



Ready by Design



#ReadyByDesign



When you're prepared for anything,
and shaped to adapt and evolve
then you're ready by design.

What made firms successful in the past is now holding them back. Businesses must respond in new ways to survive and thrive against startups and other industry disruptors. They need to be prepared for anything, and shaped to adapt and evolve: they need to be ready by design.

In this Avanade point of view, we discuss why it's vital for your company to get ready by design, and how to do so. We describe the holistic approach to design innovative applications at speed, liberate your talent and unlock the value of the cloud. We report on companies that are making this approach work for them today. And we show how Avanade can help make this approach work for you too.

You vs. the startups

There are many executives of longstanding companies—maybe including you—who from time to time look longingly at their counterparts, and competitors, in startups.

Who can blame them? Virtually every company is built to address the challenges that exist at the time of its founding. Everything that comes later is swapped in or built on to the original purpose, culture and systems of the business to help it address newer challenges. But with bolted-on technologies organizational structures and business models, the legacy-laden company can't operate with the agility, effectiveness and economics of businesses built for what's happening in the market today—and tomorrow. Too often, it doesn't even try to. Inertia is a powerful force and many companies don't reward risk-taking—unless it pays off.

“Digital business leaders face a dilemma: What made their firms successful in the past is now holding them back.”

[“Digital Transformation: Master Setup Methods”,
Forrest Research, Inc., June 13, 2018](#)

Startups aren't burdened with the handicaps of established enterprises. That's part of what enables them to be disruptive. When they burst on the scene with new business models and new ways to solve customer problems, established businesses struggle to respond.

For the enterprise wanting to remake itself as the disruptor rather than the disrupted, there's mixed news: that remake is possible—but daunting. It requires more than a single tool or narrow approach, because the challenges are broad, complex and interconnected.

For example, Steve Jobs defined design this way: “Design is not just what it looks like and feels like. Design is how it works.” That redefinition, as broad as it was deep, was what enabled Apple's iPod and iTunes to disrupt the music market and its iPhone to disrupt the cell-phone market. These devices and services weren't just elegant competitors, they leapfrogged anything else in the market, creating new market categories.

“Most Fortune 500 companies lack the agility, talent, and technology to pivot at speed to deliver the next generation of digital experiences.”

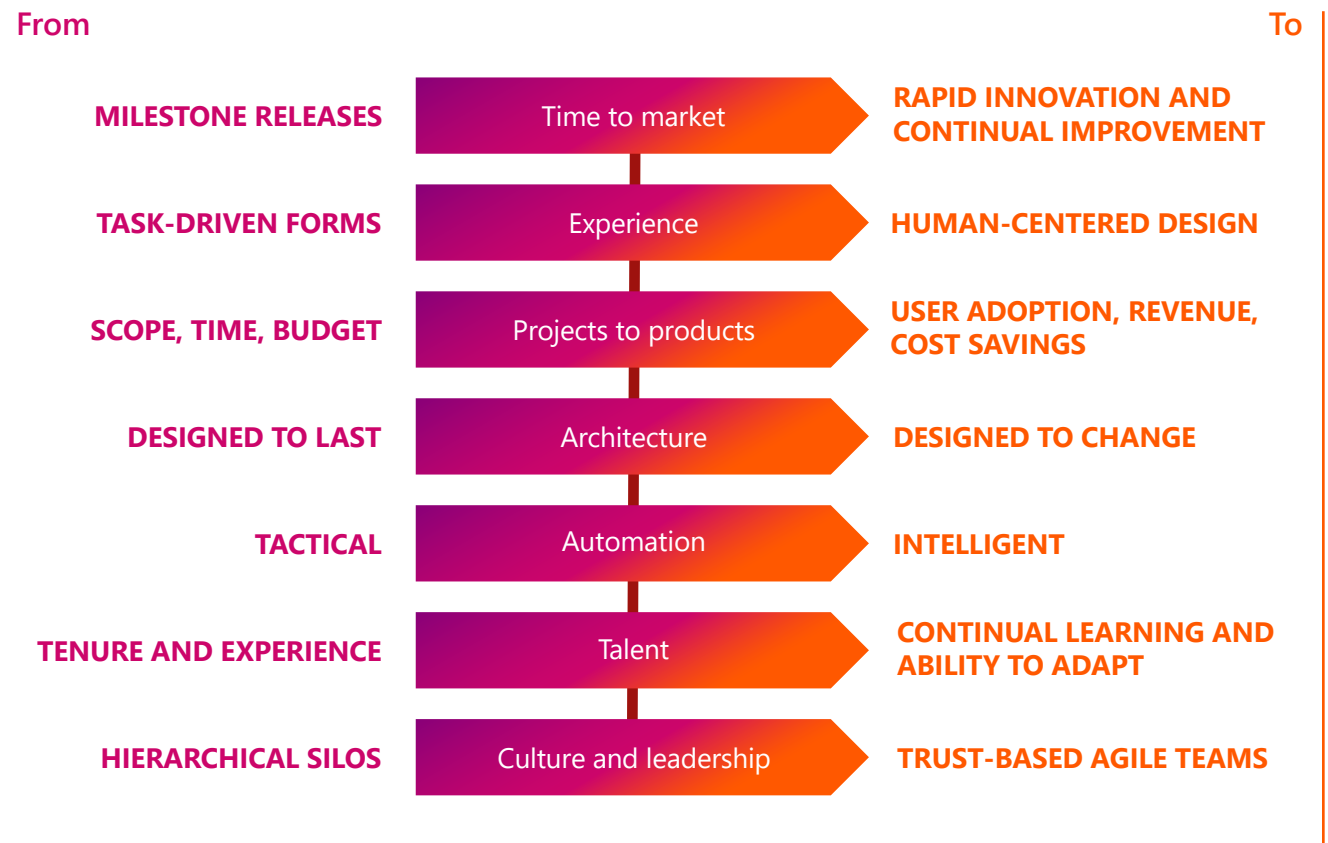
[“Digital Transformation: Master Setup Methods”, Forrest Research, Inc.,
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How do you get ready to survive and thrive?

Enterprises committed to disrupting their own markets need to think just as broadly, to virtually every aspect of their operations. How they think about and design and implement products and services, for example, must change fundamentally.

A focus on milestone releases must give way to a new development approach that emphasizes continuous improvement. Device-specific experiences need to give way to human-centered experiences independent of any specific device. And the hierarchical silos that define so many organizations need to give way to a new culture and leadership style that emphasizes trust-based, agile teams.

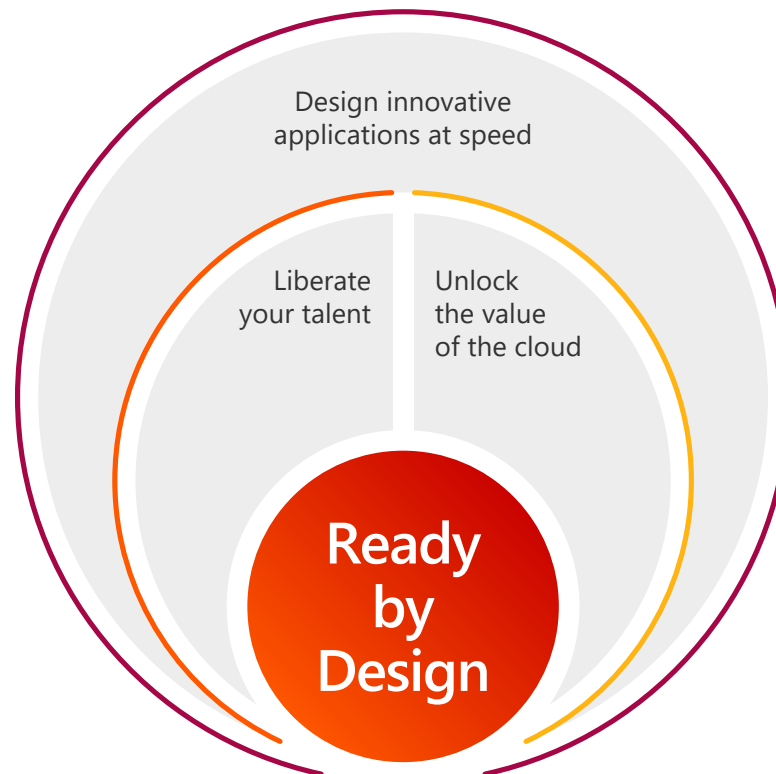
Avanade defines an enterprise that implements these broad-based changes is ready for new competitors and new market disruptions—ready by design.



Defining Ready by Design

Avanade recommends three key strategies for the company that seeks to be ready by design:

Avanade defines the ready by design company as one that's prepared to respond immediately to market changes and more: it's ready to initiate those changes, to take the lead in creating new business models. It's prepared for anything and shaped to adapt and evolve.



Create new business models by designing innovative human-centered applications at speed

Achieve faster time to market by liberating your talent to use proven agile and DevOps approaches for software product engineering

Increase business agility by leveraging historical investments and securely unlocking the value of the Microsoft cloud

What does Ready by Design look like?

The ready by design company achieves faster time to market, so it can operate at the speed that customers demand and competitors envy. It increases business agility in a way that changes the economics of everything it does.

It's simple to say but not as simple to do. These strategies are interconnected; The ability to design innovative applications at speed is critical to business success but cannot be achieved independent of the others. A ready by design company keeps its collective eye on all three aspects as it takes a step forward first on one dimension and then on another. It may be difficult, but it's worth it, because this holistic approach can foster new digital business models, speed time to market and spur business agility.

Design innovative apps at speed

Industry disruption is based on new business models: the content provider that creates no content (Facebook), the retailer that has no inventory (Alibaba), the commercial landlord that is lord over no commercial property (WeWork).

These companies are successful for many reasons but chief among them is their creation of entirely new customer experiences (CX) to bring their revolutionary business models to customers. Those customer experiences vary widely in their details and executions, but they're all based on innovative, human-centered applications delivered at speed.

They're human-centered because the device doesn't matter any longer, can't matter any longer if you want to win the future. Today, mobile apps are table stakes to be a viable, credible competitor; somebody, somewhere still orders groceries from a desktop, but you can't build a business catering to that person. Tomorrow, the device of choice might be a watch or glasses or a factor of which we're not yet aware. The company that's ready by design is ready for that not-invented-yet challenge.

"If your innovation efforts aren't focused on enriching the customer experience, be prepared to lose market share."

"Not All Innovations Are Created Equal",
Forrester, July 18, 2018

Case study

Increase revenue with new business models

We teamed up with Accenture to create a new CX for one of the largest restaurant chains in North America as part of its new rewards program.

Its mobile app already was the digital revenue channel for ordering meals; now it would be the channel for earning rewards, too. Since its release, the app has skyrocketed to the #1 spot of top free apps, has gained more than 120,000 new users and shot up to 237,000 daily active users on its first day.

#1

ranking in the app store

120,000

new users gained

237,000

active daily users

Unlock the value of the cloud

A business may be big as a battleship but, to be ready by design, it needs the grace of a gazelle. Business agility is crucial in responding to market disruption—but few businesses were built for this level of rapid-responsiveness.

The public cloud can be part of a strategy to boost agility and responsiveness. “In a 2018 Gartner survey of technical professionals based primarily in North America, 40% of respondents indicated that their organizations would be spending the majority of new or additional funding on the cloud.”* But will those companies maximize their investment? According to Gartner, “the survey also found a substantial talent gap for relevant cloud skills, a finding which supports our first prediction in this report.”*

The Microsoft cloud can help. With Azure, an established business gains instant access to Microsoft’s millions of dollars of investment in cybersecurity, resiliency, scalability, AI and analytics, mobility and more. Azure is far more than another datacenter

to host your virtual machines. It’s a treasure house of services and capabilities that most businesses could never afford to create on their own, and that suddenly puts them on par with the technical capabilities of even the most born-in-the-cloud startup.

Of course, unlike that startup, the established business has historical investments that it can’t and shouldn’t just abandon. With Azure, the established business can create hybrid environments that span the on-premises and cloud worlds. And with Avanade, that business has access to unprecedented expertise in how and when to modernize apps, continue to leverage mainframe assets, bring those assets into the cloud, and take increasing advantage of the cloud’s possibilities.

Case study

Leverage the cloud to unlock business agility

When the Canadian Mortgage and Housing Corporation (CMHC) wanted to offer new services to their clients they embarked on a digital transformation and turned to Avanade and our expertise across the full suite of Microsoft technologies.

With a full technology modernization based on the Microsoft Azure platform and an application rationalization the client dramatically increased IT capability and velocity at reduced cost and improved employee productivity.

[View case study](#)

"Through our Digital Strategy, we will improve both our customer and employee experiences, create opportunities to evolve services and support continuous innovation in our business and technology environments."

Paul Mason, Senior Vice President and CIO,
Canada Mortgage and Housing Corporation



Liberate your talent

It isn't just your established systems that are tied to the old ways of doing business. Your people are too. They must support the legacy technologies, as well as established systems and business processes. You may need them to create new products, services and business models, but they already have full-time jobs and you need them to do those jobs too, at least for now.

It's essential to free your people to help drive your ready by design strategies. It's also possible. For example, you can liberate talent with proven agile

and DevOps approaches for software product engineering that automate or otherwise expedite low-level tasks, such as deployment. With the freed-up time, your people can speed the delivery of your innovative apps and CX. Your competitors may already be doing this. According to Gartner, "the 2018 Gartner Agile in the Enterprise Survey showed that, on average, 48% of development organizations use an agile or lean development methodology."*

Time isn't the only factor your people need to become ready by design. They need new workplace experiences (WX) that enable them to deliver the all-important new CX. As well, they need new skills to optimize new systems and new ways of doing business.

Many clients tell us that's the toughest part of becoming ready by design. Training existing employees only gets them so far. They also need to recruit employees that already have those skills—an effort that's increasingly difficult and expensive.

*Gartner Predicts 2019: Application Development in the Age of Digital Products, Jason Wong, et al, 14 December 2018



Case study

Modern engineering delivers faster time to market

Energy company Centrica's trading division's apps, engineering processes and platform made change difficult and slowed transformation.

Avanade's managed services helped Centrica to modernize their applications by leveraging Microsoft Azure PaaS. Centrica realized a payback in 8.5 months and ROI of 358%. Dev and test environments are provisioned 95% faster and test cycle time were reduced by 86%. With a more stable system, the same number of traders achieved a 50% increase in trades.

[View case study](#)

"IT used to be the bottleneck.... IT is now an asset that gives the business confidence to explore opportunities."

Stuart Beeston, Chief Operations Officer,
Centrica Energy Marketing and Trading

358%

Return on investment

50%

increase in trades

95%

faster dev and test
environments

Why Avanade?

Designing innovative applications at speed... liberating talent to use agile and DevOps... unlocking the value of the cloud. Doing all this is a business by itself, and you already have a business to run.

Fortunately, Avanade is in the business of helping businesses like yours to become ready by design. It's what our Digital Innovation Studios do every day. We work with you to envision, design and develop innovative solutions that continuously evolve at scale through our technology and global industry experience.

Our multidisciplinary teams give you the right talent at the right time, working side-by-side with you whenever you need us. Our breadth of capabilities is designed from the ground up to get you ready by design, with experts in experience design, user interface development, intelligent engineering, digital operations and more.

We have unmatched expertise across the breadth and depth of Microsoft technologies; that's part of what's made us the only company to be named Microsoft Partner of the Year for 11 years running. We have more certified professionals for Microsoft Azure than any other Microsoft partner and can securely integrate the Microsoft cloud with your existing technology investments. We have the envisioning expertise to deliver your business case and implementation roadmap, and the specialist tools and IP to handle your transition to a new technology platform.

Readiness is a continuous process, not a one-time project. We're there for you throughout that process with Managed Services that help you to continually modernize and evolve, to generate maximum value from existing investments and deliver engaging experiences when and where customers and employees need them.

Using Avanade's managed services to unlock business value

[IDC's white paper](#) "Using Avanade's Managed Services to Unlock Business Value" demonstrates that Avanade's managed services deliver an average payback period of 10 months and an ROI of 433% and Contributed Additional Revenue through the following benefits:



= **\$6.38m** contributed additional revenue

Ready to be Ready by Design?

Maybe you're ready for a conversation about how being ready by design is helping others in your industry right now. Maybe it's time for a session on your goals and what your journey to be ready by design could look like. Maybe our Advisory Services could help you get started with digital product innovation, reimagining operating models, new technology and innovation, business value realization or change management.

Wherever you are, we're ready.

Visit us www.avanade.com/readybydesign



Avanade is the leading provider of innovative digital and cloud-enabling services, business solutions and design-led experiences, delivered through the power of people and the Microsoft ecosystem. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation and has 30,000 professionals in 24 countries.

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