

IT Service Strategy's Concept Paper

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September 15, 2016

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Abstract

This paper provides a basic understanding and views of IT (Information Technology) Service Strategy and covers one of its process Financial Management and its objectives. The paper additionally talks about how an organization can be transformed into a strategic asset using the defined processes of Service Strategy. In order to improve the service quality of an organization, one of the vital ingredient is Financial Management. Here we will discussion more on the Financial Management aspects such as, objectives to IT services, activities carried out in this process, jargons of Financial Management. Customer satisfaction is the key for an organization's growth and it can be effectively achieved through IT Service Strategies and its standardized processes.

Keywords: Information Technology(IT) Service Strategy, Business-Relationship Management, Demand Management, Financial Management, Service Portfolio Management

Introduction

Service Strategy is considered as phase one in the IT Service Management lifecycle. In the current times most of the IT companies are implementing market-driven approach to meet the services / demands of the customers, that's where IT Service Strategy helps companies discover the pros of using market-driven approach. The Service Strategy phase provides a definite solution to a possible overhead in business processes. This phase has the below the key items –

Purpose – To define position, perspective, patterns and plans that a IT service provide needs to inherit to meet the organizational goals

Objective – To comprehend the systems and distinguish the administrations and the client

Scopes - Client's business results can be met by adhering to successful administration

Values - Encouraging constructive and straight through interactions between the end consumers and the administration supplier

The Processes of Service Strategy

The accompanying are the principle procedures,

Financial Management for Services in IT

Business Relationship Management

Demand Management

Service Portfolio Management

Financial Management in IT

The objectives of financial management are to give savvy stewardship of the IT resources and assets consumed by IT administrations.

The goes for any IT administrations association ought to incorporate:

To have the capacity to completely represent the spend on IT benefits and to have the capacity to appoint these expenses to the administrations conveyed to the association's clients

To guide administration, decide on IT ventures by providing insightful cost analysis with respect to changes to IT administrations

The major activities of the Financial process

Financial Management for IT comprises of Accounting, Budgeting and Charging.

Budgeting

At the point when an IT association has consented to convey a specific support of a client, the association ought to foresee the future prerequisites for assets. Spending plans are dependably on a yearly premise. This requires a cautious perception of concurred spending plan against the real book-keeping.

IT Accounting

IT bookkeeping assists the IT association with recording every one of the costs. This is the dull errand in the technique of conveying the administration that the client needs. Few accounting strategies are as per the following:

Direct Cost versus Indirect Cost

Capital Cost versus Operational Cost

Fixed Cost versus Variable Cost

Cost Units

Cost Type

Cost Element

Charging

It gives the office to designate expenses of an IT benefit relatively to the clients of the administration. It is the perplexing procedure and requires a great deal of exertion and ought to dependably be connected to controllable articles.

Service Port-folio Management

Administration portfolio deals with the rundown of administrations gave by an administration supplier. Certain administrations that are signed in the administration portfolio administration are not unmistakable to the clients though others are obvious. Administration portfolio is separated into 3 sections:

Services Catalogs

Retire Services

Services Pipelines

Demand Management

Goal of Demand administration is to comprehend what the client requests from a specific administration. Request administration examines the client movement on every administration. Request administration works alongside limit administration with the goal that it can guarantee if the administration suppliers have ample resources to meet the demands.

Business-Relationship Management

In a business, it is more crucial to keep up a positive association with the client. Business relationship administration process ensures that it monitors the necessities of the current and potential clients and guarantees that legitimate administrations are produced to address their issues.

Conclusion

Following a sophisticated, defined service methodology not only enhances the execution of services given by an organization, moreover opens up confidence and trust of the clients on the service suppliers. This adds along and will bring in new clients towards the suppliers. So having a strategically planned procedure is exceptionally vital in today's business world.

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