

# Improving Service Levels Through Transaction Visibility

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**ENTERPRISE MANAGEMENT**  
ASSOCIATES

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# Improving Service Levels Through Transaction Visibility

## Executive Summary

IT is being faced with new challenges today as its role becomes increasingly strategic to the success of the business. To address this evolving role, IT is moving to a service-based management paradigm—in a way that directly supports business goals and objectives—departing from the traditional silo-based approach. The requirements for service-based management are many. Service management demands a cultural shift for most IT organizations as they become involved in working across business group boundaries. Other important considerations for service management include executive-level reporting, IT process development, and correlation of vast amounts of data across many technologies.

Visibility is key to meeting service commitments. The only way to guarantee services of any type is to have detailed, actionable information at the right time and in a usable form. This paper focuses on the role of application and transaction management in delivering IT services. In short, it is not enough to have an up/down status for any given application or a completion/failure for transactions. Instead, transaction flow information is needed to identify the steps the transaction took and the delays that occurred within each system on the transaction processing chain. This level of detail arms IT with the ability to proactively see bottlenecks or other trends that may result in service degradation. Similarly, problems can be resolved much more quickly by identifying which part of the transaction process is causing the fault in order to quickly and correctly assign the problem to the most appropriate staff member for resolution. All-in-all, managing with this level of information will keep users much more satisfied and they will feel confident in IT's ability to quickly identify and resolve any issues that interfere with the business.

## IT's Shifting Paradigm—Managing Services

IT shops have been, and for the most part still are, structured according to technology “silos.” Technical experts are hired in each of the silos, and management and planning of technology operates largely within this context. IT leaders understand that IT is a service organization that serves internal and external customers. Silos, as an organizing principle, simply do not serve customer needs. And so, IT is working toward integration of those silos, recognizing the need

to pull management information together across silos to accurately understand how they are supporting any given business objective. The pressure for IT to operate more like a “business within a business” has increased in the past two-to-three years with increased expense scrutiny and regulatory requirements that have directly impacted IT.

IT professionals recognize the value in regrouping and maturing their organizations and are now focused on managing IT services, understanding and measuring IT according to business goals and objectives, and defining and refining processes to help them support these efforts. There are many names for this, with perhaps the simplest being Service Level Management (SLM). The essence of SLM is that IT commits to a specified level of service quality, measures this quality in a way that is meaningful to its customers, and then continually improves its service offerings. Service commitments are generally made using formal or information Service Level Agreements (SLAs). These agreements identify the technical metrics that will be used to determine whether or not service performance is adequate.

## Value of a Services-Based Approach

Rhetorically, one might ask why IT should make this shift in the first place. This is a pertinent question where the answer is essentially that the value outweighs the costs of doing so. The *only* real way for IT to effectively manage to serve the needs of the business is for it to understand how it helps the organization to succeed. There are very few companies that are successful due to any one technology “silo.” Silos are simply not the language of business. This is not to say that individual technologies are unimportant—they are and will always be critical to understanding service capabilities and resolving problems in a way that does not impact the business.

## Customer Satisfaction—A Critical Factor

Customers are the best reward for implementing a service management strategy. A service-based approach to managing IT puts IT in a position of “pleasing the customer.” Internal and external customers are not interested in the bits and bytes of technology management. To them, time matters much more than how technology works. A customer is going to be happy if he or she is having their needs met and not if they perceive that service is not up to par. A services approach

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to IT provides IT with the method and the information necessary to educate users about service performance, not to mention the ability to reduce downtime and failures because of the visibility that is inherently needed to manage the service effectively.

## Other Important Benefits

There are many other areas of value for service management and most of them boil down to better information about the infrastructure. This information can be used to manage user expectations as discussed above. It can also be used to justify additional investment or re-allocate resources such that investment is not necessary. Accountability has become part of the daily routine of all workers. IT can use SLM solutions to justify new requirements, or likewise to prove that a service is not needed. The key is that service management puts intelligence at the fingertips of IT in a way that proves its value to the organization.

## Complex Application Management

Effective service management itself demands a detailed perspective of all aspects of the IT infrastructure, the relationships between components, and information about their role in service support. Many vendors in the market today are talking about the need to manage IT services “*end-to-end*.” The reality of this statement is that there are many different definitions of “*end-to-end*” management. For some, this simply means having a status view of all components from servers to desktops. This is useful information for understanding service status. However, it is not always enough—especially when it comes to taking action on impending faults.

Applications are in the unique position of serving as the interface with users—the “face” of IT. Software helps us do the work of the business by providing a means to send email, place orders, and do our banking among multitudes of other tasks. Applications involve layers of technology to perform their intended function and to provide for their own manageability. Capabilities within applications must include detailed metrics about the transactions that are generated as a result of using the application. It is essential that the management environment provide visibility across and inside each of the multiple layers in order to ensure service level targets are achieved.

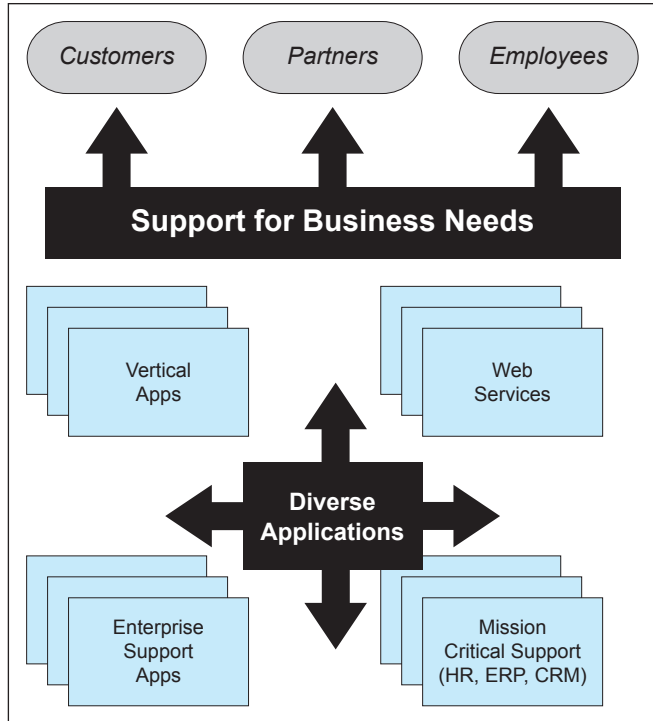


Figure One: Complex Application Environments

## Managing Application Environments

Application environments need to be managed in order to ensure acceptable service to customers. It is not enough to “quality test” applications in the lab environment as the dynamics of the business are changing on a day-to-day basis. Service quality can easily be sacrificed without current and detailed information about what is happening in those environments. For most IT operations teams, insufficient visibility is available, and by the time problems are resolved, the user has experienced degradation exposing IT and the organization in a negative way that most assuredly impacts customer satisfaction.

The job of managing quality application performance in a service-oriented environment is no easy task. Hundreds of events occur in a very short timeframe representing many applications. Events, by nature, tend to be replicated creating a volume of instances all because of the same infrastructure failure. There are management technologies on the market today that consolidate and eliminate some of this redundancy. However, these solutions typically do not assist in identifying the root cause of the problem.



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enough information to know that the bank transfer is not performing. However, they generally will not tell me that I need to unlock the database that holds account information.

We've been discussing a lot of details about applications and transactions and you might be asking how this ties back to service management. Or further, how does this relate to a positive customer experience? There is value to IT in understanding transaction details, and while executive management is not going to be interested in the specifics, IT will be perceived as much more competent by having the information at hand to address problems quickly or even before they become an issue. Service levels are established generally based upon infrastructure capabilities when this commitment is made. The challenge is that IT is an ever-changing environment. User expectations and needs are also evolving. This is where the transaction information comes into play. When IT can avoid a service breach because it sees the problem coming—by observing its trend and the details supporting the trend—it is positioned to shun that service breach altogether. Similarly, IT can correct faults that were not the result of a trend and ensure a positive experience for its users.

## Benefits of Transaction Detail

- *Trend Visibility*
- *IT Component Identification*
- *Root Cause Details*
- *Efficient and Accurate Staff Assignment*
- *Faster Problem Resolution Time*
- *Trending Information to Improve Planning*
- *Intelligence to Inform Budget*

## EMA's Viewpoint

Service management is all about customer satisfaction. IT's role is to provide a set of services that enable the work of many constituent groups—all involved in the success of the business. Some of these constituents will be internal employees working to complete their tasks of the day. Others are partners providing supplies for the organization or serving as a distribution channel for

products and services. Purchasers, be they consumers or corporations, provide the ultimate test of whether or not IT services are doing their job.

The last thing any organization wants to find out is that service quality is not adequate to meet the needs of the business and that the result is lowered revenue. Customers frustrated with service quality tend to move on to other sources for their needs. Too often, the approach to dealing with failures is to “point-the-finger” at some other provider of services. This approach simply does not work when the goal is to have happy customers—blame tossing is not of interest and is counter-productive. Instead, better results can be achieved through detailed information that is then applied in a systematic way to address failures or potential failures promptly. The guilty party can still be held responsible. Yet customers are buffered from the dynamics of this because they are receiving quality services—enabling enterprises to build customer loyalty.

## About Confio Software

Confio Software is a developer of tools that maximize the performance and service level of enterprise IT investments. Using solutions designed to increase management visibility of the end-to-end IT infrastructure, Confio customers gain unmatched knowledge of the sources of performance and service problems. By identifying the root causes of transaction delays, and highlighting the areas of responsibility best able to solve the problems, IT organizations using Confio increase delivered service from their application customer's point of view. Confio customers include medium and large enterprises with business critical operations running on Oracle and Java J2EE based systems. Confio is based in Boulder, Colorado. Look for more information at [www.confio.com](http://www.confio.com) or call 1-(303)-938-8282.

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