SAMPLE

SERVICE LEVEL MANAGEMENT AND THE SERVICE MANAGER
ROLES, RESPONSIBILITIES AND ORGANIZATION STRUCTURES FOR MANAGING AGREED SERVICES

Guidance and instructions for implementing the service level management process and the service manager role

There are lots of books about IT service management, but almost none about the organizational issues of implementation projects. Following on from *Designing and Transforming IT Organizations*, this is the second title in a series on that topic. It deals with two of the most important organization structures in an IT service organization: the service level management process and the service manager role.

Service level management is where it all begins. Customer satisfaction is the ultimate goal of common service organizations, but no organization can satisfy its customers if it has no idea of the services it is supposed to be delivering. Whether agreed in writing (as half a sheet of A4 or a 500-page document) or only loosely in terms of expectations, it all starts with an understanding of what you should deliver. That's what service level management is all about.

Once you understand *what* you should deliver, someone has to be made responsible, to make sure it is delivered. That's where the service manager comes in. This role has been called many things, from product manager to service owner, account manager and other 'managers'. But ultimately, only one role can be responsible for the overall service, whereas many others will be responsible for the processes, for the teams, or for the infrastructures that underpin the service. That's why we call this role service manager – it designates the responsibility for managing the service.

The service level management process and the service manager role are core to managing customer satisfaction. In practice, they often get confused or they are not managed at all. This book explains how to deal with both of them in a consistent and practical way.

SERVICE LEVEL MANAGEMENT AND THE SERVICE MANAGER

Roles, responsibilities and organization structures for managing agreed services

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Contents

Preface

There are lots of books about IT service management, but almost none about the organizational issues of implementation projects. Very little has been published on organizational structures, roles, responsibilities, skills and competences, in the field of IT (service) management, to support implementation and organization change projects. This book is part of a series that intends to change that permanently.

The first volume of the series, "Designing and Transforming IT Organizations", is the introduction book to the rest, covering the common structure for the series, containing a more profound guidance on organization design, development, change and governance. Most importantly, it offers an approach for ITSM implementation and improvement. More information is available on: www.Designing-IT-Organizations.com. The introduction book was authored by Job ten Hagen, who also acted as a co-author of this new title.

This is the second title in the series, dealing with one of the most important organization structures in an IT service organization: the service level management process and the service manager role. Service level management is where it all begins. Customer satisfaction is the ultimate goal of common service organizations, but no organization can satisfy its customers if it has no idea of what services to deliver. Whether agreed on a clay tablet, half an A4, a 500 page document, or in terms of expectations, it all starts with an understanding of what you should deliver. That's what service level management is all about.

And once you understand *what* you should deliver, someone has to be made responsible, to make sure it gets enough attention. That's where the service manager comes in. This role has been called many things, from product manager to service owner, account manager, and other 'managers'. But ultimately only one role can be responsible for the service, where many others will be responsible for processes, for teams, or for infrastructures. That's why we call this role service manager – it designates the responsibility for managing the service.

In the first two chapters of this book, you'll find the same structure as in the introduction book. If you've already read that, you can skip the introduction chapters. If not, please read from chapter one, to get a good grip on how to implement the rest of the book.

Wishing you all the best in setting up the core of your service management system,

Jan van Bon
Chief Editor

Acknowledgments

We sincerely thank William Redmond, the author of this book, Dave Jones, who acted as his sparring partner, and Job ten Hagen, co-author, for their contributions to this second title in the series on designing and improving IT organizations. They were supported by chief editor Jan van Bon, who also contributed as a co-author.

We also wish to thank the members of the Review Teams, who contributed their experience, their knowledge, and their valuable time. They provided improvements and useful new ideas, to ensure that the book reflects the very best practice.

At the kick-off of the series, a huge response came from the IT service management community. It seemed that everyone wanted to be involved, indicating the importance of the subject of the series. Unfortunately, only a limited number of reviewers could be working on the team, due to practical considerations.

For each title of the series, a dedicated team of subject matter experts was created. These experts formed the Review Teams of the respective titles in the series, and many of them were involved in reviewing the basic chapters of the introduction book, since these chapters act as the cornerstones of the other books in the series.

The Review Team for this book consisted of:
- Matthew Burrows, Managing Director, BSMimpact (United Kingdom)
- Dave Jones, Head of Solutions Design & Delivery, Pink Elephant EMEA (United Kingdom)
- Christian Maldamé, ITSM expert & Project Management- Consultant, Altran (Switzerland)
- Russell McGregor, Programme Director EMEA, Mitel (United Kingdom)
- Mikkel Steentofte, Service Level Manager, FE-DDIS.DK/Servicelevelmanager.com (Denmark)

The introduction chapters of the book, on generic organization structures and elements, were reviewed thoroughly by:
- Valerie Arraj (Managing Director, Compliance Process Partners, LLC, USA)
- Christie Biehl (Performance Metrics Manager, CSC – Computer Sciences Corporation, USA)
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About the authors

William Redmond is the author of "Service Level Management and the Service Manager". He is an international IT service management consultant and university professor serving the information technology and regulatory compliance communities for over 12 years. Leveraging his extensive educational background, William has spent most of his career aligning IT service solutions to business requirements with an emphasis on producing sustainable results. William received his undergraduate degree in Business from Penn State University in 1989, an MBA from Saint Joseph's University in Philadelphia, Pennsylvania in 1998, and went on to achieve ITIL v3 Expert and ISO20000 Consultant/Auditor certifications in 2009. Well versed in COBIT, SOX, and JSOX, William now spends his time enjoying his role as a professor at Eastern University in Philadelphia, PA and continues to offer his independent consultancy to the business world.

Two co-authors supported William in developing this book.

Job ten Hagen is a business consultant and owner of Ten Hagen Consulting, founded in 2012. He has worked for KPN Consulting, a leading IT Consulting firm in the Netherlands. Job has over 18 years of experience in the fields of IT service management and consulting. His extensive experience in various markets and client organizations includes roles and assignments such as process manager, service manager, organizational change consultant, team manager, auditor, coach and trainer. As an advisor and practitioner Job was responsible for designing and transforming IT service management organizations and processes.

One of his goals is to help clients and individuals to adopt best practices, using his practical experience and broad knowledge of IT service management. Job graduated in business economics and information management from Erasmus University in Rotterdam, wrote several articles and holds numerous certifications, like ITIL Expert, ISO20000 Consultant/Manager, PRINCE2 Practitioner and BISL and MOF Foundation.

Jan van Bon has been a driving force in the field of IT service management for the last 20 years. After a decade of academic research he started his work in IT in the late 1980's, in the Netherlands. He has been heavily involved in ITIL, ITSMF, and several innovative projects ever since.

He produced more than 80 books, in up to 16 languages, with thousands of expert authors and reviewers from all over the world, on a broad range of IT Management topics. Jan is the founder and chief editor of the ITSM Library, and of several knowledge portals like the ITSM Portal.

As a practitioner he is involved in supporting many organization improvement projects. Jan is deeply involved in the development and management of the new Dutch standard for service management organizations: the ISM Method, and contributed to the book from the material developed in this method.

1 Context

This book is part of a series about roles and responsibilities in IT service management (ITSM). Each book of the series discusses roles and responsibilities for a specific information technology (IT) management domain (process or function). There is also an introduction book to the series.

1.1   Introduction

Many organizations that decide to implement or improve ITSM fail in one way or another. There can be many reasons for failure, such as:
- lack of management commitment
- too ambitious, or badly defined goals
- a process only or technology only focus
- misalignment between organization (structure) and processes
- resistance to change in the organization
- accountabilities and responsibilities are not clear or missing
- staff that are unaware of their new roles
- staff that lack the necessary competences and skills.

In most cases, failure is caused by a combination of these reasons. Let us compare an ITSM implementation project to building a house. No one in their right mind would start building a house without: a proper design and foundation of the house; a right working order; clear definitions of responsibilities for (sub) contractors; the sort and quality of the materials used; skilled and competent people to build the house; meeting building codes and environmental rules and regulations. Nevertheless, many organizations start their ITSM project without a proper basis and building plan.

The roles book series is set up to help you make that plan, and to guide you in implementing ITSM. It covers those aspects that we think are essential to deliver an ITSM building:
- designing and developing the organization
- the essential process steps and activities
- role definitions, responsibilities, skills and competences
- accountability and authority
- governance
- the human factor.

This book combines these building blocks of the ITSM plan in a reference model and explains them in detail in section 1.2. A lot of our attention is people-related. This is not without reason: *people* execute and control process activities, *people* deliver products and services and *people* communicate about products and services. So

how come people often are not in the center of attention when it comes to ITSM projects? Is it because we rather deal with technology aspects? We hope this book will fill this gap, both in practice and in literature.

Target audience

The book series is written for anyone who deals with ITSM implementations, improvements or organization change in their IT organization. For example CIOs, IT managers, process managers, or consultants who assist the IT organization in improving ITSM. They can all learn more on the characteristics of the service level management process and the service manager role. Of course the book is of specific value for the people working in that specific domain or role. But it can also be useful for a human resource employee who is responsible for defining roles, responsibilities and job descriptions for the new or changed organization. Or for process staff, like incident coordinators, who want to gain more insight in their responsibilities and those of the colleagues they work with.

How to use this book

As stated before, "Service Level Management and the Service Manager" is part of a series on roles and responsibilities in ITSM. The first volume of the series, "Designing and Transforming IT Organizations" [Hagen, J. ten, 2012], is the introduction book to the rest of the books in the series. It covers the common structure for the series, and contains a more profound guidance on organization design, development, change and governance. Most importantly, it offers an ITSM implementation approach.

The common structure of the series as described in the introduction book can be found in this book in sections 1.2, 1.3 and 5.1, and in chapter 2.

Section 1.3 and other parts of the book also build on the content of the ISM Method (Hoving, W. & J. van Bon, 2012).

The other volumes of the series deal with a specific ITSM domain:
- Roles and Responsibilities in Incident Management
- Roles and Responsibilities in Application Management
- Other titles to follow.

This book is divided into six chapters. **Chapter 1 (Context)** explains the scope, terminology and concepts. It describes the reference model and provides an introduction into the topics that are relevant for understanding the rest of the chapters.

Chapter 2 (Organizational design, development, and governance) details the organizational structure that is necessary to be able to support ITSM processes. Examples are given of various organization structures and the chapter explains how to enhance that structure with role clusters and teams.

After describing the book's domain, **chapter 3 (Activities)** describes the activities related to the service level management process. Activities are components of steps. Steps make it easier to discuss process flows. The granularity of the system determines how these two levels are used in practice.

Chapter 4 (Roles) introduces the roles in the domain, categorizing them by management level (strategic, tactical, operational). Generic roles as process owner, process manager, process controller, call coordinator, call operator are covered, and specific attention is paid to the role of service manager. For each role the objectives, responsibilities, tasks, authorities, primary activities, secondary activities, interaction with other roles/users, deliverables/output, key performance indicators (KPIs), useful tools and techniques, references to roles in standards and frameworks, experience, required skills and critical success factors (CSFs) are described.

Chapter 5 (RACI Table) starts with an introduction of the use of RACI: it explains the purpose of RACI, when to use RACI, how to read/interpret a RACI table? The second part of chapter five lists all activities versus all roles with the various responsibility levels in the cells.

Why was this book series written?

This book series provides important information that will help to avoid the following – all too common – pitfalls:

- **When implementing an ITSM project, the organization structure is neglected** – A frequently heard question is how to structure an IT organization when implementing ITSM. Focusing on ITSM processes would neglect crucial aspects of organization structure, teams, authority and assignment of roles.
- **During ITSM implementations the focus is on process output instead of business value** – Processes are designed and implemented without understanding that they are meant to deliver specific outcomes for the business. There is little established relationship between the processes as designed and executed, and the desired, agreed value that needs to be realized for the business.
- **Limiting the project to only process based best practices** – The available best practices are often too generic – or not specific enough – to be applied in existing organizations. Additional information is required about the distribution of responsibilities over line and process management, allocation of process roles, and alignment with the governance model of the entire organization.

- **Responsibility conflicts arise between line and process management** – Most best practices give little guidance on how to link the processes to the IT organization. For example, in large organizations a matrix organization is often implemented where the process managers will have the responsibility but not the authority that should go with it.
- **The project doesn't get off the ground because it has too many participants with limited ITSM implementation experience, and role profiles are missing** – Traditionally, organizations start improvement efforts by working on the implementation or improvement of their use of technology or their processes. This often leads to endless discussions about process definitions, and inadequate use of available tools. Starting with people improvement instead, by focusing on accountabilities, roles, and responsibilities, makes it easier to understand and less abstract than processes alone. Role descriptions are often missing in ITSM best practices. The practices don't provide detailed role profiles with responsibilities and skills required for matching individuals with the appropriate competences.
- **Change in the IT organization is evolutionary and lacks a drastic approach –** In the past, ITSM implementations were not as successful as they could have been. In most cases the implementations have been set up from a more evolutionary approach: the focus was mainly on the design of processes, procedures and tooling. Other important elements of organization change – specifically relating to the human resources system, job descriptions, involving customers and linking to the business vision and objectives – were missing or only slightly touched. IT organizations need to take more drastic actions to include these elements in a large change program and accomplish the goals the business has set. Organization change sometimes needs a crisis in which drastic measures have to be taken to meet the expectations of the business and to grow to the desired role for the IT organization.

It is clear that without including organizational and human resource aspects, an effective ITSM implementation is impossible; the IT organization will not be able to create value for customers. This book helps in solving these issues by elaboration on all these aspects and related topics: organization, the human factor, roles, accountability, design, governance, and service (level) management improvement.

1.2 Reference and organization change model

Reference model

The books in the series require a common structure, since they can be used in practice *as a set*. Figure 1.1 provides this common structure.
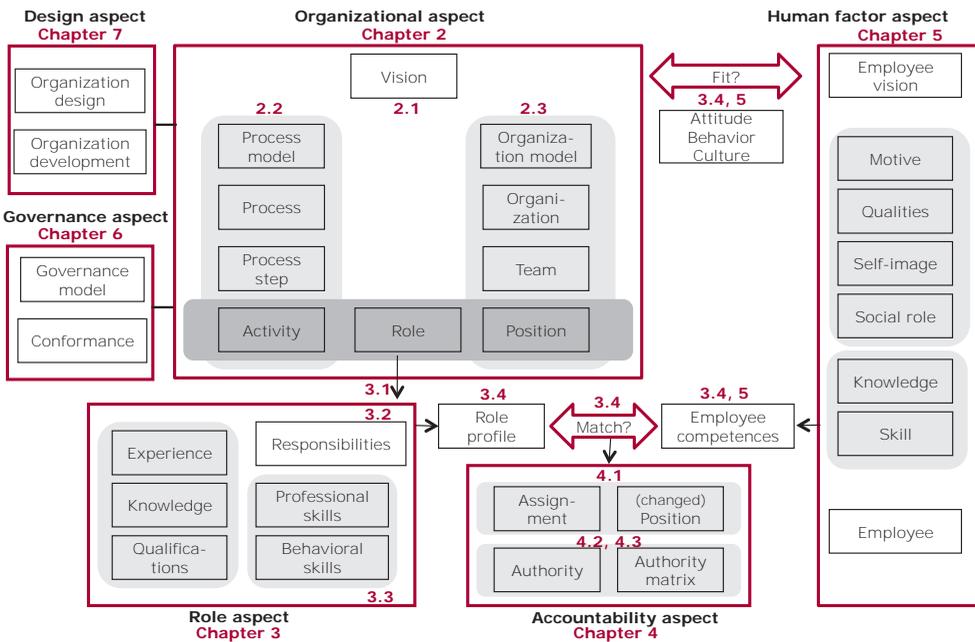

Figure 1.1 Outline of topics and structure: the reference model

Figure 1.1 outlines the topics and structure of this book and the series. It will be referred to as "the reference model". Topics are grouped to indicate they belong to each other, as explained in the appropriate section. Groups are positioned next to each other to indicate there is a relationship of some kind. The arrows in the structure facilitate interpretation of the structure, relations and chapters in this book. The numbers refer to the appropriate sections in this book.

This book series supports the reader in configuring their own organization structures, following the principle of "adopt and adapt". Most importantly it gives the reader basic guidelines and structures. The reference model is required for consistency and

guidance, and describes choices made. The definitions are generic and not prescriptive. They are provided to define uniform assumptions made for each book in the series and to facilitate understanding of the material. These principles can be adapted to the organization practices used in the reader's own organization.

Quick guide to the reference model

The model can be read in different ways, depending on the viewpoint and purpose.

In this book series the model is briefly read like this

A *vision* is created by senior management; it drives organization change and improvements, along with clearly defined organization goals.

The vision is the starting point for *organization development*, which in time may result in (changed) organization structures, processes and roles. *Organization design* is needed for designing the organization structure.

Organization design principles form the basis for the *organization model* and the *process model*, which together shape the *organization* with its departments.

A *governance model* is set up for the organization to ensure good *performance* and *conformance*.

Teams can be created and assigned to implement the organization's goals.

A *position* means an employee situated in a department, and possibly working in one or more teams.

An *employee* can fulfill one or more roles, in each *role* the employee is responsible for carrying out *activities* relating to the *process* and its *process steps*.

The *responsibilities* of the role are described in the *role profile*, together with the *skills*, *experience*, *knowledge* and *qualifications* required.

Employee competences are *matched* with the role profile for selecting the right employee for the role.

Further information

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Recommended websites

- www.sfia.org.uk (skills framework for the information age) has a lot of information about competences and skills
- www.itil-officialsite.com where APMG, TSO and the Cabinet Office manage the information on ITIL®
- www.microsoft.com/mof for all information about the MOF v4.0 Service Management Functions (SMFs)
- www.itgi.org about IT Governance
- www.Designing-IT-Organizations.com for information on, and a sample of, the introduction book to this series "Designing and Transforming IT Organizations"

Acronyms

Acronyms

ABC	attitude, behavior, culture
BITI model	business IT integration maturity model
CIO	chief information officer
CMDB	configuration management database
CMMI	capability maturity model integration
CSF	critical success factor
CSI	continual service improvement
FTE	full time equivalent
ISM method	integrated service management method
IT	information technology
ITGI	IT governance institute
ITIL	Information technology infrastructure library
ITSM	IT service management
KPI	key performance indicator
MOF	Microsoft operations framework
OGC	Office of Government Commerce
OSA	operational support and analysis
PDCA	plan, do, check, act
PMM	process management matrix
RACI	responsible, accountable, consulted, informed
RACI-VS	responsible, accountable, consulted, informed, verifies, signs off
RASCI	responsible, accountable, supportive, consulted, informed
RFC	request for change
RFI	request for information
RFP	request for proposal
SAME	strategic alignment model enhanced
SFIA	Skills Framework for the Information Age
SLA	service level agreement
SMF	service management function

Index

Index

job description 41

performance 22, 77
physical team 159
position 17, 41
procedure 35
process 12, 24
process control 104
process controller 43, 105, 107, 115, 140, 173
Process Management Matrix (PMM) 46, 48, 86, 107, 122
process manager 46, 92, 108, 115, 122, 131, 140, 141, 173
process model 17, 25, 95
process owner 43, 97, 101, 115, 118, 133, 140, 143, 149, 173
process step 24, 32, 101, 102, 107, 135
professional skills 55
provider 88, 89

Q

qualifications 17
qualities 65

R

RACI 63, 109, 164
RACI-VS 164
RASCI 164
reference model 16
request for changes (RFCs) 142
responsibility 17, 40, 42, 51, 61, 63, 77, 164
role 41, 116
role profile 17, 58
roles 114

S

self-image 65
service achievements 97
service catalog 94
service costs 88
service delivery capabilities 88
service level agreement 88
service level expectations 103
service level management 88
service level manager 143
service level requirements 88, 101