Technology strategy is now firmly organizational strategy, which has meant a fundamental shift in the delivery of technology and services to the business. The experience technology delivers has to be all-encompassing, with employees being just as critical as the customer. Technology also needs to be highly adaptive and resilient; change is constant. Never has this been so relevant given the seismic shift to remote working for a countless number of organizations in recent times, including – quite likely – your own. Technology is truly the critical enabler of the business.

As a result of this, there's been a change in the ask of IT. And, to keep up, many IT functions now utilize the experience of managed service providers to help enact and deliver on that change. That trend is set to continue and grow. NTT Ltd.'s 2020 Global Managed Services Report found that in 18 months, nearly half of organizations globally (45%) say they will outsource more than they insource, suggesting a tipping point could be reached within two years where the majority of IT is outsourced.

With more IT being placed into the hands of service providers, organizations want more than a technology transaction you'd expect to find in a traditional outsourcing relationship. They want to leverage the provider's expertise and experience to deliver a service outcome. And what's more, that service outcome needs to be aligned with and measured against the business outcomes as specified in the organizational strategy.

A new era of doing business is unfolding right before us. An era where the organizational strategy is understood in terms of required business outcomes.

The steps required to achieve those outcomes are agreed upon in granular detail, across the business. Pivotal to success, is working with trusted partners who can complement your internal skills and abstract complexity – while delivering economically and at scale. This means you’re likely giving due consideration to the service providers you work with; interrogating the tasks they focus on to understand the impact they have, ultimately, on the path your organization takes. And because of this, and due to the macro-economic situations, we find ourselves in and the challenges we now face - the notion of what we call 'smart sourcing' has become more critical.

At its simplest, smart sourcing is an approach to the selection and prioritization of those service providers that go above and beyond the delivery of tactical IT solutions. It’s about nurturing long-lasting relationships with providers who can deliver business outcomes aligned to the goals of your entire organization, and not simply those of IT.
Your service provider’s ability to help support and meet your business outcomes is dependent upon them having several fundamental capabilities, many of which are validated in the findings of our 2020 Global Managed Services Report:

- **Reduce risk in complex hybrid IT environments** – and gain greater visibility and control.
- **Enable reliable, secure business outcomes through DevOps** – for increased performance, availability, and scalability.
- **Process integration, optimization, and evolution to support your digital transformation** – to enable greater efficiency.
- **Exceptional leadership in security and data privacy** – securing your data.
- **Co-innovate with you, transferring knowledge and learning** – for increased innovation (improved business process) and integration.

Transforming your technology estate to meet the demands of the business – such as driving greater efficiencies and improving experiences for both customers and employees – requires a deep understanding of your already complex IT environment. And, given the trend towards relying on service providers to truly understand your business, and provide services that will deliver your required outcomes, you need confidence they have the scale, experience, and capabilities such as service processes and tools, to deliver upon that transformation.

A service provider offering a platform-based approach enables your organization to step away from the usual IT infrastructure administration and instead, concentrate on running the business and focus on areas for competitive differentiation. The move towards a software development approach means that maintaining the right mix and level of technology platform skills within your organization can be tricky and expensive. It requires a departure from the traditional IT approach to one that facilitates microservices with a DevOps mindset and principles.

Specifically, leveraging a service provider who’s already done the hard yards to deliver platform-enabled services offers the following:

- The automation of operational tasks, therefore eliminating the need for human involvement and reducing the chance of error, while guaranteeing reliability and repeatability.
- In line with less reliance on people, it also enables your organization to scale its operations without the need for a similarly linear scaling of people to deploy and manage those operations – gaining both time and cost efficiencies.
- Gain the services required to support the management of a complex hybrid IT operating environments that require seamless integration of programmable platforms, programmable infrastructure, and non-programmable infrastructure.
- Benefit from the latest tool and process refinements as service providers constantly invest in keeping their platform-based services up to date.

To better understand how you can achieve your business outcomes with the support of a great service provider, we’ve outlined in greater depth the five critical platform-enabled capabilities they should be able to provide to you.
This portal, for example, provides you with insights into your overall IT operating environment. Importantly, it helps to reduce complexity, and bring back much-needed control across your hybrid environment. A self-service interface provides items such as management dashboards, along with drill-down capabilities that provide a real-time, highly transparent view on the status, health, and performance of your environment at any time. Above all, it gives you the ability to improve your IT decision making and access real-time visualization of your key performance indicators.

Additionally, a service provider using a software development approach as part of their platform capabilities should offer open interfaces and loose coupling between platform components, utilizing technologies such as messaging platforms and streaming architectures. They should also be able to standardize capabilities around event management, metrics, SLA management, and automation, regardless of the supporting tooling.

Above all, your service provider should help you reduce risk by better managing costs across your hybrid environment. And ideally, through a choice of flexible service models – from fully managed, partially managed, or light-touch services that are not FTE based. Ultimately, your organization should benefit from a faster time-to-value through easy to understand standardized offerings and best practice blueprints that offer low risk, yet high quality.

Enable reliable, secure business outcomes through DevOps.

The demands placed on your business, be it from a variety of stakeholders both internally (employees) and externally such as customers, often requires the rapid deployment of new technologies. Agile is now firmly the modus operandi for many organizations, as they strive to gain a competitive advantage by not only being first to market but first to react to constantly changing conditions to stay ahead.

Coupled with these demands is the ability to suitably resource rapid new technology development through DevOps capabilities. And that's no easy feat in the current climate, which is why many senior IT leaders turn towards service providers for help. The 2020 Global Managed Services Report found a lack of skills is the third-highest engagement driver for senior IT DMs to engage with service providers. Given the critical IT skills shortage faced by most organizations, supplementing in-house capabilities is critical in outcome-based delivery.

Yet, it's not just a lack of skills driving organizations towards service providers. Enabling efficiencies and producing reliable outcomes remain a core challenge too. Your people are a significant investment, but they also have the potential to produce variable outcomes and inconsistency too. In uncertain times, resilience, reliability, and certainty are big priorities.

Manual provisioning and patching processes, for example, can introduce costly errors, impact availability, and delay implementation. Process automation not only reduces cost but improves availability and the overall quality of service delivery. It also improves governance, simplifies processes, and improves availability.

Increased performance, availability, and scalability

The time to ramp up your DevOps capabilities is now. And working with a service provider offering a platform-based approach to facilitate DevOps releases is a great way to make sure you don't fall behind and expand your DevOps capabilities; particularly if you're struggling to find specific resources. Performance, availability, and scalability are the crucial trifecta in being able to keep your critical systems up and running smoothly.

Being able to automate some of your processes as part of a platform approach through alignment with a DevOps process ultimately means codifying more of what you do. Consider if your service provider practices what it preaches too; is there a platform built on code? Have they applied DevOps principles across every development team, as well as ensuring their operational footprint relying upon continuous integration and continuous delivery pipelines to update and maintain the platform?

Leading service providers will have also built the enablement and orchestration of automation into their service management platform while allowing integration into several automation tools. But the role of a service provider

‘Automation, tools, and platforms provide efficiency, scale, consistency, risk mitigation, uptime, and insight into software, hardware, and systems. IDC believes the increased use of automation will be transformative to the way that services will be delivered and consumed as a result of integrating automation into service delivery as it will impact people and process, and the value that enterprises derive from their IT investments.’

Leslie Rosenberg, Research Director, Network Life-Cycle Services IDC, Future of Services Delivery
shouldn’t just stop at providing you with an automation platform. Does your service provider have strong partnerships with the big hyperscalers? Are they leveraging API-driven platforms not only for their efficiency and optimization but as part of being able to offer consulting skills to support their client’s evolution on these platforms?

Throughout the software development lifecycle (SDLC), everything should be secure by design. Also known as SecDevOps, the ability to do more testing, earlier testing, and broader testing through all the phases of the SDLC contribute towards building better products and applications. SecDevOps isn’t just about ‘being secure’, it makes a vital contribution towards your own organization’s digital transformation. For example, yielding better customer experiences and richer digital services to drive more positive business outcomes.

Also, consider if your service provider has APIs built into their managed service delivery. APIs bring a new level of connectivity and data sharing to multiple applications, regardless of their platforms, data structures, and underlying technologies. The innovative power of APIs means they are regarded as a critical component of enterprise solutions, having a significant positive impact on the operational bottom line, as well as contributing to efficiencies, growth, and innovation.

**Process integration, optimization, and evolution to support your digital transformation.**

As part of your transformation process to enact change and realize great outcomes, you will inevitably face disruption. This includes disruption to the way you do things, perhaps to your employees and maybe even with your customers too. If you’re serious about wanting more than a standard outsourcing relationship, (where the only change to your organization is a shift in who pays your workforce), you need to embrace disruption and the changes your provider recommends to move your business forward.

The ability to integrate into your existing processes and recommend key technology investments is vital in reducing complexity, improving overall IT operational efficiency, and securing your IT environment. Given the dynamics and speed of change likely required by your organization, service integration capabilities, for example, should be made available through open APIs, so they can be used by different workloads, on different kinds of infrastructure. For example, open APIs help you streamline and integrate operations. You can connect queries from your customers to an on-demand model that alerts not just your people, but partners too. Doing this allows you to automate requests and responses across your network, creating a digital business with the ability to scale instantly.

**Greater efficiency**

Your service provider should engage with you to understand your key business outcomes and the current processes you have in place to support those, along with how they can integrate with them to optimize performance. While change can be hard, a skilled service provider offering scale, experience, and a genuine interest in helping you achieve your outcomes should recommend new products and processes for better alignment and integration. They should work hard to understand your business and be experts in identifying your current key technology assets. This is so they can be leveraged and optimized, while also innovating throughout your organization with new technologies through their own global platform experience.

This is where experience counts. A platform-based approach ensures you’re benefiting from the knowledge your service provider has with technology know works, while also understanding how these investments will integrate into your existing processes. The platform approach allows your service provider to discover, configure, integrate, and manage services across multiple enterprise applications and technology partners, providing you with optimized service outcomes, which ultimately ensure the realization of your business goals.

Key points of integration include:

- Integration of systems management processes between your organization, your managed service provider, and technology vendors.
- Event integration to manage and distribute inbound and outbound events and support third party integration.
- Allowing for operators to easily enable services for newly onboarded configuration items.
- Invoking automation from any capable platform and capture output.
- Integration with your monitoring tools.

A service provider offering a service integration layer as part of a platform-based approach can decouple workloads from your underlying IT operations. This enables all the complex functions common to workloads to be provided as a service. When an application requires a specific function, it leverages the microservice that represents that function, eliminating duplication of complex tasks.

Consider a provider who can act as your ‘digital fabric’ with modular components, API-enabled for integration, automation, and big data analytics for a cross-technology set of capabilities. To what extent do they have significant experience in ITIL aligned processes?

As well as being able to optimize these to support a significant configuration item (CI) base, which could stretch into the tens of millions.

**Exceptional leadership in security and data privacy.**

In today's digital world of increasing threats, where every piece of your infrastructure is an attack surface - your service provider should have a formal and well-planned security governance program to ensure your information assets are appropriately protected. You should understand the security governance and processes your MSP has in place, giving you confidence and reassurance, your information and assets are protected when partnering for your technology services.
This can be achieved through the internationally recognized Information Security Management Framework (ISMS). Information security needs to be treated as a continuous process through a set of well managed best practices. The management framework provides the definition, implementation, and management of security within the organization and encompasses people, processes, and technology. It is a systematic approach to managing sensitive company information so that it remains secure and facilitates appropriate business continuity requirements.

Without a security framework, policy and governance, functions may not be appropriately implemented or may be inconsistently applied throughout the enterprise.

**Securing your data**
A good ISMS framework encompasses people, processes and technology,

- A steering committee responsible for setting security policies, evaluating new threats, risks, and reducing exposures of intrusion, loss of data integrity, as well as regulatory and compliance obligations.
- Having the right frameworks and personnel in place.
- Security incidents are inevitable. The ability to respond rapidly is paramount to safeguarding the business and your business. Having the right processes to deal with incidents providing confidence to deal with any situation, ensuring risk is being managed.
- Leverage combined insights from a vast range of sources to stay on top of the latest threats and vulnerabilities.
- Visibility is a cornerstone in gaining a clear view of operational maturity and control assumptions. This provides the appropriate information to make informed business and risk decisions.

Network detection and response helps detect and prevent malicious network activity, investigate and perform forensics to determine root cause, and then respond and mitigate.

### NTT Ltd. capabilities in security include:

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<th>Global footprint of security operation and threat intelligence centers.</th>
<th>One of the largest network providers in the world with significant security visibility</th>
<th>More than 9.5TB of security data analyzed every day</th>
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**Co-innovate with you, transferring knowledge and learning**
A complex hybrid IT infrastructure, spanning geographies, partners, hybrid cloud, and legacy systems, as well as applications, could slow down your ability to quickly roll out new and innovative services on new platforms, for example, customer-facing applications or employee collaboration tools. There could be interoperability challenges between development, test/QA, and production environments, which need to be understood and planned for.

With agility and faster product development high on the priority list of business outcomes of many organizations, it's important to demand continuous innovation from your managed service provider. For example, understanding their software development process and approach to ongoing development and innovation should be core considerations.

**Increased innovation and integration**
Dealing with the realms of IT complexity across so many client environments means any service provider serious about advancing your organization can no longer be just a technology service provider; they need to be a software development house too. Integration and innovation should go hand-in-hand.
Five critical platform-enabled capabilities your service provider needs to help you achieve your business outcomes

The OnDemand digitized workforce for good

For years, consumers have used the power of digital to interact through platforms such as Airbnb and Uber to solve pain points. This is now coming to life at an enterprise level through NTT Ltd.’s, ‘Likuid’ platform. With so many projects taking place at any given time, large enterprises want to employ an iterative, fail fast mentality. Yet cost and scalability are major drawbacks to achieving this. The physical world, the one occupied by humans and their resource, is limited by scarcity.

Likuid helps organizations scale enterprise projects extremely quickly. This is the ultimate disruption playground – the ability to combine human thinking with infinite machine resources. It dramatically reduces costs, using people as ‘crowd managers’ and only when required. For the most part, basic repetitive tasks are performed by bots. When you’re playing with exponential technology, Likuid has the ability to take ideas and move them to reality quickly. It combines the physical and digital at scale.

Your service provider should be the trusted advisor and digital fabric of your hybrid IT environment. In gaining vast experience across a plethora of projects, great service providers will have developed an intelligent core, which is the ability to build scale and functional capabilities common among many projects, allowing you to benefit from their previous experience. Yet, they also have an intelligent edge, which is the ability to cater to the unique requirements of your organization, using custom-built tools for your integration layer.

Unique functionality however also benefits many organizations. It can be captured and continuously integrated into the intelligent core easily with the underlying microservices architecture. A microservices architecture essentially structures an application as a collection of services that are highly maintainable and testable, independently deployable, and importantly, organized around business capabilities. Because each application exists in a separate container; it can be edited without the threat of interfering with other applications. Not only does this minimize downtime and risk, but it speeds up time to market and increases product reliability.

An architecture built on microservices, that can be used repetitively - as and when needed, eliminates the duplication of complex tasks across workloads and reduces human error. Thus, what was a bespoke functionality, becomes reusable components that enable your service provider to configure their Managed Services to improve your overall organization’s outcomes.

Over time, however, your service provider should be in a position to transfer knowledge and learning across to your organization too. Not only making key components of their platform available to integrate into your environment but prioritizing and configuring dashboards and blueprints to make them available for programmatic consumption across your organization.

Also, consider if your service provider has adopted Agile as their development methodology for bringing services to market. This process enables them to focus development on the right market requirements, control change, make modifications quickly when required, and bring new capabilities to market quickly and on a global scale.

Does your service provider have the right platform capabilities to deliver your business outcomes?

Service providers can help you de-risk transformational change and deliver a more efficient operating environment. To be successful, your ideal service provider should be able to demonstrate their capabilities to:

• Offer the right tools to truly manage a complex hybrid environment and provide a 360-degree view of your assets and ICT environment.

• Next-generation automation capabilities with access to comprehensive analytics, service delivery, and process development.

• Cross-technology expertise that leverages strong global partnerships with leading technology vendors.

• The right people who understand your roadmap and business goals and can see where both your business and security vulnerabilities might appear.

• The ability to pay for what you consume while ensuring your hybrid environment is truly optimized.

• Not only running your daily business but also taking you forward on your IT transformation journey to deliver business agility.

• Financial stability, plus a global footprint of ICT infrastructure.

• Secure by design, being cybersecurity conscious at all levels of the business. And it must cut across people, process, and technology.

How NTT Ltd. helps

Whatever combination of people, processes, tools, and platforms you need, we’ll help you turn your IT challenges into business opportunities. We focus on making sure stakeholders from across the organization are brought together to deliver outcomes that benefit the organization as a whole.

Need to chat with someone? Contact us

Complete the self-assessment

Do your current service provider relationships help you unlock the power of Hybrid Cloud within your organization? We’ve developed the Managed Services Landscape assessment tool. It will help you get a sense of where you and your provider stand across the three themes identified in the 2020 Global Managed Services Research Report and what action you might need to take.

Take the short assessment here.