SERVICE STRATEGY

ITM FRAMEWORKS ITMM 574

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Abstract :

This paper extensively discuss about the service strategy, its importance in typical back end business environment , and in how and what ways the right implementation of service oriented strategic plans would benefit the business needs to successfully achieve the targeted business goals. Among the three crucial components of service strategy such as financial ,service portfolio and demand management ,this paper concentrates on an introductory analysis of the service portfolio management ,its objective and the true need of service portfolio in a service strategy phase .Aside from covering the strategic terminologies and guidelines to follow , this paper also discuss the real time examples from the companies who have successfully incorporated service strategy plan which in turn helped them to deliver a satisfying business service .

Introduction :

What is Service Strategy ?

In the broad spectrum of Information technology framework service strategy is the one that helps to identify the relationship between business goals and its existing plans . In simpler terms the service strategy answers the important question " Are we on the right path and how?" to ensure the clarity of the entire business plan is carried out till the end of execution.Throughout this entire phase, Service strategy vividly explains the significance of identifying the target ,priorities , value and importance of effective cost analysis and the potential risks factors encountered in the plan.

Aim :

The ultimate aim of implementing service strategy in the architecture of IT framework is to offer a quality service by prioritising the business goals to become a solid business asset / a business "value" to speak for itself about what it is intend to achieve .

Aspects :

Service strategy primarily addresses the deciding factors of any business that is :
- Finance Management :

To identify the budget availability , financial resources and their effective allocations in the appropriate departments.

- Service Portfolio Management :

To showcase what the plan have in mind what it intends to offer at what cost does it take to implement how distinct it is when comapared to the opponents in all the above factors.

- Demand Management :

To analyse the potential risks involved in the plans , counter active methods as a precautionary . To examine worst case scenarios ,predict the undesired results and steps to follow in managing such risk factors.

Where exactly is Service strategy ?

Albeit, learning the importance of service strategy in the business,its not surprising to get lost in the track of ideas to exactly locate where to incorporate the process of service strategy in the architecture without disturbing the flow of phases involved in the architecture .To get a clear picture of where exactly does the service strategy comes into play one need to understand the phases the IT framework .
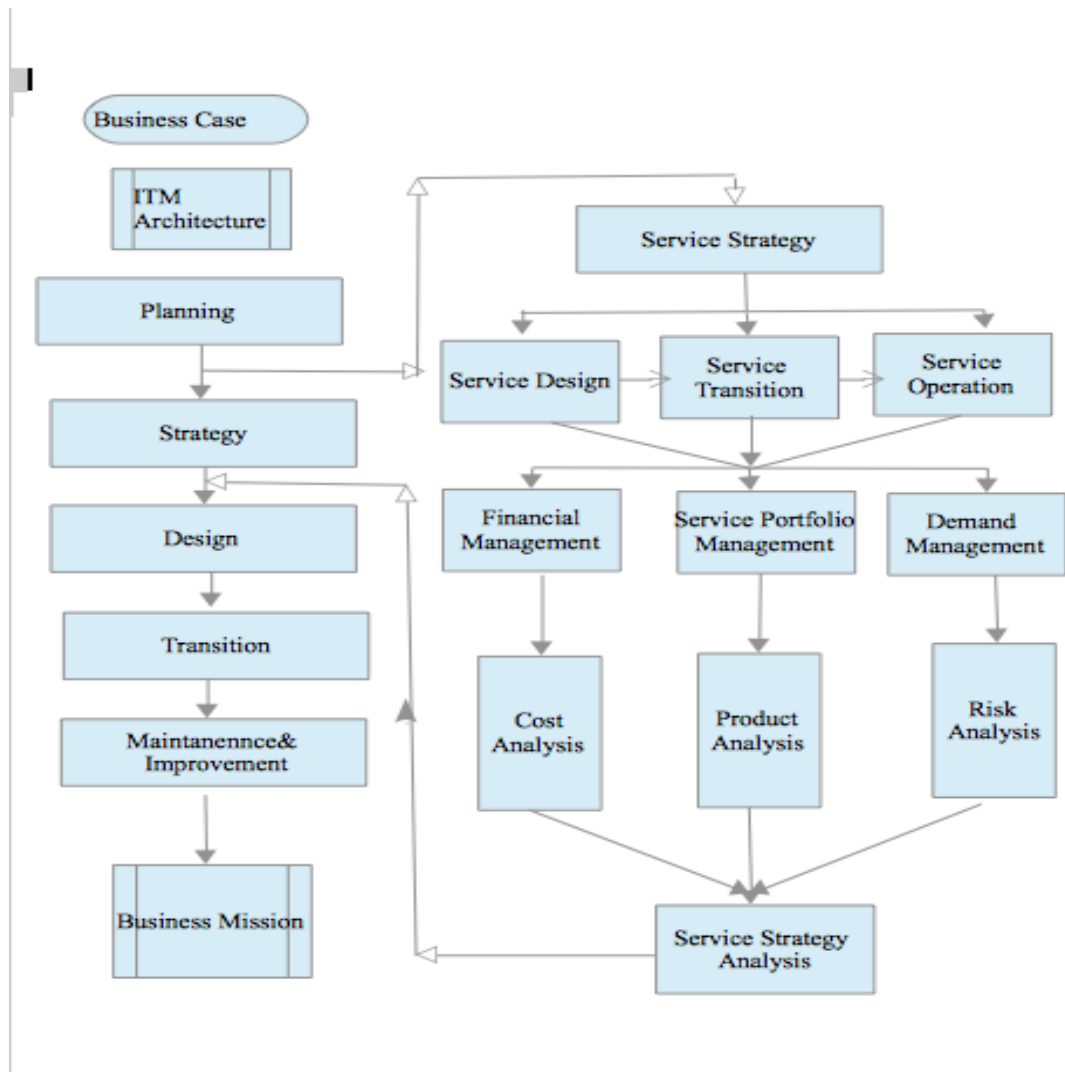
The above diagram tells that the entire business needs its goals is mapped into ITM frameworks through its conventional life cycle .It shows the role of service strategy before the design phase . And the business plans travels the service strategy phase to re examine analyse and clarify the roles financial capabilities and responsibilities that comes with the business case.

Service Portfolio Management :

Lets imagine that we walk in to a celebrated hair stylist in the city . The hairstylist will handover a catalogue to us that display the details of different kinds of styles he is good at , cost of each style , how distinct he is when compared to other stylists in the city .And thus in short the catalogue will be designed in such a way that it precisely focus on his goal :to attract profitable revenue by maintaining/creating a brand value with the his quality service.

Now the same applies to service portfolio Management of a company as well except for its technicality interwoven with the entire business model in compliance with ITM architecture. Here the service portfolio brings into light the following things :

- What are we good at ?
- What we have in line to execute that ?
- What methods we had done earlier ? Why and how we updated/withdrawn that ?
- What is our business value ?
- Why the end user should choose us ?

Each of the above question independently addresses the intricate needs of business strategy and its related issues within the lifecycle of business with respect its mission which together form the below important features of Service Portfolio Management .

Features :

- Service Pipeline – describing services that are in development phase
- Service Catalogue – services that are "in showcase" like the hairstylist catalogue
- Retired Services – Practices that are no longer existing or in other words older versions of the practices ,why and how they got transformed or updated.

The below diagram shows the significant areas of service portfolio management and how the interaction travels through the phase of service strategy .

Service Pipeline	Service CAtalogue	Retired Services
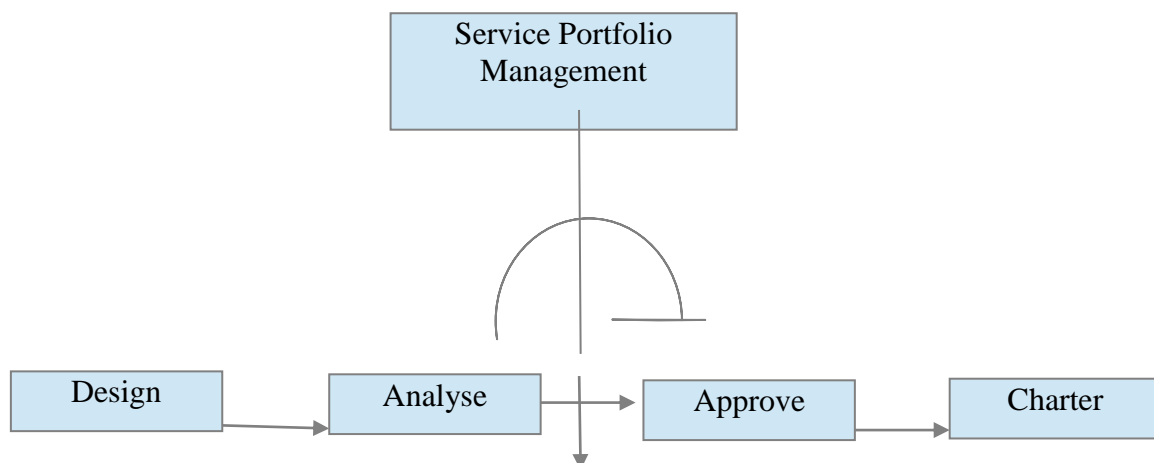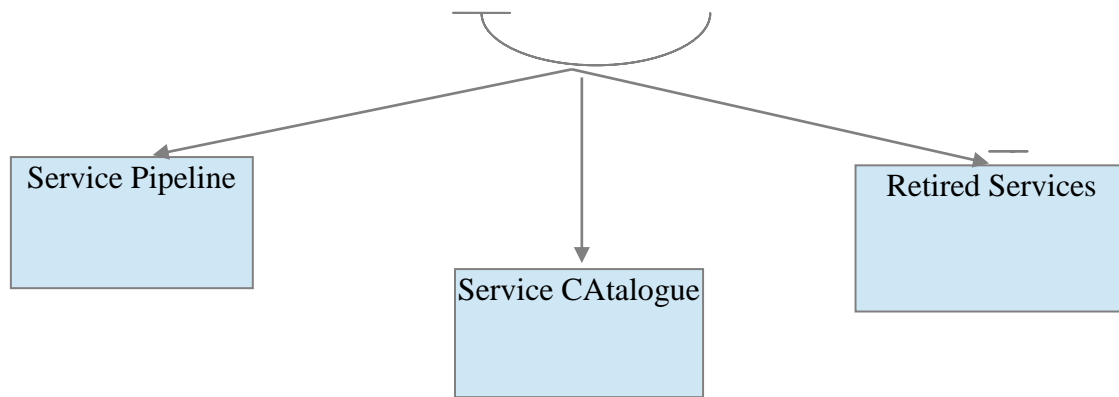
Overview of Service Management :

In order to answer the business necessities to be mapped into service oriented goals , service strategy *Design phase* collects the encompassed details ,any and all kind of raw information or resources that can be at any of use for defining the service strategy is collaged to form a description which is then ready for a analysis . The *Analysis* is focused on the outcomes and whether the outcomes are as desired with respect to the initial goals. User patterns,their feedback information collected prior becomes useful in this phase to shape the perspectives and plans

accordingly to achieve an core business value for the first time .All of its results are then communicated across the team giving them time to rethink business goals if needed.

For example , lets consider a real estate company X that set out its course to sell 100 acres of plots initially . Half way through its goal ,the company started receiving negative feedback siting various reasons such as corporate sectors as promised near by the premises are moving far away which in turn affected lot of amenities to be stalled in and near by the area, the water from the ground is too salty etc.The customers are increasingly becoming unhappy and it is obvious that the company is earning a negative business value. Now after examining important aspects of service strategy design and transition phases in the company , the business analyst reports to the investing management team that their plans has to be redefined modified accordingly .

- What is your business goal or redefine your mission?
*To generate revenue or to create a brand value as a real estate company ?
- Identifying the gap that occurred between the goals and results ?

*Evaluating the missed values ,what caused the gap that potentially affected the business goals.

- How to steer the business through this ?

*Alternative plans, learning from the information collected from the user feedback, perceptions and patterns.

Applying his framework guidelines, the business analyst comes up with the following recommendations to be conveyed to the decision makers of the company .

1. To Run the business
2. To Grow the business
3. To Transform the business .

Following which the real estate company now have an idea what can they expect in the future and how desirable the results would be in terms of their targets. All of which is rethought ,analysed and evaluated in the *'Approval phase'*.The below concepts are the keywords for the approval approach in the strategy architecture .

- Renew – The X real estate associates now come to know that their product(plots) lack crucial components. They need to now examine are these plots suitable at all for housing /building . As in business environment, this is the place where the existing ideologies are put into test with respect to the current trends by analysing 'do they really work '?

- Replace – The real estate company now realises that its high time to replace their products and services .The longer they wait, the business asset is depreciated that can badly hurt them in the future. So they decided to "to transform the business " .One of the ideas they had is to lease out to industrial firms where the state of ground water wouldn't be a first problem . Again they cannot simply incorporate this idea as they have to make this idea travel through all the phases of lifecycle to prove its reliability and the capability to transform into a business.

- Retain : In this stage, the company retains or maintains its original assets that can be a value to their new business . Suppose the real estate company X having decided to start out its

luck on leasing plots to temporary industrial sites it can promote its new trial as 'we are now in and as..' .

By this they intend to not give up their already created brand value albeit fading they target to revitalise itself through retaining their valuable asset that may not be worth giving up for.

- Retire : To spotlight the formal practices of the company to evaluate the need of updation and transition in the business environment

- Rationalise : To successfully incorporate the existing trends to the new requirements and be adaptive to the current expansions and methods such that the services offered are all reliable ,consistent and up to the benchmark quality .

Service Pipeline :

In this broad exercise as the name would suggest, brings about all the works that are in embryonic stages to the design environment. The existing polices which are need to be shaped according to the current scenarios ,the new roles and responsibilities that need to defined and transformed are taken care of here.

Service Catalogue :

Here the business showcase all its products, its marketing policies , detail about its marketing strategies to attract the end user , discuss the charges and pricing of their product, how the charges are justified as per the manufacturing terms and how profitable they are . It exclusively focuses on the customer service interaction , to take the feedback from them which is going to solely help the business management team in the future. The catalogue widely elaborates how and what ways they are good at and why one should choose them comparing others. By this way the service catalogue also examines the opponents strength and weakness by conducing various surveys held at interdisciplinary levels both from the management and outside the management which helps them to understand how distinctive their products and services are going to be in the future.

Retired Services : The idea of reexamining the former outdated practices is to reexamine the services that are no longer needed and to list out the recent changes happened in the business

environments and internal structures.

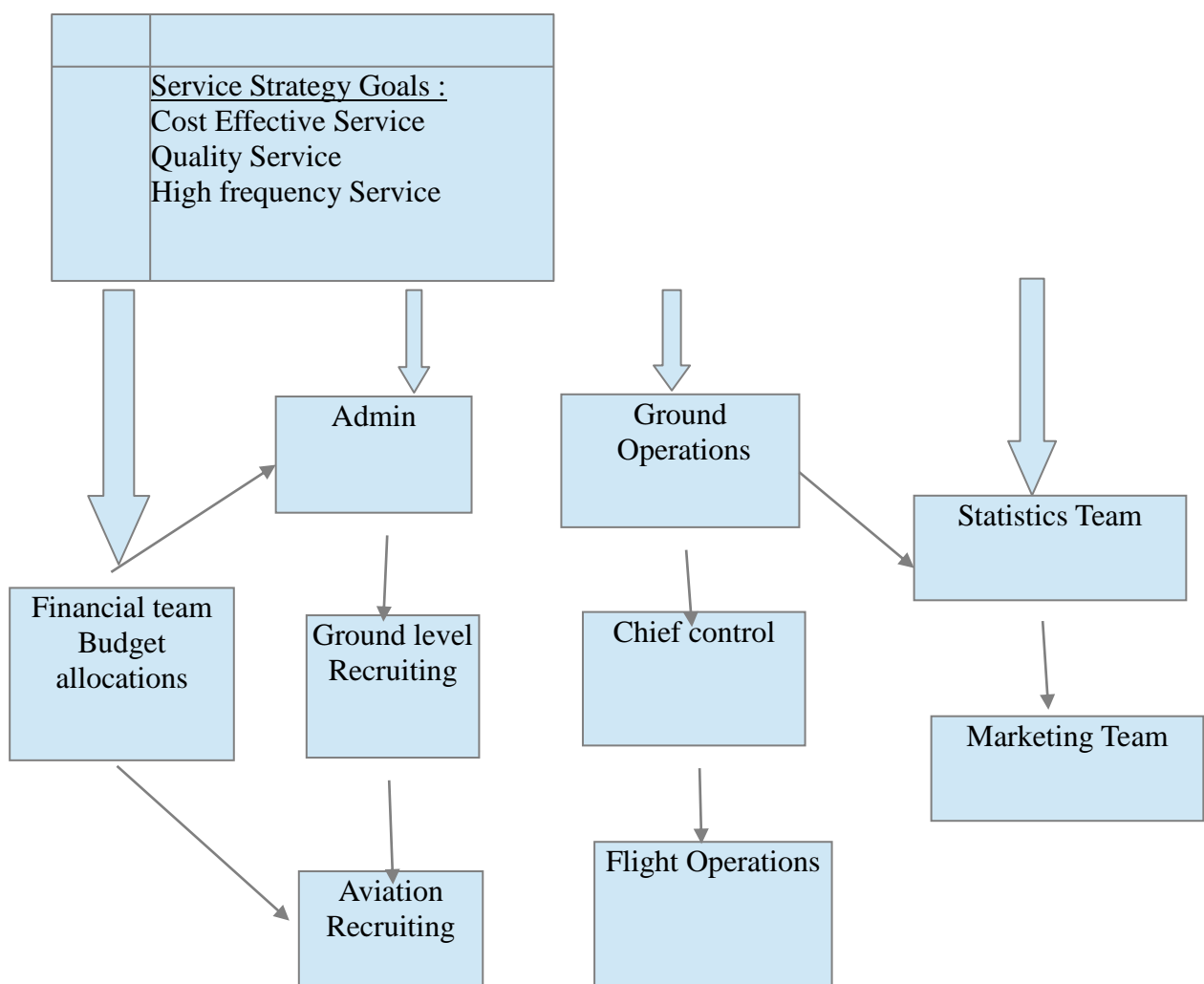Real Time Example incorporating Service Strategy Analysis :

Indigo Flight Services
India.

- Indigo is one of the popular flight services in India that started out recently with a simple goal :'To make flight services cheaper for a typical customer without have to compromise in the quality of service'

- They have just 111 aircrafts that make 800 flights everyday serving hundreds of domestic and 10 International destinations with uninterrupted outstanding services.

- Their services are intact , compact , justifying quality and importantly cheaper as promised. Indigo achieved this stage by carefully setting up the strategy team from the scratch focusing on its primary goal and as well as by attending various service needs of the department with divided attention and addressing all issues that rises with respect to their complexity levels in terms of the business side.

- The success of a company lies in not only setting up its goals straight but practicing proper well framed guidelines to follow through the entire journey .To accomplish the objectives. Hence Indigo set up a strong strategical approach of splitting up its entire wire of operations into independent functioning teams with its individual goals and responsibilities and all having a common goal .
- Their service strategy is such that each department by addressing its own issues every time answers itself "are we on the right path" to ensure the business needs on track towards its goals.
- It also takes constant feedback from customers in improving its quality and services, suggestions and surveys carried out both management and employment level to make sure that departments are all co ordinated in a same line and avoiding the gap that tends to rise

between goals and framework approach.

Below diagram tell us how typical the important teams of Indigo collaborate with respect to their strategical goals inside the framework.

	Service Strategy Goals : Cost Effective Service Quality Service High frequency Service

Admin

Ground Operations

Statistics Team

Financial team Budget allocations

Ground level Recruiting

Chief control

Marketing Team

Aviation Recruiting

Flight Operations

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