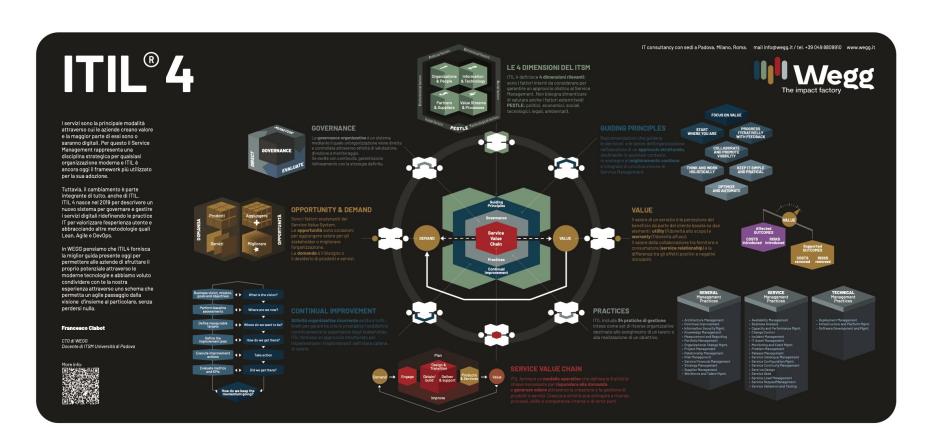
ITIL 4 – THE FRAMEWORK

Section 4

ITIL 4 – THE FRAMEWORK



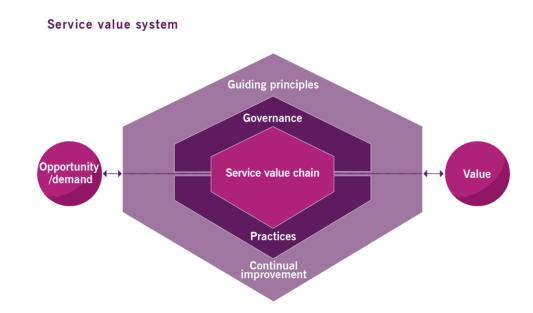


ITIL 4 – THE FRAMEWORK



SECTION 4: ITIL 4 – THE FRAMEWORK

- 4 dimensions of ITSM
- Governance
- Guiding principles
- Service Value Chain
- Continual Improvement
- Practices



Section 5

AGENDA



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > AGENDA

4 dimensions of SM

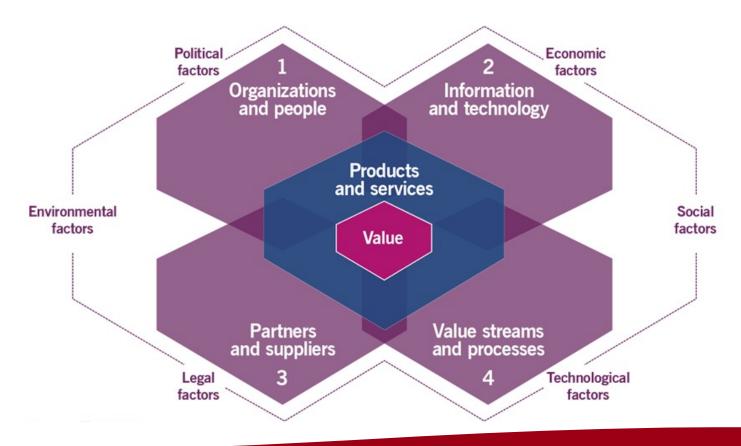
Organizations & People

Information & Technology

Partners & Suppliers

Value Streams and Processes







- The **objective** is to create value for its stakeholders, which is achieved through the provision and consumption of services
- The four dimensions of service management must be introduced
- Organizations should consider all aspects of their behavior to achieve desired outcomes
- However, in practice, organizations often become too focused on one area of their initiatives and neglect the others



- These **four dimensions** represent perspectives that are relevant to the whole SVS, including the entirety of the service value chain and all ITIL practices
- The **four dimensions** are constrained or influenced by several external factors that are often beyond the control of the SVS
- Failing to address all **four dimensions** adequately may result in services becoming undeliverable or not meeting expectations of quality or efficiency

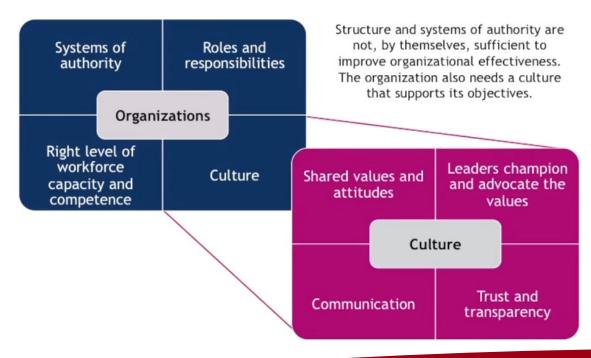


- Four Dimensions of Service Management
 - Organizations & People
 - Information & Technology
 - Partners and Suppliers
 - Value Streams and Processes
- PESTLE
 - Political, Economic, Social, Technological, Environmental and Legal



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > ORGANIZATIONS & PEOPLE

The **first dimension** of service management is organizations and people





SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > ORGANIZATIONS & PEOPLE

The **first dimension** of service management is organizations and people

Well-Defined Organizational Structure:

The people need to have a clear understanding on whom to report and who should initiate the appropriate action when something goes wrong.

Common Organizational Objective:

People should be clear about the business objective that they want to accomplish.

Healthy Organizational Culture:

Organizational culture is about the characteristics of a particular set of people, which forms the distinctive social and physiological environment of an organization.

Up-to-date Organizational Skills and Competencies: People, being the crucial asset of an organization, should be updated on skills and competencies to have better results.



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > ORGANIZATIONS & PEOPLE





SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > ORGANIZATIONS & PEOPLE

- Every **person** in the organization should have a clear understanding of their contribution towards creating value for the organization
- Promoting a focus on value creation is an effective method of breaking down organizational silos
- The **organizations** and people dimension of a service covers:
 - Roles and responsibilities
 - Formal organizational structures
 - Culture
 - Required staffing
 - Competencies



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > ORGANIZATIONS & PEOPLE

How will we form our organizational structure?

Horizontal structure tend to be more agile

Vertical structures tend to be more process driven

Continual training and development of your workforce is important

Culture: Shared values and attitudes of the organization

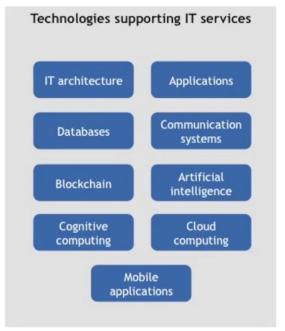
Culture starts at the top and funnels down throughout the company



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > INFORMATION & TECHNOLOGY

The second dimension of service management is information and technology







SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > INFORMATION & TECHNOLOGY

For many services, Information Management is the primary means of enabling customer value





SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > INFORMATION & TECHNOLOGY

Information management has challenges such as security and regulatory compliance requirements

Information technology considerations			
1	Is it compatible with the current architecture?	~	Does the organization have the right skills to support and maintain it?
~	Does it raise any regulatory, compliance, or information security control issues?	~	Does it have sufficient automation capabilities to be developed, deployed and operated?
✓	Will it continue to be viable in the foreseeable future?	1	Does it have additional capabilities that can be leveraged for other products or services?
~	Does it align with the service provider or service consumer strategy?	✓	Does it introduce new risks or constraints to the organization?



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > INFORMATION & TECHNOLOGY

- Service Management increasingly benefits from developments in Technology
- Artificial Intelligence, Machine Learning and other cognitive computing solutions are used at all levels, from strategic planning and portfolio optimization to system monitoring and user support
- The use of mobile platforms, cloud solutions, remote collaboration tools, automated testing, and deployment solutions has become a common practice among service providers



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > INFORMATION & TECHNOLOGY

- When applied to the SVS, it includes the information and knowledge necessary to manage services and the technologies required
- It incorporates the relationships between different components of the SVS, such as the **inputs** and **outputs** of activities and practices
- Technology that supports IT Service Management ensures the business can function properly
- Sometimes the Technology may be used in both areas
- For many services, information management is the primary means of enabling customer value



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

- Encompasses an organization's relationships with other organizations involved in the design, development, deployment, delivery, support, and/or continual improvement of services
- Incorporates contracts and other agreements between the organization and its partners or suppliers
- **Relationships** between organizations may involve various levels of integration and formality.
 - Formal contracts
 - Flexible partnerships



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

Share common goals and risks

Collaborate to achieve desired outcomes

Formal contracts

Clear separation of roles

Partnership

Supplier



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

- An organization acting as a service provider will have a position on this spectrum
- An organization acts as a **service consumer**, its role will depend on its strategy and sourcing and supplier management objectives
- When using **partners and suppliers**, an organization's strategy should be based on its goals, culture, and business environment
- Other organizations may choose to rely as much as possible on their resources, using partners and suppliers as little as possible



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

- One method an organization may use to address the partners and suppliers' dimension is service integration and management
- This involves the use of a specially established integrator to ensure that service relationships are properly coordinated
- Service integration and management may be kept within the organization but can also be delegated to a trusted partner



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

Service Integration & Management

 involves the use of specially established integrators to ensure that service relationships are properly coordinated

Every organization and every service depend on some extent on services provided by other organizations

An organization's strategy when it comes to using partners and suppliers should be based on its goal, culture and business environment

PARTNERS & SUPPLIERS FACTORS



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

Factors that influence supplier strategies

Strategic focus

Some organizations may prefer to focus on their core competency and to outsource noncore supporting functions to third parties

Others may prefer to stay as selfsufficient as possible, retaining full control over all important functions

Corporate culture

Some organizations have a historical preference for one approach over another

Longstanding cultural bias is difficult to change without compelling reasons

Resource scarcity

If a required resource or skillset is in short supply, it may be difficult for the service provider to acquire what is needed without engaging a supplier

PARTNERS & SUPPLIERS FACTORS



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PARTNERS & SUPPLIERS

Cost concerns

A decision may be influenced by whether the service provider believes that it is more economical to source a particular requirement from a supplier

Subject matter expertise

Sometimes it is less risky to use a supplier that already has expertise in a required area

External constraints

Government regulation or policy, industry codes of conduct, and social, political or legal constraints may impact an organization's supplier strategy

Demand patterns

Customer activity or demand for services may be seasonal or demonstrate high degrees of variability



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > VALUE STREAMS & PROCESSES

Value Stream and Processes

define the activities, workflows, controls and procedures needed to achieve the agreed upon objectives

- The activities undertaken
- How activities are organized
- How value creation is ensured



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > VALUE STREAMS & PROCESSES

Value Stream

a series of steps an organization undertakes to create and deliver products and services to service consumers





SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > VALUE STREAMS & PROCESSES

For example, in McDonalds they are automating the cashiers and replace them with a machines.







SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > VALUE STREAMS & PROCESSES

Process

a set of interrelated or interacting activities that transforms inputs into outputs

A well-defined process can improve productivity, be optimized and then become automated

- Ordering
- Manufacturing
- Delivery



Feedback



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > VALUE STREAMS & PROCESSES

- A well-defined process can improve productivity, be optimized and then become automated
- What is the generic delivery model for the service and how does the service work?
- What are the value streams involving the agreed output of the service?
- Who and what will perform the required service actions?

PESTLE



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PESTLE

- P Political
- **E** Economic
- **S** Social
- **T** Technological
- **E** Environmental
- L Legal

PESTEL model describes factors that constrain or influence how a service provider can operate



PESTLE



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > PESTLE

PESTEL ANALYSIS

Add your company's basic information here

- Government policy
- Political stability
- Corruption
- Tax policy
- Labor law
- Trade restrictions

- Economic growth
- Exchange rate
- Interest rate
- Inflation rates
- Disposable income
- Unemployment rate

- Population growth rate
- Age distribution
- Career attitudes
- Safety emphasis
- Health consciousness
- Lifestyle attitudes
- Cultural barriers

- Technology incentives
- Level of innovation
- Automation
- -R&D activity Technological change
- Technological awareness

- Weather - Climate
- Environmental policies
- Climate change
- Pressures from NGO's

- Discrimination laws
- Antitrust laws
- Employment laws
- Consumer protection laws
- Copyright and patent laws
- Health and safety laws

create

APPLYING FOUR DIMENSIONS OF SERVICE MGMT



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > APPLYING FOUR DIMENSIONS OF SERVICE MGMT

INCIDENT AS AN EXAMPLE

Organization and People

- How to organize our Team?
- How to organize communication, how to escalate, how to decide how many people we need...etc.
- Qualification, Hiring, paying salaries, testing...etc.

Information & Technology

- How to register the incident?
- Relationship between incidents, using technologies, software, hardware...etc.
- Incident workflow, reports, events, communicate data and share them.

APPLYING FOUR DIMENSIONS OF SERVICE MGMT



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > APPLYING FOUR DIMENSIONS OF SERVICE MGMT

INCIDENT AS AN EXAMPLE

Partner and Supplier

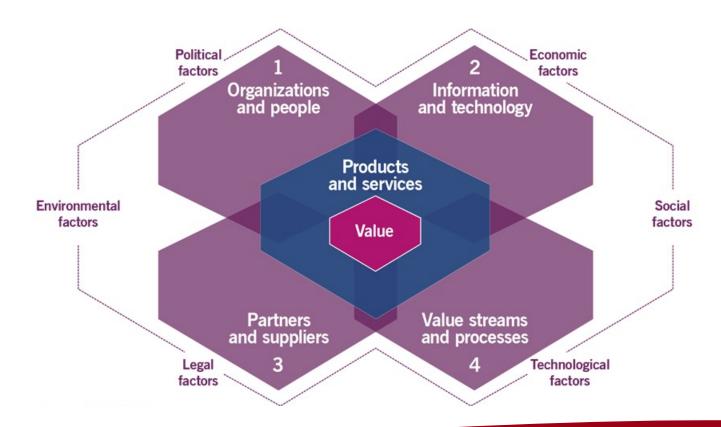
- How to communicate?
- How to choose suppliers, wo we need partnership?
- Do we need external team for specific products like: printers, IPTV?

Value Streams & Processes

- How to build the incident process?
- who is the owner of this process?
- how to manage and how to monitor?



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > FOUR DIMENSIONS OF SERVICE MGMT





SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > FOUR DIMENSIONS OF SERVICE MGMT

ITIL v4 Other Stakeholders in Value https://youtu.be/aYEwVmtcKsg

EXERCISE



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > EXERCISE

Which service management dimension is focused on the communication systems and knowledge bases used by employees?

- Organizations and people
- Information and technology
- Partners and suppliers
- Value streams and processes

EXERCISE



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > EXERCISE

Which service management dimension is focused on the roles and responsibilities of the people involved in a process' workflow?

- Organizations and people
- Information and technology
- Partners and suppliers
- Value streams and processes

EXERCISE



SECTION 5: FOUR DIMENSIONS OF SERVICE MANAGEMENT > EXERCISE

Which service management dimension is focused on an organization's relationships with other organizations in order to deliver its services?

- Organizations and people
- Information and technology
- Partners and suppliers
- Value streams and processes