

How to Define IT Services: The Cornerstone of ITSM



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BSM, ITSM, Service Portfolio Management, Service Level Management, Service Catalog -- All require services defined as entities yet none say how to define services

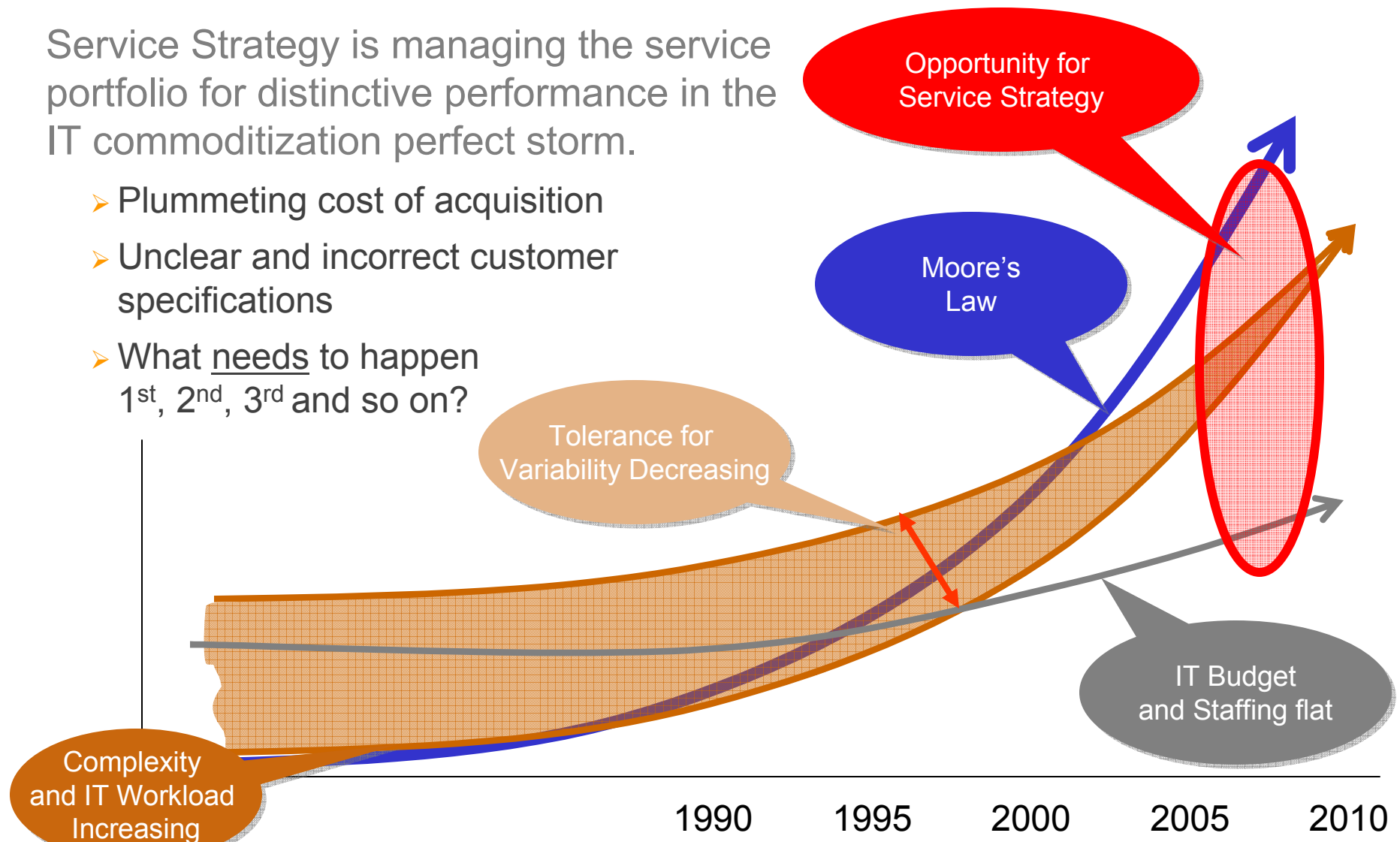
- **Services are the basis of Service Strategy**
 - Design, Operation, Transition and Improvement
 - Expands the utility of CMDB, Change and Release
 - Enhances business IT alignment
 - Balances resources allocations

Service Strategy is Service Portfolio Management



Service Strategy is managing the service portfolio for distinctive performance in the IT commoditization perfect storm.

- Plummeting cost of acquisition
- Unclear and incorrect customer specifications
- What needs to happen 1st, 2nd, 3rd and so on?



Simplified Guide to Service Strategy: Targeted Improvements



Many Try to Start with Process, But ITIL Says Don't Start with Process!

- ITIL Says
 - Define Services
 - Value Services
 - Measure Services
 - Choose Service improvement projects
 - Then, Once You Have a Project Identified Use ITIL, Buy Software, (Re)Allocate Resources etc.

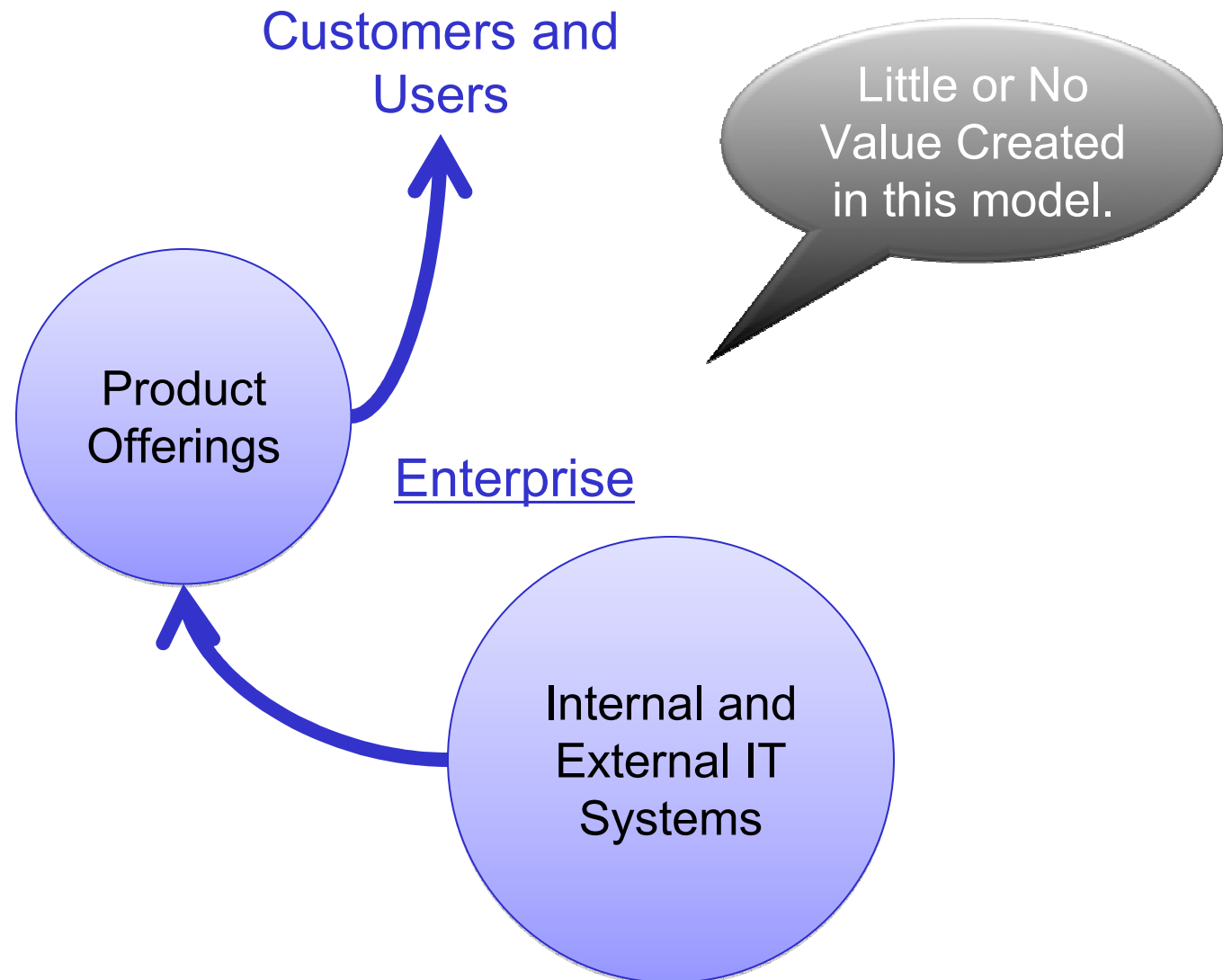
Once Again, ITIL Isn't Enough



So, where do we start? ITIL states that to succeed you must integrate complimentary guidance.

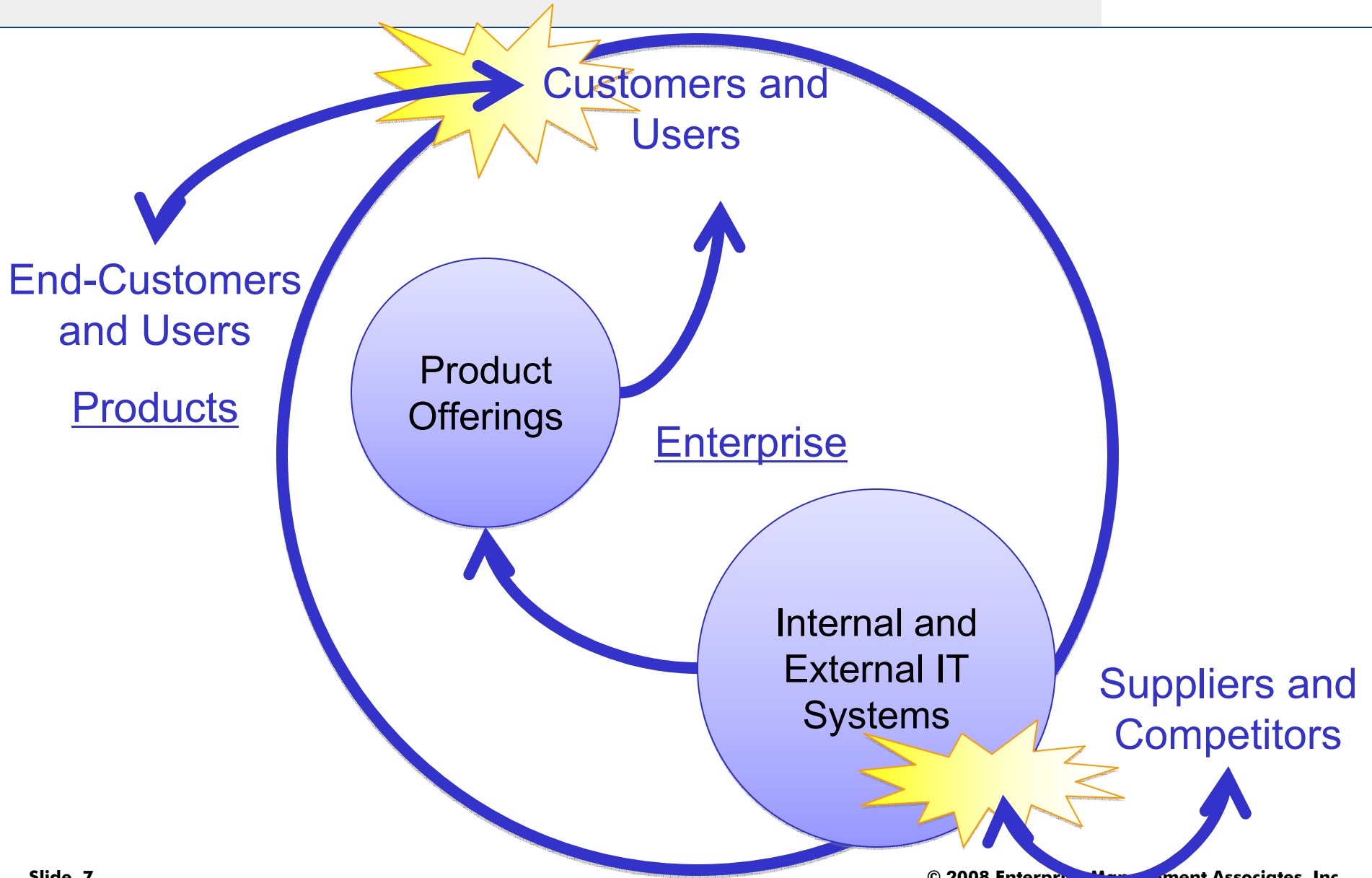
- **Pragmatic and situational selection**
 - CMMI-SVC, COBIT, PMBOK, M_o_R, eSCM-SP, eTOM, Six Sigma, ISO20000 and more
- **TMF NGOSS SID & eTOM is the key**
 - SID + ITIL = IT Service Definitions

The Classic (and Wrong) Model for IT Service Definition



True Value Only Visible at Enterprise Boundaries

(Type I & II I.T. Providers)



Identifying Roles



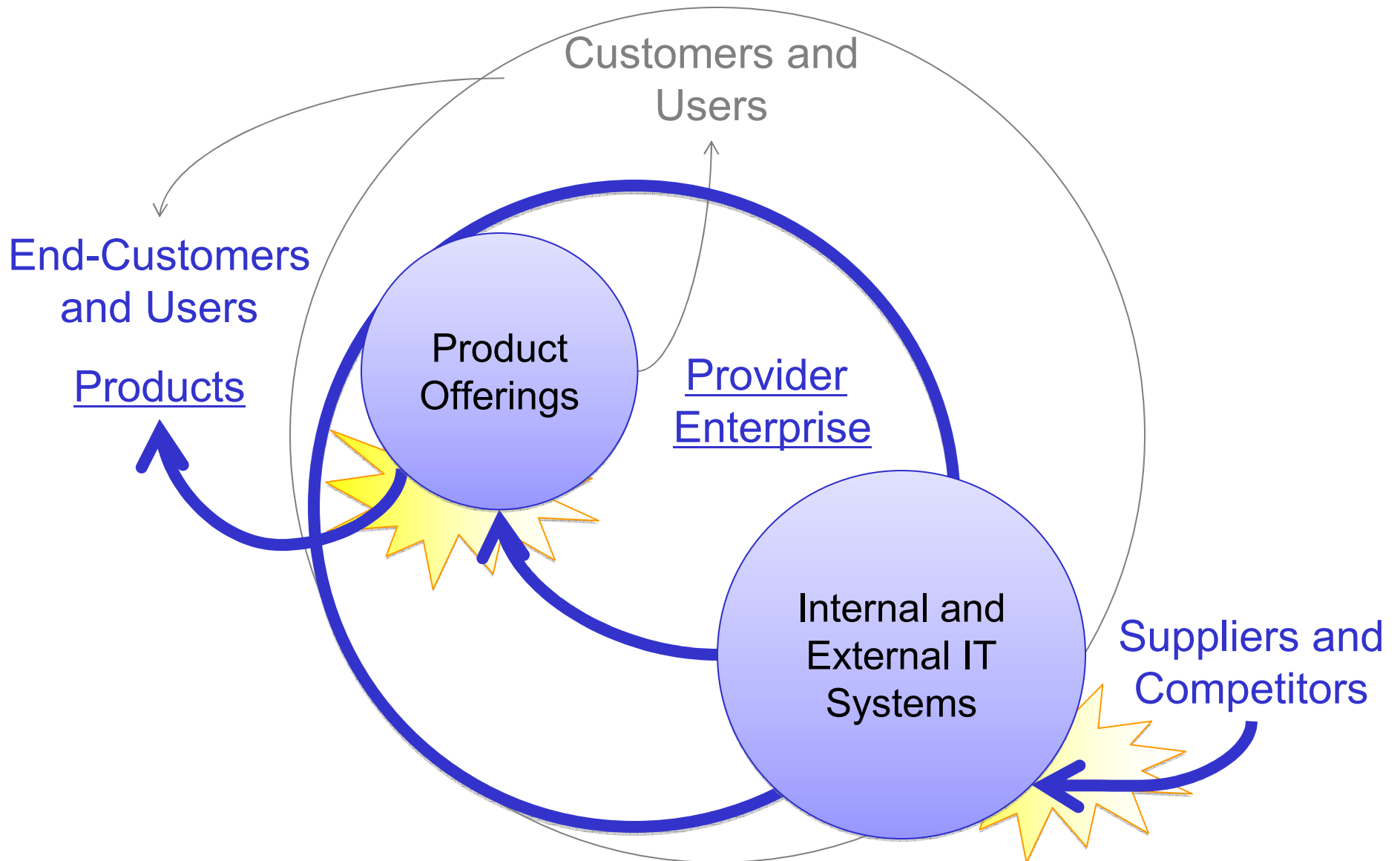
Roles and confusion over roles is a primary reason for difficulty defining services. Standard terms like these make it easier.

- How to identify roles:

	Internal	External
Acquires	Customer	End-Customer
Uses	User	End-User

- Primary output of the enterprise (company, organization, etc.) Examples:
 - Building Materials Co. > Concrete, stone, etc.
 - Software Co. > Executable software, etc.
 - Publishing Co. > Books, printed matter, etc.
 - Government > Police, fire department, etc.
 - Phone Company > Telephone, Cable TV, Internet

'Type III' I.T. Provider Boundaries



Product Offerings are what is marketed or sold. Offerings contain one or more services and descriptions.

- Enterprise Product Offerings are external
- IT Product Offerings are internal
- IT Product Offerings Contain
 - A Product Name – what the user consumes and the customer acquires
 - Product Definition – the written particulars of acquiring and providing the Services
 - Services – the IT activities that combine to create a Product
 - Resources needed to implement the Services

Enterprise Products Define IT Product Offerings



Your Customers and Users sell or service End-Customers and End-Users who consume your Enterprise product offering. IT offerings assist Customers and Users

- Your IT services support your Customers Ex.:
 - Sales = CRM
 - Engineering = MFR Control
 - Often major applications that sell, provision, service and support products
 - Combine people, product and process resources
 - Name usually not technical, but functional

Product = Concrete

IT Offerings =

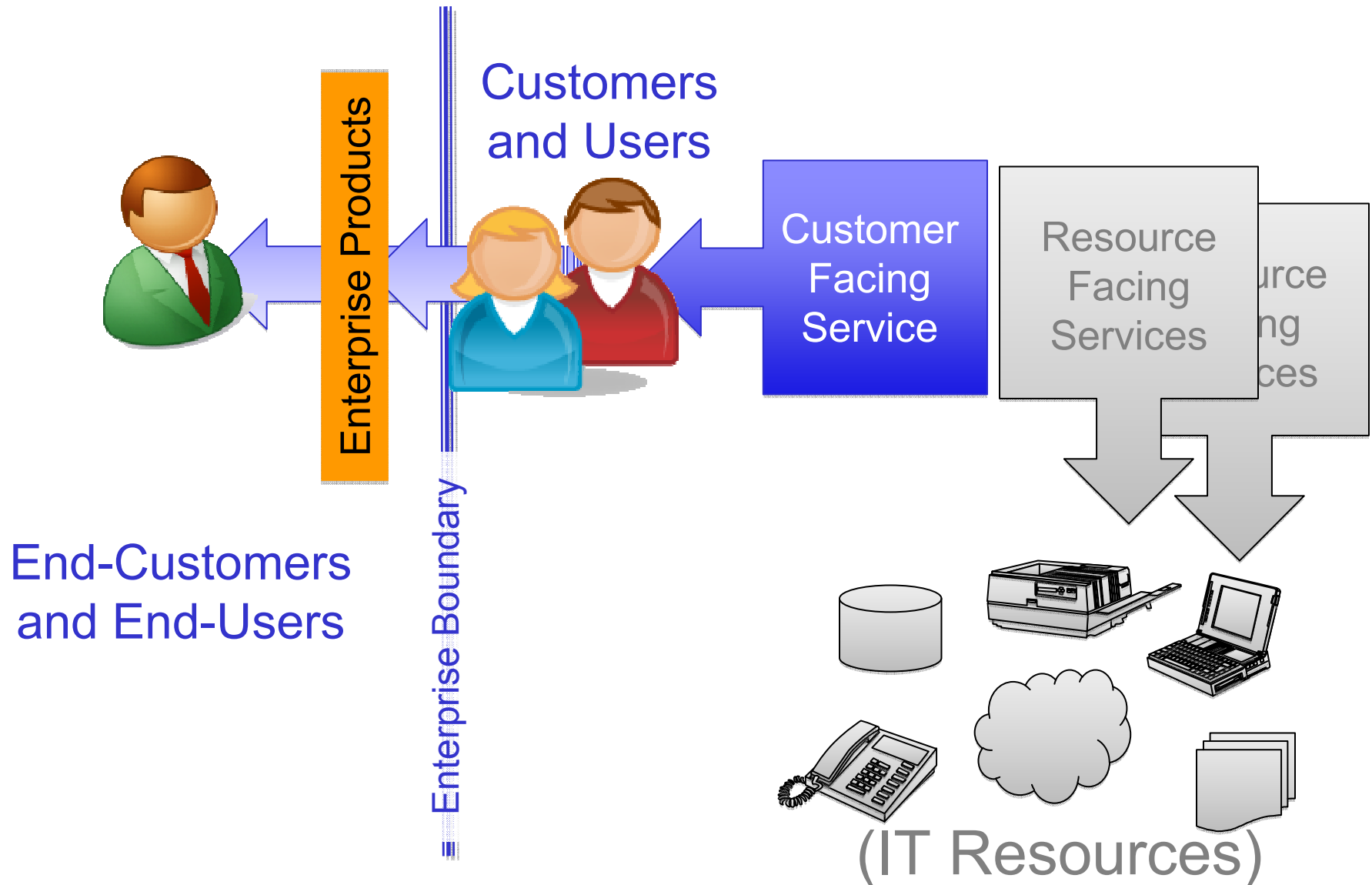
- Dispatching
- Mixing
- Invoicing

Regardless of what you have heard, there are just two types of IT services – Customer or Resource facing.

- **Customer Facing Service (CFS)**
 - An abstraction that defines the characteristics and behavior of a particular service as seen by the Customer
 - Ex.: Telephone service – send and receive calls (two bundled CFS)
- **Resource Facing Service (RFS)**
 - Supports CSF but not seen or acquired directly by Customer
 - Ex.: DTMF digit reception, VOIP conversation, routing, transmission – RFS

Services and Resources

(Type I & II Service Providers)



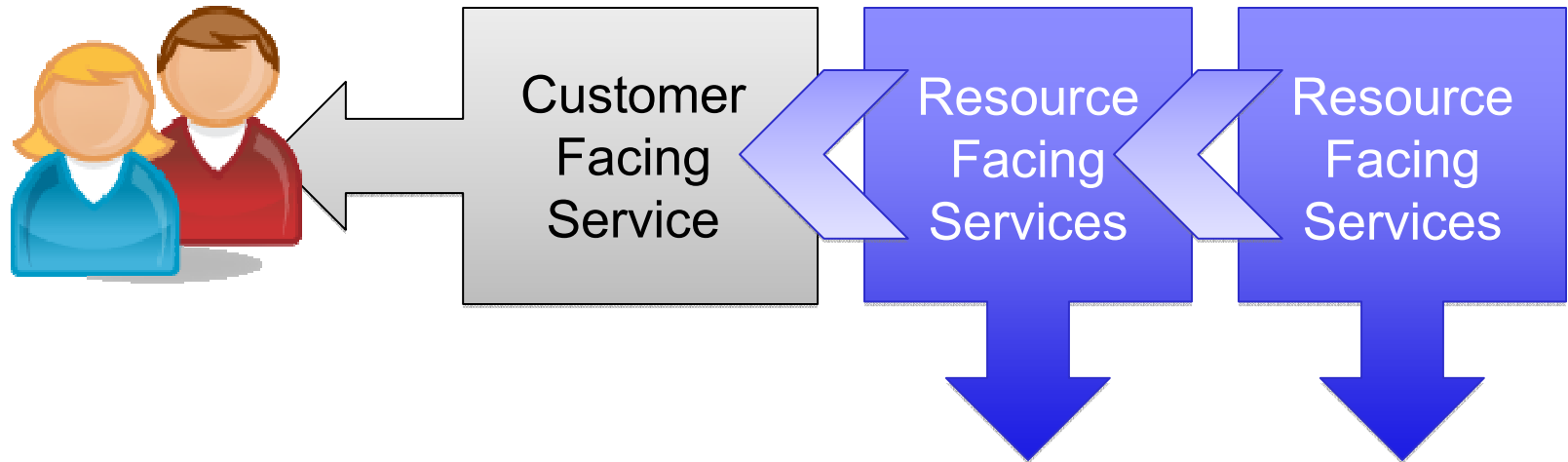
Customer Facing Service (CFS)



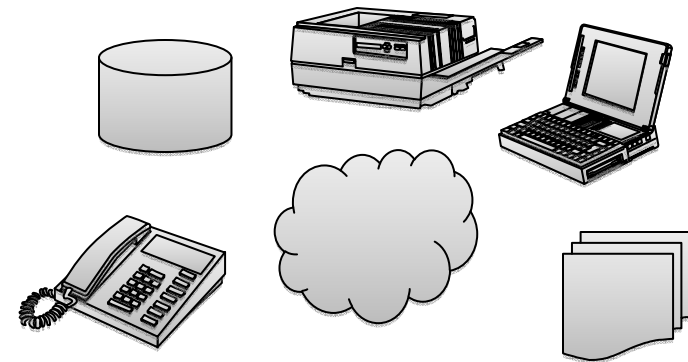
Two “rules” help you identify Customer Facing Services -- “Perception during use” and “Ability to acquire.”

- You know it’s a CFS when the Customer...
 - Is aware of and uses the service directly –
 - Can purchase or acquire the service individually –
 - Common applications and systems used across the enterprise (e.g., “email”)
 - ERP, CRM and other systems that Customers and Users rely upon to work with end-customers and end-users of your products

Resource Facing Services Bind Resources to CFS



More than one RFS
usually for each CFS



(IT Resources)

Resource Facing Service (RFS)



Resource Facing Services are “Back to Back” with Customer Facing Services.

- You know it’s a RFS when the Customer..
 - Is unaware of the service - “perception during use”
 - Is unable to acquire the service – “ability to acquire”
- Special applications and systems used within IT exclusively (e.g., “backup”)
- May be used to deliver CFS (e.g., “DHCP” is required for “Email”)

CFS and RFS Change Based on Customer POV



The key to success is to realize that CFS and RFS varies based on IT Product Offering.

- CFS

- Enterprise products are composed (Type III) of and/or supported (Type I & II) by CFS
- Customers acquire CFS from IT (Type I & II)
- Customers acquire CFS from Sales (Type III)

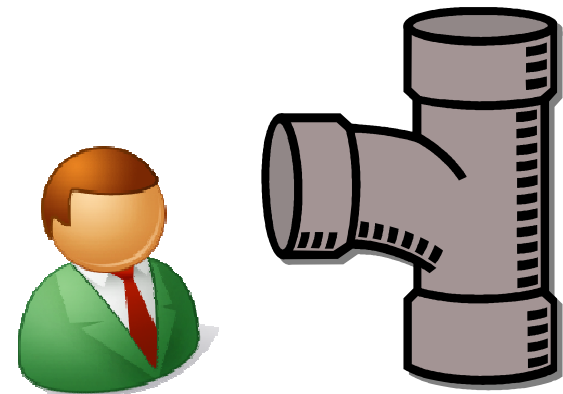


POV1:
CFS
(with
RFS)

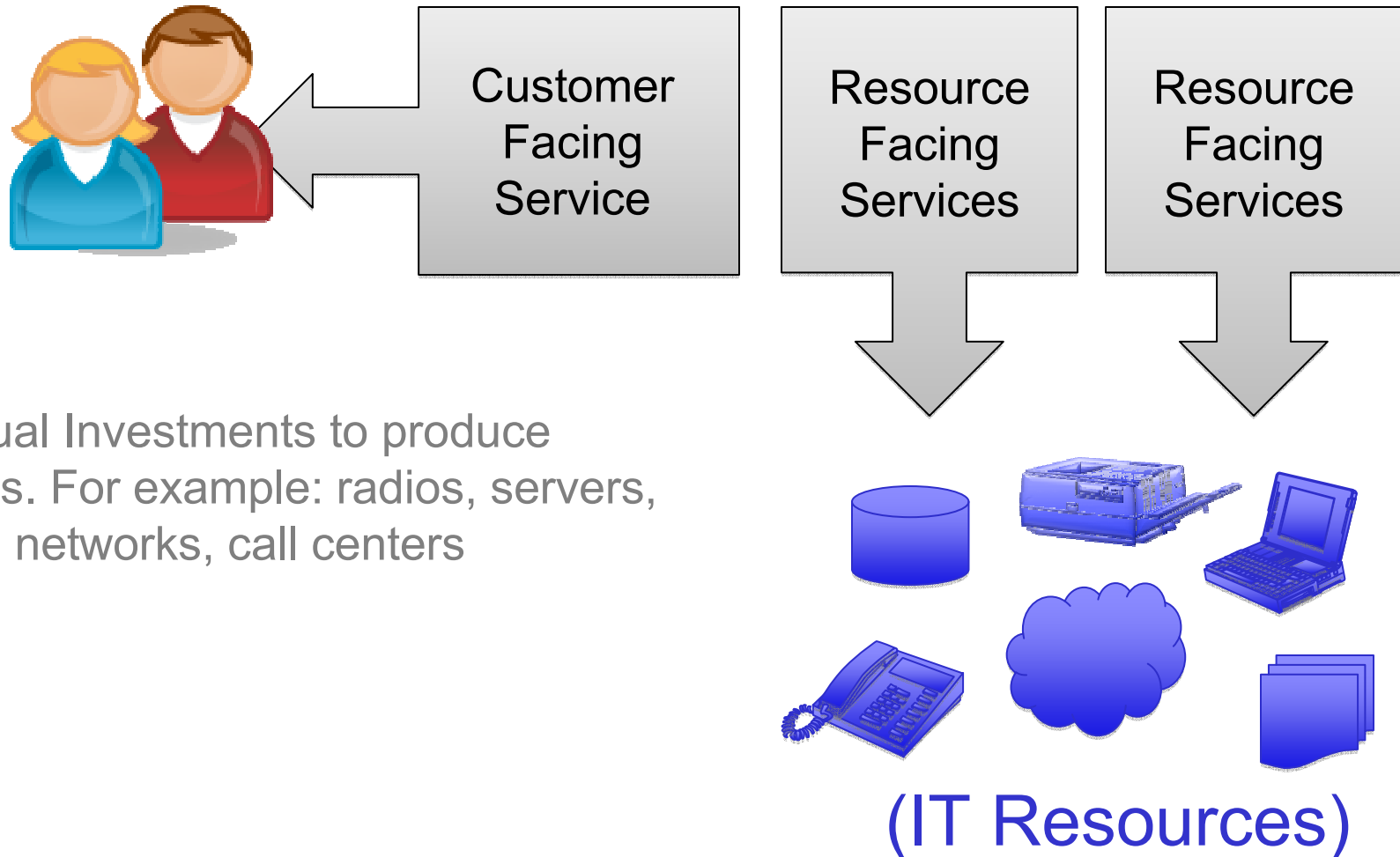
- Resource Facing Services (RFS)

- Used Only “Inside” of IT or the service provider to Build CFS

POV2: “RFS”
is now “CFS”



Resources are Similar to ITIL Configuration Items (CIs)



Individual Investments to produce services. For example: radios, servers, towers, networks, call centers

Step 1: Select Enterprise Product



Start with an important or interesting Enterprise product. Then select IT product offerings based on your Enterprise Product.

- Ex.: Concrete:

- Dispatching

- Mixing

- Payroll

- Etc.

Step 2: Gather Customers, Users and I.T. Systems



List Customers and Users for the IT product offering, as well as IT Systems (not resources) used in the IT product offering.

- **IT Systems**
 - List all activities and applications relating to the support of the product (not hardware or software!)
- **Consider Applications**
 - Finance, Human Resources, Sales, Marketing, Legal, Facilities, etc.
 - Not resources!

Step 3: Identify CFS



IT Systems combine more than one resources into a Resource Facing Service, and one or more RFS into the CFS.

- **Mark as I.T. systems as CFS when**
 - The service provided is perceived by the user and may be acquired by a customer
 - Consider bundling – two CFS so connected they are really one CFS (telephone = send and receive)
- **Pause Here (very important!)**
 - Don't proceed with RFS until you value, measure and choose a CFS for improvement

Step 4: Connect RFS with CFS



RFS are what's left after choosing CFS. Map Resource Facing Services to Customer Facing Services

- **Remember, RFS**
 - Used to create CFS, not useful directly to customer or user and only acquired in the context of a CFS
 - CFS and RFS shifts with Customer POV
- **E.g. CFS “Email”**
 - RFS = Microsoft Exchange
 - RFS = DNS
 - RFS = Backup

Step 5: Map Resources to RFS



Resources are similar to ITIL CI's, but also different.

- Identify resources “Facing” the Resource Facing Services
- E.g. CFS “Email”
 - RFS = Microsoft Exchange
 - Resources = Server, Software, IP Address, Configuration, Etc.
- Many resources will be used in many RFS
 - You are building a CMDB!

Start ITIL & ITSM with Service Definition, Not Process. Use SID and ITIL to clarify language and ease agreement.

- **Follow 4 Steps for Success:**
 1. Define services (topic of this presentation)
 2. Value services
 3. Measure quality
 4. Choose projects

Thank You for Attending Today's Presentation.

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