

Service Economics: Creating a Strategic Basis for Integrated IT Service Management

YOUR BENEFITS:

With Valuemation solutions, you can do the following:

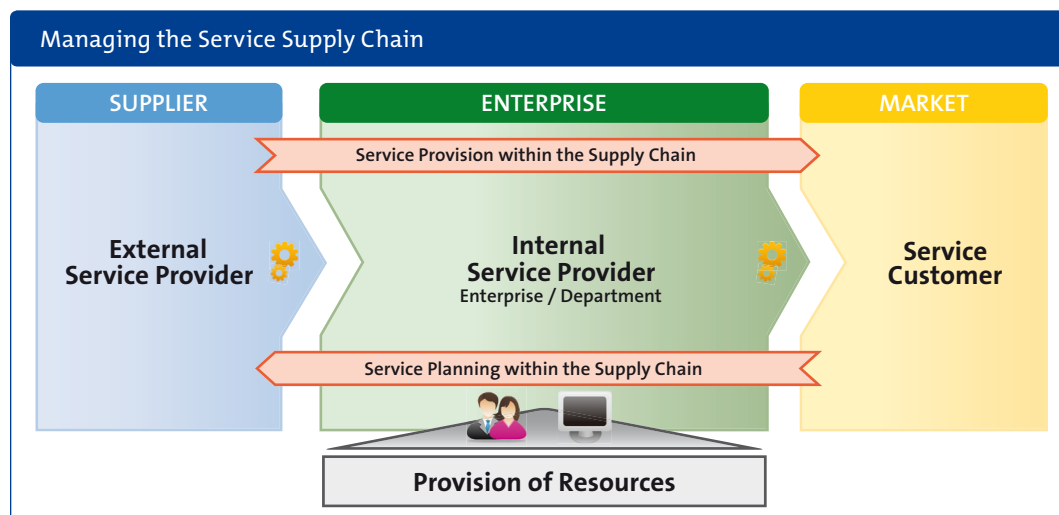
- Show fast, initial results – indicating that your investments will pay off quickly (rapid ROI)
- Achieve lasting cost savings through integrated, clearly structured processes
- Rely on clearly presented project timelines and fast implementation by means of predefined service structures and ITIL®-compliant best practices
- Invest in well-designed software solutions recognized for their market leadership
- Benefit from our proven goal-driven process model designed to ensure success, from initial consulting all the way to implementation, service, support and training options – all from one source!
- Enjoy the high flexibility of a medium-sized supplier, thus having much greater ability to adapt to meet your own individual needs.

For many years now, IT service providers have been supporting the transformation from conventional Information Technology to modern “Business Technology.” They’re facing the challenge of being able to flexibly and constantly adapt to meet the needs of business while also providing their services economically and efficiently. The benefit of IT for service customers is primarily evident where mission-critical business processes are safeguarded at all times by IT services and where innovative IT services are critical for supporting growth or even making it possible in the first place.

Managing the Service Supply Chain

At both internal IT service departments and external service providers, the following principle applies: Only an overall program of comprehensive service management will enable proper integration of in-house and outsourced services, thus allowing service customers to be offered a higher-quality and attractively priced service portfolio. At the same time, the compartmentalization of services in the IT ser-

tor is continuing. Infrastructure components have long been purchased as a service, yet now more and more service components are available as outsourced services, such as Software as a Service (SaaS). In parallel, the depth of added value coming from IT service providers is decreasing. Increasingly, the challenge facing them consists in proactively managing the services provided as a supply chain, from the initial planning, to the development and on down to the



ultimate provisioning. Precise alignment and classification of a service portfolio to meet the needs of the market is critical here. This requires a clear and comprehensive service specification as well as an exact, detailed understanding of how these services are broken down into individual components.

- The **Valuation Service Level Manager** with interfaces to leading monitoring tools ensures monitoring, reporting and adherence to defined service levels.

Defining The Service Model

The Valuation Service Portfolio Manager provides you with best-practice methods for specification, classification and decomposition of services. It allows consistent modeling of the service portfolio and the highest-possible standardization in service decomposition, for both internal service assets (applications and IT infrastructure) as well as outsourced services. Our best-practice methods can be easily configured and customized to fit the service provider's needs.

Defining the Service Portfolio

The next step is to create or modify the service model that is the core of the standardized, market-driven services offered by the service provider. The Valuation Service Portfolio Manager supports you in structuring your service knowledge, making it transparent for customers and marketing it in the best way.

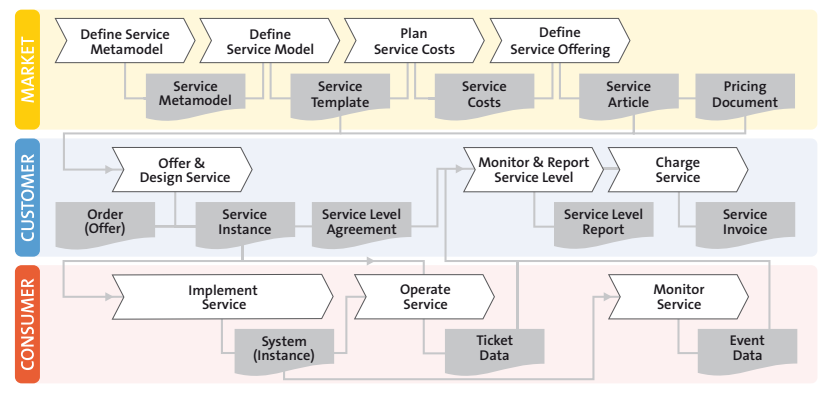
Planning and Calculating Services

In performing service cost calculations and generating simulations for planning, the Valuation Planning & Calculation Manager draws its criteria from the structures of the service model and service blueprints. The simulation scenarios themselves rely on unit sales forecasts for various service products. Based on this input, they determine the required capacities of service assets and outsourced services. In contrast, the service costs are calculated by determining the costs of existing service assets, those to be procured and the costs of outsourced services.

Defining Market Offers for Services

Based on the service cost calculation, price structures can be created for service products. If necessary, these can be differentiated by cus-

Components of a Customer-oriented Service Management



Standardized Service Management That's Still Customer-Oriented?

The business model of the service provider and the requirements of the market determine the extent to which services can be standardized. To be able to keep procurement and downstream costs low, a high level of standardization is desirable. Even if standardization of services is only possible to a limited extent, solutions already tried for individual customers can serve as a basis for creating a standardized service portfolio for the specific case.

The Valuation suite flexibly supports your service strategy as follows:

- The **Valuation Service Portfolio Manager** allows you to define the services that you want to include in your overall service portfolio.
- The **Valuation Service Request Manager** allows service users to quickly and flexibly request services. Subsequently, automated and standardized service-request processes ensure their fast approval and provisioning.

tomers and market segment. Valuemation supports the generation of such a structured market offer based on the service specification and the service options within it.

Creating Services and Contracts

In creating a service offer, different service products can be combined as desired. From this, you can then determine a (suggested) price for the overall services provided. At the same time, you can access the service specification including its service levels. Based on this market offer, a contract is generated covering the services to be provided along with their specific service parameters. It also specifies the service level agreement (SLA) with that customer.

ment and structuring of customer-specific ordering catalogs (shopping carts). The orders placed through them are then managed by means of process templates.

Monitoring Services and Service Levels

The service structure entered into the service monitoring system during implementation allows immediate evaluation by quickly answering the following questions: What impact will a fault or a failure within the infrastructure have on service availability? What immediate impact will this have on adherence to service levels? These answers are the basis for business-oriented prioritizing of service restoration.

Proving Compliance with SLAs

The Valuemation Service Level Manager monitors and collects the data on the service availability and the service levels maintained by the service provider's business operations and displays both results together. Both sets of data provide comprehensive evidence of compliance with the terms of the SLA. Adherence to SLAs can be analyzed by means of the Valuemation dashboard displays or reports and also transferred to other reporting systems for further processing.

Allocating Service-Provisioning Costs

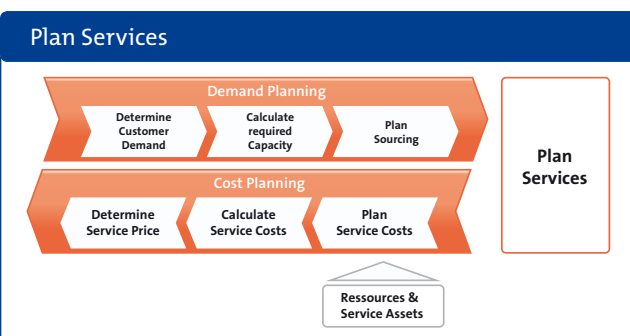
The costs for services can be allocated and charged to users based on the applicable service agreements. Depending on the service cost allocation model these data are either already available in Valuemation (such as for simple, straightforward assignment of services to persons and/or cost centers), or the data are imported from a third-party system with the Valuemation Costing & Charging Manager and then assigned as required (especially for usage-based allocation models). This module creates invoices or performance records for customers directly from the service-allocation data or these data are transferred to third-party systems for billing purposes.

Implementing Services

The Valuemation Change Manager supports service implementation as well as any changes that may result. To monitor service availability, the service structure is transferred by means of an interface from the Valuemation Service Level Manager to the service monitoring system, such as the ZIS Service Level Monitor. The operational monitoring system can then correlate infrastructure events to the services supported and their associated service levels.

Requesting and Providing Services

A service provider's business operations are based on the service instances rendered as per the agreed-on service levels. The Valuemation Service Request Manager handles the manage-



Process Model



Our Consulting Expertise

Our many years of providing consulting services for and implementing knowledge-based service management solutions has produced a goal-driven, success-oriented process model that we continuously update to reflect our latest project experiences. You'll benefit from USU's best practices and standardized consulting methods, which result in shorter implementation and project timelines based on a five-phase model.

Our Services and Consulting for Supporting Service Economics

Take advantage of our consulting services, which will support you from the initial service strategy to the operational implementation:

- Analyzing the maturity levels of your service management processes
- Implementing strategic service portfolio management
- Structuring and implementing service catalogs
- Structuring IT controlling models
- Implementing IT service-cost allocation models

Relevant Software Modules

- Valuation Service Portfolio Manager
- Valuation Service Level Manager
- Valuation Service Request Manager
- Valuation Planning & Calculation Manager
- Valuation Costing & Charging Manager
- ZIS-System
- ZIS Service Explorer
- ZIS Service Level Monitor (ZISSLM)

KEY FACTS

Valuation solutions for Service Management allow you to monitor and proactively manage the entire service lifecycle, including in the following ways:

- Developing service descriptions and structures along with the financial evaluation and economic planning of the services provided (Service Economics)
- Comprehensively managing service assets and resources (Service Asset Lifecycle)
- Comprehensively supporting and controlling the operational processes that ensure provision of services (Service Operations)
- Monitoring the IT infrastructure and the service provisioning ability as well as checking the actual levels of service provision and the adherence to agreed-on service levels (Service Monitoring)

Product Support

To safeguard the value of your investment, we not only offer support for USU standard software products, but we also support and review individual customizations with respect to their potential optimization and further development. We also offer individual coaching or managed services for your Valuation environment.

Product Training and Special Seminars

Our training center offers a full program of further product training for users and system administrators as well as specialized seminars and workshops for expert and executive personnel in IT and related specialist areas. You can find more information on our website or in our "Training Center" flyer.

Be sure to take advantage of our consulting expertise along with implementation, service, support and training options – all from one source! We look forward to hearing from you!