

# Ten Steps to ITSM Success

A Practitioner's Guide  
to Enterprise IT Transformation

Angelo Esposito and Timothy Rogers

EXTRACT

# Ten Steps to ITSM Success

A Practitioner's Guide to Enterprise  
IT Transformation

ANGELO ESPOSITO  
TIMOTHY ROGERS



**IT Governance Publishing**

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## FOREWORD

Every Service Management “adapt and adopt” initiative teaches some very hard lessons. Those who have read the books (or passed an ITIL® Foundation course) and think, “Ah! This will be easy!” soon learn the books are references and the need to read the “whitespace” is imperative. The “how to” is often hidden in the guidance, if only due to the endless variables any organization’s culture presents. Finding a Service Manager with quality experience gained from success **and** failure is invaluable to any service improvement initiative. With today’s limited or reducing budgets and an economy that demands fiscal responsibility, there is very little room for “learn as you go” approaches, or support for contagious enthusiasm without beneficial results and business value.

This is where Esposito and Rogers step in. In *Ten Steps to ITSM Success*, those hard-learned lessons are documented and explained in a manner that requires no “whitespace” reading and supposition. They provide a structure that is proven – its activities easy to understand and apply, no matter the environment. These activities are crucial to a successful Service Management initiative or, for that matter, any improvement activity. This information has been developed over a number of years of Service Management experience, as well as continuous refinement based on highly successful workshops. This book represents that core knowledge, as well as key supporting templates.

This is the guide that will assist the newly initiated Service Manager, as well as provide practical advice, guidance or justification for the experienced Service Manager. In any case, this is a book that has been needed for a long time in the Service Management community – a no-nonsense guide to deploying service-oriented functionality. Hats off to Esposito and Rogers for finally fulfilling that need!

This book represents the second volume in the itSMF USA *Thought Leadership* series. It has been an extreme honor to

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## *Foreword*

work with the many talents found within the membership of itSMF USA, and to produce the first two volumes. It has been an even higher honor working with Angelo and Tim in editing and reviewing this book. Congratulations, gentlemen, on a job well done!

Suzanne D. Van Hove, Ed.D., FSM®

**CEO, SED-IT**

Enterprise IT Transformation is a subject best understood by those who have felt the frustration and pain of having to deal with an ineffective and expensive IT infrastructure. It has been my experience that many IT professionals lose sight of their objectives because they feel constrained by defined limitations and current shortcomings. They use these constraints as excuses for delivering poor service. End-users accept poor service and ineffective IT because that's all they have. These accepted limitations "legitimize" ineffective IT.

The fundamental benefit of having, using and validating excuses is that most excuses are reasonable and defined. They articulate why things aren't one's fault. Good excuses are the mother's milk of the status quo.

If this is the case, then why would a person – end-user or IT professional – read this book? The answer to this question is quite simple: this book does not redefine, try to refocus or rebut excuses. It embraces change on its own terms and allows for genuine transformation based on identified needs, including the reality of accomplishing this in a real-world business environment. I personally know both authors and have used their counsel and advice. What they outline here works.

I was a military staff officer working on a United States Navy program responsible for the transformation of the Navy's enterprise network. This network is the largest IT network in

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## *Foreword*

the world, with complex and critical service requirements that support more than half a billion users. When first assigned, I knew political infighting and contractual considerations would complicate and impact the transformation effort. What I did not understand was there were some elements so disconnected from established and written requirements that accounting for, and including, them in the enterprise would represent significant challenges.

Desperate for a way to rein in cost, I identified and quantified key enterprise service requirements. Using an approach very similar to the one defined in this book, Angelo and Tim lead the effort to implement a practical approach consistent with Information Technology Infrastructure Library® (ITIL®) guidelines. This book does not rewrite ITIL®, or redefine Information Technology Service Management (ITSM); it articulates intent. It defines tools for the IT professional to use that promote effective process development, establish governance bodies and define key infrastructure elements. My best advice to both the IT professional and enterprise end-user: read this book.

Eugene Smith  
**Commander, USNR**

## PREFACE

ITIL®, COBIT®, ISO/IEC 20000 – which methodology should I choose? How do tools like Lean Six Sigma, CMMI® and the Balanced Scorecard® fit in? How do I leverage governance and project management principles to help transform the practice of IT Service Management (ITSM) in my organization?

Questions like these – and countless more just like them – prompted the creation of this book. We – and we are active practitioners and consultants, just like many of you – once asked the same set of questions. Faced with clients seeking to “adopt a Service Management culture,” we were sometimes ordered to use the ITIL® framework exactly as presented in the library. Other clients preferred COBIT®. One client insisted on the Microsoft® Operations Framework (MOF®).

Based on our experience working with a number of organizations across industries, we firmly believe there is no single approach or framework that is perfectly suited to every organization. Rather, each organization is best served by adapting elements from the various frameworks, and using them in tandem – playing to each one’s strengths – to achieve the desired results.

As organizations seek to increase revenue, expand markets, cut costs and increase efficiency, they increasingly look to IT as a strategic partner in achieving these objectives. This book helps IT prepare for this role by providing a very detailed, practical, hands-on guide to implementing ITSM best practices within an organization. Because of its agnostic approach, it can be used by any industry – regardless of size – around the world. Specific guidance is provided on forging agreement on enterprise ITSM strategy, establishing cross-organizational ITSM governance, managing organizational change, and developing enterprise ITSM process and continual improvement standards.

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## *Preface*

Although we use material from other frameworks in this Ten-Step approach, the primary focus remains the IT Infrastructure Library® (ITIL®). ITIL® is architected as a “complementary framework,” and was never intended to stand alone. However, in our humble opinion, ITIL® is – and will continue to be for some time – the predominant and *de facto* standard for IT shops worldwide.

That being said, we also acknowledge that, no matter how good you are, there is always room for improvement – which is why we have produced this practical guide to achieving ITSM success. We believe we have discovered a rational, repeatable, flexible and customizable approach to the practice of IT Service Management. We hope that you will agree.

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## ABOUT THE AUTHORS

Angelo Esposito, Program Manager with Jacobs Technology, is currently advising the US Navy on its Enterprise ITSM Transformation effort. A former Chief Information Officer (CIO) with more than 25 years of experience, he has worked in commercial, non-profit and government sectors. Mr Esposito holds a degree from the University of Massachusetts, Boston, and certifications in ITIL®, Information Systems Auditing, Information Security Management, and the Governance of Enterprise IT.

In addition to the United States, Mr Esposito has lived and worked in England, Luxembourg and Canada. His hobbies include competing as a triathlete and participating as a Century bike rider for charitable causes. Mr Esposito currently resides in Washington, DC, USA.

Timothy Rogers is a consultant specializing in Enterprise Service Management, Transformation, Governance and Continual Improvement. A former Chief Technology Officer (CTO) with more than 15 years of experience, he has worked with high-tech startups, financial services firms, and large government clients, including the US Navy. Mr Rogers holds a Master's Degree from the University of California, San Diego, and certifications in ITIL®, ISO and Lean Six Sigma.

In addition to the United States, Mr Rogers has lived and worked in Hong Kong, and speaks some Mandarin Chinese. He serves on the Board of the itSMF USA San Diego Interest Group, is a classically trained pianist, and proud father of two young boys. Mr Rogers currently resides in San Diego, CA, USA.

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# INTRODUCTION

You're probably asking yourself, "Why another book on ITSM?" The question is legitimate. A cursory glance at the IT Governance bookshelf will reveal a wealth of material on ITSM and its accompanying framework, ITIL®.

We undertook the challenge of writing this book because, while there is a plethora of material about the underlying mechanics of ITSM, we found very little advice on how to implement ITSM best practices to achieve an organization's business objectives.

The official ITIL® volumes do an excellent job of explaining what service management is, how the various processes should work and fit together, and why IT shops are wise to adopt the practice. However, the books are notoriously vague on how to design and implement a working ITSM model within a real-world organization.

In times of fiscal austerity and hard-budget constraints, it is imperative for organizations to transform enterprise IT by breaking down silos, consolidating infrastructure, and moving towards a flexible service-oriented architecture and enterprise-shared service model. For example, the United States Navy, one of the largest organizations in the world, has publicly stated its goal of reducing business IT spend by 25% over five years through enterprise IT efficiencies<sup>1</sup>.

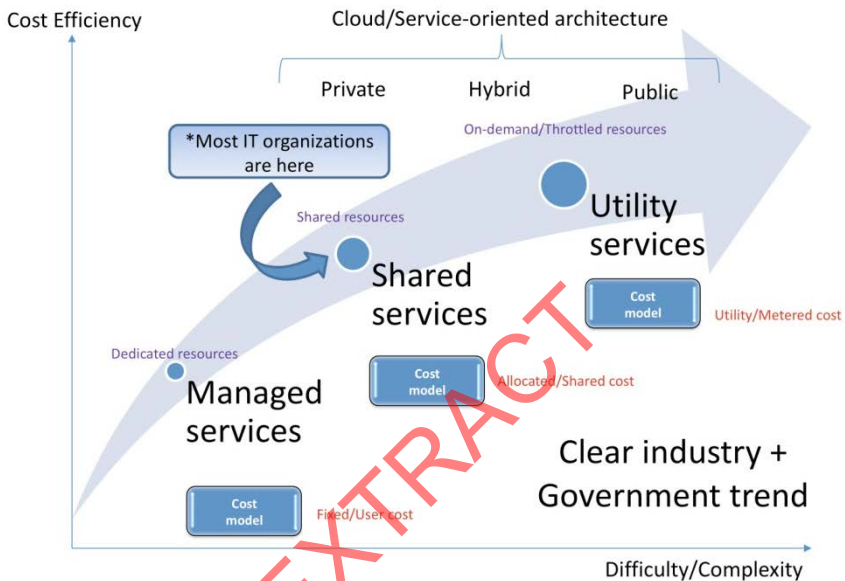
*Figure 1* depicts the clear industry and government trend away from owning assets and managing infrastructure (fixed-cost) to procuring and managing on-demand (variable-cost) services. But there is an inherent trade-off involved: capturing cost efficiencies requires the development of capabilities to manage a service-provisioning environment that is more difficult and complex.

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1 <http://www.doncio.navy.mil/CHIPS/ArticleDetails.aspx?ID=3568>.

## Introduction

Anyone who has developed a service level agreement (SLA) for a multi-sourced Cloud service knows what we are talking about.



**Figure 1: Transformation of enterprise IT**

Developing the organizational capabilities to efficiently and effectively manage enterprise IT is what ITSM is all about, and is an essential component of any IT Transformation journey. But what is the optimal approach in an enterprise where multiple business units are moving at different speeds and with different objectives? How do you convince warring factions to work together toward a common strategy and objectives? How do you structure incentives to encourage good enterprise decision making and optimize return from the organization's investment in IT capabilities and services?

The practice of IT Service Management is rapidly gaining traction around the world, and for good reason. Regardless

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## Introduction

of the size of the firm, or the market it serves, IT professionals can no longer ignore the rapidly growing tsunami of companies adopting a service management approach, both internally and externally. In short, ITSM enables IT to achieve its *prime objective*: the provisioning of high-quality services to the Business at optimized cost, with an acceptable level of risk.

While there is tremendous value in adopting practices from complementary frameworks, we suggest that ITIL® provides the logical foundation and best “running head start” for most organizations seeking to transform enterprise IT; and why not? The framework covers nearly every aspect of the information technology world in an integrated and easy-to-understand manner.

Yet, despite ITIL®’s growing popularity, organizations seeking to “adopt and adapt” ITSM best practices continue to struggle with practical implementation, and in justifying the time and money spent. After all, many organizations and their IT departments more closely resemble dysfunctional families than Max Weber’s<sup>2</sup> “Ideal Type.” Few, if any, are immune to the enervating effects of organizational politics, personality conflicts, misaligned incentives and entrenched interests – with which we are all painfully familiar. We believe the issue is not due to any lack of merit or utility in the framework, but rather in its practical implementation in the real-world arena, where bottom-line results are all that matter.

We find also that, too often, practitioners seek to apply an academic model to a real-world situation, only to find that the solution is sometimes worse than the original symptom. When that happens, management grows disenchanted, users become dissatisfied, and clients begin to find more suitable firms with which to do business. Obviously, no one wants to be part of such a bleak development, and yet,

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<sup>2</sup> <http://plato.stanford.edu/entries/weber/>.



## *Introduction*

more often than not, that outcome is all-too-often the rule rather than the exception. If ITSM is such a good idea, and ITIL® such a good framework, why do IT professionals continue to struggle? One obvious answer is in the adopted approach.

In our travels, we have met many ITSM practitioners, all of whom express the same set of common complaints:

"I can't seem to get traction on this (i.e. ITSM) in my company."

"This all sounds good, but where do I start?"

"How do I convince my CEO / CFO / CIO (pick one or more) to back this?"

"How do I get the staff on board with this? They think it's just a lot of overhead."

These questions, and many others like them, are why we have decided to write this book. The Ten-Step approach outlined in these pages makes no claim of being a magic solution, nor the definitive end-all, be-all to enabling IT Transformation. Far from it. Rather, it outlines a tried-and-true approach that provides practitioners and users with a structured, yet flexible, method for achieving ITSM success. This logical step-by-step approach – grounded in common sense and good business practice – has worked for us in a variety of settings over the past several years.

In this volume, we offer tips and techniques, make recommendations on what to do and what not to do, and reference a series of templates we have developed that can be customized to fit any organization's model and appetite.

We would like to believe our approach covers every detail and contingency, but we are too practical and experienced for such delusions. No one has all the answers. We are certain we'll hear from readers with ideas and a recommendation on how to make this approach even better; and that is great. Your feedback is not only welcomed; it is also strongly encouraged. The ITSM community can only grow stronger when its members share the best of what

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## Introduction

they have learned, and alert the rest of us not only to a better way of doing things, but also to how to avoid the pitfalls that may be encountered along the way.

That being said, we firmly believe our approach is *at least* an 85% solution. This methodology has been used in firms both large and small, and across a variety of industries – including government agencies.

Our approach recommends ways in which the reader can tackle specific issues, and offers advice and guidance on the potential pitfalls and obstacles typically encountered, including tight budgets, unsympathetic staff, and resistance to organizational change.

In our combined 30 years of experience helping companies improve their ITSM practices, we have consistently observed **Four Keys** to achieving ITSM success. We strongly recommend keeping these recommendations in mind, and referencing them frequently, as you journey through each of the Ten Steps:

1. **Avoid the “big bang” approach:** ITIL® is specifically designed as a framework for achieving incremental and continuous improvement, not overnight results.
2. **Establish Executive sponsorship:** ITSM Transformations commonly fail to deliver the desired value due to lack of planning and support from executive leadership.
3. **Invest in required resources:** ITIL® is a long-term investment in the transformation of the management of IT. Many organizations fail to make the required investments in infrastructure, tools and personnel.
4. **Manage organizational change:** ITIL® is a strategic initiative that must be embraced by both business and IT management. ITSM transformation requires detailed workforce planning and the hiring/retraining of key personnel.

## Introduction

### Who should read this book?

First and foremost, this book is intended for our fellow practitioners and consultants that have taken up the ITSM cudgel, and charged into battle, only to find themselves outflanked by misunderstanding, indifference, or outright hostility. We hope this book will be particularly helpful for those who have gained some measure of traction, but who are now finding that progress is slowing to a crawl, or has completely stopped.

We who have taken the courses, passed the exams, and then tried to apply the academic lessons to the real world know that knowledge alone is a *necessary*, but ultimately *insufficient*, condition for ITSM success. Knowledge must always be tempered with hard-won practical experience, and the wisdom that ensues as a result of that experience.

Secondly, this book is intended for IT Directors and C-suite executives charged with the responsibility of transforming the role of IT into a value-creating business partner. They will want to read this book (and perhaps mandate its use) to help establish a service management culture and drive necessary improvements in their respective organizations.

Finally, we are very excited by the rapid growth of service management as an academic discipline, and believe this book to be a valuable contribution to the growing body of literature on the subject.

In closing, remember that this Ten-Step approach will be no better and no worse than the time and effort that you, the practitioner, put into it. This book offers a roadmap, and describes a set of tools with which to design and implement the capabilities that will benefit your organization. However, the real work of forging the right relationships, educating management and staff, and of building strong coalitions to support your efforts belongs to you and your team. Good luck!

## CHAPTER 1: SETTING THE STAGE

The curtain rising on the opening night of a Broadway production is, perversely, the final step in the process of actually producing and presenting the performance. Prior to that opening night, the producers, directors, actors, stage hands, carpenters, lighting technicians, and dozens of others worked long hours to ensure that all items were taken care of, and that no detail was overlooked. Each person – regardless of whether it was the director, producer, or playwright – broke the action down into its component parts, examined them, tweaked them, reworked them, and then repeated the process all over again until they were satisfied they had the best possible production.

While that was taking place, carpenters were busy constructing sets, Foley artists were painting background landscapes, and set designers were arranging the furnishings and props in a way best conducive to the play's action unfolding on the stage. Electricians, costumers, caterers, accountants, and a host of other staff – some permanent, some temporary – worked in tandem to stage what each hoped would become Broadway's next smash hit.

What does this have to do with Information Technology Service Management (ITSM)? It has everything to do with it. If you think about it, the two activities are very similar to one another. Preparing an organization to take on a service management mindset takes the same amount of energy, preparation, and coordination as staging a Broadway production. The people involved in ITSM aren't called producers, playwrights, or directors, of course. Instead, their titles are Project Manager, Process Analyst, Service Owner and ITIL® Subject Matter Expert, but each person – regardless of the part he or she plays – must understand their role, must execute it in the context and timing of the larger production, and must work with the other members of the team to ensure that the firm's service offering (whatever

## *1: Setting the Stage*

it may be) satisfies the vision articulated by the senior business sponsor.

As an ITSM practitioner, you will be required to wear many hats, and perform many different (albeit related) functions. As you work through the steps outlined in this book, be mindful of the specific role you're assuming. Some days, you'll take on the responsibilities of the producer or director; on others, you'll be called upon as a stage hand. Knowing the role you're playing on any given day is essential to keeping your ITSM production on track. Not only will it provide you with a laser-like focus on what must be done, it will help to clarify the inevitable discussions that will take place, and the conflicts that will arise. That being said, let's get started.

Let's assume the client is a mid-sized insurance carrier headquartered in the United States. It is a privately-held firm, but one whose activities are managed by a very active Board of Directors. They have recently embarked on an aggressive five-year plan that includes modernization, acquisition and expansion. The Chief Executive Officer (CEO) has been with the company for 15 years, rising through the leadership ranks until assuming his current duties six months ago. To support his efforts, the CEO has assembled a strong, knowledgeable and seasoned management team. This team is intimately familiar with the insurance business – its pitfalls and potential benefits – but has only a rudimentary working knowledge of how IT can help them achieve the Board's long-term goal – to expand the firm's national footprint, and thereby increase market share. The firm has a fairly substantial amount of cash on hand, and is willing to spend a reasonable amount in order to improve operations to the point where taking on a 25% increased book of business is possible. Senior management's collective opinion is that current IT operations would be unable to sustain services should volume significantly increase.

A prime responsibility of a Broadway producer is to secure funding for the production. Money, as the old adage goes, makes the world go around. Your ITSM transformation

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## 1: Setting the Stage

initiative is no different from any other project vying for the company's limited pool of money. In order to successfully compete for your share of the pie, you'll be required to show how your project will contribute to the bottom line. Don't make the mistake of assuming that everyone will automatically understand how improving ITSM practices will produce a return on investment (ROI).

Despite the fact that ITSM has received a lot of press, and favorable word of mouth, to many people it's still a vague and mysterious "dark art." Given that frame of mind, you'll have to present – to the CEO and your colleagues – convincing arguments for why a share of the firm's precious dollars should be funneled to you. A well-crafted business plan will give the Board confidence in your approach, and will help to win over those skeptics that may exist in your organization.

To you, of course, the answer is obvious. ITSM will enhance efficiency, improve services, and generally make life better all the way around. While this may be true, quantifying those qualities may prove difficult. So how does one go about building a convincing Business Case?

**Note:** Even though you may have the full backing and support of the Board of Directors or Chief Executive Officer, it is always a good idea to put together a well-structured business plan. Depending on your particular circumstances, more or less attention may be given to specific sections of the plan, but, regardless of your situation, you'll want to have a business plan to fall back on. It's good insurance.

*Appendix A* contains a Business Case template that we have found useful. We have also developed a Cost-Benefit Analysis workbook that can be used in conjunction with the Business Case template. These tools, if used together, can help you present a compelling argument.

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## *1: Setting the Stage*

On its surface, the Business Case template looks rather complex, but closer examination will reveal that it contains not only the justification for financial investment, but also the beginnings of your operational roadmap (discussed in greater detail in Step Six). The Business Case will include a clear statement of executive sponsorship, expected financial benefits (tangible and intangible), total financial costs, non-financial benefits and costs, and a risk analysis (which should include the risks associated with executing the project, as well as those associated with not doing so). And while it is not mandatory, an analysis covering the expected organizational impact that will result as a consequence of your ITSM initiative is strongly recommended.

Within the business plan, you will lay out several possible approaches (courses of action). A good rule of thumb is to present as least three viable options. This shows leadership that you've thoroughly thought through the challenges and obstacles that may be encountered, and that you have a firm grasp on how to circumvent or avoid them.

The ancient Chinese warrior Sun Tzu observed, "Many calculations lead to victory. Few calculations lead to defeat." The more scenarios you can envision, and anticipate, the greater your probability of success. In addition, you'll instill confidence in your audience that you can handle any circumstance that may arise (even if it's not wholly anticipated). Your selected approach will spell out all the reasons why you've decided on your selected course of action, and why leadership should support it. This portion of the Business Case will undergo the closest scrutiny, but if you've done the necessary legwork, you'll be able to deftly answer any questions or concerns that may be voiced.

Notice that for the selected approach you will list assumptions and known constraints, projected milestones (with corresponding deliverables), lay out the critical factors necessary to your (and the company's) success, and highlight critical dependencies.

## *1: Setting the Stage*

Before moving on, we'd like to take a moment to discuss assumptions and known constraints, as this is an important topic that is often misunderstood.

Assumptions are simply that. They are scenarios that you, as the preparer of the Business Case, assume to be true at the time the Business Case is created. If these assumptions prove to be incorrect or non-existent, the implication is that something in your Business Case **must** change. The same holds true for known constraints. If identified constraints are removed or modified, then something in the Business Case **must** be altered. This must be clearly and completely understood, not only by you, but also by your audience.

The implications are obvious. Imagine you are undertaking a journey by car, and have mapped out a specific route. You estimate that it will take you eight hours to complete, and cost you the sum total of \$250 for fuel, food and tolls. You have a known constraint in that you have a total budget of \$300, with no opportunity to procure additional funding. You also assume that the road on which you plan to travel is accessible. If that constraint and assumption holds true to form, you have no problem. You may proceed according to plan.

Imagine, though, that due to unforeseen weather conditions, you're forced to take a detour that takes you 50 or 100 miles out of your way. Your original plan is now at risk. (Some would say unredeemable.) You can no longer complete the journey in the planned eight hours, and there is the very real danger of running out of funds, possibly stranding you short of your destination.

The assumptions and known constraints in your business plan, if changed, will have a similar effect on your transformation effort that the unexpected detour had on the scenario described above. Therefore, a prudent ITSM practitioner would be wise to periodically revisit the business plan to ensure that one's assumptions still hold true, and that the known constraints haven't changed.

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## 1: Setting the Stage

Of course, if assumptions and known constraints have changed, that will form the basis of the intelligent conversation you can then have with the business sponsor on alternatives. Knowing the impact that the changed assumption or constraint will have on the project, you can then suggest one of the other courses of action in order to get the project back on track.

Another key component of the business plan is your proposed execution plan. This isn't the detailed roadmap you'll lay out in Step Six. This is the *Reader's Digest* condensed version. It lays out the execution approach (phased implementation, targeted approach to address critical pain points, etc.), specifies planning assumptions, talks about potential technology impacts, and offers a high-level estimate for required resources. This analysis needs to be detailed enough to be 80% accurate, but doesn't need to drill down to the Work Breakdown Structure (WBS) level. Ideally, this approach will be detailed enough to give the sponsor confidence that your project will come in within 20% of the proposed budget and schedule. Because it is an estimate, you'll need to revisit this aspect of the implementation with the sponsor as the project plan becomes more detailed.

An important point we'd like to stress here is that the execution planning assumptions are not the same as the overall assumptions mentioned earlier. The former assumptions dealt with the implementation at the macro level. They addressed assumptions concerning overall efficiency, the company's strategic vision, and the impetus for undertaking this effort in the first place. The execution planning assumptions should focus on matters that would (if realized) derail the project. This includes issues such as having the right mix of personnel assigned to the implementation, ensuring that they have the required blend of skills and experience, and they will be committed to the project for the requisite time to complete the tasks to which they are assigned.

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Another key section of this document is the risk management plan. Any change introduced into the organization carries some measure of risk. That is the nature of the beast. However, don't assume that all risk is bad. Risk can be beneficial if managed correctly. This section of your proposal must identify all the potential risks that you believe may arise. More important than that is how you (or the company) plan to mitigate those risks. An approach that's acceptable for an innovative start-up may be completely inappropriate for an established, conservative firm. It is up to you – as the key ITSM subject matter expert – to assess your firm's risk appetite, and to tailor your mitigation plan accordingly.

Organizational change management is covered in far more detail in Step Seven of our approach. That section deals with the importance of organizational roles and responsibilities, and discusses the various ways in which you can foster required change through the organization. And make no mistake about it – adopting a service management model is a significant organizational change. Unless your organization is already committed to a complete service management philosophy, transforming the practice of ITSM is going to change the way you do business, and will have a direct impact on the internal workings of the organization. Your challenge in the business plan is to alert the sponsor that a cultural shift is going to take place, and to give them some idea of the work required to effectively manage it.

Before discussing the next section, a point of clarification is in order. The IT Governance Institute defines **governance** as "... the leadership, organizational structures and processes that ensure that the enterprise's IT sustains and extends the organization's strategies and objectives."<sup>3</sup> We acknowledge – and agree with – this definition. However, a

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<sup>3</sup> COBIT 4.1 Framework, Control Objectives, Management Guidelines, Maturity Models, IT Governance Institute (2007).

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full-blown discussion of enterprise governance and all it entails is beyond the scope of this work. For our purposes, we would like to concentrate our focus on the control objectives an organization should put in place in order to ensure its strategic objectives are being realized.

Last – but certainly far from least – the business plan lays out the expected benefits. Although it comes last, it is the section that will receive the most scrutiny and questioning. Therefore, it is critical that your analysis takes into account **all** relevant factors.

There are a variety of methods for building the best case, worst case and most likely scenario models, each with their individual strengths and weaknesses. We have no preference for which benefit model the reader chooses to use, and will, therefore, offer no recommendations. What is critical, however, is that the expected benefits satisfactorily answer the following questions:

1. Is the proposed plan adequate? Does it accomplish the intended objective within the business sponsor's guidance and parameters?
2. Is the proposed plan feasible? Can it be accomplished within the established time, cost and resource limitations?
3. Is the proposed plan acceptable? Does it balance cost and risk with the advantages to be gained, and meet the requirements specified by executive leadership?
4. Is the proposed plan complete? Does it incorporate the activities and tasks that must be performed to achieve the outlined objectives?
5. Does the proposed plan reduce costs, increase revenue, improve efficiency, or achieve some combination of the above?

If you can answer “yes” to all of the above, then you can have every expectation of your plan being approved and

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funded by the business sponsor and, at the same time, you will have taken a very big step toward success.

### **Your Business Plan is done – now what?**

Even though you now have an approved business plan, and have received the requisite funding, you still aren't ready to move on to the next step. One more crucial bit of preparation is required. You now have to communicate – to the rest of the organization and to your external business partners – what you are planning to do.

This is important for two significant reasons. The first is that it sets the foundation for your future organizational change management efforts. Secondly, it offers you the opportunity to educate everyone about ITSM – what it is, what it does, and what the expected benefits will be.

Many people in the organization will assume that ITSM is simply another management fad – quickly implemented, quickly forgotten – that is doomed to ultimate failure. Others will see it as a boon – the answer to all their organizational prayers. The majority of staff will fall somewhere between these two extremes. Their approach will be to “wait-and-see.” Depending on their perception of your ITSM initiative's success or failure, this group of people will either embrace the service management mindset or reject it completely.

This is natural and expected. It takes time and energy to bring people around to a new way of thinking and a new way of doing business. Organizational change – no matter how ultimately beneficial – is never easy. In fact, we view this step as so critical that we have devoted an entire chapter to it. Remember that you are the principal cheerleader for ITSM, and it is your responsibility to effectively manage this change, and ensure that the proper “tone at the top” is established.

In order to do so, one of your first orders of business after leadership approval is to arrange awareness training and education. Even if staff in your company *think* they know

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what service management is and what it entails, it can't hurt to provide a refresher course. For those who have heard about ITSM, but haven't taken the time or effort to learn more about it, these educational sessions will come as an eye-opener.

Formal training sessions offer several benefits. They:

- Foster organizational awareness: Even those staff not directly involved in your transformation initiative will learn what you are doing and what is planned and an educated staff is a better performing staff.
- Establish a common lexicon: Most often, in projects such as these, the new nomenclature becomes a source of confusion and ambiguity. Formal training sessions, augmented with pocket glossaries distributed after the sessions, allow everyone to speak the same language, and eliminate the "Tower of Babel" effect.
- Provide context: Staff – especially at the lower levels – often do not know or understand the rationale behind projects of this scope and nature. Training sessions are an excellent way of showing them how this will positively affect their day-to-day responsibilities.
- Ensure historical and documentary continuity despite staff turnover and organizational realignment.
- Encourage active participation: A good training program is designed not only to teach, but to motivate and engage. The right training partner will help plant the seeds of future champions willing to support your cause.

Some clients insist that all personnel achieve – at a minimum – ITIL® Foundation certification. Personally, we don't feel this is necessary. Unless people are going to

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assume process or service-oriented roles in the organization, the anxiety of having to study for – and pass – the exam, is more stress than the results are worth. Everyone should be trained, everyone should understand what the new service management culture will mean to the firm and the way in which doing business under this model will affect their day-to-day responsibilities, and everyone should be supportive of the effort. Everyone, however, does not need to become an ITIL® Expert.

At the conclusion of the training, staff should have a clear understanding of how to:

1. Execute activities and tasks consistently using standardized processes.
2. Manage expectations (between peers and supervisors) predictably.
3. Achieve clear visibility of outcomes and standard metrics.
4. Analyze and improve processes that are “built to change”.
5. Avoid process failures.
6. Improve and clarify their roles and responsibilities.

This level of preparation will seem daunting to some. To others, it will be seen as being too slow. Often, companies adopt ITSM because they have specific pain points they want to address, and they want those issues resolved immediately (if not sooner). In some cases, you will have been brought in to perform a “quick turnaround.”

We want to say this in the strongest possible terms: **don't shortchange the planning process!**

Tactics without a clear-cut strategy are simply sound and fury, signifying nothing. A strategy without well-designed

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tactics is nothing more than an academic exercise. A comprehensive strategy will direct and guide your tactical efforts. Feedback received from your tactical successes (and failures) will refine and improve the strategy. One cannot succeed without the other. They are the symbiotic sides of the same coin.

Now that we've created the business plan, obtained leadership's approval, been allocated the requisite funding and conducted our education and awareness training, it's time to move on to the second step in our approach: inventorying the current service offering.

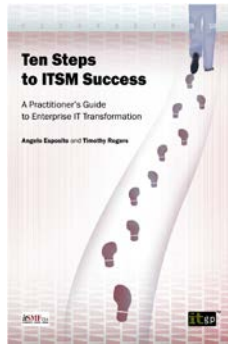
To summarize, the actions you want to take in this step are:

1. Draft a creditable Business Plan, complete with:
  - 1.1 Clear executive sponsorship
  - 1.2 Rudimentary financial analysis
  - 1.3 Risk analysis
  - 1.4 Organizational impact
  - 1.5 Analysis of alternatives
  - 1.6 Assumptions and constraints
  - 1.7 Recommended implementation approach.
2. Offer a proposed execution plan.
3. Identify required resources.
4. Execute a training and awareness campaign.

**<<< END OF EXTRACT >>>**

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## Ten Steps to ITSM Success



This book provides guidance on implementing ITSM Best Practices in an organization based on the authors' real-world experiences. Advice is delivered through a Ten-Step approach, with each step building upon the successes of its predecessors.

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