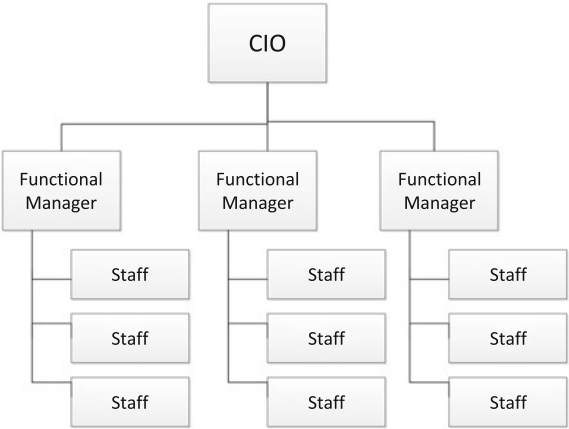


From the point of view of operations versus projects, there are several variations on the type of organizations employed. Typical operations-focused organizations have a very rigid hierarchy, based mainly on the functional roles for each position under IT as shown in Fig. 3.1.

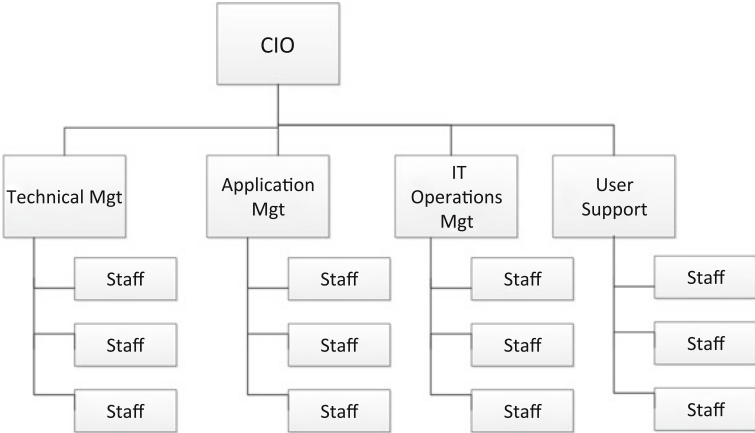
Functional managers would be concerned with their particular area of responsibility, whether this would be a series of applications, or organized based on the type a skills they handle. A typical IT operations-focused organization would look like that shown in Fig. 3.2.

The role and function of each of these teams are explained further in the sections under O&M, however, to briefly describe:

- **Technical Management (TM)**—is in charge of the general upkeep of all infrastructure components. This includes network, storage, servers' resources, as well as, technical components of the different software, typically the technical implementation of the applications, databases, and operating systems.
- **Application Management (AM)**—is in charge of updating and maintaining all application configurations. They typically modify these based on incidences and request requirements. The difference with the involvement of TM in the applications is that AM handles everything that affects processes and their behavior, while TM handles all technical aspects.
- **IT Operations Management (ITOM)**—responsible for the day to day management and maintenance of the IT Infrastructure, batch processes and other repetitive functions needed to deliver the necessary IT services to the end users
- **User Support (US)**—is the interface between IT and the users, so that users need not know anybody else but the US personnel interfacing with them. It is in charge of first level support to the users and attempts at their resolution. It handles all requests and incidences reported by end users.



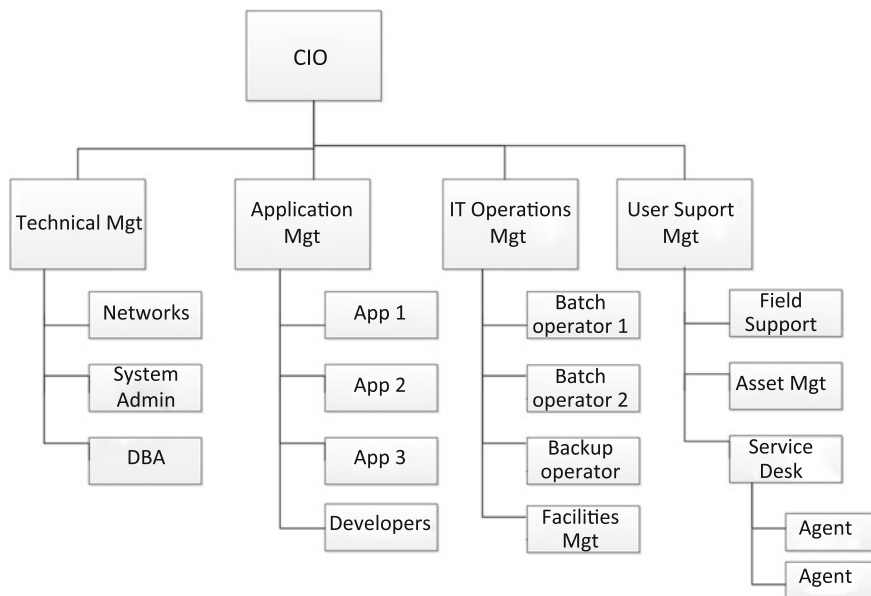
**Fig. 3.1** Functional organizational structure



**Fig. 3.2** Typical IT functional structure

If we now further define the table of organization one level down, we then have the TO shown in Fig. 3.3.

Technical Management has its different distinct teams in charge of networks, system administration, and Database Administration. The Application Management team will have business analysts specialized in the different applications, and typically a pool of developers (programmers) in charge of customizations. The Business Analysts may not be broken down into specialized groups but may also be a pool, which can service different applications, depending on their skill sets. IT Operations Management will have different batch operator teams that run and monitor the different batch processes, and the facilities management team in charge of the regular upkeep of IT facilities such as data center, common facilities, and the



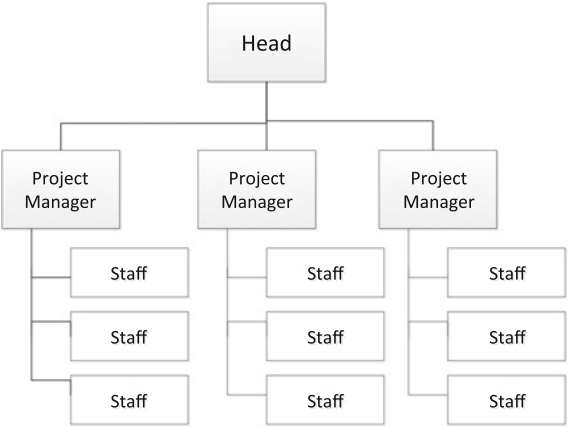
**Fig. 3.3** Typical IT functional structure with details for each team

like. User Support is further broken down to Field Support (FS) Asset Management, and Service Desk (SD). Service Desk is manned by agents who receive and process the requests and incidences from the users, and are the users' single point of contact. They man the Service Desk system and attempt to address the request or resolve the customer's issue immediately, but if unable will then escalate this to the proper team. Field support refers to personnel that distinct from the rest of the teams, may actually travel to where the user is in attempting to service a request or incident. They commonly address requests and issues related to the endpoint devices, including repairs. The reason for placing field support under user support is that although it may seem that it is more technical and would belong to technical management, most requests and incidences are generated directly from the service desk by end users and need close coordination with the service desk personnel. Asset Management here refers to the reception, storage, and disposal of IT assets, which is under User Support as the bulk of these items correspond to end user requested or assigned devices.

On the other end of the spectrum is the project-oriented organization as shown in Fig. 3.4.

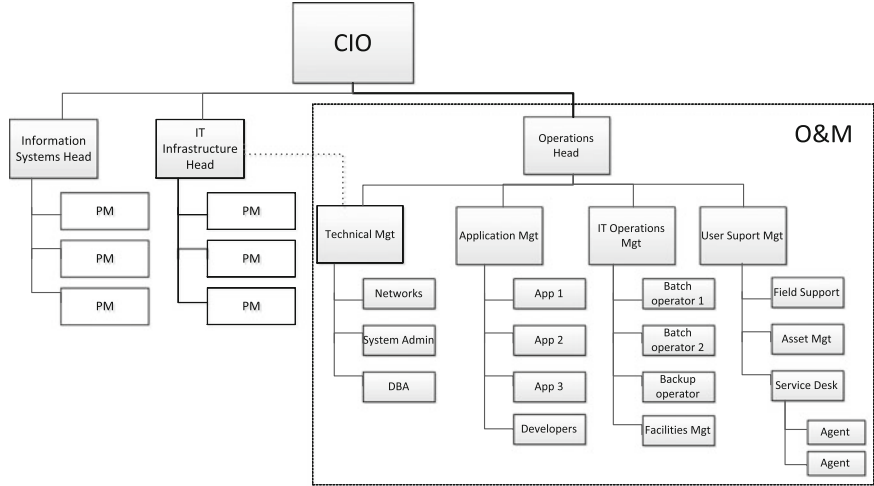
Wherein each manager is focused toward his particular project(s), and there is no operational focus whatsoever. This is typically found in consulting companies, system integrators, and engineering companies which have a very lean internal operational function (sales, administration, and marketing...). As most IT organizations need a mix of both, the question is what would be the proper Table of Organization (TO) for an all-encompassing IT organization? My recommended

**Fig. 3.4** Typical project-oriented structure



approach is to separate the project organization from the operations organization, giving the operational organization a structure which follows the IT Operational structure above, while the project organization is focused toward a pure project setup, similar to what is shown in this last TO. The project heads would have a more strategic role, in coming up with medium and long-term plans, and translating these into actual projects that are aligned with the company’s overall (changing) strategy. These project heads would be managing the portfolio of projects and continuously aligning them to the company strategy. An example of this organization is shown in Fig. 3.5.

In this organization, the head for IS is in charge of strategy and new projects related to software applications, while the Head for IT infrastructure is his



**Fig. 3.5** Project and operations combined IT structure

counterpart for infrastructure, which includes all hardware and technology components. The IT infrastructure Head must coordinate very closely with the technical management team under O&M due to their interrelationship, and definitely all projects must be closely coordinated between Projects and O&M for turn-over.

The philosophy of the company in undertaking projects should also be considered. If projects are fully contracted out, then each of the PMs will interface with each vendor PM and have no personnel under it. If projects are done in-house, then the PM will have to “borrow” resources from the line organization either full-time or part-time. This is only possible if the company’s IT headcount is considerable, so that the O&M team can afford to lend to the project teams, but is rarely the case. Part-time borrowing has the problem mentioned during the book’s introduction, in which the personnel will lack focus and would be confused as to the methodology to use. In this case, he shall also be reporting to at least two bosses, and may not actually be evaluated by both, nor the boss from O&M appreciative of his work in the project. Due to these reasons, and unless the company is developing its own software platforms for outside sale, it is recommended to fully contract projects. This also has the advantage that the project can be contracted to a specialist in the project products without having to hire them full-time (as the project has a definite duration anyhow).

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