



TeamQuest and ITIL

How to Ensure a Successful ITIL Implementation

Companies of all sizes and across all industries are embracing the IT Infrastructure Library (ITIL), though most are not yet reaping the full benefits of a mature implementation. TeamQuest sat down with Best Practices Adviser Ron Potter to get a better understanding of how companies can improve their chances of a successful ITIL implementation.



About the Author

Ron Potter is the Best Practices manager for TeamQuest Corporation. Ron's background includes more than 20 years in the IT industry, spearheading a successful ITIL implementation with a Fortune 500 insurance company, and discussing ITIL topics as a presenter at several conferences and trade shows.

Introduction

As part of its ITIL series, TeamQuest is providing this white paper to help companies understand what should happen to increase the likelihood of a successful ITIL implementation.

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Companies of all sizes and across all industries are embracing the IT Infrastructure Library (ITIL) in record numbers. Forrester Research reported that 13 percent of corporations with revenue exceeding \$1 billion had adopted ITIL by the end of 2005. By the end of 2008 that number is expected to reach 80 percent.

This paper examines many of the questions organizations have about ITIL. By understanding these issues, they can achieve greater success with their ongoing ITIL initiatives.

What constitutes success in any ITIL endeavor?

It is an unfortunate fact that many companies are reluctant to share their ITIL successes. Why? At the end of the project, they see the value of the best practices and the competitive advantage they bring. Such logic is understandable. The company has just spent considerable money and staff time on a long-term one-to-two year project that reduced IT and business costs and improved service quality.

Such improvements often mean that it would take competitors years to catch up. So why alert them to your progress, telling them how it was achieved step by step?

That said, there is a way to define and measure success. As part of the formal implementation process, specific business and IT goals are identified early in the project process. These goals may be service or financial in nature. Such goals and the associated Total Cost of Ownership (TCO) analyses contribute to building the ITIL business case. It is through this business case that all business and IT leaders agree that this long-term project will provide substantially more benefits than the funds expended.

10 to 15 percent per year reduction in operating costs

All ITIL projects, therefore, include a final step that reviews the results, compares it to the original goals, determines the degree of success, and communicates the results to management. If results are lower than planned, this last step provides a process to determine any necessary process changes to ensure future successes.

From my experience, examples of success factors some companies have cited are:

- Enjoyed 10 to 15 percent per year reduction in operating costs by executing capacity management processes
- Sped time to market for application improvements by reducing many change implementation timeframes from 90 days to three days just by adding risk assessment processes
- Improved program implementation quality and reduced downtime by reducing code defects and improving initial application performance by implementing better Quality Assurance and Performance Volume Stress testing processes

How can ITIL implementations differ depending on the industry or maturity of the workforce/data center?

As each company has its own set of goals, culture, and IT strengths and weaknesses, they only need to adopt those portions of the ITIL portfolio where they are lacking and that provide business benefit.

In the end, however, both companies would be in better competitive positions as a result of their ITIL successes.

It is important to remember that ITIL is not a formal, rigid, step-by-step way of performing the work of IT. It is a framework (i.e. a collection of best practices covering processes, people and tools that spans a wide variety of industries).

As each company has its own set of goals, culture, and IT strengths and weaknesses, they only need to adopt those portions of the ITIL portfolio where they are lacking and that provide business benefit. As a result, each ITIL implementation will by nature be different, even within the same industry as few organizations do business in exactly the same ways or are at the same level of maturity.

For example, a younger company may already do Change Management well but have few or no formal processes to work with business units to understand current and future needs. Its ITIL implementation may only require that the Business Perspective, Service Level Management, and Capacity Management processes be fitted into the existing organizational structure to enjoy the benefits of ITIL.

Another more mature company selling the same products, on the other hand, may have established solid working relationships between IT and business units, but suffer from higher costs because it performs little or no Capacity Management. It would have a completely different set of goals and quite dissimilar project plans. In the end, however, both companies would be in better competitive positions as a result of their ITIL successes.

How can IT and senior executives work together to put an ITIL plan in place that ensures business success and speedy ROI?

There are several critical success factors involved in any ITIL implementation:

Attempt to Build Consensus

It is important to achieve a consensus on the reasons for implementing ITIL and gain broad agreement on the expected business benefits. For some that might mean improving service, a reduction in costs or an improvement in communication between IT and the business. For others, the goal might be a combination of all three.

Business Case

According to Gartner Group measurements, moving from no adoption of ITIL to full adoption can reduce an organization's TCO by as much as 48 percent.

Build a reasonable (and believable) business case. The financial impacts must be understood for business to weigh risks against benefits. And in most cases, the benefits far exceed possible risk. According to Gartner Group measurements, moving from no adoption of ITIL to full adoption can reduce an organization's Total Cost of Ownership (TCO) by as much as 48 percent.

Be Patient

Set reasonable expectations for project progress and results. Implementing ITIL is a comprehensive, complex, work-intensive undertaking and there is no sustainable quick fix. Setting the right expectations, therefore, will help sustain determination and reduce frustration on a long-term ITIL project.

Performance Reviews

Make the project's success a major assessment component in the annual performance reviews of IT and business unit personnel. This simple action ensures everyone has a common goal and reinforces the importance of the ITIL project to the organization.

If it Ain't Broke...

Only change those processes that are missing or broken. Thus it is essential to inventory current processes to determine what is already in place and working well. Based on that information, prioritize poorly functioning processes in the areas most in need of attention.

Staged Approach

Opt for a staged approach to implementing ITIL. There could, after all, be a tremendous amount of change to implement throughout the organization. A staged approach permits IT to fine tune implementation processes as the project progresses rather than risk interruption of business processes. This is a good way to ensure smooth forward progress.

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The first process should be one that gets people's attention and demonstrates the value of the work. Doing so reinforces the decision to proceed and provides project momentum. For example, if the primary reason for implementing ITIL is cost, it might be best to begin with capacity management. This is a quick way to demonstrate value by improving application performance and obtaining better use out of existing assets. Some organizations, in fact, have funded their entire ITIL implementation on the savings generated from implementing an initial capacity management initiative.

Roles and Responsibilities

Clearly defined roles and responsibilities are one of the great benefits of ITIL. The result is that everyone now knows the exact duties they need to perform, who inputs should come from, who received the output of their work and understands what it is they are being held responsible for. This eliminates a tremendous amount of duplication of effort and minimizes dropped hand-offs.

Project Management

A dedicated ITIL project manager should be appointed, held accountable and given full authority to achieve project objectives. It goes without saying that this position requires someone with strong project management skills. Clearly, they must have the authority to deal with most issues directly, while reporting directly to the CIO or IT director in order to facilitate communication with top management and speed escalation processes. Factually, this position can make or break any ITIL project.

Exception Handling

Put an effective exception handling process in place. The business of IT is complex and it is simply not possible to cover all eventualities at the planning stage. Inevitably, there will be missed processes or workflows, especially those infrequently used. As this is to be expected, put processes in place to quickly address the gaps and minimize the impact on the business.

Train, Train, Train

Everyone should be trained on each process they contribute to, as well as every process they interface with. Such training applies broadly to business as well as IT staff. Some successful companies even go so far as to tie successful completion of training as a requirement to be eligible for an annual salary increase. The value of training cannot be understated. It is critical that everyone becomes familiar with their work duties and workflows once their processes have been put into operation.

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How can IT better understand the strategic and tactical goals of the business so they design an ITIL plan that supports those goals?

Once intelligence is mapped, IT management should have a very good feel for where the business is at today and where it is heading.

Generally, the senior executives of every business publish five to ten goals for the coming year. The individual business units then determine what actions they need to take to support them. IT, therefore, should canvass the business units, understand their short term and long term goals, and determine where IT fits in the broad scheme of things. Once such intelligence is mapped, IT management should have a very good feel for where the business is at today and where it is heading. IT can then determine the best way to implement ITIL based upon aggregated goals. ITIL terminology describes this work as part of a process called “The Business Perspective.”

How can business executives better understand and support the ITIL plan and its expected benefits?

For best results, basic training should be customized to the organization so everyone understands how ITIL fits in with day-to-day operations and the benefits it promises.

Business leaders must play an integral part of any successful ITIL implementation. To do so, they must participate from the beginning. They should participate in basic ITIL training in concert with their IT counterparts. Such training is known as Foundation Training. For best results, basic training should be customized to the organization so everyone understands how ITIL fits in with day-to-day operations and the benefits it promises.

In addition, successful ITIL implementations often employ the use of process owners and process champions. Where processes span IT and the business, leaders from both areas should be assigned to these positions. Doing so fosters a more cooperative team effort in support of the implementation. Over the long-term, this ensures processes continue to satisfy business needs and direction.

How do you get everyone to agree on deadlines, goals, budgets, deliverables, timelines, success metrics, etc? What works and what doesn't?

...the most successful implementations are typically overseen by an executive management that takes a firm leadership approach.

Some ITIL groups recommend approval by consensus. Based on long experience, however, it is often difficult to gain true consensus across a large, varied group of people. Thus waiting for consensus may not prove fruitful, particularly in large organizations. In actual fact, the most successful implementations are typically overseen by an executive management that takes a firm leadership approach. By declaring that ITIL implementation is not optional, that it is a priority for the organization and that support is mandatory, a foundation is put in place for ultimate ITIL success.

As far as budgets, timelines and metrics are concerned, the initial business case should have outlined these factors. The individual process teams should, in turn, be held accountable for building the detailed plans which should be reviewed and approved by the ITIL project manager.

Note however, that in staged implementations, schedules are driven largely by dependencies, touch points and hand-offs between processes. Due to the complexity and scale of an ITIL implementation, therefore, the project manager is responsible for choreographing the individual work plans so they all come together and work in concert without negative business impact, and within the timeframes and overall financial plan.

However the initial implementation metrics may differ widely from those evolved by project end.

While defining metrics is also an important step, it should be borne in mind that this is an evolutionary process. End-state metrics obviously should be meaningful and measurable. They must also be representative of the contribution made by the various processes to business success. However the initial implementation metrics may differ widely from those evolved by project end.

Another factor that needs to be considered is the ownership of metrics. If IT provides metrics, business units may not regard them as suitable. Similarly, if a business unit devises metrics, IT may reject them as unworkable. Such considerations tend to surface in particular during problem situations. In order to remove nonproductive attitudes, therefore, input from both parties should be gathered. Further, business units and IT should be made to understand that metrics will be revised and fine tuned over time as part of the project.

How do you arrange to make resources available to support the agreed-upon plan and metrics?

To avoid potential conflicts over resources allocation during implementation, clearly identify personnel assets as part of the business plan and make sure this is agreed upon by all concerned. This resource allocation should be confirmed during the building of detailed plans. Additionally, any proposed changes should be driven through the change process by the project manager and agreed upon by all parties.

That said, it should also be understood that day-to-day business processes have to be maintained during ITIL implementation. Flexibility, therefore, should be built into the plan to account for a reasonable number of unforeseen events.

What are the best checks and balances to be built in?

A number of checks and balances can be easily built into an ITIL plan:

Dashboards — Status reports should be provided bi-monthly or monthly. These should incorporate dashboards that provide a quick indicator of project component progress — simple Red, Yellow and Green are usually sufficient. Further, include two types of measurement — one for current status and one for trend. This approach helps management better determine where attention is most needed.

Another essential safeguard is a post-implementation performance review. Such reviews ask the questions such as “Did we accomplish what we set out to do?”, “Was it a smooth and quality implementation and if not, what parts of the implementation process need changing?” and “Is this new process providing the expected benefit and if not, what changes need to be made?”

Finally, there are post-implementation TCO reviews. Such a review occurs only after implementations have been put into production and are performing stably. This review compares the post-implementation cost structures to the original TCO calculation to ensure financial goals were met. Any variations will then need to be accounted for in future financial plans.

How can TeamQuest assist in my ITIL efforts?

TeamQuest offers an application known as TeamQuest Analyzer which provides value and benefits to a number of ITIL processes.

ITIL Service Delivery

The database is user configurable so can be easily customized to meet individual installation's unique needs.

TeamQuest Analyzer's capacity management capabilities include the following elements:

- **Capacity Database (CDB)** — the TeamQuest database contains current and historical performance data that can be used to support capacity management processes. The database is user configurable so can be easily customized to meet individual installation's unique needs.
- **Capacity Planning** — data and reporting tools are available to understand past service utilizations and develop trends for the future.
- **Reactive Performance Management** — TeamQuest Analyzer's data and reporting tools can help companies quickly identify performance problems and minimize impacts to the business.
- **Proactive Performance Management** — data and reporting tools make it possible to better understand application and database utilization, permitting rapid identification of performance improvement opportunities and addressing them in a timely manner.
- **Service Level Management** — data and reporting tools ensure services are meeting agreed upon levels of service.
- **Availability Management** — data and reporting tools help companies to research performance problems and quickly identify chronic problems

[Go to the Service Delivery Section](#)

Financial Management

TeamQuest Analyzer's financial management capabilities are centered around chargeback — process data can be extracted from the TeamQuest database, aggregated by cost centers, and usage reported to individual business units or input into existing chargeback systems.

[Go to the Financial Management section](#)

ITIL Service Support

...process data can be extracted from the TeamQuest database, aggregated by cost center, and usage reported to individual business units or input into existing chargeback systems.

TeamQuest Analyzer offers ITIL service support in the follow areas:

- Incidence Management — data and reporting tools to quickly identify problems and restore services
- Problem Management — data and reporting tools to analyze problems so corrective actions can be identified and implemented

Go to the Service Support section

Change and Release Management

- Independent Testing — performance data collection and reporting tools permit “before and after” comparisons of the changes’ resource utilization. This permits potential performance problems to be identified and addressed before they are introduced into production.

ITIL ICT Infrastructure Management

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- Event Monitoring — provides data and reporting tools to monitor system health and performance
- Technical Support — data and reporting tools to assist in configuring and fine-tuning system hardware and software configuration settings

Visit the ICT Infrastructure Management section

ITIL Application Management

- Testing — data collection and reporting tools permit “before and after” comparisons of the changes’ resource utilization. This permits potential performance problems to be identified and addressed early in the development process.

Visit the Application Management section

In addition to its Analyzer product, TeamQuest also provides software tools for accurate simulation of future server growth and application prototyping (TeamQuest Model), alert management based upon preset performance thresholds (TeamQuest Alert) and automated online performance and capacity planning reporting (TeamQuest Reporter). For more information, visit www.teamquest.com.

TeamQuest Corporation

www.teamquest.com

Follow the TeamQuest Community at:

Americas

One TeamQuest Way
Clear Lake, IA 50428
USA
+1 641.357.2700
+1 800.551.8326
info@teamquest.com

Europe, Middle East and Africa

Box 1125
405 23 Gothenburg
Sweden
+46 (0)31 80 95 00
United Kingdom
+44 (0)1865 338031
Germany
+49 (0)69 6 77 33 466
emea@teamquest.com

Asia Pacific

Units 1001-4 10/F
China Merchants Bldg
152-155 Connaught Rd Central
Hong Kong, SAR
+852 3571-9950
asiapacific@teamquest.com

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