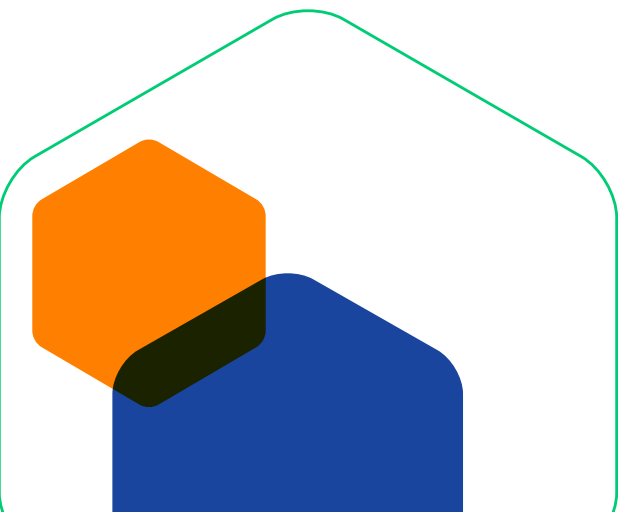




Why successful digital transformation depends on improving software delivery



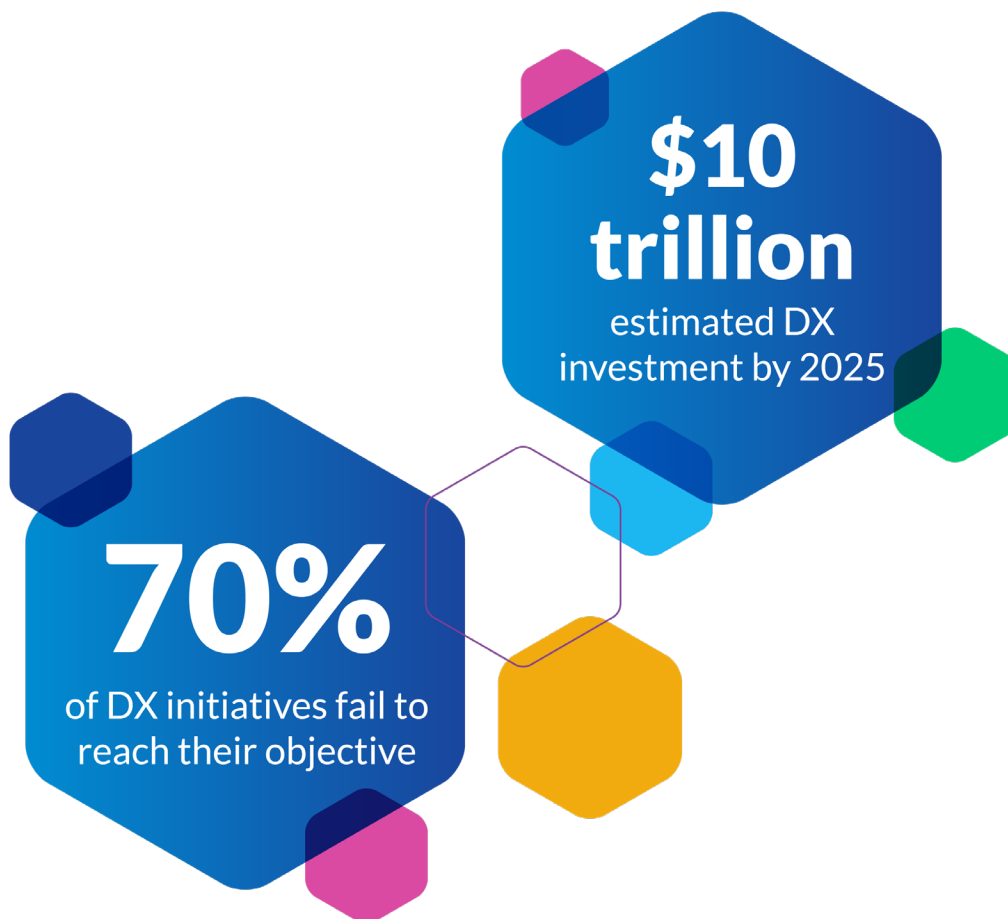


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Digital transformation (DX) is referenced so frequently it risks becoming an overhyped business term, yet for nearly every company – especially enterprises – DX is a necessity. The question companies face today is not if they need to digitally transform, but when and how. Unfortunately, the path to a successful digital transformation is anything but well worn.

To remain competitive, companies must digitally transform, do it quickly, and do it well in order to avoid becoming one of the 70% of transformations that fail to reach their objectives. Spending on digital transformation initiatives are accelerating year over year, estimated to represent 55% of all infrastructure and communications technology (ICT) spending by 2024, with global investments in DX estimated to reach \$10 trillion by 2025 according to the International Data Corporation. With this level of investment, companies – and frankly the market overall – have a vested interest in undertaking successful transformations.

So how can businesses kickstart all aspects of their digital transformation? It starts with improving software delivery. To do better business in today’s software-first environment, it’s essential to evaluate the company’s technology stance, and therefore its software delivery capabilities. This whitepaper will outline these concepts and address how getting software delivery right will help to accelerate DX and derive more business value.



Transformations drive business value

It's first important to define what digital transformation is – and is not. While digital transformations alone are important, the interplay between digital transformation, business transformation, and agile transformation is ultimately a key indicator of the value a business will derive from DX. Performed in concert, these efforts all work together to accelerate business value.

Digital transformation

Digital transformation is a holistic approach to the strategic adoption of digital technologies. It is typically focused on driving change and adoption of technology to deliver an improved customer or employee experience, streamline processes, enhance productivity, manage risk, and control costs.

Too often digital transformations are judged based on unrealistic expectations. Well-meaning leaders seek immediate ROI and completion by a set date on the calendar. This very tactical approach to DX can lead to budget limitations and rushed implementation and testing, and ultimately failure of the initiative. In organizations with a holistic approach to digital transformation and a realistic understanding of the time it takes to realize value, digital transformations – especially when paired with business and agile transformation – can drive significant, lasting business results

Business transformation

Often conflated with digital transformation, business transformation is focused on alignment: aligning people, processes, and technology to the strategic objectives and future of the company. Of note, technology is an important part of a business transformation, and one of the key ways that business transformation and digital transformation are interwoven.

Business transformations often address such challenges as improving time to market or defining new go-to-market strategies, as well as challenges related to scaling such as staffing, automation, and more.



Agile transformation

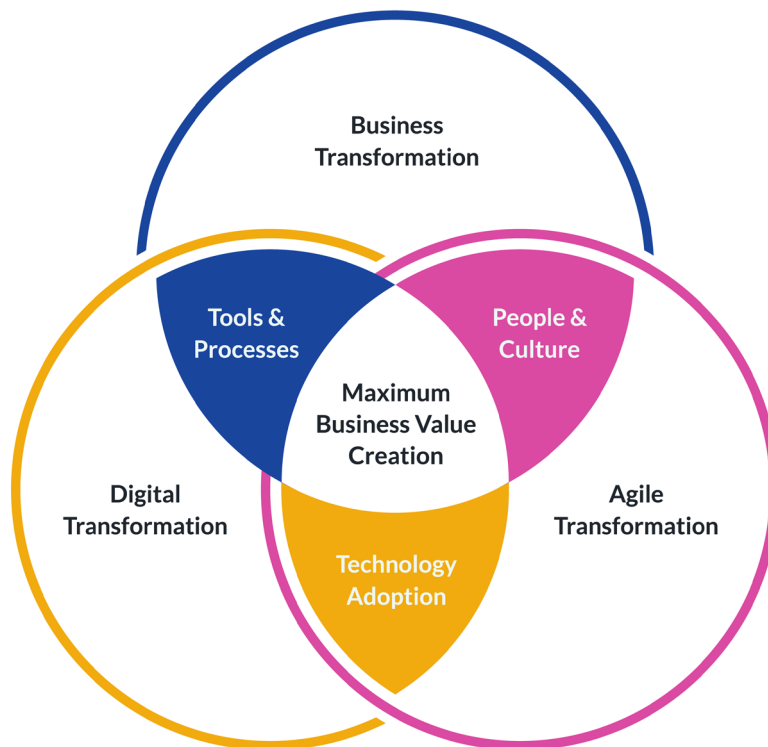
The third type of transformation, agile transformation, is about culture. In this type of transformation, a company undergoes a process across the entire organization to shift the culture – or mindset – to best leverage the agile framework. In the current fast-moving, change-heavy business environment, companies operating at scale are able to maintain a competitive edge over emerging competitors who are frequently more agile, by combining their economies of scale with agility.

Like any transformation, this type comes with challenges. Changing people’s way of thinking and working does not happen easily. Improving processes, creating cultural changes, and maintaining mindset shifts frequently create growing pains and require persistence.

Intersectional transformation

In reality, in order to be successful with any one of these transformation types, companies must undergo all three together. Digital transformation introduces new technology while agile creates the necessary mindset shift, and business transformation aligns all the components – people, processes, and technologies – to ensure business value and outcomes are realized.

While some companies do attempt to undergo a single type of transformation, it’s rarely valuable or yields the expected results. Businesses can roll out new processes or shift the company culture, but without the proper tools the business value isn’t realized. Similarly, if new tools are implemented without a culture shift and without appropriate alignment, those will quickly become sunk costs.



Software delivery drives business value

So, how can companies improve business outcomes and derive maximum value from their digital transformation? If done correctly, software delivery is a force multiplier for transformation efforts and can provide important drivers to create better business outcomes. It can help speed time to market, save time and money, mitigate risk, improve the security and compliance posture, and provide visibility into the velocity of the organization overall.

How improving software delivery aids in transformation:

- » **Get to market faster by improving release velocity and quality at scale.** The major roadblock to success for growing organizations is to achieve greater velocity and quality of their software delivery while simultaneously scaling the efforts of the organization. Using effective software delivery principles, companies can automate steps throughout the software delivery lifecycle and increase integration to improve both velocity and quality as an organization grows. This is possible because effective software delivery practices provide greater transparency into and control over releases across the entire landscape. This combination allows companies to speed up time to market while maintaining a high level of quality. Time to market improvements boast myriad advantages to a transforming organization, including a superior competitive stance, enabling greater agility to respond to market changes, and an ability to leverage first-mover advantages. Additionally, accelerated time to market improves flexibility to respond to customer feedback and an organization's overall customer experience.
- » **Save money and time, and mitigate risk using progressive delivery.** Combining common continuous integration and continuous delivery practices (CI/CD), source code management, and feature flag management, **progressive delivery** provides more granular control of releases at scale while also creating significant time and cost savings. Progressive delivery reduces risk and increases resiliency of the release process overall by creating a repeatable, automated method to test and learn in production based on real user behavior and feedback. By bringing all of these together, it empowers developers to ensure the highest quality code reaches users quickly while eliminating the risk of releasing features to all users at once.
- » **Understand and increase velocity of the entire organization with value stream management.** Value stream management (VSM) enables companies to track and manage the flow of value from ideation all the way to the delivery to the end customer. It creates the visibility to ensure each aspect of end-to-end software development and delivery is connected to the overall strategy and business outcomes, and is measured to efficiently move the flow of value from a product or service to the customer. Once unlocked, the flow of value can be optimized and directed toward innovation.

Further, done correctly VSM allows leadership teams to understand the velocity of the entire organization by providing contextual insights across the entire environment – including both business operations and software delivery. By providing a sense of ownership and context, VSM creates a cadence of predictability for understanding lead times and generates better, more accurate planning cycles for the entirety of the business. When done well, value stream management creates visibility into the entire process, making a clear connection between software delivery and better business outcomes.



» **Improve security and compliance posture with less waste.** By developing a company's software delivery process to include continuous compliance and security practices, the regulatory position of the company overall is improved while reducing the time spent on these efforts. Making this part of a company's digital transformation helps with staffing, prioritization of innovation, and business acumen while maintaining a focus on security and meeting shifting regulatory requirements. It changes the paradigm from a choice between security/compliance and business value, to a place where both can be achieved side by side.

For any company that is serious about digital transformation and creating business value, improving software delivery is a powerful driver on the journey. To learn more about how to implement this in your organization, [talk to an expert](#).

Learn More



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