MOVING TO SERVICE LED I.T. PROCUREMENT AND DELIVERY

WAVESTONE

ORGANISATIONS ARE BECOMING INCREASINGLY DEPENDENT ON THEIR CORE NETWORKS WITH GREATER RELIANCE ON BUSINESS CRITICAL DATA AND NEW BANDWIDTH-HUNGRY, LATENCY-DEPENDENT APPLICATIONS. ENSURING BUSINESS ENABLING, COST EFFECTIVE, PROCUREMENT AND DELIVERY OF NETWORK TECHNOLOGY IS NOW MORE RELIANT ON QUALITY OF SOLUTIONS RATHER THAN A SIMPLE COMPARISON OF BANDWIDTH AND COST. A SERVICE LED APPROACH IS NEEDED TO ENSURE BUSINESS NEEDS ARE PROPERLY SERVICED BY ITS NETWORK.

INSIGHTS

MOVING TO SERVICE LED IT PROCUREMENT AND DELIVERY

1 GREATER DEMANDS ON CORPORATE NETWORKS

Dependence of business operations on networks has substantially increased in recent years. Introduction of voice, video and collaboration services onto the core network has been a key driver for increased capacity.

Centralisation of core business applications into data centres has increased demand on connectivity and capacity. Organisations have become more focused on monitoring and analysing data to deliver business efficiency and satisfy regulatory needs, thereby increasing reliance on data networks. In parallel with these changes the demand to deliver services to mobile users and customers on untrusted networks has increased.

As organisations seek to satisfy the growth demands of shareholders they have sought to expand into new geographies and extend network capability into new and emerging markets.

2 IMPACT ON NETWORK SERVICE DELIVERY

Changes to the use of corporate networks have significantly changed traffic patterns and network needs. Voice and video services demand low and consistent latency between all connected locations. Increased complexity of application profiles has driven a need to effectively manage and prioritise network traffic.

These factors have increased reliance on network delivery demanding better quality and more robust network links. Providing distributed, secure connectivity to untrusted networks has become an essential business need.

3 STRATEGIC IMPLICATIONS

IT strategy needs to be more tightly aligned to business direction and demand for network capability. It is essential that architectural direction is led by the nature of business demand for network delivered services.

To achieve this the Target Operating Model (TOM) has to be clearly defined and aligned to IT and provider capabilities.

4 PROCUREMENT CONSIDERATIONS

Meeting strategic objectives through procurement requires the selection process to have a greater focus on service performance, reliability, assurance and management through the entire lifetime of the contract.

The true value of supplier propositions is completely dependent on their ability to deliver. This includes providing robust connectivity and efficient performance to all locations. It is essential that suppliers provide consistent services supported by transparent, comprehensive service reporting.

Buyers need to be confident that suppliers can adapt to changing technology and market conditions, continually improving capability and value for money over time. It is imperative that the service provider can manage a smooth transition to new services with minimal impact on the running of the business.

5 TRANSITION ESSENTIALS

With extra complexity it is essential that transition to new provider(s) is given appropriate focus and attention. This requires a robust implementation of the TOM with a thorough testing of the service process. As part of this, performance assurances offered at time of tender need to be validated before sites are accepted and migrated.

The new service provider must take the time to ensure service management reporting is meaningful and aligned to the business needs. Finally, it is incumbent on the service provider to ensure training is comprehensive and targeted on how solutions have been implemented.

Strong knowledge of the contract is key to achieving these objectives in securing successful transition.

6 ON-GOING CONTRACT MANAGEMENT

Building and maintaining effective on-going contract governance is essential to ensuring suppliers continually deliver capability and value for money through the lifetime of the contract. Key contract management considerations should include:

- regular evaluation of network capability to ensure performance and service risk are minimized

- compliance with all supplier, client and joint contractual obligations

- ensuring effectiveness of the contract (making adjustments accordingly)

- innovation to deliver new capabilities, service improvement and value for money

7 CONCLUSION

The one constant in business is change and the pace of change is accelerating. In this rapidly changing business environment it is vital that networks have an inherent flexibility to quickly adapt to business needs.

With corporate data delivery becoming increasingly critical to business success it is essential that IT departments are more diligent in their selection and delivery of network solutions.

Going to market on a price driven "bang for bucks" approach will not deliver the value the business is seeking. A business aligned service-driven approach is key to transforming network delivery to an enabler of business aspiration and growth.

ABOUT US

Wavestone is an international consultancy that provides connected thinking, insight and capability to industry leading organisations. We work collaboratively with our clients to plan strategic business transformation and seamlessly turn strategy into action.

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