

Improve Your Business Through Best Practice IT Management

A White Paper Prepared for Kaseya
September 2007



Table of Contents

- Executive Summary 1
- Introduction 1
- The Role of Best Practices in Managing IT Services 1
 - Profitability 1
 - Reliability 2
- Best Practices and Your Business 2
- Best Practice Recommendations 3
- Kaseya’s Role in Enabling IT Best Practices 4
- Kaseya and ITIL in Practice 5
- EMA’s Perspective 6
- About Kaseya 6

Improve Your Business Through Best Practice IT Management

Executive Summary

Managed services providers (MSPs) and corporate IT departments each have unique challenges. MSPs are often growing rapidly and may be challenged to grow profits. They need IT management processes and tools that enable them to scale revenues while containing costs in order to improve profits. Corporate IT departments typically have fixed and sometimes decreasing budgets. They need to ensure reliable legacy IT services while rolling out new services; and they need to enable agility for their business customers, to deliver value and help the business grow profits.

Fortunately adoption of best practice frameworks for IT management helps lead businesses of all types, including MSPs and corporate IT departments, to success. While there are many best practice frameworks and approaches, Information Technology Infrastructure Library (ITIL) is the most popular and is the suggested framework for adoption.

ITIL focuses on the perspective of the IT user – i.e., the business. ITIL suggests that IT departments should interact with the business at the IT service level rather than at the technology level. For example an IT department or MSP may provide a whole email service to users, rather than separate IT components like an email server, software, and a network. Such services should be delivered and operated based on business priority.

Kaseya's IT Automation Framework provides an integrated set of capabilities across a number of ITIL process disciplines including service desk, incident management, problem management, configuration management, change management and release management.

MSPs and corporate IT departments can each benefit from the capabilities provide by Kaseya. It will help them achieve their goals by moving them along the road to ITIL best practices; and if they are already adopting ITIL, it will help them get to their destination.

Introduction

In order to increase profits, growing MSPs need to ensure their costs are growing slower than their revenues. However, rapid growth does not naturally facilitate the most cost efficient use of assets. To keep up with increased demand, as well as the pressure to meet that demand quickly, MSPs too often accept cost growth at the

rate of revenue growth. What they really need is rapid growth **and** cost efficiency.

While most corporate IT departments are not measured directly on revenue, they need to continually demonstrate their value to the business. This must be done in an environment of cost reduction, increased demands for IT services or, more often, both.

MSPs and corporate IT departments must also ensure reliable, secure and highly performing IT services for their customers. Fortunately, each of these challenges can be addressed to a large part by learning from other practitioners' mistakes, and adopting known and established best practices.

The Role of Best Practices in Managing IT Services

A wide array of beneficial IT management processes can be established or improved through use of best practices. In the end, IT managers can use those improvements to improve both profitability and reliability.

Profitability

Best practices rely heavily on standardization. When hardware and software configurations gain consistency and IT processes become documented and repeatable, automation can be used to change the economics of IT management. Rather than applying additional IT resources for each new infrastructure component or IT service, tools can be used to dramatically increase the efficiency of IT personnel.

EMA has completed research that strongly demonstrates the efficiency, cost and profit improvement that can be achieved from automation. Automation reduces both time spent managing patches and application deployment time by 50% on average, while operating system deployment time is reduced by 68% on average. An even greater time reduction, an average of 83%, was seen for time spent managing virus and spyware systems.

Clearly, less time deploying, maintaining and correcting system issues translates to lower operational costs. When existing IT staff handles higher volumes of work or fewer staff handles the same workload, costs per activity are decreased. Additionally, documented procedures and processes result in lower direct training costs as well as faster time to productivity for new IT staff.

Improve Your Business Through Best Practice IT Management

Depending on the type of business, time savings can also result in greater revenue and/or greater value to the business. Faster service deployment and improved service levels lead to improved customer satisfaction levels. For MSPs and revenue generating services provided by corporate IT departments, this means repeat business and additional sales. For internally facing IT services this means enabling greater agility for the business and greater credibility for IT. For all businesses and IT roles, this frees up more time for developing new products or services, to compete more effectively and drive greater revenues.

The linkage from best practices to profitability, by way of standardization and automation, is clear. Cost reduction, increased revenue, and improved value to the business work synergistically to increase profitability.

Reliability

Reliability, like profitability, is a key performance indicator. As an example, having an improper configuration or patch level on a critical application can result in performance degradation or downtime for users, leading to loss of revenue for MSPs and loss of credibility or funding for corporate IT departments. In either case IT will see an increase in problem reports and escalations. IT staff must then be pulled from current assignments to troubleshoot the problems. And without some level of standardization of configurations it becomes more difficult to isolate and repair the problem.

Additionally, that lack of standardization can lead to an ad hoc repair, further problems with the application and more time and resources spent “resolving” the problem again. Documented best-practice-based standardization and automation enables repeatability, which means fewer errors.

Rather than reacting to problems and escalations, IT should proactively define the appropriate processes to ensure that services are deployed properly from the start and changes are reviewed and approved before applying them during service operation. With best practices in place, the success rate for initial deployments and ongoing changes can increase dramatically. This way customers and end-users experience the service level they expect, and IT reduces the time and resources spent firefighting and reacting to problems.

Still, problems can and will continue to arise with IT services. The IT infrastructure is not (and really should not be) completely locked down, and unapproved changes find their way into the network, applications and servers. While following best practices helps reduce the number of those unplanned and unapproved changes, best practices can also mitigate the risks of those changes by shortening mean time to repair and ensuring fast, approved, high quality remediation.

Best Practices and Your Business

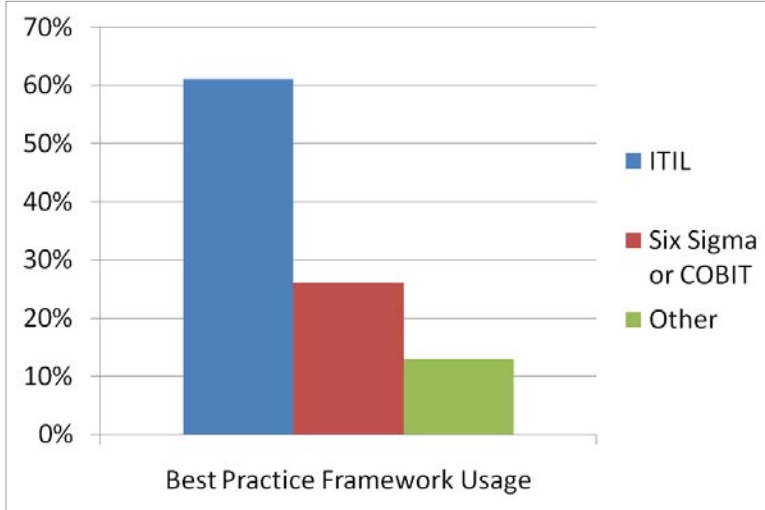
Best practices are so valuable to your business because of how they are developed – or more colorfully, how they evolve. Survival of the best, or fittest, practices is ensured by IT organizations selectively choosing those processes that provide the greatest known benefit, whether measured by profit, reliability or other measures.

Many organizations around the world, from different industries and based on different business models, are constantly selecting the best practices currently available for IT management, and then attempting to refine, tune or even generalize them. Contributors to this large set of un-coordinated experiments include large enterprises and government bodies as well as the accumulated knowledge from advisors, consultants, professors and professionals. The value of this approach comes through learning from the collective mistakes of others and by keeping only the improvements.

Given the input to best practices by businesses of all types and sizes, they are not just useful for large enterprises or businesses with large IT shops. Best practices make managing IT services easier for MSPs and for corporate IT departments, whether large or small.

Organizations do not need to adopt a whole slew of best practices at once to get the benefits. In fact, best practices should ideally be implemented in a phased and/or selective approach. This not only supports prioritization based upon highest business need, it enables phasing of the IT budget. The flexibility in approaching best practices, and in particular choosing the appropriate ones and tuning them for your business, enables IT to work smarter, not harder to deliver a superior product or service. Both MSPs and corporate IT organizations can help their customers and their own businesses develop competitive differentiators.

Improve Your Business Through Best Practice IT Management



released ITIL version 2, which has become the most popular best practice approach for IT service management worldwide. Most recently, in May 2007, OGC published ITIL version 3, which adopted a more lifecycle-oriented approach to service management and further emphasis on integration between business and IT.

ITIL version 2 includes a commonly used set of books covering IT Service Management. This *set* in ITIL terminology, consists of two publications: Service Support and Service Delivery. Service Support addresses how to manage and maintain the IT services that support the business. The following management processes are addressed:

Best Practice Recommendations

There are a number of popular approaches to best practices today, including CobiT, Six Sigma, and ITIL. CobiT, or Control Objectives for Information and Related Technologies, is a best practice IT control framework for implementing and demonstrating effective IT governance. Six Sigma is a more generalized quality management framework based on principles such as continuous improvement that can be applied to processes such as manufacturing or IT management. ITIL, or Information Technology Infrastructure Library, is a best practice IT management framework emphasizing management from the perspectives of the business and IT service consumers.

While each of these (and other) best practice approaches has strengths, EMA recommends ITIL in most cases. The success of ITIL is also reflected in actual usage. EMA has found that while around 26% of companies were using COBIT or Six Sigma, around 61% were using ITIL. Popularity aside, ITIL has advantages such as its widely understandable and agreed terminology, its comprehensive coverage of IT service delivery and support, its maturity, and its proven effectiveness.

The ITIL concept began to form in the 1980s within the Central Computer and Telecommunications Agency (CCTA) of the UK government. Adoption initially spread across Europe and grew worldwide in both government and private organizations throughout the 1990s. The CCTA eventually became part of the Office of Government Commerce (OGC) and in 2001 the OGC

- Help Desk/Service Desk
- Incident Management
- Problem Management
- Configuration Management
- Change Management
- Release Management

Service Delivery addresses how to ensure the IT services meet the needs of the customer. It emphasizes the business as the customer and therefore the business needs for these management processes:

- Service Level Management
- Capacity Management
- IT Service Continuity Management
- Availability Management
- Financial Management for IT Services

One of ITIL's foundational principles is that best practices can and should be used for business benefit. ITIL V3 further emphasizes and supports this idea. Rather than *aligning* business and IT, V3 views service management and business strategy as an *integrated* entity. V3 does not conflict with V2 so existing and ongoing investments based on V2 principles will not lose value as V3 gains widespread use. ITIL V3 also now organizes by lifecycle rather than IT management domain. The V3

Improve Your Business Through Best Practice IT Management

library has five books: Service Strategy, Service Design, Service Transition, Service Operation and Continual Service Improvement.

ITIL process implementation is best approached from the perspective of a continuous set of intermediate goals rather than a final objective. The initial goals *may* be chosen based on the expectation of delivering rapid success and demonstrating value. In any case, and in keeping with ITIL philosophy, they should be chosen to support the needs of the business. Those needs may be derived from acute or chronic pain points or, more optimistically, from opportunities the business may otherwise not be able to pursue.

For any ITIL project, it should be kept in mind that ITIL is descriptive and not prescriptive. The ITIL processes need to be adopted and tuned to individual business needs, and that requires investment across people, processes, and technology. An MSP or corporate IT department cannot simply “buy ITIL.” ITIL success requires organizational, political and cultural change, as well as commitment, to shape processes and people. It also requires tools and enabling technologies that support and accelerate ITIL driven business success.

Kaseya's Role in Enabling IT Best Practices

Kaseya's IT Automation Framework, which is purchased as a single product in either Enterprise or MSP Editions, offers an integrated set of features including patch management, software deployment, remote desktop management, server monitoring and alerting, computer inventory, service desk, audit, and reporting. These features align well with, and support the processes in ITIL V2's Service Support publication and V3's Service Transition and Service Operation publications.

A requirement for building repeatable best practice processes is to understand what IT assets are available, along with their configurations. The ITIL Configuration Management process, part of the ITIL V3 Service Transition lifecycle, addresses this need. Kaseya's discovery and inventory capabilities provide visibility to physical devices such as servers, desktops, laptops and printers. Kaseya also discovers device-specific configuration information including CPU, memory and disk volumes, as well as software configuration information such as op-

erating system version, patch level and installed software. By capturing a baseline configuration and additional snapshots over time it becomes possible to determine what changes are happening within the IT infrastructure. Baseline configuration as well as change history is also essential for compliance auditing and reporting.

With an understanding of available assets and their configurations in hand, additions or changes to the infrastructure can be considered. The ITIL Release Management process, also part of the V3 Service Transition lifecycle, addresses these needs. The Kaseya software deployment capability supports this process by packaging and deploying applications as well as by releasing system configuration changes via its script automation. Kaseya also provides ITIL Release Management capability through its software deployment and patch management capabilities. While automated patch scans can be scheduled periodically to keep configuration information up to date, the release management aspect, patch *deployment*, will keep patch levels up to date. Maintaining the right patch level and reducing the time between patch availability and patch deployment will improve system reliability and security.

Events within the IT infrastructure may occur that interfere with the normal operation, availability or quality of an IT service. The Incident Management process from ITIL provides guidance here. One aspect of incident management is incident identification. According to EMA research, end-users are first to report 44% of application problems. If IT staff can detect (and preferably resolve) more incidents prior to users reporting them, and prior to a business impact, users will be affected less, and the business will be better served. To quickly identify incidents Kaseya provides monitoring and alerting for down systems, configuration changes and security threats.

ITIL has identified the need for a Service Desk function that serves as a single point of contact for IT users in to the IT department. Note that Service Desk has been described by ITIL as a function; however, that function certainly owns and drives processes such as the service request process. While IT users may submit incident reports to the Service Desk, it is possible for management tools to submit them as well. As described above, incidents may be identified by monitoring tools prior to users detecting an issue, so an integrated approach be-

Improve Your Business Through Best Practice IT Management

tween management tools can enable a *closed loop* management process which automates change steps and reduces staffing needs. Kaseya supports this approach through automated incident generation, combining proactive monitoring with automated ticket generation, to enable faster response to and resolution of incidents.

Kaseya's IT Automation Framework includes a number of other capabilities that support best practice IT management. The remote support capability lets administrators access PCs and servers across the network, enabling faster problem resolution and improved administrator to system ratios. The Policy Enforcement capability is used to restrict access for files, applications and network access. Kaseya also offers add-on modules for backup and disaster recovery as well as virus and spyware detection.

Optional services are available from Kaseya and may be used to enhance investments made in the Kaseya IT Automation Framework. The Kaseya *emPower* Program for MSPs provides product and business education, quick start implementation, webinars addressing business best practices, customizable collateral, example service level agreements (SLAs), and industry knowledge resources. The Kaseya *emPower* program also offers a menu of out-tasked services that Kaseya can provide through its own resources including datacenter, IT infrastructure and staffing. These out-tasked services may include IT monitoring, desktop/server management, service desk capabilities and advisory or project oriented consulting.

Kaseya and ITIL in Practice

EMA interviewed a Kaseya customer to gain further insight to a deployment of Kaseya's IT Automation Framework. This company, whose name will be withheld, is a managed services provider primarily servicing small and medium businesses in a large metropolitan area in the north eastern United States. They have 40 employees as well as two data centers with 25 Windows based servers and no Linux or UNIX based servers. About half of their physical servers have been virtualized using VMware with the other half to follow soon. They support about 200 active customers with 2,500 to 3,000 total end-users. "We are their IT department when they are too small to have their own."

This service provider has been in business for 13 years. Until three years ago, when they purchased Kaseya's IT Automation Framework, their business was driven

directly by customer issues. When a customer had a problem they paid the service provider to come to their site and resolve it on a time and materials basis. Unfortunately for the customers, this meant extended downtime as well as more problems caused by employees trying to fix problems on their own. This was also unfavorable for the service provider since it meant uneven as well as unpredictable demand and revenue. Ultimately the lack of reliable revenue drove them to look for another approach.

When looking for a solution, the service provider decided they needed remote management including centralized patch and spyware management, as well as backup and disaster recovery capabilities. These are key components within ITIL's Service Support and Service Delivery disciplines. This service provider has focused on using what they view as the best parts of ITIL and adjusting anything they feel is too rigid or inflexible to meet the needs of their broad customer base. Kaseya's offering supported this level of flexibility.

As part of the selection process, the service provider reviewed a number of solutions from small and large vendors. They quickly determined that the scale, complexity and accompanying price of several solutions were excessive for their needs. They also looked more closely at solutions from two vendors and, for a while, used one of those solutions; however, it was really a monitoring solution and did not enable remote management. Ultimately, about 3 years ago, they selected and deployed Kaseya which "met at least 90% of our needs." At the time Kaseya did not provide backup and recovery; however, those capabilities were since added and the service provider now relies heavily on them.

When asked how the deployment of Kaseya's IT Automation Framework went, the service provider was clear: "It was actually absurdly easy. It was very, very simple." While the service provider felt they did not really need help on the deployment, Kaseya did provide some assistance on "bits and pieces." They were up and running in the first few days. "Kaseya is not pushy. They have good resources, good people that are able to tell you pretty much everything you need to know."

Kaseya's IT Automation Framework enabled the service provider to fundamentally change their business model. Customers used to wait as long as three or four days for

Improve Your Business Through Best Practice IT Management

someone to visit their site to resolve their problem. Now they make a call and get more or less immediate resolution. The service provider moved from a reactive, time and materials driven approach to a proactive, higher value, service approach with predictable revenue and higher profits. "It has absolutely paid for itself many times over. The purchase of Kaseya was an easy decision."

EMA's Perspective

Kaseya's IT Automation Framework can help many types of IT management organizations that are focused on Windows based platforms, including MSPs and corporate IT departments, improve their management of services and therefore their businesses. Businesses will get the most out of the Kaseya solution if they also commit to a best practices approach to IT management, especially ITIL.

Kaseya's approach as a 'one stop shop' for IT management tools is compelling. From a best practices perspective, Kaseya offers value across a very wide set of ITIL processes. The core capabilities of discovery, inventory, service desk, monitoring, application deployment and patch management are all included. This means rapid time to operations, and value, for Kaseya deployments. A new MSP could become operational with the most common IT management capabilities very quickly.

Kaseya's combined approach also means integrations across these capabilities are available out of the box. Rather than getting multiple vendors to work together on integrations or an enhancement, only Kaseya would need to be involved. Small to medium MSPs and corporate IT departments could simplify their purchasing and vendor management by choosing Kaseya.

The foundation elements for systems management are also part of the offering. While users won't find a complete systems management capability with out-of-the-box capabilities for all server systems administration tasks, they will find the framework to support this. The Kaseya scripting framework allows users to leverage existing systems management scripts and tools. And the remote support capability will let service desk or other administrators work live with end-users to troubleshoot problems – a more common systems management approach for desktops.

With some needs varying by customer, and even by administrator, Kaseya deployments can be customized without programming. MSPs wanting to promote their brand and their identity can easily be placed in Kaseya so their customers see the appropriate logos, and browser based management makes management from various systems and locations possible.

Kaseya has a clear understanding and focus on making its own customers successful with their businesses. The Kaseya IT Automation Framework is tuned to meet the needs of small to medium enterprises and of MSPs that provide services to small and medium enterprises. Kaseya also has identified valuable services to assist new or growing MSPs to speed their time to revenue generation. Quick start implementation, product training, customizable collateral and other components of the Kaseya *emPower* program are designed specifically with the success of Kaseya's MSP customers in mind. Similarly, outsourced services from the Kaseya *emPower* Program such as service desk allow MSPs and IT organizations to offer 24x7x365 coverage across all geographies without the need to invest additional capital and staffing. Without outsourced services many MSPs and IT organizations are simply too small to provide the capabilities their customers demand.

Kaseya IT Automation Framework is valuable for MSPs who wish to grow their revenue while increasing efficiency and containing costs. And corporate IT organizations will find the same efficiency improvements enabling them to respond to growing demands from the business and increasing infrastructure complexity within fixed or decreasing budgets.

About Kaseya

Kaseya is a global provider of IT automation software for IT Solution providers and Corporate IT organizations that benefit from deploying Kaseya's Systems management capabilities.

Kaseya allows businesses to proactively manage distributed IT infrastructure easily and efficiently with one integrated Web based platform. Kaseya's technology has been deployed on over 1 million machines in over 25 countries around the world.

For more information please visit www.kaseya.com

About Enterprise Management Associates, Inc.

Enterprise Management Associates is an advisory and research firm providing market insight to solution providers and technology guidance to Fortune 1000 companies. The EMA team is composed of industry respected analysts who deliver strategic awareness about computing and communications infrastructure. Coupling this team of experts with an ever-expanding knowledge repository gives EMA clients an unparalleled advantage against their competition. The firm has published hundreds of articles and books on technology management topics and is frequently requested to share their observations at management forums worldwide.

This report in whole or in part may not be duplicated, reproduced, stored in a retrieval system or retransmitted without prior written permission of Enterprise Management Associates, Inc. All opinions and estimates herein constitute our judgement as of this date and are subject to change without notice. Product names mentioned herein may be trademarks and/or registered trademarks of their respective companies.

©2007 Enterprise Management Associates, Inc. All Rights Reserved.

Corporate Headquarters:

5777 Central Avenue, Suite 105

Boulder, CO 80301

Phone: +1 303.543.9500

Fax: +1 303.543.7687

www.enterprisemanagement.com

