

4 Ways IT Can Deliver More Wins in 2023

MEET OUR PRESENTERS



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Agenda

- Contribute to Organizational Growth
- Maximize Value of the IT Budget
- Boost Agility and Flexibility
- Effectively Track and Communication IT Value



Webinar Objectives



NOT a to-do list!



50+ years of combined observations, comments, and concepts



Coming soon! ProArch's eBook, "The CIOs Guide to Thriving"



**Contribute to Organizational
Growth and Goals**



Translating IT Investments into Value

Establish the relationship between technology spending and business performance

Have a clear picture of where the business is going in the next 1-3 years and align the IT strategy to it

Good data is critical for reporting, governance, decision making

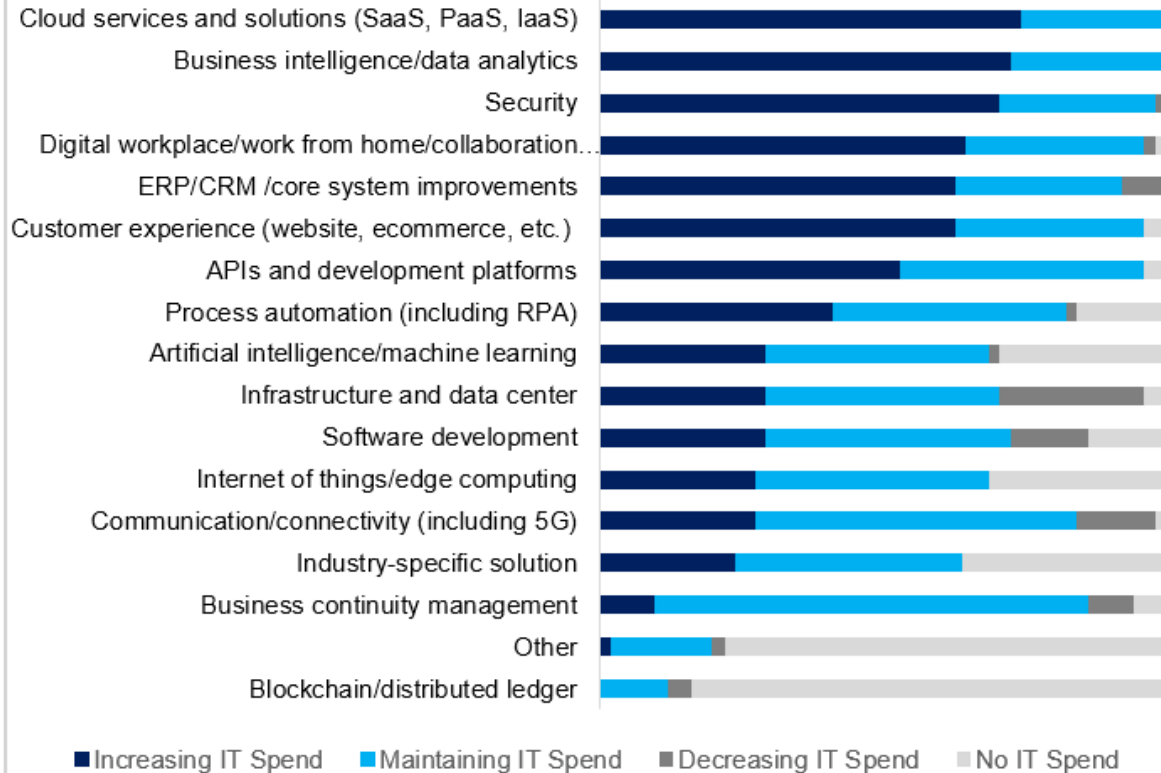
Turn business execs into technology stakeholders by showing what's at stake if IT spend is reduced

Show value by aligning technology spend by business unit or function

Target measurable business improvements like increase in employee productivity, revenue per employee, operating income per employee

Which technology areas are driving your IT spend to Grow and Transform your business ?

IT Investment Areas



Top Five Areas with **Increasing** Strategic IT Spend

1. Cloud services and solutions (SaaS, PaaS, IaaS including distributed cloud)
2. Business intelligence / data analytics
3. Security
4. Digital workplace / work from home / collaboration tools
5. ERP / CRM / core system improvements or transformation

Top Five Areas with **Decreasing** Strategic IT Spend

1. Communication / connectivity (including 5G)
2. Industry-specific solution
3. Business continuity management
4. Other
5. Blockchain / distributed ledger

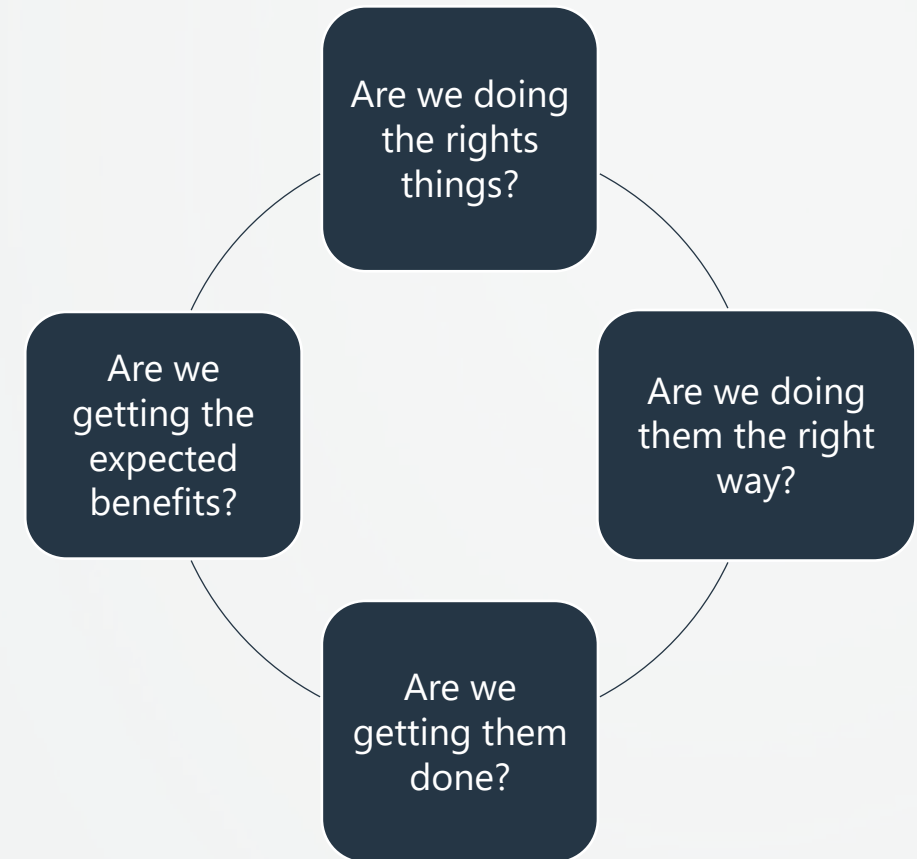
Number of Organizations = 51

Source: 2022 Gartner IT Budget and Efficiency Benchmark

ID: 782123

Val IT Framework 2.0: Create business value from IT investments

- When making an IT-enabled investment, it will be considered and treated as a portfolio of investments
- IT-enabled investments will give an outline of activities so a business can properly determine the type of value the investment will give to the business
- Best practice guidelines use different evaluation techniques for each IT-enabled investment, so it is properly managed to bring in the most value
- Best practice guidelines monitor key metrics and respond in the appropriate matter if there are any changes to ensure proper value delivery
- All stakeholders will be assigned a certain amount of accountability for the IT-enabled investments



The Val IT Framework 2.0

The strategic question:
Are we doing the rights things?

Is the investment:

- In line with our vision
- Consistent with our business principles
- Contributing to our strategic objectives
- Providing optimal value, at affordable cost, at an acceptable level of risk

The architecture question: Are we doing them the right way?

Is the investment:

- In line with our architecture
- Consistent with our architectural principles
- Contributing to the population of our architecture
- In line with other initiatives

The delivery question:
Are we getting them done?

Is the investment:

- Effective management, delivery, and change management processes
- Competent and available technical and business resources to deliver
- The required capabilities
- The organizational changes required to leverage the capabilities

The value question:
Are we getting the expected benefits?

Is the investment:

- Clear and shared understanding of the expected benefits
- Clear accountability for realizing the benefits
- Relevant metrics (KPIs)
- Effective benefits over the lifecycle of the investment

Maximize Value of IT Budget



Making the Most of Your Budget

Before You Get Started

Define your System Development Lifecycle (SDLC) process, projects can become challenged and over budget easily

Ensure each investment is worthwhile and aligned to business objective

Take note of costs associated with inflation and supply chain delays – talent, hardware

Use a dynamic, agile, and adaptive approach and stay flexible to change/market conditions

Budgeting Resources

Gartner
Nielsen
IRI
Forrester
LinkedIn Groups
Peer Groups

1. Continuously tune into industry leaders, research, and other relevant resources
2. Budget recommendations will vary based on industry – Compare 🍷's to 🍷's
3. Collaborate with your CFO to make sure budgetary expectations are aligned—and *approved*.
 - a) Meet regularly
 - b) Reframe expectations for digital transformation success
 - c) Use a common set of KPIs
 - d) Provide full visibility into spending

The Fundamentals of a First-Rate Budget*



People & Services

25%



On-Premises Software

20%



Software as a Service

19%



Hardware

17%



Platform/Infrastructure
as a Service

14%



Other: Line Items, Shipping
Costs, etc.

5%

Too Many Apps. So Little Time!

39% of organizations spend a major share of IT budget on applications

App portfolio keeps growing creating redundancy, waste, and the need for additional support

No dedicated or centralized effort to manage the app portfolio

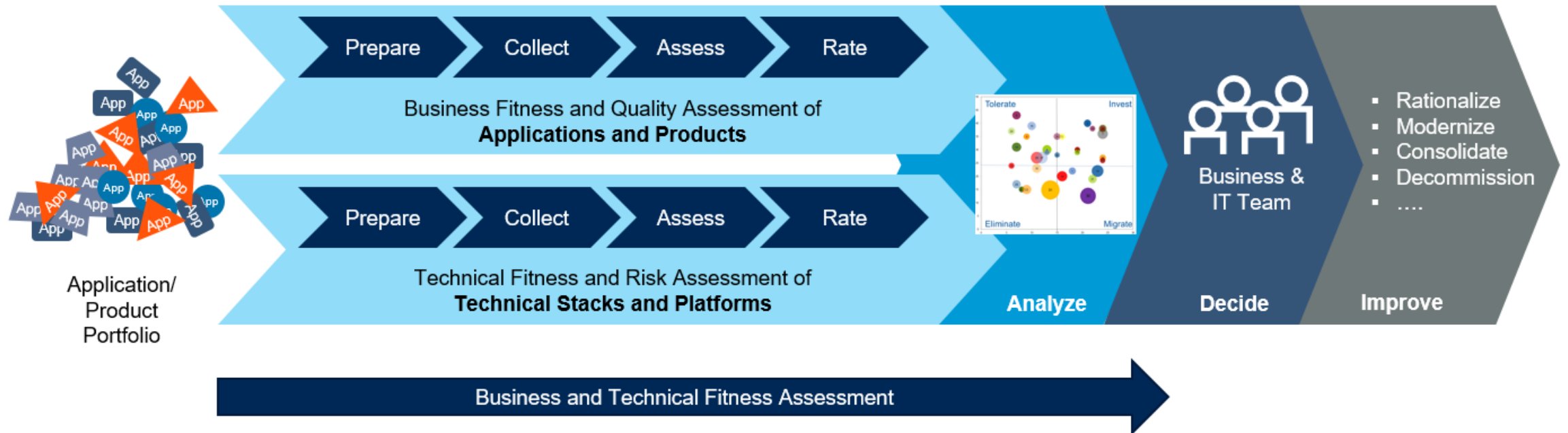
No single source of truth is available to support informed decision making

Flexibility and growth are compromised when applications cannot scale or adopt

A hidden and inefficient application portfolio is the root cause of pains like:

- Demand/Capacity Imbalance
- Overspending
- Security and Business Continuity Risk
- Delays in Delivery
- Barriers to Growth

Application Portfolio Management (APM)



- Get visibility into applications across the organization
- Drive corrections or enhancements to decision-makers
- Align delivery teams on priority
- Showcase the direction of applications to stakeholders

Boost Agility and Flexibility



Using Automation to Free Up Resources

Aim to augment processes and minimize repetitive, manual tasks so resources can focus on strategic initiatives that drive revenue

Don't try to just "replace staff"

Do use for innovation and experimentation

Find ways AI + automation can cut manual time-consuming process like reporting, security event correlation, and capacity planning



73% of IT leaders say automation success saves employees 11–50% of time they previously spent on manual tasks.*

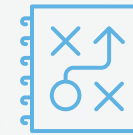
**Salesforce*

IT Skills Planning

Need to ensure you have the right people with the right skills in the right place

Ask yourself:

- What skills are needed to achieve organizational initiatives now and in the future?
- What is the hiring difficulty for those skills?
- What skills are needed in-house, and what can be outsourced?



Build a skills matrix, determine where gaps exist, and establish a training plan that will help fill them.



System Development Life Cycle (SDLC)

Framework that helps you navigate the challenging and complex process of project implementation with an aim to **avoid cost overruns and improve time-to-value**.

Have a clear view of the entire project, the personnel involved, staffing requirements, a defined timeline, and precise objectives to close each phase.

Provide verification, goals, and deliverables that meet design and deployment standards for each step of the project, developing extensive documentation throughout.

Base costs and staffing decisions on concrete information and need.

Provide engineers a measure of control through the iterative, phased approach, which usually begins with an analysis of costs and timelines.

Improve the quality and security of the final system with verification at each phase.



System Development Lifecycle (SDLC)

Budget Management	Budget Planning	Budget Formulation	Budget Execution			Budget Evaluation
Project Management	Stage 1: Project Initiation	Stage 2: Determine Business Solution	Stage 3: Prepare Project Plan	Stage 4: Design, Build, & Configure Solution	Stage 5: Stage & Implement	
System Development Lifecycle (IT)	Requirements Management					Transfer to Operations and Maintenance
	Project Initiation	Requirements Development	Solution Determination	Solution Development	Solution Implementation	
Enterprise Architecture	Architecture Impact Alignment		Architecture Design Alignment	Architecture Implement Alignment		
Security Architecture	Business Security Risk Assessment	Security Requirements	Security Architecture Review	Security Testing and Remediation	Secure Operations	
Business Alignment (Val IT)	Are we doing the rights things?		Are we doing them the right way?	Are we getting them done?	Are we getting the expected benefits?	



Effectively Track and Communicate IT Value



Changing How IT Communicates

Communication is essential to measurable business value yet is often undervalued and therefore not consistent or documented

(Sorry!) CIOs and IT leaders do not have a reputation as great communicators

Technical jargon \neq business language

Good communication requires connecting the dots between:

Technical Value

Version X will allow 78% more simultaneous interactions, while cutting unnecessary record loads by 51%.

Business Benefit

Version X will reduce costs by cutting the time required for order entry by an average of 8% and will enhance quality by ensuring that the data is updated correctly.

Shareholder Value

This investment will improve our bottom line because of lower costs in our back office and fewer customer returns due to incorrectly entered orders.

Improve Effectiveness of IT Communications

Don't focus solely on operational performance, **tell a business value story that links IT accomplishments** to business outcomes, like revenue or value creation.

First, determine what you want to accomplish and with whom- **Adopt a strategy for effective communications**, and consistently apply it before, during and after each interaction.

Hone communication skills for clarity and understanding by **refining a series of tips into daily habits**.

Aim to **provide the minimum amount of information** needed to get point across.

Ongoing Process for Effective Communications

- Define Success
- Identify Stakeholders
- Craft and Deliver Messages
- Measure Success
- Adjust as Required
- Repeat



**BETTER
BUSINESS
PERFORMANCE**



Tracking Performance with Defined KPIs

Essential KPIs that IT needs to report on and use to measure their performance

Operational Measures

- Project success rate
- SLA hit rate
- First contact resolution rate
- Tickets per period
- Staff retention rate
- Number of tasks automated

System Measures

- Total IT assets
- System availability/uptime
- Server availability/uptime
- Cloud utilization

Business

- OpEx and CapEx expenditures
- IT Cost per employee
- Digital Transformation Initiatives
- IT ROI and contribution to growth
- Office Productivity



There is no 'one' way IT can contribute to growth

- Find ways to use automation to cut time-consuming tasks
- Analyze the team you have with the team you need to achieve goals
- Apply SDLC to projects to avoid overspending and missing deadlines
- Align every IT investment to business objectives
- Plan for inflation and supply chain delays
- Take inventory of your apps and cut where you can
- Technical jargon \neq business language
- Tell stories that link IT accomplishments to business outcomes
- Don't Repeat. Optimize!



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