

WHITE PAPER

The Business Value of Proactive Support Services

Sponsored by: Oracle

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April 2012

IDC OPINION

Modern enterprises rely almost exclusively on complex IT infrastructure to enable mission-critical business processes and achieve business success. Although these IT environments can improve employee productivity and increase business performance, managing ongoing IT operations can present significant challenges for CIOs tasked with maximizing system performance while reducing overall IT costs. As a result, enterprises are demanding external support services providers that can help optimize existing IT infrastructure, manage ongoing operations, and resolve issues quickly and effectively. IDC research regarding support services has shown the following:

- ☒ For most IT organizations, the primary support delivery challenges include speeding up problem resolution, streamlining patch and upgrade management, and implementing advanced proactive and preventive support technology to improve ongoing IT operations. CIOs and IT managers are increasingly looking for support providers with robust capabilities across these critical delivery areas, with specific packages and deliverables that can improve ongoing IT operations.
- ☒ IDC recommends considering support services providers with a strong history of investment in support tools and utilities, with a specific focus on proactive and preventive functionality. Support providers should feature capabilities that can identify problems, notify relevant parties, and potentially fix any problems before they affect IT operations. As more and more enterprises look to maximize performance across existing IT infrastructure, implementing robust proactive and preventive support capabilities will become a baseline requirement for IT organizations at all levels.
- ☒ As enterprises look to attain strategic advantage in competitive global markets, they will continue to adopt new technologies to streamline IT service delivery and simplify enterprise business processes. As CIOs confront these new challenges, support providers must offer advanced functionality to decrease resolution time, improve overall IT system management, and minimize downtime for long-term success in this competitive market.

IN THIS WHITE PAPER

This IDC white paper outlines the difficulties enterprises routinely encounter when supporting advanced technologies throughout the IT environment. It also highlights what enterprises should consider when evaluating support packages and deliverables and how specific support services can help prevent problems with IT service delivery. The paper examines support services offerings from Oracle and outlines the challenges and opportunities facing Oracle in this dynamic market.

SITUATION OVERVIEW

In the face of increasing global competition, enterprises need to respond quickly to dynamic marketplaces and rapidly changing customer demands. To accomplish this, most enterprises have deployed a complex and extensive IT infrastructure supporting mission-critical business processes to increase employee productivity and improve overall business performance. However, while new technologies such as business analytics and virtualization can help enterprises attain the flexibility and agility required to compete, they can also present significant IT management challenges. As a result, many IT organizations look to support providers to assist with efforts to improve ongoing operations and meet demanding service-level agreements (SLAs).

Major Challenges Facing IT Organizations in 2012

The most significant challenge facing IT departments in 2012 is improving IT service delivery across the enterprise. Business managers look to CIOs and IT managers to improve business process continuity and maximize the performance of IT infrastructure. As more enterprises depend on the IT landscape for mission-critical business processes, internal and external customers demand consistent performance and availability. As a result, the IT organization must minimize downtime to meet internal and external SLAs with fewer IT resources.

Efficient utilization of IT resources also remains top of mind in 2012. Business managers are increasingly looking to the IT organization for help attaining better business results through improved business processes. For most CIOs, this requires a shift in resources from maintaining legacy systems to implementing strategic projects with the potential for enterprisewide effects.

IDC research has also found that enterprises are demanding that IT managers and business managers coordinate efforts to bridge the gap between IT service delivery and business unit utilization. As CIOs pursue more sophisticated IT management strategies, alignment between IT objectives and business objectives becomes a requirement for achieving enterprisewide business success, especially for projects supporting new business strategies with expanding IT infrastructure.

In addition, IT organizations continue to struggle with cost management in all aspects of the IT environment. With fewer resources and declining budgets, CIOs are tasked with containing and reducing the cost of IT service delivery and at the same time improving the quality of service. IDC research has found that IT organizations are considering only new implementations with a specific focus on cost reduction (as opposed to adopting technology for technology's sake).

Key Support Delivery Challenges in 2012

For most CIOs, the growing complexity of the IT landscape presents a number of challenges for support delivery. At the request of business units, IT organizations are introducing new technologies that can provide increased power, flexibility, and agility. However, these benefits are often immediately evident to business users, but not necessarily to IT managers. These new technologies can introduce additional layers of complexity that make coordinating support services difficult.

As IT environments continue to increase in size and complexity, managing the response time from support providers is critically important. Because most mission-critical business processes depend on technology, IT managers need help quickly when problems occur. IT organizations rely on support providers to respond promptly and to work quickly toward a solution or potential workaround.

IT organizations are also looking to improve the productivity of internal IT staff when troubleshooting. A problem can often be diagnosed and resolved faster internally because internal IT personnel are familiar with the specific configurations for their environment, which can be critical to solving complex IT problems. However, self-diagnosis and resolution requires access to relevant data and information quickly and efficiently, a challenging task when navigating many disparate sources of information.

For most IT organizations, efficient patch and upgrade management is an ongoing struggle. The complexity of systems, coupled with the layers of technology that must be rationalized during any patch or upgrade, means that IT departments spend significant resources ensuring that patches and upgrades do not result in unplanned downtime. IDC research has identified difficulties in reducing the amount of time spent coordinating, deploying, testing, and verifying patches and upgrades.

To monitor and track the technology spanning these complex IT environments, support providers include advanced tools to increase the effectiveness of support services. However, many of these applications require specialized implementation and configuration, as well as upgrades and patches. As a result, managing and using these tools can be challenging for even the most sophisticated IT organization.

Support Features to Consider for Complex IT Environments

Given these challenges, support providers have responded by updating packages and capabilities with new features that can help resource-strapped IT organizations. IDC research has identified the following support deliverables that can help enterprises looking to improve ongoing IT operations through support services:

- ☒ **Proactive and preventive support delivery.** Support providers with robust proactive and preventive support deliverables can help improve overall IT system management. These advanced utilities can help identify potential issues before they affect system performance, avoiding extended diagnosis/resolution cycles. Enterprises should consider remote monitoring capabilities and automated tools to identify potential issues, as well as capabilities to deliver fixes on an automated basis.

- ☒ **Advanced self-diagnosis tools.** Support providers should include a full suite of utilities and methodologies for self-diagnosis and resolution to help resolve problems efficiently. With changing demographics and more advanced users, IT organizations will increase internal troubleshooting efforts before reaching out to support providers. Enterprises should look for functionality to monitor and track the IT landscape, with information that can be easily routed through diagnostic tools and resolution procedures with "wizard" features to speed resolution.
- ☒ **Patch and upgrade management tools.** Enterprises should look for support providers with robust tools and processes for patching and upgrading existing systems, including advanced functionality to coordinate patches and upgrades across the IT environment. Support providers should also include detailed methodologies to help plan and deploy substantial upgrades to existing systems. In addition, enterprises should look for a rigorous approach to preinstallation testing and conflict identification to help reduce potential unplanned downtime.
- ☒ **Multiple forms of support engagement.** Recent advances in communication technology are helping support providers deploy a mix of channels for customer engagement. Enterprises should look for capabilities across multiple methods of communication: telephone, online submissions, email contact information, and online chat. However, enterprises should ensure that support providers offer deeply integrated processes and technology across all channels to eliminate the need to restate detailed incident information for each interaction with the support team.
- ☒ **Best practices in IT management.** To take advantage of today's advanced support functionality, enterprises should ensure that IT business processes are updated to adopt proactive and preventive tools and methodologies. For many IT organizations, this includes modifications to many aspects of the product life cycle related to ongoing maintenance and operations: system configuration and management, performance tuning, remote monitoring and diagnostics, patch and upgrade management, and general end-user adoption and utilization.

As support providers expand and evolve support packages, IDC expects that new deliverables and functionality will continue to push support delivery technology and capabilities across the entire market. Many of the features described earlier will become "table stakes" for support delivery in the next five years, and more advanced tools and processes will be introduced for high-end support packages.

ORACLE SUPPORT SERVICES OFFERINGS

Oracle provides support services for many aspects of the IT environment through its comprehensive offerings for hardware and software. As part of ongoing efforts to enhance the customer support experience, Oracle continues to expand support deliverables and capabilities in Oracle Premier Support for Software and Systems. Oracle Premier Support features a number of tools and utilities through the My Oracle Support Web site for advanced support delivery, as detailed in the following sections.

Configuration-Based Health Recommendations

Oracle offers extensive health check functionality for many elements of the Oracle product family, including E-Business Suite (EBS) and Oracle Database. The health checks can detect a variety of potential issues within Oracle systems and will generate reports of the findings along with recommendations for resolving potential issues. IT organizations can set up the health check process to run automatically, or they can run it manually. In addition, users can review the recommendations generated and sort by potential issues (i.e., view only recommendations related to system performance).

My Oracle Support includes access to Oracle Configuration Manager, which can help simplify systems maintenance by capturing relevant information regarding existing Oracle systems. That information is uploaded securely into the My Oracle Support system and can enable priority handling of service requests as well as targeted proactive support for current configurations. Uploading this information can also streamline filing service requests because detailed information is automatically included, eliminating back-and-forth communications to gather all relevant data. In addition, the integration of My Oracle Support and Oracle Enterprise Manager can help customers looking to improve systems maintenance by merging IT management, hardware, and software support processes whenever possible.

Product Alerts, Security Alerts, and Patch Recommendations

My Oracle Support can also provide notifications for product and security alerts, as well as recommendations for which patches and updates would best apply to the customer environment. If customers have stored their system and configuration information through My Oracle Support, the utility will provide customized patch and update recommendations. In addition, My Oracle Support can automatically identify patches available for known critical issues that can arise in certain IT environments and configurations. My Oracle Support also allows users to post their experiences with patches and updates, sharing reviews and best practices with peers.

Upgrade and Patch Planning and Validation

To help customers navigate the patch and upgrade management process, Oracle offers a comprehensive set of tools and methodologies centered around processes and best practices for patches, updates, and upgrades. The key deliverables include:

- ☒ **Upgrade Advisors.** Oracle Upgrade Advisors are a portfolio of documents and multimedia offerings that can guide customers through the upgrade life cycle using step-by-step instructions. Each advisor is specific to an upgrade path of a product or suite between specific versions. The Upgrade Advisors incorporate information from various sources, including best practices from customer experiences with technical and functional upgrade steps pre- and post-upgrade.

- ☒ **Upgrade Planner.** The Oracle Upgrade Planner is focused on the specific steps associated with the technical details for an upgrade. This tool can help customers through the process of reviewing upgrade plans for specific versions and can incorporate all the technical steps required for a successful upgrade. This includes certification checks, recommended patches before upgrade, replacement and merging patches required for current systems, and conflict analysis in the selected patches and upgrades.
- ☒ **Patch Maintenance Advisor.** The Oracle Patch Maintenance Advisor offers information and guidance on applying patches to current Oracle releases. The advisor includes best practices, frequently asked questions, and other documents with tips for patch management.
- ☒ **Patch Planner.** The Oracle Patch Planner is focused on the specific steps and technology associated with installing a patch. The tool can walk customers through the entire patching process, offering patch recommendations for their IT environment and outlining the technical steps. In addition, the tool can check for patch conflicts on target machines.

The patch and upgrade tools above are designed to guide customers through the entire process, based on standard project planning methodology. In addition, if customers have uploaded their system and configuration information to My Oracle Support, the Upgrade Planner and Patch Planner can prepopulate with recommendations from Oracle. The planners can also check for validation against current systems and configurations as well as identify potential issues anticipated during the upgrade process. In addition, each of the tools includes options to access patch and upgrade software through shell scripts if the target machine cannot access My Oracle Support.

CASE STUDIES

City of Las Vegas

The city of Las Vegas serves more than 600,000 residents, as well as over 37 million annual visitors to the Las Vegas Valley. The city manager is responsible for operations and manages 15 departments with 2,700 employees and a business of more than \$1.3 billion. About 12 years ago, the city of Las Vegas began moving its legacy applications to applications running on Oracle Database, including Oracle E-Business Suite (EBS) 11/Release 10. The enterprisewide EBS implementation is extensive and includes Financials, Purchasing, iProcurement, HR, Payroll, Time and Labor, Inventory, and Workflow applications.

In the summer of 2010, as Oracle announced the end of Premier Support for Release 11i, the city of Las Vegas began planning an enterprisewide upgrade to EBS Release 12. When the city received responses to a request for proposal for professional services around the upgrade, it was shocked to find that the costs ranged from \$600,000 to nearly \$2 million. Like most municipalities, the city of Las Vegas was facing declining budgets in a slower economy, so it looked for an alternative solution: performing the upgrade internally, with limited outside resources.

Dr. Patricia Dues, IT manager for the city of Las Vegas, and Kathleen Fauerbach, the Oracle enterprise project manager for the city of Las Vegas, had been very active in the Oracle Users Group community for several years. As part of those efforts, they were familiar with the Oracle Lifecycle Upgrade Advisors that were available in their Premier Support package; however, they had never considered using them before. After attending demos of the new tools, the team began the process of planning and evaluation necessary for a successful upgrade process.

After discussing the Upgrade Advisors with the Oracle support staff, the city of Las Vegas started using the tools. The team was pleased to find all the material in one place at My Oracle Support for planning, configuring, testing, implementing, and accepting each step of the upgrade. The team used white papers, Upgrade Advisor tools, videos, blogs, and peer information and best practices on each of its Oracle products throughout the upgrade process.

"We have a very strong Oracle user team in all functional areas, and had implemented minor upgrades in the past," said Dues. "With the Upgrade Advisors on My Oracle Support, we found all of the relevant material in one place and laid out in an organized manner, similar to how a project manager would plan a project. The tools help break a complicated upgrade process into phases that make sense so that the entire process is manageable."

The Upgrade Advisor provided detailed information, planning guides, white papers, and other documentation that the team used to walk through the Release 12 upgrade process. With the team's depth of talent and the thorough preparation facilitated by the Upgrade Advisor resources, only two functional consultants were needed to take the team through the details from Release 11i to Release 12 and assist with new setup definitions.

The city of Las Vegas is primarily measuring the success of this project in terms of overall budget and timeliness of project schedule, and so far the upgrade is on time and on budget. The city budgeted \$300,000 for the upgrade, and it is below that threshold to date. In addition, by completing the upgrade in-house, it has been able to save scarce funds for consulting and outside assistance when necessary, such as for training and installing new functionality. "Overall, using the Upgrade Advisors has been a very positive experience," said Dues. "We worked closely with the support team at Oracle to plan for this upgrade, and having access to the wealth of information, tools, and utilities through My Oracle Support will help us complete this project on time and on budget — critical for any organization, but especially for a public institution."

Capgemini

As part of its outsourcing services portfolio, Capgemini offers an application outsourcing practice that includes application management, application modernization, and application development and testing. As part of these offerings, Capgemini can manage an entire Oracle environment for its application outsourcing clients, with a comprehensive approach that includes:

- Recommending, planning, and implementing bug fixes and patches

- ☒ Providing information and guidance on end-of-life issues
- ☒ Future-proofing customer systems from a supportability perspective
- ☒ Providing advice and guidance on deploying new offerings
- ☒ Planning and executing quarterly security patching updates

The majority of Capgemini application outsourcing clients with Oracle environments are using EBS, with Premier Support contracts for ongoing vendor support including patches, updates, and associated support deliverables. Capgemini has a staff of 300 Oracle engineers in the United Kingdom and India who manage the Oracle environments for Capgemini outsourcing clients.

To maintain top performance for client systems, Capgemini engineers rely on the tools provided as part of Oracle Premier Support on behalf of their clients. The Capgemini team uses the My Oracle Support portal extensively, especially tools such as the Oracle Configuration Manager. For example, the team uses health check functionality to avoid potential problems before they affect the clients' environments. This can help meet specific SLAs that must be delivered for each client. In addition, the Capgemini team uses the My Oracle Support dashboards to closely monitor client environments and catch potential issues before they cause downtime.

The Capgemini team also uses Oracle Configuration Manager tools available through My Oracle Support to speed up the service request process and achieve faster problem resolution. "Using Configuration Manager eliminates the back-and-forth communication that can be required when filing a service request," said Geoff Swaffer, applications outsourcing director at Capgemini UK. "We used to waste much of the diagnostic process just getting the right information to the right engineer. With Configuration Manager, we can speed up resolution significantly by making sure that Oracle support personnel have the relevant information right away."

For clients that have deployed Oracle Enterprise Manager 12c along with the required additional packs, the Capgemini team can use the integration between My Oracle Support and Enterprise Manager to further simplify the support process. The support functionality embedded in Enterprise Manager has proven to be a powerful tool, with more dashboards and an intuitive interface to make monitoring and support delivery much easier. The support team also uses the My Oracle Support communities to help with self-diagnosis and resolution.

Overall, the applications outsourcing team at Capgemini is very pleased with the support tools and utilities it can use on behalf of its Oracle clients. According to Swaffer, "Using the My Oracle Support tools provides our team with consistent tools and processes across the Oracle product suite, resulting in a more seamless support experience. Using the Configuration Manager to speed up problem resolution is our biggest benefit, helping us resolve problems quickly and efficiently."

FUTURE OUTLOOK

As IT environments continue to grow rapidly in size and complexity, IT organizations will increasingly rely on support providers to help improve ongoing IT operations. As a result, IDC believes the evolution of support services will continue across the IT service delivery landscape, allowing providers to meet the performance and availability demands of enterprises of all sizes.

CHALLENGES/OPPORTUNITIES

As part of its extensive services portfolio, Oracle has the opportunity to build on its history of investment and expansion in proactive and preventive support services to maximize system availability across the IT stack. With the integration of My Oracle Support and Enterprise Manager, Oracle has demonstrated a commitment to building a comprehensive suite of IT management tools that spans IT operations and support services. In addition, the "single stack provider" model for the Exa family of products could pose interesting opportunities for proactive support delivery and faster problem resolution at all layers of the Oracle product stack.

IDC expects that the Oracle support organization will continue to work closely with the product development teams to improve supportability across the Oracle hardware and software portfolio. Oracle has already previewed exciting support capabilities in Fusion software, including advanced problem identification, diagnosis, and resolution that require little to no end-user contact. IDC believes that Oracle will expand that functionality and integrate it into existing products when possible. In addition, IDC expects that the Automated Service Request functionality in place for Oracle hardware will be available for Oracle software on a selected basis going forward.

IDC also believes that Oracle should continue to leverage customer success stories with existing support services, especially highlighting the potential benefits of single-source integrated systems and support services. IDC research consistently finds that IT managers rarely understand the full extent of options and functionality available under their support agreements, and increased marketing communications with specific customer stories can help address that ongoing problem in support.

However, IDC also anticipates that Oracle will face some challenges in the market as support services evolve over time. Most importantly, Oracle should focus on maintaining and improving support delivery when customers contact Oracle directly. While there are many advantages to self-diagnosis and resolution and extensive proactive and preventive support, they must be coupled with exceptional service when customers reach out directly for assistance. As customer interactions with support staff decrease, the importance of each interaction increases substantially. All support interactions must be high-quality, high-value engagements to maintain high customer satisfaction and improve customer loyalty.

In addition, IDC believes that new technologies to improve system availability must be easy to implement and adopt. IT organizations face fewer resources and increasing responsibilities, making it very difficult to implement and learn new technologies. Support applications must ensure ease of use and adoption, as well as minimal effort

for deployment, training, and ongoing maintenance. Any new solutions that require significant investment in procurement, implementation, or training will face an uphill climb in terms of adoption, and the potential benefits will remain unrecognized.

IDC expects that Oracle will see increased competition from support providers featuring detailed packages designed to cover many aspects of a heterogeneous IT environment. These packages will be similar to current multivendor support agreements, with one provider serving as a single point of contact coordinating support. However, the support deliverables will span multiple technologies in the IT environment, including hardware, software, networking equipment, and even cloud solutions. In addition, providers will include deeply integrated procedures and advanced support technology across multiple products in the IT landscape.

CONCLUSION

The IT environment will continue to grow increasingly complex and sophisticated as organizations deploy advanced technology such as mobility solutions and business analytics applications. Optimizing IT operations in these complicated IT landscapes will present significant challenges for resource-strapped IT organizations. As a result, CIOs and IT managers will continue to ask external support providers for assistance in improving IT operational issues. IDC believes the suite of support deliverables in Oracle Premier Support can be suitable for customers looking for advanced support tools, utilities, and methodologies across the IT environment. By utilizing the full portfolio of features in My Oracle Support, Oracle customers can take advantage of extensive proactive support, get assistance with the patch and upgrade management process, and potentially speed up problem resolution when issues occur.

METHODOLOGY

The basis for this white paper is IDC's ongoing research into the challenges associated with supporting complex IT environments and the best practices that can be applied to optimize ongoing IT operations. Our research includes interviews with software vendors as well as their partners and customers to understand the key attributes and benefits of software support services.

In addition, IDC conducted in-depth interviews with two Oracle customers.

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