



HCL's process observability can bring IT and business ops together – if it gets over its tech-centricity

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Excerpt for HCL

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The Bottom Line: HCL must add storytelling to its innovative capabilities to get recognition for pushing the boundaries on operationalizing the OneOffice.

As a technology leader, you'll need to look past the perception of HCL as an engineering firm and into how tools like iControl can provide business value. Blending disparate operational telemetry data is crucial to progressing on the journey toward cloud native; doing so will also help you better understand the interdependencies of your applications and processes with the underlying cloud environment and overcome functional silos.

Across the industry, the sad circumstances of the pandemic have acted as a catalyst for growth. Catching up with HCL executives on the progress with their DRYiCE, HCL’s umbrella brand for a heterogeneous set of proprietary artificial intelligence (AI) and automation solutions, confirmed this yet again. Over the last 12 months, DRYiCE recorded year-on-year growth of 20% while achieving a gross margin of 57%. This high margin explains why service providers pay so much attention to software products and platforms.

As specific drivers for this growth, executives highlighted

- **The rise of the autonomous digital workforce:** HCL emphasizes the digital workplace as a proof point, suggesting clients integrate a broad set of solutions to progress toward self-remediation. At the same time, HCL launched AEX (AI-driven and automation-powered employee experience), which includes virtual assistants and endpoint monitoring and remediation.
- **The rise of low code:** HCL launched low-code user consoles for the Lucy virtual assistant and SX (service experience) with more than 2,000 pre-configured use cases. SX is an aggregation and orchestration of service catalogs.
- **The adoption of cloud-native technologies:** Executives pointed to a maturing of the cloud

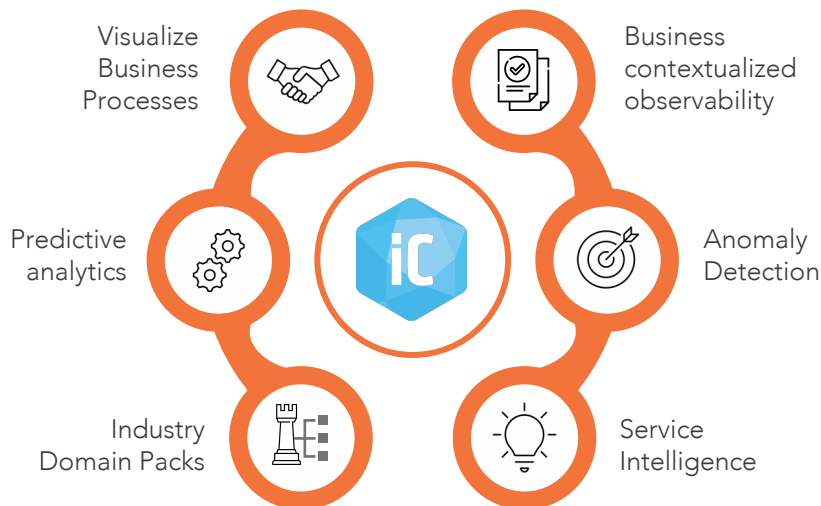
technology stack, suggesting that organizations can react faster to market changes by embracing cloud solutions. A new set of cloud-native solutions in conjunction with hyperscalers is slated for a December launch.

- **The rise of ecosystems:** A new set of ecosystems that includes finance, academia, and industry is emerging, indicating a shift from demand-led to ecosystem-led innovation strategies. Executives suggested DRYiCE advisory councils, where discussions move out of traditional silos, exemplify this.

HCL’s iControl aims to blend IT and business operations capabilities

However, the topic that caught our eye was what HCL described as “Re-imagining Enterprise Control Centers,” with its process observability solution iControl as the focal point for these ambitions. The solution interested us because HFS is currently driving a broader research initiative around the convergence of IT and business operations, the cross-fertilization of approaches around RPA and AIOps, and the segmentation of AIOps and observability. Stay tuned for a set of research notes outlining the dynamics. These issues provide exactly the context for the discussion on those control centers. Exhibit 1 provides an overview of the capabilities of iControl.

Exhibit 1: The capabilities of HCL’s iControl solution underlining the move toward understanding contextual, data-driven information for business controls



Source: HCL, 2021

While struggling with marketing, HCL is pushing the envelope on converged operations

While HCL still struggles with the marketing around iControl, which we can see in its nomenclature switches from “process observability” to “business process observability” to “business flow observability,” it is clear about what it is trying to achieve. For HCL, “business process observability” is the ability to understand the technology underlying a process while applying context and elevating the conversation of what the business is doing. The fundamental problem HCL is trying to support is how businesses react to changes in their process environment. What are the areas to fix or remediate? It aims to proactively notify IT operations teams of what might be occurring in the environment and offer some predictive capabilities. If you bring the thought process back into the HFS way of thinking, it is about operationalizing the OneOffice and overcoming silos.

“Observability” is a term typically used in IT operations. Observability is the extension of—or as some purists say, complement to—traditional monitoring approaches. HCL uses the term in the context of expanding the discourse on AIOps toward cloud-native applications. Our research push is exploring how to operationalize all those disparate tools and solutions to ultimately execute and automate the processes. There is a void in the market on those issues, so HCL must double down on education and marketing about the nascent topic in a business context. Organizations that want to push the envelope on innovation should assess how blending IT and business telemetry data can optimize their approach to operations.

A major American bank demonstrates blending IT and business telemetry data to manage workflows

HCL’s client a major American financial services and bank provided more color on those ambitions by playing back the experiences from its journey working with iControl. As the bank put it, it is flush with data, but the data comes in many formats and contexts. Unsurprisingly, the bank is not using all of its data and not getting information out of it. Thus, it has shifted its focus to information outcomes, for example, maximizing the reliability of information and the stability of the underlying systems.

With iControl, the American Bank can synthesize all that data, providing a business process workflow. In its words, “This is workflow on steroids.” It aims to get all the telemetry data (e.g., IT and business) on one page, but all too often the business doesn’t understand the language of data scientists. Therefore, iControl presents unstructured and disparate data in a structured form so that the business can interpret it to create value for its customers. With iControl, the bank hopes to move from the old reactive world of monitoring to the proactive world of observability. Other customers could benefit from iControl in the same way by taking multiple data and inputs as well as contextual information in a more consumable manner.

Takeaways

Over the years, the engineering prowess and innovation of HCL's DRYiCE team have always been astounding. Yet, those capabilities often come across as over-engineered and lacking the marketing nous to get broader market recognition. iControl has the potential to accelerate converged operations as it blends IT and business telemetry data to get a holistic and real-time view of workflows. But HCL's iControl will only succeed with the broader market if HCL can clearly explain its benefit and effectively educate the market in a business (not engineering) context.

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Tom Reuner is a Research Leader at HFS. Tom is responsible for driving the HFS research agenda for IT Services including the change agents of Intelligent Automation and AI. A central theme of his research is the increasing link between technological evolution and evolution in the delivery of business processes. In particular, he will focus on the Future of Work and the testing of innovation.



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HFS Research introduced the world to terms such as "RPA" (Robotic Process Automation) in 2012 and more recently, the HFS OneOffice™. The HFS mission is to provide visionary insight into the major innovations impacting business operations such as Automation, Artificial Intelligence, Blockchain, Internet of Things, Digital Business Models and Smart Analytics.

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