

# Benefits of Implementing the Capacity Management Process

***it*SMF Slovensko**



Autor: **Peter Balco**

Kontakt: + 421 905 566 012, [peter.balco@mail.t-com.sk](mailto:peter.balco@mail.t-com.sk)

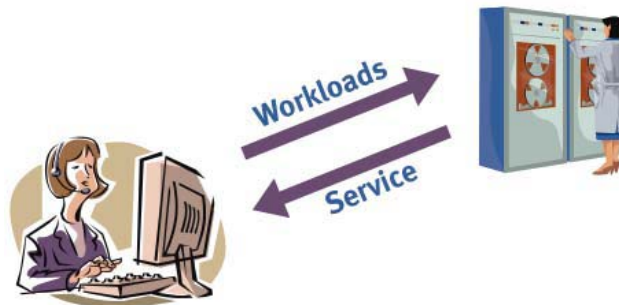
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Riadenie IT služieb na Slovensku

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## Do you now it?



## Agenda

- Introduction
- Understanding Capacity Management
  - Sub-processes
  - Relationship with other key ITSM Processes
- Roles and Responsibilities
- CAPM - Project Structure
- Standard Deployment
- +’s and –’s of CAPM
- Metrics to Prove Benefits of the Process
- CAPM it Business Value
- Financial benefits of CAPM
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## The Goals of Capacity Management

- To provide capacity and performance aspects of the business requirements cost effectively

Capacity

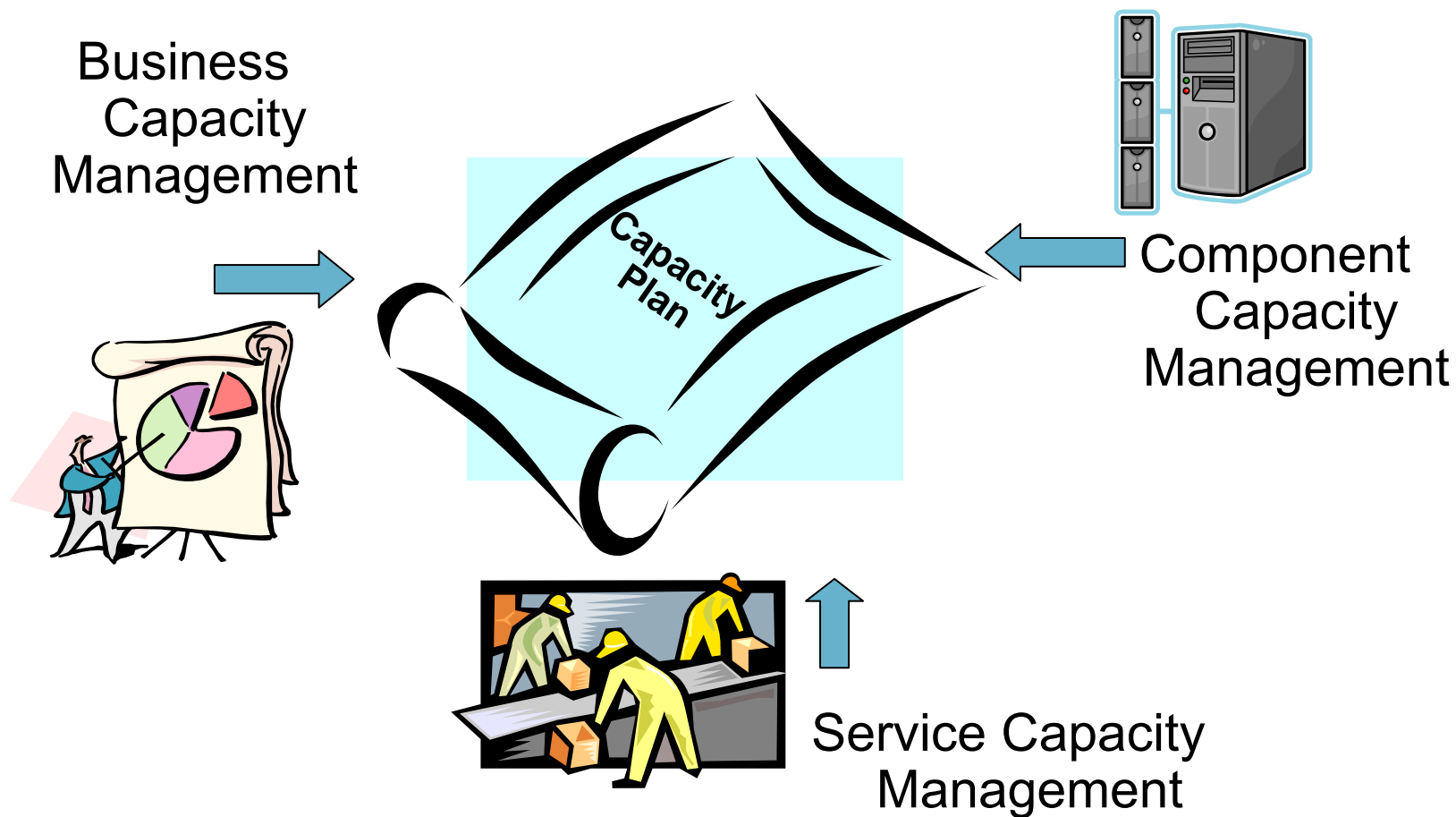
Cost

Supply

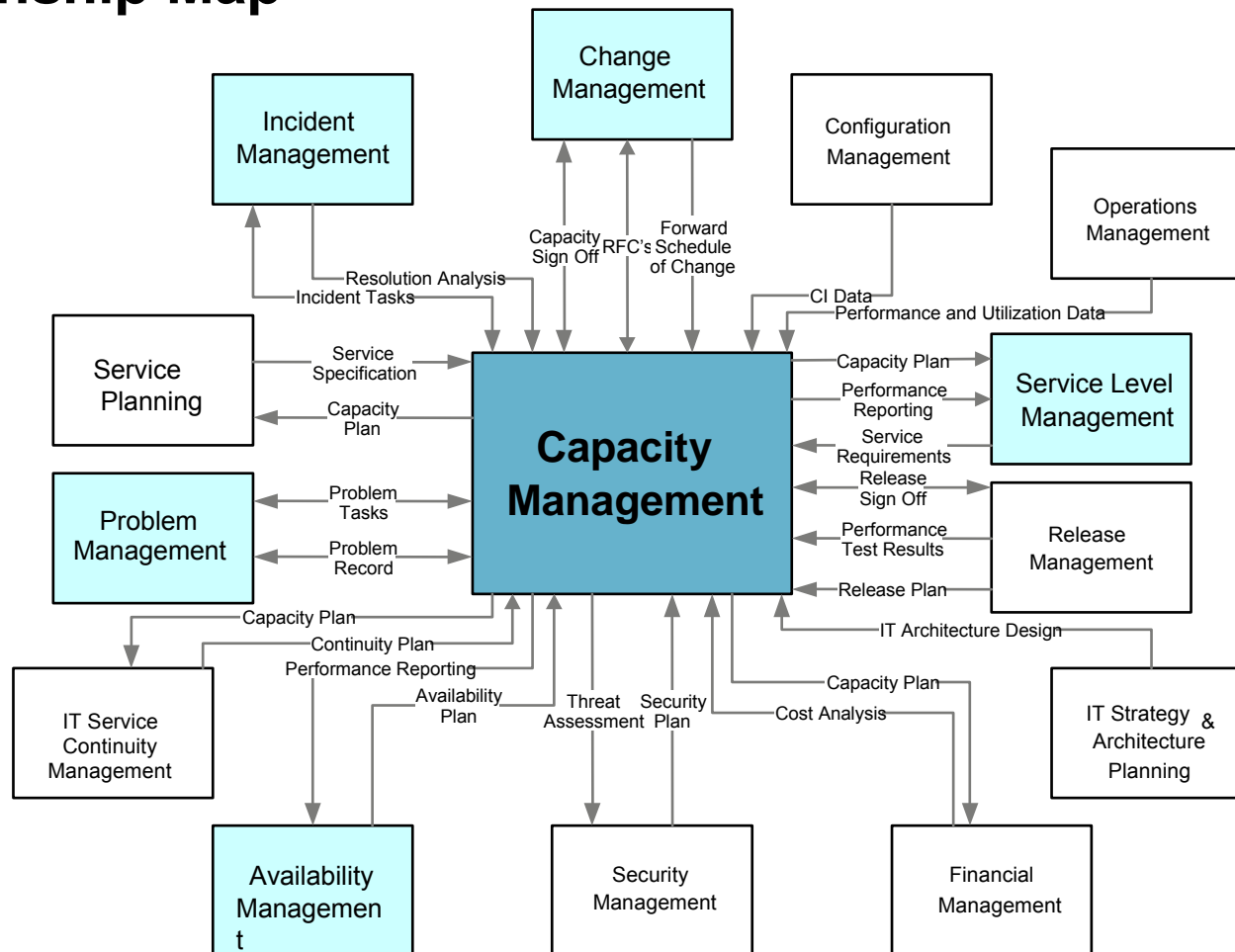
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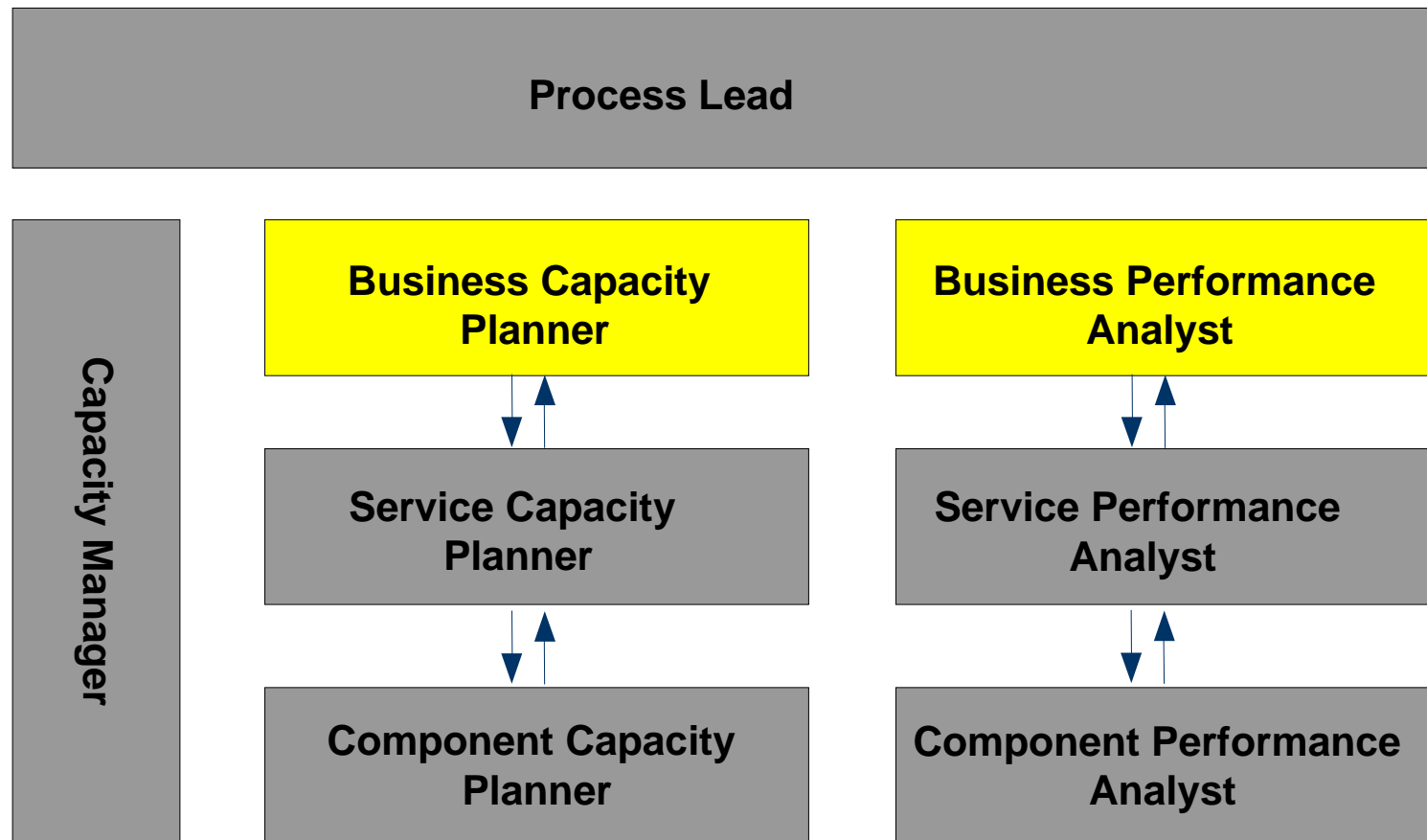
## Capacity Management Sub-Processes



# Relationship Map



## Capacity Management ITSM Roles



## CAPM - Project Structure

- Step 1: Initialization of project
- Step 2: Delivery of capacity reporting
- Step 3: Implementation of workflow
- Step 4: Close meeting , operational readiness



## Step 1: Initialization of Project

- Customer has been identified and has a specific requirement to implement CAPM
  - Business case and input analysis
  - Summary of Improvement program
- Conditions of CAPM deployment are presented:
  - Functionalities of solution
  - Requirements on infrastructure
  - Cost of service
  - Members of virtual team responsible for specific milestones within the project are assigned
- Project plan is created and agreed on by assigned members of the virtual team



## Step 2: Delivery of Capacity Reporting

- Deploy capacity reporting without forecasting (pilot phase)
  - Performance and system data consolidation
  - Set up of data transport
  - Define list of components and groups for capacity reporting
  - Acceptance of capacity reporting
  - Training
  - Move capacity reporting in operation mode
- Deploy final version of capacity reporting
  - List of components are updated quarterly



## Step 3: Implementation of Workflow

- Review project plan including decisions / modifications made within Step 2
- Define R&R of Teams
- Create touch point documents
- Training
- Set up Key Performance Indicators (KPIs)
- Define internal Audit



## Step 4: Operational Readiness

- Close meeting
  - Approval to move in operation
  - Set up regular meeting between account and delivery team with quarter frequency, where output is capacity plan



## +’s and –’s of CAPM

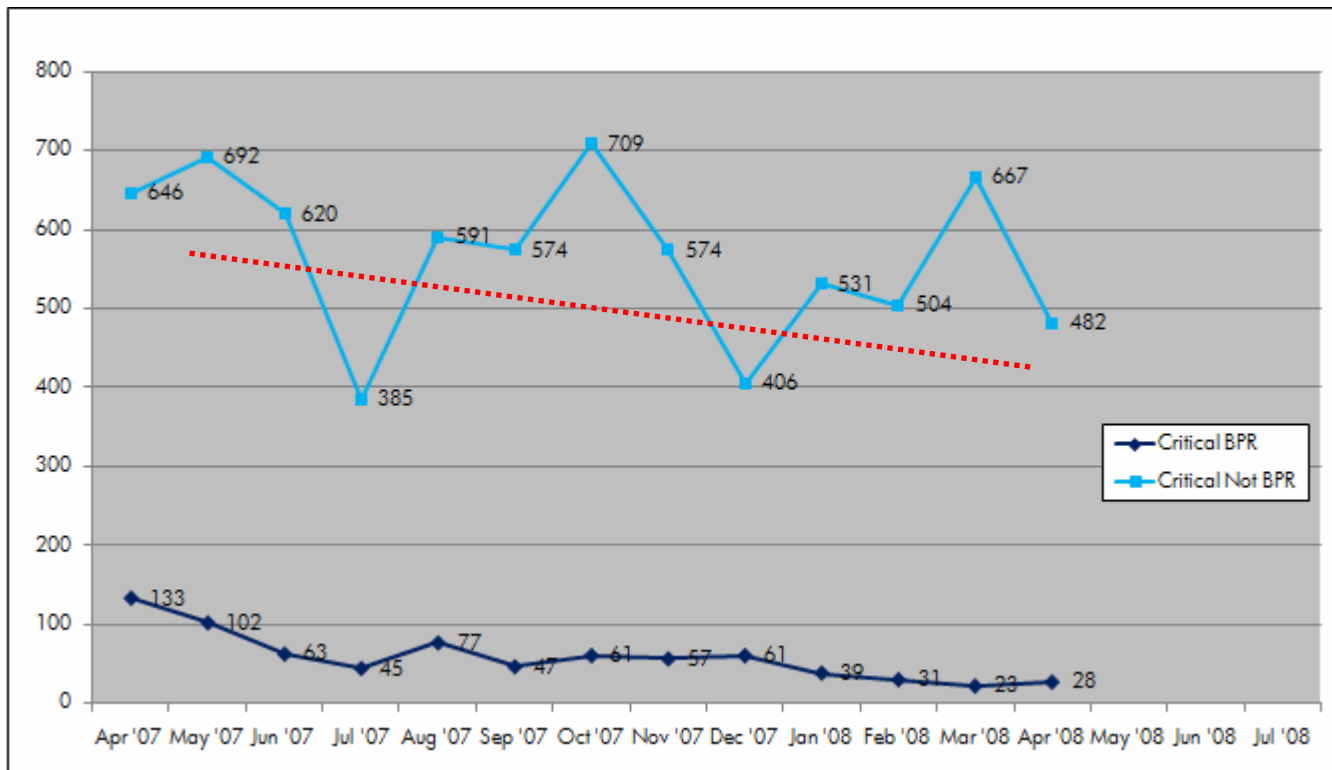
- + Capacity Database
- + Proactive service management deployment
- + Planning of resources to better understand requirements
- + Cooperation between account and delivery teams, merging business and technical information
- + Monitoring of IT investment
- + Financial benefits
- + Quality of services
- Additional cost
- One additional process



## Metrics to Prove Benefits of the Process

- Reducing number and impact of Capacity related incidents
  - Measured through:
  - Reduce Capacity related problems
  - Reduce Capacity related incidents
- Identifying up-sell opportunities
  - Measured through:
  - \$ value of Capacity recommended Changes
- Reducing re-active emergency changes through pro-activity and planning
  - Measured through:
  - Reduce Capacity related emergency changes
- Cost savings through optimizing resource usage (no idle or spare)
  - Measured through:
  - \$ value of Capacity recommended savings

## Practical results



## **CAPM it Business Value**

- Improved customer satisfaction
- Improved use of resources
- Sufficient capacity to meet planned production workloads
- Reduction of IT capacity failures
- Identification of capacity requirements
- Ongoing recognition and adjustment of shortfalls
- Reduction in IT spend
- Single point of responsibility

## Financial benefits of CAPM

- From perspective of support organization
  - Revenue from sale of CAPM as standard service
  - Reduction of operational cost
- From customer perspective
  - Reduction of business impact
  - Reduction of account operational cost



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