

IT Service Management

Incorporating ITIL Effectively

MnIPS

Agenda

- About Mystic Lake Casino Hotel
- What Mystic does & Jean's role within Mystic
- Jean's Projects and Evolution
- ITILv3
- 9 Critical Success Factors
- Organizational Change Management
- Benefits of ITIL initiatives
- Client Perception and Stated IT Achievement
- Return on Investment (ROI)
- IT/ITIL's Biggest Achievement - and Why
- If Re-do, What and Why?

About Mystic Lake Casino Hotel

SMSC Gaming Enterprise is a Native American-owned gaming enterprise consisting of:

- Bingo (started 25 years ago).
- Two casinos – one with over 4,000 slot machines and 100 Blackjack tables (Mystic), and one with over 800 slot machines and 8 Blackjack tables (new Little Six Casino, opened December 14th, 2007).
- 2,900 full-time/3,600 total team members.

80% of Indian gaming revenue in Minnesota comes from three casinos in the state; over 50% comes from Mystic.

About Mystic Lake Casino Hotel

- One of the top 10 largest employers in the state of Minnesota (State, Allina, NWA, USPS, Cargill)
- Professional golf course
- 2,000 seat event center (opened 9/07)
- 14 Community businesses

About Mystic Lake Casino Hotel

- Medical and Dental clinics (March 2007; for Community and team members)
- Pharmacy (05/07; for Community & team members)
- Wellness Center: Physical therapy/chiropractic (12/07, Community & team member; eye/ear, 6/08)
- Two gas station-convenience stores (2nd station opened 10/07)
- Fire station (expansion opening 6/08)
- PlayWorks, contract/hourly onsite daycare
- Sport & Fitness Center with ice arena and shooting range (2nd ice arena opening Fall 2008)
- Laundry
- Waste management

About Mystic Lake Casino Hotel

- Public Works (with environmental “green roof”)
- Mobile medical clinic (36-ft lab travels to Native American tribal locations - provides X-rays, mammograms, diagnostic tests, etc., 8/07)
- Maintenance & Engineering (construction & tribal court)
- Land
- Mall of America store
- Warehouse/inventory (7/08)
- Water bottling plant (opening in 2008)
- Philanthropy : Over \$100M of Community revenue donated since 1998; latest donation - \$12.5M - to University of Minnesota: \$10M for Gopher football stadium, and \$2.5M for Native American scholarships

Jean's Areas of Responsibility

- Support Services Group (SSG): 18 Staff (supervisor, two technical writers, one trainer, 24 x 7 service desk staff)
- Service Desk – SPOC for all computer-related calls throughout SMSC Enterprise (2,000+ desktops)
- Computer Training
- IT Compliance (Mystic has a full-time IT auditor)
- IT Best Practice Implementation
- Marketing: Promotions/meeting setups (average of 20 a week), over 20 kiosks
- IT Projects:
 - Desktop: New clients, DLM, inventory, laptops, time clocks
 - Network: System monitoring, migration, some wireless and VOIP
 - Applications: Some applications administrations and monitoring

Jean's Projects & Evolution

- ITIL: Service Desk, Incident Management, Change Management, some Problem Management, Continuity Management (BCP), IT Support Certification, v3 ITIL CBT updates, Organizational Change Management
- “Jean’s Farm Team”: 50-75% promote-from-within,
- Atypical IT call center: 30% calls, 30% fixed production tasks, 30% IT department project work, large variety of hardware and software support
- IT mentoring and career development
- Led transition of IT support to Community businesses (two IT office locations, one solely serving Community businesses with dedicated staff)
- HIPPA compliance
- Aging infrastructure

ITILv3



Service Strategy

Make Practical Decisions

1. Service management principles and lifecycle
2. Service assets for value creation
3. Service strategies: Selecting, integrating, adjusting based on market, customers and services
4. Service economics: Increase ROI for services, portfolio and demand management
5. Linking standards, practices, and processes
6. Organization: Develop, design, culture, and sourcing
7. Technology: Service automation, interfaces, and tools

Service Design

Develop a Practical Roadmap

1. Service management as a practice: Defining, designing services
2. Service design
 - Principles: Requirements, activities, constraints, SOA, service catalog, SLM
 - Processes: Capacity, availability, ITSCM, ISM
3. Services models, data/information and apps management
4. Organizing: Roles & responsibilities and activities
5. Implementation: Business Impact Analysis, requirements and measures, and tools

Service Transition

Manage Change, Risk and QA through:

1. Principles and Processes: Change,* configuration,* release,* deployment and knowledge management*
2. Communication and organizational change management models
3. Transition model selection and creation
4. Risk and testing for design
5. Project integration, knowledge management tools, and configuration management systems

*updated processes

Service Operation

Establish Stable, Scalable, Repeatable, Responsive Services:

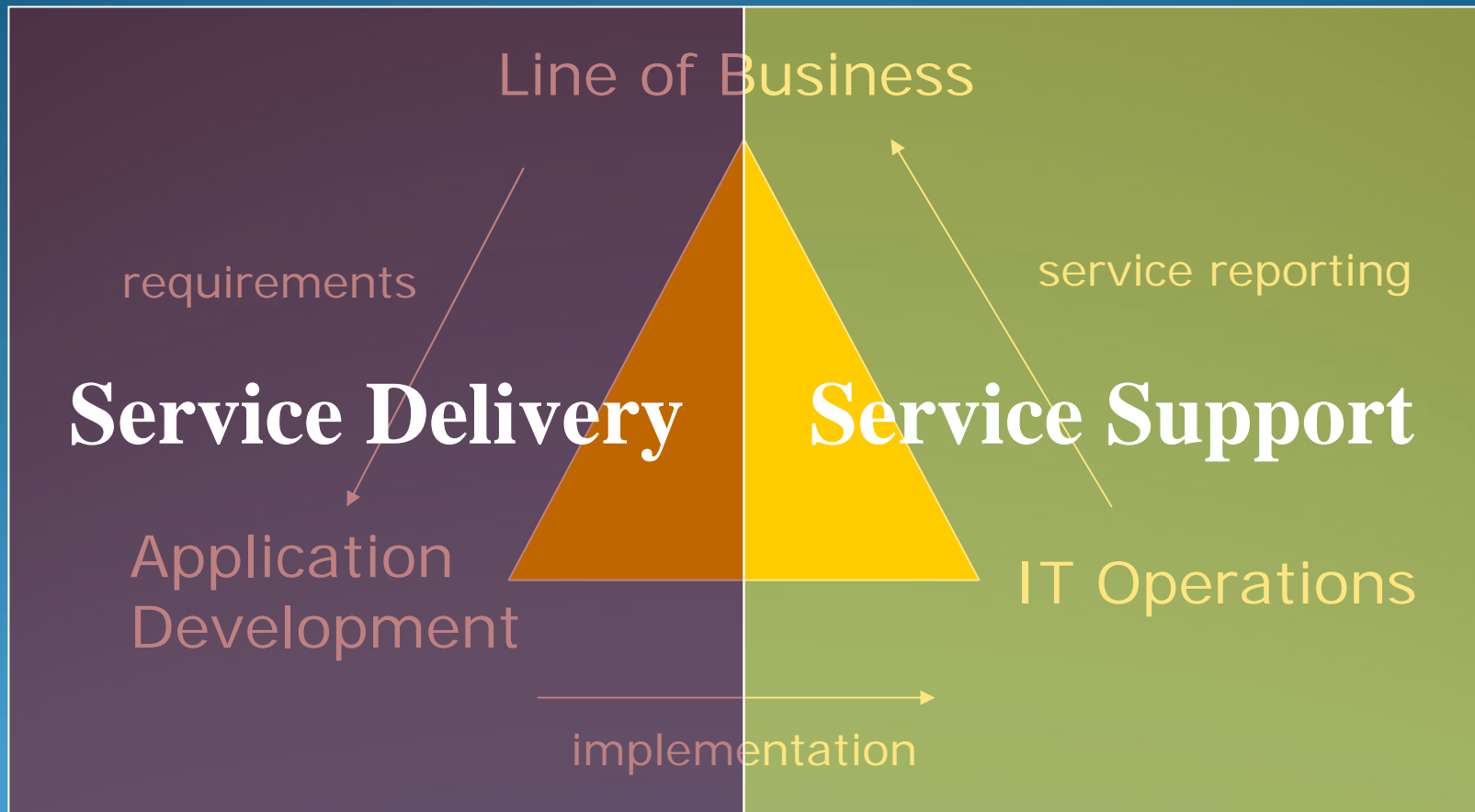
1. End-to-end operational processes and practices
 2. Fundamentals, balance, teams, operational health, communication and documentation
 3. Processes: Event, incident,* problem,* access, network, middleware, Internet/Web, directory services, data center, Information Security, storage, archive, server, ops and apps management, and request fulfillment
 4. New: Event, technology, and request management processes
 5. Flexible, timely, and virtual service operations models
- *updated processes

Continual Service Improvement

Meaningful Measurements:

1. CSIs that work: Deming Cycle (Plan, Do, Check, Act)
2. Build business case and prove ROI
 - Show IT is walking the walk vs. talking the talk
 - Show health and maturity of ITSM
3. Manage an IT portfolio aligned to business
 - Can be interpreted easily and acted upon quickly to produce results
4. Implementing CSIs, governing, communicating, and authority matrix

Service in the Life Cycle

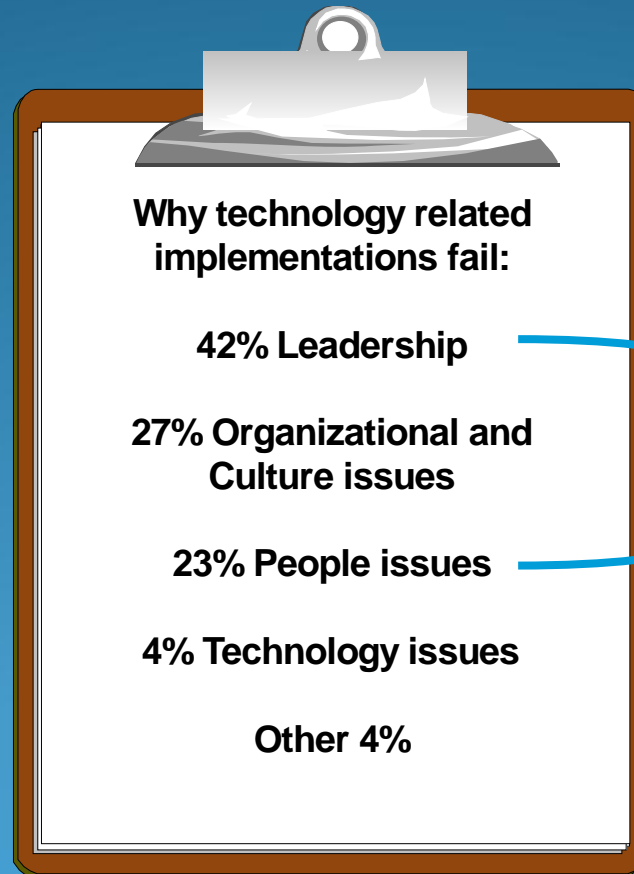


What do customers want?

Matrix Chart Helps Organize Needs and Expectations

ITIL Function / Process	Strategic Customers	Tactical Customers	Operational Customers
Service Desk	Effective coordination of IT service provisioning	Users get good customer service and timely assistance	Shield technicians from unnecessary interruptions
Incident Management	Minimize effects of disturbances in IT services	Quickly restore service for a user when an incident occurs	Efficient/effective process for resolving incidents
Problem Management	Minimize business impact from flaws in IT infrastructure	Establish work-arounds and fixes for customer systems	Reduce incident volumes by removing infrastructure flaws
Change Management	Allow IT to respond quickly to desired business changes	Requests for Change (RFCs) and service requests are efficiently implemented	Changes result in service improvements not problems
Release Management	Manage production readiness of SW/HW to minimize business disruptions	Implement efficient/effective procedures for distributing and installing new SW/HW	Make sure authorized SW/HW is secure and available in the IT infrastructure
Configuration Management	Minimize business interruptions due to unpredictable SW/HW interactions	Users don't have down time due to system freeze-ups	Standardize hardware and application images to improve problem identification and resolution

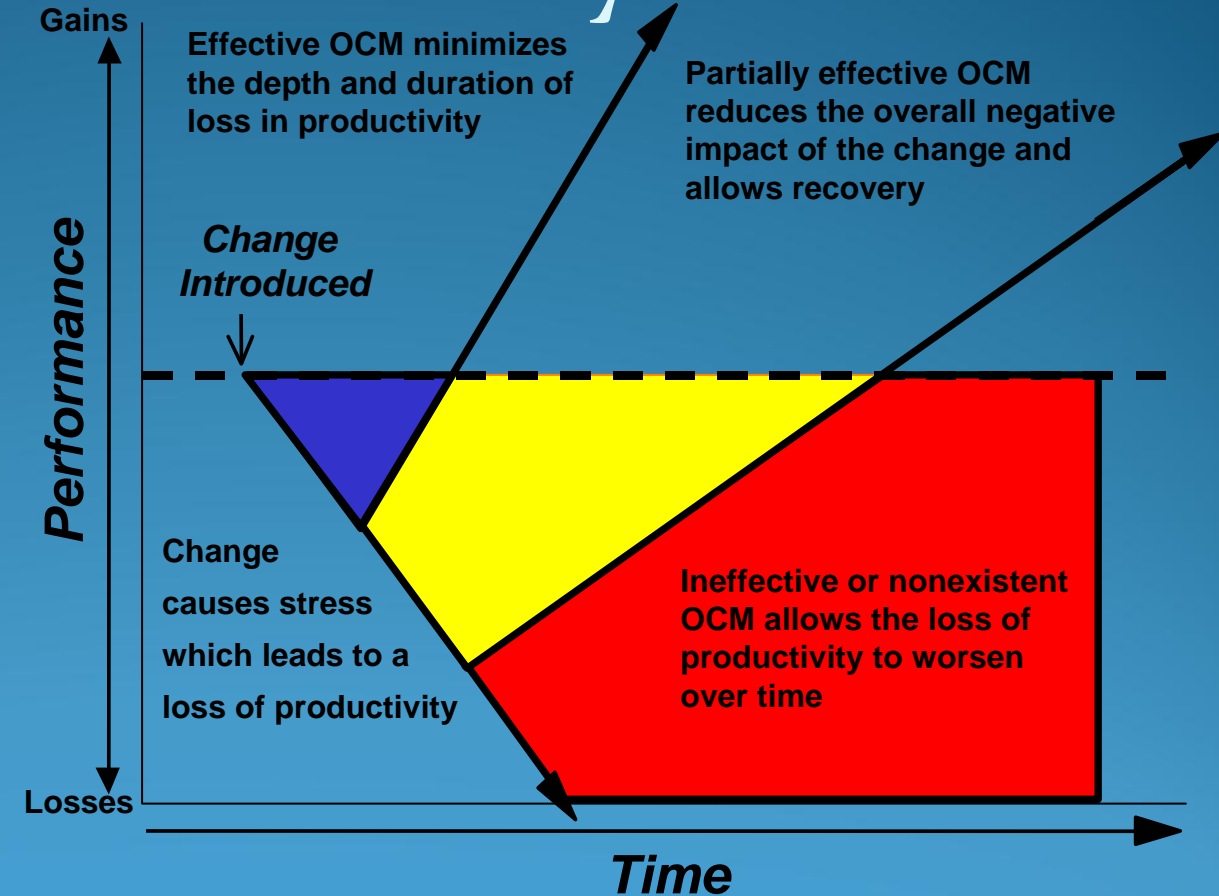
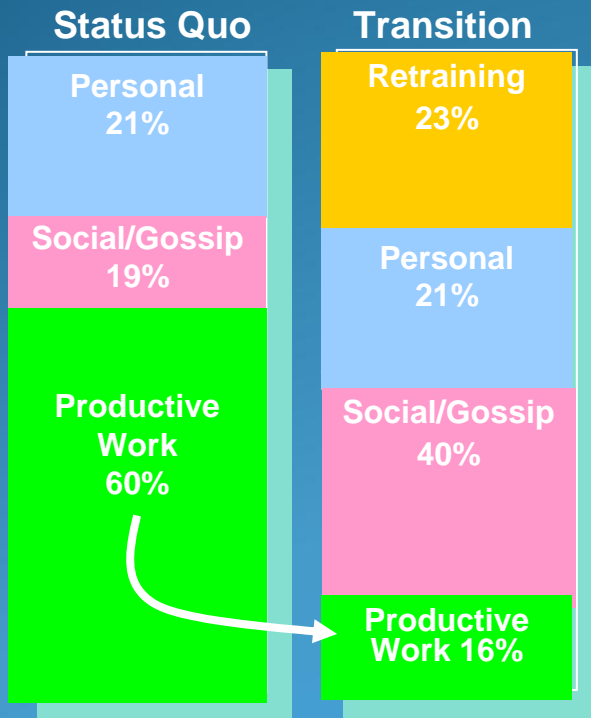
Primary Reasons for IT Failures



**92%
Organizational
Change
Management
issues**

OCM Minimizes Losses in Productivity

Productivity During Transition



Source: US Labor Statistics

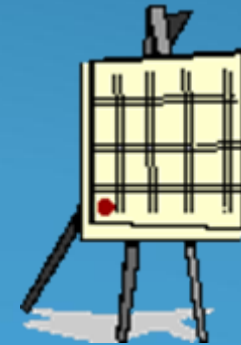
What is Organizational Change Management?

- Often referred to as “soft stuff”
- Required for process improvement models
- Builds commitment and reduces resistance throughout an ITIL implementation
- Prepares stakeholders to understand and embrace an ITIL implementation
- Helps deal with stress, anxiety, and confusion impacting overall productivity during an ITIL implementation

ROI for OCM

Consider a very simple example:

- Small organization with 100 employees
- Cost of doing business is \$100K/week
- If they lose 75% productivity, that's a loss of \$75K/week or \$1.95M in 6 months



OCM: Nine Critical Success

**Compelling
Need for
Change**

**Clarity of
Direction**

**Visible &
Committed
Leadership**

**Targeted &
Effective
Communication**

**Nine Critical
Success
Factors**

**Broad-based
Participation**

**Measurable
Goals**

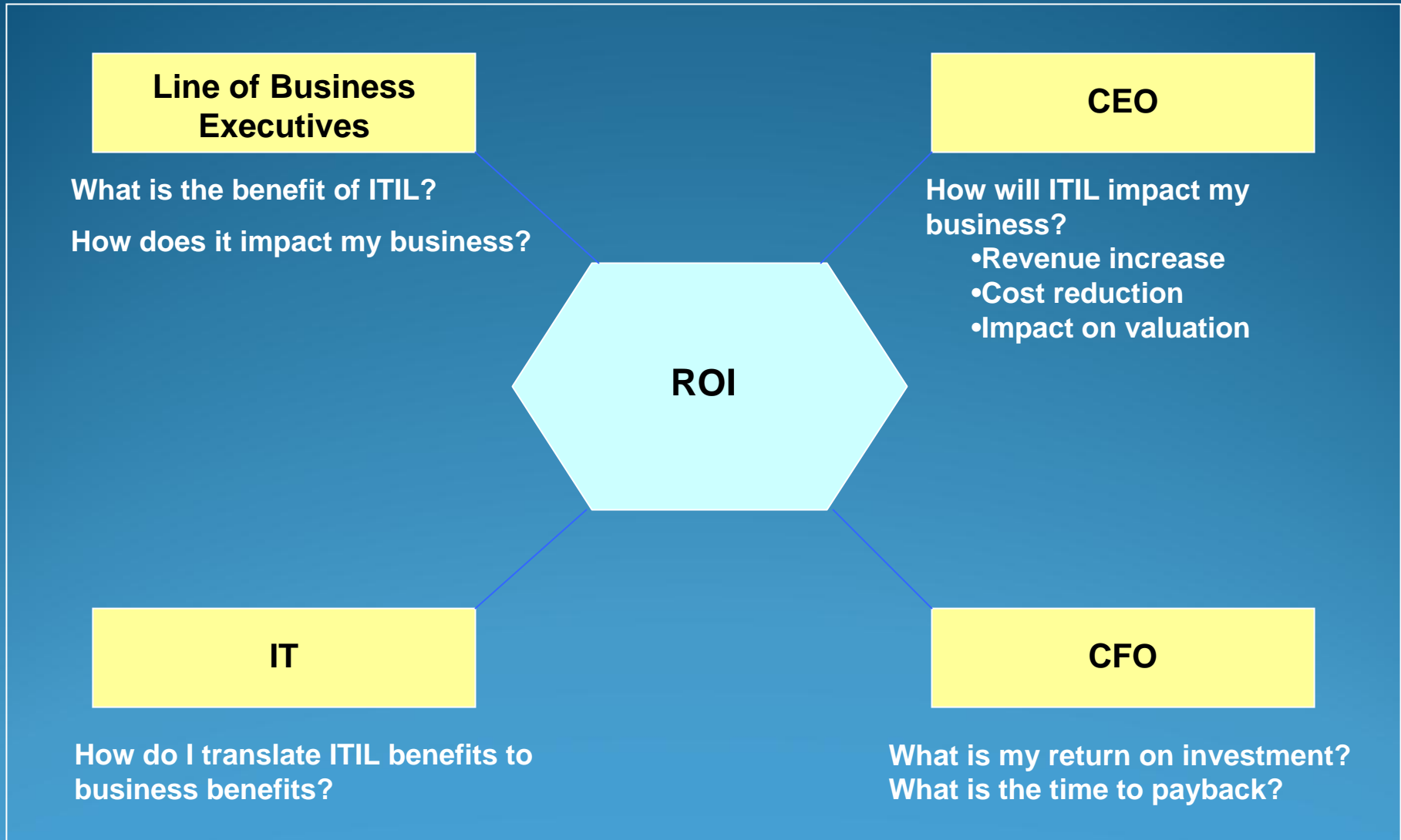
**Disciplined
Project
Management**

**Single
Program
Focus**

Training

Learning Point 2

Building a Winning Case



Learning Point 2-4 OCM tools

OCM Tool	Description
Stakeholder Role Map	A visual picture of the political terrain: Individuals, groups, and interrelationships that must be orchestrated to accomplish the ITIL implementation.
Stakeholder Management Plan	Analysis of each stakeholder group's issues and roles in order to establish the kinds of reactions/responses that will be encountered during the ITIL implementation.
Organization Readiness Assessment	Identifies obstacles and key resistance points toward the ITIL implementation. Assessment data is used to develop targeted actions plans.
Communication Plan	Lays out messages to be communicated and their timing during the ITIL implementation.

Learning Point 3

Change Agent's Challenge

Willingness to Change



Follower: No, but Willing = *Train*

- Recognizes the importance of ITIL
- Actively supports ITIL
- Believes in ITIL without necessarily seeing the big picture
- Doesn't have the skills or behaviors required for the "new world"

Follower 

Enthusiast: Yes and Willing = *Promote*

- Sees ITIL as a process and not an event
- Recognizes how ITIL will affect the bottom line
- Is an active ITIL enthusiast and inspires others
- Role model for ITIL implementation

Role Model

Ostrich: No and Won't = *Find another job*

- Does not recognize the need for ITIL
- Shows no support for ITIL
- Does not want to change
- Doesn't have the skills or behaviors required for the "new world"

Opponent: Yes, but Won't = *Negotiate, then find another job if necessary*

- Shows no support for ITIL
- Understands the need but is embarrassed to change
- Understands the need but disagrees with the extent or process of change
- Will not change as a result of peer pressure

Currently has the skills to change

Business Rationale “Burning Platform” ?

Compelling need for change:

- Audit requiring application change control and computer training
- Lack of seasoned IT professionals with disciplined process and documentation skills
- Too much time spent tracking down who and what caused changes in the IT infrastructure
- IT became it's own worst enemy! Hero mentality with too many calls not going to the service desk
- Status quo was no longer good enough
- Rapid growth in business caused too many undocumented changes in early casino years

Support and Involvement for ITIL?

Visible and committed leadership

- IT satisfaction meetings for improved IT service management and process focus
- IT industry leader in 4 out of 5 desktop areas
- Support a slow, phased-in approach focused on documenting and honing processes first before buying a new or improved tool
- itSMF corporate membership in IT management
- itSMF MN LIG and USA board role for Jean
- Benchmarking with other IT departments
- Gartner Group member
- Member of several IT and related professional groups

ITIL Training

- Foundations Overview for Management Team
- Foundations & Managers Training for One Manager
- CBTs: Service Support, Service Delivery, Mystic ITIL Simulation
- ITIL v3 updates (2008/9)



PMO to Manage ITIL Implementation?

Disciplined Project Management

- No, not in first three years. ITIL implementation was started by IT Support Services Manager; now being implemented further by IT management team with Project Management Office.
- Each IT manager is accountable for process, communication, and IT satisfaction improvement results.
- IT 360 feedback, management coaching, and goals to deal with organizational change issues.

Define & Drive ITIL Implementation

Measurable Goals

- Baseline assessment of IT service: surveys and meetings
- 4.5 out of 5 within three months
- More methods of communication for lines of business into IT
- IT Forward Schedule of Changes (FSCs) and key project accomplishments
- Application user group meetings
- Process and communication mandates: standard IT templates

Targeted & Effective Message about Implementing ITIL?

Targeted and Effective Communication

- Incident and change management processes tied to IT satisfaction and application user group meetings with line of business
- #1 issue from the line of business: Cycle time on service
- #2 issue: Ticket # and response - even if service issue wasn't resolved immediately
- #3 issue: IT education workshops
- Service desk was first process: Six ways to communicate
- Problem management: OLAs, SLAs are next focus process areas tied to #1 and #2 business need

Expectation Management

Clarity of Direction

- Led by example: Attended ITIL Foundations and Managers classes
- Executive summary and project plan by phases, over three years, and updated each year
- ITIL overview training for IT management including Director
- Communication to IT team members with WIIFM
- ITIL CBT training for IT department
- Support Services Group lead-by-example process improvements
- Slow, phased-in quick wins for buy in

Pain/Gain Table

IT Pain	ITIL Process	ITIL Gain	+ / -
<ul style="list-style-type: none"> • Help Desk and SMEs unfocused, too busy • 25-50% of calls going elsewhere • Incidents not logged, managed, and resolved • No one is accountable; slow or no resolutions 	<p>Service Desk</p>	<ul style="list-style-type: none"> • Single Point of Contact (SPOC) • Increased customer confidence, satisfaction and service • Fix the user • Improved IT staff utilization • IT call accountability • One tool 	<ul style="list-style-type: none"> • Easiest to implement • Need defined service objectives, goals • Ongoing marketing • Resistance to following procedures (by all) • Call volumes will go up

Benefits of ITIL Initiatives

- Gaming: Highly regulated business
 - Many ITIL gains arose from audits:
 - Full-time IT auditor
 - 3 audits each year
 - Ongoing internal compliance
 - Several other ITIL gains came from growing business needs:
 - HIPPA
 - Wireless
 - VOIP
 - Infrastructure complexity & security
 - Emerging technology
 - New hires/consultants best practices
 - Voice of the customer: Cycle time, quality, and feedback loop

Benefits & Challenges of ITIL Initiatives

- Once you start to lead/change, it's an ongoing journey...
 - Requires a “paradigm shift” - “Culture eats strategy for lunch.”
 - Lots of organizational change and cultural issues
 - Others benchmarking against Mystic Lake Casino Hotel
 - Mystic continues to benchmark against others, i.e., Support Certification or Performance Support Systems
- Level of pain causes people/businesses to change:
 - Rapid growth requires more structure to embrace/thrive through and beyond changes
 - Client is more technology savvy these days
 - Speed to market/clients and personalized client care
 - Narcissism in the workplace
 - Scalability of IT leadership and team
 - Younger workforce
 - More business process mapping and automated workflow projects

Clients Perception/IT Achievements

Increased Business Partnering:

- IT is now viewed as a strategic partner
- IT given more business responsibility (Community businesses)
- Holding line of business and IT equally accountable
- More interest in monthly reporting, project updates, open calls
- Teaching/learning from each other
- Project Portfolio Management
 - Methodology updates/client education
 - SharePoint & IM
 - Project prioritization matrix & “stoplight” summary
 - Volume, variety, speed, and complexity of projects
 - More customer focused projects, new software purchases
 - CRM
 - Data group (data warehouse, data quality)
 - Marketing (more promotions, more technology)

Return on Investment

- Less than \$5,000 investment five years ago
- Ongoing process evolution and maturity
- Passing audits
- Ability to “change the tire while the bus is being driven”
- Difficult to put a dollar amount on it
- Best guess - easily 50 times (or more) return on investment

IT/ITIL

Biggest Achievements & Why

- IT is now a strategic partner with the line of business
- They see IT evolving and serious about process improvement. The business continues to see results: More project and people professionalism.
- Line of business will remove those people and projects that don't produce
- People remember the 5% or less when you make mistakes...
 - Service lapse
 - Too long cycle time
 - Too much rework
 - Poor or no feedback loop
 - Security breach

...and forget the 95% of the time you deliver exceptional results.

You may not get your client/customer back; the cost of that - and them talking to others - is huge!

If Re-do, What & Why?

- More focus on Organizational Change Management
- Why?
 - High turnover: 75% in my group; 25% for two other groups
 - Lack of productivity and teamwork, reverted to silos
 - Stress, illness, conflict
 - Plan for the unplanned (new business or downsizing)
- Areas of organizational change management focus:
 - Focus on ongoing communication
 - WIIFM?
 - Educate and prepare to deal with how employees embrace change (or don't)
 - Everyone embraces change in their own time
 - Bell curve of change adoption, 20/60/20
 - Isolate and move out the naysayers, including management!
 - Accountability and timely consequences
 - Need seasoned change agents and IT Best Practice gurus
 - Involve HR and Internal Audit early on and ongoing

Leadership Change Focus

- Everyone embraces change differently.
- Big changes take time - years!
- Percentage of those who won't embrace change.
- Communication: WIIFM?
- Mapping, goals and training.
- Delusional (Martin Luther King, Paul Douglas)
- It's the simple stuff...not the technology.
- All too often, it's the leadership or lack of...

“If you keep doing what you've always done, you will keep getting what you've always got.”

Learning Point

ITIL Gains at Mystic (Quick Wins)

- Service Catalog
- ITIL CBTs
- IT 101 series of courses
- End-to-End processes
- ACD vs. SDE reports
- Random desktop audits
- Customer satisfaction surveys/IT satisfaction meetings
- Critical systems monitoring
- Business Continuity Plan apps testing and crash kits
- Random network tape audits
- Network and application development change control
- SSL VPN reports
- Operations call reviews between three IT groups
- Checklists, QAs, and metrics
- Expanded use of existing tools – BMC and SharePoint
- Pain points focus by process (production turnover, TCO, PM and training on all IT projects, security, patch management, aging infrastructure)

Mystic ITIL Lessons Learned

1. Need a seasoned change agent/ITIL champion to lead.
2. It doesn't have to cost a lot! Use the tools you have and perfect your processes before purchasing new tools!
3. Go for quick wins based on pain points.
4. Manage as a project; communication is ongoing.
5. Tie to performance reviews.
6. It's a multi-year journey!

Thank you for your interest in IT Best Practices and ITIL!

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