



Demystifying ITIL

Part 1: ITIL Introduction and Overview



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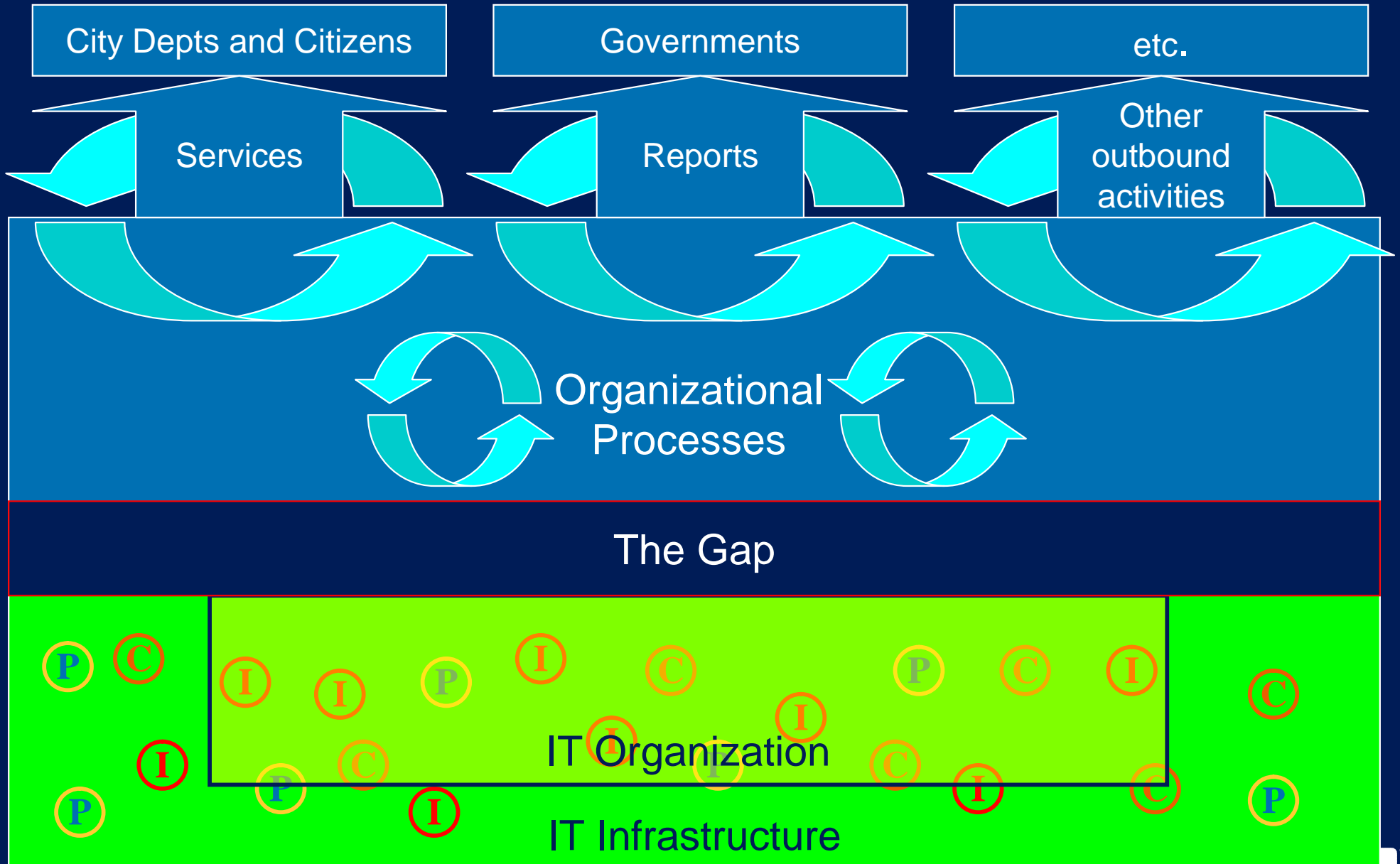


Understanding The Context

- Many IT organizations continue to struggle with the goal of alignment to organizational goals and activities
- Pressure continues to increase on IT to deliver value for the money
- IT must become increasingly agile to meet changing organizational requirements
- It is common for IT to fall short of meeting the organization's needs and expectations, despite IT's sincere efforts to do so

There is thus the challenge to address the “credibility gap” between IT and the organization.

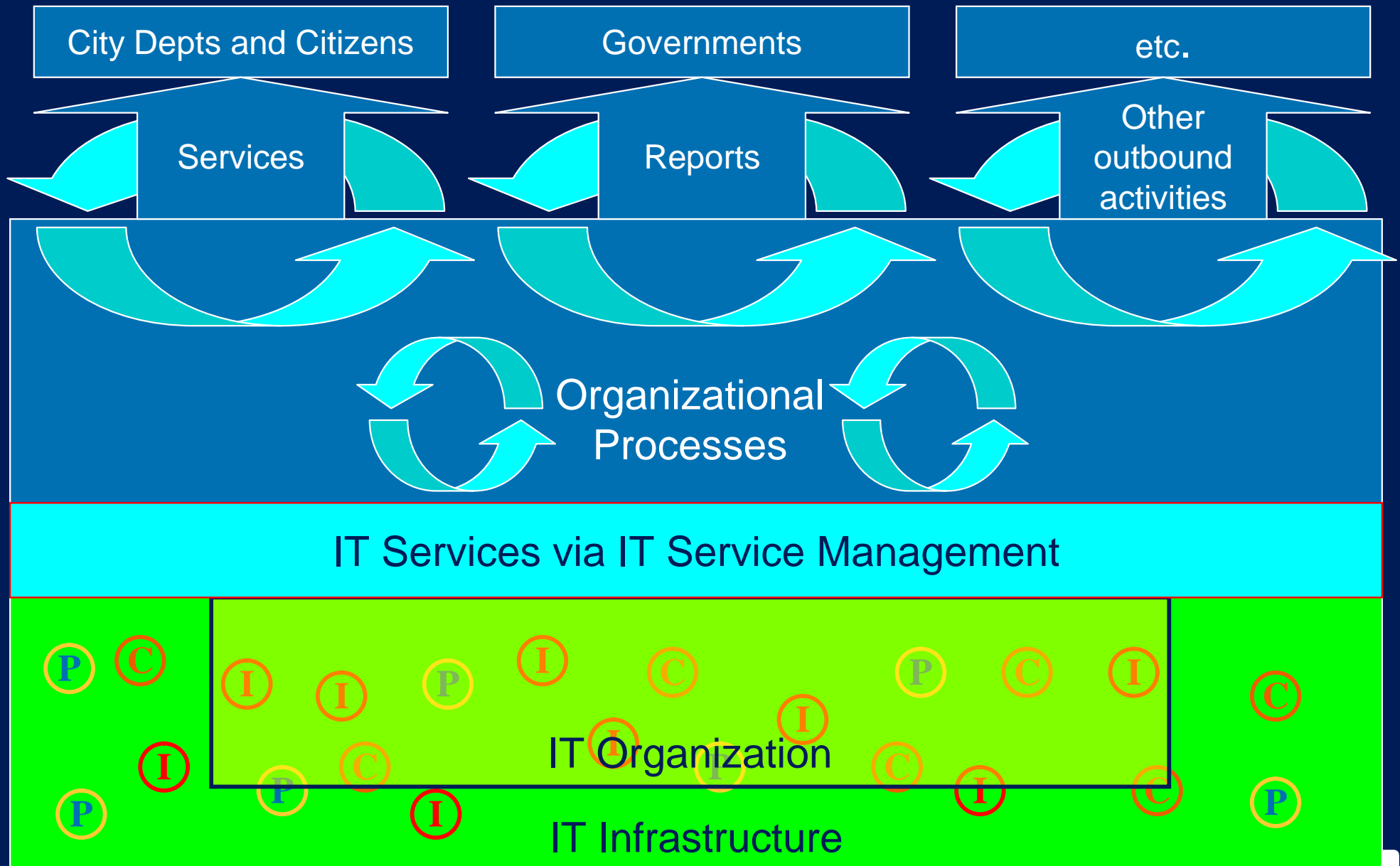
Identifying the Credibility Gap



Characterizing the Credibility Gap

- The necessity of prioritizing is recognized and accepted. The lack of framework for effective prioritization leads to
 - Low customer satisfaction
 - Inability to discern what is valuable to do and what is not, leading to wasted effort
 - Low quality of changes
 - Inefficient use of IT resources (people and infrastructure)
 - Expectations that are rarely met
 - Difference in perceived vs. actual IT performance
 - Lack of understanding about IT's contribution to the organization
 - Project implementations not meeting requirements
 - etc.!

Filling the Gap



IT Service Management (ITSM)

- ITSM is the “what” for how to close the business/IT gap
- One of the “hows” for “doing” IT Service Management is ITIL
- ITIL is best practices guidance on managing IT

IT Service Management (ITSM)

- At the heart of IT Service Management is the notion of the IT Service
 - IT works with the organization to understand what is required in the organization's terms – IT Services and Service Level Agreements based on Service Level Requirements stated in IT's customers' language
 - Then, IT implements, operates, and supports the IT infrastructure in order to deliver those IT Services to agreed levels of quality and availability

ITIL/ITSM Value

- ITIL/ITSM help IT organizations deliver IT Services such that
 - The delivery of IT Services is **cost-justifiable**
 - IT Service quality and availability levels are **agreed to**, measured, monitored, reported, and reviewed regularly
 - The IT infrastructure is managed **efficiently** (best use of resources) and **effectively** (achieving intended results)
 - Activities are **prioritized** relative to organizational value
 - Change is **controlled** to minimize negative impact on IT Services
 - IT Services are **aligned** to and drive organizational strategy

Service Culture

- Recognition that IT only exists to underpin the objectives of the organization
- A mission to deliver agreed levels of service
- A willingness to go that 'extra step' to satisfy Customer needs
- An understanding of the Customers' perspective
- Achieving a Service Culture depends on:
 - Senior Management support
 - A good understanding of why IT Services are being provided
 - An understanding of the impact on the organization of poor service
 - Clear targets to aim for, and from which to progress

IT Infrastructure Library (ITIL) Version 2



A set of books & modules, used as a complete code of best practice for IT Service Provision

A roadmap which defines the relationships between people, processes and infrastructure necessary for effective IT Service provision

The only comprehensive, publicly available guidance on IT Service Provision

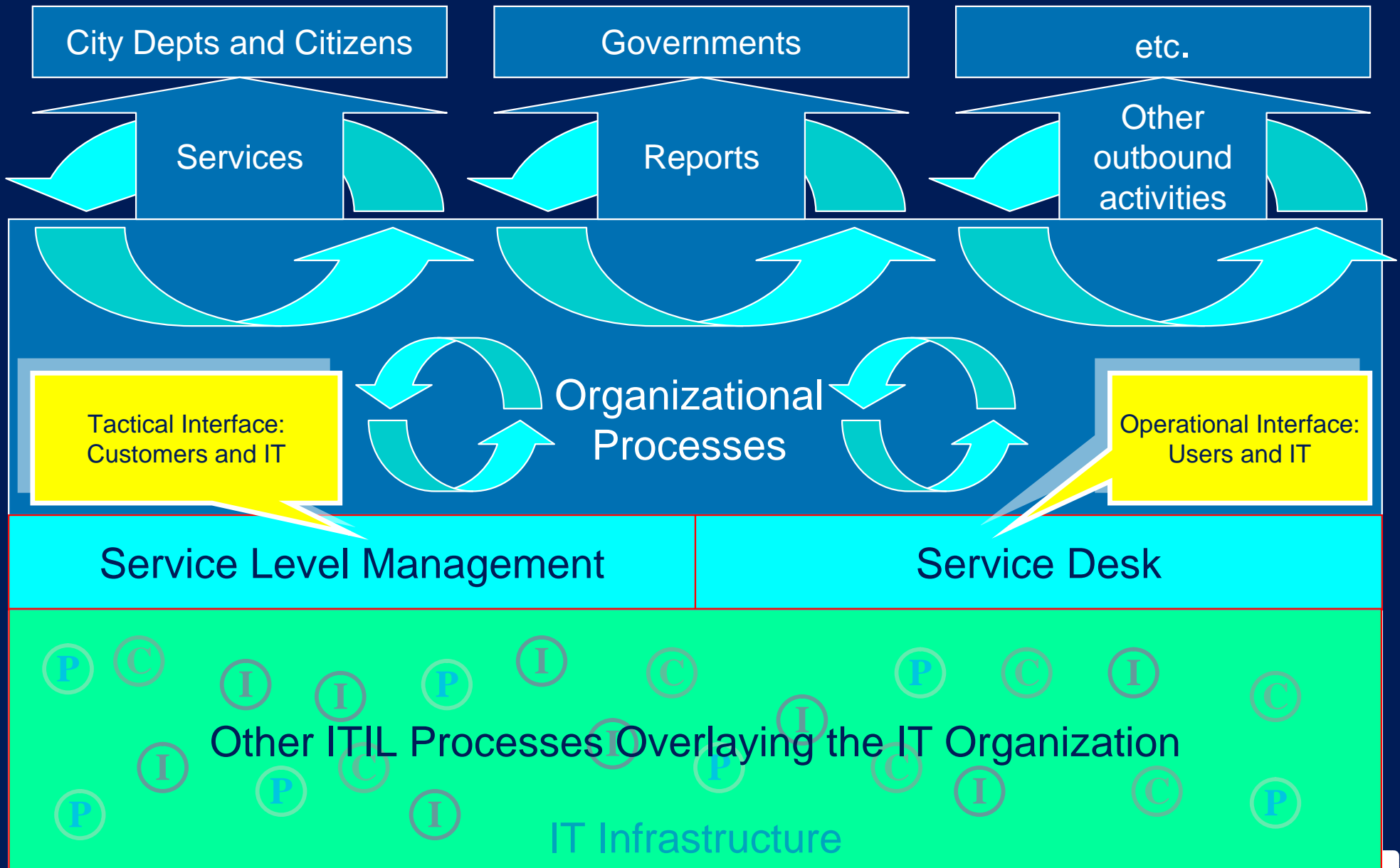
Developed by the OGC (Office of Government Commerce) - British Government

International Certification programs

In place since 1986



The Face of ITIL Version 2

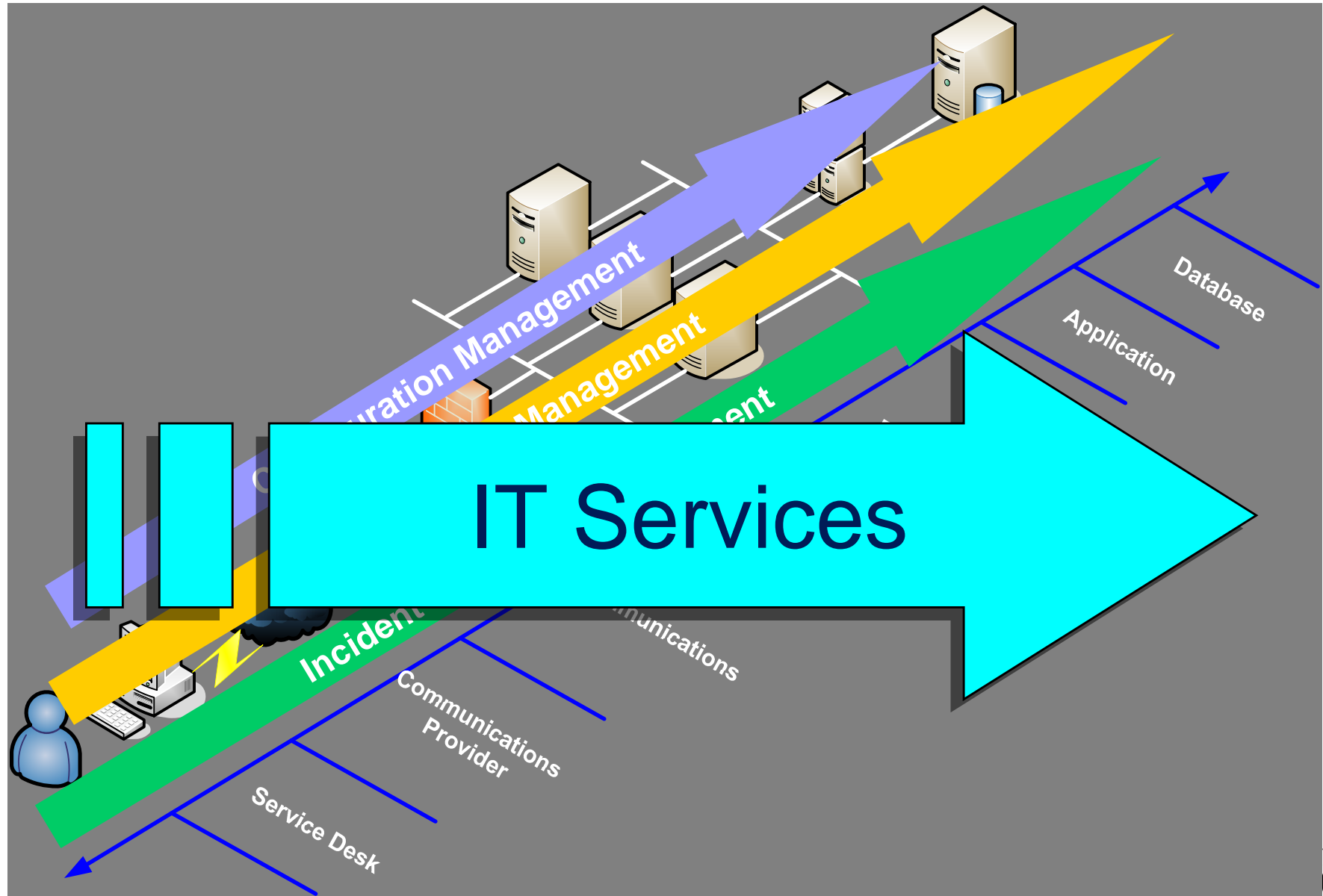


What is an IT Service (v2)?

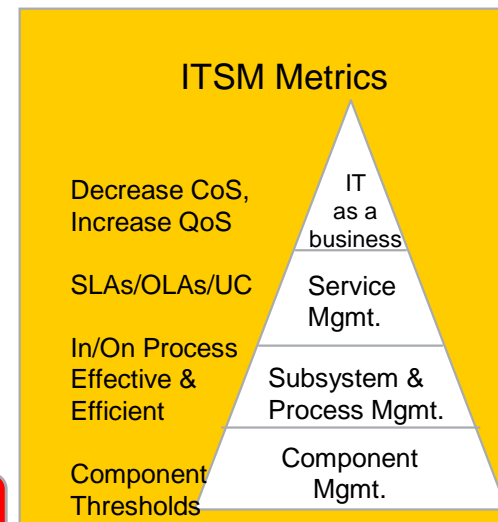
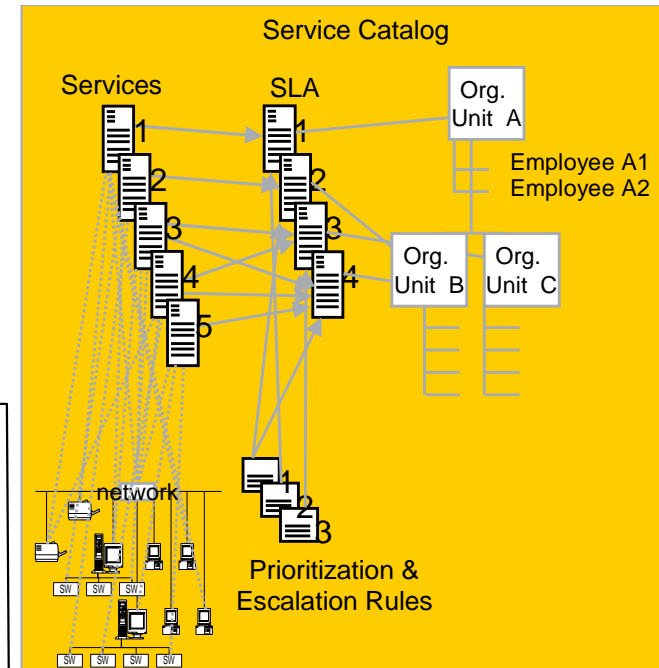
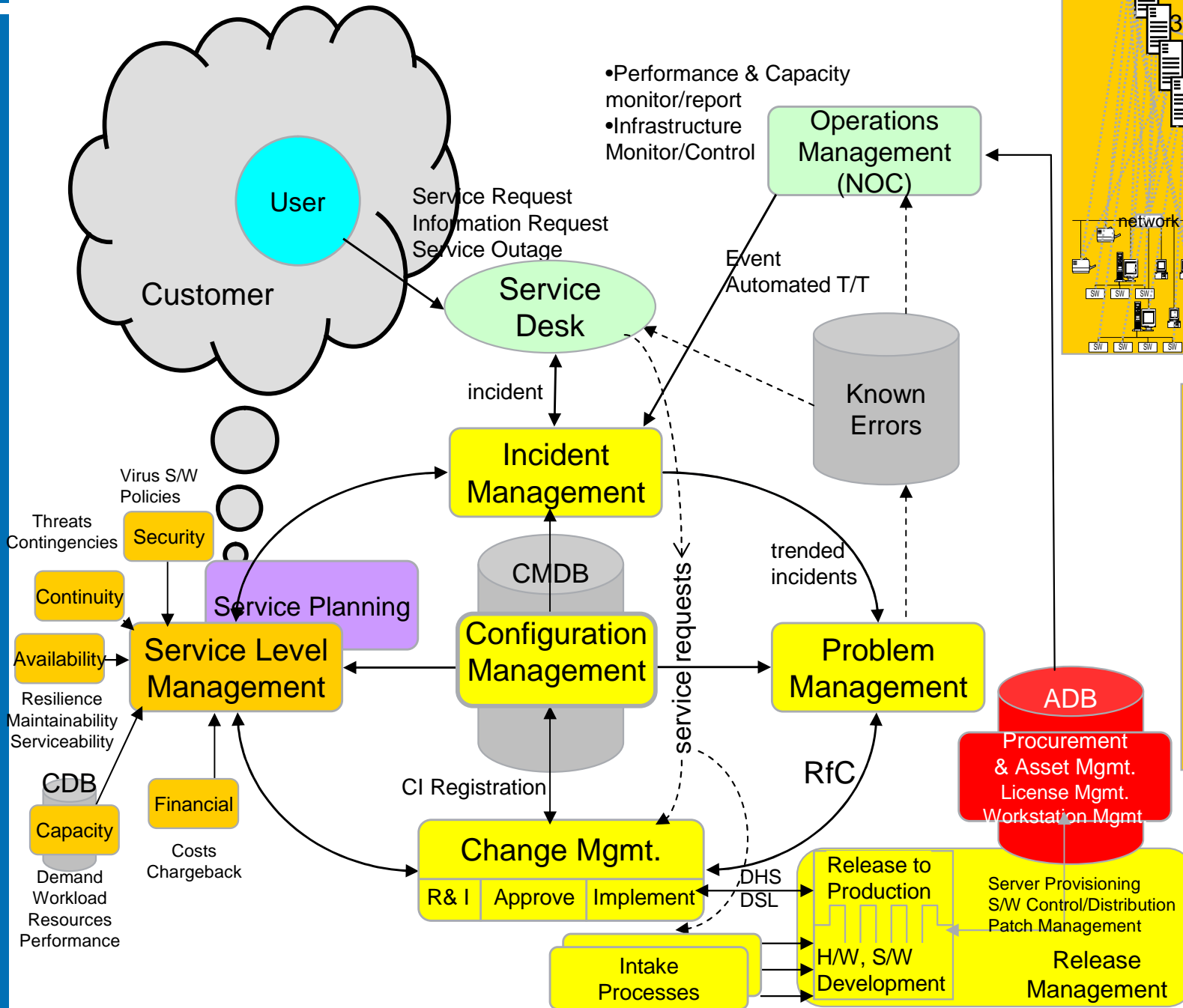
- A set of related functions
- provided by IT systems
- in support of one or more parts of the overall organization

This service can be made up of hardware, software and communication facilities, but is perceived by the customers as a **self-contained, coherent entity**

Process Orientated Working



ITSM v2 Framework

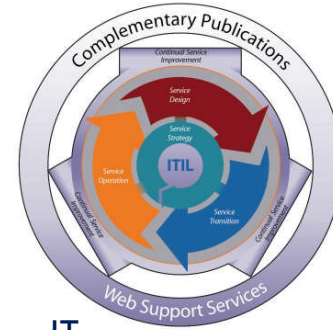
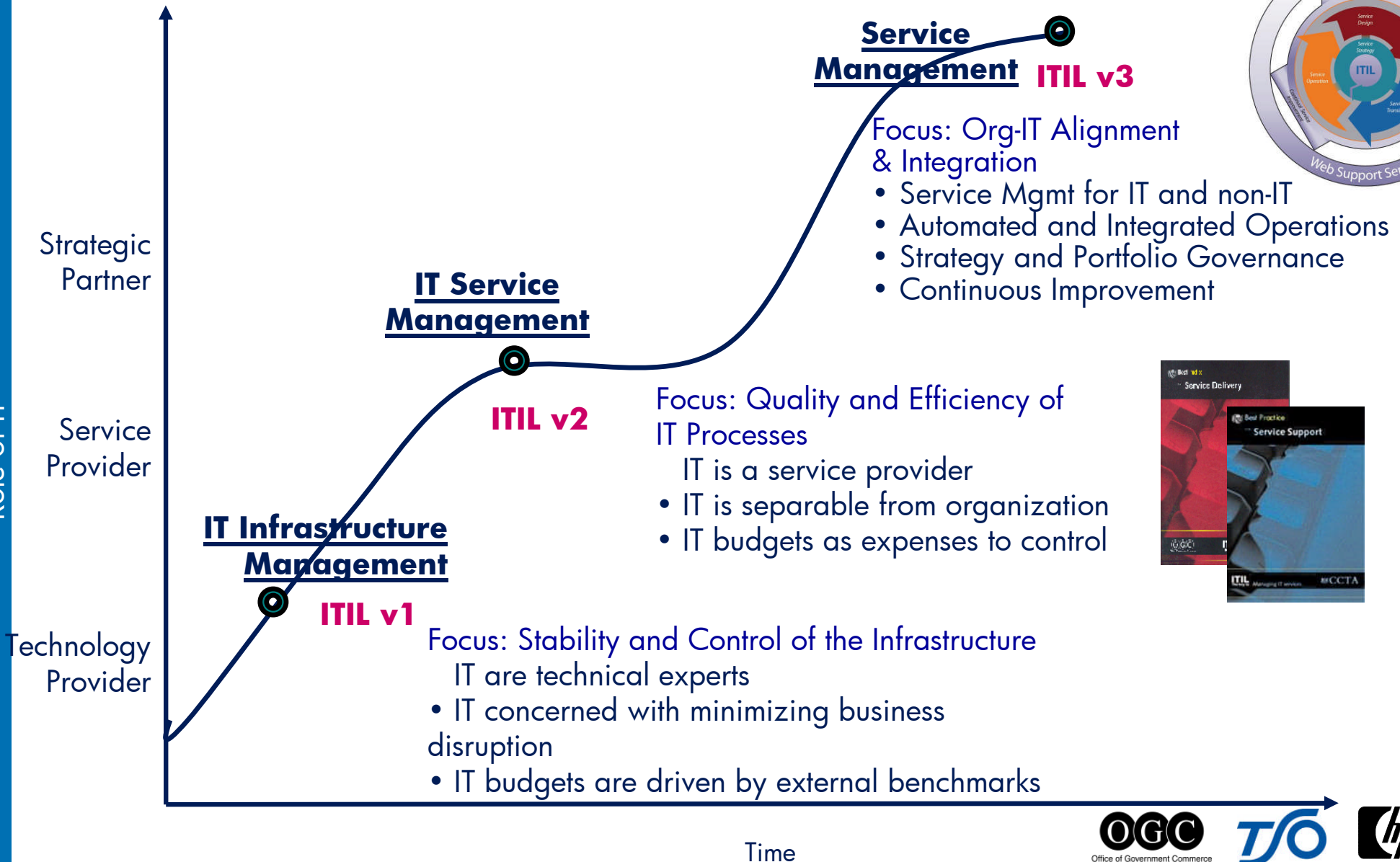


The Challenge with Processes

- Processes help to organize work better
- They are aligned to activity and output, not necessarily to value
- You have to know what you want to achieve, or else assume that the customer does
- Processes are not strategic
- Bottom line: Managing IT needs more than just a set of processes, people and tools

The Evolution of IT Service Management

Role of IT



Definition of a Service (v3)

A 'service' is a means of **delivering value** to customers by **facilitating outcomes** customers want to achieve **without** the ownership of **specific costs and risks**

The ITIL V3 Structure

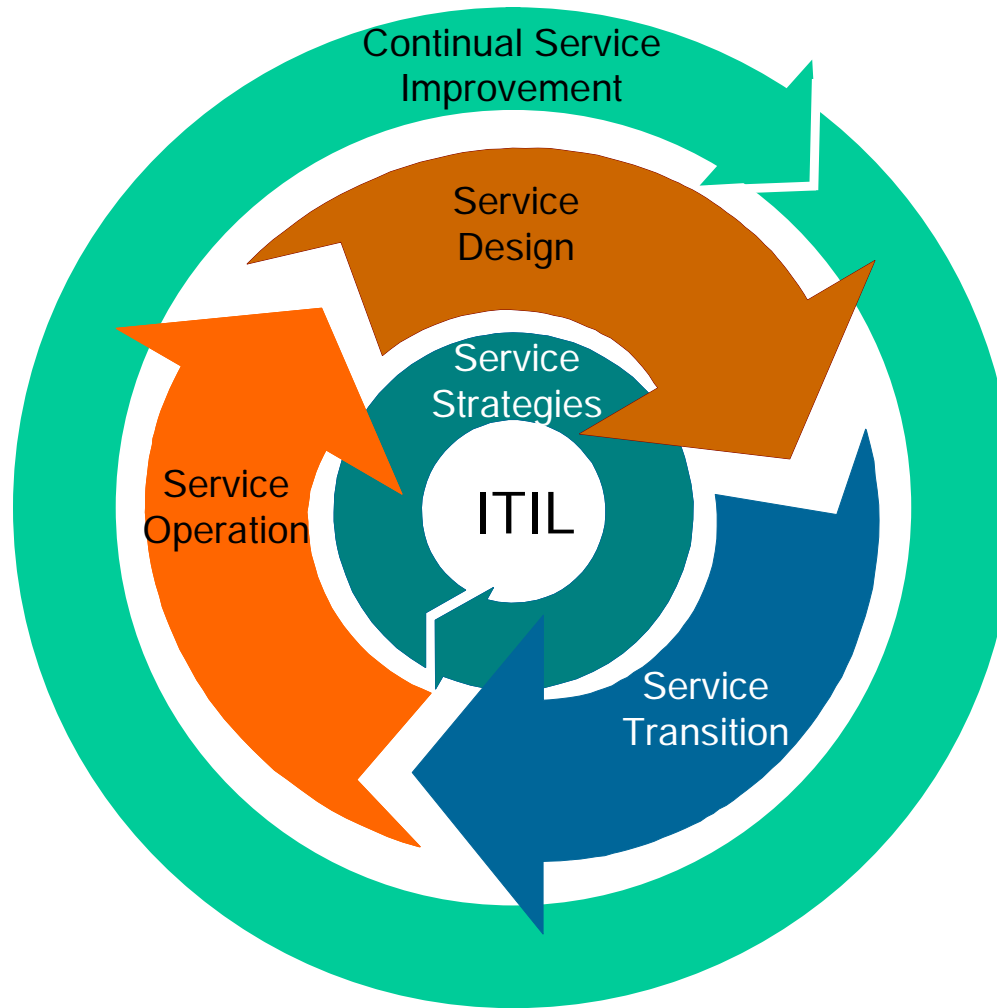


Image Source: ITIL Refresh Project

ITIL V3 Books



Requirements

IT Customers

Service Strategy

Objectives from Requirements

Strategies

Policies

Resource and constraints

Service Design

SDPs

Solution Designs

Architectures

Standards

Service Transition

SMKS

Transition Plans

Tested solutions

Service Operation

Operational services

Operational Plans

Continual Service Improvement

Improvement actions & plans

**Service Portfolio
Service Catalogue**



A Linear View of the Requirements and IT Service Life Cycles

Business Strategy and Planning, Enterprise Analysis, Portfolio Management, Decision Packages



A Linear View of the Requirements and IT Service Life Cycles

Business Strategy and Planning, Enterprise Analysis, Portfolio Management, Decision Packages

Communication

Plan

Elicit

Analyze

Document

Verify

Validate

Assess...

Business Strategy /
Service Strategy
Alignment

Design/
Build

Transition

Operate

Improve

Service Strategy

A Linear View of the Requirements and IT Service Life Cycles

Business Strategy and Planning, Enterprise Analysis, Portfolio Management, Decision Packages

Communication



Service Pipeline

Service Catalog

Design/
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Transition

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Business Strategy /
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Service Pipeline

Service Catalog

Design/
Build

Transition

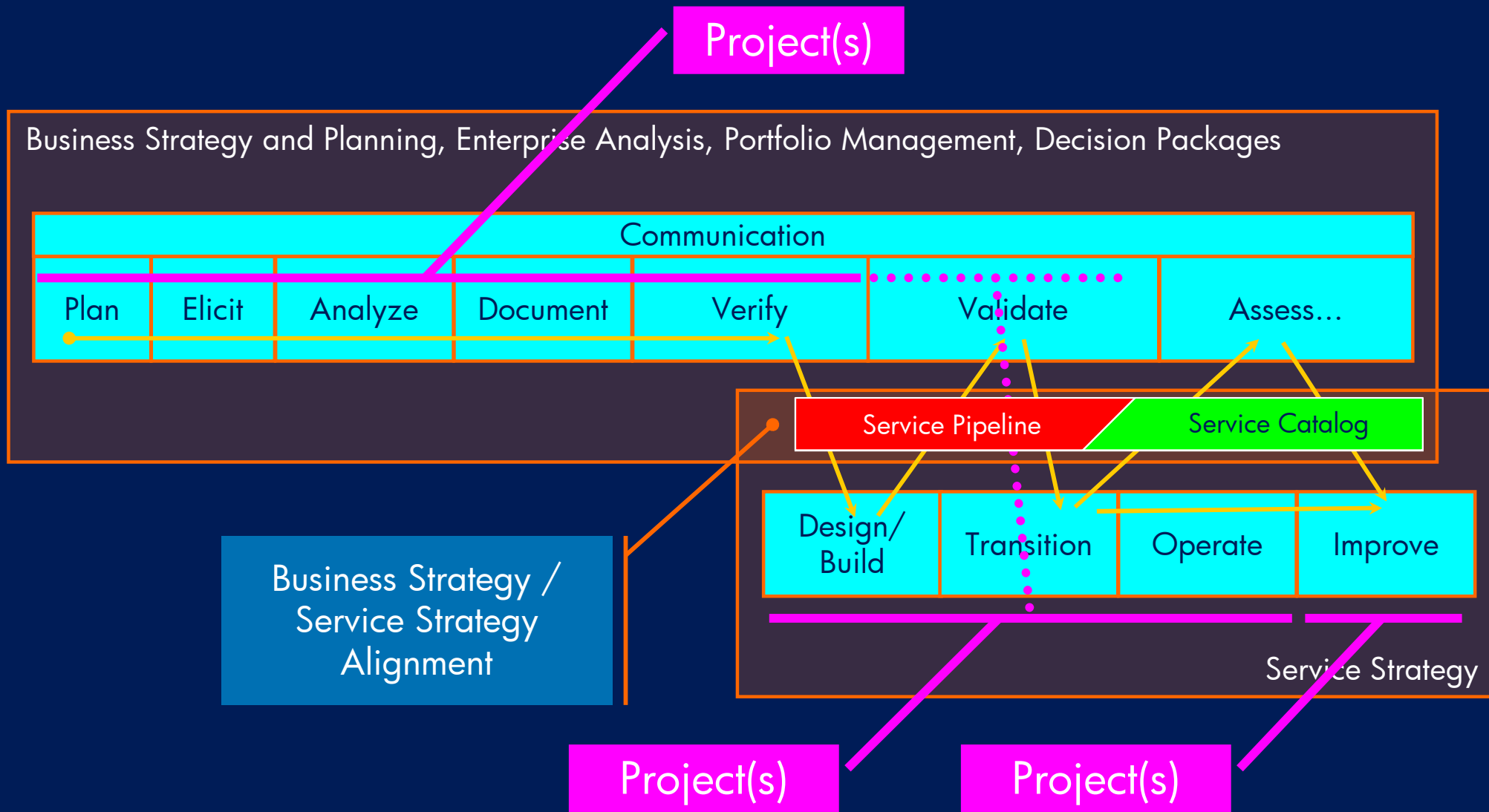
Operate

Improve

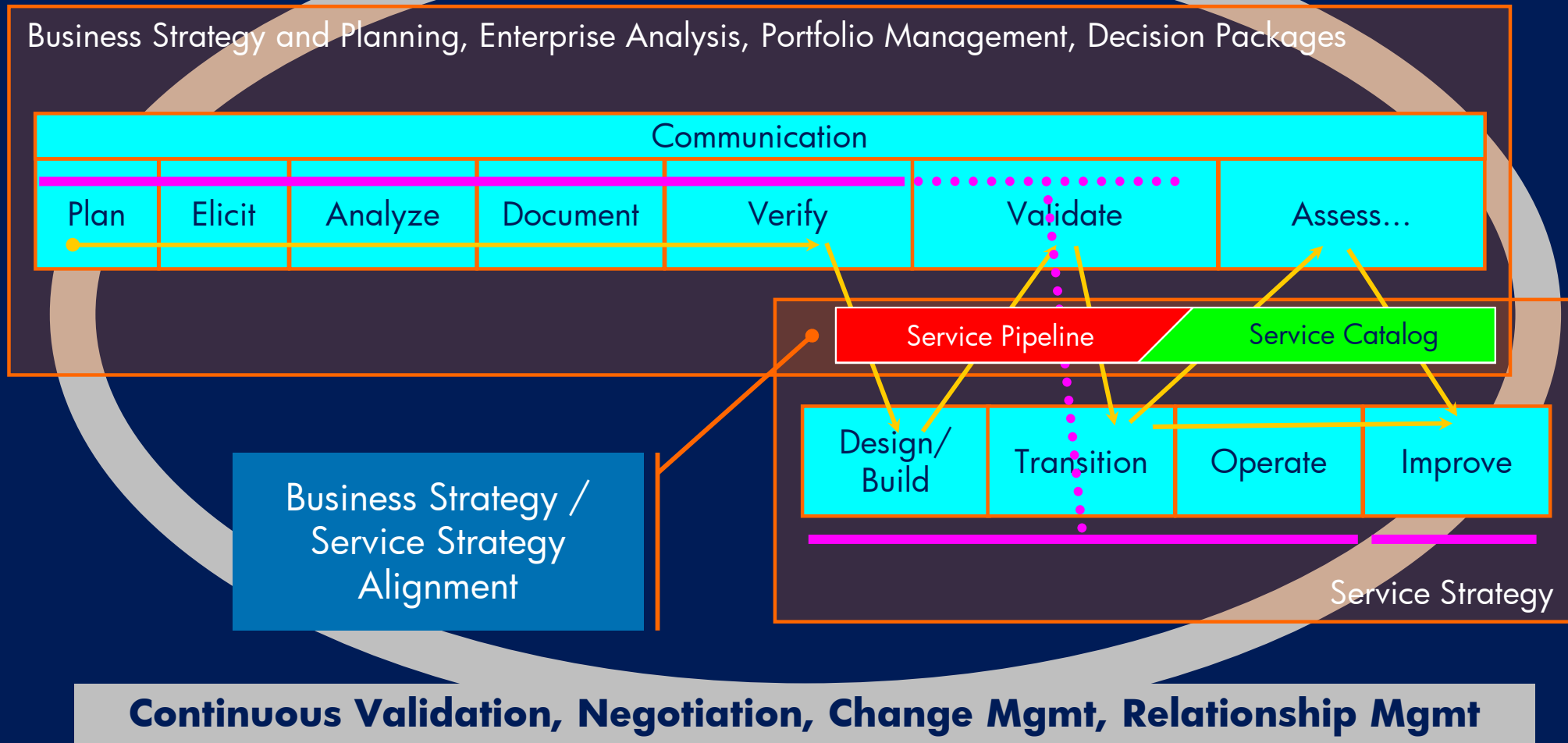
Business Strategy /
Service Strategy
Alignment

Service Strategy

A Linear View of the Requirements and IT Service Life Cycles



A Linear View of the Requirements and IT Service Life Cycles



The ITIL® Winning Strategy



Continual Service Improvement The 7 Step Improvement Process

IDENTIFY
Vision & Strategy • Tactical Goals • Operational Goals

1. Define what you should measure.

Service Design

The 5 Aspects of Service Design

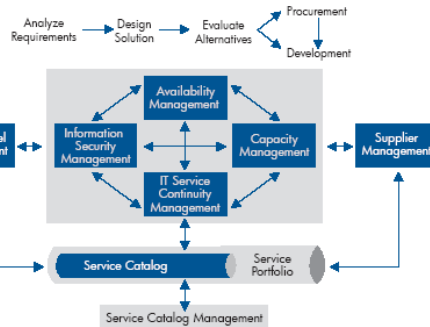
1. Service Solutions
2. Service Management Systems & Tools
3. Technology & Management Architectures & Tools
4. Processes
5. Measurement Systems, Methods & Metrics

Key Concepts

- Four "P's"
- People - Processes - Products - Partners
- Service Design Package
- Delivery Model Options
- Service Level Agreement
- Operational Level Agreement
- Underpinning Contract

Processes

- Service Catalog Management
- Service Level Management
- Availability Management
- Capacity Management
- IT Service Continuity Management
- Information Security Management
- Supplier Management



Service Transition

Processes

- Change Management
- Service Asset & Configuration Management
- Release & Deployment Management
- Knowledge Management
- Transition Planning & Support
- Service Validation & Testing
- Evaluation

Key Concepts

- Service Changes
- Request for Change
- Seven "R's" of Change Management
- Change Types
- Release Unit
- Configuration Management Database (CMDB)
- Configuration Management System
- Definitive Media Library

Service Strategy

Main Activities

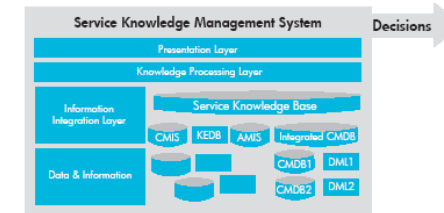
- Define the Market
- Develop Offerings
- Develop Strategic Assets
- Prepare Execution

Key Concepts

- Utility & Warranty
- Value Creation
- Service Provider
- Service Model
- Service Portfolio

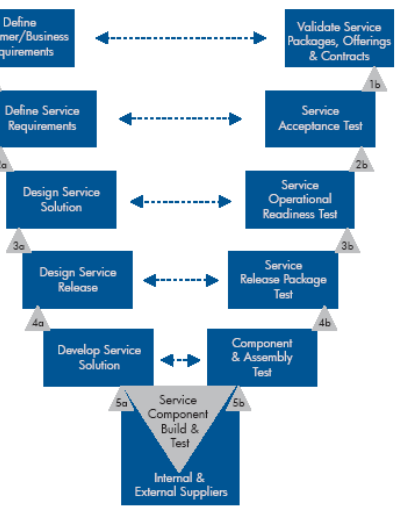
Processes

- Service Portfolio Management
- Demand Management
- Financial Management



2. Define what you can measure.

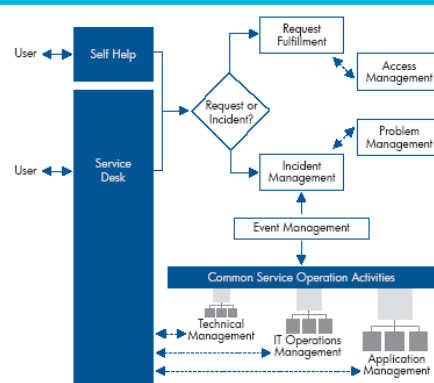
3. Gather the data. Who? How? When? Integrity of the data?



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7. Implement corrective action.

6. Present and use the information assessment summary action plans, etc.



Service Operation

Achieving the Right Balance

- Internal IT View versus External Business View
- Stability versus Responsiveness
- Reactive versus Proactive
- Quality versus Cost

Processes

- Event Management
- Incident Management
- Problem Management
- Access Management
- Request Fulfillment

Functions

- Service Desk
- Technical Management
- IT Operations Management
- Application Management

5. Analyze the data.
Relationships, trends, according to plan, targets met, corrective actions?

4. Process the data.
Frequency, format, system, accuracy.





■ ■ ■ ■ **Demystifying ITIL**

**Part 2: Best Practices for Practical
Application of Service Management**

Pat Connelly
Vice President, Gartner Consulting
6 November 2008

Key Questions

- What are key considerations for leveraging ITIL to improve service management?
- How can IT organizations get off on the right foot to use ITIL concepts?
- How can IT organizations gage the health of their ITSM efforts and keep it on track?

ITIL: Considerations for Practical Application

■ The Good

- Highlights the importance of a service orientation
- Helps provide a standardized process context and a common language
- Identifies the core activities for its processes
- Increases service and process development confidence and consistency amongst various stake-holders
- Strong community and supporting resources

■ The Bad

- There are many different interpretations of ITIL
- ITIL is not always consumable out of the box by all levels within the organization
- Successful IT performance requires more than process optimization
- Not all IT capabilities are covered by ITIL

A Holistic Approach to IT Service Improvement

- **There are many frameworks, and it can be difficult to navigate the available resources**

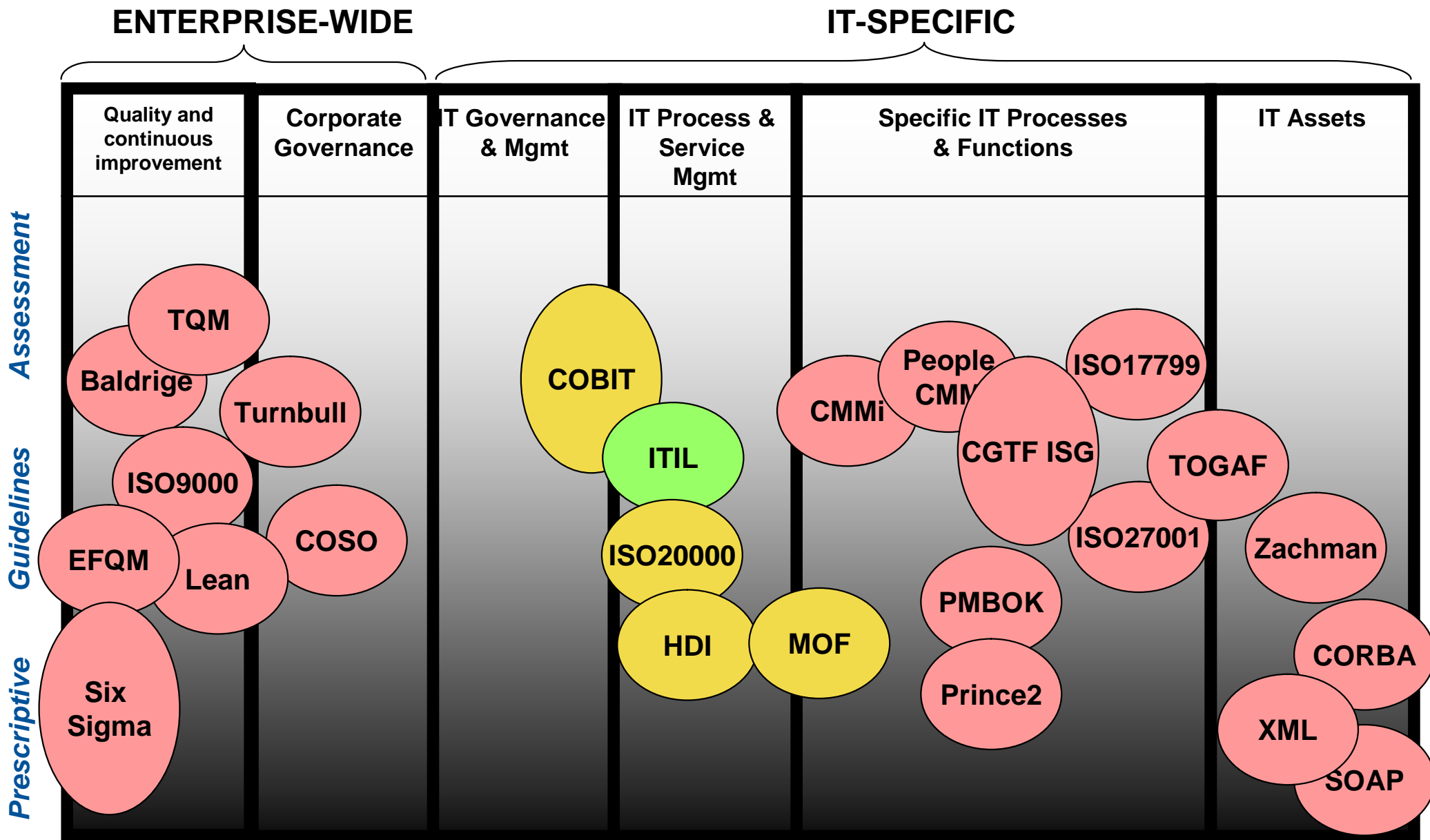
- Varying scope, purpose, depth/breadth and accessibility

- **Avoid being focused on a framework vs. desired results**

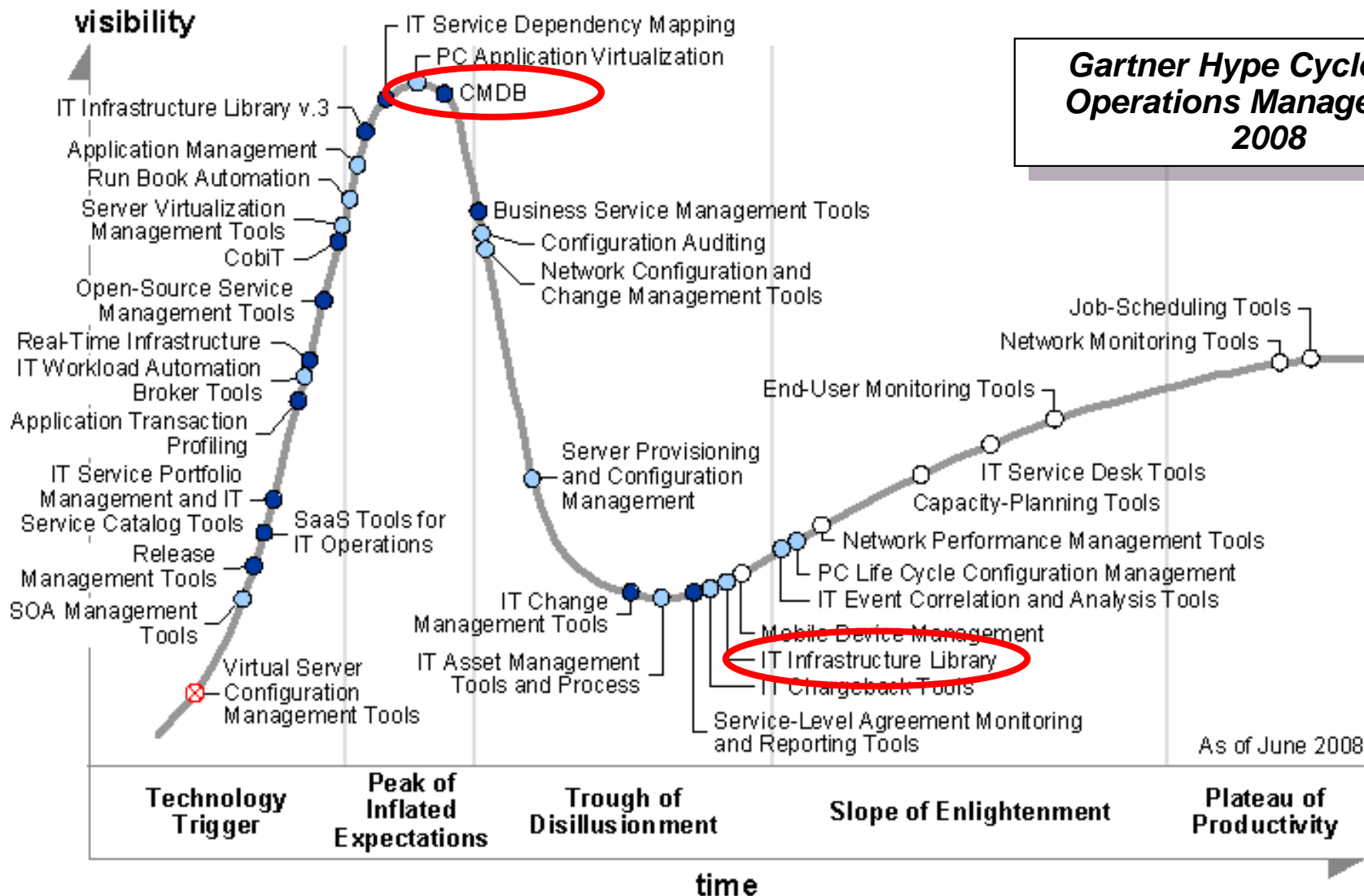
- This should not be “An ITIL Project”!
- Infuse the best of all worlds for service improvements by leveraging strengths of different industry-standard frameworks (e.g., ITIL, CobiT, HDI, MOF, ISO Standards, etc.)



There is No Single Silver Bullet: Navigate the Most Appropriate Resources to Leverage



And Be Wary of the Hype...



Years to mainstream adoption:

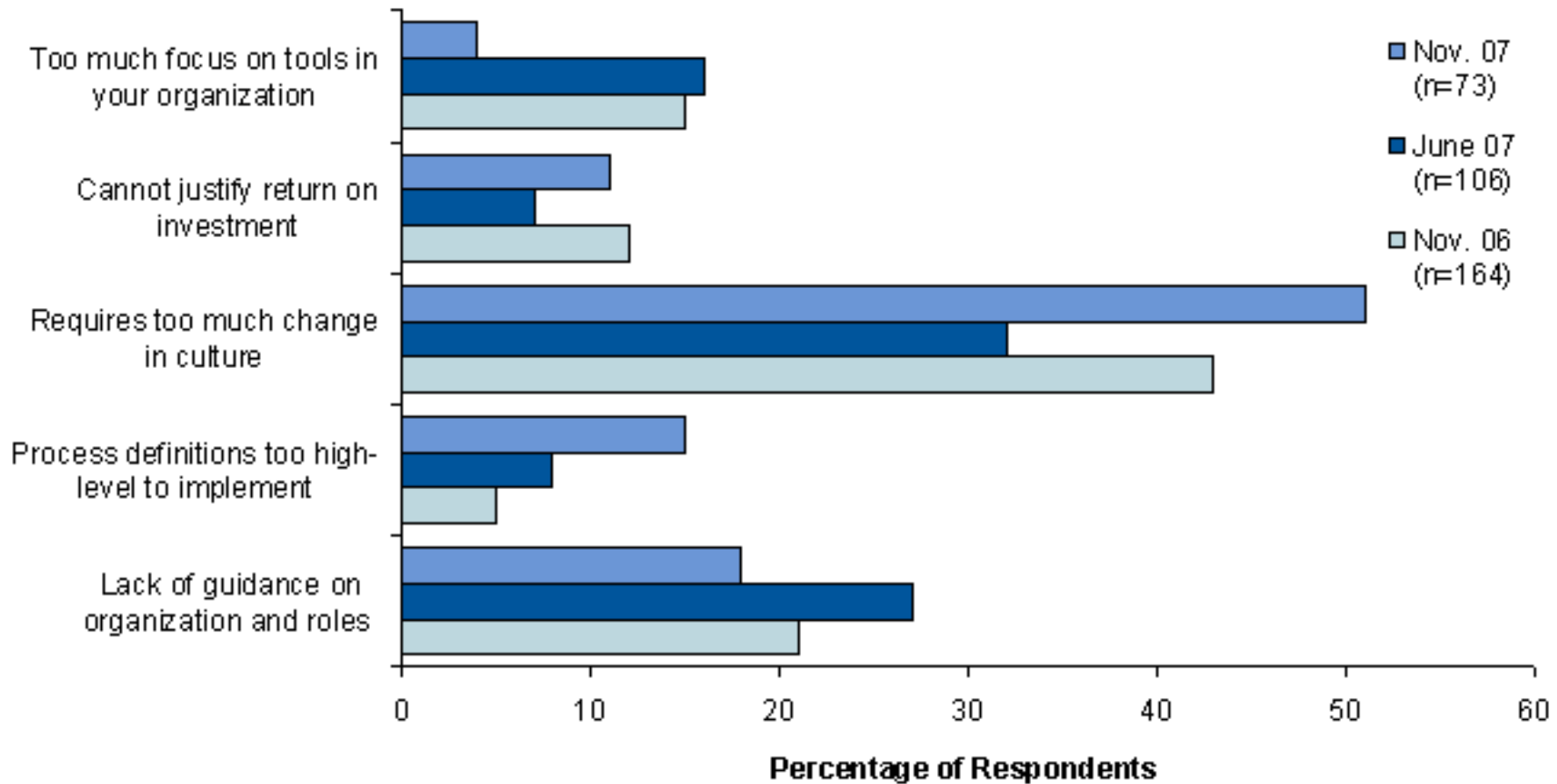
- less than 2 years
- 2 to 5 years
- 5 to 10 years
- ▲ more than 10 years
- ⊗ obsolete before plateau

Why Do ITSM Efforts Fail?

Gartner sees ITSM Programs stall or stop for many reasons:

- **Lack of focus on cultural change and governance**
 - Unsuccessful “Tom Sawyer” approach to induce organizational change from bottom-up
- **Limited visibility into benefits or improvements achieved**
 - No business case or measurement program to demonstrate results and/or progress
- **“Tools First” approach drives program in different directions**
 - Process improvement opportunities take backseat to tool replacement projects
- **Disparate workstreams not managed like a Program**
 - Separate projects not coordinated or integrated appropriately
- **Running out of steam**
 - New priorities, new demands on resources
- **Higher hanging fruit is too hard to reach!**

What is the most significant challenge to implementing ITIL in your organization?



Source: Gartner (April 2008)

■ ■ ■ ■ Best Practices for Adopting ITSM

Are You Starting on the Right Foot?

Track Against Five Key Critical Success Factors for ITSM Programs

1. Service Management Charter and Business / IT Alignment

- Program-level goals and objectives, business case and benefits alignment, scope or processes targeted, CSFs, and roadmap

2. Integration and Coordination across IT

- Program-level integration across individual processes / workstreams / projects

3. Roles and Organization

- Program structure and roles, organizational change management, skills and staffing

4. Tools and Automation

- ITSM tooling portfolio and broader strategy for automation and architecture

5. Metrics and Governance

- Measurement of progress and improvement against program objectives, structure and effectiveness of governance and compliance

1. Service Mgmt. Charter and Business/IT Alignment

- A formal Program Charter should exist for the ITSM initiative and be reviewed for updates every six months:
- “No really, **Why** Are We Doing This?”
- Many organizations have either never created a charter, or have not reviewed it since it was initially drafted
- The key is not to view program charter materials as required ‘documents’, but rather use these for tracking accountability to the stated benefits and course corrections.



- The Program is the Glue!

Example of Components within the “Program Charter” dimension...

Program Charter and Execution Elements

- Alignment to Business Goals and Objectives
- Desired Benefits from Service Orientation and ITSM
- Program Scope Statement
- Identification and Roles of Stakeholders
- Program Management Approach
 - Program Roadmap
 - Issue Management
 - Scope Change Control
 - Risk Management
 - Quality Assurance
 - Status Reporting, etc.
- Critical Success Factors
- Rolling 12-18 month Roadmap and Transition Plan
- Program-level Common Artifacts
 - Taxonomy of Organization-specific ITSM Terms
 - Library of Roles
 - Process Reference Architecture
 - Process Refinement Templates and Methodologies
- Communications Strategy and Plan
- Cultural Change Management Strategy and Plan, etc.

Have these been considered and articulated?

2. Integration and Coordination across IT

- Successful programs proactively manage integration across several dimensions:

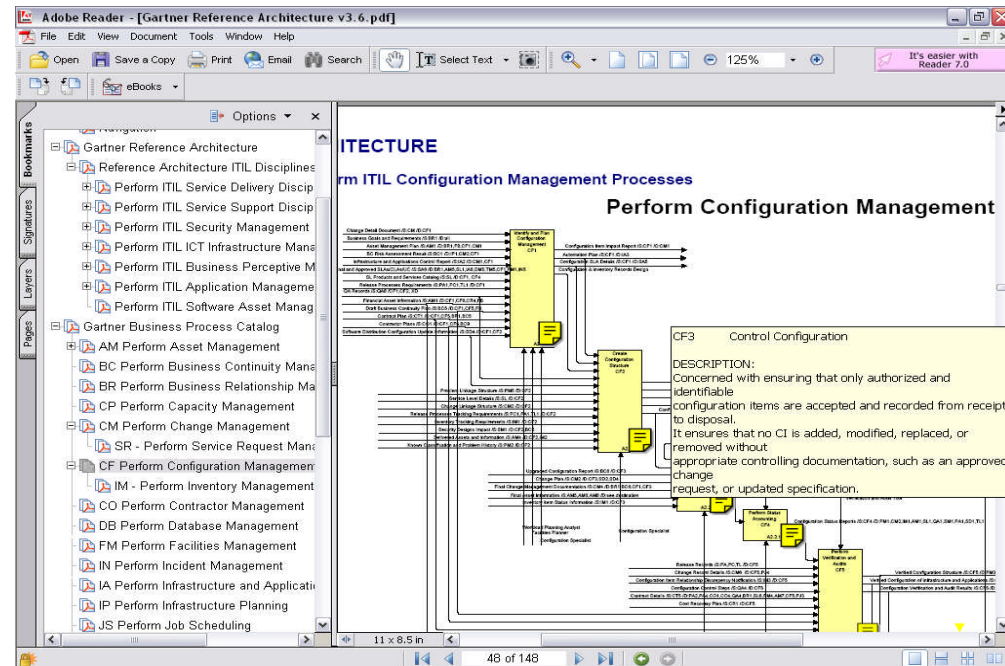
- **Process-to-Process Integration**

- Common Blueprint and convention for process hand-offs in design efforts across all IT silos

- **Project-to-Project Integration**

- Single, integrated view of all program workstreams that affect the service management outcomes, including process, tool and people initiatives

- The program should be responsible for the choreography of integration across individual process efforts and other workstreams

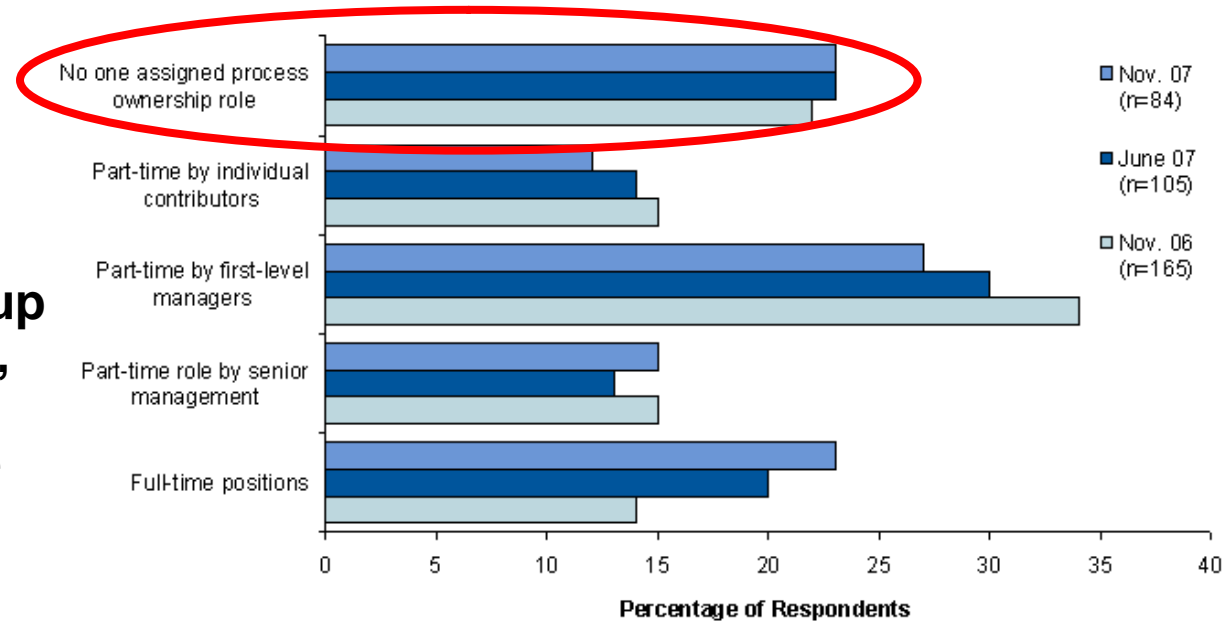


ITSM INTEGRATION

3. Roles and Responsibilities

- **Successful programs have strong and dedicated program leadership**
 - Beware of assigning multiples roles to individuals (program lead, process owner, process manager, etc.)
- **Do not underestimate the ramp-up of resources needed for training, cultural change and communications during iterative deployments**
 - At best, many programs are victims of their own success and unable to accommodate increasing needs or timelines

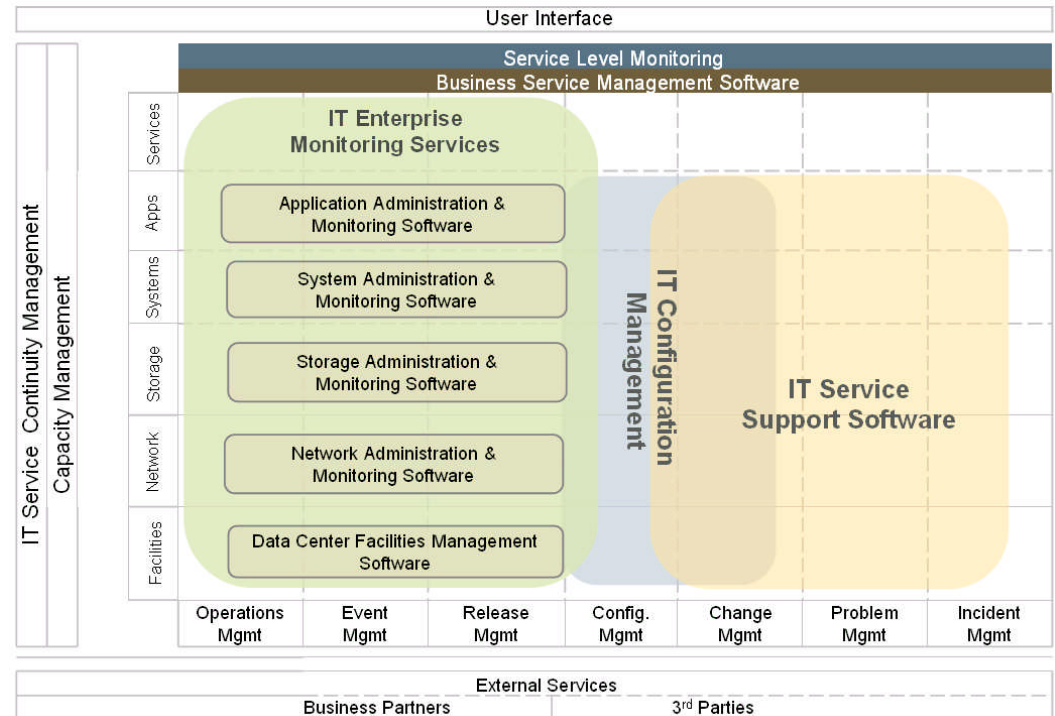
How is your organization implementing role of process owner?



Source: Gartner (April 2008)

4. Tools and Automation: Much more than just a Help Desk tool....

- **Successful programs recognize the need to map the broader ITSM tooling portfolio and automation interactions**
- **The ITSM tooling architecture should be explicitly defined for tactical and strategic touchpoints to other related families of tools**
 - Need to understand the interactions with monitoring, system management, job scheduling, asset, discovery, mobile notification, project portfolio management, etc.!
- **“But don’t I need a new ITSM tool suite?”**
 - Most organizations are tool-rich, but process poor – i.e., you may already be over-tooled.



How are you managing the broader ITSM tooling portfolio?

5. Metrics and Governance

Determine What Should Be Measured and How?

- A tiered measurement structure is required for ensuring the appropriate level of velocity and effectiveness of change

– Enterprise Level Metrics

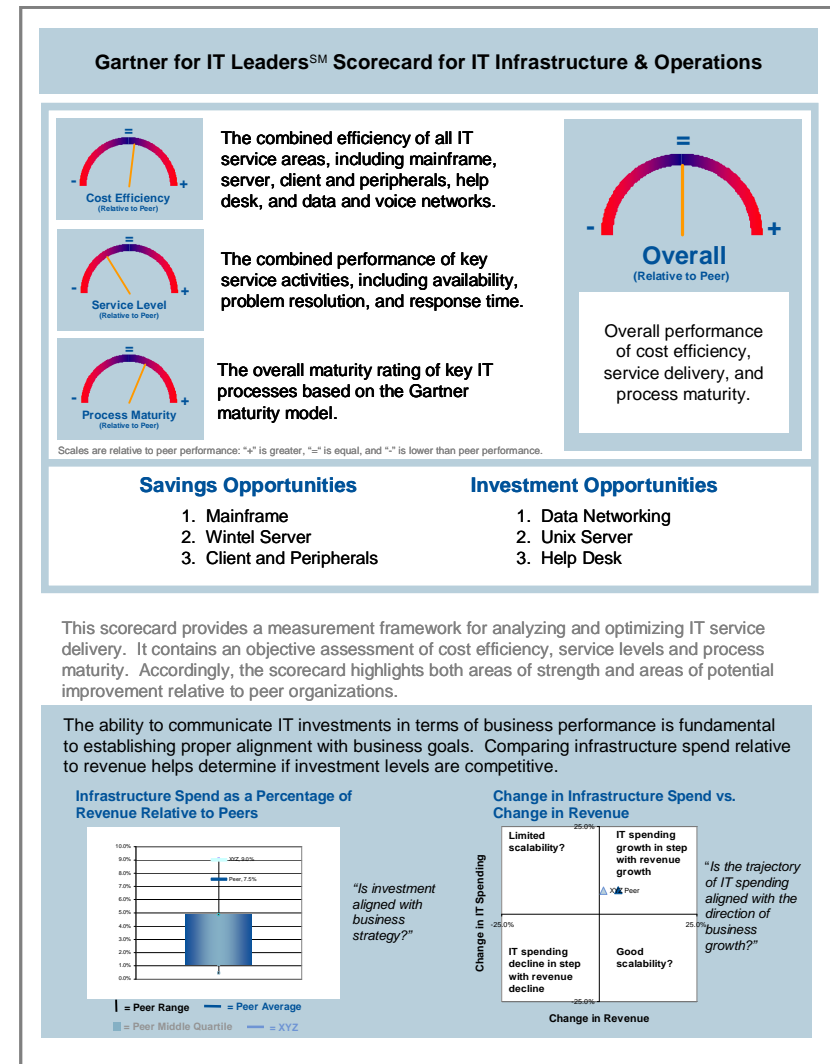
- e.g., Financial Metrics; Improvement Metrics; Satisfaction Metrics; Regulatory Compliance Metrics

Service
Customer

– Operational Metrics

- Efficiency Metrics (How well are you executing)
- Effectiveness Metrics (Are you executing the right things well)

- The use of Enterprise level metrics as a marketing vehicle are critical in retaining executive sponsorship



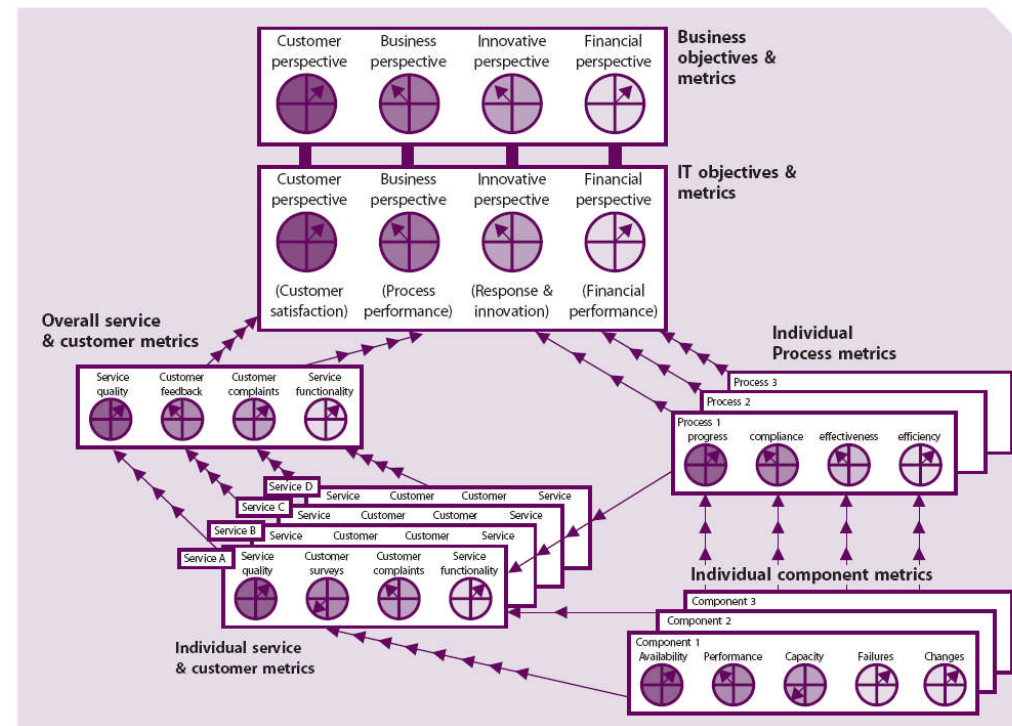
5. Metrics and Governance: How Healthy is the ITSM Program?

- **Successful programs are aggressively utilizing metrics to track incremental performance of a few key KPI's over each 6-12 month period:**

- Significant creativity and diligence required for baselining
- Immediate readiness of reporting capabilities is critical for deployment
- Different sets of metrics should be tied to maturity levels/capabilities for each process along the journey of their roadmap.

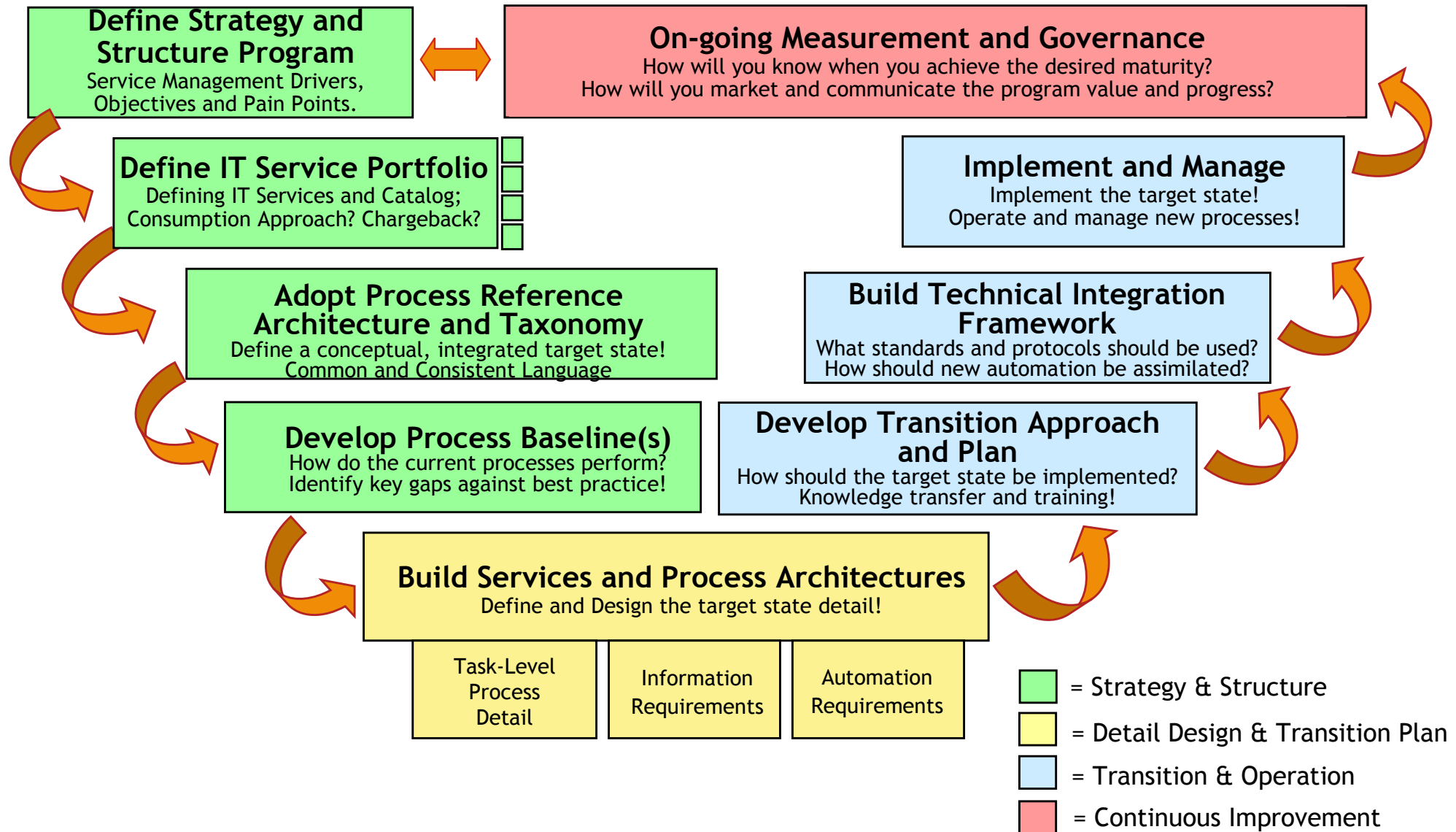
- **Beyond the collective process metrics, program-level metrics are critical for demonstrating improvement and effectiveness**

- Programs need to measure performance indicators too
- “How can we prove that the program is getting increasingly more efficient and effective at facilitating the process improvement efforts?”



Source: OGC “Service Design”

Putting It All together: Where are you in the lifecycle?



■ ■ ■ ■ Closing Thoughts

Ultimately It's All About Implementing Effective Services — Not Designing New Processes

- Service Management is about improving alignment between the organization and IT services and not about process for process sake!
- Practitioners will need to juggle additional balls in the air while better processes are being defined and implemented – However, this short term pain typically leads to substantial long term gains for the organization and the practitioners themselves
- You have to invest to save
- Transition will take two to three years

Homework Questions

- Do we have a consistent and thorough understanding of ITSM fundamentals?
- Have we inadvertently “bought into” any of the common myths?
- Are our ITSM vision and strategy explicit? Are they widely understood?
- Have we targeted the appropriate programmatic approach for our specific context?
- Does our transformation plan account for all critical success factors?
- Are we in danger of falling into one or more of the common missteps?
- What are our next steps? Where should we start?

Concluding Comments

- **To demonstrate value, you need to establish a clear link between the capabilities being improved and critical IT service improvements**
- **Effective governance is critical for success**
- **Tools enable processes, but are not a substitute for good process**
- **Do not try to refine a single process or a subset of processes without establishing an overall IT frame of reference of how the refined process will fit in the target operating environment;**
- **Take into account your organization's culture and ability to assimilate change... Effective Organizational Change Management is critical to the success of such initiatives**

- **ITSM requires an enterprise-wide goal, but a step-wise implementation approach:**

Iterative Improvement over Delayed Perfection!

■ ■ ■ ■ Questions



■ ■ ■ ■ Thank you!



Gartner