# Henan CCB

## IT Service Management Practices in Henan CCB

## CUSTOMER PROFILE

**Industry**
Financial

**Products**
ITSM Incident Management
ITSM Problem Management
ITSM Change Management
ITSM Configuration Management

**Quick Stats**
Employees supported: 10,000
Average incidents per month: 400

**Business Benefits Realized w/ IT Service Management**

- Productivity of IT Service doubled
- First call resolution times improved by 100 percent.
- Rapid generation of management reports saves at least 36 man hours
- Improvement in customer satisfaction through improved communication and service capability

## Summary

In an age when advancements in information technology have become commonplace, everyday occurrences, businesses including financial institutions have become evermore reliant on IT to manage day-to-day banking practices. The IT department of Henan CCB is no exception. With continual pressure from business decision-makers, it needed to efficiently manage and improve the company's existing IT systems and customer service requirements quickly. It was also tasked with the collection of operational data and data analysis, while dramatically improving service quality and efficiency.

While information technology systems were already a core competency of Henan CCB given the competitiveness of the financial services industry, it was keen to further develop world leading best practice by implementing a powerful electronic operation management system to manage business workflows and organisational structure. The goal was to organically integrate Henan CCB's management, business processes and production systems into single system, and improve quality and efficiency across the IT department.

Henan CCB is the provincial operation of China Construction Bank (CCB). It has over 10,000 employees, more than 600 service sites and over 1500 ATMs. Service operation covers all aspects from enterprises to personal banking needs. Henan CCB currently has more than fifty business applications relying on IT systems including counter service, self-service banking, telephone banking, online banking and mobile phone services. 220 people work in the IT department and are responsible for the management of the company's IT infrastructure, which comprises of 20 main frames, 170 servers and over 10,000 PCs, and more than 4,000 printers and network equipment. Tasked with ensuring the day-to-day running of all its business applications and value added services, the increasing system scalability and complexity of Henan CCB's IT suite was making it almost impossible to maintain system performance and reliability. It was with this in mind that Henan CCB decided to deploy FrontRange's world leading ITSM solution, a robust platform for service management. Since integrating the FrontRange ITSM solution, Henan CCB has revolutionised its entire IT management system while also dramatically improving its business capabilities and performance.

## Challenges

**Segmented IT Infrastructure** - Henan CCB's IT department was segmented into traditional technology partitions, such as networks, applications, and Servers etc. This technology-oriented management structure ran into internal communication barriers frequently, impacting work efficiency.

**Insufficient Reporting Function** - Although the company's systems generated many logs, most operational-related records were saved in Word format or printed. As a result, there was no correlation built between records, eliminating the ability to automatically generate statistics and management results quickly and efficiently.

**Absence of Consolidated Database for IT Assets** - Henan CCB was in great need of a consolidated database to store information relating to its IT assets (hardware and software). It needed a configurable management database to perform inquiry and analysis reports between its software and hardware assets, in turn enabling greater visibility while trouble-shooting.

**Lack of Effective Record Management -** Without an effective management tool to store old records, all statistics and analysis that were carried out on previous issues were stored manually. As a result, implementing an automated tool to save and manage all operational events and trouble shooting records was crucial.

**Lack of Structured Workflow Processes -** Without access to an automated ITSM tool, many workflow processes were carried out manually and in turn susceptible to human error. Incomplete registration information for example, had the ability to undermine the whole problem solving process.

**Service Quality Not Accurately Assessed -** Without a robust service management platform, it was impossible to accurately measure and assess customer satisfaction levels, as well as, the performance of service personnel.

## Solution - ITSM Integration

To facilitate business growth through improved IT services, the IT department at Henan CCB went to market for a new service management system. After

extensive research, Henan CCB decided to comply with the ITIL service management concept, selecting FrontRange Solutions' world leading ITSM technology.

The implementation of an ITSM solution is a multifaceted task given that it covers many components of a company's IT infrastructure. Henan CCB rolled out its ITSM project starting with the integration of a number of core ITIL modules including customer service support i.e. Incident Management, Problem Management, Change Management and Configuration Management. Henan CCB deployed its new ITSM solution at all of its major city locations. Having achieved outstanding results in these locations, Henan CCB is now looking to expand its ITSM roll-out to all cities. The implementation process lasted approximately six months and was carried out in two major phases:

**Workflow Evaluation and Redesign - ** In compliance with the ITIL framework, Henan CCB reviewed all of its incident, problem and change management workflows. With assistance from ITIL consultants, Henan CCB redefined its IT processes and organisational structure to streamline services and support. Every employee in the IT department was involved throughout the course of the redesign process and helped to eliminate any known blind spots in the information transferred from its legacy systems, while also promoting greater employee buy-in across the new system.

**ITSM Implementation -** As part of Henan CCB's integration of FrontRange's ITSM solution, new processes were built

into the organisation's electronic system. Well-defined roles, forms, and processes are now automatically executed as part of the new ITSM system and all IT related information is now systematically stored and managed by the Configuration Management Database (CMDB). After thorough testing, the system went live in February 2007 and started to serve over 10,000 employees across a number of core applications.

## Benefit of the Project

Following the deployment of the ITIL framework, Henan CCB's IT department now has access to a clearer view of its core workflow processes and key responsibilities. Henan CCB's service desk staff is now responsible for all record management, issue resolution and escalation to technical staff and in turn management, where the need arises. Managers can also now use the ITSM solution to monitor the workloads of service desk staff and their performance levels more effectively. This has resulted in a dramatic improvement in first call resolution and reduced response times. Meanwhile, the overall productivity of the IT department has increased significantly. Many second line engineers are now able to proactively focus on new projects, rather than work reactively on back logged requests.

ITSM established a consolidated IT service management platform to manage the operation of the whole bank. It realised the electric operation of incident management and problem management. The service quality for all bank branches is improved. The productivity of IT service desk is doubled. With the ITSM system,

more than 400 tickets can be closed each month, comparing to only 200 before.

With ITSM system, the standard work processes based upon ITIL are enforced; while deviation caused by human factors is eliminated. Across all new standardised procedures, complete records are collected and saved. This starts an effective knowledge management, which accumulates past experience in assisting problem solving and avoids duplicate efforts on the same issues.

ITSM improved statistics and analysis. One powerful function of ITSM systems is that statistics and analysis report can be generated automatically according to a predefined matrix. Management reports are generated quickly and in a user-friendly manner. This helps management to adjust operations effectively in real-time. It takes less than half a day to generate a set of operational analysis reports which previously needed one week to generate.

ITSM increased productivity of the IT department. With the fast growth of IT infrastructure in scalability and complexity, the work load on IT staff is getting heavier and heavier. Without adding more headcount cost, ITSM systems effectively increase productivity of the IT department by means of automation and knowledge management. Now, first call resolution rate is around 60 per cent comparing to 30 per cent previously.

ITSM improved business department satisfaction. With improvements in service capability, IT infrastructure reliability is improved through higher availability and shorter outage resolution time. Moreover, one key improvement from ITSM systems is in providing better communication thorough service request email and short message service (SMS) functionality. A prompt notice and feedback mechanism also lets users know of progress on reported issues, increasing service satisfaction.

## Key Success Factors and Sharing Best Practice

Henan CCB's inplementation of FrontRange Solutions' ITSM solution was robustly tested and fully operational within the space of six months.

This success can be attributed to four key factors, which include:

**Executive Commitment** - Due to the size and nature of the IT service management project that Henan CCB undertook, long term planning and significant employee buy-in was imperative from the outset, given the impact it can have on company's culture and organisational structure. Subsequently, endorsement from top level management was also critical to the project's success. Given that Henan CCB's top-level management took the strategic decision to assign an ITIL framework as one of its key projects for the year the company's IT Manager was assigned to directly lead the project, iterating its importance to employees organisation-wide on an ongoing basis.

**Company Support & Buy-in** - ITIL projects can have a massive impact on every facet of a company's day-to-day operations. As such many ITIL projects fail or are made difficult due to internal objections to major change. At Henan CCB however, the long-term benefits of how an ITIL framework could positively impact the company through its world leading best practices were clearly articulated to employees and in turn assisted in the timely and successful completion of the project.

**Workflow Processes Must Be Clearly Defined** - The ITIL concept is new to most Chinese enterprises. To deploy ITIL across its day-to-day service management processes, Henan CCB brought in an external consultancy firm to evaluate and assess its operational situation. As part of this process, the consultancy firm defined organisational processes that were required based on the ITIL framework and on Henan CCB's unique enterprise needs. Though such consultation, fundamental elements such as project roles, responsibilities, processes and actions were clearly defined, enabling Henan CCB to standardise and streamline the way it does business. This will in turn enable Henan CBB to continue to advance its systematic service management.

**Choosing the Right ITSM Solution** - To increase its productivity through the automation of its IT systems, Henan CCB selected FrontRange Solution' world leading ITSM suite. As a powerful and easy-to-use software, it not only provides a rich set of out-of-box features that came from years of global ITIL best practices, but also allows easy customisation to suit a company's unique needs. By leveraging such a powerful tool, the ITIL project at Henan CCB was carried out seamlessly and returned tangible and timely results.

## About FrontRange Solutions

FrontRange Solutions develops software and services that growing mid-size firms and distributed enterprises rely on every day to build great customer relationships and deliver high-quality customer service. The company applies a unique combination of innovation and automation with a standards-based approach to simplify core business processes, including: IT service management; customer relationship and sales force management; and PC lifecycle management. More than 150,000 of the world's best-known brands use FrontRange offerings to quickly improve their interactions with external and internal clients and achieve better business results. For more information, call 800.776.7889 or visit www.frontrange.com