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Correcting the IT Productivity Problem

As the Business increasingly depends on the IT Organization, optimizing the time of its key personnel is more important than ever.
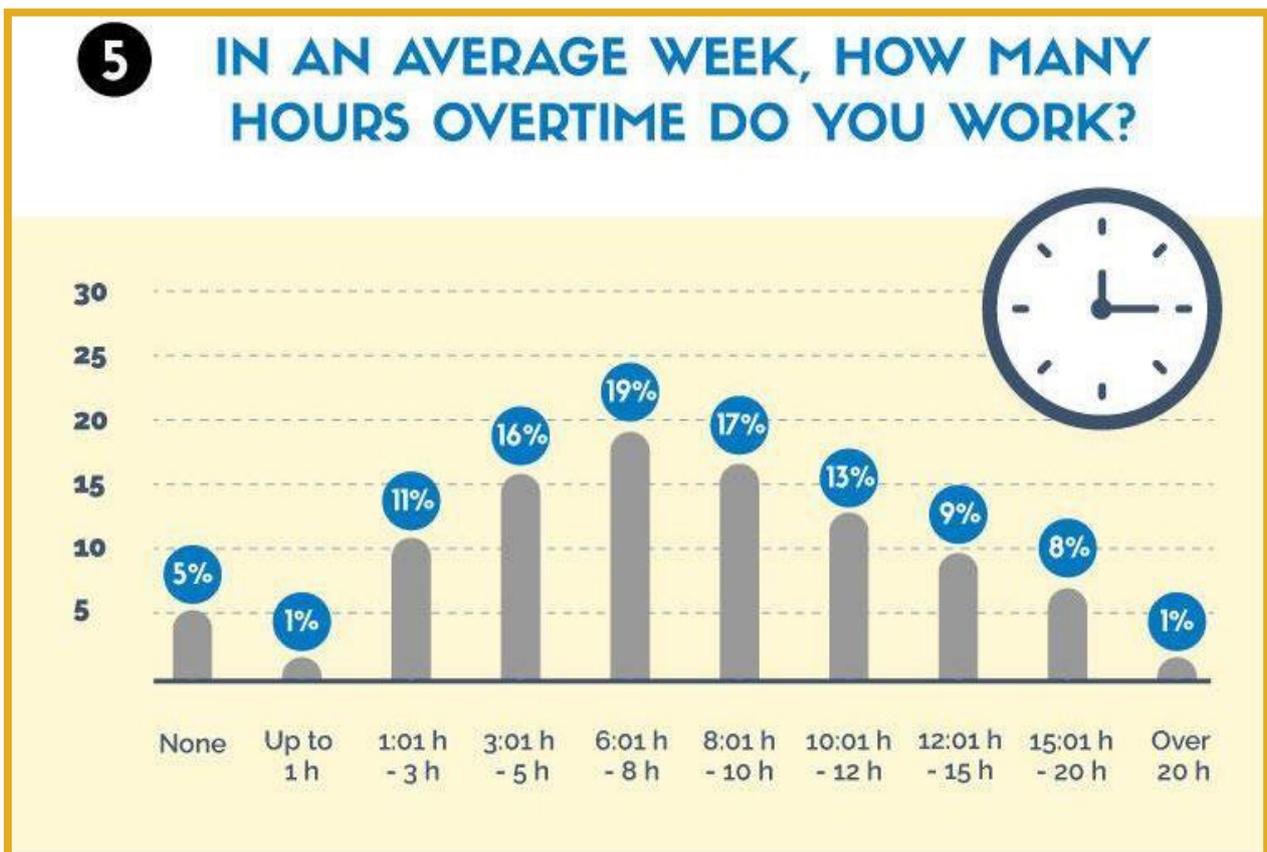
The Situation

Surveys reporting on workplace stress have been conducted for years. Even with all of the technological advancements promising to make things easier, stress levels continue to increase. Nowhere is this rise more apparent than within the IT organization. The most recent survey from GFI focuses on increasing stress levels of IT administrators. In the report, seventy-eight percent of respondents answered "Yes" to the question, "Is your job as an IT administrator stressful?"

The top reported stress sources for IT administrators are:

1. Management - 28%

2. The users they support - 23%

3. Not enough budget for IT upgrades and projects - 19%

4. Not enough IT staff to get the job done - 16%

5. Tight deadlines - 14%

A total of 73% said they were either the most stressed or among the most stressed in their social circle. These stresses also result in more overtime work. Almost 50% of the respondents work 48 hours or more per week. Only 5% reported working the standard 40 hour week.

The resulting stress and continual overtime not only affect their work performance, but also lead to serious negative impact on their personal lives, as shown in the graphic below.

What's driving this situation? Information technology has gone from a back office system to one that is integrated into every aspect of our business and personal lives. Going digital is allowing companies to increase operational efficiency, innovation, customer engagement and productivity. It helps them reinvent core processes, create new business models and put the customer at the center of the business. Some of the drivers of digital transformation as highlighted by McKinsey Global Institute are:

- Digital assets determine competitive advantage - some sectors are moving from physical to digital products where massive data stores are prized assets such as those created by Facebook, iTunes, Amazon and LinkedIn. Traditional companies such as automotive are shifting from the product being defined by the car to the experience the car provides.

- Information availability and transparency - consumers want to research and make their own decisions quickly. Companies like Expedia and Priceline have disrupted and replaced traditional travel agencies.

- Low marginal costs and network effects - Digital companies like Facebook can grow in 10 years to a size that traditionally took 50 years enjoying gross margins as much as 80%.

- Industry boundaries get blurred - Amazon started out selling books but now competes with Walmart, Netflix, Google, Microsoft and even SpaceX within each very distinct industry.

Every company wants to join the digital transformation trend, not only because it's a key to revenue and profit growth, but it's also becoming a requirement to stave off disruption and even obsoletion. IT organizations play a major role in these transformations, so work demands begin to exceed capacity, placing great stress on the existing team. There are three common problems which result for the IT organization from this, summarized in the following section.

Problem 1 - Innovation vs. Maintenance

Digital transformation is innovation. So in this new version of IT, innovation is required, but keeping current systems running is expected just to be in the game. Strategies like splitting the organization into two or more teams, one focused on running current systems and one focused on innovation and transformation, are lofty and difficult to sustain as most IT organizations simply do not have the resources to do so. More typical is that the same in-house talent is responsible for both sets of efforts. Unfortunately, day to day operations don't come in nicely scheduled time frames and your IT team is ends up continually distracted by maintaining the status quo. New technology initiatives become delayed, riddled with issues or shelved altogether. In order to avoid delay the IT organization must rely on overtime just to make some limited progress on their range of objectives.

Problem 2 - Multitasking

Between the time-driven customer responses, the growing demand for digital transformation projects from the business, 99.999 up-time guarantees for the system, and a multitude of maintenance needs for the entire environment, IT resources have their days filled with continual distractions. It's understandable that IT leadership is on a lookout for women and men in capes with a big "M" for Multitasking emblazoned across their shirts. But it turns out, these multitasking superheroes may not really exist.

Although 50% of us think we are good at multi-tasking the reality is that at most 2% of us are truly effective at it. The rest of us are just fooling ourselves. The most common type of multitasking is referred to as task-switching. This occurs when work on a project must be halted so attention can be shifted to the immediate needs of a service task or production issue, only then transitioning back to the project work once the immediate need has been addressed. Our minds are not effective at these instantaneous shifts. Each task-switching event may cost us 15 minutes or more to get back to full productivity. These interruptions have been shown to make IT resources 40% less effective than without them. On its own multitasking on its own has been found to increase stress levels, and continual drops of productivity require more hours to make it to the same level of progress

Problem 3 – Off-Hours & Weekend Work

Quite often maintenance tasks, code deployments and other IT tasks need to be executed during nonbusiness hours or weekends when there is minimal risk to the business. In aggregate, the work may not be enough to staff with off hours or weekend resources, so it's usually done by the same staff that works standard business hours. Even if the task executed is not long in duration, it can mean the evening or weekend is taken over by work. Off hours and weekend work is a leading contributor to the stress and negative impacts on the personal lives of in-house IT resources.

The 'as-a-Service Solution

When demands on the IT organization extend beyond the output potential of existing team members, there has typically been two approaches to address the shortage in productivity - either to hire additional resources to offset the manpower shortage, or ignoring the need altogether and expect the existing team to deliver the workload themselves. As discussed above though, if left unchecked the latter approach results in stress, fatigue and eventual burnout of higher cost, specialized personnel, along with an increased potential for additional costs due to delivery delays and workmanship errors.
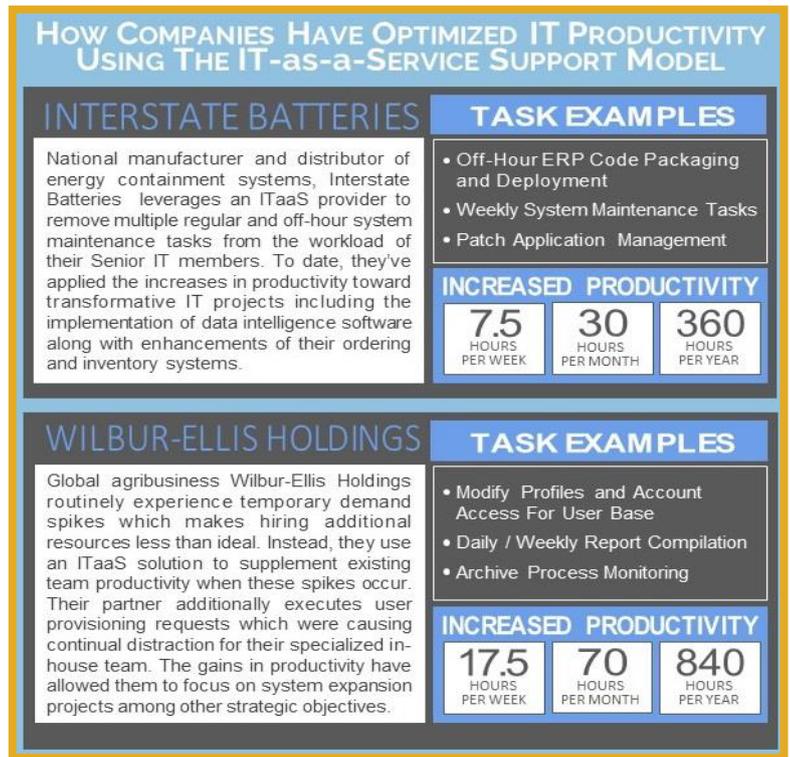
However, while a better option for the wellbeing of existing personnel as well as the quality of work output, the resource-based approach of hiring to increase productivity may not be the most cost-effective strategy either. Its ineffectiveness becomes apparent when the aggregate total of additional manpower needed isn't enough to justify costs of another full time employee, or when the total manpower shortage do justify the hire, but one team member doesn't possess all the skills required to adequately assist. This also doesn't take into account the costs of hiring a full time resource either, which including recruiting, onboarding, employment packages (medical, vacation, sick time, etc) and government liabilities, can easily top $70k in the first year for a single new member.

Thanks to advancements in technology, though, there's now a more incremental approach to addressing IT manpower shortages. It's done through the use of an 'as-a-Service' software administration support provider. Different than a traditional managed service arrangement, these lightweight, consumption-based, 'as-a-Service' IT support (ITaaS) engagements allow the company to prioritize attention towards specific IT objectives by offloading ancillary tasks to the outside ITaaS partner. Instead of a predefined cost and quantity of work, tasks are offloaded on an as-needed, case-by-case basis, generally with no additional costs outside of the actual work effort performed. This allows the service to continuously parallel the current demands on the IT organization and fill in productivity shortages when they occur. In addition, most ITaaS partners provide their customers access to multiple skill sets and offer 24/7 availability.

Applying an ITaaS strategy begins with assessing the current/recurring workload within the IT environment so tasks which regularly cause distraction and take away time from the higher value priorities can be identified. These activities are primarily distinguishable from the tasks needed to support or maintain existing systems (status quo), and those which drive growth or transformation (transformative).

Once an array of status quo tasks are identified, the responsibility for execution is then offloaded to the ITaaS partner. This allows the company to not only reduce cost by leveraging the ITaaS provider's scale and efficiency, but also enhance the utilization of in-house resources by allowing them to focus more attention towards coreservice improvement efforts, along with strategic growth and transformation initiatives.

Additionally, leveraging an ITaaS support engagement allows the IT organization to quickly and succinctly address manpower shortages, expand it's availability and tap into a variety of skills which go beyond the capabilities of a single resource, all while limiting its exposure to the upfront costs of a full-time hire until sustained workload demands justify the need.

HOW COMPANIES HAVE OPTIMIZED IT PRODUCTIVITY USING THE IT-as-a-SERVICE SUPPORT MODEL

INTERSTATE BATTERIES

National manufacturer and distributor of energy containment systems, Interstate Batteries leverages an ITaaS provider to remove multiple regular and off-hour system maintenance tasks from the workload of their Senior IT members. To date, they've applied the increases in productivity toward transformative IT projects including the implementation of data intelligence software along with enhancements of their ordering and inventory systems.

TASK EXAMPLES
- Off-Hour ERP Code Packaging and Deployment
- Weekly System Maintenance Tasks
- Patch Application Management

INCREASED PRODUCTIVITY

7.5 HOURS PER WEEK	30 HOURS PER MONTH	360 HOURS PER YEAR

WILBUR-ELLIS HOLDINGS

Global agribusiness Wilbur-Ellis Holdings routinely experience temporary demand spikes which makes hiring additional resources less than ideal. Instead, they use an ITaaS solution to supplement existing team productivity when these spikes occur. Their partner additionally executes user provisioning requests which were causing continual distraction for their specialized in-house team. The gains in productivity have allowed them to focus on system expansion projects among other strategic objectives.

TASK EXAMPLES
- Modify Profiles and Account Access For User Base
- Daily / Weekly Report Compilation
- Archive Process Monitoring

INCREASED PRODUCTIVITY

17.5 HOURS PER WEEK	70 HOURS PER MONTH	840 HOURS PER YEAR

Conclusion

Working within the IT organization has historically had higher stress levels. When services go down people get nervous and angry, expecting an immediate fix. On top of this, the day of the average IT resource contains a mixed bag of distractions all vying for attention, including tuning and troubleshooting requests, general administrative and maintenance tasks, as well as the work demands from new projects. Some of these activities drive and support innovation efforts which hold transformative business potential, others are urgent service requests which can improve a colleague's productivity upon successful resolution, and still others are required maintenance tasks which often must be performed during weekend or overnight hours. Trying to manage productivity across all of these demands while staying within a targeted 40 hour week is often impossible.

As companies continue to push digital transformation as a way to avoid disruption and gain competitive advantage, the stress and daily demands on the IT organization are becoming larger and many times more important. Hiring additional manpower to correct the IT productivity problem isn't always feasible or the best option. Addressing workload priorities objectively and leveraging an 'as-a-Service' IT support provider to supplement productivity demands on a case-by-case basis may be the most cost effective solution.

Let's discuss how you can win with your technology. Call us: **866-937-2224**