# IT SERVICE MANAGEMENT IN AUSTRALIA:

Improving organisational outcomes through enhanced service provider integration

# Executive Summary

Having adopted the Information Technology Infrastructure Library (ITIL) framework and practices for IT Service Management (ITSM), Telstra recognises the importance for businesses to link their ITSM practices to those of their service providers, enabling more reliable and responsive IT services. Telstra therefore commissioned Longhaus to investigate how ITSM standards are being adopted across Australia. The study collected responses from 111 organisations (81% enterprise and 19% government) and provides key insights into Australian ITSM practices.

While the vast majority (74%) of the organisations questioned agreed that ITSM is an absolute priority, they also agreed that it is hard to implement and difficult to manage. The research revealed that true integration of ITSM practices, from the end user through the internal IT organisation and out to a network of supporting service providers, is not the Australian norm. Organisations are struggling with the sheer volume of frameworks, methods and standards available and therefore are selectively adopting elements and creating their own bespoke ITSM practices.

To obtain true end-to-end integration with service providers requires well defined ITSM process interfaces, with clear definition of the input and output data that is exchanged between the organisation and their service providers. Despite nearly 20 years of ITSM experience, the study found little evidence that the industry is focused on addressing the lack of specific interface standards. Organisations should therefore seek to define these 'interface' standards in the individual contracts or service level agreements across all their service providers. This approach would ensure a clear focus on standardised process inputs and outputs, as well as service measures against end-customer experience and outcomes. At the same time, it is recommended that organisations should continue to demand more common definitions from service providers to motivate wider change within the ITSM community.

It is worth noting that while only 45 of the 111 respondents had achieved some level of integration, the actual benefits encountered by those 45 exceeded their expectations in areas such as reduced problem resolution times, improved reporting, better communication and clearer governance processes. There were some unexpected benefits in risk management, vendor administration and compliance with service levels.

The outcomes of adopting good ITSM practices should include a closer alignment of IT service delivery and the organisation. This should result in greater knowledge of how the business uses IT services and help to create the flexibility and adaptability needed to meet business, customer and user needs. There should also be improved quality of ICT services in the areas of availability, reliability and security, plus improved resource utilisation and meaningful performance indicators.

Best practice ITSM can be achieved by ensuring the organisation's investment matches its strategic objective. Look for service providers who can do what you can't and define those critical hand-off points with them. Also define the deliverables to be exchanged and agree your desired integration points and document them in individual supplier contracts.

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## From IT service management to IT service chain management

Information Technology Service Management (ITSM) is an enduring topic for Chief Information Officers (CIOs) worldwide, and Australia is no exception. Longhaus's 2009 ICT Spending and Priorities Study[i] found that improving ITSM was a priority for 74% of Australian enterprises.

Today, at least one in every three Australian enterprises consumes ICT services, not from a single internal ICT provider, but from an ecosystem of various service providers ranging from traditional outsourcing firms to newer software-as-a-service vendors. As enterprises seek to convert capital intensive in-house buy or build hardware and software approaches to more service-oriented offerings based on variable cost and operational expenditure spread over time, the need to integrate service provider ITSM processes, information and systems into the client's own IT service-delivery approach can no longer be ignored.

Gone are the days when IT service delivery was contained within the boundary of the enterprise. Successful CIOs now recognise that the time has come to view IT as an end-to-end supply chain, spanning from the end user all the way back through the internal IT organisation, and out to the network of supporting service providers.

In the first quarter of 2010, Longhaus undertook a study on behalf of Telstra into the current state of ITSM practices within Australia's enterprise market. A key element of this research was to establish the benefits and challenges associated with a true IT supply chain through integration of ITSM practices across internal and external organisational boundaries.

The key findings of the 2010 Australian IT Service Management Study, gathered from ICT decision-makers across 111 Australian organisations (81% from enterprise and 19% from government) included:

- Sixty per cent (60%) of organisations are using or currently implementing industry-prescribed and recognised approaches to ITSM

- Despite the strong internal adoption of ITSM, only 41% have made headway on integrating internal ITSM practices with those of their external service providers

- Seventy-three per cent (73%) of organisations that have achieved some form of ITSM integration realised benefits as a result, including reduction in problem resolution times, improved risk management and more streamlined contract and vendor administration

- Current barriers encountered to effective ITSM integration by organisations include skilled and knowledgeable staff (54%), staff resistance to change (46%) and budget for implementation (42%)

- ITSM integration procedural practices or protocols are not well defined within existing ICT industry methods, frameworks and standards, forcing organisations to define these in individual service contracts

Based on the study's findings, Longhaus concluded that the first steps in evolving from an internal ITSM approach to one that embraces the entire IT service supply chain begins with:

1. Identifying the critical hand-off points between the enterprise and its current providers for key services;

2. Defining the potential events that can occur for each service;

3. Outlining the specific deliverables to be exchanged when a service event occurs; and

4. Documenting these as agreed integration protocols within the supplier contracts.

By ensuring a clear focus on standardised process inputs and outputs, as well as service measures against end-customer experiences and outcomes, organisations can establish clear inter-organisations protocols. These protocols can then form the first steps in moving from ITSM practices that recognise the fundamental shift of IT from centralised resources to a complex supply chain in today's modern organisation.

# AUSTRALIAN ORGANISATIONS REMAIN COMMITTED TO THE ITSM JOURNEY

ITSM as a discipline for aligning IT services to organisational needs through a focus on the quality of IT service delivery is not new. Having emerged in the late 1980s in response to the increasing application of IT outside of the centralised mainframe bureaus of the previous decade, it remains an enduring topic worldwide. Indeed, what CIO would not wish to achieve a closer working relationship with their business sponsors, operate under clearly defined roles and responsibilities, and deliver continuously improving high-quality services?

It is these types of benefits that see the vast majority of Australian enterprises continuing to pursue ITSM today. In 2009, Longhaus found that within a set of 26 potential strategies for increasing efficiency and managing the cost of ICT services, improving ITSM practices was ranked second overall, and was considered a priority for 74% of Australia's medium to large organisations. In the 2010 Australian IT Service Management Study, Longhaus found that Australian enterprises are making strong progress towards the goal of improved ITSM, but must recognise that the shift in IT service delivery models represents a key inflection point in the market that could bring dramatic improvements to existing practices.

When asked to self-assess their maturity across thirteen (13) ITSM practices, more than 50% of respondents claimed to have achieved an ITSM maturity level equal to or greater than Defined.[ii] The greatest areas of maturity were those considered 'front of house' activities, such as Customer Service and Support in which 76% of organisations are claiming a maturity level greater than Repeatable.[ii] In contrast, 'back office' or internally focused process areas, such as Resource and Workforce Management, appear significantly less mature (see Table 1).

Base: 111 ICT Decision-makers from large Australian enterprises

| ICT Management Process Area | Defined % | Managed % | Optimised % | Total % |
|---|---|---|---|---|
| Customer Service and Support | 31 | 33 | 12 | 76 |
| Operations Management | 29 | 32 | 13 | 74 |
| Performance Management | 32 | 29 | 13 | 74 |
| Governance, Risk and Compliance | 25 | 30 | 15 | 70 |
| Portfolio, Program, and Project Management | 30 | 28 | 11 | 69 |
| Customer or Business Relationship Management | 29 | 28 | 12 | 69 |
| Vendor or Supplier Management | 32 | 27 | 10 | 69 |
| Application or Software Development | 23 | 35 | 10 | 68 |
| Deployment and Integration | 30 | 29 | 9 | 68 |
| Financial Management | 25 | 29 | 14 | 68 |
| Enterprise Architecture | 30 | 27 | 10 | 67 |
| Resource or Workforce Management | 28 | 28 | 11 | 67 |
| Service Lifecycle Management | 26 | 25 | 8 | 59 |

Key:  Defined – Standard approach exists
      Managed – Standard approach enforced
      Optimised – Deliberate and continuous improvement

Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)

Table 1 – Ranked maturity of key ITSM practices in Australian enterprises

## INFORMAL OR DIY APPROACHES TO ITSM MAKE INTEGRATION WITH EXTERNAL PROVIDERS CHALLENGING

Despite the relative high self-assessment in relation to ITSM maturity, only 34% of these same organisations were actively using formalised ITSM approaches based on industry standards, frameworks and methods. A further 26% indicated that they were currently implementing more prescribed and recognised practices, and a further 13% of organisations surveyed were planning on following this lead (see Figure 1).

**How would you describe your organisation's current level of adoption of formal ITSM practices?**

Base: 111 ICT Decision-makers from large Australian enterprises

| Category | Percentage |
|---|---|
| Previously attempted | 5% |
| Consciously avoiding | 3% |
| Not intending to adopt | 8% |
| Interested in adopting | 12% |
| Planning on implementing | 13% |
| Currently implementing | 26% |
| Actively using | 34% |

Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)
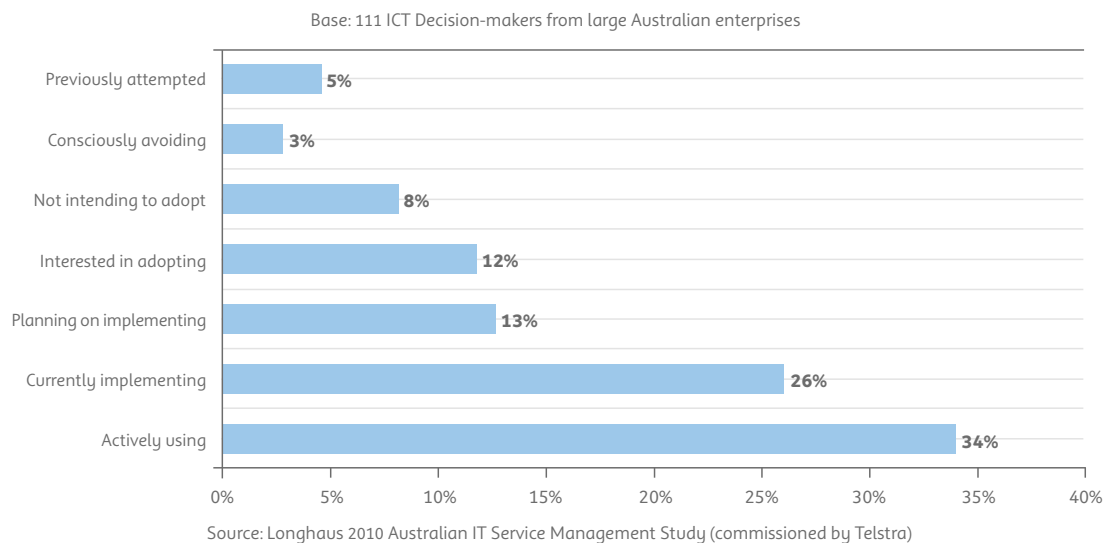
Figure 1 – Adoption levels of formal ITSM practices in Australian enterprises

Given that only 34% of organisations are actively using formal ITSM approaches, and only nine (9) Australian organisations have achieved independent ISO 20000[iii] certification, respondents appear to be either overstating their ITSM maturity or are adopting less formalised ITSM practices. Longhaus tested these two potential explanations during follow-up interviews, and while most interviewees agreed that self-assessments risk being overstated, the theme of informal ITSM implementation was also strong. For example, a large chemical manufacturing company noted that those processes which were 'front of house' were considered a higher priority than 'back office' functions in relation to achieving standardisation and alignment with industry best practices, methods, frameworks and standards.

Therefore Longhaus can safely conclude that at least three-quarters of those organisations using ITSM practices are taking an informal or DIY approach to ITSM. The result of this informal approach is the development of highly bespoke and specialised implementations of what the industry views as common ICT service delivery activities. As opposed to being able to simply and quickly establish connections between the client and supplier based on agreed industry standards, each new engagement requires that both parties develop custom linkages. This in turn makes any potential integration with external service providers even more challenging.

There are really no recognised or commonly used self-assessment tools employed across the industry for ITSM, other than perhaps the Information Technology Service Management Forum Australia (ITSMFA)[iv] self-assessment for ITIL v2 service support service-delivery processes, or COBIT audits. Given the above situation, Longhaus would caution Australian CIOs about placing too much weight in ITSM self-assessments or claims that their organisations have developed a unique approach to ITSM. Instead, it is crucial that Australian CIOs remain committed to continuous improvement of their ITSM practices and evolve towards more industry-recognised processes and practices.
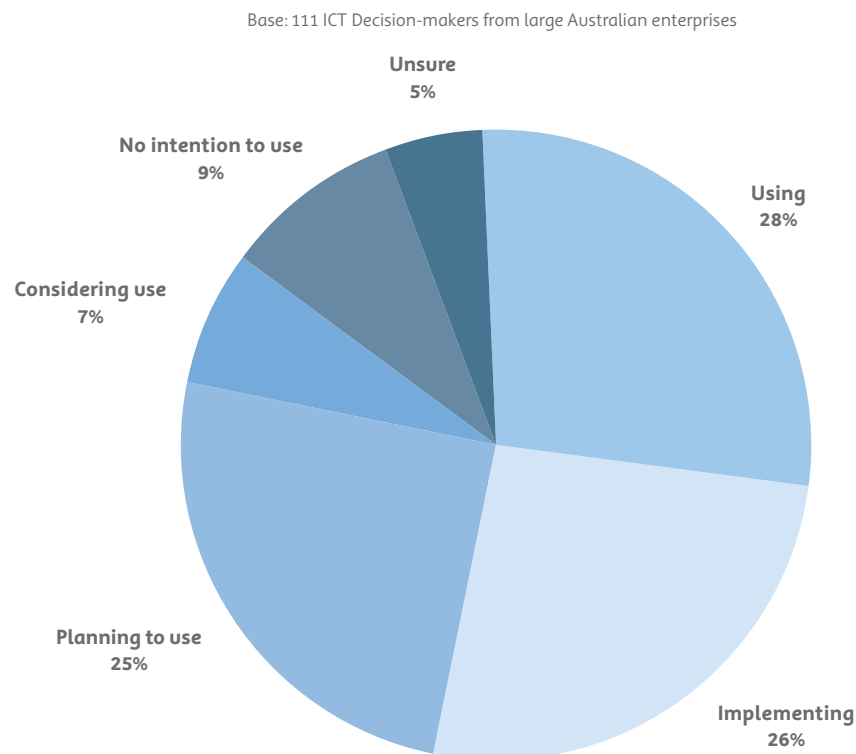
# ORGANISATIONS WILL CONFRONT CHALLENGES WHEN FACED WITH THE MYRIAD OF ITSM STANDARDS

When organisations adopt ITSM they are not only faced with defining and deploying new process and technology, but also face a potential battle to integrate at least 20 industry methods, frameworks and standards in order to implement a complete service management outcome.

From service management specific frameworks such as ITIL (v2 or v3) through to supporting but equally necessary project management methodologies such as PRINCE2, various sources of ITSM practice often have their own language, overlapping elements or, in extreme cases, competing objectives. Of course, the integration of these various ITSM process components is often done ahead of an ITSM integration effort involving the commissioning of new, externally provided ICT services.

Within the sample of organisations surveyed, 28% indicated that they were currently using external approaches to support their ITSM practices. Significant interest was also present beyond the current adopters, with the proportion of organisations implementing or planning to use external methods, frameworks and standards at 26% and 25% respectively (see Figure 2).

**How would you describe your organisation's current use of external methods, frameworks and industry standards to support its ITSM practices?**

Base: 111 ICT Decision-makers from large Australian enterprises



Unsure
5%

No intention to use
9%

Using
28%

Considering use
7%

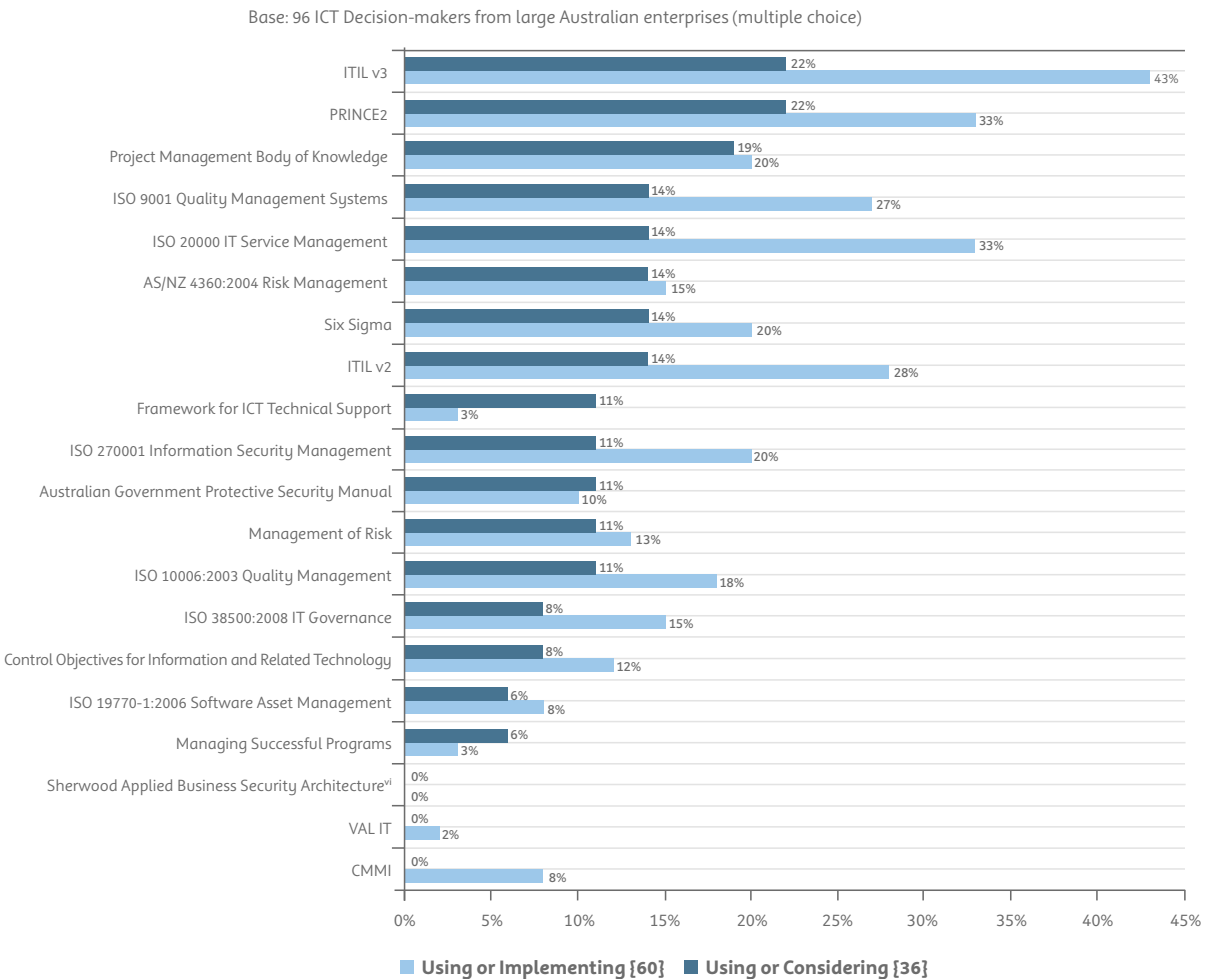Planning to use
25%

Implementing
26%

Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)

Figure 2 – Adoption levels of external support for ITSM by Australian enterprises

Of the 60 organisations using or implementing external methods, frameworks and standards, 43% were using ITIL v3 versus 33% using ITIL v2. This highlights that, when it comes to the most popular support for ITSM, Australian organisations remain focused on the UK-Government-sponsored Information Technology Infrastructure Library (ITIL)[v]. The transition between ITIL versions was also noted by interviewees, who indicated that they are now starting to consider moving existing processes from ITILv2 to ITILv3. Other external methods, frameworks and standards that were popular in supporting a complete approach to ITSM included the project management disciplines PRINCE2 or the Project Management Body of Knowledge (PMBoK) from the Project Management Institute. ISO standards also feature prominently (see Figure 3).

**Which of the following methods, framework and industry standards does your organisation use to support its ITSM practices?**

Base: 96 ICT Decision-makers from large Australian enterprises (multiple choice)



Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)

Figure 3 – Use of ITSM methods, frameworks and standards in Australian enterprises

Given the sheer volume of methods, frameworks and standards available, it is clear that organisations currently 'cherrypick' various elements from within these approaches when constructing their internal ITSM practices. Rather than harmonising complementary approaches, selectively adopting elements from various external methods, frameworks and standards presents the potential risk that each organisation's ITSM practices become bespoke, and therefore increase the time and cost of ITSM integration.

That said, during discussions held with individual organisations it was also noted that many of these methods, frameworks and standards are in themselves incomplete, and that the terminology used to describe components of a similar process can differ between them. In attempting to provide a level of uniformity, around ITSM the ICT industry may have in fact done a disservice to end-user organisations by creating a situation where they desire to establish a formal, standardised and harmonised environment, but are forced instead into informal hybrid models constructed from various approaches.

When the need to integrate ITSM processes, information and systems between an organisation and its supporting service providers is added to this mix, these external approaches provide consistency within an organisation, but may themselves be presenting a major obstacle to allowing true interoperability between organisations.

Given the depth and breadth of competing industry directions on ITSM, the Longhaus research indicates that organisations hoping to maximise their ITSM success should first undertake an objective analysis to rationalise the frequency of approaches being used within their organisation. In doing so, it is crucial that the tools chosen still ensure complete coverage of both the process areas needed for effective ITSM delivery and the mechanisms to measure compliance with the ITSM processes being implemented, including appropriate continuous improvement techniques (see Table 2).

| Process Area: Core ITSM Practices | How: Processes and delivery technique options | Measurement: Compliance and continuous improvement options |
|---|---|---|
| Service Strategy and Design | The Open Group Architecture Framework , SABSA, etc | COBIT, ISO 9001, etc |
| Program and Project Management | PRINCE 2, PMBoK, Val IT, M_o_R, MSP, etc | COBIT, ISO 9001, ISO 10006, ISO 31000 (AS/NZ 4360) etc |
| Service Deployment and Integration | ITIL, USMBOK,[vii] etc | COBIT, ISO 9001, ISO 20000, ISO 27001, ISO 31000 (AS/NZ 4360) etc |
| Service Desk | ITIL, FITS,[viii] USMBOK, etc | ISO 9001, ISO 20000, ISO 27001, ISO 31000 (AS/NZ 4360) etc |
| Service Operations | ITIL, FITS, USMBOK, etc | ISO 9001, ISO 19770-1, ISO 20000, ISO 27001, ISO 31000 (AS/NZ 4360) etc |
| Service Improvement and Reporting | ITIL, USMBOK, Six Sigma, etc | COBIT, ISO 9001, ISO 20000, ISO 27001 etc |

Source: Longhaus 2010

Table 2 – Example of  ITSM methods, frameworks and standards coverage analysis

An alternative to attempting to analyse and harmonise the various frameworks, standards and methods internally is for end-user organisations to engage with external service providers that have already developed standardised and comprehensive ITSM approaches.

When considering leveraging a supplier-provided ITSM approach, end-user organisations should ensure that such frameworks not only cover the process and measurement components, but that they also identify the key interface points between the client and service provider.

Organisations must also remember that employing a supplier-provided ITSM approach does not excuse them from their own responsibility for overall IT governance and service-delivery accountability.

## EFFECTIVE SUPPLIER INTEGRATION IS THE NEXT IMPORTANT STEP FOR ITSM

A key objective of the research was to confirm that failure to achieve cross-organisational integration of ITSM has become a leading cause of breakdowns in service levels and end-user dissatisfaction with ICT service delivery.

In order to confirm the underlying need for ITSM integration, Longhaus asked the study respondents to indicate across a set of nine (9) ICT service areas which entity or organisation was responsible for providing the service. On average, 56% of organisations indicated that these activities were delivered internally, with the next largest proportion (25%) being those organisations that had a combination of internal and externally supported delivery.

When those organisations that had opted to completely outsource an ICT service delivery capability are also considered, nearly half of all Australian organisations surveyed have a definite need to ensure effective ITSM integration of various IT service providers between themselves and their ecosystem.

### True coordination or automated integration is far from the norm in Australia

The study found that 31% of organisations surveyed have no formal integration between the activities of their external service providers and their own internal ITSM environment. The next largest group was the 29% of organisations that have some integration but rely on manual processes. For those organisations that have achieved some form of automated integration between themselves and their provider ecosystem, the common paradigm is one of linkages between one or more internal ITSM systems and one or more external provider systems (see Figure 4).

**Thinking about your external providers, how would you describe the overall integration of their service-delivery activities into your ITSM environment?**

Base: 111 ICT Decision-makers from large Australian enterprises



Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)
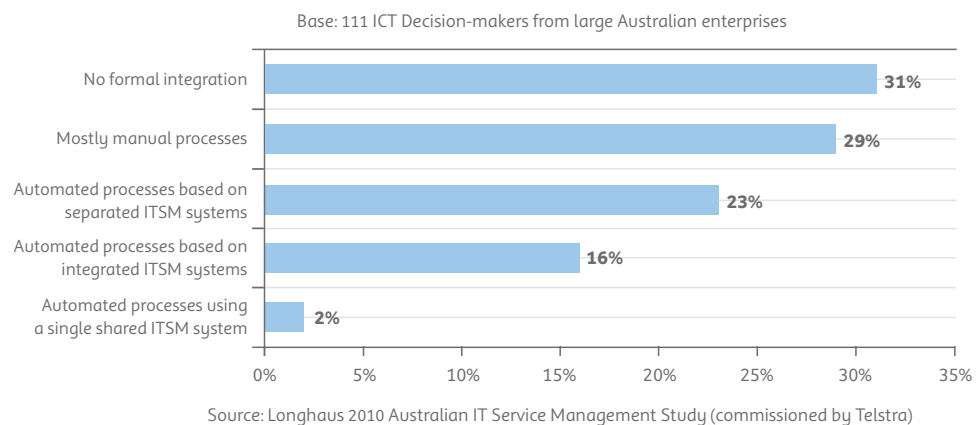
Figure 4 – Level of cross-organisational ITSM integration in Australian enterprises

When asked what barriers prevented their organisation from achieving ITSM integration, 54% of respondents surveyed identified staff skills and knowledge, followed by 46% who identified resistance to change. Other top ten barriers to implementation included differing organisational priorities and insufficient internal resources (see Table 3).

| Barrier | Percentage % |
|---|---|
| Staff skill and knowledge levels | 54 |
| Staff resistance to change | 46 |
| Access to budget for implementation | 42 |
| Not seen as an organisational priority | 41 |
| Insufficient internal resources | 40 |
| Consistency of organisation's own ITSM processes | 39 |
| Costs that may be charged by external service providers | 35 |
| Time required to implement integration | 34 |
| Existence of multiple ITSM systems | 33 |
| Lack of executive sponsorship or support | 31 |

Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)

Table 3 – Top 10 barriers to effective ITSM integration

Although the majority of respondents had little or no ITSM integration between themselves and their external service providers, the 45 respondents that had achieved some level of integration were asked to describe the state of their benefits realisation. Within this group the largest proportion (44%) indicated that they had realised some, but not all, the benefits they had expected from ITSM integration (see Figure 5). When the actual benefits of those organisations that had achieved some form of ITSM integration were compared with the expectations of those firms yet to achieve integration, the actual benefits encountered exceeded those expected by an average of 5%. This highlights that even a rudimentary attempt at ITSM integration delivers tangible benefits.

**Has your organisation realised the benefit it expected to achieve from integrating your internal ITSM environment with that of your external providers?**
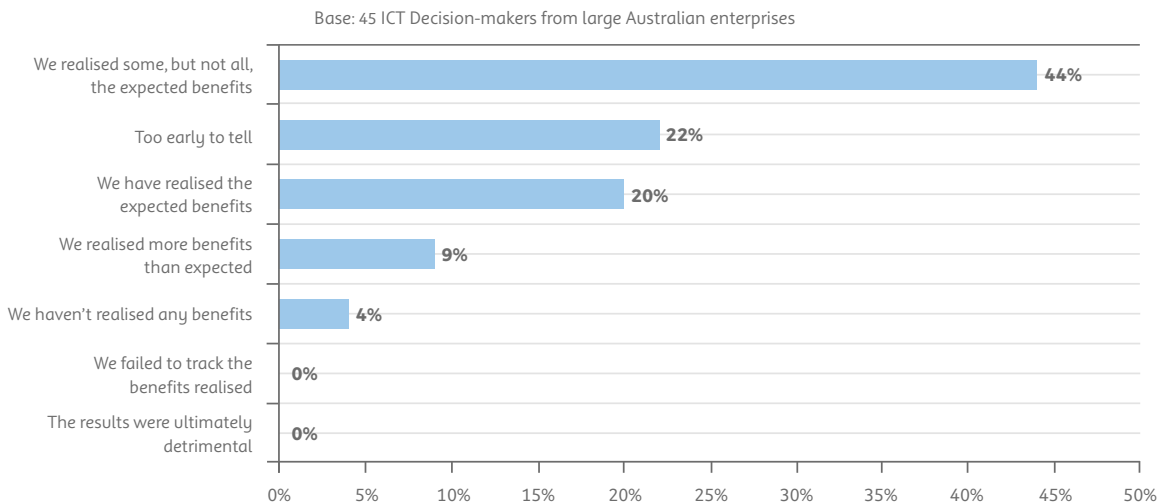
Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)

Figure 5 – Benefits realisation levels of Australian enterprises through ITSM integration

# THREE BENEFITS ARE REALISED MORE OFTEN THAN EXPECTED

At a more detailed level, three benefits emerged as being realised more often than expected. These areas represent risk management, vendor administration and compliance with service levels, and had the most marked difference from expected versus actual benefits. In the case of risk management, only 33% of organisations expected to gain risk management improvements from integrating their ITSM environment with that of external service providers, but 53% indicated that they had realised this type of benefit, leaving a gap of 20% (see Table 4.)

| Benefit Type | Realised % | Expected % | Gap % |
|---|---|---|---|
| Better management of risk | 53 | 33 | 20 |
| Streamlined contract and vendor administration | 40 | 24 | 16 |
| Compliance with service level | 58 | 42 | 16 |
| Reduce problem resolution times | 62 | 50 | 12 |
| Improved reporting | 29 | 18 | 11 |
| Improved communication | 33 | 23 | 10 |
| Clear governance processes | 53 | 44 | 9 |
| Lower cost of service delivery | 38 | 36 | 2 |
| Increased end-user satisfaction | 42 | 41 | 1 |
| Consistent delivery of services | 27 | 26 | 1 |
| Access to certified processes | 29 | 29 | 0 |
| Higher productivity | 11 | 11 | 0 |
| Greater levels of trust | 13 | 14 | -1 |
| Explicit business rules and policies | 20 | 21 | -1 |
| Accurate demand planning | 31 | 38 | -7 |
| View of service-delivery accountability | 16 | 24 | -8 |
| Cut in the number of incidents | 16 | 24 | -8 |

Source: Longhaus 2010 Australian IT Service Management Study (commissioned by Telstra)

Table 4 – Gap between expected and encountered benefits of ITSM integration

Organisations seeking to gain the benefits of ITSM integration need to be cognisant of the potential barriers and prioritise their ITSM integration efforts by focusing on those ICT services that are highly critical to continued wide-scale business operation, and which involve a sizeable service delivery footprint – for example, data network services. This prioritisation can be achieved through the use of a simple grid model, with each service provider plotted based on two critical factors – size and scale of their service delivery footprint and the criticality of the service in terms of its business scope (see Figure 6).
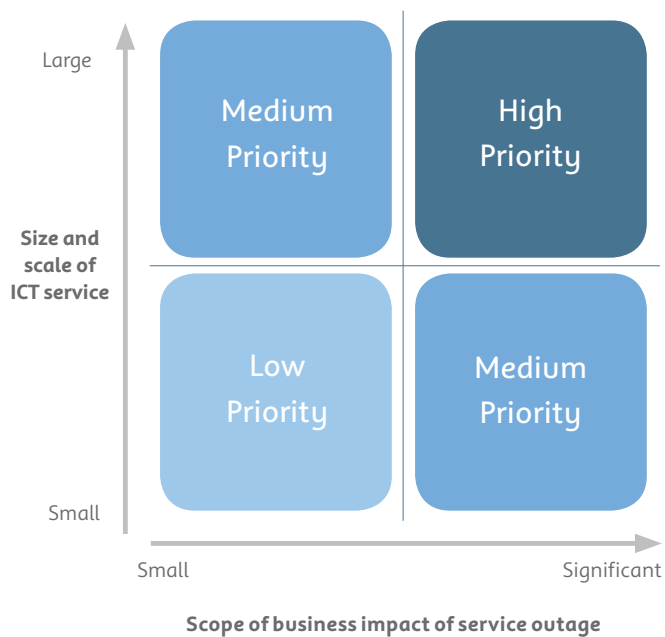


Source: Longhaus 2010

Figure 6 – ITSM integration prioritisation grid

Once each of an organisation's external service providers and associated ICT services has been assessed, focusing ITSM integration efforts can become more targeted. Taking a targeted approach to ITSM integration will help to justify the effort and help minimise organisational barriers, including conflicting priorities and the availability of budget for the required implementation activities.

# ITSM INTEGRATION ITSELF WILL NEED TO BECOME MORE STANDARDISED

In the early days of network communications a myriad of technical protocols emerged within the industry. In spite of the best intentions of their designers, battles over Token Ring versus Ethernet left many organisations suffering from incompatibilities at both the hardware and software interface layers and wondering how to integrate their environments. ITSM is now suffering from this same malaise when it comes to cross-organisational integration. Based on the results of this study, Longhaus suggests that what is required is less effort on process-oriented frameworks and more focus on standard communication protocols for common ICT services that are delivered by external providers.

These protocols should operate like the Internet Protocol Suite of TCP, IP, HTTP, and not require the consumer to know 'how' the service provider has achieved the result, but merely that the information received complies with the known and agreed interface specification for a given situation. For example, in the case of an outsourced Unified Communications service, it should be possible to determine the data objects that are common to an incident associated with this type of service and then go on to define what types of events associated with the service warrant exchange of these objects between the end-user organisation and the external service provider.

However, Longhaus noted during post-survey interviews that such determinations to develop these definitions are left to each individual organisation at the time of each single engagement with a new or existing service provider. Furthermore, the results suggest that these definitions were most often in the form of deliverables exchanged through agreed communication procedural practices or protocols documented in the underlying service contract.

The reality of today's situation is that despite nearly 20 years of ITSM experience there is little evidence that the industry is focused on addressing specific ITSM protocols in the short to medium term. In the meantime, organisations should seek to extract these 'interface' requirements from individual contracts or service level agreements and aim to make core data objects and events standard across all service provider engagements. This approach would ensure a clear focus on standardised process inputs and outputs, as well as service measures against end-customer experience and outcomes.

At the same time, end-user organisations should continue to demand more common definitions from the service providers themselves to motivate wider change in the ITSM community.

# CONCLUSION

For the majority of Australian enterprises that have successfully begun the ITSM journey, the increasing use of new cloud computing and other as-a-service offerings means that now is the time to take the next step in the journey. Whether bespoke or standardised, integration of ITSM practices with external providers can have profound and sustained benefits for organisations, by reducing risk and increasing service delivery rigor.

Ultimately, Longhaus believes that ITSM integration provides organisations with an increased knowledge of the IT supply chain that underpins critical business services, which in turn aids in delivering high-quality, highly available, reliable and secure ICT services. However, in the absence of effective industry standard protocols, successful ITSM integration with external service providers will require that organisations:

- Rationalise the number of frameworks, standards and methods being used to support existing ITSM practices;
- Alternatively, engage with service providers that can deliver a harmonised and comprehensive ITSM approach;
- Ensure ITSM integration investment begins in areas that have the most strategic impact in terms of those ICT services critical to continued wide-scale business operation and that involve a sizeable service delivery footprint; and
- Clearly define the deliverables to be exchanged with providers at critical hand-off points based around the key events for a given service.

## ABOUT THIS WHITE PAPER

This white paper was commissioned by Telstra to aid senior members of large government and enterprise organisations, including marketing, finance, and technology executives, to understand the emerging challenges associated with standardising and integrating IT service management practices across their organisations.

## RESEARCH METHODOLOGY

In March 2010, Longhaus conducted an online survey of 111 ICT decision-makers, including Chief Information Officers or Chief Technology Officers and their direct reports such as ICT Business Unit Directors, Enterprise Architects, Senior Project Managers, and Managers of Infrastructure Operations or Network Infrastructure. The respondent sample was drawn from Australian-based organisations with an annual ICT budget of greater than $500,000 per annum or, for those with a spend less than $500,000 with greater than 500 employees; 69% of the sample included enterprises (>1,000 employees), and 27% included large organisations (200 to 1,000 employees). The survey sample is statistically significant for the Australian enterprise market, offering a minimum 95% confidence level with a margin of error less than +/-9%. Nineteen per cent (19%) of the organisations surveyed were public sector, with other significant industries sampled including Banking, Finance and Insurance (29%) and the Education Sector (18%). In addition to the primary data collection, Longhaus analysed various secondary research sources, and conducted interviews with ICT end users and third parties, including Telstra.

NOTES

i.      As found in the Longhaus 2009 ICT Spending and Investment Priorities Study.

ii.     Each maturity level as defined for the respondents as follows: Repeatable as "similar approach regularly followed"; Defined was stated to be "a standard  approach exists"; Managed meaning "a standard approach was enforced"; and Optimised was "deliberate and continuous improvement".

iii.    ISO 20000 is today the most common means by which organisations independently measure ITIL adoption, although the standard itself is currently focused on ITIL Version 2. Alternatively, organisations can employ the set of self-assessment questions provided by the itSMFA, based on ITIL Version 2's Service Support and Service Delivery processes. Beyond these formalised assessments, organisations can either develop their own methodology using an existing maturity model or seek out consulting organisations specialising in ITIL who can offer their own assessment models.

iv.     Longhaus conducted searches for Australian firms with certification in ISO/IEC 20000 IT Service Management through three standard bodies available via the Information Technology Service Management Forum Australia (itSMFA). See http://www.itsmf.org.au/best-practice/iso20000/

v.      Within the scope of TOGAF to assist in ITSM, Longhaus is including the supporting Architecture Development Method.

vi.     SABSA stands for the Sherwood Applied Business Security Architecture. See http://www.sabsa.org/

vii.    USMBOK and its predecessor, the ITSMBOK, is a written work similar in intent to PMBoK.
        See http://www.usmbok.org/

viii.   FITS stands for the Framework for ICT Technical Support and is an alternative approach to ITIL from the Education sector. See http://www.thefitsfoundation.org/

## Longhaus

## Trade marks

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