ITIL Foundation

ITIL 4 Edition

4.1 The ITIL service value system overview

Key message
The ITIL SVS describes how all the components and activities of the organization work together as a system to enable value creation. Each organization's SVS has interfaces with other organizations, forming an ecosystem that can in turn facilitate value for those organizations, their customers, and other stakeholders.

The ITIL SVS includes the following components

► **Guiding principles**

► **Governance**

► **Service value chain**

► **Practices**

► **Continual improvement**

SERVICE VALUE SYSTEM

Guiding Principles

Governance

Opportunity /Demand

Service Value Chain

Value

Practices

Continual Improvement
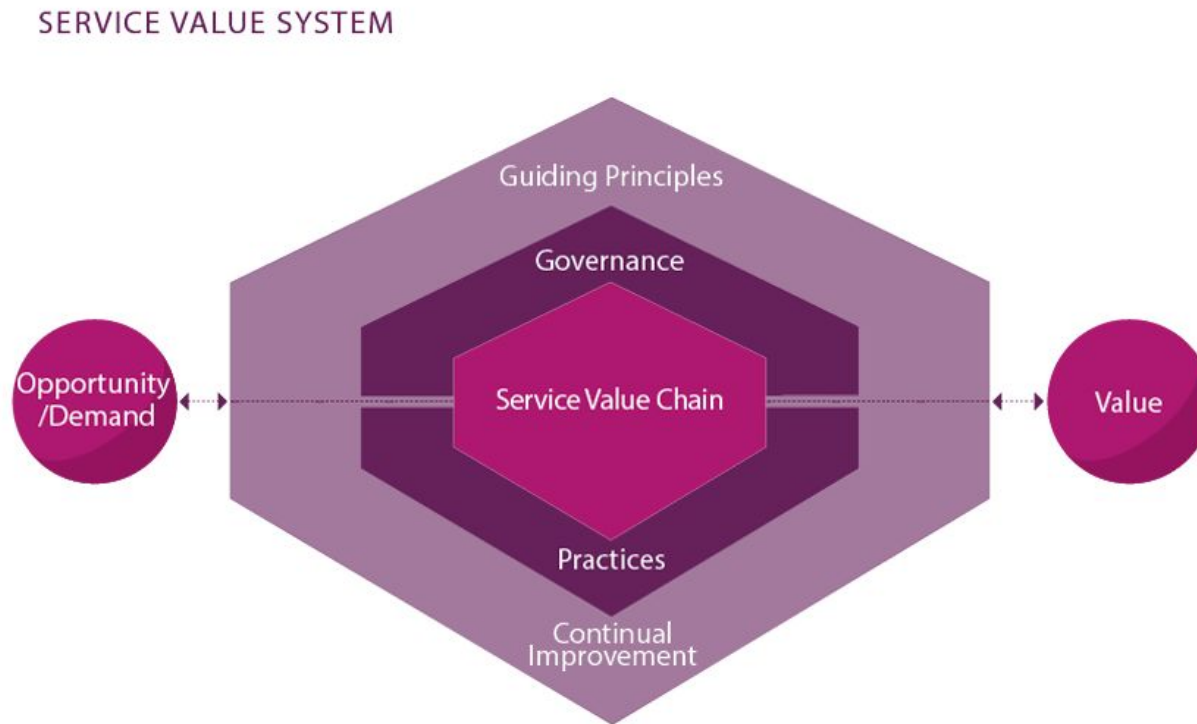
Organizational agility and organizational resilience

For an organization to be successful, it must achieve organizational agility to support internal changes, and organizational resilience to withstand and even thrive in changing external circumstances.

Organizational agility is ability of an organization to move and adapt quickly, flexibly and decisively to support internal changes.

Organizational resilience is the ability of an organization to anticipate, prepare for, respond to and adapt to both incremental changes and sudden disruptions from an external perspective.

4.2 Opportunity, demand, and value

Key message
Opportunity and demand trigger activities within the ITIL SVS, and these activities lead to the creation of value. Opportunity and demand are always entering into the system, but the organization does not automatically accept all opportunities or satisfy all demand.

► **Opportunity** represents options or possibilities to add value for stakeholders or otherwise improve the organization.

► **Demand** represents the need or desire for products and services from internal and **external customers**.

4.3 The ITIL 7 guiding principles

Key message
A guiding principle is a recommendation that guides an organization in all circumstances, regardless of changes in its goals, strategies, type of work, or management structure. A guiding principle is universal and enduring.

4.3.1 focus on value

Key message
All activities conducted by the organization should link back, directly or indirectly, to value for itself, its customers, and other stakeholders.

Who is the service consumer?

► When focusing on value, the first step is to know who is being served.

4.3.1.2 The customer's perspectives of value

The service providers needs to know:

- ► Why the consumer uses the services
- ► What the services help them to do
- ► How the services help them achieve their goals
- ► The role of cost/financial consequences for the service consumer
- ► The risks involved for the service consumer

4.3.2 Start where you are

Key message

In the process of eliminating old, unsuccessful methods or services and creating something better, there can be great temptation to remove what has been done in the past and build something completely new. This is rarely necessary, or a wise decision. This approach can be extremely wasteful, not only in terms of time, but also in terms of the loss of existing services, processes, people and tools that could have significant value in the improvement effort. Do not start over without first considering what is already available to be leveraged.

Assess where you are

► Services and methods already in place should be measured and/or observed directly to properly understand their current state and what can be used from them.

4.3.2.2 The role of measurement

► The role of measurement is important, data analytics and reporting can unintentionally introduce biases and risks in decision making.

► Direct observation should always be preferred option.

► To often existing data is used with no consideration of direct personal investigation

► Is should be noted that the act of measuring can sometimes affect the results, making them inaccurate.

"when measure becomes a target, it ceases to be a good measure"

Goodhart's law

4.3.2.3 Applying the principle

To apply this principle successfully, consider this advice:

- Look at what exists as objectively as possible
- Recognize that sometimes nothing from the current state can be re-used.

4.3.3 Progress iteratively with feedback

Key message
Resist the temptation to do everything at once. Even huge initiatives must be accomplished iteratively. By organizing work into smaller, manageable sections that can be executed and completed in a timely manner, the focus on each effort will be sharper and easier to maintain.

4.3.3.3 Applying the principle

To apply this principle successfully, consider this advice:

► Comprehend the whole, but do something

► The ecosystem is constantly changing, so feedback is essential

► Fast does not means incomplete – Any iteration should be produced in line with the concept of the **minimum viable product** (MVP).

4.3.4 Collaborate and promote visibility

Key message
When initiatives involve the right people in the correct roles, efforts benefit from better buy-in, more relevance (because better information is available for decision-making) and increased likelihood of long-term success.

Recognition of the need for genuine collaboration has been one of the driving factors in the evolution of what is now known as DevOps. Without effective collaboration, neither Agile, Lean, nor any other ITSM framework of method will work.

4.3.4.1 Whom to collaborate with

Stakeholder collaboration include:

► Developers working with other internal teams to ensure that what is being developed can be operated efficiently and effectively. Developers can also work with operations teams to investigate defects (**problems**) and to develop **workarounds** or permanent fixes to resolve these defects.

► Suppliers collaborating with organization to define its requirement and brainstorm the solutions to customer problems

► Relationship managers collaborating with service consumers to achieve comprehensive understanding of service consumer needs and priorities

► Costumer collaborating with each other to create shared understanding of their business issues

► Internal and external suppliers collaborating with each other to review shared processes and identify opportunities for optimization and potential automation

4.3.4.3 Increase urgency though visibility

Insufficient visibility of work to poor decision-making which in turn impacts the organization ability to improve internal capabilities. It will than become difficult to drive improvements as it will not be clear which one are likely to have the grates positive impact on results. To avoid this, the organization needs to perform such critical analysis as:

- Understanding the flow of work in progress

- Identifying bottlenecks as well as excess capacity

- Uncovering waste

4.3.4.4 Applying the principle

To apply this principles successfully consider this advice:

- ► Collaboration does not mean consensuses

- ► Communicate in a way audience can hear

- ► Decisions can only be made on visible data

4.3.5 Think and work holistically

Key message
No service, practice, process, department, or supplier stands alone. The outputs that the organization delivers to itself, its customers, and other stakeholders will suffer unless it works in an integrated way to handle its activities as a whole, rather than as separate parts. All the organizations activities should be focused on the delivery of value.

4.3.5.1 Applying the principle

To apply this principle successfully, consider this advice:

- ► Recognize the complexity of the system

- ► Collaboration is key to thinking and working holistically

- ► Where possible, look for patterns in the needs of and interactions between system elements

- ► Automation can facilitate working holistically

4.3.6 Keep it simple and practical

Key message
Always use the minimum number of steps to accomplish an objective. Outcome-based thinking should be used to produce practical solutions that deliver valuable outcomes. If a process, service, action, or metric fails to provide value or produce a useful outcome, then eliminate it. Although this principle may seem obvious, it is frequently ignored, resulting in overly complex methods of work that rarely maximize outcomes or minimize cost.

4.3.6.3 Applying the principle

To apply this principle successfully, consider this advice:

- ► Ensure value

- ► Simplicity is the ultimate sophistication

- ► Do fewer things, but do them better

- ► Respect the time of the people involved

- ► Easier to understand, more likely to adopt

- ► Simplicity is the best route to achieving quick wins

4.3.7 Optimize and automate

Key message
Organizations must maximize the value of the work carried out by their human an technical resources. The four dimensions model provides a holistic view of the various constraints, resource types, and other areas that should be considered when designing, managing, or operating an organization. Technology can help organizations to scale up and take on frequent and repetitive tasks, allowing human resources to be used for more complex decision-making. However, technology should not always be relied upon without the capability of human intervention, as automation for automation's sake can increase costs and reduce organizational robustness and resilience.

4.3.7.2 Using automation

Automation typically refers to the use of technology a step or series of steps correctly and consistently with limited or no human intervention.

For example:

Continuous deployment = the automatic and continuous release of code from development through to live.

4.3.7.3 Applying the principle

To apply this principle successfully, consider this advice:

► Simplify and/or optimize before automating

► Define your metrics

► Use the other guiding principles when applying this one:

  ► Progress iteratively with feedback

  ► Keep it simple and practical

  ► Focus on value

  ► Start where you are

4.3.8 Principle interaction

Organization should not use one or two of the principles, but should consider the relevance of each of them an how they apply together. Not all the principles will be critical in every situation, but they should all be reviewed on each occasion to determine how appropriate they are.

ITIL, Agile, and DevOps

Its often said that DevOps combines software development techniques (Agile) good governance and a holistic approach to value co creation (ITIL) and an obsession with learning about and improving the way in which value is generated (Lean). As such the adoption of DevOps methods present further opportunities to improve the way in which software products are developed and managed, such as:

- Creating fast feedback loops from delivery and support to software development and technology operations;
- Streamlining value chain activities and value streams so that demand for work can be quickly converted to value to multiple stakeholders
- Differentiating deployment management from release management
- Advocating a "system view" that emphasizes close collaboration between enterprise governance, Service teams, software development, and technology operations.