

What Every Project Manager should know about ITIL's Service Lifecycle Framework

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Sept 19, 2009

Presentation Objectives

- This presentation will provide a high-level view of ITIL and will identify where the ITIL Service Lifecycle Framework and the PMBOK Guide complement each other.
- Understanding of ITIL will help the IT project manager over the lifecycle of their projects, from defining a better project charter focused on IT services to a smoother transition to operations and an increased satisfaction of all stakeholders.
- The role of an IT PMO as the Voice of IT and its role with Service Level Management will also be discussed as a key enabler to align IT to the business.

Outline

- Intro to ITIL (IT Infrastructure Library)
 - ITIL V3 Processes and Services Lifecycle
 - A Service-based Approach
 - Strategic Benefits
 - What ITIL is Not (key to managing expectations)
- Benefits to a Project Manager
 - ITIL and the PMBOK Guide
 - Stakeholders: How ITIL can help to Identify them
 - IT PMO – Voice of IT
 - IT PMO : Service Strategy and Design

Intro to ITIL (IT Infrastructure Library)

ITIL v3 - Service Lifecycle Framework

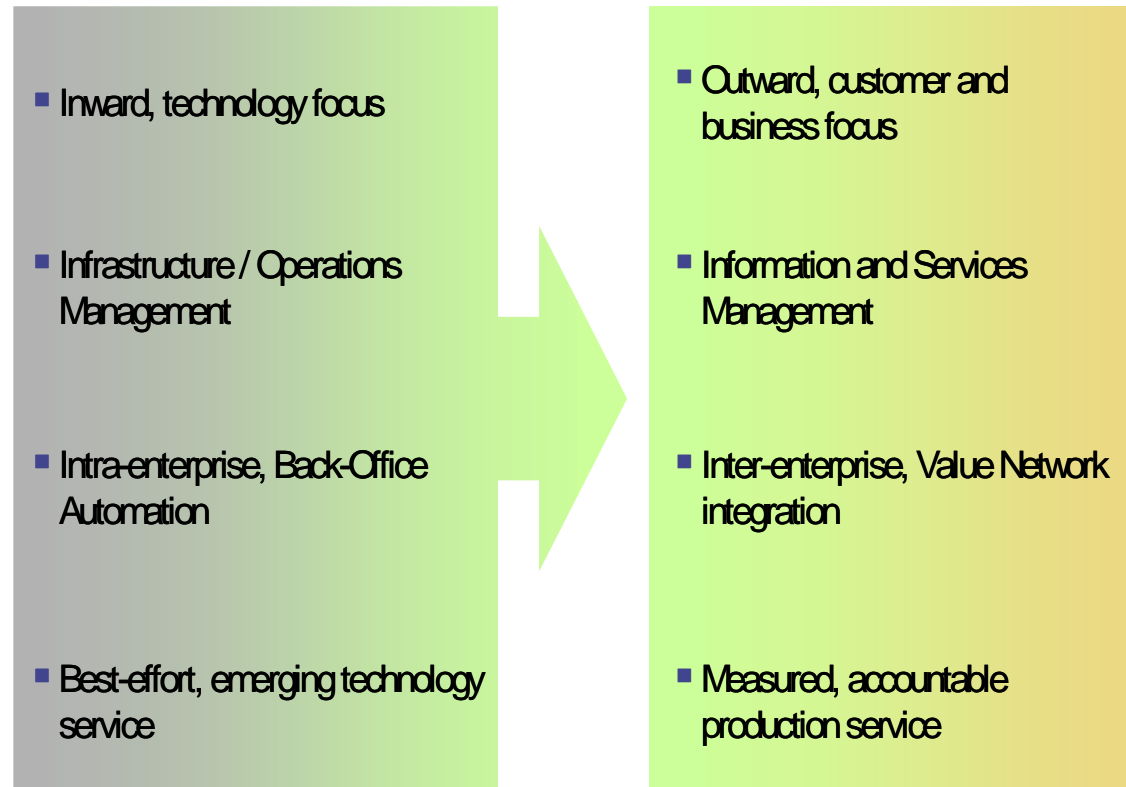
Defines everything that IT does in a holistic way



A Service-based Approach

- **Focus on services that support business objectives**
- **Services are managed according to business value**
- **Maintain the balance between quality and cost**
- **Effectiveness and efficiency**

Transition to IT Service Management



Key Enabler to align IT to the Business

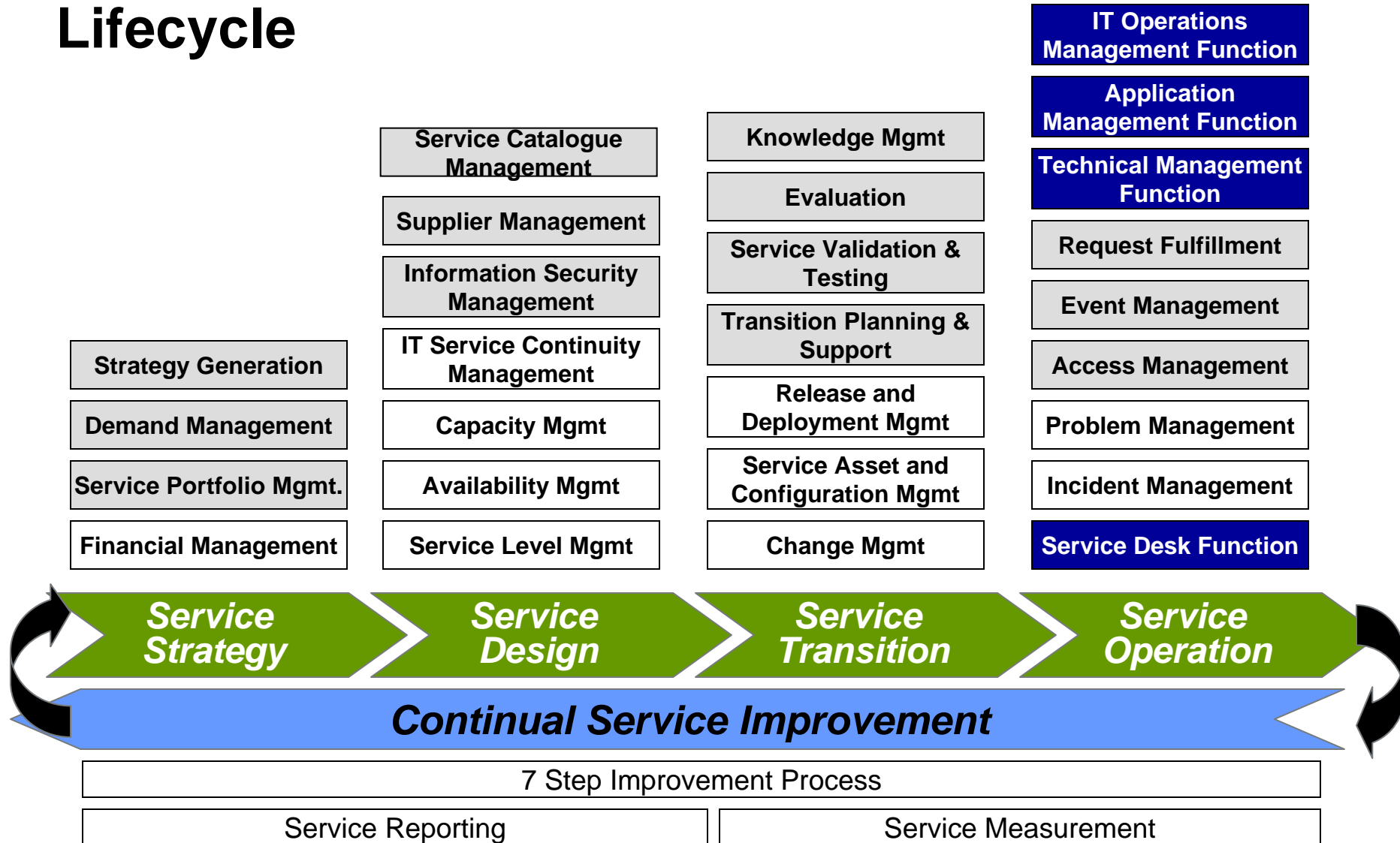
Strategic Benefits

- Provides a documented framework for IT best practices (V3 April 2007)
- The best practices in ITIL can be adopted in an evolutionary manner
- Provides a holistic, connected and integrated approach to IT
- Provides a common language / terminology
- Improves communication and information flow between IT departments
- Provides a model for IT business alignment
- Improves interfaces between IT and its customers and suppliers
- Improves user productivity & morale
- There are hundreds of thousands of IT professionals worldwide who know, and use, ITIL
- Numerous opportunities for sharing and learning; e.g. the ITIL users forum – itSMF
- Affords graduated levels of Certification for individuals.
- The basis for the ISO 20000 Certification for Companies
- Growing number of tools to support implementation
- A growing community of resources, vision and common reference

What ITIL is Not (key to managing expectations)

What ITIL is NOT	What ITIL IS
A proprietary method or formula	A framework of best practices as used in the industry
A set of templates or processes	A set of recommendations for approach and process activities
Easy to adopt / A magic bullet	Involves a long term commitment to cultural change
A project	A state of mind – there is no fixed end
For only certain areas of IS – e.g. just the Help Desk	Requires the participation of the whole IS organization
Something consultants can do for you	Something you have to build / own yourself with help as required
An exclusive answer	Works in concert with your existing organization & other methods
A new organization chart	Roles based rather than organization hierarchy based
An add-on or overlay	An ongoing activity of everyone in the organization

ITIL V3 Processes and Services Lifecycle



Legend:

From ITIL V2

New in ITIL V3

Functions

Benefits to a Project Manager

ITIL and the PMBOK Guide

- Structure will look familiar to PMPs
 - 5 Lifecycle Model books vs. 5 Process Groups & 9 Knowledge Areas
 - ITIL: 23 Processes & 4 functions vs. PMBOK V4 42 processes
 - Common to PMBOK Guide processes and ITIL processes:
 - Inputs
 - Methods and techniques
 - Outputs
 - Each ITIL Process also defines
 - Value to the business
 - Policies, principles and basic concepts
 - Interfaces
 - Triggers
 - Activities
 - Key Performance Indicators
 - Challenges, Critical Success Factors and risks

Stakeholders: How ITIL can help to Identify them

- PMBOK v4 brought more focus on stakeholders as a key to project success
- ITIL can help in identifying stakeholders
 - Each project will typically touch one or more Services and Processes
 - Each Service has a Service Owner
 - Each Process has a Process Owner and many Process Managers
 - Service Level Management identifies the Business primes that have agreed to and expect specific service levels

Stakeholders: Service Catalog Management

- Service Catalog has 2 categories:
 - Business Services Catalog
 - A Business service identifies functionality in business terms
 - Services typically are at a higher-level compared to applications
e.g. Return to Repair, Order to Cash, Idea to Market
 - Technical Services Catalog
 - Underpins Business Services
 - Are not typically visible to the business

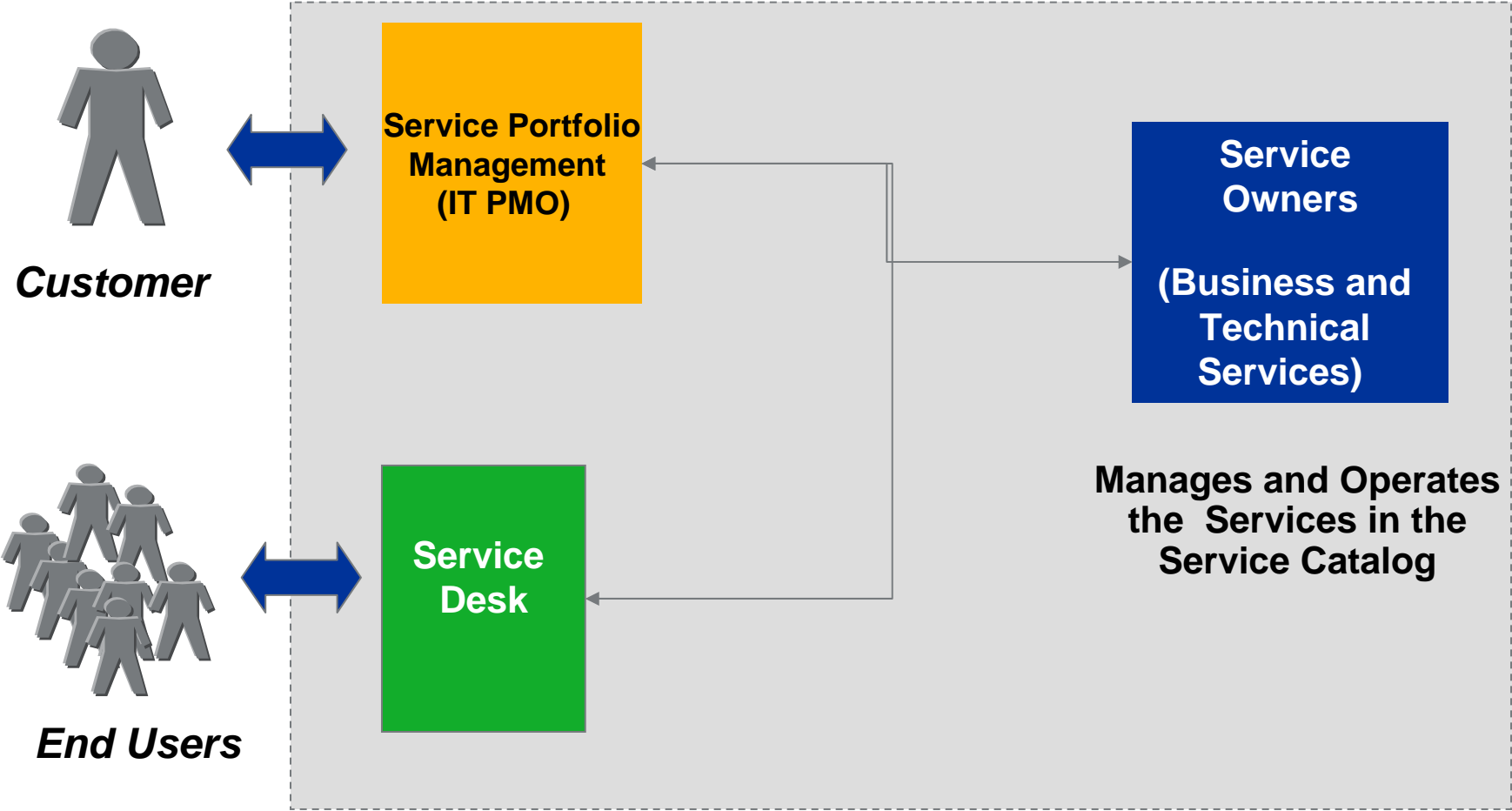
Catalogs includes

- Service Pipeline (future)
- Active Services
- Retired Services

IT PMO as the Voice of IT – IT PMO roles within ITIL

IT PMO can be in a good position to be responsible for

- a) Executing Service Level Management and Service Strategy
- b) Managing the Service Pipeline
- c) *Major changes to business services and applications*



Projects and Service Strategy & Design

- Service Strategy
 - Provides IT specific guidance for project selection and portfolio management
 - Integrates with the Define Project charter process
- Service Design
 - Integrates with Project Planning process group
 - Identifies areas of scope that needs to be considered and assessed for IT projects that introduce and change Services:
 - Suppliers, Security, Service Continuity, Capacity, Availability, Service Levels, Service Catalog

ITIL V3 Processes and Services – Service Strategy



- **Service Strategy:** focused on envisioning and conceptualizing the set of services which help achieve business objectives
 - **Strategy Generation** – creates strategic plans to achieve defined objectives, including long-term planning to achieve an overall vision through analysing and defining the market, the opportunities, the needs, and the desired outcomes
 - **Demand Management** – seeks to understand and influence customer demand for services through analysis of patterns of demand and identification of potential service level packages to support or modify demand, and to provision appropriate capacity
 - **Service Portfolio Management** – considers services in terms of the value they provide to the business, and manages the entire lifecycle of all services in a portfolio based on this value proposition, including those in the pipeline, live services, and those retired
 - **Financial Management** – concerned with three main financial processes of budgeting, IT accounting, and charging strategies, including consumption-based billing for consumed services and selected service levels; supports the identification of the financial value of IT services and the value of the underlying assets in provision of these services, and supports operational forecasting

Key links to Define Charter

ITIL V3 Processes and Services – Service Design



- **Service Design** – focused on design, development and continuity of services, their availability and continuity, achievement of service levels, and conformance to standards and regulations:
 - **Supplier Management** – manages suppliers and their service provision for quality and value
 - **Information Security Management** – aligns IT security with business security, and ensures it is effectively managed in all services and activities
 - **IT Service Continuity Management** – implements cost effective and agreed risk reduction measures to lower the chance of major disasters occurring, or the impact if they do occur; identifies and plans recovery measures according to agreed priorities and timelines
 - **Capacity Management** – integral to IT performance and capacity issues, including from a long-term strategy perspective; researches and ensures timely provision of cost-justifiable IT capacity in all areas, matched to current and future agreed needs
 - **Availability Management** – focuses on design, implementation, measurement, and management of IT infrastructure availability
 - **Service Level Management** - identifies and agrees to business customer service level needs, monitors and reports on performance to these, and instigates actions to eradicate poor service, in order to maintain and improve service quality
 - **Service Catalogue Management** – catalogues IT-provided services with associated service provision information, service levels, prices for services and service levels, and enables self-help; allows if appropriate for the customer to order or change services

Projects and Service Transition

- Service Transition
 - Provides guidance on what is needed for a successful project transition to production/operations
 - Focus on Releases turns changes into projects that adds business value
 - The PMBOK's Organization Assets translates to the ITIL Service Knowledge Management System (SKMS)
 - KM is a critical component of capturing the knowledge of your projects for use by the Service Operations Functions to enable sustained benefits
 - For example, a bug report sometimes turns out to be really design-intent or a feature request depending on the scope of the projects that introduced and/or changed that service.
 - Making that determination at Level 2 or Level 1 is much cheaper with a faster resolution than leaving it to Level 3 to assess

Separating Incidents from Service Requests

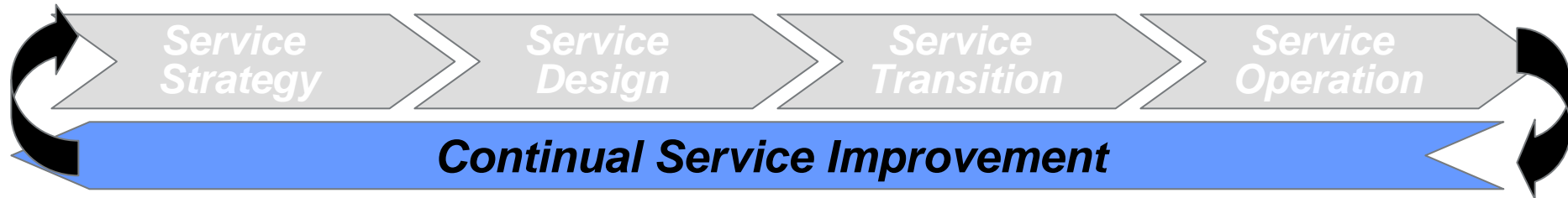
- **Incident (Negative value)**
 - Incident is any event which is not part of the standard operation of a service and which causes or may cause disruption to or a reduction in the quality of services and Customer productivity.
- **Service Request (Positive value)**
 - A Service Request is
 - A) a Request for Information (RFI) or advice
 - B) a Request for Administration Assistance (RFA)
 - C) a Request for Change (RFC) – integrates with Change Management

ITIL V3 Processes and Services – Service Transition



- **Service Transition is focused on moving new or changed services into the live production environment - how requirements of :**
 - **Transition Planning and Support – plans all service transition processes listed below, and coordinates the resources they require**
 - **Knowledge Management – gathers, analyses, stores, and shares information within an org. about services and support (also integral to Service Catalogue)**
 - **Evaluation – assesses new or changed IT services to ensure risks are managed to determine if to proceed with a change, and to compare actual to intended outcomes**
 - **Service Validation and Testing – validates and tests new or changed services, ensuring it matches design specifications, and will meet business needs**
 - **Release and Deployment Management – creates a set of release components (i.e., plan, design, build and test hardware, software, documentation, etc.); plans for release (includes preparation and scheduling of a release to customers and location); deploys to live environment**
 - **Service Asset and Configuration Management – performs full lifecycle management of IT and service assets (acquisition through disposal); maintains information and relationships about configuration items required to deliver an IT service; ensures that changes are controlled**
 - **Change Management – controls the lifecycle process of change to the environment, from requests for change, through assessment and approval, scheduling, implementation, and post-implementation review – enables beneficial changes with minimum disruption**

ITIL V3 Processes and Services Lifecycle – Continuous Improvement



- **Continual Service Improvement is focused on evaluating services and identifying ways to improve their utility and warranty in support of business objectives :**
 - **Combines principles, practices and methods from quality management, Change Management, and capability improvement**
 - **Focuses on both incremental and large-scale improvements in service quality, operational efficiency, and business continuity**
 - **Links improvement efforts and outcomes with service strategy, design, and transition**
 - **Employs a closed-loop feedback system based on the “Plan, Do, Check, Act” (PDCA model)**
 - **Integrates with the PMI Quality knowledge area**
 - **Improvements plans become projects**

Continual Service Improvement

- **Focused on changing data to information, knowledge and wisdom**
 - **Works well with other data focused methodologies such as six sigma**
 - **Starts with an alignment and identification of vision and goals**
 - **7 steps:**
 - Define what you should measure
 - Define what you can measure
 - Gather the data
 - Process the data (into information)
 - Analyze the data (into knowledge)
 - Present and use the information (wisdom)
 - Implement corrective action

ITIL V3 Processes and Services -



- **Service Operation** is focused on managing services on an ongoing basis to ensure their utility and warranty objectives are achieved. It consists of both functions (below) and processes (next chart):
 - **IT Operations Management Function** – service providers which perform the daily activities needed to manage IT services and the supporting IT infrastructure, including operations control and facilities management
 - **Application Management Function** – the function which manages applications through their lifecycle
 - **Technical Management Function** – the function responsible for providing technical skills (and defining roles of support groups, tools, processes and procedures) in support of IT services and management of the IT infrastructure
 - **Service Desk Function** – the single and central point of contact for customers to report difficulties, complaints or questions, to place service requests, and to initiate appropriate other processes (such as Incident Management); handles communications with the user community on the status of their incidents

Legend:

Blue = a new functional group in ITIL V3.0

ITIL V3 Processes and Services -



- **Service Operation** is focused on managing services on an ongoing basis to ensure their utility and warranty objectives are achieved. It consists of both functions (previous chart) and processes (below):
 - **Request Fulfillment** – manages the lifecycle of all Service Requests
 - **Event Management** – manages events (i.e., a change of state significant for the management of a configuration item or IT service) through their lifecycle
 - **Access Management** - grants authorized users the right to use a service, while restricting access to non-authorized users
 - **Problem Management** - seeks the root cause of Incidents; initiates actions to improve or correct the situation; identifies and solves Problems / Known Errors before Incidents occur
 - **Incident Management** – detects and records incidents; classifies and performs initial support; does investigation and diagnosis; performs resolution and recovery; assumes responsibility for incident ownership, monitoring, tracking and communication

Legend: Green = new process in ITIL V3.0

Leading Change – John P. Kotter

- 8 steps for effective change
 - 1) Establishing a sense of urgency
 - 2) Creating the guiding coalition
 - 3) Developing a vision and strategy
 - 4) Communicating the change vision
 - 5) Empowering employees for broad-based action
 - 6) Generating Short-term wins
 - 7) Consolidating Gains and Producing more change
 - 8) Anchoring New approaches in the culture.

Best Service is No Service - How to Liberate Your Customers from Customer Service, Keep Them Happy, and Control Costs

- 7 principles
 - Challenge customer Demand for service Instead of coping with it
 - 1) Eliminate Dumb Contacts
 - 2) Create Engaging Self-service
 - 3) Be proactive
 - 4) Make it really easy to contact your company
 - 5) Own the actions across the company
 - 6) Listen and act
 - 7) Deliver great service experiences
 - a) Companies are stuck with service expectations that have forgotten who the customer is
 - b) Companies are stuck obsessing about Speed, Not Quality, as an overall measure of Service (If so, they have the wrong metrics)
 - c) Companies are stuck thinking that faster is more efficient

Stakeholders: “Process Ownership” vs “Process Execution”

- **Process Ownership***
- **Owns and provides the process design**
 - Develops, documents, implements, and improves process design
 - Ensures process is understood and adopted
 - Manages interfaces with other processes and handles exceptions
- **Serves as the overall champion and advocate for the process**
 - Represents process within the organization and ensures alignment
- **Monitors process performance and the environment, initiating action as appropriate**
 - Sets process performance requirements
 - Accountable for process performance (effectiveness and efficiency)

Process Execution

- Executes select process activities per the design
- Self-directed member of a “process team” with the context and empowerment to make decisions
- Appropriately takes initiative to meet customer needs
- Performs work, solves problems, has ownership of results
- Acts with understanding of the customer, business and process
- Contributes to continuous process improvement

References to learn more

- Official site - <http://www.itsil-officialsite.com/home/home.asp>
- Wikipedia - http://en.wikipedia.org/wiki/Information_Technology_Infrastructure_Library
- ITIL certification paths: <http://www.itsil-officialsite.com/Qualifications/ITILV3QualificationScheme.asp>
 - [ITIL Foundation Level](#)
 - [ITIL Intermediate Level](#)- *Service Lifecycle & Service Capability Streams*
 - [ITIL Expert Level](#)
 - **ITIL Master**
- **ITIL® and IT Service Management** <http://www.itsil.org.uk/index.htm>
- ITIL V3 Glossary of terms - <http://www.best-management-practice.com/officialsite.asp?DI=575004&FO=1230366>

Q&A

- Feel free to send follow up questions:
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