



# Atlassian's approach to Enterprise Strategy and Planning

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# Opening letter

A few years ago, many organizations began hiring Chief Digital Officers and Chief Transformation Officers. These roles were solely goal'd on driving innovation, whereas the Chief Information Officer was focused on running the business.

For the most part, these two functions have come together. Every technology leader is a transformation agent who oversees an ecosystem in constant flux. They juggle changing the business with keeping the lights on. When I speak to these leaders, they share the urgent questions they've been tasked to answer for their CEOs, boards, shareholders, and customers.

1. How do I drive alignment in the business?
2. How do I provide visibility and transparency?
3. How do I show what we're doing, what we have delivered, and how it aligns to what's important?

It sounds simple. You may be thinking, "No kidding". But these are difficult questions to answer. Hiring is relatively flat, unemployment remains historically low, and the most critical skills are the scarcest. Everyone is eager to build as much as possible from what – and who – they already have. But to get more output, something needs to change.

I hope you'll read on for our point-of-view on the modern disciplines of strategy and planning. We see them as a single function we call **Enterprise strategy and planning (ESP)**. In our thinking, leaders should view and adjust **six core facets** together: **goals, work, talent, funds, systems, and updates**.

Technology is mid-inflection point, and **Atlassian is all-in on ESP as a key differentiator**. We believe strategy leaders with an ESP mindset will pull ahead of their peers in the coming quarters and years. And we intend to be right there with them as **we power their system of work**.

Best regards,



**Matt Schvimmer**

*Agile and DevOps (ADO) Senior Vice President and  
Head of Product, Atlassian*

# A primer on enterprise strategy and planning (ESP)

## What do we mean by ESP?

ESP is how an organization sets and operationalizes its strategy through the **strategy lifecycle** when leaders understand and make efficient decisions about **six core facets** together:

1. **GOALS** – The measurable outcomes that define success for an area
2. **WORK** – Everything from big packets spanning quarters to individual tasks
3. **TALENT** – People – your largest asset (and cost)
4. **FUNDS** – Budget and actual costs, ideally a combo of CapEx and OpEx
5. **SYSTEM** – Systems and services you need to create or update to support strategy
6. **UPDATES** – Human-written, qualitative updates on progress (e.g. status reports)

## Core belief: Every enterprise already does ESP

Every organization sets and operationalizes strategy, so we believe that ESP is a function that every organization has, just as it has HR, Finance, SDLC, or PDLC. However, ESP maturity varies with how leaders **understand and adjust the six core facets together**.

Just as Product Lifecycle Management (PLM) helps teams manage the idea-to-product lifecycle, **ESP helps leaders improve their strategy-to-outcome management**. After all, strategy is a discipline.

**Industry-based maturity:** All organizations operate within markets, and those markets tend to dictate the expected level of **predictability vs. adaptability** an organization needs. After all, an AI startup needs more adaptability, and a government agency needs more predictability. But both extreme examples – and every organization in between – must manage their core facets to grow in maturity, whether they operate through biweekly sprints or annual business reviews.

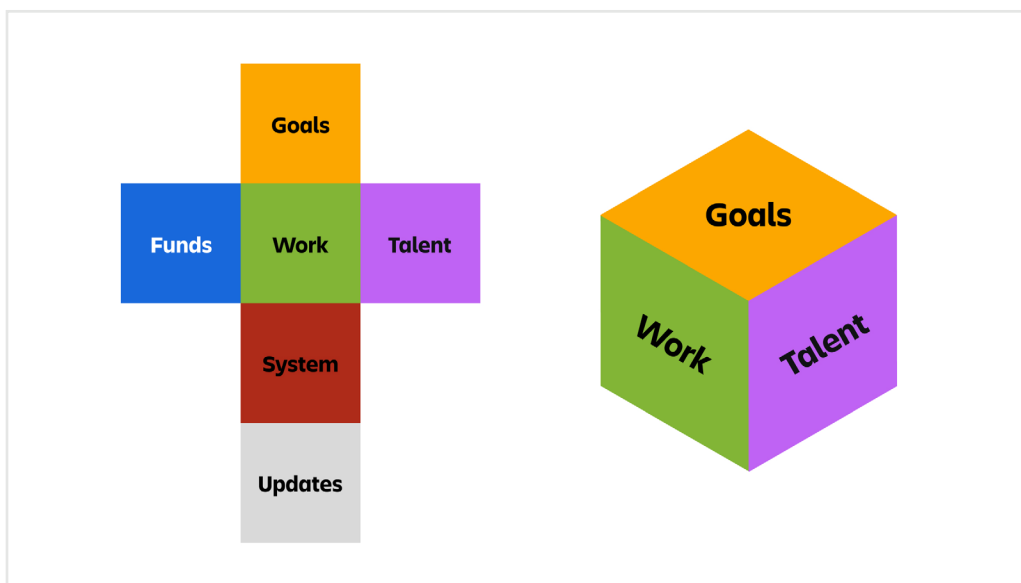


# How to upshift your ESP

What do we mean by “understand and adjust the facets together”? We believe that facets join together into important building blocks for every organization. Let’s visualize this concept as an instruction manual for a building block kit.



Follow along with the assembly instructions to learn how Atlassian already embeds ESP into its strategic planning and how you can shift to ESP.



Picture the six facets as adjacent faces. Next, assemble those faces into a **strategy cube**, a 3D representation of a **strategic priority**. All of the facets support the priority. For example, a set of goals is driven by work. People do the work, the work results in systems, people give updates on goal’d work, and so on.

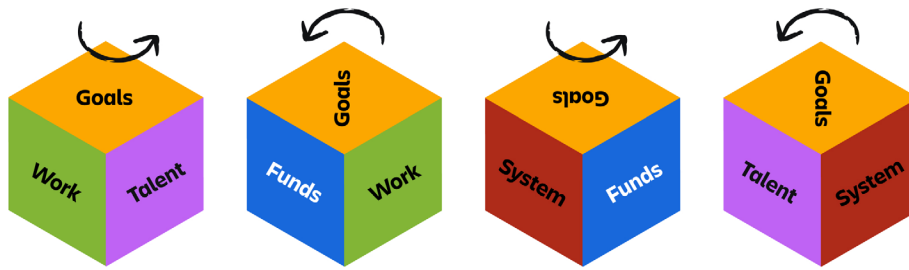
Every organization already has a similar framing and uses its own labels. It varies by industry and approach. Maybe you see your business through a product or solution-driven lens, departmental lens, or GTM lens.

Whatever your lens, the strategy cube represents a fundamental building block – a **focus area**. We use the term “focus area” because it is approach-agnostic and can work for everyone.



**ACTION**  
Assemble the facets to form focus areas.

## Different views



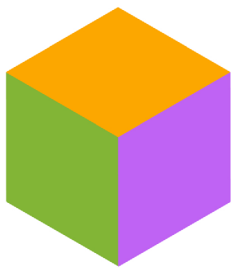
Now you can rotate that **focus area** to consider new views of facets at once and reduce risk. For example: Do we have enough of the right **talent** for this area? Are they **goaled** correctly? Does the **work** actually push the priority forward?



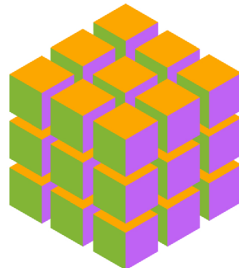
### ACTION

Rotate the cube and consider new views.

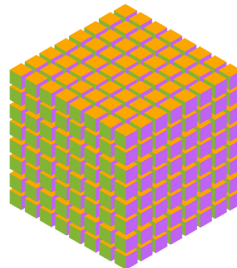
## Work breakdown



Portfolio



Initiatives



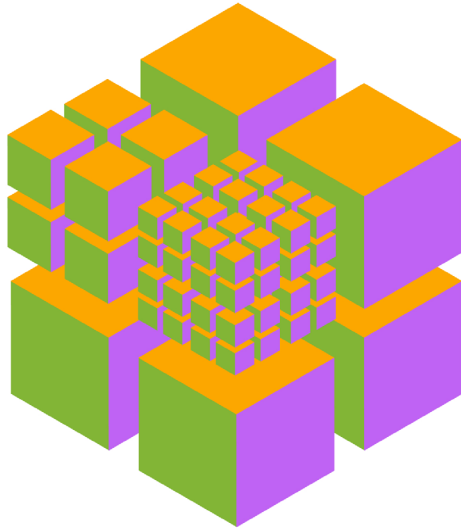
Sub-initiatives

At the top level, our strategy breaks into a handful of focus areas. Most focus areas are actually a structure of sub-focus areas. You may have your own name for each of these such as **Portfolio**, **Initiatives**, and **Sub-initiatives**.



### ACTION

Build your hierarchy by decomposing focus areas into sub-focus areas that make sense for your strategy and business.



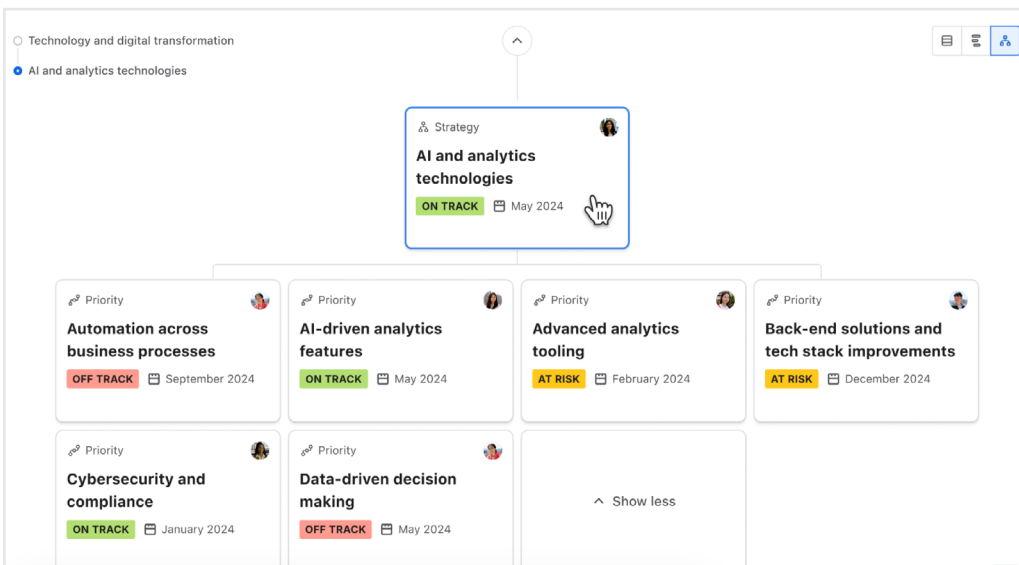
But every vertical of your business is a bit different. The breakdown of Portfolio - Initiatives - Sub-initiatives is perfect; a little too perfect for reality. That's okay.

This is where many other approaches break down or only work for software delivery areas because they require the same layers or apples-to-apples definitions to be applied across other areas. **Not so with ESP!**

✓ **ESP is methodology-agnostic.**

ESP unlocks the flexibility you need to **model your business the way you need to.**

For example, you can assemble **focus area views** that model the unavoidable messiness of the modern enterprise. Some areas of the business need richer, deeper hierarchy, while others do not.



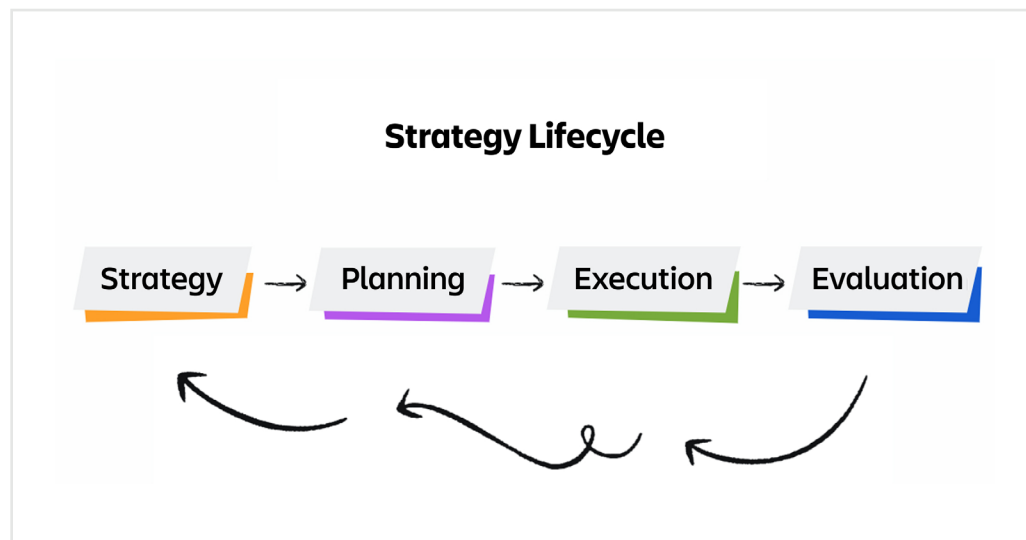
**ACTION**  
 Model your hierarchy of focus areas in a flexible way that fits your reality.

# What do we mean by the strategy lifecycle?

## Set and operationalize strategy through the strategy lifecycle

The strategy lifecycle is the time dimension of ESP. How do your focus areas change over time? We believe that strategy is a discipline, has a journey, and moves through stages of Strategy, Planning, Execution, and Evaluation.

Although we can picture them in a linear way, each journey is often far from linear; It can double back, restart, get abandoned, or skip stages.



## Strategy events

Within the strategy lifecycle are **strategy events**. These are meaningful moments where stakeholders come together in a cadenced or ad hoc way. Most organizations have regular strategy events, perhaps quarterly. However, sometimes they're triggered by fire alarms, like an upcoming board meeting or an M&A opportunity.

These strategy events often change the direction of the company. Leaders operationalize the strategy when they – whether they realize it or not – make changes to the **facets** and expect results. But results don't always happen in the way they want. So next we'll look at **ESP maturity**.



# ESP maturity model

## Core belief: Every organization is on a maturity journey

Every organization has an ESP function because every organization sets and operationalizes strategy – whether they do it well or poorly. All organizations sit somewhere across the **ESP maturity journey**.

### Foundational

#### FACETS

They view and manage the six core facets in **separate, static, and siloed** ways. The source of truth for strategy is often in spreadsheets or slides.

#### STRATEGY

The strategy lifecycle is **haphazard** and strategy events are **ad hoc** or **ineffective**. There are frequent restarts and abandoned initiatives with lots of manual lifting.

#### OUTCOMES

There's more than enough reporting, but teams **can't connect the dots to what matters**. With more data than they could want, the relational parts are missing. Too much strategic planning is based on gut feeling, and the results show it.

### Developing

#### FACETS

They have **partial views that connect some facets, but not all**. They most often try to connect Goals, Work, and Talent. They too often **underinvest** in other facets.

#### STRATEGY

They oversteer, like a car avoiding an obstacle. Then they're forced into a flurry of small corrections to return to normal. They change their strategy in **medium ways, frequently**.

#### OUTCOMES

The strategy is on the right track, but something isn't connecting. They feel the symptoms of the facets they ignore.

### Leading

#### FACETS

They view and manage the **six core facets together, in building blocks** that make sense to them. They successfully manage all facets of the cube, at all altitudes.

#### STRATEGY

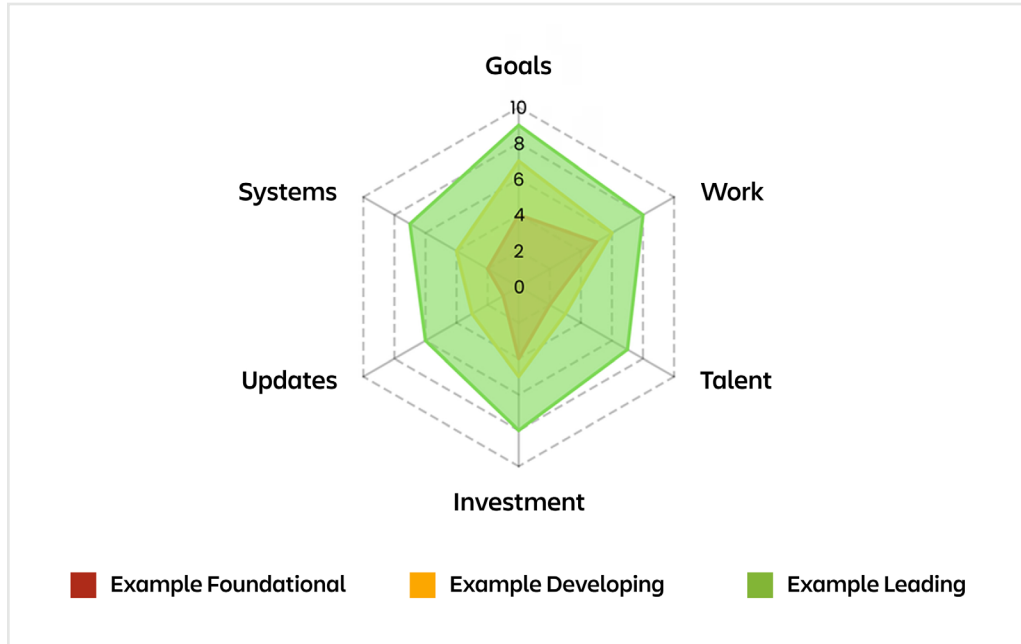
Every facet is considered and tracked through the strategy lifecycle. They validate ideas quickly and monitor their markets, competitors, and customers. With short feedback loops, they respond to signals with successful pivots and achieve strategic agility.

#### OUTCOMES

Big bets pay off with growing wins for the business as they make adjustments and see connected results. They make the right changes at the right time.

# Overview on scoring ESP maturity

Maturing your ESP is about managing the six core facets – together. It’s easy to see how our three examples (Foundational, Developing, and Leading) might score on a radar chart:



## Defining *good* for each facet

But what exactly does good look like for each facet? How do we make an assessment? In ESP, three relationships are most critical. Remember the “assembly instructions.” These relationships are essential:

### 1. Facet-to-strategy – SUBJECTIVE

Your confidence in the facet to deliver for your business.

### 2. Facet-to-focus-areas – OBJECTIVE

How the facet connects to your strategic priorities.

### 3. Facet-to-facets – OBJECTIVE

How the facet relates to other facets.



Be aware that your bias impacts subjective scores, which is why we pair one subjective score (#1) with two objective ones (#2 and #3) for each facet. If you see a large gap (up or down) between your answer to #1 compared to #2 and #3, it’s a signal that there may be a cognitive distortion at play.

# Worksheet: Get your facet scores

To assess your placement on the ESP maturity journey, grab a pen and use the worksheet below.

## INSTRUCTIONS

**STEP 1:** Answer questions 1-3 for each facet.

**STEP 2:** Average your answers to questions 1-3 for each facet. **This is your Facet Score.**

**STEP 3:** Average all of your facet scores. **This is your ESP Score.**

## Goals

### FACET : STRATEGY

1. What level of confidence do you have in your goal practice?

**Ask yourself:** Is your organization able to define objectives and key results (OKR) that are clear and measurable? Do OKRs ladder up and cascade down effectively? Do they actually align with strategy? And is your strategy fully represented within your pool of OKRs? \_\_\_\_ (0-100)

### FACET : FOCUS AREA

2. What percent of all goals ladder up (eventually) to a strategic priority, or “focus area”? \_\_\_\_ (0-100)

### FACET : FACETS

3. What percent of all of your goals are somehow relationally mapped to all other five facets in a meaningful way? \_\_\_\_ (0-100)

### TOTAL

Score and average your numbers: \_\_\_\_ (0-100)

## Work

### FACET : STRATEGY

1. Do you have an accurate and actionable view of how work is progressing against your strategy?

**Ask yourself:** Do you accurately understand the progress of work at the right altitude? Do you have a clear picture of strategic progress beyond status of work? Do you know what work is on schedule and what is behind schedule? Where are the hotspots that put delivery at risk? \_\_\_\_ (0-100)

### FACET : FOCUS AREA

2. What percent of all work ladders up (eventually) to a strategic priority, or “focus area”? \_\_\_\_ (0-100)

### FACET : FACETS

3. What percent of all of your work is somehow relationally mapped to all other five facets in a meaningful way? \_\_\_\_ (0-100)

### TOTAL

Score and average your numbers: \_\_\_\_ (0-100)

## Talent

### FACET : STRATEGY

1. Do you believe you receive the right insights about your workforce to make smart tradeoff decisions?

**Ask yourself:** Can you see whether the right people are working on your most important strategies? Are you able to adjust and track how talent rolls up to strategy in real-time? Can you locate gaps and plan effectively? Can you see how talent supports strategy by experience level, tenure, skill, job family, or geographic distribution? \_\_\_\_ (0-100)

### FACET : FOCUS AREA

2. What percent of all your talent is ultimately mapped to a strategic priority, or “focus area,” because their work contributes to its objectives? \_\_\_\_ (0-100)

### FACET : FACETS

3. What percent of all of your talent is somehow relationally mapped to all other five facets in a meaningful way? \_\_\_\_ (0-100)

### TOTAL

Score and average your numbers: \_\_\_\_ (0-100)

## Funds

### FACET : STRATEGY

1. What's your level of confidence that your strategy is fully funded by your funds, and that your funds are correctly allocated for your strategy? \_\_\_\_ (0-100)

### FACET : FOCUS AREA

2. What percent of all strategic priorities, or "focus areas," are clearly connected to an accurate account of funding? \_\_\_\_ (0-100)

### FACET : FACETS

3. What percent of your budget is somehow mapped to the other five facets in a meaningful and measurable way? \_\_\_\_ (0-100)

## Systems

### FACET : STRATEGY

1. What's your level of confidence that your strategy is fully represented within your existing and future systems, and that your roadmap is correct for your strategy? \_\_\_\_ (0-100)

### FACET : FOCUS AREA

2. What percent of all strategic priorities – of those that require systems work – are mapped to the existing or future systems that will support the priority? \_\_\_\_ (0-100)

### FACET : FACETS

3. What percent of the systems critical for your strategy are mapped to the other five facets in a meaningful and measurable way? \_\_\_\_ (0-100)

## Updates

### FACET : STRATEGY

1. What's your level of confidence that you receive accurate, credible, and meaningful updates during the strategy lifecycle? That you understand the story behind the statuses, and what it means for your strategy? \_\_\_\_ (0-100)

### FACET : FOCUS AREA

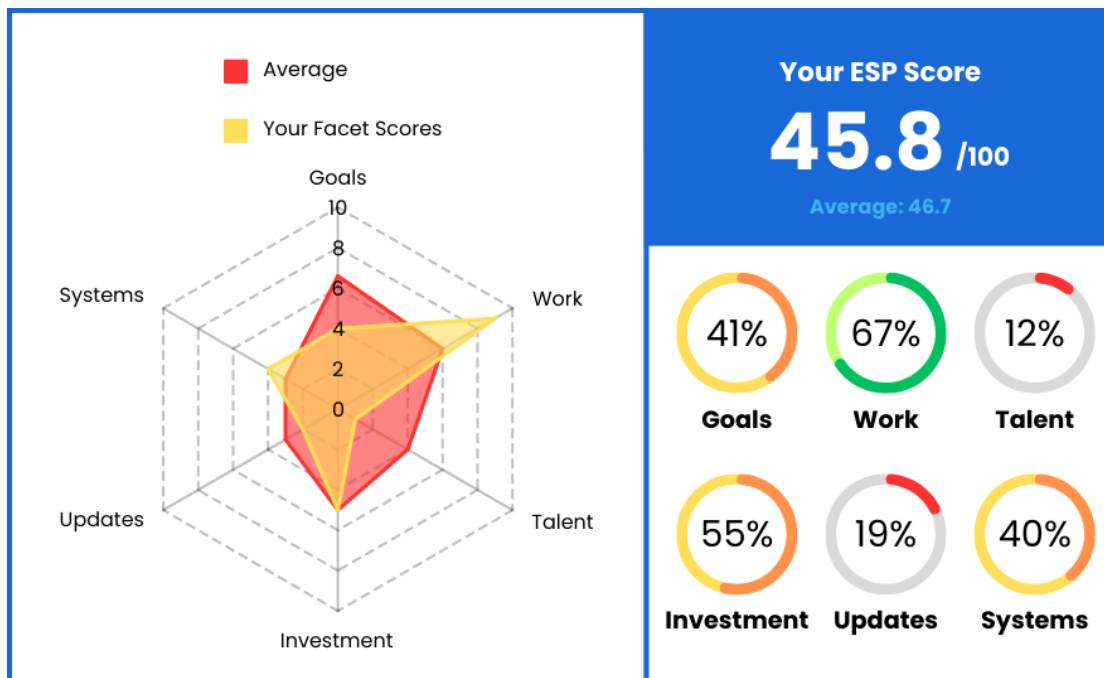
2. What percent of all updates ladder up (eventually) to a strategic priority, or "focus area?" \_\_\_\_ (0-100)

### FACET : FACETS

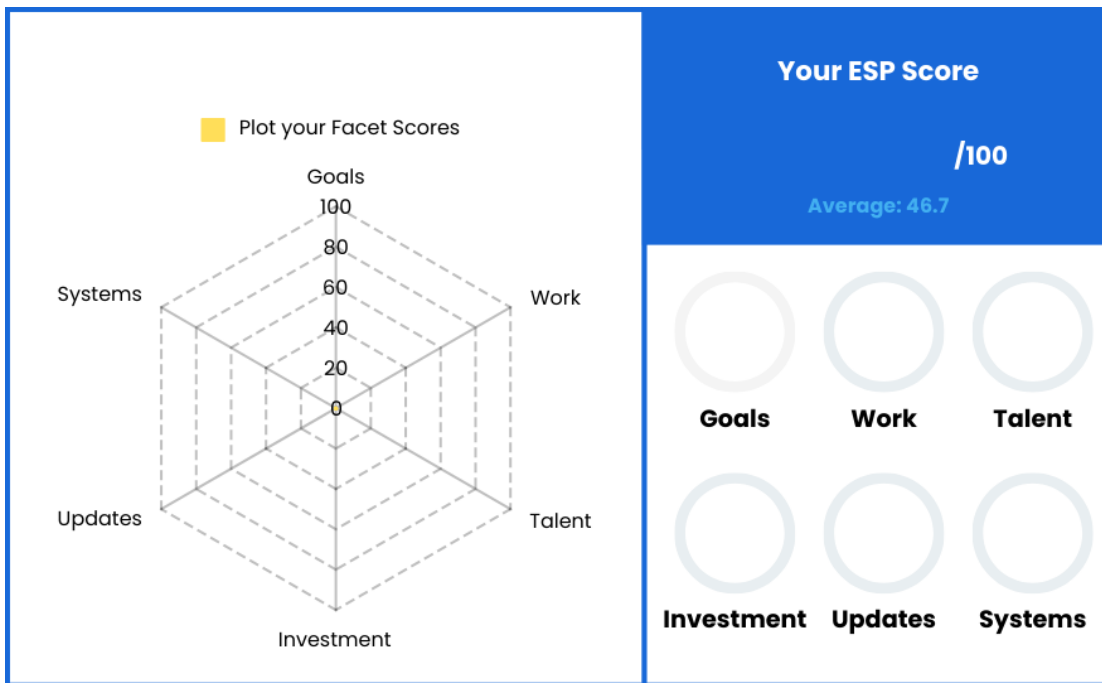
3. What percent of strategic updates are somehow relationally mapped to the other five facets in a meaningful and measurable way? \_\_\_\_ (0-100)

## Worksheet: Calculate your ESP score

Now you're ready to list your facet scores, plot them, and calculate your own ESP Score.



An example ESP score result



Plot your own average facet scores and calculate your ESP score.

# ESP is both critical and urgent

## Case studies of low ESP maturity

Self-assessment is helpful and scores have their place. But what does it actually look like when an organization lags behind? **What does low maturity look like?**

These case studies describe two sets of patterns we see frequently. **The nominal golden thread** and **the execution trap** are both symptoms of lagging ESP. However, they are not rookie mistakes. These are pitfalls that many large, name- brand, and respected companies grapple with.

### Case study 1: The Nominal Golden Thread

The business has a mature platform model for its data. It can report on connections between some facets, usually work and objectives. Execs have rollups that illustrate a “**golden thread**” connecting big bodies of work to strategic priorities. It passes the squint test. But it falls apart on closer look. What percentage of the underlying work truly contributes to the strategy? What percentage of activities are swept into buckets where they don’t belong?

This is often due to a combination of factors: lack of governance, tooling gaps, implementation difficulties, different hierarchies across functions, lack of communication, or rushed tool migrations. A common trap is oversimplification, where work is fit into 2-3 themes like “run the business” and “grow the business” without enough definition. **Ultimately: Is the golden thread real or only nominal?**

“

When we were diagramming out how everything works together you get lost in the lines. We had so many pieces of execution that linked to these big strategic pieces. When you start to unpack it, it doesn't really. You can squint and “Okay, yeah, it works.” But we needed to see all of that complexity and build those relationships in order to say, “No, that doesn't really match up.” Or, “No, that doesn't really support that.”

**Portfolio Manager of a National Food Service Company**

## Case study 2: The Execution Trap

The organization has normalized regular planning and delivery – even across complex cross-functional programs, portfolios, or products. There are ceremonies for work prioritization, adjustments, tradeoffs, and readouts. A hard-won victory! There is still immense complexity, but the organization has settled on a superimposed framework – a blend of existing frameworks – that works for them. They make regular changes to it.

Perhaps they've added more flexibility and carved out waterfall (non-agile) areas for cyber-physical and embedded systems teams. They have a somewhat normal delivery cycle. But when you zoom out, some questions remain unanswered. What percentage of the top-level strategy has a significant effect on the work that happens? Is day-to-day activity overly driven by questions of status and budget?

Does the strategy get garbled between the boardroom and the Q1 planning room?  
**Ultimately: Have they achieved agility, or in the pursuit of agility have they only achieved rigidity?**

“

We were still very stuck in execution. We were still thinking way too small... That's what these focus areas allow you to do is elevate that conversation. And get out of that kind of rat race of, "What's the status?" and "What's the budget?". No, think bigger... and that's where we were still struggling, was in that middle layer of execution status. Going through this process helped us unpack, we need to think higher, we need to elevate our mindset to these strategic reviews.”

**Portfolio Manager of a National Food Service Company**

# Why ESP stands out

## The world of strategy and planning today

There is a reason these case studies are so recognizable. Before we discuss what's not working for leaders today, it's important to caveat that the strategy and planning space is populated with frameworks, approaches, and categories. These tools can all help contribute to the core job of ESP: **to ensure everyone is collaborating in the best possible way to get the most important work done.**

However, even with all the tools available, ESP leaders need help. Before we get to the questions ESP leaders still struggle to answer, see where you fit into today's popular frameworks, approaches, and trends.

### Framework examples

1. Scale Agile 6.0 (SAFe)
2. Large-Scale Scrum (LeSS)
3. Disciplined Agile (DA)
4. Nexus
5. Kanban
6. Lean Product Development

### Approach examples

1. Enterprise Agile Planning (EAP)
2. Strategic Portfolio Management (SPM) / Lean Portfolio Management (LPM)
3. Strategic Workforce Planning (SWP)
4. Value Stream Management / Value Stream Mapping (VSM)

### Trends we're seeing

1. Homegrown/hybrid frameworks over industry ones: adapt what works instead of using off-the-shelf
2. Move away from business agility as an end in itself and toward strategic planning with Objectives and Key Results (OKRs)
3. Interest in agentic AI and served-up insight directly in the strategy lifecycle
4. Products over projects, product-transformations



## Core beliefs about today's approaches

These frameworks are familiar to strategy and planning leaders. For all of these approaches, our core beliefs are that:

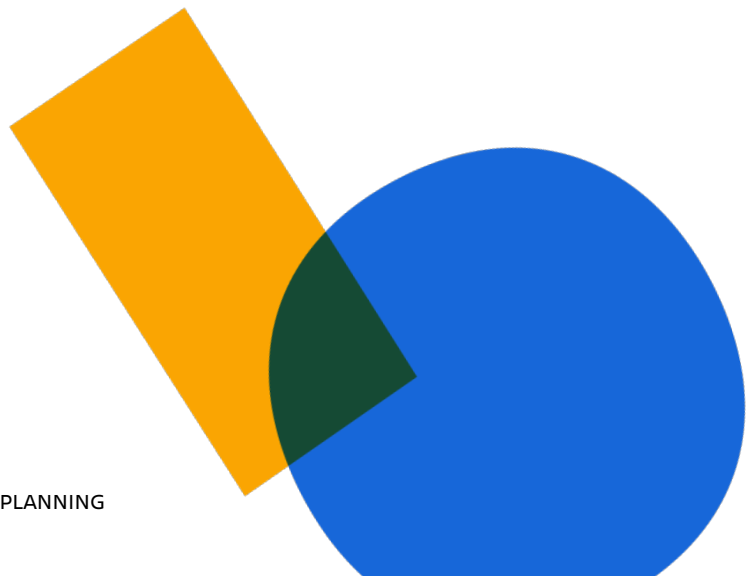
1. All are still evolving
2. All have been successful for organizations
3. All have been unsuccessful for organizations
4. None has ever been the-single-silver-bullet-that-solves-it-all

## Can you answer these four pressing questions?

Even with all the frameworks available to you, can you answer four simple questions **with a high degree of confidence or detail?**

1. What are my biggest strategic priorities?
2. Are all six facets aligned to deliver against those priorities?
3. How am I tracking through time against my priorities, and how are priorities changing?
4. What should we do about [xyz], and what is the impact across the business?

Even with the many approaches out there, executives and their ops teams have unanswered questions – seemingly simple ones. We believe leaders will be extremely underserved by existing frameworks for the next few years, which is why we're all in on ESP. We believe it can help fill the gaps.



# Critical gaps that ESP helps leaders solve

## Gap 1: Leaders need strategic planning that allows for blended ways of working

“All or nothing” approaches do not work within the sprawl of enterprise. Many of these approaches are **standalone** and take an **all-or-nothing** approach. If one pod of teams uses their own workflow or cadence it throws off the system. Success requires exhausting months – sometimes a year – of aligning people, processes, and tooling. You may have whole teams working to enable, set up, train, and connect backend systems – and even politic – just so that Group B’s definition of done is the same as Group A’s definition. On top of that, getting accurate reporting requires another herculean effort. None of this inspires confidence when you need to make a pressing decision.

You see symptoms of “all or nothing” approaches bubble up whenever you ask for a status report on a strategic priority. The request is urgent, but it often takes too long and requires too much manual effort for your teams to assemble the views you need. The numbers may be outdated, inaccurate, or skewed with assumptions. Ask yourself: Am I confident in the accuracy of the information I receive?

## Gap 2: Leaders are over-served data and underserved insight

Strategy leaders are underserved by the information they have. As a strategy leader, you are familiar with having too much data and too little insight. Popular frameworks and approaches define important metrics like velocity, burn-down charts, or progress toward OKRs. But even mature organizations struggle to use data to answer the most pressing questions: Is my talent and work driving results? What should we do next?

On a regular basis, you need to prove that a strategic priority is delivering ROI. Sure, tracking outputs is important. But when you cannot tie those numbers back to business outcomes – like customer value, revenue impact, reduced costs – your teams may be busy but not successful. The numbers you see may be accurate, yet unimportant. Ask yourself: Are those numbers credible enough to back your next move?



### Gap 3: The six facets are too siloed

The six core facets are too siloed, so you cannot model your business the way they need. Imagine someone managing a delivery service business from a central hub. In their hub, they have six screens with incoming data:



Sounds comprehensive, right? Sure, if they only care about each facet on its own. Yes, they can track the size of their fleet on one screen or an increase in spend on another. There's just one thing they're missing: A way to see all the facets together, in building blocks that make sense.

What they don't have is the ability to rotate the strategy cube to see and solve a full problem. They need the ability to say "I am not hitting my goal because in City A I have too few shipments per driver and not enough cars, causing negative cashflow in this area of my business."

This illustration is over-simplistic, but so is the way many organizations do strategic planning. They want to see what's happening, where they are now, and what they should do next. They're buried in data, but their facets are siloed from one another, unmapped to focus areas, and disconnected from strategy.

### Gap 4: The overlooked facet is talent

Today's approaches overlook the importance of your most important asset: **talent**. People are both your biggest cost and your biggest asset. Because of low unemployment for engineering talent in particular, the way you deploy, develop, and retain your people is critical. Some frameworks and approaches leave the impression that if you get everyone in the same sprint cadence or using the same tool, that's enough. It's not.



Organizations today house HR information, but either lack talent data or fail to make it strategically meaningful and connect it to other facets. To fix this, organizations need to:

1. Understand the shape of their talent, and what is and isn't working.
2. They need to plan and fill positions with better forecasting and modeling – run workforce planning together with strategic planning
3. They need faster, accurate smoke alarms that alert them to off-balance org ratios, slow hiring, or delivery slips
4. And they especially need to ensure that talent actually aligns to strategic priorities.



Today many technical problems are mis-labeled. Many such issues are people problems at the core. After all, it's the talent that builds, improves, ships, and sells the technology. So strategy leaders need to understand at all times how their talent relates to the business and to their strategic priorities.

## What's next for you

These gaps cause severe executive worry. Fortune 500 Executives estimate that **only 24% of teams are doing mission-critical work\***. If you share the same worry, this is why the ESP approach is better and more hopeful.

Return to the assembly instructions:

1. **STOP** approximating what percentage of teams are doing mission-critical work.
2. **START** to set your strategy in a dynamic way – not siloed in static places like slides or spreadsheets.
3. **START** to deconstruct your strategy into focus areas.
4. **START** to map facets to focus areas. Try starting with goals, work, and talent.
5. Then, **CONTINUE** to add facets and **rotate the cube**. Watch and adjust the facets together throughout the strategy lifecycle.

Atlassian is all-in on ESP. It's how our own leadership does strategic planning, and it's why we've introduced our newest ESP offering: Focus. **Focus is a central hub for strategic planning.**

\*2024 Atlassian State of Teams Survey



If you're interested,  
learn more about  
**Atlassian Strategy  
Collection here:**

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Collection](#)

# Explore Strategy Collection

## Turn strategy into remarkable outcomes

Evolve your enterprise strategy and planning with a collection of apps that help you deliver better outcomes across your business. [Learn more](#)

# Strategy Collection

## Focus

### Strategy planning

- Connect strategy to goals, people, work, and funds in one central hub
- Model and adjust as your strategy evolves
- Take action for continuous optimization

[Learn more](#)

## Talent

### Workforce planning

- Immediately map the right talent to your priorities
- Plan and design a future-ready workforce
- Allocate talent and make decisions with confidence

[Learn more](#)

## Align

### Enterprise work planning

- Align strategy to execution
- Prioritize work, track dependencies, and identify risks in real-time
- Measure outcomes of investments to maximize customer value

[Learn more](#)