

IT Organization Design Roadmap

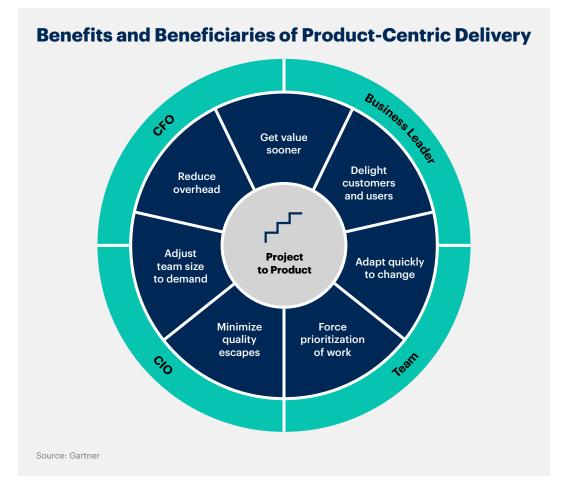
How to Shift From Project to Product

Gartner

Why is digital product management key to staying ahead of the competition?

Moving from "project" to "product" is a seismic shift, as it redistributes and often obscures decision rights. As organizations become more product-centric, CIOs must modify IT governance and the I&T operating model so the enterprise can respond to market demands with speed and agility.

As the C-suite explores digital solutions to drive growth, the demands for the enterprise to become a product-centric organization increase. This roadmap shows how CIOs can partner with the C-suite and implement the Gartner Value-Optimizing I&T Operating Model, which supports the product-centric organization.



How can digital product management enable business?

By empowering innovation.

Digital product management (DPM) helps prioritize investments and resources to effectively deliver on an enterprise's digital ambitions: agility, speed and continuous value delivery.

From our expert research and interactions with thousands of companies in a wide range of industries, we've compiled digital product management best practices into a customizable roadmap.

Your organization can use this roadmap to understand the key stages, resources and people required to plan and execute an effective digital product management initiative.

Strategic Roadmap Timeline for Becoming a Product-Centric Organization Pilot Design the I&T operating Scale model for the pilot Scale the use of fusion • Execute pilot project teams across the enterprise **Prepare** • Provide support for fusion Continuously evaluate Validate enterprise the pilot, adjusting the teams and ensure focus ambition operating model as needed on delivery and outcomes Critically assess current · Leverage the value and · Get commitment for capabilities and capabilities funding the transformation success of fusion teams for change to drive change to the program • Determine operating model enterprise operating model Develop the transformation implementation path and program with workstreams Ensure that I&T is set expectations for overall enterprisewide positioned to support Identify and design pilot overall enterprise needs transformation 202x 202x+3 months 202x+1 year 202x+2 years 202x+3 years 202x+4 years Source: Gartner

Some of the top questions of using a digital product management approach are:

Does your existing product management model align with your disruption strategies?

How do you evaluate product management maturity?

Which teams need to be involved in defining product management?

What are the key stages?

This best-practice insight is distilled from interactions with clients who have successfully implemented digital product management initiatives. The roadmap shows the sequence of objectives and desired outcomes and is useful for aligning all stakeholders.

To navigate this journey, enterprises should see it as a journey consisting of multiple stages that progressively build on the outcomes of the previous stage. The stages of the roadmap will be similar for all enterprises. However, the timing will differ, depending on the context of the enterprise, the competitive necessity to get there and the level of resources that are put into it.

Key milestones and a sample of associated Gartner resources are highlighted in this excerpt, but the full roadmap includes complete details of all milestones and resources for each stage.

Baseline Organizational skills Assess Measure progress and ROI

Baseline organizational skills

Assess maturity

Design product construct

Enable pilot

Measure progress and ROI



Baseline organizational skills

Take stock of current capabilities.

Actions to take:

Build strategic workforce plan to identify future needs, structure and skills.

Develop framework to highlight maturity for emerging, core and legacy skills. Optimize selection, prioritization or value of project, program, service, asset or product investments.

+ more

Samples of associated Gartner resources include:

- Consultation. Discuss organization design:
- Tell Business Model Story With Simple Building Blocks
- How CIOs Can Determine Which IT Services to Manage as Products and Crucial Steps for Success
- Expert inquiry. Emergency spending approval:
 - IT Score for CIOs
 - Toolkit: Skills and Competencies Assessment to Maximize Your IT Workforce Effectiveness

+ more

Baseline organizational skills

Assess maturity

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Measure progress and ROI



Assess maturity

Target capabilities to mature.

Selected tasks include:

Assess product management competency, determine target levels and build plan to close gaps. Design model to communicate with executive management.

Compare product management organization capabilities to find areas for improvement.

+ more

Samples of associated Gartner resources include:

- **Consultation.** Identify avenues of business disruption. Track costs, prepare for budget impacts and margin pressures.
- Expert inquiry. Discuss steps to deliver organizational and business value:
 - How Moving From "Project" to "Product"
 Affects IT Governance

+ more

Baseline organizational skills

Assess maturity

Design product construct

Enable pilot

Measure progress and ROI



Design product construct

Identify and define IT product line.

Selected tasks include:

Define plan based on gaps and actions needed to improve.

+ more

Revise models to orchestrate scaling and evolving from project to product-oriented approach.

Understand and optimize design structures and function within operating model.

Samples of associated Gartner resources include:

- Strategic Roadmap for Becoming a Digital Product Delivery Organization
- Workshop: Capture and analyze data to determine priorities to drive recovery strategies and solution development.
- **Expert inquiry:** Discuss organization structure required to deliver business outcomes.
- + more

Assess maturity **Design product** construct

Enable pilot

Measure progress and ROI



Enable pilot

Roll out product construct.

Selected tasks include:

Design pattern to employ each business domain from range of emerging options.

Track KPIs that drive cultural change to shift to value-centric models of capabilities.

Scale to meet the demands of digital business by mastering product management and product models.

Samples of associated Gartner resources include:

- Organizational Resilience: Create Teams That Plan and Respond Best
- Break Through the Barriers to Scaling Agile and Product-Centric Delivery
- Conference: Attend the Gartner IT Symposium/Xpo™ conference.

+ more

+ more

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Baseline organizational skills

Assess maturity **Design product** construct

Enable pilot

Measure progress and ROI



Measure progress and ROI

Monitor process.

Selected tasks include:

Evaluate investment models and adopt key leading indicators to prepare for a productcentric organization.

+ more

Evolve organizational design to evaluate capabilities and support improvements.

Reassess optimization and value delivered. Compare and communicate progress to increase buy-in.

Samples of associated Gartner resources include:

- Tool: How to Use Product Roadmaps for Funding and Governance of Agile Product **Delivery Teams**
- Expert inquiry. Craft value message and supporting metrics as a narrative to tell how IT has impacted critical business outcomes.
- Consultation. Iterate and update strategy to keep pace with technologies and processes for the digital age.
- + more

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Who needs to be involved?

The most successful companies establish cross-functional teams for their digital product management initiatives. We have outlined the recommended functions to involve and their roles to ensure the best success in hitting the milestones.

CIO

Collaborates with organizational leaders and helps guide digital product management strategy and provides executive leadership for IT organization design efforts

Application and software engineering leaders and team

Inform strategy and provide guidance for enterprise applications; manage adoption of new technologies, delivery methods and organizational models; support/manage applications for new organization design.

Data and analytics leader and team

Provide intelligence and business insights to facilitate decision making for organization design.

Infrastructure and operations (I&O) leader and team

Inform service strategy and technical roadmap and delivers integrated ITSM roadmap to support digitalization.

Project portfolio management/PMO leader and team

Enable transition from project to product management by overseeing design of governance practices and acting as a mentor and influencer of the benefits of the product management construct

Sourcing procurement and vendor management leader and team

Manage and develop vendor relationships and negotiates commercial contracts for technology assets.

Client success story: Leading New IT Initiatives

Most critical priority

The CIO was tasked with leading and executing multiple IT initiatives, while optimizing cost and increasing ROI.



How Gartner helped

Gartner Consulting leveraged our unique Forecasts on storage, hybrid solutions and cloud services — along with client specifics and deep industry expertise — to generate market size and growth for key segments for Global 2000 enterprises within 13 industry verticals.

As part of the custom consulting deliverable, Gartner identified approximately 90 use cases highlighting applications in core operations and emerging technologies, including a comprehensive view of each use case with technology and industry-specific nuances for each use case.

Business impact

With Gartner support, the client:

- Generated an exhaustive view of use cases tied to opportunity and ability to execute criteria, allowing the client to take a portfolio approach to allocating investment and forecasting ROI on an ongoing basis.
- Prioritized use cases deep dives provided an extensive view into market dynamics (vendor landscape, solution requirements, market gaps, etc.) and multiple point-of-entry strategies for channel planning and enablement.

Actionable, objective insight

Explore these additional complimentary resources and tools for technology executives:

Resource Hub

The Gartner CIO Agenda

Master Composable Architecture to Drive Business.

eBook

Top Strategic Technology Trends for 2022

12 Trends Shaping the Future of Digital Business.

Research

3 Practices CIOs Can Learn From Marketplace Product and Portfolio Managers

How to Move your IT Organization from Project to Products.

Resource Hub
CIO Insights & Tools

Drive stronger performance on your most critical priorities.

Access other roadmaps in this series:

Enhance Your Roadmap for Data and Analytics Governance

The IT Roadmap for Digital Business Transformation

Protect your Business Assets with a Roadmap for Maturing Information Security Program

Roadmap for Modernizing Business Through Technology

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