ITIL® is ITIL

Sandra Whittleston, University of Northampton

AXELOS.com

© The Stationery Office 2012

AXELOS GLOBAL BEST PRACTICE

White Paper
March 2012

Contents

© The Stationery Office 2012

Executive summary

WHAT EXACTLY IS ITIL?

ITIL® is a framework that has evolved to meet the issues organizations face. It started life in the 1980s when Her Majesty's Government in the United Kingdom, which was concerned with the quality of service it was getting from its IT, tasked the Central Computer and Telecommunications Agency with developing a framework for the efficient and financially responsible use of IT resources. A team of experienced professionals with practical knowledge of IT led the process of creating an IT infrastructure library containing a series of 42 books grouped in specific subject areas. The framework addressed management rather than technical issues although originally there was a significant technical aspect to it. As it matured it became clear that ITIL can and should exist above the technical aspects, producing guidance that is not reliant on any particular technology and still delivering value to the organization.

When the guidance was revised in the mid-2000s, it was recognized that the strategy and continual service improvement aspects had been largely overlooked, or at least were not clearly identifiable. The concept of a cyclical approach to the management of IT was raised to encompass the whole of the service management 'lifecycle'. This shift to addressing the lifecycle was important as it is vital that services are seen in their entirety from strategic conception to retirement and that they are reviewed and improved throughout their life.

As ITIL progressed and matured there became a requirement for individuals to be trained and gain certification. When the qualification scheme started it was not coordinated centrally. This led to a mismatch in terms of how a significant part of the community viewed ITIL. It was agreed that it would be sensible to move towards the unification of qualifications and create a single structure for syllabuses and exams.

When the lifecycle approach was introduced in 2007, a new set of lifecycle training manuals and qualifications was introduced (V3). Both schemes (V2 and V3) ran in parallel and there was a requirement to distinguish between them. A combination of the V2/V3 qualification schemes was then used to assist in clarifying this position. For the next few years these schemes coexisted very well as they allowed those who had existing V2 qualifications to continue on their present scheme. However, in 2011, the V2 scheme was discontinued. The lifecycle approach at the core of the material was improved but it did not go through a formal version revision. This means that the lifecycle under V3 is now the only scheme in existence and the need for the distinction has disappeared.

Since its conception ITIL has matured and developed to meet the challenges that IT service management faces. It has continued to do that from the mainframe days of the 1980s to the clouds of the present day, but at its heart it is, and will always remain, just ITIL.

Phil Hearsum
ITSM Portfolio Manager, Cabinet Office

Introduction

There can be no doubt that ITIL V3 has caused active debate since its launch in 2007, especially when IT practitioners were suddenly faced with an updated version. The V2 qualifications had primarily concentrated on two of the publications, *Service Delivery* and *Service Support*, even though the full suite also covered, for example, improvements to service and the business perspective. The logic behind the evolution was widely documented at the time that V3 was built on V2. It also provided improvements and additional material via feedback from those using the techniques in the field and to ensure, amongst other things, an 'outcome-based, service value approach' themed on the service lifecycle. Logically, *Continual Service Improvement* was now identified as one of the core texts in V3. Feedback from practitioners is the mainstay of the evolution and the strength of the latest version comes from offering enhancements to well-understood processes, describing new approaches in the form of 'living' examples and providing robust connections to business-orientated techniques such as knowledge management.

© The Stationery Office 2012

This white paper will explore the core philosophy of ITIL, to demonstrate that it is a dynamic and structured framework which is meant to have an effect on, and engage proactively with, the business, and why that is. In particular it will try to challenge some assumptions so that readers will discover the answers for themselves; it is hoped they will move on from thinking purely in versions and understand why they are no longer important.

1 Where is the confusion?

There is a multitude of practitioner-led papers on implementing ITIL. Some are written such that they appear to be version dependent; others not. Key themes emerge, evidenced by the number of IT service management support organizations producing white papers and guides. Many describe those processes which might be important in a common set of circumstances. Historically they have focused on service catalogue, service level agreements, service desk, change management and configuration management. These were always important in V2 and well understood by IT service management practitioners. It is essential to understand that they are still core to V3. Latterly, papers have emerged on knowledge management, service portfolio management and service transition, which are new and topical in V3. From a practical perspective, whilst these topics are newly acquired and described in ITIL V3, their roots are from a variety of sources going back over many generations and have their origins elsewhere.

So where is the evidence for their inclusion? In order to answer this question it is important to explore the vexed issue of organizational dynamics and the role that information systems play.

Organizations are dynamic in nature and supported by a range of systems and subsystems. The importance of the role of information systems and technology for modern businesses is undisputed. Their development within an organization is akin to a subset of organizational dynamics with particular themes relevant to them.

High-quality (academic) research into the social theories surrounding information systems development is still a niche area. In their landmark work *Social Theory and Philosophy for Information Systems*, Mingers and Willcocks (2005) explored (using various authors' work) the combined effects of social, philosophical and systems approaches in order to understand how information systems are used and developed. Evidence supports the argument that the social constructs of organizations play an important part in how the IT estate develops. Conversely, similarities can be identified in the development of information systems and their effects on the organization. This is important because IT and business systems are evolving, dynamic organisms in their own right, so managing them is bound to be fraught with inherent difficulties.

Nonaka (1996) describes forms of knowledge key to 'the one sure source of lasting competitive advantage' for an organization. In fact knowledge management has been embedded in business theories and texts for many years. Research shows that the impact of new and changed technology solutions on an organization can be positive or negative depending on how they are delivered. It is important to note that change is strategic, tactical and operational and an organizational concern. It is subject to a wide range of influences such as culture, organizational dynamics, the pace of change, the forces for change, resistance to change, perceptions of change, responses to change and organizational and individual behaviours and their impact on change. With the evidence of the dynamic nature of IT and business systems it is therefore important to use transitional logic to develop both. Hence the theme of transitioning services.

Having a business-supported customer self-serve portal is a common approach to customer engagement and the portal plays its part in customer relationship management. Many IT strategists have long seen the benefits of so-called 'soft systems' approaches. A classic is Senge's work of the 1960s, updated in 2006, on creating a learning organization built on knowledge transfer. Proactive learning organizations are intrinsically knowledge-based and evidence shows that considering these issues is important. Soft Systems Methods, discussed by Checkland and Scholes (1999), argue that there are many ways to reach 'desired' end goals that require non-linear approaches. These concepts are firmly embedded in ITIL philosophy and provide flexibility for IT professionals as they offer opportunities for them to be creative in their approaches to IT management.

© The Stationery Office 2012

Similarly the concepts of portfolios, value chains and marketing (described in IT terminology in *Service Strategy*) are long-standing business development techniques taught notably on master of business administration courses in universities and used extensively by business executives. There can be no doubt that they are valuable tools and methods in the debate about strategic business management and are relevant also to IT.

Is ITIL V3 therefore just a blend of V2 which has been updated, evolved constructively and progressed sufficiently to include workable scenarios and examples? Not really; it is, at its heart, a logical living framework for managing IT which works in a variety of circumstances. Anecdotal evidence suggests that there is confusion about its theme, direction and applicability. So how can this be unpicked and explored? What might be a key sticking point is the use of the term 'strategy' and it will therefore be essential to explore it in greater detail.

2 The challenge of strategies

The term 'strategy' has many definitions which can be applied across all levels of an organization from business strategy to functional strategy. It can be identified as the amount of detail required to achieve an end goal. It can also be used euphemistically to describe a series of business articulations to identify the actions needed for the long-term success of an organization. As Emily Chan (2009) identifies, business leaders now have tools and other methods at their disposal to 'bring a significant degree of analytical rigor into strategy'. According to Chan, these tools and methods are 'Frameworks, Data Management, Classic Strategies and Process'. Do these sound familiar? It is important to note that commonly used business management activities have always been included in ITIL material, particularly in the *Business Perspective* publication. Similarly, quality management techniques were described extensively in *Planning to Implement Service Management* in the V2 suite of products now embedded in the continual service improvement process in V3.

As we have seen before, organizations are dynamic entities and in his research, Mintzberg (2000) describes some fundamental challenges to strategic planning. These are important to note because, as we will see later, they have a bearing on successful ITIL implementations.

To better understand how strategy is perceived, Mintzberg quotes evidence to describe the symbiotic relationship between planning and forecasting and the inherent difficulties posed. He states that 'planning, in the absence of an ability to control the environment, must rely on forecasting, and because forecasting amounts to extrapolation of known states, existing trends or recurring patterns planning typically works best under conditions of relative stability'. To paraphrase Mintzberg, it is also a perception of strategic planning which has to have a point of reference whereby everything is on hold until the planning is done. All this is relevant when considering the evolution of services within an organization. With IT's criticality within the business, it is essential that information systems development sits at the heart of business planning. This is, of course, the ethos of ITIL V3 *Service Strategy*.

To further support this argument, back in 2003, Ross identified that 'firms have not derived value simply by linking IT to their business processes. Rather, they have learned how to benefit from IT by developing a competency in creating and evolving an enterprise IT architecture'. In aligning business strategy and IT capabilities, IT enterprise architecture has to identify and understand the organization's strategic objectives. In her research Ross quoted the challenge faced by a business architect. She stated: 'So we started working on understanding the business strategy, and what we discovered was that they really didn't have a business strategy. What they had were a lot of promises'. So if understanding the business strategy is a challenge in itself, how can IT capabilities be developed sufficiently to respond to evolving needs and within a workable timeframe? The evolving framework of ITIL describes ways which will significantly improve the success of business strategic and IT architecture planning. Ross's research identifies that business improves its value when it capitalizes on the learning from different architectural approaches, culminating in a resilient modular architectural scenario.

© The Stationery Office 2012

3 The real need for evolving methods

ITIL tells us that developing good communications and meaningful processes and working alongside customers and end users are essential, not least to protect IT from the vagaries of often ill-described requirements.

The good news is that practitioner reports are increasingly being complemented by high-quality academic-based research into the benefits of using ITIL. In their exploratory paper Cater-Steel and Pollard (2009) from South Queensland, Australia describe research-based evidence of success using ITIL V2 in four companies in Australia and the USA. What is interesting from the research are descriptions of the critical success factors needed for successful ITIL implementation. Specifically, these are 'executive management support, interdepartmental communication and collaboration, use of consultants, training, careful software selection, creating an ITIL-friendly culture, process as a priority and customer-focussed metrics'. Whilst this research is somewhat limited because of the research pool (as highlighted by the authors themselves), it clearly shows that ITIL V2 was more successfully deployed when quality initiatives, communications, the creation of an end-to-end service culture and, importantly, strategic direction were in place. These are all key elements in the latest evolution of ITIL.

In trying to advocate different approaches within ITIL itself, are we not preaching to the converted? After all, we have evidence that V2 worked well in the majority of circumstances as long as it was in the domain of IT. By integrating the key elements from ITIL V2, it could be argued, we are substantiating what has been done already and this is acceptable and very well understood. So, four years down the line from the launch of V3, what do IT service management professionals tell us is important? According to Rudd (2010) the need to update the ITIL framework was built on:

- 'Improving the consistency, structure and comprehensiveness;
- Focussing on outcomes, service value and business integration;
- Taking an holistic approach to services and all stages of the Service Lifecycle, particularly in the area of strategy;
- Improving alignment with other frameworks and standards such as COBIT®, CMMI®, SOA and ISO/IEC20000;
- Improving alignment and consistency with recent developments within the IT industry'.

3.1 WHAT ACTUAL OR TANGIBLE BENEFITS DO THESE POINTS HOPE TO ACHIEVE?

To answer this question it might be useful to review evidence on the fundamental challenges of IT which, according to authorities, have been inherent from the beginning when technology was first integrated into businesses.

In his research, Gentle (2007) identifies fundamental difficulties in developing IS systems. These focus on the challenges of IT trying to understand business requirements (which are intrinsically about human behaviours and subject to the vagaries of 'the moving target'), the tensions between supply and demand and meeting user expectations, and the inherent difficulty for IT in demonstrating value for money. This echoes feedback from the IT service management industry and academic research. What is interesting about Gentle's research is that he clearly shows the dilemmas IT has always faced and he articulates them into evidence to show that there is a need for a more robust service lifecycle structure which we now see in the lifecycle approach.

4 So what is ITIL and where does it currently fit?

ITIL is one of the products that sit within the Best Management Practice portfolio. The portfolio of products has been created on behalf of the Cabinet Office, part of Her Majesty's Government in the United Kingdom, which owns the embodied intellectual property.

As technology evolves so do the management practices, so can we say that the management techniques which befitted the mainframe era no longer apply? Not exactly. The core philosophy of ITIL is that it

© The Stationery Office 2012

responds not only to the technological changes, but also to the needs of the business. IT, through service management practices, is holding out a very firm hand to the business and therefore, it could be argued, is taking the initiative. The ultimate success of this approach will depend upon whether 'the business' is able to do the same.

From Cater-Steel and Pollard's research we have already seen that strategic management support and end-to-end service cultures are paramount in successfully constructed IT estates. They are therefore intrinsically business, not IT issues. In their research, Robertson, Ross and Weill (2006) demonstrate that the key to a successful enterprise approach is to lay the foundations by 'digitising business processes to automate a company's core capabilities'. These must include basic services and transactions and then those which enhance business capability. According to them 'an effective foundation for execution depends on tight alignment between business objectives and IT capabilities'. Ross et al also demonstrate that key challenges to IT and business alignment are due to business strategies being too vague, as shown in Ross's earlier work. Ross et al highlight three key disciplines which companies need to 'master'. These are 'standardising the way data is shared at the operational level, developing organisational enterprise architecture and developing a series of governance mechanisms to ensure IT and business projects achieve organisational objectives'. There can be no doubt these echo the 'consistency, structure and comprehensiveness' already seen.

The research in the field shows that the key concepts from the ITIL framework, alongside business strategic initiatives and effective governance, are crucial to the success of business/IT integration.

So what is the IT service management thought leadership producing? A recent example documented in an industry paper by Hornbill Service Management (Bolger 2011) suggests, amongst other things, 'a customer self-serve portal and knowledge management to try to reduce IT costs in a competitive and reducing market'. These are, of course, laudable aims in support of business engagement and already embedded in business customer relationship models.

In support of this argument, just after the launch of V3 an interesting paper was published, written by various authors and edited by C S Chan (2008). It contained evidence-based research which described topics such as: the fears of IT managers about using ITIL; how not to deploy IT service management solutions; and what are important considerations when implementing ITIL. The key themes we have seen before emerged: business engagement, human resource management, cultural changes (for business and IT), measurement, governance, programme management and accountability at business level, to name but a few.

The debate about using ISO/IEC 20000 versus ITIL has also been ongoing. In their document, Dugmore and Taylor (2008) state that: 'Changes from ITIL V2 to ITIL V3 include the service lifecycle approach in ITIL V3 which is a closer alignment to the service lifecycle approach of ISO/IEC 20000'.

IT standards-based solutions are being promoted more and more through conferences and events primarily to provide 'enforcement' of key managerial issues where needed and to embed governance. There have long been approaches to adopting an organizational quality approach, and building on the quality theme a plethora of IT standards has been developed. Anecdotal evidence from verbal discussions with British Computer Society Quality SIG group members suggests that the decision on which path to take is sometimes made subjectively and can be circumstantially based.

Evidence shows that those organizations that adopt IT management frameworks alongside other standards-based approaches are more successful in their IT service management (ITSM) implementations. Standards can assist in building a robust structure which embeds accountability, especially in terms of legal and financial issues. The flexibility built into the evolving ITIL framework is crucial to providing the focus and dynamism needed.

© The Stationery Office 2012

5 Reflections and further discoveries

Is this debate purely about developing honest communication between IT and the organization's executive, not forgetting other business services? If IT professionals, who are using ITIL, are putting out their hands to the business, clearly the business should be capable of responding appropriately. Often these days ITIL deployments using the service lifecycle framework are being adopted across other business areas as is evidenced by the widely available white papers and reports. This is because the lifecycle (customer-focused initiatives built around an evolving framework) is attractive to them. The ITSM industry needs high-quality research in this area because it must surely validate the evolving ITIL framework approach. We also need to build on the high-quality academic research which has emerged over the past few years.

Most ITSM professionals see ITIL for what it is: a toolkit which does not rely on any particular version and is non-prescriptive. They have demonstrated that it works very well in the majority of cases and this is evidenced by the plethora of industry white papers built on practitioner knowledge.

It could be argued that the real debate to be had is not simply about ITIL and the different versions; it is about persuading the business to come out of its shell and fully support the endeavours of IT. After all, there are many organizational management and governance frameworks available to business leaders and the following questions should be asked of them:

- Do these adopted business methods have to endure the same level of scrutiny about their effectiveness?
- Do business strategists fully understand and appreciate the importance of business process management?
- Do business strategists fully understand the term 'sourcing for value; not sourcing for cost savings?'
- Does the business really understand and have strategies to deal with risk?
- Does the business make key decisions at the correct level by understanding and embracing risk positively?
- Are knowledge-based organizational structures fully supported by human resource strategies?

… and the list goes on.

Maybe the true path for ITIL is to lead by example, nudging business strategists to think more clearly about their approaches to business process development and its symbiotic relationship with IT. With the increased use of managed services and the impending mass migration to cloud computing, business leaders must honestly reflect on their own strategic processes. They must also provide better foundations for true IT/business integration and let ITSM practices shine through.

6 Where do we go from here?

ITIL, then, is just what it has always been. It is a constantly evolving framework to support IT in its endeavours to be effective as a strategic asset for the business. On the one hand it provides clarity to IT personnel so that they clearly know their value and worth. On the other it shows the business that it cares about what it does and is willing to be scrutinized when appropriate. With the latest incarnation it has rightly adopted a lifecycle approach which has continual improvement and structured methods at its heart.

Evidence shows that those who use ITIL working alongside proactive, business-savvy and creative partners in the organization reap the greatest rewards. Either way ITIL is just ITIL, though an evolved ITIL and the debate about versions must finally be put to rest, as the techniques have their place in all aspects of the business, whether they are big or small.

© The Stationery Office 2012

References

Bolger P (2011) *Cut costs and improve service; a 7 point plan for proactive ITSM*, Hornbill Service Management

Cabinet Office (2007) *Service Strategy*, The Stationery Office

Cater-Steel A, Pollard C *Justifications, Strategies and Critical Success Factors in Successful ITIL Implementations in US and Australian Companies: An Exploration Study* via http://www.informaworld.com accessed 27/2/11

Chan CS (2008) *Enterprise Innovation eGuide to ITIL* via www.enterpriseinnovation.net accessed 24/2/11

Chan E (2009) *Harvard Business School Confidential: Secrets of Success*, John Wiley & Sons Ltd

Checkland P, Scholes J (1999) *Soft Systems Methodology in Action* John Wiley & Sons Ltd

Dugmore J, Taylor S *ITIL® V3 and ISO/IEC 20000®* via http://www.best-management-practice.com/knowledge-Centre/White-Papers accessed 26/2/11

Gentle M (2007) *IT Success, Towards a New Model for Information Technology* John Wiley & Sons Ltd

Mingers J, Willcocks L (2005) *Social Theory and Philosophy for Information Systems*, John Wiley & Sons Ltd

Mintzberg H (2000) *The Rise and Fall of Strategic Planning*, Pearson Education Ltd

Nonaka I (1996) *The Knowledge Creating Company*, International Thomson Business Press

Robertson D, Ross J, Weill P (2006), *Enterprise Architecture as Strategy*, Harvard Business School Press

Ross J (2003) *Creating a Strategic IT Architecture Competency: Learning in Stages* Massachusetts Institute of Technology via http://www.mendeley.com/research/creating-strategic-it-architecture-competency-learning-stages-1/ accessed March 2011

Rudd C (2010) *The Manager's Bridge Certificate in IT Service Management* British Informatics Society

Senge P (2006) *The Fifth Discipline: The Art and Practice of the Learning Organisation* Random House Business Books

Further reading

Amburgey T, Kelly D, Barnett W (1993) 'Resetting the Clock: The Dynamics of Organisational Change and Failure' *Administrative Science Quarterly* Vol 38

Arraj V ITIL® *The Basics* via http://www.best-management-practice.com/knowledge-Centre/White-Papers accessed 26/2/11

Best Practice *Aligning CobIT®4.1, ITIL® V3 and ISO/IEC 27002® for Business Benefit: A Management Briefing from ITGI and OGC* via http://www.best-management-practice.com/knowledge-Centre/White-Papers accessed 26/2/11

Flood R (1999) *Rethinking the Fifth Discipline* Routledge

Mullins L (2007) *Management and Organisational Behaviour*, Prentice Hall

Shulman D *Using ITIL at the IRS: A Business Journey* via: http://www.best-management-practice.com/knowledge-Centre/Best-Practice-Users-Case-Studies-and-Testimonials accessed 26/2/11

Stacey R (2007) *The Science of Complexity: An Alternative Perspective for Strategic Change Processes* via Wiley Blackwell online accessed 29/2/11

© The Stationery Office 2012

About the author

Sandra Whittleston (BSc Hons Computing) is a senior lecturer in IT service management at the University of Northampton and a member of People and Education ESC of the itSMF UK. She has worked in education for the past 27 years and has extensive experience in general and IT management. A regular presenter at IT service management events, Sandra has written papers and reflections on the subject in academic programmes. Job roles include head of an academic administrative service, head of management information services and latterly head of IT quality and projects for central IT services using ITIL processes. Sandra was academic programme leader for MSc IT service management at the University of Bolton until joining the University of Northampton as a senior lecturer in IT service management. She is a member of the British Standards Institute Committee for ISO/IEC 20000, and has recently been involved in the University and Colleges Information Systems Association (UCISA) ITIL Steering Group. She works closely with the horizon-scanning organization JISC CETIS group. At national level, she has worked on the Service Futures Group and the e-skills Employer Forum.

Acknowledgements

Sourced by TSO and published on **www.AXELOS.com**

Our White Paper series should not be taken as constituting advice of any sort and no liability is accepted for any loss resulting from use of or reliance on its content. While every effort is made to ensure the accuracy and reliability of the information, TSO cannot accept responsibility for errors, omissions or inaccuracies. Content, diagrams, logos and jackets are correct at time of going to press but may be subject to change without notice.

© Copyright TSO. Reuse of this White Paper is permitted solely in accordance with the permission terms at http://www.AXELOS.com/Knowledge-Centre/White-Papers/

A copy of these terms can be provided on application to AXELOS at Licensing@AXELOS.com

Trade marks and statements

The AXELOS logo is a trade mark of AXELOS Limited.

The AXELOS swirl logo is a trade mark of AXELOS Limited.

ITIL® is a registered trade mark of AXELOS Limited