Types of Services

Internal

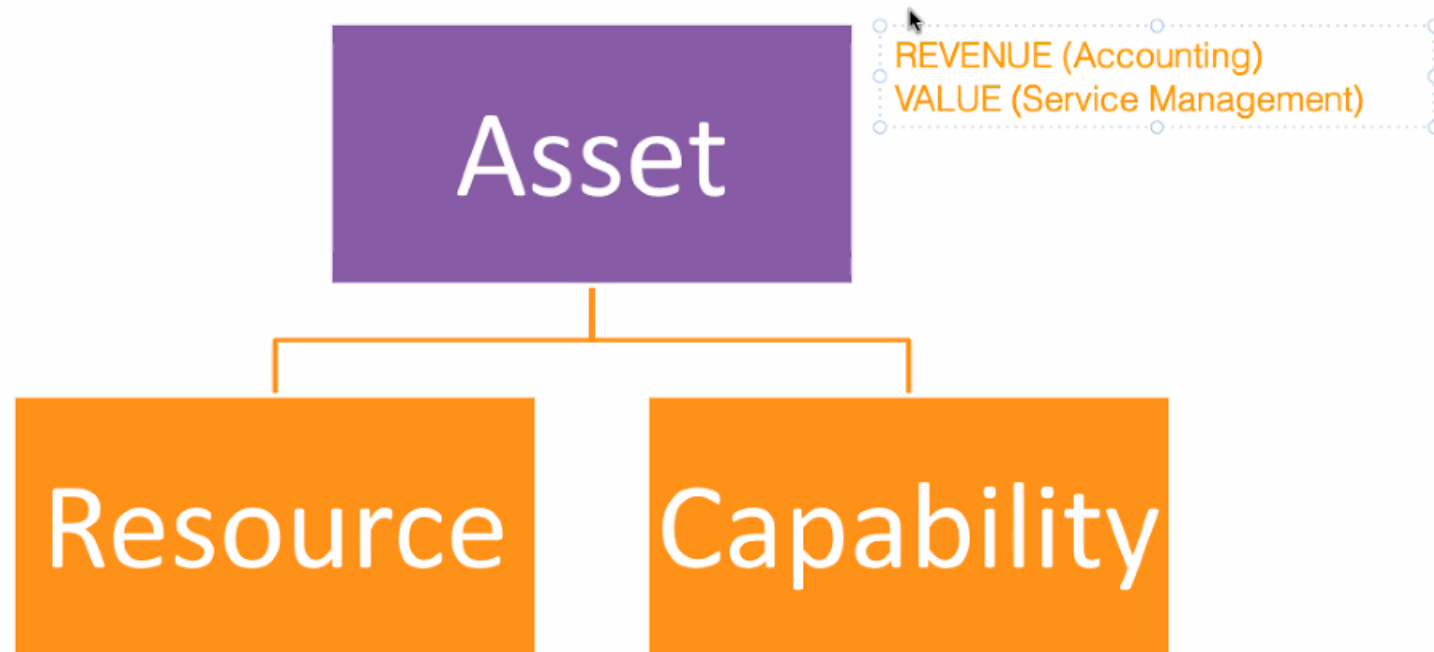
External

15

Assets, Resources, Capabilities

source of competitive advantage

REVENUE (Accounting)
VALUE (Service Management)

Asset

Resource   Capability

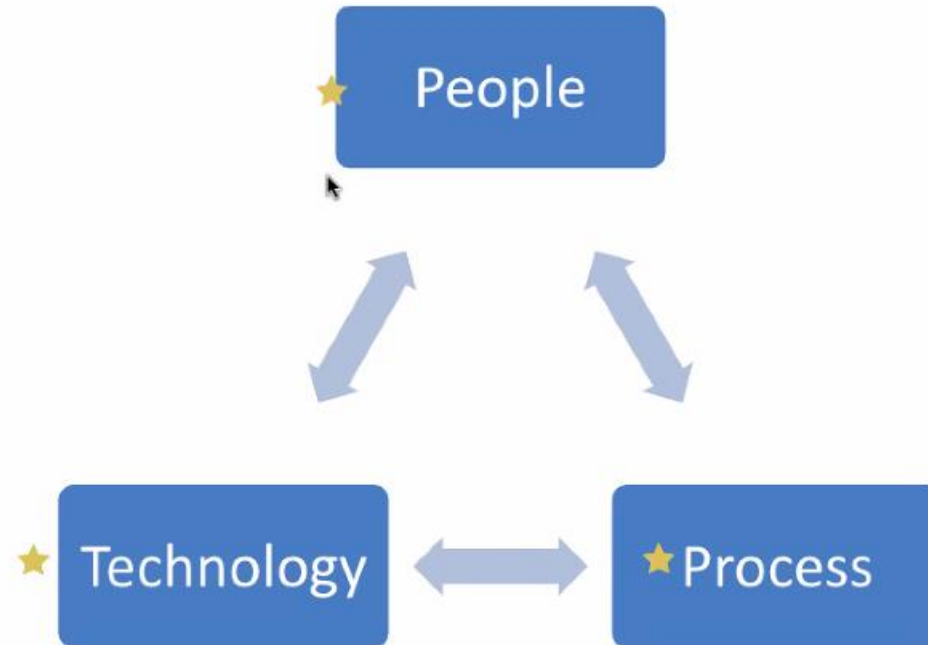# Service Management as a Practice

Service management is:

- A set of specialized organizational capabilities for providing value to customers in the form of **services**

- A set of Functions and **Processes** for managing services over their lifecycle

IT Service Management

The implementation and management of **quality** IT services that meet the needs of the business.

Service Provider

Type I: Internal service provider - An internal service provider that is embedded within a business unit

Type II: Shared services unit - An internal service provider that provides shared IT services to more than one business unit   STANDARDIZED MANAGEMENT/
EASIER MANAGEMENT

Type III: External service provider – A service provider that provides IT services to external customers

SIMPLIFIED MANAGEMENT -
THROUGH CONTROLS
(CONTRACTS)

LESS OVERALL COSTS
LESS ACCOUNTABILITIES

20

✓ Stakeholders

✓**Customers** are those who buy goods or services.

✓ The customer of an IT service provider is the person or group who defines and agrees the service level targets.

service provider's commitment / promise of quality (measureable)

Users are those who use the service on a day-to- day basis.

Service Management Stakeholders

CUSTOMER
A Person who defines requirement for services and takes responsibility for outcomes from service consumption.

USER
A Person who uses the service.

SPONSOR
A Person who authorize the budget for service consumption.

SUPPLIER
A stakeholder responsible for providing services that are used by an organization.

Process

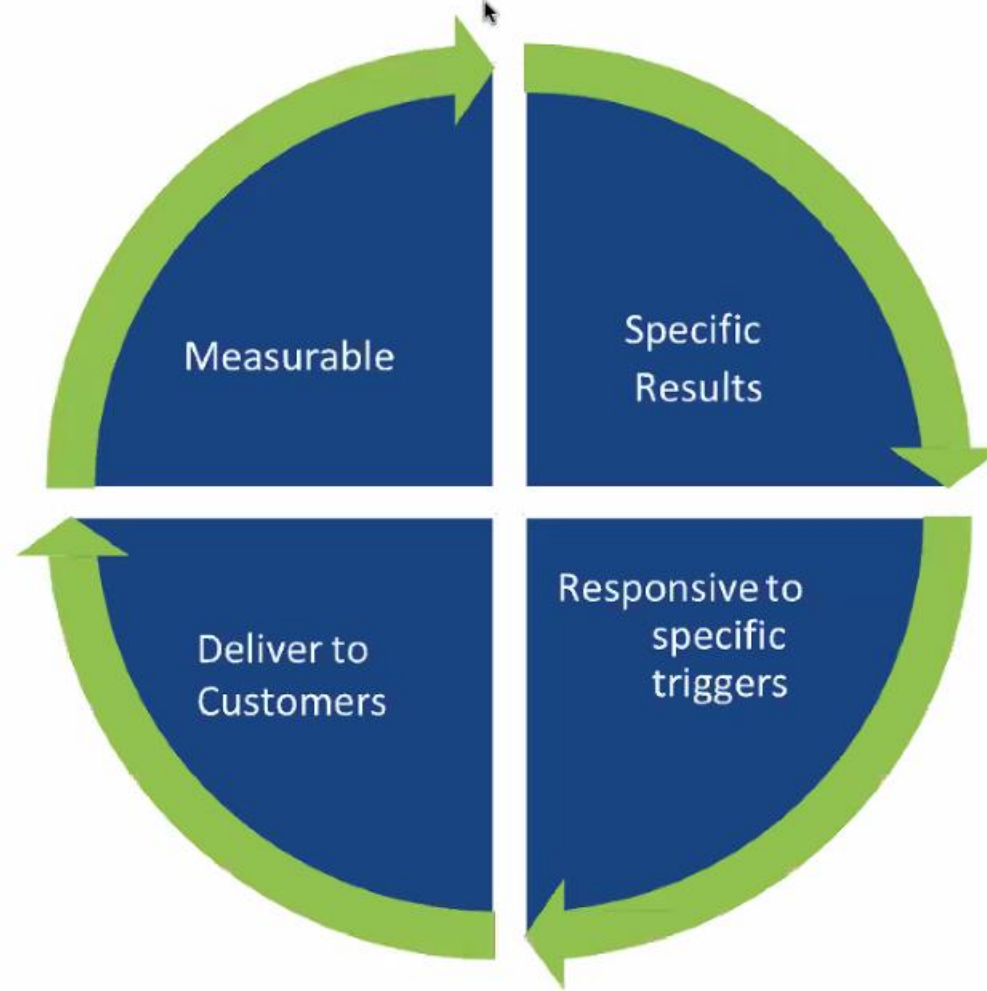A **process** is a set of coordinated activities

- combining and implementing resources and capabilities,

- in order to produce an **outcome**

- which, directly or indirectly, creates **value**

- for an external customer or stakeholder

INPUT - PROCESS - OUTPUT (tangible)   - OUTCOME   (Result)

REPORT   80% Faster than previous
                                        process

Characteristics of Processes

Process Control

- Process Policy
- Process Owner
- Process Objectives
- Process Documentation
- Process Feedback

Process

- Process Activities
- Process Metric
- Process Roles
- Process Procedures
- Process Improvements
- Process Work Instructions

Process Enablers

- Process Resources
- Process Capabilities

Triggers

Process Inputs

Process Outputs

including process reports and reviews

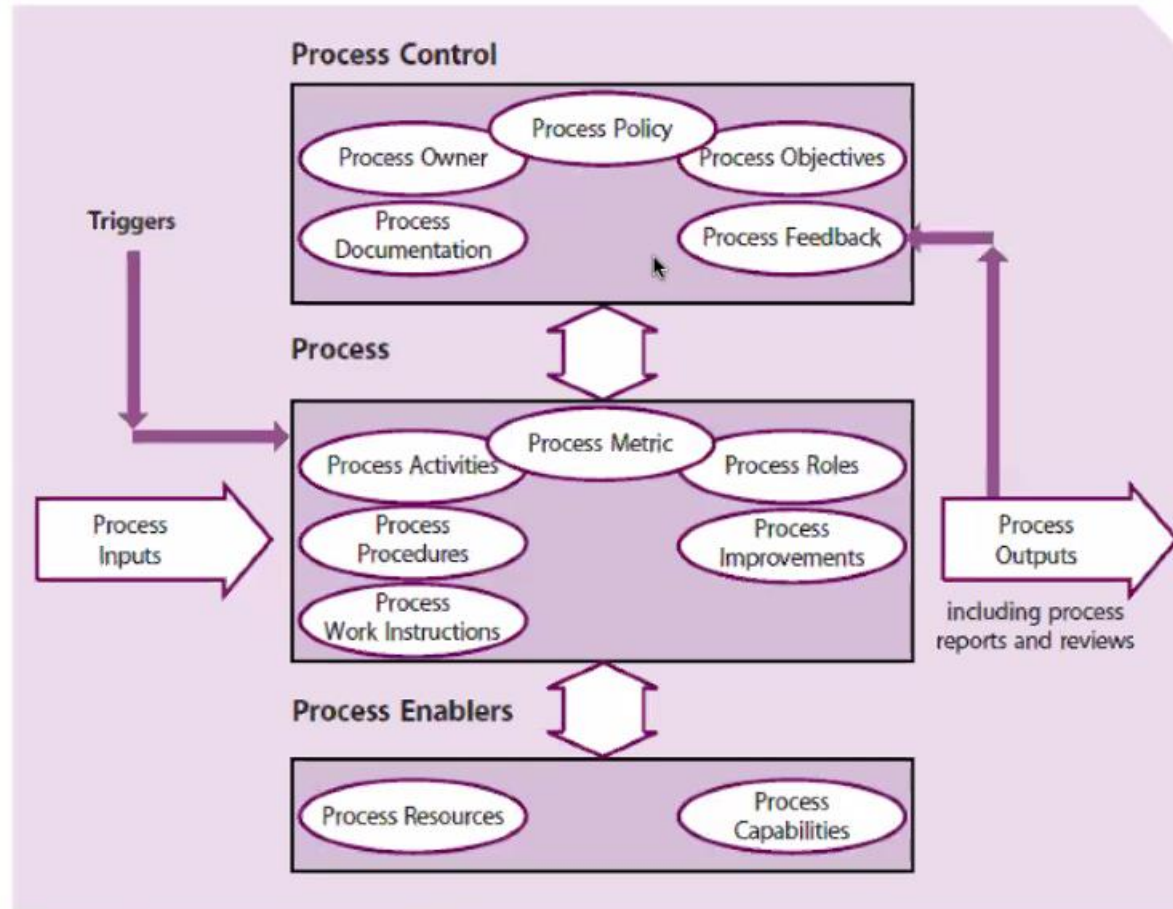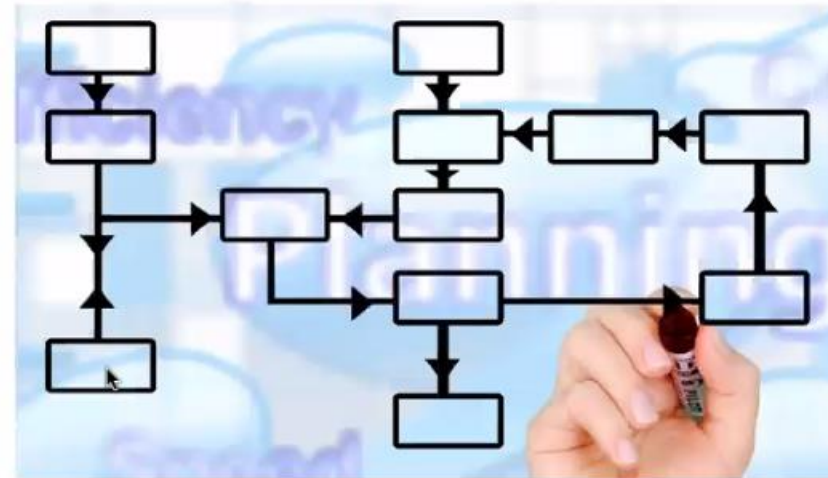*Figure 3.11 The generic process elements*

Process Model

- Processes are examples of closed-loop systems

- It is important to consider the entire process or how one process fits into another.

Functions

- Functions are units of organizations specialized to perform certain types of work and be responsible for specific outcomes

- Functions are:

  ✓ - Self contained entities

  ✓ - Provide structure to the organization

  ✓ - Define roles and associate responsibility

  Economies of Scale

  ✓ - Leads to specialization and optimization

RACI Model

❑ ➜**R**esponsible (the "doer")   *** Individual Contributors ***

– Person or people responsible for getting the job done

❑ ➜**A**ccountable (the "Manager")   Authority

– Only one person can be accountable for each task

❑ **C**onsulted (the "SME")

– People whose opinions are sought

❑ **I**nformed (the "keep in loop" types)

– People kept ***up-to-date*** on the progress

RACI model ensures adequate spread of responsibilities
Identifies the activities that must be performed alongside various individuals and roles involved