

# Top ten criteria for selecting a managed services provider

*How cloud and managed services can help IT deliver business value*



## Contents

- 2 Overview
- 2 Challenges of IT today
- 3 Making the case for managed services
- 6 The 10 most important things to consider in selecting a managed services provider
- 9 How cloud is transforming managed services
- 10 Making choices about delivery models
- 12 Charting a path for managed services adoption
- 14 Why IBM?

## Overview

The IT function continues to be asked to handle more demand for services amid growing complexity, with limited resources and expertise. Pressure on IT will persist as companies are faced with flat or shrinking IT budgets and as expectations build for IT to create business value and innovation. As a result, IT organizations cannot do it alone. They are looking to trusted IT services providers to help reduce cost, manage complexity, ensure desired levels of availability, maintain leading-edge skills and adopt technology innovation.

Managed services span a range of capabilities, creating options for IT organizations looking to benefit from externally provided services that allow them to focus on more business-critical issues and strategic functions and activities. Cloud computing increases this range of choices, providing greater potential than ever for IT organizations to transform.

## Challenges of IT today

Many organizations face existing IT systems that are unable to deliver on the transformation agendas that their businesses require. Inflexible IT, minimal scalability, rising management costs and other challenges add up to IT infrastructures that impede, rather than enable, meaningful innovation and growth. In the eyes of today's CEOs, technology is the most important external force impacting their organizations,<sup>1</sup> providing the engine for revolutionizing products, operations and business models. This puts increasing pressure on CIOs to deliver business value. At the same time, CIOs and IT managers from every industry and geography face the all-too-familiar pressures to cut costs, enhance service and availability, boost efficiencies and otherwise improve business as usual.

Meeting the demands of end users, minimizing risk and controlling costs while taking advantage of technology innovations require extensive skill and understanding. Change must be accomplished while keeping current operations up and running as efficiently as possible. Moreover, the rapid pace of innovation makes it increasingly difficult to evaluate new technologies and determine if they will bring competitive advantages—or merely add complexity to your environment.

As a result, organizations of all sizes are examining their strategies to see if the IT services they are designing and delivering in-house can be made more efficient and effective when provided by an external managed services vendor. In fact, 65 percent of CIOs who are focused on growth plan to partner extensively for new skills and expertise rather than doing everything in-house.<sup>2</sup> Taking the right steps now to leverage managed services and cloud computing can enable organizations to gain significant business and IT agility and add greater value to the organization. This paper examines the range of managed and cloud services available in the marketplace today, establishes the most important qualifications to consider in choosing a provider and outlines a strategic approach to making services sourcing decisions.

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## Focusing on core competencies

**Industry:** Engineering and construction

**Company profile:** A global leader in engineering, procurement, construction, maintenance and project management; active across six continents

**Size:** 43,000 employees

A long-standing managed services client, the company challenged IBM when it came time to renew its contract for global IT support. The company wanted enhanced services plus a hardware refresh option—at the same price as the original contract.

By centralizing support and management services and increasing productivity with new tools, IBM met the company's pricing targets. The new agreement included—in addition to onsite and remote management services for infrastructure at locations around the world—server optimization, an enterprise-wide technology upgrade and hardware lifecycle management.

With IBM providing performance management and supporting the entire multi-vendor IT environment, the company is able to focus on its core competencies and support business growth with optimized performance of its mission-critical infrastructure.

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## Making the case for managed services

By conventional definition, managed services comprise the remote monitoring and management of a customer's selected hardware, software or networks, which can be located on premises or hosted in a third-party data center. The services typically include alerts, operating system patch management, problem resolution and proactive problem prevention, with the managed services provider assuming responsibility for preventing downtime and improving IT performance, as measured by service level agreements.

IBM has a broader view, extending the concept of managed services beyond traditional application and infrastructure management to include networks, storage, desktop and communications—as well as managed services for security, data backup and recovery, disaster recovery, mobility, help desk and technical support. These are the core components of IT operations.

All are essential and consume significant resources—roughly 70 to 80 percent of IT budgets go to maintaining existing infrastructure and the status quo—yet they are non-differentiating when it comes to business value. Moreover, the underlying technology for delivering and managing each one continues to evolve. Adopting and making the best use of technology innovation to provide continuous improvement and cost reduction over time require continuous development or acquisition of advanced skills.

There is no better way to stay up to date on technology and gain ready access to necessary or scarce skills than using managed services from an expert services provider to meet IT needs. While managed services are often seen as most fitting for small and mid-sized businesses that have small IT organizations and limited resources, large enterprises are just as likely to use managed services to address specific issues within their IT organizations or to offload management of non-differentiating IT services and free up in-house staff to focus on core business and pursue innovation.

### Why companies adopt managed services

Large or small, companies are looking to trusted managed services providers to address a range of issues around cost, quality of service and risk. Understanding how services providers deliver value around these priorities offers a platform for building a business case for managed services versus in-house IT.

**Cost reduction.** Economies of scale and industrialization of service delivery enable managed services providers to meet a lower cost point than most organizations can achieve in-house. Additionally, many of the provider's costs—from infrastructure and overhead to technical staff—are shared across multiple clients. Typical cost savings that can be expected from IBM managed services are summarized in Table 1.

**CapEx reduction.** Enterprises are continually challenged with constrained capital expenditures. Decisions about where to invest capital are difficult—and typically the decision is to focus capital investment on revenue-generating initiatives. Similar to the way many companies have decided to lease real estate rather than purchase, delivery models like cloud and managed services can free up capital by shifting IT costs to operating expenses, where companies can have greater flexibility.

**Increased efficiency.** A managed services partner can provide new value from best practices, standardization and automation to the extent that IT reaches a level of industrialization that results in very high efficiency and tighter IT controls.

**Access to skills.** The need for finding, retaining and building the skills you need to support your heterogeneous IT environments is relentless. Managed services can reduce skills-related risk because the responsibility for attracting and retaining skilled individuals falls on the managed services provider. Providers are often in the best position to pool and utilize their resources among multiple clients, offering them greater skill diversity than they might achieve for themselves at a lower cost point.

**Better service levels and reduced risk.** Service quality is the ultimate value that a managed services provider can offer. Moreover, promises of service quality are backed by contractual service level agreements. Services providers are therefore highly incented to develop the tools, processes and governance required to deliver reliable services cost-effectively. In addition, they have the depth of experience that cannot be matched in-house. Services providers typically have seen problems that in-house IT staff may see only once or twice—and they know how to resolve them or, even better, to anticipate them and prevent disruptions proactively. The fact is that for services providers, bigger is better, and a larger services provider, with years and breadth of experience, can provide substantial benefits and working knowledge that you can take advantage of within your environment. The result for clients is a stable, dependable and protected IT environment that can meet the service availability and performance expectations of end users.

**Improved security, business resilience and compliance risk.** Reducing risks related to security, business continuity and compliance with associated regulations are critical areas of IT that can be addressed effectively by managed services. Security services in particular comprise a growing area for services providers and clients alike as escalating threats and a complex technology landscape make it difficult for in-house IT organizations to keep up with changing requirements. In addition to up-to-date skills and security intelligence, services providers should have the skills and the technology to reduce risks by automating a broad range of IT functions, from basic patch management to vulnerability scanning to data backup. A services provider can also bring proven processes, procedures and infrastructure resources to help clients recover critical systems and data with timeframes specified by regulatory requirements—and test these procedures regularly to make sure they work. A managed services provider that can address all of these areas can also help organizations integrate these functions for a more holistic approach to IT risk management.

**Access to technology innovation.** Managed services providers have the skills and resources to implement new technologies quickly, enabling clients to more readily exploit IT innovations that can provide new business value. Furthermore, client demand for innovation fosters healthy competition between services providers, helping to drive lower costs and create a market environment focused on customer needs. What's more, the managed services provider assumes most of the risk of new technology innovation by taking on the investment in startup costs, training and implementation.

**Flexibility and scalability to adapt to changing business conditions.** Services providers can scale the scope, size and range of managed services based on a client's business needs. This allows clients to better align IT with business requirements and speed time to market with fast provisioning of new resources.

Service area	Typical cost savings with IBM
Remote managed infrastructure services (servers, storage, devices, middleware)	≥20% payback in 12–18 months
Managed network services (network infrastructure, communication and collaboration infrastructure, network connectivity)	10–40% payback in the first year
Managed security services	Up to 55% payback in the first year
Managed backup and restore services	Up to 40% payback in 1–12 months
Managed resiliency services	Up to 25% reduction in recovery time and recovery point objectives
Managed virtualized desktop services	30–40% payback in 8–18 months
Managed help desk services	15–25% payback in 18–24 months
Managed hosting services	25–50% payback in the first year
Managed technical support services	Up to 40% reduction in support costs with payback in 6–12 months

*Table 1. Managed services options that yield results and save money, based on IBM's experience with actual client engagements.*

## The 10 most important things to consider in selecting a managed services provider

The potential benefits of managed services can only be achieved by selecting the right provider—one that can demonstrate the ability to provide skills, processes and resources that exceed your in-house capabilities. When you are evaluating managed services providers, consider the following 10 criteria to help you make an informed decision.

### 1 Depth of skills and experience

Any managed services provider should, as a baseline, have skills that go beyond basic operating system maintenance and availability management. Ask about skill levels related to managing change, virtualization, high availability, middleware and databases, multiple network technologies, cross-platform integration, mobility, security and, of course, cloud technologies. Go beyond the basic questions about certifications and headcount. Ask about scalability and availability of staff with specialized skill sets, how specialists are organized and share knowledge, and how best practices are promulgated.

By the same token, a managed services provider should have deep expertise across all delivery models, including not only managed services and cloud but also traditional IT and strategic outsourcing. In this way the provider can help clients achieve an integrated multi-sourcing strategy—in-house, managed services, outsourcing and cloud—structured to meet individual enterprise needs.

### 2 Proactive, technology-based approach to IT services management

Find out if the services provider has a “break/fix” mentality or a proactive approach that emphasizes problem prevention and continuous improvement. Look for a provider that goes beyond simple monitoring and device management. For example, employing sophisticated technologies like advanced analytics can drive incident prevention through analysis of failure patterns across platforms and processes, affording visibility into areas for client and service provider improvement. The provider should employ sophisticated back-end technology across all offered managed services. Look for technologies that provide such capabilities as sophisticated alert mechanisms, automated workload categorization and prioritization, incident escalation and remediation. Ask to what degree the services provider uses automation to reduce human intervention and improve quality and productivity.

### 3 Alignment with industry best practices and ITIL standards

A key to achieving a reliable, highly available IT infrastructure is to optimize IT management. A services provider should employ industry best practices in managing your IT resources—in particular, aligning with the ITIL approach to IT service management. ITIL best practices encompass problem, incident, event, change, configuration, inventory, capacity and performance management as well as reporting. Best practices for transitioning from in-house to the provider’s management system are also a critical area to explore.

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#### 4 Consistent processes, knowledge management and consolidated service visibility

Consistent service delivery is built on consistent processes that are clearly scripted and employ a repeatable methodology. Your services provider should be willing to share examples of policy and process documentation and explain how they are replicated across multiple delivery centers. Similarly, a services provider should have a knowledge management system that enables staff from any location to access historical problem and resolution information. Also important is the means by which the services provider gives you visibility into the health of your infrastructure and the performance of your managed services. Look for a secure, web-based portal that consolidates related services into a single dashboard with access to real-time service visibility, online tools for managing services and flexible reporting capabilities.

#### 5 Support for multivendor environments and strong partnerships

Today's IT infrastructures are typically heterogeneous environments comprised of hardware, software and network products from a variety of vendors. A services provider should have at minimum proven experience working with multivendor environments—and more importantly have partnerships with leading vendors to help ensure availability today and visibility into product evolution paths and emerging technologies. A truly vendor-agnostic services provider should play the role of trusted technology advisor, helping you select the technologies that provide the best fit for your business.

#### 6 Consistent global service delivery, with options for local resources

Choosing a managed services provider with global capabilities can help position companies of all sizes for growth and expansion in today's global economy. Global delivery capabilities offer many advantages, including rapid implementation in new locations, the ability to effectively manage client projects that span operations in multiple countries, local-language support for branches or subsidiaries, and in-country location of resources and data to address regulatory and legal requirements. Ask if a services provider employs standard delivery processes across all locations and how multi-location teams are organized and communicate.

#### 7 Performance-based service level agreements

A significant advantage of managed services is that responsibility for performance rests with the services provider. Your focus should be on what the services provider delivers rather than how the service is performed—which enables the provider to innovate, improve service delivery and reduce costs for mutual benefit. In turn, the services provider should be willing to commit contractually to meeting your service level requirements—and back up those commitments with financial penalties or other recompense if those service level agreements are not met.

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### 8 Broad portfolio of managed services aligned to your business model

Because your business and IT needs are continually changing, you want the flexibility to add managed services without adding unnecessary cost and complexity to your sourcing strategy. Many organizations are finding that services fragmentation—using multiple managed services vendors—can become quite costly and complex. While sourcing by process may seem optimal since it allows you to hire “best of breed” for a particular activity, it can perpetuate silos, hinder agility and make change more difficult.

To preserve future flexibility, ensure that any prospective provider offers a comprehensive suite of managed services, from infrastructure management to managed security, resilience, mobility and other IT services to managed hosting and cloud. Moreover, look for a provider who offers flexibility in doing business with you, such as giving you the option to retain your current equipment and, where it makes sense, your current processes. Managed services can also offer a new financial approach to deploying IT capability. Your chief financial officer (CFO), for example, might want a managed services provider that can offer services priced on a pay-per-use basis, allowing the enterprise to scale demand up or down to match business requirements.

### 9 Technology foresight and a path to innovation

With strategic partnering becoming increasingly prevalent, it's important to consider the impact sourcing relationships can have—not only on business outcomes, but also on a company's core business model and corporate culture. If innovation and transformation are critical components of your business strategy, how can a prospective managed services provider contribute? Do they have proprietary insights or experiences that can provide headlights into future technological or market shifts? What competitive advantages could you gain from access to—or, even better, collaboration with—the provider's R&D function? How can the provider's expertise, assets, reach and network of partners help you develop new business models or expand into new markets?

### 10 Financial stability and reputation

Whether you are considering a relatively short-term, introductory foray into managed services or looking for a long-term, strategic relationship, a prospective vendor's financial stability is of utmost importance. Today, a services provider's length of time in the marketplace is no longer a reliable predictor of future longevity. It is worth your while to research annual reports, financial statements and opinions offered by business and IT industry press and analysts. And ask potential providers to back up their claims with customer references and quantified success metrics.

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## How cloud is transforming managed services

Cloud computing is emerging as both a new option on the continuum of managed services and, in some cases, a foundational underpinning for the delivery of managed services. Whether it is a public infrastructure as a service (IaaS) offering or management of a client's internal private cloud environment, cloud computing services offer the same benefits of other managed services—but typically to a greater degree. This is particularly true of cost and CapEx reduction, increased efficiency, greater flexibility and scalability, and access to the advanced skills that cloud requires. Cloud offers an important additional benefit: usage-based pay-as-you go pricing.

A number of these extended benefits derive from the characteristics that separate cloud computing from traditional IT environments—the combination of virtualization, standardization, automation and self-service—and that are essential to defining what is a cloud infrastructure service rather than a managed infrastructure service. While standardizing on fewer hardware and software configurations makes business sense in traditional environments, for cloud it is critical to enabling the increased virtualization, infrastructure simplification and lower costs inherent in the infrastructure. Automation in cloud computing reduces human involvement and potential for error, speeds deployment, reduces operational costs and can help achieve compliance. Self-service is a concept introduced with cloud that allows for more user control, choice and involvement in provisioning of IT services while reducing costs, speeding deployment and helping to improve end user satisfaction.

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## Gearing up for business success with an IBM-managed private cloud

**Industry:** Automotive

**Company profile:** Global automobile manufacturer headquartered in Germany

**Size:** More than 65,000 employees worldwide

In order to better address increasing demands from employees, customers and suppliers, this automobile manufacturer needed to improve the availability and performance of its SAP systems—while making them much more scalable and flexible. The company decided to move its 100 separate SAP systems to a private cloud environment designed, built and managed by IBM. The IBM team successfully migrated all 100 existing systems to a completely new IBM-based hardware and software platform in six months, with no disruptions to business operations.

Since 2011, operational support of the private cloud environment has been handled by IBM managed services. With on-demand server capacity, the automaker can expand and shrink processing capacity as needed to respond to changing external demand. And with IBM managing the hardware, operating system and virtualization, the company can focus on managing its SAP systems and meeting business needs.

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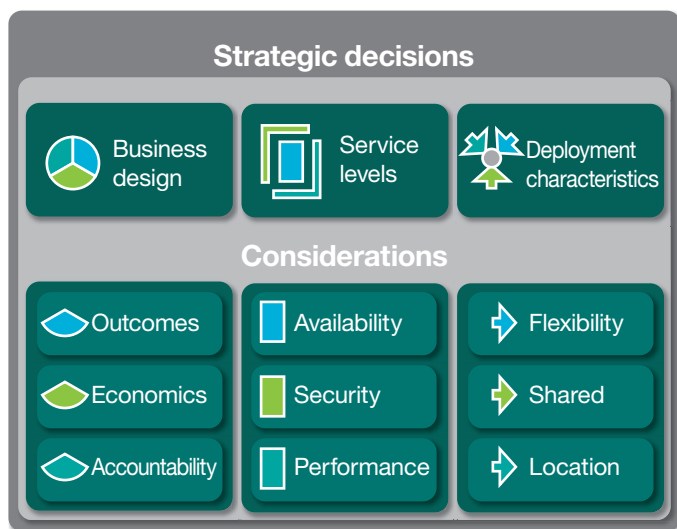


Figure 1. IBM's Service Delivery Framework.

It is important to note that cloud as a delivery model is not an “all or nothing” choice. Instead, specific workloads can be moved to cloud based on a range of characteristics. With both shared and private cloud options, clients can also have what is referred to as a hybrid cloud. This approach provides an avenue for intercommunication and functioning between cloud and non-cloud workloads, as well as the ability to run workloads in either environment as priorities or computing needs change. Workloads like testing often fit nicely within a shared cloud model, while production services are often a better fit for private cloud or traditional IT options, usually based on privacy and security needs. Development workloads can be tailored to run in either option.

## Making choices about delivery models

IBM has developed a framework designed to help clients choose the services and delivery models that are right for their individual IT organizations and enterprises. This framework is built around three critical decision points: business design, service levels and deployment characteristics (see Figure 1). Experienced IBM business and technology experts work with you to understand your business requirements, service level objectives and deployment choices and match the right mix of delivery models to your business needs.

### Business design

When looking at the business design, your focus needs to be on outcomes, accountability and economics. What level of control do you want, and who is responsible for what after the transition to managed services? Which pricing arrangement makes the most sense? Is your company moving away from fixed cost expenses, and can you take advantage of a variable expense model based on usage? Can you reduce capital expenditures by taking advantage of the operating expense model that managed services offer?

### Service levels

In order to maintain service levels in a managed services environment, it is critical for both you and your services provider to have a clear picture about the performance metrics, security tools and policies and level of resiliency your organization requires. Balancing your performance and service level requirements with costs is an important exercise. Determining the right level of availability, security, and resiliency of a particular service ensures you are not paying a premium for a service level not required by your organization or, conversely, allowing a critical business process to be under-protected.

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## Deployment characteristics

Today your infrastructure can be dedicated to you, whether it resides in-house or is hosted by a services provider, or your infrastructure can be part of a shared environment—which is often the most cost-effective choice. This evaluation starts with these key questions: Do you need a customized environment, or can you take advantage of the agility (and typically the scalability) a standardized environment can provide? Where should your IT assets be located? Who should own them?

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*IBM's proprietary Service Delivery Framework is designed to guide clients step-by-step through the myriad considerations involved in transforming IT infrastructure, helping them determine the sourcing solution that best fits their needs.*

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Most likely the answers will differ depending on the infrastructure components and applications or services and business processes they support. For that reason, you want a managed services provider that can offer solutions that integrate multiple delivery models, including management of a traditional IT environment, shared private cloud services and shared public cloud services. With outsourced management of your own IT infrastructure, some services—like tape backup and parts of the network—are shared, but other services are private. When a shared cloud is dedicated at the virtual machine level, you share some infrastructure, but have dedicated virtual machines and storage services. In a public cloud service, you share all services with other users within the infrastructure.

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## Enhancing availability and end user satisfaction

**Industry: Energy and Utilities**

**Company profile: Natural gas, energy and related energy services provider in Italy**

This Italian energy company needed help implementing and managing a new IBM System i infrastructure. In addition to engaging IBM to install the computing system, the company selected IBM to provide a number of managed services on an ongoing basis, including monitoring, managed server support, reporting, customer care call management and managed security policy verification.

As a result of the managed services relationship with IBM, the company has realized higher systems availability and improved end user satisfaction. Additionally, the company has reduced risk with the IBM team providing backup and restore services to protect critical data. Continuous support for the company's IT team allows in-house specialists to address and solve issues quickly and efficiently.

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## Charting a path for managed services adoption

A strong managed services and cloud strategy means you can expect your new or existing managed services arrangements to grow as your business and usage needs grow. You can start with a flexible labor arrangement, which takes advantage of the managed services provider's skilled resources. Often referred to as staff augmentation, this model brings the skills you need into your organization to do special projects or just provide the skilled resources you need for day-to-day services.

The next level can be to adopt selected managed services for your infrastructure. This approach allows certain infrastructure functions, such as backup and recovery, server and storage management or security, to be managed by a provider while you retain other infrastructure responsibilities and management of your applications.

As you move along your strategic continuum you can advance from having some services to all services provided by a managed services provider. You can use your infrastructure and configure it as a traditional IT environment or as a private cloud, which provides more virtualization and standardization. You can also ask the services provider to manage everything, up to and including the facility itself. Or you can move your infrastructure to a hosted or shared environment that is owned and managed by the managed services provider.

Wherever you choose to start, you need to have a partner that offers a continuum of services that includes cloud as well as basic and advanced managed services. This partner should work with you to define a strategy that shows where you are on a continuum and how cloud and other innovations fit within your plans. Your ability to act on technology innovation with a level of confidence is stronger when you have a services provider you trust to embrace breakthrough productivity, accelerate value creation and increase velocity.

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*IBM IT strategy and design consultants can help companies of all sizes chart a path for cloud and managed services adoption that is realistic and relevant to your industry and your business objectives. Our consultants can work with you in a number of ways, from holding briefings for key executives and conducting structured workshops to providing strategy and design consulting services that result in detailed roadmaps.*

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## Managed and cloud services from IBM

### Custom managed services

IBM Server and Storage Managed Services	Helps clients improve application availability and infrastructure utilization while reducing costs using IBM best practices and analytics-based monitoring and management tools for servers, virtual servers and storage
IBM Managed Security Services	Provides 24x7x365 monitoring and management of client in-house security technologies, with a single management console and view of the entire security infrastructure
IBM Managed Resilience Services	Maintains near-continuous business operations and assists in managing regulatory compliance, improving systems availability and protecting data
IBM Managed Mobility Services	Provides lifecycle services and advanced mobile device management, reducing the complexity, risk and higher costs that come with a proliferation of mobile platforms
IBM Managed Network Services	Offers robust tools and delivery expertise to manage network and communications environments, including connectivity, data center, LAN, campus, wireless, unified communications and collaboration, as well as telecom expense management
IBM Managed Service Desk Services	Provides centrally managed, consistent end-to-end incident and problem management, improving first-call resolution percentages, user satisfaction levels and cost-effectiveness
IBM Managed IT Support	Alleviates complexity and management burden on IT by providing a single consolidated focal point responsible for managing multiple hardware and software vendor relationships
IBM Smart Business Desktop Cloud	Provides end users with faster, security-rich access to corporate data and applications from nearly any device via a private cloud solution that transforms traditional desktop infrastructure into a virtualized environment

### IBM SmartCloud Infrastructure Services

IBM SmartCloud Enterprise	Provides an agile computing infrastructure as a service (IaaS) designed to furnish clients with rapid access to enterprise-class cloud environments that are well suited for development and test activities, batch processing, web hosting and a broad spectrum of born-on-the-web applications
IBM SmartCloud Enterprise+	Offers an IBM-managed robust, security-rich, cost-effective multi-tenant private cloud infrastructure as a service (IaaS) for running production workloads
IBM SmartCloud Application Services	Provides enterprises with a cloud environment for a wide range of enterprise applications via a pay-as-you-go platform as a service (PaaS)
IBM SmartCloud for SAP Applications	Reduces SAP complexity through standardized, configured-to-order solution components; dramatically accelerates complex SAP provisioning and copy services; and significantly increases flexibility

### Why IBM?

As well as having demonstrable credentials in each of the ten most important things to consider in selecting a managed services provider, IBM brings industry-leading expertise and capabilities to help clients with cloud and managed sourcing decisions. Not only do we have the broad and deep knowledge across IT and business required to help clients understand and identify their requirements, but also IBM is expert in each type of delivery model—including not only managed services and cloud but also traditional IT and strategic outsourcing. As such, we are in a position to help clients realize an integrated multi-sourcing strategy.

IBM cloud and managed services provide the help clients need for optimizing and running IT infrastructure. IBM has the ability to provide rapid access to world-class expertise,

tools and best practice processes to help strengthen and grow your business. We can minimize the headaches and expense caused by skills shortages, outdated IT infrastructure, new threats and complexity by providing support from our talented practitioners and access to our state-of-the-art infrastructure and in-depth knowledge of security and availability issues.

IBM can deliver efficiencies across IT infrastructure with a broad range of capabilities outlined in the sidebar “Managed and cloud services from IBM.” Moreover, as shown in Figure 2, we offer clients the flexibility to select the degree of support they want for each layer of infrastructure they want help with—from basic monitoring and management to long-term arrangements based on an innovation path designed to replace an aging or inflexible infrastructure with new technology.

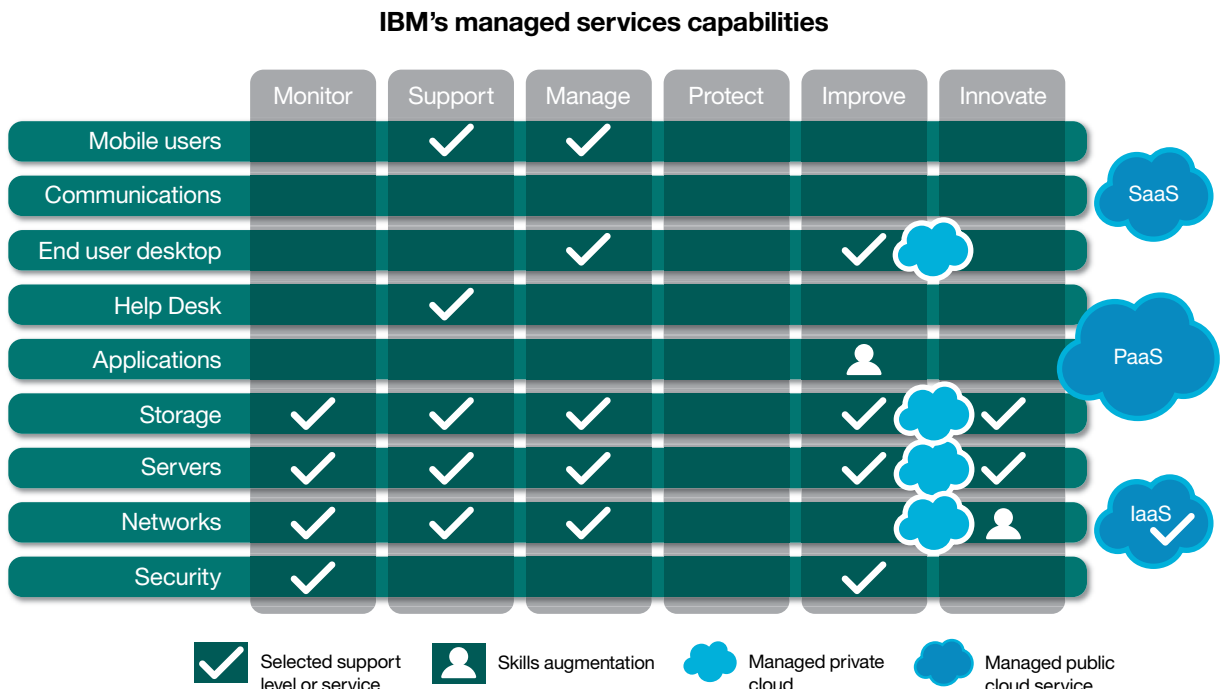


Figure 2. IBM offers clients the flexibility to select from a range of managed services support levels—from basic monitoring to cloud to a long-term technology innovation path—for any infrastructure layer that IBM manages.

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## Launching a new business on the cloud

**Industry:** Information Technology

**Company profile:** Large independent software vendor (ISV) in France

**Size:** 2,000 employees

This French software company made a strategic decision to transform its Service Bureau into a software as a service (SaaS) model. To meet its business objective of rapid organic and external growth and to help clients optimize infrastructure costs, the company needed to accelerate industrialization of its SaaS infrastructure.

IBM helped the company get a quick start on its new business model by implementing a dedicated, security-rich private cloud infrastructure. Today, IBM hosts and manages the infrastructure with a managed services solution designed for the high availability required to support a SaaS business. The services provided include IBM SmartCloud Managed Backup (to two different sites), IBM SmartCloud Virtualized Server Recovery and IBM Managed Security Services.

With IBM managing its cloud infrastructure, the company can focus on gaining market share and supporting customers while providing a security-rich, highly available service that protects customer information. What's more, the company was able to launch a new business model without an upfront infrastructure investment.

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## For more information

For more information on how IBM cloud and managed services can help you realize better outcomes and focus on value creation and innovation rather than operational chores, contact your IBM representative or IBM Business Partner, or visit the following website:

[ibm.com/services/managed](https://ibm.com/services/managed)



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<sup>1</sup> “Leading Through Connections: Insights from the Global Chief Executive Officer Study,” IBM Institute for Business Value, May 2012. This research is based on in-depth interviews of more than 1,700 CEOs from around the world.

<sup>2</sup> “The Essential CIO: Insights from the Global Chief Information Officer Study,” IBM Institute for Business Value, May 2011. More than 3,000 CIOs from 71 countries were interviewed for this study.



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