



The next step in  
IT optimization  
begins here

# IT Service Management

*James Chong*

*Vice President, Application Management  
Tivoli Software*



**Tivoli** software

**ON DEMAND BUSINESS™**

## The Challenge: IT Organizations Are Under Tremendous Pressure



- **Change:** Market demands, workloads, service levels
- **Compliance:** Regulations, security, audit capabilities
- **Complexity:** Heterogeneous resources, silos, composite applications
- **Cost:** Management and administration

*“We’re trying to resolve a huge morass of IT complexity, while demand for our services keeps going up. We’re getting hit from both sides. So what are we doing about it? We’re delivering an adaptive IT organization that provides services on demand to support the needs of the business.”*

*George Surdu, Director, Global Information Technology Infrastructure, Ford Motor Company, September 2005*

# IT Infrastructure Trends – Increasing Complexity

## Complexity of today's composite applications...



"... most **Global 2000 companies support 500-1000 applications**, and the majority of these are not of the shrink-wrapped variety."

*"Application Management Poll Reveals New Trends"*  
Cameron Haight  
Gartner April 2004

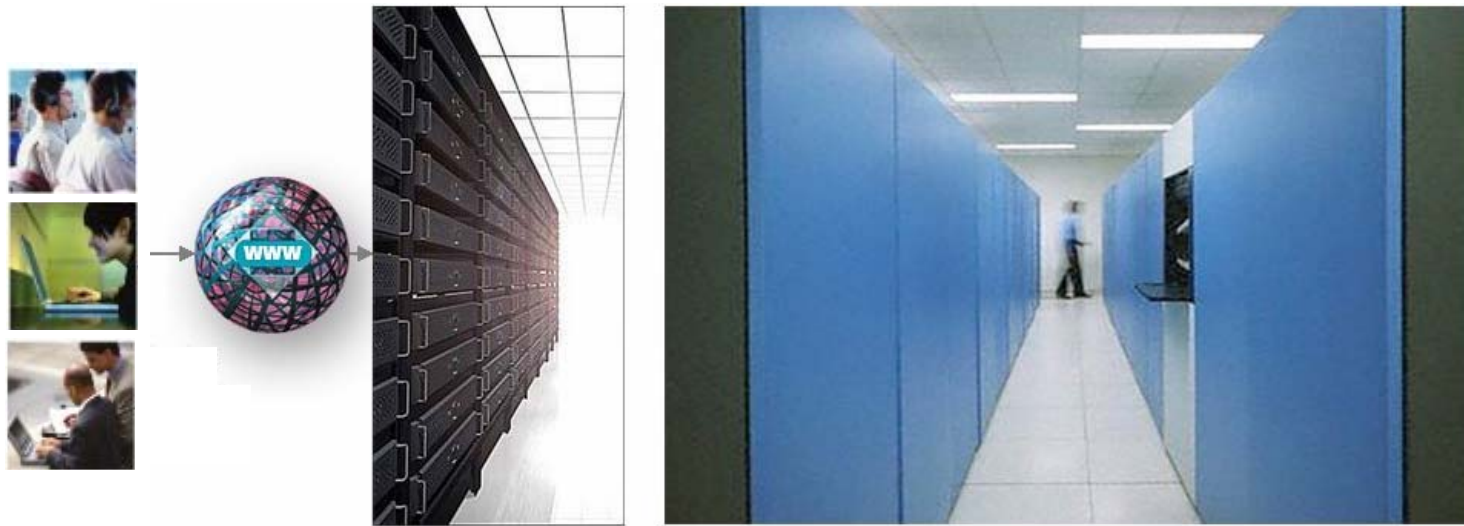
...make managing IT infrastructure  
a different challenge every day.

"**Composite applications** have contributed to increased management complexity. Organizations need to be able to maximize the potential for these types of applications by **ensuring that robust management processes are in place – across the application lifecycle.**"

*Cameron Haight*  
Gartner February 2005

## IT Infrastructure Trends – Compliance

The changing global regulatory and business environment requires security, privacy, and ongoing audit capabilities.



"On a typical day, the security team logs 38,000 attempts – by unauthorized individuals or automated probes – to access the state's networks. **That's about one every 2.3 seconds.**"

*"Defending Data: a Never-Ending Vigil"*

*Todd Spangler quoting Dan Lohrman, Chief Security Officer for the State of Michigan  
Baseline, 2004*

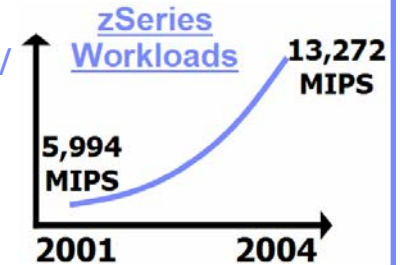
# IT Infrastructure Trends – Speed of Change

Rising workloads in a volatile business climate, make meeting service level expectations a daunting challenge.



“... the largest z/OS installations **have more than doubled their ‘MIPS to head count’ ratio.**”

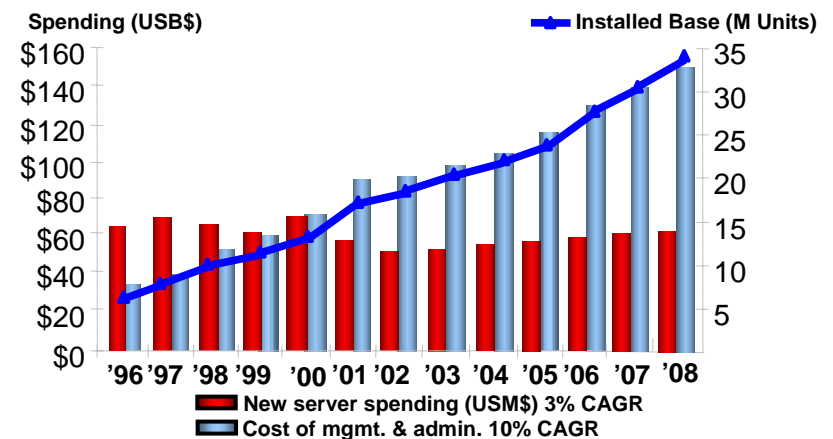
*“Find the Right Staffing Level for Your z/OS Data Center”  
L. Mieritz, M. Willis-Fleming  
Gartner, February 2004*



**"Business activity across our applications is in constant flux.** The correct settings for performance yesterday will be different from what it needs to be today, and different from what it will need to be tomorrow."

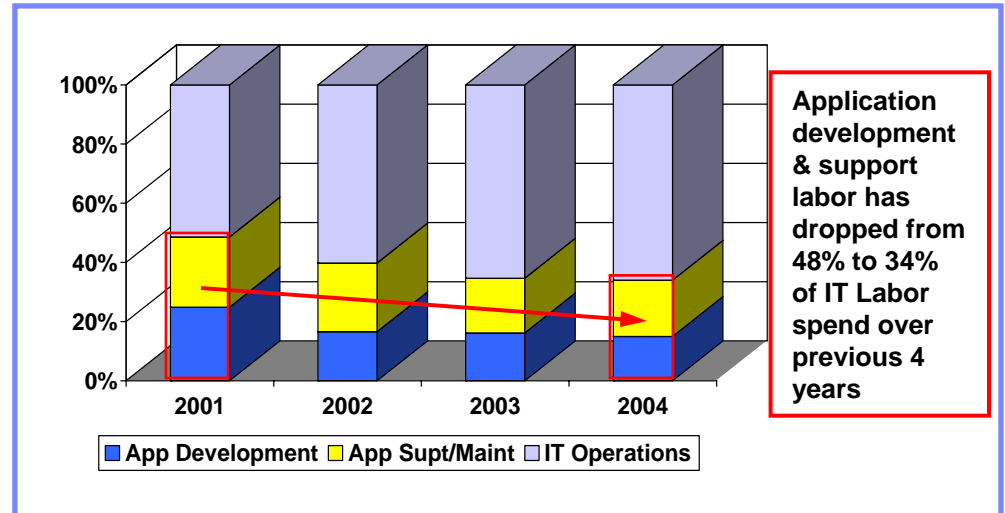
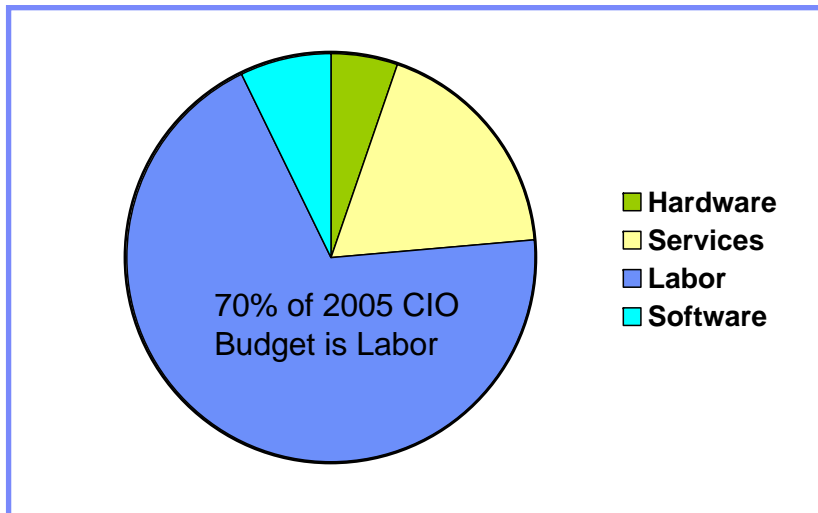
*Ken Van Kley, Blue Cross Blue Shield Illinois*

## Distributed Server spending vs management costs

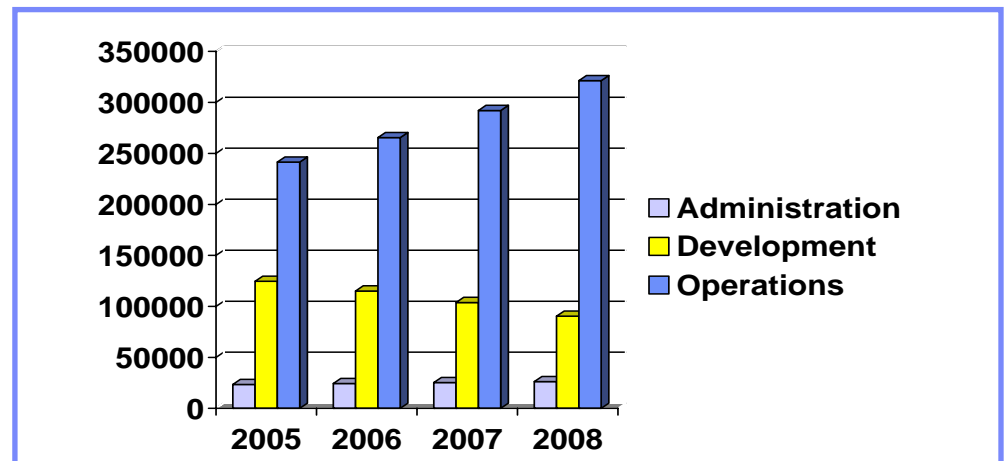


# IT Infrastructure Trends – Cost

## Decrease in Efficiency as IT Spending Shifts to Operations Labor



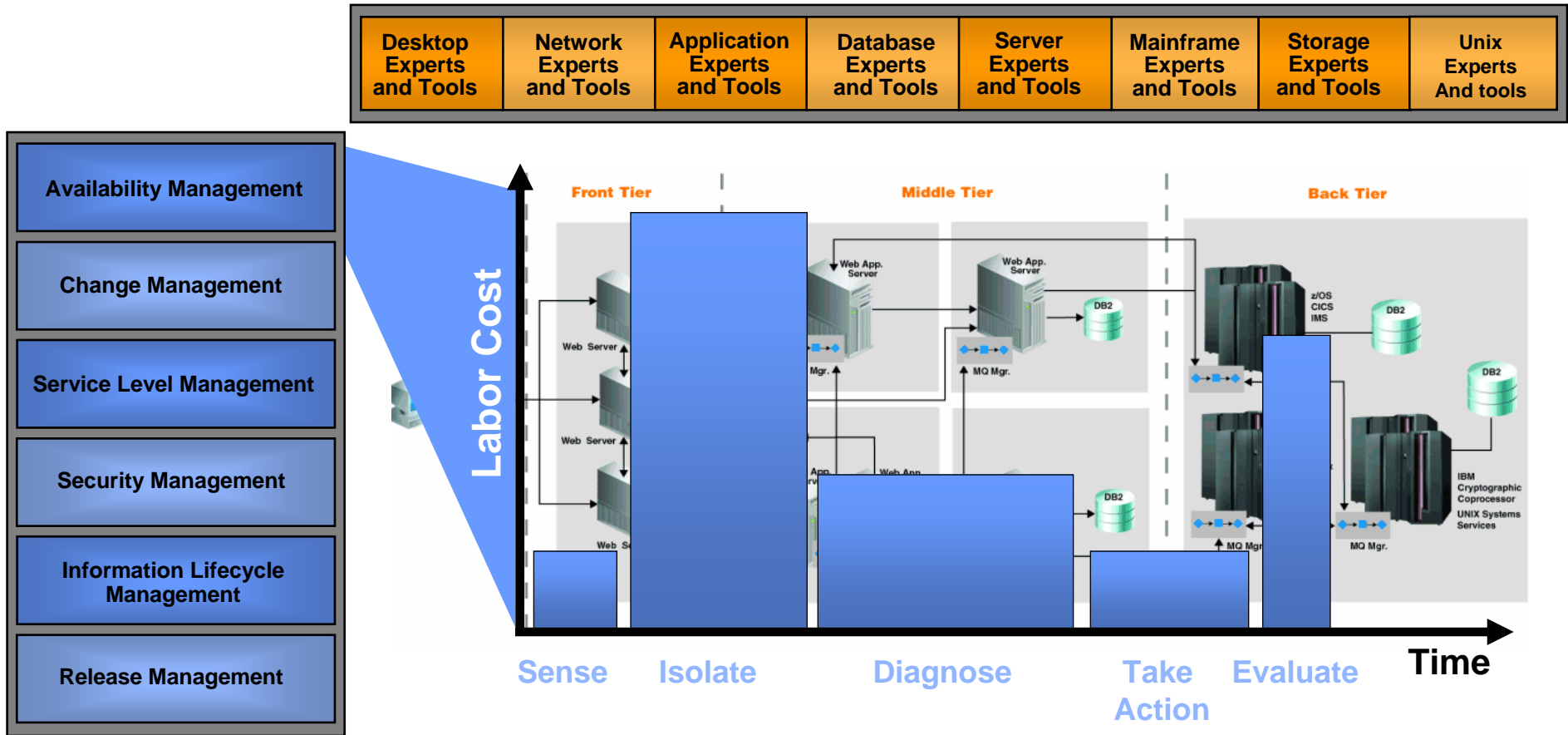
- 70% of CIO budget is labor
- Operations labor will be 73% of CIO labor budgets by 2008
- Application development will decline at -10% CGR to 2008
- \$325B in operations labor by 2008



Source: Tivoli Commissioned IDC Study 1Q05

Source: Gartner Group, IT spending and staffing surveys

# Architectural Complexity Exposes Organizational Complexity



# IT Vision: Managing IT Like a Business

*Effective and efficient delivery of IT services in support of business goals*

Desktop Experts and Tools	Network Experts and Tools	Application Experts and Tools	Database Experts and Tools	Server Experts and Tools	Mainframe Experts and Tools	Storage Experts and Tools	Unix Experts And tools
---------------------------	---------------------------	-------------------------------	----------------------------	--------------------------	-----------------------------	---------------------------	------------------------

Availability Management
Change Management
Service Level Management
Security Management
Information Lifecycle Management
Release Management

## Technology

- Infrastructure Management technologies and products for resilient services
- Integrates self-managing autonomic technologies

## Information

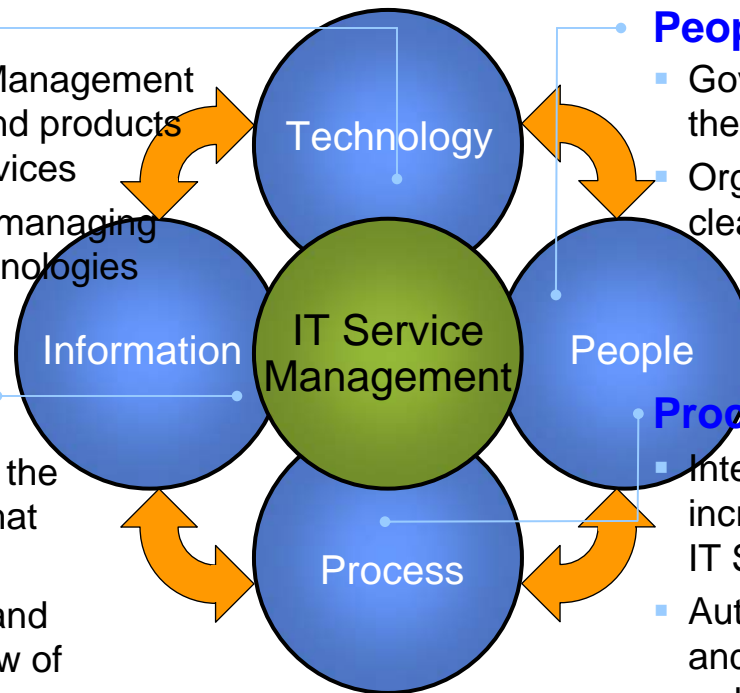
- Information for the technologies that act on it
- Standardized and centralized view of information

## People

- Governance establishes the decision framework
- Organization functions in clearly understood roles

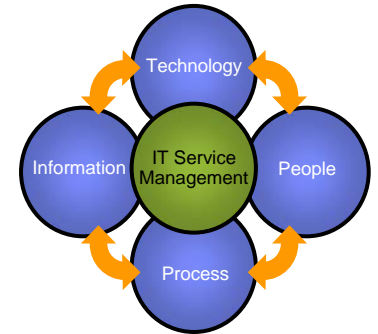
## Processes

- Integrated to enable increased value add from IT Services
- Automation of process and service workflows to reduce costs

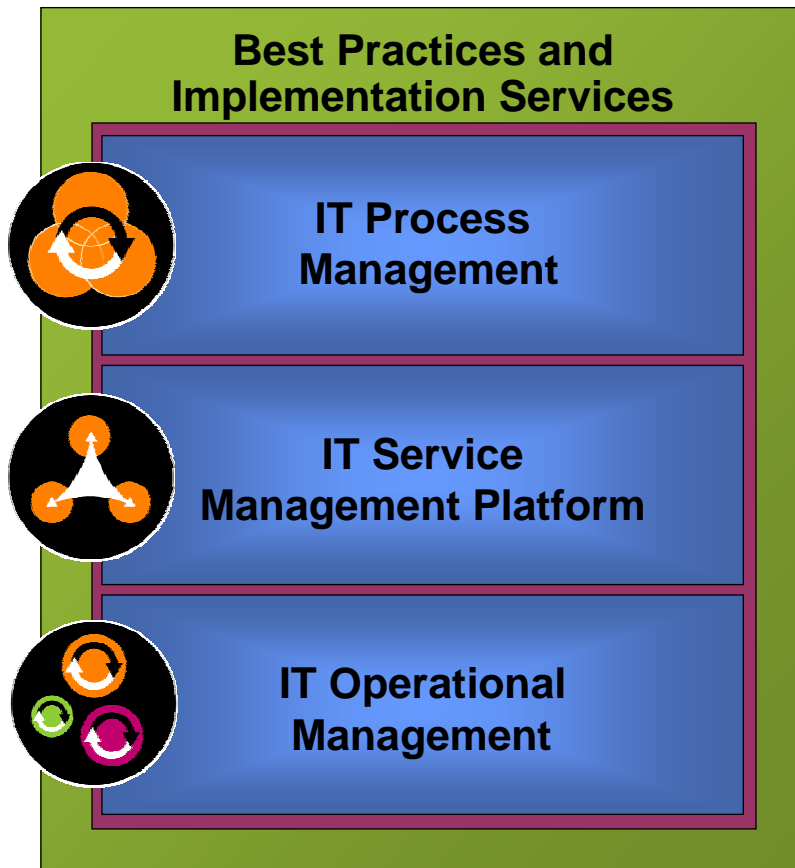




# Putting IT Service Management into Action



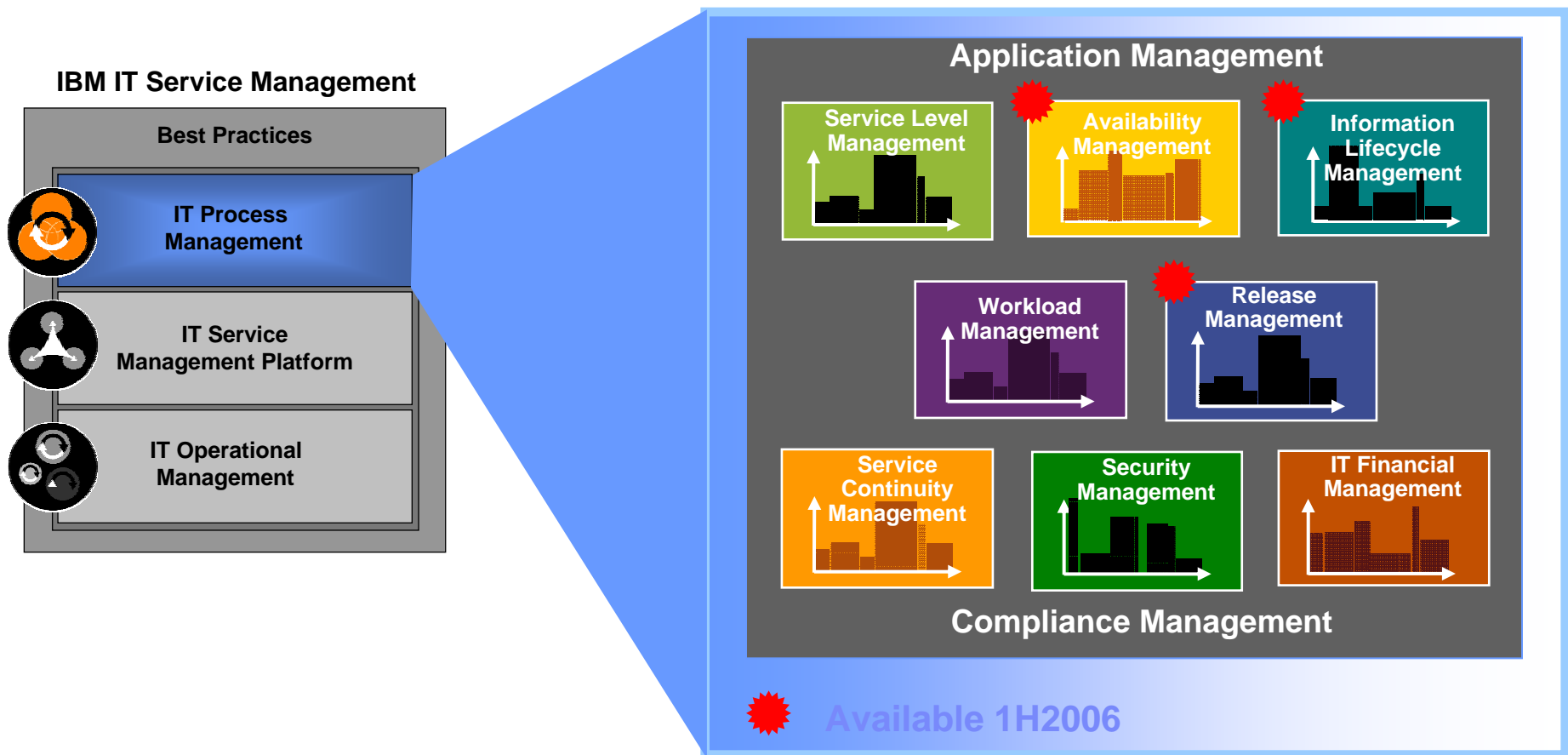
## IBM IT Service Management



- Automated ITIL-aligned workflows
- Open, standards-based CMDB and workflow engine
- Automated infrastructure-aligned tasks
- Best Practices and Implementation Support
- Built on SOA and Autonomic Computing Technologies

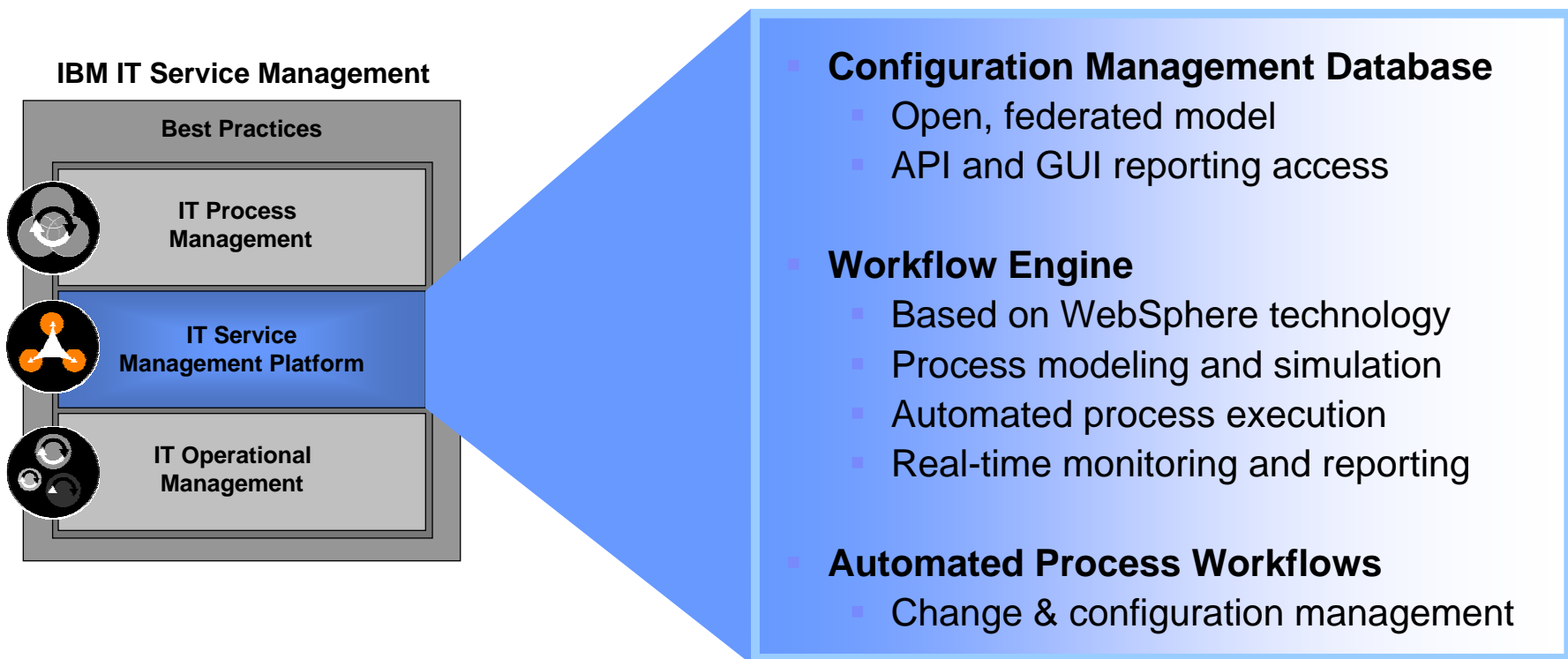
# ITSM Process Managers: Automated Management of Your Key Business Processes Right Out of the Box

- Packaged solutions with predefined processes
- Improves customer focus and satisfaction
- Integrates with Tivoli and non-Tivoli products
- Assists in regulatory compliance



# Tivoli Change and Configuration Management Database – A Platform for IT Service Management

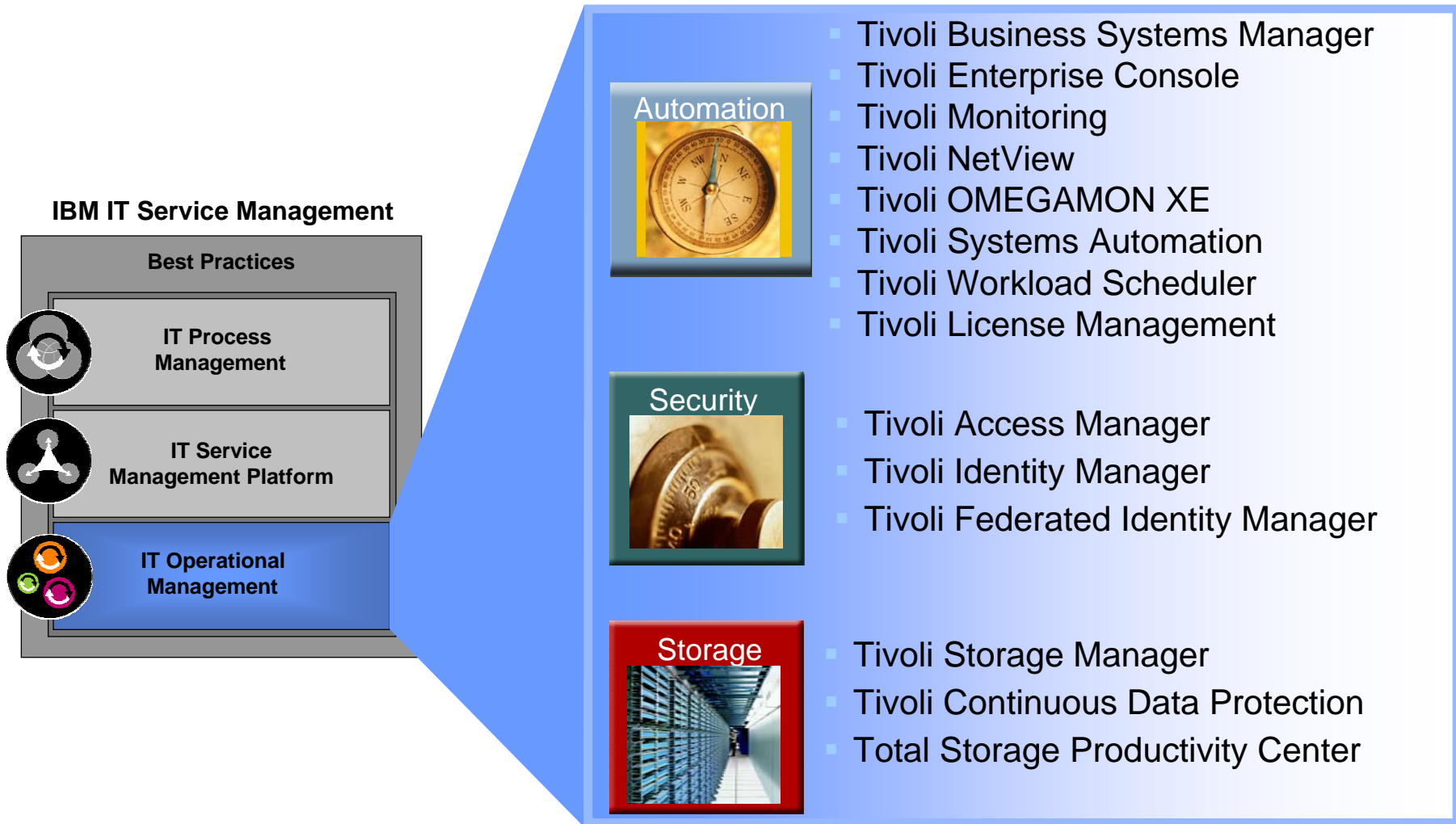
Based on proven IBM technology:



Limited availability now

# Tivoli IT Service Management Technology & Products

## – Leverage Current Technology and Products



# Leverage Best Practices and Implementation Support from IBM



## Open Process Automation Library (OPAL)

### IBM Global Services

- Innovation Workshops
- Infrastructure Services Readiness Engagement
- IT Service Management Design
- Implementation Services

### Ecosystem of System Integrators and Business Partners

- Vision Creation Workshops
- Readiness Assessments
- ITIL Process Design
- Consulting and outsourcing services
- Implementation and deployment services

### IBM Tivoli Unified Process

- IBM Process Reference Model for IT incorporates ITIL, COBIT, and IBM best practice processes in a complete, cohesive model
- Tools Mentor - make ITIL actionable!

## What Our Customers Are Saying...

***“ The IBM approach to IT Service Management is taking Enterprise Systems Management at Ford to a new level. Optimization of both the IT infrastructure and IT processes will help to make ITIL best practices a reality and Ford a more flexible, dynamic organization.”***

*- George Surdu, Director Information Technology Infrastructure, Ford Motor Company*

***“ With their new IT Service Management strategy, IBM Tivoli is now really focused on the big picture – not only delivering tools, but an integrated combination of tools, sharing their data through a central database and supporting ITIL processes.”***

*- Andres Golombek, IT Production, Commerzbank*

***“ IT Service Management is a never ending story, and while implementing ITIL best practices has value, they are only part of the story. The IBM IT Service Management strategy promises to provide greater value through enhanced process integration and visualization.”***

*- Yves Vlamijnck - Team manager Network & IT Monitoring, Belgacom*