ITIL V3 Overview
ITIL V3 Structure

Service Strategy
Service Design
Service Transition
Service Operation
CSI

Process orientation
Terminology
Inputs and outputs
Activities
Process flow / diagram
Process Roles
Challenges
KPIs
Model (ITIL-V2)

Service Delivery

- IT Customer Relationship Management
- Service Level Management
- Financial Management for IT Services
- Capacity Management
- IT Service Continuity Management
- Availability Management
- Security Management

Service Support

- Release Management
- Change Management
- Configuration Management
- Problem Management
- Incident Management

Service Desk
Product vs Service

- **What is a service?**

- **A service should have**
  - Expectations, Interaction, Utility, Warranty, Problem addressing mechanism & Pricing
Service and Service Management

**Service is:**
a means of delivering value to customer by facilitating outcomes customers want to achieve without the ownership of specific costs and risks

**Service management is:**
set of specialized organizational capabilities for providing value to customers in the form of services
Customer Satisfaction

- **It is difference between perceived quality and expected quality**
  The difference between perceived quality and expected quality determines customer satisfaction

- **For a product:**
  - the Satisfaction comes **after** usage

- **For a service:**
  - Satisfaction happens **while** it is being consumed
Four Ps of Service Management

People

Process

Increase competence by

Need support from

Use tools

Products

Partners
Role of IT Governance

IT Governance is an integral part of enterprise governance (By providing transparency & accountability)
Quality: Deming's Circle (Shewhart Cycle)

- **DO PLAN**
- **CHECK ACT**

Consolidation level 1
Continuous Step by step improvement
Consolidation level 2
IT Service Lifecycle

- We need to look towards IT operations from a service perspective (preparing, delivering, retiring)
- For business satisfaction, business needs must be addressed by appropriate corresponding services
- For user satisfaction, their ability to complete their work more effectively and efficiently must be enhanced
- Service is remembered not by products but by the quality of interaction

For these requirements, a process based approach under a lifecycle model will prove to be effective
What are Good Practices…

**Good practices:** Practices that are widely used in industry by companies getting good results

**Reasons to adopt good practice:**
- Dynamic environments
- Performance pressure

**Benefits:** They help organizations benchmark themselves against peers in the same and global markets to close gaps in capabilities

**Sources:** Public frameworks, standards, proprietary knowledge of individuals and organizations, community practices, etc.
Sourcing Good Practices

Sources (Generate)
- Standards
- Industry practices
- Academic research
- Training & education
- Internal experience

Drivers (Filter)
- Substitutes
- Regulators
- Customers

Employees
- Customers
- Suppliers
- Advisors
- Technologies

Enablers (Aggregate)
- Competition
- Compliance
- Commitments

Knowledge fit for business objectives, context, and purpose
Processes, Roles & Functions

Processes:
- 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

Roles:
- A set of responsibilities
  - defined in a process
  - and assigned to a person or team
One person or team may have multiple roles

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

Process Control

Process Policy
Process Objectives
Process Documentation
Process Feedback

Process

Process Activities
Process Procedures
Process Work Instructions

Process Metric
Process Roles
Process Improvements

Process Enablers

Process Resources
Process Capabilities

Process Inputs

Triggers

Including process reports and reviews

Process Outputs
Characteristics of Processes

1. They are measurable
2. They have specific results
3. Processes have customers
4. They respond to specific events
RACI Model

**Responsible (the “doer”)**
- The individual (s) who actually completes the task

**Accountable (the “Manager”)**
- The individual who is ultimately responsible
- Only 1 person can be accountable for each task
- yes or no authority and veto power

**Consulted ( the “gyannis”)**
- The individual (s) to be consulted prior to a final decision or action
- involvement through input of knowledge and information

**Informed ( the “keep in loop” types)**
- who needs to be informed after a decision or action is taken.
- This incorporates one-way ‘ communication
- receiving information about process execution and quality

RACI model ensures adequate spread of responsibilities
Changing Trends in Business & Importance of Service Management

- Organizations wish to use resources without owning them
- Self service channels expose business functions (web-sites, kiosks, etc)
- Physical capacity is not a quality constraint
- New Services are composed from existing services available in public space
- Service oriented architectures reduce business complexity
- Information itself is a basis for value, not merely a supporting element
- IT capabilities and resources → basis for creating value
Focal points in each phase

- Service Portfolio
- Service Catalogue
- Service Strategy
- Strategies
- Policies
- Constraints
- Requirements
- Solution Designs
- Architectures
- Standards
- SDPs
- Requirements
- The Business / Customers
- Service Transition
- Transition Plans
- Tested solutions
- SKMS
- Operational Plans
- Operational Services
- Continual Service Improvement
- Improvement actions and plans
- Service Operation
- Service Design
Service Strategy

The achievement of strategic goals or objectives requires the use of strategic assets. The guidance shows how to transform service management into a strategic asset.
What is ‘Strategic’?

- Strategic perspective needs to understand how services provide differentiated value
- Being lowest-cost provider is not sufficient unless the provider can give strategic advantage
- Strategic assets provide:
  - Basis for core competence
  - Distinctive performance
  - Durable advantage, and
  - Qualifications to participate in business opportunities
- Means to become “not optional”
  - Differentiating your offering (what, form, terms, etc.) to outperform the ‘alternatives’ available to the customer
Utility and Warranty

Utility: ‘What the Customer gets’
Utility is measured on the basis of the number of key ‘outcomes supported’ and ‘constraints removed’

Warranty: ‘How is it delivered’
Warranty is measured in terms of the levels of Availability, Capacity, Continuity and Security

Value Creation
The basis of differentiation in the Market Space
Resources and Capabilities

Capabilities

- Management
- Organization
- Processes
- Knowledge
- People

Resources

- Financial capital
- Infrastructure
- Applications
- Information
- People
Gartner Group Maturity Model

- Fire Fighting
- Reactive
- Proactive
- Service
- Value
Economic Value of Using Service

Positive difference

Negative difference

Net difference

Gains from utilizing the service

Losses from utilizing the service

Based on DIY strategy or existing arrangements

Reference Value

Economic value of service

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Service Portfolio Management

Service Portfolio

Service Pipeline

Continual Service Improvement

Service Catalogue

Service designs

Service transition

Third-party catalogue

Retired services

Resources engaged

Return on assets earned from Service operation

Resources released

Common pool of resources

Area of circle is proportional to resources currently engaged in the lifecycle phase (Service Portfolio and Financial Management)
Service Design

It guides on designing IT services, along with the governing IT practices, processes and policies, to realize the strategy and facilitate the introduction of services into the live environment ensuring quality service delivery, customer satisfaction and cost-effective service provision.
Service Design - Definition

The design of appropriate and innovative IT Services, including their architecture, processes, policies and documentation, to meet current and future agreed business requirements
Service Requirements
SLM - Process

**Business Unit A**

1. Business Process
2. Business Process
3. Business Process

**Business Unit B**

4. Business Process
5. Business Process
6. Business Process

**The business**

**SLR(s)**
- Determine, document & agree requirements for new services SLRs & make SLAs

**SLA(s)**
- Monitor service performance against SLA & produce service reports
- Conduct service review & instigate improvements within an overall SIP

**Service A**
- Collate, measure & improve customer satisfaction
- Review & revise SLAs, service scope & underpinning agreements

**Support teams**
- OLAs

**Supplier Management**
- Suppliers

**Contracts**
- Service Reports

**Document standards & templates**
- Assist with the Service Catalogue & maintain document templates

**Service Catalogue**

**SLA(s)**

**Suppliers**

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Service Transition

Transitioning services into operation without disturbing existing services

Guidance for the development of capabilities for transitioning new and changed services into operations, ensuring the requirements of Service Strategy, encoded in Service Design, are effectively realized in Service Operations while controlling the risks of failure and disruption.
ChM – Objectives

- To ensure that changes are recorded and then evaluated, authorized, prioritized, planned, tested, implemented, documented and reviewed in a controlled manner.
Scope of Change Management

- **Business**
  - Manage the business
  - Manage the business processes
  - Manage the business operations

- **Service Provider**
  - Manage IT services
  - Service portfolio
  - Service Operation

- **Supplier**
  - Manage the suppliers' business
  - Manage external services
  - External operations

**Changes**
- Strategic change
- Tactical change
- Operational change
ChM – Process for Normal Change

1. Create RFC
2. Record the RFC
3. Review RFC
4. Assess and evaluate change
5. Authorize Change
6. Plan updates
7. Co-ordinate change implementation*
8. Review and close change record
9. Update change and configuration information in CMS

* Co-ordinate change implementation* could refer to scheduling or implementing the changes as part of the process.
ELS – Early Life Support

Start

Operate Service

Collect service performance data

Report service performance achieved

Plan and manage improvements/risk mitigation/change

Compare progress against ELS plan

Verify service stability

Exit criteria met?

Yes

Identify quick wins/improvements/risk mitigation/changes

End

No

Incident and Problem Management

Change and Configuration Management

Service Level Management

SKMS/CMS

Yes No

Compare progress against ELS plan

Verify service stability

Exit criteria met?

Identify quick wins/improvements/risk mitigation/changes

End
Service Operation

Guidance on achieving effectiveness and efficiency in the delivery and support of services to ensure value for the customer and the service provider. Strategic objectives are ultimately realized through Service Operations.
ITOMF – Organizational Overlap

- Service Desk
- Technical Management
  - Mainframe
  - Server
  - Network
  - Storage
  - Database
  - Directory Services
  - Desktop
  - Middleware
- IT Operations Management
  - IT Operations Control
  - Console Management
  - Job Scheduling
  - Backup and Restore
  - Print and Output
- Application Management
  - Financial Apps
  - HR Apps
  - Business Apps
- Facilities Management
  - Data Centres
  - Recovery Sites
  - Consolidation
  - Contracts
- Recovery Sites
- Storage Database
- Directory Services
- Desktop Middleware
AMF – Organisational Overlap

IT Service Management Strategy, Design, Transition and Improvement

- Requirements
- Design
- Build and Test
- Deploy
- Operate
- Optimize

Application Development
Application Management
SD categories

- **Call Centre**
  - It is a centralized office used for the purpose of receiving and transmitting a large volume of requests by telephone.

- **Service Desk**
  - The Service Desk extends the range of services and offers a more broad and user centric approach, which seeks to provide a user with an informed single point of contact for all of their ICT requirements. A Service Desk seeks to facilitate the integration of business processes into the Service Management infrastructure.

- **Help Desk**
  - A help desk is an information and assistance resource that troubleshoots problems with computers and similar products. Corporations often provide help desk support to their customers via a toll-free number, website and/or e-mail.
Local Service Desk
For Local business needs and onsite support

- Desktop support
- Network support
- Application support
- Systems and operations support
- Third party support
Centralized Service Desk

- In a multi-location environment, a local SD becomes expensive.
- Central SD is established, serving all locations.
- All service requests are logged at a central physical location.

- Key benefits:
  - Reduced operational costs
  - Consolidated management reports.
  - Better resource allocation.

- Diagram:
  - Customer Site 1
  - Customer Site 2
  - Customer Site 3
  - Centralized Service Desk
  - Second Line Support
  - Third Party Support
  - Network & Operation Support
  - Application Support
  - Desktop Support
Virtual Service Desk

Virtual service desk can be accessed from anywhere in the world

- If the organization is MNC it gives same benefits of centralized service desk

- Maintains central database accessible from all locations

- The only difficulty is the person required at Virtual SD needs to be specialist

- Follow The Sun Model
Incident Management - Process

From Event Mgmt

- Incident Identification
- Incident logging

From Web Interface

- Incident Prioritization

User Phone call

Email – Technical Staff

Service Request

- Y: To Request Fulfillment
- N: Incident Prioritization

Major Incident

- Y: Major Incident Procedure
- N: Initial Diagnosis

Hierarchical Escalation Needed?

- Y: Management Escalation
- N: Functional Escalation Needed?

Functional Escalation Needed?

- Y: Functional Escalation to next level
- N: Investigation & Diagnosis

Investigation & Diagnosis

Resolution & Recovery

Hierarchical Escalation Needed?

- Y: Management Escalation
- N: Incident Closure

In this document, the Incident Management process is illustrated with a flowchart. The process begins with identifying incidents from various sources such as Event Management, Web Interface, User Phone call, and Email – Technical Staff. Once an incident is identified, it is logged and categorized. The priority of the incident is determined, and if necessary, escalated to a major incident. The incident is then diagnosed, and if additional hierarchical escalation is needed, it is applied. Finally, the incident is resolved and closed.
Balances in Service Operation

- Internal versus external focus (IT Services versus Technology components)
- Stability versus Responsiveness
- Quality of Service versus Cost of Service
- Reactive versus Proactive
Cost versus Quality

Cost of service

Quality of Service
(Performance, Availability, Recovery)

Range of optimal balance between Cost and Quality

Service
CSI – Continual Service Improvement

Guidance in creating and maintaining value for customers through better design, introduction and operation of services, linking improvement efforts and outcomes with Service Strategy, Design, Transition and Operation.
CSI – Running across all phases

Service Strategies
Strategies, Policies, Standards

Feedback Lessons Learned for Improvement

Service Design
Plans to create and modify services and service management processes

Feedback Lessons Learned for Improvement

Service Transition
Manage the transition of new or changed services or service management process into production

Feedback Lessons Learned for Improvement

Service Operation
Day-to-day operations of services and service management processes

Feedback Lessons Learned for Improvement

Continual Service Improvement
Activities are embedded in the service lifecycle

Feedback Lessons Learned for Improvement
CSI Model

What is the vision?

Business vision, mission, goals and objectives

Where are we now?

Baseline assessments

Where do we want to be?

Measurable targets

How do we get there?

Service & process improvement

Did we get there?

Measurements & metrics

How do we keep the momentum going?
Measurement – Business value

Why Measure? – Purpose of reports

To Validate
Strategy Vision

To Direct
Targets and Metrics

Your Measurement Framework

To Justify
Factual Evidence

To Intervene
Changes, Corrective Actions
Value to business

Basically, there are four reasons to monitor and measure:

■ **To validate** – monitoring and measuring to validate previous decisions

■ **To direct** – monitoring and measuring to set direction for activities in order to meet set targets. It is the most prevalent reason for monitoring and measuring

■ **To justify** – monitoring and measuring to justify, with factual evidence or proof, that a course of action is required

■ **To intervene** – monitoring and measuring to identify a point of intervention including subsequent changes and corrective actions.
ITIL® Qualification scheme

P&R-Service Portfolio & Relationship
O&S-Service Operation and Support
M&C-Service Monitoring and Control
D&O-Service Design and Optimization