Enterprise IT Service Management Pilot Proof of Concept

Project Charter—Updated

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Document Change Activity

The following is a record of the changes that have occurred on this document from the time of its original approval

#	Change Description	Author	Date
1	Original Document	M. Riley	3/13/06
2	Updated charter	M. Riley	2/28/07
3	Included Sean McSpaden's comments: original see ITSM_Academy_Project_Charterv2_SMC.DOC	J. Foster	3/2/07
4	Inserted Members and Resources section	J. Foster	3/8/07
5	Added Problem and Opportunity section	J. Foster	3/11/07
6	Updated Project Milestone dates	J. Foster	3/20/07
7	Updated DEQ and DOR CIO information	J. Foster	4/25/07

Enterprise IT Service Management Academy

TABLE OF CONTENTS

Enterprise IT Service Management Academy

Project Overview

Business Concept

The State of Oregon currently has a business opportunity to implement a single instance of an IT Service Management (ITSM) system on a pilot basis to determine whether use of the single instance by multiple state agencies is feasible. The Remedy ITSM suite of tools consists of Asset Management, Help Desk and Change Management modules. The Remedy ITSM has met technical requirements for these service management areas as well as addressing the IT Infrastructure Library (ITIL) best practices framework. This was determined through a brand-name justification and competitive request for proposal process completed in 2006.

This pilot project will utilize the structure of an "academy" or project-based work environment to involve collaborative work sessions with agencies who are interested in participating in the pilot. As a result of the ITSM academy, there will be an instance of the suite implemented and configured at the State Data Center. While the State Data Center and DAS Technology Support Center will immediately use the tool, other agencies are participating in the academy so that the tool is configured to address the needs of the enterprise.

Problem and Opportunity

Legislative mandate

In 2001, the State of Oregon Legislature promulgated new law in ORS Chapter 184 (ORS 184.473 through 184.477) to direct DAS to take appropriate measures to ensure effective management of the State's IT resources.

In order to help implement the new law, by April 2004 DAS had developed a statewide IT Asset Inventory and Management Policy (IRM 107-004-010) that set out selected requirements for state agencies regarding ITAM, including without limitation:

a. Establish IT Asset Management programs and procedures for acquiring, deploying, tracking/managing, and disposing of IT-related assets under its control.
b. Periodically collect and report a compilation of information about its current IT Assets and its planned IT investments to DAS IRMD following a published state government-wide schedule.
c. Establish (at their discretion) additional written policies, standards, processes, and procedures as necessary to accomplish agency business objectives.

Current State IT Management and Operational Needs.

The State has the following critical management and operational needs that can be satisfied through the use of a suite of Information Technology Infrastructure Library ("ITIL")-compliant integrated software tools:

a. Manage IT asset information in a manner that provides for: (i) knowledge of what IT assets are deployed and how those items are configured (related), (ii) management support of the day-to-day operations involving IT services, and (iii) the assessment and measurement of the performance of the State's IT investments over time.
b. Law and policy require collection and reporting of IT asset data at the enterprise level (all state agencies), including licensure compliance information, and to have the ability to monitor deployed IT assets for audit and security purposes.
c. The majority of the State's IT assets to be tracked and managed are LAN/Desktop-related assets within state agencies.
d. The IT assets located or hosted within the new State Data Center ("SDC"), *i.e.*, high value mainframe, servers, and network related assets, such as routers, switches, hubs, etc., also require tracking.

The IT management and operational needs require tools that feature a configuration management database ("CMDB") to house the subject IT data and relationships between assets; and that must fully integrate with IT service management process tools as defined by ITIL, including without limitation:

- Change Management - An action that results in a new status for one or more IT infrastructure Configuration Items
- Help Desk
  - Incident Management - Any event which is not part of the standard operation of a service, and which causes, or may cause an interruption to, or a reduction in, the quality of that service
  - Problem Management - A condition identified by multiple incidents exhibiting common symptoms, or from one single significant incident, indicative of a single error, for which the cause is unknown
- Configuration Management - a process that tracks all of the individual Configuration Items (CI) in a system
  - Configuration items (CIs) - component of an infrastructure or item, such as a request for change, associated with an infrastructure, that is (or is to be) under the control of Configuration Management
  - Configuration Management Database - A database which holds a record of all CIs associated with IT infrastructure
- Asset Management - an operational approach to life cycle, procurement, inventory, contract, compliance and cost controls of IT assets

The State's Current Investment in Remedy Brand Products

Over time, the State has conducted extensive market research, including at least one prior solicitation, through which it has been exposed to and examined multiple ITAM products manufactured by diverse suppliers. Through the course of this extensive market experience, the State has determined that only Remedy Service Management Products (Remedy Brand Products) manufactured by BMC Software, Inc. meet all listed specifications.

The State has a substantial investment in ITIL-compliant Remedy Brand Products. Over time, the BMC Remedy Service Management products have become deeply embedded in four (4) large state agencies: DAS, the Department of Corrections ("DOC"), the Department of Human Services ("DHS"), and the Department of Transportation ("ODOT"). They all utilize the Remedy Help Desk application, supported by the Remedy Action Request System ("ARS"). Some of these agencies also own additional Remedy modules for Asset, Change, and Service Level Agreement. Together, these four (4) agencies comprise 72.49% of the total State's IT PC hardware assets.

Annual support and maintenance costs for current Remedy Brand Product installations include:

a. DAS: $20,000.00 for Action Request and Help Desk
b. DOC: $28,000.00 for Action Request and Help Desk
c. DHS: $50,000.00 for Action Request, Help Desk and SLA
d. ODOT: $74,000.00 for Action Request, Help Desk, Asset Management and Change Management.
e. TOTAL: $172,000.00

This installed Remedy Brand Product base represents a multi-million dollar investment in an enterprise class infrastructure of IT service management tools. Each of the agencies deploying the Remedy Brand Products in their system environments has invested additional resources in training costs for users and administrators for those systems. The State owns an extensive base of personnel knowledge and skills related to the use of the Remedy ITAM product line in each IT environment where the tools are implemented and deployed.

Opportunity

The state has an opportunity to utilize the existing base of products, knowledge and skills for extension throughout its agencies.

a. Merging existing contracts and user licenses under one statewide enterprise solution could reduce current and future investment costs through optimizing contracting efforts and distribution and management of user licenses.

b. The acquisition of additional Remedy Brand Products would lead to the efficient maintenance, support and further utilization of the State's substantial existing product and service investments in the Remedy Brand Products line.
c. BMC Remedy Service Management products can be rapidly deployed without extensive reengineering of the State's business and network infrastructure. Integration efforts would be minimal because the tools in the BMC Remedy Service Management suite are fully integrated out-of-the-box.
d. This overall strategy would comply with the "best practices" trend growing among State IT departments for the effective and efficient use of information systems as outlined by the ITIL, an internationally recognized set of processes for IT service management.

Primary Project Objectives

This solution will be designed to meet immediate needs of the: Department of Administrative Services (DAS) - Operations Division, State Data Center (SDC), and Enterprise Information Strategy and Policy Divisions; Department of Human Services (DHS); Department of Forestry (DOF); Department of Environmental Quality (DEQ); and, Department of Revenue (DOR). The pilot, if successful, will achieve the following goals:

- Prove that one Remedy ITSM instance with multiple views will support the common and unique business needs of multiple agencies. The original pilot implementation will result in a production Remedy environment for addressing asset inventory, configuration management, and continuous tracking of the SDC, DAS TSC, DHS, DOF, DEQ, and DOR assets over time.
- Prove that IT asset data from multiple agencies could reside on this single instance and allow individual agency and enterprise "roll-up" reports to be generated based on role within the agency and/or the enterprise. The various IT asset data to be managed by the pilot participants (SDC, DAS TSC and DHS) should provide requisite scale (number of assets), diversity (type of assets and geographic distribution across the state/network) and complexity to prove this capability within the pilot.
- Prove that Remedy IT Service Management suite of tools will support a comprehensive and effective configuration management database; IT asset management including all hardware, software, and peripherals from an IT business and financial perspective.
- Collaboratively implement and configure Remedy IT Service Management Suite to address the needs of the enterprise through a multi-agency ITSM "Academy" process.
- Create work products that can be shared and reused by state agencies
- Educate participants about State of Oregon IT Asset Management policies and IT Infrastructure Library best practices framework.
- Utilize best practices in project management and systems development.
- Identify Enterprise ITSM system governance, product management, business model and support strategies of an ongoing enterprise ITSM program.

Project scope

The scope of this project includes and excludes the following items:

In scope:

- Remedy IT Service Management (ITSM) Suite (Help Desk, Asset Management, Change Management) implemented and configurable to meet Enterprise needs
- Remedy ITSM configured and implemented for immediate use by:
    - State Data Center: focus primarily on enterprise network, IT Security, mainframe and server management
    - DAS Technology Support Center: focus primarily on standard desktop, peripheral and printer management
    - Department of Human Services, Office of Information Services: focus primarily on standard desktop, peripheral, printer management and agency-specific network and server management.

  - Department of Forestry: focus primarily on standard desktop, peripheral, printer management and agency-specific network and server management.
  - Department of Environmental Quality: focus primarily on standard desktop, peripheral, printer management and agency-specific network and server management.
  - Department of Revenue: focus primarily on standard desktop, peripheral, printer management and agency-specific network and server management.

- Remedy ITSM hosted at State Data Center.
- Remedy ITSM configured to track Total Cost of Ownership and lifecycles.
- Remedy ITSM meets minimum tracking and reporting requirements defined by the current IT Asset Management Policy, IRM-107-004-010.
- Remedy Administrator training.
- ITSM user training plan developed.
- Recommended Enterprise ITSM system governance, product management, business model and support strategies of an ongoing enterprise ITSM program.
- Recommend updates to the IT Asset Management policy.

Out of scope:

- Immediate use for the entire enterprise.
- Remedy Service Level Agreement module.
- Implementation of the user training plan.
- Purchase and management of Enterprise licenses (initial cost, assessments).
- Determination of how to transfer single licenses into Enterprise license.
- Auto-discovery tool solution implemented to interface with Remedy IT Service Management Suite, as determined by the outcome of the RFP solicitation for ITSM.

Project Deliverables

- Data models for Configuration Management Database (CMDB)
- Functional IT Service Management models
- Fully configured and implemented IT Service Management system (Help Desk, Asset Management, & Change Management)
- Collection of ITSM Business processes and best practices
- ITSM Training Plan
- Recommended Enterprise ITSM system governance, product management, business model and support strategies of an ongoing enterprise ITSM program.

Project Website

http://www.oregon.gov/DAS/EISPD/ITSM/index.shtml

Project estimated cost/effort/duration

Estimated cost:

Funding Sources
DAS: $300,000

- Operations $150,000;
- EISPD $150,000;
- SDC – in-kind hosting;

DOF: purchase of user licenses only
DEQ: purchase of user licenses only
DOR: purchase of user licenses only

Estimated duration:

High Level Milestones	Date
Re-Start of project	1/26/2007
Milestone #1: Charter Approved	4/23/2007
Milestone #2: ITSM Processes Accepted	4/17/2006
Milestone #3: Vendor Identified	4/24/2006
Milestone #4: Configuration Items Identified	6/1/2007
Milestone #5: Configuration Items Implemented	6/8/2007
Milestone #6: Help Desk Items Identified	6/15/2007
Milestone #7: Help Desk Items Implemented	6/22/2007
Milestone #6: Change Management Items Identified	7/5/2007
Milestone #7: Change Management Items Implemented	7/12/2007
Milestone #8: Auto Discovery considerations to implementation	7/19/2007
End of project	8/26/2007

Project assumptions

In order to identify and estimate the required tasks and timing for the project, certain assumptions and premises need to be made. Based on the current knowledge today, the project assumptions are listed below. If an assumption is invalidated at a later date, then the activities and estimates in the project plan should be adjusted accordingly.

- Budgeted funds will cover costs to achieve project scope
- Steering Committee will provide a continuing high level of project support
- IT Asset Policy identifies minimum tracking requirements and not all departments follow.
- Incident reporting requirements are well defined at Agency and Enterprise levels
- Terminology is clearly defined and understood (Incident, Problem, Change)
- All affected work units understand and enforce the policy and procedures of new system
- Ongoing Enterprise ITSM system governance, product management, business model and support strategies that lead to the establishment of a sustainable enterprise ITSM program will be put in place if the pilot proves to be successful

Project risks

Project risks are characteristics, circumstances, or features of the project environment that may have an adverse effect on the project or the quality of its deliverables. Known risks identified with this project have been included below. A plan will be put into place to minimize or eliminate the impact of each risk to the project.

Risk area	Probability (H/M/L)	Impact (H/M/L	Risk plan (Mitigating)

		)	
Lack of ability to report at detailed level - customization may be required, impacting cost (database may not be as useful)	L	H	Group input and policy will help guide the configuration needs.
Incident vs. Problem vs. Change - lack of understanding and/or agreement	L-M	H	Education about ITIL definitions of terms, agreement and acceptance by group.
Lack of buy-in to implement new processes (using the tool)	L	H	Ease of use, involvement of stakeholders, support from upper management
SDC's CMDB timeline slippage--may not gather all correct info (CIs)	H	H	SDC will have to wait for the tool or use different tools in the interim.
Vendor timeline slippage, impacting deliverables	H	L-M	
Vendor not able to provide all deliverables within budget constraints	H	H	Follow plan, stay in scope
Limited funding for the pilot and follow on activities. No identified funding for expansion to other agencies	H	H	
Lack of an established Enterprise ITSM program and identified program leader	M	H	
Stakeholder or sponsor change in support	M	H	
Lack of business acceptance of changes IT Asset Policy requiring minimum tracking may not followed.	H M	L L	ITSM Academy and education efforts

Membership and Resources

Sponsor

The Sponsor will provide the Executive Leadership, priority and commitment to the project, its goals and objectives. The Sponsor assures appropriate resources, funding and the final decision on issues that may need resolution by the project team.

Specific Responsibilities/Duties for the Sponsor

- Provides overall direction and oversight to the project and ensures the project is in line with the program and department objectives.
- Forms the project steering committee.

- Chairs the Steering Committee, ensuring steering committee collaboration, seeking project commitment and direction from committee members.
- Reviews project progress, achievements, and issues.
- Facilitates Steering Committee decisions and actions on issues that can not be resolved by the Project Manager
- Ensures that the managers of the organizational units most affected understand the project goals and benefits and are committed to the project.
- Ensures that budget and resources are provided to the project to meet its goals and objectives.
- Reviews and approves the project plan, including budget, and any adjustments, which delay milestone achievement.
- Reviews all ITSM Pilot Project related draft audit findings, quality assurance or risk management assessments, and any other assessments before they are reported or submitted as final to other organizations.
- Reviews and approves the project evaluation and lessons learned report.

Bret West, DAS CIO – 503.378.2349 x287

Project Manager
The Project Manager is responsible for completing the project on time, within budget and to an agreed scope. Responsible for facilitating the project by using the project management processes, organizing the project, and managing the team work activities consistent with the approved work plan.

James Foster, DHS – 503.945.7046

Steering Committee Members
The Steering Committee is the principal body, which represents the primary participating organizations or stakeholders. The representatives must be advocates, committed to ensuring that the ITSM Pilot Project fulfills its stated objectives. The Steering Committee will assist the Sponsor in making key strategic decisions regarding the project and in resolving any issues that impact the representatives' organization's policy.

Preliminary estimated time commitment is 2 hours per month for the duration of the project.

Specific Responsibilities/Duties for the Steering Committee Member

- Ensure the timely and effective cooperation of their staff, departments and other operating units.
- Actively help to remove obstacles and solve problems that are beyond the control of the Sponsor or Project Manager.
- Convey relevant legal/regulatory/statutory/legislative/organizational policy/contractual requirements and restrictions as they relate to the ITSM Pilot Project.
- Identify and reference current recommendations of relevant authorities, trade bodies or associations, where appropriate.
- Identify any conflicts between organizational policies, standards, relevant external requirements, etc. and or ITSM Pilot Project objectives.
- Identify business practices that may adversely impact the Project's ability to successfully meet its objectives.
- Propose methods, and take action and possibly assign additional resources to resolve any conflicts between organizational policies, relevant external requirements, etc., or ITSM Pilot Project objectives.
- Approve change requests proposing changes to the primary objectives, budget or milestone dates.

CIO Management Council

Core Members

Core members are dedicated 20 percent of their time, excluding leave and required overhead duties. The Core Members shall perform the majority of the project work. A cross-section of representatives from various departments must initially assist with planning the project. Decisions on standards, tools, development platforms, procurements, databases, networks, etc., require agreement and commitment from the cross-section of state government. The project plan will determine further requirements for types of staff needed from the participating departments to execute the project plan.

The proposed Core Members are:

Melody Riley, DHS CSS Manager – 503.945.7657; Pilot Lead
Debra Fery, DAS TSC Manager – 503.373.0938; Pilot Lead Backup
Steve Schafer, SDC Project Coordinator – 503.373.1751
Gerry Woock, DHS IT Asset Manager – 503.947.5113
Sean McSpaden, DAS EISPD Manager – 503.378.5257

Other Members

A cross-section of representatives from the participating departments must assist with the project. Decisions on standards, tools, development platforms, procurements, databases, networks, etc., require agreement and commitment from all parties. The project plan will determine further requirements for types of staff needed from the organization to execute the project plan.

Preliminary estimated time commitment is 16 hours per week for 5 weeks to complete the academy and planning the CMDB.

Academy Participants: http://www.oregon.gov/DAS/EISPD/ITSM/academy_participants.shtml

Project approvals:

The following signatures indicate approval or direction to proceed with the above selected action, i.e. planning, research or analysis, or commencement of an entire project.

_____	_____
Project Sponsor – Bret West	Date
_____	_____
Interim State Chief Information Officer and Chair of the CIO Management Council- Dugan Petty	Date
_____	_____
Pilot Lead – Melody Riley	Date
_____	_____
Project Manager – James Foster	Date

Pilot Project Participants

Name	Signature	Date	Agency	Role
Rick Howard			DHS	Interim Chief Information Officer
Mark Reyer			DAS	State Data Center Administrator
Debra Fery			DAS	Technology Support Center Manager
Sandy Jefferson			DOF	Chief Information Officer
David Almond			DOR	Chief Information Officer
Jim Roys			DEQ	Manager, Business Systems Development
Sean McSpaden			DAS	IT Investment and Planning Manager