A Three-phase Approach to Effectively Transitioning Application Management

Sujay Nanjundaswamy, Director – Application Managed Services
Annamarie Smith-Butz, Service Excellence Architect – Application Managed Services

Introduction
As an IT decision maker, you are well aware that the global outsourcing environment is extremely dynamic, as are the changes in the application management services arena. New offerings such as Bring Your Own (BYO), mobility, social computing, virtualization and cloud computing are shifting transition rules and paradigms to take full advantage of the new workplace. These exciting developments, combined with the current economic situation, are forcing you to rethink your organization’s application management approach as well as formulate an outsourcing strategy that minimizes risk. It’s no surprise then that transition has become an increasingly important buzz-word that rings loudly under such circumstances. Most organizations today are riddled with problems of mismanaged application management scenarios; simultaneously, more and more are looking to streamline and integrate the management and maintenance of their IT landscape while reducing cost. How can you avoid these pitfalls while realizing the benefit of integrated services in your application portfolio?

One of the recognized mechanisms is to transition the management of applications from an incumbent provider of services to a managed services supplier. This white paper discusses the WHAT, WHY and WHEN of effectively and efficiently transitioning application management services using a managed services approach. It also discusses Unisys’ perspective on HOW to transition your application management services by giving you insight into the Unisys transition methodology.

Transition 101
Today’s organizations have realized the benefit of IT outsourcing. Outsourcing is now considered ubiquitous in the corporate world. For many, application management services are the foundation of their IT outsourcing program. The goals of most application management outsourcing partnerships are to reduce cost and complexity, increase agility and innovation, and minimize risk by delivering from multiple locations around the world.

Those goals notwithstanding, any good outsourcing approach flows from a larger business purpose and reflects an interest in achieving specific, measurable objectives. Among the most common objectives companies seek to achieve are:

- Reduce cost and minimize risk
- Increase agility and drive innovation
- Improve quality
- Standardization
- Improve governance and transparency

The transition from a successful sales and down-select cycle to service delivery sets the tone for the entire engagement. As a result, successful transitions are most often carried out under the methods and techniques defined in an all-inclusive methodology.

To sum up, “Transition” in this context is the transfer of knowledge and services from one service provider to another in a methodical manner and with utmost transparency. Unisys has a unique and comprehensive three-phase Application Managed Services transition methodology. A key differentiating factor in the Unisys methodology is the 2-step reverse shadowing process adopted by Unisys.

Why is Transition Required?
Transition as a topic of discussion in the context of transitioning application services includes understanding the entire application landscape. That is, gaining a thorough knowledge of the applications stack,
related infrastructure, geographical boundaries, time-zone challenges and the people who support it. Therefore knowledge is key to successful transitions.

Knowledge transition is critical for all stages of an application life cycle, from the early stages of application development to the later stages of application deployment and maintenance. Organizations and their outsourcing service providers must budget sufficient time for knowledge transition and gradual ramp-up of service delivery. Typically, it is not possible to have a full-scale service delivery team up and running right from the beginning of a relationship and engagement.

In a geographically distributed working environment, knowledge transition should involve key members of a team making visits to other locations and teams for better knowledge sharing and transfer. In such cases, the service provider’s team leads and project managers will travel to the customer’s site for these knowledge transition sessions. To achieve a holistic approach, it is also useful to have the customer’s representative travel to the delivery center for knowledge acquisition. The overall decision should be based on the size of the team and the level of knowledge transition required. Knowledge transition sessions held solely through web conferences are not advised.

A successful transition phase will cover the following activities:

- Familiarizing team members with the application functionality (and of its relationship to the organization’s business requirements)
- Conducting detailed training on the technical architecture and technical components
- Review of all application documentation to be sure it is complete and available to the knowledge transition team
- Aligning technical processes such as technical standards, coding guidelines, configuration management, and test procedures
- Implementing governance processes such as collaboration processes, service level agreements, reporting requirements, and escalation processes
- Focusing on all the important peripheral aspects of applications management – infrastructure supporting the applications, geographical boundaries, time-zone coverage and human resources involved

Transition – Timing IT Right

When transitioning your application management services to a service provider, the transition phase should take place in the period between contract signing and service start-up. For many years, the paradigm followed by most service providers is one in which Transformation follows the Transition period. Transformation (broken into standard and customized projects) typically starts at the successful completion of transition and ends when the customer’s application environment has reached its desired/transformed steady or stable state.

There is, however, a new and recent school of thought. Companies who implement business applications (e.g. ERP or even customized solutions) have started thinking of application management (aka ‘keeping the lights on’) at the very early stages of application implementation. This new thought has been endorsed by reputed service providers like SAP and Oracle. They have begun to incorporate processes and methodologies of application management at appropriate junctures throughout the implementation life cycle.

For instance, SAP has effectively integrated their RunSAP methodology (a methodology that addresses application management and most importantly transition) with the ASAP methodology (a methodology for implementing SAP applications). They seamlessly dovetail the RunSAP towards the last phases of the ASAP methodology. This shows how most companies have started to think about the importance of transition as a process – whether under the circumstances of new implementations or during the transfer of services from one service provider to another.

The key is to start thinking transition early.

Transition – The Unisys Approach

Unisys Application Managed Services uses a structured and repeatable approach to transition knowledge and responsibilities from your organization’s application landscape.

Key elements of our transition approach are:

- Quick intelligence ramp up for the incoming team
- Non-disruptive, two-way job shadowing
- Updating system documentation
- Implementing a quality process, effective governance model, and tracking and reporting mechanisms
The underlying methodology for these key elements is a three-phased methodology focusing on Evaluation, Acquisition and Retention and Enhancement of knowledge as illustrated below.

### Unisys Applications Transition Methodology

**The Transition Planning Phase (Phase 1):**
The focus for this phase is an evaluation of your company’s application landscape. All the planning activities with active participation from your team are carried out during this phase. Key activities during Phase 1 are:

- Joint planning discussions with your transition manager / project manager to define key objectives, plan, determine key roles and timelines for transition
- Assess the as-is application environment
- Develop an inventory of your application landscape
- Baseline your existing organization, resources and roles that are currently supporting the transition application
- Formulate a responsibility matrix for all roles participating in the transition, both from your organization and Unisys
- Design and formulate a knowledge transfer calendar and plan
- Identify risks and formulate a risk mitigation / readiness plan
- Establish communication plans for key roles
- Establish an escalation matrix

**The Knowledge Transfer Phase (Phase 2):**
This phase focuses on the acquisition of knowledge pertaining to your company’s application landscape. Key activities during this phase are:

- Facilitate and conduct interactive sessions (irrespective of whether the sessions occur onsite or via virtual collaboration) between your application experts and Unisys application experts using techniques of application walk-throughs, discussions and application demos
- Map comprehensive coverage of all in-scope process areas to applications being transitioned to Unisys
- Review, analyze and consolidate your resolution knowledge base using historical data
- Implement on-the-job training with your application experts through onsite interaction and shadowing
- Prepare a comprehensive KAD (Knowledge Acquisition Document)

**The Responsibility Transfer Phase (Phase 3):**
The third phase of transition emphasizes the retention of knowledge acquired during transition Phase 2 to facilitate the operational handover and smooth delivery of services during steady-state. Further refinement and enhancements are also elements of this phase, focusing on the benefits to your organization.

During this phase, Unisys uses a differentiated approach – a two-step ‘shadowing’ process. Although knowledge is gathered and initial shadowing began during Phase 2, it is now essential that Unisys application specialists continue to interact onsite with the incumbent application support specialists during a focused “shadowing and reverse shadowing” period. This two-step approach also involves the nearshore and/or offshore Unisys application specialists, depending upon your requirements. The approach covers:

- Reverse shadow by Unisys onsite application experts with your application experts acting as primary
- Reverse shadow by Unisys near-shore and/or offshore application experts with the Unisys onsite application experts acting as primary
- Readiness assessment at application group level
- Formal handovers of applications
- Application wave closures (under circumstances where applications are logically grouped for purposes of transition)
- Transition completion and sign-off
The Unisys Application Transition Methodology facilitates a smooth and seamless transition compared to traditional transition models as illustrated below:

- **Knowledge is efficiently and quickly transferred** first to an onsite Unisys lean team of application experts who shadow the incumbent specialists, and then from the onsite lean team to the larger Unisys near-shore / offshore team by allowing them to carry-out the shadowing work.

- **Significant cost benefits can be realized** through this lean onsite deployment.

- You **avoid the logistical nightmare** of having large teams at your premises.

**Transition Governance, Tracking and Metrics Reporting**

It is important that transitions are effectively governed, tracked and measured. The Unisys Transition methodology incorporates processes, artifacts and templates within each transition phase to address overall governance, tracking and reporting.

- Transition checklists are reviewed by the Transition Manager at each phase.
- Transition activities are reviewed during scheduled transition reviews and senior management reviews. Internal audits are performed by the Transition Manager.
- Effort and schedule for transition activities are tracked at every stage of transition and course corrections are done as necessary.

In conclusion, transitioning application services is a complex process and needs attention to multiple elements spanning applications, human resources, infrastructure, geographical boundaries, time-zone challenges, and, most importantly, effective transfer of knowledge on all of these elements.

We have recognized this complexity based on our years of experience in this area. Our customers have been our key collaborators in identifying lessons to be learned and challenges to be faced. The transition methodology discussed in this paper addresses all of these key aspects through a phased approach, using tested transition methods and practices engrained into our methodology.

Once you have analyzed and evaluated your current applications management approach and discussed transition strategies with your stakeholders, the next step is to find a partner like Unisys which offers Application Managed Services to fully plan, execute knowledge transfer and ensure a smooth, steady-state delivery transition.

For more information visit www.unisys.com

© 2013 Unisys Corporation. All rights reserved

Unisys, the Unisys logo and ClearPath are registered trademarks of Unisys Corporation. All other brands and products referenced herein are acknowledged to be trademarks or registered trademarks of their respective holders.