Transformational IT Outsourcing:
A Blueprint to Success

The new paradigm for IT: Continuous transformation

Driven by new business requirements, technologies and delivery model concepts, the IT world is rapidly changing. In this ever-evolving environment, IT transformation has become an overused and often misunderstood concept, with the meaning differing for each organization — depending on the view, scope and expected outcome. While some organizations define it as a process that propels technology re-architecture, for others, it means adopting a user-centric (versus a service-centric) approach or changing the role of IT services from a cost center to a value enabler. Regardless of the definition, the underlying objective remains unchanged: the ability for any IT organization to adapt proactively and quickly to a new business requirement.
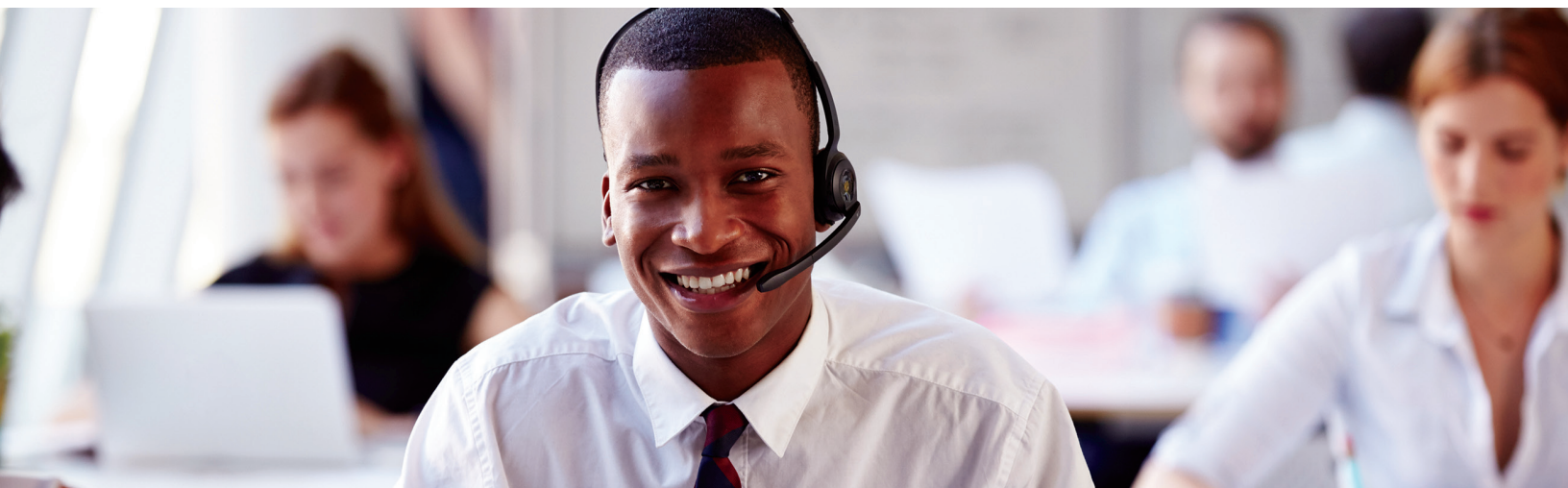
To reach this goal, IT must be able to innovate, and while, again, this represents another overused concept, chief information officers (CIOs) are continuously expected to provide innovative services. Additionally, cost-optimization demands continue to exist with business alignment requirements, coupled with the need to find the right balance between usability, accessibility, security and cost. End users are also adding to this pressure as they are always looking for innovative ways to be more productive with technologies that will empower them to do their jobs faster and quickly gain access to new data.

Table of contents

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In reality, infrastructure is aging faster than ever, and new technologies are becoming increasingly appealing. Cloud has already conquered test and development environments — and because of its increasingly reliable, flexible, secure and adaptable flavors of infrastructure as a service (IaaS), software as a service (SaaS) and platform as a service (PaaS), cloud has crossed over into high-demand production environments as well. These service offerings are easy to deploy and come with attractive benefits, but for IT, the myriad of new models, technologies and vendors have become challenging to manage and integrate.

Modern end users want better collaboration, communication and decision-making tools. This consumerization of IT enables application availability with seamless, proactive IT support and end user-centric service models. The workforce has become knowledgeable about new technologies, increasing the demand and adoption of toolsets and products that facilitate productivity and add discrete value to the business. End-user satisfaction and the ability to utilize company resources in a transparent manner from anywhere, on any device — with a similar experience and interface — have become key drivers for workplace and infrastructure transformation.

With the influx of new demands and technologies, IT has become reactive, focused on meeting tactical requirements and solving immediate problems. New technology adoption and tactical issue mitigation — while considered

success factors within IT — still do not contribute to changing IT into a strategic function that is focused on client and business value. This disconnect from business objectives, as well as the lack of proactivity and alignment with stakeholder expectations, impacts overall organizational and enterprise growth. This can lead to projects taking longer than expected, integration of new technologies and products creating cost overruns, and changes becoming disruptive and having a negative impact on the business. Remediation has also become an accompanying keyword with each new transformation project or program — generating high costs and stakeholder dissatisfaction.

Pave the way for growth with NTT DATA as a strategic partner

As companies and IT departments are trying to overcome these challenges, outsourcing different IT components has become difficult. The demand has switched from finding a services provider to finding a partner that can help the enterprise grow and expand with services delivery and service integration capabilities, coupled with mature governance and service management models.

This is why, at NTT DATA Services, our focus has been on creating a transformational outsourcing engine that provides an adaptable framework to meet an organization's specific needs. We have learned that the success of any services engagement and program relies not only on the ability to roll out discrete projects in response to specific business

demands, but to also enable a complete organizational change methodology that supports the continuous transformation of IT services as they reach their future, business-aligned state.

We have redesigned standard, managed services and built an end-to-end transformational outsourcing model that relies on continuously creating solutions that meet our clients' existing and future needs. Our unique approach to IT innovation truly sets us apart. We create value with our clients and their end users by driving new initiatives and the adoption of new service models that support the business and enable a flexible and proactive IT environment.

The focus of our IT transformation and innovation delivery is based on three major service management pillars: people, technology and processes. Each plays a key role in the journey toward a completely business-aligned IT environment. Our strategic objectives remain unchanged throughout the journey: to make IT more agile and responsive to change, improve workforce productivity, drive informed decisions and secure our clients' organizations. We believe that the success of any program is not based on the technical capability alone, but on the ability to apply a rigorous organizational change management approach.

We understand that, at a tactical level, different industries and lines of business have different expectations and desired outcomes for a transformation program.

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Even clients with similar profiles from within the same industry do not share identical challenges or necessarily have a common vision about the future of their IT services.

Relying on our extensive experience with our diverse client base, we have designed a future-state model for IT infrastructure and services — one that is not only modular, but also adaptable to any industry and client profile.

The future IT state, which we envision for each of our clients, is represented by the IT-as-a-service (ITaaS) model. We define it as a state where the underlying infrastructure and services are presented in a self-provisionable form and are built with self-help and self-healing abilities — allowing real-time insights into what is consumed using business and IT-level dashboards. The ITaaS model allows organizations to predict, design, deploy, manage and retire each service in a measurable manner, with complete control of the lifecycle from ideation to removal.
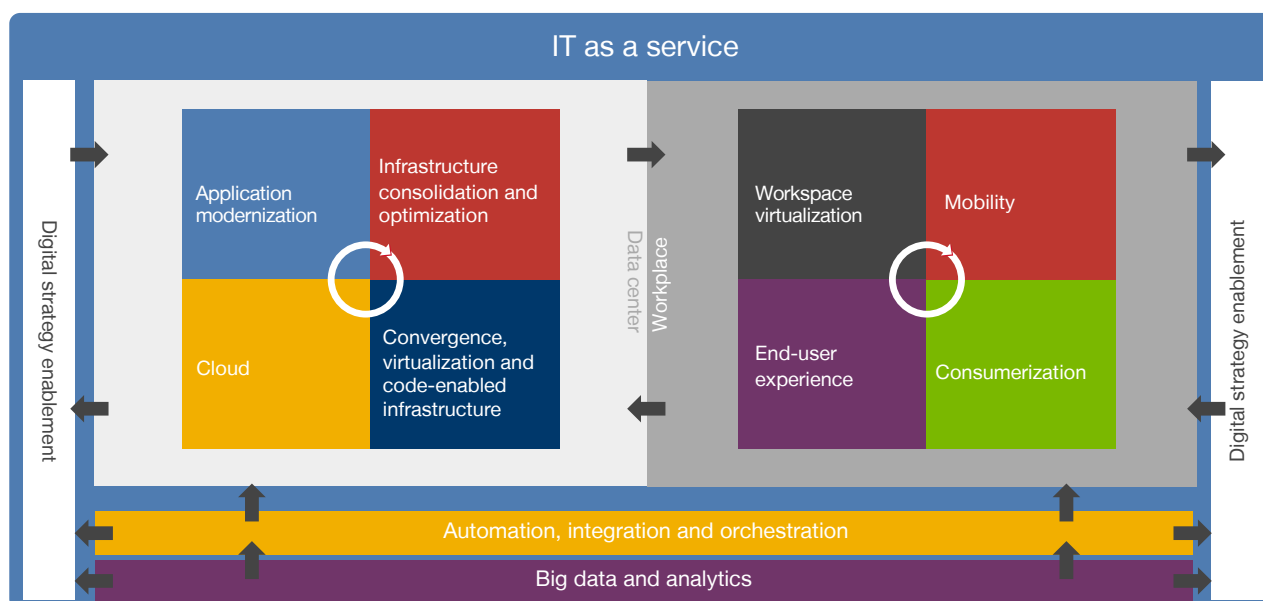

IT as a service

Digital strategy enablement

Application modernization

Infrastructure consolidation and optimization

Cloud

Convergence, virtualization and code-enabled infrastructure

Data center

Workplace

Workspace virtualization

Mobility

End-user experience

Consumerization

Digital strategy enablement

Automation, integration and orchestration

Big data and analytics

Figure 1: Example of IT as a service

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The ability to achieve this future state relies on a comprehensive transformation program, which IT can enable using key tactical initiatives in both data center and workplace environments.

Our end-state blueprint of IT is adaptable and completely aligns with the primary goals of any organization — to build an agile IT, create a productive workforce, support informed decision making and secure the computing environment. We also work with our clients to define the modular layers required for a successful deployment of this model — at the data center and in the workplace.

These blueprint samples are highlighted in Figure 2 and are based on our successful experience enabling flexible and fully adaptable models with clients from various industries.
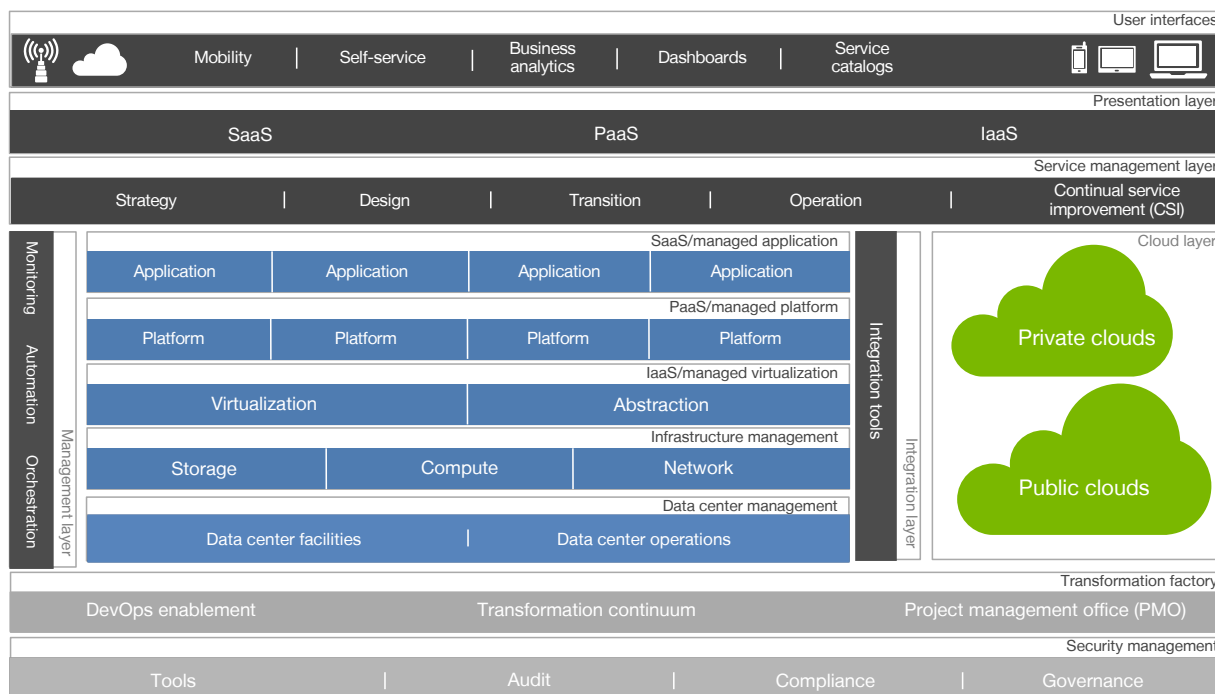

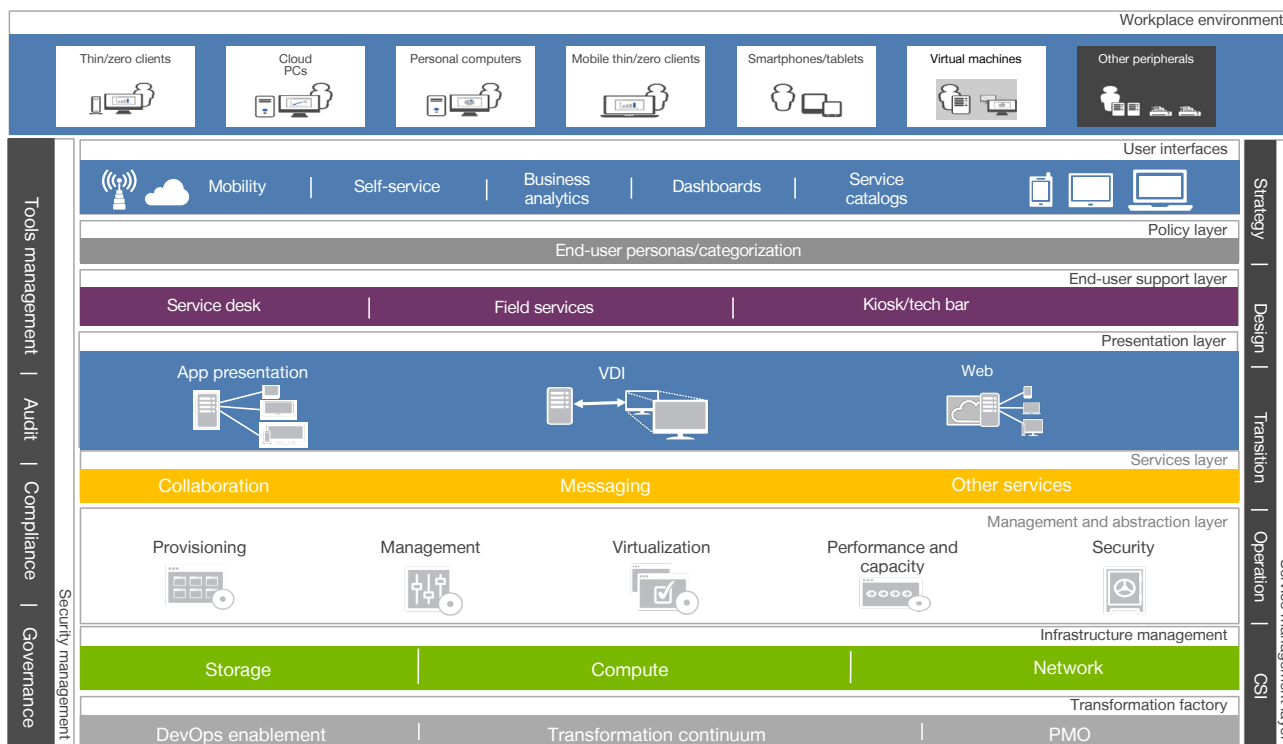Figure 2: IT-as-a-service blueprint for data center environments

Figure 3: IT-as-a-service blueprint for workplace environments

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The four-phase journey to IT as a service

Value co-creation is the strategic foundation for any successful transformational engagement. We partner with our clients, not only to assess the underlying IT infrastructure, but also to understand and learn about the organizational specifics — so that the crafted journey and supporting strategy minimizes risk and produces the best business value.

For each client profile and environment, we propose and deploy various sets of initiatives with measureable short- and long-term outcomes that are completely aligned with their designed program.

To address industry- and company-specific business challenges and demands, NTT DATA has designed a fully adaptable IT transformation journey with an end-state goal — to allow services to be consumed in an as-a-service manner. We designed and developed this model based on years of experience successfully managing a diverse client base and driving innovation programs across a multitude of environments and organizational profiles. This allows our clients to grow and expand their businesses with the support of a now transformed, proactively adapting and completely aligned IT.

Our transformational journey blueprint for IT is built around four major phases with multiple tactical initiatives within each step, as displayed in Figure 4.

Execution of the journey is key, and this is why, for an accurate deployment of tactical initiatives, we employ our unique and field-proven transformational methodology. This enables the transformational continuum framework, which controls the deployment and execution of each discrete project throughout the transformation program. The methodology provides continuous measurement, adaptation and customization; facilitates sustained streamlining of existing and new processes; and enables the rollout and accurate integration of new technologies and timely support. This ensures that each innovation wave is seamlessly deployed into IT and made available in a consistent and measureable manner to end users and the business.
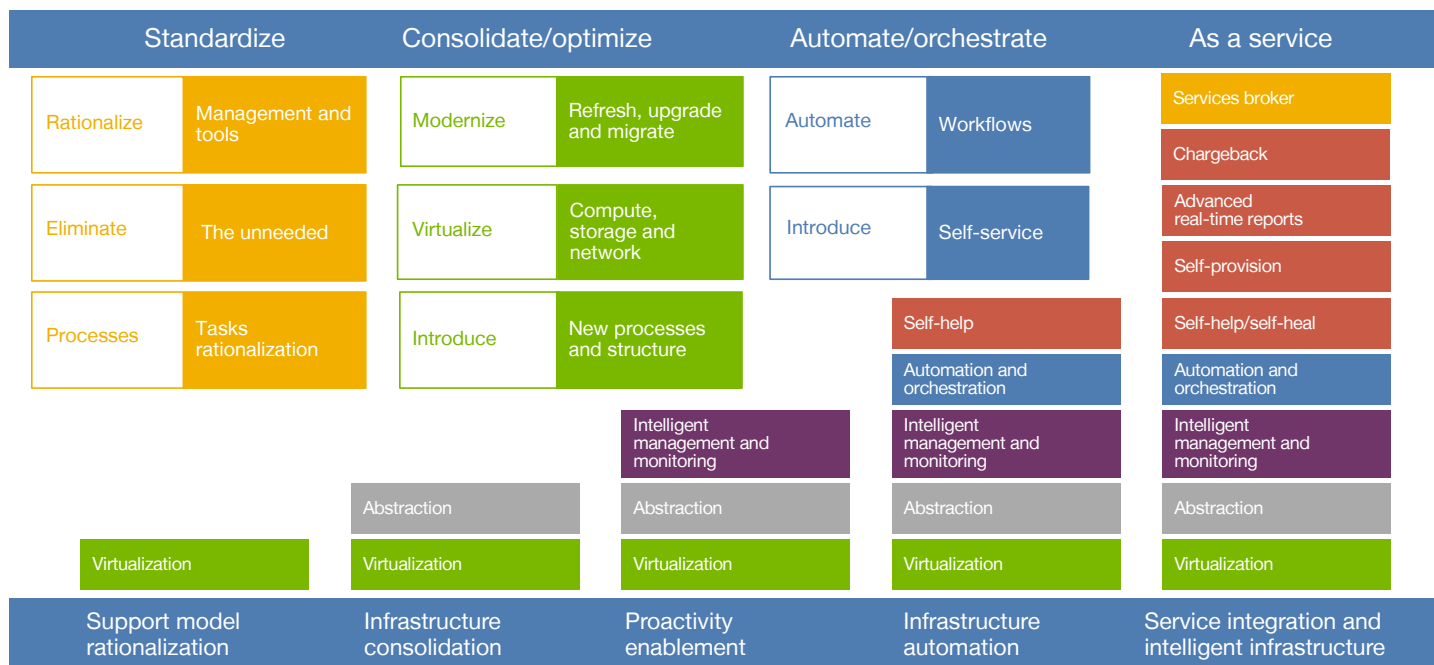
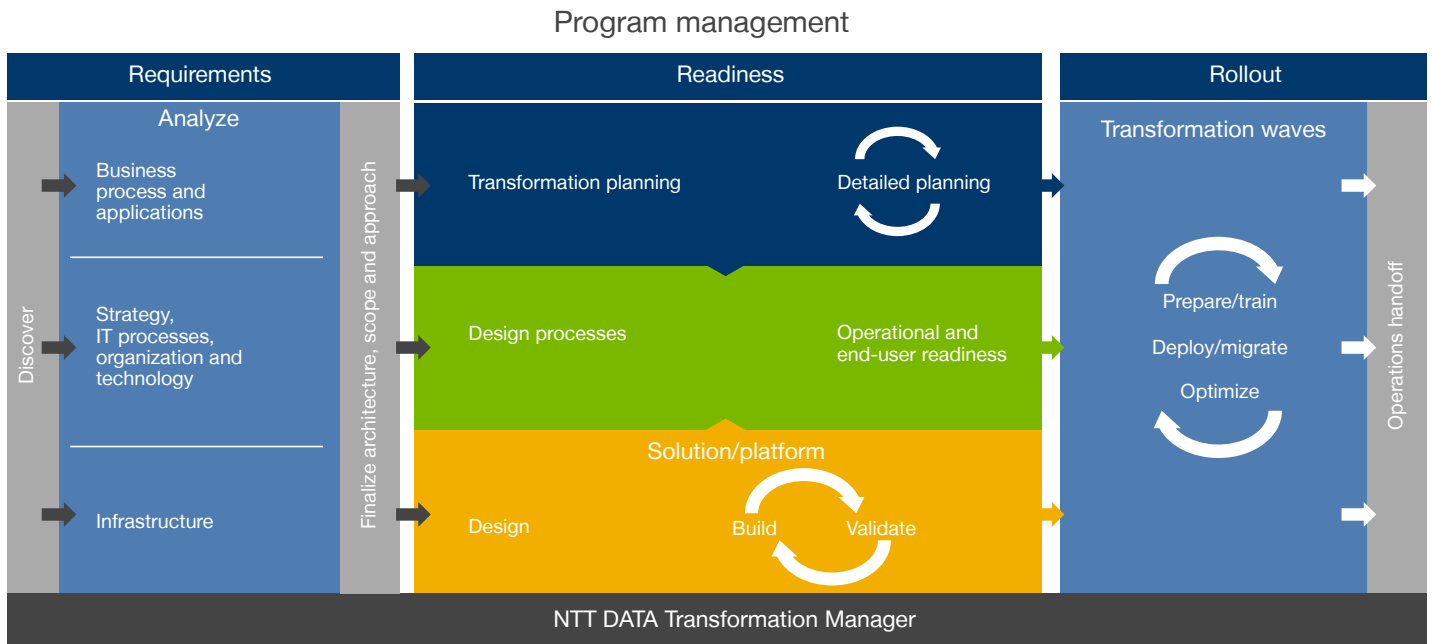

Figure 4: IT transformation journey

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Program management

Figure 5: Our transformation methodology

Phase 1: Standardize

Our first step for each IT transformation journey enables standardization across people, tools and processes and establishes the governance structure for the overall services transformation program. The governance model, which we design and enable, needs to be flexible and drive the correct execution of each project and the adoption and continual improvement of each newly deployed service.

Throughout the first phase, we evaluate existing support technologies and processes and partner with the business to understand current challenges; learn about their short-, mid- and long-term strategies; and advise them on the next steps.
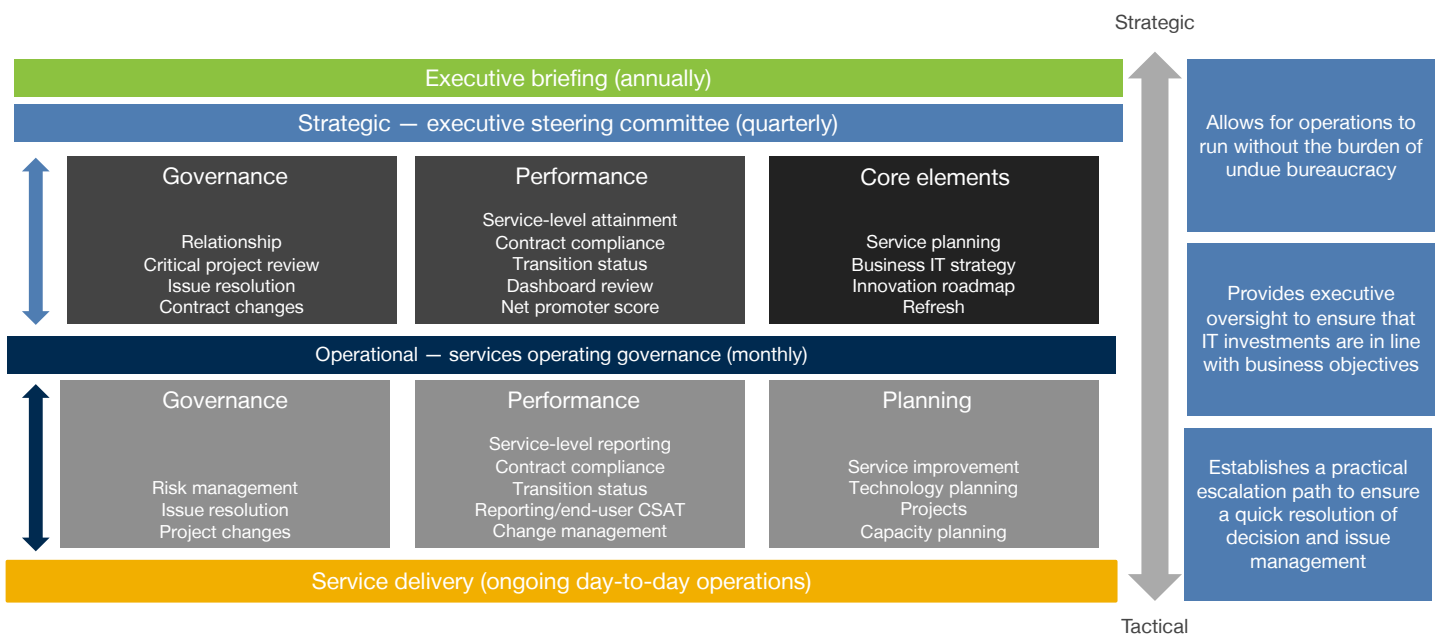

Figure 6: Transformation-focused governance model sample
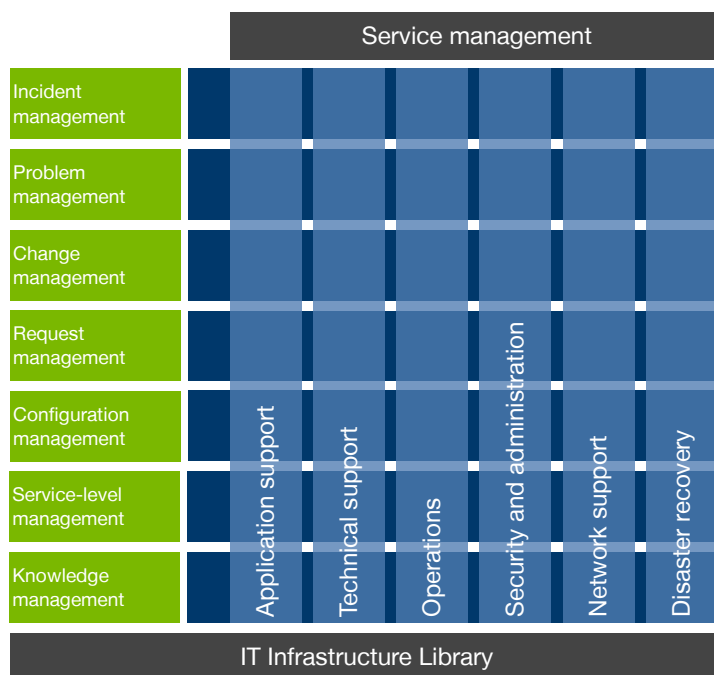
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Figure 7: Service management approach and process

Collecting a comprehensive set of data and information, we create and deploy the first wave of transformation projects, where we standardize and simplify existing IT processes and business integration points. We also quickly roll out service improvement projects to remediate pressing issues and establish the foundation for future innovation.

Our experts engage with key stakeholders to identify tools, technologies and service models that align with each forecasted business innovation step. We ensure that, during this first phase, both the existing and future infrastructure are aligned with the desired technology roadmap — in addition to providing flexibility for any unknown variables.

Phase 2: Consolidate and optimize
We begin the second step of the transformation program by migrating, consolidating and optimizing the IT infrastructure and its underlying processes

and tools. As we continue to deploy new processes and streamline existing ones, we also enhance existing service support models through continuous service improvement and a shift-left methodology. We look at increasing the scope of existing key roles that will support the successful delivery of current and future IT services, such as design coordination and architecture management.

Our vendor management is designed and integrated within the existing service delivery model, with an initial focus on escalation management. We extend and adjust change, incident, problem, request, release and service-level management to include newly transformed and introduced environments. To enable active monitoring and automated incident remediation, we continuously evaluate, enhance and deploy infrastructure monitoring and management toolsets.

At the technology layer, we propose, include and expand on new capabilities in support of initiatives such as infrastructure virtualization and abstraction. Our focus is on rolling out initial automation programs within each of the domains or towers to ensure discrete proactivity of service support and reduce human intervention, especially for minor incidents and simple change support.

During this transformation phase, we continue to standardize support processes and procedures, consolidate and simplify the technology vendor landscape, and optimize infrastructure resource usage by deploying and enabling operational analytics and technologies (such as thin storage provisioning, space reclamation and template-based infrastructure provisioning).

We also evaluate and introduce open source technologies for specific environments to support the continuous effort to optimize costs and enable flexibility.
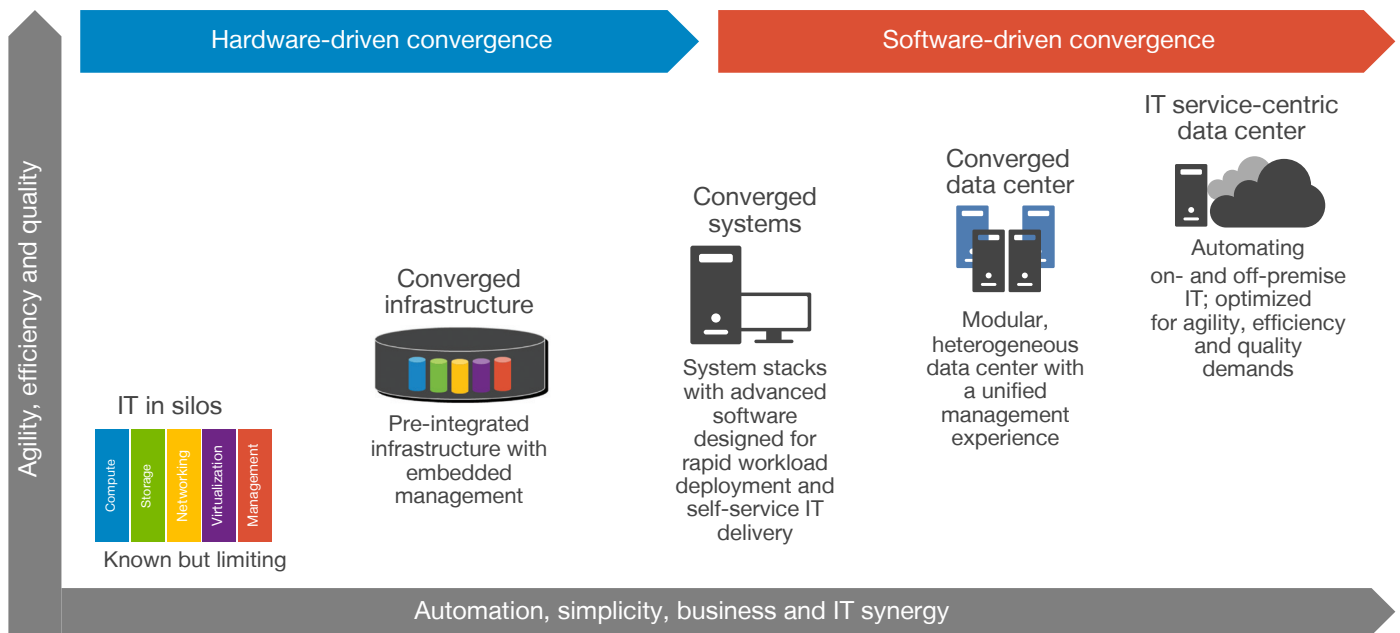
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Figure 8: Consolidation and optimization journey for data centers

At the workplace layer, we bring in key initiatives to standardize end-user support through service desk consolidation and knowledge management enhancement. We deploy new concepts to support end users, such as scripted self-help; soft Install, Move, Add and Change support; multichannel support; and kiosk/tech bar models for campus locations.

Adopting a virtual desktop infrastructure (VDI) and defining a mobility strategy become important decision points during the second phase of the transformation journey. We evaluate, propose and introduce new services to support such strategies and define a complete and fully integrated path for expansion and adoption.

Phase 3: Automate and orchestrate
The third phase of the transformation journey establishes a fully scalable automation and orchestration layer for both the data center and the workplace. The outcome of process and procedure standardization (a major focus in the second phase) enables the deployment of workflow automation — which we now integrate with management toolsets, individual automation or other discrete scripting projects — to ensure completely coordinated service management.

While we have established virtualization and abstraction within the data center in the previous phase, we now enable and integrate these layers into our workflow automation framework by orchestrating the management toolset with IT service management (ITSM) processes within the ITSM platform. This allows for an error-free execution of change, request, release and incident management processes with the reduction and removal of human interaction support.

Phase 4: Establish IT as a service and continuous improvement
As existing IT services are becoming tightly integrated and new processes are being deployed, we work with key organizational stakeholders to enable the last phase of transformation. Our focus is on developing and deploying the new services integration framework and enabling service brokerage, real-time reporting and analytics.
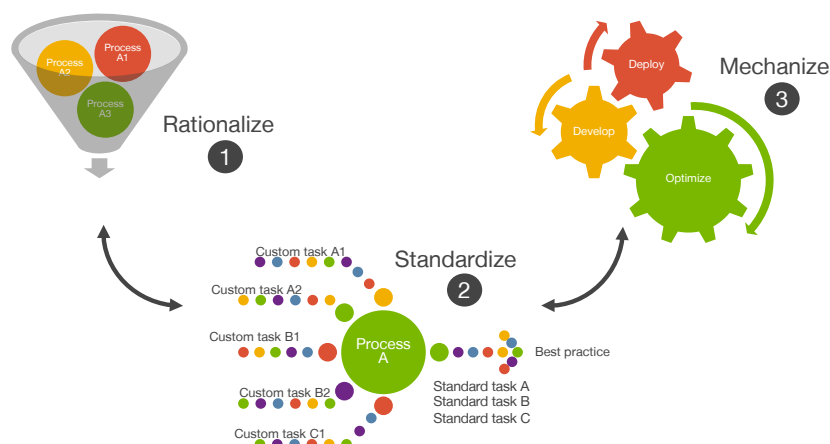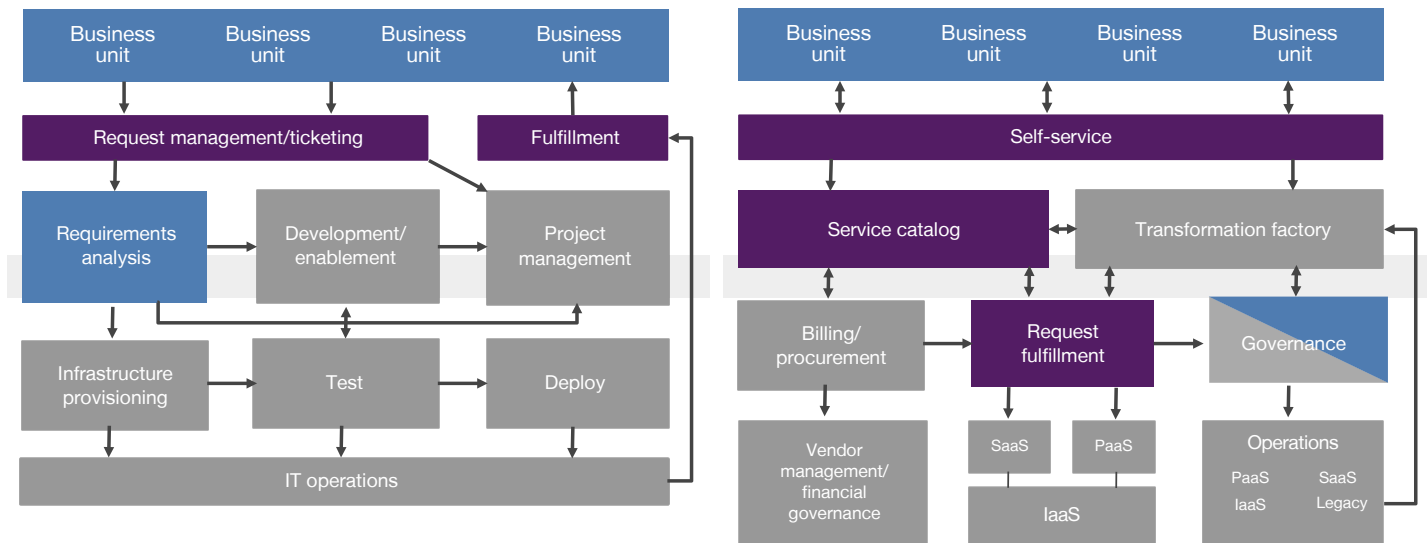

Figure 9: Workflow automation approach

Figure 10: Process transformation – IT services broker

In-house function   Automation/self-service/orchestration   Outsourced function

In this phase, the business gains more insight into service consumption and patterns and focuses on strategic spending. Additionally, we augment capacity planning and management with demand management and accurately predict the entire services lifecycle. The service delivery model continues to change seamlessly for end users. There is an emphasis on enabling new structures and functions for identification, adoption, deployment and integration of new IT services — provided internally or externally.

As DevOps (a method of encouraging integration between software development and IT) matures and transformation becomes a continuously delivered service function, the IT services governance model is enhanced with new roles and enables a fast go-to-market strategy for new technologies and capabilities.

We continue to identify improvement opportunities through comprehensive reporting and data analysis and then uncover the appropriate course of action.

Our team measures each course of action proactively to identify the expected outcome and, once implemented, the results are measured again to ensure that initial targets are achieved, controlled and sustained.

This approach is continuously applied throughout the delivery of our services and transformation programs. Our continual service improvement helps organizations adapt to changes applied to their IT infrastructure and delivery models and enables continuous service optimization.
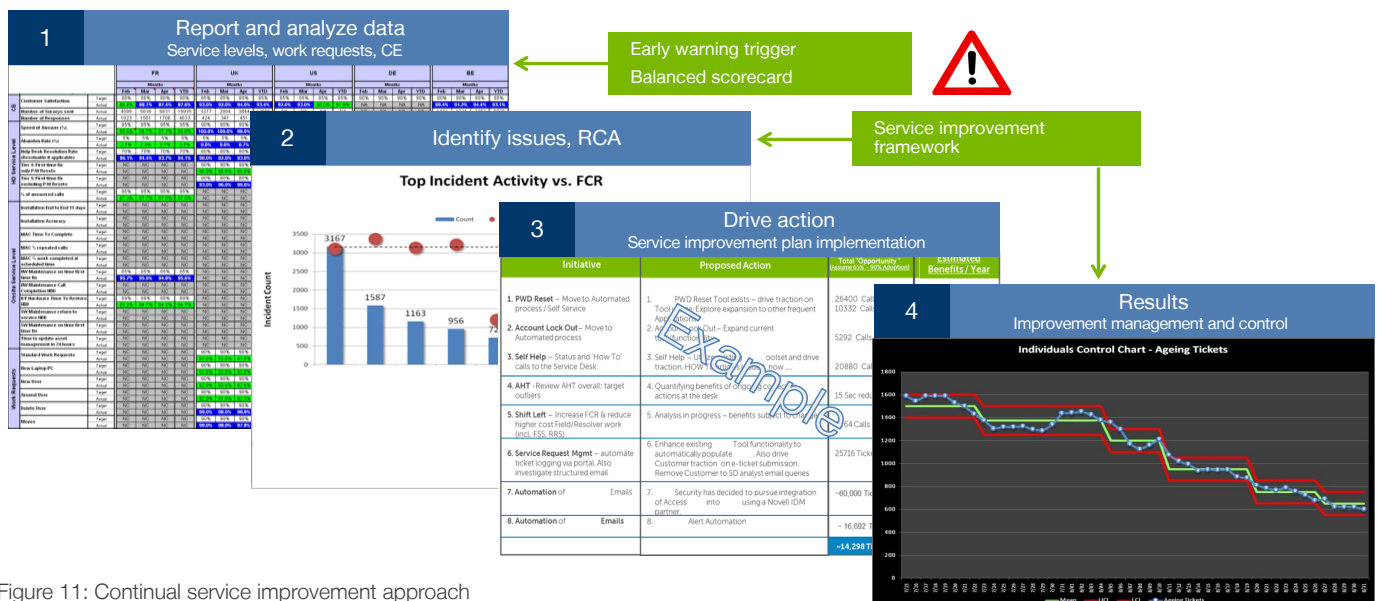

Figure 11: Continual service improvement approach

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Bring it together with a trusted partner

NTT DATA has invested in developing strategies to help organizations start their transformation journey and create a roadmap for long-term change. We have also developed capabilities in change management and service excellence delivery.

As a strategic and reliable partner, NTT DATA has the expertise, automation, tools and methodologies to support clients on their journey toward transformation. We provide flexible, adaptive technology and multiple sourcing options to help organizations respond to changing business demands and enable compliance, security and business continuity to reduce risk. And when organizations need to move quickly on new initiatives, we back it up with our team of experts and technology partners.

We continue to invest in innovation to drive advances in technology and infrastructure that allow businesses to integrate processes and become more responsive to change. Our transformation outsourcing services can help organizations capture the next wave of value creation — going beyond the limited role of trimming costs, while making outsourcing a strategic element in business transformation.

Visit **www.nttdataservices.com** to learn more.