



Delivering Organisational Value Through Best Practices





Agenda

- Setting the scene
- Key Concepts
- Technology Business Management
- Closing
- Questions



The Basics (Methodology)

What you Make



What you Sell





Definitions

Service Management :

Service Management is a set of specialised organisational capabilities for providing **value** to customers in the form of a **service**.

Service:

“A service is a means of **delivering value** to customers by facilitating outcomes customers want to achieve without the ownership of specific costs and risks.” *ITIL v3*

Value:

Optimisation of costs, the management of risk and the opportunity to enhance revenue.



Example Service Catalogues

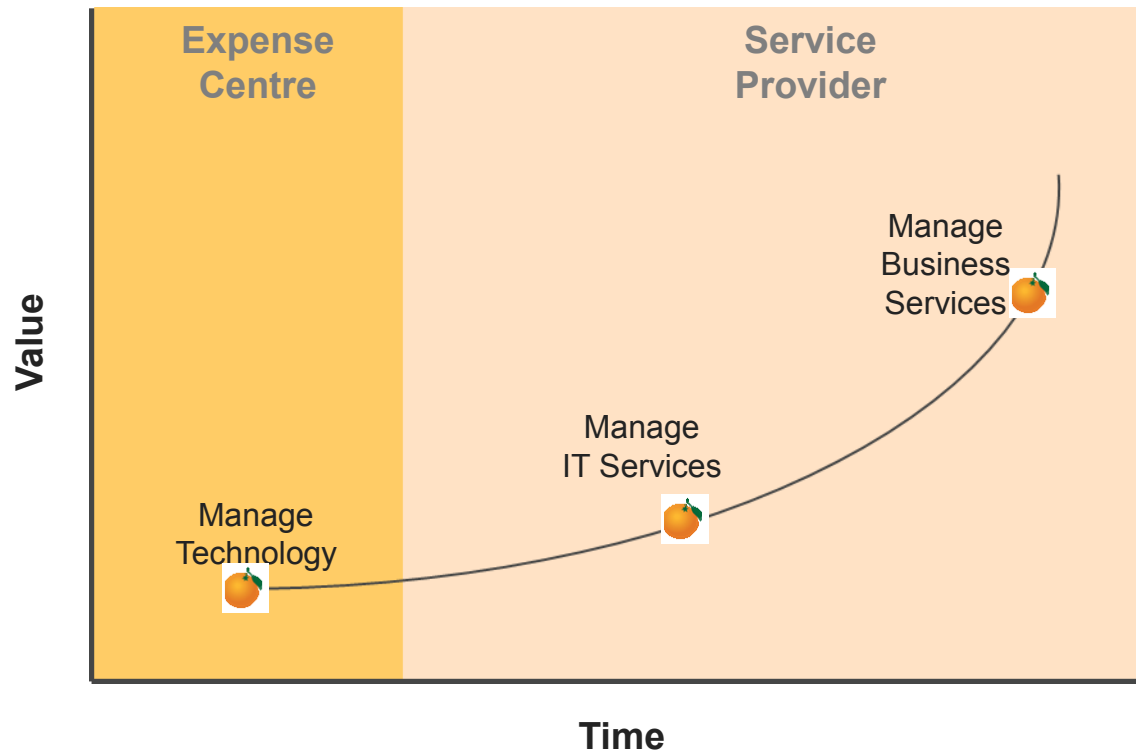
From SaaS....

... to Home-grown

Service Name	Service Type
Desktop Services	External
Description	
The supply, maintenance and support of desktop and laptop computers	
What IT Provides	What IT Needs to Do to Deliver Service
A desktop or laptop for each employee depending on role	Procurement
Standard Windows operating system	Equipment configuration
Standard enterprise software	Connection of desktop and laptop equipment
Regular updates to software	Repairs
Maintenance, repair or replacement of devices	Upgrade of software
Investments Used	Cost To Serve (R5,000.00)
System management software	Desktop Manager
Incident tracking system	5 desktop technicians



From Expense centre to Service Provider





Objective is to change the IT value conversation

From:

- Why are you so expensive?
- You need to do more with less!
- Why do you dictate the technology I have to use?

To:

- Am I using the best options and what alternatives do I have?
- I understand my IT Costs and what is driving them!
- We need new business services how much funding will IT require?
- We are working to consolidate and retire IT Products and Services.



Making the Transition....

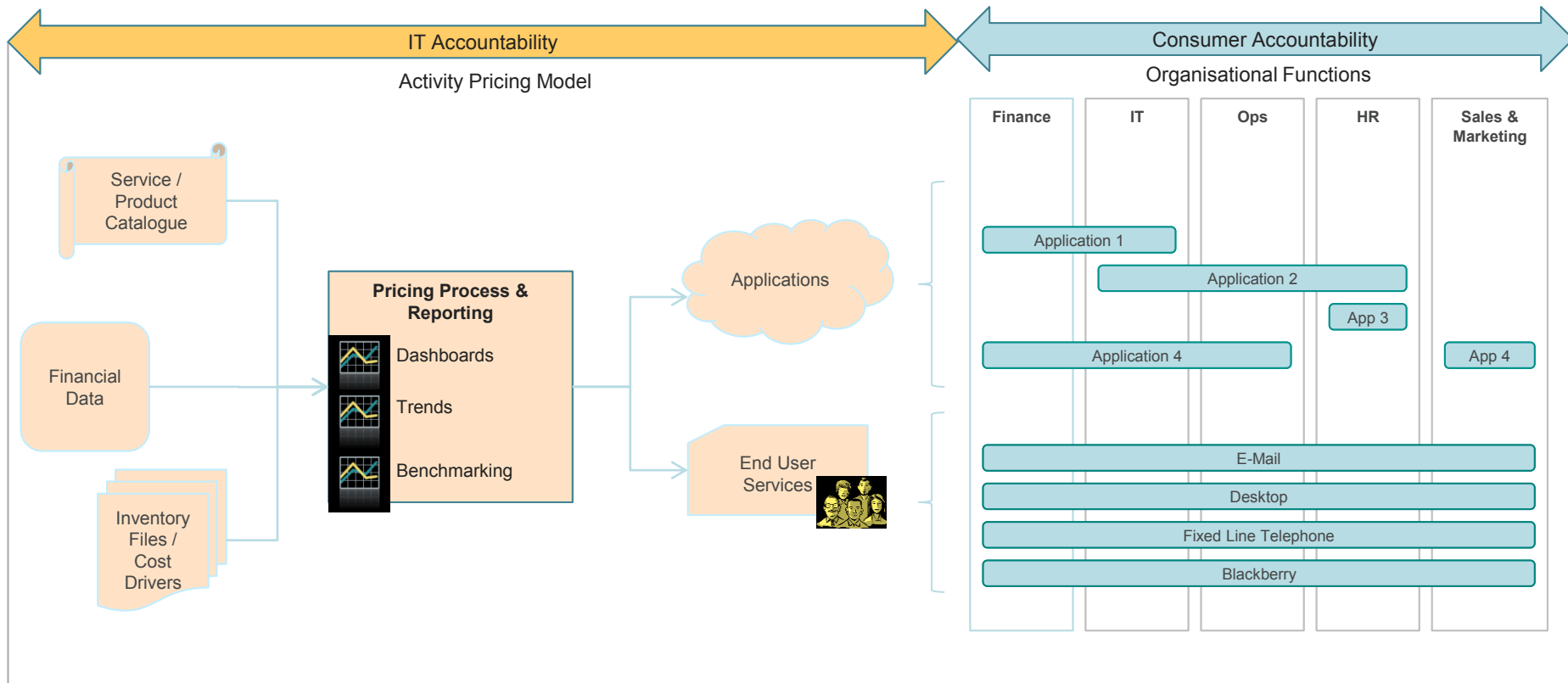
Running IT as a Business

- Defined IT Products & Services
- Automated IT Value Chain framework
- Defendable rates through benchmarking.
- Socialization of the Bill of IT
- Governance framework

- Wrapped up in a discipline that is referred to as ***Technology Business Management.***

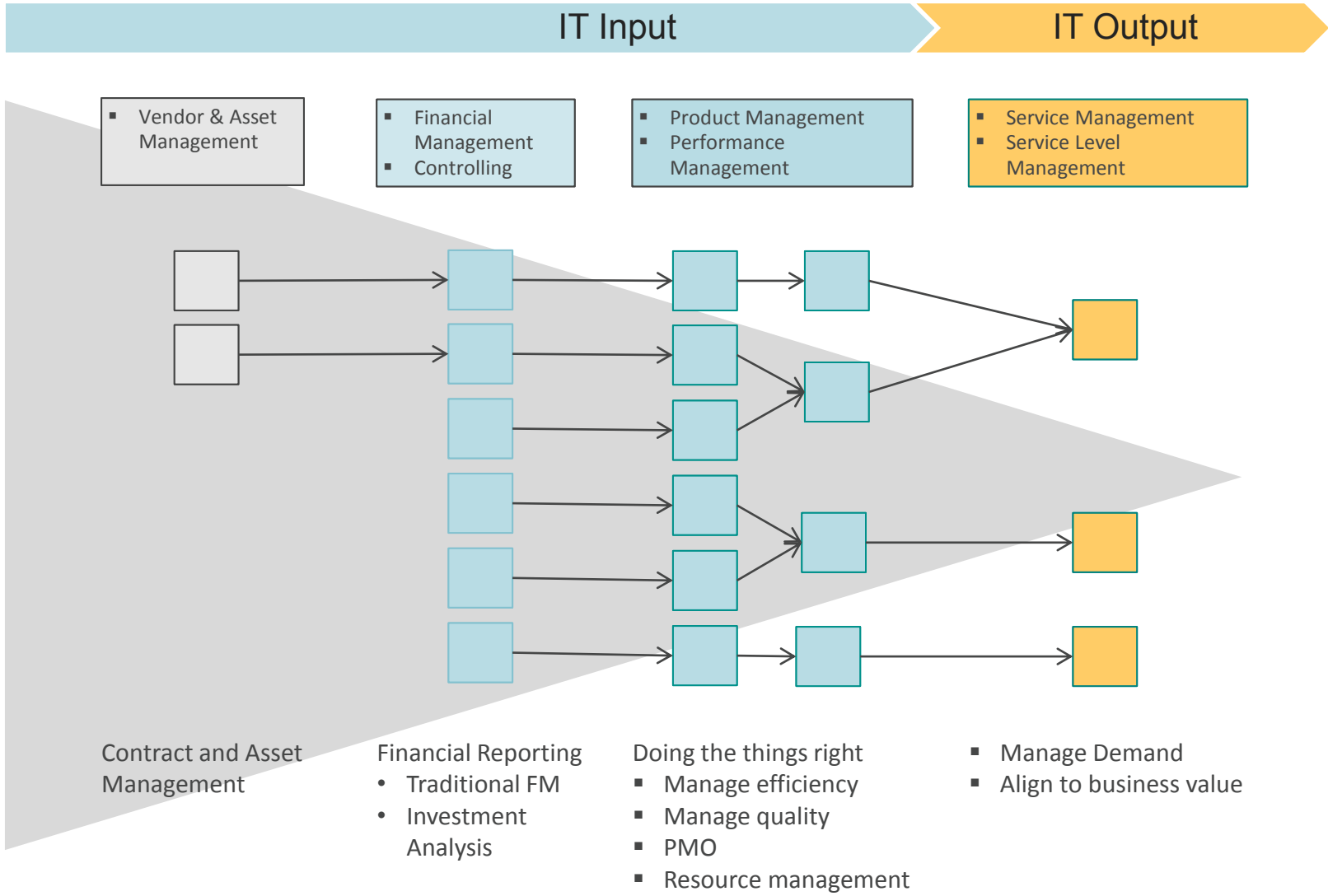


IT Value Chain





IT Value Chain – The Roles





Product & Services Definition Best Practices

Take time to identify billable items (demand drivers) that meet basic criteria:

- Relevant to the customer/users
- Easily measurable
- Influence consumption
- Encourage appropriate behaviours
- Provide options (SLA's)



The Value Proposition

Increasing stakeholder value by empowering the Organization to make better-informed choices about their technology spend

- IT Governance
- IT as a Partner
- Increased stakeholder base with clear accountability
- Fact based information



Add value by driving the right behavior;



Closing

- Best practices in Service Management and Governance form an integral part of Transparency.
- Transparency is a core discipline of the Technology Business Framework.
- Transparency is a multi-phase initiative (journey) with rich rewards along the way. Saves on average between 10%-15% of IT spend.
- BUT this is still a hard sell and needs top level sponsorship.
- Careers are made on the back of this.
- Encourage you all to either embark on this journey or to continue on it!
- Good luck!



Questions?

- “Magic Orange” is an analogy to describe the unrealistic expectation that IT can always with-stand “one more squeeze“ in relation to costs.
- Magic Orange provides IT executives with the tools they need to demonstrate the value IT delivers as well as unlocking value by engaging with all the stakeholders of IT.

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