

AN OPERATING MODEL TO SUPPORT ENGAGEMENT AT THE DIGITAL EDGE

Organizations that disrupt markets and sustain competitive advantage have some significant characteristics in common. If you look closely enough, they all:

- Commit to a comprehensive strategy to achieve their business imperatives
- Develop products, services, and experiences that delight their customers
- Cultivate an organizational structure and culture to fulfill the mission
- Reduce the lead time associated with responding to change

Modern expectations of a secure, reliable, and ubiquitous ecosystem that connects the workforce, partners, and customers require an organization to develop techniques and approaches to sustain business value while proactively managing risk and expenses. To achieve their ambitions, organizations need an operating model that engages at the digital edge, fueled by robust cloud-everywhere experiences, to deliver measurable business value. An edge-to-cloud operating model is the orchestration and coordination of strategy, people and culture, process, and technology to fulfill an organization's vision, business model, and viability.

Sustaining this operating model requires practice areas across the organization to continuously develop and adapt well-orchestrated functional capabilities.

- **Strategy and governance:** IT strategy, execution guidance, continuous compliance
- **People:** Culture, talent enablement, and organizational structure
- **Innovation:** Learning, experimentation, and ideation pipeline
- **Security:** Risk management, regulatory compliance, and customer privacy
- **Operations:** Resiliency, efficiency, quality, and total cost of ownership
- **DevOps:** Automation, developer productivity, and culture of accountability
- **Data:** Management, accessibility, security, and intelligence
- **Applications:** Modernization and migration, archetype blueprints to promote consistency and scalability

While operating model capabilities span multiple functional practices across an organization, many IT organizations initially focus on operational capabilities (see Figure 1). Operations is often the first and last area to be considered, as it must support business and IT objectives, increased demand for higher volume, frequency, and velocity—all without degradation in service as it evolves. Here are some critical capabilities to consider as the foundation of your operations practice that can accelerate the modernization of your operating model.

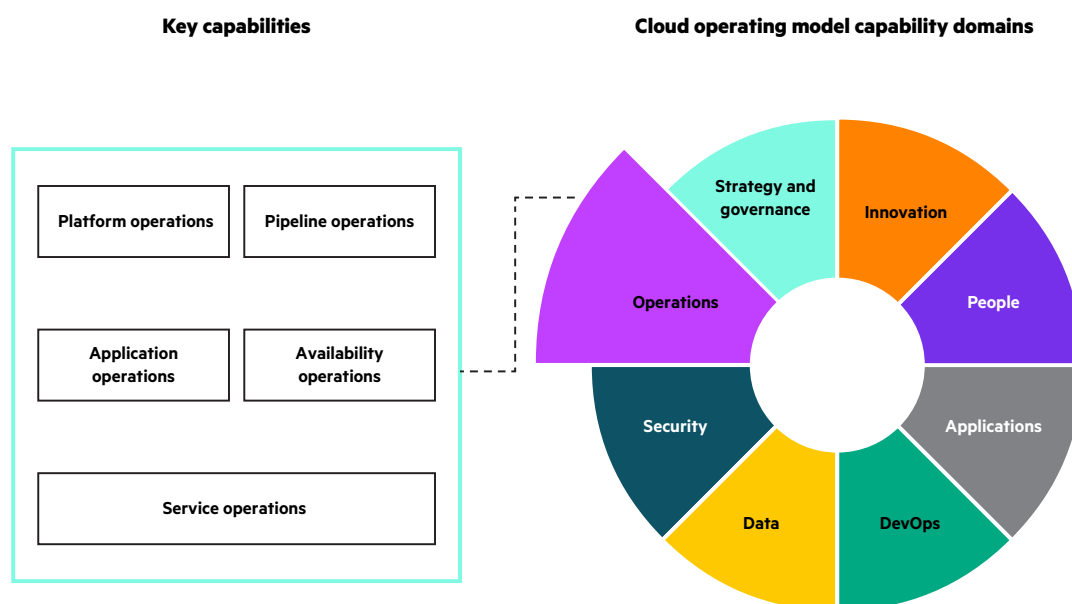


FIGURE 1. HPE Edge-to-Cloud Adoption Framework: The Operations domain

The following sections detail high-value targets that sustain operational excellence and enrich the key capabilities.

OPERATIONAL INTELLIGENCE

Visibility and insights are paramount to any digital transformation, including the establishment of a high-functioning operating model that supports business and operational continuity. Access to data and turning that into operational intelligence drives continuous improvement, cost management, resiliency, innovation, and risk management—all of which are top of mind to an organization's CIO.

Here are ways an organization can turn intelligence into action and results:

- **Curate events across hybrid IT and edge ecosystem:** Architect and provision solutions that capture events across your entire ecosystem, such that knowledgeable experts can curate actionable information for systems that learn, automate responses, visualize, and facilitate search/forensics
- **Establish user and performance baselines:** To adopt a continuous improvement and experimentation methodology that scales, methods for user and performance baselines must be established and integrated with actionable threat intelligence data
- **Integrate operational insights into architectural and engineering practice:** Real-time feedback loops fueled by operational insights must be applied to architectural decisions, engineering implementations (of code and configuration), and site/service reliability efforts
- **Automate proactive and just-in-time corrective and incident response:** Comprehensive response to operational intelligence must be combined with planning and action that adopts a proactive posture—in other words, address the opportunity before it becomes a problem; actionable data and baselines, an automation framework, rapid delivery cycles, and a repeatable out-of-cycle/emergency response are all crucial to sustaining a proactive posture that reduces risk and increases the quality

INFRASTRUCTURE OPTIMIZATION

As the infrastructure management practice matures via more repetitions across the ecosystem and within the context of the emerging operating model, they will develop the right mix of deployment and service models with appropriately sized infrastructure (resources and scale) to support an optimized hybrid IT ecosystem. The immediate emphasis should be on managing operational risk and resiliency.

ACCELERATE WHAT'S NEXT WITH EXPERT ADVICE AND IMPLEMENTATION

Digital Next Advisors and **Advisory and Professional Services** experts from HPE Pointnext Services map technology and offer best practices advice to help you deliver on digital ambition. To find out more about Digital Next Advisory or engaging with an HPE Digital Advisor contact us at: digitaladvisor@hpe.com.



Subsequently, the organization should pivot to cost optimization, which includes a consumption-based model, resource right-sizing, and scaling optimization that responds to targeted triggers for the expansion and contraction of the virtualization and clustering footprint. Finally, once the organization is prepared to support a multicloud ecosystem, exploration should be performed on the best absolute fit on a workload-by-workload basis (with a blended goal of cost optimization and feature set availability).

These capabilities catalyze infrastructure optimization across the hybrid IT ecosystem:

- **Establish software-defined ecosystem:** Prepare infrastructure management to be able to provision standards-based infrastructure blueprints via software-defined infrastructure pipelines and application programming interfaces (APIs)
- **Develop infrastructure A/B testing learning program:** Combine site reliability engineering, monitoring, and A/B testing to decide the best resource sizing and scaling to support workload performance and resiliency
- **Explore multicloud fit to purpose architecture:** Develop architectural standards, patterns, and decision criteria to decide, which cloud instance is the right (and best) fit for each workload

MISSION-READY WORKFORCE

A functional practice or operating model is only as good as the people who run it. As such, it is imperative to properly prepare the workforce to support the operational and strategic challenges associated with supporting the business.

These techniques help to prepare an IT workforce:

- **Identify change agents:** Find the subject-matter experts who can positively influence the strategy, execution, and socialization of the operating model
- **Prepare skills inventory:** Develop a comprehensive and documented inventory of skills and proficiencies of your staff
- **Perform risk and succession planning:** Assess the risk associated with the depth of your subject-matter expertise across both critical and non-critical IT functions
- **Develop talent enablement strategy:** Establish a learner experience that incorporates prioritized instructional design, active learning via job rotation, coaching and mentoring, and user experience

Organizations that do not immediately have the capacity of trained resources to satisfy business demand (and time-to-value expectations) should consider strategic partners who can operate in a two-in-a-box solution delivery model. This technique creates a balance of progress, talent enablement through on-the-job training, and risk management to address residual risk from the legacy operating model, along with the inherent risk of change management and adopting a new model.

RE-IMAGINED EXPERIENCES

An often-forgotten element of operating models is the user experience, which includes how collaborators, partners, and customers engage with and consume services provisioned by functional practice areas across the organization. While there are typically many opportunities to address in any ecosystem, it's best to start with visibility and insights into critical processes within your model that represent high volume, frequency, and velocity engagement.

Here are some capabilities that contribute to creating great user experiences:

- **Perform value stream mapping:** Decompose critical services and processes; identify points of friction, inefficiency, and toil that can benefit from automation, orchestration, and engaging interfaces
- **Develop decision-making framework:** Create a framework with accountability that enables teams and incorporates risk-management controls for tactical, operational, and strategic decisions
- **Establish hybrid IT standards:** Determine IT standards (including a standards-candidate mechanism) that learn and benefit from operational observations and experiences with an emphasis on accelerating time to value, as well as supportability
- **Implement low-code/no-code platforms:** Enable the citizen developer to innovate, reduce technical debt, and increase responsiveness with UX and visualization tools backed by a well-managed API catalog that provisions access and integration to critical systems and data





ABOUT STEVE FATIGANTE

Steve Fatigante is an IT executive with 28+ years of experience delivering digital transformation and hybrid cloud solutions. He is a driven leader with an extensive background in formulating IT strategies that emphasize digital transformation, hybrid cloud adoption, information security, flexible and extensible architectures, and service reliability for both regulated and growth-oriented industries. He leverages entrepreneurial skills and a bias for action to deliver measurable outcomes by seamlessly integrating people, process, technology, and innovation. Steven has a knack for making strategic implementations, delivery and execution, and transformation feel tactical and practical. He is an inventor on five U.S. technology patents.

CONCLUSION

The ultimate success of an operating model hinges upon cross-functional collaboration and alignment of C-Level executives, practice area leads, and critical change agents across an organization. A modern operating model that supports a hybrid IT ecosystem and engagement at the edge is complex but not complicated.

A deep understanding of the global marketplace, emerging channels, technology, threats, and insights into an organization's legacy model supply the foundation for any solution. Paired with a robust blueprint (which includes strategy, people, process, and technology) and comprehensive functional capabilities, it is likely that organizations can achieve their business and digital ambitions.

This article is one in a series that address the eight capability domains of the [HPE Edge-to-Cloud Adoption Framework](#). The other seven articles can be found here:

- [The Crucial Role of Application Management in a Cloud Operating Model](#)
- [Insight From Data Everywhere Driving Hybrid Cloud Strategy](#)
- [Does Your Company Have a Complete Innovation Framework?](#)
- [Five Focus Areas to Transform Your IT Organization](#)
- [DevOps and Digital Transformation: Now and Future](#)
- [The Role of Security Transformation](#)
- [3 Essential Elements of Strategy and Governance to Accelerate a Multicloud Journey](#)

LEARN MORE AT
hpe.com/digitaltransformation

Make the right purchase decision.
Contact our presales specialists.



Chat



Email



Call



HPE support



Get updates


**Hewlett Packard
Enterprise**

© Copyright 2021 Hewlett Packard Enterprise Development LP. The information contained herein is subject to change without notice. The only warranties for Hewlett Packard Enterprise products and services are set forth in the express warranty statements accompanying such products and services. Nothing herein should be construed as constituting an additional warranty. Hewlett Packard Enterprise shall not be liable for technical or editorial errors or omissions contained herein.

a50005375ENW