

The TBM Journey at BMC

The Digital Enterprise Perspective

Blaine Bryant, Director
IS&T Finance & Service Management Office
BMC Software

TBM JOURNEY

DIGITAL TRANSFORMATION

- 
- 1 Organizing for Digital
 - 2 Employee Experience – Digital Workplace
 - 3 Delivering Business Outcomes
 - 4 Manage by Business Service
 - 5 Service Management Excellence
 - 6 Measuring Success via TBM

DSM

TBM

A photograph of a business meeting in a modern office. In the foreground, a man in a grey suit is holding a white tablet and looking at it intently. Next to him, a woman in a light blue sleeveless top is also looking at the tablet. To the left, another woman with glasses is partially visible, looking down. In the background, a man is talking on a mobile phone. The scene is set around a wooden table with several glasses of water. The overall atmosphere is professional and collaborative.

Digital Services Management

Initial Pain Points

PROBLEM

Limited partnership with business units

ITIL processes exist in “name only”

Project delivery too slow

Limited thought leadership - Innovation

IT Organization was inefficient (overlap)

Unable to deliver optimal service

IMPACT

Higher-cost people doing low value work

Created ownership and accountability issues

Business impact - frequent service interruptions

Increased time to repair

Customer Satisfaction was below average

Limited credibility with business

Evolving **BMC** IT

REQUIRED CAPABILITIES

Defined and documented IT processes (SMO)

Innovative IT - Be Digital!

Business Relationship Management

Communicate the value of IT

Standardize, simplify and automate IT activities

Performance Measurement

Service Management Framework

THEMES

High Performance IT – ***Accountable, Agile & Adaptive***

Innovative IT – ***Cloud, DevOps, Mobility, Big Data***

Elevated Business Partnership – ***Get a seat at the table***

Bite Size Communications – ***Share Top of Mind***

Automate low-value work – ***Streamline everything possible***

Remove IT Bureaucracy – ***Service Management Excellence***

Establish DSM Thought Leadership – ***We are Customer Zero***

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DIGITAL TRANSFORMATION



THE TEAM

CIO
Scott Crowder



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DIGITAL TRANSFORMATION



EMPLOYEE EXPERIENCE



**Digital Workspace
Transformation**



**Unified
Communication
& Collaboration**



Digital Workplace

OFFICE OF THE PAST



**Private offices
on windows**



**Cubicles are 68
inches high**



**Dark space,
little natural light**



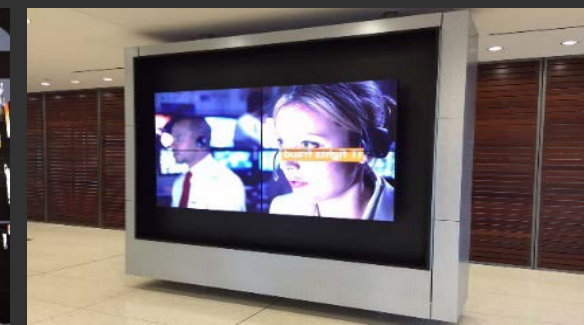
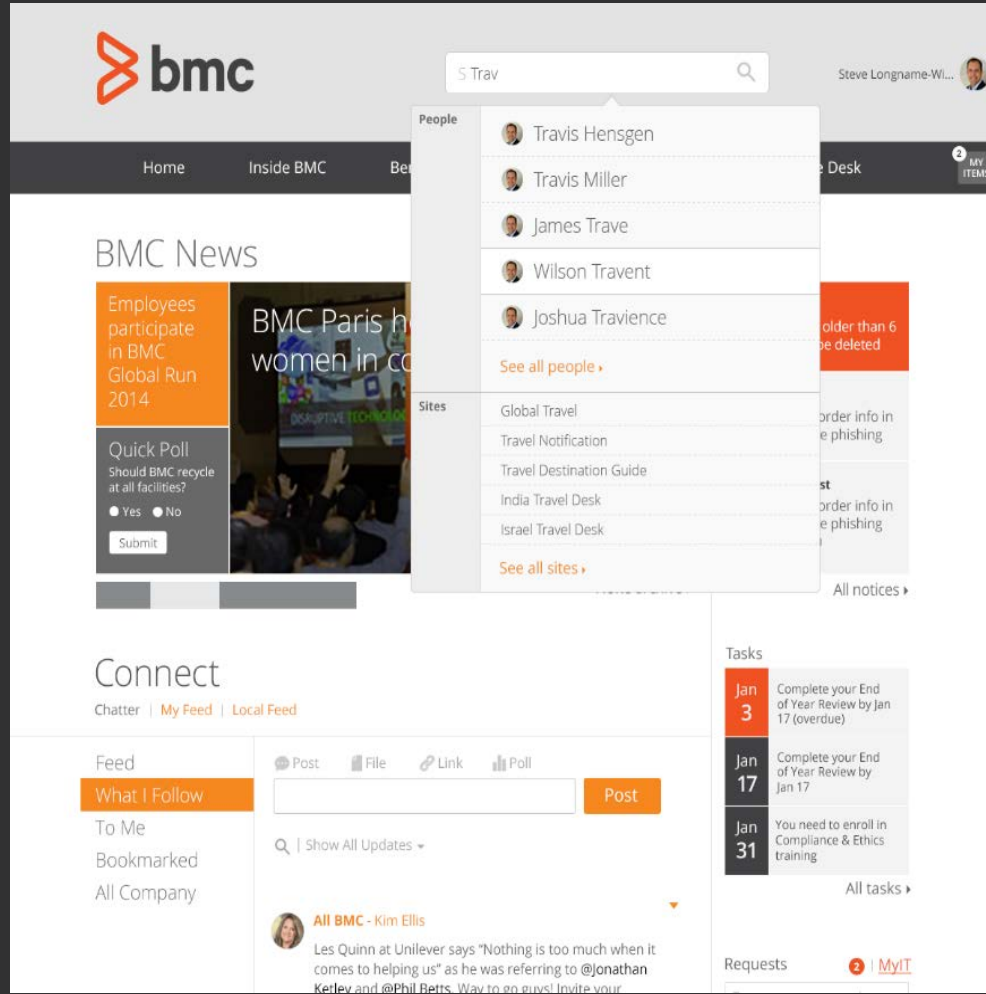
DIGITAL OFFICE @WORK

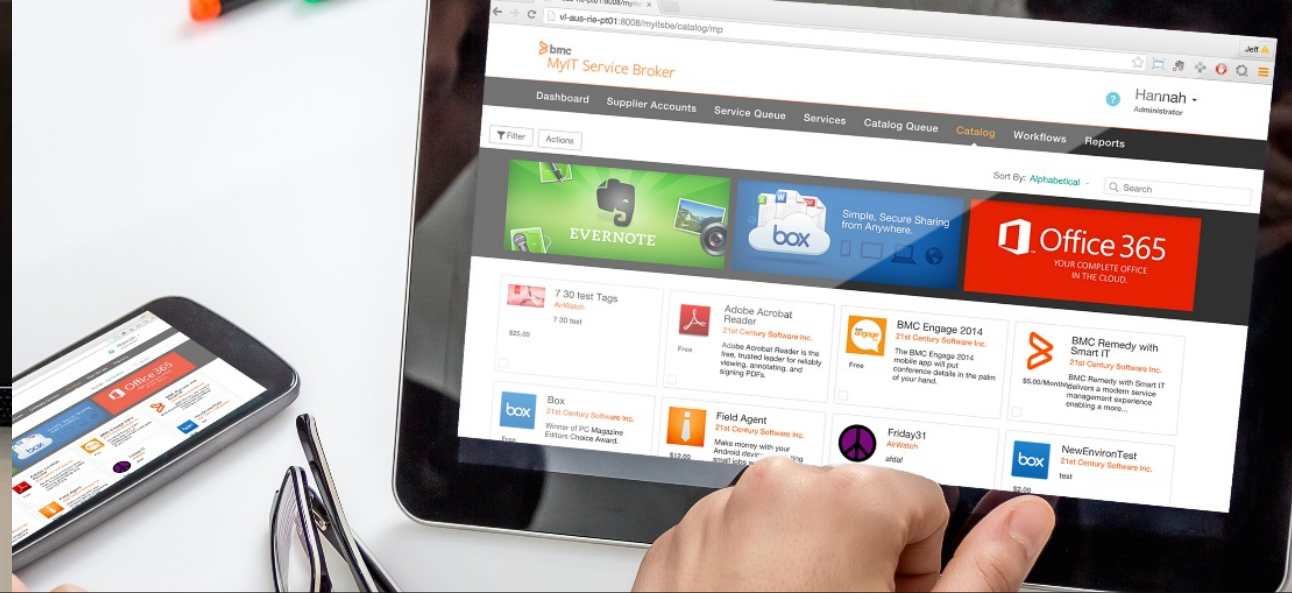
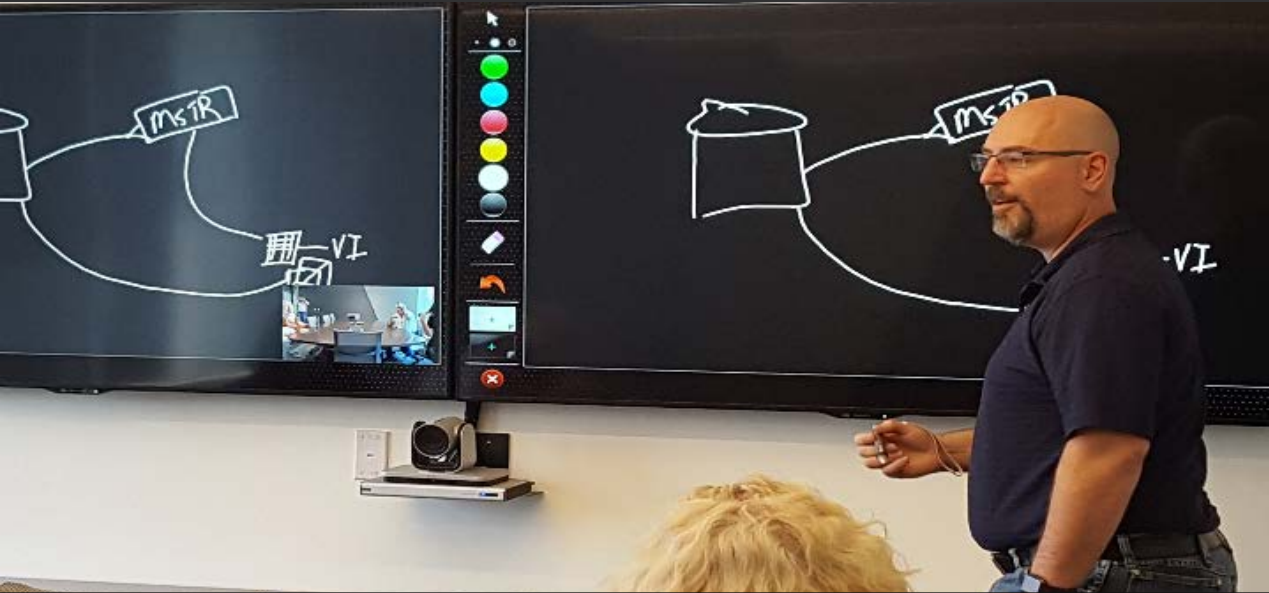


LEGACY PHONE SYSTEM

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COLLABORATION TECHNOLOGIES @WORK

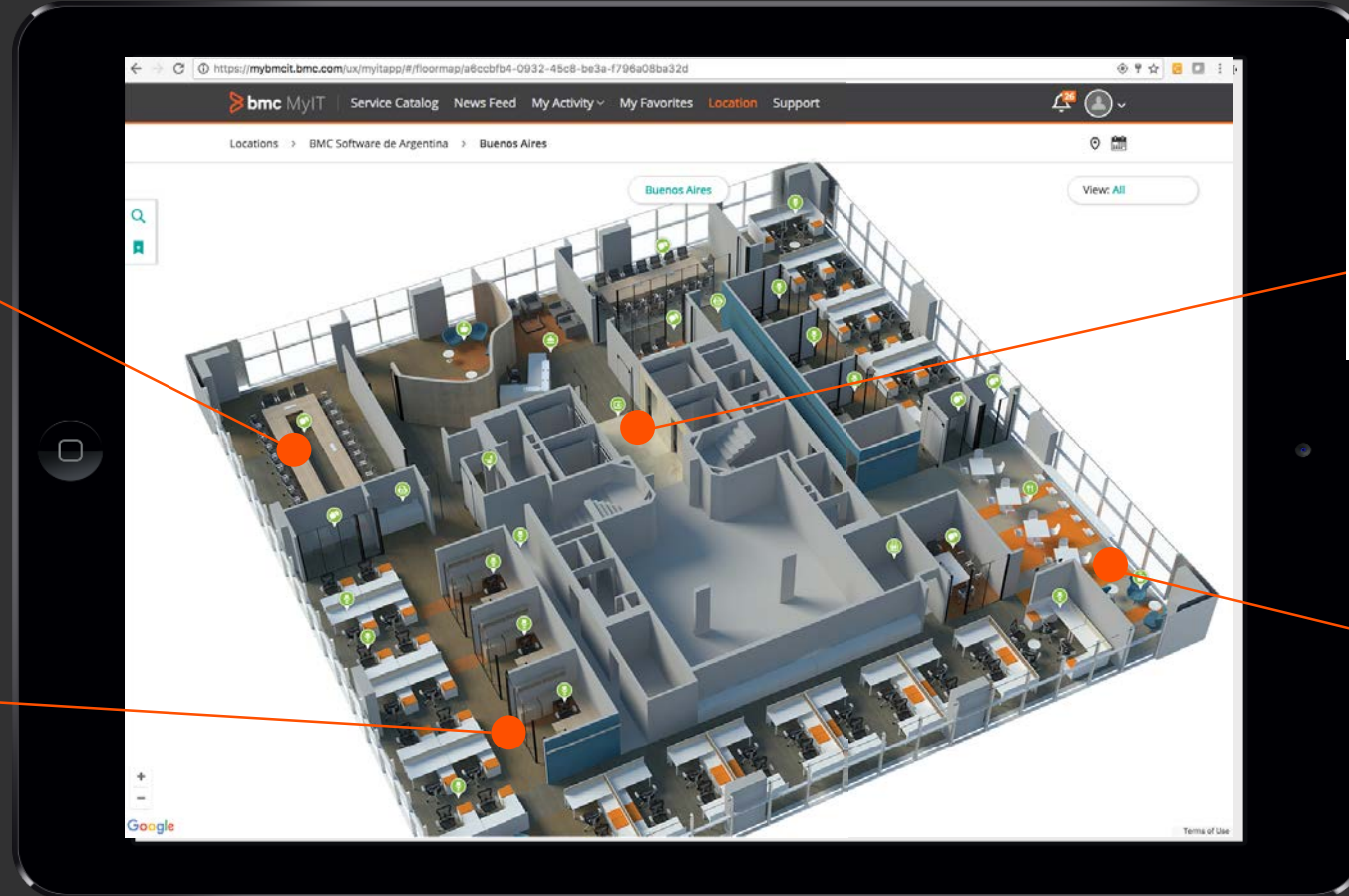




DIGITAL OFFICE @WORK



OFFICE OF THE FUTURE **CONCEPT**



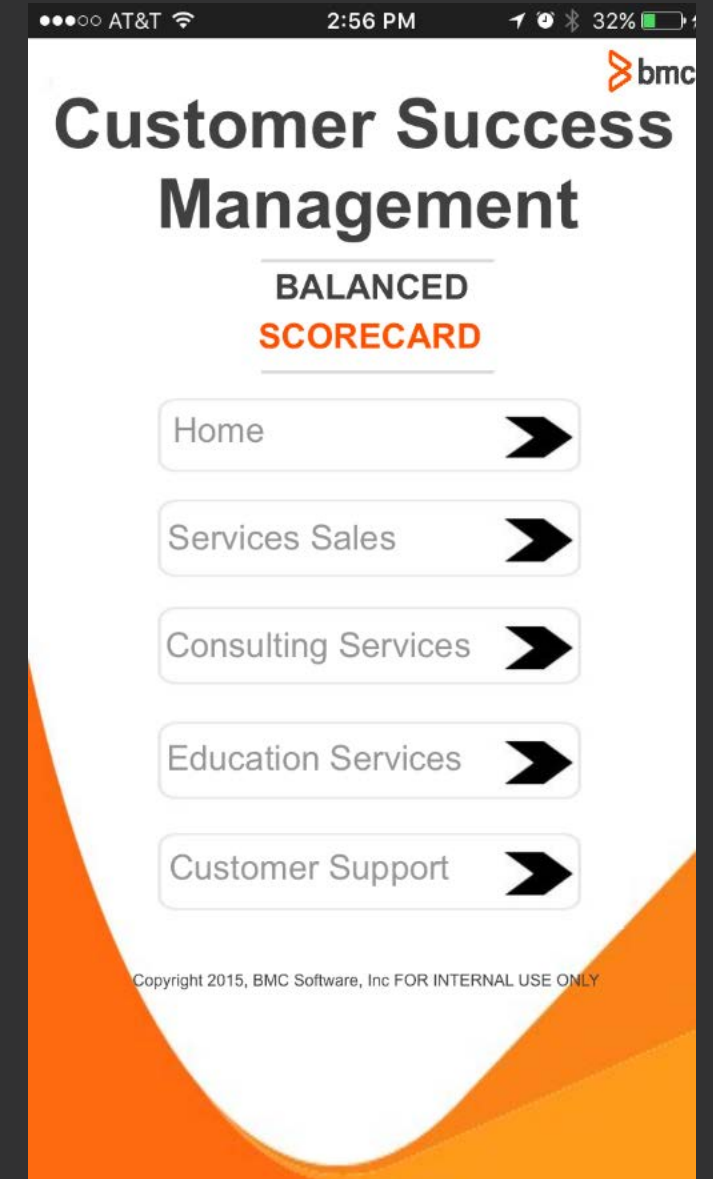
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DIGITAL TRANSFORMATION






BMC IT DRIVING BUSINESS OUTCOMES

- “SaaS First” – App Strategy
- Business Intelligence / Analytics
- Customer Success Dashboard
- Cloud Transformation @ BMC



SaaS First Strategy - Applications

 Cloud SaaS
 Cloud - Hybrid
 OnPrem

STRATEGY		MARKET		SELL		SERVICE		DEVELOP		SUPPORT	
Z	zSolutions Optimization		E	Service Support		Workload Automation		Data Center Automation/Cloud		Performance/Availability	
STRATEGY MANAGEMENT		MARKETING MANAGEMENT		SALES MANAGEMENT		GLOBAL SERVICES MANAGEMENT		SOLUTIONS MANAGEMENT		CUSTOMER SUPPORT MANAGEMENT	
☁ Salesforce.com ☁ BMC Communities - JIVE		☁ BMC.com – Clickability ☁ BMC Communities - JIVE ☁ BMC Advocate Hub - Influitive ☁ Sprinklr – Social Media ☁ Bunchball Gamafication ☁ SAVO ☁ Eloqua Engage ☁ Lean Data ☁ ReferenceEdge ☁ Adobe Test & Target ☁ Adobe Site Catalyst ☁ Twistage / Vidyard		☁ Sales Cloud – SFDC ☁ Executive Briefing Center – SFDC ☁ Partner Relationship Management – SFDC ☁ CPQ – Apttus ☁ Insidesales.com ☁ Dealmaker – TAS ☁ Plan 2 Win ☁ BMC Demo Cloud ☁ Account Research		☁ Open Air – NetSuite ☁ BMC Academy - Cornerstone OnDemand ☁ ReadyTech - IAAS ☁ Contract Mgmt – Apttus ☁ Salesforce.com		☁ Request for Assistance – SFDC ☁ JIRA – Atlassian ☁ Confluence – Atlassian ☁ Beta Program – SFDC ☁ Github ☁ BMC CLM ☁ Milkbone / ChuckWagon ☁ Perforce, CVS, VSS		☁ Service Cloud – SFDC ☁ Coveo ☁ StarPound OCMS ☁ Walker Survey ☁ Qualtrics ☁ Gainsight ☁ Skype for Business	
BACK OFFICE		☁ Sales Commissions – Callidus ☁ Taxware – Tax Exemption ☁ Siebel (EOL)		☁ CPQ Apttus ☁ Cybersource – Credit Card ☁ Hyperion		☁ NvR – Force.com ☁ Recurly Billing ☁ IT2		☁ FieldGlass Contractor Mgmt ☁ Electronic Product Download - Akamai		☁ Concur Travel Mgmt ☁ Oracle 12 eBiz	
HUMAN RESOURCES MANAGEMENT		☁ Oracle Fusion HR ☁ Taleo Recluiting ☁ iLearn – Cornerstone OnDemand		☁ ADP ☁ AON Hewitt ☁ BMC HR Case Mgmt		☁ Employee Recognition – GloboForce ☁ Fidelity ☁ Employee Digital Workplace – my.bmc.com		FACILITIES MANAGEMENT		• iOffice • Sungard Notification Mgmt	
IT MANAGEMENT		☁ Chatter - SFDC ☁ Smartsheet		☁ Mobile Applications – Force.com ☁ SharePoint Online (future)		☁ Citizen Development – Force.com ☁ SharePoint 2013		☁ Microsoft OneDrive for Business ☁ BMC MyIT		☁ Office 365	

BUSINESS INTELLIGENCE @ WORK

BUILD ONCE – DEPLOY ANYWHERE

1 Build once



2 Deploy via any media
including Mobile



Browsers



Portals



Enterprise
Applications

Web



Email

Email



BlackBerry



iOS

Mobile



Android



PDF



.doc



.ppt

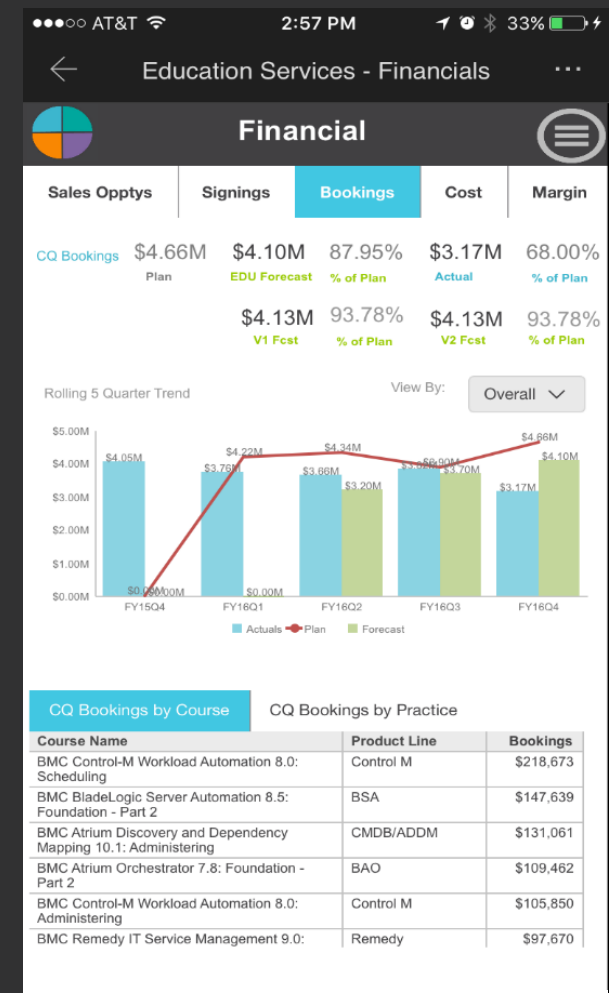
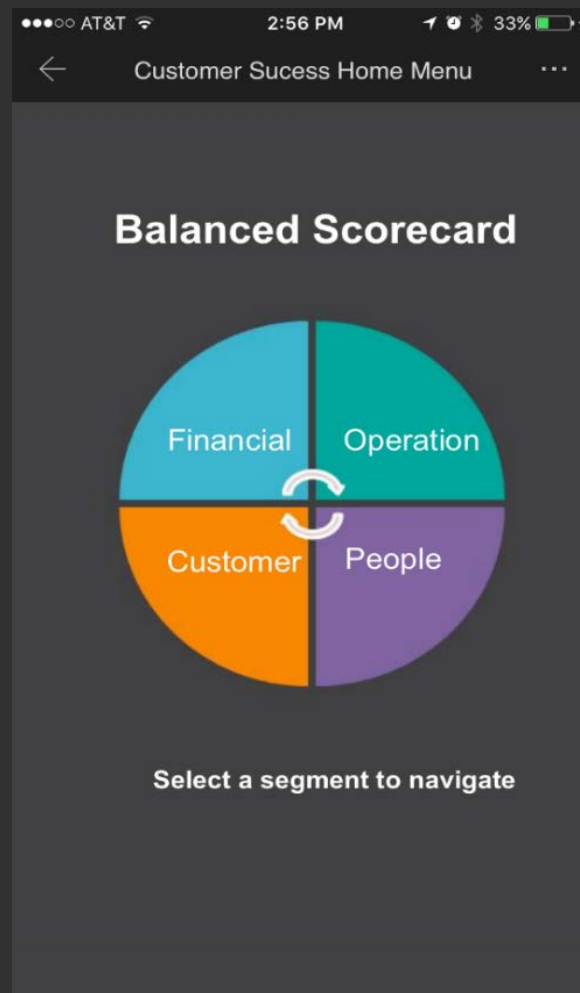
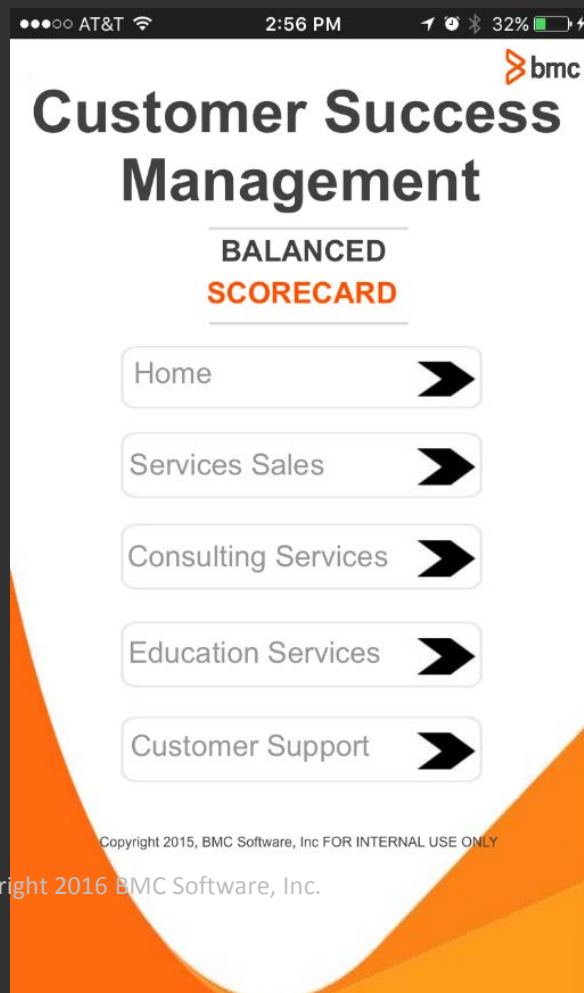


.xls

Office

Documents

CUSTOMER SUCCESS DASHBOARDS



Data Center Consolidation Progress

Enabling Technologies:

- True-sight Operations Manager
- ITSM
- Application Discovery and Dependency Manager (ADDM)
- BMC Server Automation
- BMC Network Automation
- True-sight Capacity Optimization
- BMC Cloud Lifecycle Management

\$4.4M
run-rate
reduction

FY14	FY15	FY16	FY17
36	19	8	4
62,000 Sq Ft	21,000 Sq Ft	9,200 Sq Ft	7,500 Sq Ft
1.6 MW	1.2 MW	740 KW	640 KW

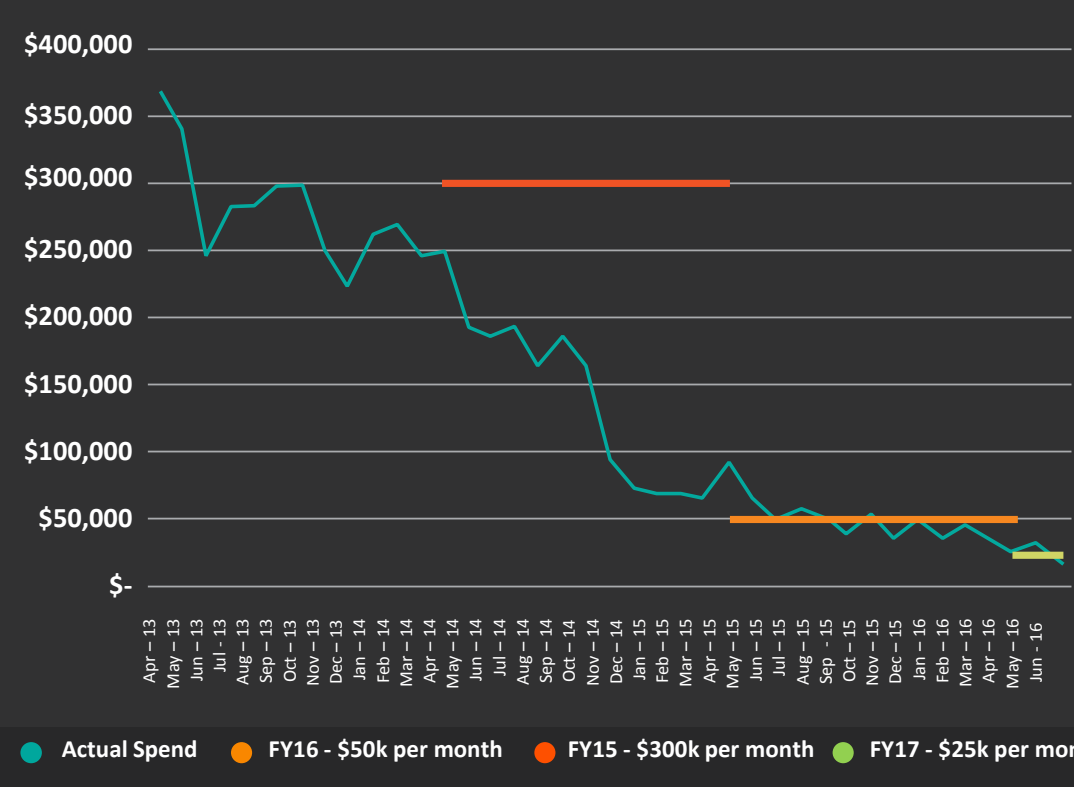
SAVING MILLIONS WHILE SIGNIFICANTLY IMPROVING COLLABORATION

BMC was spending \$6.7 million annually with web conferencing & PBX providers

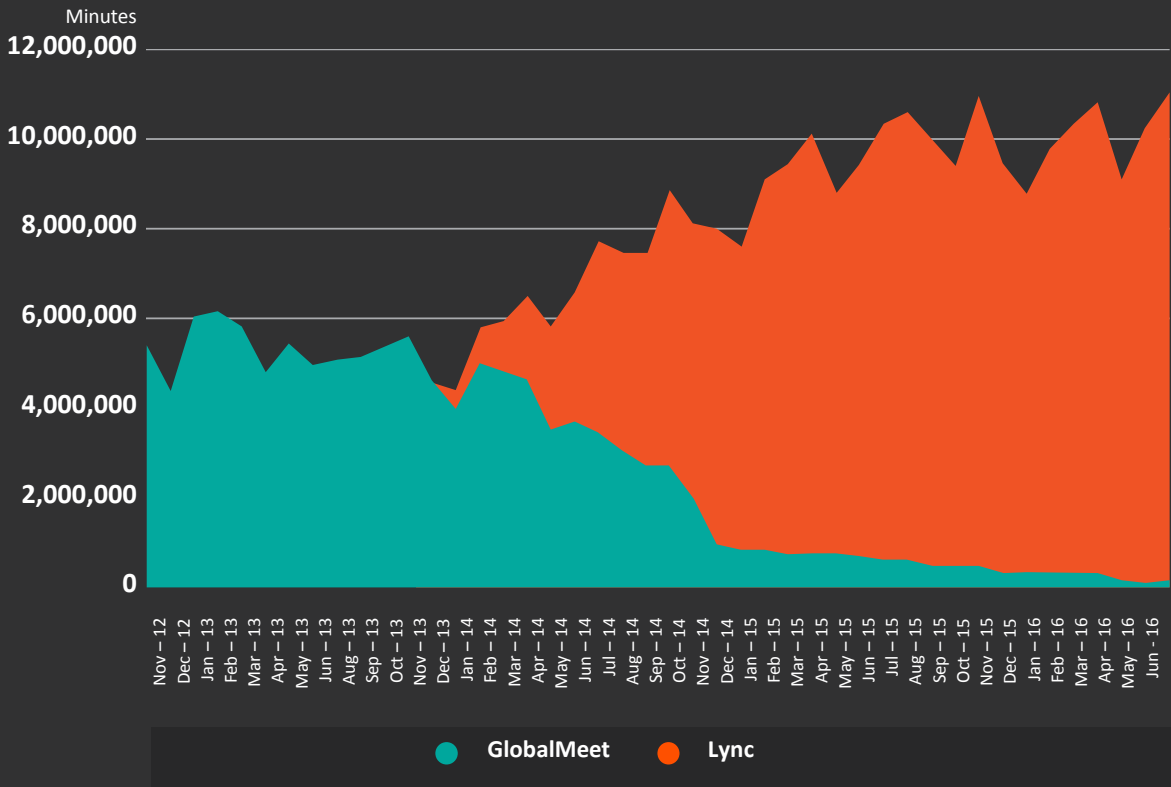
- \$4.4M annually with PSTN Audio Conference Calling provider
- \$1M annually with Web Conferencing provider
- \$1.3M annually with Traditional PBX vendor maintenance

COLLABORATION AND COST SAVINGS FROM UNIFIED COMMUNICATIONS PLATFORM

Actual Spend vs Budget



Minutes Comparison
GlobalMeet vs SfB





Technology Business Management

TBM Challenges

- IT perceived as unnecessarily large
- True cost obscured
- Lack of alignment BU-IT vs. IT4IT
- Lack of transparency
- Abundance of amnesia
- Processes labor intensive and time consuming



Strategy: Support DSM Through TBM

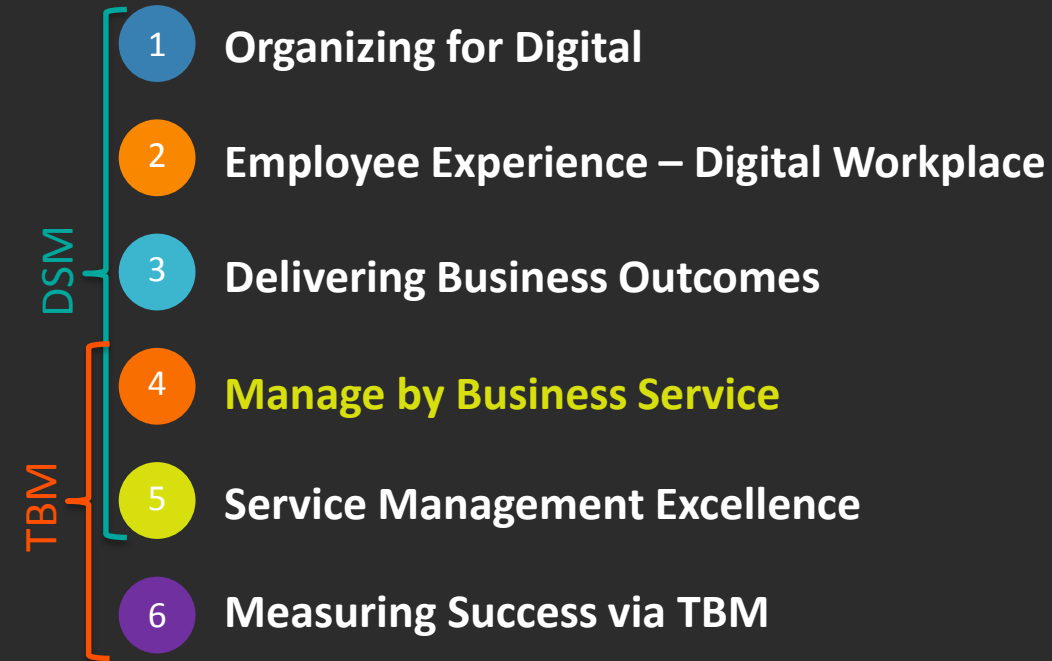
- Align cost structure to digital services
- Deliver transparency and show-back
- Benchmark and manage unit costs
- Shape demand and optimize
- Leverage EPM techniques



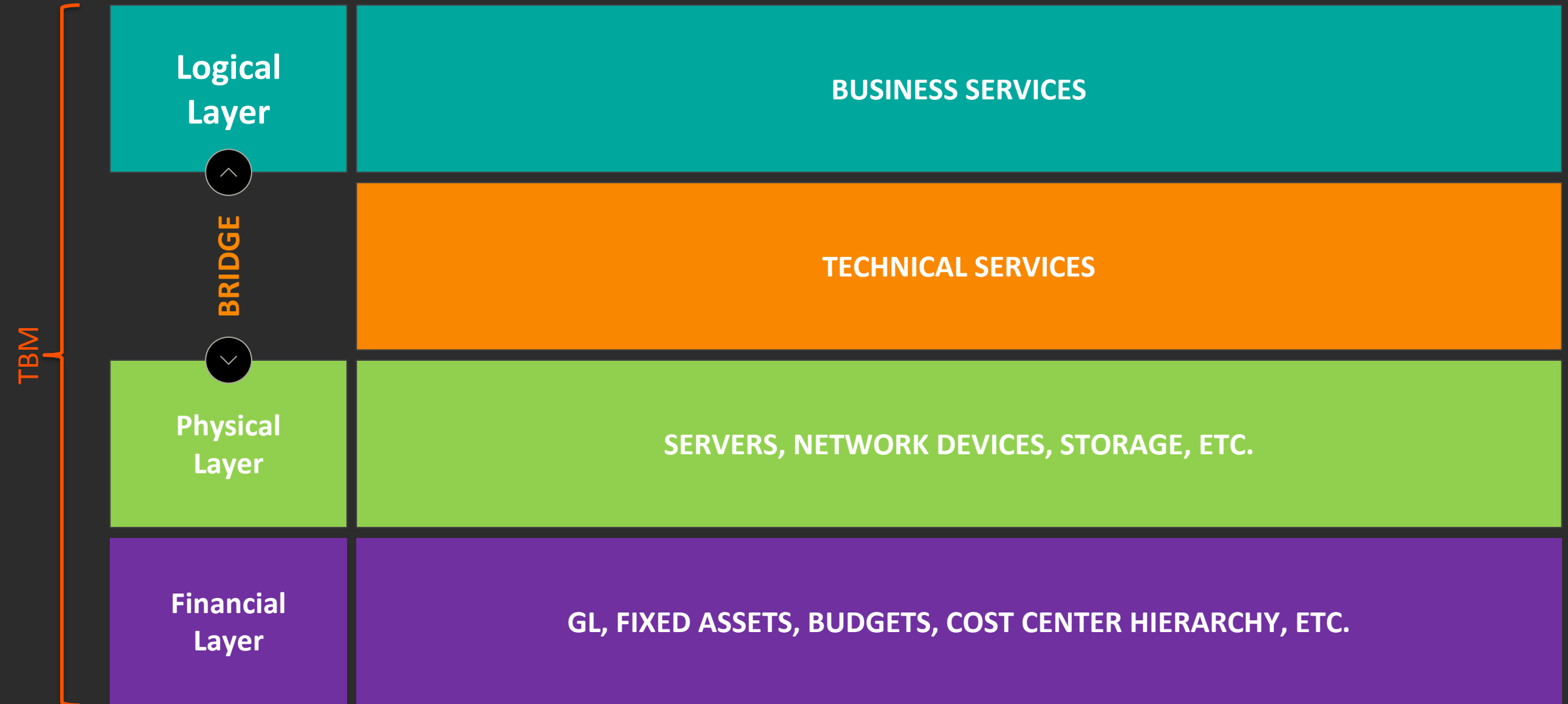
"The TBM Hallmarks", Jesse Lee, Feb 25, 2015

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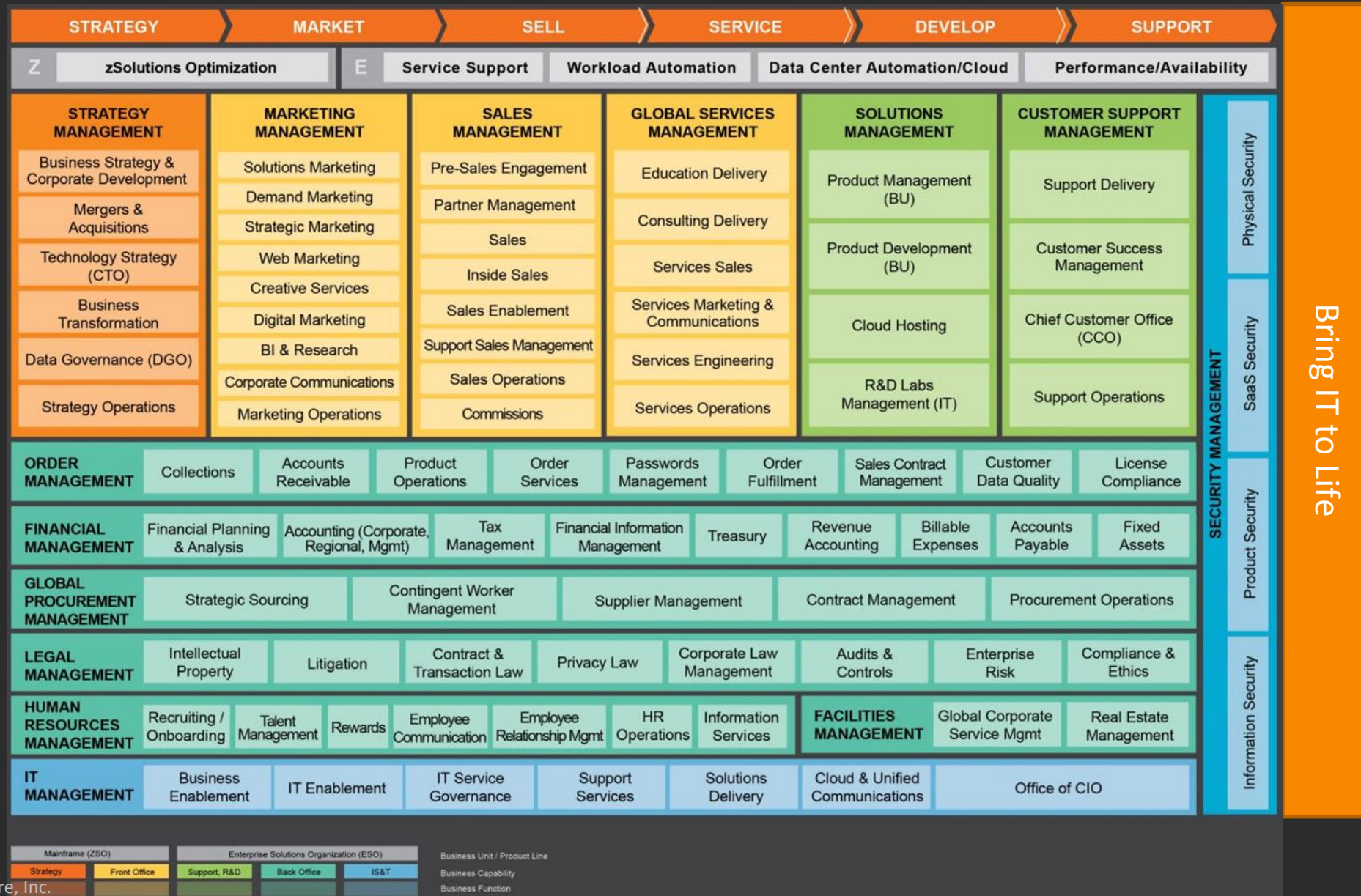
DIGITAL TRANSFORMATION



Digital Service Modeling



Define Business Services



Map Technical Services

STRATEGY MANAGEMENT		MARKETING MANAGEMENT		SALES MANAGEMENT		GLOBAL SERVICES MANAGEMENT		SOLUTIONS MANAGEMENT		CUSTOMER SUPPORT MANAGEMENT	
SharePoint		Lean Data	DemoChimp	SalesForce.com		Open Air		JIRA	Service Cloud		
		Social Hub	JIVE	Chatter				ChuckWagon	Coveo		
		Sprinklr	Clickability			SalesForce.com		Perforce	Gainsight		
SalesForce.com		SAVO	Bunchball	BMC Demo Cloud		Confluence		Milkbone	Avaya - IVR		
		Adobe Site Catalyst		Account Research				Confluence	StarPound OCMS		
		Communities		Twistage / Vidyad		Apttus		CornerStone on Demand (iLearn) (BMC Academy)		CVS, VSS, Git	Surveys (Walker)
Search & Promote				Code Collaborator	MS Office / 365						
Adobe Test & Target				Klockwork, AppScan							
Eloqua / Engage				CLM							
ReferenceEdge											
ORDER MANAGEMENT	Automated Contract Request (ACR)			OE+	Siebel	Oracle Applications	Callidus	Electronic Product Distribution (EPD)			Apttus
FINANCIAL MANAGEMENT	Hyperion Financial Management			Oracle eBusiness				IT2			finance.bmc.com
GLOBAL PROCUREMENT MANAGEMENT	Procurement	iProcurement		iSupplier		FieldGlass		OB10	BIP		Oracle Exchange
LEGAL MANAGEMENT	CATS	Controls DB		ACL	TeamMate	CSA	Oracle GRC	SharePoint			iLearn
HUMAN RESOURCES MANAGEMENT	ADP	Hewitt	SharePoint	Oracle Human Resource			Taleo	FACILITIES MANAGEMENT	iOffice	ITSM	C-Cure 800
IT MANAGEMENT	APPLICATION SERVICES										
	Business Enablement		Business Intelligence		Master Data Management		Enterprise App Integration		Database Services		IT Management
	SharePoint		MicroStrategy		Informatica MDM Hub		VL Trader		Netezza Database Hosting		Microsoft Project Server/Tempus
	Confluence		CDW		Siebel		Informatica Power Center		Oracle Database Hosting		Mega
	Jive		EDW		Informatica Meta Data Mgr.		webMethods Suite		SQL - Server Database Hosting		Troux
			Tableau		Dataflux		MS Office Productivity		Imperva Securesphere		Visio / Excel
			QlikView								Rally IT
	INFRASTRUCTURE SERVICES										
	Service Management		IT Enablement		Unifed Comms. & Network Mgmt		Data Center Infrastructure		Information Security		Support Services
	BRLM BMC Remedy CMDB		CLM	BSA	MS Lync	Avaya IVR	Citrix	Wireless	Teammate	McAfee Suite	MoDM (Airwatch, BES, Avamar)
	BMC Capacity Optimizer		BNA	BPPM	Firewall	LAN / WAN	LDAP	Storage Hosting	Foundstone	AppScan	MS Office 365
		BAO	ITSM	Cisco Telepresence	Avaya IP Agent	Backup / Recovery		Imperva Application Firewall		BMC Client Mgr.	
										Desktop HW/SW/Phones/Printers	

Bring IT to Life

Align IT Components and Resources

bmc TrueSight Operations Management CONSOLE : phx-tsimprd-01 Welcome, aabrams@Bmc

Event Collectors > Microsoft Exchange > IT2

Navigation

Main

Services

- Business Intelligence
- Customer Support
- Data Center Infrastructure
- Database Services
- Digital Solutions
- Facilities Management
- Finance
 - Assure
 - Audit Command Language
 - BankServe
 - Blackline
 - Bloomberg
 - CATS
 - Corp Tax ETS
 - CSA (Control Self Assessment)
 - Equity Edge
 - finance.bmc.com
 - Financed Receivables
 - Hyperion Essbase
 - Hyperion Financial Management
 - Hyperion Financial Planning
 - Informatica B2B
 - IT2
 - MyS

IT2

No Filter ☒ Impact

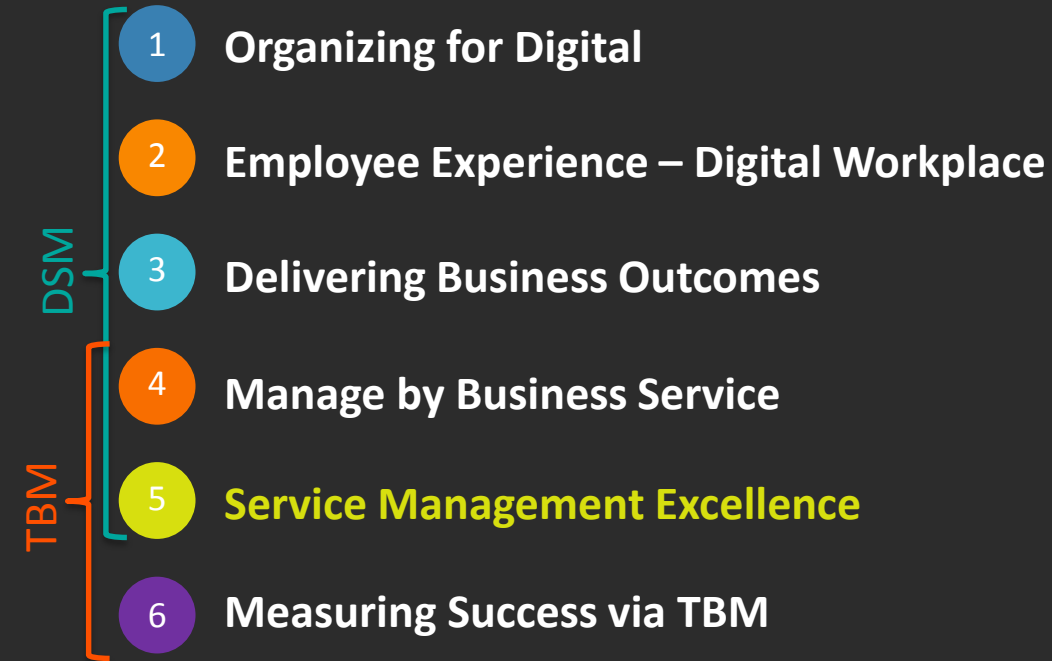
The diagram illustrates the IT2 component and its dependencies. IT2 is the central component, highlighted with a blue border. It is connected to several other components via green arrows, indicating dependencies or data flow. The components include:

- Finance
- IT2 users at ...
- Financial Plan...
- IT2 PROD
- IT2 Treasury Management ...
- phx-it2prd-03
- IT2 Treasury Management ...
- phx-sqlprdc-07
- MSSQL 2008 ...

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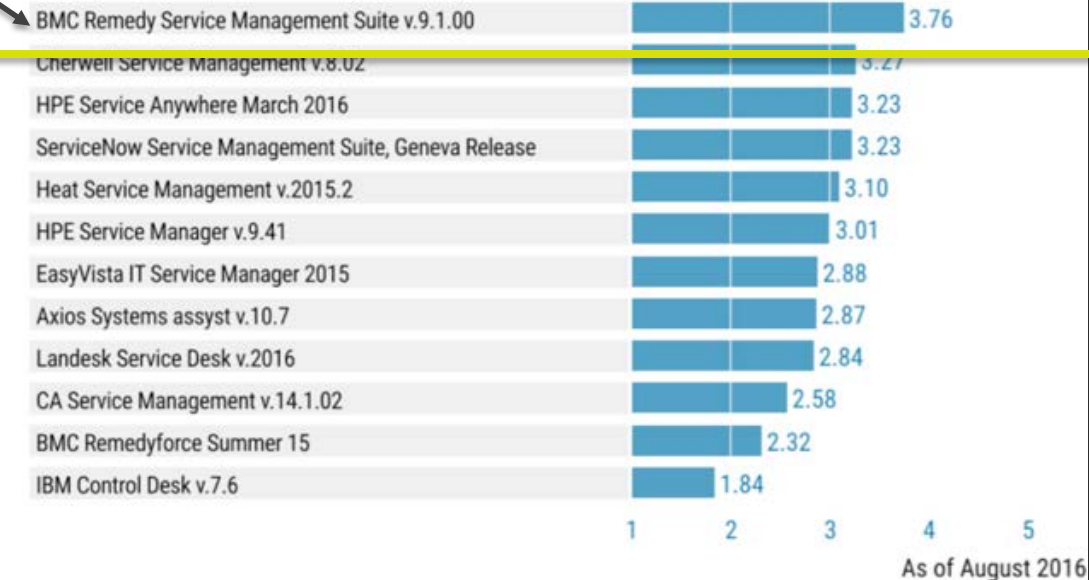
BMC Leading the Digital Workplace

Gartner: **Product scores on Digital Workplace**, ITSSM use case – August 2016

Source: Gartner (August 2016)

Figure 4. Vendors' Product Scores for the Basic Digital Workplace ITSSM Use Case

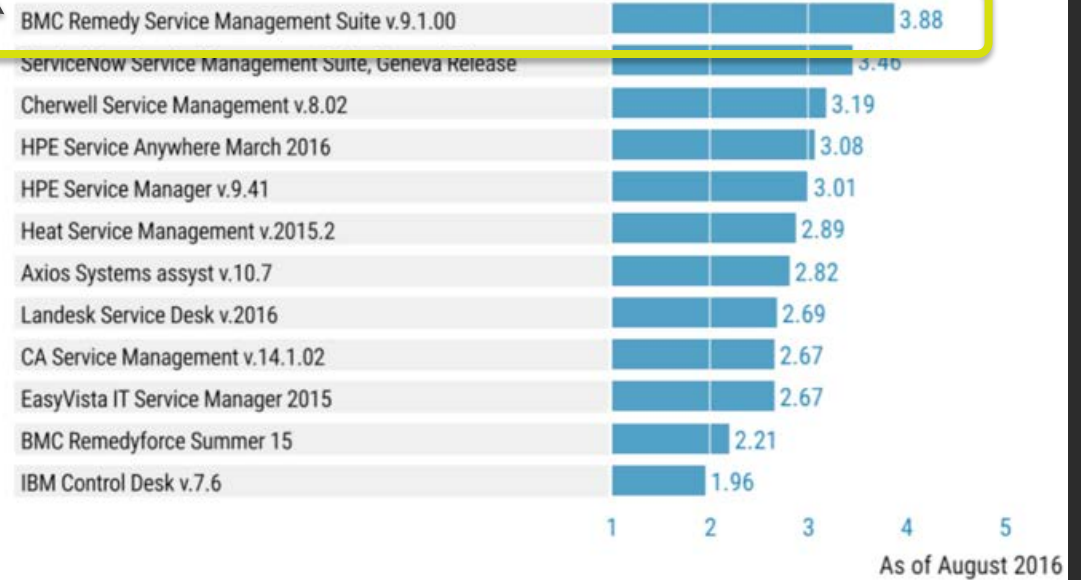
Product or Service Scores for Basic Digital Workplace ITSSM



Source: Gartner (August 2016)

Figure 5. Vendors' Product Scores for the Advanced Digital Workplace ITSSM Use Case

Product or Service Scores for Advanced Digital Workplace ITSSM

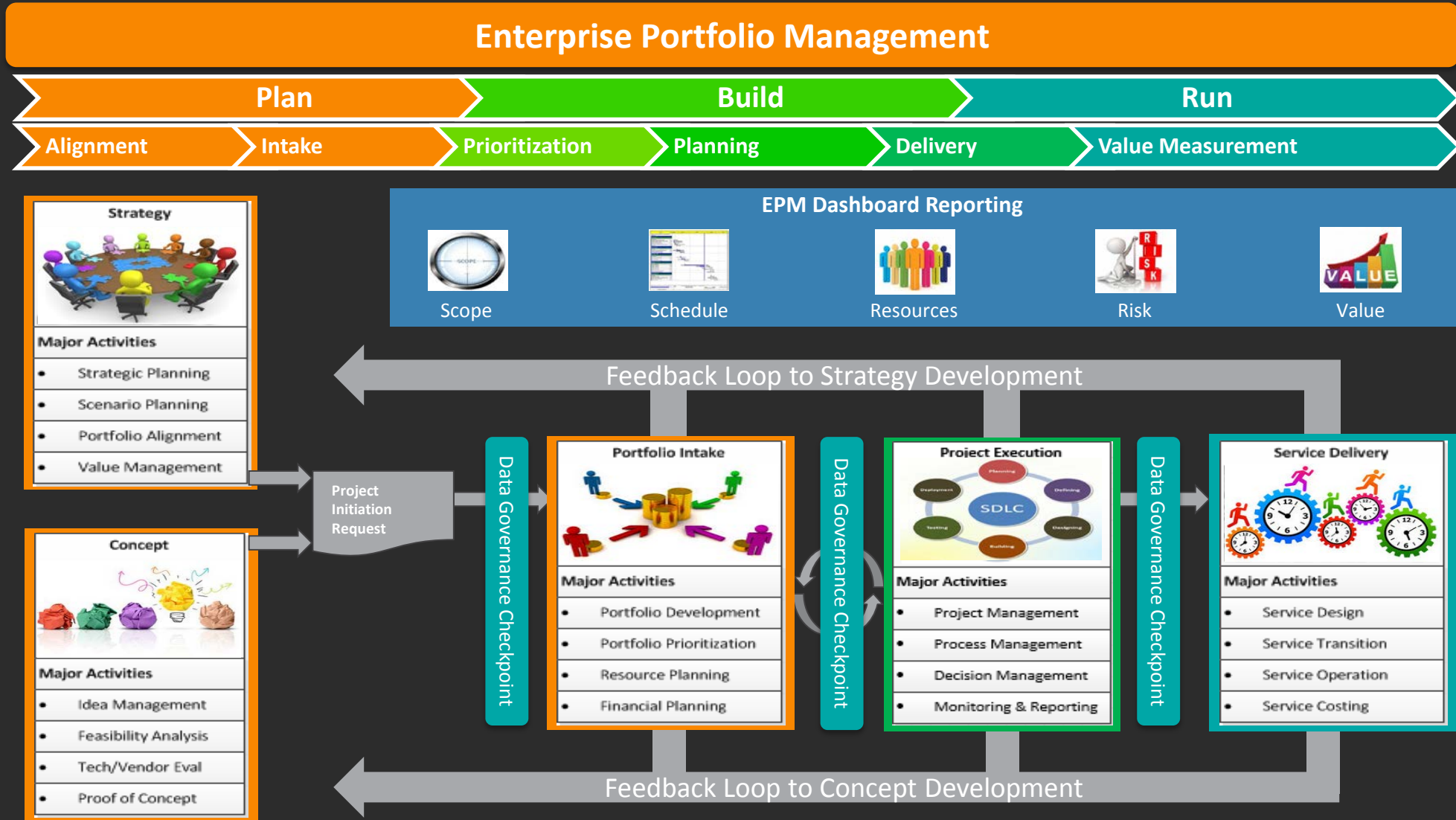


Gartner, Critical Capabilities for IT Service Support Management Tools, Chris Matchett, Katherine Lord, 24 August 2016

This graphic was published by Gartner, Inc. as part of a larger research document and should be evaluated in the context of the entire document. The Gartner document is available upon request from BMC.

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EPM @ BMC



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Measuring Success **via TBM**

- Manage Service Levels with Service Costing
- Trusted Business Partner
- Digital Innovations impacting the Cost Structure

Service Level Management

Joe Customer
713-918-8800

Business Services

What Is This Service?

Order Services covers most aspects of the Quote to Cash process including but not limited to the following:

- Provides the visibility for Executive Management to track the revenue being generated from Orders.
- Offers a unique pricing structure for the Sales Reps to work with remotely.
- Tools that allows for highly complex orders to be entered efficiently.
- Allows BMC to recognize revenue on a timely and accurate basis.
- Provides for a Special Bids Automated approval system
- Customized Collections module

What Is Included?

- | | |
|------------------------------|------------------------|
| ▪ AR Cash Management | ▪ Pricing |
| ▪ Billing | ▪ Month/Qtr End Close |
| ▪ Collections | ▪ Revenue Recognition |
| ▪ Contract Agreement | ▪ Revenue Summary |
| ▪ Order Management | ▪ Sales Commissions |
| ▪ Financed Receivables | ▪ Sales Quotes |
| ▪ License Key Management | ▪ Support Contracts |
| ▪ License Product Management | ▪ Support Quote |
| ▪ Official Orders | ▪ Support Renewals |
| | ▪ Revenue applications |

What Should You Expect?

Incident SLA	See Standard Incident Management Response/Resolve SLA
Service Continuity	Tier 1 See Appendix B

Users

Corporate – Order Management (Services)

Cost Breakdown



Cost

\$1,514,309

IT Cost Transparency application

- Functional view of IT costs

Key Cost Drivers

- Oracle maintenance and license fees
- Production Support of a customized application

Planned Enhancements

- | | |
|--|----------------------------|
| ▪ Pricing updates | ▪ Licensing updates |
| ▪ Revenue Accounting Recast and Subscription updates | ▪ Opportunity ID updates |
| ▪ Support Quote expiration updates | ▪ Add Credit Limits in OE+ |

SLA Performance

Availability last 90 days	Incident Compliance		# of Outages last 90 days
	Critical	High	
98.6%	96.4%	97.8%	3

(Simulated Data)

Measuring Success: **Service Levels**

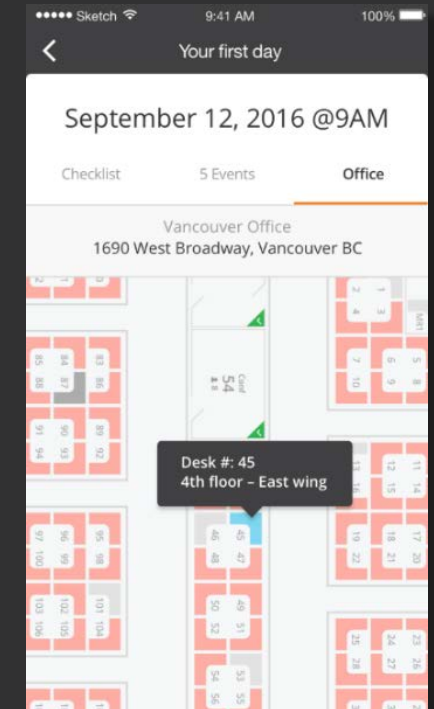
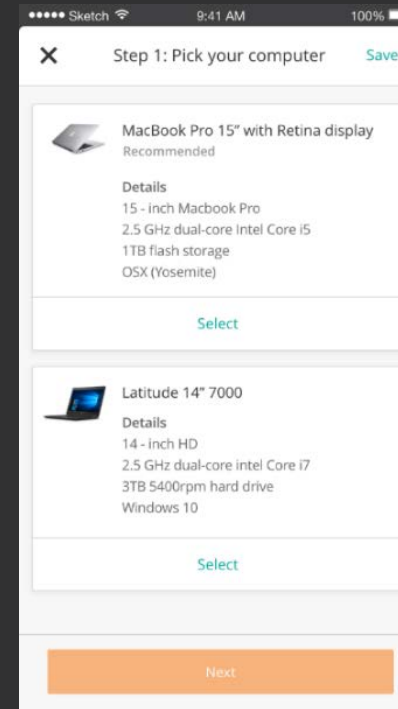
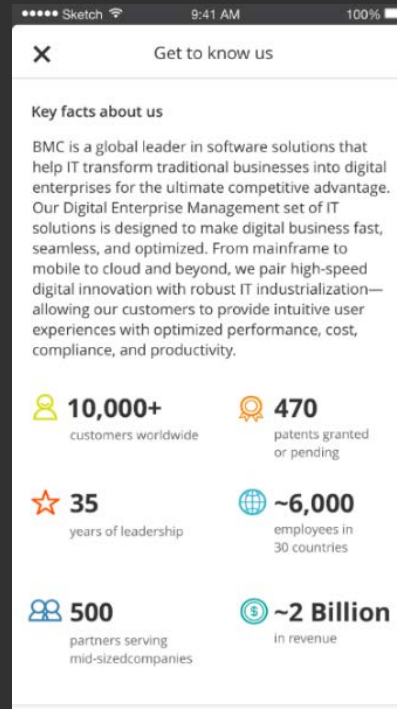
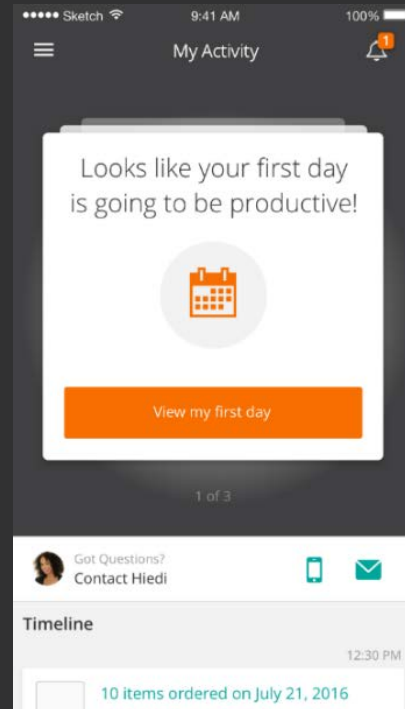
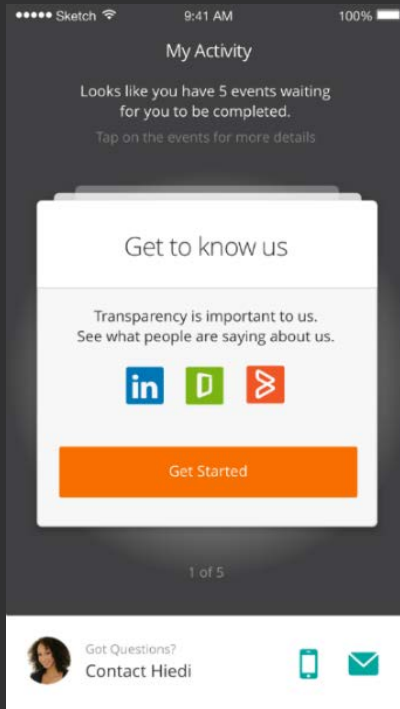
- 82% reduction in Emergency Changes
- 84% reduction in Aging Incidents
- 54% reduction in MTTR
- 94% reduction in Average Answer Speed
- 38% increase in Service Desk Resolved %
- 98% Incident Resolution SLA
- 0% Unplanned outages due to approved changes
- 0% Unauthorized changes
- 95% Capacity Management coverage
- 84% of all CIs automatically updated in CMDB
- 3-9s Critical service availability

Measuring Success: **Trusted Partner**

**Digital
Onboarding**
at your
fingertips.



EMPLOYEE ONBOARDING CONCEPT



Measuring Success: Impacting the Cost Structure



BMC'S DIGITAL WORKPLACE

TBM Lessons Learned

- Know your audience at all levels – What TBM needs exist?
- Align cost center hierarchy to business services model
- Drive value through service management excellence
- Discuss and agree upon your cost allocation strategy up front
- Don't start with a tool!
- Always have business value in sharp focus

“Don't tell me what you value. Show me your budget and I'll tell you what you value”

Continuing to Pursue The Digital Journey

- 1 Focus on the organization – *put people first, always*
- 2 Accelerate value delivery – *accent on agility and innovation*
- 3 Give people meaningful work – *automate the rest*
- 4 Communicate the value story – *why does the business come to us?*
- 5 Optimize license and subscription positions – *manage risks and never be surprised*

Questions?



Thank you

Blaine Bryant, Director
IS&T Finance & Service Management Office
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