

Case Study – International Property Consultants

The relationship between the client and their IT Outsource supplier had broken down.

Itica created a Governance regime for the client to manage the IT Outsource supplier and also manage the provision of IT internally.

Itica Governance Framework

- > Strategy
- > Relationship
- > Planning
- > Review
- > Commercial

Situation

The Client is a leading practice of consultants to the property and construction industry and has a network of offices throughout the UK and Europe. A 5 year agreement to Outsource the IT Services had been entered into two years previously and was proving difficult to manage as there was no effective Governance in place.

There had been some difficulties with the relationship but there was a desire from both parties to improve this relationship by improving the Governance of the agreement and by introducing appropriate measures.

The Client had a desire for the IT services to be

- > Simple - Economical - Reliable - Visible - Secure

Actions

The assignment was broken down into four distinct areas:

- > Governance of the IT Outsource agreement
- > IT Governance within the Client
- > Operational delivery documentation
- > Commercial implications

The Itica structured Governance model was used to determine the Governance of the agreement it covers:

- > Strategy – Goals, objectives, sensitivities, policies, procedures
- > Relationship – Roles & responsibilities, key contacts, resources & capabilities, behaviours, communication, authority levels, dispute resolution
- > Planning – Requirements capture, forecasts, change management
- > Review – Performance assessment, metrics, reports, continuous improvement, risk management
- > Commercial – Pricing, billing, assets, risk and reward

Itica facilitated the creation of a specific model for the agreement which was integrated with the Operational processes.

European Outsourcing Market 2007 €32.7bn

- > Half fail to deliver on expectations
- > Key reasons for failure:
 - 1 Requirements not articulated
 - 2 Roles and responsibilities not sufficiently defined
 - 3 Change handled badly
 - 4 Unexpected costs
- > Effective Governance could substantially reduce the money being wasted on underperforming agreements

Case Study – International Property Consultants

The relationship between the client and their IT Outsource supplier had broken down.

Itica created a Governance regime for the client to manage the IT Outsource supplier and also manage the provision of IT internally.

Itica Governance Framework

- > Strategy
- > Relationship
- > Planning
- > Review
- > Commercial

Results

- > Governance of the IT Outsource agreement.

A documented and agreed Governance model which draws together all of the governance required to manage the relationship effectively.

Four key Business measures were introduced which showed IT performance in Business terms, covering Staff Productivity, Compliance, Delivery and Risk Management.

- > IT Governance within the Client.

This defined the organisation, the roles and responsibilities and the Policy and Procedure requirements.

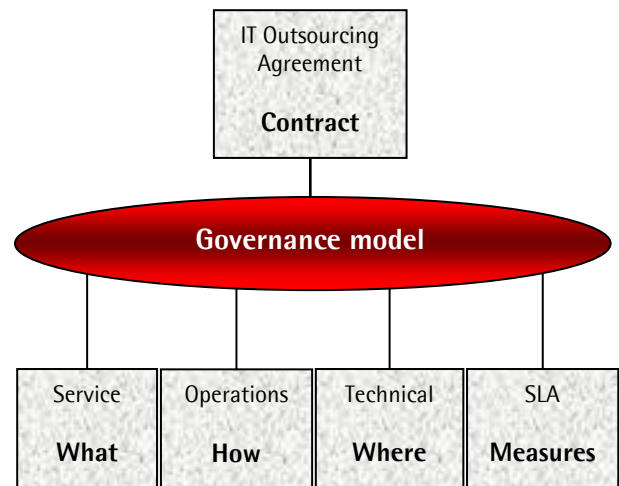
- > Operational delivery documentation

1. Service Definition - This defines the Services scope, this is "What" the Supplier will provide.
2. Operational Level Agreement - This sets out the responsibilities, processes and touch points, this is "How" the Supplier delivers the service
3. Technical Architecture - This defines the demarcation points, this is the "Where" responsibilities start and end.
4. Service Level Agreement - This details the "Measures" to be used in managing the service.

- > Commercial implications.

New measures were introduced which would allow the Client to end the agreement if the service from the Supplier failed the meet the defined standards.

Documentation Structure



Client

"Thank you very much for your thorough and adept work throughout."

Supplier

"I think it has been a good exercise and a very positive step in moving ... forward in obtaining greater benefits from IT in the future. I agree that we have laid a good foundation for the relationship to move forward."