

Reboot IT Service Management

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May 18, 2012

FORRESTER®

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Welcome!

The Bad News



**Back into a
budgetary
deepfreeze . . .**

. . . Priceless!

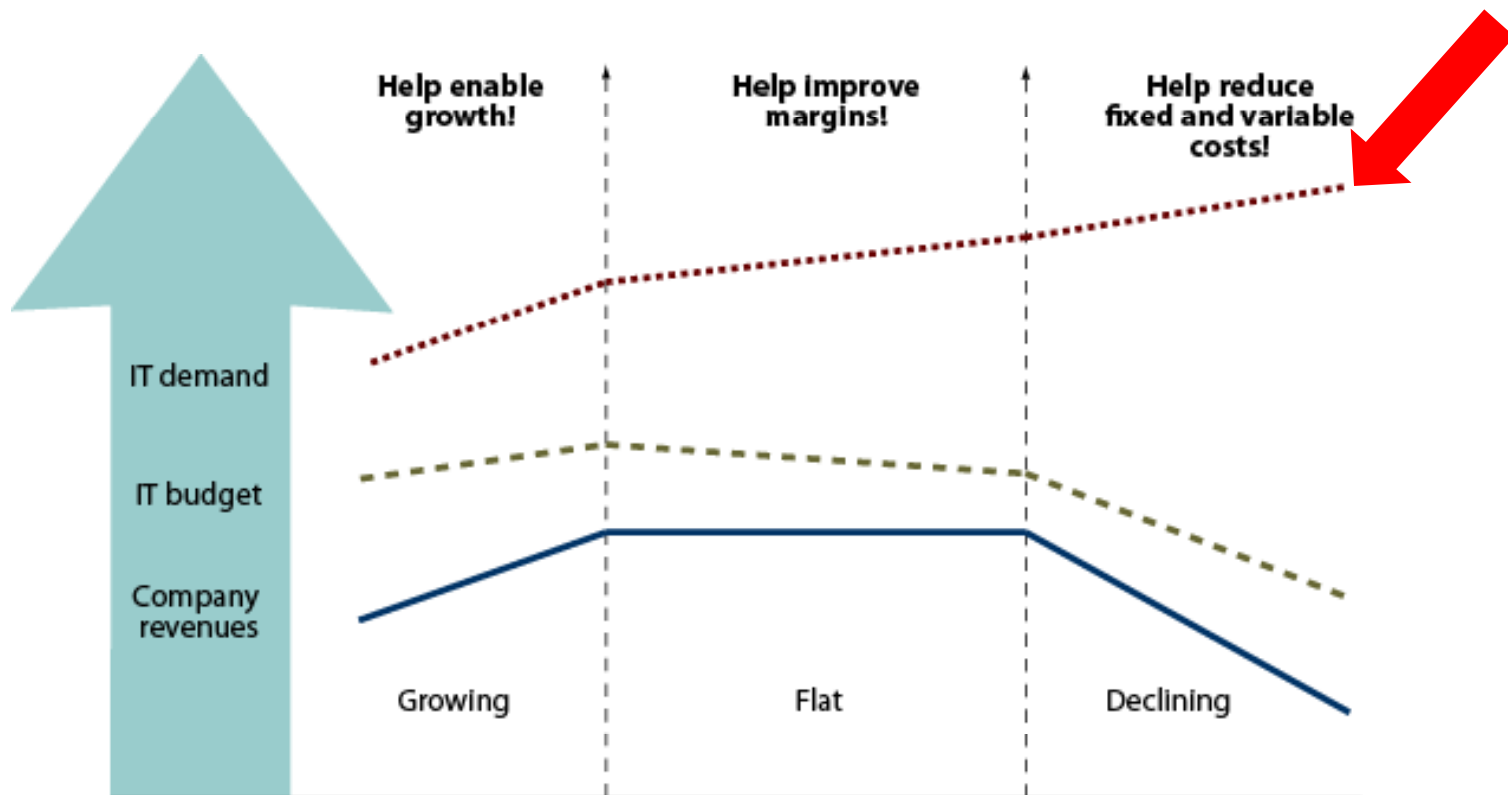
Global business and government purchases of IT goods and services (*Forrester Forecast)

	2010	2011*	2012*
Infrastructure	11.6%	10.7%	5.5%
Telecom	6.4%	5.7%	3.0%
Software	6.6%	9.8%	5.4%
IT consulting	7.7%	11.0%	6.0%
IT outsourcing	6.7%	10.6%	6.7%
Total IT purchases	7.8%	9.7%	5.4%



The Good News

Business Demands IT Help Even When Revenues Fall



June 2006, Best Practices “How IT Must Shape And Manage Demand”

Three Sets Of Forces Shaping Business Demand

Radically more complex business environment

Empowered, tech-savvy employees

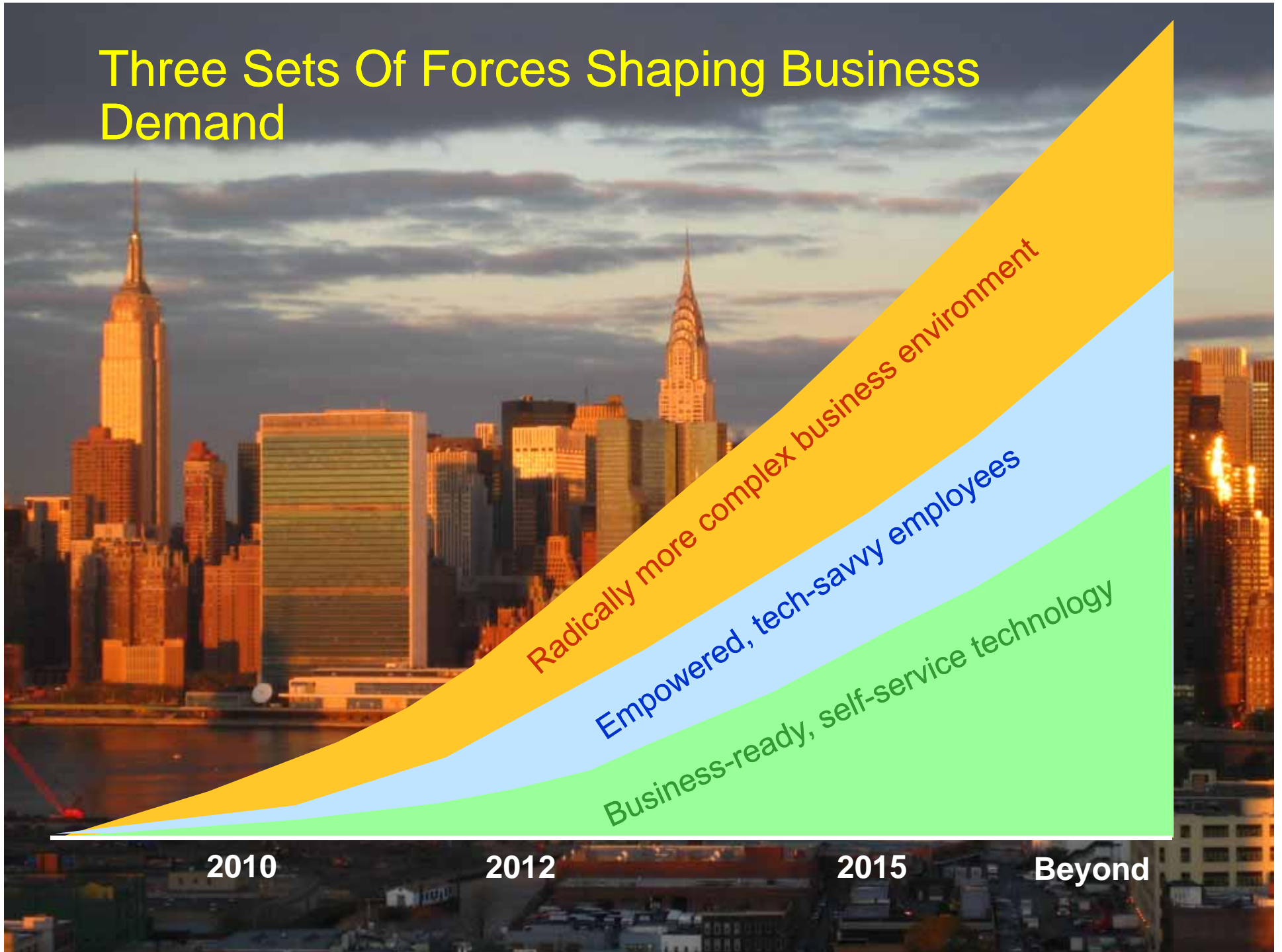
Business-ready, self-service technology

2010

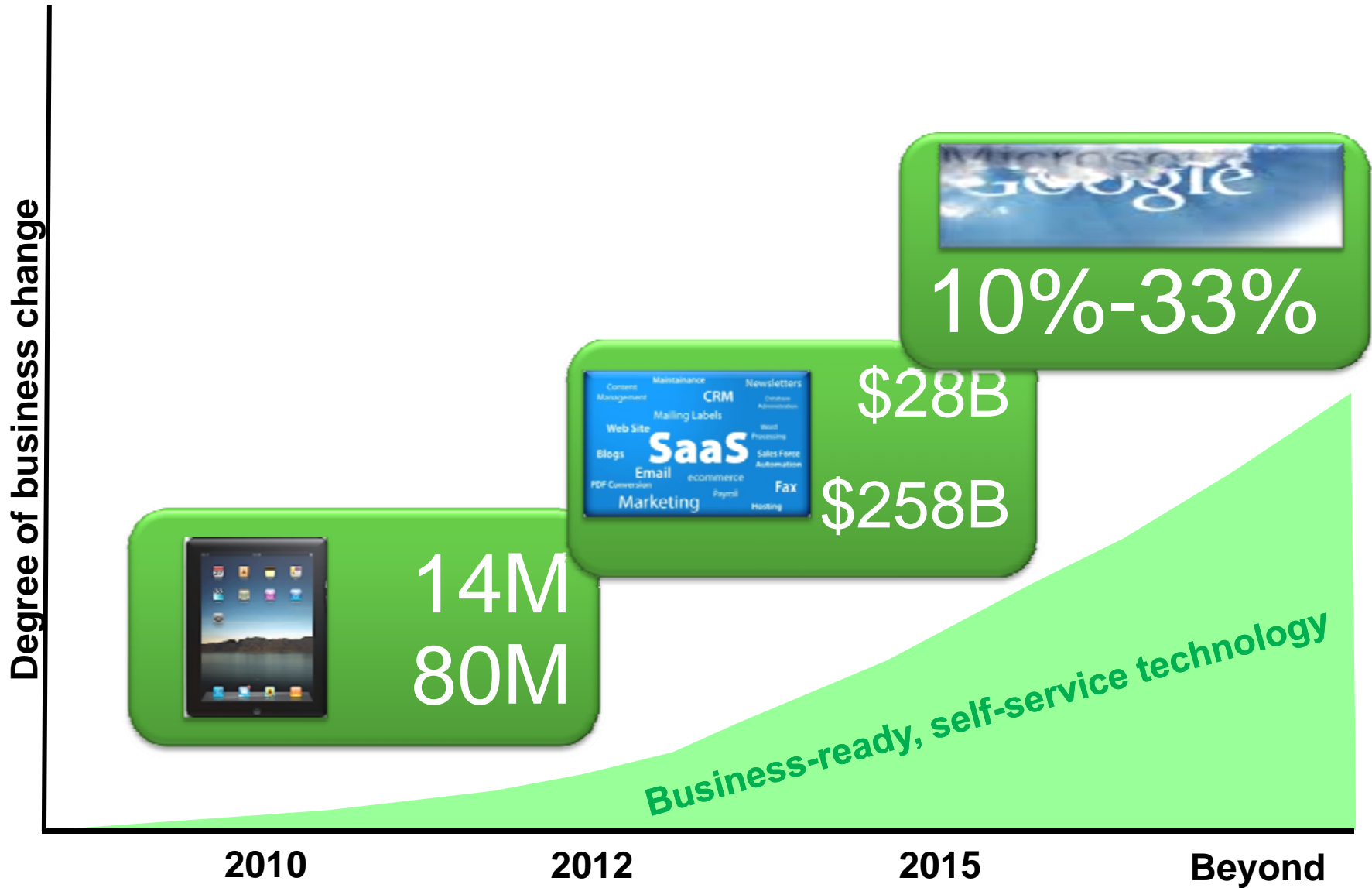
2012

2015

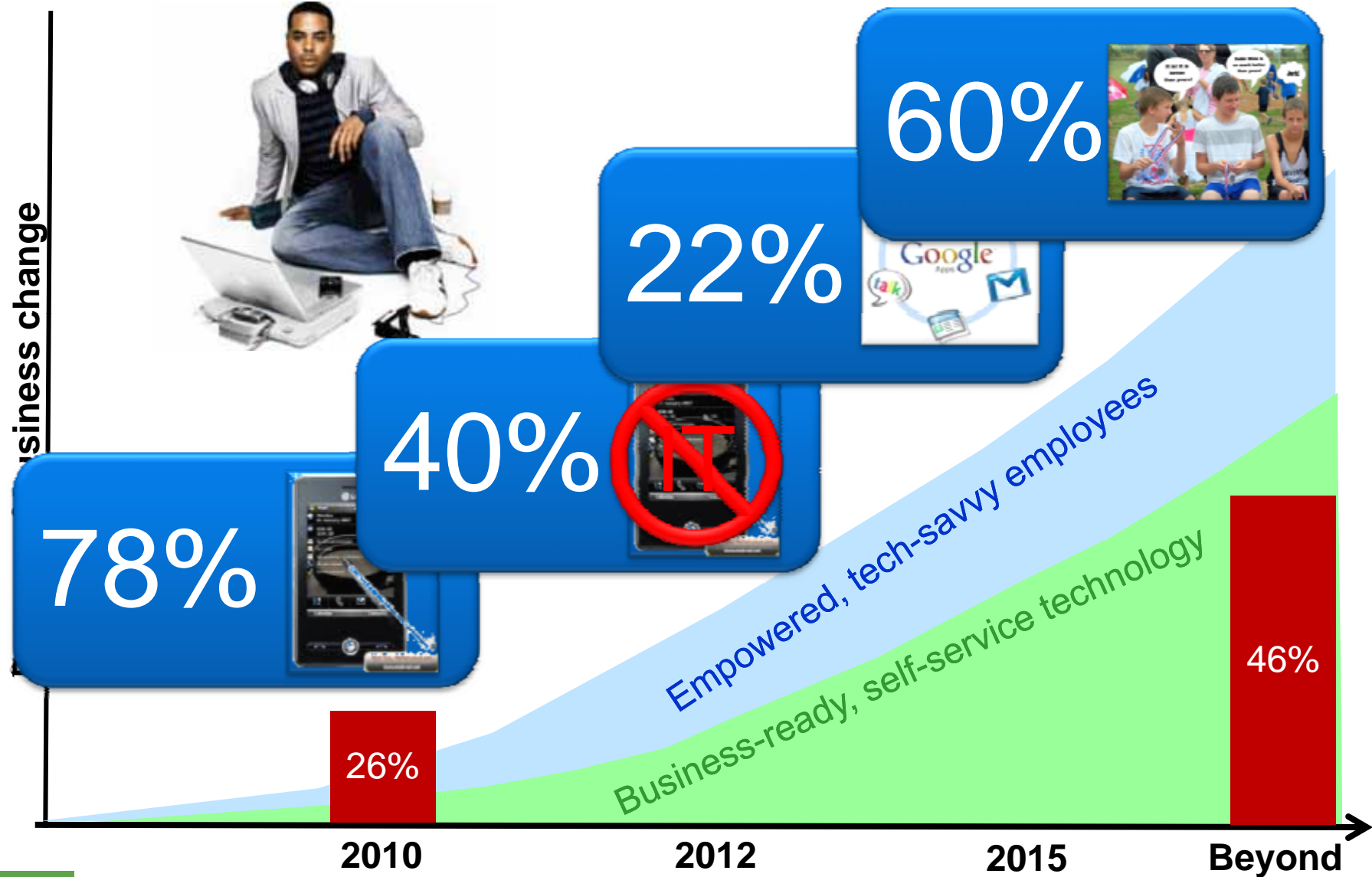
Beyond



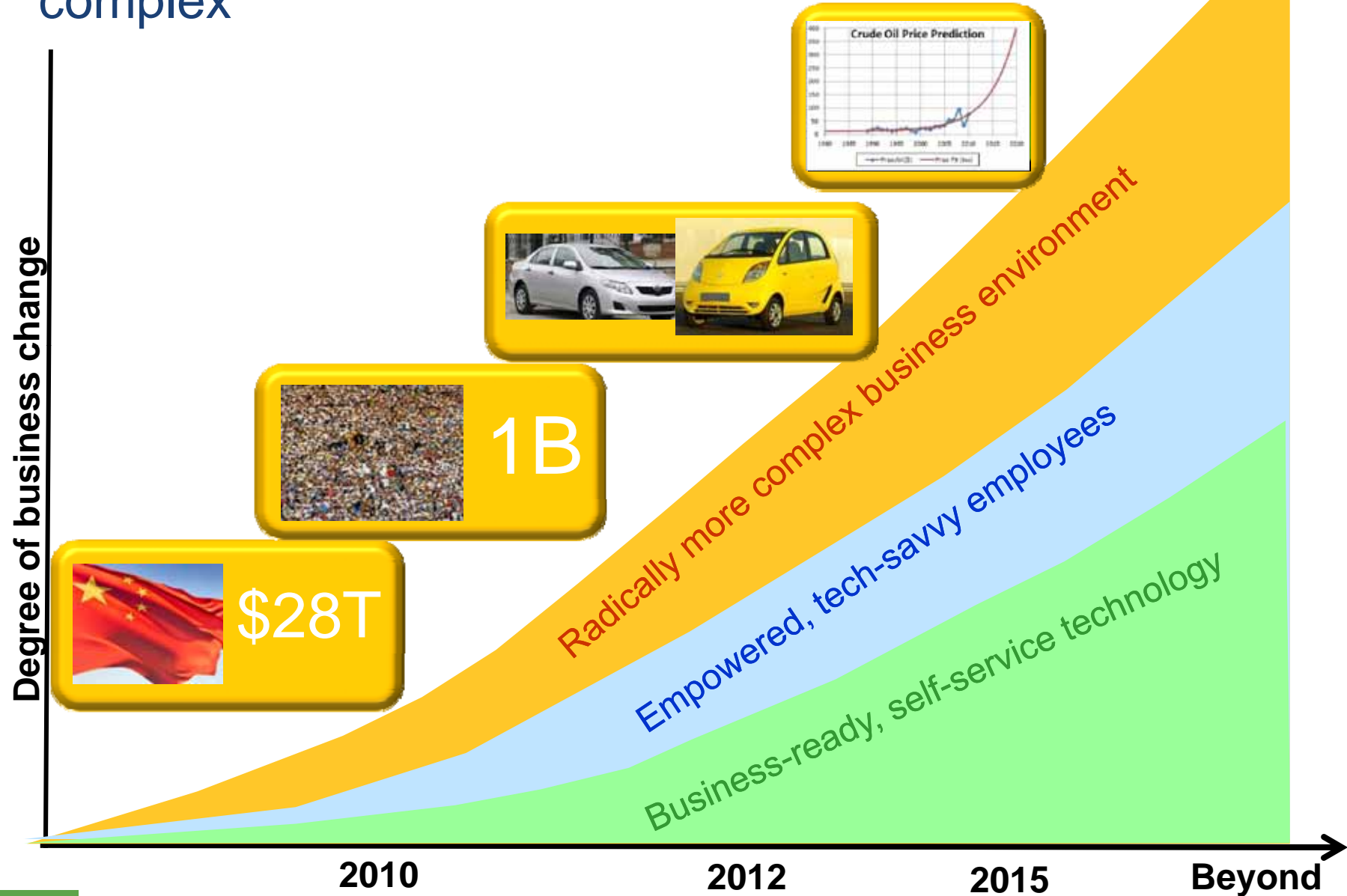
Business-ready, self-service technologies are on the rise



And a self-sufficient, tech-savvy workforce is rising with it



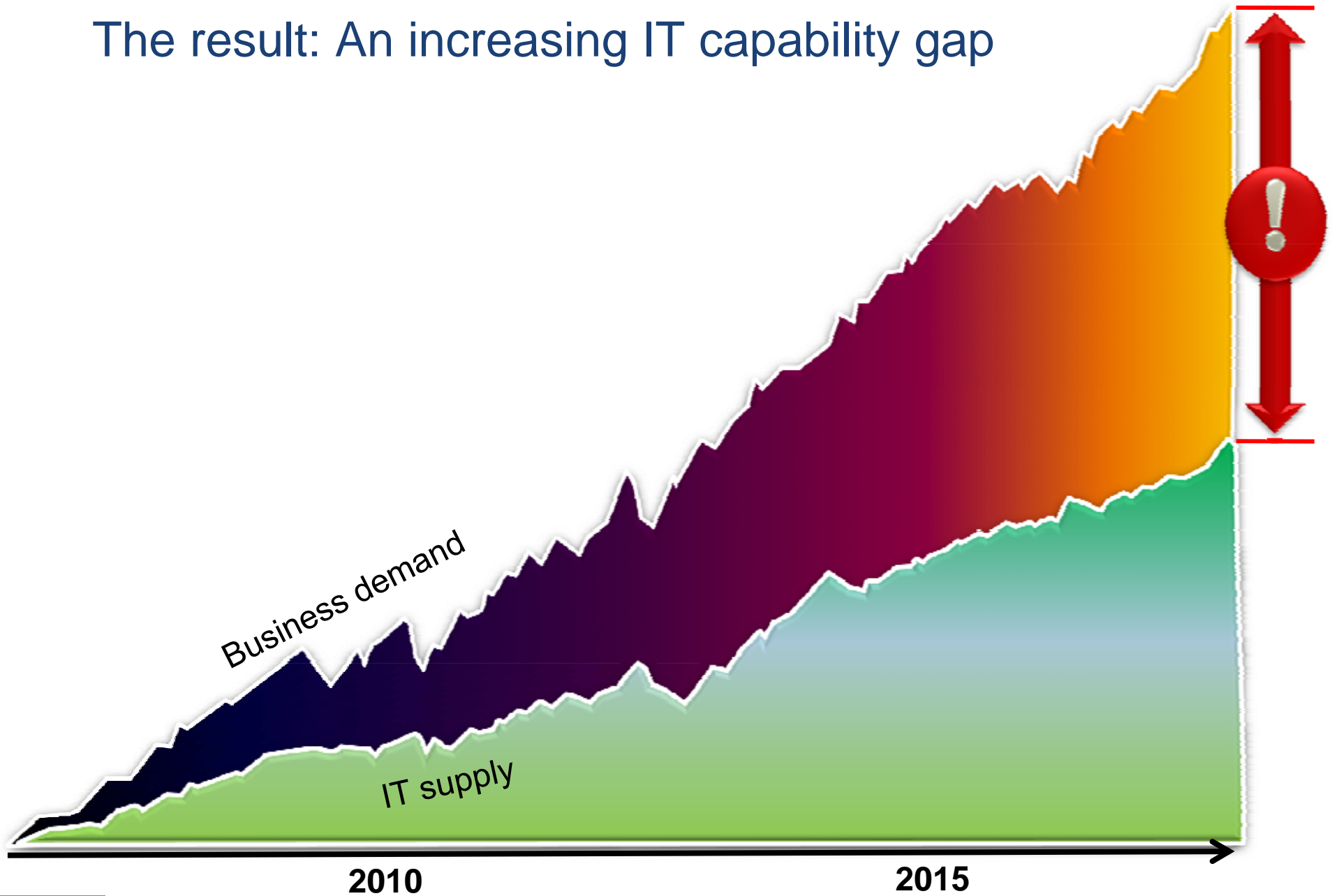
The business environment will be radically more complex





The Challenges

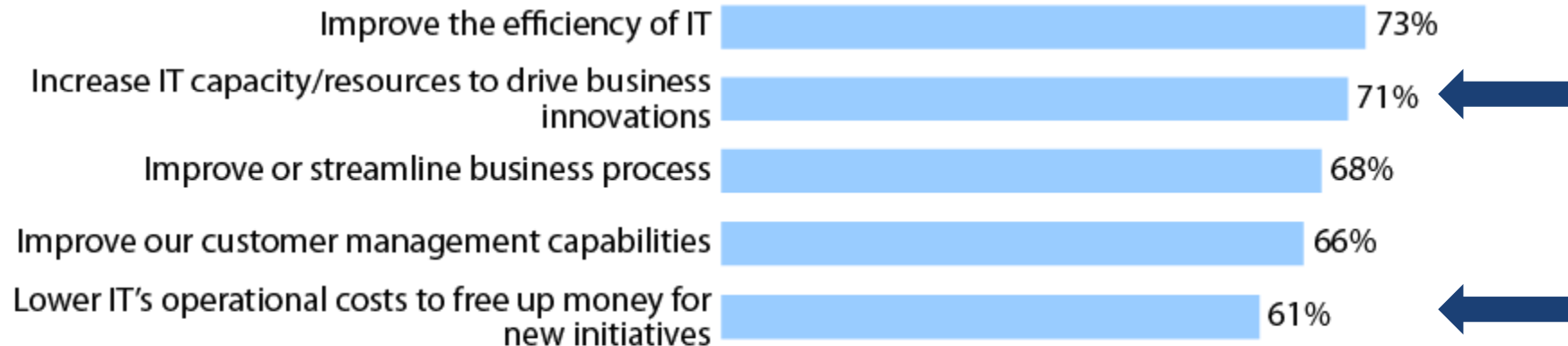
The result: An increasing IT capability gap



2012 Top Five IT Management Priorities

7-1 Top five IT management priorities — Total*

“Which of the following initiatives are likely to be your IT organization’s top IT management priorities over the next 12 months?”



Base: 2,741 IT decision-makers

*Percent of respondents indicating this was a high or critical priority

The MOOSE



M = Maintaining and

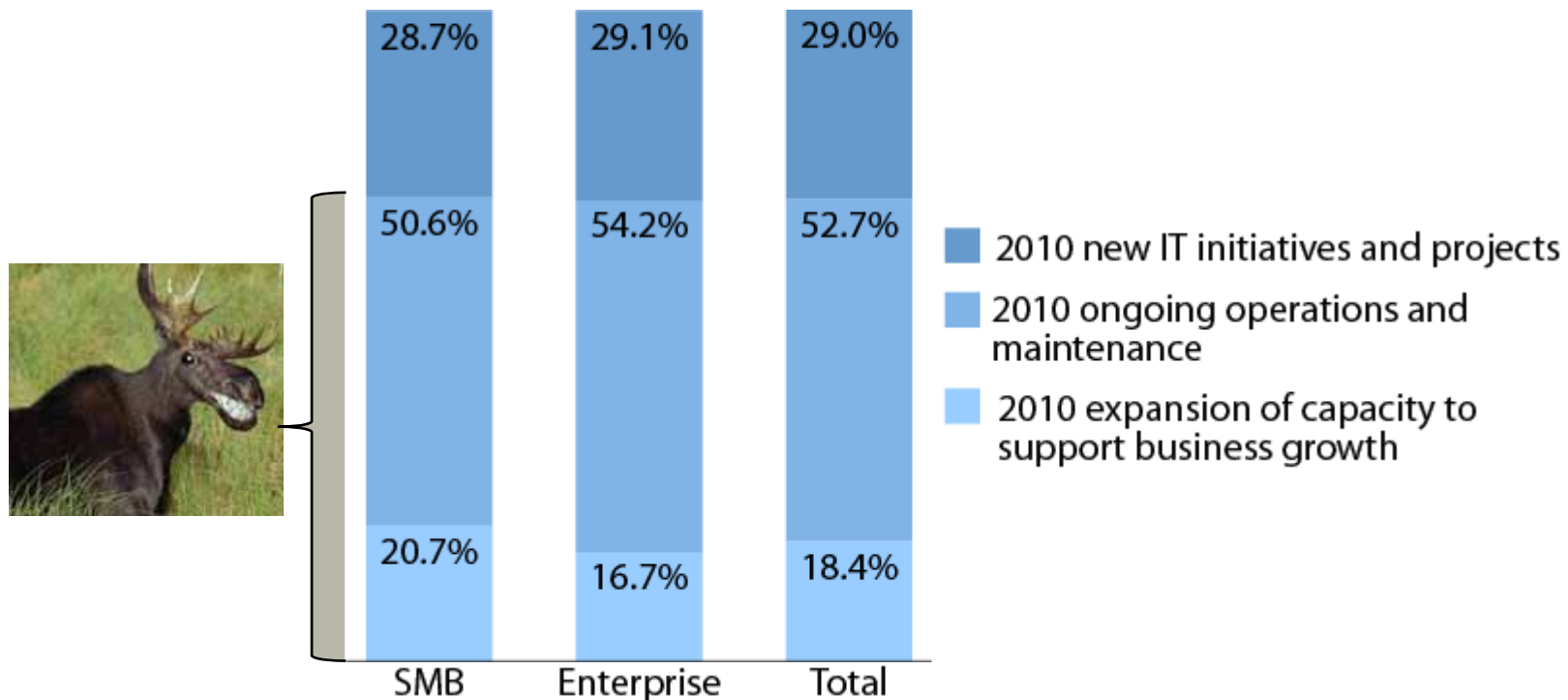
O = Ongoing

O = Operations

S = Systems and

E = Equipment

2011 IT budgets and the MOOSE



Base: 1,032 IT decision-makers

Source: Forrsights Budgets And Priorities Tracker Survey, Q2 2010

October 7, 2010 "2011 IT Budget Planning Guide For CIOs" Forrester report

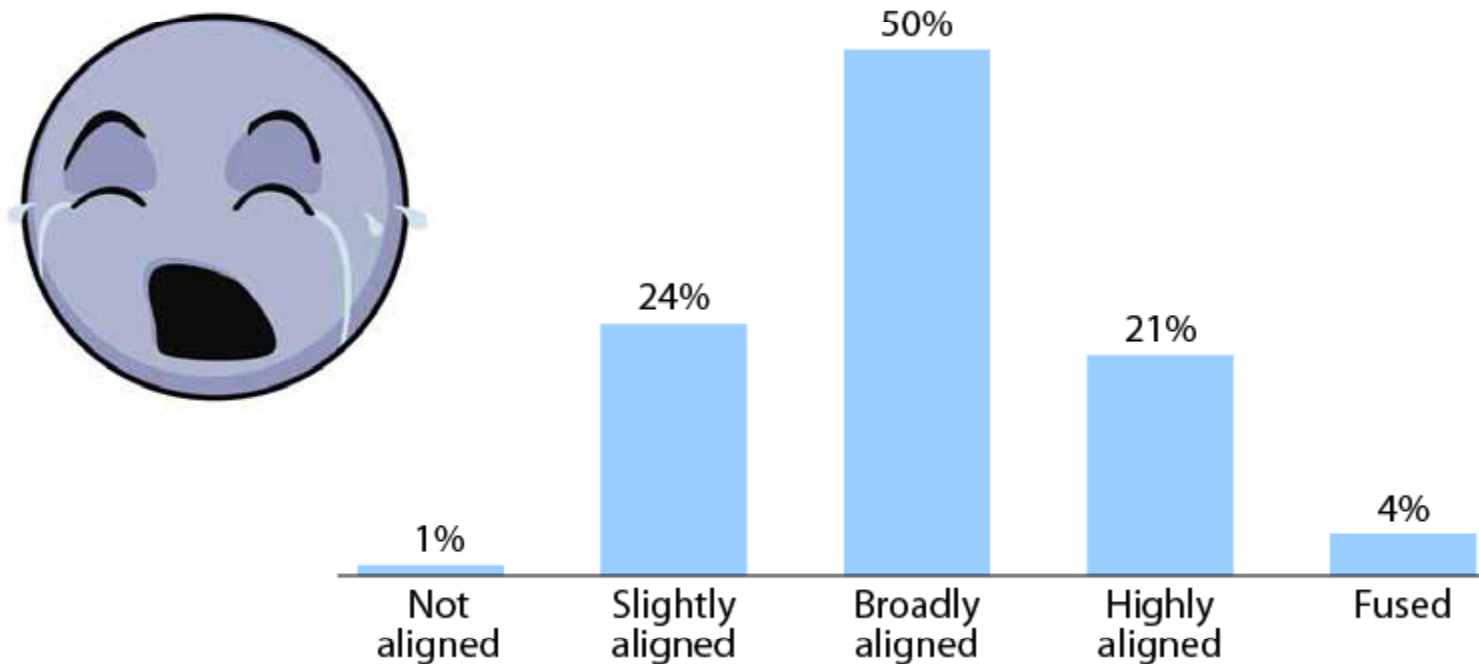
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IT Reputation ?



Only A Minority Perceive IT As Tightly Aligned With The Business

“In describing the relationship between IT and the rest of the business, would you describe it as:”



Base: 140 EA and IT strategy decision-makers

Source: July 2010 Global Sourcing And Strategy Online Survey

December 2010 **“Beyond Alignment: BT Strategic Planning”**

We could ...



Reboot IT Service Management

Efficiency

=

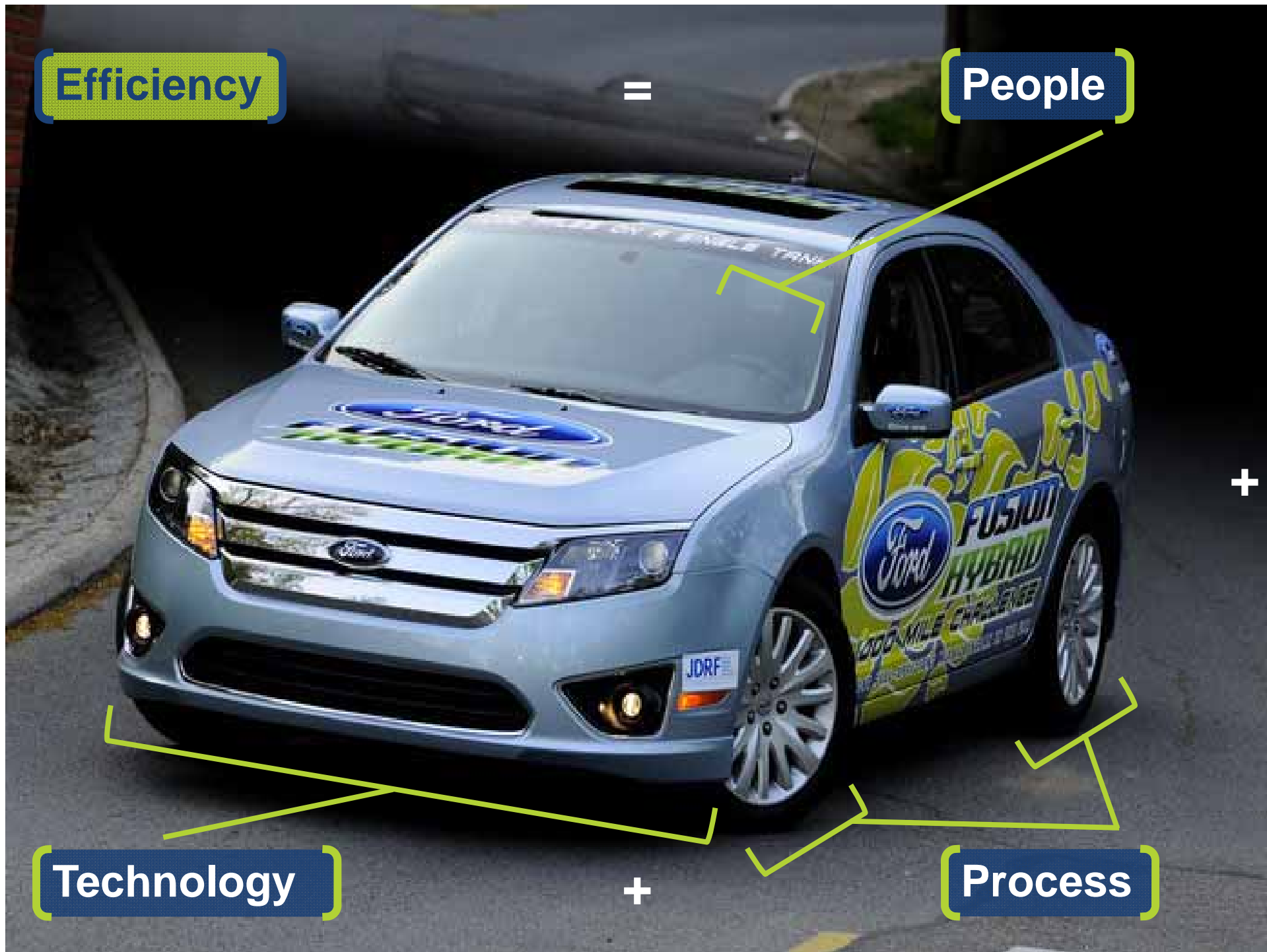
People

+

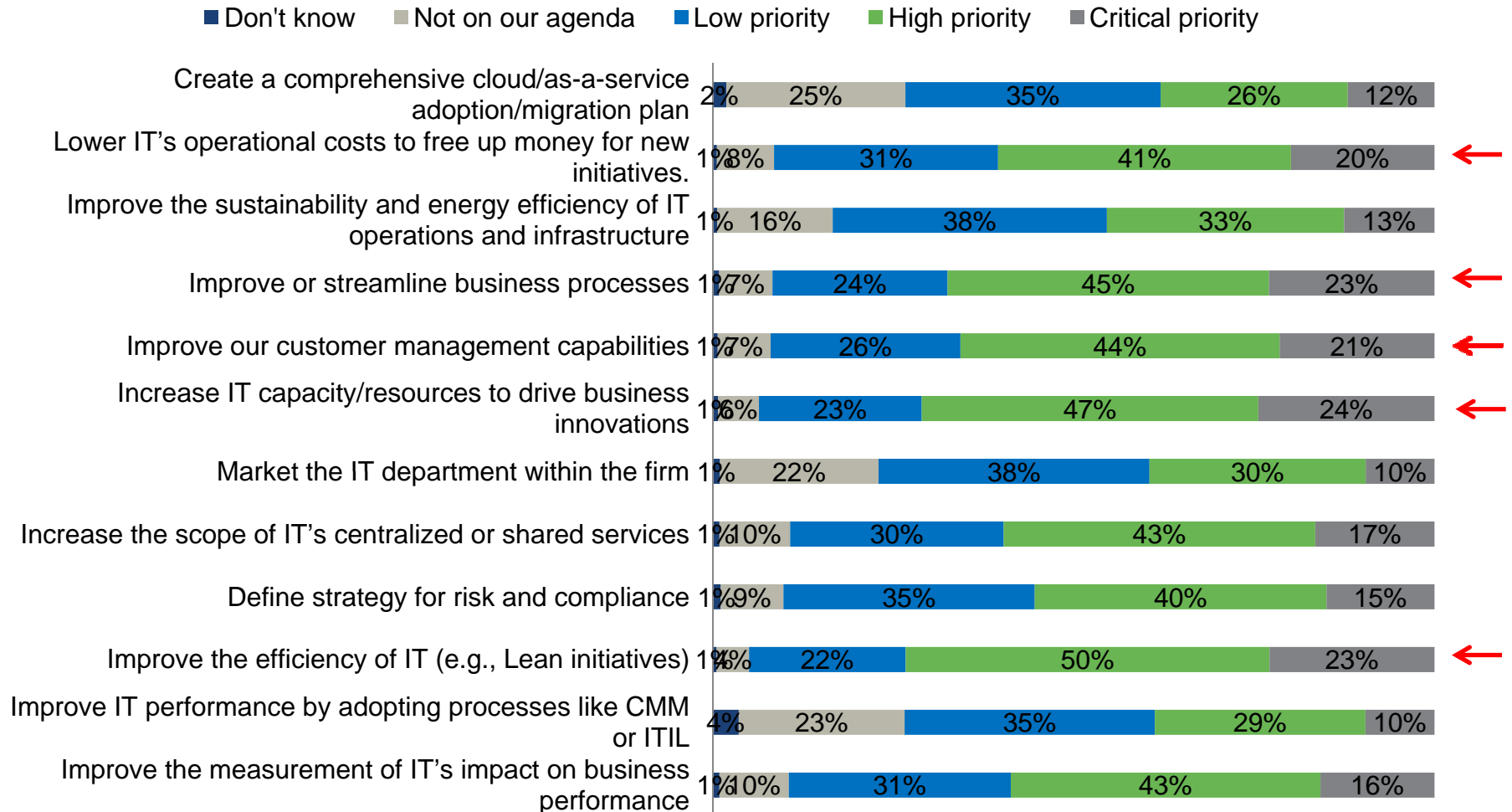
Technology

+

Process



Which of the following initiatives are likely to be your IT organization's top IT management priorities over the next 12 months?



Base: 2741 North American, European, Asia Pacific, and Latin American IT budget decision-makers

Source: Forrsights Budgets and Priorities Tracker Survey, Q2 2011

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strat.e.gy

(strāt' a-je) n.
1. Plan of action
designed to achieve
a particular goal.

Strategy



People



Process



Technology



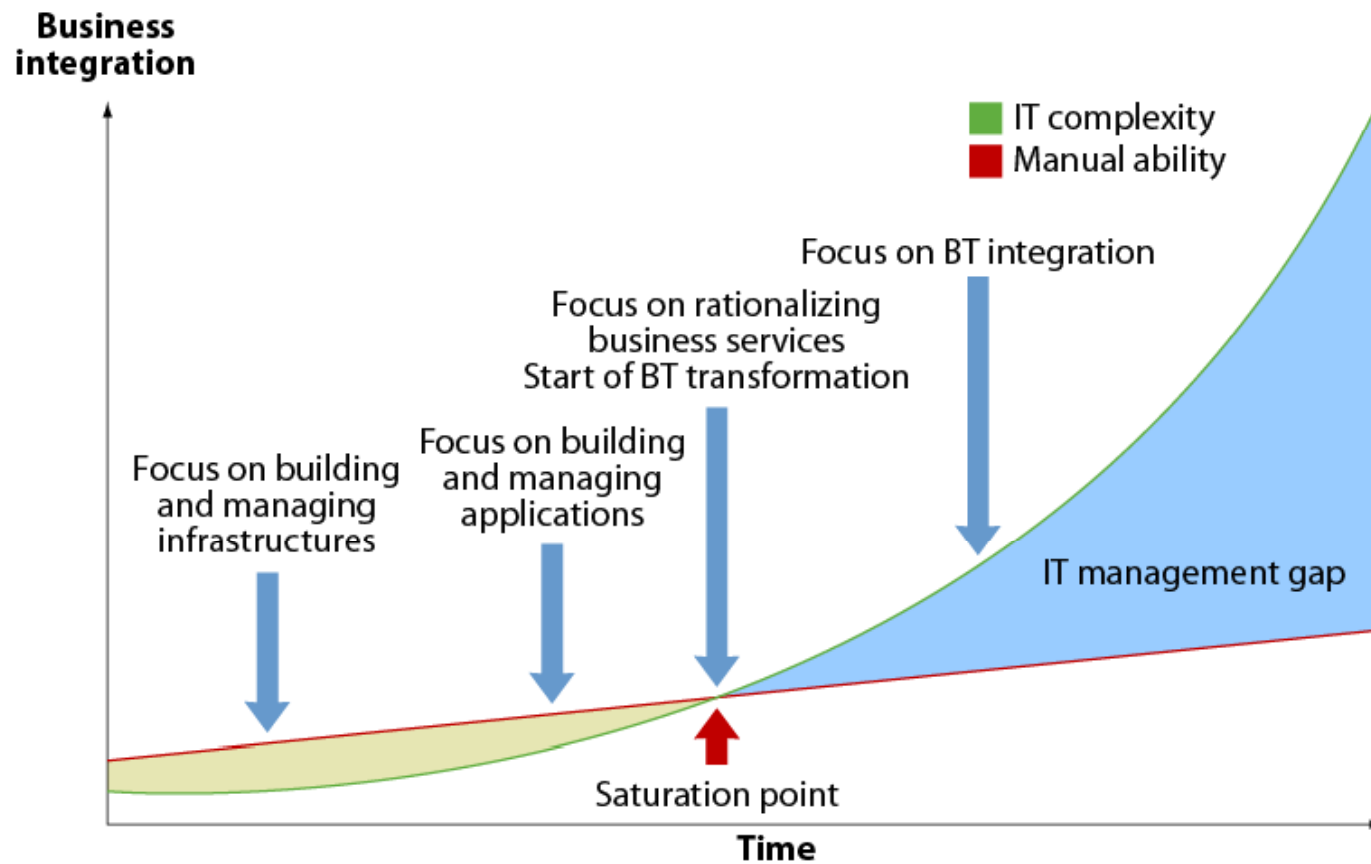
REBOOT

Service Management & Automation

Got Strategy?



The IT-To-BT Complexity Evolution



January 2012 “Develop An IT Service Management And Automation Strategic Plan”

ITSM Strategy

Why needed

- Determine specific objectives and resources needed
- Not just an idea but a systematic transformation from an informal to a formal strategy
- Determines next steps

ITSM Strategy

Benefits

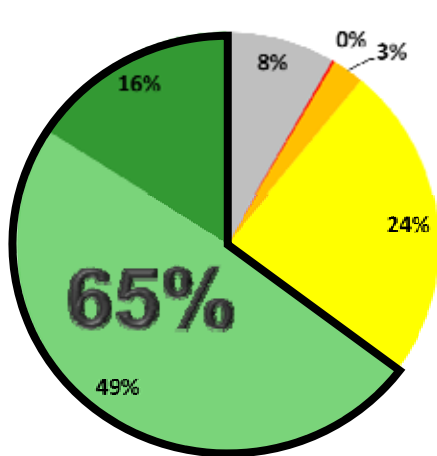
- Improve decision-making and stability
- Measure progress towards the enterprise's long-term vision
- Transition IT to BT and from utility to trusted business partner
- Evaluate resources and budgets in the future – objectively
- Analyze the cost versus value of projects objectively
- Deliver more value at least cost by tightening execution model
- Reduce costs from redundancies in tools and their uncontrolled proliferation

The Four Perspectives Of The IT Infrastructure And Operations Balanced Scorecard

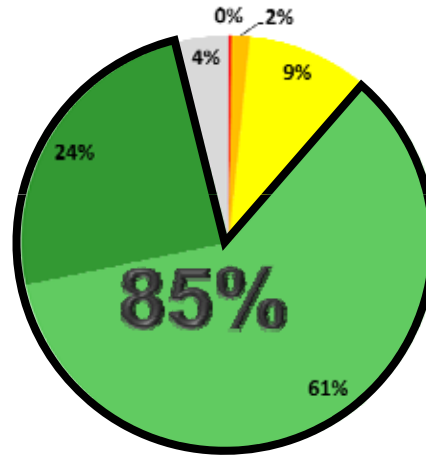
The value perspective Objectives: <ul style="list-style-type: none">• Reduce operational costs• Strengthen the business partnership	The customer orientation perspective Objectives: <ul style="list-style-type: none">• Improve customer satisfaction• Deliver quality services to customer requirements
The operational excellence perspective Objectives: <ul style="list-style-type: none">• Achieve process excellence• Maintain high levels of responsiveness	The future, learning, and growth perspective Objectives: <ul style="list-style-type: none">• Improve staff effectiveness• Become more proactive

January 2012 “Develop An IT Service Management And Automation Strategic Plan”

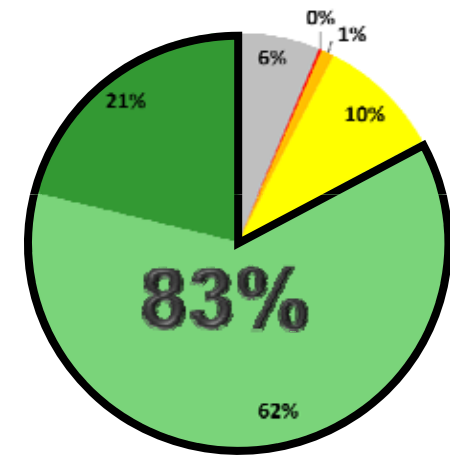
How has ITIL (IT Service Management) impacted the following?



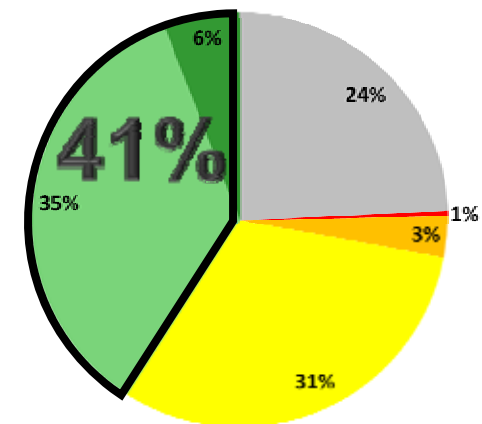
Org Reputation



Ops Productivity



Service Quality



Ops Costs

Source: Service Management Insights from the 2011 Forrester/itSMF-USA ITSM Study

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Do you have a written down IT Service Management Strategy?

Does your team have access to it?

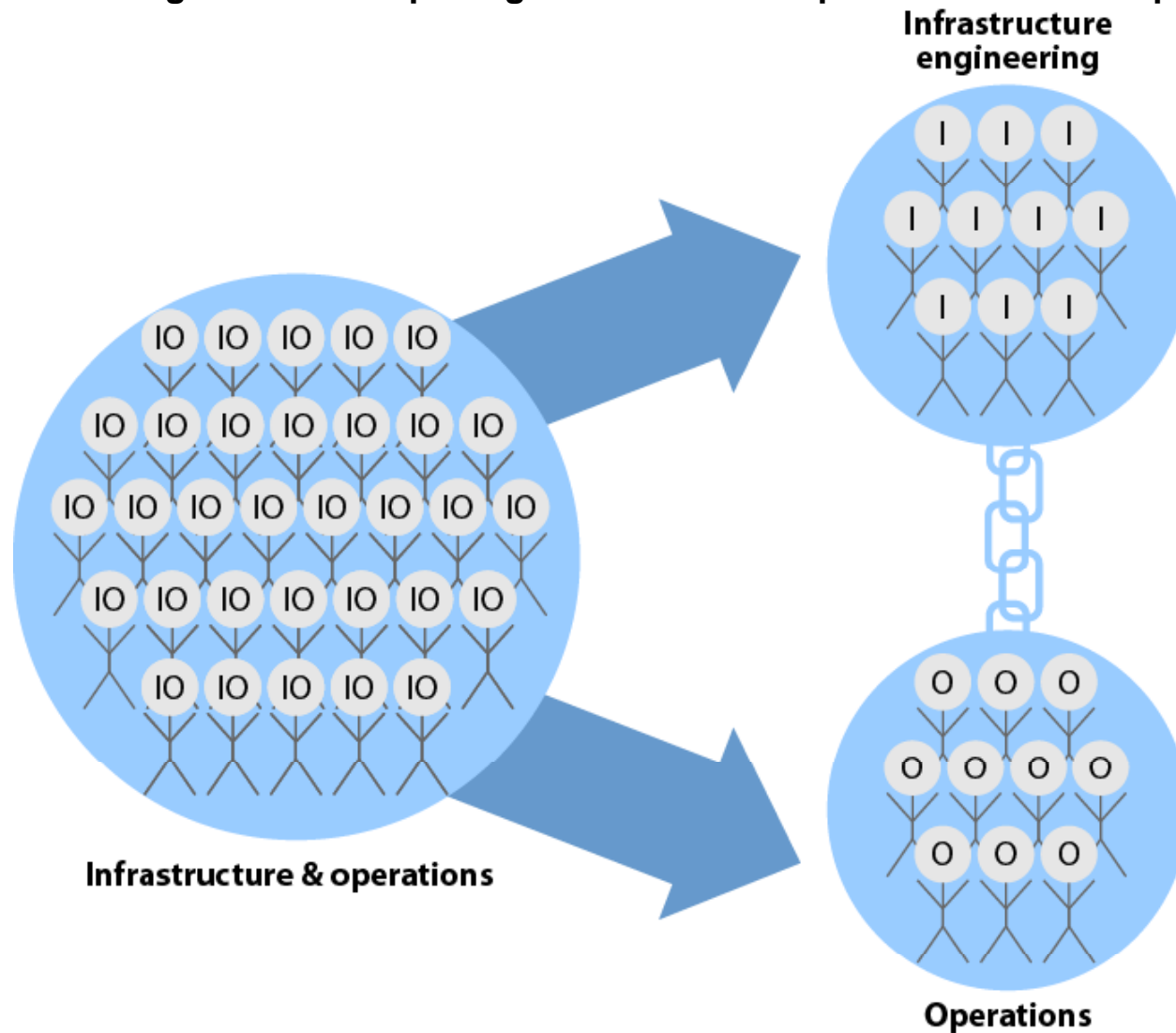
Do you understand your benefits?



The change is lead by your team!

People

The I&O Organization Is Splitting Into The “I” Group And The “O” Group



February 2012 “Refine Priorities Now For IT Service Management And Automation”

People

Situation

- What skills are needed in the future?
- Do you have the right skills to take you into the future?
- How to transition your people?
- What training should they have?

Hot new roles emerge

- Business relationship manager
- Automation architect
- Service designer
- Service manager
- Vendor manager
- Process owner

People



Hire, rewire, (or fire?) to fill these roles.

The importance of processes



..in the age of the customer

Process in the age of the customer implications

1. Linking service desk to the entire service support value chain
2. Increased emphasis on customer experience
3. Mobility (manage on mobile and manage mobile devices)
4. Usability factor
5. Change in roles and functions
6. The need for process maturity
7. Collaboration across all functions
8. Business model flexibility

Age of the customer implications

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Focus on service support

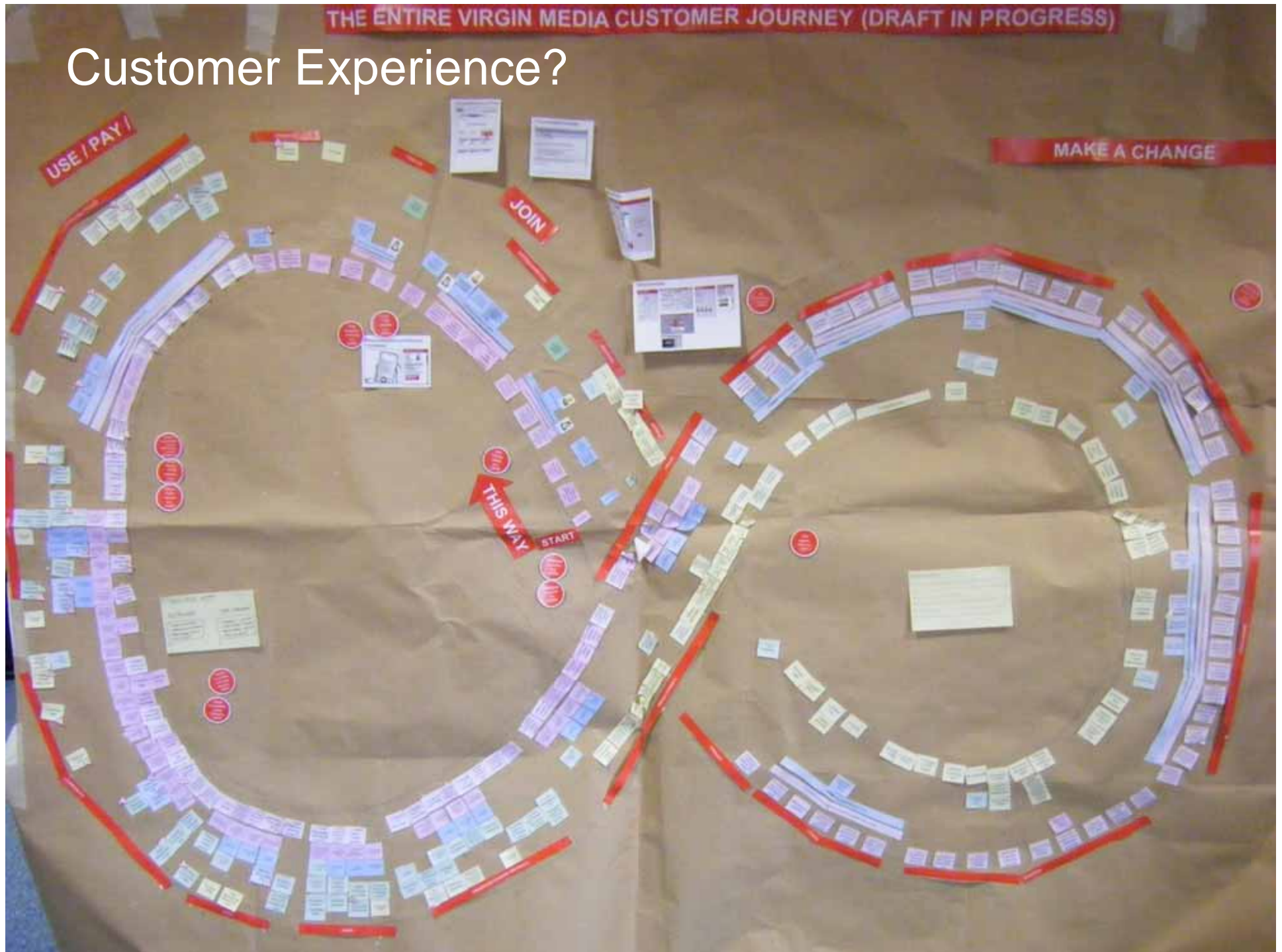
- Determine your service levels
- Understand the cost of service support



Age of the customer implications

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Customer Experience?



Focus on customer experience



- Implement a service catalog
- Introduce self service initiatives

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At home



At client sites



Can you support mobility?



At satellite offices



In transit

Age of the customer implications

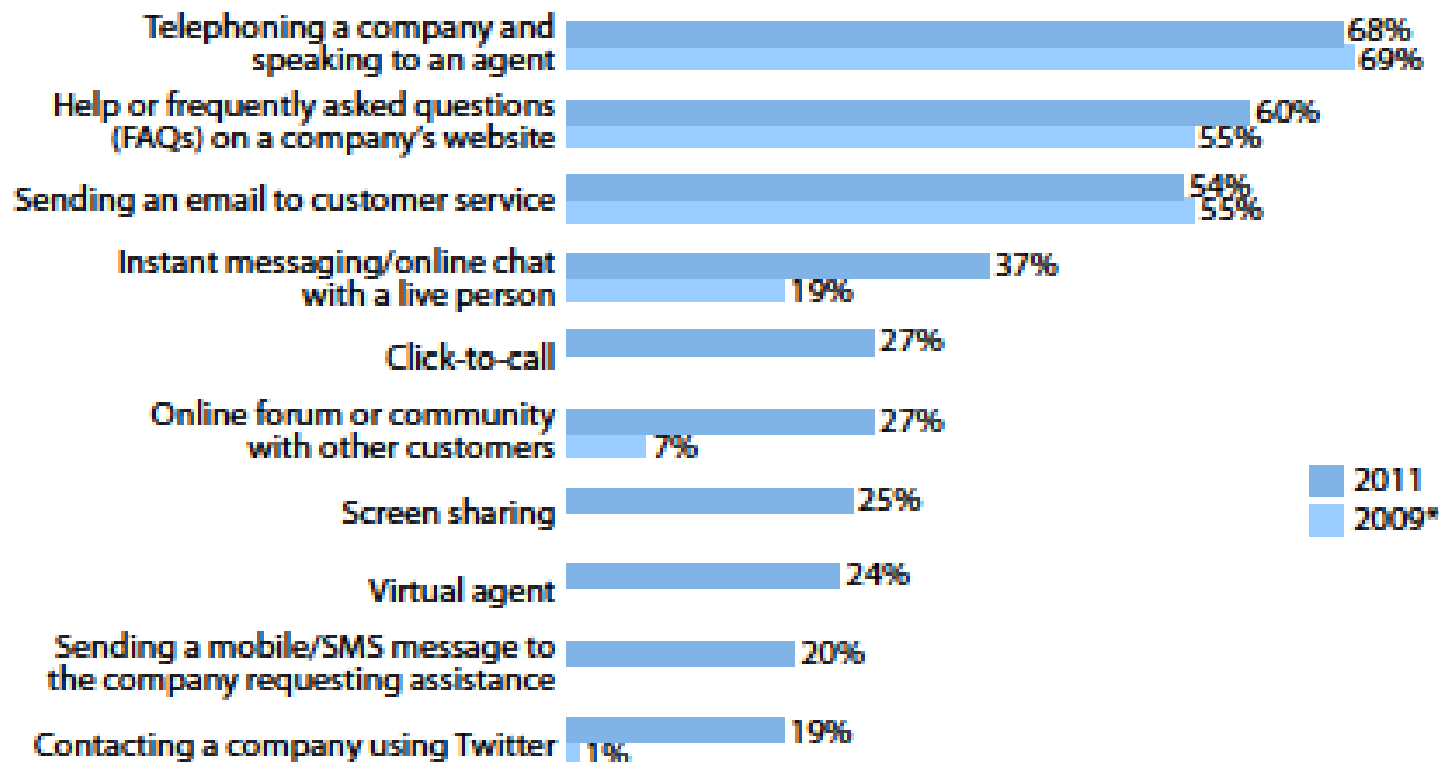
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Focus on usability

- Are your easy to do business with?
- How usable are your tools?



How can you be reached?



Base: 7,638 US online adults who have used any customer service method in the past 12 months,
 *3,639 US online adults who have used any customer service method in the past 12 months
 (multiple responses accepted)

Source: North American Technographics® Customer Experience Online Survey, Q4 2011 (US)
 *North American Technographics® Customer Experience Online Survey, Q4 2009 (US)

51247

Source: Forrester Research, Inc.

Age of the customer implications

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Have you felt like this?



Two sides of the conversation



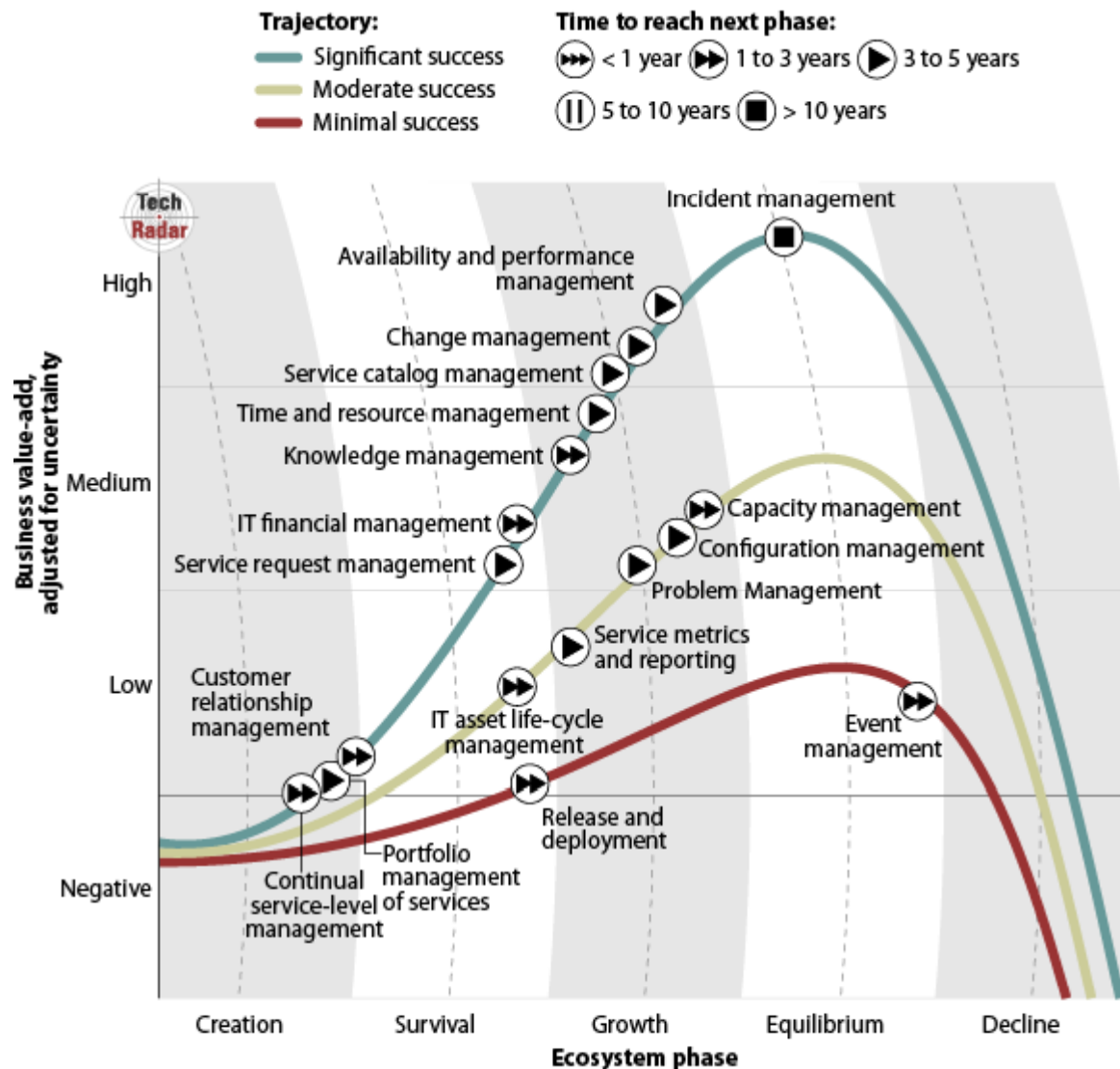
Exciting service support

- Enable your front end with domain knowledge
- Introduce knowledge management (across lifecycle)
- Make the job exciting with tools
- Empower the team with training
- Enforce discipline through tools and processes

Age of the customer implications

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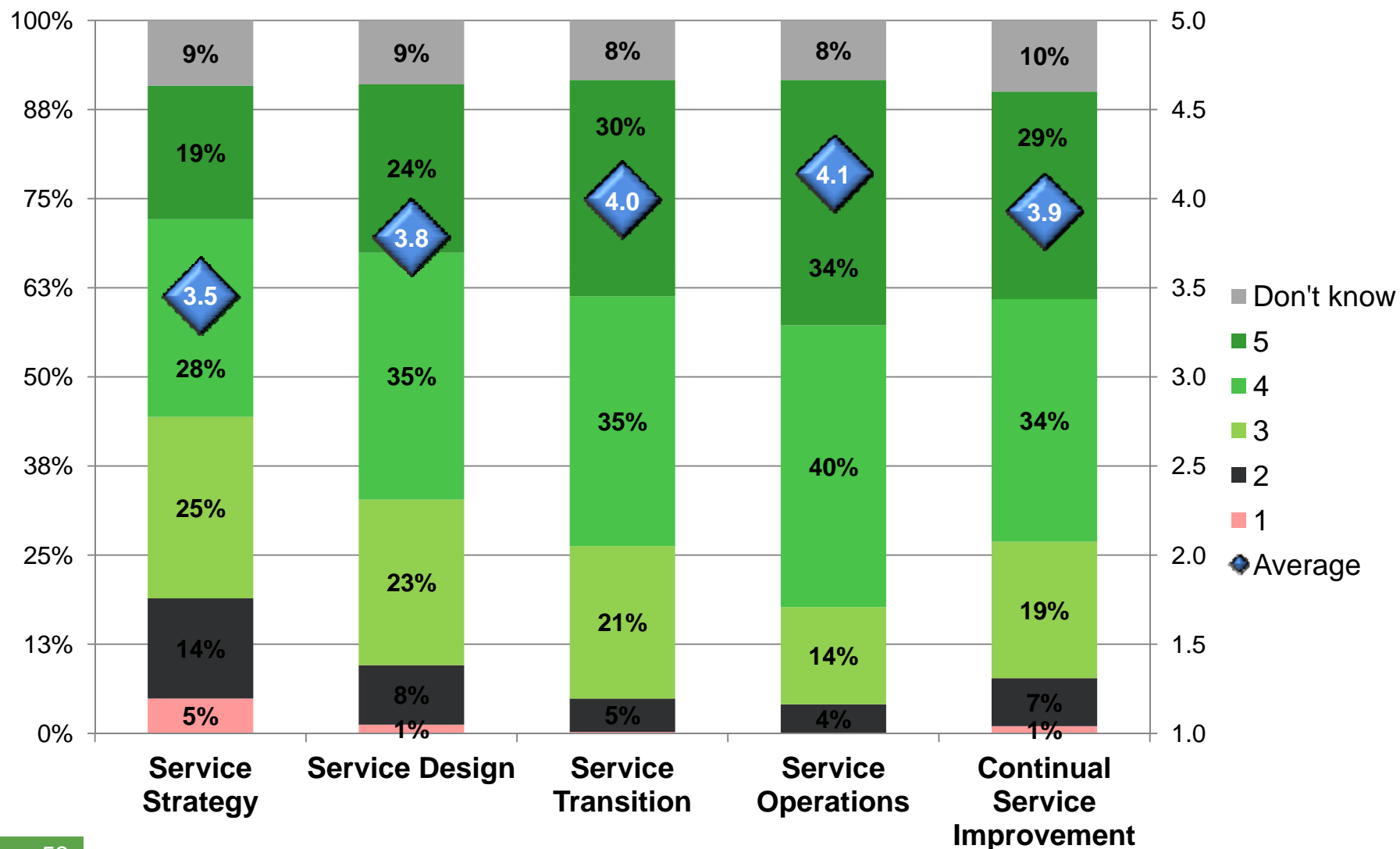
Efficiency comes through good processes



February 2012 “TechRadar™ For I&O Professionals: IT Service Management Processes, Q1 2012”

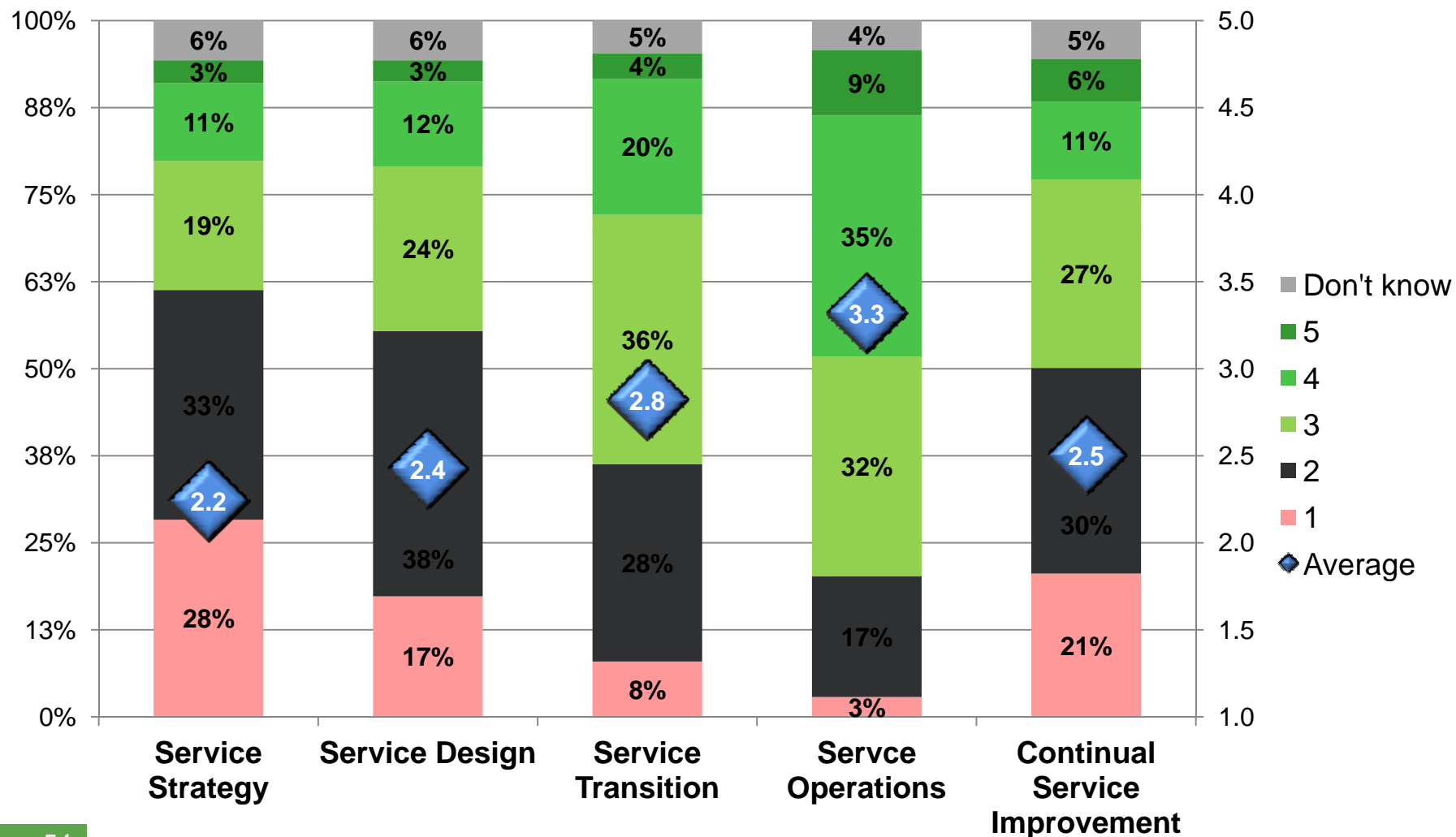
2011 Forrester/itSMF USA ITSM Study

How would you assess realistic value of the practices outlined in each of the official ITIL v3 books (1 = worthless and 5 = valuable)?



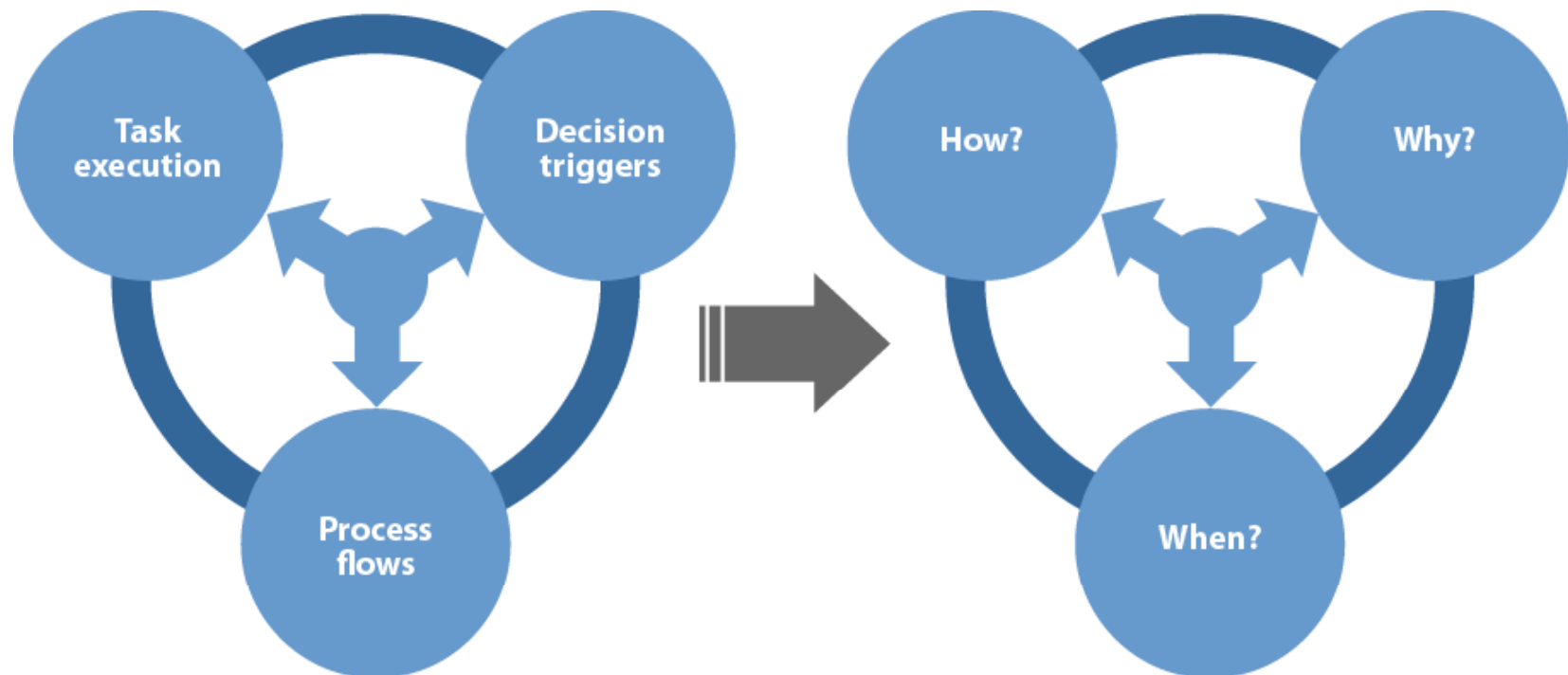
2011 Forrester/itSMF USA ITSM Study

How would you assess your organization's maturity in the practices outlined in each of the official ITIL v3 books (1 = worst and 5 = best)?



Process allows you to automate!

The Forrester Automation Wheel Helps You Define Your Automation Tool Portfolio



February 2012 "Refine Priorities Now For IT Service Management And Automation"

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Collaboration is a critical success factor

Areas for collaboration

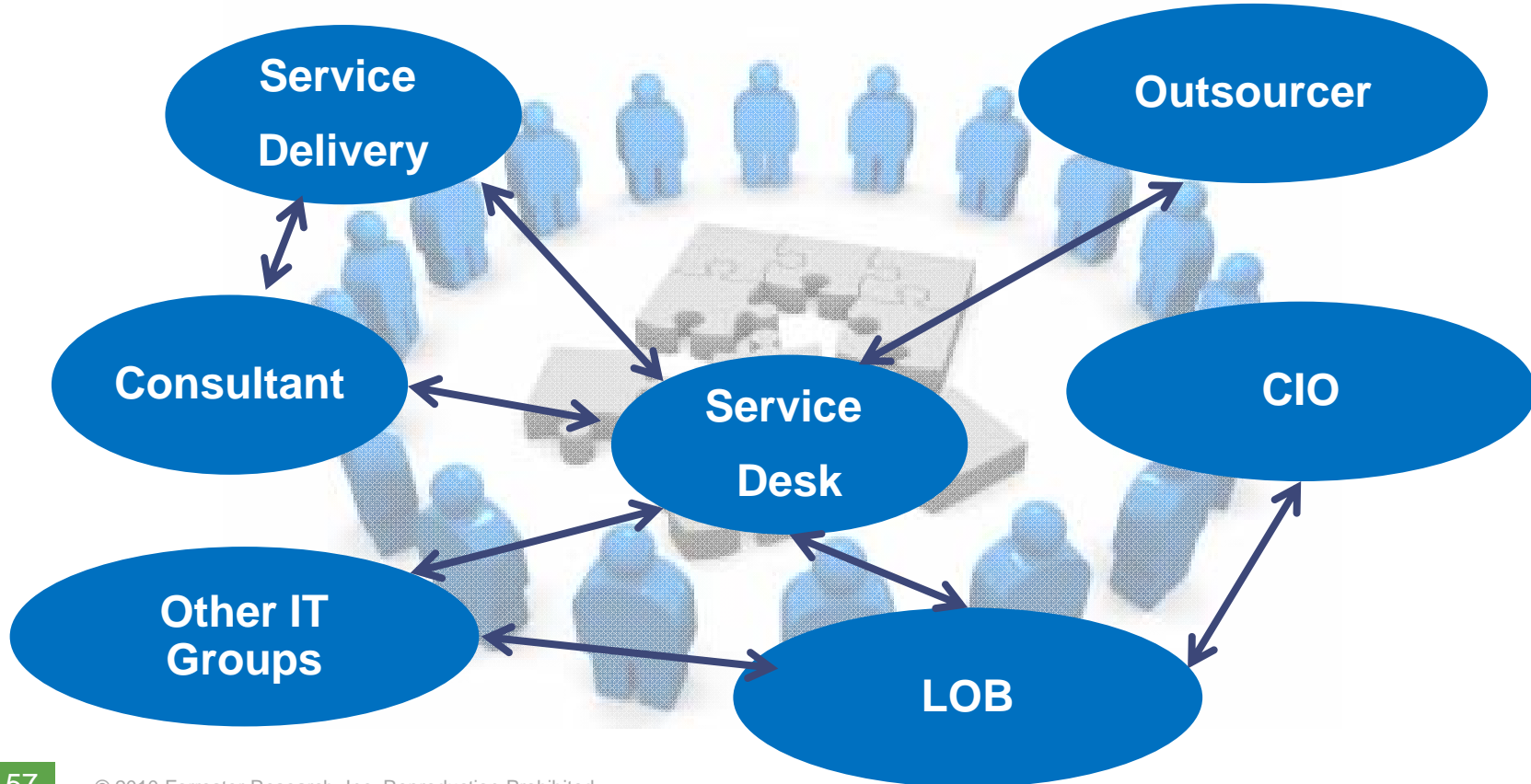
Guardrails and
Guidelines

Synergies
across areas

Process

Experience

Knowledge



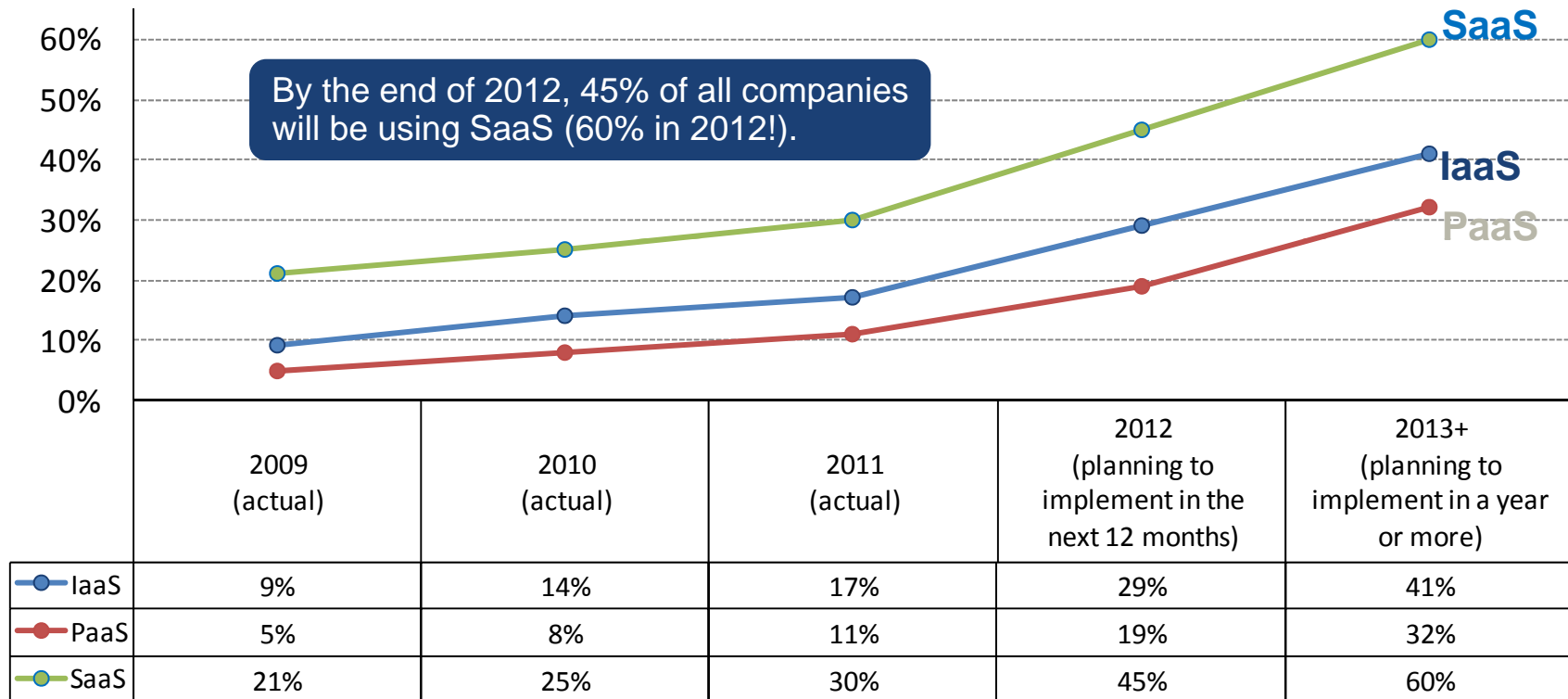
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Cloud adoption accelerates in 2012

“What are your firm’s plans to adopt the following software technologies?”

(Respondents who selected “implementing, not expanding,” “expanding/upgrading implementation,” “planning to implement in the next 12 months,” or “planning to implement in a year or more”)



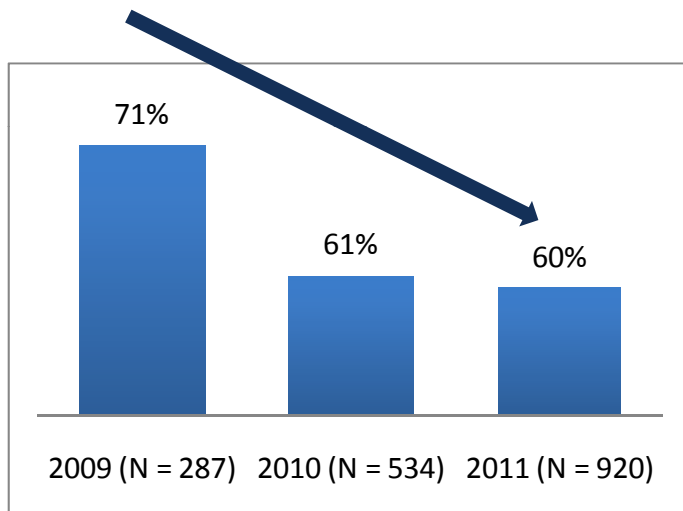
Base: 1,900 to 2,438 software decision-makers

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009; Forrsights Software Survey, Q4 2010; Forrsights Software Survey, Q4 2011

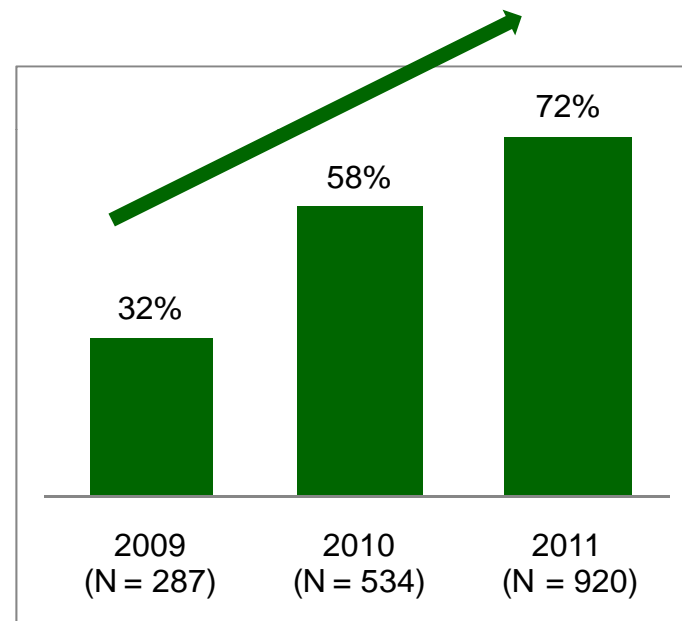
The shift from cost and speed to business performance

“How important were the following benefits in your firm’s decision to use SaaS?”
(Percentage of respondents who selected 4 [important factor] or 5 [very important factor])
(Select one for each row)

“Lower overall cost”



“Improved business agility”



Base: North American and European software decision-makers who are using or planning to use SaaS

Source: Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2009; Forrsights Software Survey, Q4 2010; Forrsights Software Survey, Q4 2011

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Conclusion

- Stop running blind: Strategize!
- Adapt organization, structure and skills
- Change the perception that process is stifling and at the mercy of the process police (ITIL can't be a religion)
- Act like a service provider – then become one - then partner with business
- Automate and streamline
 - Yes with tools but rationalize!
- Look back celebrate – then check what can be improved

Questions



Thank you

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