# APPLICATION MANAGEMENT FUNCTION

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**Comment [BV1]:** All fields in this document marked by square brackets [ ] must be filled in.

**Comment [BV2]:** The document coding system should be in line with the organization’s existing system for document coding; in case such a system is not in place, this line may be deleted.
Change history

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<th>Date</th>
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<tr>
<td>xx/xx/2013</td>
<td>0.1</td>
<td>Branimir Valentic</td>
<td>Basic document template</td>
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1. Purpose, scope and users

The aim of this document is to define the purpose, scope, principles and activities of the Application Management function.

This document is applied to the entire IT Service Management (ITSM) organization.

Users of this document are all employees of [organization name], as well as all external parties who have a role in ITSM.

2. Reference documents

- IT Operations Management Function
- Technical Management Function
- Strategy Management for IT Services Process
- Design Coordination Process
- Transition Planning and Support Process
- Supplier Management Process
- Incident Management Process
- Problem Management Process
- Change Management Process
- Financial Management Process
- Continual Service Improvements Process

3. Policy

Application Management is a function which manage applications throughout their lifecycles.

Application Management has the following roles:

- Actively contribute to the decision whether to buy or make an application
- Custodians of technical knowledge and expertise related to application management
- Resource provider required to support IT service lifecycle
- Guidance to IT operations about how to efficiently carry out ongoing activities in managing applications

3.1 Documentation

[role description] is responsible for ensuring that the following documents exist and are maintained:

- Application Portfolio — [list of all applications which are used by [organization name]; see Applications Portfolio in Appendix. The Application Portfolio is managed [by [individual's name] and [Design Coordination Manager]].

Comment [BV3]: Change if needed. This is common practice.

Comment [BV4]: Usually Application Manager.
4. Application Management organization and activities

4.1. Application Management organization

[organization name] uses the following Application Management organizational structure:

a) (organizational unit name) as a stand-alone organizational unit.
   b) (organizational unit name) inside (organizational unit name).

b) Shared resources

Application resources are taken from the following departments:

<table>
<thead>
<tr>
<th>Area of expertise</th>
<th>(organizational unit name)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERP</td>
<td>(organizational unit name)</td>
</tr>
</tbody>
</table>

4.2. Application Management activities

Application Management is actively involved in the following activities:

4.2.1. Knowledge and training

- Identification of knowledge needed to manage and operate applications in the delivery of IT services
- Documenting existing skills as well as definition of needed skills
- Developing training programs with the goal of improving existing skills
- Maintaining training records for all technical resources
- Identifying external training organizations
  - Service Desk and other groups of interest

4.2.2. Skills and resources

- Recruiting resources with needed skills
- Procuring resources with needed skills
- Managing suppliers

4.2.3. IT services lifecycle

- Definition of standards that will be used in design of new services
- Participation in design, development, and delivery of new services
- Specification of operational activities to manage services during operational phase

Comment [BV5]: Enter application group names, e.g. ERP, Collaboration, Communication, etc.

Comment [BV6]: If Application Management exists in the form of a stand-alone organizational unit – it is to be

Application Management is a functional unit – fill in the table.

Comment [BV7]: This is an example. Insert data according to your organization.

Comment [BV8]: Change, i.e. delete or add activities according to your organization. These are common activities of Application Management.

Comment [BV9]: Delete this if application management organization can deliver all trainings by itself.
Participation in projects

Actively perform risk management activities
Taking an active role in other processes:
  - Design and management of event management tools and standards
  - Participation in incident resolution processes and activities
  - Support during change management activities
  - Identification of improvement possibilities
  - Taking part in both development of releases and release policies, as well as taking part in release and deployment management processes.

5. Roles and responsibilities

5.1. Application Manager

[role description] assigns the Application Manager role.

Responsibilities of Application Manager:

- Overall responsibility for carrying out activities within the scope of Application Management
- Coordinates with other Service Management roles
- Availability for meeting and managing information
- Identifies, reviews, prioritizes and implements improvements, alone or together with Continual Service Improvement (CSI) Manager
- Ensures lack of skill and ensures appropriate training
- Reports to senior management
- Performs management and leadership duties inside organizational unit

5.2. Application analyst/architect

[role description] assigns the Application analyst/architect role.

Responsibilities of Application analyst:

- Recognizes users’ and other technical staff needs
- Ensures consistent performance of the application to satisfy agreed service levels
- Conducts cost-benefit analysis
- Works together with technical management and other technical units to define highest level of system requirements needed to satisfy agreed service requirements
- Develops operational model that will ensure optimal usage of resources (technological and non-technological)
- Develops acceptance test criteria
6. Measurement and metrics

6.1. Measurement

[role description] is responsible to [produce reports].

6.2. Metrics

[role description] is responsible to:

- define reports with other process owner (e.g. Incident Manager for incident-related measurements)
- produce reports

Reports are sent to the Service Level Manager by [role description].

The reports must be produced every consecutive month and the analysis and measures for improvement defined by [role description]. Metrics to be reported:

- Measurement of agreed output:
  - Number and percentage of incidents in comparison to transactions performed
  - Availability of the applications, particularly for business critical transactions

- Process metrics:
  - Number and statistics of resolved incidents
  - Number and statistics of resolved problems
  - Number of security issues
  - Number of implemented changes
  - Number of backed-out changes
  - Number of

- Application performance:
  - Utilization reports
  - Performance reports (e.g. response time)
  - Availability reports

- Measurement of maintenance activity:
  - Number of scheduled maintenance activities
  - Number of unscheduled maintenance activities

6.3. Critical Success Factors (CSF) and Key Performance Indicators (KPI)

[role description] is responsible to define CSFs and respective KPIs. Achievements against KPIs are monitored and evaluated by [role description].

<table>
<thead>
<tr>
<th>Critical Success Factor</th>
<th>Key Performance Indicator</th>
</tr>
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<tbody>
<tr>
<td>[Application Management Function] is satisfactory.</td>
<td>Number of requirements for external support</td>
</tr>
<tr>
<td></td>
<td>Number of unsuccessful changes where</td>
</tr>
</tbody>
</table>

Comment [BV11]: Usually Technical Manager.

Comment [BV12]: Or similar role. Change if needed.

Comment [BV13]: Example: Technical Manager, Continual Service Improvement Manager.

Comment [BV14]:

Comment [BV15]: Example of CSFs and KPIs. Each organization must develop its own CSFs and KPIs depending on organization maturity and environmental circumstances. Achievements against KPIs must be monitored and used in other processes and as a basis for improvement.
7. Managing records kept on the basis of this document

<table>
<thead>
<tr>
<th>Record name</th>
<th>Storage location</th>
<th>Person responsible for storage</th>
<th>Controls for record protection</th>
<th>Retention time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reports</td>
<td>[tool name]</td>
<td>[job title]</td>
<td>Application Manager</td>
<td>Reports are kept for [...].</td>
</tr>
</tbody>
</table>

8. Validity and document management

This document is valid as of [date].

Owner of this document is [job title], who must [check and, if necessary, update the document at least once a year].

9. Appendices

Appendix 1 Applications Portfolio

[job title]

[name]

[signature]

Comment [BV16]: Overall responsibility. Usually Application Manager.

Comment [BV17]: Change if needed.

Comment [BV18]: Example: for current year (YTD) – in [tool name], otherwise archived in [tool name or place of archive].

Comment [BV19]: This is only a recommendation, adjust frequency as appropriate.

Comment [BV20]: Only necessary if the Procedure for Document Control prescribes that paper documents must be signed.