

IT INFRASTRUCTURE LIBRARY (ITIL)

MERCURY 2005 INDUSTRY ISSUES SALES BRIEF

INDUSTRY ISSUE SNAPSHOT

IT Infrastructure Library (ITIL)

The IT Infrastructure Library (ITIL) is the de-facto standard for IT Operations. Essentially, ITIL provides a library of best practice IT processes to improve the quality and efficiency of IT services that are provided to the business. ITIL processes provide best practices for the planning, provision, and support of IT services to the business.

ITIL was originally developed by the OGC, a branch of the UK government, and today has been widely accepted across the world. ITIL goals are to align IT with the business and improve the efficiency of IT operations to reduce costs and risks and improve customer satisfaction. ITIL goals are very similar to Mercury's Business Technology Optimization (BTO) goals.

Mercury's BTO offerings can help IT Operations to accelerate their efforts for ITIL compliance, and provide significant business and operational benefits. Mercury's BTO offerings can help customers implement ITIL-compliant processes, improve operational efficiencies, reduce cost and business risks, and better align IT services with the business.

THE CHALLENGE FOR GLOBAL 2000 IT DEPARTMENTS

As the complexity and scale of IT Operations keep increasing, companies are looking for best practices to improve their internal tactical and operational processes and streamline their operations to reduce costs. Increasingly, companies have chosen ITIL as the standard to adopt to achieve this goal. ITIL has historically been strong in EMEA, but there is very strong recent evidence of ITIL's growing influence amongs Fortune 2000 Companies in the U.S.

ITIL has eight disciplines or books, but the disciplines of Service Delivery and Service Support are the most popular among customers. Service Delivery deals with the tactical processes of IT Operations, related to the planning of IT services. Service Support deals with the more operational processes of IT Operations, related to the ongoing support of IT services. Each ITIL process has relevance to the level of maturity in IT Operations, and the key challenge for customers is to determine the appropriate processes to implement.

One of the main challenges companies face is that, while ITIL provides strong best practices, it is not a prescriptive standard. ITIL is essentially a set of documentation that defines IT processes. In that sense, ITIL provides the "what," but not the "how." It describes what processes to consider to improve IT services. Companies are looking to software vendors and consultants to

help them with the "how" to help them implement ITIL-compliant processes.

Bottom Line:

ITIL compliance has challenges at two levels:

1. Determining the appropriate ITIL processes to adopt, based on the customer's operational maturity.
2. Determining which tools (software or hardware solutions) can help them accelerate their ITIL compliance initiatives for a specific set of ITIL processes.

MERCURY SOLUTIONS THAT APPLY TO THIS ISSUE

Mercury IT Governance Center can be used to support many aspects of ITIL compliance for Service Support and Service Delivery. ITIL is all about process, and Mercury's rich workflow offering provides a unique ability to digitize ITIL processes, especially for the ITIL Incident/Problem/Change/Release Management processes. Another key capability is the support of ITIL Financial Management process, to account for budgeting, costing, and charging of IT services.

Key Applications within Mercury IT Governance Center for ITIL:

- Mercury Demand Management
- Mercury Change Management
- Mercury Portfolio Management
- Mercury Project Management

Mercury Quality Center supports the ITIL Release Management process, which requires functional testing of changes.

Mercury Performance Center (with Mercury Capacity Planning) supports the ITIL Capacity Management process, which involves the measurement, modeling, and prediction of current and future capacity to support the IT service.

Mercury Application Mapping aligns very well with the ITIL Configuration Management process, which is the backbone of all ITIL processes. With Mercury Application Mapping, customers can automatically create and dynamically maintain the configuration management database (CMDB) which maintains the relationship between IT components.

Mercury Business Availability Center provides capabilities to support the ITIL Service Delivery discipline. Mercury Service Level Management supports the ITIL SLM process to record, monitor, and report on business-centric service level agreements (SLAs). Mercury End User Management and Mercury System Availability Management support the ITIL availability management process, to set availability thresholds and monitor and report from an end-

user perspective and system perspective.

Key Applications within Mercury Business Availability Center for ITIL:

- Mercury Service Level Management
- Mercury End User Management
- Mercury System Availability Management

Mercury Diagnostics provides capabilities to support the ITIL Problem Management process to accelerate the diagnosis of application-related problems.

- Mercury Diagnostics for J2EE
- Mercury Diagnostics for Siebel

Mercury Services:

- Mercury Change Management Service
- Mercury Custom Consulting Service (for PPM)
- Mercury QuickTest Professional and TestDirector Quick Start
- Mercury Quality Process Service
- Mercury Business Availability Implementation Service
- Mercury Managed Service for Business Availability Center

RESULTS AND PROGRESS (CUSTOMER EXAMPLES)

adidas Salomon (One of the largest global sporting goods manufacturers) utilized Mercury's IT Governance solutions for Demand Management and Change Management to develop a company-wide ITIL compliant change management solution, crossing three business units. The company gained tremendous operational efficiencies from streamlined and repeatable change processes with real-time dashboard visibility and reporting.

NHS (National Health Services, a large UK government organization) is using Mercury's IT Governance solutions for Demand Management and Change Management to develop ITIL-compliant processes for the entire incident lifecycle. This project was undertaken in close consultation with Accenture.

Telstra (~\$16 billion in revenues and 35,000 employees) utilized Mercury End User Management to implement end-user service level measurement, provide true end-to-end availability management of internet and access services. The Mercury solution was key to enabling Telstra to meet regulatory reporting requirements on service levels to regional Australia.

Blue Cross Blue Shield Florida (~\$6 billion in revenues and 9000 employees) implemented Mercury Application Mapping to provide the foundation for their service management transformation strategy. The Mercury solution enabled Blue Cross Blue Shield to develop a CMDB and configuration management solution that was automated, scalable, and delivered strong return on investment.

POSSIBLE OPPORTUNITIES

1. Organizations that are just beginning to embark on projects for ITIL Compliance. These are typically Fortune 2000 customers, where executive management (sometimes the CIO office) has

made a commitment to implement the ITIL standard for IT Operations. They are looking for vendors to help accelerate the implementation of their ITIL compliance projects. They may begin with one aspect of ITIL compliance (e.g., Configuration Management) but are seeking vendors that provide the breadth of solutions to extend to other ITIL compliance areas.

2. Organizations that are working on targeted projects (e.g., Change Management) and want to ensure that the vendor solution supports the ITIL standard as well.

TARGET ROLES

Primary Target:

- IT Operations/Management

Secondary Target:

- CIO
- Executive Management

QUALIFYING QUESTIONS

Mercury Application Mapping

- How are you planning to implement a CMDB for ITIL compliance?
- How will you ensure that your configuration management process is scalable and repeatable?
- Do you need a CMDB that can dynamically discover and map infrastructure components?
- Does your change management team need to better understand the impact of changes to your infrastructure to reduce risk?

Mercury IT Governance Center

- Are you planning compliance initiatives for ITIL Service Support?
- Can you accurately measure service levels provided by your support?
- Do you have repeatable and auditable Change Management processes that are efficient and cost effective?
- How do you manage the review and approval process for changes?
- Can you deploy application changes accurately and quickly?

Mercury Business Availability Center & Mercury Diagnostics

- Are you planning compliance initiatives around ITIL Service Level Management?
- Are you interested in reducing the MTTR of your incidents and problems?
- How will you implement availability management to ensure you can measure all layers from the end user to application infrastructure?
- How will you ensure SLAs are business-centric and based on the user experience?

PARTNERS

Accenture – Accenture's practice for IT Governance is based in Paris, France, and supports implementations in EMEA, including ITIL compliance initiatives.

INS and Maryville – U.S.-based partners that provide solutions for Application Management.