

MTI104 - IT Services

Session-09: Continual Improvement

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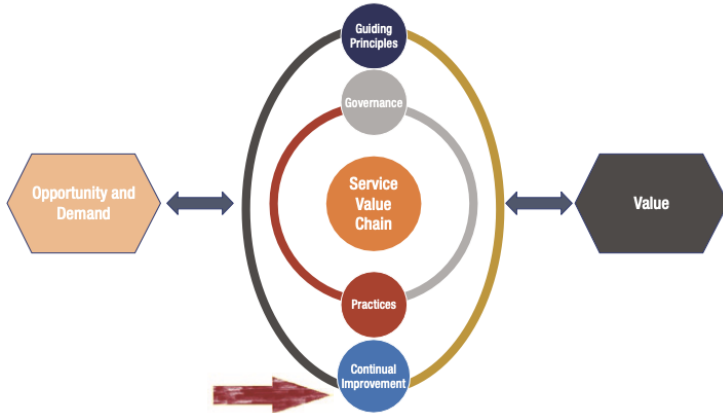
Lou Holtz's Quote

- "In this world, you are either growing or you are dying."
- Growth applies to all aspects of life: work, entertainment, and services.
- No product or service remains unchanged and rules the market for decades.
- Status quo leads to obsolescence.
- Constant enhancements are necessary for survival.
- Examples: Mobile phones, Internet service providers.
- ITIL's approach to continual improvement ensures ongoing value.

Continual Improvement in SVS

- Continual improvement is a key component of the Service Value System (SVS).
- It generates value and aligns with guiding principles.
- Improvements impact operational, tactical, and strategic levels.
- ITIL's continual improvement includes:
 - Seven-step model
 - Improve activity in SVC
 - General practice for continual improvement

Continual improvement in service value system



Seven-Step Model

- Originated in Lean, adapted in ITIL V3.
- Applied successfully across various domains.
- Logical steps that are iterative and adaptable.
- Aligns with organizational vision and mission.
- Steps include:
 - Define what to improve
 - Assess current state
 - Set goals
 - Identify improvement paths
 - Implement changes
 - Evaluate success
 - Maintain momentum

Vision in Business

- Vision sets long-term goals and objectives.
- Example: McDonald's real business as real estate.
- Understanding the customer's vision is crucial.
- Align IT strategy with business vision and goals.
- Specific objectives are crucial for improvement.
- Improvement goals should be SMART:
 - Specific
 - Measurable
 - Achievable
 - Relevant
 - Timebound

Where Are We Now?

- Assess the current state to measure improvements.
- Conduct objective assessments of service aspects.
- Use measurements as a baseline for comparison.
- A baseline serves as a starting point.
- Missing this step impacts the accuracy of measuring improvements.
- Example: Performance improvements without baseline data.

Where Do We Want to Be

- Define specific, non-ambiguous goals.
- Perform gap analysis between current state and vision.
- Set Critical Success Factors (CSFs) and Key Performance Indicators (KPIs).
- Goals should follow the SMART principle.
- Goals should be specific and measurable.
- Example: Being the top burrito joint in the UK in 2 years.

How Do We Get There?

- Identify the best approach to achieve goals.
- Develop detailed plans and designs.
- Consider Agile or Waterfall methodologies as appropriate.
- Ensure alignment with overall vision.
- Managing risks and progress is crucial.
- Adapt to changing requirements as needed.

Take Action

- Implement changes based on the design.
- Adjust development approach as necessary.
- Manage typical project management aspects.
- Risk management and stakeholder engagement are key.
- Ensure improvements align with business needs.
- Monitor and adapt as required.

Did We Get There?

- Verify if the improvements meet objectives.
- Ensure the improvement is fit for use and purpose.
- Use iterative Agile methods to keep focus.
- Evaluate success or failure of the improvement.
- Maintain alignment with customer requirements.
- Validate and adjust as necessary.

How Do We Keep the Momentum Going?

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- Continuous improvements are necessary.
- Encourage ongoing idea generation and innovation.
- Leadership and organizational culture play a role.
- Address failures and learn from them.
- Avoid stagnation and maintain focus on progress.
- Use failures as learning opportunities for future success.

Continual Improvement Practice

- Align practices with changing business needs.
- Identify and deliver improvements continuously.
- Foster a culture of improvement across the organization.
- Key activities include:
 - Building a culture of improvement
 - Idea registration and assessment
 - Budget and resource allocation
 - Project planning and delivery
 - KPI measurement and evaluation
 - Coordination and collaboration

Continual Improvement Tools

- Continual Improvement Register (CIR)
- Improvement Reviews
- Development Methodology (Agile, Waterfall)
- Deployment Approach (Big Bang, Phase-wise)
- Use appropriate tools for effective improvement.
- Tools help in capturing, assessing, and implementing improvements.

Engagement with Service Value Chain

- Continual Improvement's involvement in SVS:
 - Planning: High involvement
 - Design and Transition: High involvement
 - Obtain/Build: High involvement
 - Engage: Medium involvement
 - Deliver and Support: High involvement
 - Improve: High involvement
- Improvement activities contribute to SVS effectiveness.

Question

What is the importance of finding out where the organization is currently before embarking on identifying improvements?

- A. A baseline serves as a starting point and as a comparison value for the progress made through improvements.
- B. Understanding where we are currently helps us understand the mistakes that were made earlier.
- C. It provides a balance in terms of the improvements that are taken before and after an improvement is delivered.
- D. The ground realities provide an excellent value to assess the relevance of improvement ideas.