

Case study

World class service creates customer advantage for Vodafone Ireland



Integrated HP Business Service Management enhances application and infrastructure performance

Industry

Communication Service Provider

Objective

Replace reactive, introspective, fragmented IT operations processes and tools with a more effective management framework

Approach

Implement integrated, end-to-end IT service management solution framework to deliver and track business services with quantifiable benefits

IT matters

- Improved major incident root cause identification rate from 40 percent to being consistently over 95 percent, while reducing the volume of annual major incidents by 75 percent in 18 months
- Significantly improved mean time to repair (MTTR) for major incidents, resulting in customer lost hours being reduced by 76 percent in the same time period

Business matters

- Improved customer service responses to engagement surveys by 20 percent, 26 percent decrease in detractor scores which correlates to a direct change to 'Good/Excellent' scores
- Delivered the most stable Christmas trading period in five years, in service terms, the company's busiest period
- Achieved 300 percent Return On Investment (ROI) of €1.2 million in first year (and €400,000 in years two and three) through operational savings
- Aligned IT resources more closely with business needs, making IT better able to support customer retention, market growth, and cost management
- Enabled Vodafone Ireland to migrate its service desk and first and second level support, as part of an accelerated transition, to its Technology Shared Services Center, generating 54 percent ROI with while also improving service quality in parallel



“We’ve clearly demonstrated the value of an end-to-end, integrated business services delivery model built on HP BSM 9 software. The software paid for itself, and more, within the first year alone with 300 percent ROI. In the past 18 months alone we have reduced major incident volumes and customer lost hours by over 76 percent.”

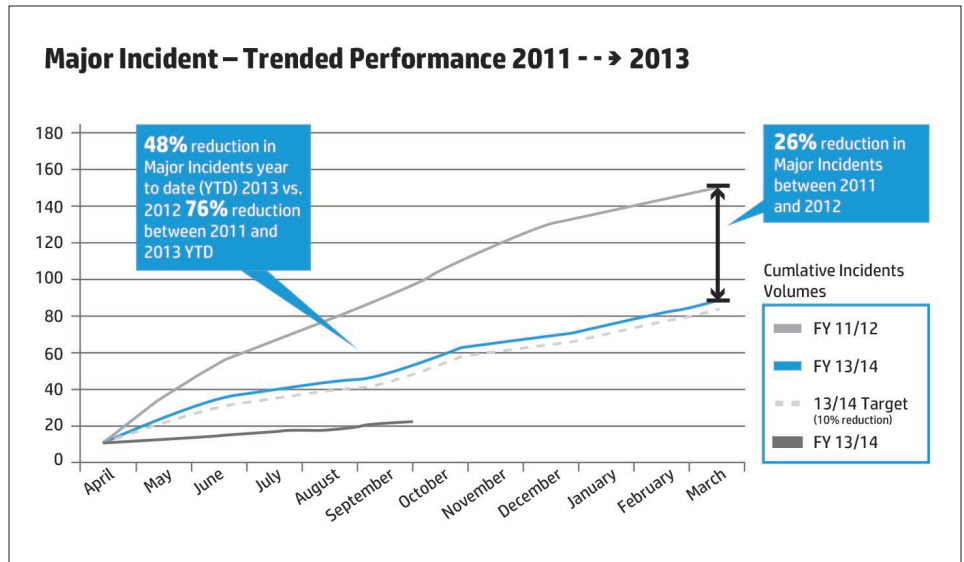
– Danny Tangney, head of IT Operations, Vodafone Ireland

Faster incident resolution leads to improved customer satisfaction

Vodafone is the leading total telecoms provider in Ireland. To maintain its leadership position the company needed to deliver new services faster and to a higher quality – while keeping control of its operating costs in a challenging economic environment. HP BSM provides the tools to automate, monitor and improve management of services.



vodafone



Challenge

Working to maintain its leadership position

Vodafone Ireland is the market leader in the Irish telecommunications market. During a difficult period for the Irish economy Vodafone Ireland has maintained revenues and grown market share while competitors struggled. It leads the market in both number of customers and average revenue per user.

The priorities for Vodafone Ireland are to continue to win new customers, particularly in the corporate sector, but also to retain existing customers by ensuring that they have the best possible experience. Improving the customer experience is a key component of its strategy. Of Vodafone Ireland’s 1,300 employees, around half work in customer care roles.

To maintain its leadership position, the business needed to deliver new services to market faster and to keep a rein on its operating costs. In support, corporate IT needed to deliver services critical to every aspect of the Vodafone business, from executive planning to managing customer touch points. Until 2011, the IT team worked off a number of management tools and processes.

“We’d fallen into an ‘old school’ approach to providing IT support and service,” says Danny Tangney, head of IT Operations, Vodafone Ireland. “We were focused on managing the IT estate, instead of thinking in terms of business services and the customer experience.

“Our operating model was fragmented. Processes required too many hand-offs, with parties acting in a siloed manner.”

Governance needed to be improved

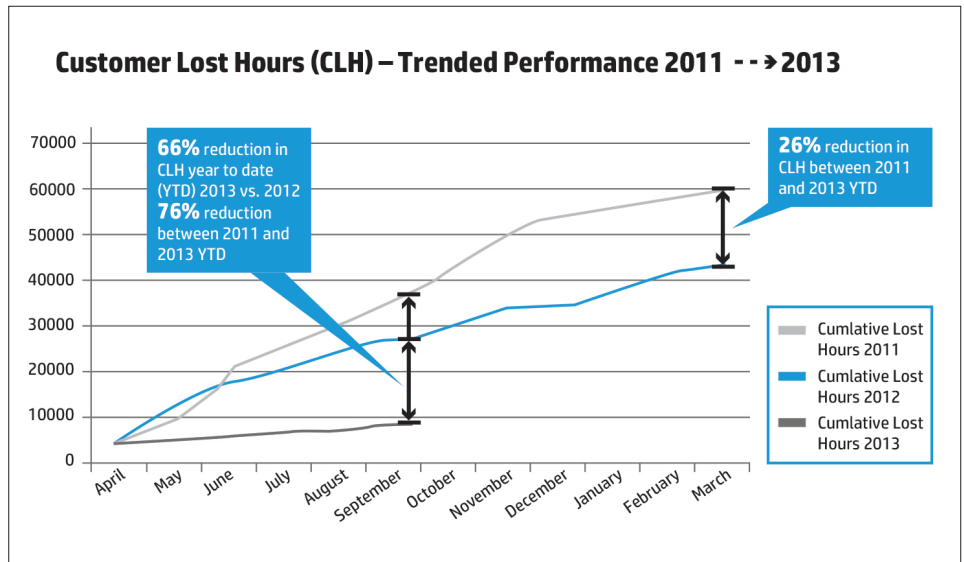
This fragmented management model meant that IT was unable to support the business as effectively as it could. “Our IT operations group was perceived as introspective, reactive and technology-focused,” Tangney says. “There was no transparency into how IT provides services and the business had no insight into what value the IT organization provided.”

Vodafone Ireland’s IT organization needed to make changes to the way it managed its live business services. It selected HP Business Service Management (BSM 9) software, from the HP Application Performance Management portfolio, and HP channel partner, Perform IT, to drive transformation within Vodafone IT.

Solution

Creating meaningful service goals

Ahead of the transformation project, Vodafone Ireland reorganized its IT operations group so the structure better reflected the IT Information Library (ITIL) disciplines, including incident, capacity, change, problem, vendor, engagement management and service transition. It then created meaningful Key Performance Indicators (KPIs) to define and measure service performance and quality. This allowed Vodafone to clearly identify process owners, roles and responsibilities, to ensure accountability, facilitate communication around business services and importantly allow stakeholders understand how their services are measured to.



Following assessment of the in situ solutions, an end-to-end service surveillance strategy was defined; this yielded strong alignment between Vodafone services orientated objectives and the potential that the BSM tools suite offered. Karl Brenner, director of professional services, Perform IT, stepped in next to implement HP BSM 9 software. “We had a patchwork of two dozen or more point solutions put in place to monitor elements of the technology estate,” says Tangney. “Perform IT’s job was to replace those tools with HP BSM software and configure it to conform with the required services, parameters and attributes.”

Brenner implemented multiple layers of integrated HP BSM and other HP IT Performance Suite applications. To gather data on the health of the IT infrastructure, he deployed a number of HP IT Performance Suite tools. HP SiteScope software collects data on the raw health of the infrastructure, such as server and application availability and performance data. HP Business Process Monitor software, a synthetic monitoring product that simulates business transactions and HP Real User Monitor gives visibility into the infrastructure from a user perspective.

Data gathered by this software is correlated with infrastructure data collected by HP Discovery and Dependency Mapping Advanced Edition software. Flows developed in HP Operations Manager i automate event correlation to speed root cause analysis and problem resolution. To improve governance and improve security management, the team implemented HP ArcSight software; the application allows Vodafone to correlate data on security events with other infrastructure events.

Business service status is presented in a service orientated dashboard which Vodafone IT and business users can access via Microsoft® SharePoint; this lets them monitor, in real-time, the health of all services.

Benefits

Real-time incident detection

Vodafone’s new services framework meets a number of critical business criteria. As an end-to-end, integrated solution, it automatically assesses and correlates events and incidents according to the business-defined Service Level Agreements; this ensures IT operations resources are focused on services and can prioritize their activities.

Real-time incident identification ensures that the IT team can detect issues before they affect the business users. Also many remediation tasks have been automated through the use of HP Operations Orchestration, which drives better system performance and availability.

The benefits of these improvements have been significant; service health checks are automated, freeing IT personnel to focus on other priorities to drive value to the business. Automation has allowed Vodafone Ireland to make use of Vodafone Group’s shared service center in Pune, India. Since introducing HP BSM, using HP Adoption Readiness Tool as a content training aid has migrated first, second and third level support, abolishing the local helpdesk and delivering a Return on Investment (ROI) of 54 percent. It is the first Vodafone operating company to make the move, and has been keenly watched by the Group.

Customer solution at a glance

Application

Business Service Management

Software

HP IT Performance Suite -
IT Operations Management

- HP Business Service Management 9.0
- HP Operational Analytics
- HP Application Performance Management
- HP Operations Manager i
- HP Discovery and Dependency Mapping Advanced Edition
- HP ArcSight software
- HP Service Health Analyzer
- HP Service Health Reporter

Our solution partners



“We had a team of 21 in Ireland, now transitioned to 14 in India,” says Luke Bradley, service management tools manager, Vodafone Ireland. “The work of five Service Desk resources was automated through self-care features in BMC Remedy. This would not have been possible without first gaining full control of services via HP BSM.”

“This was not purely a cost exercise”, says Tania Lee, business engagement manager, Vodafone Ireland: “KPIs are great but unless they’re corroborated by positive feedback from customers then, fundamentally, you’re doing something wrong.

“IT operations, as the core enablers for our sales and care channels – online, call centers, retail stores and billing – are now in a position where we can proudly offer a best in class end-to-end support service.

“Over the past three years we’ve not only improved our service stability and performance but have taken our business channel stakeholders along the journey too. We now provide unparalleled levels of service performance along with an environment where we seek to drive continuous business improvement. Our stakeholder sentiments are continuously echoed in our quarterly engagement survey results – 20 percent year-on-year survey uptake levels, 26 percent decrease in detractor scores which has matched to a direct change to ‘Good/Excellent’ scores.”

“We’ve moved from an environment that was reactive to one that is proactive. The next step is to become predictive with HP Service Health Analyzer, then look at the high-end analytics with HP Ops Analytics. We’ve reached the point where we’re focused on optimizing performance.”

– Luke Bradley, service management tools manager, Vodafone Ireland

In terms of service delivery, she says the company enjoyed its most stable Christmas trading period for five years.

“The substantial reduction in the volume of major incidents,” says Joey Phelan, service control manager, Vodafone Ireland, “has enabled us to reposition our focus on the lower impact recurring incidents, thus delivery a further improved and predictable experience to our stakeholders and customers.”

Expanding the service remit

As a business, Vodafone Ireland now has more visibility into IT business services. Business users now trust that IT operations are being proactively managed and in accordance with business needs and priorities. Tangney’s team is now actively assisting the online business and key technology functions.

Vodafone Ireland is currently conducting a proof-of-concept with HP Operations Analytics, with HP Service Health Analyzer planned for 2014-15. “We’re only 75-80 percent down the road in terms of BSM capability,” says Bradley. “The IT environment is ever changing – greater virtualization, more smartphones and tablets instead of laptops. We want to be able to monitor the real user experience, across any device.”

Vodafone Ireland’s IT Operations group is also exploring opportunities to share business service management capabilities within the Vodafone group. “We’ve clearly demonstrated the value of an end-to-end, integrated business services model built on HP BSM 9 software,” notes Danny Tangney. “The software paid for itself, and more, within the first year alone with 300 percent ROI – generating €1.2 million in savings in year one, and €400,000 in years two and three. And we’ll continue to drive that value both within Vodafone Ireland and beyond.”

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