



Expert Insights

Reimagining service delivery

Emerging stronger with
the new Dynamic Delivery
model

IBM Institute for
Business Value



Experts on this topic



Shai Joshi

Managing Partner
Cloud Application Services
IBM Services
[linkedin.com/in/shaijoshi/](https://www.linkedin.com/in/shaijoshi/)
shailesh@us.ibm.com

Shai Joshi is the Managing Partner, Global Cloud Application Services for the IBM Services consulting business. He is responsible for the global application development and maintenance portfolio which includes advise on cloud, move to cloud, build on cloud and manage on cloud services. In this capacity, Shai is responsible for all aspects of the business, including strategy, offerings, talent, sales, and execution globally.



Varun Bijlani

Managing Partner
Cloud Advisory
IBM Services
[linkedin.com/in/varunbijlani/](https://www.linkedin.com/in/varunbijlani/)
varun.bijlani@uk.ibm.com

Varun Bijlani is Managing Partner, IBM Services Cloud Advisory. His practice provides end-to-end advice, design, road-mapping and architectural services to help C-suite clients navigate their cloud journeys. He is also a member of the global cloud services management board at IBM. Varun is a technology-enabled business transformation leader combining domain knowledge and global program management expertise with strategic and operational leadership. He has led many large, complex global programs and has experience of both mature and emerging markets.



Sreejit Roy

Senior Partner
Move and Build Cloud Application
Services, IBM Services
[linkedin.com/in/sreejit-roy/](https://www.linkedin.com/in/sreejit-roy/)
sreejit.roy@in.ibm.com

Sreejit Roy leads the Global Move and Build Practice for IBM Cloud Application Services. He is responsible for working with IBM clients on their journey to cloud, enabling the future of application services and harnessing synergies of the IBM/Red Hat acquisition. Sreejit brings more than 25 years of experience across delivery, operations, and managing transformation agendas for clients.



Sunanda Saxena

Director, Transformation
Cloud Application Services
IBM Services
[linkedin.com/in/sunandasaxena/](https://www.linkedin.com/in/sunandasaxena/)
ssaxena@us.ibm.com

Sunanda Saxena is the Global Cloud Transformation Leader for IBM Cloud Application Services. She is responsible for strategic planning and implementation, talent transformation, and market and analyst eminence for IBM's cloud application services business. Sunanda's areas of expertise include conceptualizing and commercializing digital health solutions, leveraging cloud computing, real-world evidence analytics and AI to support outcome-driven, patient-centric healthcare.

The authors would like to acknowledge the contributions of Shawn DSouza , Jane Peock, and Santosh Prasad.

Sixty-two percent of executives now plan to accelerate digital transformation efforts over the next two years.

Key takeaways

Working remotely

By the end of April, nearly six times as many people were working from home compared to before the COVID-19 pandemic.

Accelerating transformation

The pandemic is driving enterprises to increase the pace of their digital transformation, cloud adoption and the embrace of other exponential technologies.

The next generation of service delivery

There is a strategic imperative to profoundly reimagine service delivery through a rich, holistic approach that addresses the complex, emerging work patterns in the new normal, an approach we call Dynamic Delivery.

Responding to service delivery disruption with innovation

The COVID-19 pandemic has disrupted lives and businesses. While there are signs of stabilization in many areas, what eventually emerges from the chaos will inevitably be a very different normal. Businesses are adapting to new ways of getting work done as they pivot from old patterns of work to new ways of working. More importantly, the pandemic has forced nearly everyone to reconsider how to deliver their transformation agenda in the new normal.

According to a recent survey by the IBM Institute for Business Value (IBV), by the end of April, nearly six times as many people were working from home compared to before the pandemic.¹ As this crisis continues, patterns of work and workflows have been so deeply disrupted that businesses are asking: shall we ever go back to old ways of working? The current disruption has also created an awareness that this may not be a singular event. Future disruptive events are not only possible, but likely.

So, it should come as no surprise that COVID-19 has accelerated the pace of transformation for businesses of all sizes and in all industries to become Cognitive Enterprises on the hybrid cloud. The Cognitive Enterprise is a constantly evolving and reinventing enterprise, powered by intelligent workflows, and AI, which is underpinned by hybrid multicloud.² IBV data suggests that 62 percent of executives now plan to accelerate digital transformation efforts over the next two years.³

However, the ability to deliver digital transformation has been disrupted because current delivery models do not accommodate a distributed and virtual workforce. Service delivery models need to be reimaged to allow businesses to achieve their transformation objectives.

Dynamic Delivery, a rich and holistic approach that goes beyond just virtual collaboration or automating a few processes, represents the next generation of service delivery necessary to help businesses realize value in the new normal.

Dynamic Delivery integrates a technology foundation with virtualized, agile methods and practices, enhanced with AI, extreme automation, and virtual leadership so that employees can sustain remote work at scale and businesses can pursue their transformations with confidence, speed, and resilience in shifting business conditions.

The Dynamic Delivery model articulates how businesses should enable their employees with the necessary technology foundation and tools, how they should engage with their people differently, and how methods and work practices need to be revised to support work in the new normal. It employs “virtual garages” to help clients co-create, co-execute and cooperate at scale.⁴

Virtual garages are ways of working that comprise design thinking, agile principles for teams, DevOps tools and techniques for continued delivery and operations, along with digital talent and culture change.

Fundamental to Dynamic Delivery is the focus on motivating and empowering employees, inspirational virtual leadership, flexible and available expertise, and interconnected digital knowledge platforms and processes.

Implementing Dynamic Delivery allows businesses to:

- Accelerate their journey toward becoming Cognitive Enterprises on the hybrid cloud.
- Build resilience and security to enhance timeline confidence and continuity even when unexpected events occur.
- Engage with flexible and available expertise and industry-aligned talent pools with rapid staffing adaptivity and knowledge transfer.
- Effectively lead and govern projects to achieve desired results.
- Improve delivery speed and scale by running smarter operations with an enhanced technology platform.

A two-step approach to Dynamic Delivery

The leap to Dynamic Delivery for building new levels of resilience, agility, and optimized delivery can be made in two steps.

Step 1—Support business continuity and resilience

During the early stages of the pandemic, as work locations were locked down, many workflows were challenged. As a first step toward dealing with any disruption, businesses needed to improve continuity and resilience by strengthening their technology foundation, including network bandwidth and security, to allow remote work and to support communication with customers, suppliers, and employees.

Businesses need to create work practices to sustain close, trusting relationships with their workforces, service providers, vendors, and other stakeholders while maintaining social distance. In addition, practices, which are communities of skilled people, should be established. These practices require businesses to effectively hire, train, manage and communicate with distributed workforces. Managing talent remotely has many dimensions, including digital interviews, virtual onboarding, e-learning platforms, virtual classes, digital leadership outreach and social hangouts. This is critical to establishing the ability to operate reliably, in a repeatable and safe manner, and to deliver any task from virtually anywhere at any time.

In such disruptive times, service providers also have a key role to play in helping businesses reduce risk, capture new business value, and respond quickly to changes in market and business conditions. Indeed, businesses intrinsically understand that if their service providers aren't resilient and innovative, they will quickly become an impediment—rather than an accelerator—to restoring innovation.

A virtual delivery model that restores continuity and builds resilience is not only desirable right now, it is essential.

As a first step toward Dynamic Delivery, there is a need to quickly establish business continuity and resilience that enables more reliable and secure delivery in a virtual environment.

In the second step, there is a need to balance optimal delivery with the ability to absorb shocks from unforeseen events and to harvest new value from improved ways of working that accelerate innovation. This requires the modification and tuning of delivery to evolving workflows based on the changing state of the business environment and where people choose to work.

Step 2—Deploy a dynamic service delivery model

Once resilience is achieved, a second shift to a new, optimized delivery model is needed to accelerate, automate, and reimagine workflows. In the future, while some work items will still be most effective when done in physical proximity, most will be done remotely. Evaluating work items to make the above distinction is critical to planning, staffing, and location considerations.

In this step, organizations and service providers can seamlessly transition to virtual delivery, facilitating resilience in the unfortunate event of future disruption(s) and pivoting to an optimal mix of face-to-face and virtual delivery during stable times. As a different normal comes into equilibrium, we expect Dynamic Delivery to become the new standard for services.

Dynamic Delivery capabilities are enabled on a robust cloud platform. This platform should support tools and technologies that facilitate seamless virtual collaboration, digital project management, extreme automation, and knowledge management techniques that allow data and know-how to be shared—as permitted—across the enterprise.

Businesses should create end-to-end talent management capabilities, including virtual talent acquisition, on-demand learning, inspirational leadership in a virtual world, access to flexible and available expertise, and ubiquitous knowledge management. Furthermore, personalized, real-time insights and virtual assistants enabled by the Dynamic Delivery platform are key to increasing engagement and workforce buy-in.

Deploying real-time, agile governance using a command center approach and automation-first methods enabled by the Dynamic Delivery platform will become crucial as a virtual workforce becomes pervasive.

Companies employing a Dynamic Delivery model can realize greater value via timeline confidence, orchestrated and optimized talent, improved customer satisfaction, accelerated enterprise transformation, cost reductions, and faster time-to-value.

Components of the new delivery paradigm

Dynamic Delivery represents a revolution in service delivery, in terms of both speed and scale. The pandemic has compelled businesses to reinvent their delivery within months as opposed to years. In essence, service delivery has been challenged to focus both on speeding up businesses' journey to Cognitive Enterprise and on enhancing their ability to handle future disruptions.

The new delivery model goes beyond just virtualizing workforces. It integrates a strong technology foundation to lead and motivate a virtual, distributed workforce with market-proven co-creation methodologies, and virtualized methods and practices that are enhanced with artificial intelligence (AI) and extreme automation.

Achieving the Dynamic Delivery model requires orchestration of three key components, each with three key groups of capabilities (see Figure 1).









The first component is the *delivery foundation*, which sets up the technological requirements for virtual delivery of services. A resilient, scalable infrastructure that provides platform and tooling to deal with connectivity challenges of remote work is necessary for continuity in changing business conditions.

The second component is the *humans in the network* of an enterprise who need to be empowered to take personal accountability. In this new normal, where physical offices are no longer necessarily the place to deliver day-to-day work, supporting and enabling employees is critical to sustaining remote work at scale, particularly among early professionals. What sets Dynamic Delivery apart from incremental approaches is the intentional, methodical, and thoughtful approach to motivating, inspiring, and leading people in remote settings, and ensuring common standards of education and knowledge management.

The final component is *contactless delivery*, which depends on virtual methods and exponential technologies such as AI and extreme automation to enable seamless virtual collaboration. Key considerations for effectively facilitating contactless delivery are digital contracts and interactive governance of highly distributed teams.

Figure 1

The 3x3 services dynamic delivery model outlines components and capabilities across 9 dimensions

<p>Contactless delivery <i>Shift to "virtual collaboration"</i></p>	<p>Automated methods</p> <p> Contactless portable methods, enabled by virtual garages</p>	<p>Virtual commercials</p> <p> Compliant contracts, enabled by digital processes</p>	<p>Transparent governance</p> <p> Digital dashboards to foster transparency and collaboration, enabled by a platform</p>
<p>Humans in the network <i>Shift to "personal accountability"</i></p>	<p>Virtual leadership and engagement</p> <p> Inspiration virtual leadership, enabled by remote engagement</p>	<p>Global talent standards</p> <p> Flexible and available expertise, enabled by standardized practices</p>	<p>Ubiquitous knowledge management</p> <p> Interconnected digital knowledge platform and processes</p>
<p>Delivery foundation <i>Shift to "on cloud"</i></p>	<p>Resilient and scalable infrastructure</p> <p> Adaptive delivery infrastructure, enabled by on-demand support</p>	<p>Pervasive platforms and tooling</p> <p> Cloud-based collaborative delivery platform</p>	<p>Embedded security and privacy practices</p> <p> Secured and compliant delivery methods, enabled by robust policies and monitoring</p>

Pervasive platforms and tools with embedded security and privacy practices supported by resilient and scalable infrastructure address the challenges of achieving efficiency and resilience at scale.

Delivery foundation

Resilient and scalable infrastructure, pervasive platforms and tooling, and embedded security and privacy practices are essential to establishing a strong delivery foundation.

While a resilient, scalable infrastructure is core to any delivery model, it gains greater significance in a virtual set-up with the additional challenges of flexibility, availability, security, and support. This is based on connectivity requirements for situations where almost all employees may need to work from home and other non-traditional locations. Taking this approach enables a rapid and seamless transition to a remote delivery model in case of a major business disruption. One possible way to do this is creating a recommended virtual office configuration, where appropriate, enabling rapid set-up with minimal IT support. It would employ a robust network that can scale up to deliver from employees' shelter-in-place locations, such as work-from-home and satellite offices. As organizations advance towards equilibrium in the new delivery model, they will have to yet again reimagine an "optimized" approach where physical co-location work sites are balanced with virtual work patterns based on effectiveness, skills, costs, and other considerations.

Pervasive platforms and tools are at the heart of delivering digital transformation and resiliency at scale. Typical examples are:

- Popular collaboration tools such as Webex, Zoom, and Slack.
- Project management and governance tools including Hygieia dashboards, Trello, and JIRA.

- Virtual requirements analysis and discovery tools such as MURAL, GitHub, and SharePoint.
- Process Discovery tooling such as IBM Process Discovery Accelerator, Celonis, and Worksoft.
- Collaborative engineering tools for design, build, transform, and test, including Blueworkslive for Process Design, Visio, draw.io, and Bo.
- Remote run and manage tools such as DevSecOps platform with telemetry, ServiceNow, IBM Service Desk, and SOC Ops tooling.
- Pre-configured templates, assets including SAP IMPACT solutions, and automation tools.

Embedded security and privacy practices and policies are a critical part of any effective delivery foundation. In a virtual environment, it is imperative to be more vigilant to avoid falling victim to cyber threats and security incidents.

According to X-Force, COVID-19 related spam has increased 6,000 percent since the pandemic began.⁵ Service providers that have extensive experience with employees working remotely are likely to offer controls with high-level maturity.

In addition, secure work practices adapted to a new remote work environment are vital for protecting proprietary business data. Controls for end points, such as data leakage protection, encryption, firewalls, anti-virus and malware, centralized patching and hardened workstation controls can be adapted to each customer's unique virtual environment. Secure work practices can reduce incidents and risk exposure while lowering the cost of risk management and mitigation.

Humans in the network

In the current environment, service delivery should incorporate a range of human interactions, processes, and collaboration mechanisms. How we connect and empower people should be reimagined with virtual leadership and engagement, global talent standards, and ubiquitous knowledge management capabilities.

Leaders should be adept at creating digital proximity even while being physically distant. Dynamic Delivery proposes virtual leadership practices that encompass new behaviors and success profiles with empathy, embracing inclusion, motivating teams, and driving outcomes. An elevated level of trust, empowerment, and personal accountability are key to transforming culture across distributed teams.

Organizing talent into standardized skills-based practices within a defined curriculum requires tight-knit practice structures so workforce skills can be curated, managed, and developed in an intimate and interconnected manner. Individual skill-based practices should form communities that encourage skills development, mentoring and progression. With social distancing norms at play, employee engagement and communication models have to be reimagined with a variety of digital, multi-channel communication modes, such as #AskmeAnything sessions, digital social hangouts, and virtual career events to keep employee communities together and synchronized with each other.

Digital talent acquisition playbooks powered by AI-informed processes should enable end-to-end sourcing, onboarding, assimilation of new employees, and enable future skilling for experiential learning opportunities. In parallel, equipping managers with cognitive talent insights, self-help solutions, and personalized guidance informed by neuroscience, deep data analytics, and AI-powered inferences elevates the coaching and development of talent.

Supporting and enabling “humans in the network” is critical to sustaining remote work at scale. This requires incorporating a range of human interactions and collaboration mechanisms while reimagining virtual leadership and engagement, talent standards, and ubiquitous knowledge management.

Global talent standards channel top talent with deep functional and technical skills. This requires tight-knit practice structures so workforce skills can be curated, managed, and developed in an intimate and interconnected manner.

Finally, virtual leadership and engagement envisions a suite of employee assistance programs that focus on mental wellness, health advisory, physical resilience, and flexible work options to help employees live and work with purpose in a rapidly changing environment.

A challenge with contactless delivery is the ability to have seamless transition during a pandemic. Well-structured, ubiquitous knowledge management and corresponding tools are necessary to maintain productivity, encourage sharing, and foster culture change. In the Dynamic Delivery model, creating a team space and enabling it with AI provides a consistent, structured repository for critical account, project, team, and workflow information and serves as a consolidation point for collaboration.

The guiding principles behind contactless delivery are automated methods enabled by virtual garages and multi-faceted, agile governance.

Contactless delivery

Contactless delivery can be realized by: automated methods developed in virtual garages; virtual commercials enabled by digital processes; and transparent governance that is supported by digital dashboards.

Methods are fundamental to delivery. Today, many activities within each delivery task can be automated to help address the current challenges that are creating myriad complications for workforces and businesses. For example, leveraging pre-configured templates and assets is a form of automation that can improve efficiency.

A silver lining in the current environment is that times like these can create new ways of working while retaining core robust, established methods. Over time, AI and automation may allow delivery to shift from virtual-first methods to automation-first methods. Automation can generate productivity benefits in the applicable scope of work.

In addition to deploying automation-first methods, the way teams engage and collaborate needs to be reimagined. One way is to use virtual garages, which can give even well established, mature enterprises the ability to act and react like a startup.

Governance of highly distributed and virtualized teams is different in the Dynamic Delivery paradigm and is integral to delivering sustained customer value. Amid business disruption, enterprises often seek a services partner that helps manage business and supply chain continuity. For a service provider, strong virtual governance can be a marketplace differentiator. A provider's governance methods can establish the right metrics and be a source of confidence for businesses. As part of delivery, governance can also become key to how companies manage costs and mitigate risks.

As a guiding principle, governance in the Dynamic Delivery paradigm requires an agile, near-real-time approach. For proactive governance, businesses need to orchestrate a command center that serves as the collaboration platform for businesses, third-party vendors, and other stakeholders.

The Dynamic Delivery client command center has the following unique capabilities:

- Ease of configuration based on specific constraints and requirements, and the ability to provide an overall relationship and program view in line with prescribed access controls.
- Real-time dashboards that not only focus on delivery dimensions but also emphasize aspects such as security, network availability, and other foundational requirements.
- Innovation corners powered by tools that facilitate innovation jams and hackathons at scale to foster co-creation and co-innovation.
- Enhancing team building and group learning using gamification to foster creativity. In addition, this capability should enable employees to view their own personalized dashboard with their skill index, training status, utilization, vacation calendar, productivity, and achievement or reward level and back them with on-demand support for both technical and health and wellness needs.

As articulated earlier, the guiding principle behind virtual governance Dynamic Delivery is a comprehensive, multi-faceted approach to instrumenting a higher level of employee and stakeholder engagement, and proactive identification and resolution of potential roadblocks.

Getting prepared, emerging stronger

As businesses adapt to new ways of getting work done, and as they pivot from old patterns of work and physical models to a different normal with all its challenges and opportunities, the clarion call has become: “We won’t be unprepared again.”

Indeed, successful companies that are built for change must be able to accelerate their journey to Cognitive Enterprise while quickly responding to shifting business conditions. This is especially true for the delivery of IT and business services on which the most critical business operations—and their customers—depend.

Whether they try to do it on their own, or engage with service providers, here are key actions businesses can take to attain leadership in service delivery.

Action guide

Journey to Dynamic Delivery in 10 steps

1. Enable connectivity scale that allows your employees to work flexibly onsite and from virtual locations during times of crisis.

2. Examine your work practices to determine which are best suited to virtual delivery and which require co-location. This gap assessment should serve as a starting point in your delivery transformation.

3. Assess your enterprise's tools and platforms. They should be enabled for seamless operations across locations, and scalable and interoperable for deployment among partners.

4. Perform a security audit. Create an action plan to plug gaps in your policies, processes, and controls to address compliance mandates, regulatory requirements and data privacy guidelines. With so many people working remotely, possibly on personal devices, renewed and proactive vigilance is critical.

5. Assess your workflows and processes with an eye toward identifying opportunities for AI and automation to make delivery resilient and dynamic. Automate workflows to help address the current challenges and catalyze the shift from virtual-first to automation-first methods.

6. Consider leveraging virtual garages to co-create and scale your digital transformation. Dynamic delivery, when combined with agile, innovation-at-scale methodologies can help clients emerge stronger and faster with timeline confidence.

7. Develop global standards for talent management in disruptive times. This talent can be a combination of in-house experienced professionals and highly skilled, experienced vendors who can help with standards and speed. Seek out employees and vendors with skills in virtualized work environments.

8. Establish processes for ubiquitous knowledge management via a digital e-learning platform. In addition, build executive and staff buy-in and proactively manage change. This transformation requires evolving your culture to empower and enable your employees and service provider(s).

9. Emphasize strong governance through digital dashboards, enabled by a platform to foster transparency and collaboration. This includes establishing the right metrics on key activities to proactively mitigate risks, build resilience, and accelerate your digital transformation agenda.

10. Build an integrated execution roadmap to close gaps in your dynamic delivery capabilities. Make an informed decision on building in-house service delivery capabilities for each component of the 3x3 dynamic delivery model or engaging experienced service providers to leverage their existing agile, adaptive, and holistic delivery capabilities, or both.

Notes and sources

- 1 IBM Institute for Business Value/Survey Monkey COVID/Post COVID survey of 35,000 consumers. June 2020.
- 2 Foster, Mark. "Building the Cognitive Enterprise: A blueprint for AI-powered transformation." IBM Institute for Business Value. February 2020. <https://www.ibm.com/thought-leadership/institute-business-value/report/build-cognitive-enterprise#>
- 3 IBM Institute for Business Value/Oxford Economics COVID/Post COVID survey of 3,450 global C-suite executives. June 2020.
- 4 "IBM Garage." IBM. Accessed June 28, 2020. <https://www.ibm.com/garage>
- 5 Vila, Ashkan and Stephanie Carruthers. "New Study Shows Consumers Could Be Vulnerable to COVID-19 Spam." Security Intelligence. April 23, 2020. <https://securityintelligence.com/posts/new-study-shows-consumers-could-be-vulnerable-to-covid-19-spam/>

About Expert Insights

Expert Insights represent the opinions of thought leaders on newsworthy business and related technology topics. They are based upon conversations with leading subject matter experts from around the globe. For more information, contact the IBM Institute for Business Value at iibv@us.ibm.com.

© Copyright IBM Corporation 2020

IBM Corporation
New Orchard Road
Armonk, NY 10504
Produced in the United States of America
August 2020

IBM, the IBM logo, ibm.com are trademarks of International Business Machines Corp., registered in many jurisdictions worldwide. Other product and service names might be trademarks of IBM or other companies. A current list of IBM trademarks is available on the web at “Copyright and trademark information” at: ibm.com/legal/copytrade.shtml.

This document is current as of the initial date of publication and may be changed by IBM at any time. Not all offerings are available in every country in which IBM operates.

THE INFORMATION IN THIS DOCUMENT IS PROVIDED “AS IS” WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY OR CONDITION OF NON-INFRINGEMENT. IBM products are warranted according to the terms and conditions of the agreements under which they are provided.

This report is intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. IBM shall not be responsible for any loss whatsoever sustained by any organization or person who relies on this publication.

The data used in this report may be derived from third-party sources and IBM does not independently verify, validate or audit such data. The results from the use of such data are provided on an “as is” basis and IBM makes no representations or warranties, express or implied.

