

SCC VOICE

Thoughts and ideas from The Systems Consulting Consortium

What Is ITIL and How Can It Help My Organization?

The Information Technology Infrastructure Library (ITIL) is a cohesive set of best practices for IT Service Management. Developed by the United Kingdom's Office of Government Commerce (OGC) in the late 1980s to improve IT Service Management within the UK central government, its use spread to public and private sector companies in the European Community. More recently, many high-profile U.S. organizations such as Proctor and Gamble, IBM, Shell Oil, Hewlett-Packard, Caterpillar, and the Internal Revenue Service have all adopted ITIL.

ITIL's best practices are drawn from the public and private sectors internationally and the content continues to be updated, enhanced, and better organized. ITIL Service Management is divided into two categories: Service Support and Service Delivery. Service Support is comprised of: Configuration Management, Incident Management, Problem Management, Change Management, Service/Help Desk, and Release Management. Service Delivery consists of: Service Level Management, Capacity Management, Continuity Management, Availability Management, and IT Financial Management.

ITIL is not prescriptive; it does not provide a step-by-step task list to make your IT organization "world-class". ITIL provides a framework and catalog of IT operational processes, distilled from thousands of man-years of experience. Using the ITIL framework, organizations can establish, or improve, practices and processes to enhance IT services delivery.

Every business, regardless of industry and region, are facing two challenges: increasing service levels and reducing operational costs. Adopting and institutionalizing ITIL best practices provides a means of fulfilling these objectives, without drastic staff reductions or large capital investments.

The appeal for ITIL adoption is:

- Consistency. ITIL's best practices are based upon a suite of standard processes and procedures. ITIL provides a maturity roadmap for IT that is not based purely on technology.

- Business Alignment. The historical driving factor for ITIL adoption has been the need for tighter alignment of IT programs with business needs.
- Modularity. ITIL can be (should be) implemented in stages. Organizations are often able to build on IT practices and processes that are already in their organizations, rather than starting from scratch or trying to implement everything at once.
- Improved ROI of IT. The long-term focus is aimed at providing a framework to manage the Total Cost of Ownership (TCO) of IT services delivery. The U.S. firms that have been early adopters have reported stunning savings. For example, Proctor and Gamble attributes nearly \$125 million in IT cost savings a year due to the adoption of ITIL, this is almost 10% of their annual budget.
- Better asset utilization. Organizations that have adopted ITIL have realized improvements across a wide variety of their IT assets such as higher IT employee productivity, lower turnover of IT staff, reduced training expenses, more stable systems and applications, and lowered costs of handling incidents.

ITIL is a great collection of best practices for IT service management and any IT organization can benefit from its adoption. A good way to start is by performing an ITIL Assessment Survey. This will allow you to understand how well your organization is doing against ITIL best practices and identify areas where ITIL adoption is likely to have the most significant impact.

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