How next-gen Managed Services enable transformational growth

In an era where the need for transformational growth has become a business necessity not a choice, it is important to balance optimization with the increased costs of going digital. A next-gen approach to Managed Services offers long term benefits across the IT life cycle and is key to achieving transformational growth.

Information Technology (IT) has become an integral part of any business today and so has transformation. Organizations looking to expand their business, generally focus on changing the way in which they traditionally operate including using IT to achieve their goals. At the same time, they also need to ensure security, data compliance and transformation to keep up with regulatory and business requirements.

Result—a plethora of options ranging from converged infrastructure to public cloud, private cloud with traditional infrastructure and so on. Described below are two scenarios which organizations typically face as a result of this complexity.

Scenario 1:

Organizations that wish to scale at an aggressive pace always want to lay a strong foundation for an agile IT function. However, more often than not, when businesses evolve, no one in the organization is in a position to predict how exactly the IT function would evolve in terms of next-gen solutions and services.

In order to proactively expand operations based on business demand, IT invests in new technologies rendering earlier investments redundant and futile.

Scenario 2:

It is generally seen that inorganic horizontal growth and multi-vendor operations further disintegrate the IT function to an extent that business services are affected. In order to reduce additional investments on IT and meet end-users expectations, companies involve a number of vendors. However, in most cases, this model splits apart as each vendor focuses on only his business regardless of other functions and processes within the organization thereby affecting overall business operations.

To keep pace with business growth, IT begins to outsource innovation and modernization. However, this proves counterproductive to both business and end-users. This is because the outsourced providers don't really understand the business and end-user requirements the way in which in-house service providers or employees do.
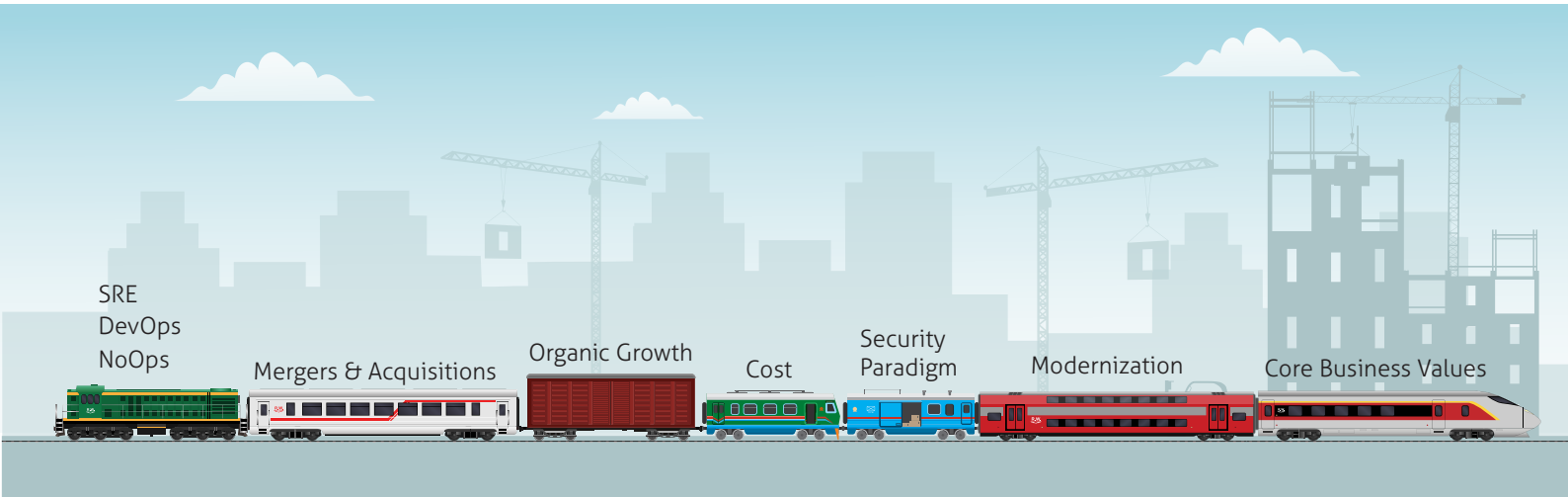
SRE
DevOps
NoOps

Mergers & Acquisitions

Organic Growth

Cost

Security Paradigm

Modernization

Core Business Values

Fig1: IT Journey

In order to overcome challenges like the ones described above, Organizations need to choose the right Managed services provider. This is because while your business may have all the key ingredients required for success, if your IT fails, your time- to-market and customer satisfaction also fail and with that your chance of business success.

IT is a continuous journey of keeping pace with business expansion through business mergers, new acquisitions, organic growth, modernization, security paradigms and most importantly cost effectiveness.

To add to the complexity, are new technologies and approaches like NoOps, DevOps and Site Reliability Engineering that IT is expected to adopt rapidly to keep pace with business growth. What businesses need today is a predictable road-map for IT—something which only a strong consulting partner in IT Managed Services can deliver. Only such a partner can ensure the right technological investments based on the on-the-ground situation. Not only this, they would also be able to melt silos and define a clear vision and model to be used for Managed Services.
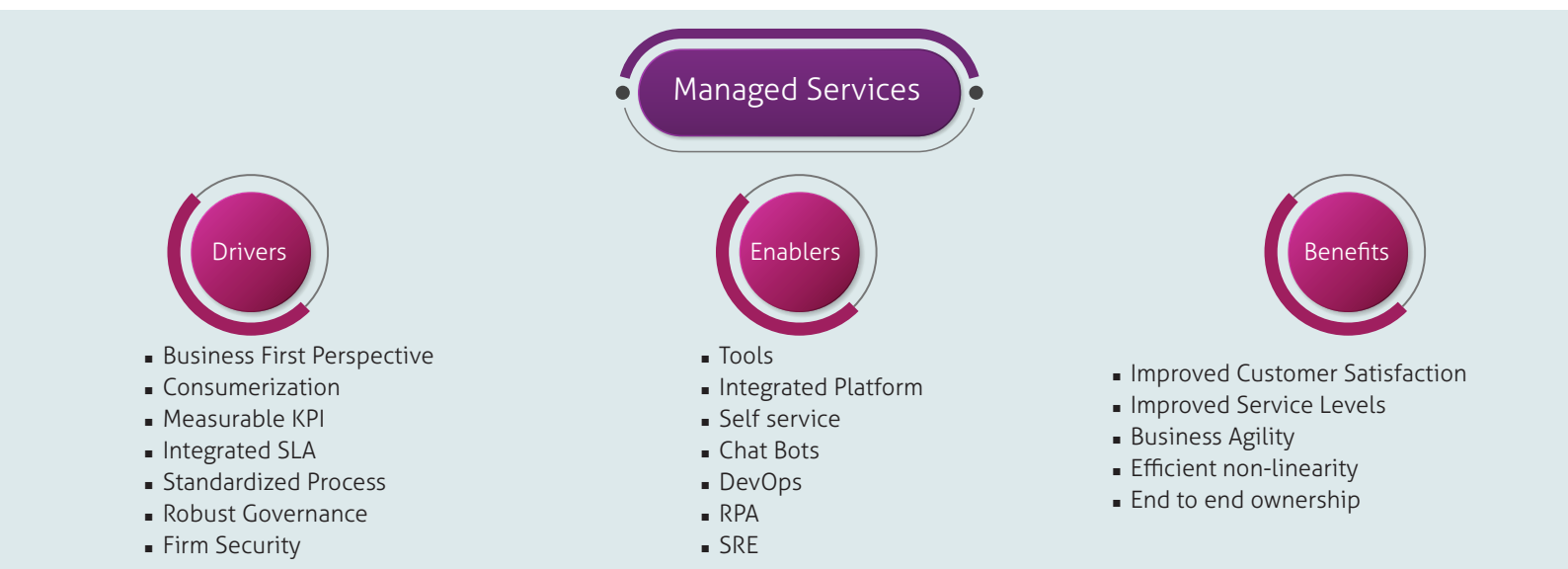
Managed Services

Drivers
- Business First Perspective
- Consumerization
- Measurable KPI
- Integrated SLA
- Standardized Process
- Robust Governance
- Firm Security

Enablers
- Tools
- Integrated Platform
- Self service
- Chat Bots
- DevOps
- RPA
- SRE

Benefits
- Improved Customer Satisfaction
- Improved Service Levels
- Business Agility
- Efficient non-linearity
- End to end ownership

Fig 2: Managed Services

Key Drivers of Managed Services

Every industry is different and so is every business. While the learnings from one business can be applied to the other, the exact solution cannot be applied to both businesses. The job of the Managed Services provider is to keep the lights-on in the most efficient and optimal way. Some of the ways in which this can achieved are:

1. Business-First Perspective: Focus on delivering result-centric services and solutions and maintaining a balance between business and technology. This can be achieved by a two-phased approach. One, getting the business and underlying principle right. Two, maintaining equilibrium between strategy and service aptitude.

2. Consumerization: In contrast to an earlier era of focusing only on the organization's goals-, today's services focus on end user experience as well. While managed services take care of your business, it's important that it serves your customers' expectations as well.

3. Measurable KPIs: Customer satisfaction is largely linked to the right set of Key Performance Indicators (KPIs). KPIs not only define your core service objective but are also indicative of your business success. Further, service optimization is the output of the right set of KPIs

4. Integrated SLA: Measurable target is the core aspect of Service Level Agreements (SLAs). But SLAs can go beyond a number. We don't often hear IT operations speak about how well connected and prepared they are to support new changes in a measurable manner. The balance between speed and stability is essential and can be struck only through quantitative and accountability-based SLAs.

5. Standardized Process: Reduced "time- to-market" is the demand of today's business and can only be achieved if processes are standardized and streamlined. Standardization enables steadiness, predictability for transformation and flexibility of operations.

6. Robust Governance: This is key to having the right set of policies and procedures in place. It improves the effectiveness of managed services through improved coordination and enhanced visibility.

7. Security: Quality of managed services can be maintained and over achieved by a process layer encapsulated by a security layer. This increases efficiency while reducing risk.
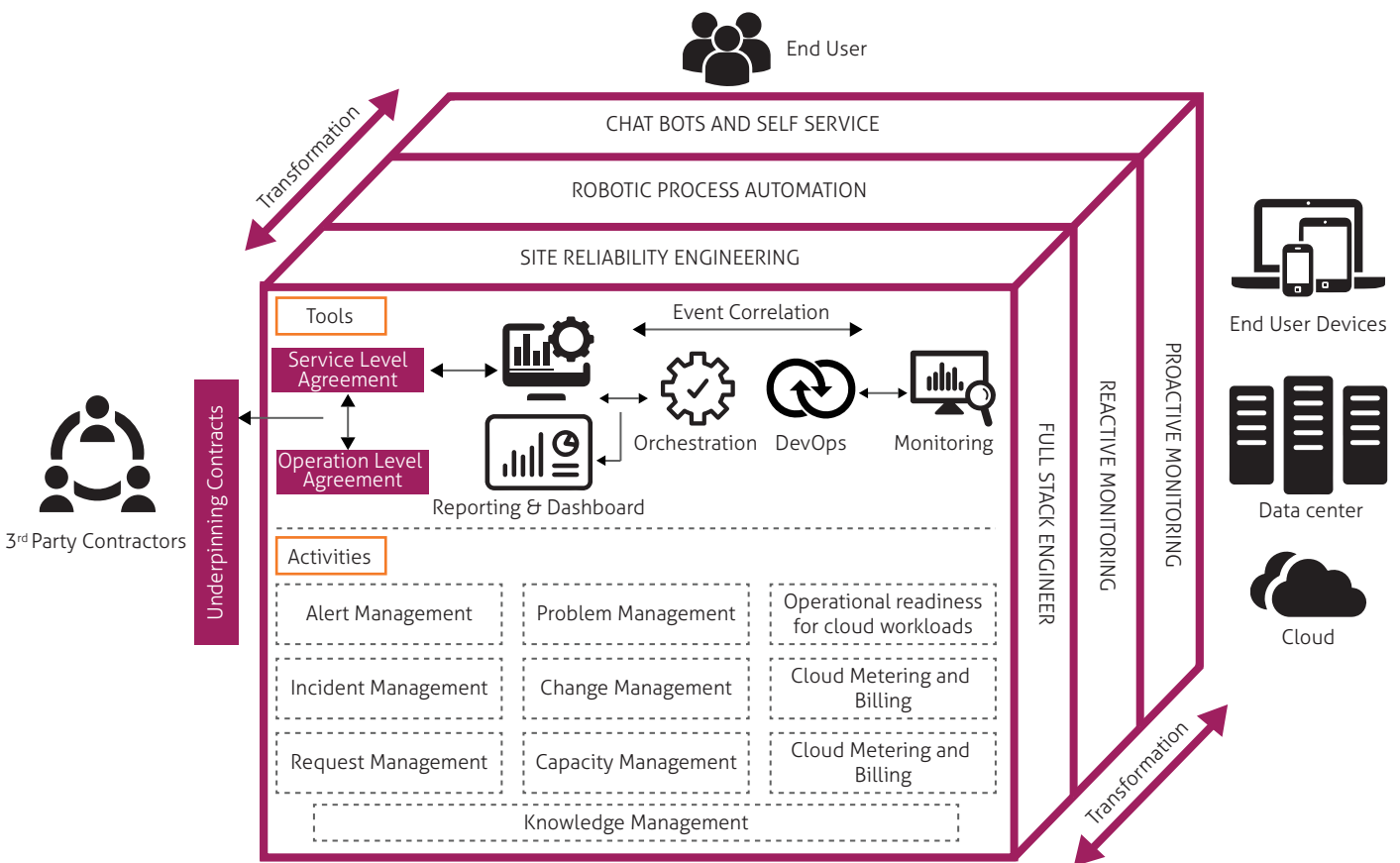

Fig 3: Target Operating Model

Engines of Managed Services

1. **Tools:** The right tool set (which is automated and orchestrated) is required not only for self-service but also for obtaining the right feedback. In this era of personalization, the need of the hour for managed services is next-gen platforms where the code is mindful of the infrastructure on which it is being deployed. However, automation and orchestration are hygiene requirements which the team needs to deliver as well. Two key aspects of tools for managed services are:

   a) <u>DevOps –</u> DevOps is a culture and should be a part of not only the tools for delivering managed services but also operations. DevOps is part of development and aims at continuous integration and continuous delivery. However, in DevOps culture, a strong focus is on continuous improvement to minimize waste, optimize for speed, costs, and to continuously improve the products/services offered

   b) Orchestration – Right tools, processes and automation scripts working in silos not supplemented by centralized automation, make it challenging to change and expand automated services. Orchestration is longer "good to have". It's a "must have" for managed services.

2. <u>Integrated Platform:</u> While having the right set of tools fulfills demand from a necessity perspective, what is more important is to have a single pane of truth. What went wrong? Where did the error occur? What services have been affected? How many customers were affected? It is vital for the entire information to be available on one single platform for best results.

3. **Self-service:** Today, self service has become second nature to us. Whether it is ordering food, cab, booking and air ticket or banking, end users like to do it themselves. Similar service is expected from IT. Managed services can work best when end users can help themselves with just a click of a mouse.

4. **Chat bots:** Complementing the self- service option are chat bots. According to online research, customers prefer SMS, WhatsApp and Chat as the mode of communication over phone calls because the former tend to be faster and less invasive. The only difference is that In case of Chat bots, a human being writes the query whereas the response is based on Artificial Intelligence and cognitive computing. Chat bots acting as human agents of business can take managed service to the next level.

5. **Robotic Process Automation (RPA):** Consider a scenario where an end user raises a ticket which then gets logged into a tool, automatically. Thereafter, the Bot takes over. It automates a manual business process for executing the task/activity within the business function.

6. **Site Reliability Engineer (SRE):** Despite automation, there will be scenarios where human intervention becomes necessary. ITIL says, 3 hops are okay. But if this were to happen in real life, how would you feel? For example, how would you feel if your ticket was transferred to three different teams without being resolved? Here is where the importance of an SRE comes in. An SRE focuses not only on core infrastructure but also on applications. He is not only concerned about resolving the issue. He is also concerned about resolving the complexity behind the situation and addressing future scalability issues.

Benefits of Managed Services:

Right drivers and engines assure concrete and measurable benefits.

1. **Improved Customer Satisfaction:** Customer satisfaction is high because IT drivers and engines ensure a risk-free environment and optimal services leading to happy customers.

2. **Improved Service Levels:** Proactive measures and effective resolution result in environmental stability, enhanced availability, performance and quality.

3. **Business Agility:** Single pane of integration (mentioned above) ensures IT keeps pace with business. Well-defined solution principles make it easier to welcome global changes.

4. **Change in graph:** With this model, number of tickets decrease while over all efficiency and customer satisfaction increases. Manpower required for increased support grows non linearly or remains the same. Total cost for IT support also comes down

Conclusion

In an era where the need for transformational growth has become a business necessity, it is important to balance optimization with the increased costs of going digital. A next-gen approach to Managed Services offers long term benefits across the IT life cycle and is key to achieving transformational growth.

<u>Learn about our managed service offerings.</u>

To get in touch with our experts in Managed Services or for more information about our services and solutions, please write to us at <u>info@mindtree.com.</u>

Himanshi Mundeja is a Sales and Solution architect in the Infrastructure Managed Services division of Mindtree. A presales professional with keen interest in new technologies like automation and digitization, Himanshi is also an avid reader and enthusiastic writer.