

SCENARIO BOOK

Situational Analysis

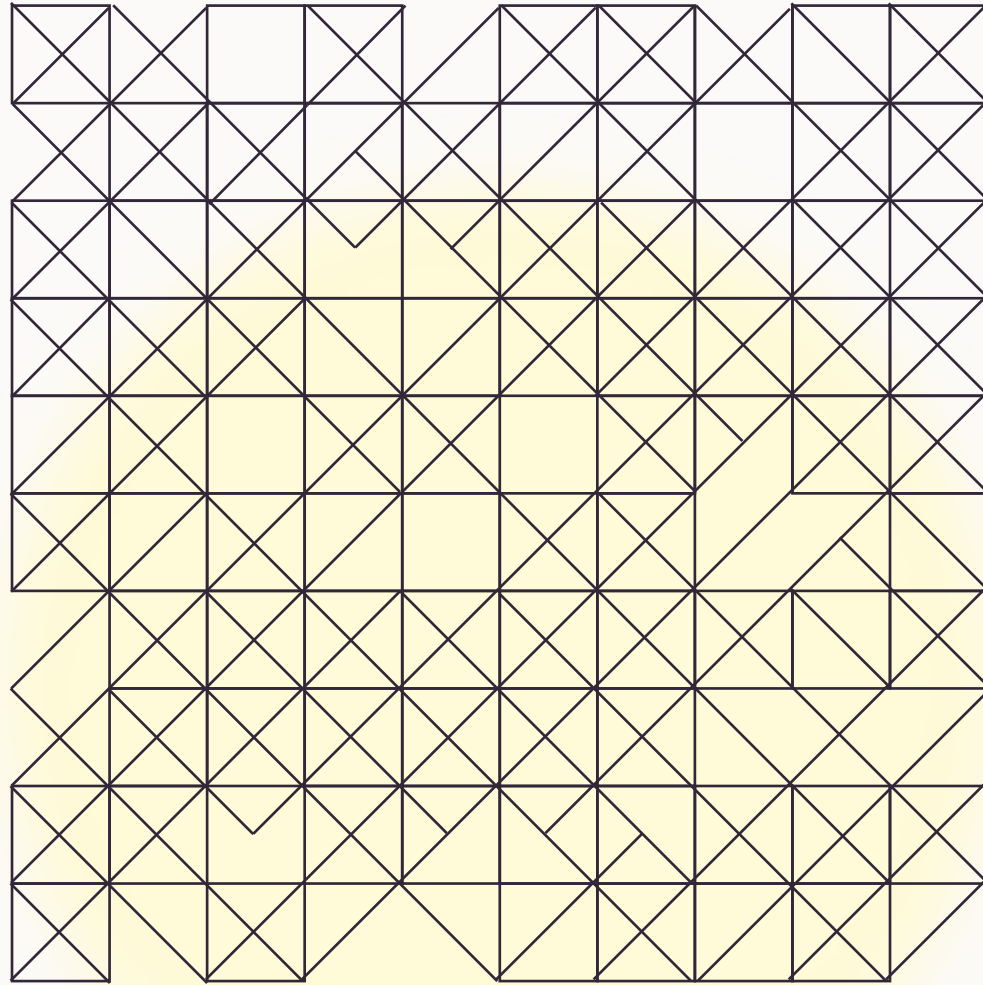
Every enterprise knows it can improve how value is delivered to customers. But what needs improving? What will make the biggest difference? Where do you start?

HYPR

Your scenario?

- You sense that there are blockers in your delivery system that are preventing value getting into the hands of customers at the speed they need
 - The complexities in the system are so related and intertwined that it's difficult to build a clear picture of the underlying issues
 - While you recognise the signs of dysfunction, you're unclear about their cause or the extent to which they are impacting delivery
 - You may have ideas about possible solutions but lack benchmark data that they will improve the situation
 - You don't have infinite funds for investment so you need to be certain that the levers you do pull make financial sense
 - The pressure to improve is intense and maintaining the status quo is no longer acceptable
- You need a fresh set of eyes to help you diagnose the situation. An independent, external input that can:
 - Establish the current reality
 - Create benchmark data to measure the gaps in performance of the system
 - Identify root causes of constraints
 - Validate existing ideas, initiatives and investments
 - Suggest new ones that could deliver a faster path to value
 - Help you create a roadmap to the future

“We have different thoughts about how to improve our system, but the system is so complex, it's hard to discern valid ideas from ideas that won't actually shift our gears”



The patterns we see

Every system is necessarily complex with many moving parts involved in flowing value from concept to delivery. In our work, we see leadership teams grappling with this complexity but with no confidence in how the moving parts interact with each other to constrain value flow. Here are some things that might be going on ‘under the hood’:

- Unclear vision and goals, alignment to the life stage of the business and appetite for risk. It all starts here because the value delivery system must be geared to achieving desired and explicit outcomes
- Work and people are not properly organised around value. There’s too much work in the system or the work is poorly visualised and prioritised
- Poor alignment between people and technology. Tech and people are two sides of the same coin. Great delivery leans on good people doing good work in the right way with the right tech stack
- Technology. There’s so much to unpack here. Our [Technology Transition Scenario Book](#) covers this in more detail
- People don’t have the skills and technical practices to succeed in a fast-changing environment. Capability uplift initiatives inside the enterprise lack intent
- No visibility of delays in the system and/or no common language to describe them
- Poor customer focus. A lack of a cohesive team working across product and technology to deliver a continuous flow of value. You’re working hard delivering the wrong things
- No clear understanding of the unavoidable interdependencies of different parts of the system

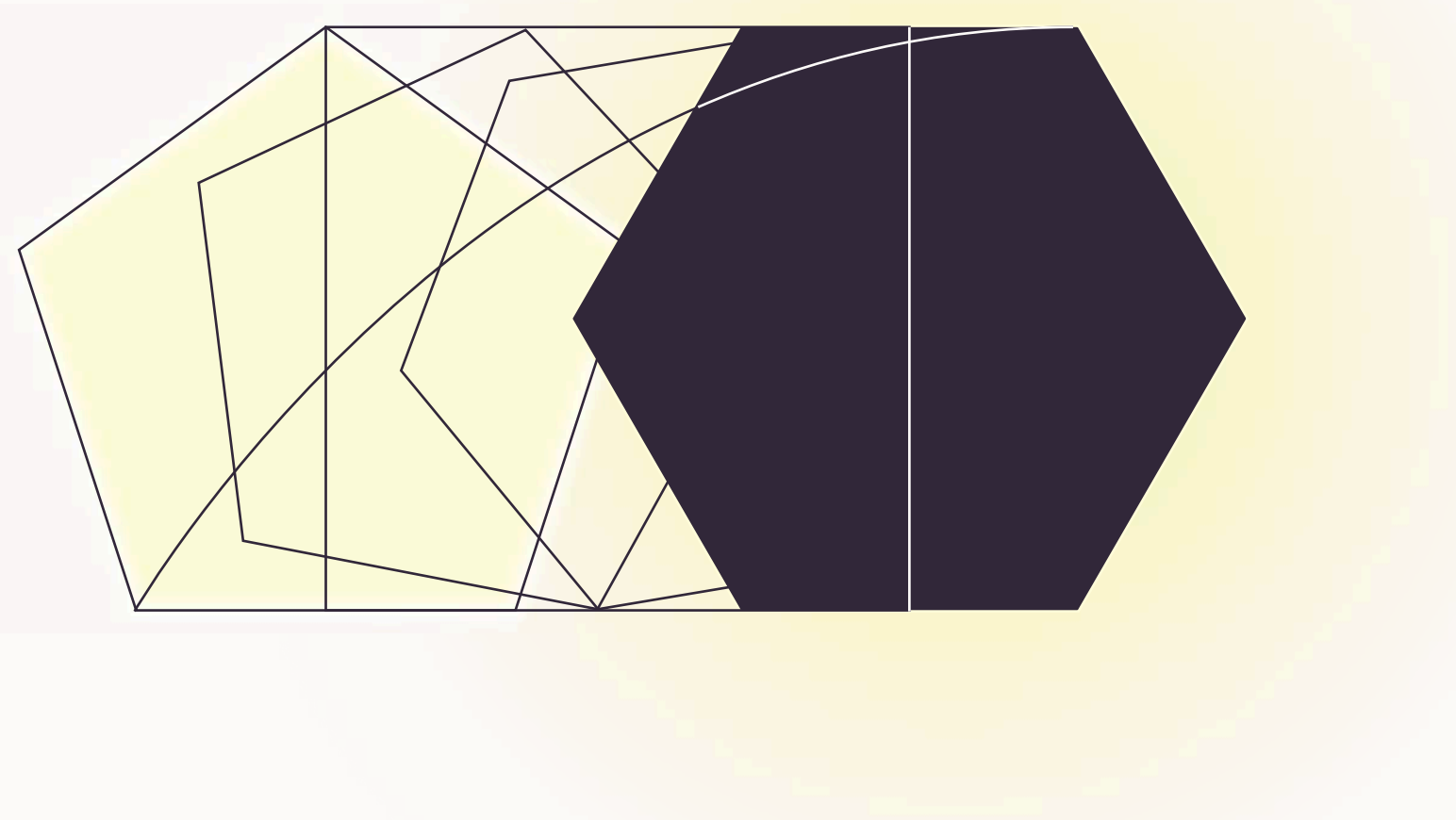
Resulting constraints on flow

A complex adaptive system which suffers from any of the patterns we've listed will be a suboptimal value delivery system. When several patterns are evident, the flow of value becomes ever more constrained.

The enterprise becomes tangled up and lacks the ability to express, prioritise and deliver value in software products and the platforms that underpin them.

Stakeholders will be increasingly dissatisfied, the pressure on teams increases, morale dissipates, the risk of band-aid solutions rises and the can is kicked further down the road. The doom loop seems to be approaching fast.

Ultimately, the constraints on flow are so great the enterprise is compelled to do something. It urgently seeks to answer why it's happening and what's holding them back.



So what's happened? And why?

Change. And change.

Over time, everything changes. The market, the opportunity afforded by technological advances, the tech itself, the practices and ways of working used to deliver value and so on.

Your system of the past was built on decisions made in the past, decisions which would certainly have seemed right at the time. However, in the face of unprecedented change, those decisions may have constrained the system's ability to adapt.

Any subsequent and highly-invested initiatives to improve the system may also have increased its complexity in unintentional ways. These have become harder to unpick as change accelerates.

For enterprises which have always made money – and despite the disruption that is biting them – the risk of radical change may have been seen as too costly. Instead, they may have tinkered at the edges of the system in sub-optimal ways.

In short, environmental changes stress your system and create the patterns we see.

What does a good situation look like?

■ Adaptability is the last USP

To really understand this, you might ask yourself how quickly your system – people and technology – can respond to take advantage of the latest advances in AI.

If AI feels too far away, then you might ask yourself the same question about data and automation. Are you using those to:

- Create a new business model?
- Innovate new products?
- Improve existing products?
- Deliver a better customer experience?
- Deliver a better workplace experience?
- Reduce costs?
- Enhance learning inside the organisation?

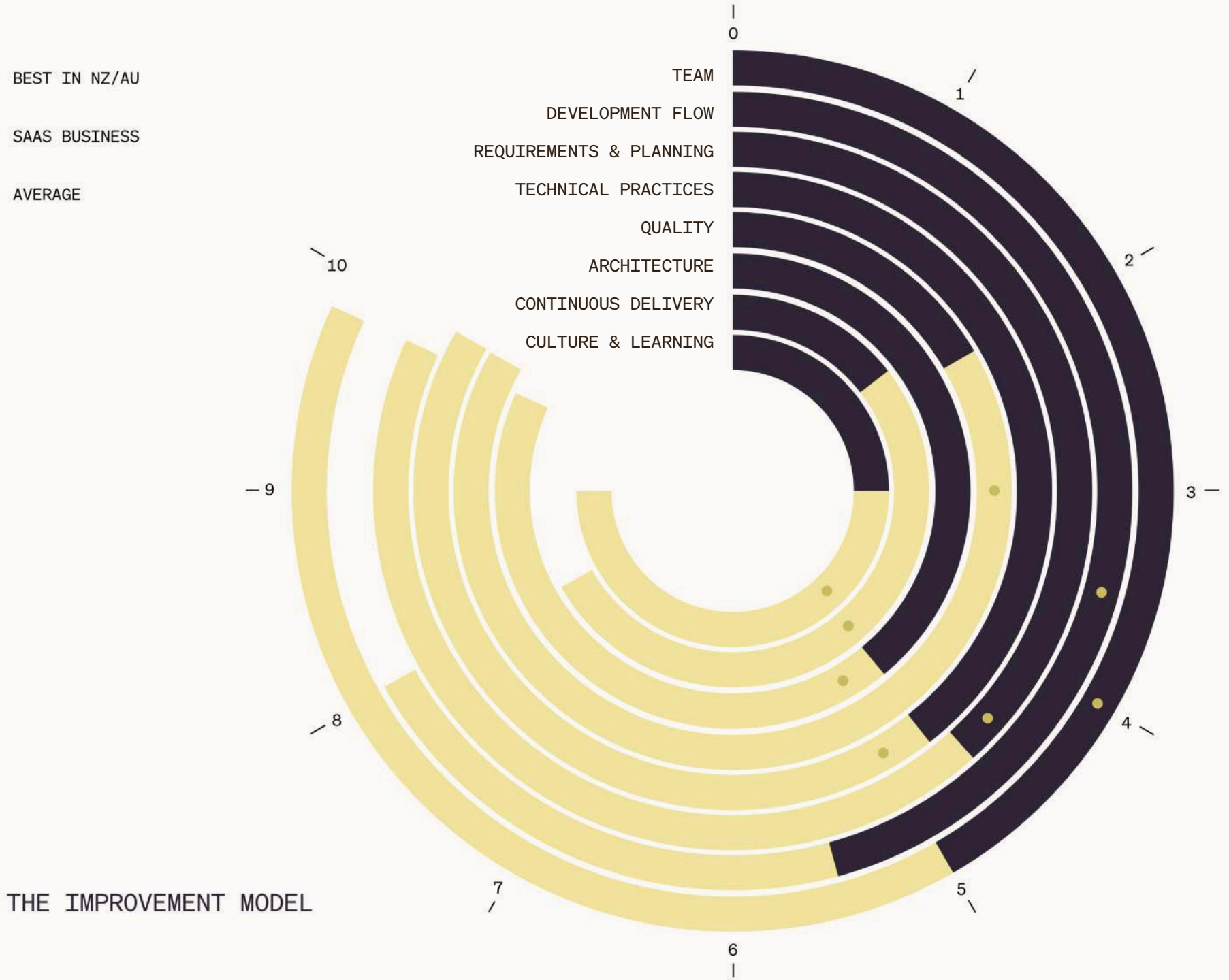
Many businesses are using data and automation to do all of those things. It may be deflating to think that you might not be, but be positive!

■ Embrace change. Build a system for change

Being open to change – encouraging and accepting discomfort – is the way that humans in any endeavour make progress. Business change is no different. Realising that *‘what got you here, won’t get you to there’* is a mature and open approach to reaching digital maturity. ([Our Big Picture guide](#) to The Golden Age shows why this is imperative).

Good is simply a system that’s built to accelerate the flow of value and can adapt to what’s coming next. If you have that, then you’ll see new things not with fear, but as opportunity. You’re always prepared to act in the Pursuit of Relevance. So how far from good are you?

- BEST IN NZ/AU
- SAAS BUSINESS
- AVERAGE



Gaps, constraints, causes

■ Benchmarking

Through our work with over 170 enterprises, we've built an Improvement Model with established benchmarks in eight key areas of the value delivery system.

- Team
- Product development value flow
- Prioritisation and planning
- Technical practices
- Quality practices
- Architecture
- DevOps and Continuous Delivery
- Culture and learning

Our model identifies where your system stands compared to other enterprises in general and within your sector. You'll see the gaps you need to close.

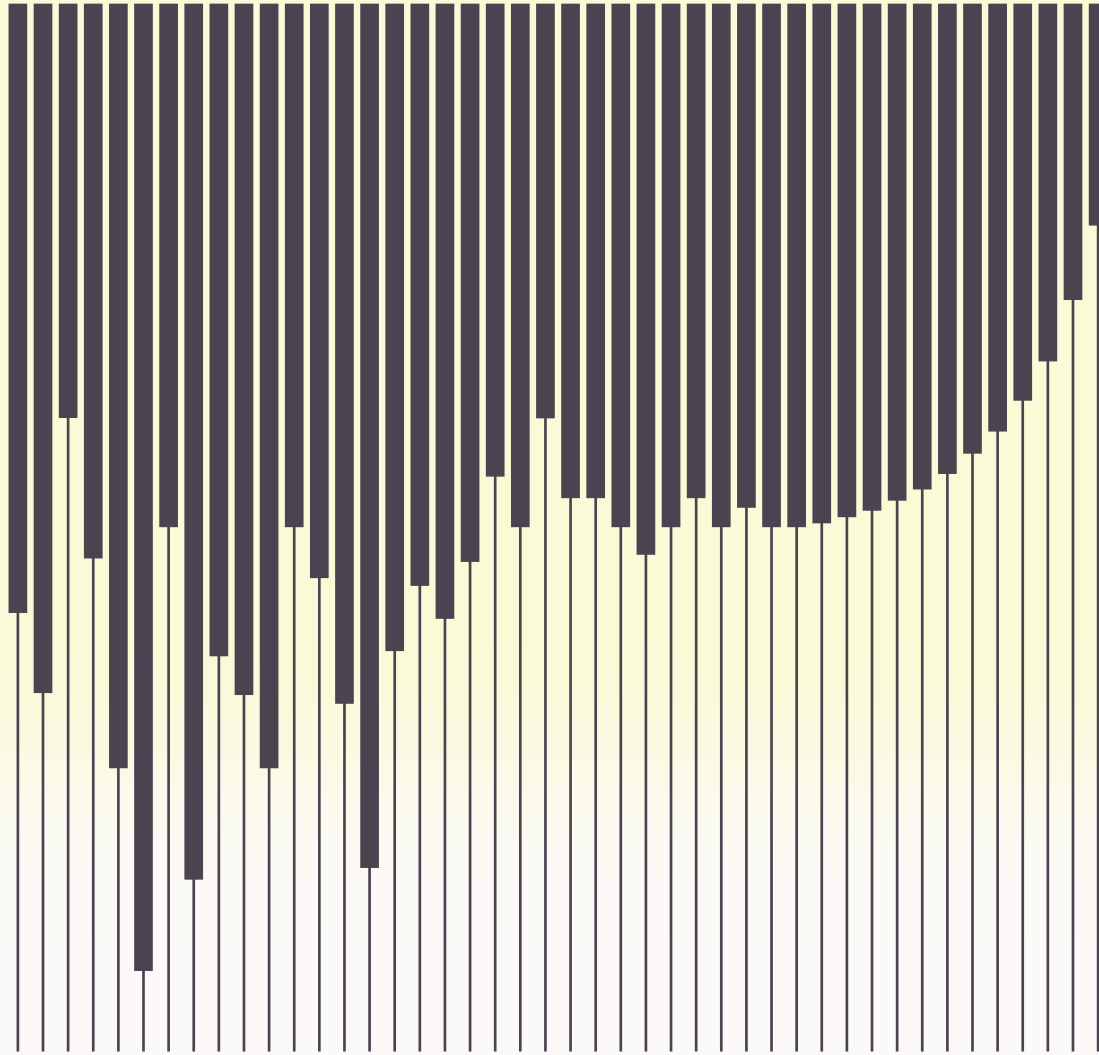
■ Finding the constraints

When a gap exists, we can be sure that it's constraining the flow of value. The Improvement Model's deep-dive analysis identifies specific constraints in detail and the ones *likely to have the biggest impact on flow*. You'll be able to better grasp the consequences of those constraints elsewhere in the system.

■ Understanding their causes

Being able to see the constraints is one thing, but can you be sure of their root cause? If it's not obvious, we can help you map out the sequence of cause and effect from the core problem to the symptoms it creates.

And in doing so, we'll put you in a position to remove the constraints and close the gap. By fixing the root cause.



Your journey to better

In our Situational Analysis engagements, our goal is to ‘Discover’ your current reality, show you a realistic destination and suggest the small transitional steps to get there. We focus on removing constraints that matter in one priority area that delivers the fastest path to value.

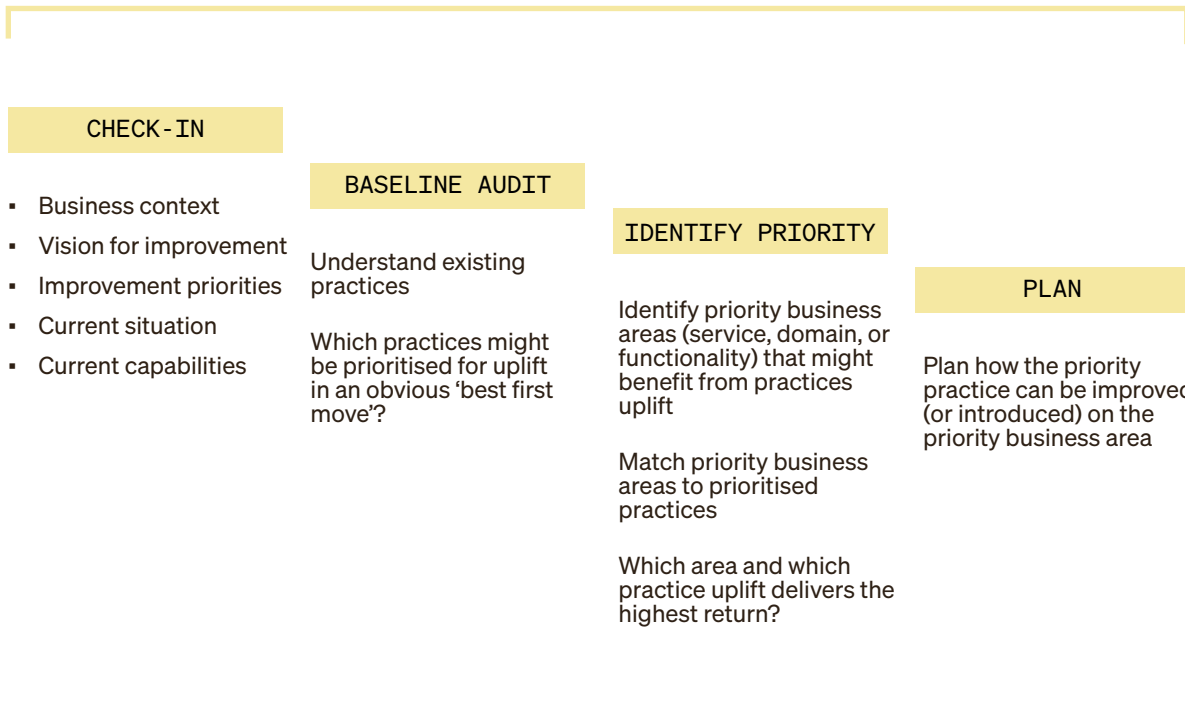
Situational Analysis is tailored to your requirements and works for any size of enterprise. Standard Engagements use the Improvement Model to take a holistic approach to the entire system, while Targeted Engagements explore specific issues.

In both cases, we use simple, easy-to-understand visual outputs and stories that everyone can understand.

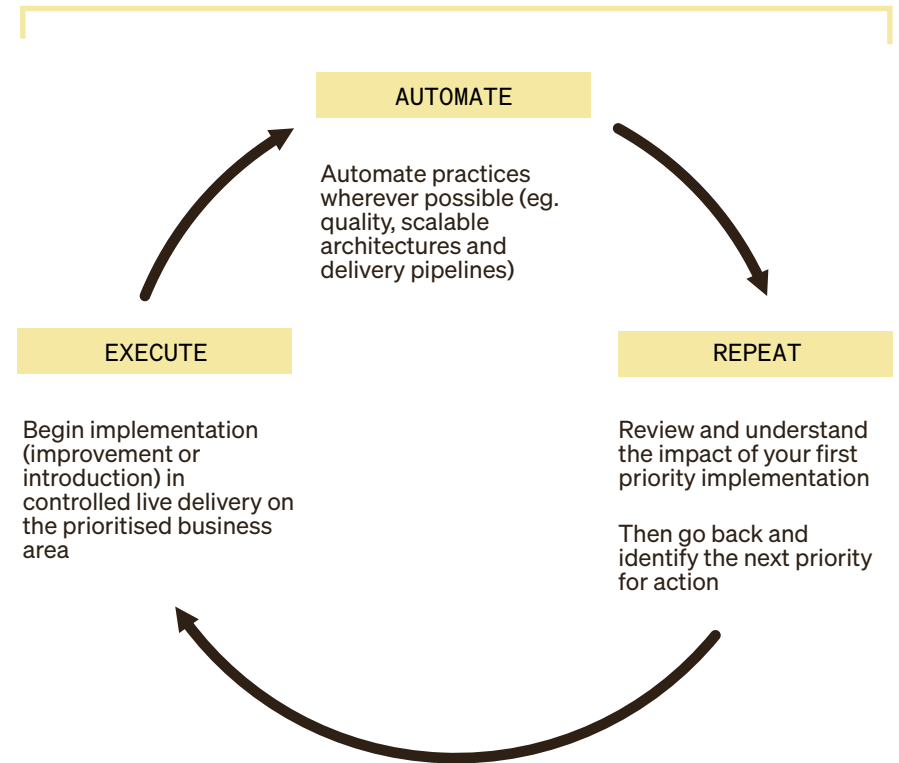
Situational Analysis provides the foundational basis for your journey of improvement. HYPR’s teams have expertise in every area to help you ‘Implement’ those steps towards improving your system and accelerating flow – in unison and in a sustainable and productive way. Please see our other Scenario Guides to explore how we do this.

A TYPICAL ENGAGEMENT

Situational Analysis



Implementation



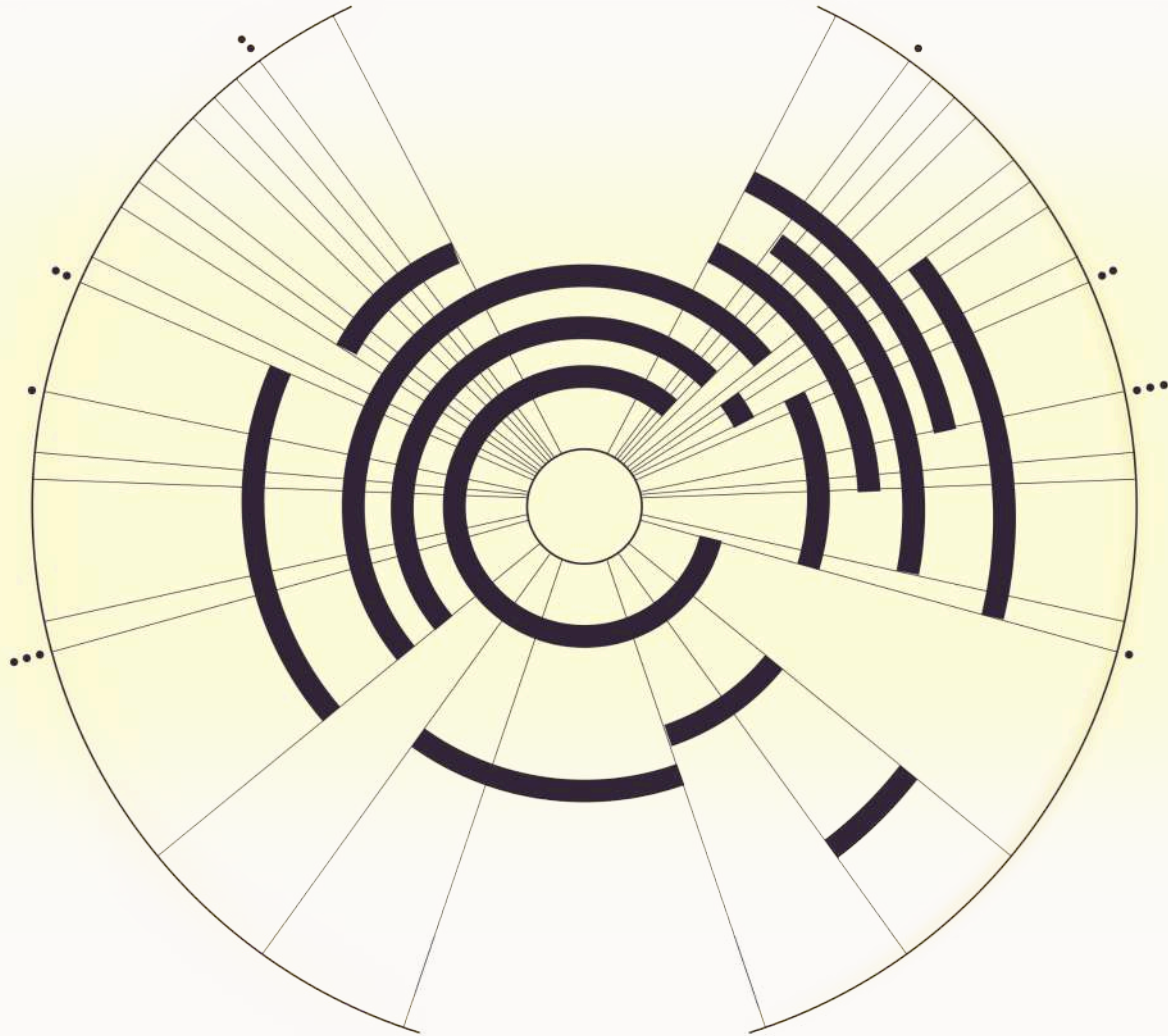
Your outcomes

You have a clear understanding of your systems, the gaps that need closing to be more competitive, the constraints affecting the flow of customer value, the causes of those constraints and an actionable plan to start addressing them.

Over time, your roadmap transitions your system to one that's truly built for flow and that can adapt to the changes that previously made your old system... so constraining.

Because you've taken a holistic systems approach that involves the enterprise, its leadership, its life stage and its customers' needs, you're also on a journey that can create true moments of relevance for everyone across the enterprise.

Far from being upended by a doom loop, your people and teams are happier, more engaged and motivated to deliver value for customers. They're ready to embrace change without fear and see the changing technology landscape as opportunity.



Why HYPR?

Our purpose is the 'Pursuit of Relevance'. We're here to help you accelerate the flow of value delivered to your customers so you can thrive in rapidly changing times.

■ What makes us different?

Focus on flow – Progressive enterprises are focusing on finding and removing delays from their system through the practice of Value Stream Management (VSM). We're a leading VSM consultancy helping enterprises in NZ and Australia.

Systems thinking – We take a systems-thinking approach to avoid local optimisations that contribute little to the whole.

Focus on your people – Technology and people are one system and two sides of the same coin. We focus as much on the social constructs and human networks as we do on the tech.

Transition, not transformation – Your enterprise operates in a VUCA (Volatile, Uncertain, Complex, Ambiguous) world. It needs to keep flying while making changes. We know from experience that transition is the only way you can do both.

Our people – We're a diverse team with shared purpose and values. We have extensive skills across our consulting lines, from the very best software engineers to strategic experts able to engage at board level. They have lived at the coalface of change.

We're ready to help

HYPR

Exploring your current reality and finding constraints within your system puts you in the best place to start accelerating flow. Let's talk about how Situational Analysis can help you. Call us now...

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