WHITE PAPER

Transforming Your IT For Business Results:
Moving to the Next Level

Maturity models are a proven approach for leaders to improve the effectiveness of their organizations. Synoptek's Maturity Model enables an organization to assess its own People, Processes, Technology, and IT alignment to the core business, so that attention is focused where the greatest impact can be made. This approach is similar to those of Control Objectives for Information and Related Technology (COBIT) and Information Technology Infrastructure Library (ITIL).

Synoptek

Introduction

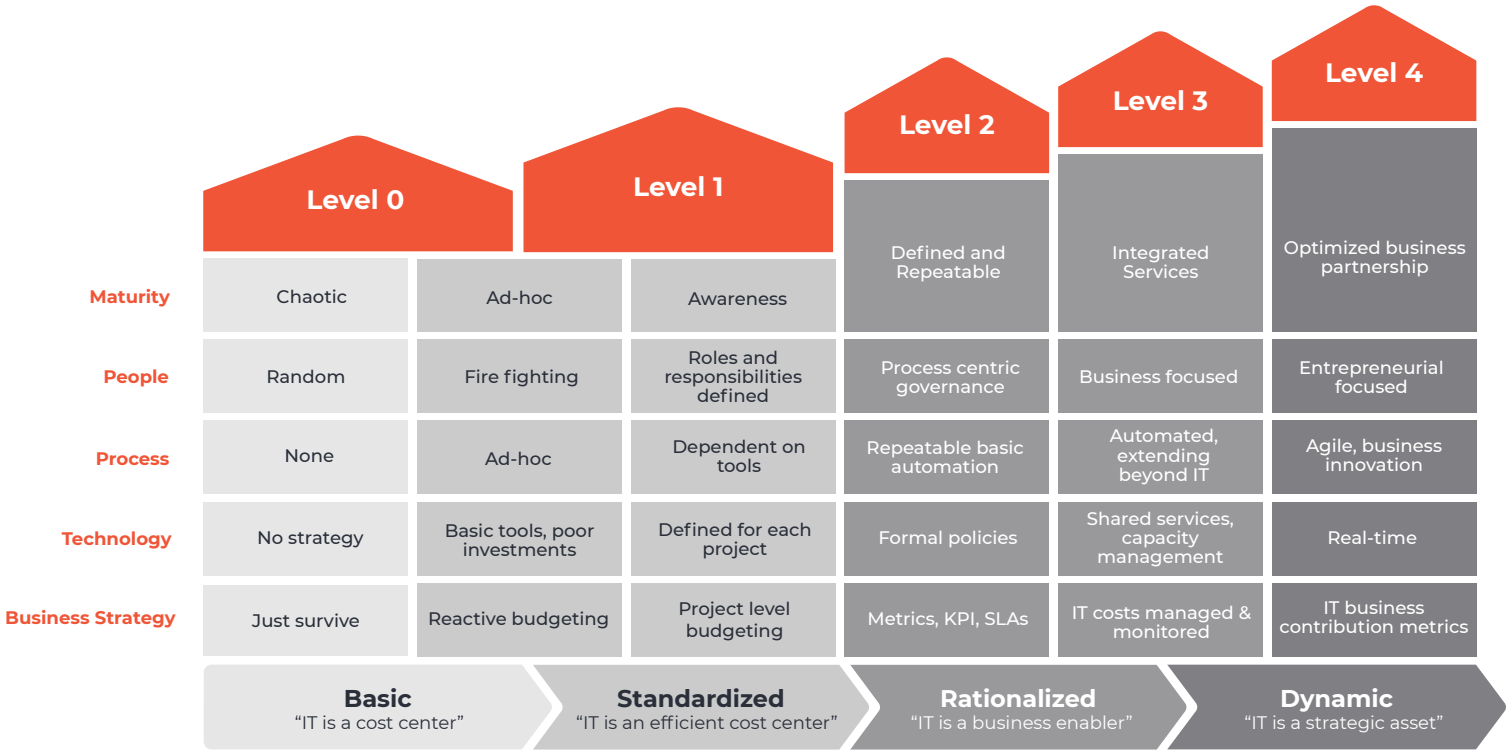
This paper addresses the following:

- How should organizations assess their IT operations, while migrating to an anticipated level of IT maturity?
- What are the IT operational gaps in the way to achieve the desired state?
- What are the best practices an organization can follow at each level?
- What actions can organizations take to migrate to higher levels of IT maturity and continuous improvement?
- What are the business implications if you do NOT mature your IT operations?

Firms sincerely considering transitioning their IT organization coupled with heightening service levels, maintaining core company purpose, and cost control should be prepared to take the following action items:

- Honestly assess the current level of IT maturity across People, Process, Technology and Business Strategy.
- Define the “To be” state (level) they seek to achieve with legitimate justification to executives and business unit stakeholders.
- Seek internal or external expertise to bring forth a transformation.
- If the organization is unable to maintain an effective sustainment plan in house, consider an external firm that holds these functions as core competencies.

The Business IT Maturity Model



Maturing Your IT Operations for Better Business Results

Synoptek's maturity model approach enables Leadership to:

- **Prioritize goals** - The structured approach of the maturity model enables an organization to prioritize its goals to best meet its business objectives.
- **Identify areas for improvement** - By analyzing its own processes in relation to industry best practices, an organization can highlight processes that are targets for improvement.
- **Improve communication** - Armed with the results of a maturity model exercise, an IT team can more easily facilitate communication with peers and senior management about process enhancement.

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Level 0

Everything must start somewhere, and business IT is no exception. Companies in startup will very naturally purchase systems and tools with very little direction or planning beyond choosing their preferred operating platform and hardware manufacturer. Some formal IT Maturity Models refer to this as the "Chaotic" or "Ad hoc" stage. There's no real plan, policies, or formal management of whatever network infrastructure is installed. There's nobody really assigned to provide IT and help desk support. If there's a problem, different people may reach out to different external and internal resources. During this stage, employees will often download software applications at their own discretion, exposing the organization to risk of data loss. Organizations at this level generally do not believe investing in preventative maintenance and management of IT is justifiable.

Business Impact:

- Business operations are frequently interrupted due to unstable systems and downtime.
- Without proper guidance, the organization's "IT resource" will develop their own processes. This leads to inconsistency and inability to scale for future growth.
- Employee turnover is usually higher for organizations at this level. Employees become frustrated with IT instability as it limits their productivity.
- The organization cannot keep up with more innovative competitors, impeding it's growth, evolution, and ability to even exist.
- Organizations that need to adhere to regulatory compliance standards are at risk of failing compliance requirements and face costly failure fines.

Level 1

Realizing that computer support is draining many peoples' time, organizations start to put more formal structures in place that are responsive to the frustrations employees are expressing. Many IT Maturity Models refer to this as the "Reactive" stage. Everything that is done, like putting event alerts and reports into place, or identifying the person in each department that is responsible for IT, is a reaction to a given occurrence. These assignments tend to create IT silos where different departments use different applications, different data structures, and different protocols. Even though a more formalized approach to handling problems may be put in place, often the outcome of this is a great deal of firefighting and lost time.

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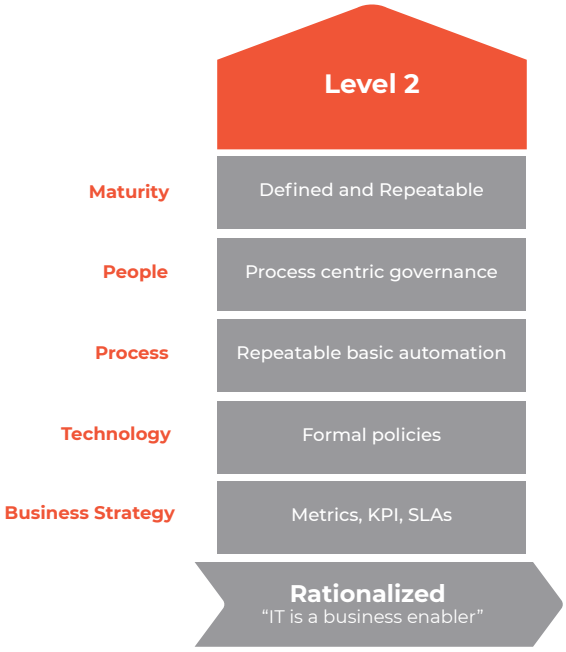
The silos created by the fragmented departmental approach tend to increase the cost incurred by having to build applications and database integrations to connect these disparate islands of automation, enabling greater consolidation in reporting for purposes of decision-support. Maintaining uptime availability is key to keeping the users at bay, which ultimately is not the goal most companies would like their IT departments to have. Companies that remain at Level 0 or 1 for any length of time end up with personnel who are very frustrated with the "IT department" even if there isn't one formally. They continue to view IT as a "necessary evil" that may often impede their progress.

Business Impact:

- Organizations initiate attempts to minimize the occurrence of IT failure, yet are still prone to critical business failures resulting from IT downtime.
- IT operations become costly, yet remain inefficient and produce minimal return on investment.
- Strategic technology planning is rare because 50%-70% of IT's time is dedicated to reactively correcting system failures typically discovered by employees in other departments.
- Spending is sporadic, often wasted on products and tools that are viewed as solutions.



"To be impactful at this stage, the silos must come down, replaced by standardized platforms, applications, data structures, and toolsets."

Level 2

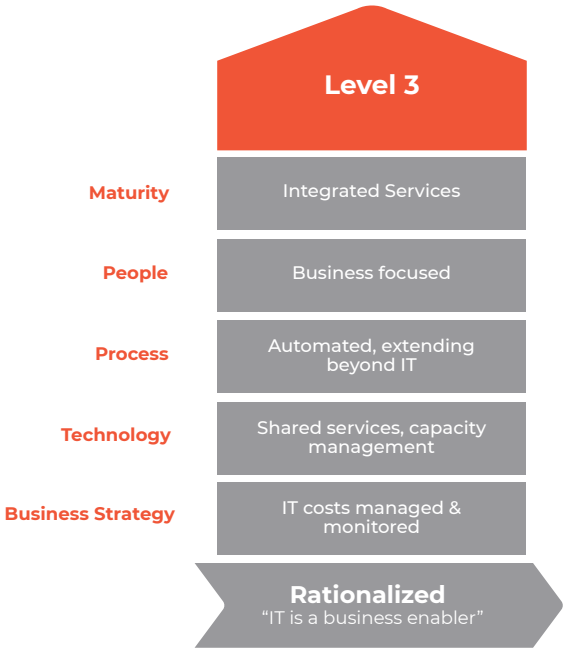
Getting to Level 2, often referred to as the "Proactive" stage, is where the real work begins. It won't be sufficient to simply improve upon what was being done at Levels 0 and 1. The company will need to learn to do new things, gaining proficiency in new skills like network management, user support, planning and standardization. This will require a completely new mindset, but it is one that will pay dividends forever. Instead of seeing computers as tools or devices, the company must seek outcomes based on specific workloads that must be processed. Management of the network will assess availability of resources, usage trending that lends to predicting and even preventing performance problems. To be impactful at this stage, the silos must come down, replaced by standardized platforms, applications, data structures, and toolsets.

The focus at Level 2 shifts from a focus on efficiency to effectiveness.

More emphasis is placed on enabling cross-functional and multi-departmental processes to overcome the silos created in the early going. Level 2 is more about business integration than just performance. Management wants more sophisticated reporting of the nature of "Who are our most profitable customers?" and "Who are our most critical suppliers?" These answers can only be provided through the use of enterprise systems, such as Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) platforms. The most fundamental IT services may begin being outsourced.

Business Impact:

- IT helps the organization meet performance, availability and capacity requirements.
- Organizations are better suited to meet regulatory compliance and security requirements.
- This level still lacks scalability, often these organizations believe that increasing the number of full-time IT resources will improve operational efficiency.



"People in the business begin to see IT as a service to their department."

Level 3

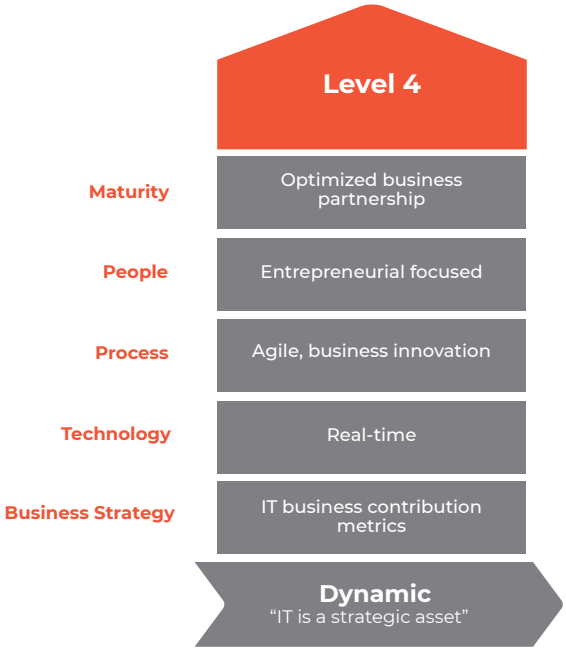
At Level 3 the IT department's goals shift to maximizing the value that can be derived from information, technology and technology-based initiatives for the business. People in the business begin to see IT as a service to their department. They measure IT in terms of the fulfillment of their Service Level Agreement (SLA) making the success or failure of IT much easier to measure in truly empirical terms.

Most companies implement departmental chargebacks for IT usage at this stage, further incorporating IT into each departments P&L. This also improves capacity planning and management which significantly lowers overall costs. Organizations at this level are able to successfully deploy mobile devices, or for that matter a network of any kind, with strong information governance backed by a comprehensive information use policy.

Lacking is the presence of personalized support from experts who are familiar with each customer's environment and have significant documentation and history to refer to. This may suffice for small VM applications but not nearly appropriate for mission-critical workloads.

Business Impact:

- IT understands the business objectives of each department.
- Technology planning and forecasting occurs on a monthly basis.
- Organizations achieve higher customer satisfaction levels though efficient processes and reliable technology.
- Enhanced employee productivity due to increased system availability.



"At this level, the IT department reports on the success of its business outcomes and contributions to profitability."

Level 4

Frequently referred to as the "Optimized" or "Value" stage, this is the level at which IT must be fully integrated into the actual operation of the business. Usually led by a C-level executive, the Level 4 IT organization's services are inextricably linked to specific business processes. Anyone seeking to achieve significant innovation in the organization will be working closely with IT to accomplish that. No longer is performance reported in terms of uptime or other technological metrics. Instead, the IT department reports on the success of its business outcomes and contributions to the overall operating profitability of the company. New skills required at this level include risk measurement and mitigation, greater cost/reward benefit, and a program of continuous service improvement.

Business Impact:

Here at Level 4 is where the benefits begin to accumulate with greater acceleration as the focus shifts from effectiveness to true innovation that yields growth. Management seeks business and market intelligence, real decision-support based on more extensive data and sophisticated analytics. Questions they seek to answer go much deeper, such as "What 'share of wallet' do we command among our most profitable customers?" and "What customer segments offer the greatest potential for greater share?" Innovation increases business agility which makes IT a key partner in making the company more profitable. At this level, the IT department no longer sees itself as being dependent upon their data center or the hardware in it. The main concerns are flexibility, business agility, scalability, and extensibility to rapidly respond to any new business opportunity they may be challenged with. They will just as readily incorporate Software-as-aService (SaaS), Infrastructure-as-a-Service (IaaS) or any other cloud services that make more financial and operation sense.

The Challenge is in the Transitions

Major IT manufacturers frequently talk about the importance of Business Model Transformation (BMT) and the inherent challenges in achieving it. Any change is challenging, and moving from one level of IT maturity to the next is no exception. As described above, moving from one level to the next always involves discontinuity and disruption. It isn't enough to simply do the same things faster, better, or more efficiently. Making the kind of transformation described in the levels of the IT Maturity Model requires organizations to do new things, handle things in new ways, learn new skills and processes, and "unlearn" the ones they replace. Results will be encouraging, but even this must be taken in context.

"Transformation requires organizations to do new things, handle things in new ways, learn new skills and processes, and unlearn the ones they replace."

As the organization achieves a new level and stabilizes at it, user satisfaction will increase. It is important to note, however, that users tend to acclimate quickly, and management's perception of value can quickly fade if the process of improvement stops or is slowed prematurely.

Perhaps the most important concept to keep in mind regarding these transitions is that they must be carefully and thoroughly planned in advance.

Moving to Successive Levels

As you progress through successive levels it becomes more and more important to establish and follow a carefully planned process that begins with gathering the data necessary in identifying where you are currently, setting goals for your next advancement, and determining what steps must be taken in what order to achieve growth in IT maturity.

From Level 0 to 1

"Systems will need to be identified to help formalize monitoring and incident handling."

Getting from **Level 0 to Level 1** requires that someone takes control of IT. Systems will need to be identified to help formalize monitoring and incident handling. Diplomacy will be at a premium as the attempt is made to get leaders of the various silos to work well together.

Prepare to move up:

- Evaluate any existing policies as compared to IT industry policies. While it's likely that there are no formal policies in place, this is an important time to begin to instill them.
- Make sure you're operating properly in the context of government or industry regulations and standards.
- Provide extensive user training on IT policies to improve governance. Remember to inspect what you expect at this stage to assure better policy compliance.
- If you are subject to governmental regulations, now is the time to seek assistance in assuring that your organization is fully compliant and stays that way.

Getting to Level 2

"Consider partnering with a Managed IT Services provider at this level to supplement your existing IT team's capabilities."

This stage will require greater familiarity with service management processes and project management. This will clearly involve the identification of a dedicated executive to make the required decisions, identify the best human and technical resources, and lead the formation of a dedicated IT team. At this level, organizations should consider partnering with a Managed IT Services provider to supplement their existing IT team's capabilities.

Prepare to move up:

- Focus on how you protect your user's devices, your network's endpoints including not only laptops, desktops, and servers but also tablets and even smartphones. All must be effectively protected from network and user-device malware attacks. Consider unified endpoint management (UEM) approach to simplify and standardize how you manage and secure your network edge.
- Patching and updating of operating systems, applications is critical. The only thing that can threaten your network more than failing to install a new patch or update, is installing one that hasn't been properly evaluated to assure that it won't disrupt any of your systems.
- Implement a monitoring solution to capture performance and capacity utilization data.

Gain Altitude - Level 3

At Level 3, fully formalized IT Service Management (ITSM) processes must be implemented before value can be realized. The executive responsible for incorporating ITSM must be able to function in the C-level Suite and participate in strategic business planning, enabling IT to be woven into the fabric of every key decision.

Prepare to move up:

- Assure that all policies are enforced, backed up by automated measures designed to identify exceptions and action them.
- Establish a routinized system for evaluating and distributing approved patch updates across your network for known vulnerabilities in operating systems and applications.
- Email must be archived in compliance with company policies, especially if the company is required to comply with Federal Rules for Common Procedure (FRCP). To avoid legal exposure, email must be stored with provisions for rapid search and retrieval.
- Adopt a belt-and-suspenders approach to data backup. For each functional system determine the level of redundancy required to assure timely return to full function.
- Provide your employees with access to a staffed 24x7 IT helpdesk.
- Set requirements for Service Levels based of usage data.

Reaching Level 4

"Many IT departments become profit centers unto themselves at this level, so vision must reach far beyond just the technologies."

Level 4 requires real vision at the level of innovating new applications for new and existing technologies that will fulfill the goals and objectives of the organization. Many IT departments become profit centers unto themselves at this level, so vision must reach far beyond just the technologies.

It must synthesize new ideas, new concepts, and new strategies using a multi-disciplinary approach that gathers resources quickly and uses them most productively.

Prepare to move up:

- Provide the ability to view incidents in real-time across the entire IT environment and correlate events to discover root causes and prioritize remediation efforts.
- Completely understand peformance requirements of your IT infrastructure to deliver optimal business operations.
- Bring in a strategic advisor that provides "Virtual CTO" services, in terms of providing technology leadership and business consulting.

Achieve IT Maturity with Synoptek

Move to the next level with an award-winning IT services provider

Transforming your business operations by maturing your IT is best supervised by a mentor. Organizations making this journey should seek the assistance of an experienced partner in the early going. A partner like, Synoptek, who has already helped many organizations rise through the levels of the IT Maturity Model and achieve measurable business results. Synoptek can help accelerate the process, transferring valuable knowledge and implementing best practices and the latest technology.

Few organizations have the in-house depth, expertise, and capital to achieve advanced levels of IT maturity without the help of an experienced partner. The IT experts at Synoptek are specialists in the synergy of operations and technology. Synoptek can provide you with the mentors and resources to guide your organization through the IT Maturity Model, with the goal of transforming your IT operations into a strategic business enabler.

Synoptek provides:

- Complete IT-as-a-Service (24x7 help desk, IT advisory, cybersecurity, and monitoring)
- Managed Cloud Hosting (Private, Public, and Hybrid solutions)
- IT Consulting and Professional services

Learn more at www.synoptek.com

About Synoptek

Synoptek is a global systems integrator and managed IT services provider offering comprehensive IT management and consultancy services to organizations worldwide. Founded in 2001, headquartered in Irvine, CA, we have offices and resources across North America and delivery centers in Europe and India.

Our key services include:

Consulting, IT Leadership, and Management

- IT Strategy and Planning
- M&A Due Diligence and Planning
- IT Service Management Assessment
- Business IT Services Cost Optimization Assessment
- Risk Management: Availability & Data Protection Assessment
- Program & Project Management
- Retained CIO/CTO/CISO/Service Management Services

Business Process and Software Solutions

- Business Applications
- Data Insights
- Product Development Services
- Workforce Productivity

Business Infrastructure and Systems Solutions

- Cyber Security
- Cloud Advancement
- Infrastructure Performance
- Data Protection

Synoptek focuses on providing maximum “business value” to our clients, enabling them to grow their businesses, manage their risk/compliance, and increase their competitive position by delivering improved business results.

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