

WHITE PAPER:

# Gaining Greater Performance and Flexibility from Next Generation IT Outsourcing

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## Executive Summary

The link between IT outsourcing and IT cost savings continues to be very important in today's uncertain economy. However, the days of outsourcing as a pure cost play are gone. The need for greater business returns, flexibility and tighter information exchange between IT and the business, coupled with the availability of new IT delivery models, is changing the face of IT outsourcing. In many ways, the next generation of outsourcing is starting to look and feel a lot like the game-changing advancements made in Business Process Reengineering (BPR) and Enterprise Resource Planning (ERP) from years past.

Businesses need IT service providers to deliver greater business value through more robust, best-in-class, industrial strength infrastructure management processes—essentially immediately. By incorporating lessons learned and avoiding the pitfalls from BPR and ERP, we see a higher probability of success and value enablement by embracing the IT infrastructure counterparts—Business Service Management (BSM) and IT Service Management (ITSM). Managing IT infrastructure should be viewed as just another closed-loop business process. The basic tenets of integrating processes, simulating outcomes through modeling, and rapidly deploying repeatable and measurable infrastructure management processes, hold very true to those value drivers from BPR.

By incorporating BPR lessons learned, such as the importance of people and processes to drive change, and leveraging evolving flex-sourcing strategies and new variable delivery methods, IT executives who embrace the next wave will have greater success at lowering IT costs, benefiting from innovation and driving greater business value from their IT infrastructure for long-term competitive advantage. In this paper, we provide our views on how to gain greater performance from your IT service provider and benefit from emerging trends that are becoming a part of next generation IT outsourcing.

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## Introduction

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More than 30 years ago, forward-thinking companies began re-evaluating their business strategies to look for ways to further leverage technology and become more competitive. These companies recognized the need to streamline their support organizations to devote more focus and resources to their core businesses. The result was “IT outsourcing,” with early adopters outsourcing non-core functions, while giving more focus to and driving more value from their core competencies. The market saw a radical move in 1989 when Eastman Kodak Co., then the 18th largest U.S. corporation, outsourced personal computer procurement and IT support to an external service provider and then arranged for another to build and manage the company’s new centralized data center. Like the majority of companies that would follow, Kodak’s primary goal at that time was to reduce costs.

Through the 1990s and into the first half of this decade, the IT outsourcing industry grew quickly with deals worth more than \$1 billion in total contract value becoming relatively commonplace. However, today these mega-deals are declining in both number and size. First-generation outsourcing deals were focused primarily on cost cutting, whereas second- and third-generation engagements are now becoming more balanced to include quality and value. One significant lesson learned between the downturn at the turn of the millennium and today is that mega-deal outsourcing is very difficult to manage and derive business advantage from both a client and an IT service provider perspective. Organizations are moving away from a one-size-fits-all vendor who offers a wide spectrum of services to a small number of partners that concentrate on managing a logical subset of IT processes. No longer is it a sound value proposition for one vendor to manage all other partners or providers, either from a financial or a flexibility standpoint. The trends point toward using best-of-breed IT service providers that can offer expertise in specific core competencies, resulting in smaller, more targeted deals with shorter terms and a stronger emphasis on relationship management, innovation and business returns.

The cyclical nature of the economy has made slowdowns and downturns a familiar part of the business landscape. Many CIOs and IT executives see this most recent slowdown as an opportunity to drive greater value from their infrastructure. They do this by driving extra costs out of their processes, renegotiating large or inflexible contracts and seeking out new outsourcing models. These models can infuse needed innovation, while at the same time protecting the future performance of their IT operations. After all, the basic IT outsourcing mantra of “better, faster, cheaper” still holds true today. The cautionary perspective, however, would be to make sure that no corners are cut while incubating an IT outsourcing engagement due to increased board and C-level pressure.

Results from a recent survey conducted in April 2008 with *CIO* magazine show IT priorities for the next 12 months (*See Figure 1*).

(Figure 1)  
Important IT Priorities  
During next 12 months

Increasing business value from IT investments	91%
Reducing IT costs	79%
Improving/enhancing existing IT security	77%
Improving the quality of information	75%
Improving IT security	72%
Improving service levels to end users	70%
Establishing better metrics to evaluate IT effectiveness	66%
Adding or improving enterprise applications	65%
Expanding IT infrastructure to keep up with growth	63%
Standardizing and consolidating IT infrastructure	60%
Improving business continuity planning	58%
Instituting a more flexible IT architecture	55%
Establishing better practices by using ITIL	49%
Outsourcing additional IT services to third-party providers	36%
Shifting fixed IT costs to variable (Capx to Opex)	31%

Source: *CIO* magazine/CompuCom Market Pulse (companies with 5000+ employees) – April 2008

The business reasons for IT outsourcing continue to evolve. By comparing or defining a BSM/ITSM initiative much like a BPR/ERP initiative, a company can create a shift in perspective, driving greater business value and agility. For example, successful engagements are not managed strictly as IT projects; rather they balance and blend the people, process and technology dimensions for a higher probability of success. Additionally, today's best practices around BSM, ITSM and Information Technology Infrastructure Library (ITIL®) frameworks are heavily influencing and guiding IT outsourcing.

Today, new outsourcing models and agile mid-sized service providers exist that simply were not available in the early days of outsourcing. We suggest that companies take their time and perform due diligence prior to selecting the right partner. Companies can gain greater flexibility and drive greater performance from their outsourcing initiatives by understanding a few critical factors that will improve their provider relationship and ultimately the return on their engagements.

The following material provides CompuCom's recommendations on how to gain the greatest value from IT outsourcing. The paper also includes recent market data from a proprietary Market Pulse research study completed with *CIO* magazine in April 2008 that captured IT executive views on IT priorities and outsourcing focuses.

## IT Outsourcing is All About People

One very significant lesson learned and acknowledged by those who spawned BPR/ERP is that people need to understand and to effectively use the processes being implemented to achieve the greatest results. For example, when driving the usage of autonomies and/or implementing new cross-silo or organizational integrated processes such as ITIL, several potential points of failure exist when the initiative did not involve the people component of change management.

When driving IT process change, the people aspect is a critical factor that is sometimes overlooked or undervalued. A more balanced approach that gives equal weighting to the people, process and technology aspects of IT transformation is much more likely to succeed. When you are managing a service, whether from a client or IT service provider perspective, you are managing people. The quality of the people and the processes they follow directly impact business outcomes.

If you plan to outsource, it is critical that you select the right IT service provider. The quality of the people should be considered as part of the evaluation process. Intrinsic qualities, such as financial strength, breadth of capabilities and depth of experience are important criteria to use, and in most cases, are easy to gauge objectively. However, we believe that the more esoteric qualities, which are sometimes more difficult to assess, such as cultural fit, core values and the people aspects of a provider's business, are just as important. Some of the people and relationship-based qualities that are important are:

- Agility, dependability, reliability, predictability, flexibility and trust
- Responsiveness to clients
- Adaptability in times of change
- Ability to show initiative in times of change and uncertainty
- Ability to provide the organization with a competitive advantage

The relationship of vendor to client is very important. Before entering into a new relationship, both parties need to have a clear understanding of expectations and the type of contractual agreement desired. What kind of relationship do you want? Do you want to manage to the contract or do you want to manage business outcomes? Do you want to wade through a sea of change orders? Are both companies on the same page? How do you want to handle the governance of the project? Governance, often thought of in negative terms, can be used to facilitate increased value from the infrastructure management process. The answers to these and many other questions are critically important to address before the contract is finalized. Unfortunately, issues can develop even within the best situations, so both parties should understand the importance of determining how to address potential problems before they arise. Keep the people aspects of the provider relationship high on your list, because it is ultimately the people who will deliver the results.

*“Outsourcing engagements are much more likely to succeed if the people aspects are considered as equal contributors at the outset.”*

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## Trust is an Earned Result, Not a Given

A key factor in any relationship is trust. If the relationship between client and service provider does not feel right, this should be a red flag to both organizations. One of the key elements of success involves both parties relying and depending upon the other to do the right thing when a challenge appears. If the relationship does not feel that way, CompuCom’s opinion is that you need to ask why. Trust is all about the people and their actions. Outsourcing engagements are much more likely to succeed if the people aspects are considered as equal contributors at the outset, utilizing excellent communications and change management techniques. Twenty years ago, it might have been unusual to include human resources change management as a key contributor in infrastructure transformation initiatives. Now we are beginning to see evidence of these roles becoming more commonplace in IT-related initiatives. From CompuCom’s perspective, trust and the cultural fit question become even more critical. After all, most IT outsourcing engagements will not be perfect and something will inevitably go wrong. At that point, the only metric is “What can we do to fix the problem?” not “What’s in the Statement of Work?”

One strong suggestion at the outset—first, hire a partner, not just a provider. Companies experienced in outsourcing know that hiring an outsourcing service provider is not just a matter of the lowest price quoted or the highest savings promised. Experienced outsourcers demand a lot from their partners, price being only part of the equation, along with technical and process expertise, flexibility and a spectrum of other assets. Many will tell you that the “soft issues” are often more difficult than the “hard issues” of pricing and contractual terms. A proposal response will not tell you what the relationship will be like. You have to fully understand the provider’s culture, core values and aspirations. Other selection criteria should be industry reputation, proven experience in IT process development and integration, excellence in the technology platform to be used, trust and cultural fit with top management as well as price and quality.

As observed with numerous CompuCom engagements, the probability of success is also greatly enhanced when IT is viewed as a strategic business driver, rather than a basic support or back office function. By developing the right relationship that includes good communications, clear expectation setting and the establishment of measurable objectives, you will find that today’s outsourcing engagements can be more effective and successful at driving value. Trust is not a given and it is something that should be earned by the provider and the people who service your business every day.

## Start with the End in Mind

As with the beginning of any worthwhile relationship, both parties need to come together and identify concerns, and set realistic expectations about the working relationship as well as the results they expect to achieve in this newly formed partnership. Without this required level of communications, organizations will be unable to achieve business and IT alignment and will be limited in their ability to ensure that IT investments sustain and extend business strategies and objectives.

The next step would be to conduct an infrastructure maturity assessment. This will establish an all-important baseline measure of maturity and provide the enterprise with an opportunity matrix for improvement that will lead to developing a roadmap for future progress and solid business outcomes. From a governance perspective, IT organizations have not historically been known as the best record keepers in the business. Therefore, documenting and assessing current state process capabilities, maturity and effectiveness may not come easy, and may need support. Additionally, it is not unusual for companies to believe that they are more progressive than their peers or clients. The best way to start is to create a baseline assessment, then benchmark performance against formal quality and perception metrics.

For example, scoring a 1.2 on a 5-point scale of process maturity is not uncommon for IT organizations even today. It is important not to set too high an expectation of moving up the maturity scale, as achieving infrastructure maturity is a multi-year transformation, and the movement from one level to another is not evenly distributed in time or effort. So where should you be? Reviewing the anticipated business outcomes and the scope, cost and time to achieve these outcomes requires a process of defining business value deliverables. This process will also provide a ready list of next steps—a business prioritized roadmap. Imagine being in a situation where most of the variables are documented and the overall current state and roadmap for next steps is defined and agreed to by the business—sounds like a much less daunting task than the alternative.

CompuCom leverages a proprietary Infrastructure Maturity Assessment Tool (IMAT) to measure an organization's infrastructure maturity level within defined practice areas. Based on CompuCom's more than 20 years of experience, combined with a third-party benchmarking database of world-class clients, the IMAT tool evaluates the maturity of tools and processes associated with IT service delivery and service support. CompuCom can assess a client's infrastructure maturity level using industry standard methodologies and best practices (*See Figure 2*). As a result, we can quickly make evaluations and provide recommendations that can:

- Better integrate the management of an organization's IT services, hardware and software
- Favorably rebalance an organization's ratio of on-site, remote and self-assisted support

(Figure 2)  
CompuCom's Integrated  
Infrastructure Management  
(IIM) Solution Maturity Levels



Unique in the industry, the CompuCom IMAT tool provides a comprehensive and valuable assessment of IT operations by comparing 21 best practice areas, then aligning the results with the benchmarking database. This assessment allows you to compare results against peer group information, complexity of services and the number of seats under management. Before you can develop an effective roadmap for the future, you need to know where you are starting from. Gaining a clear understanding of a client's infrastructure maturity is a critical first step in determining the starting point and the path to the desired business outcomes.

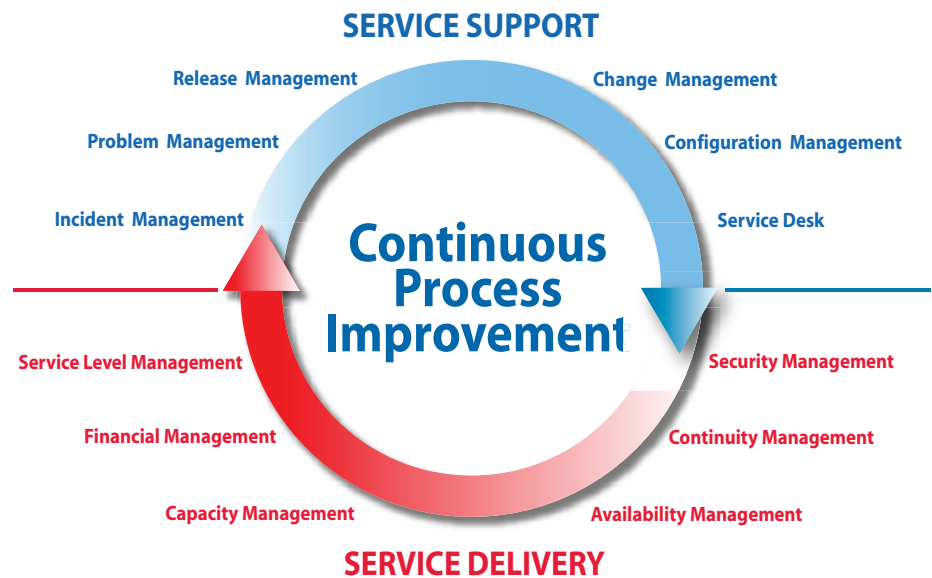
## Moving Towards "Plug and Play" Services

Use the same IT language—sounds simple, but many organizations stumble at the first hurdle of developing an effective roadmap as they say one thing and hear something else. Try the following exercise. Ask five colleagues to write down the definition of your current service desk offering and scope. The lack of consistency in the responses may surprise you—perhaps everything from a call center to a help desk to a service desk. Different expectations are difficult to manage successfully, and consistent vernacular helps set the stage.

To make sure everyone starts from the same page, best-in-class service providers use quality frameworks and process models such as BSM or ITSM which uses ITIL to provide a fast start to an IT outsourcing relationship. ITIL is a customizable framework of best practices and processes for managing integrated IT infrastructure, service delivery and support, with the over-arching goal of balancing service quality with costs. In the ITIL world, a repeatable maturity level means that the most important processes have been introduced, the structure of the IT process in question is predictable, and the provision of its IT related services is repeatable (See Figure 3).



(Figure 3)  
ITIL® Continuous Process  
Improvement Model



ITIL provides one vernacular for infrastructure management. ITIL provides a way to start with one consistent definition of the various infrastructure components, along with a clear definition of points of integration across silos and organizational entities. After an organization has adopted ITIL into its culture, then they can start to reap the rewards of a truly integrated process management.

The effective use of ITIL and other frameworks that are focused on developing very standardized and repeatable processes are the fundamental building blocks needed to enable plug and play services for IT infrastructure management. Similar to the dramatic impact that the USB had on the computer industry, plug and play IT services will allow IT executives an unprecedented level of speed to market, flexibility and scalability to add services or switch in and out IT service providers when needed. This also enables companies to pursue shorter contract periods, giving them increased negotiating power to secure services from best-in-class service providers focused on particular functional areas. New flex-sourcing strategies are starting to enable this type of flexibility and agility that plug and play services provide as a critical part of the next generation of outsourcing.

An outsourcing relationship is sometimes looked upon as just another IT project. We now know that IT outsourcing is much more than that. Outsourcing arrangements where the client has given deep thought to their strategic expectations up front and where IT processes are followed, will typically experience the most positive business impact. Understanding the importance of the frameworks like ITIL, and their ability to enable plug and play services, is an important development that will start to change the way IT service providers are selected and deployed in the future.

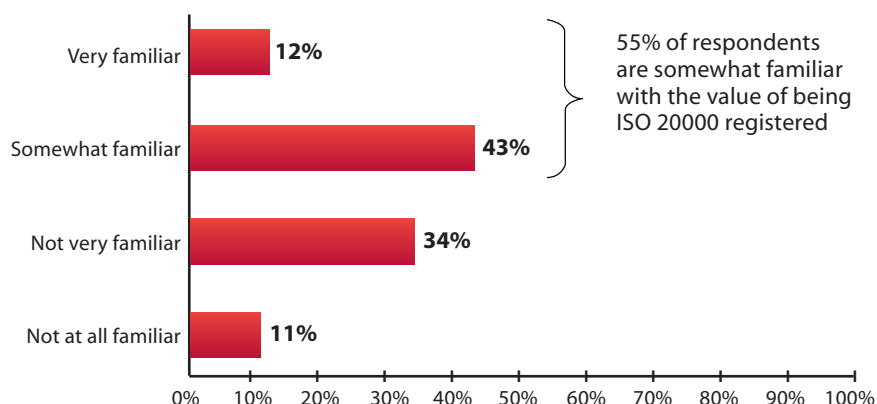
## Benchmarking and Best Practices with ISO 20000

Another important evaluation standard gaining a high profile in the CIO community is ISO 20000, the only third-party validated organizational certification and quality standard for IT Service Management. ISO 20000 incorporates benchmarking data leveraging ITIL best practices and renders an assessment of the provider's ability to deliver consistent quality against industry standards.

Best-in-class providers will be ISO 20000 registered and will recommend the use of maturity frameworks and models such as ITIL, Control Objectives for Information (CobiT), and/or Capability Maturity Model Integration (CMMI), which provide a set of proven processes to fast-start IT maturity improvement. In *CIO* magazine's survey of IT executives, 55% of respondents said they were "somewhat" or "very familiar" with the value of ISO 20000 registration, while 87% of respondents were "somewhat" or "very familiar" with the value of ITIL (See Figure 4). The study also revealed:

- 24% of survey respondents cited ISO 20000 certification as "very important" in an IT outsourcing partner
- 40% cited expertise in ITIL practices as either "critical" or "very important" when selecting an IT outsourcing partner

(Figure 4)  
IT Executives Familiarity  
with the Value of Being  
ISO 20000 Registered



Source: *CIO* magazine/CompuCom Market Pulse (companies with 5000+ employees) – April 2008

ISO 20000 registration is tangible evidence of a service provider's commitment to excellence. While many executives are familiar with and value ISO 20000 and ITIL, mainstream implementation has not yet arrived. Today most forward looking service providers such as CompuCom are ISO 20000 registered. And, while the industry embraces ITIL as the de facto standard for service management, they are limited in the service provider choices available to them for ensuring consistent results. Only 8% of the survey respondents said they use service providers that are ISO 20000 registered. That number will increase as more companies recognize the value of ISO 20000 and ITIL as benchmarks in measuring the quality and consistent delivery of integrated IT services.

In addition to ISO 20000, there are other methodologies to consider that are focused on measuring IT business returns. For example, Six Sigma is a widely accepted methodology, or business approach, whose objective is to reduce output variability defects through process improvement. As part of client

engagements, CompuCom Six Sigma experts are able to achieve rapid problem determination and root causes, improve the processes, then monitor them through client-specific dashboards. This approach brings fact-based rigor that drives prioritization and provides quicker returns to the client. Who could have imagined 20 years ago that Six Sigma, originally a manufacturing business process improvement tool, would find such a prominent and valuable place in infrastructure management?

For one manufacturing client, CompuCom took the Six Sigma process, benchmarked their situation and found that the service desk was an opportunity for improvement. As a result, we were able to reduce service desk defects by almost 50%, thereby enabling more satisfied end users, enhancing the proficiency of the service desk and ultimately, providing greater value to the client.

## Innovation by Design, not by Accident

The majority of companies that outsource today realized at some point that the world of technology was changing faster than they could, and therefore they needed to shift the responsibility to an external IT service provider where innovation and service quality was a core competency. However, some companies that entered into broad-based first- and second-generation outsourcing deals did not receive the proactive innovation that they had anticipated.

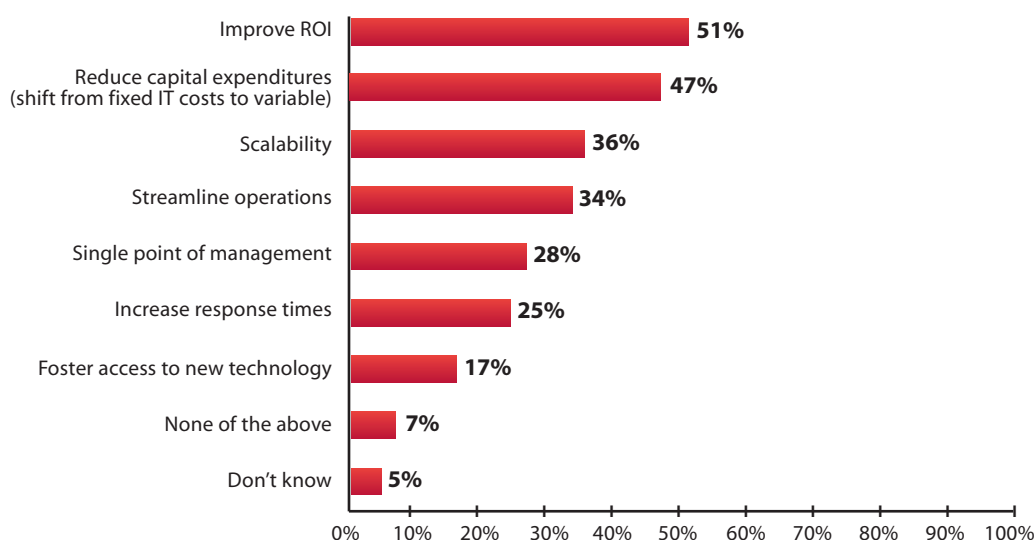
The lack of IT innovation has been an issue for years and is another reason why mega-deals are declining. Instead the trends point to a more focused approach with best-of-breed outsourcing providers. Many companies that entered into comprehensive outsourcing deals had ambiguous contracts that did not explicitly address the importance of innovation and continuous process improvement. Concerned that proposing new technology or solutions not defined in the contract would give the client a reason to re-negotiate or open up the contract, some vendors chose not to proactively bring innovation to the client. Thus, situations were created where clients suffered from the lack of innovation that could have made a significant difference in lowering costs and increasing quality. This is a great example of why cultural fit and open communication between the client and the service provider are key considerations, as discussed earlier. IT service providers should bring innovation to their clients as part of their on-going relationship, no matter what is in the contract.

CompuCom's Infrastructure-as-a-Service<sup>SM</sup> (IaaS) solution is a good example of an innovative, new IT delivery model. IaaS is an on-demand solution that integrates hardware, software and services to give CIOs the financial flexibility to shift a greater percentage of fixed costs to variable costs. The solution enables companies to immediately attack the typical IT budget 70/30 fixed/variable cost ratio and march toward a more attractive and flexible 50/50 fixed/variable cost ratio, while integrating infrastructure processes at the same time. This approach allows most companies to receive a cash injection for the value of any asset outsourced, which is a good example of how to get returns quickly in a recessionary market (*See Figure 5*). When IT executives were surveyed by

CIO magazine regarding the benefits most likely to drive them to consider on-demand services or IaaS, they gave the following responses:

- Enhancing the value of their IT investment by improving ROI (51%)
- Reducing capital expenditures (47%)
- Improving scalability (36%)

(Figure 5)  
Benefits Most Likely to Drive Consideration of an On-demand Desktop Service or Infrastructure-as-a-Service Type Delivery Model



Source: CIO magazine/CompuCom Market Pulse (companies with 5000+ employees) – April 2008

An even more attractive outcome of the IaaS solution is the completely variable infrastructure management cost on a go-forward basis, allowing for contraction or expansion depending upon business performance. Applying this solution to a large CompuCom manufacturing client resulted in the complete variability of delivery cost, record high asset accuracy and capital expense reduction of approximately 20%.

Another evolving delivery model worth evaluating is Remote Infrastructure Management (RIM), which involves the remote monitoring and managing of IT infrastructure components away from the company's physical facility. RIM allows organizations to receive proactive, high-quality and more predictable support costs for their infrastructure, while avoiding the expense and distraction of developing and implementing effective monitoring and management solutions themselves. The remarkable growth of offshore providers in recent years demonstrates the trust placed in them and the acceptance and business value driven as a result of this type of solution. The relevant lesson from our BPR/ERP experience is that a poorly defined process can be fully automated and visible across the entire enterprise in an integrated fashion immediately. Therefore, CompuCom recommends taking the time to make sure a process and its enabling technologies are well understood before moving it to a remote location.

An example of innovation from the BPR world that we can learn from is implementation of cross-organizational process integration. In the "follow the order" exercise, an organization actually followed the progress of a customer order

*"IT process modeling is another evolving practice that can drive increasing levels of efficiency."*

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through departments, systems and documented touch points, and handoffs. The result was the "quote to cash" business process. In the infrastructure management world, follow the trouble ticket through exactly the same process. Would it demonstrate a best-in-class process? Would it provide efficient, effective results, metrics and information? If not, then CompuCom suggests looking at the problem from a different perspective. Increasingly, companies are looking to outsourcers for predefined infrastructure processes and process modeling tools to run "what if" scenarios to help improve those processes and employ change management tactics to drive greater business outcomes. IT process modeling is another evolving practice that can drive increasing levels of efficiency.

So many innovative technologies and tools exist on the market today that it is easy to get distracted from the elements that can really make a difference. According to a leading IT analyst firm, more than 70% of the average organization's annual IT budget is spent on infrastructure support. In some cases, IT executives may have an inaccurate sense of their infrastructure's maturity level. A significant amount of opportunity for innovation remains around the basic blocking and tackling elements of IT. This strategy will optimize the infrastructure through process improvements and by leveraging new delivery models.

As an illustration, CompuCom worked with a major oil and gas client to consolidate their service desk operation. Processes were redefined and integrated, resulting in the company receiving an almost 50% productivity improvement, along with their highest ever end-user satisfaction, network uptime and service level attainment. These results were achieved by redefining infrastructure management processes in a relatively short time, and not through offshoring. This is an example of how a balanced approach of people, process and technology drives business value.

## View Infrastructure as a Process

We have already mentioned a few innovative ways to take a fresh look at infrastructure management. One additional idea that helps accelerate the return from an IT investment is to view infrastructure management as a process and manage it as a service. CompuCom's Integrated Infrastructure Management™ (IIM) solution demonstrates the value to be found in process specialization. By organizing services around "like" process bundles rather than individual, isolated components, CIOs and IT executives can use outsourcing to achieve greater effectiveness through higher levels of IT integration. When managed as a service, these process bundles deliver superior quality at dramatically lower costs. IIM requires taking a holistic view of integrating the infrastructure that includes everything from servers to smart phones, from operating systems to enterprise applications, from switches to routers, from image management to patch management and from acquisition to disposal. Leveraging IIM, and purchasing the service for one fixed price per seat or incident, can deliver greater predictability of costs and scalability if needed by the business.

As a process bundle example in the end-user computing environment, if the service desk understands the infrastructure associated with the issue, including hardware, software, network, and telecom, and has access to knowledge, then the problem can likely be resolved quickly and effectively. If not, a greater probability exists that the issue will result in a desktide visit. This escalation alone can more than double the cost of service delivery. If the service desk is organized to include the entire IT spectrum, as opposed to process bundles, and is organized one mile wide and only one inch deep, then high first-call closure rates diminish. Similarly, when the service desk and on-client premise staff do not follow the same tightly integrated process, we have seen costs escalate by more than 100%.

Other examples of specialized process integration that leverage ITIL frameworks are Service Catalog and Configuration Management Database (CMDB). Although ITIL is an excellent tool, it is exactly that—a tool. The methods used to successfully deploy the tool will ultimately drive the business result.

The Service Catalog is an IT organization's definition of its services, essentially for sale to their internal or external customers. Think of each service as a SKU for IT. Any ambiguity or omission from the SKU definition will be a problem. If implemented as such, it will mean missed expectations and end-user dissatisfaction. Most importantly, it can have a negative impact on the IT organization's overall credibility with its customers. To avoid this, CompuCom strongly recommends a robust product management and product marketing component in the development of each SKU for the service catalog. Taking an end-to-end view of product life cycle management and applying it to service catalog SKUs will ensure a more successful deployment.

A CMDB is a repository that gathers configuration items (CIs) or changes to infrastructure components, keeps an audit trail and delivers comprehensive information pertaining to the consequences of those changes in the infrastructure. Let's look back at manufacturing and management accounting, specifically the practice of activity-based costing. In those terms, a bill of materials (BOM) is a multi-level description of a product which we can liken to the decomposition of technology infrastructure. ERP systems can process thousands of BOM components and track thousands of activities that attract cost. If you have 50 activities to track cost information about, then you need to enter those components every time you attract a cost. Do you really want to record 50 reporting elements each time you process a purchase order?

The same analogy holds true for a CMDB—the tool can record every download for every laptop in the enterprise, which will create a huge database and significant network traffic. This would provide limited business value at a significant cost to the company. CompuCom suggests looking at the structure, size and architecture of the CMDB in a similar way to the manufacturing and costing cycle, learning from mistakes, and designing for optimal usage. This view of infrastructure management allows a company to proactively manage IT and achieve business value sooner.

## Critical Success Factors

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Here is a practical roadmap we recommend:

- **Adopt a common language:** ITIL provides one vernacular for infrastructure management to ensure everyone has common understanding.
- **Start with a benchmark:** Develop a baseline of your current maturity and benchmark against your industry peers.
- **Identify priorities by business value**
- **Develop the roadmap**
- **Communicate, communicate, communicate**
- **Deliver in “bite-size chunks”:** Measure results and progress often.
- **Technology enablement:** Work with an integrated tool from day one to enable an integrated ITSM process.

While each client situation will be different, IT organizations that select the right service provider and follow a logical progression of determining the current state of their maturity, using an industry recognized quality framework and defining a clear roadmap, will have greater success in achieving their desired business outcome.

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- More than 120,000 servers under management
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- Almost 3 million help desk calls handled a year

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- SCP certified for 10 consecutive years
- Exceeded average industry client satisfaction ratings 7 consecutive years as measured by Service 800
- ITSM Best-in-Class industry leader as measured by Aberdeen
- Nearly 90% of CompuCom clients have more than 5 years tenure
- CompuCom is ISO 20000 registered

## Summary—Embrace the Next Wave

The landscape of IT services is evolving in a way that will yield significant returns for CIOs and IT executives who are concerned not only with costs, but also with value, quality and leveraging the benefits of market-leading solutions. Today's best value comes from selecting best-in-class providers focused on particular infrastructure areas. When seeking a partner, organizations should consider providers who have demonstrated flexibility and agility in past engagements. They should also be willing to bring fresh ideas and innovation to the table, regardless of the contract agreement.

IT transformation is not just an IT project. It requires ongoing communications, a clear roadmap and effective change management—all delivered by people who are focused on earning your trust every day. Industry best practices and quality frameworks such as BSM, ITSM, ITIL and ISO 20000 are all critical elements of integrating IT infrastructure and deploying effective, repeatable and measurable management processes. By incorporating BPR/ERP lessons learned from the past and leveraging evolving flex-sourcing strategies and new variable delivery methods, IT executives who take advantage of the next wave of outsourcing will have greater success at driving greater business value for long-term competitive advantage.

At CompuCom, we are here to help you gain greater flexibility and performance from your next outsourcing engagement. We leverage third-party user satisfaction metrics as a benchmark against the industry average and we compensate our teams based on that performance. Most importantly, we strive to be a company that is easy to do business with. Our success is based on communication, trust, and understanding and our focus on delivering the best IT value in the industry.



## About the Author

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With more than 25 years of demonstrated IT solutions expertise, John McKenna is responsible for business planning, go-to-market strategic development, and key initiatives focused on process engineering and quality best practices. Since joining the company in 1999, Mr. McKenna has been instrumental in CompuCom's transformation into a highly regarded IT services provider. He is the architect of the company's Integrated Infrastructure Management™ (IIM) solution for optimizing hardware, software, and end-user service management. CompuCom's IIM approach is recognized by leading analyst firms and others as an example of how to increase service quality and drive greater business value from IT infrastructure. McKenna's approach to viewing infrastructure as a process and managing it as a service is changing the way IT services are delivered and measured.

A native of Scotland, Mr. McKenna holds a degree in computer science from Heriot-Watt University. He has recently authored several IT industry white papers, including, "Seven IT Strategies to Help Survive the Downturn" and "Integrating the IT Infrastructure: Accelerating the Value from Your IT Investment."

## About CompuCom

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CompuCom Systems is a leading IT outsourcing company providing infrastructure management services, application services, systems integration and consulting services, as well as the procurement and management of hardware and software. With more than 20 years of IT experience, CompuCom employs more than 7,800 highly skilled associates who have earned a combined total of more than 44,000 industry certifications company-wide. As experts in workplace services, CompuCom's unique Integrated Infrastructure Management (IIM) solution reduces costs, increases productivity and helps clients gain maximum value from information.



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Learn more about CompuCom's broad range of services and how seamless integration can help you drive greater business value from your IT infrastructure. Visit us online at [www.CompuCom.com](http://www.CompuCom.com) or call us at +1 800.225.1475 today.