



Integrating Maturity Models

From Re-Engineering to Transformation

 **Algorithm**
CONSULTING

Information Technology organizations seeking to benchmark their own performance have increasingly looked to Maturity Models for the necessary measures and ratings.

It would be good to think that, as an industry, we are being pro-active in developing efficient and effective working practices, however the truth probably leans more towards a re-active exercise; as a response to criticism levelled at IT in the past, to put our collective house in order.

Of course there are also perception benefits of gaining accreditation in any Industry "standard". Offshore Service Management companies have not been slow off the blocks to recognise that attaining a high level of certification is a pre-requisite to becoming a partner of choice.

To cater for this demand, models have been developed in many disciplines across the IT Change and Run lifecycles, and functional areas have achieved successful accreditation in their own domain, with prime examples of CMMI, ITIL, or COBIT.

So what's the issue? Organizations are trying to do the right thing, investing large amounts of funds and effort, and developing step changes to their core components. It sounds perfect, but why isn't it? Why, after such large investment does the organization still operate in a fragmented way, and why is it that the same extensive exercises are completed year on year? Is it that the Maturity models are somehow flawed, that in some way a key component has been missed, or perhaps that the benefits are only ever temporary?

Maturity Conflicts

The fundamental flaw isn't the models themselves. These have been considered at length, and have become tried and tested. The problem lies in the integration of maturity models across the entire organization.

The way that these frameworks are introduced tends to be piecemeal. Each function will have its own industry model, and the implementation will be kept very closely controlled within just that function.

Whilst that will ensure successful delivery, the impact across the entire organization is rarely assessed.

The functional area (or more likely its 3rd party advisors) will fanfare a successful ITIL (just for an example) implementation, but everyone else will shrug and carry on as before. Indeed usually this will be the first anyone outside the area has even heard of ITIL!

But does this matter?

If an Application Development function obtains CMMI certification at level 3, should it concern itself how well the Service Delivery areas are getting on with their ITIL implementation? If we care about the performance of the entire organization then the answer should be a resounding 'yes'!

What is generally overlooked by these fragmented approaches to delivering frameworks, is that the Lateral Interfaces between functions are as important as the internal processes of those same functions. When the scope of a transformation initiative is limited by organizational boundaries then it is rare that these Lateral Interfaces, or departmental hand-offs, are assessed, improved or, very importantly, agreed on by both sides.

Organizations are now finding themselves in the situation where models have been successfully implemented by separate transformation initiatives, but because the Lateral Interfaces have not been defined, there is no common language at the crucial touch points between functions.

This is where the inefficiencies lie, where the arguments start about who does what, and where the important issues drop between what were the cracks, but are now chasms created by conflicts in the frameworks.

This 'Maturity Conflict', occurs when the maturity levels of two interacting areas of the organisation become out of step with each other, but it can also happen when the organisation engages with external parties with a substantially different maturity level.

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Operating Model Integration

So how can we achieve the benefits that are truly obtainable from organisational maturity, in terms of efficiency and effectiveness, and that transformation is undertaken in a way that guarantees success and avoids Maturity Conflict?

The answer lies in tying maturity to a structured and integrated Operating Model that will incorporate all elements necessary to run and govern an organisation. It will contain the required mechanisms to ensure that the functional capabilities have a common aim, that there are interfaces allowing them to work together, and that they have compatible maturity levels in their area of focus.

Linking maturity to the Operating Model in effect means that the Operating Model as a whole is assessed rather than just the individual functions.

Does this mean then that industry standard frameworks no longer have a valid place in transforming an organization?

The answer is that they continue to be as fundamental in developing the organization as they always have been, but need to be brought together for their true potential to be released.

The key to understanding this approach is to look at the horizontal flows across the organisation rather than the vertical functional demarcations as is usually the case.

Traditionally, if a transformation project was to look at achieving a level of maturity, it would out-scope anything outside its own functional area. Success can only be guaranteed if we look across the

horizontal process line, or value chain, increase the maturity levels of all components within that chain, and strengthen the lateral interfaces between those components.

Summary

The strategy then is clear: Industry Standard frameworks and Maturity Models are still core to the development of organizations, but without tying them to a well-developed Operating Model they have the potential to work against each other and create Maturity conflicts.

Only by developing the maturity of the Operating Model as a whole can the organization achieve the sustainable benefits possible from the likes of CMMI, ITIL or COBIT.