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# The Change Management Makeover and how the Standard Change Model Galvanized Success

Implementing ITIL Change Management Best Practices in a Global Organization V6

Paul Fibkins  
February 17, 2011



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## Agenda

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### 1. Change Management Makeover – The ITIL Journey

#### *Taking the Next Step - Standard Change Models*

2. Proposal/Rationale
3. Approach
4. Governance
5. Process/Procedural definition
6. Communication
7. Results
8. Keys to success
9. Things to avoid

## The Makeover and the ITIL Journey - Goals, Objectives, and Scope

### Goals

- Improve results: enhance service quality and performance through streamlined service offerings and strategic business alignment
- Integrate global, standardized change management organization for optimal control and increased efficiency
- Leverage ITIL (v3) methodologies to instill industry-leading best practices and standards

### Objectives

- Demonstrate success and improvement
- Develop and implement global standard process and procedures
- Enhance and simplify the change management tool – enable the process
- Orchestrate international awareness initiative to facilitate global roll-out

### Scope

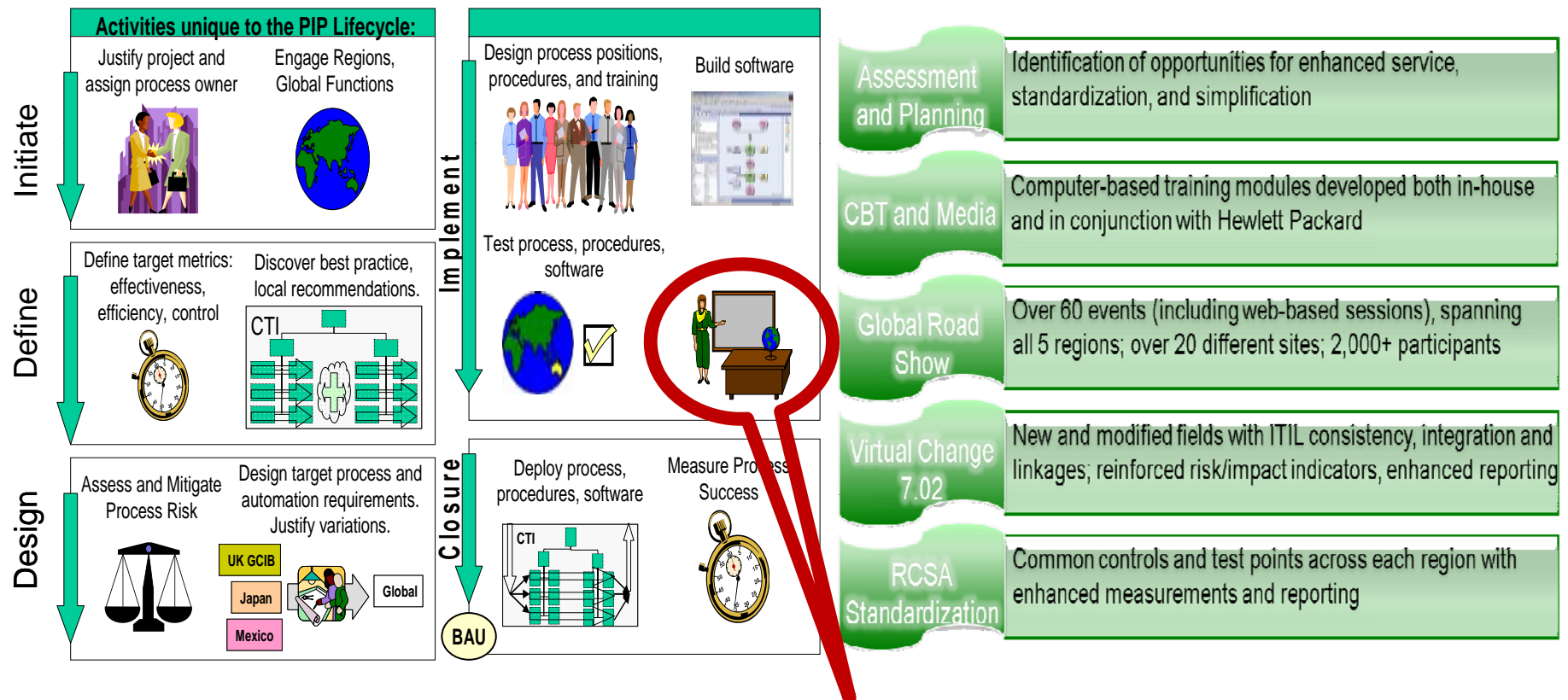
- Manages changes for 50,000 user
- Control 400,000 requests for change (RFCs) annually spanning all regions and every site/location
- Manage CSI effort as a project



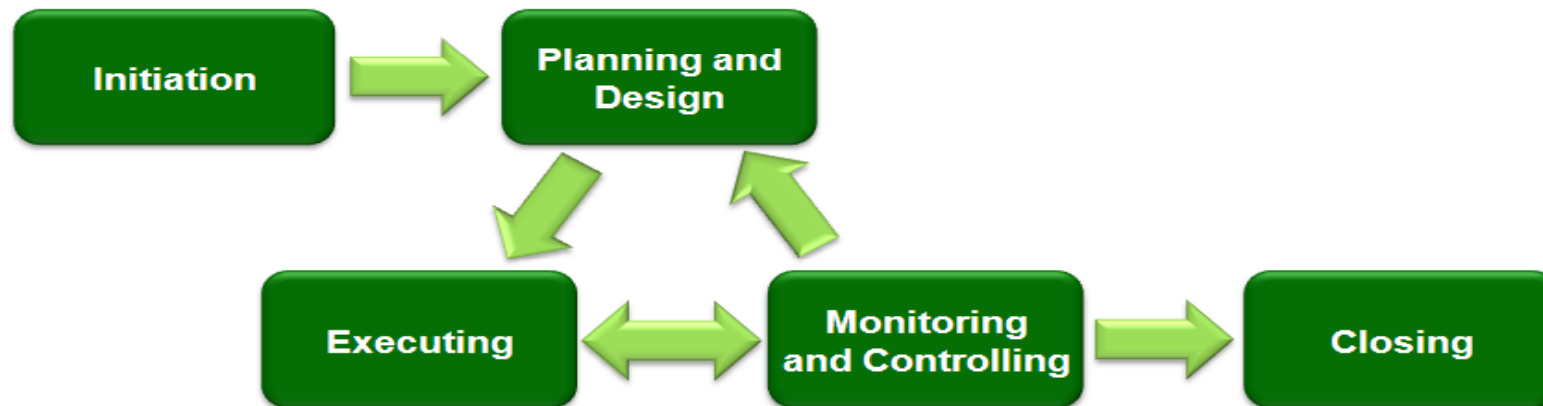
# The Makeover and the ITIL Journey - Project Management Discipline

## ITIL Project Lifecycle and Methodology

## Communication, Tools and Control



## The Makeover and the ITIL Journey - Project Phases



**Initiation** → Regional gaps and inconsistencies identified with notable opportunities for service improvement

**Planning/Design** → Current and target state workshops scheduled and planned for project implementation

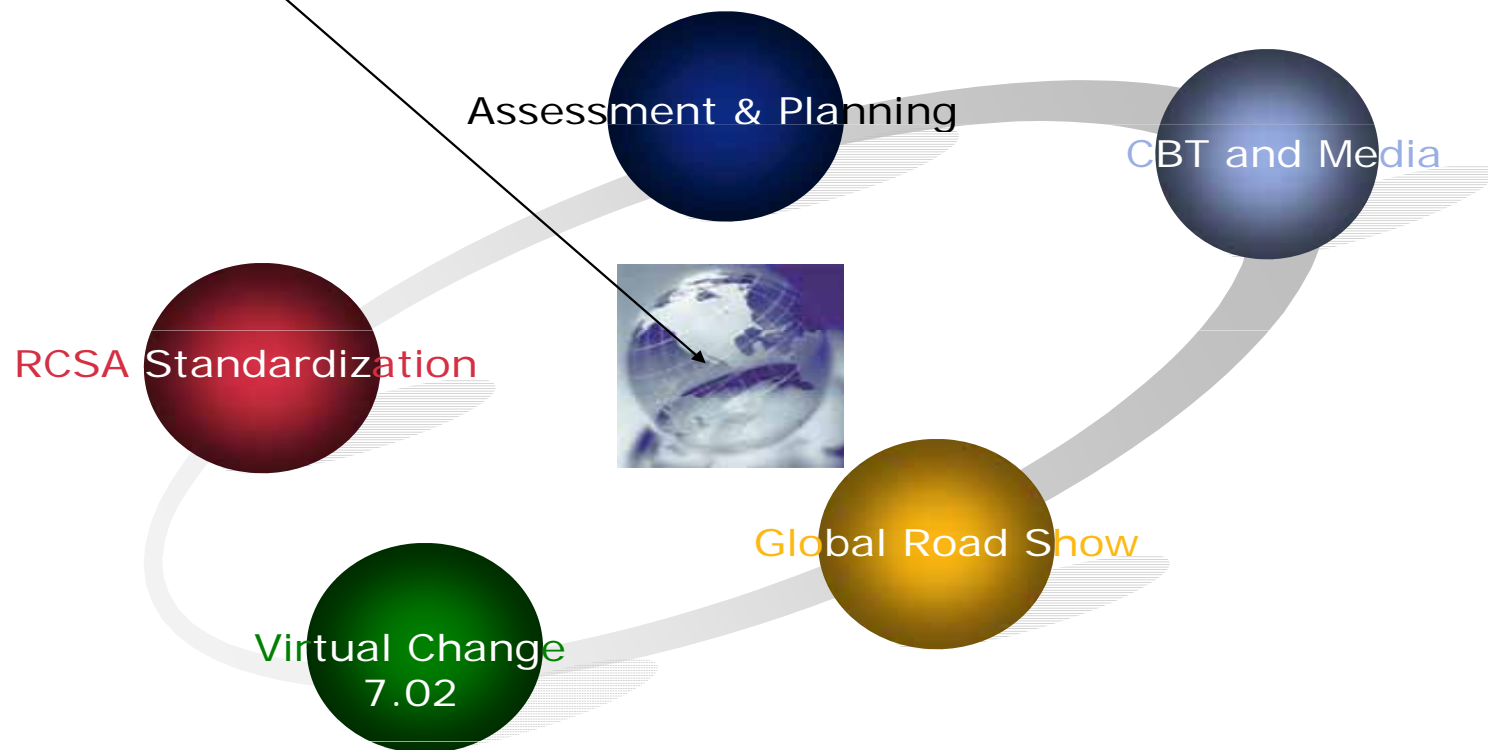
**Executing** → Multiple initiatives result, including Global CITM procedure, Virtual Change release 7.02, and Global Road Show

**Monitoring/Controlling** → Increased change availability and solicited feedback. Early Life Support and control reinforcement.

**Closing** → Stabilization attained and project success. Standardized operational support and pursued additional service improvement initiatives.

## The Makeover and the ITIL Journey - Implementation Project Summary

***Global Service Enhancement,  
Process Improvement, and Business Alignment***



## The Makeover and the ITIL Journey - Project Value and Success

### Cost-Benefit Analysis

- Cost: \$100 M
  - Includes computer-based training, all printed documentation and flyers, prizes/giveaways, technological costs, and associated travel
- Return - financial
  - \$10 MM dollar savings through incident reductions in 2009
  - \$4 MM dollar savings in 2010
- Return - qualitative
  - Sev 1's caused by change dropped 60%
  - Up to 45% reduction in process execution time
  - Up to 80% reduction in metric compilation and reporting
  - VOE up15%

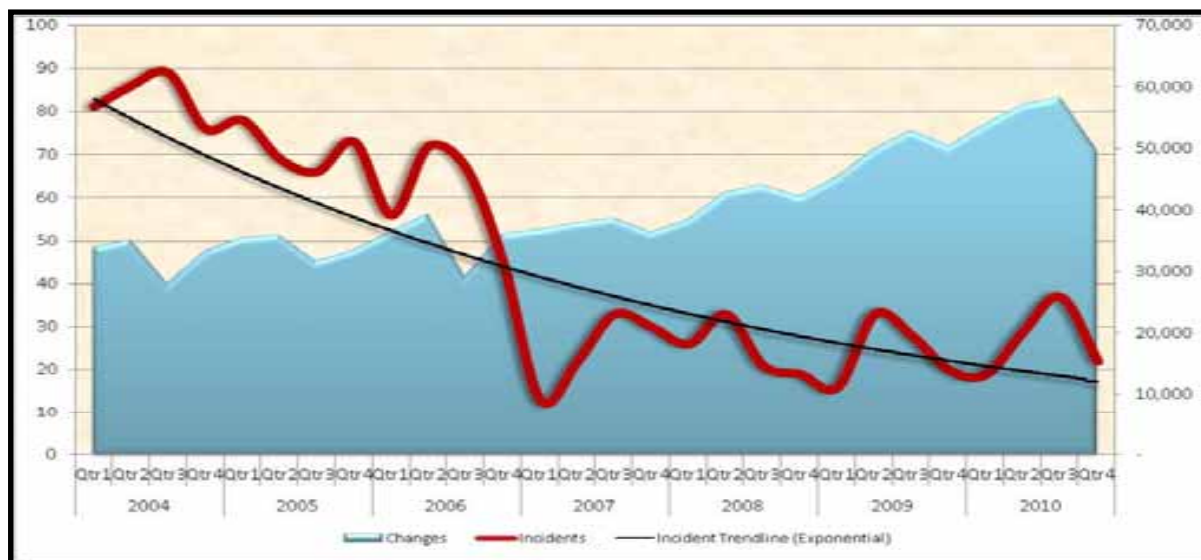
### Key Successes

- 5 sigma service quality amidst ever-increasing change volumes
- 100 process improvements from Post-Implementations Reviews (PIRs)
- 100% successful audits (No findings) through reinforced controls



## The Makeover and the ITIL Journey - Service Quality

- Adoption of ITIL best practices improved overall service quality even as change volumes continued to rise
  - Service impacts are down 68% while change volume is up 70%
  - The outage trend continues downward while change volume continues to increase
  - ITIL best practices contribute to the success of the company





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## The Makeover and the ITIL Journey - What's Next?

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- Metrics reflected the positive impact of ITIL on the CM process; however, feedback indicated customers felt there were opportunities to improve the efficiency of the process
  - ‘The process takes too long; we want to spend more time developing code and less time raising changes’
  - ‘Can we optimize application/service time to market?’
  - ‘How about Implementing a ‘fast track’ process for repeatable low risk, low impact changes?’
  - ‘Is it possible to achieve efficient management of standard changes’
- The spigot was turned on, voices were heard and, building on the success of the ITIL implementation, began a new global initiative to look at ways to improve the efficiency of the global process

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## Taking the Next Step - Standard Change Models - *Proposal/Rationale*

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### *Proposal*

- Drive a Change Management standard that targets business-sensitive optimization and improved efficiencies while maintaining a stable operating environment.
  - Define a global standard for classification of change types, approvals required and automation of workflows, where feasible.
  - Implement Standard Change Model (SCM)

### *Rationale*

- A global, standard change management framework optimizes and streamlines processes, increases efficiency and delivery time to market and instill a stable operations environment
- Definitive Gartner recommendation – Application Development and Operations Production Control change workflow should maximize the use of Standard Change Models
  - Industry guidance suggests 80% of Normal changes can be processed more efficiently as Standard changes reducing processing time and cost

## Taking the Next Step - Standard Change Models – Approach

- Building on prior ITIL rollout, assembled a virtual global work stream representing all technology groups and business sectors and regions galvanized to support Application Development productivity improvement goals
- Developed the Standard Change Model definition and criteria
- Identified low risk, low impact, repeatable changes that meet the criteria
- Implemented a role based, risk driven change process designed to:
  - Replace “one size fits all” change categorization
  - Reduce information required for raising changes and associated time spent with review and approval
  - Reduce administrative costs and overhead through pre-approval, replacing on-demand approval
  - Improve time-to-market and business response agility
  - Retain/improve risk and control sensitivity while providing process improvement

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## Taking the Next Step - Standard Change Models - Governance

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- Implemented work stream governance process to ensure global standardization
- Work stream empowered the SCM project team to develop the overall process, define tool requirements to support it and create procedural documentation
- Licensing process documented to ensure pre-approval from all stakeholders
- Regional and Global CAB groups review all licenses and approve for implementation.

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## Taking the Next Step - Standard Change Models - *Process/Procedural Definition*

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- Project team met in person for a one week offsite to develop the overall process
  - Used process definition to develop the business requirements for the supporting tool functionality
- Process designed to maintain controls and increase productivity and included:
  - Definition and criteria
  - Process flows
  - Licensing and pre-authorization process
  - Entitlements and authorization process flow
  - Simplified RFC processing
  - Notification
  - Cost model to identify productivity savings
  - Metrics and reporting

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## Taking the Next Step - Standard Change Models - *Communication*

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- Project team members were our SCM Champions and used various methods to get the word out:
  - Email communication
  - Targeted focus group meetings
  - Collaboration tools, such as SharePoint and Virtual meetings
  - Standard presentations outlining the process
  - Posters/handouts designed to provide high level overviews and to catch the eye



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## Taking the Next Step - Standard Change Models - Results

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- Implemented IT industry leading best practice change paradigm: the Standard Change
- Governance enabled via a licensing method
  - activated 150 SCM Licenses
- Executed 2,000 highly efficient - error free RFCs
- Realized \$200 M in productivity saves (productivity savings for a Standard change vs. a Normal change)
- Testimonials:
  - *“The groups have been very happy with the reduced lead time and overall efficiency of the process .”*
  - *“All parties involved (including the groups performing deployments) have viewed SCMs as very much a positive step forward.”*
  - *“Using the SCM process significantly reduces turnaround time, reduces email volumes to senior management requesting approvals and allows for a more efficient risk and impact assessment to be performed on these types of activities. Not only does this reduce the cost of a change, but it also gives time back to the requester to focus on BAU/Projects.”*

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## Taking the Next Step - Standard Change Models - *Keys to Success*

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- Build on a base with confidence
- Gain Senior Management support and buy-in from all groups
- Set realistic due dates; don't rush the process
- Solicit Compliance review and support of the process; assure change requestor groups that the process meets corporate standards
- Do not over-engineer the process; keep it simple
- Focus on communication; market the process and corresponding procedures; keep areas aware of progress and success
- Solicit feedback to constantly review and improve the process
- Produce metrics to measure results
  - *“If you are not keeping score, it's only practice” – person unknown*

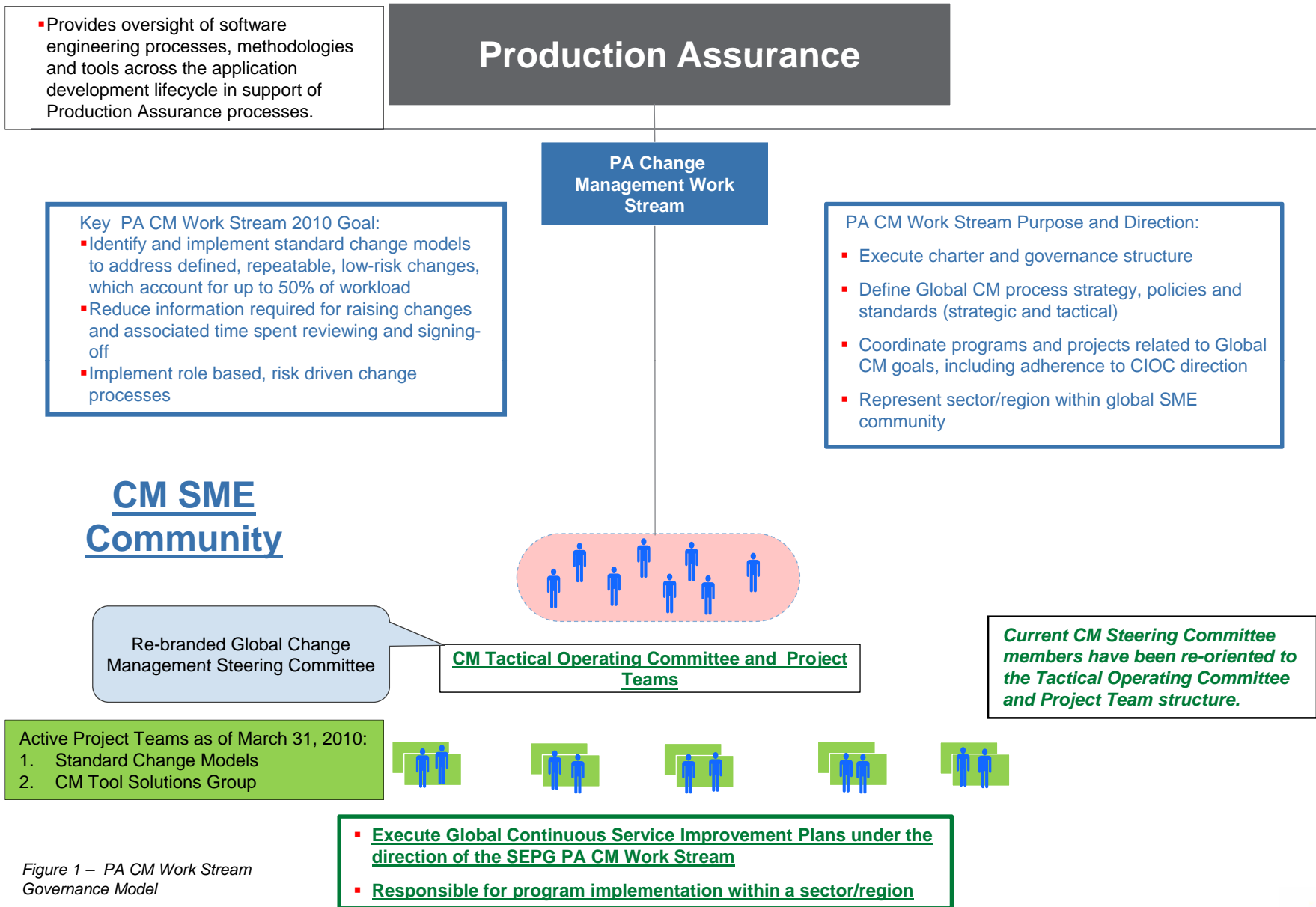


Figure 1 – PA CM Work Stream Governance Model

## Standard Change Model – Summary Definition

### **Standard Change Summary Definition**

A Standard Change is a change to services and infrastructure that follows an established path, is relatively common, and is the accepted solution to a specific requirement or set of requirements.

Examples might include application parameter changes, table changes, scheduled repetitive changes, an upgrade of a PC in order to make use of specific software, new starters within an organization, and PC, software and network connections for temporary or seasonal changes to requirements.

The crucial elements of a Standard Change are that:

1. The tasks are well-known, repeatable, proven and are documented with triggers (i.e.; a rate change where the trigger is a communication from the business stating a change is needed).
2. Change Advisory Board (CAB) approval of the change type is effectively given in advance (pre-authorized).
3. On a periodic basis (i.e.; quarterly, semi-annually) a CAB governance board certifies and licenses the continued use of the Standard Change. Any outages resulting from a Standard Change will trigger an immediate suspension and review by the CAB.
4. The change type is not a project and does not require project approval, prioritization or funding through a formal business/IT prioritization and/or Project Management process. Please note: Changes that meet the Standard Change criteria that result from project deliverables are allowed until the project is closed.
5. The change type has a well established and well-understood risk and impact and has passed the risk assessment criteria for a Standard Change (i.e.; including but not limited to: established, tested and documented back out plan; pre and post-implementation testing is possible; version control and a release repository is in place; stand-alone change with no downstream impact; historically a low risk/low impact change).
6. It is always recorded with an RFC.
7. The change is automated or can be automated (may be a manual change now but automation is desirable).
8. The Change Success Rate (CSR) metric is verifiable. Standard Changes have a high success rate and no outages caused by change. Any outages resulting from a Standard Change will trigger an immediate suspension and review by the CAB.

## Standard Change Model – Qualification Criteria

### **Standard Change Qualification Criteria**

To qualify as a Standard Change, the following pre-defined attributes must be proven and can be applied:

1. Dependencies are known.
2. Stability is in place. No known existing problems exist (as confirmed by Problem Management). Suspension triggered by an Incident remains in place until all outstanding problems are resolved.
3. Post-implementation validation is possible on every change.
4. Tested prior to Standard Change Model acceptance.
5. Deployed during an approved implementation window as agreed to by the business.
6. Peer review approval carried out (auditable quality and technical authorization of the change as part of the pre-approval process).
7. Standard implementation process is documented and regularly reviewed by the team / department accountable for the standard change.
8. User impact is known (notification of change channel in place to communicate to end users prior to release into production)
9. Pre-approved by all stakeholders.

Once the approach has been established and documented, a Standard Change process should be developed and promulgated to ensure that such changes are efficiently processed to support the organization's business needs.

Standard Changes are authorized by the Change Advisory Board (CAB) or licenses renewed periodically based on quality and efficiency metrics.

## Production Assurance Change Management Work Stream – Mission Statement

The mission of the SEPG PA Change Management Work Stream is to develop and maintain a standardized, integrated, stable, end-to-end Change Management process and framework. As part of this process, the SEPG PA CM Work Stream is responsible for ensuring that our process standards:

- Meet corporate objectives as set forth by the CIO Council
- Meet regulatory expectations for risk management
- Are internally consistent and in alignment across IT disciplines

### PA CM Charter

Implement processes designed to standardize and simplify attainment of common CM goals across regions and sectors in support of CIO Council Technology Governance objectives. These strategic and tactical objectives may be directed from the regulators, from the Chief IT Risk Officer in response to an evolving control issue, the SEPG PA CM Work Stream in response to an alignment issue with the current Change Management process or from the CIO Council in response to an organizational objective.

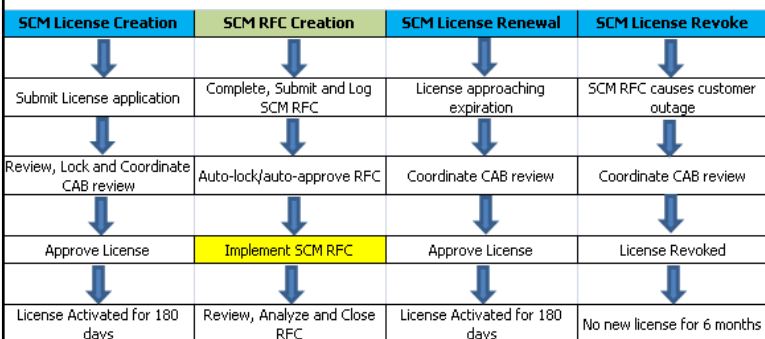


### PA CM Members & Responsibilities

SEPG PA CM Work Stream members are empowered to make decisions on behalf of their sector, region or function. They manage the review calendar of upcoming standards, coordinate and track ongoing activities of the Tactical Operating Committee, track and manage the list of ongoing initiatives. The team also operationally coordinates updates to the physical standards documents and their publication, and reviews the wording of the CM IT Policy Standard for consistency and completeness before submission to the CIOC.

### High-Level SCM Process

Major activities related to the SCM Process:



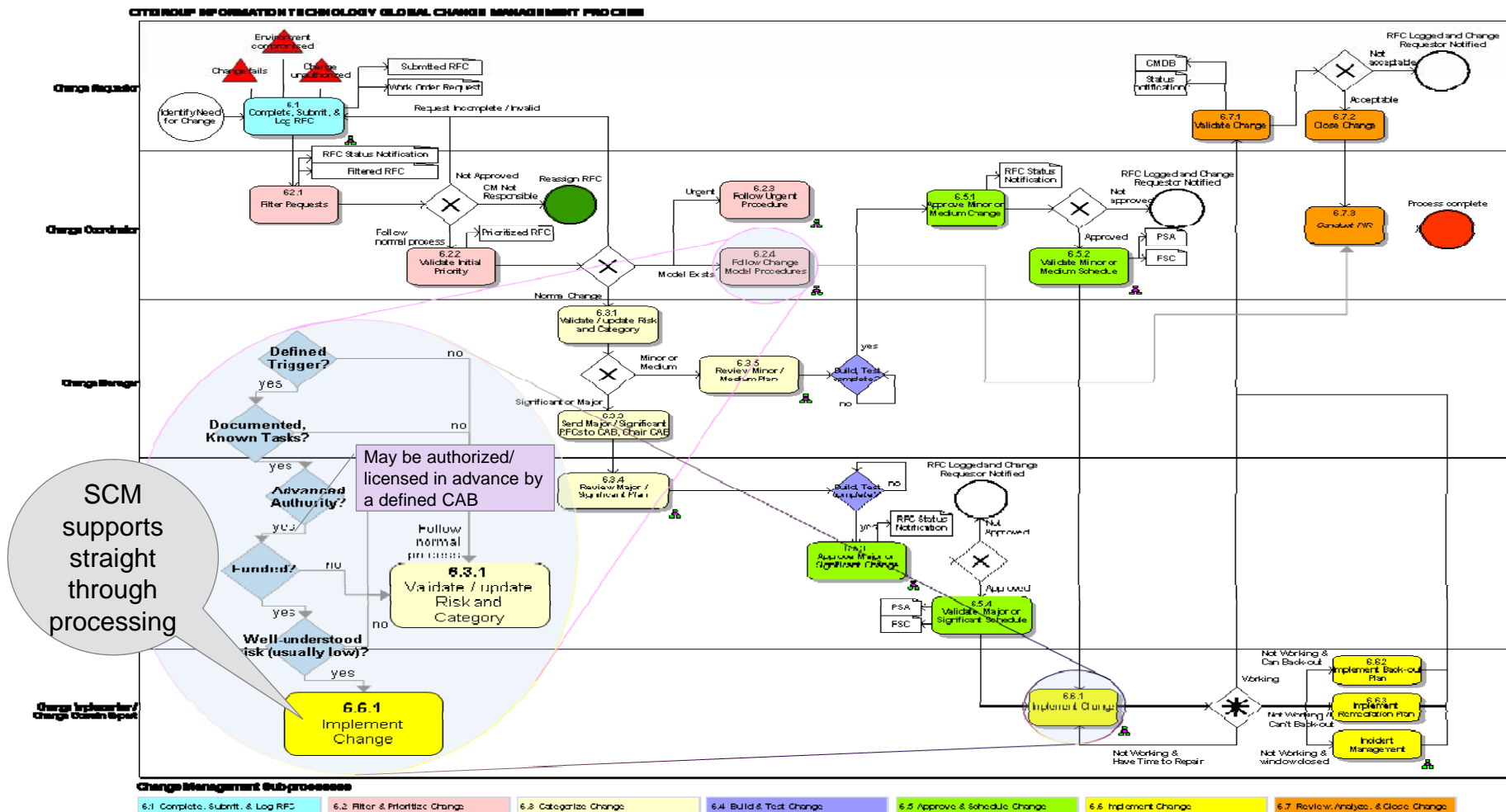
### PA CM Accomplishments

Assembled Work Stream team; established Charter and Governance process  
Standardized the RFC record closure policy  
Developed plans for Standard Change Model (SCM) rollout; identified Phase 1 pilot candidates  
Established 2010 Work Stream goals  
Completed SCM Phase 1 Business Requirements and SCM Pilot project plan  
Completed SCM Phase 1 pilot; initiated Phase 2 activities

### Next Steps and Timeline

SCM Phase 2 rollout activities (business requirements for new and enhanced VC/Infoman SCM functionality; license rollout to 200 applications/change types; updated process & procedure documentation; training module availability; Lunch & Learn activities) – July 1 – October 30, 2010  
Rollout RFC Lifecycle globally; monitor results – September 9, 2010  
Review and update Global Change Management Policy to ensure consistency, Audit and Regulatory transparency and retention of risk policies and controls – September 30, 2010  
Implement additional VC/Infoman enhancements and complete Phase 2 pilot activities – November 1 – December 31, 2010  
Implement the Follow the Sun change management support model – December 31, 2010  
Rollout Standard Change processing globally – January 1, 2011

# Overall Change Process Flow with SCM



# Standard Change Model Overview

## SCM Definition

A Standard Change is a change to services and infrastructure that follows an established path, is relatively common, and is the accepted solution to a specific requirement or set of requirements.

The crucial elements of a standard change are:

The tasks are well known, repeatable, proven and are documented with triggers.

Change Advisory Board (CAB) approval of the change is given in advance (pre-authorized).

On a periodic basis, a CAB governance board certifies the continued use of the Standard Change.

The change type is not a project and does not require project approval, prioritization of funding through a formal business/IT prioritization and/or Project Management process.

The change type has a well-established and well-understood risk and impact and has passed the risk assessment criteria for a standard change.

It is always recorded with an RFC

The change is automated or can be automated.

The Change Success Rate (CSR) metric is verifiable. Standard Changes have a high success rate and no outages caused by change. Any outages resulting from a Standard Change will trigger an immediate suspension and review by the CAB.

## SCM Qualification Criteria

To qualify as a Standard Change, the following pre-defined attributes must be proven and can be applied:

Dependencies are known

Stability is in place. No known problems exist (as confirmed by Problem Management).

Post-implementation validation is possible on every change.

Tested prior to SCM acceptance.

Deployed during an approved implementation window.

Peer review approval carried out.

Standard implementation process is documented and regularly reviewed by the team/dept accountable for the standard change.

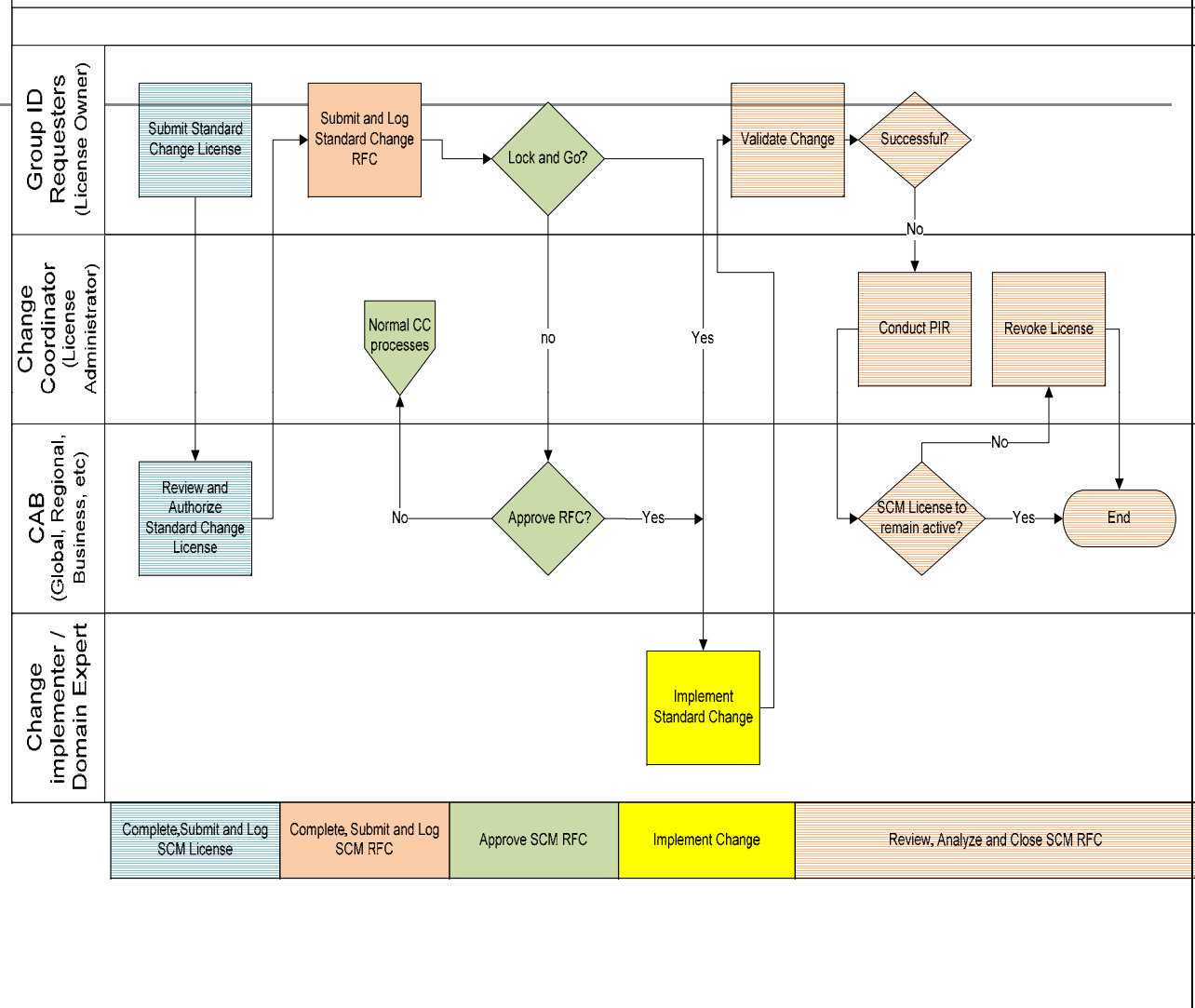
User impact is known (change notification channel in place).

Pre-approved by all stakeholders

## SCM Priority/Category

Change Priority is 3; Change Category is Standard.

## Standard Change Model (SCM) Process Flow





# TIME FOR CHANGE



**ARE YOU** tired and frustrated  
chasing approvers on simple, low  
risk frequent changes?



**DO YOU** want to raise your  
Virtual Change on potentially  
deploy the same day?



**DO YOU** want to reduce  
the time it takes to raise  
a Virtual Change?

**Interested? Here's how to get an SCM Licence?**

Standard Change Model (SCM) is a NEW type of record in Virtual Change **available now** for streamlining the change process for repeatable low risk/impact changes

**What's in it for YOU?**



**The STANDARD CHANGE MODEL is for YOU!**

**IS MY CHANGE SCM READY?**

- ✓ Low risk/impact, Stable, Well known, Repeatable, well established and well-understood risk and impact
- ✓ High success rate (CSR - Change Success Rate) historically
- ✓ Post-implementation validation on every change

**SOME SCM EXAMPLES**

SCM candidates - OK

- ✓ Weekly Database Maintenance
- ✓ Space Storage: Add Data files
- ✓ Rackin Miswarehouse

SCM candidates – NOT OK

- X High risk & dependencies affecting multiple servers
- X Project Management process
- X Project requires funding



Detailed SCM criteria available via your Change Co-ordinator (See above)

**Apply for your SCM licences NOW!**

Need More Info?

Citi Internal

Contact: Paul Fibkins -  
Kathy O'Connor –

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Thank You ....  
Questions?



## ITSM Academy Affiliates

