The Accelerator’s Guide to Digital Transformation

14 Top Thinkers Weigh In on Digital Transformation with Service Management for the Mid-Market
DIGITAL TRANSFORMATION EXPERTS
Click on the IoT expert to get their direct insight.

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INTRODUCTION

Business as we know it is fundamentally changing, as emerging operating models built around multi-cloud management, cognitive automation, artificial intelligence, and the digital workplace take root. As a result, life in the service desk has become more complicated than ever. The truth is IT, database, and ITSM needs are becoming unmanageable for even the most digitally advanced mid-market organizations. For those organizations that don’t adapt, widespread inefficiency are the inevitable results.

Top challenges today stem from a whirlwind of new data sources, increased complexity in cloud migrations, and a frenetic evolution of new services necessary to keep up with, and delight employees and end users.

But closing the gap on your digital transformation is much simpler than you might believe, and the results are well worth the effort. Organizations that digitally modernize stand to improve employee productivity, boost the bottom line, and adapt to markets faster.

Make no mistake; this isn’t about “going digital.” It’s about fundamentally embracing new technology to improve customer engagement, the employee experience, and ultimately survive in a new digital era of business. But to gain a competitive edge and achieve agility fast requires key IT professionals becoming change accelerators within their organizations, embracing the tools and technology that unlock greater value among employees and customers.

We tapped 14 leading DevOps, ITSM, and Digital Transformation thought leaders to help us craft a complete guide for digital change for SME and mid-market companies.

Are you ready to become a Digital Transformation Accelerator?
“As mobile, IoT, cloud, and AI become more relevant, technology is what enables midsize organizations to wade through this complexity in order to provide service at the highest speed and the lowest possible cost.”

NAYAKI NAYYAR
President, Digital Services Manager, BMC Software
PREPARING TO ACCELERATE DIGITAL TRANSFORMATION

In real-world terms, getting from one side of a deep canyon, chasm, or abyss to the other side could require a helicopter, or some serious rock climbing skills. No matter your path, you’d better be well prepared.

Same goes for digital transformation.

To start on the road to digital transformation, you’ll need to wrap your head around cultural cues, technical hurdles, and even consider some new IT service models altogether.

In this section, thought leaders weigh in on how to prepare across user experience, lean service management principles, the IT value chain, customer experience, converging technologies, and addressing friction head on in brand new ways.
Digital transformation requires enterprises to break down organizational silos in order to focus on customer needs and desires end-to-end across the organization.

To this end, service management unifies both systems of engagement and systems of record to provide a better experience for both employees and customers. In other words, engaging with customers is important, but when a customer has a problem, engagement alone isn’t sufficient.

As consumers, we have all experienced this difference: large companies usually do well with routine interactions (either online or via a call center), but if you have a problem, that’s when you get bounced from one person to another.

Ironically, employees within those same enterprises generally have even poorer experiences when attempting to resolve issues internally. Instead, today’s employees want a streamlined, user-friendly experience whenever they need help solving a problem.

The appropriate implementation of modern service management can address these challenges, both for customers and employees of the digitally transformed enterprise.

Modern service management gives employees a streamlined, user-friendly experience whenever they need help solving a problem.
PREPARING TO ACCELERATE DIGITAL TRANSFORMATION

TROY DUMOULIN  VP, Research & Development, Pink Elephant

Using Lean Service Management To Digitally Transform.

The IT industry is going through a profound shift from a traditional focus on best practices to one focused on just enough practice at speed. The speed and cultural expectations that have evolved from a streaming and digital economy have created a business culture and expectation which requires unprecedented levels of agility to remain viable. This has created intense pressure on internal and external IT providers, who must find ways to optimize the way they process requests and deliver services.

The foundation of this accelerated delivery model is and always has been through Service Management, Project and Software Development practices. Despite the undeniable pressure to move and deliver faster, the basic practices remain the same.

The objective we now face is how to make the traditional and sometimes process-heavy practices move at a faster pace at the same time as delivery quality. However, traditional improvement efforts have focused on individual capabilities and not the end-to-end value chain. We have traditionally focused on Project Management, Software Development, or Service Management processes as described by ITIL as if they exist in isolation to each other. This means very few IT leaders look at optimizing the flow of the enterprise value system, but instead look for ways to optimize Plan-Build-Run activities as distinctly different focus areas.

Look closely, and you will see that many organizations will have separate strategies for each technology tower without considering the full system’s performance.

In order to digitally transform, IT leaders need to optimize the entire end-to-end value chain, including service management.

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An Unsustainable Model for Managing IT Complexity.

This fragmented approach to process improvement increases complexity, costs, and risk which contradicts the goals of digital transformation. This increased complexity and silo based variability comes with the expected impact of creating more opportunity for waste, defects, rework, and error — all of which conspire to impact the organization’s ability to scale and accelerate. To compensate for this growing pressure, IT organizations have finally begun to focus on optimizing their horizontal value stream as a complete system. They’re turning to the principles of Lean, which are focused on quality and flow. Lean principles have, in turn, spun up the practices of Agile software development and recently, DevOps. All of these concepts have one thing in common: speed.

In short, the end-to-end focus on the IT value chain enables faster value delivery and provides the opportunity for the IT organization to leverage shared tools in support of the creation of automated delivery pipelines.

The end-to-end focus on the IT value chain enables faster value delivery - providing the opportunities to leverage shared tools.

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Service Management is inherently linked to customer experience (CX) with the latter becoming the mantra driving customer engagement and revenue impacting activities.

By 2020, it is expected that customer service will overtake price and product as the key brand differentiator (Source: Walker ‘Customer 2020’ Study). Service Management has long surpassed being the ability to log a customer issue (ticket) and track it, but it has become a sophisticated requirement with linkage across the business from support, customer service, sales, and finance all sharing data that helps one another service a client.

Achieving this with older systems and processes to meet the needs of the modern customer is a struggle at best, if not impossible as the customer dynamic changes and their expectation heightens. Customers now expect self service, personalised experiences, shortened journeys, and accelerated resolution speeds.

Service management today requires omnichannel customer engagement capabilities and integration across the business for shared customer data interactions. Few systems can support this. Digital transformation as a term is wide sweeping and hard to achieve as many are finding, but if you get service management and the CX right, you put a big piece of the puzzle into place.

Put a big piece of the puzzle in place for digital transformation by getting service management and CX right.
Several areas of IT service management’s five stage Service Lifecycle play a key role in helping organizations digitally transform. I will break down the areas that have the most impact these are:

- **STRATEGY** helps with portfolio and financial management.
- **DESIGN** cares about the capacity, availability, and security management.
- **TRANSITION** helps move services into production through change management, validation, deployment, and configuration management.
- **OPERATION** ensures the services are at the proper levels once they are moved into production.

- **CONTINUAL SERVICE IMPROVEMENT** ensures IT and the business continue to measure, evaluate, and enhance the value and utility of each service.

You take the areas from that list and wrap them around DevOps to pair ITSM with and underpin the operationalization of business services as they move to production.

The operationalization of services as they move to a cloud model and on cloud platforms using both ITSM and DevOps together is CloudOps, and this helps propel digital transformation.

Organizations can use CloudOps, a combination of DevOps and ITSM, to propel digital transformation.
Digitalisation of an organisation usually creates a bimodal state. It is (finally) agreed that bimodal is a dysfunctional condition, because it drives us-and-them thinking and a fractured culture. It also causes neglect for the people and the institutional knowledge in the legacy systems.

Bimodal is fine while an organisation experiments with and explores the new ways of working, but it is essential that we converge on a single way of working. Service management can provide the framework within which to have the conversation about convergence.

A second benefit of service management is as a repository of the institutional knowledge which can inform and educate the new digital products and systems.

Thirdly, it is fascinating to watch the agile and devops communities rediscover the importance of some of the service management disciplines such as business continuity, service portfolio, service desk, and request fulfilment. We still have a business to run.

Service management provides the framework to have the conversation about convergence.
The most important goal of embarking on digital transformation should be the removal of friction from business processes and service interactions.

For IT, that means stepping into the customer journey and the user experience to understand how and where friction presents. It’s an opportunity to rationalise existing architecture and stale processes.

Thanks to the automation that digital transformation brings, service management becomes less process ownership and more relationship management and change communication, ensuring the customer and user experience at every interface is as secure as it needs to be and as smooth as it can be.

IT teams must become expert integrators, taking advantage of the insights and productivity that new and better integrations can bring. It’s less break-fix and more experimentation as business-critical systems move into hosted environments and teams rely on multiple SaaS providers for a range of standalone solutions. IT teams will be better off if they can weave the data from those disparate systems together to reveal a story for the organisation to learn from and act on.

Digital transformation turns the role of service management from process ownership to relationship management.
BRIDGING THE SKILLS & TALENT GAP

ITSM technology today is changing at light speed. One of the biggest chasms you must cross in your digital transformation is finding, attracting, and retaining just-right technical talent for your team. But how can you staff up when your technology needs are changing faster than HR can draft that job description?

Bridging the skills and talent gap requires a cultural transformation, and the appropriate application of new technology. Working with limited resources is a fact of life today, especially for many mid-market companies. There’s simply no silver bullet solution. The good news is with the right approach to people, process and software, you can jump right past your talent roadblocks.
For many organizations, service management is about managing internal workflows, interruptions, requests, and processes. Digital transformation will require that service management changes to an external focus.

Frankly, service management should have always been focused externally on the customer of the business. Digital transformation is all about the customer experience – the true customer – and how a business delivers value to the customer.

While service management concepts certainly can and do apply with a shift to an external focus, how can the service management team successfully move from an internal (inside-out) to an external (outside-in) focus? Identify the business value chains, or the activities within a business that result in a product or service that delivers business value.

How does service management support or enable those value chains? The answer should be “services”. If services have been defined in terms of business value and outcomes, this is straight-forward exercise. But if services have been defined in terms of things and outputs, then the service management team has some work to do. Services are about ‘outcomes’, not ‘things’.

Ensure that processes that underpin the business value chains are well-defined, streamlined, and transparent. Not only will such processes enable knowledge flow through a business, but it also enables a business to be agile and responsive to customer needs. An additional benefit of well-defined, streamlined and transparent processes is that those processes lend themselves to automation.

Digital transformation is all about the customer experience and how a business delivers value to the customer.
When relating to knowledge, two tools are not better than having one, and of course a big number only make the integration and database knowledge worst. A unified platform speeds up knowledge and allows integration. It is a false sense of data integrity when a company approaches digital transformation just for digitizing and collecting as much data they can.

Digital transformation is about using the organization assets to position at the same zone where their actual or future customers are moving.

Integration is everyday a challenge, and databases like the CMDB will quadruple their size, relationships and complexity in the next two to four years while companies incorporate IoT, BYOD, and mobility technologies. Third platform technologies will constitute a competitive advantage, but uncontrolled assets can bring a company to a chaos. ITSM is still actual when controlling and ensuring availability, while the organization grows and gets transformed into the digital era.

Third platform technologies offer a competitive advantage, but uncontrolled assets can bring a company to a chaos.

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Service management is facing an identity crisis. Before service management is ready to assist, guide, and drive companies in their digital transformation, it needs to find a strong identity.

In a previous article of mine, I alluded to the necessity that service management in its current form must transform or cease to be relevant. The challenges faced by a service management team are the results of the rigid, archaic processes, the debate whether DevOps, Agile, IT4IT, or ITIL is best suited to be the driving force for service management, and the misunderstanding and misinterpretation of digital initiatives.

Rob Llewellyn, Digital Transformation Advisor, said it perfectly. “Be sure to differentiate between legitimate digital transformation designed to disrupt or protect against disruption – and digital change projects which create a better version of the past.”

Currently, service management is in danger of only going to be able to create a better version of the past instead of driving real transformation.

To fix this, we must first end the debate about where and how to place service management. Service management is a powerful approach, which permeates an organization from the top to bottom, from start to finish. Then, we must stop the bickering about which methodology, approach, or framework is better. They are all very good. What is stopping us from looking at our current processes and revamping them based on what digital transformation wants to deliver?

We must be courageous and dare to take a leap.
There are three challenges an IT team needs to address in a digital transformation.

“Why do we need digital transformation?”
Your organization should want to utilize technology and data to identify new revenue streams and business models or to advance the reach of the organization. Communicate early and often. Get your early adopters on board and identify those who can help promote the strategy.

“How do we help change our organization?”
Obviously, changing the organization takes time, patience, and diligence. The IT team needs clear and consistent messaging on the value of the change. The “What’s in it for me?” message, focused on the goals, objectives, process, and tools to use can help IT ambassadors establish a clear path for the organization to follow.

“Optimization is not digital transformation”
CIO’s need to understand the difference between digital optimization and digital transformation. Optimization is focused on changing current practices and services from their existing state to a more consumable digital state (i.e., building a mobile app for the team who are rarely at their desks). Optimization is critical for digital transformation and focuses on improvements to position the organization for conversion.

Digital transformation requires the entire business to focus on how to utilize technology tools and data to find new sources of revenue, build new business models, and design service offerings to meet customer expectations.

For an IT team to address digital transformation, they must identify its need, change management, and digital optimization.
Technical debt must be overcome and new products integrated. Businesses are looking to maintain budget guidelines and expand their capabilities at the same time. Having a Platform as a Service (PaaS) minimizes or even eliminates the need for infrastructure build-out and administration as new applications and services are added.

Key components of digital transformation are the skills and talent to get the work done.
GAINING EXECUTIVE BUY-IN

Getting buy-in from your implementation team to gain momentum in a digital transformation can be a big challenge for small and large organizations alike. But the more important long-term goal should be gaining executive buy-in at every level. Building bridges between leadership, your technical team, and line-of-business decision makers takes time, incentivization, and hard work.

Wondering what the key to success is?

Ensuring IT has a seat at the table and a voice in the conversation as early on in the process as possible. In the following paragraphs, you’ll hear from top thinkers on how to achieve just that.
Digital transformation refers to how technology and technical advances are changing every aspect of an organization. ‘IT’ is no longer just a department, it is an essential business capability supporting innovation and improvement in all of our business processes and services.

To get the full benefits of digital transformation, organizations need to stop talking about ‘the business’ and ‘IT’ – in effect, stop trying to run IT like a business within a business. IT is a core capability, that can be delivered in-house, or often, fully or partially outsourced to specialist providers. Service management’s focus lifts from the IT department to look across the organization, allowing us to see how business processes can be transformed using IT capabilities.

Two critical areas to support digital transformation are:

A shift away from ‘projects’ and waterfall thinking; instead of seeing a product or service as finished and reallocating resources, look at products and services as continually evolving. Adopt an agile mindset, talk to your customers, experiment, refine, and improve.

Leverage automation; in every area of the organization. From an automated deployment pipeline through to automation of business processes like employee induction, automation can deliver efficiencies, remove errors, and give your people space to focus on the big picture.

‘IT’ is no longer just a department, it is an essential business capability supporting innovation and improvement.

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The first step to digital transformation is to understand what the situation looks like now. Too many organizations focus on plugging new and shiny technologies into IT and across the business. But, this rarely gives the expected results. Instead, truly get to grips with what’s going on across IT, and the business challenges new technology needs to solve will put CIOs on the right path.

Then, take a holistic look at the technologies available as it’s not always the most exciting flagship solution that fits. I’ve seen plenty of examples where companies with a broader understanding of their needs, and what’s available across the enterprise technology market, have completely transformed their view of how they were going to reach their desired outcomes. Instead of implementing a technology that offered capabilities and functions they would never need but which looked the most exciting, they were able to concentrate on designing a solution that fit their requirements and delivered the most value to their business.

When implementing digital transformation technologies, it’s not always the most exciting flagship solution that fits.
GAINING EXECUTIVE BUY-IN

PETER YATES CTO & Blogger, Livingthetech.com

Service management is not only for large organisations – start-ups and high growth businesses need to take the “less is more” approach to Service Management, utilising only the essential parts to deliver maximum agility and customer value. This is especially relevant if organisations are required to support their customers, as the Service Management solution chosen may be their only interaction with that organisation.

Ease of adoption. When adopting Service Management within a digital world, it must also be easily adopted by your technology teams and customers alike with ease of integration into other systems you may be using.

Agility critical in the market. Having high levels of automation will allow the turnaround of changes from creation to approval within minutes, this is critical for product development to remain agile and adaptable to new markets.

Reporting is critical. To further demonstrate a positive (or not) User Experience of your product/services, your Service Management solution should provide extensive reporting on key metrics.

Cloud, is the only way to go. The use of cloud-based solutions that offer API integration to a wide variety of systems as well as offering process automation and out of the box functionality with little need for customisation. These cloud-based solutions (such as Remedyforce) also have the benefit of many years of experience with Service Management, and therefore, offer the best solutions for almost any size of organisation.

Take the “less is more” approach with Service Management — utilize essential parts to deliver maximum agility and value.

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Benefits of adopting cloud-based digital Service Management:

• Platform stability through change processes and forward schedule of change.
• Build for now, scale for later.
• Collaboration (such as DevOps or cross functional Scrum teams).
• Reporting on customer experience (CX).
• Informing product development of potential bugs (as logged by your customer’s).
• Greater visibility with all incident and requests logged = Customer insights.
• Clear reporting of value created.
• Enough process to allow agility through automation.
• Positive Customer Experience due to ease in which customers can engage.

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HOW REMEDYFORCE CAN HELP

Upgrading your processes and culture to unlock a digital transformation is obviously no cake walk. While most problems can’t be solved in the click of a button, the right solution can expedite digital transformations and help companies unlock strategic value across IT, the data center, and lines-of-business.

Remedyforce is a cloud-based service management solution built on the Salesforce App Cloud. It enables you to deliver high-speed service management that empowers users and accelerates the business, with minimal capital investment.

Remedyforce offers fast out-of-the-box features including:
- The stability, security, and scalability of the world’s leading cloud platform, Salesforce.com
- ITIL functionality
- No software or hardware to install or manage
- Integrated asset lifecycle, discovery, and client management
- Social, modern, and mobile features
- Intuitive dashboards and reporting
- Configuration not customization
- Out of the box integrations to over 3000 business apps
- ROI in 45 days or less

Are you ready to accelerate your digital transformation today?

SIGN UP FOR A FREE TRIAL OF REMEDYFORCE.
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BMC – Bring IT to Life

BMC digital IT transforms 82% of the Fortune 500*.