



SURVIVAL OF THE SMARTEST: A CIO'S PERSPECTIVE ON DIGITAL TRANSFORMATION

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Ready or not, digital transformation is underway! Defined as the shift from relying predominantly on physical assets to utilizing more information and digital assets in the corporate value chain, digital transformation holds the promise of redefining the customer experience, improving operational processes and fundamentally changing entire business models of companies.

For example, the Internet of Things (IoT) is propelling manufacturers across a diverse range of industries to develop and integrate connected functionality into their products. In the process of doing this, they are creating new and compelling services that span connected cars, smart homes and wearables – just to name a few. Even traditional industries, such as auto manufacturers, are under pressure from the likes of Uber and Lyft to innovate. Companies, including GM, are responding by reconsidering long held business models and exploring moving into the business of making transportation available in real time for any user that needs it. The underlying driver of these transformations is more about information and less about physical assets.

Doing More with Less: The IT Conundrum

According to the IDC, the biggest issues facing IT leadership today center on business needs, capabilities and availability related to this ongoing digital transformation. Research shows that two-thirds of CEOs are beginning to focus on digital transformation strategies for 2016 and that means CIOs will be tasked with helping all aspects of the business navigate this paradigm shift. Fulfilling corporate aspirations for digital transformation will likely be a challenge for many CIOs, who must continue to balance responsibilities to maintain legacy IT systems and applications, while supporting the emergence of new business models.

Of course all of this must occur under increasing pressure to reduce CAPEX and OPEX, and the need to shorten the time required to provision new services. In order to achieve ambitious digital transformation goals, IT organizations will require a strong focus on innovation and cross-functional partnerships. CIOs will be compelled to find better, smarter ways to enable the business. Technology should be seen as an enabler of this transformation, but it is bright ideas and disruptive thinking that will truly power transformative change.

The Importance of Achieving Business Assurance

The maturity levels of today's foundational technologies, from the edge, to the core, and out to the Cloud, are continually increasing with Wi-Fi approaching 100s of gigs of speed, 5G moving towards 3 gigs in the near future, routers that will be capable of handling terabytes of data and virtualization technologies in the cloud. As you can see, advancements in speed and data capacity are growing. These improvements are enabling innovation around four rapidly evolving pillars, Cloud, Analytics, Social, and Mobile technologies, that are literally reshaping the customer experience and opening the door to new business models.

To be prepared for the future and meet long-term goals, CIOs, and their partners across the business, must ensure their organizations develop the business agility to react to this digital transformation. This means incorporating foundational technologies and pillars of innovation into their environment based on the business models, applications and services required to succeed. As companies introduce new services, the ability to scale rapidly in order to collect and process data from new subscribers is paramount. As a company's information infrastructure expands with multiple inputs and outputs, the complexity increases. For this reason, achieving business assurance is absolutely instrumental to both performance and security for the entire operation. Fortunately, CIOs are uniquely positioned to see the big picture and assume full ownership of business assurance.

Meeting the Demand for Rapid Innovation

CIOs often have two primary functions inside IT that enable solutions for the company. One is heavily focused on legacy systems, which allow the organization to securely conduct business as usual, whether it be manufacturing and distributing products or selling services. The second concentrates on fostering innovation which can be done either in-house or offloaded to the Cloud. As a result, IT organizations gain access to a wide array of advanced technologies and ecosystem partners who can help drive faster innovation.

There is a symbiotic relationship between CIO and other internal functions, such as Lines of Business (LOSs), CMO, and CDO who all share a common goal of a successful digital transformation. They all must weigh the costs of innovation, the acceleration of delivery, and the support scale – in order to meet growing demands for rapid transformation.

The Path to Digital Transformation

The key to successful innovation starts with sound business vision. A lack of vision and long-term focus can result in failure and wasted resources. CIOs need to be proactive in educating business leaders on how the technologies in the organization will come together to achieve transformative goals going forward. This is crucial in order to secure proper buy in from the outset.

It's important not to throttle innovative ideas. Organizations need to model innovations quickly, and then test them over and over again until they are perfected. Best-in-class companies like Google and Apple have a rich history of trial and error before attaining better processes, better solutions, and better ways to enable the transformation needed to improve and grow both the customer experience and revenue.

The role of the CIO is evolving from that of a legacy protector to a progressive thinker who stands at the center of transformation and is tasked with supporting innovation, while ensuring the service quality, integrity, and security of information. CIOs have an opportunity to be guardians of the connected world who help the business to successfully execute its DX strategy.

Preparing for Change: Asking the Right Questions

As CIOs prepare for the digital transformation that's underway today, it's important to ask the right questions. This starts with understanding the end goal of any new innovation. For instance, what impact do you want your customers to have from their digital experience? What is the timeline for launching the initiative? And what is your business model for making it happen?

When partnering across the organization, CIOs need to know the extent to which they'll be tasked with developing an elastic new infrastructure at the edge, core, and Cloud and which new technologies they will need to use in the process. And where precisely will the partnership begin? Is this something that will be built on your current legacy infrastructure? Is it going to be deployed in the cloud or perhaps exist in both places?

It's also important to take into consideration corporate culture. Will the company be tolerant of failures? Is the risk/reward system of the business going to understanding that not all attempts at innovation are going to deliver the desired results?

Before embarking on any significant digital transformation, it makes good sense to take stock of where you are starting. What does your current environment look like? What are the physical capabilities and limits of your systems? How are systems and services connected, and who and what is communicating with them? Obtaining a complete picture of the current environment will tell you how far you have to go before arriving at your future state. NETSCOUT can accurately map an organization's current environment, showing actual system and service dependencies that exist, as well as tracking and reporting on traffic loads. With a complete understanding and inventory of current systems, it becomes possible to determine what new systems and services will be required to achieve transformation objectives.

NETSCOUT enables CIOs, and their IT partners, to look at all networking elements, servers, data bases and applications to gain actionable performance monitoring insights across infrastructure edge, core and Cloud. As applications and services are increasingly moved outside the four walls of the organization, it becomes more and more important to understand what the customer experience truly is. Armed with this depth of intelligence, IT can be well positioned to support digital transformation, and provision new services while maintaining compliance and security for the entire environment.

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