

Article Paper

How to Deliver IT Transformation via Best Practice Service Management



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Introduction

Recent years have seen an increased emphasis on the relationship between the Business and IT to a point where the relationship between the two has never been more important than it is today. Alongside this, never has the need to deliver stable, efficient and effective service solutions been greater, together with a requirement to have the ability to respond to rapidly changing demands.

This paper discusses how best practice service management can be used not only as a way of redefining the relationship between the Business and IT, but also as a mechanism whereby an IT organisation (ITO) can begin to transform their IT service delivery capability in order to better serve their customers' needs.

Implementing a service management framework can help to provide an ITO with effective IT governance, as well as provide a foundation that supports the provision and continual improvement of quality services that meet business objectives. It will also help to deliver overall value through:

- Providing better risk control, financial stewardship and managed relationships
- Harnessing the intellect, skills, technology and proven methods that already exist within the ITO
- Constantly seeking new and innovative solutions.

Following a transformation programme (as outlined in this paper) will facilitate an ITO in driving through operational efficiencies, enabling skilled IT resources to focus on the delivery of strategic programmes that support the needs of the Business.

Putting the Business/Customer first

It has been interesting to see over the past 20 years or so the willingness of organisations to learn about the experiences of others, and for these organisations to also share their own experiences as the adoption of 'best practice' has widened across all business sectors and its reach has pervaded across the globe. Fox IT¹ has assisted many of these organisations adopt and adapt best practices as they have embarked on journeys to implement a service management framework, or to improve and enhance their existing structure of policies, processes and working practices.

However, in more recent years just implementing service management hasn't been enough. Following a best practice methodology such as ITIL² as a means to an end has been found, unsurprisingly, not to be enough. Improving IT service delivery just because we can, because it's the latest 'fad', or indeed because we are told to (!), is no longer the key driver. There is now widespread recognition that the Business and the customer need to be first and foremost in our thoughts from the perspective of the ITO, and that this in fact should be the prime factor in the journey we need to make to transform the way an ITO delivers their services.

Transform is the key word here – it's not about making incremental changes to processes, to tools or even to people; it's utilising all of these to produce a step-change in an ITO's service delivery capability and operation. It's about using these as a foundation to transform the way an ITO operates.

Delivering what the Customer wants

As the ability to operate in a global marketplace becomes ever easier in a digitalised world, even small organisations that would have primarily focused on their home markets in years gone by are beginning to spread their wings into territories they would never have previously thought about. So with competition for business coming from all angles, and the ever-growing trend for outsourcing, the need of ITOs to deliver exactly what the customer needs – not what

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² ITIL ® is a registered trademark of AXELOS Limited

the ITO thinks they need – is becoming their prime focus, and one of the ways of delivering this is via best practice service management.

As mentioned in the introduction, ITOs must meet the demands of the Business and their customers, but at the same time they must also have the ability to deliver rapid change in a fast-moving, ever-evolving world. So each ITO needs a strategy for dealing with these demands and requests; and that strategy will need the foundations of processes, policies, procedures, and of course let's not forget the people that will need to deliver new services (or revisions to existing services) in an efficient and effective manner – whilst all of the time ensuring that what is delivered is what the Business actually asked for in the first place!

This latter point is another key aspect – what we have to do is to bring the Business and the ITO closer together; to ensure that there is regular dialogue and communication, and also to ensure that both parties are speaking the same language. Also consider this: wouldn't it be great if the ITO could become more proactive rather than reactive? For example, wouldn't the Business be impressed if the ITO came to them with new ideas and suggestions, and maybe even for the ITO to know what the customer wants before even they do!

As discussed further in this paper, transformation by utilising best practice service management is one way to begin to deliver this step-change in the way an ITO operates and in the way an ITO thinks about its relationship with the Business and customer.

Transformation – process

So it's alright talking a good game, but how does an ITO go about this transformation? The introduction mentioned about intellect, skills and technology, and best practice service management begins to address these factors through people, process and tools as well as our third party partners. Let's start with process...

Effective transformation must always begin with a strategy, so an early (but very important) activity will be to develop a strategy for the ITO that underpins the future strategy of the Business. Developing a process to support the development and on-going maintenance of this strategy will help to formalise the dialogue with the Business and will also help to build an environment where the ITO is continually aligned with business requirements.

But that's only the start; whilst the strategy is at the fulcrum of our best practice operation, it's only a small cog in a much larger wheel. There are a multitude of processes that an ITO should be focusing effort on, such as processes that cater for:

- Understanding business requirements
- Managing the relationship between the Business and the ITO
- Managing partners and suppliers
- Implementing service changes in a safe and secure way
- Dealing with customer-related issues.

An important facet here though, and something that Fox IT often sees in ITOs both large and small, is the disjointed way in which processes are operated. Transformation includes not only implementing these processes, but also ensuring that all of the processes operate in a coordinated, integrated and seamless manner.

Two recent clients that Fox IT have been engaged with on their transformation projects have been global organisations operating in multiple regional territories. Before embarking on their transformation journeys Fox IT performed objective assessments of their current practices and in both cases it was identified that each region was operating their own processes in their own way – there was no sharing of internal 'best practice' within the organisation.

For example, most global organisations will typically have infrastructure and applications that are used in more than one region. Within these organisations it is not uncommon to find that there are local Problem Management functions investigating root causes on the same pieces of equipment as other local functions, but with no sharing of knowledge on their investigations and the subsequent results that are derived.

So one of the key improvements that Fox IT has delivered to both of these clients is people working to a single globally-aligned process irrespective of where in the world they work. Yes, low-level work instructions may differ on a regional basis, but they are all operating in a consistent manner (especially important for global services) and are subsequently delivering business benefits such as:

- Improved quality due to established baseline and improvement planning
- Better cost management, ownership and accountability
- Unified requirements for ITSM toolset requirements and/or enhancements
- Global consistency in terminology and use of language.

People

Having discussed a little bit about process, this leads me nicely onto the enablers for these processes. We'll come onto technology shortly, but first I want to talk about what is typically one of the most valuable assets within an ITO – people.

We can't operate IT and deliver services without people. Yes, in a digitalised and automated world we may not need as many people as we used to – but we still need people! And whilst they may be one of the largest costs in service delivery, for the majority of ITOs they are the 'face of IT', such as providing the interface with the customer (in the form of the Service Desk or Help Desk).

The prime factor here is not about maximising what you can get out of them, but upskilling them so that staff are more customer-focused. It's about mentoring them, about coaching them, about teaching them the right way to do things (and there's that best practice theme again!). We need to make sure that they understand the objectives of the Business as well as those of IT, and also that they improve their soft skills (communication, listening, showing empathy, etc.), whilst at the same time ensuring that they have a level of job satisfaction.

Transformation can also be as much about transforming the culture within an ITO as it is transforming the processes and tools. Cultural change can include engendering a more innovative nature within the ITO, and having agility in delivering change to the Business. It's also about recognising the importance of your staff in delivering services, and importantly your staff also recognising their own importance in the delivery of services and is something vital that needs to form part of any cultural transformation.

A good example of this is that Fox IT often talk to clients about ensuring that their staff remember why they come into work each day – it's not just to look after a piece of IT kit, a bunch of servers, or some routers and firewalls; it's to deliver a service to a customer. IT staff need to remember that if they don't have any customers then they won't have a job; they need to buy into the 'customer must always come first' mantra! And this once again brings us back to redefining the relationship between the Business and the ITO.

Bringing culture to the fore as part of any transformation programme requires the engagement of senior management – and this was an important factor in the client examples provided in the Process section of this paper. Having the top-levels of management engaged all the way through the project was key to 'selling' to all staff the commitment required from them and of the subsequent benefits to be realised (for all). Their involvement, especially taking an active interest in the activities being performed, and a willingness to get involved in any 'debates' on process decisions, was a key factor in showing to the whole of IT the importance of the transformation programme – and that it wasn't just a passing 'fad'.

Technology/Tools

After process and people, the other significant item to discuss is technology. More and more transformation projects that Fox IT are engaged in involve the ITO seeing the project as an ideal opportunity to review their use of existing toolsets. Specifically in this space would be service management toolsets, such as the likes of Remedy, ServiceNow and Cherwell as well as in-house developed solutions, and whether or not there could be opportunities for the

consolidation and/or simplification of existing toolsets, or indeed a business case for moving to a new toolset altogether.

Often clients have a concoction of toolsets (particularly larger, global corporates) which are failing to maximise any synergies on offer. Wouldn't it be great if all incidents, problems, changes, releases, requests, etc. were recorded in the same system? Wouldn't it be great if the same system could also be used for collating and disseminating knowledge across all of the ITO? Indeed, why not give some of that knowledge to the Business, so that they can help themselves?

The sharing of knowledge is just another example of one of the ways in which the relationship between the Business and the ITO can be enhanced. The Business gaining more confidence in the ITO is going to begin to change the whole dynamics of how the two parties communicate with one another, and perceive one another.

Partners

Along with process, people and technology, there is a fourth element that is often talked about and that is 'partners'. More and more organisations are seeking partners in their delivery of services, such as shared services agreements, multi-sourcing deals, SIAM, etc.

This can bring a whole new dimension to an ITO's service delivery as often this partner is somewhat 'divorced' from the end customer; the empathy isn't necessarily there and needs to be developed over time. But often time isn't on yours, or their side – particularly if a customer can go elsewhere for their service. So ITOs need to recognise that third parties can have a big impact and, where appropriate, consideration of these factors should be included in any transformation thoughts and strategy.

Existing relationships with suppliers need to be developed and enhanced, so that they become partnerships – key suppliers need to 'buy-in' to how they underpin the overall business strategy. Rather than everyone seemingly just trying to get the best bargain from a deal, ITOs need to make sure that suppliers have a vested interest in delivering an excellent service and how that underpins the service to a customer – turning a supplier-relationship into a partnership should be a 'win-win' for all concerned.

Partners begin to see the services that they deliver to the ITO as not just a contractual obligation, but a way that they can help develop a long-term relationship with the ITO by showing their capability and commitment to delivering service excellence and value that underpins the ITO's strategy.

Alignment of partners and suppliers within this strategy is essential as they can have a significant impact on an ITO's service delivery; hence it is vitally important that (where appropriate) they are included in the transformation strategy.

So where should an ITO start?

So to re-cap: first of all there needs to be a strategy. Sit down with the Business and discuss what their future vision is, and understand what their objectives are. Then think about the reasons for instigating an IT transformation project and how it would support the Business needs, and identify what the deliverables would be. Also, think about the future vision and where the ITO should be in 1, 3 or even 5 years' time. Don't forget though – any ITO strategy needs to underpin the Business strategy.

The next logical step is to review the current operation of the ITO. Perform an assessment of the current service management capability, taking an objective look in order to identify not only the positive aspects, but importantly the areas of weakness that will need focus.

The output from this review then needs to be used to develop a transformation roadmap based on the strategy and objectives, whilst mapped against a suitable timeframe. This allows key milestones to be set along with interim markers with realistic goals, thus driving transformation momentum and the continued 'buy-in' of stakeholders.

Once the roadmap has been agreed and signed-off by senior management it can be utilised to produce a detailed project plan that will enable all of the activities and tasks to be effectively managed. With this in place it's then all systems go!

And finally...Summary

A transformation project by its very nature will likely take some time, but this shouldn't put off an ITO from taking these steps as the benefits for both the Business and the ITO will be worth it.

Implementing fully-integrated best practice service management, or improving and enhancing what is already in place, will set the necessary foundations for coping in a more digitalised and ever-evolving world, and for becoming the Business's trusted IT advisor.

Closer alignment and better communication with the Business will lead to a much improved working relationship, and this will in turn begin to lead to an enhancement in the quality of services being delivered. And the cultural transformation within the ITO should also begin to transform the way that IT staff look at the Business and their Customers, ensuring that everyone is pulling in the right direction and for the same end goals.



The diagram above shows the major steps that are found on any transformation journey. Please contact me or one of my colleagues if you would like further information or to discuss any of the points mentioned in more detail.

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About Fox IT

Fox IT® has been a leading Information Technology Service Management (ITSM) and governance business for over 30 years. We provide a range of practical and effective consultancy solutions designed to create agile, proactive, responsive IT organisations providing excellent IT services in alignment with our clients' goals to support and drive continuous business innovation. We achieve this by empowering your people with best practice training, developing and implementing the right operational processes and using properly configured and integrated tools to enable IT Services transformation.

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