TOP REASONS WHY IT IS LIMITING YOUR DIGITAL STRATEGY EXECUTION.

"ORGANIZATIONAL BOUNDARIES ARE LIMITING PRODUCTIVITY"

The way consumers interact with companies has radically shifted over the last ten years. Rather than going into physical shops, customers explore products and services via websites, social media, and apps.

In this digital era, consumers have become experts on the products they want, and they choose where to buy based on online reviews and customer experience ratings. Companies no longer compete with the store next door, they're vying for business with (digital) competitors across the country (and around the world).

Fierce competition and high consumer expectation mean companies must react swiftly to movements in the digital marketplace. But many companies cannot get new features out there fast enough. Their IT spend doesn't balance with the output generated, limiting the execution of their digital strategy and so they lag behind the competition.

This whitepaper covers the top issues these companies typically encounter in their software development process.

Organizational boundaries limit productivity

Some organizational structures hinder rapid innovation. That's because things need to happen within different departments to deliver a new feature. But too often, every department has its own manager with his own targets and budgets and need to protect this. This kind of organizational structure often results in massive management overhead, planning misalignment and dependencies that severely limit productivity.

The product manager is not sufficiently enabled

Often, managers are not "a pure" product owner and act as a proxy when it comes to steering the product team. If managers don't have the right mandate, the decision-making process is limited (e.g. fear of consequence of failure) and outside influence is often interfering with the actual development and delivery process.

Lack of technical ownership

Starting with digital strategies, most organizations lacked the right in-house skills and re-sources to kick-off a strong digital presence. Therefor many organizations choose to outsource their digital platform implementation to IT service providers.

However, we see that, when organizations outsource their platform, they're missing the technical ownership role. Which is required to manage these vendors. A lack of technical ownership leads to:

- A lack of balance between feature delivery and maintenance; resulting into technical debt and reduced productivity.
- A lack of incentive to improve individual productivity.
- A lack of technical challenge; resulting into low-quality implementations.
- Push on price rather than quality; leading to low-quality implementations and low productivity.

From a technical point of view, this often results in hard to resolve technical debt, lack of automation and a misaligned architecture.

Low-quality implementations

We often see that companies don't always adhere to basic development best practices, like coding conventions, unit tests, and proper version control. Failure to follow these, coupled with fundamental issues in the code structure and technical implementation, creates some of the following negative implications:

- The code is hard to maintain; additional features requires high effort.
- There is a lack of resilience in the eventual solution, leading to unnecessary downtime and instability.
- The upgrade process of applications is hard and expensive.

Lack of automation

One of the key aspects in modern software development is automating deployment pipelines (the process of steps from building the code to releasing it), which can allow features to go from code to production in less than ten minutes.

However, many organizations still manually execute a lot of steps of the pipeline, such as testing, deployment, and environment provisioning, which slow down the development process tremendously. Comparatively, manual versus automated means a longer time to market, higher cost and more quality issues due to human errors.

Architectural limitations

Fundamental architectural limitations prevent development teams from speeding up the delivery process and scaling. Code dependencies within an application limit the number of developers who can work on it simultaneously and efficiently. Another issue we see, compared to modern technologies, is that the time becomes unfeasibly long between creating and testing the code. Architecture should enable, not hinder.

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