

# ITSM



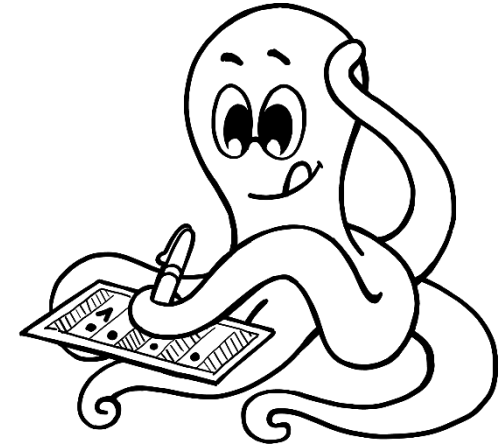
**KNOW***Digital*



October 15, 2022  
Lionel Pilorget



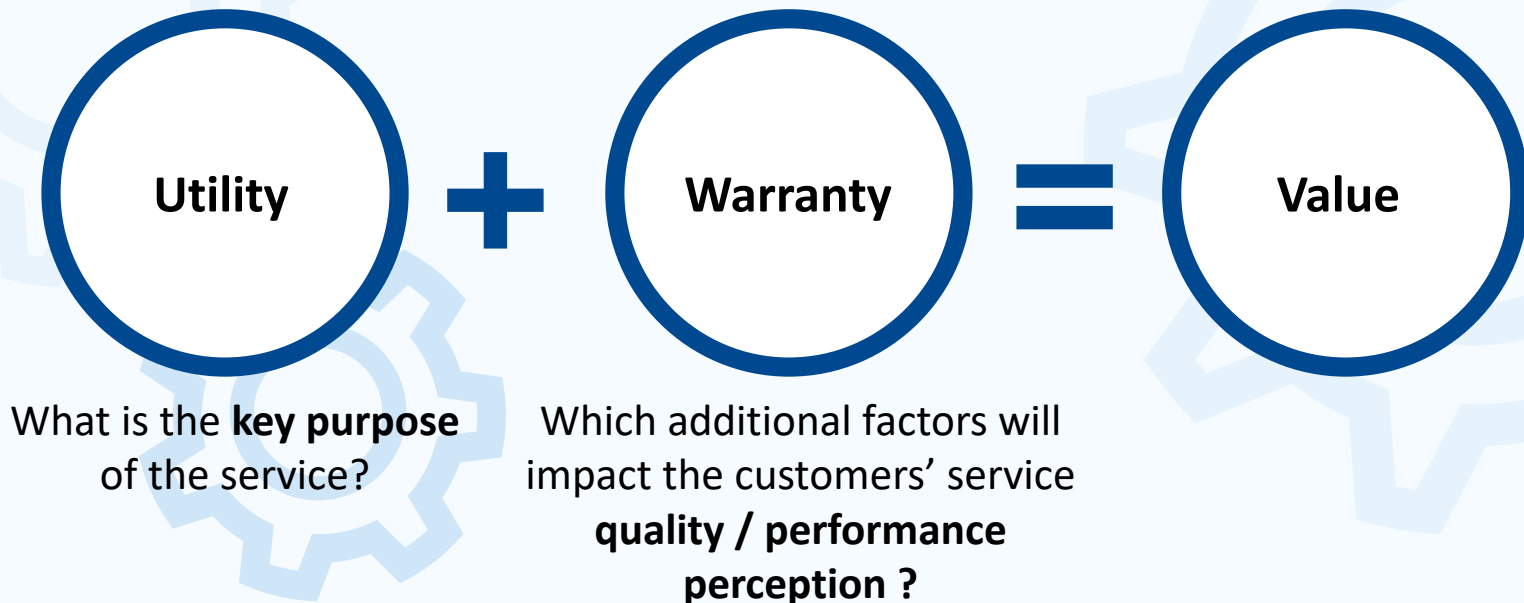
- Definition of a Service
- IT Service Landscape
- IT Service Management (ITSM)
- IT Self-services -> Cloud Services
- User Self-services -> Digital Services

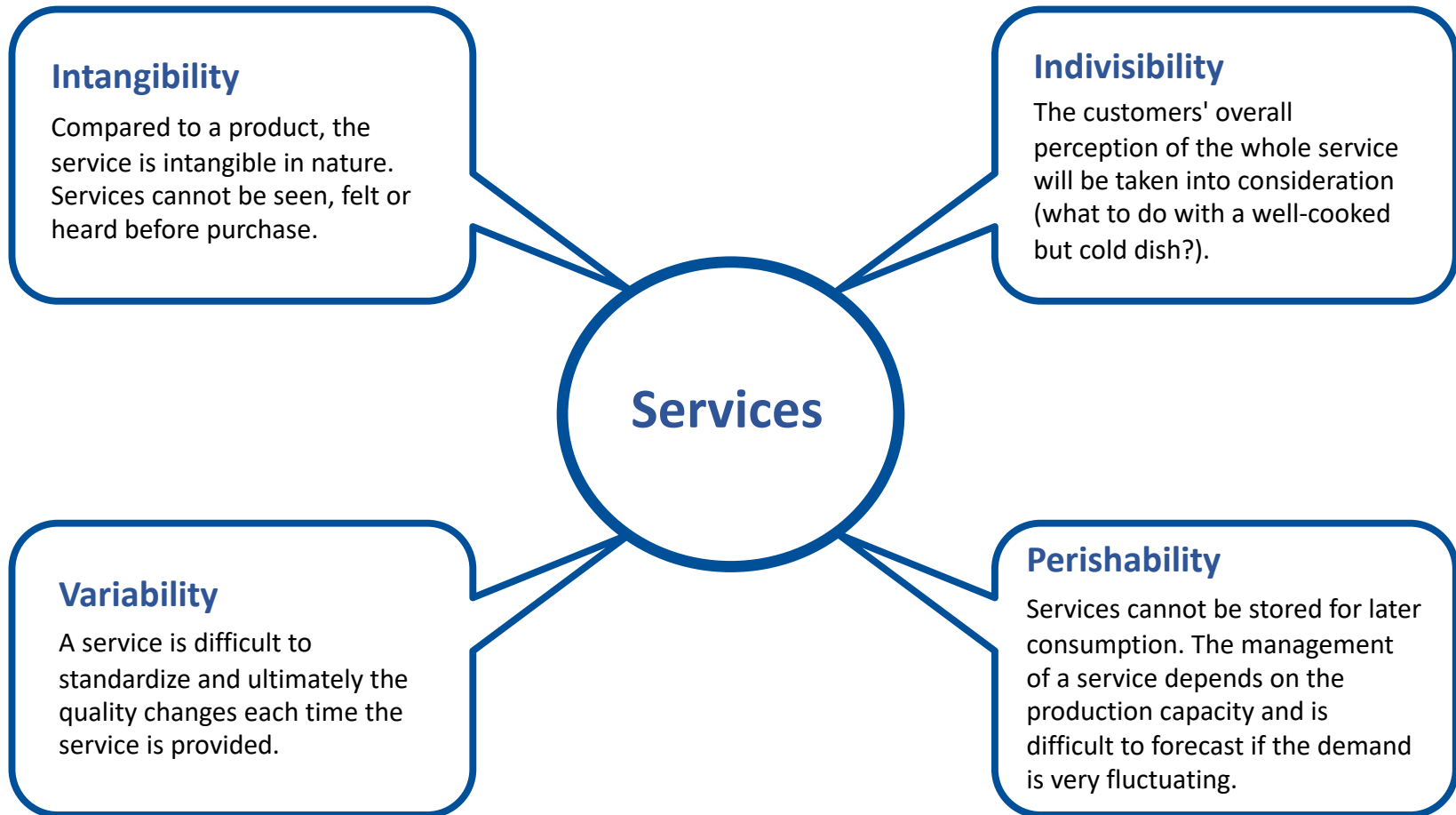




- ➔ A "**service**" is an action that delivers a **benefit** to a recipient
- ➔ Services are **intangible** and must be expressed **in terms of the recipient's value expectation**

## What is value from a customer perspective?





# Which price for a service?





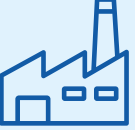



How much are you ready to pay for the following services?





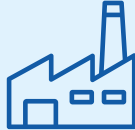



Service	Costs (in CHF)
Yearly fees for Mobile Abo (Phone + Roaming)	
Move from City A to City B in Switzerland (150 km)	
A car driving license	
Daily rate for an IT security expert	
One Online learning session (30 minutes)	
Sending a letter Sending an email	
Hair cut	

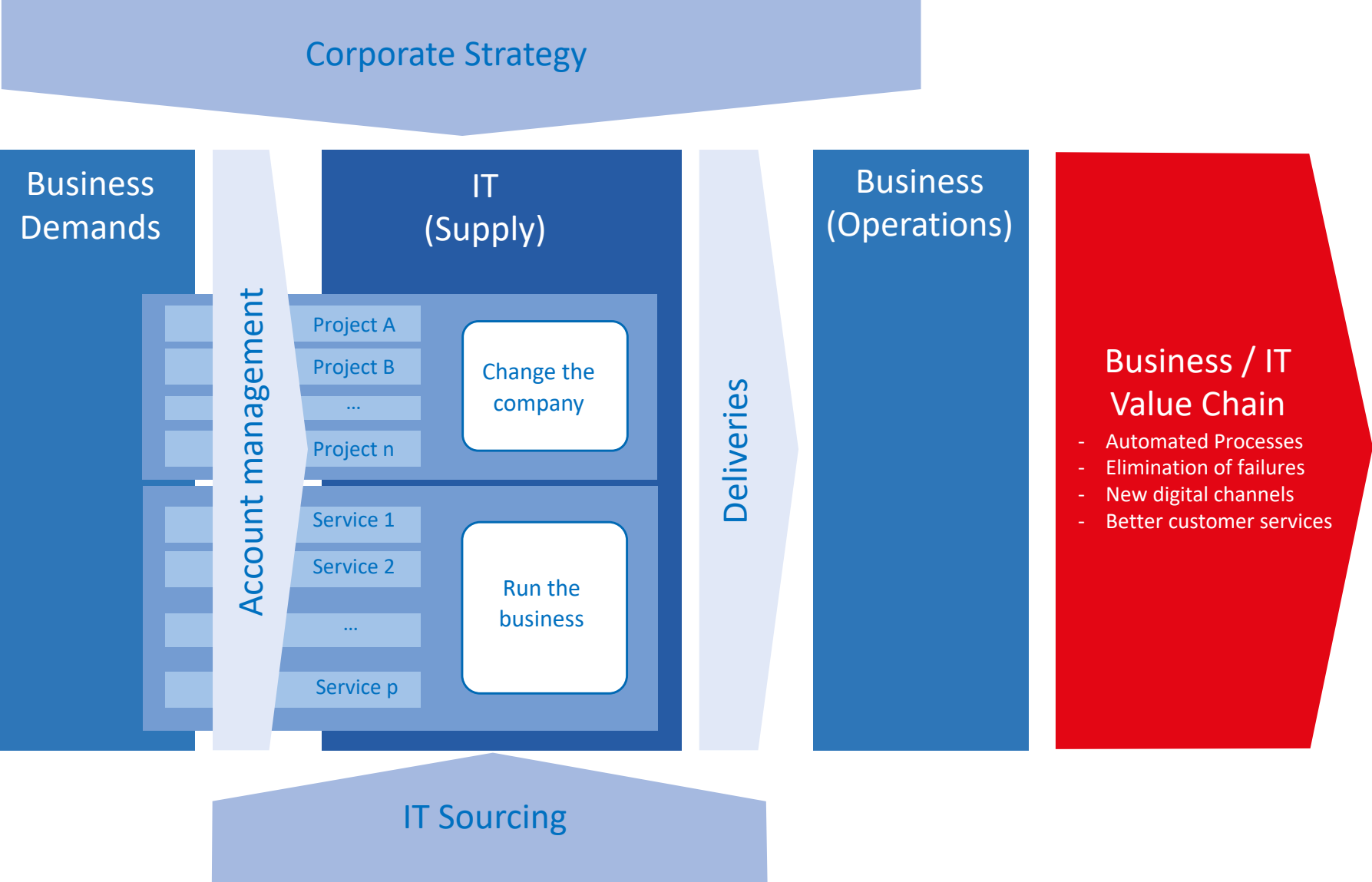


## From product to service for cars

				 		
				Car Services		
   				Specifications	Technical properties	According to service contracts
				Production	Produced in the factory without interaction with customers	interactions with the customers during maintenance activities
Factory	Product	Repair shop	Car Services	Specifications	Automated and optimized production processes	No breakdown, competent technical staff
Technical features (horsepower, acceleration, top speed,...) Customizable features (color, motorization,...)		Services (3 years warranty, maintenance up to 100'000 km, financing, insurance...)		Quality assessment	Subjective assessment based on technical information, benchmarks, consumer reports	Assessment done after the delivery of the services (Customer survey, assessment of work performed)

## From product to service in IT

				 		
				PC, Server,...	IT Services	
   				Specifications	Technical properties	Service Level agreement
				Production	Produced in the factory without interaction with end-users	Interactions with the end-users on-site or remotely
Factory	Product	Service Desk	IT Services	Quality requirements	Automated and optimized production processes	Service availability, system performance
Technical features (disk capacity, RAM...) Customizable features (computer mouse, screen saver...)		Services (Incident management, service times, waiting times, response times, solution rate, consulting...)		Quality assessment	Subjective assessment based on technical information and end-user experience	Assessment done after the delivery of the services by measuring the service levels







## Pizza as a Service

On-Premises



*Self-made*

Infrastructure as a Service (IaaS)



*Out-of-the box*

Platform as a Service (PaaS)



*Home delivery*

Software as a Service (SaaS)



*Dined out*



# Which IT Services do you know?



- ...
- ...
- ...
- ...

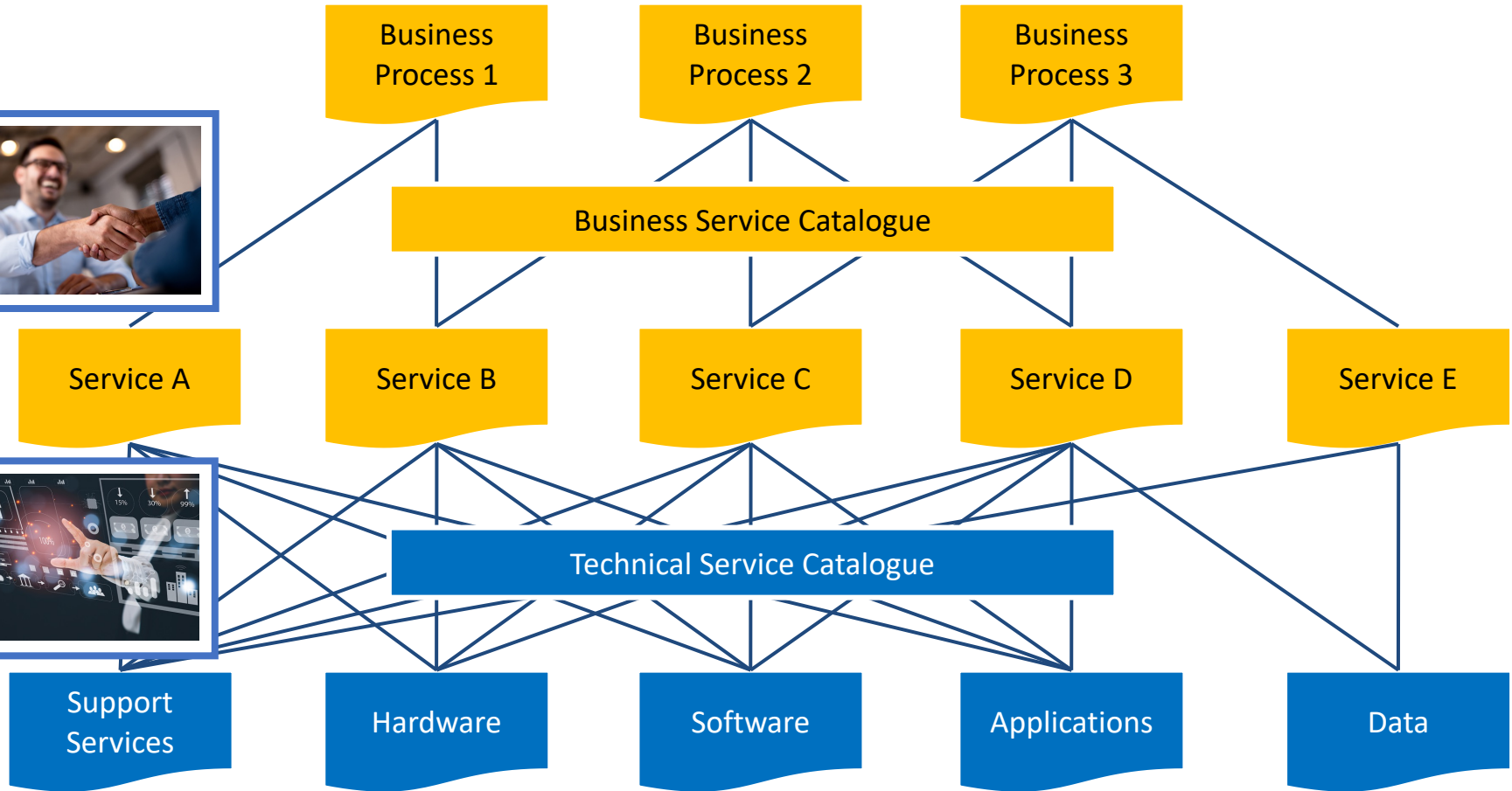




SLAs

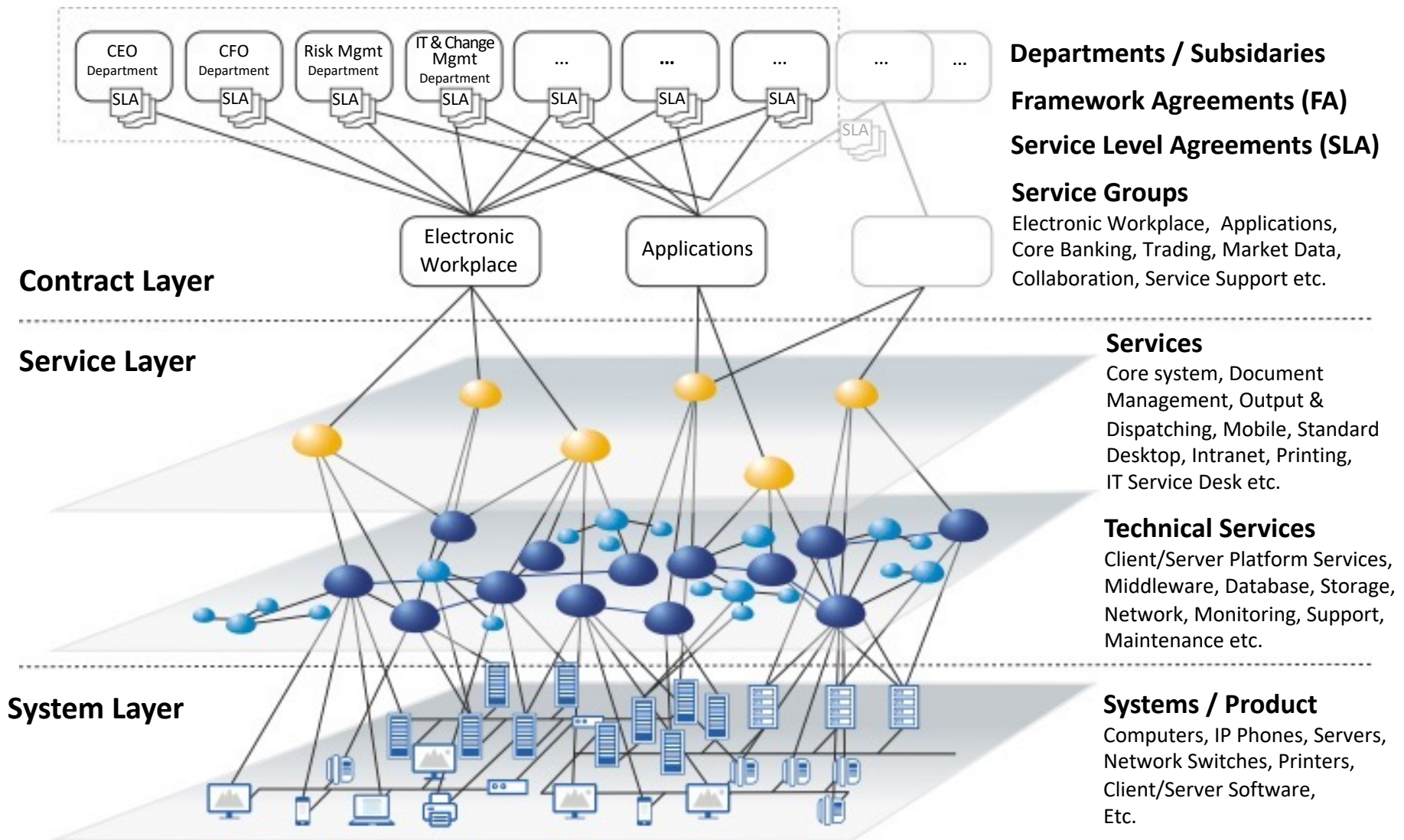


OLAs



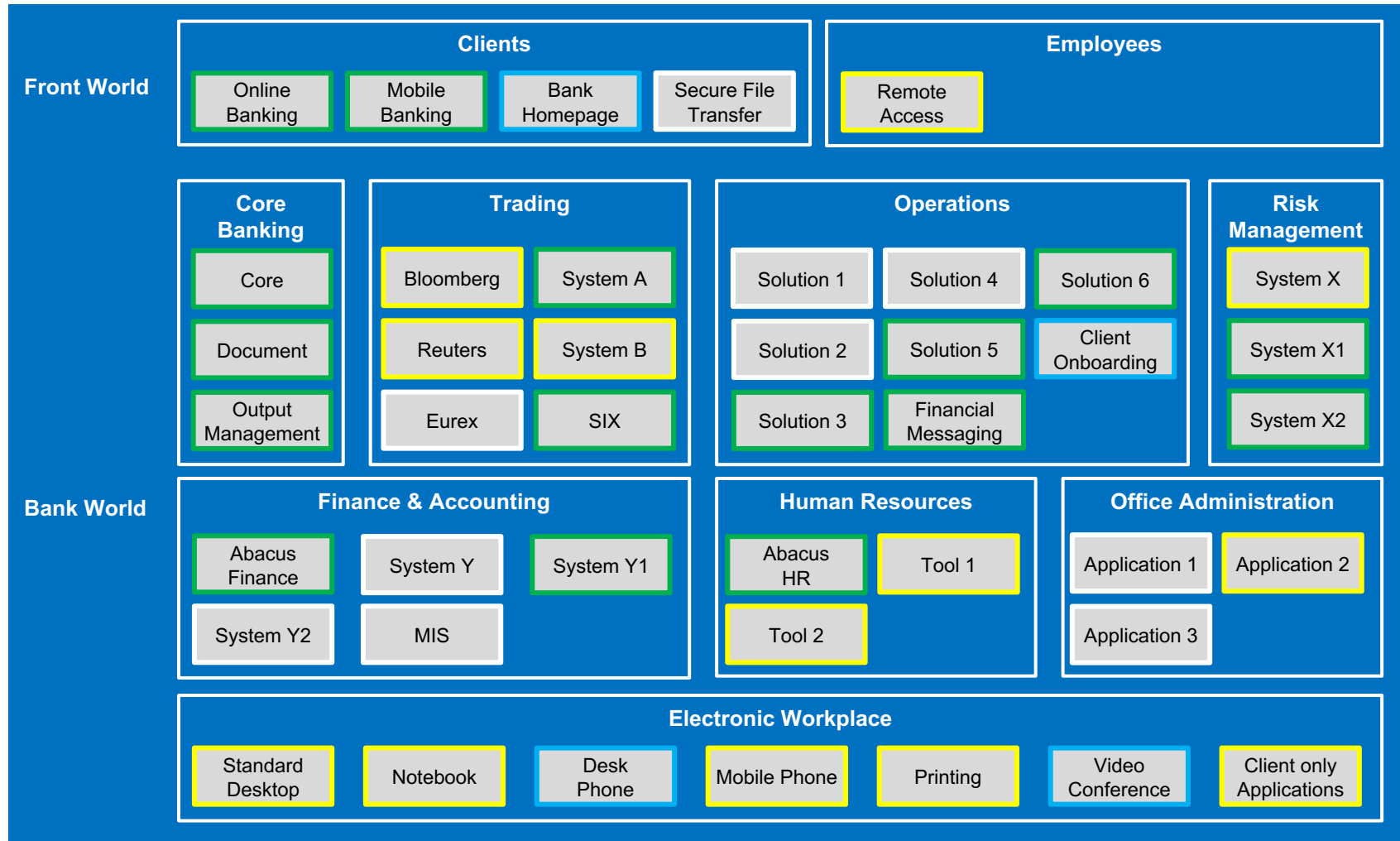
**SLA:** Service Level Agreement

**OLA:** Operational Level Agreement



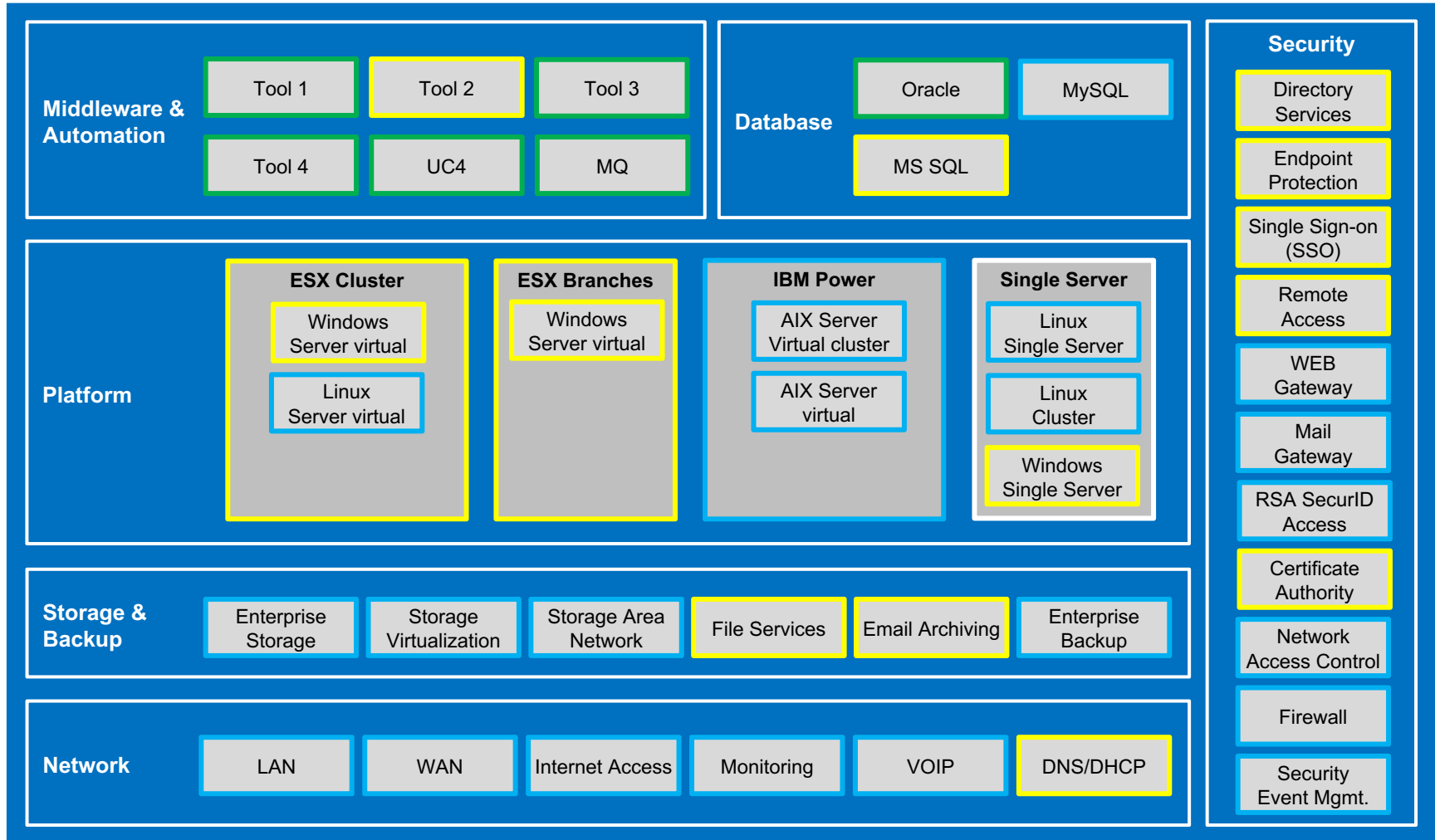


## IT Services in a Bank (Business view)

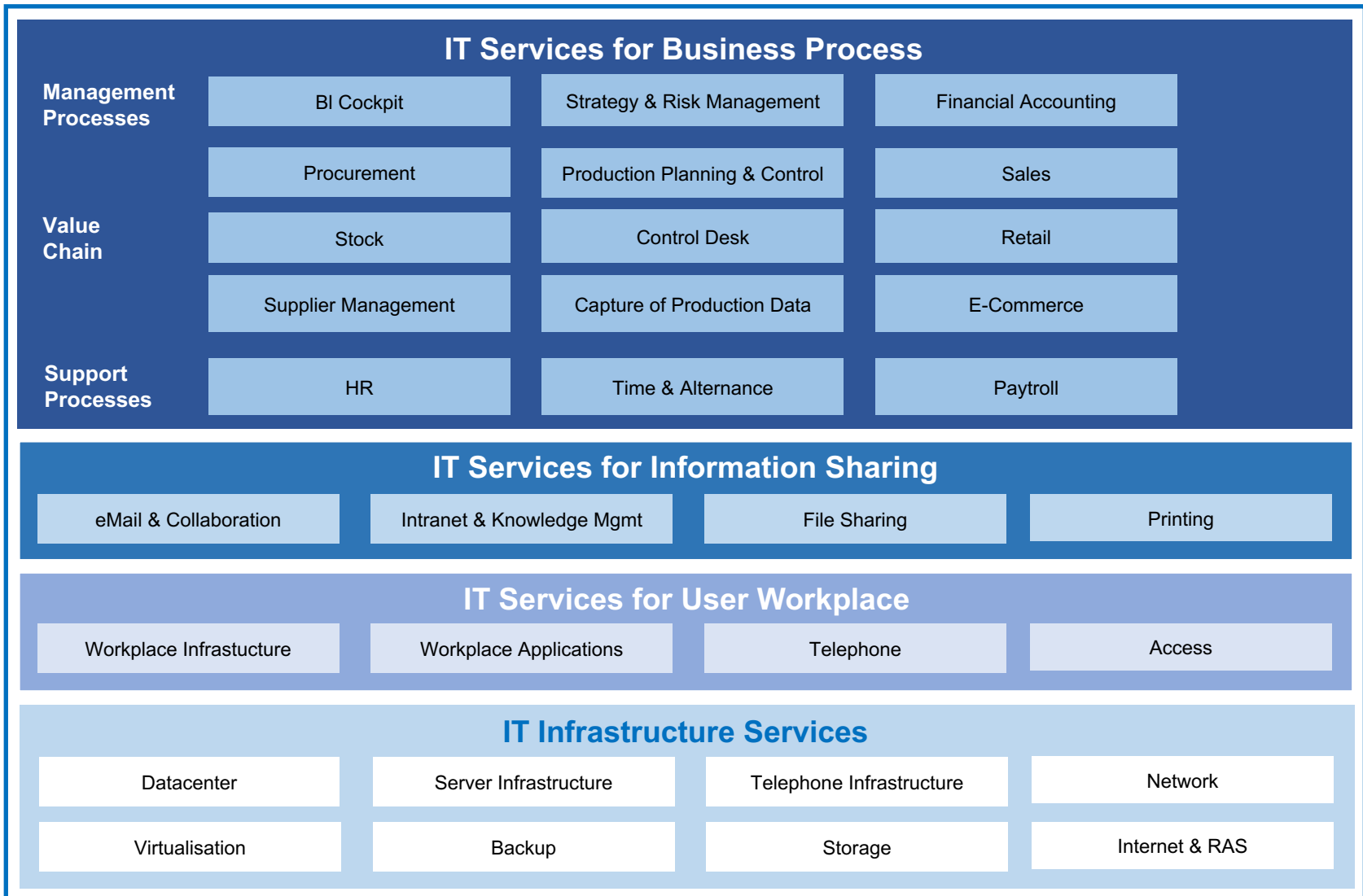




## IT Services in a Bank (Technical view)







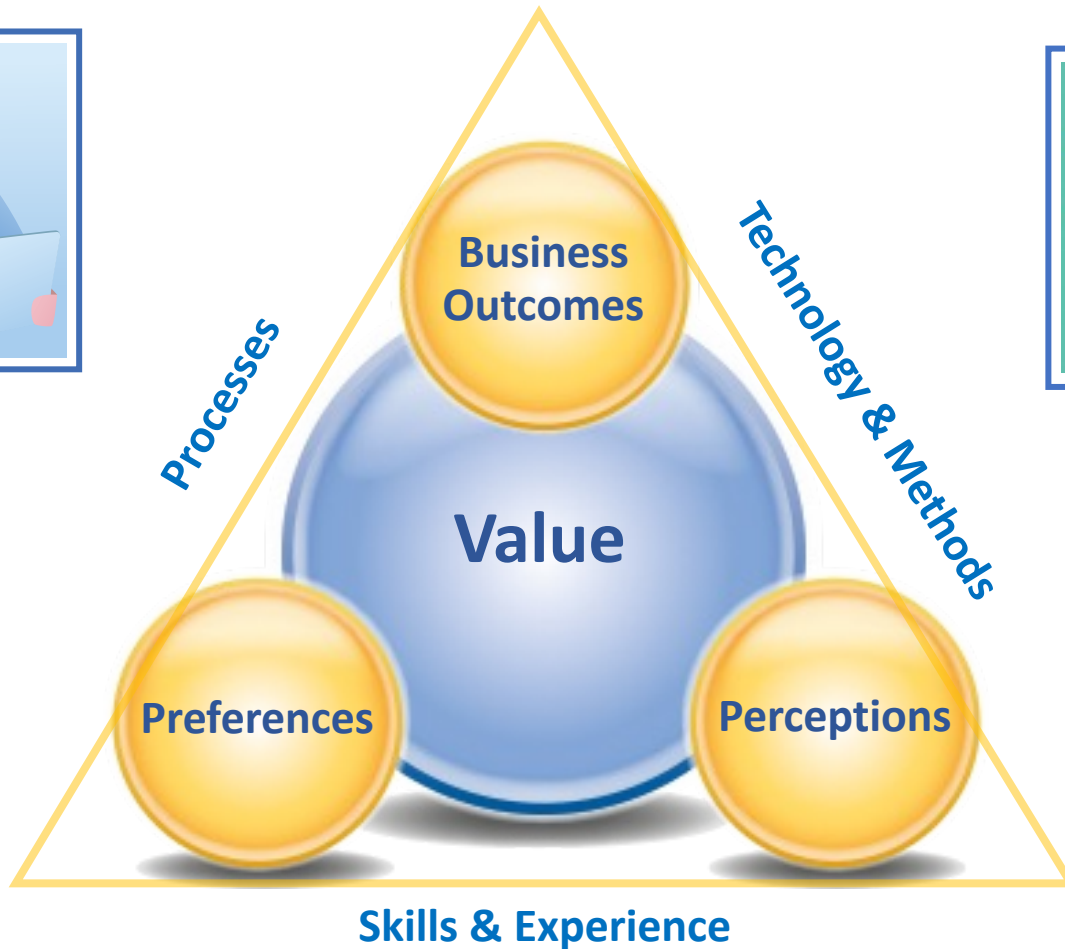


**Providers**

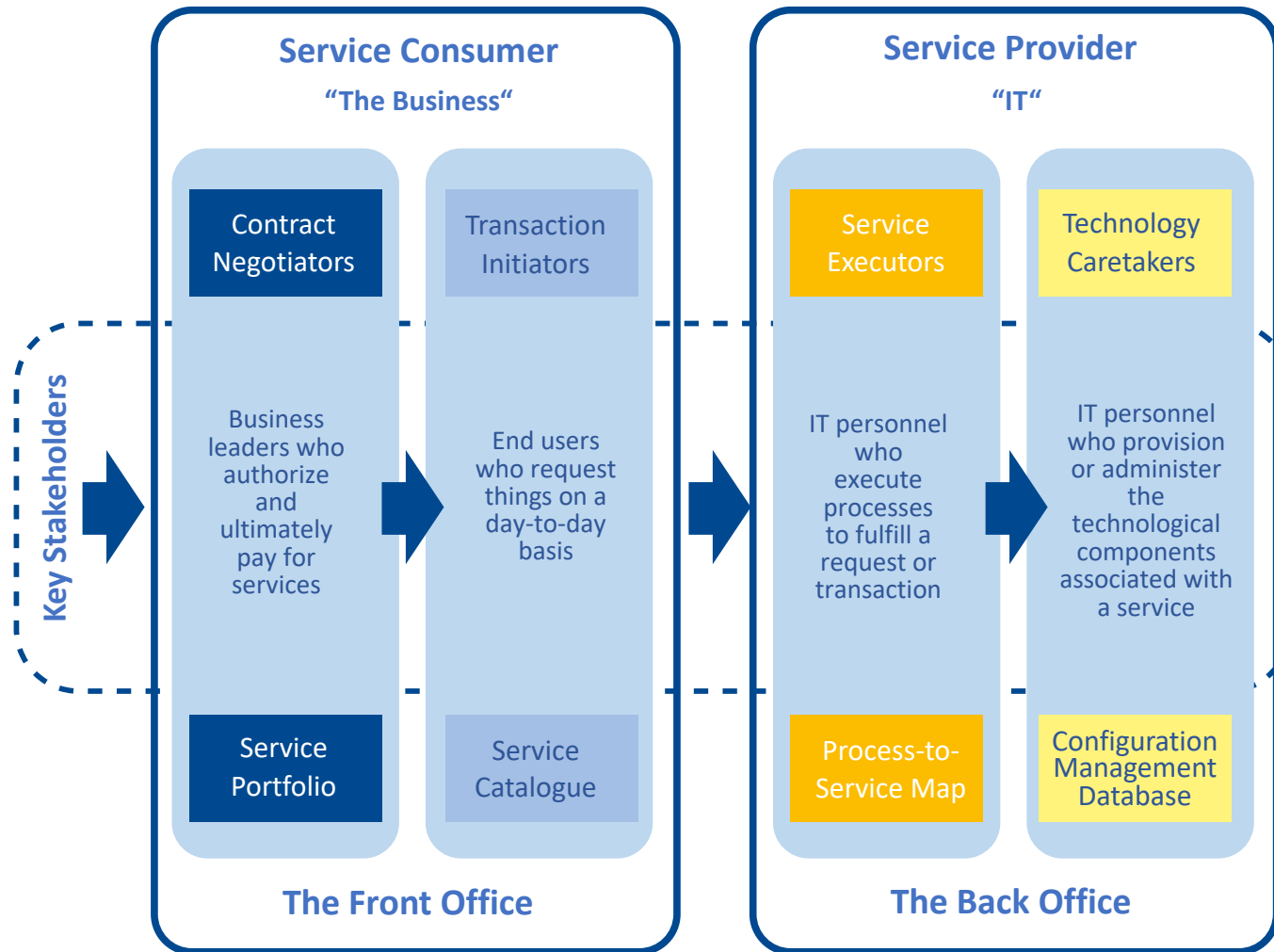
Added value of an IT Service

**Consumers**

- Sponsors
- Customers
- Users





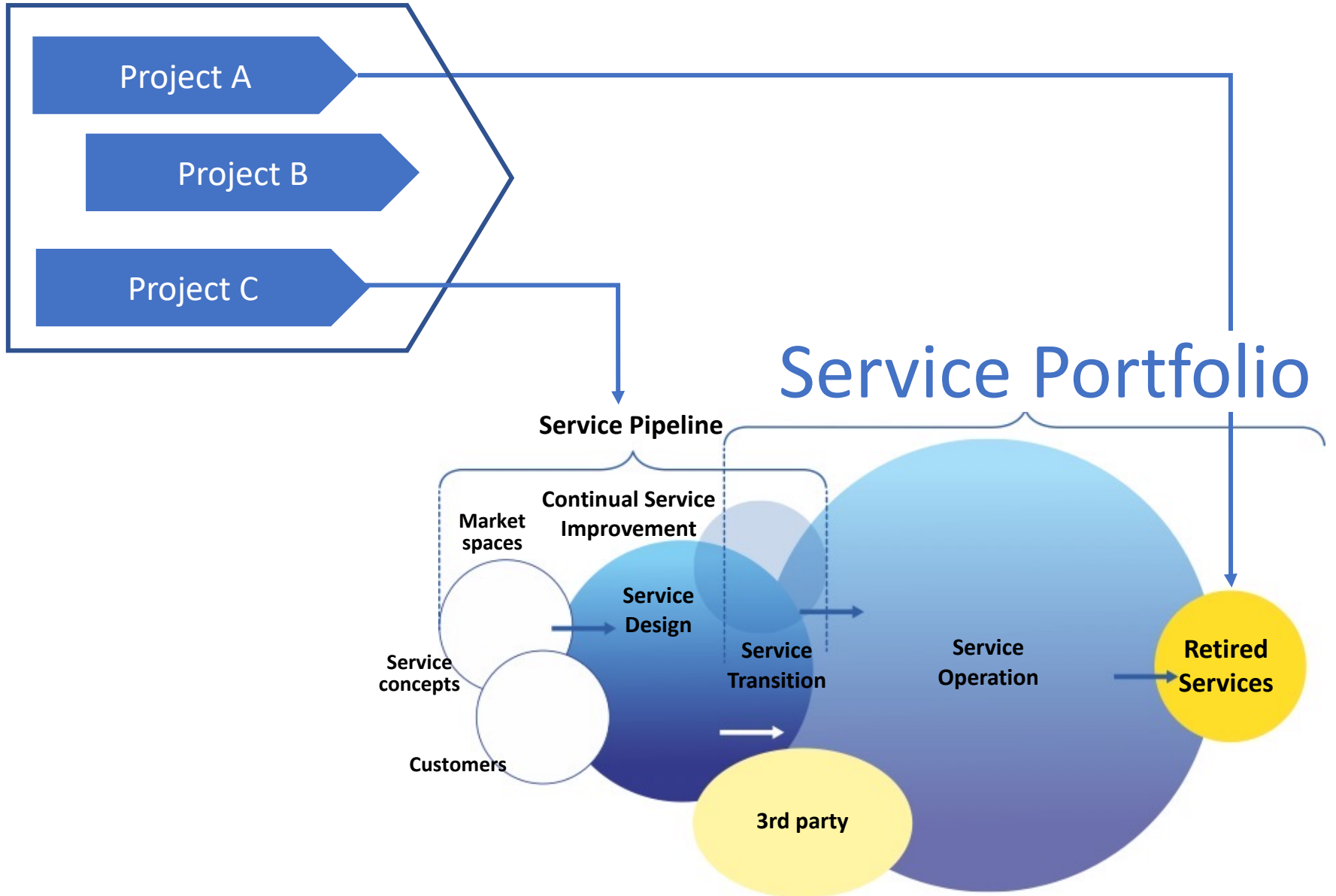




- 1 Service portfolio
- 2 Service catalogue
- 3 Process-to-service map
- 4 Configuration management database (CMDB)

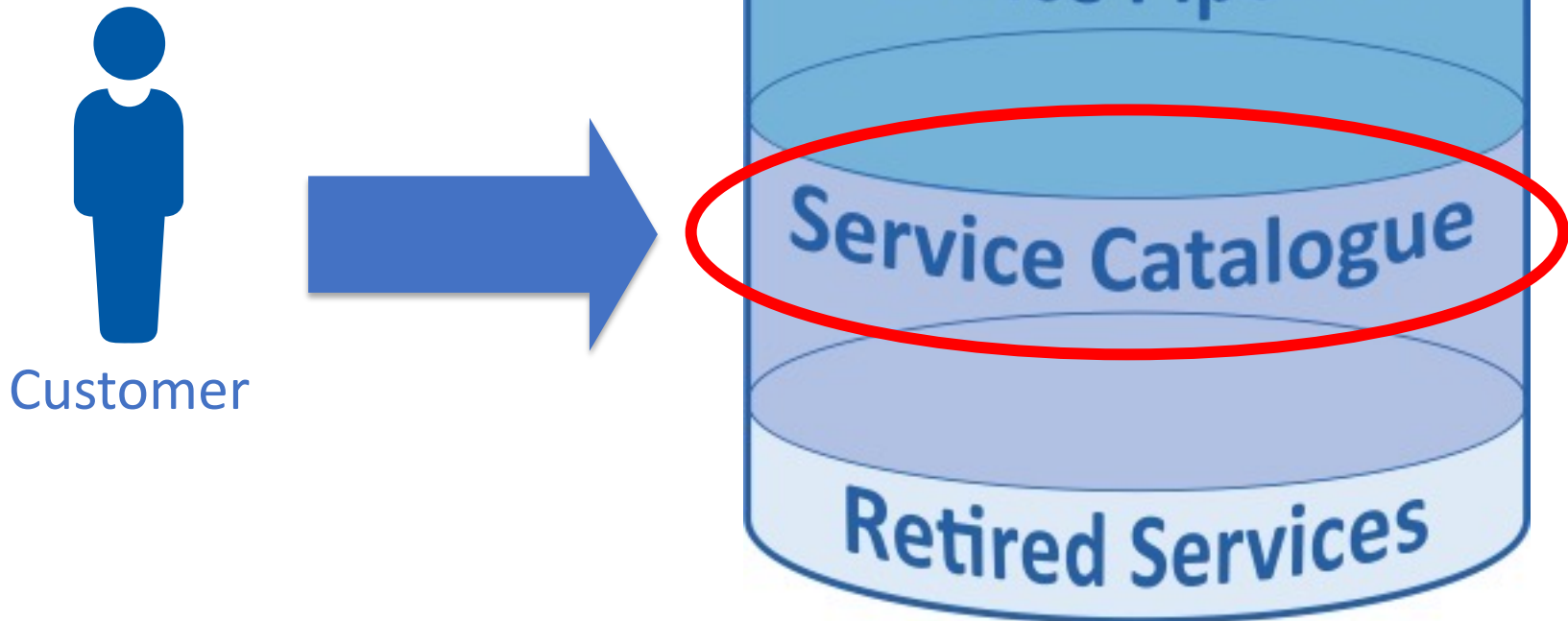








## Service Portfolio

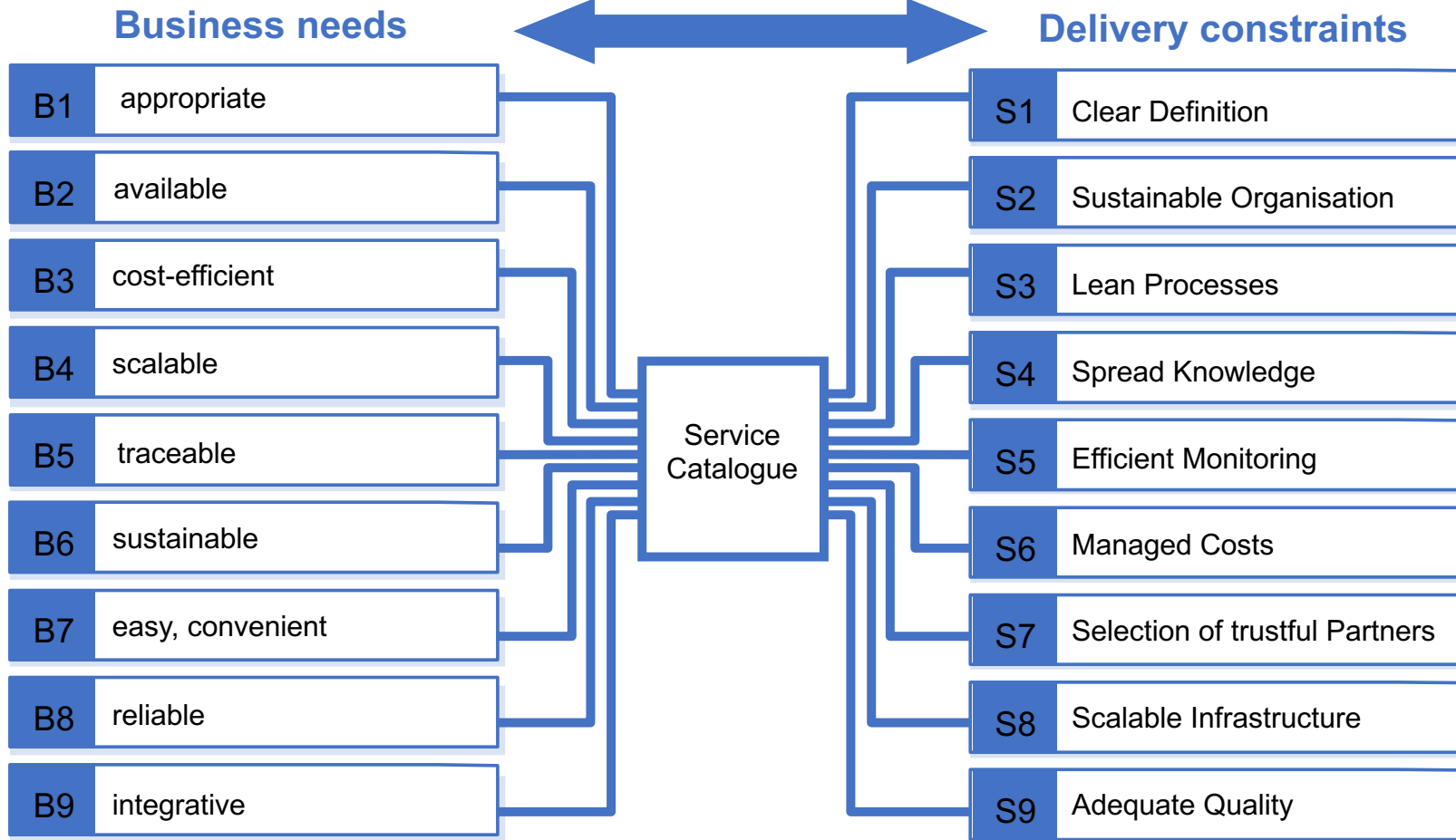




**Service Catalogue:** document that gives an understanding of all the services offered, their components, features, charges, etc.

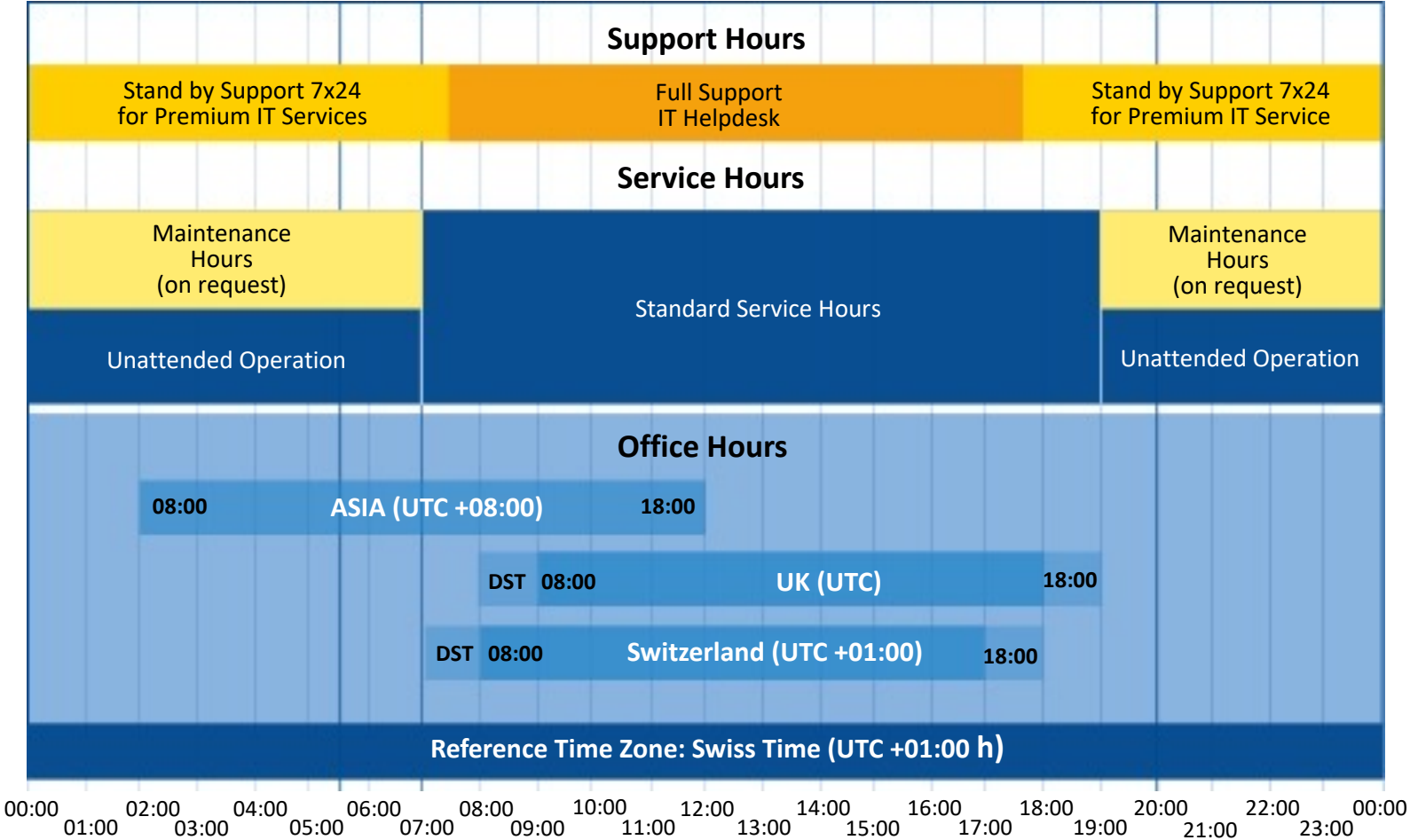
Following information belongs to a service catalogue:

- Contact Organisations
- Service Hours and Support Levels
- Description of services
- Service Level Agreements (Availability, Performance,...)
- Charging and KPIs Reporting
- Business Continuity Management (RPO, RTO)
- Restrictions
- Glossary



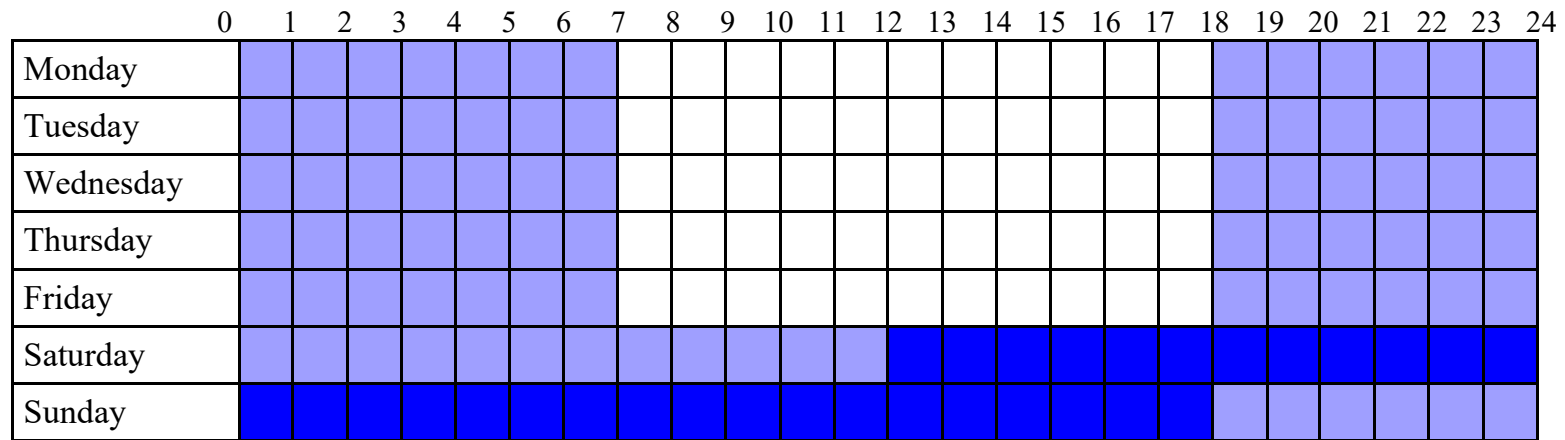


## IT Support-/ Service Hours on weekdays (Mo - Fr)








# Service Hours



Average number of hours per quarter (13 weeks)

	<b>Office Hours</b>	715 hours
	<b>Non-Office Hours</b>	1,079 hours
	<b>Maintenance Hours</b>	390 hours

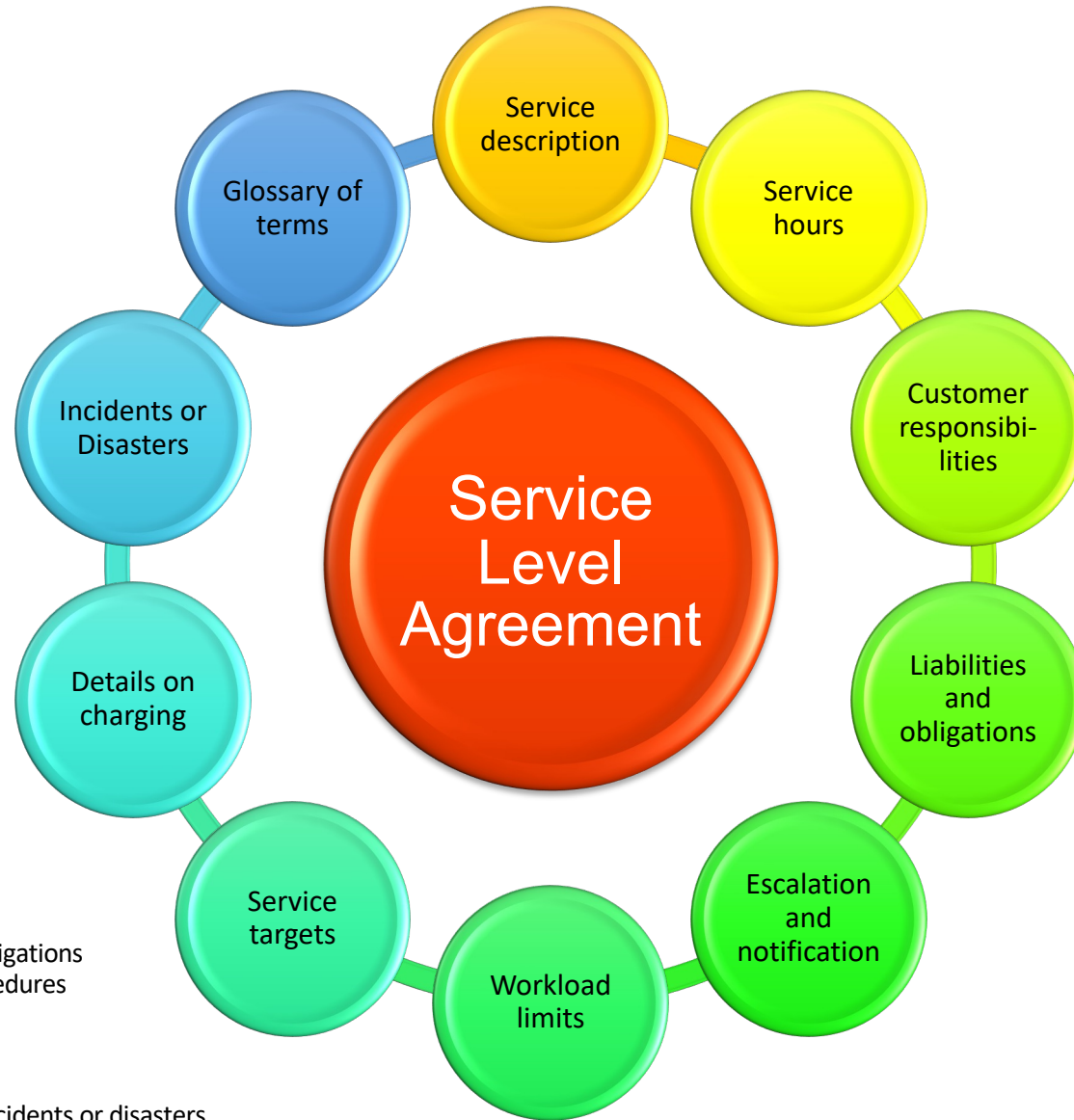
<b>Office Hours</b>	During Office Hours, the main focus is on user productivity, with the highest service levels and the shortest response time to problems
<b>Non-Office Hours</b>	During Non-Office Hours, routine tasks such as backups or batch jobs are performed. This normally means that service levels for users are reduced
<b>Maintenance Hours</b>	This time period is used to carry out various maintenance tasks on the systems, such as software upgrades, or hardware changes. Although many systems are running during this time, it is impossible to guarantee a defined service level in most cases



Item	Description
<b>Time period</b>	A service level is specified for a time period given (for instance three months or one year)
<b>Planned interrupts</b>	“Planned interrupts” are long term changes. They are announced to customers in advance by means of a Change Memo
<b>Unplanned interrupts</b>	All other interrupts are known as “unplanned interrupts”
<b>Availability</b>	$\text{Availability} = 100\% - \frac{\text{Planned} + \text{Unplanned interrupts per quarter}}{\text{Number of Service Hours per quarter}} * 100\%$
<b>Reporting</b>	Definition and frequency of service level reporting (Service Report), for instance on the web
<b>Service level violations</b>	Service level violations are reported in the Service Report



<b>PRIORITY</b>		<b>Severity (Customer view)</b>			
		<b>Critical</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>
<b>Gravity (Supplier view)</b>		All users are affected  Incident prevents vital business transactions	A group of users is affected  Incident limits or prevents important functionality	A few users are affected  Incident complicates a business transaction	Very few users affected  Incident has little or no effect on the Client's business processes
<b>Severe</b>	Immediate solution needed	<b>P1 Critical</b>	<b>P1 Critical</b>	<b>P2 High</b>	<b>P3 Medium</b>
<b>High</b>	Solution needed within 1 Open Business Day	<b>P2 High</b>	<b>P2 High</b>	<b>P3 Medium</b>	<b>P4 Low</b>
<b>Medium</b>	Solution needed within several Business Days	<b>P3 Medium</b>	<b>P3 Medium</b>	<b>P3 Medium</b>	<b>P4 Low</b>
<b>Low</b>	No time constraint	<b>P4 Low</b>	<b>P4 Low</b>	<b>P4 Low</b>	<b>P4 Low</b>



## Typical contents in an SLA:

- Service description
- Service hours and exceptions
- Scheduled service interruptions
- Customer responsibilities
- Service provider liability and obligations
- Escalation and notification procedures
- Service targets
- Workload limits
- Details on charging
- Actions to be taken in case of incidents or disasters
- Glossary of terms



## Bronze, Silver, Gold

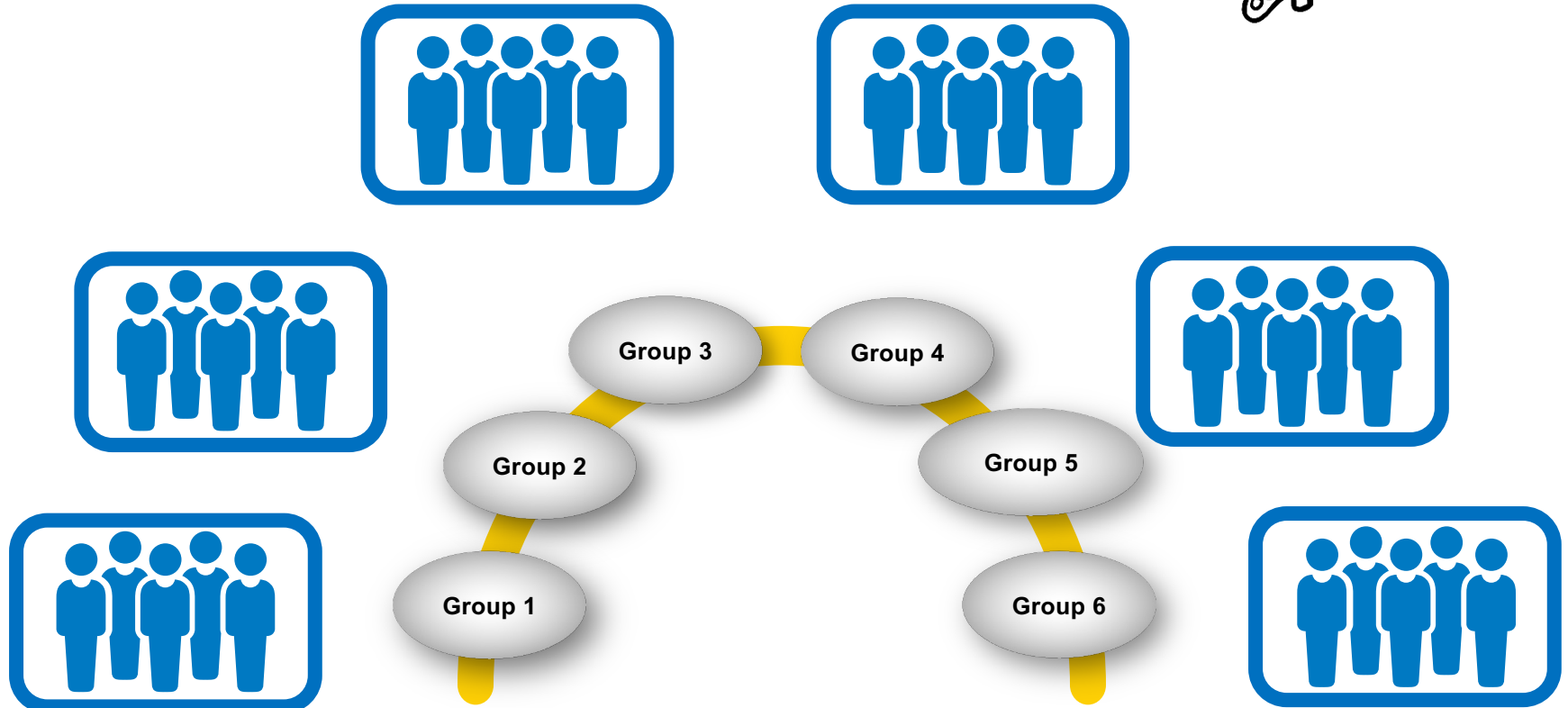
	Bronze	Silver (Critical Services)			Gold (Business Critical Services)	
<b>Business Process Services</b>	AI Service except silver and gold	Sales	Stock	Payroll	Retail	E-Commerce
		Control Desk	Supplier Management			Procurement
<b>Information Sharing</b>		Intranet		Public Websites		eMail & Collaboration
<b>User Workplace</b>		Remote Access, Print Services			File Sharing	
<b>IT Service Access Hours</b>	365 Days x 24 hours	Accessibility of the IT infrastructure for IT users Except in times of IT Service Maintenance, inline with Business Process Calendar				
<b>IT Service Support Hours</b>	Mon – Fri, Mon – Sun	06:15 – 17:15 (Local AI Service Desk/UTC) 365 Days x 24 hours (Global Service Desk)			<b>Outside service desk hours</b> Infrastructure support	
					<b>On request</b> Application support	
<b>IT User Incident Solution Time</b>	90% within max.3 working days	90% of all user incidents Solved within max. 1 working day			95% of all user incidents Solved within max. 4h	
<b>IT Service Availability</b>	96,6% 4 dis/year, max, 3 days	98.9% 4 service disruptions/year, each max. 24 hours			99.6% 4 service disruptions/year, each max. 8 hours	
<b>IT Service Continuity</b>	Emergency Oper. Max. 20 working days	Emergency operation established within max. 72 hours			Emergency operation established Within max. 48 hours	
<b>Business Continuity</b> RTO : <i>Recovery Time Objective</i>	RTO < 36 hours	RTO < 8 hours			RTO < 4 hours	

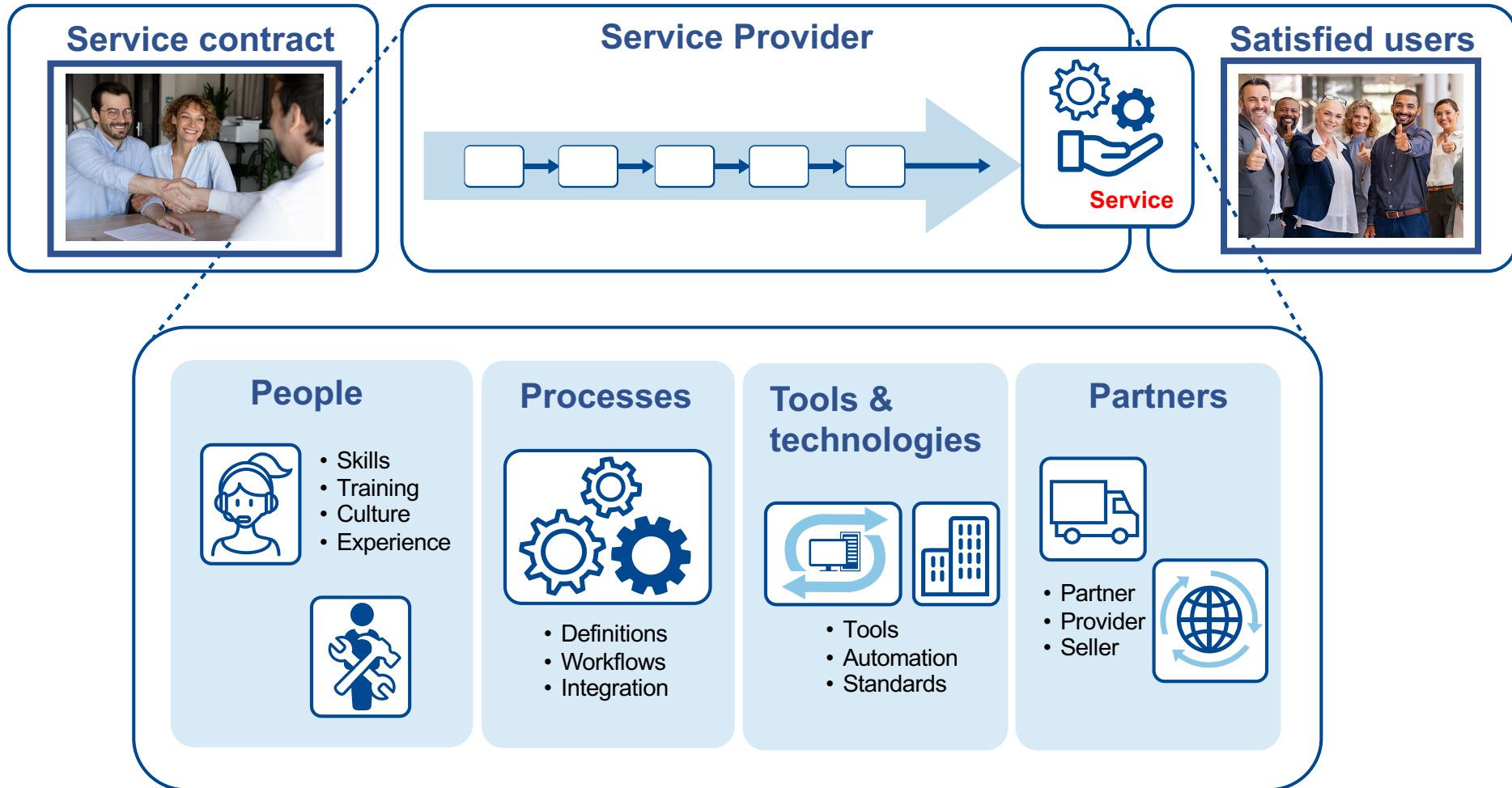


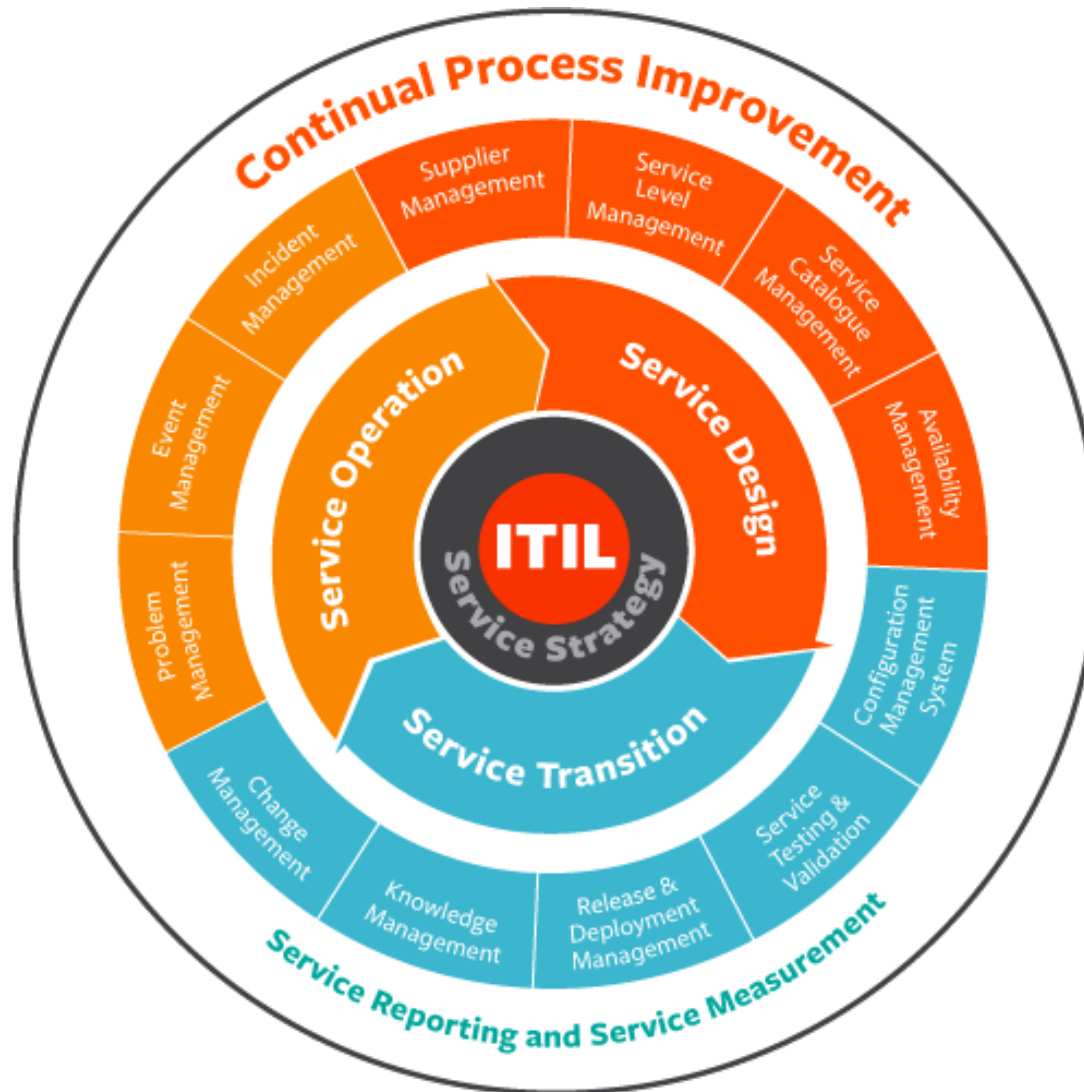


## Define SLAs for the following IT Services

1. A Corporate SAP System
2. A mailing solution
3. An HR application
4. An online platform
5. A Firewall server
6. Access management service









## FitSM 14 Processes

- Service Portfolio Management (SPM)



Service Strategy

- Service Level Management (SLM)
- Service Reporting Management (SRM)
- Service Availability & Continuity Management (SACM)
- Capacity Management (CAPM)
- Information Security Management (ISM)
- Customer Relationship Management (CRM)
- Supplier Relationship Management (SUPPM)



Service Design

- Incident & Service Request Management (ISRM)
- Problem Management (PM)
- Configuration Management (CONFM)
- Change Management (CHM)
- Release & Deployment Management (RDM)

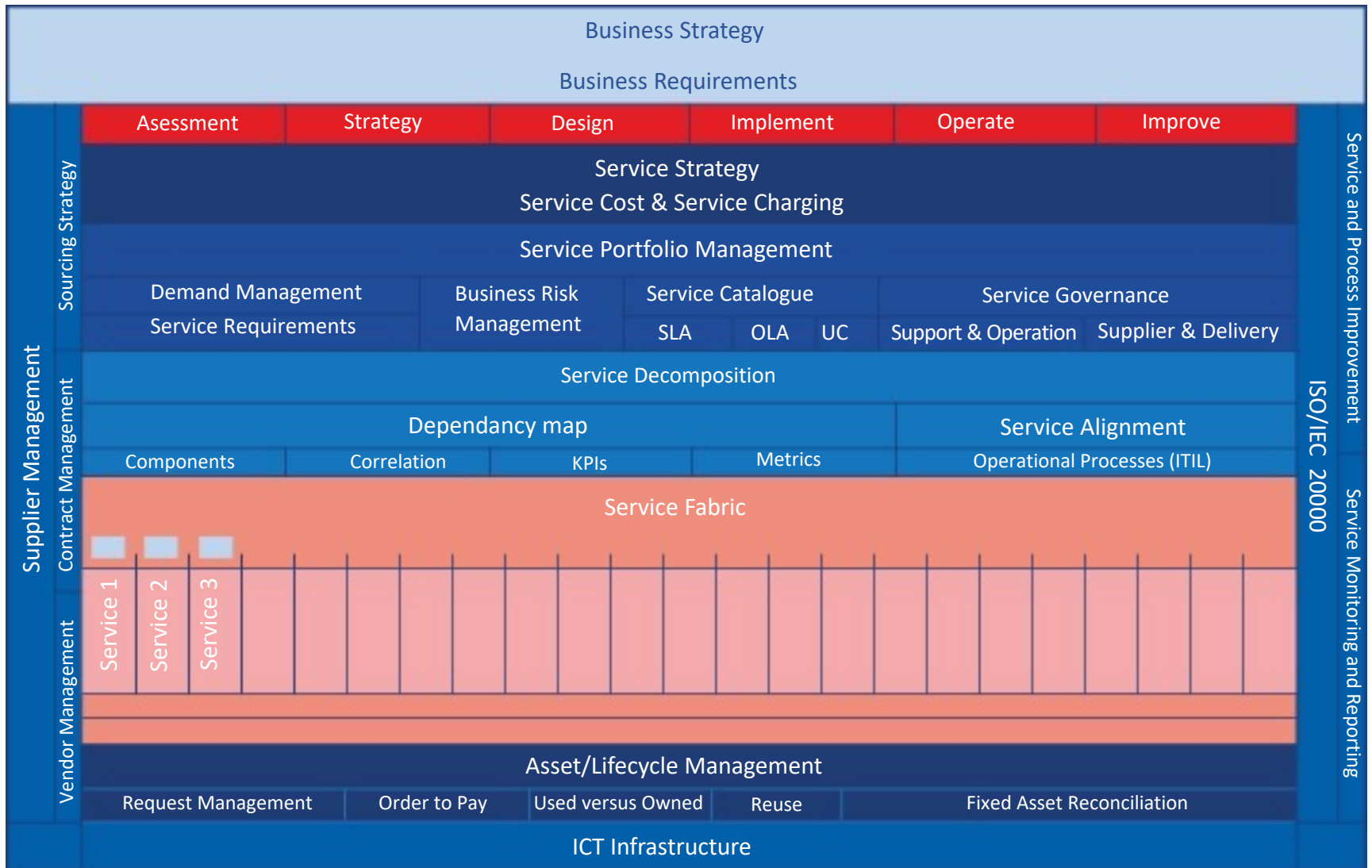


Service Operation

- Continual Service Improvement Management (CSI)

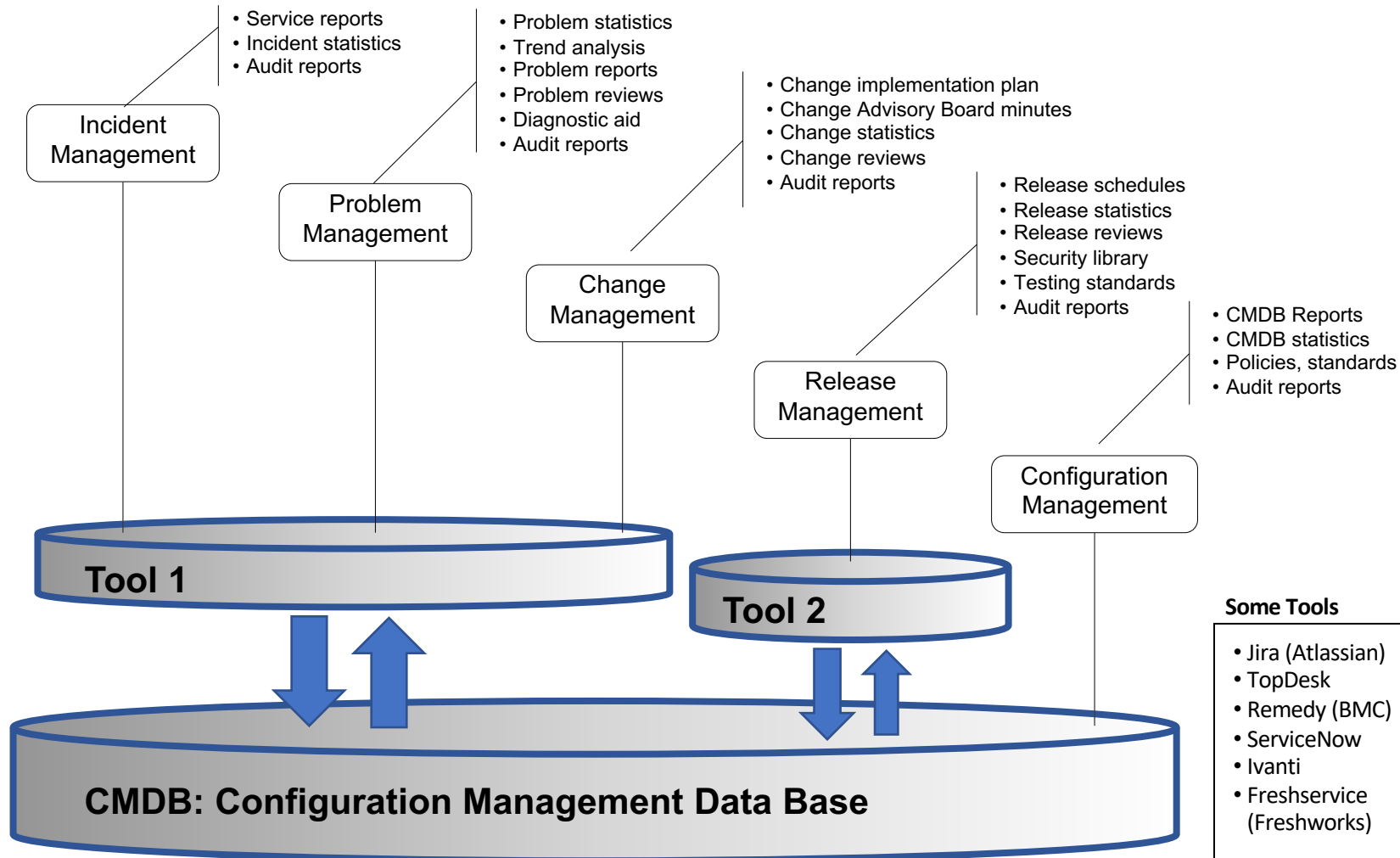


Service Improvement



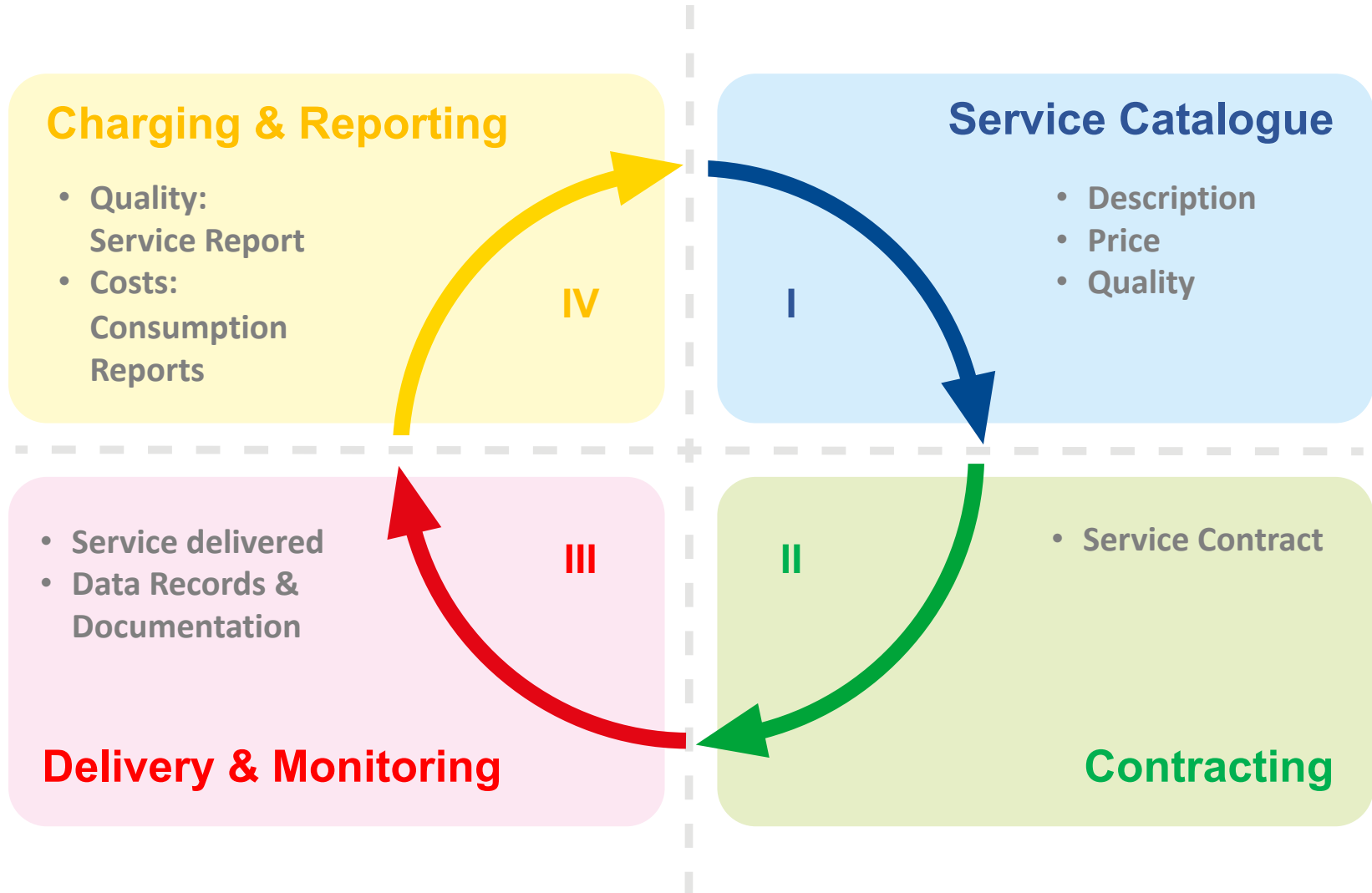


## See also ITOM (IT Operation Management)





Mainly on a yearly basis

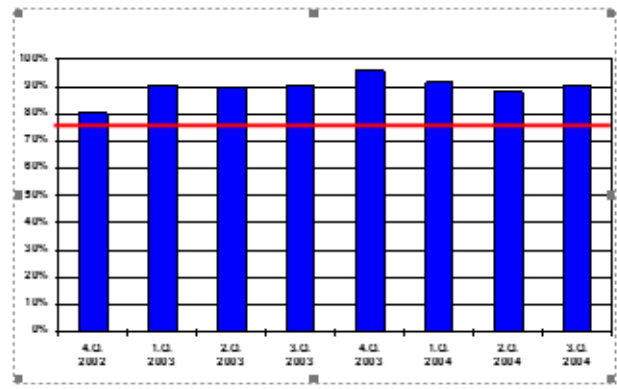




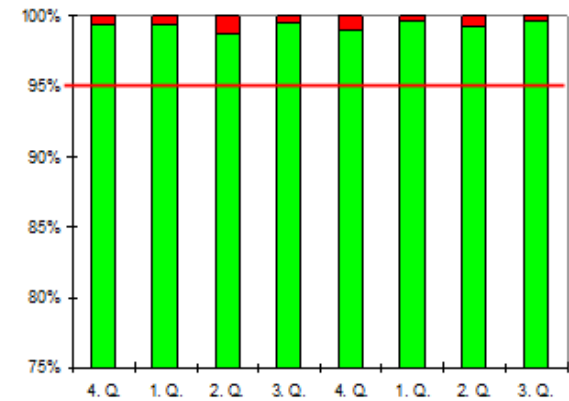


## Examples

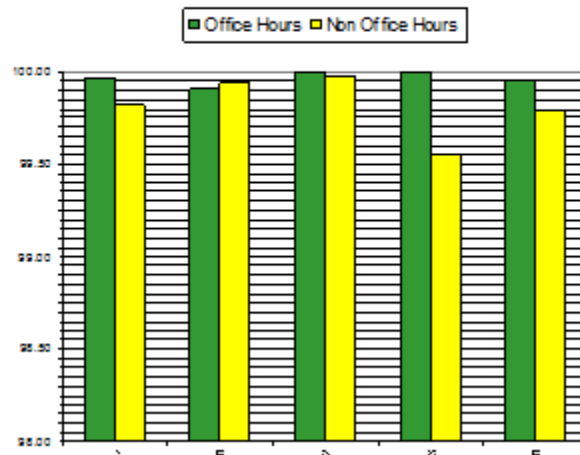
End User Support: Response Rate Overall



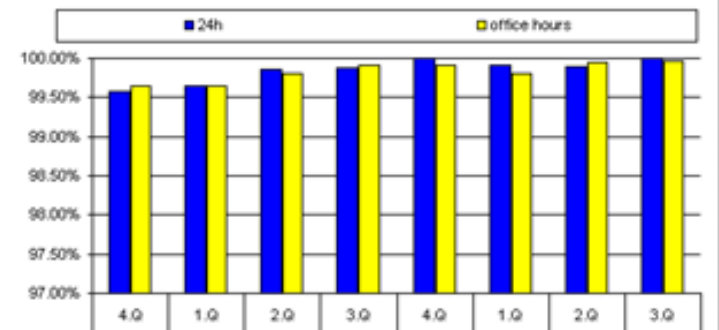
Course Quality

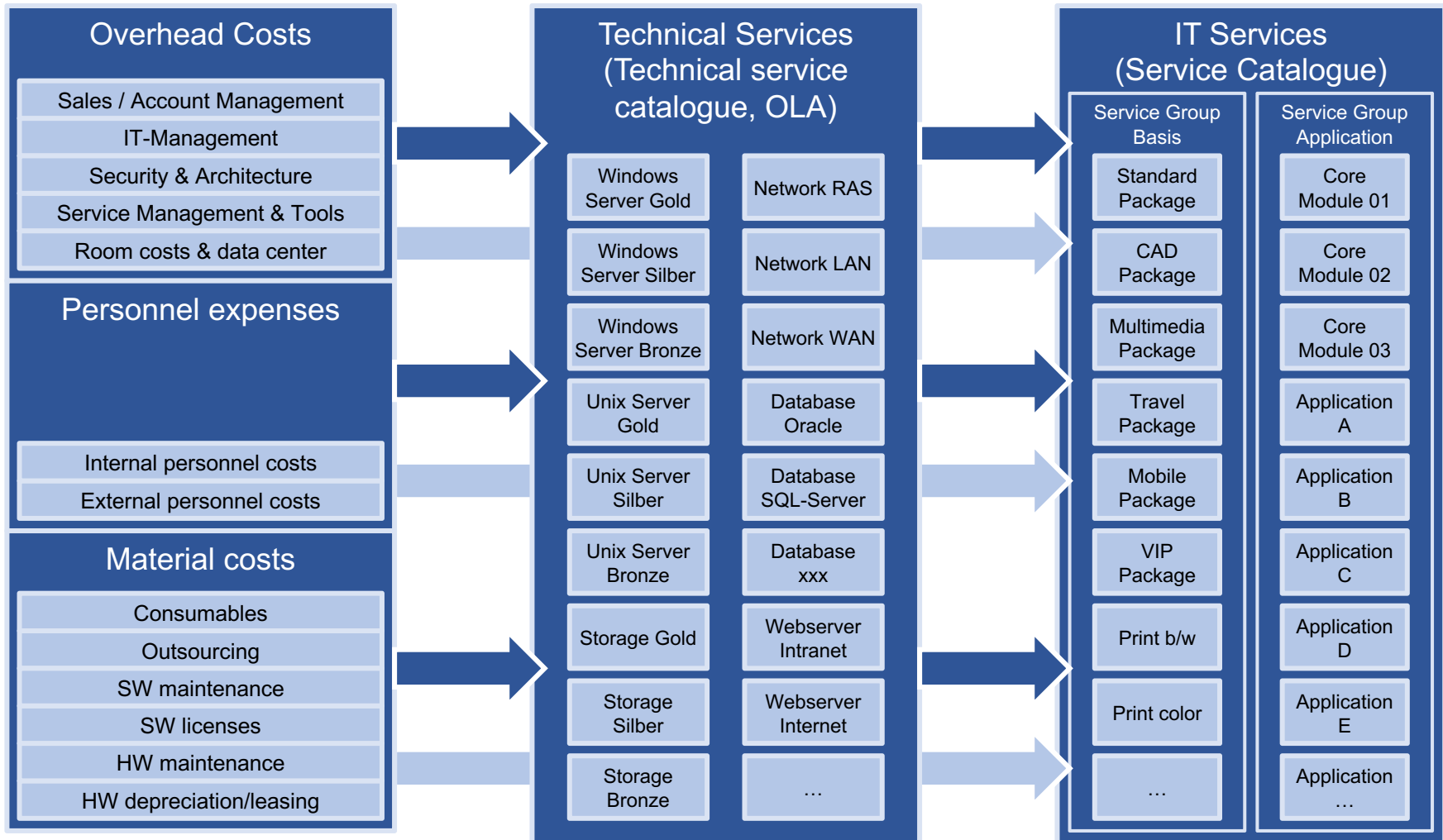


Exchange Mailbox Average Availability



SAP R/3 System Availability





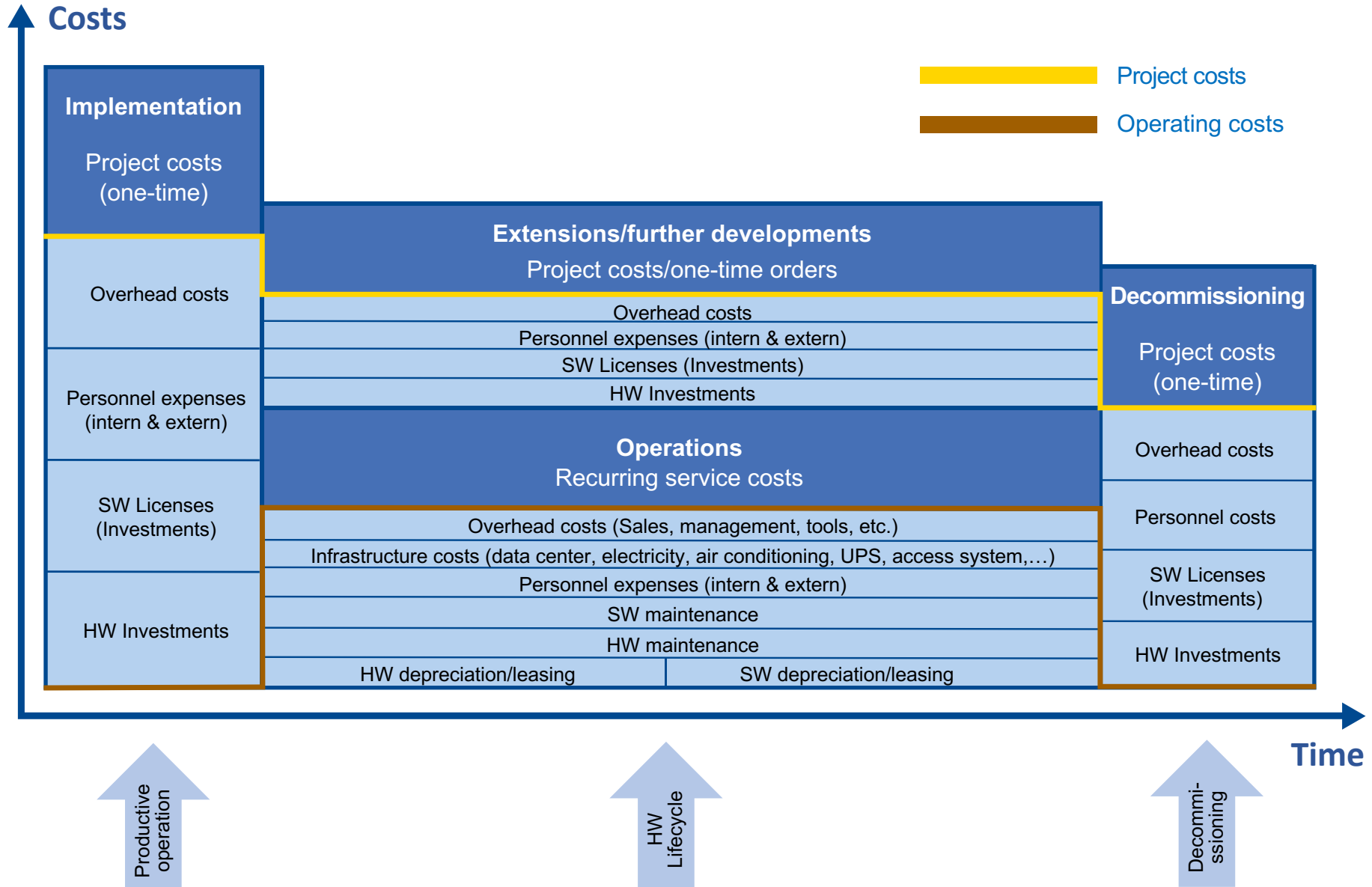
# Example: Price List and Charging



Service Group							
Service ID	Service Type	Short Description	Support Model	Availability Level	Planned Quantity	Unit Price CHF p.a.	Clairing Unit
<b>Private Banking</b>							
<b>Consulting Services</b>							
ITS 179	Standard Service	IT Business Consulting	Basic	Business Relevant	0	165.-	Hours
ITS 188	Standard Service	IT Application Development	Basic	Business Relevant	0	165.-	Hours
<b>Core Banking</b>							
ITS 062	Individual Service	Signature Management System	Basic	Business Relevant	180	240.-	Users
ITS 131	Standard Service	Avaloq Banking System	Premium	Business Critical	235	18'980.-	Users
ITS 132	Standard Service	Old Archive Systems	Basic	Business Relevant	8	600.-	Users
ITS 201	Standard Service	JIRA Tool	Basic	Business Relevant	0	-	incl. ITS009
<b>Electronic Workplace</b>							
ITS 009-A	Standard Service	Standard Electronic Workplace (EWP)	Basic	Business important	246	5'100.-	Systems
ITS 009-B	Standard Service	Additional Screen (EWP)	Basic	Business Important	85	300.-	Systems
ITS 009-C	Standard Service	Mobile Workplace (EWP)	Basic	Business Important	15	6'780.-	Systems
ITS 021	Standard Service	Email BSC	Top	Business Critical	256	1'200.-	Users
ITS 022	Standard Service	IT Service	Basic	Business Relevant	256	-	incl. ITS009
ITS 028	Standard Service	Mobile Computing	Basic	Business Required	6	6'780.-	Systems
ITS 036	Standard Service	Distributed Print Services	Basic	Business Relevant	1	-	incl. ITS009
ITS 055	Standard Service	WWW Access Special	Basic	Business Relevant	1	-	incl. ITS009
ITS 056	Standard Service	WWW Access Standard from Workplace	Basic	Business Important	1	-	incl. ITS009

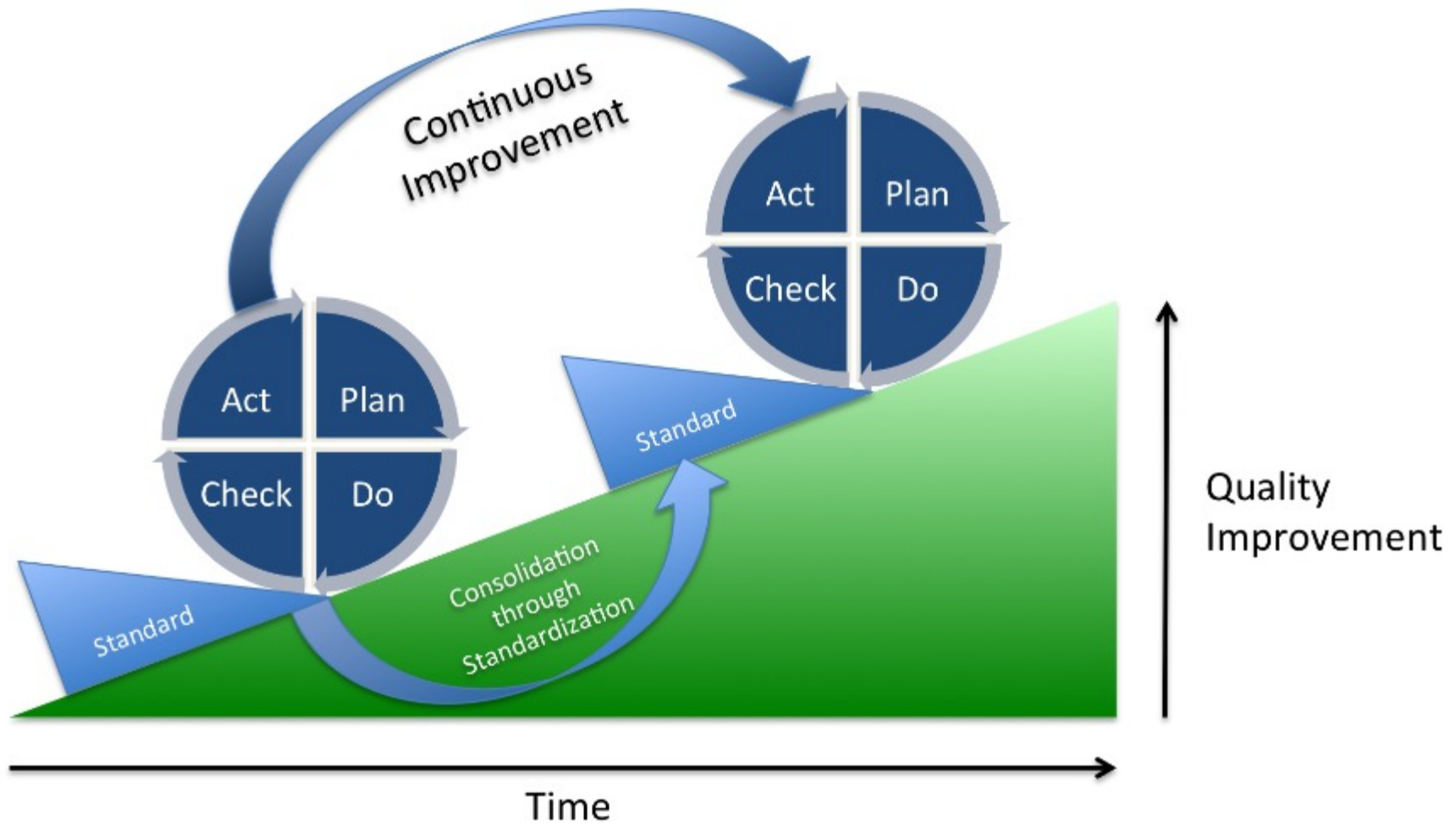
ServiceCode	Description	Cost per month	Januar 2011 amount	Januar 2011 costs	Februar 2011 amount	Februar 2011 costs	März 2011 amount	März 2011 costs	total costs
<b>Electronic Workplace</b>									
<b>Standard Client Services</b>									
ITS 009 – A	Stadard Electronic Worplace (EWP)	578,00	176	101' 728	175	101'150	171	98'838	3 01'716
ITS 009-B	Additional Screen (EWP)	27,00	154	4' 158	153	4'131	130	3'510	11'799
ITS 009-C	Mobile Workplace (EWP)	673,00	32	21' 536	33	22'209	34	22'882	66'627
ITS 022	IT Service Desk (incl. ITS009)		170	0	170	0	168	0	0
ITS 036	Distributed Services (incl. ITS009)		32	0	33	0	33	0	0
ITS 169	eMail (Exchange)	44,17	170	7'508	170	7'508	168	7'420	22'437
ITS 181	Exchange Webaccess	58,33	34	1'983	34	1'983	33	1'925	5'892
ITS 056	WWW Access Standard from Workplace		170	0	170	0	168	0	0
ITS 204	Standalone Systems zweiplus						5	400	400
<b>Extended Client Services</b>			<b>Total Standrd Client Services</b>			<b>136'914</b>	<b>136'982</b>	<b>134'975</b>	<b>408'870</b>
ITS 058-A	Extended Client Services (ECS)	5,00	244	1'220	232	1'160	225	1'125	3'505
ITS 058-B	Extended Client Services (ECS)	10,00	47	470	43	430	42	420	1'320
ITS 058-C	Extended Client Services (ECS)	19,17	66	1'265	69	1'323	70	1'342	3'929
<b>Total Extended Client Services</b>				<b>2'955</b>	<b>2'913</b>	<b>2'913</b>	<b>2'887</b>	<b>8'754</b>	
<b>Total Electronic Workplace</b>				<b>139'869</b>	<b>139'894</b>	<b>137'862</b>	<b>137'862</b>	<b>417'624</b>	

# Project versus Service Costs

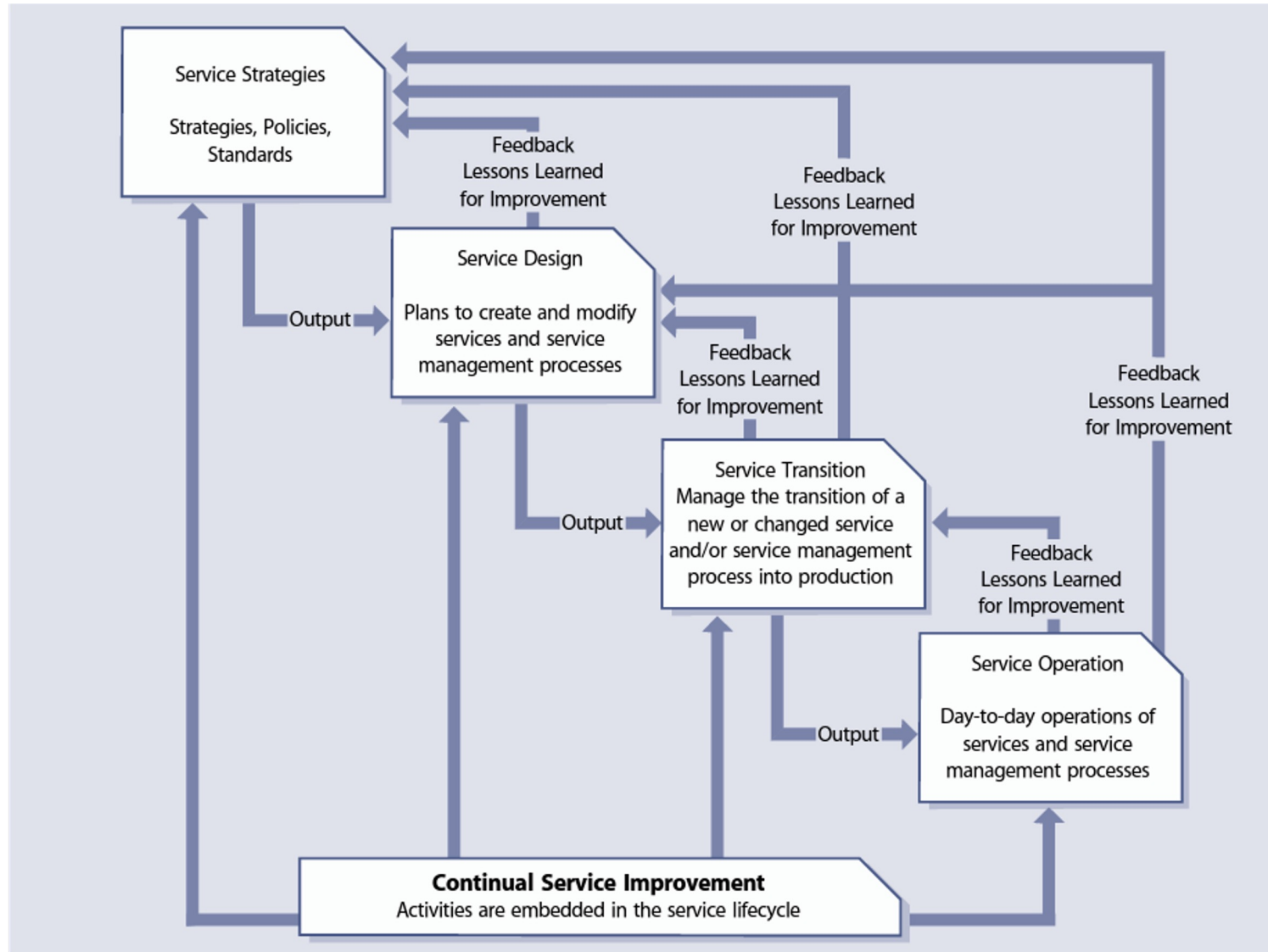


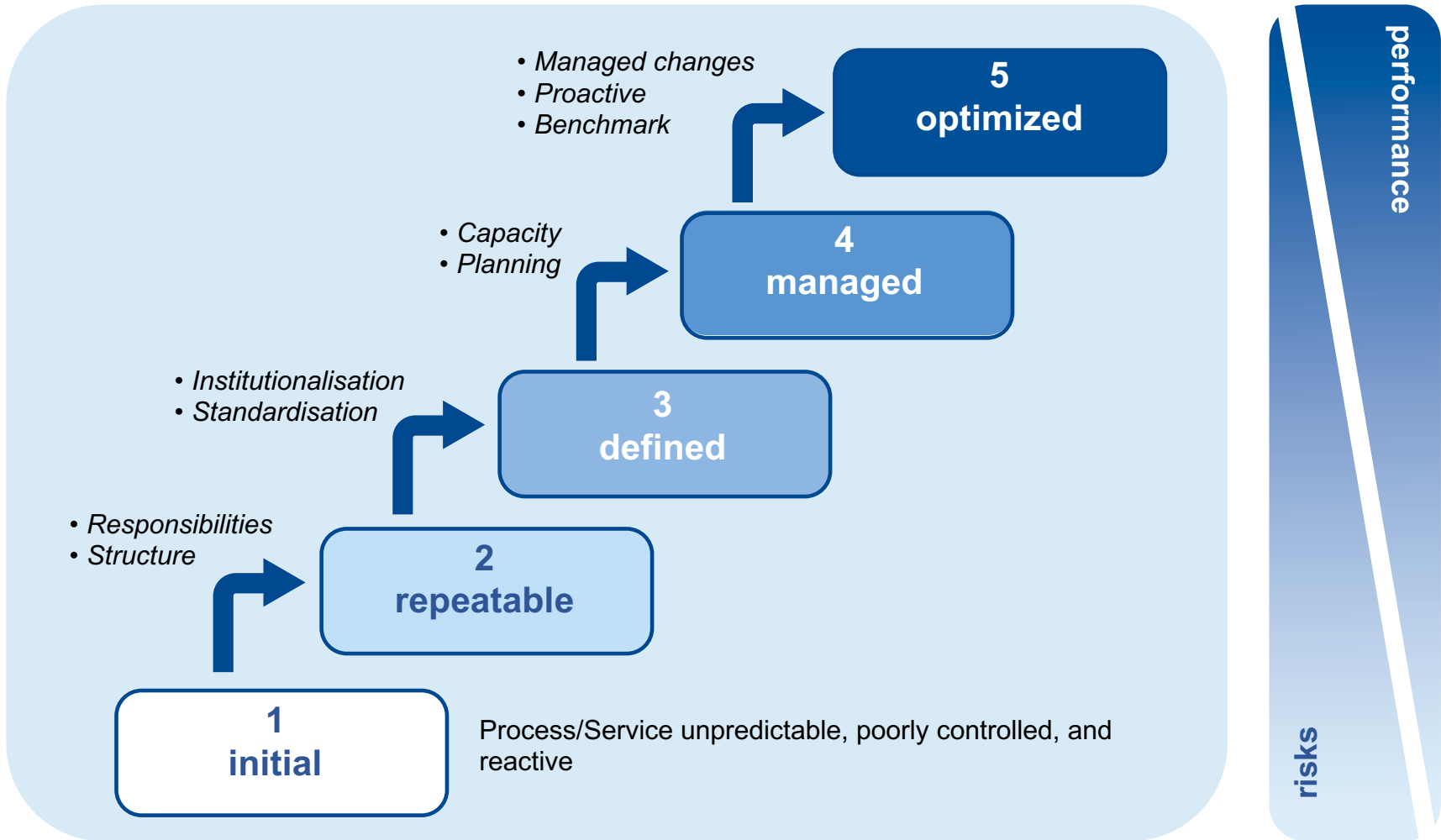


## P-D-C-A: Plan Do Check Act



# Continuous Service Improvement (CSI)









## Maturity level according to ISO 20000 quick assessment





- Let Customers Get to Know You
- Be Available
- Excellent support
- Proactive information provision during interruptions
- Special Services / VIP
- Knowledge provision
- Community platforms

**TRANSPARENCY**  
**PRESENCE**  
**CUSTOMER FIRST**  
**APPRECIATION**  
**SIGNIFICANCE**  
**VALUE CO-CREATION**



## 1) Understand your requirements

Separate the “wants from the needs.” Define what will truly generate value for your company.

**2) Think of tools as strategic partners:** Thinking of tools within the context of “applications that execute functionality” is a mistake

**3) View ITSM as a relationship not a line item:** Most ITSM tool acquisitions are one of the higher IT-related expenditures for an organization. The tool, however, is only the beginning. Enterprises are also entering into a long-term relationship with the vendor. Be certain the vendor is a good fit for the organization.

**4) Evaluate ease of migration and integration:** Organizations that have locked themselves into customized solutions often underestimate what it will take to migrate information and integrate tools.

**5) Validate through certification:** Review ITSM certifications and ratings to determine if a product is meeting compliance standards or adhering to ITSM best practices.

**6) Ensure workflow integration:** The synergy of integrated process automation within ITSM tools should be strong criteria for tool selection.

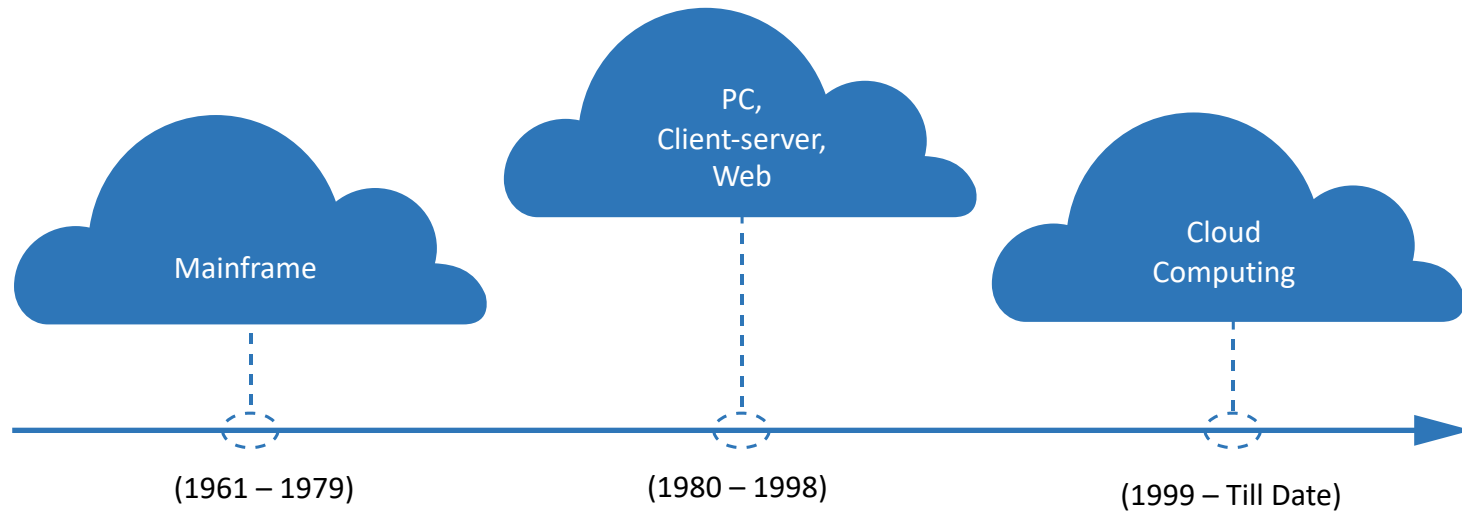
**7) Adhere to legislation requirements:** Legislative mandates on information and the tools that manage such data need to be considered when evaluating an ITSM solution.

**8) Assess delivery models:** Companies are able to choose from a SaaS-based or on-premise ITSM deployment. Each has special considerations for your business. Take the time to determine what makes the most sense.

**9) Beware of common traps:** Do not fall victim to false statements such as: “Greater product sophistication means a better ROI” or “There is no such thing as out-of-the box.”

**10) Find the right solution - generate a strong ROI:** ITSM tools can provide an increase in ROI and positively affect cost of ownership. Not only can the right ITSM tool pay for itself in less than a year or two, it can drive down costs in other areas of your organization through cost and risk avoidance in administration, operational overhead, training and just about every other cost center of the IT budget.





## PC, Client-Server, Web :

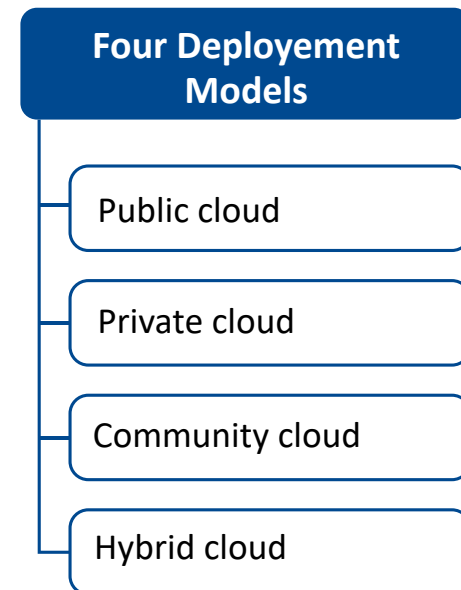
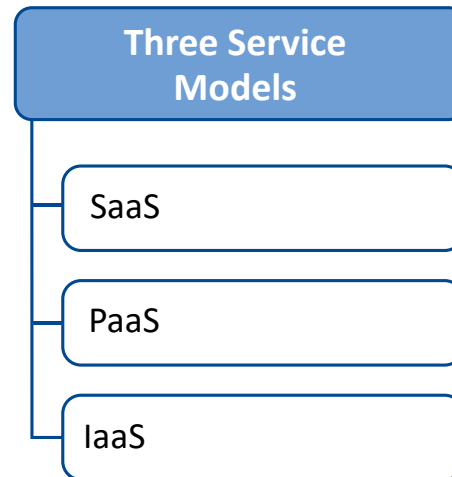
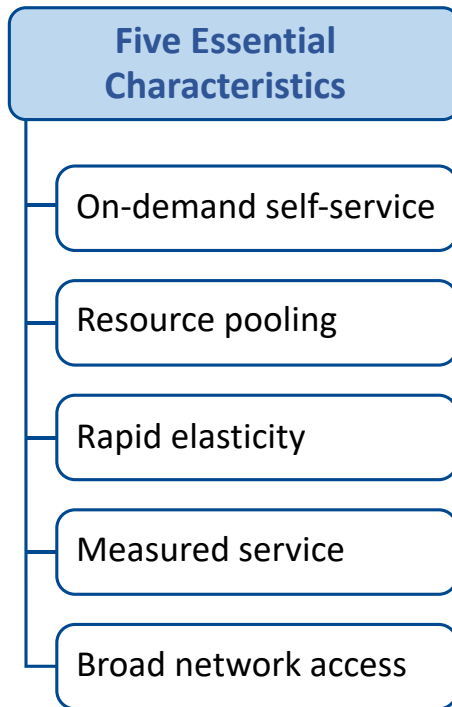
- 1980 – Popularity onf the PC, client-server model
- 1961 – The World Wide Web (WWW) popularizes the internet
- 1997 – First use of the term “Cloud Computing”

## Mainframe :

- 1961 – Professor John McCarthy proposes computing as „ public utility“
- 1964 – IBM CP-40 opeating systems uses virtualization
- 1972 – IBM VM/370 is a virtual machine operating system

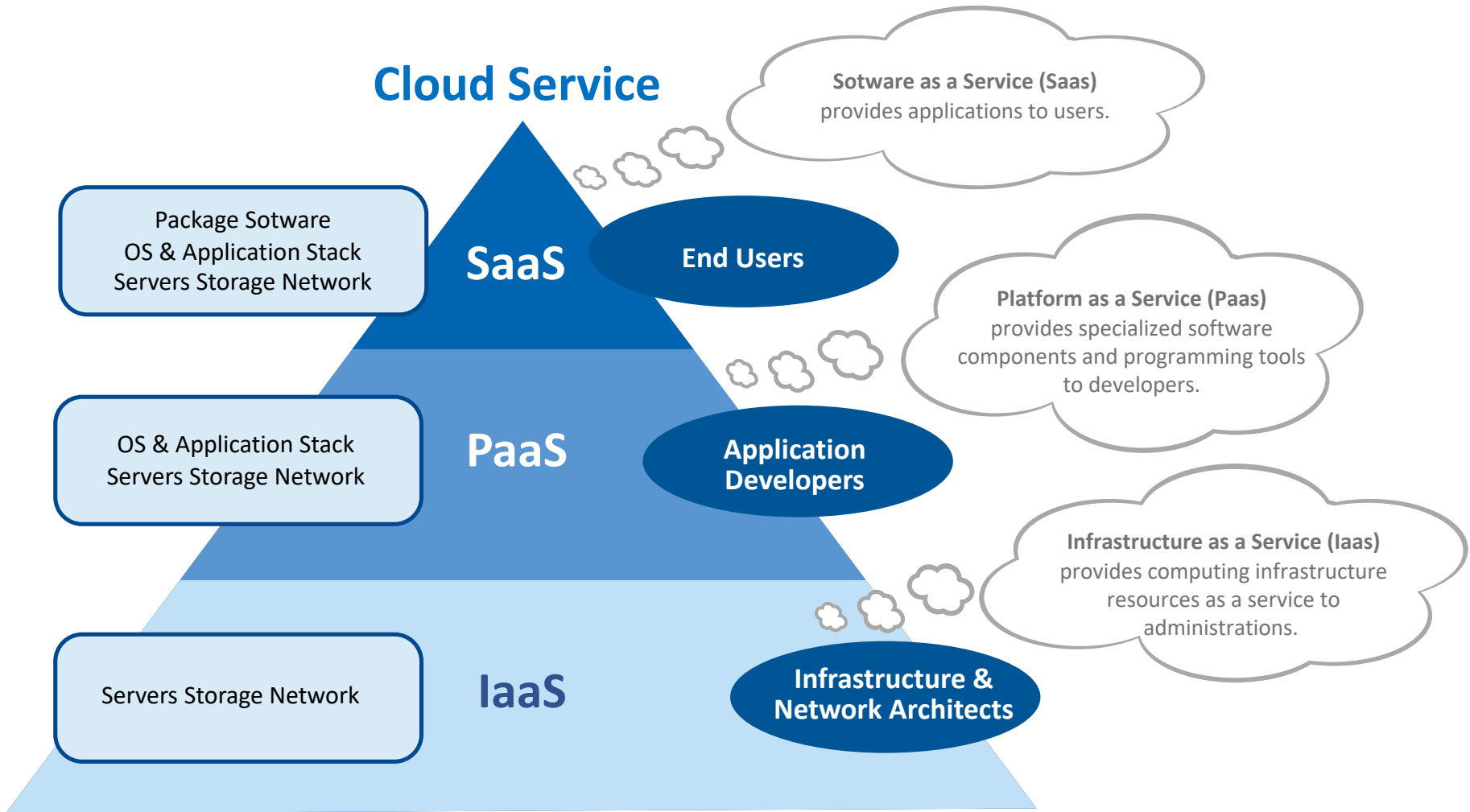
## Cloud Computing :

- 1999 – Salesforce.com and VMWare launch
- 2002 – [Amazon Web Services \(AWS\)](#) launches and SOA emerges
- 2006 – Hadoop launched, shortly followed by amazon S3 and Amazon EC2
- 2007 – Salesforce introduces Force.com
- 2008 – Google App Engine launches
- 2009 – Microsoft Azure launches





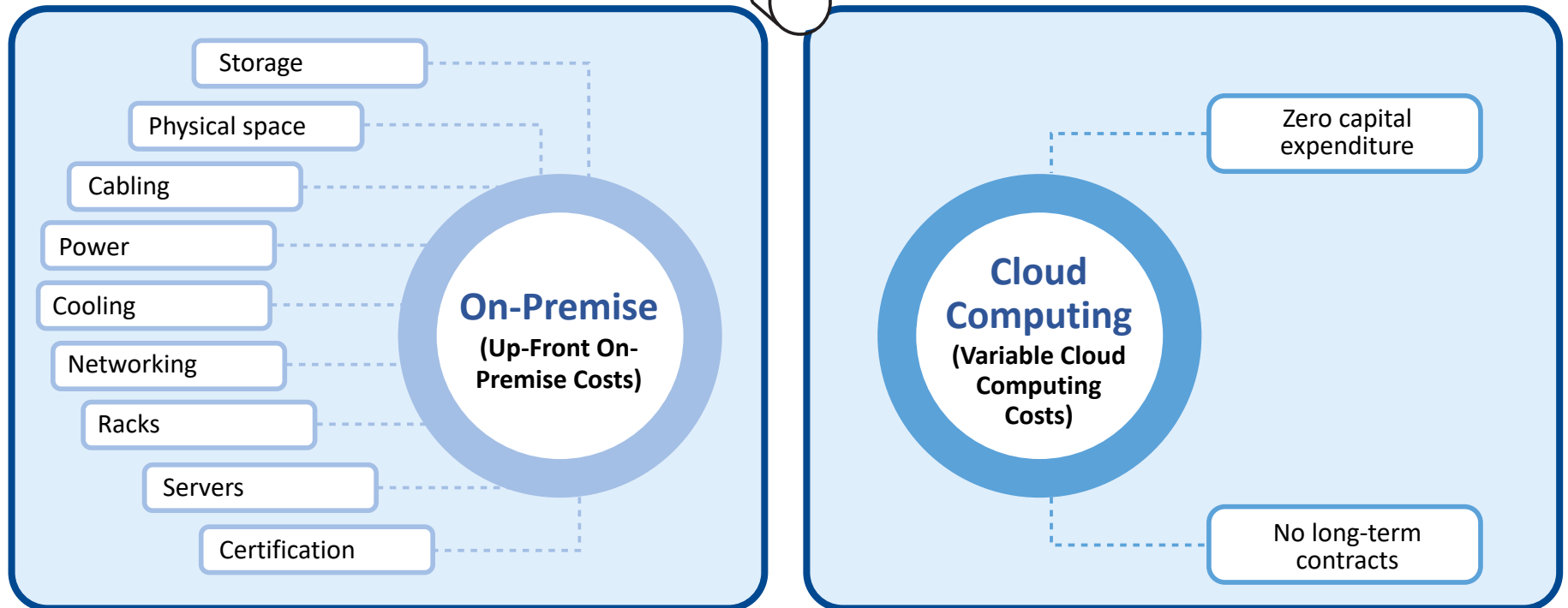
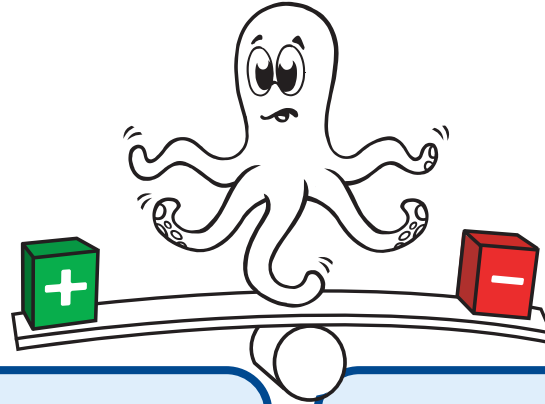
## Cloud Service





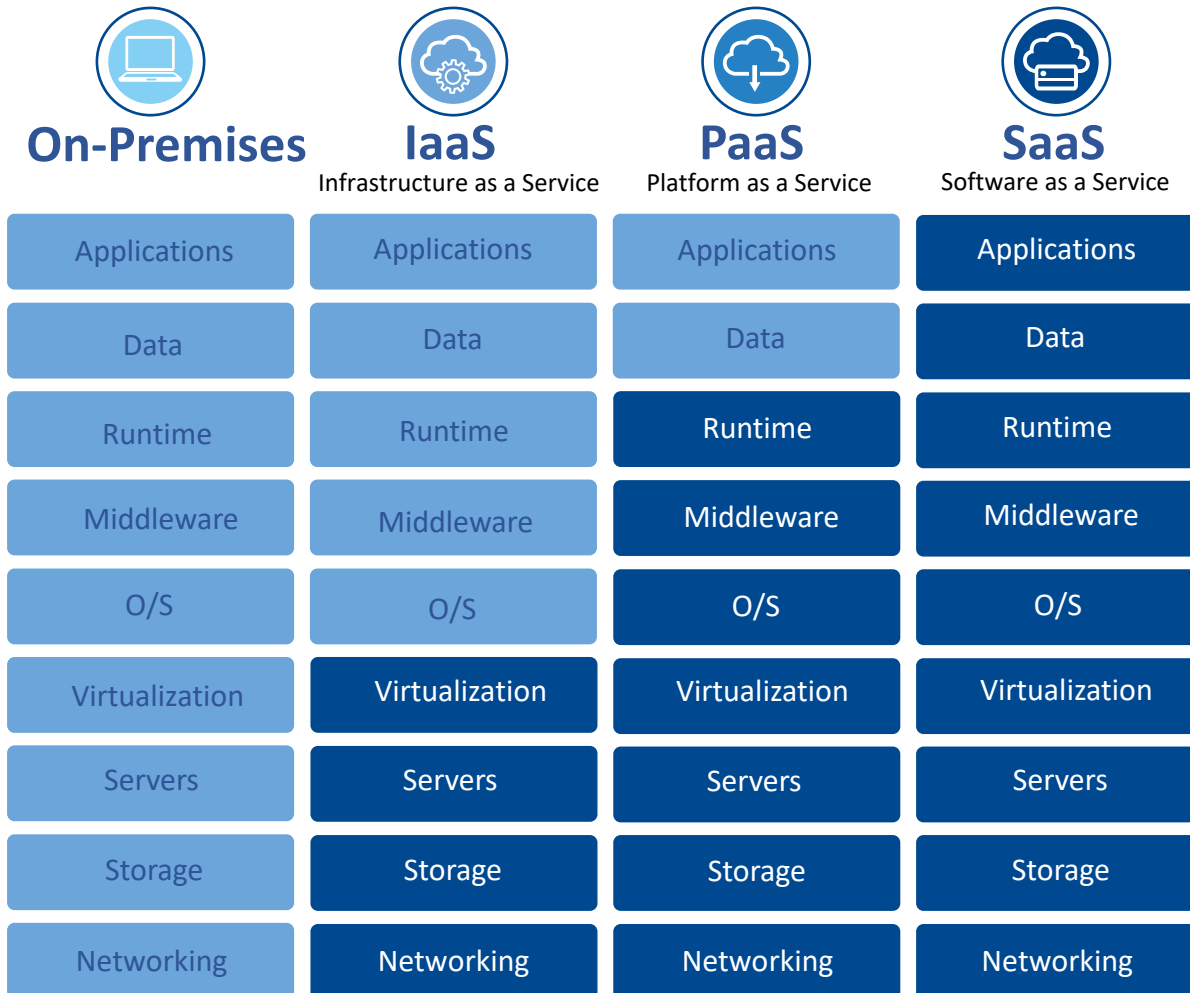
## Advantages and Disadvantages of both solutions

- On-demand self-service
- Broad network access
- Resource pooling
- Rapid elasticity
- Measured service
- Privacy (Personal Data Issues)



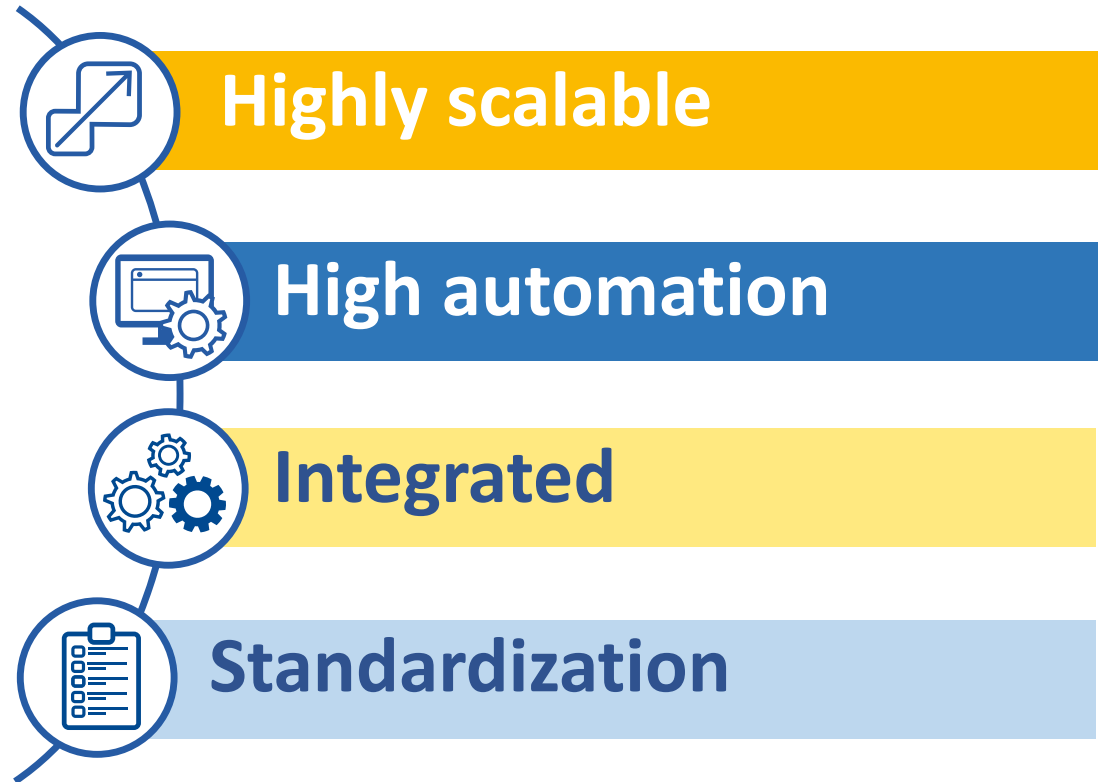


# Separation of Responsibilities

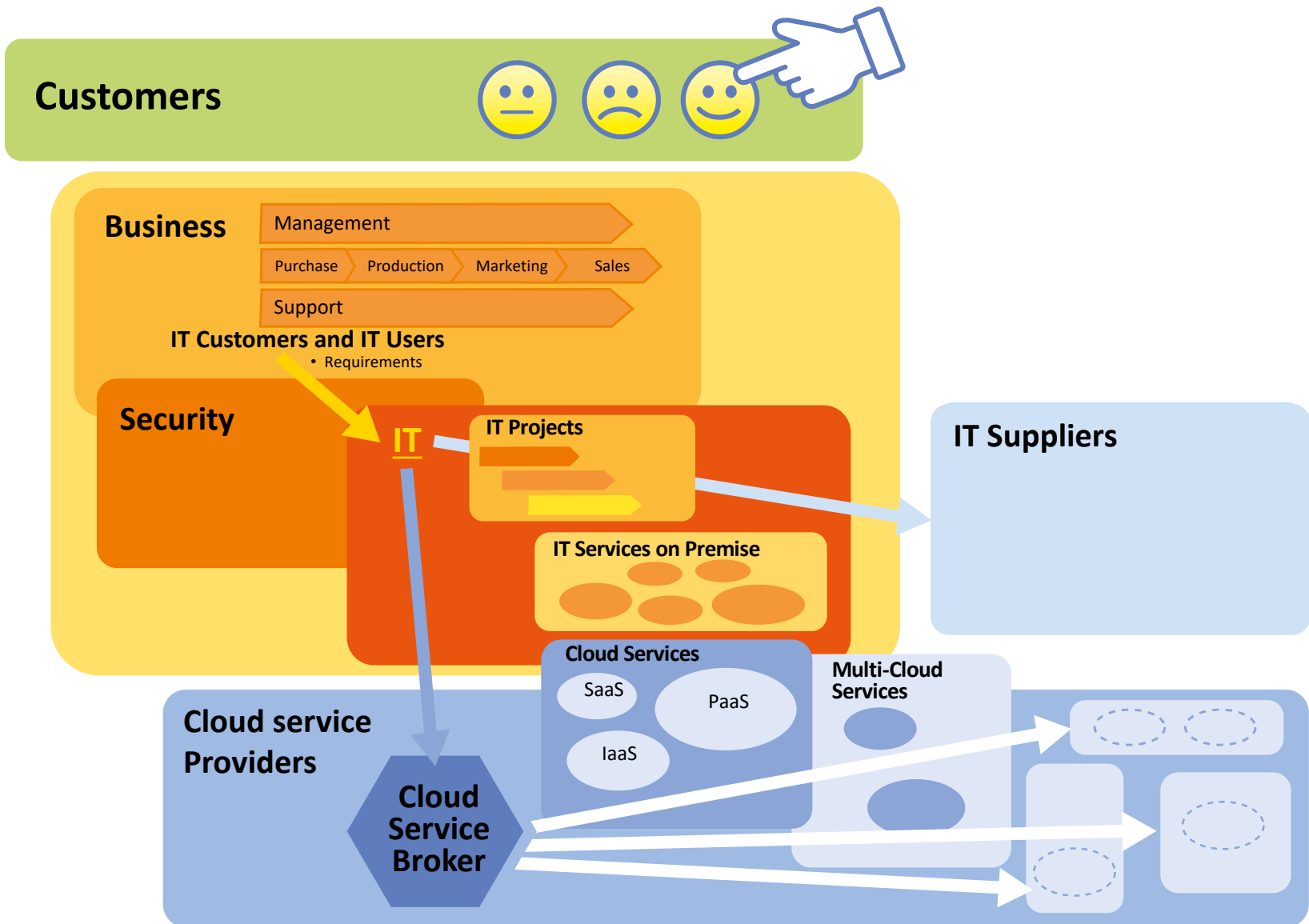


You Manage

Other Manages



# IT as a Service Broker in a heterogeneous environment

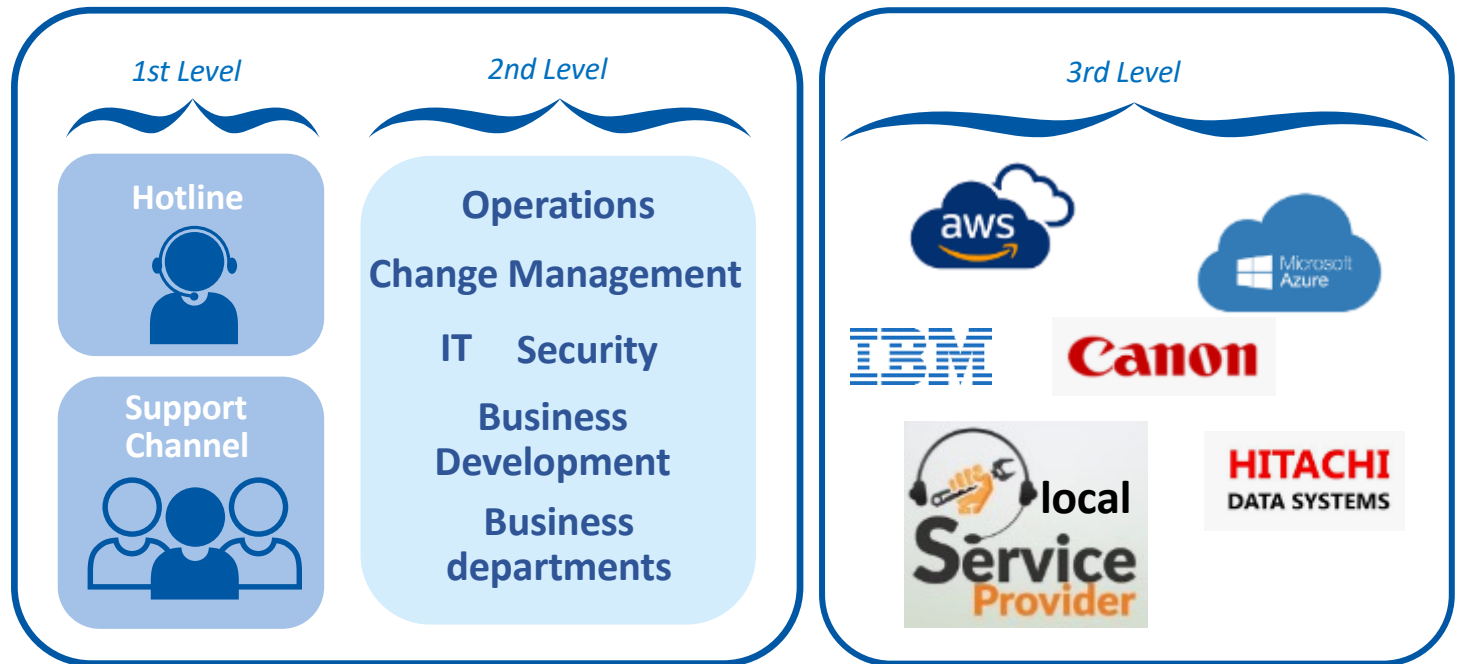
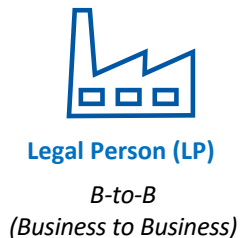
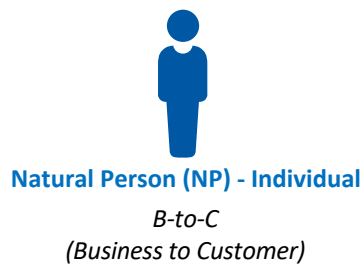






A digital service is the sum of processes and procedures that need to **be lived** by the different stakeholders so that the user can conduct operations **on a self-service basis**.

A digital service ensures that **customers** are **highly satisfied** with the solution, which is represents a **complex system** where **many different partners** are involved.



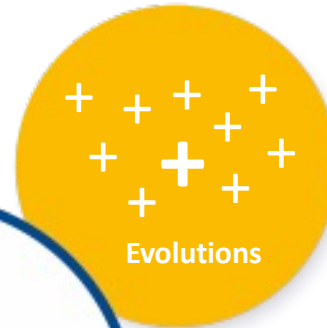


## Ensure customer loyalty and trust

Functionalities are **easy** and **intuitive** to use. The user can do a lot **on his/her own** thanks to self-administration.  
Customers are **regularly informed** about new features.



Usability



Evolutions

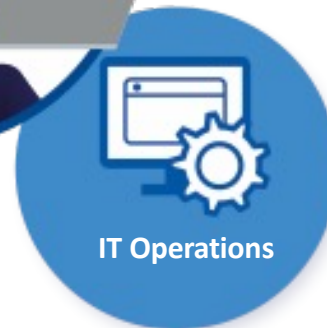
**New** significant functionalities and enhancements are identified and developed, tested and implemented in a **high quality**.



Calls and emails are answered **competently** and **expeditiously** by the hotline or the Relationship Managers. Complaints are taken up by the hotline and analyzed and addressed thanks to **the "complaint management" process**.



Client support

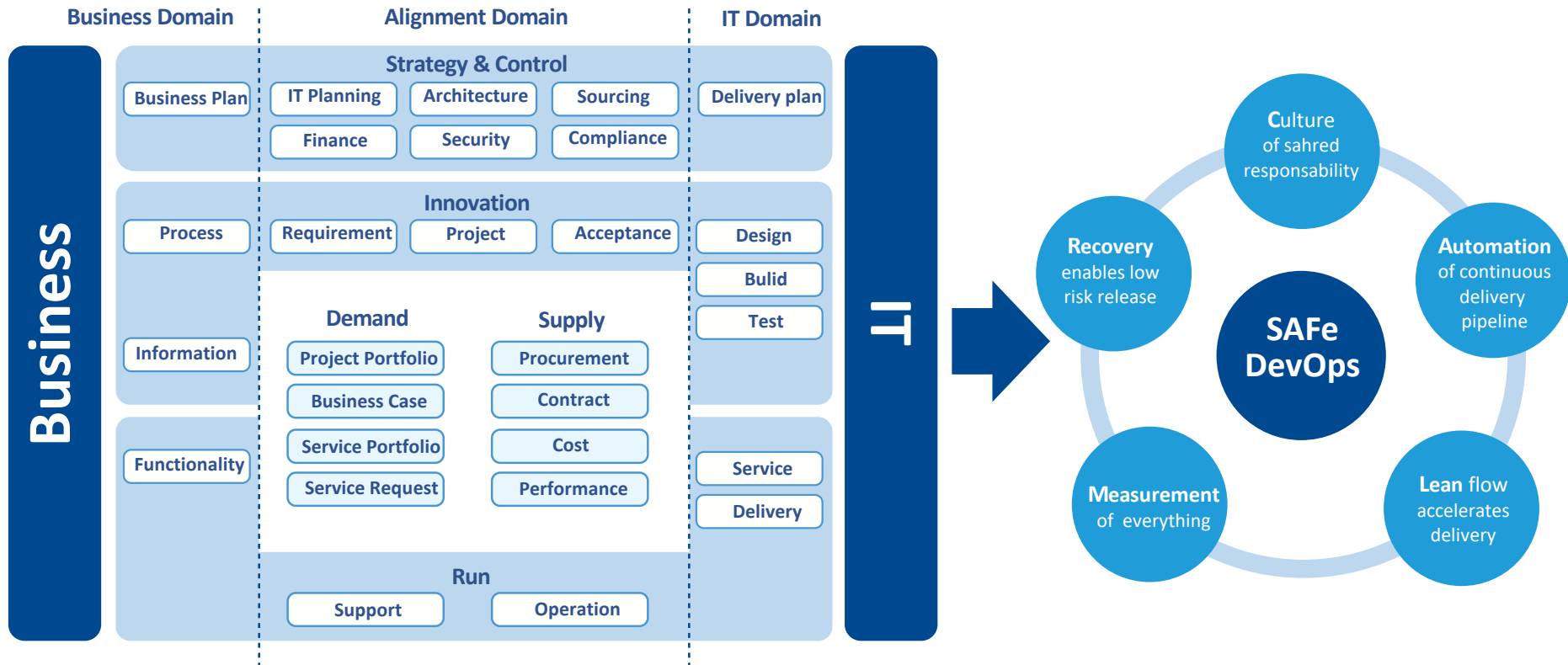


IT Operations

The platform is **highly available** and the necessary IT maintenance activities are **planned and communicated** at an early stage.

# Digital Services: the Challenges





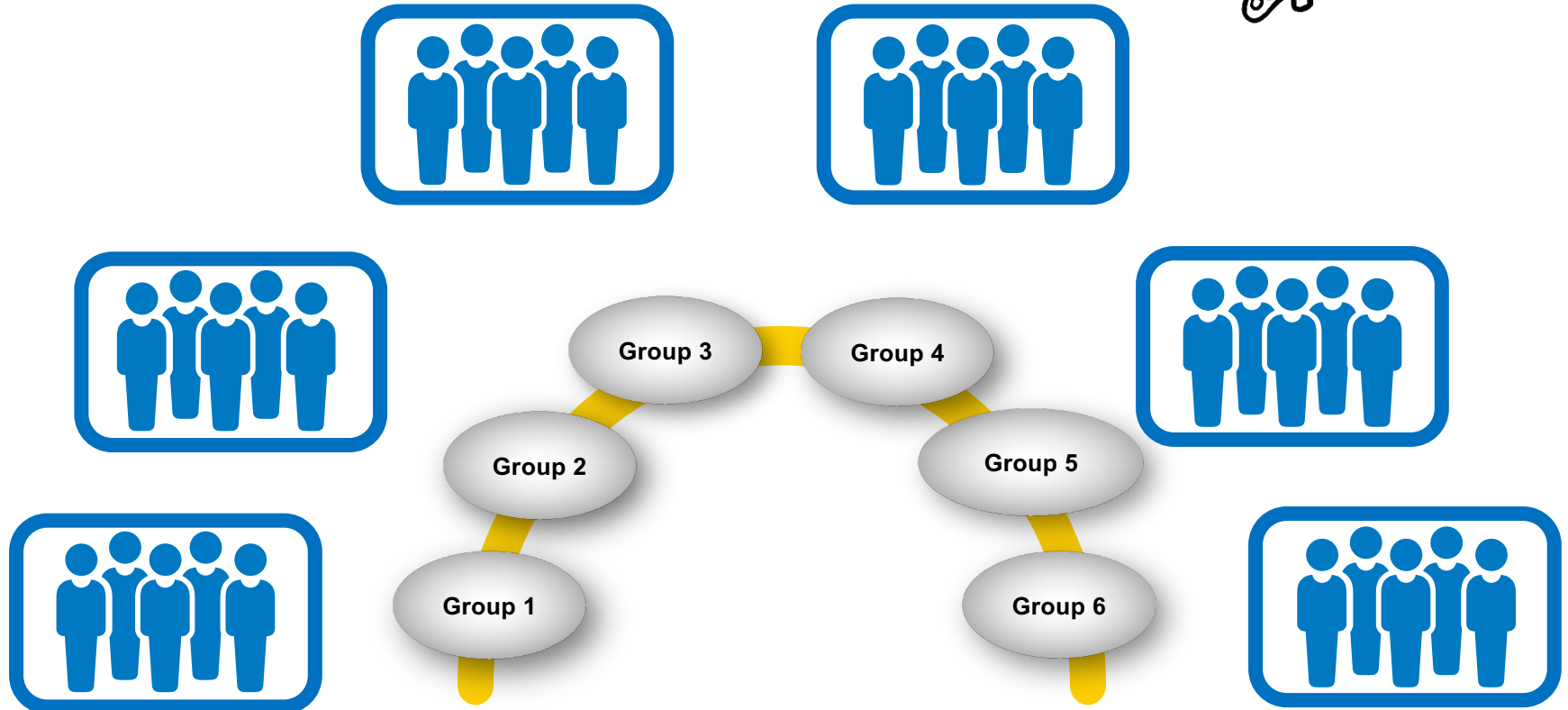
- Digitization needs a much quicker time2market (business is most often more agile than IT)
- **BizDevOps** moves the IT service management practices into the responsibility of the mixed teams of IT and business representatives





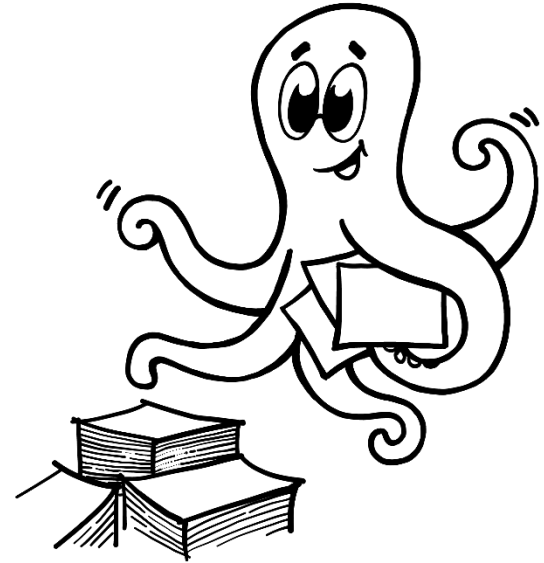
## Define digital services or use cases for the following areas

1. Consumer Products
2. Energy & Commodities
3. Health
4. Financial Services
5. Public Sector
6. Retail





- Features of a service
- Design of an IT service and SLA definition
- ITIL acronym and its relevance
- The meaning of CMDB
- The different categories of cloud services (SaaS, PaaS, IaaS)
- The complexity of a digital service





- Andenmatten M. (2014) Services managen mit ITIL®. Symposium Publishing GmbH - Düsseldorf
- Drogseth D. (2015) EMA Research Report: What Is the Future of IT Service Management?
- Kotler P., Armstrong G. (1999) Principles of marketing. Prentice Hall - Upper Saddle River, NJ
- Olbrich A. (2008) ITIL kompakt und verständlich. Vieweg+Teubner Verlag - GWV Fachverlage GmbH, Wiesbaden





**ITIL**



Maggie Thatcher, 1925-2013

Central Computer and Telecommunications Agency (CCTA) +  
Office of Government Commerce (OGC)



**ITIL V1.0**  
**1989**



**ITIL V2.0**  
**2001**



**ITIL V3.0**  
**= ITIL 2007**  
**2007**



**ITIL 2011**  
**2011**



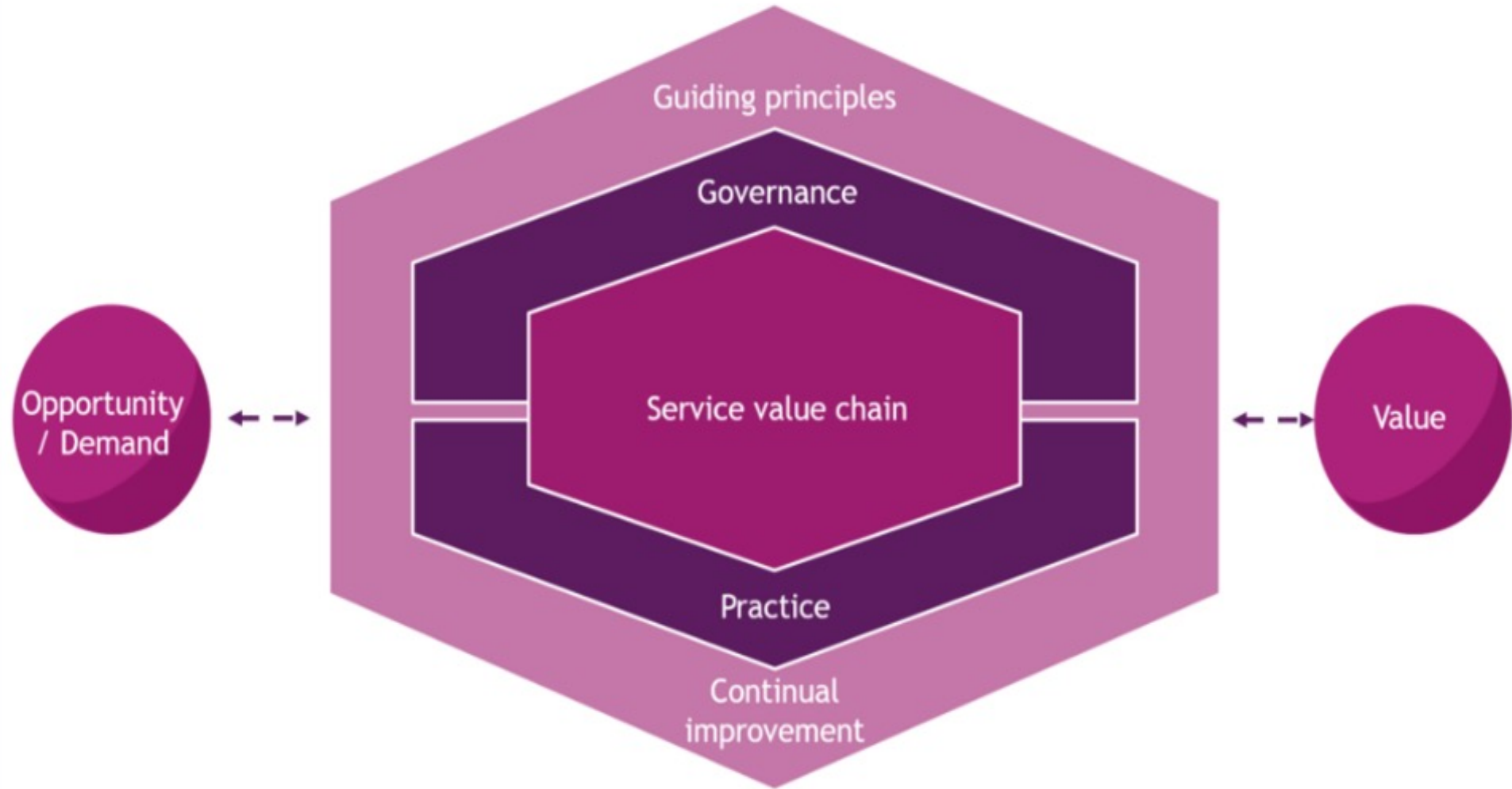
**ITIL 4**  
**2019-**



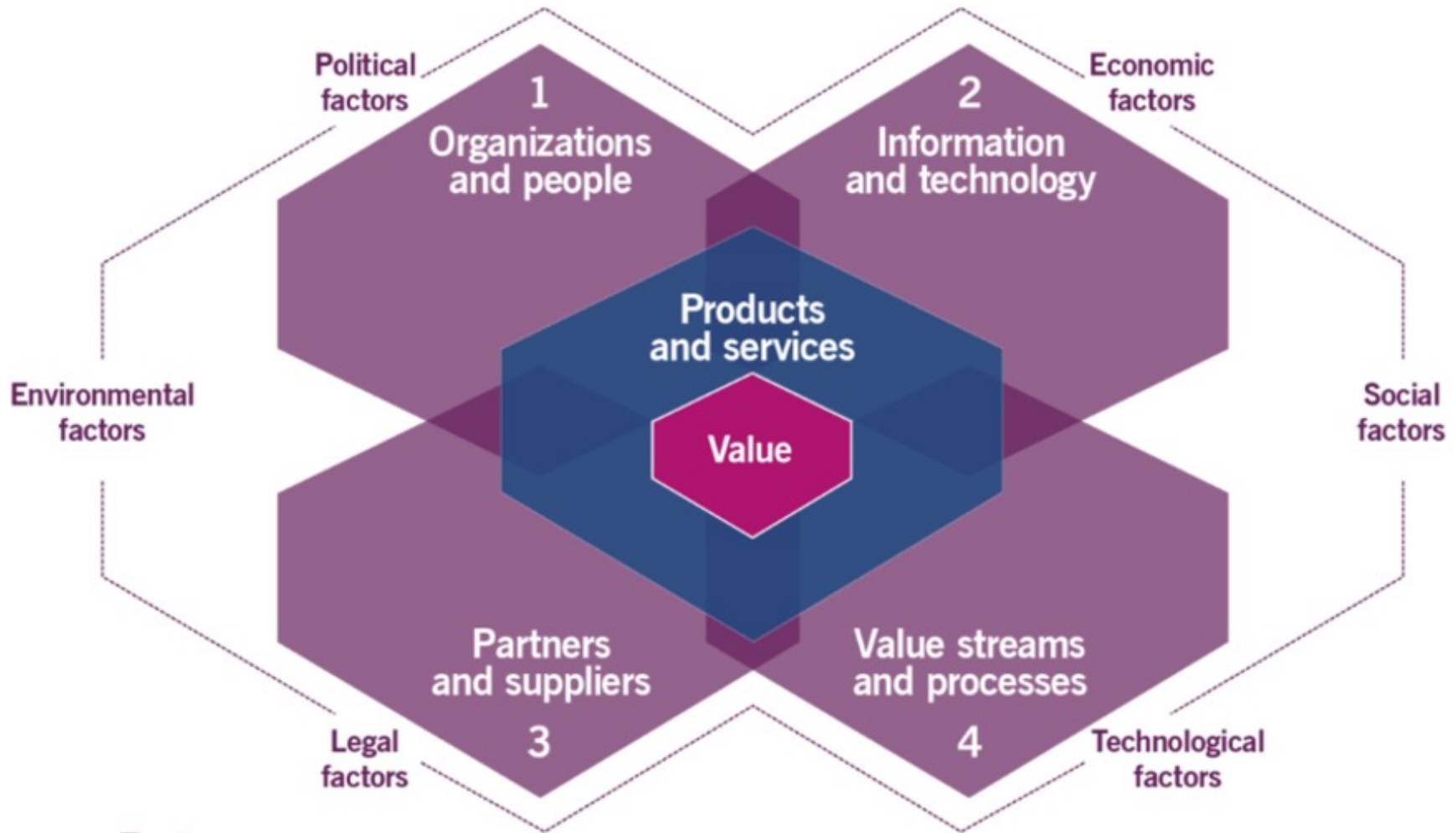
- The Service Value System
- The four dimensions of service management
- The focus is on the value that the service delivers to the customer







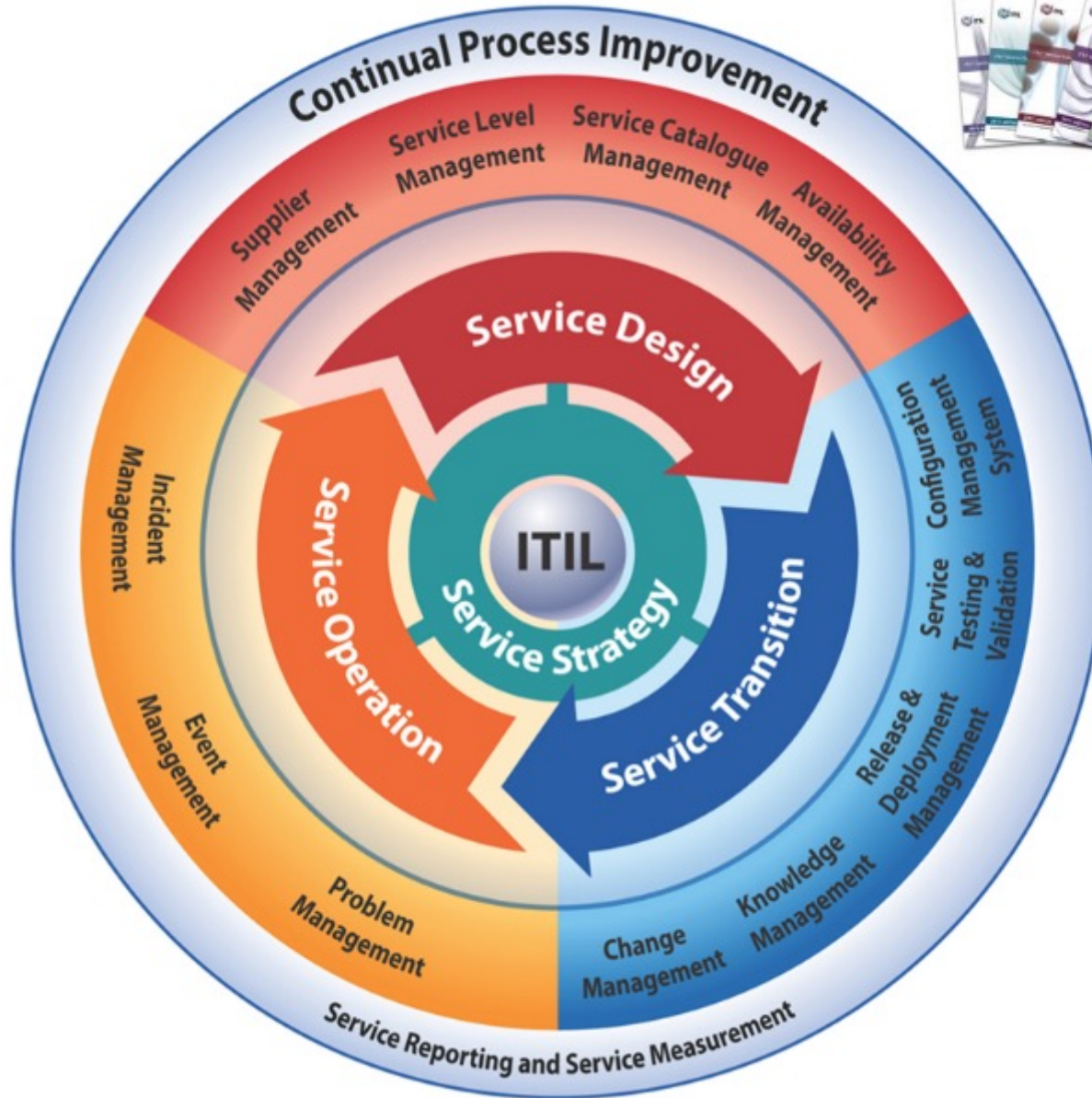
# The 4 ITIL dimensions of Service Management



## Factors

Every dimension is affected by multiple factors







**KNOWLEDGE**