CMMI for Services: The Strategic Landscape for IT

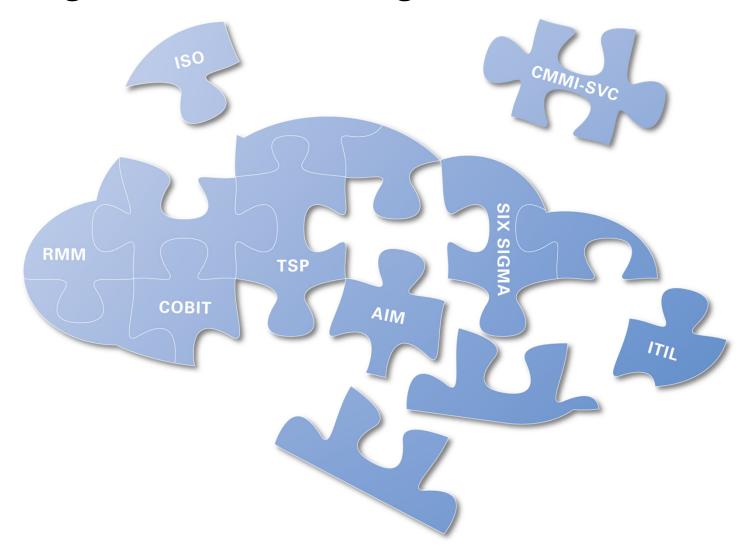
Eileen Forrester August 2012

itSMF USA: Pittsburgh Local Interest Group

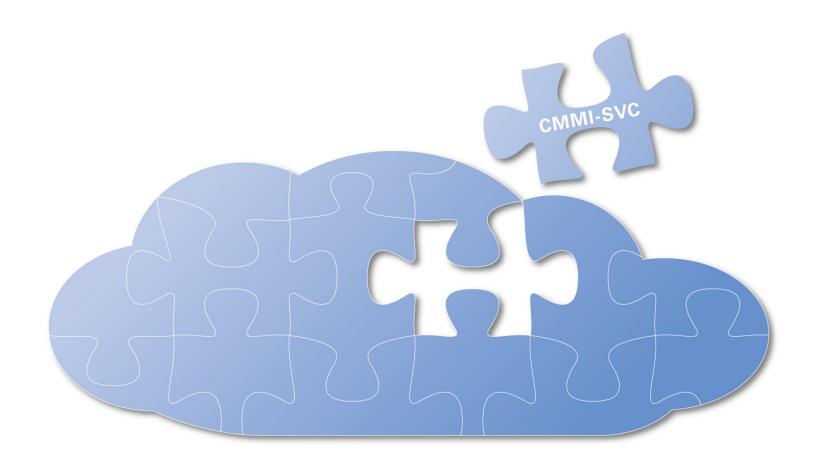
Topics



Putting All the Pieces Together



CMMI-SVC is a Perfect Fit



The CMMI Models

The CMMI Product Suite currently has three models relevant to improvement in a particular area of interest.

Development (CMMI-DEV)

- build stuff
- tangible, storable products made to specification in a lifecycle

Acquisition (CMMI-ACQ)

- buy stuff
- · specify, solicit, select, contract, procure, accept, transition to consumer

Services (CMMI-SVC)

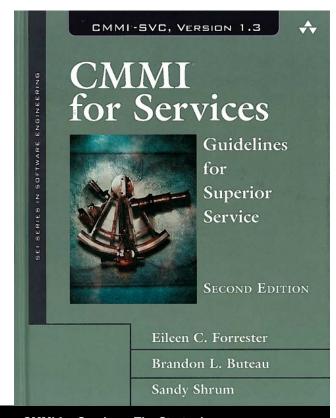
- do stuff
- intangible, non-storable products delivered via a service system based on explicit or implicit service requests

What is the CMMI for Services?

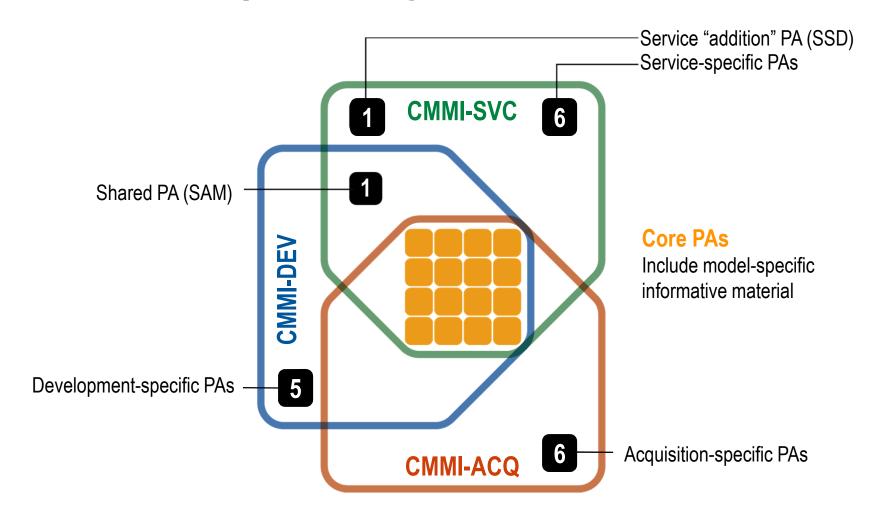
CMMI-SVC guides all types of service providers to establish, manage, and improve services to meet business goals.

Like every CMMI model, CMMI-SVC

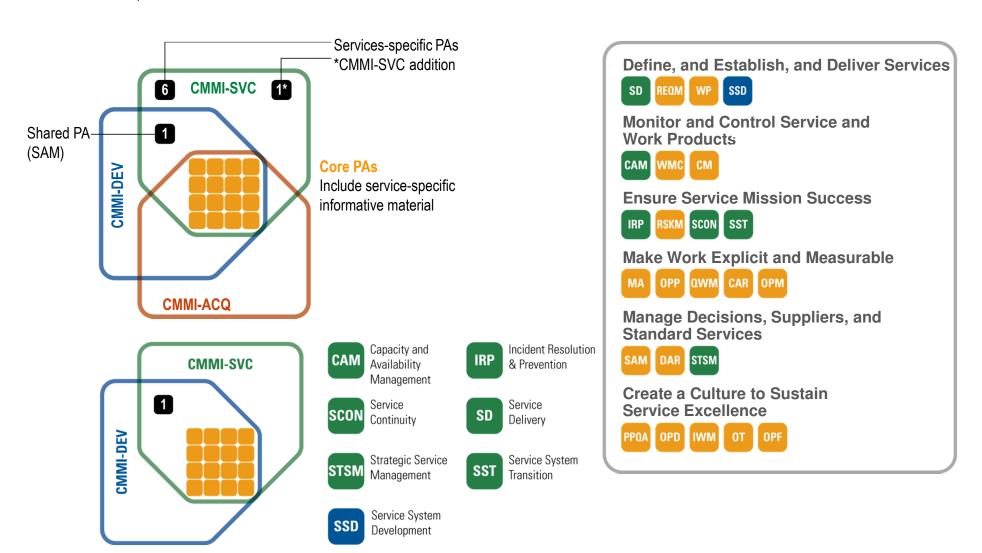
- helps to set process improvement goals and priorities, provide guidance for quality processes, and provide a point of reference for appraising current processes
- can be applied internally or externally
- works well with other frameworks
- represents the consensus of thousands of practitioners about the essential elements of service delivery
- can be used in whole or in part



Relationships Among CMMI Models



A Quick Look at CMMI-SVC



Differences in PAs and Categories

CMMI-SVC PAs by Category

Process Management











Process Management









CMMI-DEV PAs by Category





Project and Work Management























Support





















Service Establishment and Delivery













Project Management

















Support













Engineering













CMMI-SVC Service PAs in Plain Language

Capacity and Availability Management (CAM):

making sure you have enough of the resources you need to deliver services and that they are available when needed—at an appropriate cost

Incident Resolution and Prevention (IRP):

handling what goes wrong—and preventing it from going wrong ahead of time if you can

Service Continuity Management (SCON):

being ready to recover from a disaster and get back to delivering your service

Service Delivery (SD):

setting up agreements, taking care of service requests, and operating the service system

Service System Development (SSD):

making sure you have everything you need to deliver the service, including people, processes, consumables, and equipment

Service System Transition (SST):

getting new systems in place, changing existing systems, and retiring obsolete systems, all while making sure nothing goes terribly wrong with service

Strategic Service Management (STSM):

deciding what services you should be providing, making them standard, and letting people know about them

Why is the CMMI-SVC needed?

Service providers deserve a consistent benchmark as a basis for process improvement that is appropriate to the work they do and is based on a proven approach.

- Demand for process improvement in services is likely to grow: services constitute more than 80% of the U.S. and global economy.
- CMMI-SVC addresses the needs of a wide range of service types by focusing on common processes.
- Many existing models are designed for specific services or industries.
- Other existing models do not provide a clear improvement path.
- Poor customer service costs companies \$338 billion annually
- Services constitute more than 54% of what the US DoD acquires.
- SEI stakeholders approached us requesting a model for services.

^{*} FY 2006 data is from "DoD throws light on how it buys services [GCN 2006]." GAO data is from GAO report GAO-07-20.

Why Service at the SEI?



What types of services does CMMI-SVC cover?





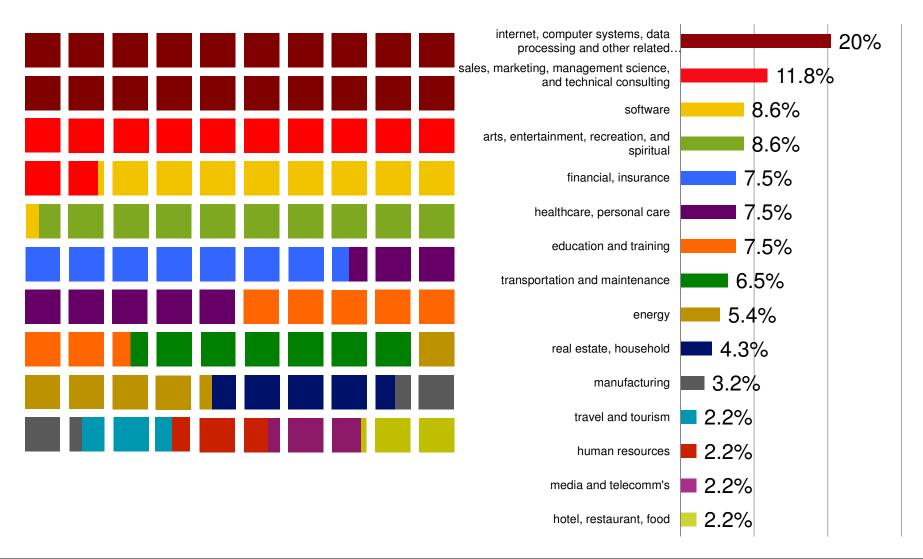








Sample Use Cases by Industry - 1



Sample Use Cases & Scenarios by Industry - 2

Accounting services

Aircraft maintenance

Aluminum packaging

manufacturer

Ambulatory

Auto service

Auto insurance

Banking

Billing

Call center

Church administration

Client staffing

Database management

Defense contractor

Education

Eldercare

Electric generation and supply

Employment

Fertilizer manufacturer

Fitness club

Fitness equipment maintenance

Food services

Gardening and lawn care

Genealogy

Gutter maintenance

Healthcare

Home health care

Home inspection

Infrastructure management

Internal process group

Internet retail

Internet cable provider

ISO audits
IT services

Letting a holiday home

Loan broker

Logistics

Maintenance

Management consulting

Military communications

support

Nuclear power

Oilfield services

Organizational performance

improvement

Pharmaceutical

Process consulting

Project management

Providing PCs

Public health information

Publishing

Quality assurance

Recommending technology

Securities investment

Software benchmarking service

Software development

Software testing

Sports officiating

Staff augmentation

Stock trading

Textiles

Thermal diagnostics

Training

Training and other aviation

services

Training and technology

deployment for COTS software

Translation services

Travel agency

Travel services

University

Voice and data services

Early SCAMPI results - 1

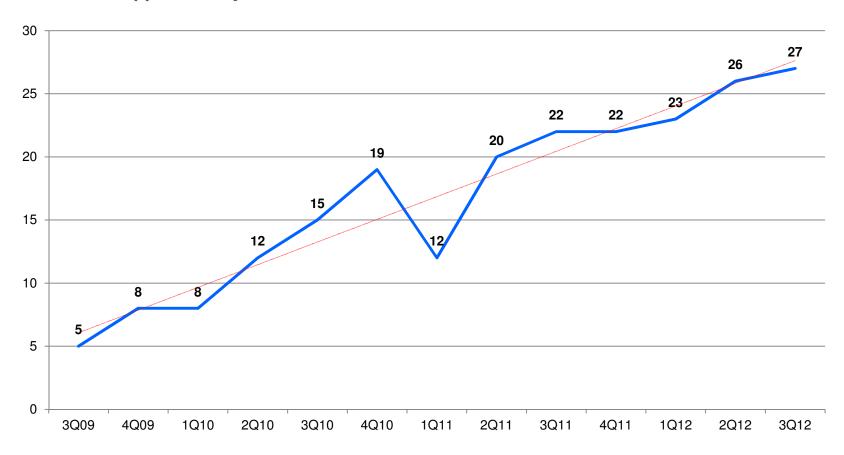
As of August 16, 2012, 231 formal SCAMPIs were reported in the SEI Appraisal System (SAS). Of these,

- 189 are SCAMPI As, 20 SCAMPI Bs, 22 SCAMPI Cs
- 25% are using SSD
- 143 appraisals are on SEI's Published Appraisals Results (PARs) list

This represents just under 3 years of CMMI-SVC appraisals. For comparison, it took 5 years for the Software CMM to reach 100 appraisals.

Early SCAMPI results - 2

Number of Appraisals by CY Quarter



Early SCAMPI results - 3

Percentage of Appraisals by Industry Business Services, 38% Engineering and Management Services, 33% Other Services, 14% None Selected, 9% Electronic and Other Electric Equipment, 6% Transportation, Communication, Electric, Gas and Sanitary Services, 2% Finance, Insurance and Real Estate, 1% Public Administration (Including Defense), 1%

More indicators of uptake of CMMI-SVC

We have four ML5 appraisals. The first was also enterprise and multi model.

We see an increase in CMMI-SVC appraisals quarter over quarter.

More than 190 lead appraisers have been certified.

More than 280 instructors have been certified.

More than 6,000 students have been taught CMMI-SVC.

Qualification for new instructors in Intro to CMMI-SVC continues (63 in queue).

The CMMI-SVC book is available worldwide, and in second edition. Two other books featuring CMMI-SVC by partners are published, a third on its way.

Two masters theses and four doctoral dissertations are complete or ongoing.

Translations of CMMI-SVC into Chinese is complete for V1.2 and under way in Arabic and Spanish for V1.3.

Maybe All Work is Service Work



Knowledge work, such as legal and research

Production, such as engineering and manufacturing

Disciplines and industries, such as education, health care, insurance, utilities, and hospitality

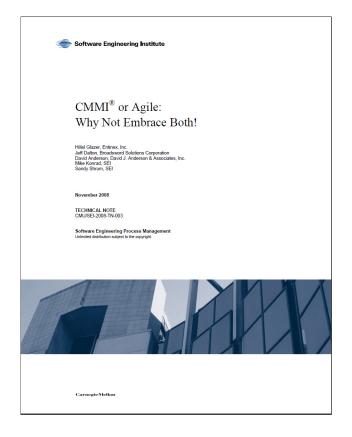
Plus, consider garbage bags and Zipcars and home exchange

What about Software?

"CEOs don't buy software anymore...they buy service level agreements"

- George Fischer, EVP and Group Executive for CA Technologies, Speaking at NASSCOM and SEPG Asia Pacific 2010

Are Services Agile?



Perhaps Agile is an attempt to make development more like service.

Consider these features of service:

- Ongoing close relationship between provider and user to agree on the product
- Simultaneity
- Coproduction
- Many instances of the work
- Frequent production of customer-facing value

The patterns I see

Change from CMMI-DEV to CMMI-SVC.

Choose CMMI-SVC as your base model, grab the engineering PAs for particular services.

Use both about equally, implementing and appraising together.

Treat development or engineering as a service, managed using the practices of CMMI-SVC, and treat the engineering PAs as informative material to SSD.

Use all of the CMMI-DEV for advanced development, and then add CMMI-SVC for additional practices: SCON, SST, CAM.

Start with CMMI-DEV at the beginning of a life cycle, adding in a few SVC goals and practices. Add more in mid-life. Change over to SVC at the end for maintenance.

Take a life cycle view and consider total cost of ownership, may add multiple other models, do a mash up or composition from CMMI and other models.

SSD and CMMI-DEV Engineering PAs



Some mixed services and development environments use both the engineering PAs from DEV and a single SVC PA: Service System Development. The patterns:

- Stick with SSD, but grab a single engineering PA when needed
- Use SSD for simple development, add engineering PAs for complex development
- Use SSD and treat engineering PAs roughly as "informative material"
- Use engineering PAs for service systems, but add the informative material from SSD to get the service flavor

How Might Services PAs Help Development?

Although they are not included in the CMMI-DEV model, each of the following CMMI-SVC process areas could be used by a development group:

- Capacity and Availability Management
- Service Continuity
- Incident Resolution and Prevention
- Service System Transition
- Strategic Service Management

We have examples of high maturity development organizations doing system of systems engineering who are finding the CMMI-SVC PAs add new capability.

Not a pattern, but another approach



Fill a pot hole:

add a single PA to get over a gap in CMMI-SVC that some perceive as missing (one piece of content: security)

Build a bridge:

Start at your location (SVC) and connect to another model with related but richer content (RMM)

The same can be done with P-CMM.

Security Pseudo PA added to CMMI-SVC

GPs and Pseudo PA approach allows you to selectively borrow from additional models, even during appraisal.

Examination of ISO 27001 provided a nice suggestion of initial content

- Establish and Maintain a Security Management System
- Use the Agreed Security Management System to Provide Required Security
- Note we dropped "information" in our version

Under these two strands we can construct statements that look and feel like practice statements

- Ideal for appraisal purposes
- Very valuable for improvement teams constructing an improvement plan
- One language style, one plan, potentially multiple models engaged

Pseudo PA: Security Management (SM)

ESG1 – Establish a Security Management System

ESP1.1 Establish Security Objectives

ESP1.2 Establish an Approach to Threat Assessment

ESP1.3 Identify Security Threats

ESP1.4 Evaluate and Prioritize Security Threats

ESP1.5 Establish a Security Management Plan

ESP1.6 Obtain Commitment to the Security Management Plan

ESG2 – Provide Security

ESP2.1 Operate the Security Management System

ESP2.2 Monitor the Security Management System

Example New Informative Material

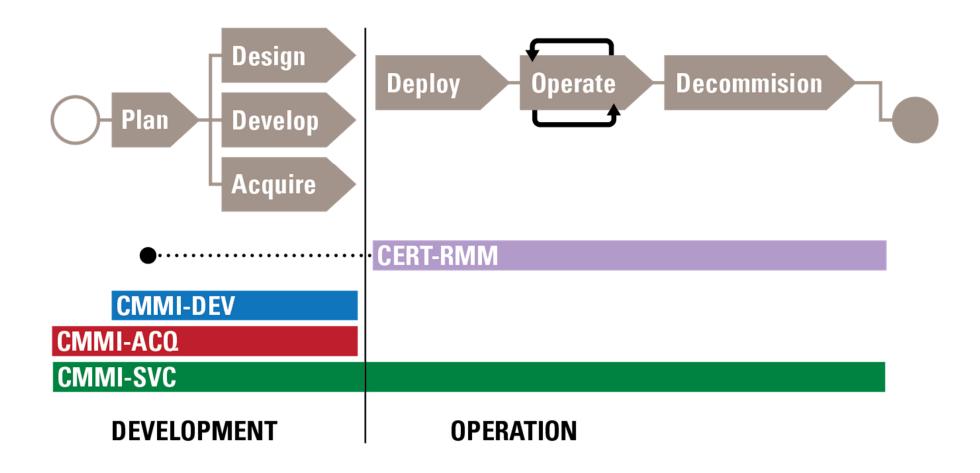
ESP1.2 – Establish an Approach to Threat Assessment

Establish and maintain an approach to assessing vulnerabilities and threats to essential assets.

Subpractices

- Select methods for assessing security threats
- 2. Define criteria for evaluating and quantifying security threats.
- 3. Describe responsibility and resources for evaluating vulnerabilities and threats.

RMM & CMMI in the life cycle



CERT-RMM at a glance

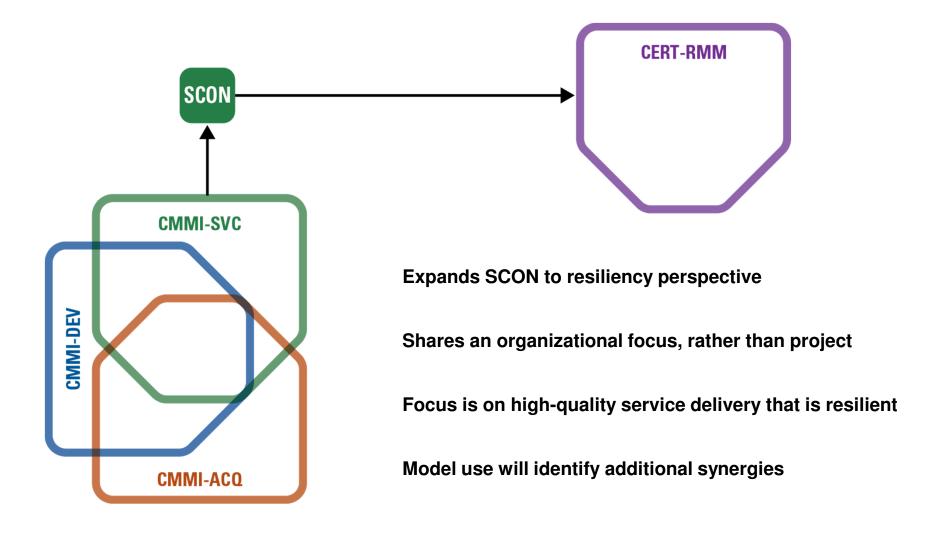
Engineering	
ADM	Asset Definition and Management
CTRL	Controls Management
RRD	Resilience Requirements Development
RRM	Resilience Requirements Management
RTSE	Resilient Technical Solution Engineering
SC	Service Continuity
Enterprise Management	
COMM	Communications
COMP	Compliance
EF	Enterprise Focus
FRM	Financial Resource Management
HRM	Human Resource Management
ОТА	Organizational Training & Awareness
RISK	Risk Management

Operations Management	
AM	Access Management
EC	Environmental Control
EXD	External Dependencies
ID	Identity Management
IMC	Incident Management & Control
KIM	Knowledge & Information Management
PM	People Management
TM	Technology Management
VAR	Vulnerability Analysis & Resolution
Process Management	
MA	Measurement and Analysis
MON	Monitoring
OPD	Organizational Process Definition
OPF	Organizational Process Focus

26 Process Areas in 4 categories



CERT-RMM and CMMI-SVC



A service example: US auto insurance



Olive Vehicle Insurance (OVIG) provides car and light truck insurance.

Customer services include providing quotes, issuing policies, billing and processing premiums, processing claims, providing legal services, and providing vehicle repair.

They pride themselves on being easy to reach and quick to act when the customer needs them. They are facing an increasingly demanding regulatory environment in the US.

What does it mean for these services to be resilient? What assets must be resilient? What practices in RMM go beyond RSKM, IRP, and SCON?

CMMI-SVC PAs that ensure mission success

Incident Resolution and Prevention (IRP):

handling what goes wrong—and preventing it from going wrong ahead of time if you can

Risk Management (RSKM):

supporting the success of your service mission by anticipating problems and how you will handle them—before they occur

Service Continuity Management (SCON):

being ready to recover from a disaster and get back to delivering your service

Service System Transition (SST):

getting new systems in place, changing existing systems, and retiring obsolete systems, all while making sure nothing goes terribly wrong with service

CMMI-SVC PAs taken further with RMM PAs

Incident Resolution and Prevention (IRP):

IMC is obvious, but also VAR in RMM goes further than goal 3 in IRP to actively watch and resolve vulnerabilities before they become incidents that disrupt insurance services

Risk Management (RSKM):

KIM practices can be used to apply controls for confidentiality, integrity, and availability to critical data, such as customer information

CTRL practices go further to applying controls to service processes such as paying claims, so that, for example, no claim is paid twice and that claim data is kept confidential and not accidentally modified

Service Continuity Management (SCON):

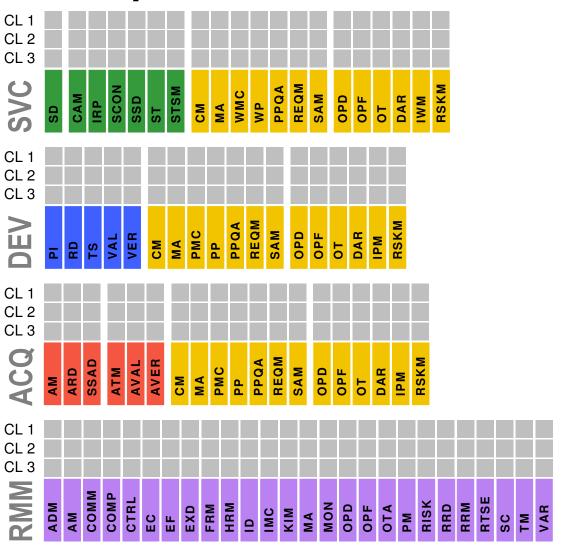
SC in RMM explodes the goals and practices found in SCON with considerably more detail; for example, a data-intensive service like insurance can find more advice on managing effects on vital records; in addition, SC makes clear the distinctions among continuity, recovery, and restoration of service

Also consider:

EXD, which goes beyond SAM to further resilience, more info on external dependencies and service agreements

MON, which goes beyond MA in SVC to have "feelers" out for data so that the organization knows how their data stands relative to threats and vulnerabilities

Multiple Models



Level 2 P-CMM

STF Staffing

CC Communication &

Coordination

WE Work Environment

PM Performance Management

TD Training and Development

CP Compensation

Level 3 P-CMM

CA Competency Analysis

WP Workforce Planning

COMD Competency Development

CARD Career Development

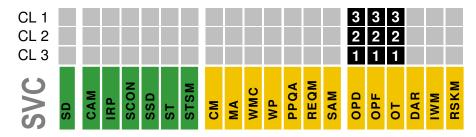
CBP Competency-Based Practices

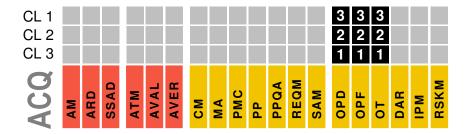
WD Workgroup Development

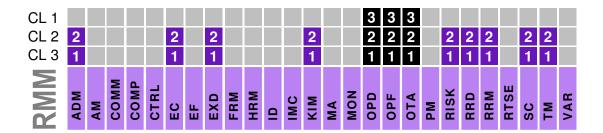
PC Participatory Culture

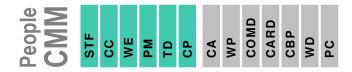


Cloud Services









Providing Cloud Services

- People CMM for an effective workforce
- ACQ to procure the cloud services
- SVC for service delivery
- RMM for managing the security and other risks of cloud computing

Bridging

The Security Pseudo PA has been piloted several times and is available for use and feedback.

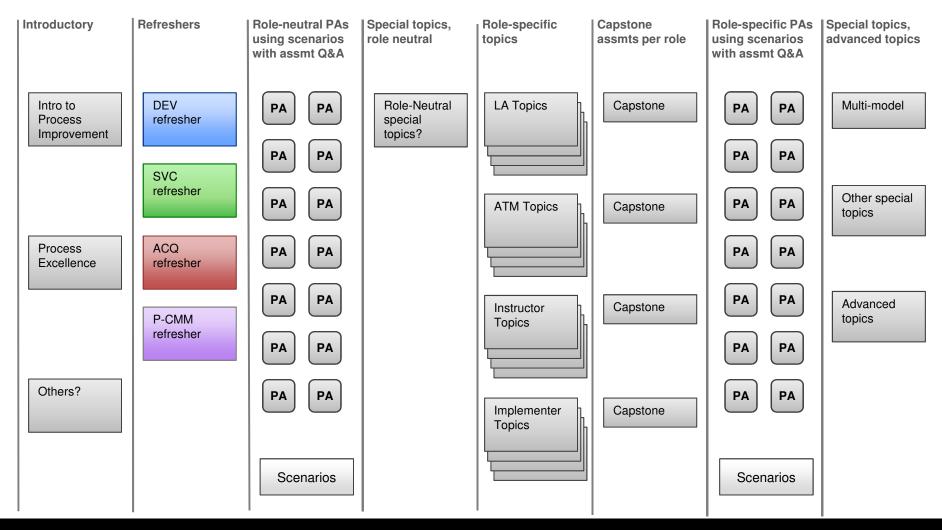
RMM and CMMI-SVC are being used together in appraisal and implementation. They have common content, similar product suites, and provide different detail and specificity to choose from to meet your precise needs.

We are doing field work with organizations trying various combinations.

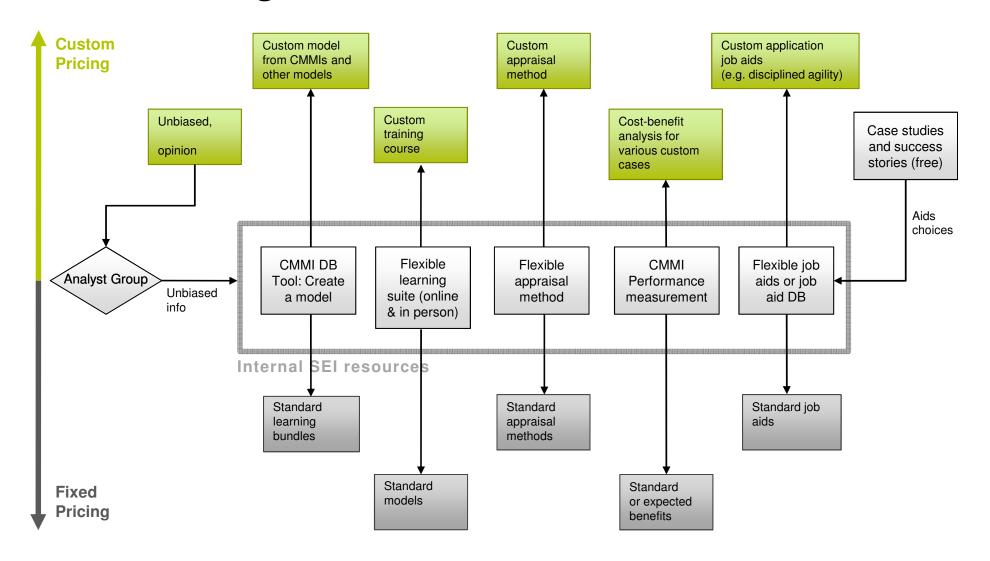
Next, what the SEI is doing to position us to support multi model use more strategically.

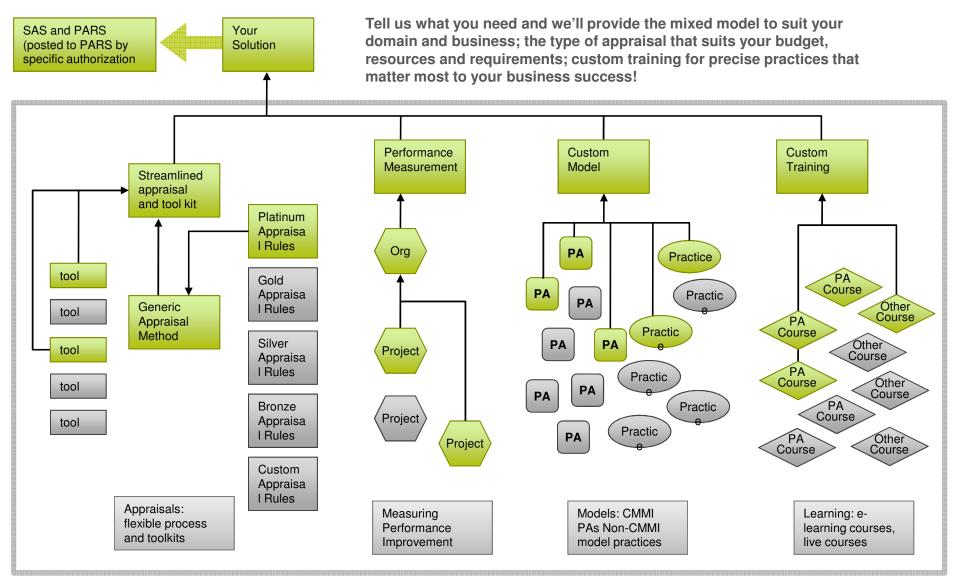
CMMI E-Learning

Start in many places, thread your way through. Some predefined paths for specific purposes, customized assembly available.



CMMI Strategic Product Vision





Your needs such as: for appraisals (cost, precision, accuracy, etc.) for models (applicable models, methods, standards, etc. and only those parts of them that you need), for training (training specific to the parts and pieces selected for models and where you have training needs, i.e., targeted training)

What's the Summary?

CMMI-SVC has a PA that "summarizes" the engineering PAs in DEV, for those occasions when more detailed practice information is needed.

CMMI-SVC and CMMI-DEV can be used and appraised together, as can SVC and RMM.

Development or engineering tasks can be treated as a service, and managed with the practices in CMMI-SVC.

Advanced development may use all of the CMMI-DEV, and then add CMMI-SVC for additional practices: SCON, SST, CAM.

Service and development organizations can add security, resilience, and people management—and more--as needed.

The SEI is positioning to support multi model implementation.

Achievements in Growing Economies







Portugal's Service Economy

Service portion of worldwide economy is 80%, also 80% in US

Service sector is Portugal's largest employer, with 3 of 5 working in service, and 75% of total GDP.

Service challenges and opportunities:

- mismatch of labor and education
- mobile broadband is huge, with little room left for growth; superior service may become the discriminator
- national reform plan calls for competition within service industry

Success story: Portugal was one of least friendly countries to start a business, now one of the best; achieved by a focus on process improvement

Colombia's Service Economy

Colombia's economy is 64% service:

Financial: 18.1%

Government, personal, and

other: 17.5%

Commerce: 13.4%

Transportation & communication: 7%

Construction & public works: 5%

Utilities: 2.7%



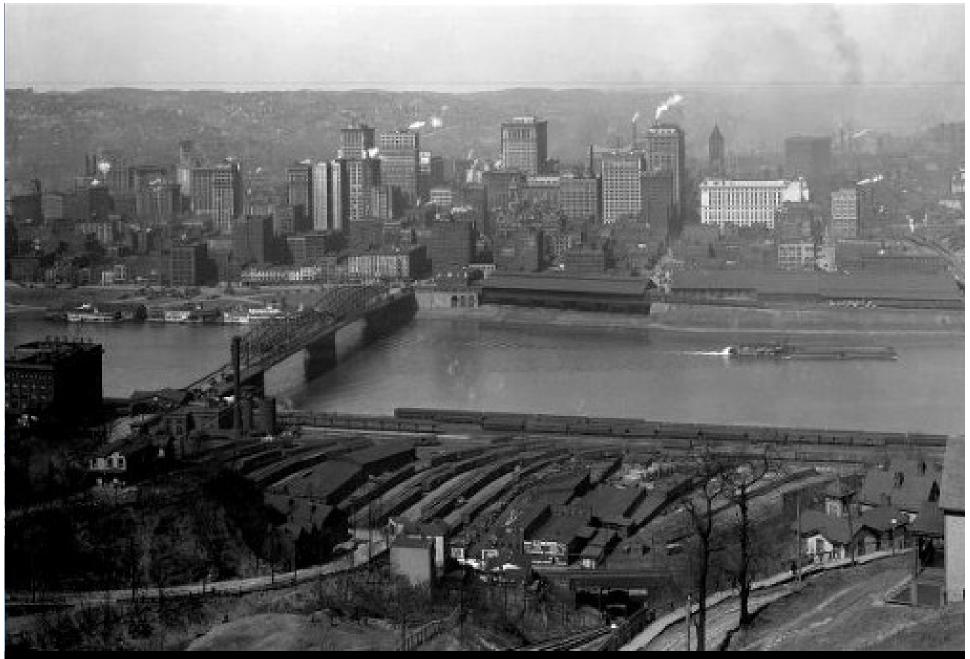
Services and Huntsville

Drivers include: outsourcing, cuts in federal support, disasters, customer retention

Notable services in Huntsville region include:

- Engineering services
- Health care (life sciences and bio tech related and growing)
- Aerospace and defense, including Army and other services
- Technical and scientific research services
- IT services
- Finance
- Academic service
- Government services
- Church and religious
- Telecommunications









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Some Useful Links

CMMI for Services Model

http://www.sei.cmu.edu/cmmi/tools/svc/index.cfm

CMMI for Services and Security Whitepaper

http://www.sei.cmu.edu/cmmi/tools/svc/upload/Security-and-CMMI-SVC.pdf

CMMI for Services Book

http://www.amazon.com/CMMI-Services-Guidelines-Superior-Engineering/dp/0321711521/ref=sr 1 1?ie=UTF8&qid=1304415568 &sr=8-1

CMMI-SVC Service PAs in Plain Language

Capacity and Availability Management (CAM):

making sure you have enough of the resources you need to deliver services and that they are available when needed—at an appropriate cost

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Strategic Service Management (STSM):

deciding what services you should be providing, making them standard, and letting people know about them

Core and Shared PAs in Plain Language - 1 of 3

Causal Analysis and Resolution (CAR):

getting to the sources of important outcomes and taking effective action to correct or repeat them

Configuration Management (CM)

controlling changes to your crucial work products

Decision Analysis and Resolution (DAR):

using a formal decision making process on the decisions that matter most in your business

Integrated Work Management (IWM):

making the most of your participants and defined processes, even when it's complex

Measurement and Analysis (MA):

knowing what to count and measure to manage your service

Organizational Performance Management (OPM):

managing your improvements and innovations using a statistical understanding of your process performance

Organizational Process Definition (OPD):

establishing standard processes and relaying them throughout your organization

Core and Shared PAs in Plain Language - 2 of 3

Organizational Process Focus (OPF):

figuring out your current process strengths and weaknesses, planning what to do to improve, and putting those improvements in place

Organizational Process Performance (OPP):

making sure you understand your process performance and how it affects service quality

Organizational Training (OT):

developing the skills and knowledge your people need to deliver superior service

Process and Product Quality Assurance (PPQA):

checking to see that you are actually doing things the way you say you will in your policies, standards, and procedures

Quantitative Work Management (QWM):

managing service to quantitative process and performance objectives

Requirements Management (REQM):

keeping clear with your customers and other stakeholders about the service you provide, and adjusting when you find inconsistency or mismatched expectations

Supplier Agreement Management (SAM):

getting what you need and what you expect from suppliers who affect your service

Core and Shared PAs in Plain Language -3 of 3

Risk Management (RSKM):

supporting the success of your service mission by anticipating problems and how you will handle them—before they occur

Work Monitoring and Control (WMC):

making sure what's supposed to be happening in your service work is happening and fixing what isn't going as planned

Work Planning (WP):

estimating costs, effort, and schedules; getting commitment to the work plan; and involving the right people—all while watching your risks and making sure you've got the resources you think you need

CMMI-DEV Engineering PAs in Plain Language

Product Integration (PI):

putting together all the product components so that the overall product has expected behaviors and characteristics

Requirements Development (RD):

understanding what stakeholders think they need and documenting that understanding for the people who will be designing solutions

Technical Solution (TS):

using effective engineering to build solutions that meet end user needs

Validation (VAL):

making sure that the solution actually meets the needs of users in the service environment

Verification (VER):

making sure that the solution you ended up with meets your agreement about the needs