



# ITSM Standards Brief 2 FEBRUARY 2011

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# Speaker Bio



## **Current:**

- ITSM Executive, Over 20 Years ITSM Experience
- Service Management Master™ Award Recipient
- Certified Distinguished Professional of Service Management (DSM)
- Certified in the Governance of Enterprise of IT (CGEIT)
- OGC ITIL V3 Advisory Group, Mentor to ITIL V3 Service Strategy Team
- ISO IEC ITSM and Governance Standards, CGIT1 Executive Advisory Board
- Certified ITIL IT Service Manager
- Contributing Author: Service Management for Dummies, Managing the Business of IT, Measuring Business Value

## **Past:**

- IBM Global Services, Global ITSM Strategy Leader, Portfolio Manager
- Many IBM Global Services ITSM White Papers, Service Products, Methods, Assets and Education Materials
- Certified IBM Solutions Developer, Certified Managing Consultant
- Leader of IBM Global ITIL Interest Group and Global ITSM Community of Practice Core Team
- Founding Member, itSMF USA Management Advisory Board

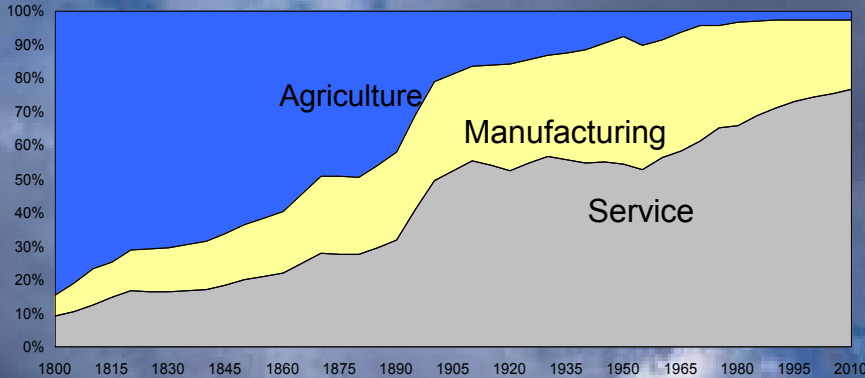
# Agenda

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Overviews of scope of and applicability of ITSM Standards and Practices like ITIL, ISO IEC ITSM & IT Governance Series, ISO IEC 15504-8, CMMI-SVC, eSCM, COBIT



# Why is Service Management Important?



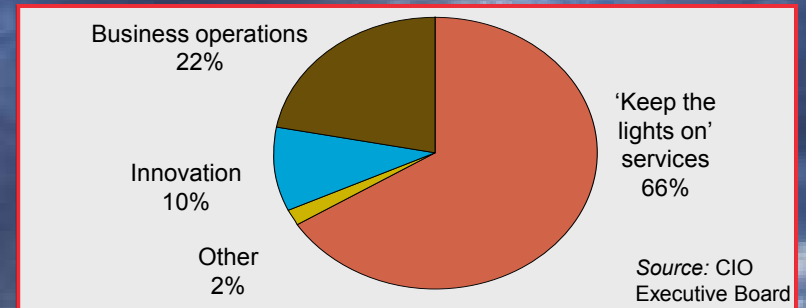
**Global Shift to Service**



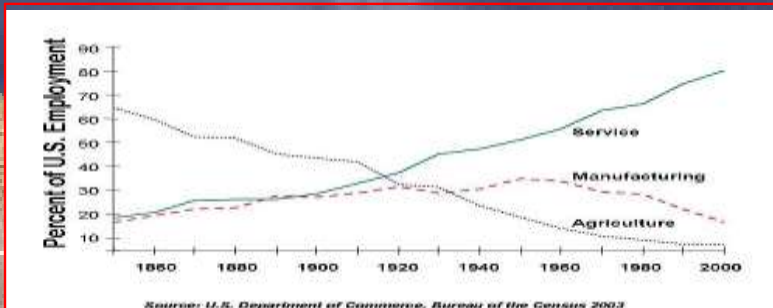
**Shifts in Sourcing**

A collection of logos for service management initiatives. From top left to bottom right: a person reading a document; ISO International Organization for Standardization; Information Systems Audit and Control Association (ISACA); COBIT GOVERNANCE, CONTROL and AIDET for INFORMATION and RELATED TECHNOLOGY; Six Sigma; ITSC; Software Engineering Institute; and Carnegie Mellon.

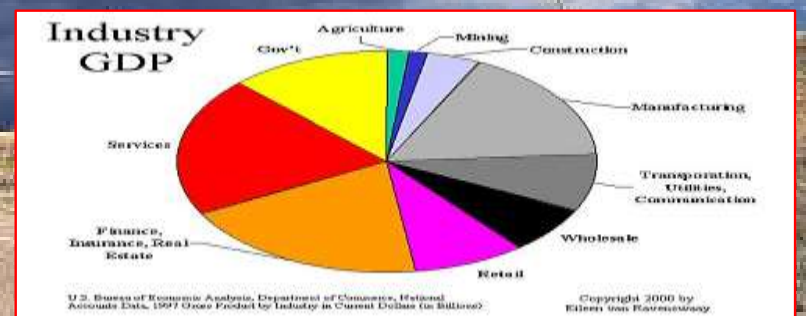
**Service Management Initiatives**



**Increasing % of IT to Operations**



**US Employment Trends**



**US GDP**

**Because Services are Important**

# Services are configurations of capabilities and resources that provide value when they are simultaneously provided and received.

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*How do you control the cost, quality, performance and risk associated with this?*

**6σ Systems ≠ 6σ Services**

service strategy ♦ service design ♦ service transition ♦ service operation ♦ continual improvement

# Products and Services

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- Similarities:
  - Many characteristics of products are also characteristics of services. Many of the management practices related to products also apply to services.
  - Some companies have in fact started managing “service products”.
- Differences
  - A unique aspect of Service Management is the importance of management control of continuous operations. Service Operations are intrinsically different than products in terms of the constraints available to narrow variance during the production process. Once a product is introduced it is unlikely to spontaneously take on a different form.
  - Service includes active collaboration between provider and customer that can and does change as circumstances change and which should be under the control of a service agreement. In fact a definition of service could be “active, recurring collaboration between service provider and service customer to transform provider owned assets into value for the customer.” The service itself then helps the customer transform its assets into value for its customers without the ownership of the providers assets. Service is then a complex system.
  - Software and Systems Engineering is marked by “the project” as the basic unit of work – a one time event to build something.
  - Service is marked by “reoccurring operations” as the basic characteristic. Operations includes the provision of reoccurring activity within service level requirements
    - ISO IEC Study Group on Lifecycle Mgmt Standards

# Definitions

<p><b>What is a “service?”</b></p>	<ul style="list-style-type: none"> <li>▪ Intangible, non storable method for simultaneously providing and receiving an outcome valued by both the service <i>consumer</i> and the service <i>provider</i> through a configuration of capabilities and resources.</li> <li>▪ A means of delivering value to customers by facilitating outcomes customers want to achieve without requiring ownership of specific costs and risks - like the management of service assets (capabilities and resources required to provide the service).</li> <li>▪ A means of transforming assets (capabilities and resources) into value for both the provider and the customer through the co creation of value – a coordinated collaboration.</li> <li>▪ There are a variety of different service models including Cloud, SaaS, Insourced, Outsourced, Multisourced, Remotely Managed and Hybrid</li> </ul>
<p><b>What is the purpose of service management?</b></p>	<ul style="list-style-type: none"> <li>▪ Provide services that increase the value a customer can derive from the assets (capabilities and resources) they own</li> <li>▪ Produce the maximum value from assets (capabilities and resources) the service provider owns or has access to through suppliers, in the form of services provided.</li> <li>▪ Control the cost, quality and risk of services through effective and efficient management practices throughout the service lifecycle. Service lifecycle activities include service strategy, design, transition, operation and continual improvement</li> </ul>
<p><b>What is the definition of service management?</b></p>	<ul style="list-style-type: none"> <li>▪ The coordination of the capabilities and resources required to meet customer and stakeholder requirements through defined, repeatable, measurable, implemented and integrated processes required to control the costs, quality and risks of services</li> <li>▪ A paradigm shift from managing IT as stacks of individual components to focus on the delivery of services and business value using best practice process models.</li> </ul>
<p><b>What is included in the scope of service management?</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Enterprise Systems Management</b> / Resource Management. Managing individual IT systems and resources</li> <li>▪ <b>IT Service Management</b>. Managing the IT services that support, enable and automate business activities</li> <li>▪ <b>Business Performance Management</b>. Managing IT enabled business processes, IT enabled business services, and IT enabled supply chain activities.</li> <li>▪ <b>Asset Management</b>. Because the goal of service management is to produce as much value as possible from all service assets, it is important to integrated Enterprise and IT Asset Management. Services are a configuration of enterprise and IT capabilities and resources that have to be managed individually and as a complex configurations.</li> </ul>



# ITIL is Not a Standard; Many Standards and Frameworks Exist

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UK OGC Library of books, not a standard

ISACA/ITGI  
“good practices”

**ITIL**

eTOM,  
eSCM, CMMI

**COBIT**

**Quality management**  
ISO 9000 series

**Service Management**  
ISO/IEC 20000 series

**S/W Asset Management (SAM)**  
ISO/IEC 19770

9001 to Systems Engineering  
ISO/IEC 24783, 90001

Guidelines for  
SW & SYS Engineering Processes  
ISO/IEC 24774

**SYS. Engineering Processes**  
ISO/IEC 15288

9001 to SW Engineering  
ISO/IEC 90003

Guidelines for Content of SW & SYS  
Eng. Lifecycle Proc. Inf. Products  
Processes ISO/IEC 15289

**SW Engineering Processes**  
ISO/IEC 12207

Process assessment model  
(SPICE)  
ISO/IEC 15504 Series

**Conformity Assessment**  
Suppliers declaration of conformity  
ISO/IEC 17050

**IT security**  
ISO/IEC 27000 series

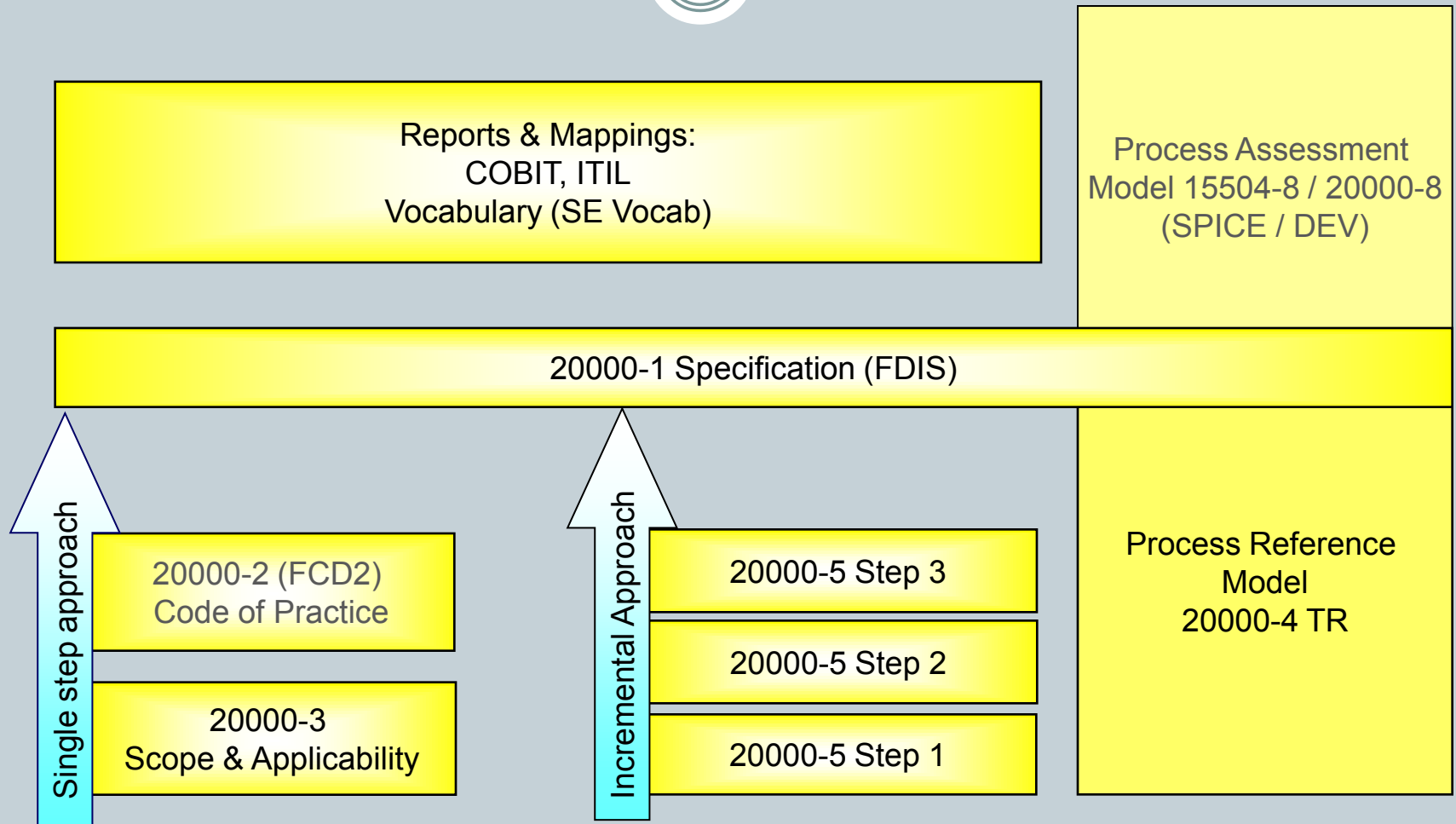
**IT Governance**  
ISO IEC 38500 Series

**IAF Guide 62 / ISO  
IEC 17021 & 19011**



# ISO IEC 20000 Series of International Standards for Service Management

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# More changes are also being considered

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ISO 9001/4 Quality Management Systems Requirements Continual Improvement	Series of Standards	
	ISO IEC 90003 Application of ISO 9001 to Software Lifecycle	ISO IEC 12207 Software Lifecycle Processes
	ISO IEC 90005 Application of ISO 9001 to Systems Lifecycle	ISO IEC 15288 Systems Lifecycle Processes
	ISO IEC 90006? Application of ISO 9001 to Service Lifecycle	ISO 2000-4? Service Lifecycle Processes

ISO 9001:2000 expects an organisation to:

- to identify processes required for production of high quality products
- to determine sequence and interaction of these processes
- to design and document each process
- to check and analyse the implementation of each process, and continually improve effectiveness of the system

# eTOM Release 8.0 Business Process Framework for Enterprise Management

## Strategic & Enterprise Planning

- Strategic Business Planning
- Business Development
- Enterprise Architecture Management
- Group Enterprise Management
- ITIL Release & Deployment Management
- ITIL Change Management

## Knowledge & Research Management

- Knowledge Management
- Research Management
- Technology Scanning
- ITIL Service Catalogue Management
- ITIL Service Level Management
- ITIL Capacity Management
- ITIL Availability Management

## Enterprise Effectiveness Management

- Process Management & Support
- Enterprise Quality Management
- Program & Project Management
- Enterprise Performance Assessment
- Facilities Management & Support
- ITIL Event Management
- ITIL Incident Management
- ITIL Request Fulfillment

## Financial & Asset Management

- Financial Management
- Asset Management
- Procurement Management
- ITIL Service Continuity Management
- ITIL Service Asset & Config Management
- ITIL Continual Service Improvement

## Enterprise Risk Management

- Business Continuity Management
- Security Management
- Fraud Management
- Audit Management
- Insurance Management
- Revenue Assurance Management
- ITIL Problem Management
- ITIL Info Security Management

## Human Resources Management

- HR Policies & Practices
- Organization Development
- Workforce Strategy
- Workforce Development
- Employee & Labor Relations Mgt

## Stakeholder & Ext. Relations Management

- Corporate Comms & Image Mgt
- Community Relations Management
- Shareholder Relations Management
- Regulatory Management
- Legal Management
- Board & Shares/Secur. Management



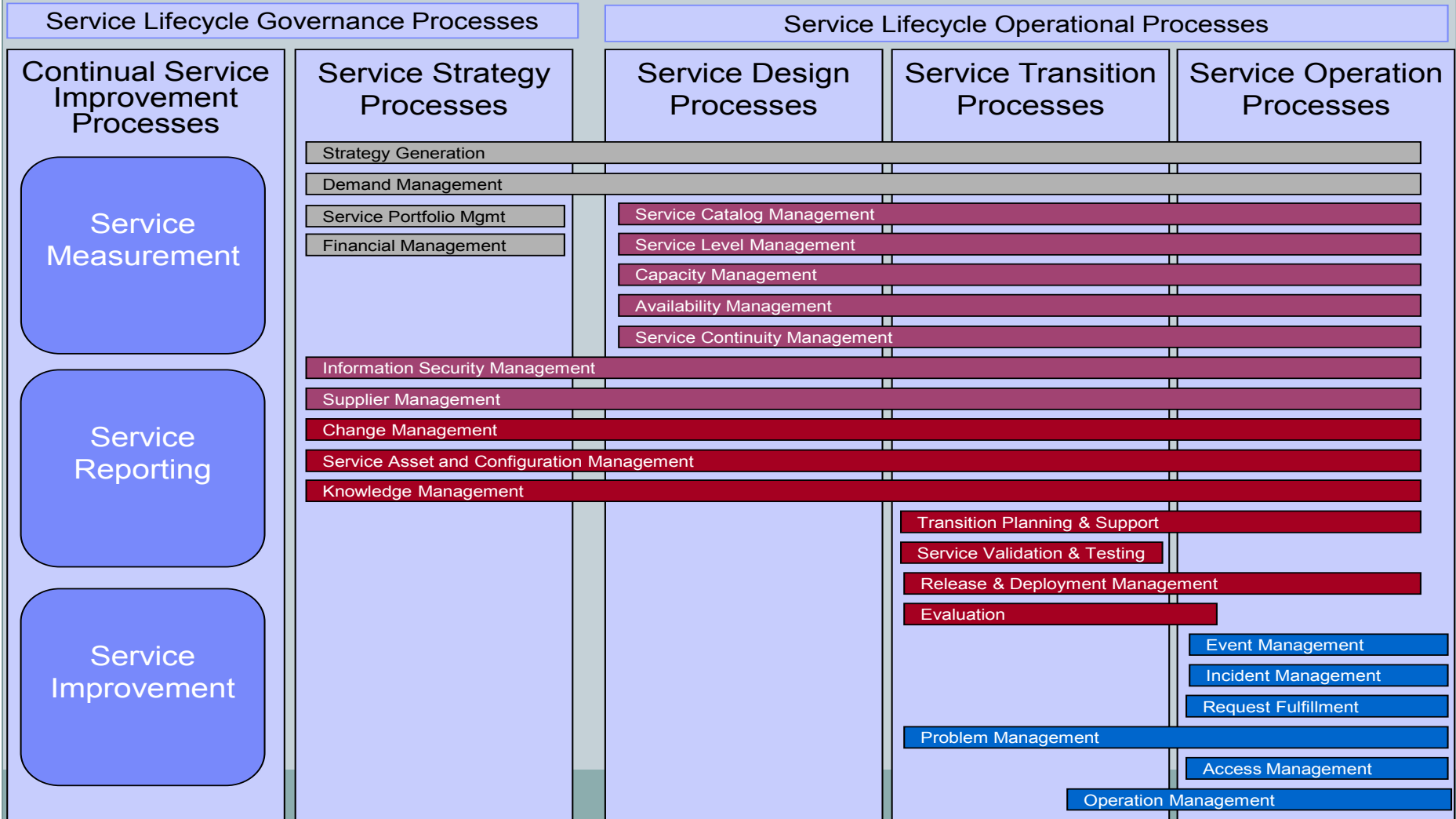
[www.tmforum.org](http://www.tmforum.org)



# ITIL V3 Service Lifecycle Processes

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## Service Lifecycle Processes

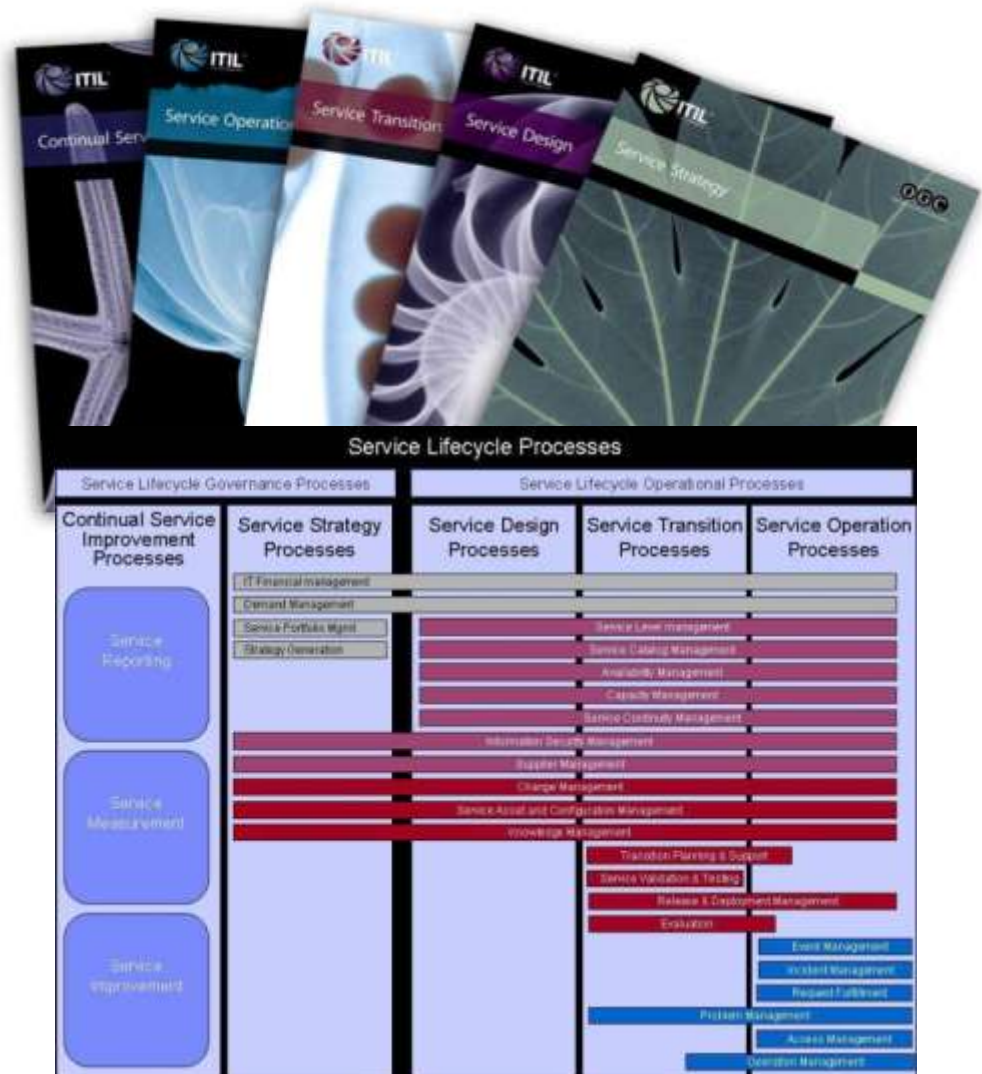


\* ITIL ® is a Registered Trade Mark, and a Registered Community Trade Mark of the Office of Government Commerce, and is Registered in the U.S. Patent and Trademark Office

# Descriptive not Prescriptive

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- Describes a larger selection of service management practices and their relationships
- Describes how they impact the entire lifecycle and all the management domains within IT.
- Describes how service management practices should be applied in a variety of contexts:
  - IT Infrastructure
  - Applications
  - IT Services
  - Business processes and Business Services
  - Value Networks and Supply Chains
- The old problem remains – **where do we start, how far should we plan do go, how can we track our progression?**



- COBIT 5.0, VAL-IT, Governance, Security, Business Case....
- New focus on Service Management
- ISO IEC 38500 Guidance and CGEIT
- VAL IT and COBIT in continual improvement – Management Controls of IT Services
- *Management Control and Governance of IT Services – not just security and audit focus*

**Body of Knowledge (BoK) or Library:**  
Code of practice, generally accepted principles, what has worked for others and what has not.

*Advice, Guidance, Experience.*

*Learning, Practical Advice*

**Conformance Standard:**  
Auditable practices for a quality management system.  
Yes/No

*Management system requirements.*

*Audit/Assessment*



**Capability Model:**  
Different types of capabilities.  
Specific to a context. IT enabled services, software engineering.

*Managing different things.*

*Comparison, Improvement*

**Incremental Conformance:**  
Staged approach to implementing requirements of a conformance standard.

*Management System Requirements*

*Audit/Assessment*

**Adoption Model:**  
Applying service management best practices to increasingly valuable business outcomes.

*(Systems, IT Services, Business Performance)*

*Managing different things.*

*Strategic Planning*

**Maturity Model:**  
How well a management capability is performed. Independent of context. A phased approach to doing things better.

*Managing things poorly or well.*

*Diagnosis & Remediation Planning*

## Maturity: So Much Choice....

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- ITIL Process Maturity Framework
- COBIT Management Guidelines
- CMMI Organizational Maturity, Process Capability
- eSCM SP/CL Service Provider Capability
- Proprietary Models

# Carnegie Mellon University

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- SEI / CMMI-SVC
  - Process Improvement
  - Service Provider
  - Aligned with ITIL
  - “Capability Maturity”
  - “Organizational Maturity”
  - “Process Capability”
  - Staged and Continuous
  - Certification
  - Part of CMMI
- itSQC / eSCM
  - Service Capability
  - Service Provider and Client Models good for multisource environments
  - Service Contract Lifecycle – planning, transition in (insource, change provider, outsource), delivery, transition out
  - Aligned with ITIL
  - Different Capabilities
  - Recognition of Types of Service Providers
  - Certification



# Service Management Compliance Landscape

*Have we entered the era of confusion?*

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## *Organizational Capability*

### *Service Management System Conformance (Y/N)*

- ISO 9001 – quality mgmt sys reqts for products and services
- ISO 9004 – Continual improvement of the management system
- *ITIL V2 \* IBM, Pink Elephant, Accenture, itSMFi, others*
- *ITIL V3 \* IBM, Pink Elephant, Accenture, others*
- COBIT Assessment – management controls
- ISO IEC 20K – Conformity
- ISO IEC 20K – Process Reference Model
- ISO IEC – Incremental Conformity

### *Service Maturity or Capability Level (1-5)*

- ISO IEC 15504 series
- CMMI
- CMMI for Services (SEI)
- CMMI for Services (Vrije University, Netherlands)
- eSCM (itSQC - specific to outsourcing)
- ISO 20K Maturity (coming soon)
- ISO 20K Incremental Conformity
- COBIT Maturity
- ITIL PMF, IBM, Pink Elephant, Accenture, Gartner, others.

## *Personal Certifications & Qualifications*

- ITIL V2, V3 Foundation
- ITIL Service Capability, (Practitioner) or Lifecycle
- ITIL Service Manager
- Bridge Classes
- Advanced Service Management Diploma
- ISO IEC 20000 Consultant, Auditor, Manager
- Six Sigma, Lean Sigma,
- ITSM Professional Qualifications (DSM)
- CGEIT
- The future – University based professional degrees

## *Interoperability & Tech Standards*

- CMDBf
- SML
- CIM-SID
- SPACL
- E-CDM

**Define business objectives**  
**Adopt and adapt best practices**  
**Integrated business driven approach**



# DOD ITSM Project Pains, in our view

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- Need for ITSM Implementation Approach rather than the way too common “ITIL Class, ITIL assessment, ITIL Process Guide” Approach we have seen in the DOD
- Competence/Confidence – Certification & the Holiday Inn Express
- ITIL Princess Syndrome and Goldilocks
  - Irrational Exuberance for ITIL and Frameworks above real capability and goals
  - ITIL. Implementing “ITIL” or “COBIT” or “Framework X” not a business objective
  - Need to focus on achieving agreed to outcomes through management and governance improvement, leveraging best practices.
  - Not really about processes but improvement
  - Goldilocks – “do over”, too big, too small, never achieve real objectives because focus was on frameworks and processes rather than objectives
- Achieving Outcomes not Frameworks
- Processes and Capabilities are both important concerns
- Integration, not just process guides
- Unique services drive unique tool, skill and information requirements within processes, not new processes
- Clearly Assigned and Understood ITSM Ownership and Authority – Organizational Clarity and process governance – “decision half life”
- CSI and CPI

# Alphabet Soup?

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CMMI-DEV, CMMI-ACQ, CMMI-SEC  
Software Engineering Institute | Carnegie Mellon

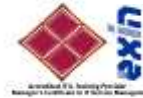
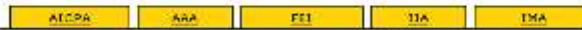


## Sarbanes-Oxley

Financial and Accounting Disclosure Information



- Sponsoring Organizations -



# The “crux” of service management is how do you get from “knowing” best practices to “doing” them?

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“we know”

“we do”



## Implementation

Strategy, Assess, Plan, Design, Develop, Deploy  
Consultants, Architects, Specialists, Project Managers, SME's

### CRUX

- a vital, basic, decisive, or pivotal point:  
*The crux of the trial was his whereabouts at the time of the murder.*
- something that torments by its puzzling nature; a perplexing difficulty.
- —Synonyms 1. essence, heart, core, gist.

# Changed business requirements and flat budgets drive the need for smarter approaches to ITSM.

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## Pragmatic guidance:

***In an economic downturn, CIO's are prioritizing investments in optimizing IT enabled business services.***



1. Improve the quality and reliability of IT services that enable business workforce productivity.
2. Prioritize smarter ways of doing things and technology consolidation
3. Revise measurements and reporting to stress business driven outcome metrics, costs and business value.
4. Change focus from technology and optimized sub systems to the optimization of the IT enabled business activity
5. Apply some investment to tactical quick hits but be sure to also make progress on longer term service quality inhibitors.

## But first, what is the objective?

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- Implement a Framework
- Implement a Process or Processes?
- Improve the cost, quality, performance, business outcomes or risk related a service or set of services?



# Distribution of Effort: More than ITIL Classes and Process Guides

Strategy 10%	Design 30%	Transition 60%		
<i>Service and Management Models</i>	<i>Logical Design</i>	<i>Physical Design</i>	<i>Build, Configuration, Tested Solution</i>	<i>Test, Pilot, Deployment</i>
<b>Define Outcomes</b>	<b>Define Requirements</b>	<b>Design Jobs, Tools, Workflows</b>	<b>Configure the Solution</b>	<b>Deploy the Solution</b>
Service Outcomes: <i>Service Strategy</i>  Management Outcomes: <i>Management Model, Process Model</i>	<b>Process</b> Activity requirements – inputs, outputs, controls, enablers, measurements	<b>Workflows</b> , workflow automation, policies, user interfaces and reports	<b>Procedures</b> based on configured tools	Pilot management
	<b>Organizational</b> requirements – roles, teams, functions – skill, location and staffing requirements	<b>Jobs</b> , skills and staffing levels Skill and staffing level <b>gap</b> analysis. <b>Organizational change planning</b>	<b>Curriculum</b> and Training Materials, Personnel deployment, <b>Training, Organizational change management</b>	Lessons learned
	Required <b>tools</b> and tool requirements – function and location – gap analysis	<b>Tool selection and configuration requirements</b>	Configuration, integration, security, unit and system <b>testing</b>	Transition Planning and Support
	Required <b>information</b> work products and requirements for each	<b>Information Product to Data model</b>	<b>Data</b> population and enablement. Information security enablement	Revised Deployment plans
	<b>Integration</b> requirements – process, tool, organization	Physical operational model	Integration & integration testing testing	Organizational change

Ongoing cultural transformation activities, briefings, education, community of practice activities

# T Shaped People are needed to lead the way

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*Service Science, Management and Engineering*



*Science and Engineering*

*Industrial and Systems Engineering*

*Computer Science & Info. Systems*

*Math and Operations Research*



*Economics and Social Sciences*

*Business Anthropology*

*Organizational Change & Learning*

*Business and Management*

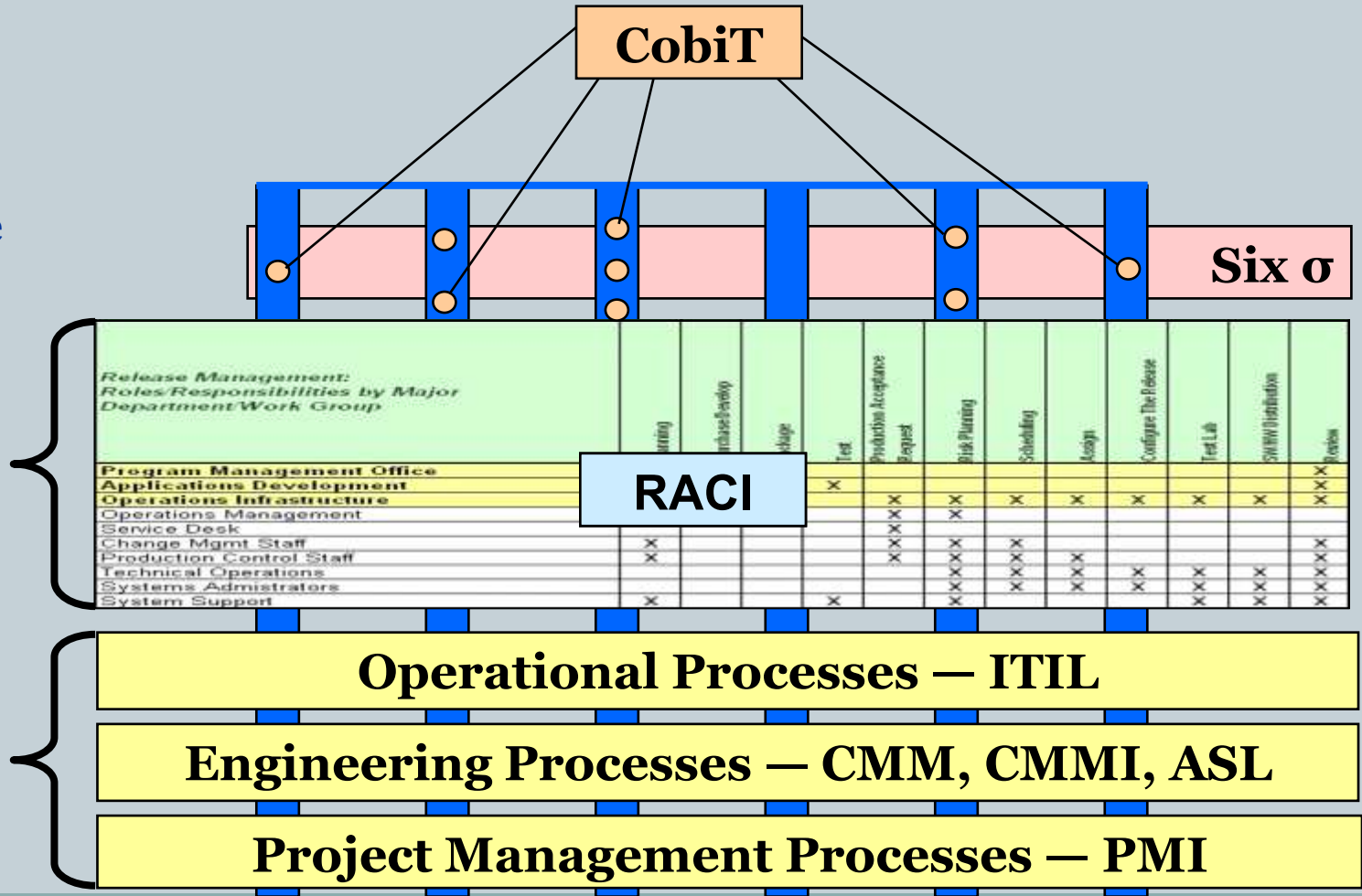
*Service Management needs T-shaped people*

4. Apply Governance

3. Identify Appropriate Measures

2. Align Roles With Work

1. Establish the Work



- Provide process descriptions, in international standard format, to reduce variance from subjective interpretation of ITIL within the various segments and functions with management responsibilities.
- Example Format
  - Purpose
  - Scope
  - Outcomes
  - Activities and Tasks
  - Key Metrics (QCPOR)
  - Interfaces
  - Information Items and Controls
  - Roles
  - Tools
  - Key Policies
- When your ITIL meets my ITIL can the communicate? Information Exchange Requirements (Process and Function)

# Example PRM Content

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- Context of the Process Reference Model
- Access Management
- Availability Management
- Capacity Management
- Change Management
- Compliance & Audit Management
- Continual Service Improvement – CPI in each process /CSI Approach throughout model
- Data Management
- Demand Management
- Event Management
- Facilities Management
- Financial Management
- Incident Management
- Information Security Management
- IT Asset Management
- IT Service Continuity Management
- Configuration Management
- Knowledge & Information Management
- Problem Management
- Release and Deployment Mgmt
- Request Fulfillment
- Service Catalog Management
- Service Portfolio Management
- Service Level Management
- Service Validation and Testing
- Strategy & Planning
- Governance Processes
- Supplier Relationship Management
- Transition Planning and Support
- Glossary of Information Work Products



# Relationship Management

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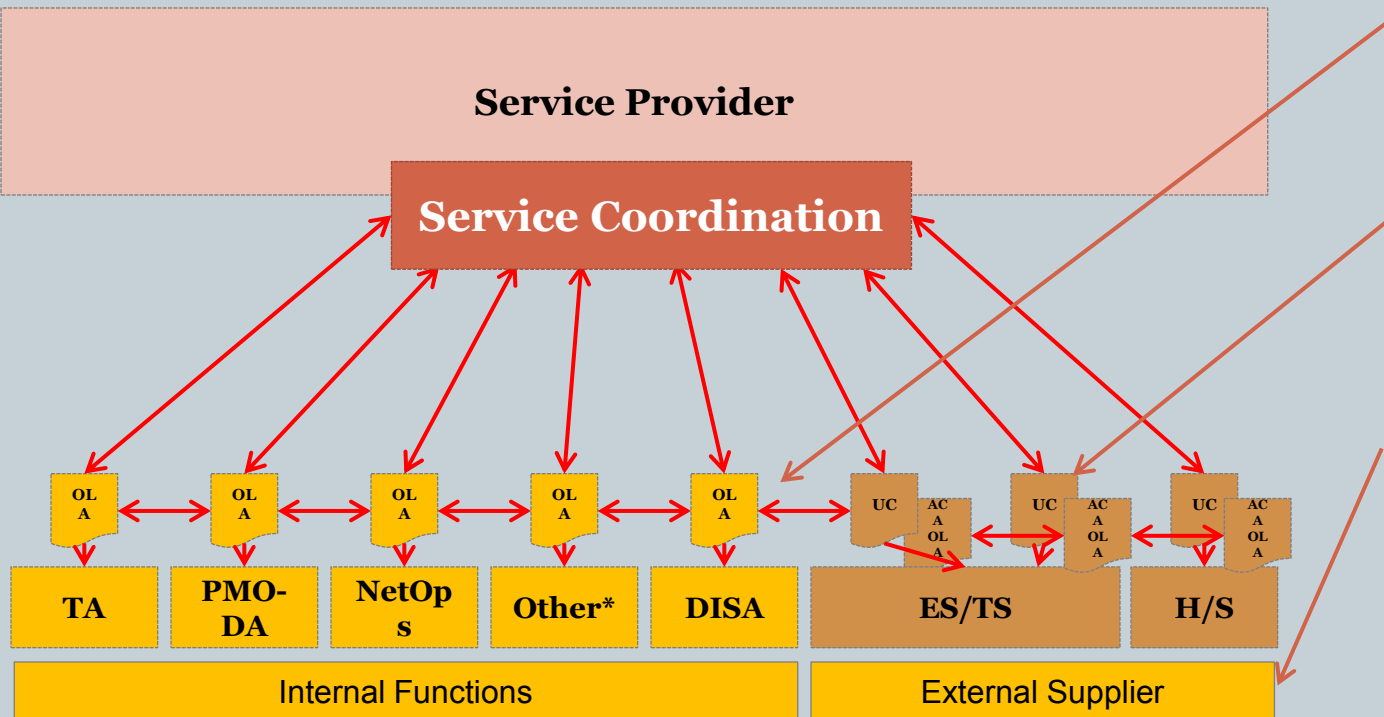
## Functions with management responsibilities

- Manage the **relationships** and **interactions** between functions.

**Service Level Mgmt**–  
*Define Agreements,  
Monitor and Report  
Performance,  
Recommend SIP's*

**Service Agreements:**  
*SLA's, OLA's, UC's*

**Relationship Mgmt**  
*Relationships & interactions  
within Service Supply*



Internal Functions

External Supplier



# Future Lunch and Learn Events

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## **IT Management Standards and Practices**

- 2 FEB ITSM Standards, Practices, DOD and Commercial Trends.
- 16 FEB Compliance – Laws, By Laws, & Compliance Business process
- 2 MAR Threat Vectors
- 16 MAR COBIT 5.0 Overview, purpose, value
- 30 MAR IT Governance Standards 38500, Planned 38501, 38502 and Practical implementation issues

**IHR Committee Meeting to debrief on how this is going and make course corrections if needed**  
23 FEB

## **Value Realization: Issues related to Common IT Management Improvement Initiatives**

- 6 APR Value Realization – Issues preventing ITSM Initiatives from producing Value
- 13 APR Value Realization – Producing Business Value Service Desk Improvements
- 20 APR Value Realization – Producing Business Value in configuration information initiatives
- 27 APR Value Realization – IT Service Strategy and Business Value
- 4 MAY Value realization – IT Management Transformation Success factors

**IHR Committee Meetings to debrief on how this is going and make course corrections if needed**  
11 MAY