

GENERAL MANAGEMENT PRACTICES

Section 11

SECTION 11: GENERAL MANAGEMENT PRACTICES

GENERAL MANAGEMENT PRACTICES

Architecture
Management

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Management

Knowledge
Management

Measurement
and Reporting

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Project
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Risk
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Strategy
Management

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Management

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Talent
Management

Architecture Management

provide an understanding of all the different elements that make up an organization and how those elements interrelate, enabling the organization to effectively achieve its current and future objectives

It provides the principles, standards, and tools that enable an organization to manage complex change in a structured and Agile way

Architecture Types

- Business architecture
- Service architecture
- Information systems architecture, including data and applications architectures
- Technology architecture
- Environmental architecture

Business architecture

- The business architecture allows the organization to look at its capabilities in terms of how they align with all the detailed activities required to create value for the organization and its customers. These are then compared with the organization's strategy and a gap analysis of the target state against current capabilities is performed. Identified gaps between the baseline and target state are prioritized and these capability gaps are addressed incrementally. A 'roadmap' describes the transformation from current to future state to achieve the organization's strategy.

Service architecture

- Service architecture gives the organization a view of all the services it provides, including interactions between the services and service models that describe the structure (how the service components fit together) and the dynamics (activities, flow of resources, and interactions) of each service. A service model can be used as a template or blueprint for multiple services.

Information systems architecture, including data and applications architectures

- The information architecture describes the logical and physical data assets of the organization and the data management resources. It shows how the information resources are managed and shared for the benefit of the organization.
- Information is a valuable asset for the organization, with actual and measurable value. Information is the basis for decision-making, so it must always be complete, accurate, and accessible to those who are authorized to access it. Information systems must therefore be designed and managed with these concepts in mind.

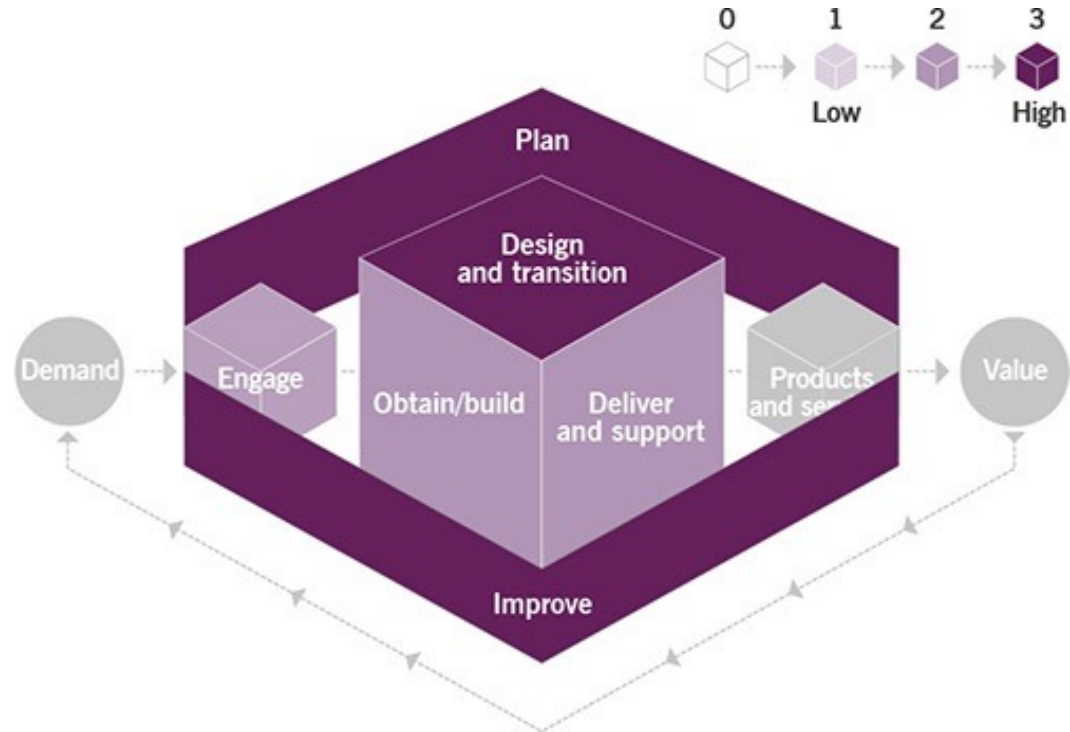
Technology architecture

- The technology architecture defines the software and hardware infrastructure needed to support the portfolio of products and services.

Environmental architecture

- The environmental architecture describes the external factors impacting the organization and the drivers for change, as well as all aspects, types, and levels of environmental control and their management. The environment includes developmental, technological, business, operational, organizational, political, economic, legal, regulatory, ecological, and social influences.

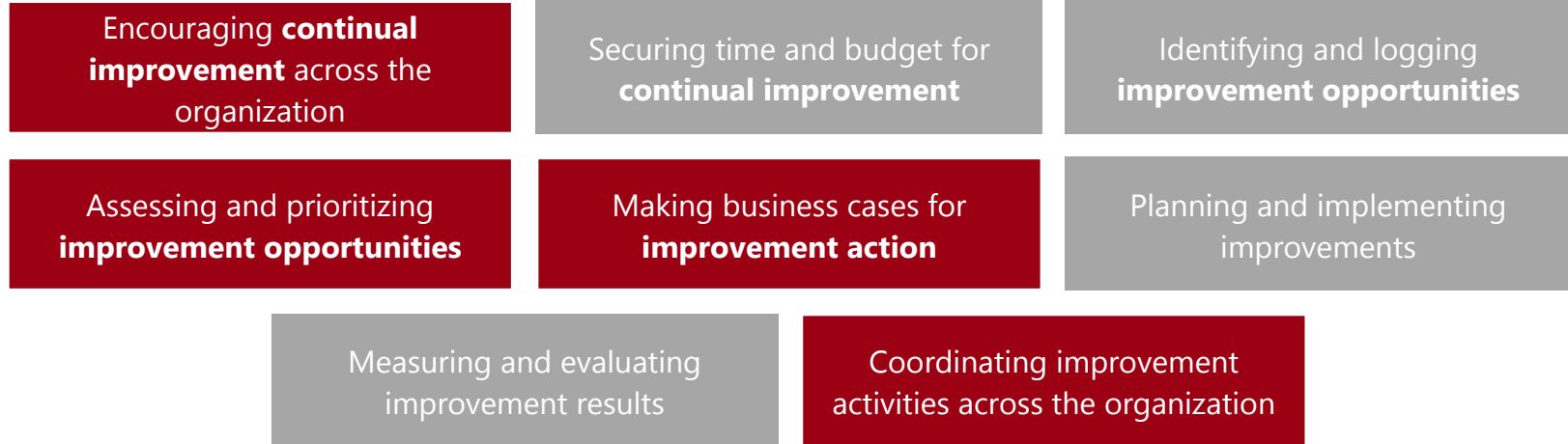
SECTION 11: GENERAL MANAGEMENT PRACTICES > ARCHITECTURE MANAGEMENT



Heat map of the contribution of architecture management to value chain activities

Continual Improvement

align the organization's practices and services with changing business needs through the ongoing improvement of products, services, and practices, or any element involved in the management of products and services



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SWOT ANALYSIS

	Helpful to achieving the objective	Harmful to achieving the objective
Internal origin (attributes of the organization)	Strengths S	Weaknesses W
External origin (attributes of the environment)	Opportunities O	Threats T

Approaches to continual improvement can be found in many places

SWOT analysis

Balanced scorecard review

Internal and **external**
assessments and audits

Lean methods provide
perspectives on the elimination
of waste

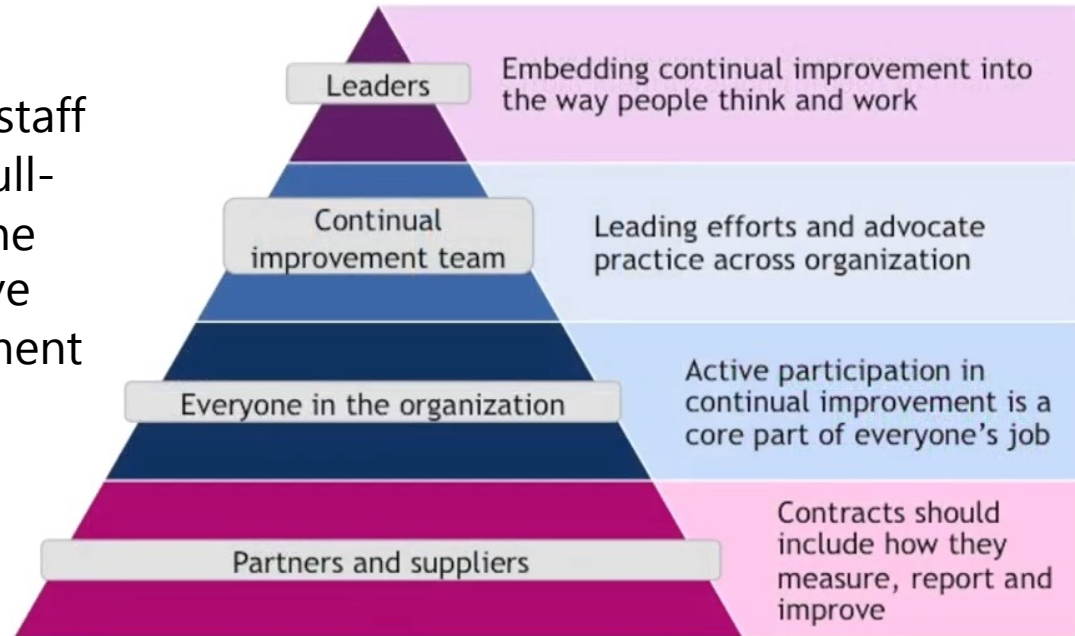
Agile methods focus on making
improvements incrementally

DevOps methods work
holistically

Although there are several methods available, organizations should not try to formally commit to too many different approaches

Continual improvement is everyone's **responsibility**

Although there may be a group of staff members who focus on this work full-time, it is critical that everyone in the organization understands that active participation in continual improvement activities is a core part of their job



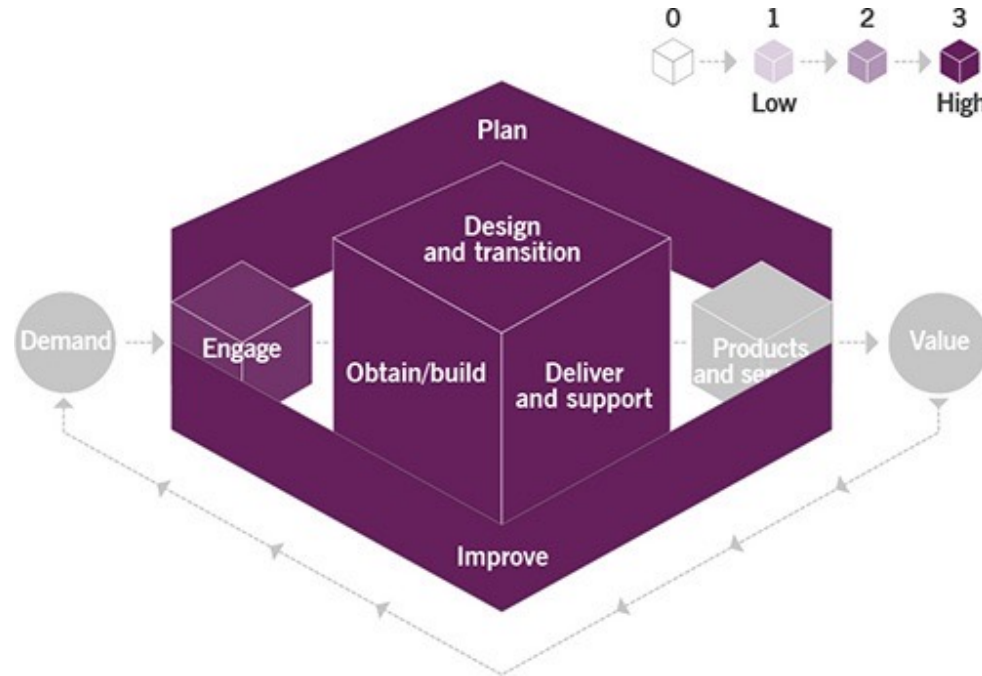
A **continual improvement register (CIR)** is a database or structured document to track and manage improvement ideas from identification through to final action

Example CIR

Improvement idea	Impact	...
Promote the guiding principles across partners and suppliers	M	
Automate software deployments to reduce manual labour	M	
Update service desk scripts to improve incident response time	H	

Ideas are captured, documented, assessed, prioritized and appropriately acted on.

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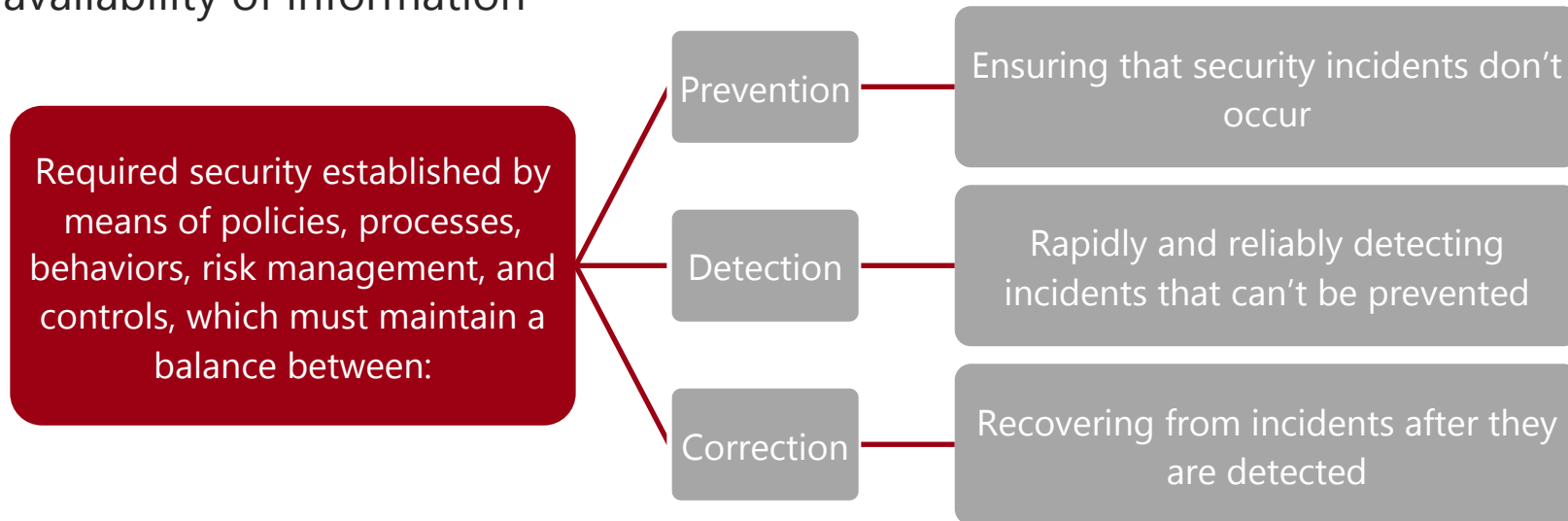
Heat map of the contribution of continual improvement to value chain activities

SECTION 11: GENERAL MANAGEMENT PRACTICES > CONTINUAL IMPROVEMENT



Purpose

- Protect the information needed by the organization to conduct its business
- Understanding and managing risks to the confidentiality, integrity, and availability of information



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- It is also essential to balance protecting the organization from harm and allow it to innovate
- **Information security** controls should consider all aspects of the organization and align with its risk appetite
- **Information security management** interacts with every other practice
- It creates controls that each practice must consider when planning how work will be done

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- It depends on other practices to help protect information
- It must be driven from the most senior level in the organization
- Most organizations have a dedicated **information security** team
- In **high-velocity** environments, **information security** is integrated into the daily work of development and operations

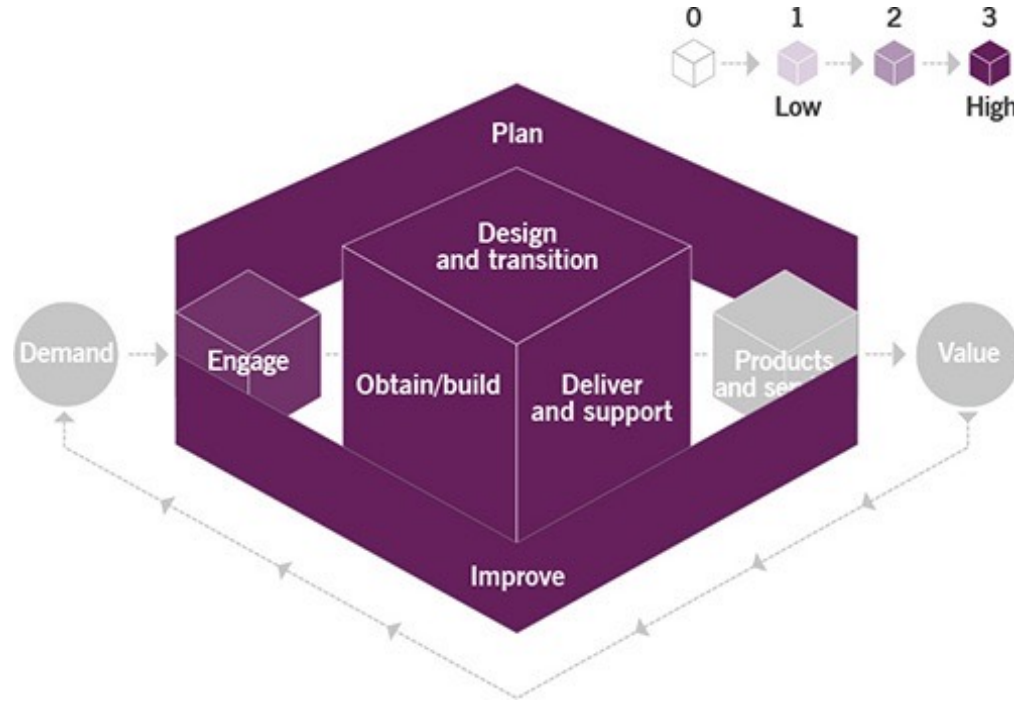
- **Information Security** is critically dependent on the behavior of people throughout the organization
- Staff who have been trained well and pay attention to **Information Security policies** and other controls can help to detect, prevent, and correct **Information Security incidents**
- Poorly trained or insufficiently motivated staff can be a major vulnerability

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Many processes and procedures are required to support information security management.

- an **information security** incident management process
- a risk management process
- a control review and audit process
- an identity and access management process
- event management
- procedures for penetration testing, vulnerability scanning, etc.
- procedures for managing **information security** related changes

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Heat map of the contribution of information security management to value chain activities

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Plan

Considered in all planning activity and must be built into every practice and service

Improve

Considered in all improvement value chain activity to ensure that vulnerabilities are not introduced when making improvements

Engage

Information security requirements for new and changed services must be understood and captured

Knowledge Management

maintain and improve the effective, efficient, and convenient use of information and knowledge across the organization

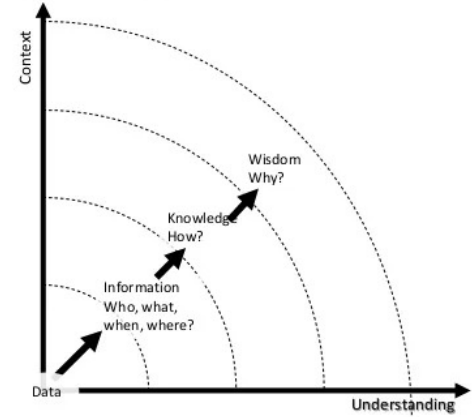
Structured approach:

- Defining
- Building
- Re-using
- sharing

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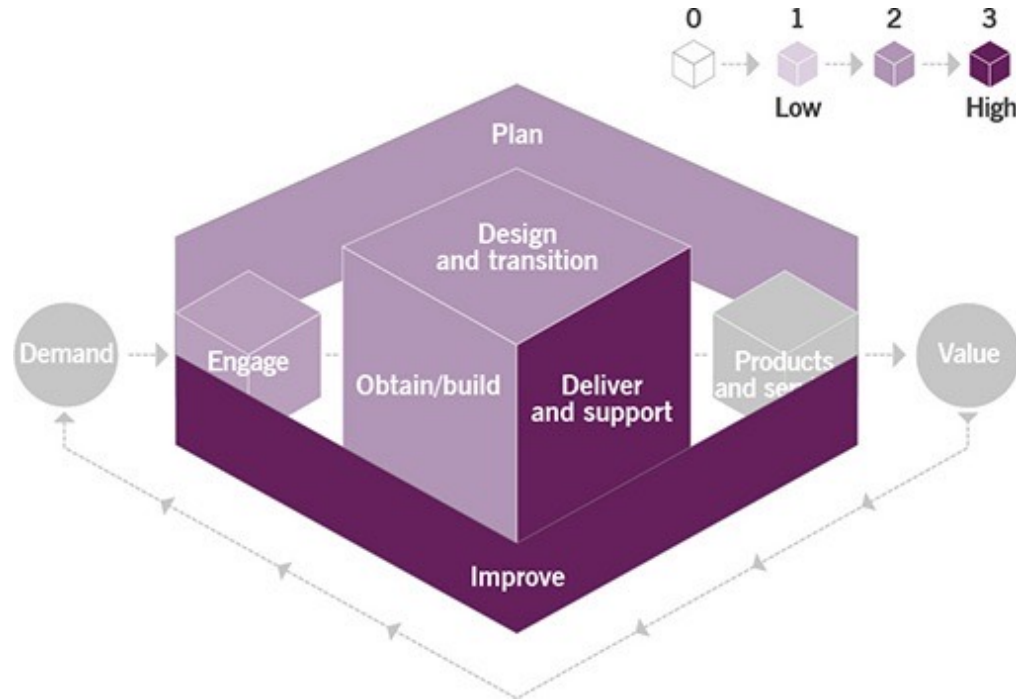


DIKW Model



Francisco Ferrão

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Heat map of the contribution of knowledge management to value chain activities

Measurement and Reporting

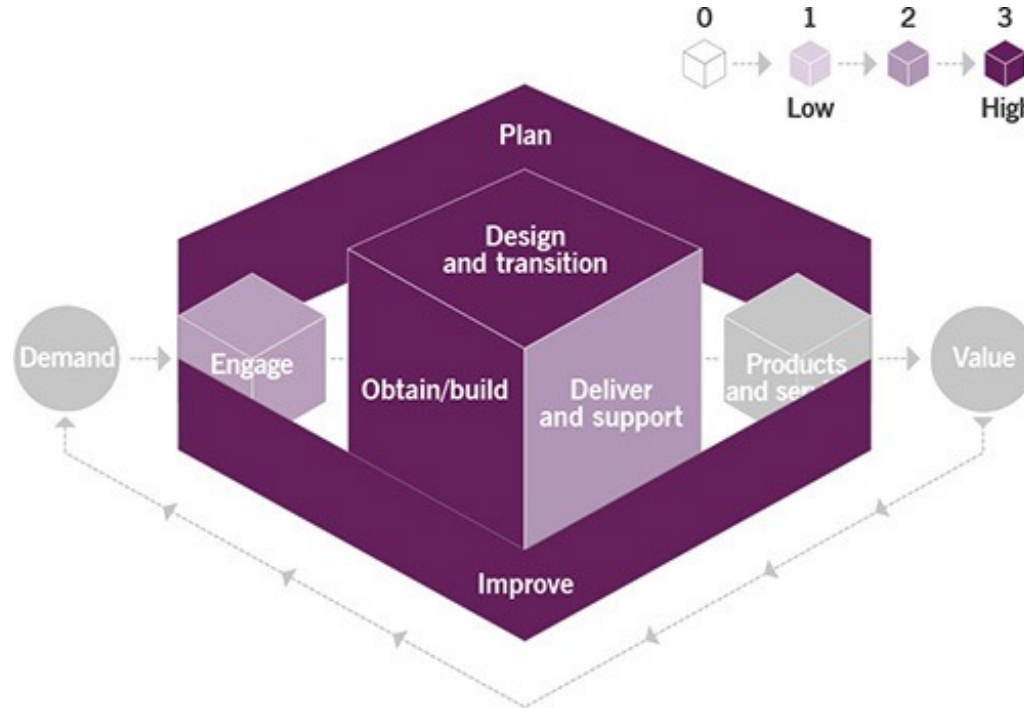
support good decision-making and continual improvement by decreasing the levels of uncertainty

This is achieved through the collection of relevant data on various managed objects and the valid assessment of this data in an appropriate context

Definitions

- **Critical Success Factor (CSF)**
 - A necessary precondition for the achievement of intended results
- **Key Performance Indicator (KPI)**
 - An important metric used to evaluate the success in meeting an objective

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Heat map of the contribution of measurement and reporting to value chain activities

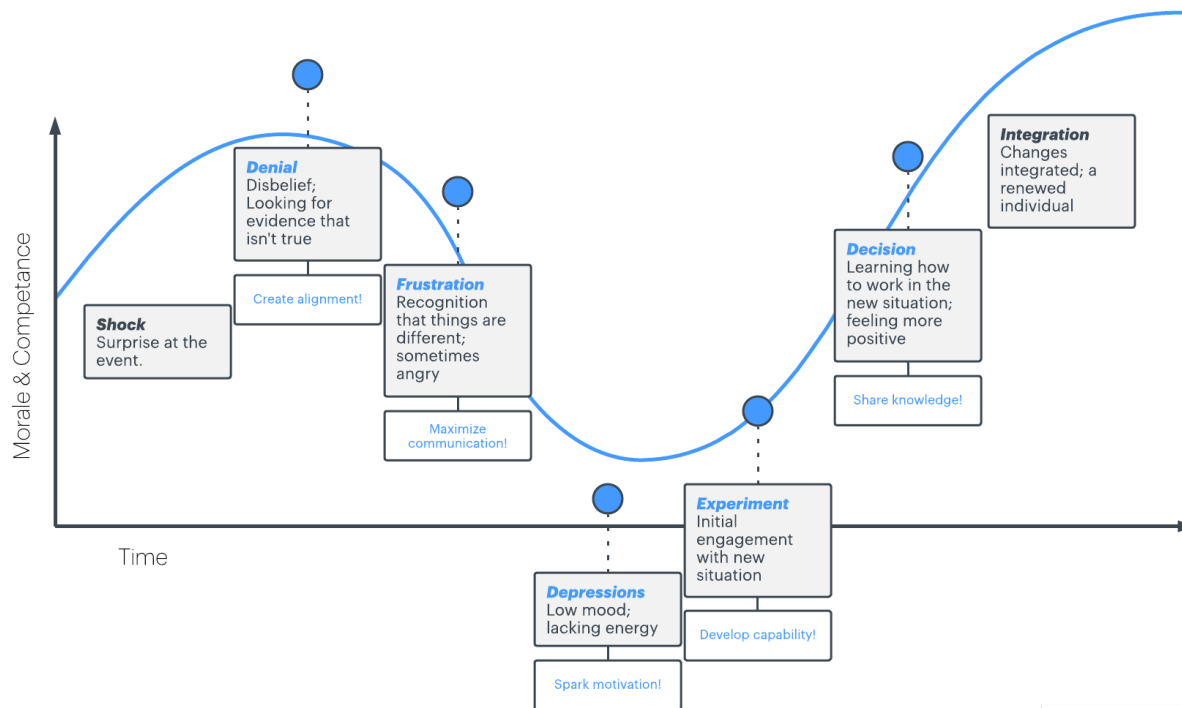
Organizational Change Management

ensure that changes in an organization are smoothly and successfully implemented, and that lasting benefits are achieved by managing the human aspects of the changes

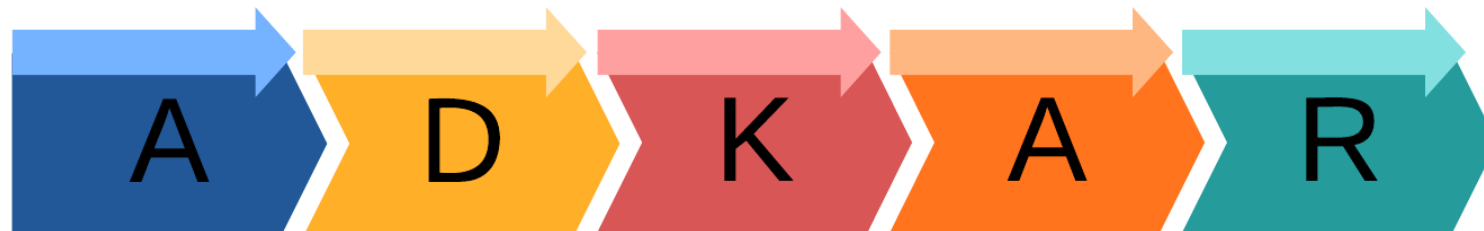
The organizational change management practice aims to ensure that everyone affected by the change accepts and supports it

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Kubler-Ross Model



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Awareness

- Announce the change to employees well ahead of time.
- Explain your reasoning behind the change, including current pain points and potential ROI of the new solution.
- Give employees an opportunity to ask questions and make suggestions.

Desire

- Gauge employees' reactions to the change.
- Identify champions.
- If employees are resistant or indifferent, address their concerns or show them how the change benefits them personally.

Knowledge

- Provide training or coaching to show what employees need to do after the change takes place.
- Address any skill gaps.
- Offer resources, such as process flowcharts, that employees can reference later on.

Ability

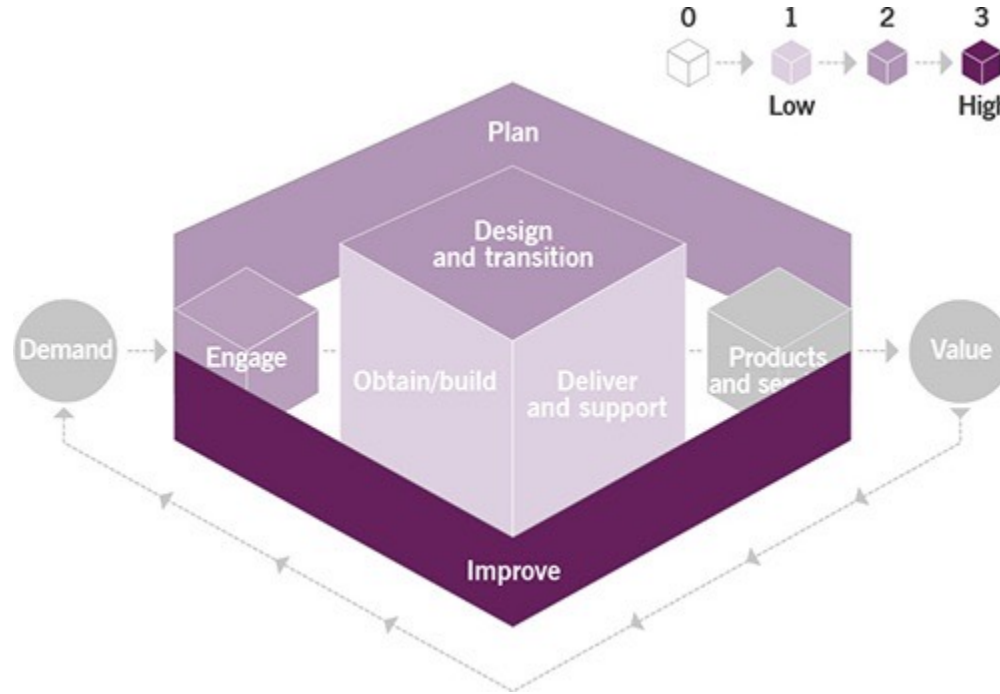
- Schedule practice runs before the change is fully implemented.
- Monitor performance immediately following the change and provide constructive feedback.
- Set reasonable goals and metrics at the start.
- Adjust processes as necessary.

Reinforcement

- Monitor the change over time to ensure it fulfills your desired outcome.
- Use positive feedback, rewards, and recognition to encourage employees to keep following the new process.



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Heat map of the contribution of organizational change management to value chain activities

Portfolio Management

ensure that the organization has the right mix of programmes, projects, products, and services to execute the organization's strategy within its funding and resource constraints

Achieves this through the following activities:

- Developing and applying framework to define and deliver portfolios
- Defining products and services for the achievement of agreed outcomes
- Evaluating and prioritizing incoming change initiatives
- Implementing investment and decision-making process based on understanding
- Analysing and tracking investments based on the value
- Monitoring the performance of the overall portfolio and proposing adjustments
- Reviewing the portfolios

Portfolio Management encompasses a number of different portfolios:

Product/service portfolio: The product/service portfolio is the complete set of products and/or services that are managed by the organization, and it represents the organization's commitments and investments across all its customers and market spaces.

Project portfolio: The project portfolio is used to manage and coordinate projects that have been authorized, ensuring objectives are met within time and cost constraints and to specification.

Customer portfolio: the customer portfolio is used to record all the organization's customers and is the relationship manager's view of the internal and external customers who receive products and/or services from the organization.

The outcomes for existing services falls into six categories:

Renew: these services meet functional fitness criteria but fail technical fitness

Replace: these services have unclear and overlapping business functionality

Retain: largely self contained, with well defined asset, process and system boundaries

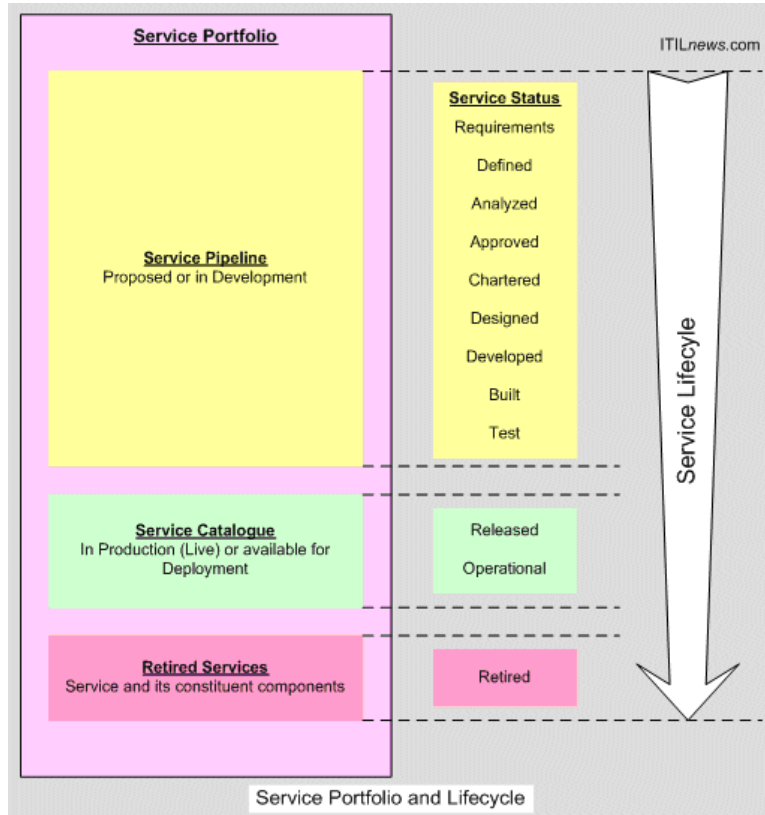
Refactor: often services that meet the technical and functional criteria of the organization have confused or inconsistent process or system boundaries

Retire: services that do not meet minimum levels of technical and functional fitness.

Retirement is an often overlooked investment

Rationalise: often organisations discover they are offering services that are composed of multiple multiple versions of the same software

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Service Portfolio represents the commitments and investments made by a service provider across all customers and market spaces

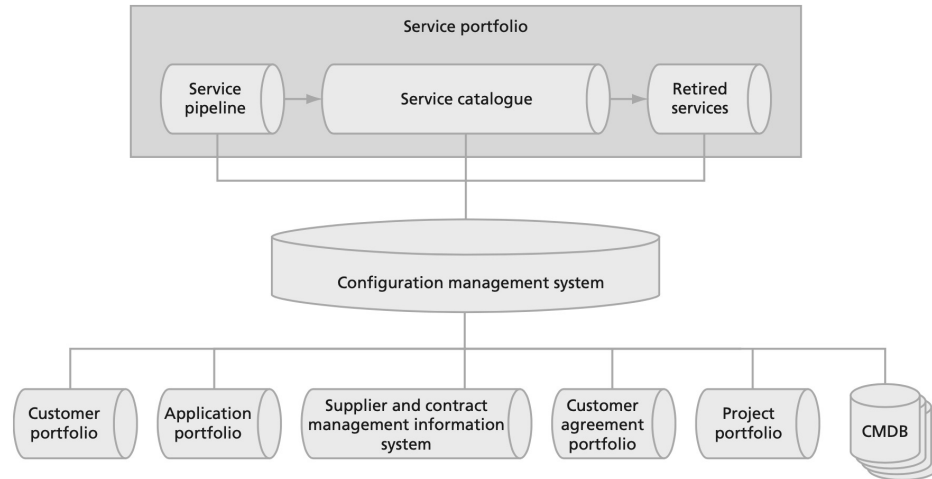
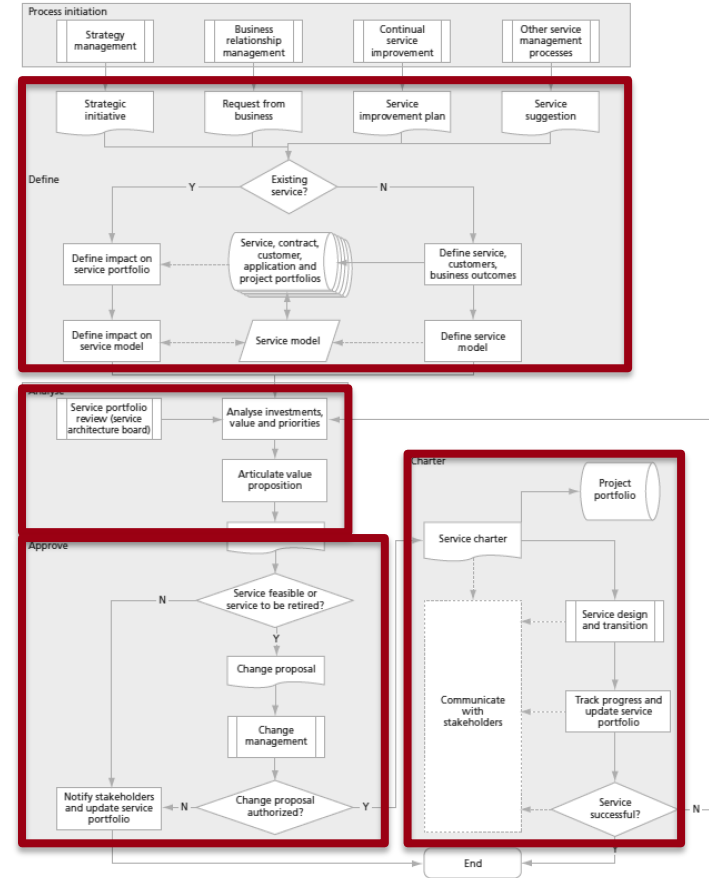
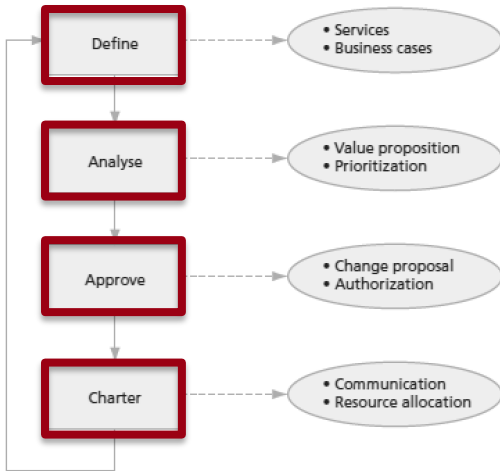
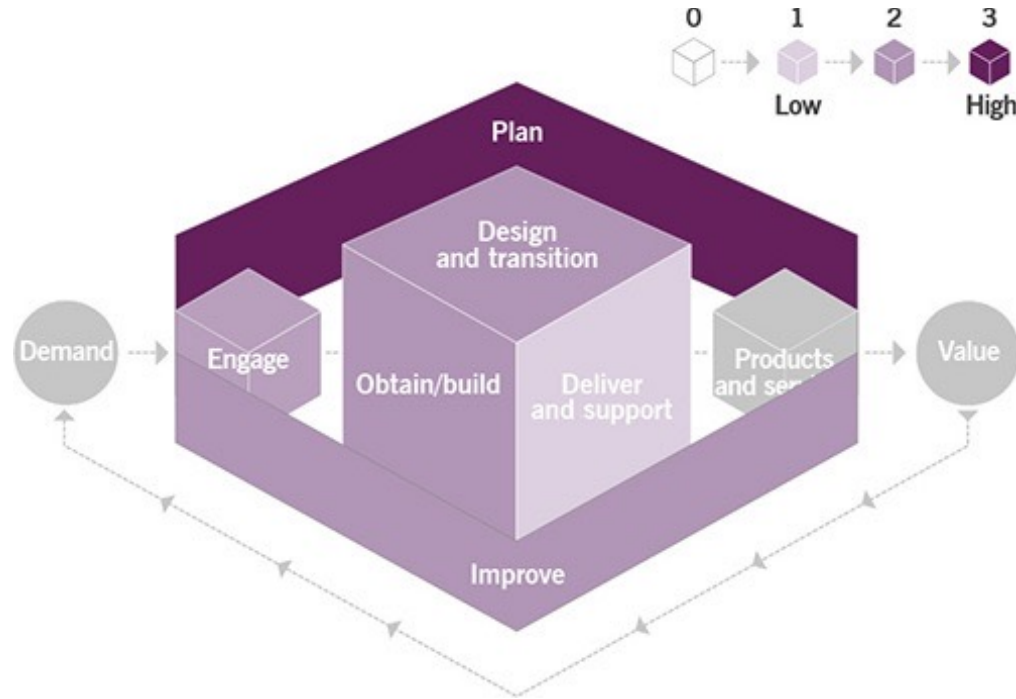


Figure 4.14 The service portfolio

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Heat map of the contribution of portfolio management to value chain activities

Project Management

ensure that all projects in the organization are successfully delivered

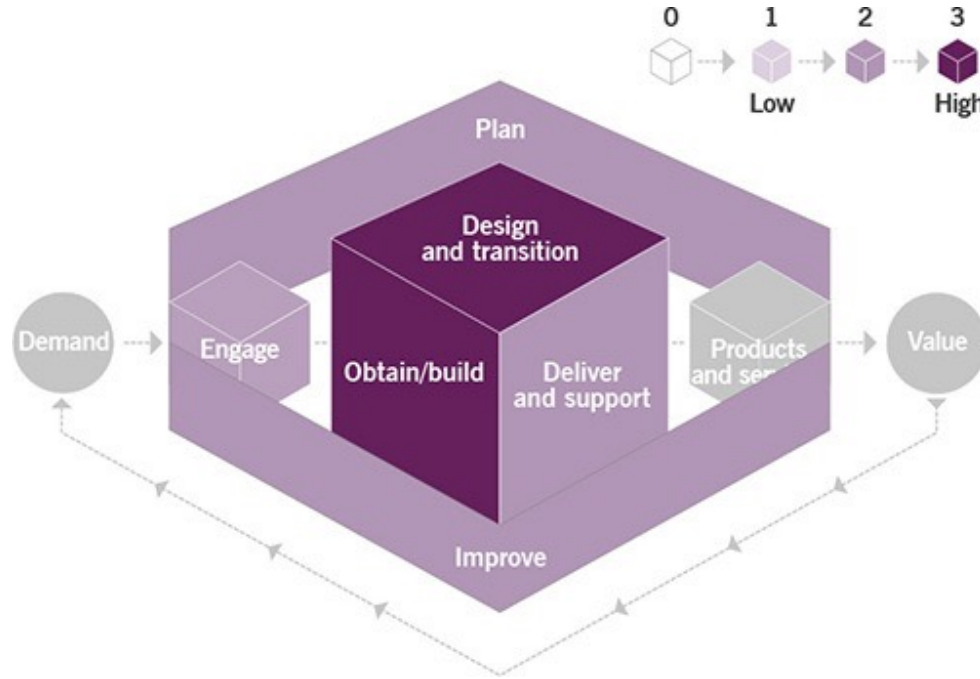
This is achieved by planning, delegating, monitoring, and maintaining control of all aspects of a project, and keeping the motivation of the people involved

There are different approaches to the way in which projects are delivered:

- Waterfall method
- Agile method
- Mixed...

ISO 21500, PMI, PRINCE 2, several types of Agile (Kandan, Scrum, XP, Crystal, DSDM, FDD, SAFe...)

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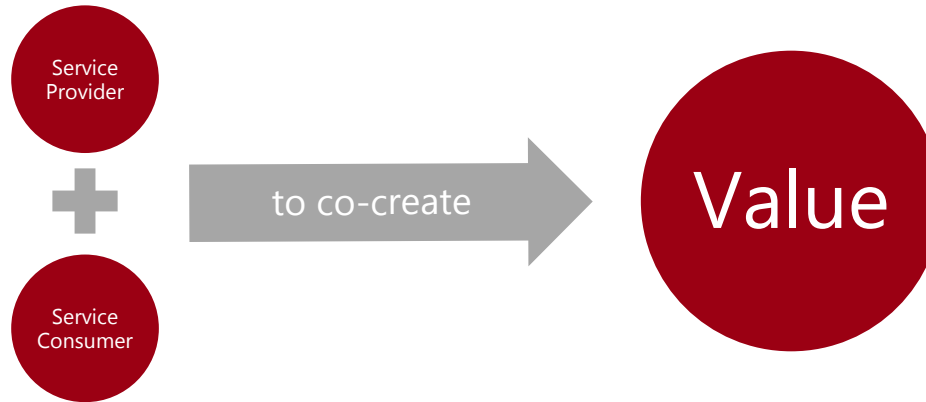


Heat map of the contribution of project management to value chain activities

Relationship Management

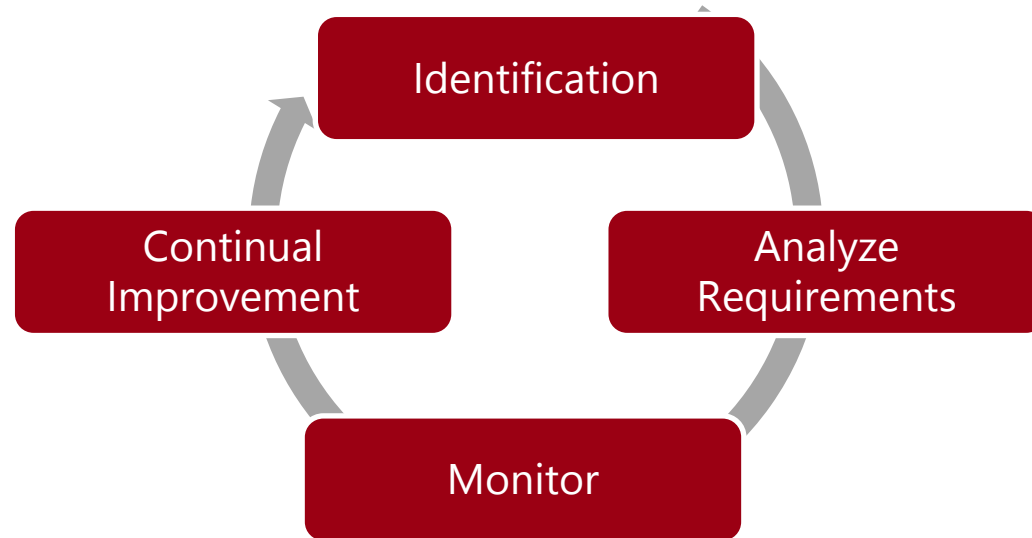
ensure engaging and establishing the relationship with all the stakeholders at all levels, right from strategic to tactical levels

- This includes the customer, supplier, partner, and functions within the organization



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It includes the identification, analysis, monitoring, and continual improvement of relationships with and between stakeholders



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Stakeholders' needs and drivers are understood

Products and services are prioritized appropriately

Stakeholders' satisfaction is high.

Customers' priorities

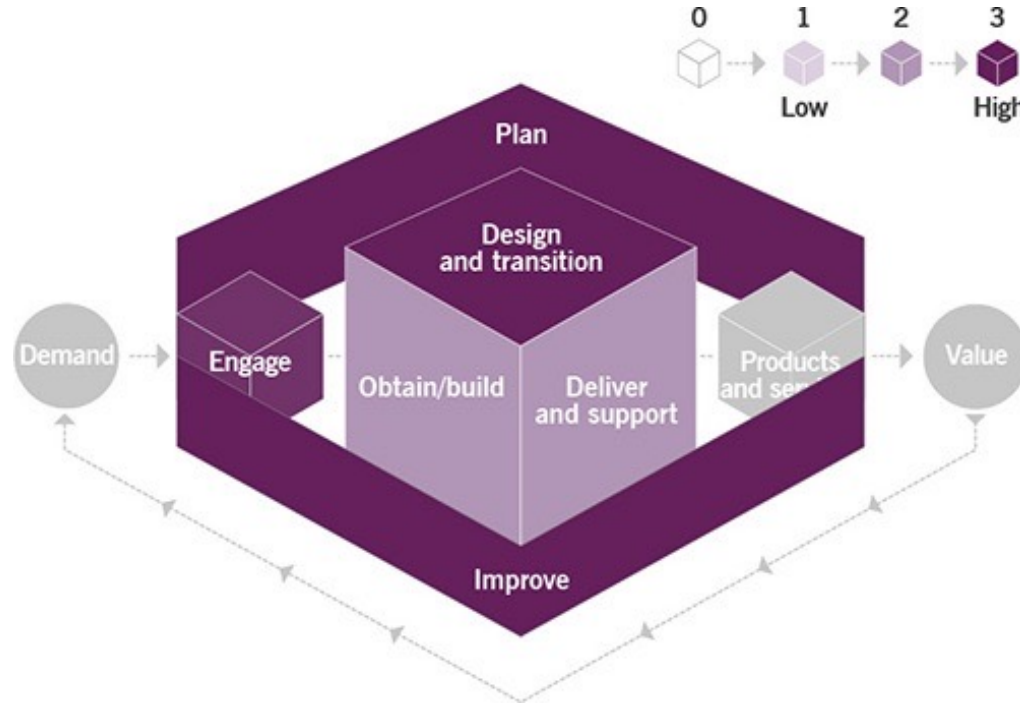
Any stakeholders' complaints and escalations are handled well through a sympathetic process

Products and services facilitate value creation for the service consumers and the organization

The organization facilitates value creation for all stakeholders

Conflicting stakeholder requirements are mediated appropriately.

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Heat map of the contribution of relationship management to value chain activities

SECTION 11: GENERAL MANAGEMENT PRACTICES > RELATIONSHIP MANAGEMENT CONTRIBUTION

Plan

Information about the requirements and expectations, assessment and prioritization across portfolios and evaluating current and future market spaces

Improve

Harmonize and synergize different organizational relationships with internal and external customers

Engage

Engaging with internal and external customers to understand their requirements and priorities

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Design & Transition

Plays a key role in coordinating feedback from internal and external customers, ensures that inconvenience and adverse impacts to customers during transition are prevented or minimized

Obtain / Build

Provides the customer requirements and priorities to help select products, services or service components to be obtained or built

Deliver & Support

Responsible for ensuring that a high level of customer satisfaction and a constructive relationship

Risk Management

ensure that the organization understands and effectively handles risks

Managing risk is essential to ensuring the ongoing sustainability of an organization and creating value for its customers

Risk

a possible event that could cause harm or loss or make it more difficult to achieve objectives. Can also be defined as uncertainty of outcome and can be used in the context of measuring the probability of positive outcomes as well as negative outcomes.

Risk Management

ensure that the organization understands and effectively handles risks

Risk need to be:

- Identified
- Assessed
- Treated

The following principles apply specifically to the risk management practice:

- Risk is part of business
- Risk management must be consistent across the organization
- Risk management culture and behaviours are important

ISO 31000:2018 Risk Management

These guidelines provide an overall and general perspective of the purpose and principles of risk management

They are applicable at all levels in any type of organization

ISO 31000 states that 'the purpose of risk management is the creation and protection of value' and that risk management 'improves performance, encourages innovation and supports the achievement of objectives'

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CCTA

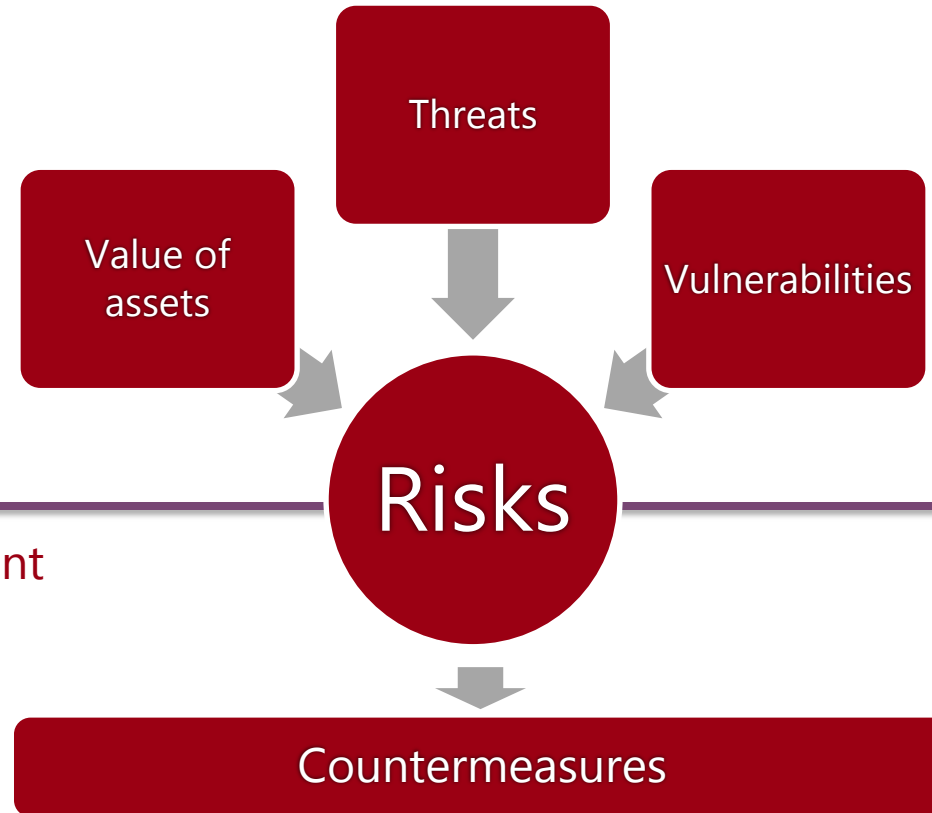
The United Kingdom's
Central
Computer and
Telecommunications
Agency

CRAMM

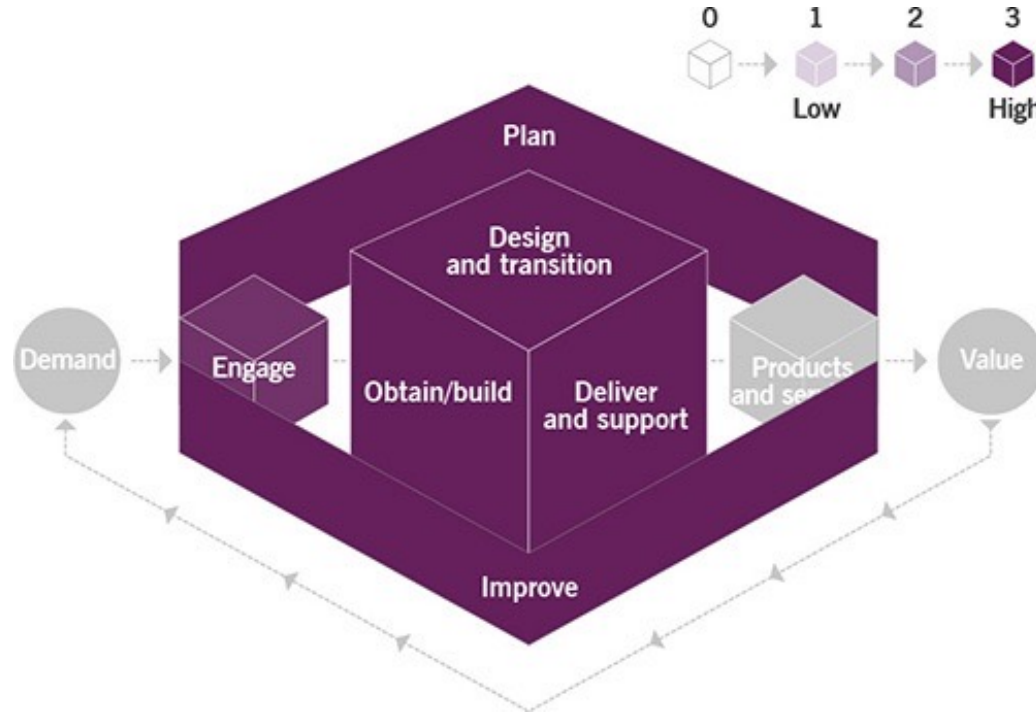
CCTA
Risk
Analysis and
Management
Method

Risk Analysis

Risk Management



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Heat map of the contribution of risk management to value chain activities

Service Financial Management

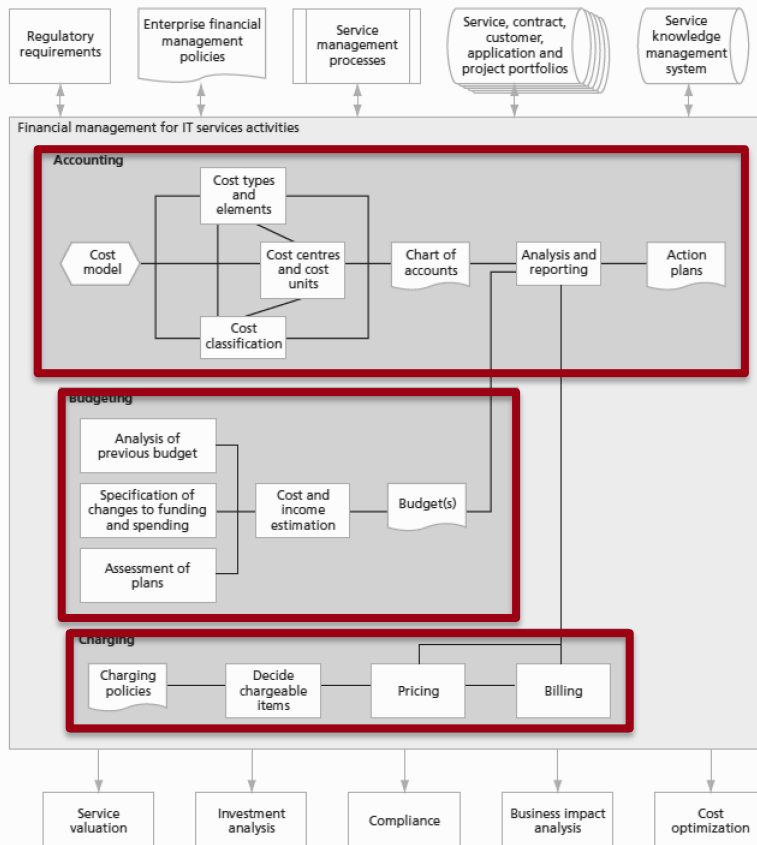
support the organization's strategies and plans for service management by ensuring that the organization's financial resources and investments are being used effectively

Service financial management is responsible for managing the

- Budgeting
- Costing
- Accounting
- Charging

for the activities of an organization

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Main process inputs

Accounting

Budgeting

Charging

Main process outputs



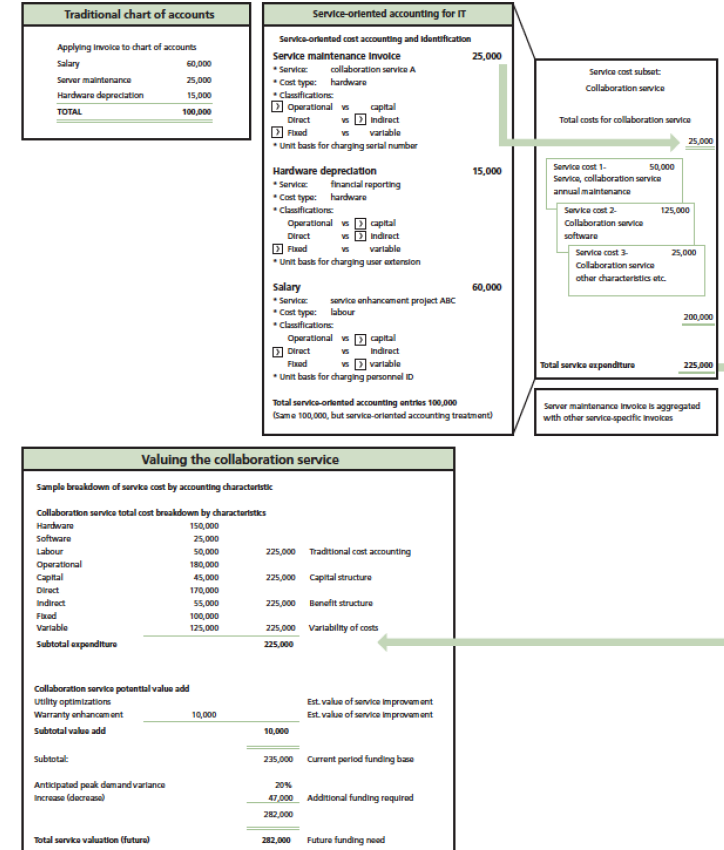
SECTION 11: GENERAL MANAGEMENT PRACTICES > SERVICE FINANCIAL MANAGEMENT

Accounting: chart of accounts

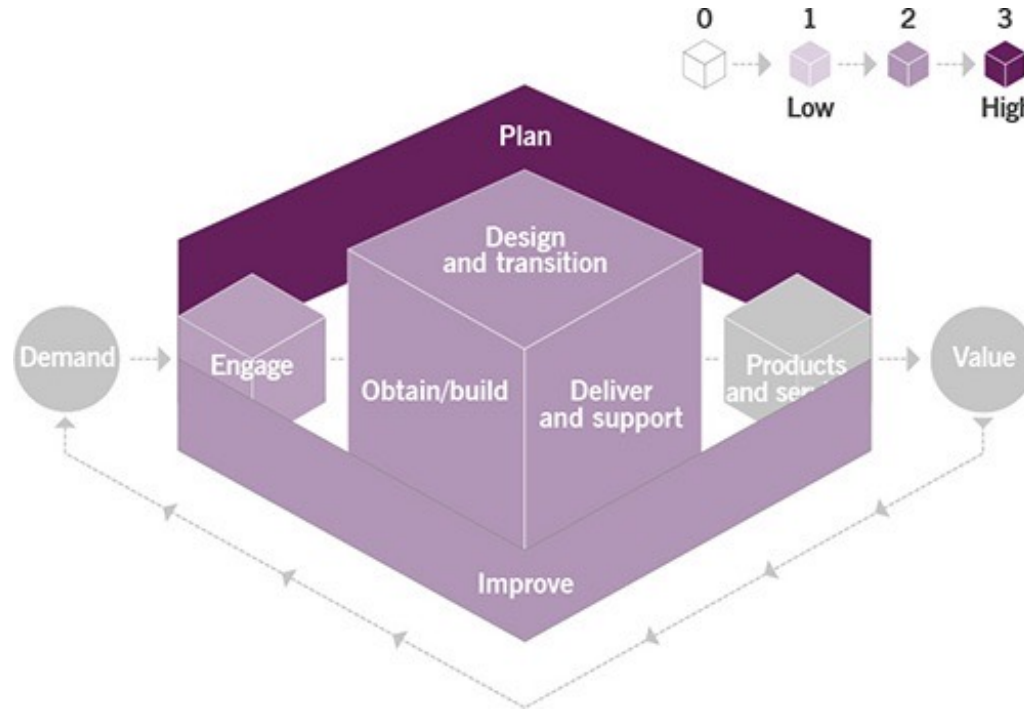
Service Financial Management needs to align the chart of accounts with its own cost models, services and expenditure

More IT organizations are creating their own charts of accounts and then aligning them with the enterprise chart of accounts

In the figure, an example of translation of cost account data to service account information



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Heat map of the contribution of service financial management to value chain activities

Strategy Management

formulate the goals of the organization and adopt the courses of action and allocation of resources necessary for achieving those goals

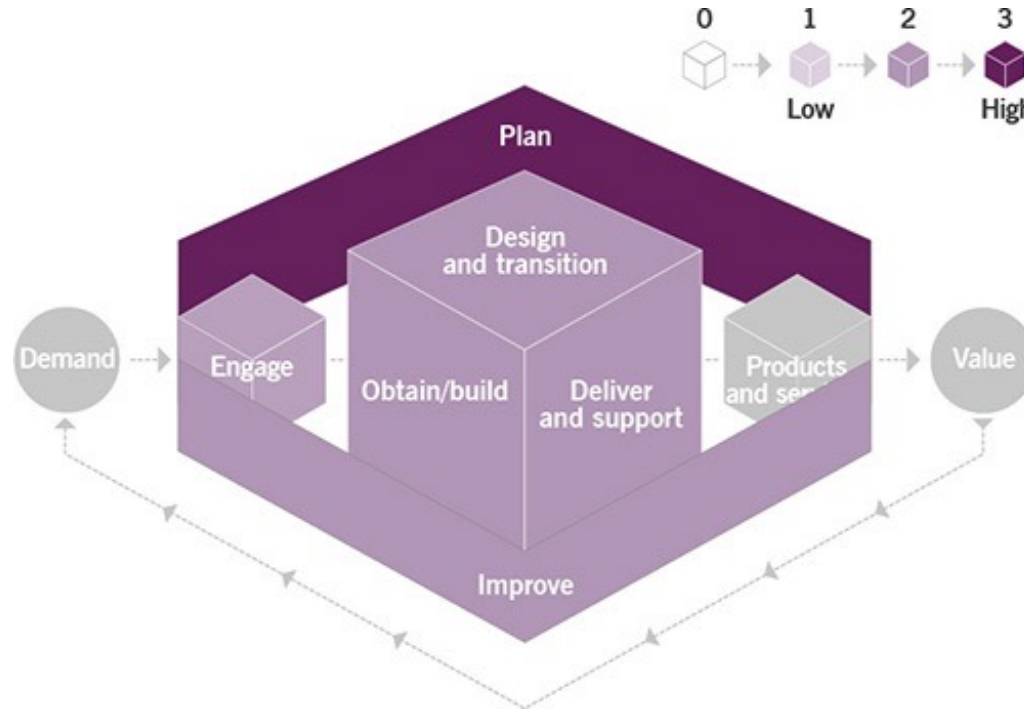
Strategy management establishes the organization's direction, focuses effort, defines or clarifies the organization's priorities, and provides consistency or guidance in response to the environment

Strategy management is often seen as the responsibility of the senior management and governing body of an organization

The objectives of strategy management are to:

- analyse the environment to identify opportunities
- identify constraints and define how they could be removed
- decide and agree the organization's perspective and direction
- establish the perspective and position of the organization relative to its customers and competitors
- ensure that the strategy has been translated into tactical and operational plans
- ensure the strategy is implemented through execution of the strategic plans
- manage changes to the strategies ensuring that strategies keep pace with changes

SECTION 11: GENERAL MANAGEMENT PRACTICES > STRATEGY MANAGEMENT



Heat map of the contribution of strategy management to value chain activities

Supplier Management

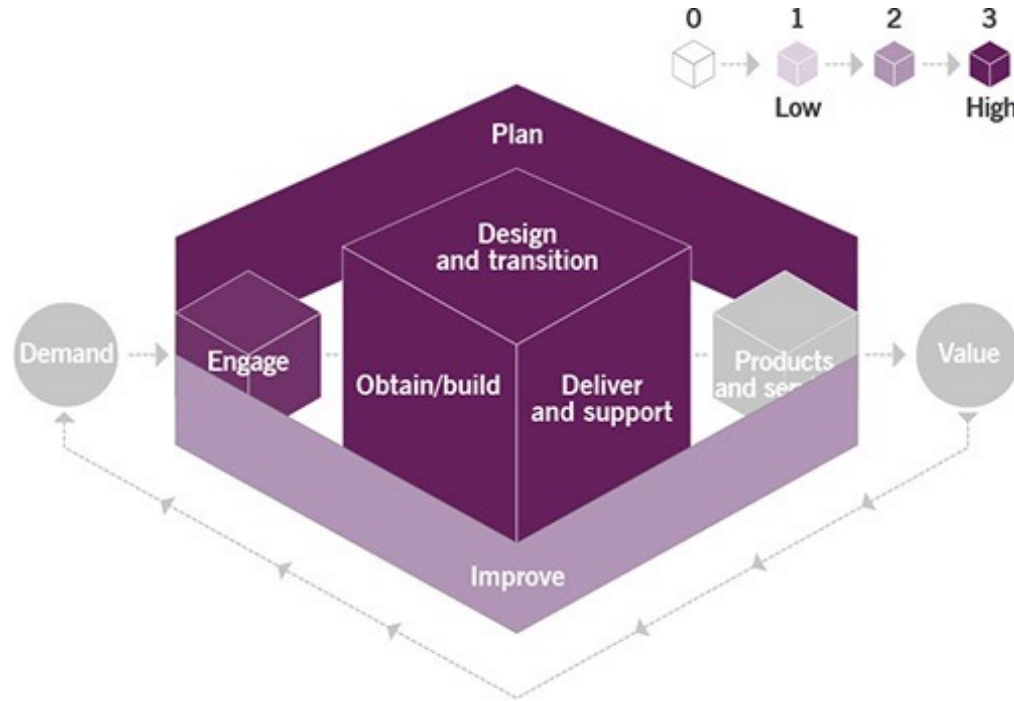
ensure the management of supplier and their performance to support the seamless provisioning of quality products, services and components

- Good relationships with suppliers can provide you with advanced warning

Activities that are central to the practice include:

- Creating a single point of visibility and control to ensure consistency
- Maintaining a supplier strategy, policy, and contract management information
- Negotiating and agreeing contracts and arrangements
- Managing relationships and contracts with internal and external suppliers
- Managing supplier performance

SECTION 11: GENERAL MANAGEMENT PRACTICES > SUPPLIER MANAGEMENT



Heat map of the contribution of strategy management to value chain activities

SECTION 11: GENERAL MANAGEMENT PRACTICES > SUPPLIER MANAGEMENT ACTIVITIES

Plan

Provides approved sourcing strategy and plan

Improve

Identifies opportunities for improvement

Engage

Responsible for engaging with all suppliers and for the evaluation and selection of suppliers

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Design & Transition

Responsible for defining requirements for contracts and agreements related to new or changed products or services

Obtain / Build

Supports the procurement or obtaining of products, services, and service components from third parties

Deliver & Support

Ensure that suppliers meet the terms, conditions, and targets of their contracts and agreements

Workforce and Talent Management

ensure that the organization has the right people with the appropriate skills and knowledge and in the correct roles to support its business objectives

The practice covers a broad set of activities focused on successfully engaging with the organization's employees and people resources, including planning, recruitment, onboarding, learning and development, performance measurement, and succession planning

Definitions

Organizational velocity - The speed, effectiveness, and efficiency with which an organization operates. Organizational velocity influences time to market, quality, safety, costs, and risks.

Competencies - The combination of observable and measurable knowledge, skills, abilities, and attitudes that contribute to enhanced employee performance and ultimately result in organizational success.

Skills - A developed proficiency or dexterity in thought, verbal communication, or physical action.

Ability - The power or aptitude to perform physical or mental activities related to a profession or trade.

Knowledge - The understanding of facts or information acquired by a person through experience or education; the theoretical or practical understanding of a subject.

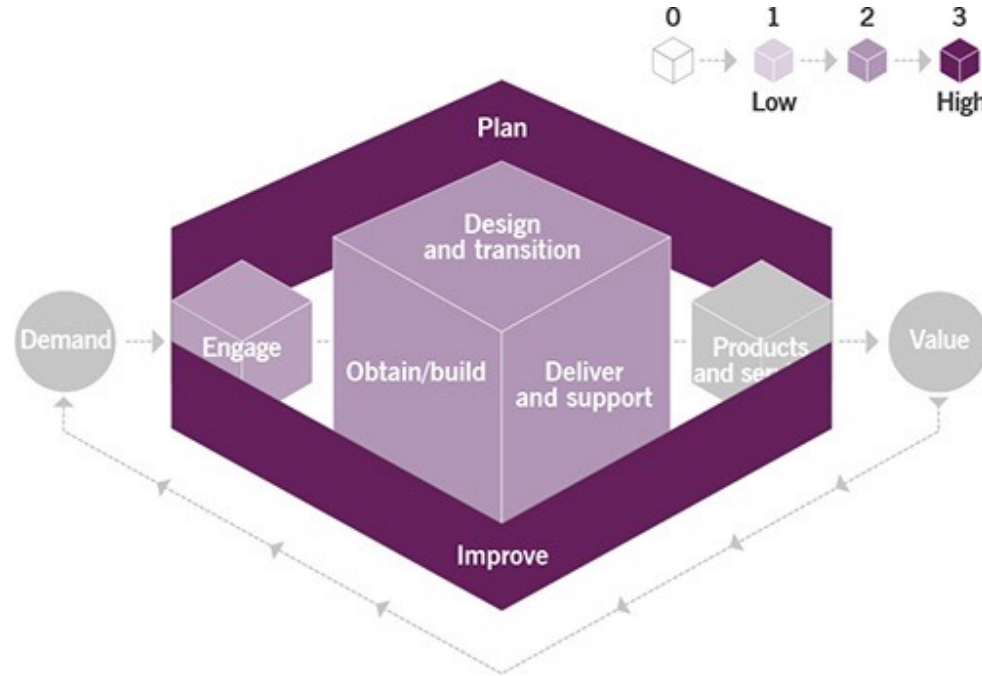
Attitude - A set of emotions, beliefs, and behaviours towards a particular object, person, thing, or event.

Workforce and Talent Management activities

The activities of this practice cover a broad range of areas and are performed by a variety of roles for specific purposes, including the ones depicted on the figure



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Heat map of the contribution of workforce and talent management to value chain activities

What is defined as the practice of protecting an organization by understanding and managing risks to the confidentiality, integrity, and availability of information?

- Information security management
- Availability management
- Service continuity management
- Change control

SECTION 11: GENERAL MANAGEMENT PRACTICES > EXERCISE

What is defined as the practice of ensuring that an organization's suppliers and their performance levels are managed appropriately to support the provision of seamless quality products and services?

- Supplier management
- Service level management
- Capacity and performance management
- Monitoring and even management