Transforming your Metrics Program with the right set of ‘Silver Bullets’
Introduction

Today’s organizations are competing in a fast-paced marketplace driven by new technologies, new avenues for business growth and new engagement experiences. Maintaining the balance between staying resilient and leveraging new developments is becoming a key challenge. To sustain and grow their business agility, they need to ensure Information Technology (IT) functions are agile and responsive to market changes. This calls for an effective metrics and measurement program.

Metrics programs that fail to add value in driving continual service improvement are unable to provide true insight into customer experiences. Thus, organizations are looking for robust metrics and measurement programs that can articulate accountability, monitor growth drivers, and track value-gains from IT solutions.

This article provides some industry experiences gained through various end-to-end engagements involving IT service management and operations, software product development, and IT governance practices. It draws out the leading success drivers of metrics programs across these domains to provide a list of best practices for organizations seeking to adopt a successful metrics program.

The Need for the Right Set of ‘Silver Bullets’

It is estimated that the average IT organization spends most of its IT budget on maintaining business-as-usual activities and a meager 20-30% on new initiatives. These figures indicate that a large portion useful operational data across the enterprise environment is left unused and is not leveraged to drive value. Further, several enterprises that have adopted standard approaches for metrics and measurement programs are finding that while they are generating more reports, they still lack data-driven insights for effective decision-making.

There are several reasons why such metrics programs fail to drive expected value, some of which are listed below:

• Lack of clarity on the need for a particular set of metrics
• Significantly large number of metrics
• Metrics are not aligned to business requirements
• Metrics are complex and cannot drive relevant outcomes

Enterprises seeking to drive higher value from their metrics programs need to adopt a customized approach that maps metrics to their business objectives and expectations. The diagram below illustrates major expectations from a typical Enterprise Metrics Program.
Build Organizational Strength with Ten ‘Silver Bullets’

Typically, industry best-practices are formed when an organization adopts a set of practices that mature and evolve over time to achieve desired results. Based on industry-wide analysis and evaluation, these strategic ‘Silver Bullets’ are recommended for organizations looking to streamline their strategy for adopting an effective global metrics program:

**Apply metrics from core to crust**: Organizations need to be aware that they cannot measure and manage employee and customer experiences separately. They should establish an end-to-end and integrated metrics framework for customer experience, business goals, operational enablers, and service delivery.

**Arrive at a single view of service value**: Organizations need to develop a single view of service value to enable regular measurements of individual service components. Establish a service map that maps out the key actors, resources and systems. Then design the performance metrics for the underpinning applications, processes, networks, and vendors.

**Let the business and IT functions build it together**: Organizations need to adopt an approach that involves business partners in the IT metrics program. Collaboration between these entities drives significant success in designing critical components. The Information Technology Infrastructure Library (ITIL) v3 ‘7 Step Improvement Method’ is a remarkable way to evaluate the business vision and mission before identifying key metrics to improve IT services.

**Strategize before the service goes live**: Metrics need to be defined during the service conceptualization and design phase. This can ensure that all major stakeholders build a service plan and agree on key service parameters including service metrics. This also ensures alignment between business goals and service objectives.

**Adopt a robust Enterprise Business Value Realization Methodology**: To communicate the value being delivered by various initiatives/Service Improvement Plans (SIPs), it is essential that the Key Performance Indicators (KPIs) being generated are translated into business value. Business Value Realization is a recommended and successful way of doing this, as shown below:

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Old trees have deep roots – Employee education: Organizations need to change the existing perception of metrics and educate employees about the business value and benefits of following an effective metrics program. To drive this, organizational leaders and peers should regularly update employees with new and positive metrics-related information.

Reusability – A quick weight gain pill: Most global organizations achieve excellence in some of their ongoing practices including metrics and measurements. They should leverage teams or associates that drive such excellence through commitment to quality and a fair understanding of metrics to ensure continual improvement of the metrics program.

Deploy the right platform enablers: It is important to empower the metrics management team and its contributors with the requisite IT resources and platforms. These include reporting and analytics products for dashboards, e-learning, knowledge management tools, best-practice repository for reuse, digital collaboration tools, data warehousing platforms, etc.

Adapt metrics to suit the latest technological advancements: New technologies such as Cloud Computing and XaaS have made it imperative for service management teams to consistently identify newer metrics that can track growth driven by new technology. Some examples for such metrics are the number of unused Software-as-a-Service (SaaS) licenses, percentage of service down due to unavailability of XaaS platform, etc.

Don’t stop, you have a moving target: The fast-paced nature of today’s economy creates several factors that result in quick and unprecedented changes around business and IT strategy, resource landscape, competition and technological platforms. Metrics program owners need to consistently track these moving targets if they are to continue delivering value.
Benefits of the 'Silver Bullet' Approach

Organizations that adopt the above practices, or ‘Silver Bullets’, to transform their metrics programs are able to deliver positive outcomes for their IT services delivery. This approach provides proven benefits such as:

- Enhanced control over the metrics program and increased understanding of the performance and effectiveness of IT services
- Better business value articulation as the approach is more business relevant compared to traditional metrics programs
- Increased efficiencies and readiness for continual improvement that translates into successful rollout of new or improved services
- Assists in proactive management strategy to objectively identify potential problems and risks
A Success Story

Infosys has helped a US-based Fortune 100 financial services organization to streamline its architecture governance using a metrics-based approach. The client was grappling with a system that could only focus on tactical activities around data collection for various architecture governance activities. The existing system was unable to adequately track activities that would ensure organizational adherence to the reference architecture.

Infosys conducted an architecture governance framework design exercise to define key governance services using metrics/ KPIs and related roles and responsibilities. By leveraging the Silver Bullets approach along with specific industry best-practices such as The Open Group Architecture Framework (TOGAF), Control Objectives for Information and Related Technology (COBIT), ITIL v3 and Organizational Project Management Maturity Model (OPM3), Infosys was able to deliver a robust metrics framework with KPI objectives that could:

- Measure efficiency and effectiveness
- Ensure availability
- Assure consistent end-user experience
- Regularly incorporate the voice of the customer
- Enable strategic alignment
- Facilitate risk management
- Ensure internal workforce enablement
Conclusion
Organizations seeking to ensure business agility in their IT service suite need to focus on adopting an effective approach for their metrics and measurement programs that can identify relevant Key Performance Indicators (KPIs) that track value and provide data-driven insights. The ‘Silver Bullets’ approach presents a unique combination of industry best-practices that can transform metrics programs to deliver true business value. By mapping metrics and Key Performance Indicators (KPIs) to business goals, this approach provides an end-to-end solution that leverages critical accelerators, thereby enabling successful implementation of IT metrics programs.

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