How Managed Services Has Changed Remote Infrastructure Management

Presented by:
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Why are businesses looking to partners such as Managed Service Providers (MSPs) for remote infrastructure management?
Key Trends in Enterprise Technology

- Cost savings
  - Smaller staff size
  - Difficulty in maintaining necessary levels of expertise
  - Leverage dispersed Subject-Matter Experts (SMEs) and tools
- Changing service and security models
  - More work is done through remote connections
  - Limited personal contact with technicians
What are the Analysts Saying?

• Last year US businesses spent approximately $34 billion on managed services and that number is expected to grow to nearly $94 billion in 2011 (1).

• Managed services spending trends are echoed in EMEA (2), Asia (3), and Latin America (4).

• In terms of adoption rates, 40% of US companies are using one or more managed services and that number is expected to grow by 17% in the next 24 months (5).

• Collaboration identified as a top 5 IT priority by worldwide CIOs (6).

Sources (Really Fine Print)
(1) Insight Research (2/14/07), “As enterprise network complexity rises, outsourcing to a managed service provider increases savings, says Insight Research study”
(2) TelecomWeb (1/1/07)
(3) IDC (2007)
(4) Pyramid Research (12/06)
(5) Business Communications Review (9/06), “BCR survey: enterprises seek new choices in managed services”
(6) Gartner Group (1/23/06), “Gartner Survey of 1,400 CIOs Shows Transformation of IT Organisation is Accelerating”
• **Basic**: Break/fix and troubleshooting
• **Managed**: Move from field force to centralized expertise
• **Proactive**: Diagnose and correct issues before they become a problem; equipment – not people – triggers alarms
• **Autonomic**: Automation applied to problem identification and resolution; policy-driven model
However...

you need to put in place policies & procedures to get the most out of your MSP relationships.

How do you do that?
Vendor Management Challenges

- Governance Model
- Metrics
- Service Level Agreements (SLAs)
- Vendor Evaluation & Performance Criteria
... plus you need to re-evaluate network security policies to support remote infrastructure management.
Security Barriers

- User authentication
- Positive user identification
- Protection from viruses and attacks

Value of Services

- Encryption
- Granular access controls
- Audit trail

Complexity of Security Requirements

- Network sharing
- Secure, seamless machine-to-machine communications
- Auditability of MSP network & systems

- Basic
- Managed
- Proactive
- Autonomic
What types of security policies need to adapt to accommodate managed services?

- **Access Policies**: Policies that govern who may access which network resources, how, when, etc. (Technology example: Identity Management Systems)

- **Network Policies**: Policies that govern what traffic accesses which devices in the network (Technology example: Firewall)
Access Policy:
Use blanked credentials for providers if the MSP can provide a back-up audit trail of:

• **Who was on the network**
• **What he/she did on the network**

Why?
Eliminates the cost and hassle of managing hundreds of individual authentication credentials across all your service providers, while still managing risk.
Network Policy:
Encourage MSPs to aggregate traffic into a single aggregate flow using a VPN.

Why?
• Keeps sensitive management traffic secured
• Helps you easily identify and manage MSP connections
Summary

- There are significant benefits to using MSPs for remote infrastructure management
- Move to a vendor governance model
- Policies need to adapt to accommodate MSPs on the network
  - Access policies
  - Network Policies
Thank you!

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A Survey conducted by IDC and CapGemini on drivers for Outsourcing CONTINUES to be

- Focus on Core Business
- Maintain Value Parity
- Adapt to ever changing market conditions
Adapting to Changing Markets

- **Innovative Engagement Models and Pricing Structures**
  - *Architecting a true extended enterprise to the client*
  - *Resilient enough to handle M&A Situations in client enterprises*

- **Future Proofing Service Quality and Efficiency**
  - *How does processes adapt into a multi-vendor environment?*

- **On Demand incubation of New Technologies**
  - *Most Vendors include this as part of their continuous Improvement Plan*
Typical Challenges in RIM Engagement Models

- How do we handle Slack within SLA Windows?
- Is there an Industry Benchmark on Process Automation?
- How can we simplify Cross Charging Mechanism?
- How do we Future Proof Service Continuity?
Unitizing Service Streams

- Break Down each service at the task level
- Attach time units to each task
- Create a portfolio of Units for each service
  - Monitoring Units, Sysadmin Units, Patch Mgmt Units
- Units will be a function \{time effort, cost of time, Infrastructure Deployed, overheads\}
- Represent every service in terms of Units
- Have a mechanism to track consumption of Units
The Building Blocks of RIM at ITC Infotech

**PROCESSES**
- 100% ITIL, ITSM compliant deliveries; CMM Level 5, ISO 9001, ISO 27001 and BS 7799 certified

**CREDENTIALS**
- "Amongst the top Infrastructure Services providers from India" - Forrester
- Proven, multiple successes in global-scale end-to-end service delivery
  - Remote Management of around 150,000 desktops and nearly 2,000 servers
  - 100% SLA compliant 24/7 remote support for 100+ countries
- Proven frameworks and processes to drive significant & sustained value creation and ROI

**COMPETENCY**
- Investment in CoEs in Remote Management, Application Packaging and Deployment Services
- Flexibility and entrepreneurial drive of one of India’s fastest growing global services firms
- Flexible Partnership Model focused on ensuring personalized relationship attention and co-investment support

**PEOPLE**
- Growing in scale at an average of 60% Y-O-Y, more than 80% of our consultants are certified in core services

**ENABLERS**
- In-house R&D by Advanced Technology Group enables use of cutting-edge technologies and tools, drives innovation
- Infrastructure Competency Lab includes selected new technologies, expands capability width
- Service Continuity through shadow pools

**CLIENTS**
- More than 50% of our key clients are Fortune class businesses with dedicated Offshore Dev Centers at our campus

**DOMAINT COVERAGE**
- Infrastructure Services in focus industries
  - Logistics
  - CPG & Retail
  - Technology & Contact Center
  - BFSI
  - Manufacturing
  - Energy

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Service Portfolio

Core Services

- Front End Services
  - Enterprise Rationalization
  - Application Packaging
  - Standard Desktop
  - Deployment Services
  - L2, L3 Support

- Back End Services
  - Server Consolidation
  - Server Management
  - Migration Services
  - Messaging Services
  - DB / Storage Management
  - Network Management

Peripheral Services

- IT Security
  - Security Architecture and Implementation
  - Risk Assessment and Management
  - Policy Framework Creation and Implementation
  - Business Continuity Planning

- Analytical Services
  - Process Management
  - Offshorability Assessment
  - IT Availability and Scalability
  - IT Infrastructure Optimization
Remote Management Services for a Fortune 50 Global Enterprise

- Managed Infrastructure Services - Supporting 35K Users, across 189 Countries
- Subscription Based Service Model - Quasi Unitized Service Streams
- RIM ROI - 44% Averaged over 4 Years
- Infrastructure Architected as an Extended Enterprise
- 98% SLA Compliance across streams
- FTR - 98.79% YTD 2008
- Average Handling Time - End to End - 40 Min across call categories
Thank You

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