ITIL Foundation

ITIL 4 Edition

General management practices	Service management practices	Technical management practices
Architecture management	Availability management	Deployment management
Continual improvement	Business analysis	Infrastructure and platform management
Information security management	Capacity and performance management	Software development and management
Knowledge management	Change control	
Measurement and reporting	Incident management	
Organizational change management	IT asset management	
Portfolio management	Monitoring and event management	
Project management	Problem management	
Relationship management	Release management	
Risk management	Service catalogue management	
Service financial management	Service configuration management	
Strategy management	Service continuity management	
Supplier management	Service design	
Workforce and talent management	Service desk	
	Service level management	
	Service request management	
	Service validation and testing	

5.1.6 Organizational change management

Key message
The purpose of the organizational change management practice is to 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.
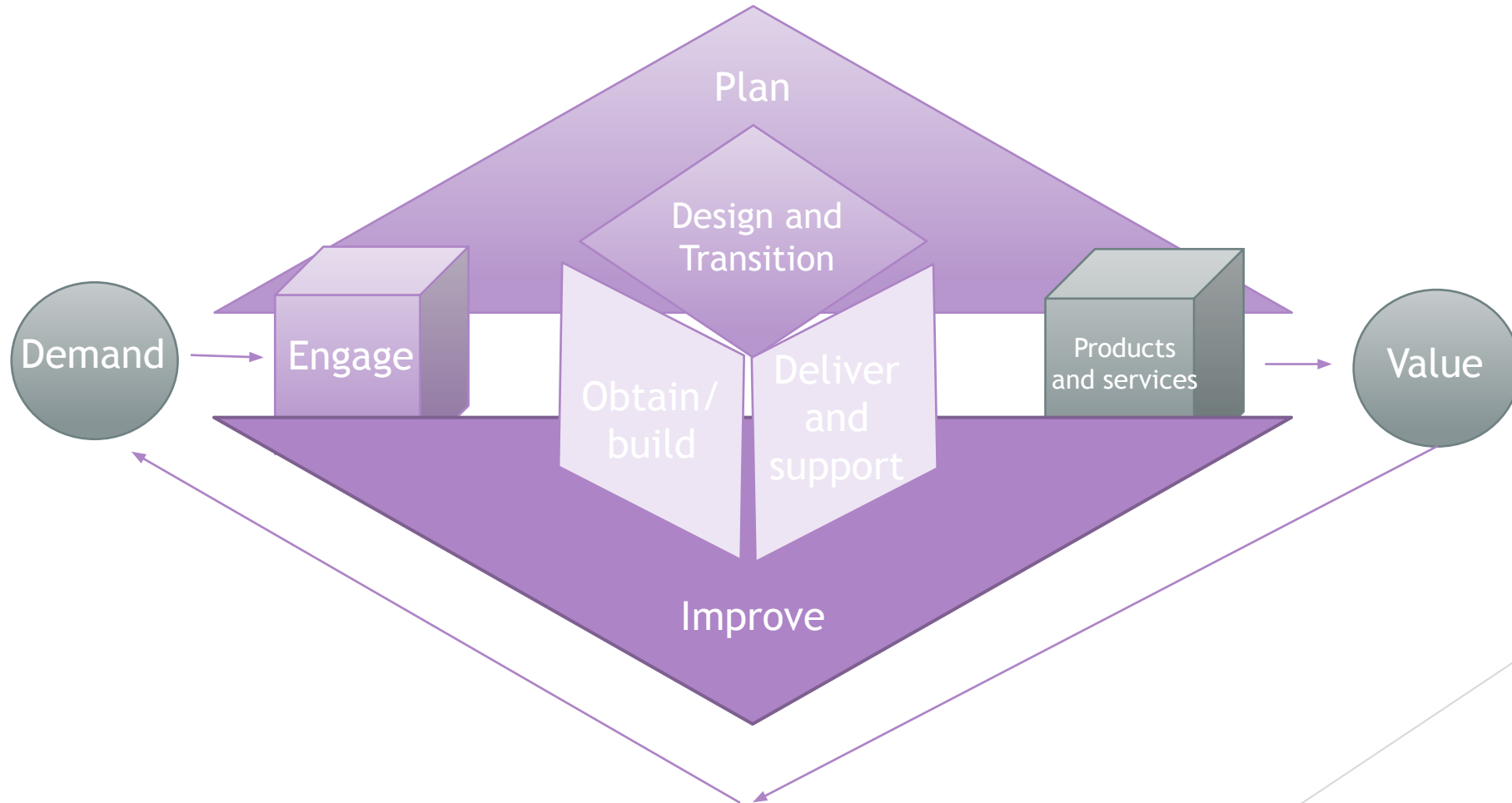
Organizational change management must ensure that the following are established and maintained throughout the change:

► Clear and relevant objectives

► Strong and committed leadership

► Willing and prepared participants

► Sustained improvement

5.1.6.1 The key activities of organizational change management

Activity	Helps to deliver
Creation of a sense of urgency	Clear and relevant objectives, willing participants
Stakeholder management	Strong and committed participants
Sponsor management	Strong and committed leadership
Communication	Willing and prepared participants
Empowerment	Prepared participants
Resistance management	Willing participants
Reinforcement	Sustained improvement

Heat map of the contribution of measurement and reporting

Organizational change management practice value chain activities

- ► **Plan** – decisions regarding change at the portfolio level causes the initiation of organizational change management to support an approved initiative.

- ► **Improve** – without proper organizational change management, improvement cannot be sustained.

- ► **Engage** – the organizational change management practice actively engages with stakeholders at all stages of a change.

- ► **Design and transition** - organizational change management is essential for the development of a new service or a significant change to an existing one.

- ► **Obtain/build** - organizational change management ensures engagement and cooperation within and across projects.

- ► **Deliver and support** - organizational change management continues during live operations and support to ensure that the change has been adopted and is sustained.

5.1.7 Portfolio management

Key message
The purpose of the portfolio management practice is to ensure that the organization has the right mix of programs, projects, products, and services to execute the organizations strategy, within its funding and resource constraints.

Portfolio management activities

Portfolio management is a coordinated collection of strategic decisions that together enable the most effective balance of organizational change and business as usual, through the following activities:

► Developing and applying a systematic framework to define and deliver a portfolio of products, services, programs, and projects in support of specific strategies and objectives.

► Clearly defining products and services and linking them to the achievement of agreed outcomes, thus ensuring that all activities in the service value chain are aligned with value definition and the related CSFs

► Evaluating and prioritizing incoming products, services or project proposals and other change initiatives, based on resource constraints, existing commitments and the organizations strategy and objectives.

► Implementing a strategic investment appraisal and decision-making process based on an understanding of the value, costs, risks, resource constraints, inter-dependencies and impact on existing business activities.

► Analyzing and tracking investments based on the value of products, services, programs, and projects to the organization and its customers.

► Monitoring the performance of the overall portfolio and proposing adjustments in response to any changes in organizational priorities.

► Reviewing the portfolios in terms of process, outcomes, costs risk, benefits, and strategic contributions.

Different portfolios

- ► Products/service portfolio – the products/service portfolio is the complete set of products and/or services that are managed by the organization, and it represents the organizations commitments and investments across all its customers and market spaces. It also represents current contractual commitments, new product and service development, and ongoing improvement plans initiated as a result of continual improvement.

- ► 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 maintained by the organizations relationship management practice, which provides important input to the portfolio management practice. The customer portfolio is used to record all the organizations customers and is the relationship managers view of the internal and external customers.

Agile portfolio management

Agile portfolio management increases focus on visualizing strategic themes and the ability to reprioritize the portfolio swiftly, increase workflow, reduce batch sizes of work, and control the length of longer-term development queues.

Traditional portfolio management is focused on top-down planning with work laid out over longer time periods. Agile portfolio management takes the concept of build-measure-learn-cycles.

Heat map of the contribution of service portfolio
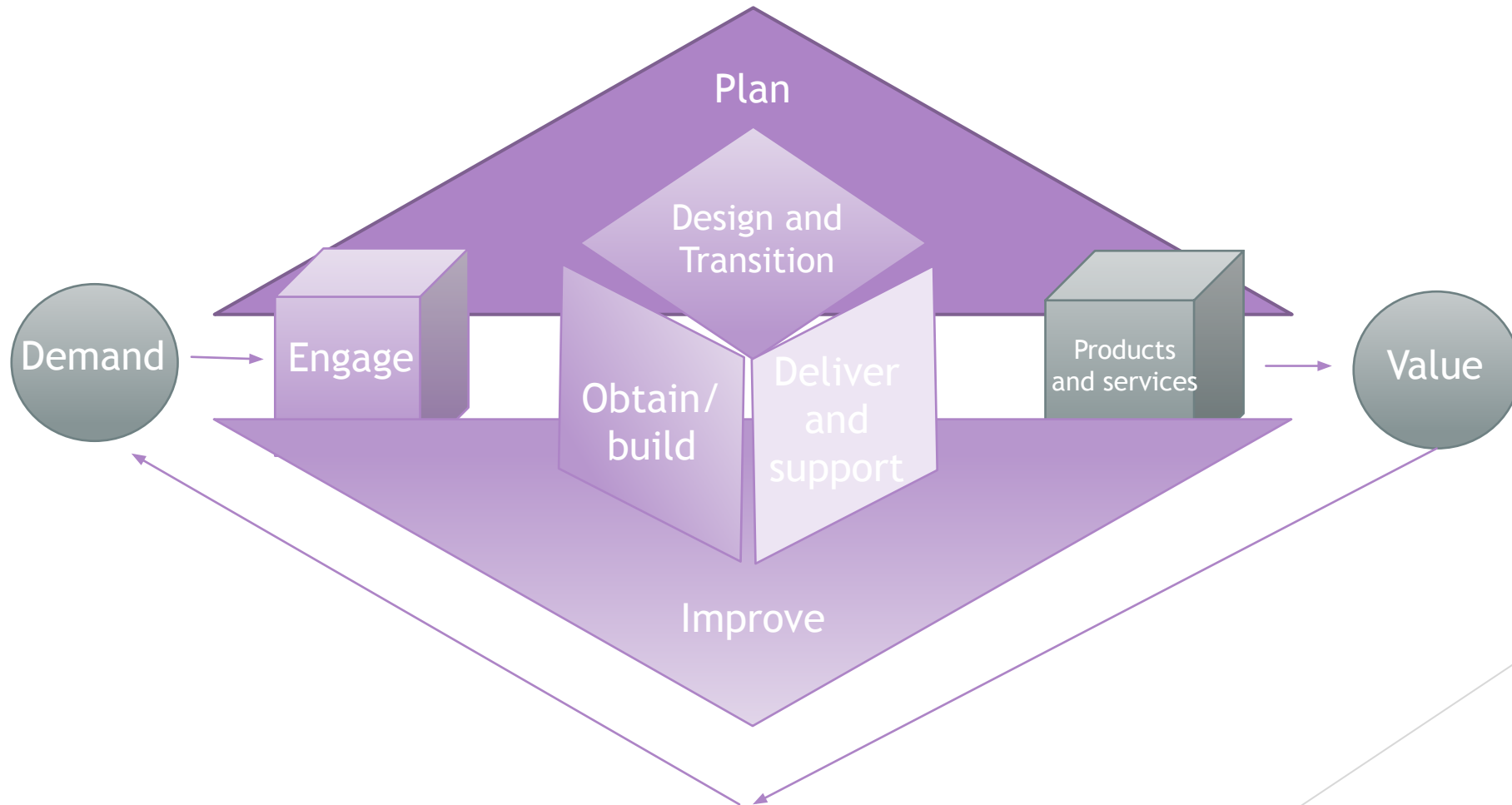
Portfolio management practice value chain activities

► Plan – portfolio management provides important information about the status of projects, products and services currently in the pipeline or catalogue and what strategic objectives they have been designed to meet, which is essential for planning. Portfolio management also includes reviewing the portfolios in terms of progress, value creation, costs, risk, benefits, and strategic contribution.

► Improve – portfolio management identifies opportunities to improve efficiency and increase-collaboration, eliminate duplication between projects, and identify and mitigate risks, improvement initiatives are prioritized and if approved may be added to the relevant portfolio

► Engage – when opportunities or demand are identified by the organization, the decisions on how to prioritize these are made based upon the organizations strategy plus the risk assessment and resource availability.

► Design and transition, obtain/build, and deliver and support – portfolio management is responsible for ensuring that products and services are clearly defined and linked to the achievement of business outcomes, so that these value chain activities are aligned with value.

5.1. Project management

Key message
The purpose of project management practice is to 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 projects, and keeping the motivation of the people involved.

Project delivery approaches

Project delivery approaches:

► The waterfall method works well in environments where the requirements are known upfront (and unlikely to significantly change), and where definition of the work is more important than the speed of delivery.

► The Agile method works best where requirementand likely to evolve rapidly over time (for example, as business needs and priorities change), and where s are uncertain speed of delivery is often prioritized over the definition of precise requirements.

Successful project management is important as the organization must balance its need to:

► Maintain current business operations effectively and efficiently

► Transform those business operations to change, survive, and compete in the market place

► Continually improve its products and services

Heat map of the contribution of service portfolio
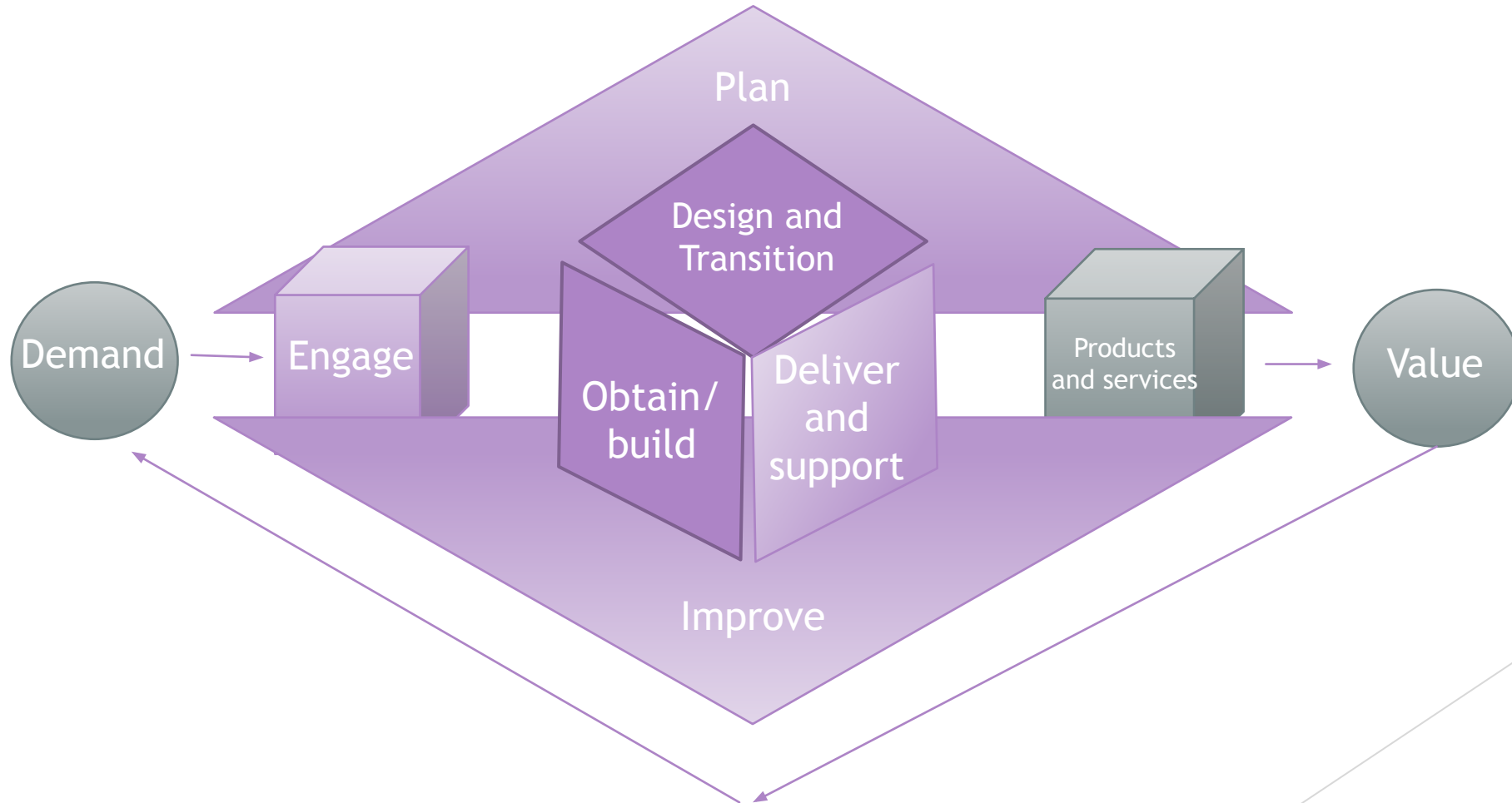
Project management practice value chain activities

- ► Plan – project management supports strategic and tactical planning with methods and tools

- ► Improve – many improvement initiatives are large and complex, so project management is the relevant practice to manage them

- ► Engage – stakeholder engagement is a key element in the successful delivery of any project. Project management provides the organization with stakeholder management tools and techniques

- ► Design and transition – design of a practice or service can be managed as a project or an iteration in a larger project, the same applies to some transitions

- ► Obtain/build – obtaining new resources as well as development and integrations is usually performed as a project. Various project management techniques are applicable to this activity

- ► Deliver and support – the design, transition, and handover to internal or external service consumers for operational management needs to be well planned and executed to ensure that business as usual is not compromised. The project management practice ensures this happens
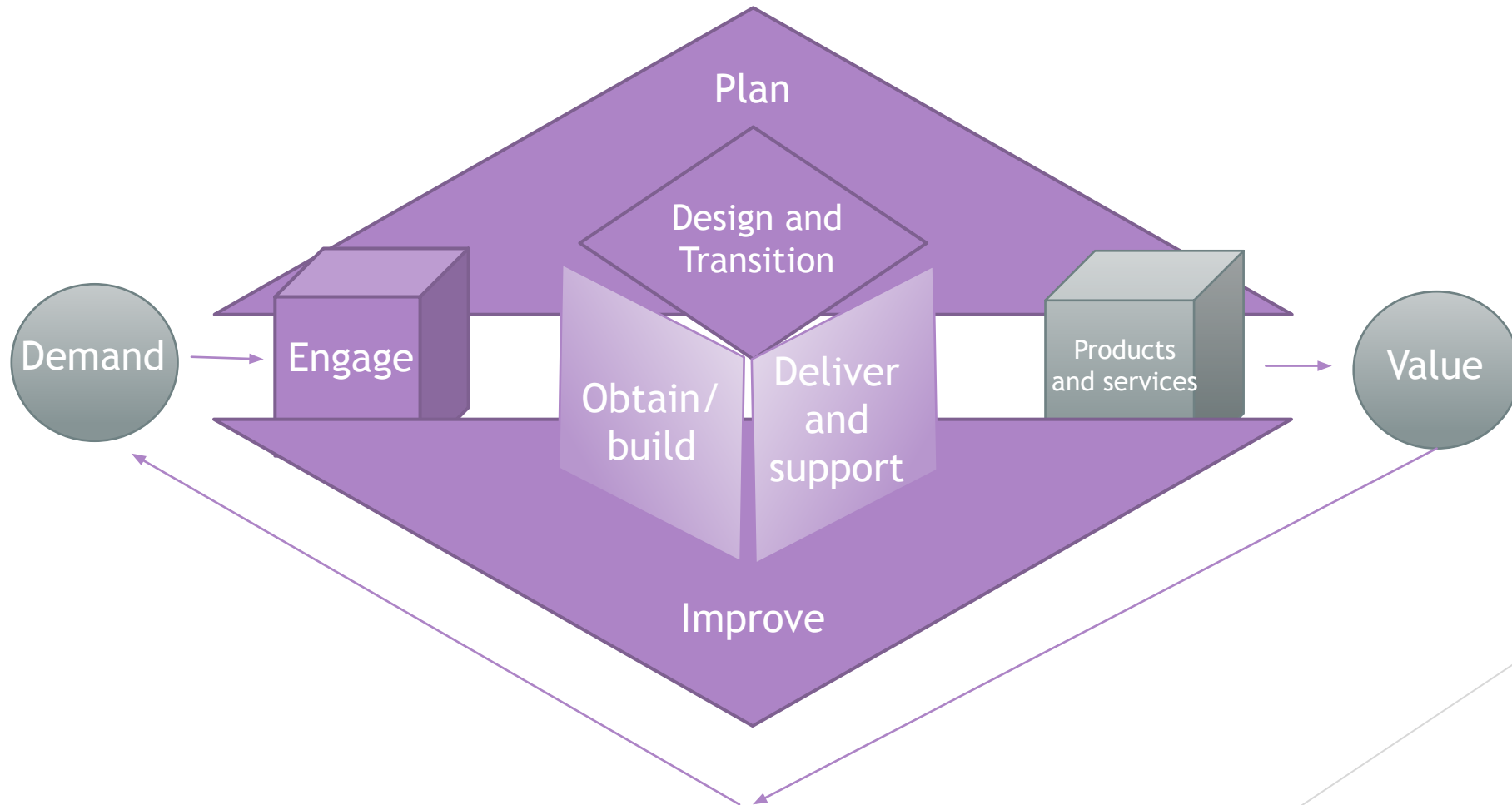
5.1.9 Relationship management

Key message

The purpose of the relationship management practice is to establish and nurture the links between the organization and its stakeholders at strategic and tactical levels. It includes the identification, analysis, monitoring and continual improvement of relationships with and between stakeholders.

Heat map of the contribution of relationship management

Relationship management practice value chain activities

- ► Plan – Relationship management provides information on the requirements and expectations of internal and external customers. It also assists with strategic assessment and prioritization across portfolios as well as evaluating current and future market spaces, which are essential aspects of planning

- ► Improve – Relationship management seeks to harmonize and synergize different organizational relationship with internal and external customers to realize targeted benefits through continual improvement.

- ► Engage - Relationship management is the practice responsible for engaging with internal and external customers to understand the requirements and priorities

- ► Design and transition – Relationship management plays a key role in coordinating feedback from internal and external customers as part of design. It also ensures that inconvenience and adverse impacts to customers during transition are prevented or minimized

- ► Obtain/build – relationship management provides the customer requirements and priorities to help select products, services or service components to be obtained or built

- ► Deliver and support – relationship management is responsible for ensuring that a high level of customer satisfaction and a constructive relationship between the organization and its customers are established and maintained.

5.1.10 Risk management

Key message
The purpose of the risk management practice is to 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 management is an integral part of all organizational activities and therefore central to the organizations SVS

► The organizations portfolio can be mapped to an underlining portfolio of risks to be managed.

► When service management is effective products and services in **service catalogue** and pipeline represent opportunities to create and capture value for customers, the organization, and their stakeholders.

Risk management

For risk management to be effective, risks need to be:

► Identified – uncertainties that would affect the achievement of objectives within the context of a particular organizational activity. These uncertainties must be considered and than described to ensure that there is common understanding.

► Assessed – the probability, impact and proximity of individual risks must be estimated so they can be prioritized and the overall level of risk (risk exposure) associated with the organizational activity understood.

► Treated – appropriate responses to risks must be planned, assigning owners and actions, and then implemented, monitored and controlled.
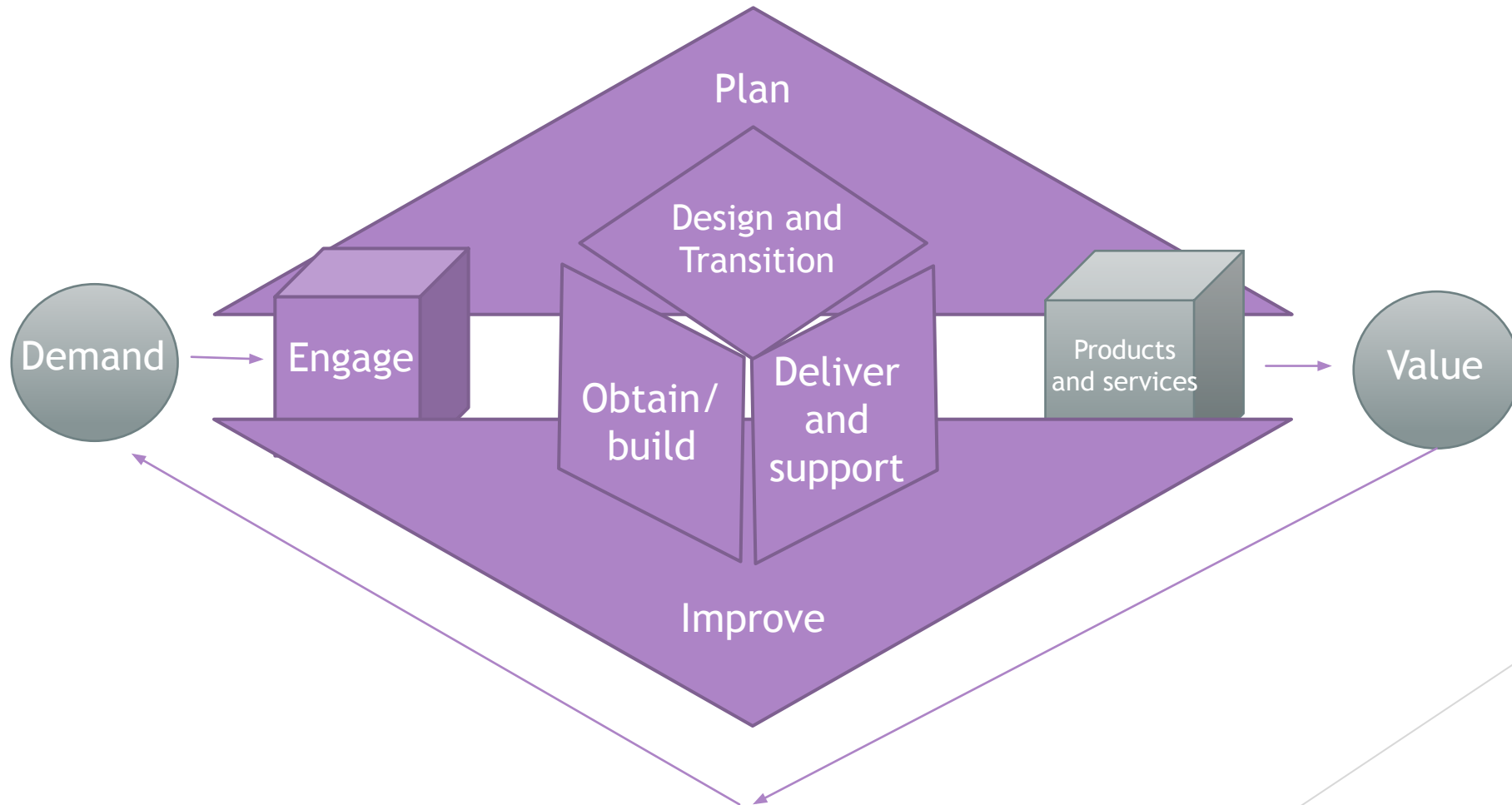
Risk management

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 behaviors are important

ISO 31000:2018 Risk management

ISO 31000:2018 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".

Heat map of the contribution of relationship management

Risk management practice value chain activities

- Plan – risk management provides essential inputs to the organizations strategy and planning, with a focus on risks that can drive variability of outcomes. These include:
    - Shifts in customer demand and priorities
    - Legal and regulatory changes
    - Competitors
    - Dependencies on supplier and partners
    - Technological changes
    - Conflicting stakeholder requirements
- Improve – all improvement initiatives should be assessed and continually controlled by risk management. The practice establishes an important perspective for improvement prioritization, planning and review.
- Engage – the risk management practice helps to identify key stakeholders and optimize engagement based on such information as risk appetite and risk profiles.
- Design and transition – products and services should be designed to address prioritized risks. For example, they should be scalable to support changed in demand over time. For the organization, new or changed services carry varying levels of risk which should be identified and assessed before the change is approved. If approved, risks should be managed as part of the change, including releases, deployments, and projects.
- Obtain/build – risk management should inform decisions about the obtaining or building of products, services or service components