps!
Sensing gaps in Strategy Deployment

Do you grok the “rally cry”?

Can you trace your work?

Cross-project multitasking?
Sensing gaps in Portfolio Planning

- Bottom-up estimated budgets?
- Project-oriented funding?
- Clear priorities for shared resources?
Sensing gaps in Organization Design

Too much higher-up approval?

Too many hand-offs?

Blame masked as accountability?
But what can you do?

Visualize work alignment

Visualize value of work

Visualize flow of value

Measure impacts on work & flow
Visualize work alignment

Strategic intents with measures

Strength of work alignment

Show you don’t know!
<table>
<thead>
<tr>
<th>Strategic Intents</th>
<th>Success Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intent 1</td>
<td>Measure A</td>
</tr>
<tr>
<td></td>
<td>Measure B</td>
</tr>
<tr>
<td>Intent 2</td>
<td>Measure A</td>
</tr>
<tr>
<td></td>
<td>Measure B</td>
</tr>
<tr>
<td></td>
<td>Measure C</td>
</tr>
<tr>
<td>Intent 3</td>
<td>Measure A</td>
</tr>
<tr>
<td>Your work</td>
<td>Intent 1</td>
</tr>
<tr>
<td>-----------</td>
<td>----------</td>
</tr>
<tr>
<td>MVP</td>
<td><img src="image" alt="Strength of Alignment" /></td>
</tr>
<tr>
<td>Project</td>
<td><img src="image" alt="Strength of Alignment" /></td>
</tr>
<tr>
<td>Feature</td>
<td><img src="image" alt="Strength of Alignment" /></td>
</tr>
<tr>
<td>Initiative</td>
<td><img src="image" alt="Strength of Alignment" /></td>
</tr>
</tbody>
</table>

- None
- Weak
- Partial
- Strong

**Strength of Alignment**

- Measure A
- Measure B
- Measure C

**Your work**

- MVP
- Project
- Feature
- Initiative

**Intent 1**

- Measure A
- Measure B

**Intent 2**

- Measure A
- Measure B
- Measure C

**Intent 3**

- Measure A

**Your work**

- None
- Weak
- Partial
- Strong
Visualize value of work

Create simple charters

Show Cost of Delay

Assign ranked priority
**A simple charter canvas**

<table>
<thead>
<tr>
<th>Working name:</th>
<th>Important Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3 people that care:</td>
<td>The main problems they have:</td>
</tr>
<tr>
<td>1)</td>
<td></td>
</tr>
<tr>
<td>2)</td>
<td></td>
</tr>
<tr>
<td>3)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risky assumptions:</th>
<th>Value prop for you:</th>
<th>Others involved:</th>
</tr>
</thead>
</table>

**A brief pitch:**
## Cost of Delay & Priority

<table>
<thead>
<tr>
<th>Your work</th>
<th>Cost of Delay</th>
<th>Yelp Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) MVP</td>
<td>X dollars / year</td>
<td>$$$$$ $$</td>
</tr>
<tr>
<td>2) Project</td>
<td>Y subscriptions / month</td>
<td>$$$$$ $$</td>
</tr>
<tr>
<td>3) Feature</td>
<td>Z referrals / quarter</td>
<td>$$$$$ $$</td>
</tr>
<tr>
<td>4) Initiative</td>
<td>???</td>
<td>$$$$$ $$</td>
</tr>
</tbody>
</table>
Visualize flow of value

Show wait/queues & times

Show non-value add activities

Find “swirlies of doom”
Show wait/queues & times
Show non-value add activities
Find “swirlies of doom”
Measure impacts on work & flow

Capacity Usage

Impediment Impact

Cycle Time Frequency

Probabilistic Forecasting

Process Cycle Efficiency
Probabilistic Forecasting

Forecast Completion

Results

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Duration in Sprint (3 week's)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>12</td>
<td>4/10/18</td>
</tr>
<tr>
<td>95%</td>
<td>10</td>
<td>2/27/18</td>
</tr>
<tr>
<td>90%</td>
<td>10</td>
<td>2/27/18</td>
</tr>
<tr>
<td>80%</td>
<td>9</td>
<td>2/6/18</td>
</tr>
<tr>
<td>75%</td>
<td>9</td>
<td>2/6/18</td>
</tr>
<tr>
<td>70%</td>
<td>9</td>
<td>2/6/18</td>
</tr>
<tr>
<td>65%</td>
<td>8</td>
<td>1/16/18</td>
</tr>
<tr>
<td>60%</td>
<td>8</td>
<td>1/16/18</td>
</tr>
<tr>
<td>55%</td>
<td>8</td>
<td>1/16/18</td>
</tr>
<tr>
<td>50%</td>
<td>8</td>
<td>1/16/18</td>
</tr>
<tr>
<td>45%</td>
<td>7</td>
<td>12/26/17</td>
</tr>
<tr>
<td>40%</td>
<td>7</td>
<td>12/26/17</td>
</tr>
<tr>
<td>35%</td>
<td>7</td>
<td>12/26/17</td>
</tr>
<tr>
<td>30%</td>
<td>7</td>
<td>12/26/17</td>
</tr>
<tr>
<td>25%</td>
<td>7</td>
<td>12/26/17</td>
</tr>
<tr>
<td>20%</td>
<td>7</td>
<td>12/26/17</td>
</tr>
<tr>
<td>15%</td>
<td>6</td>
<td>12/5/17</td>
</tr>
<tr>
<td>10%</td>
<td>6</td>
<td>12/5/17</td>
</tr>
<tr>
<td>5%</td>
<td>5</td>
<td>11/14/17</td>
</tr>
<tr>
<td>0%</td>
<td>5</td>
<td>11/14/17</td>
</tr>
</tbody>
</table>

Focused Objective

# of cards done each week

Almost certain

Somewhat certain

Less than coi-toss odds. But if you are game?
Process Cycle Efficiency

List of steps and queues

# of days spent in each step and queue

9 days (70 total) approx 13%

Waiting for Release Window 5 Days
System Regression Testing & Staging 5 Days

Courtesy Troy Magennis focusedobjective.com
Strategy deployment, portfolio planning & organization design create a system that can provide alignment, balance, focus, optimization & clarification to a business...but tends to not work well.

Gaps can be sensed through numerous downstream impacts such as multi-tasking, unclear priorities, too many hand-offs and a blame culture.

You can influence change by visualizing alignment, value, and flow of work as well as measuring impacts on work and flow.
Stay In Touch?

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