



Implementing ITIL v3 with HP Project and Portfolio Management (PPM) Center

Align your business strategy with the IT service lifecycle to optimize business outcomes



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CONTINUAL SERVICE IMPROVEMENT



The Service Lifecycle articulated by ITIL v3 is focused on Service Management for business and technology, automated and integrated operations, strategy and portfolio governance, and continuous improvement.

Executive summary

Businesses continue to place more demands on IT than IT is capable of delivering—yet IT budgets and staffing levels remain flat. How can IT departments continue to do more with less?

One answer: by implementing ITIL (Information Technology Infrastructure Library) best practices using HP Project and Portfolio Management (PPM) Center. The latest version of ITIL emphasizes the Service Lifecycle, and one area of particular focus for ITIL v3—Service Strategy—is an area of particular strength for HP PPM Center.

The entire ITIL Service Lifecycle can be implemented, automated, and governed in real time through HP PPM Center and other integrated HP Software products. This paper describes how your organization can use HP PPM Center to reduce the costs, timeframes, and risks of implementing ITIL v3 best practices across key phases of the Service Lifecycle—and start optimizing the business outcomes of IT. Figure 1 summarizes the key phases of ITIL Service Lifecycle.

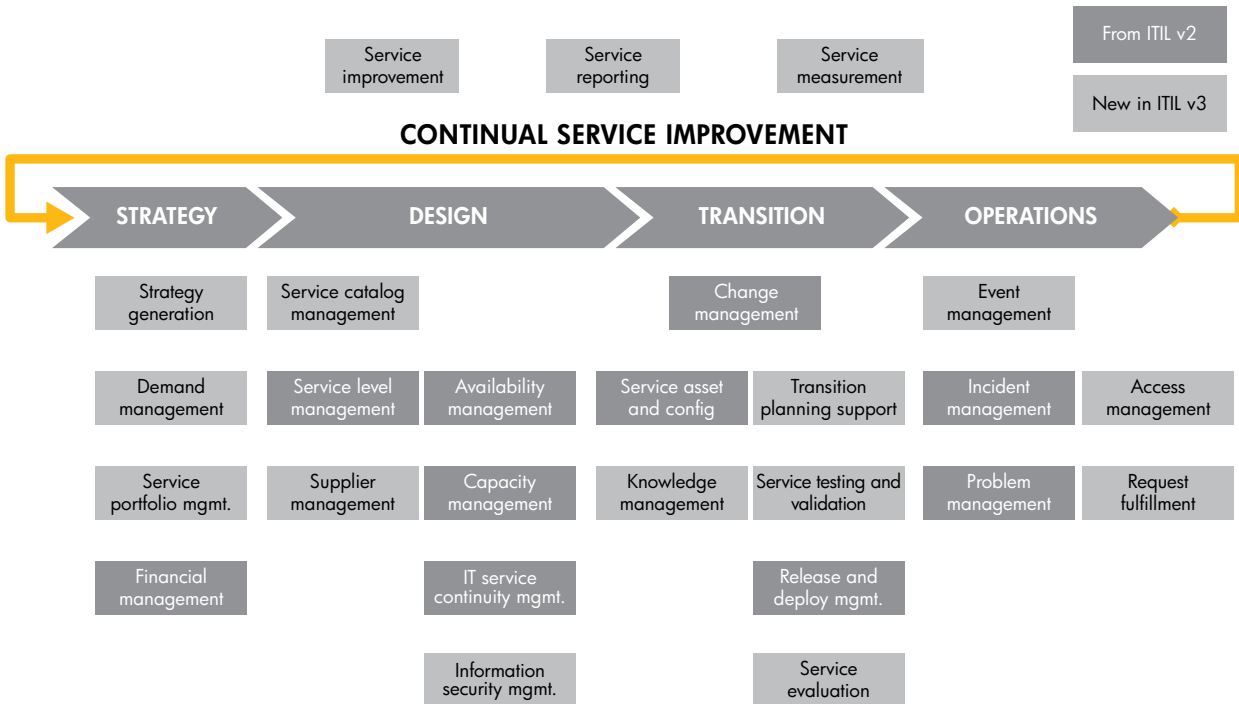
The evolution of ITIL

ITIL is the most widely accepted approach to IT Service Management in the world. Developed by the Office of Government Commerce (OGC) in the UK and supported by numerous publications and an international user group, ITIL is aimed at helping organizations develop a best practices framework for IT Service Management.

ITIL has evolved rapidly. The first iteration, ITIL v1, focused primarily on Infrastructure Management. ITIL v2, released in the late 1990s, recognized the increasing role of IT as a service provider and shifted the emphasis to IT Service Management.

Introduced in 2007, ITIL v3 departs from the Operations focus and takes a more strategic, lifecycle-based approach, incorporating upstream processes that HP PPM Center drives effectively. It addresses the lifecycle of a service, allowing a more thorough treatment of strategic options, roles and responsibilities, as well as continual improvement.

Figure 2: ITIL v3 processes



What's needed to implement ITIL v3 effectively?

Implementing ITIL v3 best practices can help IT organizations align better with business, reduce business and technical risk, and increase IT efficiency. What is less clear is how to go about enabling ITIL v3 best practices by using the right integrated solution. This section summarizes the core requirements.

BTO Strategy

A key requirement for any proposed ITIL implementation solution is alignment with Business Technology Optimization (BTO), an overarching strategy for bridging the gap between business and IT. BTO reduces costs and improve business performance by helping IT leaders:

- Allocate IT spend and resources based on business priorities
- Automate key processes across IT strategy, applications, and operations

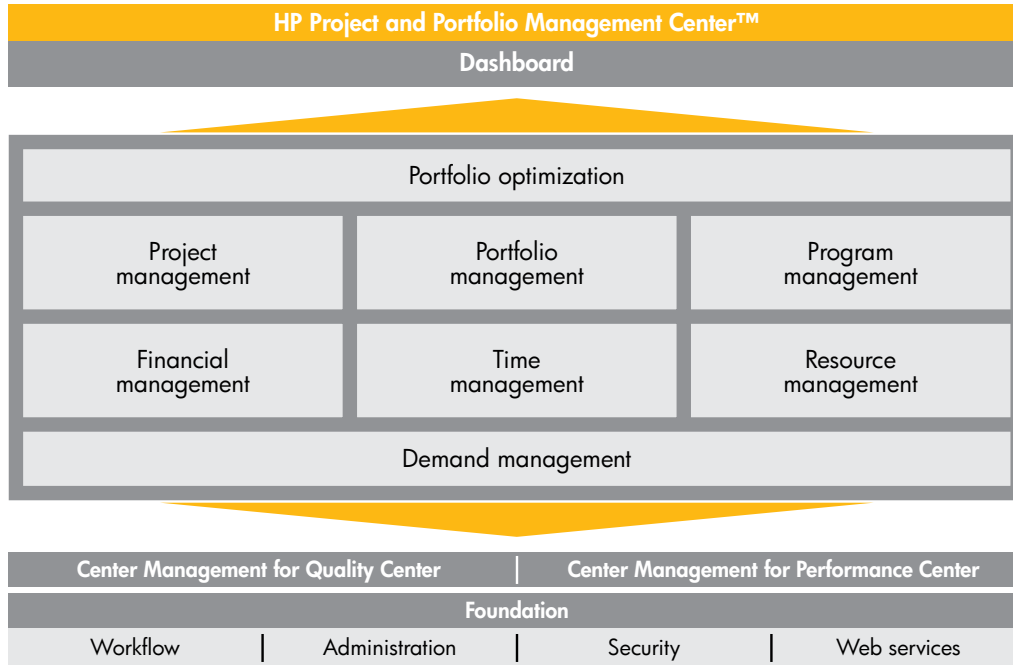
- Measure IT effectiveness and efficiency from a business perspective

Simply put, BTO helps ensure that every dollar invested in IT, every resource allocated and every application in development or production, meets business goals.

Integrated solutions across the Lifecycle

ITIL is a framework, not a specific toolset. ITIL v3 consists of a set of 26 processes across the Service Lifecycle stages (as shown in the Figure 2). There is no single solution or technology that enables these processes. However, if you use an integrated solution—tools that are designed to integrate with each other but also offer an open architecture that will support new technologies—implementing ITIL v3 will be far easier. A solution composed of multiple point products from multiple vendors can sometimes lead to compatibility issues, excessive complexity, additional expense, and/or vendor lock-in.

Figure 3: HP integrated approach to Project and Portfolio Management



While there are no hard-and-fast rules as to how best to enable ITIL best practices, all too often companies deploy solutions that successfully address only one or two specific issues. Later they often learn that their initial lack of alignment with the entire Service Lifecycle actually makes it harder to then implement a more complete and integrated solution.

In addition, an enabling solution for ITIL should be viewed as a long-term investment. Beyond the quality of the solution set itself, it is important to consider the stability and staying power of the vendor as well as the flexibility of the technology upon which the solution is based. Consider the breadth of service and support offerings, the expertise of the support personnel, the track record of previous customer deployments, and the availability of support in the specific locations where you will need it.

HP PPM Center for ITIL v3

HP offers a unique—and uniquely effective—combination of software, services, and support to help organizations implement ITIL v3 best practices. The high degree of integration across the HP BTO software portfolio provides a seamless flow of information across the ITIL Service Lifecycle—and makes an investment in HP PPM Center future-proof.

HP PPM Center Overview

HP PPM Center addresses a core problem all Project Management Organizations (PMOs) are familiar with: the lack of visibility into time, cost, and resource management information, particularly at the aggregate level (see Figure 3). HP PPM Center integrates and unifies all of the discrete elements that make up the project workload—from demand management to financial management, time management, and resource management, to project management, portfolio management, and program management—so you have real-time visibility into all operational and strategic activities, at all times.

The functionality of HP PPM Center is focused on delivering unique value in five key areas:

- **Strategic Portfolio Planning:** HP PPM Center gives you a complete view of everything that is going on in IT—proposed projects, application changes, strategic projects, services provided and relevant operational activities—so you can plan your portfolio strategically.
- **Enterprise Program and Resource Management:** HP PPM Center helps ensure that the right information is delivered on demand to the right place at the right time—with predictable precision—through a single, intuitive dashboard.
- **IT Supply/Demand Planning and Control:** HP PPM Center allows you to expand your supply/demand planning capabilities beyond IT projects and achieve real-time visibility into operational activities, application development efforts, and program management.
- **Governance, Risk, and Compliance:** HP PPM Center can be an integral part of a total governance, risk, and compliance solution, giving your enterprise the ability to effectively address many forms of operational risk by automating and centralizing controls in areas such as security, operations, and change management.

- **ITIL v3 Implementation:** Service Lifecycle processes defined by ITIL v3—such as strategy generation, demand management, service portfolio management, and financial management—can be implemented, automated, and governed in real time through HP PPM Center.

By providing these capabilities, HP PPM Center is uniquely capable of delivering a true IT transformation. It enables you to align business goals with technical resources and financial investment; it allows you to optimize the business outcomes of IT projects; and it is comprehensive, integrated, and flexible enough to deliver a high level of business agility.

Alignment across the Service Lifecycle

The capabilities of HP PPM Center align directly with key stages of the Service Lifecycle defined by ITIL v3. HP PPM Center maps particularly well to the Service Strategy, Service Design, and Service Transition phases, and is complemented by integrated HP products such as HP Service Manager, HP Asset Manager, and HP DecisionCenter to deliver a complete solution across the entire Service Lifecycle.

Implementation solutions for ITIL v3 are available in a variety of forms from a variety of vendors. HP PPM Center is unique in its breadth, depth, flexible architecture, and alignment with the ITIL Service Lifecycle. It is the one solution that allows you to take full advantage of industry best practices to ensure quality, adaptability, and compliance—today and tomorrow. It delivers a clear advantage over competitive solutions in the following ways:

- HP PPM Center Portfolio Management capabilities align with the focus of ITIL v3 on Service Strategy, and the new processes in ITIL v3 match the core strengths of HP PPM Center.
- HP PPM Center is a proven, enterprise-class solution that—in conjunction with complementary products of HP BTO Software—provides full coverage across the ITIL Service Lifecycle.
- HP PPM Center software modules are well integrated with each other, and can easily support a broad BTO strategy through productized integrations with HP Service Manager, HP Asset Manager, HP DecisionCenter, HP Quality Center, etc.
- HP provides extremely responsive, customized support for HP PPM Center on a global scale—from professional service engagements to ongoing product support.
- HP PPM Center leverages and builds on HP longstanding leadership with ITIL.

Working with HP

HP offers a flexible range of options to customers who are interested in making the move to ITIL v3 with HP PPM Center.

- **HP Services** offer you access to more than 7,000 ITIL skilled professionals who can help in all ITIL process, integration, and implementation aspects. We use an HP services methodology and best practices to deliver a phased implementation with the lowest possible risks and costs. Our service personnel work closely with you to determine the best professional services for your ITIL initiative and then help you deploy solution quickly and efficiently—just as we have for 3,500 other customers worldwide who took on transformation initiative.
- **HP Software's Product Implementation Best Practices** provide you with the experience and strategic expertise you need on solution implementations. These practices help guide you through the planning, deployment, installation and management processes required to create a world-class IT environment.
- **HP Software as a Service** for HP PPM Center helps you reduce costs and risks by allowing HP to continuously manage your solution. Through this managed service, our team of experts monitors your solution around the clock and provides you with ongoing expertise to help you fully utilize your applications over time.
- **Comprehensive training** is available through HP Software and IT Service Management courses. These offerings provide the training you need to realize the full potential of your HP solutions and achieve better return on your IT investments.

Customer results

Recently the Gantry Group, an independent research firm specializing in technology ROI, profiled the payback experiences of eight companies that have deployed HP PPM Center for at least one year. Among the results, the solution delivered to these companies:

- **The majority achieved positive ROI in Year 1.** Six of the eight companies reported a positive ROI after only the first year of deployment.
- **The average return was \$6.5 million** and average ROI was \$4.8 million by the close of the first year of solution deployment.
- **The solution averaged \$25.2 million in tangible benefits** over a three-year post-deployment period, delivering a positive bottom-line impact of \$22.3 million.
- **The solution returned a savings of 14% over three years** of deployment as a percentage of average annual IT budget.

In addition to tangible, bottom-line payback, HP PPM Center delivered significant efficiency gains. Most significantly over the three-year post-deployment period, the solution:

- Improved the annual average for project timelines dramatically by 45.2%

- Reduced IT management time spent on project status reporting by 43.2%, reclaiming 3.8 hours of each manager's work week
- Reduced IT management time spent on IT labor capitalization report by 54.7%, recouping 3.6 hours per report
- Decreased the time to achieve financial sign-off for new IT projects by 20.4%, or 8.4 days

HP PPM Center has been used by many customers specifically for ITIL v3 implementation; specific results of real-world customers include:

- **Birlasoft:** Increased project team productivity by 30%
- **Autotrader.com:** Reduced "at-risk" projects from 50% to 14%
- **Constellation Energy:** Achieved tangible savings of over \$1 million per year by reducing application release audits by over 95%

For more information

For additional details about HP Project and Portfolio Management Center, visit: https://h10078.www1.hp.com/cda/hpms/display/main/hpms_content.jsp?zn=bto&cp=1-11-16-18_4000_100

Technology for better business outcomes

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