

THE ROLE OF TECHNOLOGY AND LEADERSHIP IN CREATING A RESILIENT ORGANIZATION

Connecting people to data. In a previous time it was very simple. There was a central data source and the connectivity used to get to it was simple. Backup and resilience was likewise clear and simple. Users were generally in a centralized location like an office, and recovery was simple because it was easy.

The challenge we face in the current landscape is that while the basic premise of enterprise network and landscaping is still the same —connecting people and data — there is an expectation of instant application response, even if the data is located in multiple locations. The infrastructure can be totally distributed. We have also seen the ascendancy of PAS, IAS and SaaS. The majority of enterprise landscapes have organically grown and therefore evolved over time. This also has a backdrop of IT being perceived as the poor relation and a cost rather than a benefit.

Unfortunately, in many cases that emphasis has led to certain instances which have since crystallized given current circumstances.

Most enterprise architectures are actually built around a Business as Usual (BAU) environment, that is around people being in an office, with traffic flows designed accordingly. The challenge has been that users are, at present, dispersed. It's not just communication but content. What we need to do is reflect on the four principles of IT Network and delivery: scale, security, control, and compliance.



If we look at scale, some companies have been lucky enough to flex the bandwidth. It may be ADSL or Ethernet. Because the topology has been built around an office environment, networks can't necessarily flex. Although the bandwidth may be there, there is pressure on other elements. You are now moving from connectivity in the same building to WAF, to firewall balances — all the things you haven't thought of needing before. You had to get users to come in through the various security aspects. What we have seen is, to cope with the current scenario, many companies using their bandwidth and exceeding it, and having to use their DR links as well — those set aside for business continuity. This leaves businesses vulnerable.

More reliance on SaaS applications means a need for better connectivity. There is a culture of expecting instantaneous response. You have to make sure the latency is short. As a result, how you architect the environment is critical.

Do you provide it yourselves, or go to someone who can consolidate it for you? How do you manage that?

The other point which people are finding is contracts, and how flexible they are. The CFO community is finding that the only thing certain is uncertainty. How can spend be reallocated across various outlying services to give the outcome needed? We should be considering this.

Security

An unforeseen circumstance is traffic patterns have changed, as we now have seen traffic flowing through firewalls. To balance the user experience, some companies have relaxed or changed their security policies, or had difficulty maintaining them. More than one company has left themselves vulnerable to attacks, and these are prevalent. One question is, have your data and applications been correctly identified and are you approaching it in a tiered fashion? Is it one size fits all? How do you protect yourself and future traffic patterns?

Control

In the current environment, people have been working off kitchen tables and using home Wi-Fi, using the same laptop for meetings and shopping. You have now seen the challenge of shadow IT. Again, has IT become the bottleneck because we haven't reacted fast enough to this changing environment? Should IT be seen as a broker rather than a provider of services?

Compliance

Rules of land/union still apply. There will come a time when rules will once again be applied. While some leeway will be given to recording conversations, that time will soon pass when that is okay. The new normal — how will it be structured, and are we prepared?



Costs have always been a major factor

IT is a cost center, not a profit center. CapEx has been spent which hasn't been budgeted for. This is overspend. Which projects which will give competitive advantage, delayed or put on hold? Has the business actually done a review of what they're going to ask us to do? What will and will not be in scope? The reality is strategy has to change and we have to reflect on our ability to support that strategy.

If you look at budgets generally, it's now time for IT to look at global real estate. They are intrinsically linked to and feed on each other. Is it under review from occupancy and budgetary viewpoints? We use IDC as a reference.

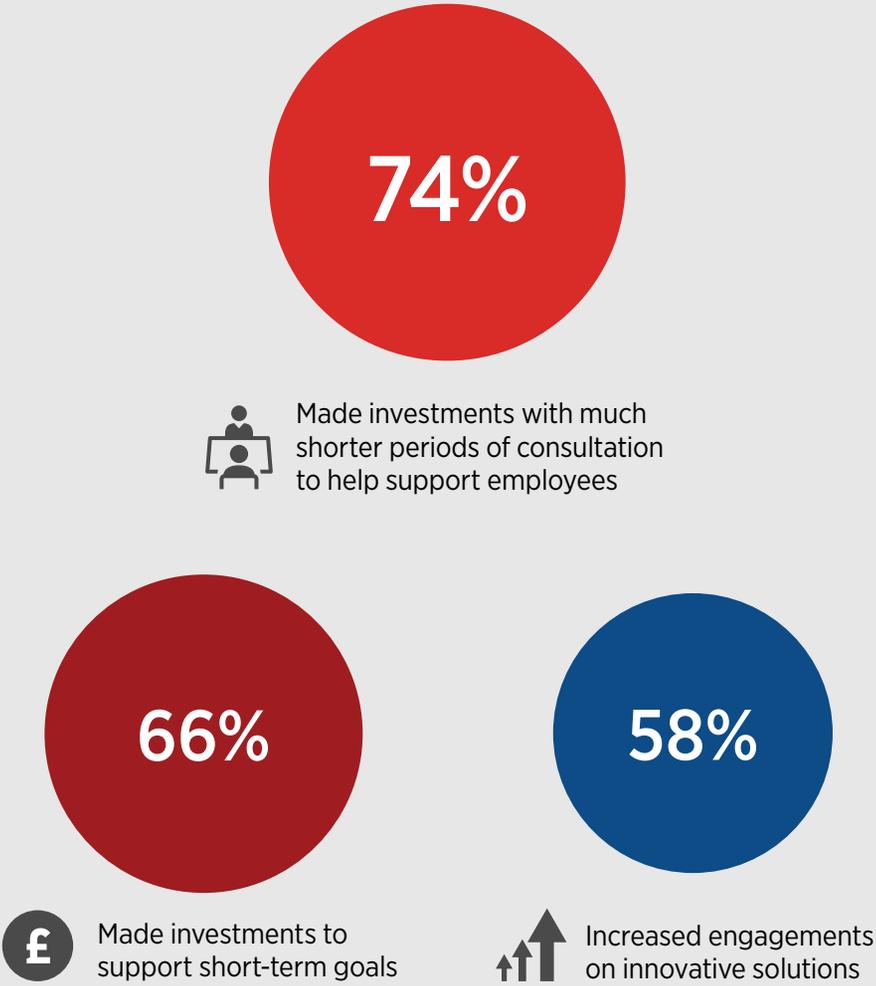
They reference:



Physical space can have a tremendous impact in inspiring staff and enabling companies to imprint their unique corporate values. It generates human collisions and companywide collaboration in a unique way that is still hard to replicate in the digital workplace.

How do we reinvent ourselves? To capture energy and collaboration and accept real estate will be different? We are now looking at a hybrid real estate approach when a return to work is being talked about.

Pandemic pressures changed the ways that businesses worked with technology partners:



Hybrid is the new normal

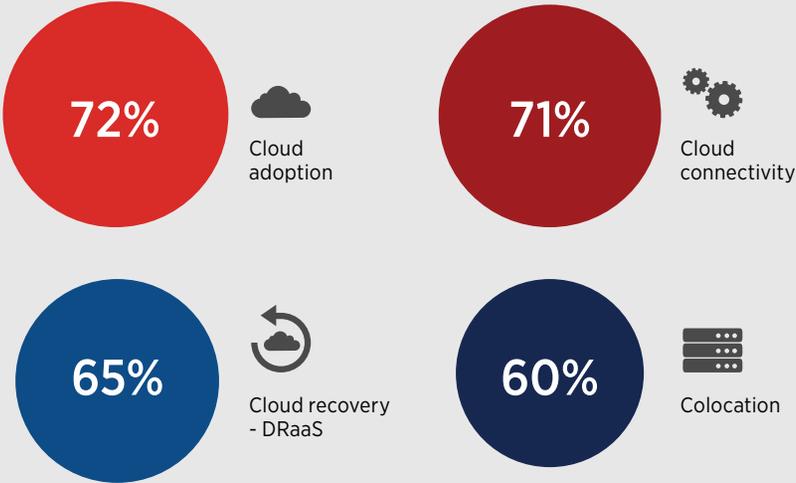
One of the consequences of lockdown are all centers of excellence locked down at once. Support in two locations rather than one. Do you use a serviced workplace, or set real estate aside which won't be used, and is expensive? How do you expand the capability to fit the new normal? You have a hybrid environment with customer co-location, customer site, hosted private cloud and SaaS. How can this be blended? Is it time to take stock? If the majority of users are using SaaS, is the same infrastructure needed? Do I need on-premises or not? How do I architect it? We need to look at real estate and IT together.

How do we execute this? We have the desire to improve versus ability. People are the most critical and limiting factor. How do I free my people up to give me intellectual horsepower? How do I automate more things to get more time back? What we are seeing in a lot of companies is that running the business and improving are two separate functions. That can only be realized when you have first identified the mundane tasks that are essential, but non-core.

The point being is that hybrid is the new normal. 74% of people are using a hybrid environment today. If we acknowledge this is the new normal, is now the time to do a tactical review, and understand how IT moves from cost to value? Although we are looking at this through the lens of the pandemic, the majority of calls are around network, power, and communications, especially when you have a dispersed environment. While we are looking forward, we must make sure we don't have the perfect storm of pandemic, distributed workforce, and potential outages.

74% of people are using a hybrid environment today.

Number of businesses that reported positive decision-making experiences surrounding the cloud:



Technology-based obstacles included:



Leadership Aspects

“In war, the moral is the physical as three is to one” — Napoleon

If the best army isn't being used correctly, it's all for naught. Leadership plays a critical part in inspiring and developing. The pandemic has been a surging stress test. It may be useful to consider what we have seen in recent months.

During lockdown, a study commissioned by Sungard AS in North America found that customers use of digital services more than doubled on average.

The survey found rising levels of expectation and less tolerance of outages.

32%

of consumers would switch providers if a website was down for more than 24 hours.

During the pandemic, while some staff never left the office where the tech solution was just too complicated —

97.4%

of organizations had staff working from home.

There is a requirement for resilient and secure IT. Senior leadership wanted to get people back around tables for water cooler moments, believing genuine face to face collaboration is important. This will be a challenge if countries fall back into lockdown. Demands on IT support staff: a report commissioned indicates that —

27.6%

of organizations had to supplement security systems.

The recent Honda data breach¹ is thought to be related to remote working with data weaponized through ransomware. That should give leadership pause for thought as to how they view the recovery of data. 5-10% of business data is seen as crown jewels, but what level of recovery it needs is still to be determined.

Delivering resilient services and responding to regulatory demands is a challenge. Financial sector businesses in particular need to have greater ownership of issues.

When we talk about enterprise resilience, technology isn't enough. The entire organization has to be resilient with a leadership team that sets expectations. Ultimately, the role of leadership is to make difficult decisions, which requires an understanding of issues. These choices need to be coherent and aligned to a strategy.

Four attributes leaders need to exude:

- ① Making decisions in an environment of imperfect information where compromise is inevitable and necessary. **Avoid decision paralysis.**
- ② **A sense of purpose which provides focus.** Leadership is all about people. In times of trouble, leaders must stay calm — the swan analogy. You need to know and understand your team, identifying and acknowledging anxieties.
- ③ A learning culture striving for better. **Trust your people to do the right thing** and they will look to you to do the same. Culture beats strategy every time.
- ④ Finally, **communication — clear, consistent, open and transparent.** Developing a shared understanding is key.

¹ Honda's global operations hit by cyber-attack <https://www.bbc.com/news/technology-52982427>

What is the most valuable trait for leadership to demonstrate in current times?

During the pandemic calmness was a key trait, even in a full-blown crisis like this one. The logical approach has calmed everyone and allowed innovative ideas without pushing the panic button and isolating people.

One of the major factors was a renewed focus on goals from everyone from the top down, and support throughout the organization to manage goals and achieve them. This was a change from COVID-19 where isolation and remote work gave an emphasis to management to use that tool to drive the business forward.

In a complex situation, developing truth from the ground up is a real challenge, but once you have it decisions can be made quickly. Leaders must listen.

Another point of concern — the drifting team. When the crisis started, everyone was energized by its newness. Now that it's the new normal, there's the grinding stress of its implications. Everyone is somewhere on the spectrum. It will be interesting to see how management styles evolve out of this. The one thing that's nice to see is the exponential increase in cyber exposure as we've had to flip our networks on their heads. We know that on a day to day basis we're cutting corners to keep the organization running.

Make no mistake, Technology has supported us. Very few organizations have suffered from lack of investment. Teams have risen to the challenge. The responses we need are in place. That has been fairly successful and was affected very quickly. We have worked for a long time to make our leaders accessible. However, the pandemic and remote working environment have led to us to a series of losses. Normal face to face engagement is lost. We are starting to lose the collaborative environment. It's a lot more difficult when you're doing it over Zoom or Teams. You can't look at body language. We are at a point now when some effort has to be made in how we lead in a remote environment.

From the start of the pandemic many leaders have begun to overcommunicate. Coffee mornings each week over Zoom have filled the gap. Previously, at least 10% of the workforce worked from home so that behavior should have been anticipated. The level of consistency has been poor as leaders have had to adapt to what was already a reality for a lot of people. It showed the rigidity of their previous test scenarios. And, of course, none of this was tested in advance.

How can water cooler moments be reconstituted?

The future is looking as though it has spelled the end of small, compact meeting rooms with more collaborative and open workspaces becoming the norm. A large percentage of time will be spent with people working from home, but how long this will last we don't know and in which industries. Already we are seeing those in the finance sector encouraging staff to return to the office full-time.

For now, the office is being used for engagements where management want to bring people in. What we maybe take for granted today in the office space will need to be booked in advance. Cleaning those spaces afterwards will need to be more focused. Certainly going forward how businesses will use offices will be different than how they were used pre-pandemic.



Have you seen that goals have changed?

Again, IT is seen as the poor relation. What are not going to be priorities?

The management of goals has changed including people interaction and how they are evaluated. From a technological side, we have built systems that were able to cope that nobody realized were able to. This is a positive development. The investment made has now enabled us not having to react. From a technological side, some businesses have built systems that were able to step up, but nobody realized were able to, which was a positive development. The investments some businesses made enabled them to react, with most going from a small percentage of the workforce being home based, to whole teams and departments in a short space of time. Some businesses were able to achieve this and still able to have a level of resilience because of previous disaster recovery strategies. The one issue that arises though for all is the ability to sufficiently communicate knowledge internally and ensuring departments focus on their goals.

Leadership is there to make decisions. They think I need to do this, but I don't know why.

Do you now feel that the whole business resilience seat is now there at the table, or is it still a fight?

This won't change. What maybe has come to a better understanding is that IT is a vital part of the business. This is quite important because we are not necessarily its focal point; however, when you switch on the light, you expect it to come on. That has opened better communication channels to improve on the output of IT and to make people understand, that their input is what drives us. As part of a service, we have to understand and execute within business expectations. It is not free. It is based on the business expectation, and we have to understand on both sides of the table. The separation of the day to day job operation — has it changed? Yes. Has it improved IT? Maybe not so much as to reinforce or to reiterate the role of IT as part of the business. We could provide everyone with

laptops, phones, all that just happened. We had a security team and firewall in place — this is what we need, but you need to upgrade your systems because of security. In sum, cause and effect.

This has been a crisis and it's not always a nice environment to operate in, but there have been opportunities. It has proven what we say about investments. For us, it's been a positive in terms of the discussion and the seat at the table. We are better focused to develop, but that very much has led us to that's a priority for the organization. We are getting to hear about things. There is an IT element to everything. Everybody is having to go digital. People who were delivering training are now saying can we do this online. It showcased our department. Positives have come from it. That is not to say we don't struggle for resources. We are going after the money and securing funding. We are finding that resources within our own team are hitting capacity. In other words, people are still the limiting factor.

It's best to have somebody within who gives you an insight to the culture and hit the ground running. Showcasing talent. Giving people the ability to walk around proud. There's a link between strategy and activities on the ground.

One of the big questions is the constant pressure of digital transformation. You're delivering automation of systems continually. This crisis has proven that on the journey, we have already implemented a lot of the steps. The processes and technologies were there. There were gaps, but that wasn't a choice. Business leadership and the world as a whole – where is that going to lead? Where is the transformation component now that we are all in that space? It is no longer a concept, it is real. Are we doing enough? Do we stop here? Is there a permutation we should strive for?

The new normal is one where if you're just surviving, you're going backwards. If that's your instinct, you're already dead. Digital means what? There are as many answers as people. Make the journey less siloed. How do you make those interactions as seamless as possible?

What is the strategy to be?

What do we want to be when we grow up? Priorities are changing. If IT is required to support everything in escalation mode, effectively nothing is in escalation mode. We have to pick what's beneficial. We can coalesce around that. This has proper board membership and sponsorship. The wheels of the conversation are greased.

The whole point of this is, the lead has been given to us, but the race isn't finished. Is it a marathon? No likely it's rather a set of sprints. We need to understand the next thing to give business an advantage.

Whoever would have thought education could help an organization to better compete in today's post-pandemic world? The question is holding leadership to account, and what is the new normal for them. We have to be at the table with leadership. Have people focused on the right things at the right time.

A lot of this is about educating leadership. The current crisis has put IT Disaster Recovery into the Executive area where it didn't sit previously and hasn't for a long time. Leaders understand the importance. If you try to cover all options, you're not going to do justice to any of them. The strategy needs to be aligned. Now that technology has a voice at the table, make use of it to educate the other decision makers around it.

There are more challenges because people are working from home. The challenges are if compromises happen, that damages workplace networks. It is a serious issue as IT used to be (and still very much considered) a cost center.

IT Disaster Recovery

One thing we have noticed about the pandemic experience is that everything has worked.

We do; however, all have dependency on our ISPs. Multiple ISPs have been useful to give business further resilience. Network outages can impact services in rural areas. Data connectivity is critical. The investments have paid off.

Before Covid, back-up suppliers designed our plans, and for the tests we were trying to simultaneously be clever and resilient. Even when you are careful, however, staff being lost can be tricky. In general, at least when it comes to the pandemic, there has been a realization of the importance of IT. There is also impatience when something goes wrong. We had a system where SMS messages were sent and not received. We don't know whether this had to do with software or of phone providers. Things have changed, and yet they remain the same.

An agile infrastructure is great. Managing it is something else again.

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