

Organization and Service

WISDOM to work by:

1. *Organize your way to IT success.*
Organize around process, not technology.
2. *Organize with a service focus.*
The business does not care how it gets done or who does it as long as it gets done. Make sure it does.
3. *Embrace the plan, build, run approach!*
It works every time.
4. *Provide clarity.*
Define roles and responsibilities through a department charter.

A. Organization and Service Strategy

As defined in *IT is about the Strategy*, the third strategy that the SMB will need to embrace is the business process strategy. The focus of this strategy is to define the IT and business processes, align them, and improve upon them thereby improving the overall performance of IT and the SMB. Please refer to Appendix 7-1 for a pictorial view of this strategy.

The purpose of the organization and service component of the strategy is to organize IT with a process and service approach. This strategy will require IT management to make critical observations about the existing organization structure. In most cases the organization structure will show a lack of suitability for addressing and managing the major IT processes. The overriding strategy is the need to reorganize and realign around the identified IT processes. The strategic direction is the process based organization structure as depicted in Appendix 8-1.

B. Organization and Service Tactics

Strategy becomes execution by changing both the organization structure and the focus of the organization. The focus needs to be one of process and service not technology. I am certain that IT at this point in time is a technology based organization focused around the various technologies. IT has a server group, a network group, a telecom group and so on. Each technology group owns all of the processes surrounding their technologies. That is the problem.

The technology based organization is built around technology skill sets. In it one group is responsible for each technology. This structure works until the maintenance and support load gets so large that day-to-day support will begin to drastically suffer. When given a choice engineers will choose to do what they enjoy and not what the business needs. Engineers will work on new project after new project and stop picking up the phone once that new project is done. Questions, problems and support sink to the bottom of the “To Do” list. Is it any wonder that the organization is seen as non-responsive? Who wants to do support? The result is that nine out of ten of the IT interactions (read opportunities) to support the business go unresolved. This is critically wrong! This situation reveals the need to organize around process by creating distinct IT groups responsible for core processes like user interactions and user communications. That is why service desks were invented. The process of satisfying the user needs goes directly to the service desk. These and other organizational hindrances and obstructions can be resolved by a process and service based organization structure.

C. Organization and Service Tactics Execution

1. Introduction

The best organization structure will not make a weak IT organization successful and the worst organization structure will not keep a strong one from being so. Why then should an SMB change the IT organization structure? It is simple. The right structure makes it much easier for the IT organization to be successful. It does away with all the thrashing about and the roles and responsibility confusion that normally reigns. It removes the frustrations and barriers that good employees encounter each day in dealing with the business and the user community. Sure, good IT departments will find a way to work around the wrong organization structure and make it somehow work. Why put them through it? Why tie their hands? There is a solid workable organization structure that will assist your IT department in daily work and make life easier for them. It will also result in vastly improved service to the business and a solid reputation for responsiveness as well. The real question should be why the IT organization structure should not change. There is no good response to that.

2. The process based organization

The process based organization is the answer to the question of how IT should organize to best support the identified IT processes. Please refer again to Appendix 8-1 for a process based organization structure. Referencing each of the major overriding processes listed there we have the following:

- **Plan** - planning, budgeting, project management, process management
- **Build**
 - Infrastructure construction
 - Software applications (back office and customer facing) construction
- **Run** - systems administration, help desk level one support, computer operations, second level and field support.

Please refer to Appendix 9-1 for a process view of these responsibilities. The next step is to dissect these broad process categories into smaller categorizations. Hold a single group responsible for each process.

This structure will allow IT to define and document how they will deal with users, provide services, arbitrate priorities, communicate, manage projects, meet service level agreements, recruit the proper talent, build a knowledge base and implement technologies. IT management can now develop IT process responsibilities using the new model. The process based organization works. I have implemented it several times and it always solves a number of basic problems. It allows for process ownership, improves performance and provides distinct career paths. I will expound on this during the execution discussion.

3. Process planning

Before this exercise can begin IT management must plan the entire organization realignment exercise through to the end. Recognize that IT management is attempting to retool the entire IT department to provide clear roles and responsibilities with a focus on process. IT management must pull the management team together and work through all of the details and gain total acceptance. Even one naysayer can pull down and derail the entire effort. The department will have the most trouble with the IT technical management who still dabble in programming or technology solutions. These managers often resist change. If the business and IT management plans and executes properly they will succeed. It is critical to first recognize and acknowledge that IT cannot continue to function under a technology based organization structure.

I also strongly recommend a strategic exercise to build a department charter document for each of the six groups. The charter is a foundational directional document that defines what each department is all about. I find it best generated by a one day offsite meeting with the sole purpose of producing the charter. Please refer to Appendix 8-2 for an example of an entire department charter. The beauty of this approach is that it allows the department to start with a broad strategy and drive it down to a tactical level of detail. The charter can define specific roles and responsibilities as well as specific projects and deliverables. Include as many of the following sections as possible in the document:

- Guiding principles
- Mission
- Objectives
- Operating plan with projects
- Core processes
- Core processes mapped to functional responsibilities
- Work flow
- Roles and responsibilities
- Job descriptions
- Performance objectives
- Projects
- Activities

4. Process responsibilities

The new organization structure will be process driven. Please refer to Appendix 9-1 for a spreadsheet of process responsibilities in a process driven IT organization. These process responsibilities are detailed below.

a. Plan

The planning function is performed by the planning and project management department. This group is responsible for the strategy and the long range plans for the entire IT department. They set up standards and guidelines for planning and own the policies, procedures and standards. They execute and manage all projects as well as assist the business in training on simple repeatable project management processes. Process responsibilities include the following:

- Project identification
- Project compilation
- Project estimation (size and scope)
- Project management
- Project portfolio management
- Capital budgeting
- Project planning

b. Build

There are two distinct build groups. One builds the underlying infrastructure. The other builds or assembles the back office and customer facing software and application systems that run on it.

Architecture Engineering

This group provides cost effective technology solutions and third tier technology support. They are a consulting resource as well as a research and development resource. They build the infrastructure based on business requirements to support existing and future applications. They are proactive not reactive and strive to do it right the first time. Process responsibilities include the following:

- Develop infrastructure technology strategy
- Define and implement technology solutions
- Provide technology research and development
- Provide consulting services to the business (particularly sales)
- Provide infrastructure project management
- Provide third tier technology support

Software Engineering

This group is a service driven organization that acquires, constructs, and enhances the software and application technology solutions for the business. This includes both back office and customer facing applications. This group

acquires or builds the appropriate software solutions through the use of appropriate methodologies. They must use published standards in the area of coding, testing, selection, installation, documentation and user training. They are responsible for the following processes:

- Provide software acquisition
- Provide software construction
- Provide software enhancements
- Provide software project management
- Provide third tier software support
- Conduct software research and development

c. Run

The run group is really three distinct groups responsible for the day-to-day activities and support for the IT organization.

Computer Operations

This run group focuses on running the production processes and managing the computer components on a daily basis. Their mission is to schedule, run and monitor all aspects of the production computing environment. Some of these vary from business to business. This includes everything that the build groups build. Once the infrastructure and applications are installed, responsibility for these technologies are transferred to the computer operations group. They will insure all resources are directed toward the timely and accurate completion of all production tasks. This includes scheduling, availability, performance, documentation, procedures, results, quality assurance and process management. Process responsibilities include the following:

- Run installed infrastructure components
- Run installed application software components
- Manage any inputs and outputs
- Delivery of any produced products or services

Help Desk Tier One Support

This run group owns business user communication and tier one technology break/fix. It is a service driven organization that is basically the voice of IT. They provide primary service and support to the users of technology. This includes anything that the build groups build and anything that the run groups run. Once the infrastructure and applications are installed, responsibility for all communications and break/fix activities are transferred to this group. They must insure that all technologies are serviced and supported properly. Their primary mission is to properly manage user expectations and user relationships. Process responsibilities include the following:

- Maintain and manage user communication
- Manage technology break/fix
- Solve user problems where possible

- Coordinate problem resolution with other groups
- Coordinate the application of resources to problems
- Manage IT communication where applicable with customers

Systems Administration

This run group is responsible for system maintenance and system monitoring for the operating systems, layered products and infrastructure. They should also make system usage recommendations and control system administration. This includes partition usage and controls as well as job priorities and controls. This group is also responsible for systems security, maintenance and support agreements and contracts, infrastructure vendor relationships, infrastructure vendor management and assisting in vendor negotiations.

This group is responsible for maintaining and monitoring system performance including but not limited to daily performance monitoring, performance recommendations, and hardware upgrades such as storage allocation and usage. One very important responsibility also includes all components of disaster recovery including the data and system backup plan, system and data backup execution and execution of the Disaster Recovery Plan.

D. Organization and Process Personnel

I recommend IT leadership conduct a tactical exercise where existing IT personnel are evaluated and judged against specific performance criteria. Please refer to Appendix 8-3 for a sample skill set evaluation work sheet. The challenge here is that many of the skill sets required in the previous organization structure will not map easily into the new one. This organization structure requires specialization, a customer focus and a service vision that most immature IT organizations lack. On a department by department basis fill out the work sheets for every member. Try to map employees into the new organization structure where they can best contribute and have the highest chance of success. In some cases adjustments will have to be made. Some employees will lack appropriate skill sets or have improper attitudes for the new structure.