Adaptive Management: A Roadmap From Vision to Reality (Session 3054)

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About David Pultorak

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Tutorial Objectives

- At the end of this course, you should be able to:
  - Describe the adaptive enterprise, IT function, and IT management
  - Describe the roadmap to adaptive IT
    - 3 stages, 5 steps, 8 rules of the road
  - Outline how to make the business case for adaptive IT
  - Outline how to plan to implement adaptive IT

Course Overview

Module 0: Welcome and Overview	4:00	(5m)
Module 1: The adaptive enterprise, IT function, IT management	4:05	(30m)
Module 2: The roadmap: 3 stages, 5 steps, 8 rules of the road	4:35	(50m)
Module 3: Making the business case for adaptive IT	5:25	(30m)
Module 4: Planning to implement adaptive IT	5:55	(50m)

6:45

Module 1: The adaptive enterprise, adaptive IT function, and adaptive IT management

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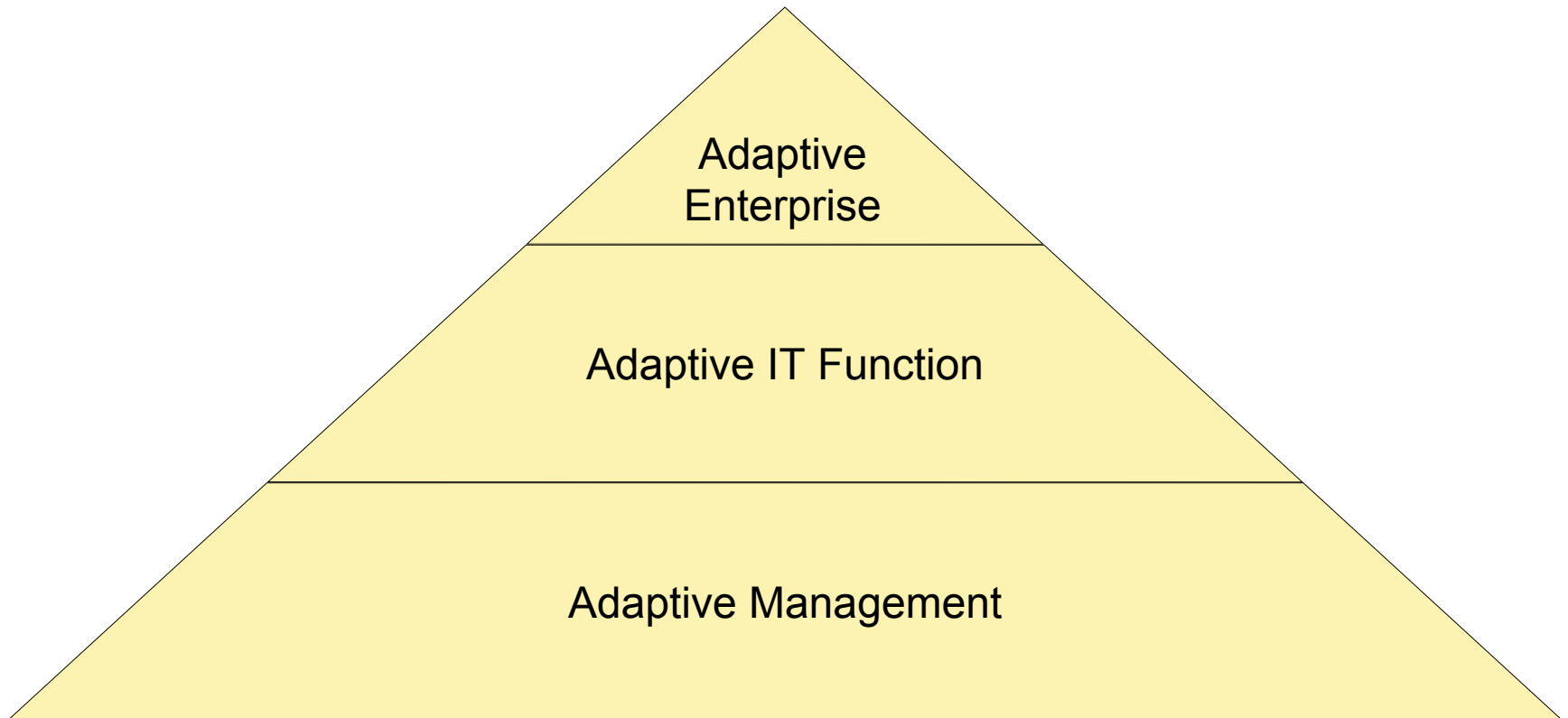
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Module 1 Objectives

- After completing this module, you will be able to:
  - Describe the adaptive enterprise
  - Describe the adaptive IT function
  - Describe adaptive IT management

  and why they are needed

What we will Cover

Adaptive Enterprise

Adaptive IT Function

Adaptive Management

The Traditional Enterprise - Characteristics

- Perhaps stable, even efficient, but not agile

- Need for agility acknowledged; unable to respond substantively

- Capability to sense and respond to changes the business needs is periodic, off- or near-line

- Posture towards change is to react to, survive, and manage it *versus* embrace or capitalize on change

- Enterprise focused inward; outward-facing sense and respond organs are undeveloped or under-developed

- Resources of the organization trapped in place, immobile or not mobile enough to dynamically meet demand

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

The Adaptive Enterprise – Characteristics

An enterprise with a strong ability, highly enabled by IT, to, in the midst of continuous change:

- Sense and respond appropriately to needed change
- Balance risk, cost, quality, and speed
- Maintain stability, efficiency, and agility
- Deploy and manage resources—people, process, and technology—to be *synchronized* to *capitalize* on change
  - Move work, demand, and resources around other-than-just-manually to meet business needs where and when they occur

| Adaptive Enterprise | Adaptive IT Function | Adaptive IT Management |

The Adaptive Enterprise – Characteristics

- Deploy and manage resources—people, process, and technology—to be synchronized to capitalize on change
    - Synchronized - business and IT linkages are more tightly coupled and trafficked than in alignment
    - Capitalize – the posture towards change is proactive and opportunistic
        - Don't just survive and manage change, mitigating risks along the way; create, capitalize and thrive on change, leveraging opportunities along the way

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

The Adaptive Enterprise:
Why it is Needed

- Networked enterprises in networked markets makes stimuli (threats, opportunities, demand) more frequent and varied and shrinks opportunity windows

- Therefore the enterprise must manage to sense and respond faster to more frequent and variable stimuli with more variable (mobile) resources

| Adaptive Enterprise | Adaptive IT Function | Adaptive IT Management |

The Adaptive Enterprise:
Why it is Needed

- There is a clear, present business need for agility

- "Continuously discontinuous" change in markets

- Speed and quality are a basic and expected

- As are reliability, availability, security, and *agility*

- The business must be stable, efficient, and agile through continuous change

| Adaptive Enterprise | Adaptive IT Function | Adaptive IT Management |

The Adaptive Enterprise:
Call to Action

- This is not marketing hype or a futures discussion

- Acknowledging business need for agility not enough
  - Resources must be deployed/managed to act on the need
  - This includes IT, the IT function, and IT management

- IT management must act

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

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The Adaptive Enterprise:
Call to Action

- In order for the adaptive enterprise vision to become a reality, the resources of the IT function must be realigned, and then deployed and managed to be adaptive—in a manner that they can sense and respond to business changes dynamically

| Adaptive Enterprise | Adaptive IT Function | Adaptive IT Management |

The Adaptive Enterprise: Why Become One

- Recent META Group survey of 300 IT and business managers:
  - 90% of businesses are seeking adaptivity
  - 90%+ doing / planning "adaptive efforts / technology"
  - 49% indicated "falling behind the competition" top risk
  - 24% expressed desire to become adaptive, unsure how
  - 14% moving to adaptive technology to lower costs
  - 13% moving to adaptive technology to increase revenue
  - 10% moving to adaptive technology to improve processes

- Source: www.crm2day.com/news/crm/EpZlFEEkEkIqcDqxjy.php

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

The Adaptive IT Function – Characteristics

- The IT organization and its infrastructure and processes are deployed and managed for agility in support of the enterprise

- IT resources have been aligned to be dynamic and synchronized with the business at the operational and management levels

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

The Adaptive IT Function – Synchronization

- Operational Level - IT resources have been virtualized and componentized, and management technology implemented so that resources, demand, and work can be provisioned and (re)allocated to match business needs when and where they occur in real time

- Management Level - The links between business and IT objectives and business processes and IT infrastructure and services have been operationalized and automated, enabling the ability to dynamically sense and response to changing business needs

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

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The Adaptive IT Function - Why

- The trend is clear: the business need for agility is requiring IT—the IT organization and the enterprise computing environment (infrastructure)—to become adaptive.

- For evidence, visit the Web sites of the top IT vendors and research firms such as Hewlett-Packard, Gartner, Forrester, IBM, Microsoft, IDC, Aberdeen, and Meta.

- Although they each call it something else—the agile business, organic infrastructure, on-demand computing, utility computing, and the adaptive enterprise—and there are differences in their scope and focus, one thing is the same—they are all pointing out the need for IT adaptivity.

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

Traditional IT Management

- Bring people, processes, and technology together in a way that is:
  - Effective
  - Efficient
  - Compliant (to relevant authorities)
  - Sustainable

- Balance cost, quality, and risk

- Execute on the basic tenets of management

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

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Traditional IT Management

- The basic tenets of management
  - Planning—Defining plans, goals, strategies
  - Organizing—Structuring and deploying people, processes, and technology
  - Controlling—Monitoring processes and results, adjusting the course where necessary
  - Supporting—Coaching and mentoring
  - Leading—Establishing a compelling mission and vision, motivating, inspiring, and showing the way forward

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

Traditional IT Management - Not Enough

- Balancing cost, quality and risk alone no longer enough; agility is needed

- The nature of the building blocks that make up an enterprise—the object of management—is shifting from Industrial Age, analog, physical, and fixed to Internet Age digital, virtual, and mobile

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

The Enterprise is Changing, Creating a Need for a Change in Management

Enterprise Building Block	Shifting in nature from	Shifting in nature to
Business services	Monolithic value chain	Disaggregated value constellation
Business processes	Longer business cycles, less disruptive technologies	Shorter business cycle, continuous stream of disruptive technologies
IT services	Monolithic value chain	Disaggregated value constellation
IT management processes	Specialized, one-off, manual, unnecessarily complex	Standardized, best practice, automated, reduced complexity
Applications	Standalone, arms-length at best	Integrated through standards and APIs
Infrastructure	Vertical systems tied to single applications or business processes; thus, over-provisioned to meet "just in case" peak demands	Horizontal architectures with modular systems that can support the entire business and flex to be staged where and when needed automatically as business needs change

Adaptive Enterprise | Adaptive IT Function | Adaptive IT Management

Adaptive IT Management – Characteristics

- Seek stability, efficiency, effectiveness, compliance, sustainability, and adaptivity

- Balance cost, risk, quality, and speed

- Synchronize business and IT
  - Management Level - tightly coupled, highly trafficked business and IT linkages
  - Operational level - highly mobile, virtualized, componentized resources—people, processes, technology
  - … continued

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

… Adaptive IT Management - Characteristics

- Agility is a business imperative, and is a key focus for IT management
  - Stability and efficiency achieved and maintained
  - Management can focus on business objectives, processes, requirements

… Adaptive IT Management - Characteristics

- The focus of the IT organization has shifted from simply keeping IT components up and running to the direct and timely production of real business value

- Information Technology Infrastructure Library (ITIL) and other Best Practices have not only been adopted but have been automated

- Management has visibility into not just applications, infrastructure, and IT services, but also into business processes themselves

Adaptive IT Management - Technology

- "Knows about" business requirements, critical business processes, applications, and infrastructure

- Knows how they relate to one another and the business impact of their failure

- Adds a business-centric layer of management visualization to these linkages and automates these linkages so that the right amount of resources can be dynamically allocated and reallocated to the most critical business processes
  - It also requires applying analytics to determine which types of events warrant immediate versus deferred attention
  - … continued

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

… Adaptive IT Management - Technology

- To understand a business process, management technology must be capable of gathering information about:
  - Which business processes exist
  - Which applications are required to execute the business processes
  - The consequences for the success or failure of that business process.

- In order to do so, the management technology must collect information at every enterprise component layer, correlate that information, and make useful decisions based on that information.

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

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Technology matters

- Adaptive IT management is greatly dependent on deploying the right management technology in the right manner to automate the linkage between business and IT:
  - Ensuring that the right people have access to the right kind of information at the right time
  - Dynamically provisioning and allocating network, system, application, and storage resources to meet the needs of a critical business process
  - Automatically shifting IT priorities so that attention is focused on fixing factors that improve the most critical business process

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

Technology matters … It Really Does!

- The agility of people and process is necessary, but not sufficient, to realize adaptivity

- Technology—both the technology that makes up the infrastructure and the tools that management—makes the level of synchronicity between the business and IT possible

- The choice of technology— for the infrastructure and the tools to manage it—is crucial

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

Why Implement Adaptive IT Function? Why Implement Adaptive IT Management?

- Business's need agility and rely heavily on IT
  - Business agility is a function of IT adaptivity
- Dependence on IT as moved IT from a back room to boardroom concern
- Business offers must not only be compelling, but stable, efficient, and agile

Adaptive Enterprise	Adaptive IT Function	Adaptive IT Management

Group Exercise: Adaptivity and Opportunity

Purpose: Highlight ways to adapt and see opportunity in change

Step 1   Divide into groups

Step 2 List steps you took to keep up with your routine and workload while on the road/at this conference. (5 minutes)

Step 3 List where you capitalized opportunity in the trip (5 minutes)

Step 4 Report out (5 minutes)

Timing: 15 minutes

Module 1 Review

- The adaptive enterprise deploys and manages resources—people, process, and technology—to be synchronized to capitalize on change

- The adaptive IT function is synchronized with the business at the operational and management levels

- Adaptive IT management collects information at every enterprise component layer, correlates that information, and make useful decisions based on that information

Module 2: Adaptive Management: a Roadmap: Three Stages, Five Steps, Eight Rules of the Road

Course Overview

Module 0: Welcome and Overview	`4:00`	(5m)
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Module 4: Planning to implement adaptive IT	`5:55`	(50m)

`6:45`

Module 2 Objectives

- After completing this module, you will be able to:
  - List and describe the 3 stages of the road to Adaptive IT
  - List and describe the 5 steps in each stage
  - List and describe the 8 rules of the road to Adaptive IT

A Roadmap is Needed to Channel Action

- Meet current requirements while setting up the future

- Clarify the adaptive enterprise vision

- Determine what it means to you as an IT Manager

- Provides guidance for gaining concept-level buy-in for the journey to adaptive management

- Provides guidance for overall implementation planning

- Provides a step-wise path or roadmap to follow

Adaptive IT management: a Roadmap

The five steps in each stage of the journey

1. What is the vision?
2. Where are we now?
3. Where do we want to be, and how will we know we're getting there?
4. How will we get there?
5. How will we maintain and extend our gains?
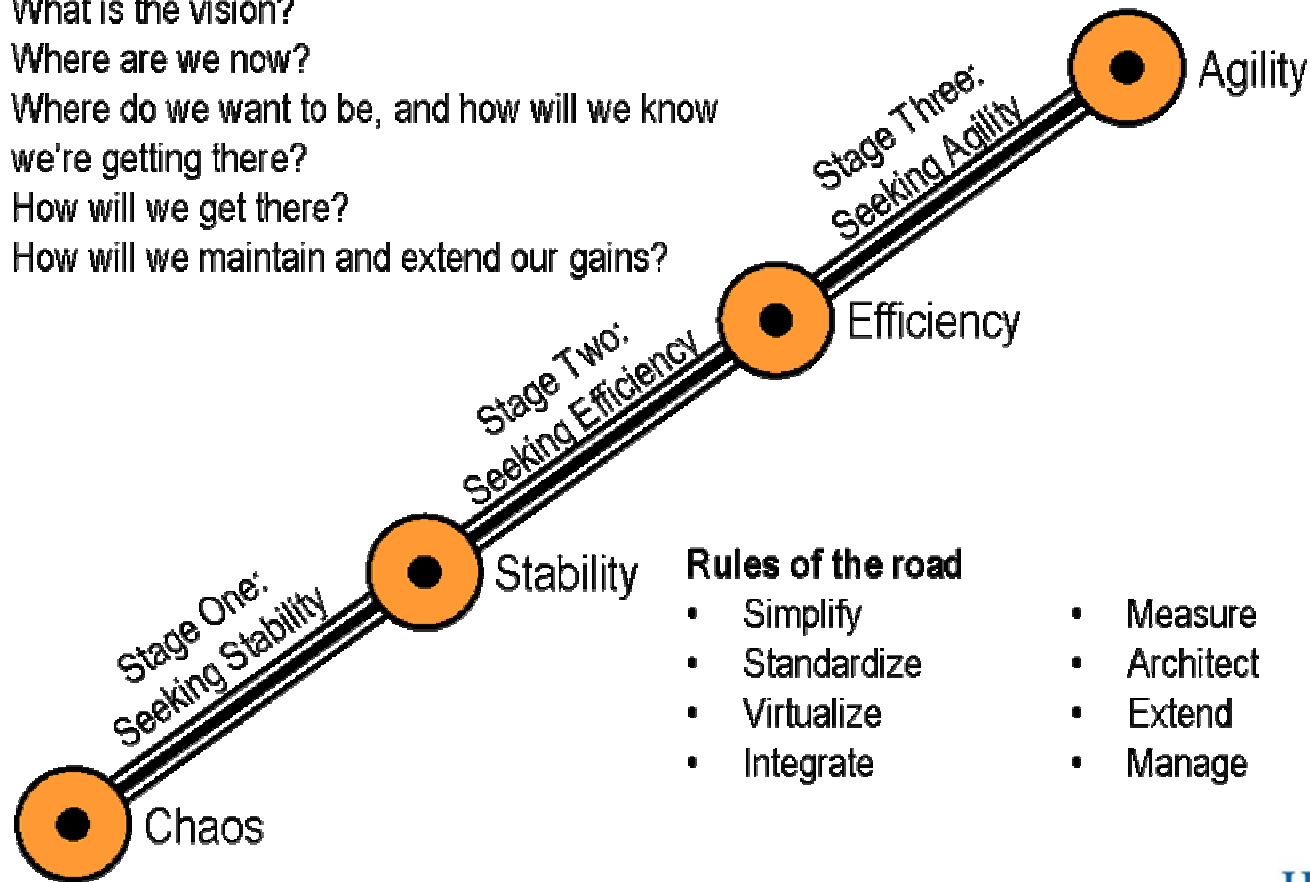
Rules of the road

- Simplify
- Standardize
- Virtualize
- Integrate
- Measure
- Architect
- Extend
- Manage

Stage One: Seeking Stability

- IT organization and infrastructure unstable

- Chaos reigns supreme

- Your imperative: stabilize the situation

- The focus of your management and control efforts is resources and operations that are typically discrete and partitioned at this stage

Stage One: Seeking Stability
Goals

- Build a firm foundation for IT infrastructure

- Manage asset lifecycles

- Ensure healthy resource management for
  - servers
  - storage
  - network
  - workstations
  - printers
  - software

Stage Two: Seeking Efficiency

- Stability achieved

- Your management imperative: gain efficiencies

- Your management and control focus: services, as organizing and managing the resources of the IT function as a set of services is a proven practice to enable seeking efficiency

Stage Two: Seeking Efficiency
Questions

- We are most certainly getting results, but at what cost?

- Are we being efficient in the way we are provisioning, deploying, and allocating resources?

- Do our people have the skills, knowledge, and mindset to work efficiently?

- To what extent does our IT management technology support our quest for efficiency?

- Have we adopted best practices such as ITIL IT Service Management to ensure that our processes are efficient?

Stage Two: Seeking Efficiency
Goals

- Formalize and automate IT processes

- Link IT with the business—communicate, measure, and deliver services

- Align resources and IT processes

- Establish workflows and process owners with the right skills, roles, and metrics

Stage Three: Seeking Agility

- Stability and efficiency have been achieved

- Your management imperative: agility

- To attain agility, you must implement the systems, technology, metrics, and automation required to enable a completely adaptive enterprise

- The focus of your management and control efforts: the business and business processes

- Resources are deployed in a manner that can best be described as virtualized and federated

Stage Three: Seeking Agility
Questions

- How can we build agility into how people, processes, and technology are deployed and managed?

- To what extent are we responsive to changing business needs in the way we are provisioning, deploying, and allocating resources?

- Do our people have the skills, knowledge, and mindset to work with agility?

- To what extent does our IT management technology support our quest for agility?

- Have we not only adopted best practices but also automated these practices to enable agility?

Stage Three: Seeking Agility
Goals

- Prioritize IT actions by business impact

- Manage end-to-end business interactions

- Adopt business-focused service-management culture

- Optimize utilization and performance of business processes and applications

- Virtualize complete data centers

ITSM: Stepping Stone to Seeking Agility

- ITSM is running IT as a services business

- Providing a discrete set of value-added services

- Not merely providing and managing the component parts of the infrastructure (such as applications, databases, networks, and so on).

- In IT service management, quality of service, as perceived by the customer, is the number one aligning and driving force.

- The worldwide standard for IT service management is the ITIL, which provides guidance on several IT service management processes.

The <u>IT</u> <u>I</u>nfrastructure <u>L</u>ibrary
a set of publications:

Service Support

Service Delivery

Infrastructure Management

Application Management

Planning to Implement

The Business Perspective

Other publications:

itSMF ITIL Pocket Guide – ITIL Service Support and Delivery in capsule form
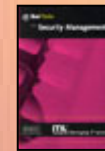
ITIL Security Management – Other ITIL publications refer to it, rather than include, its guidance
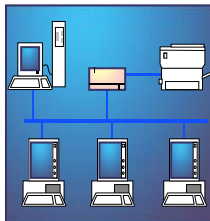
Service Support
(User-Facing)

Problem Mgt

Service Desk Function

Change Mgt

Release Mgt

Incident Mgt

Config Mgt

Service Delivery
(Customer-Facing)
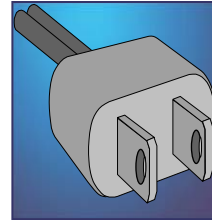
Availability Mgt

Financial Mgt for IT Services

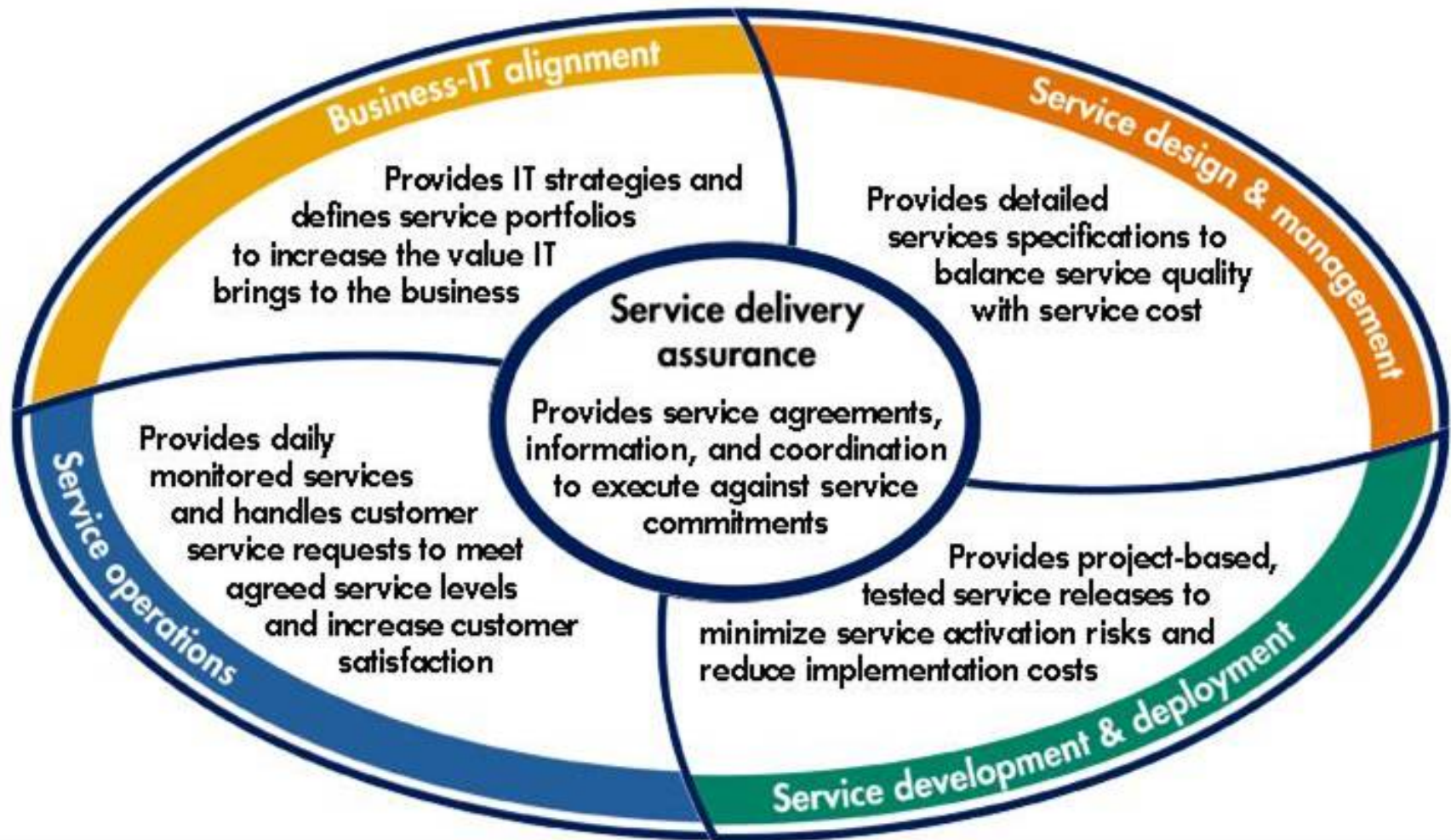IT Service Continuity Mgt

Service Level Mgt

Capacity Mgt

HP ITSM Reference Model

- Hewlett-Packard's ITSM Reference Model (http://www.hp.com/hps/model/) includes business-IT alignment processes such as:
  - IT Business Assessment
  - IT Strategy & Architecture Planning
  - Customer Management
  - Service Planning

- Created in 1997 based on proven best practice (ITIL) and experience of Hewlett-Packard ecosystem

HP ITSM: Five IT Process Groups
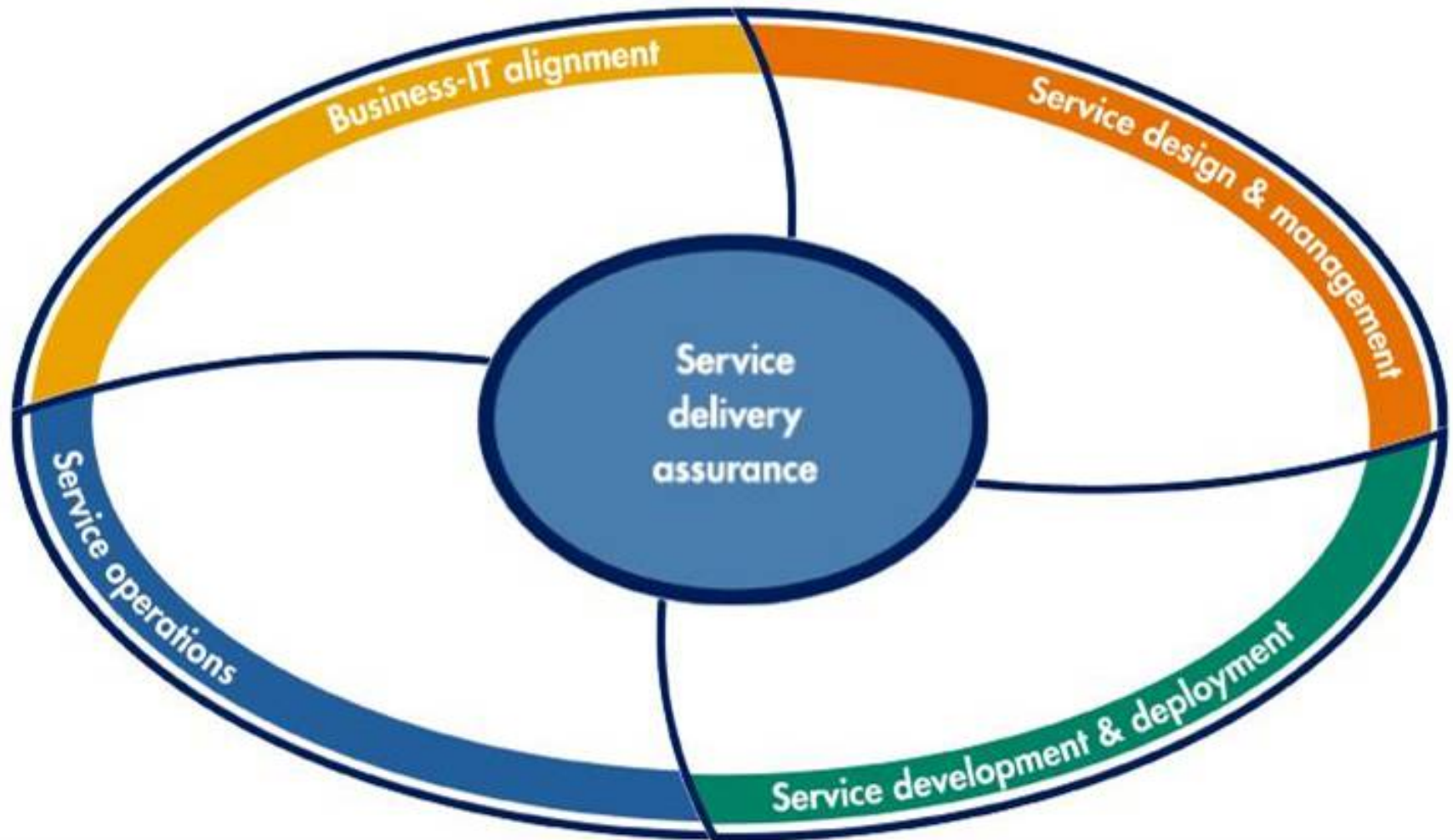
HP ITSM: Goals of IT Process Groups

Business-IT alignment

Service design & management

Service operations

Service development & deployment

Provides IT strategies and defines service portfolios to increase the value IT brings to the business

Provides detailed services specifications to balance service quality with service cost

Service delivery assurance

Provides service agreements, information, and coordination to execute against service commitments

Provides daily monitored services and handles customer service requests to meet agreed service levels and increase customer satisfaction

Provides project-based, tested service releases to minimize service activation risks and reduce implementation costs

HP ITSM: Processes in IT Process Groups

Maps to ITIL Service Management

HP ITSM: How HP ITSM Builds on ITIL

- Business-IT alignment, Service design & management, Service development & deployment, Service operations, Service delivery assurance

- Add Operations Management, breaks out Build and Test from Release, puts ITSCM under Availability

- Prescriptive guidance HP platform from HP ecosystem

HP ITSM: How HP ITSM Builds on ITIL

- Can be used for all platforms in enterprise IT

- Some guidance freely available, some only with services or support contract

- Supported by HP and Partner consulting and education services and process-enabling technologies

Steps to implementing IT service management

1. Create and market a service catalog to users that defines IT services in the users terminology to create a visualization of IT as a set of services from a business-process perspective
2. Align IT strategy and investment priorities with business
3. Transform IT to a business-oriented service-management culture
4. Establish IT organizational structure, roles, rewards, processes, policies, and governance
5. Standardize architecture and IT processes
6. Define clear enterprise architecture and plan of record
7. Drive consistency while providing flexibility
8. Understand cost of service delivery and optional billing
9. Track and report on the value of IT to the business

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Adaptive IT management: a Roadmap

The five steps in each stage of the journey

1. What is the vision?
2. Where are we now?
3. Where do we want to be, and how will we know we're getting there?
4. How will we get there?
5. How will we maintain and extend our gains?

Stage One: Seeking Stability

Stage Two: Seeking Efficiency

Stage Three: Seeking Agility

Chaos

Stability

Efficiency

Agility

Rules of the road

- Simplify
- Standardize
- Virtualize
- Integrate
- Measure
- Architect
- Extend
- Manage
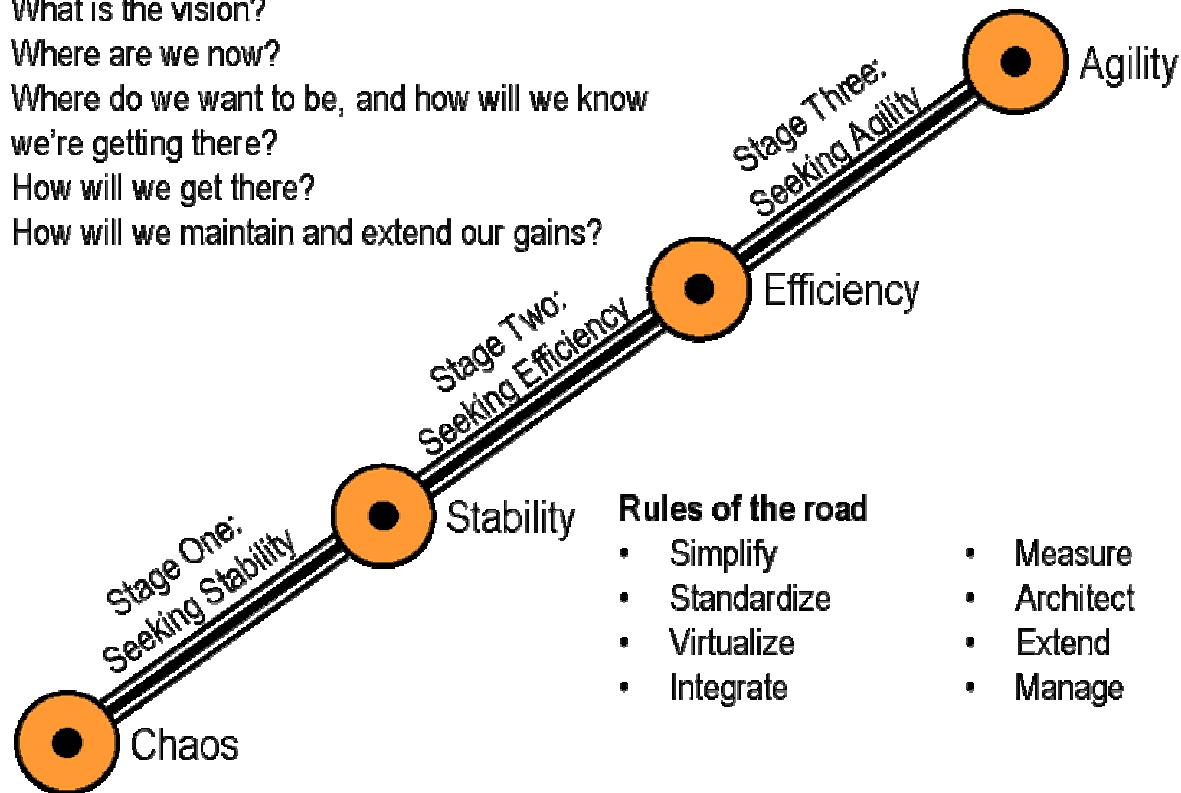
The Five Steps in Each Stage of the Journey toward Adaptive IT Management

1. What is the vision?

2. Where are we now?

3. Where do we want to be, and how will we know we're getting there?

4. How will we get there?

5. How will we maintain and extend our gains?

Step One: What Is the Vision?

- Get a sense for your high-level business objectives.

- What is the vision?

- Where do you want to be in the form of a concise, compelling statement?

- The general object is to define where you want to go in a way that compels people to buy-in at a concept level.

Step Two: Where Are We Now?

- Ascertain where you are now in terms of your goals, processes, and metrics

- Typically, accomplished through assessment

- The key is quantifying the current situation in a way that compels those who would approve taking action to approve doing so in the next step

Step Three: Where Do We Want to Be, and How Will We Know We're Getting There?

- Take the concept-level vision that you developed in Step 1 (Vision) to the next level so that it is more fully actionable.

- Form a more detailed vision, set detailed targets, define the measures you will use to determine that you have arrived where you want to be.

- Look at the vision (developed in Step 1) and where you are now (developed in Step 2) to develop a more detailed and compelling statement of the vision of where you want to be.

Step Four: How Will We Get There?

- Based on where you've determined you want to be, in this step, you decide how to get there.

- In this step, you define the set of programs and projects that will get you from where you are to where you want to be.

Step Five: How Will We Maintain and Extend Our Gains?

- Maintain where you want to be pervasive in the IT organization through a careful plan of action that ensures the gains made are maintained and extended

- Make sure the skills, knowledge, mindsets, processes, and technology required to achieve your aims are implemented in the organization to the point at which they become how you do things

The Eight Rules of the Road

Simplify	Measure
Standardize	Architect
Virtualize	Extend
Integrate	Manage
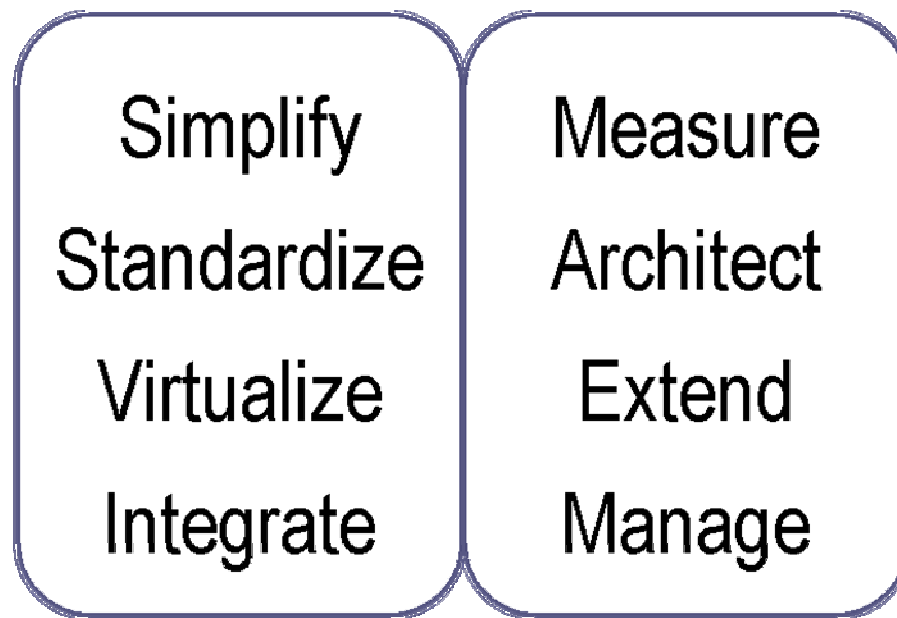
The Eight Rules of the Road

Rule	Description	Example
Simplify	Reduce number of elements Eliminate customization Automate change	Reduce application, server, data center proliferation
Standardize	Use standard interfaces Adopt an enterprise architecture Implement standard processes	Settle on a single global instance of SAP, a single core management platform; adopt ITIL best practice processes

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The Eight Rules of the Road (continued)

Rule	Description	Example
Virtualize	Break down monolithic structures Deploy modular systems and components Virtualize servers, storage, and clients	Architect around building blocks such as modular storage and virtual servers; easier to change; also allows you to wrap your existing infrastructure and protect your investment; rapid step-wise approach to delivering return on IT; not rip and replace—extend and embrace
Integrate	Manage and automate the dynamic link between business and IT Connect processes inside and outside	Integration and management of business processes into the raw hardware—from the fans in the servers to the service-oriented architecture; link those systems with your customers and suppliers

The Rules of the Road (Continued)

Rule	Description	Example
Measure	Gauge what is happening	Measure, assess, and maintain a dynamic link between business and IT
Architect	Design the environment	Architect and integrate heterogeneous IT environments
Extend	Connect suppliers, employees, and customers	Extend and link business processes across suppliers and customers
Manage	Implement standard processes	Manage and control business processes, applications, and the whole IT environment

Group Exercise: 8 Rules of the Road

Purpose: Identify opportunities to improve ability to sense and respond

    Step 1   Divide into groups

    Step 2 Brainstorm 1 thing you can do for each of the 8 rules of the road (5 minutes)

    Step 3 Brainstorm (5 minutes)

    Step 4 Report out (5 minutes)

Timing: 15 minutes

Dimensions Where Effort Will Be Needed Along the Road

- People—Define the right structure, roles, rewards, governance and develop a service-oriented culture and critical skill sets

- Processes—Simplify and standardize processes that maintain service delivery, integrate business and IT processes, and align metrics

- Technology—Implement business processes into IT, increase automation, and optimize utilization and availability to match supply and demand

People, Process, Technology – Questions

- Do you have the right organizational structure? The right roles? The right rewards and incentives?

- Are your people are thinking about IT as a business? Are they delivering the value needed by the business?

- Are you building the right culture and critical skill sets in the organization?

- Are people worrying about cost structures, service level agreements (SLAs), or business strategies?

- How do you affect cultural change in a silo-based organization?

- … continued

… People, Process, Technology - Questions

- Do you have accurate and detailed process descriptions that are then standardized and automated?

- Can you reallocate resources to innovation, proactivity?

- Do the right people have the right information to right-size the resources and the ability to deliver flexibility, business-oriented services, and consistency and match IT supply to business demand?

- These dimensions of effort are provided at a high level to help you better understand, articulate, and gain buy-in for the journey to adaptive IT management. In the next chapter, I'll expand on these dimensions in greater detail.

Areas in Which a Guide Might Help Along the Path

- Leading and managing organizational change

- Program and project management

- Managing through goals and metrics

- Capability determination and improvement planning

- Performance support

Areas in Which a Guide Might Help Along the Path

- Leading and managing organizational change
  - Fundamentally, implementing adaptive IT management is an organizational change effort, so knowledge of particular skills and a framework for organizational change are required

Areas in Which a Guide Might Help Along the Path

- Program and project management
  - Organizational efforts such as the journey to adaptive IT management fail because of a lack of program and project management, including justification, planning, implementation, and risk management
  - Some specific guidance on how to implement adaptive IT management and its projects is needed
  - Critical to look at all risks, assumptions, and possible obstacles to determine how to minimize or eliminate them
  - A proactive approach is essential to any change effort and applies to implementing adaptive IT management

Areas in Which a Guide Might Help Along the Path

- Managing through goals and metrics
  - Part of understanding where you are now, where you want to be, and whether you've arrived is through goals and metrics
  - Many techniques and frameworks are available to help you
  - Choose a technique that your organization is familiar with

Areas in Which a Guide Might Help Along the Path

- Capability determination and improvement planning
  - To ensure your adaptive IT management implementation is successful, start by determining where you are as an organization relative to adaptive IT management
  - Agility and process assessments allow you to look at where you are across IT and business processes to determine where to start your implementation and along which dimensions to expend effort and in what measure

Areas in Which a Guide Might Help Along the Path

- Performance support
  - Includes training, tools, and knowledge management
  - Look at training to ensure the IT organization has the skills to deliver on adaptive IT management expectations
  - Guidance can also be helpful in determining when to introduce tools and how to use tools as well as how to effectively leverage knowledge management

Module 2 Review

- The 3 stages on the road to Adaptive IT are
  - seeking stability
  - seeking efficiency
  - seeking adaptivity

- The 5 steps in each stage are
  - What is the vision?
  - Where are we now?
  - Where do we want to be, and how will we know we're getting there?
  - How will we get there?
  - How will we maintain and extend our gains?

- The 8 rules of the road to Adaptive IT are
  - Simplify   - Measure
  - Standardize   - Architect
  - Virtualize   - Extend
  - Integrate   - Manage

Module 3: Making the business case for adaptive IT

Course Overview

Module 0: Welcome and Overview	4:00	(5m)
Module 1: The adaptive enterprise, IT function, IT management	4:05	(30m)
Module 2: The roadmap: 3 stages, 5 steps, 8 rules of the road	4:35	(50m)
Module 3: Making the business case for adaptive IT	5:25	(30m)
Module 4: Planning to implement adaptive IT	5:55	(50m)

6:45

Module 3 Objectives

- After completing this module, you will be able to:
  - Describe the kinds of business cases that could be made for Adaptive Management
  - Gain buy-in for your vision of adaptive IT management at your company

Making a Business Case

- Making the business case for adaptive management requires you to:
  - Be clear on the kind of justification required
  - Begin with the end in mind – your showcase
  - Build your business case from the showcase

Making the Business Case for Adaptive IT Management

- To make a compelling business case for becoming an adaptive enterprise, you must:
  - Understand the journey towards adaptive IT management
  - Develop a vision for adaptive IT management at your company
  - Gain buy-in for your vision of adaptive IT management at your company

What is "justifying"?

- Classic definition
  - Demonstrating that some expenditure and/or effort will result in some identifiable benefit or result that exceeds in value the investment made
  - Result > Cost of Problem + Cost of Solution

What is "justifying" Adaptive Management?

- With Adaptive Management, sometimes the object of the decision is
  - a go/no go on a discrete proposals
  - a decision to change your mindset or point of view

Making the Business Case:
Kinds of Justification

Justification	Decision being tabled
Concept Level	Do we agree in principle that Adaptive Management is the way to go?
Operating Policy	Should we accept this proposal to change "how we do things around here?", e.g., policy, standards
Performance Improvement	Should we allocate resources and disburse funds for this proposal to address a tactical problem?
Capability Development	Should we allocate resources/funds for this proposal to develop capability to enable improvement?
Strategic Reinvention	Should we recast ourselves as an Adaptive Enterprise, knowing full well the enormous implications?

The Adaptive Enterprise Justification Spectrum

Justification Objective	Concept Level	Operating Policy	Performance Improvement	Capability Development	Strategic Reinvention
Key issues	Broad need areas	Terminology gaps, nuisance problems	Broken processes, missed commitments, inefficient resource usage	Inadequate management systems and structure, few meaningful performance metrics	Little or no alignment of IT capabilities with business needs, inward focus on technology
Justification	Utility of Adaptive Enterprise	Policy, standards	Tactical process improvements	Foundational information management systems and structure	Entirely new operations model
Entailments	Tactical use or strategic reinvention?	Standardization	Organizational development	Organizational reengineering	Paradigm shift
Key to Justification	Translation, EQ	Cost of no policy, fragmentation	Standard project justification approaches	Sell capability, possibilities created	Leader or dinosaur?

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Justifying Adaptive Management Concept Level

- Decision
  - Do we agree in principle that adaptive management is the way to go?

- How to justify
  - Seek visceral sense of urgency (gut) *vs*. intellectual acceptance
  - Appeal to primal mind, keep message simple
  - Translate situation into a position, back it up with evidence, propose a course of action, and press the case with conviction

Justifying Adaptive Management Concept Level

- Special considerations
  - Initiative overload, initiative *du jour*

- Helpful resources
  - "Change Without Pain: How Managers Can Overcome Initiative Overload, Organizational Chaos, and Employee Burnout"

Justifying Adaptive Management Operating policy

- Decision
  - Should we do what is being proposed and change "how we do things around here?"

- How to justify
  - Sell the benefits of alignment and standardization.
  - Focus on costs of "business as usual"
  - Highlight metrics: cost-per-change, cost-per-call, etc.
  - Show value of standardization (e.g., improved communications, on-boarding, etc.)

Justifying Adaptive Management Operating policy

- Special considerations
  - We're special/different
  - "Think locally, act locally"
  - Agreeing on one set of language, processes, etc. stifles freedom/creativity and introduces bureaucracy

- Helpful resources
  - No reference here (got one?)
  - What is locally rational is not necessary so for the collective
  - Agreeing on some standard framework/protocol is freeing

Justifying Adaptive Management Performance improvement

- Decision
  - Should we allocate resources and disburse funds for this proposal to address a tactical problem?

- How to justify
  - Standard business case
  - Cost/benefit analysis and ROI-type approaches.

- Resources that can help
  - See www.gantthead.com section on "justify"

Justifying Adaptive Management Capability development

- Decision
  - Should we allocate resources and disburse funds for this proposal to put improvement-enabling capability in place?

- How to justify
  - Highlight new levels of performance that the capability will make possible, rather than the capability itself

- Special considerations
  - "Invest in things with clear, immediate, short-term ROI"

- Helpful Resources
  - "Mastery"

Justifying Adaptive Management Strategic reinvention

- Decision
  - Should we recast ourselves as a service provider, knowing full well the enormous implications?

- How to justify
  - Pitch to visionaries in the organization
  - Position it as what it is—a paradigm shift, not an incremental change
  - Focus on the primal brain: emotional buy-in is necessary
  - Help them envision the end state
  - Throw down the gauntlet; challenge them to lead

Justifying Adaptive Management Strategic reinvention

- What you're asking them to do
  - Convert to completely new way of thinking and new framework for understanding the reality of the IT workplace
  - Adopt a new way of being and a journey of becoming, a reinvention of who we are and who we intend to be, a new self-concept
  - Give up an entire way of thinking, a framework for perceiving reality that has probably worked well in the past
  - Leave their comfort zone and become novices all over again
  - Lead!

Justifying Adaptive Management Strategic reinvention

- About paradigm shifts
  - New paradigms outline a way of thinking and behaving that is generally incompatible with what came before, and cause us to reexamine what came before in a new light
  - A paradigm shift requires the community's rejection of one time-honored theory in favor of another incompatible with it
  - People want answers and solutions, yet a new paradigm brings a fresh set of questions and problems to solve
  - "Paradigms gain their status because they are more successful than their competitors in solving a few problems that the group of practitioners has come to recognize as acute" (Thomas Kuhn)

Justifying Adaptive Management Strategic reinvention

- About the adaptive management paradigm
  - Seek stability, efficiency, effectiveness, compliance, sustainability, *and adaptivity*
  - Balance cost, risk, quality, *and speed*
  - *Synchronize* business and IT
    - Management Level - tightly coupled, highly trafficked business and IT linkages
    - Operational level - highly mobile, virtualized, componentized resources—people, processes, technology

Justifying Adaptive Management Strategic reinvention

- Special considerations
  - Getting people to get the 'paradigm shift thing"
  - Getting people to do what they know they should be doing
  - Getting people to do what they think they're already doing
  - Making progress when the other isn't willing to do the work

- Helpful resources
  - "Paradigm Shift", "Moments of Truth", "Service America"
  - "The Knowing-Doing-Gap: How Smart Companies Turn Knowledge into Action"
  - "Execution: The Discipline of Getting Things Done"
  - "How One of You Can Bring the Two of You Together"

The Adaptive Enterprise Justification Spectrum – Recap

Justification Objective	Concept Level	Operating Policy	Performance Improvement	Capability Development	Strategic Reinvention
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Entailments	Tactical use or strategic reinvention?	Standardization	Organizational development	Organizational reengineering	Paradigm shift
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Begin with the end in mind - Imagine your showcase

- Problem
  - Stakeholder(s), evidence, impact

- Solution
  - Decision criteria
  - Capabilities needed: when, who, what
  - Resources required: people, money, other
  - Result > Cost of Problem + Cost of Solution
  - Steps taken to ensure value for money (VFM)

- Payoff
  - Stakeholder(s), evidence, impact

Starting from stakeholder concerns

- Look at the concerns associated with roles, e.g., CIO
  - Meeting users' technology demands
  - Providing long-term strategy
  - Keeping up with overwhelming technology change
  - Company image of IT
- Are any of these a problem or need area for stakeholders?
- Who is impacted by the problem, and by how much?
- What evidence supports the existence of the problem and its impact? From who's perspective?
- Roles don't decide—people do
  - People's concerns will not map to what the role is 'supposed to be' concerned with; have you missed anything?

Starting from Adaptive Management Benefits

- Look at generic adaptive management benefits, e.g.:
  - Meet market demands that require greater agility levels
  - Achieve breakthroughs in your cost structures
  - Achieve breakthroughs in ability and time to sense and respond to the constantly changing business environment
  - Stable, efficient, and agile

- Are any of these a problem or need area for stakeholders?

- Who is impacted by the problem, and by how much?

- What evidence of the existence of the problem and impact?

Problem
How to gather problem evidence (Kahlsa)

- Ask
  - How do you know it's a problem?
  - What lets you know there is a problem?
  - Where specifically does the problem show up?
  - Which measures prove there is a problem?
  - Who specifically is most affected by the problem?

- Evidence: How does the problem manifest itself (soft, hard, presumed, or no evidence?)

- Impact: How big and bad is the problem (quantify-- $$, 1-10). Who or what does it affect?

The two basic payoff measurement approaches

- The variance approach: Measure payoff by the change in outcome
  - Higher sales, greater market share, reduced cost

- The process approach: measure payoff through the process of IT's use in creating the outcomes.

- Both approaches seek to measure payoff—process approach says payoff should be measured by intermediate steps (creating proper IT assets and their impact on business processes before their impact on the organization)

Payoff
How to gather payoff evidence (Kahlsa)

- What benefit makes addressing this problem or need worth doing? What goals are served?

- Ask
  - How specifically would you measure success?
  - What are the direct and opportunity benefits (ROI)?
  - What would let you know we were successful?
  - Where would the success of this project show up?
  - Which performance indicators will increase or decrease if we are successful?
  - Who specifically would be most affected by these issues?

Solution
Scope and selection

- Does the solution meet decision criteria?

- What evidence exists that it will solve the problem, contribute to the desired result?

- What evidence exists that it will address key concern areas of stakeholders' roles/impact, and deliver on ITIL benefits

- Is the solution well-defined, does it "tie out"?
  - Risk, resources (people, money, other), schedule, deliverables, leader, team, start, end

- Have steps been taken to ensure value?

Justifying Adaptive Management Common pitfalls

- Inferences from anecdotal/ 3rd-party evidence

- Bad timing

- Unrealistic expectations

- Lack of management support

- Lack of staff support

- Lack of technology support

- Lack of explicit payoff metrics

Call to action

- Break "Justifying Adaptive Management" into a set of proposals by decision type, and tailor your justification to the decision type

- Maximize the chances of a "yes" decision by beginning with the end in mind—your showcase, and building your business case from the showcase

- Call on the references provided for help

References

- HP's adaptive management Website
  - http://hp.com

- Gantthead.com's Justify section
  - https://www.gantthead.com/Gantthead/JPACE/justifypages/1,1457,58,00.html

- Service Management Resources at the Fox IT Website
  - http://us.foxit.net

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- Solution Selling: Creating Buyers in Difficult Markets. Michael T. Bosworth et al. McGraw-Hill (1994).

- The Structure of Scientific Revolutions. Thomas Kuhn. University of Chicago Press (1970).

Group Exercise: Concept, Project-level justification

Purpose: Identify opportunities to improve ability to sense and respond

> **Step 1**   Divide into groups: Concept-level and Project-level justification
>
> **Step 2** Group 1: brainstorm concept-level justification; Group 2: brainstorm project-level justification (5 minutes)
>
> **Step 3** Group 1: report out; Group 2 give feedback (5 minutes)
>
> **Step 4** Group 2: report out; Group 1 give feedback (5 minutes)

Timing: 15 minutes

Module 3 Review

- There are five types of kinds of business cases that could be made for Adaptive Management
    - Selecting the right one for the job is critical
- To make the business case, start with the showcase

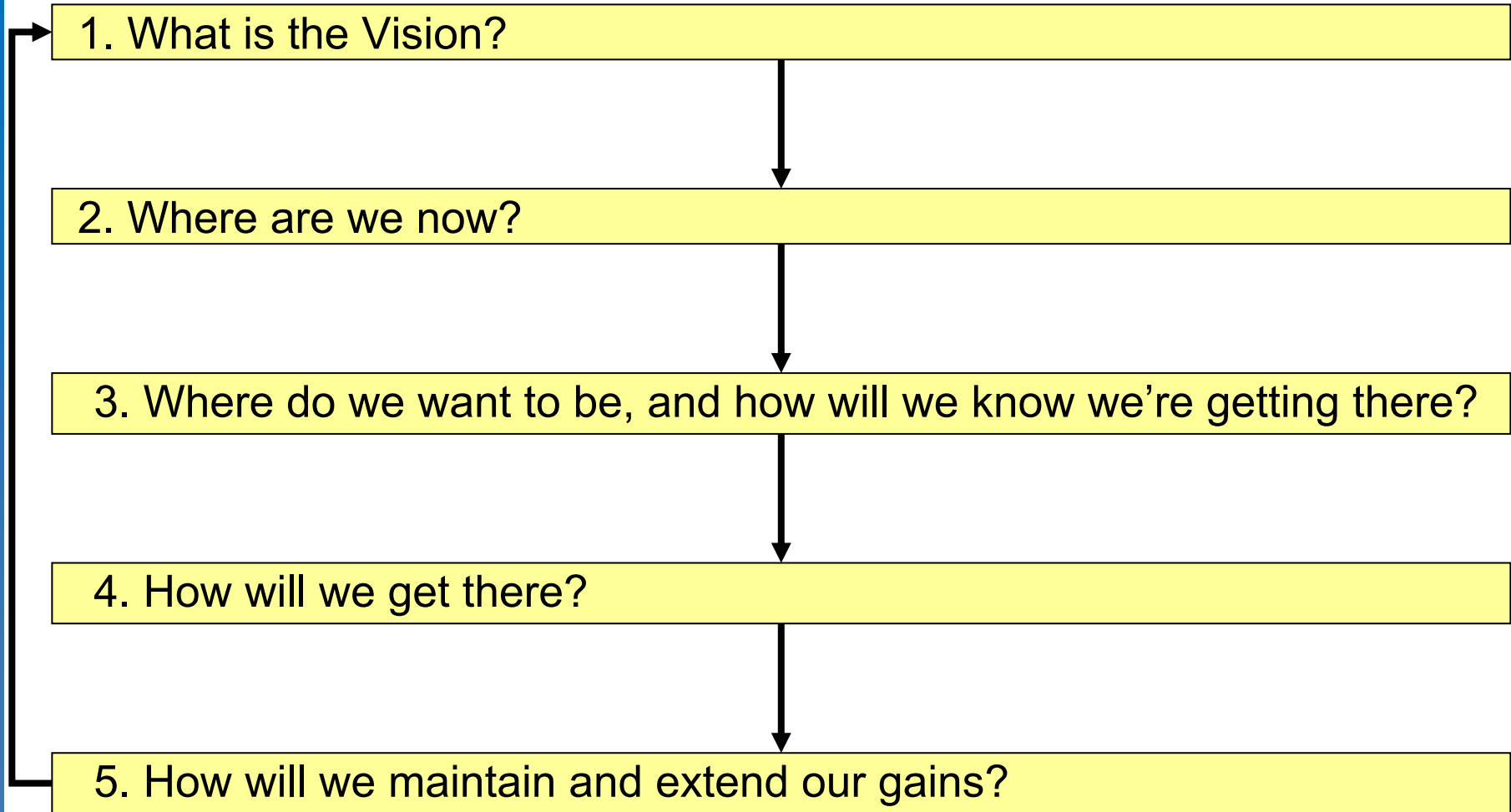# **Module 4:** Planning to implement adaptive IT

Course Overview

Module 0: Welcome and Overview	`4:00`	`(5m)`
Module 1: The adaptive enterprise, IT function, IT management	`4:05`	`(30m)`
Module 2: The roadmap: 3 stages, 5 steps, 8 rules of the road	`4:35`	`(50m)`
Module 3: Making the business case for adaptive IT	`5:25`	`(30m)`
Module 4: Planning to implement adaptive IT	`5:55`	`(50m)`

`6:45`

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Module 4 Objectives

- After completing this module, you will be able to:
  - Outline the basic steps of managing an adaptive management implementation as an organizational change project
  - Cite key concepts for managing an adaptive management implementation
  - Provide an overall description of the objectives and steps of an implementation
  - List areas where guidance on implementation planning is needed
  - List concepts and techniques for planning to implement
  - List common implementation mistakes

The 5 Steps

1. What is the Vision?

2. Where are we now?

3. Where do we want to be, and how will we know we're getting there?

4. How will we get there?

5. How will we maintain and extend our gains?

Step 1: What is the Vision?

- "A vision is a picture of the future with some implicit or explicit commentary on why people should strive to create that future".

- A vision serves three purposes
  - Simplifies decision-making by clarifying the general direction for change
  - Motivates people to take action in the right direction
  - Helps coordinates the actions of many different people

Source: *Leading Change*
by John P. Kotter

Six key characteristics of effective visions

- Imaginable

- Desirable

- Feasible

- Focused

- Flexible

- Communicable

Source: *Leading Change*
by John P. Kotter

Examples ineffective visions

- 15% reduction in Incidents

- An 800-page manifesto

- "We stand for truth, justice, and the American way"

Source: *Leading Change*
by John P. Kotter

Example of an effective vision

- The vision of the program is to reduce our costs by at least 30% while maintaining the highest availability of any website on the Internet as measured by Keynote. These are stretch goals, but we know, based on the Dexter pilot, they are achievable if we work together. When this is completed, in approximately three years, we will have leapfrogged our competitors, and enjoy all the associated benefits: better satisfied customers, increased revenue, more job security, and the enormous pride that comes from great accomplishment.

Source: *Leading Change*
by John P. Kotter

What the vision must make crystal clear

- The precise goal and scope of the initiative

- How the initiative supports business imperatives

- How the initiative exploits or responds to business and technology drivers in the marketplace

- That senior management is crystal clear on this vision, and is passionately committed to making it a reality

- That there are mechanisms in place for managing risk and holding people accountable for realizing the vision

Communicate the vision

Channel Choice

Message

Communicator

Stakeholders

Response

Communicator Strategy

Cultural Context
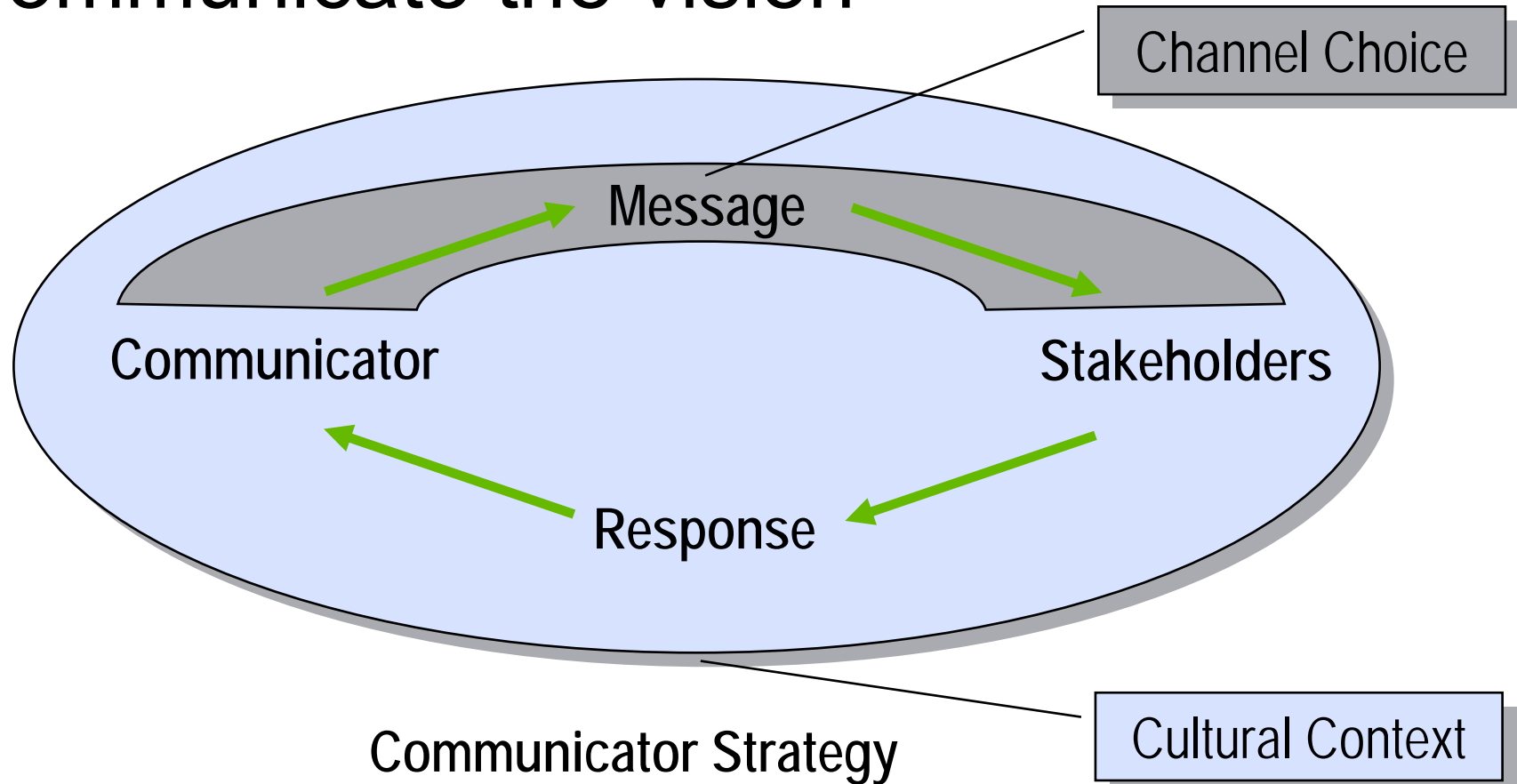
Adapted from: *Guide to Managerial Communication*
by Mary Munter

Keys to effective vision communication

- Keep it simple

- Use metaphor, analogy, example

- Tailored messages for stakeholders

- Carefully choose message, channel, frequency, and sender

- Repeat, repeat, repeat

- Walk the talk

- Explain seeming inconsistencies

- Listen, be listened to, and take action on what you've heard

Adapted from: *Leading Change*
by John P Kotter

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Step 2: Where are we now?

- Precision is required in answering the question, "Where are we now?"
  - to ensure you've diagnosed the situation correctly
  - to ensure that you're spending your time, scarce resources, and effort along the right dimensions and in the right measure.
- Typically accomplished this through assessment
- An assessment compares the state or performance of an aspect of an organization against a standard to capture the current state as the first step in improvement of that aspect.

Assessment: Common aspects assessed

- <u>Function</u>—the organization as a whole, or some subset, e.g., all of IT, the Network Operations Center, Tier One Support, etc.; could also take a subset by geographic region, e.g., EMEA, the Americas, ASIAPAC, or physical location type, e.g., datacenter, manufacturing facility, regional sales offices, etc.

- <u>People</u>—skills, knowledge, mindset; organizational structure, HR performance and reward systems, job design, role definition, teaming, knowledge management, and communities of practices relative to the end-goals of the organization

Assessment: Common aspects assessed

- <u>Process</u>—for example, the ITIL Service Management processes: Incident, Problem, Change, Configuration, Release, Service Level, Financial, Capacity, Availability, and IT Service Continuity Management

- <u>Technology</u>—support and management technology, infrastructure, applications, systems; could be limited to one or more vendor platforms, e.g., HP, Microsoft, Sun, etc., or to one or more technology streams, e.g., client, server, network, database, application, telecommunications switches and circuits, messaging and collaboration, etc. Generally inventories existing or reviews proposed tools, assessing level of support for organizational goals and processes, integration, configuration

Assessment: Common aspects assessed

- <u>Measurement/Governance</u>—strategy, goals, alignment, metrics, measurement systems, reporting, monitoring and control mechanisms, accountability, integration

Assessment –
other dimensions of assessment

- For an IT organization that is running itself as a services business, we add:
  - Services—centers the assessment on the services themselves, the wherewithal the IT service provider has to provide them with consistent levels of required quality, and the customer's perception of the service
  - Customer—centers the assessment on customer perception of services

- For the Adaptive Enterprise, we add:
  - Agility— responsiveness, coverage (breadth and depth), and resiliency of the IT organization in the adaptive enterprise--in sensing and responding to the changes the business requires

Assessment – 4 benchmarking types

- Four types of standards are typically used as benchmarks for comparison:
    - Similar organizations, e.g., competitors in the market
    - A baseline set at a certain point in time for the same system or department , e.g. service targets
    - Other systems or departments within the same company
    - Industry norms, e.g., ITIL Best Practices

Assessment – commonly used frameworks

- 'Lite' maturity scales—these are simplistic frameworks generally used in self-assessment models

- Industry-accepted models—the Capability Maturity Model (CMM), SPICE (ISO 15504), CoBit (for audit/governance), SERVQUAL (for customer perception of service quality)

- Proprietary models (e.g., the model employed by the HP Agility assessment instrument)

CMM (Capability Maturity Model)

- Developed by the Software Engineering Institute (SEI) of Carnegie Mellon University, the CMM is a staged model (meaning elements 'appear' where they are 'most relevant'), aimed at organizational versus process maturity.

- Designed to assess software engineering capability, it has been adapted for use in assessing service management processes.

- For more information on the CMM, visit http://www.sei.cmu.edu/cmm/cmm.html.

ISO 15504, or SPICE

- 15504 emerged from an international software development reference process model called SPICE (Software Process Improvement and Capability dEtermination) which is based in part on CMM. ISO 15504 is a continuous model (meaning elements appear at all stages), aimed at process rather than organizational maturity.

- Designed to assess software engineering capability, ISO 15504 has been adapted for assessing service management processes.

- For more information on ISO 15504, visit http://www.spiceworld.com.

CoBit

- CoBit (Control Objectives for Information and Related Technology) is sponsored by ISACA (the Information Systems Audit and Control Foundation), primarily as an educational resource for computer auditors and business process owners. Its focus is on control objectives to ensure auditable compliance.

- The most relevant control objectives for Service Management are those associated with Delivery and Support. CoBit is audit (are you doing what you said you'd be doing?) versus assessment (is what you are doing efficient and effective?) oriented.

- For more information on CoBit, visit http://www.isaca.org/cobit.htm

SERVQUAL

- SERVQUAL is an instrument developed to measure quality service

- For more information on SERQUAL, see the book by Zeithaml, Parasuraman & Berry, *Delivering Quality Service; Balancing Customer Perceptions and Expectations*, Free Press, 1990

Which Assessment?

- <u>IT Service Management process assessment:</u> This type of assessment, based on ITIL Best practices, is offered by many vendors. As mentioned previously, adopting ITIL best practices is a key stepping stone to adaptive IT management; an ITIL assessment is the right first step to begin the journey.

- <u>Management Technology (tool) assessment</u>: As the adaptive IT function is heavily dependent upon its management technology—what it is, and how it is configured and integrated into the organization and infrastructure—a tool review is a critical initial step to achieving agility.

- <u>Agility Assessment:</u> This relatively new type of assessment gauges the agility of critical business processes.

Agility Assessment

- HP's agility assessment measures IT's ability to respond to business change along three dimensions:
  - **Time** – the length of time it takes to make a change
  - **Range** – the breadth of change the company is able to handle
  - **Ease** – the level of effort and cost required to introduce and support change

- As the end-in-mind on the journey to adaptive IT management is agility, an agility assessment is a logical first step on the journey

Step 3. Where do we want to be, and how will we know we're getting there?

- setting SMART goals

- goals, questions, metrics

- balanced scorecard

- critical success factors (CSFs)

- key performance indicators (KPIs)

Setting SMART Goals

- **S**pecific—Goal is stated in terms of concrete results rather than general or vague actions. If you can't state it simply, break it into sub-goals.

- **M**easurable—Results are stated quantitatively and qualitatively in a manner that allows for objective monitoring of progress

- **A**ttainable—Goal may be challenging, but achievable, given the amount of time, skill, or resources we have to accomplish a goal.

- **R**elevant—Goal supports organizational unit and business goals and, given the impact the goal will have on organizational unit and business goals, is a priority.

- **T**ime-Bound—Goal sets a deadline and milestones for attainment

Goals, Questions, and Metrics (GQM)

- Developed by Victor Basili in the mid-<u>1980s</u>

- Framework for defining and refining goals into specific quantifiable questions about process and products

- The questions form the basis of the specification of the data, which is required to help answer, in a quantitative manner, whether the goals are being attained, and to what degree or level.

Goals, Questions, and Metrics (GQM)

- A goal is defined in terms of:
  - Purpose – e.g., to evaluate the Service Support process in order to improve it
  - Perspective – e.g., to examine the cost from the viewpoint of the Customer
  - Environment – e.g., the support team are poorly motivated with limited access to training, support tools, and professional development pathways

Example GQM approach:

- Goal
  - Reduce business impact of IT outages

- Questions:
  - Which services impact the business most? According to whom?
  - What is the current impact of outages to these business services?
  - What are the reasons for these outages?
  - How can we reduce the number and duration of these outages?
  - Where can we book the most success, or quick wins?

- Metrics:
  - Outage time and reasons for key IT services outages
  - Identified Problems causing multiple outages
  - Changes carried out to rectify Problems
  - Incident volume/outage time following Changes

The Balanced Scorecard

- The Balanced Scorecard, developed by Kaplan and <u>Norton</u>, is another goal-setting approach intended to balance focus along four dimensions:
  - Internal processes
  - Customers
  - Learning and growth
  - Financials targets:

- Goals and metrics associated with a Balanced Scorecard should answer the following questions:
  - Internal processes: how do we generate value for our Customers?
  - Customers: what do our Customers desire?
  - Learning and growth: how will we continue to generate value in the future?
  - Financial: how did we do financially?

- The first three questions focus on the future, the last on past results.

Critical Success Factors (CSFs) and Key Performance Indicators (KPIs)

- CSFs are the small number of things that have to be got right within each Service Management process. A measure of success or maturity of a project or process -- it can be a state, a deliverable, or a milestone.

- KPIs are the measurable quantities against which specific performance criteria can be set. Basically, if KPIs look good, then CSFs are being met.
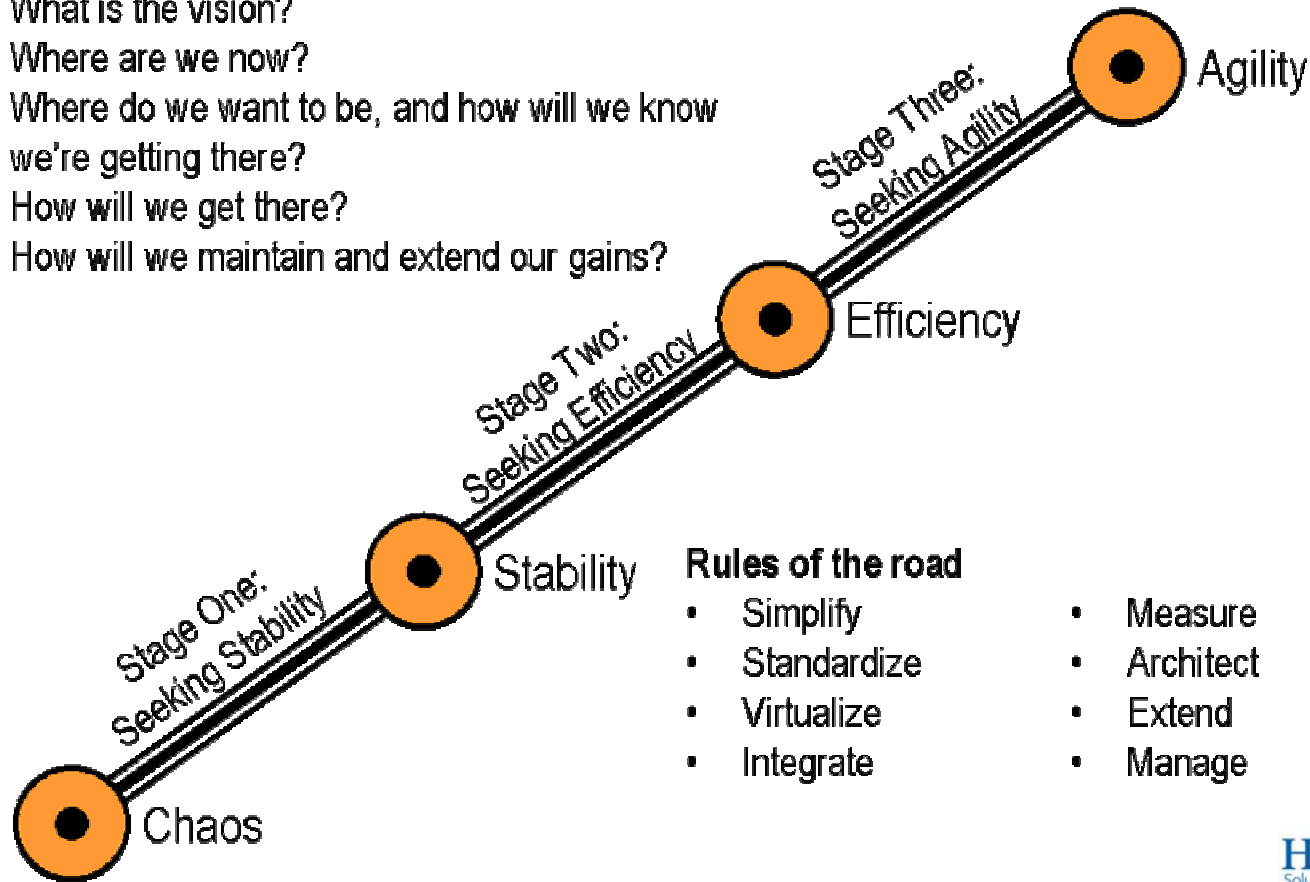
Example CSF / KPI

Control of IT assets

- Percentage reduction in number of Configuration Item (CI) attribute errors found in Configuration Management DataBase (CMDB)

- Percentage increase in the number of CIs successfully audited

- Percentage improvements in the speed and accuracy of auditReduction in the incidence of unauthorized equipment detected

Step 4. How will we get there?

The five steps in each stage of the journey

1. What is the vision?
2. Where are we now?
3. Where do we want to be, and how will we know we're getting there?
4. How will we get there?
5. How will we maintain and extend our gains?

Rules of the road

- Simplify
- Standardize
- Virtualize
- Integrate

- Measure
- Architect
- Extend
- Manage

Empower others to act on the vision

Structures make
it difficult to act

Stakeholders
discourage actions
aimed at realizing
the vision

Employees
understand the
vision and want to
make it a reality, but
are boxed in

Skills are lacking,
undermining
action

Systems (HR, IT)
make it difficult to
act

Adapted from: *Leading Change*
by John P. Kotter

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149

Plan for and create quick wins

- Provide evidence that sacrifices are worth it
- Reward change agents with a pat on the back
- Help fine-tune vision and strategies
- Undermine cynics and self-service resisters
- Keep bosses on board
- Build momentum

Source: *Leading Change*
by John P. Kotter

Characteristics of good quick wins

- Visible
  - Everyone can see for themselves that its real or just hype

- Unambiguous
  - There can be little argument over the call

- Related
  - There can be no argument that it doesn't relate to the effort

- Planned for
  - Not a mere possibility that occurs by luck, hope, or prayer

Adapted from: *Leading Change*
by John P. Kotter

Group Exercise: Quick Wins, Problems

Purpose: Identify quick wins and ways to avoid problems implementing adaptive management

Step 1 Divide into two groups: Winners and Problems

Step 2 Winners: brainstorm list quick wins you can plan for; Problems: brainstorm a list of mitigations you can plan for to eliminate or minimize problems (5 minutes)

Step 3 Winners: report out (5 minutes)

Step 4 Problems: report out (5 minutes)

Timing: 15 minutes

Common implementation mistakes

- Lack of appreciation for, or ability in, the area of organizational change leadership and management

- Lack of a clear vision and goals that map to business need

- Mistakes in the area of organizational structure

- Ineffective program and project management

- Ineffective use of training, tools, and knowledge management

Group Exercise:
Mitigating Risk, Assuring Success

Purpose: Identify costs/benefits of implementing adaptive management and actions to ensure benefits are accrued, costs are minimized

Step 1 Divide into two groups: Optimists and Pessimists

Step 2 Optimists: brainstorm list of benefits you will accrue by implementing AM; Pessimists: brainstorm list of costs, obstacles, and negative consequences (10 minutes)

Step 3 Optimists: for each benefit, identify an action that will help ensure that benefit is accrued; Pessimists: identify an action that will minimize or eliminate the negative (10 minutes)

Step 4 Optimists and Pessimists report out (10 minutes)

Timing: 30 minutes

Step 5. How will we maintain and extend our gains?

- Consolidate improvements

- Produce more change

- Institutionalize the change

Consolidate improvements, produce more Change

- More change, not less

- More help

- Leadership from senior management

- Project management and leadership from below

- Reduction of unnecessary interdependencies

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Institutionalize the Change

- Comes last, not first

- Depends on results

- Requires a lot of talk

- May involve turnover

- Makes decisions on succession crucial

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Module 4 Review

- Key factors and steps for planning to implement adaptive management include
  - clear vision
  - communicate implementation plan
  - capitalize on quick wins
  - embrace change

- Implementing adaptive management at the organizational level requires programmatic effort

- Building your business case with you 'showcase' in mind can help

- Decisions must be made on the scale and roles involved in the programs and projects associated with implementation

Adaptive Management: a Roadmap

Course Summary

Tutorial Objectives

- At the end of this course, you should be able to:
  - Describe the adaptive enterprise, IT function, and IT management
  - Describe the roadmap to adaptive IT
    - 3 stages, 5 steps, 8 rules of the road
  - Outline how to make the business case for adaptive IT
  - Outline how to plan to implement adaptive IT

Course Overview

Module 0: Welcome and Overview
Module 1: The adaptive enterprise, IT function, IT management
Module 2: The roadmap: 3 stages, 5 steps, 8 rules of the road
Module 3: Making the business case for adaptive IT
Module 4: Planning to implement adaptive IT

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Top Takeaways

- Let's hear from you:
  - What's the top 1, 2, 3 things you're going to take back to your job and do?

Next Steps

- Apply adaptive management concepts in your work

- Learn more about adaptive management
  - Read "The Definitive Guide to IT Management for the Adaptive Enterprise" http://h30046.www3.hp.com/promofile_oov.php?promo=1-68-985&portal=ITSM&m
  - Visit us.foxit.net for more resources, updates:
    - Introductory and implementation presentations, whitepapers, articles, annotated bibliographies, links to key resources
    - Consulting and Education Services

- Consider implementing adaptive management in your organization:
  - Contact Fox IT LLC:
    - (215) 233-1205 or info@foxit.net

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