



# Southern Company

- » Enterprise change management ensures market competitiveness of IT, reduces risk of outages, and strengthens customer satisfaction

## BEFORE

- » Infrastructure data siloed, resulting in a lack of visibility into the infrastructure as a whole
- » Multiple change processes resulted in inconsistent handling of changes, increasing the risk of failed changes
- » All changes treated the same regardless of business impact
- » Lengthy CAB meetings consumed valuable staff time to review all changes

## AFTER

- » CMDB interfaces to other data sources, allowing for a single enterprise view
- » Standard process ensures that high-risk changes receive close scrutiny while routine changes occur with minimum effort
- » Risk-based approach lets IT focus on changes that matter most
- » Risk-based management reduced meeting time, freeing up staff for critical projects



## GEOGRAPHY

United States

## INDUSTRY

Energy

## SOLUTIONS

BMC Atrium CMDB

BMC Remedy Change Management

BMC Remedy Asset Management

BMC Analytics for BSM

Southern Company prides itself on being a “smart” company. This leading U.S. energy producer is committed to leveraging the latest technologies to improve business operations and ensure quality service to customers. For example, Southern Company has used Smart Grid technologies for years to improve the performance and reliability of its energy production and delivery system.

The company has garnered numerous awards and recognition for its “smart” efforts. For nine consecutive years, the American Customer Satisfaction Index has listed it as the top-ranking U.S. electric service provider in customer satisfaction. In 2008, the company was named to CIO Magazine’s “CIO 100” for its deployment of more than 260,000 Smart Meters, which eliminated manual tasks, improved customer satisfaction, and cut out 38,000 miles of travel by field service representatives for the company’s Georgia Power subsidiary. Southern Company is now planning to implement Smart Meters systemwide.

The IT group plays a key role in researching and implementing technologies that provide a competitive advantage. “Our IT strategy goes hand in hand with business strategy,” said David Traynor, manager of Business Excellence. “IT works closely with executives in the business units to understand what kinds of technology investments we will need to make over the next two, five, and even 10 years.”

To drive efficiency and innovation in IT, the IT group has embarked on an enterprise change management initiative. The purpose is to improve the market competitiveness of IT service offerings, reduce the risk outages due to failed changes, and improve customer satisfaction. The change management initiative involves refining IT processes, implementing a configuration management database (CMDB), and deploying automated tools for change, asset, and configuration management. For the CMDB and automated tools, Southern Company turned to BMC Software.

“The total focus of the business excellence team is running IT as a business,” Traynor said. “One of the ways we do that is to benchmark and market test IT services to make sure we are providing our services at the right price point. If we’re out of line, we need to either find a way to provide the same quality of service at a lower cost or we need to turn it over to an outside service provider. That’s where many of the BMC solutions come into play. They allow us to be smarter from a process standpoint and to automate our processes with intelligent tools so that we can add value to the business while keeping IT costs in line with the market.”

### GETTING STARTED WITH A CMDB

Southern Company’s foray into configuration management started in 2005 with the decision to implement the BMC Atrium CMDB. The IT organization had numerous data sources containing infrastructure data, including spreadsheets and databases stored on personal laptop and desktop computers.

“People had access to their own information but it wasn’t readily accessible outside of the individual workgroup,” Traynor recalled. “We needed to bring the information together in a central place so that we could make it more readily available across the company and make decisions based on a comprehensive view. We chose the Atrium CMDB because of BMC’s leadership role in CMDB technologies.”

As the project evolved, it became clear that the number of configuration items in the CMDB would be huge. Moreover, the CMDB was customized heavily to meet data owner requests to mimic the screens and operations they were accustomed to using.

### BROADENING THE SCOPE

Southern Company had also selected BMC Remedy Change Management and BMC Remedy Asset Management to bring greater efficiency to these two IT service management disciplines. As deployment of these two solutions progressed, the staff realized that consolidating them with the CMDB project would allow for a more holistic IT service management approach that would better meet the needs of the business. To this end, IT folded the CMDB, change management, and asset management to create the more comprehensive Enterprise Change Management (ECM) initiative. “By combining our efforts in this way, we broadened our focus to satisfy the data requirements not only of our infrastructure services department but also of all the consumers of infrastructure information,” Traynor explained. “We also positioned ourselves to better address the touch points between the CMDB and our change, asset, and configuration management processes. Moving forward, we will be able to bring incident and problem management into the picture as well as other IT service management disciplines. And ultimately we’ll have visibility into the relationships among assets and understand how changes to one asset will affect other assets as well as business services overall.”

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DAVID TRAYNOR  
MANAGER, BUSINESS EXCELLENCE

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Instead of forcing departments to maintain and manage their data in the CMDB, the staff changed its approach to allow departments continue to using their familiar tools. The staff integrated those tools with the CMDB, putting in place interfaces that keep the CMDB updated so that it provides a consolidated view of infrastructure data. This approach minimizes the need to customize the CMDB, which will make upgrades faster and easier.

### A RISK-BASED APPROACH TO CHANGE

Before the ECM initiative, there were 10 different change management processes across the IT group. Some were widely used; others were used by only a small number of people. A primary goal of ECM was to adopt a standard process across all departments and implement a risk-based approach to change.

“In the past, every change was treated in the same way regardless of the impact on the business,” Traynor said. “We have between 500 and 600 changes a month, and we were spending a lot of time reviewing each one. With the BMC solutions, we’ve been able to implement a risk-based approach that lets us focus our time and attention on the changes that mean the most to the business.”

For example, changes related to the company’s enterprise resource planning system can affect thousands of people and are high risk, high impact. In contrast, routine changes, such as modifications to device monitoring parameters or alarm settings represent minimal impact and minimal risk. Changes to the financial systems are carefully scrutinized by the change advisory board, while routine changes are typically pre-approved and implemented without change advisory board review. All changes, whether reviewed by the or not, are fully documented for audit and compliance purposes.

According to Traynor, this risk-based approach has slashed meeting time. Previously, two dozen or more people participated in change advisory board meetings three times a week to discuss the impact of changes under consideration. Now change advisory board meetings are held on an as-needed basis and most of the time no more than eight or nine people must attend.

### GAINING INSIGHT THROUGH REPORTING AND ANALYSIS

Southern Company is just beginning to take advantage of BMC Analytics for BSM to perform point-and-click analysis and advanced reporting across the BMC Remedy applications. BMC Analytics for BSM includes out-of-the-box, best-practice reports and ad-hoc analysis capabilities for BMC Remedy Asset Management and the BMC Atrium CMDB as well as for BMC Remedy Service Desk, which the staff plans to install within the next 12 months.

The initial step has been to create management reports around the key financial applications. Next steps will include operational dashboards that will provide insight into the efficiency of the change process. Key metrics will include the number of changes in the pipeline. Number of changes implemented, failed changes, emergency versus planned changes, and average process time per change.

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## CUSTOMER'S FINAL WORDS

"The business doesn't want to hear that a system is down and we don't know when it will be back up," Traynor concluded. "With the CMDB and our BMC solutions, we can avoid those unplanned surprises. What's more, we can use the BMC applications to speed problem diagnosis. Both of those benefits are making our customers quite happy."

## ABOUT SOUTHERN COMPANY

With 4.4 million customers and more than 42,000 megawatts of generating capacity, Atlanta-based Southern Company is the premier energy company serving the Southeast. A leading U.S. producer of electricity, Southern Company owns electric utilities in four states and a growing competitive generation company, as well as fiber optics and wireless communications. Southern Company brands are known for excellent customer service, high reliability and retail electric prices that are significantly below the national average. Southern Company has been listed the top ranking U.S. electric service provider in customer satisfaction for nine consecutive years by the American Customer Satisfaction Index.

## BUSINESS RUNS ON I.T. I.T. RUNS ON BMC SOFTWARE.

Business thrives when IT runs smarter, faster, and stronger. That's why the most demanding IT organizations in the world rely on BMC Software across both distributed and mainframe environments. Recognized as the leader in Business Service Management, BMC provides a comprehensive and unified platform that helps IT organizations cut cost, reduce risk, and drive business profit. For the four fiscal quarters ended March 31, 2010, BMC revenue was approximately \$1.91 billion. Visit [www.bmc.com](http://www.bmc.com) for more information.

