

ITSPM

IT Service Process Management Framework

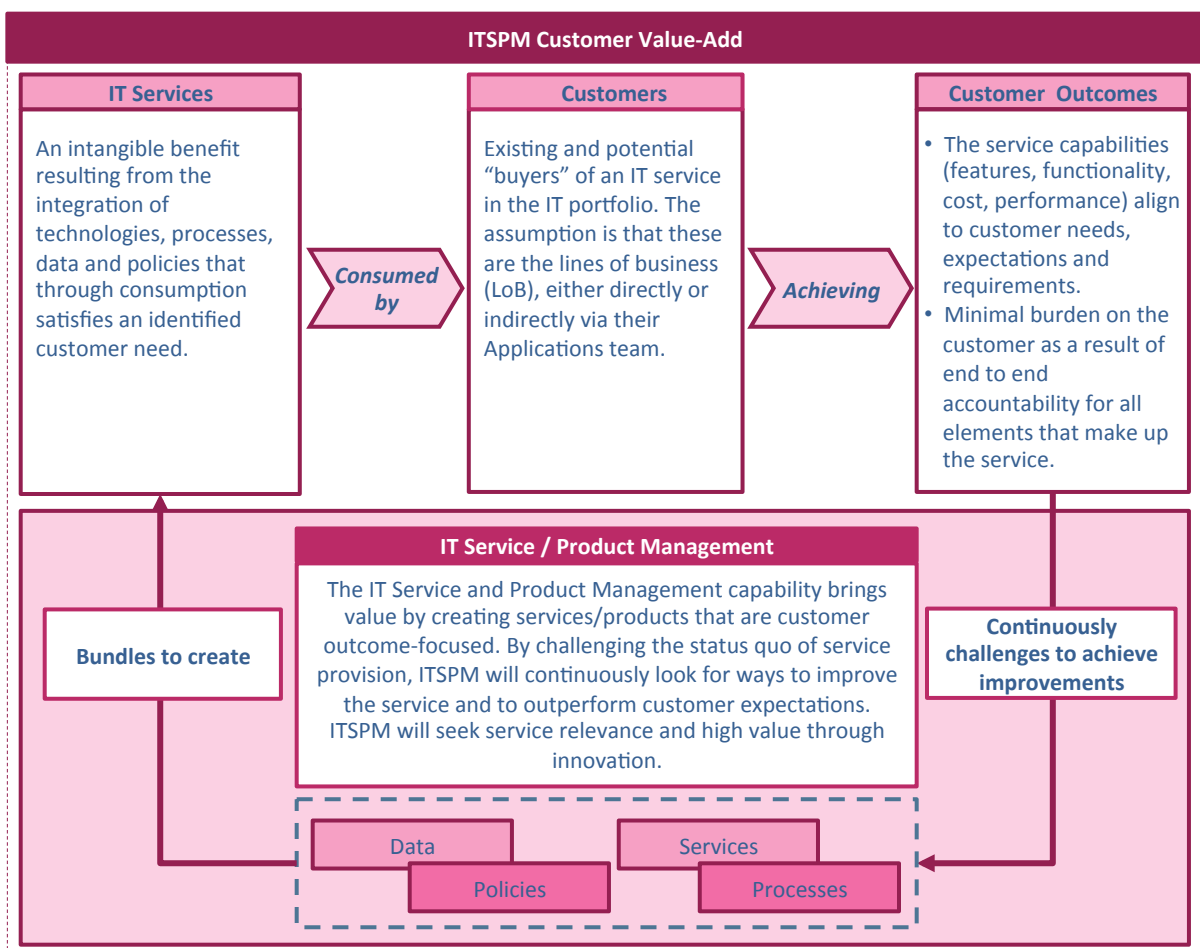
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IT Service Product management is a cross-functional discipline for managing an IT service throughout all phases of its lifecycle. These phases consist of strategy & planning, design, transition, operate, improve and retirement. Service Product Management requires a comprehensive understanding of the key organizational, business, customer and market aspects. To govern and manage IT service through their lifecycles, ITSPM uses a series of toll-gates. A proper implementation of a framework as described in this whitepaper including the corresponding roles, processes and boards is crucial to evolve your ITD to as a business model.

Introduction

In order to achieve service orientation and centrality, the IT Service and Product Management (ITSPM) capability has been identified by experience as one of the areas with an immediate need for its target state to be defined and implemented.

The ITSPM process framework contains a complete set of processes that together deliver the ITSPM capability end to end across the Service Lifecycle. It includes supporting elements such as performance metrics, governance, tooling requirements and accountabilities and responsibilities as well as a view of the interactions with the line of businesses required to enable ITSPM to deliver its end to end customer outcomes.



ITSPM Value

Service orientation will achieve a number of key strategic goals:

- From an internal perspective, service orientation will improve service and cost transparency and enable collaborative, entrepreneurial decision taking within IT.
- From a customer perspective, service orientation will increase value add and customer satisfaction of the services being consumed from IT.

How ITSPM delivers value

The purpose of the ITSPM capability is to run IT Services like a business, ensuring that services offered deliver the expected customer outcomes. ITSPM manages service outcomes, not the people delivering services.

From a customer's perspective, this translates into:

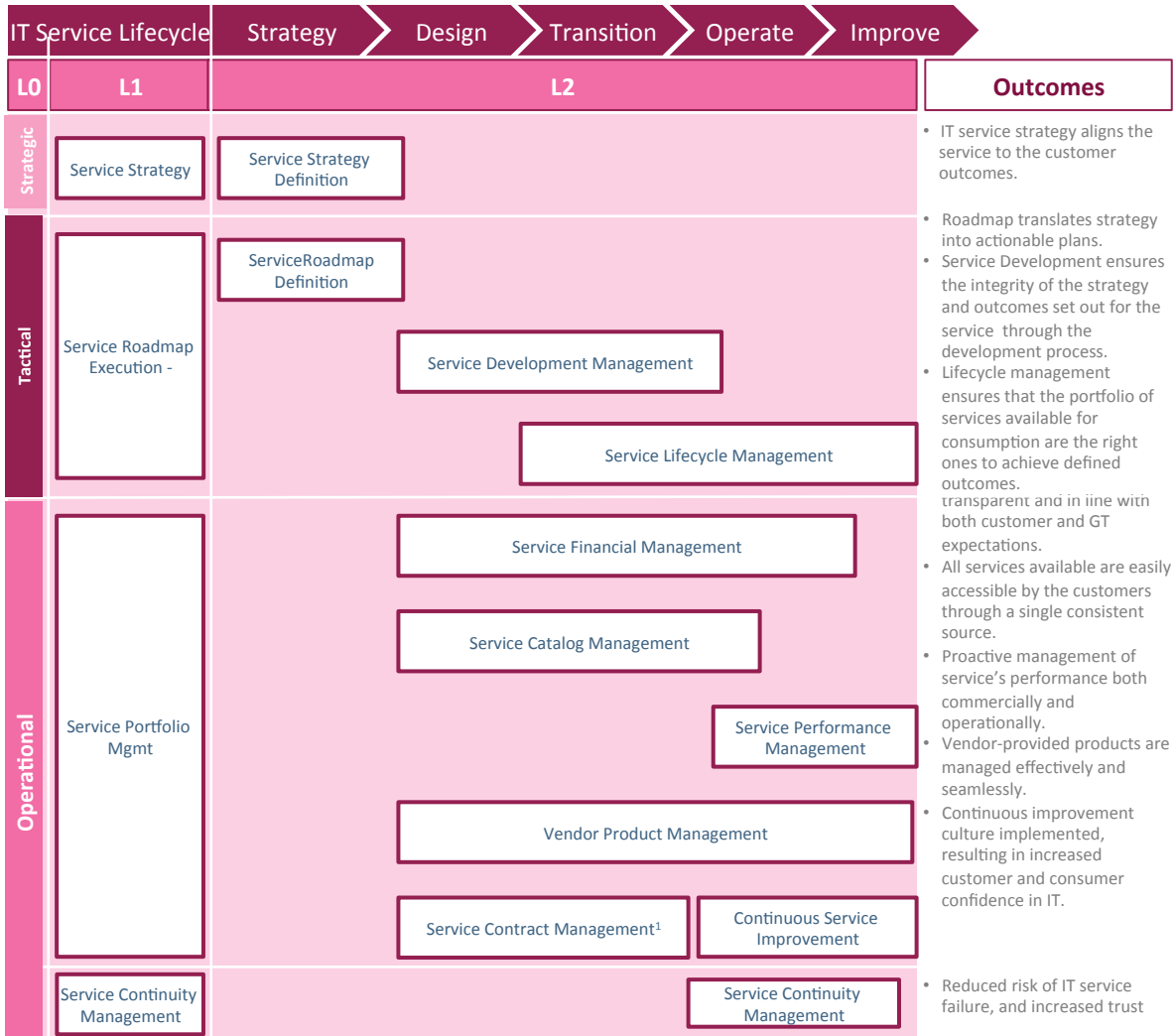
- The portfolio of IT services available provides the complete set of capabilities required by the business.
- The IT services are easy to find, understand and consume.
- The quality and price of the services is as agreed and represents value for money.

In addition to the processes, ITSPM relies on a series of service development tollgates to control the service moving through its lifecycle stages.

For a successful outcome, a set of enablers need to be in place with ITSPM:

Governance	Metrics	Tooling
A well-defined governance framework is required to oversee and provide support to the ITSPM capability. A set of key governance forums has been identified for ITSPM as part of this project.	A selection of performance metrics have been chosen to capture the degree to which the processes are embedded and /or the achievement of outcomes by these processes.	Tooling is required in order to execute the defined ITSPM processes in an effective manner. Key sets of tooling requirements have been identified for each process as part of this project.

The ITSPM process overview



Key roles within ITSPM

The IT Service Manager and IT Service/Product Manager are the key roles responsible for end-to-end management of IT services.

IT Service Portfolio Manager	IT Service Product Manager
The Service Portfolio Manager takes ownership and responsibility for a service portfolio, including its design, objectives and progression, delivery and service level management for customers.	The Service / Product Manager takes ownership and responsibility for one or more services or service components including design, objectives and progression, delivery and service level management for customers.

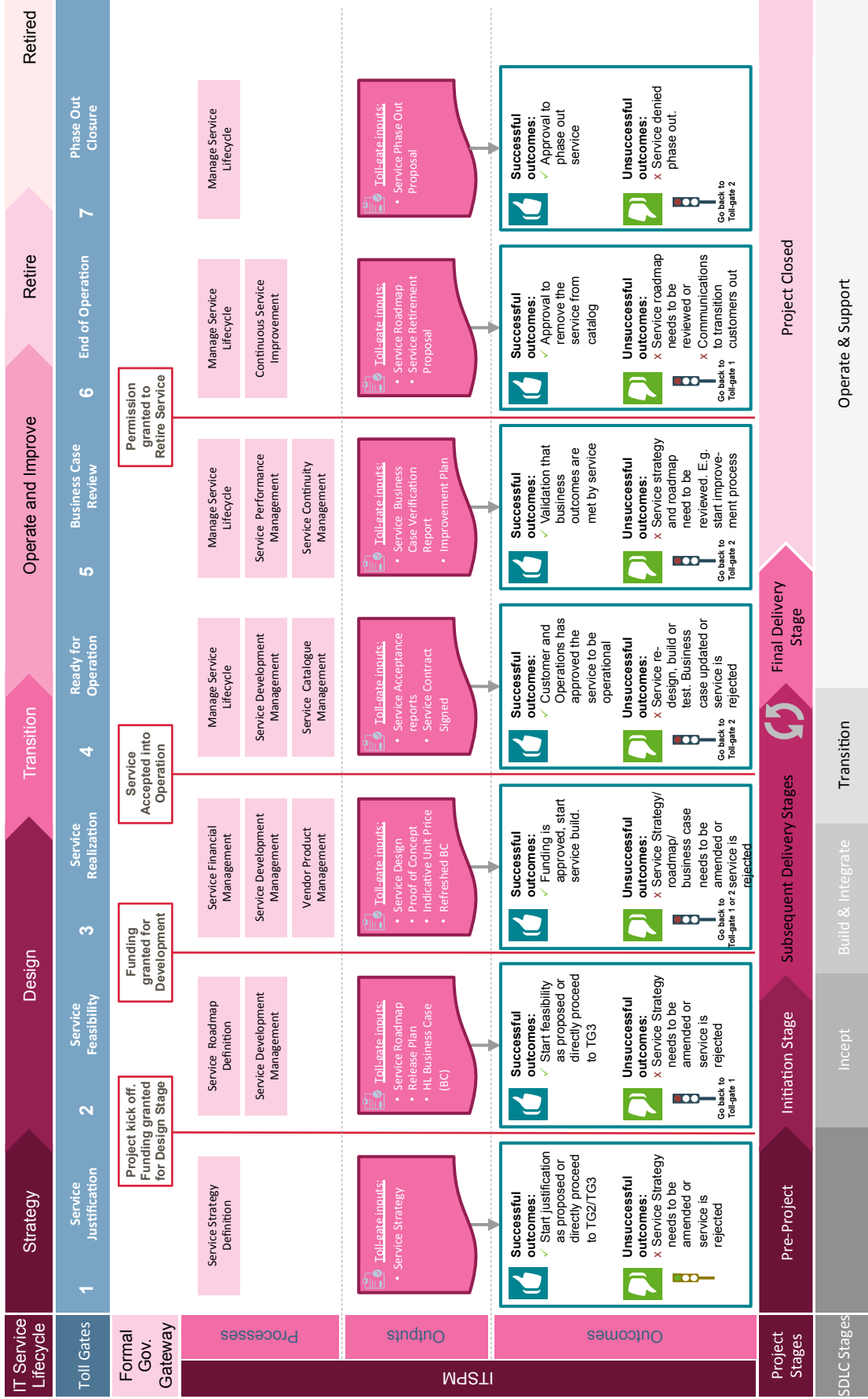
ITSPM process definitions

L2 Process	Definition	Description
Service Strategy Definition	The process of agreeing, documenting and updating the strategy for individual services and for the overall portfolio in line with the Business, GT and its divisional strategies.	<p>The service strategy document addresses the question of “Why this service” and provides an early indication of “when the service will be available” by aligning the service to the business needs so that the service’s contribution to the business objectives is understood.</p> <p>The service strategy elevates the role of IT services from the domain of operational management to the domain of strategic business outcomes.</p>
Service Roadmap Definition	The process of documenting the service’s capabilities to be delivered against a delivery strategy, timeline and cost.	Roadmaps provide stakeholders with a lifecycle view of the service, which brings context to decisions around investment, costing and consumption.
Service Development Management	The process of overseeing and managing the design, build, test and transition of a service into operations from a service perspective.	<p>Having service focused input into the project ensures that the integrity of the service strategy. The outcomes set out within it are achieved by the project/s that will bring the service to live. This in turn enables the achievement of customer outcomes.</p> <p>Note: this definition applies to Services. For Products, refer to the Software Development Lifecycle (out of scope).</p>
Service Lifecycle Management	The process of proactively managing a service’s lifecycle stages, influencing consumption of services.	Proactively managing a service throughout its lifecycle is critical to ensure the service fits the customers’ needs and that customers are timely and successfully transitioned to the services that deliver the best outcomes for the customer (such as better performance or reduced cost).
Service Financial Management	The process of managing the service’s total cost of ownership (TCO), charging model and recoverability position.	Effective service financial management brings the cost conversation to the aggregate service level, which is what the customer understands. This enables decisions on IT investment and cost to be had in terms of consumption and cost vs quality trade-offs. Transparent costing enables the IT organization to benchmark against industry to seek improvements in value for the business.

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Service Catalog Management	The process of managing a customer-centric single source of consistent information on all of the live services (operational and being prepared for release into operations), providing information such as costs and interdependencies across services.	The service catalog provides the business-facing view of the portfolio of IT services that IT provides, including their cost and value to stakeholders, in order to set the expectations for the service quality that is to be delivered by IT. This way, the service catalog is the place where the required/enabling technologies and services are mapped together to provide "complete IT services."
Service Performance Management	The process of reviewing all aspects of the performance of a service (include financials and service levels) against the strategy outcomes as well as the industry on a regular basis to identify opportunities for improvement.	This allows ITSPM to identify when improvements or changes to a service need to be made in order to ensure that they meet the customers' needs. Without this a service may become out of date or irrelevant to the needs of the business, resulting in the IT service offerings not being fit for purpose and decreasing the business' trust in IT.
Vendor Product Management	The process responsible for overseeing and influencing the identification and selection of a vendor product that is part of a service and managing the performance of the vendor from a service perspective.	Ensuring that the selection of a particular vendor-offered product fully reflects the service requirements defined by the service strategy is key to increase the chances of the service delivering the value-add promised to customers.
Continuous Service Improvement	The process describing the end to end improvement cycle from setting strategically aligned improvement objectives to implementing and tracking improvement initiatives for each service and for the portfolio of services as a whole.	A methodical process to implement continuous service improvement will result in increased customer satisfaction and the perceived value of IT by the business. IT's use of innovation to continually improve the service will ensure that the business continues to consume a service that is relevant to their needs and in the context of the industry environment.
Service Continuity Management	The process of supporting the Business Continuity Management process by ensuring that the required IT services can be resumed, reducing the risk from disaster events to an acceptable level and planning for the recovery of IT services.	Continuity of operations is vital to maintain business confidence in IT. By addressing BCM from a service perspective across the entire service supply chain (with sufficient planning, co-ordination and testing) any potential negative impacts to the customer are minimized.

Using ITSPM Tollgates to Govern the Service Lifecycle



ITSPM toll-gates description

Service Lifecycle Phases							
		Strategy	Design	Transition	Operate	Improve	Retire
Lifecycle Toll-gates	Purpose of the toll-gate	Toll-gate inputs	Success Outcomes	Failure Outcomes			
Toll-gate 1 Service Justification	After an idea/need for a service is identified, this toll-gate ensures that investment in designing and developing this service is justifiable.	<ul style="list-style-type: none"> Service Strategy 	Start justification as proposed or directly proceed to TG2/TG3.	Service Strategy needs to be amended or Service is rejected.			
Toll-gate 2 Service Feasibility (optional)	A new service or service change might be identified as complex or risky. In this case, this toll-gate presents an additional requirement for further detail to be provided about cost, risk and technical feasibility prior to service design.	<ul style="list-style-type: none"> Service Roadmap* Service Release Plan (at least for the first release)* High Level Service Business Case* <p>* if this toll-gate is not required these artifacts are required for the next gate</p>	Start feasibility as proposed or directly proceed to TG3.	Service Strategy needs to be amended or Service is rejected.			
Toll-gate 3 Service Realization	This toll-gate ensures that the service design has been done thoroughly and that it validates initial cost estimates or business case. Otherwise, a refreshed strategy / roadmap / business case will be required to achieve sign off at the gate.	<ul style="list-style-type: none"> Service Design (Service Definition) & Preliminary Acceptance Criteria Proof of Concept Result Report & Recommendation Indicative Unit Price Detailed Service Business Case 	Funding is approved, start service build.	Service Strategy/service roadmap/business case needs to be amended or Service is rejected.			
Toll-gate 4 Ready for Operation	This toll-gate enables ITSPM to ensure that the integrity of the solution and service business case has been maintained throughout build and test. This minimizes the risks of the service not achieving its outcomes when live.	<ul style="list-style-type: none"> Service Acceptance Criteria* Service Contract signed <p>*this must include customer experience testing</p>	Customer has approved the service to be operational.	Service re-design, build or test. Business case update or Service is rejected.			
Toll-gate 5 Service Business Case Review	Once the service is operational and being consumed, the Service Line Manager must, at an agreed frequency, review and present the service business case to this toll-gate to validate that the service is still achieving the outcomes.	<ul style="list-style-type: none"> Service Business Case Verification Report Service & Service Delivery improvement plans 	Validation that business outcomes are met by service.	Service strategy and roadmap need to be reviewed. E.g. start improvement process.			
Toll-gate 6 End of Operation	Customers will be transitioned out of the service as it gets nearer its 'discontinue' status. This toll-gate provides the final sign-off to enable the ITSLM to discontinue the service from being offered.	<ul style="list-style-type: none"> Service Roadmap Service Retirement Proposal* <p>* It might require operational and consumption reports to validate that service is ready for retirement.</p>	Approval to remove the service from catalog.	Service roadmap needs to be reviewed or Communications to transition customers out.			
Toll-gate 7 Phase Out Closure	After the service has been removed from operation, this final gateway provides final approval to phase out of the service.	<ul style="list-style-type: none"> Service Phase Out Proposal 	Approval to phase out service.	Service denied phase out.			