

Welcome to your Complementary Download Report

This complementary download report accompanies the free online ITIL® training course.

The report summarises all of the key information from the course, and is yours to keep.

During the video elements of the course, you were asked a number of questions about ITIL and your organisation. Throughout this report we will provide some suggested answers to these discussion topics.

Remember:

- ✓ **Your free ITIL training provides you with an overview of ITIL including key concepts and processes**
- ✓ **Your free ITIL training will support you as you make decisions about ITIL in your organisation**
- ✓ **Your free ITIL training can also help you to formulate training requirements for your staff**

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Welcome!

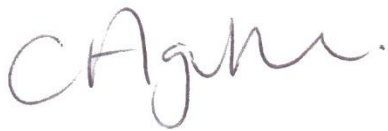
Welcome to your free introduction to ITIL from ITSM Zone, world leaders in best practice online training!

Throughout my career, I've seen the benefits that ITIL can deliver in organisations of all sizes, and in all sectors.

With this free course, you can get a taster of what ITIL can offer and information to help you decide on your next steps - whether that's taking a training course, engaging with the community or trying something out in your own workplace.

I hope you find this report useful. If you'd like to keep in touch, you can follow me on twitter @ClaireAgutter, or for company news follow @ITSMZone.

Kind regards



Claire Agutter
Lead Tutor
ITSM Zone




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Introduction to ITIL

	ITIL	<i>"Provides guidance to service providers on the provision of quality IT services, and on the processes, functions and other capabilities needed to support them"</i>
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Many organisations have now adopted ITIL terminology, processes and roles to help them manage IT services. An understanding of ITIL can help you in your current role and your future career. ITIL best practice can guide all members of an IT organisation as they plan, design, deliver, support and enhance IT services so that they meet customer needs.

We used a case study to bring the disciplines to life and allow you to:

- **Understand and describe the ITIL framework and key processes**
- **Describe the benefits of service management for your company**
- **Choose the ITIL training scheme that is best for you and your organisation**

The information within this course will allow you to make key decisions about ITIL and your business. This could include choosing the areas and processes you may want to implement, and how you and your staff can improve your skillsets with relevant qualifications.

Ctrl + click the logo to view the full ITIL training catalogue





Case Study

We used a case study to help us to apply ITIL best practice guidance to a typical IT scenario - a financial organisation called **NovoBank**.

Imagine you work within the IT service management function of a world-wide financial services institution – NovoBank.

Your role may be the Director of Service Management – responsible for setting strategy and for delivering IT services; you could be a Service Designer, who interprets requirements and builds solutions; you may be a Change Manager, who will assess risk and oversee the deployment of enhancements to IT services - or a Service Desk Analyst who provides customer services and help to the company's users.

You learnt that all roles and jobs are affected by decisions made at senior level and all employees can contribute to and influence the quality of an IT service.



Director of Service Management

Overall responsibility for the successful implementation and operation of the organisation's overall IT Service Management (ITSM) processes.



Service Designer

Ensures that the ongoing service delivery and support meet agreed customer requirements.



Change Manager

Planning and managing support for change management tools and processes.



Service Desk Analyst

Providing first-line support through taking calls or service requests from users in line with agreed objectives.



About Novobank

NovoBank has branches throughout the world. It has a significant online banking presence, which is in need of upgrading, and it has recently acquired a rival's business and has ambitious growth plans.

There is an ongoing business change programme, run by an external management consultancy. Several external suppliers, in-house teams and outsourced partners are involved in developing and running the IT estate.

NovoBank plans to:

- **Integrate all IT systems across the organisation**
- **Upgrade the online banking service to include complementary products from the newly acquired company**
- **Introduce mobile and paper-free banking options**
- **And... refurbish and rebrand all branches**

This is in the context of changes to Financial Services legislation and must be achieved within a fixed budget and timescale. They will need best practice to help them achieve these goals.

The IT service management team must respond to these challenges. They will need to:

- Demonstrate an understanding of the business' strategy and evaluate the impact to IT and service management
- Work closely with the management consultancy and other providers to prepare for the business change
- Manage people and finances effectively
- Conform to internal and external governance needs

	<p>This is no small endeavour. The service management team has aligned its processes to ITIL best practice disciplines, which should enable IT to support the business and provide the most appropriate service.</p>
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ITIL History and Structure

We introduced ITIL by studying these areas:

- The history of ITIL
- The business perspective
- ITIL overview

Discussion Topic

Think about your own organisation...

What do your customers complain about?

How could better service management help?



Suggested Considerations

Three typical complaints from customers include:

1. Insufficient capacity and storage – how often does your Service Desk receive calls from users who cannot save documents or send e-mails?
2. IT service providers perceived as being too slow to respond to the Business' needs – organisations must be able to offer goods and services to their customers and frequently depend on IT services to provide this capability. If we don't understand the urgency or functionality required, we can affect our organisation's market share and profitability adversely
3. IT staff appearing to lack knowledge about new technology or services or misunderstanding the significance or priority of a request

Improved service management disciplines can help to plan technology requirements proactively; to work with the business to understand its needs and ensuring that all IT team members have the right knowledge at the right time.

The History of ITIL

ITIL was developed by the UK government in the 1980s, when the British government determined that the level of IT service quality provided to it was not good enough.

The Office of Government Commerce, or OGC, was tasked with developing a framework for efficient and financially responsible use of IT resources within the government environment. The framework it created worked and was quickly adopted by the private sector too.

The UK Government Cabinet Office then took ownership of the ITIL framework. In 2014, ownership of ITIL and related best practice including PRINCE2® was transferred to AXELOS, a joint venture company co-owned by Capita and the Cabinet Office.

Learn more at www.axelos.com.

Common Framework

ITIL has evolved into a common framework for the management of all IT activities. The framework enables companies to identify, define, communicate and implement best practice throughout their IT organisations.

ITIL also helps IT organisations to align themselves with the business goals of the customers they serve. ITIL is vendor-neutral, non-prescriptive, best practice guidance.

ITIL continues to develop as IT service delivery best practice evolves. This was evident with the release of ITIL Version 2 in 2001 and Version 3, launched in 2007. ITIL Version 3 built on the processes and the lessons learned from previous versions by strengthening the lifecycle approach to service management.

Following a revision in 2011, the five ITIL core volumes provide a body of knowledge for IT service management practitioners to support an integrated approach to planning, designing, transferring and operating IT services for any organisation.

Discussion Topic

*Consider how your organisation has changed over recent years.
What are your customers' priorities now?*



Suggested Considerations

Think about your business – how has technology changed its priorities?

Do your external customers engage with you in person, or via the internet or the telephone? Where are they based? If your customer base is global, how do you offer IT services to them?

Addressing these considerations from an IT perspective may help you to identify and implement improvements to services. This could enhance customer perception of your service quality and capabilities.

Business Relevance of ITIL

ITIL delivers many business benefits.

Better processes can allow IT organisations to work more efficiently and effectively. The adoption of service management thinking has enabled ITIL to emerge as the most widely accepted approach to the management and delivery of IT Services in the world today. Effective IT management is vital to today's businesses.

Discussion Topic

*What is your most important service?
What do your customers think of its quality and performance?*



Suggested Considerations

This discussion depends on the nature of your business. Consider the following:

- An emergency services command centre depends on 100% availability of its telephony system – the consequences of not being able to contact the centre could mean life or death
- An organisation which relies on a huge number of casual weekly-paid staff must ensure its payroll system is available to meet requirements. Failure to do so could lead to a loss of staff and the inability to meet its obligations
- A financial services organisation must be able to report its performance to meet legislative requirements. If the service performs slowly or is not available, the company may incur financial penalties and lose its licence to trade

IT service providers need to understand business criticality and priorities in order to support their customers effectively.

From a service provider perspective, IT services need governance to manage delivery, quality and return on investment. Service providers need to define management roles, responsibilities and internal procedures. This should lead to increased IT availability, customer satisfaction, and reduced costs.

Many organisations are faced with the challenge of satisfying increasing demand with limited resources. To address this, you could consider three broad goals:

- Reduce IT costs
- Increase IT efficiency
- Optimise existing IT infrastructure

Remember: to achieve these targets, high level executive support as well as co-ordinated and serious effort is required.

ITIL advocates a lifecycle mind-set that IT organisations can apply to be better equipped to understand business needs.



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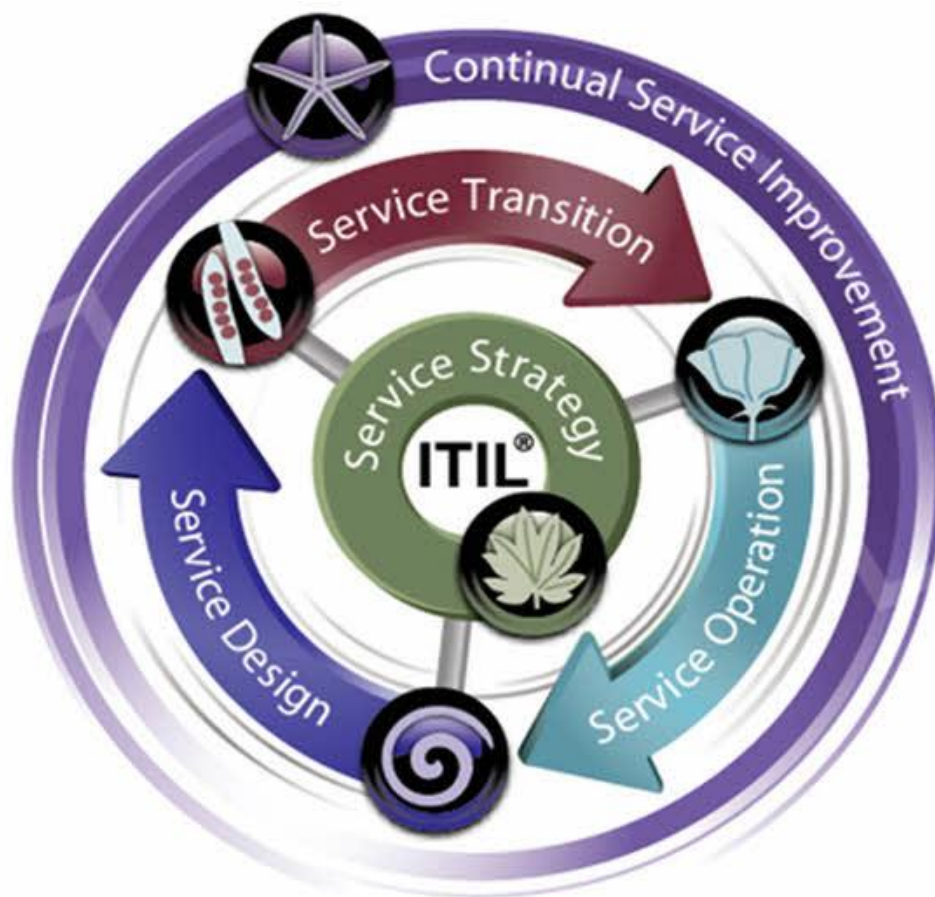
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ITIL's Structure

ITIL is organised into five books based around a service lifecycle. The books are:

- **Service Strategy**
- **Service Design**
- **Service Transition**
- **Service Operation**
- **Continual Service Improvement**

You can see the core volumes in the following diagram, which shows how the five core volumes interface with each other.



Service Operation Fig. 1.1 The ITIL service lifecycle

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Each stage of the lifecycle influences the others and relies on them for input and feedback.

Companies that have successfully implemented ITIL best practices have been able to achieve benefits including:

- **Increased availability of services to customers**
- **Improved return on investment for IT services**
- **Simplified support environments**
- **Reduced incidents and less fire-fighting**
- **Better utilisation of IT assets**
- **More time for senior staff to innovate and automate new business processes**
- **Reduced staff turnover due to increased morale**

Discussion Topic

*What other benefits would you see in your organisation?
Where would you like to make improvements?*



Suggested Considerations

Other benefits that may be realised include:

- Improved planning capabilities and ability to respond to customers' needs quickly
- Better knowledge and skills present in the IT organisation
- Improved relationships between IT, external suppliers and the Business

Discussion Topic

*Think about the benefits you'd like to see in your organisation.
How could ITIL and effective service management help you to realise these benefits?*



Suggested Considerations

ITIL disciplines could assist in improving IT service quality by enabling IT departments to:

- Demonstrate value for money
- Communicate and explain processes, roles and services to customers
- Clarifying and agreeing service strategies to ensure alignment to business needs

Service Strategy

We moved on to study the service lifecycle in detail, starting with Service Strategy.

The ultimate purpose of Service Strategy is to transform IT service management into a strategic asset that adds real value to the organisation and supports the achievement of business goals.

ITIL Service Strategy best practices help organisations to consider these aspects:

- Defining what strategy means to them
- Defining IT services and identifying the customers who receive them
- Understanding how value is achieved
- Recognising opportunities for introducing new services and winning new customers
- Agreeing and implementing the optimum service provider model
- Evaluating the resources and capabilities required to deliver the strategy
- Establishing processes and methods that support business and IT relationships

Ctrl and click to explore Service Strategy training



We considered this in the context of our Case Study - NovoBank.

Discussion Topic

As Director of Service Management, what strategic decisions would you want to be consulted about? How would you prioritise your resources to best support the business? With which other providers would you discuss these issues?



Suggested Considerations

Bearing in mind the range of business initiatives planned for NovoBank, the Director of Service Management would need to be consulted about the following aspects:

- Business priorities and timescales – for example, when must the rebranding exercises take place?
- Locations of users and customers and the impact to IT service provision
- The objectives provided to the management consultancy undertaking business change activities

Having clarity on these topics will enable the Director to plan and deliver IT service changes effectively and in alignment with business requirements. Not having this information can impede an IT organisation's ability to deliver a high quality service to its customers.

The Director must establish good relationships with business representatives; external suppliers – from the management consultancy and other vendors; departmental heads in IT and, potentially, other IT providers in the Financial Services industry. This will enable the best possible strategic decisions to be made.

ITIL Service Strategy provides information to Senior Managers to help them create a strategy to support their customers. They also need to define a strategy for managing IT services. Organisations that do not provide a service

that is uniquely valuable to their customer can easily be replaced by alternative providers.

Every organisation should use Service Strategy guidance, along with knowledge and experience, to define an approach to delivering better value. A few simple questions will help organisations to identify their unique differentiators.

- **Which service offerings are unique and cannot be easily replaced?**
- **Which service offerings are the most profitable?**
- **Which service offering has users or customers who are the most satisfied?**

The answers to these questions will influence future strategic planning decisions within the organisation.

Service Strategy Processes

Service Strategy Process 1: Strategy Management for IT Services

Strategy Management for IT Services explains how a Service Provider will support an organisation so that IT helps it to achieve its business goals.

Good strategy management identifies opportunities that will benefit the entire organisation; recognises constraints and overcomes them; undertakes competitor analysis and documents the strategy to ensure stakeholders' awareness.

An effective strategy results in clear and unambiguous plans, communicated to everyone in the IT organisation.



The Four Ps

Strategy is derived from evaluating four Ps:

Perspective – defines the direction, value, beliefs and purpose of the service provider

Position – proposes how the Service Provider will differentiate itself from competitors and agrees the services that will be offered

Plan – describes how and when the vision and offerings will be delivered

Pattern – explains the management systems, processes and resources needed to achieve the objectives

Discussion Topic

For NovoBank, we will need to produce a strategic plan that includes system integration, new service introduction, rebranding and upgrade activity. Can you see how the four P's will help here?



Suggested Considerations

Understanding the **perspective** will assist the IT service organisation in confirming its current capabilities, technology and services and formulating a vision to encompass and communicate new service requirements.

Articulating NovoBank's IT services' **position** will allow the Director to confirm that his organisation is best placed and equipped to deliver the changes needed to support the business' strategic activities.

Producing a **plan** will demonstrate how all the key business initiatives will be scheduled and delivered to meet the business' timescales and priorities. It will include the resources, procurement requirements, options and investment needs that

will enable the business to approve decisions and secure appropriate funding.

Establishing a **pattern** will explain how IT needs to be organised to deliver the new services. The Director may create new functions, engage with new suppliers or be required to build new relationships with customers from the newly-acquired company.

Strategy management is carried out by Senior Executives who set objectives and prioritise activities. A vision should be shared to achieve buy-in from all stakeholders. Done well, this enables an IT Service Provider to plan, use its resources efficiently and demonstrate how its actions assist the organisation in achieving business aims. Through this process, the business can describe its requirements and IT can respond and recommend appropriate activities.

Discussion Topic

What information does NovoBank's director of service management need to be able to produce the right strategy?



Suggested Considerations

The Director needs to understand:

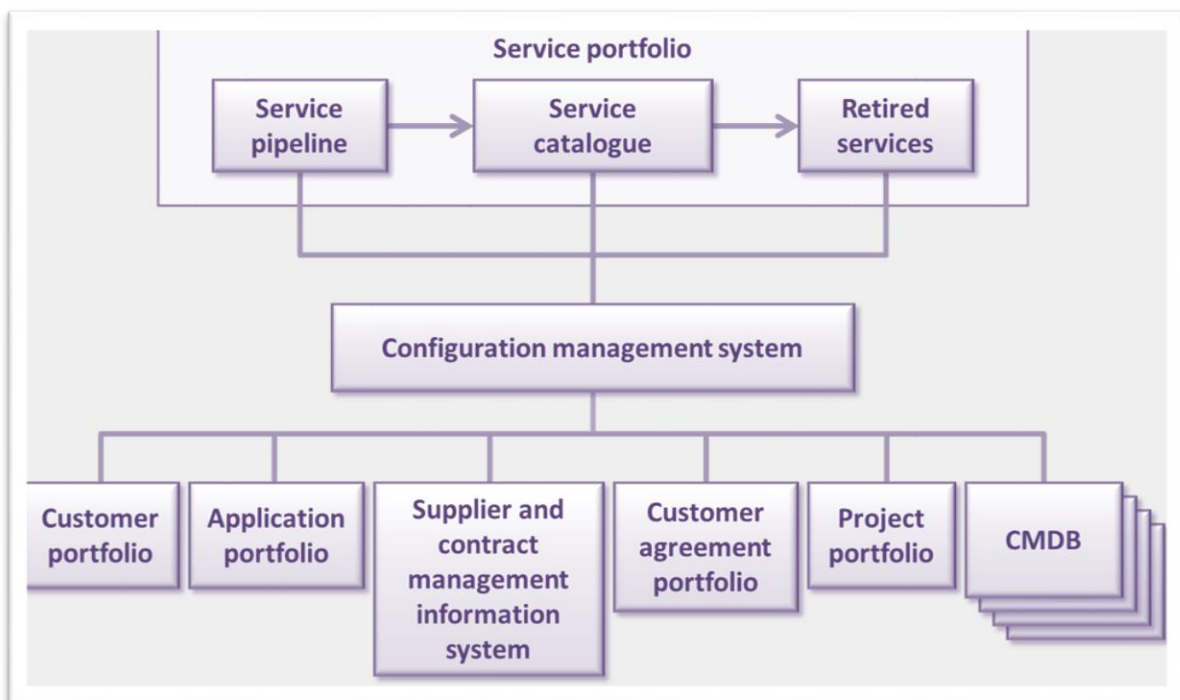
- The timescales for the business' plans
- Existing IT plans and strategies that may be superseded by the new initiatives
- Costs, budget and human resources required from IT, suppliers and the Business
- Who the main customers are and where they are located
- Impact to the technology and architecture implemented at NovoBank
- Governance and compliance considerations that may affect IT's strategic decisions
- Security, licence and asset management requirements

Service Strategy Process 2: Service Portfolio Management

IT organisations need to continuously ensure that the services they are providing are cost-effective and meet customer expectations for quality and value. ITIL provides Service Portfolio Management guidance to help align service offerings with customer objectives.

Service Portfolio Management helps an organisation avoid providing services that are inefficient or have outdated cost models. Many organisations have legacy services that are out of date and costly to run. Service Portfolio Management can help to identify these.

Ineffective or less valued services are evaluated, and a business decision is made as to whether they are re-designed, retired, or out-sourced. Alternative implementations can be used to meet the cost, quality, and value expectations of the organisation and customer.



Service Strategy fig. 4.14 the Service Portfolio

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The service portfolio provides an overall view of all our services, no matter what stage of the lifecycle they are at. Services are classed as being in design, transition, operation or retired.

As you can see in the diagram above, Service Portfolios are organised by category – from conceptual services registered in the Pipeline, to operational services currently available to customers, to those that have been decommissioned.

Information is stored in dedicated repositories, focused on Customers, Applications, Supplier, Agreements and Project categories. Together these databases represent the resources occupied in delivering services and those who are due to be released to work on other activities.



Case Study

NovoBank's strategy planners need to consider the current position of their services and agree priorities for the staff working within Service Management.

In collaboration with Business representatives, Change and Programme Managers and Service Managers, they will use the Service Portfolio as a tool to identify current services that can be retained to help with systems integration activities, service components that can be reused for new offerings such as mobile banking, and that those that can be removed.

Service Strategy Process 3: Financial Management for IT Services

By providing guidance and templates, this process allows IT professionals to work effectively with financial specialists in their organisations. This results in IT Service Providers being able to identify and manage costs, evaluate the financial impact of strategic decisions and provide an account of expenditure and return on investment.

Financial Management provides an important component of Service Strategy. It quantifies the value of IT services in financial terms, focusing on producing accurate and timely budgets, analysing and reporting on services' performance and – if your organisation chooses to – charging customers a fair and equitable price for their IT services.

An effective Financial Management process will help organisations answer important questions such as:

- *"Is the Service Strategy increasing profits or lowering costs?"*
- *What are the most costly service offerings and why?"*
- *What types of services are being consumed, in what volume and what is the current budget associated with them?"*
- *Are the services more attractive than competing alternatives?"*
- *Where are the greatest service inefficiencies?"*

Discussion Topic

How would this information help NovoBank's service management function?



Suggested Considerations

This information will assist NovoBank as the Financial Managers, Service Owners, Business Relationship Managers and Director of Service Management will be able to understand the impact of the new service requirements on the existing IT estate. They will be able to produce a business case and cost model to help the Business to confirm the scope and timescales of new services. IT providers are able to identify services that are currently not used

and could be decommissioned and those that can be adapted to support new service offerings.

Note that this activity is time-consuming and depends on the availability of accurate and up-to-date financial data. Ensure you allow sufficient time and have access to the most qualified team members when undertaking similar exercises!

Service Strategy Process 4: Demand Management

Service Strategy uses Demand Management to help it to plan for changing levels of customer need. Customer demand will not be constant. As the customer's business gets busier, they will make more demands on the IT service provider.

Demand Management helps service providers to understand when their customer will be calling on their services most, so that they can provide additional resources where necessary.

Supply and demand are tightly coupled within service management. Too much spare capacity is wasteful, but too little capacity can lead to significant reductions in service quality.

NovoBank's business areas are making significant demands on their IT service providers.

Discussion Topic

How would you help the director of Service Management to prioritise the requirements and make recommendations to the Business and Programme teams?



Suggested Considerations

The Director of Service Management must explain what outcomes can be achieved with the existing technology. This will

enable stakeholders to make decisions on prioritisation and investment. The Director will use the Service Portfolio and Service Catalogue to discuss service requirements. It may be possible to reuse existing hardware and infrastructure, or a wholesale redevelopment of the landscape may be necessary.

By evaluating current service usage, customer locations and existing supplier arrangements, the IT Service Management organisation is well placed to assist the business in prioritising and scheduling new requirements. In the case of NovoBank, systems integration and mobile technology are considered to be more easy to deliver and less risky than other initiatives.

Service Strategy Process 5: Business Relationship Management

Business Relationship Management provides formal links between the Service Provider and its customers. This process allows IT to evaluate a customer's needs and measure success over time. A key focus area is assessing customer satisfaction levels to plan how to deliver outcomes that provide value. This discipline is all about good communication. It depends on and is enhanced by an accurate service portfolio. The Business Relationship Manager draws on all other areas in IT and maintains documents in a Customer Portfolio – including Customer Agreements and Service Requirements.

Business Relationship Management provides a focal point for all activities in IT and represents services to customers. It handles new requirements, provides the point of contact for recording and handling complaints and compliments and enables IT to assist the business in achieving its outcomes.

Discussion Topic

NovoBank IT has a Business Relationship Manager for the Retail Bank Business Unit – what would you recommend as the best approach to evaluate the business' request for mobile banking services?



Suggested Considerations

Meeting with stakeholders regularly is a vital part of understanding business needs and explaining IT's capabilities. The Business Relationship Manager will meet with customers to evaluate current service performance, including issues and complaints, and to discuss new requirements.

For mobile banking services, the Business Relationship Manager could:

- Review the Service Pipeline with the customers to prioritise the request against other planned services that might affect the Retail Bank Business Unit
- Discuss available budget and required timescales
- Evaluate the risks of proceeding with the mobile banking service request in preference to other services in the pipeline
- Document and agree the outcomes and communicate decisions to all affected stakeholders

Service Strategy encourages IT organisations and their customers to think strategically. In order to survive and flourish, each organisation needs to understand how they create value for themselves and their customers.

IT service providers must also have clarity on the corporate governance framework – that is, rules, policies, systems and processes – to which they must adhere. These are defined and implemented by Service Strategy.

An effective Service Strategy means that long term planning is carried out, which then supports the rest of the lifecycle. An organisation with an effective Service Strategy is less reactive and much more efficient.

Discussion Topic

*What is the focus for your strategy?
How does it add value to your organisation?*



Suggested Considerations

Is your strategy documented? Do all stakeholders have visibility and understanding of the strategy?

If you have concerns about the content and timescales of the planned activities, do you know how to escalate appropriately?



Case Study

The Business Relationship Manager and Director of Service Management have now met with business contacts. All requirements have been submitted to the Service Pipeline and the impact to resources and capabilities has been evaluated.

It has been agreed that the systems integration programme is of most benefit and will be delivered by the incumbent outsourced provider, with NovoBank staff in support. Staff are located in Poland, the Philippines, the UK and Australia. Concurrent with this initiative, the Bank has decided to introduce mobile banking services, to be undertaken by its own employees, with support from specialist partners.

NovoBank now has an accurate portfolio; a budget; agreed priorities with the Business; a strategic plan and risk assessment in place.

This information is stored in a Service Level Package and will be handed to the Service Design function to enable planning activities to commence.

Service Design

Service Design takes the requirements proposed by Service Strategy and develops solutions to build or change the services requested by the Business.

The scope of Service Design is not limited to new services. It includes the changes and improvements necessary to increase or maintain value to customers over the lifecycle of services, the continuity of services, achievement of service levels and conformity to standards and regulations.

Effective Service Design will:

- **Design services to satisfy business objectives**
- **Design services that can be easily and cost-effectively developed and sustained**
- **Design efficient and effective processes to manage services throughout their lifecycle**
- **Identify, eliminate or mitigate risks before the service is released in production**

Discussion Topic

How well is this done in your organisation?

Are you meeting these objectives or are there areas where you could improve?



Suggested Considerations

Do you have access to Service Design policies and standards?
How well-governed do you believe your technology estate is?
Are customers clear about the services and processes that operate within your organisation?

If you're not sure about any of these areas, how would you find out more information for your organisation?

For NovoBank, the Service Architects will focus on producing a design for systems integration, with mobile banking services to follow.

Ctrl and click to explore Service Design training



Service Design Processes

Service Design Process 1: Design Co-ordination

Carried out by a variety of roles, this discipline focuses on establishing a single point of co-ordination and control for all Service Design activities.

Design Co-ordination applies to all service providers and functional groups, including Development, Testing and Third Party organisations, resulting in benefits that are easy to articulate:

- Rework requirements are minimised, thus reducing costs
- Customers' needs are agreed and understood
- There is proven conformity to architecture standards and greater clarity for all team members involved in Design activities

This should improve quality and deliver more effective service solutions.

Discussion Topic

How easy would it be to introduce this process to your organisation?

What issues may have to be overcome?

What needs to be considered for NovoBank's plans?



Suggested Considerations

You would need to assess all existing processes, standards, templates and documentation to identify the 'best' approach for your organisation and then communicate new principles to all affected areas. This will be time-consuming and may result in some frustration as teams fight to avoid relinquishing their preferred methods!

Other issues that may arise are:

- Maintaining and integrating design and architecture standards across the organisation and suppliers
- Ensuring sufficient time and skilled resources are available to carry out the role and manage the process

- Avoiding unnecessary bureaucracy and ensuring that the level of control applied to activities is appropriate
- Securing buy-in from stakeholders

NovoBank's Service Design teams will evaluate current working practices, both for the Bank and the newly-acquired organisation. They will then need to consider how to roll out new processes to all teams. This will need to be assessed against the urgency and requirements of the Systems Integration Programme's planned activities.

Service Design Processes 2 and 3: Service Catalogue Management and Service Level Management

Service Catalogue Management process provides guidance for the construction and maintenance of a service catalogue. Catalogues may be categorised into Business and Technical directories – the first being customer-facing services; the second providing details on supporting IT services.

A Service Catalogue contains accurate information on all operational services and those being prepared to run operationally.

Service Catalogues are used as communication tools with the business, allowing them to see what services are offered and providing the Business Relationship Managers with a useful tool for reviewing requirements with customers.

For NovoBank, the design team has reviewed the catalogue and now knows which services will be affected by the Systems Integration Programme. Some will be changed; others will be retired and some new services will be added. In addition, Service Level Agreements will be reviewed using the Service Level Management process. This process is responsible for agreeing, monitoring, reporting against and reviewing targets contained within Service Level Agreements.

SLAs outline the agreed level of service that will be provided to the customer, including targets such as service hours, performance and support arrangements. When the service goes live, SLAs are monitored, reports are

produced and meetings are held with customers to confirm they are happy with overall performance.

Service Design Processes 4 and 5: Availability Management and Capacity Management

Availability Management ensures that a cost-effective level of service availability is delivered in all services to meet or exceed the current and future needs of customers.

If a service needs to be highly available, this will need to be built in at the design stage – for example, by including additional resilience and redundancy.

Availability Management looks at the level of down time the business can tolerate and builds services to meet its requirements. Agreeing and providing the correct amount of availability is critically important to most businesses. Getting this wrong could prove costly and damaging and affect the customer's perception of its IT Service Provider.

Capacity Management works to ensure that the capacity of IT services and supporting infrastructure is adequate to meet negotiated service level targets in a cost-effective and timely manner.

You may have seen the consequences of a loss of capacity – such as a server running out of storage, or a network not having enough bandwidth. As with Availability Management, extra capacity often means extra cost. Too much capacity is wasteful, but too little can lead to service degradation.

Discussion Topic

Consider how these processes depend on and work with other areas, such as Demand Management. How well does your organisation understand its availability and capacity needs? How easy do you think it will be for the NovoBank team to evaluate and plan requirements?



Suggested Considerations

Demand Management outputs will provide information to evaluate the impact to current IT capacity and availability needs, in terms of user behaviour, patterns of business activity and required timescales.

For NovoBank, potential challenges to planning capacity and availability needs include:

- Obtaining accurate – and sometimes commercially sensitive – information from the Business and suppliers to produce the capacity plan
- Interpreting and combining data to produce an integrated plan – this will be particularly difficult when planning a systems integration programme between two discrete organisations

Service Design Process 6: IT Service Continuity Management

The sixth Service Design process is IT Service Continuity Management, responsible for evaluation and management of risk to IT services. This includes maintaining a set of IT service continuity plans and IT recovery plans that support the overall business continuity plan.

You may have Disaster Recovery plans in place within your organisation – these would fall within the scope of IT Service Continuity. There are costs associated with IT Service Continuity, so these need to be factored in during the design stage of the lifecycle.

Service Design Process 7: IT Security Management

Information Security Management describes how to protect the confidentiality, integrity and availability of a company's data as well as company assets, information, and IT services.

If a service needs to be secure, elements such as password protection and encryption should be designed in. Globally, more and more companies are counting the costs of not designing in security. As well as financial loss, security breaches can cause major reputational damage.

Service Design Process 8: Supplier Management


Lastly, the Service Design core volume includes Supplier Management, a process that allows organisations to manage all external suppliers that provide or support IT services.

If we buy a service from a third party rather than developing it in-house, Supplier Management ensures that we can have confidence that services are defined; contracts are suitable and costs are understood. The process helps organisations to select the appropriate supplier, and then manage performance to maximise value for money.

Service Design Summary

The main output from the Service Design stage of the lifecycle is the Service Design Package, or SDP.

The SDP contains all the relevant information to be passed to Service Transition, including the service description, the SLA and the acceptance criteria that need to be met.

	Service Design Package	<i>"Document(s) defining all aspects of an IT service and its requirements through each stage of its lifecycle. A service design package is produced for each new IT service, major change or IT service retirement."</i>
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Many transition projects fail because of poor documentation or lack of information. Delivering an SDP will help to minimise the risk of failure.

Effective Service Design practices help ensure that business requirements are being met and provide benefits in many areas, including:

- Reduction in Total Cost of Ownership
- Improved service quality
- Better service alignment to business needs
- Smoother implementation of new or changed services
- Improved service performance in terms of capacity, cost, and continuity

Discussion Topic

What benefits would you like to see in your organisation?

Which roles would you introduce to support some of these activities?



Suggested Considerations

Roles you may wish to introduce to support Service Design processes include Service Owners and Process Owners for all disciplines in this part of the service lifecycle, for example Design Co-ordination Process Owner or Service Level Management Process Owner. You may also appoint an IT Planner, IT Designer or Architect. Attending the Service Design Lifecycle course will provide you with detailed insights to these roles.



Case Study

NovoBank's Service Designers have completed the Design Co-ordination tasks for the Systems Integration Programme.

They have consulted with the strategic suppliers, in-house development and service teams; the Business Relationship Manager and Director of Service Management and now have a plan!

In addition, the designers have liaised with process experts within Service Design.

They now know:

- That the bank needs 24 x 7 availability for significant services, as defined in the Service Catalogue
- Capacity requirements – for hardware, software and people
- Security functions are to be designed in accordance with the Bank's policy, supported by physical authentication devices to access banking services
- Service Continuity must provide immediate standby for all key services, with intermediate recovery for other services
- Further requirements that have become clear for NovoBank are:
- New and changed Service Levels proposed by the Business will be reviewed by Service Design and Transition as the lifecycle activities proceed

- | | |
|--|---|
| | <ul style="list-style-type: none">▪ New contracts are required for the outsourced application service provider; the authentication device vendor and other hardware and software service asset suppliers▪ That plans to update the service catalogue with new service assets and to remove retired services have been agreed |
|--|---|

The Service Design Package is now ready for review by Service Transition team members.

Service Transition



Service Transition

"The management and co-ordination of the processes, systems and functions to package, build, test and deploy a release into production and establish the service specified in the customer and stakeholder requirements."

The purpose of Service Transition is *"to ensure that new, modified or retired services meet the expectations of the business as documented in Service Strategy and Service Design stages of the lifecycle."*

The volume provides guidance for the development and improvement of capabilities for the transition of new and changed Services into Operations, leading to the smooth implementation of services that perform according to customer expectations.

Service Transition looks at managing the costs and resources associated with the Transition, as well as carrying out risk analysis and management. It is governed by standard policies and also focuses on people aspects, such as planning for a change in supplier.

Ctrl and click to view Service Transition training





Case Study

At NovoBank, we now have a Service Design Package, which describes how the Systems Integration Programme is required to operate.

We know the acceptance criteria, the plan and timescales, the warranty requirements and risks that must be addressed. Service Transition teams will evaluate the requirements and, using ITIL Transition Planning and Support process disciplines, define the change, release, knowledge and early life support approaches for the new service.

When all these activities are completed successfully, the service will move into Service Operations and become available to all users.

Service Transition Processes

Service Transition Process 1: Change Management

Change Management provides guidance for ensuring that consistent methods are used when handling all changes. Changes are recorded and updated to provide an audit trail for our infrastructure and services. Many problems affecting IT services are caused by poor Change Management. This can affect service availability and regulatory compliance.

Change Management is a common starting point from which organisations adopt ITIL best practices. The process can help them to reduce the number of failing changes, along with the negative consequences for their services. Change Management is one of the most effective ways to provide stability to the IT organisation. It is important that Change Management processes have high visibility and the appropriate level of authority in order to be effective.

Discussion Topic

What changes do you envisage will be required for NovoBank's Systems Integration Programme? Who will raise the requests for change?



Suggested Considerations

Change requests will be required to seek approval to procure new software and hardware configuration items, to change service availability requirements for some existing services and to authorise the removal of services that are to be replaced by new technology and services.

The Business Relationship Manager may raise these on behalf of the customer; the customer may instigate the process, as might a supplier or IT Service Manager. The Service Transition lifecycle course will explain this in greater detail.

A standardised Change Management process with clearly defined roles and responsibilities increases the likelihood that the business objectives and goals are successfully achieved and limits the likelihood of embarrassing and costly mistakes in implementation.

Some of the main responsibilities of Change Management are:

- Accepting, recording, and filtering requests for change
- Assessing impact on the organisation
- Prioritising changes
- Justifying, approving, and rejecting changes
- Chairing the Change Advisory Board and the Emergency Change Advisory Board
- Managing and co-ordinating implementation
- Closing requests for change
- Reporting

A Change Advisory Board is an integral part of a formal Change Management process. The CAB is typically responsible for oversight of all changes in the production environment.

These include requests coming in from management, customers, users and IT. The changes may involve hardware, software, configuration settings, patches, etc.

The CAB assesses any change request against the needs of the business, its priorities, the benefits and cost, and the possible impact of the change to the other systems and operations.

The recommendations for any implementation, further evaluation and analysis, postponement and cancellation are agreed by the CAB.

The CAB members offer expert advice to the Change Management team about the implementation of changes. The board is made up of representatives from all the divisions in IT and other business representatives, as well as parties outside the organisation whose approval is considered necessary.

Emergency Changes will be assessed by an Emergency CAB, which provides a quick decision when rapid implementation is needed, for example after a security breach or hardware failure.

Creating a Steering Board or Group is a good way to keep executives and managers engaged in the process without subjecting them to the low level details that change management sometimes involves. The Steering Group can get involved if a decision about a change cannot be reached during a CAB meeting.

Change Manager

ITIL Change Management operational processes are administered by a Change Manager.

An effective and successful Change Manager is one who proactively ensures that the right resources, both technical and business, attend the CAB and present viable, justifiable changes. The Steering Board is the final arbiter in resolving disputes over classifications and prioritisations.

Not all changes are processed within the same timeframe or priority. A standardised set of processes with timeframes for major, minor, and emergency changes should be created to assist in managing customer and user expectations as to when and how changes will be delivered.

All changes must be supported by appropriate documentation.



Case Study

At NovoBank, four RFCs have been assessed. Two were approved; one was referred to the Change Initiator for more information and the final RFC was rejected as the risks were considered to be too high.

We can now proceed with building, testing and implementing the new authentication tokens and enhancements to existing applications.

Service Transition Process 2: Release and Deployment Management

Changes to the IT infrastructure often occur in a complex, distributed environment. In modern applications this can affect both the clients and the servers. The release and implementation of hardware and software requires careful planning.



Release

"An authorised and tested change to the IT infrastructure or service deployed as a single entity. It can consist of hardware, software, documentation, processes, or other components required to implement one or more approved changes to IT services."

Release and Deployment Management provides guidance around building and deploying releases. Release and Deployment Management focuses on protection of the production environment and its services through the use of formal procedures and checks.

Release Management is responsible for planning, scheduling, and controlling the movement of releases to test and production environments. It works in conjunction with the Change Management and Service Asset and Configuration Management processes.

Release Management is a key component in the ongoing effort to better manage and minimize the impacts of change in an IT organisation. Once changes have been identified and authorized, a proper release management strategy is necessary to help companies accurately plan, deploy, and manage releases with precision and confidence.

The Release Management process manages the delivery of releases into production and enables effective use of the service in order to deliver value.

Release Management has a number of responsibilities including:

- Preparing comprehensive release and deployment plans, release policies, documents and procedures
- Obtaining release acceptance, plan roll-out and sign-off
- Implement or oversee implementation of new software, hardware, and other assets such as facility changes into the operational environment
- Testing and building releases for deployment to the target environment
- Ensuring there is minimal impact on production services, operations, and support and that customers are satisfied
- Ensuring smooth withdrawal of retired services

Discussion Topic

What should we consider for the NovoBank releases?

How would you plan to roll out the new services across the world?

Who should be responsible for these activities?



Suggested Considerations

NovoBank's release plan has now been produced. It includes a schedule that takes into account:

- Global locations
- Regional and religious holidays and staff availability
- Training, knowledge management and documentation requirements
- Technology requirements, including engagement with new suppliers

- Communications strategies, including rebranding of new systems and public announcements
- Test strategies and plans
- Legal requirements

And, perhaps most importantly of all, plans to ensure the Service Desk's readiness to take calls on day one of service. The Release Manager will oversee the planning, reporting to the Service Transition Manager to ensure risks are identified and resolved and communications are managed effectively.

The [Release, Control and Validation Capability](#) course will equip you to understand and plan a deployment with confidence.

Service Transition Process 3: Knowledge Management

Knowledge Management ensures that the right information is available to the right person at the right time – to enable that person to make an informed decision. Management decisions can be improved if reliable and secure data and information are available throughout the service lifecycle. Knowledge Management shares perspectives, ideas, experience and information with all stakeholders involved in service management.

Knowledge Management will provide a number of benefits to an organisation, enabling it to be more efficient, improve quality of service, increase satisfaction and reduce the cost of knowledge discovery.

The process will also ensure that the organisation has access to current information regarding:

- Who is actively using the services at any given time
- Any service delivery constraints
- Difficulties experienced by customers in realising the benefits expected

Discussion Topic

*What knowledge requirements do we need to consider for NovoBank?
How would you discover and store knowledge?*



Suggested Considerations

You will need to assess current technical skills present in the IT workforce and identify any experts, or gaps.

NovoBank will need hardware specialists who have designed, built and implemented authentication devices previously. If these resources are not available in the Bank, you will need to engage with Supplier Management and Human Resources departments to employ people with the correct experience. Discovery approaches include interviews, surveys, assessing skills matrices and reviewing knowledge transfer plans.

You will need to allocate sufficient time to analyse the information properly – this can have an impact on team members' current workload and priorities and will depend on excellent communication skills.

Information should be stored in the Service Knowledge Management Database, maintained by a Knowledge Manager.

ITIL Knowledge Management recommends that organisations develop a strategy that addresses:

- What governance model will be used
- What roles and responsibilities will be created along with ongoing funding
- What policies, processes, procedures, and methods of knowledge management will be employed
- Technology and other resource requirements
- What performance measures are to be employed

The resulting strategy will identify and plan for the capture of relevant knowledge and the associated information and data that will support it.

Service Transition Process 4: Service Asset and Configuration Management

Service Asset and Configuration Management tracks information about Configuration Items or CIs. These are the components that make up our services. Configuration Items are typically hardware, software, people, documents or locations.

By tracking CIs and the relationships between them we can understand our services and identify issues such as vulnerable or critical CIs – or identify where CIs are missing. Service Asset and Configuration Management is a major source of information for Knowledge Management, and is also used extensively by other processes, including Change Management.

Discussion Topic

What new CIs are to be introduced at NovoBank?

What kind of information would you record in the configuration management system?



Suggested Considerations

New CIs will include:

- Physical hardware devices for authenticating users accessing new banking systems
- Software components
- New and amended documentation, including training plans, contracts, Service Level Agreements and Service Desk scripts

Information to be stored would focus on CI descriptions, statuses, version numbers and component identifiers.

Service Transition Summary

Effective Service Transition can significantly improve an organisation's ability to process high volumes of change and releases.

Specifically, Service Transition adds value to the organisation by improving:

- **The success rate of changes and releases for the organisation**
- **The ability to adapt quickly to new requirements and developments and thus maintain a competitive edge**
- **Confidence in new and changed services**
- **Confidence in the degree of compliance with organisation and governance requirements**
- **The productivity of organisation and customers because of better planning and improved service offerings**
- **The timely decommissioning of hardware and software assets as well as maintenance contracts when services are retired**

Remember, Service Transition plays a vital role in the lifecycle by managing the transfer of services from Design into Operation. You may have seen the consequences of implementations that have failed, and know what they can cost an organisation.



Case Study

Let's summarise our position with NovoBank's major programme of work:

- The Transition plans were produced and approved by Change Management and all stakeholders were clear on their responsibilities – this includes IT, the Business, Suppliers and Partners.
- Hardware and software was procured, built, tested and implemented to meet the Service Design Package specifications
- Knowledge Transfer plans were created and executed and users, the Service Desk and Service Operations teams now have the required skills to operate the service
- All service documentation has been produced and approved and uploaded to the Service Knowledge Management System, accessible to all service personnel
- Early life support has been signed off after meeting agreed criteria, providing an official baseline for the service

We are now ready and confident to offer this service to customers and users!

Service Operation

Service Operation is the area of the lifecycle responsible for running live services.

NovoBank's new and changed services are now operational – they are recorded in the Service Catalogue and customers and business staff are using the functionality every day.

Service Operation's role is to maintain and support the live service, ensure it remains stable and deliver a consistent level of service as defined in Service Level Agreements.

Service Operation is the phase of the service lifecycle that is responsible for business as usual activities. It focuses on fulfilling the commitments made during the Service Strategy and Service Design phases of the service lifecycle. The purpose is to ensure that the people, processes, and technology that make up the service are aligned to meet agreed objectives.



Case Study

At NovoBank, we have a Service Desk in the Philippines, second- and third-line Technical and Application Management teams located in Poland and the UK and users based in eight additional countries.

The existing technology estate consists of many different hardware and software components and knowledge management requirements are complex.

All of these factors must be considered when organising the Service Operation function to deliver the required level of service to the Bank's customers and users.

Discussion Topic

*How well does your Service Operation department deliver services?
What complaints would your customers and users have?
What would you consider to be important considerations for NovoBank's live service?*



Suggested Considerations

When assessing how successful your operational services are, think about how your customers would describe them. Are they too slow? Is the functionality fit for purpose? Are there too many work-arounds? Is the Service Desk educated and competent? If any of these issues are true for your organisation, you would benefit from reviewing the Service Strategy and implementing some Service Improvements.

For NovoBank, the Service Operation functions must ensure that services are available to meet global timescales, that Service Desk Analysts and second- and third-line support teams have the requisite skills and language abilities, that the technology introduced by the Systems Integration Programme is operating to meet SLAs and that security measures are working correctly.


The Service Operation lifecycle course will discuss these issues in greater detail – consider this as part of your fast-track to ITIL Expert accreditation.

Ctrl and click to view Service Operation training



Service Operation Processes and Functions

Service Operation Process 1: Event Management

	Event	<i>"Any change of state that has significance for the management of a configuration item or IT service."</i>
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ITIL recommends that good monitoring and control systems are employed to detect deviation from normal or expected operation. Event Management is the process that monitors events and recommends appropriate action. For example, if a disc share is filling up, data can be archived before there is any noticeable loss of service to customers.

Discussion Topic

*How do you think NovoBank could use Event Management techniques for its new authentication devices?
What benefits would be achieved?*



Suggested Considerations

NovoBank can use Event Management to identify where authentication devices are being used correctly to access banking systems; where issues are likely to occur with regard to capacity and performance and to raise incidents where devices have failed.

Benefits would include:

- Avoidance of device failure and associated downtime for the Bank's external customers
- Identification of potential security breaches
- Improved availability, resulting in better perception of the IT service

Event Management's value to the business is realised indirectly through the measures shown here:

- Reduced Service Outages – early detection of events can often prevent downtime if promptly identified and handled by the appropriate group
- Reduced Resource Consumption – alerts can trigger automated activities that reduce the need for expensive real-time monitoring
- More Efficient Service Management – alerts can signal status changes or exceptions that trigger teams or groups to resolve performance issues such as insufficient availability or capacity
- More Time To Innovate – fewer human resources are needed when automated activities react to alerts, thus freeing time for people to innovate or improve service offerings

It's important to remember that Event Management does not remain static once it is developed. It must be adjusted by Service Operation to meet changing business requirements.

Discussion Topic

With which other processes do you think you would need to work to ensure Event Management is effective?




Suggested Considerations

To ensure Event Management is effective, strong interfaces are required to the following interfaces:

- Incident Management
- Problem Management
- Availability Management
- Capacity Management
- Information Security Management
- Demand Management

The Service Operation Lifecycle course will provide further insights on these processes.

Service Operation Process 2: Incident Management

	Incident	<i>"An unplanned interruption to an IT service or reduction in the quality of an IT service."</i>
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Incidents cause disruption to a user's daily workload and, if not addressed correctly, can lead to financial and reputational damage to an organisation. ITIL provides processes for dealing with incidents in a way that meets business needs.

The purpose of Incident Management is to restore normal service to users as soon as possible.

Done properly, this results in delivering the best possible service quality and availability - as defined in Service Level Agreements.

When a service disruption occurs, Incident Management becomes highly visible to the organisation. Incident Management is often one of the first processes to be implemented in IT Service Management.

Service Operation Process 3: Problem Management

It's also important as part of this training that we spend some time looking at the difference between Incidents and Problems – two discrete elements managed in Service Operation.

A common misunderstanding for organisations implementing ITIL is to classify a problem as an incident. A problem is the underlying cause of one or more incidents. For example, a single virus could be the problem that causes hundreds of 'PC running slowly' incidents. We need to recognise the differences and manage Incidents and Problems in order to be effective.



Problem

"The unknown cause of one or more incidents."

Problem Management attempts to prevent problems and their resulting incidents from happening. When incidents recur, it seeks to eliminate them. When incidents cannot be prevented, it seeks to minimise the impact to the business.

Problem Management activities are focused on diagnosing the root cause of incidents in order to formulate an effective and lasting resolution implemented through Change Management and Release Management processes. You can learn more about practical Problem Analysis techniques on a range of ITIL training courses.

Service Operation Process 4: Request Fulfilment

Every Operations department also has to deal with many day to day requests from customers – such as setting up new users, ordering toner cartridges and supporting desk moves.

These requests are generically called Service Requests within ITIL. These types of demands usually represent small changes that are low cost, low risk, and frequently occurring such as a password change, installation of a software package, or relocation of hardware.

A separate process for Service Request management is defined and allows them to be handled and measured separately from Incidents.

Discussion Topic

What kind of requests do you think NovoBank Service Operation staff will receive?

Do you think that SLAs are required for Request Fulfilment activities?



Suggested Considerations

Typical Service Requests for NovoBank's new service may include:

- Creation of new users – both internal Bank employees and external customers
- Issuing of new and replacement authentication devices
- Resetting devices

SLAs and performance measures are recommended in order that customer expectations and service quality can be recorded and assessed. These targets may not be as challenging as incident SLAs owing to the relative lack of urgency required, however, the Business Relationship Manager must ensure all stakeholders' awareness of these targets.

ITIL Request Fulfilment processes are designed to deal with Service Requests from the user community. The process will:

- Provide access to standard services – a channel is provided for users to obtain standard services through a pre-defined approval and qualification process.
- Communicate available services – information is provided to users and customers about service offerings and how to obtain them
- Assist customers and users with general information, complaints and comments

The ultimate value of Request Fulfilment is to provide quick and effective access to standard service offerings. This improves productivity and quality and reduces the bureaucracy involved with obtaining services. A key benefit, therefore, is a reduction in costs to the organisation.

Service Operation Process 5: Access Management

This is the administrative process that makes sure the right user has access to the right systems, with the correct level of permissions.

Access Management comprises four key concepts:

- **Access** – what functionality does a user need to do his or her job?
- **Identity** – how do we verify people are who they say they are? How do we establish technology requirements, such as passwords or fingerprint scans?
- **Rights** – what permissions do people have within services?
- **Directory Services** – how do we organise our users and permission levels?

Effective Access Management processes are critical to any IT department and must complement Availability Management and IT Security Management policies to meet governance requirements.

Discussion Topic

*What issues can you foresee with Access Management?
How would you overcome them?*



Suggested Considerations

Problems may arise as users change roles and do not have their access and privileges rescinded. Consider the impact of someone moving from HR to Finance whilst retaining their previous access rights.

To overcome these issues, you would benefit from introducing a combination of controls, focusing on technical restrictions and process checks that confirm adherence to IT Security and Availability policies and processes regularly.

Service Operation Function 1: Service Desk

An effective Service Desk enhances IT's reputation and gives confidence to users that issues will be acknowledged and resolved. A Service Desk perceived to be poor quality may be highly damaging to the IT provider's standing.

The Service Desk is vitally important to the IT department as it handles all Service Requests and Incidents on a day-to-day basis using software tools to log and manage events. It will need dedicated staff trained to field a wide variety of service events submitted by phone, web pages or by automated monitoring tools integrated to the IT infrastructure.

The primary objective of the Service Desk is to restore normal service to users as quickly as possible, typically using the Incident Management process.

ITIL identifies specific responsibilities for the Service Desk that include:

- Logging all incidents and service requests and assigning codes for categorisation and prioritisation
- Acting as first-line support for investigation and diagnosis
- Resolving as many incidents or support requests as they are able to
- Escalating incidents or service requests that are outside their capability to resolve
- Keeping users informed of progress in responding to the incident or service request
- Communicating to users any information such as scheduled service outages and changes

Discussion Topic

*Do these reflect what your Service Desk or Help Desk does?
What improvements could be made to your team?*



Suggested Considerations

Consider the level of first time fix your Service Desk achieves.

Does it match your target and, more importantly, customers' expectations? How well defined and communicated is your Service Desk's Team Charter? Does your Service Desk have sufficient people, skills and appropriate technology? How likely are users to log incidents, confident that they will be resolved? How satisfied are your Service Desk staff?

Address these questions and there is the strong likelihood that you can plan improvements to the Service Desk and enhance your organisation's reputation.

Service Desk Structures

Depending on your organisation's requirements, the Service Desk can be established in a variety of structures and locations, including:

- **Local Service Desk** – co-located or physically close to the community it serves, but can be expensive in terms of the amount of staff it requires for several locations
- **Centralised Service Desk** – consolidated into one or more locations, allowing for fewer staff who can provide a service to users more efficiently
- **Virtual Service Desk** – designed to leverage technology to give the impression of a single Service Desk, but operates in a distributed configuration across any number of operating locations around the world.
- **Follow the Sun** – designed to combine two or more geographically separated Service Desks to provide 24 hour, follow-the-sun service to users using staff working normal shifts in their time zones

Discussion Topic

Which structure do you feel is most appropriate for NovoBank's services? Why?



Suggested Considerations

Bearing in mind that NovoBank has IT staff, suppliers and customers based in more than nine countries, it would be beneficial to introduce a Follow the Sun Service Desk that provides a 24 x7 service. You could consider employing multi-lingual Service Desk Analysts and must ensure that all team members have access to a single repository of Incidents, Service Requests and Knowledge Items.

Service Operation Functions *continued....*

The other Service Operation Functions are Technical Management, Application Management and IT Operations Management. Their responsibilities are:

- **Technical Management** – provides second line support and maintains resources and knowledge to support the technical infrastructure
- **IT Operations Management** – carries out monitoring and operational tasks such as back-ups and manages physical IT environments like the data centre
- **Application Management** – provides second line support and maintains resources and knowledge to support internally-developed and third party applications

Service Operation Summary

An effective Service Operation area provides value by:

- Helping to identify and manage operational costs
- Managing incidents and problems and implements resolutions
- Cost justifying investment in operational services
- Protecting the live service
- Maintaining customer satisfaction



Case Study

Many elements of NovoBank's Systems Integration Programme are now fully operational.

Incidents are managed to meet SLAs; access is controlled and meets security requirements; events are logged and handled effectively, meaning that incident volumes are reducing.

Customer satisfaction is high and feedback from the Service Owner and Business Relationship Manager has been positive. The focus on Problem Management has, however, identified some root causes of incidents that need to be addressed.

The next volume in the lifecycle, Continual Service Improvement, will help you to identify how to enhance services or resolve issues; assess and prioritise improvements and report on performance to your customers.

Continual Service Improvement

Continual Service Improvement assesses the performance of all areas of the lifecycle, and makes recommendations for improvements related to process, service or technology components.

IT services are created by a number of activities and processes in the service lifecycle. The quality of each element determines the overall performance of the service.

Continual Service Improvement's purpose is, *"to continually align and realign IT services to changing business needs by identifying and implementing improvements to IT services that support business processes."*

This includes improving process effectiveness and efficiency, as well as cost-effectiveness throughout the entire Service Lifecycle.

ITIL defines the following CSI objectives:

- Seek out and recommend improvement opportunities in each lifecycle phase
- Perform analysis on service level performance
- Identify and implement activities to improve IT service quality and IT Service Management processes
- Improve IT Service Delivery cost effectiveness without compromising customer satisfaction
- Ensure quality management methods are suitable for supporting CSI activities

ITIL defines two key areas from where improvement opportunities can be derived:

- **External** aspects – such as regulation, legislation, competition, external customer requirements, market pressures and economics
- **Internal** aspects – such as organisation structures, culture, capacity for change, existing and projected staff levels and union rules

Change can be challenging to implement:

- People may resist change and, in extreme cases, cause disruption where there is disagreement
- There may be insufficient budget or time to deliver the change required
- Competing priorities may affect your ability to plan and deliver improvements

To overcome these issues, a clear communication strategy must be implemented. Effective CSI requires ownership – it is beneficial to appoint a CSI Manager who is accountable for its success.

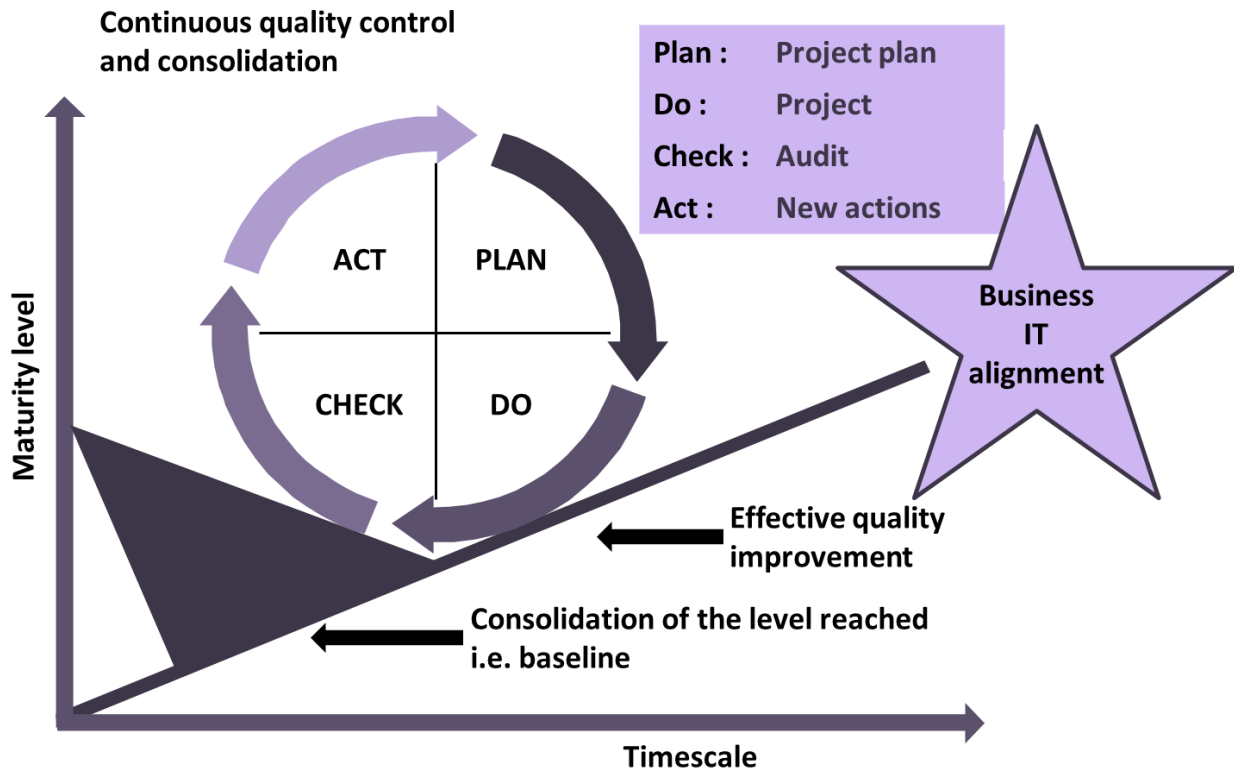
	CSI Manager	The CSI Manager logs all improvement suggestions in the CSI Register; co-ordinates prioritisation activities and communicates decisions to affected stakeholders.
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Ctrl and click to learn more about CSI training



The Deming Cycle

CSI uses a number of models to achieve its goals. We looked at the Deming cycle - you can see an example below:



CSI fig. 2.8 Plan Do Check Act Cycle

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CSI uses the Plan-Do-Check-Act cycle to help monitor each aspect of an organisation's work process, giving the organisation an overview of its weak spots and achievements. The goal of the Deming cycle is to achieve steady ongoing improvement; a fundamental tenet of CSI.

Initially, all four stages of the Deming cycle are used when implementing CSI within the organisation. The check and act stages of the cycle are then used by CSI to monitor, measure, review and implement initiatives to improve services and service management processes.

Deming is a quality improvement model and existed prior to ITIL. If you'd like to learn more about Deming then an internet search or Wikipedia check will provide more detailed information.



Case Study

NovoBank's CSI Manager has collated a register of improvement recommendations and has conducted review and prioritisation meetings with Business and IT stakeholders.

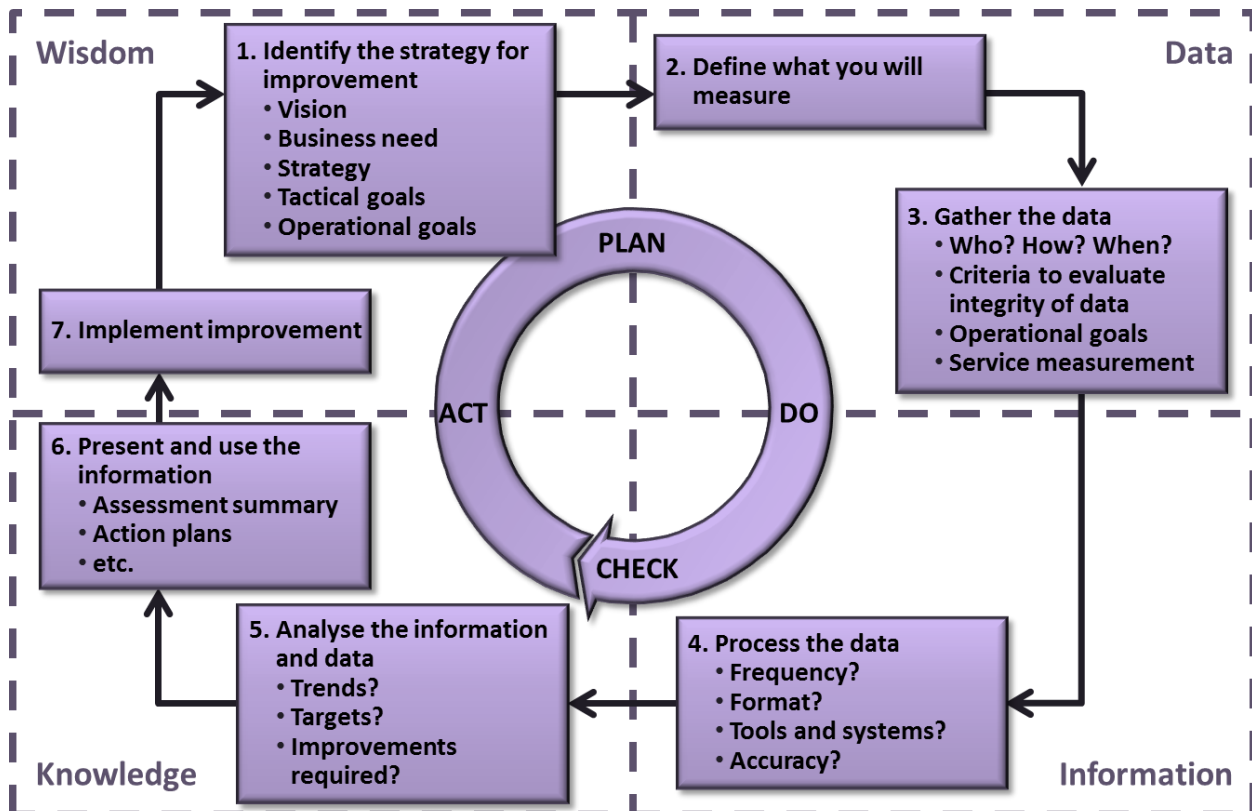
It has been agreed that the hardware capacity for the Authentication Device service is insufficient and an 'innovation plan' has been created.

The CSI Manager has decided to use the Deming Cycle to plan the approach, supported by the Seven Step Improvement Process to deliver the changes.

The CSI Process

CSI uses a seven step improvement process to help identify and implement innovations.

The steps in the process are shown in this diagram. They help to give structure and clarity to CSI activities.



CSI fig. 3.4 the 7 Step Improvement Process

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CSI Seven Step Improvement Process – Step by Step:

Step 1: Identify the strategy for improvement	Set the vision, business requirements and goals – at NovoBank, the vision is to design, procure and implement additional hardware to improve the performance and availability of the service, improving service experiences for external customers.
Step 2: Define what you will measure	You could conduct a gap analysis to identify the ideal situation for IT and the Business. NovoBank will review the current performance of the Authentication Device service compared to Service Design targets and evaluate where CIs' operation can be improved.
Step 3: Gather the data	This is normally obtained from Service Operation activities and from other sources in the Business. Data is raw at this stage.
Step 4: Process the data	Treat the data in accordance with Critical Success Factors and Key Performance Indicators. This will help you to identify gaps and enable the data to be made consistent for comparison purposes.
Step 5: Analyse the information and data	Applying more context to data results in useful information and allows us to start answering questions and identify trends. Analysis of NovoBank's data has identified a rogue hardware configuration item that should be replaced to improve the end-to-end performance of the service.
Step 6: Present and use the information	Format and communicate the data as agreed and share this with customers and stakeholders. Knowledge should be presented to customers in a way that reflects their requirements. The CSI Manager has produced a business case that describes current issues; an overview of the data and evidence that shows CI weaknesses, an evaluation of the various options available to address the deficiencies. This is presented to the IT Steering Board and the best solution is chosen.
Step 7: Implement improvements	Use the knowledge gained to optimise, improve and correct services, processes and technology. Using the Deming Cycle, the CSI Manager plans and co-ordinates the change to service, monitoring and measuring performance as the project proceeds.

Repeating the seven steps of the improvement process results in a **knowledge spiral** that continuously builds upon its experience to help the organisation improve service effectiveness and maturity.

CSI Summary

CSI is usually the single focal point for combining all analysis, trend data, and comparison of results to established targets.

It identifies improvement opportunities and recommends improvement priorities to senior management.

CSI delivers value in a number of ways, including:

- Prioritisation of improvements
- Cost effective use of resources
- Improved alignment with legislation and regulations
- Improved ability to adapt to changes, including changing technology or customer requirements



Case Study

Our review of the NovoBank IT programme implementation has completed; the Service Strategy proved to be effective; initiatives were prioritised correctly and feedback has been favourable.

The services are now supported by fully trained Service Operation team members and improvements have been identified that deliver even more benefits to the organisation.

Using ITIL processes certainly enabled the Senior IT Management team to plan, co-ordinate and deliver cost-effective and well-defined services to its customers. Embracing CSI principles demonstrates a commitment to constantly meeting the Business' needs and ensures that services remain fit for purpose.

Implementing IT Service Management

Putting ITIL to Work

Very few organisations now start from a green field environment – you may already have some change management, or a help desk that can form the foundation for your service desk. Whether you have ITIL- aligned processes in place or not, the main things to remember when you start your ITIL implementation are:

- Be clear about your vision – why are you implementing ITIL?
- Make sure you communicate the vision
- Don't try to do everything at once – start small, with a single process or service
- Make sure you have adequate budget and resources
- Think about your training plan
- Involve your customers

There will be a number of challenges as you begin to implement ITIL – many of which are experienced by every organisation. We're going to take a look at some of the difficulties you might experience.

Challenges

Organisations often struggle with deciding which ITIL processes to implement first and in what order to do them – or how to decide whether to do them at all. The best way to resolve this struggle is to use business cases to identify which ITIL processes will yield the greatest return for your organisation.

Business cases can be used to outline a plan, including costs and projected benefits. These allow sensible decisions to be made about whether to invest in a process or not.

Unfortunately, many IT decisions are made without a business case. Investment is often sunk into projects that return unknown benefits because a manager thinks, or has been convinced, it is a good idea.

Traditionally many decisions in IT have been based on whether something will be "better" (meaning faster, more flexible, more space, cooler) without addressing the basic issue of business value.

A business case should be a reasoned and structured document with supporting evidence and references that justifies a project on either financial or strategic grounds. It should address the overall strategy and plans of the business and be reviewed and approved by senior management.

Another key to successfully implementing ITIL is to analyse typical causes of implementation failure.

Some of the common causes of failure are as follows:

- **Lack of management commitment** – If a project lacks management commitment and drive, then it is bound to fail. Management must demonstrate their commitment by their presence and involvement.
- **Spending too much time on complex process diagrams** – Resist the temptation to create complex and detailed process maps. It is not necessary for most of the processes and wastes valuable time and resources. Some of the processes are performed several times a day and do not need rigid process maps. Start with create simple maps for most processes.
- **Not assigning process owners** – IT departments are often silo based and not process oriented. A process owner should be assigned to each of the ITIL processes that cross functional silos. The process owner should concentrate on the structure and flow of the process without having to focus on staffing and other departmental issues.
- **Concentrating too much on performance** – If your IT department service desk quickly routes incidents, but to the wrong processes, the organisation is not realizing the benefit. Organisations should also focus on quality and processes as part of implementing ITIL.
- **Being too ambitious** – ITIL includes many processes. Attempting to implement too many at once often leads to confusion, poor integration between processes and staff confusion.
- **Failure to maintain momentum** – A complete and successful implementation of ITIL takes most organisations between three and five years. It can be a challenge to maintain momentum over that time

period if incremental benefits are not realized to keep implementers motivated.

Keep these in mind as you plan your implementation project and you will be on the road to success.

Successful organisations focus on a strategy of quick wins. They ensure that a narrow focus is maintained and that processes can be implemented in a relatively short timeframe.

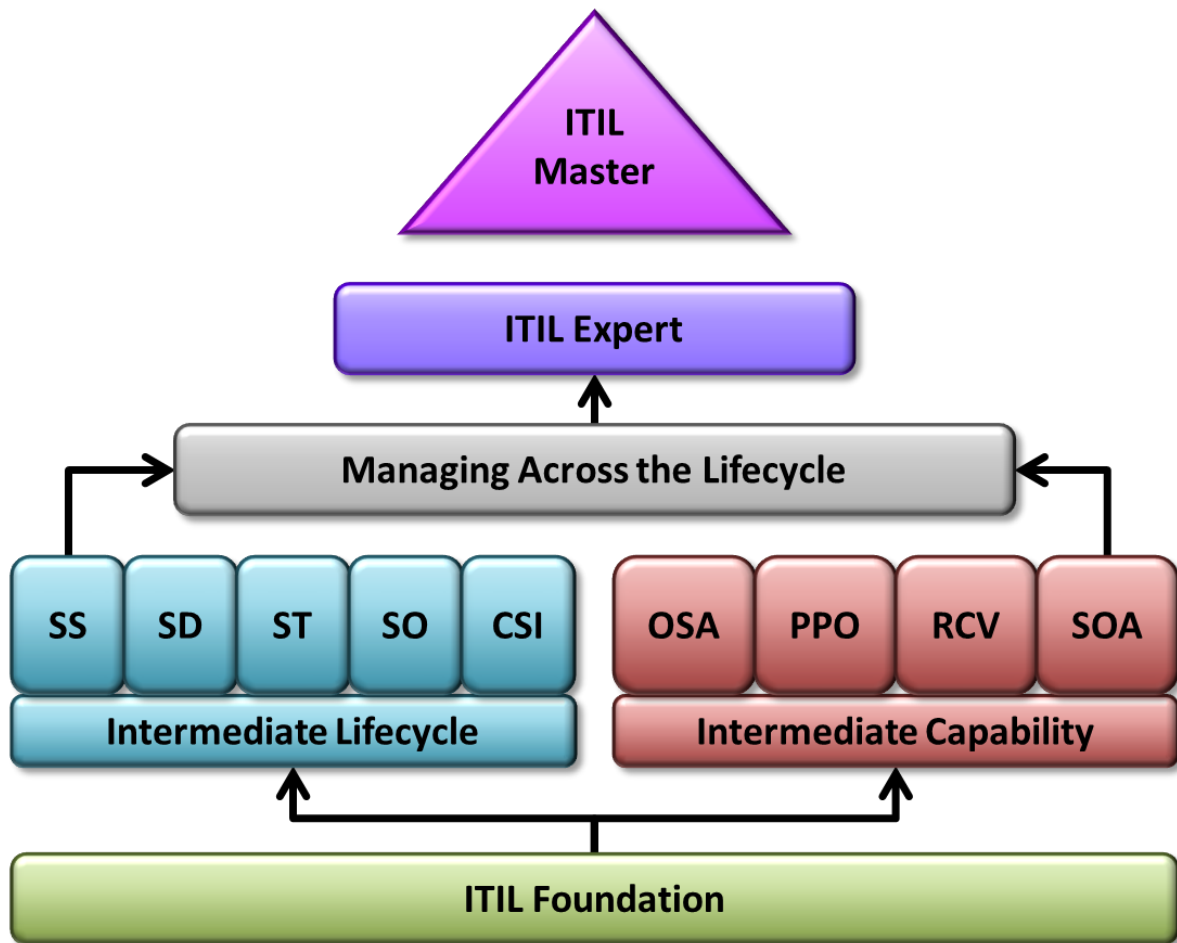
They also assess where they want to see tangible benefits. If they don't see a difference within four to six months, then the project is assessed to determine if it is too broad in scope. The objective is to avoid the danger of the project being subjected to cost cutting issues and management changes that could result in the project being reduced in priority or abandoned.

We also need to touch on the people factor within ITIL. If you don't have buy in from all stakeholders – IT staff, business staff and your third party suppliers, implementing enterprise wide processes will be extremely challenging. A big element of ITIL is cultural change.

Part of any ITIL implementation must include understanding how you will gain stakeholder buy in. This might include training programmes, new roles and responsibilities and an awareness campaign.

ITIL Qualification Scheme

The ITIL Qualification scheme is shown below:



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The scheme provides a structured, credit-based series of courses that allow staff to develop themselves and their skills. Formal examinations allow staff to demonstrate that they have understood and absorbed information to a set level.

All the ITIL qualifications up to expert level have an associated multiple choice exam.

The entry level qualification is the [ITIL Foundation course](#). This course is mandatory before you can progress to further courses.

Once you have successfully passed the Foundation exam, you can proceed to the lifecycle and capability streams. These offer courses that address specific areas of the lifecycle, for example focusing on transition or operation.

Managing Across the Lifecycle is a 'capstone course' that is also mandatory. Once you have sat a prescribed number of courses you will qualify as an Expert.

Additional Information

You can find more information about the qualification scheme on the www.itsm.zone website and the AXELOS site.

In addition to the qualification scheme, there are many service management groups and forums that can provide you with support. The IT Service Management Forum has national chapters in many countries – the following link will enable you to check your local chapter: www.itsmfi.org

Ctrl and click to read more about the online ITIL Expert Program, including FREE Foundation training if required



Case Studies

Case Study Number 1 - Deakin University, Victoria, Australia

Deakin University completed a three year ITIL effort that has instilled consistency to a whole host of service offerings and allowed support staff to handle nearly three times as many support calls as in the past.

The 160 strong IT department of Deakin University services 33,000 students and 4,000 staff spread across five campuses and hundreds of kilometres. Their offices provide technical support from 7am to midnight weekdays and 8am to 8pm on weekends.

Prior to ITIL implementation, the staff handled approximately 23,000 requests per year. However, entrenched inefficiency became apparent when an external process maturity assessment resulted in achieving only level two out of five. After implementing ITIL, a recent follow-up assessment scored the university's service capability at around 3.5 on the same scale, and the volume of service calls being handled every year has increased to 60,000.

Deakin tailored its processes to the tools they selected, rather than the other way around. This decision enabled the university to see significant improvements in the way trouble tickets and other regular support transactions were handled.

For example, because each and every support request is tracked through the system from inception to closure, it's impossible for customers to be forgotten. If a service request doesn't get acted upon, it is automatically escalated throughout the support hierarchy. As a result they now know when incidents are slipping through the cracks.

Centralised logging of all service requests has paid off in other ways as well. By matching service requests against the information in the CMDB, Deakin is able to produce regular reports highlighting the biggest trouble spots. For example, a printer that seems to get more paper jams than hundreds of others of a similar model. This helps the IT team focus its resources where they're needed the most, reducing overall support expenses and increasing efficiency.

Because they know where the university's problem spots are, the IT department has been able to publish long-term schedules of change, outlining planned system upgrades and new services up to six months before they happen.

The department has also been able to produce a comprehensive Service Catalogue, improving service and customer expectations by standardising the types of services available through the IT department across Deakin's various campuses. Previous to ITIL available services varied between sites depending on the capabilities and inclination of local staff.

Case Study Number 2 – Department of Education and Training, Victoria, Australia

The Victorian Department of Education and Training (DET) IT staff services more than 579,000 users, 194,000 networked PCs, and 40,000 notebook PCs spread across 2,000 schools. This equipment and user base is supported by a complex back-end IT ecosystem with 300 central servers and 4TB of central storage, compounded by 3,280 school servers with 131TB of local storage and 9,500 wireless LAN access points providing wireless coverage in every school.

Consistent provision of IT management services had traditionally been extremely difficult because of their massive scale despite the AU\$250 million annual IT budget. Chronic problems with the delivery of IT support services had led to a lack of IT development control, no clear priorities or consistency, poor visibility across business and IT requirements, and almost no forward IT planning.

Recognising that a formal governance infrastructure would be invaluable in remedying these problems, DET embarked upon a project to review its IT operations and standardise its processes. What they found is that they had to prove to the organisation that they understood why they needed governance. They ultimately said that governance defines the rules and regulations by which the organisation manages its investments and relationships.

DET used this clear definition to begin working through the much more complex task of introducing a governance framework that would both standardise its IT support processes, and allow it to enforce broader governance controls on its IT organisation.

ITIL, recognised as the de facto standard for IT service management, was chosen as the framework to follow for the service management part of the project, while introduction of an established development methodology such as PRINCE2 would bring consistency to that part of the business. Both methodologies would be wrapped into a broader IT governance policy framework that would be managed using a purpose-built tool.

DET intentionally put off the tool purchase until the final phase because they felt it was critical to get the earlier process-related phases right before tools can even be contemplated. Early employee education about the plans for governance, for example, proved to be difficult enough without throwing in the specifics of application training.

In DET's new structure, every IT project, no matter how small, is tied to a specific individual responsible for monitoring its project and justifying its continued existence to management. This way an IT person cannot be the sole approval to keep the project going. A business person must accept the risk. By pairing ITIL with a clear governance framework, IT projects only progress past the control gates with the review and explicit approval of the business managers responsible for them. Each project is scored according to five categories of business value: alignment to strategic goals, ROI, operational efficiency, educator value and value to students.

DET's approach has paid off significantly by forcing closer teamwork between business and IT stakeholders, allowing projects to be put in the context of DET's overall work rather than letting them run forever on their own steam. Centralised visibility of all projects allows redundant efforts to be identified and terminated before money and time are wasted.

Case Study Number Three - Multicare Health System, Tacoma, Washington, USA

MultiCare Health System is a network of not-for-profit hospitals, clinics, care centres and physicians. Their Information Systems department was viewed by the organisation as a “black hole.” It was something that used organisational resources, but was generally considered a mystery. For MultiCare Health System, taking ITIL from theory to reality was the direction that made sense.

The ITIL project concept was sold by not only explaining the multiple benefits of ITIL, but also by showing how the new call tracking implementation would ease the impact of a new IT Service Management philosophy. Examples of these benefits included MultiCare’s ability to meet its mandatory HIPAA and Sarbanes-Oxley requirements. ITIL would also improve system responsiveness and reduce IT costs.

Getting CXO level support was integral to getting the initiative underway. The company’s CIO even organized brown-bag lunch meetings in which employees could ask questions about the ITIL project.

The department formed several workgroups to tackle specific parts of the initiative. These included a Form Development Workgroup that dealt with implementing the ITIL framework’s incident, availability and problem-management guidelines as the areas to be addressed first with ITIL. They focused on implementing ITIL processes in baby steps. They started with incident and problem management and then moved into change and configuration management in order to not get overwhelmed.

The department next set their sights on streamlining their company’s overloaded help desk system. Before implementing the ITIL framework’s incident management guidelines, MultiCare had an average help desk backlog of 700 trouble tickets. But after deploying ITIL and restructuring the user-support team to handle incident management, MultiCare reduced that backlog to a mere 50 tickets.

Within six months of implementing ITIL, they had made significant progress toward improving their service-management processes. These improvements had a dramatic impact on their overall productivity. It gave their department

more time to innovate because their processes and customer support system were streamlined.

Case Study Number 4 - Shoosmiths Law Firm, England

The Shoosmiths law firm had been suffering because it lacked consistent processes to handle calls from users. Their staff worked hard, but there was no structure. The firm performed an assessment of its internal strengths and weaknesses. It decided that it needed to improve quality of service provided by its IT department by training up its staff to ITIL foundation level.

They put everyone through the course in order to achieve the same mindset because everyone has a part in dealing with customers. Shoosmiths decided to also train its development team and project managers as well.

Prior to ITIL, the firm had a first call resolution rate of 60 percent and maintained an overall service level of 80 percent. After ITIL training, the result was that in nine months the firm increased its first call resolution rate to 76 percent and marked improvement in its overall service level to 88 percent showing that the ITIL training was worth the time.

The number of incidents the firm handles a month has also increased significantly. Prior to ITIL, Shoosmiths logged 2,500 incidents and had 500 classed as unresolved. After ITIL, the organisation was logging 4,000 incidents a month with only 130 still open.

Also as a result of ITIL, the time it takes for a team to change a manual process has been reduced by two hours, and the firm has merged two helpdesks.

Case Study Number 5 – GlobalFoods

GlobalFoods needed a cost effective strategy for Sarbanes Oxley compliance efforts in the US. They realized that multiple compliance requirements needed to be addressed strategically and made a decision to make compliance a core competency.

But retail is a commoditized, highly competitive market, with narrow margins. Future competitive differentiation rests on knowing each customer, reacting quickly to change, improving inventory effectiveness, and driving down costs. Any opportunity to actually improve IT execution at the same time would be very valuable to help face the increasing complexity and rising volume of change facing IT.

IT management saw opportunity. There was a belief that core service delivery processes could be improved significantly, with potential to deliver effective compliance, but also to simplify the work, improve the quality, and improve the consistency.

A single IT Process Framework was designed and built on ITIL and CoBIT standards, but simplified to address only the business needs of GlobalFoods. Current processes were analyzed, best practice based improvements were defined, processes were simplified, and policy adherence was ensured. A user self-service portal was created and leveraged as a tool for the organisation to adopt new processes and technology.

Prior to ITIL adoption, GlobalFoods estimated that over 70% of all IT changes were done without being recorded or via approved Sarbanes Oxley compliant processes and thus clearly out of compliance. This put the company at risk not only for compliance, but also for potentially significant business disruption events.

GlobalFoods achieved 100% policy conformance in 2 weeks by automating compliance through a user self-service portal that incorporated a change risk calculator. Additionally, it significantly eased the burden of routing, reviewing, and approving requested changes. GlobalFoods estimated that IT achieved an overall efficiency gain of 15-20%. But most importantly they have an automated way to quickly achieve adoption of new policy and processes for the organization.

GlobalFoods successfully passed their Sarbanes Oxley compliance review without increasing their IT budget.

Case Study References:

Deakin University Case Study and Department of Education and Training Case Study

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