

Case Study | IT Governance – *Driving IT Transformation*

Optimizing technology spend to better align with business strategy and maximize return on investment.



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Note: WiQi Financial Services Inc. is a fictional company



Background

- *As a result of growth thru acquisition, coupled with size and process inconsistencies, **WiQi** is a highly complex enterprise.*
- *This has resulted in a lack of transparency into technology portfolio, delivery superfluity, capabilities, best practices and total cost of ownership (TCO) to support business function(s)*
- ***WiQi** spends about 12% of gross revenues on technology and operations*
- *Frameworks such as TOGAF, ITIL, Zachman are used as references of policies and processes but otherwise not adopted*

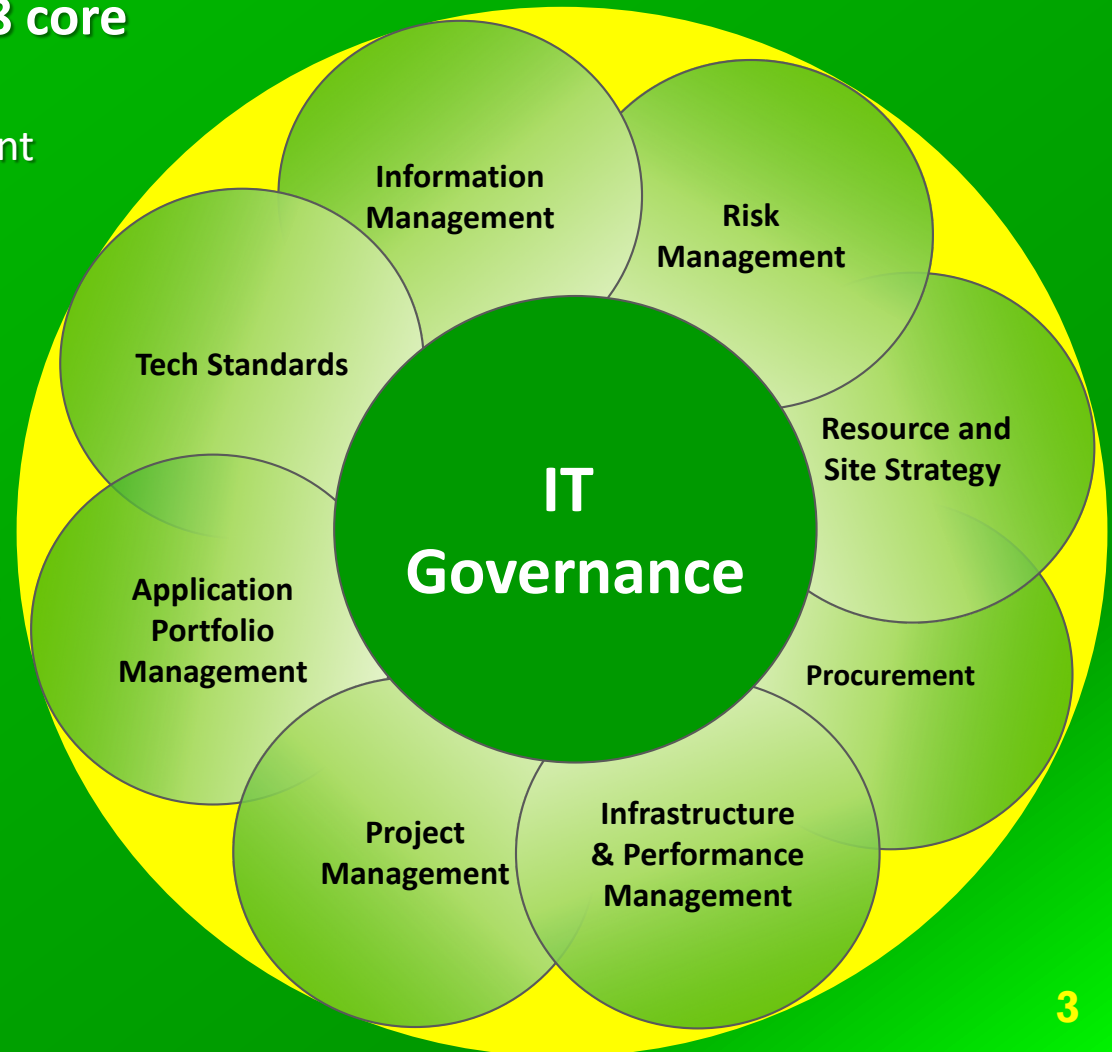


Philosophy:

Don't treat IT Governance as a discipline in itself;
IT Governance provides prescribed behavior at the intersection of inter-related disciplines

The approach was to focus on 8 core processes:

1. Application Portfolio Management
2. Technology Standards
 - *End of Life*
 - *Design Standards*
3. Information Management
 - *Data Governance*
4. Infrastructure Management
 - *Performance Management*
 - *Data Centers*
5. Compliance & Risk Management
6. Site & Resource Management
 - *Vendor Management*
 - *Real Estate Management*
 - *Procurement*
7. Project & Change Management
8. Procurement



“Measurement is the first step that leads to control and eventually to improvement. If you can’t measure something, you can’t understand it. If you can’t understand it, you can’t control it. If you can’t control it, you can’t improve it.”

H. James
Harrington

The Ask

- Provide transparency into the products, applications and services used
- Prioritize/classify all products, applications and services used
- Optimize the portfolio of products, applications and services used
- Ensure alignment with business strategies & functions
- Establish controls to ensure:
 - Ongoing completeness of products, applications and services inventory
 - Consistency and compliance with touch points to related disciplines and processes
 - Investment and deployment aligns with identified strategy
- Strengthen regulatory requirements



Verticals

Horizontals

	Application Portfolio Management	Technology Product Standards	Data & Information Management	Infrastructure Management
Compliance & Risk	<i>Ensure compliance to existing corporate & regulatory requirements; establish new corporate standards & policies</i>			
People & Site Strategy	<i>Enable technology and business partners to deliver the right resources, from the right source, in the right location, for the right cost at the right time.</i>			
Project & Change Management	<i>Align all future changes with technology & business strategies and new standards; enhance approval process to require appropriate approvals, exceptions and reviews</i>			
Procurement	<i>Align buying habits of technology goods & services with strategies and new standards; enhance approval process to require appropriate approvals, exceptions and reviews</i>			
Reporting & Analytics	<i>Collection of core and ancillary data to identify opportunities, track change and measure progress, creation of repeatable reports, dashboards and scorecards</i>			

The Approach



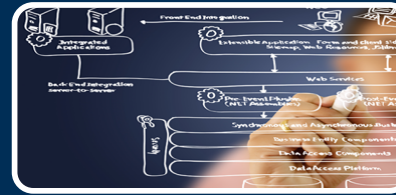
- Establish enterprise-level programs consisting of global, cross-business stakeholders and practitioners focused on specific technology disciplines
 - 1) *Application Portfolio Management*
 - 2) *Technology Product Standards*
 - 3) *Infrastructure Management*
 - 4) *Data & Information Management*
- Partner closely and influence change to established enterprise-level programs:
 - 1) *Compliance & Risk Management*
 - 2) *Site & Resource Management*
 - 3) *Procurement*
 - 4) *Project & Change Management*
- Create new horizontal 'Reporting & Analytics' dedicated to identifying opportunities and tracking change and progress

Application Portfolio Management



Business & Technology Strategy

- Supported Business Function
- Buy / Hold / Sell



Technology

- Align to Standards
- End of Life/Support
- Performance



Cost

- Total Cost of Ownership
- License Management
- Vendor Management

The development of an Enterprise APM program based on **3 Foundation Principles**:

- I. How does the application align with business & technology strategies?
 - *Is the supported business function under/over-served?*
 - *Has technology identified a go-to platform/solution?*
- II. What Technologies are used in the application?
 - *Is the application aligned with technology standards?*
 - *Are there any current or approaching end of vendor support products/versions?*
- III. How costly is the application?
 - *How much does it take to run the application?*
 - *Is there opportunities/dependencies on vendors?*



Technology Standards



Simplification & Stability



Manage Risk



Reduce Cost

A comprehensive Technology Standards Program was developed based on **3 Guiding Principles:**

I. Simplification & Stability

- *Align the technology environment with business strategy and IT Roadmaps*
- *Better visibility and control over the current and future production environment*

II. Manage Risk

- *Reduce operational risk (e.g. Security, or Engineering risk, etc.)*
- *Establish disciplined approach to forecasting & managing IT environment*
- *Reduces End-of-Life risk exposure and support costs*

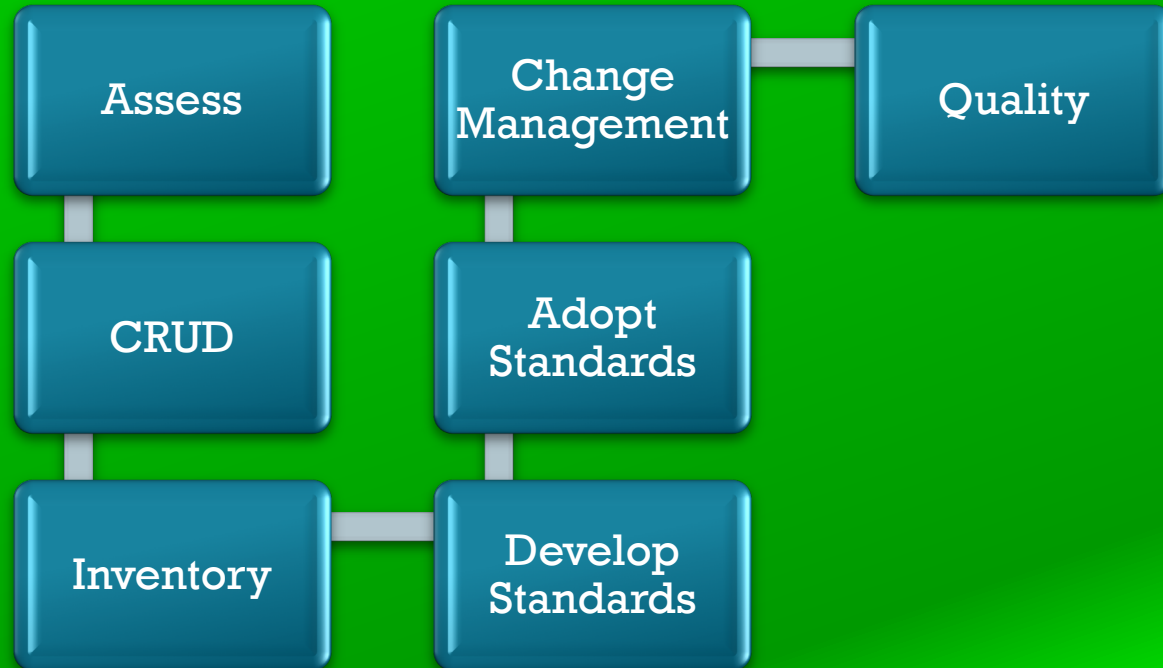
III. Reduce Cost

- *Increased efficiency by creation of centers of excellence and proven/supported engineering blueprints*
- *Increased buying power leveraged and licensing models*
- *Reduce development costs by better planning of system upgrades*



Details of Tech Standards program is provided in the WiQi – Tech Standards case study.

Information Management



Across the enterprise, there was minimal adoption of basic Information Management (Data Governance) practices.

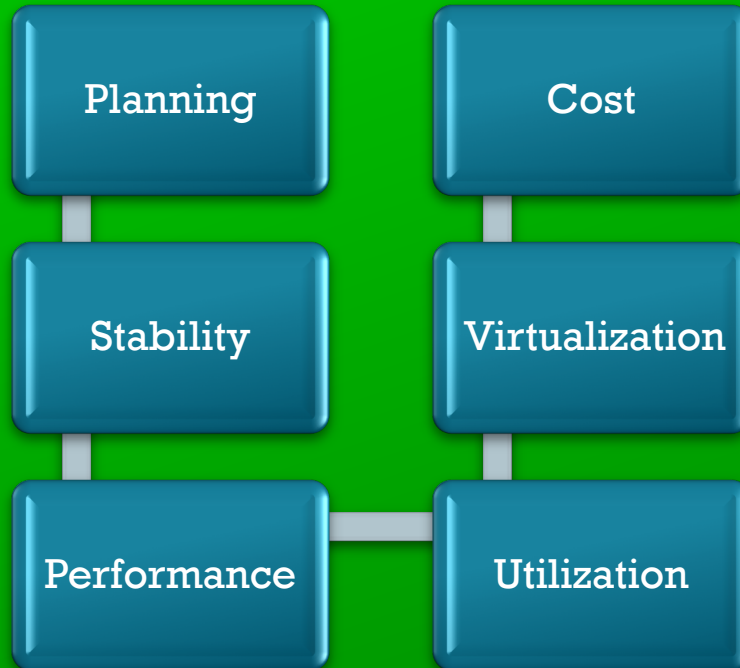
The Information Management Program started from the ground floor by

1. Assessing the data/information usage of systems
2. Determined what elements where *created, read, updated, deleted* (CRUD)
3. Created gold source Inventory of data bases and data elements
4. Develop Information Management Standards for product and customer describing how to identify unique entities, what information about each entity must be maintained and where applications and business / operational processes will source information from
5. Ensure all new applications Adopt standards; focusing first on business critical applications
6. Establish standard data/information Change Management processes and reporting
7. Data Quality tracking of all operational issues caused by data quality



Details of Information Management program is provided in WiQi case study.

Infrastructure Management



Infrastructure Management is an existing enterprise level initiative; an Infrastructure Management Program was established as part of the IT Governance & Transformation Initiative.

1. Planning – better aligning infrastructure planning to align with APM and IT Roadmaps
2. Stability – increased stability tracking and reporting; including consolidation of incident management tools
3. Performance – established performance management criteria and tracking to allow for historical and/or system comparisons
4. Utilization – standardize utilization reporting to understand system usage patterns
5. Virtualization – conversion to virtualized environment where allowed (regulatory/info security) and financially beneficial
6. Cost – improved accounting of infrastructure allocation across applications and platforms

