Introduction to ITIL for Project Managers

Connie Creech
ITIL V3 Expert & COBIT Certified
Agenda

• What is ITIL
• ITIL purpose/goal
• Service Management as a Practice
• ITIL Service Lifecycle (ITILv3)
• How to use PMBOK to Implement ITIL
History & Background
IT Infrastructure Library (ITIL)

History…

- Created by the UK Office of Government Commerce in late 1980
- Organizations increasingly dependent on IT to meet business needs
Business Challenges

- Deliver Value
- Improve Return on Investment
- Minimize Risk
- Reduce Cost and Time to Market
- Increase Business Performance

- Adapt quickly to changing business needs
- Minimize costs and reduce complexities
- Optimize resources
- Reduce costs
- Ensure a stable but flexible environment
What exactly is ITIL....?

- A public framework (like CMMI, PMBOK, CobiT)
- Collection of good practices for delivery of services
- Widely used (>70% in Europe, >60% in Americas... and growing)
- ITIL is a means to improve service quality, reduce costs, increase business value and agility.
ITIL Adoption is Growing

- ABN-AMRO Bank
- Aetna Life Insurance
- AT&T Solutions
- Australia Post
- AXA Insurance Group
- Bank of Canada
- Bank of Montreal (Cebra, Harris Bank)
- Barclays Bank
- Bass Breweries
- BHP Billiton
- BMC Remedy
- British Airways
- British Telecom
- BP
- Canadian Fed. & Prov. Governments
- Capital One Services
- Checkfree
- CIBC
- Computer Sciences Corporation
- Consumers Gas
- DLJ Pershing
- Dutch Land Registry Office
- Dutch Railways
- EDS
- Exxon
- Federal Express
- GDS4
- GE Capital
- General Accident
- Great West Life
- Guinness/UDV
- Hewlett Packard
- Honda
- Hong Kong & Shanghai Bank
- IBM/ISM
And growing…… worldwide

- J.D. Edwards & Company
- KPMG
- Legal & General Insurance
- Lucent Technologies
- Mackenzie Financial Corp.
- Manulife Financial
- MCI/Verizon
- Menominee Indian Tribe of Wisconsin
- Merrill Lynch
- Mutual Life Assurance Company
- National Westminster Bank
- Nesbitt Burns
- Network Associates
- Ontario Hydro
- Oracle
- Perot Systems
- UK Post Office
- Peregrine Systems
- Procter & Gamble
- Royal Bank of Scotland
- Royal Mail
- Scottish Provident
- Shell
- Sprint Nextel
- GlaxoSmithKline
- Standard Life Assurance
- The Equitable Insurance Company
- Toronto Dominion Bank
- Union Gas
- Virginia Power
- Visa
- Vodafone
- Zurich Insurance
Traditional IT vs. ITIL Framework

Traditional
- Technology is the solution
- Informal processes
- IT internal perspective
- Operations focus
- Silos
- Reactive-firefighting

ITIL
- People and technology
- Formal standard processes
- Business perspective
- Service oriented
- Well defined hand-offs
- Proactive
- Shared vernacular
Service Management as a Practice
What is a Service?

SERVICE
A means of delivering **VALUE** to customers by facilitating the customer’s **OUTCOMES** without the customer owning the specific **COST** or **RISK**.

People do not want quarter-inch drills. They want quarter-inch holes.

*Professor Emeritus Theodore Levitt, Harvard Business School*

- In operational terms
  - Services facilitate outcomes by having a positive effect on activities, objects, and tasks, to create conditions for better performance.
  - Service providers own the risks and specific costs, such as infrastructure and staffing.
    - The provider owns and maintains the infrastructure.
    - The customer receives value in that the service is available when needed, in the quantity and capacity necessary to communicate.
Processes

**Process**
A structured set of activities designed to accomplish a specific objective.

- Process characteristics
  - Measurable
  - Specific results (outcome)
  - Customer/stakeholder
  - Responds to specific (trigger) event
- Enable cross-functional integration/coordination
- 26 Processes defined in ITIL v3
Aligning Roles with Processes – RACI Model

**RACI Model**

Used to define the roles and responsibilities for performing an activity or process, or delivering a service.

- **Responsible** – the person or people responsible for getting the job done.
- **Accountable** – only one person can be accountable for each task. “The buck stops here”
- **Consulted** – the people who are consulted and whose opinions are sought
- **Informed** – the people who are kept up-to-date on progress.

<table>
<thead>
<tr>
<th>Role Activity</th>
<th>Process Owner</th>
<th>Process Manager</th>
<th>Customer</th>
<th>User</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity 1</td>
<td>A</td>
<td>R</td>
<td>I</td>
<td>R</td>
</tr>
<tr>
<td>Activity 2</td>
<td>A/R</td>
<td></td>
<td>C</td>
<td>I</td>
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<td>Activity 3</td>
<td>A/R</td>
<td>R</td>
<td>I</td>
<td></td>
</tr>
<tr>
<td>Activity 4</td>
<td>I</td>
<td>A/R</td>
<td>C</td>
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</tr>
</tbody>
</table>
Customers receive the full benefit when processes for services are implemented across functions
End Result

Future

Tomorrow

Today

Integrated People, Process & Technology
One IT

Process & Process Owners

Silos
ITIL®
Service Lifecycle
Service Strategy – Scope

- Aligns IT services to the business
- Help organizations develop the ability to think and act strategically
- Show how to transform service management into a strategic asset
Service Portfolio & Catalogue

**Service Portfolio**
- Description
- Value Proposition
- Business Cases
- Priorities
- Risks
- Offerings & Packages
- Cost & Pricing
- Third Party Services

**Service Catalogue**

- **Service #1**
  - Supported Products
  - Ordering & Request Procedures
  - Support Terms & Conditions
  - Entry Points & Escalations
  - Pricing & Chargeback

- **Service #2**

**Customer Perspective**

I value the services IT Provides

**Business Perspective**
Service Design – Scope

- Develops the “blueprint” for services
- Service-specific requirements
- Re-use of Portfolio services
- Technology architecture
- Process design
- Measurement design
Service Catalogue

- Database or structured document
- Information about all live IT services including those available for deployment
- Is the only part of the service portfolio published to customers
- Includes information on ordering, IT policies, contact and escalations points
Service Transition – Scope

Transition Planning & Support

Knowledge Management

Release & Deployment Mgmt

Change Management

Asset & Configuration Mgmt

Service Validation & Testing

Evaluation Management

Transition services and changes into operations (Bridge between Service Design and Operations)
- Build
- Test
- Deploy
- Ensure minimal unpredicted impact to the business
Configuration Management Database (CMDB)

**CMDB**
A database used to store CI through the entire lifecycle. The CMDB stores the attributes and the relationships of all CIs.

**Benefits of a CMDB**
- Assess the impact and cause of incidents and problems
- Assess the impact of proposed changes
- Plan and design new or changed services
- Plan technology refreshes and software upgrades
Change Management

- Human factors effect successful change
- 80% of all unplanned outages are caused by people and process issues
- Culture of Casualty

According to Gartner: 80% of IT Failures are Self-Inflicted
Service Operation – Scope

**Processes**
- Event Management
- Incident Management
- Request Fulfillment
- Problem Management
- Access Management

**Functions**
- IT Operations Management
- Technical Management
- Service Desk
- Application Management

- Actual delivery of value in services to customers & users
- Ongoing management of the technology used to deliver and support services
- Collection of most service management data
Service Operations

**Service Desk Function**
The single point of contact for all IT users. May handle all incident and service request using specialize tools to record events. The primary aim is to restore the normal service to users as quickly as possible.

**Service Desk Manager**
A role responsible for overall service desk activities. Acts as a Escalation Point and attends the Change Advisory Board (CAB)

**Incident Management**
An incident is an unplanned interruption or a degradation in the quality of IT service
Continual Service Improvement – Scope

- Improvements to
  - Service management
  - Services
  - Processes
- Measurement and reporting guidance
Continual Service Improvement (CSI) Model

1) What is the Vision?
   - Business vision, mission
   - Goals and objectives

2) Where are we now?
   - Baseline and Gap Analysis

3) Where do we want to be?
   - Measurable targets

4) How do we get there?
   - Service & process improvement

5) Did we get there?
   - Measurement and metrics

6) How to keep the momentum going?
You can not manage what you can not control.
You can not control what you can not measure.
You cannot measure what you can not define.
Using PMBOK to Implement an ITIL Framework
Move from Traditional IT to Coordinated State

Handle an organization changes as a project
Roadmap to Success

- **Vision**
- **Inspire**
- **Build**
- **Empower**

**Integrated Functional Teams**

- **CIO Sponsor**
- **Customers**

- **Outside Resources**

- **Dedicated Implementation Project Management Team**

- **Documented Measurable Process**

- **Process Owners**
Using PMBOK to Implement ITIL

1. Initiating Project
   - Determine company culture and existing systems
   - **Collect processes, procedures and historical information**
     - Match with ITIL processes and functions
   - Breakdown processes and functions into manageable chunks
   - Identify stakeholders and influential key influencers in and outside the organization
   - Conduct interview and create baseline
   - Define deliverables
   - Create project charter and scope
   - Obtain signature page

2. Planning
   - Determine quality standards, processes and metrics
   - Determine roles and responsibilities
     - Implementation team
     - Process owners
   - Develop formal communication plan
   - Develop final plan and performance measurement baselines
   - Identify milestones
Using PMBOK to Implement ITIL Framework

3. Executing

- Conduct ITIL awareness sessions and conduct baseline assessment
- Implement each process/function according to schedule
- Conduct review after each process/function is implemented
- Recommend changes and corrective actions
- Implement approved changes
- Identify quick wins
- Hold progress meeting
- Celebrate milestones
- Ensure processes are documented

4. Monitoring and Controlling

- Measure against baseline
- Determine variance and if they warrant corrective action or change
- Configuration management
- Integrate change control
- Risk audits
- Issue logs
- Report on performance
- Measure staff performance
- Place each implemented process/function into continual service improvement

• Designing for new Services
• Major Infrastructure Upgrades
• Deployment of new or changed services
Questions?