



ITIL for Managers



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Introduction



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What is IT Service Management

- The management of IT services to support one or more business areas
- A set of process and procedures aimed at the provision of high quality, cost effective IT Services
 - Driven by business dependency upon IT
- The best definition and independent guidelines for IT Service Management can be found in ITIL



IT is the business.....

“IT is the business”
and
“The business is IT”



The Four Ps

IT Service Management (ITSM) is all about the efficient, effective and economical use of:

- People
 - Customers, Users & IT Staff
- Processes
 - ITIL
- Products
 - Tools and technology
- Partners
 - Vendors and Suppliers



The Drivers for High Quality IT Services

- Organizations increasingly dependent on IT service provision
- Higher visibility of failure
- More exacting User requirements
- Increased complexity of the infrastructure
- Charging for IT services
- Competition for Customers
- Legislative/regulatory drivers

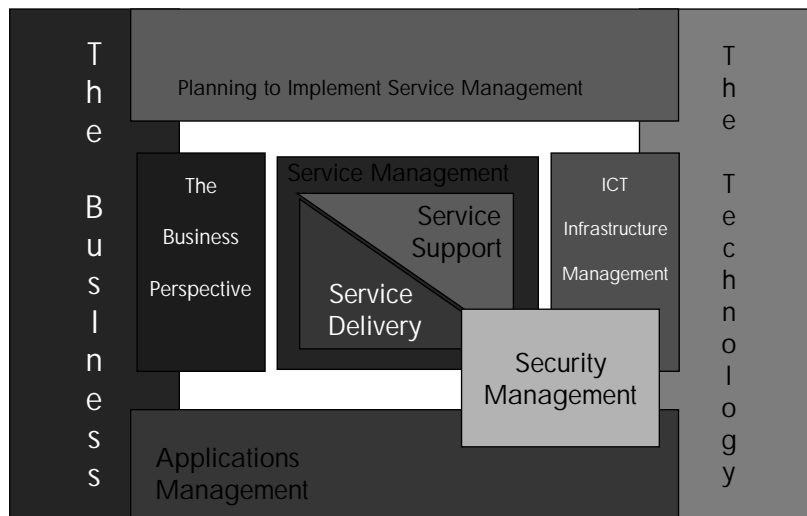


ITIL Philosophy

- Capture industry “best practice”
- Organizations should adopt and adapt
- Not standard! (however)
 - ISO/IEC 20000
- Scalable — organization size and need
- Platform independent
- Originally intended for UK Government use only, but...
 - By 2006 more than 250,000 books sold worldwide, majority outside UK and Government. Third revision will be available in 2007
- itSMF
 - Around 40 international chapters



IT Infrastructure Library (ITIL)





Best Practice — A Working Definition

Best Practice is a set of guidelines based on the best experiences of the most qualified and experienced professionals in a particular field.

Best Practice is based on:

- More than one person
- More than one organization
- More than one technology
- More than one event



Where Does Best Practice Fit?



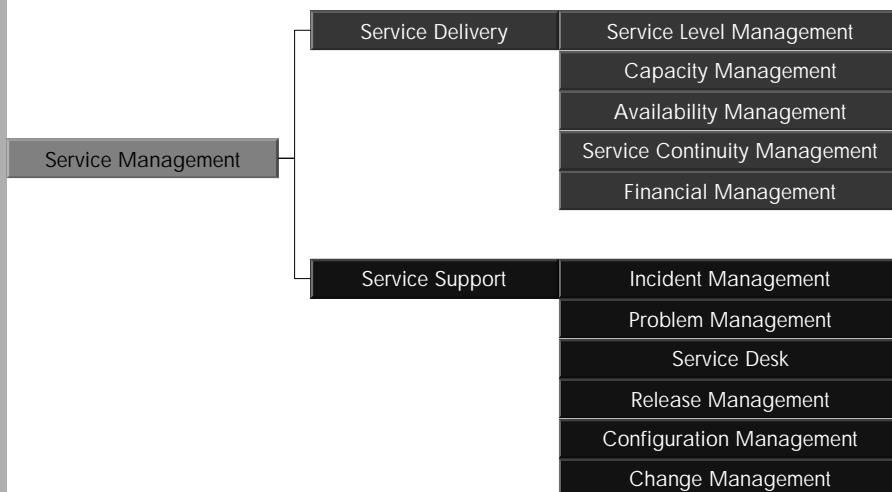


ITIL Objectives

- Reduce Costs
- Improve Availability
- Tune Capacity
- Increase Throughput
- Optimize resource Utilization
- Improve Scalability



Core ITSM Components





Service Support

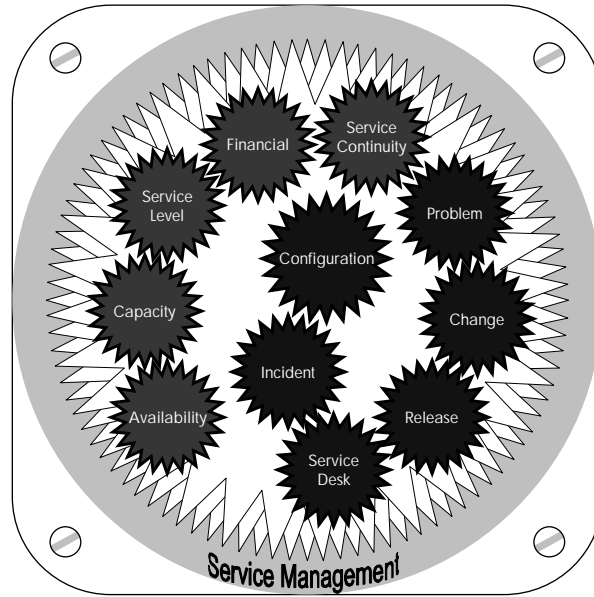
- These are the more “Day to Day” processes which supports Service Management
- Typically tend to be more “Reactive” than “Proactive”
- Made up of 5 Processes and 1 Function
 - Service Desk (Function)
 - Incident Management
 - Problem Management
 - Configuration Management
 - Change Management
 - Release Management



Service Delivery

- These are the more longer term planning type processes which supports Service Management
- Typically tend to be more “Proactive” than “Reactive”
- Made up of 5 Processes
 - Service Level Management
 - IT Service Continuity Management
 - Finance for IT Management
 - Availability Management
 - Capacity Management

Service Management



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Who Is Doing This?



- Government
- Financial services
- Insurance
- Manufacturing
- Publishing
- Outsourcing companies
- Utilities

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Management of Expectations (1 of 3)

When implementing ITIL it is vital to manage the expectations of the organization in terms of

- Deliverables
- Timescales
- Changes to the Organization's Roles and Responsibilities
- Savings



Management of Expectations (2 of 3)

- Deliverables
 - Set out what you want to achieve (i.e. have a Goal)
 - Build “Achievements” rather than “Everything in One Go”
- Timescales
 - Be realistic, most processes require 18-24 months for full effectiveness/savings to be achieved, i.e. the processes mature
 - Set out a timeline of what you want to have achieved, by when



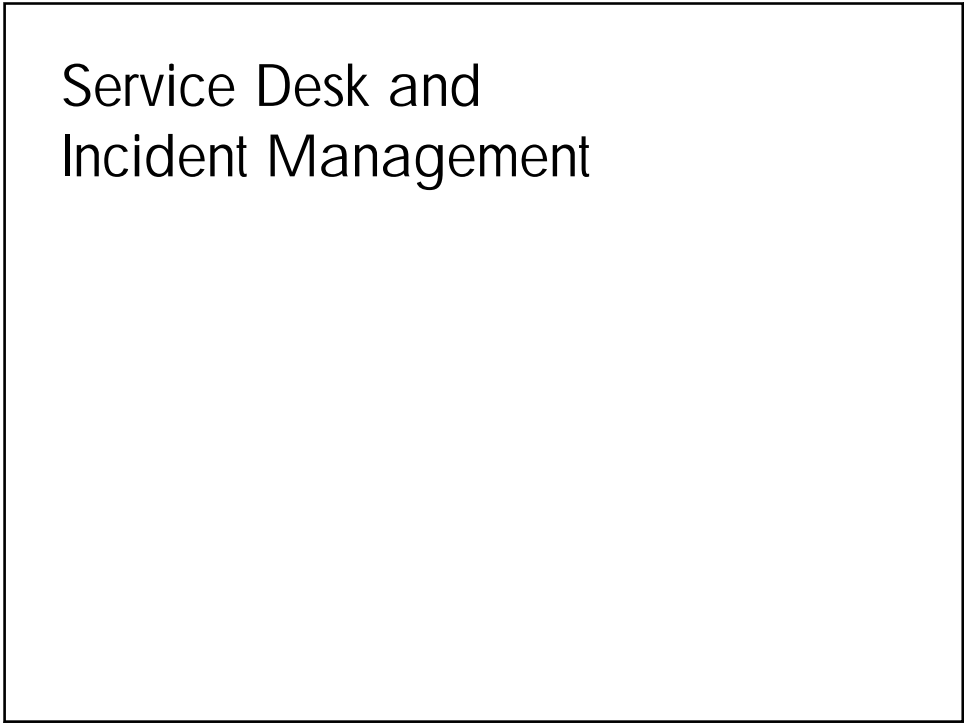
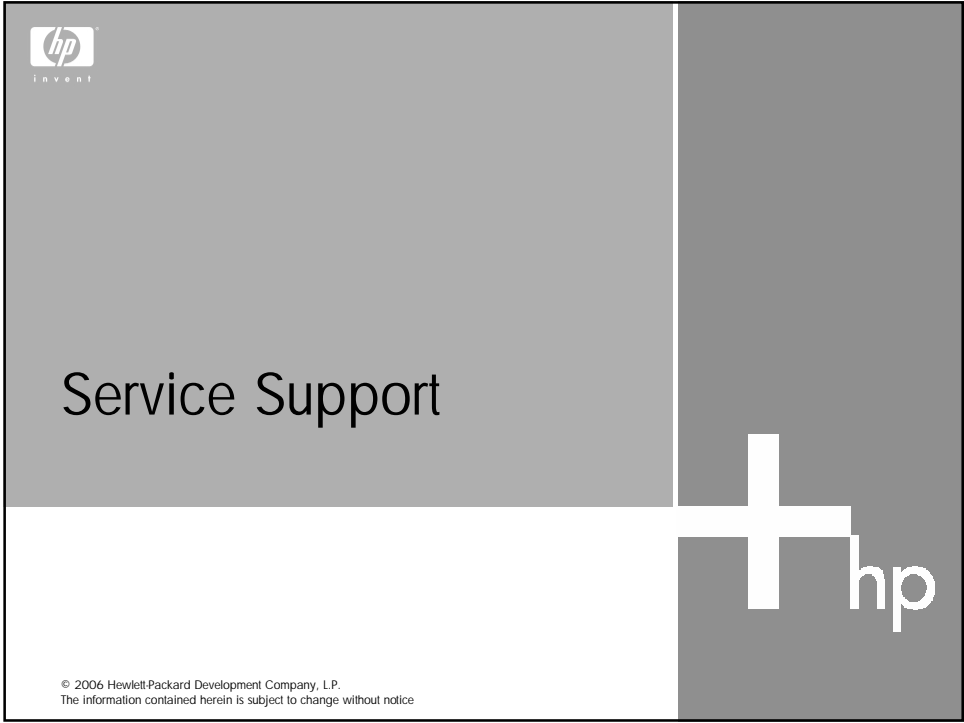
Management of Expectations (3 of 3)

- Roles & Responsibilities
 - ITIL emphasizes “Roles” not Managerial positions, i.e. you do not necessarily need to recruit a whole new batch of people
 - ITIL will change peoples jobs and roles, make sure this is managed, and doesn’t occur as just as an offshoot.
- Savings
 - You may need to initially increase your costs i.e. “speculate to accumulate”
 - Be aware that the saving may not be experienced at the point of cost, but at another point in the process/organization
 - Increased IT expenditure may be required to deliver Business benefits (e.g. increased profit margins, decreased turn around times, faster times to market etc)



The “Way Forward”

- ITIL is “Adopt and Adapt” so is not prescriptive about which process to implement first.
 - It is also not prescriptive about how you should design your organization or what tools you should use.
 - All about “What is best, and makes most sense for your organization”.
- However –
- Look for quick wins
 - Look for processes that can be introduced together as a package e.g. Configuration and Change
 - You don’t need to complete one before starting another, “build” them a stage at a time (e.g. start small and expand coverage /depth)
 - Use your existing staff wisely, and you probably don’t need to radically increase your head count, in fact you may reduce it over time.
 - If at first you don’t succeed – DON’T give up!
 - AND don’t run before you can walk!





Objectives

- To be the single point of contact between Users/Customers and the IT department for operational issues
- To restore service as soon as possible
- To maximize service availability
- To manage all incidents to a closure
- To be aware of business needs
- To be aware of the impact of failure upon the business

- Generally acts as “entry point” for other ITIL processes



The Function of the Service Desk

- The single point of contact between Users/Customers and the IT department for operational issues
- First-line Incident Management
- Business Systems Support
- A comprehensive, central source of management information on IT service performance

The Problems of NOT Having a Service Desk



- Users/Customers are not sure who to contact when they have a problem
- Incidents are duplicated or lost
- Technical support staff are constantly interrupted, or requested to work on inappropriate issues
- Work effort is often duplicated
- Work is allocated on the basis of each technical department's priorities, not on the overall importance of an IT service to the business
- Problem resolution is un-coordinated and inefficient, therefore more expensive
- Management information is fragmented and often irrelevant

Incident Management



The primary goal of Incident Management is to restore normal service operation as quickly as possible and minimize the adverse impact on business operations, thus ensuring the best possible levels of service quality.



Activities

- Incident detection and recording
- Classification and initial support
- Investigation and diagnosis
- Resolution and recovery
- Incident closure
- Incident ownership, monitoring, tracking and communication



Definition — An Incident

“An incident is any event that is not part of the standard operation of a service and that causes, or may cause, an interruption to, or a reduction in, the quality of that service”



Impact + Urgency = Priority

- Impact
 - Affect on the business
 - Defined in the SLA
- Urgency
 - Speed needed to resolve incident
 - Extent it can bear delay
- Priority
 - Sequence of dealing with events
 - Determined by impact, urgency and effort
 - Not assigned by the User
 - Decided outside the Service Desk



Escalation

- Right number and level of resources
- To resolve incidents within the agreed time
- Defined in conjunction with other areas
- Executed by the Service Desk
- Inform the User of the status
- Automatic



Benefits to IT

- Improved Team work and communication between various IT departments
- Better Managed Infrastructure and control
- More effective and efficient use of support resources
- Incidents are assigned to the correct resolution groups and tracked to ensure that they do not get lost,
- Better Management Information for better decision support
- A more accurate CMDB by frequent use and updating
- It is possible to measure overall service performance against the targets set up by Service Level Management



Benefits to the Business

- Reduced downtime/lower business impact
- Improved User service, perception and satisfaction
- Increased User accessibility via a Single Point of Contact
- Improved quality of Infrastructure
 - Information from Incident Management is used to identify system improvements
- End to end control over incidents means no lost or overly delayed incidents
- Incident Management can measure some deliverables specified in SLAs, resulting in a more objective assessment of IT's contribution to the business



Financial Benefits

- Business critical systems are correctly prioritized, thus reducing costly unavailability
- Support is more efficiently and effectively targeted
- Supports the optimization of investments, efficient use of resources and the availability of business processes
- Management information can be used to identify and evaluate business opportunities and cost-saving measures
- Training budget is optimized through more effective assessment of technical training requirements

Problem Management



Objectives

- To resolve problems quickly and effectively
- To ensure that problems are resolved, and resources prioritized, in the most appropriate order based on business need
- To prevent wherever possible re-occurrences of problems and known errors
- To proactively identify and resolve problems and known errors thus minimizing incident occurrences
- To improve the productivity of support staff
- To provide relevant management information



Definition — A Problem

“A problem is the unknown underlying cause of one or more incidents”



Definition — A Known Error

"A known error is an incident or problem for which the root cause is known and for which a temporary workaround or permanent alternative has been identified.

If a business case exists, a Request For Change (RFC) will be raised, but, in any event it remains a known error unless it is permanently fixed by a change."



Day to Day Responsibilities (1 of 2)

- Tracing Root Causes and establishing "workarounds"
- Preventing further incidents and problems occurring
- Intervention where escalation times are exceeded
- Arbitration where incident 'ownership' is disputed
- Liaison with suppliers/vendor staff
- Post mortem reviews
- Analyzing incident and problem statistics
- Identifying underlying trends
- Can take control of Major Incidents if required



Day To Day Responsibilities (2 of 2)

Proactive Role

- Analyzing incident and problem statistics
- Identifying underlying trends
- Preventing incidents and problems occurring



Benefits to IT

- Improved IT Service Provision by allowing more efficient targeting of "expert" resources
- Incident volume reduction
- Permanent resolutions are sought
- Improved organizational learning and sharing of information
- Improved incident/Service Desk first time fix rate



Benefits to the Business

- Quicker diagnostic and resolution time for “known” incidents
- Identify permanent solutions, reducing the number and resolution time of incidents
- This results in less downtime and disruption to business critical systems
- Overall improved IT delivery and support to the business



Financial Benefits

- Higher availability of revenue generating IT services
- Higher productivity of business and IT staff
- Reduced expenditure on workarounds or fixes that do not work
- Reduction in cost of effort in firefighting or resolving repeat incidents

Configuration Management

Objectives

- To account for all IT assets
- To provide accurate information to support other Service Management processes
- To verify records against infrastructure and to correct exceptions



Scope of Configuration Management



- Configuration Management
 - All information to manage IT components
- Asset Management
 - Accountancy process
 - Items above a certain value
 - Financial information

Why is Configuration Management Needed?



- Control of IT components and costs
- Management of valuable IT assets
- Impact assessment
- Progression and reversion
- Single, centralized source of accurate information
- Underpins all other disciplines



Key Roles

- Configuration Librarian
 - The role that actually updates the CMDB
 - Can be full time role
 - Usually “a hat” other people wear when updating the CMDB as part of other ITIL Process (e.g. Change)
- Configuration Manager
 - Process Owner
 - “Policeman” role to make sure others are updating CMDB in line with procedures



Key Terminology (1 of 2)

- Configuration
 - Anything that needs to be controlled
- Configuration Item (CI)
 - A component within a configuration
 - A configuration in its own right
- Attribute
 - Describes a CI



Key Terminology (2 of 2)

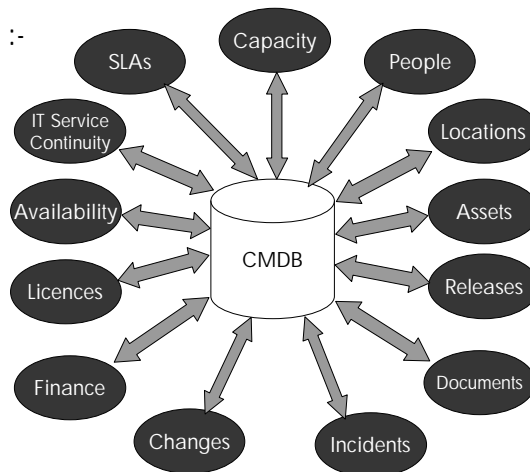
- Relationship
 - Primary
 - Parent/child (part of)
 - Secondary
 - Connected to
 - User of
- Lifecycle
 - Stages in the life of a CI



Configuration Management Database (CMDB)

Stores details of :-

- CIs
- Attributes
- Relationships
- Events



- The 'core' of an integrated service management tool



Benefits to IT

- Providing accurate information on CIs
- Controlling valuable CIs
- Showing the relationships between CIs
- Allowing the organization to perform impact analysis and schedule changes safely, efficiently and effectively
- Facilitating adherence to legal obligations
- Improving security/support by controlling the versions of CIs in use
- Improved information to enable more effective and cost aware decisions to be made
- By being the "Information Bank" for all other ITSM Processes



Benefits to the Business

- The business benefits of Configuration Management are mainly indirect. The business can be far more effective and efficient because Configuration Management enables effective IT Infrastructure management.
- Some direct benefits include:
 - It is easier to protect the organization's investment in IT through better asset tracking and control
 - The organization is better able to comply with legal requirements regarding asset status and software usage



Financial Benefits

- Full Asset Management is only possible if the assets can be tracked through their lifecycles. Configuration Management makes this possible for all IT assets
- Configuration Management provides a more accurate assessment of which IT resources are available already and which need to be purchased. This enables better control of expenditure
- Configuration Management facilitates more accurate Financial Planning by providing an up to date list of assets, to forecast maintenance and other types of expenditure
- Contributes to an organization's ability to limit it's exposure to legal issues (software licensing)

Change Management



Objectives

- Ensure standardized methods, processes and procedures are used for all changes
- Facilitate efficient and prompt handling of all changes
- Maintain the proper balance between the need for change and the potential negative impact of change



Change Management

ITIL recommends:

- A single, centralized change management system for the whole of the IT infrastructure
- Integration as part of a comprehensive configuration management system



Activities

- Manage the process of:
 - Requesting changes
 - Assessing changes
 - Authorizing changes
 - Implementing changes
- Prevent unauthorized changes
- Minimize disruption
- Ensure proper research and relevant input
- Coordinate build, test and implementation



Roles

- Change Manager day-to-day responsibility
- Change Advisory Board (CAB) to assist Change Manager assess and schedule changes
- CAB Emergency Committee (CAB/EC)
Provide emergency assistance to Change Manager – to deal with urgent changes



Benefits to IT

- Increased visibility and communication of changes to both business and service-support staff
- Improved risk assessment
- Effective back-out planning enables restoring of services accurately to their original state quicker than ad-hoc methods
- A reduced adverse impact of changes on the quality of services and on SLAs. Less ineffectual and incorrect changes applied
- Increased productivity of IT staff through forward change planning. Also less time spent fixing un-controlled changes.
- Better assessment of the cost of proposed changes before they are incurred
- Greater ability to absorb a large volume of changes



Benefits to the Business

- Better alignment of IT services to business requirements
- Increased visibility and communication of changes to both business and service-support staff. Also greater business involvement in planning of changes
- A reduced adverse impact of changes on the quality of services and on SLAs. Less ineffectual and incorrect changes applied
- Increased productivity of Users – through less disruption and, higher-quality services
- Greater ability to absorb a large volume of Changes



Financial Benefits

- More accurate assessment of the cost of changes will result in more accurate forecasting
- Better quality decisions about whether expenditure is justified. This will result in unnecessary changes being rejected and a reduction in expenditure
- Better control of changes reduces the amount of rework, reducing the amount of time and money spent on uncontrolled changes

Release Management

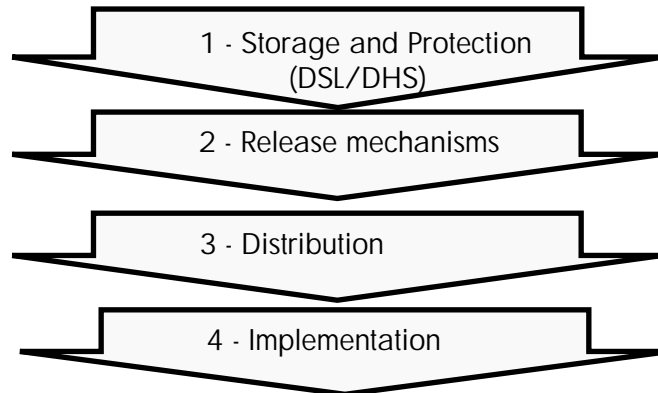


Objectives

- To design and implement efficient procedures for the distribution and installation of changes to IT systems by planning and overseeing the successful rollout of software and related hardware
- To ensure that hardware and software being changed is traceable, secure and that only correct, authorized and tested versions are installed
- To communicate and manage expectations of the Customer during the planning and rollout of new Releases
- Agree the exact content & rollout plan for the Release, through liaison with Change Management
- To manage the organization's legal requirements in relation to software
- To ensure that master copies of all software are secured in the Definitive Software Library (DSL) and that the Configuration Management Database (CMDB) is updated



The Four Elements of Release



PLUS
Auditing for CMDB consistency throughout



Legal Issues

- Enforcement Agencies (e.g. FAST, BSA etc)
- Must ensure that all licenses are in order and that no illegal software is in use
- Policy statements must be made
- Must ensure that software being paid for is in use, and no surplus license costs are incurred



Benefits to IT

- A consistent release approach across platforms ensures consistent quality of releases throughout the infrastructure
 - Centralized control facilitates better planning, testing, and more effective operational management of releases
 - Releases can be built and distributed from a central location, facilitating control and reducing staff costs
- There is greater clarity of the role of development and operational units, resulting in easier working relationships and less blame-shifting
- Assurance that hardware and software in live use is of known quality, reducing the chance of illegal, wrong or unauthorized software being in use
 - Incorrect versions and unauthorized copies of software are easier to detect and rectify
- Better expectation setting for the business and service support staff



Benefits to the Business

- Releases can be synchronized and planned to ensure minimum disruption to the business, resulting in higher levels of availability
 - Releases are fewer and less frequent but more controlled and less disruptive
 - Release schedules ensure that the business knows what to expect and can plan in advance
- Improved service quality as a result of a greater success rate for Releases and minimization of disruption to the business
- The business is able to effectively schedule resources used in testing and implementation
- There is an overall reduction in business risk (exposure) through a reduction in viruses, illegal software and uncontrolled hardware

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Financial Benefits

- Hardware and software assets are more controlled, reducing expenditure and facilitating financial planning
- Fewer errors mean less time and resources are spent on rework
- Higher quality and well-timed releases result in the business being able to be more responsive to revenue producing opportunities
- Centralized control prevents duplication of activity and reduces support costs

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Service Delivery



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Service Level Management

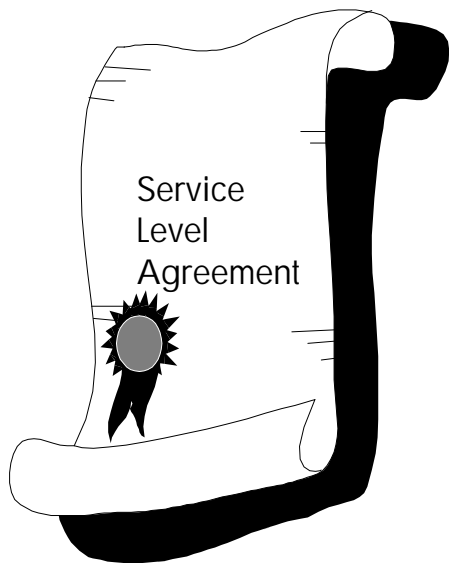


Objectives

- Ensure that service targets are agreed and documented
- Ensure that service levels are monitored against those targets
- Review achieved performance against those service targets
- Initiate recovery action where those targets are not met
- Seek service improvement within business constraints



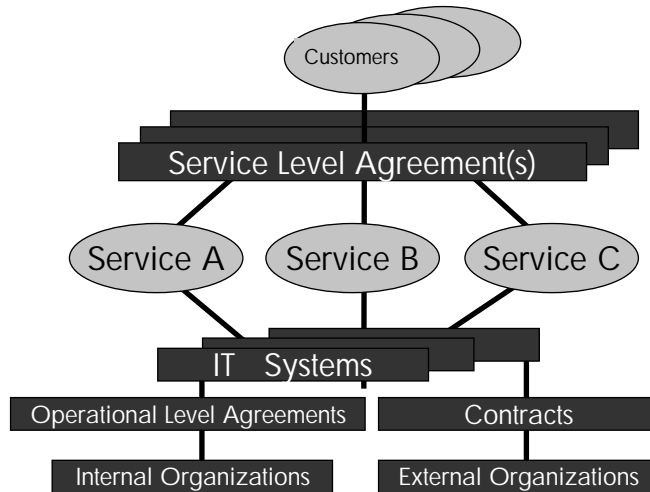
Service Level Management



- Key Targets and responsibilities
- Two-sided
- Measurable and reportable



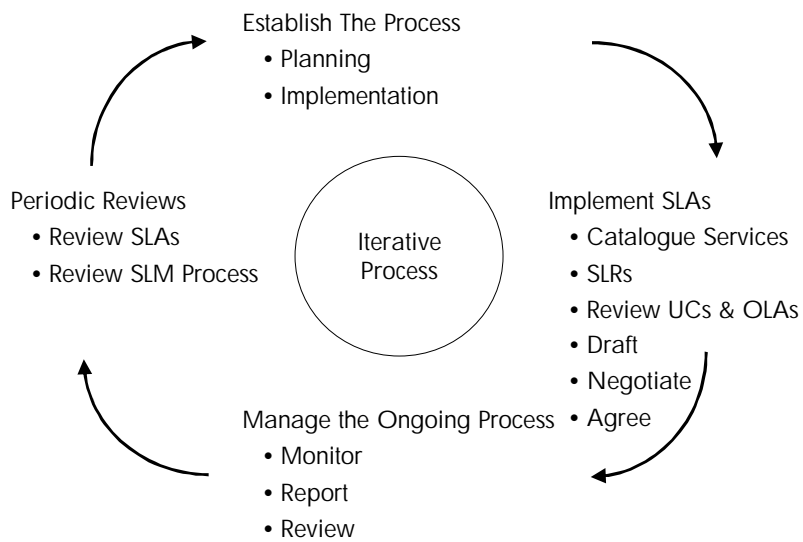
SLA Structure



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The Service Level Management Process



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Benefits to IT

- IT services will be agreed at levels IT is able to provide support
- Both sides have a clear view of requirements and responsibilities
- SLAs provide essential measurement criteria
 - Current performance
 - Trends
 - Identification of weak areas
- In addition Service Level Management establishes, and keeps open, regular lines of communication between IT and its Customers



Benefits to the Business

- Both parties to the agreement have a clearer view of roles and responsibilities - avoiding potential misunderstandings
- There are specific targets to aim for and against which service quality can be monitored and measured - "if you aim at nothing, that is usually what you hit"
- Service monitoring will identify weak areas, so that they can be fixed (if there is a justifiable business case)
- SLM will show where Customer actions are causing the fault and identify where work efficiency improvements or training are needed
- SLM supports supplier management. In cases where services are outsourced the SLAs are a key part of managing the relationship with the third-party. In other cases service monitoring evaluates the performance of suppliers (internal and external) and indicates areas for improvement
- Better forward planning - customers and IT
- Higher quality IT services



Financial Benefits

- Improvements in service quality and reduction in service disruption can lead to significant financial savings.
- Service monitoring will identify weak areas, so that they can be fixed (if there is a justifiable business case)
- Clear targets to aim for which can be cost justified
- Better forward planning - customers and IT
- Higher quality IT services
- IT services will be designed to meet Service Level Requirements
- Service Level Agreements can be used as a basis for charging, and can show what Customers are receiving for their money

Availability Management



Objectives

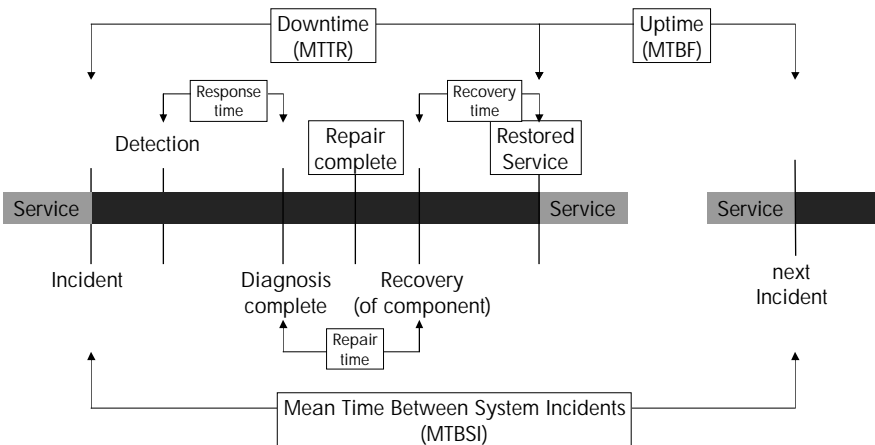
- To ensure IT services are designed to deliver the levels of availability required by the business (SLA)
- To optimize the availability of the IT infrastructure to deliver cost effective improvements that show tangible benefits
- To achieve over a period of time a reduction in the frequency and duration of incidents that impact IT availability
- To ensure shortfalls in IT availability are recognized and appropriate corrective actions are identified and progressed



Key Concepts

- Availability
- Reliability
 - Resilience
- Maintainability
- Serviceability
- Security
 - Confidentiality
 - Integrity
 - Availability

Expanded Incident Lifecycle



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Unavailability



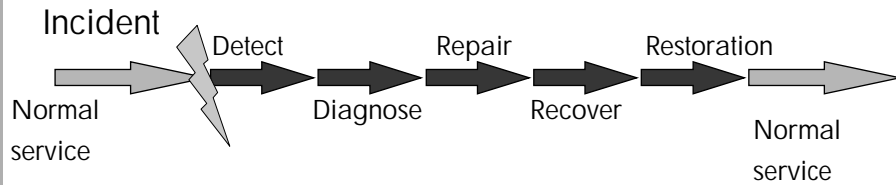
- Improving Availability = Cost
- Unavailability = BIGGER Cost
 - Critical services must be available, or the organization loses money

Tangible costs	Intangible costs
<ul style="list-style-type: none"> • Lost User or IT staff productivity • Lost revenue • Overtime payments • Wasted goods and material • Fines or penalties 	<ul style="list-style-type: none"> • Loss of Customer goodwill • Loss of Customers • Loss of business opportunity • Damage to reputation • Loss of confidence in IT service provider • Damage to staff morale

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Availability Management and Incidents

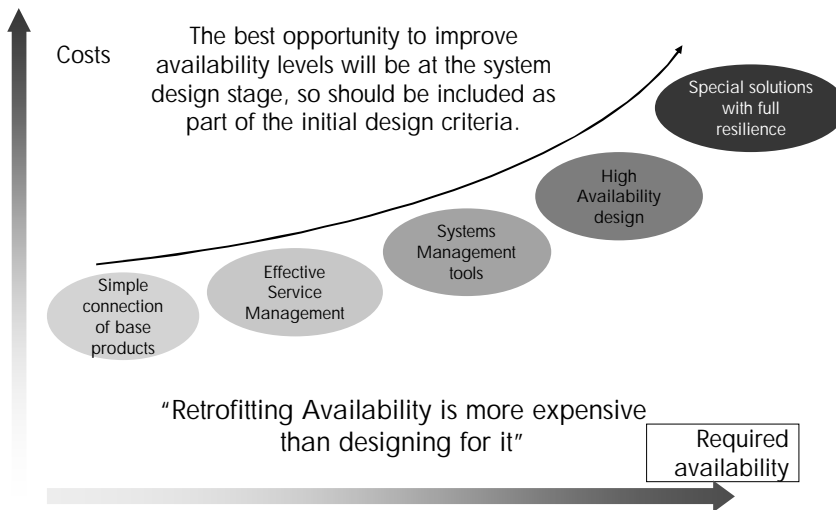


- Opportunity to reduce down-time by improving
- Detection elapsed time
- Response time (diagnosis)
- Repair time
- Recovery time
- Restoration time

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Improving Availability



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Benefits to IT

- Levels of availability are clearly agreed, documented and measured to ensure compliance to SLAs
- New IT services are designed with availability requirements in mind, resulting in more stable implementation of new applications
- Fewer disruptions to IT services
- More rapid recovery following disruption
- Availability Management encourages a culture of service provision in IT staff, as opposed to a culture of responding to problems
- Contractors held to contractual serviceability conditions
- Complements Capacity Management in planning, specifying and monitoring requirements for IT services
- Complements Continuity Planning by reducing the risk of failure



Benefits to the Business

- Business is reliant on IT to the extent that if IT is unavailable, the business will not function.
- IT are better able to match IT service availability to Customer demand, where this is identified by the business
- A reduction in the number and length of IT failures results in greater productivity and stability within business units
- Competitive advantage depends on uptime of key IT services
- Complements IT Service Continuity Planning by reducing the risk of failure
- Ensures that IT services are designed and recoverable within the definitions of the organization's security policy



Financial Benefits

- The measures taken to guarantee availability of IT services are cost justified according to business priorities
- More stable IT services maximize the opportunities to generate revenue
- Customer retention levels can be increased if service availability is properly managed
- Improves cost effectiveness by reducing downtime and reducing corrective maintenance
- Controls unnecessary expenditure on maintenance and resilience
- Contractors held to contractual serviceability conditions
- Complements Capacity Management in planning, specifying and monitoring requirements for IT services

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Capacity Management



Objectives

- Monitoring the performance and throughput of IT services and supporting components
- Tuning activities to make efficient use of resources
- Understanding the current demands for IT resources and deriving forecasts for future requirements
- Influencing the demand for resource, in conjunction with other Service Management processes
- Producing a capacity plan predicting IT resources needed to achieve agreed Service Levels now and in the foreseeable future.
- Tracking New Technology for business benefits

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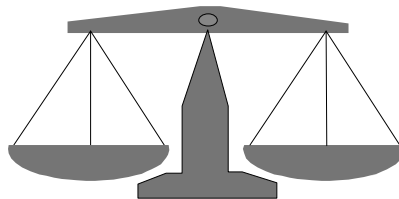
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Capacity Management

Is concerned with :

- Having the appropriate IT capacity and making the best use of it
- Not too little and not too much



Under capacity causes performance problems

Over capacity is expensive and increases the cost of services

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The Capacity Management Process



Inputs

- Technology
- SLAs, SLRs and Service Catalogue
- Business Plans and Strategy
- IS, IT Plans and Strategy
- Business requirements and volumes
- Operational Schedules
- Deployment and Development plans and programs
- Forward Schedule of Change
- Incidents and Problems
- Service Reviews
- SLA breaches
- Financial Plans
- Budgets

Sub-processes

Business Capacity Management:

- Trend, forecast, model, prototype, size and document future business requirements

Service Capacity Management:

- Monitor, analyze, tune and report on service performance, establish baselines and profiles of use of services, manage demand for services

Resource Capacity Management

- Monitor, analyze, run and report on the utilization of components, establish baselines and profiles of use of components

Outputs

- Capacity Plan
- Capacity Database
- Baselines and profiles
- Thresholds and alarms
- Capacity reports (regular, ad-hoc and exception)
- SLA and SLR recommendations
- Costing and charging recommendations
- Proactive changes and service improvements
- Revised operational schedule
- Effectiveness reviews
- Audit reports

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Proactive Capacity Management can:



- Pre-empt performance problems by taking the necessary actions before problems occur
- Produce current trends and estimate the future resource requirement
- Model predicted changes, and identify upgrades needed
- Ensure that upgrades are budgeted, planned and implemented before SLAs are breached or performance problems occur
- Actively seek to improve service provision

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Benefits to IT

- Enables better allocation and management of capacity needs according to business requirements
- New applications are scoped and tested for operational use, resulting in reduced impact on existing services
- Enables IT to identify new technology in order to achieve greater efficiency where it matters most to the business
- Software Development is more effective, since the Customer's requirements are built together with the requirements of the operational environment



Benefits to the Business

- Services perform according to business requirements, increasing productivity
- Better planning enables the organization to provide business critical services with the resources needed
- IT is able to make the business aware of technological developments that could improve competitive advantage
- More confident forecasting leading to better planning and purchasing



Financial Benefits

- Better utilization of existing resources will result in less expenditure on unnecessary capacity
- Expenditure is matched to business requirements
- New equipment is only purchased when necessary, resulting in savings through deferred expenditure
- Cost savings
 - Economical provision of services
 - Planned buying cheaper than panic buying
 - Ability to take advantage of new technology at correct time for business

Financial Management



Objectives

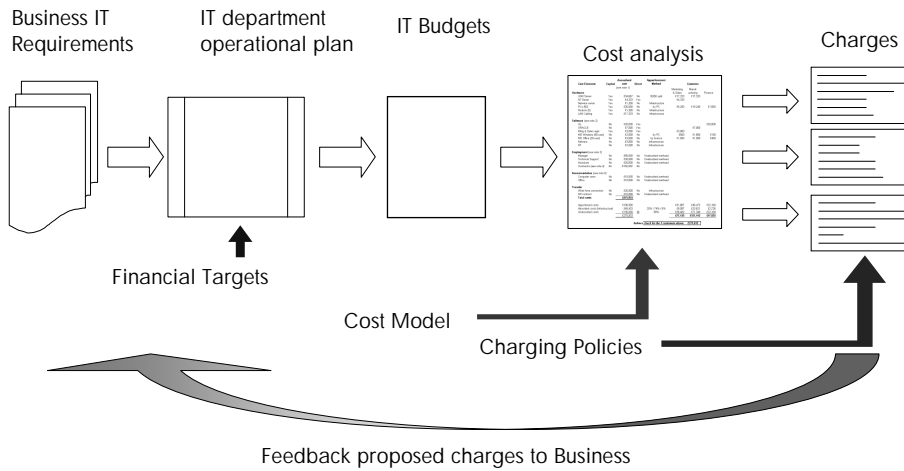
- To account for running IT
- To facilitate accurate budgeting
- As a basis for business decisions
- Balancing cost, capacity and SLRs
- To recover costs where required (Charging)
- Really about Finance for Non-Financial Managers
- Not in depth but for appreciation and application of
 - Cost management
 - Cost containment
 - Cost appreciation



Scope of Financial Management

- Budgeting (mandatory)
 - Forecasting, control and monitoring of expenditure
- IT Accounting (mandatory)
 - Enables IT to account for where money is spent on running the department and providing services
- Charging (optional)
 - Billing Customers for services

Budgeting, Accounting and Charging



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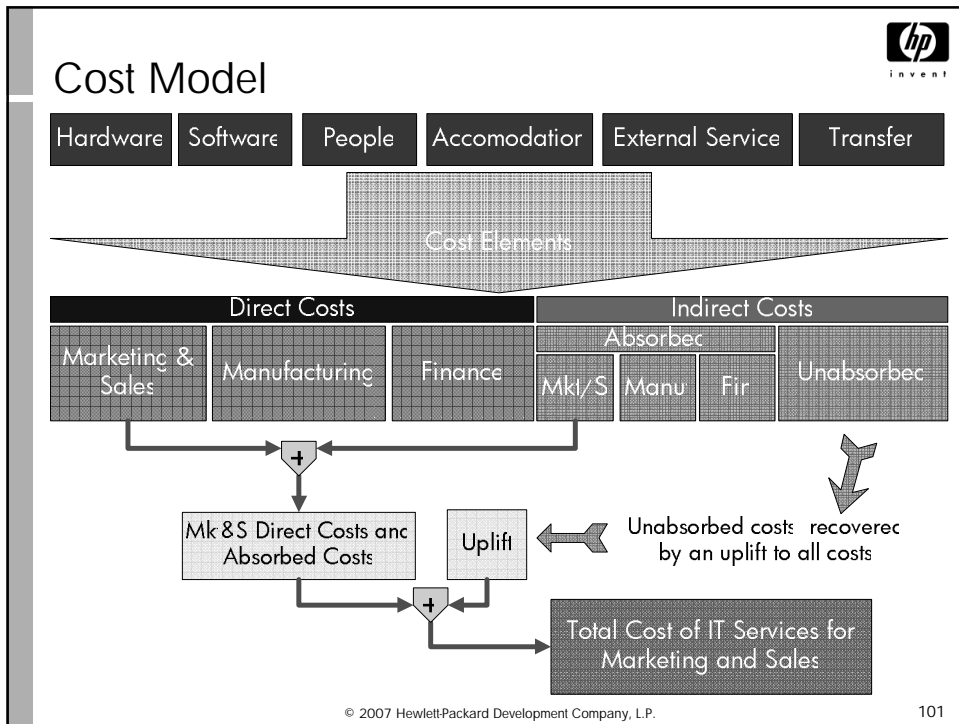
Cost Types & Elements



Major type	Cost Elements
Hardware	Servers, storage, workstations, laptops, PDAs, printers, networks
Software	Operating systems, applications software, utilities
People	Recruitment, employment costs, benefits, cars, relocation costs, expenses, training
Accommodation	Offices, power, lighting, water, storage, secure areas
Transfer	Internal charges from other cost centres within the organization
External Services	Security services, IT Service Continuity services, outsourcing services

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Investment Appraisal

Evaluation of the financial benefits of alternative IT solutions

- Return on Investment (ROI)
- Return on Capital Employed (ROCE)
- Total Cost of Ownership (TCO)

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Benefits to IT

- IT is able to justify its budget effectively as it is aligned to business priorities.
- Budgeting and accounting allows IT to track under or over utilization of services and resources, and to take the appropriate action
- Charging enables IT to recover costs equitably
- Money is available to meet all planned demands
- More professional and businesslike
- Charging can allow:
 - Better awareness of costs
 - Improved utilization of resources
 - Moderation of demands



Benefits to the Business

- Accurate IT budgeting enables the business units to plan more effectively
- Financial information enables the business to evaluate the contribution of specific IT services to their objectives
- Sufficient funds are secured and released to ensure that services are maintained at the appropriate level to meet business objectives
- Charging allows the business to assess and control the cost of IT services in real terms
- Organization is in sound control of its finances



Financial Benefits

- Accurate financial information allows the business to analyze proposed investments, increasing total return on IT investment
- Total Cost of Ownership information is more accurate, allowing better forecasting
- Greater awareness of the costs of providing IT services will encourage more efficient use of existing resources before new investments are made
- Opportunity costs are easier to quantify
- Like for like costs are easier to compare

IT Service Continuity

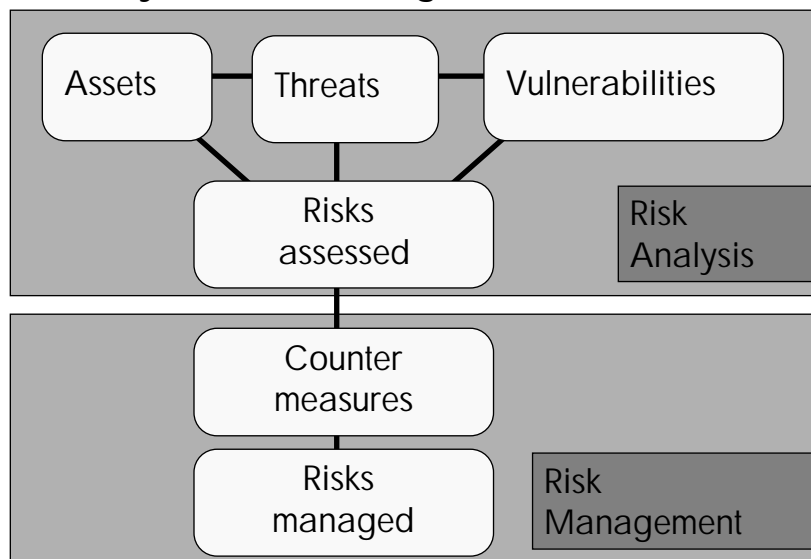


Objectives

- Ensuring business survival by reducing the impact of a disaster or major failure
- Reducing the vulnerability and risk to the business by effective risk analysis and risk management
- Preventing the loss of Customer and User confidence
- Producing IT recovery plans that are integrated with and fully support the organization's Business Continuity Plan



Risk Analysis and Management





The Continuity Plan

- IT services that support critical business processes
- Identifying and minimizing impact
- Agree the minimum level of business operation following a service disruption
- Does not directly cover longer-term risks
- Does not cover minor disruptions and faults
- A working document detailing the processes and procedures
- Under strict change management procedures
- Detailing individual and team responsibilities
- Off-site storage essential



Business and IT Responsibilities

Business Continuity

- Business Processes
- Facilities
- Business Staff
- Strategy for Business Continuity

IT Continuity

- IT Services
- Systems
- Technical Staff
- Strategy for IT Continuity



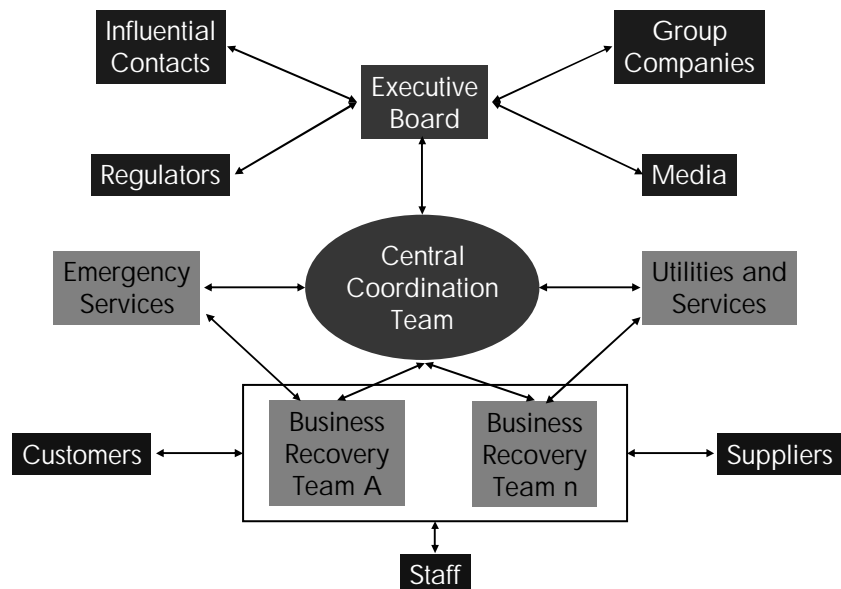
Business Impact Analysis

Purpose:

- Identify key IT services
- Determine the effect of unavailability
- Investigate the time before the effects are felt
- Assess minimum recovery requirements
- Document with the business
- Impact scenarios



Typical Organization Structure





Standby Arrangement

Options

- Do nothing
- Manual workarounds
- Reciprocal arrangements
- Fortress Approach
- Insurance
- Immediate recovery – hot standby (<24 hrs)
- Intermediate recovery – warm standby (24-72 hrs)
- Gradual recovery – cold standby (>72 hrs)
- Dormant contracts



Benefits to IT

- IT can manage the risk more effectively by managing high business impact items in the infrastructure
- Easier and quicker to recover key IT systems, resulting in less effort and cost when failures do occur
 - An understanding of the impact following loss of service
- IT is able to respond to pre-identified business priorities, preventing panic responses to failures
 - The ability to recover from a disaster in a controlled manner



Benefits to the Business

- The ability to recover from a disaster in a controlled manner
- Reduction of lost time, providing greater continuity of service
- Minimal interruption to the organization's business
- Business Continuity Management is more effective when IT Service Continuity is integrated into the overall business priorities
- The Business as a whole gains more credibility due to its ability to protect its interests and those of its customers and shareholders
- Organizations can use ITSCM to increase competitive advantage, since the ability to demonstrate continuity planning will be more likely to win Customer confidence and business. There may also be legal, obligatory or moral reasons

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Financial Benefits

- Effective risk identification and management could result in lower insurance premiums
- The cost of preventing or recovering from a disaster is far lower than responding to the disaster in an unplanned way
- ITSCM enables organizations to comply with legislation that requires them to have recovery facilities, thus avoiding heavy fines and legal fees
- Reduction of lost time, providing greater continuity of service
- Minimal interruption to the organization's business
- Appropriate continuity expenditure

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In Conclusion

What Did We Learn?



- ITIL will change your IT organization into a strategic, business-oriented delivery operation for IT services, as opposed to simply a tactical provider of technology
- It will help your IT operation run more like a business. ITSM is an industry standard that applies best practices to people, processes and technology across boundaries
- Keep costs in check – By operating with optimal efficiency and existing resources
- Deliver the highest possible quality of service to internal and external customers – By catching problems before they happen and maximizing the performance, availability and capabilities of IT services
- Adapt to change quickly and smoothly – By taking advantage of unprecedented flexibility and agility
- Make the most of opportunities – By freeing up human and system resources to pursue new initiatives or business prospects or deal with competitive threats

Would you



Walk across this plank.....

To get to this pot of Gold

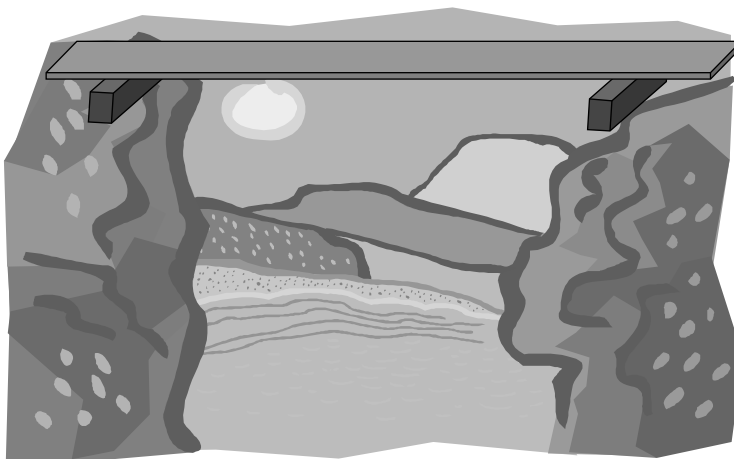


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Would you now ?

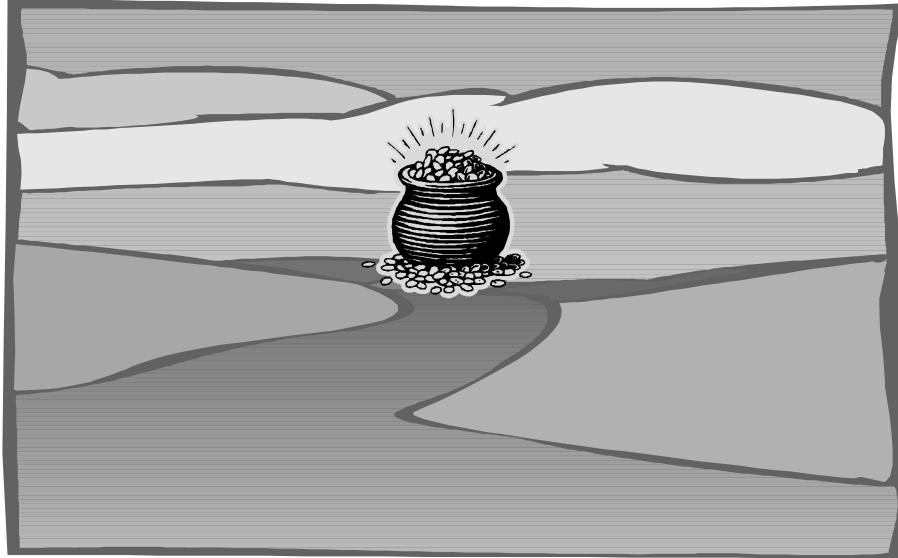


Why ? –
The task is
still the same!

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ITIL gives you the path



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But it's much easier to see the distractions



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AND Finally...

That's all very well,
but like all theories it won't work for
US !
BECAUSE
We're different!
Haven't got the same problems as everyone else!
We're too big / small!
It won't work in our market environment!
We don't work like that!
That's OK in a Commercial environment!
That's OK in a Public Sector environment!
ETC.

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That's What They Thought Too !



- Alcatel
- Alfa Bank
- AT&T
- Atmos Energy
- Avaya
- Banque de France
- Barclays Capital
- Bell Canada
- Best Buy
- Boeing
- Continental Teves
- DaimlerChrysler
- Digica
- EDS
- Europay
- E-Plus
- Fiat
- Infocamere
- Kindercare
- Lego
- Logical
- Lufthansa
- Mapfre
- Merck
- Nestle
- Oslo Stock Exchange
- Pirelli
- Porsche
- PT Prime
- Roche
- Siemens
- Snap-On
- Sony
- Swiss Post
- UK Post Office
- Verio
- Vodafone

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ITIL Results

Proven Results:

(IDC study of companies who implemented ITIL solutions)

- >50% decrease in system & network downtime
- >30% improvement in IT staff productivity
- >25% improvement in bringing new services online

