



# Business Services Management

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**Chuck Fugee**  
**Software Presales Manager**  
**HP OpenView Business Unit**

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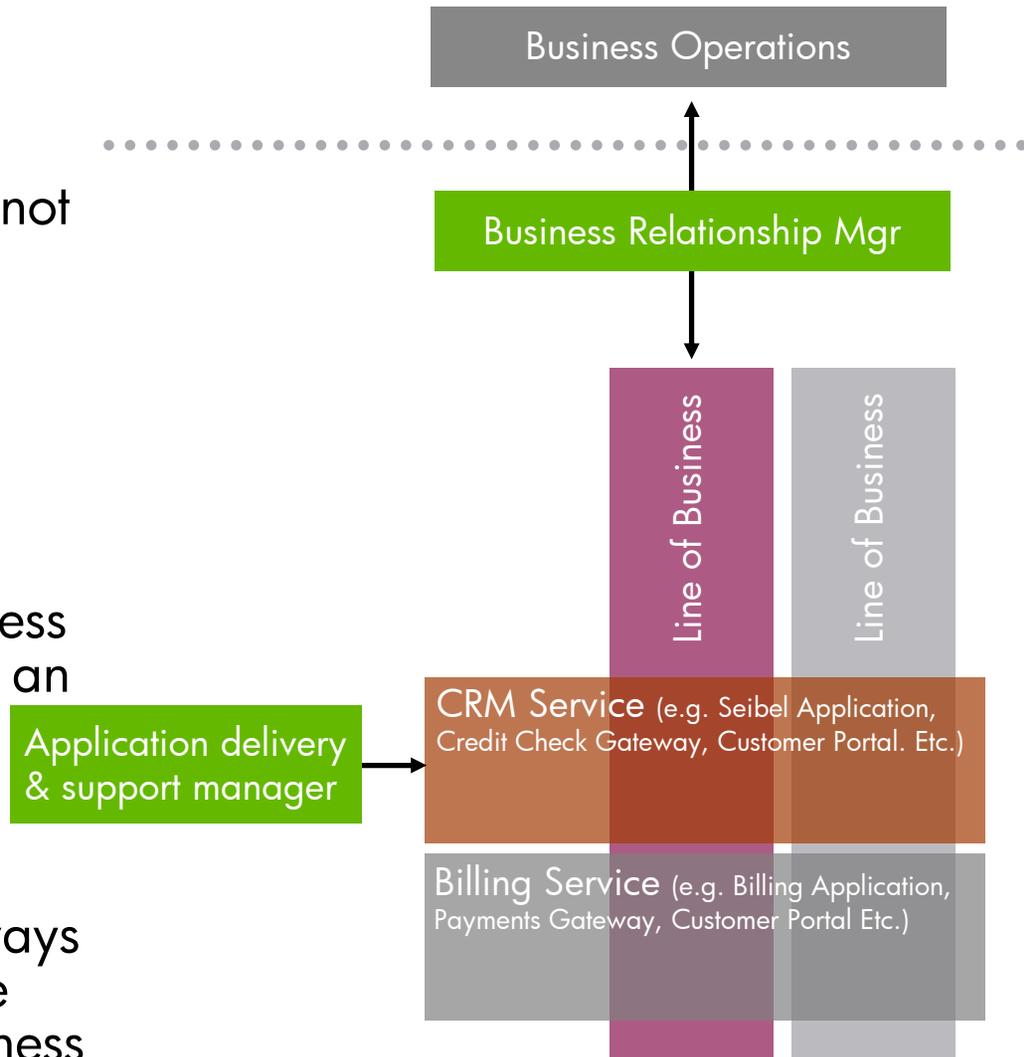


“IT has never lacked for measurement; however, most IT measures have focused on operational metrics. While relevant to IT, they remain a mystery to most everyone else, and *do not give any indication of how IT is contributing to the success of the business overall.*”

Trends 2005: IT Measurement And Management, Forrester Research, Inc.  
October 2004  
(italics added for emphasis only)

# Challenges:

- IT is not often seen as a business differentiator
- IT measures performance using inward-facing metrics and does not know how its decisions are impacting the business
- Communicating IT's value to multiple stakeholders can be extremely difficult
- Business teams working on process improvement need IT to become an enabler of business growth
- Multiple owners/interface roles: as applications become shared services, we need to find new ways to understand how they meet the needs of individual lines of business

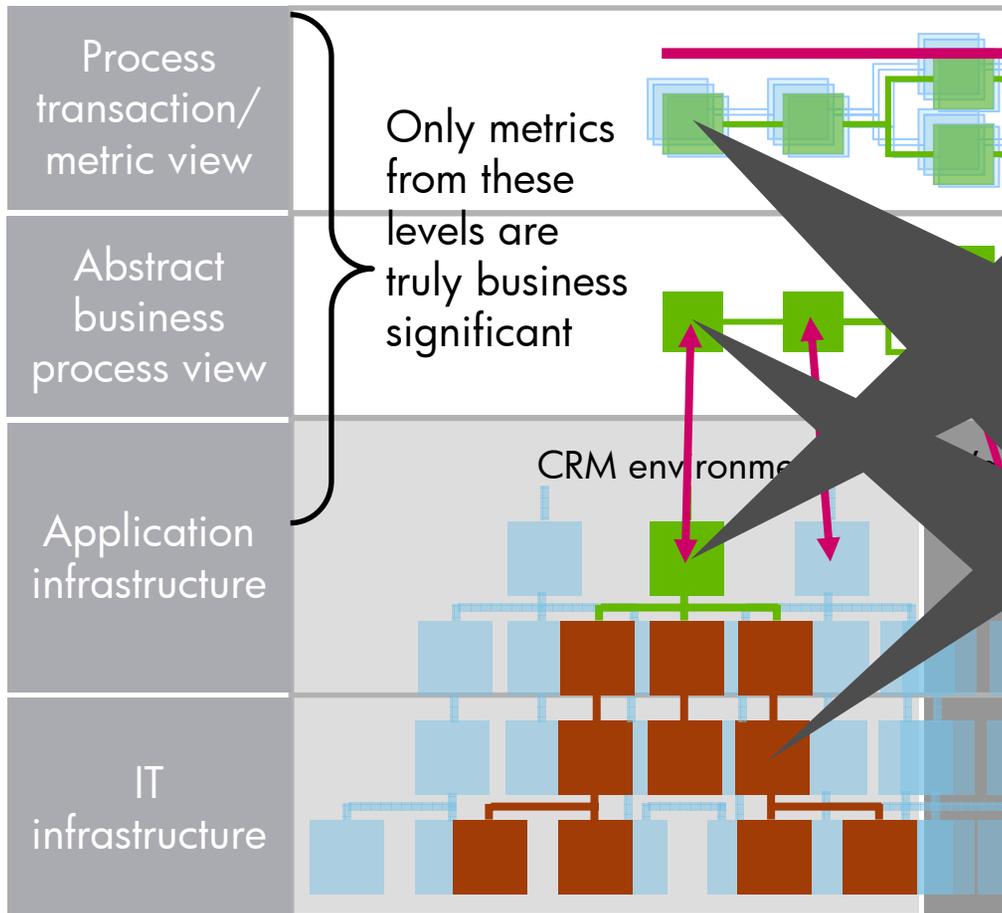


# IT needs to speak “business”



- Communicating value to the business in **their language & metrics**
- **Ensuring the success of multiple owners** by giving them needed visibility and aid them in communication with their stakeholders
- Prioritize IT actions and responses based on **real business impact**
- Having a real enough connection to the business to be able to show **measurable improvements**
  - Helping IT understand exactly how much they have improved business throughput & performance
  - Maximize IT’s contribution to business process success/results
  - IT cost reductions balanced against actual demand
    - optimized at the business level

# HP OpenView helps IT speak “business” by communicating higher level value



Tell me when...

- The e-mail server is not meeting its 97.7% uptime SLA
- We are in jeopardy of breaking the SLO on SAP response times

Tell me...

- The total order value of all orders at the step which is dependent on my outsource partner
- Which customers have orders >\$1M that are blocked because of a B2B Gateway outage
- A single step in my business process is slowing down, what IT Services does it depend on, and are there any trouble tickets?
- Which suppliers are we are currently at risk of not meeting our payment terms for because the Finance DB is performing poorly?

Process & people (ITSM/ITIL)

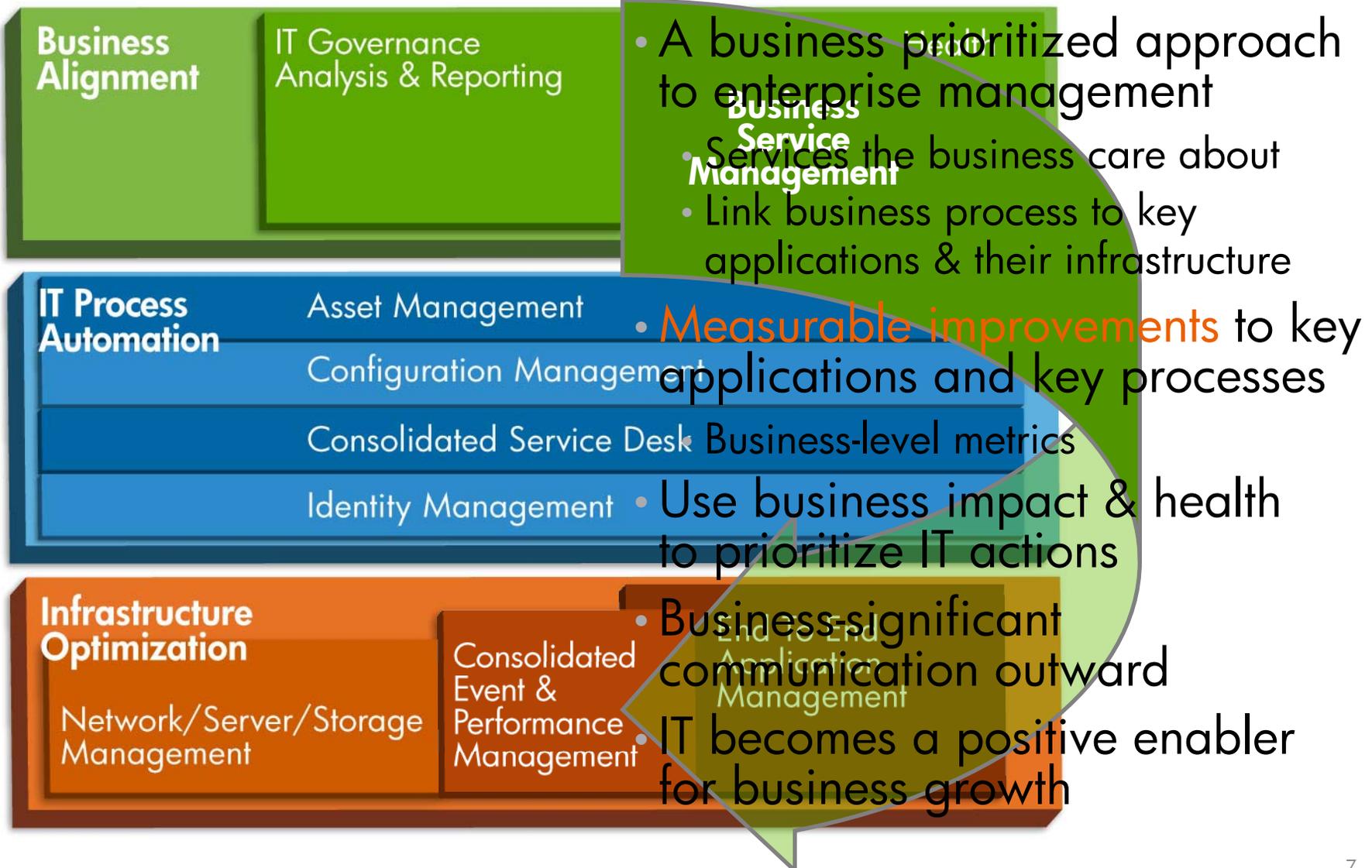


“The HP OpenView Business Service Management solution enables us to measure, in real-time, how our business is progressing. This helps us to prioritize our resources, to improve customer satisfaction, to reduce sales and support costs, and to sharpen our competitive edge.”

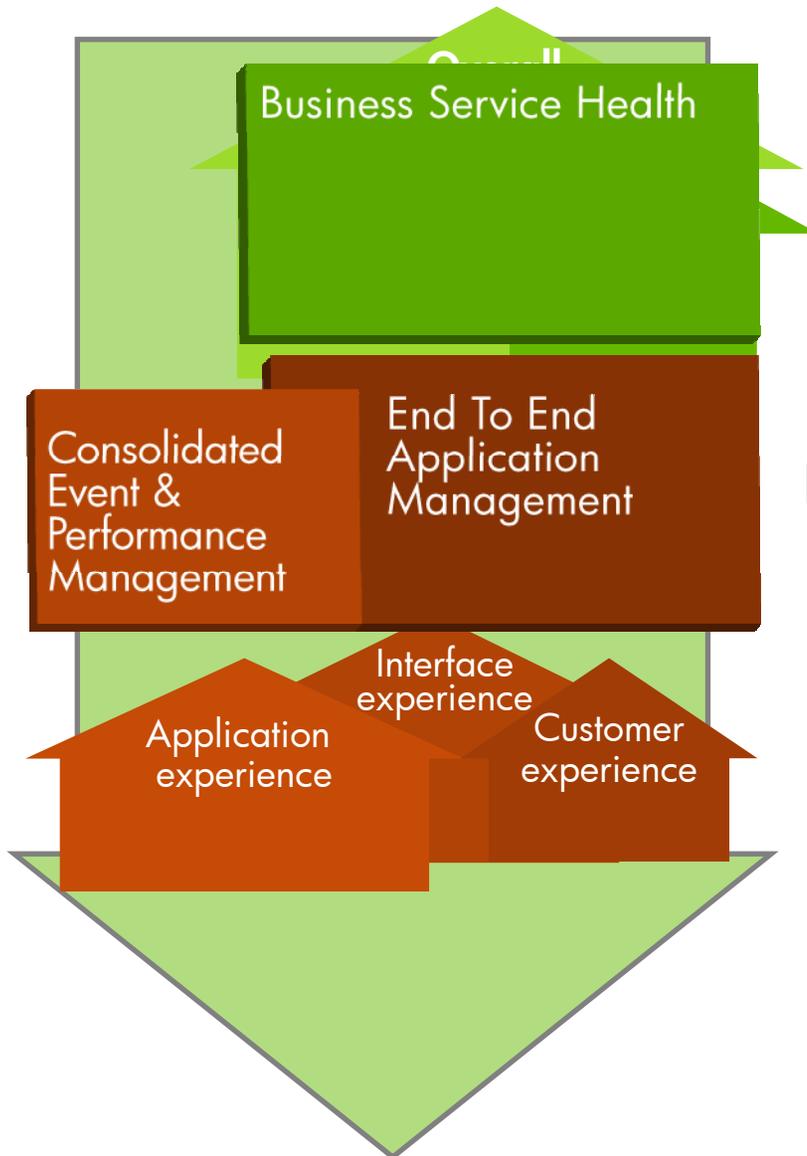
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Gunther Flamm, Senior Vice President, Global Sales and Services, UC4

# HP approach to Business Service Management



# HP BSM – functional view



## 360 degree view of service

– HP OpenView Dashboard

## Business experience

Business process-based metrics: timings, backlogs & impact on business transactions  
– monitor outsourcers

– HP OpenView Business Process Insight

## Business Service Impact

### Interface experience

– SOA/web services/composite applications  
– J2EE, .NET

– HP OpenView SOA Manager

### Customer experience

End to end application-based metrics

– HP OpenView Internet Services

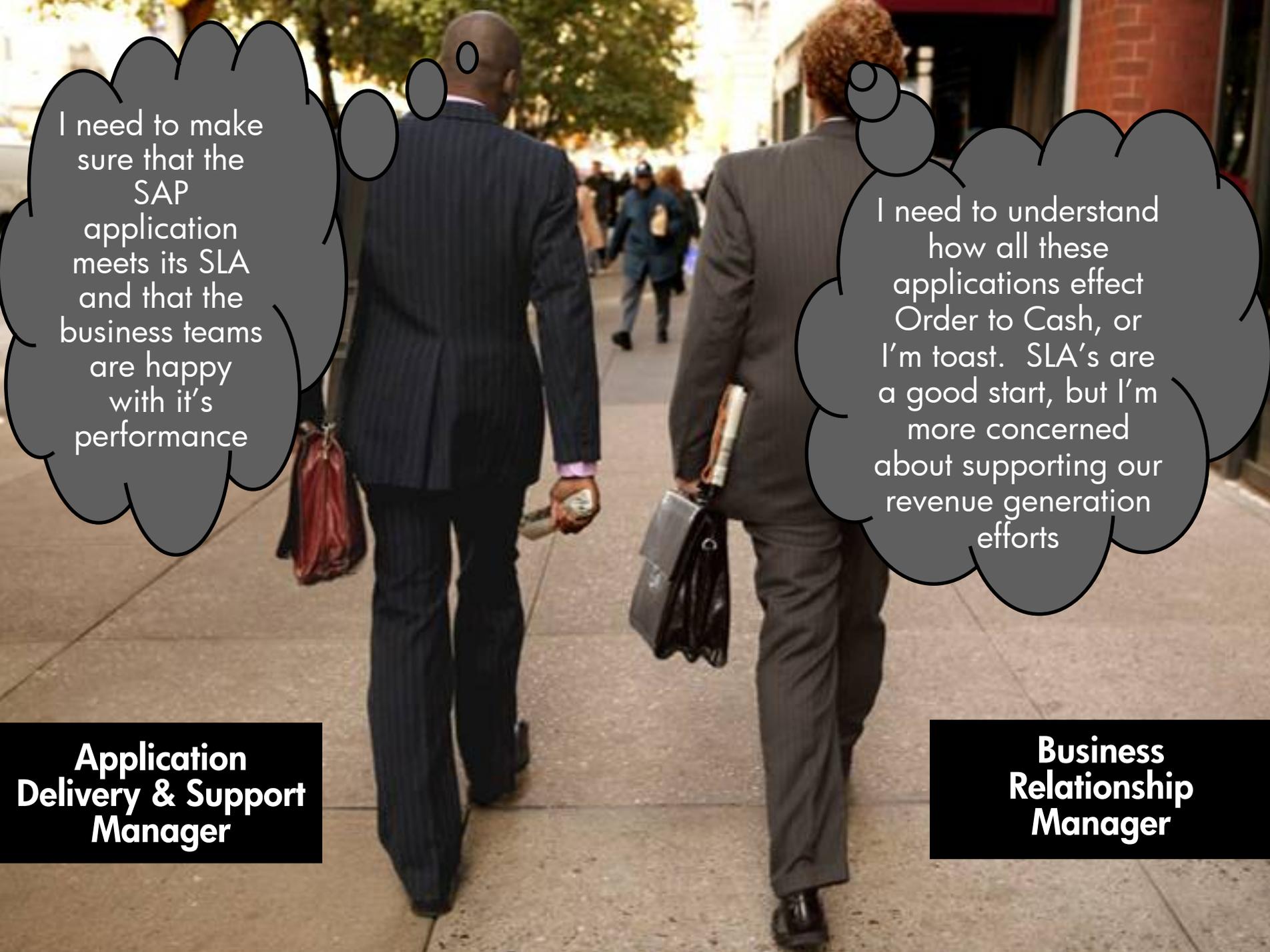
– HP OpenView Transaction Analyzer

### Application experience

Application & infrastructure-based health

– Application Smart Plug-Ins

– HP OpenView Operations/Service Navigator



I need to make sure that the SAP application meets its SLA and that the business teams are happy with it's performance

I need to understand how all these applications effect Order to Cash, or I'm toast. SLA's are a good start, but I'm more concerned about supporting our revenue generation efforts

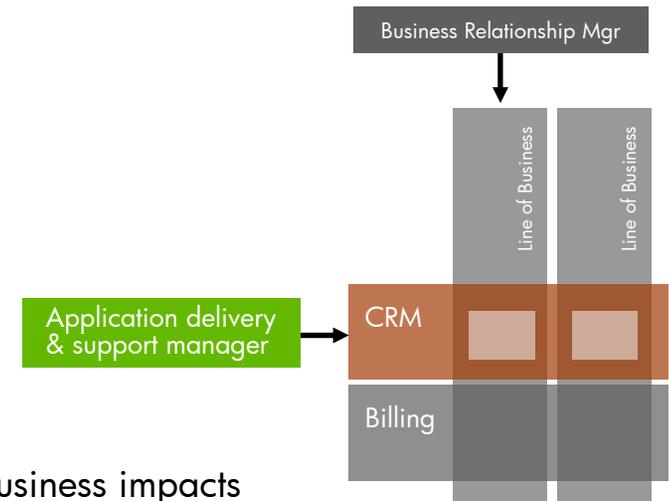
**Application  
Delivery & Support  
Manager**

**Business  
Relationship  
Manager**

# Application delivery & support manager

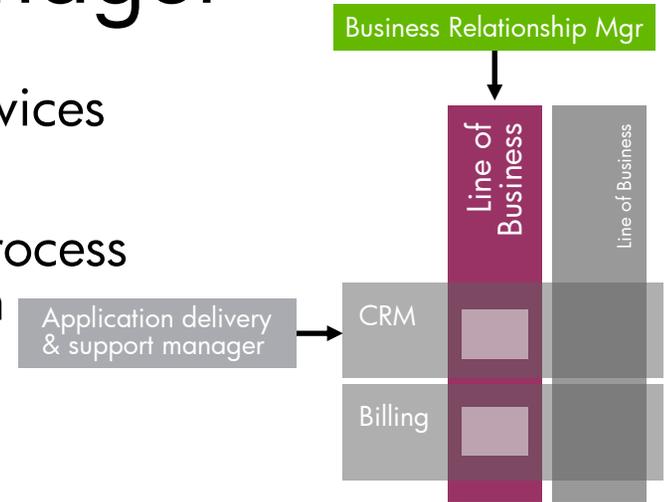


- 73% of application cost is delivery/support as opposed to development
- Application delivery & support manager is responsible for delivery health
- Their application now supports multiple business units & is now dependent on shared infrastructure
- They have multiple customers
- Need their own view of their application's state:
  - Must include the application health experienced by each business unit
    - End to end customer experience
    - Interface experience (SOA/EAI based)
    - Business process segment experience
      - Backlogs, timings within the process, weighted business impacts & flow throughputs
  - Along with an overall view into the inherent health of the application itself
    - Infrastructure event related health hierarchy
    - Health of outsourced components
    - Help desk incidents
    - Viral & security health



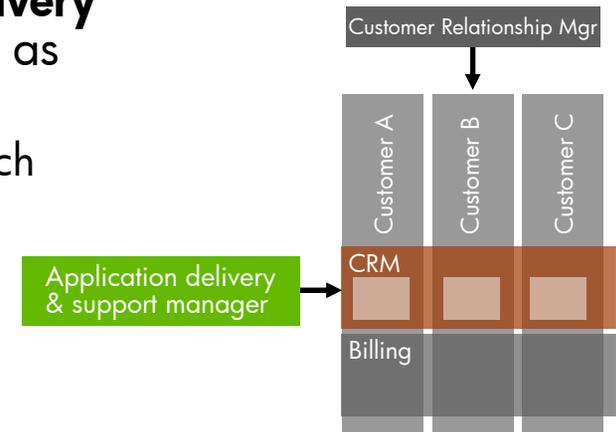
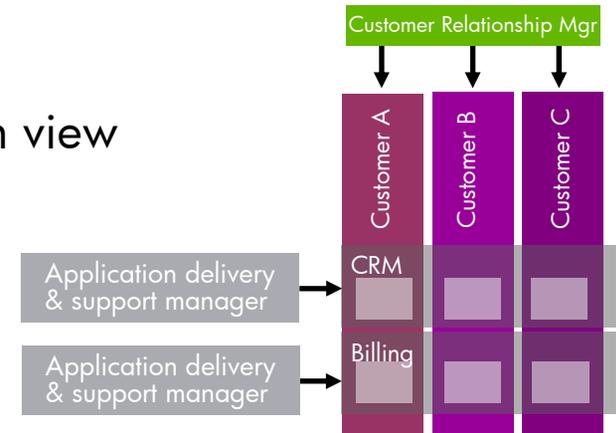
# Business Relationship Manager

- They are responsible for the health of all services consumed by their particular business unit
- They are concerned with the key business process or processes the business unit depends upon
- The Business Relationship Manager needs their own view of business unit health:
  - Must include the health of each key service
    - The overall health of that service from the 360 degree perspective
    - The customer experience showing overall performance
    - The interface experience for that service for SOA or EAI
  - Also must include a console view into the business experience for a more comprehensive business process model or models
    - Order/customer backlogs
    - Transaction timings across various points in the process
    - Weighted business impacts & flow throughputs
    - Key business-level metrics that instrument and alarm this business process
    - Performance of outsourced components



# Managed Service Provider specific

- The Customer Relationship Manager is responsible for the health of all services the firm provides to each customer within their assignment
- The **Customer Relationship Manager** needs their own view of the services provided to their customers:
  - Must include the health experienced by each customer for each service
    - Overall health of service from the 360 degree perspective
    - The end-user customer experience highlighting overall performance
    - A gateway or interface experience for that service for SOA/EAI
- Within the MSP there also would be **Application Delivery & Support Managers** looking at the key applications as they are delivered to multiple customers
  - Must include the application health experienced by each customer
    - End to end customer experience
    - Interface experience (SOA/EAI based)
    - Business process segment experience if needed/available



# If you're responsible... How do you get the whole picture?



Do you “jump around the consoles”?

Event-based problem?

Performance problem?

Viral attack?



Web service problem?

Business process  
slow-down?

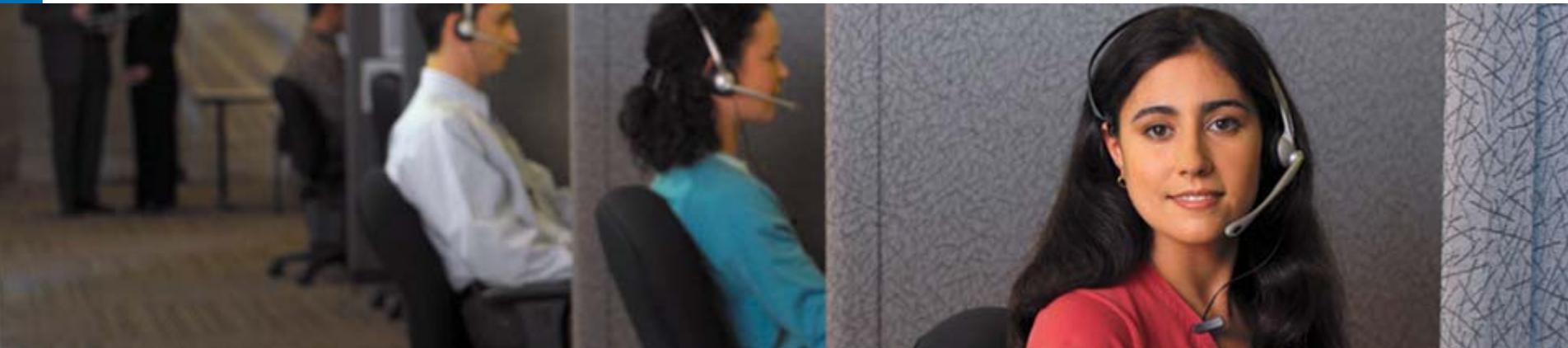
Security breach?

Perhaps you use your business customers to understand the health of your business services?



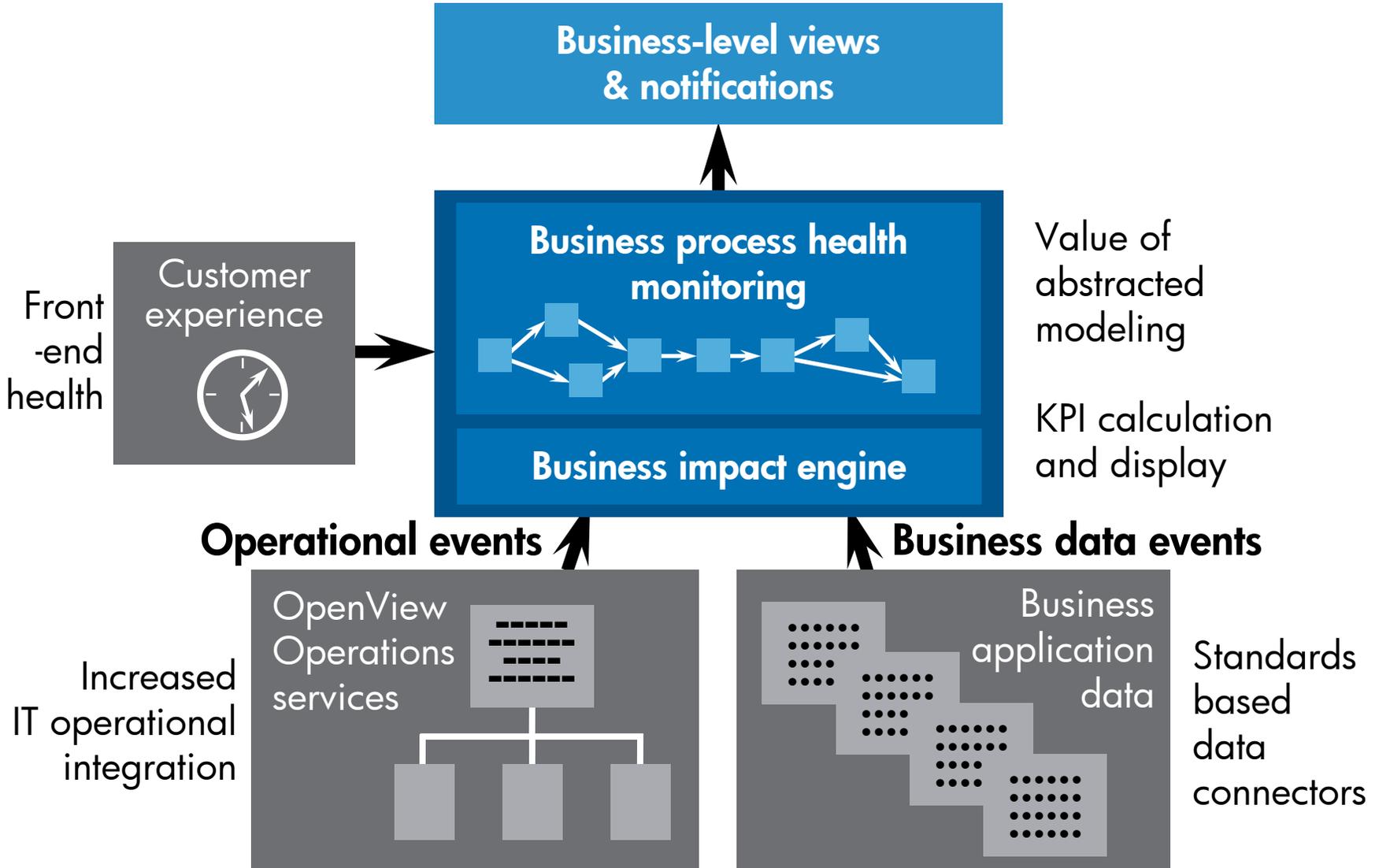
# How do you show all these different owners how *their* services are doing?

- Business operations
- Line of business
- Company agents/resellers
- Business process



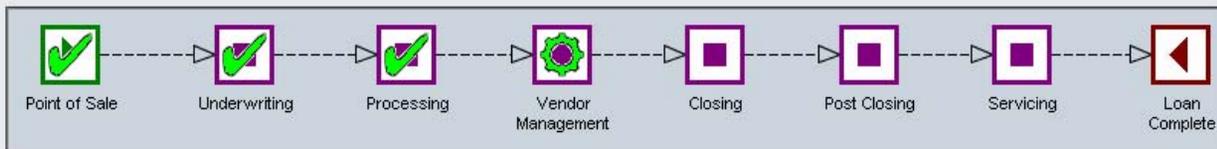
# BSM Solution

## High level architecture



# Customer Result

Flow Diagram



USA  
mortgage  
processor

## Customer business challenge



- Monitor aggregate business process performance against SLAs for the business
- Identify bottlenecks within the time frame needed to take preventive action
- Manage 3rd Party Relationships and Monitor their Performance
- Improve visibility into rework

## Customer results/benefits

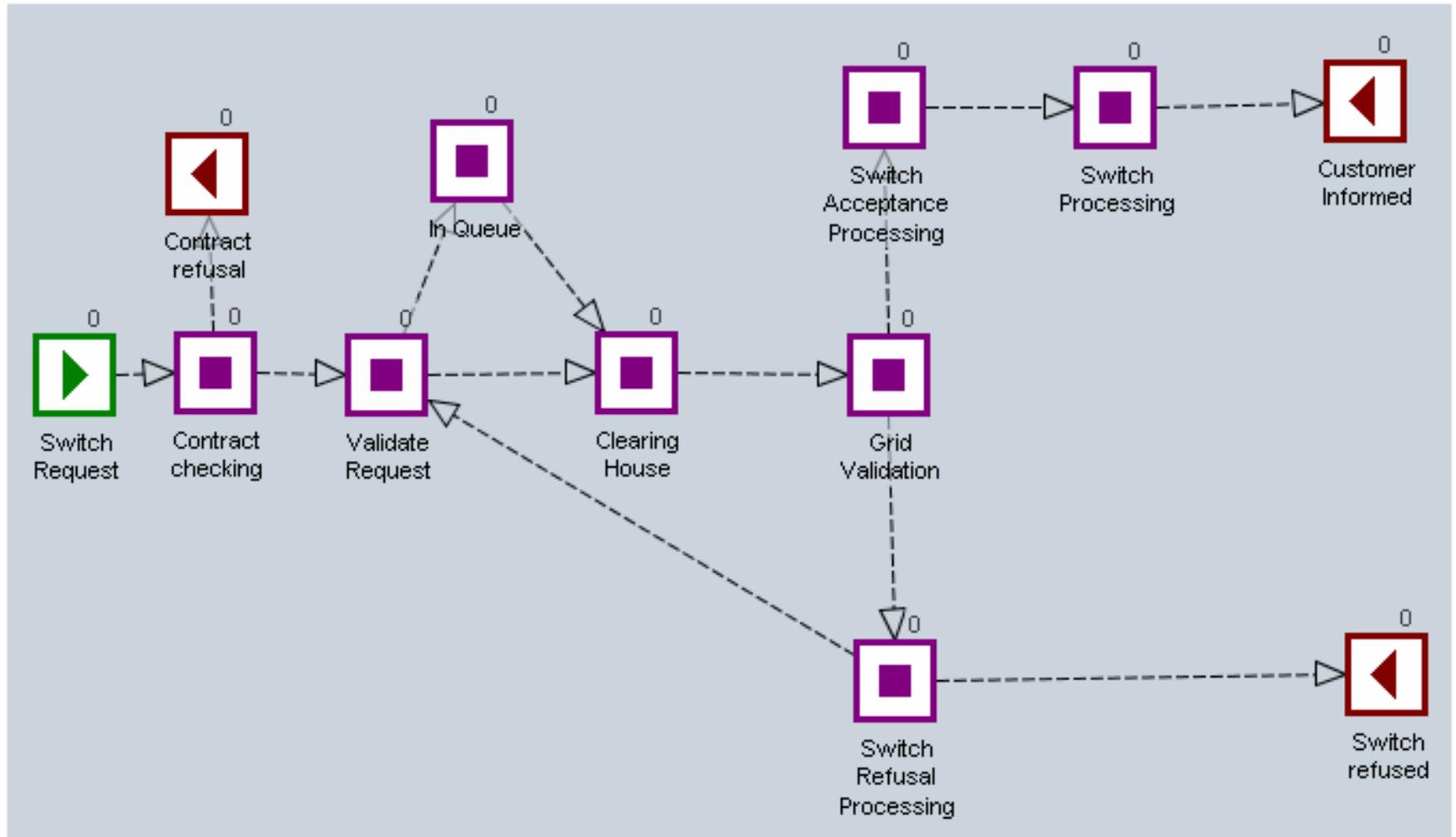


- Provide a summary of all loans at risk of breaching their SLA criteria
- "To meet our underwriting SLA, all documents must be received within 10 days of the origination date"
- "Tell me when a loan spends more than 3 days with the title company"

## HP solution

- Proof of concept for the HP OpenView Business Process Insight solution

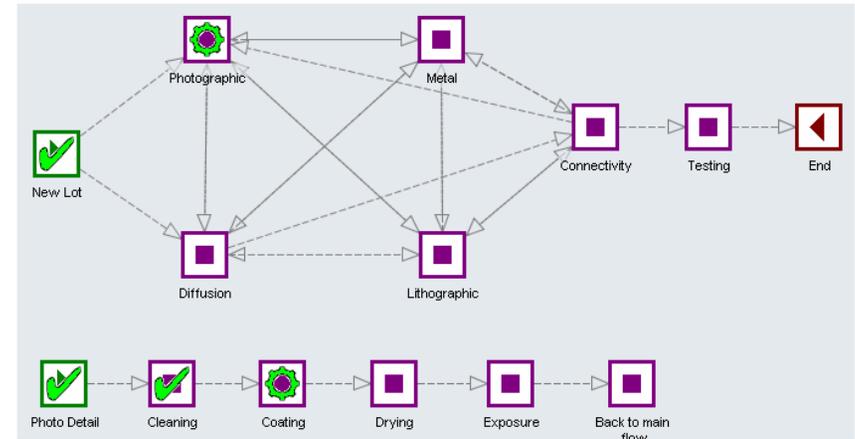
# Switching Power Companies



# Customer Result

## Hi-Tech Semi-Conductor Supply chain monitoring

driven to compete in one of the world's most fiercely competitive markets, and optimally control supply chain efficiencies



### Customer business challenge

- Difficulties for production management to monitor end to supply chain
- Blockages and latencies only visible *after* the effect
- Lack of correlation between IT resource and business impact

### Customer results/benefits

- Operators gain visibility of production bottleneck and backlogs
- IT gains access to business operation data
- Real time production visibility
- Production routes and IT service impact directly visible

### HP solution

- Workshop delivers complete business simulation tools to management
- Proof of concept for the HP OpenView Business Process Insight solution



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