

# Structure Technology for Success

...using SOA



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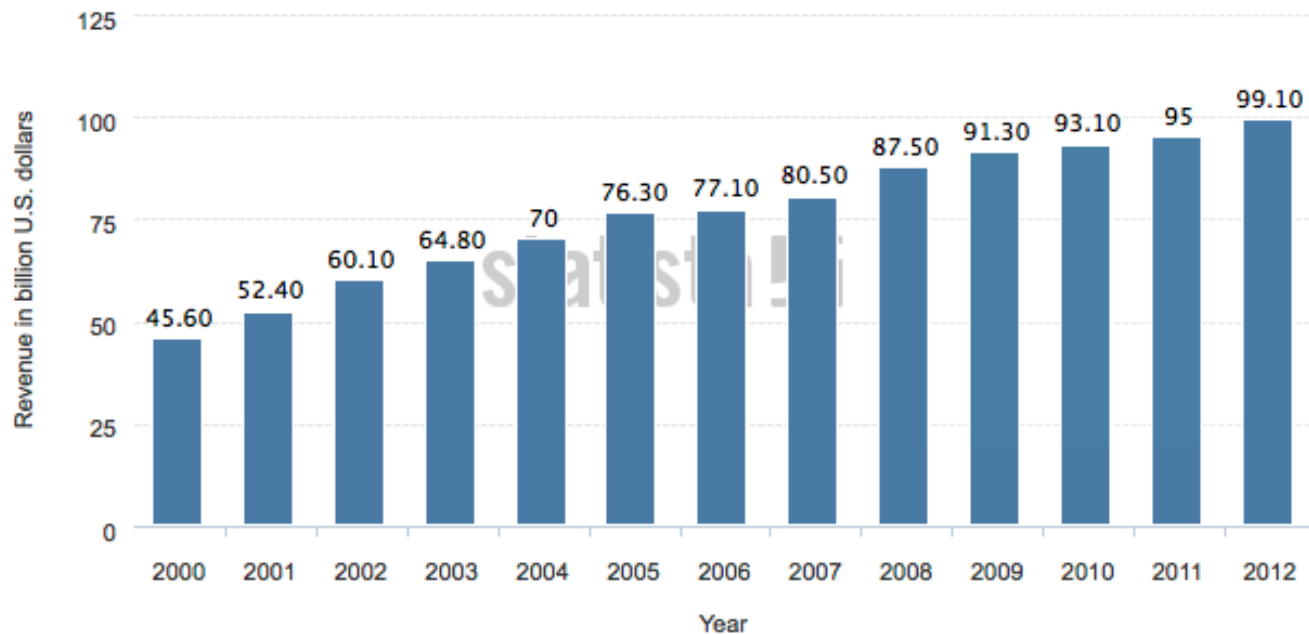
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# Technology is Big Business

and it is growing...!

## OUTSOURCING - GLOBAL MARKET SIZE 2012

Global market size of outsourced services\* from 2000 to 2012  
(in billion U.S. dollars)



i Worldwide; TPI; 2000 to 2012

Source: Information Services Group; TPI

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# IT Budgets

Something to think about...



IT Budgeting Best Practices

## Think Like a VC

Given tech's increasing prominence within organizations, CIOs need to view themselves as portfolio managers who evaluate individual and aggregate performance over time, especially with respect to resulting value, risk and reward.

**CIO INSIGHT**



# Challenge the NORM!

## Run Technology as a Business



# HOW?

- ◆ How do I structure my technology to run as a business?
- ◆ How do I structure my technology business for success?



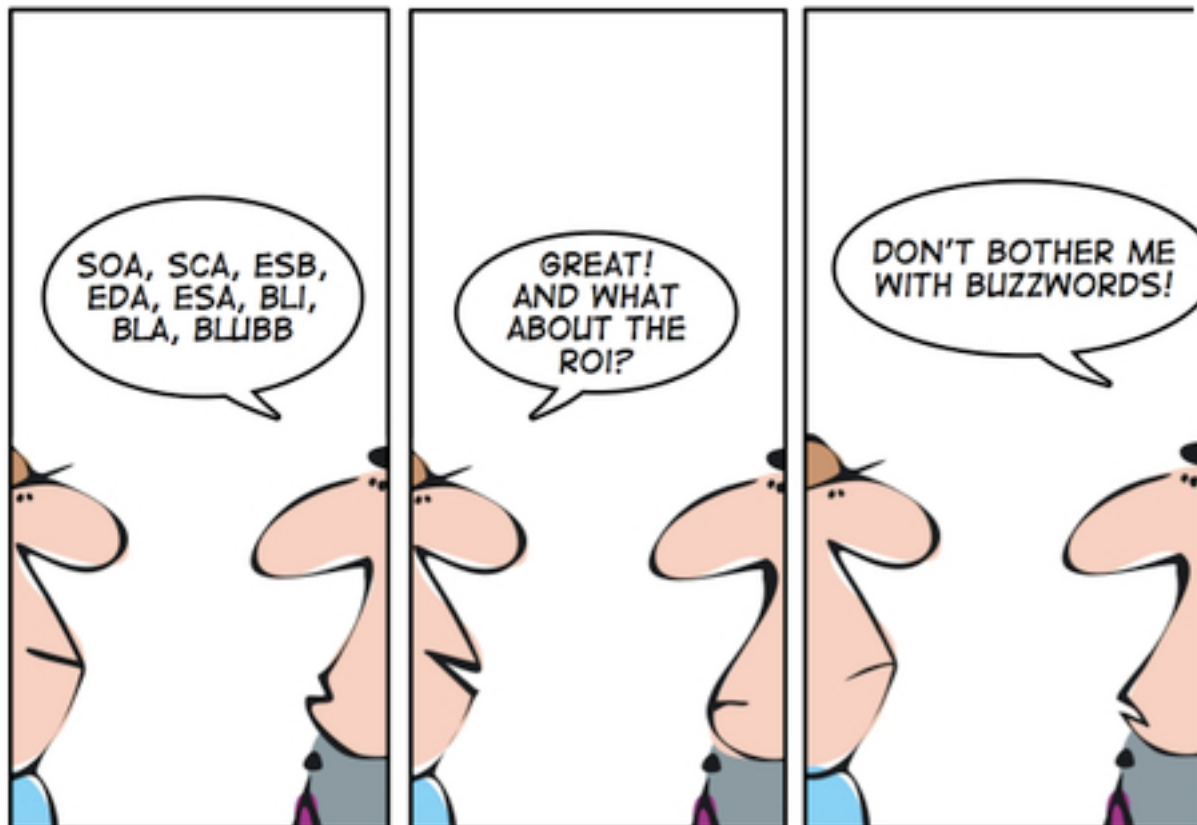
# SUCCESS

## Define it...

- 💧 Converting revenue, with an acceptable profit margin, that aligns with the effort in building, delivering and **SELLING** a service or product.
  - 💧 New Business
  - 💧 Retain Business for **Recurring Revenue**
- 💧 → Delivering **ROI** through Commercial Awareness.
- 💧 **As a Technologist - Do you understand your role in this...?**



# ROI ?



GEEK AND POKE



# Typical Concerns

- 💧 Our IT department is a mess!
- 💧 We are not getting the service we need.
- 💧 No one is managing the vendor.
- 💧 We are too slow to market.
- 💧 Costs are way out of control.
- 💧 What quality...?





# So let's Outsource?...!



Everybody is outsourcing...

but,

does it work for you? Let's take the alternative...



# Use SOA to structure IT

## A foreign concept...? No!

- ◆ **SOA** is software design based on distinct pieces of software providing application functionality as services to other applications.
- ◆ A **Service** is a set of actions or solutions that are put in place or are performed to provide a repeatable and consistent set of outcomes, deliverables, and performance for people, organisations, and systems that represent consumers or beneficiaries of such results.
- ◆ Technology is in the business of selling knowledge worker time. Time of people involved in technology activities of building and supporting software and hardware – in other words delivering services to the end users/client/customer.
- ◆ Combine the 2 definitions and apply to IT Org design...

# Use SOA to build a SOO

## Four Principles

**Align Technology with Business Operations**

**Empower Decision Makers**

**Increase Operational Efficiency**

**Employ Market Leading Methodologies**



# Use SOA to build a SOO

## A Technology Services Provider ...in the making...

### Approach

- ◆ Service Catalogue
- ◆ Monetise Services
- ◆ Services → Disciplines
- ◆ Disciplines → Roles
- ◆ Roles → People
- ◆ Disciplines → Departments
- ◆ Departments → Business Units (Clients)
- ◆ Business Unit Integration
- ◆ Central Governance – Direction, Management, PMO & Architecture

# Use SOA to structure IT

## The Process...

- ◆ Identify all the IT Service provided and all IT Service required/ consumed
- ◆ Group IT services into Disciplines → Departments → Business Units
- ◆ Each Discipline, Department and Business Unit (BU) needs a Head that will be a member of the IT Executive Committee (ITEC)
- ◆ Group the Disciplines, Departments and BUs in logical units – Sub Divisions
- ◆ Org structure under each Discipline, Department, BU by identifying Roles required to provide the services
- ◆ Depending on the workload and SLA determine quantity per Role
- ◆ Based on staff knowledge, experience and skill place them in Roles – staff can fulfil more than one role, but must have only 1 solid line report in line management – other roles will be dotted
- ◆ Project shared resources reports into Discipline, then Department, then Business Unit to resolve conflict of single line report

# Use SOA to structure IT

## The Process...

Definition: An **IT discipline**, or field of study, is a branch of specialised knowledge that follows particular codes of conduct, standards and methodologies to deliver a specific specialised IT service.

- ◆ Software Developers
- ◆ Business Analysis
- ◆ Project Management
- ◆ Program Management
- ◆ Portfolio Management
- ◆ Quality Assurance & Software Testing
- ◆ System & Database Administrators
- ◆ Network Engineers
- ◆ IT Security
- ◆ Enterprise, Technical, Business Process Architecture
- ◆ Creative – UI & UX
- ◆ Sales & Marketing
- ◆ Account Management
- ◆ Technical Solution Consulting
- ◆ Resource Management





# Use SOA to structure IT

## The Process...

Definition: A **department** is a part of a larger organization with a specific responsibility delivering combinations of related services.

- ◆ Implementation & Integration Services
- ◆ Live Support Services
- ◆ Network & Infrastructure Services
- ◆ Project Management Office
- ◆ Business Solution Design
- ◆ Business & Client Development
- ◆ Product/Service Development (multiple based on different products/services)



# Use SOA to structure IT

## The Process...

Definition: A **Business Unit** within the overall Corporate structure is distinguishable from other business because it serves a defined external market where management can conduct strategic planning in relation to products and markets.

- 💧 Research & Development
- 💧 Other businesses within a group selling IT Services
- 💧 Other businesses consuming IT Services



# Use SOA to structure IT

## Typical IT Services...

- ◆ Product Development
- ◆ Deployment and Integration
- ◆ Project Management
- ◆ Infrastructure
- ◆ Technical Support

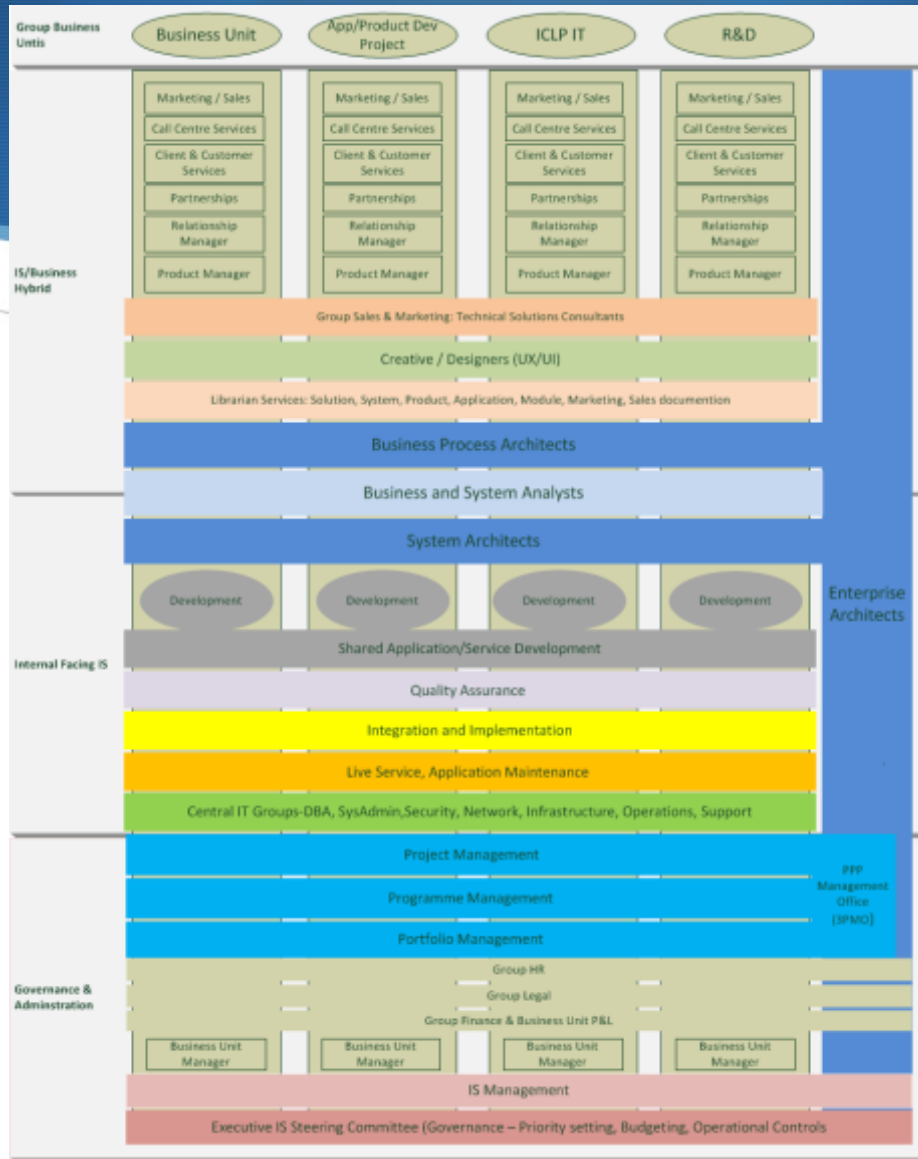
# Use SOA to structure IT

## IT Services Provision & Consumption...

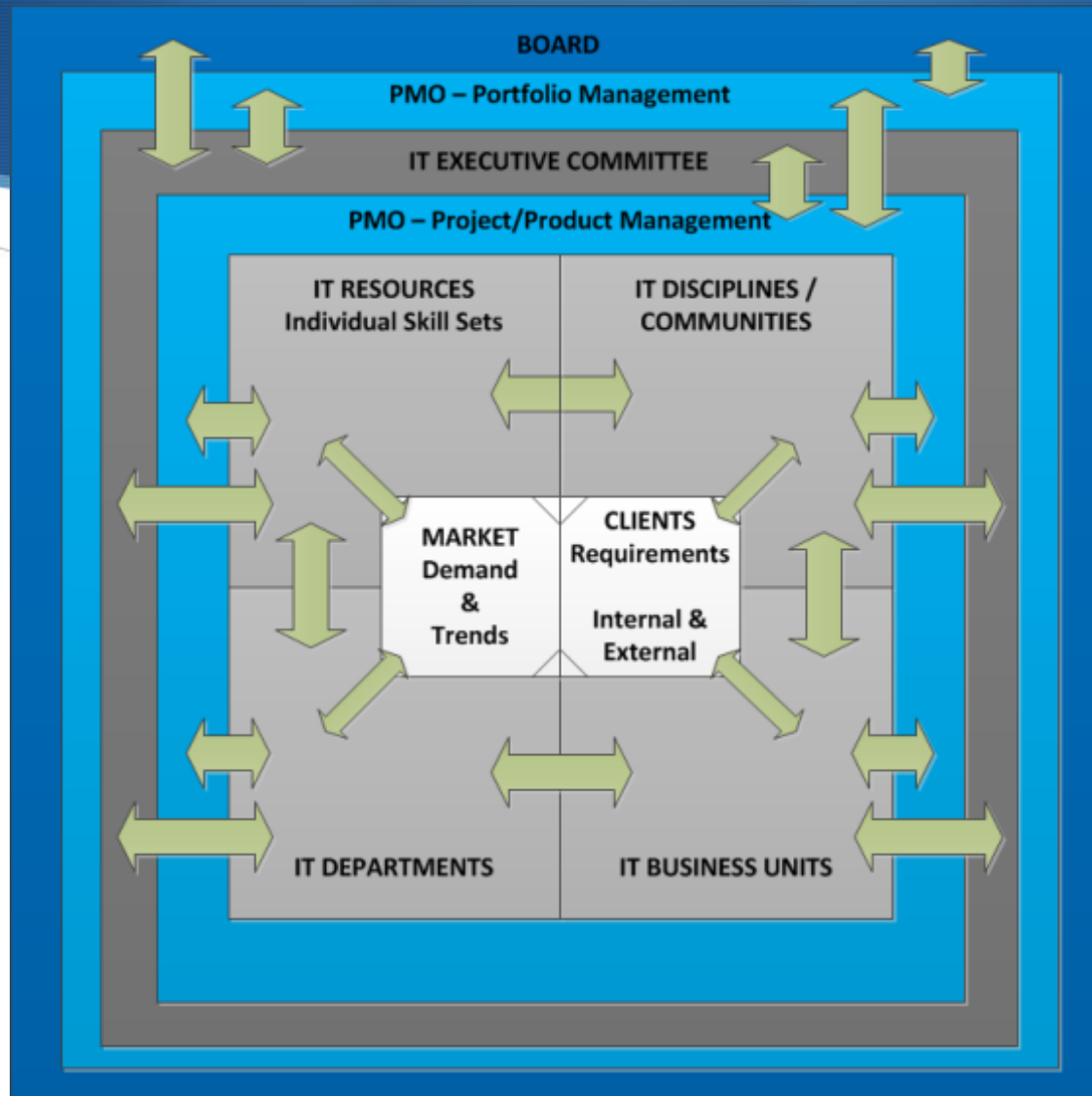
- Resources → Disciplines/Communities  
→ Departments  
→ Business Units
- Disciplines/Communities → Departments  
→ Business Units
- Departments → Departments  
→ Business Units  
→ Clients
- Business Units → Clients  
→ Business Units



# SOO using SOA Model



# Governance





# Questions?



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