Getting started with
IT Transformation
A proven & practical approach
Challenge

With the proliferation of smart devices, connected sensors and a constant and insatiable need for data-driven insights, IT has moved from back office functionality to executive strategy. Businesses need to move at the speed of technology. They need to develop and rapidly deploy new applications, optimize IT resources, control costs and deliver the best possible customer experiences.

The challenge is that most organizations were not born in the “Digital Age”. They bring legacy systems and operating models that constrain and keep them from achieving what might be possible. Organizations need to transform and optimize IT by modernizing infrastructure, automating delivery and consumption of IT services and transforming the people and processes they have in place today. They can then begin to transform from traditional IT models to IT as a Service (ITaaS) models that deliver transformative value to their business.

Approach

Our experience with thousands of IT transformations—including engagements with half of the Fortune 500 and with our own corporate IT organization—makes one thing clear: No two IT transformations are alike.

Every business starts in a different place, with its own strengths and weaknesses, and unique opportunities. Nevertheless, there are pragmatic and proven practices that all organizations can use to accelerate IT transformation.

While every IT transformation is different, there are fundamental principles that successful initiatives share. Read on for some practical advice based on these principles that you can use to move forward with your IT transformation.
Like all successful journeys, IT transformation requires a clear understanding of both the starting point and the destination. While there is typically broad agreement about the need for transformation, just as typically there is wide variation in what transformation means. Progress is further complicated by interdependencies that require multiple projects to be coordinated and synchronized. As a result, many initiatives get stuck in an endless planning phase—or break apart into fragmented, unconnected projects.

How can you bring diverse constituencies together behind one strategy and move forward together to show timely results?

**Begin by engaging all stakeholders**
Gather input from all types of stakeholders on where the organization is—and where it needs to be. Engage executives, business managers, application owners, IT leaders, and end users to develop a complete, multi-dimensional vision of the target future state.

**Build a business case**
Quantify the expected impact of transformation—generally, over the life of the program, and, more specifically and concretely, for the initial phase. In addition to IT improvements, work closely with business stakeholders to identify at least one achievable business-driven project with meaningful business impact.

**Create a roadmap**
Develop a high-level roadmap for moving from current state to future state—and determine a realistic timeframe for completion. Define major transformation milestones for closing the gaps across operations, applications, and infrastructure. Organize milestones into coherent phases with interim results.

**Agree on immediate next steps**
Drive broad stakeholder agreement on next steps. In our experience, organizations that are able to identify and prioritize a limited number of projects (6 or fewer) for immediate implementation are most likely to succeed—and in so doing, gain traction that helps to propel subsequent phases. Again, we strongly recommend that first-phase initiatives include at least one business-sponsored project that will deliver business-requested, visible results.
Evolve holistically

To deliver real value to the business, IT needs more than new technology. It needs to evolve in multiple dimensions—and in a balanced way. Successful transformation requires a strategy and governance framework that spans operating model, infrastructure, and applications to keep change initiatives in sync while moving forward—and to deliver results in each phase of implementation.

Transformation priorities and challenges for CIOs

Operating model
Delivering services to the business vs. managing technology silos
In our experience, the largest gap between current and target state occurs in operations, where people and processes have long been focused on managing isolated technologies. Who in your organization is responsible for working with the business to determine and anticipate their needs? How are services created, marketed, and delivered? Who monitors the quality of service delivery and business-user satisfaction? Delivering such an IT service center requires new roles, new skill-sets, and new organizational structure. Transformation begins with fully understanding who—not what—you are supporting.

Application
Modernizing the application portfolio, while creating new apps faster
Software is the key to unlocking digital business advantage—from more efficient business operations, to product and service innovation, to faster time-to-market.

Application modernization has two aspects: 1) Analysis, migration, and disposition of the existing portfolio and 2) Faster development of new applications. Proven methodologies and automated tools can greatly speed and simplify discovery and evaluation of applications, including SaaS options to enable quick retirement of unused and duplicate applications. Scalable, infrastructure-independent development frameworks, combined with agile DevOps processes for continuous delivery, dramatically accelerate the development of new mobile-friendly, cloud-native applications.

Infrastructure
Brokering and provisioning multi-cloud services
Delivering a multi-cloud service architecture requires a modern, software defined data center approach with integrated cloud management and extensive automation. This extends the operational and cost benefits of server virtualization to storage and networking technologies, particularly when packaged in converged and hyperconverged infrastructure platforms. Cloud management software simplifies the operation of both on-premises and off-premises IT assets for the most optimized costs and agile infrastructure.

Source: CIO/IDG “CIOs Reveal Their Priorities and Successes in IT Transformation” 2018
Customize where it counts

Why re-invent the wheel? For most IT organizations, any benefit gained from the old practice of integrating technologies to create a custom IT stack are far outweighed by the speed, simplicity, and agility advantages of today’s pre-integrated architectures.

In the same way, IT organizations can leverage the best practices, services, and tools of trusted partners to achieve foundational objectives—applying their own talents and resources where customization makes a difference. Which experience and skills does it make sense to develop in-house? Which are better hired as needed? The right mix of build vs. buy is different for every organization, but decisions should be guided by the level of unique value delivered to the business. Indeed, critical areas of customization and internal expertise include: collaboration with the business on what services are needed for market differentiation and competitive advantage; and managing the quality of business user experience.

Look for partners with practical experience

One of the most valuable ways a partner can help IT organizations determine where and how to invest in their internal resources and customization is through the experience gained in having managed real world IT transformation projects and programs.

An experienced partner can help IT to minimize the “we don’t know what we don’t know” risks, as well as recommend best practices and services to help tackle the daunting challenge of how to transform IT to enable new digital business opportunities, while operating IT to run the business.

Keep your options open

While the agility and efficiencies to be gained by standardizing on converged infrastructures or hybrid cloud are compelling, an organization may have good reasons for wanting to continue to operate some legacy systems as well. In that case, look for platforms that support both existing applications and new digital applications—and for consultants who can help integrate existing systems into a private or hybrid cloud solution. Realize also that you can reap the benefits of converged and hyper-converged infrastructures and hybrid cloud today, while keeping your future options open to connect to whatever public cloud service providers you choose.
Sustain the momentum

IT Transformation is a marathon, not a sprint. While gaining traction is the first hurdle, sustaining momentum is the ongoing challenge. Unfortunately, there is a tendency for IT teams to view transformation as a “spare time” activity to be undertaken when not consumed by managing day-to-day operations.

It takes strong, consistent senior IT leadership to keep transformation programs on track and making progress. The executive attention and commitment are critical for keeping IT initiatives aligned with digital business priorities; making adjustments along the way; determining the rate of change an organization can sustain; and driving steadily forward.

Think “building blocks”

Break the IT transformation roadmap down into achievable projects that build on each other. Modular milestones enable incremental justification and payback, as well as the ability to make mid-course corrections on the transformation journey. Keep the need for balanced progress in mind and make sure that infrastructure, operating model, and application transformation projects move forward together in each phase.

Multi-cloud transformation roadmap

Deliver MVP functionality

Take a page from strategic product development and deliver an early “minimum viable product (MVP)” with just enough capability to enable new functionality quickly. The idea is to get a “minimally” working solution into the hands of actual users fast—both to demonstrate tangible business value and to gather real-world feedback to validate direction and guide next steps. For example, we have found that IT organizations that narrow their focus to establishing their governance model and delivering a limited catalog of Infrastructure as a Service (IaaS) offerings in the first six months of transformation have the most success in gaining the credibility and support needed to achieve their longer-term objectives.

Communicate your success

Make all stakeholder communities fully aware of each accomplishment. Show how each success fits into the overall plan, and how both IT and the business are better for it. Invest in professionally developed communications delivered via multiple channels. Effective and timely progress reports—delivered within the context of the broader IT transformation roadmap—are pivotal to ongoing support.

Drive change

Don’t underestimate the need for ongoing change management and the power of “soft skills.” Seek input from major stakeholders—not just initially, but frequently, along the way. Establish a Steering Committee of senior executives to formally review progress at major milestones, to revisit direction and priorities, and make adjustments as needed. Connect “what” is happening to the “why” and “how.” Recognize that, despite best efforts, it is human nature to resist change. Not everyone will be capable of embracing a new IT model and that too, is something IT leaders must be prepared to address.
The challenge of IT transformation is significant, but as we’ve seen, you don’t have to start from scratch—and you don’t have to do it alone.

There are ways to accelerate alignment, coordinate progress, apply resources for optimal impact, and keep moving forward to achieve long-term objectives.

It is up to you, however, to start the process.

While it may seem obvious, the best advice for moving ahead with your IT transformation is to start now.

“The challenge of IT transformation is significant, but that shouldn’t stop you in your tracks. The best way to gain momentum is to start moving now.”

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