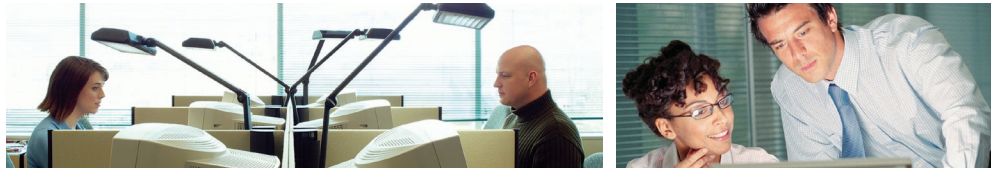


Identify and leverage your existing service life cycles.



March 2008



Contents

- 2 Executive overview
- 2 Traditional understandings: from mechanics to airlines
- 4 Understand service life cycles, lifelines and the forward spiral
- 5 Discover existing service life cycles
- 6 Improve service management through a comprehensive approach
- 7 Conclusion
- 8 About IBM Service Management

Executive overview

Service management has become a critical – and rapidly moving – target for today’s organizations. To remain competitive, businesses need more appropriate services to support their customers, suppliers and business partners. At the same time, the entire landscape – IT, business, legislative and cultural – constantly shifts as a result of new technologies, business realignments and growing regulatory requirements. IT must control service quality and costs while enabling increased innovation for improved service quality.

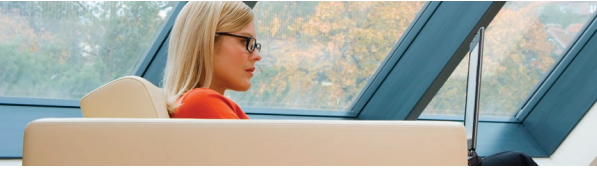
As IT professionals, our thinking about service management has evolved from a focus on functions through a processes focus to a strategy based on the “service life cycle.” The term “life cycle” has long been used in our industry in reference to the stages in the life of an item. In this instance, the term encompasses a service from conception through design, introduction, operation, and finally retirement and withdrawal.

Many companies now feel that the first step toward improved service management is to develop service life cycles and implement them across the enterprise. In fact, informed observation shows that they already have elements of these life cycles in place now. The new guidance of today can help identify service life cycles, check their performance, diagnose their limitations and facilitate improvement.

This executive brief will illustrate the progression of service management since the 1990s, illuminate the hidden service life cycles and discuss how, once they are visible, we can start to make them work – to improve services and better align IT with business objectives.

Traditional understandings: from mechanics to airlines

Today’s understanding of service management is the result of ongoing development from “function” to “process” to “service.” In the 1990s, IT organizations focused on infrastructure management supported by discrete functions. IT staff was often divided into functional groups, and each one

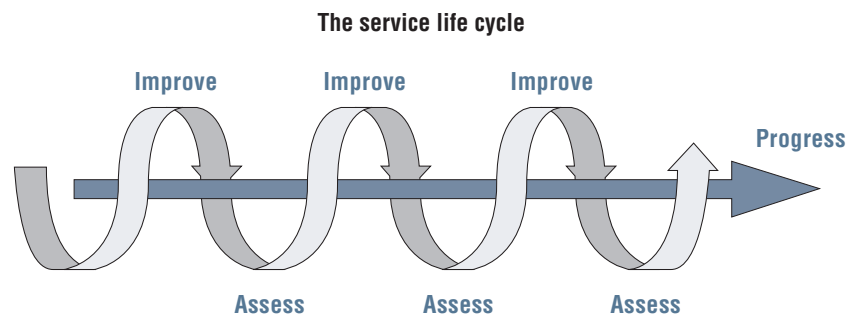


was responsible for a specific task, much like a team of mechanics working on an aircraft engine. Their goal was to simply keep the IT infrastructure or “engine” properly tuned and running according to operational expectations. IT management coordinated staff activities and measured results against operational goals.

With the advent of IT Infrastructure Library® (ITIL®) V2 and other new governance models in 2000, this approach was replaced by a focus on integrated processes involving inputs, outputs, resources and achieved results. Instead of specific tasks, there was an emphasis on processes to deliver what customers wanted. As with governance in general, these models helped increase productivity, efficiency and quality of work by specifying who was responsible for what, when, how and where.

Accordingly, organizations scrambled to develop new processes to replace the old-fashioned functions that had served them until then. The irony is that organizations already had these processes in place. The new governance models simply enabled IT to identify them clearly. The new best-practice guidance allowed IT to accurately gauge their effectiveness, diagnose their weaknesses and thereby improve service management performance. Instead of mechanics working on an engine, IT was able to broaden and deepen their perspective to encompass, as it were, not just the aircraft engine but focus on getting the plane to deliver passengers safely to the destination airport.

Although a process-oriented approach helped us better understand how IT operations support business objectives, the fact remains that processes are simply tools – abstractions that help us see how the elements of service delivery interface and interact with one another. This approach does not help us understand what actually needs to be done to improve the *relevance* of the services offered.



As the service life cycle moves through time, it describes a spiral where each service leads to a better service.

In effect, processes are only a means to an end, and the end is always service. Even though IT organizations gained new levels of understanding provided by process-based governance, the best realized that they could not improve service management if they did not clearly understand what services they supplied. Accordingly, a new approach was developed that emphasizes the services themselves that make customers happy and support business growth – not the process components that facilitate the process. To complete the analogy, we would be selling the whole holiday, not just travel, or offering videoconferencing as an alternative to a business trip.

Understand service life cycles, lifelines and the forward spiral

Based on this new service-centric understanding, the industry has begun to talk in terms of “service life cycles.” Instead of discrete functions or integrated processes, service is understood as an ongoing cycle involving repetitive stages.

To understand this life cycle, we need to clearly see existing services across the organization and identify the ends and not the means. We also need to keep in mind that these services are constantly evolving. In fact, we should think of services both in terms of lifelines and “life cycles” moving forward in a spiral. Services undergo a succession of assessments and improvements that result in a constantly evolving knowledge of how we actually support our customers and how we can serve them better. In a very real sense, each



service is a building block upon which improvements can be made over time as business situations may change or new supporting technologies become available – leading to the next, better service.

The life and life-cycle concepts apply in almost every circumstance of a designed or implemented product or service. For example, a car was designed, built and delivered – constituting a product life. Implementing lessons learned during the car’s life stages led to an improved version of the car. The new, improved version of the car has its own conception, birth, life and death as a product. However, the new version of the car can also be seen as the next loop of the car’s life cycle.

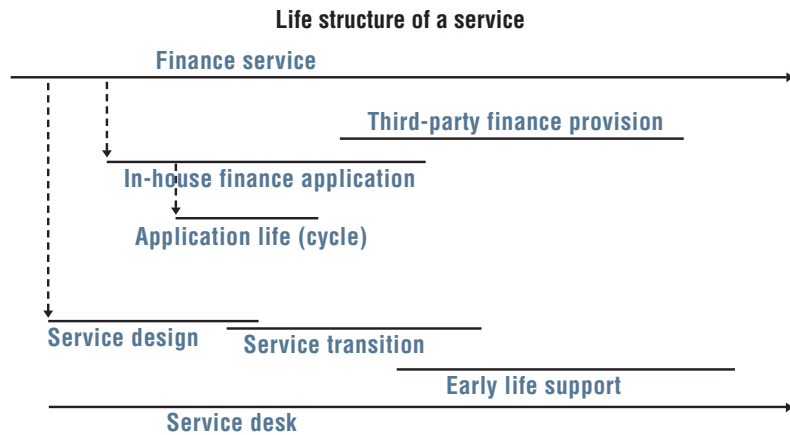
We need to establish what customers really need in terms of functionality, timeframes, location and other factors. We should not be distracted by what we think our customers – either internally or externally – *should* want or by the processes that we want to deliver. Instead, we need an understanding of who our customers actually are and our roles in serving them. This includes the structure and relationship of suppliers and customers across the enterprise.

By understanding service life cycles in terms of lifelines that provide new and better services, IT can start building a strategy to achieve the ultimate goal of successful service management: “doing the right things and keeping the right things going in the right way.”

Discover existing service life cycles

One paradox of services is that they can be apparent but invisible at the same time.

Any service will be supported by component elements, and any service will, in turn, be an element of a higher-level component, such as a contributing part of a business service. The choice of a top-level service will depend on perspective and the scope being examined. The illustration on the next page indicates how a supporting structure of service lives and how their component elements might look.



This simple schematic illustrates how services are implemented through a complex life structure of applications, initiatives and support functions.

To identify existing service life cycles, we need to find evidence of their component parts and how these parts integrate into service delivery and maintenance. This means identifying key players, including customers, internal users and suppliers. The customer structure itself should also be examined closely, since there is rarely a simple, one-to-one correlation between a customer and a service.

Services are sometimes exposed by complaints, queries or the seeking of advice, so the service desk is a valuable source of information about services. This includes the type, number and characteristics of services, customer expectations and how well these expectations are being met. Existing service catalogs and service portfolios should also be carefully examined in terms of what they contain and – equally important – what they lack.

Improve service management through a comprehensive approach

Once service life cycles have been discovered, then a strategy for improving the support and relevance of services is possible, including the development of new services to meet growing needs. IBM has developed a comprehensive approach to service management based on visibility, control and automation across the service life cycle.



Visibility enables organizations to “see their business.” In a properly integrated service management solution, visibility should be supported by role-based dashboards showing business and operational views across the enterprise. These dashboards gather and consolidate intelligence to optimize individual and group productivity. They can also eliminate errors by sharing data across multiple teams. Visibility needs to extend into a business’ organizational construct, identifying what is most important in a business service context, what associated processes actually do and whether all processes are necessary for services.

Control helps organizations “manage their business.” Control can be increased through cross-domain solutions that manage service priority and context, bridge silos and leverage best practices. Integration of service-relevant data can improve control over delivery outcomes while increasing quality and ensuring process effectiveness.

Automation enables organizations to “optimize their business.” Automation can be supported by process automation engines to improve service quality, reduce costs, optimize workflows and help ensure efficient implementation. These engines should be designed to leverage existing management tools and automation features while also generating operations run books.

Conclusion

By way of summary, the following suggestions are offered for IT organizations on the road to improved service management:

- Do not get bogged down on guidance details. Service management improvements are most effective when initiated through top-down strategies across the enterprise, and then supported through the collection and application of bottom-up detail.
- Do not believe in “silver bullets” or get dragged into the search for them. Governance is a matter of applying general policies and principles to specific conditions and making adjustments along the way. What looks like a great approach might not stand the test of actual application.



- But do not underestimate the power of what others choose to see as “silver bullets.” They may not have special powers but are still bullets. Sometimes a change based on an appropriate governance policy or model can lead to dramatic improvements. These policies and models are, after all, developed through experience and past results.
- Look for good, practical tools. Don't expect too much; don't promise miracles. Remember that service management is “the art of the possible.”
- Look for what is already there in an organization. Remember that service life cycles, like functions and processes, already exist and need to be identified before they can be leveraged for better service management.

To learn more about IBM Service Management solutions, contact your IBM representative or IBM Business Partner, or visit ibm.com/itsolutions/servicemanagement

About IBM Service Management

IBM Service Management helps organizations deliver quality service that is effectively managed, continuous and secure for users, customers and partners. Organizations of every size can leverage IBM services, software and hardware to plan, execute and manage initiatives for service and asset management, security and business resilience. Flexible, modular offerings span business management, IT development and IT operations and draw on extensive customer experience, best practices and open standards-based technology. IBM acts as a strategic partner to help customers implement the right solutions to achieve rapid business results and accelerate business growth.

© Copyright IBM Corporation 2008

IBM Corporation
Software Group
Route 100
Somers, NY 10589
U.S.A.

Produced in the United States of America
March 2008
All Rights Reserved

IBM, the IBM logo and Visibility. Control. Automation. are trademarks of International Business Machines Corporation in the United States, other countries or both.

IT Infrastructure Library is a registered trademark of the Central Computer and Telecommunications Agency which is now part of the Office of Government Commerce.

ITIL is a registered trademark, and a registered community trademark of the Office of Government Commerce, and is registered in the U.S. Patent and Trademark Office.

Other company, product and service names may be trademarks or service marks of others.

Disclaimer: The customer is responsible for ensuring compliance with legal requirements. It is the customer's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulatory requirements that may affect the customer's business and any actions the reader may have to take to comply with such laws. IBM does not provide legal advice or represent or warrant that its services or products will ensure that the customer is in compliance with any law or regulation.