

Running It Like A Business Accenture S Step By Step Guide Robert E Kress

Running It Like a Business: Accenture's Step-by-Step Guide with Robert E. Kress - A Deep Dive

Robert E. Kress's work, often associated with Accenture's methodologies, offers a practical framework for managing IT as a business. This comprehensive guide, often referred to as "Running It Like a Business," moves beyond simply maintaining IT infrastructure and delves into strategic alignment, cost optimization, and maximizing the value IT delivers to an organization. This article will explore the core principles of this approach, examining its benefits, implementation strategies, and challenges. We'll delve into topics such as **IT service management**, **value-driven IT**, **IT cost optimization**, and **strategic IT planning**.

Understanding the Core Principles of "Running It Like a Business"

The core philosophy behind "Running It Like a Business," as presented by Kress and often implemented within Accenture's consulting engagements, revolves around treating the IT department as a profit center rather than a cost center. This shift requires a fundamental change in mindset and operations. Instead of simply reacting to requests, the IT function proactively identifies and addresses business needs, aligning its services with strategic goals. This involves:

- **Defining clear service level agreements (SLAs):** Establishing measurable expectations for IT services ensures accountability and transparency. These SLAs should be aligned with business priorities, prioritizing critical services that directly impact revenue generation or customer satisfaction.
- **Implementing robust IT service management (ITSM) processes:** Utilizing frameworks like ITIL provides a structured approach to managing IT services throughout their lifecycle, from planning and design to delivery and support. This encompasses incident management, problem management, change management, and release management. Effective ITSM ensures efficient service delivery and minimizes disruptions.
- **Adopting a value-driven approach to IT investments:** Every IT initiative should be evaluated based on its potential to contribute to the overall business strategy. This requires careful analysis of ROI and alignment with organizational goals. Simply investing in the latest technology without understanding its business value is counterproductive.
- **Establishing a robust governance structure:** Clear roles, responsibilities, and accountability mechanisms are essential for effective IT governance. This ensures alignment between IT and business objectives and prevents conflicts or duplication of effort.

The Benefits of Running IT Like a Business

Implementing the principles outlined in Kress's work offers numerous advantages:

- **Improved business agility:** A well-managed IT function can respond quickly to changing business needs, enabling faster innovation and adaptation to market conditions.
- **Increased efficiency and reduced costs:** Streamlined processes and optimized resource allocation lead to significant cost savings. This includes optimizing infrastructure, automating tasks, and improving service delivery efficiency. **IT cost optimization** becomes a key focus.
- **Enhanced customer satisfaction:** Reliable and responsive IT services improve employee and customer satisfaction, boosting productivity and loyalty.
- **Improved decision-making:** Data-driven insights from IT performance monitoring provide valuable information for strategic business decisions.
- **Stronger alignment with business strategy:** By closely aligning IT investments with business goals, organizations can ensure that IT is a key driver of growth and profitability. This allows for **strategic IT planning** that directly impacts the bottom line.

Implementing the "Running It Like a Business" Approach: A Step-by-Step Guide

The transition to a "Running It Like a Business" model is not a simple task. It requires a phased approach:

1. **Assessment and planning:** Conduct a thorough assessment of the current IT landscape, identifying strengths, weaknesses, and opportunities for improvement. Develop a clear roadmap for implementing the necessary changes.
2. **Service portfolio management:** Define and categorize all IT services, prioritizing those that are most critical to the business. This forms the foundation for effective service level management.
3. **SLA development and implementation:** Develop comprehensive SLAs that clearly define service expectations, performance metrics, and accountability.
4. **ITSM implementation:** Implement a robust ITSM framework, such as ITIL, to manage IT services throughout their lifecycle. This often involves investing in ITSM software and training staff.
5. **Continuous improvement:** Regularly monitor and evaluate IT performance, identifying areas for improvement and making necessary adjustments. This iterative process is crucial for sustained success.

Challenges and Considerations

While the benefits are substantial, implementing this approach presents certain challenges:

- **Resistance to change:** Overcoming resistance from IT staff and business stakeholders is crucial. Effective communication and change management strategies are essential.
- **Investment requirements:** Implementing new processes, technologies, and training programs requires significant upfront investment.
- **Integration with existing systems:** Integrating new ITSM processes and technologies with existing systems can be complex and time-consuming.

Conclusion

Robert E. Kress's "Running It Like a Business" framework, deeply intertwined with Accenture's best practices, provides a powerful model for transforming IT from a cost center into a strategic business asset. By focusing on value delivery, service excellence, and strong governance, organizations can significantly improve efficiency, reduce costs, and enhance business agility. The journey requires commitment, investment, and a willingness to embrace change, but the rewards are substantial and far-reaching. The emphasis on **value-driven IT** and **IT service management** is key to unlocking the full potential of this transformative approach.

FAQ

Q1: What is the difference between treating IT as a cost center versus a profit center?

A1: A cost center focuses on minimizing expenses; IT is viewed as an overhead. A profit center, however, aims to generate revenue or contribute directly to revenue generation. In the context of IT, this means focusing on services that directly support business goals and have a demonstrable positive impact on the bottom line.

Q2: How can I measure the ROI of implementing "Running It Like a Business" principles?

A2: Measuring ROI involves tracking key metrics such as reduced downtime, improved service delivery times, increased employee productivity, cost savings from automation, and improved customer satisfaction. These improvements can be quantified and translated into financial terms.

Q3: What role does ITIL play in this framework?

A3: ITIL (Information Technology Infrastructure Library) provides a comprehensive set of best practices for IT service management. It offers a structured approach to managing IT services throughout their lifecycle, aligning perfectly with the principles of "Running It Like a Business."

Q4: How can I address resistance to change within my IT department?

A4: Open communication, training, and demonstrating the benefits of the new approach are essential. Involving IT staff in the implementation process and addressing their concerns proactively can minimize resistance.

Q5: Is this framework applicable to small businesses as well as large enterprises?

A5: Yes, while the scale of implementation might differ, the underlying principles apply to organizations of all sizes. Even small businesses can benefit from improved service management, cost optimization, and alignment with business goals.

Q6: What are some common pitfalls to avoid when implementing this framework?

A6: Common pitfalls include underestimating the effort required, lacking executive sponsorship, insufficient training for staff, and neglecting continuous monitoring and improvement.

Q7: What technologies support the implementation of "Running It Like a Business"?

A7: Many ITSM software solutions are available to support the implementation of this framework, providing tools for incident management, problem management, change management, and service level management. Cloud-based solutions can also play a significant role in cost optimization and improving service delivery.

Q8: How can I stay updated on the latest best practices in running IT like a business?

A8: Staying current involves continuous learning through industry publications, attending conferences and workshops, following influential thought leaders in the field, and participating in professional organizations such as ITIL-focused groups.

Mastering the Art of Operational Excellence: A Deep Dive into "Running It Like a Business"

Robert E. Kress's seminal handbook "Running It Like a Business: Accenture's Step-by-Step Guide" presents a strong framework for transforming IT departments from budget burdens into profit-driving entities. This thorough examination will delve into the core principles of Kress's methodology, highlighting its practical applications and providing actionable advice for individuals seeking to improve their own business efficiency.

The core thesis of Kress's guide revolves around the idea that IT should be operated not merely as a support function, but as a profit-making entity. This shift in thinking demands a radical re-evaluation of how information technology capabilities are allocated, assessed, and improved.

Kress outlines a phased approach for achieving this overhaul. The initial phase involves a thorough evaluation of the current information technology environment, highlighting areas for optimization. This requires assembling data on expenditures, service levels, and customer experience.

The following step focuses on creating a precise operational strategy for the technology unit. This plan should specify measurable objectives, identify performance metrics, and assign funds effectively. Kress highlights the necessity of aligning IT plans with the overall corporate targets of the enterprise.

The implementation of the strategic roadmap forms the subsequent step. This necessitates meticulous monitoring of performance, periodic evaluations, and prompt modifications as needed. Kress advocates the employment of multiple indicators to measure performance, including customer satisfaction.

Finally, the ongoing improvement of technology processes is critical. This requires a environment of constant optimization, where ingenuity is encouraged, and feedback from users and staff is actively

solicited. Kress proposes using successful strategies from various fields and harnessing innovation to streamline operations.

Kress's book is not merely a conceptual discussion; it's a actionable resource filled with real-world examples and best practices. The structured method permits individuals to readily apply the principles detailed in their own companies. The understandable prose and straightforward format make it a invaluable resource for technology managers at all ranks.

In conclusion, "Running It Like a Business: Accenture's Step-by-Step Guide" offers a persuasive case for re-evaluating how IT units are operated. By adopting the concepts detailed in this guide, companies can significantly improve their operational efficiency and unlock the full capacity of their technology assets.

Frequently Asked Questions (FAQs):

1. Q: Who is this book for?

A: This book is designed for IT professionals, managers, and leaders at all levels who are looking to improve the efficiency and effectiveness of their IT operations. It's also beneficial for business leaders who want to better understand and leverage their IT investments.

2. Q: What makes this book different from other IT management books?

A: Kress's book offers a unique, step-by-step approach grounded in Accenture's extensive experience. It moves beyond theoretical concepts and provides actionable strategies and real-world examples.

3. Q: Can I implement this guide in a small business setting?

A: Absolutely. While the principles are applicable to large enterprises, the adaptable framework can be scaled to fit the needs of organizations of any size. Focus on the core principles and tailor the steps to your specific context.

4. Q: What are the key takeaways from the book?

A: The key takeaway is the shift in perspective – viewing IT not as a cost center but as a strategic business unit. This requires a comprehensive assessment, a clear business plan, diligent implementation, and ongoing improvement.

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