IBM SERVICE MANAGEMENT: IT & the Business
Agenda

IBM Service Management
  IT & Business Service Management
  Not just traditional IT
  The IBM Solution

How can IBM Service Management help?
  End to End Value
  Traditional IT Management scenarios

Changing the way you think
  Approaching IBM Service Management
# Service Delivery Requires IT & Business Service Management

## What do we mean by a Service?

- An offering, function or activity delivered to an internal or external customer that may contribute revenue and profit or fulfill a critical mission of an organization.
- The output created through the use of an organization’s human, intellectual, financial and physical assets.

## What do we mean by Business Service Management?

- Business Service management dynamically links business-focused IT services to the underlying IT infrastructure.
- BSM reflects IT services relevant to business user outside of IT.
Enabling Service Management Innovation with IBM

Innovation is the process of delivering new products, services, processes and business models to help accelerate growth and create competitive advantage – quantifiably improve the leverage of customers investments.

**Visibility**
See your business services
- Implement dashboards for real-time operations and process management
- Create an integrated, actionable, and insightful view into business metrics

**Control**
Manage and secure your investments
- Implement an integrated asset control solution to discover and utilize those assets
- Integrate process workflows with operational tools to enforce control

**Automation**
Build agility into your operations
- Optimize and integrate operational processes that directly support the business
- Improve quality and reduce costs through automation by leveraging and integrating existing tools
Achieving service excellence extends IT’s contribution to economic performance beyond managing expenditures.

Enabling visibility, control and automation across all business and IT assets supports converged management to deliver service excellence. Innovation delivers new products, services, processes and business models to help accelerate growth and create competitive advantage.
IBM Service Management solutions support building an infrastructure needed to increase quality of service, manage risk and compliance, maximize return on investments and accelerate business growth.

### Discover
- Infrastructure Discovery and Modeling
- Assessing Security controls Effectiveness
- Business Resilience Planning

### Monitor
- Event and Performance Management
- SOA Applications Performance
- Policy and Regulatory controls Monitoring
- User Activity Monitoring and Log Management
- User Access Rights and Lifecycle Management

### Protect
- Vulnerability and Threat Management
- Data Backup, Restore and Retention
- Business Continuity and Disaster Recovery

### Industrialize
- Virtualization Management
- Energy Management for Green Savings
- Single Sign On
- IT Asset Management
- Usage Accounting

### Integrate
- Business Service Management
- Service Deployment and Lifecycle Management
- Integrated Service Management Planning

Support Business Objectives with IBM Service Management and Dynamic Infrastructure
## IBM Service Management

*Five Entry Points to the Service Management Platform*

<table>
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<tr>
<th>Entry Point</th>
<th>Objectives</th>
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<tr>
<td>Discover</td>
<td>• Understand infrastructure and business dependencies</td>
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<tr>
<td>Monitor</td>
<td>• Track infrastructure health and compliance</td>
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<tr>
<td>Protect</td>
<td>• Ensure infrastructure is secure and resilient against threats and disasters</td>
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<tr>
<td>Industrialize</td>
<td>• Streamline workflows and processes for repeatable, scalable and consistent results</td>
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<tr>
<td>Integrate</td>
<td>• Align and integrate operations and business for optimal impact</td>
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**IBM Service Management:**

Enabling clients to deliver quality service through *Visibility, Control & Automation*
IBM Service Management Entry Point: Discover

Understand what resources are deployed, how resources are used and by whom, and how resources relate to, and can impact successful business service delivery.

Infrastructure Discovery & Mapping

Only 40% of assets well understood and well managed.
Start with: Understand, map, and control all your hardware and software resources and assets, and the services they support

Assessing Security Controls Effectiveness

Healthcare CIO spending 60% of staff time on collecting, massaging, and reporting on risk management-oriented topics.
Start with: Ensure you have protected all of your assets and services.

Business Resilience Planning

Downtime costs can amount to up to 16 percent of revenue. The majority of downtime is attributable to infrastructure outages and human error.¹
Start with: Protect your business services from failure and configuration errors.

IBM Service Management Entry Point: Monitor

Comprehensively monitor all resources, events, performance, service levels and users, and provide total visibility into the business.

Event & Performance Management

Only 34% of users have established procedures for problem, configuration, change, asset and performance management.
Start with: Establish comprehensive event and performance management

SOA Applications Performance

63% of clients expect SOA-based applications to impact their service management investments.
Start with: Manage your SOA-based applications

Policy & Regulatory Controls Monitoring

Inability to effectively link controls monitoring to reporting for specific regulations.
Start with: Assess areas of non-compliance with security policy and controls

User Activity Monitoring / Log Mgmt

Privileged internal users cause 87% of internal security incidents.
Start with: Monitor all user activity and system/application logs

User Access Rights / User Lifecycle Mgmt

Up to 30% or more of user accounts within IT systems are invalid.
Start with: Ensure only authorized users have access to data and services

1 IBM Market Assessment Panel 4Q 07.
4 Gartner
IBM Service Management Entry Point: Protect

Keep applications, data and services secure, protected from malicious or fraudulent use, and hardened against failure and catastrophe.

Vulnerability & Threat Management

Firms cannot manage the potentially hundreds of thousands of threat-related events and alerts generated daily in typical large IT infrastructure.
Start with: Understand threats and vulnerabilities, and plan accordingly

Data Backup, Restore & Retention

Digital information that will be created, captured, and replicated will grow from 161EB in 2007 to 988EB in 2010.¹
Start with: Backup and retain data and business information according to policy and compliance requirements

Business Continuity / Disaster Recovery

38 percent of large businesses estimate that one full business day of downtime would result in at least $500,000 in lost revenue, and 15 percent forecast one-day losses of $2 million or more.²
Start with: Build and implement an effective disaster recovery plan

IBM Service Management Entry Point: Industrialize

Take out costs, improve responsiveness and reduce errors by creating automated, repeatable, consistent and scalable task management.

Virtualization Management

38% of organizations expect server virtualization will extensively impact their IT Management strategy over the next 24 months.¹
Start with: Manage the complexity of virtualization

Energy Management for Green Savings

The cost of power consumption by data centers doubled between 2000 and 2006, to $4.5 billion, and could double again by 2011.²
Start with: Active energy management

Single Sign On

Analysts estimate that employees request an average of 3-4 password reset calls per year, at a cost of $20 per call.³
Start with: Simplify end-user management with single sign on

IT Asset Management

Poor communication and coordination between individuals and departments for all asset classes waste resources. Potential savings: Labor utilization up 10 – 20%, warranty recovery up 10 – 50%, inventory needs down 20 – 30%
Start with: Automate asset management to optimize utilization and ROI

Usage Accounting

Can’t relate IT to the business due to the inability to determine the cost of an IT service or application.⁵
Start with: Usage accounting to facilitate charge back

¹ 2008 IT Service & Infrastructure Management Survey: Uncovering the Business Value of IT Management Automation and Best Practices, Enterprise Strategy Group
² Business Week ‘It's Too Darn Hot: The huge cost of powering—and cooling—data centers has the tech industry scrambling for energy efficiency’ 3/25/08
³ Gartner group estimates that it costs $20 per call for password resets. Meta Group estimates that employees request an average of 3-4 resets per year.
⁴ Strategic Maintenance, Repair and Operations, by Richard MacLInnes and Dr. Stephen Pearce, 2002
⁵
IBM Service Management Entry Point: Integrate

Align IT planning and execution to business users and stakeholders, streamline the planning process and enable lifecycle governance.

Business Service Management

78% of CEOs believe integrating business and technology is fundamental to innovation. Start with: Manage and report on all IT services from a business perspective

Service Desk

Only 53% of end users are satisfied with that the help desk can resolve problems in a timely manner. Start with: Implement a service desk with integrated CCMDB

Service Deployment & Lifecycle Management

27% of a recent AMR study respondents plan to invest in software development lifecycle management in the next 12 months. Start with: Establish a controlled process for service deployment and lifecycle management.

Integrated Service Management Planning

Only 19% of business executives are satisfied with the extent of which IT priorities, budgets and service levels align with business objectives. Start with: Define a business-led governance and management model for service planning

2 Forrester United States Technology User Benchmark Study, 2005
3 AMR
Agenda

IBM Service Management
- IT & Business Service Management
- Not just traditional IT
- The IBM Solution

How can IBM Service Management help?
- End to End Value
- Traditional IT Management scenarios
- Predictive Analytics in practice

Changing the way you think
- Approaching IBM Service Management
We have countless tools today…

how can Service Management help us meet our objectives?
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**How well are we delivering against business and service level objectives?**

**How well is the IT infrastructure performing & what is the actual impact on business services?**

**How can we reduce operations costs, while improving service quality and productivity?**
IBM Service Management’s End to End Value

Today’s Focus:
Service Management

- Role Based Service Dashboards
- Real-time Service Modeling & auto-population
- Service Impact and Root Cause Analysis
- Leveraging 3rd party tools.

- Real-time KPI & SLA Tracking
- Web 2.0 user interface with Drag & Drop.
- Discovery & Change Tracking
- Launch in context
- Runbook Automations
IBM Service Management

Role-based dashboards
- Customizable/sharing common context
- Web 2.0/Mash-ups (IBM & 3rd party)
- Launch in context views & automations.
- Realtime & Historical reporting across KPIs, event & performance.
- Mobile Support

Distributed & Mainframe
- Visibility across both
- Manage from either
- SOA & Virtualization
- Supports IPv4 & v6

High Scalability/Availability
- Split UI & Engine
- Self-monitoring
- Failover
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Tivoli Discovery for Automated Service Modeling

Breadth of discovery:
• Distributed
• Mainframe
• SOA
• Virtualization
• Storage
• Network
• Security

Topology Mapping:
• Periodic
• Partial/Full
• Manual

Configuration Details & Change History
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Configuration Details & Change History

Cross tier application maps Configuration changes

Launch in context to configuration details panels
Managing Virtualized Environments – Service Management Approach

Visualize physical & virtual machines across including status from VMWare.

See service-impacting root cause events for prioritized response.

Visualize physical & Logical Partitions on Unix, including LPARs on mainframe.
Managing Business Applications - Combined with Predictive Analytics

Service impact triggered by events & KPIs:
- availability
- change
- performance
- predictive
- security
- business

Predictive rules enable state change prior to customer impact & service degradation.

Business Event:
Trade volume below normal.

Result:
Service Turns critical.

Predictive Event:
Rapid transaction rate decline.

Change Event:
Newer JVM version installed.
Accelerating Resolution of Service Problems
Accelerating Resolution of Service Problems
Accelerating Resolution of Service Problems

Runbook Automation

Assign Owner
Email/Page/Message
Restart App Service
Restart Server
Provision
Open Trouble Ticket
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   End to End Value
   Service Management Approach to traditional IT Management

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Getting Started: Do I have in place....???

Customer Experience
Real-time Transaction Performance, Service Status, and End-User or Service Experience

Infrastructure Events
Any Event or Fault from Any Source

Service Management Platform

Business Service Infrastructure

IBM Service Management

Dependencies
Relationship and Discovery Data

Business Metrics
Business Support Data – Incidents, Call Records, Billing Data, Process dependencies, Revenue, and Risk Analysis data

Views
Business Views & Operational Views

Actions
Impact Analysis, Task Automation, Config, Provisioning, Activation, and Orchestration
Getting Started: Best Practices

1. Select a core business service, process or system

2. Identify key stakeholders & performance indicators (CIO, Service Mgr, Ops)
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6. Optimize service tracking & performance by refining policies.
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4. Fill gaps in service monitoring. (e.g. Transaction)
5. Identify baselines & set thresholds/SLAs
6. Optimize service tracking & performance by refining policies.
7. Extend via value-add integrations & automations. (LIC: change history, runbook)
8. Add additional services using the same process.
Unmatched Relational Value…

Only Tivoli has the integrated & extensible foundation to manage across Tivoli & 3rd Party.
ADP needed a premier Service Management solution that they could deliver to their clients.

Benefits

• Customizable centralized views of business services and interrelationships
• Easily understood visual warnings to executives of service levels falling out of bounds
• Flexible display of business metrics such as availability, response times, and transaction volumes
• Concise views that allow business executives to understand the state of their services at a glance
• Fast impact and root cause analysis to pinpoint customers and links that need immediate remedial attention
• Validation of SLAs through real-time visibility of KPIs and KQIs

“This tool provides a single point where Tivoli and integrated components provides a high level view of ADP lines of business.”

— Andrew McKenzie
Technology Infrastructure Services
Automatic Data Processing Inc.
Tools to Get You Started Today

**ITSM Self-Assessment Tool**
- Facilitates identifying your service management priorities
- Self-assessment of your capabilities, importance, current levels of automation and governance effectiveness
- Based on a proven approach

**Tivoli Unified Process**

**Rational Unified Process**
- Navigation tool that provides “how-to” for customizing and implementing best practices for mapping, modifying and improving IT processes
- Prescribe specific actions for ITIL
- Includes the IBM Process Reference Model for IT (PRM-IT)
Why IBM Service Management?

- **LEVERAGE:** Provides a single effective interface across IBM Tivoli & 3rd party tools improving return on investment.

- **INTEGRATION:** Delivers the only solution with common visualization, navigation, security, data warehouse & reporting.

- **INTELLIGENCE:** Reduces mean time to resolution across domains with automated analysis, contextual drill down & actions.

- **EXTENSIBILITY:** Offers add-on capabilities for closed-loop end-to-end Service Management.

- **LEADERSHIP:** Proven technology & market leadership with thousands of customer implementations worldwide.

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*IBM Tivoli BSM solutions provide the integrated Visibility, Control & Automation Operations needs to help improve efficiency, reduce costs & assure services.*
Thank You