

Transition and Transformation

Evolving from
Effective to Efficient



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Moving from a traditional data center environment into the virtual world of cloud can bring substantial productivity, scalability and cost benefits – even for enterprises that are operating effectively today. What a cloud-based enterprise provides is the ability and agility to move from effective to efficient – while reducing costs at the same time.

Although the ability to add storage space or server capacity within hours in a cloud environment brings a sense of instant gratification, it's important to note that a cloud transformation should not be a Big Bang, everything-now event. Instead, it is a process, driving incremental gains with each well-calculated step. It's also not a 100 percent repeatable, cookie-cutter implementation. Each implementation is as unique as the client environment, supported by ITIL standards. The transformation is not about technology alone. To succeed, it must be done holistically and be tightly integrated within the client's individual culture, organizational model, processes and people.

Think of it this way: Starting the transition to cloud is a lot like renovating a building. You're probably not tearing the whole thing down and building it back from scratch – but you're making alterations to enhance what you already have.

You'll meet with an architect, and discuss what you want to do – what you want to change, and what makes sense. In other words, you create a vision of the end point. But, before the architect puts pencil to paper to create a vision of what that building is to become, he or she has to completely understand the building currently in use – where the support beams are, how the electrical is wired, where gas lines are located and the existence of other potential hazards. Only then can the architect create a blueprint covering every detail and ensuring once construction starts, it will stay on track with as few surprises as possible.

A cloud transformation is also a process with detailed, methodical steps. Instead of once-and-done, the best approach is to prioritize needs and work in waves or focus areas, until the desired outcome is met. The goal of this paper is to provide a high-level view of the transformation process, what to expect and the purpose of each step along the way.



The People Factor: Understanding the Culture and Organization

Implementing technology without a clear understanding of the culture and organization driving the enterprise is a formula for disaster. It's like coming in with the answer without really knowing or understanding the question. Spending time with the client to tune into the company's unique culture and how its organization works is essential to a successful transformation. It's also the first step to gaining a true understanding of the core challenges facing effective enterprises today.

Cultures generally are neither good nor bad; and are typically work ethic, people-based, conflict avoiding, or capital-creation focused. But each culture has its own upside, downside and is usually difficult to change. A transformation requires a company to change its culture, or makes assumptions about that culture without true understanding, is at risk from the beginning. The solution and how it is deployed has to adapt to the client culture – not the other way around.

Organization is the mechanical, internal structure of the enterprise. It impacts every action the enterprise takes and correlates with its capabilities and effectiveness. Organization defines how each employee is expected to navigate the enterprise, interact with those in specific roles, and also defines how most companies present themselves to the rest of the world. Organizational models are more about the personalities and skills of key individuals than nearly any other factor.

During this stage of the transformation, the service provider does a great deal of listening – not only to the high-level manager who is sponsoring the project – but to mid-level technical, functional and program managers, and other stakeholders who could provide insight into the inner workings and personality of the company.

Although it feels like basic relationship building, there's really nothing basic about it. Understanding the culture and organization is vital to understanding the goals, objectives and requirements of the transformation. In other words, you can't align the infrastructure with a business you don't fully understand.

Structuring Governance

After gaining an understanding of the client's organization and culture, the focus must turn to governance. In other words, how can we make the client's organization and culture gel with the service provider's organization and culture? This step enables the two entities to more effectively collaborate and hold each other accountable throughout the transformation.

In many ways, governance should be structured as precisely as the legal documents set up by two inventors who are starting a business together. The service provider should have a proven methodology for putting this document in place.

For example, ACS' Transformation Governance consists of our Project Management Methodology (PMM) and System Development Methodology (SDM), which are based upon industry-standard best practices with a focus on proven processes, meticulous controls, and frequent and timely communications. To ensure the smooth administration of a project, ACS applies PMM to each project undertaken. Our PMM adheres to the Project Management Body of Knowledge, Third Edition (PMBOK®) while incorporating the project management standards established by the Capability Maturity Model Integration (CMMI) of the Software Engineering Institute (SEI). With our PMM, we ensure project requirements are identified, documented, agreed upon, and delivered on time, on budget, and with superior quality for the enterprise.

Strong governance is essential for implementing changes during the transformation, keeping the lines of communication open and ensuring accountability. This step ensures the client that what's supposed to be happening is actually taking place, and that all parties clearly understand expectations.

Creating the Vision

After gaining a clear understanding of the organizations involved, the overriding cultures and how the transformation will be governed, the next step is gaining a clear vision of what should be done. It's a time when representatives from ACS and the client get together for some systemic innovation – true, creative, “what if” thinking that projects into the client company's future and the type of IT structure it needs to support the vision of where it wants to go.

Using our architect example, it's the inspiration-with-purpose phase. Not so much, “how do we build a door to the new addition,” but more of a discussion of “what are all the ways we can create an entry for the new space, and which will best suit the occupants today, as well as five years from now?”

During this phase of a transformation, the service provider must continuously obtain information from the client, its partners, research competitors, and gain knowledge from other sources. At the same time, we need to ask the right questions. Generally speaking, asking open, probing questions is the best way to focus on what the client wants, why they want it, and how their demands can be met effectively and delivered efficiently. A collaborative, in-depth question-and-answer session will help the service provider understand how the needs emerged and then determine how best to address them.



Essentially, we have a room full of stakeholders, with a variety of perspectives, asking the following questions and applying cloud possibilities to the answers:

What new products/innovations is your company planning in the near future?

- Support for those products—as well as the go-to-market strategy—has to be factored into the overall solution.

Is your company expanding into new geography?

- If you're considering expansion or acquisition, this is imperative to your overall cloud strategy.

Is your company acquiring new, significantly sized customers?

- The cloud strategy should include options for ramping up production or support, based on new customer requirements.

How is your industry changing?

- Is your supply chain evolving? Are your online sales dramatically increasing? Are new structures reshaping the way your industry operates and delivers to your customers? Specific industry trends should be discussed, with cloud-based solutions incorporated into the plan.

Are you anticipating new delivery models?

- Is your company going mobile, or delivering on an iPad or e-reader in addition to your traditional channels in the coming years? The cloud strategy should support these efforts.

The answers to these questions provide insight into the client's capabilities, resources, strengths, expertise and competitive advantage. They also ensure the provider understands the client's dilemmas—uncertainties, risks, or costs that have skyrocketed to nightmare proportions.

Having a deep insight into the client's strategic vision helps ACS understand how to present recommendations, advice and outputs to meet the transformation expectations.



Implementing a Phased Execution

After the “what” of the cloud transformation has been decided and the governance process has been detailed, the actual execution can begin. In an ACS transformation, execution takes the form of a six-phased process that is repeated for each iteration of change.

Phase One: Discovery

During the discovery phase, the hybrid transition team, comprised of specialists in all disciplines, learns everything possible about the client's current business environment. The goal here is to gain a real, accurate assessment of processes, people and infrastructure. The discovery team works with the CIO and business owners to get a clear understanding of the current environment – as well as what the day-to-day business looks like.

For example, if all the processes aren't documented, this needs to happen. If ITIL processes aren't being utilized, this is noted and will be changed in the current operation before the cloud transformation takes place. The goal is to ensure people and processes are lined up to run effectively in the current environment and making the processes adhere to ITIL standards in parallel to the infrastructure transformation. This is key to evolving an organization from being effective to efficient.

It's important to note, the more open the business owners are, the more information shared, the better the outcome will be. Think of it this way: when you go to a doctor, he or she always asks you to describe your symptoms. When you take your car into a mechanic, he or she asks you to explain what noises or issues are happening with your automobile. Meaningful, honest conversations, with anything that requires repair, are essential to narrowing down a root cause. It is no different with a cloud transformation.

Phase Two: Concept

Whereas the Discovery phase focuses on the 'as is'-- understanding the environment, and lining up the people and the processes efficiently, the Concept phase focuses on the 'to be.' During this phase, the team utilizes the information gathered during the Discovery phase, priorities discussed with the client, their own observations and creates a top-level plan of recommendations for review. The Concept is the initial step in the clients' move from effective to efficient.

Using our renovating analogy, the architect presenting the rendering of the project, based on his or her observations of the structure and what was discussed with the client. The idea here is to provide a checkpoint and get customer buy-in before the detailed work is done. In essence, explain how we will drive the transformation.

This phase also gives the client the opportunity to make alterations, changes or readjust priorities before a more detailed transformation roadmap is created.

Phase Three: Preliminary Design

After the concept is agreed upon, the initial design work begins. For example, if, in the conceptual phase, the goal was to virtualize 300 standalone servers and revamp the storage utility, this phase would identify the servers to be converted, the applications they are running, the current capacity and the security solutions needed.

Basically, this design illustrates the operational approach that will be taken to achieve the desired outcomes uncovered during the Discovery phase. Think of it as initial blueprint of the renovating project, showing where everything will be placed and showing how everything will be restructured, but not getting into the details of plumbing, electrical and the location of studs and beams.

Phase Four: Detailed Design

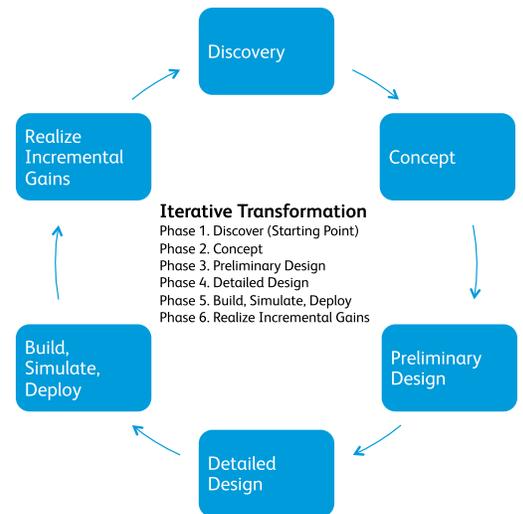
After the preliminary design has been approved, every detail of the first wave of the transformation is mapped out – from each impacted application, any network implications or storage issues, as well as detailed security requirements. This particular design includes everything that is going to change or will be impacted, as well as specific schedules and timeframes, so everyone involved understands what will be happening when. This becomes the go-forward roadmap all involved parties will follow -- and ensures everything has been thought through and is ready to go.

In the renovation world, this is the final blueprint with detailed electrical, wiring and building specifications, as well as timeframes associated with all parts of the project.

The inclusion of the timeframes and a clear understanding of what will happen is critical, the cloud transformation will occur while everyone is "living in the building", the transforming company is kept as close to business-as-usual as possible.

Phase Five: Build, Simulate, Deploy

Although the transformation could technically happen from the detailed plan, creating a simulation of the transformation before it occurs enables everyone to see the altered state and how it will work. The simulation also provides a final opportunity to identify any unexpected data issues or network issues and mitigate these before the actual go-live date. It enables the team to comb the landscape looking for holes, and adds another step that ensures the client is comfortable with everything that is taking place. On the go-live date, there should be no surprises.



In many ways, this phase is like walking through a virtual three-dimensional computer model of a building, so the owner can become familiar with what it will feel like to work there when the build-out is complete.

The final step in each wave of transformation is deployment.

Phase Six: Realize Incremental Gains, Repeat Process for the Next Iteration

It's a simple fact: Big Bangs can burst clouds. The best approach to moving an operation from effective to efficient is to do so segment by segment, with each wave following the same regimented, multi-phase process. Each successful change will bring its own set of incremental gains. Ultimately, you will transform your environment into one that is truly efficient – where instead of spending 70 percent of your budget on operations and maintenance, and 30 percent on innovation, those numbers switch. Instead of multiple servers running at 10 percent capacity, you're using your assets and have the flexibility to make changes as business demands shift.

Moving from effective to efficient, transforming a functioning operation into an enterprise poised for whatever opportunities the future brings.



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