Organisations must operate in two modes at once

The world is going digital. All established organisations are going through some sort of digital transformation. They’re having to operate their existing business as efficiently as possible, while at the same time creating a new, digital one.

The technology which supports the existing business has to perform well and provide a good user experience. Companies need to extract value from their technology as cost-effectively as possible, by leveraging whatever economies of scale and efficiency they can, and maximising the use of automation to minimise operating costs.

At the same time, in the new digital business models they’re creating, they want to be able to act with speed and agility. They need the freedom to experiment, fail fast, or monetise initiatives quickly. They want to develop applications continuously through their DevOps activities and deploy them on whatever infrastructure suits them best. They want to be able to switch providers, orchestrate resources automatically, and control infrastructure directly from their applications using APIs.

In most cases, these two ways of operating are not separate, but parallel activities that need to be integrated with each other.

IT support services require a corresponding transformation

The trend in infrastructure is moving away from numerous physical, single-purpose hardware devices on company premises, and towards virtualised functionality defined by software running on generic server blades in data centres. The skills required to operate the newer kind of infrastructure are less about rack management and more in the realm of software programming.

As a result, support services are gradually becoming less concerned with supporting physical infrastructure and more about managing workloads. Services like physical, on-site break-fix maintenance will go into gradual decline. In their place, remote monitoring by platforms with analytics and automation capabilities is on the rise.

In the coming 5-10 years support services will go through a corresponding transformation towards the management of programmable infrastructure by platform-enabled service aggregators, who allow companies to pay for services as they consume them.
It is usually easier for companies to access the skills they need through specialist service partners, as they tend to have larger numbers of staff with the required specialist skills earlier in the adoption cycle.

Economies of scale
Having – or having access to – economies of scale reduces the unit cost of IT service activities. Scale also brings richer analytics, enabling you to spot patterns, standardise, and automate processes to further reduce costs. Costs can also be reduced by consolidating software licence purchases, avoiding over-provisioning of services, and replacing ageing equipment that’s becoming expensive to maintain.

Visibility
You also need the ability to see and control everything in your environment, both traditional and next-generation technologies. For this you need automated discovery and analytics, and a presentation layer portal. The business portal should have an intuitive interface, give single sign-on access to your whole environment, and be accessible from any mobile device.

Analytics
Analytics can be applied to improve operational efficiency, identifying opportunities for further standardisation and automation, granular metering and cost-allocation, as well as providing insight to inform strategic innovation.

Platform-based operations
Delivering IT operations using service platforms is more cost-effective. It improves predictability of outcomes by making them more standardised, repeatable, and reliable. This helps improve availability, capacity, and quality of service performance, ensuring that today’s IT operations are able to meet SLAs within budget. Platform-based operations are also essential to deliver IT services at the speed which the future digital business will require.

Flexible service models
It’s been a long time since we were in an either-or world of break-fix maintenance versus full outsourcing. Today companies need access to a flexible continuum of service models that includes more proactive forms of support service in which tactical control of operations is passed to a service provider, while the company retains strategic control. Flexible service models will become increasingly important as companies move from physical to programmable infrastructure.

Programming skills
Shortage of IT skills in general is an issue today, especially in the fields of cybersecurity and cloud. The situation is more acute when you look at the skills required to operate multiple clouds, hybrid IT, to support DevOps activities, and maximise the use of APIs to control infrastructure from applications. Except in the largest global enterprises, it is usually easier for companies to access the skills they need through specialist service partners, as they tend to have larger numbers of staff with the required specialist skills earlier in the adoption cycle.

Commercial options
Companies increasingly want the ability to pay for technology services as they consume them. This is true today for cloud-based services, and the trend is extending to services which traditionally would have been paid for through fixed recurring fees. Progressive service partners are willing to embrace more risk-reward style contracts, which combine fixed, variable, consumption-based, and outcomes-based charges in a way that works for both parties.

Service operations roadmap
Operating existing technology cost-effectively is one thing, but you also have to know that you’re heading towards where you want to be in the future. It is essential to have a technology and service roadmap that shows the path from where you are to where you want to be. You need it to juggle all the technologies you have to keep up with today, as well as plan which next-generation technologies you are going to adopt – and when – so you can prepare how you are going to support and manage them.
A partner who is committed to being a leader in the IT services business of the future, who has stability and financial strength, and who you can rely on to be there in the future

What to look for in a partner for the future
Companies increasingly see their core value-creating activities lying in developing innovative digital applications, rather than in routine IT operations.

As a result, and to meet all the requirements of a now-to-future IT operations strategy outlined above, they are turning to specialist service providers to operate their technology as they transform from traditional to digital businesses.

We would advise companies seeking such a partner to put the following characteristics high on their selection criteria.

- A partner who is investing in the capabilities necessary to operate technology both during and after your digital transformation
- Who has a strong ecosystem of partnerships with vendors and services providers already, and who is good at partnering, indicating that they will be able to extend that ecosystem as digitisation progresses
- Who owns a low-cost global cloud platform on which to base their operations
- Has developed a sophisticated service aggregation platform to manage the technology services of today efficiently – and who has an API-based service integration capability to manage programmable infrastructure going forward
- A partner who is committed to being a leader in the IT services business of the future, who has stability and financial strength, and who you can rely on to be there in the future
- Who has a sound approach to talent management, skills development, and HR strategy to bridge the skills gap for you
- Who has the scale and global reach to give you the efficiencies and execution capabilities you need everywhere you may wish to operate
- And who, while extensively automated, still provides a human touch and a client centric culture

In summary, we would advise companies to look for a client-centric, services-led, outcomes-based, platform-delivered service aggregator.

The logical next step – benchmark your current capabilities
Research firm IDC has developed an Enterprise IT Infrastructure Optimisation and Automation Assessment to help IT organisations determine where they currently stand on the path to automated IT services. The online tool examines a number of criteria which reveals the maturity of their IT support and shows where organisations could gain further benefit from service automation.

The tool was developed in conjunction with Dimension Data and Cisco, and is based on research among 275 enterprises in 10 different countries.

Do the online IT operations maturity assessment
If you’d like to discuss how you could evolve your IT operations strategy, get in touch with Dimension Data.