ITSM as a Practice

Topics Discussed

The Practice of IT Service Management
Good Practice
Service
Service Management
Process Model
Practice Summary
IT Service Management

- IT Service Management (ITSM) is the coordinated design, implementation and operation of several widely accepted frameworks, methods and standards as part of an enterprise IT continuous service improvement program.
- Organizational capabilities
  - Functions
  - Processes
- Specializations for managing services over their lifecycle
  - Strategy
  - Design
  - Transition
  - Operation
  - Improvement
<table>
<thead>
<tr>
<th>Critical Success Factors</th>
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</thead>
<tbody>
<tr>
<td>• Strong executive leadership</td>
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<tr>
<td>• Maturity assessment of existing IT environment</td>
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<tr>
<td>• Well-defined adoption &amp; continuous service improvement plan</td>
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<tr>
<td>• Clearly defined roles &amp; responsibilities</td>
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<tr>
<td>• Clear purpose, goals &amp; objectives</td>
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<td>• Key performance indicators &amp; metrics</td>
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ITIL History

- Best practice framework for managing IT Services
- Originated in United Kingdom – late 80’s, early 90’s
- Owned by the Cabinet Office of the UK Government
- Built upon 5 books documenting IT Service Lifecycle
  - Service Strategy
  - Service Design
  - Service Transition
  - Service Operation
  - Continual Service Improvement
- Continually refreshed & updated
  - v1 to v2 – 2001 – 40 books to 7 books
  - v2 to v3 – 2007 – 7 books to 5 books
  - Updated July, 2011
**ITIL Description**

- Descriptive “framework” for IT service management lifecycle
  - Describes the “what” not the “how” for IT service strategy, design, transition, operation & improvement
- ITIL “framework” includes:
  - Strategic, tactical & operational processes & their interrelationships
  - Organizational requirements in terms of roles & responsibilities
  - Technology guidance
- End result for IT and business is:
  - Establishment of “culture of service”
  - Structured approach for launching and maintaining IT services
  - Proactive management plan for assessing operational health
  - Predictability & accountability for all IT services
  - Communication path between IT and business
Need-to-Know ITSM Concepts

- Good practice
- Service
- IT Service Management
- Functions – Processes – Roles
- Generic process & its characteristics
- Service Owner & Process Owner
Good Practice

• Effective at delivering a specific outcome
  – Fewer problems
  – Fewer unforeseen complications

• Considered
  – Most efficient
  – Most effective
  – Repeatable
  – Proven over time

• Frameworks & Standards
  – Proprietary
  – Public

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Customers

- Internal Customer
  - Funding
    - Funded internally
  - Links to strategy
    - Shared objectives & strategy
  - Accounting
    - CoS is driver
    - Balance cost & quality
  - Design
    - Involved with design
  - Transition & Operation
    - Involved in test & deployment
  - Drivers
    - Impact on business
    - Optimized balance
      - Cost vs. Quality

- External Customer
  - Funding
    - Paid directly by customer
  - Links to strategy
    - Meet customer expectations
  - Accounting
    - Cost not shared with customer
    - Service is primary driver
  - Design
    - Customers may provide feedback
  - Transition & Operation
    - Documented in contract
  - Drivers
    - Customer retention
    - Profitability
Service

• A Service
  – Facilitates desired outcomes
  – Enhances performance of tasks
  – Reduces effects of constraints
  – Increases the probability of achieving the desired outcomes

• Service Types
  – Supporting
  – Internal facing
  – External facing
<table>
<thead>
<tr>
<th>Service Value</th>
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<tbody>
<tr>
<td><strong>Service Value</strong> = Utility + Warranty</td>
</tr>
<tr>
<td><strong>Utility</strong></td>
</tr>
<tr>
<td>– Fit for purpose</td>
</tr>
<tr>
<td>– Increases performance average</td>
</tr>
<tr>
<td><strong>Warranty</strong></td>
</tr>
<tr>
<td>– Fit for use</td>
</tr>
<tr>
<td>– Reduces performance variation</td>
</tr>
<tr>
<td><strong>def. Function</strong></td>
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<tr>
<td>------------------</td>
</tr>
<tr>
<td><strong>def. Process</strong></td>
</tr>
<tr>
<td><strong>def. Role</strong></td>
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Process Characteristics

- **Specific results** *(why we do it)*
  - Process exists to produce desired outcome
- **Customers** *(whom we do it for)*
  - Desired outcome delivered to customer
- **Measurable** *(how we ensure it’s right)*
  - Performance-driven to achieve desired outcome
- **Event specific** *(what kicks it off)*
  - Something specific triggers the process
## Service Owner & Process Owner

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibilities</th>
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</table>
| **Service Owner**  | - Accountable for a specific service  
                       - Works across technical & process silos  
                       - Responsibilities Include  
                       - "Owns" a specific service  
                       - In-Depth Understanding of the Service's Components  
                       - Represents the Service across the Organization |
| **Process Owner**  | - Responsible for process’ execution  
                       - Develop process Documentation & Communication  
                       - Define & Review of KPIs  
                       - Assists with Process Design |
| **Process Manager**| - Ensure process execution  
                       - Manage process resources  
                       - Monitor & report on process performance |
| **Process Practitioner** | - Carry out process activities  
                          - Ensure accurate process inputs & outputs |
The RACI Model

- Clearly Defines Four Main Roles
  - Responsible
  - Accountable
  - Consulted
  - Informed

- Expanded Version Includes
  - Verifies
  - Signs Off

RACI Model Example

<table>
<thead>
<tr>
<th>Activity</th>
<th>R 1</th>
<th>R 2</th>
<th>R 3</th>
<th>R 4</th>
<th>R 5</th>
<th>R 6</th>
<th>R 7</th>
<th>R 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>R</td>
<td>C</td>
<td>C</td>
<td>I</td>
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ITSM as a Practice Summary

**Purpose** – IT Service Management is the coordinated design, implementation and operation of several widely accepted frameworks, methods and standards within the context of a continuous IT service improvement program.

**Concepts**
- Good practice
- Service
- IT Service Management
- Functions – Processes – Roles
- Generic process & its characteristics

**Scope**
- IT Governance (COBIT)
- IT Service Lifecycle Management (ITIL)
- IT Service Resource, Quality & Security Management (PMI or PRINCE2, Six Sigma, ISO 27002)

**Activities**
- Describes “what” not “how”
- Strategic, tactical & operational processes
- Organizational roles & responsibilities
- Technology guidance for configuration management, process workflow & task automation

**Value**
The end result for IT and business is a “culture of service” that provides a structured approach for launching and maintaining IT services, a proactive management plan for assessing operational health, predictability & accountability for all IT services, and a communication path between IT and business.
ITSM Lifecycle

Topics Discussed

- Introduction
- Overview
- Summary
The IT Service Management Lifecycle

- Service Strategy
  - Design, development & implementation
- Service Design
  - Design & development
- Service Transition
  - Development & improvement
- Service Operation
  - Delivery & support
- Service Improvement
  - Create & maintain value
Lifecycle-Oriented ITIL

- Strategy Management
- Service Portfolio Management
- Financial Management
- Demand Management
- Business Relationship Management

- Design Coordination
- Service Catalog Management
- Service Level Management
- Availability Management
- Capacity Management
- Continuity Management
- Security Management
- Supplier Management

- Strategy
- Design
- Operation
- Transition

- Event Management
- Incident Management
- Request Fulfillment
- Problem Management
- Access Management
- Service Desk
- Technical Management
- Operations Management
- Application Management

- Transition Planning & Support
- Change Management
- Service Asset & Configuration
- Release & Deployment
- Service Validation & Testing
- Evaluation
- Knowledge Management

- Improve
IT Governance & Service Lifecycle

• Governance
  – Make decisions to define expectations
  – Grant power
  – Verify performance

• Examples
  – Governmental exercise of authority or control
  – System of government or management

*IT Governance could be said to be, “A system of management used to exercise authority and control over all aspects of the IT service strategy, design, transition, operation and improvement.”*
The Service Lifecycle – Value to the Business

- **Improvement**
  - Design, transition & operate
  - Facilitate incremental & large-scale improvements in service quality, operational efficiency & business continuity

- **Operation**
  - Deliver & support effective & efficient services
  - Realize strategic objectives

- **Transition**
  - Realize Service Strategy objectives via Service Design
  - Control risks of failure & disruption

- **Design**
  - Convert strategic objectives into portfolios of services & service assets
  - Increase or maintain value to customers over lifecycle of services by designing changes & improvements

- **Strategy**
  - Ensure organizations are in position to handle costs & risks associated with their Service Portfolios
  - Set up organizations for distinctive performance

Value and the ITSM Lifecycle
### ITSM Lifecycle Summary

- **Continual Service Improvement**
  - 7-Step Improvement
- **Service Operation**
  - Event, Incident, Request Fulfillment, Problem, Access
- **Service Transition**
  - Planning & Support, Change, SACM, Release & Deployment, Service Validation, Evaluation, Knowledge
- **Service Design**
  - Design Coordination, Service Level, Service Catalog, Availability, Capacity, Continuity, Information Security, Supplier
- **Service Strategy**
  - Service Strategy, Service Portfolio, Financial, Demand, Business Relationship
ITSM Summary

Topics Discussed

ITSM Summary
Checkpoint Quiz
Checkpoint Answers
## ITSM Introduction Summary

**IT Service Management** – IT Service Management is the coordinated design, implementation and operation of several widely accepted frameworks, methods and standards as part of an enterprise IT continual service improvement program.

### ITSM Lifecycle
- Service Strategy
- Service Design
- Service Transition
- Service Operation
- Continual Service Improvement

### Service Value
- Service Value = Utility + Warranty
  - Utility – Fit for purpose
  - Warranty – Fit for use

### Concepts
- Good practice
- Service
- IT Service Management
- Functions-Processes-Roles
- Process Model
- Service Owner
- Process Owner

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Service Strategy ensures the organization can handle costs & risks associated with its Service Portfolios. Service Design converts strategic objectives into portfolios of services & service assets. Service Transition controls risks of failure & disruption. Service Operation ensures effective & efficient service delivery & support. Continual Service Improvement improves design, transition & operations.
Questions and Answers
Review Questions:

1. What makes a good practice “good?”
   A. It is the basis of ISO 20000
   B. It forces everyone to do things in the best possible way regardless of industry
   C. It has been widely adopted by industry, thus proving its usefulness
   D. It is well documented within the IT Infrastructure Library

2. Which of the following is a potential source of a good practice?
   A. The IT Infrastructure Library (ITIL)
   B. CobiT
   C. Generally accepted industry practices
   D. Academic research
   E. Training and education, on-the-job training and practical experience
   F. All of the above

3. Which of the following are characteristics of a service?
   A. Facilitates desired outcomes
   B. Enhances the performance of tasks
   C. Reduces delivery times
   D. Reduces the effects of constraints
   E. Ensures the lowest cost of delivery
   F. Delivers value to customers
   G. A, B, C & D
   H. A, B, D & F
   I. B, C, E & F

4. In what form does Service Management bring value to an organization?
   A. High availability
   B. Outsource vendor management
   C. Services
   D. Economies of scale

5. True or False: A function can only have responsibility for a single process.
   A. True
   B. False
6. Match the definitions to the terms.
   A. Function
   B. Process
   C. Role
   1. A set of connected behaviors or actions performed by a person, team
      or group in a specific context.
   2. The people and automated measures that execute a defined process,
      an activity or a combination of processes.
   3. A structured set of activities designed to accomplish a specific
      objective.
   
   A. A-2, B-3, C-1
   B. A-1, B-3, C-2
   C. A-3, B-1, C-2

7. In which part of a process does the process owner play a role?
   A. Trigger
   B. Process
   C. Enabler
   D. Control

8. What is the correct order to implement the IT Service Lifecycle?
   A. Service Strategy, Design, Transition, Operation & Continual Service
      Improvement
   B. Implementation should be based on organizational capability and need
   C. Service Support, then Service Delivery
   D. Continual Service Improvement, Operation, Transition, Design & Strategy

9. True or False: A primary driver for a Service Provider with an external customer
    is the impact its services have on the customer’s business and how well
    balanced the service is with respect to cost vs. quality.
    A. True
    B. False

10. True or False: Activities of a process can be performed by more than one
    function.
    A. True
    B. False
Answer Key:

1. C
   A good practice is widely adopted and proven most efficient & effective through practice.

2. F
   All of the answers represent potential sources of a good practice.

3. H
   A service delivers value to customers, enhances the performance of tasks, facilitates desired outcomes and reduces the effects of constraints.

4. C
   Service Management is a set of specialized organizational capabilities for providing value to customers in the form of services.

5. B
   A function can have responsibility for more than one process.

6. A
   A function is the people and automated measures that execute a defined process, activity or a combination of processes or activities. A process is a structured set of activities designed to accommodate a specific objective, and a role is a set of connected behaviors or actions performed by a person, team or group in a specific context.

7. D
   The process owner exerts control (governance) over the process.

8. B
   There is no specific order of implementation.

9. B
   A driver for a Service Provider with an external customer is the retention of that customer and the profitability of the service provided. Whereas, the Service Provider’s derivative for an internal customer is focused on the impact the service has on the business and the optimized balance of cost and quality.
10.A
   A process' activities may be performed by one or more functions.