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Sandia National Laboratories

Realize the Mission Value of IT Service Management - Part 1
Implementing a Service-Centric Business Model

National Laboratories Information Technology NLIT Summit 2014

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UNCLASSIFIED

What has Sandia National Laboratories done to realize the mission value of IT service management?

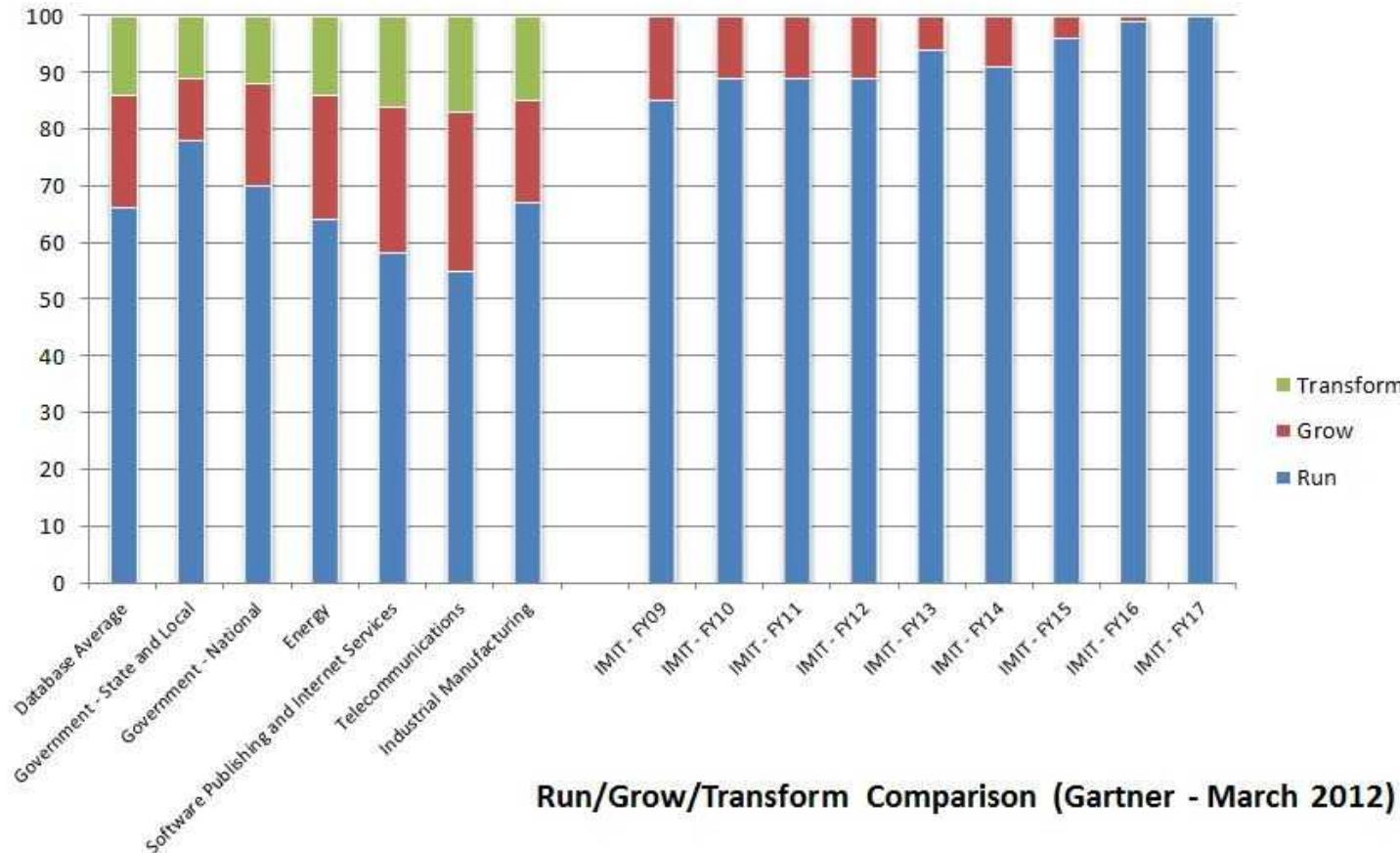
- Challenges
- Management Objectives
- Service Mindshift
- Management Commitment
- The FY14 Service Portfolio
- IT Service Management - - What's Happening Now
- Service Portfolio Next Steps

Challenges:

How to overcome IT affordability issues and address questions about the value of IT



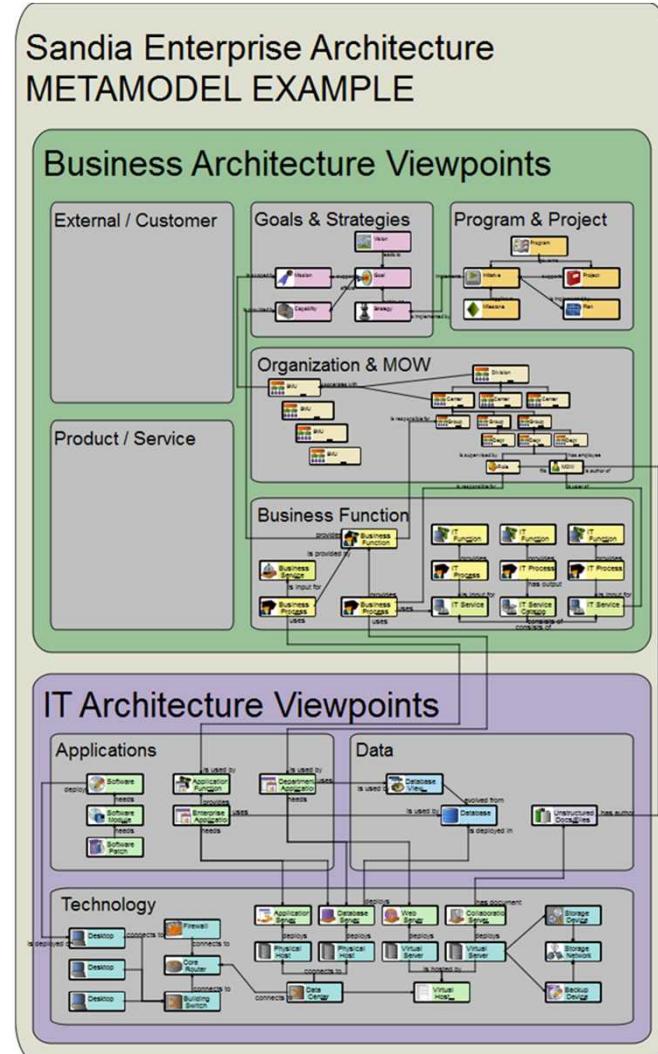
IT Affordability



- The FY13 budget was almost entirely consumed by operations and maintenance activities
- FY14 cost projections exceeded projected budgets

Difficulty Articulating IT Value

- Services aren't articulated from the consumer's point of view
- Enterprise Architecture (EA) team presents a concept map of business/IT alignment (Sept 2011)
- Confusion about what services we provide
- The service catalog is not the service portfolio



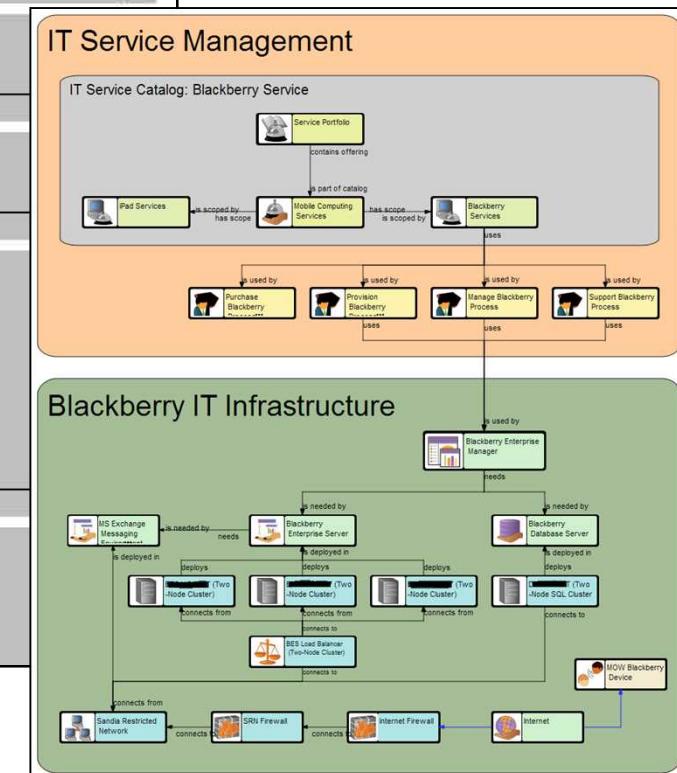
Difficulty Understanding Dependencies & Costs in the Technical Architecture

IMIT Service Total Cost Rollup

COTS Suite Total Cost:

• \$290

IMIT-01	Enterprise Software & Licenses	\$100	
	Total Enabling Service Cost from IMIT-01		
IMIT-02	Service Desk	\$100	
	Desktop Computing Support	\$100	10%
	Communication and Training	\$100	
	Total Enabling Service Cost from IMIT-02		
IMIT-03	SW Engineering Management	\$100	
	BPM/UX	\$100	
	App Deployments/EDW	\$100	3%
	Total Enabling Service Cost from IMIT-03		
IMIT-04	Enterprise Database Administration	\$100	
IMIT-05	Computing Infrastructure Support	\$100	20%
	System Administration SON/SRN/SCN	\$100	10%
	Directory Services/Service Delivery/Application Support	\$100	
	Telecommunications Services Support	\$100	3%
	Network Analysis	\$100	
	Telecomm Infrastructure and Radio Transport	\$100	10%
	Network Operations	\$100	
	Telecomm and Network Infrastructure Capability	\$100	5%
	Total Enabling Service Cost from IMIT-04 (Enterprise DBA)		
IMIT-04	Information Architecture	\$100	
IMIT-05	Computing Infrastructure Support	\$100	
	System Administration SON/SRN/SCN	\$100	5%
	Directory Services/Service Delivery/Application Support	\$100	
	Telecommunications Services Support	\$100	10%



Initial Skunkworks Efforts Toward Service Portfolio Management



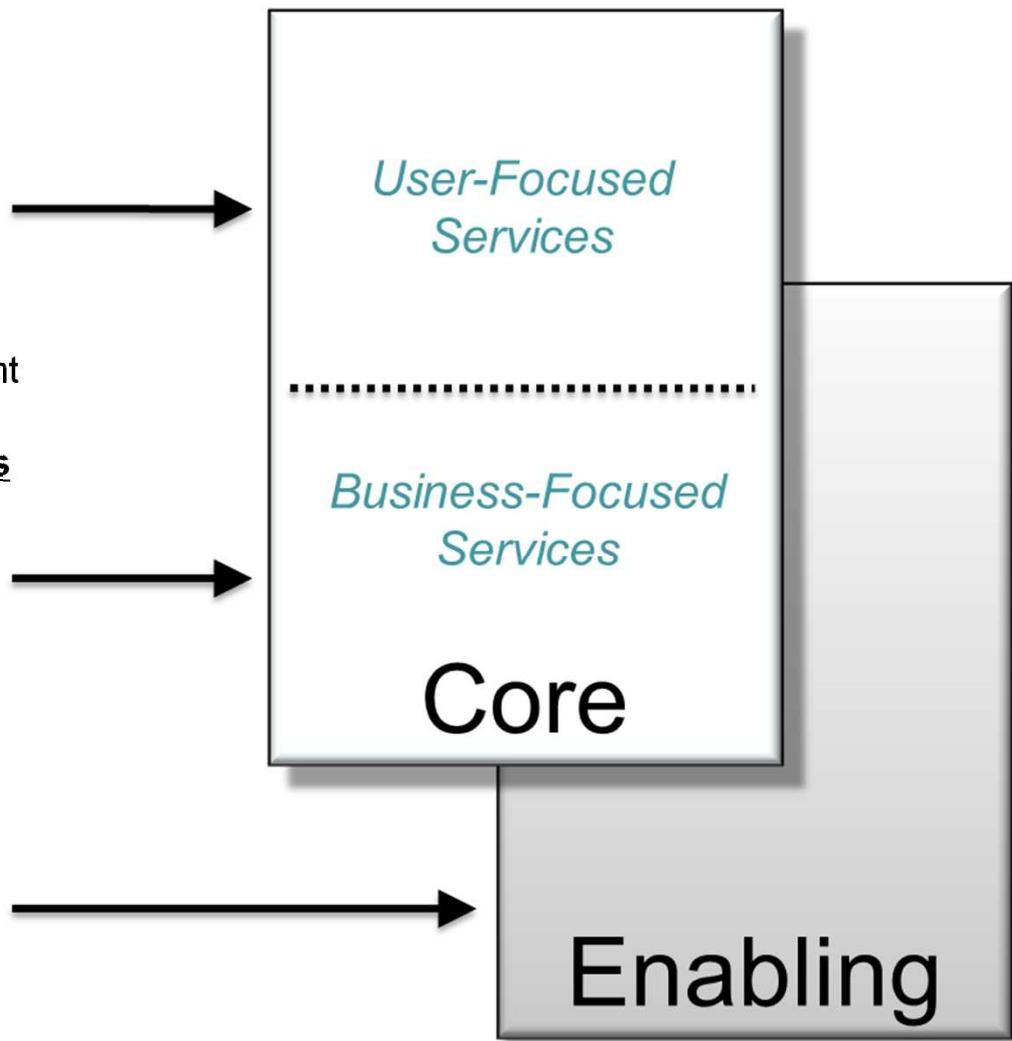
- CIO Relationship and Portfolio managers along with members of the EA team felt the pain caused by the lack of definition around how IT services align to Sandia's functional business areas
- Write down and socialize the first ITIL inspired IT service definitions and views;
 - Service - - Core, Enabling, Customer-Facing
 - Service Portfolio Management - - Service Portfolio, Service Package, Service Owner

March-April 2012

First Service Portfolio View

All Members of the Workforce

Desktop/Mobile Support
Collaboration Tools - Email, IM, VC
Content Mgt. - Docs, Files, etc.
Accounts/Access
Telephony
End-User Applications
- Office, Internet, Timecard, SharePoint



Business Units, SMUs, Policy Areas

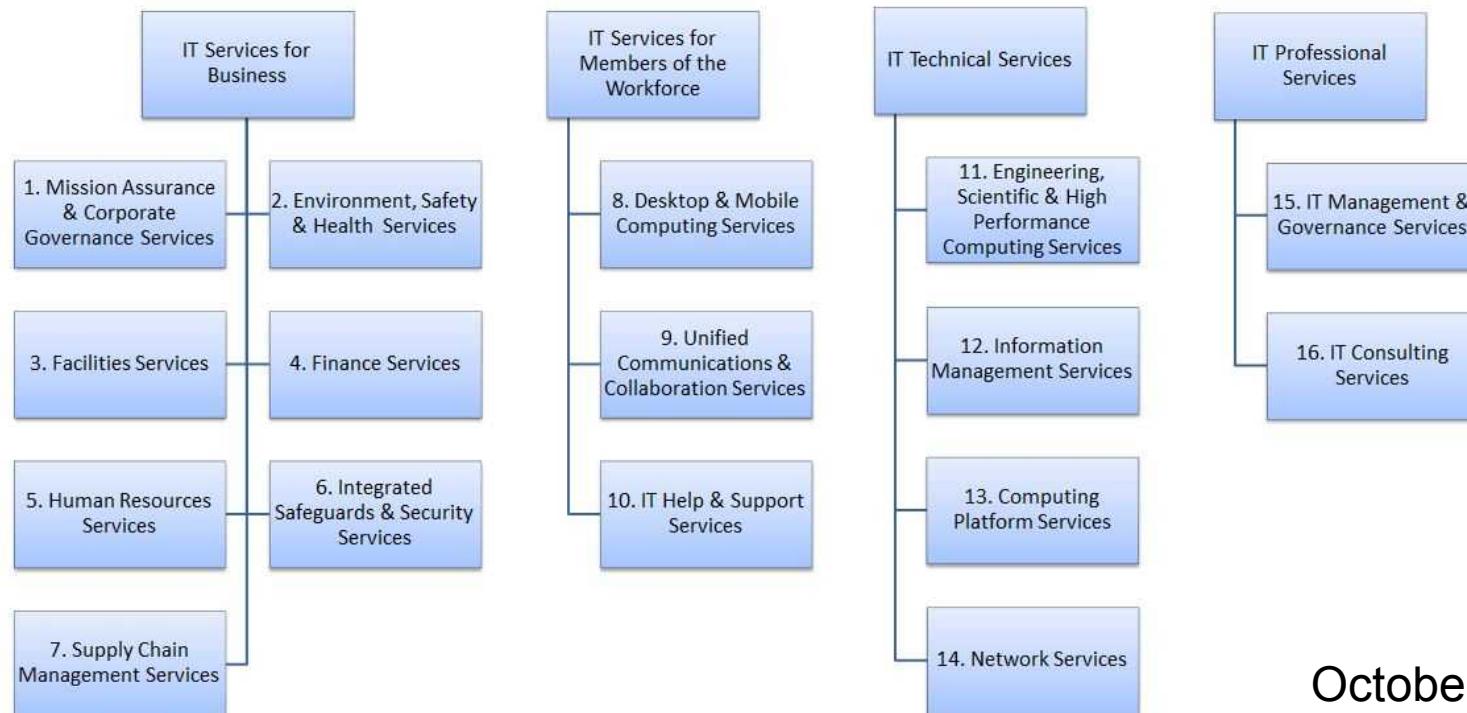
Enterprise Applications
- HR, Financial, Facilities, ES&H, etc.
Mission Applications
- CEE, HPC, NW Apps
Professional Services
Special Projects

IT Infrastructure, Technical Staff

Data Center/Server Mgt.
Database/Storage
Networks/Data Comm
Monitoring/Patching
Platforms/Middleware Mgt.

Service Portfolio Refinement - - Friendlies Unite

- Join forces with members of the ITSM program to develop;
 - Extended set of Sandia IT service management definitions
 - Candidate service portfolio
 - Roadmap for full development of Sandia's IT service portfolio



October 2012

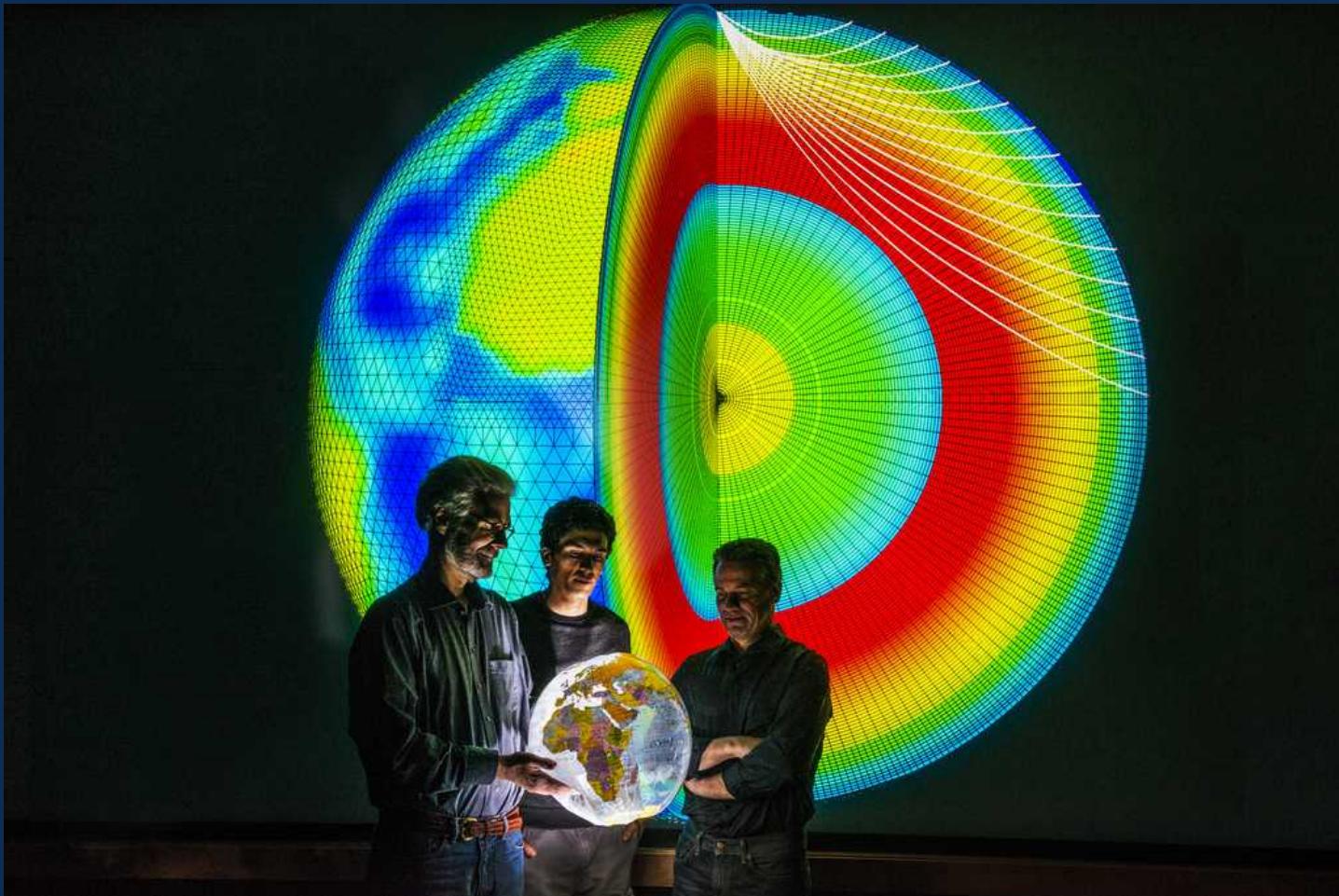
Management Request

1. Assign Service Owner roles to each service
2. Approve our proposed approach to work with senior managers to refine the portfolio
3. Develop first two end-to-end services
4. Report overall service definition progress

January 2013

Management Objectives:

Understand and assure the business value realized from IT services and the investments made to improve IT service management



Why (Re)define the Service Portfolio?



To address concerns about IT cost and ability to execute

- To understand the complexity of and manage changes to the computing environment
- To help us better understand the total cost of delivered services
- To provide the right services at the right level of service to our customers
- To drive operational funding and investment decisions that align with Sandia and CIO strategic objectives
- To help us tell the IT story outside of IT

Internal “Sell”

Why Change the IT Business Model?



Create a program structure that facilitates the development of enterprise strategies for IT Services.

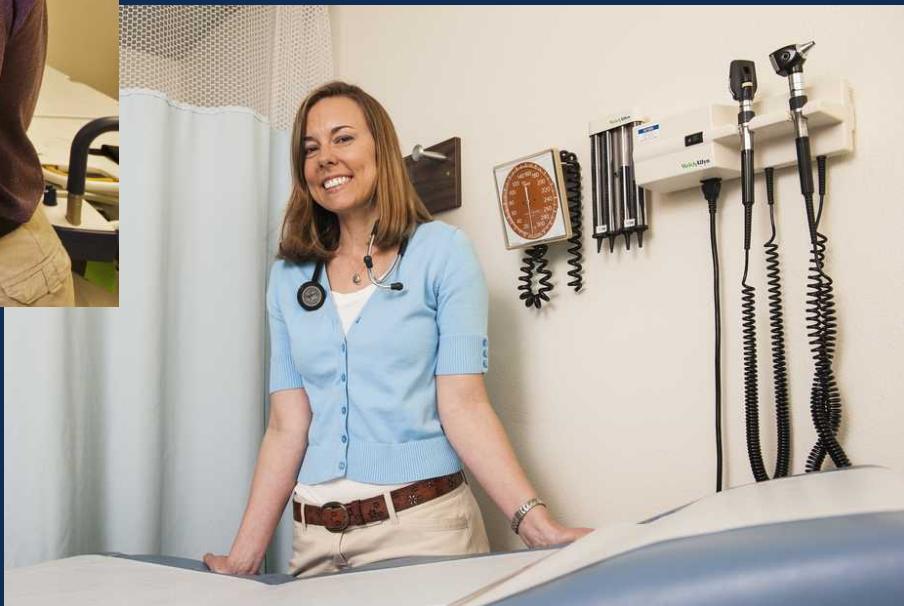
- Services that Sandians recognize, understand, and are willing to buy

Create and communicate an enterprise IT services system solution that optimizes business value and total cost to the Laboratory.

External “Sell”

Service Mindshift:

The service is not what you do - - the service is *what happens* for the customers and users



Making a Mind Shift & Socializing Change

1. Work with each Senior Manager & their teams to;
 - a. Understand the definition of a service
 - b. Brainstorm their services
 - c. Evaluate the initial list of “services” against a set of criteria in order to weed out assets, processes and transactions.
 - d. Bundle the remaining services
 - e. Describe and position each service according to its business value
2. Develop a complete list of services, underlying activities, and costs based on FY13 program structure and budget.
 - 1940 distinct rows of data
3. Bin, bundle and refine the service portfolio structure
 - 16 > 14 > 8 top level service groupings
 - 276 “Services” in 64 service categories

January 2013

Proposed Service Groupings



1. Mission Execution Services

IT services that facilitate the functional outcomes desired by Sandia's mission areas to meet product-centric business needs.

Business Value Statement:

Value is delivered to Sandia when the Corporate IT Services Division provides the mission with IT systems that facilitate the realization of desired mission outcomes with agility in a manner that is secure and reliable.

2. Enterprise Business Support Services

IT services that facilitate the specific functional outcomes desired by Sandia's corporate governance and mission support business activities

Business Value Statement:

Value is delivered to the customer when Sandians can securely and reliably perform mission support activities, including management assurance, human resource & communications management, infrastructure operations, and financial and supply chain management, without being constrained by location or time.

3. Engineering & Scientific Computing Services

IT services with broad engineering and related information management application that facilitate the research and product development outcomes desired by Sandia's business units.

Business Value Statement:

Value is delivered to Sandia when the Corporate IT Services Division provides a comprehensive set of technology-based engineering and scientific tools and platforms that facilitate the realization of product and research outcomes without disruption in a manner that is secure and reliable.

4. Desktop & Mobile Computing Services

IT services that facilitate the individual computing capabilities of the members of Sandia's workforce.

Business Value Statement:

Desktop & Mobile Computing services provide value when members of Sandia's workforce can securely access enterprise computing resources without disruption and independent of location.

5. Communications & Collaboration Services

IT services that facilitate the communication and collaboration capabilities of the members of Sandia's workforce.

Business Value Statement:

Unified Communications & Collaboration services provide value when members of Sandia's workforce can securely communicate and collaborate with internal and external partners without disruption and independent of location.

6. Information Management Services

IT services that provide access to corporate information resources.

Business Value Statement:

Information Management services provide value when members of Sandia's workforce can securely store, retain and retrieve information that facilitates decision making without disruption in a manner that is not constrained by location or time.

7. IT Enabling Systems Services

IT services that deliver computing resources either to enable other IT services or directly to business unit and MOW customers based on Sandia-specific demand

Business Value Statement:

Value is delivered to Sandia when IT provides technology platform services that facilitate business processes without disruption in a manner that is secure and reliable.

8. IT Governance & Professional Services

Services that provide IT governance and professional capabilities that support business objectives and deliver technology-based solutions designed to meet business needs.

Business Value Statement:

Value is delivered to Sandia when the Corporate IT Services Division provides a comprehensive set of IT capabilities that facilitate the realization of desired business outcomes with agility in a manner that is secure and reliable.

January 2013

Initial Feedback & Concerns

- Why was the existing service grouping established?
- What are the principles/logic that drive this new packaging of services?
- Organizing services into packages implies that they are related in a certain way.
 - It is critical that management cohesion be a significant factor
 - We are mixing distinctly different disciplines in some packages.
- There is an assumption that each package has a single owner. Are the packages sized accordingly?

January 2013

More Feedback & Concerns

- This change would significantly reorganize the Division – reorganizing responsibilities is just as significant as reorganizing reporting chains.
- Similarly there are budget implications - a problem we have had in the past is proper funding for maintenance of capability.
- Some things may be broken; have we fully considered the trade-offs? For example, we are splitting responsibility for information management among several service packages
- Many of the items mapped to service packages are not services, they are projects or something else.

January 2013

Management Commitment:

Summer 2013 - - Deputy CIO committed to allocate the FY14 mission support budget by services and service packages



The Decision

- Sandia IT funding comes in several forms;
 - “Direct” from mission groups
 - “Indirect” from mission support groups
 - “Service Center” for ‘pay by the drink’ services
- Scoped down to only the portfolio of *indirect* funded services
 - Deputy CIO owns both the ITSM program as well as the overall responsibility for this funding source
 - (Slightly!) More manageable scope for maturing the ITSM model
 - These are the IT services for the enterprise

June 2013

The FY14 Service Portfolio:

Restructure the indirect funded work as a portfolio of services that are organized around logically related business outcomes



Service Package Principles

- A service package is a collection of IT services that...
 - is related by the nature of their use and/or purpose
 - is used by affiliated and/or similar customers
 - facilitates business outcomes the customer wants to achieve
 - delivers value when the desired business outcome is realized
- Service packages were developed independent of...
 - IT workload
 - Current funding sources
 - Current organization structure & responsibilities
- A service package is owned by a senior manager
 - The service package owner is accountable for the delivery of all services within the package according to associated service level agreements
 - Service Package Executives are essentially “program” managers for that area of business. They may or may not have the resources in their line org to deliver the services in the service package

June 2013

Sandia IT Service Portfolio



Workforce Computing Services



Desktop & Mobile Computing Services

Communications & Collaboration Services

Enterprise Business Services



IT Services for:

- Financial
- HR
- Safeguards/Security
- ES&H

Information Management Services



Information Content Services

Mission Business Management Services

IT Enabling Systems & Infrastructure Services



Application & Computing Platform Services

Wired & Wireless Network Services

Telephone & Radio Infrastructure Services

Information Technology Strategy



IT Strategy & Policy

Assurance

Relationship Management

Service Portfolio Management

The “Service Packages”

August 2013

Sandia IT Service Portfolio – Deeper Look

Workforce Computing Services



1. Service Desk
2. NM Desktop Computing Services
3. Desktop & Mobile Enabling Technologies
4. CA Desktop Computing Services
5. Unified Communications Services
6. Collaboration Services
7. Video Services

Enterprise Business Services



8. Environment, Safety, & Health Systems Services
9. Facilities & Asset Management Systems Services
10. Corporate Governance Systems Services
11. Financial Management Systems Services
12. Human Resources Systems Services
13. Safeguards and Security Systems Services
14. Supply Chain Systems Services
15. Manufacturing Systems Solutions
16. Enterprise Business PMO

Information Management Services



17. Project Management Services
18. Configuration Management Services
19. Customer Relationship Management Services
20. Information Content Services
21. Information Analytics Services
22. Records Management Services
23. Technical Library Services
24. Web Content Services
25. Enterprise Database Services

IT Enabling Systems & Infrastructure Services



26. Application Enabling Technologies
27. Computing Platform Services
28. Computing Infrastructure Services
29. Network Services
30. Telephone Services
31. Wired Infrastructure Services
32. Radio Infrastructure Services

Information Technology Strategy



33. CIO Relationship Management
34. IT Service Management
35. IT Portfolio Management
36. IT Strategic Planning
37. Management Assurance
38. IT Policy Management
39. IT Financial Management

39 “Services”

August 2013

Structure of the Service Portfolio

Task Level 1	Task Level 2	Task Level 3
Workforce Computing Services Project: 123456 ISA ID: IMIT-02		
01 - WC Mgmt/Support OH		
02 - Desktop & Mobile Computing	02.01 - Service Desk 02.02 - New Mexico Desktop Computing Services 02.03 - Desktop & Mobile Enabling Technologies 02.04 - California Desktop Computing Services	02.01.01 - Service Desk Mgmt/Support OH 02.01.02 - CCHD 02.01.03 - Password Admin 02.02.01 - NM Desktop Mgmt/Support OH 02.02.02 - NM Windows Unclassified Desktop Services 02.02.03 - NM Daas 02.02.04 - NM Deskside Services Tailored 02.03.01 - DMET Mgmt/Support OH 02.03.02 - Computer and Desktop Management 02.03.03 - Production Tools 02.03.04 - IT HW/SW Contract Management 02.03.05 - Fleet Copiers 02.03.06 - Linux COE 02.03.07 - Windows COE 02.03.08 - NM Technology Development 02.03.09 - Data at Rest Encryption 02.04.01 - CA Desktop Mgmt/Support OH 02.04.02 - CA Windows Unclassified Desktop Services 02.04.03 - CA Daas 02.04.04 - CA Deskside Services Tailored 02.04.05 - CA Technology Development
03 - Communications & Collaboration Services	03.01 - Unified Communication Services 03.02 - Collaboration Services 03.03 - Video Services	03.01.01 - UC Mgmt/Support OH 03.01.02 - Email Services 03.01.03 - Voicemail Services 03.01.04 - Real-time Communication Services 03.02.01 - Collaboration Mgmt/Support OH 03.02.02 - Collaboration Platform Services 03.02.03 - Web Collaboration Services 03.03.01 - Video Mgmt/Support OH 03.03.02 - Videoconferencing 03.03.03 - Video Streaming & Digital Media Services

ITSM - What's Happening Now?

How do we govern and manage a portfolio of services?

Attend Part 2 - Optimizing Service Performance Management

Julie Fillinger – Tuesday @ 9:25am (Marina)



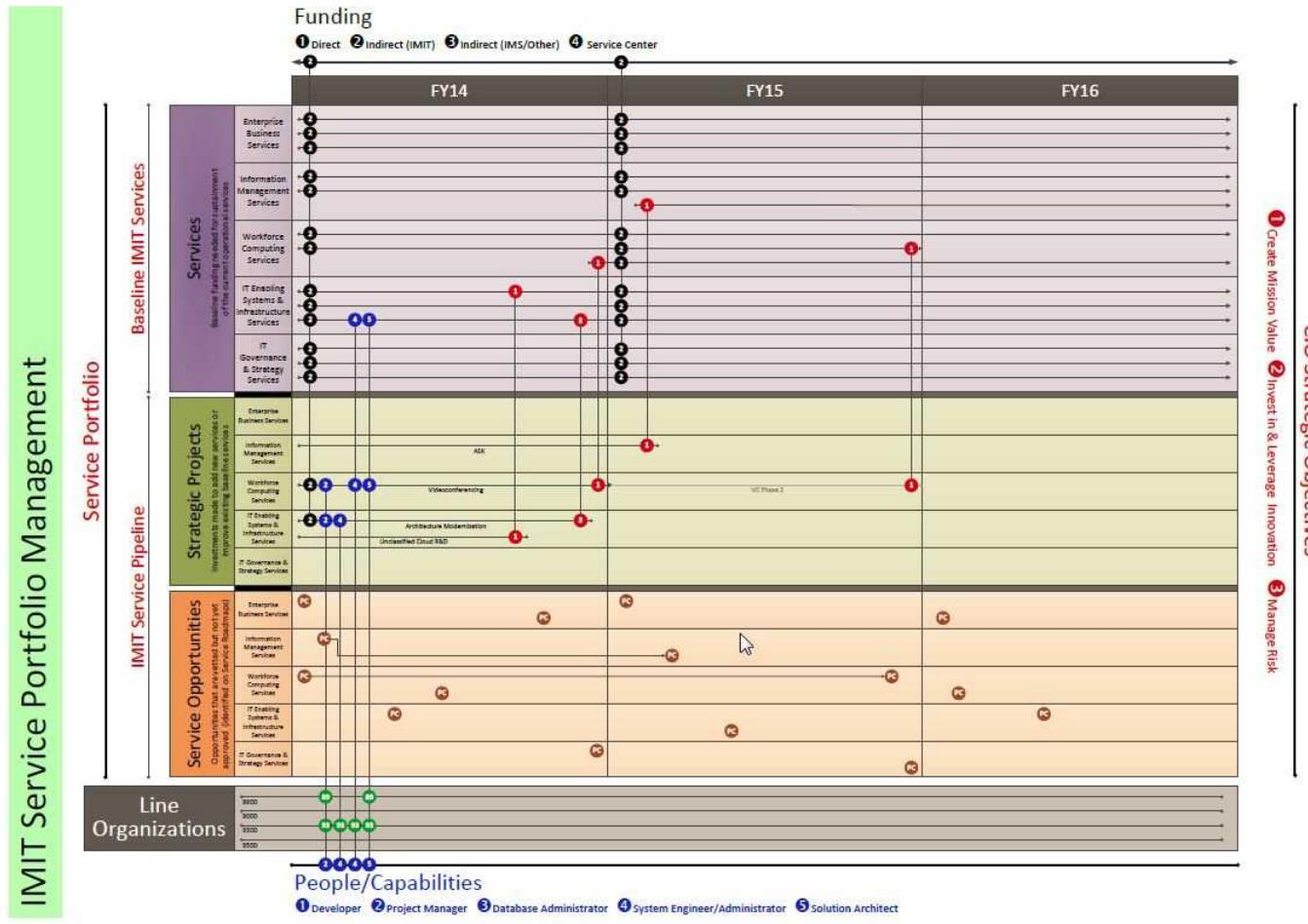
Service Portfolio Next Steps:

Is it possible for us to develop a service portfolio management (SPM) capability that makes good decisions seem this obvious?



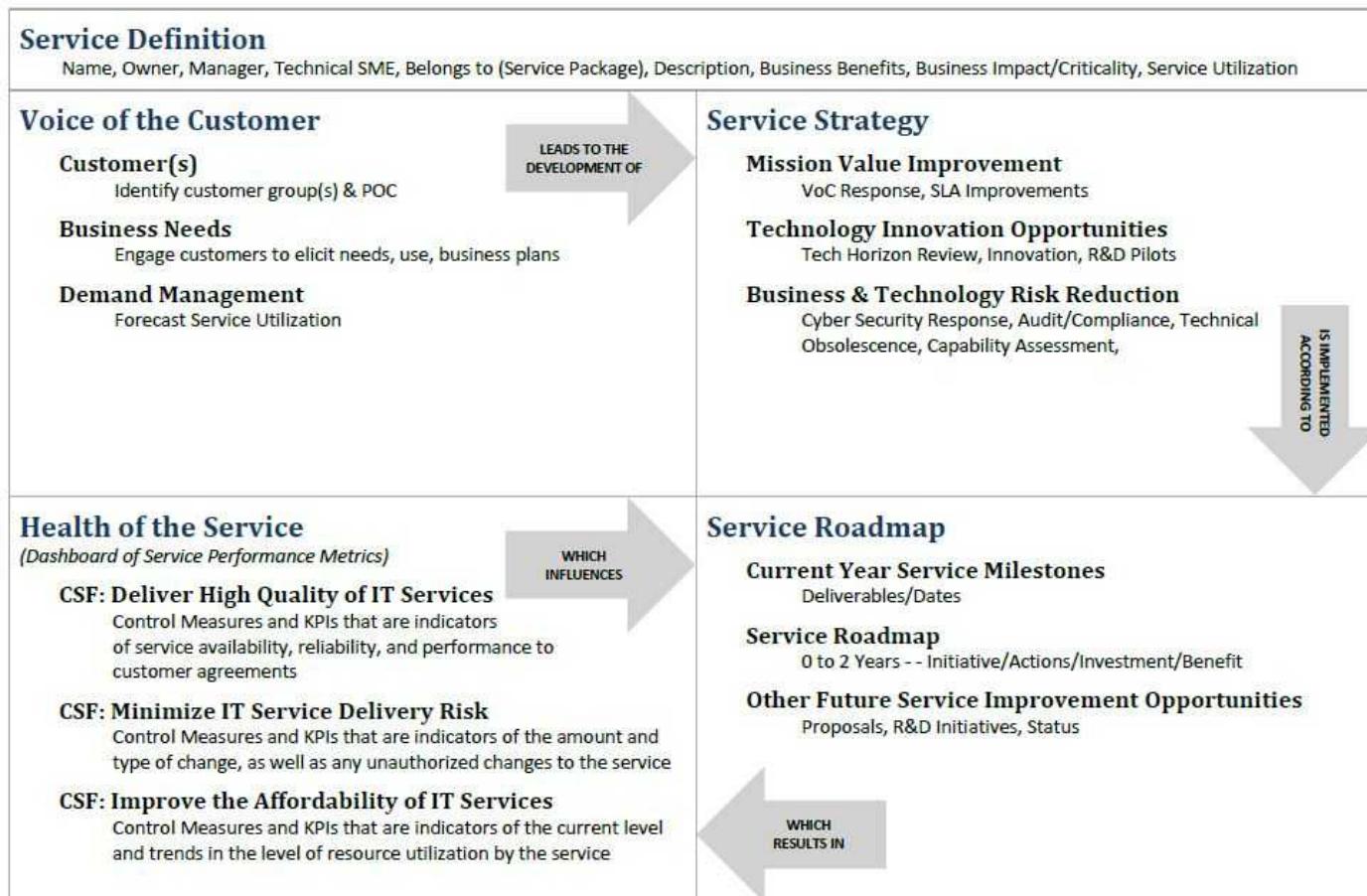
Service Portfolio Governance

- Understand what it means to govern a service portfolio
 - Context
 - Decisions
 - Timing



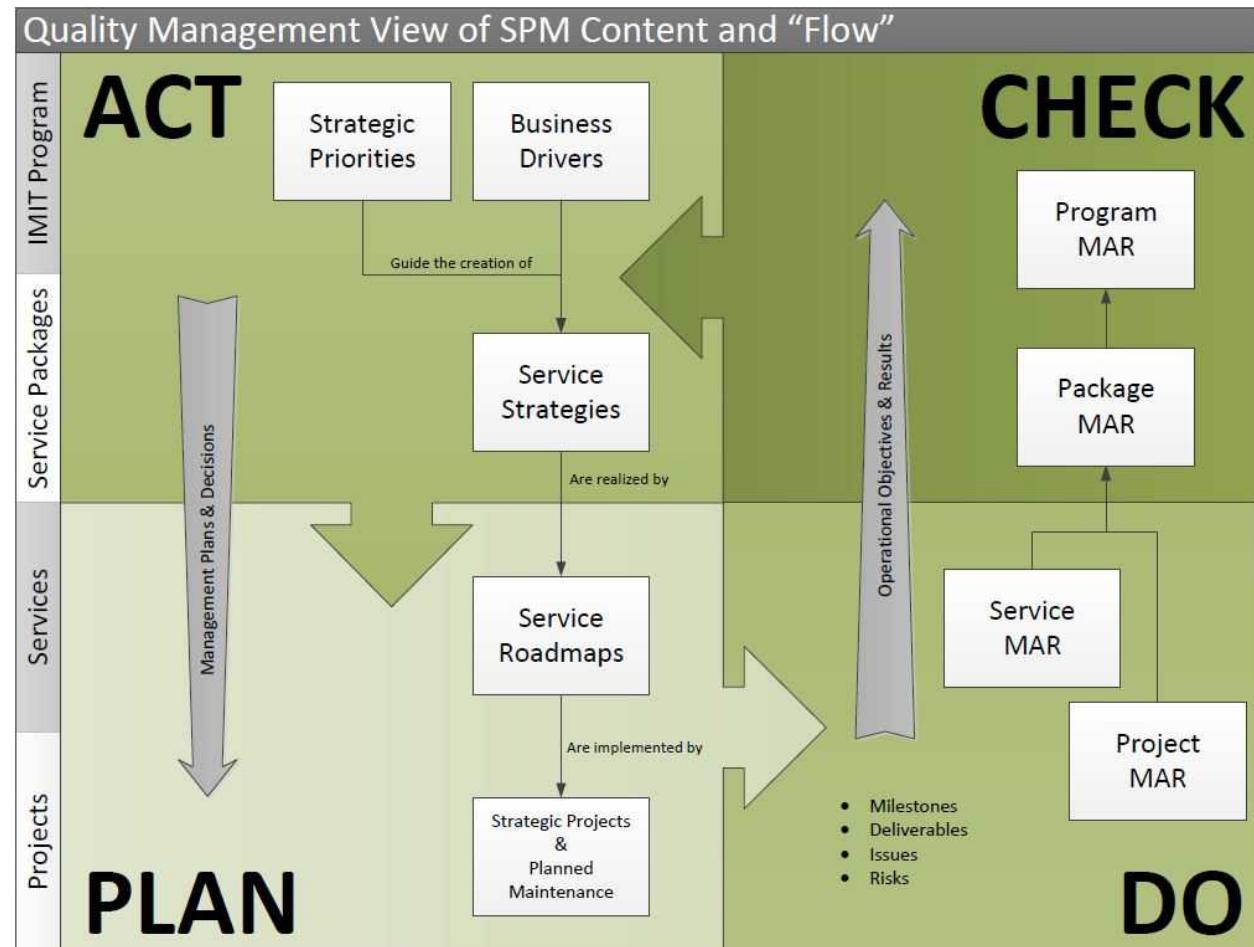
Strategic Service Management

What does it mean to manage a service or collection of services?
Coordinated Service Management Plans



Service Portfolio Management “Persistence”

How do we transition from SPM being an ad hoc annual process to a persistent capability that is integrated with other processes and supported by lightweight tools?



Wrap-Up:

What has Sandia National Laboratories done to realize the value of its services and investments in IT service management?



Wrap-Up

Challenge: How to overcome IT affordability issues and address questions about the value of investments in our IT Service Management program

Objective: Assure that business value is realized from the investments made to improve IT operations.

Mindshift: The service is what happens for customers and users

Commit: Allocate budget and track time to services

Portfolio: Restructure the indirect funded work as a portfolio of services that are organized around logically related business outcomes

Right Now: Attend Part 2 - Optimizing Service Performance Management

Next Steps: Develop an approach to mature service portfolio management to a persistent capability that enables agile, fact-based resource allocation decisions

QUESTIONS?