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ITIL MOVES IT FROM BACKOFFICE TO CORPORATE FRONTLINES

Wide-scale enterprise adoption of the ITIL V3 services lifecycle approach is moving IT into the corporate frontlines by aligning the IT service portfolio to business strategy

SINGAPORE, June 13, 2008 – Think ‘IT’ and most people think ‘cost’. Information Technology has historically been viewed at best as an operational support function or at worse a necessary evil, much like sanitary plumbing. A vast majority of all IT spending is focused on “keeping the lights on” and other downstream IT activities like server maintenance and data security. Most experts believe that approximately 60 to 80 percent of the IT budget is allocated for managing day-to-day activities and standard operations. Most CIOs would much rather spend a larger proportion on the areas driving innovation and next generation IT solutions. Why don’t they?

In the past, the main advantage of ITIL implementation was to adopt best-practice methods to trek down the cost reduction path with enhancing the services delivered to internal and external clients a welcomed by product. However, the newly released ITIL version 3 (V3) provides a clearer shift in focus that moves IT away from backoffice functions to drive innovation on the frontline. V3 better addresses the *strategic* aspects of how best to align and to pursue IT capabilities that are in par with business needs, positioning the CIO, and his division, as a core strategic asset, participating and often leading the business towards the *innovation* path. IT trends like sourcing and commoditization are providing an impetus for the modern CIO to find new purpose.

An interesting survey by Datamonitor to research global enterprise adoption of ITIL initiatives reveals that M&A is the principal catalyst driving organizations to use the common framework to manage process changes resulting from the corporate restructuring. Close alignment between ITIL and COBIT, another framework that is aimed at cultivating more effective IT governance practices, was also discovered. Again, ITIL here is achieving a strategic role for the business.

ITIL is finding its way into the frontline by bringing in the *dollar*. ITIL adoption in India began in earnest four years ago in an effort to meet outsourcing demand from the West; all outsourcing partners globally have to comply as ITIL accreditation is mandatory by UK and US governments. Singapore’s recent S\$1.3 billion Standard ICT Operating Environment (SOE) tender to help the government achieve a standard desktop, network and messaging/collaboration environment across its public sector is another case in point. Here ITIL was clearly specified as a requirement for vendors looking to win the tender.

ITIL V3 is also closely mapped to the new ISO/IEC20000 gold standard. Achieving this certification has become not just a marketing bragging right, but more so a *qualifying bar* to do business with large and discerning client entities. Asia’s largest co-hosting facility found a business impetus for ITIL – it became a part of an internationalization strategy for attracting new business opportunity outside of Taiwan. Mr. Simon Chang, Vice

President of Acer's e-Enabling Business Group, cited ISO/IEC20000 certification as an important testimony on the service level and capabilities of their facility to clients outside Taiwan where knowledge of Acer eDC hardly existed. Again, ITIL is moving IT out of the backoffice and helping the sales aces.

More and more, Asia's top businesses leaders are demanding greater value from their IT outfits and CIOs are hard pressed to deliver on other pressures such as risk management, corporate governance and other compliance requirements. One of the more strictly regulated industries, the financial sector, is therefore not surprisingly also one of the hottest adoption growth areas for ITIL. In fact, financial institutions such as trading houses are so reliant on IT that Business Continuity Management (as can be addressed by Service Continuity Management in ITIL) has become a core management mission in establishing trust in the marketplace. In a world with the constant threat of terrorism, epidemics and natural disasters, premier institutions such as the Stock Exchange of Thailand (SET) have an ITIL program firmly in place. The business demands it.

The frontline visibility and impact of IT to organizations delivering mission critical services is perhaps a foretaste of where the modern IT organization is heading. After years of backroom obscurity, ITIL V3 is equipping IT professionals with the strategic concepts and best practice systems to bring true value to their paymasters. As the proof is always in the implementation pudding, the road ahead is long and winding.

Challenges exist, particularly in conservative Asia. To find out how to jump start your IT Service Management implementation with the new ITIL V3 from the people behind the project and to meet the top business leaders spearheading this IT innovation revolution, such as Sornkawe Puranachoti, Chief Technology Officer at the Stock Exchange of Thailand, visit the premier gathering of ITSM professionals in the Asia.

The 4th Annual itSMF Asia Summit 2008 takes place this October 13 – 15, Raffles City Convention Center, Singapore and is brought to you by itSMF Singapore and Terrapinn.

Official website: <http://www.terrapinn.com/2008/itsmf>



About itSMF Singapore

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