

Pulse

Comes to You 2009

IBM

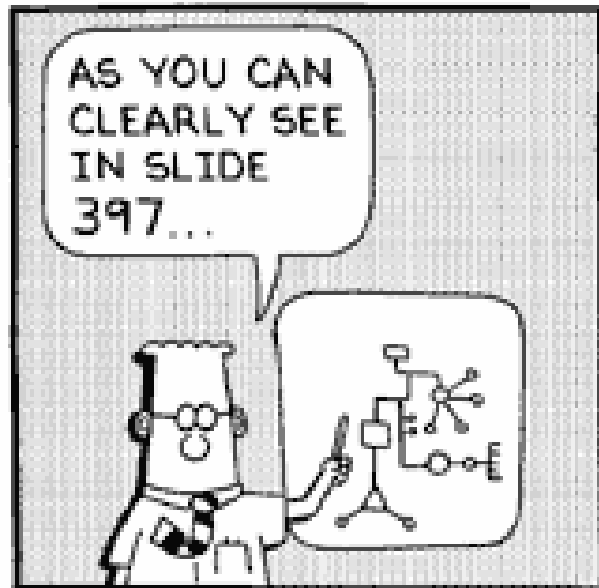


Managing the World's Infrastructure

Service Management in an Uncertain Economy

Andrew Cunningham, Global Tivoli User Group Chairman





Who am I and why am I qualified to talk about this?



20 years in IT



10 years as a Tivoli customer



7 years as member of Tivoli user group



2 years working for a Scottish bank



Currently responsible for rolling out a new Tivoli based monitoring solution to 10,000 servers



Economic turmoil is changing the way we do business

Unprecedented drop in housing prices in the USA

THE TIMES
- changes to IT p

New data drives Dow stocks down

Asian economies feeling the pinch—Japan rescue package proposed

Doubters question EU's economic stimulus plan

From bad to worse—latest economic news roils markets

uncertainty

“Credit Squeeze Takes Hold in Europe”

“Financial crisis: Japan launches rescue package as Asian economies struggle”

“Inflation Data Might Increase”

“Retail sales plunge 2.7% in Dec., sink 0.1% for all of '08”

“U.K., Germany try to spur economy”

“Economists say don't expect rebound before late '09”

“Small business outlook dim”

“Lehman filed for bankruptcy protection”

“Nordic Banking Crisis”

“It's Raining Bailouts in Europe”

“It Couldn't Get Worse But It Did...”

“Global Financial Crisis Hits South Korea”

“Dow plunges 733 on new disheartening economic

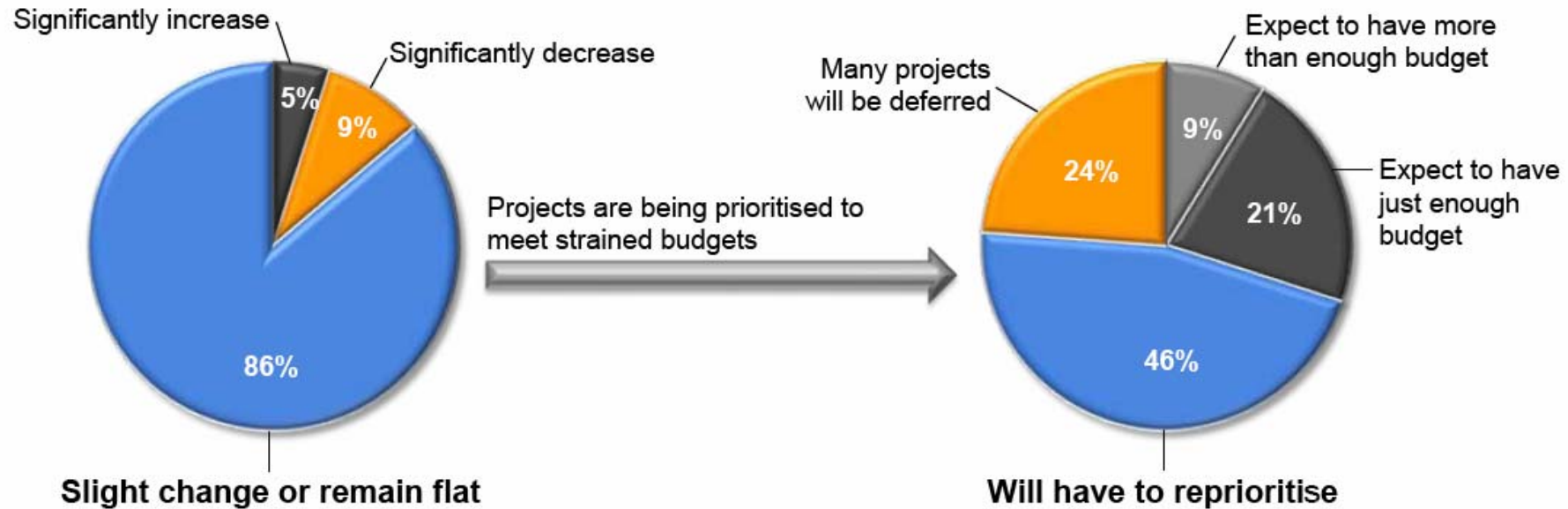


The typically sedentary CEO is looking to IT to save money



Flat budgets and changing business requirements

Expected change in 2009 budget in comparison to 2008



Source: IBM market Intelligence, Service Management in an Uncertain Economy, January 2009



CIO's forced almost at gun-point to reprioritise



*Providers of IT services can no longer afford to focus on technology and their internal organisation, they now have to consider the quality of the services they provide and **focus on the relationship with customers***

The good old days

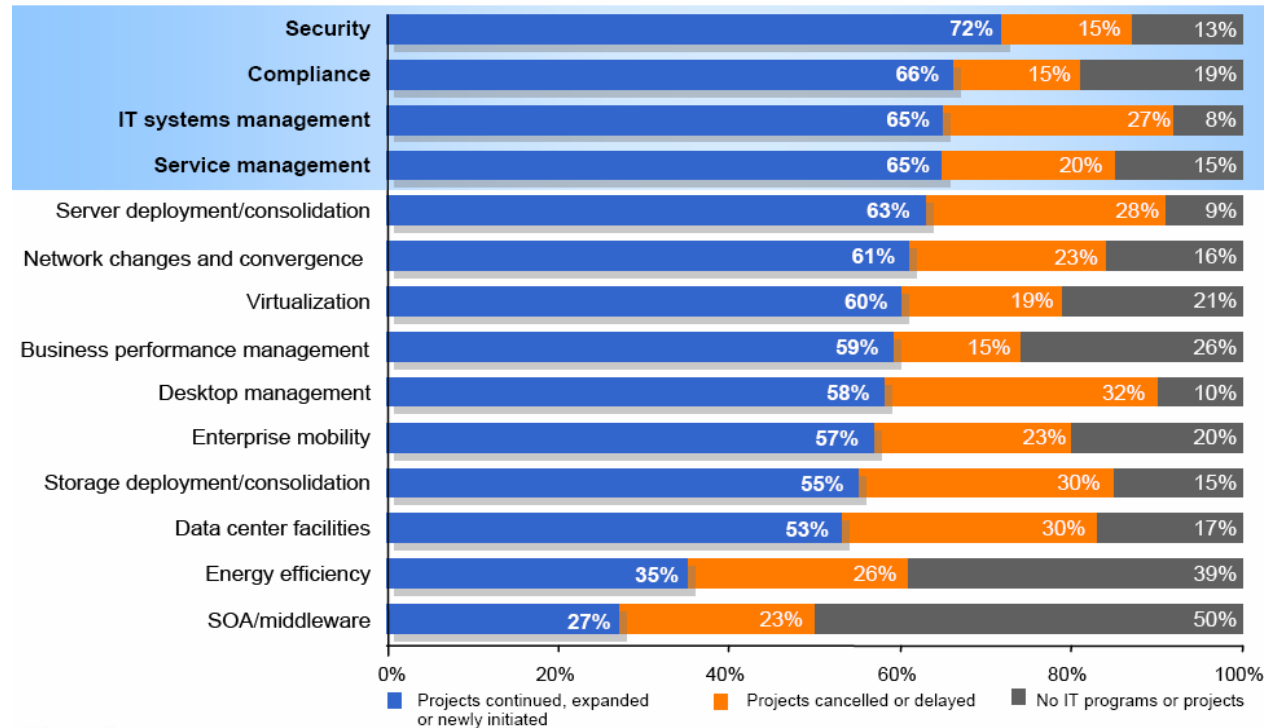


Now



Top priorities for IT project investments

How has the current economic/business environment impacted projects in the following IT areas?



Source: IBM market Intelligence, Service Management in an Uncertain Economy, January 2009

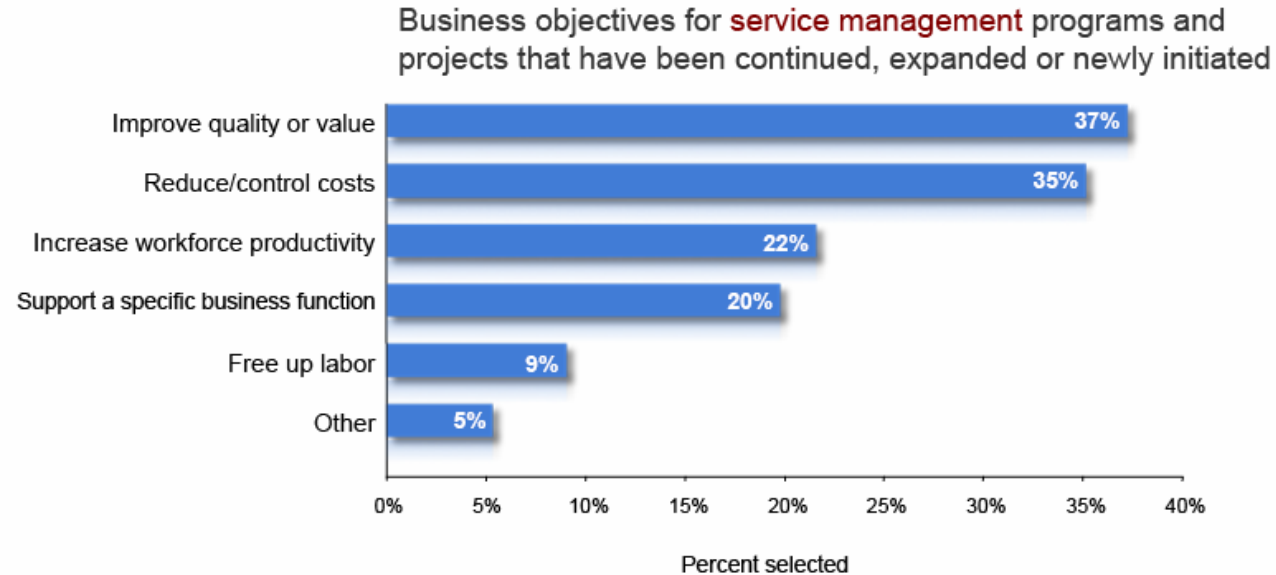


CIO's left with difficult decisions to make



Key business drivers for service management projects

What is the key business objective for the service management programs/projects you are continuing, expanding or initiating?



Source: IBM market Intelligence, Service Management in an Uncertain Economy, January 2009



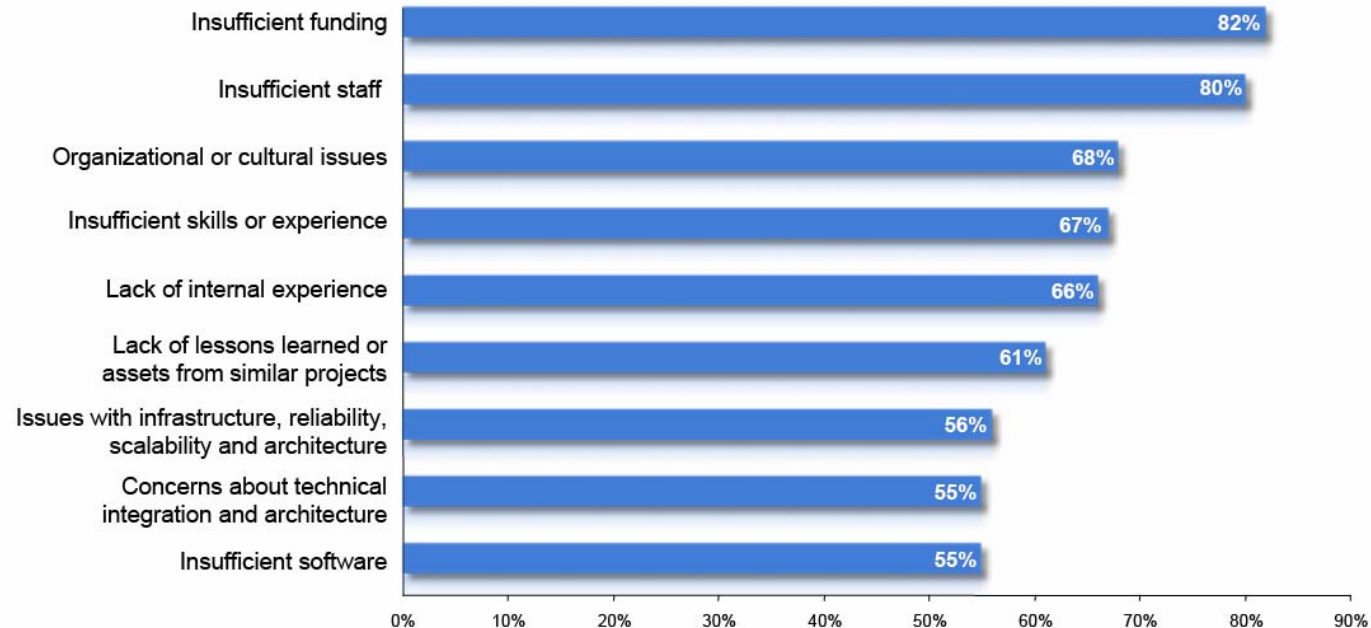
Common patterns for service management projects

Objective	Approach	Priority Projects
Improve the quality of IT services	<ul style="list-style-type: none">• External provider for process design improvements• External provider for software implementation	<ul style="list-style-type: none">• Event management and monitoring• Incident, problem and service desk• Improvements in governance of service management• Service catalogue and service requests• Service level and availability
Reduce or control costs	<ul style="list-style-type: none">• Internal process design project• External provider for software implementation	<ul style="list-style-type: none">• Chargeback and accounting• Asset and configuration management• Performance and capacity management



Top inhibitors to ROI from service management projects

Do you expect the following factors to inhibit your ability to achieve the desired business value/ROI for your service management programs/projects



Source: IBM market Intelligence, Service Management in an Uncertain Economy, January 2009



Most IT organisations have to reprioritise

In an economic downturn, CIOs are prioritising their investments to help optimise IT-enabled business services.



Peer-driven recommendations

1. Improve the quality and reliability of IT services that enable business workforce productivity
2. Prioritise smarter ways of doing things and technology consolidation
3. Revise measurements and reporting to stress business-driven outcome metrics, costs and business value
4. Change focus from technology and optimised subsystems to optimisation of IT-enabled business activity
5. Apply some investments to tactical quick hits— but also make progress on longer- term service quality inhibitors



CIO's need to be tactically strategic



Next gen CEO's will look at IT as a profit centre not a cost centre



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Questions ...



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