



## Pursuing operational excellence in IT

*How a service-oriented operating environment for IT can help accelerate business and IT alignment*

*While CIOs around the world continue to work toward aligning IT with business needs, success will likely come most readily to those who take a structured, disciplined approach to achieving operational excellence in IT. And by focusing their efforts on creating a service-oriented operating environment, those CIOs can help enable competitive advantage while also reducing operational risk—with a dynamic, resilient, responsive and available IT operation that is secure, compliant and cost-effective.*

The persistent focus on aligning IT operations with business objectives has become a mantra for CIOs across industries. But actually achieving that alignment can be a challenging proposition—especially since CIOs are also being asked to help the business innovate while driving cost out of day-to-day operations.

Operationally, CIOs will need to set new priorities for managing IT and for optimizing and integrating a long list of technologies if they are to succeed. The goal is to enable competitive advantage while reducing operational risk—which means CIOs must govern a dynamic, resilient, responsive and available IT operation that is secure, compliant and cost-effective.

### **Developing an enterprise architecture as a foundation for operational excellence**

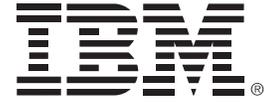
From a best practices perspective, we're talking about achieving operational excellence in IT, supporting business needs with the appropriate levels of IT resources, governance and risk management. And that calls for implementing a well structured enterprise architecture—an approach that recognizes the need to align IT with business needs, rather than attempting to align business with IT needs.

But where—and how—should CIOs begin the process of working toward operational excellence in IT? Many experts agree that the best way to start is by developing an enterprise architecture—"a conceptual blueprint that defines the structure and operation of an organization. The intent of

an enterprise architecture is to determine how an organization can most effectively achieve its current and future objectives."<sup>1</sup>

An enterprise architecture must be designed to support an organization's specific business strategies. So if a company's business strategy is tied to improving the efficiency of customer service, its enterprise architecture should support improving the efficiency of customer service. Beyond those broad parameters, an enterprise architecture can help a CIO:

- Define a set of interacting systems and processes that are reusable, reliable, flexible, scalable and secure, and support business processes
- Add new infrastructure and systems, and manage the lifecycle and value of current systems
- Accelerate delivering solutions to the business
- Reduce the cost of business operations by optimizing IT acquisition and support and by reusing IT resources
- Leverage enterprise knowledge by consolidating and optimizing processes, data, business functions and other resources



While developing an enterprise architecture can be a solid first step toward achieving operational excellence in IT, it's important to recognize that all approaches to enterprise architecture are not created equal.

One approach, based on the concept of creating a highly structured, services-oriented IT operating environment, establishes an enterprise architecture which leverages service-oriented principles. It can help businesses speed time to value, reduce costs, scope and manage large projects more easily, and transform the corporate IT infrastructure into a powerful instrument for driving an organization's business objectives.

#### **A service-oriented approach to the IT operating environment**

The model IBM recommends for this type of IT operating environment lays the foundation for establishing an enterprise architecture. By employing sets of well-defined, interacting services, the model prescribes and positions the types of functions and capabilities necessary for organizations to effectively support their business objectives.

The construction of this IT operating environment relies on services orientation to ensure coverage of all IT functions. The resulting components—most of which are typically defined as services—are a combination of hardware, software, and technical expertise that can be easily and quickly assembled to create solutions for providing businesses with the flexibility, responsiveness and efficiency they need to adapt quickly to changing demands.

As a result, a service-oriented IT operating environment makes it possible to assemble complex solutions to support complex projects—all based on a consistently described functional scope that takes advantage of standardized, reusable components with well defined interfaces and interactions. What's more, the service-oriented approach allows IT operations to be modeled along the same guiding principles as overall business operations.

#### **For more information**

To learn more about developing and implementing a service-oriented IT operating environment, please visit:

[ibm.com/cio](http://ibm.com/cio)

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<sup>1</sup>SearchCIO.com, Definitions,  
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