

Disaggregated Procurement

Overview

Public sector organisations gain considerable advantages from disaggregated procurement, where they buy IT services from multiple providers, but they also experience new challenges and consequences

Highlight is a tool that can help public sector organisations make sense of their fragmented IT infrastructure and service provision landscape to:



Lower costs



Save time



Increase end user satisfaction



Ensure optimum use of public sector funds

What is disaggregated procurement?

It's generally agreed that aggregated services, i.e. buying IT and infrastructure from a single vendor, had some distinct disadvantages for public sector organisations



The problem

Services were often not as price-competitive as those available in an open market. Thus, they could represent relatively poor value for money. Proprietary vendor lock-in was always a risk and changing vendors often entailed crippling switching costs. The incumbent vendor had few incentives to be agile or to innovate, leading to unacceptable user experiences, compared to the private sector. With so many disincentives to switching suppliers and investment in service improvement, vendors could act like virtual monopolies, effectively short-changing end-users of public sector IT services, who had ultimately paid for them.

All of that was bad.



The solution

Procuring disaggregated services, as an answer to the dangers of single sourcing, has many advantages. Because there are multiple vendors serving the public-sector organisation, competition is keener. To win and keep the business, providers need to be more agile. The public-sector organisation can achieve better value for money and can encourage innovation by simply switching suppliers for a part, not all, of their infrastructure at a time, thereby increasing user satisfaction, while keeping switching costs manageable.

Those gains are tangible and demonstrable.

Inevitably, though, there are additional hidden costs to procuring in a disaggregated way, which public sector organisations must meet



It becomes more difficult to see the overall performance of the service delivery chain, as well as to guarantee end-to-end performance. Identifying service overlaps and gaps is also much harder, especially for procurement officers who don't have a direct view of the full IT infrastructure.

Getting vendors to integrate and collaborate brings new management challenges, as they are often fierce competitors, with little history of working together effectively. Avoiding conflicts between vendors, or seemingly endless passing of blame from one to another when service chains break down, also requires additional management attention to avoid excessive resolution times. Siloed monitoring tool sets and service level agreements can also increase costs and introduce additional operational challenges.

In short, while disaggregated procurement can solve a multitude of sins, the whole might not be greater than the sum of the parts. It can become tough to see the service chain for the service component parts

Unintended consequences and new challenges

It can be challenging to ensure a service chain, comprised of components sourced from multiple vendors, delivers and performs

No single vendor is accountable.



Clear view of services

Co-ordination of vendors falls to the ICT management function in the public-sector organisation, adding to their workload. When supply is fragmented, it can be difficult to obtain a clear view of the totality of the services in the service chain. It's not easy to find the responsible vendor or to agree on the root cause of the problem, when end-to-end service chain monitoring is poor.



Resolution insight

Operationally, without their own independent view of the state of their service chain, the public-sector organisation is somewhat reliant on fragments of data supplied from vendors' network technicians, which may or may not provide adequate insight. Consequently, resolution times for incidents and issues can elongate.





Fractured integration

When services are delivered by multiple vendors, they can also find it hard to collaborate and integrate, without an agreed, single, holistic view of the service chain. This can lead to performance problems, overlaps and gaps in service provision, negating some of the savings and benefits of disaggregated procurement. Solving these can be harder, less efficient and more expensive, than with a single vendor.

Disaggregated procurement shouldn't mean fractured operations.



Overall performance

If the overall aim is to deliver the best performance possible from the ICT infrastructure - such as networks, routers, switches, servers and applications - then everyone involved in procurement decisions must be able to monitor, measure and report on the complete ICT landscape. **Currently, those making these important purchasing decisions may have little or no knowledge of how their complete ICT environment is performing.**



Cloud applications

Organisations, today, leverage the public cloud and the Internet to deliver mission critical applications, at lower cost and in a more agile way. IT is a hybrid of on-premises, data centre and branch office infrastructure, applications hosted in private or public clouds and subscription-based software-as-a-service applications, which are also hosted in hybrid environments.



Shadow IT

With this new reality comes the risk of cloud sprawl, where organisations come to depend on multiple cloud providers (perhaps too many) and encounter increasingly complex compliance challenges. Subscription-based applications, delivered as a service, introduce the risk of shadow IT, where organisations lose visibility and control of which applications are being relied upon, to deliver end-user services, and where their mission-critical applications and data reside.

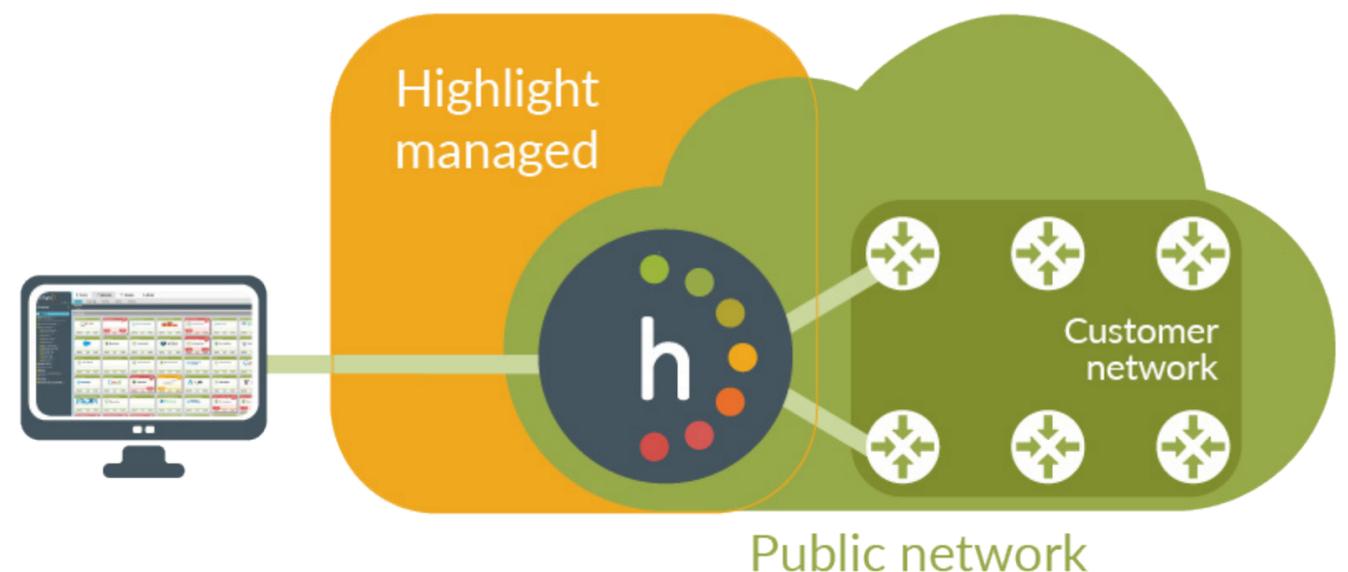
A holistic view

Self-evidently, what public sector organisations need is a single pane of glass monitoring solution, which presents IT equipment, sourced from multiple vendors, in a single, simple, holistic, shared view.

This provides vendors, competitors and the organisation itself with full transparency of service quality, from the point of view of its end users. This, in turn, leads to fact-based issue resolution and capacity planning, without conflicts of interest. Non-technical stakeholders (especially Procurement) need to see the state of what they have bought and what they yet need to buy, without being reliant on the aid of technical colleagues to supply the necessary information.

An independent viewpoint leads to better procurement decisions

A shared visual representation of applications to ICT performance also helps to develop virtual teams; enabling individuals to manage their piece of the procurement puzzle whilst also being able to understand the implications and adapt where responsibilities overlap.



Service Details

The Highlight service enables complete transparency of the performance of an organisation's network and critical applications

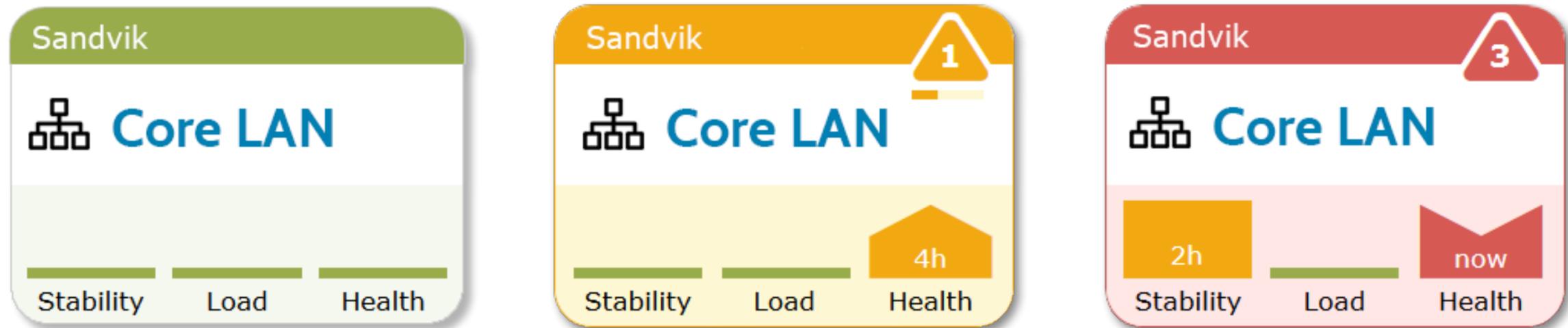
Proactive identification of oncoming issues, through a simple 'single pane of glass' dashboard, enables both technical and non-technical colleagues to overcome the many of the challenges of disaggregated procurement processes.



If the Highlight agent can be installed within the network in question, then Highlight can monitor the state of stability, load and health of the networks, infrastructure and applications in the full-service chain, irrespective of which vendor supplied and manages them.

Because Highlight is a third party, collecting the data, the system acts as a non-partisan source of objective truth about the state of the services provided

Highlight provides a high-level view, in heat tiles, which gives essential management information, at a glance



It's a multi-tier, multi-tenant system, so it provides a shared view of the state of the service chain to all relevant stakeholders (vendors included). The information presented is clear, concise and business-outcome focused, to ensure that service end-user quality of experience is maintained always.

Highlight, through its application awareness tools, provides visibility of the applications that are running in each organisation's locations and can provide the information necessary to contain cloud sprawl and manage shadow IT.



Public sector benefits

Highlight can improve the ease and speed of issue resolution in a disaggregated scenario

Capacity planning and incremental procurement are also greatly simplified, since the data can't be biased in favour of any supplier. Highlight, with its shared view of the data, encourages vendors to collaborate in virtual issue resolution teams and to create the best overall service chain outcomes.

Transparency leads to openness, honesty and trust in service provision relationships. There's nowhere to hide bad practise and fewer opportunities for obfuscation and potentially deceptive omission of important information about service quality. Highlight's single pane of glass view of the service chain, showing how vendor solutions interoperate and integrate, can simplify what can otherwise be a complicated jigsaw puzzle of individual service interactions. This consequently saves time and money in co-ordinating vendors.

Highlight permits more efficient use of public sector funds, through:

- Right-sized procurement decisions
- Reduction in monitoring tools sets
- Elimination of service overlaps
- Faster (and hence cheaper) issue resolution
- Easier and faster vendor management.
- Better end-user experience (obviating the costs of remediating poor experience)

Summary

Highlight shows disaggregated services holistically, with every service element represented on a clear, 'single pane of glass' interface

It is a single solution that can make the management of technology, infrastructure and applications a well-integrated environment and help to deliver on mandated performance objectives Management data is presented in a fast, reliable, business-focused way, which can be understood at a glance.

Highlight is dedicated to solving real issues for public-sector service providers and organisations.

Get in touch

If you are a supplier to the public sector and want to adopt and sell Highlight's monitoring and reporting service, or if you belong to a public-sector organisation and want to make sense of your disaggregated IT services, please contact us.

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