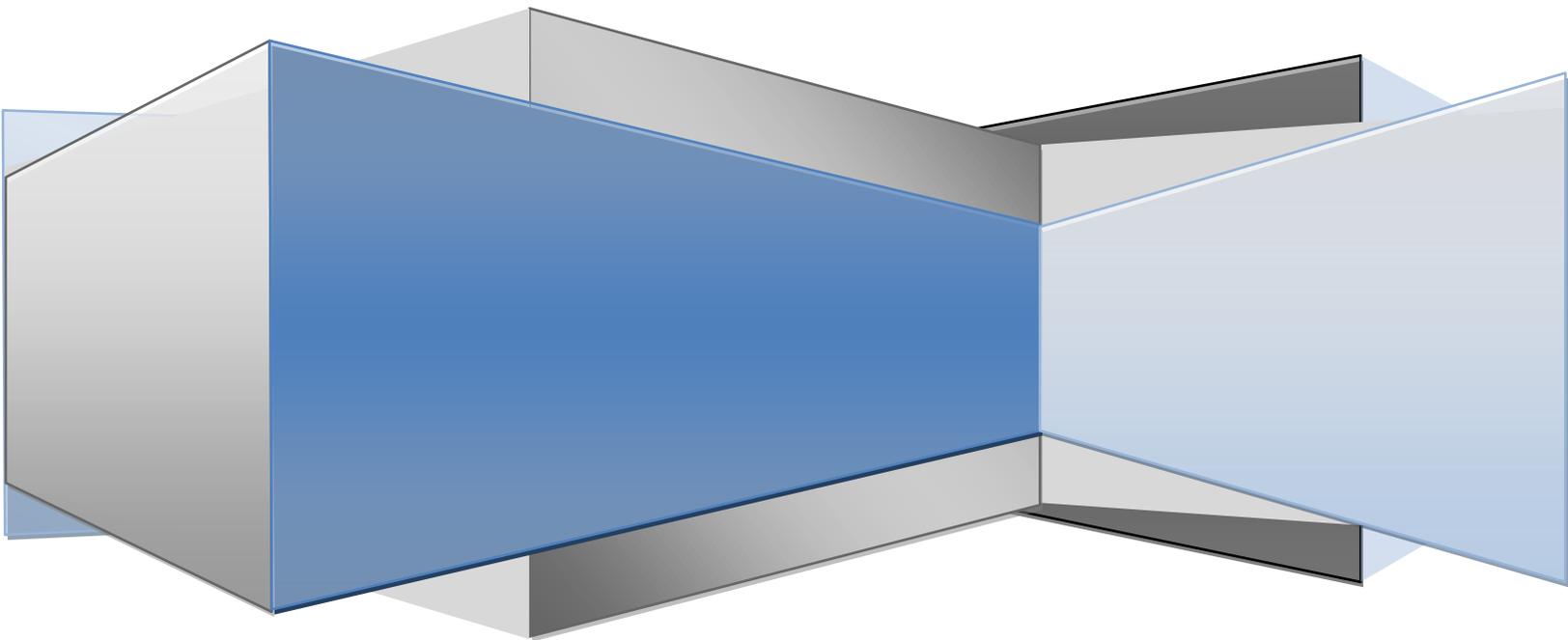


# Position Paper

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## Cross-Domain Service Management vs. Traditional IT Service Management for Service Providers

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## Preface

This purpose of this position paper is to identify and highlight the key differences between the Ni<sup>2</sup> Cross-Domain Service Management Platform software designed for Service Providers versus traditional IT Service Management (ITSM) software tools designed for enterprise customers from legacy software vendors (E.g. ServiceNow, HP, CA, BMC, etc.).

## Introduction

By 2014, market demand for rationalizing existing business processes, IT systems and Cloud adoption is expected to sharply increase due to the state of the economy, globalization and newly available cloud-related capabilities. These factors are forcing companies of all sizes to change and adjust their business models. As a result, Service Providers are the leading beneficiaries of this market demand but also face constant pressures to be more agile, to deliver or exceed on their expected levels of service and continue to provide significant and differentiated value to their customers in a consistent, reliable and economical manner. Therefore, to effectively compete in today's dynamic marketplace, Service Providers require next generation Service Management solutions that enables;

- Superior customer service;
- Rapid time to market for new services and technologies;
- Maximization of resource utilization;
- Improvement of operating margins.

## Software for Service Providers

Legacy vendors' ITSM solutions were originally intended for enterprise customers and corporate users. They were not designed, nor architected, to manage the cross-domain complexities of highly dynamic, virtualized and shared datacenter environments of today's Service Providers; for creating, delivering, managing and supporting multiple converged and IP-oriented services to multiple customers.

Ni<sup>2</sup> develops and markets software specifically designed and architected for Service Providers. The Ni<sup>2</sup> software consists of a platform, with a suite of integrated applications, purposely engineered to assist Service Providers to Build, Deliver, Document and Support the services they market to their customers. In short, Ni<sup>2</sup>'s value is in helping Service Providers to effectively and efficiently monetize their services by enabling the transformation, delivery and lifecycle management of multiple shared Information and Communications Technologies (ICT) services and infrastructure resources across various domains; IT, network, facilities and Cloud, from a single and common operating platform.

By providing a single system that delivers a cross-domain unified model for managing the both service and infrastructure resources, the Ni<sup>2</sup> software empowers Service Providers to effectively deal with the service management and transformational challenges prevalent in provisioning multiple shared services and resources to multiple customers.

As Service Providers expand their business operations to capture more market share, they increasingly face an almost unmanageable level of datacenter complexity. This is driven by the adoption of virtualization and the shift to cloud-based computing architectures and delivery models. The Ni<sup>2</sup>

solution is based on ITIL and eTOM best practices to effectively address and manage the cross-silo complexities and service management challenges introduced by Service Providers’ dynamic and virtualized environments for rapidly delivering services to their customers. Unaddressed, these

challenges result in very costly delays, overspending, service disruption, lost revenues and missed opportunities. The Ni² software effectively bridges the crucial gap between business and IT operations. No other solution in the market is optimized to meet these specific challenges.



## Differentiated Technology

From inception, Ni²’s software was designed with a federated multi-tenant orientation. By providing a single system that delivers a cross-domain unified model with a 360 degree view linking a Service Provider’s customers, their services, and supporting resources, the Ni² software enables Service Providers to gain end-to-end service visibility, a complete picture of the customer experience, and greater ability to manage customer demands and expectations.



## Cross-Domain Service Management

Service providers have unique business and operational requirements for managing their customers. The crucial touch point between the Service Provider and their customers is the Service Desk. It’s not just about people logging incidents. The Service Desk contributes to value creation by integrating people, products and processes for speedy incident resolution, improved productivity, optimal service quality, and to promote new or higher level services to customers.

The challenge is that the majority of the ITSM software being sold by legacy IT software vendors is designed and marketed for enterprise IT departments to manage their relatively static internal IT environments and support corporate employees. Such tools are ideal for understanding configurations/settings of internal resources, the static mapping of services to resources and enforcing some level of governance. However, the requirements and complexity of today’s Service Provider next-generation data center services are far greater.

Therefore, for Service Providers to leverage those traditional ITSM software’s effectively, most are forced to customize and tailor the software to address their distinctive business and operational requirements. And in an increasingly competitive environment, Service Providers can ill afford to spend all that money, time, and resources trying and hoping to make it work. The Ni² solution was purposely designed for supporting a Service Provider’s multiple customers, knowing which services they purchased

and visualizing the makeup of those services for better customer quality of experience, faster resolution of issues, increased customer satisfaction and faster delivery of existing or new services.

To effectively and efficiently deliver multiple services to multiple customers and to proactively deal with support, capacity, scalability, management and technology changes, Service Providers now require a holistic view of all services and resources across multiple domains. The Ni<sup>2</sup> solution is based on ITIL and eTOM best practices and effectively addresses the cross-domain complexities and service management challenges facing today’s Service Providers.

| Processes / Tools          | Traditional IT Service Management | Ni <sup>2</sup> Cross Domain Service Management | Ni <sup>2</sup> Business/Operational Value for Service Providers   |
|----------------------------|-----------------------------------|---|--|
| Service Support            | ✓                                 | ✓   | <ul style="list-style-type: none"> <li>• 360° view linking customers, their services and supporting resources</li> <li>• Out of the box processes for service request, incident &amp; problem management</li> </ul>                      |
| Service Design             |                                   | ✓   | <ul style="list-style-type: none"> <li>• Design and model service offerings in line with business objectives</li> <li>• Enforce consistency of the service delivery processes</li> </ul>   |
| Infrastructure Design      |                                   | ✓   | <ul style="list-style-type: none"> <li>• Maximize utilization of infrastructure resources</li> <li>• Design infrastructure to introduce new services</li> <li>• Design for IT, network, facilities, and Cloud infrastructures</li> </ul> |
| Configuration Management   | ✓                                 | ✓   | <ul style="list-style-type: none"> <li>• Cross-domain ICT data model; IT, networks, facilities and Cloud</li> <li>• Pattern-based Configuration Management System (CMS)</li> <li>• Multi-tenant</li> </ul>                               |
| Change Management          | ✓                                 | ✓   | <ul style="list-style-type: none"> <li>• Enforce governance</li> <li>• Automate processes</li> </ul>   |
| Deployment Management      |                                   | ✓   | <ul style="list-style-type: none"> <li>• Optimize deployment activities</li> <li>• Mitigate risk</li> </ul>  |
| Service Fulfillment        | ✓                                 | ✓   | <ul style="list-style-type: none"> <li>• Faster and consistent service delivery through cross domain automation</li> <li>• Orchestration capabilities</li> <li>• Self service portal</li> </ul>  |
| Service Catalog Management | ✓                                 | ✓   | <ul style="list-style-type: none"> <li>• Meet the desired business outcome</li> <li>• Ensure operational readiness</li> <li>• Service integration with the current infrastructure</li> </ul>   |

Legend    ✓ Covered    ✓ Partially Covered

## Multi-Tenant Platform

Today, Service Providers play a critical role in creating, delivering, managing, and supporting multiple converged and IP-oriented services. The inefficiencies caused by traditional ITSM tools that do not manage across the IT, network, facilities and Cloud domains cost Service Providers both time and money. Additionally, this lack of integration causes delays in service deployment, poor interoperability, and reduced quality of service. More importantly, operation costs are significantly higher than when a single system is used to handle multiple domains. Ni<sup>2</sup> recognized early on that next-generation services would use applications and servers in addition to switches and routers, and that all these physical and virtual resources would span multiple sites and multiple customers. To address this new reality, the Ni<sup>2</sup> software is comprised of multiple independent and highly integrated applications that leverage a very powerful, highly scalable and very adaptable platform.

The Ni<sup>2</sup> Platform, designed with a federated multi-tenant orientation, is an open, scalable, adaptable, multi-domain system for the enablement and customization of applications for managing any and all services and infrastructure resources across the IT, network, facilities and Cloud domains. Together, the Ni<sup>2</sup> Platform and its application modules offer unparalleled support, visibility, management and control of services and resources by combining inventory, configuration, design, modeling, discovery, fulfillment and proactive lifecycle management in a single software suite. The result is a significant enhancement and extension of a Service Provider's pre-existing investments in technologies, people and processes.

Ni<sup>2</sup>'s award-winning core platform, combined with its application modules, enables Service Providers to use a single system to manage their ICT operations but is also architected to seamlessly integrate to existing Business Support Systems (BSS).



## TECHNOLOGY OVERVIEW

Ni<sup>2</sup> is foundational in helping Service Providers to quickly monetize services and gain control over their infrastructure by mapping any and all data center resources for every service being delivered and to which customers. The Company's software was specifically designed to help Service Providers to better Build, Deliver, Document and Support the multiple services they market to their enterprise customers by leveraging a single and easy to use common operating platform.

### Build

Today's highly competitive environment is driving Service Providers towards faster innovation with increasing pressure on prices and margins. It has forced them to focus on time-to-market and adopting a services oriented approach to rapidly introduce products and services. This operating mode requires infrastructure "readiness" for the timely provisioning of services. Basically, Service Providers can no longer afford to build as they go, to deliver services to their customers. Such an approach consequently shifts the focus from the IT resources themselves to the business services these resources provide.

The Ni<sup>2</sup> software helps Service Providers to design and build new infrastructure and manage its deployment to deliver a consistent and balanced set of services to their customers. With this form of agile IT infrastructure in place, Service Providers can better take advantage of new trends, technologies, and respond to market changes more quickly and effectively. As new technologies emerge, new business models and delivery processes will be built around them. By leveraging Ni<sup>2</sup>'s software, Service Providers now have the capability and knowledge required to rapidly build and successfully deploy these new technologies to take advantage of these opportunities and obtain substantial financial benefits.

### Deliver

Service Providers have unique business requirements for managing how they deliver services to their customers. A Service Provider's ability to quickly and consistently deliver their services is vital and essential to maintaining that customer and their ongoing business relationship. For most Services Providers today, the process of fulfilling service orders for their customers is often quite challenging as

the process frequently relies on a high degree of manual intervention and the use of multiple disparate systems, spreadsheets, and static diagrams.

Service Providers have realized significant value using Ni<sup>2</sup>'s integrated platform and single system of record for enabling them to offer consistent and timely delivery of services by leveraging service catalogs. Ni<sup>2</sup>'s Service Catalogs play a double and vital role. On the one hand, they assist Service Providers in standardizing their offerings for added efficiency, while on the other; they allow customers to pick and choose services on-the-go, from an available menu. By using the Ni<sup>2</sup> Service Catalogs, Service Providers enable themselves to leverage a true service-ready infrastructure and confidently automate the provisioning process by having the proper visibility and understanding of how everything is connected for ensuring the successful delivery of quality services and products.

## Document

Properly documenting the IT environment and doing it in an automated fashion is quickly becoming the dominant success factor in a Service Provider's ability in differentiating themselves. Not solely for accelerating the delivery of services but more importantly in the quality of the services they provide to their customers. As the infrastructure becomes more complex and dynamic, documenting the services and the supporting infrastructure configuration information in a central repository significantly helps to avoid missed SLA's, greatly improves margins, and reduces customer churn.

The Ni<sup>2</sup> software helps Service Providers coordinate and automate the process of documenting. The software is multi-tenant and features a flexible "Pattern-based" Configuration Management System (CMS) for creating service and infrastructure technology patterns, as well as, process patterns for orchestrating any business process with a repeatable model. It's comprehensive cross-domain data model and CMS supports any service or resource across IT, network, facilities, and Cloud domains. It assists in determining the appropriate level of documentation and abstraction required to provide stakeholders the visibility to support the effective and efficient delivery of services and how to do it a manner that is consistent, reliable and, most importantly, economical. The Ni<sup>2</sup> software also provides for better planning and understanding of the impact of changes on the computing environment as well as the ability to react quickly to capitalize on changing market demands.

## Support

Effectively supporting and retaining customers are paramount concerns for Service Providers, and most all of them have unique business and operational requirements for managing those customer relationships. The crucial point between the Service Provider and their customer is the Service Desk and maintaining that relationship is vital for their business.

Ni<sup>2</sup> designed and developed its Service Desk specifically for Service Providers. It's designed so Service Providers can quickly track and easily manage which services their customers subscribe to and to visually convey the actual makeup of those services. Basically the Ni<sup>2</sup> software provides a 360 degree view of their customers, the services they consume, their Service Level Agreements (SLA) and the full-service composition which includes the supporting infrastructure resources, at their fingertips. As a result, Service Providers offer faster resolution of issues and a far better quality of experience to their customers. The Ni<sup>2</sup> software allows them to continuously deliver or exceed on their expected levels of service and the ability to provide significant and differentiated quality customer service and value.

## Value Creation and Profitability

The Ni<sup>2</sup> Cross-Domain Service Management software gives Service Providers comprehensive visibility and superior control and tracking of their services and complex physical, logical and virtual resources deployed in both internal and external data centers; all the while, enhancing and extending their pre-existing investments in technologies, people and processes. Service Providers have demonstrated results measured by improved margins, enhanced operational performance and increased business agility using the Ni<sup>2</sup> software. The software empowers them to:

- More effectively represent the relevance and value of their services and infrastructure resources, in business and technology terms
- Understand the composite relationships between customers, services, resources, SLA's and billing;
- Document, build, and manage services across technology and organizational silos, in a consistent, reliable and economical manner;
- Plan, design and assess future state scenarios and associated costs for the successful deployment and provisioning of their infrastructure transformation and service delivery projects;
- Drive predictability in capital and operational expenditures by taking into account forecasting market demand for current and future products and services.

As a result, Ni<sup>2</sup> Service Provider customers report results such as:

- Improve quality of service and client satisfaction; **customer churn reduced by 7%**
- Controlled costs and significantly increase margins; **increased data center footprint by 200% with zero increase in headcount**
- Optimization of IT resources; **infrastructure utilization rates increased from 20% to 75%**
- Accelerated time to market; **faster introduction of new services "from months to days"**

## Industry Analysts and Service Provider Validation

Unlike some legacy ITSM vendors, Ni<sup>2</sup> recognizes that Service Providers are redefining their service delivery models and how they operate to better align and successfully respond to market developments, but more importantly is that the business transformation of the current service management paradigm needs to evolve. Ni<sup>2</sup> is keenly aware that for its Service Provider customers it's not only about incident, change and configuration management but fully understanding their business, how they operate and their entire service value chain from Service Design to Service Transition to Service Fulfillment and finally Service Support. Below are recent comments from Service Providers and industry analysts on Ni<sup>2</sup> products, markets, and technologies;

### Service Provider Comments

*"We chose Ni<sup>2</sup> in part because it was able to bridge the telecommunications world and the IT world better than other ITSM solutions we saw, including some well know ITSM platform CMDBs."*

*"One of our objectives was to manage proactively the impact of change and incidents across what are at times massive shifts in infrastructure, and Ni<sup>2</sup> is helping us to do this much better."*

*"The Ni<sup>2</sup> Service Management Platform is helping us to achieve greater efficiencies across our IT organization by having a central database to provide information to other systems and other stakeholders consistently."*

*"We selected Ni<sup>2</sup> for their experience and knowledge of our business. Also because during our evaluation, it became evident that their software was designed with Service Providers in mind, unlike the other vendors we looked at."*

## Industry Analysts



*"The software is targeted at the datacenter operations side of the house, not problem resolution, **enabling users to do planning and change control across different domains.... it's at the right place and time** to get the conversation going"*<sup>1</sup>



*"One of the leading innovators in pursuing this more eclectic and albeit Operations-centric vision is Ni<sup>2</sup>. **The company's focus on such areas as Network Resource Management and Facilities Management in conjunction with its core focus on Enterprise CMDB systems has positioned it well for growth with partners, and a broad array of customers including service providers, seeking to leverage a more cohesive approach to optimizing infrastructure and managing change, while minimizing risk to service performance.**"*<sup>2</sup>



*"Ni<sup>2</sup> is unique in this market space. **They are the only vendor that offers a multi-domain capability to bridge the gap between the various data center disciplines.**"*<sup>3</sup>



*"(...) **it architected its product from the bottom up to be scalable with relational data and object-oriented CMDB** without being forced into a data model by any other previously developed products."*<sup>4</sup>

## About the Author

Joseph Bondi works in the Office of the CTO to define Ni<sup>2</sup>'s technology strategy and roadmap by identifying and evaluating market/industry trends and customer feedback. His responsibilities include contributing to business growth by identifying & prioritizing potential business & market opportunities and evaluating prospective strategic partnerships. He develops programs and marketing content to establish thought leadership and broaden the visibility of the company, its strategy and core products. Bondi has over 20 years of experience in IT Service and Infrastructure Management and speaks at industry events and conferences on data center related topics of service delivery and infrastructure transformation.  

## About Us

Ni<sup>2</sup> is an innovative and high-growth technology company that provides cross-domain service and infrastructure management software designed to help Service Providers of every size and type to run better and grow faster. Our company culture has consistently been centered on the design, delivery, implementation, and support of highly relevant technology solutions that support the success of an expanding list of some of the most advanced technology companies around the globe. Our clients, and our close relationships with them, have been the driving force behind our continual innovation and growth in the ever changing, increasingly dynamic, and technology-centric world we all live in today.  

**Ni<sup>2</sup> delivers the technology innovation that transforms the ways in which Service Providers deliver value to their clients.**

For more information about Ni<sup>2</sup>, please visit [www.ni2.com](http://www.ni2.com)  
Or reach us by email at [ni2@ni2.com](mailto:ni2@ni2.com)

<sup>1</sup> 451 Research – 451 Market Insight Service; July 2011

<sup>2</sup> EMA – EMA Radar™ for CMDB/CMS Use Cases – Innovation through Diversity; June 2011

<sup>3</sup> Forrester – Analyst Commentary; May 2008

<sup>4</sup> Gartner – IT Service View: CMDB Vendor Landscape; June 2007