



For the Customers.....  
.... we change and automate

*Note:*  
***Automatic for the People***  
was the eighth album by the  
American alternative rock band  
R.E.M., released in 1992.



**Matthew Burrows** FRSA MIBC PMP

[www.BSMimpact.com](http://www.BSMimpact.com)

Email: [matthew.burrows@BSMimpact.com](mailto:matthew.burrows@BSMimpact.com)

# Synopsis

## **For the Customers ..... we change and automate**

During this session, Matthew will explore the various challenges (such as automating business processes), examining trends and changing customer behaviour/requirements (including self-service). He will also look at strategies for the survival of technology departments, changing accountabilities, and the need to further develop core Business Service Management (BSM) capabilities (including Business Relationship Management and Service Modelling).

**Matthew Burrows** is an ISO/IEC20000 qualified strategic service management consultant, specialising in implementing pragmatic BSM solutions. He is an acknowledged best practice expert and a regular contributor to Service Management publications and events, providing thought leadership on several industry committees and working groups.

**BSMimpact** specialise in implementing pragmatic Business Service Management solutions rather than just theoretical consulting. They have considerable experience of Business Service Management (BSM), UK and global outsourcing and managed services. They adopt a methodical and completely business-focussed approach to designing and implementing practical, pragmatic and innovative solutions. Over the last few years, they have worked with companies such as Compaq/HP, IBM, Centrica, British Airways, Vodafone and TuringSMI.

# Agenda

- Traditional & emerging roles in different industries
- Changing role of the technology (ICT) department
- Evolving customer behaviour
- Common challenges
- Perception & survival strategies
- Capability and core competency changes

# Traditional role

Industry example: **Gas or Electricity Supplier**

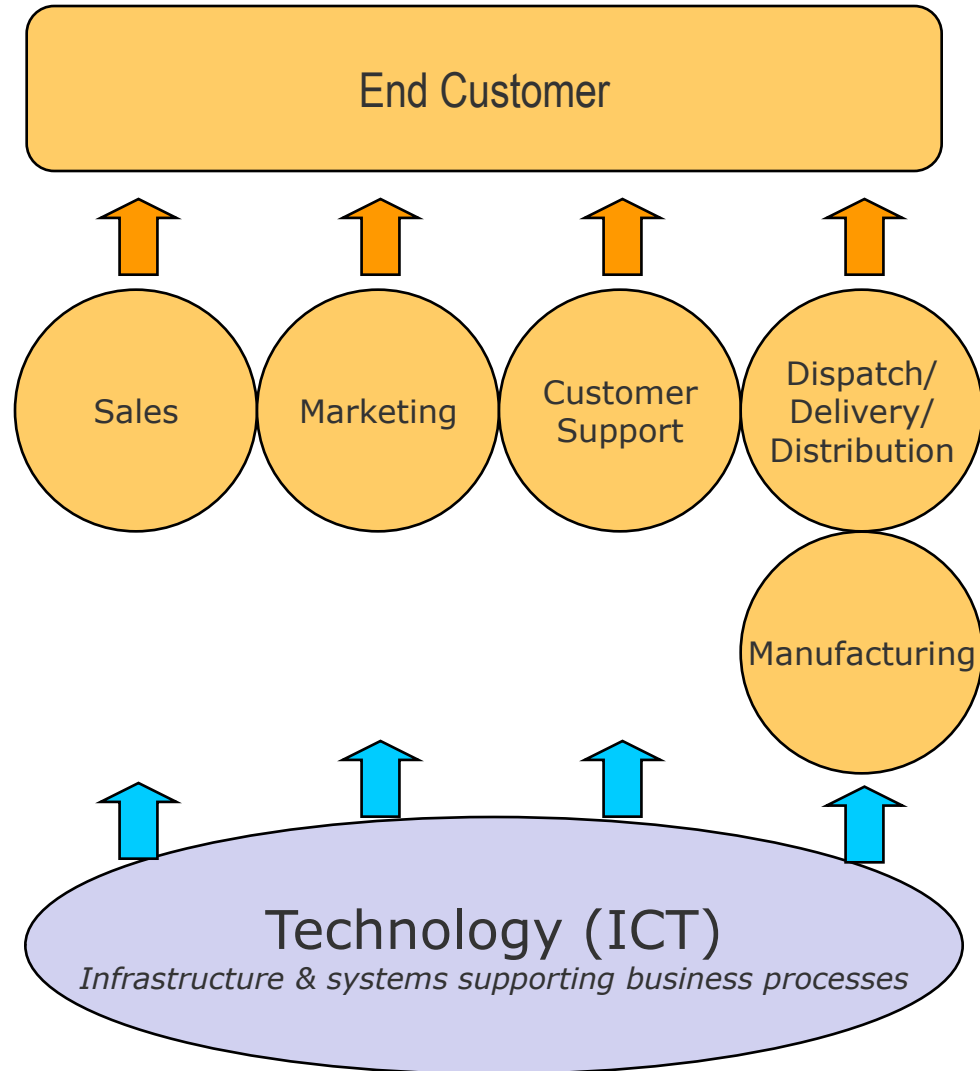
Technology departments role: **Support the other business units**

e.g. provide network & systems to support sales, marketing, manufacturing etc.

Business units manage the manufacturing and delivery functions

gas pipes, electricity cables, power stations, wind farms etc.

Key Characteristic: **End Product or Service is not itself ICT based, but relies on technology to operate processes**



# New role in many companies

Industry example:

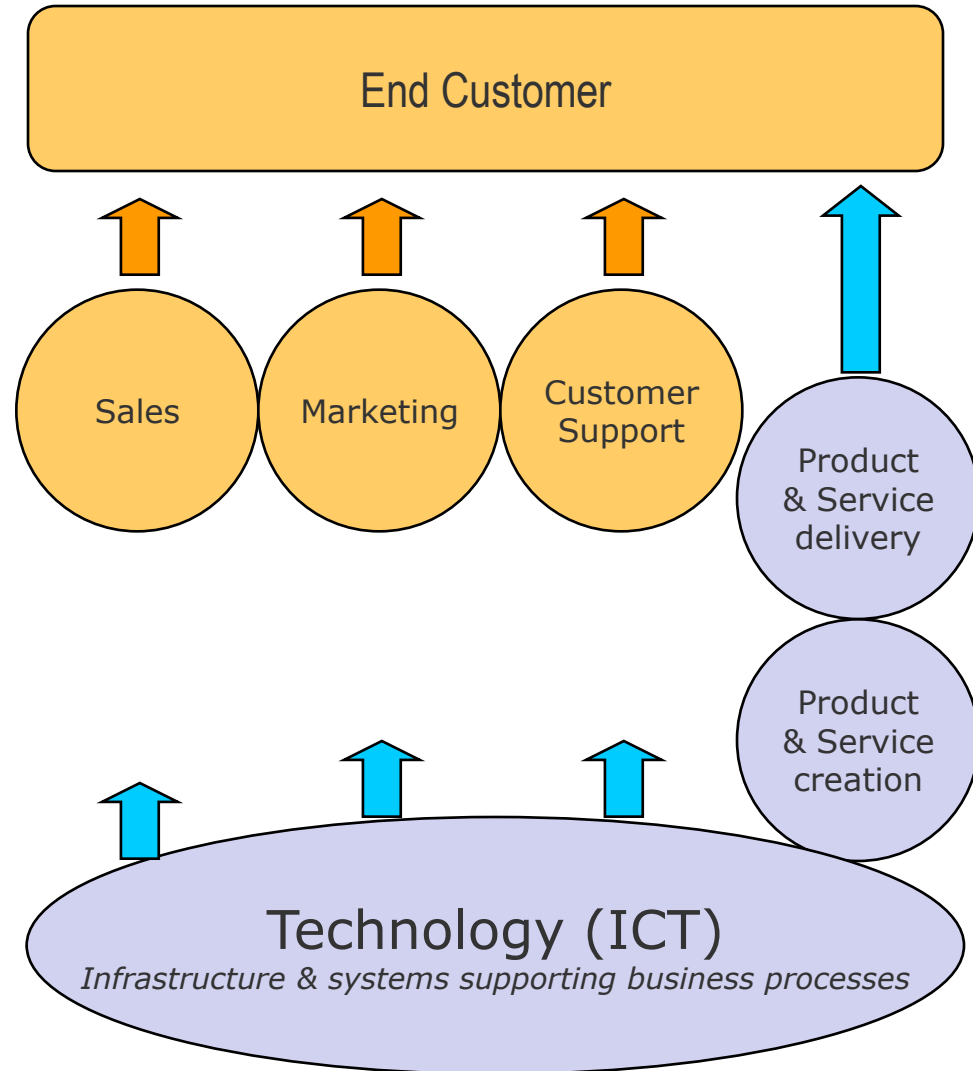
**Communications Service Provider**

Technology departments role:  
Create & manage the end product or service, as well as **support the other business units**

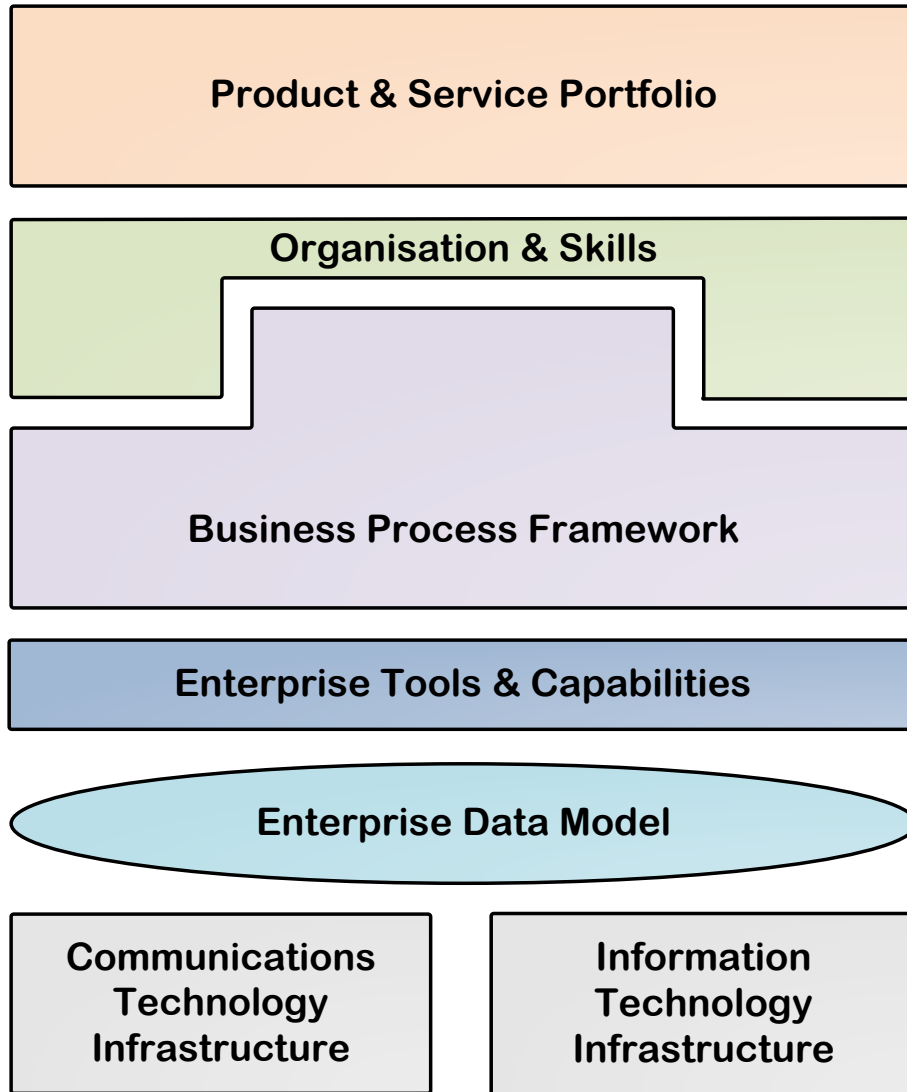
Technology manage the manufacturing and delivery functions

Telecommunications network,  
customer devices etc.

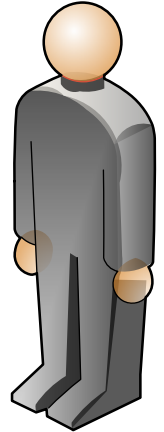
Key Characteristic: **End Product or Service is ICT based or indistinguishable from the technology**



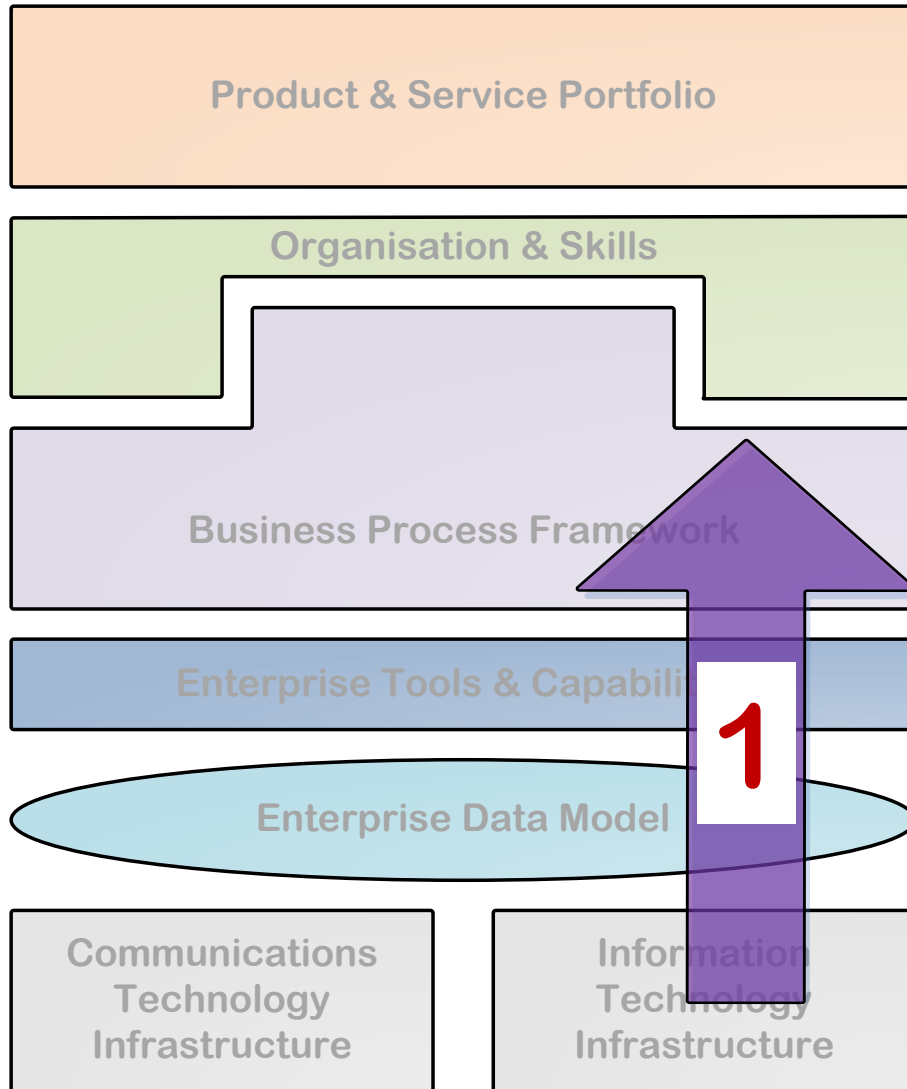
# Changing accountabilities for technology functions



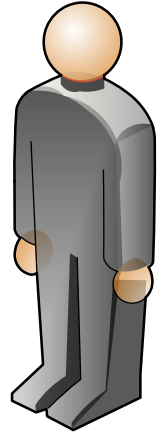
**Subscriber  
/Customer**



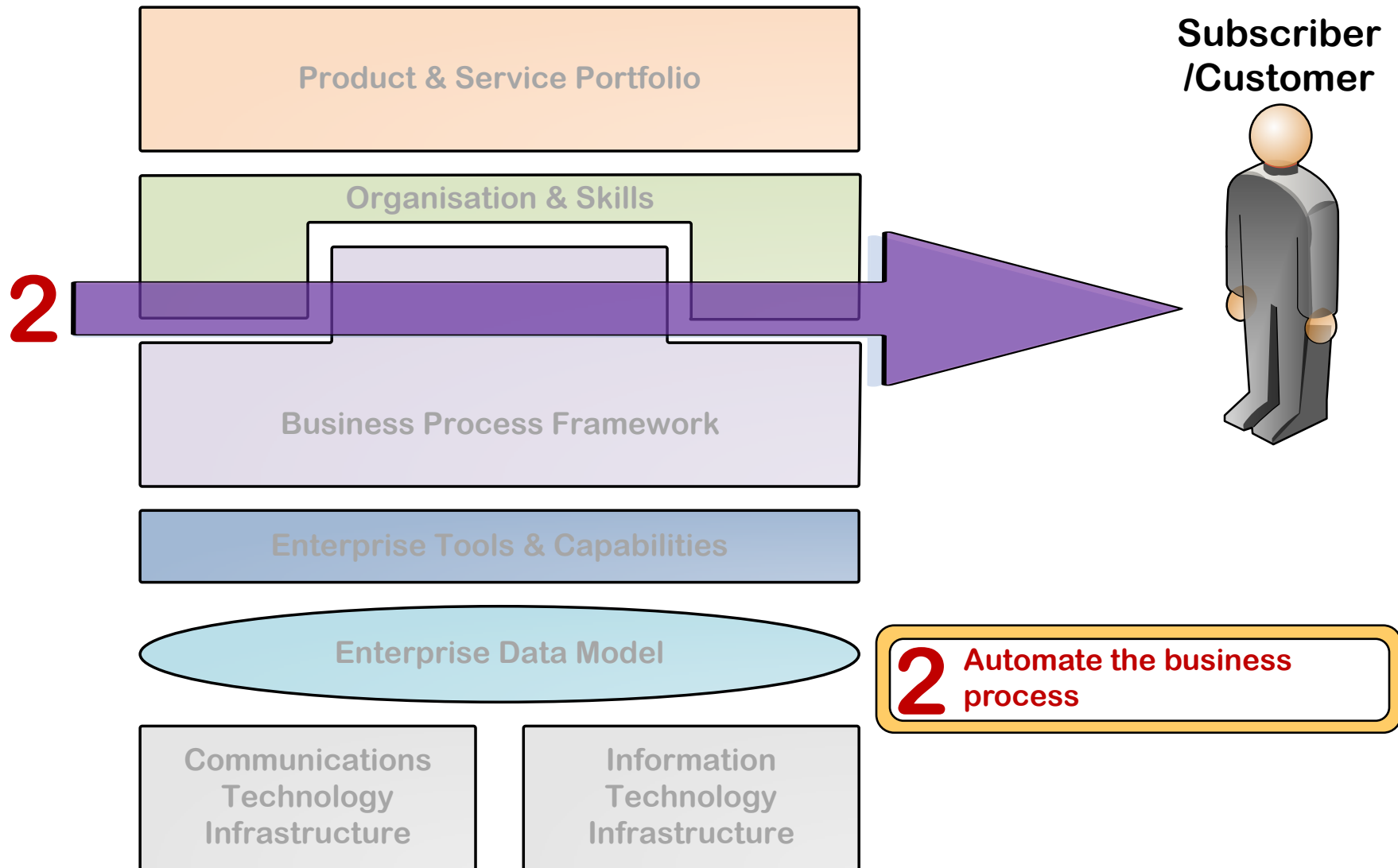
# Changing accountabilities for technology functions



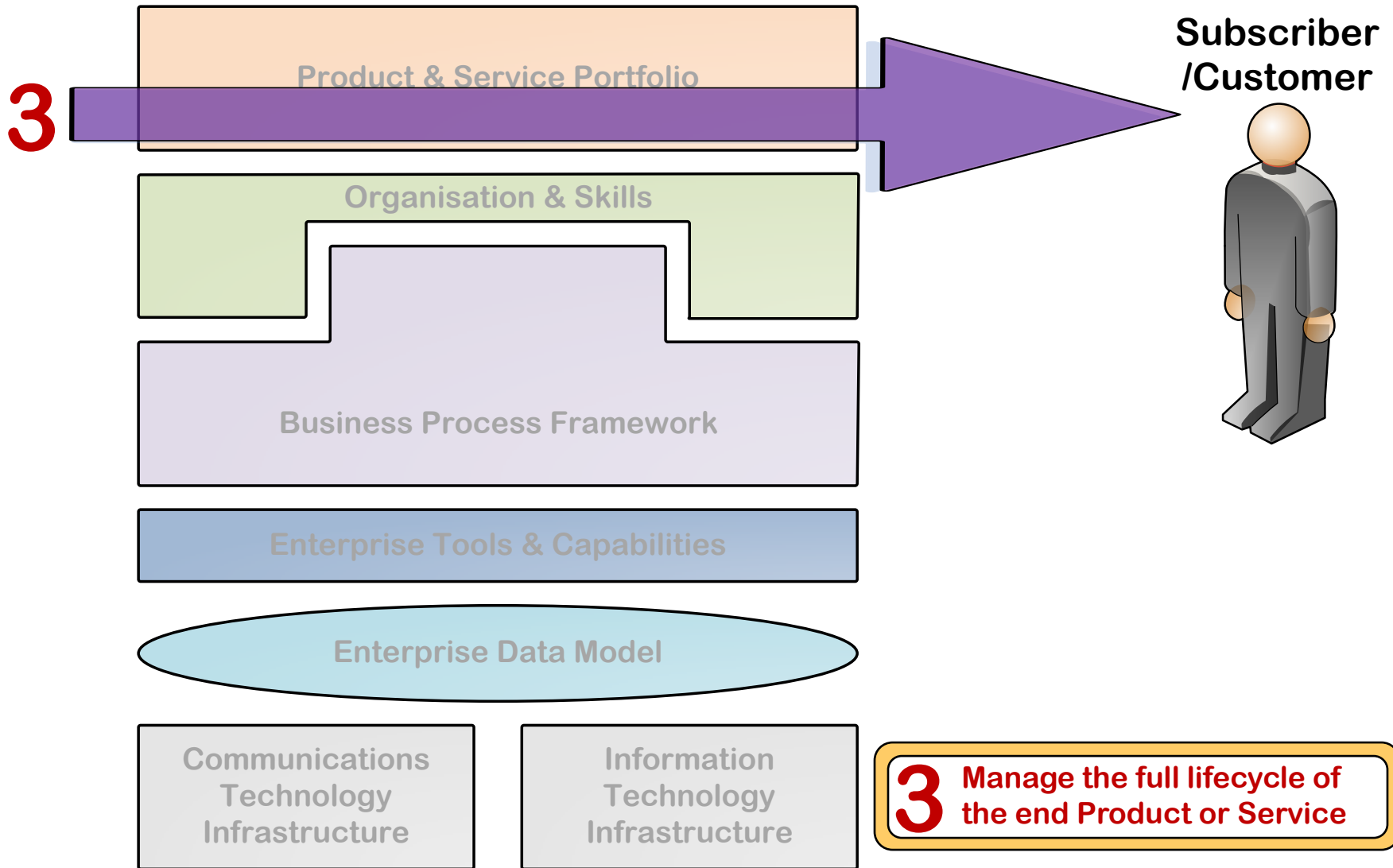
Subscriber  
/Customer



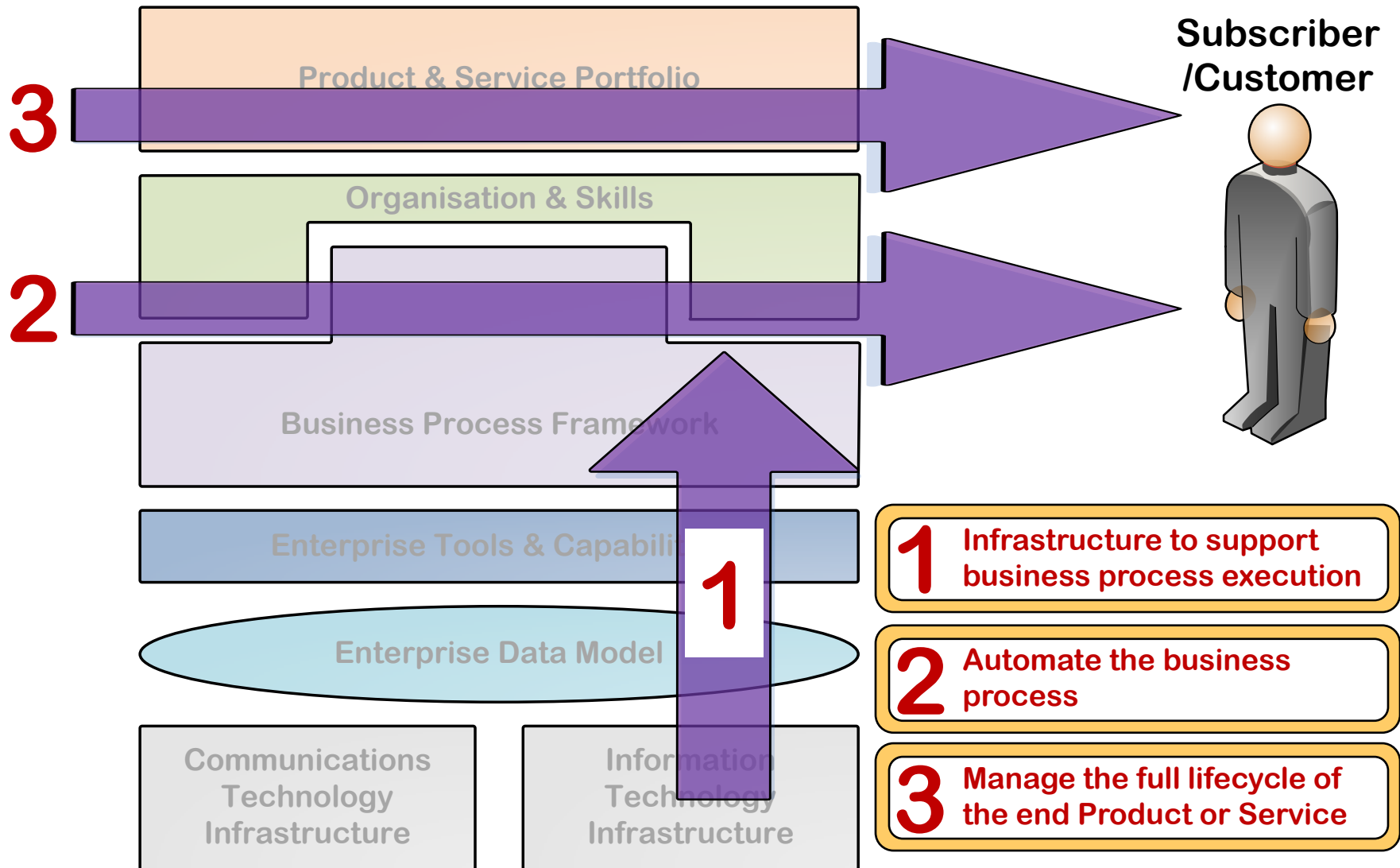
# Changing accountabilities for technology functions



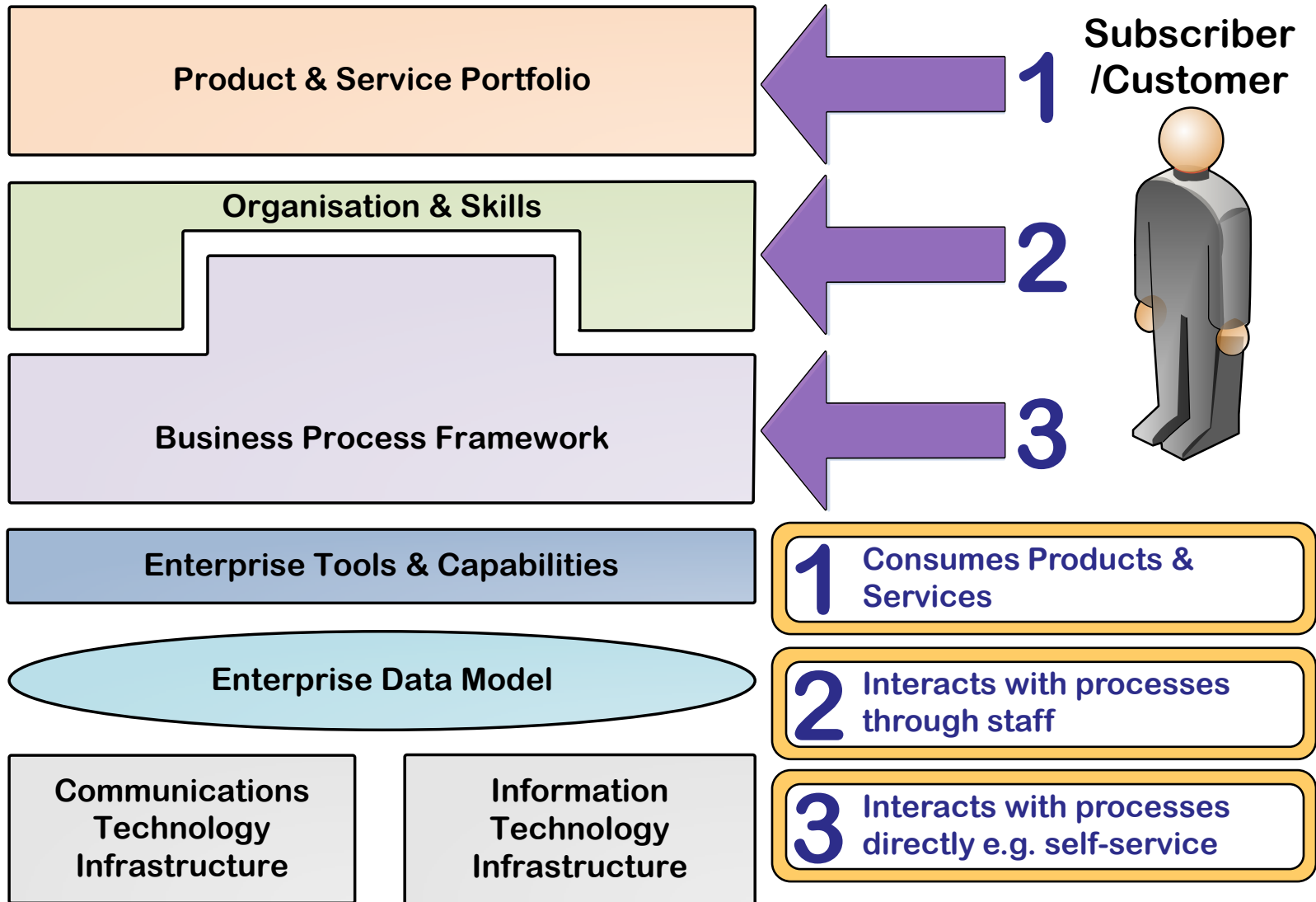
# Changing accountabilities for technology functions



# Changing accountabilities for technology functions



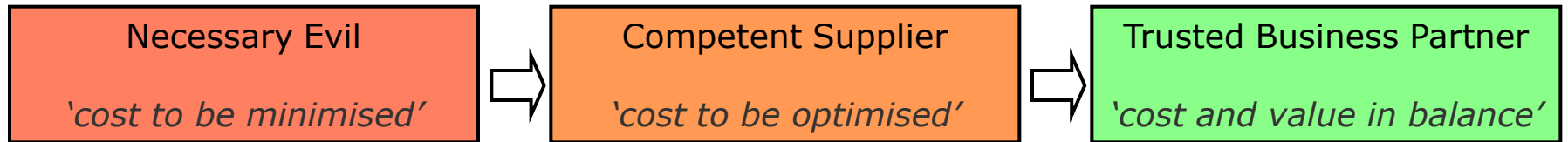
# Subscriber/Customer activity



# Common challenges

- To reduce costs
- To realise additional economies of scale
- To protect or improve service quality
- To support multi-sourcing and partnerships
- To improve speed to market of new products & services
  
- Often this journey requires a complete business transformation
  - Cultural issues & change resistance
  - Impact on People, Process & Tools
  - Requires standardisation & simplification
  - Governance improvements, policies & standards
  - Holistic enterprise-wide view

# Business perception



Regarded as:

- Expensive
- Reactive
- Low value roles
- Poor perception
- Complex, bureaucratic
- Poor quality of service
- Not trusted to deliver

Regarded as:

- Value for money
- Transparent
- Reliable
- Alert, responsive
- Credible, well informed
- Flexible
- Tough, when needed

Regarded as:

- Business change agent, part of competitive edge
- Share in company leadership, part of strategic planning
- Empowered
- Shared business rewards/risks
- Proactive, predictive, pre-emptive
- ... *in addition to sustaining Competent Supplier capabilities*

- BUs building own Service Management capability
- Some service delivery capability sitting outside of Technology
- Losing opportunities for greater economies of scale
- Inability to manage 'end-to-end' service lifecycle

# Management

ComputerWeekly  
**40<sup>th</sup>**  
anniversary year

**MANAGING CHANGE** IT chiefs face a choice in defining the long-term role of IT: create and manage business processes or focus on the sourcing and execution of IT services

## So what's your survival plan for IT?

**KEY POINTS**

- ▶ IT departments will shrink and become a more integral part of business
- ▶ There are three potential paths to define the future role of their department
- ▶ IT directors must decide which model will best drive the expected benefits
- ▶ Key is to marry technology, business process design and relationships

### THE THREE ROUTES LAID OUT BY GARTNER

**Business change agent**  
This represents the IT department prepared to align itself with the wider business and support strategic objectives, offering skills and credibility that can really add value. Organisations such as these, that fuse technology, business process design and business relationships are expected to outperform those that do not by at least 15% per year, but only if they have a high level of credibility and the necessary skills.

**IT services broker**  
This is a very small unit with specialist contract and negotiation skills which has chosen to outsource

all of its IT products and services to external service providers. The entity is expected to play an important role in sourcing and managing outsourced IT and business process services, but will have little or no strategic value to the business.

**IT utility**  
This is the most straightforward option, responsible for providing IT-based services and operating them with competitive efficiency. This unit will have a fundamental role in the acquisition and delivery of IT products needed to support the business, but will add no real strategic value.

The key must be to marry technology, business process design and business relationships. Establish what your business is trying to achieve and provide your service around it

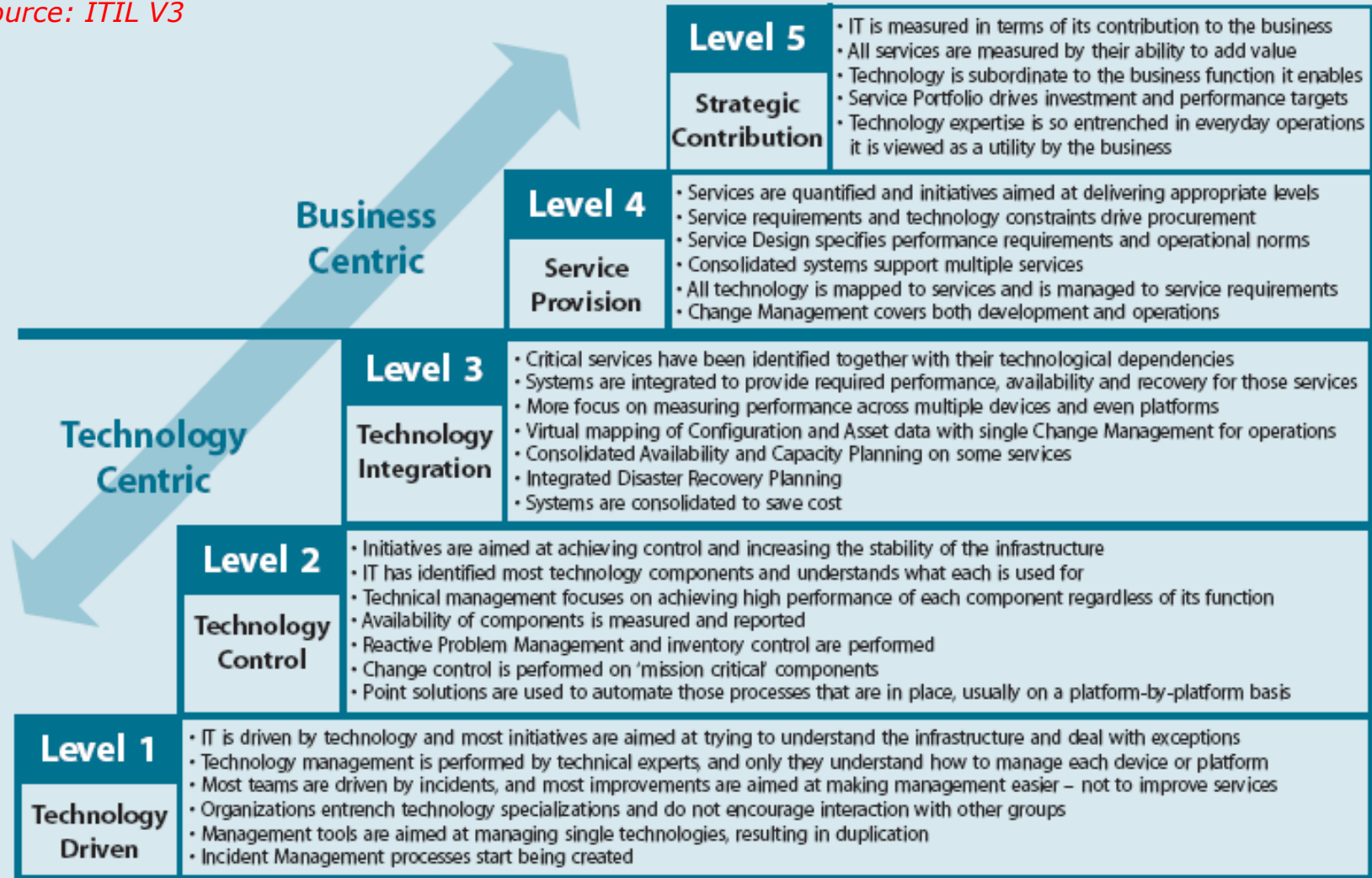
Technology provider – no strategic value!

Establish what the business is trying to achieve and provide service around it – **Trusted Business Partner!**

Supplier Management only – low strategic value!

# Service Management Maturity

Source: ITIL V3



# Business Service Management (BSM)

*BSM is often applied to IT, but also applies to the end-to-end service lifecycle*

- *“Business Service Management (BSM) – An approach to the management of IT Services that considers the Business Processes supported and the Business value provided. This term also means the management of Business Services delivered to Business Customers.” ITIL V3 Glossary*
- *“Business service management dynamically links business-focused IT services to the underlying IT infrastructure” Forrester*

Relies on:

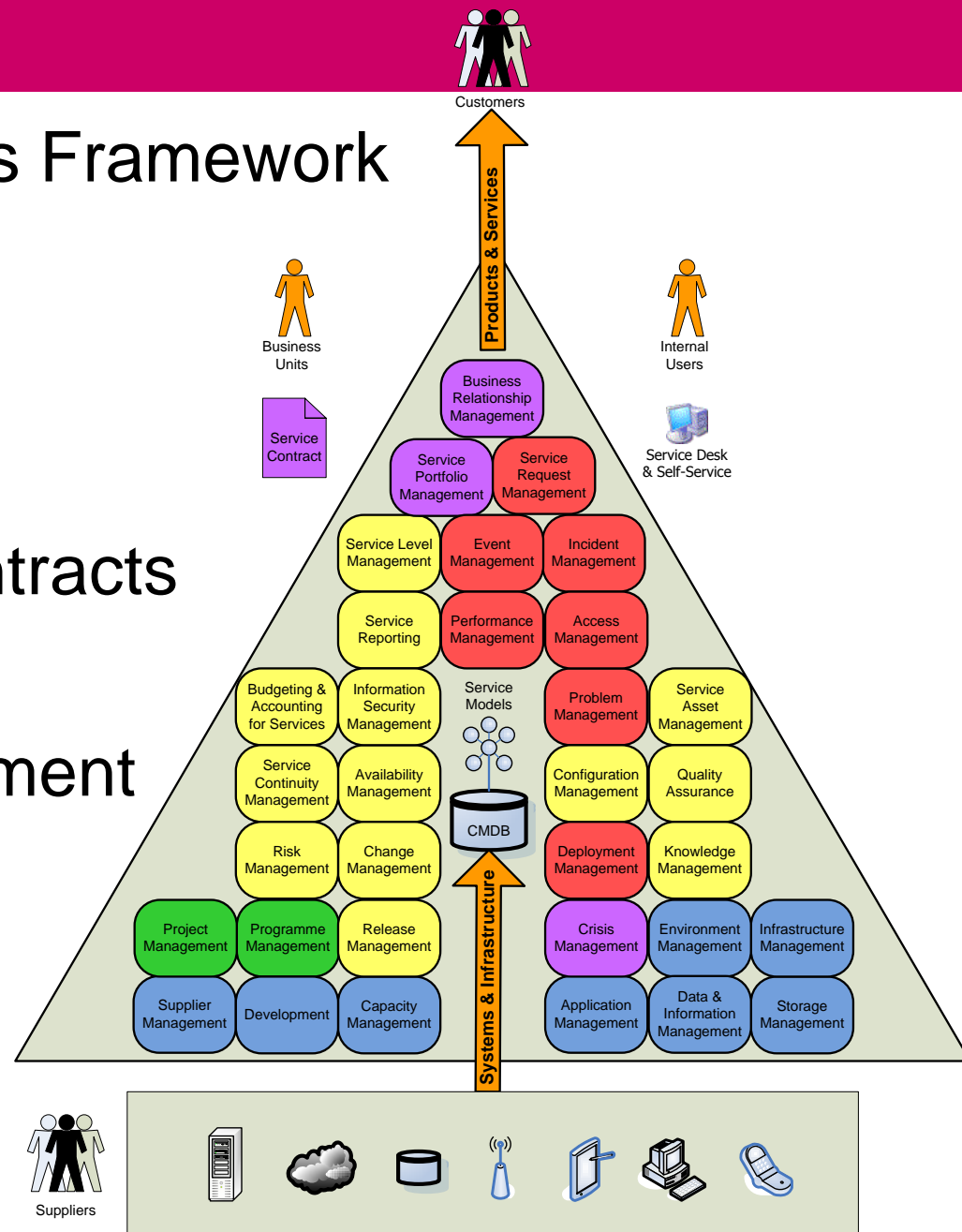
- Understanding metrics the business/customer use to decide if service provider is delivering value
- Linking these metrics and the business services to the infrastructure components

Essential BSM capabilities:

- Asset Management – basic understanding of the Configuration Items (CIs)
- Rigorous service management processes – ITIL/eTOM and ISO/IEC20000
- Service Level Management – measure service performance
- Configuration discovery (automated) – link services, processes and infrastructure CIs
- Configuration Management Database (CMDB) – assets, applications, services and their dynamic relationships
- Service Modelling – processes, products & services

# Example BSM Process Framework

- Key points
  - Service Portfolio
  - BRM/Service Contracts
  - SLM
  - Supplier Management
  - Service Models
  - Service Asset & Configuration Management

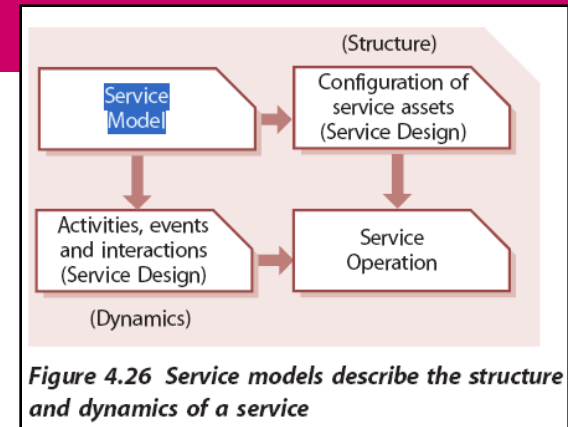


# Service Assets & CIs

- Service Portfolio & Service Catalogue
- Customer Portfolio & Contract Portfolio
- Service Design Package
- Service Model
- Suppliers & Supporting Contracts
- Service Management Processes & Policies
- Test plans & Release documentation
- Service Support & Operations Models
- User & support documentation
- Service Improvement Plans
- Service Reports

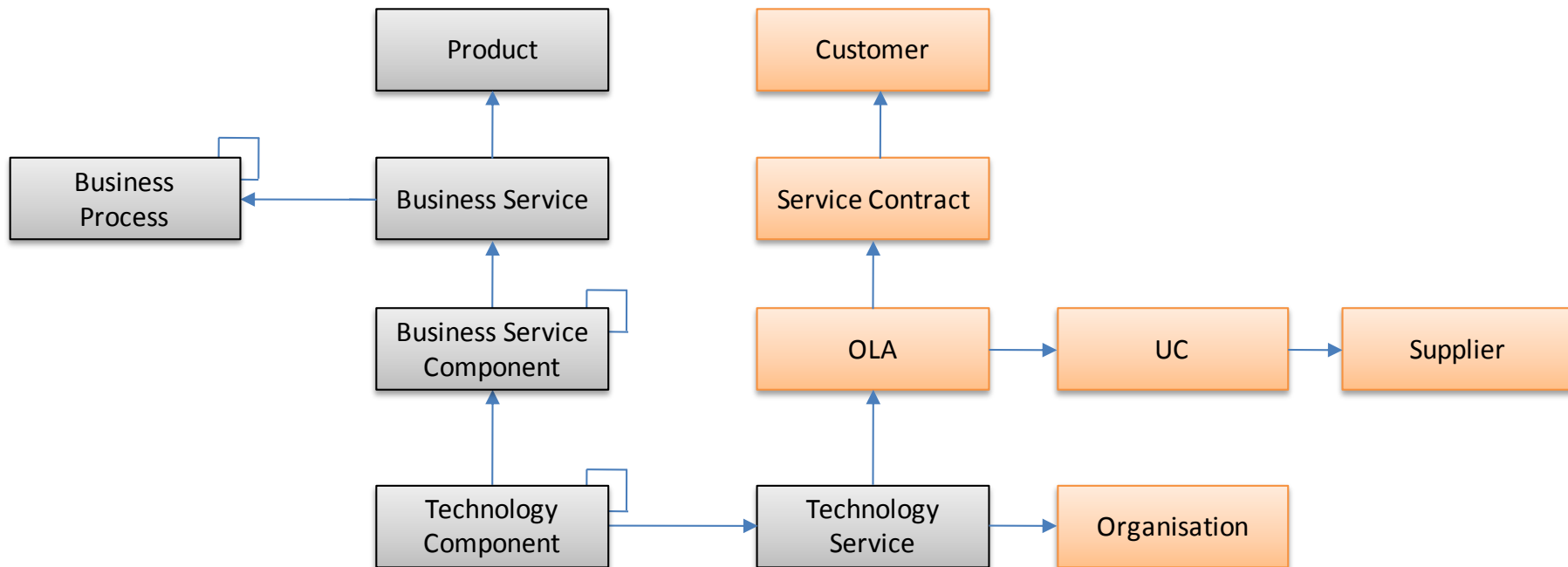
# Service Models

- *“Service models describe the structure and dynamics of a service”* ITIL V3
- A service model is a set of managed configuration data that can be viewed from a number of customer, contracting, business service, technology service and ICT architecture perspectives.
- These views provide relationship context to configuration items, network elements, customers, customer contracts, service contracts, OLA’s, underpinning contracts etc.
- The service model itself is a composite of related data and is not a construct in it own right.



# Components of Service Model

- Scope of service impact management increased
  - Customers, Service Contracts, Operational Level Agreements, Organisation Support Teams, Underpinning Contracts & Suppliers
    - All part of the service model in order to show impact of change or incident, for example



# Automation requirements

- Internal
  - Improving efficiency of business processes for internal staff
    - Examples: Automating workflow, password resets, service requests
  - Automating internal technology tasks, e.g. run book automation, configuration discovery
- Customer-facing
  - Facilitating self-service by end customers
    - Examples: Updating personal data, making requests, reporting faults

*Internally executed business processes and ones that customers directly use*

# Conclusion

- Evolution is key to survival
- Tips
  - Acknowledge that things are continually evolving
  - Use best practices (inc. ITIL & others) as part of the solution for efficiency and speed
  - Utilise skills and experience to avoid making ‘first time’ mistakes
- Suggested areas to start looking at:
  - Getting control of asset base
  - Standardising generic Service Management processes
  - Starting to develop the relationships between assets and impact on service provided
- Customer context is key
- End-to-end service, dependency & impact modelling

# Questions?

**Click on the questions tab on your screen, type in your question (and name if you wish) and hit submit.**



The screenshot shows a web interface with a navigation bar at the top containing four tabs: "Slides", "Questions", "Download", and "Support". The "Questions" tab is selected. Below the navigation bar, the word "Questions" is displayed. A prompt reads "Please submit your question below." followed by a large text input area with the placeholder text "Type your question here." and a vertical scrollbar on the right. Below the text area, another prompt reads "Please type your Name" followed by a smaller text input field with the placeholder text "Type your name here". At the bottom of the form is a "Submit" button with a right-pointing arrow icon.