



# consulting-portal

February 8, 2010



## **Analysis of Consulting-Portal's 5th Annual ITSM Industry Survey**

The Top 5 ITSM Trends for 2010

# About This Survey

**Consulting-Portal Inc.** is pleased to release the results of our fifth annual IT Service Management (ITSM) Industry Survey. We would like to thank all of those who took the time to complete the survey questions.

## Goal of the Survey

The goal of this annual survey is to assess the state of ITSM implementations within North America and to use these results to identify key trends and opportunities for the ITSM community.

## Structure of the survey

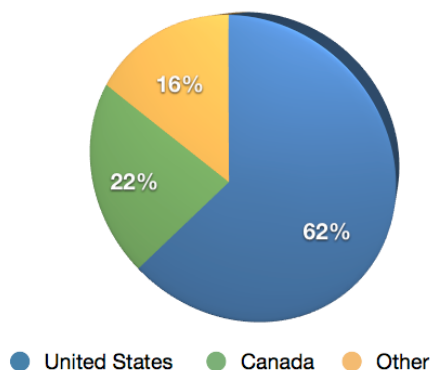
We designed a set of 35 questions around what we believe are the critical success factors in any ITSM initiative:

- Sponsorship
- Organization and Governance
- Best Practices
- Training
- Measurement and Audit
- Continuous Improvement
- ITSM Tools

## Participants

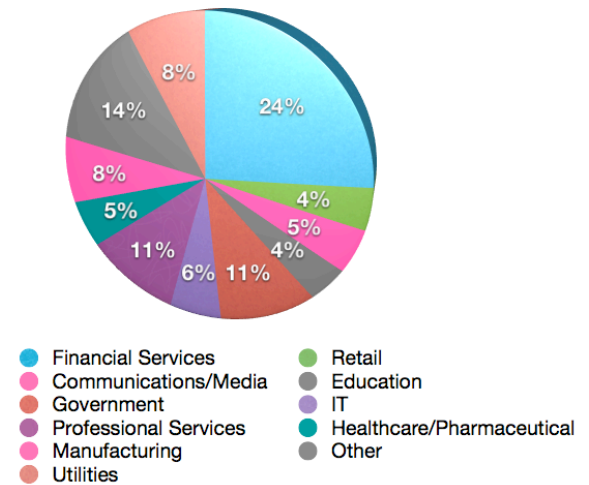
There were 189 participants who completed our survey and submitted their responses.

**Participants by Geography**



Participation came from a diverse cross section of industries including financial services, government agencies, communications & media, and other assorted sectors.

**Industry Breakdown**



In publishing the results of this ITSM Industry Survey, we have faithfully tabulated the responses of all 189 participants. We make no claim that the responses are the official responses of the organizations that the participants work for. We present the results anonymously, without any specific attribution.

We have also added our own commentary, drawn from our experience, where we felt it appropriate.

# About Consulting-Portal

Since 1999 CP has been helping IT organizations of all sizes to assess, design and implement robust IT Service Management processes.

Consulting-Portal specializes in all aspects of IT Service and Enterprise Systems Management including:

- ITSM Strategy & Planning - we help organizations develop and implement their IT Service Management strategies
- ITSM Design & Implementation - we help organizations assess, design and implement robust IT Service Management processes based on best practices such as ITIL, CobiT and ISO20000
- ITSM Education- we deliver a comprehensive curriculum of IT Service Management training delivered onsite at your facility, virtually over the web and on-demand through online self paced training

We deliver all of our consulting projects on a fixed-price basis using full-time employees, each with over 25 years of IT experience.

## **ITOptimizer - online tools for the ITSM practitioner**

In the 4th quarter of 2008 Consulting-Portal released ITOptimizer, our online tool-kit for the ITSM practitioner. This tool-kit was initially designed to improve the productivity of our consultants on client engagements. We now offer that productivity improvement directly to the ITSM practitioner through a cost effective, subscription based service.

ITOptimizer provides online tools to *Assess*, *Design* and *Govern* your ITSM processes. The modules include:

- eProcess - take advantage of a powerful process modeling tool complete with a comprehensive library of field tested ITSM process templates to accelerate your ITSM process design work. Capture all elements of a process right down to the tool, data and procedural requirements. Update your process in a single repository and automatically produce over 17 different process artifacts including word documents, flow diagrams, RACI diagrams and more.

**"In the fall of 2008 Consulting-Portal launched ITOptimizer. With ITOptimizer an organization can Assess, Design and Govern their IT processes"**

- eAssessment - distribute ITIL or COBIT web based assessment questionnaires to any number of recipients over the web. Leverage our built-in questionnaires or develop your own. Manage the complete assessment project from distribution through to the reporting of results. In-depth reporting allows you to identify, slice and dice the data in support of identifying process gaps
- eGovernance - take advantage of Consulting-Portals Governance reference model to manage your processes against frameworks such as ITIL, CobiT and ISO20000. Create and assign Governance tasks and measure process compliance in real-time through dashboards and reports. Assign responsibility and accountability for Governance to specific individuals and capture evidence of compliance
- eEducation - gain access to a growing curriculum of ITSM education included in the cost of your subscription. This education is delivered over the internet by a live instructor and is focused on practical ways to make you a better ITSM practitioner

The ITOptimizer solution is a subscription based service that is hosted at a SAS70 type II datacenter.

There are no capital costs and all software upgrades and enhancements are included in the subscription price.

To learn more about Consulting-Portal please visit us on the web at:

[www.cportalinc.com](http://www.cportalinc.com)

[www.itoptimizer.com](http://www.itoptimizer.com).

# Analysis of the Survey Results

The Top Five ITSM trends for 2010 - By David Manville - CEO and Co-founder

Consulting-Portal launched its annual ITSM Industry Survey in 2005 in order to stay on top of relevant trends so that we could better service the ITSM community.

Over the past five years the survey has shown that ITSM implementations as a whole continue to mature which speaks very well of the community of ITSM practitioners. This year's results were especially exciting.

We have seen more competition and innovation in the area of ITSM tools. "Software as a Service" has become a contender in the ITSM tool space and we are also seeing a stronger adoption of auto-discovery and dependency mapping tools in support of configuration management and impact analysis.

In addition, the introduction of SaaS services, not only in the ITSM space but in areas such as CRM and ERP, now provides the business with more "on-demand" options for their IT needs. IT practitioners need to understand and embrace SaaS as part of a holistic Service Delivery Model as there will be more demands for these types of solutions from the business.

While we are seeing a steady rise in organizational support for ITSM there are still some areas of concern.

Organizational governance of ITSM remains weak which can potentially minimize the value of ITSM as processes begin to break-down due to neglect and a lack of organizational focus.

The following is a summary of the five key trends for 2010. We thank you for your support and look forward to your participation next year.

## **Organizational Support for ITSM is up**

The past five years have shown a steady increase in executive support for ITSM and this year is no different. Support at the President and CEO level is the highest we've seen at 21%. However we still have a long way to go.

We have also seen an increase in the number of organizations that have established ITSM groups with dedicated full-time resources.

**"For the past five years Consulting-Portal has been conducting the IT Service Management Industry Survey. The 5th annual survey has identified 5 very interesting trends for 2010"**

## **There is more focus on Customer Facing processes**

Incident, Problem and Change Management have consistently been the focus of most ITSM programs. However this year we saw the Service Level Management and the Service Catalog Management processes take a dramatic leap forward. We see this as a positive trend as these processes are key to bridging the gap between IT and the business.

## **SaaS is on the rise as an ITSM solution**

Software as a Service, Cloud Computing, Utility Computing - whichever name you prefer, the trend towards customers subscribing to hosted ITSM tools is definitely on the rise having grown from 0 to 17% in just 2 years.



## **Auto-discovery / Dependency Mapping is hot**

Configuration Management and the CMDB has long been the holy grail of IT Service Management, but as with most things, the devil was in the details. Populating a CMDB with all your IT assets and identifying the relationships between them was an arduous task that killed most CMDB initiatives. All that has changed with the introduction of the latest generation of Auto-Discovery tools and Dependency Mapping solutions.

We have seen a significant consolidation of vendors in this space with companies such as BMC, EMC and HP making significant acquisitions with the goal of integrating these solutions into their ITSM suites.

## **Organizational Governance is still weak**

I believe that the #1 risk facing most ITSM programs is the lack of Governance. There is no value in a process that isn't followed and breakdowns will be blamed on the ITSM program. Effective and practical Governance is the best way to ensure you are delivering on the promise of IT Service Management.

# Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.

## Organizing for ITIL


2. What is the highest level of sponsorship for ITSM at your company?
  - ▶ 54% of respondents have active sponsorship at the CXO level or above. High level sponsorship is improving. Last year only 48% of respondents had this level of support
  - ▶ Executive sponsorship is critical to the success of an ITSM initiative and we feel the lack of executive sponsorship directly relates to the poor showing in Governance and Metrics
10. How are you organized to support ITSM?
  - ▶ 90% of respondents have allocated either full or part-time resources to their ITSM initiative
  - ▶ 69% of the respondents have a dedicated ITSM organization
  - ▶ We feel this represents grass roots support for IT Service Management which is crucial for long-term success
15. Do you have formal ITSM governance in place?
  - ▶ Only 29% of the respondents enforce ITSM governance. This number has remained constant for the past 2 years
  - ▶ This is a significant finding and it is disconcerting that the number has not increased since last year. A lack of governance directly translates into a breakdown of the processes making it exceedingly difficult to achieve any Return on Investment (ROI) on the program

**“Only 29% of the respondents enforce ITSM governance. A lack of governance directly translates into a breakdown of the processes making it difficult to achieve any ROI on the program.”**

— 2009/2010 ITSM Survey

## Assessing your current state


3. Have you conducted an ITSM assessment/ benchmark within the last 18 months?
  - ▶ 54% of respondents have conducted assessment within the last 18 months
  - ▶ Assessments are the catalyst for improvement and the basis of a roadmap and should be done periodically to help keep the program on track and top of mind
4. How did you conduct the assessment/ benchmark?
  - ▶ Of the 54% who conducted an assessment, surprisingly there was an even split between self-assessments (43%) and using a professional services firm (41%), 9% used an on-line tool and 5% used a hardware/software vendor
  - ▶ We believe a self-assessment is an acceptable option provided that it is based on best practices and conducted in a structured manner. We predict more organizations will be turning to self assessments.

Question #15: 

Time: 45 sec Drop Off: 1.0%

### Do you have formal ITSM governance in place?

Defined, implemented and enforced		28.4%
Defined but not implemented		20.1%
Implemented but not enforced		20.1%
No ITSM governance in place		31.4%

Question #4: 

Time: 14 sec Drop Off: 1.7%

### How did you conduct the assessment / benchmark?

Self assessment		43.9%
On-line tool		9.6%
Hardware or software vendor		5.3%
Professional services firm		41.2%



# Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.

5. Was the assessment of value?
  - ▶ 93% of respondents believed the process assessment was of value
  - ▶ This supports our view that assessments are in fact a catalyst for change and a necessary component of an ongoing ITSM program
6. Do you see value in conducting an ITSM assessment/benchmark?
  - ▶ 80% of respondents who did not conduct an ITSM assessment see potential value in conducting an assessment to create a benchmark with which to measure future progress
  - ▶ We recommend that organizations at a minimum conduct a self-assessment as the basis for an implementation roadmap and timeline or to effect continual service improvement
  - ▶ Assessments provide a baseline from which ROI can be measured

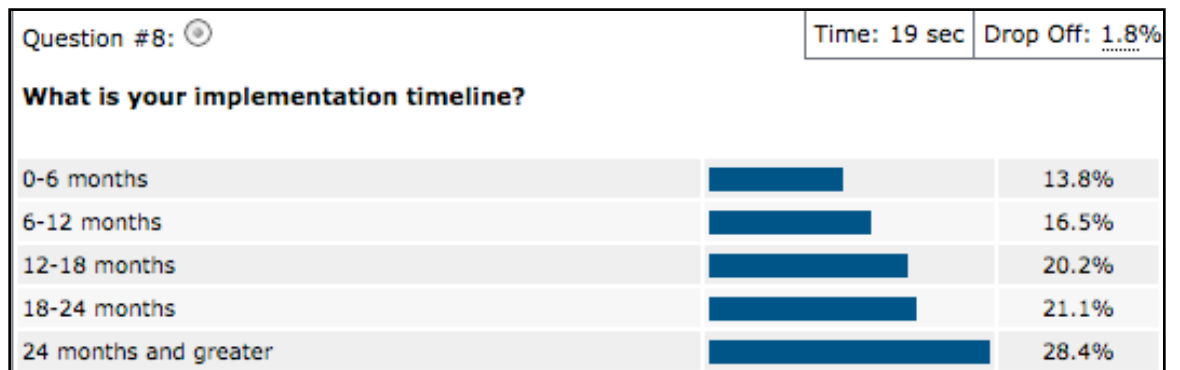
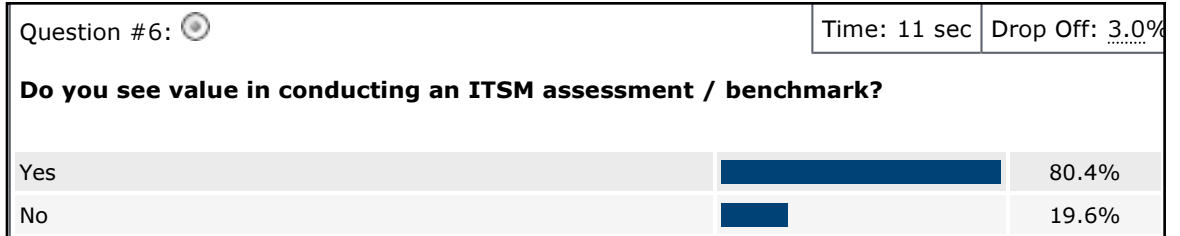
**“93% of the respondents see value in conducting an IT Process Assessment and 52% of those individuals have a documented ITSM roadmap ”**

2009/2010 ITSM Survey

8. What is your roadmap/implementation timeline?
  - ▶ Among the respondents, approximately one third are implementing within one year, 39% within 2 years and the remaining 28% over 2 years
  - ▶ Implementation timelines have become more realistic - the majority sees ITSM having a 1-2 year implementation timeline. That said - ITSM must be viewed as an ongoing program
9. Do you see value in having such a roadmap?
  - ▶ Most respondents that have a roadmap, and 85% who do not, can see the value of having one
  - ▶ It is our experience that having a roadmap, with timelines which identify the key milestones, the expected results and the quick wins, really lends credibility to the project and improves buy-in throughout the organization

## Establishing a roadmap/timeline

7. Do you have a documented roadmap/timeline for the implementation of ITSM?
  - ▶ 53% (7% increase since last year) have a roadmap/timeline for the implementation of ITSM
  - ▶ Not having a roadmap can be problematic - especially when senior management asks for ROI - the roadmap gives an organization milestones from which to measure success



# Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.

## Training your people

31. Do you have an ITSM training program in place?
- ▶ 45% of respondents have an ITSM training program in place
  - ▶ This is encouraging because our experience has already shown that having a training program not only involves and empowers a broad group of people building grass roots support for the ITSM program, but also helps develop and disseminate a common language throughout the organization
32. What is the highest level of ITIL training you provide to your staff?
- ▶ There is a decrease in higher levels of more advanced ITIL training. Over the last 2 years only 40% of respondents have said they provide their staff ITIL Practitioner/ Capability/Lifecycle and ITIL Service Manager/Expert training or higher, compared to 67% of respondents 3 years ago
33. What is your preferred method of training your staff?
- ▶ 63% of respondents prefer a dedicated training class, while the remainder (34%) prefer open enrollment
  - ▶ Most of the organizations that participated in this survey are large fortune 500 companies which may indicate why there is a preference for dedicated classes. Open enrollment is better suited to training smaller amounts of staff but can be more expensive in the long run

**"45% of respondents have an ITSM training program in place."**

Consulting-Portal

34. Who currently delivers your ITIL training?
- ▶ About 72% of training is being delivered by third party training vendors and the remainder delivered in-house
  - ▶ The advantage of third party training vendors is that they can bring years of relevant industry experience, adding more value to the courses they teach
35. Are you planning on implementing an ITIL training program?
- ▶ In addition to the 82 respondents that have training programs in place, an additional 33 are planning to implement one. This means a total of 67% either have implemented or plan to implement an ITIL training program
  - ▶ Only 33% have no training plan
  - ▶ It is our belief that ITSM training is critical to the success of an ITSM program implementation. ITSM is about changing the culture and for that you need to train your people
36. When do you expect to implement your ITIL training program?
- ▶ Of the 33% who are planning to implement an ITIL training program, 69% expect to do it by the end of 2010

Question #31:

Time: 9 sec

Drop Off: 0.0%

**Do you have an ITSM training program in place?**

Yes		45.0%
No		55.0%

Question #32:

Time: 21 sec

Drop Off: 0.0%

**What is the highest level of ITSM training you provide to your staff?**

ITIL Foundation (V2 or V3)		58.8%
ITIL Practitioner/Capability/Lifecycle		25.9%
ITIL Service Manager/Expert		15.3%

# Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.

## Best Practice framework


11. Are you utilizing a recognized process framework for ITSM?
  - ▶ Of the 187 respondents, 86% are utilizing a recognized ITSM framework
  - ▶ This indicates that respondents are leveraging the abundant, high quality industry knowledge that is available in the marketplace
12. Which ITSM framework are you using?
  - ▶ Of the 80% who use a recognized ITSM framework, 94% are using ITIL. This reflects the steady popularity of ITIL as a vendor neutral non-proprietary approach to ITSM
  - ▶ Of those 94% using ITIL, 60% currently use ITIL version 3. Last year 56% were using ITIL version 3
13. Are you planning on adopting ITIL version 3?
  - ▶ 69% of respondents who are still using ITIL version 2 are planning on adopting version 3 in the near future
14. On which ITIL processes are you currently placing focus?
  - ▶ The top 5 processes are Change Management (68%), Incident Management (64%), Service Level Management (59%), Asset/Configuration Management (55%), Service Level Management and Service Catalog are tied at 47%

**“ITIL is hands-down the predominant process framework for IT Service Management.”**

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## Measuring and Auditing

16. Do you have defined metrics for your ITSM processes?
  - ▶ Only 18% are using metrics for continuous improvement, and 12% of respondents do not have defined metrics for their ITSM processes
17. Are your ITSM processes audited?
  - ▶ 50% of respondents are auditing their ITSM processes, a 5% increase since last year. It must be emphasized that processes need to be adopted and followed in order to deliver value - auditing your processes is part of overall governance and governance is what will deliver ROI


Question #12: 

Time: 13 sec

Drop Off: 0.6%

### Which ITSM Process framework are you using?

ITIL V2	<div><div></div></div>	34.1%
ITIL V3	<div><div></div></div>	60.1%
IBM Proprietary (ITPM)	<div><div></div></div>	0.6%
HP Proprietary (ITSM)	<div><div></div></div>	1.2%
Microsoft Proprietary (MOF)	<div><div></div></div>	1.2%
Other	<div><div></div></div>	2.9%

Question #13: 

Time: 21 sec

Drop Off: 1.2%

### Are you planning on adopting ITIL Version 3?

No	<div><div></div></div>	30.6%
Yes	<div><div></div></div>	69.4%



# Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.

18. Who performs the audit?
- ▶ 33% of respondents use internal auditors
  - ▶ While most respondents are not auditing their processes we are seeing an increasing trend to do so driven primarily from outside of IT
19. What framework do you use to audit your processes?
- ▶ 50% of respondents who conduct ITSM process audits use the CobiT framework. The remainder use ISO/IEC 20000 (29%) or various other frameworks
  - ▶ We have also seen an increase in both awareness and the use of CobiT from within our client base. We suspect this trend will continue


## Continuous Improvement

21. Is your process improvement part of a company-wide quality program?
- ▶ 37% of respondents said that their organizations have a company-wide quality program which does not include continuous improvements of IT Processes
  - ▶ Many organizations do not realize that linking a continuous improvement program to IT Processes is not only possible, but it can dramatically increase the efficiency and effectiveness of the entire organization
22. Which program do you follow?
- ▶ While Six Sigma and ISO remain strong quality programs, 7% of respondents are utilizing TQM

**“50% of respondents who conduct ITSM audits use the CobiT framework”**

2009/2010 ITSM Survey

- ▶ Even if your don't have a quality program in effect at your company we do believe you can use aspects of each of these quality frameworks to supplement your internal ITSM initiative
23. Do you see value in linking your IT process initiative to a quality program?
- ▶ 76% of all respondents that do not have their IT Process Improvement as part of a company-wide program believe there is value in being part of a company-wide quality program


Question #16: 

Time: 18 sec

Drop Off: 0.5%

### Do you have defined metrics for your ITSM processes?



No metrics		13.0%
Many metrics defined, little actionable data		46.1%
Actionable data, little to no follow-up		22.8%
Actionable data used for continuous improvement		18.1%

Question #23: 

Time: 21 sec

Drop Off: 0.0%

### Do you see value in linking your IT Process initiative to a quality program?

Yes		74.8%
No		25.2%

# Summary of Results

The following is a summary of the survey results along with our commentary. The responses are organized by critical success factor.


## Selecting the supporting tools

24. Which vendors and products do you use to support your ITSM processes?
  - ▶ This is the first year that we have seen significantly less people using BMC (27%) and HP tools (23%), while respondents using Service-Now have increased from 9% to 17% this year. We are seeing that the adoption of “Software as a Service” tools is starting to catch on in the ITSM space
25. Have you implemented a CMDB (Configuration Management Database)?
  - ▶ 31% of respondents said their organizations have implemented a CMDB
  - ▶ We feel most CMDB initiatives fail due to unrealistic scope. We recommend starting with the most critical services and supplement that with auto-discovery and dependency mapping tools
26. Which vendor have you chosen, or do you plan to choose, for your CMDB?
  - ▶ BMC is the leader here with 21% of respondents but Service-Now is a close second with 19% using their tool for CMDB
27. Have you or are you planning on implementing auto-discovery tools?
  - ▶ 70% of respondents are planning to implement auto-discovery tools

**“The number of respondents who are using SaaS based IT Service Management tools has grown significantly to 17% - that has grown from virtually 0% in just two years”**

2009/2010 ITSM Survey









- ▶ This confirms what we are seeing in our client base. CMDB is virtually impossible without auto-discovery. The current generation of tools are much more efficient and feature rich
28. Have you implemented Service Catalog or Service Level Management?
    - ▶ 61% have implemented Service Catalog, Service Level Management or both
    - ▶ Referring to question #13, we can see that more companies are placing focus on Service Catalog and SLM in their ITSM program
  29. Which vendor have you chosen, or plan to choose, for Service Catalog or Service Level Management?
    - ▶ In this category Service-Now is the leader at 16% while the remainder use BMC (11%) NewScale (7%), CA (7%) or other (50%)

Question #29: 

Time: 19 sec

Drop Off: 0.0%

**Which vendor have you chosen, or plan to choose, for Service Catalog or Service Level Management?**

BMC		11.2%
HP		5.2%
NewScale		6.9%
Oblicore		1.7%
Digital Fuel		0.0%
Service-Now		16.4%
CA		7.8%
Other		50.9%