Legg Mason leverages technology management automation

New approach makes managing 140 applications and five key processes easier, more efficient

LEGG MASON

"When we evaluated our IT application and change management options, HP software was the only solution that met all of our critical needs. Now we have a central repository of up-to-date, validated data and a number of management tools that let us work more productively."
—Chris Briley, Assistant Vice President, Project Management Office, Legg Mason Technology Services

HP customer case study:

Legg Mason has transformed its technology management by automating its application mapping, change impact analysis, and project management activities

Industry: Financial services

Objective:

Quickly improve IT management tools to better manage much larger, more complex, and more distributed applications and infrastructure environment

Approach:

Implement HP software tools to automate the mapping of Legg Mason's IT environment, and the management of activities associated with maintaining and administrating application changes to that environment

IT improvements:

- Automated change tracking of 140 applications across several hundred production servers
- Automated impact analysis to easily identify high risk changes
- Potential change collisions flagged automatically
- Doubled the number of changes processed with only a minimal increase in staff
- While change volume increased dramatically, change success rate improved to 95.8 percent
- Upgraded to single view of IT environment and change impact calendar

Business benefits:

- Better positioned to respond to business requests for new projects and status of IT and application data
- Complete view into IT demand and resource availability
- Captured better information which leads to better decision making
- Reduced risk that change will impair IT and business operations
- Improved ability to support future acquisition activity
- Improved disaster recovery capabilities

In 2005, Legg Mason struck a deal with Citibank that dramatically changed its corporate business model. Under the terms of the $3.7 billion agreement, Legg Mason divested its brokerage business while simultaneously acquiring Citibank's asset management unit. Virtually overnight, Legg Mason became one of the largest asset management companies in the world. The assets under its management more than doubled.

For Legg Mason's IT staff, the transaction meant the company's application environment became much more complex and distributed. Before the transaction, most of Legg Mason's staff supported a standard platform of brokerage applications; a small portion of the staff supported a limited number of asset management applications. After the transaction, there was turnover in the technology department and the number of platforms increased to 12. The new business was also international, which meant the infrastructure now supported global operations, instead of just the United States.

"Until the Citibank deal, we relied on a system of spreadsheets to keep track of IT and business service relationships," says Chris Briley, Assistant Vice President, Project Management Office, Legg Mason Technology Services. "It was clear we needed a better process for managing our IT environment, including not only our assets but also how they are impacted by the activities of IT staff and administrators."

To do this, Briley adds, Legg Mason turned to HP.

From manual to automated
Before they could implement a new technology management model, Legg Mason's organization had another priority: Providing immediate logistical support to the Citibank deal. The company spent 18 months incorporating new servers and applications into its environment, while simultaneously transitioning others out.

It's a testament to the organization's professionalism and dedication that they completed this transition months ahead of schedule, without the benefit of automated management tools. But once it was done, they wasted no time implementing the HP software solutions that would enable more efficient and sophisticated technology management.

"We recognized that, given the complexity of our new environment, our old approach was no longer adequate," says Briley. He noted that the company wanted to improve the throughput of changes and maintain or increase the quality of changes, despite the dramatic changes to its infrastructure. This is something that would require automation.

Legg Mason also knew it should transition to its new management protocol as quickly as possible. So after

evaluating its options and selecting HP software, it engaged HP Software consultants to help. "We knew it would go more quickly if we had help with the implementation," says Briley, adding that with HP's assistance, Legg Mason completed the implementation on schedule and on budget.

Mapping the environment, tracking changes
The team's first order of business was to generate an accurate and up-to-date map of Legg Mason's new technical environment. They did this by leveraging HP Discovery and Dependency Mapping software. Legg Mason began by using the tool's host-level discovery capability to identify all of the applications running across the environment. Then they mapped all applications to the underlying infrastructure.

The data collected now populates an HP Universal Configuration Management Database (UCMDB). The UCMDB functions as a map of Legg Mason's operational environment and forms a foundation for the ongoing management of the company's infrastructure and the interdependencies of its infrastructure components.

As a result of this effort, Legg Mason can quickly and easily see which applications are installed. They can also view associated attributes, such as the technical owners, business units supported, vendor contact information and failover information.

Legg Mason's next priority was to workflow enable its application change request processes. The goal, Briley explains, was to adopt a formal, prescriptive approach to managing change requests. Legg Mason also wanted to leverage automation to ensure application changes were always properly authorized and vetted.

The company accomplished this by implementing two additional integrated HP software solutions, HP Project and Portfolio Management (PPM) Center software and HP Release Control software (previously called HP Change Control Management), and using them to further leverage the UCMDB. Application change requests are captured by and tracked in PPM, which also automates the application change through multiple stages of approval and validation. The requests have integration into the UCMDB. This enables Legg Mason to define what configuration items are going to be changed and to automatically identify what other pieces of the infrastructure will be affected by each proposed change.

Altogether, the solution gives Legg Mason the ability to make more informed approval decisions for change requests, assess their impact, and identify potential change collisions before deployment. Legg Mason's change requests affect some 140 business applications across several hundred production servers.

Much of these processes are automated, ensuring consistency, efficiency, and reducing the risk of human error.

"Before the deal, we could convene a meeting with a handful of people and we'd have enough information right in the room to understand our entire environment," says Briley. "Today, HP software has taken over the tasks of tracking and analyzing our environment, enabling us to maintain the same quality of information without adding substantial staff. When requests come in, we know whose queue they're in, what staffing levels we need, and whether they're successful. Conflicts are flagged before they can impact IT availability or functionality. It's a more efficient way to manage IT within IT."

Measurable payback
The company sees measurable payback on its new management foundation, Briley says. Significant productivity has been gained through the elimination of bottlenecks, such as when all change requests had to be funneled through a single person for processing. Because HP software automates critical administrative tasks, like identifying potential change collisions, fewer changes require manual intervention.

The software also now provides a single, common view of the technology environment, change calendar, and risk and impact assessment of changes. This enables better collaboration among various teams responsible for Legg Mason's technology.

"Before our deal with Citibank, we averaged 70-80 changes per week," says Briley. "Today we average around 150 per week. It would have been difficult for us to absorb this level of activity without our HP software. But with the software in place, we're able to manage a significant increase in change requests, with a minimal increase in staff.

"I can't imagine going back to our old, manual system," Briley adds.

The team's change success rate, which was already high, improved slightly to 95.8 percent.

Legg Mason intends to use the software's capability to analyze and categorize changes to make its change management even more efficient by further modifying its procedures for low-risk activities. Based on a pilot, Briley believes the approval process for low-risk changes can be trimmed from 11 days to four.

Even without additional refinements, the company's IT department processes are easier to monitor,

he says. "We can quickly determine the status of changes, where they are in the workflow, and what our success rate is. It's a more efficient way to manage this aspect of the IT organization."

Meeting future challenges
Another benefit of the software is that Legg Mason is better positioned to accommodate business changes quickly and smoothly. If the company chooses to grow through acquisition, having an automated management platform would enable Legg Mason to integrate new business operations more quickly. "After we signed the deal with Citibank, it took many people many months to manually document the infrastructure that had to be retired, rehosted or replaced," Briley says. "Today, we'd be able to complete the same task in a fraction of the time."

In the event of a disaster, Briley adds, "We'd also be able to recover more quickly. We have a better understanding of what is running in our environment, and we know the data is up-to-date and valid."

Building on a management foundation
Legg Mason plans to continue to evolve its technology management services as well. It will implement HP PPM Project Management and Resource Management software, for example, which will make it easier to track and report on the status of projects.

"These are the kind of tools IT departments need to ensure they will deliver projects on time and on budget," Briley says. "We'll have greater visibility into where we've committed resources."

The tool will also enable the Legg Mason to communicate more effectively about the services it delivers to the corporation's various business units. "When a business doesn't fully understand the costs of requests, it tends to over-consume," Briley explains. "Today, we're able to respond to our users with more details and precise information, which helps them make better decisions.

"HP offers a set of solutions that are modular yet integrated, and which offered the functionality we need to manage our applications environment," Briley concludes. "These solutions have enabled us to be more productive and responsive, making it easier to deliver the level of IT service our business users require."

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