IT Transformation: A Mixed Strategy Supporting IT-as-a-Service

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IT Innovation. Business Value.

IT Evolution to Strategic Operational Models

IT transformation is broader than a vision or a strategy or a specific initiative. It is a fundamental shift from being a reactive IT culture to one that is intentionally driving business growth and becoming an IT-as-a-Service organization. It begins with a vision that, first and foremost, supports the business goals of the company and then develops an implementation strategy around that vision.

IT transformation also starts with a communication plan that clearly articulates the desired results and informs all key stakeholders of the details of the vision.

What is IT-as-a-Service?

The promise of running an IT department like other internal service organization (e.g. HR, Accounting, or Marketing) and following an IT-as-a-Service (ITaaS) model has been elusive. Frameworks such as ITIL provided IT professionals with an understanding of the service mentality, but fell short on how to build an IT-as-a-Service department.

With intense pressure placed on IT operations to keep the 'lights on', but very little focus to improve the infrastructure or upgrade critical applications, it was very difficult for IT departments to build a true service-oriented operation. Traditional IT budgets were also created around basic operational activities, and not for higher level strategic goals. With these challenges, it is no wonder that IT has often struggled to keep pace with the demands of the business or drive innovation.

Secure-24 is a leading provider of managed IT operations, hosting and cloud services, providing highly available IT environments and expert management.

With the arrival of virtualization technology and cloud computing, IT departments can now assume bigger and more impactful roles in achieving the goals for the company. These two critical components, which also help to stretch the IT budget, give IT the ability and tools to respond to the strategic needs of the business.

These advances could not have come at a more opportune time. Today's business environment requires IT departments to respond faster than ever before with market fluctuations. This goes beyond just provisioning a new server; it is about providing end-to-end IT services that help the business compete and capture new marketshare — spanning applications, infrastructure, and operations.

Just like any commercial organization that is prepared to respond to changes in its business environment, IT is striving to change their investment mentality. CIOs have to ensure that any new technology purchases or operational initiatives are geared toward supporting business process improvement and achieving the company's revenue goals.

ITaaS is becoming a core competency for IT departments. Public, hybrid and private clouds, offer businesses a number of attractive options to help their IT departments provide much needed services. Corporate (or in-house) IT departments must help their business units compete and win or they will lose their relevance. Fortunately, ITaaS and cloud infrastructure providers are helping with IT's transformation to a true service organization.

Transformation from the Outside – In

With a discriminating eye focused on transformation, CIOs are reassessing and revamping their IT landscape from the outside in. They are restructuring their people, processes and technology to become a service organization that is tightly aligned with the goals of the business.

Given that there are so many options from which to choose, and there is a high risk of investing in expensive technology that is 'hot' today but obsolete tomorrow, CIOs are using a mixed IT strategy to lower their costs and preserve their own resources.

Senior IT leaders are electing to handle portions of their technical landscape internally while partnering with a quality hosting provider for other parts of their environment.

Mixed IT Strategy

With faster, better and more reliable technologies being developed each year, a mixed IT strategy is not only necessary but critical to achieving a company's profitability goals. From a practical point of view, it would be costly to replace outdated hardware assets frequently; but not adopting some of the latest technologies could mean increased downtime, slower performance, and decreased productivity. CIOs must strike a balance between investing in the new and optimizing the old.

CIOs have a variety of ways to design and run their IT departments. It is important that IT strategies address the needs of internal users while meeting the goals of the business within the confines of IT budgets. In a mixed IT strategy, the organization will support and host some of their computing resources internally while a third party hosting partner will handle the rest.

The transformation process from a traditional IT model to the ITaaS operational model can be a gradual process, as the organization as a whole needs to embrace this new concept from a cultural standpoint. However, most companies find a mixed IT strategy works best as they evolve to become an IT-as-a-Service organization, and evolve to match the vision set forth by company leaders.

In custom building a strategy, CIOs will consider many options. Below are some of the more common and important questions to examine:

• Public, hybrid or private clouds?

• On-premise or off-premise hosting?

• Can we find a capable hosting partner?

• Should we replace our old legacy systems?

• Is in-memory computing a viable option?

• What to adopt, how much to invest, and how to integrate to existing infrastructure?

- How can we support mobile/edge technologies?

- Can we provide enough security?

- What is the best Disaster Recovery option?

Any one or all of these components can be part of the overall IT strategy, but for a strategy to be consider 'mixed' it is has to have at least some of the components that are hosted internally by the company and one or more of the components that are hosted externally by a third party.

Internally Hosted Components:	Externally Hosted Components (in a private cloud):
• Email/Messaging Systems • Collaboration Software • Legacy System • Specialied Applications	• ERP system (PRD, DEV & QA) • Disaster recovery • Help Desk

The following is a common mixed IT strategy approach:

One of the most common elements in a mixed strategy is the incorporation of public and private cloud computing. In a study conducted by Cisco of over 600 IT professionals, 70% said they will tactically deploy some type of cloud services by 2015 as part of a mixed IT strategy.

Fortune 500 companies site the key reason for moving toward a cloud model is their need for increased agility and, more specifically, the demand from the business for IT to rapidly deliver much needed new services.

Realizing the ITaaS vision requires a transformation mentality, and the IT organization needs a strategy that helps facilitate the evolutionary process. This includes taking advantage of virtualization technologies in parallel with a cloud framework to provide on-demand computing resources.

ITaaS, delivers numerous capabilities that will ultimately translate to business benefits.   Such essential IT capabilities include:

• Speed and agility to respond quickly and create a sustainable competitive advantage.

• Leveraging virtualization to enable cloud computing and maximize IT investments.

• Unified, converged infrastructure that provide for a tightly integrated and converged landscape which includes – VMs, physical servers, networks and storage equipment.

• Scalability to rapidly modify the virtual environments to meet the needs of business.

• Simplification for both the end-user as well as the technical support team is critical for the initial and long-term success of an ITaaS platform.

The Challenges of IT Transformation

One of the most difficult challenges faced by many organizations is finding ways to keep pace with the competition while still utilizing their old, and often outdated, infrastructure. Right along with that issue is an equally significant problem of how to enable business users to access the company's computing resources with any device, anywhere, and anytime.

However, the biggest challenge for CIOs and others in IT leadership is the struggle to support the exploding number of applications and devices that are regarded as business critical and coming into the market almost everyday.

It is clear, business relies on IT to support every aspect of a complex organization, and this reliance is growing by leaps and bounds. This almost total dependency on IT puts incredible pressure on the technical staff and infrastructure to deliver at peak performance ddaily, with close to no room for error.

To relieve some of the pressure, especially while an organization transitions to an ITaaS model, third party hosting providers, using virtual technology, can take on a number of the more routine tasks and duties that typically stretch internal resources.

Once a decision is made to outsource some of the simpler components in an IT environment, the time required to compete the transition can often be done is less than a month. As the third party hosting provider becomes more and more familiar with the hosted environment, it will make it easier to transition the more complex and mission critical applications later in the transformation process and implement a mixed IT strategy.

Looking Outside for Help

As part of a mixed strategy, you can leverage your own internal resources and physical infrastructure as well as leveraging the capabilities of a qualified hosting partner.

This mixed approach gives organizations more control with fewer problems. There are tremendous benefits with a mixed strategy:

• Secure enterprise cloud for consolidation, infrastructure, and the operationalized deployment of IT services

• Physical to virtual consolidation to accelerate higher efficiency, flexibility, and scalability

• Greenfield deployment for Private Equity divestitures or divisional carve-outs

• Transformation of legacy and overbuilt environments with platform migrations

• Replacement of overbuilt or overcharged outsourcing contracts

• New opportunities leveraging big data to uncover value with efficient storage, next generation back-up, and in-memory computing

• Streamlining, optimization, and modernization

Finding Innovation

Today it is common to hear the phrase 'driving innovation' or 'delivering innovation.' The simple truth is that innovation is not a push-button commodity, it cannot be driven or delivered… on demand. It has to be nurtured and encouraged with the right blend of innovative people and an innovative work environment.

As CIOs and other senior leaders within a company delve into their organizations from the outside and ponder ways to become more efficient and competitive, they are likely to find that innovation will follow IT transformation.

By handing off some of the mundane and routine tasks to a third party hosting provider, the internal staff can focus on more strategic areas that will drive business growth. Repurposing existing staff to new and more innovative tasks can also

encourage creativity and team-building.

Taking Aim at Customers' Needs First

CIOs and others in leadership positions have always taken a hard look at their organizations, but now they are looking from the outside in – from their customer's point of view. They are taking aim at meeting their customers' needs by asking questions such as:

• How can we leverage the cloud to serve our customers?

• Is mobility or edge computing something that our infrastructure should support?

• How can we help our operations staff make better/faster decisions using analytics?

• Is our IT department able to keep pace with our competitors?

IT transformation is best done with a clear vision to become an IT-as-a-Service organization and to use a mixed strategy to realize that objective.

A Holistic Approach to IT Strategies

IT has evolved to be much more than servers – it's now an internal service that's managed and driven like a business. Legacy systems and older technologies often hold organizations back from achieving their full potential, and in today's competitive marketplace, companies need the best resources to stay ahead of the curve.

IT-as-a-Service is a new mindset, framework and operational model that transform businesses to be more strategic and stronger competition. The rewards of making the vision a reality are enormous for CIOs, the organizations they control, as well as the rank and file IT professionals who make it all happen.

Ultimately, ITaaS is about business and the results it can create. Increasing the speed of IT, improving agility, and accelerating time to market is the new reality for IT – and it all boils down to this – having a service-oriented vision and making it happen.

To learn more about how outsourcing your applications and infrastructure to Secure-24 can help your organization achieve its business goals, contact us at:

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