IT Quarterly

Third Quarter 2014

A Journal for CIOs and Their Leadership Teams

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WHAT THE BEST COMPANIES DO

IT Quarterly

A Journal for CIOs and
Their Leadership Teams

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The Missing Ingredients in IT Budgeting

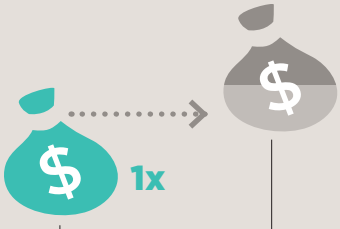
Business leaders have set aggressive 20% improvement targets for productivity, but IT is not delivering.

1. Organizations want to improve employee productivity, but their efforts haven't paid off.

2. For every dollar CIOs spend on technology, business partners spend up to another 40 cents.

39%

Of Employees Believe IT Makes Them Fully Productive



0.2x-0.4x

The average CIO estimate of business-led IT is 0.2x of the IT budget, but CEB benchmarking finds an additional 0.2x.

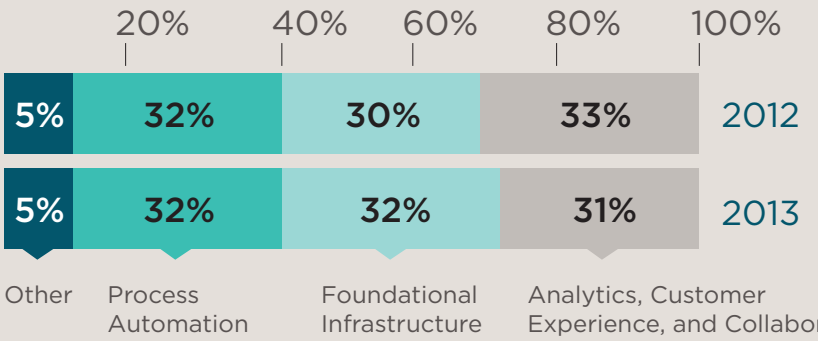
IT Trend Watch

CIO 360: What You Need to Know

Spotlight on Metrics

Feature

3. IT investments in the capabilities that most drive employee productivity declined in 2013.



Preparing for 2015

IT has a significant opportunity to take advantage of greater business-led technology spending by partnering with the enterprise on business-led IT.

Many organizations benchmark against a small number of financial metrics from within their own industry to identify new investment opportunities, **but this narrow focus misses out on critical trends** and big bets that could improve performance.

4. It's time to rethink your IT budgeting processes.

Expand Your Points of Comparison

Business strategy and information intensity have a stronger impact on IT expenditure than industry, revenue, region, or sourcing strategy have.

Benchmark Against Business Objectives

Prioritize the right strategic investment areas by analyzing nonobvious information sources such as senior executives' performance goals.

Build Flexibility into Your Plan

Design multiple spending scenarios with predefined triggers to prepare IT for changes in funding allocation or demand.

Source: CEB 2013–2014 IT Budget Benchmarking Service.

Top 5 Questions CIOs Are Asking Us

Strategic Planning

Less than 23% of business partners rate IT's strategy and planning efforts as effective. IT leaders need to make IT strategic planning processes relevant to diverse stakeholders by focusing on three Cs: Context, Creativity, and Cascade.

1. My peers in the rest of the business don't think IT contributes enough to the organization's goals. How can I increase their confidence in our IT strategic plans?

2. Even though we track technology trends, we struggle to keep up with changes in the business environment. How can I keep IT's strategy relevant to evolving business objectives?

3. We tend to take on too many continuous improvement efforts at once, and inevitably all initiatives suffer. How do I target the right places to invest?

4. While conducting postmortems of IT initiatives with my team, I often come across ideas for how we could have done things better. How can I build these ideas into the IT strategy before we execute?

5. In my conversations with senior leaders within and outside IT, I realize that they often struggle to convey the IT strategy. How can I communicate the IT strategy in a way that truly sticks?

What's In	What's Out	Take Action[1]
Place IT strategy in the context of business goals by seeking early involvement in business strategy discussions and translating business strategy into critical IT capabilities.	Avoid designing IT strategy plans in a vacuum, independent of business priorities or the wider business context.	Align IT with business strategy. ■ Review A Handbook for Effective IT Strategic Planning: Volume 1. *(CEB CIO Leadership Council)* ■ Review our case study on the Strategic Objectives Heat Map. *(CEB CIO Leadership Council)*
Build agility into IT strategic planning by recording and monitoring critical assumptions and establishing trigger points for off-cycle strategy reviews.	Treating strategic planning as an annual, static process impedes IT's ability to flex to uncertainty and volatile market conditions.	Uncover internal and external drivers of business strategy. ■ Review our case study on Generating Insight Through Action. *(CEB CIO Leadership Council)* ■ Review our case study on Trigger-Based Strategic Formulation. *(CEB CIO Leadership Council)*
Gain objective insight on your department's strengths and weaknesses to identify the most urgent areas for improvement using peer-tested standards from progressive IT organizations.	Taking on too many areas for improvement without objective measures to help you prioritize can spread resources thin and limit advancement of the initiatives that matter most.	Identify critical maturity gaps and prioritize areas for improvement. ■ Participate in CEB's IT Functional Maturity Diagnostic.
Build strategic thinking capabilities in high-potential employees to expand the universe of people involved in strategy development and to bring fresh perspectives to the table.	Relying on a limited number of decision makers without seeking input from a wide variety of sources can bias strategic decision making toward past beliefs and actions.	Involve high-potential managers in strategic issues early in their careers. ■ Review Shadow Cabinet. *(CEB CIO Leadership Council)* ■ Test new perspectives using Prediction Markets. *(CEB CIO Leadership Council)*
Create a clear and concise statement that captures the essence of the strategy and includes a limited number of themes and elements.	Creating a detailed, multi-page, and technology-centric IT strategic plan can overwhelm the audience, preventing them from understanding and internalizing critical components.	Communicate IT strategy to business partners clearly and concisely. ■ Use our Strategy on Page. ■ *(CEB CIO Leadership Council)* ■ Use our IT Strategic Plan Template. *(CEB CIO Leadership Council)*

[1] Access to these resources is available only to members of each program. Please contact your CEB account manager or e-mail IT.Support@executiveboard.com if you would like to learn more about this content.

The IT Scorecard Disconnect

How Metrics Can Derail Your Strategy

By **Andrew Horne**

We're all familiar with the phrase "what gets measured gets done," but what if we're measuring the wrong things?

This question is important to consider as IT leaders embark on strategic planning for 2015. A strategic plan is only valuable when well executed, but at many companies, the metrics tracked on the IT scorecard actively work against effective strategy execution. There are three reasons for this:

- **IT scorecards are too balanced.** Conventional wisdom holds that scorecards should be balanced and include metrics that track all major elements of IT management. But IT strategies aren't balanced; in fact, they're meant to do the opposite:

Figure 1: Unbalancing the IT Scorecard

Common Metrics Approach
Balanced Scorecard

Strategic Initiatives	Operational Excellence
Project Performance	Talent
Financial Performance	Information Security

- ✔ Gives equal weight to each aspect of functional performance
- ✔ Helps establish a performance baseline
- ✔ Builds credibility about performance
- ✔ Promotes experience with metrics

Mature Metrics Approach
Value- and Risk-Based Scorecard

- ✔ Evolves metrics selection as importance of value and risk demonstration increases
- ✔ Highlights enablement projects that matter to business partners
- ✔ Targets new areas where challenges are most likely to occur
- ✔ Promotes areas where IT can demonstrate business value creation

Source: CEB analysis.

prioritize a handful of objectives that need disproportionate attention and resources. The IT scorecard should be similarly unbalanced to support successful strategy execution. On an unbalanced scorecard, most metrics should align directly with strategic goals, and only a few should track foundational activities that don't change year to year (Figure 1).

- **IT scorecards measure the wrong outcomes.** Elsewhere in this edition of *IT Quarterly,* we discuss metrics for project management and infrastructure. Both articles stress that measuring business outcomes—and the activities required to realize those outcomes—is much more important than measuring operational performance. The most important business outcomes to measure are those identified as priorities in the IT strategy.

- **IT scorecards can misshape IT employee perceptions.** The metrics you choose to include on the IT scorecard send a message to your IT employees and stakeholders about what is important to IT. In our unique analysis of what drives a climate of openness in IT, we found that employees hear these messages loud and clear. In organizations with a healthy climate of openness, employees are risk tolerant, collaborative, and adaptive. The same behaviors are deterred if the IT scorecard focuses on measures of operational and project health. Instead, the scorecard should highlight metrics related to speed, business impact, and talent development.

Metrics at the Heart of Strategy

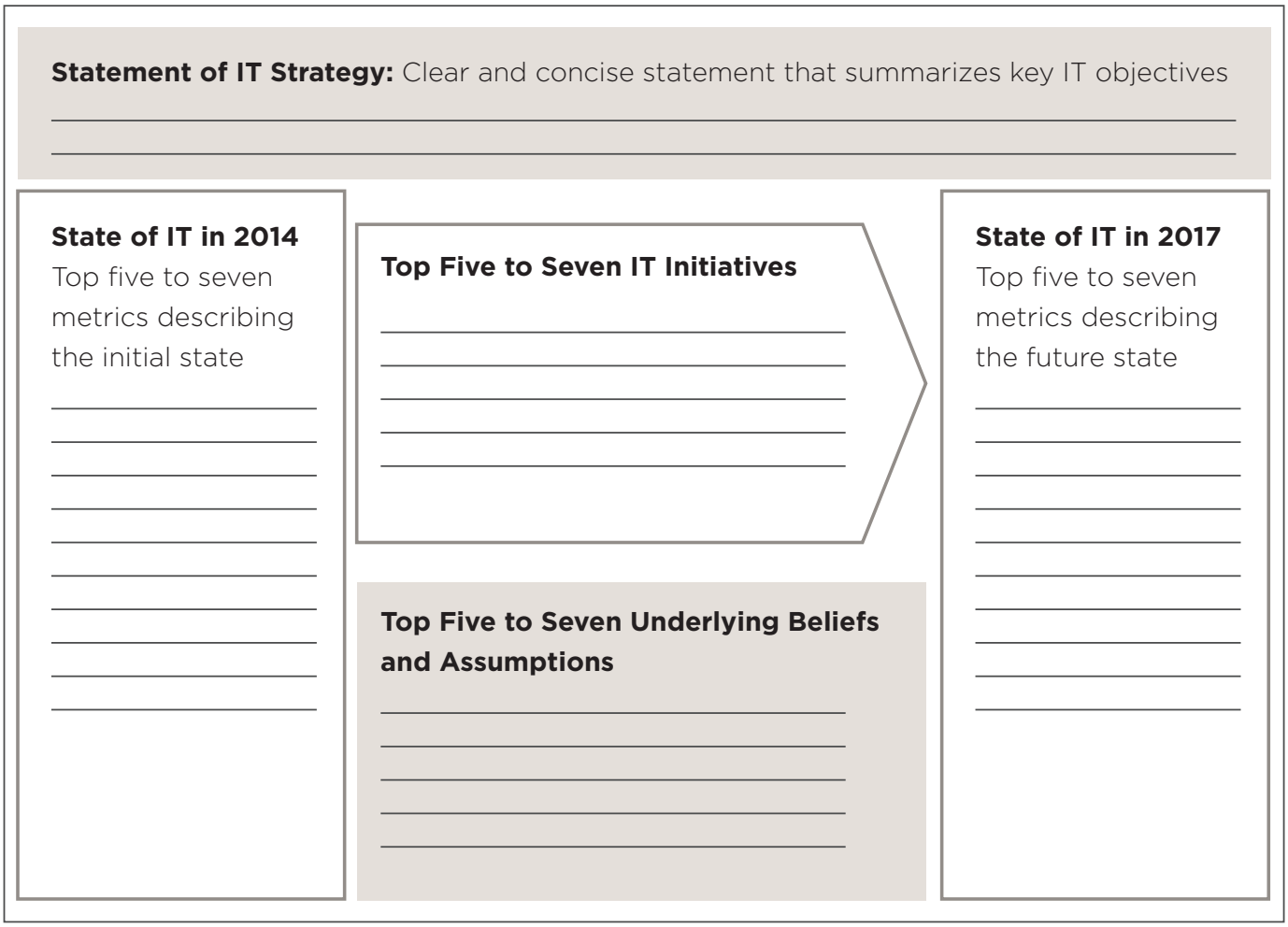
Although poorly chosen and out-of-date metrics can derail an IT strategy, well-chosen and regularly refreshed metrics provide an effective way to communicate

IT's strategic direction. In fact, CEB's popular template for an IT strategy on a page is based on a short list of metrics (Figure 2). These metrics illustrate IT's strategic direction by showing the current and future state of each metric on either side of the page. In between, we identify the initiatives that will take IT from one side to the other.

Seven Metrics That Measure Common Themes in 2015 IT Strategies

As you build next year's scorecard to measure and communicate progress against your own IT strategies, keep in mind the following seven metrics that reflect common strategic trends for 2015:

Figure 2: IT Strategy on a Page



CEB's customizable, one-page template for an IT strategy on a page helps communicate a clear, concise, and measurable strategy that clarifies the IT organization's current state, its future direction, and the path it will take.

Use this template to:

- Communicate a memorable IT strategy to execution teams and
- Build buy-in from business partners for IT strategy without the need to go into specific, and often unnecessary, plan details

Review our Strategy on a Page.

Source: CEB analysis.

1. **Business-Led IT Spending as a Percentage of Total IT Spending—** Our 2013 budget benchmark data found that companies spend up to 40% more on technology on top of the official IT budget, and that CIOs underestimate this spending by up to half. The purpose of measuring business-led IT spending should not be to launch a crackdown but rather to encourage and guide the spending to increase overall returns. This metric also is a good indicator of how serious the organization is about digitization. Chances are that the functions and business lines with the highest business-led spending are those with the most aggressive approach toward digitizing their operations and products. Conversely, low business-led IT spending signals that the importance of digitization hasn't sunk in.

2. **Percentage of IT Investment Dedicated to Employee Productivity—**On average, companies spend the same amount on technology that enables employee productivity as they do on technology that automates processes. But mature organizations now have far more opportunities to create value by boosting employee productivity. This means IT should shift spending toward employee productivity tools such as analytics, collaboration, and mobility. One way to accelerate this shift is to establish and track spending targets. Some organizations that have already taken this step now devote twice as much money to employee productivity as they do to automation.

3. **Percentage of Business Employees Who Are Network Performers and Informed Skeptics—**At first glance, these metrics have little to do with IT, but as organizations spend more on collaboration and analytic tools, it becomes more important for employees to know how to collaborate and use data to make decisions. Network performers are employees who create value by helping others and being helped by others. Informed skeptics are employees who have the skills and judgment to know when to trust data and when to reject it. In the average organization, only 20% of employees are strong network performers, and only 38% are informed skeptics. These low numbers are warning signs that investments in analytics and collaboration are likely to underperform.

4. **Percentage of Investment Spent on Top Business Capabilities—**Business capabilities offer another way to ensure IT investments are well spent. They are the activities that the business must undertake to meet its goals, so most of the IT capital budget should be spent on enabling the most important capabilities.

5. **Percentage of Staff Who Have the 12 Competencies Needed for Success in IT—**All IT strategies and all IT scorecards should have a talent component. We estimate that the strategies pursued by most CIOs will

result in 97% of IT roles undergoing changes in the next few years. In most cases, those changes will also mean a change in competencies. We have identified 12 competencies that all IT staff need, including analytic ability, communication, creativity, and influence. Tracking the number of IT employees with these competencies is a good indicator of IT's readiness to meet its strategic goals.

6. **Percentage of Projects with Risk Decisions Owned by Business Leaders**—Risk and security are other areas that will likely get more attention on an unbalanced scorecard. As business leaders make more decisions related to IT, they must take more responsibility for the risks. Keeping track of which projects require business leaders taking ownership of risk decisions will help identify where this transition is—and is not—occurring.

7. **Percentage of IT Services with High Market Share**—IT transformation is another common strategic goal. Often, the transformation involves moving IT to a service-based model. The market share metrics compare actual with potential consumption (in terms of number of users or percentage of functionality used) of a specific service or portfolio of services. It is a good measure of service effectiveness and a proxy for the value created by the service.

As we enter the strategic planning season, organizations should ensure that their planning process includes time for metrics selection. By selecting the metrics above, as well as others like them, IT leaders can use their scorecards to further their strategic goals, or else they will find their scorecards and strategies in conflict.

Take Action[1]

- Unbalance your IT scorecard. | The Unbalanced Scorecard study *(CEB CIO Leadership Council)*
- Use metrics to define an IT strategy on a single page. | Strategy on a Page template *(CEB CIO Leadership Council)*
- Track and manage your new metrics. | IT Scorecard Builder *(CEB CIO Leadership Council)*
- Collect IT budget and performance data. | CIO Diagnostics Suite *(CEB CIO Leadership Council)*
- Select metrics that promote a climate of openness in IT. | Building a Climate of Openness study *(CEB CIO Leadership Council)*

[1] Access to these resources is available only to members of each program. Please contact your CEB account manager or e-mail IT.Support@executiveboard.com if you would like to learn more about this content.

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Update Your Metrics to Ensure Successful Strategic Project Delivery

By **Matt McWha**

As organizations plan for 2015, they are building queues of projects to drive down costs, expand enterprise capabilities, and grow competitive advantage. But the sad fact is that most of these projects won't deliver the strategic outcomes organizations need.

Even projects that are delivered within 10% of estimated time and budget only attain on average 53% of their expected business outcomes. Worse, one in five projects will fail outright, potentially crippling the strategies they support.

A major cause of the disconnect between completion and success of strategic projects is that most PMOs still rely on the same old metrics as a proxy for success: operational measures such as on-time and on-budget, and stakeholder satisfaction.

A smaller percentage of PMOs are attempting to track project business benefits. Reporting on project status helps project sponsors and managers make project-level course corrections, and reporting on project business outcomes helps portfolio decision makers make more informed future portfolio allocation and prioritization decisions. However, the vast majority, if not all, of these metrics only somewhat help PMOs make decisions about how they can better support the organization's key strategic initiatives. So there's a missing piece in the PMO performance management puzzle: metrics that fill the gap between upstream decisions about how the portfolio is structured, and post-project reviews of benefits capture.

The Next Generation PMO Dashboard: Environmental Value Metrics

We went in search of these missing metrics, considering only those that met three criteria:

- Clearly link PMO activities to project business outcomes.
- Focus on things that are controllable, or at least heavily influenced, by the PMO.
- Be leading, rather than lagging, measures (i.e., must allow forward-looking decisions, rather than simply summarizing performance after the fact).

This screening process yielded 13 metrics that PMOs should use to enable the

Figure 1: CEB's Environmental Value Metrics Dashboard

Metric	Description
1. Prevalence of Entrepreneurial Project Managers	Tracks the depth of project manager entrepreneurial skills as a proxy for ability to deliver project business outcomes
2. Project Manager Time Spent on High-Value Tasks	Tracks the effectiveness of project manager time allocation to drive down project manager administrative work
3. Critical Projects Managed by Entrepreneurial Project Managers	Tracks the percentage of critical projects managed by Entrepreneurial project managers to inform project manager allocation
4. Sponsor Engagement	Tracks the level of sponsor engagement to ensure project manager–sponsor alignment
5. Portfolio Change Load	Tracks the level of change that will affect end users to enable project sequencing decisions
6. Total Cost of Project Management	Tracks the cost of project management to help identify inefficiencies
7. Business Case Approval Rate	Tracks the number of completed business cases that become approved projects
8. Resource Bottleneck Visibility	Tracks the preemptive identification of resource constraints to enable project resequencing, contractor sourcing, or skills building
9. High-Risk "Driver" Projects	Tracks the level of interdependency in the portfolio to enable focus on projects with portfolio-wide impact
10. Methodology Flexibility	Tracks the flexibility of the methodology to empower PMs to exercise their judgment
11. Project Team Utilization	Tracks over- or under-utilization of project resources to ensure productivity while avoiding burnout
12. Project Team Stability	Tracks the level of churn in project teams to encourage cohesiveness
13. Project Team Experience	Tracks project team members' prior experience working together to inform resource allocation decisions

Source: CEB analysis.

regular, rapid delivery of project business outcomes. And although they don't directly measure the business outcomes of projects, these **Environmental Value Metrics** can provide PMO leaders with useful guidance on targeting the PMO's time, effort, and resources to meet the organization's strategic goals (Figure 1).

For example, early business sponsor engagement can boost project business outcomes by as much as 32%. By regularly tracking sponsor engagement, PMOs can identify opportunities for improved sponsor onboarding and stakeholder management training for PMs, both of which will increase the likelihood of engaged sponsors. Similarly, tracking the number of high-risk "driver" projects—those that a significant number of other projects are depending on—helps PMOs proactively manage the risks of projects with the potential to derail the entire portfolio.

Building the Next Generation PMO Dashboard

The 13 Environmental Value Metrics provide the basis for a next generation dashboard that helps PMOs more effectively allocate their time and resources to serve the organization's strategy. Unfortunately, only one-quarter of PMOs currently track **any** of the 13 Environmental Value Metrics. That's because while each of the metrics makes sense in isolation, adding over a dozen new metrics to an already overstuffed PMO dashboard just isn't practical.

To successfully implement Environmental Value Metrics, follow four key steps:

1. **Build the handful of key capabilities necessary to measure them.** A small number of foundational measurement processes capture the information that feeds into Environmental Value Metrics. These include the ability to:

   - Track project team time at the activity level (e.g., the number of hours that a project manager spends on project status reporting, stage gate deliverable creation, or PPM tool data entry);
   - Assess the Entrepreneurial skills of project managers, including the ability to partner with stakeholders, learning agility, judgment, and ownership and commitment to their work;
   - Capture data on the project "résumé" of program and project managers, documenting the variety and complexity of their past work; and
   - Identify project interdependencies.

2. **Prioritize the Environmental Value Metrics that address the PMO's greatest improvement opportunities.** Our Anatomy of a World-Class PMO diagnostic reveals that the average PMO's greatest opportunities for improvement are project manager skills development, business outcome focus, and project-level stakeholder management. By adopting the Environmental Value Metrics that correspond to these opportunities—for example, the prevalence of Entrepreneurial project

Figure 2: Potential Adoption Paths for Environmental Value Metrics

1. Start your dashboard with these typical opportunities for PMO improvement.

- Prevalence of Entrepreneurial Project Managers
- Critical Projects Managed by Entrepreneurial Project Managers
- Project Manager Time Spent on High-Value Tasks
- Sponsor Engagement

2. Expand your dashboard with metrics tailored to your PMO's focus.

Managing Portfolio Impact

- Portfolio Change Load
- Total Cost of Project Management
- Business Case Approval Rate

Improving Project Delivery

- Resource Bottleneck Visibility
- High-Risk "Driver" Projects
- Methodology Flexibility

Enabling Project Teams

- Project Team Experience
- Project Team Stability
- Project Team Utilization

Source: CEB analysis.

managers and percentage of critical projects they manage, the percentage of project manager time spent on high-value tasks, and sponsor engagement—PMOs can get the highest initial return on their investments.

3. **Add Environmental Value Metrics based on the focus of the PMO.** After deploying the initial set of Environmental Value Metrics above, prioritize the rollout of additional metrics based on the focus of the PMO mandate. PMOs that are primarily responsible for running the portfolio prioritization process will want to consider adding metrics for portfolio change load, the total cost of project management, and business case approval rate to their dashboards. In contrast, PMOs focused on project delivery would benefit more by adding metrics for resource bottleneck visibility, high-risk driver projects, and project team utilization.

4. **Tailor Environmental Value Metrics reporting to audience need.** Just because an Environmental Value Metric is useful for the PMO leadership team doesn't mean it is useful for anyone else. Assess the relevance of each Environmental Value Metric to key PMO stakeholders to avoid reporting metrics that they don't care about or can't act

on. In addition, carefully adjust the reporting cadence so that you aren't reporting on Environmental Value Metrics more frequently than they change. For example, the percentage of time that project managers spend on high-value tasks is likely to change monthly, whereas assessing the percentage of project managers with Entrepreneurial skills is usually best done during the annual performance management process.

Take Action[1]

- Identify opportunities for improving the benefits-enabling environment. | Anatomy of a World-Class PMO *(CEB PMO Leadership Council)*
- Select relevant Environmental Value Metrics. | The Next Generation PMO Dashboard *(CEB PMO Leadership Council)*
- Explain Environmental Value Metrics to key stakeholders. | Environmental Value Metrics Explained *(CEB PMO Leadership Council)*
- Build necessary tracking capabilities. | Project Manager Effectiveness Diagnostic *(CEB PMO Leadership Council)*
- Redesign the PMO scorecard. | PMO Scorecard Builder *(CEB PMO Leadership Council)*

[1] Access to these resources is available only to members of each program. Please contact your CEB account manager or e-mail IT.Support@executiveboard.com if you would like to learn more about this content.

What are your function's most critical maturity gaps?

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Participation Details

Available Functional Maturity Diagnostics:

- Overall IT
- Infrastructure
- Applications
- Information Risk
- PMO
- Enterprise Architecture

Use the Functional Maturity Diagnostic to:

- Understand critical maturity gaps
- Prioritize areas for improvement in 2015
- Create action plans to reach desired maturity

Learn more.

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Build "Use Case" Thinking into Infrastructure Performance

By **Mark Tonsetic**

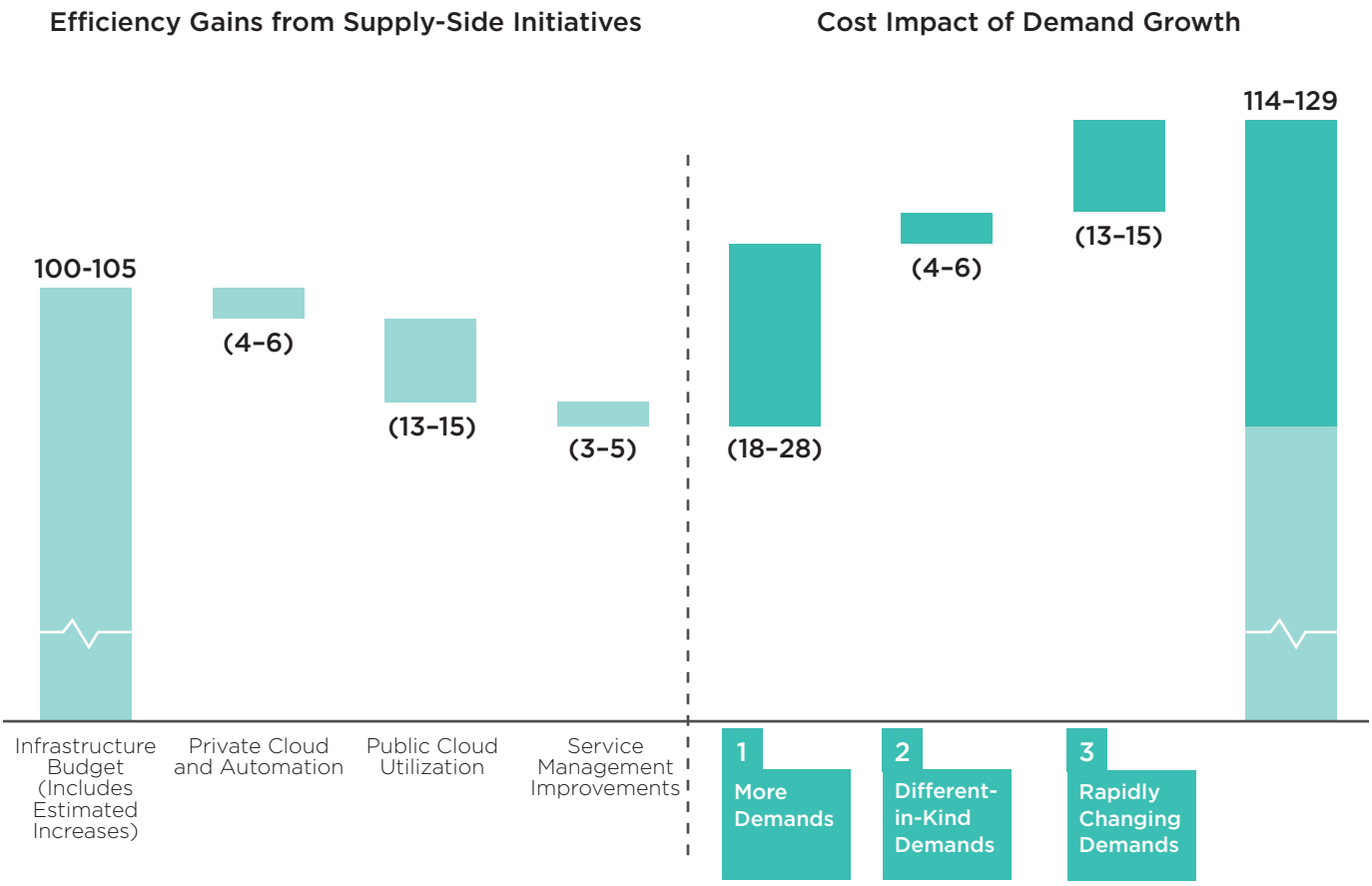
Business demand for IT services is growing in volume, diversity, and rate of change, and it already threatens IT's ability to maintain its cost structure and service responsiveness.

Over the next three years, demand growth could add 15%–30% to Infrastructure's cost structure—regardless of investments made in automation, cloud computing, and service management (Figure 1).

Dealing with this demand growth will require Infrastructure leaders and teams to change their mind-set to one that moves service activities and investments away from a largely operational perspective

Figure 1: Infrastructure Budget Drivers, 2013–2017

Indexed to 100



Source: CEB IT Performance Benchmarking; CEB 2013 Emerging Infrastructure Strategies Survey; CEB Infrastructure Sources Substainabilty Benchmark; CEB 2014 IT Budget Benchmarking.

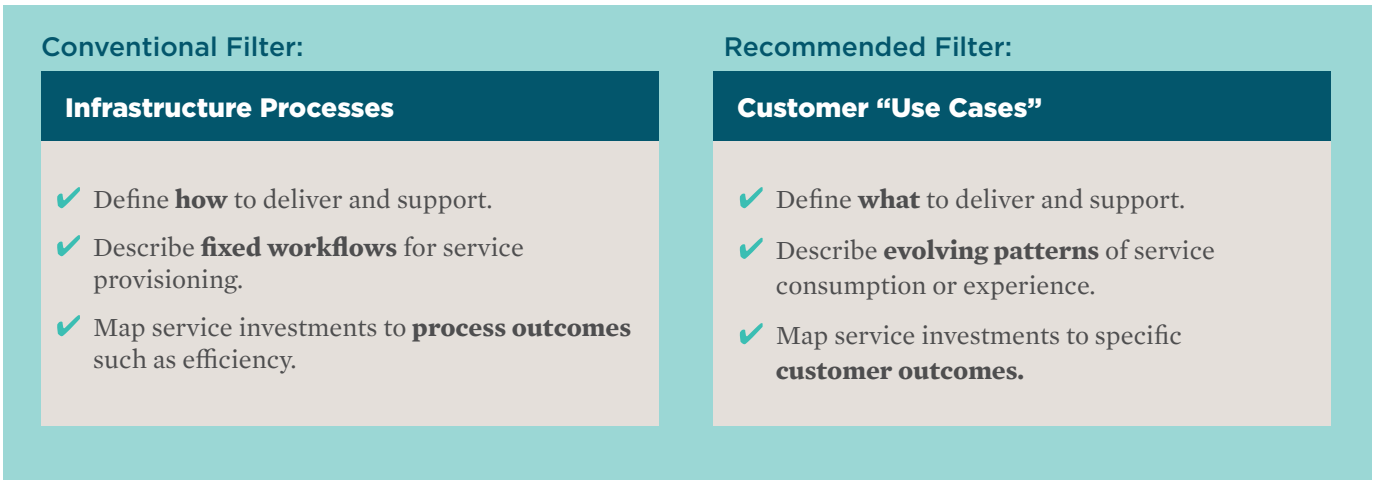
and aligns them more clearly with enterprise outcomes. This change begins with Infrastructure's framework for performance measurement.

"Classic" metrics such as availability and mean time-to-resolution may define **how** Infrastructure delivers and supports IT services, but they fail to capture whether the **how** of operations truly impacts the **what** of customer outcomes. And failure to adopt an outcome-focused view of performance measurement can yield even worse consequences:

- We inadvertently train our business partners to "learn" the language of operational metrics, and we waste valuable business engagement time quibbling, as one leader described it, over the difference between three and four nines of availability.

- When we treat everything through the lens of how rather than what, we fail to differentiate between the areas where Infrastructure performance needs to be excellent and those where performance can simply be adequate.

Figure 2: Filtering for True Customer Needs



Source: CEB analysis.

However, with enterprise data growth rising at 40%–50% per year, Infrastructure simply cannot afford to treat all demands with equally excellent levels of support—at least not without budget increases far beyond what's expected by most organizations.

Instead, leading Infrastructure teams are turning to metrics that filter for true customer needs through "use cases:" the most impactful points of customer interaction with Infrastructure services that define value (Figure 2). This approach is as data-driven as conventional approaches to measurement but does not start with operational data. Rather, the most important points of data and measurement involve repeatable and observable patterns of how customers consume or experience Infrastructure services to help identify what matters most in operational performance.

The following examples show what this approach looks like in practice:

- At a leading financial service organization, Infrastructure's top-level dashboard identifies whether Infrastructure's performance is delivering service quality that meets customer expectations for the online banking channel. At the highest level, the dashboard gives a pass/fail to Infrastructure for critical customer use cases—for example, whether customers can transfer money between accounts. The threshold between passing or failing on service quality is whether customers will consider defecting to other channels for the same activity, as identified by data gathered from business partners, the customer service desk, and synthetic transaction testing. The Infrastructure team revises performance standards at a technical level based on an ongoing analysis of use cases, empowering staff to contextualize performance and connect performance issues across Infrastructure towers. As a result of this focus, Infrastructure leadership has substantially sharpened

its monitoring strategy and reduced the total number of staff required to process alerts by one-third.

- At a leading technology company, Infrastructure derives the appropriate service levels for core Infrastructure services from key use case features, rather than taking a one-size-fits-all view of technical performance. Use cases are defined by a clear and distinct pattern of service consumption—for example, the company call centers' use of network services. Infrastructure's monitoring team uses interviews with consumers of this service (i.e., call center staff) and IT domain experts to isolate the most critical transactions for the service in a customer's workflow (e.g., initiating video streaming for web chat requests) and to define consumer tolerance thresholds for those transactions. The use of interviews and observation is essential here, as the experience of service interactions—what another Infrastructure team calls "moments of truth"—isn't typically captured by a business process map. By aligning its service levels with the actual customer experience of Infrastructure services, the company's Infrastructure team can focus on areas where performance directly impacts employee and enterprise productivity. This process has tangibly improved the employee experience of services and reduced incident resolution time by an estimated 85%.

So how can Infrastructure employ use case thinking to refine its approach to metrics and strategic investment?

1. **Adopt a data-driven approach to filtering true customer needs.** Instead of starting with a supply-side view of performance, look for signals that indicate what the customer is trying to accomplish, how they go about it, and what performance they expect from a service at different points in time.

2. **Employ use cases as filters to identify the demands most relevant to customer value**. Rather than provide support through broad "gold-silver-bronze" tiers or one-size-fits-all approaches, Infrastructure should track patterns of service consumption to determine where to invest to meet customers' experience expectations and to generate optimal service outcomes.

3. **Target service quality levels at the threshold beyond which customers are likely to defect from the service.** Infrastructure service targets defined in IT-centric metrics either overshoot or underserve customer expectations of service quality. Ideally, measures of service health should be set at thresholds of "acceptable quality"—the point at which customers abandon a use case, defect to other channels, or initiate a pattern of help desk complaints.

4. **Create a better dialogue to understand customer needs.** The bottom line is that Infrastructure metrics and strategy need to move closer to the customer—whether in terms of the

employee trying to make best use of enterprise data and systems or end customers trying to make best use of enterprise products and services. Rather than identifying and measuring performance targets from the perspective of the data center, Infrastructure needs to redefine performance from the customer perspective. But this perspective can only be gained through better engagement with customer segments. Use case thinking—focusing on the outcome (the what) rather than the process (the how)—should provide the basis for that engagement. It can define not just the next generation dashboard but also the mind-set that teams need to drive optimal performance.

Take Action[1]

- Prioritize Infrastructure investment based on true signals of customer need. | Redefining Demand Management *(CEB Infrastructure Leadership Council)*
- Redesign the IT performance scorecard. | The Unbalanced Scorecard *(CEB CIO Leadership Council)*
- Equip IT employees to adapt to change. | Building the Change-Ready Organization *(CEB CIO Leadership Council)*

[1] Access to these resources is available only to members of each program. Please contact your CEB account manager or e-mail IT.Support@executiveboard.com if you would like to learn more about this content.

Are your strategic priorities at risk for failure?

Use our Strategy Execution Dashboard to identify barriers to your strategy's success.

Participation Details

When to Participate

7 October–18 November

Who Should Participate

- IT staff involved in strategic initiatives
- Relevant staff outside of IT

Use the Strategy Execution Dashboard to:

- Uncover practical steps to overcome execution barriers
- Identify the factors that drive execution risk
- Locate areas in the organization where execution risk is most prevalent

Learn more.

Contact your account manager or e-mail IT.Support@executiveboard.com.

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Meeting Employee Mobility Needs

What You Need to Know

Eighty-four percent of employees regularly use mobile capabilities for work purposes while they are traveling, working remotely, or collaborating with colleagues away from their desks. Unfortunately, only 35% of employees believe IT effectively provides the mobility capabilities they need. In response, IT must significantly improve its ability to identify and resolve barriers to being productive while mobile.

They Ask

The Questions Your Business Partners Will Be Asking You

CEO

We launched almost a dozen new mobile solutions to our employees over the past couple of years. How do we make sure the ROI from each investment doesn't get lost in the shuffle?

Business Unit Leader

Many of my direct reports complain that the mobility technologies available to them don't really align with how they work. How can we make sure the solutions we offer truly reflect the nature of their jobs?

Chief Sales Officer

Several of my reps have complained that they don't have access to the information they need when visiting potential clients. How are we going to make it easier for them to get to the resources they need, both in and out of the office?

CIO 360

You Ask

The Questions You Should Be Asking Your Direct Reports

Head of Applications

How do we diagnose where technology investments can most improve employees' abilities to quickly act on and make better business decisions?

Take Action[1]

Target "sprawl" of reactive, unconnected solutions to ensure ROI of mobile investments. | Mobility Strategy Handbook
(CEB Applications Leadership Council)

Head of Employee Computing

How are you capturing the full range of mobile needs across all mobile use cases to ensure our employees are fully productive?

Take Action[1]

Apply market listening techniques to identify mobility needs. | Employee Computing Services Handbook
(CEB Infrastructure Leadership Council)

Head of Information Security

How do we reduce employee roadblocks to mobile information access without exposing the company to unnecessary risks?

Take Action[1]

Rightsize security controls to balance the value and risk of information access. | Graded Trust Model for Information Access
(CEB Information Risk Leadership Council)

[1] Access to these resources is available only to members of each program. Please contact your CEB account manager or e-mail IT.Support@executiveboard.com if you would like to learn more about this content.

IT Quarterly

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Senior Analysts
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Taryn McKinnon

Content Publishing Solutions

Designer
Mike Jurka

Contributing Designers
Lindsay Kumpf
Stacey Phipps

Photography
Isaac Liu

Editor
A. Kate MacDougall

+1-866-913-8101

IT.Support@executiveboard.com

www.executiveboard.com/IT