



CMMI Institute

BRINGING ESTIMATION PREDICTABILITY IN MANAGED SERVICES SUPPORT ENGAGEMENTS

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AGENDA

- Introduction
- Model Description
- Model Effectiveness and Benefits
- Case study
- Questions and Answers

WHO ARE WE ?

Established in 1968 –
~50 Years in IT
Services

Operating in 49
countries with 132
Nationalities

World's leading
brand in IT Services
- **Brand Finance**

CMMI Level 5
Organization

Recognized as a
Global top Employer
- Top Employers
Institute

Global Network
Delivery Model
(GNDM™)

WHAT IS A MANAGED SERVICES SUPPORT ENGAGEMENT?

- Ongoing responsibility for L1/L2/L3 application support
- Outcome based approach for pricing focused on Service Level Agreement(SLA)
- 24-hour monitoring, managing and/or problem resolution for issue prevention minimizing disruption
- Handle incidents/ Service Requests/ Change Requests and other large application support issues within stipulated SLA
- Deliver greater cost savings – amongst 5 top drivers for Managed Services (MS) adoption

BUT WHAT ARE THE ESTIMATION CHALLENGES??

Cause

Lack of standard estimation techniques in MS L1/L2/L3 Support area

Concept of size estimation ambiguous

Most information unavailable at proposal stage

No defined process for actual data collection

Effect

Erroneous project planning, increasing backlog, SLA miss, staff burnout

No established measurement mechanism for productivity or other metrics

Challenge in accurate cost projection & incorrect budget allocation

Challenge in refining estimation model & productivity

SO WE THOUGHT OF DOING SOMETHING – WE CREATED A MODEL

Pre - Activity

Analyze application characteristics - stability, complexity criticality and history to arrive at Incident/Service Request volume

THE ESTIMATION ENGINE

Bundle Apps for similar portfolio

Capture Requirements for estimation

Aggregate effort based on factors like PM / QA etc.

THE OUTPUT CALCULATOR

Generate FTE at application level

Optimize FTE Bundle-wise & gauge Unutilized Effort

THE FEEDBACK LOOP

Implement derived metrics for subsequent estimation

Collect actual size/effort to analyze productivity & other metrics

Outcomes

Estimated size in units of Production Support Points
Bundle wise Optimized Effort and FTEs
FTEs for transition phase
Capacity confirmation

THIS WAS NO JET RIDE.. RATHER A STEADY CRUISE

With Inputs from

Support Domain Experts

Estimation Center of Excellence

Industry Trends

Delivery Projects

THE JOURNEY



Refinement Requests

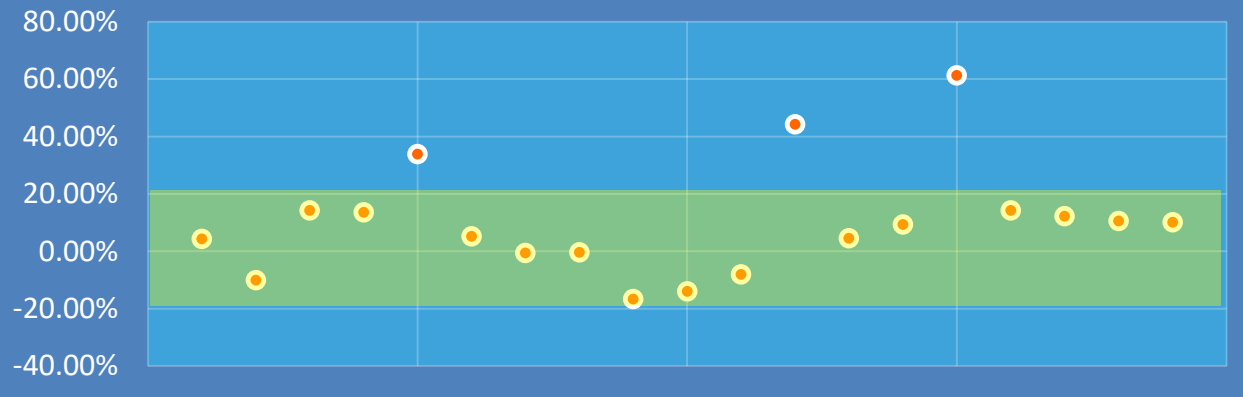
Default values for productivity determinators

Additional effort distributed as per app ticket volume

Factors for transition FTE added

Bundle-wise effort adjustments per month

Pilot Results



NOW THE MILLION DOLLAR QUESTION .. HOW IS IT DONE?

Step 1

Create App Bundles



Step 2

Enter App details, group it under bundle and provide total ticket history



Step 3

Provide SLA impact if applicable



Step 4

Access productivity impacting factors



Step 5

Enter working hours and shift details



Step 6

Provide impact of other factors such as PM at application/Bundle level & transition parameters, if applicable

AND WHAT DO YOU GET?

Output A

App wise summary of Size, Effort and FTE



Output B

Bundle wise optimized Effort and FTE view



Output C

Final Summary including impact of Transition State



Output D

View of unutilized effort for effective planning

HOLD ON.. IS IT EFFECTIVE?

Sequence of Events

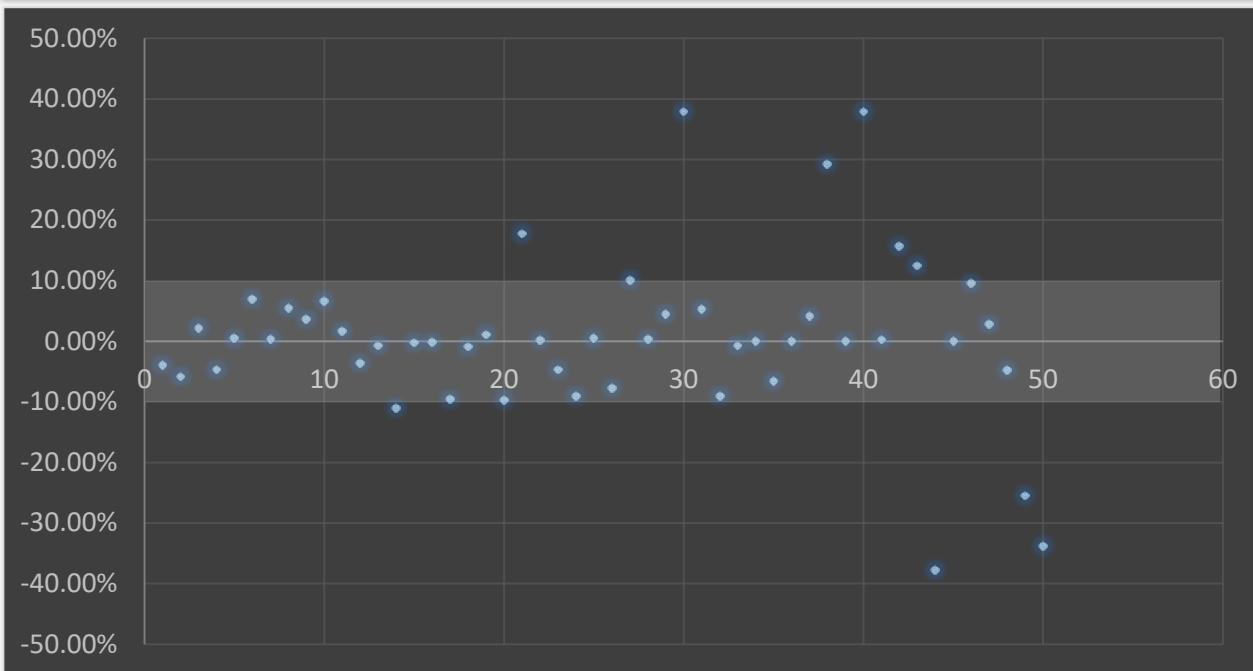
Data Collection

Data Validation

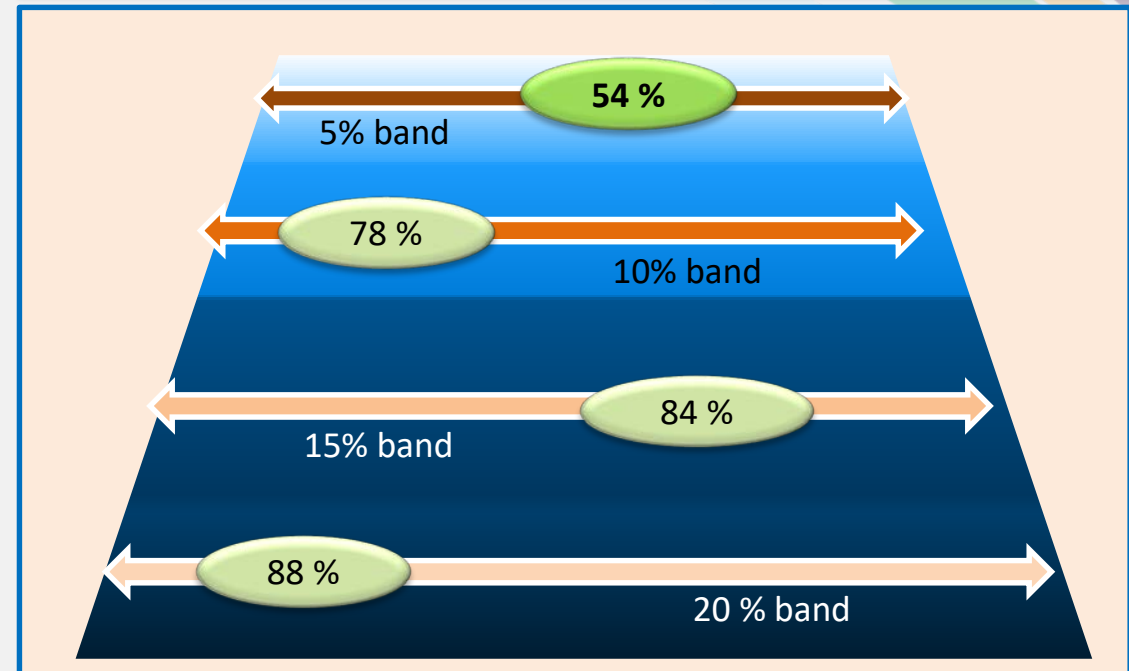
Effectiveness Analysis

Improvement Actions Identification

Model Effectiveness Data Points, Q3-FY 17



Model Effectiveness Results, Q3-FY 17



... AND IS IT WORTHWHILE ?

Base-lined Productivity
of 36 technologies
available

Managed Services Support
model has been filed for patent.



**Model
Usage**

About **1600+**
support projects are
using the model



**Productivity
Base-lining**



**Customer
Leverage**

Customer leveraging model
for size standardization
under TCS guidance



TCS IP



**Large Deal
Support**

Large deal estimation across
multiple domains leveraging MS
model

LETS SEE AN EXAMPLE IMPLEMENTATION

Customer Profile

Large US BFS customer providing world class clearing services

Scenario/Challenges

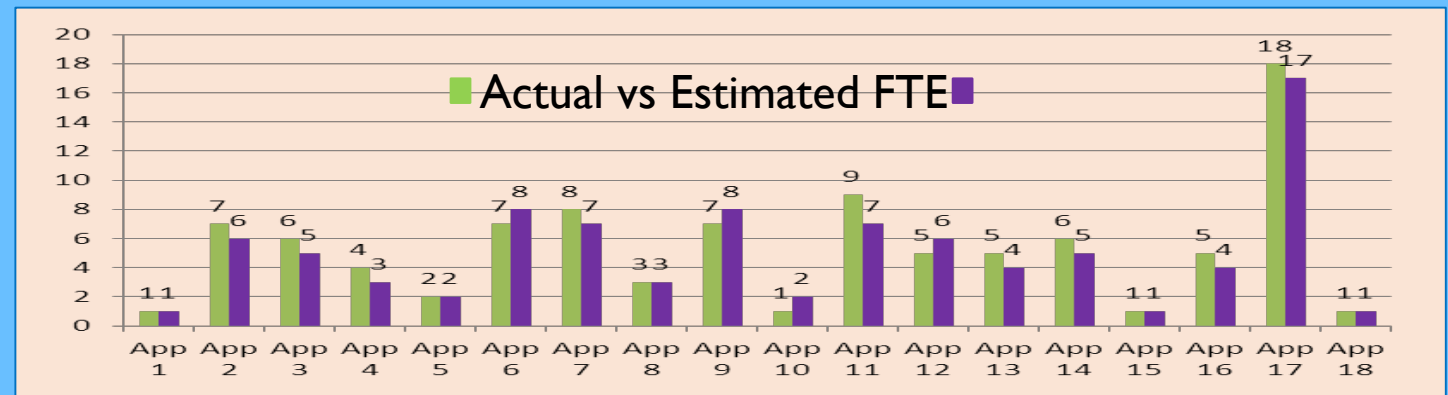
- **Challenges to load manpower** due to incidents volume fluctuations
- **Poor manpower utilization** meant increase in support cost

TCS Solution Approach

- Analyzed app history
- Investigated support traits such as SLA etc.
- Applied MS support Model for multiple applications to determine optimum FTEs required

Results & Benefits

- **Transparency of unutilized effort** for better planning & cost reduction
- **Greatly improved overall accuracy of 6%** in FTE counts
- **Productivity based approach** helped continuous improvement
- **Support cost fluctuations minimized**
- **Improved Operations** – Minimized MTTR, >98% SLA hit, no aged backlogs



SO AGAIN.. IN A NUTSHELL, WHAT'S IN IT FOR YOU?



THIS IS NOT THE END OF THE STORY

- Continuous refinement based on operational performance
- Trend analysis and incorporation to be a step ahead of the industry
- Domain led data analytics and its impact on estimation
- Enhancing the model to cater to other aspects of Managed Services

Do

you

have

any

Questions ?



Thank you!

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