



Promoting IT Efficiency

**QAIassist**  
**White Paper**  
**IT Efficiency Smart**

## Context for Operational Effectiveness

According to several surveys (Gartner, Research and Markets, Kennedy Consulting Research) there is an emerging trend suggesting the survival and bottom line of small and mid-sized organizations is directly linked to how well they are able to optimize their operational performance through effectively aligning their information technology (IT) resources (staff, hardware, applications, tools) with their ever changing business demands and priorities.

Although this statement is a mouthful and can be applied to a multitude of activities surrounding operational performance, it is important to recognize that information technology (IT) is the one common thread utilized by every organization to optimize its operations and to deliver every product or service to each and every client. Simply put - without information technology, an organization could not maintain the operational capacity needed to remain competitive.

How then is it possible that that some organizations can routinely deliver operational efficiency at a rate of 80% while other organizations struggle to deliver operational efficiency at a rate of 60 % ? Though a specific answer to this question varies between organizations (depending on a number of factors - i.e. diversity of the clients that use the products and services, necessary skills needed to deliver products and services, organizational hierarchy used to deliver products and services, etc, etc, etc) it is possible to define an approach that will assist organizations in successfully implementing IT efficiency solutions that will translate into optimized operational performance and increased bottom line.

The approach consists of the following five components

### *1) Addressing a Fundamental Question*

Competition and unique business factors continually force organizations into assessing and managing their IT resources. As these business factors (strategic, tactical, delivery, etc) change, an organization is faced with one of two alternatives – it can evolve to meet these changes, or it can remain steadfast and unwavering with its existing operations, methodologies and culture. Since IT is relied upon by all organizational functions to deliver and support operations, it is the initial and logical place to begin assessing the operational performance of any organization – if the IT function is inefficient in and of itself there is a good possibility that this inefficiency will be extrapolated into the organizational operations it is intended to support and the IT applications it is expected to deliver and maintain. One fundamental question arises, Does the organization recognize and acknowledge that a “process” must exist for any product or any service to exist and be delivered ?

The organizations that continually ask themselves this question recognize they are in control of their own operational performance and are in a constant state of adjustment to better reflect the evolving business needs – in the majority of cases each of these operational processes are directly supported by one of more IT applications or support activities. The organizations that do not ask themselves this question are impervious that “process” is the foundation that underpins operational performance – they are unable to recognize there is a correlation between the processes used to deliver operational performance and how they can be optimized

through greater efficiencies from IT applications or support activities. These organizations are in a constant state of struggling to meet the client's expectations, the product deadlines, the service delivery and the quality associated with their products and services.

As simplistic as the answer to this question may appear, it is intriguing to see the number of organizations that have never asked themselves that fundamental question. Until an organization is able to recognize that "process" is the foundation for optimizing operational performance, that every "process" is delivered or supported by an IT application or service, and that operational performance can be improved by increasing IT efficiency they will continue to struggle on improving their products, services, delivery, quality, competitiveness and bottom line.

## *2) Understanding There Are Tools That Can Help*

Though an organization understands the concept of "process" and operational performance is dependent on the efficiency of its IT applications and activities to support those processes, three fundamental questions must be addressed –

How much would increasing IT efficiencies contribute to operational performance and the bottom line ?

What is the most cost-effective IT efficiency initiative that could be undertaken?

How taxing is the undertaking of an IT efficiency initiative going to be on existing operational performance and the delivery of products, services and support?

The answers to these questions are unique to each and every organization. In some cases, strategic corporate decisions require major operational changes and significant changes in how IT can best deliver and support these changing operational processes. In other cases, existing operational processes (and associated IT applications and support functions) are effective and aligned with business objectives and little effort is required to optimize operational performance.

Be it significant operational process change or honing existing operational processes, IT delivery and support activities must continually be aligned and re-aligned to ensure they remain efficient. To achieve this, successful organizations become knowledgeable of the existing industry recognized standards, frameworks, methodologies, and best practices that can be utilized and leveraged to assist their IT efficiency initiatives. Each of these different standards, frameworks, methodologies, and best practices were created to address specific IT efficiency contexts (i.e. ITIL is designed to focus on delivering IT support services, PMI is designed to focus delivering project management, CMM is designed toward delivering corporate IT quality) and applicable only within the context of the IT efficiency need to be addressed.

Once this IT efficiency context (scope of IT efficiency initiative versus the industry recognized standard, framework, methodology, best practices to be utilized) has been determined, an organization is able to better assess and evaluate - How to get there? They will know what tool can be of most benefit and they will then be positioned to authorize an IT efficiency initiative (project).

### *3) How Much is Too Much?*

Each and every one of these industry recognized standards, frameworks, methodologies, best practices (see Understanding There Are Tools That Can Help) are similar in many ways – each is designed using a specific architecture, each utilizes its own naming conventions, each has a pre-defined set of criteria that is used as a basis for evaluation.

In all cases, the decision to proceed with (or not) an IT efficiency initiative gets down to understanding how much the implementation (or portion thereof) of any selected IT industry recognized standard, framework, methodology, best practices would translate into increased operational performance and bottom line.

The second greatest mistake is to do nothing to improve IT efficiency and operational performance. The greatest mistake is to overwhelm or encumber existing staff and operations with having to contribute to an IT efficiency initiative that will impose non-constructive formality, process, paperwork, and bureaucracy and never increase operational performance and bottom line. Once this context (scope of IT efficiency versus the how much of the selected industry recognized standard, framework, methodology, best practice is to be implemented) has been determined, an organization is able to better assess and evaluate - How much is too much?

### *4) Pursuing Integrity – When in Rome?*

Once an organization has identified the industry recognized standard, framework, methodology, best practice it will be leveraging to increase its IT efficiency, operational performance and bottom line and the granularity of how it will be applied they are readied to embark on their IT efficiency initiative (project).

The majority of these IT efficiency initiatives follow a common lifecycle that includes (1) identifying the specific processes, procedures, tools that could increase IT efficiency (based on pre-criteria), (2) developing the required processes, procedures, tools that will increase IT efficiency, (3) developing and delivering the necessary training material to ensure the required staff are informed and can apply the required processes, procedures, and tools.

In all case it is important for the organization to recognize every IT efficiency initiative as a formal project. This ensures a project management discipline will be applied to define the scope of the project, plan the project, monitor the progress of the project against the plan, address issues and risks associated with the project, ensuring all necessary stakeholders remain informed on the status of the project. Applying a formal project management discipline to the IT efficiency initiative provides a beacon that the organization is intent on implementing sound practices and also ensures the project team developing and implementing the IT efficiency solution will be seen as leading by example. Leading by example ensures a sense of integrity is established by the IT efficiency project team. Once this integrity (practice what you preach) exists, the organization and IT efficiency team are better positioned to implement the solution – this integrity (or lack thereof) is sometimes the difference between a successful or failed implementation of the IT efficiency solution.

*5) Verifying and Re-Verifying IT Efficiency Value – Who's Counting?*

To successfully implement (according to the formal project plan) an IT efficiency initiative is one thing, to ensure it continues to be applied and of benefit is something different.

To ensure the IT efficiency solution continues to be applied the organization must establish a governance or quality assurance function that periodically reviews and/or audits how the specific IT Efficiency solution is being applied – this function (1 individual or more) should have a direct linkage to Senior management of the organization. Senior management will have formal and quantified information as to who and how the IT efficiency solution is being applied.

To ensure the IT efficiency solution continues to be of benefit to the organization it is important to incorporate metrics and measurement as part of the IT efficiency solution. The metrics will identify how the IT efficiency solution is being applied and will also provide the necessary benchmark on how the IT efficiency solution can be improved upon. Senior management should be kept informed on the metrics of the IT efficiency solution.

QAAssist - "IT Efficiency" smart

*QAAssist is the industry recognized benchmark in information technology (IT) methodologies for small and mid-sized business (SMB's) – including the certification and support of practitioners delivering QAAssist IT Methodology solutions. Visit [QAAssist's website - www.qaassist.com](http://www.qaassist.com)*