



Business Case Analysis for BSM Implementation

Tectonic 360
1a Jupiter Court
Meridian Business Park
Leicester LE19 1RP

For any further enquiries please contact:

John Hudson/Darren Houlcroft
Email to: John.hudson@tectonic360.com
Email to: Darren.houlcroft@tectonic360.com
Mobile: +44 (0) 7971 679529 (John)
Mobile: +44 (0) 7977 574952 (Darren)
Telephone: +44 (0) 116 2820567



Table of Contents

1	Background	3
2	Executive Summary	3
3	Introduction	4
4	Benefits of Deploying a Business Service Management Solution	5
5	Rationale of Benefits	6
	• Reduced Training/Improved Management of New Devices	8
	• Central Incident Logging System	9
	• Pro-active Service Management	9
	• Manage by Business Services - Not by IT	10
6	Contingencies and Dependencies	11
7	Conclusion	12
8	Recommendations.....	12
9	Appendix 1 – ROI Considerations for BSM	13



1 Background

Business Service Management (BSM) is the operational end-to-end view of business critical processes integrating business, operational and asset information. The challenge is to align IT to the business needs, in short translating IT operations from an engineering element base to a business end-to-end service using a common language. This is not based solely on technology, but embraces business risk and impact, event management, root cause analysis, Service Level Agreement compliance and historical reporting.

To achieve this, tools must document and correlate IT components to business services, delivering process through best practices such as ITIL. It also provides a qualitative and quantitative framework for Business Continuity Management (BCM) that extends beyond the boundaries of IT and into the business itself. The ability to provide this successfully depends on the strength of the relationship between the business and the IT services.

2 Executive Summary

This document examines the areas a business could investigate further in order to quantify the potential savings that could be made by adopting a BSM strategy.

Pivotal to achieving these objectives is a Service based Configuration Management Database (CMDB). Once in place, this will allow a business to develop and implement an ITIL framework and move to the more sophisticated area of Business Impact Analysis (BIA).

It is important to recognise that this strategy will touch a number of points across the entire enterprise, however, delivering this type of business service demands a different type of business operation behind it. Managing the availability and performance of consumer-oriented business services becomes the measure of business success. Although this requires the integration of disparate business units, systems and processes, the resulting business service management system is better equipped to handle the evolving business environment.

The document is based around experiences and knowledge of implementing Interlink Software's POWERpack Solution at large, global, blue chip organisations.

Tectonic 360 is an independent specialist in the fields of Business Continuance, Service Management and Disaster Recovery. With many years experience gained in a wide range of market sectors, T360 delivers solutions to blue chip companies and medium sized businesses with demanding 24 by 7 operational demands. The philosophy is the same, understand the business challenge – *Diagnose*, and only then table a solution – *Prescribe*. T360 always endeavours to have a long-term business relationship with its customers, demonstrated by our continued search for better ways to achieve more from less.

3 Introduction

Every aspect of business service delivery is heavily dependent on the enterprise's computing performance, regardless of the type of business service being delivered. Traditional IT management tools were not designed to link hardware and software performance to a logical business service view that spanned multiple technologies, they typically focussed on optimising the availability and performance of individual systems, networks and applications. This resulted in fragmented, stove piped views of the infrastructure and the information from mid level managers was essential; BSM requires the opposite, a clear view of the interdependencies among the resources delivering the business services.

The purpose of BSM toolsets is to translate data collected from disparate technologies and transforms it into meaningful business service information and reports. Interlink's POWERpack BSM tool will:-

- Map the interdependencies of the technology delivering the business services.
- Begin the process of building a Service based CMDB essential for low maintenance business service views and Change Management.
- Simplify technical complexity providing accurate and understandable information without the intimate knowledge of the underlying technology.
- Encompasses the entire business service and span multiple businesses.
- Deliver a scalable architecture for diverse infrastructures and be flexible enough to adapt to customised environments.
- Facilitate the incorporation of business and technology changes as new business services are brought online.
- Automate ITIL based process.

4 Benefits of Deploying a Business Service Management Solution

BSM tools, correctly deployed, provide the following benefits:

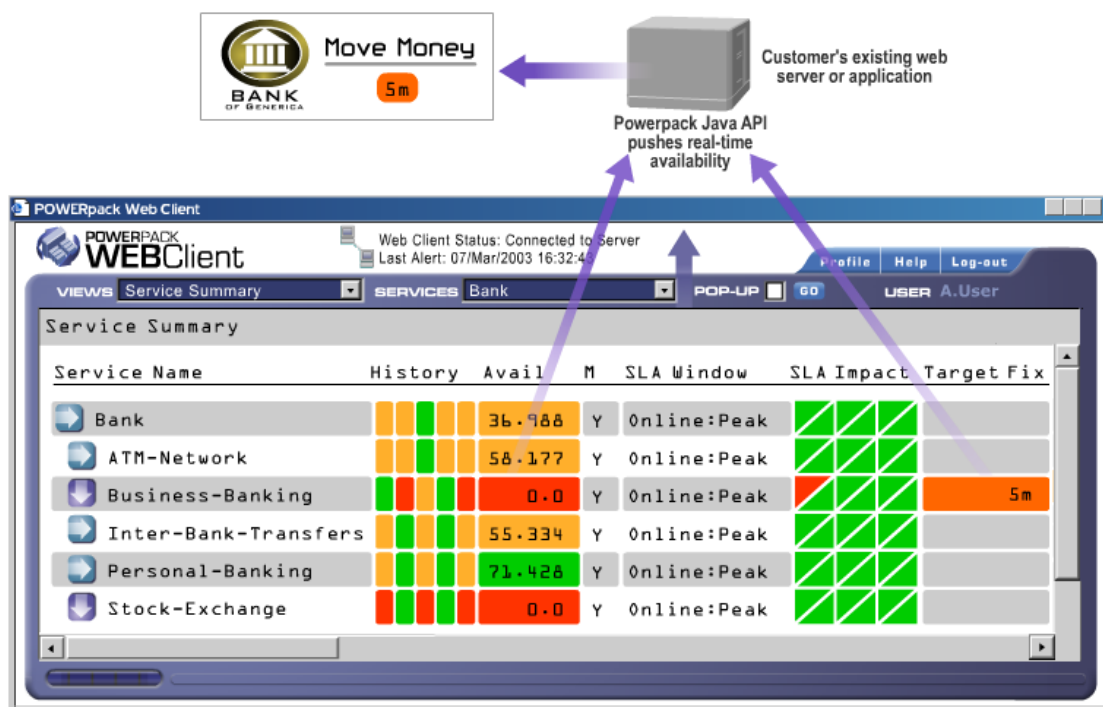
- Improved IT alignment to the business
 - Show business users and executives the state of their service, providing the ability to visualise and quantify in a common language the impact of technology faults on End-to-End business processes.
 - Provides IT operations a clear understanding of the business impact of a component failure or reduced quality of service so it can better prioritise operational tasks. Event correlation and root cause analysis form an intrinsic element of this key decision making process.
- Reduce Operational Costs
 - Improving operational efficiency by using a single console for viewing the status of all business services, regardless of the collection toolkit, integrating with the IT infrastructure displays.
- Higher Availability and Improved Performance
 - Reduce back to service time as IT operations focuses on solving the correct, high-priority, business-relevant issues. POWERpack has the capability to provide predictive reporting, facilitating pre-emptive remedial action.
- ITIL approach to Change Management
 - By utilising a Service based CMDB, Change Management too is given a service perspective as a single technology element might be intrinsic in many services, adding to complexity of the risk and impact analysis.
- Service Assurance
 - Customisable business service views enable different business groups to view their service, thus giving the line of business a better understanding of how the IT infrastructure is performing.
- Business Continuity Management
 - Providing the process framework based on ITIL that extends beyond the boundaries of IT and into the business itself, essential for Business Continuance.
- Business Oriented Reporting
 - Ability to provide historical and real-time customer aligned reporting from an end-to-end business service perspective.

5 Rationale of Benefits

- Optimisation of Operational Resources
 - The Service based CMDB is the pivotal corporate asset, utilising this facility in the Change Management process will deliver operational efficiencies and reduce manpower.
 - It is likely that business operations will continue to grow as new applications and services are taken on and existing services expand. Any considerable growth of the enterprise normally requires additional headcount growth. POWERpack will avoid an increase in head-count or keep it to a minimum due to the increase in efficiency of using a single console supported by an architecture following ITIL framework as shown below.
 - New technology platforms and management systems will be implemented to provision for new and growing services. These may be platforms that a business has little or no experience in managing today. To allow these platforms to be smoothly integrated and to allow them to be managed as efficiently as possible, POWERpack is required
 - POWERpack has the potential to displace other existing software packages in the future. For example vendor specific management systems, agent based monitoring, and remote operations type software, reducing maintenance and training costs.
 - Due to the consolidation of the environment on to a common web based environment, often many other costly consoles, and PCs can be avoided or re-deployed in operations and help desk areas.



- Improved User Satisfaction
 - User satisfaction is directly proportional to service quality, rather than just back-end system availability. POWERpack's ability to aid in the prompt correlation to service, diagnosis and resolution of problems, and its inherent automation capabilities, minimising operator involvement and potential error means improved service availability, and higher levels of user satisfaction.
 - In many organisations, user productivity is directly proportional to service availability. Greater service availability translates into material increases in user productivity.
 - One of the greatest challenges facing managers today is locating and retaining qualified personnel. This task is facilitated by POWERpack in several ways. First, since it is easy to use, lower operator skill level personnel are required. Secondly, experienced personnel are far more likely to remain in environments that demonstrate a penchant for minimising frustration by incorporating state-of-the-art management technologies.
 - The deployment of POWERpack will provide a competitive advantage in a variety of ways. Increased service availability frequently produces improved customer satisfaction. The cost efficiencies associated with the implementation of POWERpack will produce greater financial strength. The screenshot below shows how users expectations can be managed by pushing real-time Target Fix details to internal or external customer through a portal system – in essence trying to avoid calls being made to help desk and therefore reducing costs.





-
- Customer Attraction and Retention
 - The only way to guarantee superior customer experience is to ensure that all the computing components work together effectively to deliver a high-performance business service. POWERpack provides returns in terms of higher prospect-to-customer conversion rates and increased repeat business.

 - Decreasing Time-to-Market
 - Slow time-to-market robs the enterprise of its competitive advantage which is critical for building brand awareness of new products and business services. By implementing POWERpack, new business services can be quickly added to the management scheme without excessive development time. By having POWERpack, the business manager can actively monitor the new business service from launch.

 - Common Reporting Language
 - The deployment of POWERpack will enable automation to be extended to routine operational and recovery processes throughout the enterprise from a common platform, using a common language, providing true cross-platform “service aware” management. Manual tasks can be automated, thus providing for more efficient operations and improved levels of service.

 - Automation
 - Automation will reduce the number of manual tasks improving operational effectiveness and automating processes between OSS and BSS systems. Furthermore, the ability to trigger automated routines to resolve known issues and obviate the need for manual intervention. The ability to provision new services efficiently by bringing together OSS and CRM systems is greatly enhanced by automation.

 - Reduced Training/Improved Management of New Devices
 - By deploying the Enterprise Console portion of POWERpack, Help Desk only need to know how to operate a single platform – the BSM tool. Using the common web client interface and automation facilities reduces levels of platform specific training; an increased ability to manage new platforms will result. With POWERpack, the business is free to make strategic decisions regarding new acquisitions based more on operational and functional considerations and less on the scope of vendor supplied management systems.
 - POWERpack is unique in being able to manage any platform that it can gain connectivity to.

- Central Incident Logging System
 - The POWERpack can centrally and automatically log technical and service affecting faults to an incident management system. This improves the consistency of data entered into incident records, offering much improved management information on the reliability of specific hardware/software platforms and reasons for service outages.
 - Integrating POWERpack into an existing Trouble ticketing system it is possible to produce standard automated reports as show below detailing ITIL based statistics for use by either IT or the business. Pulling business impact information into this report is also possible if it can be quantified following a Business Impact Analysis.

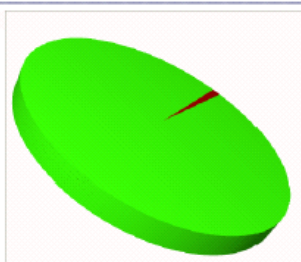
Daily Overview Report

Service: AndyService

Date: 06/04/04



Percentage Availability



SLA Status



SLA - FAIL

ITIL Information

MTTR: **00:01:00** (HH:MM:SS)

MTBSI: **01:04:01** (HH:MM:SS)

MTBF: **01:02:34** (HH:MM:SS)

Availability: **99.7907%**

Time Unavailable: **00:03:00** (HH:MM:SS)

Period Length: **24:00:00** (HH:MM:SS)

Number of Incidents: **3**

Longest Outage: **00:01:42** (HH:MM:SS)

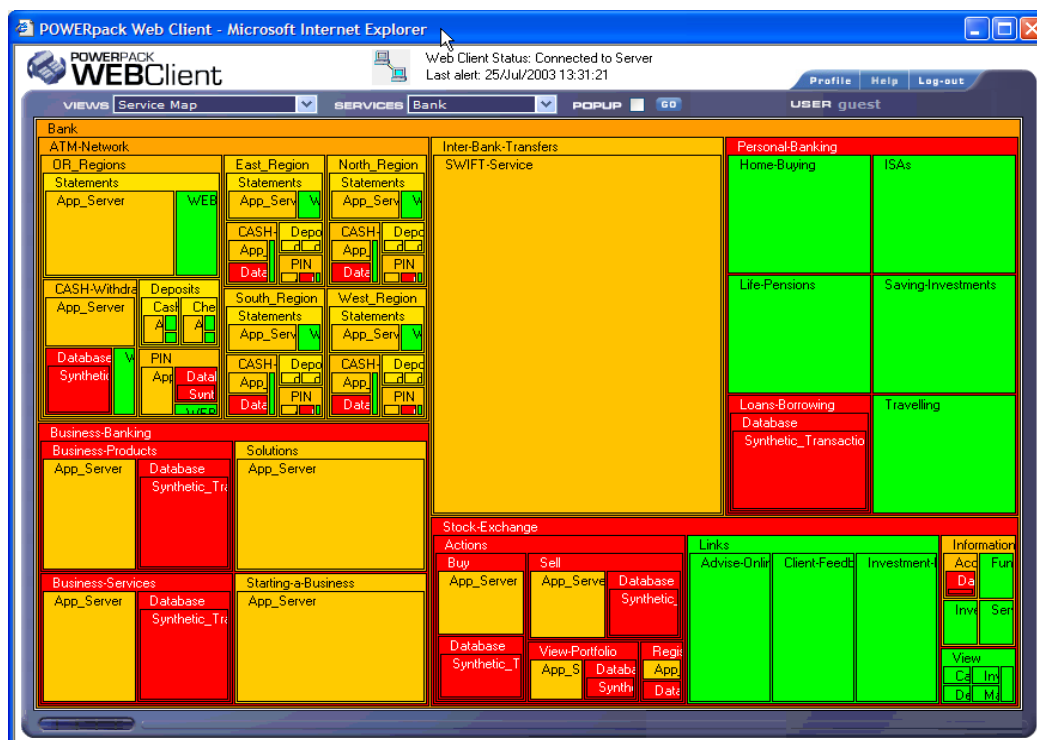
Shortest Outage: **00:00:05** (HH:MM:SS)

powered by POWERpack Reporting

- Pro-active Service Management
 - POWERpack provides the capability for increased management of the services that are delivered by IT to the business. Using service correlation facilities, alerts from any part of the technology infrastructure will be automatically correlated to the service/customer affected. Support staff will clearly be able to see the potential business and service impact of alerts as they occur. By then correcting the fault(s) in order of business impact, a faster mean-time-to-repair will occur, resulting in greater user satisfaction.

- Help Desk Efficiency
 - By deploying POWERpack service views within the HelpDesk function of the business a much more proactive role for managing the environment can be adopted. This will significantly reduce both the number of incoming calls received by the Help Desk and the average duration of the call. POWERpack is able to log incident records automatically, reducing the time spent entering information into incident management systems.
 - POWERpack will also allow the speedier resolution of problems when they occur. The Help Desk staff can be provided access to “canned” recovery actions, support tools, and documentation from a single point to perform a greater number of recovery actions without the need to escalate to 2nd level support. Interlink Software customers have typically experienced a 30% reduction in ‘Mean Time to Repair’ of faults. By integrating POWERpack with voice telephone technology, an automated “Front-end” to the Help Desk can be delivered, providing, for example:
 - Current service status
 - Menu options to activate automated actions
 - Reset of applications, userid’s, passwords, printers

- Manage by Business Services - Not by IT
 - When multiple services fail at the same time it is imperative that the most critical services are restored before less critical services. By implementing cross-platform automation and management, business policies can be defined within the automation routines.



Hotspot map – the larger the area the greater the business impact – leads support staff to fix faults based on greatest business impact first. The colour indicated the state of the service/sub-service/component.

6 Contingencies and Dependencies

One of the critical factors of a successful BSM deployment is the strength of the relationship that exists between the business units and the IT services.

POWERpack identifies key business processes which comprise services delivered to the business units. The deployment of POWERpack enables the easy identification of metrics to track the performance of these key business processes against pre-defined service level agreements. Without the co-operation of both parties working closely together the key business processes will not be identified.

Whilst large enterprises have embraced BSM a significant number of deployments have become protracted or even failed as a result of inadequate planning. The process of Business Impact Analysis is essential and delivers additional benefits to the business over and above BSM defining the business value and thereby the levels of future investment in service and the disaster recovery strategy required, to name but two. Organisations that have defined their Service Level Agreements (SLAs) for each service, thereby giving business value and priority to each, and embracing process practices like ITIL, have a significant head start.

Experience has shown that with a mature and documented service and management process, along with careful planning of the software architecture, deployment can be collapsed from one to two months per service to a few days. Organisations that have deployed the software with no business support and with limited understanding of the horizontal business processes, have found BSM deployment to be an arduous task.

Tackling a BSM project across a whole enterprise can become an unmanageable proposition and the all-important co-operation from colleagues can be lost as it is seen as unachievable and a waste of time. Far better to target smaller units and build on this success as the project expands; the all-important 'buy-in' of colleagues will happen naturally.

7 Conclusion

Infrastructure performance limitations determine the success of the business service and, when a confused state of infrastructure management and a lack of service-oriented views exist, the success of the business is being compromised. POWERpack surmounts this dilemma by providing a scalable solution that can manage business services, enabling business managers to visualize how their business services are affected by technology performance, and IT managers to align their activities with business priorities.

As the complexity of the deployment can be on-going, Change management in IT infrastructure is essential to deliver the enhancements demanded by the business. Mapping this into POWERpack must be automated. A change in a service model must be reflected in all associated views; asset management must populate configuration items, root cause analysis deliver without re-configuration.

One of the key business drivers for BSM is efficiency of IT personnel, in common with some Service Assurance tools; BSM has the ability to deliver but consume even more. Therefore, part of the initial strategy must be how to maintain the quality and integrity of the BSM solution in a changing IT infrastructure, to embrace the new services and keep pace with the business objectives.

Successful POWERpack customers have achieved their business objectives, reduced operational and capital expenditure, whilst increasing the quality of service and availability. In synopsis, a successful POWERpack deployment will provide a common language reporting tool by correlating downtime to business impact. It will give the business the knowledge to make strategic decisions regarding investments, rather than wasting funding deploying tactical fixes.

8 Recommendations

Whilst POWERpack is hugely beneficial to IT operationally allowing the prioritising of actions and being proactive from a holistic perspective, the greater benefit is to business management, providing quantitative and qualitative information to base strategic business decisions upon. We would, therefore, recommend the following approach:

Implementation of a pilot scheme to include one or two services, which will in parallel:-

- Assess existing toolsets
- Provide a base line for service definitions through BIA
- Start the process of building a Service based CMDB
- Model a small number of critical business services
- Build a successful platform to roll out across further services, enhancing the critical buy-in factor

9 Appendix 1 – ROI Considerations for BSM

The following points are both hard and soft savings which can be achieved from deploying BSM. The ability to measure these before deployment is obviously fundamental to demonstrating the success of the solution once deployed. The list is not exhaustive by any means.

- Reduction in the MTTR of service outages
- Improved Incident resolution time due to accurate Service CMDB
- Improved correlation of events to services
- Improved Root Cause Analysis from a single console
- Automated Recovery Actions
- Increased productivity of all staff due to improved availability and performance of core services Improved Availability of services being delivered by IT
- Reduction in the number of Incidents raised
- Reduction of Incidents incorrectly assigned
- Increase of Incidents resolved within the SLA
- Reduction in average cost of handling incidents
- Reduction in the average duration of a support call
- Improvement in business incidents dealt with by first line support
- Reduction in length of Service Desk queue time
- Related to CMDB, reduction in software/hardware costs due to tighter control
- Reduction in change failures due to improved quality of information within the Service CMDB and the ability to manage change by service and associated risk
- Reduction in average amount of time to make changes, requiring less staff
- Reduction in the number of unsuccessful changes
- Reduction in changes impacting core services
- Increase of changes outside of core service hours
- Reduction in the average cost of a change
- Reduction of failed changes
- Reduction of time taken to produce Service reports
- Reduction in repeat Incidents affecting service to customers using automation
- Reduction in SLA targets missed or threatened
- Improved Customer Satisfaction with services delivered
- Increase in number of fully documented SLA's, aligning business to IT, improving overall customer satisfaction and perception
- Reduction in CAPEX, focussing investment in key areas supporting key business functions
- Reduction of time taken to deliver new services
- Reduction in training costs of first line support utilising a single console

- Improve service differentiation by delivering real time end to end service views
- Automated Incident logging saving operational costs and improving consistency
- Ability to manage more services with fewer or existing support staff
- Improved staff retention by empowering staff with business level tools