

Improving IT Service Management

- IT growing to desired role for the Business -

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Introduction

- Job ten Hagen, Business consultant, owner THC
- 20 years experience in Consulting & IT Service Management
- A an advisor and practitioner responsible for organization change
 - Designing and transforming IT-organizations and processes
- Author book, published by British TSO (08-2012)
 - "Designing and Transforming IT Organizations"



Situation and complication

Business often dissatisfied with IT Service Management (ITSM)

- IT projects and innovation have little succes
- No guarantees for critical software
- Focus only on customer satisfaction, without assurance ITSM quality

Potential crisis not hard to find ...

- ... however,
ITSM improvement projects continue to be small-scale and evolutionary

Complication: *IT does not grow to role desired by Business*



ITSM improvement = organization change

Effective management of change = crucial

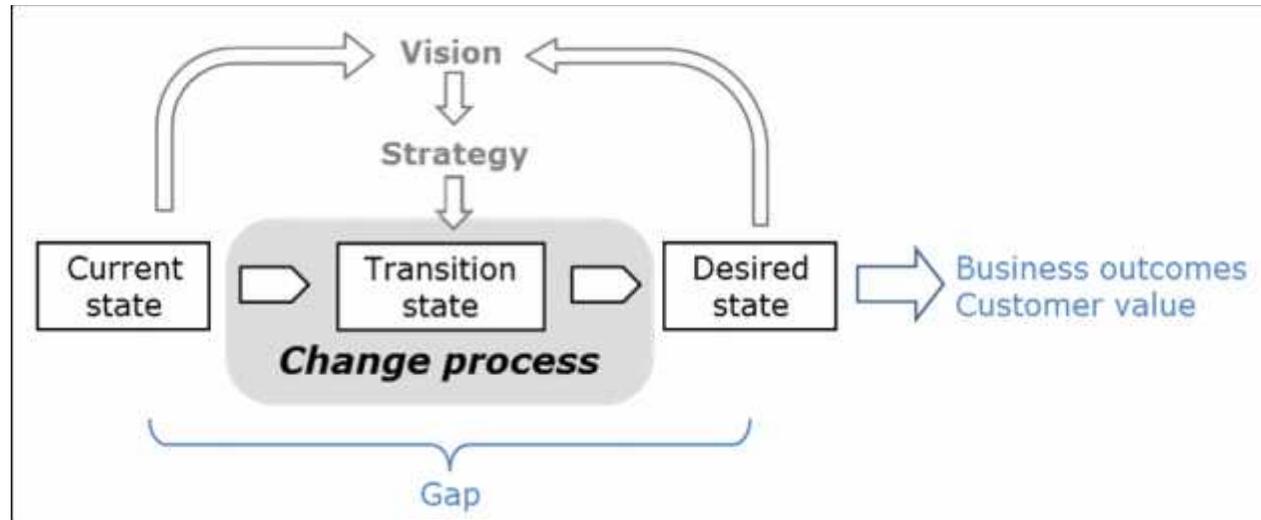
- IT-organization often needs fundamental turning point
- Drastic measures needed to grow to desired role
- Address alle factors of change - 'ITIL' alone is not sufficient
- Give attention to organization and human factor aspects

How to approach such an ITSM improvement program?



What is organization change? (1/3)

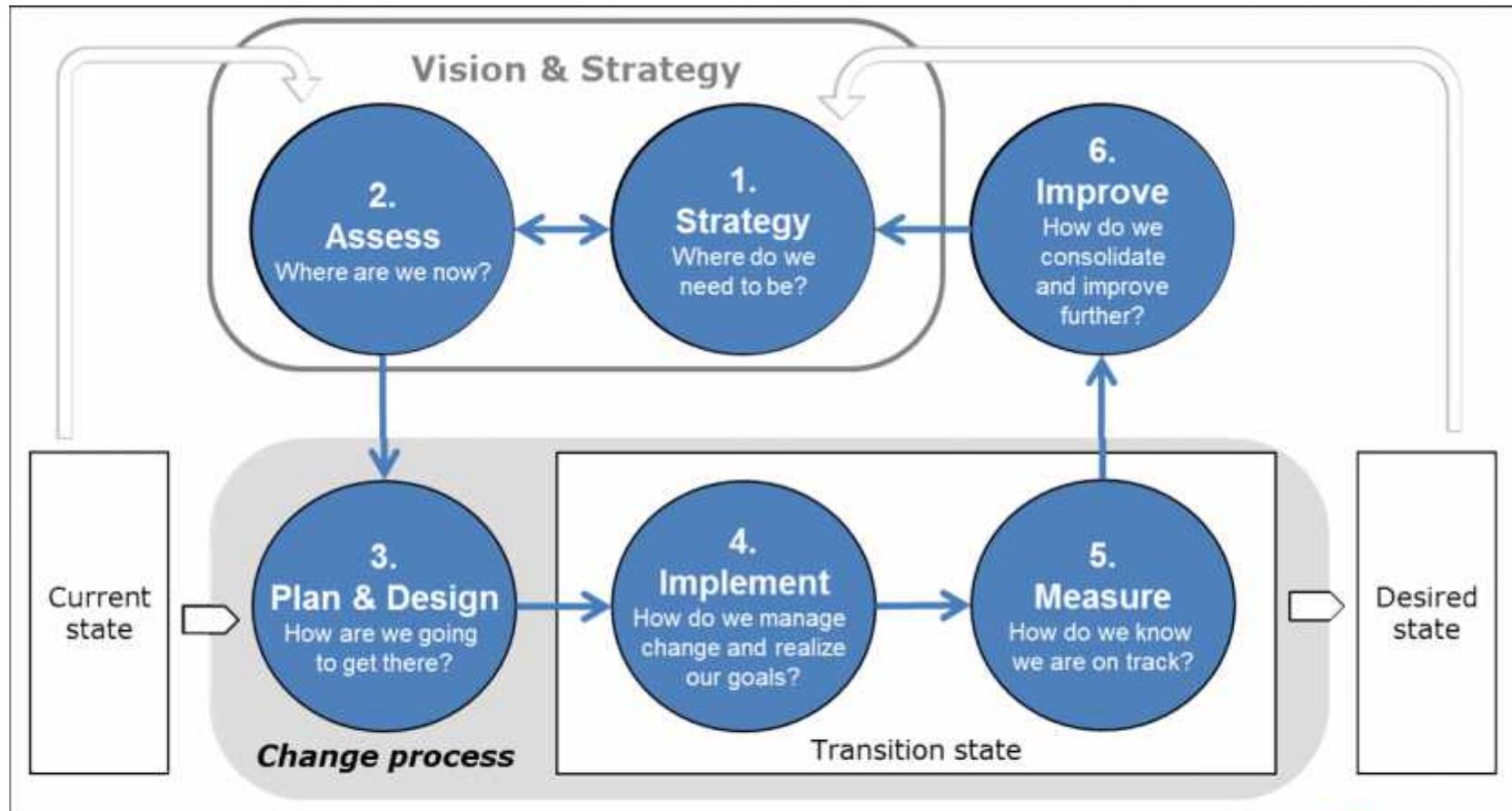
Organization change process



- *Change process*: process of moving away from *current state*
- *Transitional period*: disruptive to the organization
- *Transition state*: people break away from the status quo
- *Desired state*: someone believes is better

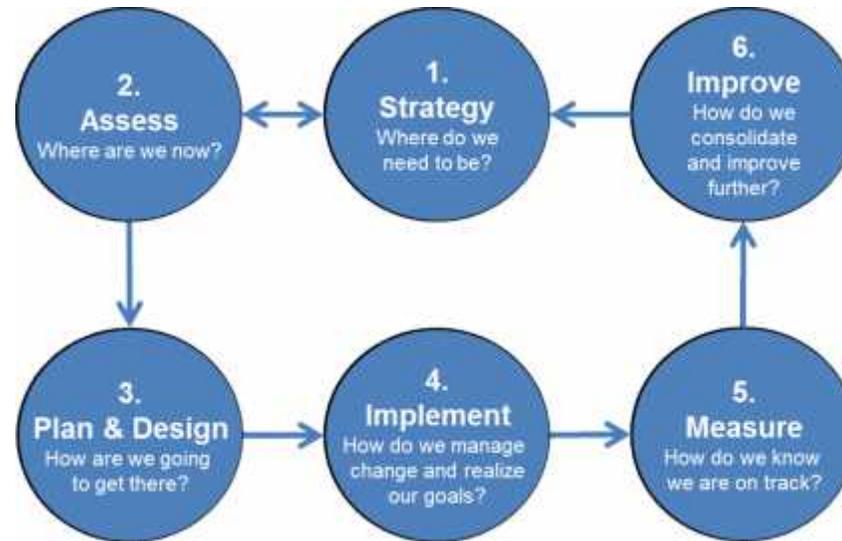
What is organization change? (2/3)

Organizational change roadmap



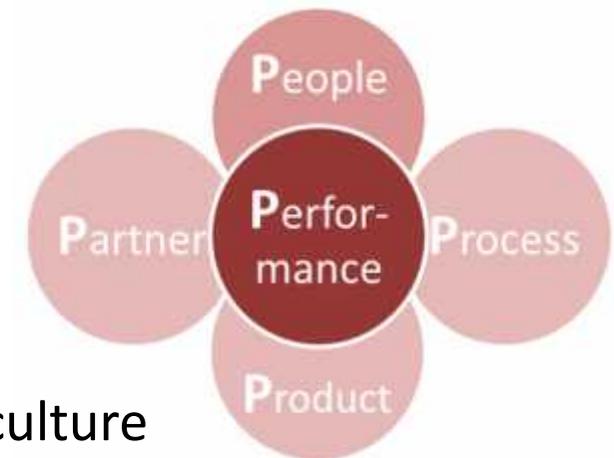
What is organization change? (3/3)

Organizational change roadmap



- **Strategy** - Where do we need to be?
- **Assess** - Where are we now?
- **Plan & Design** - How are we going to get there?
- **Implement** - How do we manage change and realize our goals?
- **Measure** - How do we know we are on track?
- **Improve** - How to consolidate and further improve?

5P-model helps in change process (1/2)



4P model (best practice ITIL):

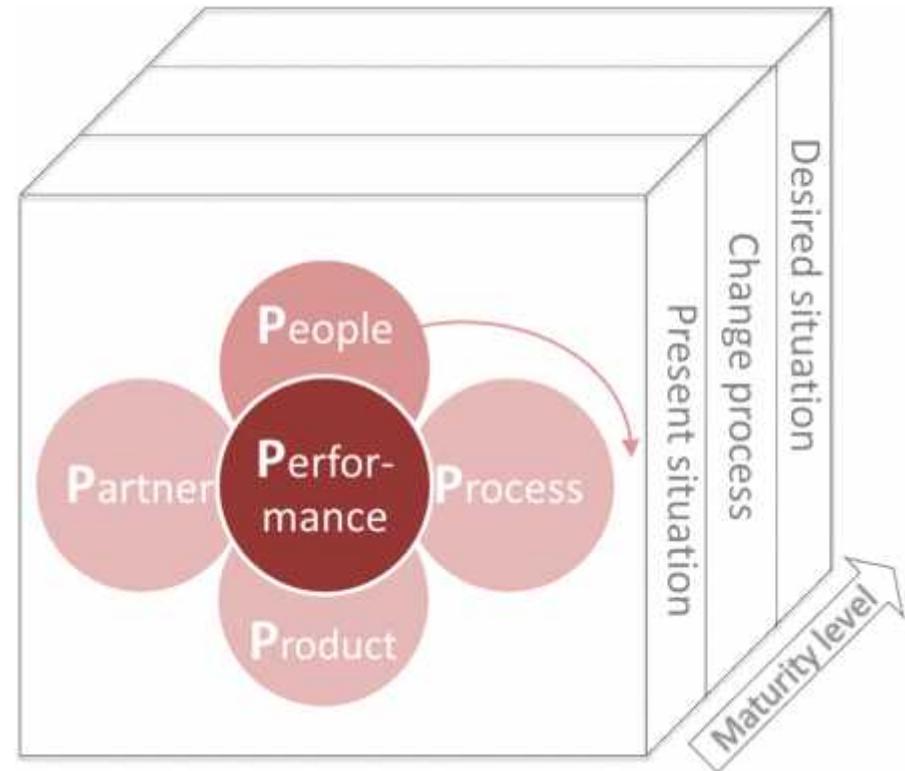
- **People** - people with the right skills and service culture
- **Processes** - effective service management processes
- **Products** - good IT infrastructure: services, technology and tools
- **Partners** - specialist suppliers that deliver elements of the service.

New 5th P: **Performance** - Focus on business strategy and how IT supports



5P-model helps in change process (2/2)

Integral approach with steering and start



Performance

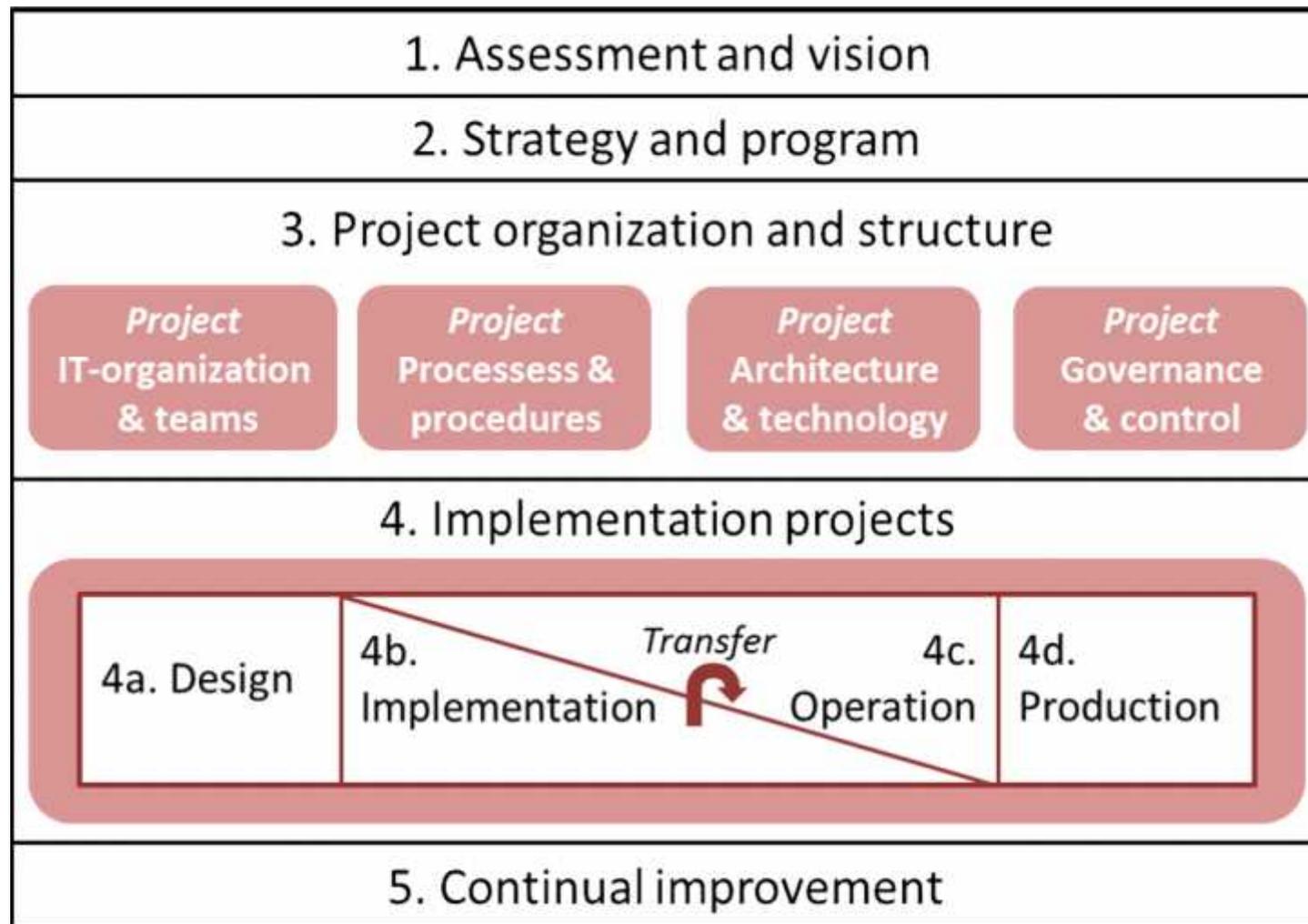
- Turning point of the other four Ps
- Measurement of outcome essential

People

- People are the engine for change
- Organizations change because people change
- People change when feeling urgency

Outline approach ITSM change program

Used successfully within client organizations



Phase 1 Assessment en visie

Assessment present situation. Give **vision** on new organization.

- Mark a turning point (“*crisis*”) for a strong starting point
- Drastic change (“*revolution*”) needed
 - Address all elements
- Formulate and communicate sense of urgency

Guidance for change:

- ‘8-step change process’ (prof. Kotter)
- ‘crisis-revolution-evolution model’ (prof. Greiner)



Guidance for change Including human factor

Approach ITSM change program

8 step Change process
(prof. Kotter)

Growth model
(prof. Greiner)



Phase 2 Strategy and program (1/2)

Define **strategy** for achieving desired situation

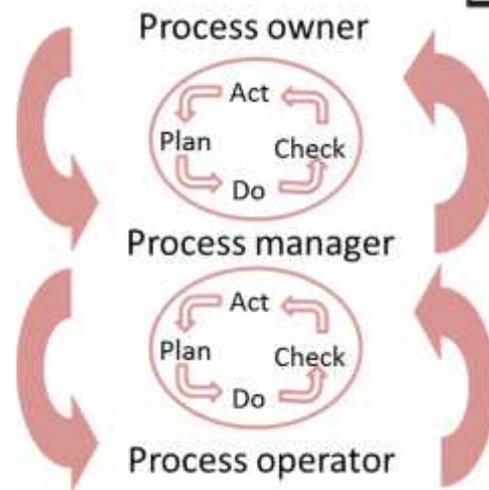
- Design new organization: *organization, process and governance model*
- Define teams and core organization chart with positions/mandates
- Define priorities desired improvements
- Formulate **change program** with concrete, smart targets

Phase 2 Strategy and program (2/2)

- Organization model, like:



- Governance model, like:



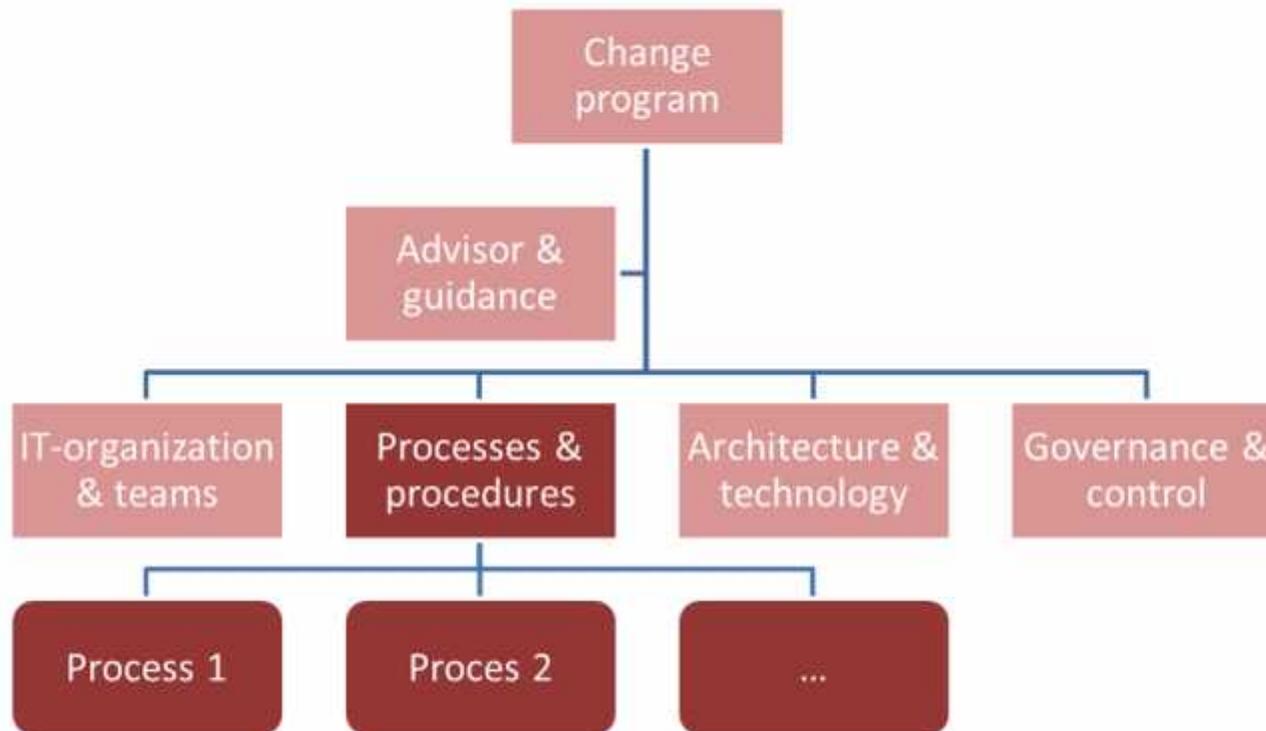
- Process model, like:



Phase 3 Project organization and structure

Define projects and members

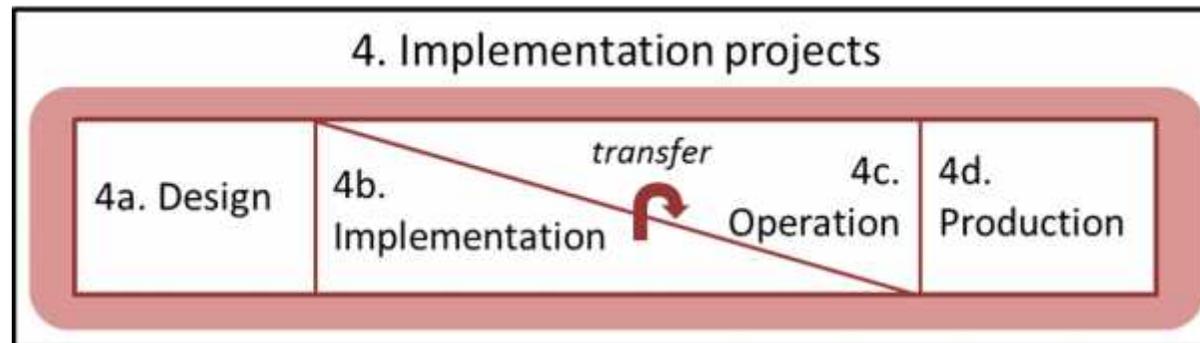
- Link projects to each other, with program and vision
- Separate projects for organization structure and governance
- Prioritize: start with met limited number of process teams



Phase 4 Implementation - projects

Processes & procedures

- Short **Design phase** (4a), and phased transition to operation
- Gaining support for process by employees in **Implementation phase** (4b)
- Transfer new ways of working, and products to **Operation phase** (4c)
- Assurance in **Production phase** (4d) - Service Improvement Plans



Phase 5 Continual improvement

Now there is a basis for a flourishing Continual Improvement phase

- Results anchored in new ways of working in organization
- Repeated activities for identification and activation of improvements
- Working of **Plan Do Check Act**-cycle conform governance model

⇒ Long lasting “**evolution**” is anchored, facilitating new initiatives



Summary

ITSM project handled as change program

- “Crisis” Turning point was trigger for start change program
- “Revolution” Drastic measures needed to grow
- “Evolutie” Long lasting phase, facilitating initiatives

All aspects of change are handled

- Organization- and human factor-aspects

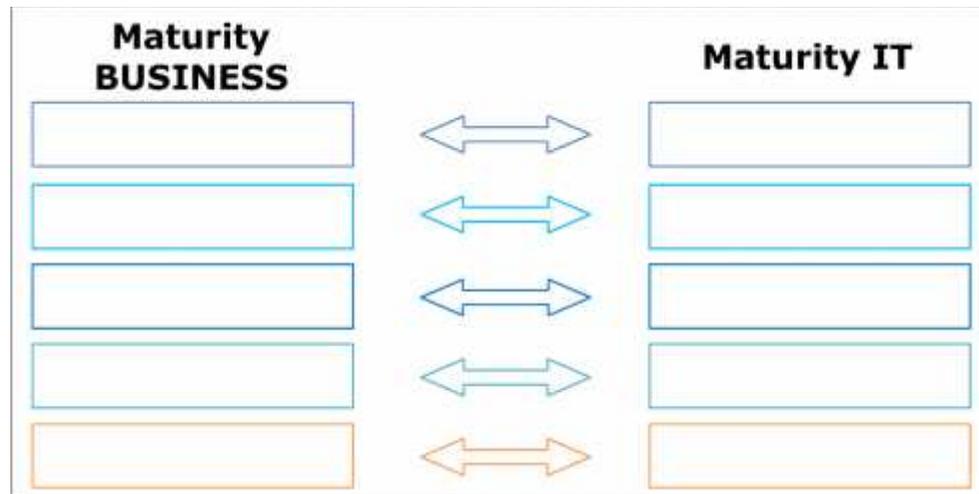
Business IT Integration – Maturity model

Relationship between Business and IT

Business IT Integration – Maturity model

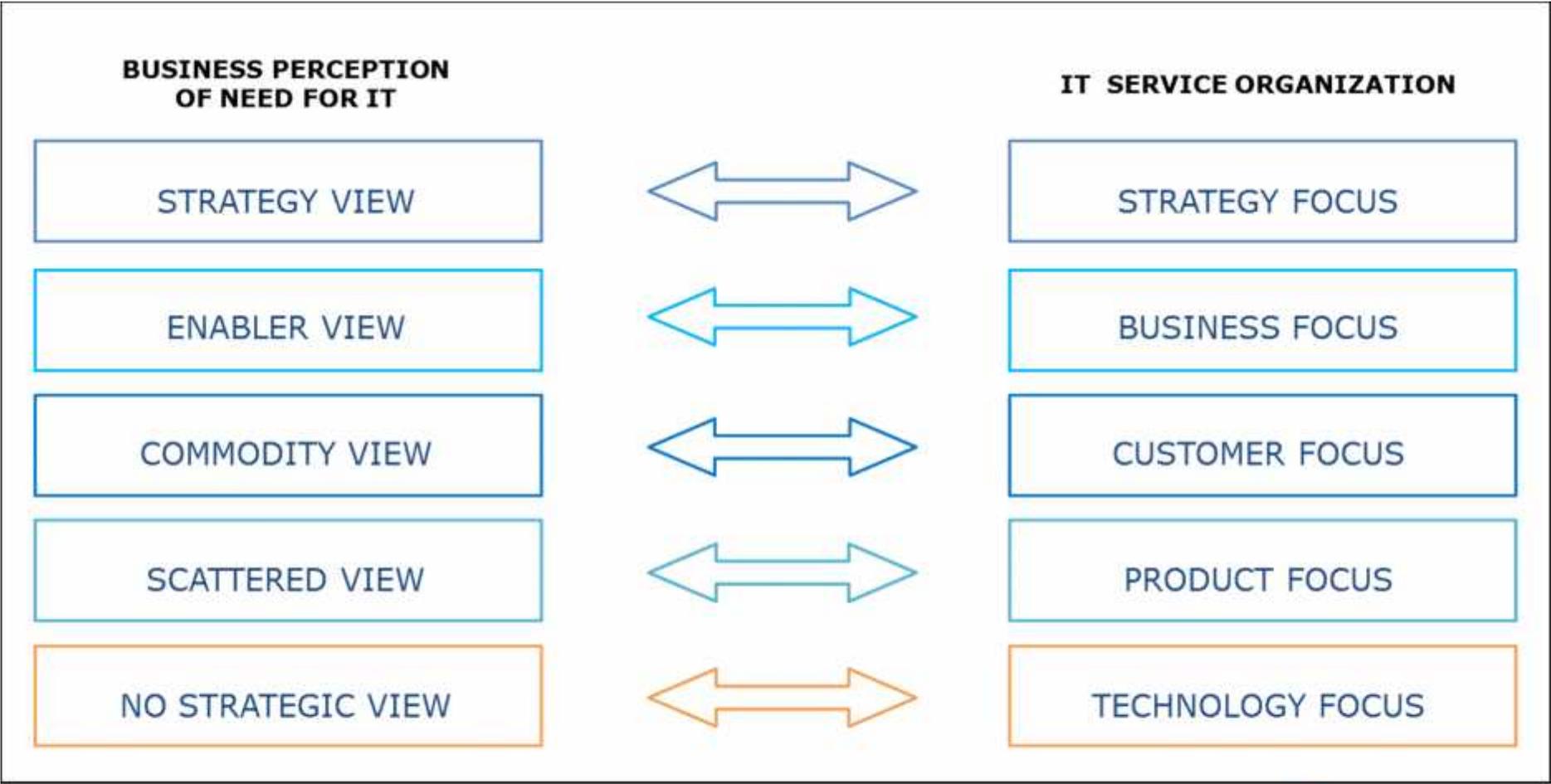
Relationship between Business and IT

- In their growth path, organizations reach a level of maturity
- As relationship business-IT changes, role IT organization changes
- Model for Business IT relationship is useful for:
 - Determining the current role IT plays in relation to business
 - Determining which role IT desires in future
- The desired role and maturity level: inputs for organization change



Business IT Integration – Maturity model

Finding balance in relation Business and IT



Business IT Integration – Maturity model

Roles of an IT organization

- **IT expert** – Pure technology driven. Level 1: Technology focus.
- **IT department** – Technology/product driven. Level 2: Product focus
- **IT supplier** – Customer or service driven. Level 3: Customer focus
- **Partner** – Enterprise or strategy driven. Level 4: Business focus.
- **Co-owner** – Business driven. Level 5: Strategy focus.

Business IT Integration – Maturity model

Roles of an IT organization

IT department	IT supplier	Partner
IT in maintenance zone	IT as well-oiled IT	IT enabled growth
IT not important	IT is a commodity	IT is an enabler
IT budget fixed	IT budget flexible	IT earns
No relation IT cost – IT organization	IT provides well priced services	IT investment realizes savings in business
IT specialists determine IT agenda	Customer determines IT agenda	Market and strategy determine IT agenda



Business IT Integration – Maturity model

Model helps IT and Business

The model for the relationship between IT and Business helps:

- as a basis for conversation and discussion
- to pinpoint the positions on the levels in the model
- in recognizing misalignment and managing expectations
- to initiate follow up steps: ***organization change***

Thanks for your attention

Questions?

More information on: www.Designing-IT-Organizations.com

