The Definitive Guide to BizOps

Meeting the Digital Transformation Imperative Through 2021 and Beyond

Why BizOps is Essential

As enterprise leaders look to pursue their digital transformation initiatives, they're finding that their legacy approaches and technologies are impeding progress and diminishing results. To pursue digital transformation and win in their markets, organizations will increasingly need to embrace a new framework for decision making called BizOps. In this definitive guide, we examine why BizOps is so critical for today's enterprises, and we reveal the essential requirements needed to make BizOps a reality.

Digital Transformation and the Need for Agility

For virtually every business in any market, digital transformation is emerging as an increasingly urgent imperative. Worldwide, 79 percent of organizations are engaged in digital transformation, and about half (45 percent) of transformations represent a response to an imminent market threat.[1] Not surprisingly, given the widespread, strategic nature of this focus, spending is also significant. IDC estimates that by 2023, spending on digital transformation is forecast to reach $2.3 trillion, and account for 53 percent of total IT spending.[2]

While the phrase "digital transformation" may imply a process with a beginning, middle, and end, the reality is that this transformation is a journey, and it's one that isn't ever complete. In this journey, change is the constant and speed is the overriding imperative. However, the reality is that traditional technologies and approaches are stifling organizational agility today. Too many organizations are trying to play catchup, and losing ground.

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The Intensifying Challenges

As enterprise leaders look to pursue their IT and business objectives, they are being stymied by their organizations' existing tools and approaches.

Tools Leave Teams Poorly Equipped

Designed years and even decades ago, siloed tools and technologies aren't aligned with current realities. Today's environments are characterized by proliferating cloud services, containers and microservices, and orchestration systems. Environments continue to grow increasingly ephemeral, dynamic, and complex.

Given the rate and scope of change, the approaches and tools that worked even a few years ago are increasingly falling short. As the need for agility continues to grow more urgent, these shortcomings can soon become insurmountable impediments—if they haven't done so already.

Teams Lack Purpose

When teams operate in silos, morale suffers. Employees are motivated by seeing that their work makes a difference and knowing that they're contributing to the company's objectives and success. This is especially true for GenZ employees, who, by 2021, will represent 20 percent of the corporate workforce.[3] However, too many employees don't feel that drive or connection. In fact, nearly 85% of employees worldwide are still not engaged or are actively disengaged at work.[4] This negativity has an impact not only on the productivity of these employees, but on the experiences and perceptions of co-workers and customers and ultimately on the performance of the business.

The Intensifying Challenges (continued)

Transformations Prone to Fail

Every day, $5 billion is wasted due to the poor implementation of strategy.[5] While waste has always been a problem, as teams seek to ramp up their agility, it's downright disastrous.

Change of any kind can be difficult, and that is especially true for change on the scale of enterprise-wide digital transformation. One report found that 70 percent of transformations fail.[6]

While the causes for these failure rates vary, one critical problem is that initiatives are plagued by silos. These silos have long been a challenge, but this challenge continues to be compounded as new technologies and layers continue to be introduced, and more tools get added.

DevOps Approaches Fall Short

While DevOps has been widely deployed in large part to help promote agility, the numbers here are also not promising. Three-quarters of DevOps initiatives will fail to fully meet expectations.[7]

While DevOps represents an important step in the transformation journey, it's not the destination. One of the key limitations is that DevOps approaches don't fully connect technology investments to business outcomes. Ultimately, while DevOps can help teams deliver faster, it doesn't help ensure that teams are delivering the right things.

This is where BizOps comes in.

The Imperative: Adopting BizOps

To meet their organization's agility imperative, decision makers are realizing the need to employ novel approaches. Here's how one IDC analyst described this phenomenon:

> "Digital disruption moves too rapidly and unpredictably for traditional organizational structures and models—they simply can't adapt and respond quickly enough."[8]

In pursuing digital transformation, it's not just structures that need to change; decision making approaches need to be transformed as well. Enterprises can't rely solely on decision makers' gut instinct, intuition, and guesswork. Decision making needs to be objective, fast, and data driven.

Toward that end, many leaders are moving to embrace the concept of BizOps, a strategic approach for focusing IT on business enablement. As IDC analysts explain, BizOps is "a data-driven decision-support mechanism that connects business and technology functions together to drive business outcomes."[9] Through BizOps, teams can boost:

- **Transparency**. Gain a new level of context that spans the silos of the past, enabling unparalleled levels of cross-team visibility and collaboration.
- **Traction**. Align technology efforts and investments around strategic business outcomes—so you can deliver better results, faster.
- **Trust**. Establish a track record of success in supporting strategic initiatives, fueling new levels of trust between the business and IT.

The Power of BizOps

Transparency

Traction

Trust

Keys to Maximizing the Power of BizOps

Establish an AI-driven Decision-making Approach

To keep pace, automation and AI are becoming critical, and that is true not just for operations but for decision making as well. Too often, AI is taken to imply that machines will replace humans. However, what you need is a hybrid approach in which AI helps humans make better decisions and, in some cases, automates them. The concept of data-driven decision making isn't new. What's new is that with BizOps you can establish a decision-making model that combines the power of AI and human judgement. By leveraging both AI and human intelligence, your teams can make better decisions than using either one alone.

Connect IT Outputs to Business Outcomes

Traditional IT outputs are inward facing. These outputs are focused on IT's performance in terms of execution, not business outcomes. Uptime, database availability, release cycles, defect rates—these are all things that IT teams measure and view as important. The problem is that these technology outputs don't connect to business outcomes like conversion rates, sales per hour or revenue per customer. By leveraging BizOps, teams can eliminate these gaps.

Give Your Teams Purpose

As you link IT outputs to business outcomes, you benefit by giving your IT teams more purpose. This sense of purpose drives engagement and engaged employees make better decisions and ultimately produce better business outcomes. By employing a BizOps approach, you can institute a cultural change that ultimately boosts business outcomes by up to 9%.[10]

The Technology Requirements for BizOps Success

Successfully adopting BizOps requires new approaches, talent, and workflows. In addition, the ultimate success of BizOps is contingent upon the technologies teams have in place. To fuel successful BizOps initiatives, teams need a software intelligence platform that offers the following key characteristics.

Open, Vendor-agnostic Platform

Today, teams need a software intelligence platform that offers the broadest implementation flexibility, providing deep integration with a suite of solutions and extensive options for interoperability with third-party technologies. Software intelligence platforms should offer the flexibility of open source technologies, and provide extensibility to both enable and accommodate innovative new applications, technologies, and business models. Look for a platform that can correlate and analyze comprehensive data sets, leveraging data on topology, network flow, user journeys, transactions, time-series, and more.

Artificial Intelligence (AI) and Machine Learning

To operate with the speed and intelligence required, AI and machine learning are essential. With advanced AI and machine learning algorithms, advanced platforms enable teams to leverage comprehensive data sets to better track, understand, and predict changes, both in IT operations and the business. Look for algorithms that have been proven to scale to support the largest enterprises.

Intelligent Automation

To establish operational efficiency while keeping pace with rapidly changing IT and business environments, teams need to establish end-to-end automation across complex workflows and multiple domains. For example, software intelligence platforms should be able to automatically trigger proactive execution of remediation scripts, and the automated updating of tickets to reflect the steps taken—all before users ever notice there's an issue.

Alignment with Modern Hybrid Cloud Realities

Today, your environments are characterized by a mix of the legacy and the modern, distributed and mainframe, on-premises and third-party hosted, private cloud and public cloud. Tomorrow, it's a safe bet that your environments will only be more diverse. Look for platforms that support your entire digital delivery chain, from mobile to mainframe, and all points in between. It's also important to choose a technology platform that offers maximum security and flexibility, featuring support for hybrid cloud deployment and a range of data configurations.

BizOps in Practice

Financial Services

For an established nationwide retail bank, delivering quality customer interactions was critical, but so too was the need to guard against data breaches and privacy leaks, and all their negative repercussions. By leveraging an advanced software intelligence platform, the organization was able to employ behavioral analytics and machine learning to gain much more real-time intelligence for distinguishing between fraudulent and legitimate interactions— and to automate processes based on this intelligence. Consequently, they were able to take these insights to respond in real-time in order to block would-be criminals, while better ensuring legitimate users are able to quickly get connected to the data and services they need.

Healthcare

For a regional healthcare network in the Northeastern US, improving patient outcomes while managing costs was a critical mandate. To make progress against these objectives, executives needed to close the loop between how investments in staff and technologies were actually affecting the quality of care. By adopting BizOps approaches and a software intelligence platform, the organization was able to blend data from across the organization, including facilities, patient diagnostics, and administration to gain improved insights into patient journeys. With these insights, executives have been able to improve both treatment plans and investment roadmaps.

Telecommunications

In the competitive telecommunications sector, delivering continuously optimized customer experiences is a vital imperative. By leveraging a BizOps approach, the team at a large European telecommunications firm was able to monitor the customer experience, both in their in-store kiosks and online. By connecting real-time interaction intelligence with business outcomes, they were more able to precisely identify where customers were likely to encounter roadblocks in their journeys, and remediate them. Through these efforts, the organization has realized improved customer experiences and increased in-store and online sales.

How We Can Help

Despite the statistics outlined earlier in this paper, the reality is that digital transformations can succeed. We know because we've helped some of the world's largest organizations establish digital businesses that scale.

Digital BizOps, powered by Automation.ai, combines business, development, and operations data to generate actionable insights, helping our customers effectively pursue their BizOps initiatives. This platform leverages AI and machine learning to analyze, correlate, and connect business and IT data across domains, creating an unprecedented degree of transparency and visibility across the organization. With the solution, teams can better connect employees to the business' purpose and establish continuous improvement in the business outcomes of digital initiatives.

To learn more, visit us at broadcom.com/bizops.

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Endnotes

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