ITIL – Introducing continual service improvement

The objectives of continual service improvement

Service improvement must focus on increasing the efficiency, maximizing the effectiveness and optimising the cost of services and the underlying IT service management processes. The only way to do this is to ensure that improvement opportunities are identified throughout the entire service lifecycle.

The primary purpose of Continual Service Improvement (CSI) is to continually align and re-align IT services to the changing business needs by identifying and implementing improvements to IT services that support business processes.

CSI looks for ways to improve process effectiveness, efficiency and cost effectiveness.

Other objectives include:

- Review, analyse and make recommendations on improvement opportunities in each lifecycle phase:
  - Service strategy
  - Service design
  - Service transition
  - Service operation
  - and CSI itself!
- Identify and implement individual activities to improve IT service quality and improve the efficiency and effectiveness of enabling ITSM processes
- Improve cost effectiveness of delivering IT services without sacrificing customer satisfaction
- Ensure applicable quality management method is used

The scope of continual service improvement

There are three main areas that CSI needs to address:

The overall health of IT service management as a discipline

The continual alignment of the portfolio of IT services with the current and future business needs

The maturity of the enabling IT processes for each service in a continual service lifecycle model

The activities of continual service improvement

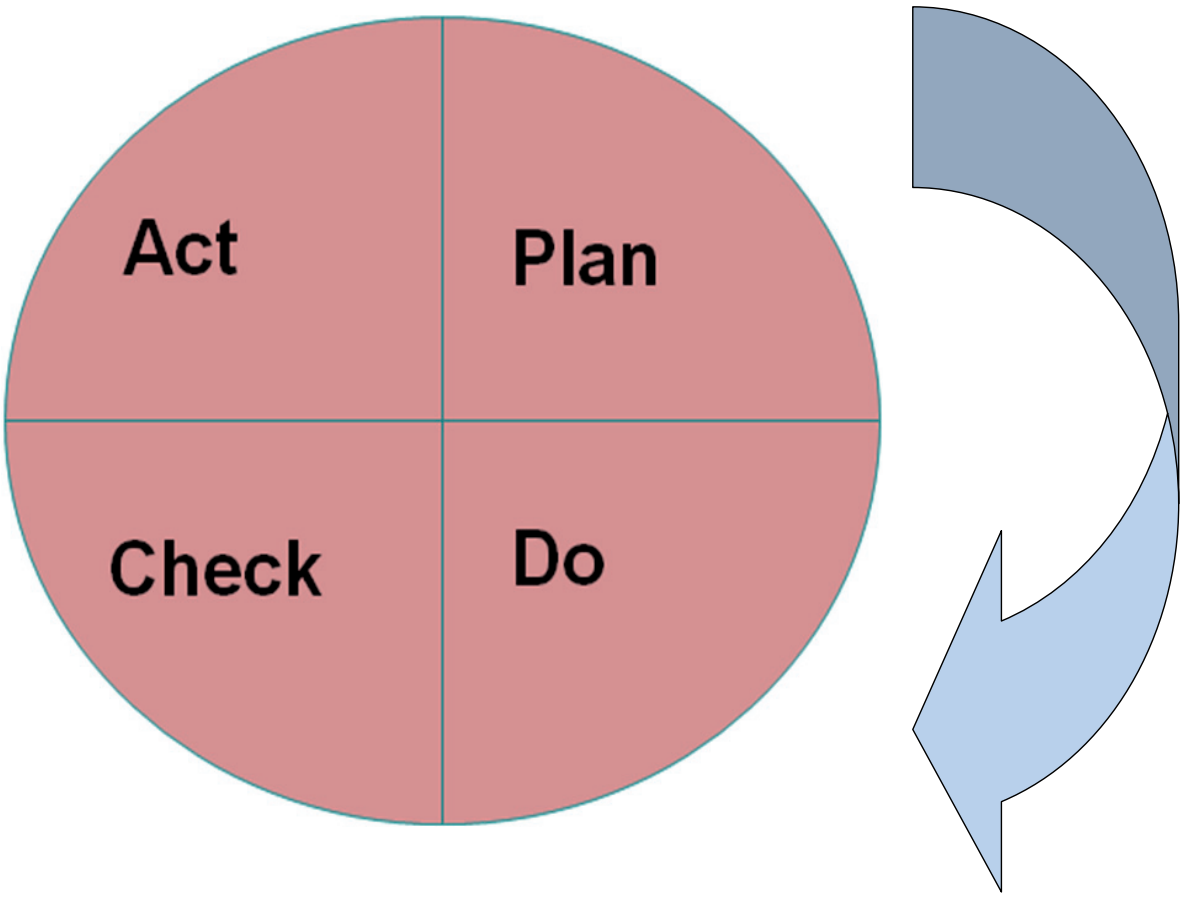
- Reviewing management information and trends to ensure that services are meeting agreed service levels
- Reviewing management information and trends to ensure that the output of ITSM processes are achieving the desired results
- Conducting maturity assessments against the process activities and roles to highlight areas of improvement or concern
- Conducting internal audits verifying compliance
- Conducting external and internal service reviews to identify CSI opportunities
- Reviewing analysed data
- Presenting recommendations to senior management for improvement
- Helping prioritise improvement opportunities
- Leading managing and delivering cross functional and cross divisional improvement projects
- Building effective relationships with the business and IT senior managers
- Influencing all levels of management to ensure that service improvement activities are receiving the necessary support and are resourced sufficiently to implement solutions

The Deming Cycle

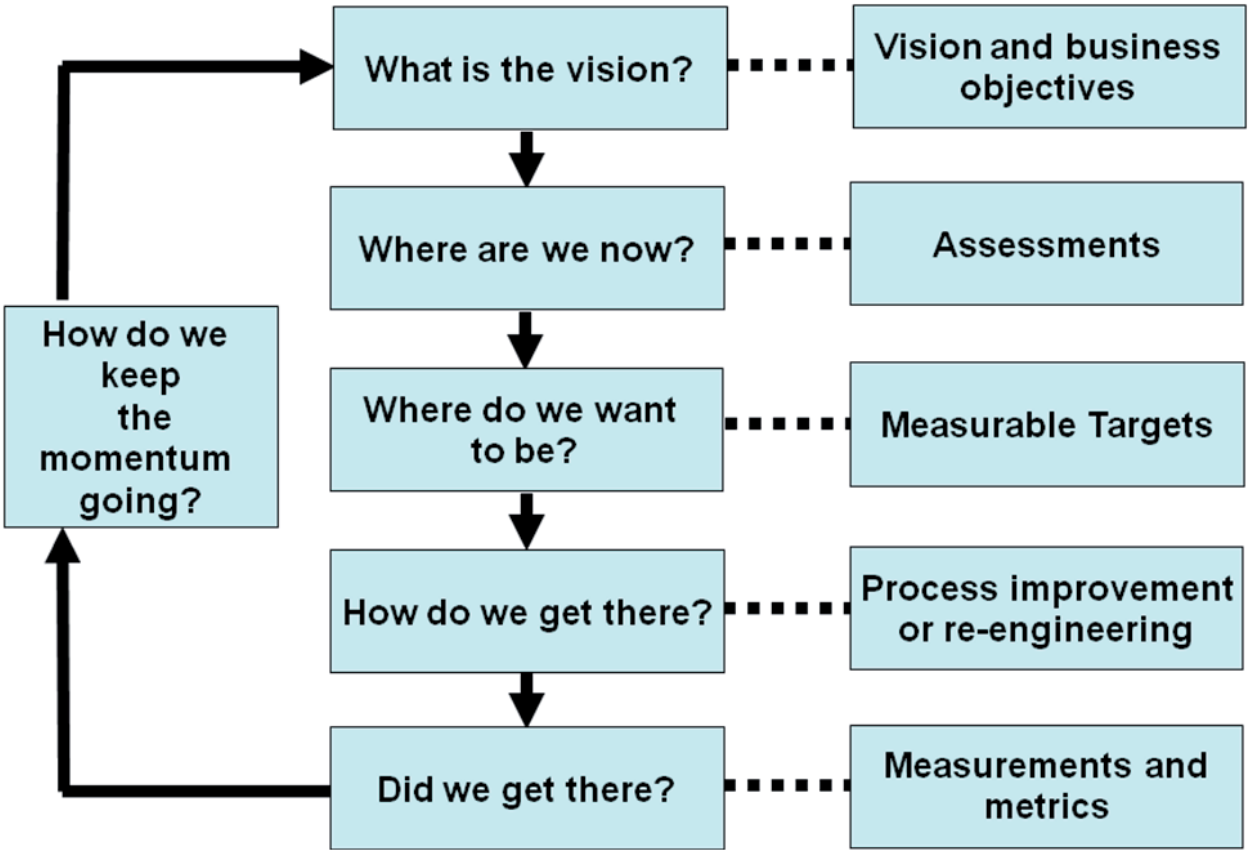
***"Improve constantly, and forever"* (W. Edwards Deming)**

W. Edwards Deming is best known for his management philosophy leading to higher quality, increased productivity, and a more competitive position. As part of this philosophy, he formulated 14 points of attention for managers. Some of these points are more appropriate to service management than others. For quality improvement, he proposed the Deming Cycle or Circle. This Cycle is particularly applicable in CSI. The four key stages of the Cycle are Plan, Do, Check and Act, after which a phase of consolidation prevents the Circle from rolling back down the hill. Our goal in using the Deming Cycle is steady, ongoing improvement. It is a fundamental tenet of continual service improvement.

- Plan = Project plan
- Do = Project
- Check = Audit
- Act = Actions arising



The continual service improvement model



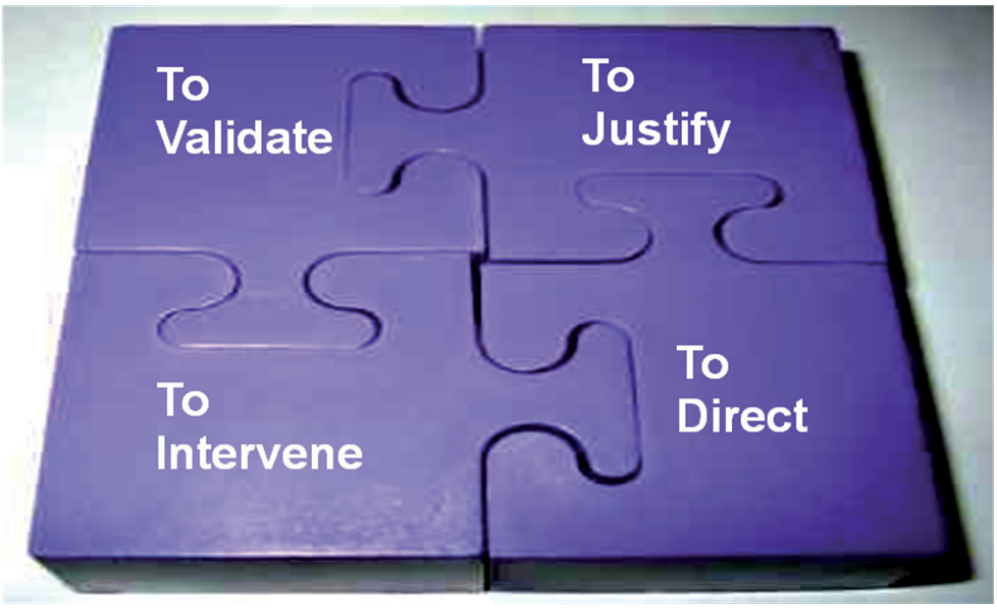
As the above figure shows, there are many opportunities for CSI. The figure also illustrates a constant cycle for improvement. The improvement process can be summarised in six steps:

- Embracing the vision by understanding the high level business objectives. The vision should align the business and IT strategies
- Assessing the current situation to obtain an accurate, unbiased snapshot of where the organisation is right now. This baseline assessment is an analysis of the current position in terms of the business, organisation, people, process and technology
- Understanding and agreeing on the priorities for improvement based on a deeper development of the principles defined in the vision
- Detailing the CSI plan to achieve higher quality service provision by implementing IT service management processes
- Verify that measurements and metrics are in place to ensure that milestones were achieved, process compliance is high, and business objectives and priorities were met by the level of service
- Finally, the process should ensure that the momentum for quality improvement is maintained by assuring that changes become embedded in the organisation

Continual service improvement process

Why measure?

There are four reasons to monitor and measure:



To validate – monitoring and measuring to validate previous decisions

To direct – monitoring and measuring to set direction for activities in order to meet set targets. It is the most prevalent reason for monitoring and measuring

To justify – monitoring and measuring to justify, with factual evidence or proof, that a course of action is required

To intervene – monitoring and measuring to identify a point of intervention including subsequent changes and corrective actions

The four basic reasons to monitor and measure lead to three key questions:

Why are we monitoring and measuring?, *When do we stop?* and *Is anyone using the data?* – To answer these questions, it is important to identify which of the above reasons is driving the measurement effort. Too often, measures are continued long after the need has passed. Every time a report is produced it should be asked: *Do we still need this?*

- **Service metrics** – these metrics are the results of the end to end service – component/technology metrics are used to produce the service metrics
- **Process metrics** – these metrics are captured in the form of Critical Success Factors (CSFs), Key Performance Indicators (KPIs) and activity metrics for the service management processes. Four key areas that KPIs can measure are quality, performance, value and compliance of following the process. CSI would use these metrics as input in identifying improvement opportunities for each process
- **Technology metrics** – these metrics are often associated with component and application based metrics such as performance and availability

The seven step improvement process

Define what you should measure

- At the onset of the service lifecycle, service strategy and service design should have identified this information. CSI can then start its cycle all over again at, *Where are we now?* This identifies the ideal situation for both the business and IT.

Define what you can measure

- This activity is related to the CSI activities of *Where do we want to be?*. By identifying the new service level requirements of the business, the IT capabilities (identified through service design and implemented via service transition) and the available budgets, CSI can conduct a gap analysis to identify the opportunities for improvement as well as answering the question, *How do we get there?*.

Gathering the data

- In order to properly answer the *Did we get there?* question, data must first be gathered (usually through service operations). Data is gathered based on goals and objectives identified. At this point, the data is raw and no conclusions are drawn.

Processing the data

- Here the data is processed in alignment with the CSFs and KPIs specified. This means that timeframes are coordinated, unaligned data is rationalised and made consistent, and gaps in the data are identified. The simple goal of this step is to process data from multiple disparate sources into an *apples to apples* comparison. Once we have rationalised the data we can then begin analysis.

Analysing the data

- Here the data becomes information as it is analysed to identify service gaps, trends and the impact on business. It is the analysing step that is most often overlooked or forgotten in the rush to present data to management.

Presenting and using the information

- Here the answer to *Did we get there?* is formatted and communicated in whatever way necessary to present to the various stakeholders an accurate picture of the results of the improvement efforts. Knowledge is presented to the business in a form and manner that reflects their needs and assists them in determining the next steps.

Implementing corrective action

- The knowledge gained is used to optimise, improve and correct services. Managers identify issues and present solutions. The corrective actions that need to be taken to improve the service are communicated and explained to the organisation. Following this step the organisation establishes a new baseline and the cycle begins anew.