Keys to an IT Best-Practice Reporting Framework

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Agenda

- Why a “Reporting Framework”?
- Reporting Must be Assured at Three Levels
- Go Beyond Components: Focus on the Services
- Converting Data into Wisdom
- Keys to Successful Reporting
- Pitfalls to Avoid in Your Reporting Framework
- Summary, Q&A
A “Reporting Framework” Puts Your Measurements to Work!

• There is a lot in ITIL about designing the proper Measurements Framework
• But without a timely and effective Reporting Framework to…
  • Sort this data
  • Convert it to information
  • Present it in the right format at the right time to the people that need to know in order to make better decisions
• A measurements framework will be of little use.
Why a Reporting Framework?

• Because it doesn’t matter how good you are if no one hears about it!
• Customers want assurance that IT is delivering value!
• Without a Reporting Framework that conveys value, customers won’t appreciate IT services delivered.
• An effective Reporting Framework also becomes part of IT’s ongoing marketing capability.
• Your Reporting Framework ensures:
  • Proactive delivery of targeted reporting to customers, IT staff, and other stakeholders
  • Presented periodically to some, real-time to others, and to customers during regular “service review” meetings
  • So that IT can express the value to all parties, and also note any areas that are off target and being attended to.
A Critical Element in Continual Service Improvement (CSI)

• **Reporting is also a critical element** in ITIL continual improvement.

• Without an integrated reporting framework, all you have is “data” being gathered via measurements.

• **Data by itself is of little value** – it must be
  • Formatted
  • Processed into information, and
  • Analyzed to deliver knowledge for improved decision-making and performance.

• An effective **Reporting Framework** does just that – it enables IT managers to **identify “gaps” in service level performance**, and **opportunities** for improvement in service delivery.
Reporting Must be Assured at Three Levels

- The ITIL Framework provides guidance for three types or levels of planning and activities:
  - **Strategic**: Service Strategy
  - **Tactical**: Service Design, Service Transition
  - **Operational**: Service Operation

- When designing your Reporting Framework, plan to deliver timely and accurate feedback to decision makers, managers, and support staff at **three levels on a continuous basis**:
  - The Strategic Level: feedback on the **long term strategy**
  - The Tactical Level: feedback on **tactical designs, plans**
  - The Operational Level: feedback on **operational execution**
The Strategic Level: Service Strategy Processes

- **Periodic feedback that hi-level, IT strategic management needs** on the results of long term strategies and policies.
- Critical readings regarding progress on …
  - New services in development
  - Those in live operation
  - Customer satisfaction levels
  - Financial performance of services in live operation.
- **With timely and effective reporting**, leaders can adjust as necessary the overall strategy for the organization, and for services being offered.
- **Course corrections** can be conveyed to IT managers, to customers, and plans for service designs, transitions and operations can be **optimized**.
The Tactical Level: Service Design, Service Transition Processes

• **To reach strategic goals and objectives**, IT must …
  • Deliver tactical projects that introduce new/upgraded services,
  • Improve supporting IT infrastructure, streamline processes, or make other cost-effective improvements.

• Reporting provides **feedback to service design and transition teams** on…
  • The results of testing prior to launch
  • The effectiveness of a change
  • The performance of a pilot in the final stages of transition.

• Service design and transition teams can assess the effectiveness of new/changed services, and **ensure that release activities are on target with customer and user expectations**.
The Operational Level: Service Operation Processes

- Informs service operation teams about whether service quality and performance is on target with expected service levels (or not).
  - Service Level Targets (SLTs) are the guiding factors for performance
  - The targets for the delivery systems and teams in Service Operation.
- During Operations, the Reporting Framework is
  - Gathering the data via automated tools and other means
  - Processing that data into information via filtering and formatting
  - Presenting it for analysis at the right time, to the right audience, so action can be taken for course corrections
- Here reporting is vital in communicating the performance of service “warranty”: availability, capacity, continuity and security to target service levels.
- Team leads and managers are able to analyze trends for any “gaps” in service or component performance, and identify opportunities for improvement
Beyond Component Reporting: Focus on the Services

• An effective Reporting Framework must include monitoring and reporting at **three levels**…
• The three levels of monitoring and reporting pertain to:
  • **Customer Facing services** that directly support business processes
  • The **Supporting IT services and components** that make up those services, and
  • The performance of the **Supporting Processes** that keep those services available
Beyond Component Reporting: Focus on the Services
Customer Facing Services

- The end-to-end service ("email") the customer is actually using must be monitored and reported on.
- In the example illustrated above, the customer is interested in the high availability of "email" as a service, not in the …
  - High availability of the network that delivers the email,
  - Or the storage service that stores the email,
  - Or the backup service that ensures backups are completed.
- Yet without the performance of these supporting components and services, there would be no highly available "email" service.
Supporting Technology Components and Services

- The hardware, software, and other supporting IT service components that play key roles in delivering customer-facing services
  - (e.g., network services, storage services, computing services).
- Without monitoring and reporting on the performance of supporting IT services and components, it is impossible to assess and deliver the performance of customer facing services.
- A “CMS” that provides configuration information about the supporting components and services is fundamental
Supporting Processes

- There must also be reporting in place for selected metrics and KPIs for every supporting ITSM process.
- Process owners and managers must be able to determine whether
  - Their processes are delivering on-target performance
  - And, if necessary, address any gaps in performance.
- Incident management, for example, will be responsible for consistently hitting such targets as
  - “75 percent of incidents resolved at level 1,” or
  - “user satisfaction consistently achieving four out of five points.”
The Goal: Transform Data into Wisdom

- A Reporting Framework plays a key role in enabling knowledge management, another critical process within the ITIL framework.
- Without **processing and analysis**, all you have is *data*.
- **To be of value, data must be organized and formatted** into *information* and captured for analysis (who did what, when, where, and why?).
- This information can then be **analyzed** to gain knowledge: why a certain event happened, and what might be done about it (wisdom).
- **Wisdom is what results from running periodic reports**, tracking trends and anomalies in performance, and taking the proper action.
The D-I-K-W Model of Knowledge Transformation
Transforming Data into *Wisdom*. An Example…

- **In a service desk environment**, data should be gathered continuously through manual and automated means.
- Such data should then be organized and formatted (either manually or automatically) into records:
  - which can provide *information*
  - *What happened* (type of event, impact), *to whom* (affected users), and *when*.
- That *information can then be converted into knowledge*, and the service desk and other IT support teams can gain wisdom in order to:
  - Take the appropriate action to implement *effective workarounds*
  - Also take action, via Problem Management, to *eliminate recurring incidents*
So What are the **KEYS** to a Successful *Reporting Framework*?
Single Focal Point for Ownership, with Wide Participation

- **For an organization-wide approach to reporting to become a reality**, there must be a single point of accountability.
- **The owner** of the reporting framework, like generic process owners, should be the one responsible for seeing to it that:
  - Standard reporting policies and procedures are documented and communicated to all
  - Proper reporting systems and data gathering tools are in place
  - The reporting framework is tightly integrated with measurements
  - A continual review and improvement process is in place.
Base it on a Solid Measurements Framework

- Without a **sound measurements framework** a reporting framework won’t have the content.
- **Two critical foundational elements** of an effective reporting framework are
  - *Alignment with the vision of the enterprise and*
  - *Defining what we should measure.*
- A sound measurements framework **links measurements back to the vision**, and includes...
  - Both **quantitative and qualitative** metrics
  - **KPIs** linked to Critical Success Factors (CSFs)
  - **Measurement at three levels**: the supporting processes, the technology components that make up the services, and the end-to-end services themselves.
The Balanced Scorecard Approach

Organizes metrics and KPIs into 4 critical quadrants — Customer satisfaction, Process & Performance, Employee Learning & Growth, and Financial

http://www.balancedscorecard.org/
Deploy **Effective Data Gathering and Processing Systems**

- Quality data gathering ensures **accuracy and integrity**, and includes both
  - Manual data input (from the service desk) and
  - Automated data gathering (from IT operations).
- Process the data into usable information using automated or manual methods, and pay careful attention to:
  - Filtering out any **“noise”**
  - Capturing **meaningful** information
  - Preserving the accuracy and completeness of the information
Deliver **Timely Information** Targeted to the Right Audience

- **Outdated** information is of little value to the decision-making process
- Reporting to the **wrong audience** doesn’t do much good either.
- **Plan to deliver targeted reporting** to specific audiences in either **real-time** or **periodic** formats..
  - **Real-time dashboard reporting** should be targeted to frontline support staff, team leads, and support managers
  - **Periodic scorecard reporting** should be targeted to IT departmental management, customers, and senior management.
Consolidate Multiple Data Sources for Unified Reporting

- Implement service management systems that enable you to combine input from multiple data sources.
- For example, for a service desk where incidents can be initiated via phone, email, web, or chat, an integrated reporting capability that can combine input from each of these sources is critical.
- This will facilitate the processing, analysis, and presentation of service desk performance statistics.
Deliver Reporting in a **Format that Communicates Clearly**

- Utilize **charts and graphs** to illustrate the details.
- Clearly **show the target** on the report.
- Provide the results in both a **snapshot format** (to assess the current status) and a **trend analysis format** (showing performance to target over time), for **gap analysis purposes**.
A Format that Communicates Clearly

Customer sat consistently above goal of 93%
Most IT organizations report availability in terms of a percentage, such as \textit{“the service was 98.7\% available this month, an increase in availability over last month’s 98.1\%”}.

Consider also translating what this means in terms of additional user productivity: \textit{“The increase in 6\% service availability users resulted in an additional 179 minutes of uptime, enabling 358 additional orders to be processed during the month.”}
Provide a Selection of Media Formats for Flexible Delivery

- Tailor your delivery to your target audience:
  - **Hardcopy**: best for periodic reports to IT management/customers.
  - **Web-based reports**: available via dashboards, apps on mobile devices, or your web portal. Best for real-time reports.
  - **PowerPoint presentations** are best for helping executive management understand how IT is performing against strategic goals and objectives.
Support Multiple Device Types for Optimized Access

- Install display boards in the IT support center and in other areas of IT where visual monitoring of KPIs is crucial for IT management.
- Since desktop PCs are the primary delivery platform for most frontline support staff, real-time reporting on KPIs should be integrated into analyst workstations so they can be kept apprised of their performance and shift priorities as needed.
- The same should be included on mobile devices and laptops, so supervisors can access real-time and periodic reports on the go....
Reporting to Mobile Devices – an Example …

Cherwell's Native iPhone® Application

Use Cherwell's iPhone® Application to receive real-time data, stay informed and increase effectiveness.

Key Features and Benefits:

- Powerful native iPhone Application, not a browser-based approach
- Display frequently used Dashboards
- Secured connection with roles-based definitions and profiles
- Alerts displayed at start-up
- Flexibility to organize your own toolbar
- Drill down into gauges and charts to view specific record details

Available on the iPhone App Store
## Pitfalls to Avoid and Actions to Address

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<tr>
<th>Pitfall to Avoid</th>
<th>Actions to Address</th>
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<tbody>
<tr>
<td>Everyone gets the same report</td>
<td>• Identify target audiences and classify stakeholders</td>
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<tr>
<td>Reporting not in the optimal format for understanding</td>
<td>• Adapt the format for the target audience – Customer, Executives, IT management, support staff, or suppliers</td>
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<td>• Choose real-time or periodic delivery</td>
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<td>Results not delivered in a timely fashion</td>
<td>• Schedule reporting using a “push” approach.</td>
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<td>• For “real-time” reporting, ensure dashboards are indeed real-time, and easily accessible</td>
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<td>Reporting is not understandable to the target audience</td>
<td>• Use words that communicate: translate “IT speak” to “Business speak”</td>
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<td>• Employ charts and graphs to visually communicate results</td>
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<td>Reporting is delivered without any targets</td>
<td>• Plainly list target/goals on the chart, along with an explanation</td>
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<td>Lack of “actionable” reporting - no comments provided, no analysis</td>
<td>• Provide embedded comments; explain the report</td>
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<td>• Include a summary of actions to be taken to address the shortfall in performance</td>
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<td>Lack of an “Executive Summary”</td>
<td>• <strong>Always include an Executive Summary</strong> with reports going to management</td>
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<td>• Provide bottom line results, what led to the results, and what actions are being taken to remedy any issues</td>
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<td>Reports not in a “balanced scorecard” format</td>
<td>• Employ the <strong>balanced scorecard</strong> format</td>
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<td>• Ensure performance is shown – customer satisfaction, financial performance, service level performance, and employee learning and growth.</td>
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<td>Reporting is “reactive” only – requires audience to retrieve</td>
<td>• Ensure that reports generated are stored for later retrieval, but <strong>push</strong> time-critical reporting <strong>out</strong> to target audiences</td>
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<td>Frequency of reporting is too high – too many reports, too often</td>
<td>• Understand <strong>proper delivery time</strong> for the report (use a “just in time” approach)</td>
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<td><strong>Too much information in the report; information not targeted to needs</strong></td>
<td>• Focus on the audience; provide <strong>tailored content</strong>&lt;br&gt;• <strong>Sr. management</strong>: Reports should be brief and to the point - performance to strategic goals and objectives, costs, ROI&lt;br&gt;• <strong>Middle management</strong>: more detail, with information on departmental performance to objectives, and any gaps&lt;br&gt;• <strong>Customers</strong>: performance against service levels, user satisfaction levels, and how they can improve utilization</td>
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<td><strong>Underestimating the resources required to plan, deploying and maintain an effective reporting framework</strong></td>
<td>• <strong>Plan</strong> your reporting policy and procedures first (process)&lt;br&gt;• The first step is the most critical – <strong>identifying the target</strong> audiences, and their respective reporting needs&lt;br&gt;• <strong>Design</strong> both real-time and periodic reports&lt;br&gt;• <strong>Agree on</strong> content, timing, and delivery&lt;br&gt;• Leverage <strong>automation tools</strong> to speed delivery and minimize labor and cost&lt;br&gt;• <strong>Use the Plan-Do-Check-Act Model</strong> as a guide in deploying and maintaining a successful reporting framework</td>
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In Conclusion …

- **An effective Reporting Framework** is every bit as essential as a quality Measurement Framework.

- **You need BOTH** – measurements on the right metrics, but also an effective **Reporting Framework** that informs for quality decision-making.

- A well-designed, highly automated Reporting Framework is absolutely essential for **delivering quality services**, as well as **reporting the value** of these services to the organization.

- For more on this topic, check out my supporting white paper, “**The Keys to an Effective IT Best Practice Reporting Framework**”, available at [www.ThinkHDI.com](http://www.ThinkHDI.com).
“Keys to an IT Best-Practice Reporting Framework”

Thank you!
Now... Questions?

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