

SIAM

Your answer to multisourcing?

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About BlueHat

Blue Hat

BlueHat P/S is a Scandinavian based consulting company providing subject matter expert assistance within the domains of IT service management, Lean IT and IT governance.

All of BlueHat's consultants have extensive practical experience from leading positions in the private or public sector and a thorough knowledge of international best practices and standards.

BlueHat is heavily involved in research and development of the ITIL, Lean IT and COBIT frameworks.

See more on www.bluehat.dk

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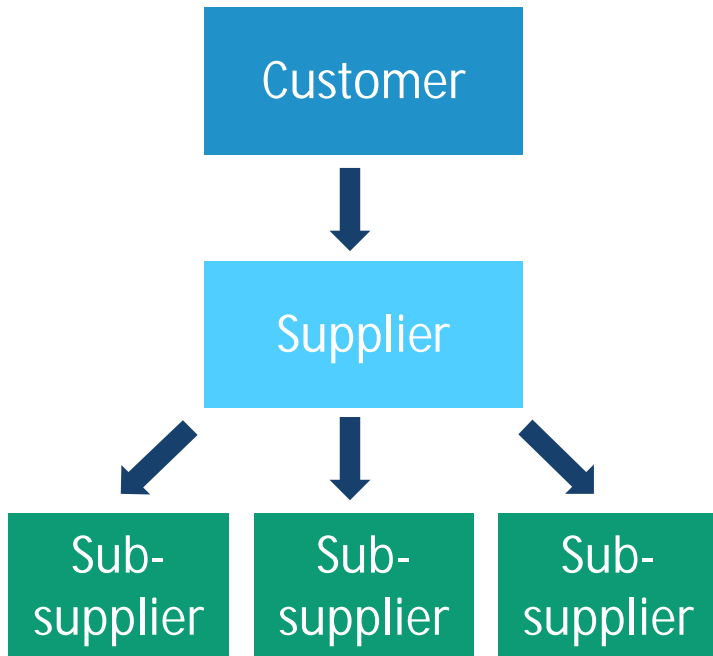
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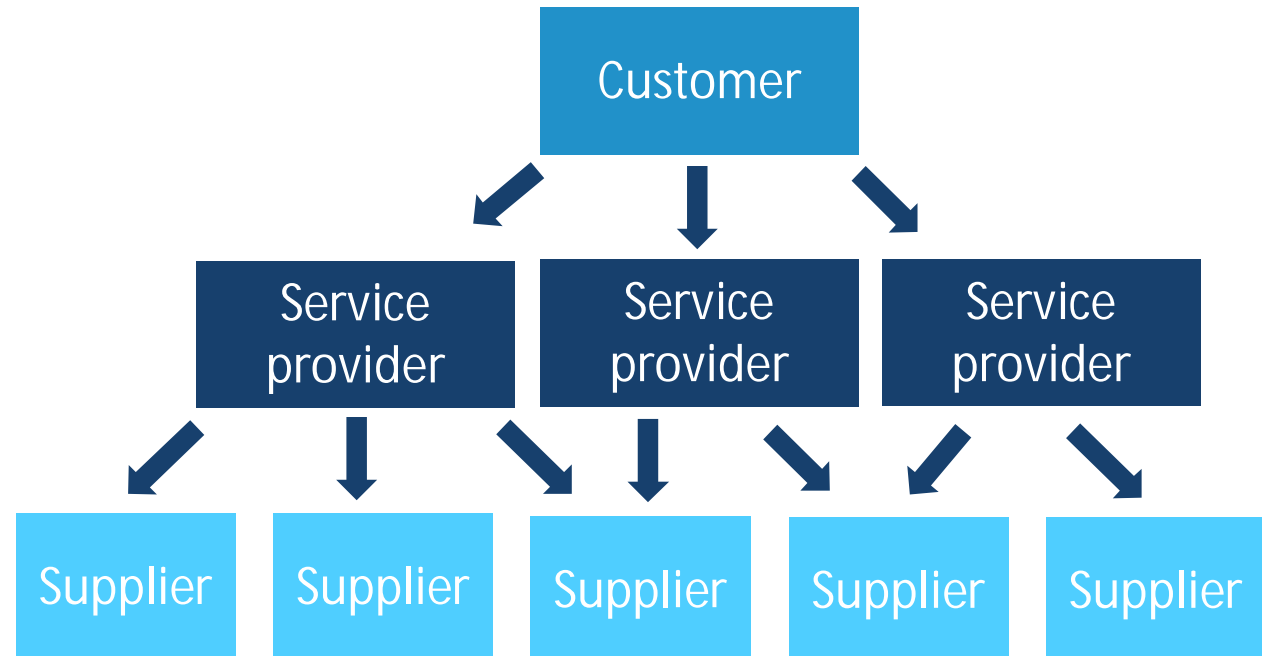


SIAM – a new concept?

Single supplier setup

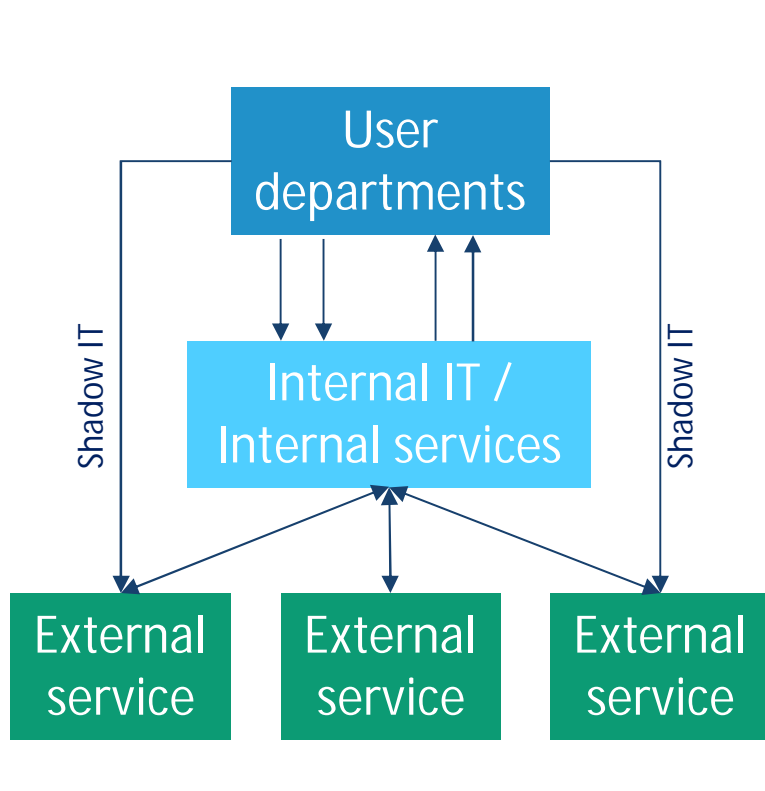


Multiple service providers

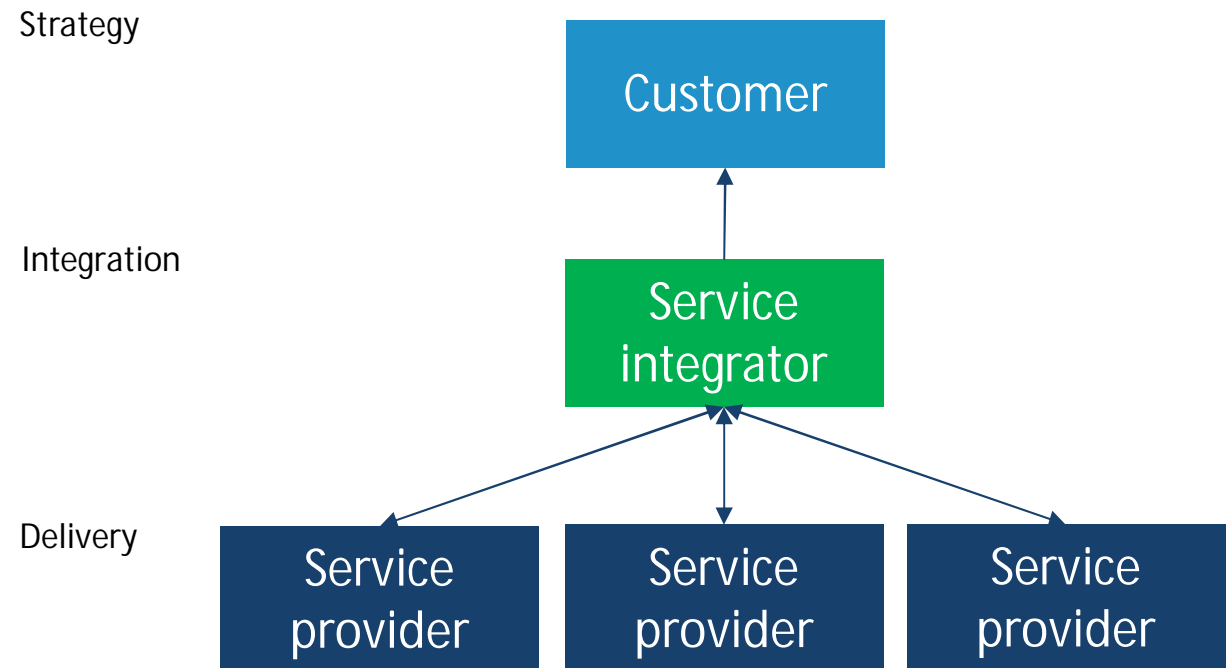


Service provider relationships

Multiple relationships



Consistent relationships



Multisourcing – the new black!

Why multisource?

- Speed of response
- Competition
- Wider services portfolio
- Decreased time to market
- Ease of obtaining additional resources
- Utilise best-of-breed
- Avoid lock-in

Multisourcing challenges:

- Fragmented service delivery
- Scoping and managing end-to-end services
- Lack of responsibility
- Inconsistent, incoherent and complex processes
- Unmanageable contract management

Leading to:

- A “hot potato” culture
- Finger-pointing behavior
- Ineffective control
- Higher costs than expected
- Poor overall performance
- Lack of flexibility and innovation

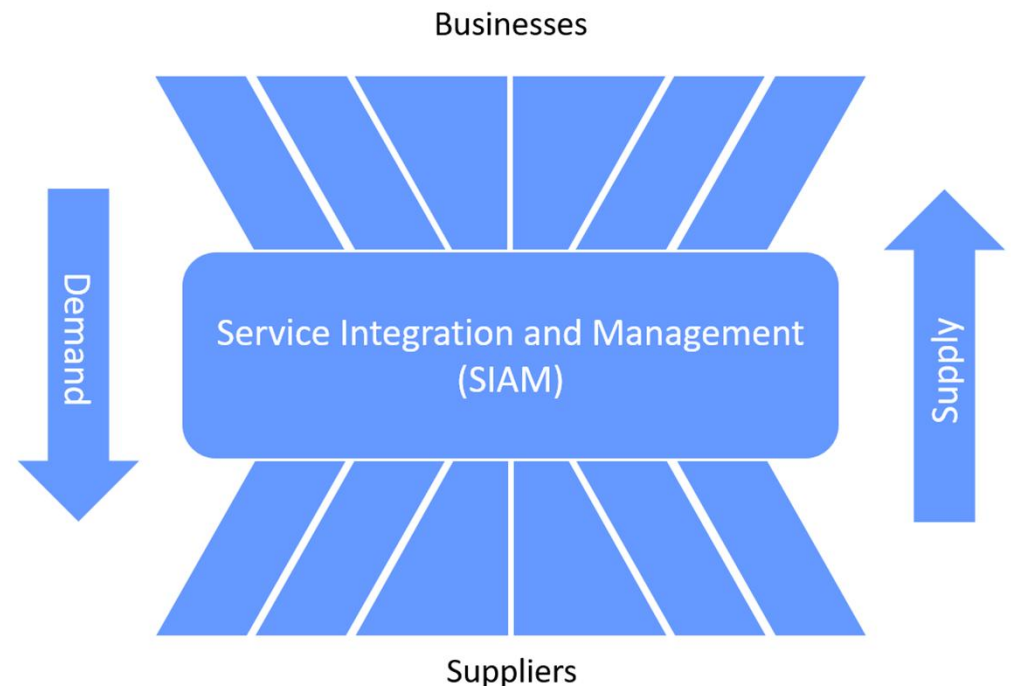
SIAM could be the answer!

What is SIAM?

“ A management methodology that can be applied in an environment that includes services sourced from a number of service providers

To ensure that the customer organization gets maximum value from its service providers
SIAM provides “MAGIC”:

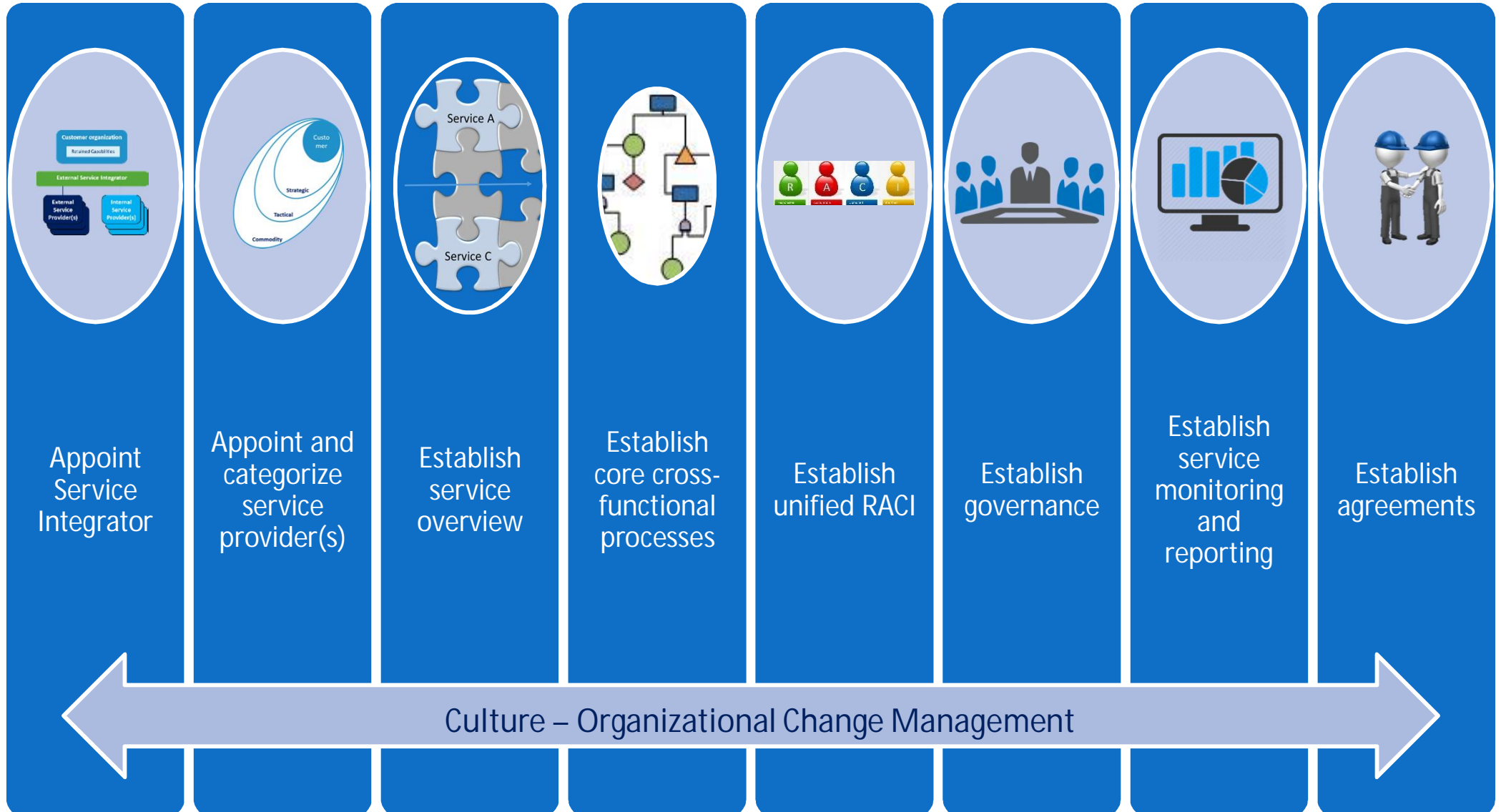
Management
Assurance
Governance
Integration
Coordination





How much SIAM
should be poured
into the glass in
order to obtain
MAGIC?

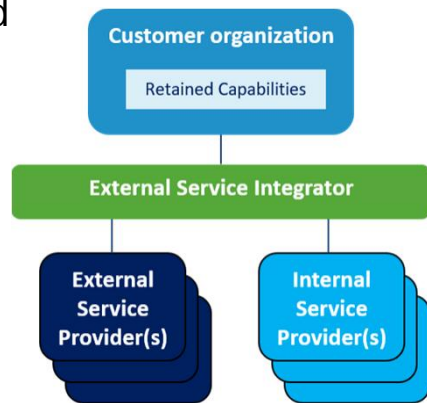
8 steps to establish SIAM principles



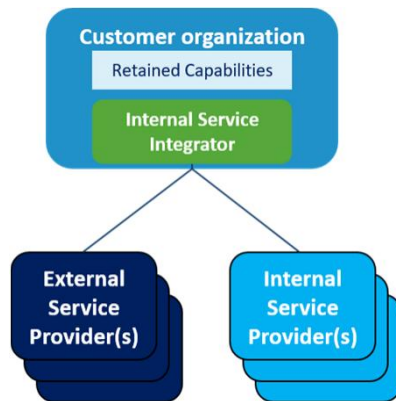
Step 1: Appoint Service Integrator

Based on your imperatives, need and capabilities

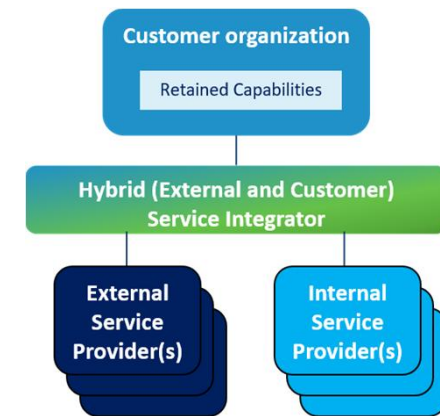
1. Externally sourced



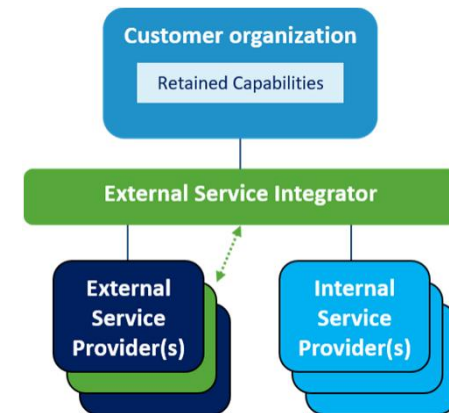
2. Internally sourced



3. Hybrid



4. Lead supplier

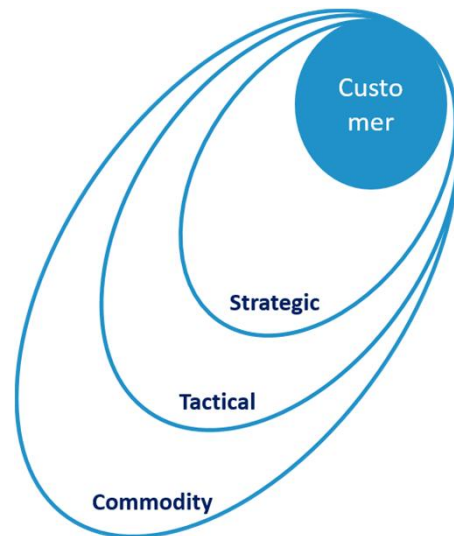


Step 2: Appoint and categorize Service Provider(s)

Based on your service overview you should consider

- Which service providers should be part of the SIAM model?
- How tight do you want to manage, assure, govern, integrate and coordinate with you service providers?

Tiering/categorizing your service providers might be very helpful:



The characteristics of the three layers could be:

Tier 1 – Strategic Service Providers:

Service Providers are fully integrated in SIAM, highly service management matured, managed and reported end-to-end.

Tier 2 – Tactical Service Providers:

Service providers are partly integrated in SIAM, service management matured, and partly managed and reported.

Tier 3 – Commodity Service Providers:

Service Providers are not integrated, have low service management maturity and end-to-end service is not provided.

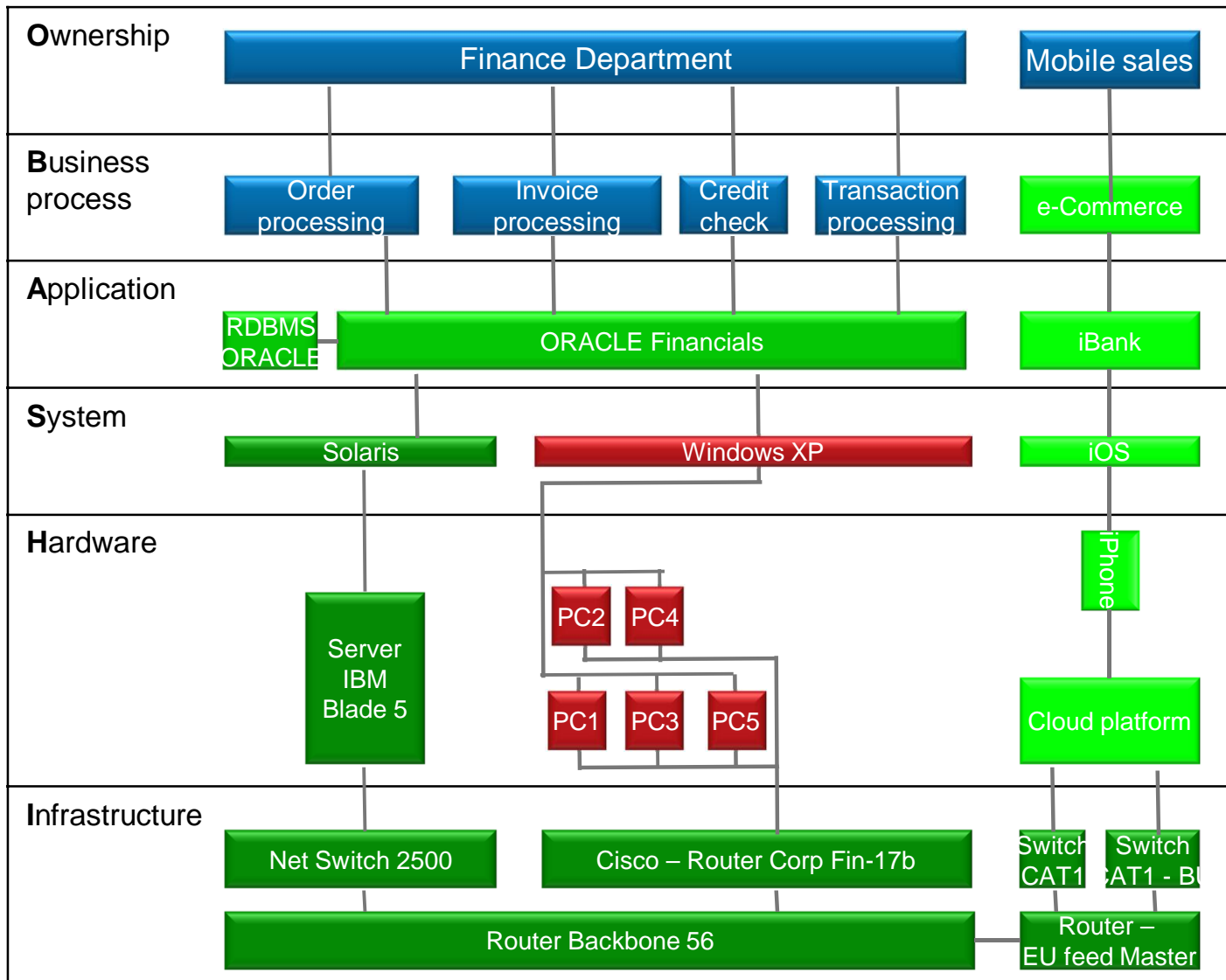
Tiering Model – prerequisites

Based on their tiering model define the appropriate prerequisites for the different tiers:

Area	Tier 1	Tier 2	Tier 3
Tool integration	Fully integrated in SIAM ITSM tool	Partly integrated in SIAM ITSM tool	Not integrated in SIAM ITSM tool
Process-activities	Process-activities are fulfilled due to own ITSM processes, procedures and instructions - based on input/output specified from SIAM Provider	Process-activities are fulfilled due to own ITSM processes guided by SIAM Provider - based on input/output specified and process guidelines from SIAM Provider	Process-activities are fulfilled guided by SIAM Provider. The fulfilment is based on process guidelines from SIAM Provider
SIAM Governance	Participate in relevant governance forums	Participate – per request – in relevant governance forums	Are not expected to participate in governance forums
SLA/OLA	SLA with Customer OLA (Tier1) with SIAM provider	No SLA with Customer OLA (Tier2) with SIAM provider	No SLA with Customer No OLA with SIAM provider
Compliance	Comply with policies, templates, instructions etc.	Comply with policies, templates, instructions etc.	No prerequisites
Management and Coordination	Managed and coordinated End-2-End services (following up)	Partly managed and coordinated single activities based on statuses only (following up)	Following up and assistance on service delivery
Shared KPIs	Could be prepared for shared KPIs	No shared KPIs	No shared KPIs
Reporting	End-2-End reporting on services and current status provided in Scorecards	Reporting on statuses only.	Reporting on statuses only

Step 3: Establish service overview

Based on
OBASHI



Business

Internal IT

Supplier 1

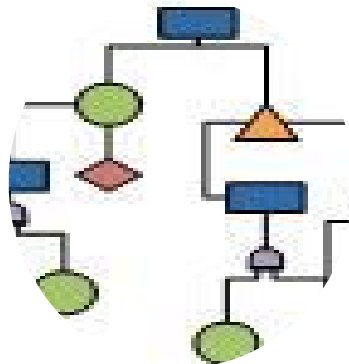
Supplier 2

Supplier 3

Step 4: Establish core processes

Core (Service Integrator) process areas:

- Incident management
- Major incident and problem management
- Integrated change management
- Release scheduling
- Service continuity
- Capacity management
- Service reporting



Tips & tricks when designing cross-functional processes:

- Focus on the process outcome
- Focus on the process interfaces (input/output)
- Do not aim for shared processes – instead define and specify interaction points and process exchanges thoroughly
- Establish clear roles and responsibilities
- Ensure underpinning tool
- Aim for consistency, but expect variation

Step 5: Establish unified RACI

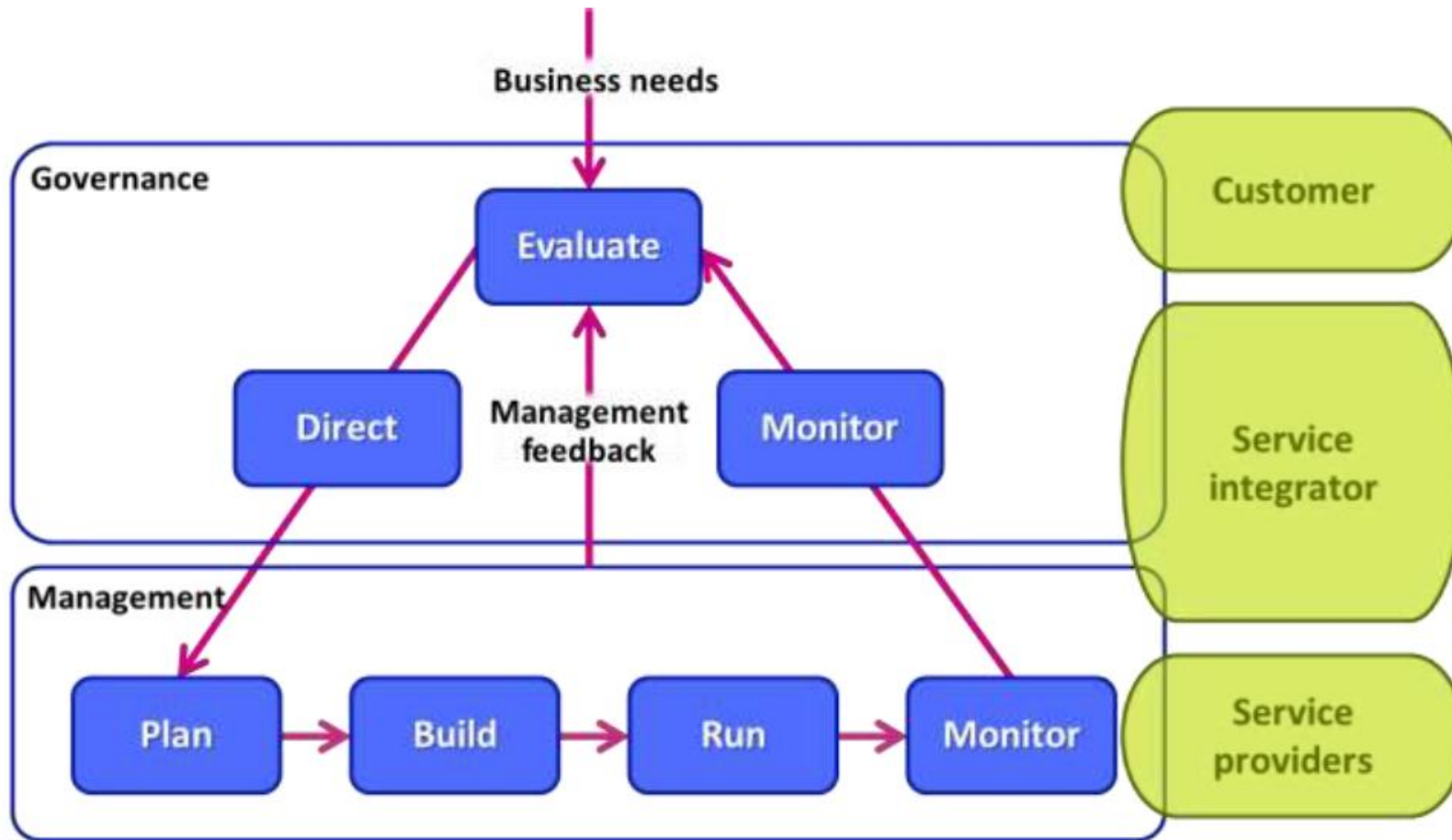
RACI descriptions should be established across the SIAM ecosystem to be absolute clear on roles and responsibilities



RACI - Incident Management			
Activity	Customer	Service Integrator	Service Provider
Define and manage the SIAM Incident Management process	I	A/R	I
Provide and maintain the ITSM tool	I	A/R	I
Identification and logging	A	R/C/I	
Investigation and Diagnosis	I	A/R/C/I	R/C/I
Resolution	I	A/R/C/I	R/C/I
Closure	I	A/R	C/I
Coordinate Incident resolution across Service Providers	I	A/R	C/I
Monitor overall Incident status during its lifecycle	I	A/R	C/I
Service Reporting	C/I	A/R	C/I

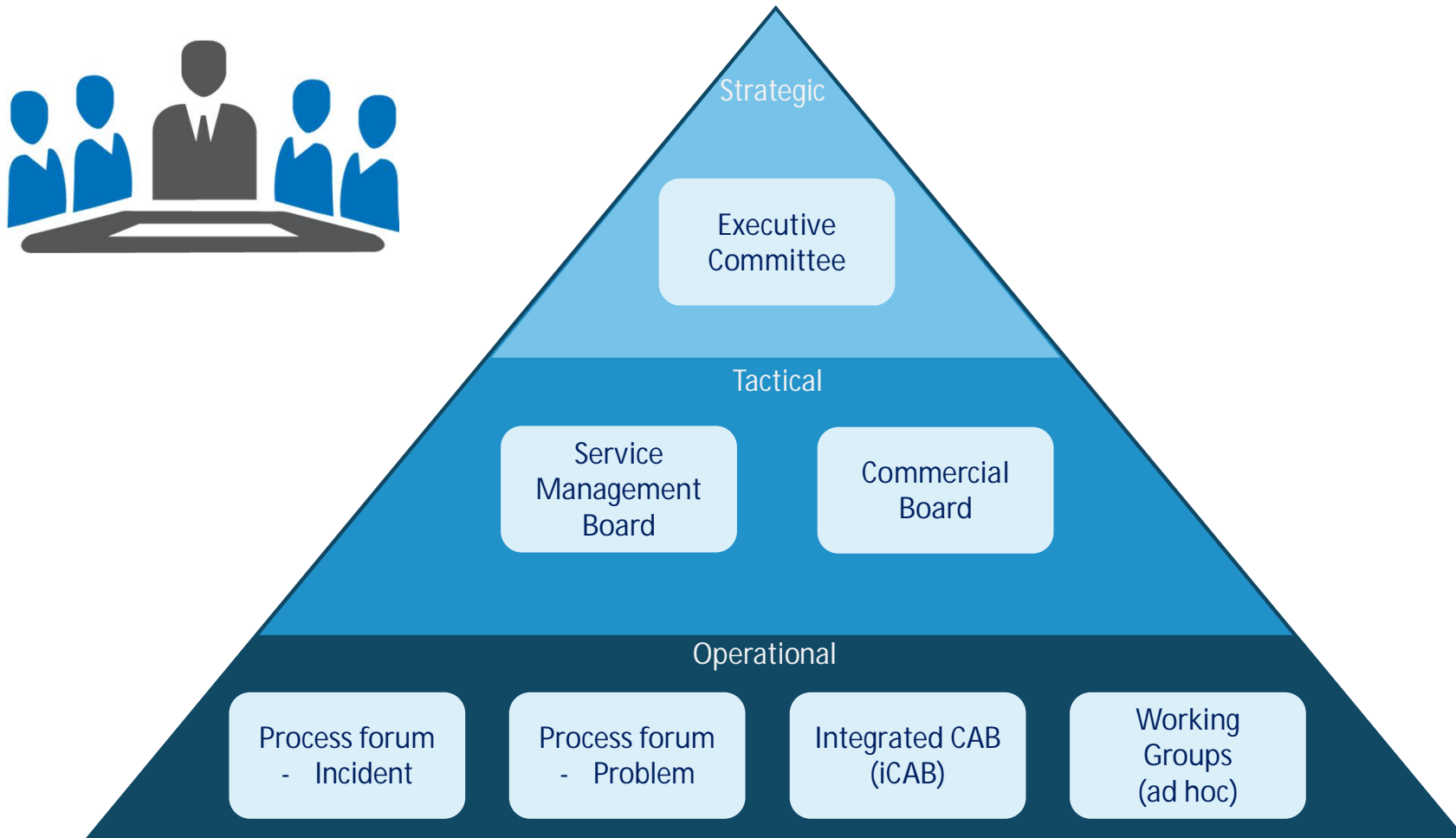
Step 6: Establish governance

COBIT 5[®] business framework for the governance and management of enterprise IT mapped into SIAM:



Step 6: Establish governance setup

Governance on different levels



Step 7: Establish service monitoring and reporting

An end-to-end view is aggregated by the service integrator using data from all service providers



Tips & tricks when establishing cross-functional measurement and reporting:

- Focus on the outcome – should provide value
- Identify necessary and valuable measurements and how to collect
- Start where it is possible – build up your measurement framework along the way
- Make it visible and easy to understand (scorecards etc.)

Step 8: Establish agreements

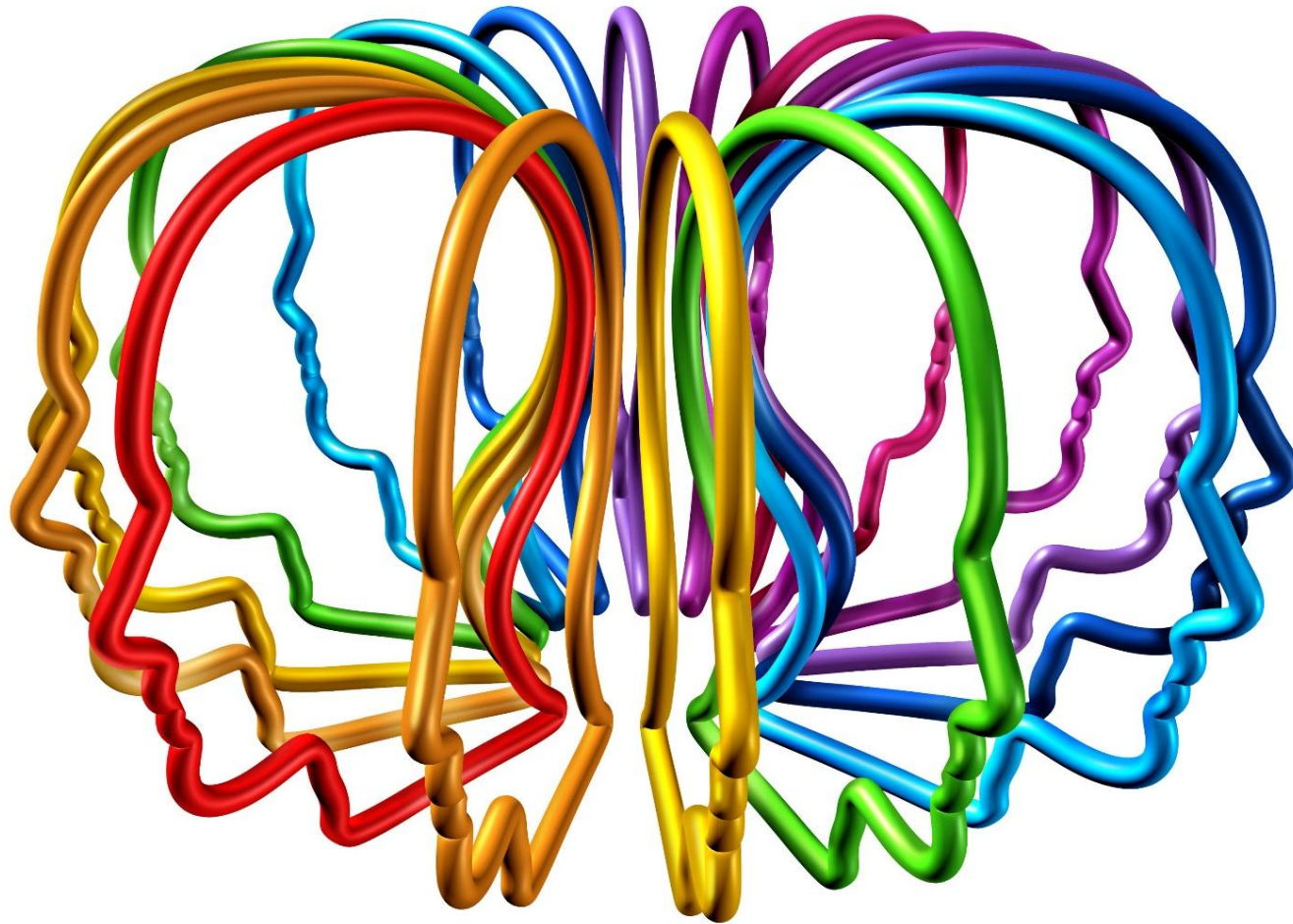
Agreements must be established in order to agree on the different roles and tasks in the setup



Tips & tricks when establishing agreements:

- Creating a “code of conduct” or “rules of the club” agreement, with input from all parties in the SIAM ecosystem. These govern behaviors on a day-to-day basis
- Signing collaboration agreements that are part of each contract or agreed between parties after the contract is signed, to add more detail about how they will work together
- Fix first – argue later principle

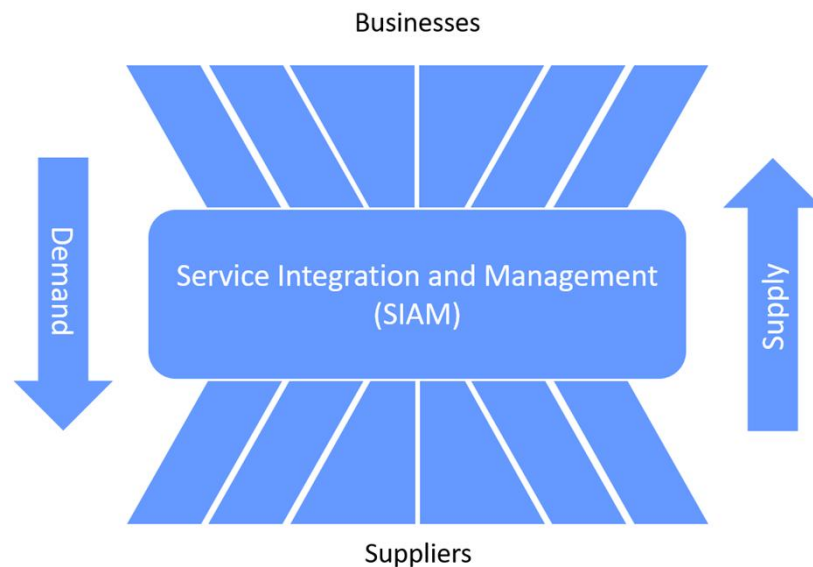
Not to forget - CULTURE



Please remember

There is no single "perfect" SIAM model.

Each organization has to develop its own SIAM model or adapt own SIAM principles.



Questions?

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