



consulting-portal

Improving IT
Reliability and Productivity

ITSM Industry Survey

State of ITSM implementations in 2008



February 12, 2009

About Consulting-Portal

Since 1999 CP has been helping Fortune 500 and mid-size companies assess, design and implement robust IT Service Management processes.

We pride ourselves in being Tactical, Practical and Vendor Neutral. We distill best-practice and methodology into tangible and implementable solutions that produce results.

Consulting-Portal specializes in all aspects of IT Service and Enterprise Systems Management.

This includes:

- ITSM / ESM strategic planning
- ITSM and ESM assessments,
- ITSM roadmaps,
- Process design,
- Process implementation
- Instructor-led and online ITSM, Cobit and ISO20000 training



We deliver our projects on a fixed-price basis using full-time employees. Each of our employees have an average of 25 years of IT experience gained at the largest and most demanding IT environments in North America.

On February 22, 2009 we are launching www.itoptimizer.com providing subscription based access to ITIL process templates, an interactive process design tool, and online process assessment tool as well as access to expert advice and guidance.

To learn more about CP visit our website at www.cportalinc.com

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Introduction

Consulting-Portal Inc. is pleased to release the results of our fourth annual IT Service Management (ITSM) Industry Survey. We would like to thank all of those who took the time to complete the survey questions.

Goal

The goal of our survey was to assess the state of ITSM implementation within the North American IT community and to share that information with the survey participants and all other interested parties.

Structure of the survey

We designed a set of 35 questions around what we believe are the critical success factors in any ITSM initiative:

- Sponsorship
- Organization and Governance
- Best Practices
- Training;
- Measurement and Audit
- Continuous Improvement
- ITSM Tools

Participants

There were 183 participants who completed our survey and submitted their responses. Participation came from a diverse cross-section of industries and consisted of many of the largest users of Information Technology, including financial services companies, industrial firms, government agencies, communications & media and other assorted sectors.

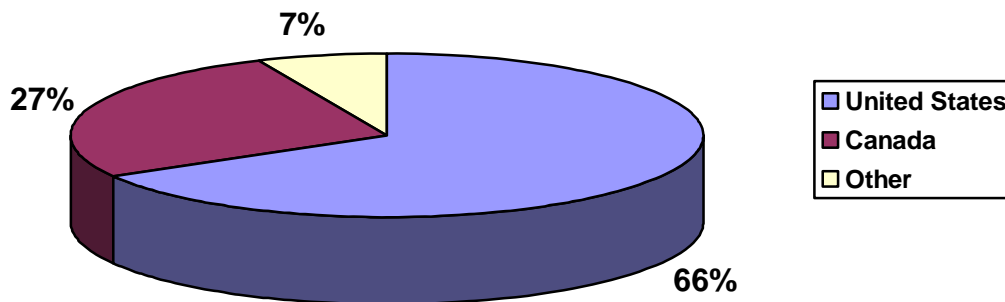
In publishing the results of this ITSM Industry Survey, we have faithfully tabulated the responses of all 183 participants. We make no claim that the responses are the official responses of the organizations that the participants represent. We present the results anonymously, without any specific attribution.

We have tried to both report the results as submitted by the participants and also to add some of our own commentary, drawn from our experience, where we felt it appropriate.

The Participants

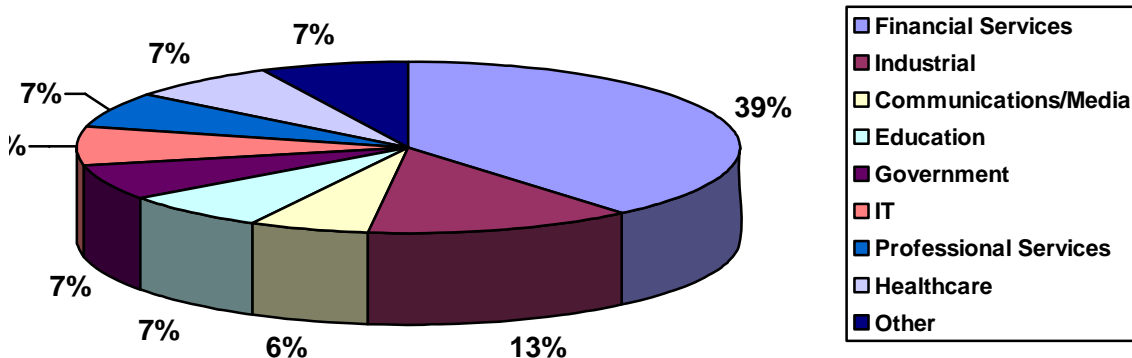
Participants by Geography

In total 183 people responded to the Consulting-Portal ITSM Industry Survey and submitted all their responses to the polling company. The majority of respondents were based in North America, the other 7% represent respondents from South America, Europe and Africa.



Participants by Industry

There were participants from companies in many different industries with the strongest representation coming from Government and Financial Services sectors.



The following is a more detailed breakdown of respondents by industry:

Industry	Type of Company	Breakdown
Financial Services (59)		
	Accounting	2
	Insurance	11
	Banking	11
	Investment	32
	Service Support	3
Government (10)		
	Legislative	10
Other Services (10)		
	Non-Profit Organizations	1
	Retail	2
	Religious	2
	Other	5
Industrial (21)		
	Manufacturing	11
	Transportation	2
	Utilities	8
Healthcare (12)		
	Service Providers	11
	Pharmaceutical	1
Education (11)		
	Institutions	11
Communications (9)		
	Telecommunications	4
	Publishing	1
	Media	4
Professional Services (10)		
	Consulting	8
	Law	2
Information Technology (11)		
	Hardware/Software	11

Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.

Organizing for ITIL

1. What is the highest level of active sponsorship for ITSM (IT Service Management) at your company?

- *Only 48% of respondents have active sponsorship at the CXO level or above. Most sponsorship appears to be at the director level or lower.*
- *Executive sponsorship is critical to the success of an ITSM initiative and we feel the lack of executive sponsorship directly relates to the poor showing in Governance and Metrics.*

9. How are you organized to support ITSM?

- *85% of respondents have allocated either full or part-time resources to their ITSM initiative. 62% of the respondents have a dedicated ITSM organization*
- *We feel that this represents grass roots support for IT Service Management which is crucial for long-term success*

14. Do you have formal ITSM governance in place?

- *Only 29% of the respondents enforce ITSM governance*
- *A lack of governance directly translates into a breakdown of the processes making it exceedingly difficult to achieve any Return on Investment (ROI) on the program*

Assessing your current state

2. Have you conducted an ITSM assessment / benchmark within the last 18 months?

- *54% of respondents have not conducted an assessment within the last 18 months.*
- *Assessments are the catalyst for improvement and the basis of a roadmap and should be done periodically to help keep the program on track and front of mind*

3. How did you conduct the assessment / benchmark?

- *Of the 46% who conducted an assessment, surprisingly 45% of those conducted self-assessments, 43% used a professional services firm, 7% used a hardware/software vendor and 5% used an on-line tool*

- *We believe a self-assessment is an acceptable option provided that it is based on best practices and conducted in a structured manner. As the number of ITSM practitioners increase we predict more organizations will be turning to self-assessments*

4. Was the assessment of value?

- *93% of respondents believed the process assessment was of value*
- *This supports our view that assessments are in fact a catalyst for change and a necessary component of an ongoing ITSM program*

5. Do you see value in conducting an ITSM assessment / benchmark?

- *83% of respondents who did not conduct an ITSM assessment see potential value in conducting an assessment to create a benchmark with which to measure future progress.*
- *We recommend that organizations at a minimum conduct a self-assessment as the basis for an implementation roadmap and timeline or to effect continual service improvement*
- *Assessments also provide a baseline from which ROI can be measured*

Establishing a roadmap / timeline

6. Do you have a documented roadmap / timeline for the implementation of ITSM?

- *46% of respondents have a roadmap / timeline for the implementation of ITSM.*
- *The lack of a roadmap can be problematic – especially when senior management asks for ROI – the roadmap gives an organization milestones from which to measure success*

7. What is your roadmap implementation timeline?

- *Among the respondents, approximately one third is implementing within one year, 43% within two years, and the remaining quarter over two years.*
- *Implementation timelines have become more realistic – the majority sees ITSM having a 1-2 year implementation timeline. That said – ITSM must be viewed as an ongoing program.*

8. Do you see value in having such a roadmap?

- *Most respondents that have a roadmap, and 92% who do not, can see the value of having one.*
- *It is our experience that having a roadmap, with timelines which identify the key milestones, the expected results and the quick wins, really lends credibility to the project and improves buy-in throughout the organization.*

Training your people

30. Do you have an ITSM training program in place?

- 50% of respondents have an ITSM training program in place
- This is encouraging because our experience has already shown that having a training program not only involves and empowers a broad group of people building grass roots support for the ITSM program, but also helps develop and disseminate a common language throughout the organization.

31. What is the highest level of ITIL training you provide to your staff?

- There is a decrease in higher levels of more advanced ITIL training. Last year 67% of respondents said that the training they provided their staff was ITIL Practitioner level or higher.
- This year only 42% reported these levels of training. We feel that this was in part due to the new V3 training curriculum and organization taking a wait and see attitude

32. What is your preferred method of training your staff?

- 78% of respondents prefer a dedicated training class, while the remainder (22%) prefer open enrollment
- Most of the organizations that participated in this survey are large fortune 500 companies which may indicate why there is a preference for dedicated classes. Open enrollment is better suited to training smaller amounts of staff but can be more expensive in the long run

33. Who currently delivers your ITIL training?

- About 66% of training is being delivered by third party training vendors and the remainder delivered in-house.
- The advantage of third party training vendors is that they can bring years of relevant industry experience, adding more value to the courses they teach
- There are a large number of companies delivering their own training in-house. This may prove to be more difficult with changes introduced by the v3 curriculum.

34. Are you planning on implementing an ITIL training program?

- In addition to the 91 respondents that have training programs in place, an additional 33 are planning to implement one. This means a total of 68% either have implemented or plan to implement an ITIL training program. Only 32% have no training plan.
- It is our belief that ITSM training is critical to the success of an ITSM program implementation. ITSM is about changing the culture and for that you need to train your people

35. When do you expect to implement your ITIL training program?

- *Of the 35% who are planning to implement an ITIL training program, 70% expect to do it by the end of 2008.*

Best practices framework

10. Are you utilizing a recognized process framework for ITSM?

- *Of the 183 respondents, 167 are utilizing a recognized ITSM framework.*
- *This indicates that respondents are leveraging the abundant, high quality industry knowledge that is available in the marketplace.*

11. Which ITSM framework are you using?

- *Of the 80% who use a recognized ITSM framework, 93% are using ITIL. This reflects the increasing popularity of ITIL as a vendor neutral, non-proprietary approach to ITSM.*
- *Of those 93% using ITIL, 58% currently use ITIL version 3, last year only 23% were using ITIL version 3.*

12. Are you planning on adopting ITIL Version 3?

- *62% of respondents who are still using ITIL Version 2 are planning on adopting Version 3 in the near future.*

13. On which ITIL processes are you currently placing focus?

- *The top 5 processes are Incident Management (65%), Problem Management (64%), Change Management (63%), Asset/Configuration Management (51%), and Service Level Management (40%)*

Measuring and Auditing

15. Do you have defined metrics for your ITSM processes?

- *Only 26% are using metrics for continuous improvement, and 22% of respondents do not have defined metrics for their ITSM processes*
- *Although defining metrics may help organizations meet the higher standards being legislated and imposed (Sarbanes-Oxley and SOXA in USA for example), in our opinion, without actionable metrics driving continuous improvement, the business will not be able to demonstrate the value and reap the benefits of an ITSM program.*

16. Are your ITSM processes audited?

- *45% of respondents are auditing their ITSM processes. A 10% increase since last year. It must be emphasized processes need to be adopted and followed in order to deliver value – auditing your processes is part of overall governance and governance is what will deliver ROI*

17. Who performs the audit?

- 23% of the respondents use internal auditors
- While most respondents are not auditing their processes we are seeing an increasing trend to do so driven primarily from outside of IT.

18. What framework do you use to audit your processes?

- 52% of respondents who conduct ITSM process audits use the CobiT framework, the remainder use ISO/IEC 20000 (29%) or various other frameworks (19%)
- We have also seen an increase in both awareness and the use of COBIT from within our client base. We suspect this trend will continue.

19. Will you be required, or are there plans in place, to formally audit your processes?

- 71% of the respondents who are not currently auditing ITSM processes believe there is no requirement to audit ITSM processes.
- Referring to our response in question #16, it is our belief that good governance around ITSM processes is not possible if you do not audit the processes on a regular basis.

Continuous improvement

20. Is your IT Process Improvement part of a company-wide quality program?

- 100 out of 183 (54%) said that their organizations have a company-wide quality program which does not include continuous improvement of IT Processes.
- Many organizations do not realize that linking a continuous improvement program to IT Processes is not only possible, but it can dramatically increase the efficiency and effectiveness of the entire organization

21. Which program do you follow?

- While Six Sigma and ISO remain strong quality programs, 9% respondents are utilizing TQM
- Even if you don't have a quality program in effect at your company we do believe there are aspects of each of these quality frameworks that can supplement your internal ITSM initiative.

22. Do you see value in linking your IT Process initiative to a quality program?

- 71% of all respondents that do have their IT Process Improvement as part of a company wide program believe there is value in being part of a company-wide quality program.
- Without actionable metrics (see question #15) it is difficult for IT to demonstrate the value of continuous process improvement in the ITSM

program. Without being able to demonstrate this value, it will be difficult for IT to gain inclusion in company-wide quality programs.

Selecting the supporting tools

23. Which vendors and products do you use to support your ITSM Processes?

- *Although BMC & HP are taking a dominant position, there are a large number of vendors operating in this area with quality products.*
- *In our experience, most of the leading ITSM tools can do the job. However, what is more important is the quality of the process, the tailoring of the tool around the process and the adherence to a comprehensive system of governance.*

24. Have you implemented a CMDB (Configuration Management Database)?

- *73 respondents (39%) said their organization has implemented a CMDB.*
- *We feel most CMDB initiatives fail due to unrealistic scope. We recommend starting with the most critical services.*

25. Which vendor have you chosen, or do you plan to choose, for your CMDB?

- *Again HP and BMC have the dominant position, although the largest category of responses was "Other" (36%).*
- *The ITSM tools market has grown significantly and there is a growing number of high quality alternatives to the de-facto leaders*

26. Have you or are you planning on implementing auto-discovery tools?

- *72% of respondents are planning to implement auto-discovery tools*
- *This confirms what we are seeing in our client base. CMDB is virtually impossible without auto-discovery. The current generation of tools are much more efficient and feature rich.*

27. Have you implemented Service Catalog or Service Level Management (SLM)?

- *56% have implemented Service Catalog, Service Level Management or both.*
- *We recently added this question to the survey as we are seeing growth in the implementation of SLM and Service Catalog.*

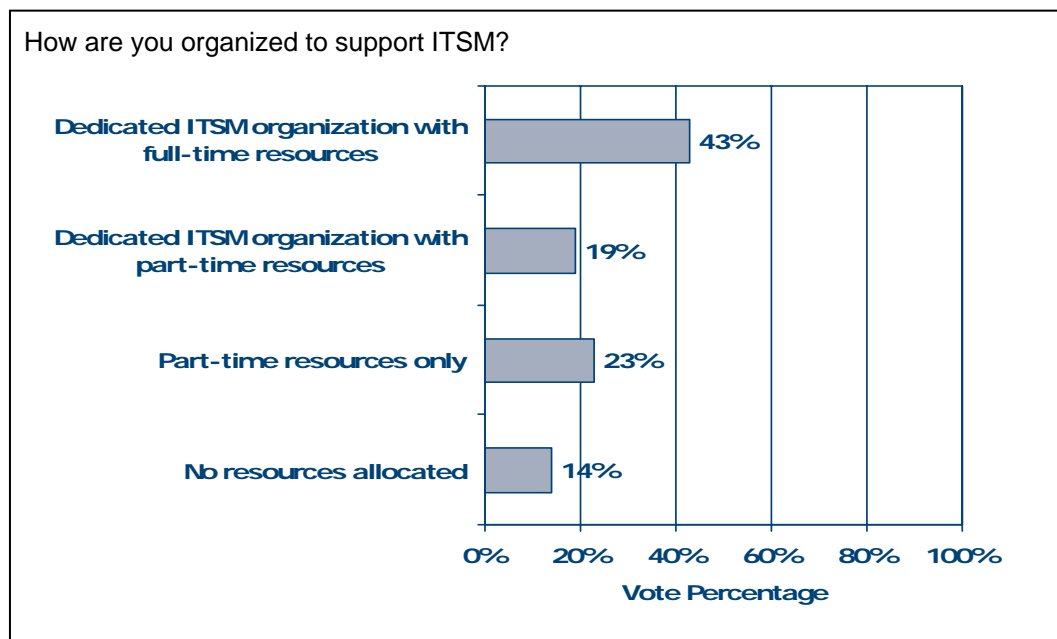
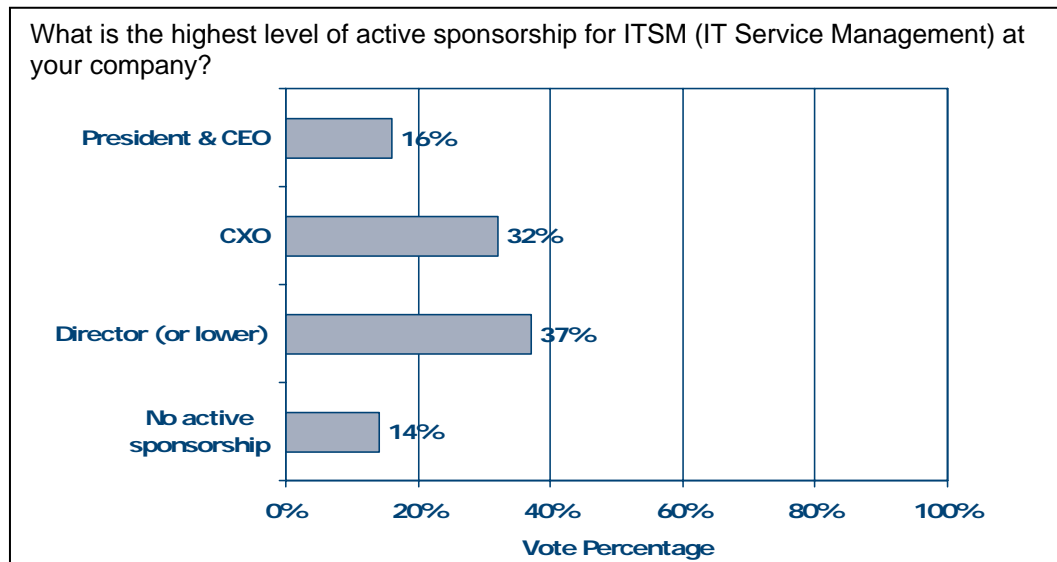
28. Which vendor have you chosen, or plan to choose, for Service Catalog or Service Level Management?

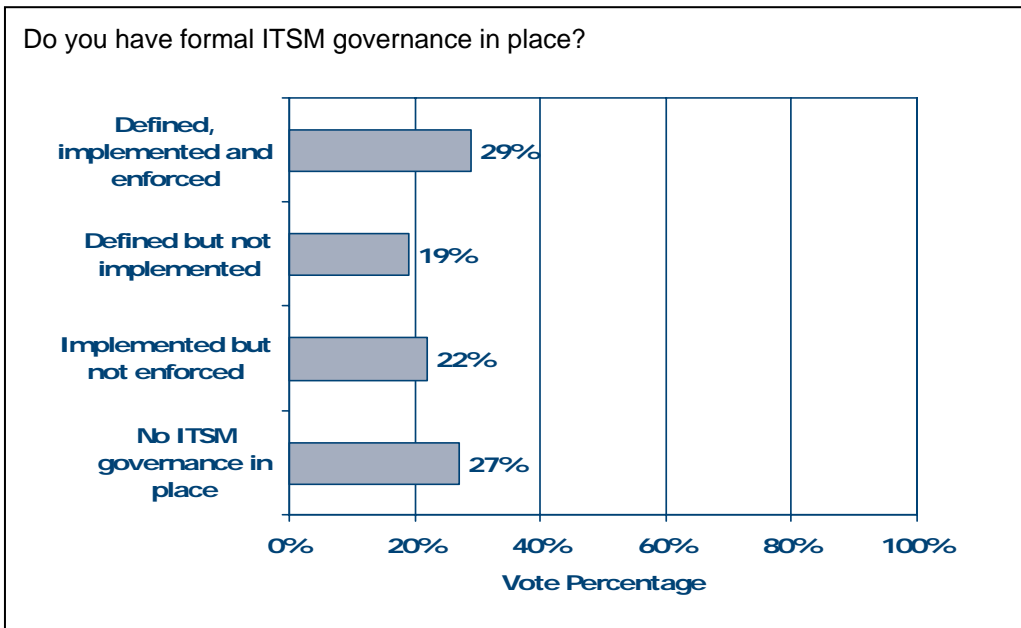
- *In this category HP is the leader at 15% while the remainder uses BMC (12%), NewScale (6%), Oblicore (5%), or Other (62%)*

Detailed Responses

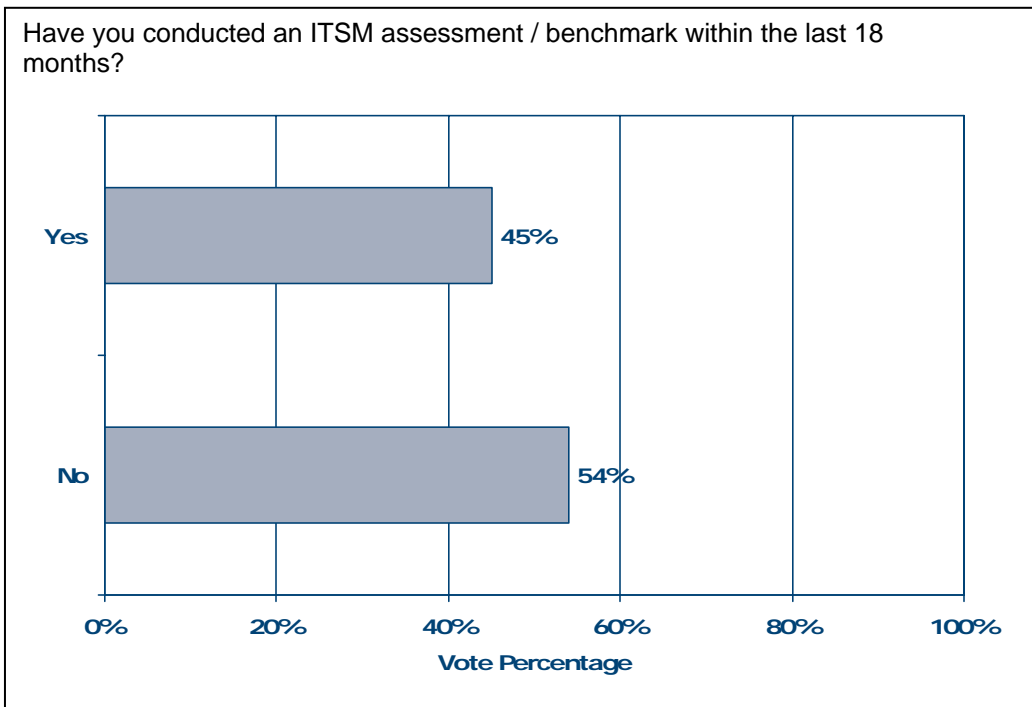
We display below the responses of the 183 participants in the Consulting-Portal 2008 ITSM Industry Survey in a format that we think you will find informative and easy to follow. The responses are grouped under the same familiar headings as the questions to make the results easier to follow.

Organizing for ITIL



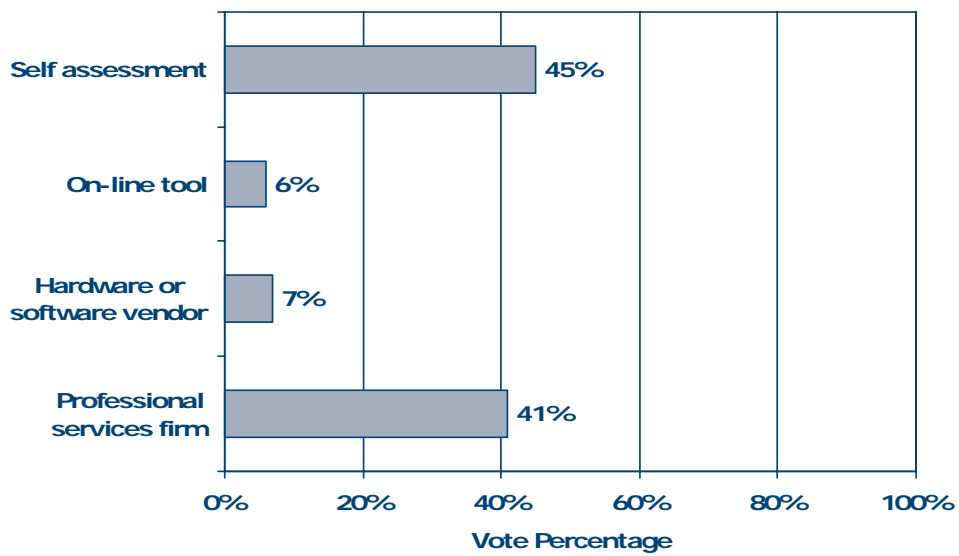


Assessing your current state

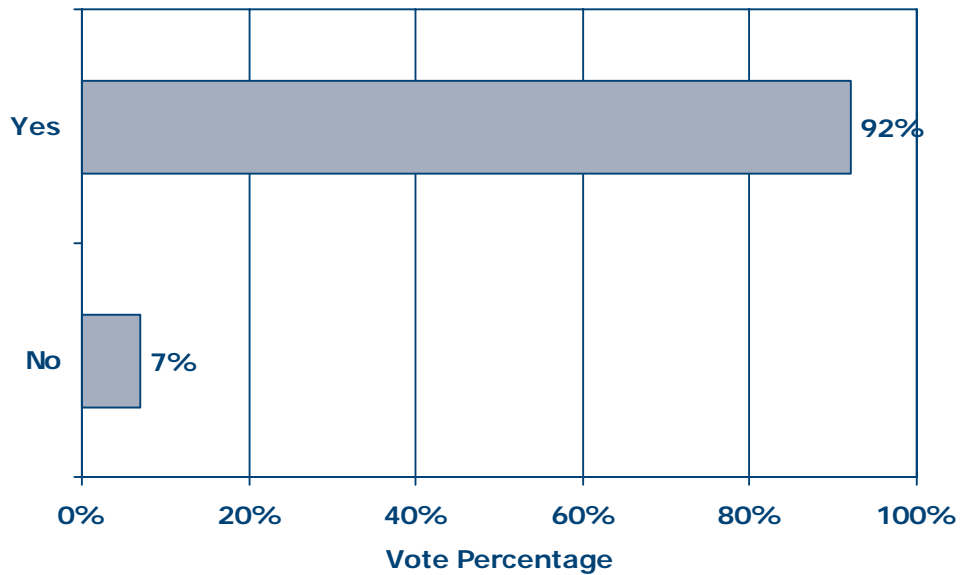




How did you conduct the assessment / benchmark?

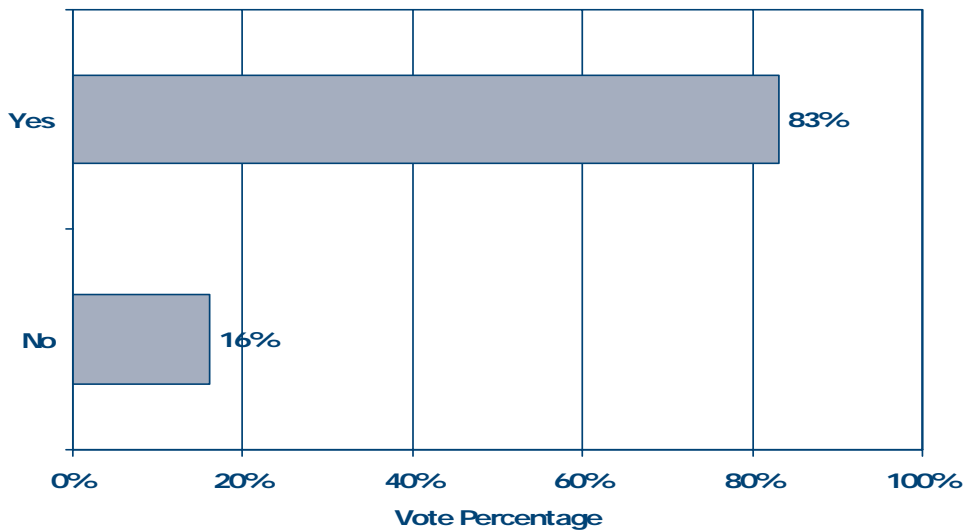


Was the assessment of value?



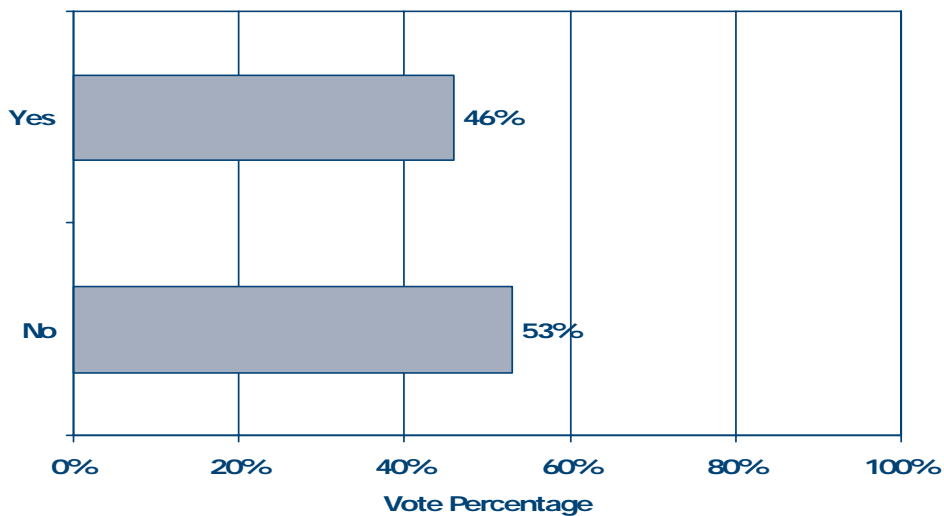


Do you see value in conducting an ITSM assessment / benchmark?



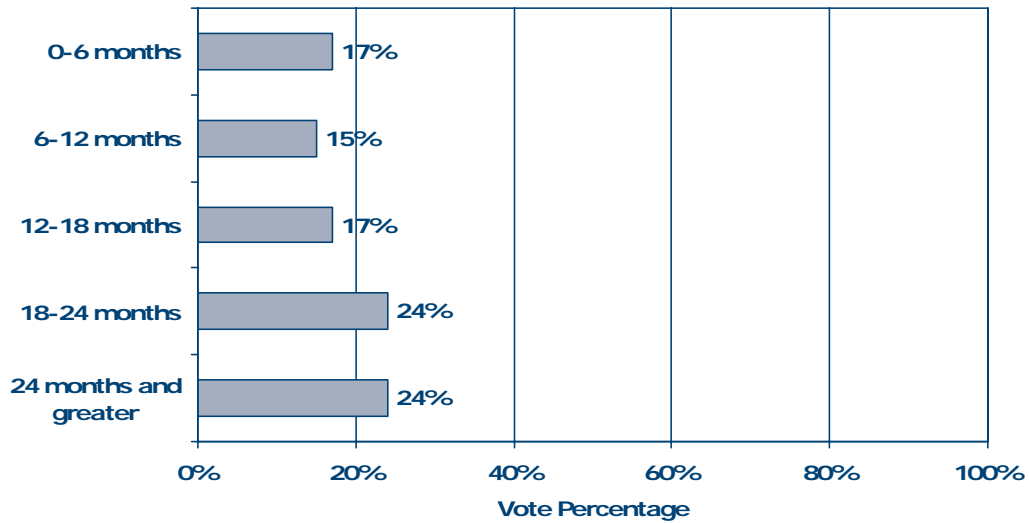
Establishing a roadmap / timeline

Do you have a documented roadmap / timeline for the implementation of ITSM?

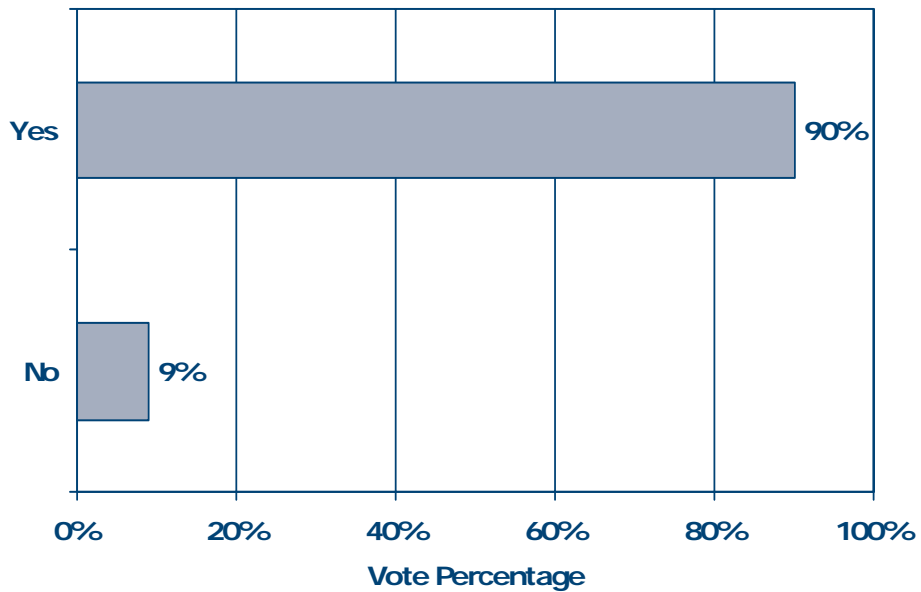




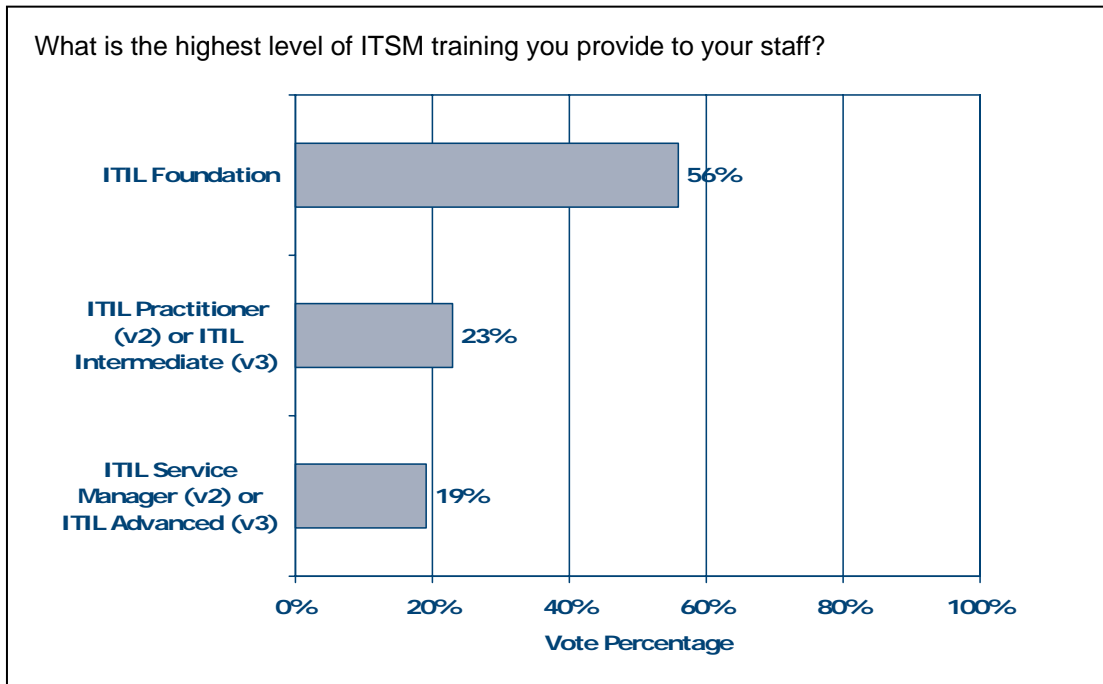
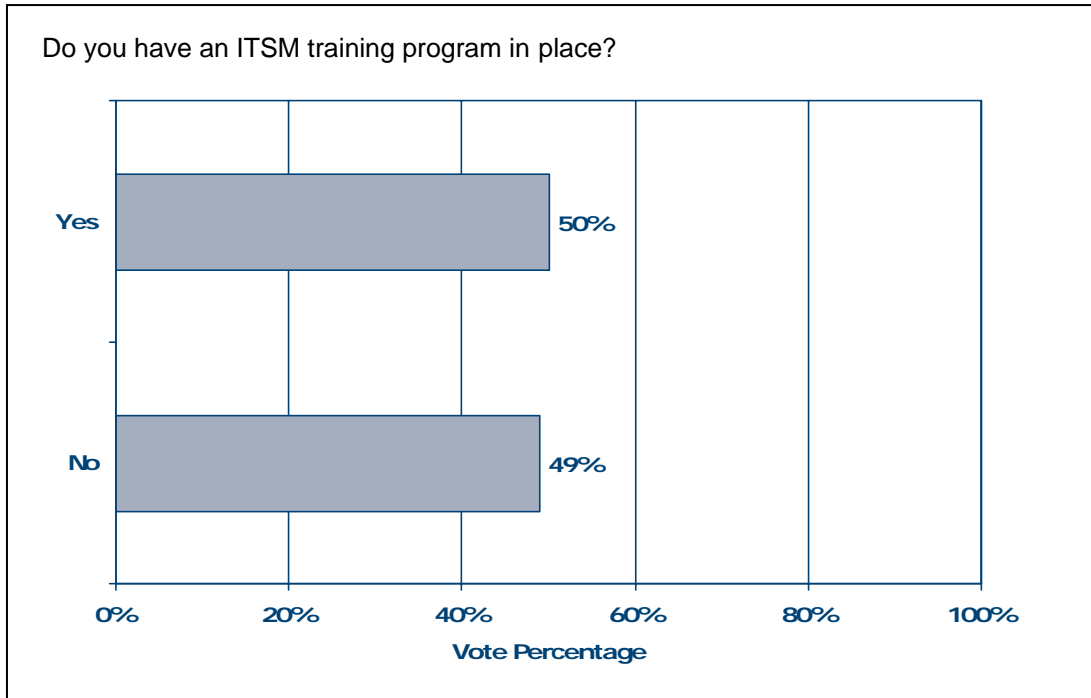
What is your implementation timeline?



Do you see value in having such a roadmap?

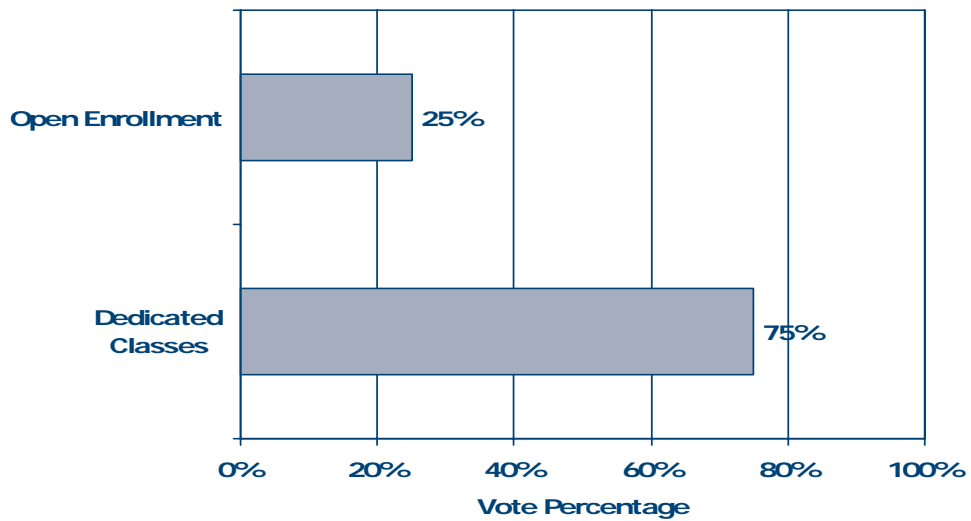


Training your people

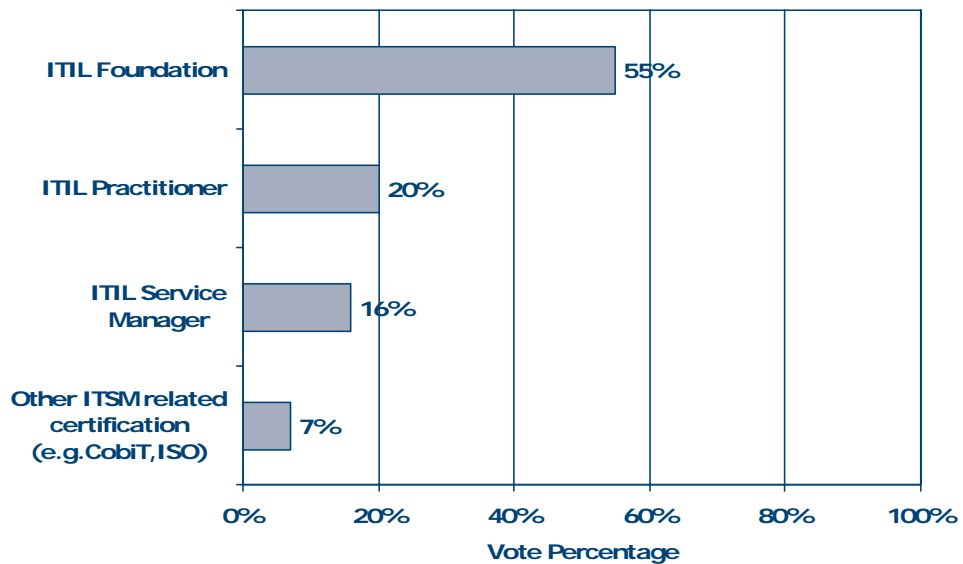




What is your preferred method of training your staff?

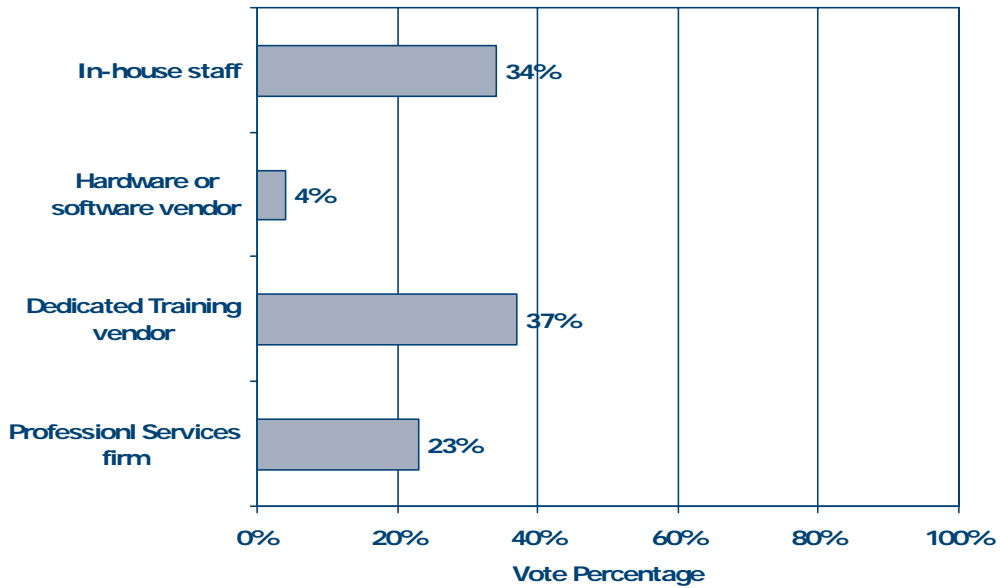


What is your level of ITIL certification/training?

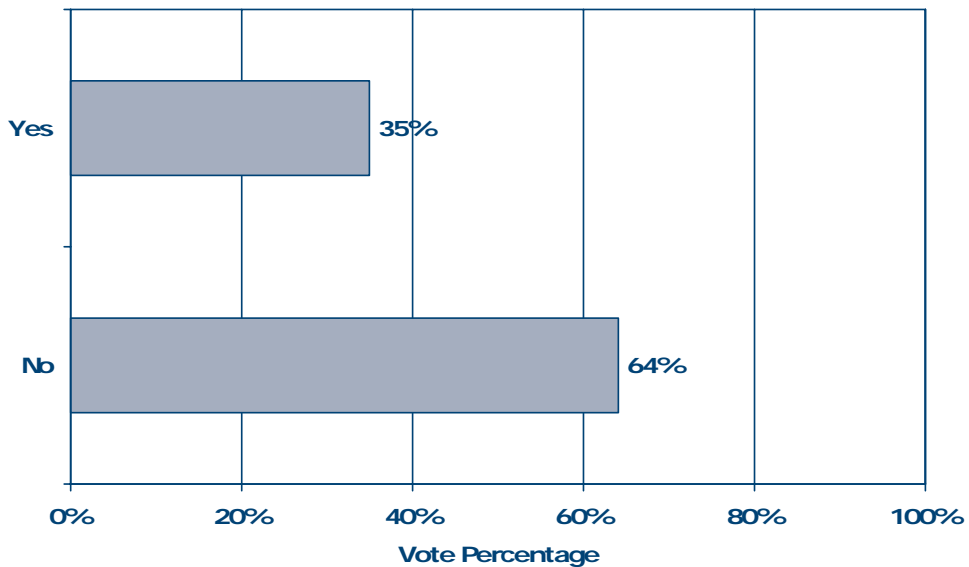




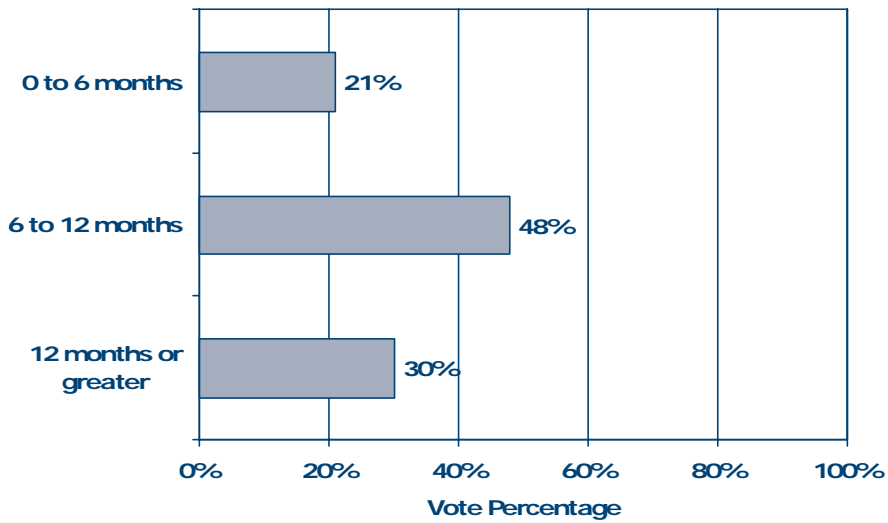
Who currently delivers your ITIL training?



Are you planning on implementing an ITIL training program?

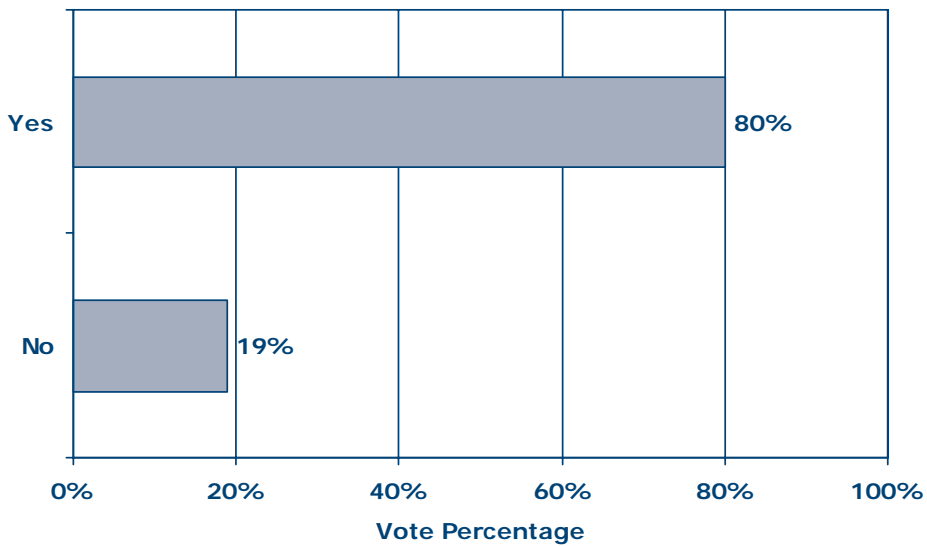


When do you expect to implement your ITIL training program?



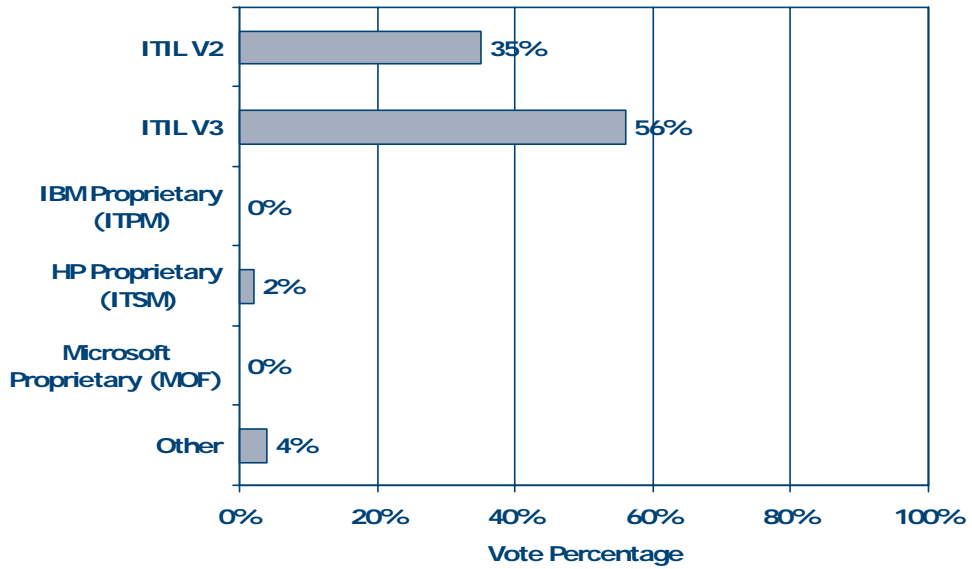
Best practices framework

Are you utilizing a recognized process framework for ITSM?

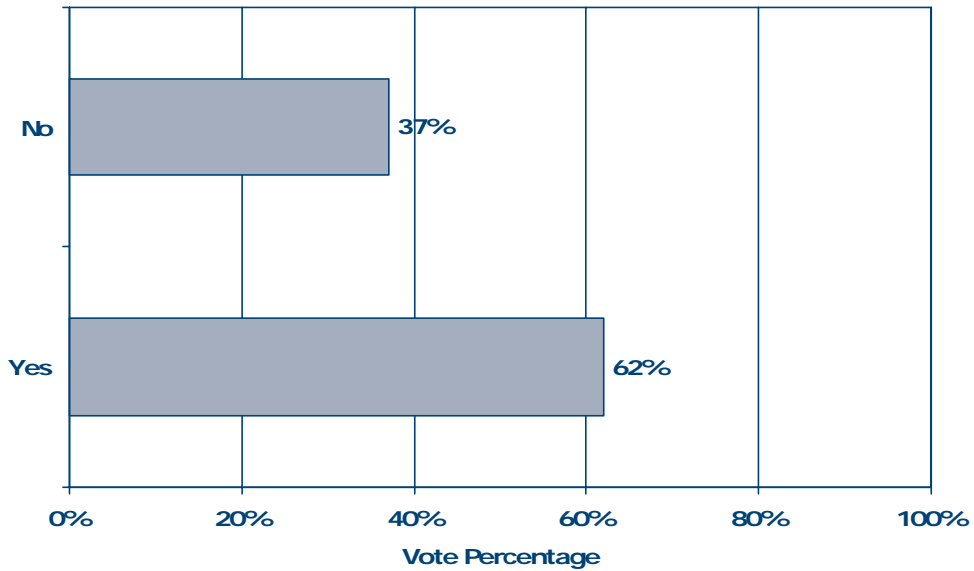




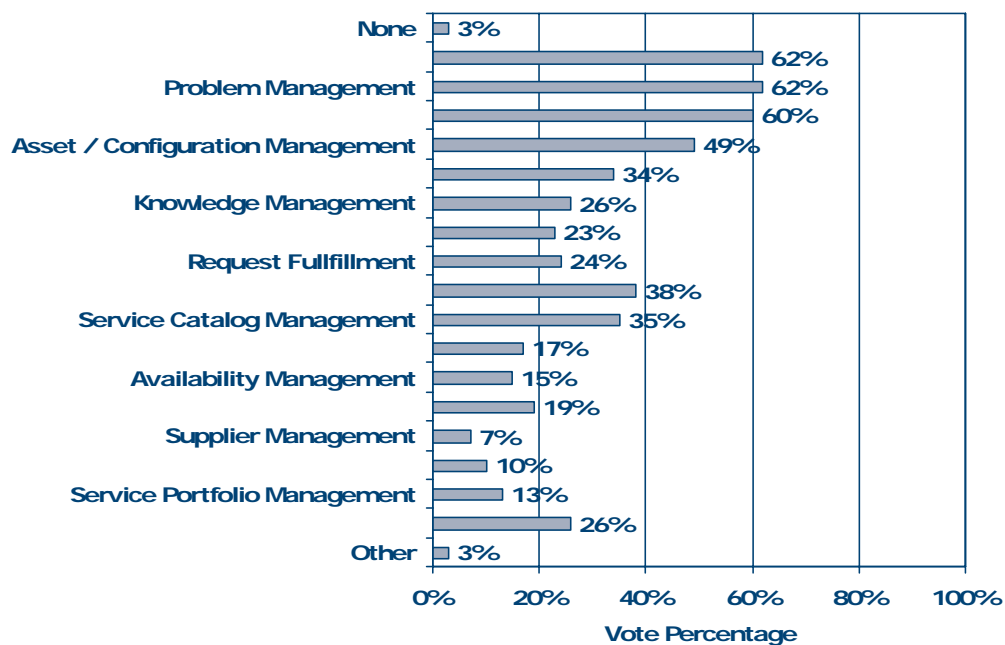
Which ITSM framework are you using?



Are you planning on adopting ITIL Version 3?

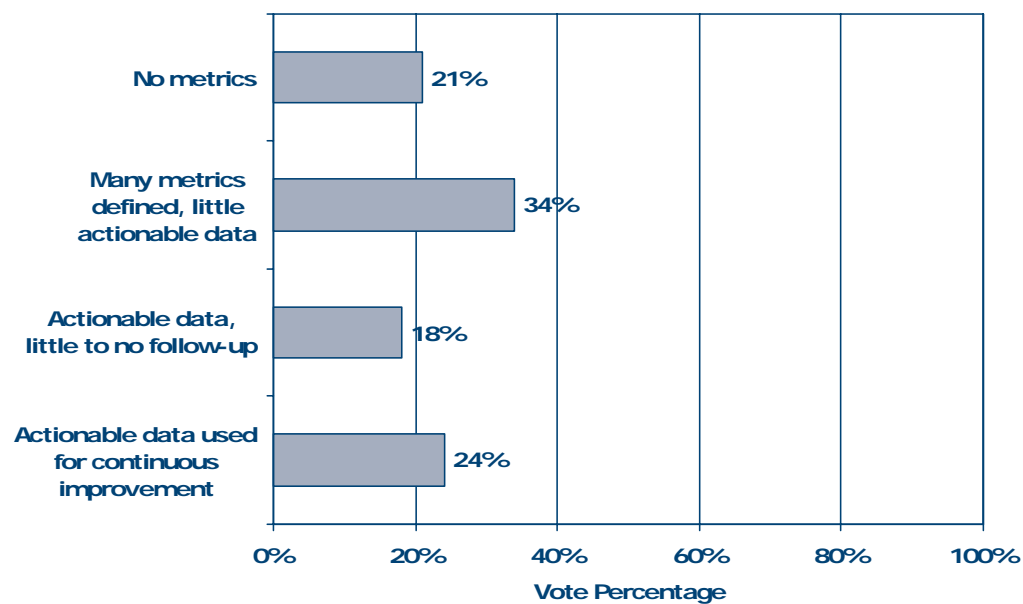


On Which ITIL processes are you currently placing focus?



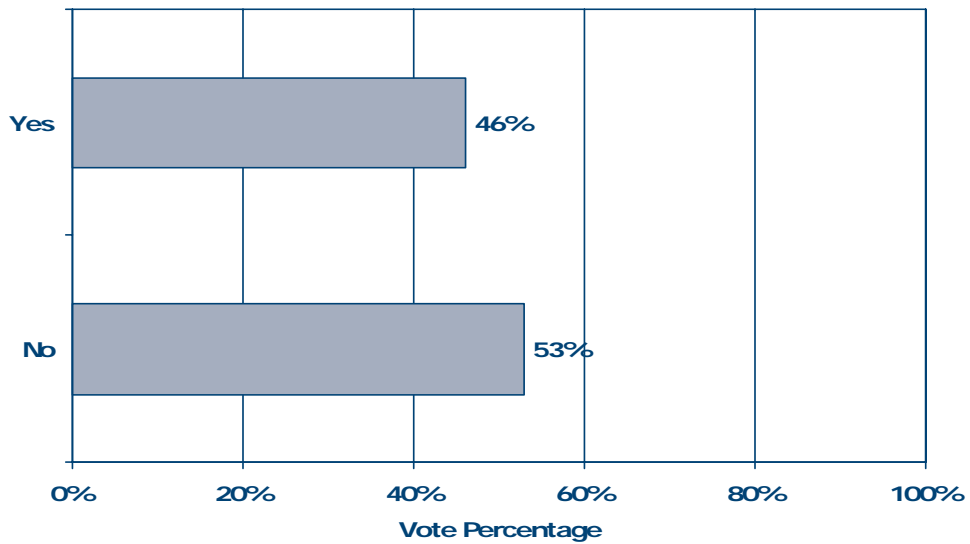
Measuring and Auditing

Do you have defined metrics for your ITSM processes?

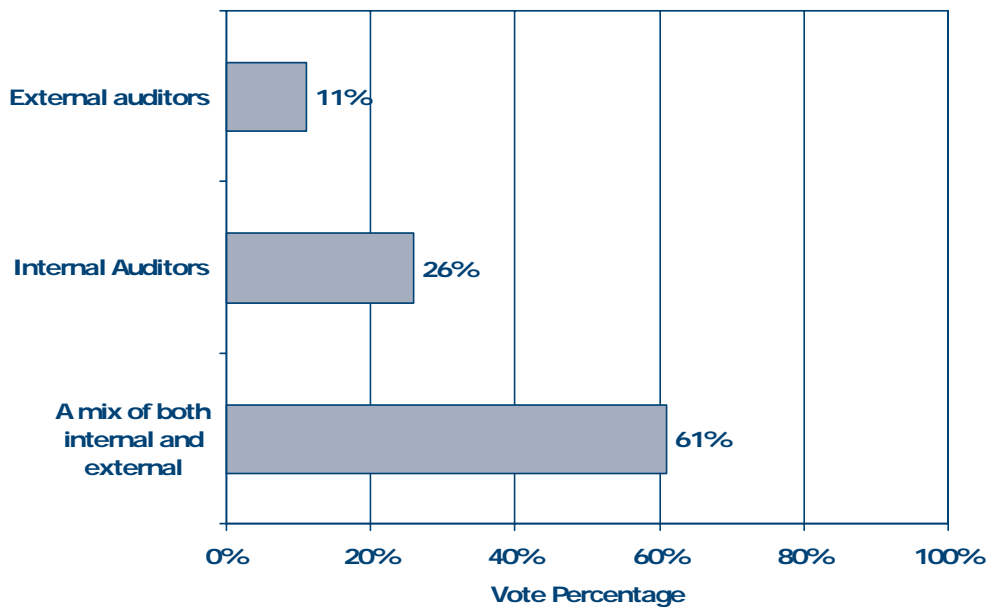




Are your ITSM processes audited?

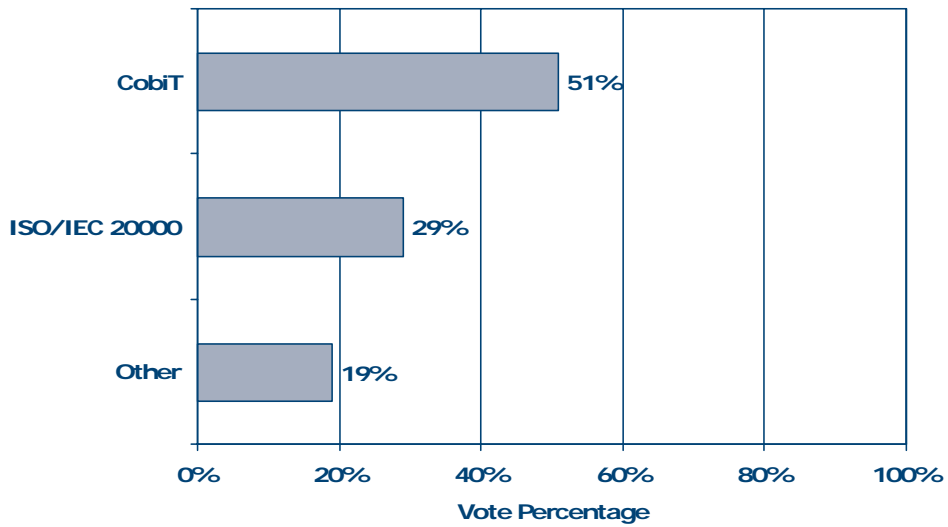


Who performs the audit?

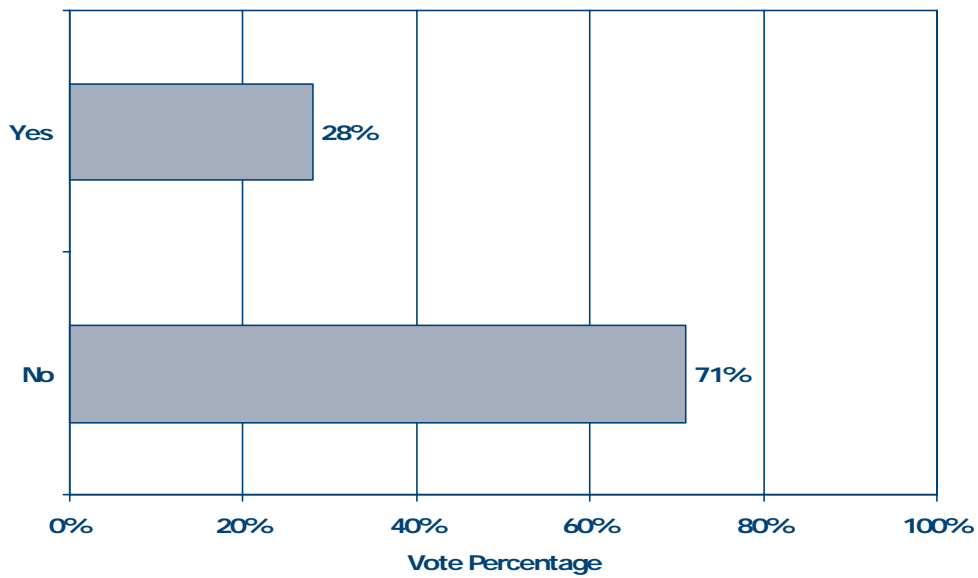




What framework do you use to audit your processes?



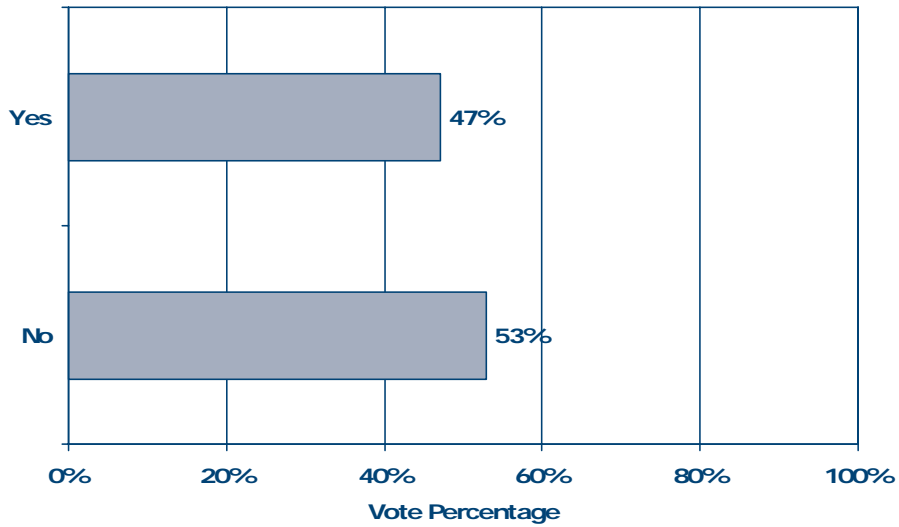
Will you be required, or are there plans in place, to formally audit your processes?



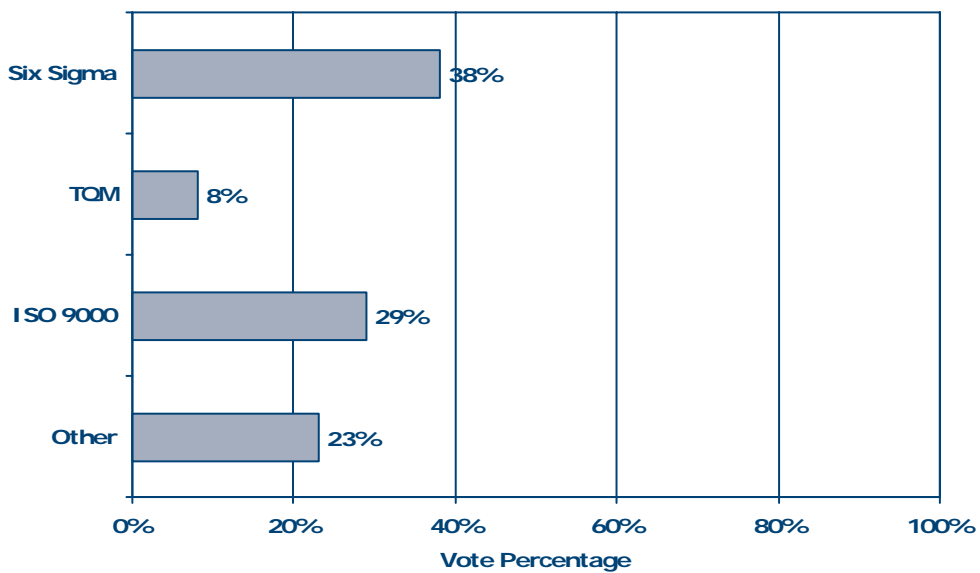


Continuous improvement

Is your IT Process Improvement part of a company-wide quality program?

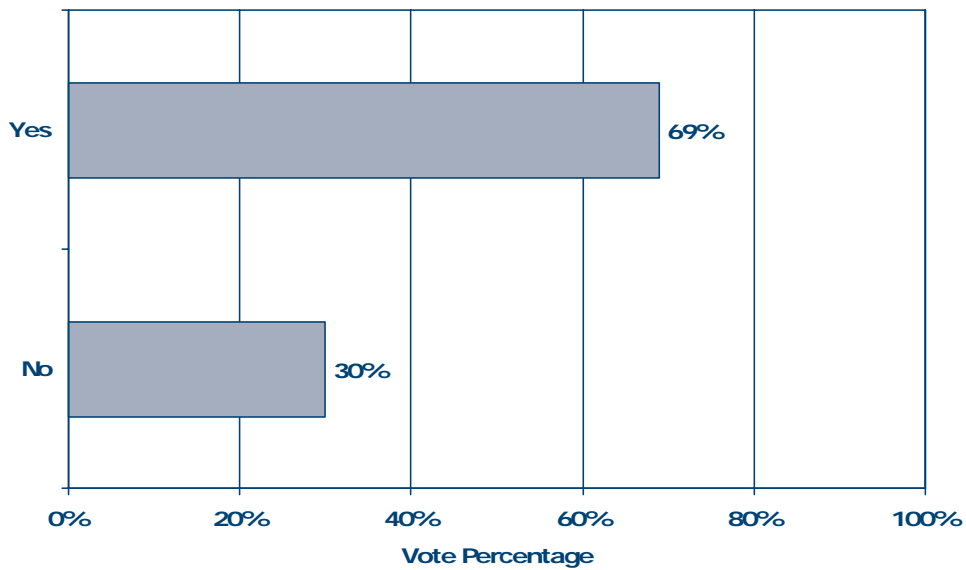


Which program do you follow?



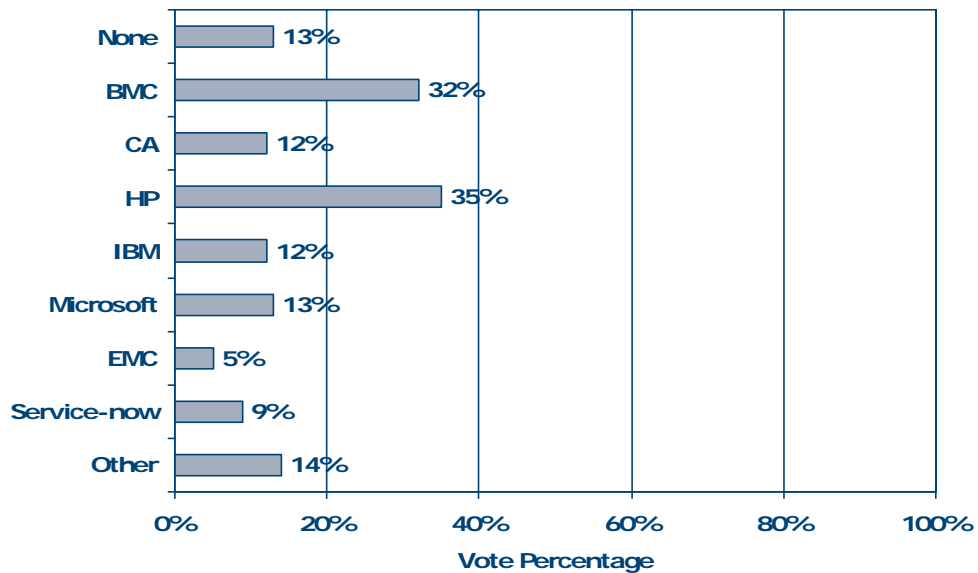


Do you see the value in linking your IT Process initiative to a quality program?



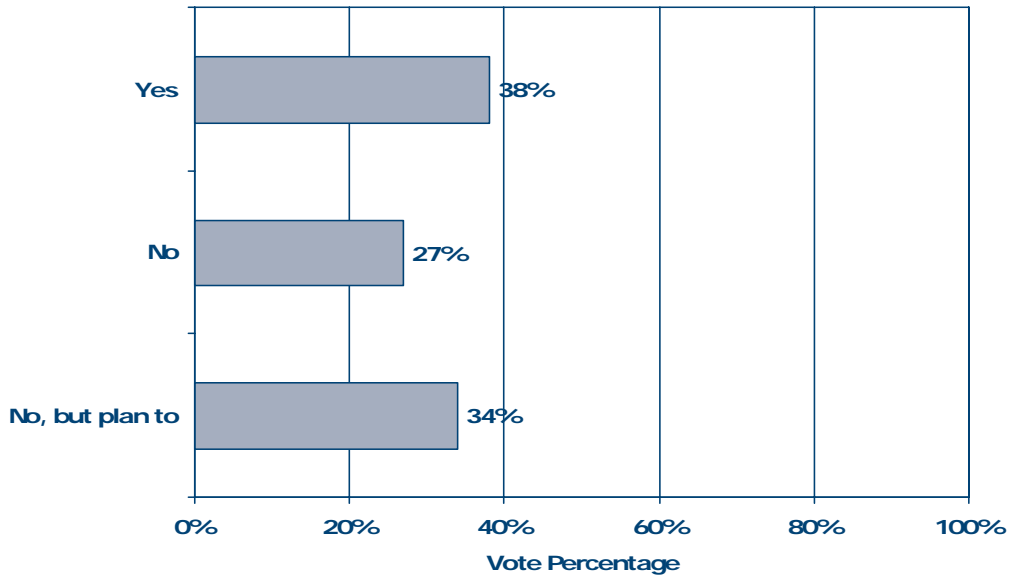
Selecting the supporting tools

Which vendors and products do you use to support your ITSM Processes?

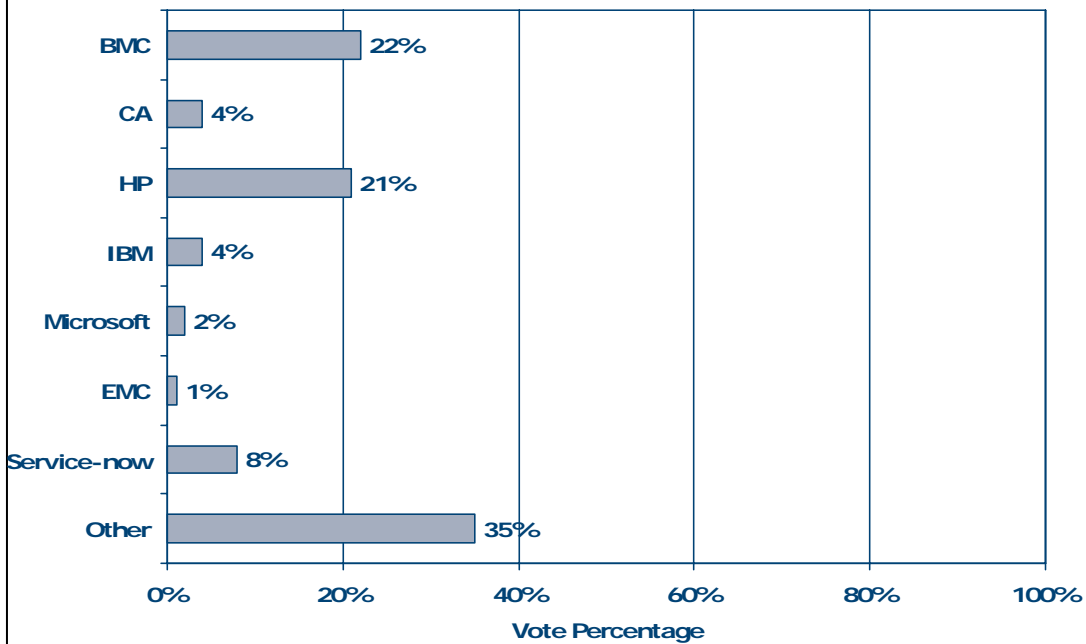




Have you implemented a CMDB (Configuration Management Database)?

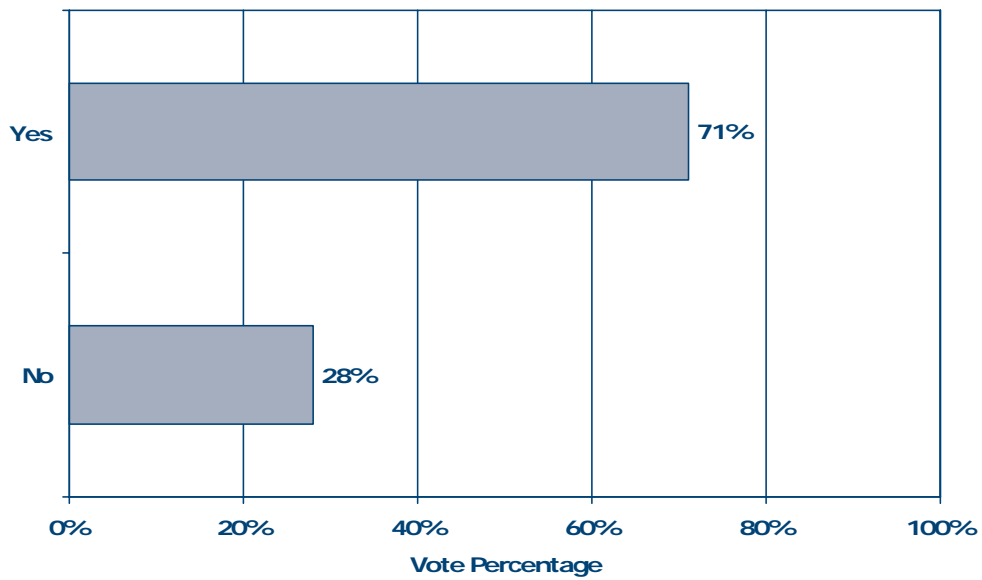


Which vendor have you chosen, or plan to choose, for your CMDB?

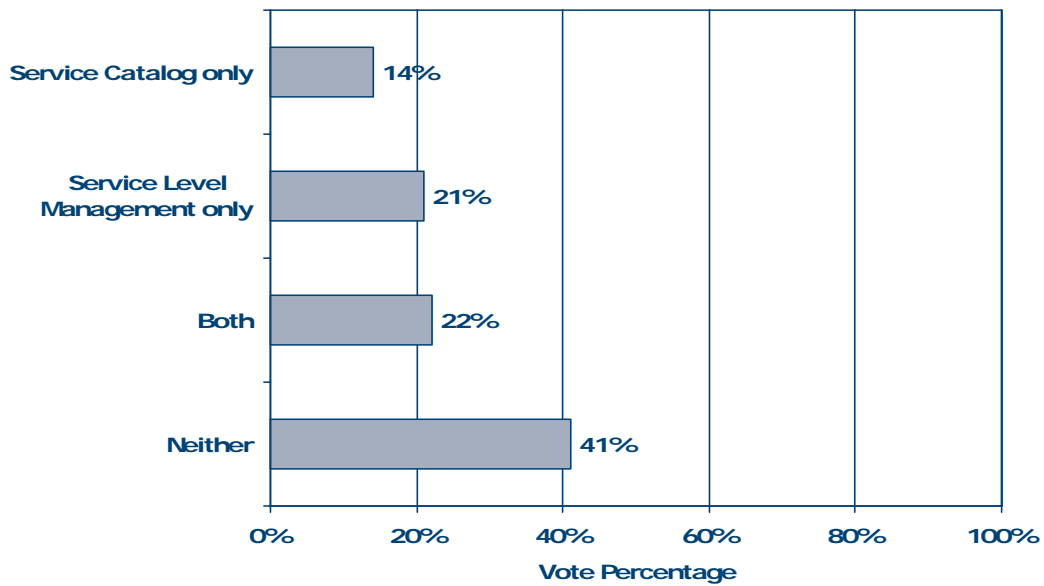




Have you or are you planning on implementing auto-discovery tools?



Have you implemented Service Catalog or Service Level Management?



Which vendor have you chosen, or plan to choose, for Service Catalog or Service Level Management?

