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CASE STUDY SP3C
CONSULTANT/MANAGER CERTIFICATE IN IT
SERVICE MANAGEMENT
ACCORDING TO ISO/IEC 20000



Table of Content

1	Introduction	4
1.1	First Steps in Europe	4
1.2	The Rise of SP3C	4
2	Insights into SP3C	4
2.1	Service Centers around the world	4
2.2	Data Centers	5
2.3	Suppliers	5
2.4	Customers of SP3C	5
3	SP3C Strategy	6
4	Present situation	6
	Diagrams	8



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1 Introduction

During the last 20 years an Indian high performance data center, Indian International IT and Communications (SP3C – pronounced as SPEC) has developed in to a world wide IT service and communication service provider.

Being successful in Asia allowed the move towards Europe during the first off shoring wave in the late 1990's.
See diagram 1 on page 8.

1.1 First Steps in Europe

The first office to open up was the office in London. The outsourcing projects were successful after initial problems due to the time difference and the local requirements to follow strict IT service management processes. The Indian IT operators in Bangalore did not understand IT Service Management until an initial training course by Orange Coffeepot, (a company specializing in IT Service Management training and consulting in Utrecht, The Netherlands).

1.2 The Rise of SP3C

Further expansion in Europe saw Berlin, Germany, being selected as the next site for a SP3C service center. This was due to the central location and the modern IT Infrastructure installed in the new office building at the Potsdam Platz as well as the governmental financial incentives granted to companies that relocate to Berlin.

Soon after opening the Berlin location a major contract with a supplier for a car manufacturer in Wolfsburg had been signed. This contract started with two servers and ended 5 years later with 300 servers housed, managed and operated by SP3C. This initial contract requested that a local Computing Center in Wolfsburg had to be installed and operated in order to have fast access to the servers when required by the customer. The contract has now been renewed for a further 5 years.

Being a pragmatic company SP3C agreed to this condition and started building in cooperation with a university research project to build and operate a data center with the latest technology installed. The center in Bangalore operated as a backup site for Wolfsburg if a customer requested to have a second site.

Due to the energy efficiency the Wolfsburg data center has been chosen to become the main data center of SP3C in Europe.

2 Insights into SP3C

SP3C has service centers around the world. One of the key success factors has been achieved in the last year, to ensure that each service center only specializes in one or two key service areas. At the same time SP3C has set a rule that branch offices should not focus purely on sales. They must also deliver services of real value to the group as well.

2.1 Service Centers around the world

SP3C has decided very early that they will concentrate on services that they can actually deliver well. Therefore SP3C only delivers the following services:

- ◆ Server housing and backup
- ◆ Customer support
- ◆ Web consulting
- ◆ Security consulting and training
- ◆ Software packaging
- ◆ SAP applications
- ◆ ERP applications
- ◆ Computer based training

The service centers should all have the same principle structure. Some technical units have committed to this structure but have never changed their local organization. This makes it sometimes difficult to address people and find out who is accountable for particular processes.

2.1.1 Redmond – USA

The team in Redmond USA is responsible for all Windows 2003 and, more recently, the



Windows 2008 design of the server integration on the standard hardware platform.

2.1.2 Dublin – Ireland, Patna – India & Toronto – Canada

A 24hour service desk for all customers around the world has been set up using a “follow the sun” model in 3 countries. All support activities required for the customers of SP3C have been concentrated into these three service and support centers.

2.1.3 London – UK

The office in London is still developing and currently performs all the software packaging for EMEA. In future it is planned that all software packaging is done for all customers worldwide in London.

2.1.4 Zürich – Switzerland

One of the newest offices is the one in Zürich. This office is the result of a joint venture with one of the major search engine providers on the internet. Zürich delivers the base technologies and Web 2.0 applications for all customers that utilize internet technologies in their sales applications.

2.1.5 Organization

Each service center follows a strict organizational format which is required to be followed and can only be changed when all office managers around the world agree to change to the new organizational form. This has been one of the success factors of SP3C – simplicity and consistency. See diagram 2 on page 8.

2.2 Data Centers

All data centers have the same principle organizational structure. See diagram 3 on page 8.

2.2.1 Bangalore – India

Bangalore was the first computing data center built and run by SP3C. It is the backup center for all other computing centers around the world.

The main services delivered from this center are the worldwide operation and day to day

maintenance of all systems as well as the backup of all data to disks and tapes if the customer requires this.

2.2.2 New Delhi – India

The computing data center in New Delhi has migrated to become one of the best ERP centers in India during the last few years. Therefore all ERP activities have been moved to New Delhi.

2.2.3 Mexico City – Mexico

All fully serviced server systems, especially the ones that are used for North and South American customers are housed in Mexico City. Mexico City is the second backup center for SP3C and the back up for Bangalore.

2.2.4 Wolfsburg – Germany

Within the European computing data center, all server housing and server operation activities have been bundled. Customers that require other services will be served from one of the other specialized computing data centers.

2.3 Suppliers

SP3C are supported by a network of global and local suppliers. Although the suppliers regularly apply improvement opportunities the communication with SP3C is fragmented and can differ between offices.

2.4 Customers of SP3C

SP3C’s customers are organized in every continent of the world slightly differently. In India SP3C has a mainly medium size company as customers have less than 500 employees.

In Europe SP3C has made itself a name as a reliable computer hosting organization with all services required to establish a standby data center when required. The main customer group in Europe are car manufacturers or companies that supply parts to these. In the beginning it has been hard for SP3C to adapt to the “just in time” principles and get the IT systems working to meet the required quality standard in order to support this business. The delivered services are not documented in SLAs.



Progress has been made on the delivery of standard changes but the response time is generally not meeting expectations yet.

3 SP3C Strategy

The founders of the company followed the simple philosophy, if there is a profit and we can realize it then we should try to win that business as long as it is good for us and our staff.

These philosophies have led in the first years of growth to a very high staff satisfaction score and a very small staff turnover rate.

Becoming more and more a global service provider has pushed the management of SP3C to develop a new corporate sales and market strategy.

A key element in this new strategy is to increase the value delivered to the customer and develop the service portfolio into a higher level of outsourcing/out-tasking.

At the same time the management team has realized that allowing each country unit to have their own working procedures has restricted their ability to benefit from global standardization of operations. This has led to the following decisions:

- ◆ Services must no longer be developed for a single market.
- ◆ The service center idea has to be enforced and more stringently implemented.
- ◆ The cooperation between all offices needs to be increased.
- ◆ Services need to have a price independent of the point of delivery.
- ◆ Services need to be standardized and have a consistent and reliable quality.
- ◆ Overall risk management is required to be able to govern the delivery of sound and stable results.
- ◆ Management of changes from impact assessment through to implementation and operation needs speeding up and changes need to be implemented right first time.

4 Present situation

The new strategy and the decisions taken triggered a number of activities. One has been that the CEO has recently started an employee exchange program to increase the internal communication between the offices and achieve a more quality focused culture.

A second measure has been to initiate a quality board with the sole purpose to ensure that the IT service quality is maintained and continually improved within all data centers as well as all service centers. This board has launched a project with the goal to get the management system supporting all offices and all services certified according to ISO/IEC 20000.

The project started in India and has the following project status:

- ◆ IT service management processes have been defined and are partially established within the organization.
- ◆ ISO/IEC 20000 foundation level training for all members of staff has been planned.
- ◆ Services have been identified that need to be within the certification scope statement.
- ◆ The scope of ISO/IEC 20000 certification has been agreed in a first meeting with the certification body.

The ISO/IEC 20000 project in Berlin has reached a similar status. Due to the fact that the services are simpler and less complex the management team believes that the Berlin location will be ready for certification earlier than in both Indian locations. This is due to a new large customer of the Berlin office requiring SP3C to be certified to ISO/IEC 20000 as a contractual requirement.

Other offices have not started to implement ITSM according to ISO/IEC 20000 yet as there are still some open questions and fears concerning the idea to span the service processes over all of the SP3C units. Some local managers do not want to lose control and be told how to run their business.



SP3C are also struggling to understand the future plans of their customers. This is resulting in a re-active approach to service management, in particular with capacity and availability management.

The SP3C supplier relationship manager has been working hard to closer integrate the internal service management teams and their equivalent supplier teams. Unfortunately there is resistance to change by the SP3C teams as they do not see the value in sharing information with the suppliers. The suppliers keep complaining that they are always the

last people to learn of required future changes and IT service continuity requirements.

As part of the global standardization of the IT service management system the staff have been advised that new role guides will be issued. These will introduce roles with supporting competency requirements. The staff do not like the idea of having an annual review based upon performance against these competencies.



Diagram 1
SP3C Organization

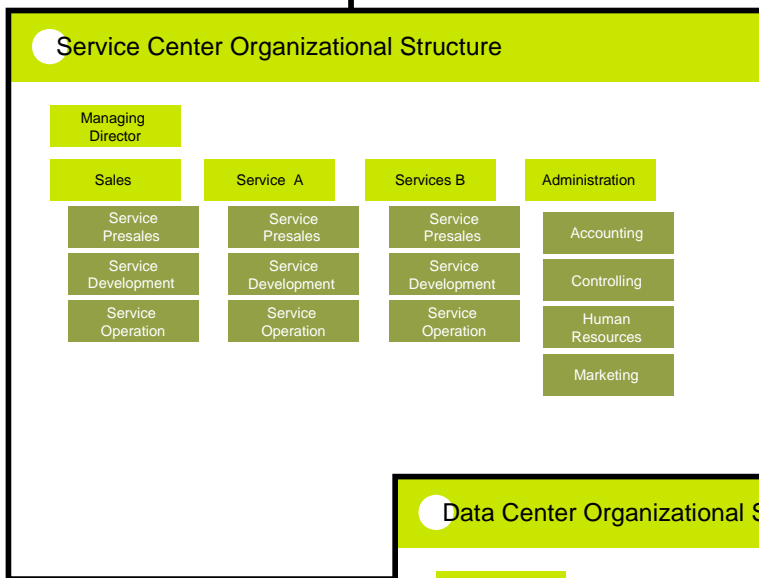
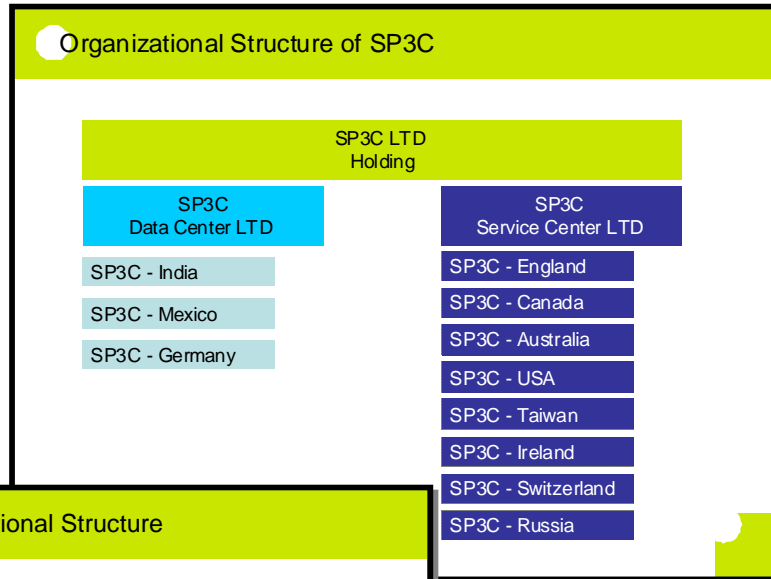


Diagram 2
Service Center Organization

Diagram 3
Data Center Organization

