# ITIL®: the basics

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# 1   What is ITIL and what are its origins?

As the most widely adopted framework for IT service management in the world, it is hard to believe that ITIL® is more than 20 years old. Its practical, no-nonsense approach to the identification, planning, delivery and support of IT services to businesses has revolutionized IT service management, and thousands of practitioners now implement ITIL best practice in their working environments. The latest editions of ITIL from the Cabinet Office were published in July 2011, and these five publications (*ITIL Service Strategy*, *ITIL Service Design*, *ITIL Service Transition*, *ITIL Service Operation* and *ITIL Continual Service Improvement*) form the core guidance of best management practice.

In the early 1980s, the evolution of computing technology moved from mainframe-centric infrastructure and centralized IT organizations to distributed computing and geographically dispersed resources. While the ability to distribute technology afforded organizations more flexibility, the side-effect was inconsistent application of processes for technology delivery and support. The UK government recognized that utilizing consistent practices for all aspects of an IT service lifecycle could assist in driving organizational effectiveness and efficiency, as well as achieving predictable service levels. It was this recognition that gave rise to ITIL, which has become a successful mechanism to drive consistency, efficiency and excellence into the business of managing IT services.

Since ITIL is an approach to IT 'service' management, the concept of a service must be discussed. A service is something that provides value to customers. Services that customers can directly utilize or consume are known as business services. An example of a business service that has common applicability across many industries would be Payroll. Payroll is an IT service that is used to consolidate information, calculate compensation and generate pay cheques on a regular basis, and which relies on other business services such as 'time tracking' or 'benefits administration' to provide the extra information necessary for its calculations.

In order for Payroll to run, it is supported by a number of technology or 'infrastructure' services. An infrastructure service does its work in the background, so that the business does not directly interact with it, but nevertheless this service is necessary as part of the overall value chain to the business service. 'Server administration', 'database administration' and 'storage administration' are all examples of infrastructure services required for the successful delivery of the Payroll business service (see Figure 1).

IT organizations have traditionally focused on managing the infrastructure services and technology silos. ITIL suggests a more holistic approach to managing services from end to end. Managing the entire business service along with its underlying components in a cohesive manner ensures that every aspect of a service is considered (and not just the individual technology silos) so that the required functionality (or utility) and service levels (or warranty) are delivered to the business customer. With respect to Payroll, this means accurate pay cheques for all employees, and service levels delivered within a certain timeframe, properly secured, and available when necessary.

ITIL can be adapted and used in conjunction with other good practices such as:

- COBIT (a framework for IT Governance and Controls)
- Six Sigma ( a quality methodology)
- TOGAF (a framework for IT architecture)
- ISO 27000 (a standard for IT security)
- ISO/IEC 20000 (a standard for IT service management).

# 2   The service lifecycle

ITIL is organized around a service lifecycle which includes service strategy, service design, service transition, service operation and continual service improvement.

The lifecycle starts with **service strategy** – understanding who the IT customers are, the service offerings that are required to meet the customers' needs, the IT capabilities and resources that are required to develop these offerings, and the requirements for executing them successfully. Driven by strategy throughout the course of delivery and support for the service, the IT service provider must always try to ensure that the cost of delivery is consistent with the value delivered to the customer.

**Service design** ensures that new and changed services are designed effectively to meet customer expectations. The technology and architecture required to meet customer needs cost-effectively are an integral part of service design, as are the processes required to manage the services. Service management systems and tools to adequately monitor and support new or
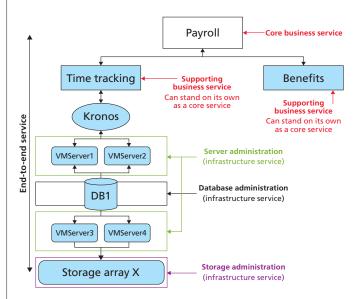


**Figure 1  The end-to-end service**

modified services must be considered, as well as mechanisms for measuring the service levels, the technology, and the efficiency and effectiveness of processes.

Through the **service transition** phase of the lifecycle the design is built, tested and moved into production to enable the business customer to achieve the desired value. This phase addresses managing changes: controlling the assets and configuration items (the underlying components such as hardware, software etc.) associated with the new and changed systems; service validation; and testing and transition planning to ensure that users, support personnel and the production environment have been prepared for the release to production.

Once transitioned, **service operation** then delivers the service on an ongoing basis, overseeing the daily overall health of the service. This includes managing disruptions to service through rapid restoration after incidents; determining the root cause of problems and detecting trends associated with recurring issues; handling daily routine end-user requests; and managing service access.

Enveloping the service lifecycle is **continual service improvement** (CSI). CSI offers a mechanism for the IT organization to measure and improve the service levels, the technology and the efficiency and effectiveness of processes used in the overall management of services.

# 3    Why would an organization be interested in ITIL?

Although today's technologies allow us to provide robust capabilities and afford significant flexibility, they are very complex. The global reach available to companies via the internet provides tremendous business opportunities while presenting further challenges regarding the confidentiality, integrity and availability of services and data. Additionally, IT organizations need to be able to meet or exceed service expectations while working as efficiently as possible. Consistent, repeatable processes are the key to efficiency, effectiveness and the ability to improve services. These consistent, repeatable processes are outlined in the ITIL framework.

## The benefits of ITIL

The main benefits of ITIL include:

- **Alignment with business needs** ITIL becomes an asset to the business when an IT organization can proactively recommend solutions as a response to one or more business needs. The IT steering group recommended in *ITIL Service Strategy* and the implementation of service portfolio management gives the service provider the opportunity to understand the business's current and future needs and develop service offerings that can address them.

- **Negotiated achievable service levels** Business and the IT service provider become true partners when they can agree upon realistic service levels that deliver the necessary value at an acceptable cost.

- **Predictable, consistent processes** Customer expectations can be set and are easier to meet through the use of predictable processes that are consistently applied. In addition, good-practice processes provide a solid foundation on which to lay the groundwork necessary to meet regulatory compliance requirements.

- **Efficiency in service delivery** Well-defined processes with clearly documented accountability for each activity as recommended through the use of a RACI matrix can significantly increase efficiency. In conjunction with the evaluation of efficiency metrics which indicate the time required to perform each activity, service delivery tasks can be optimized.

- **Measurable, improvable services and processes** The adage that you can't manage what you cannot measure rings true here. Consistent, repeatable processes can be measured and therefore can be better tuned for accurate delivery and overall effectiveness. For example, a critical success factor for incident management is to reduce the time to restore service. When predictable, consistent processes are used, key performance indicators such as mean time to restore service can be captured to determine whether this KPI is trending in a positive or negative direction. Additionally, under ITIL guidelines, services are designed to be measurable. With proper metrics and monitoring in place, IT organizations can monitor service level agreements (SLAs) and make improvements as necessary.

- **A common language** Terms are defined in a common glossary.

# 4    Which companies use ITIL?

Literally, thousands of companies worldwide and industries of all shapes and sizes have adopted ITIL. These include:

- Large technology companies such as Microsoft, HP, Fujitsu, IBM
- Retailers such as Target, Walmart and Staples
- Financial services organizations such as Citi, Bank of America, Barclays Bank
- Entertainment entities such as Sony, Disney
- Manufacturers such as Boeing, Toyota, Bombardier
- Life sciences companies such as Eli Lilly, Pfizer, Takeda Pharmaceuticals.

Because ITIL is a 'framework', it is meant to be adapted to suit the company's industry, size, organizational structure and requirements. It can be adopted broadly across the lifecycle or within particular process areas to enable any IT organization to be a true strategic asset to the business it supports.

# Further reading

Cabinet Office (2011). *ITIL Service Strategy*. TSO, London.

Cabinet Office (2011). *ITIL Service Design*. TSO, London.

Cabinet Office (2011). *ITIL Service Transition*. TSO, London.

Cabinet Office (2011). *ITIL Service Operation*. TSO, London.

Cabinet Office (2011). *ITIL Continual Service Improvement*. TSO, London.

See also the following websites:

**www.best-management-practice.com**

**www.itil-officialsite.com**

# About the author

Valerie Arraj is cofounder and managing director of Compliance Process Partners, an organization that specializes in laying the groundwork for IT compliance and service management excellence. Previously she was the ITSM global practice director delivering and overseeing ITSM consulting and training for a managed service provider.

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