Delivery Maturity Index

Wipro's Value-based Approach to Service Delivery

An evaluation report by ISG on Wipro's service delivery measurement framework for managed infrastructure services

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Introduction

Delivering managed infrastructure services is a complex process involving delivering the service itself as contracted, building the back-office capability and selecting and implementing the technology. The last 20 years have shown that getting all this right is not enough: even when a provider is delivering services well, the client can have a negative perception about the provider. This is an indicator of the client's understanding of the contracted services, and its ability to develop a culture to work effectively with the provider. Wipro has recognized this challenge. To drive both its own continuous improvement and the client's engagement in the process, it has created the Delivery Maturity Index (DMI).

Enterprise sourcing clients expect service providers to create continuous value on top of meeting contracted service levels. Meeting this expectation involves consolidating best practices across different provider teams. Wipro's approach is designed to identify "accidental brilliance" in pockets of delivery and standardize this capability into "designed excellence" that can be measured with empirical data. Wipro has developed a service delivery platform that brings together best practices from multiple client service delivery teams and quantifies service delivery maturity based on those best practices across its managed infrastructure clients.

This platform intends to move away from traditional service level reporting and toward a client experience-driven approach. It leverages Wipro's delivery maturity framework through the Delivery Maturity Index (DMI), which measures service performance for each client account. The DMI quantifies how Wipro creates value for each client, highlighting how it can influence the client's experience while meeting and extending service levels into the deeper potential of the relationship. This is accomplished by measuring Wipro's performance, starting from the beginning with training and enabling personnel, through to service delivery, continuous improvement and innovation.

ISG has assessed DMI and deems it not only a comprehensive tool for measuring the efficacy of service delivery but also as a powerful indicator of Wipro-client relationship maturity. This whitepaper explores the DMI model in detail, the best service delivery practices that underpin the DMI model, its challenges and future enhancements.

Driving value for clients by measuring integrated standard service delivery

Service providers often struggle to measure and express the continuous value they create for their clients. They also struggle to measure the effect of a collaborative and trusting client-provider relationship. And while IT infrastructure services may seem transactional in nature, outsourced largely with an objective of cost optimization and efficiency improvements, service providers offering managed infrastructure services often deal with dissatisfied clients even when they are receiving the agreed-upon service levels. The transactional nature of these engagements often leaves little room for providing a value creation experience for clients, which can lead to bitter service provider-client relationships. ISG data shows this is a leading cause of rebids and losses of scope for providers even when they are delivering outstanding services.

ISG also increasingly observes leading managed IT infrastructure service providers developing capabilities for strong operational efficiency and improvements in their service delivery. These capabilities include leveraging automation, digital knowledge management and reskilling resources. Many service providers have developed key value-added capabilities in certain service delivery teams. These brilliant initiatives, however, often are developed in a siloed fashion and, in most cases, are not implemented across the clientele in a standardized manner. This mean best practices are implemented in isolation, creating a visible difference in service delivery for different clients. Service providers need a system of

components and activities that work together to enable and accelerate value creation. This kind of service value creation is essential to the ITIL 4 best practices, which is core to managed infrastructure services.

Automation and an end-user self-service knowledge base are two initiatives that can provide significant value for end clients. However, it has often been observed that managed service providers are not able to fully support value creation activities like these despite having the appropriate capabilities. Clients' internal environments can prevent the service providers' ability to perform to their full potential. A robust value creation service delivery framework is transparent, helping make clients aware of such scenarios.

A continuous value creation delivery framework requires a centralized approach to assimilate best practices. It should define and measure complete service delivery in a standardized and transparent way across clients. A managed service provider should assess its delivery efficiency not only for each client but also for delivery units. Such an assessment can identify areas for improvement and service benchmark goals so delivery teams can achieve higher client satisfaction on a continuous basis.

Wipro's Delivery Maturity Index

Wipro identified the need for a modern, value-focused service delivery framework for its managed infrastructure services practice. It started by enabling its service delivery teams with skills and consolidating best service delivery practices. Wipro is one of the few service providers to achieve ITIL 4 certifications and develop value streams in its client accounts. It has been developing its own service delivery platform powered by its delivery maturity framework, aiming to move away from traditional service levels toward an outcome-driven approach that measures its own effectiveness and value.

Wipro has developed a measurement criterion for its infrastructure management service delivery through its Delivery Maturity Index (See Figure 1). This measures Wipro's ability to create value for its clients demonstrated by assessing performance of each service delivery function. DMI measures the value for each client account, across clients, across functions and at an overall infrastructure service delivery unit level.

The DMI measures Wipro's performance for each client account across five major components of service delivery. These groups are: governance, process, people, service delivery and client satisfaction. Each of the groups have their own set of sub-groups that are measured on a regular basis. Consolidating the scores of each of the sub-groups produces a composite DMI score for a client account. Wipro also measures the performance of its entire infrastructure services delivery unit against each of the five groups to provide a composite score.


Figure 1: Delivery Maturity Index

Need for DMI: Challenges of Cloud and Infrastructure Services

Wipro's infrastructure services division, called Cloud and Infrastructure Services (CIS), generates approximately 30 percent of the firm's total revenue powered by 180,000 FTEs globally. In 2016, the CIS leadership observed some concerns in managing client accounts:

- **Siloed best practices:** While the delivery teams were increasing service efficiency through automation and process improvements, they weren't seeing a corresponding increase in client satisfaction. Moreover, these initiatives, internally termed as "accidental brilliance" were being conducted in a siloed fashion either within a delivery function team or an individual account. The leadership observed a lack in delivery best practices across different client accounts and at an overall delivery unit level.

- **Key person attrition:** The leadership also observed that some client-provider relationships were highly personnel-dependent, and the clients feared knowledge and trust loss with those key individuals leaving. There was a need to develop a standardized approach for client service delivery and relationship management that was less personnel-dependent and more process-dependent.

- **The "watermelon effect":** Leaders observed that, while the delivery team was meeting service levels, the corresponding client satisfaction scores like customer satisfaction (CSAT) and Net Promoter Score (NPS) were not satisfactory. The service KPIs often were defined ad-hoc and were not implemented holistically. Moreover, the KPI-driven approach failed to reflect the value delivered to the clients.

- **Lack of visibility in standardizing innovation:** Leaders also believed that each client is different and has its own innovation agenda. However, service innovation should be introduced by analyzing its effect on the steady business-as-usual (BAU) state. Wipro observed that, when clients were unable to understand the level of customization or standardization provided, they often overlooked the value Wipro was creating.

- **Disparity in service delivery maturity across clients:** Because leaders observed considerable disparity in delivery maturity across clients, they began to require a measurement that compares client service delivery maturity across all Wipro clients and the use of industry benchmarks.

The CIS leadership realized the need for a framework that could provide a delivery health-check through a standardized empirical methodology. A quantifiable measure of service delivery maturity would provide clients, account delivery heads and leadership with a visible, holistic view of Wipro's performance and associated outcomes. This would help clients understand the value creation brought to them via delivery initiatives and ensure Wipro's service delivery is not dependent on individuals but on a standardized process, assuring them of continuous value creation even if key personnel leaves. The CIS team considered developing a standard and not a point-in-time solution that helps clients leverage Wipro's continuous improvements and best practices.
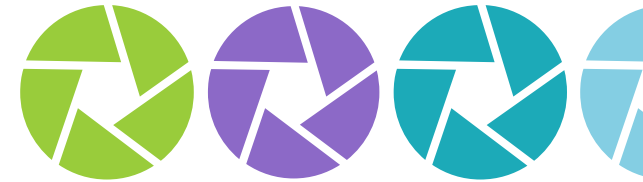
DMI success story

The CIS team has witnessed several benefits and visible improvements in their service delivery and client satisfaction scores since they started measuring DMI values across accounts. Within the first 18 months of deployment, Wipro has seen an 18 percent rise in its overall client NPS.

CIS delivery leaders are now able to improve predictability of services and client satisfaction. With DMI, CIS clients are assured of service delivery quality since delivery teams consistently measure quality irrespective of the inclusion or presence of key people in the account or the firm.

Account delivery heads are expected to drive improvements in DMI scores in their individual accounts. As DMI offers comparative information for other accounts, delivery leaders can identify gaps and strive to improve scores for individual

groups and sub-groups. Also, DMI measurement is independent of client account size and is equally applicable for a small or medium-sized business as it is for a large enterprise. This provides a level-playing field for measuring service delivery quality, quantifying success not just in dollar value but in true client satisfaction. DMI scores and subsequent client feedback also help identify key areas of improvement for the clients.

The DMI has also significantly improved clients' trust in Wipro delivery teams. Clients appreciate a transparent view of the effectiveness of Wipro's initiatives. Furthermore, CIS can correlate results of its key value propositions with the corresponding client satisfaction scores.

DMI – An overview

The Delivery Maturity Index is a consolidation of key parameters assessing performance of multiple CIS functions and teams. It is constructed to deliver both a client-level score and an overall CIS consolidated score. It covers all aspects of delivery across client accounts and provides a comprehensive view of improvement areas, monthly trends and performance levels.

DMI can be segregated into 5 groups and 17 sub-groups of parameters, which collectively amounts to 200+ parameters. It generates a monthly report for all CIS clients with more granular and more frequent reports available based on clients' DMI alignment level.

The parameters for the DMI are consistent across accounts and are included in the overall DMI score. Many of these parameters are related to directed excellence initiatives undertaken by specific groups with a proclivity towards a particular value proposition, for example, improving efficiency through automation, re-skilling the workforce, and managing knowledge. The DMI measurement gives more weight to utilization of an initiative than merely its adoption within an account. Proper utilization of such initiatives yield visible measurable outcomes; hence, outcome credit is given based on utilization levels. Measuring utilization also reveals correlation between sub-groups that affect overall scoring. This is highlighted in Figure 2.

Adoption

If Adoption is > certain level, account gets a bonus point

Utilization

If Utilization is > Adoption level by certain level, account gets a bonus point

Outcome

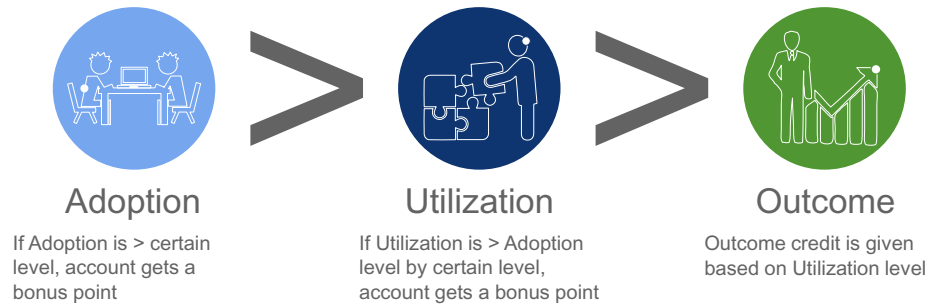Outcome credit is given based on Utilization level

Figure 2: Correlation between sub-groups in DMI measurement

DMI measurement

The DMI score for each account is measured on a maturity scale of zero to five, with five representing the greatest degree of maturity. The levels on the maturity scale not only indicate CIS unit's maturity for key service delivery characteristics but also the status of the service provider-client relationship. Key measurements that define delivery status and client-relationship maturity include:

- **Service delivery quality:** This measures the Wipro's ability to meet service level agreements and reduce penalties. A full Harvey Ball score indicates complete achievement of service level targets, as seen in Figure 3 below.

- **Best practices and standardization:** This measure the effectiveness of the centralized and standardized approach for best practices. A full Harvey Ball score indicates a complete standardization and best practices approach followed across the teams and client accounts.

- **Collaboration and confidence:** This measure the extent of Wipro's influence over client satisfaction and building client confidence. It also measures how well Wipro's teams collaborate with clients for mutual benefit.

- **Perceived value:** This measures the client's perception of Wipro's initiatives through service delivery. A full Harvey Ball score suggests the client can see significantly higher value provided by Wipro's delivery team.

- **Trust:** This measures the ability of Wipro's delivery team to gain the client's trust and work with the client in an integrated fashion. A full Harvey Ball score indicates the highest level of trust between Wipro and its client.

As seen in Figure 3 below, delivery status and relationship status are calculated based on these five categories.
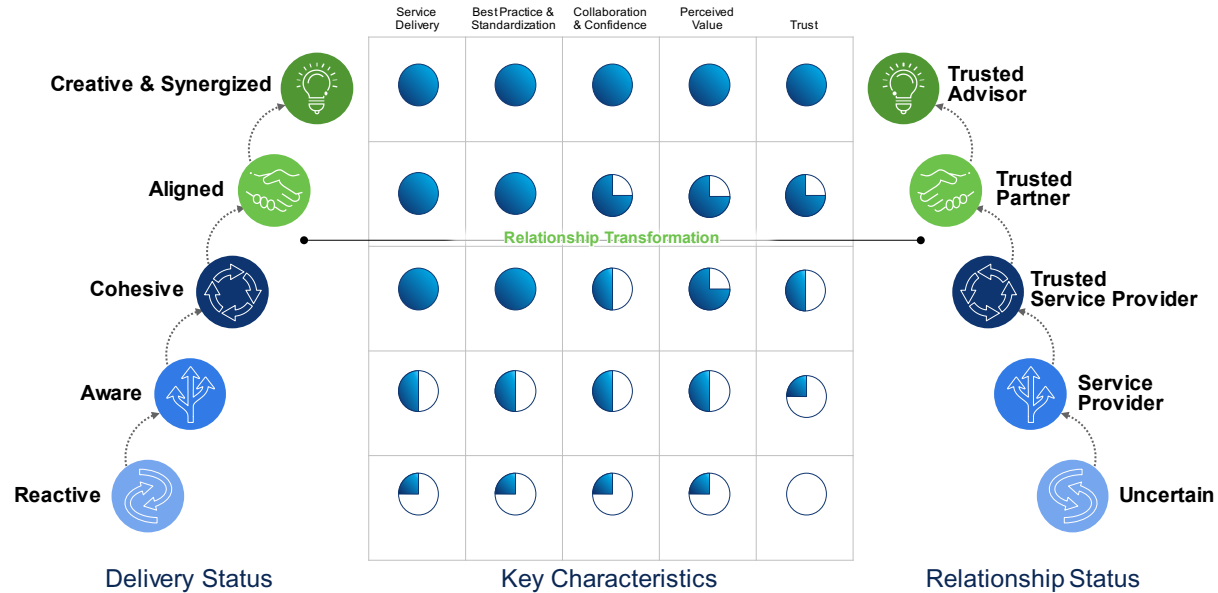

Figure 3: Key characteristics defining Wipro services based on delivery status and Wipro-client relationship status as per DMI scores

The five discrete, pyramidal layers of service delivery and the associated provider-client relationship (depicted on both sides of the pyramid) maturity are described below:

Delivery Maturity Status	Provider–Client Relationship Status
Reactive: Delivery teams are mostly in firefighting mode, dealing with problems as they arise. The processes are set in an ad-hoc manner and this stage often struggles to meet service levels resulting in penalties and low client confidence.	**Uncertain:** Clients don't perceive Wipro capable of providing value through its service delivery. There is an absence of trust.
Aware: Delivery teams usually meet service levels with only occasional misses. Delivery teams are able to consolidate and standardize best practices.	**Service Provider:** Clients perceive Wipro as a service provider that meets service levels. Client confidence is improving in this stage with positive perception of the overall engagement value.
Cohesive: Delivery teams can fully implement industry best practices. They rarely miss service levels and delivery teams start considering themselves as part of the client business with increasing cohesiveness. This stage is also a "green threshold" level that Wipro can achieve with limited collaboration from clients.	**Trusted Service Provider:** Clients highly trust Wipro's delivery capabilities. Clients perceive Wipro as a significant value creator, and, through regular top management communication with clients, Wipro finds voice in clients' strategy planning.

Relationship Transformation

Aligned: Delivery teams virtually eliminate all service level misses. There is an increased level of collaboration with clients through joint projects for new technology and innovation.	**Trusted Partner:** Clients begin to perceive Wipro as a trusted partner than a service provider. Client is also interested in collaboratively engaging with Wipro to create higher mutual value.
Creative and Synergized: Delivery teams are providing 100 percent compliance and implementing best practices. In addition, they provide creative and innovative solutions that are relevant to client business and enable mutual growth.	**Trusted Advisor:** Clients consider Wipro as an advisor that would play an integral role in devising and implementing client technology strategy. Wipro and the client face the future as an integrated team.

The DMI reports Wipro's service delivery effectiveness with its client with complete transparency. The Index reveals lower scores on parameters and provides clients insights into reasons for low scoring. For example, the DMI can highlight instances in which certain factors are not dependent on Wipro's own abilities but rather require stronger collaboration from clients' side, particularly as maturity rises to the **Aligned** and **Creative and Synergized** levels. It is important to note that the **Cohesive** level is the highest possible score Wipro's delivery teams can achieve on their own. Up to this level, DMI measurements are not intrinsically dependent on increased client collaboration. This stage is called **Relationship Transformation** and any stage above this level requires significant client collaboration

DMI components

DMI tends to consider service delivery with respect to five key attributes which can influence client satisfaction. These five groups are depicted in Figure 4.

Governance & Process	People & Competency	Process Compliance	Service Delivery	Customer Satisfaction
Overall client account governance and ensuring process adherence	Competencies of Wipro employees associated with the specific client account	How well Wipro is managing risks both at enterprise and process level	Performance of parameters related to key service delivery functions and delivery team performance	Customer's willingness to recommend, testimonials and Wipro's ability to handle client escalations

Figure 4: DMI Groups

Each of the five characteristics above comprised of a number of sub-groups that in-turn are measured by specific parameters. Wipro measures delivery maturity for each of the five groups for every client account, across accounts and also at an overall CIS unit level. After each measurement cycle, Wipro's CIS team compares the delivery unit's overall score and depicts it in a graphical format, as illustrated in Figure 5 below. This depiction highlights the current level of delivery maturity for the entire group and and used to identify improvement areas.

For scoring of each of the five groups, the DMI calculates scores of associated sub-groups involving participation from different teams relevant to service delivery.
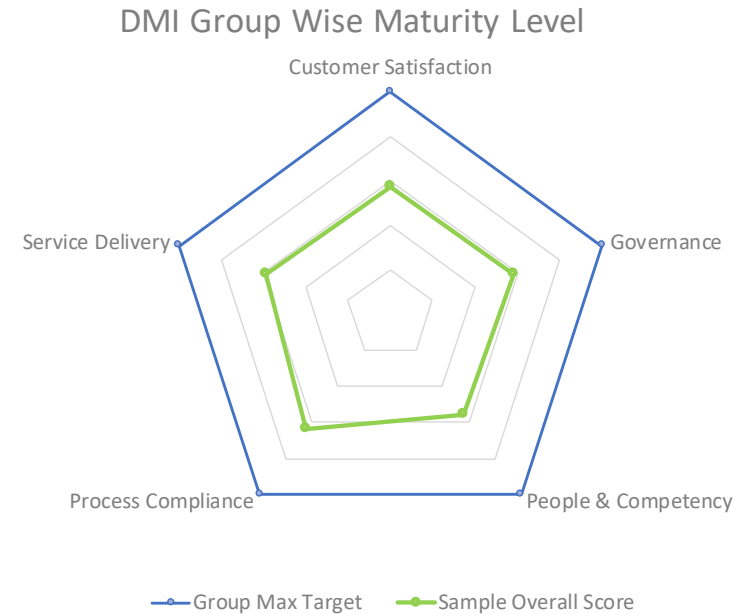
DMI Group Wise Maturity Level

Group Max Target   Sample Overall Score

Figure 5: An example of periodic CIS Group DMI scoring

DMI inter-correlation and predictability

Wipro calculates the DMI to ensure higher predictability for increasing or declining overall DMI scores with preponderance on value added initiatives. As depicted in figure 6, a DMI score close to 3.0 (which is at the **Relationship Transformation** stage) ensures a high average CSAT score (more than 6). CIS drives the delivery teams to achieve DMI score of 3 that can ensure higher client satisfaction.
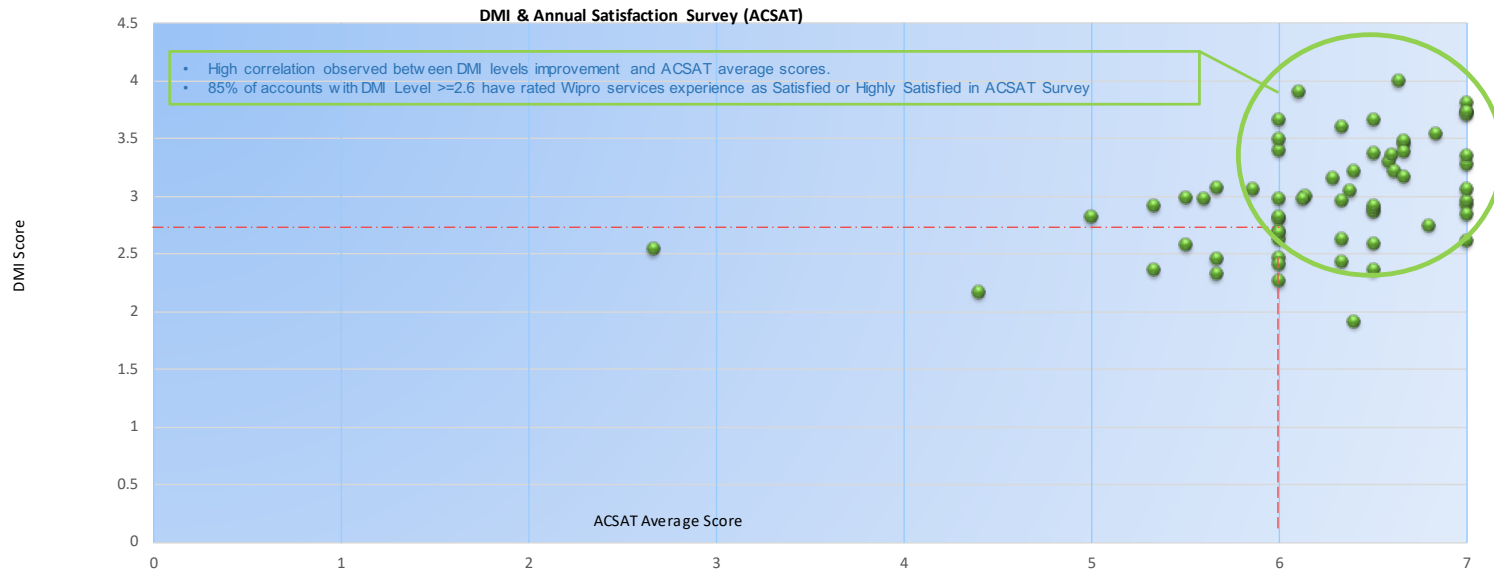

DMI & Annual Satisfaction Survey (ACSAT)

- High correlation observed between DMI levels improvement and ACSAT average scores.
- 85% of accounts with DMI Level >=2.6 have rated Wipro services experience as Satisfied or Highly Satisfied in ACSAT Survey

DMI Score

ACSAT Average Score

Figure 6: A sample of DMI and average customer satisfaction inter-correlation

An analysis of DMI score trends indicates client satisfaction is often indirectly affected by initiatives that may not provide immediate benefits. An overall high or increasing DMI score may not always be driven by similar spikes in client CSAT scores. For example, for one of the clients, while score for **Client Satisfaction**

(of which CSAT is one part) and **People and Competency** were on downward trends from January till March, overall DMI was improving. This was attributed to high scores in Compliance that includes audit, risk and process **compliance** (See Figure 7).
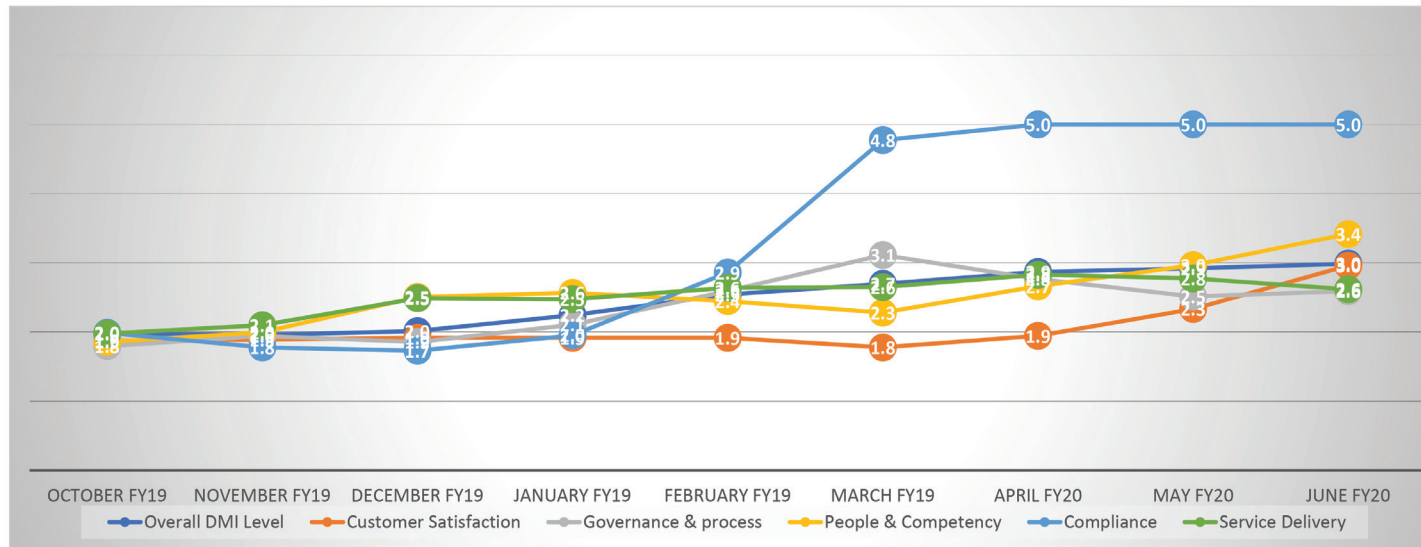

Figure 7: DMI score trend for a Pharmaceutical client

The impact of initiatives like automation and digital knowledge management are measured by sub-groups like the Automation Index and Digital Intelligence (DI) Index respectively. These initiatives have a great impact in improving client satisfaction. However, they do not produce immediate results, and the overall DMI score may initially drop when they are introduced. Sub-groups like the Productivity Index measures human resource dependency, which may have a lower score once automation is deployed. Improving the DI Index also results in increasing self-help and auto-heal services that reduce reliance on human workers, which may result in a lower Productivity Index score. The Operational Governance Index that is part of Governance and Process measures key resource certifications; a higher score here would indicate improvement in the overall DMI score.
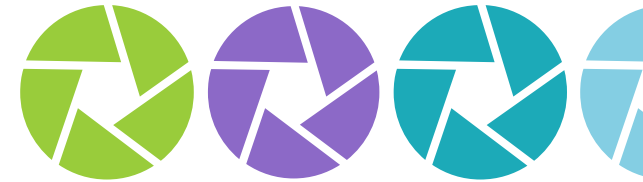
Wipro's initiatives driving key DMI sub-groups

Though all sub-groups scores affect the overall DMI score, trend analysis highlights that some key sub-groups with high value creation scores impact DMI more than others. Clients with high CSAT scores have a higher score for value creation initiatives measured by DI, Automation Maturity and Right Fitment Indices Some of these initiatives are explained below:

Trainings and continuous development initiatives: The CIS competency group undertakes many training initiatives to support the client and employee's continuous development. These initiatives are designed to ensure technical readiness. Key initiatives include:

Client focused initiatives: These initiatives are part of a **three-dimensional delivery excellence** program that trains and assesses employees on clients, process and skills as follows:

- **The "Own the Client" training and assessment program** is part of onboarding a client project and is focused on helping employees understand the client business and its technology landscape.

- **The Code of Operations Conduct training program** ensures that employees adhere to Wipro's standard incident, problem and change management processes.

- **The "Right Fitment" skill assessment program** ensures that employees have the required skills for their roles in the account. The delivery teams can match the required skills for the client project with available employee information and related skillset on a portal. During onboarding, the skills of the employees are assessed and gaps are identified. The competency group organizes required trainings and can replace employees based on the result of assessment. DMI calculations also measure the **Right Fitment Index**, which identifies the percentage of "right fit" employees for clients across business units and industry verticals. The target score for this index is more than 80 percent in each client account. Right Fitment Index helps clients reduce skill gaps in their account delivery teams and rapidly improve efficiency.

Organization-wide competency initiatives: The CIS team and Wipro's competency group undertakes many organization-wide talent transformation initiatives to ensure both client satisfaction and employee upskilling. Some key initiatives are highlighted as follows:

- o **The Architect Career Essentials (ACE) program** ensures that only certified employees can take on the role of a solution architect. The areas covered in this program are key managed infrastructure domains like datacenter, networks, cloud, DevOps, security and mainframe. DMI

calculates the percentage of certified architects with ACE or industry-recognized architect certification. The CIS team also drives the Architect Review Council (ARC) that enables architects to gain greater expertise and exposure to emerging technology solutions and offerings.

o **CATAPULT** is an upskilling program that trains employees for career growth. As automation takes on repetitive tasks in managed infrastructure services, CATAPULT ensures that existing employees can take on higher-value work. It focuses on developing skills required for the current roles and expanding adjacent and peripheral skills. DMI measures the percentage of employees upskilled through CATAPULT every quarter.

o **Wipro Infrastructure Management School (WIMS)** is a partnership with a leading technical educational institute that provides MTech degrees through a Work Integrated Learning Program (WILP) to students joining from campuses across India. WIMS curriculum is designed by the CIS team in collaboration with the university and is aligned to the CIS business requirements.

o **Project Readiness Program (PRP)** trains fresh campus recruits for nine weeks to prepare them for projects. This is followed by a mentorship program with CIS leaders for career and professional development. Some WIMS trained students in their first year of technical education also qualify for CATAPULT to deepen their skills in the next year.

o **Technical Competency Framework (Trend.Nxt)** is a step-by-step approach to building expertise in various technologies. Trend.Nxt provides an end-to-end framework for employees to develop skills. The program is meant for aligning resource competency development strategy with organizational requirements. The framework focuses on key skills required in digital and emerging technologies. These trainings also have credits associated with them, which affect promotion and salary increases.

Digital knowledge management through the DI Index: DMI's DI Index leverages Wipro's award-winning knowledge management (KM) practice that focuses on proper information documentation creation and utilization. With its wide array of services around knowledge creation, Wipro develops digital capabilities like cognitive search features and automated bots to solve known incidents by leveraging the existing knowledge base. The DI Index assesses whether a project delivery team is creating the required technical documentation as per client account project scope and leveraging existing knowledge artifacts. Specific trainings and assessments are mandated for every applicable technical skill. The DI Index assigns a greater weight to utilization of these KM practices

by measuring the number of knowledge-sharing sessions for best practices and accuracy of automated bots. Wipro's CIS team also developed a portal-based KM system called CRYSTAL through which the delivery teams collaborate with clients to add relevant knowledge artifacts. With extensive usage of the DI Index, delivery teams have been able to reduce ticket resolution time by 31 percent. The number of tickets handled by delivery resources in a day has increased by 16 percent.

Automation Initiatives: The CIS automation strategy covers operational aspects of all infrastructure domains leveraging several automation tools developed internally. Wipro provides its own automation platform HOLMES and supports partner solutions like ServiceNow. It also leverages emerging technologies like artificial intelligence and cognitive intelligence to automate standard infrastructure operations like event monitoring and runbook automation. Automation manages infrastructure operations like automated provisioning, proactive monitoring, system health checks, event correlation and ticket resolution. In service desk services, automation enables first-call resolution, first-point interaction, ticket classification and end-user experience management.

The **Automation Maturity Index (AMI)** measures actual transactions executed by bots. It leverages a BotGovern tool that integrates with HOLMES and with third-party tools to measure bot utilization. As the DMI emphasizes utilization of value creation initiatives over adoption, it ensures automation initiatives are executed properly and are producing favorable results. Hence, there are instances in which AMI can be low even when bot deployment is high. This suggests that, despite high automation adoption, utilization and outcome is not significant, reducing overall AMI score. AMI scores let clients know the extent of automation adopted by delivery teams and the value it is delivering. The account delivery teams can then plan activities to achieve the desired level of automation maturity and impact.

Digi-Q: Wipro's quality function leverages a centralized tool Digi-Q to track projects and associated quality measurements. The service level data is uploaded in Digi-Q, and it schedules all audits and track findings to closure.

Start Green: CIS teams undertake the Start Green program to address transition challenges for new accounts. This 8- to 10-week program addresses issues like improper sales to delivery handover and absence of key roles during the beginning of transition. Start Green handles 85 checkpoints associated with resources onboarding and offboarding, offshore delivery center setup, procurement, client dependency and other similar factors.

Start Green ensures presence of the core team during transition kickoff through the **Headstart** initiative. HeadStart identifies in advance the resources who would be a part of the core team with a concept called **"new for old, old for new."** This concept signifies that the core team, consisting of seasoned and highly skilled Wipro system technologists, will handle all new engagements. The new hires will be involved in older, stabilized and mature client accounts.

Stay Green: Wipro's Stay Green program ensures uninterrupted service level, training and process-compliant service delivery. Stay Green leverages automation for optimum resource productivity and efficiency. Its **Next-gen (NG) delivery** initiative increases automation usage and reduces manual work dependency. It aims for a delivery team structure where fixed project resources form a third part of the headcount; bots constitute the second third part and the remaining are crowdsourced. The team formulated a crowdsourcing strategy through two programs: TopCoder meant for resources external to Wipro, and TopGear meant for internal resources. Thus, NG delivery helps reduce manual effort and increase the number of tickets resolved per person. Stay Green also leverages automation to reduce the flow of tickets through an initiative called **Operational Weight Loss (OWL).**

DMI challenges

Implementation of DMI is not without its share of challenges for the CIS team. DMI measurement involves close collaboration with multiple teams and units and its adoption requires significant cultural shift. Hence, delivery teams and CIS leadership sometimes face obstacles from both the client's side and from internal-external ecosystem. Some of the challenges with DMI implementation include:

- **Initial resistance:** the CIS leadership team faced significant resistance implementing DMI measurement for clients from account delivery owners who objected to usage of certain sub-groups, which, according to delivery heads, would not be applicable to their accounts. There were many requests asking for exception for those sub-groups. However, the leadership insisted on standardization and asked the delivery leaders to comply with each measurement criteria. Eventually, the account delivery owners were able to understand the value of DMI and the team now rarely faces this issue.

- **Ownership of IP:** Wipro's IP-based solutions like Holmes take significant client-specific data as an input and associate parameter like automation maturity index measures to reveal corresponding service delivery efficiency improvement. However, clients often are wary of implementing such IP-based solutions. There is a common concern that, at the end of the engagement, Wipro will take away established efficiencies along with its automation solutions. If clients deploy an external third-party automation solution instead, Wipro will likely struggle to measure DMI scores from the solution's usage.

- **Regulatory compliance and new parameters:** Introduction of regulatory requirements would cause significant changes to the DMI measurement. For example, with the GDPR, sharing of employee data became a challenge that affects measuring many resource-specific sub-groups. Similarly, whenever DMI parameters had to change or new parameters had to be introduced because of an external ecosystem, overall scores shifted significant initially. The leadership now introduces newer parameters in DMI only at the end of the year to avoid significant disruption.

- **New accounts and DMI:** Any new win and new client accounts do not automatically come under DMI purview. It takes some weeks' time to get the account ready to be measured for all groups and sub-groups. Hence, any new account is first subjected to a "transition DMI" phase in the Start Green program.

The DMI future roadmap

Inspired by the initial success and growing adoption of DMI, the CIS leadership team has planned some incremental changes and improvements to the model. The CIS leadership team wants to put the DMI on an online portal to make data capture and measurement easier. Also, there are plans to encourage clients to identify champions who will own certain themes from the DMI. These "theme owners" can become Wipro's evangelists in client organizations and educate and percolate the idea about changes for Wipro's initiatives like automation. The CIS leadership goal is to encourage the gamification of competition among different client account teams, which would help improve client delivery and strengthen client confidence in the DMI.

The DMI differentiator

With its years of experience in managing client-provider relationships, ISG has assessed and evaluated the DMI model in detail. Wipro's DMI initiative is a differentiator in the managed infrastructure services space as it helps clients consistently and holistically measure all aspects of service delivery. DMI measurement allows clients to understand the direct impact of efficiency improvement initiatives with automation and help analyze gaps. Initiatives like Right Fitment ensure only right-skilled employees are working on projects. Several talent and competency initiatives under DMI ensure clients will always have Wipro's highly trained and skilled workforce engaged with them. KM initiatives like the DI ensure that the client is leveraging not only Wipro's knowledge but also best practice learnings from other engagements.

DMI as a maturity model

Maturity models are everywhere in the services universe. Typically, they intend to show growth of capability. The Capability Maturity Model Integration (CMMI) model from Carnegie Mellon University is a perfect example. Popular models usually have unique criteria for each stage of the maturity or capability measured. Most models state that achievement of level 3 out of 5 on each criterion constitutes acceptable performance – and often, the ability to characterize meaningfully differentiated levels at 4 and 5 is challenging and blurry. Often, the measures are qualitative as opposed to quantitative, and readings are often higher than the actual capability or accomplishment of the evaluated entity and therefore lead to false improvement readings over time. A maturity model must have empirical, quantitative measures that can be traced to the source to be validated for the scale rating.

Our observation of the quantitative measures behind the Wipro DMI model is that they are remarkably specific, going down into the detail at the individual account level and to individual persons working on that account. The delivery teams have a strong grasp and control of the data deployed in the DMI scoring at the strategic, tactical and operational levels. In managed IT services delivery, it is rare to observe such a sweeping and complete control of empirical detail. The extraordinary improvement in the Net Promotor Score that Wipro has achieved

by the use of this approach shows the power of the data and its ability to pinpoint cross-functional improvement opportunities. Without all the measures, these improvements, which became obvious to individual clients of the CIS services over only a few months, would not have been possible.

ISG's evaluation process consisted of in-person interviews with the CIS leadership team, who themselves had to experience a complete cultural transformation. Each area, from personnel to technology, had to prepare itself to see across the span of the entire client service spectrum, as anomalies identified early in the development of DMI pointed to changes within specific departments that were not visible to the leads. The leadership and delivery teams have grown past the discomfort this caused and appear to be wholehearted in their embrace of this detailed reporting approach.

Wipro has not shied away from making periodic adjustments to the model. Whenever the CIS leadership adds a new parameter or sub-group measure, it leads to an initial decline in the overall DMI score. However, service maturity models must continually evolve in today's complex digital environment, and the ability of the DMI team to identify areas for periodic resets or additional metrics is critical for this model to maintain validity over time.

While the output of the DMI work yields a maturity rating, ISG also views it as a robust balanced scorecard. Wipro CIS not only has control of its operations and service delivery performance data, it has predictive and cross-functional indicators for future performance – both at the client level and for the CIS business as a whole. The ability to see these levers and to be able to manipulate operations based on these early warning indicators gives a strong sense of control to the CIS leadership.

Of particular interest is Wipro's focus on what it can do as an entity within the relationship, and where its clients need to become active participants. Most infrastructure services clients expect continuous improvement and innovation; however, they generally do not engage in a way that makes such enhanced offerings possible. The top two levels of maturity in DMI, the **Aligned** (Level 4) and **Creative & Synergized** (Level 5) are only possible when there has been a **Relationship Transformation** in which the client is a full and coactive participant in the services relationship. It is our view that the **Cohesive** (Level 3) maturity level is adequate to be in full and active compliance with a services contract. However, Wipro's ability to identify for the client where it is holding back a higher level of trust and innovation using the DMI scale is a unique way for the client to see for itself how it needs to enhance its engagement with Wipro and with the services.

For one large financial service client, the overall DMI score dipped after continuous decline in the service delivery group score as shown in figure 8. Even after maintaining a score of 3 for DMI, the corresponding client satisfaction group score kept on declining. While Wipro was maintaining a **Cohesive** service delivery level, DMI could identify gaps in the client's perception (such as lack of innovation), which provided direction for service improvements. To increase the satisfaction, and hence the overall DMI score, the client needed to be more collaborative. Deeper DMI analysis can also suggest areas clients can work with Wipro to improve collaboration.

ISG is aware of other services providers' internal measures, and many have the ability to measure specific areas of services as one would expect. However, we are yet to see a fully integrated balanced scorecard with the degree of specificity of DMI or the ability to pull levers based on data to influence services, evolution and innovation at this level of sophistication. Wipro's current overall CIS rating of 2.8 after 18 months of recording and adjustment is truly remarkable on the DMI scale. However, with deeper client collaboration at an individual account level, Wipro has been able to achieve DMI scores of about 4 and more for many clients in different industries.

DMI is driving value for Wipro CIS on many levels and also is ensuring that CIS clients know with specific detail the value they are receiving. They now can clearly see the improvement to services as part of the reporting they receive in monthly and quarterly reporting events.
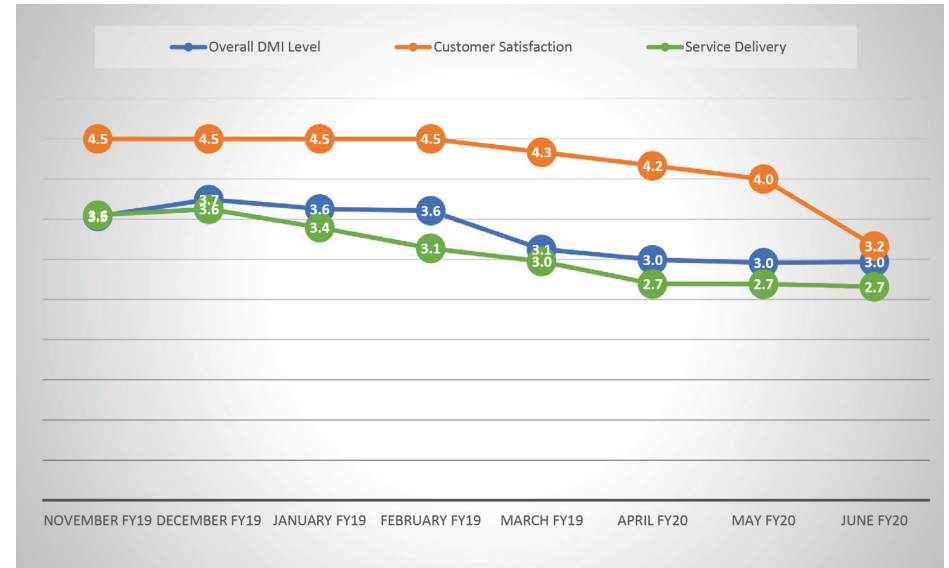

Figure 8: DMI score analysis for a financial services client

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Anuj Bhalla is Senior Vice President & Global Delivery Head at Cloud & Infrastructure Services (CIS), Wipro Ltd. He is responsible for the delivery teams that implement next-gen Infrastructure Services for global customers, cutting across industry verticals and technology domains. He has been instrumental in formulating the strategy on Delivery Excellence and has implemented the new delivery framework across Run and Transformation delivery through game changing initiatives around Process, Technology, and People Transformation. New Customer visibility initiatives that have razor sharp focus on Customer relationships have been his brainchild.

Anuj has over 20 years of Professional Experience with a proven track record for customer centricity, passion for excellence, and rigor in execution spanning across Business Development, Practice Development, Pre-Sales & Delivery, IT Strategy, and Transformation areas like Hybrid Cloud, Open Source/Open Stack and IOT. He was on the panel of Partner Advisory Board of leading OEMs. He was also instrumental in framing new initiatives on Software Defined Infrastructure (SDI) and open source solutions which culminated with the launch of Wipro's Open Data Center, SDI Center for excellence.

He joined Wipro as a management trainee in 1996 graduating from SYMBIOSIS,Pune and since then has held various responsibilities across domains in a career combining rich and diverse experiences cutting across various domains and functions.

Anuj actively contributes to leading Tech-Business Journals & magazines, in both print & digital media, on topics such as Modern Service Delivery and IT Infrastructure Transformation areas. He is a new age Leader with an active presence in social media through the company website, LinkedIn and twitter pages. He also interacts actively with the Analyst community and has been invited for speaking engagements at premier Analyst Events where he shared his perspectives on emerging technologies like Software Defined Open Data Center and Open Cloud Platforms as well as the evolving role of IT Service Providers in the Digital Age.

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He is an experienced IT professional with 17+ years of experience in Enterprise IT services encompassing System Integration, Support services, Service Delivery, Datacenter Architecture, and Pre-sales. Over the years, he has gained strong techno-commercial understanding and holds the credit for designing and delivering large complex Datacenter Transformation solutions in his previous role. In this close to two decades long journey, Gaurav has successfully dawned various responsibility hats of delivery, pre-sales , Business development and Practice. One thing that has remained constant throughout is his everlasting passion for technology.

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ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including more than 70 of the top 100 enterprises in the world, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.