

Strategy Development Case Study

State Government Office of Information Technology

OVERVIEW

The State Government Office of Information Technology exists to deliver information technology and telecommunication services statewide to government agencies, boards and commissions, as well as to develop policy and standards, plan life-cycle investments, and maintain privacy and security. Although it had already made great progress in virtualizing servers, the agency engaged VMware® Accelerate™ Advisory Services to help it more effectively manage its virtualized environment and better align its services with its stakeholders.

Project Scope

The State Government Office of Information Technology engaged VMware Accelerate Advisory Services to develop a strategy and plan that would help the agency to

- Transform the way IT delivers services while continuing to offer services
- Improve service communication to drive the attractiveness of hosted services
- Leverage staff across the state to get to the right roles with the right skills—even as 30 percent of state staff members were within five years of retirement
- Support aging and legacy applications and infrastructure
- Improve funding models for a new shared infrastructure that did not penalize first adopters
- Implement a good customer engagement model
- Streamline procurement processes to improve cost efficiency and speed
- Reduce storage costs, which had increased the cost of services more than expected

Engagement

The VMware Accelerate Advisory Services team proposed a combination IT-as-a-service (ITaaS) strategy coupled with an operational readiness assessment that would complement and extend the agency's defined statement of direction for IT. VMware strategists would conduct a comprehensive people, process and technology discovery and prepare a detailed report that outlined key focus areas for process improvement.

The agency wanted to build a new environment using smart IT consolidation to drive savings—with a target of USD \$150 million per year. It sought to position itself as a usage-based supplier of IT services to agencies and municipalities and as a more attractive alternative than public cloud providers. At the same time, the agency wanted to effectively transform into a service delivery organization, providing service-cost transparency and accountability in a usage-based model. It also wanted to regularly communicate the value of its services to customers by using compelling performance metrics that extended beyond availability and included utilization, performance, archiving, failover and an interoperability dashboard. In addition, the agency wanted to gain proactive and positive customer feedback on its performance.

To help it achieve these goals, VMware experts first assessed the agency's current virtual environments (hardware, software, storage and network configurations), identifying bottlenecks, issues and concerns. VMware advisors recommended mitigation strategies for the issues and concerns discovered during the assessment. At the conclusion of the assessment, VMware consultants offered solutions to optimize and enhance the existing environment.

The assessment revealed that the agency should develop an overall strategy to maximize and leverage its investment in virtualization and transform traditional IT services into ITaaS. This approach would result in faster, more flexible and more scalable resources; provide its customers with a better compute experience; and deliver value propositions that demonstrated its benefits over public cloud offerings.

VMware Accelerate Advisory Services experts informed the agency that it would gain a number of business benefits from moving to ITaaS. The key benefit to end users would be speed of service. The value, therefore, would translate into government that can be more responsive to its citizens and their expectations. Convenient and on-demand services would also enable the agency's development and testing organizations to focus on building better, higher quality applications without being limited by hardware provisioning bottlenecks.

Building virtual testing labs in a consistent manner using cloud resources could lessen the risk of extraneous environmental elements invalidating test results. The agency would be able to provide customers with temporary capacity cheaply and easily without long-term commitments to meet periodic capacity shortfalls. It could allow customers to improve flexibility in their IT environments to address new and changing business conditions and models, as well as improve governance development that encourages documentation and data management to help ensure compliance with IT policies and standards. With ITaaS, the agency would have the ability to communicate the value of its services to customers and improve the perception of its overall value.

Recommendations

VMware strategists and consultants offered the following specific recommendations to enable the agency to achieve its IT goals:

- Implement a statewide center of excellence for virtual infrastructure (VI) services.
- Define and communicate a statewide virtualization strategy.
- Understand and align stakeholder demands with tiered VI service offerings.
- Define and manage a portfolio of shared VI services based on a collection of stakeholders' IT service requirements.
- Simplify the current cost recovery model to include an automated chargeback mechanism.
- Enhance the current service catalog to include tier-based offerings.
- Create a self-service portal for the dynamic provisioning of VI resources.
- Enhance capacity management processes and tools.
- Develop a VI continuity strategy aligned with stakeholder requirements.
- Expand the use of virtual machine and virtual appliance templates to enable greater automation, standardized configuration deployment and faster provisioning.
- Target savings by core service to identify clear targets to engage staff.
- Ensure regular communication and reinforcement of desired objectives and core services with key performance indicators (KPIs) to align staff and create a clear service position with the agency's customers.
- Capture the "voice of the customer" and integrate it into internal processes and targets.
- Continue to foster thinking that allows IT staff to become more service oriented so that they can effectively compete with public cloud and other service providers.
- Develop performance-oriented KPIs and metrics relevant to customers, including outcome monitoring dashboards.
- Design a thorough reference architecture that builds in appropriate storage, network, compute and security requirements.
- Develop a cloud architecture to ensure a streamlined and comprehensive approach to the private and public cloud.
- Investigate and develop a comprehensive desktop-as-a-service (DaaS) vision that takes into account evolving consumer devices and mobility alternatives.
- Investigate a lightweight cloud application development platform for use with a private cloud environment for new application development projects.

ABOUT VMWARE ACCELERATE ADVISORY SERVICES

VMware Accelerate Advisory Services help organizations adopt and implement business-aligned IT strategies, increase agility, and provide measurable business value to the enterprise. VMware strategists and architects collaborate with senior executives to develop a pragmatic IT strategy and transformational roadmap, while value engineers evaluate customer IT environments, deliver benchmarks, and perform financial analyses to construct an integrated analytical snapshot of IT's strengths, weaknesses and opportunities. As former chief information officers (CIOs), chief technology officers (CTOs) and industry consultants, VMware advisors are experts at identifying hidden barriers, revealing opportunities and accelerating IT initiatives. To learn more, email accelerate@vmware.com.

Engagement Outcome Summary

After engaging VMware Accelerate Advisory Services, the agency implemented many of the VMware recommendations and quickly and confidently moved ahead with plans to virtualize a number of state agency workloads to drive virtualization levels to near 100 percent.

Since the engagement, the agency has experienced significant benefits from virtualization, including higher productivity and lower CapEx, which has resulted in an increase in the total IT budget allocated to new agency projects instead of maintenance. Agency IT teams also are able to more rapidly provision and de-provision infrastructure capacity, resulting in greater ability to act on time-sensitive opportunities and supply capacity to projects on demand, recapturing unused or underused capacity. With capabilities that allow the agency to identify, quantify and show back actual infrastructure use, IT is better able to predict demand and capacity for projects. The agency has also improved risk mitigation by deploying feasible and testable business continuity and disaster recovery (BC/DR) processes with dynamic multisite capacity capabilities.

At the same time, the agency has leveraged virtualization to increase end-user performance and satisfaction by improving availability, reliability and recoverability; enhanced the quality of application experience by using the cloning capability of virtualized environments to augment development and test capabilities; and minimized the disruption of planned and unplanned downtime by improving dynamics in capacity management.

