

THE ADM TRANSITION CHALLENGE

# Ensuring Adequate and Timely Production Access

ISG



## INTRODUCTION

Providing production access to offshore resources is the single largest challenge that customers and suppliers encounter when transitioning Application Development and Maintenance (ADM) operations.

While essential to a successful ADM transition, the requirements around production access are often overlooked and poorly managed during the transition process from both a client and service provider perspective. Specifically, identifying the necessary information at an IP and resource level, navigating security requirements and then effectively testing access is a time-consuming and complex process. Too often, neither party is adequately prepared. The inevitable result: supplier capability is compromised, and clients are dissatisfied with the ADM initiative as well as with overall supplier performance.

Addressing the production access challenge requires adequate planning and evaluation of alternative solutions, a thorough understanding of production access requirements and clearly defined client and service provider roles and responsibilities.

The findings presented here are based on surveys and discussions conducted by the ISG Transition Council. Comprised of over 50 transition experts representing ISG customers and leading suppliers, the Council is designed to stimulate dialogue and define best practices around the issues and challenges experienced during the period of service transition.



## CASE STUDIES:

### “Lack of Understanding”

Problems typically encountered with production access during ADM transitions include inadequate planning coupled with overly aggressive schedules and unrealistic targets for the numbers of staff requiring access. Two recent ISG customer case studies illustrate specific challenges businesses encounter.

In one instance, a leading North American pharmaceutical retailer transitioned development and maintenance/support activities to an offshore supplier. The multi-vendor environment comprised of six Facilities in four cities and 1200 FTEs.

The client selected a Virtual Desktop Infrastructure (VDI) approach for its production access solution, with clean room access for any production systems with sensitive data. Most production systems took six months to transition; some systems took longer.

Internal challenges experienced by the client team included inadequate pre-planning combined with an unrealistically aggressive schedule. Specifically, the transition called for a high volume of FTEs to rapidly gain production access during the same time that an internal reorganization was taking place.

The provider, meanwhile, experienced a mismatch with the client in ITIL capabilities, struggled to coordinate troubleshooting with offshore SMEs and agreed to clean room security restrictions without understanding the ramifications.

According to a senior Global Delivery Manager with the client organization, “Little thought to the timing and challenges to establish production access were apparent in our partners’ initial transition plans. This lack of preparation put the supplier delivery team in an instantly compromised position as they attempted to execute with limited or no production access to support their expert knowledge development processes.”

Lessons learned for the client from the initiative included the need for a more realistic approach to timelines and planning and a clearer understanding of the technical implication surrounding rapid FTE ramp-up. The supplier, meanwhile, recognized the need to organize, prioritize, and drive issue resolution. Both parties agreed that the service provider should be more proactive in leveraging their transition expertise, rather than relying on the customer to define the solution.

### “De-linked Transition”

In another instance, an independent software vendor organization whose products serve the broadcast industry outsourced software product development for 15 products to an offshore partner.



**A more realistic approach to timelines and planning and a clearer understanding of the technical implication surrounding rapid FTE ramp-up is necessary.**

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The offshore development center structure consisted of seven locations across the US and UK, with the supplier responsible for sustenance. The staff of the operation has grown from 110 off-shore resources initially to over 200 today.

The client selected a VDI solution at four locations (subsequently consolidated to two) for offshore resources to perform software development. The project took six months to complete, and included a second phase to expand the infrastructure; IT, Networking, Finance and Project Management teams were involved.



**Due diligence prior to the start of the engagement was not conducted, which further contributed to a lack of understanding or the project's total cost.**

The client organization's IT team had no knowledge of setting up and supporting a VDI environment; this presented a significant challenge. Due diligence prior to the start of the engagement was not conducted, which further contributed to a lack of understanding or the project's total cost. And while the supplier did have experience with VDI implementations, bringing the right expertise to the team was a struggle.

"In addition to the somewhat de-linked transition plan and the ability to achieve production access, I found a general lack of understanding related to the cost and time required," said a global delivery executive from the client organization. "This presented the first opportunity for us to work with our partner on a very public and widely visible problem."

The customer acknowledged a need to better assess its internal capabilities and the importance of an experience project manager. The supplier could have done a better job taking the client through case studies and examples of how other customers have established production access. Providing ongoing support during the transition was seen as an opportunity to deliver value early in the relationship.

## **DEFINING BEST PRACTICES**

During a recent session, the ISG Transition Council addressed a series of polling questions designed to better understand key issues around production access. These included:

1. Roles most critical to establishing production access in a timely manner.
2. Dynamics that contribute most to establishing production access.
3. Actions that can streamline or improve execution.
4. Information or detail that would support accurate understanding of the challenge.
5. Timing on when this information would be of greatest value.



ISG has identified best practices that can minimize delay and uncertainty in establishing production access.

Based on the results of the polling questions, the input during the discussion and ISG's direct transition observations, ISG has identified the following best practices firms can apply to minimize the delay and uncertainty in establishing production access:

1. *Engage the customer team to define the nature and timing of the production access solution during the transaction and finalize the solution prior to agreement.* During the transaction phase, customers often fail to bring together the internal team to adequately assess and reach agreement on a production access solution during the transition. Critical roles include internal customer IT and internal security.
2. *Ensure accuracy and accountability when estimating production access costs.* Developing a reasonable estimate of the cost associated with the production access solution is critical to maintaining project credibility. Estimates must reflect the number of seats to be contracted for, as well as factors such as probable network and bandwidth requirements and licensing exposure. Capital expenses associated with the production access solution must be included in the overall project business case. Financial responsibility for changes that drive cost must be identified.
3. *Supplier transition plans need to incorporate production access timing to maximize credibility and effectiveness.* Transition plans put forward by a supplier are typically developed by a solution or pursuit team, and focus on the technical details of an application profile with general assumptions of access to code for knowledge development processes. To effectively execute the appropriate knowledge acquisition and transfer, transition plans need to be more effectively aligned with the real schedule to achieve production access.
4. *Supplier teams must embrace a more active role in establishing production.* Suppliers should consider including a true network resource as part of the on-site team during the initial four weeks of transition. This presence can underscore the importance of establishing production access early on, while building relationships needed to implement final operationalization of the solution. The supplier should also commit to "Troubleshooting on the spot" versus the typical "Test and provide feedback next day." Time invested here by both the customer IT and supplier IT organizations yields significant benefits and reinforces relationships.
5. *Commit to production access solution OR understand the impact of change.* Customer organizations remain relatively immature in terms of experience with virtual environments. If changes are required to the agreed production access approach, the timing and performance impacts of proposed changes must be assessed by the customer and supplier teams prior to acceptance.

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