Chapter VI
Co-Engineering Business Need and IT Services

ABSTRACT

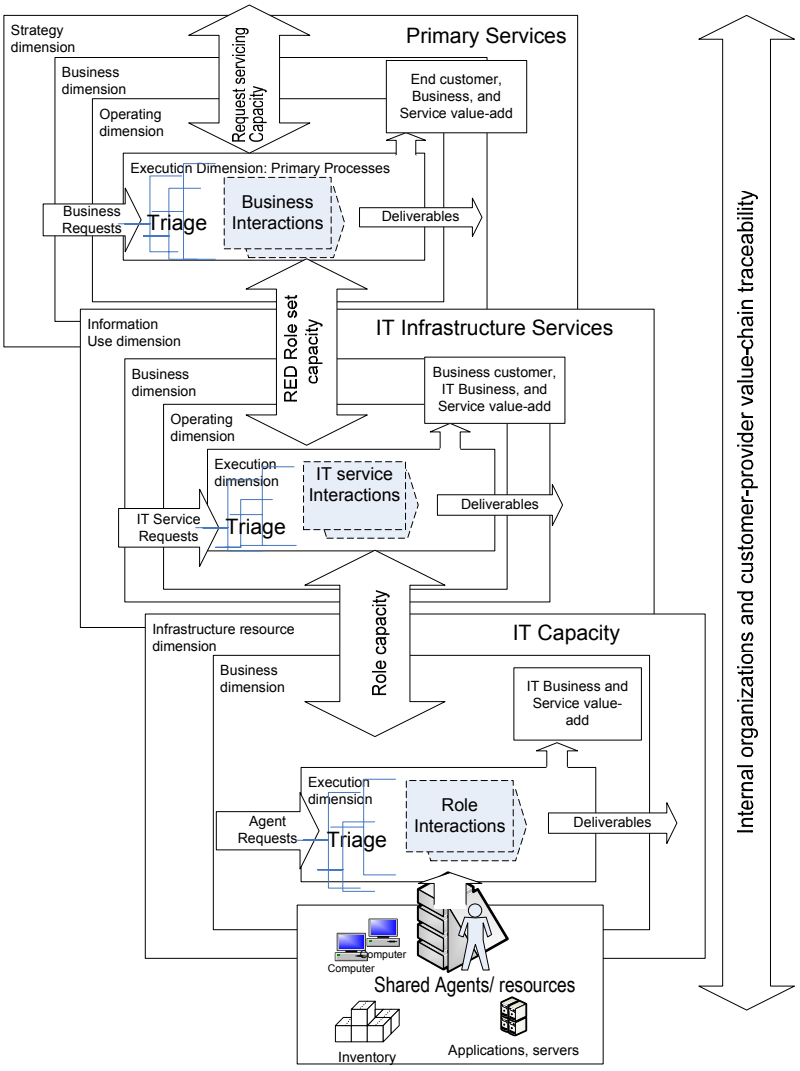
Vertical traceability along the internal value chain illustrated in Figure 1 below allows us to establish a charge back system for the use of IT services. In addition the fine-grain Interaction approach to implementing chargeback also encourages the discipline needed for other initiatives like capacity management, audit procedures, and aligning of IT investments with business needs. How to achieve this alignment is the subject of this chapter.

Why is a good chargeback model important for the effective organization?

- How is the chargeback model developed based on the BioS work products?
- How are chargeback and capacity management related?
- Why is a good chargeback model closely tied to retaining flexibility, effectiveness, service-level management, and a tool for customer-oriented management and visibility?

Today's enterprise must maintain a diverse portfolio of IT applications to support critical business Interactions and drive the processes responsible for the day-to-day operations and management of internal and external business services. At the same time there is a need to manage the total cost of ownership, reduce overall

Figure 1. ACE structure and associated capacity work products



complexity of the IT assets, and properly align and control capacity. The ability to do so is directly related to several factors:

- Aligning infrastructure Agent capacity to business need,
- Charging for IT services based on the services delivered, and
- Expanding service capacity based on demonstrated need.