

The key concepts of ITIL 4

Four dimensions of service
management

Syllabus



3. Understand the four dimensions of service management

3.1 Describe the four dimensions of service management

- a) Organizations and people
- b) Information and technology
- c) Partners and suppliers
- d) Value streams and processes



What you will learn



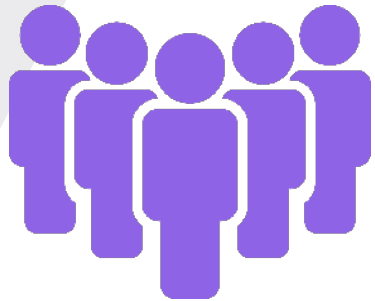
By the end of this section, you will be able to:

- Describe the **four dimensions** of service management.

A holistic approach to service management



To support a holistic approach to service management, ITIL defines four dimensions that collectively are critical to the **effective** and **efficient** facilitation of **value** for **customers** and other **stakeholders** in the form of products and services. These are:



**organizations
and people**



**information
and technology**



**partners and
suppliers**



**value streams
and processes**

ITIL Service Value System

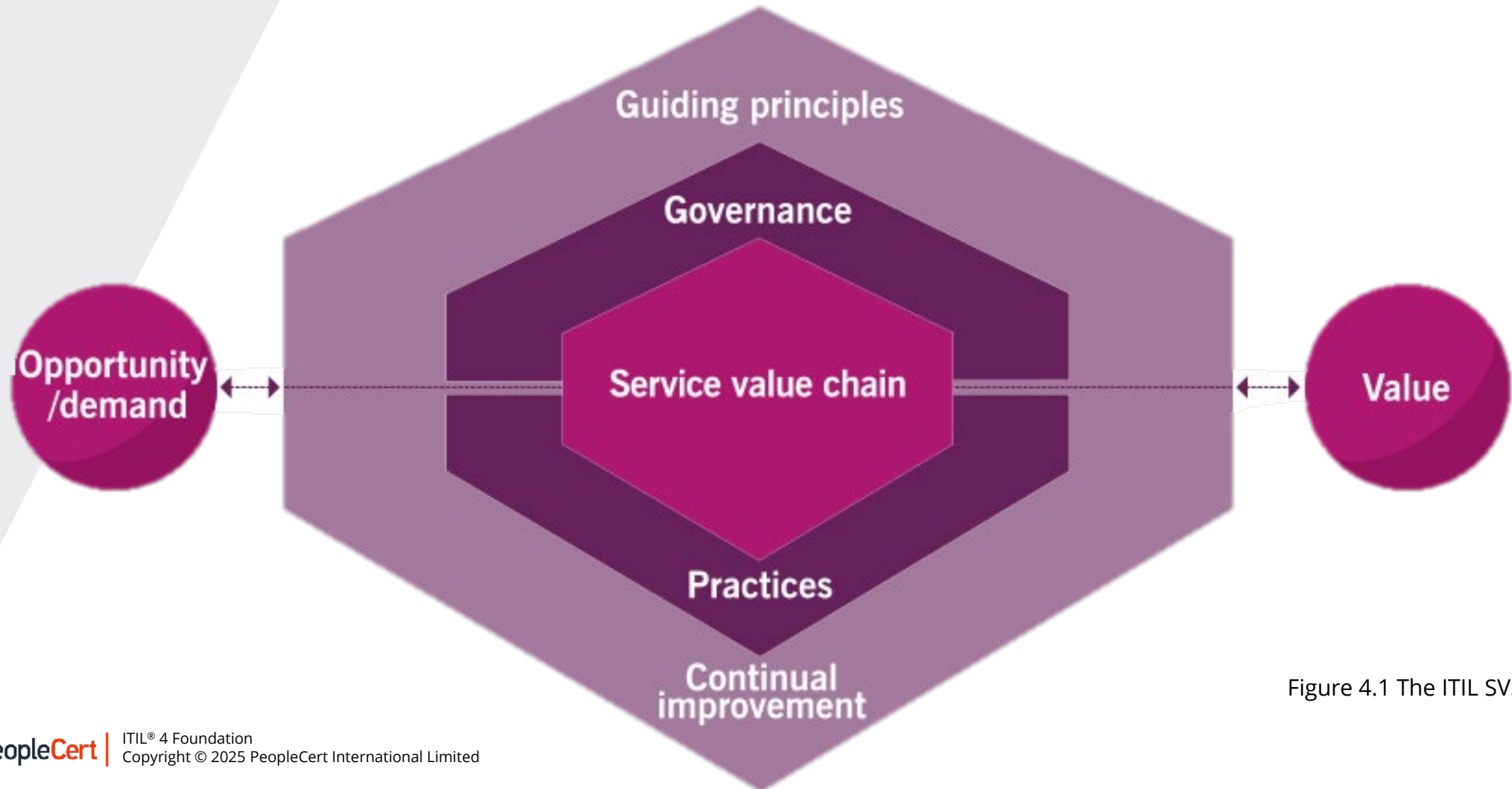
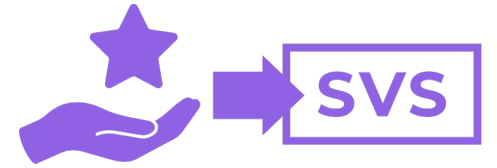
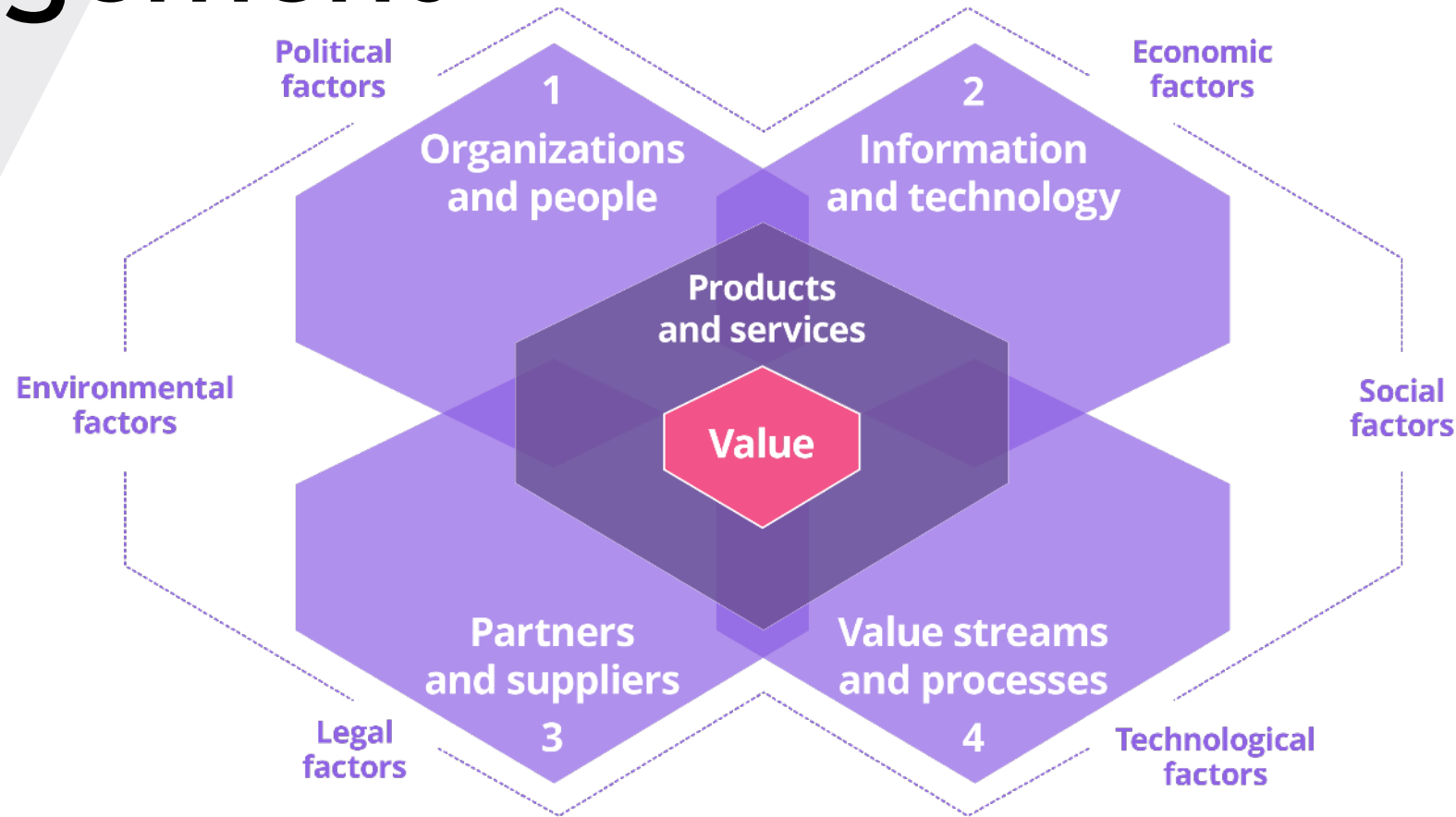


Figure 4.1 The ITIL SVS

The four dimensions of service management

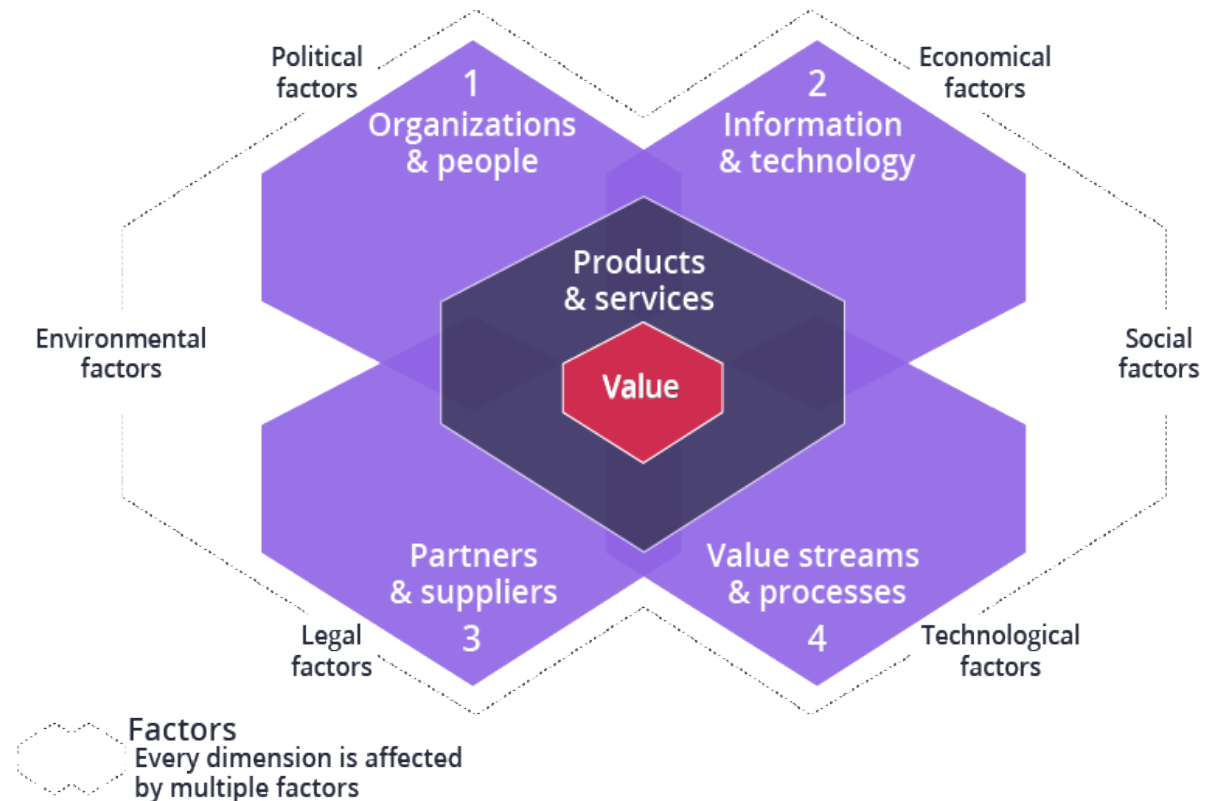


Factors
Every dimension is affected by multiple factors

Figure 3.1 The four dimensions of service management

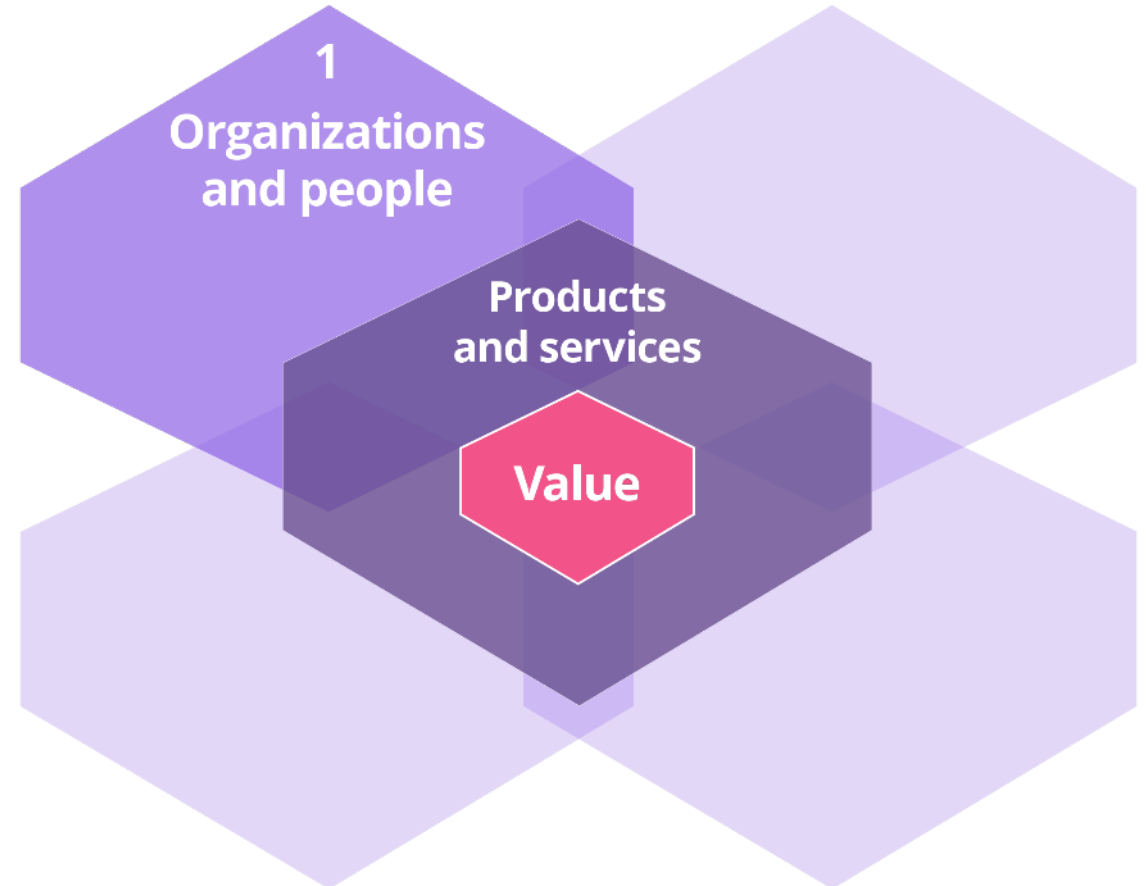
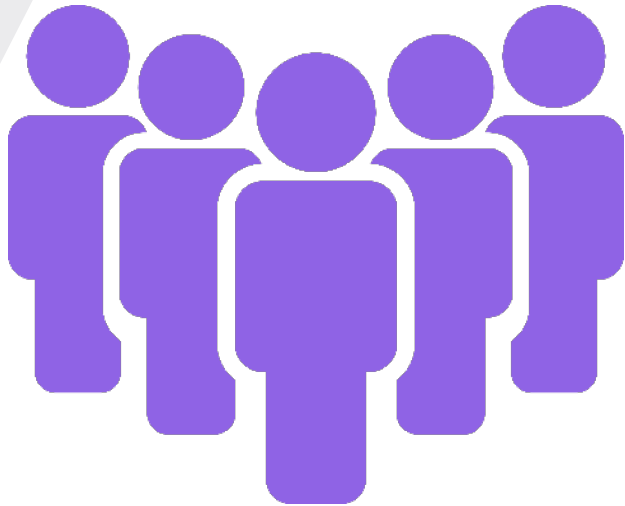
Four dimensions of Service Management

- The four dimensions **do not have sharp boundaries** and may **overlap**
- They will **sometimes interact in unpredictable ways**, depending on the level of **complexity** and **uncertainty**
- Failing to address all four dimensions properly may result in services becoming **undeliverable**, or **not meeting expectations**



Organizations and people

The **first** dimension of service management, and of all ITIL 4 practices, is **organizations** and **people**.



Adapted from Figure 3.1 The four dimensions of service management

What the dimension includes

**Formal
organizational
structures**

**Roles and
responsibilities**



Culture

**Required staffing and
competencies**

What is culture and why is it needed?

Structures and systems of authority alone are insufficient to improve organizational effectiveness; a culture is needed that supports the organization's objectives.

Culture is values shared by a group of people, including expectations of how people should behave, ideas, beliefs, and practices.



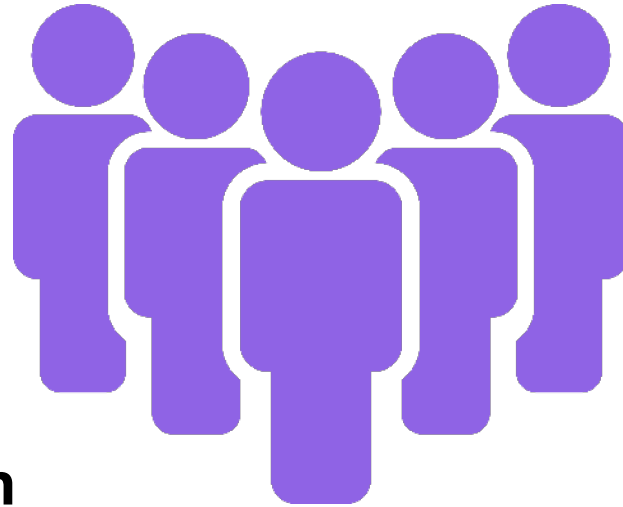
What a supportive culture requires

Shared values and attitudes

The organisation needs a **culture** that **supports** its **objectives**

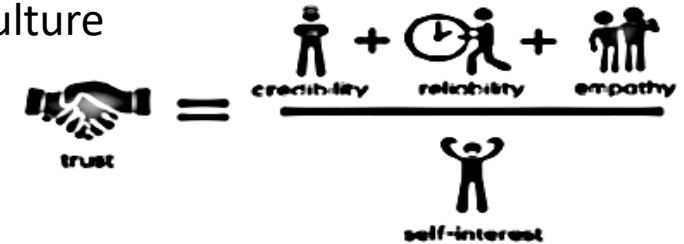
Leaders that champion and advocate values

It is vital that the **leaders** of the organisation **champion** and **advocate** **values** which **motivate** people to work in desirable way



Trust and transparency

Ultimately, it is the way in which an organisation carries out its work that creates **shared values and attitudes** which, over time, are considered its culture



Communication

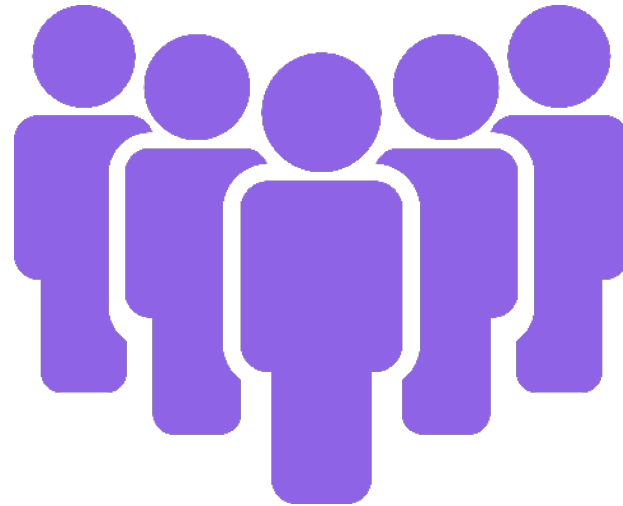
What to pay attention to

**Communication and
collaboration**

**Broad knowledge and deep
specialization**

**Updating skills and
competencies**

**Common objective: facilitating
value creation**



**Management and
leadership styles**

Breaking down silos

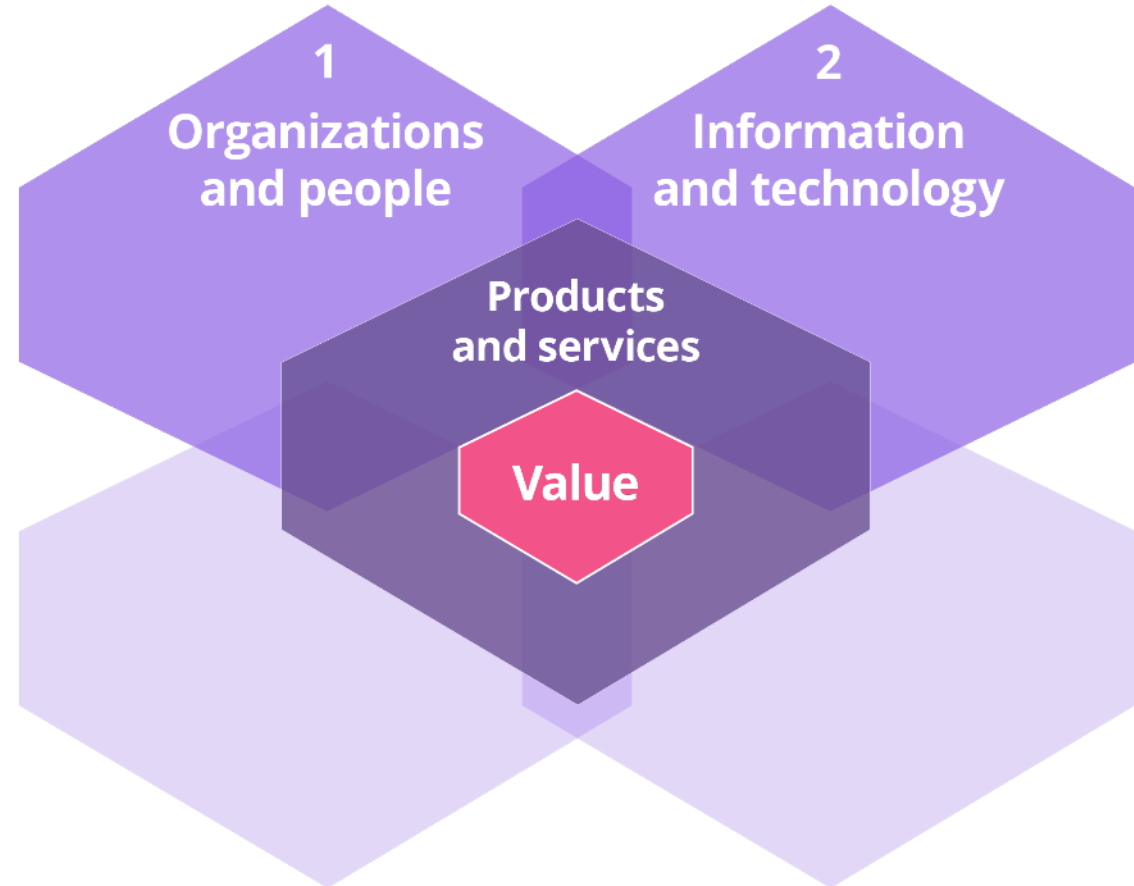
Organizational complexities



The **complexity** of **organizations** is growing. It is important to ensure that the way an organization is structured and managed, as well as its **roles, responsibilities**, and **systems** of **authority** and **communication** are well defined and support its overall **strategy** and **operating model**.

Information and technology

The **second dimension** of service management, and of all ITIL 4 practices, is **information and technology**. As with the other three dimensions, information and technology applies both to **service management** and to **services being managed**.



Adapted from Figure 3.1 The four dimensions of service management

Things to consider

- What information is managed by the services?
- What supporting information and knowledge is needed to deliver and manage the services?
- How will the information and knowledge assets be protected, managed, archived, and disposed of?



Information and Technology



- This dimension also considers how information is **exchanged** between different services and service components.
- The **information architecture** of the various services needs to be well understood and continually **optimised to support the use and exchange of information**.
- Architecture needs to take into account criteria such as **availability, reliability, accessibility, timeliness, accuracy,** and **relevance** of the information provided to users and exchanged between services.



Information and Technology



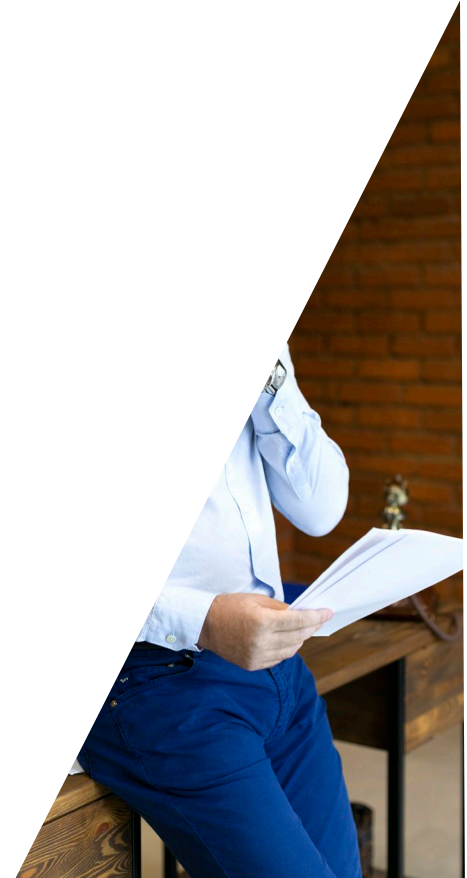
- Organisations should consider the following questions with regards to the information component:
 - What information is **managed** by the services?
 - What supporting information and knowledge are **needed to deliver and manage** the services?
 - How will the information and knowledge assets be **protected, managed, archived, and disposed of**?
- For many services, information management is the **primary means of enabling customer value**
- Information is generally the **key output** of IT services which are consumed by business customers



Information and Technology



- **Security and regulatory compliance** are a significant challenge for information management, and are also a focus of this dimension
- Legal and regulatory compliance **impose constraints** on an organisation and influence its policies and practices
- **Other industries or countries** may have regulations that impose constraints on the collection and management of data of organisations



Information and Technology



Most services are heavily dependent on IT and may use **innovative technologies** to gain competitive advantage, e.g.:

- Blockchain
- Artificial intelligence
- Cognitive computing

Other technology solutions, have become common practice, e.g.

- Cloud computing
- Mobile application

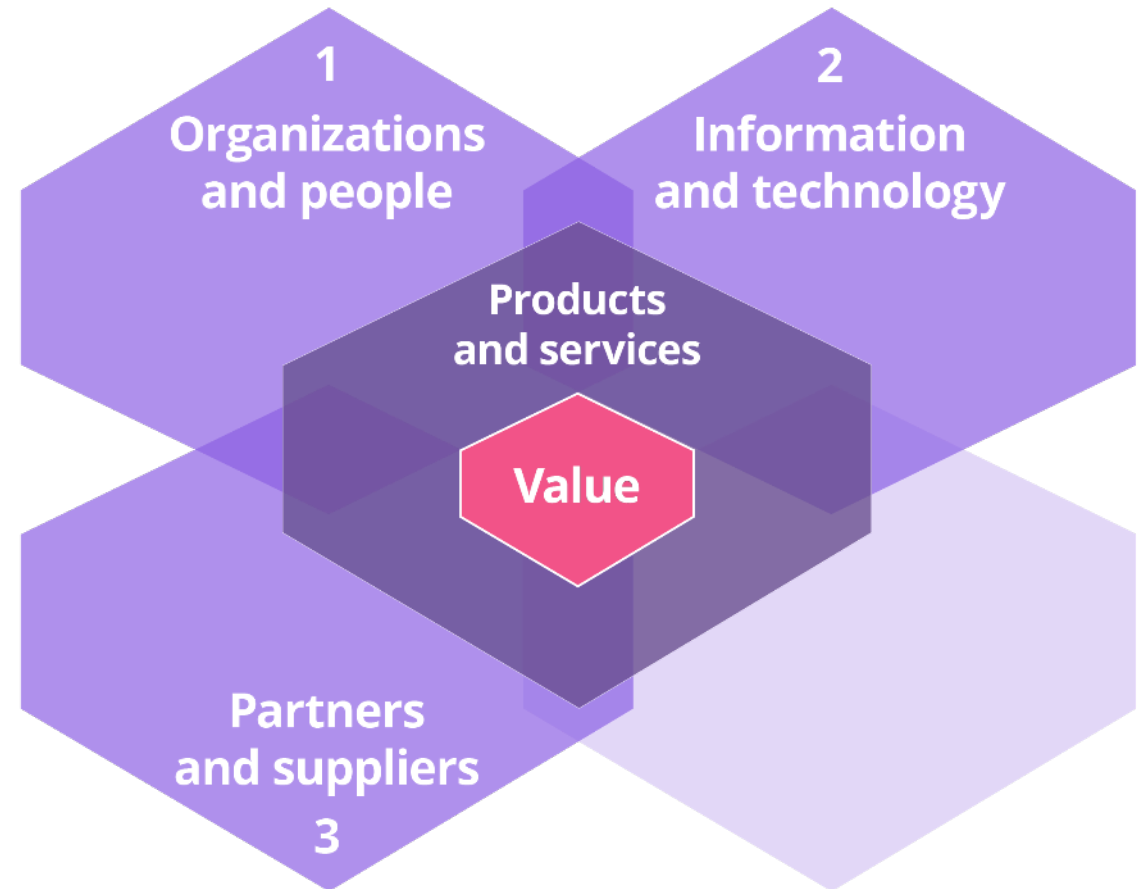
The **culture** of an organisation may have a significant impact on the technologies it chooses to use

The **nature of the business** will also affect the technology it may use



Partners and suppliers

The **third dimension** of service management, and of all ITIL 4 practices, is **partners** and **suppliers**. Every organization and every service depend to some extent on products, services, and/or service offerings provided by other organizations.



Adapted from Figure 3.1 The four dimensions of service management

Organizations and their partners and suppliers



support



development



deployment



delivery



continual improvement



Partners and suppliers

The partners and suppliers dimension encompasses an organisation's **relationships with other organisations**

These organisations could be involved in the **design, development, deployment, delivery, support**, and/or **continual improvement** of services

It also incorporates **contracts and other agreements** between the organisation and its partners or suppliers.



Forms of cooperation

Table 3.1: Relationships between organizations

Form of cooperation	Outputs	Responsibility for outputs	Responsibility for outcomes	Level of formality	Examples
Goods supply	Goods supplied	Supplier	Customer	Formal supplies, contract/invoices	Procurement of computers and phones
Service delivery	Services delivered	Provider	Customer	Formal agreements, flexible cases	Cloud computing (infrastructure of platform as a service)
Service partnership	Value co-created	Shared between provider and customer	Shared between provider and customer	Shared goals/ general agreements, flexible case-based arrangements	Employee onboarding (shared between HR, facilities, IT)

What goes into supplier strategy?



Partners and suppliers' relationships

Relationships between organisations may involve various levels of integration and formality, ranging:

- from formal contracts with clear separation of responsibilities,
- to flexible partnerships where parties share common goals and risks and collaborate to achieve desired outcomes

The forms of cooperation are not fixed but exist as a spectrum

When the organisation is acting as a service consumer, the role it takes on will depend on its strategy and objectives for sourcing and supplier management



Partners and suppliers service integration & management

One method an organisation may use to address the partners and suppliers dimension is **service integration and management (SIAM)**

This involves the use of a **specially established integrator** to ensure that service relationships are properly coordinated.

Service integration and management (SIAM) may be:

- Kept within the organisation,
- Delegated to a trusted partner



Value streams and processes

The **fourth** dimension of **service management**, and of all ITIL 4 practices, is **value streams and processes**. Like the other dimensions, this dimension is applicable to both the SVS in general and to specific **products** and **services**. In both contexts, it defines the **activities, workflows, controls, and procedures** needed to achieve agreed objectives.

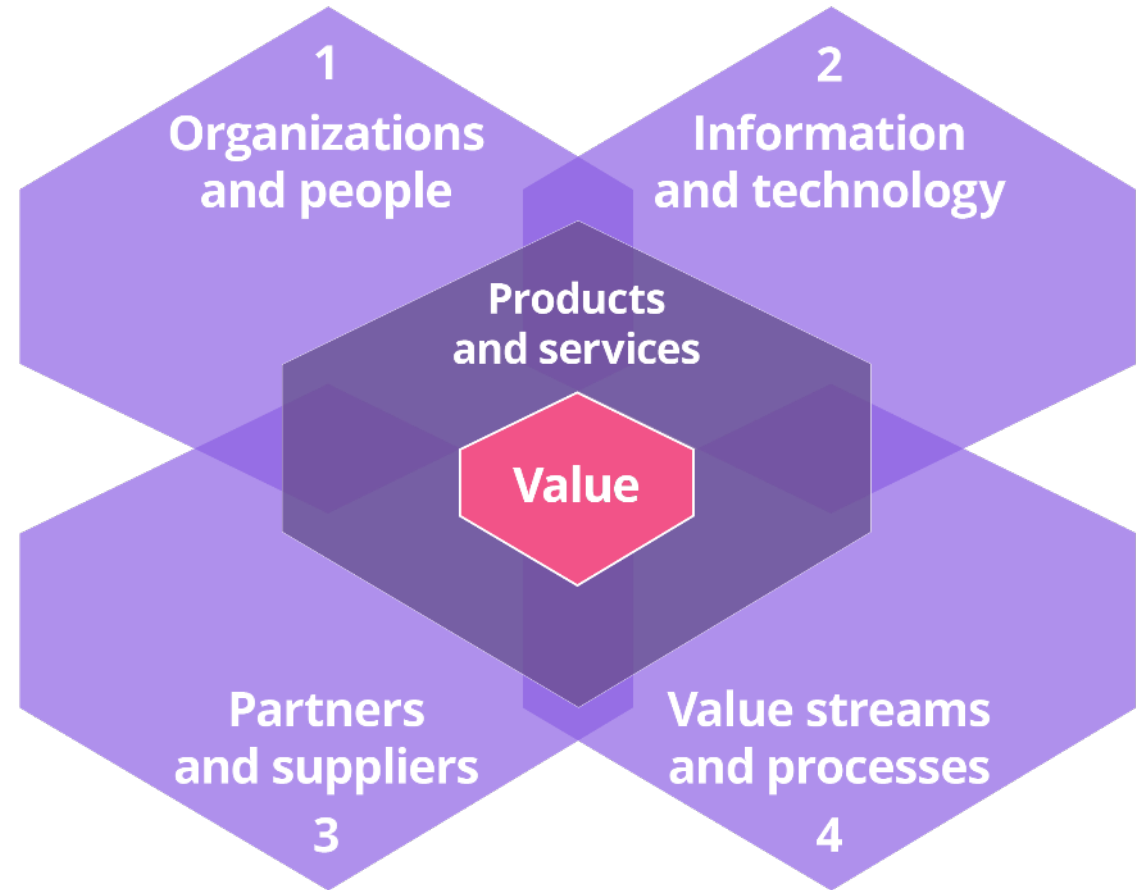


Figure 3.1 The four dimensions of service management



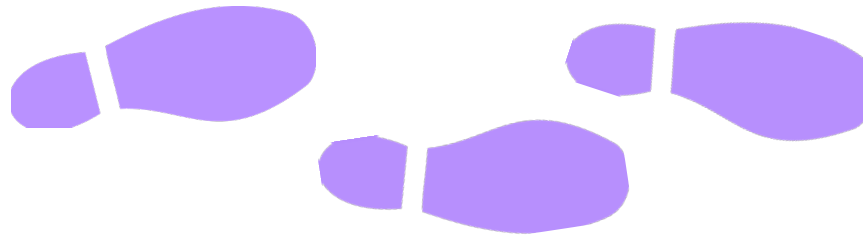
What is a value stream?



A **series of steps** that an **organization** undertakes to **create** and **deliver products** and **services** to **consumers**.



**Value-adding
activities**



**Non-value-adding
activities (waste)**



Value streams and processes

This dimension focuses on what **activities** the organisation undertakes and how they are organised for **efficient and effective value creation** for all stakeholders

Applied to the organisation and its SVS, the value streams and processes dimension is concerned with how the various parts of the organisation work in **an integrated and coordinated way** to enable value creation through products and services

The service value chain is a generic operating model and can follow different patterns of activity. These patterns are called **value streams**

Value streams and processes

When applied to products and services, this dimension helps to answer the following questions, critical to service design, delivery, and improvement:

What is the **generic delivery model** for the service, and how does the service work?

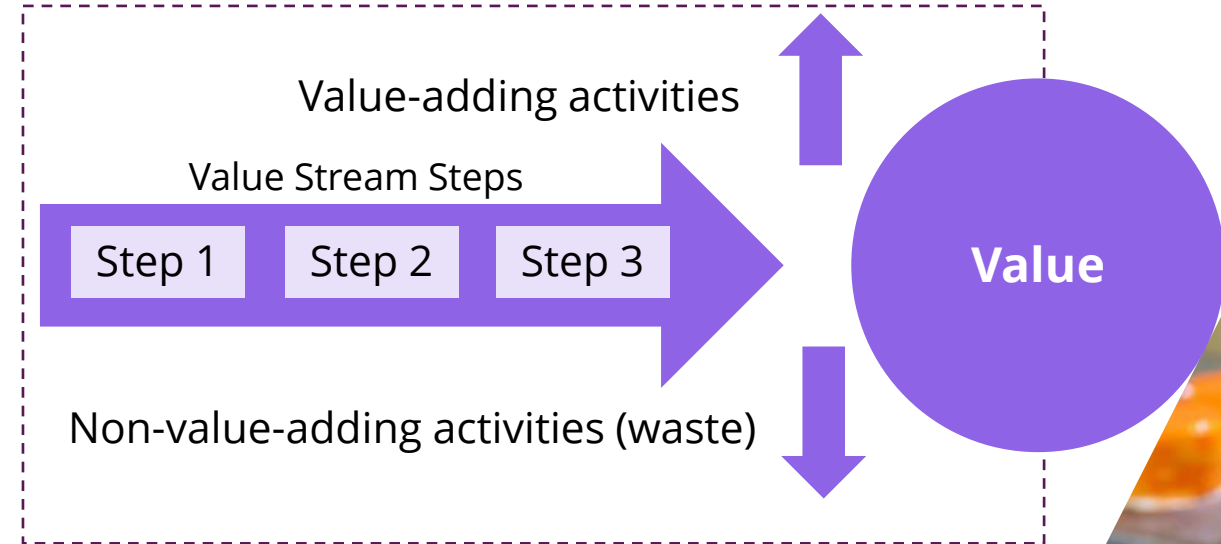
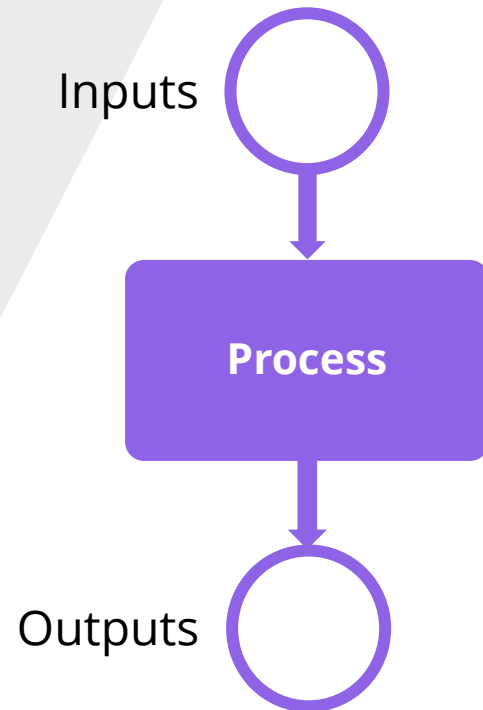
What are the value streams involved in delivering the agreed outputs of the service?

Who, or what, performs the required **service actions**?

Value streams or processes?



A **value stream** is a series of steps an organization undertakes to **create and deliver** products and services to consumers.



A **process** is a set of **interrelated or interacting** activities and defined sequence of actions and dependencies that **transforms** one or more **defined inputs** into defined outputs.

Questions to create, deliver, and improve

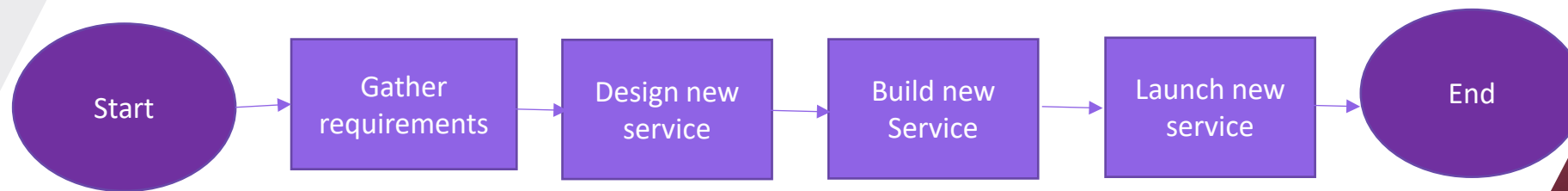
- What are the **value streams involved** in delivering the **agreed outputs** of the **service**?
- What is the **generic delivery** model for the service and how does the **service work**?
- Who or what **performs the required** service actions?



Example

A useful way of thinking about value streams is as visualizations of journeys through the activities in the service value chain for specific scenarios or types of demand

- a need for a **new product** or service feature to increase the efficiency of business operations
- a request for a team member to access a product or service
- a request for **new infrastructure capacity** to keep a product or service operating normally.



Recap: Key learning points



Key learning points are understanding the **four dimensions**, which include:

- organizations and people
- information and technology
- partners and suppliers
- value streams and processes.



The key concepts of ITIL 4

Four Dimensions External Factors

- Service providers do **not operate in isolation**
- Service providers work in dynamic and complex environments that can exhibit high degrees of **volatility and uncertainty** and **impose constraints** on how the service provider can work
- The external factors influence how organisations **configure their resources** and **address the four dimensions** of service management
- PESTLE is an acronym for the **political, economic, social, technological, legal, and environmental** factors that constrain or influence how a service provider operates.



External factors



Based on your own organization, research **PESTLE** and conduct a **PESTLE** analysis on a service provider or potential provider, to determine what factors you may need to consider. You do not need to disclose confidential details.

Prepare your analysis.

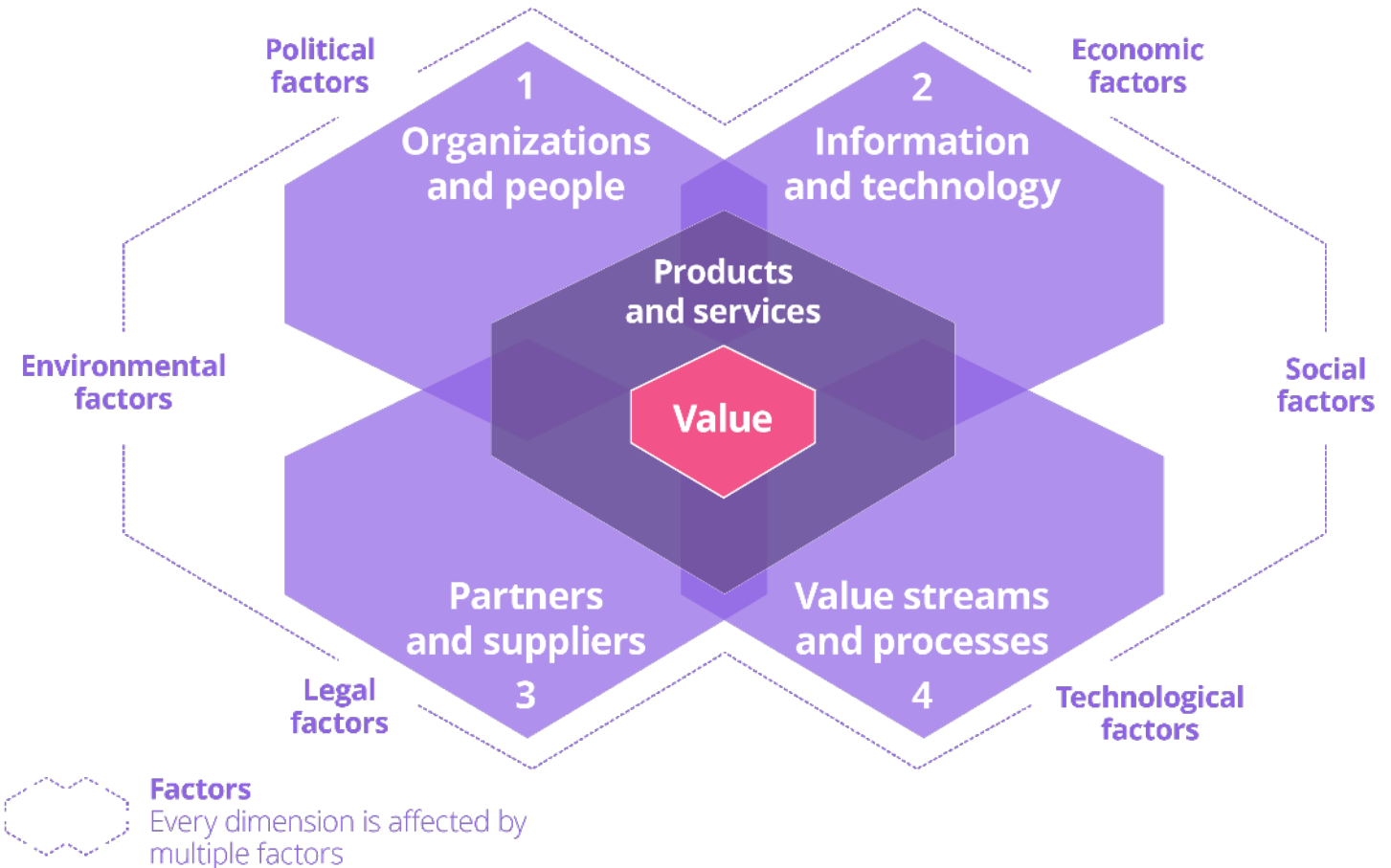


Figure 3.1 The four dimensions of service management

What were your findings?

