

Real-Time Talk: Automation and Intelligence are the 'Missing Links'

By Tony Bishop, June 20 2008 01:03

For financial services institutions, IT is the engine that runs the business. From processes, to communications and distribution, all the way down to the individual customer experience, it is ultimately the orchestration of all the moving parts that lends itself to the overall customer satisfaction, or smoothness of the ride. At the end of the day, it's all about performance.

There is a lot of pressure to maintain performance in the banking and financial sectors. Because this particular industry is based on figures and dollar amounts, most of us are able to grasp the concept of how downtime equates to so many dollars lost.

Our society has become accustomed to seeing financial and banking failures – we see these astronomical figures on the news every time the Nasdaq goes down. And as consumers we experience some level of “pain” every time we receive an error message on our bank’s website, or upon hearing the dreaded words as we stand in line at the bank “sorry, the whole system is down”.

Companies across all industries are dealing with the same sort of performance issues. Whether it's charting medications at a hospital, or processing a mortgage application, customers are demanding systems that are automatic and error-proof.

As former SVP of Wachovia I have seen first hand that companies will invest a fortune in systems and performance management tools that are not able accurately to measure performance and provide information about transactions as they flow across disparate systems.

Often, when a problem occurred, each group – or silo – would point fingers and insist their logs looked fine, which would result in considerable time spent on problem isolation and resolution. The key issue for many organisations lies in the fact that traditional performance management tools are outdated and can only provide a glimpse into the performance of operating systems, networks and applications.

Fortunately, ingenuity has brought about two new ways of fool-proofing technology and the services it provides: automation and self-learning technology. Technology innovation has made it possible to automate the orchestration of all the moving parts within IT and then couple it with a layer of knowledge so it can self-learn a system, automatically fix performance problems before they affect customers and provide concrete metrics on the transaction flow, from start to finish. This allows IT to tell the whole story, and report back to the business in terms that they can understand, and do so in real time.

Here are a few forward-thinking strategies that companies can implement today to deliver real-time information to customers:

- Move beyond “old ways” of thinking: conventional monitoring tools that require manual thresholds, rules and scripts are labour and time sensitive, inherently inaccurate and inadequate and no longer make sense for organisations today. With the shifting of “normal behavior” on each of hundreds, if not thousands, of systems within the data centre, it's humanly impossible to determine baselines for any given point in time. The result is a chain reaction of false alerts, lost staff time, slow problem resolution and increasing costs. Rather than trying to model constantly changing performance variables, performance management must be able to analyse behaviour in real time and correlate infrastructure performance to discover trends and patterns.
- Implement “smart” technology that self-learns: using analytics and automation combined enable organisations automatically to inject an intelligence layer into their current tools, which allows for proactively managing incidents and problems across IT in real-time – hours before degradations occur. The analytics element literally tells the “whole story” of system performance and identifies the historical behaviour patterns and future trends.
- Connect IT with business groups in a visual way: monitoring system performance has always sat squarely on the shoulders of IT administrators, however as dashboards have become increasingly easier to set up and customise, many businesses are discovering there's room for employees of every stripe inside the corporate cockpit. Performance-focused dashboards provide harried business owners the ability to keep at least one eye fixed on the ebb and flow of inventory, or the financial executive constantly monitoring the health of an organisation, etc.

Every business is affected by technology and in many cases the success of a business can rely heavily on a technology's ability to work as planned and deliver results. What I've learned through my years is that these methods are not foolproof, and in my line of business, not having confidence in my technology is a recipe for disaster. Keeping banking transactions up and running takes losses associated with downtime completely out of the equation, and maintains customer loyalty and satisfaction.

Financial organisation leadership must look over technology investments and current IT systems with a critical eye. In the midst of tightening budgets, infrastructure modernisation pressure and decreasing autonomy within IT departments, CIOs will need to ensure the company is taking the appropriate steps to address the user experience, while communicating the relationship to IT health and overall business bottom-line results.

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