— 2014 —

**КОСМИЧЕСКАЯ ОДИССЕЯ
СЕРВИС-МЕНЕДЖМЕНТА**

Путешествие в процессах и функциях

APPROVED BY EXPERTS

itSMF
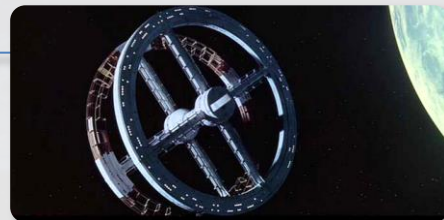СООБЩЕСТВО ПРОФЕССИОНАЛОВ ITSM

Alexander Tsimbalistov

ISG: Integrated Governance (IG) / Service Integration (SIAM)

*itSMF 2014 Moscow: Service Management Space Odyssey – **A Journey Into the Processes and Functions.***
Alexandre HEDAYAT , Director – ISG

itSMF Conference Moscow, Russian Federation
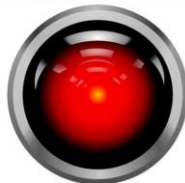
September 17-18

"Hello, you are looking well today."

" Привет "   **HAL 9000**   " Bonjour "

Alexandre HEDAYAT
Александр Хедаят
I.T. & Outsourcing Executive – Director, ISG

DUPONT		CSC	orange™ Business Services	*i ISG INFORMATION SERVICES GROUP®
1985		**1997**	**2005**	**2011**

2015

- *Operations, Audit, Finance, Security, Telecoms, Strategy, Outsourcing, Technology, Management, Global Sales, M&A, Consulting*
- *Governments, Defense, Manufacturing, Aerospace, Chemicals, Energy, Finance, Insurance, Banking, Retail, Heavy industry, FMCG*

"There are many worlds."

Alexandre HEDAYAT
Александр Хедаят
I.T. & Outsourcing Executive – Director, ISG

1985	1997	2005	2011	**2015**

DU PONT — CSC — orange Business Services — ISG INFORMATION SERVICES GROUP

IBM, HP, DELL, RSA, ISG INFORMATION SERVICES GROUP, AT&T, CONOCO, at&t, swisscom

DU PONT, SwissLife, CONOCO, Bundeswehr, RENAULT, (Swiss), ISG INFORMATION SERVICES GROUP

ZURICH, 3M, BRITISH AMERICAN TOBACCO, JTI, CREDIT SUISSE, hp, gsk GlaxoSmithKline, ISG INFORMATION SERVICES GROUP

Allianz, BASF The Chemical Company, Alcatel-Lucent, ALSTOM, AIRBUS, ABB, METRO GROUP, NOMURA, VW, Nationwide

- *Operations, Audit, Finance, Security, Telecoms, Strategy, Outsourcing, Technology, Management, Global Sales, M&A, Consulting*
- *Governments, Defense, Manufacturing, Aerospace, Chemicals, Energy, Finance, Insurance, Banking, Retail, Heavy industry, FMCG*
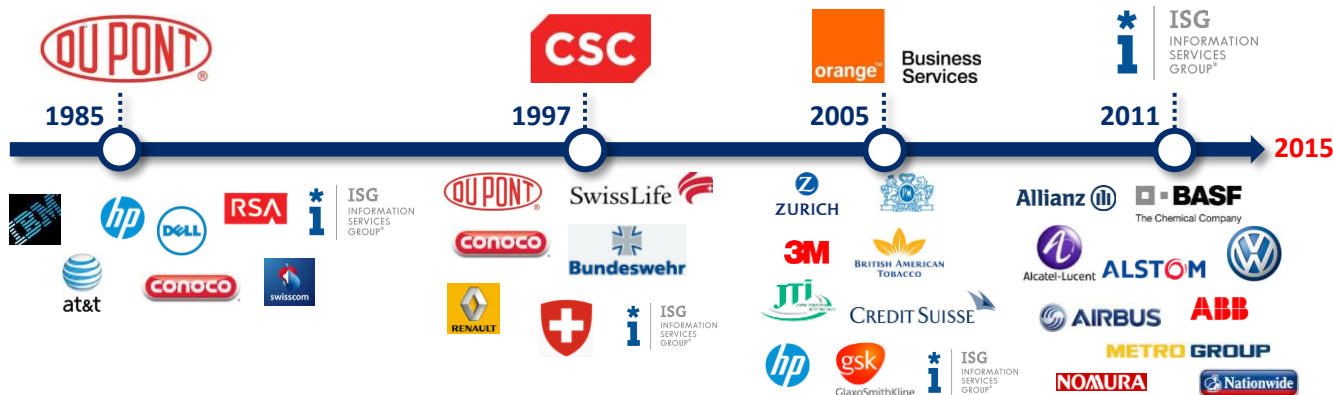
Why is ISG the Leading Advisory for Outsourcing ?

The global leader for a quarter of a century (25 years) for large tenders / RFPs, benchmarking and structuring leading edge outsourcing contracts and governance.

21 Countries

11,000 + Engagements

2,700+ Global RFPs/Tenders

25% Market Share

Proven Independence

75% of Forbes 1000 Global Companies

25 Years of Global Experience

800+ Professionals

1,800 Clients

$375 Billion Advised

10 Years of IG/SIAM Experience
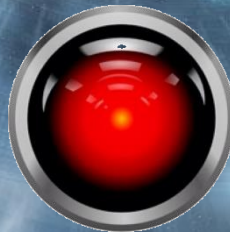
ISG INFORMATION SERVICES GROUP®

● Outsourcing ● Strategy ◉ **Tenders/RFP** ● Benchmarking ● Negotiation ● Contracts
● Cost Reduction ● Consulting ● Transition ● Transformation ● **Governance/SIAM**

The Evolution: What has Changed ?

	1980's	1990's	2000's	2010's	2020's
The Evolution of Service Delivery Strategies	**Developing** ? • Managed Services	**Monolithic** • Outsourcing fashion • IBM, EDS, CSC, HP • Lift and shift • ~ 7 – 10 years deals	**Dualistic** • Diversification • Rise of Near Shore • Maturing governance • ~ 5 – 7 years deals	**Pluralistic** • Global Business Services Principles • Multi-Sourcing • ~ 5 years deals	**Confederate** • Functional out-tasking, End-to-End • New tech • ~ 3 Year deals
The evolution of Service Integration	• ITIL first published	• Provider is Integrator	• ITIL v2 and 3 • Client or Mixed-model Integrator • Early SIAM views	• Maturing SIAM • Specific Provider is Integrator • Or Client Integrator	• Std Models • Plug & Play • Interoperability
Technology & Innovation	• Pagers • Cassette Tapes	• Internet (WWW) • Email • Cellphones • CD Players	• GPS, Google • Paypal, Kindle • Wi-Fi, Digitalization • Utility Computing • Cloud 1.0, Web 2.0 • Virtualization	• Facebook, Twitter • iPhones, Tablets • Cloud, Mobility • BI / Analytics • 3D Printing (Cars !)	• Robots, Droids • Full Scale Automation • Artificial Intelligence • Smart networks

Outsourcing: more components, more complex,
but also a product of convergence.

КОСМИЧЕСКАЯ ОДИССЕЯ
СЕРВИС-МЕНЕДЖМЕНТА
Путешествие в процессах и функциях ITSM

*it*SMF
СООБЩЕСТВО ПРОФЕССИОНАЛОВ ITSM

The Problem:
Governance & Service Integration

Why are companies talking about Service Integration ?

" *Lack of [service] management is central to the problems with multiple sourcing.*

84% of companies do not have what

they regard as a mature governance model."

April 2014

FT FINANCIAL TIMES

Consequence: From Control to Integration & Streamlining

*" Managing business **requirements** (**demand**) and internal and external **Service Providers** (**supply**) in an INTEGRATED manner is **one of the greatest management challenges** facing today's executives."*

Managing multiple Service Tower Providers

Integrated Demand – Supply Dynamics

! **Successful management** of Pluralistic or Confederation models **consists of the strategic sourcing and integration of services** from the optimal set of internal and external Service Providers and Suppliers to fulfill competitive business goals.
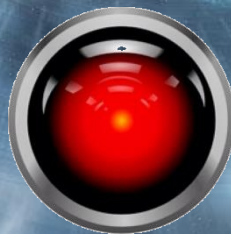
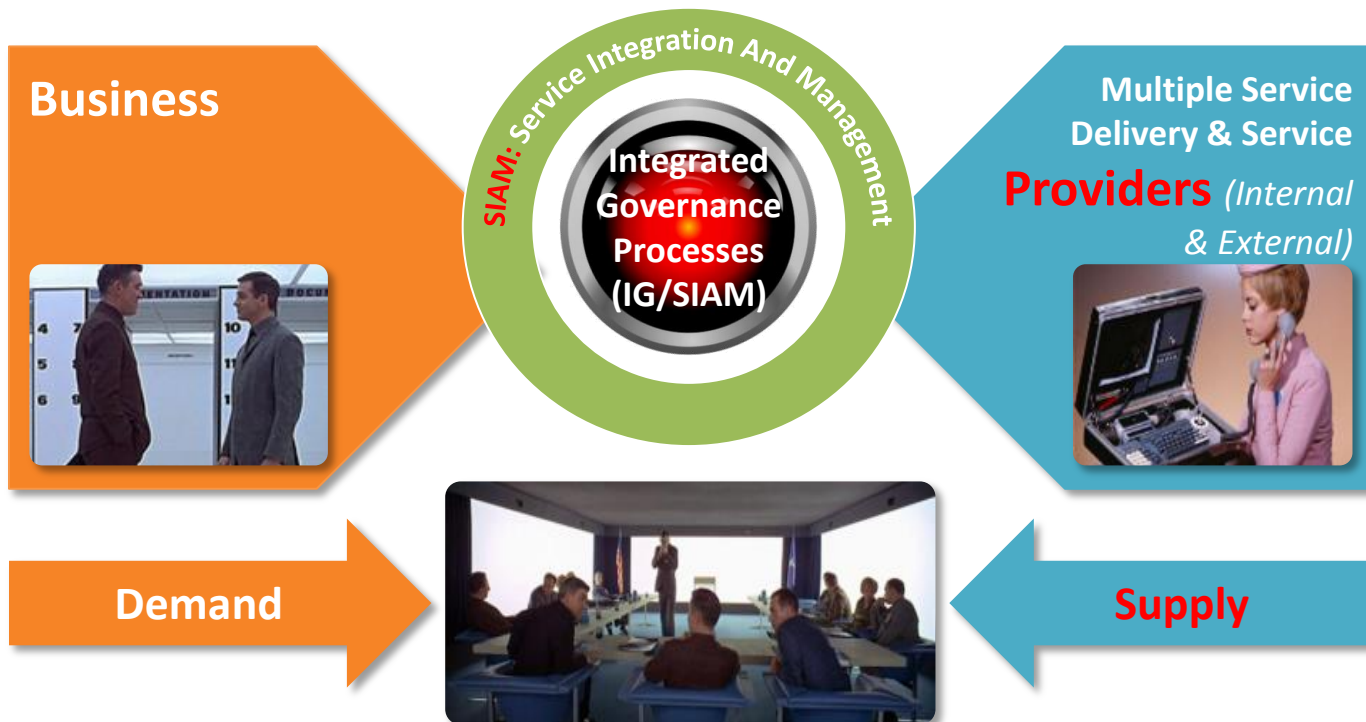# Consequence: Challenges & Benefits of Service Integration

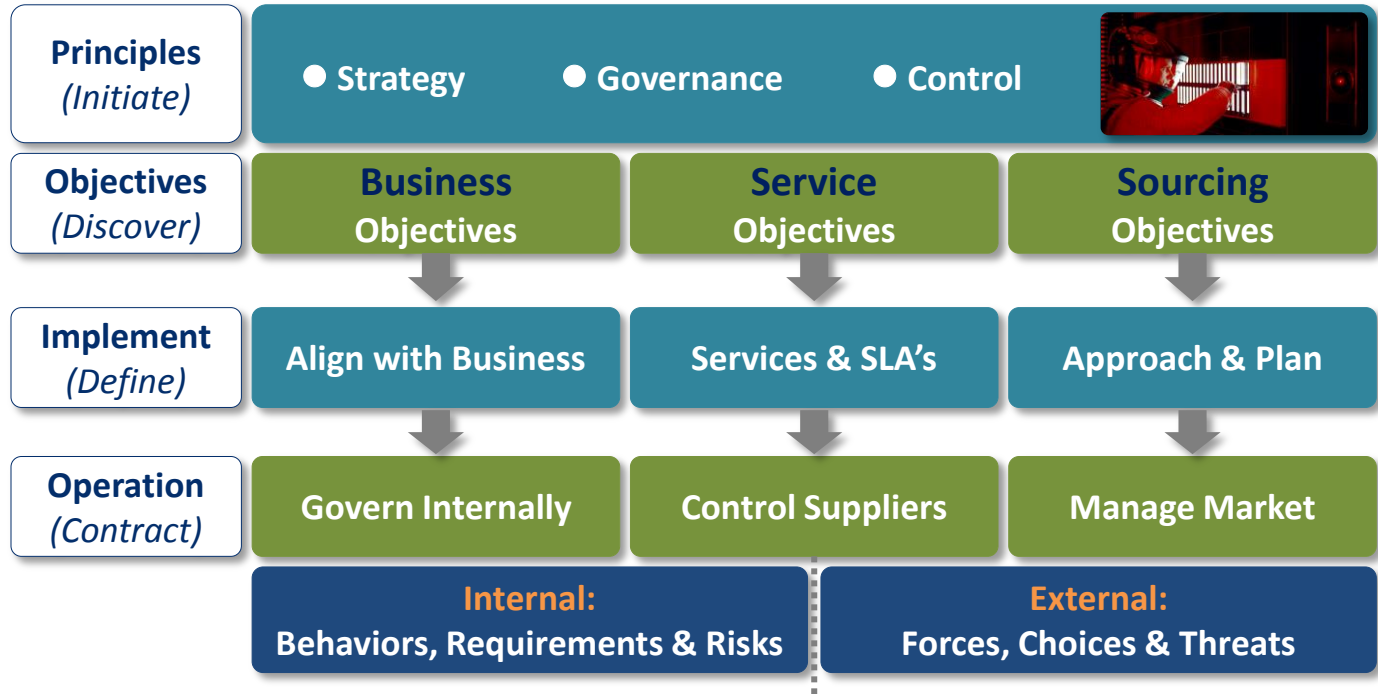*Why are we here today?* **The Origin. The Change.**

Communication

Transparency

Service Excellence

Compliance

Accountability

Sourcing Flexibility
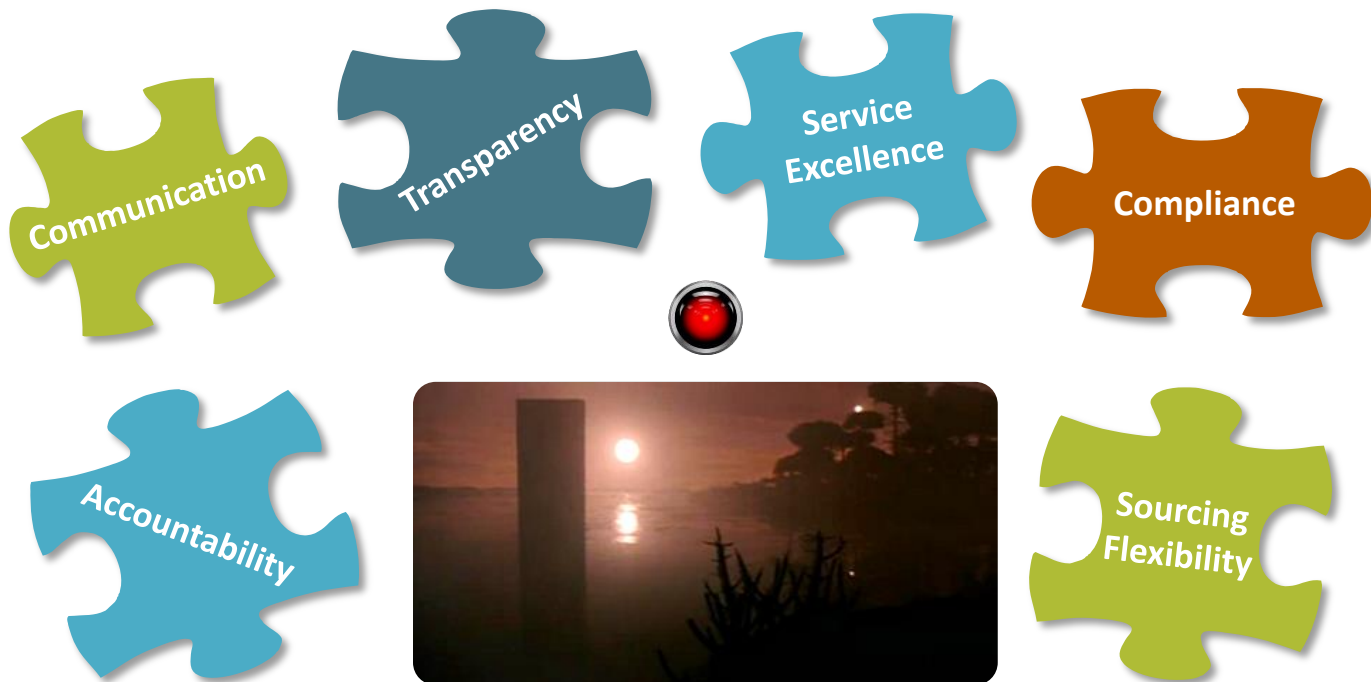
The Solution (1): Processes

What is Service Integration (IG/SIAM) ?

Business

SIAM: Service Integration And Management

Integrated Governance Processes (IG/SIAM)

Multiple Service Delivery & Service Providers *(Internal & External)*

Demand

Supply

"A process which is simple is the one whose core competency is speed, accuracy."   *Thomas Friedman, The World is Flat.*

What is the best approach for successful Service Integration ?

Defining the correct overall strategy and governance are essential steps to a successful Sourcing and Service Management approach. From this comes Streamlining of Purpose.
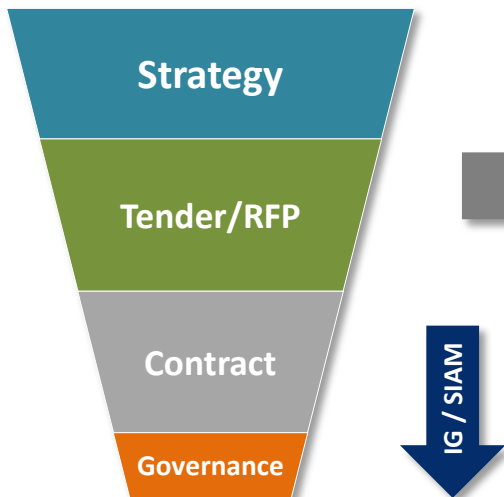
Principles *(Initiate)*	● **Strategy** ● **Governance** ● **Control**		
Objectives *(Discover)*	**Business** Objectives	**Service** Objectives	**Sourcing** Objectives
Implement *(Define)*	Align with Business	Services & SLA's	Approach & Plan
Operation *(Contract)*	Govern Internally	Control Suppliers	Manage Market
	Internal: Behaviors, Requirements & Risks	**External:** Forces, Choices & Threats	

Why is Service Integration so Important ?

Without IG/SIAM Processes:
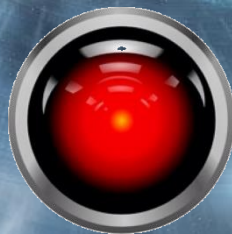*" Make it happen!"*

With IG/SIAM Processes:
"We can Deliver"

Strategy

Tender/RFP

Contract

Governance

IG / SIAM

Strategy

Tender/RFP

Contract

Governance, IG/SIAM Process Prep. & Design
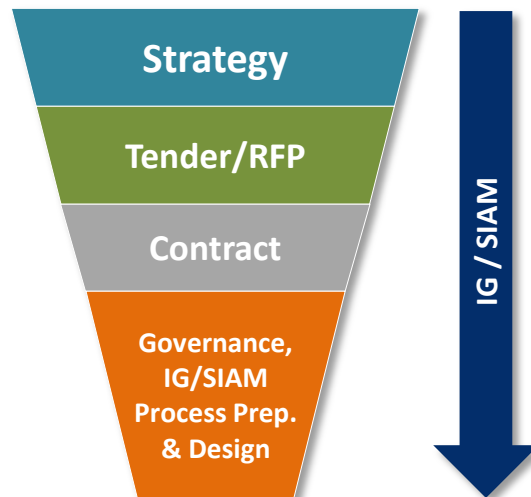
IG / SIAM

Process: The ISG Framework – A Global IG/SIAM Standard

"Something's going to happen. Something Wonderful."

Strategy

Strategy Mgt.	Service Portfolio Mgt.	Enterprise Architecture Mgt.	Financial Mgt.	Workforce Mgt.

⬤ Governance & Management Systems			Performance Management		
Governance Framework	Policies & Standards Mgt.	SIAM Systems Mgt.	Reporting	Service Level Mgt.	Cont. Serv. Improvement
Org Change Mgt.	Process Mgt.	Dashboard Mgt.	Benchmarking	Consumption Mgt.	Quality Mgt.

Information Management		Risk & Compliance Management		Sourcing Management	
Knowledge Mgt.	Data Mgt.	Risk Management	Audit & Compliance Mgt.	Sourcing Lifecycle Mgt.	Product Mgt.

Business Relationship Mgt.	Service Design, Transition & Operation			Provider Management
Business Engagement Mgt.	Design Coordination	Change Mgt.	Service Execution	Contract Compliance & Del.
Demand Forecasting	Solution Requirements	Change Evaluation	Event Mgt.	Contract Change & Amend.
Service Catalog Mgt.	Solution Analysis & Design	Sol. Dev. & Integration	Incident Mgt.	Contract Interpretation
Request for Service	Availability Mgt.	Serv. Validation & Testing	Problem Mgt.	Prov. Audit Prep. & Tracking
Non-Standard Request Mgt	Capacity Mgt.	Release & Deployment Mgt	Standard Reques Fulfillment	Invoice Management
Chargeback/Showback	Service Continuity Mgt.	Asset Mgt.	Identity & Access Mgt.	Value Assurance
Customer Satisfaction Mgt.	Security Mgt.	Configuration Mgt.	Facilities Mgt.	Provider On-/Off-boarding
				Provider Communication

Project Management

Project Portfolio Mgt.	Program Mgt.	Project Mgt.	Transition Plan. & Support	Spend Pool Mgt.

The Solution (2): Roles

It's not an obvious answer. But there is an answer.

You (The Client)	**Service Provider**
You are **accountable** for the delivery…	Service Provider is **responsible** for the delivery…
…of the services to your organization	…of the services as defined in the contract

What to focus on ? *(Answer: on Results)*

Manage results in an enlightened way – the contract is not enough.

No

" HOW "
Do Not Manage the Service Provider

Negative
Client/Service Provider relations
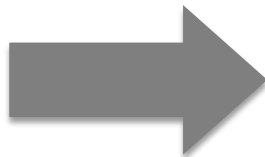
Yes

" WHAT "
Do Manage and Keep Focused on: SLAs and Results, as per Contract

Positive
Client/Service Provider relations

What Roles are needed to perform IG/SIAM correctly ?

*Although each sourcing arrangement is unique, there are some common roles that are required for each. This is called a **TOM** - **T**arget **O**perating **M**odel. **Example:***

Contract/Sourcing Executive	**Transition Manager**
Contract Manager	**Performance Manager**
Contract Administrator	**Supplier Relationship Manager**
Department/Business Unit Coordinator	**Service Manager**
Financial Manager/Analyst	**Commercial Manager**

How to Structure our Governance ?

Governance & Processes:

- *Designed to support the Operating Model end-state, Services Operations and Client/Supplier Relationships.*

- *All with fixed Agendas.*

Governance Data & Insight

Executive Steering Committee

Management Committee

Service Delivery Committee

Strategic Planning *(Quarterly)*

Services, Stakeholder *(Monthly)*

Delivery, Technical *(Weekly)*
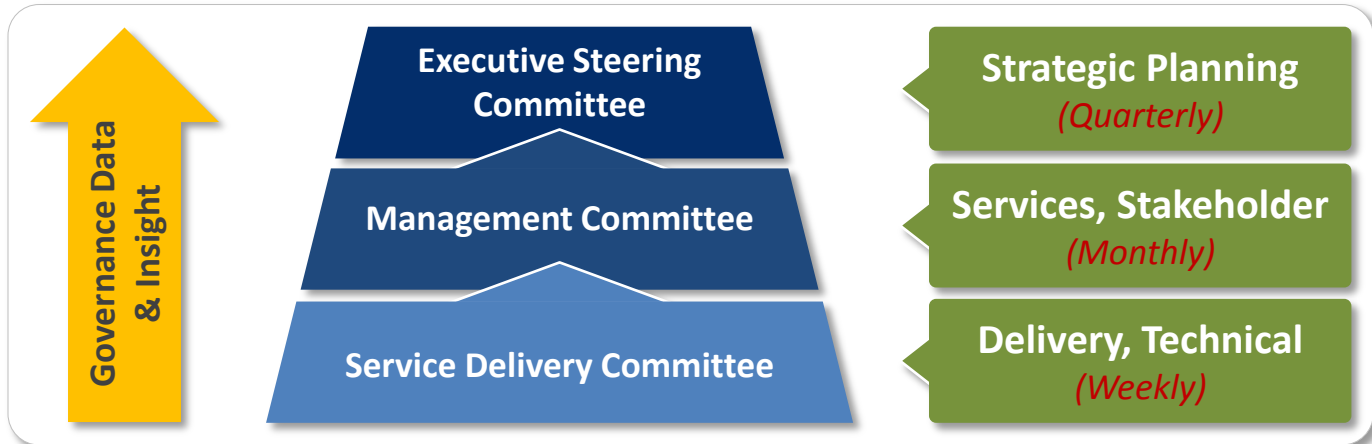
Conclusion: The Journey
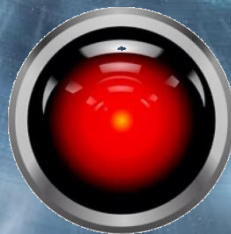
Is my company ready for the Journey ?

Lets think for 1 minute about each item. Can we identify 3 dimensions for each subject ?
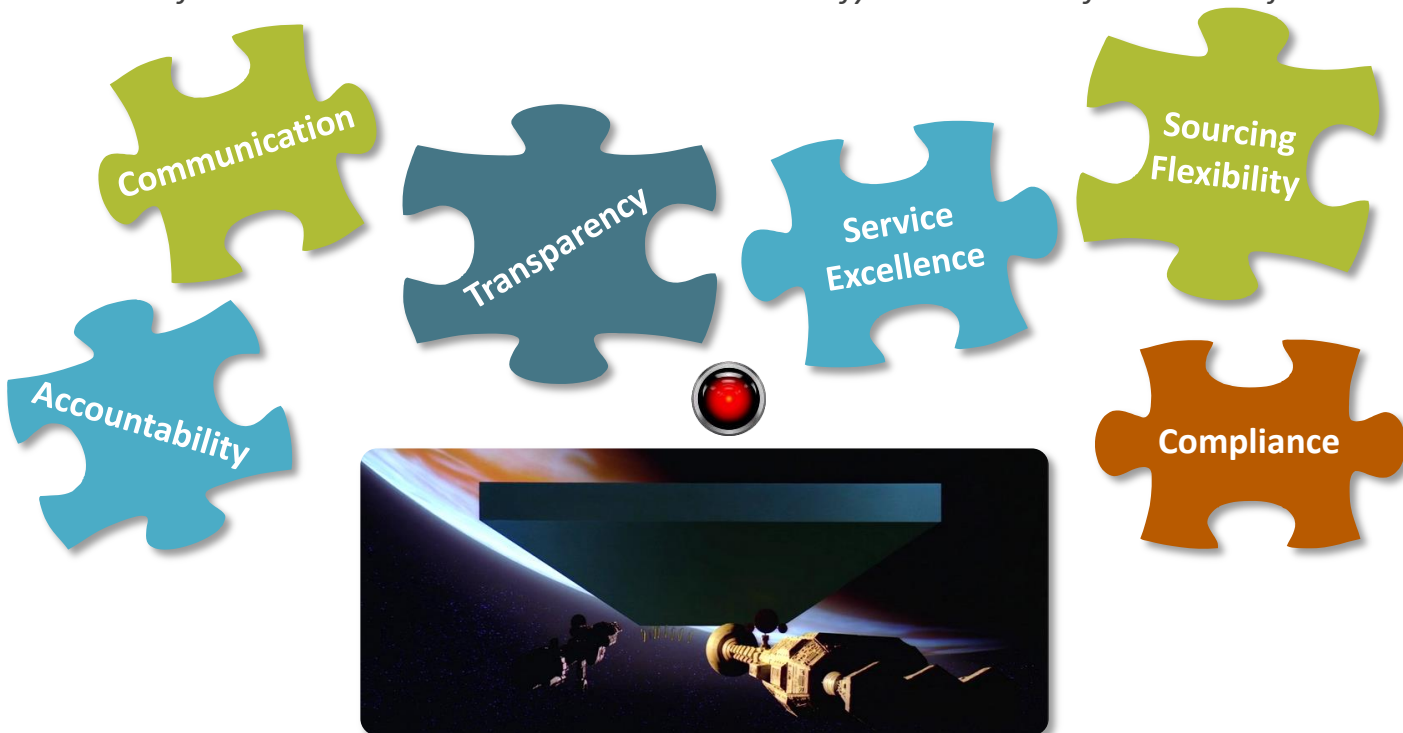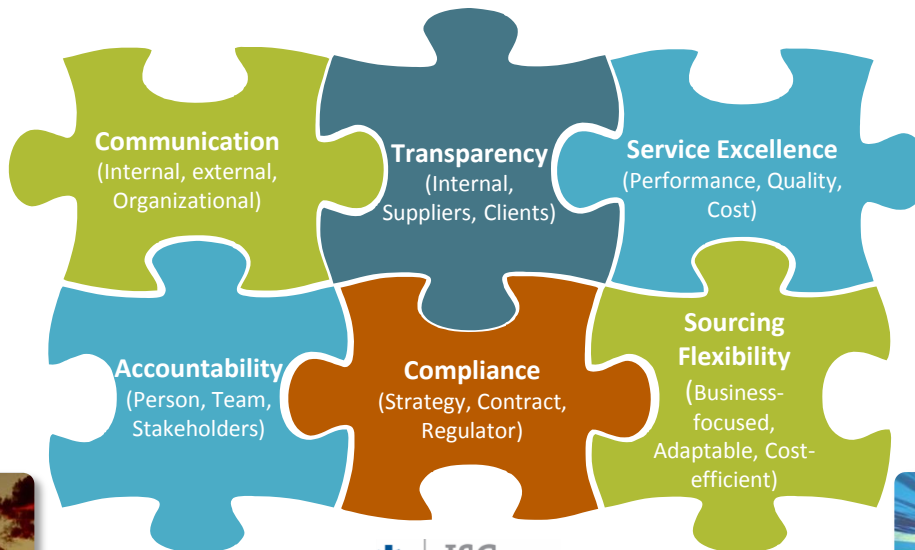
Communication

Transparency

Service Excellence

Sourcing Flexibility

Accountability

Compliance

Is my company ready for the Journey ?

Communication
(Internal, external, Organizational)

Transparency
(Internal, Suppliers, Clients)

Service Excellence
(Performance, Quality, Cost)

Accountability
(Person, Team, Stakeholders)

Compliance
(Strategy, Contract, Regulator)

Sourcing Flexibility
(Business-focused, Adaptable, Cost-efficient)

ISG
INFORMATION SERVICES GROUP®

- Outsourcing ● Strategy ● **Tenders/RFP** ● Benchmarking ● Negotiation ● Contracts
- Cost Reduction ● Consulting ● Transition ● Transformation ● **Governance/SIAM**

Why is IG/SIAM the Journey to the Future ?

*The transformation of any operating environment to a fully integrated Service Integration capability **is not simply a deployment or project, but a… Journey***

Future Mode of Operation (FMO)

Operational Excellence

Low Maturity

Optimized Performance & Cost Effectiveness

Implementation & Transformation

IG /SIAM and TOM Design

Strategy

ISG
INFORMATION
SERVICES
GROUP

Current Mode of Operation (CMO)
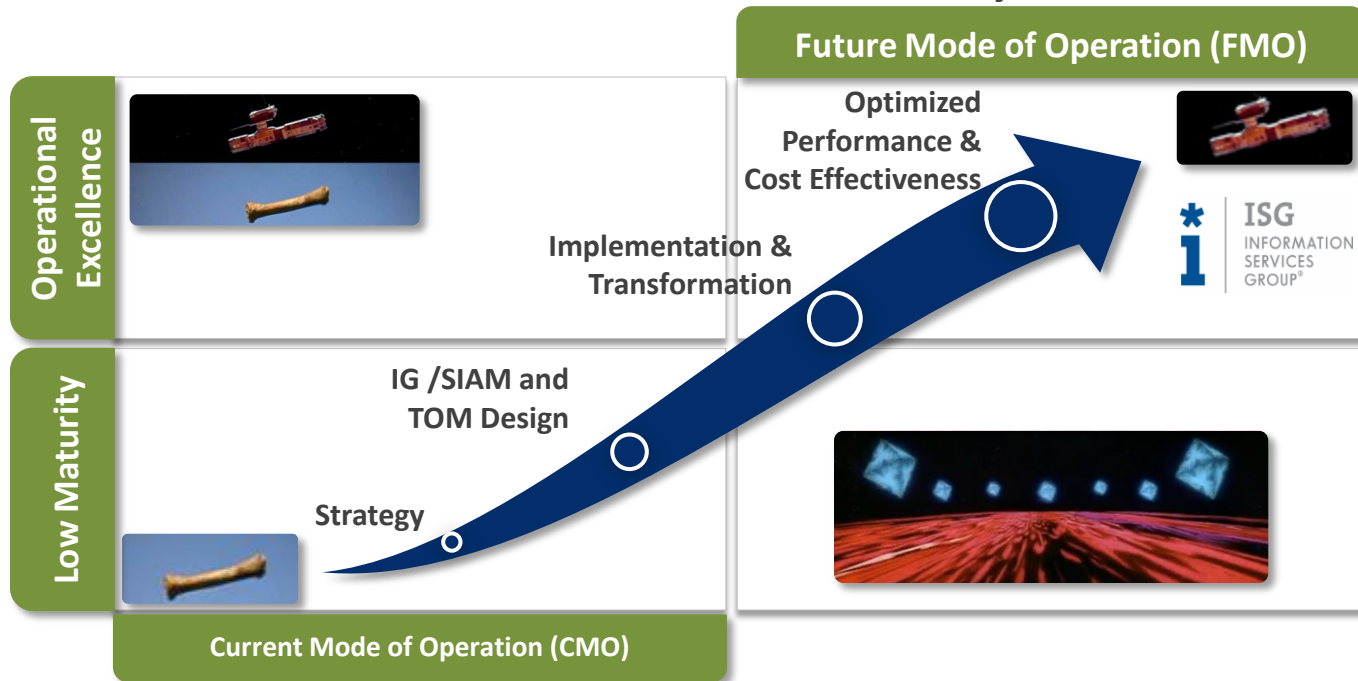
Thank you

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Further Reference

itSMF
СООБЩЕСТВО ПРОФЕССИОНАЛОВ ITSM
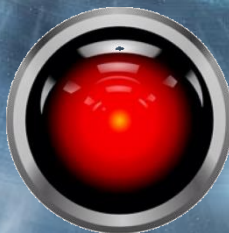
Why ISG ?

Because we are on Space Odyssey - 2061

Space Odyssey 2061

A New Dawn

ISG Integrated Governance (SIAM) Value Proposition

Experience, thought leadership, sourcing market changer, and trusted globally.

Advisory
Independent

Independent advisor in Service Integration and Management (SIAM) with **nearly 10 years** of Governance (IG) and Service Management experience

Team
International

High caliber international team of IG/SIAM experts who have **delivered across global blue chip companies** and who bring practical lessons learned to the table

Methodology
Comprehensive

Methodology **covering the complete life cycle** and spectrum of SIAM, from **assessments**, to **target operating model design**, to **implementation**

Framework
Pre-built

A library of **pre-built operationally tested** functional and organization designs, roles & responsibilities, processes, metrics, templates, and tooling requirements **for all SIAM processes** that can be adapted to any client scenario

Market Insights
Broad

Broad market insight based from **more than 200 projects** and many client references that demonstrate our expertise in Governance and SIAM

Unrivaled Depth of Experience

ISG focuses exclusively on helping **clients achieve operational excellence**. Our depth of experience is unrivalled.

scale

We advise on over **25%** of the Sourcing Markets Annual TCV Awarded. Having advised on over **$370 billion** in contract value, and performed over **11,000** engagements; no other advisory firm comes close to our level of market engagement and experience.

value

75% of our clients are either repeat or direct referrals. Our clients come back to us time and time again for critical market insight and advice around their strategic operational imperatives.

clients

75% of the Forbes Global 100 are ISG clients. We advise the world's largest blue chip firms through some of their most critical business operations transformation projects.

market voice

The **TPI Index®** is the premier source of quarterly insight and is considered the authority on trends and developments in the global sourcing industry.

ISG Engagement Experience

As trusted consultants, we have the breadth and depth of experience needed to provide strategic advice to business leaders across the globe.

11,600+ Engagements for 1,800+ Unique Clients
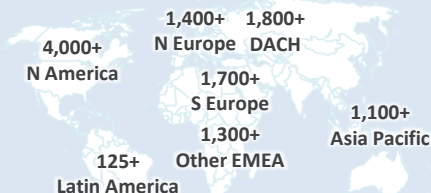
Engagements by Service Area

Engagements by Service Area	
Inform Services	140+
Assess (Benchmark) Services	5,700+
Design Services	600+
Execute (RFP/Tender) Services	2,700+
Transactions*	2,100+
Transformations	200+
Transitions	300+
Operate Services	680+
Project Management Services	570+
Governance Services	100+
Consulting Services	1,600+
*TCV of ISG Led Sourcing Contracts ($B)	$375 B +
% ISG Led Contracts Valued at > $50M	+50%

Information as of March 2014

More than **80%** of our engagements are with **Repeat Clients**

65% of our clients are in the **G-2000**

Engagements by Region

4,000+ N America

1,400+ N Europe

1,800+ DACH

1,700+ S Europe

1,300+ Other EMEA

1,100+ Asia Pacific

125+ Latin America

ISG Solutions Provided World-wide

With consultants across the globe we are in the locations that matter to you. Local market knowledge and language support can be critical to success in major change programs.

Your Business Environment. Your Culture. Everywhere You Are.

Operating from 21 Countries

800+ Professionals Worldwide
Over 25 Years of Experience

1,800+ Clients 11,000+ Engagements

ISG Solutions Provided World-wide through local presence

A global presence and experience since more than 25 years provide our clients with direct access to talent and delivery capabilities world-wide, and locally in key industrial and services markets.

Europe

Americas

Asia-Pacific

- Offices/Legal Entities
- Locations of Engagements
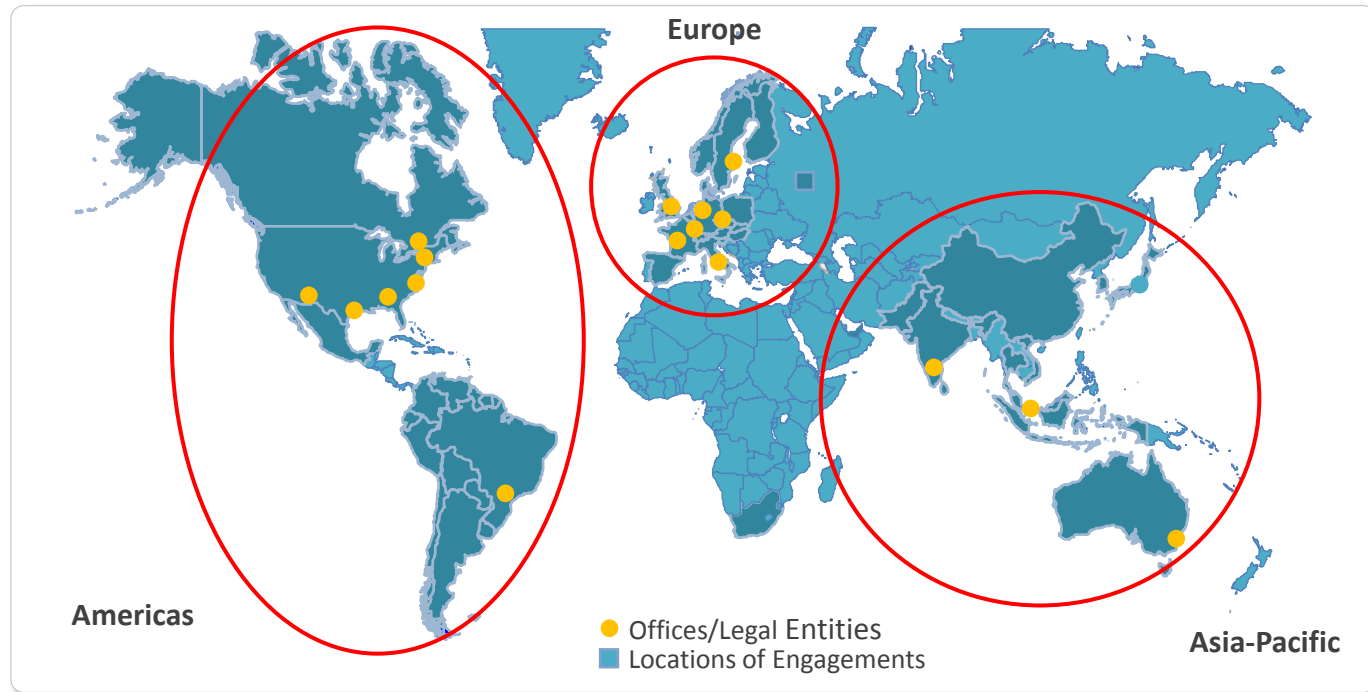
Our Global Clients at a Glance

Logos are a representative sample only.

Advisor to Some of the World's Largest & Most Successful Enterprises

Our Financial Services Clients at a Glance

Also Delivering Value for Some of
the World's Largest Financial Services Enterprises

Their Satisfaction is Our One True Asset.

Information as of February 2013. Logos are a representative sample only.

Your Speaker

Alexandre HEDAYAT, Director – ISG

ISG Biography

Alexandre Hedayat

Director, EMEA

Phone: +41 79 244 63 35

Email: Alexandre.Hedayat@isg-one.com

✳ ISG Role

Mr. Hedayat brings 30 years of extensive experience both in Europe and the U.S. covering information systems & technology and finance. His clients have benefitted from his know-how and seasoned approach in strategic, operational, management and advisory capacities, as well as his deep knowledge both from a client's and service provider's perspectives.

✳ ISG Experience

Mr. Hedayat's multi-disciplinary breadth and depth of experience has allowed him to bring recognized and appreciated value and advisory guidance both at operational and Board level in areas such as strategy development, service strategy, service delivery, operations, very large service and outsourcing advisory; specific areas include finance, audit, security, organization, telecommunications and IT planning. Within ISG, Mr. Hedayat has led a number of sourcing transactions, developed sourcing and IT strategies, advised on critical global negotiations, supported set-up of Governance, Operations & Delivery and provided strategic advisory to a number of our clients. His experience covers a wide range of industries such as Manufacturing, Chemical Oil & Gas, Energy, Insurance, Aerospace, Banking, Finance, Consumer Goods, Telecommunications, Defense and Governments. He has supported our clients in the UK, France, Germany, Switzerland, Russia and Nordics.

✳ Career History

Prior to joining ISG, Mr. Hedayat spent 15 years on global roles working for E.I. Du Pont de Nemours, in roles such as Financial Audit, IT Service Delivery, IT Strategy, Communications, Executive Board Advisory as well as providing leadership for a $5billion outsourcing for DuPont I.T.
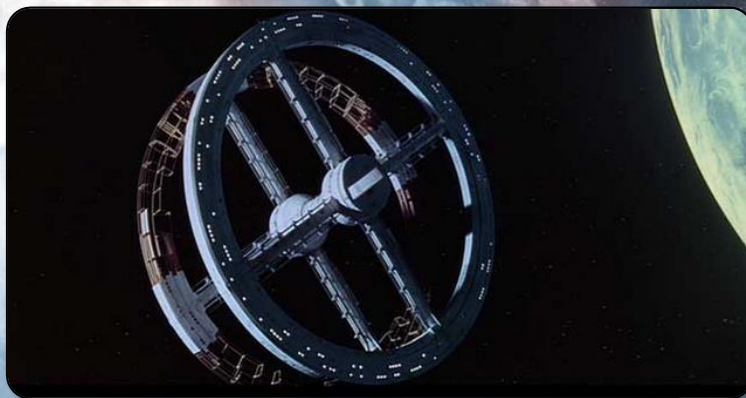
Mr. Hedayat then joined CSC for 8 years where he held global project, delivery and business development roles, as well as working on mega-deal sized outsourcing engagements up to $8billion both in the civilian and defense sectors. He then joined Orange Business Services to build and lead their global Outsourcing Strategic Sales team, winning over $2billion worth of new business during his 6 years in Orange.

✳ Education and Credentials

Mr. Hedayat is a Swiss national, has worked in Europe and U.S. and speaks fluent French and English, and understands German and Russian. He now shares his private life between Geneva where he lives, and Athens where his wife and her son both reside. He holds a degree from the Ecole Supérieure de Commerce of Geneva and has continuously refreshed and updated his expertise and thought leadership through executive education and development over 25 years. He is an active ultra-light, aircraft and helicopter pilot, remains engaged in the field of aviation, with a particular interest in the areas of human factors in aviation, resource management in flying duties, safety and training.

let's connect ...

Coming next...