



Starting or Restarting your ITSM Program with an Improvement Focus

Starting or Restarting Your IT Service Management Project with a Business Improvement Focus

Ever witnessed or participated in one of those horse race discussions around ‘which ITIL® process should be implemented first?’. Chances are, there is a current debate going on right now in LinkedIn or Twitter on which process should be first. As interesting and humorous as this is - the approach is wrought with fallacy and assumptions that often result in disastrous outcomes.

Focusing on IT value to the business at the least cost and amount of time, requires a different view of IT service management – one from a business value perspective, or customer oriented approach. Successful IT organizations redirect focus to business transformation and business growth activities versus spending inordinate time, effort, money and precious resources on just ‘run the business’ or ‘run IT’ activities.

There is anecdotal evidence that ITIL® v3 has not quite swept the world as expected. Many customers report still being in mid-implementation with ITIL® v2. Others have been forced to quit after several v2 service support processes have been partially implemented. What’s taking so long and why is this happening?

For one, looking at the different versions of ITIL® like software versions is inappropriate. ITIL® is not software. And versions 2 and 3 are not mutually exclusive, but additive from v2 to v3 with some minor exceptions. In fact, ITIL® v3 formally introduced continual service improvement – something that ITIL® v2 practitioners were tasked to do through other means. Adding continual service improvement was probably one of the best adds to ITIL® v3, but should have focused on improvement first - as a pre-cursor to service improvement.

The other misnomer out there about implementing ITIL® is...you don’t implement ITIL®. Your goal should be focused on improvement from where you are today - to implement process efficiencies for and into your business:

- improvements that measurably add to your top or bottom line, or
- demonstrate compliance, or
- manage and improve quality

Quite often, this results in and requires a process driven, customer service focus. ITIL® and other bodies of knowledge, such as Microsoft’s MOF, Service Management 101’s USMBOK®



and Outside-In Service Management® provide either descriptive frameworks or pragmatic guidance to refer to where needed.

TIL® v2 Process vs. ITIL® v3 Services

Many presentations and whitepapers point out that ITIL® v2 focused on process and ITIL® v3 focused on service, which are not inharmonious concepts. In fact, one argument is that a service is simply the final output of a defined and managed process.

Business processes ultimately deliver products and or services that a customer values and is paying for. In Alexander Samarin's book *Improving Enterprise Business Process Management Systems*, the author states that "all processes are services" and provides evidence to this affect.

The unfortunate fact is that continuous improvement efforts (notice I didn't use the word service) to processes and services is often never achieved in traditional ITSM initiatives. Big bang, internally focused, bottom up ITSM programs have an anecdotally abysmal track record for achieving business success. Quite often, diminished attention, lack of funding, diminished executive buy-in, shortage of time, inflexibility, and so on results in the cancellation or severe reduction of the program – simply because it fails to demonstrate business value.

Many in business look at the institution of ITSM as the latest fad in IT to spend money, like Y2K and Sarbanes Oxley. Other conspiracy theories tout that outsourcing companies have pushed ITIL® onto IT organizations to fail, resulting in sweet big outsourcing opportunities. This author does not subscribe to these theories and does not believe ITIL® is to blame – it's more to do with its application and the missing focus of the implementers on the customer and on the business (ITIL® and the other frameworks haven't eliminated the "customer", that is typically an internal IT omission).

TSM Misconceptions...

Many ITSM practitioners conclude that implementing incident, change or problem management, alone and in silos, with just technology, results in great business benefit.

Worse yet is the belief that they will justify themselves on their own. This may in fact improve 'run the business' internal IT, but does not provide much in the way of business value. In fact, this approach can have negative impacts on the business value view of ITSM within an organization. Worse yet, it is going to be difficult at a later date to instill an improvement culture where a static, operations-only focused ITSM culture has been built. In other words, it is highly likely that you can implement a fantastic change management process



– but your ultimate economic customer will not receive any measureable business benefit. One could argue that change management reduces outages, resulting in positive business impact. While this is true, this is a “run the business” aspect and there never should have been business impacts in the first place – this is IT fixing itself. From a theoretical and academic perspective: success, from a business perspective: failure.

By focusing on the customer and aligning improvements to real and measureable business results, the processes targeted and implemented, and more importantly managed on an ongoing basis, are selected based on what results in a successful customer outcome. And this may end up being Change, Problem, Incident, et al – but I would bet being viewed through a different lens than before.

Many companies are just starting initiatives based on ITIL® v2 or v3, or are in the midst of an ITIL® v2 based service management roll-out. Consider focusing on quantifiable improvements to IT and its participation in the business instead of targeting specific processes (or technologies that provide that process) or defining services in a service catalog. Defining services and executing processes will actually be part of the improvement – but as a means to that end, rather than the end itself.

The degree of perfection in the ITIL® v3 volumes is also constantly debated. One thing is clear from other industries and organizations outside of IT: If you define and document and then continually manage and improve business processes, the resulting value and outcomes are tremendous - regardless of what a book says, where you start, or whether it is perceived good or bad in the industry. If ITIL® were viewed as the starting point and a descriptive reference, many of these debates would go away.

It is not whether or not you are service management focused... It is just a matter of how well you are doing it, and improving it.

I wrote an article in the ITSMf forum last year called [‘Optimizing IT with BPM’](#) (see reference at end of document). In it was highlighted some of the areas where a business process management approach (methodologies and technologies) can be leveraged for IT service management. Continual service improvement and business process management (BPM) methodologies have many things in common, but core to both are key components of the CSI acronym itself: continual and improvement.



Often service and process metrics are difficult to come by and people are measuring the wrong thing. In any organization, processes exist – but to varying degrees of management, adoption, and improvement. They are often undocumented, followed inconsistently, unmeasured or unmanaged (QED... maturity)...but they do exist. The trick is discovery and capture. From here, you begin to understand services and capabilities delivered. Processes and services then can be managed and improved based on KPI's and CSF's discovered and identified or defined. This inexpensive endeavor actually results in real and lasting business value as opposed to internally focused improvements that lead to sub-optimized IT and business processes.

Methodologies such as LEAN and Six Sigma approaches are extended in force and range when combined and automated with BPM. The measurement and process focus of BPM actually can sustain the effectiveness of CPI as improvement is always front and center.

Start with the end in mind...

I am a big fan of change management, in the right context... But success for an IT organization should not be 'we have implemented change management!'. Change management, like many ITIL® operations and transition processes, are 'run the business' processes. From the business perspective, they are "keep lights on" type activities. If the lights stay on, IT is doing their job: it is what IT is supposed to do.

Unfortunately, if all IT does is 'keep the lights on', then IT is seen as a necessary evil - a utility, a cost that needs to be diligently monitored, controlled, and reduced. The perception being; because the people in charge of the function are running a black hole that swallows up any resources that come near, emitting nothing in return¹.

According to the OGC, continual service improvement "provides instrumental guidance in creating and maintaining value for customers through better design, introduction and operation of services. It combines principles, practices and methods from quality management, change management and capability improvement."²

Taking an ITIL® CSI, or complimentary improvement approach, will drive IT and how IT operates in a very different direction since the focus is on customer/partner value. I have

¹ The Real Business of IT, How CIO's Create and Communicate Value, Hunter & Westerman, Harvard Business Press

² ITIL v3 Continual Service Improvement



been studying Ian Clayton's USMBOK® and Outside-In Service Management® which are two excellent sources of customer led, business focused guidance for IT.

Some of the resulting benefits include:

- Measureable outcomes that highlight how IT contributes to the business value network.
- Increased ability of IT to demonstrate how it provides value for money spent on IT.
- Continuous improvement culture implemented resulting in processes that are continually managed and improved on an ongoing basis.
- Improvement focus beyond traditional ITIL® assessment methodologies that target leading indicators ongoing vs. point in time lagging indicators that just reveal current maturity.
- Investments and expenditures are categorized:
 - 'Run the business' (reducing cost, increasing agility at existing or lower budget)
 - 'Grow the business' (adding economic buyers of business product and services, and maintaining current customers)
 - 'Transforming the business' (change how business produces goods and services are created or delivered, or how the business interacts with its customers)
- Improvement initiatives that involve ITIL® or other process guidance, driven by value to the business in business terms, not in IT terms.
- After repeated improvements with demonstrable value both in IT and more importantly in the business, IT quickly becomes a strategic peer of the business as opposed to just a supplier to the business.

Like many things in ITIL®, this all may seem like common sense: probably more so if you have a business and commercial mindset. By focusing on business outcomes over internal improvement, the lens through which the business views the IT organization will be inexorably changed.



Author Biography

John Clark has extensive background in IT Management and IT Service Management, Business Process Management (BPM) and Enterprise Architecture, as an entrepreneur and businessman. John has worked with and within IT organizations of varying sizes, and has been involved with and focused on IT Service Management over the past twenty years. He earned his ITIL® Service Manager Certificate in 2004 and ITIL® v3 Foundations Certificate in 2008. He has published articles in various industry journals and has presented at various industry tradeshow on: ITIL®/ITSM, Enterprise Architecture, Business Process Management and Design, and BPM.

Currently he is Managing Director of ICCM Solutions US operations, providing a unique and different Business Process Management (BPM) based approach to IT Service Management. He is also serving as President-Elect of the Ohio Valley itsMF USA Local Interest Group. Prior to joining ICCM, John was responsible for leading and contributing to many successful customer projects, developing and leveraging intellectual property (IP) for reuse in customer engagements. This also involved supporting business acquisition activities for both Five9 Technologies and Hewlett-Packard Consulting and Integration. He has held various IT Director and Technology Management positions with past employers.

If you would like to know more about how BPM technology and methodologies enable a more business and customer driven approach to service management, download the "Optimizing IT with BPM" whitepaper by [clicking here](#).