

Alignment of different business, technology, and operational functions toward the execution of a common vision will be paramount for IT transformation success.

Getting Infrastructure Transformation Right

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Introduction

According to IDC's June 2023 *Future of Digital Infrastructure Sentiment Survey*, 77% of enterprises state that digital infrastructure is critical to achieving business goals over the next two years. In IDC's recent *Cloud Pulse Survey*, 68% of respondents indicated that they expect to undergo a near-major or major transformation of their IT or digital infrastructure environment to support business strategies over the next five years.

At the same time, enterprises are facing macroeconomic headwinds and therefore must thoughtfully align their strategic IT and business priorities. Organizations cited their top 3 risk factors going into 2023 as rising costs/inflationary pressures, labor shortages, and uncertain economic conditions (source: IDC's 2023 *Future Enterprise Resiliency and Spending Survey, Wave 3*). The same survey also highlighted the top technologies believed to be immune regardless of economic pressures. These included security, IT infrastructure, operations optimization initiatives, and end-user devices.

It is against this backdrop that the importance of generative AI initiatives, sustainability goals, and multicloud deployment models will play out in IT transformation and modernization strategies. To implement the right infrastructure, 63.7% of enterprises will commit resources, skills, and development efforts across one or more clouds to address infrastructure, data, and application needs (source: IDC's June 2022 *Future Enterprise Resiliency and Spending Survey, Wave 5*). Leveraging multicloud infrastructure is, and will continue to be, a critical component of this strategy for years to come. Therefore, it is essential that enterprises build a defined strategy across all deployment models (public, private, on premises, and collocated sites) to ensure IT teams can extract maximum value from technology investments while managing cost and security concerns effectively. Moving applications and workloads to cloud operating models must be coupled with thoughtful business, technology, and operational use cases to support fiscal and operational requirements.

AT A GLANCE

KEY TAKEAWAY

Organizations should seek partners with services that have been designed to ensure that a company can holistically work toward achieving its IT transformation objectives across all IT roles while minimizing risk and accelerating time to value.

Successful Digital Infrastructure Transformation Requires Stakeholder Alignment

By optimizing IT infrastructure and processes, organizations can reduce operational costs, streamline workflows, and achieve greater productivity. In addition, IT must empower data-driven decision-making, enabling businesses to extract actionable insights from large data sets and make informed strategic choices. Furthermore, IT innovations and digital solutions facilitate the development of new products and services, opening opportunities for revenue growth and market expansion. The tight coupling of IT and business objectives within an organization can lead to increased competitive differentiation, improved customer experiences, and sustained business growth. Alignment of different business, technology, and operational functions toward the execution of a common vision will be paramount for IT transformation success. IDC sees that the IT roles of IT manager, VP IT, and CIO/CTO have specific business, technology, and operational outcomes they are looking to achieve (see Figure 1).

FIGURE 1: *Desired Business, Technology, and Operational Outcomes by Technology Role That Require Assistance from Professional Services*



n = 983

Source: IDC's Worldwide Hybrid IT Consulting and Integration Services End-User Survey, 2023

A closer look at each role and its desired outcomes follows:

- » **Practitioner/IT manager:** This role manages the daily operations of the infrastructure while striving to improve operations, efficiency, and agility. It needs actionable data and insights to perform operational tasks effectively and reduce potential risks. This role desires to contribute strategically to the business but may be limited by skills.
- » **Recommender/VP IT/CDO:** This persona understands the business objectives and is working to create tighter alignment between IT and the business. This role leverages data to create operational efficiencies and works to bring new services faster to users. The pace of change is always a challenge.
- » **Decision maker/CIO, CTO, or CISO:** Individuals in this position must think strategically about technology investments from an innovation and competitive differentiation point of view. This role uses data to understand competitive benchmarks so that the business can move faster.

Aligning various personas with distinct requirements and objectives into a holistic strategy is no easy task. Some organizations will find it necessary to work with a services firm that has developed a suite of offerings that address business, technology, and operational requirements across all stakeholders. A firm that has defined methodologies, data and insight, and best practices will be the trusted partner of choice. Organizations should seek partners with services designed to ensure that a company can holistically work toward achieving its IT transformation objectives across all IT roles while minimizing risk and accelerating time to value.

Modern Infrastructure Requires a Rethink of Technology Skills, Tools, and Operational Models

Digital business will require digital infrastructure that includes compute, storage, network, infrastructure, and software (including virtualization and containers) as well as automation, AI/ML analytics, security software, and cloud services to maintain and optimize legacy and modern applications and data. Investments in modern infrastructure are critically important. According to IDC research, organizations have stated that digital technologies such as cloud deployment models, virtualization, and software-defined everything (SDx) will disrupt their industry over the next five years. Approximately 70% of organizations rated the threat of disruption a 6 or higher out of 10, as these technologies enable organizations to take advantage of new business opportunities more quickly. To that end, cloud operating models will be a cornerstone of digital business, regardless of deployment location (traditional, private, public, or hosted/collocated), and this will require software-defined and virtualized infrastructures. As a result, IT teams will have to quickly embrace new technologies, operating models, and tools for operations, observability, management, security, and compliance processes.

Data access, integration, AI/ML-driven analytics, and automation provide the core insights that fuel digital business success. Whether the goal is to improve data-driven decision-making or to predictively automate complex business processes, much of an enterprise's digital business agility and operational effectiveness depends on the responsiveness of the digital infrastructure used to enable mission-critical applications, data operations, and connectivity.

Adopting Digital Infrastructure Is Critical to Driving Competitiveness But Difficult to Implement

Unfortunately, most IT organizations continue to struggle implementing and adopting new digital technology solutions that can effectively drive a sustainable digital business. In IDC's August 2022 *Future Enterprise Resiliency and Spending Survey, Wave 7*, only 12% of respondents reported successfully completing all digital projects — revealing a sizable gap in digital capabilities for many organizations.

Rapid access to accurate and timely data is fundamental to many organizations' digital business agility and ability to adapt quickly to changing business conditions. For IT teams, having access to data coupled with AI/ML-driven analytics that provide actionable insights will become essential for digital success. Addressing these adoption challenges while running day-to-day operations will be difficult for many organizations. As a result, organizations will turn to a services partner to help them quickly navigate through these obstacles with less risk. A services partner that has the right expertise, processes, and resources can help organizations accelerate time to value of their digital infrastructure investments so that they may begin to realize the strategic benefits of transforming to a digital-first business faster.

Considering Cisco Customer Experience Services for IT Transformation

Cisco Customer Experience (CX) Services is designed to accelerate an organization's business, technology, and operational outcomes by helping customers quickly realize the value of their Cisco IT investments. The portfolio consists of a digital-first services approach, combining expertise and insights to shift customers to more proactive and predictive IT operations; expert-led advisory services — from planning and adoption to optimization — focused on delivering tangible business outcomes; swift, responsive technical support to keep IT operations running smoothly, and learning and certifications. Cisco's extensive partner ecosystem extends the portfolio value, and CX Services continues to evolve in lockstep with its customers' business demands.

The new Cisco Lifecycle Services offer is designed to help organizations achieve new and better business outcomes faster so that they can speed time to value for their Cisco IT investments. The offer shifts customers' focus from managing IT challenges to a more strategic approach — delivering outcomes with measurable results. There are 11 outcomes that span three areas: grow faster, be stronger, and deliver better.

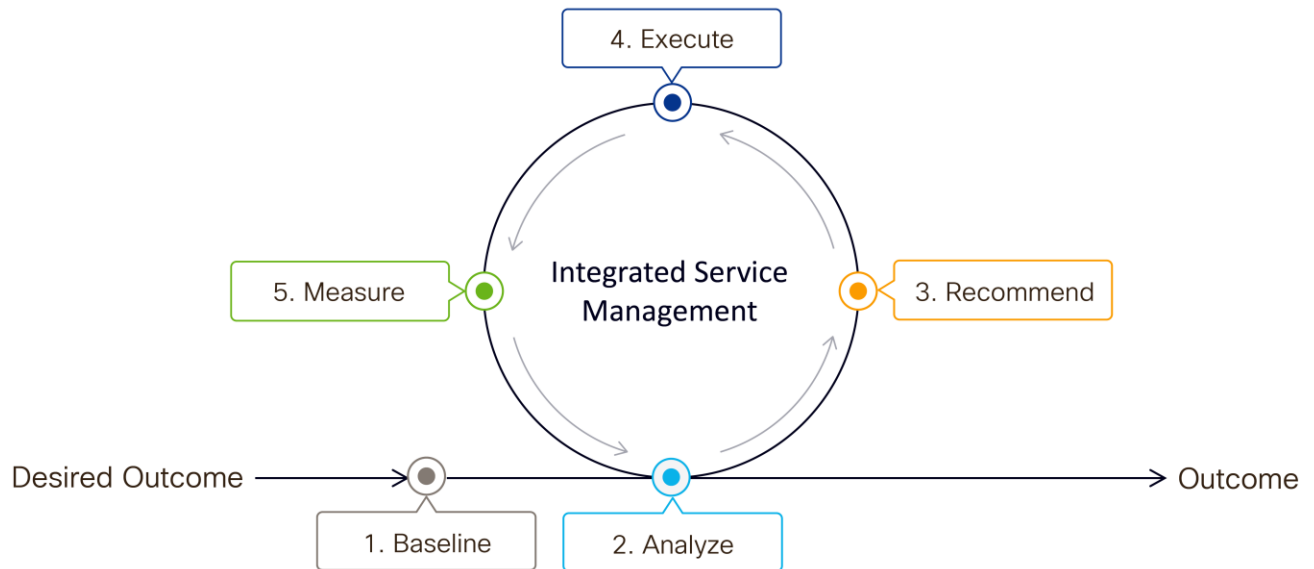
Each customized engagement brings together Cisco experts who assess a broad spectrum of customer inputs, including business priorities, technology investments, processes, and maturity. Cisco Lifecycle Services leverages telemetry data applying AI/ML techniques to provide digital insights — tailored to an organization's unique business needs — gleaned from 35+ years of designing and building some of the world's most complex networks. Cisco also provides measurement and reporting capabilities that enable IT teams to illustrate business outcomes progress and achievement to stakeholders. To ensure that organizations meet desired outcomes, Cisco Lifecycle Services utilizes a five-step approach to align teams on outcomes, timelines, priorities, and KPIs (see Figure 2).

1. **Baseline.** Create a baseline to measure, track, validate, and report outcomes and their associated KPIs.
2. **Analyze.** Analyze data from the snapshot for risks and opportunities and present findings.
3. **Recommend.** Identify actions and prioritize recommendations.
4. **Execute.** Implement the required actions and recommendations, with three possible levels of engagement — Advise Me, Do It With Me, and Do It For Me.

- Measure.** Test and measure KPIs to validate progress once delivery is underway. If a second baseline is needed to support continuous improvement, begin the process again.

FIGURE 2: *Cisco Lifecycle Services Five-Step Engagement Process*

Speed time to value with less risk



Source: Cisco, 2023

Organizations have flexibility when working with Cisco Lifecycle Services. They may choose to have Cisco Lifecycle Services provide the expertise and advisory resources to help IT teams achieve outcomes on their own or with a partner. They may have Cisco Lifecycle Services experts work alongside IT teams and/or partners to tap into Cisco's expertise, digital insights, and measurement capabilities. Or they may have Cisco Lifecycle Services and its partners run the entire engagement.

Challenges

IDC research shows that enterprises rate how satisfied they are with their services partner by how successful the partner has been in helping them achieve their business, technology, and operational outcomes. As such, organizations must carefully evaluate their partner's capabilities with a keen focus on "how" the partner will deliver specific outcomes — by understanding the people, processes, tools, and technologies that will solve defined pain points. Businesses must learn to connect the dots between technical and operational outcomes with business outcomes. This will require that they understand how to use their data strategically to transform faster and with less risk to meet their defined outcomes. IDC believes it is important for organizations to understand the value, speed, and agility they can achieve by leveraging the full suite of data-rich life-cycle services that a services partner can provide. To this end, Cisco will want to educate potential customers about the full extent of the capabilities of its offer.

Conclusion

IT organizations and business stakeholders must ensure that their IT and network investments are transformative and multicloud by design to provide a resilient infrastructure that will drive agility, differentiation, and innovation. However, achieving these outcomes may be challenging due to lack of data access, limited resources to act on the data, and difficulties aligning stakeholders on defined objectives. Organizations should therefore consider working with a services partner that has developed a tested set of capabilities to help align their IT objectives to business outcomes. This approach will help achieve measurable business, technology, and operational results.

About the Analysts



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Leslie Rosenberg is research vice president for IDC's Network Life-Cycle Services and Infrastructure Services programs examining professional services trends and market dynamics for the enterprise. Ms. Rosenberg's research coverage spans life-cycle services portfolio development across network, server, and storage infrastructure technologies encompassing the dynamics of software-defined infrastructure, automation, service delivery platforms, new consumption models, and the evolution of services impacting people, process, tools, and methodologies around the globe.



Rob Brothers, Program Vice President, Datacenter and Support Services

Rob Brothers is a program vice president for IDC's Datacenter and Support Services program, as well as a regular contributor to the Infrastructure Services and Financial Strategies programs. He focuses on worldwide support and deployment services for hardware and software and provides expert insight and intelligence on how enterprises should be addressing key areas for datacenter transformation and edge deployment and management strategies. IT hardware services covered include IoT devices, converged infrastructures, storage, servers, client devices, networking equipment, and peripherals. Software covered includes software-defined infrastructures, cloud support, operating systems, databases, applications, and system software. He also has expertise in the latest consumption models, which includes as-a-service models such as device as a service.

MESSAGE FROM THE SPONSOR

Cisco Customer Experience (CX) Services help organizations realize tangible business outcomes faster with Cisco software, products, and solutions — at every step of their technology lifecycle journey. From architecting and deploying new solutions, and streamlining operations, to optimizing the IT environment, Cisco and its partners can help IT teams achieve their desired outcomes faster.

To learn how to transform with less risk and effort, visit [Cisco Services](#). For more information on how to accelerate business outcomes, visit [Cisco Lifecycle Services](#).



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