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CIOs Speak to Benefits of 'Right-Speed' IT

Forward-thinking CIOs are recreating their development teams to operate at variable speeds to tailor IT efforts to the needs of business partners.

Two-speed IT delivery models can often set stability in opposition to agility. On one hand, predictability and controls are necessary to manage risk while delivering large-scale enterprise IT. On the other hand, many organizations are also intent on pursuing rapid discovery and experimentation. Viewing IT delivery models only through the lens of these two extremes can be challenging, suggesting a divergent approach to IT delivery—either slow and steady or fast and furious—while offering little guidance on how to manage the gap between stability and agility.

In response, an increasing number of CIOs are building on this two-speed mindset, developing IT organizations that adjust the tempo to suit the needs of particular business initiatives. This "right-speed" approach can allow IT to better support the range of changing business needs in an organization.

Architecture-Led Services

Cisco Systems' IT organization is on an ambitious transformation journey to digitize IT and drive faster delivery of business outcomes, while also continually improving operational excellence, security, compliance, resiliency, and quality. For Guillermo Diaz Jr., senior vice president and CIO at Cisco, "There's only one right speed for IT: faster and more secure."

To that end, Cisco IT has transformed numerous capabilities, beginning with release management. Historically, system changes were limited to four major and 12 smaller releases per year. By creating a continuous delivery mindset, adopting Agile methodology, and automating the development process, Cisco has realized a fivefold increase in the number of release opportunities year over year—a staggering achievement, albeit one Diaz and his team view as still not good enough.

As part of the continuous delivery program, the company doubled down on its commitment to Agile development. As of the last fiscal quarter, over 82 percent of projects were developed using Agile; the remainder were developed using hybrid techniques that condense and accelerate the traditional enterprise application

development cycle. "We've learned some great lessons and made great strides shifting to a culture that embraces innovation, visualization, and rapid feedback," says Diaz. "Faster IT requires a culture of increased accountability for quality, even as we turn to technology and automation to enhance developer productivity."

Cisco continues to invest in architecture and is extending its cloud footprint by digitizing foundational platforms for source control, build, review, and deployment. The company is also investing heavily to weave APIs into the network and to deploy containers and middleware components. Importantly, Cisco has created a continuous delivery model on this digital foundation. "Right-speed IT applies the appropriate amount of rigor and diligence for each business application," says Diaz. For example, working with ERP requires significantly more rigor than working with many other less complex applications.

Diaz reports that since embarking on this transformation journey, Cisco's IT organization has seen a 97 percent increase in the speed at which projects are created, a 92 percent improvement in project quality, and, notably, a 79 percent increase in timely closure of security vulnerabilities. "We wanted to drive agility, simplicity, and speed, but not at the cost of ensuring our business is secure," he says. "Our ultimate vision is to help increase business value faster."

Collaborating at the Right Speed

For integrated technology solutions provider CDW, finding the right speed for its IT organization is more than the latest trend—it is a proven strategy in a sector defined by near-constant disruption. CDW has deployed a model in which IT collaborates with the business to develop solutions that meet customers' evolving needs, with each team working at a tempo that fits its project's specific goals and circumstances. Some teams sprint, others walk at a measured pace, but all are guided by a solution framework defined not by the speed of the delivery model but by approaches to architecture, security, controls, deployment, and associated metrics.

This collaborative development strategy has both helped CDW turn technology into a competitive advantage and informed IT's approach to meeting its mission, says Jon Stevens, CDW's senior vice president of operations and CIO. "Development teams tailor their efforts to the distinctive needs of each business group. In this environment, one size does not fit all."

For example, the e-commerce function at CDW is broken into groups by product. Each group includes a business leader, product managers, and a technology leader, all of whom work together to build on successes or fail fast and move on to the next idea. Team members work closely with the DevOps team, which shepherds new products and enhancements through security and regression testing and then onto a release platform.

Meanwhile, IT teams working with other functions similarly tailor their work to the needs of those organizations. The IT team supporting finance, for instance, follows a

methodology and governance model that allows it to move at an appropriate pace for maintaining compliance within systems that must meet specific regulatory requirements.

Amid this change, the philosophy underpinning CDW's collaborative, flexible approach to IT remains constant. "It's ultimately about the partnerships you build with the business and with your external partners," Stevens says. "Not too long ago, the question was, 'How do you get a seat at the table?' Now, it's about working as a team, always thinking about how technology can drive innovation and competitive advantage."

Super-regional Transformation

Since its founding in 1921, State Auto Insurance Companies has embraced the independent agency system as the best way to meet policyholder needs. To this day, independent agents in the regional underwriter's network strive to provide highly personalized service to customers who, in many instances, are friends and neighbors.[1] Technology is actively transforming that legacy. The company is building a more competitive cost structure, launching analytics-informed products, shifting to digital customer engagement, and revamping the sales process. According to State Auto CIO Greg Tacchetti, "There's not a single thing we're not changing."

Tacchetti is charged with not only transforming IT but also developing overall business strategy. He is working with product teams to define the product road map and ensure they have a modular architecture that standardizes interfaces and data definitions. He is aligning programs to reduce redundant efforts and rationalize investments across business lines. He's also carving out sandboxes, tools, and platforms to allow the business to experiment with new ideas—scaling those that show promise and decommissioning those that do not.

As part of the larger transformation effort, Tacchetti is also crafting a long-term plan to build a multimodal IT organization that can work across the enterprise to create systems architecture and revamp business processes to increase efficiencies, lower costs of system ownership, and make State Auto's offerings more profitable. Fundamental to that change is a focus on design and usability, with an emphasis on end-user experience and journey maps. This focus extends throughout IT's value chain: program design, product design, project design, development, and post-go-live. Case in point: State Auto is in the midst of a transformation effort that will position a new platform to serve as the backbone for new products and capabilities, including customer self-service and an overhauled customer service representative experience.

Tacchetti envisions a day when 12-month projects are a thing of the past. "A year from now, I want to be talking about rapid experimentation and Agile techniques. We've started conversations about weekly releases," he says.

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IT organizations can help drive faster business outcomes and improve operational excellence by putting "right-speed" IT concepts into action. As Cisco Systems, CDW, and State Auto Insurance Companies demonstrate, this approach can enable speedier and more secure service delivery and help close perceived gaps between stability and agility.

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1. State Auto Group staff, "One Man's Vision for a Better World," accessed May 5, 2016

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