Connecting business strategy to development reality

"Efficiency is doing things right. Effectiveness is doing the right things." –Peter Drucker

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A well-tuned agile process at the team level is the foundation for efficient agile software development. Yet, to be effective and achieve desired market and business goals, it's essential to get a team's daily work in tune with an organization's strategic objectives.

In this article, we'll look at how to connect team execution with business strategies in a way that maximizes the entire organization's agility.

Connecting business goals to agile development

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next two quarters. Themes are an important frame of reference for teams. They serve as a check on whether their work is contributing to the progress of business initiatives. Managing work by theme also helps management understand whether sufficient resources are allocated for success, or if themes are underfunded.

- **Goals and metrics** define a desired, concrete, and measurable future state. In agile portfolio management, global goals give context to themes and can be broken up into subgoals to drive measurable actions on all levels of the organization. For example, a 20% reduction in abandoned shopping carts.

> TIPS FOR EFFECTIVE THEMES, GOALS, AND METRICS
>
> - Focus on just a few clearly defined themes. Less is more. (Five or fewer is ideal.)
>
> - Ensure everyone in the organization can name the current core themes.
>
> - Set one primary goal per theme and measure that goal by one key metric.
>
> - Tailor company-wide goals for each level of the organization to support the company strategy.
>
> - Make goals aggressive, but achievable.

Once top-level themes, goals, and metrics are defined, departments and teams can derive their particular subgoals–and eventually, their key initiatives–from the themes. Subgoals and key

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The above framework serves two purposes:

- It focuses time on what matters most, and avoids wasted resources on non-goals.

- It provides the context individual team members need to make the right decisions each day.

An organization can't achieve its goals without bundling and focusing its resources. Plus, regardless of type of work, individuals make countless trade-off decisions every day in how tasks are done. Ultimately, managers cannot and should not get involved with these micro-level decisions. Management can only provide the right information and environment to empower individuals to act in the best interests of global goals.

> **PRO TIP:**
>
> There are many different frameworks using different terminologies for similar purposes. OKRs (objectives and key results) are an example of a popular and widespread framework. Practically speaking, we believe that efficient execution matters more than framework or terminology, and don't favor one over another.

Takeaways and next steps

Connecting day-to-day development with business strategy is a two-way process. Looking top-down, it's essential to set boundaries and focus areas for teams to work in ("framing the sandbox", if you will). These focus areas are derived directly from the business plan and

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every task contributes to. Raise concerns if this is unclear, as it indicates either misalignment on the goals, or a lack of focus.

The roadmap is a good place to start, especially if implementing themes and goals seems intimidating. The roadmap will force product owners to put serious thought into how epics and user stories are contributing to business strategy and whether particular areas of work are important. Themes will also help track resource investments at the start of the project. Track the investments in each new theme on the roadmap to ensure that all themes are well funded and aren't set up for failure.

Overall, the secret is to foster ongoing conversation and reflection about the work, and to steer steadily towards a longer-term goal rather than drifting through day-to-day tactical work.

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