



# **Shadow IT: The Opportunity Behind the Problem**

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*The support center phone rings. An analyst answers.*

*"I can't seem to pull up this document I'm supposed to edit," says the voice on the other end.*

*"Where are you trying to open it from?" asks the analyst.*

*"From our collaboration tool on [changethatthing.com](http://changethatthing.com)."*

*The analyst checks the knowledge base for anything about "change that thing" or "[changethatthing.com](http://changethatthing.com)" and comes up blank.*

*"Who do you normally go to for help with this collaboration site?" asks the analyst.*

*"I thought it was you guys. When I started working in accounting, Edna gave me access to it, though."*

*The analyst documents the conversation, promises to call back within ten minutes, and begins asking around, in case someone has some knowledge of this tool but neglected to put it into the knowledge base. Nobody seems to know anything about it, up to and including the support center manager.*

*"Assign that ticket to me, please," says the manager.*

*Within the ten-minute window, the support center manager calls Edna over in accounting. She gets Edna's voicemail, saying that Edna is on vacation and won't be back until next Monday. The manager calls the accounting supervisor, Bert.*

*"Bert, what can you tell me about [changethatthing.com](http://changethatthing.com)?"*

*"We needed to be able to make real-time changes to shared documentation, and this is a great tool, Maggie."*

*"Do you know whether anyone in IT was involved in that decision, Bert?"*

*"Well, I know that Edna submitted a project request to get something like this, but IT told us it would take two years, which we knew meant more like three years or maybe never," said Bert, "so we just spent \$1,500 and got access to this tool for the whole department right away."*

Accounting had a problem. They came to IT for a solution, and IT could not provide one in a timely fashion. Accounting solved its own problem by going around IT, or, more accurately, by becoming their own IT department, paying for access to a tool they needed.

Right off the bat, the support manager had some serious questions:

- Was accounting (financial) data being stored outside the company's security perimeter?
- Had anyone considered data security when the tool was selected? What criteria had they used?
- Was the company still the owner of the data stored on the site, or had ownership changed when the data was uploaded?

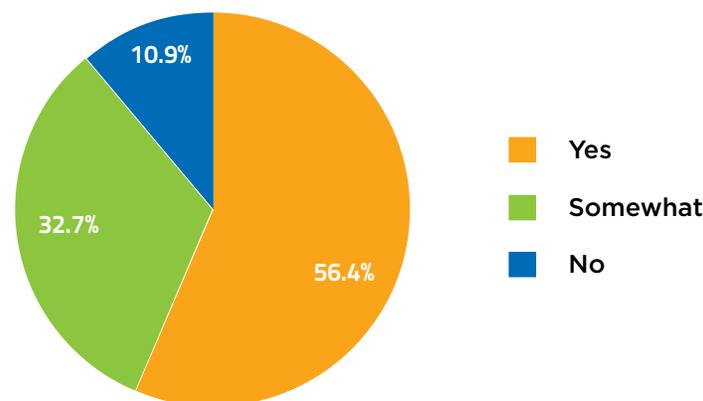
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- Who was managing access to the site, and how? Was there a plan to handle account openings for new hires and account locking or deletion for terminated/separated employees?
- What, if anything, was communicated to the members of the accounting department about where to obtain support for the tool?
- Was the information stored on changethatthing.com discoverable in case of any legal issues?

## The Scope of Shadow IT

If this scenario isn't already familiar to you, a recent HDI research brief, "Shadow IT: The Impact on Technical Support and the Opportunities for IT,"<sup>1</sup> revealed that even in organizations that actively discourage the use of resources outside the purview and/or without the knowledge of the IT department, 15 percent of the tickets (median) being created are related to shadow IT, and shadow IT is a concern for well over half (56.4%) of respondent organizations. Shadow IT is also "somewhat" of a concern in an additional 32.7 percent of organizations. Less than 11 percent of respondents said that shadow IT is not concern.

### Is the Use of Shadow IT by End Users a Concern for IT?



While having a "concern" doesn't necessarily indicate that resources are being expended, the fact that nearly 35 percent of organizations require "best effort" support to be provided even in cases of shadow IT indicates that time and resources are being spent on products and services considered to be outside of IT's purview.

In more than 30 percent of organizations, the imperative to provide support "depends on the use or need" for the shadow IT service. Unfortunately, that means that a decision must be made whether to offer support in each particular case; in effect, every one of these cases must be escalated to someone with the authority to approve or deny the support. Likewise, when asked if their organizations encourage or discourage the use of shadow IT, nearly 46 percent said that it depends on the situation. Again, this means escalation and demands on management or supervisory personnel who have the authority to make a decision about supporting the particular service or product in question.

<sup>1</sup> In our survey's definition, "shadow IT" refers to the use of applications/services and/or the transmitting of data outside of the enterprise's IT jurisdiction by end users for business processes. Jenny Rains, "Shadow IT: The Impact on Technical Support and the Opportunities for IT," HDI research brief (March 2015), <http://www.thinkhdi.com/topics/research/research-briefs.aspx>.

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This drain on resources may create a spiral of demand for shadow IT: management time is occupied by addressing immediate requests and decisions about shadow IT, in addition to existing demands on their time, making strategic planning even more difficult and likely slowing the progress of projects in the very areas where shadow IT is providing rapid, handy solutions. The more time and energy expended on maintaining the status quo (including making support decisions), the less time and energy available for discovering, researching, and planning for either the use of external resources or the building of internal resources to provide services the business wants.

*“Obviously, we would rather there be supported services in the environment, and that our IT department could be a trusted partner when selecting and deploying these services. In the event that the user’s needs aren’t being met, and can’t be, there’s an understanding that they’ll go find solutions of their own. When they do, we’ll do our best to help them.”*

*–Survey respondent*

## Why Does Shadow IT Use Matter?

There are many reasons why shadow IT might cause trouble for IT, or at least be an area of concern:

1. **Governance and information security:** You can’t oversee or provide guidelines for something you don’t know about. By definition, shadow IT is outside the bounds of IT policies, management, and control.
2. **Configuration management:** Does the shadow IT site or tool use a specific version of Java or require a certain plug-in or browser version? Do those requirements conflict with any IT services or applications, either present or planned?
3. **Change management:** That external provider is not sitting in on your change advisory board (CAB) meeting this week or any week. Changes and releases will happen on whatever schedule the provider deems appropriate. The consequences of these changes will remain unknown until they happen.
4. **Resource requirements:** If every contact must be escalated and evaluated, resources are being consumed despite the claim that shadow IT is lowering demand for IT time and resources. In addition, the work is all unplanned.
5. **Compliance:** How will the storage and/or transmission of sensitive data be monitored and accounted for? (Think HIPAA and PCI DSS, for example. This is closely related to the governance item above.)

## The Importance of Ongoing Conversation

When asked how their organization determines whether there is shadow IT in use, nearly 39 percent of respondents cited word of mouth.

In one sense, this is encouraging: someone is talking to someone else. Unfortunately, the conversations mentioned by these respondents are happening in the past tense: after the decision has been made to go outside IT and use someone else’s solution for a need that may or may not have been expressed to IT. This is another area in which IT needs to become proactive, seeking out and preparing for the instances in which solutions are to be found outside the traditional boundaries of the IT organization.

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## *How can the support center and desktop support play a role in mitigating the potential issues surrounding shadow IT?*

There is no one better positioned than the support center to have conversations with customers and end users about shadow IT. The support center is—or should be—engaged with customers every day, and not just in its most recognized role of break/fix support. Service and support leaders should be meeting regularly with customers to deliver updates and metrics, check for any desired changes in SLAs, and review any other items of interest. Each one of these conversations should include these questions:

- Is there anything you need that you're not currently receiving in the way of services or applications?
- Are there any services or applications you're obtaining elsewhere that we should know about?

It is critical that these questions are asked in a nonthreatening atmosphere, and that a foundation of trust is built between the customers and the support center if one doesn't already exist.

## Being Realistic

It's highly unlikely—except, perhaps, in very large organizations—that the skills and resources exist to offer internally developed services to rival the big players in collaboration and cloud storage. These services and applications provide services across mobile platforms, easy document sharing with internal or external collaborators, and lots of other features that modern knowledge workers find attractive. The velocity at which work proceeds, change happens, and technology evolves requires that workers make rapid decisions and share work with colleagues in efficient ways. They don't have time to submit requirements, plan projects, wait for funding, and wait for understaffed IT departments to ramp up something that often only loosely approximates the product or service available for free or for a small fee from an outside source.

It's therefore incumbent upon the customer-facing arm of IT—namely, the support center—to discover which products and services are most useful for getting work done, to obtain information about the stability and security of these products and services, and to add that information to their store of knowledge. Taking these actions will certainly raise awareness of IT as a trusted advisor rather than a “traffic cop” whose primary function is to say “no.”

On the other hand, no one should trivialize the risks associated with the purchase and/or use of unapproved products, services, or sites. According to a report from Symantec, 40 percent of shadow cloud deployments in 2013 resulted in the exposure of confidential data.<sup>2</sup> The financial and legal consequences of such disclosure could be catastrophic for an entire enterprise.

<sup>2</sup> “FAQ: How does shadow IT complicate enterprise regulatory compliance?,” TechTarget (accessed March 2015), <http://searchcompliance.techtarget.com/guides/FAQ-How-does-shadow-IT-complicate-enterprise-regulatory-compliance>.

<sup>3</sup> Lynda Stadtmueller, “Why Employees Ignore the Risks of Shadow IT and What Business Can Do About It,” McAfee Blog Central (January 8, 2014), <https://blogs.mcafee.com/business/why-employees-ignore-the-risks-of-shadow-it-and-what-businesses-can-do-about-it>.

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## Why take the risk?

In a study by McAfee<sup>3</sup> released in 2014, the reasons for using unauthorized software as a service (SaaS) included:

- IT approval process for new software applications is too slow or cumbersome (35%)
- Unapproved software meets a need better than the IT-approved equivalent (24%)
- IT restrictions on approved applications make it difficult to complete the job (15%)

Another noteworthy finding from that study: 32 percent of employees “aren’t sure who’s responsible for protecting data” when they’re using SaaS.

## The Ongoing Consumerization of IT

There are some who don’t like calling one of the major trends of the last few years “consumerization,” but that’s exactly what it is. Just like the trend in the retail market, where power has swung from businesses—which used to be able to say what they wanted about their prices and products—to consumers armed with smartphones, search sites, peer reviews, and social media, IT wasn’t well prepared for the influx of mobile devices a few years ago, and it wasn’t prepared for the global competition, extremely rapid change, and need for innovation over the past few years. The old processes no longer work, and the goods must be delivered at rates that were previously unheard of.

Of course, not all IT departments are blind to the realities.

*“Shadow IT, as it’s been previously defined, typically indicates a need we’ve overlooked, not been made aware of, or not provided sufficient training to the field on what’s available. Discouraging or ignoring shadow IT creates potential for us to miss out on improvement in our services.”*

*–Survey respondent*

## Turning the Corner

These are the pivot points for IT:

- The realization that you cannot meet all the needs of your company and its employees
- The realization that those needs can and will be met elsewhere
- Understanding real business needs
- Understanding the marketplace of available technology
- Understanding risk, and that to move forward, some risk is necessary
- Understanding that decisions whether or not to use particular tools and solutions are business decisions, not IT decisions

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## The Future of IT and the Support Center

We're not at a crossroads for IT; the crossroads faded from our rearview mirror some time ago. We're on a highway where both the speed limit and the minimum speed have been raised substantially. We're in a vehicle that has huge advantages over its predecessors, but which requires new skills: navigate the touchscreen, program the GPS, connect the Bluetooth, and select the driving mode. These are all skills previous generations wouldn't recognize.

In 2013, HDI and Robert Half Technology conducted a study on the technical support center of the future.<sup>4</sup> According to that report, these will be the top five characteristics of the staff of the support center:

1. A passion for supporting customers
2. A desire to continue learning about technologies and trends (on and off the clock)
3. Social intelligence (i.e., human connection in a digital world)
4. A proactive approach to solving problems and/or creating efficiencies
5. Greater collaboration with staff inside and outside the technical support center

How does this play into shadow IT? Consider the following:

- Greater collaboration with technical and business staff will make support personnel more aware of business needs and their urgency.
- A proactive approach to creating efficiencies and solving problems will drive exploration of the best tools and technologies to get the jobs done, whether or not those technologies are under IT's control.
- Social intelligence will provide insight into the many ways business people (including themselves) will want and need to interact with technologies and each other. This characteristic will help technical support staff to truly become trusted advisors.
- A desire to continue learning is a prerequisite. It will no longer be possible to put minimally trained and minimally paid telephone answerers in support center seats. Support people will be constantly looking for the next tool that will enable business to be done in better ways.
- A passion for supporting customers will translate into a passion for supporting business goals.

## Summary

Shadow IT is simply information technology that hasn't got an IT department's stamp of approval. It's a major concern for IT departments because of the cloak-and-dagger games being played by business users and traditional IT staff.

It will serve the support center—and IT in general—much better if policies are drafted and put in place that fully support business goals and efficiencies, but which recognize that there are risks involved that must be considered. These policies must be communicated—not dictated—to those with whom IT has developed a consultative relationship. Realities must be recognized and dealt with.

Putting the onus on the support center and/or IT management to deal with shadow IT on a case-by-case basis is unrealistic and reactive. It will divert hours and energy from the real work of support, which is providing knowledge and expediting solutions.

<sup>2</sup> HDI and Robert Half Technology, The Technical Support Center of the Future (July 2013), <http://www.thinkhdi.com/Topics/Research/tech-support-center-future.aspx>.

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## About the Author

Roy Atkinson is HDI's senior writer/analyst, acting as in-house subject matter expert and chief writer for *SupportWorld* articles and white papers. In addition to being a member of the HDI International Certification Standards Committee and the HDI Desktop Support Advisory Board, Roy is a popular speaker at HDI conferences and is well known to HDI local chapter audiences. His background is in both service desk and desktop support as well as small-business consulting. He holds a master's certificate in advanced management strategy from Tulane University's A.B. Freeman School of Business, and he is a certified HDI Support Center Manager.

## About HDI

HDI is the professional association and certification body for the technical service and support industry. Facilitating collaboration and networking, HDI hosts acclaimed conferences and events, produces renowned publications and research, and certifies and trains thousands of professionals each year. HDI also connects solution providers with practitioners through industry partnerships and marketing services.

Guided by an international panel of industry experts and practitioners, HDI serves a community of more than 120,000 technical service and support professionals and is the premier resource for best practices and emerging trends.