Challenges of a digital enterprise

Roman Zhuravlev

18 March 2025

In the next hour...

- Rethinking work

- Increasing complexity

- Digital products and services

- Value streams

- Questions and discussion

Roman Zhuravlev

Senior ITIL Architect

Rethinking work

- Generational shifts

  - Four or five generations working together

- Technology

  - AI reduces the cost of knowledge

- Marketplaces

  - Workforce and services available from anywhere

- New ways of working

  - 'Fractionalized' employees, gig economy

- The long-term impact of COVID

  - Remote work and change of the role of work

SEISMIC CHANGES IN THE WHERE, WHEN, and WHY

RETHINKING

WORK

RISHAD TOBACCOWALA
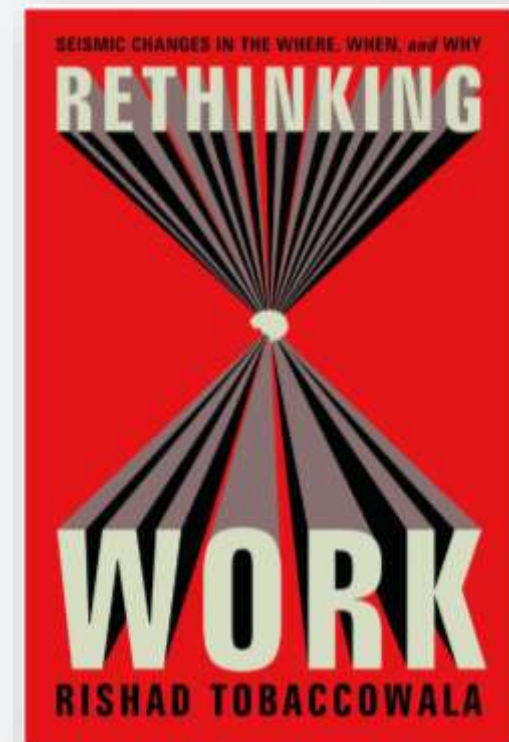
Rethinking work: what's in it for your business?

- Generational shifts

  - Four or five generations working together

- Technology

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(digital) Products and (IT) services

First, a quick question to you:

What do you manage?

IT systems: how it used to be

| ↑ IT systems
IT resources |

Focus on system operation
Fragmented approach
Reactive improvement based on detected errors

| ↑ IT systems
IT resources |

Focus on project delivery
Fragmented approach
Improvement is out of project scope

IT systems – products – services

IT systems
IT resources

→ IT (digital) services
IT systems / **products**
IT resources
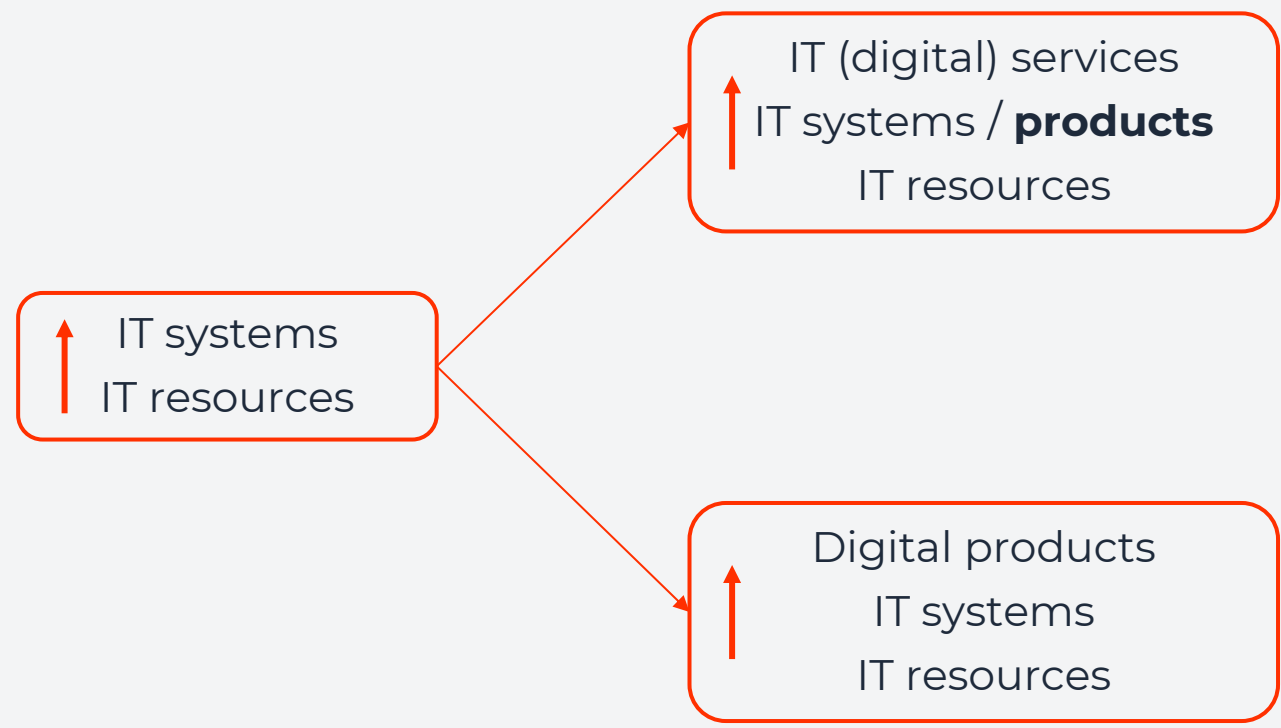
Focus on value co-creation
Holistic approach
Continual improvement
based on feedback

→ Digital products
IT systems
IT resources

Focus on value delivery
Holistic approach
Continual improvement
based on feedback

Guiding principles

The ITIL Guiding principles

- Focus on value
- Start where you are
- Progress iteratively with feedback
- Think and work holistically
- Collaborate and promote visibility
- Keep it simple and practical
- Optimise and automate

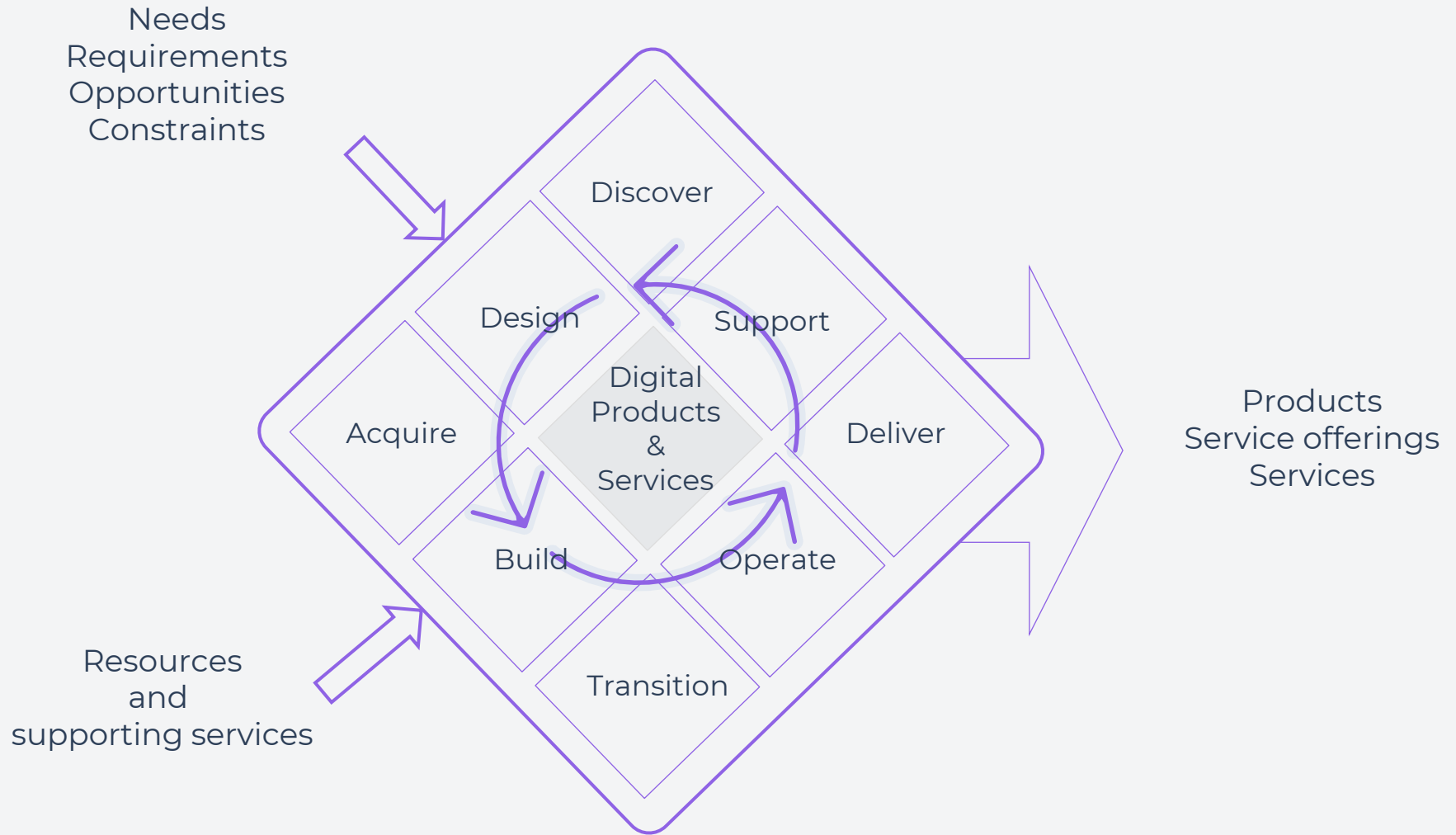## The Product management principles

- Consumer focus
- Agility and adaptability
- Continuous value delivery
- Long-term vision and funding
- Cross-functional teams

Our assumptions

- Digital services are always based on digital products

- Digital products always enable value through digital services

- Many common problems of product and service management are caused by the isolation of these two disciplines and silo mentality of the professional communities

- It would be beneficial to manage digital products and services in a common context of the digital product and service lifecycle

Digital product and service lifecycle

Needs
Requirements
Opportunities
Constraints

Discover

Design

Support

Digital
Products
&
Services

Acquire

Deliver

Build

Operate

Transition

Products
Service offerings
Services

Resources
and
supporting services

The activities are performed iteratively, with multiple feedback loops.
Each activity is supported by multiple management practices
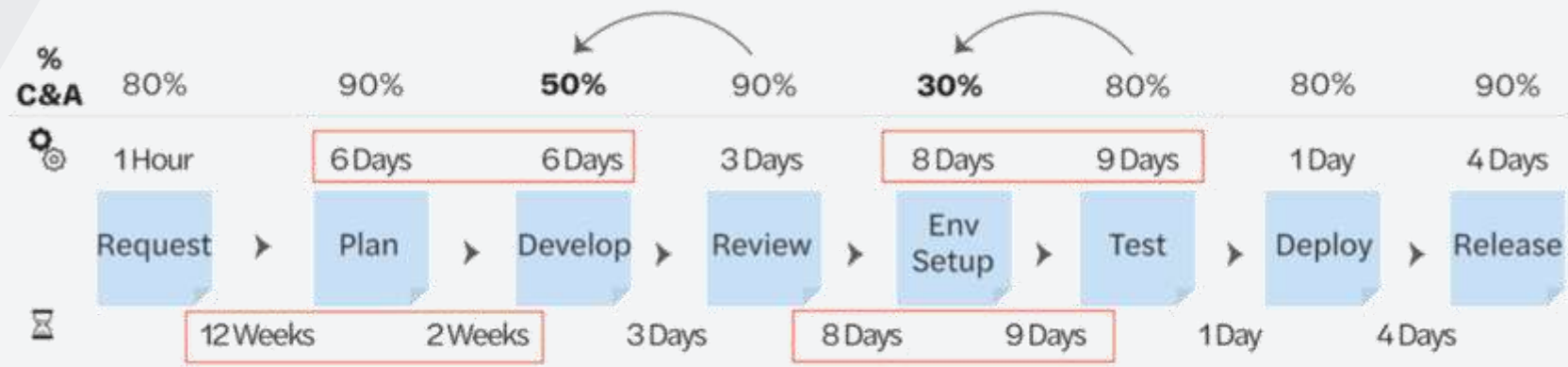
Our assumptions

- Purpose of the organization defines its operating model(s)

- Operating models of digital organizations are linked to the organization's responsibility for the digital product and service lifecycle

- Some organizations choose to focus on selected activities, rather than on the full lifecycle
  - These organizations often provide their digital product and service management activities as professional services.

- For successful value co-creation, it is vital to understand who is responsible for every stage of the lifecycle
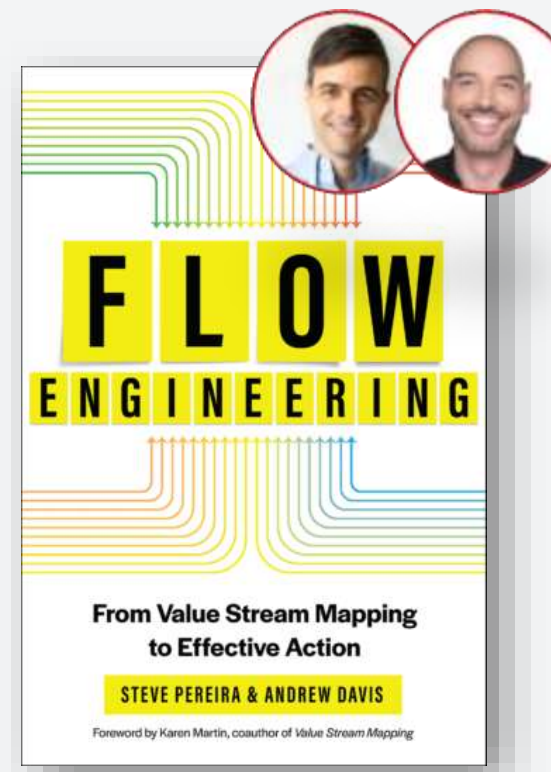 - …and ensure effective cooperation between those parties

Value stream(s)
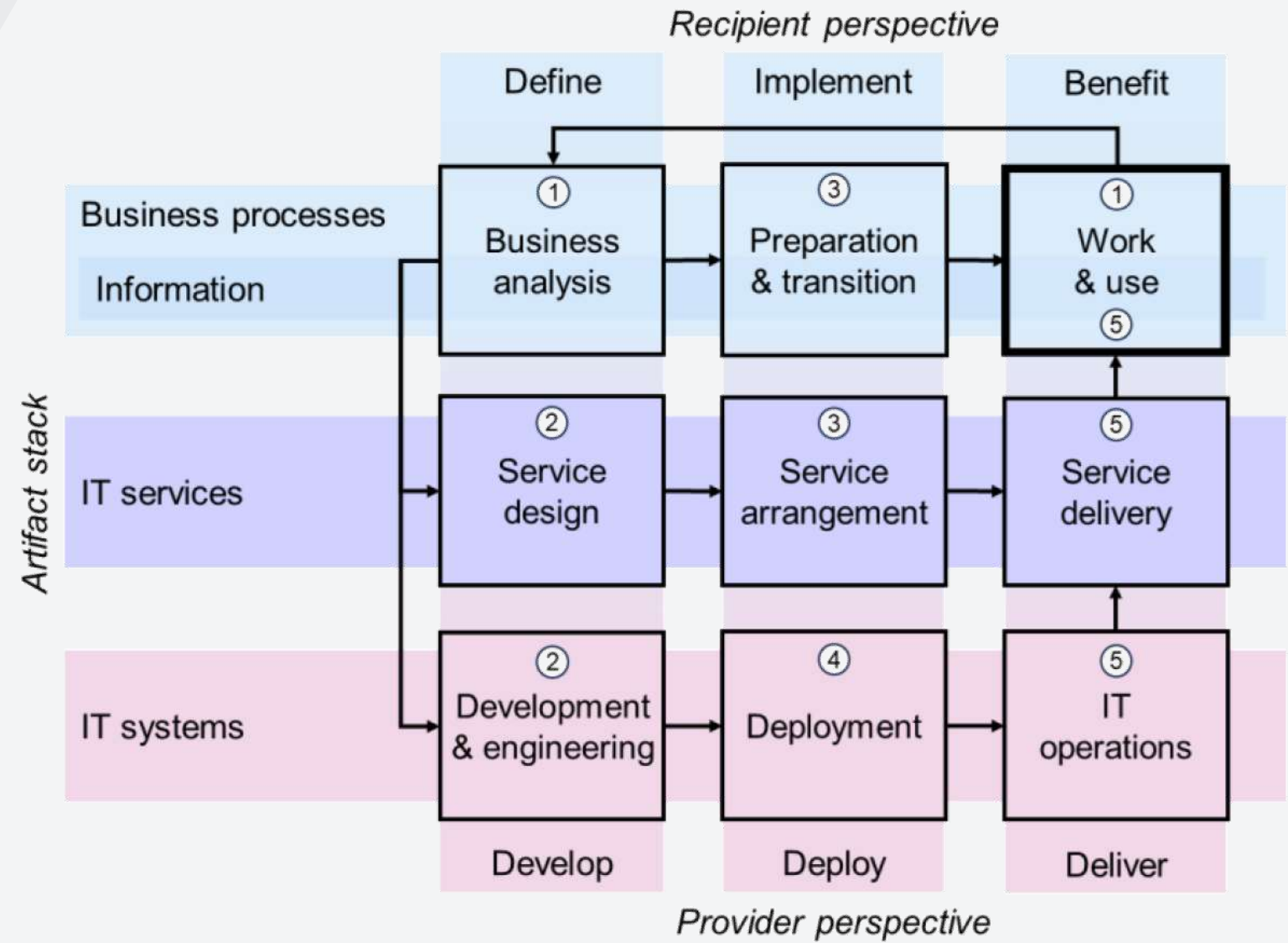
What we hear of digital value streams

% C&A	80%		90%		50%		90%		30%		80%		80%		90%

⚙ 1 Hour   6 Days   6 Days   3 Days   8 Days   9 Days   1 Day   4 Days

Request → Plan → Develop → Review → Env Setup → Test → Deploy → Release

⧗ 12 Weeks   2 Weeks   3 Days   8 Days   9 Days   1 Day   4 Days

Time needed: ~2 MIN

Summary Findings:

Rolled %C&A	Cycle Time	Wait Time	Lead Time
5.6	37 days	131 days	168 days

FLOW ENGINEERING

From Value Stream Mapping to Effective Action

STEVE PEREIRA & ANDREW DAVIS

Foreword by Karen Martin, coauthor of *Value Stream Mapping*

What we hear of digital value streams

Recipient perspective

	Define	Implement	Benefit
Business processes / Information	① Business analysis	③ Preparation & transition	① / ⑤ Work & use
IT services	② Service design	③ Service arrangement	⑤ Service delivery
IT systems	② Development & engineering	④ Deployment	⑤ IT operations
	Develop	Deploy	Deliver

Artifact stack

Provider perspective

Are you digitally "done"?

Why you should know and care about IT service

Mark Smalley

Our assumptions

- **Core value streams** of an organization are defined by the organization's operating model(s) and include multiple stages of the product and service lifecycle

- **Supporting value streams** include activities outside of the digital product and service lifecycle activities

- **Cross-organizational value streams** may be identified, mapped, and managed;
 - this requires close cooperation or collaboration of the involved organizations

Examples

Operating model	Core value stream
Full-cycle internal IT	From the business needs to realised business value
Digital product vendor	From consumer needs to deliverable services
Custom software developer	From customer requirements to deployed product
Operation and support-focused service provider	From transition to operation and support
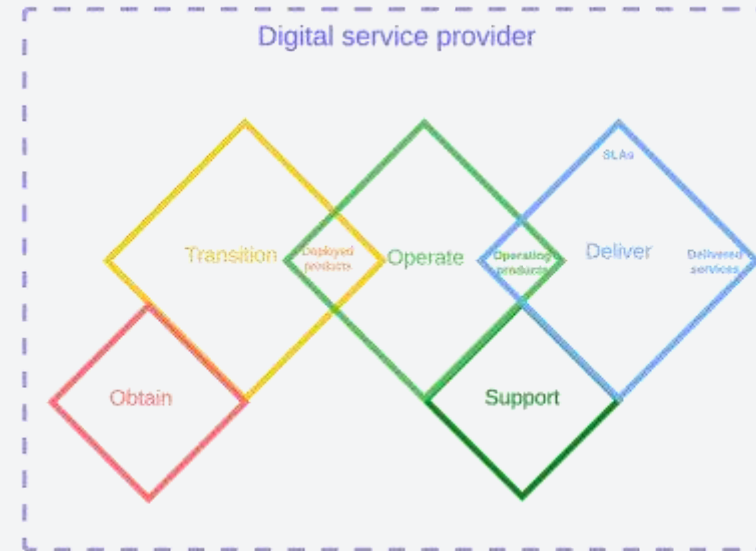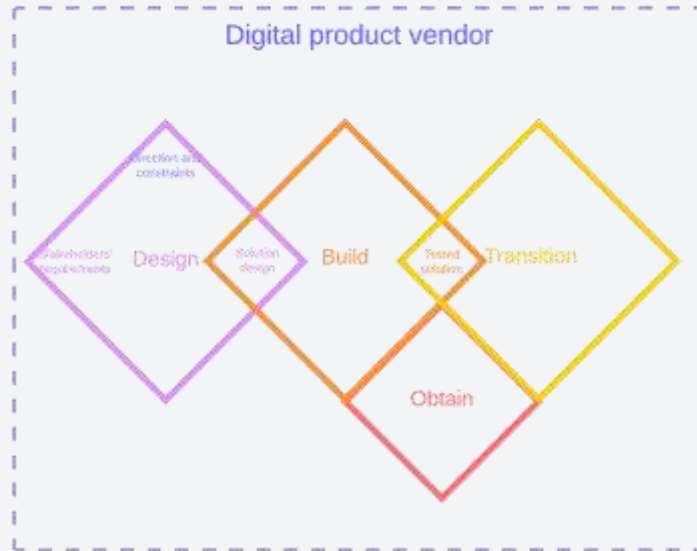
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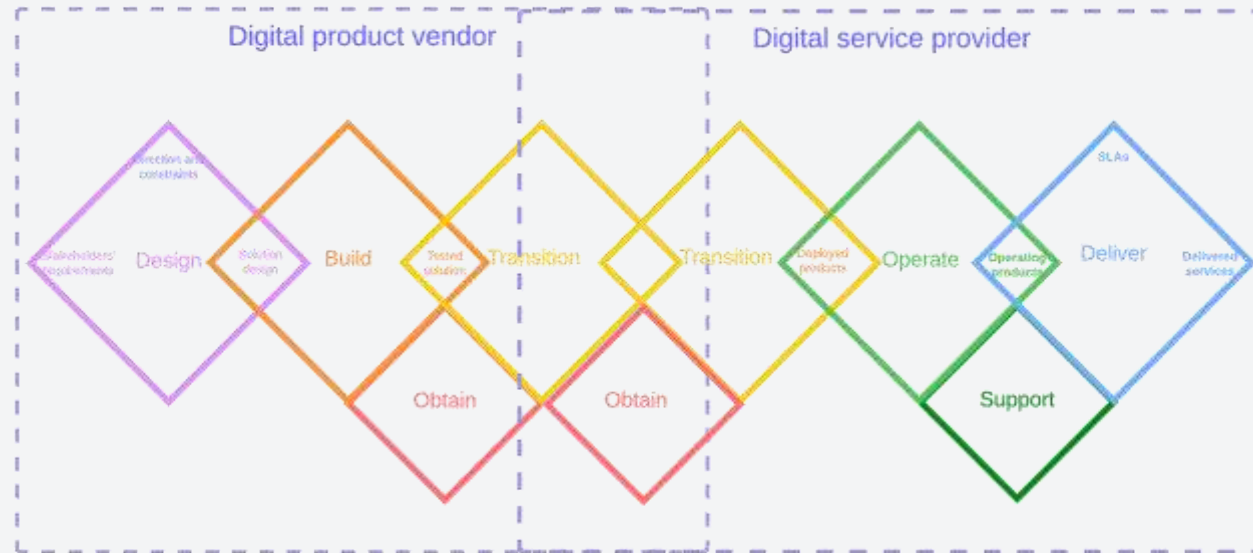
In the last hour...

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...and the 5 macro-shifts

...and the need to navigate it

...and the need to work closer together

...and the need for collaboration

...to be continued

PeopleCert

We might still have time for questions

- Questions and discussion

Roman Zhuravlev

Senior ITIL Architect

Thank you!

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