

The 21st Century IT Org Chart: Reshaping your Department to Capitalize on the Cloud

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The CIO Conundrum

- Top CIO challenges continue to be:
Alignment, Innovation and IT Value
- Legacy Systems are a drag on innovation
- Cost pressures remain intense
- Demand is outpacing IT capacity
- “You’re too expensive and too slow”
- SaaS is being adopted by the business
- IaaS is being adopted by developers
- IT risks losing relevance

The Future State CIO

CIOs want to redefine their roles

- Chief Innovation Officer
- Chief Information Architect
 - Service Broker

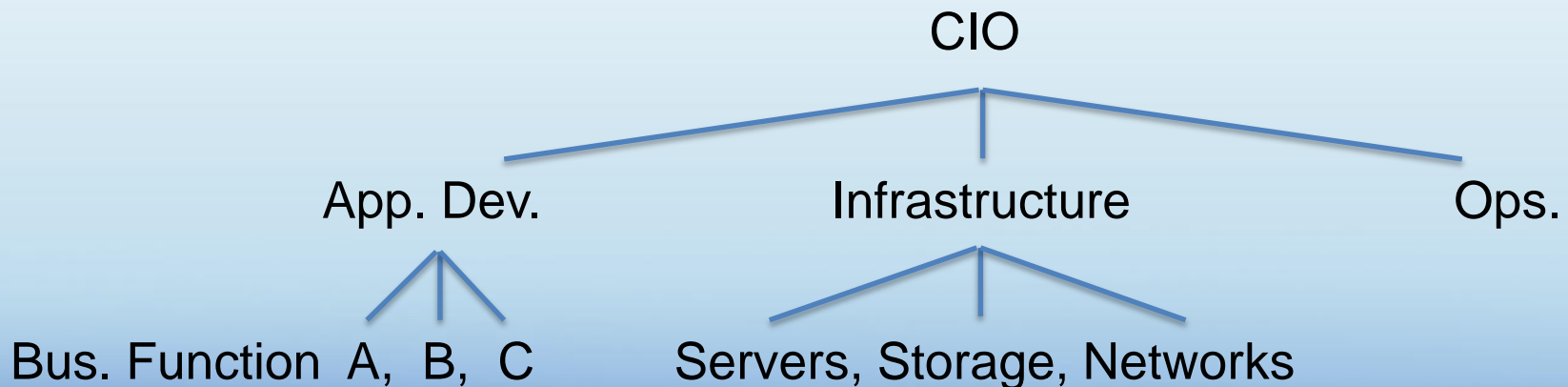
Cloud can enable the IT transformation

- Greater focus on innovation and business value
 - Agility via an Extended Architecture
- Provide a range of Business and IT Services

IT was designed to Build and Operate

First Generation IT Silos

- Business Relationships owned by App. Dev.
- Solutions defined by Legacy Development
 - Infrastructure silos block innovation
- Customer Relationship shared with Ops



IT Service Management (ITSM)

ITSM adoption accelerating

- Driven by SOA development and Quality initiatives
 - Focus is on Infrastructure and Operations
 - Concepts apply to Business Services
 - Cloud Services will drive broader adoption

The ITSM goal should be Best-in-Class

- Internal IT Services
- External IT Service Providers
 - Shared Service Providers

Business Service Management

Dedicated Business Services Function

- Business Relationship Management
- Single point of contact for Customer Services

Customer Services

- Service Strategy
- Service Design / Owner
- Business Model and Process Mgt.
 - Program and Change Mgt.

IT Services Increasingly Competitive

Both Integrated & Discrete Infrastructure Services

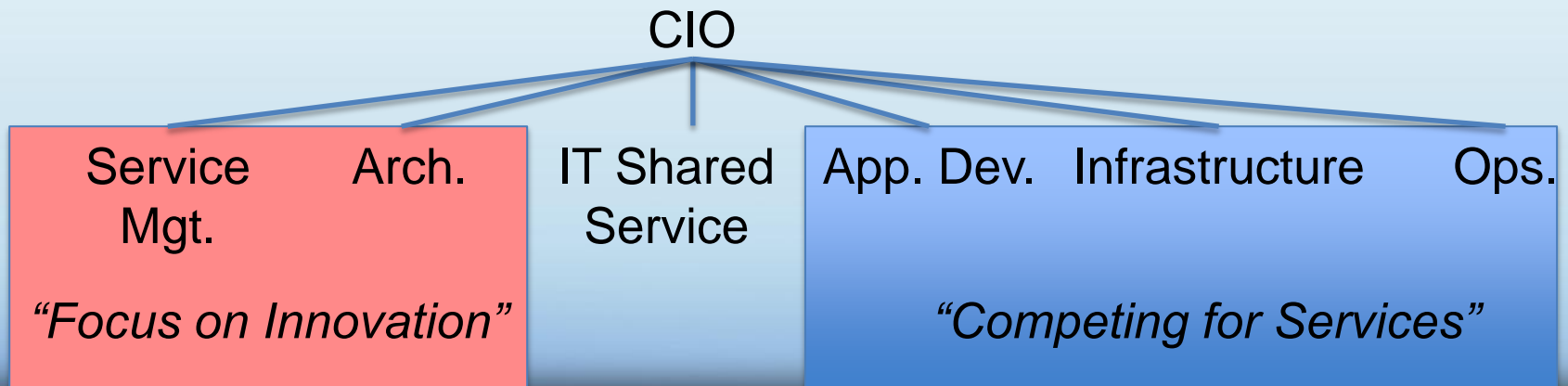
- IaaS: Data Center, Hosting, Data, Network, Archive
 - Infrastructure Management (e.g. Incident Mgt.)
 - Cloud Integration
- All procured Internally or Externally



The Services-based IT Organization

Realign Roles and Refocus Objectives

- Service Mgt. expands the Services Portfolio
- Architecture extends the Information Architecture
- Apps, Infrastructure & Ops are captive suppliers
- CIO can lead with Innovation via Cloud Services



Other Capabilities in Transition

IT Procurement & Risk Management

- New contract terms & conditions for cloud services? 93% No

Architecture and Strategy

- Cloud Architecture Standards? 21% Yes, 50% In Process
 - Cloud Migration Plan? 0% Yes, 71% In Process

Sourcing

- Cloud first policy? 79% No

IT Talent

- Appropriate skills to support Cloud Adoption? 64% No

Essential Guidance

- Business & IT Service Management Strategy
 - Vision of the IT Organization
 - Address the cultural challenge
 - Realign Roles, Responsibilities & KPIs
- Align third parties & SLAs to Service Framework
 - Define the Path for Legacy System
- Take back the Offensive on Cloud Adoption!

Questions?



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