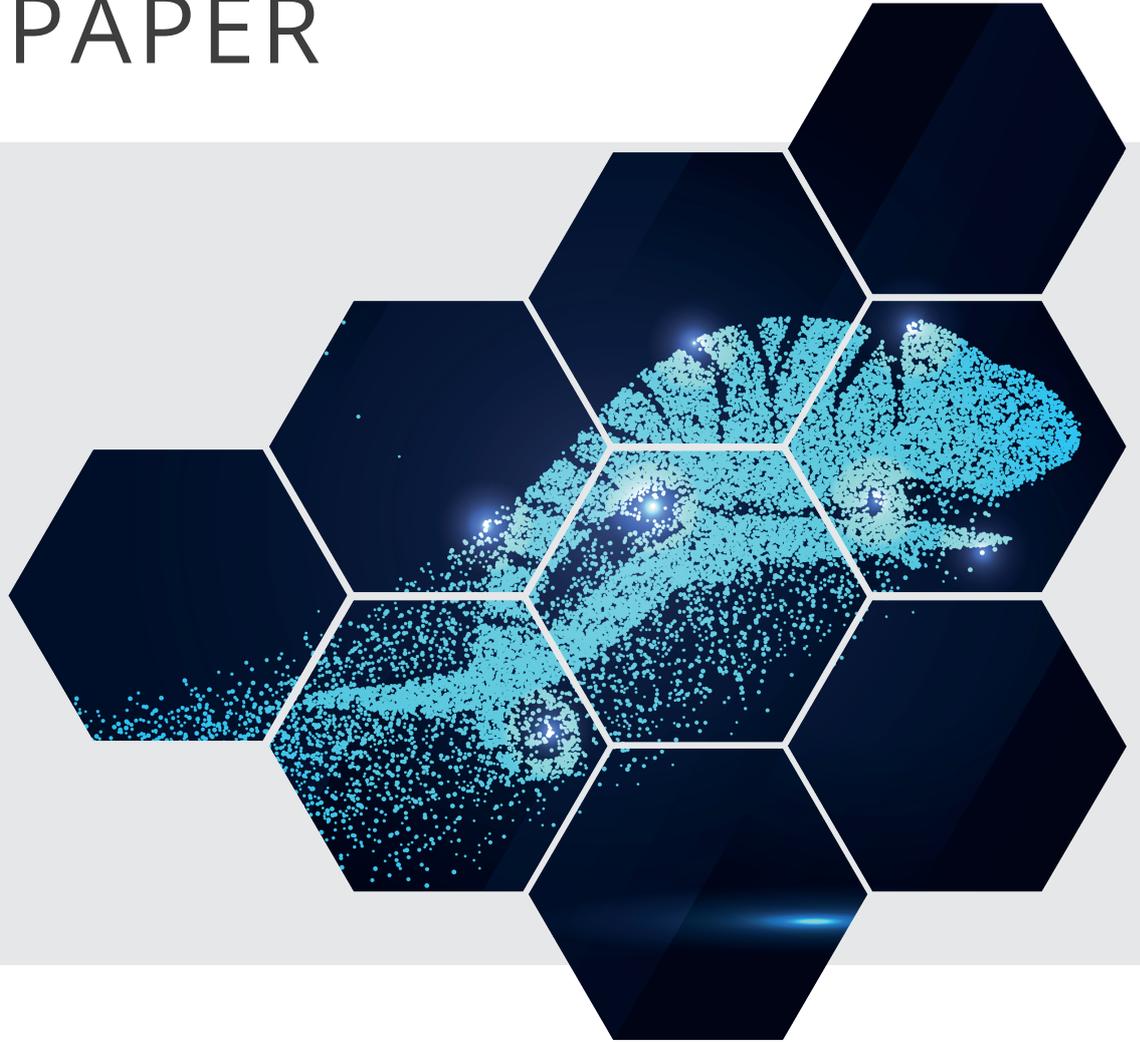


WHITEPAPER



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Adaptive IT-Governance with Bee4IT

Technology innovation has reshaped the IT landscape over recent decades and will continue to do so. One change having a major impact on IT is the evolution from closed systems to smart ecosystems. This shift in computing paradigm affects multiple dimensions of IT such as IT supply and demand, IT architecture, and consumer expectations.

This article will highlight the challenges in managing IT under these changing conditions by specifically looking at IT governance and how Clausmark's Bee4IT can help in addressing these challenges.

Adaptive IT-Governance: A technical, industrial and social revolution

“Adaptive IT governance is the organisational capability that determines the IT governance style and mechanisms that will deliver required business outcomes in a given context.”

(Source: Gartner, Inc.)

This change is not just a technical evolution: It is also an industrial and social revolution.

Companies need to digitally transform themselves to stay competitive in this changing world. That’s why digitalisation is such a mega trend across industries today. However, most digitalisation projects fail. According to a 2018 survey of McKinsey among business executives globally, only 3 percent reported complete success at sustaining their change.

(<https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/five-moves-to-make-during-a-digital-transformation>)

The failure and the reason

A main reason for this failure is conflicting approaches to IT governance. Managing a desktop support service requires another approach than developing a digital platform to enter a new strategic market segment. Today, IT organisations need to

practise adaptive IT governance to overcome this challenge. What this basically means is that an IT organisation must be able to dynamically change their decision-making processes depending on the outcomes desired to achieve. Traditional IT governance is control-based, which means that decisions are made within a strict framework of rules, policies, standards, directives, and compliance requirements. This strongly supply-driven IT governance style is very effective in a regulatory context: Comply or die!

But when the focus is on achieving business outcomes, IT needs to balance benefits versus risks. A control-based governance style could result in (expensive) missed opportunities as solutions that are not governance-compliant would simply not be considered. An outcome-based IT governance style focussing on the demand side and on benefits realization is more appropriate.

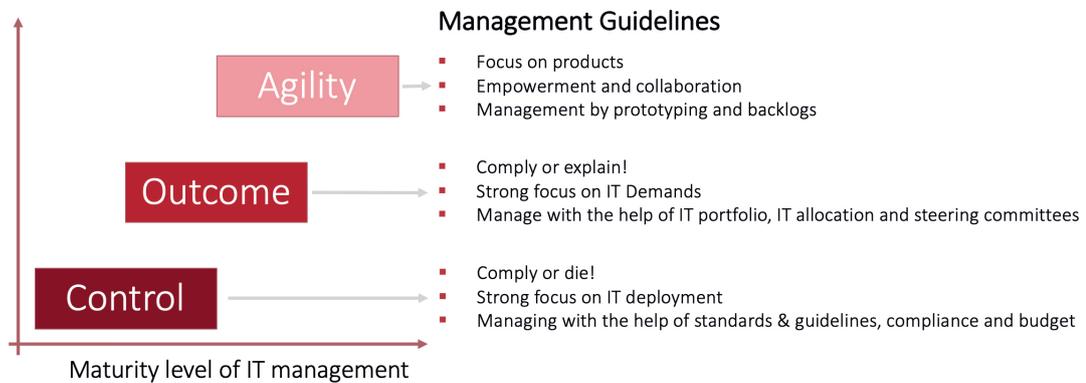
New styles of IT Governance

Especially in the age of digitalisation, business benefits are created as products evolve (prototyping approach) and through a joined collaborative approach between IT and business. This requires fluid decision-making processes by pushing decisions down the chain (empowerment of people and teams), promoting cross-functional collaboration, and taking a prototyping approach. This agility-based style of IT governance should do just that.

Our solution: Adaptive IT Governance with Bee4IT

Bee4IT is an IT management concept enabling adaptive IT governance by supporting the IT management principles outlined above. In addition, it provides a single-source-of-truth by integrating IT Financial Management (ITFM), Program & Portfolio Management (PPM), and Enterprise Architecture Management (EAM) into one single IT management system.

Enhancement of the IT Organization



Source: Based on Gartner, Inc.

Control-based IT Governance

Existing standards and policies can be setup in Bee4IT to ensure compliance when needed. It is up to IT management to determine how strict these policies are used per IT initiative. Managing IT initiatives on budget is a core fundamental of Bee4IT. Through rolling forecasts and variance analysis, IT management has full control over IT initiatives.

Outcome-based IT Governance

Another core fundamental of Bee4IT is enabling business-driven IT management through its demand management capabilities. As IT demands vary so does the way IT demands are managed in Bee4IT. Not all demands are the same, e.g., a demand for an OS update as a result of no-support-anymore will have to be processed different as a demand for a new CRM system to support the company's sales strategy. Managing these different demands in one single system is beneficial for IT management.

Transparent IT Charging

Another aspect for outcome-based IT governance is transparent charging of IT towards the business. Separating cost creation and cost charging is also a core fundamental in Bee4IT and allows to define an IT portfolio (IT products composed of IT projects and

services offered to the business) that is used for charging the business in a transparent way.

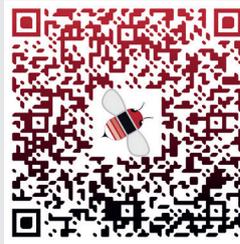
Agility-based IT Governance

Bee4IT by default is an open system for all employees, meaning that everyone is able to see everything (transparency), but not everyone has the authorisation to do everything (role-based user concept). IT employees also are expected to do time reporting and self-planning. These fundamentals enable empowerment and promotes collaboration. Both aspects are crucial for agile IT organisations.



Adaptive IT-Governance with Bee4IT in practice

Interested in how adaptive IT governance with Bee4IT works in practice? Then take a look at the presentation „Leadership matters - The right guard rails of a high-performance IT“ by Miele CIO Uwe Herold.



Agenda

1. Introducing Miele
2. Miele IT
3. Initial situation
4. How to execute
5. Leadership principles
6. Bee4IT enables our journey

Clausmark is the partner of your IT. We not only deliver software, but also assist you in this transformation. We will guide you step by step to an appropriate level of maturity for your organization.

Bee4IT at Gartner

2018 Market Guide for IT Financial Management Tools

2019 Magic Quadrant for Enterprise Architecture Tools

2019 Market Guide for Strategy and Innovation Roadmapping Tools

2019 Market Guide for Technologies Supporting a DTO

We are happy to support you - please contact us.

„Clausmark enables a future-oriented, holistic management of your IT. The basis for this is our software Bee4IT, which covers all management-relevant areas in an integrated manner. This also includes IT Financial Management and Enterprise Architecture Management. Clausmark is globally recognized by Gartner as the only manufacturer listed in both areas.

Bee4IT is the single point of truth for the entire IT management and enables decisions to be made not only in the context of the respective area but also by considering all relevant dependencies. Thus, Bee4IT shows, for example, which projects in the portfolio support which strategies, which costs and resources are involved and what impact they have on the enterprise architecture.“



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