



ISG Provider Lens™

SIAM / ITSM 2019

Definition

Service integration & management (SIAM) is a collection of frameworks and best practices encompassing the people, processes & tools required to manage end-to-end services through their lifecycle (service strategy; business demand & interfaces; change delivery; operational management; supplier management), to deliver value to the business in a multi-supplier environment. In the past, many companies outsourced multiple towers to large system integrators and it required some coordination to ensure those service providers were well integrated into the technology landscape of the company, most often on the infrastructure side of the house. In today's environments, it's common to see multiple service providers, both large and small, and they are no longer just in the infrastructure space, but also in application development & maintenance (ADM), business process outsourcing (BPO) and in non-traditional spaces such as finance, marketing and legal. The SIAM market is currently undergoing some fundamental changes due to the use of new technologies by solution providers especially in the areas of using big data volumes and new analysis features. As such forward looking maintenance and faster restore of services will lead to higher service qualities. The use of bots and technologies like natural language processing (NLP) completely changes the way services can and will be delivered in the future.

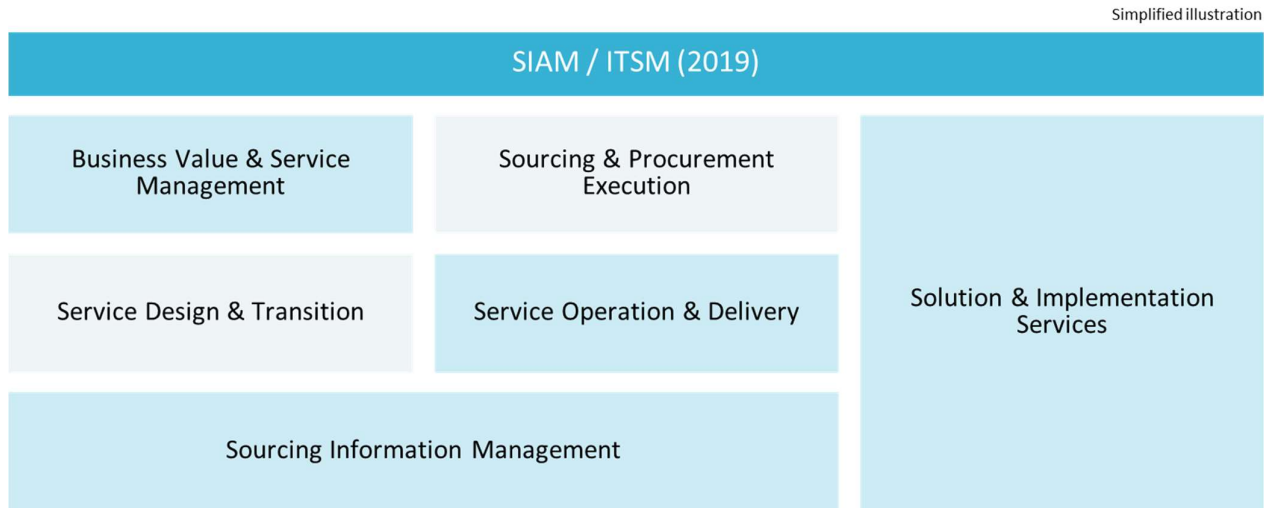
The ISG Provider Lens™ study offers IT-decision makers:

- Transparency of strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments
- Focus towards different markets including the U.S. and German market

Our study serves as an important decision-making basis for positioning, key relationships, and go-to-market considerations. ISG Advisors and enterprise clients also leverage information from these reports in evaluating their current vendor relationships and potential new engagements.

Quadrant Research

As part of the ISG Provider Lens™ Quadrant Study, we are introducing the following 6 quadrants on SIAM / ITSM 2019.



Source: ISG 2019

Solution & Implementation Services

A key challenge for IT customers is the implementation and maintenance of tools and solutions in the complex process set-up of IT Service Management. Tools are available but due to the uniqueness of each client situation the implementation and maintenance of such solutions often overstrains the user organizations. System Integrators and other solution partners are often tasked to support IT clients when transforming the management approach. The goal of such transformations is a high degree of automation paired with robust but flexible process blueprints. Minimizing manual tasks in operating complex IT environments is more important than ever as the requests for change that are coming from the Business Units are increasing in amount and complexity. While the Digital Transformation of the companies requires a new dimension in flexibility when implementing new business solutions, IT still must ensure a continuously running infrastructure. So, the use of IT4IT paired with the complex delivery ecosystem is a growing challenge for most user organizations. System Integrators and other support and consulting organizations are required to support the client in ensuring that quality of service.

In this quadrant we are comparing those organizations that support clients through dedicated services. The offerings range from assessments to design and implementation consulting to full scale implementation and operation services. The knowledge of the resources and the breath of solutions support are key criteria when comparing such organizations.

Business Value & Service Management

This quadrant scopes on the outbound and forward-looking processes of IT service management as well as the more managerial issues. Understanding the client's demand and generating and managing the service portfolio is the heart of this quadrant. Financial management processes and customer satisfaction are part of this group as they require direct client access and feedback as well. The process set is being grouped in four process clusters:

- Managing the service demand of the clients through demand forecasting, financial and consumption management, financial planning and chargeback and show back activities
- Managing the service portfolio and the related service catalogue
- Dealing with "regular" service requests and managing the non-standard requests
- The full management of the complete Customer Satisfaction process

One focus of this quadrant is the use of Social Media to enhance the level of communication between IT and their clients. Customer Satisfaction will use the information from the social media channels to automatically come up with information about the status. Turning data into information with the use of AI and big data will support the financial analysis and chargeback process. Seamless integration of the various processes will lead to a much more customer-oriented service portfolio management putting the client into the center of the activities.

Sourcing & Procurement Execution

This quadrant addresses two areas of important activities: managing the sourcing lifecycle that leads into those processes required for procuring any third-party delivery – products or services. The sourcing lifecycle is defined as all processes required to

- define a sourcing strategy
- and execute a sourcing event.

Procurement activities cover everything from ordering a product to receiving the items to invoice checking to payment for the sourcing part of the study we will analyze companies that provide automation tools for the processes necessary to execute the full sourcing lifecycle from sourcing strategy execution all the way to contract signature (source-to-contract). Those products shall as much as possible automate the full RfX cycle, vendor analysis and selection as well as contract design and delivery. Mainly a document management activity solution in this area must provide strong workflow management with auditable results. In addition, integration capabilities into associated processes such as Vendor and Contract Management are required. Procurement Execution is the next process set required so a seamless integration with the sourcing execution is necessary. The tools and solutions we will analyze need to provide two sets of functionalities:

- the use of a business network to electronically communicate and manage a supply market
- process automation to manage the procure-to-pay process.

Service Operation & Delivery

This quadrant addresses the areas of IT service operations and delivery to the end client. Service operations is the area of processes that are needed to deliver defined IT services to the end client in a robust manner. The processes focus on 3 areas:

- Event and incident management to automatically recognize what is happening in the environment that needs to be managed
- Problem Management including User Helpdesk to manage the process of finding and fixing problems and communicate with the client
- Post-event area that includes reporting, SLA management to ensure quality of the service delivered and to continuously improve that quality

In addition, the Facility Management is part of this process group. Besides the more “classical” automation of process functions this area of the solution market is currently undergoing a fundamental change due to the enhanced technical capabilities available. Especially big data and analytics paired with artificial intelligence and cognitive computing offer a wide range of enhanced functionalities that allow for much higher automation. IoT and smart metering plus intelligent sensors allow vendors to offer products that enable their customers to establish services that ultimately will lead to personalized, continuously available services. ISG’s clients that are currently looking for products and solutions in this market or are already active in that space will in average double their investments for the new technologies like RPA, Autonomics, Virtual Customer Agents, Natural Language Processing and Machine Learning. In this market segment we see companies

- that build the tools and provide the solution either through a classical on-premise installation or as SaaS delivery models
- that build the tools and provide the solution as a pure play SaaS environment
- that utilize existing solutions and provide the implementation services dedicated to this Solution
- that utilize existing solutions, develop specific extensions and provide implementation services for a variety of solutions.

Service Design & Transition

This quadrant addresses the areas of IT service design and service transition into operations. While service design is mainly addressing the planning topics such as required service availability and capacity as well as service continuity and security issues the transition part looks at three key areas:

- the transition of a service from planning into operation with change and change evaluation

- management
- the validation of changes and services
- the necessary processes to deploy a change or service and the management of the various release levels

In this part of the IT SIAM framework integration with the BVSM is essential to design services aligned with customer needs. BVSM as the direct interface and “product marketing” of the IT service organization delivers the information about customer satisfaction with current services and new demand. The use of historical and current information about the service consumption is essential to design and build the services. Reporting and AI paired with big data and analysis will be required in the future. New technologies will support clients when dealing with the “go-live” activities of new or updated services. Machine learning and AI will help clients in the future to better understand implications of changes to avoid any drawbacks on existing services. In this market segment we see companies

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Sourcing Information Management

Implementations and operations of IT services is only as good as the information base on which all process automation is being build. In this quadrant we focus on the information management framework. Key is building and maintaining the Configuration database as it forms the heart of the information framework. While building the database is one thing that must use technologies to support the IT personal through intelligent auto discovery maintaining the database historically was the bigger issue. After a CMDB has been designed, built and populated it was already outdated when it went live. Social media, NLP and artificial intelligence paired with machine learning and enhanced sensing will be used in the future to keep such databases mostly automatically in a current state. Consequently, tools that support processes such as asset management and identity & access management are part of this information management quadrant. Most of this data are attached to objects in the CMDB anyway so intelligent grouping and data extraction will provide functionalities to support these activities. Finally, knowledge and data management are using the underlying information to draw conclusions and feed operational processes and increase and keep the quality of data. While these areas of the operations framework where pretty much neglected in the past as they do not deliver any monetary benefits at all they become more and more important for the new, data-driven process framework. IT clients have burned their fingers in the past as the required co-operation from the IT user side was not a given and IT wasn't able to keep the data up-to-date on

their own. As such the use of new technologies such as AI will help to execute such process in a much more qualitative way. In this quadrant we will mainly focus on vendors that build applications for process automation on top of the CMDB and support clients when implementing such tools based on a robust process design.

Schedule

The research phase is between **July - August 2018** during which survey, evaluation, analysis and validation will take place. Selected results will be presented to the media in **December 2018**.

We will roll out the survey on an online platform called Qualtrics. The invites will be sent with links to fill in the responses and submit.

Milestones	Beginning
Launch	July 2018
Survey (questionnaire)	July 19, 2018 - August 23, 2018
Sneak previews	October 26, 2018
Content provisioning	December 13, 2018
Press release	December 18, 2018

Contact



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Do you need any information?

We will be happy to answer any questions you may have by sending an email to isglens@isg-one.com.

About ISG

ISG (Information Services Group) (NASDAQ: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including 75 of the top 100 enterprises in the world, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.