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Professional Issues in IT

Topic 9:  
IT Service Management

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IT Service Management Topic 9 - 9.2

Scope and Coverage

*This topic will cover:*

- What is IT Service Management (ITSM)?
- Where is ITSM focused?
- Why is ITSM important?



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IT Service Management Topic 9 - 9.3

Learning Outcomes

*By the end of this topic, students will be able to:*

- Explain what IT service management is and its place within the IT industry
- Discuss in-house and outsourcing ITSM
- Identify key documentation associated with ITSM
- Name and discuss ITSM institutes



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IT Service Management Topic 9 - 9.4

## What is Service Management?

- Service Management is:  
*“common understanding between the customer and provider, through managing service level expectations and delivering and supporting desired results”*

[http://www.enterprise-architecture.info/EA\\_Services-Oriented-Enterprise.htm](http://www.enterprise-architecture.info/EA_Services-Oriented-Enterprise.htm)

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IT Service Management Topic 9 - 9.5

## IT Service Management (ITSM) - 1

- Aligning IT services with business needs
  - Customer perspective
  - IT governance
- Process focused
- Framework structured
- Not concerned with project management
  - Used in conjunction with PRINCE2
- Business service management overlap

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IT Service Management Topic 9 - 9.6

## ITSM - 2

- Good service management
  - Business process improvements
  - Organisation level benefits
    - Language commonality
    - Expectation management
    - Results delivery
- In-house vs. outsourced
  - More and more ITSM is being outsourced.

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IT Service Management Topic 9 - 9.7

### In-House ITSM

- IT service management complex process which requires:
  - Expertise and dedicated resources
  - Both business and IT co-operation
  - Management commitment
- ITSM reality is often:
  - Resource poor
    - Timescales
    - Priorities

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IT Service Management Topic 9 - 9.8

### ITSM Outsourcing - 1

- Management strategy
  - Choose to 'buy' expertise
  - Concentrate on business 'priorities'
  - Benefits and problems
- Complex legal contracts
  - Shared responsibility
- Require committed management
- Incorporate best practice
- Complex relationship
  - Overseas ITSM outsourcing

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IT Service Management Topic 9 - 9.9

### ITSM Outsourcing - 2

- Potential Benefits
  - Lower costs
  - Organisational refocus
  - Upgrade service
- Potential Problems
  - Quality
  - Client perception
  - Data security
  - Ownership
  - Offshore

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IT Service Management Topic 9 - 9.10

### ITSM Provider

- Competitive advantage
  - Offering performance analysis
  - Identifying value adding opportunities
  - Exceeding client expectation
- Provide performance data
  - Reports
  - Satisfaction Surveys
- Affected by client quality approach
  - Contract alignment
    - Service provider — SLA — Client

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IT Service Management Topic 9 - 9.11

### Service Management Policy

- Service Management Policy
  - Formal strategic level organisational policy
  - Identify service requirements
  - Formulate objectives
  - Identify service management team
    - Roles and responsibilities
  - Confirm suppliers
  - Internal and external

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IT Service Management Topic 9 - 9.12

### Service Level Specification (SLS) - 1

- Formal document
  - Part of overall contract
- Quantifies
  - Minimum service standards
  - Often prerequisite to Service Level Agreement (SLA)
- Content varies
  - Organisation standards
  - Industry standards
  - Quality / performance targets

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SLS - 2

- Basis of renegotiation
  - Not fixed permanent contract
  - Industry and organisation requirements change
  - Experience brings further knowledge over time
  - SM providers and clients work together

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IT Service Management Topic 9 - 9.14

Service Level Agreements (SLAs) - 1

- Formal contract between company and client
  - Required service levels
    - Target and minimum
    - Penalties
  - Expected service quality
  - Defines both parties' responsibilities
    - Monitoring / revising / evaluating current SLAs
  - Ownership of materials
  - Measurable performance

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SLAs - 2

- Aim
  - Manage and monitor service
- Review
  - Annually
    - Identify baseline
    - Report findings
  - Significant requirement changes
- Baseline
  - Achievement and improvement measurement
    - Metrics

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SLAs - 3

- Becoming more common as internal ‘customer’ agreements
  - Between IT and other departments
  - Service best practise
  - Test process before externalising
  - Compare to outsourcing
- Can be generic IT agreements or specialised

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SLAs - 4

- Must always include a ‘get out’ clause
  - How to terminate contract
  - Reasons for seeking termination
  - Payment agreement
- Performance reviews
  - Regular and written in
  - Format
  - By whom

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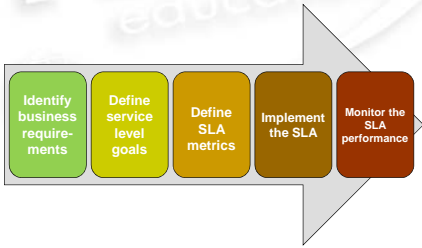
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IT Service Management Topic 9 - 9.18

SLA Process



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graph LR; A[Identify business requirements] --> B[Define service level goals]; B --> C[Define SLA metrics]; C --> D[Implement the SLA]; D --> E[Monitor the SLA performance];
```

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IT Service Management Topic 9 - 9.19

## WSLAs

- Web service level agreement
  - Specification
  - Creation
  - Monitoring
- Standard within web services industry
- Framework available
  - IBM
    - [www.research.ibm.com](http://www.research.ibm.com)
    - Suitable for IT service management

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IT Service Management Topic 9 - 9.20

## ITSM Metrics

- Critical Success Factors (CSF)
- Issues critical to organisation success
  - To meet organisation strategic goals
- Performance measure
  - Key performance indicators (KPI)
  - Interaction
- Aim
  - Organisational best practice

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IT Service Management Topic 9 - 9.21

## Critical Success Factors (CSF)

- A factor necessary for organisation to achieve objective
- Measurement of success
- Focus attention
- Examples
  - Fulfil strategic/business requirements
  - Provide service at acceptable cost
  - Manage ITSM quality

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Key Performance Indicators (KPI) - 1

- Measurement and control of CSF
- Performance measurement
- Balanced scorecard approach: **Quantitative, Practical, Direction, Action and Financial**
- To be effective must establish overall organisation requirements
  - Quantifiable results

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IT Service Management Topic 9 - 9.23

KPIs - 2

- Linked to targets
- Timescales
  - Daily/weekly
  - Criticality based

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IT Service Management Topic 9 - 9.24

KPIs - 3

- Examples
  - Existing customer status
    - Retention
  - New customers acquired
  - Client demographic
  - SLA coverage
    - Internal & external
  - Service penalties
  - SLA targets %

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## ITSM Metrics Reporting

- Dashboards
- Scorecards
- Process control mapping
- Metric trends mapping
- Causal mapping

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## ITSM Institutes - 1

- ITSM Forum (itSMF)
  - Founded 1991
  - Originated in United Kingdom
  - World wide presence
  - Independent organisation
  - Promotes ITSM best practise
  - priSM professional accreditation scheme
- ITSM Professionals Association
  - Founded 2008
  - Managed by members
  - Focus on education, training and best practise

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## ITSM Institutes - 2

- Institute of IT Service Management (ISM)
  - Promotion of professionalism and ethical conduct in ITSM
  - Individual accreditation programme
    - priSM
  - Mentoring programme
  - BCS alliance
- BCS Chartered Institute of IT
  - Specialist working group within BCS
  - Focus on developing and promoting techniques and standards
  - Encourages professional development
  - Promotes service management world wide

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IT Service Management Topic 9 - 9.28

### priSM - 1

- Professional Recognition for IT Service Management
- Professional recognition scheme
  - Individuals development
  - Professional accountability
  - IT Industry confidence

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IT Service Management Topic 9 - 9.29

### priSM - 2

- Pilot scheme 2010
- International roll out 2011
- Aim
  - International Industry standard
    - Body of knowledge
    - Professional career development

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Topic 9 – IT Service Management

Any Questions?

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