Be an IT services broker

HP Service Integration and Management

Table of contents

Introduction

The rise of the cloud as a viable service delivery model is dramatically changing IT environments. Although it began as a compelling and (some believed) dubious IT concept, the cloud has exploded into an ecosystem of services that business units can access and provision on their own, even without IT's approval or involvement.

Today, when enterprise workers are dissatisfied with their organization's applications or technology services, they can go straight to a public cloud service or app store. With affordable, easy-to-deploy cloud services, employees are creating ad hoc processes that IT departments would never allow. For example, the ability to provision cloud storage capacity in mere seconds is leading droves of employees to store sensitive company information outside corporate firewalls. The same holds true for hardware. Enterprise workers don't think twice about bringing their own smartphones and tablets inside corporate firewalls to meet their mobile computing needs. However, IT is still expected to protect sensitive information, and fix any IT-related problems that arise, whether or not it sanctioned the technology.

Multi-service provider IT environments

This new reality is pushing enterprise IT organizations into uncharted territory, where they have less visibility into technology deployed in the enterprise. As a result, many IT leaders find themselves managing and supporting cloud services that they didn't know existed, and which weren't designed with enterprise-level integration or security in mind. In addition, many IT leaders are caught off guard when problems occur with a cloud service, forcing them into a reactive mode.

Without the right governance and operating model, IT organizations will struggle to operate in this new reality. Worse, internal IT departments could become marginalized, as lines of business find better ways to get the services they need to stay competitive. IT therefore needs to strike the right balance between governance and risk, so it can support the shared business objectives of speed, agility, and cost containment.

This paper explains how CIOs and IT leaders can address these problems by transforming their organizations to integrate and orchestrate multiple IT services, whether they're sourced externally in the cloud, developed and hosted internally, or based on a hybrid model. It lays out the five steps necessary for IT to act as a broker and integrator of IT services.

Starting the journey

By evolving IT into a service broker and integrator, CIOs can manage all of the technology services the business needs, regardless of where and how they're sourced. This allows CIOs to maintain visibility into and control over enterprise technology, while at the same time modernizing the IT organization in line with enterprise technology trends, so that it can continue to provide value to the business.

IT's first and most critical step toward becoming an IT service broker and integrator involves a cultural shift in how it perceives its mission. CIOs should develop and implement a service integration and management model. Such a model enables a supply chain management approach to sourcing and managing IT services. This allows an IT leader to integrate and manage all IT service providers—internal and external—through a single governance model.

Here are five steps to becoming an IT service broker and integrator.

1. Get the basics right

When trying to assume a more strategic role with the business, one of IT's biggest obstacles is an inability to deliver on the basics. If you can't deliver the core "lights on" services efficiently and cost effectively, you won't earn the business's confidence to manage higher-value projects and services. This directly impacts your ability to become a service broker, because the business won't trust you to introduce new services.

Before proposing that IT become a service broker and integrator, make sure that you're consistently meeting the following IT service-level benchmarks and capabilities:

• Zero service downtime

• The ability to proactively monitor service outages

• Effective change management with minimal disruptions to the business

2. Get agreement on IT's future state

Before you can plan your IT organization's future, you have to define what that future will look like. Initiate a discussion with the business around the following questions, with the goal of reaching mutually agreed-on definitions:

• What role should IT play in the business strategy?

• How can IT help move the business forward?

• How will IT engage the business to understand its needs?

• How will IT determine what services to retain vs. outsource?

• How will IT manage service providers and measure their performance?

In the end, CIOs should understand that it's no longer IT's job to provide every service in-house, or treat every service request as one that IT must build. Rather, CIOs should view IT's function as a broker and integrator that manages the portfolio of services the enterprise needs—whether they are sourced internally or externally.

3. Determine your governance model

The rise of multi-service provider IT environments has led some to believe IT can source an external service provider and simply hand it off to the business to manage. But that's not the case.

IT must maintain control of all IT suppliers and services it sources for the business. To do this, it's imperative that IT have governance processes such as supplier management, portfolio management, and service level management for defining, agreeing to, and maintaining service levels. Without these governance processes in place, IT can't ensure that the enterprise is getting what it needs—or ensure that its own performance metrics are met.

The relationship between CIOs and IT service providers should focus on teamwork and unity. IT organizations should guide IT service providers toward mutually agreed-upon goals, while adhering to IT policies. It's not an easy mental shift from sole provider to service broker and integrator, but the golden rule of management applies: open communication based on respect. IT must view external service providers as part of the organization rather than outsiders, because a spirit of teamwork will induce both sides to do their best to meet stipulated goals.

Governing a mosaic of service providers is much more challenging than governing a single internal group, and few IT organizations have experience with the process. The key is to shift the business's perception of IT as technology provider to that of a service provider. Doing so allows you to create one governance model that integrates the needs of the business with the services IT delivers.

4. Hone key competencies

Once you master the core IT services for the business, you can pursue a more strategic service broker and integrator role with the business. But to do so, you must hone some key competencies that most likely were not previously in your purview. These may include business engagement, financial management, and portfolio management. In addition, it might be a better use of IT's resources to transfer to an external service provider some day-to-day IT tasks, such as incident, problem, and configuration management, while retaining service orchestration and integration responsibilities.

This reshuffling of responsibilities requires a significant mental and cultural shift for your IT organization. It pushes IT out of its comfort zone, into less familiar domains such as cost allocation, charging, portfolio management, governance, enterprise architecture, and business engagement. But this shift is necessary as IT becomes a more strategic function and less of an order taker.

5. Accept accountability

Many IT organizations mistakenly view third-party services as the responsibility of the service provider. But when IT acts as a service broker and integrator, it assumes accountability for the entire lifecycle of the service; IT essentially becomes the IT service provider. IT leaders must therefore accept responsibility for all IT services in the enterprise, because internal customers rarely see a distinction.

In many ways, an IT service broker and integrator model is analogous to how a restaurant operates. When dining at a five-star restaurant, diners expect a five-star experience—and they will attribute any shortcomings to the restaurant. However, a restaurant relies on a bevy of suppliers to create and deliver a meal. A butcher provides the meat; a vintner makes the wine; a farmer grows the produce; and musicians perform the music. So while the restaurant manager isn't responsible for creating every element in a five-star dining experience, the manager is accountable for integrating and orchestrating them into a fine-dining experience. When any elements fall short, the restaurant manager takes the blame.

The same is true of enterprise technology in the new reality of multi-service provider IT environments. IT now plays a crucial role in IT and business-service sourcing decisions. Thus, in order to become a service broker and integrator, IT must first accept accountability for all the IT services in the enterprise, regardless of how or where they are procured.

Start planning now—HP Service Integration and Management

HP has developed a service for guiding IT leaders and their organizations through the organizational, cultural, and technological steps necessary to become an IT service broker and integrator. HP Service Integration and Management (SIAM) provides a transformation and governance framework for managing multi-service provider IT environments. HP SIAM service helps enterprises:

• Increase transparency into enterprise IT service providers

• Reduce the complexity of IT service environments

• Improve IT service management, accountability, and compliance

• Cost-effectively introduce new IT services

• Elevate IT as a strategic partner

HP SIAM provides IT organizations with the transformation planning, implementation, and risk mitigation services necessary to become an IT service broker and integrator.

HP SIAM service includes four phases:

• Alignment with the business
  After IT aligns with business strategy, it can better understand the strategic and tactical services the business needs.

• Creation of IT service portfolio
  IT works with the business to translate its needs into a portfolio of IT services.

• Develop financial and governance models
  Financial and governance models provide the parameters necessary to achieve IT's desired future state.

• Integrate your service provider network
  Finally, IT must manage multiple service providers and understand what happens in the change or service management process along the IT service value chain.
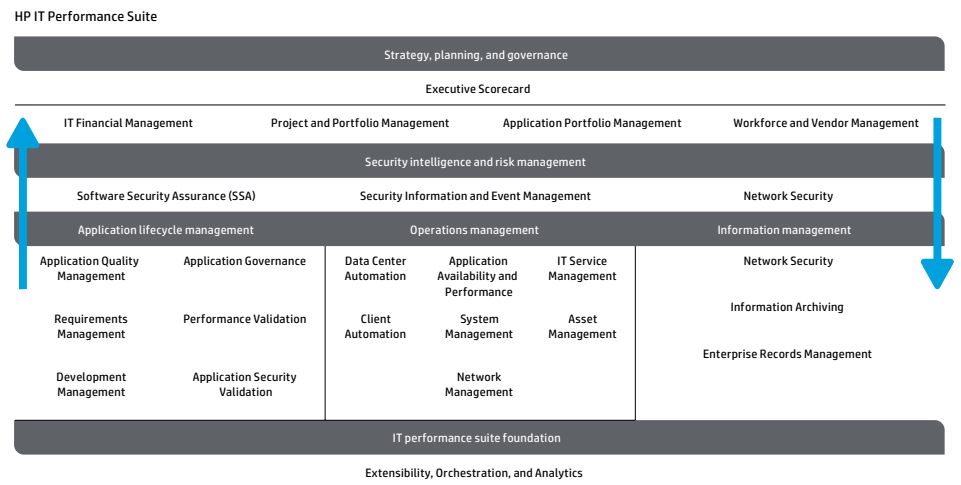
Transforming IT

Transforming IT from a sole provider of internally developed and hosted IT services to a broker of IT services sourced from multiple external IT suppliers requires careful planning and execution. It will impact every aspect of your IT organization. HP SIAM service offers the transformation and implementation framework and processes. These services include:

• SIAM Transformation Experience Workshop: is a one-day consulting workshop to clarify scope and build a high-level roadmap.

• SIAM Roadmap Service: supports the definition, planning, and future decision-making of the required SIAM transformation.

• SIAM Design and Implementation Services: provide a detailed implementation roadmap using the HP IT Performance Suite software.

• Management of organizational change services: help guide SIAM clients through a four-step change process to enable a successful adoption that is embraced by all stakeholders and end users.

• Education and training: are conducted by HP's education experts to help your IT staff improve software adoption.

HP IT Performance Suite

HP IT Performance Suite software provides IT leaders with the transparency and governance necessary to operate as an IT service broker and integrator. It offers IT leaders the ability to automate and streamline service deployment, management, tracking, and reporting in a multi-service provider IT environment.

HP IT Performance Suite

Strategy, planning, and governance			

Executive Scorecard

IT Financial Management	Project and Portfolio Management	Application Portfolio Management	Workforce and Vendor Management

Security intelligence and risk management		

Software Security Assurance (SSA)	Security Information and Event Management	Network Security

Application lifecycle management		Operations management			Information management
Application Quality Management	Application Governance	Data Center Automation	Application Availability and Performance	IT Service Management	Network Security
Requirements Management	Performance Validation	Client Automation	System Management	Asset Management	Information Archiving
Development Management	Application Security Validation		Network Management		Enterprise Records Management

IT performance suite foundation			

Extensibility, Orchestration, and Analytics

Conclusion

IT-savvy employees increasingly reject poor service levels, demanding timely IT services provided by whoever can deliver operational excellence, customer intimacy, and drive innovation and product leadership. HP SIAM offers customers the opportunity to avoid the inevitable pitfalls of "supplier sprawl" that will result in the race to procure valuable new services. HP Software Professional Services has over twenty years' experience in service management for large, complex IT environments, providing its customers' access to best-practices in service integration and management. Additionally, HP consultants are experts in the HP IT Performance Suite software and have direct access to HP R&D, ensuring latest product capabilities are applied to customer environments. HP Software Professional Services offers an end-to-end-consulting portfolio that combines strategic advisory services, process design, management of organizational change, and solution implementation services to help companies manage complex, multi-supplier environments and derive more business value from their IT investments.

Learn more

For more information about how HP Software Professional Services can help you manage multi-supplier service integration, please contact the HP Software Professional Services representative in your region.

Learn more at
hp.com/go/siam

Sign up for updates
hp.com/go/getupdated

Share with colleagues

Rate this document