

## White Paper



### Leveraging Metrics to Accelerate Business Service Management Implementation

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*IT organizations expend an enormous amount of effort in generating reports on the health of their systems. While the shift from “less information” to “more information” is a welcome change, the downside is an excess of information floating around that has very little utility. It is no longer sufficient to have a sound reporting mechanism: the need in this time of information overload is mature metrics that are indispensable in accelerating Business Service Management implementations.*

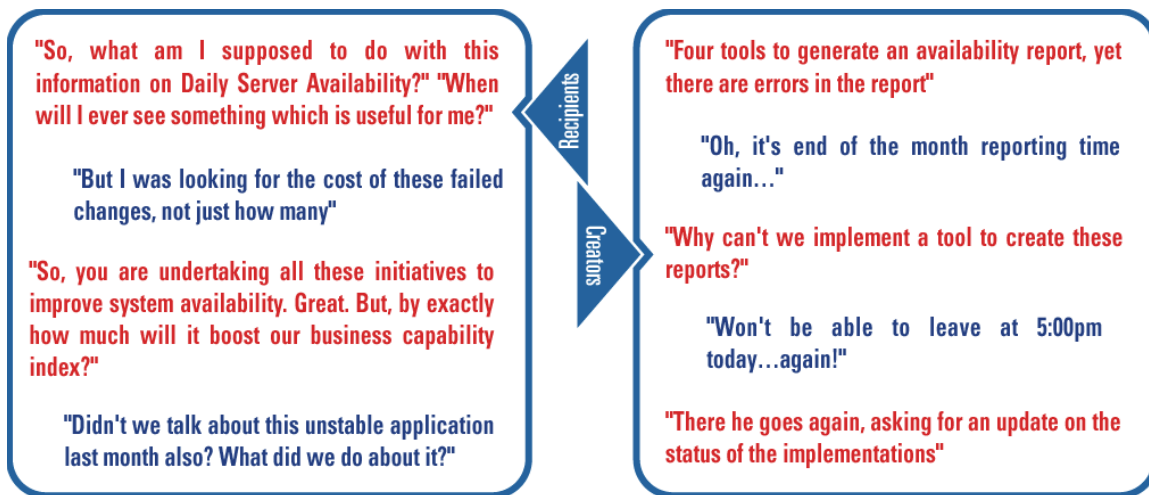
Infosys' comprehensive metrics-oriented framework enables organizations to accelerate Business Service Management implementations. In addition to bringing about technology improvements, it helps reduce the effort and cost of creating and publishing reports, eventually leading to satisfied and productive businesses and users.



Fig. 1: Metrics-based process improvements drive service transformation

## Making sense of the deluge of reports

With increasing demands from business users and customers for better, faster, and additional reports at lesser cost, it is critical to ensure that IT organizations not only stay on top in terms of performance but also consistently maintain that position. However, this is not the case in the real world. Says leading analyst Martin Rosenberg, “Most IT operations groups continue to focus on easily available efficiency metrics and have no way of measuring improved effectiveness.”<sup>1</sup>



Report recipients as well as creators have their respective issues

The demand for mature metrics or metrics that are aligned with business goals is exerting increasing pressure on IT organizations. “IT operations groups are unable to correlate internal metrics with business metrics or determine specific actions aimed at improving business effectiveness,” observes Rosenberg.<sup>1</sup> As a result, business and IT leaders insist on completely revamping their approach to reporting.

## Infosys' "ACTIVE" Framework for Service Management Metrics

The "ACTIVE" Framework developed by Infosys proposes a comprehensive methodology to ensure that organizations can design, develop and manage their service management programs effectively while reaping sustained benefits. The pillars of this framework are described below.



Fig. 2: Infosys' ACTIVE Framework

### A – Actionable

Very often, the action expected on data is missing, leading to frustration and a sense of helplessness among IT managers. According to Rosenberg, "Metric maturity is reached when derived IT/business metrics generate actions by mapping to, and prioritizing, business and IT improvements or initiatives."<sup>1</sup> For instance, while the total number of changes in itself is not an actionable metric, a high percentage of emergency changes could imply a lack of adherence to change management, possibly by circumventing the process. Further, Infosys' analysis shows that for every ten reports received by Senior VPs and CIOs, not more than two are used to ensure the resolution of issues. Frequently, information from only one report is re-used while the remaining reports are simply discarded!

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*Ensure recipients can drive action based on reports*

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### C – Centralized

In most organizations, considerable time and resources are involved in generating reports. Multiple groups (in both business and IT) are responsible for collecting and analyzing data as well as formatting, and publishing reports. Although much effort is devoted to generating reports, IT leaders still struggle to get reliable data in a timely manner. Where non-standard requests are involved, the issue may simply get out of hand. For instance, a financial services organization had multiple IT availability reports created by different groups and sources. These disparate reports resulted in loss of man-hours and impacted overall organizational efficiency, eroding its business reputation. The financial services company eventually centralized and off-shored "Incident and Availability" reporting, reducing effort and bringing greater business transparency.

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*Establish reporting service requests as a function of the Service Desk*

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## T – Tiered

Is your CIO reading server availability reports? Does everyone in your organization read the same set of reports? Presenting an appropriate metrics report specific to the target audience will ensure that the right action is initiated. For example, First Call Resolution (FCR) is an important metric for an IT Operations Manager. The same metric, when rolled-up as the total cost of incident resolution measured against lost user minutes, will enable business and IT leaders to justify further investments in improving FCR

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*Translate individual process metrics to IT metrics and then to business metrics*

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## I – Interactive

While some organizations are today able to generate excellent reports, at times further analysis requires co-relating these with metrics that are not immediately available. For example, while analyzing the sudden spurt in the number of changes in a month, it might be important to study the year-on-year trend to identify a justifiable business reason for these changes. Take the case of a perfume manufacturer that deals with a variable number of changes at different times of the year. In this instance, identifying that the number of changes always spurts during spring due to changes required to meet increased business during summer might be possible only after the year-on-year trend is analyzed. Tools that generate Real-Time Information (RTI) can help correlate reports with business metrics. However, in quite a few cases, custom development effort cannot be avoided due to multiple and diverse tools providing different data sources.

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*Enable access and availability of data for previous periods, related metrics and actions*

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## V – Value-driven

More often than not, IT reports make sense only to the IT organization, conveying little meaning to business and users. A metric on the number of Severity 1 incidents would be clearer to business if it specified the dollar impact of lost transactions due to these incidents. Similarly, the number of failed changes could become business-relevant when translated into the corresponding dollar impact. Infosys recommends using a balanced scorecard that provides a way to ensure IT metrics relates to business value.

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*Create a business-aligned metrics dashboard*

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## E – Elegant

How many times have you opened a report just to close it immediately because you couldn't easily browse through the contents? Unorganized, unstructured, poorly formatted – have these words crossed your mind? Multiple non-standardized report formats require increased effort and also result in the generation of redundant information. Involving business and users early in the design process can increase productivity and customer satisfaction. Use of meaningful visuals such as graphs with data analysis helps make reports actionable.

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*Define and align with the audience on templates, structure and content of report*

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## Adoption Enablers

Moving toward mature metrics and accurate reporting is a progressive journey for organizations. Some enablers for the adoption of the ACTIVE Framework within an organization are:

- Alignment with business on requirements and expectations from IT
- Adoption of usability and user-centered design concepts to engage with business right from definition to improved reporting
- Establishing a reporting team and defining appropriate structure, interfaces and processes
- Implementation of a service catalog and configuration management database to understand how components roll up to form IT services catering to business processes
- Management of reporting as a service with focus on lifecycle stages and interfaces with other services
- Integration of reporting applications with service management and monitoring tools

## Benefits

Adopting the ACTIVE Framework can help organizations effectively sustain their service management programs as follows:

- Drive and demonstrate technology improvements
- Provide predictability and reliability through one-point accountability on the health of IT
- Reduce the effort and cost of creating and publishing reports
- Enable better decision-making by presenting the right metric to the right audience

## Reference

<sup>1</sup> Measuring IT Operational Effectiveness – IT/ Business Metrics Alignment: Martin Rosenberg, Meta, 22 July 2002

### About the Authors

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The authors also blog on Service management at <http://www.infosysblogs.com/ITSM-service-matters>



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