

CONTINUAL IMPROVEMENT

Section 9

SECTION 9: CONTINUAL IMPROVEMENT > AGENDA

CONTINUAL IMPROVEMENT

1

What is the vision?

2

Where are we now?

3

Where do we want
to be?

4

How do we get
there?

5

Take action

6

Did we get there?

7

Keep the
momentum going

SECTION 9: CONTINUAL IMPROVEMENT

Continual Improvement

aligning an organization's practices and services with changing business needs, through the ongoing assessment and improvement of each element involved in the management of products and services



SECTION 9: CONTINUAL IMPROVEMENT

Continual improvement takes place in all areas of the organization and at all levels, from strategic to operational. To maximize the effectiveness of services, each person who contributes to the provision of a service should keep continual improvement in mind, and should always be looking for opportunities to improve.

The continual improvement model applies to the SVS in its entirety, as well as to all of the organization's products, services, service components, and relationships. To support continual improvement at all levels, the ITIL SVS includes:

- the ITIL continual improvement model, which provides organizations with a structured approach to implementing improvements
- the improve service value chain activity, which embeds continual improvement into the value chain
- the continual improvement practice, supporting organizations in their day-to-day improvement efforts.

SECTION 9: CONTINUAL IMPROVEMENT

The previous figure provides a high-level overview of the ITIL continual improvement model.

The ITIL continual improvement model can be used as a high-level guide to support improvement initiatives. Use of the model increases the likelihood that ITSM initiatives will be successful, puts a strong focus on customer value, and ensures that improvement efforts can be linked back to the organization's vision. The model supports an iterative approach to improvement, dividing work into manageable pieces with separate goals that can be achieved incrementally.

Continual Improvement vs SVS

The continual improvement model applies to the SVS in its entirety, as well as to all of the organization's products, services, service components, and relationships. To support continual improvement at all levels, the ITIL SVS includes:

- the ITIL continual improvement model, which provides organizations with a structured approach to implementing improvements
- the improve service value chain activity, which embeds continual improvement into the value chain
- the continual improvement practice, supporting organizations in their day-to-day improvement efforts.

Let's make an example useful for the whole model

The ITIL story: Improving Axle

Henri would like Axle to become a greener company and introduce more environmentally friendly practices into its work. Over the following sections the Axle team uses the steps of the continual improvement model to implement changes to the organization.



Henri: At Axle we strive for continual improvement at all levels. One of our objectives is to be a greener business and incorporate sustainable principles into every business decision. My team is committed to this initiative. As part of our service relationship model, our partners and suppliers are also involved in this.

SECTION 9: CONTINUAL IMPROVEMENT

Steps of the continual improvement model

- We are going to provide more detail on each step of the continual improvement model
- An organization can adjust these steps to its culture and goals
- The model is simple and flexible, and can just as easily be used in an Agile culture as in a more traditional waterfall culture

STEP 1: WHAT IS THE VISION?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 1: WHAT IS THE VISION?

Key Message

Each improvement initiative should support the organization's goals and objectives

1. Translating the vision and objectives so that the context is understood
2. Create a high-level vision for the planned improvement

Focuses on two key areas

- The organization's vision and objectives need to be translated for the specific business unit, department, team, and/or individual, so that the context, objectives, and boundaries for any improvement initiative are understood.
- A high-level vision for the planned improvement needs to be created.

STEP 1: WHAT IS THE VISION?



SECTION 9: CONTINUAL IMPROVEMENT > STEP 1: WHAT IS THE VISION?



STEP 1: WHAT IS THE VISION?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 1: WHAT IS THE VISION?

The ITIL story: What is the vision?



Henri: Axle's vision is for the business to become one of the top three green car-hire companies globally. A continual improvement initiative called Axle Green was created for this purpose.



Craig: As a supplier of cleaning services to Axle, I'll support them in this improvement initiative.

STEP 2: WHERE ARE WE NOW?



SECTION 9: CONTINUAL IMPROVEMENT > STEP 2: WHERE ARE WE NOW?

Key Message

The success of an improvement initiative depends on a clear and accurate understanding of the starting point and the impact of the initiative. An improvement can be thought of as a journey from Point A to Point B, and this step clearly defines what Point A looks like. A journey cannot be mapped out if the starting point is not known.

- You need to know your starting point to properly plan out your journey
- Conduct **current-state** assessment of the existing services
- **Baseline**: Report or metric that serves as a starting point against which progress or change can be assessed

STEP 2: WHERE ARE WE NOW?



SECTION 9: CONTINUAL IMPROVEMENT > STEP 2: WHERE ARE WE NOW?

The ITIL story: Where are we now?



Su: We need to understand the baseline. How do we know if we've improved, if we don't know where we started? Currently, only 5 per cent of the vehicles in our fleet are electric.



Craig: Only 20 per cent of my cleaning products are biodegradable.

STEP 3: WHERE DO WE WANT TO BE?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 3: WHERE DO WE WANT TO BE?

Key message

Just as the previous step (Step 2) describes Point A on the improvement journey, Step 3 outlines what Point B, the target state for the next step of the journey, should look like. A journey cannot be mapped out if the destination is not clear.

Gap Analysis

a method to evaluate the scope and nature of the distance to be travelled from the starting point to the achievement of the initiative's vision

Metrics

such as the key performance Indicators (KPIs) and Critical Success Factors (CSFs) are used for measurement

- Your vision might be aspirational and never truly achieved
- Set our goals and agree to metrics such as KPI's and CSFs

STEP 3: WHERE DO WE WANT TO BE?



SECTION 9: CONTINUAL IMPROVEMENT > STEP 3: WHERE DO WE WANT TO BE?

The ITIL story: Where do we want to be?



Su: Within five years, we want 50 per cent of our fleet to consist of electric vehicles. The other half should comply with the strictest ecological requirements for petrol and diesel cars.



Craig: One of my targets is that 90 per cent of my cleaning products will be biodegradable within the next two years.



Radhika: This is a great initiative. In our IT team, we want to use biodegradable cups. We would also like Axle to use environmentally friendly light bulbs in all our offices.

STEP 4: HOW DO WE GET THERE?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 4: HOW DO WE GET THERE?

Key Message

The plan for Step 4 can be a straightforward and direct route to completing a single simple improvement, or it may be more involved. The most effective approach to executing the improvement may not be clear, and it will sometimes be necessary to design experiments that will test which options have the most potential.

Even if the path to follow is clear, it may be most effective to carry out the work in a series of iterations, each of which will move the improvement forward part of the way. With each iteration, there is an opportunity to check progress, re-evaluate the approach, and change direction if appropriate.

- Create your plan
- Check progress after each iterative of your plan
- If you fail to plan, then you plan to fail

STEP 4: HOW DO WE GET THERE?



SECTION 9: CONTINUAL IMPROVEMENT > STEP 4: HOW DO WE GET THERE?

The ITIL story: How do we get there?



Craig: My plan is to replace our current stocks of cleaning products with biodegradable options as we run out. Meanwhile, we'll test new products to find the optimal balance of price and quality.



Su: Sometimes knowing how you get there is easy, but replacing half of our fleet with electric cars is a bigger challenge. We don't want excess cars in our car lots if they're not being used. We must also consider specifics and infrastructure in different countries, as well as local regulations.



Radhika: We're encouraging the use of ceramic cups over plastic ones. We're discontinuing the purchase of plastic cups, and we are buying ceramic cups for all our offices.

Key message

In Step 5 the plan for the improvement is acted upon. This could involve a traditional waterfall-style approach, but it could be more appropriate to follow an Agile approach by experimenting, iterating, changing directions, or even going back to previous steps.

- **Measuring** progress towards the vision
- **Managing** the **risk** during these changes
- **Ensuring** the visibility of the initiative is spread throughout the organization

The ITIL story: Take action



Craig: We have started to replace our stocks of cleaning products with biodegradable options. We've found some great new products to use, and even managed to save money by using cheaper alternatives that don't compromise on quality.



Su: We have started to phase out some of our older petrol and diesel cars and replace them with new electric models. We have carried out a thorough check of the petrol and diesel cars we are keeping to ensure they meet ecological requirements, and will take action to fix this where they do not.



Radhika: We have brought the new biodegradable cups and environmentally friendly light bulbs into our offices and started to remove the plastic cups.

STEP 6: DID WE GET THERE?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 6: DID WE GET THERE?

Key message

Too often, once an improvement plan is set in motion, it is assumed that the expected benefits have been achieved, and that attention can be redirected to the next initiative. In reality, the path to improvement is filled with various obstacles, so success must be validated.

- **Success** is not guaranteed
- **Conduct** the current state assessment again

STEP 6: DID WE GET THERE?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 6: DID WE GET THERE?

The ITIL story: Didi we get there?



Craig: After a few months we managed to hit our target of having 90 per cent of our products being biodegradable.



Su: The electric cars are being introduced, but for logistical reasons it is proving more difficult to replace the petrol and diesel cars than we had anticipated. We will need to do this at a faster pace if we want to hit our five- year target. We may now have to reconsider our target, and decide whether we should do more to support it, or if it needs to be revised.



Radhika: Our offices now have biodegradable cups and environmentally friendly light bulbs. Some of the old plastic cups are still being used, but we have stopped purchasing more, so once they run out they'll be gone.

STEP 7: KEEP THE MOMENTUM GOING?



SECTION 9: CONTINUAL IMPROVEMENT > STEP 7: HOW DO WE KEEP THE MOMENTUM GOING?

Key message

If the improvement has delivered the expected value, the focus of the initiative should shift to marketing these successes and reinforcing any new methods introduced. This is to ensure that the progress made will not be lost and to build support and momentum for the next improvements.

- **Attempt** to **continue** the improvement again across the organization
- If this **step is skipped**, then it is likely that improvements will remain isolated and independent initiatives
- It may also be **difficult** to get support for future improvements

STEP 7: KEEP THE MOMENTUM GOING?

SECTION 9: CONTINUAL IMPROVEMENT > STEP 7: HOW DO WE KEEP THE MOMENTUM GOING?

The ITIL story: How do we keep the momentum going?



Craig: Now that we have hit our target we will monitor any new products we buy to ensure that they meet our standards of being biodegradable. We will also be on the lookout for any opportunities to replace our remaining non- biodegradable products with more environmentally friendly alternatives.



Su: We've made a great start on adding new electric vehicles to the Axle fleet, but haven't hit our targets yet. Now we need to analyse what has prevented us from reaching our objectives, record what lessons we have learned, and decide what can be done differently in the future to make the introduction of electric cars more effective.



Radhika: We will continue to buy ceramic cups and environmentally friendly light bulbs for our offices. We will also consider further ways to make our offices greener, and run campaigns with staff members to encourage them to become more environmentally aware.

SECTION 9: CONTINUAL IMPROVEMENT

	Focus on value	Start where you are	Progress iteratively with feedback	Collaborate and promote visibility	Think and work holistically	Keep it simple and practical	Optimize and automate
What is the vision?	√			√	√		
Where are we now?		√		√			
Where do we want to be?			√		√	√	√
How do we get there?			√	√	√	√	
Take action	√		√	√			
Did we get there?	√			√	√		
How do we keep the momentum going?	√			√	√		√

Correlation Matrix between continual improvement steps and guiding principles

SECTION 9: CONTINUAL IMPROVEMENT > EXERCISE

When working within the 'what is the vision' step of the continual improvement model, what must you ensure to occur?

- The high-level direction of the initiative has been understood
- The detailed steps of how to achieve your objectives
- What metrics you will use to measure success
- The current processes being used

Jasmin is leading an improvement initiative within your company. She has been told that the company wants to have the highest customer satisfaction in the industry. Currently, the company has a customer satisfaction rating of 92% but the industry leader has an average of 94%. Bridgett decides that the company should set their goal of obtaining a 96% customer satisfaction score within the next 12 months. What step of the continual improvement model is Bridgett currently in?

- What is the vision
- Where do we want to be
- How do we get there
- Where are we now