<div style="border: 2px solid green; text-align: center;">

LEARNING UNIT 01

INFORMATION TECHNOLOGY SERVICE MANAGEMENT (ITSM):

KEY CONCEPTS

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1.1 INTRODUCTION

This learning unit introduces you to the Information Technology Service Management (ITSM) key concepts based on the prescribed textbook, which is Agutter, C. (2020). ITIL® 4 *Essentials: Your essential guide for the ITIL 4 Foundation exam and beyond* (2nd edition). IT Governance Publishing. This book is freely available online from Unisa's e-library Safari Books Online (O'Reilly) database at https://learning.oreilly.com/library/view/itil-4-essentials/9781787782204/. We use this book because the best practice standard for ITSM is currently ITIL® version 4 or ITIL® 4. Over time, there will be newer best practice standards and we strive to reference the most recent best practice standard.
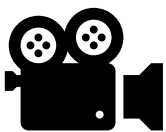
	Watch this YouTube video: Use the following link to watch a video highlighting the differences between the previous version of ITIL®, ITIL® 3 and the latest version of ITIL®, ITIL® 4: https://www.youtube.com/watch?v=OqTtb0r-4QY (27:50) **Purpose of the video:** The video demonstrates the evolution of ITSM best practices from over a decade ago to today.

1.2 CO-CREATION OF VALUE

ITIL® has moved into a **value system** framework that can be integrated with many other innovative, practical and significant practices and frameworks, including DevOps, Agile and Lean. The concepts of **value** and **co-creation** are central to ITSM.

In the context of ITSM, the concept of value means "the perceived benefits, usefulness and importance of something" (Agutter, 2020, Chapter 1) and value does not always mean the best price or the lowest cost of something. If you perceive something as important, you may be willing to pay a high price for it regardless if there are cheaper potential substitutes. Value is the consumer's subjective judgement of a service or product.
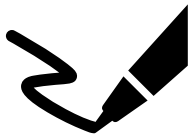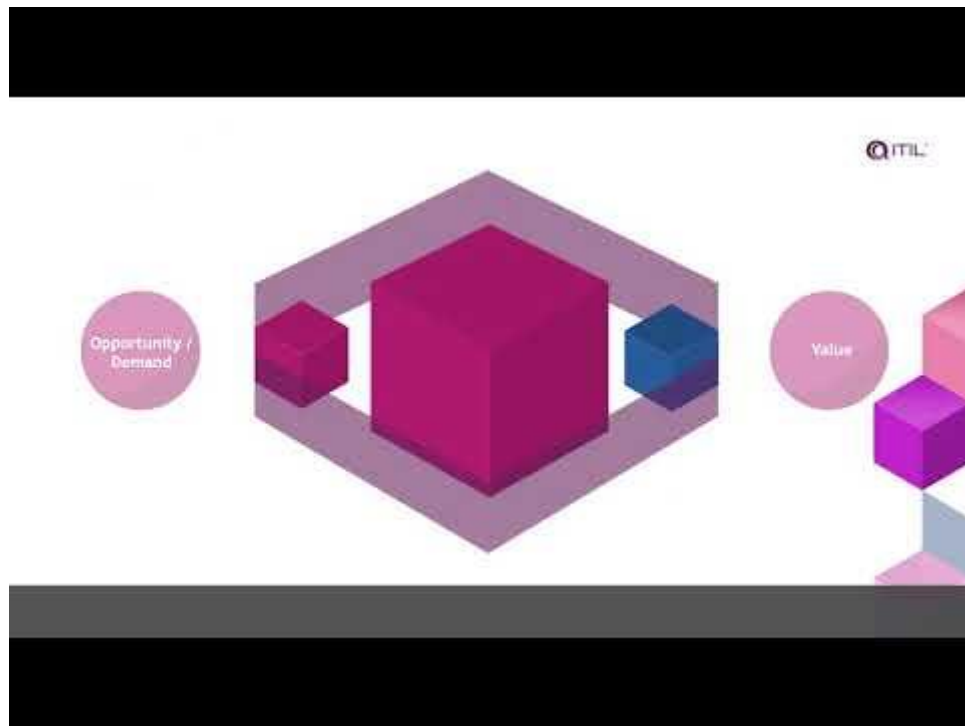
Watch this YouTube video:

Use the following link to watch a video explaining the ITSM key concepts: https://www.youtube.com/watch?v=1ZqhiwEAtTA (5:06)

Purpose of the video:

The video highlights the big picture, how ITSM focuses on the co-creation of value for the business and the consumer.
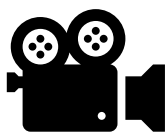
ACTIVITY 1.1: CO-CREATION OF VALUE

Instructions:

- Go to the **Discussions** tool on the module's myUnisa website.
- Go to the Forum for Learning Unit 01: Specific Questions and Discussions.
- Open the discussion topic: Activity 1.1: Co-creation of value.
- Provide your insight on the questions/tasks that are outlined below. Type your answer to each question in the discussion forum post using 300 words or less.

Purpose:

To provide an opportunity for you to apply your knowledge of ITSM co-creation of value and how it relates to your work environment.

Task:

Study chapter 1 of the textbook (Agutter, 2020).

Provide explanatory responses to the following:

a) Provide an example of how an organisation that you are familiar with (do not use actual names) facilitates value creation.

b) Explain how that organisation could improve active customer involvement to optimise value co-creation.
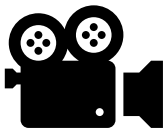
1.3 SERVICE ROLES, SERVICES AND PRODUCTS

Service management does not happen without the proper organisation of people into specific roles with defined responsibilities. Important IT service management roles include the service provider, stakeholder, consumer, customer, user and sponsor. Remember that many roles can be fulfilled by a single person, which may be common in small organisations. A typical way of managing how IT service management roles are mapped to individuals and even teams of individuals is the RACI (Responsible, Accountable, Consulted and Informed) model.

In addition, there are some important aspects to consider when thinking about IT service management products and services, including cost, utility, warranty, output, outcome and risk. These aspects should be assessed to determine if value is being delivered.

To deliver products and services, organisations need to arrange the following resources in meaningful and value-creating ways, namely people, information, technology, value streams (discussed in the next learning unit), processes, suppliers and partners.
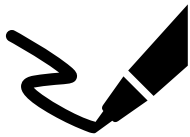
Watch this YouTube video:

Use the following link to watch a video explaining some of the ITSM key roles: https://www.youtube.com/watch?v=Hhrbgkts-bg (2:51)

Purpose of the video:

The video discusses some of the key roles in ITSM and their relevance to ITSM.

ACTIVITY 1.2: SERVICE ROLES, SERVICES AND PRODUCTS

Instructions:

- Go to the **Discussions** tool on the module's myUnisa website.
- Go to the Forum for Learning Unit 01: Specific Questions and Discussions.
- Open the discussion topic: Activity 1.2: Service roles, services and products.
- Provide your insight on the questions/tasks that are outlined below. Type your answer to each question in the discussion forum post using 300 words or less.

Purpose:

To provide an opportunity for you to apply your knowledge of ITSM service roles, services and products and how they relate to your work environment.

Task:

Study chapters 2 and 3 of the textbook (Agutter, 2020).

Provide explanatory responses to the following:

a) Present some of the ITSM roles in an organisation that you are familiar with (do not use actual names) and include some of their responsibilities.

b) Do you think that an organisation could benefit from organising its ITSM roles differently? If so, elaborate on what you think would be an improvement.

1.4 SERVICE RELATIONSHIPS AND THE FOUR DIMENSIONS OF SERVICE MANAGEMENT

Service relationships are key to ITSM. Service relationships refer to service providers (companies who sell/provide IT services) cooperating with service consumers (customers who pay for/use IT services) to co-create value for both parties. Service relationships across different companies can be a complex network of relationships.

There are four main dimensions of service management, namely organisations and people, information and technology, partners and suppliers, and value streams and process (discussed in the next learning unit). All four of these dimensions should be considered together to produce effective services that enable value co-creation.
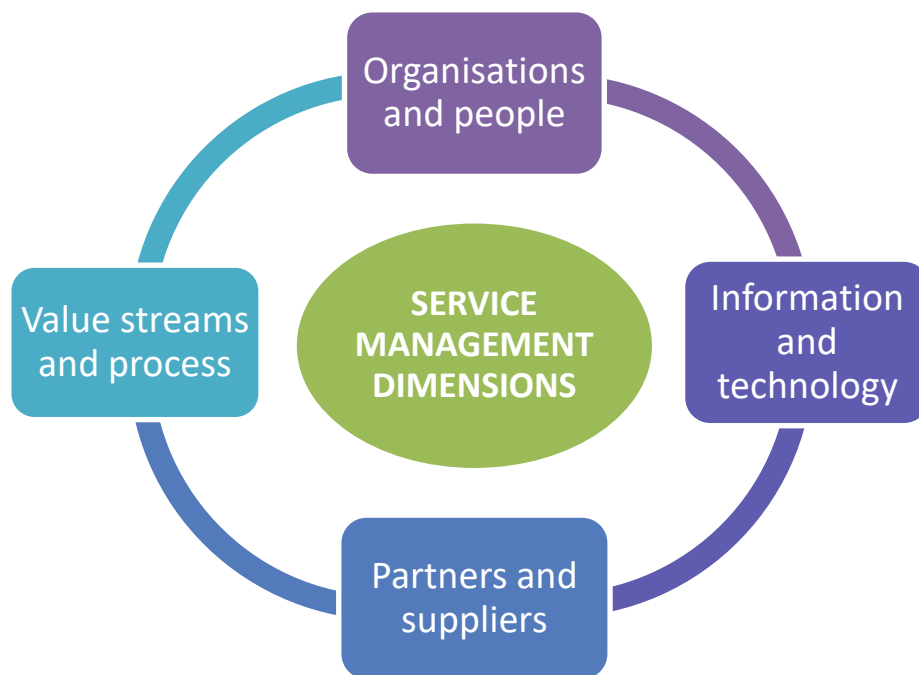

The organisations and people dimension refers to the formal organisational structures, culture, staffing and staff skills, roles and responsibilities. The information and technology dimension refers to technology that supports IT-enabled services such as IT architecture, databases, blockchain, cognitive computing, applications including mobile applications, communication systems, artificial intelligence and cloud computing. Technology that specifically supports ITSM includes workflow management, communication systems, inventory systems, mobile platforms,

cloud solutions, knowledge bases, analytical tools, remote collaboration, artificial intelligence and machine learning.

The partners and suppliers' dimensions involve service provider/service consumer relationships, partner and supplier strategies, factors that influence supplier strategies and service integration and management (SIAM). The value streams and process dimension comprise activities that organisations undertake, how those activities are organised and how value creation is ensured for all stakeholders efficiently and effectively.

Watch this YouTube video:
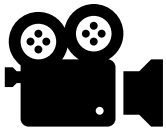
Use the following link to watch a video explaining the four dimensions of service management: https://www.youtube.com/watch?v=YqT7AXaYlyA (21:53)

Purpose of the video:

The video articulates the service relationships and the four dimensions of service management.

ACTIVITY 1.3: SERVICE RELATIONSHIPS AND THE FOUR DIMENSIONS OF SERVICE MANAGEMENT

Instructions:

- Go to the **Discussions** tool on the module's myUnisa website.

- Go to the Forum for Learning Unit 01: Specific Questions and Discussions.
- Open the discussion topic: Activity 1.3: Service relationships and the four dimensions of service management.
- Provide your insight on the questions/tasks that are outlined below. Type your answer to each question in the discussion forum post using 300 words or less.

Purpose:

To provide an opportunity for you to apply your knowledge of ITSM service relationships and the four dimensions of service management to your work environment.

Task:

Study chapters 4 and 5 of the textbook (Agutter, 2020).

Provide explanatory responses to the following:

a) Provide an example of how an organisation that you are familiar with (do not use actual names) arranges its four dimensions of service management to provide a core service to consumers of that service.

b) Use the PESTEL framework to explain how the macro-environmental factors impact that core service.

c) Think of and provide practical ways to mitigate any macro-environmental constraints that you identified during your PESTEL analysis.

1.5 CONCLUSION

This learning unit introduced you to the Information Technology Service Management (ITSM) key concepts based on the prescribed textbook (Agutter, 2020).

After reviewing all the topics and completing all the activities, you should be able to create your own summary of the learning unit and use it during your preparation for the examination. In addition, you should understand the key concepts of service management to establish why service management and ITIL® for service management are necessary and how ITIL® has moved into a value system framework that can be integrated with many other innovative, practical and significant practices and frameworks, including DevOps, Agile and Lean. You should also be able to apply the ITIL® concepts of value and co-creation, key service management roles and

relationships, explanations and definitions about products and services, utility, warranty, output, outcome, risk and value co-creation, service relationship concepts and the four dimensions of service management, namely organisations and people, information and technology, partners and suppliers and value streams and processes, which enables you to build a mental model of how all these key pieces fit together and the core principles of ITIL® 4. We trust that this learning unit significantly improved your understanding of the key concepts in ITSM.

The next learning unit presents the central idea of ITIL® 4, which is the Service Value System (SVS), being the model for how value is co-created and includes the concept of the service value chain.

References

Agutter, C. (2020). *ITIL® 4 Essentials: Your essential guide for the ITIL 4 Foundation exam and beyond* (2nd edition). Cambridgeshire, United Kingdom: IT Governance Publishing. https://learning.oreilly.com/library/view/itil-4-essentials/9781787782204/ (Freely available online from Unisa's e-library – Safari Books Online (O'Reilly) database).