



HOW I.T. CAN REALLY GET DOWN TO BUSINESS

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Not too long ago, technology was a luxury that only large, resource-rich enterprises could afford. Now it's affordable and accessible to organizations of any size, regardless of industry or location. As such, technology is playing an unprecedented role in creating business value. Yet IT groups in mid-sized organizations are often stretched thin and lack the time and tools to help communicate the value technology is bringing to the business in terms the business understands.

It's time for a change. IT groups need to think of IT as a service organization to the business and view the various business groups in the company as customers. This means understanding not only what business services IT provides but also the cost and the business value of those services. It means making decisions by taking into account the business as well as the technological impact and by involving business people in those decisions. And finally, it means being able to articulate the value back to the business.

Many IT organizations historically lacked the data and the analytics capability required to make the transition from a technology orientation to a business orientation. Today, however, IT service management (ITSM) solutions are available that not only gather a wealth of business-oriented data but also provide the analytics to leverage that data and present it in a way that is meaningful to business users. These solutions also automate many repetitive,

resource intensive, time-consuming tasks, freeing up IT staff to focus on business-oriented activities.

These solutions do not require a large staff of highly specialized experts typically associated with providing business intelligence. They also do not require the major integration efforts usually associated with business automation. So, they are well within the reach of mid-sized companies. By taking advantage of these solutions, IT can be recognized as a business value contributor.

Not enough time, not enough information

In many organizations, IT has focused primarily on technology issues. If this sounds familiar, maybe your IT organization finds it difficult to pull back and see the bigger picture, that is, the business picture. There are two primary reasons for this.

First, IT has been totally involved with "just keeping the wheels on the technology bus." IT has had to

deliver services and keep them running at the performance and availability levels that the business demands. And IT has had to do this in the face of constant budget pressure. That leaves little time, if any, to proactively think about business issues.



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The second reason is that IT has not always had the sufficient business-oriented information it needs to understand the big picture. IT knows what services it provides but also needs a better understanding of the business impact of those services. That's because most of the tools available to IT tend to focus on activities. For example, incident and problem management tools record such statistics as the number of incident tickets created over a certain time period, which ones are still open, how many were closed on the first call, and other activity-related data.

What these tools don't do, however, is relate this data to business impact. For example, if IT has dramatically reduced the number of incidents coming in for a particular service, how has that impacted revenue? Without this information, IT cannot fully understand the business impact of its activities, let alone communicate the value of this impact to the business.

As a result, IT needs to be in a better position to engage in strategic conversations with the business. IT

operates in the technological world, and business managers operate in the business world. The result is a communications gap between IT and the business.

It is up to IT and the business to bridge this gap by prioritizing communication and learning to speak in a common language that both parties understand.

Freeing up the time

Often, IT is bogged down with processes that involve repetitive and, in many cases, manual tasks. For example, each time an employee requests access to a new application, IT has to fulfill the request. This involves several tasks, many of which may be performed manually.

Today, ITSM solutions are available that automate processes end to end. For example, an employee requests an application from a service catalog. In response, the solution determines whether the employee is entitled to that application and whether the employee's computer can accommodate it. Next, the solution gathers the required approvals. Finally, it installs the software on the employee's device and verifies successful installation. The solution ensures that every step of the process complies with internal policies and external regulations, and it logs all pertinent activities for auditing purposes.

That high level of automation previously required a huge, expensive, and time-consuming effort to integrate multiple components. It was, therefore, affordable only to large organizations. The new generation of ITSM solutions now provides this capability right out of the box to midsized IT organizations.

By eliminating repetitive, manual procedures, automation enables IT to get out of firefighting mode and take a more proactive approach. And that's not all. Many IT processes are markedly similar to business processes in other departments of the organization. For example, the request and fulfillment process is found in other departments, such as human resources (HR) and facilities. Some ITSM solutions permit the use of process automation tools, including business data gathering and analysis capabilities, to be extended to the processes of other departments. This improves productivity and efficiency in these departments and increases the return on investment in the solutions.

Getting the information

Most traditional ITSM tools are based on transactional databases. Consequently, they are good at tracking transactional information, such as the number of incident tickets that are currently open, when each ticket was updated, and whether the ticket was resolved.

Newer tools capture more business-oriented data and aggregate it in a data warehouse that maintains a rich history and is highly dynamic. In addition to activity data, these tools capture such information as the date and time of each event, the user and group involved, and the business services affected. The staff can then use this data in different ways — by time period, device, problem type, service, infrastructure change, or user group. They can accomplish this extensive analysis easily, without having in-depth data analysis expertise.

These tools also provide real-time dashboards that are easy to tailor for different IT and business constituencies. IT managers and business managers can monitor service delivery using the views most meaningful to them, and they can drill down into the dashboards for more detailed information.

In addition, the tools provide a report generation capability that presents historical information that can be used to discover trends. The combination of readily available, real-time dashboards and historical information enables IT management to see at a glance both current performance and trends. One way IT can leverage this capability is in managing service level agreements (SLAs). If a downward trend is indicated, such as an increase in the number of outages for a particular service, the IT staff can respond quickly before the number reaches the SLA threshold.

Previously, analyzing and presenting this kind of business data required expensive business intelligence software and a high level of expertise to use it. That's why typically only large enterprises could afford the resources required. ITSM tools are now available that have a high level of business data gathering, analysis, and presentation capability built in for businesses of all sizes. With these tools, IT can analyze and present business data in a fraction of the time and at a fraction of the expense previously associated with business intelligence applications.

Some ITSM tools include an asset management capability that automatically discovers hardware and software assets and maintains the information in an inventory database. The discovered information includes detailed attributes, such as what services the asset supports, who is using the asset, and where it is located. These solutions may also add financial information, such as depreciation, licensing, and support costs, to complete the picture.

In addition, the tools automatically track the time spent on each task and who performed the task. IT can then assign appropriate billing rates to the people who performed the tasks to determine the labor costs.

The bottom line: now IT can quickly and accurately roll up the total costs of projects and services. This includes not only the upfront hardware and software acquisition costs, but also the ongoing costs such as software licensing, maintenance, and support. This information is useful in assessing the costs of current projects and services and in budgeting future projects and services.

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This comprehensive financial information enables informed decision making. For example, the cost of a service can be displayed in the service catalog and may be charged back to the requestor. This information enables business users to make better-informed decisions when requesting services and can help reshape user behavior into more prudent use of services. Because this information is available upfront, there are no surprises for IT, the user or the business.

Bridging the divide

Today, IT organizations of any size can benefit from the same sophisticated business intelligence and process automation capabilities that were historically available only to large, resource-rich organizations. The newest generation of ITSM solutions automates processes to create unprecedented levels of business value and gather, analyze, and present business-oriented data. These solutions enable IT to more strategically deploy resources. They also enable IT to talk to business users in terms that are meaningful to them, which brings the transparency needed for meaningful conversation and collaboration.

Leveraging the powerful information presented in these modern ITSM solutions, both IT and business managers will develop a better understanding of how technology impacts the business by gaining insight into the cost and the business value of technology. The result is better-informed decision making in both groups, as well as greater recognition of IT as a contributor to business value. For more information, visit www.bmc.com/products/footprints/bmc-footprints.html.

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