Portfolio Management Complete

Alfabet Reference Manual

Documentation Version Alfabet 10.15.0

Conventions used in the documentation

Convention	Meaning
Bold	Used for all elements displayed in the Alfabet interface including, for example, menu items, tabs, buttons, dialog boxes, page view names, and commands. Example: Click Finish when setup is completed.
Italics	Used for emphasis, titles of chapters and manuals. this Example: see the *Administration* reference manual.
Initial Capitals	Used for attribute or property values. Example: The object state Active describes...
All Capitals	Keyboard keys Example: CTRL+SHIFT
File > Open	Used for menu actions that are to be performed by the user. Example: To exit an application, select File > Exit
< >	Variable user input Example: Create a new user and enter <User Name>. (Replace < > with variable data.)
(i)	This is a note providing additional information.
品	This is a note providing procedural information.
👁	This is a note providing an example.
⚠	This is a note providing warning information.

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Chapter 1:   Introduction to Portfolio Management Complete

The Portfolio Management Complete sales package provides the Service Product Portfolio Management capability that allows the service products offered by an organization to be captured, planned, and tracked. The capabilities available in the Portfolio Management Complete sales package allow you to understand the following:

- Which service product catalogs does the enterprise offer?

- Which resources are needed to deliver the service products?

- Which service providers provide which service products?

- Which projects and organizations require and use which service products?

- What are the overlaps and redundancies in the service product offering?

- What costs are associated with the delivery of a service product?

- How can costs of SLAs be reduced?

- Which SLAs do not fit to business needs?

The purchase of the Portfolio Management Advanced package is a prerequisite for the implementation of the Portfolio Management Complete package.

The following information is available:

- Introduction to Portfolio Management Complete

- Service Product Portfolio Management

    - Methodology: Understanding Service Product Portfolio Management

    - Prerequisite: Configuration Requirements for Service Product Portfolio Management

    - Understanding Governance and Responsibility for Service Products

    - Capturing and Specifying Service Products

    - Versioning Service Products and Managing Service Product Lifecycles

    - Documenting Resources Required for Service Products

    - Analyzing Service Product Catalogs

    - Managing the Costs Associated with Service Product Catalogs

    - Managing Contracts for Service Products

Chapter 2: Service Product Portfolio Management

The Service Product Portfolio Management capability focuses on the enterprise's service product catalogs and how they support the enterprise to fulfill its business goals. It allows the service products offered by an organization to be captured, planned, and tracked. The breakdown of service products into more elementary service products is managed through a bill of service definition. Similar to a bill of materials, a bill of service is based on the set of services, applications, components, ICT objects, devices, deployments, standard platforms, and organizations that are needed to deliver a service product. As such, the bill of service represents a deconstruction of the service products across a hierarchical definition.

The Service Product Portfolio Management capability allows you to manage the complexity of your service products in terms of their responsibilities, lifecycle management and planning, and usage. In this way, your enterprise can efficiently reuse, standardize and decouple its service products. Reporting capabilities address service product usage and redundancy for an organization's service product catalog as well as the enterprise's various service product portfolios. The Service Product Portfolio Management capability includes the following explorers:

- The *Checking the Successful Execution of Events* allows you to structure and analyze the enterprise's service product portfolios. In this explorer, you can create service products, assign service level agreements to them, assemble the service products in service product groups, specify the service product items that constitute the service product, and specify the operational expenses associated with the service products. Additionally, you can assess where redundancy and lifecycle conflicts exist among service products and the service product items that contribute to them.

- The *Enterprise Service Products Catalog Functionality* allows you to view and track an organization's service product catalog. All service products that an organization owns constitutes its service product catalog. In this explorer, you can access views that allow you to capture, plan, and track which service products are provided by a specific organization, view and manage the lifecycles of those service products as well as the lifecycles of the objects using the service products, and understand which contracts are associated with the service products.

The following information is available regarding the Service Product Portfolio Management capability:

- [Methodology: Understanding Service Product Portfolio Management](#)

- [Prerequisite: Configuration Requirements for Service Product Portfolio Management](#)

- [Understanding Governance and Responsibility for Service Products](#)

- [Capturing and Specifying Service Products](#)

- [Versioning Service Products and Managing Service Product Lifecycles](#)

- [Documenting Resources Required for Service Products](#)

- [Analyzing Service Product Catalogs](#)

- [Managing the Costs Associated with Service Product Catalogs](#)

- [Managing Contracts for Service Products](#)

ⓘ Please note a context-sensitive Help is available for each view available in the Service Product Portfolio Management capability. You should refer to the Help if you require an explanation about the functionalities and information available in a specific view.

Methodology: Understanding Service Product Portfolio Management

In Alfabet, a service product catalog is made of up of an organization and the service products that it owns. A service product is a service that is owned by an IT organization and made available to other entities in the enterprise. For example, a service product catalog may be constituted by the organization FD Line IT and the service products Trade*Net Hosting, Trade*Net User Management, and Trade*Net User Support.

A service product typically consists of one or more service product items, which constitute the technologies providing the service product and represent the aforementioned "bill of service".
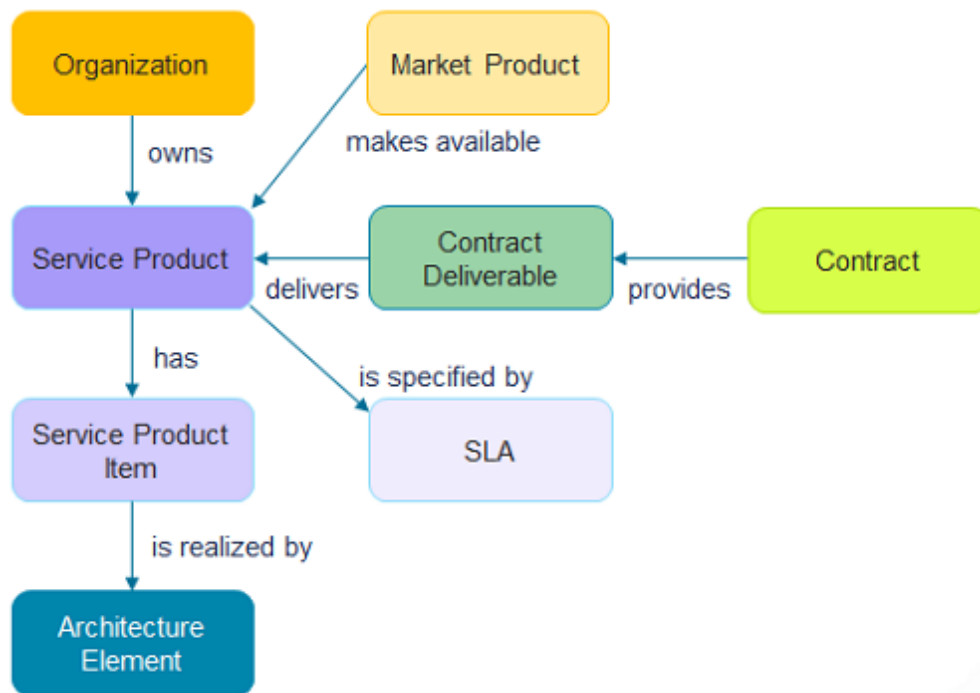
Each service product item is associated with an object such as an application, component, ICT object, device, deployment, standard platform, organization, or other service product that provides the service product item to the service product. Multiple service product items of various object class stereotypes may provide a service product. For example, the service product group User Help Desk might consist of the service product Trade*Net User Support EU which is provided by a service product item based on an application and the service product Trade*Net User Support EMEA which is provided by a service product item based on a deployment.
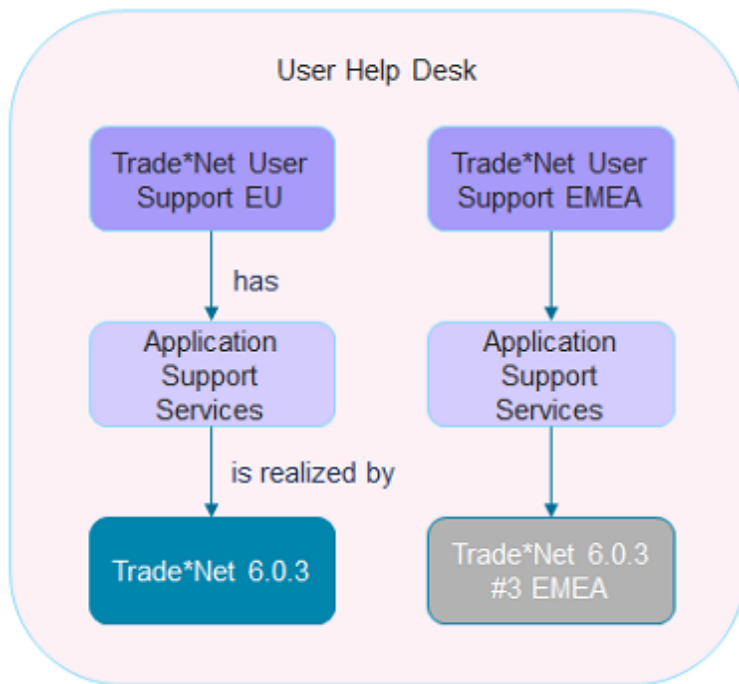
FIGURE: Two service products realized by an application and a deployment

The consumption of services is represented through a contract delivering the service product. Each service product is coupled with one service level agreement (SLA) assigned to it in order to define measures for the service product being contracted. The service level agreement captures information such as a volume base that is relevant for the service product (for example, Service Desk Support Hours, Target Resolution Time, Defect Backlog Size Limit, Maximum Number of Test Failures, etc.) Additionally, a service product may be assigned to a market product in order to indicate that the service product is made available via the market product.

In general, service product portfolio management is broken down into the following main tasks:

1) **Capture and Manage Service Product Catalogs:** Document service products, the organizations that own the service products, and the IT that realizes the service products. Manage the lifecycles and versioning of the service products and specify the SLA relevant for each service product. If necessary, specify IT resources needed to realize the service product.

2) **Manage Service Product Contracts:** Capture the contracts relevant for service products and understand the consumption of contract deliverables such as the number man days in the case of services delivered or the number of licenses in the case of products delivered, manage contract payment schedules, and analyze contracts based on various evaluation criteria.

3) **Document and Analyze OPEX for Service Products**: Depending on the company's level of maturity, Alfabet provides various means to capture and analyze the operating costs of service products. For organizations with a low-level of transparency in the IT landscape, this could be executed by defining cost center budgets and distributing the cost center budget across the service products that it owns. For organizations with an increasing level of maturity, this could mean capturing and managing operational costs directly for the service products.

4) **Analyze Service Product Catalogs and Portfolios**: A variety of standard analyses are available to understand the contractual obligations of an organization as well use of service product catalogs. The assessment of service product portfolios requires that service products are bundled into service product groups that logically structure the service product to be assessed. The evaluation

occurs based on configured indicators used to evaluate the service products and SLAs as well as standard and configured reports. The choice of KPIs and analytics will depend on the goals for the portfolio assessment. The goals of the portfolio assessment should be carefully considered when conceptualizing and configuring the KPIs to capture for service products, service product groups, and SLAs.

Prerequisite: Configuration Requirements for Service Product Portfolio Management

The Service Product Portfolio Management capability is highly configurable to represent each organization's unique service product model as well as the great variety of service products that the IT organizations offer to their business stakeholders. In order to work with the Service Product Portfolio Management capability, the following configuration may be required:

- Typically object class stereotypes are to be configured for the object classes Service Product Group, Service Product, Service Product Item, and Service Level Agreement (SLA), these must be configured in the configuration tool Alfabet Expand. In this case, the solution designer should consider which service product stereotypes are required, what kind of service product items are required to provide each service product stereotype, whether the service product hierarchy should be recursive for a service product stereotype, and which service level agreement stereotype should be assigned to which service product stereotype. Object class stereotypes may also be necessary for the object classes Contract and Market Product. You should consider whether a service product stereotype should only be associated with a specific contract stereotype and whether a specific service product stereotype should only be associated with specific market product stereotype.

- Custom attributes may be configured as needed for the object classes Service Product Group, Service Product, Service Product Item, and Service Level Agreement (SLA). Please note that the object class Service Level Agreement (SLA) has only basic standard properties and it is typically necessary to configure custom attributes to capture relevant details about the SLA.

- The relationship between the object class stereotypes configured for SLAs and the object class stereotypes for service products must be configured in the XML object *ServiceProductManager*.

For a detailed explanation of the configuration required in order to work with the Service Product Portfolio Management capability, see the section *Configuring the Service Product Portfolio Management Capability* in the reference manual *Configuring Alfabet with Alfabet Expand*.

Please note the following additional configuration requirements:

- If IT resources are to be specified for service products, then object class stereotypes may be defined for the object class Resource. You must also specify that service products may request service products in the XML object *ResourceManager*. Details about the necessary configuration are described in the section *Configuring the Resource Management Capability* in the reference manual *Configuring Alfabet with Alfabet Expand*.

- If contracts are to be specified for service products, then object class stereotypes may be defined for the object class Contract. Details about the necessary configuration are described in the section *Configuring the Contract Management Capability* in the reference manual *Configuring Alfabet with Alfabet Expand*.

Understanding Governance and Responsibility for Service Products

A number of governance concepts are implemented in the Service Product Portfolio Management capability:

- **Authorized User:** Each service product has an authorized user. The service product item inherits the authorized user of the service product that it is assigned to. Typically, however, the authorized user of the service product will differ from the authorized user of the object providing the service product. If this is the case, an assignment could be sent to the authorized user of the object providing the service product if a change is required to that object (for example, if the lifecycle of the service product item is not aligned with the lifecycle of the service product.) Alternatively, change request workflows could be configured and implemented in the Service Product Portfolio Management capability.

- **Roles**: A role defines the functional relationship or responsibility that a user or organization has to a service product. Various roles may be required in order to provide input to the service product portfolio from various perspectives. Roles describe responsibilities but they do not authorize access permissions to the service products in Alfabet.

- **Mandates**: Service products may be managed in a federated architecture. Mandates are typically configured if the service product stereotypes are configured. By means of mandates, it is possible to specify the visibility of individual service products in the Alfabet interface for specific users. The mandate capability may be activated or deactivated for the entire service product capability as well as explicitly activated or deactivated for specific service product stereotypes.

- **Service Product Catalogs**: Every service product is owned by an organization that is responsible for the service product in the enterprise. The service product provider is responsible for managing and analyzing its service product catalog as well as keeping track of the contracts for which its service products are deliverables. If object class stereotypes are implemented, it may be that only specific organization stereotypes may own specific service product stereotypes. All service products owned by an organization constitute the service product catalog of that organization.

- **Service Product Groups**: Service products may be structured in one or more service product groups. Each service product group has an authorized user. The authorized user of a service product group will have access permissions to all service products in the service product group.

- **Object Class Stereotypes**: Object class stereotypes may be configured by your solution designer for the object classes **Service Product**, **Service Product Item**, and **Service Level Agreement (SLA)**. Stereotyping allows for various governance approaches to be implemented. For example, it may be that only organizations of the stereotype Customer Support may own service products based on a stereotype HelpDesk.

Capturing and Specifying Service Products

A service product is a service that is owned by an organization and made available to other entities. A service product consists of one or more service product items. Each service product item is associated with an object such as an application, component, ICT object, deployment, device, standard platform, organization, or other service product, which constitutes the technology needed to provide to the service product. Each service product may have one SLA (service level agreement) assigned to it in order to define measures for the service product being contracted.

1) **Create service products**: A service product is typically created in the *Service Products Page View* for an existing service product group in the *Checking the Successful Execution of Events*. It can also be created in the *Enterprise Service Products Catalog Functionality* in the for the organization that owns the service product. A service product may be assigned to multiple service product groups in order to manage and analyze a service product portfolio. Keep the following in mind when you create a service product:

- A new service product may be based on an object class stereotype if stereotypes have been configured by your solution designer. For example, typical service product stereotypes that could be configured might be Application Business Services, Information Business Services, System Hosting, Application Maintenance, Application Development, User License Service, User Support Service, Data Service, and Terminal Service.

- A service product has a version number. Service products can be versioned anytime a change is made to the bill of service. This is described in more detail in the section Versioning Service Products and Managing Service Product Lifecycles

- A service product has a release status, which typically expresses agreement to the state of the documented information

- The service product has an object state, start and end dates, and a lifecycle. Conflicts in the lifecycle definitions of the service product and its service product items can be tracked and managed.

- A service product has a provider. This is the organization that owns and makes available the service product. The service product belongs to the service product catalog of its service product provider.

2) **Assign service product items to the service products**: The breakdown of service products into more elementary service products is managed through a bill of service definition. A service product typically consists of one or more service product items, which constitute the technologies providing the service product and represent the aforementioned "bill of service". Each service product item is associated with an object such as an application, component, ICT object, device, deployment, standard platform, organization, or other service product that provides the service product item to the service product. A complex bill of service can thus be defined by creating a hierarchy of service products via the service product item definition. Note however that a service

product may not need service product items to be defined if the service product does not require other resources, architecture elements or other service products in order to be delivered. Keep the following in mind when you create a service product item:

- A service product item may be based on an object class stereotype if they have been configured by your solution designer. In this case, only object classes that have been configured permissible for the stereotype can be assigned to a service product item based on that stereotype.

- A service product item is associated with one object that is the application, component, ICT object, deployment, device, standard platform, organization, or another service product that provides the service product.

- A name must be defined for the service product item. The service product item name allows you to capture the purpose of the object associated with the service product item and thus may differ from the name of the object that the service product item is based on. For example, the service product User Support Service might consist of the service product items Application User Support Services which is provided by an application, Deployment User Support Services which is provided by a deployment, and Device User Support Services which is provided by a device.

- A service product item may be specified as guaranteed. If the service product item is specified as guaranteed, then the service product item definition cannot be changed for the service product. If the object that provides the service product item needs to be changed, then the service product must be versioned and a new service product item created. If the service product item is not specified as guaranteed, then the object providing the service product item (application, component, standard platform, device, deployment, organization, or service product) may be upgraded and changed in the service product item definition without needing to version the service product.

3) **Specify the SLA associated with the service product**: The consumption of services is represented through a contract delivering the service product. Each service product is coupled with one service level agreement (SLA) assigned to it in order to define measures for the service product being contracted. Service level agreements are based on object class stereotypes that have been configured by your solution designer. Each configured SLA stereotype captures information relevant for a service product stereotype.

In the example above, these custom attributes would be captured in the Support tab, which is available for a custom editor that has been configured with data entry fields to capture the custom attributes relevant for the SLA stereotype. These custom attributes are typically configured to capture the volume base that is relevant for the service product. For example, volume bases for an

SLA relevant for service products related to Help Desk services could be Service Desk Support Hours, Target Resolution Time, Defect Backlog Size Limit, Maximum Number of Test Failures, etc. Only SLA stereotypes that have been configured permissible for a specific service product stereotype can be assigned to that service product.

The SLA for a service product is defined in the *Service Products Page View* for an existing service product group or the *Owned Service Products Page View* for the organization that owns the service product. Attachments may also be associated with a service level agreement in order to associate relevant documents or information with the SLA.

A service product can be assigned to a market product in order to designate that the market product makes the service product available to the enterprise. To capture market products, you must have access to the Business Model Definition capability, which is part of the IT Planning Basic sales package

Versioning Service Products and Managing Service Product Lifecycles

Service product lifecycle management includes the process of identifying and managing conflicts in the lifecycles of the service product versions and their service product items in order to ensure the availability and reliability of service products in the enterprise.

Versioning service products describes the transition of one version of a service product to the next from the enterprise architecture point of view. Each service product that you define is actually an service product version with its own defined lifecycle. The service product may have predecessor and successor versions. For example, if the object that provides the service product item needs to be changed, then the service product must be versioned and a new service product item must be created for the new service product version. Service products may be versioned if changes are made to the technology providing the service product in the *Service Products Page View* for an existing service product group or the *Owned Service Products Page View* for the organization that owns the service product.

Please note however that if a service product item is specified as guaranteed, then that service product item definition (application, component, standard platform, device, deployment, organization, or service product) cannot be changed for a service product. If the service product item is not specified as guaranteed, then the object providing the service product item may be upgraded and changed in the service product item definition. In this case, a new service product version is not required in order to capture the change in the service product item.

A service product's lifecycle describes the succession of stages that it goes through. The lifecycle is comprised of lifecycle phases that describe the service product's status of activity or production (such as Pilot, Production, Limited Production, Retired). The lifecycle definition also includes the definition of the service product's active period, which corresponds to its start and end dates. Whereas, the service product lifecycle is explicitly defined for the service product, the lifecycle of a service product item is not explicitly defined. The lifecycle of a service product item is equivalent to the lifecycle of the application, component, standard platform, device, deployment, or other service product providing the service product.

The lifecycle of a service product is defined in the *Subordinate Value Stream Groups Page View* of the relevant service product. In this view, you can review the lifecycles of the service product and its providers and identify and manage any conflicts in these lifecycles. This analysis is also available from the perspective of the organization owning service products as well as from the perspective of a service product group.

Documenting Resources Required for Service Products

In Alfabet, resources can be requested by a service product if they are needed as a source of support in order to realize or deliver that service product. A resource can be provided by many different object classes – such as organizations, skills, applications, devices, deployments, etc. The object classes available will depend on the configuration of your solution.

The resource can be requested for the service product in the *Required Resources Page View*. When requesting a resource, the user must specify the resource that is requested which, in the example above, is the organization Application Services and the start and end dates of the resource request. Additionally, you should capture the amount required, the total cost of the resource, and the cost type that should be assigned to the resource.

> Resources may also be requested by organizations and projects. Please note that to capture projects in Alfabet, you must have access to the Project Portfolio Governance capability which is part of the IT Planning Advanced sales package.

Analyzing Service Product Catalogs

A variety of reports are available to help you understand how a service product is used and where redundancy might exist between service products. In addition, your enterprise may configure reports that are specific to the analysis needs of your company. The following provides a few of the standard reports that are available:

- *Service Product Usage Gantt Page View* provides information about the use of the selected service product by other service products. The report displays the service products supporting the

selected service product with the lifecycles of the objects providing the service product items. This analysis is also available for the owner organizations.

- *Service Product Overlap Report Page View* highlights the recurrence of objects supporting the service product. The view is available for a service product and displays the service product items that the selected service product has in common with other service products.

- Service products can be evaluated in the enterprise in order to understand specific dimensions of a service product's performance. The evaluation types that your enterprise configures for the class Service Product can be evaluated in the *Evaluation Page View* available for the service product.

- Service product portfolios allow service products to be organized and evaluated in the context of logical groupings or in the context of service product catalogs. This analysis is available in the *Service Product Portfolio Page View* for service product groups as well as owner organizations.

- In addition to the standard reports listed above, your enterprise may have configured reports that are specifically geared to the assessment and reporting needs of your enterprise. Your enterprise must purchase the relevant license to the expansion set Custom Reports. For more information about configuring reports, see the section *Configuring Reports* in the reference manual *Configuring Alfabet with Alfabet Expand*.

Managing the Costs Associated with Service Product Catalogs

Mapping available financial data to the service products in the IT landscape provides insight into which service products are driving costs. Depending on the company's level of maturity, Alfabet provides various means to capture and analyze the operating costs of the business' IT. For organizations with a low-level of transparency in the IT landscape, this could be executed by defining cost center budgets and distributing the cost center budget across the service products that it owns. For organizations with an increasing level of maturity, this could mean capturing and managing operational costs directly on the level of the service products. Regardless of which method you use to capture the initial operational expenses of the service products in your enterprise, please refer to the section *OPEX Optimization* in the reference manual *Portfolio Management Advanced* for detailed information about how to capture and analyze operational costs in Alfabet.

The accrued operating costs for the previous year and the planned costs for the current year for the relevant cost types for the service product can be defined or refined in the *Operational Expenses Page View*. The service product's operational costs are used to calculate the operating expenses for the organization owning the service product. This information is available in the *Operating Expenses Page View* for the owner organization.

Managing Contracts for Service Products

A service product may be defined as a contract deliverable in order to specify the architecture elements and resources to be provided in order to fulfill the contract agreement. For example, the development contract New Service and Support Infrastructure may have a contract deliverable Issue Tracking Software that delivers the service product JIRA® Application Development. In this case, the service product JIRA® Application Development can be designated as a contract deliverable for the contract New Service and Support Infrastructure. The amount required of the service product as well as the delivery date can be specified in

the *Contract Deliverables Page View* of the relevant contract. If a service product is defined as a contract deliverable, the selected contract will be displayed in the *Existing Contracts Page View*.

For a detailed explanation of the methodology recommended for capturing and managing contracts in Alfabet, please refer to the section *Contract and Vendor Management* in the reference manual *Portfolio Management Advanced*.