The Weak Link

Strengthening the relationship between Projects and Service Operation

Stephen Miles
Senior Consultant
ProActive Services

www.proactiveservices.com.au
www.proactiveservices.co.nz

HEAD OFFICE:
MELBOURNE
Level 4, 60 Albert Road
South Melbourne VIC 3205

SYDNEY
Level 40, 100 Miller Street
North Sydney NSW 2060

CANBERRA
Level 6, 60 Marcus Clarke Street
Canberra ACT 2600

BRISBANE
Suite 48, 147 Coronation Drive
Milton QLD 4064

AUCKLAND
Level 20, 135 Albert Road
Auckland New Zealand

WELLINGTON
Level 4, 326 Lambton Quay
Wellington New Zealand

AUS 1300 880 855 NZ 0800 11 56 56

ProActive
BUSINESS DRIVEN IT SERVICE MANAGEMENT

About the Author: Stephen Miles

Stephen is a Senior Consultant at ProActive Services with extensive experience working on projects focusing on the successful transition into production, ensuring that operational readiness and acceptance aspects were fully defined, documented and tested as well as developing or enhancing processes as required.

In this article, he discusses some of the issues that an organisation experienced when transitioning new and changed services, and ways in which these were addressed.

Executive Summary

This case study shows how a retail organisation improved the ability of service operations to receive and support solutions from projects. It sets out the issues that are common for many organisations, and identifies what was implemented to improve the ability of IT to successfully transition and support the services to the required quality.

Traditionally in IT there has often been a disjoint between the part of the IT organisation responsible for the management and delivery of IT projects and those responsible for day to day delivery of the IT services. Sometimes an organisation recognises that there is room for improvement but underestimates the positive impact that a good operational readiness process can have.

In addition, a balance needs to be struck between pricing solutions to win business and ensuring the costs of important service and operational requirements are included. The right amount of resources to deliver within agreed costs is always a challenge. Getting this balance wrong will often mean that the IT operational budget is left to resolve service operation quality issues.

The Company

The company is one of the UK's leading retailers of clothing and foods with over 600 stores. Additionally, their online retail presence now provides significant revenue and is a critical growth area for the business.

They have specialised service desk support for stores and generic service desk support for various business units. They use a number of 3rd parties including for the provision of applications development and support. Core systems monitoring and support was managed by a 24x7 IT Operations team via a centralised Operations Bridge. Programme and project management was provided in house, including all test and environment management capabilities. IT Service Management was geared towards an ITIL version 2 framework with varying levels of maturity for the processes in place.

The issues faced

For this organisation there was a tendency for a ‘reactive’ approach, as projects neared their target implementation date. Non-functional aspects required to support the service were captured in an ad hoc fashion or only considered very late in the project lifecycle, and resulted in implementation delays or support difficulties once live.

The reasons behind this were varied, but commonly related to the lack of integration between the project team and the service and operational teams.

The project organisation was separate to the Service Operation organisation in terms of management structure and funding, meaning they had different objectives, priorities, responsibilities and perspective. The Projects’ focus was to deliver the functional solution on time and to cost. As a result they were less focused on the non-functional aspects.

Service Operations was focussed on maintaining existing services at agreed service levels.

Many IT providers face similar issues, some of which are more prominent than others due to the size, structure and type of organisation and the nature of the change being introduced.

These issues related to the impact that the change could have on:

- Service warranty, like a change to the service hours, a need for quicker recovery, faster response or a greater security exposure
- Existing Service Management processes. They often needed to be modified to incorporate changes to the design (e.g. integration of Incident, Problem, Change processes with a new 3rd party provider)
- Existing IT Service Management (ITSM) tools. In line with process changes, the ITSM tools sometimes needed to be modified or re-configured (e.g. addition of Incident categories, interface to a 3rd party ITSM tool, updating monitoring tools for new events, updating reporting solutions for service reporting)
- Existing or new operational procedures, support scripts and documentation (e.g. diagnostic, recovery, failover, health checking and administration procedures)
- Requirements for education and training. Do support teams understand the service and support model?
    - What and how many business customers and users the service supports, their roles, locations and the business process and business outcomes supported.
    - Technical support capabilities including support team access where required.
    - The levels of support involved including how and when to engage 3rd party providers.
    - The type of events, FAQs, service requests, incidents, categories, and known errors removed, introduced or expected.
    - Service characteristics like support hours and peak demand periods.

Project managers were aware that there were operational aspects that should be considered and 'built' into their project plans, but many did not have a background or skills in ITSM. They did, however, want to avoid a 'No Go' recommendation at the last minute from service operation representatives where these aspects had been overlooked.

Also, not understanding all requirements when the IT provider agreed the project budget with the customer meant the project did not have sufficient funding required to design, develop, build, test and deploy the non-functional aspects that were identified later.

The Solution

To address these issues, an Operational Readiness Process was developed. The non-functional requirements needed to be identified and documented for every project. The thinking was simple: if all relevant requirements were captured and catered for in the design they would then be considered in the development, build and test phases of the project. However, it was clear that there also needed to be the ability to track and report on the quality of a project's operational readiness, to identify areas of concern early, and prevent the reactive activity nearer implementation.

Firstly, all standard project template documents were embedded with relevant elements to trigger those aspects to be considered throughout the project lifecycle.

The templates updated with template text included:

- The Statement of Requirements (SOR). This was updated to trigger analysis and capture of all relevant non-functional requirements. The analysis of what was relevant for any given project was supported by the completion of an Operational Readiness Checklist (ORC). This ORC was also then used to track the projects operational readiness through key stages of the project through to implementation (see below for more details on the ORC).
- The High Level Solution Design. This ensured that all relevant non-functional aspects were being catered for in the design. Sometimes it is not until the initial design is considered that these aspects become clearer. Therefore the ORC was used again to ensure that design captured relevant details.
- The Detailed Solution Design. Ensured that any high level design statements were translated into appropriate levels of detail to allow developers to build or modify any non-functional aspects (e.g. explanation of how support procedures or scripts are impacted).
- The Test Strategy. Ensured that operational and service acceptance testing was identified to validate non-functional design aspects.

Secondly, an Operational Readiness Checklist (ORC) was used to track the quality of a project's operational readiness. As soon as a project was initiated, an 'operational readiness analyst' was assigned to work with the project manager. A standard ORC spreadsheet template was developed and was completed for each project. The ORC spreadsheet:

1. supported the correct level of analysis of non-functional aspects of a solution and the impact/implications that the design may have on the existing Service Operations processes, functions, documentation, etc.
2. was aligned to the project life cycle enabling the status of a project's 'operational readiness' to be tracked throughout and give focus to producing the required project deliverables at the right time.

The ORC formed a key part of the overall Service Acceptance Criteria (SAC).

The ORC spreadsheet contained:

- A summary page showing key information and the overall RAG (Red, Amber, Green) status for the project. Each project needed to be in a 'green' status to pass 'quality gates' aligned as follows:
    - Quality Gate 0 = Requirements capture and validation
    - Quality Gate 1 = Design sign off
    - Quality Gate 2 = Start of Systems Integration Testing (SIT)

    - Quality Gate 3 = Entry into Pre-Production
    - Quality Gate 4 = Entry into Production
    - Quality Gate 5 = Post Production review and project closure

  In this way the status and the information captured within the ORC were used as an input into entry/exit criteria for each stage of the project.

- A checklist page with a series of questions had to be completed for each Quality Gate. It captured the individual RAG status of each question, the criteria used to define the RAG status and allowed for documenting of any required evidence. This included guidance on which teams could assist in obtaining the required information.

An initial meeting with the project manager reviewed the ORC and established the target dates for the key project milestones. Quality gate review dates were also agreed and entered into the project plan with a view to ensuring that any Red or Amber elements were focussed on so that they were 'Green' by the milestone date.

Specific resources and activities to develop, build, test and deliver the non-functional aspects identified in the requirements and design could also then be planned for (e.g. training and education packages for support teams like the service desk).

The situation faced by this organisation and the number, types and sizes of projects meant that it made sense to have a team of operational readiness analysts reporting to the Release Manager. An operational readiness process document was produced specifying the goal, roles and responsibilities, activities and important process interfaces.

Key interfaces with the ITSM processes were:

- Service Level Management – In terms of gathering, negotiating and agreeing certain non-functional requirements (including 3rd party impact).
- Release Management – In terms of integrating the operational readiness aspects into overall testing and acceptance.
- Change Management – They communicated when new projects were initiated and change management received operational readiness status reports.

The role of the team was to support the project by facilitating the identification of the requirements, preparation of the deliverables, as well as completion and reporting of the ORC. They provided recommendation on Go/No Go decisions at various stages of the project.

The operational readiness analyst role required skills and experience in ITSM and service operations as well as a good understanding of the project and testing disciplines.

The Benefits

The benefits of this approach were:

- It provided appropriate and early focus to non-functional aspects of solution designs and therefore helped project managers to plan efficiently, assign required resources and agree appropriate project funding

- It ensured that handover responsibilities were clearly understood by taking an end-to-end view of a project's service readiness and implementation responsibilities
- It reduced significantly the amount of "reactive" activity that resulted nearer to implementation
- It supported the identification and validation of non-functional testing, thereby improving service quality
- It helped minimise risk to production services and reduced operational support costs
- It enabled the formalisation of service and operational impact assessment via the ORC and lead to the definition of Low, Medium and High service/operational impact criteria
- It provided a focal point for service operation teams to input their key requirements for support handover
- The ORC could be tailored easily to cater for changing business and IT circumstances
- It supported compliance, as these requirements could be embedded in the ORC
- It supported better collaboration between the project team and service operations teams. Service operations knowledge and experience of maintaining the services was an important input to the analysis of the solutions impact and the identification of relevant requirements.
- Service operation teams obtained an early view of future changes and understanding of knowledge transfer that would be required. Designs were of better quality as a result.

The Challenges

- Project managers were initially resistant to what they saw as an additional overhead to their existing responsibilities. It was important to first get their management to commit to and support the new process. Once it was embedded into the standard project methodology and when it was explained how it reduced their implementation headaches, they were very positive. They also saw great benefit in having someone on the project team facilitating and providing guidance on service management and operational issues.
- All staff in the service operations organisation also needed to be made aware of the process and how they contributed to its success. The improvements were designed to address issues they faced, so it was easier to sell the benefits to them.
- A significant challenge can be to ensure that service operations staff have been allocated time to aid in the identification of non-functional requirements and support the development, build and testing of them.
- Additional funding from the business was required to implement and maintain the new process. It was a challenge to sell the long term benefits to them and obtain acceptance that project costs now incorporated operational readiness aspects. Some examples of Incidents that resulted because of a failure to address these aspects were very helpful to

highlight the operational cost impact.

- Quantifying the longer term reduction in support costs will be a challenge if costing of related activities is not in place.
- Getting the right people engaged at the right time. Success will require that operational readiness is engaged as soon as any project is initiated. This is so they can ensure that the non-functional requirements for the project are correctly captured and relevant checklist criteria are agreed.
- People with the right mix of project and service management knowledge and experience needed to perform the operational readiness role are not that common.
- Getting the process embedded and part of the project culture took at least 6 months and as with all processes required regular review and refresher training for new staff.

Conclusion

There is no doubt that the introduction of the operational readiness process strengthened the links between projects and service operations, and significantly reduced the issues that were previously experienced. Where a project was reported as not being operationally ready to 'go live' then an informed decision could be made by all stakeholders based on knowledge of the specific areas of concern and the overall risks involved. This approach can be tailored to meet the needs of most IT providers facing similar difficulties. The key is to be flexible and adaptable to changing circumstances that the business as a whole faces and to understand what specific areas are important for the organisation. Don't make the process too bureaucratic, keep it simple or it will not work.