

ERP for IT – fad, red herring or life-saver?

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Quocirca Comment

Increasingly, there is a need to be able to manage the whole of an IT platform, not only at the server, storage and network levels, but also at the software, performance and even the datacentre facility level. This has led to a new term being bandied around – enterprise resource planning for information technology – ERP for IT or just ERP4IT. However, to see whether this has any value to the business, it is first important to see how we have got to where we are today.

Initially, in the days of the mainframe, systems management was built-in. When distributed

computing came in, different systems evolved to manage each type of environment, leading to specialised tools for managing the mainframe, the midi-server, Windows-based machines and so on. From this, the “super management” vendors emerged – the likes of CA with Unicenter, BMC with Patrol, HP with OpenView and Tivoli (now IBM) with TME. However, these solutions only supported certain aspects of IT management which led to a need for new sets of tools to manage and support additional IT management tasks.

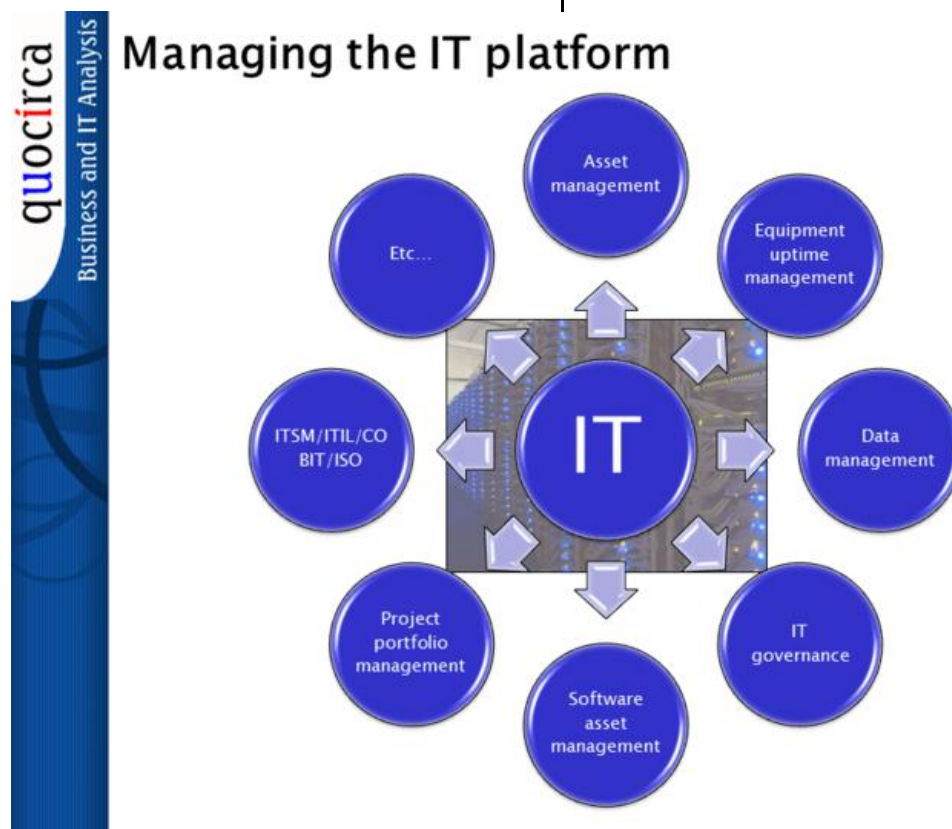


Figure 1

Figure 1 depicts the varied tasks required in today's broad IT management ecosystem. Vendors such as Flexera Software (was Macrovision) and Frontrange provided license software management systems to optimise the usage of software and operating systems across the IT platform, while the likes of Gomez and Fluke (now Visual Network Systems) offered application performance management solutions.

Increasingly, the data centre facility itself an important part of the equation, and the likes of nlyte (was GDCM) and Aperture (now part of Emerson Network Power) provided software that could be used to better design and monitor the likes of cooling and energy usage.

As organisations were faced with a plethora of problems, this was matched with an even larger plethora of vendors stating that they were the only ones who could solve a specific issue for them. The very act of attempting to put in place a solution to systems management created a new problem – managing the systems management software itself, a broad collection of mis-matched and complex tools from a range of vendors.

Pulling together all these different solutions led to a further need – a capability to manage IT projects from design to implementation along with how the resulting systems would be monitored, maintained and managed. Unsurprisingly, a host of vendors were available to help – for example, CA again with Clarity, Primavera (now acquired by Oracle) and Microsoft provided software that could provide project portfolio management software to try and pull everything together.

As the complexity has grown, the need to be able to demonstrate IT governance has also grown. This is a broad environment, and can mean anything from managing the system to minimise downtime, to areas such as ISO27001 for IT security, ISO14000 for IT environmental governance, or ISO19770 for software asset management. The majority of these solutions are based around COBIT (from ISACA) as a governance framework and process engine.

Vendors such as Casewise and Safestone provide solutions here.

Once a project has been completed, any changes to the runtime environment need to be controlled. The IT Information Library (ITIL) approach has now been adopted by the majority of systems management companies (e.g. CA, BMC have been prime movers in this area) to enable best practice to be built in to managing various aspects of change. ITIL and COBIT can work hand-in-glove – or be at odds with each other.

As can be seen, a simple model got a little out of control; certain vendors then tried to bring everything under a framework umbrella; users found this constraining and expensive; new vendors brought out point solutions and a best-of-breed, distributed mess has resulted.

But will ERP for IT make any difference? ERP for IT is based on the same approach as ERP for business – bringing together disparate aspects of process into a single approach to provide a streamlined and efficient means of dealing with the processes involved.

However, ERP for business has had its own chequered history, and a single vendor approach has failed in many cases to show the promised business value. Many find ERP for business to be constraining and find it difficult to build in the flexibility that is required for dealing with fundamental change, such as surviving through a recession. ERP for IT could be hit by this – but also by any perception that it is a rip and replace approach.

If a company has made investments in a large systems management vendor's product portfolio, a company coming along with a "rip and replace" story will certainly not be at the top of their priority list. One that comes along with a single pane of glass (SPOG) story will also likely be damned due to what the users have been promised previously. How about one that adds certain functions to an existing environment, working with the available tools and essentially being seamless in how it works?

Compliance Oriented Architecture

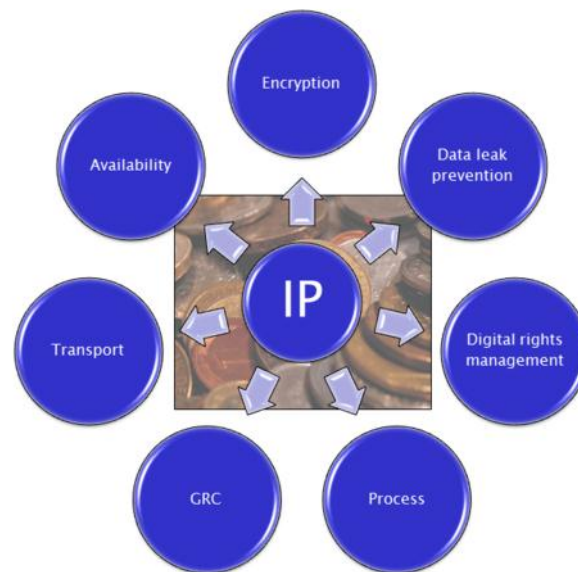


Figure 2

Sounds good, but may still be damned through the way that so much has been promised this way in the past – and has failed in matching its promise. If ERP for IT is aiming at pulling everything together – just what is "everything"? New architectures will require new thinking, and will ERP for IT vendors be able to embrace cloud computing across value networks – or will it be an internal enterprise view only?

From Quocirca's point of view, it is far better for an organisation to take a COA approach and start with the desired *business* outcome, and then work back as to what the required *technical* steps are. Quocirca's [recent research](#) demonstrates that good system management underpins good business performance – but only when done well.

Quocirca recommends that buyers look for information management systems that can:

- Primarily, put the technical environment in a better position to support the business
- Demonstrate support for industry standards, such as ISO, ITIL and COBIT without fighting each other
- Fit in with existing tools and systems in place

- Be flexible to adapt to changes in both the business and IT landscapes

By taking a desired outcome approach, a compliance oriented architecture (COA) can be built up that not only enables a managed IT platform to be built – but also enables internal and external compliance to standards and legal requirements to be created. This looks at things from an intellectual property (IP) point of view (which is where the business's financial performance will reside), rather than an IT one – but does require IT tools to be in place to provide the desired environment.

A COA – when planned and implemented correctly – should lead to good IT management, and also do away with the concept of a hard-wired ERP for IT system. In itself, ERP for IT is probably yet another IT red-herring – something that could end up being as prescriptive as the systems management frameworks of the late 1990s, rather than the inclusive and flexible solutions that are increasingly demanded by IT and the business alike today.

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Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first-hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

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