



Requirements to Consider When Looking at ITSM Tools

March 11, 2008

2:00pm EDT, 11:00am PDT

**George Spafford,
Principal Consultant
Pepperweed Consulting, LLC
“Optimizing The Business Value of IT”
www.pepperweed.com**

Sponsored By:



Housekeeping

- Submitting questions to speaker
 - Submit question at any time by using “Ask a question” section located on lower left-hand side of your console.
 - Questions about presentation content will be answered during 10 minute Q&A session at end of webcast.
- Technical difficulties?
 - Click on “Help” link
 - Use “Ask a question” interface

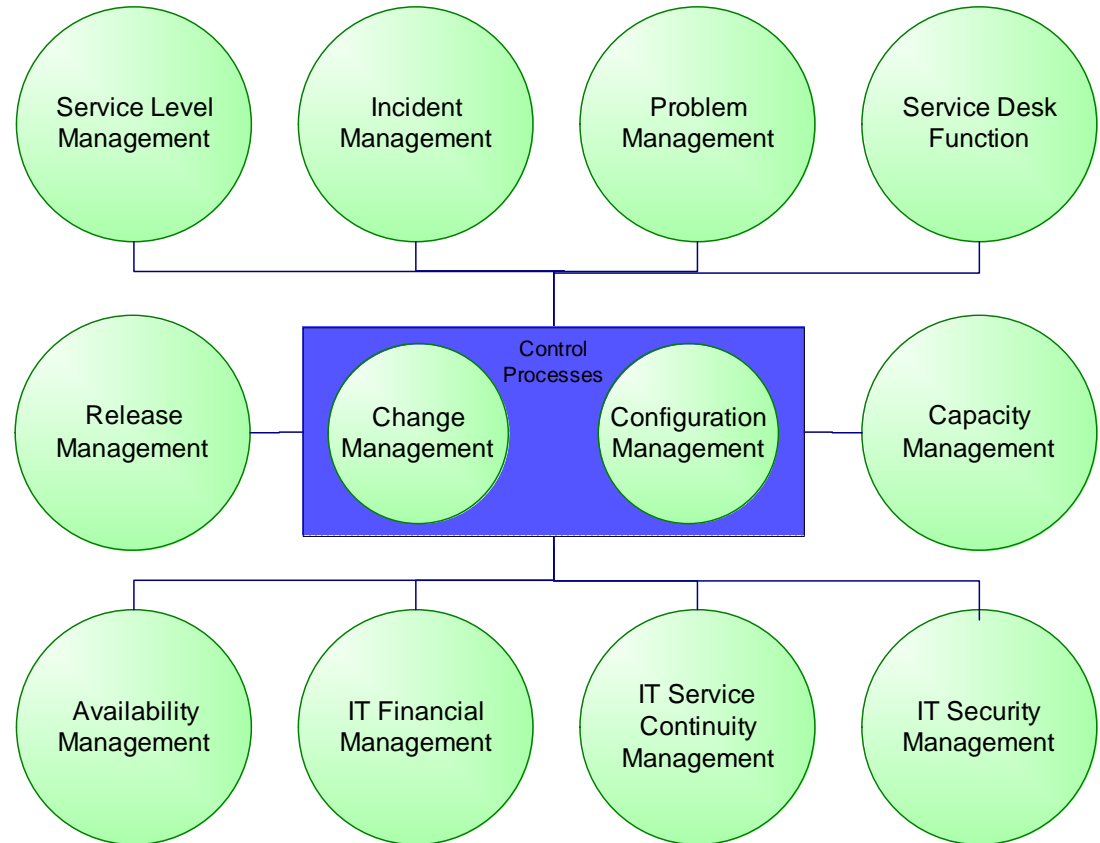
Main Presentation

Agenda

- A general approach to requirements definition
- What features are beneficial to look for in tools
- How to evaluate vendors relative to requirements
- Looking past the initial purchase – implementation, upgrades and ongoing support
- Question and answers

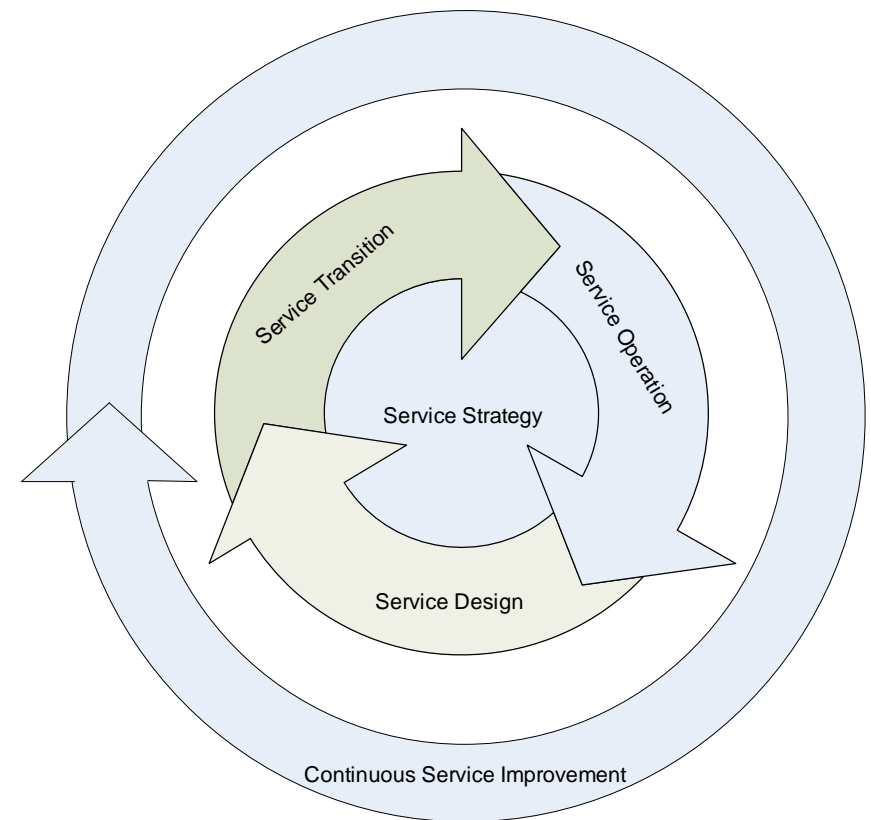
The ITIL v2 World

- Service Support
- Service Delivery
- Plus a collection of other books that few read

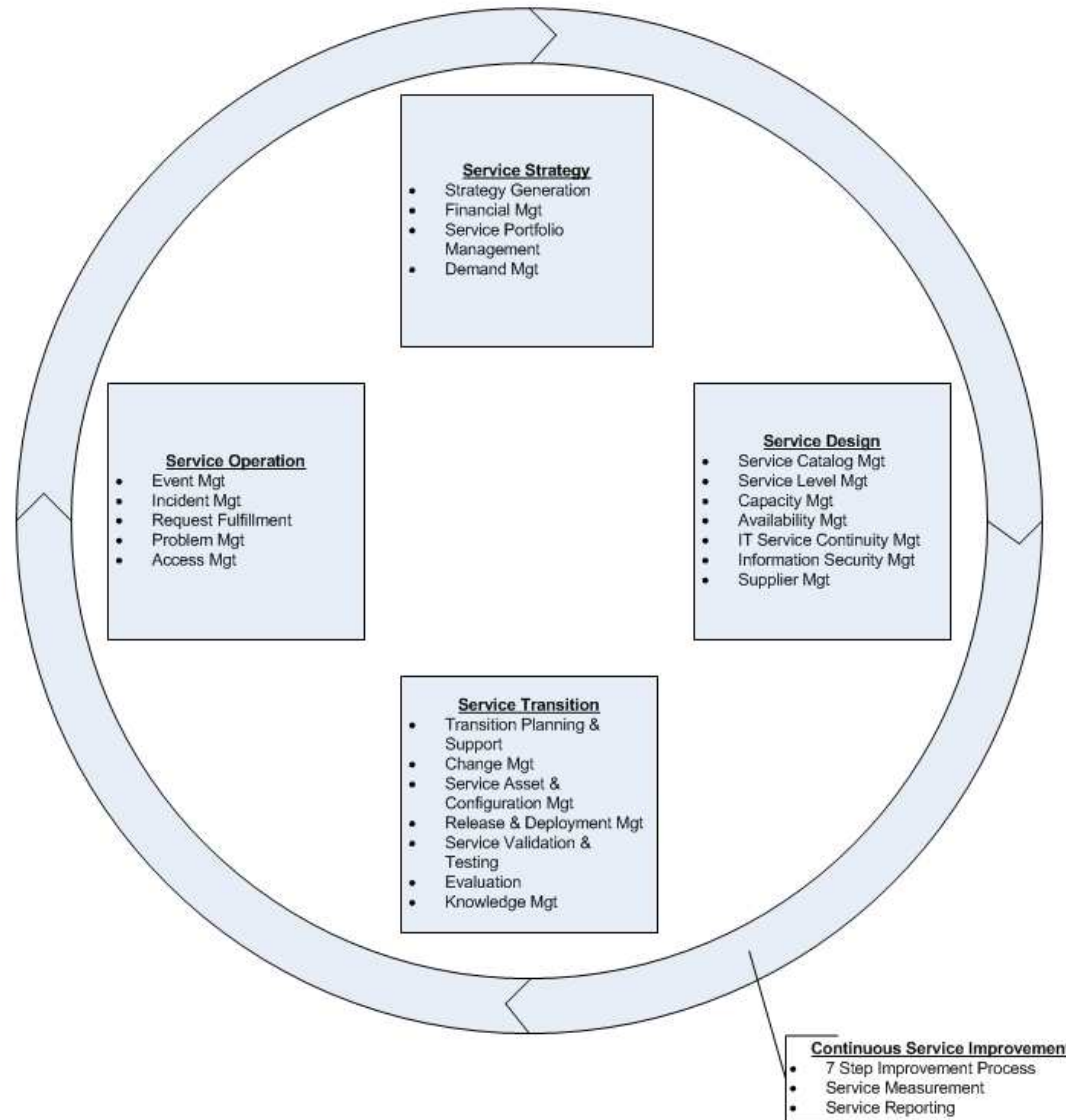


ITIL v3 – A Service Lifecycle Approach

- ITIL v3 was released on May 30, 2007
- The core principles are the same as v2
- Five core books (11.4 pounds!) arranged as a lifecycle
 - Service Strategy (SS)
 - Service Design (SD)
 - Service Transition (ST)
 - Service Operation (SO)
 - Continuous Service Improvement (CSI)



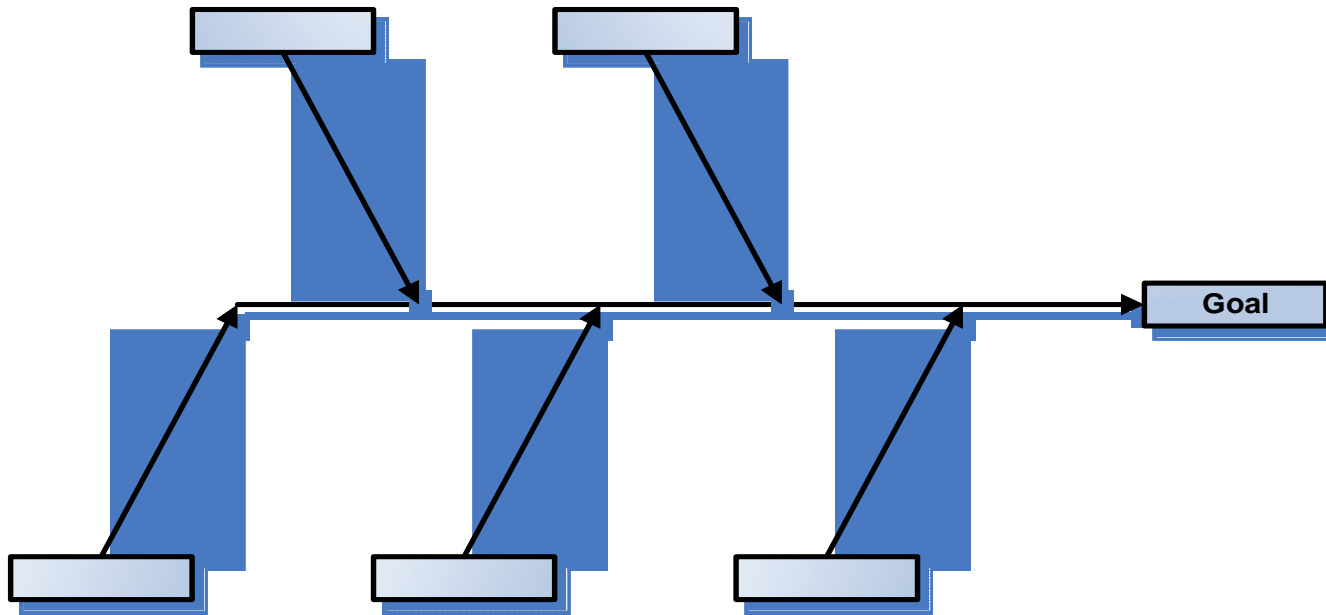
V3 Service Lifecycle Processes



But where do we start?

We start with the business

A System Has a Goal



A system is a collection of functional units assembled to attain a goal, to add value. If there isn't a goal, then there isn't a system! This is also a definition of a process.

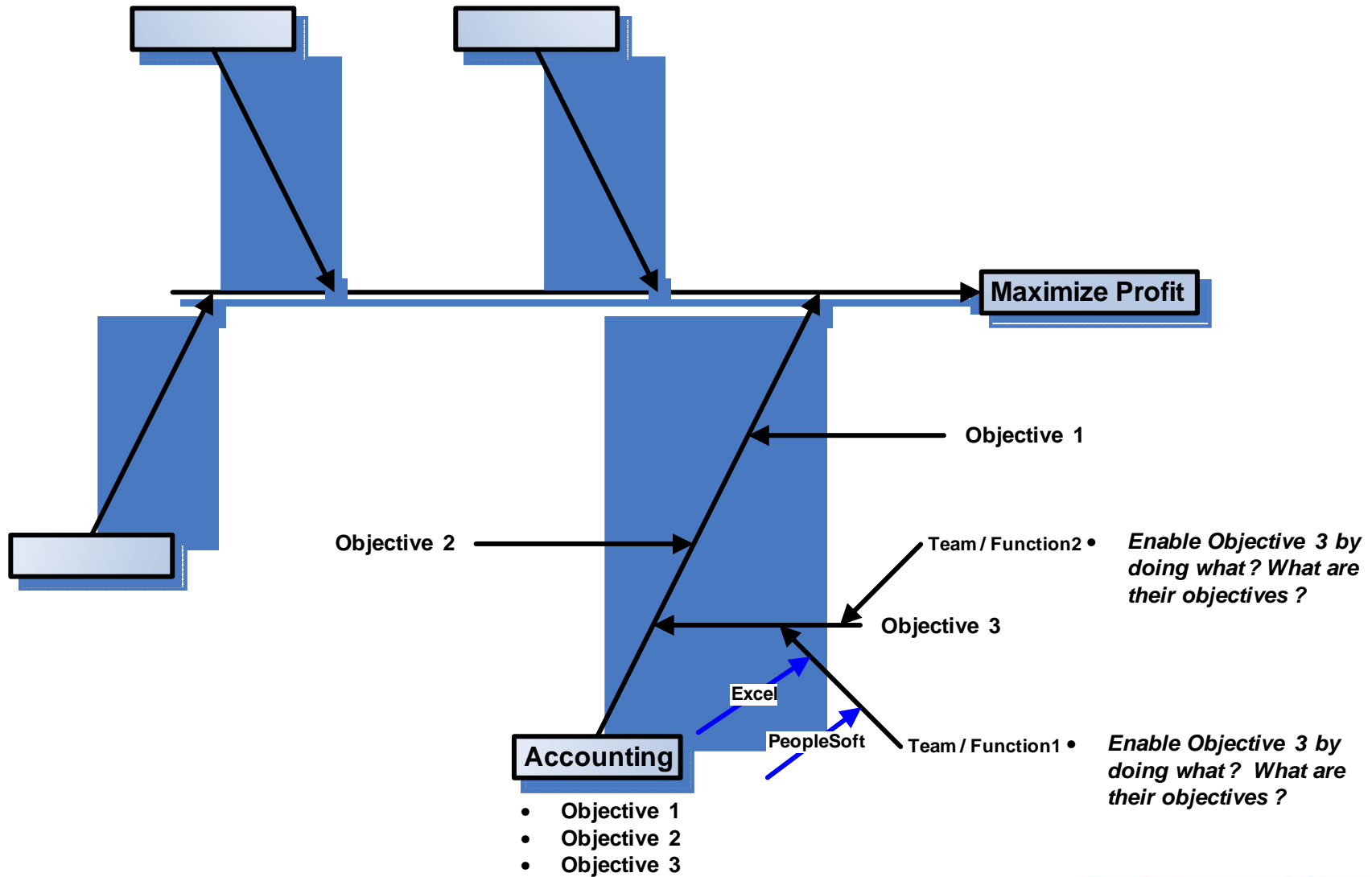
What we do in ITIL must support the business!

True for processes and technology!

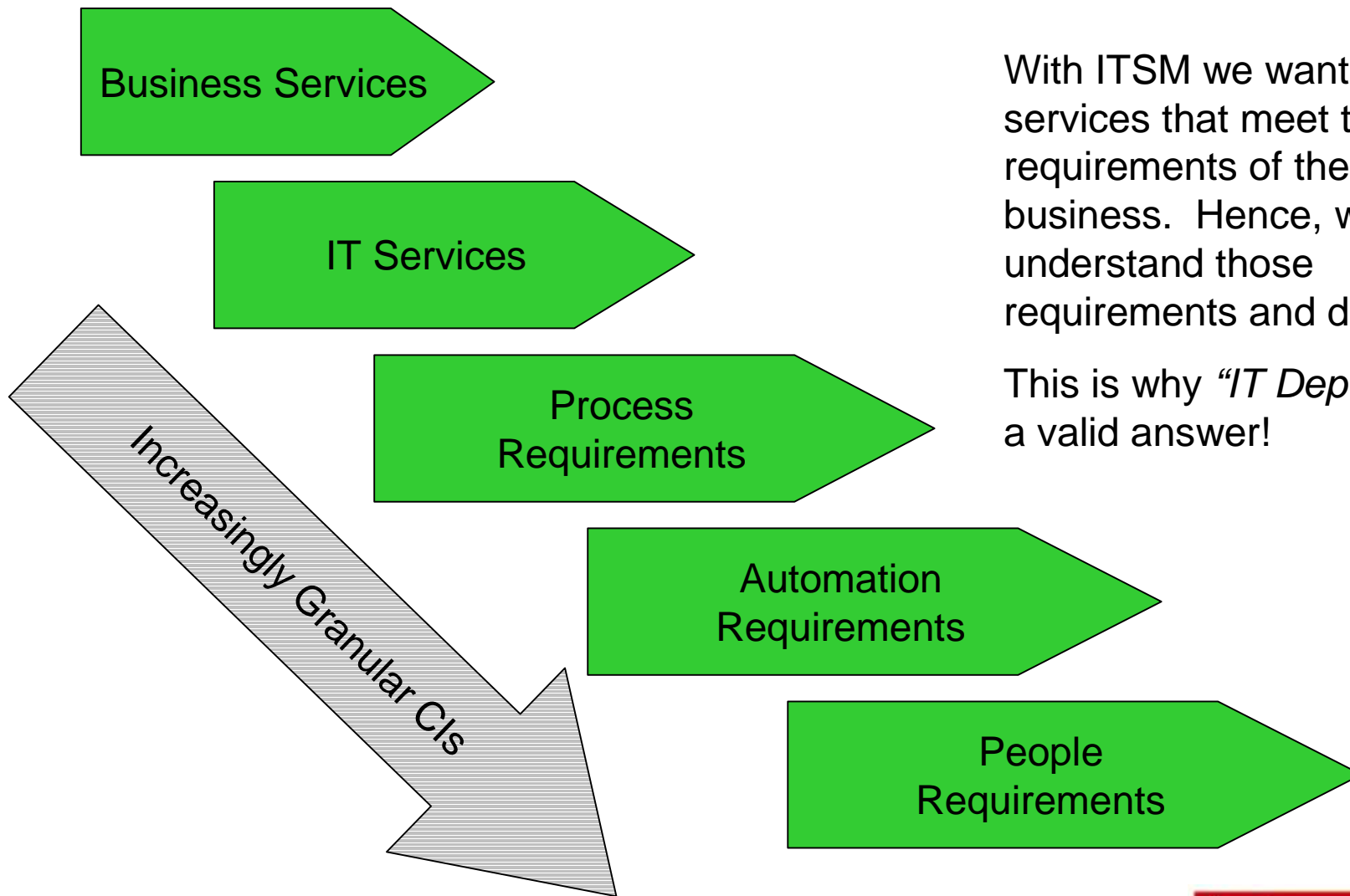
IT either improves productivity (movement towards the goal) or protects value (risk management)

i.e. *Create Value and Protect Value*

Need to Understand IT's Involvement



Business Needs Are Paramount



With ITSM we want to create services that meet the requirements of the business. Hence, we must understand those requirements and drill down.

This is why *"IT Depends"* is a valid answer!

Automation

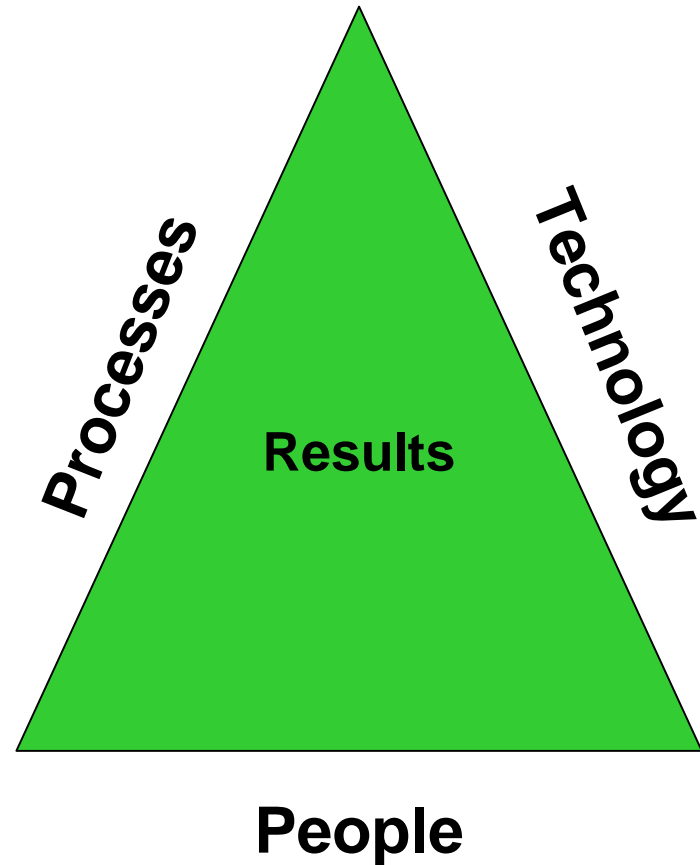
- New tools need to support process requirements
 - ITIL recommends that a selected tool deliver 80% of mandatory requirements
- Process updates leveraging existing tooling need to take automation capabilities into account
 - Need realistic designs

Beware Technology Push

- Buying a tool to “force” processes
- Tool specific processes may not meet organization specific requirements!!!
- Direction of the tool may not be appropriate
- Management may not be very understanding why a new tool is needed
- Buying a tool does not outsource responsibility / accountability
 - Due diligence must be done

A Comprehensive Solution

- Will recognize three dimensions
 - People are the foundations
 - Processes tie tasks together
 - Technology is an enabler
- The proper blending generates desired results
- Example: Change Management without proper cultural change and enabling technology results in a process that nobody follows (shelfware)
- *Doing the right thing the right way needs to be as easy as possible*



Select Features for Consideration

Overall Architectural Considerations

- Extensible data model
- Extensible Workflow
 - Adaptable to your requirements
 - Automation of related transactions
- Open Platform / Integration to Other Systems
 - Within the enterprise
 - Moving into the value chain
- Enterprise Class
 - Database
 - Security
 - Ability to support remote sites (very important)
- Flexible Reporting
 - Information vs. Content Overload
 - What is needed vs. generating content just because you can

Select Service Strategy

- IT Financial Management
 - Budgeting
 - Costing
 - Charge backs
 - Real
 - Notional
 - Reports
 - Analysis
- Demand Management
 - Modeling

Selected Service Design Processes

- Service Catalog
 - Management of entries in the catalog
 - Presentation
- Service Level Management
 - Storage of SLAs, OLAs, UCs
 - Alerts and Alarms of breaches
 - Reporting and analysis
- Capacity Management
 - Modeling of utilization
 - The Capacity Plan
 - Alerts and Alarms
 - Reporting and Analysis
- Availability Management
 - The Availability Plan
 - Alerts and Alarms
 - Reporting and Analysis



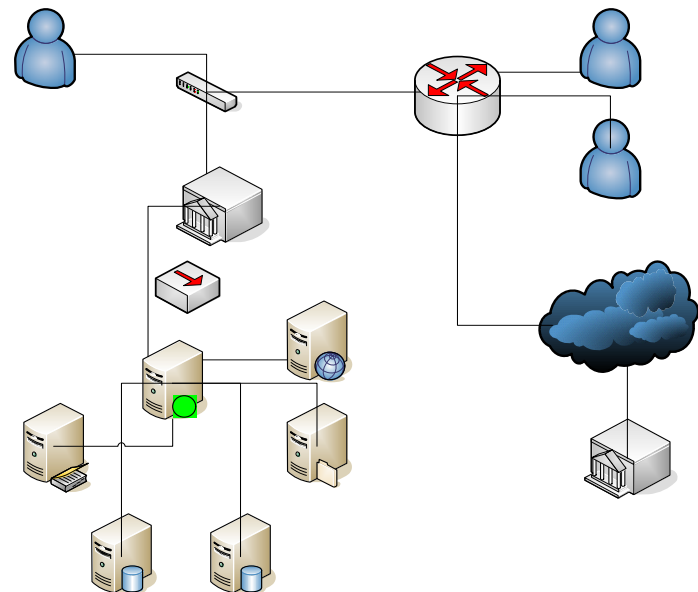
Service Transition – Change Management

- Change Management
 - Manage Requests for Change
 - Workflow for change models
 - Assist with impact assessments by showing relationships
 - Produce Forward Schedule of Change
 - Relate Incidents and Problems to Changes
 - Detect all relevant changes in pertinent CIs
 - Detect and flag Unauthorized Change
 - Enable Incident and Problem Management to always be able to answer the question “what changed?”

- Plus ...

Service Asset & Configuration Management

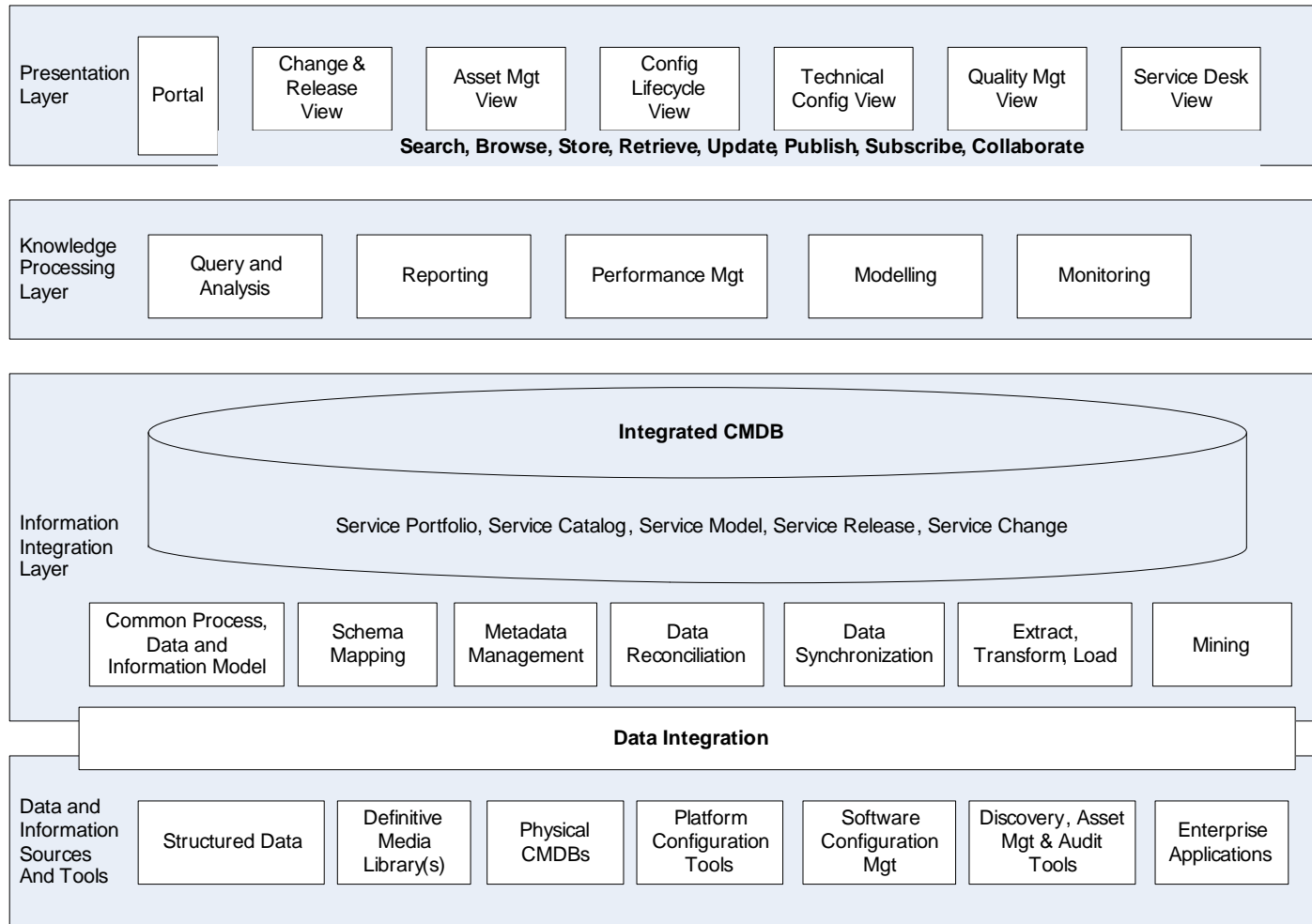
- This is the logical model of the IT world
- Understand Relationships
 - Parent, child, depends on, etc.
- Configuration Items (akin to data tables)
 - Hardware
 - Software
 - Processes
 - People
 - Documentation
 - Facilities
 - Data
- Attributes (akin to data fields)
- Configuration Management System (CMS)
- An effective security model
- Chant “Meaningful and Manageable” over and over and over



SACM and the CMS

- Provides information to other processes and functions
 - Change, Release and Deployment, Incident, Problem, etc.
 - SACM is an enabler for these processes
 - Accurate data is critical
- Data stored in Configuration Management System (CMS)
 - We used to discuss the configuration management database (CMDB)
 - Federated CMDBs make up a CMS

Configuration Management System



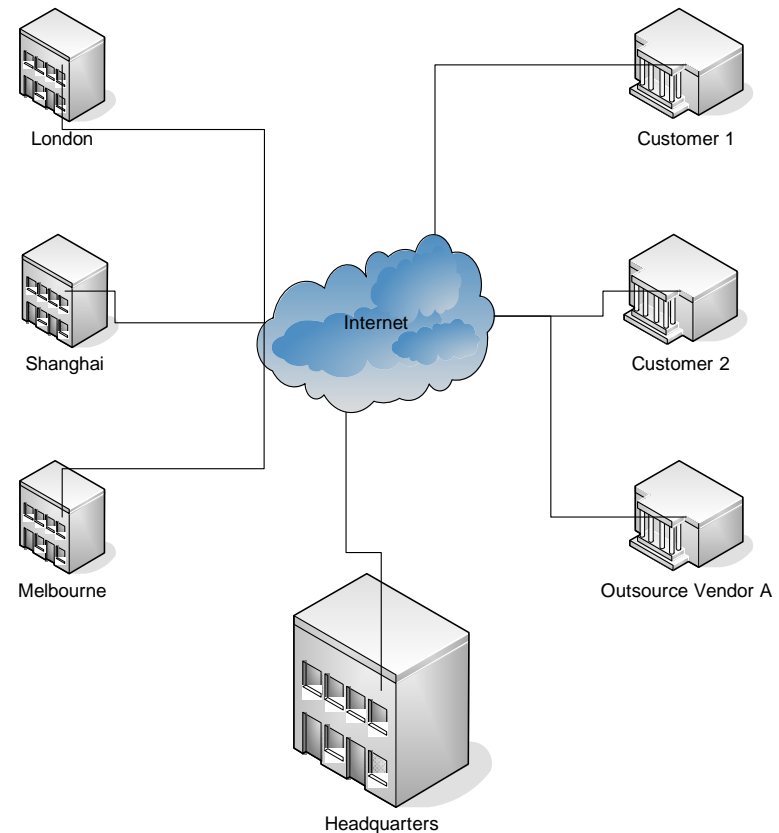
Adapted from CMS graphic in the ITIL Service Transition Volume , page 68.

Service Operation

- Event Management
 - Set rules to automate the handling of events from
 - Monitoring Tools
 - Data activity in the CMS
 - Other tools
 - Manual triggering of workflow involving personnel
- Plus ...

Service Desk

- Use of scripts
- The SD model
 - Local
 - Central
 - Virtual
- Users
 - Vendors / Outsourcers
 - Customers
- Coordination between sites
- Sharing of data
- Multi-lingual
- Speed
- Integrity
- Security



Incident Management

- Use of scripts
- Workflow with escalation
- Incident Matching
 - Incidents
 - Problems
 - Known Errors
- Knowledge Management
 - Ability to post solutions with appropriate security vs. just reading old tickets
- Input from automated monitoring systems



Problem Management

- Able to relate Incidents **but** managed separate from Incidents
- Root cause analysis
- Able to generate and manage
 - Problem Records
 - Known Error Records
- Escalation based on thresholds
- Able to relate change tickets



Reporting

- Flexible and extensible reporting with security
- Generate information – not just content
- Understand what stakeholders need and tailor reports/web pages accordingly



Vendor Selection

Vendor Selection Is Critical

- Automation fundamentally affects the quality of IT services rendered – take the time to do it right
- Formalize the product/vendor review process!!!
- Involve the correct stakeholders
- Select a vendor based on experience
- Sole Source vs. Best of Breed
- Total Solution & Total Costs
 - Beware the low bidders who know scope is wrong
 - $TCO = \text{Purchase Price} + \text{Implementation Costs} + (\text{Expected life in years} * (\text{Annual Operating Costs Including Support \& Licensing}))$
- Pre-sales and Post-sales Support
- Upgrade Paths
- Vision – Where are they going?

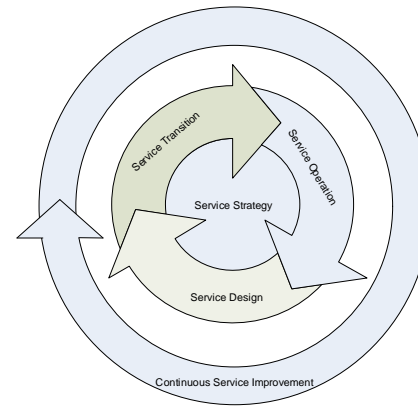
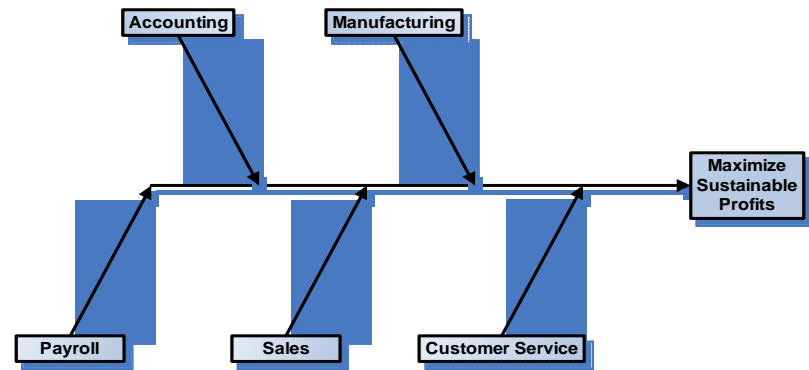
Additional Vendor Factors

- Controls – What controls do they have in place to help manage risks
- Quality Management Philosophy
- Implementation Capabilities
 - Do they have a scalable methodology?
 - Can they facilitate organizational change?
- Training
 - Tools
 - Processes
- Documentation
- References and Developed References
- What are the risks associated with each vendor?
 - Stability – where will they be in six months, a year, two years, etc.?
 - What is happening in the industry?
 - Vendor consolidation, excessive competition, ...?

Looking to the Future

Strategy

- The needs of the business are going to change
- Risks are going to change
- Resources are going to change
- How will you support objectives and goals?
- How will your automation requirements evolve?
- ***Productivity only improves if we move towards the goal***



Epicor Corporate Overview

Company Overview

- Epicor is the 6th Largest Global ERP Provider
 - Global Midmarket
 - Divisions / Subsidiaries of Global 1000
- Industry and market expertise
 - Manufacturing & Distribution
 - Retail & Hospitality
 - Financial & Professional Services
- Leading Technologies
 - Solutions built on .NET architecture from Microsoft
 - Leveraging SOA and XML Web Services
- 3,000 employees
- 20,000+ customers worldwide
 - Adding ~ 800 New customers annually

Financial Snapshot (LTM)

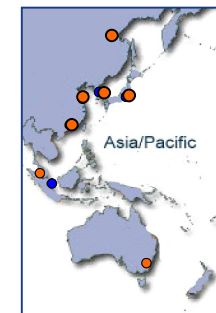
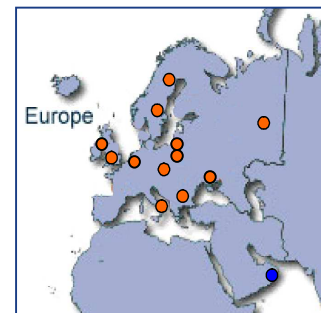
- \$430M in revenue, \$41.3M GAAP net income*

* Based on Full-year 2007

2007 Revenues



62% Americas

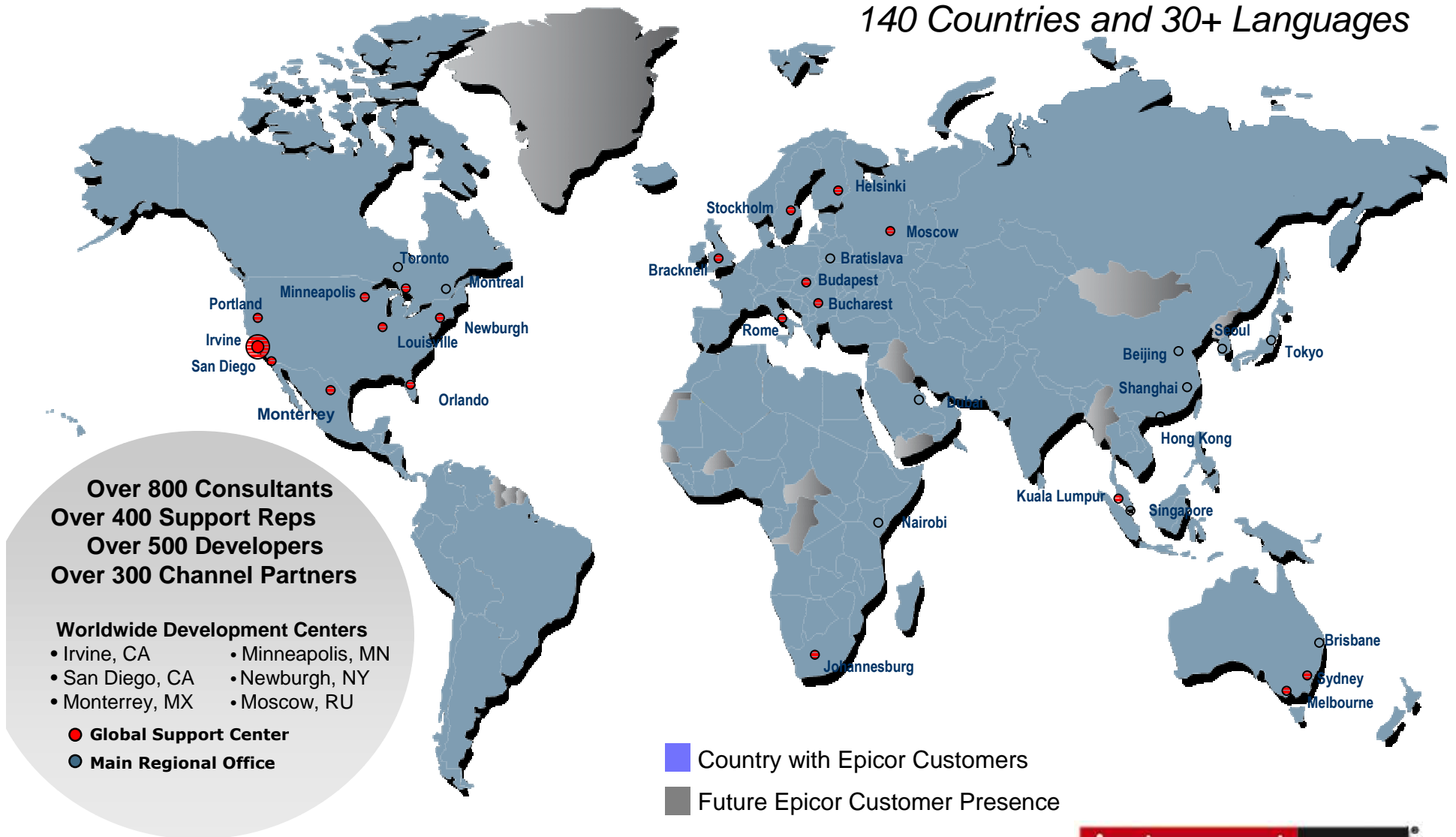


38% Rest of the World

- = Global Sales, Consulting & Support Center
- = Main Regional Office

Epicor Global Reach

*Doing Business in more than
140 Countries and 30+ Languages*



Over 800 Consultants
Over 400 Support Reps
Over 500 Developers
Over 300 Channel Partners

Worldwide Development Centers

- Irvine, CA
- San Diego, CA
- Monterrey, MX
- Minneapolis, MN
- Newburgh, NY
- Moscow, RU

● **Global Support Center**
 ● **Main Regional Office**

■ Country with Epicor Customers
 ■ Future Epicor Customer Presence

Epicor Global Customers



Industries	Manufacturing & Distribution	Hospitality & Entertainment	Retail	Services
Over 20,000 customers	    	     	   	   
Revenues \$10M - \$2B	 		 	 
In over 140 countries		 	  	 
In over 30 languages	 			
With 95% retention				

Introducing Epicor ITSM 2008



- ITIL certified ITSM solution
 - Complies with v2 and v3
 - Assists with ISO 20000 Central certification
- Easy to implement and use
 - Modern Windows user interface
 - Connected via the Web
- Easy to integrate
 - Standard integrations with Active Directory, SMS, and Centennial
 - XML Web service integration platform
 - Multilingual and multi-time zone
- Out of the box approach
 - Licensing based on concurrent use
 - No separate module pricing
 - Short implementations possible
 - Encourages best practices
- Built with Microsoft. NET
 - Maximum flexibility via Visual Studio SDK
 - SharePoint based self-service
 - Integral SSAS business intelligence
 - Service-oriented architecture (SOA)



Questions?



Thank you for attending!

If you have any further questions, e-mail
webcasts@jupitermedia.com

For future Webcasts, visit www.internet.com/webcasts

Visit Epicor Software at www.epicor.com

George Spafford
George.Spafford@Pepperweed.com
<http://www.pepperweed.com>