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**ITIL®
Implementing Service Level
Management**



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Service Level Management

- Align IT Services to the Needs of the Business
- Improve Communications
- Manage Escalations
- Increase Customer Satisfaction

Sources for this material include: ITIL® related materials owned by the Office of Government Commerce (OGC), The Stationary Office (TSO), "IT Service Management An Introduction Based on ITIL", the IT Service Management Forum, ITSMF Ltd, "Implementing Service and Support Management Processes: A Practical Guide", HDI

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Agenda

- The Need for Service Level Management (SLM)
- Terms and Definitions
- Levels of Service Defined
- The Steps to SLM
- Helpful Tips
- Questions

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Service Level Management



“The process of defining, agreeing, documenting, and managing the levels of service that are required and cost justified”

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- Are you an, “all you can eat” IT Service Provider?
- Do you have prices on the menu?
- Is the size of the portions specified?
- Are your hours of operation specified?
- Is wait time specified?

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Until Service Level Agreements have been established, it should be no surprise that IT consumers/users will continue to ask for more, more, more.....

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SLM Balance

The diagram consists of three overlapping circles: a blue circle at the top labeled 'Business Objectives', a yellow circle at the bottom left labeled 'IT Objectives', and a red circle at the bottom right labeled 'Customer Objectives'. The circles overlap in the center and at the intersections between two circles.

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Terms and Definitions

Service – “A set of related functions provided by IT that are seen by the customer as a self-contained entity”

- What services does your IT organization provide?
- How many services do you provide?

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Terms and Definitions

Customer – “The person who pays the bills and is authorized to negotiate for services provided by IT”

- Who are your Customers?
- What do they need?

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Terms and Definitions

User – “The person with hands on the keyboard who uses the IT services for their routine activities”

- Who are your Users?
- Are your Users represented by the Customer?

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What Level of Service Should IT Deliver?

Ted Levitt of Harvard Business School identified four levels of service

- GENERIC** – The most basic level of service
- EXPECTED** – The level of service which a customer has come to expect from a specific supplier
- GENEROUS** – this level of service offers more than the customer expects at that price
- TOTAL** – The highest possible level of service

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Levitt...

- *If a generic service is expected and delivered the customer will be satisfied*
- *If the delivered service is less than expected, the customer will be disappointed and may leave*
- *If the delivered service is more generous than expected, the customer will be extremely satisfied, or delighted*
- *If a level of service is consistently at the generous level, it becomes expected*
- *If a customer is expecting a standard service and gets total service, they become suspicious*

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 **What level of service should your IT organization be providing?**


"We must deliver the level of service that is expected."

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 **Implementing Service Level Management**

- **Identify your Customer(s) and ensure that the Customer represents the Users**

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 **Implementing Service Level Management**

- **Determine what the Customer "Needs"**
 - Our role is to translate what the customers "want" into what they "need"
 - Never say "NO"give them a price
 - Produce the Service Level Requirements document which describes IT Services in terms that the Customer understands

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Implementing Service Level Management

- **Internal and External Documents**
 - Internal Spec Sheets
 - Specify what IT must do to meet the needs of the customer
 - This is a technology view
 - Internal and external IT Suppliers
 - Written in terms that IT understands
 - The sum of the commitments must meet the specified availability

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- External Spec Sheets
 - What the Customer wants
 - "expected" levels of service from IT
 - Written in terms the Customer understands

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- **Service Quality Plan**
 - IT Process Parameters
 - Key Performance Indicators
 - Internal Targets

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- **Service Level Agreements**
 - Underpinned by OLAs and UCs
 - Written in customer terms
 - Describes IT Services
 - Describes service hours, availability, mean time between failures, mean time to repair
 - Not a listing of penalty clauses

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- **Operating Level Agreements**
 - Formal agreements between the IT departments
 - KPIs aligned to the Internal Spec Sheets
 - Written in technical terms

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- **Underpinning Contracts**
 - Formal contracts with external suppliers
 - Legal documents
 - KPIs aligned to the Internal Spec Sheets
 - Written in technical terms

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- **Service Catalogue**
 - The detailed description of the IT Services written in the customer's language
 - The listing of service levels that IT can provide to customers
 - The costs associated with each level of service
 - Used to facilitate alignment between the Customer and IT

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- **Service Level Reporting**
 - Regularly scheduled reports to Customers and IT Management (1-3 months)
 - Circulated in advance of Service Review Meetings
 - Review service performance
 - Review service problems (SLA breaches)
 - Discuss and agree on actions (Service Improvement Plans)

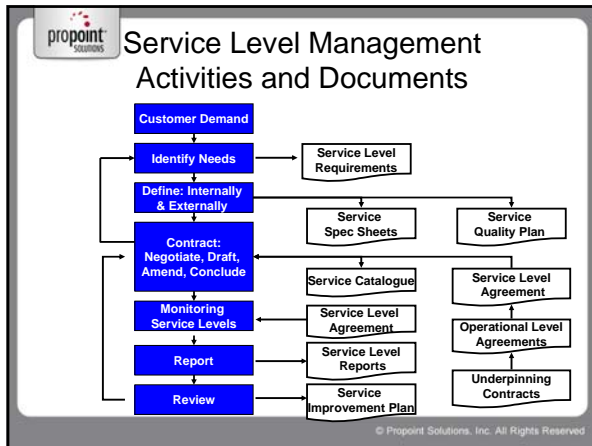
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- **SLA Review**
 - Annually scheduled review of SLAs
 - KPIs
 - Performance Targets
 - Responsibilities
 - Costs
 - Negotiate and Amend
 - Services
 - SLAs
 - Costs

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Helpful Tips

How do we start?

- By Service
- Introduction of a new Service
- New Customer
- Start with spec sheets (keep it simple)


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Helpful Tips

Develop multi-level SLAs

- Corporate View
- Customer View
- View by Service

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How Long Will This Take?

- Define
- Negotiate
- Agree
- Monitor, Review, Amend

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ITIL – Resources

- Books
 - Planning to Implement Service Management ISBN 0-11-330877-9
 - Implementing Service and Support Management Processes: A Practical Guide ISBN 90-77212-43-4
- Training
 - EXIN Accredited training provider
 - Instructor should have ITIL implementation experience
- Consulting
 - ITIL CMM Assessment
 - Experienced ITIL Consulting Guide
- Tools
 - ITIL Compatible Solutions
- Support Organizations
 - HDI and ITIM
 - itSMF

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QUESTIONS?



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