



## Procertis Case Study 2



### AssessiT<sup>®</sup> Tool Deployed Into High Street Bank

#### The Challenge

##### From the Business Perspective:

The business units at the bank were questioning the level of year-on-year IT spend and the benefits deriving from it. The perception persisted that IT represented a major element of cost, but was always problematic in terms of speed of response to change. IT was seen as a tolerated cost rather than a proactive business enabler. There was poor understanding of the basis of IT cost levels.

##### From the IT Perspective:

The IT function believed it was providing a capable service to the business. They were implementing a programme of infrastructure improvement moving towards higher levels of virtualisation and lower costs. They perceived a level of dissatisfaction by the business but had little understanding of its basis. IT were under increasing pressure to demonstrate value and build measurable improvements.

##### The Requirement:

We were asked to carry out a thoroughgoing assessment of the maturity of the bank's infrastructure estate in order to establish:

- Strengths and weaknesses in the technology, people management and governance arrangements.
- Recommendations for a suitable improvement plan—with tactical and strategic perspectives.

The establishment of a credible change programme had become part of the IT management's KPI structure.

## 2 Our Approach

Procertis' approach was based on the use of the AssessiT<sup>®</sup> tool. AssessiT<sup>®</sup> is a component of the Procertis Enterprise Range of products and is aimed specifically at assessing the capability of IT service delivery and the maturity of the underlying technical infrastructure.





This provided an ideal framework within which detailed analysis of current capabilities would expose the reality or otherwise of perceived shortcomings, while also unequivocally identifying areas of strength and opportunities for improvement. In addition, the output from the AssessiT<sup>®</sup> product would provide an accessible vehicle for communication between the business and IT communities, facilitating development of a consensus view of the future service delivery environment.

Working with senior business and IT management within the bank, Procertis defined the areas of infrastructure that would sit within scope of the analysis, and agreed the standard measurement model Facets that would be used to assess their maturity and delivery capability. The areas of infrastructure to be assessed included:

- Mainframe
- Storage
- Desktop
- Midrange Servers
- Voice and Data Networks
- System Management/Monitoring

In addition the investigation included an assessment of SLAs, data architecture and pricing policy.

Qualitative data were captured via a series of in-depth interviews with knowledge holders representing each of the areas within scope, including representatives from the various technical delivery units and also managers and users drawn from the business units. Where applicable data were also captured from third party suppliers. Data were analysed by the AssessiT<sup>®</sup> tool and the findings presented back to senior management from the IT and business units involved.

### 3 *Key Findings*

Key findings are summarised below:

- Major under-utilisation of server assets and low ability to re-allocate application services to improve asset utilisation resulted in higher than necessary costs to the business.
- Lack of storage inventory and tracking capabilities resulted in higher than necessary storage cost and inhibited policy-driven migration to a more efficient virtualised environment.
- Overall system management capability was low and regarded as peripheral to the infrastructure estate. Inability to carry out cross-system monitoring resulted in a disjunction between business needs and actual service delivery. This was coupled with poorly defined SLAs driven mainly by available infrastructure capability rather than defined business need, resulting in over-promise and under-delivery.
- Infrastructure development was not co-ordinated, with the organisation operating in 'silo' mode rather than with an end-to-end business service provision ideology. This resulted in reduced return on investment.
- No co-ordinated asset lifecycle management plan resulting in financial waste.





- Ability to change (agility) was low. However, this was not found to be due to technology constraints but rather to embedded cultural and business process issues.
- The business units and IT maintained very different views of the outsourced voice and data networks service. While expressing satisfaction, the business units were using a complex SLA structure as a coercive instrument to drive supplier behaviour. At the same time IT had no reporting visibility from the supplier. An apparently good quality of service was being maintained at high internal cost to the supplier due to an internal delivery capability that did not match the SLA promise.
- Investment approval criteria and performance indicators at the operational level were not aligned with defined organisational strategic goals, leading to a lack of investment in overall integrated infrastructure improvement in favour of isolated point solutions.
- Although a functional layer had been created to sit between the business units and IT to deliver a co-ordination function, discussions around IT cost were not service oriented but remained grounded in infrastructure asset use, resulting in an adversarial relationship between business and IT.

### 3 Results

The findings from the AssessiT<sup>®</sup> analysis were used to develop a plan for focused infrastructure improvement. The analysis questioned the key technology driver to move to a highly shared, virtualised environment and provided clear descriptive boundaries on how far this could align with business needs. This output was used to facilitate constructive discussion between IT and the business units to better align infrastructure development with actual business need.

Having established the goals for infrastructure delivery capability, a prioritised plan was created for forward 2-year development which would address the inhibitors operating within the infrastructure silos and move the estate to a more end-to-end service delivery oriented ethos. At the same time operational investment decision criteria would be aligned with strategic corporate requirements, enabling a 'joined up' investment approach to infrastructure service provision.

The resulting plan was expected to deliver the following benefits:

- Cost savings resulting from increased asset sharing and re-use
- Increased ROI resulting from better co-ordinated cross-function infrastructure development
- Reduced costs for the business units resulting from a move to a more service-based cost structure facilitated by improved monitoring capabilities
- Reduced cost of outsourced service provision from development of more appropriate service levels
- Improved cooperation between business units and IT

#### About Procertis

Procertis is an IT and business strategy consultancy specialising in all aspects of change management. Our approach is to distil knowledge and experience into consultancy tools that remove significant pain from the thinking that you, the decision maker, has to do.

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