

Hunt Petroleum Corporation Proves Its IT

Business Alignment Using Change Management

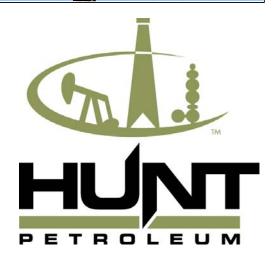
From Net Watch Solutions Inc.



Hunt Petroleum is a privately-held, conservative oil and gas company that conducts exploration and operations in the domestic U.S., primarily onshore and offshore in Louisiana, Texas and the gulf coast. The company grows at a substantial rate of 5-8% annually by maintaining active exploration, development and acquisition programs governed by a rigorous portfolio management approach. The company is committed to reinvesting its E&P cash flow back into oil and gas investments and to selective hedging to preserve asset value.



"Change is the adversary of a stable environment – but we need to be excellent at delivering both." CIO, Hunt Petroleum



Chief Information Officer Kevin Leaverton joined Hunt Petroleum Corporation in 2004. As with any new senior manager, Mr. Leaverton was interested in delivering some immediate, but lasting successes that the business could recognize.

Hunt Petroleum Information Services, like many IT organizations, was doing an excellent job at maintaining the status quo – but wanted to increase its overall process maturity. There was a need for procedural discipline around IT asset management and how changes to the infrastructure occurred. As a group, IS staff was not always aware of the effect of changes to the entire infrastructure portfolio.

There were many opportunities – no agreed procedure for purchasing IT assets, no Help Desk system, no method to control and track changes, and no event monitoring capability.

#### The Need

While short-term opportunities existed, the real need was to build a lasting framework from which the IS team could demonstrate and improve service to the business. The endgoal was a method to be recognized by the business for the quality and level of service provided by information services.

In today's globally competitive IT environment, doing an adequate job is not good enough. IT business leaders must continually strive to show how they are valued partners with the business.

## **Doing it Right**

To create and demonstrate lasting value, foundational changes often need to be made. Hunt Petroleum embraced the framework of the IT Infrastructure Library (ITIL) and first made a commitment to a Service Management view toward its customers.

Companies often make the mistake of buying an enterprise software product as a cure-all. Generally, there are many tactical and procedural steps that should be taken first to deliver the ultimate success that you need.

"We looked at the enterprise products in this space – Computer Associates UniCenter®, BMC Remedy®, and Peregrine Service Center® but realized there was a lot of risk in making such a large software investment too soon", says Leaverton.

An approach to obtain a product alone most often leads to failure. Gartner reports that over 70% of the attempts with asset, change and service management solutions result in failure.



# The Solution

First, Hunt Petroleum identified where to put in tactical solutions, and where to build in foundational change.

For event monitoring, the IS team selected a 3<sup>rd</sup> party service provider – NetSurant that uses UniCenter®. This approach provides alerting and 24 x 7 response for the entire WAN, LAN and VOIP infrastructure. For the service desk component, Hunt Petroleum chose Intuit TrackIT! as a low-cost method to get started quickly. With both of these decisions, Hunt Petroleum was able to inexpensively solve its IS business needs without making a long-term commitment.

Change Management, however, was recognized as an area for its longer-term opportunities.

Next, Net Watch Solutions Inc. was engaged to develop an ITIL-based change management process within the IS organization. If you stand-back and recognize it, change is a foundational element for how IT organizations deliver value.

The process includes critical components like policies, definitions, weekly change meetings – but more importantly, the soft-skills to be sure the IS team embraces the new way of doing business.

It's one thing for everyone to say they want change management. But in reality, there is a lot of emotion around holding people accountable.

"Net Watch Solutions devised a mechanism for us to rate our changes", adds Leaverton. Key change metrics include – being onschedule, delivering the desired results, providing proper notification, completing the appropriate documentation and whether the change caused any adverse consequence.



Kevin Leaverton, CIO Hunt Petroleum Corporation

## The Repository

Success with ITIL relies on a configuration management database (CMDB) – a repository from which to deliver various metrics that demonstrate service success. These would include change effectiveness, uptime statistics, and Total Cost of Ownership (TCO) calculations.

Hunt Petroleum chose the System Asset Management System<sup>TM</sup> - a.k.a. Samantha<sup>TM</sup> from Net Watch Solutions Inc. as its repository for Business Service Management.

Samantha<sup>TM</sup> integrates infrastructure assets and change management, along with reporting capabilities. Not only does it cover ITIL areas of configuration, incident, problem, and change management, Samantha<sup>TM</sup> also provides some innovative capabilities that help demonstrate business alignment.

#### **Benefits**

With Samantha<sup>TM</sup> and their new Change Management process, Hunt Petroleum can now demonstrate how they are 99.50% effective with changes – and this includes vendors too. They have the metrics to identify who or which vendor is taking a "Rambo" approach to changes, and see the consequences when procedures are not followed.



Downtime mostly occurs related to a change, and now Hunt Petroleum can track changes on a per-item basis, in relation to the affected assets, or in conjunction with a service. For every infrastructure component there is a management view of Proposed, Scheduled, Past, Urgent and Completed changes. Even company-wide Windows and Office updates are taken through the process to show their overall effectiveness.

## **Demonstrating Business Alignment**

More importantly, statistics from the change process yields many opportunities to demonstrate value and show overall business alignment.

For instance, the various changes in information services should be done to meet specific business priorities. The trick is to relate these changes to the strategies that meet customer needs.

For instance, all of the changes to patch Windows operating systems meet a strategy to "Provide a Secure Computing Environment". Changes to update geophysical interpretation tools, for example, could meet a strategy to provide leading-edge products to aid exploration activities.

Client reporting that indicates the quantity and effectiveness of change sets-up a perfect opportunity to have novel, proactive discussions with customers and senior management.

Metrics from the change management process can show how well information services are meeting the needs of the business.

Keys to success are starting small, but keeping a long-term goal in mind. Also, you will need a configuration and services repository along the way. Remember too, assistance from a value-oriented partner is often a good way to ensure your success.





# "We make IT simple."