ITIL and IT Operations Optimization

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17 June 2009

Gartner Webinar
Audio Announcement

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The I&O Leaders Key Initiatives

- Green I&O
- ITIL & Process Improvement
- IT Modernization
- Microsoft Migrations
- Mobile & Remote Working
- Virtualization & Consolidation
- VoIP & Unified Communications
Agenda

1. What is ITIL and how do you avoid the common pitfalls when using it for process improvement?

2. What specific techniques are organizations utilizing to get benefits from ITIL and how can Gartner’s I&O Maturity Model help?
ITIL Version 2: Still the Most Common Focus

Service Delivery
- Service-level management
- Financial management
- Capacity management
- IT service continuity
- Availability management

Service Support
- Incident management
- Problem management
- Change management
- Configuration management
- Release management

Core Benefits
- Standard process language
- Emphasis on process vs. technology
- Process integration
- Standardization enables cost and quality improvements
- Focus on the customer

Limitations
- Not a process improvement methodology
- Specifies "what," but not "how"
- Doesn't cover all processes
- Doesn't cover organization issues
- Hype driving unrealistic expectations

ITIL version 3 published 30 May 2007
Participant Poll

Which response best characterizes your organization's adoption of ITIL?

- “Completed” adoption
- Implementing 2+ years
- Implementing less than 2 years
- Planning to start in next 18 months
- No plans at this time

Please select the one option that best fits your situation

Responses are confidential
Polling Results: Characterization of ITIL Adoption

Audience polling surveys at Gartner Data Center Conferences and Gartner Infrastructure, Operations and Management Conferences (N = 73 to 171).
ITIL Version 3: Service Life Cycle Approach

- **Service Strategy**
  - Link IT service strategies to customer value

- **Service Design**
  - Design services to satisfy business objectives

- **Service Transition**
  - Implement service designs
  - Service knowledge management system
  - Refinement of change, configuration and release processes

- **Service Operation**
  - Deliver and manage services
  - Refinement of incident and problem management processes
  - Event and access management

- **Continual Service Improvement**
  - Never-ending review for opportunities

Source: ITIL
Implementing V3: Theory Versus Reality

“In theory there is no difference between theory and practice. In practice there is.”
— Yogi Berra

• ITIL V3 is often:
  - Perceived as intimidating, theoretical, and academic
  - Thought of as so advanced “we can’t get there from here”

• Many are taking a pragmatic approach to V3
  - Don’t adopt the full Service Lifecycle approach
  - Leverage best practice approaches proven with V2
  - Selectively take advantage of new and updated content

• Don’t avoid V3
• Know there are options
Participant Poll

Which response best characterizes your organization's adoption of ITIL V3?

- Aware, but no immediate plans to adopt V3
- Plan to adopt V3, but not slowing down V2 implementation
- Implementing V3
- Previously unaware of V3
- We have no ITIL plans

Please select the one option that best fits your situation

Responses are confidential
Polling Results: Impact of ITIL Version 3

- Aware, but no immediate plans to adopt
- Plan to adopt V3, but not slowing down in meantime
- Implementing V3
- Previously unaware of V3
- We have no ITIL plans

Audience polling surveys at Gartner Data Center Conferences and Gartner Infrastructure, Operations and Management Conferences (N = 72 to 178).
Drivers and Hurdles to Implementing ITIL

**Survey:** What is your main driver in implementing ITIL? (N = 180)

- Improve quality: 53%
- Increase agility: 21%
- Decrease cost: 13%
- Compliance/risk: 9%
- None of the above: 4%

**Survey:** What is your biggest hurdle in implementing ITIL? (N = 164)

- Requires too much change in culture: 43%
- Lack of organizational guidance: 21%
- Organization too focused on tools: 15%
- Can't justify ROI: 12%
- Too high-level to implement: 5%
- Lack of experienced consultants: 4%
Why Implementing ITIL is Not Quick and Easy — Three Levels of "Hurdles"

1. **"The Initial"**
   - Maturity Assessment
   - Foundation Training
   - Incident/Problem/Change
   - Service Desk

2. **"The Advanced"**
   - Configuration
   - CMDB
   - Release
   - Service Level
   - Capacity

3. **"The Cultural"**
   - Process-Centric Organization
   - Metrics-Driven
   - Integrated Processes
   - Institutionalized

Typical Client Focus
Assuming Tools Will Solve Your Problems

"Man is a tool-using animal. Nowhere do you find him without tools; without tools he is nothing, with tools he is all."
— Thomas Carlyle

- Be wary of vendor hype
- Focus on process first
- Tools can be enablers or inhibitors
- Assess the capabilities of your current tools
- Review new tools where they would pay significant dividends
- Buy what you need, as you need it
Confusing the Means With the End

This is not the goal!

Certification
ITIL
CobiT
CMMI
ISO 20000

Process improvement is about better outcomes and experiences for customers.

Beware of process for its own sake!
Certification does not guarantee good outcomes!
1. What is ITIL and how do you avoid the common pitfalls when using it for process improvement?

2. What specific techniques are organizations utilizing to get benefits from ITIL and how can Gartner’s I&O Maturity Model help?
Keep Focus Narrow and Deliver Benefits

Where to Start
- Not necessarily on the least mature processes
- 80% of clients start on core processes such as change, incident and problem management
- Service-level management is often first service delivery process
- Consider ITIL version 3’s service life cycle

Iterative Approach
- Design 80% solutions and plan to improve later
- Channel benefits to "self-fund" the next phase
- Manage scope in 4- to 6-month phases
- Periodically reassess priorities

Deliver Benefits
- Reduce percentage of changes causing incidents, improve MTTR
- Builds momentum
Build Top-Down and Grassroots Support

Treat as an organizational change initiative
- CIO or head of infrastructure and operations must be a visible champion
- ITIL is much more about people than about technology
- Change the culture to embrace standardization vs. unique solutions
- Don't ignore people change by concentrating only on process and tools

Emphasize WIIFM
- Tailor messages for stakeholder groups
- Reward process victories vs. traditional hero behavior

Communicate frequently and consistently
- Clearly articulate underlying goals and objectives
- Report on progress — macro and micro
Use Metrics to Drive Behavior and Measure Progress

- People inherently want to do a good job
- What gets measured gets attention
- What doesn't get measured drops off the radar
- People will take action to move a metric in a positive direction
  - People will do "dumb" things
  - People will stop doing "smart" things
- Focus on analysis and action vs. reporting
  - Select a few key metrics, instead of many
  - Measure what will help you improve, not what's easy to measure
  - Create "tiers" of metrics tailored to different audiences
Leverage External Resources

**Formal training**
- Foundation certification
- Intermediate certification
- Expert certification
- Master certification
- Overview exposure methods

**Sharing lessons learned**
- Gartner, vendors, peers, itSMF

**Consulting assistance**
- Assessment, planning and implementation assistance

*Key to Success*

Don't reinvent the wheel; learn from others!
Gartner’s I&O Maturity Model Helps Chart a Roadmap

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Critical Success Factors

- Senior management commitment
- Persistence and patience
- Culture of continuous improvement
- Funding
- New metrics

Elapsed Time and Effort Are Greater Between Levels 2, 3 and 4
Set and Manage Expectations Carefully

Resource Investment

Maturity Value

Economics

Service Quality

Agility

Business Value

Business Alignment/Integration

Maturity Level
Recommendations

• **On Monday Morning**
  - Review the scope of your IT service management initiative to ensure that it represents a tactical and practical approach to achieve a strategic and elegant solution.
  - Assess your current level of process maturity.

• **Near Future**
  - Look at the new guidance in ITIL Version 3 to determine how it should impact your IT service management initiative.
  - Review your portfolio of tools to help enable good processes.
  - Demonstrate senior management commitment repeatedly to inspire grassroots support.

• **Long Term**
  - Conduct a formal process maturity assessment to assess progress.
Recommended Research and Upcoming Events

Introducing the Gartner IT Infrastructure & Operations Model (G00147962)
Toolkit: ITIL and Process Improvement are Key Initiatives for Infrastructure and Operations (G00165194)
Best Practices in Change, Configuration and Release Management (G00150077)
Key Metrics for IT Service and Support (G00154802)
Six Steps Towards Ensuring a Successful CMDB Implementation (G00160331)
From Development to Production: Integrating Change Configuration and Release (G00165306)
How to Effectively Leverage ITIL Consultants (G00162132)

Attend Gartner IT Infrastructure & Operations Summit

23 - 25 June in Orlando, Florida
Register now!  
www.gartner.com/us/iom
Gartner Reduces IT Cost in Four Distinct Ways

[Video]

FEATED VIDEO
Four Levels of Cost Optimization
Kurt Potter, Research Director

Research Director Kurt Potter discusses the use of Gartner’s Four Levels of Cost Optimization framework as a planning and communication structure.

Cost Optimization Fundamentals

Key Issues for Cost Optimization, 2009
Kurt Potter

Preserving Your Investments When Your IT Vendor is in Financial Difficulty
Debra Logan

Visit gartner.com/economy now to see exactly how Gartner takes cost out of IT
Thank you for Participating!

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