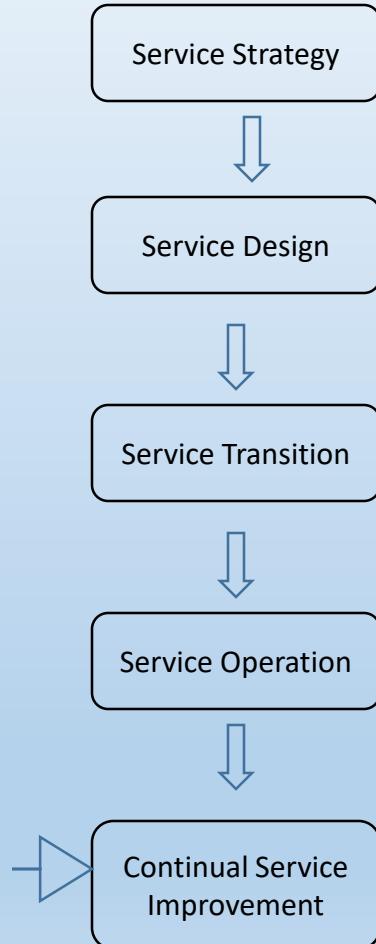


L7 Continual Service Improvement (CSI)



- Basic Concepts
 - The Deming cycle
 - Service metrics
- Supporting processes
 - CSI processes
 - Steps for service improvement
 - Roles & Responsibilities
- Tools for service strategy
 - Assessment for CSI
 - Techniques for CSI

LEARNING OUTCOME:

Student will be able to:

- Describe the aims of continual service improvement
- Describe the Deming Cycle
- Describe the 3 common matrices for improvement
- Describe the 2 types of assessment
 - internal
 - external
- Describe what SWOT analysis is



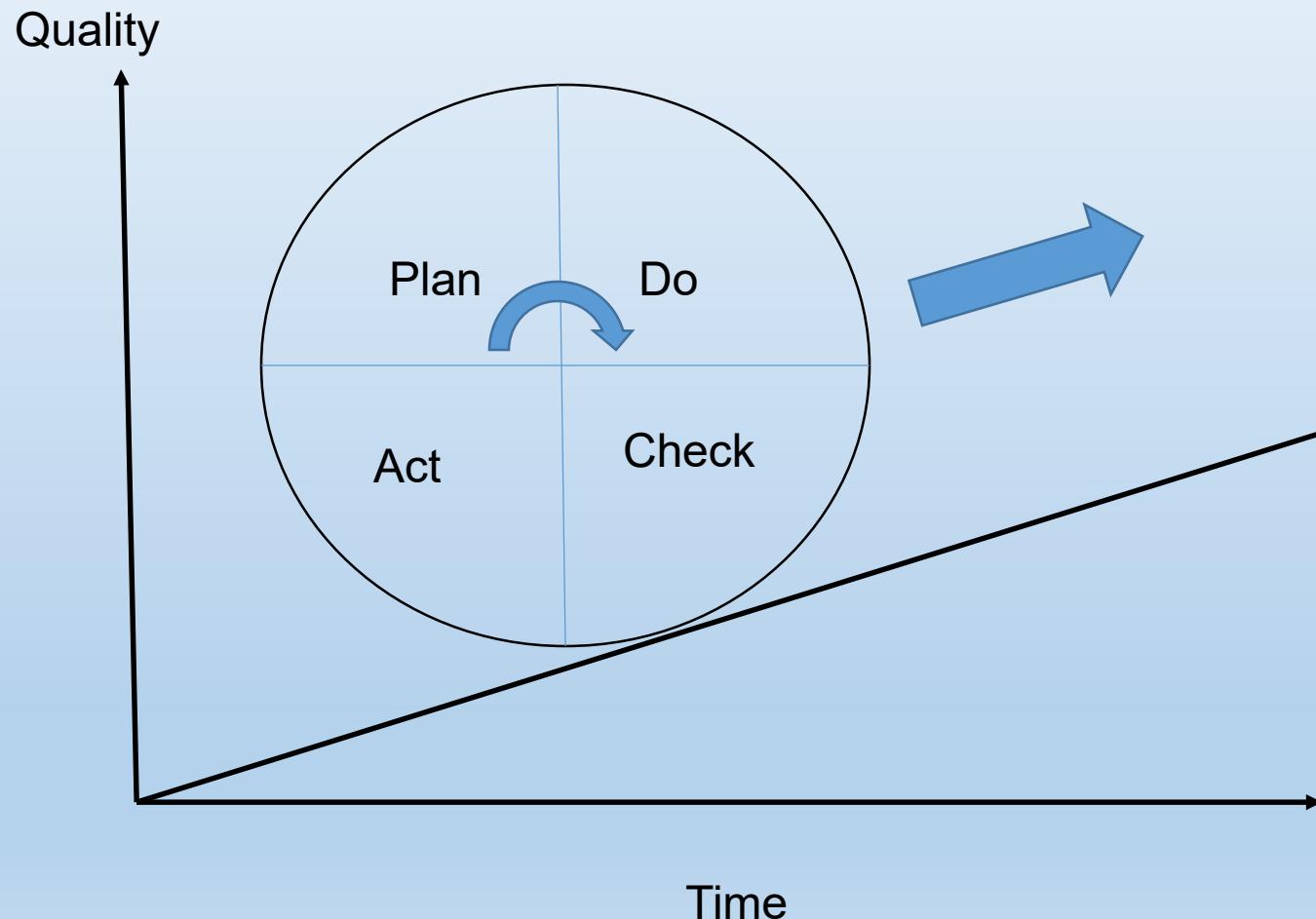
*Goals and Objectives

- The goal of CSI is for continual improvement of the effectiveness and efficiency of IT services.
- Aims to achieve and surpass the objectives (effectiveness), and obtain these objectives at the lowest cost possible (efficiency).
- How ? By measuring and analyzing process results in all Service Lifecycle phases, to determine which results are structurally worse than others. These offer the highest improvement probability.

*Goals and Objectives

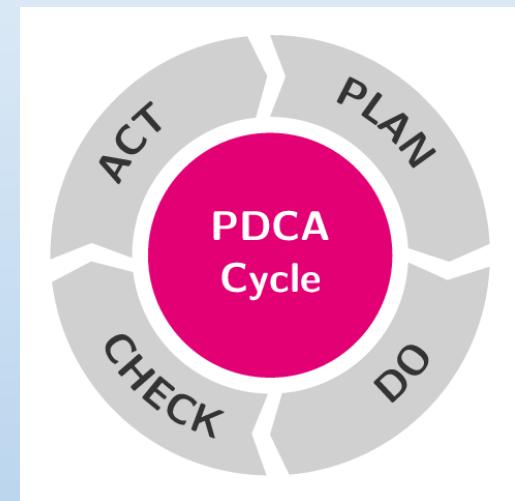
- CSI mainly measures and monitors the following areas:
 - **Process compliance** – Does the organization follow the new or modified service management process
 - **Quality** – Do the various process activities meet their goals?
 - **Performance** – How efficient is the process? What are the elapsed times?
 - **Business value of a process** – Does the process make a difference? Is it effective? How does the client rate the process?

*Deming Cycle – PDCA



*The PDCA Cycle

- The Plan-Do-Check-Act Cycle (PDCA):
 - **Plan** – what needs to happen, who will do what & how ?
 - **Do** – execute the planned activities.
 - **Check** – check if the activities yield the desired result.
 - **Act** – adjust the plan in accordance to the checks.



*The PDCA Cycle

- Plan CSI:
 - Determine the scope.
 - Determine the requirements CSI must meet.
 - Set goals, for instance using gap analysis.
 - Define action points.
 - Determine which checks need to be executed during the checking phase.
 - Determine the interfaces between CSI and the rest of the lifecycle.
 - Determine which process activities need to be introduced.

*The PDCA Cycle

- **Implement CSI (do):**

- Determine the budget.
- Document roles and responsibilities.
- Determine the CSI policy, plans and procedures, communicate about them and train staff.
- Supply monitoring, analysis and reporting tools.
- Integrate CSI with Service Strategy, Service Design, Service Transition and Service Operation.



*The PDCA Cycle

- **Monitor, measure and evaluate CSI (*check*):**
 - Report on the accomplishments
 - Evaluate the documentation.
 - Perform process assessments and audits.
 - Formulate proposals for process improvements.
- **Adjust CSI(*act*):**
 - Introduce the improvements.
 - Adjust the policy, procedures, roles and responsibilities.

*Metrics, KPIs and CSFs

- Three types of metrics commonly used in CSI:
 - Technology metrics
 - Measure the performance and availability of components and applications.
 - Process metrics
 - Measure the performance of service management process.
 - They stem from **Key Performance Indicators (KPIs)**
 - These metrics help to determine the improvement opportunities for each process.
 - Service metrics
 - Results of the end service.

Assessments

- Assessment compares the performance of an operational process against a performance standard.

EG Agreement in an SLA, a maturity standard, a benchmark of companies in the same industry.

- There are 2 types of assessments:

Internal :

against baseline, another department

External :

against industry standards or similar organizations

SWOT analysis

- A SWOT-analysis looks at *Strengths, Weaknesses, Opportunities and Threats* of an organization (component) or project
- Look at which strong points help achieve a goal, which weakness prevent you from doing this, what external conditions promote the goal, and what external conditions prevent it



Sample aspects of SWOTs

Possible Strengths	Possible weakness
➤ Core competences	➤ No clear strategic direction
➤ Financial means	➤ Outdated facilities
➤ Recognized as a market leader	➤ Low profits
➤ Proven management	➤ Little insight into performance
Possible opportunities	Possible Threats
➤ Creation of new customer group	➤ Foreign competition with lower prices
➤ Application of skills for new products	➤ Lower market growth
	➤ Expensive legislation and regulation

Continual service improvement (Review Questions)

- Q1 What is the goal of CSI?
- Q2 What does PDCA represent and briefly describe them?
- Q3 State 5 key activities within the planning phase of CSI.
- Q4 Describe the 4 areas that CSI will monitor for improvement.
- Q5 List 3 data sources useful for assessment of IT services.



Revision MCQ

1 Match the following activities with the Deming Cycles stages:

1. Monitor, Measure and Review
 2. Continual Improvement
 3. Implement Initiatives
 4. Plan for Improvement
- A. 1 Plan, 2 Do, 3 Check, 4 Act
B. 3 Plan, 2 Do, 4 Check, 1 Act
C. 4 Plan, 3 Do, 1 Check, 2 Act
D. 2 Plan, 3 Do, 4 Check, 1 Act

2 Which metrics is not commonly used in CSI?

- A. Technology
B. Process
C. Efficiency
D. Service

Revision MCQ

3 Which does NOT apply to SWOT?

- A. Identify strength
- B. Identify opportunities
- C. Establish weakness
- D. Estimate time

4 CSI plays an important role in ITIL because _____

- A. technology keeps on changing
- B. business process is not static
- C. customer expects more for less
- D. service values are not constant