Design for experience
An ITIL® Guiding Principle
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1   Introduction

My name is Horacio Gutierrez.

My first 15 years of professional experience began in 1984 at IBM Mexico, where I learned about systems management from ISMA, predominantly within global services. My final role with IBM Mexico was as Country Manager of ITS, the services delivery organization for software support, disaster recovery planning with the British Computing Society DRP/BCS, network and IT systems management practices, where the responsibilities included $30 million USD yearly sales, P&L, customer satisfaction, people utilization and morale, with almost 200 employees and 10 direct reports. Other functions performed for ITS Organization were budget preparation, crisis management for incidents and contract negotiation.

Over the last 15 years, I have provided business and IT advice for government and private enterprises, helping them to fulfil regulatory requirements and improve their operations. In my role as an IT consultant, I worked with several customers in many different industries, such as consumer goods; media and entertainment; oil, gas and chemical; telecommunications; laboratories and apparel. My consultancy experience also includes the participation in projects for foreign trade according to World Customs Organization (WCO) to implement the Single Window in Mexico.

My experience of ITIL® began in 2004 with the release of Sarbanes-Oxley (SOX). I investigated Best Practices to help my clients fulfil their SOX obligations, and learned COBIT® and ITIL V2 could be complementary frameworks. I earned my first ITIL V2 certification in 2005 and, over the years, have picked up a couple of intermediate certifications for Service Capability Operational Support and Analysis (OSA) and Service Capability Release, Control and Validation (RCV), and reviewed the *ITIL Service Operations* book for the ITIL update in 2010.

I have been a speaker in the Latin American Congress for IT lawyers and have written articles about privacy, social networks and information security.

A year ago, I was invited to coordinate a team for the selection of applications management services providers for a large consumer goods company, (known as XYZ Company in this article). This was about the definition of the framework for application maintenance services, outsourcing services.

2   Adopting and adapting ITIL

Headquartered in Mexico City, XYZ Company is the largest consumer goods enterprise in the world. Their product lines include the production, distribution and sale of more than 7,000 baked products. The company's products are marketed under almost 100 global brands.

The company's business is classified into two divisions: Baked Goods, Salt and Snacks, and Confectionery. The operations of these divisions are carried out through the company's subsidiaries.

The company utilizes nearly 200 production facilities throughout the world; Mexico, United States of America, Canada, Latin America, Europe, and China. The company also has about 1,000 distribution facilities with approximately 52,000 routes and 36,000 vehicles. The company employs around 158,000 people across 22 countries, and serves more than 2.4 million points of sale.

The IT Department is responsible for the support of business processes. Its portfolio of applications includes in-house (legacy) developed applications, ERP, and applications which handle specific functions such as warehouse management, production control, logistics and human capital.

For the functional and technical support of applications, the XYZ Company used to work with three separate service providers. However, XYZ Company was not satisfied with the quality of the services they provided. This was a compelling reason to re-evaluate the existing service model and to promote the adoption of a new model oriented to business processes.

In this context, my contribution was the development of the Service Delivery Model in response to the company's requirements for the integration and standardization of the terms, processes and activities considered for application maintenance services.

The Service Delivery Model would contain the standard definition of services and tasks for the different geographic locations of XYZ Company and to move to a business process support model.
Its objectives were to:

● define the level of service support which would be provided to assist the business process;

● provide guidance to service providers when preparing their proposals, through a resource that describes the processes considered in the scope of XYZ Company's application maintenance services;

● provide a reference against which to map processes and services;

● facilitate application maintenance services fulfilment and compliance to XYZ Company's needs;

● simplify the interpretation of XYZ Company's requirements and match them to IT Best Practices.

For contract and financial management, I selected the following ITIL processes:

● financial management for IT services;

● service level management;

● supplier management.

Figure 1.1 Service delivery model

2.1.1 Governance

The purpose of governance was to establish guiding principles for the alignment of application services support to the company's business process goals within the service management model. It included the responsibility for defining the processes required to reflect the priorities of the business within the application maintenance service environment, and the responsibility for developing a strategy for the integration of new applications, including the definition of guidelines regarding how the transition of the application should be done.

For the application of service governance, I selected the following ITIL processes:

● strategy management;

● service portfolio management;

● business relationship management.

2.1.2 Contract and financial management

Contract and financial management is focused on proactive management of service results, including the change contract management process. Its purpose is to establish service terms and conditions for the new supplier contract, including handle renewal, renegotiation, termination or cancellation of service contracts and its monitoring for service and financial performance.

Contract and financial management is responsible for the definition and execution of the risk management process, including the identification of opportunities and risks inherent in the application support services contract, such as the fulfilment of regulatory and legal requirements within the scope of services.

For contract and financial management, I selected the following ITIL processes:

- financial management for IT services;
- service level management;
- supplier management.

2.1.3 Operations management

Operations management involves the activities performed to fulfil day-to-day service requests from end users, which will be attended to by different groups of people, who could be organized into functional groups according to defined criteria (e.g. business process, application) and who will be responsible for the delivery of a defined set of service-related activities.

The operations management scope includes the assistance that the service provider will deliver for identifying application failures; achieving resolution of incidents; attending requests and problems; documenting steps for resolution; executing knowledge and talent management processes; and performing quality assurance activities for the production environment.

For operations management, I selected the following ITIL processes:

- change management;
- service asset and configuration management;
- knowledge management;
- incident management;
- problem management;
- event management;
- request fulfilment; and
- the service desk function.

2.1.4 Security management

For the purpose of the Service Delivery Model, security is defined as the process of providing and managing the logical security of applications. It involves the definition of security strategies, policies, and procedures; managing their implementation for its execution by application management and operations management; and monitoring their compliance for its report and supervision to application service governance.

For security management, I selected the following ITIL processes:

- information security management;
- access management.

2.1.5 Application management

Application management refers to enhancements or maintenance to existing applications.

The application management role includes systems integration activities that must be thought-through and verified, e.g. hardware, software and network components; applications development; and other modifications to the IT infrastructure.

For application management, I selected the following ITIL processes:

● release and deployment management;
● service validation and management;
● change management;
● problem management.

2.1.6 Continuous service improvement

Continuous service improvement is the final component of the Service Delivery Model, and it fulfils the expectation from the business to evolve the quality of service over time. For this purpose, a maturity approach was introduced to define the criteria and procedures that will evaluate the level of implementation of application maintenance services over time, and to identify its evolution as a result of continuous improvement.

A measurement process was incorporated to complement the maturity approach, which would monitor, control and collect information related to the execution of application maintenance services, and to promote the introduction of corrective adjustments where needed.

3   Continual service improvement

When I joined the external advisory team, I realized that the customer needed a definitive global supplier agreement. It needed to be supported by a single delivery model, and would be translatable into all geographies and services providers as the reference framework. It would contain all the relevant information about the structure of the application maintenance services and its delivery processes; e.g. receiving user service requests, reviewing user service requests and approving/rejecting them, tracking service requests until successful delivery, evaluating criteria for the quality of service, etc.

● Rather than traditional IT support, the service model for application support services would be centred on the availability and execution of applications.
● From the XYZ Company's management group's point of view, the support of information systems was critical, and demanded a new service approach, moving from a purely IT applications support to a more responsive model that better fit XYZ Company's business needs.
● XYZ Company's goal was to move the application support services to the next level and substantially improve the quality of service, which required business process knowledge, technical skills, project management capabilities and the ability to coordinate other vendors.
● XYZ Company's expectation was to negotiate and sign a global supplier agreement for application maintenance services. The delivery model would be defined and supervised in a centralized way from Mexico and the allocation of services would be local for selected geographies.

XYZ Company's expectation regarding the application support was to evolve proactively over time and, for this purpose, an approach that allied continuous improvement with a maturity model was required. The goal was to define the criteria and procedures that would evaluate the level of implementation of application support services over time, and to identify its evolution as a result of continuous improvement.

The ultimate goal of the continuous improvement was to achieve three strategic benchmarks:

● Improve user satisfaction with IT services through a business process view of application support.
● Promote the reduction of the total cost of services over five-year terms.
● Reduce the number of existing applications through the consolidation of requirements and the disposal of those applications with low usage or which represent major causes of incidents.

4 Guiding principles

The primary focus of XYZ Company's current application support model is on attending tickets and providing solutions to users' incidents and requirements, with a smaller focus on applications improvement and the support of the business process.

XYZ Company's vision for application support was to optimize the incident management process through a proactive and predictive approach for the reduction of tickets volume, and evolve to a business process-oriented support model that increased the visibility of business impact when application incidents appear.

XYZ Company expected the application support service to evolve over time and, for this purpose, a maturity approach was required. The purpose of this maturity approach was to define the criteria and procedures that would help to evaluate the quality of service evolution as a result of the continuous improvement.

From my understanding of customer expectations, I identified the guiding principle **design for experience** was supporting XYZ Company initiatives:

- One business process model aligned to one model for application support services for all geographies (manage global-deliver local); design and deploy a global, easy-to-manage service model for cost reduction, with centralized coordination and local delivery of services according to XYZ Company's needs.

- Put the business process in the middle of the service: improve users' satisfaction and experience through application support services aligned to business processes, designing specific service level agreements to meet critical business goals.

- Manage proactively; identify improvement opportunities in application systems based on incident analysis (proactive problem management), anticipating user requests for application enhancements.

- Promote the synergy; between users and technical support groups for up-time increase and reduction of the number of tickets related to service requests and technical support.

- Partnering service providers; generate a partnership between XYZ Company and the different service providers, helping XYZ Company to accomplish business goals by aligning application support services to XYZ Company's vision and strategy.

- Communicate and coordinate; define a single entity responsible for communication and coordination with other XYZ Company's application vendors to lead the efforts for incident solution and problem solving when there are multiple applications/vendors involved.

5 What are your recommended Best Practices?

5.1 TOP FIVE ITIL DO'S

- Create a conceptual map of the desired future state and identify the goals to accomplish related KPIs.

- Create an ideal future state ecosystem detailing the components, products, interrelationships, information flows and the desired outcomes for each element of the model. Link to KPIs.

- Understand the cause and effect relationship between the processes supporting the future model and draw the connection to the ITIL lifecycle.

- Identify the potential variations (gap analysis) between the future model and the selected ITIL processes.

- Develop the roles and responsibilities matrix to fulfil guiding principles and use them as the basis to determine new employees' capabilities.

5.2 TOP FIVE ITIL DONT'S

- Do not exercise excessive pressure to obtain immediate improvements once the future model has been deployed; it will take some time to implement the future state and to produce results; it is important to assign realistic goals and to monitor their accomplishments.

- Do not lose communication with the Business. They are the best vehicle to keep the momentum once the initial results are achieved.

- Avoid the legacy of incident and problem categorization, as each category should be revisited and aligned to the business process of the new service model.

- Do not assume that current tools and SLAs will remain valid for the future state, consider its redefinition and if possible negotiation with service providers to meet business process goals.

- Business process KPIs are easy to define and hard to monitor. Do not expect to have a direct measurement; be ready to identify the relationship between business process and applications to build your KPI scorecard.

About AXELOS

AXELOS is a joint venture company co-owned by the UK Government's Cabinet Office and Capita plc.

It is responsible for developing, enhancing and promoting a number of best practice methodologies used globally by professionals working primarily in project, programme and portfolio management, IT service management and cyber resilience.

The methodologies, including ITIL®, PRINCE2®, MSP® and the new collection of cyber resilience best practice products, RESILIA™, are adopted in more than 150 countries to improve employees' skills, knowledge and competence in order to make both individuals and organizations work more effectively.

In addition to globally recognized qualifications, AXELOS equips professionals with a wide range of content, templates and toolkits through the CPD aligned AXELOS Membership and our online community of practitioners and experts.

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