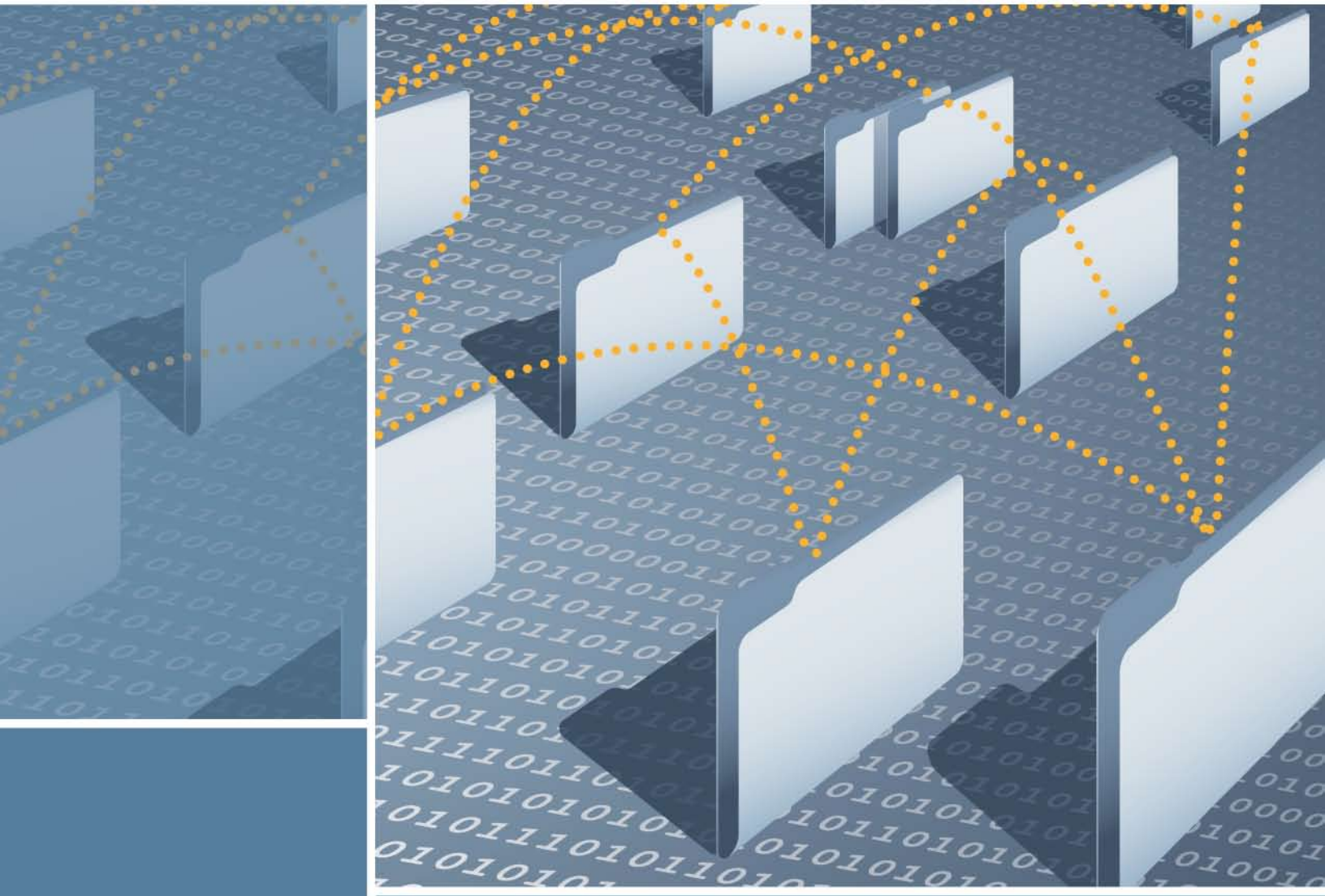
IBM

The Current State of ITIL



an internet.com IT Management eBook

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The Current State of ITIL

This content was adpted from Internet.com's ITSM Watch Web site. Contributors: George Spafford, Mike Tainter, Kristy Smith, Dave Perera, Rob England, and Eddy Peters.

Defending ITIL's Value

By George Spafford

We should be able to read about all sorts of ITIL success stories with metrics, yet most articles are about promise, theory, and application. Why is this? Why aren't there more reports of success and why are both IT and business leaders starting to become jaded when it comes to the IT Infrastructure Library (ITIL)? Part of the problem is in how ITIL is viewed and how it is implemented.

ITIL isn't simply about a collection of processes listed in books. It's about IT service management (ITSM) and the belief that IT must deliver services to the business that meet requirements. In a sense, IT is playing catch-up with manufacturing. Following WWII, the Japanese were quick to embrace quality management led by the likes of Deming and Ishikawa. In the 1980s, U.S. manufacturing realized they needed to fundamentally change how they conducted business in order to compete with the Japanese. Now, it is IT's turn. This means that not only IT, but the business too must also change how IT is wielded in order to successfully enable IT's mission of value creation and protection.

Goals and Objectives

Functionally, IT is a shared service that provides IT-related services to other business units to help those groups attain their objectives. IT doesn't do these things on its own – or at least it shouldn't. That is how alignment problems come into existence. For example, IT helps generate revenue by enabling sales, not by circumventing them. IT helps lower costs by empowering manufacturing and procurement through services that enhance productivity while simultaneously mitigating risks.

The point is that IT plays a supporting role as force magnifier to other business units.

To do this, the strategic direction of the business and service requirements must be understood, documented, and agreed upon. New and/or changed business and IT services must then be designed, transitioned into production, maintained, and supported in operations and all the while IT and business must pursue continuous service improvement.

While creating and supporting IT services it is important to understand that ITIL's ultimate value does not lie in isolated processes. The value lies in the ITSM philosophy and the creation and protection of value around objectives that support the goals of the organization. IT organizations that say they are using ITIL to design and operate the service desk and incident management are only scratching the surface of what could be done.

Processes and functions performed in isolation without an overarching ITSM process to coordinate activities will rapidly encounter diminishing returns because there are limits to the benefits they can achieve. For example, incident management doesn't fundamentally improve the services IT is providing to enable the business; it only helps streamline the reaction to deviations, or potential deviations, from standard operation of the service. To truly improve the service requires the coordinated use of multiple processes.

Implementation Approach

IT organizations that want value from ITIL must first recognize it is only a means to an end. In other words, the processes are being implemented to create and protect value in a manner that makes business sense. The order, scope, and timing of each phase of implementation must be grounded in achieving this.

It is important not to do all of the processes covered in ITIL at once. This method costs a great deal of money, spreads management's abilities very thin, and has a high likelihood of failure. Instead of an unfocused approach, an organization embarking on ITIL, or even questioning how to proceed after a failed or stalled attempt, should take the time to assess the current state and understand what is holding the organization

back from achieving its goals and then drill down to functional area objectives, business services, and then the supporting IT services. The objective of this analysis is to understand how IT is either constraining the achievement of objectives or how IT can be used to break constraints that exist outside of IT.

To be clear, we need to understand what the largest constraint is and address it. Once that largest constraint has been removed, the resulting state must be assessed and the new greatest constraint identified and addressed.

This approach is based on Eliyahu Goldratt's well proven Theory of Constraints (TOC). Far from being an unproven arcane theory, Goldratt and TOC practitioners around the world have demonstrated repeatedly that organizations are systems made up of business units and are assembled to attain a goal. Within the system there will be one constraint that is greater than any other that is limiting the system's ability to attain its goal. If that constraint is identified it can then be surgically removed and then the throughput of the entire system improves.

To illustrate, consider a 20-foot length of chain whose weakest link can only lift 500 pounds. Even though every other link can lift 8,000 pounds, the total capacity of the chain is constrained to 500 pounds. If we invest $20 million improving every other link of chain except the weakest link, did we improve the capacity of the chain? Of course not and we may well have wasted $20 million and a fair amount of precious time. Instead, if we spent some time carefully inspecting each link, the correction may have only cost a few dollars at most and then the entire chain's capacity would increase to the strength of the new weakest link. The improvement process is then repeated over and over improving the overall chain's capacity each time.

The power of that simple chain story is that it illustrates what IT and the business do all the time: they pour money into improving operations and telling each group to "be all that they can be" without understanding where the constraint is and then focusing resources and management attention to create a true solution.

ITIL provides IT service management, which is a powerful quality-management philosophy in its own right that groups need to recognize and understand. To effectively and efficiently improve requires that organizations understand what the business needs and then focus continuous service improvement efforts to identifying constraints and properly create solutions. ■

Developing Actionable ITIL Processes

By Mike Tainter and Kristy Smith

The effective adoption of ITIL requires not only the application of ITIL best practices, but also a sound process development framework. Coupled with a campaign of cultural transformation and consistent measurement and results tracking, solid process development techniques will yield repeatable, integrated, and actionable processes for managing services and operations across the IT organization.

The Pitfalls of Haphazardness

Haphazard processes can perpetuate inefficiencies, if not chaos, in an IT organization. For example, the complete set of knowledge of an IT organization's activities is usually spread among its many employees. This applies to process documentation, which is too often located in disparate repositories — such as hard drives, shared drives, e-mail folders, and people's memories— and is typically stored in many formats such as Word, Visio, PowerPoint, or not documented at all.

Thus, critical process intelligence can be lost or get out of sync when staff members leave, or when the organization grows, restructures, or merges. The result is haphazard process development. Haphazard processes may have no clear entry or exit point, too much (or too little) detail, crossing lines, wordy or ambiguous procedure names, undefined roles and ownership, and a lack of clearly defined inputs and outputs to and from other processes.

A Sound Framework

A sound process development framework to support development of actionable ITIL v3 processes brings many benefits: centralized knowledge capture, repeatable results, reduced defects, increased collaboration, and a shared process language across the organization. It facilitates continual process improvement, and provides a consistent baseline for measurements, results tracking, and change control.

vA good process development framework comprises an online tool built around a multi-layered process model. As depicted in Figure 2, each layer of the model parses the process into progressively lower levels of detail, leading the end user in an intuitive fashion to the specific actions required for thorough ITIL process implementation.

The four layers of the process framework are: process, procedures, steps, and work instructions, and tool tips.

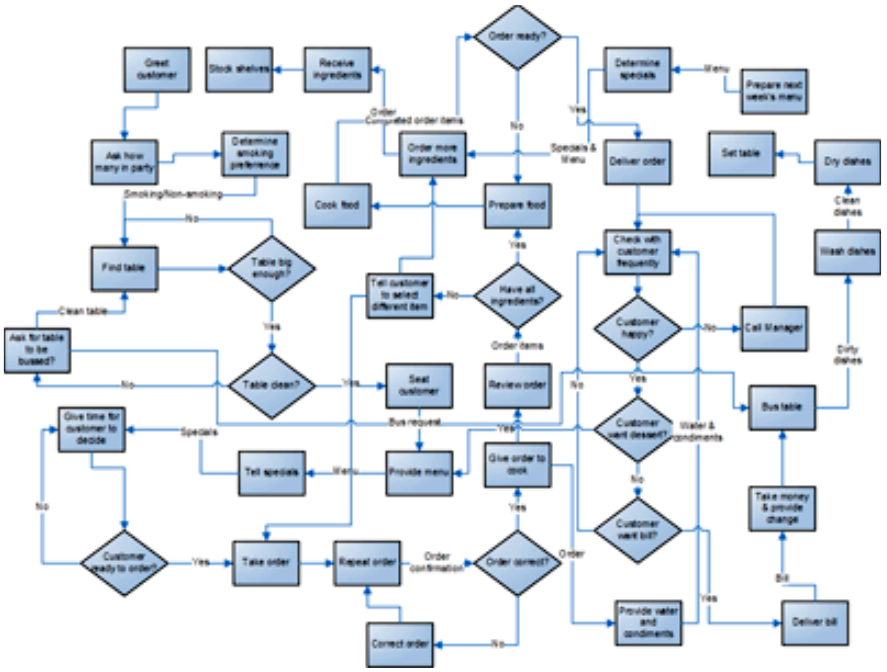

Figure 1: Haphazard process development.

Processes, procedures, steps and work instructions are housed within the online tool. The highest and lowest layers, policies and work flows, physically reside outside of the online tool, but are still an integral part of an actionable process model. Each layer of an actionable process model is described in detail below.

Policies: A policy is a high-level overall plan that covers general objectives and expectations. For example, a common policy for Incident Management is to use the service desk as a

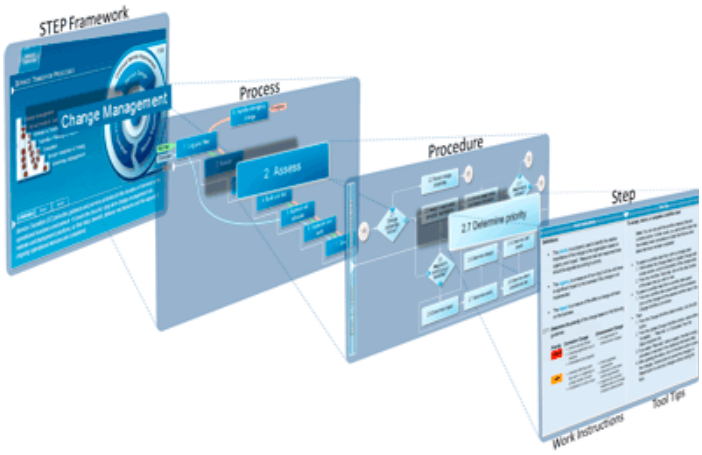

Figure 2. Multi-layered process framework.

single point of contact for all incidents, while common policies for change management are to establish a change advisory board (CAB) and to define rules for executing different types of changes such as emergency, standard, normal, etc.

Policy development is a responsibility and activity of management. It occurs outside of the process framework, and provides the goal posts toward which all process development is aimed.

Processes: Processes are high-level activities required to meet the policies and objectives of the organization during various phases of the IT service management lifecycle. The major activities for each process can be derived from the various books in the ITIL v3 service lifecycle. This is where it all starts and where ITIL paves the way.

Procedures: Each process should also outline the procedures that establish the set of steps required to complete the process activities. For example, the Incident Management process would have a set of procedures to identify and log; categorize and prioritize; investigate and diagnose; resolve and recover; monitor, track, and communicate; and close the incident. Procedures are repeatable and static regardless of the particular incident or change request involved. A procedure is an action—its name always begins with a verb. Every procedure is triggered by a specific event or input, and results in a specific output.

Steps: Each procedure comprises a set of steps, arranged in flowchart fashion, that are followed to complete the procedure. For example, Incident Management contains a procedure to categorize and prioritize the incident. To complete this procedure, you would complete the following steps: determine the request type, record the incident details, identify the impacted configuration item, and determine the priority of the incident.

Work Instructions: Each step contains work instructions that document repeatable, role-based instructions for completing the step. Work instructions are where the processes and procedures meet the IT service management tool; as they explain how to utilize the tool to execute the step, when applicable.

To continue our example above, the work instruction for the step determine the priority of the incident would contain specific information about impact and urgency levels and criteria, and would describe how to indicate the incident's priority within the tool.

Work Flows: The lowest level of detail is the work flow. Work flows are repeatable, role-based instructions for executing a change, fixing a problem or producing a work product. Work flows are dynamic, consisting of the details tailored for each task that IT performs for the business. Documented work flows often reside in the IT service management tool in a pre-populated model or template, and are also referred to as standard operating procedures (SOP).

An example of a work flow is an incident resolution template, an automated service desk template that pre-populates an incident record with appropriate instructions for resolving a recurring incident. Other examples of work flows are standard change, a prescribed set of instructions for building, testing, and implementing a repeatable change such as a password reset or a new employee setup; and a test script, a specific test scenario for confirming automated functionality.

Fostering Actionable Processes

Ensuring that ITIL processes are actionable is a challenge that goes beyond process development and documentation. The organization must recognize that a cultural transformation is required to foster acceptance of ITIL and to anchor new behaviors. In addition, a measurement strategy must be employed to track results of the ITIL implementation, to determine levels of adoption, and to promote continual improvement.

An ITIL initiative, like any change initiative, can potentially fall victim to the "dead salmon" syndrome: salmon swim upstream against the flow, lay their eggs and, ultimately, end up dead in the water. An ITIL initiative that is constantly swimming upstream against the cultural flow will likely meet a similar fate. In his book Leading Change, John Kotter discusses an "eight stage process of creating major change" to effectively lead an organization through cultural transformation.

The eight stages are:

1. Establishing a sense of urgency
2. Creating the guiding coalition
3. Developing a vision and strategy
4. Communicating the change vision
5. Empowering broad-based action
6. Generating short-term wins
7. Consolidating gains and producing more change
8. Anchoring new approaches in the culture

According to Kotter, stages one through four of the transformation process help break the status quo. Stages five to seven introduce new practices. And stage eight grounds the changes in the culture to help them stick.

The pressure to produce quick results often leads to a desire to skip stages or to execute them out of order. Don't be a dead salmon. It is important that all eight stages are followed sequentially. To curtail the desire of individuals to work against the impending change, and to actually nurture enthusiastic support, follow best practices for creating successful change before going down the road of ITIL implementation. Establish a steering committee, form a good foundation of management support, and communicate the vision before proceeding to introduce process and procedural change to the organization.

Change Through Measurement

An essential part of any ITIL implementation is to monitor technical and business results—such as process performance, quality, customer satisfaction, and levels of compliance—utilizing rationalized metrics, reports, and auditing. Determine and baseline a set of critical success factors (CSF) with supporting key performance indicators (KPI) and operating metrics (OM). Determine a reporting strategy and schedule. These will be utilized by the steering committee, process owners and managers to measure process conformance, quality and performance.

Keep in mind that it is not reasonable to expect that process will be followed without proper inspection for conformance and performance. You can't expect what you don't inspect.

Just as important is to measure cultural adoption of ITIL by surveying and interviewing IT staff to learn their attitudes. Are they realizing practical benefits as a result of the ITIL initiative, and does it seem worth the effort so far? Do they have an idea to contribute, or do they want clarification of an issue? This is crucial to making processes actionable and to ensure continual process improvement. ■

Service Desk at Core of ITSM Initiatives

By ITSM Watch Staff

The help desk has evolved beyond its role of simply recording and responding to IT user issues, according to a study, "The Aging Help Desk: Migrating to a Modern Service Desk," released by Enterprise Management Associates (EMA) in April. Today's help/service desk is at the core of IT service management (ITSM) initiatives.

"EMA has long believed that the service desk represents an area of investment for the enterprise," said Lisa Erickson-Harris, EMA research director and study leader, in a press release. "Our research confirmed that even in this down economy companies view the help/service desk as a place where spending can drive returns through technology automation, the introduction of self-service and consolidation in operations."

Some of the key findings include:

- Service Desk Part of Overarching ITSM Strategy: Sixty two percent (62%) of participants are either already making the help/service desk part of the company's overarching ITSM solution or are planning to move in this direction.

- Use of Multiple Help/Service Desk Tools: Fifty six percent (56%) of respondents from large enterprises are managing or planning to manage multiple help desks. The vast majority of organizations managing multiple help/service desks will consolidate their operations.

- Consolidating Service Desk with Corporate Customer Service: Integrating customer service operations with the IT service desk promises financial savings as both groups require similar training, tool sets, processes and automation capabilities. Thirty percent (30%) of respondents have been able to take advantage of this opportunity.

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Why U.S. Navy is Standardizing IT Strategy Around ITIL

By Dave Perera

In 2006, EDS had a problem. A big problem. The company was facing rampant and voluble dissatisfaction of its $9.9 billion contract to manage the Navy and Marine Corps's land-side IT infrastructure, better known as NMCI, for Navy/Marine Corp. Intranet. To solve this headache, EDS, now a division of HP, turned to ITIL. Initially applying it to high-visibility areas such as change and incident management, EDS expanded ITIL over the next 27 months across its areas of responsibility, which cover everything from seat management to network command and control.

"Proactive issue resolution, streamlining the process in those functional areas so that the system felt more responsive to end user – that was the target" during the ITIL roll out, said Steve Heidt, the company's VP for Navy/Marine Corps Intranet Operations. Parts of the EDS's support organization have adopted ITIL version 3 (v3), but when the contract runs out in September 2010, it will end with a mixture of the version 2 (v2) and v3 frameworks in place, Heidt added.

The Navy's unhappiness with the outsourcing effort was obvious to anyone witnessing the mid-decade raft of "NMCI Sucks" bumper stickers or the forest of snide online comments. More recently, however, the percentage of satisfied users has reached the high 80s, according to surveys conducted by EDS. Some of the dissatisfaction may have been inevitable. EDS was tasked to hammer around 6,000 separate networks managed by 28 different commands into a single, coherent whole for about 700,000 users. Still, the degree of discontent went deep and high in the ranks.

"I believe that EDS was not prepared to handle the implementation," said Lt. Gen. Edward Hanlon in 2004 when he was the commanding general of the Marine Corps Combat Development Command.

Post-ITIL, relations between EDS and Navy have improved, Heidt said. "We interact much better with them in a more rigored structured process that helps them get visibility and control faster," he explained.

Moving Forward

Now the Navy is looking past NMCI to its next IT contracting vehicle and vowing not to repeat old mistakes. The Navy calls its next procurement the Next-Generation Enterprise Network (NGEN) and is in the process of finalizing its acquisition strategy. Regardless of what final approach emerges after the Pentagon approves the analysis of alternatives, the Navy is making it clear that ITIL will be its management framework of choice. In NMCI, the Navy essentially handed over to its entire infrastructure to EDS; even abdicating command and control of land-side networks to the company.

No one in the military, or even in EDS itself, reasonably expects that to happen again with NGEN, although a NMCI-like model officially remains a possibility, said Navy Capt. Tim Holland, NGEN's program manager.

Regardless, the NGEN Concept of Operations document specifically calls for ITIL. That's because the Navy wants a common language to speak with industry when it comes to integrating the support with Navy command and control, Holland said.

"Industry is familiar with it. We can have more than one in-

dustry partner and we'll all be talking the same language," Holland added. The Navy will use ITIL across the totality of NGEN. "It's a lot more than help desks. Help desk is just one service within ITIL." The analysis of alternatives should be complete within the next few months, Holland added.

On-shore IT infrastructure isn't the only area where the service has found ITIL beneficial. Components of the Naval Network Warfare Command (NETWARCOM) started using it about two years ago in its ship-to-shore communications, said Navy Lt. Cmdr. Dave Purkiss, an ITIL advocate who works for NETWARCOM's readiness directorate. ITIL has allowed the Navy to standardize what once were different IT management procedures across NETWARCOM's major shore communication stations covering the Pacific and Atlantic oceans, the Mediterranean, and the Persian Gulf, he said.

Before, a ship or crew crossing from one region to the next would be met with different sets of prioritization schemes for incident management, Purkiss said. Very often, a single person would manage incidents from start to finish and "that lack of specialization created a lot of inefficiencies," he added. The tracking methodology for outages was just paper messages on desks. Demand for a standardized framework to better manage incidents came from the ground up, Purkiss said.

At the same time, it proved difficult at times to get Navy personnel to embrace ITIL, which carried a reputation as a corporate strategy that seeks to make decisions cost efficient. Military personnel think in terms of combat readiness. "It's hard to put a cost value on a pound of command, control, communications, computers, and intelligence," Purkiss said. "The balance sheet is what's difficult. The cost sheet is easy, but the return on that investment is the hard part. That's what we're struggling with, Navy-wide," he added.

There's only so much individual components can do to resolve that problem, Purkiss said. At some point the major commands or the CIO will need to create a strategy for service prioritization and make the hard decisions of how to match costs to combat readiness. "It has to be both a top-down and a bottom-up approach – one without the other is not a recipe for success." ■

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• ITIL Disciplines Identified as Important: Sixty four (64%) of respondents have deployed or are planning to deploy ITIL v3. Incident, problem and change management are the most frequently-deployed ITIL disciplines and remain the most critical for help/service desk operations.

• Service Catalog a Key Growth Area: Fifty six percent (56%) of respondents have already deployed or are planning to deploy a service catalog. Clearly, there is value in putting IT service offerings front and center in the hands of managers and users via the service catalog.

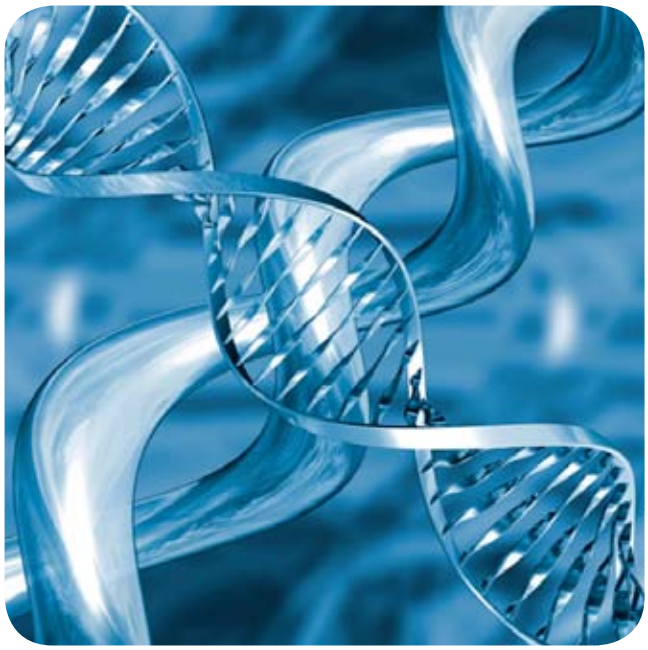
• Self-Service a Top Priority: Self-service is a strong area of investment because of its ability to lower call volume and resolution time at the service desk. Surprisingly, only 32% of respondents indicated that they had already implemented password reset technology while 41% are planning to do so. "While the help/service desk has a lot on its plate," Erickson-Harris said. "There are clear opportunities for significant operational cost savings. EMA believes that efforts to expand the footprint of the service desk will also improve the user experience and raise the credibility of IT throughout the organization." ■

The (Ongoing) Evolution of the ITIL Request

By Rob England

Two years ago, I wrote about the evolution of the ITIL Request. Since then, discussions on my blog have reshaped some of the ideas. Let's revisit them:

In ITIL v1, there was no recognized "process" for Incident Management, just a function called Help Desk, which was responsible for "first level incident support, advice and acts as a day-to-day contact point for users of IT services." Only Incidents were recognized as a processed object.



In ITIL v2, Incident Management became a recognized process. (Whether or not this is a correct use of the word process is a discussion for another day.) Mentioned in passing was the possibility of a call being a Service Request rather than an Incident, at which point the process branched to ... well, nothing. The Service Request branch hung into space, dangling wires and reinforcing steel into the void. Service Request process was never defined.

What came first was never defined either. When someone calls, is the call an Incident until proven to be a Service Request? Or is it a Request until it reveals itself to be an Incident? Or is it something else (a call, a contact) until it yields to classification? This was left to the implementers (or software vendors) to decide.

v3

Now ITIL v3 elevates the Service Request to equal billing with the Incident. In fact, if importance can be measured by number of pages then Service Requests get slightly more of the "Peas Book" (Service Transition) than Incidents do.

This is a great step forward but I believe it is not the final word. Version 3 still delineates between Incident and not-Incident as the two categories. That is, Service Requests are some kind of miscellaneous category for everything that is not actually an unexpected interruption to service. The two processes are quite separate. This does not fit well with my experience of reality. Admittedly, my reality has a few kinks, but in this case I speak on behalf of clients who feel the same way. For many service desks, Incidents are not the main part of their function.

I predict that ITIL v4 (if there is one) will finally recognize that the service desk deals with generic Requests/Tickets/Issues. These Requests have multiple categories or classes. Each class is a variant of a more general process that applies to all of them, in much the same way as there are several categories of Change, which all undergo variants of the general Change process.

I published a list in the article two years ago. Since then, I realized that the list had missed one ~~F~~ault. So, I thought I'd update the list for you. This revised list is constructed based on the concept that each class of request exists because it is a variant of the core Request Fulfilment Process, e.g., Complaints will be dealt with differently to Proposals: different people and groups, different procedure, different reporting, different service levels. That is, I derived the different classes or categories based on the process being different. If two types of request use the same process then I decided they are synonyms.

New Taxonomy

After discussions on the blog, I also decided they needed to be re-grouped into a newly named hierarchy. I came up with three groups:

Action: I'd like to say "Service" but man is that an exhausted word!

Support: not everything will be/needs to be fixed, so not Repair

Input: the user is contributing

Here is my taxonomy of these new Request classes:

Action: Provisioning, Booking, Ordering, Change, and Work

Support: Incident, Fault, Help, Advice

Input: Proposal, Suggestion, Feedback, Complaint

Let's elaborate a little on what some of these mean:

Provisioning: User requires access to a service or part of a service, e.g., security permission, a menu option, a token, a digital certificate, a client install, a desktop device, a phone, etc.

Booking: Scheduled attendance at training, seminar, meeting, reservation of a resource, annual leave.

Ordering: Books, desks, catering, stationery, travel.

Change: as defined by Change Management, typically means change to a configuration item (CI). Some organizations allow users to open RFCs directly, others have some form of prior request entity.

Work: tasks that fall outside change management. Run a report. Move a PC. Install a projector.

Incident: an unplanned interruption to an IT service or reduction in the quality of an IT service.

Fault: failure or detected imminent failure of a CI; no service impact (yet). Only users within IT would be expected to report these, or an automated tool. If confirmed, it will spawn a Problem. This class was much debated on the blog. An Incident is by definition something that has already impacted the Service, a Fault has not. Both have varying priorities and urgencies and impacts. But the processes differ. If you are uncomfortable with this, ignore me and treat Incident and Fault as synonyms. Twelve is a nicer number of classes than 13 anyway.

Help: correcting data arising from user error (NOT from a Problem). Restoring a deleted file, untangling a mess.

Advice: how do I … ? Should I … ? Which is the best way to … ?

Proposal: the service desk can be a front-end to the demand component of project portfolio management. Think of it as a Request For Project.

Suggestion: idea, requirement, request. Something less formal or evolved than a proposal but might lead to one. Feedback: praise, reported experience, remarks.

Complaint: poor experience. (Of course, Complaint had to be No. 13.)

Based on the principle of distinguishing classes by differing processes, the first three classes (Provisioning, Booking, Ordering) could well break into a number of subclasses. There are other types of contacts to the Service Desk that aren't requests at all. The classic is a follow-up on a request. Feedback that doesn't require action would also not be a request. Once we come to see an Incident as just one class of a more general Request, then the service desk's Request Management process will make more sense and map better to reality. SLAs will define responsiveness in terms of the classes of Request. (I think restoration of service should be defined as part of the Availability Service Level Objective, not the Responsiveness Service Level Objective). Management of Incidents (the restoration of service, incident matching) may still fall to a specialist Incident Manager, or it might be part of the role of the Request Manager.

Incidentally (no pun intended), I still encounter examples of SLA objectives for Restoration of Service. Outages will be prioritized based on their severity, but they will be restored as soon as they can be restored and no sooner. "Priority 1 incidents must be resolved within one hour" is like saying "Fires must be extinguished within three minutes" or "Missing climbers must be found within an hour."

We'll find them when we find them. It makes sense to define responsiveness by severity/priority/impact, but not restoration. That is, we define how much resource will be assigned to it, how the communications plan changes, how escalation and supervision will be heightened, and other aspects of how we respond. We can't promise timeframes.

From a narrow focus on restoration of service, the understanding of the service desk has grown with each revision of ITIL, and with it the importance of the Request. Extrapolating the trend suggests that next time ITIL is revised the Request will truly have its day. ■

ITIL v3 is Your Next Step in ITSM

By Eddy Petersd

Most of us still remember June 2007, when the long-awaited ITIL v3 was released. This version would present an integrated approach to service management by covering all aspects of the service life cycle—from cradle to grave and everything in between. The journey was documented in five books called the "core volumes."

On launch day, the itSMF presented the ITIL v3 "roadshow," a document, which to this day provides quality information. The roadshow includes a complete overview of ITIL v3 and answers to questions like Why the need for change? and What is the purpose of ITIL v3? The future looked promising!

To better understand the capabilities of v3, we devoured the core volumes and then carefully evaluated them against the purpose and changes identified in the roadshow presentation. This exercise resulted in the following dashboard, which shows how well the core volumes deliver on itSMF's promises:

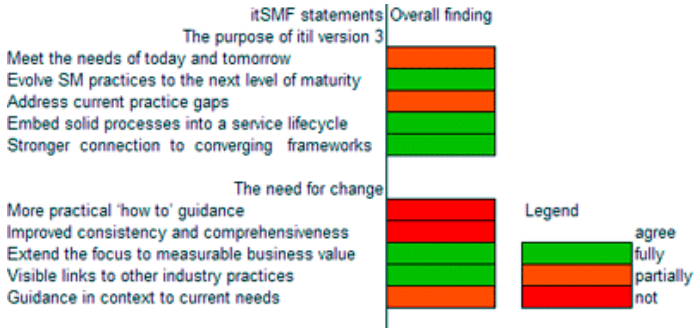


Fig. 1: Study summary covering all volumes.

Early on, we saw that v3 didn't quite meet expectations. The lack of more practical "how to" guidance was a bit of a surprise. Luckily, itSMF foresaw complementary publications, which would provide more guidance and understanding. But since the complementary material is still in development, we've been digging even deeper into the hidden opportunities in the core volumes' 1,344 pages. Although there have been many informative sessions about v3, the potential is still not fully clear.

So, if you're asking yourself "Is v3 your next step in IT service management?" You'll be relieved to hear that ITIL v2 is still alive and kicking. In fact, v2 is here to stay; alongside v3. Why? Because it's concise and focused on day-to-day management of existing IT services. Compared to v3, it is a useful "pocket guide" consisting of just two books and 686 pages. So, you can continue to use your existing v2 processes. However, v3 introduces some interesting ideas to further m ture your daily activities.

Some gems which are worth looking into:

- Request fulfillment: the explanation that was missing in v2 Service Request
- Event management (completely new): guidance for integrating warnings from monitoring tools into support activities.

Among others, these processes round out ITIL's guidance for optimizing your daily operations. What else is in v3?

Process-Driven Services

ITIL v3 covers much more ground, from development to testing to facilities to operations. New processes like Service Catalog Management can increase awareness of what services are delivered. Service Asset and Configuration Management provide an approach to dealing with service management information. These actions will help build an improved, more mature, process-driven IT organization. This is good, but it could be better.

The full potential of v3 cannot be realized by focusing solely on process implementations or improvements—that's just ITIL v2.5. The emphasis on processes leads to a new phenomenon: process silos. These are similar to the functional silos we all know so well, which each compete for a share of the budget. Implemented processes provide great benefits to the IT organization (streamlined activities, improved capabilities of specific IT groups, optimal resource usage, to name a few). But these improvements don't necessarily roll up to the rest of the business. Why not? Because they're mostly still focused inward; on IT.

Service-Driven Processes

ITIL v3 provides the next step in service management: think service, think life cycle. Service management in the IT organization is no longer driven by processes, but by the elements ITIL was created for in the first place—services.

As the creation of a service moves from business analyst to development to testing to operation, v3 provides an opportunity to align different departments within the IT organization. At that point, service silos are created, competing for a part of the budget. As an interesting side effect, services are outward focused, to the business. If the business derives value, the provided service is funded; if not, it gets retired. That's what integration is all about.

Even with a few gray areas, ITIL should definitely have a place in the IT organization's strategy to take the service delivery maturity forward. When optimizing processes, both v2 and v3 add value. When attempting to work out a service-oriented life cycle approach, v3 is there for you. When it comes to answering the question, "Is ITIL version 3 my next step in IT service management?" it is not so much about if, but how you will do it.

Going for process-driven services (ITIL version 2 & 2.5) or service-driven processes (v3), it all comes down to what your organization wants to achieve, what its maturity level is in delivering service and what its capabilities are to cope with change. The choice is yours. ■

Understanding the Cloud/Ops Disconnect

By Rob England

Cloud computing is a popular topic right now. Some see it as a savior technology for cost cutting, but there is too much thought given to how you will connect at a technical level with a Cloud service provider. Just as important is how you will connect at a process level and at a business level. IT development and solutions staff are prone to waving these considerations away as issues for the operations people and the "suits," but the process and business considerations are more important than the technical ones.

We are speaking here about Cloud computing as the provision of distributed services across the Internet: the ability to process "anywhere." This is the generally accepted, current definition of the term. This includes SaaS (software as a service, which was what "the Cloud" may have originally referred to) as well as infrastructure that moves around the network, including outside the bounds of the organization to providers of on demand resources.

Using one proposed ontology: software, platform, processing, data, and communications are provided as a service. Or we can lump that together in another popular term XaaS. Cloud computing is one of those hyped terms that gets applied to everything so, to be clear, we are not referring to internal grids or hosted computing or the myriad other things that seem to get lumped into "Cloud."

ITIL and Cloud

Since ITIL is the lingua franca – the accepted common language – for IT operations right now, let us use the ITIL framework to consider operational inter-operability between the Cloud service provider and the customer. Here are some scenarios to consider:

Scenario 1: We have a priority one outage. How do you check their current availability? Can your service desk operator open an incident ticket in their system or must they hang on an 800 number? Can you open it right away so they look at it in parallel with you? Or will they only accept it once your technical staff has traced the problem out into the Cloud? Can your diagnostic systems open the incident ticket automatically? How do you track the status of the incident? How much information can you see? Who has it, what do they think, what are the estimated times?

Scenario 2: We are preparing the disaster recovery plan (DR) for the new system that includes XaaS. Do you have access to your XaaS's DR plan? Who do you talk to and what is the process to dovetail their plan with yours? If either party changes their plan what does that trigger?

Scenario 3: The XaaS provider has a problem. They are fast running out of resources and your service will be impacted within hours. How do they know who to contact? How do they contact them? What will be your response?

Scenario 4: Your organization wants to move from per-user cost allocation to per-transaction. Do the reports from the service provider tell you enough to do this? What is involved in getting the reports changed?

Scenario 5: The service provider is planning a major upgrade of their SAN. In theory there will be zero impact. Yeah, right. Do they need to notify you of the planned change? What influence should that have on your forward schedule of

change? What contingencies are required at your end? What contingencies have they agreed to have in place?

Scenario 6: Your customer wants an improvement in their service levels, e.g., increased availability or expanded support hours. How do you determine the knock-on improvements required in your agreement with the service provider? How do you negotiate that and what algorithm will they use to price it?

XaaS is supposed to be about increased flexibility but outsourcing has a history of decreasing flexibility at a business level with situations like this. Sometimes the increased charges are prohibitive because the pricing terms for changes were never agreed up front, and you have to go back to the customer to say you can't deliver.

Scenario 7: The auditors are in town. They want to see the physical facilities. How many sites will you need to show them? Can your auditors have access to the XaaS providers' buildings? What needs to be done to arrange this?

The Cloud may well spread your infrastructure to new countries. You will need to check whether your existing auditors can service that. They will, of course, want to know about the security, privacy, continuity, and other capabilities of your XaaS providers, too. Will ISO 20000 or other certification for the providers suffice? If not, what information is required and are you confident of the availability, timeliness, and quality of the answers from the XaaS provider? They could fail your audit for you.

Scenario 8: A new version of the application is in stress testing. Your application testers are getting a puzzling performance bottleneck. What tools are provided for them to see into the Cloud? Who from the XaaS provider will work with them to assist? What will it cost? What does it cost to generate really large temporary datasets or transaction rates for volume testing?

Scenario 9: Your company has changed its strategy and is now expanding into Europe. Remember all those data privacy regulations you dismissed as irrelevant?

Sorry to present you with such a long list of questions. There are answers, but you won't find them in the ITIL books. They are policy decisions that need to be taken in the context of your organization. Some of them can be decided in-house and some will need to be thrashed out as part of an agreement with the service provider(s). You will be pioneering. Gartner says that Cloud computing is in its infancy and will need seven years to fully mature. There are a very small number of agreements in place for Cloud computing, and no test cases of them ending in tears. There is no common architecture, no standards, and precious little operational guidance.

There was one other type of scenario: total disaster. The service provider goes broke. Their CEO falls out with your CEO. This is a known risk of the Cloud (or any external service provider) but probably beyond the scope of an ITSM process discussion. At a business level, there had better be escrow and other mechanisms in place to give you some hope of getting your data back quickly enough for you to stay in business.

Blinded by the Shade

It is all too easy for IT to see a technical solution as a solution. The process, business, and cultural problems are generally larger than any technical ones. Here we have only looked at the ongoing operational issues of a Cloud platform. We have not considered implementation, data migration, staff redundancies, training, or resistance; and a raft of other hurdles to be overcome to get there.

Operations ought to be a stakeholder in any considerations of "going Cloud." Try to raise these operational issues early and raise them high, because developers and ex-technical managers are apt to see them as administrative concerns to be resolved after the decision is taken. Get your senior managers to raise the business issues. Once these factors are in the equation, the benefits of a Cloud infrastructure might not seem so attractive nor the business case so compelling. ■