



THE BUYER'S GUIDE FOR DIGITAL PRODUCT MANAGEMENT SOFTWARE

**IDENTIFYING TECHNOLOGY PLATFORMS THAT WILL HELP YOUR
COMPANY MAKE SMARTER DECISIONS AND DELIVER VALUE TO
CUSTOMERS FASTER IN THE AGE OF RAPID INNOVATION.**

INTRODUCTION

WE'RE LIVING IN AN ERA OF CONSTANT CHANGE. ACROSS ALL INDUSTRIES, THE COMPANIES THAT ARE THRIVING HAVE ONE THING IN COMMON: THEIR ABILITY TO RAPIDLY ADAPT TO NEW RISKS AND OPPORTUNITIES. IT'S TIME TO TRANSFORM YOUR ORGANIZATION INTO A PRODUCT-CENTRIC DIGITAL BUSINESS THAT PLEASES CUSTOMERS, DISRUPTS COMPETITORS, AND MAXIMIZES VALUE.

It starts with a shift in both your mindset and your technology.

Embracing digital product management (DPM) is a key step in any business transformation today. From luxury retail and global banks, to medical devices manufacturers and candy makers, enterprises are moving beyond the traditional project-centric approach and managing sustained assets, like logistics apps, employee portals or e-commerce sites, with persistent, business-focused product teams, that are empowered to deliver real outcomes.

Instead of funding one-off projects, you continuously support all the teams building and maintaining your digital offerings. By funding teams, rather than deliverables, you can finally get clarity on how your business investments are performing—because the metric that matters is not productivity, it's the value you deliver.

This guide introduces business and development leaders to the concept of DPM, explains how it fits in with Value Stream Management (VSM), lists the tangible benefits it presents, and provides guidance on how the right solution can help you chart a safe and efficient course for your DPM journey.

85% of companies are already adopting, or plan to adopt, a product-centric delivery model.

[Download your DPM software evaluation kit.](#)

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WHAT IS DIGITAL PRODUCT MANAGEMENT, AND WHAT DOES IT HAVE TO DO WITH VALUE STREAM MANAGEMENT?

DIGITAL PRODUCT MANAGEMENT IS AN EVOLVING SET OF PRACTICES THAT ARE DESIGNED TO ADDRESS THE SHIFTS OCCURRING IN TECHNOLOGY MANAGEMENT AS A RESULT OF DIGITALIZATION. AS PART OF VALUE STREAM MANAGEMENT, DPM ALLOWS ORGANIZATIONS TO FUND THEIR MOST-VALUABLE INVESTMENTS AND MEASURE THEIR ROI TO THE BUSINESS.

While digital transformation is at risk of becoming a cliché, the underpinning principles are anything but. At its core, digital transformation – or digitalization – is about processes that enable businesses to serve their customers virtually. This includes both external and internal customers, even in industries that were not traditionally “digital.” If the global pandemic has done nothing else, it’s shown business owner the importance of interacting with customers anywhere, at any time.

This is why investment in digitalization is expected to grow from **\$1.2 trillion in 2019 to \$2.3 trillion in 2023**¹. Companies that were previously less focused on technology are now investing heavily in understanding how technology is developed, how quickly it can be integrated into their business, and how well it responds to customers’ needs.

Digital Product Management, or DPM, is an evolving set of practices that are intended to address the shifts occurring in technology management because of digitalization. As part of Value Stream Management, DPM allows organizations to fund their most-valuable investments and prove the ROI to the business.

However, moving to DPM is not as simple as changing labels. You can’t simply change project managers into product managers, or say that you’re funding products instead of project, while continuing to follow the same processes. Companies must recognize that real change is required.

Broadcom’s industry-leading Clarity was specifically designed to help enterprises successfully transform into product-centric organizations.

80% of companies are going through or planning a digital transformation. **14% succeed.**

8/10 projects are misaligned to the business strategy

\$1m is wasted daily and \$97 million of every \$1 billion is lost on poor project performance.

¹<https://www.statista.com/statistics/870924/worldwide-digital-transformation-market-size/>

FOUR PILLARS OF DIGITAL PRODUCT MANAGEMENT

IN ORDER TO IMPLEMENT DPM SUCCESSFULLY WITHIN YOUR ORGANIZATION, YOU MUST ADHERE TO THESE CORE OPERATIONAL PRINCIPLES.

01

ORGANIZE INVESTMENTS YOUR WAY

Focus on sustained assets, such as products, platforms, and value streams – fit the language of the product paradigm to your business needs.

02

MAP YOUR BUSINESS OBJECTIVES

Understand how your products perform by aligning strategy to measurable business objectives and tracking all investments that are aligned to them.

03

PRIORITIZE BASED ON BUSINESS OUTCOMES

Connect business outcomes to customer needs, and do the right work at the right time, by leveraging adaptive prioritization in strategic roadmaps.

04

EMPOWER YOUR PEOPLE TO SUCCEED

Let teams work the way they want, using different methodologies, while staying engaged with the business.

WHAT'S A DIGITAL PRODUCT?

DPM REQUIRES COMPANIES TO IDENTIFY THEIR PRODUCTS, WHICH MAY NOT BE AS OBVIOUS AS IT SOUNDS:

A PRODUCT IS SUSTAINED:

A product is any recurring investment into technology that has an indefinite lifespan.

A PRODUCT IS MANAGED AGAINST A STRATEGY:

There is somebody who's in charge of its care, upkeep and success, and this person or team is also responsible for communicating the product's value.

A PRODUCT HAS A COMMON AUDIENCE:

It should serve a common, consistent group of stakeholders that can be easily identified in a few words or phrases.

A PRODUCT HAS A COMMON DELIVERY ORGANIZATION

It should have an entirely dedicated delivery organization. This enables firms to make a single decision at the beginning of the fiscal cycle to fund a delivery team versus making constant funding transfers for every change made to a product or service.

THE BUSINESS ADVANTAGES OF DIGITAL PRODUCT MANAGEMENT

WITHIN THE CONTEXT OF VALUE STREAM MANAGEMENT, MANAGING DIGITAL PRODUCTS WITH CLARITY HAS FOUR MAJOR BUSINESS BENEFITS:



Removes layers from governance process

DPM removes considerable layers in the governance process. Project management requires users to articulate every detail of what's going to be delivered, justify it at length, and then fund it.

Any changes require that process to be repeated over and over again. By contrast, DPM ensures stakeholders are in agreement on the value being generated. As such, they commit to funding the product for an entire fiscal term.



Keeps stakeholders in the loop

Stakeholders who fund products need to understand how the money is being used. With DPM, they can conduct regular roadmap reviews, which show what has been accomplished and what's being planned.

Stakeholders can engage with product management, review their roadmaps, and provide feedback.



Fosters ability

Instead of getting bogged down in processes, DPM enables changes to be made on the fly. Users can move things around during the roadmap review and see the impact of different changes. Doing so improves time to market and simplifies the Capex process.

Additionally, it frees up time for product managers to focus on delivering value for customers.



Advantage: Customer

With DPM, the biggest advantage goes to the customers, who gain a significantly higher level of engagement with the vendor: The vast majority of users for any product or service are passive. They use the product because they're either told to or it is suggested to them, and they don't really think much about it.

However, when customers take an active role to improve the products they use, they're considered power users or champions. DPM creates opportunities for customers to have input on product roadmaps, and empowers product teams to actually respond to them, because planning is no longer a set-it-and-forget-it process.



GETTING STARTED WITH DIGITAL PRODUCT MANAGEMENT

HERE IS SOME ADVICE FOR MANAGING THE SHIFT TO A MORE DIGITAL PRODUCT-CENTRIC ORGANIZATION:

01

USE ROADMAPS FOR PLANNING

Many organizations already are familiar with roadmaps, and for DPM, roadmaps are vital. These roadmaps should be created in a roadmapping tool that all stakeholders can see and share.

Additionally, all stakeholders should be trained on how to create a roadmap in a format that's consistent across the organization. Guidelines should be established for how often stakeholders need to review roadmaps, which serve as the main vehicle for accountability in the DPM world.

02

ESTABLISH ROLES AND RESPONSIBILITIES FOR PRODUCT MANAGERS

Product managers are primarily focused on interacting with customers and setting product strategy. They are externally facing and bear the primary responsibility for representing the product to customers.

While they interact with engineering on occasion, the majority of their time is spent providing customer engagement, so customers get more value from the product.

03

ESTABLISH ROLES AND RESPONSIBILITIES FOR PRODUCT OWNERS

Many times, companies mistakenly believe that product managers and product owners are one in the same. They are two distinct roles with vastly different skillsets that are both equally important to the success of DPM.

Product owners are primarily internally facing and work with engineering and R&D teams to ensure the features that are delivered are relevant and necessary for customers to get value from the product.

04

RECOGNIZE THAT PRODUCT STRATEGY MATTERS

For DPM to succeed, product managers have to be focused on product strategy. That strategy may involve identifying what customers expect to get out of a product and how it will change in the future.

The strategy could also involve recognizing that customers won't need a product in a year, and determining how to wind down the product, communicate the changes to customers, and transition them to different products.

DIGITAL PRODUCT MANAGEMENT PLATFORM KEY REQUIREMENTS

TO CAPITALIZE ON DPM, YOU NEED A PLATFORM TO UNIFY THE ENTERPRISE - FROM STRATEGIC INVESTMENT PLANNING TO DEVELOPMENT AND CUSTOMER SUPPORT - WITH ONE VIEW OF ALL YOUR INVESTMENTS. THESE ARE SOME CAPABILITIES THAT AN ENTERPRISE DPM SOLUTION MUST SUPPORT:

01

ORGANIZATIONAL HIERARCHIES

Your solution should give you the flexibility to organize investments the way your business runs, including arranging people, work and money by product lines. Make sure you can set up different investment types, including projects, products and platforms.

02

STRATEGIC ROADMAPS

Your solution should give you the agility to map strategy to objectives on drag-and-drop roadmaps to clearly understand how your products are performing. Unlike never-ending Gantt charts, roadmaps let you nest multiple workstreams under each investment with direct links to resource, work, financial data.

03

CONTINUOUS INVESTMENT PLANNING

Your solution should empower you to prioritize work based on business outcomes, not gut feelings. Engage teams and executives in ongoing roadmap planning to please customers by quickly fulfilling new demands; disrupt competitors by stealthily pivoting with new market opportunities; and maximize business value by managing investment performance in real time.

04

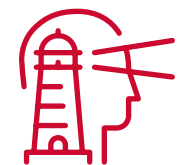
THIRD-PARTY APP CONNECTORS

For complete concept-to-cash management of digital products, your DPM solution must leverage strong integrations with your other business tools. Solutions should come with preconfigured ALM, ITSM, Enterprise Agility and DevOps connectors.

CHOOSING THE RIGHT TECHNOLOGY PARTNER

THE RIGHT TECHNOLOGY SOLUTION PROVIDER SERVES AS A STRATEGIC PARTNER AND WILL BE INSTRUMENTAL IN YOUR ORGANIZATION'S ABILITY TO MAXIMIZE THE POTENTIAL OF VSM.

LOOK FOR:



Domain expertise

A provider with a history of successful VSM implementations and a track record of thought leadership and innovation in its foundational disciplines, such as digital product management, data ordinality, and enterprise agile.



Advanced, integrated solutions

A provider that offers the innovative and integrated solutions that empower all value streams across the enterprise—not just IT.



Demonstrated success in the enterprise

A trusted provider that has proven success with the scale and customization required by the world's largest, most complex organizations.



Robust partner ecosystem

A solution provider that can help your team with an extensive array of partners and leverage proven blueprints and strategies that help expedite the realization of value from your investments.



EVALUATION

KEY QUESTIONS TO ASK A POTENTIAL PROVIDER



Transparency to eliminate silos

- Can your solution be used across my organization, including teams in various lines of business, IT, development, marketing, human resources, and more, so I can establish true, enterprise-wide value streams?
- Can it be efficiently integrated with technologies I have in place?



Traceability of value

- Does your solution offer unified data models allowing me to track value, while enabling teams at every level of my organization to quickly and efficiently get the insights they need?



Drive efficiency by eliminating waste

- Does your solution offer the flexibility to effectively align with the unique requirements of our teams, and teams of teams, while enabling us to establish uniform guardrails that ensure compliance with policies and mandates?
- Does it scale to support thousands of users?

TAKE THE NEXT STEP IN YOUR VSM JOURNEY

Download your own copy of our evaluation sheet. This interactive resource will help you assess prospective tools and vendors and ensure you find the solutions that are best aligned with your business' needs.

[DOWNLOAD DPM SOFTWARE EVALUATION CHECKLIST](#)

CUSTOMER SUCCESS

BY ADOPTING DPM BEST PRACTICES, SUPPORTED BY CLARITY FROM BROADCOM, THESE COMPANIES - ALONG WITH MANY MORE - ARE ALREADY REALIZING THE BENEFITS OF DIGITAL PRODUCT MANAGEMENT.



NATIONAL FAST-CASUAL RESTAURANT

Boosting cross-team collaboration to fuel new customer value

As customer reliance on online ordering and third-party delivery grew exponentially, Clarity enabled seamless knowledge and data sharing across different departments at a fast-casual restaurant, including product teams, digital marketing groups, scrum masters, and planners. This visibility and collaboration enabled them to bring on several new delivery partners and **shrink rollout times from months to weeks**, maximizing customer loyalty and retention.



AERONAUTICS MANUFACTURER

Saving millions with unified, enterprise-wide visibility

With air travel essentially grinding to a halt within a matter of weeks, a large aeronautics manufacturer faced an urgent need to reduce expenses across traditionally siloed infrastructure and investments. They leveraged Clarity to gain a cross-team view so they could intelligently identify and eliminate overlapping tool sets, realizing **approximately \$25 million in savings**.



MULTINATIONAL SNACK FOOD PRODUCER

Taking a data-driven approach to boost business agility

A multinational snack food producer was contending with dramatic shifts in consumer behavior and significant supply chain disruptions, forcing teams across the organization to pivot fast. Clarity proved instrumental by providing them with **end-to-end visibility of their digital ecosystem**. They were able to break top-level initiatives into Agile management-based work, and leaders were able to track progress based on actual work instead of manual status reporting.

CONCLUSION

DPM represents a strategic endeavor that can position your business to be successful in meeting its most critical objectives—both today and in the long term.

Only true, enterprise-grade DPM solutions, like Broadcom's Clarity, provide enterprise technology with the scale and customization required by the world's most complex organizations, enabling them to fund, schedule, track, and manage work throughout its lifecycle.

To fully capitalize on this opportunity, it will be vital to find advanced solutions that most effectively empower all your teams and enable the management of value streams across your enterprise.

TALK WITH A DPM EXPERT

Connect with a Broadcom DPM specialist to learn more about how DPM technology can help you eliminate waste, drive strategic initiatives more effectively, and align your entire enterprise to customer value.

[VISIT BROADCOM.COM/CLARITY](https://www.broadcom.com/clarity)

ABOUT BROADCOM

Broadcom is a leader in the VSM software market. With our Clarity solution, businesses can implement and manage an effective, efficient DPM strategy that enables internal teams to gain the visibility required to maximize alignment, reduce inefficiencies, and speed time to value.

With Clarity from Broadcom, executives can more effectively understand priorities, capacity, progress, and results across their organizations.

As part of Broadcom's ValueOps platform, Clarity enables every role within an enterprise to manage, track, and analyze digital products and their associated value streams with a focus on delivering the strategic outcomes that matter to your business.