

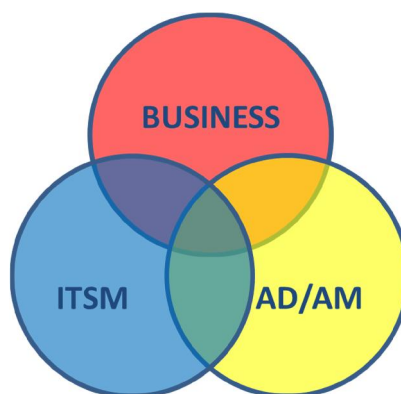


White Paper

ValOps

While organizations have used multidisciplinary approaches such as Agile and DevOps to improve the quality of, and speed with which, new functionality is developed and deployed, no value is actually realized until users use information and technology effectively and efficiently. Organizations lose on average 7.6% productivity due to IT issues and almost half of this is due to poor use. Organizations should therefore consider improving the collaboration between the business and IT in the area of information system use.

From a strategic IT point of view the question is – using a transport analogy – whether the IT Department is in the business of producing cars, or helping drivers to reach their destination.



Mark Smalley, 16 June 2014



Incommunicating vessels

Long gone are the days that IT was run by men in white coats who had an all-round understanding of the whole IT domain. Whether it was hardware, system software or applications, development or operations, they knew their stuff. Even the business seemed to be within their domain, in the sense that the business entrusted these clever 'boffins' with leading them in the new discipline of automating business processes.

But with the inevitable standardization - and more recent commoditization - of IT, the IT function has specialized into multiple silo's, often with poor collaboration between them. Whether we're talking about the internal IT department or external service providers, there is a multitude of seemingly autonomous yet intimately intertwined parties that have to be aligned in order to enable our increasingly complex information systems to work.

Agile

This in itself is hard enough, but to make it worse, the business needs IT to respond to change more rapidly than before. This has resulted in the uptake of multi-disciplinary initiatives such as the Agile movement, in which business and IT collaborate closely in developing releases of applications. In practicing Agile, people often apply the Scrum method, with a focus on producing software in Potentially Shippable Increments that are ready to be deployed. Deployment, however, seems to be out of scope of many Agile teams, resulting in a backlog of Potentially Shippable Increments waiting to be deployed by a traditionally bureaucratic IT operations department that is intent on minimizing disruption by a high-procedure approach. The Agile movement has a broader scope than Scrum, but this limited scope is often the case.

DevOps

The next step of the recent evolution of multi-disciplinary approaches is DevOps. DevOps is a portmanteau of *development* and *operations*. Just as Agile has facilitated closer collaboration between the business and development, DevOps does the same for development and IT operations



with a focus on both speeding up and improving the quality of the deployment process and in so doing, eliminating the backlog of Potentially Shippable Increments waiting for deployment. Strictly speaking, DevOps has a broader scope than just deployment and also encourages business involvement, but people often focus on realizing highly-automated continuous integration and deployment, which is challenging enough. This more limited scope of DevOps is often referred to as DevOps Lite.

Productivity loss

Organizations that have adopted Agile and DevOps have made great progress and achieved a potential competitive advantage if their business strategy depends on IT. But why 'potential'? Because until information systems are used, no value is actually realized. Organizations lose on average 7.6% productivity [ref: Twente] due to IT issues and almost half of this is due to poor use. Take a moment to reflect on your own business users. Do you believe that they could get more value out of investments in IT? Do you think that they really understand the data in the systems and are not making costly mistakes based on misinterpretation? Is anybody monitoring how well the information systems are being used and helping users proactively? This is unfortunately often not the case.

Is IT engaged?

So after improving development and deployment of application releases, the next step is to improve how information systems are actually used. Just as Agile has facilitated closer collaboration between the business and IT for development, and DevOps has done the same for development and IT operations, there's now a call to action to close the IT value circle by improving how IT operations (often referred to as IT service management) and the business collaborate. The key word here is *engaged*.



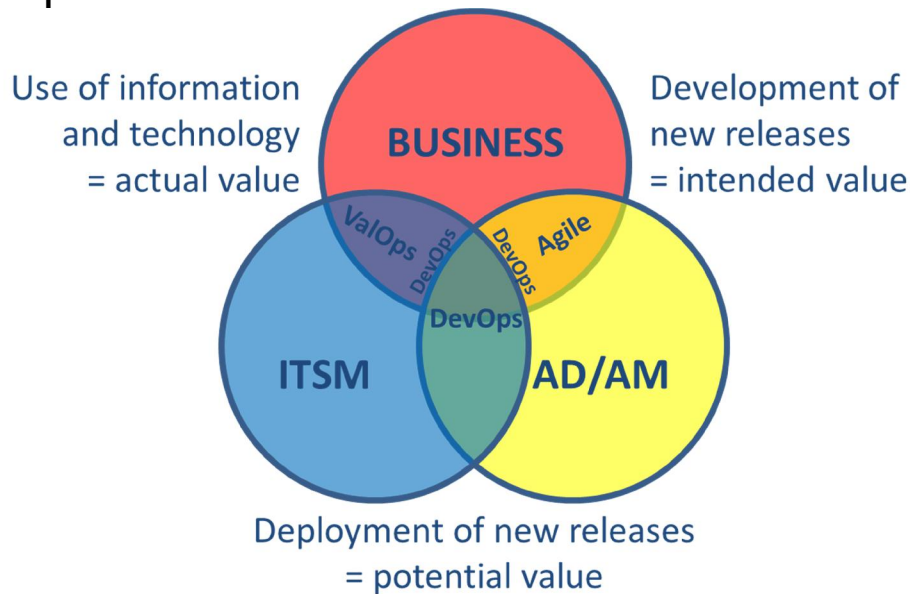
Business Information Management

IT Operations is often accused of being bureaucratic and slow, having poor understanding of the business and little to no empathy, even being the least preferred port of call when problems arise. The good news is that most IT operations functions are aware of this and are working on it. The business is also playing catch-up. Business people are increasingly IT-savvy but often lack the capabilities to discharge their responsibilities in an effective and consistent manner. Many organization have recognized this and are investing in improvement of what is often called Business Information Management.

In modern service-dominant thinking, the goods-dominant and often dysfunctionally polarizing demand-supply distinction between provider and consumer is eliminated and there is stronger mutual engagement until value is co-created. In the case of IT this happens when the users use the systems. The IT function should therefore be more strongly involved in the more business-related tasks – Business Information Management – which can be defined as:

- Decide how information and related technology can help the enterprise to survive and succeed
- Source the technology part from the IT function
- Organize the use of information and technology (manual procedures, authorizations)
- Ensure effective and efficient use of information and related technology

ValOps

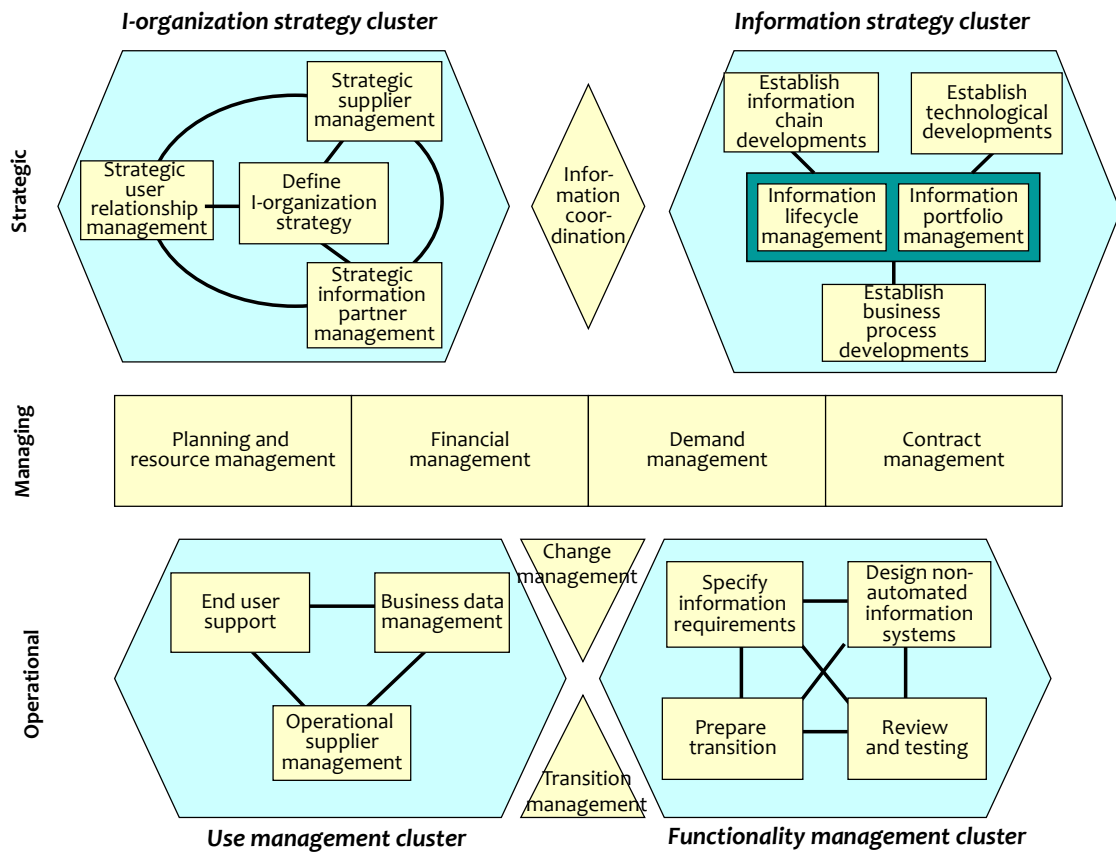


The areas of development, deployment and use are depicted in the illustration above, showing the involvement of the business, application development and IT service management. The simplicity of the illustration belies the broader potential scope of Agile and DevOps, merely showing the more limited application often encountered in practice. With respect to improving the effectiveness and efficiency of use of information systems, application of DevOps principles while executing Business Information Management activities, is most strongly encouraged. The term ValOps identifies the area where the business and the IT functional should work together to ensure that the users are getting the intended value out of the IT investments. Frameworks such as COBIT and, in more detail, BiSL, give guidance for Business Information Management, although this guidance should not be adopted with the traditionally segregated demand-supply paradigm in mind, but in closer collaboration between the business and IT operations.



BiSL

The Business Information Services Library [ref: BiSL] is a framework that details BIM in terms of activities, results and relationships, and clusters them into 23 processes.



The clusters Use management, Functionality management and Information strategy were briefly described in the preceding paragraphs. The four management processes (the horizontal layer) address management of planned activities and resources, costs and benefits, quality of information and the BIM function, and contracts with IT supply. The I-organization strategy cluster describes how the whole BIM function is organized and, to a degree, governed. A more detailed description is given below.



Operational level:

- Use management: supports the users in daily use of the information provisioning, provides operational control of the IT supplier and monitors the administration of operational data;
- Functionality management: designs and realizes changes in the information provision;
- Connecting processes: provides decision-making regarding changes in the information provision and deploy these in the user organization.

Managing level:

- These processes control the management tasks of maintenance and renewal processes (and connecting processes) from the point of view of planning, costs, needs and contracts. They form the connection between tactical and operational processes.

Strategic level:

- Information strategy: translates developments in the business processes, the environment and the technology into the future information provision;
- I-organization strategy: establishes communication and management in the decision-making process of information provision;
- Connecting process: realizes coordination between all parties and all plans in the sub areas of the information provision.

Regarding the way this guidance should be adopted in close collaboration between the business and IT operations, the main points are:

- Organize in 'ropes', not chains, mitigating the risk of one party being the weakest link [ref: Stofberg]
- Teach IT to talk to the business in terms of benefits, costs and risks
- Develop more business knowledge and business empathy in the IT function
- Work with process owners / service owners and proactive super duper users (actively observe and ask the users how they use their systems)
- Start introducing the Agile way of thinking outside the domain of software development, and include partners and suppliers
- Do not restrict the application of the DevOps philosophy to just Dev + Ops for release automation – it has a much broader scope.



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