LTIMindtree

Point of View

Digital IT Operations

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Introduction

We are seeing an increased emphasis on digital acceleration across all industries. The term Digital means driving enterprise-wide competitive advantage and growth using information and technology. But to achieve this objective, we require a suitable operating model as it defines how organizational goals get executed. There are three operating model patterns based on their focus i.e., Business or Technology.

"Keep the lights on" Operating model focuses on technical capabilities like on time, on budget, and 24 x 7 availability.

"Enhance Business Performance" focuses on customer experience and automation. But neither this nor "Keep the lights on" moves the needle on business priorities.

"Value" based operating model drives enterprise-wide competitive advantage & growth.

Industry Trends

Today, 35% of enterprises manage their IT operations based on a "keep the lights on" pattern. 50% have adopted a service-based operating model to enhance business performance and only 15% focus on value creation for the business

Enhance business performance

Drive enterprise-wide competitive advantage & growth

Service(50%)　　Keep the lights on (35%)　　Value(15%)
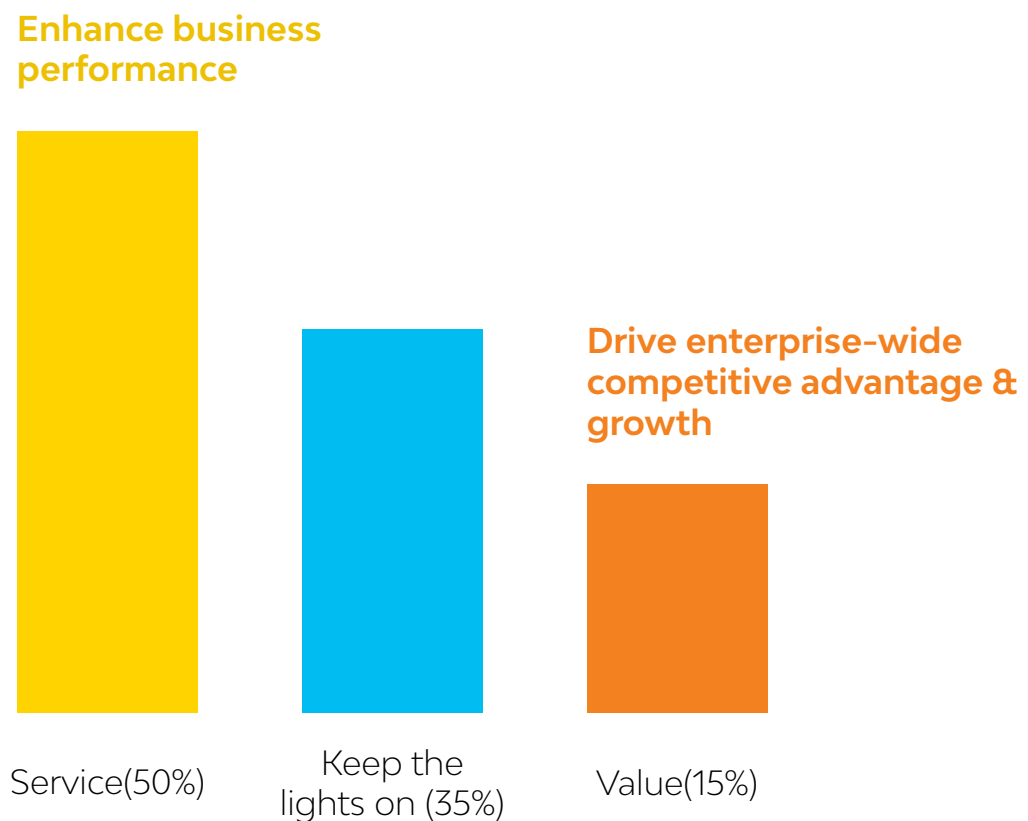
As executives are using IT as much as business and functions, IT needs to be business-savvy. This means IT needs to infuse business in whatever they do, and to get the operating model to emphasize value. Value-based IT operating model aligns IT with business needs and creates a value stream. It optimizes service performance, availability, and cost, which also improves user experience. Breaking down operational data silos, the Value-based Operating model provides observability, visibility and simplifies operations. Enterprises operating on "Keep the lights on" and "Service-based" IT Operating Models need to change them to a value-based IT Operating model to enable agility, scalability, optimization & insights through cloud, Digital & data adoption.

1. Cloud enables just-in-time service provisioning with maximum resiliency and scalability.

2. Data: End-to-end data observability allows enterprises to explore and understand their data lineage, automatically mapping upstream and downstream dependencies and the health of each of these IT assets. Hyper-personalization using data, AI machine learning, and predictive analytics understands users' behaviors and displays more relevant content, products, services, and information to each user.

3. Digital: By marrying AI tools with RPA, hyper-automation enables automation for virtually any repetitive task executed by business users. It even takes it to the next level and automates the automation - dynamically discovering business processes and creating bots to automate them.

State of affairs in a Distributed environment

In the current era, Enterprise's primary focus is to accelerate its digital transition and realize the full potential of the planned business outcome. As part of this journey, Enterprises adopted technologies like Cloud, Artificial Intelligence, Edge, 5G, IoT, and new ways of working like Agile, DevSecOps, and SRE. This adoption has led to a multi-modal ecosystem with diverse technology and working methods. This diversity is one of the reasons for not being able to realize the full value and the need to constantly balance the decision between velocity to risk, agility to control, cost to performance, and degree of business alignment.

Approach to solve challenges

The industry needs to address diverse technology, working methods, and decision conundrum by adopting N-WOW (New Ways Of Working) and C-WOW (Cloud Ways Of Working). To succeed, they need to discover new ways of organizing, performing, and leading, along with new approaches to develop and engage employees. Digital ITOPs and SRE enable humans and machines to work side by side by integrating design thinking, engineering mindset, AI, cognitive computing, agility, etc. Cloud ways of working inspire and help innovation with prioritization of people and culture in a future workplace using various practices like DevOps & FinOps. Both ways of working move enterprises toward the Continuous Everything Paradigm while delivering experience-centric service.

Conclusion

Successful IT operations are not just about an IT modernization or introducing automation. It's a holistic change encompassing entire organizations and working in tandem with the overall business strategy. It requires mixing people, technology, and business processes, and requires continuous optimization and governance. Enterprises can achieve and transform current IT operating model to value-based IT operating model by adopting below mentioned tenets:

- **Platformize-Ops** - Digitizing workflow across the service value chain, integrating data sets, abstracting the technology & implementing AI/ML to deliver autonomous, hyper-collaborative & Continuous Everything Ops using Digital ITOPs and Hyper collaboration platform.

- **Synergize-W2O (Ways-to-Operate)** - Re-Organizing teams structure focusing on eliminating toil & building resilient systems and measuring business transaction responsiveness by adopting SRE and T-Pie shape skill management approach.

- **Harmonize-Tech** - Adopt Convergence & Divergence Cycle to continually drive technology adoption to realize full potential & then diverge to Innovate or co-create business solutions to meet the changing demands. Rationalize tools and optimize technology platform to harmonize diversity in technology ecosystem.

- **Productize IT** - Persona-based Ops Visibility, standardization & simplification of service catalogs, Implement unit economics. Implement SLO (Service Level Objectives) as code, BLA (Business Level Agreements) as code, Persona-based dashboard and FinOps to maximize value realization.

Author

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Vishwas has 18+ years of varied IT experience as a Transformation Leader, Automation Platform & Database Architect. He also has extensive experience working with large-scale clients across multiple sectors including Banking, Telecom, and Manufacturing. He executed multimillion-dollar global programs in a highly diverse environment and pioneered transformation through digitization and innovation. His focus remains on transformation consulting, infrastructure designing and adoption, and transformation leveraging tools and processes.