

Caterpillar

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<http://www.itsmwatch.com/itil/print.php/3078861>

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<http://www.enterpriseleadership.org/read/ferrarini>

With more than 70,000 employees and more than 4,000 IT professionals spread across the globe, large-equipment manufacturer Caterpillar Inc. faces huge coordination issues if it is to run its business efficiently and profitably.

Because of this challenge, "Caterpillar is dedicated to standardizing IT procedures globally," the company's director of global IT solutions, John Heller, told a keynote audience at this week's IT Service Management Forum (itSMF) USA Conference and Expo in St. Louis.

And the tool that Caterpillar, which is based in Peoria, Ill, uses to accomplish this objective is IT Service Management.

IT Service Management offers administrators and CIOs a different way to do their job, and a different way to approach management. For IT, it was once all about keeping the email flowing and keeping the applications running. Today, IT is moving past that baseline. It's no longer just making sure data is flowing securely in and out, and the databases are operational. That's just a part of it now. It's a means to an end, instead of the end result.

ITSM is the concept that IT should be all about servicing the customer -- whether that means getting products to them faster, making sure their online questions are being answered promptly or providing services at the speed of light. And that means IT managers are being told that they need to change the way they think about their jobs, the way they think about their systems and the way they spend their work day.

In his discussion of the business value of service management, Heller stressed the importance of communicating the value of IT services to an organization's bottom line, as well as the need for IT professionals to align themselves with business goals.

"IT drives our industry and creates a competitive advantage for us," he said, adding that Caterpillar is the market leader in construction equipment.

Getting your IT operation to that point, however, requires some homework and introspection, he added. "You have to understand the culture of your organization before going forward," Heller told the crowd.

Further, IT organizations must engage in self-examination to gain "insights about what you are as an IT provider," he said. "This allows an IT shop to set new expectations for itself and develop a "new self-concept."

"Once you develop that new self-concept," Heller said, "then you have the potential to live up to it."

In 2000 caterpillar used ITIL methods to address incident management for web related services. The ITIL team found that internal service providers couldn't meet the target response time of 30 minutes between 60 and 70 percent of the time. Now service providers surpass the 90 percent mark.