

Coming Face to Face with the On Demand Environment

Consumers are smart. They know modern technology is enormously more flexible and adaptable than ever, and they are changing the ways they purchase products and services.

"Think about how you used to buy a car," says Ron Minchow, business

This is the world of on demand, where business as usual is no longer an option. Customers are upgrading their purchasing demands in search of greater value and better service. As a result, companies of all sizes, from local to global, face the need to adapt very quickly to remain competitive.

"This means having a system that can adapt to changes that occur anywhere along the chain, from the supplier to the end-consumer. You need technologies that serve this dynamic and changing activity level across the integration spectrum. The technologies must be instantly flexible," Minchow says.

For a CIO or director of information technology, transitioning into the on demand environment can be overwhelming. "Company leaders have told you that IT needs to be a utility, the system needs to be less rigid, more responsive and more flexible all at the same time. On top of that, the system needs to be more open while remaining highly secure. It has to accommodate applications written on the fly – applications that are placed on the system at the same moment a transaction occurs. The ways of the past, where you could plan and manage changes to your computing system and do testing in a controlled environment before final launch, are disappearing," he adds.

Adapting to the on demand world means making substantial changes to the way you apply technology to improve your business, and in this fast-moving market the transition needs to be accomplished quickly, not at the measured pace that was permissible in the past. Changes should be incorporated incrementally,

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"And it doesn't apply only to external customers," notes Minchow. "For some companies, it's those within their own organization who increasingly require faster, more responsive, more resilient systems in order to keep their vital processes moving."

Becoming More Responsive

Minchow contends that two main factors are driving the move to on demand – the requirement for deeper integration of IT with business, and accelerated advances of technology. "On demand is fundamentally changing the way you use and access technology to be more competitive. Companies that make the transition will have a more responsive, productive and resilient system," he adds.

Today, the emphasis needs to be on the seamless integration of information technology and the business supply/value chain.

development executive. "In the old days, you would go to a showroom, choose from what the salesman had in stock, negotiate a price, and make your decision. Now you can virtually design your own car on the computer – leather seats, chrome hubcaps, you name it – and even create a personalized payment plan. Customers expect all sorts of companies to have the same degree of flexibility, and they are looking to you to provide it. If you don't, they will shop around for someone who does."



MSI Certified as IBM Software Education Center

While already offering a comprehensive list of software solutions from IBM, MSI has now been accredited as an Educational Center for IBM Software (ECIS). The ECIS initiative was developed by IBM to help bring software education closer to the users. IBM software training can take place on-line, on-site at your business, or at MSI.

Under this partnership, MSI is certified to teach public and private courses concerning the WebSphere product line. As the term implies, public courses will be advertised and open to the public. These courses will initially be held in MSI's Minneapolis office and Technology Enablement Center™. Private courses can be provided at any MSI office or at individual customer locations.

While the first set of class offerings will focus on WebSphere software, course offerings will broaden to all of IBM's software pillars, including Lotus, DB2, and Tivoli.

Current course offerings include:

- Intro to Java using WebSphere Studio
- Web Development Using WebSphere Studio
- WebSphere Studio Application Developer (WSAD)
- WebSphere Application Server Administration

Please contact your account executive or Bill Bleckwehl, vice president of sales—Minnesota and Dakotas, 952-896-6320 today for information regarding these class offerings.

How Does Sarbanes – Oxley Affect IT Departments?



Rich Mogull, Gartner Senior Research Analyst Speaks to Kansas City Audience

The past few years have seen a significant increase in the number of government regulations affecting today's business climate. The most widely known are the Health Insurance Portability and Accountability Act (HIPAA) in the healthcare industry and the Sarbanes–Oxley Act, which deals with open reporting and documentation of company financial information. And IT departments are in the center of the storm.

MSI and Veritas welcomed Rich Mogull, senior research director of Gartner Research Group, to speak with business executives in the Kansas City area regarding how Sarbanes–Oxley is affecting IT environments. Mogull touched on key issues that businesses, executives and IT departments face today regarding Sarbanes–Oxley. These issues include certifying the accuracy of the information presented on financial statements and disclosures, documenting internal controls to ensure information is accurate, and the rapid disclosure of information to regulators and the public.

satisfy Sarbanes–Oxley regulations necessitates that IT departments provide comprehensive data integrity processes. According to Gartner research, a \$1 billion company will spend roughly \$2 million dollars on compliance with the majority of this amount spent on auditing and consulting services.

Steps to Developing a Comprehensive Compliance Program

- Document existing processes.
- Perform a gap analysis to determine where processes should be modified and streamlined.
- Implement point solutions for a developed strategic architecture.

Key Sarbanes–Oxley Sections

Section 302: Certification by the CEO and CFO of financial reports

Section 404: Certifying and Documenting Internal Controls

Section 409: Material Event Reporting

IT environments were not widely thought of when drafting Sarbanes–Oxley, but IT departments are the only ones that can supply the information necessary for compliance. They are the focal point in bringing accounting, sales, purchasing, and other department's information, usually housed on different platforms, together in a unified format for auditors and government regulators.

"You can be government compliant using a spreadsheet if that's how your system is set up. There is nothing in the requirements that says you have to use technology," said Mogull. Unfortunately, the amount of detail needed to

IT departments need to make sure back-end processes provide an accurate reflection of key business information. Often, this information comes from different divisions and locations. This data must be consolidated and reconciled to provide accurate reports. IT environments need to provide reliable information management and storage in a secure environment where changes in data collection processes can be documented.

"There is no magic bullet for Sarbanes–Oxley solutions," stated Mogull. As many public companies begin to gear up to make sure they are compliant, several vendors have come out and said they have Sarbanes–Oxley solutions. Unfortunately, there isn't a company in the market today that has a complete solution. In fact, most companies can leverage their existing IT infrastructure to become Sarbanes–Oxley compliant.

Another benefit of complying with Sarbanes–Oxley is that CIOs and CTOs have additional justification for tools that improve internal controls. In turn, by implementing a sound architecture, companies will be better prepared for additional rounds of compliance with future legislation, which can decrease auditor costs. Upper level executives can also more quickly identify pain points in business processes and use the information gathered as a further competitive advantage.

While auditing organizations can advise businesses on what steps they need to take to become compliant through a gap analysis, it comes down to trusted systems integration companies and internal IT departments to identify and implement the technologies needed to meet governmental regulations. ●

At a luncheon cohosted by MSI, IT professionals learned how would they could comply with requirements with the Sarbanes–Oxley Act. Rich Mogull clarified the role of the IT department in reconciling figures and providing data in a consolidated format.





Critical Eye for the IT Guy...

In all areas of business, operational standards have been developed to encourage a more efficient and productive business environment. From governmental legislation to industry or corporate-led initiatives, the business community continues to seek out the "best practices" to improve the quality and efficiency of the workplace. Organizations are turning a critical eye toward IT departments to provide the same kind of common standards that have been adopted by other departments within the business.

As with their non-IT counterparts, the IT organization can look to a common set of standards to benchmark the quality of their service delivery. The Information Technology Infrastructure Library (ITIL) establishes a "commonly accepted, formal body of knowledge" to guide the IT service organization to improved quality and efficiency. This allows the business at large to recognize what services are currently being offered by IT and set reasonable service level expectations.

Originally established as a set of guidelines for British government organizations, ITIL has become the most commonly used set of IT standards worldwide. Compiled from public and private sources internationally, it provides a clear set of "best practices" that can be broadly applied to virtually any business or organization.

The MSI approach to IT Service Management

- Develop the IT Services Catalog
- Create formal contracts, such as SLAs, to govern the delivery of services
- Understand recovery objectives for each service
- Map the IT infrastructure supporting each service
- Assess the risks and vulnerabilities to each service
- Identify the potential impact of an outage for each service
- Develop on-site service delivery and support strategies
- Document operational procedures for on-site delivery and support
- Develop an off-site service continuity strategy
- Document disaster recovery and testing procedures

At the heart of ITIL is the definition of the IT Services Catalog. A detailed description of all IT responsibilities is documented and business expectations are matched to each

area. As the underpinning for the rest of the ITIL methodology, this document creates the framework for all future IT improvements and should be a living document to accommodate any new service request.

MSI has undergone several consulting engagements using ITIL methodology. In particular, one performed at a large Midwestern university identified discrepancies between the expectations of the IT staff and the business teams. A gap analysis was performed and strategic architecture enhancements were made in the areas of disaster recovery and availability.

The key advantage that ITIL-based studies have over other analysis methods is that they are

process-based instead of being rooted in infrastructure requirements. This methodology allows a business to include the human inputs and processes not defined solely by the equipment on the floor.

Providing a critical eye on all inputs for IT managers, ITIL methodology allows the IT department to manage itself as a complete services organization. For more information on MSI's unique ITIL-based studies, contact Jason Black at 800-640-4674 ext. 2304. ●

Practice Perspectives

Print and Output Management

Not sure how much your print and output environment is costing you? MSI provides output assessments that in many cases can save businesses up to 30 percent! With 95 percent of the cost of a company's output tied to back-end processes and not hardware it's imperative to know just where your money is being spent and how to streamline those costs. Please contact Mike Spinharney at 800-640-4674 x2472 today to learn more about how print and output affect company profitability.

eServers

zSeries

MSI's zSeries team currently offers free security evaluations for mainframe environments. Evaluations will be performed by Marv McGrew, an authorized agent for MSI and Security Sales Specialist. Marv will help discover and evaluate both internal and external threats that could hinder your environment's performance. We also provide a more comprehensive Security Assessment for a nominal fee. Contact your personal client executive or call Marv McGrew at 800-640-4674 to take advantage of the free security evaluation.

Networking

InfoWorld has given F5's BIG-IP® Link Controller and FirePass™ products top overall rankings during 2003. BIG-IP® received high overall marks for quick setup, excellent support and superior reporting and management tools while the FirePass™ 1000's SSL VPN was said to provide "the necessary components for secure deployment" and includes an "IPSec-style network-level feature."

Source: InfoWorld, December 22, 2003, Issue 50

MSI's Networking Education Lunch and Learn Series begins March 11 in Omaha. The 2004 education sessions will discuss the technologies shaping the networks of the future in an informal setting. The first session, "Demystifying Wireless Security," will look at the issues surrounding the implementation of a secure wireless network, including:

- Types of wireless encryption
- Authentication/authorization
- Wireless security management

Visit www.msiinet.com to discover introductory networking bundles for virtual private networks, intrusion prevention, and basic security. These starter kits are designed to quickly and efficiently deploy networking solutions for businesses looking to create or expand their networking environment.

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For more information about MSI, please call us at 800-640-4MSI or visit us online: <http://www.msiinet.com>.



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with the right ROI and an eye on total cost of computing, allowing a company to reap benefits as the process moves forward.

MSI: Well-positioned to Guide Transition

Few corporate IT departments are staffed to bring on demand to fruition. This is where MSI Systems Integrators can help. MSI committed itself early to the on demand environment, spending time with IBM in the development of on demand, conducting beta testing, and teaming with industry-leading technology partners to capture the benefits of breakthrough technologies.

Consequently, MSI is prepared to help companies transition to on demand in several ways:

- Providing them with education and information about the on demand business environment and the on demand computing environment.

- Conducting an assessment of a company's current environment. MSI uses ITIL (IT Information Library), an international "best practice" process for assessing infrastructures.
- Building a roadmap for taking incremental steps toward an on demand environment.
- Designing the solution and conducting a proof of concept. MSI's Technology Enablement Center is ideal for proof of concept activities because it enables a customer to experience new solutions and make informed investments in a real-time environment.
- Providing technology solution offerings, including services, that assist in on demand implementations performed by MSI's highly skilled engineers to reduce risk.

"At MSI, we recognize transitioning to on demand can be a daunting task. We have developed the internal expertise and fostered alliances with industry-leading technology companies so that we are well-positioned to guide you through the process, turning the challenges confronting you today into a set of opportunities tomorrow," says Minchow.

If you are interested in learning more about developing an on demand business, schedule your briefing now by calling 1-800-753-0658. ●

