CA Nimsoft Modern IT Blog

ITSM Strategy: How Balanced Is Your Scorecard?

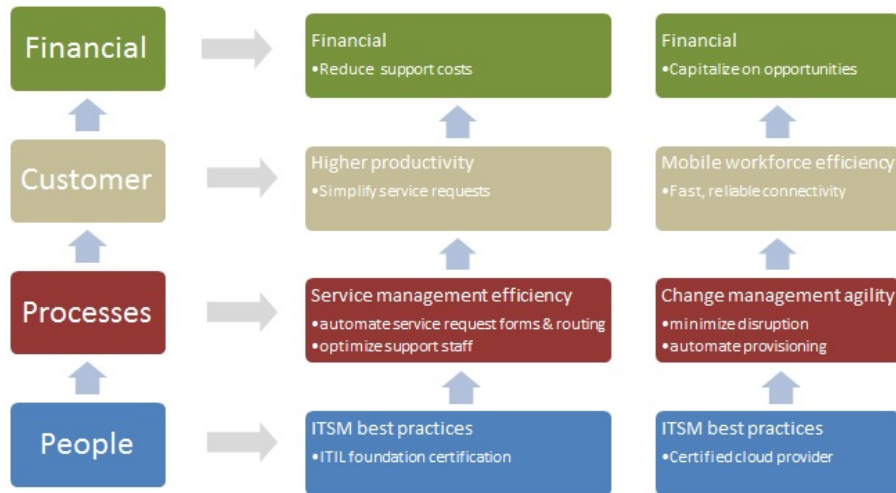Posted on December 5, 2012 by Ken Jochims

A widely held belief in the ITSM world is that automation is a key enabler of IT service management strategy as environments become more complex and diversified. The CA Nimsoft ITSM experts agree, but only to the extent that your processes are under control and aligned with business results. That's where the balanced scorecard can help.

Similar to a strategy map, a balanced scorecard is a framework, which ensures that your strategy is implemented effectively relative to your organization's people (Learning and Growth), internal processes, customers, and financial performance. The concept has been around since the early 90's relative to business management. So what does this have to do with ITSM Strategy? Internal processes, including service management processes, drive satisfied customers and contribute to achieving the businesses' financial objectives. Of course, the previously described scenario assumes that your IT support staff has the capabilities and learning platforms in place to maintain and enhance capabilities as the business need and technology change.

IT Service Management from a Balanced Scorecard Perspective

Taking a look at the IT service management processes, service managers can identify balanced scorecard perspectives for each and align them with the business objectives. Let's use the Service Catalog and Request Management process as an example. Say that a business outcome is to reduce support costs. Obviously, you could cut support staff, but that could lead to poor customer support—not a balanced approach. When you balance cost reductions with maintaining or even improving service levels, the process then becomes better aligned with customer and financial outcomes. So investing in automation at the process level could not only reduce costs by offering self-service ticketing and routing, but also simplify and speed the process for customers. As a result it's possible to reduce costs, and perhaps even staff, or at least optimize existing staff. In either case, automation is aligned with your customer's need and the business objectives.

The second example makes the case for service management automation in a BYOD environment. It describes alignment between people competencies, process requirements, customer need and business objective. Application performance and availability will be critical to the demanding requirements of a mobile workforce. In terms of change management agility, automatic discovery of environments and devices, can minimize the drain on IT support staff and ensure an up-to-date CMDB. More importantly, IT support staff can effectively monitor the new environment as it relates to the overall IT infrastructure. The Balanced Scorecard approach prevents unexpected events from impacting service levels. It ensures alignment between the customer and IT, so that baseline monitoring metrics are adapted to the new environment in a planned way and not by surprise when an incident occurs.

Granted, these are simplified high level views and require performance metrics to complete the picture. However, the reality is that given the heterogeneous and distributed environments in which we operate, automation will be essential to capture business benefits while preventing IT costs from escalating. A Balanced Scorecard helps guide effective ITSM decisions that contribute more impactful results to overall business objectives.

We like what Forrester's @stephenmann has to say about IT service management strategy (via ZDNet). For additional ITSM strategic guidance, talk to a Nimsoft ITSM expert. Learn how to effectively implement a service automation strategy that fits within your budget and business objectives.