

Maximizing Capability and Readiness for a Next-Gen Digital Operating Model

Using the Digital Enablement Framework as a model for success

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Introduction

Stronger and Driven on the Other Side of 2020

In 2020, every organization had to pivot to meet the needs of the business, its customers, employees, suppliers and shareholders. Today, those same organizations are rethinking their business models, digital products and operations, and experiences. The time is now to catalyze, reinvent, and push through to the next level.

Organizations across sectors are accelerating their digital transformation efforts to reap the rewards of nimbler operations, greater efficiency, and staying responsive to dramatic fluctuations in demand and customer expectations.



Desire is There, But are You Ready...Capable?

While organizations formulate new business plans and strategies, your operations and IT folks are wondering, “Can we achieve this? Are we ready and capable to execute on these plans?” It’s the right question to ask and exactly the reason that SDLC Partners created the Digital Enablement Framework (DEFine) — to assess your readiness, capabilities, and capacity with an eye on the fastest path to ramping up and achieving your goals.

This white paper shares the concerns CEOs have around their organization’s ability to execute on the digital strategy. It outlines the reasons why traditional approaches to technology readiness and planning cannot meet this moment. And, we walk you through the Digital Enablement Framework as a 15-point assessment and tool to quickly uncover areas of strength that will push you towards success, as well as critical areas that require tweaks or overhauls to prepare your technology teams for success.

As you move forward on new plans and visions, there are technology, operations, and processes that threaten your success. Past technology choices could be limiting your pace, agility, and capability to execute.

40%
OF CEOs SAID THEIR CIO OR TECHNOLOGY LEADER would be the key driver of business strategy — more than the CFO, COO, and CMO combined.

— Wall Street Journal



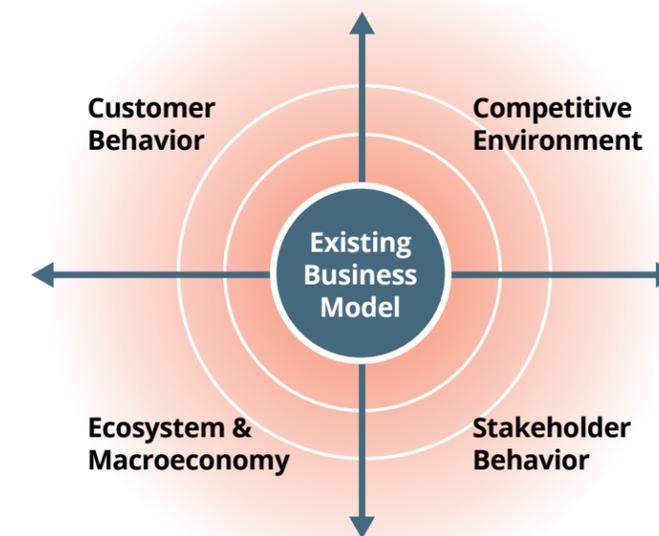
Three CEO Concerns: Executing on Digital Strategy

CEOs tend to have three main concerns about whether their organization can achieve the business objective via a desired digital strategy:

1. Does my organization have the required capabilities to effectively execute on our strategy?
2. Which capabilities need to be nurtured to ensure a good return on digital investments?
3. How do I close the gap while executing on the digital strategy?

CEOs and CIOs not only need alignment, but IT must demonstrate ongoing capabilities and a track record achieving priorities even as the organization becomes more complex. This ensures that the CEO has confidence in IT’s capabilities to deliver on business objectives.

In fact, 2020 survey results published in the Wall Street Journal found that 40% of CEOs said their CIO or technology leader would be the key driver of business strategy—more than the CFO, COO, and CMO combined. Additionally, they said that big technology bets require the active participation of the CEO and chief security officer to “ensure that the organization’s tolerance for risk is honored and well managed.”



What’s driving your Digital Operating Model?

Today’s digital, technology, and business leaders are going beyond “transformation” and looking to build their organizations around a digital operating model that supports enterprise-wide goals and delivers maximum value to customers.

Figure 1 - Business models are being influenced from a variety of sources, increasing the needs to pivot quickly.

Why Traditional Approaches to Technology Assessment & Planning Don't Meet this Moment

Traditional approaches to technology assessment and planning that focus on maturity models instead of capabilities are inadequate to meet the new expectations and pace of change. Relying on a level of technical maturity can't answer the question of whether the technology, people, process, and organization are capable of executing on this strategy at this time. It's about being built for change within the context of the organization's unique structure, industry, customer base, and market forces. By making technology a part of business strategy and goal planning — not a tech-first or business-first approach — the organization can achieve its goals and become the disruptor by leading with technology.

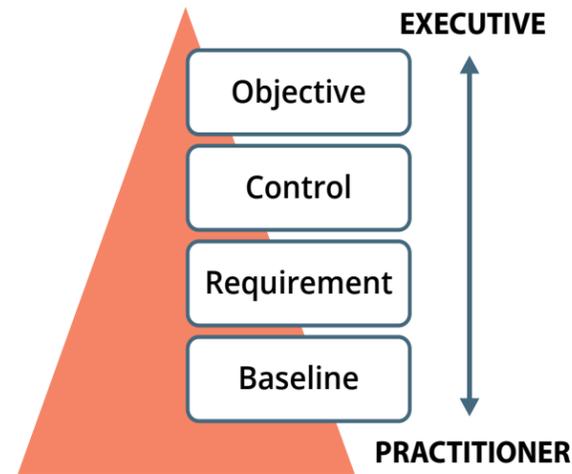


Figure 2 - Four layers make up each of the 15 principle areas, highlighting roles and interdependencies across each area and role.

DEFine uncovers capability areas that aren't being optimized, exposing risks to the organization's goals and strategies. The framework acts as a catalyst, accelerating your capabilities and bringing technology to the enterprise table faster. When these capabilities areas are not adequately assessed and optimized, it increases risks to the organization's strategies and goals.

Further, DEFine reveals potential bottlenecks to effective IT choices and deployment that trap organizations from future growth. Instead, the framework and approach creates a shared understanding around the importance of managing IT debt and how addressing this risk saves money from failed IT investments.

DEFine distills, tightens, and accelerates the organization's vision by validating that IT — and other critical company functions — can execute on the desired strategy.

Enterprises grow when IT and business leaders can translate strategy into context-aware execution and where organizational strategy and technology strategy synergize.

Introducing DEFine Framework

SDLC Partners created the Digital Enablement Framework as a holistic enterprise tool that measures technology capabilities across 15 areas and disciplines.

The framework accelerates change because it enables leadership to fully understand current capabilities, as well as the areas where they need further investment; DEFine assesses within the context of the current environment, business goals, and digital strategy.

The 15 principles of DEFine span people, process, technology, and organization, highlighting interdependencies that affect execution towards the business objective. Each principle is composed of four layers (Figure 2), starting at an executive perspective, becoming more practitioner-specific.



How is DEFine related to DevOps?

DEFine is a Digital Operating Model (DOM) assessment framework that is broader in scope and perspective than that of DevOps practices. While DevOps practices enable the flow of product development from ideation to production, and seeks to get quick feedback to pivot or persevere, DEFine assesses an organization's capability across different domains that enable digital operations. The ability to apply DevOps practices appropriately comprises just one part of what DEFine evaluates.



Exploring the Framework

SDLC Partners designed DEFine to provide a standardized model that brings context-aware clarity and transparency, highlighting prioritized improvements for an enterprise to align people, process, technology, and organization capabilities to business-driven goals.

SDLC Partners Digital Enablement Framework

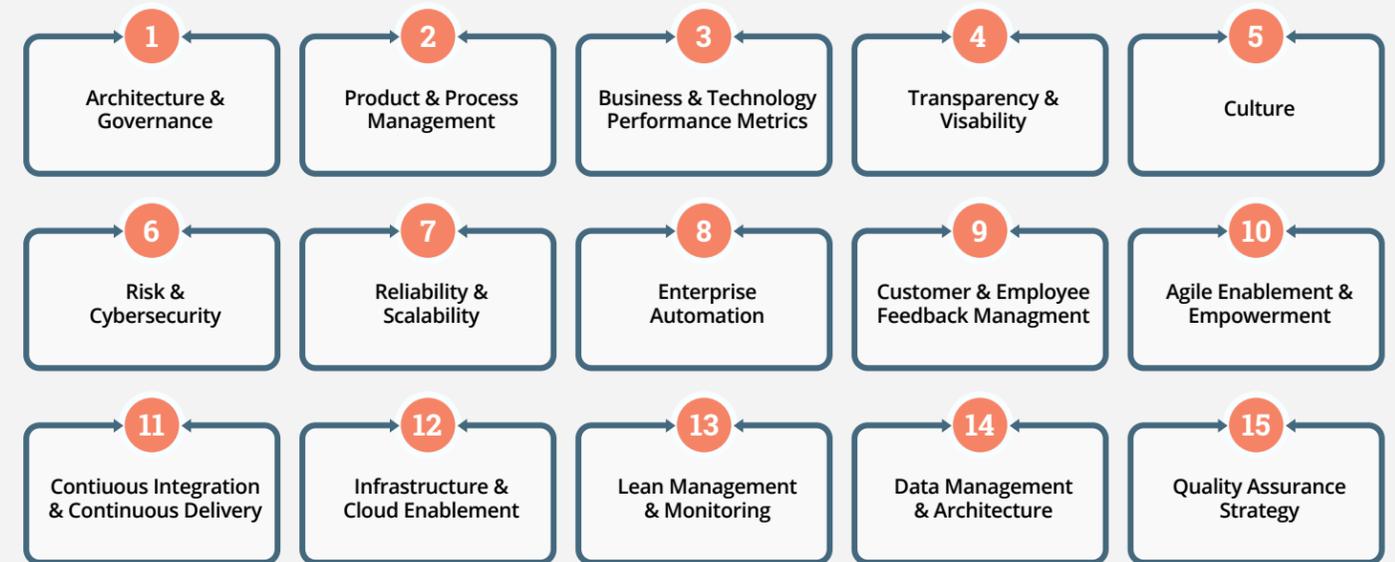


Figure 3 - DEFine's 15 Principle Areas are further explained on pages 8-15.



Complete our **DEFine Self-Assessment Worksheet** and submit to us for our feedback. See pages 17-19.

Exploring DEFine's 15 Principle Areas

1

Architecture & Governance

Definition:

Architecture and Governance includes the policies, standards, regulations, and procedures that an organization follows to function as a business and achieve their business strategies and goals.

Focus:

While traditional models focus on command-based mandates where people spend more time ensuring that rules are followed, the DEFine approach focuses on the middle layer between goal strategy and execution that many organizations ignore.

Value:

Architecture & Governance supports business quality, growth, and continuity. Adherence to appropriate guidelines helps an organization in several ways:

- Avoids overly complex engineering
- Ensures flexible coupling of systems and code
- Leverages microservices and macroservices for greater reliability and scalability
- Platform-agnostic and oriented for Cloud adoption

Automation supports modern Architecture and Governance by infusing testing and quality earlier; addressing security, risk, and compliance, leveraging automated compliance testing wherever possible.

Questions:

Q1: Does your enterprise architecture provide direction and governance for the development of business solutions?

Q2: How well is your enterprise architecture positively impacting products and business strategy?

2

Product & Process Management

Definition:

Product Management covers the strategies and techniques used to select and bring new products to market, as well as develop and enhance existing products or offerings. Process Management is the approach or strategy to make an organization's workflows more effective, efficient, and capable of adapting to an ever-changing business or market environment.

Focus:

Product Management stages include development, business justification, planning, verification, forecasting, pricing, product launch, and marketing. Process Management focuses on appropriately managing and controlling internal processes, the interactions among those processes, as well as the inputs and outputs that tie all processes together.

Value:

Product Management brings together business, product development, marketing, and sales to deliver value to the organization. Successful Process Management simplifies organizational workflow into one integrated and coherent system.

Questions:

Q3: Do your products generate return on investment?

Q4: How much influence do your products have on customer value?

Q5: How viable are your products to the business?

3

Business & Technology Performance Metrics

Definition:

Performance metrics are quantifiable measurements that indicate how well an organization performs. Metrics establish a fact-based approach for measuring progress toward business goals and leveraging data to tell a story.

Focus:

Traditionally, metrics have focused mainly on operations. However, IT metrics are equally important in helping align IT initiatives to business strategy.

Value:

When metrics are relevant and easy to access, they help leaders manage the business efficiently, guide decision making that achieve strategic goals, and focus effort on the most important performance drivers. IT metrics help CIOs and CTOs access and communicate the value that technology delivers to the organization by providing defined and measurable insight into business performance.

Questions:

Q6: Do you measure your business and technology performance?

Q7: How well do your measurements contribute to data-driven decision making and business management?

4

Transparency & Visibility

Definition:

Transparency and Visibility reflect the organization's ability to gain insight into what activities are priorities and what effort is being invested. Organizational leaders need, both, high-level views of progress towards strategies and be able to find details on individual projects or tasks.

Focus:

Middle managers and individual contributors want visibility so that they can align their activities with strategic goals, and senior management wants a clear view into the status of key initiatives as they relate to higher-level business objectives and budgets.

Value:

Appropriate transparency and levels of visibility drive competitive differentiators. Strong data and information-sharing reinforces connections among C-level leaders, managers, individual contributors, and their stakeholders. Company-wide visibility into key performance indicators (KPIs) and business critical information, connects employees to the company's strategic vision.

Questions:

Q8: Do your employees consider themselves to be accountable to business goals when developing your products?

Q9: How well do your employees participate in the achievement of organization goals?

Q10: How informed are your employees about the impact of their activities on organization goals?

Exploring DEFine's 15 Principle Areas

5

Culture

Definition:

Culture defines the way the organization, via individuals within the organization, acts and behaves. It consists of shared beliefs and values established by leaders, which are communicated and reinforced through various methods, ultimately shaping employee perceptions, behaviors, and understanding.

Focus:

The culture should be clear and concrete, reflecting the company's values and how those values define the organization and how it runs. This clarity should be communicated regularly to establish an organizational identity for employees, and to prospective new hires to espouse and champion.

Value:

Because organizational culture sets the context for everything an enterprise does, it's a critical component to the daily life of every team and leader throughout the organization.

Questions:

- Q11: Does your culture support your business strategy?
- Q12: How well does your culture support the execution of business strategy?
- Q13: How siloed are your business, technical, and operational teams?
- Q14: Are your employees encouraged and supported when taking risks and stepping outside of their expectations?

6

Risk & Cybersecurity

Definition:

Attack vectors and cyber risk are growing exponentially. Any internal or external risk of breach, ransomware, or data and IP theft fall under risk and cybersecurity concerns.

Focus:

The goal is to lessen the burden downstream by identifying and addressing risk questions earlier in the development lifecycle, as well as create products in a safe environment. Quality and security are concentrated on continuously alongside standard development and testing tracks.

Value:

De-risking later in the process, or closer to market launch, makes it harder and more expensive to identify and resolve potential cyber threats. Cybersecurity shouldn't be an afterthought. When it is built-in, teams release faster and have less rework and surprises.

Questions:

- Q15: How well are cybersecurity frameworks used alongside product/service/technology development models?
- Q16: Is cyber risk discussed early in the development lifecycle and addressed throughout as features, data connections, or third-parties are considered or added?
- Q17: Do you have a CISO or data security representative who participates in your product governance or advisory team?

7

Reliability & Scalability

Definition:

This area goes beyond quality to specifically look at how standards are built into the development process.

Focus:

The business context in which the solution sits is addressed here, ensuring that what's created meets the level of quality required while not building beyond value economies of scale. If the business is moving into new markets, the organization may require new capabilities and technologies. Each solution needs to meet tailored metrics, milestones, and checkpoints for functional and non-functional aspects of the build.

Value:

Reliability and Scalability ensures that experiences and structures maintain quality as they grow and expand with adoption. Once these are addressed, teams produce more consistent and bankable products, services, experiences, and technologies.

Questions:

- Q18: Do you have a tolerance level defined for business efficiency?
- Q19: How well do you consider the scalability requirements in the design of your enterprise platforms?
- Q20: How reliable are your enterprise platforms?

8

Enterprise Automation

Definition:

Representing a mindset as well as a set of technologies, Enterprise Automation streamlines processes using Intelligent Automation, Robotic Process Automation, Intelligent Document Processing, Artificial Intelligence, and other machine language and data processing tools.

Focus:

Automation technologies and tools offer high levels of efficiency and accuracy; however, they should be considered in relationship to the larger business objectives and market goals.

Value:

Enterprise Automation drives its greatest value when every aspect of work is considered in light of how technology can reduce manual burdens and error-prone tasks while streamlining processes and freeing people for higher-level creative, strategic, and problem-solving responsibilities.

Questions:

- Q21: Does your organization apply automation to improve efficiencies?
- Q22: How well are your processes enabled to consume automation?

Exploring DEFine's 15 Principle Areas

9

Customer & Employee Feedback Management

Definition:

A genuine understanding of the opinions and needs of customers, potential customers, and employees is vital to making informed business decisions and achieving strategic objectives.

Focus:

Discover and integrate customer feedback on and input into company products, policies, and experiences. Additionally, do the same with invaluable employee insights on common customer issues and procedures or processes that are or aren't working.

Value:

Customer and Employee Feedback provides clues to new products, services, and desired experiences, as well as helps teams prioritize investments and features. These data points support informed decisions around product, services, and employee engagement.

Questions:

Q23: Does customer and employee feedback contribute to the continuous evolution of your organization?

Q24: How well do you uncover and integrate insights from employees and customers?

10

Agile Enablement & Empowerment

Definition:

Agile Enablement and Empowerment ensures that employees and teams have the tools, authority, and opportunity to think and act on their ideas and judgements.

Focus:

This focus area targets the organization's energy on adaptability, willingness to learn, and self-organization, encouraging individuals and teams to do the same.

Value:

Empowered and enabled individuals become independent and reliable thinkers and doers, creating the opportunity to develop and build products, services, and experiences that meet customer desires with nimbleness, creativity, and true innovation.

Questions:

Q25: Has your organization implemented Agile practices and techniques?

Q26: How well does your organization apply Agile?

11

Continuous Integration & Continuous Delivery

Definition:

Documenting value streams ensures that the business is able to adapt and evolve how it serves the customer, seamlessly moving from new idea to Agile development to testing, moving through the pipeline to launch.

Focus:

The team incorporates quality best practices and customer feedback into the flow of delivery rather than waiting until the end to address concerns, risks, and customer input.

Value:

Teams develop and release more frequently, faster, and build more desirable products, solutions, and experiences that engage customers from kick-off rather than during a future iteration.

Questions:

Q27: Is your development team using Continuous Integration to drive a value stream-based pipeline?

Q28: How proactive is the software development team in preparing for and responding to change?

12

Infrastructure & Cloud Enablement

Definition:

Cloud strategy addresses the business' legacy, current, and future needs within the context of growth objectives. It incorporates how the organization can best scale, stay flexible, and evolve as the business model, or technology to support that model, must change over time.

Focus:

The balance among legacy systems, data centers, and Cloud should fit the future vision for the organization, as well as drive efficiencies, cost savings, and environmental goals around renewable energy.

Value:

This is a keystone area that affects all other areas. A future-state vision should be built upon a foundation of technology and setting a clear, forward-thinking strategy that ensures systems are ready for what comes next.

Questions:

Q29: Have you evaluated the risk of not creating and adopting a Cloud strategy and infrastructure plan?

Q30: To what degree is your internal and partner ecosystem being affected by Cloud adoption?

Exploring DEFine's 15 Principle Areas

13

Lean Management & Monitoring

Definition:

Lean Management and Monitoring covers the organization's ability to deliver exceptional value to its customers through continuous improvement. The aim is to deliver small, yet incremental changes in business processes, on a regular basis, in order to achieve higher efficiency, quality, and customer satisfaction. Monitoring i collects data for checking the ongoing change of improved processes.

Focus:

The aim is to deliver small, yet incremental changes in business processes, on a regular basis, to achieve higher levels of efficiency, quality, and customer satisfaction.

Value:

Lean Management aims to eliminate "waste" in processes, discontinuing processes that are not working or causing value destruction. Ultimately, the value is demonstrated in faster value delivery that customers desire.

Questions:

Q31: Do you support a continuous improvement culture?

Q32: How well are your teams incorporating continuous improvement ideas and initiatives into their procedures?

14

Data Management & Architecture

Definition:

Data is incredibly valuable and its management should be viewed as an asset. This includes information storage, retrieval, and exchange.

Focus:

The goal is to understand the types of data collected, used, and needed as part of value delivery, enterprise management, and decision-making. Data architecture should be driven by business objectives and strategies.

Value:

Appropriately and strategically managing data and its architecture ensures that the right information is accessible and usable for the right people at the right time. Data Management value is a market differentiator, providing additional business model opportunities and driving stakeholder benefits.

Questions:

Q33: How well do you know the value of your company's data?

Q34: Do you have a thorough data inventory and consumability strategy?

Q35: Have you identified data within strategic plans to ensure you leverage this asset?

Q36: How well are you managing data retention policies and the value of historic data?

15

Quality Assurance Strategy

Definition:

While security looks at risks from outside forces, quality looks at risk from internal forces. Quality Assurance is different from Quality Control in that QA relates to the actions that are taken to design and build a safe and effective product by integrating QC into your product life cycle. QC includes the testing procedures that teams use to verify that what is built meets performance and user requirements.

Focus:

Quality is planned as an integrated and iterative part of the whole software development life cycle. The focus is on tying every idea, feature, and function to user value and capturing desired quantitative and qualitative performance metrics.

Value:

Driving quality throughout, and testing earlier, provides more opportunities to address customer, user, and stakeholder value and requirements. Having less starts and stops in the life cycle creates a smoother, more efficient process that engages the entire team. Error-free releases are accelerated and all stakeholders have a better experience, strengthening the company's market position over time.

Questions:

Q37: Is your Quality Assurance strategy pushing Quality Control to the end of the life cycle?

Q38: Is product quality negatively affecting customer satisfaction?

Q39: Is quality maintained as a requirement for products prior to release for all products and all releases?

Q40: Have you planned for, or are you executing, automated Quality Assurance testing?

Conclusion

No matter your goals, it's imperative that you have confidence in your organization's capabilities to successfully execute on your strategic plans. The Digital Enablement Framework gives leadership at all levels a clear view of readiness, proficiencies, and capacity to ramp up and achieve the vision.

As you move forward, use this tool as part of your efforts to socialize your initiative and achieve buy-in. Our seasoned consultants use the *DEFine* approach and assessment as part of building operational excellence and business agility with customers. It can change your trajectory towards a more bankable path.

About SDLC Partners

SDLC Partners, L.P. is an essential leader of the Pittsburgh technology and business ecosystem. As a consultancy focused on delivering high-performance solutions for connecting business and technology, we have grown into a 400+-person firm, garnering awards and attention from the Pittsburgh Technology Council, the Inc. 5000, the Pittsburgh 100, and E&Y's Entrepreneur of the Year.

Organizations striving to achieve greater customer value and improve results from business and technology investments should look to creating a Digital Operating Model that is tailored to their industry, competitive strengths, and market opportunities. Our team of technology transformation, Lean-Agile practitioners, and process improvement experts have the experience and capacity to use the *DEFine* framework to uncover exactly where to focus your efforts for digital success.

DEFine Self-Assessment Worksheet

Are you capable and prepared to execute on your strategy?

Answer the following questions to reveal points of strength or improvement across the 15 *DEFine* areas. When you speak to a *DEFine* advisor at SDLC Partners, share the results of this tool to facilitate priorities and next steps. Feel free to email your pdf answer sheet to solutiondesk@sdhcpartners.com. **1 is least and 7 is most.**

1 | Architecture & Governance

STRENGTH **WEAKNESS**

Q1: Does your enterprise architecture provide direction and governance for the development of business solutions? Yes No

Q2: How well is your enterprise architecture positively impacting products and business strategy? 1 | 2 | 3 | 4 | 5 | 6 | 7

2 | Product & Process Management

STRENGTH **WEAKNESS**

Q3: Do your products generate return on investment? Yes No

Q4: How much influence do your products have on customer value? 1 | 2 | 3 | 4 | 5 | 6 | 7

Q5: How viable are your products to the business? 1 | 2 | 3 | 4 | 5 | 6 | 7

3 | Business & Technology Performance Metrics

STRENGTH **WEAKNESS**

Q6: Do you measure your business and technology performance? Yes No

Q7: How well do your measurements contribute to data-driven decision making and business management? 1 | 2 | 3 | 4 | 5 | 6 | 7

4 | Transparency & Visibility

STRENGTH **WEAKNESS**

Q8: Do your employees consider themselves to be accountable to business goals when developing your products? Yes No

Q9: How well do your employees participate in the achievement of organization goals? 1 | 2 | 3 | 4 | 5 | 6 | 7

Q10: How informed are your employees about impact of their activities on organization goals? 1 | 2 | 3 | 4 | 5 | 6 | 7

5 | Culture

STRENGTH **WEAKNESS**

Q11: Does your culture support your business strategy? Yes No

Q12: How well does your culture support the execution of business strategy? 1 | 2 | 3 | 4 | 5 | 6 | 7

Q13: How siloed are your business, technical, and operational teams? Yes No

Q14: Are your employees encouraged and supported when taking risks and stepping outside of their expectations? Yes No



BTEF Self-Assessment Worksheet (continued)

6 | Risk & Cybersecurity

	STRENGTH	WEAKNESS
Q15: How well are cybersecurity frameworks used alongside product/service/technology development models?	1 2 3 4 5 6 7	
Q16: Is cyber risk discussed early in the development lifecycle and addressed throughout as features, data connections, or third-parties are considered or added?	Yes No	
Q17: Do you have a CISO or data security representative who participates in your product governance or advisory team?	Yes No	

7 | Reliability & Scalability

	STRENGTH	WEAKNESS
Q18: Do you have a tolerance level defined for business efficiency?	Yes No	
Q19: How well do you consider the scalability requirements in the design of your enterprise platforms?	1 2 3 4 5 6 7	
Q20: How reliable are your enterprise platforms?	1 2 3 4 5 6 7	

8 | Enterprise Automation

	STRENGTH	WEAKNESS
Q21: Does your organization apply automation to improve efficiencies?	Yes No	
Q22: How well are your processes enabled to consume automation?	1 2 3 4 5 6 7	

9 | Customer & Employee Feedback Management

	STRENGTH	WEAKNESS
Q23: Does customer and employee feedback contribute to the continuous evolution of your organization?	Yes No	
Q24: How well do you uncover and integrate insights from employees and customers?	1 2 3 4 5 6 7	

10 | Agile Enablement & Empowerment

	STRENGTH	WEAKNESS
Q25: Has your organization implemented Agile practices and techniques?	Yes No	
Q26: How well does your organization apply Agile?	1 2 3 4 5 6 7	

11 | Continuous Integration & Continuous Delivery

	STRENGTH	WEAKNESS
Q27: Is your development team using Continuous Integration to drive a value stream-based pipeline?	Yes No	
Q28: How proactive is the software development team in preparing for and responding to change?	1 2 3 4 5 6 7	

12 | Infrastructure & Cloud Enablement

	STRENGTH	WEAKNESS
Q29: Have you evaluated the risk of not creating and adopting a Cloud strategy and infrastructure plan?	Yes No	
Q30: To what degree is your internal and partner ecosystem being affected by Cloud adoption?	1 2 3 4 5 6 7	

13 | Lean Management & Monitoring

	STRENGTH	WEAKNESS
Q31: Do you support a continuous improvement culture?	Yes No	
Q32: How well are your teams incorporating continuous improvement ideas and initiatives into their procedures?	1 2 3 4 5 6 7	

14 | Data Management & Architecture

	STRENGTH	WEAKNESS
Q33: How well do you know the value of your company's data?	1 2 3 4 5 6 7	
Q34: Do you have a thorough data inventory and consumability strategy?	Yes No	
Q35: Have you identified data within strategic plans to ensure you leverage this asset?	Yes No	
Q36: How well are you managing data retention policies and the value of historic data?	1 2 3 4 5 6 7	

15 | Quality Assurance Strategy

	STRENGTH	WEAKNESS
Q37: Is your Quality Assurance strategy pushing Quality Control to the end of the life cycle?	Yes No	
Q38: Is product quality negatively affecting customer satisfaction?	Yes No	
Q39: Is quality maintained as a requirement for products prior to release for all products and all releases?	Yes No	
Q40: Have you planned for, or are you executing, automated Quality Assurance testing?	Yes No	



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