



Global Technology Services



# IBM SERVICE MANAGEMENT CONFERENCE

ENTER A NEW WORLD OF SERVICE MANAGEMENT

# 09

## Service Management Best Practices Today and looking toward the Future

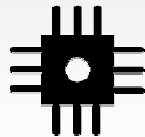
Mitchell Young  
Director, Tivoli Software  
IBM Asia Pacific



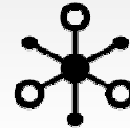
Something meaningful is happening: The world is about to get a whole lot smarter



“Every human being, company, organization, city, nation, natural system and man-made system is becoming



Instrumented



Interconnected



Intelligent

This is leading to new savings and efficiency—but perhaps as important, new possibilities for progress.”





In our businesses today there are over \$170 Trillion worth of assets in use



Production Equipment

\$5.8 Trillion in the utilities industry alone



Facilities

\$162 Trillion



Transportation Assets

Over \$4 Trillion



Linear Assets

Over \$10 Trillion



Communication Infrastructure

Over \$250 Billion in Top 15 Telco's alone



IT Hardware and Software

\$52 Billion in the Fortune 500 alone, HW only





Today's smart assets are enabling new levels of service innovation, differentiation and a new economy ...

**In-flight  
Broadband**



**Just in time  
Production**



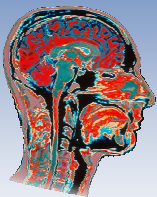
**Cost-efficient  
Power**



**Anytime  
Assistance**



**Quality  
Health Care**



**Real-time  
information**



**Access  
On-demand**



**User-initiated Cloud  
Services**



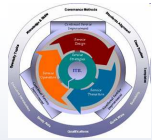
...where everything is a service.







As products and services become smarter, so must our approach to creating and managing them...



+



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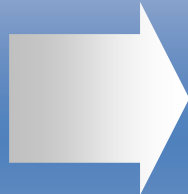
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*Aligning Assets and Tools with Standard Processes*



Lines of business



Datacenter Operations



Business Partners



Security Operations



Customer Relations



Network Operations

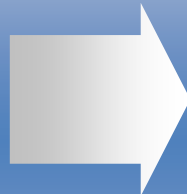


Facilities & Production



Research & Development

*Across Organizational Entities*



*To Deliver High-Quality, Differentiated Services & Products*



...to ensure maximum value to the business and our customers.



Traditional IT centric management approaches lack the integration needed to measure and manage delivery against business objectives...

*Business Objectives*

*Improve Service*

*Manage Risk*

*Reduce Cost*

**Obscured views. Inadequate governance.  
Operational disconnect.**

*Lost opportunities. Unnecessary risk. Low efficiency & return.*

Business Indicators

People

Information

IT Indicators

Business Processes

IT Processes

Business Assets

Business Services

IT Assets



# Best practices in Service Management deliver visibility, control and automation that extend well beyond IT

## Business Objectives

Improve Service

Manage Risk

Reduce Cost

Visibility



Control



Automation



Business Indicators

People

Information

IT Indicators

Business Processes

IT Processes

Business Assets

Business Services

IT Assets



With effective Service Management you can focus on the things that matter most to your business...

Visibility



- ***See Your Business Services and Processes***

Establish a clear, aligned and differentiated service strategy, and gain the real-time intelligence needed to measure and improve delivery against business and IT objectives.

Control



- ***Manage and Secure Your Investments***

Ensure effective governance of assets, information, processes and services through enhanced change and security controls, and compliance reporting.

Automation



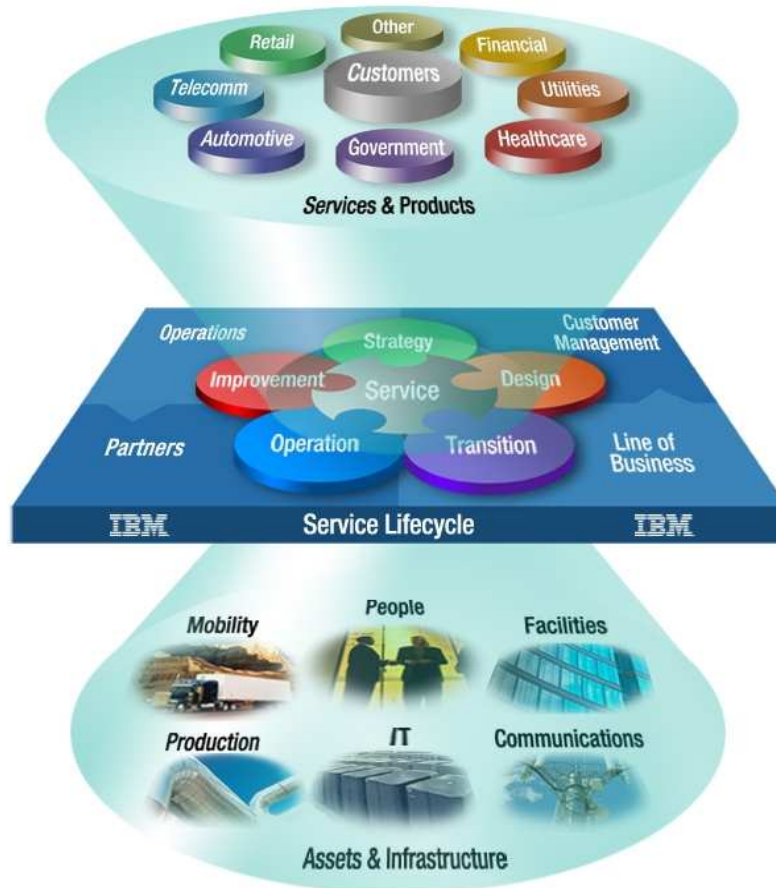
- ***Build Agility into Your Operations***

Improve integration and automation of workflow across operational silos, tools, and processes for reduced cost and improved time to market.





# IBM is working with our clients to deliver Service Management solutions that focus on *Transforming Assets into Business Value™*

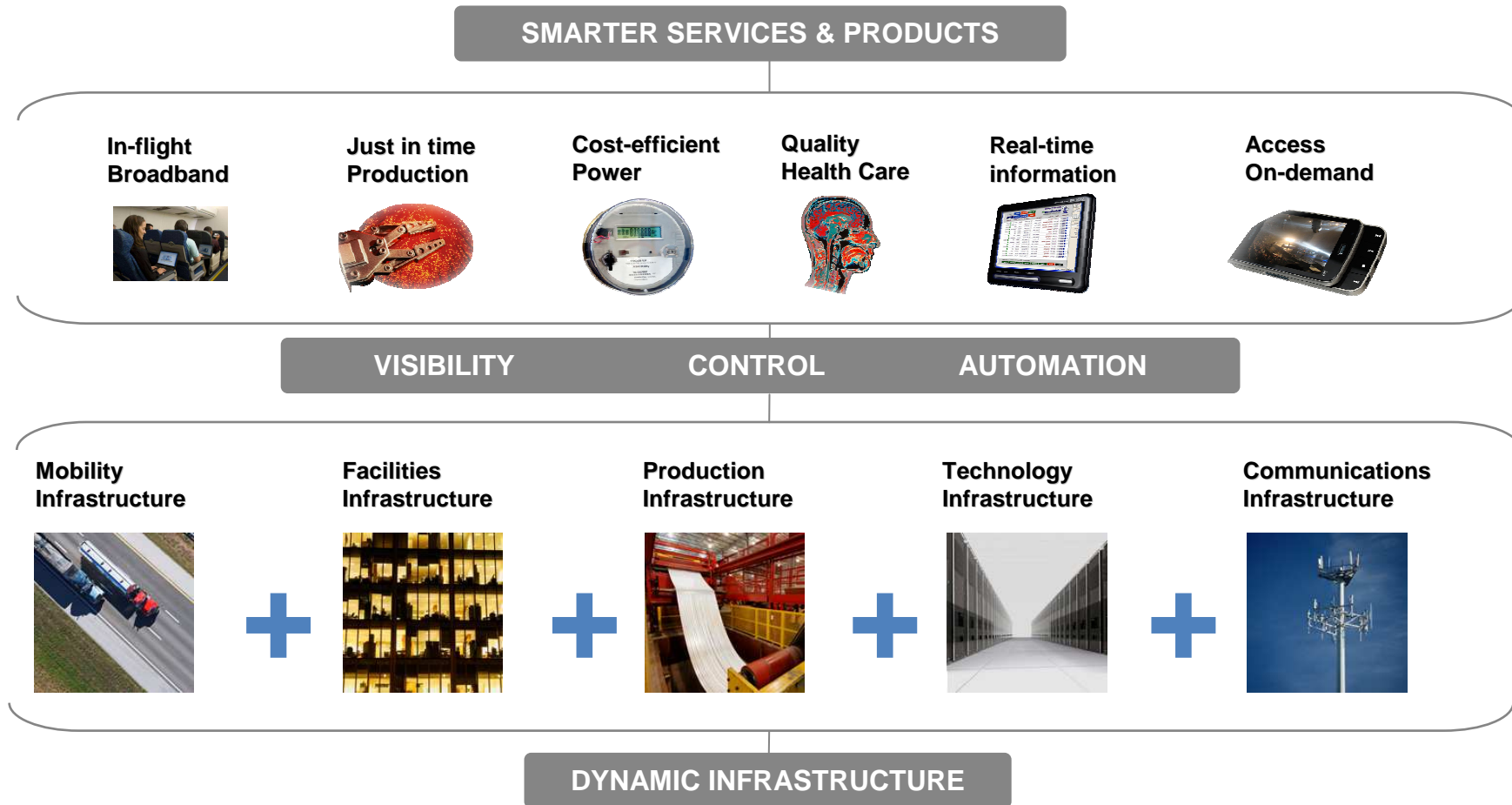


## Best Practices:

- Apply **in-depth industry expertise** to create and manage differentiated services and products for improved customer satisfaction and retention.
- Develop **modular solutions** for all stages of the service lifecycle that integrate service delivery **across organizational boundaries**, improving time to market and reducing cost and risk.
- Implement integrated management systems that provide the **visibility, control and automation** needed to leverage business and IT assets and deliver a dynamic infrastructure that can adapt to ever changing business requirements.



Implementing an integrated service delivery platform provides the visibility, control & automation needed to achieve a dynamic infrastructure...



...enabling new efficiencies and opportunities for competitive differentiation.



# Smart is: Improving Service

## SMART IS

Winning industry recognition for excellent service.



**SKY:** Network and service assurance solution monitoring 1000s of network devices and application services at over 1,200 exchanges, 24x7 availability to more than 1.6 million broadband customers.

## SMART IS

Increasing utilization of critical business assets while maximizing ROI.



**BP Angola:** Improves production efficiency through improved uptime, improves employee and environmental safety, to position BP for maximum efficiency and safety; shorter time to investment recovery.



# Smart is: Reducing Cost

## SMART IS

Reducing operating costs by reducing physical servers up to 70%.



### University of Pittsburgh Medical Center:

Reduces capital and operating costs by up to \$30M, improves energy efficiency by reducing floor space 40% and physical servers 67%.

## SMART IS

95% reduction in cost per transaction.



**Bank of Russia:** Improvements in operational and energy efficiency are saving apx \$400million per year and allows dynamic response to business needs.





# Smart is: Manage Risk

## SMART IS

Connecting to the world securely with 100% availability.



**Australian Open:** Securely, resiliently provides scalable resources 100x normal scalability, real-time analysis and prevention of attacks and achieves 23% reduction in energy consumption, with 100% website availability.

## SMART IS

Protecting your customer... and your brand with no loss of data.



**Bank of Montreal:** Providing a recovery point of zero and a recovery time of 2 hours helps reduce operational risk, increases client trust, improves availability, and meets stringent regulatory compliance requirements.



## IBM has invested billions to advance Service Management

### Investment in People

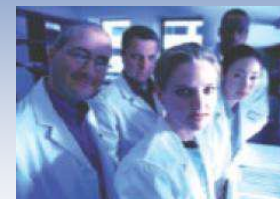
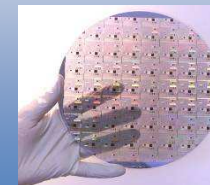
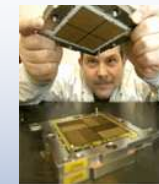
- Service management excellence programs to improve understanding and skills
- Training and education of over 7,000 practitioners

### Investment in Technology

- \$29 Billion, 5-year research and development investment
- \$20 Billion in acquisitions of over 60 companies
- 15 consecutive years of patent leadership

### Investment in Best Practices

- Development, Contribution or Support for best practices and standards—ITIL, COBIT, VAL-IT, eTOM
- Establish robust portfolio shared, collaboratively developed, service management IC assets
- Drive service science into the public sector and academia – improve professional qualifications for service management
- Publish more intellectual capital & open standards

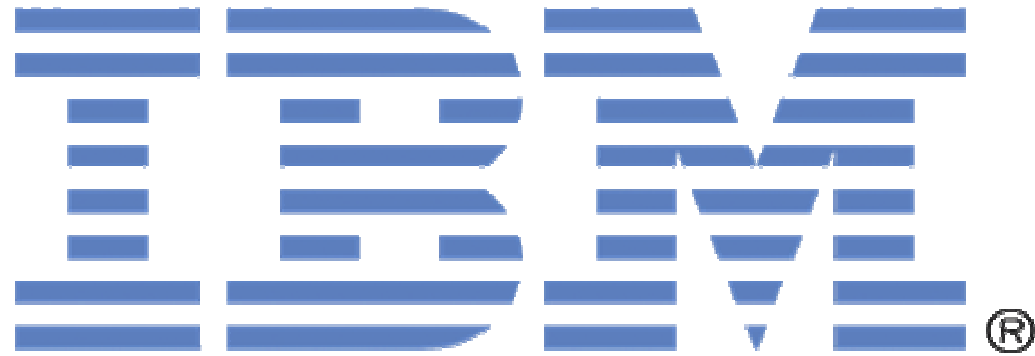




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