PRM - IT
IBM Process Reference Model for IT

Sequencing the DNA of IT Management

Table of Contents

Preface

The IBM Process Reference Model for Information Technology (PRM-IT) is a generic representation of the processes involved across the complete IT management domain. It contains a foundational examination of the IT process topic. It is for this reason the graphical image of the DNA double helix over the basic building block of a cell is used.

About this book

This is the fourth book in the PRM-IT Reference Library. As a reference manual, this book provides the complete description of all aspects of the process category.

Each reference manual begins with a summarization of the category, and then further considers each process in turn and the activities within each process.

Details are provided for:

- The definition of each activity
- Each control, input and output
- The sources and destinations of each control, input, and output (thereby showing the model linkages)

The full IDEF0 diagram for each category and each process is included.

The final page is a breakdown of the PRM-IT node tree for this category.

The PRM-IT Reference Library books

The PRM-IT Reference Library consists of thirteen books. The first book is the *General Information Manual*, it is a brief examination of the subject of IT processes, and provides a tour of the model.

The nine reference manuals are A0 through A8. The *A0 Manage IT* book examines the context of the processes for IT, exploring the key external agents — stakeholders and their interactions with IT. The reference manuals A1 through A8 provide the complete description of all aspects of the process categories.

The reference manual *IDEFØ Diagrams* presents the full model in IDEFØ notation, and *IDEFØ Node Tree* shows the ordered list of process categories, processes, and activities.

The final book, the *Glossary*, contains the definition of every process interface object for the model and provides references to where the objects are used.

PRM-IT Reference Library	
■ General Information	■ A6 Operations
■ A0 Manage IT	■ A7 Resilience
■ A1 Governance and Management System	■ A8 Administration
■ A2 Customer Relationships	■ IDEFØ Node Tree
■ A3 Direction	■ IDEFØ Diagrams
■ A4 Realization	■ PRM-IT Glossary
■ A5 Transition	

Intended audience

An understanding of the full range of the processes relevant to IT in any business is of value to those within the IT function responsible for the specification, creation, and delivery of IT services (whether at the CIO or IT executive level), and who consider the direction and overall management of IT. Or, individuals who work within any of its competencies, needing to interface with other parts of the IT value chain or value net.

Equally, the stakeholders in the business of this IT capability will benefit from greater insight into how IT serves them. This insight will enable them to better influence IT decisions and activities, to their ultimate benefit.

Next steps

PRM-IT is a powerful management tool for purposes of investigating and identifying areas for improvement. PRM-IT also provides a proven starting-point for the design and implementation of new and upgraded IT management capabilities.

IBM IT consultants, architects, and specialists in global services who, working from this common base, are equipped with a full range of methods, techniques, and tools to assist its customers achieve their purposes.

[A2] Customer Relationships

Description

Purpose

The Customer Relationships process category gives IT service providers a mechanism to understand, monitor, perform and compete effectively in the marketplace they serve. Through active communication and interaction with customers, this process category provides the IT enterprise with valuable, current information concerning customer wants, needs, and requirements. Once these requirements are captured and understood, the process category ensures that an effective market plan is created to bring the various IT services and capabilities to the marketplace.

Use of a Service Catalog contributes to effective communication with customers, and also provides everyday usage details to approved users of services. In support of delivering these services, service level agreements (SLAs), underpinning contracts (UCs), and operational level agreements (OLAs) are planned, created, implemented, monitored, and continuously improved in this process category. A sound understanding of the real demand for services, categorized by the mix of user communities, helps ensure the vitality of SLAs and underpins achievement of targets.

As the dependence of business activities on technology-based support grows, assistance is needed to help customers understand and exploit the transformation potential from technology. While the IT services are in operation, customer satisfaction data is continuously gathered, monitored, and recorded to enhance IT service capabilities and IT's presence in the enterprise.

The governance and implementation details of each process will depend on the essential nature of the relationship with customers, most obviously indicated by whether they are internal or external. For an IT provider solely serving internal customers there can be little or no flexibility in the choice of marketplace. (ITIL uses the term Market Space, defined as "All opportunities that an IT Service Provider could exploit to meet business needs of Customers. The Market Space identifies the possible IT Services that an IT Service Provider may wish to consider delivering."[1]) This marketplace selection decision occurs in the Direction category; here, the customer-facing implications of those decisions are addressed and can result in more than one implementation of each process depending on the market complexity.

Rationale

The Customer Relationships process category ensures that the IT enterprise is effective in the marketplace, whether internal or external. Through active market research, the IT services are kept current with the dynamic wants, needs, requirements, and demand level of customers. Furthermore, customer satisfaction data is gathered and reported in order to find areas of the IT services that require improvement. Overall, this process category provides a means for the IT enterprise to understand customer requirements, market IT services to customers, ensure and monitor the quality of the delivered IT services, and contribute to the maximization of business value from technology usage.

Value

- Improves communication and understanding of customer wants and needs
- Identifies new market opportunities
- Coordinates the marketing and selling of IT services

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1. ITIL V3 Glossary

- Establishes clear service level expectations
- Highlights areas within IT services delivery requiring improvement
- Identifies updates to IT services for greater effectiveness in meeting customer requirements
- Guides customers in understanding where and how technology can transform their business
- Enhances customer satisfaction and loyalty

Controls

- Architecture Baselines and Roadmaps (From: A3 A33 A334)
- IT Management Ecosystem (From: A1)
- Business Strategy
- IT Budget (From: A8 A81 A813)
- IT Strategy (From: A3 A31 A315)
- Security Policy (From: A7 A72 A722)
- Business and IT Models (From: A3 A33 A333)
- IT Plan (From: A3 A36 A365)
- IT Portfolio (From: A3 A36 A365)

Inputs

- Environment Information (From: outside the model)
- Customer Input (From: outside the model)
- Business Input (From: outside the model)
- Underpinning Contracts (From: A8 A82 A823)
- IT Research Guidance (From: A3 A32 A325)
- Service Metric Data and Reports (From: A6)
- Incident Information (From: A6 A65 A657)
- Problem Information (From: A6 A66 A667)
- Service Resilience Plans (From: A7)
- Change Information (From: A5 A51 A518)
- Solution Plans and Commitments (From: A4 A41 A42 A422 A425 A43 A432 A44 A442 A45 A452)
- Product Package (From: A3 A35 A353 A354 A355)

Outputs

- Customer Output (To: outside the model A276)
- Business Output (To: outside the model)
- SLAs, OLAs, UCs (To: A22 A223 A226 A227 A244 A245 A246 A25 A254 A26 A265 A27 A271 A273 A3 A35 A354 A355 A4 A41 A412 A413 A414 A45 A453 A454 A5 A51 A511 A514 A515 A52 A522 A525 A53 A532 A534 A536 A538 A6 A61 A612 A615 A62 A621 A63 A632 A64 A641 A65 A651 A66 A661 A663 A665 A667 A67 A671 A7 A72 A723 A726 A727 A73 A732 A734 A74 A741 A742 A743 A744 A745 A75 A751 A76 A762 A763 A764 A766 A8 A81 A814 A815 A82 A823 A83 A834 A84 A842)
- Service Catalog (To: A21 A213 A22 A222 A223 A224 A226 A236 A24 A242 A243 A25 A254 A26 A264 A265 A266 A27 A271 A273 A3 A35 A352 A36 A362 A5 A51 A513 A52 A522 A53 A532 A54 A541 A6 A61 A611 A612 A613 A7 A73 A731 A74 A742 A76 A761 A8 A81 A812 A83 A831 A833 A834)

- Change Request (To: A5 A51 A512)
- Stakeholder Requirements (To: A214 A22 A222 A26 A264 A3 A35 A352 A36 A364 A365 A4 A41 A413 A7 A73 A732)
- Service Level Package (To: A22 A226 A23 A233 A234 A24 A243 A246 A256 A3 A35 A354 A355 A4 A41 A412 A413 A42 A422 A423 A7 A74 A742 A744 A8 A83 A833 A834)
- Project Proposal (To: A3 A34 A342 A35 A352 A36 A364)
- Market Analysis (To: A1 A11 A112 A113 A21 A211 A223 A23 A232 A25 A252 A26 A262 A3 A31 A313 A34 A343 A35 A352 A36 A364 A365)
- Incident (To: A537 A6 A65 A652)

Processes

This process category is composed of these processes:

- A21 Stakeholder Requirements Management
- A22 Service Marketing and Sales
- A23 Service Catalog Management
- A24 Service Level Management
- A25 Demand Management
- A26 IT Customer Transformation Management
- A27 Customer Satisfaction Management
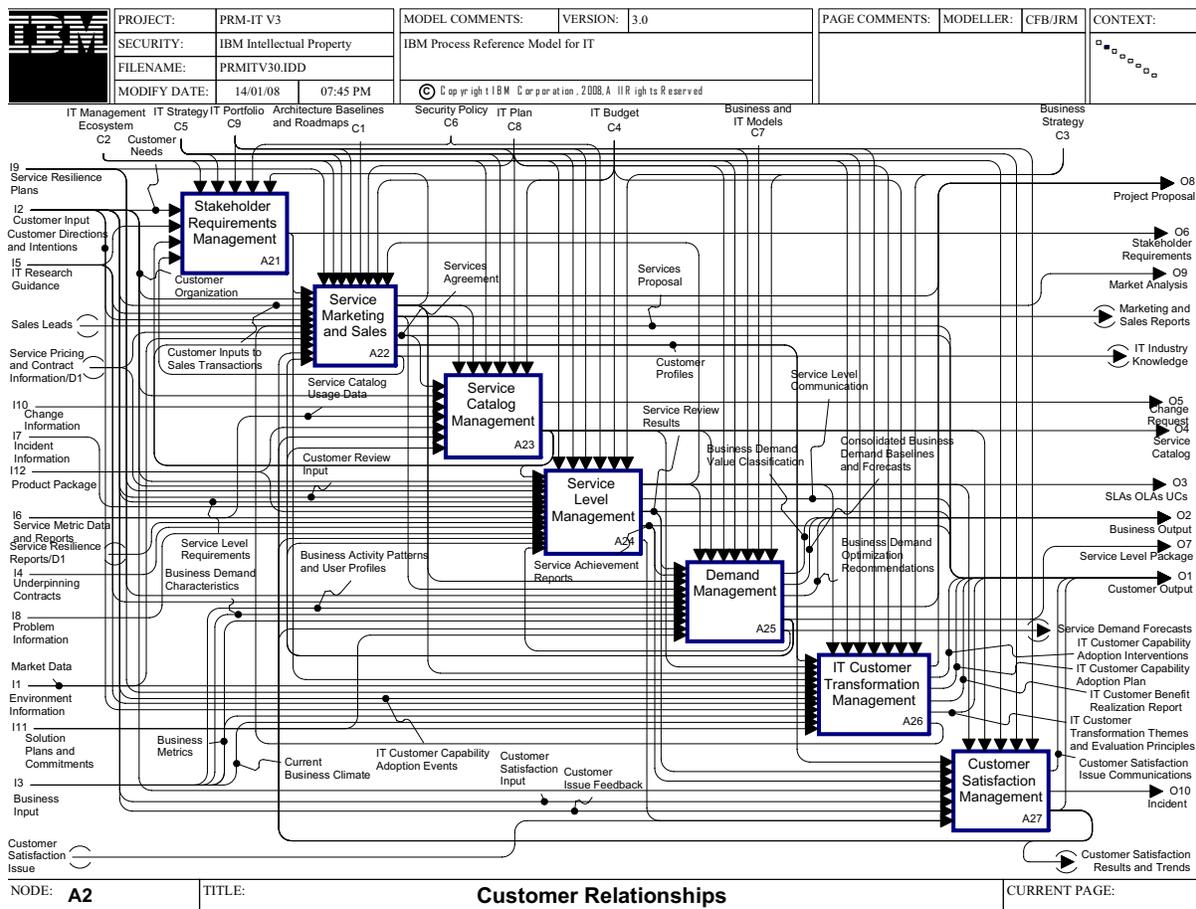
Figure 1. A2 Customer Relationships Diagram

[A21] Stakeholder Requirements Management

Purpose

The purpose of the Stakeholder Requirements process is to capture, classify, qualify, promote, and maintain requirements for IT services, from the business and for the management of IT activities. This also involves providing information on the status of all requirements throughout their life cylce.

Definition of stakeholder: "All people who have an interest in an organization, project, IT service etc. Stakeholders may be interested in the activities, targets, resources, or deliverables. Stakeholders may include customers, partners, employees, shareholders, owners, etc."[2]

Outcomes

As a result of the successful implementation of this process:

- IT service stakeholders provide input concerning individual services or collections of services
- An agreement can be defined between IT customers and providers concerning an IT service and IT service components
- Implemented requirements are justified
- IT service management can better meet the stated needs and expectations of customers

Scope

This process is the starting point for the translation of customer needs, typically expressed in business terms, into functional requirements (in IT terms) that can be acted on by other processes. It begins with recognizing, verbalizing, and documenting needs. It ends with an established set of feasible and measurable requirements that is maintained until the requirements are satisfied, changed, or rejected.

Includes

- Handling requirements in support of business capabilities
- Handling requirements in support of infrastructure capabilities
- Initial feasibility analysis to confirm requirements
- Customer validation of requirements statements
- Tracking and communicating the status of requirements

Excludes

- Order taking (Service Marketing and Sales)
- Detailed requirements analysis for any application or service (Solution Requirements)
- Activities that deliver solutions and services for the agreed requirements (Realization category of processes beyond Solution Requirements)

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2. ITIL V3 Glossary

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Controls

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- Security Policy (From: A7 A72 A722)

  The statement of the types and levels of security over information technology resources and capabilities that must be established and operated in order for those items to be considered *secure*. It provides management direction into the allowable behaviors of the actors working with the resources and exercising the capabilities. It defines the scope of management and specifies the requirements for the security controls.

- Market Analysis (From: A2 A22 A222)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

Inputs

- Customer Needs

  An expression in the customer's terms of their wants, needs, and aspirations for IT service, in both functional and non-functional ways.

- IT Research Guidance (From: A3 A32 A325)

  Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[3]

- IT Industry Knowledge (From: A22 A228)

  Information about the IT industry (in general) and competitive IT service providers (in particular) which has been created as a by-product of marketing and sales activities.

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3. ITIL V3 Glossary

Outputs

- Stakeholder Requirements (To: A214 A22 A222 A26 A264 A3 A35 A352 A36 A364 A365 A4 A41 A413 A7 A73 A732)

  The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

  These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

Activities

This process is composed of these activities:

- A211 Establish Stakeholder Requirements Management Framework
- A212 Capture Stakeholder Needs
- A213 Transform Needs into Stakeholder Requirements
- A214 Monitor and Report Stakeholder Needs and Requirements
- A215 Evaluate Stakeholder Requirements Management Performance
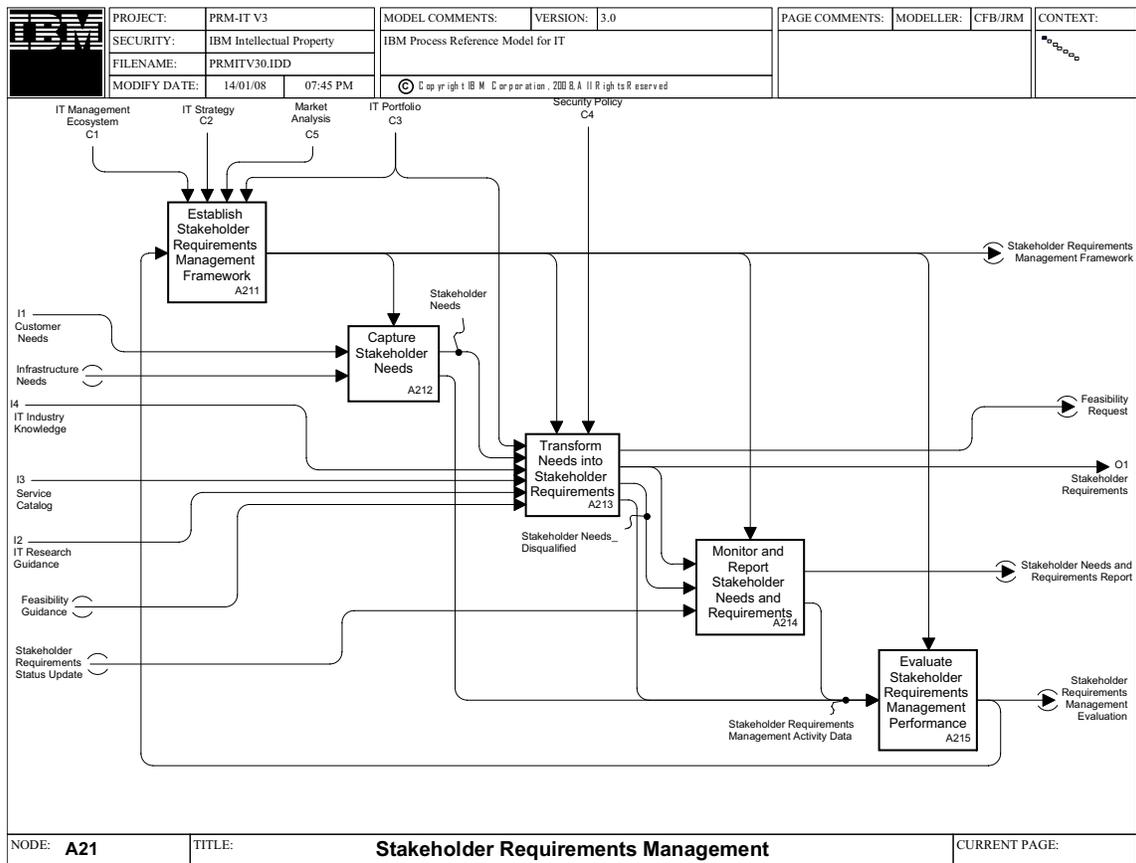
Figure 2. A21 Stakeholder Requirements Management

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[A211] Establish Stakeholder Requirements Management Framework

Description

A framework and guidelines for Stakeholder Requirements Management are developed based on business and IT strategy. The tasks in this activity include:

- Understanding the requirements and specifications for Stakeholder Requirements Management practices
- Enacting the strategy for Stakeholder Requirements Management automated support
- Defining evaluation criteria for Stakeholder Requirements Management solutions and services
- Establishing the framework for Stakeholder Requirements Management by defining and implementing practices and systems that support process activities
- Determining skill requirements for the staff and assigning staff based on these systems

Finally, the structure and process of Stakeholder Requirements Management including escalation responsibilities have to be communicated to the process users.

The establishment of the process framework also includes the continuous improvement of Stakeholder Requirements Management, meaning the consideration of the Stakeholder Requirements Management process evaluation and the implementation of recommended improvement actions.

Controls

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- Market Analysis (From: A2 A22 A222)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- Stakeholder Requirements Management Evaluation (From: A215)

  An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

Outputs

- Stakeholder Requirements Management Framework (To: A212 A213 A214 A215)

  The framework that governs how the process operates to capture, track, and communicate stakeholder needs and requirements.

[A212] Capture Stakeholder Needs

Description

This activity involves soliciting needs from stakeholders of IT services. This solicitation can occur through methods such as telephone calls, surveys, or other techniques. Such solicitation can be proactive to anticipate needs that stakeholders might not yet have recognized.

Controls

- Stakeholder Requirements Management Framework (From: A211)

  The framework that governs how the process operates to capture, track, and communicate stakeholder needs and requirements.

Inputs

- Customer Needs

  An expression in the customer's terms of their wants, needs, and aspirations for IT service, in both functional and non-functional ways.
- Infrastructure Needs

  Conditions where a gap in the current infrastructure exists and requires assistance to be filled. (Includes input such as security requirements from Security Management.)

Outputs

- Stakeholder Needs (To: A213)

  Conditions describing any stakeholder need for services.
- Stakeholder Requirements Management Activity Data (To: A215)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A213] Transform Needs into Stakeholder Requirements

Description

This activity involves transforming needs from customers and other stakeholders into acceptable stakeholder requirements. For example, interpreting requests and putting them into a form whereby providers of IT services can develop a solution and its acceptance criteria, establish priorities, and obtain agreement from the originator on the interpretation.

Controls

- Stakeholder Requirements Management Framework (From: A211)

  The framework that governs how the process operates to capture, track, and communicate stakeholder needs and requirements.
- Security Policy (From: A7 A72 A722)

  The statement of the types and levels of security over information technology resources and capabilities that must be established and operated in order for those items to be considered *secure*. It provides management direction into the allowable behaviors of the actors working with the resources and exercising the capabilities. It defines the scope of management and specifies the requirements for the security controls.

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Inputs

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- Stakeholder Needs (From: A212)

  Conditions describing any stakeholder need for services.

- IT Industry Knowledge (From: A22 A228)

  Information about the IT industry (in general) and competitive IT service providers (in particular) which has been created as a by-product of marketing and sales activities.

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[4]

- IT Research Guidance (From: A3 A32 A325)

  Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

- Feasibility Guidance

  Could be either or both of:

  - A mechanism to evaluate and qualify customer needs
  - A feasibility report on a specific set of expressed potential requirements

Outputs

- Feasibility Request

  A request which expresses the desire to qualify a customer need using a structured needs evaluation framework. This request could be handled by many processes, including IT Portfolio Management, IT Research and Innovation, Solution Requirements, Solution Analysis and Design.

- Stakeholder Requirements (To: A214 A22 A222 A26 A264 A3 A35 A352 A36 A364 A365 A4 A41 A413 A7 A73 A732)

  The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

  These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

- Stakeholder Needs_ Disqualified (To: A214)

  Needs that do not have the proper business justification or are assessed as beyond technical feasibility.

- Stakeholder Requirements Management Activity Data (To: A215)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

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4. ITIL V3 Glossary

[A214] Monitor and Report Stakeholder Needs and Requirements

Description

The service provider's interpretation of the stakeholder needs and requirements is communicated to the originator and any other relevant, interested parties using a report. The communication of the report ensures the stakeholder's acceptance of the needs and requirements interpretation.

Controls

- Stakeholder Requirements Management Framework (From: A211)

  The framework that governs how the process operates to capture, track, and communicate stakeholder needs and requirements.

Inputs

- Stakeholder Requirements (From: A2 A21 A213)

  The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

  These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

- Stakeholder Needs_ Disqualified (From: A213)

  Needs that do not have the proper business justification or are assessed as beyond technical feasibility.

- Stakeholder Requirements Status Update

  Notifications from any process which addresses these requirements as to their status, especially when there it changes in some way.

Outputs

- Stakeholder Needs and Requirements Report

  Document outlining the IT service provider's interpretation of the customers' and other stakeholders' service needs and requirements. It also provides information about the status and progress of individual or sets of needs or requirements.

- Stakeholder Requirements Management Activity Data (To: A215)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A215] Evaluate Stakeholder Requirements Management Performance

Description

The evaluation of the performance of the process' aims at identifying areas of the overall activities that require improvement. For example, the foundation and interfaces of the process, all activities, their accomplishment, their degree of automation, as well as the roles and responsibilities including the respective skills. The bases for the improvements are the insights and the lessons learned from the observations and analysis of activity accomplishments and results.

Controls

- Stakeholder Requirements Management Framework (From: A211)

  The framework that governs how the process operates to capture, track, and communicate stakeholder needs and requirements.

Inputs

- Stakeholder Requirements Management Activity Data (From: A212 A213 A214)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

Outputs

- Stakeholder Requirements Management Evaluation (To: A211)

  An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

[A22] Service Marketing and Sales

Purpose

The purpose of Service Marketing and Sales process is two fold:

- Marketing – To understand the marketplace served by the providers of IT, to identify customers, to market to them, to generate marketing plans for IT services, and support the selling of IT services
- Sales – To match up customer wants and needs with IT service capabilities, and to sell appropriate IT services

Outcomes

As a result of the successful implementation of this process:

- Existing and potential customers have visibility and understanding of IT capabilities
- Awareness of IT services and capabilities is stimulated
- Customer and marketplace trends and opportunities are understood
- IT service contracts are established at the optimum price point for both customer and provider
- The IT organization is promoted as the IT service provider of choice

Scope

The process addresses marketing to both general and specific customer needs. It involves working with current internal and external customers as well as identifying potential customers. It supports the marketing and selling of both current services and potential solutions and services.

Includes

- Understanding the market, customer segmentation, the opportunities and the competitive (to the IT service provider) threats
- Developing the list of prospects
- Generating marketing and sales collateral; communicating the features, advantages, and benefits for unique buying criteria
- Negotiating and closing sales within pricing guidance and rules

Excludes

- Deciding to commission service and solution extensions (Portfolio Management)
- Developing solutions and services (Realization category of processes)
- Implementing solutions (Transition category of processes)
- Preparing contracts (Service Pricing and Contract Administration)
- Establishing pricing guidance and rules (Service Pricing and Contract Administration)

Controls

- Service Resilience Plans (From: A7)

  The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

  - Compliance Management

- Security Management
- Availability Management
- Capacity Management
- Facilities Management
- IT Service Continuity Management (See the definition of the plan output from each individual process for more details.)

■ IT Management Ecosystem (From: A1)

To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

■ IT Strategy (From: A3 A31 A315)

A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

■ Architecture Baselines and Roadmaps (From: A3 A33 A334)

Provides an agreed, published statement of the required architecture at a moment in time. Includes statements to assist in selection and evaluation of appropriate implementations of specified architecture building blocks.

■ IT Plan (From: A3 A36 A365)

The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

■ IT Budget (From: A8 A81 A813)

The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

■ SLAs, OLAs, UCs (From: A2 A24 A243)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

- SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[5]
- OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to

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5. ITIL V3 Glossary

Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[6]

- UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[7]

These agreements can be in a draft or finalized status.

Inputs

- Stakeholder Requirements (From: A2 A21 A213)

  The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

  These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

- Customer Organization

  Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

- Customer Inputs to Sales Transactions

  Customer wants, needs, or general requests around a specific sales opportunity.

- IT Research Guidance (From: A3 A32 A325)

  Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

- Customer Directions and Intentions

  Information from customers, whether expressly or implicitly stated within other communications, which indicates the customers' strategies, plans, wish lists, or other intentions on the subject of IT service.

- Sales Leads (From: A224 A26 A264)

  A notice that there might be a potential customer for one or more IT provider services.

- Service Pricing and Contract Information (From: A83)

  Ranges from generic to specific:

  - Services and price list (the complete service price model)
  - Standard terms and conditions
  - Individual actual and proposed terms and conditions for a specific customer

- Market Data

  A collection of qualitative and quantitative data items which describe the current and potential future state of the IT service provider marketplace.

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the

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6. ITIL V3 Glossary
7. ITIL V3 Glossary

sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[8]

- Customer Satisfaction Results and Trends (From: A27 A276)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

- Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity."[9]

Outputs

- Project Proposal (To: A3 A34 A342 A35 A352 A36 A364)

A formal statement of an idea being put forward for consideration that includes the business case for the proposed IT investment.

- Market Analysis (To: A1 A11 A112 A113 A21 A211 A223 A23 A232 A25 A252 A26 A262 A3 A31 A313 A34 A343 A35 A352 A36 A364 A365)

A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- Marketing and Sales Reports (To: A23 A234 A25 A255 A273 A275 A835)

Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

- Services Proposal (To: A227 A834)

A document outlining a potential services solution to meet a specific set of customer needs.

- Services Agreement (To: A23 A233 A234 A834)

A contractual agreement between IT provider and customer with the intent to exchange a set of committed deliverables from the provider for a price to be paid by the customer, under a set of agreed terms and conditions.

- Customer Profiles (To: A225 A26 A262 A27 A271)

The body of knowledge about each customer as a result from marketing and sales activities.

- IT Industry Knowledge (To: A21 A213)

Information about the IT industry (in general) and competitive IT service providers (in particular) which has been created as a by-product of marketing and sales activities.

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8. ITIL V3 Glossary
9. ITIL V3 Glossary

Activities

This process is composed of these activities:

- A221 Establish Service Marketing and Sales Framework
- A222 Analyze Market Wants and Needs
- A223 Create Marketing Plan
- A224 Execute Marketing Plan
- A225 Manage Opportunities and Forecast Sales
- A226 Consult and Propose Services Solutions
- A227 Negotiate and Close Services Opportunity
- A228 Analyze and Report Marketing and Sales Results
- A229 Evaluate Service Marketing and Sales Performance
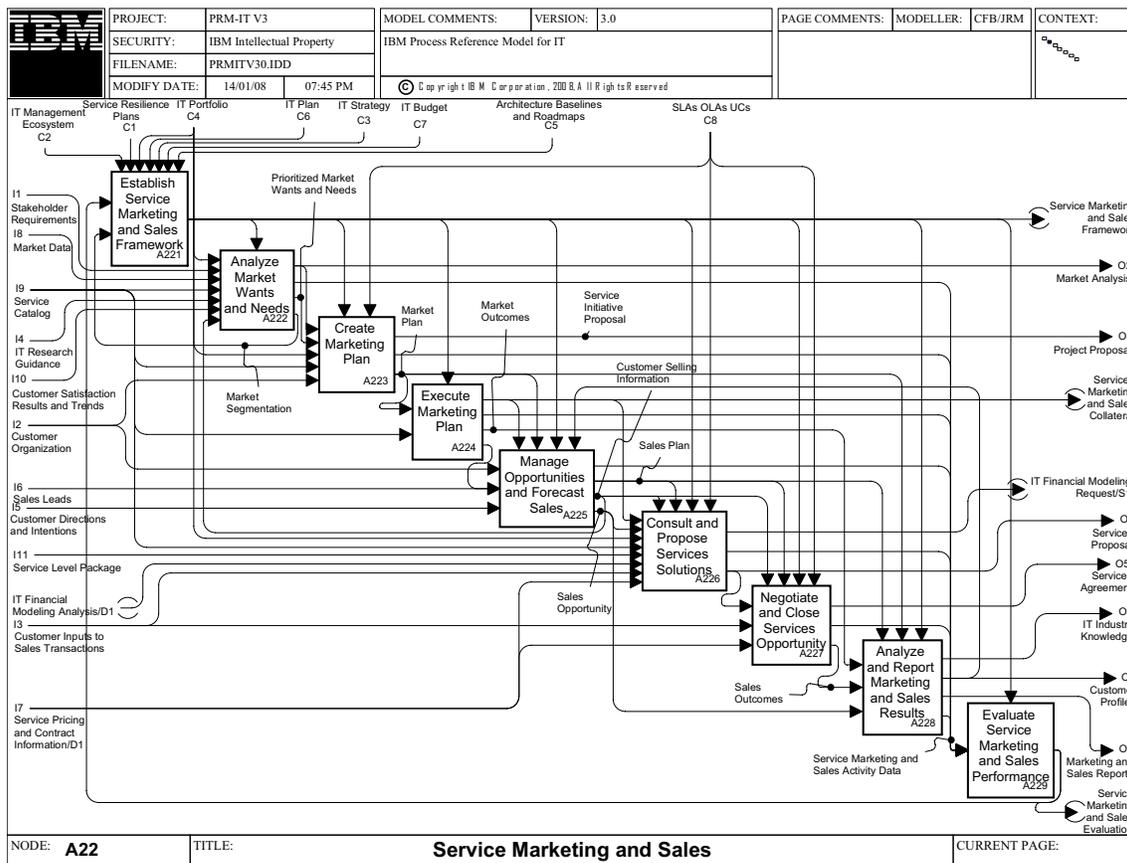
Figure 3. A22 Service Marketing and Sales

[A221] Establish Service Marketing and Sales Framework

Description

Based on the business and IT strategy, guidelines and a framework for service marketing and sales have to be developed. The following tasks belong to this activity:

- Understanding the requirements and specifications for service marketing and sales management
- Defining the strategy for service marketing and sales management tools and capabilities, and how they should be sourced. For example, should they be developed in-house or rely more on vendor capabilities
- Defining evaluation criteria for service marketing and sales management solutions and services
- Establishing the framework for service marketing and sales management by defining and implementing practices and systems that support process activities
- Determining skill requirements based on these systems for the staff, and assigning staff

Finally, the structure and process of service marketing and sales management including escalation responsibilities have to be communicated to the process users.

The establishment of the process framework also includes the continuous improvement of service marketing and sales management; that is, the consideration of the Service Marketing and Sales process evaluation and the implementation of recommended improvement actions.

Controls

- IT Management Ecosystem (From: A1)

    To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- Service Resilience Plans (From: A7)

    The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

    - Compliance Management
    - Security Management
    - Availability Management
    - Capacity Management
    - Facilities Management
    - IT Service Continuity Management (See the definition of the plan output from each individual process for more details.)

- IT Portfolio (From: A3 A36 A365)

    A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- IT Plan (From: A3 A36 A365)

    The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

- IT Strategy (From: A3 A31 A315)

    A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and

required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

■ IT Budget (From: A8 A81 A813)

The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

■ Architecture Baselines and Roadmaps (From: A3 A33 A334)

Provides an agreed, published statement of the required architecture at a moment in time. Includes statements to assist in selection and evaluation of appropriate implementations of specified architecture building blocks.

Inputs

■ Service Marketing and Sales Evaluation (From: A229)

An analysis of service marketing and sales activity data providing an understanding of the current success or failure of the process, and an identification of potential process improvements.

■ Market Segmentation (From: A222)

Customer grouping based on common service consumption patterns.

Outputs

■ Service Marketing and Sales Framework (To: A222 A223 A224 A225 A226 A227 A228 A229)

The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

[A222] Analyze Market Wants and Needs

Description

The IT service provider marketplace is analyzed for wants, needs, trends and directions. General marketplace patterns (including competitive alternative sources of IT service provision), potential new research and development areas as well as current customer service requirements are positioned and structured against the current IT provider service offerings. The outcome is a prioritized set of service oriented market wants and needs, as well as general analysis of marketplace trends and directions.

Controls

■ Service Marketing and Sales Framework (From: A221)

The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

Inputs

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- Stakeholder Requirements (From: A2 A21 A213)

  The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

  These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

  A collection of qualitative and quantitative data items which describe the current and potential future state of the IT service provider marketplace.Market Data

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[10]

- IT Research Guidance (From: A3 A32 A325)

  Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

- Customer Satisfaction Results and Trends (From: A27 A276)

  A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

- Customer Selling Information (From: A225)

  General data on the customer such as contact name, address, position title, organization name, customer number, and more.

Outputs

- Market Analysis (To: A1 A11 A112 A113 A21 A211 A223 A23 A232 A25 A252 A26 A262 A3 A31 A313 A34 A343 A35 A352 A36 A364 A365)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- Service Marketing and Sales Activity Data (To: A229)

  The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

- Prioritized Market Wants and Needs (To: A223)

  A comprehensive set of capabilities the marketplace is seeking from an IT service provider, prioritized according to business justification.

- Market Segmentation (To: A221)

  Customer grouping based on common service consumption patterns.

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10. ITIL V3 Glossary

[A223] Create Marketing Plan

Description

This activity creates a service-oriented market plan through analysis of a prioritized set of marketplace wants and needs, as well as documented customer service requirements. The market plan is used as the basis of a structured approach for targeting communications to potential customers.

As service initiative proposals are generated to address gaps in the market plan, they become project proposals.

Controls

- Service Marketing and Sales Framework (From: A221)

  The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[11]

  - OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[12]

  - UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[13]

  These agreements can be in a draft or finalized status.

Inputs

- Market Analysis (From: A2 A22 A222)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

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11. ITIL V3 Glossary
12. Both ITIL V3 Glossary
13. ITIL V3 Glossary

■ Prioritized Market Wants and Needs (From: A222)

A comprehensive set of capabilities the marketplace is seeking from an IT service provider, prioritized according to business justification.

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[14]

■ Customer Organization

Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

Outputs

■ Service Initiative Proposal

A document describing a potential new service, the gap it will fill in the current IT service portfolio, and the initiative that will be required to put the service in place. This document includes a business case.

■ Service Marketing and Sales Activity Data (To: A229)

The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

■ Market Plan (To: A224 A225 A228 A232)

A document that structures the approach to target customers with the current and under development IT service offerings.

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14. ITIL V3 Glossary

[A224] Execute Marketing Plan

Description

The execution of the market plan involves structured, targeted communication of specific messages to specific market segments, promoting the IT provider's services. This can include publishing and advertising (formally and informally) these services.

Controls

- Service Marketing and Sales Framework (From: A221)

  The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

Inputs

- Market Plan (From: A223)

  A document that structures the approach to target customers with the current and under development IT service offerings.

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[15]

Outputs

- Services Marketing and Sales Collateral (To: A225 A226)

  Items used to promote the proposed solution to a customer.

- Service Marketing and Sales Activity Data (To: A229)

  The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

- Market Outcomes (To: A228)

  The results of efforts to create market awareness and thereby generate demand for the IT service provider's portfolio of solutions. An example would be the number of articles which reference the provider's services.

- Sales Leads (To: A22 A225)

  A notice that there might be a potential customer for one or more IT provider services.

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15. ITIL V3 Glossary

[A225] Manage Opportunities and Forecast Sales

Description

This activity identifies, qualifies, tracks, and manages all IT service sales opportunities in support of the market plan. Its primary responsibility is to provide a streamlined sales process that focuses on high-priority, high-value opportunities while also ensuring that all potential sales, across the entire customer base, are being addressed. This activity also produces sales forecasts.

Controls

- Services Marketing and Sales Collateral (From: A224)

  Items used to promote the proposed solution to a customer.

- Market Plan (From: A223)

  A document that structures the approach to target customers with the current and under development IT service offerings.

- Service Marketing and Sales Framework (From: A221)

  The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

- Customer Profiles (From: A22 A228)

  The body of knowledge about each customer as a result from marketing and sales activities.

Inputs

- Customer Organization

  Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

- Sales Leads (From: A224 A26 A264)

  A notice that there might be a potential customer for one or more IT provider services.

- Customer Directions and Intentions

  Information from customers, whether expressly or implicitly stated within other communications, which indicates the customers' strategies, plans, wish lists, or other intentions on the subject of IT service.

Outputs

- Service Marketing and Sales Activity Data (To: A229)

  The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

- Sales Plan (To: A226 A227 A228)

  The plan put in place to manage customer sales interaction with an intention of growing and streamlining the sales pipeline.

- Customer Selling Information (To: A222 A226 A227)

  General data on the customer such as contact name, address, position title, organization name, customer number, and more.

- Sales Opportunity (To: A226 A228)

  A qualified sales lead, in which a customer has expressed interest for one or more IT services and would like an understanding of how the services might specifically apply to its environment and for what price.

[A226] Consult and Propose Services Solutions

Description

This activity is responsible for working with customer prospects to understand their specific needs and IT service opportunities, and then communicating how current service offerings can potentially fulfill those needs. Once the opportunity has been properly qualified, the result is a proposal that details how the prospective customer's needs will be met with one or more of the IT provider's service solutions.

Controls

- Customer Selling Information (From: A225)

  General data on the customer such as contact name, address, position title, organization name, customer number, and more.

- Sales Plan (From: A225)

  The plan put in place to manage customer sales interaction with an intention of growing and streamlining the sales pipeline.

- Service Marketing and Sales Framework (From: A221)

  The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[16]
  - OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[17]
  - UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[18]

  These agreements can be in a draft or finalized status.

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16. ITIL V3 Glossary
17. ITIL V3 Glossary
18. ITIL V3 Glossary

Inputs

■ Services Marketing and Sales Collateral (From: A224)

Items used to promote the proposed solution to a customer.

■ Sales Opportunity (From: A225)

A qualified sales lead, in which a customer has expressed interest for one or more IT services and would like an understanding of how the services might specifically apply to its environment and for what price.

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[19]

■ Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity."[20]

■ IT Financial Modeling Analysis (From: A812)

The outcome of the request for modeling the financial implications of any aspect of the IT undertakings.

■ Customer Inputs to Sales Transactions

Customer wants, needs, or general requests around a specific sales opportunity.

■ Service Pricing and Contract Information (From: A83)

Ranges from generic to specific:

- Services and price list (the complete service price model)
- Standard terms and conditions
- Individual actual and proposed terms and conditions for a specific customer

Outputs

■ IT Financial Modeling Request (To: A812)

A request for financial modeling to be performed so that the financial implications of a potential proposal relating to IT resources and capabilities can be understood. Any process can originate this type of request.

■ Service Marketing and Sales Activity Data (To: A229)

The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

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19. ITIL V3 Glossary
20. ITIL V3 Glossary

■ Services Proposal (To: A227 A834)

A document outlining a potential services solution to meet a specific set of customer needs.

[A227] Negotiate and Close Services Opportunity

Description

This activity manages services proposals from the point they are delivered to potential customers. It is responsible for acknowledging client feedback related to the proposal including, but not limited to, content, legal terms and conditions, and pricing. Adjustments can be made to the proposal based on customer feedback. The activity produces a signed contract or a closed opportunity.

Controls

■ Customer Selling Information (From: A225)

General data on the customer such as contact name, address, position title, organization name, customer number, and more.

■ Sales Plan (From: A225)

The plan put in place to manage customer sales interaction with an intention of growing and streamlining the sales pipeline.

■ Service Marketing and Sales Framework (From: A221)

The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

■ SLAs, OLAs, UCs (From: A2 A24 A243)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

● SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[21]

● OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties." [22]

● UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[23]

These agreements can be in a draft or finalized status.

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21. ITIL V3 Glossary
22. ITIL V3 Glossary
23. ITIL V3 Glossary

Inputs

- Services Proposal (From: A22 A226)

  A document outlining a potential services solution to meet a specific set of customer needs.
- Customer Inputs to Sales Transactions

  Customer wants, needs, or general requests around a specific sales opportunity.
- Service Pricing and Contract Information (From: A83)

  Ranges from generic to specific:

  - Services and price list (the complete service price model)
  - Standard terms and conditions
  - Individual actual and proposed terms and conditions for a specific customer

Outputs

- Services Agreement (To: A23 A233 A234 A834)

  A contractual agreement between IT provider and customer with the intent to exchange a set of committed deliverables from the provider for a price to be paid by the customer, under a set of agreed terms and conditions.
- Service Marketing and Sales Activity Data (To: A229)

  The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.
- Sales Outcomes (To: A228)

  The final determination of the sales process, whether the sale closed or was rejected by the customer.

[A228] Analyze and Report Marketing and Sales Results

Description

This activity compares actual marketing and sales results to the market plan, and reports achievement metrics which describe the effectiveness of marketing and sales execution for a given reporting period.

Controls

- Sales Plan (From: A225)

  The plan put in place to manage customer sales interaction with an intention of growing and streamlining the sales pipeline.
- Market Plan (From: A223)

  A document that structures the approach to target customers with the current and under development IT service offerings.
- Service Marketing and Sales Framework (From: A221)

  The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

Inputs

- Market Outcomes (From: A224)

  The results of efforts to create market awareness and thereby generate demand for the IT service provider's portfolio of solutions. An example would be the number of articles which reference the provider's services.

- Sales Outcomes (From: A227)

  The final determination of the sales process, whether the sale closed or was rejected by the customer.

- Sales Opportunity (From: A225)

  A qualified sales lead, in which a customer has expressed interest for one or more IT services and would like an understanding of how the services might specifically apply to its environment and for what price.

Outputs

- IT Industry Knowledge (To: A21 A213)

  Information about the IT industry (in general) and competitive IT service providers (in particular) which has been created as a by-product of marketing and sales activities.

- Customer Profiles (To: A225 A26 A262 A27 A271)

  The body of knowledge about each customer as a result from marketing and sales activities.

- Marketing and Sales Reports (To: A23 A234 A25 A255 A273 A275 A835)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

- Service Marketing and Sales Activity Data (To: A229)

  The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

[A229] Evaluate Service Marketing and Sales Performance

Description

The evaluation of Service Marketing and Sales Process performance identifies all areas that need improvement; such as the foundation and interfaces of the process, activity definitions, key performance metrics, the state of supporting automation, as well as the roles and responsibilities and skills required. Insights and lessons learned from direct observation and data collected on process performance are the basis for improvement recommendations.

Controls

- Service Marketing and Sales Framework (From: A221)

  The overall scheme of policies, practices, plans, processes, and procedures designed to govern and optimize all activities for Service Marketing and Sales.

Inputs

- Service Marketing and Sales Activity Data (From: A222 A223 A224 A225 A226 A227 A228)

  The metrics defined in the Service Marketing and Sales Framework and populated by all work performed within the process, as the basis to evaluate performance of the process.

Outputs

- Service Marketing and Sales Evaluation (To: A221)

  An analysis of service marketing and sales activity data providing an understanding of the current success or failure of the process, and an identification of potential process improvements.

[A23] Service Catalog Management

Purpose

The purpose of the Service Catalog Management process is to provide an authoritative source of consistent information on all agreed services and ensure that it is widely accessible to those who are approved to view this information.

Outcomes

As a result of the successful implementation of this process:

- Customers and approved users trust the published service catalog as the authoritative description of the services available to them
- Accurate information on all operational services and those being prepared to be run operationally (details, status, interfaces and dependencies) is maintained and updated in the service catalog
- Role-based views of the Service Catalog are created and maintained in order for each role (such as customers, end users, service management support personnel) to understand service definitions and use the information effectively
- The services catalog is aligned and consistent with the Service Provider and Customer needs

Scope

The primary output of the process is the Service Catalog itself. It includes a strategic view that allows the service manager, customers, and IT executives to see the list of services and their status (for example: available, soon to be available, or soon to be retired), and detailed service characteristics for negotiation, financial or strategic planning. It also contains a tactical view that allows IT end-users to request services available to them. Additional information will be available to personnel involved in the provision of the services represented in the catalog in order to facilitate the consistent, effective and efficient delivery of those committed services.

Includes

- Entering and updating service definitions
- Navigation support
- View management
- Service selection and transaction tracking
- Education on how to use the Service Catalog

Excludes

- Negotiating and closing Service Agreements (Service Marketing and Sales)
- Creating service level agreements (Service Level Management)
- Request management, user entitlement authorization and execution workflow (Request Fulfillment)

Controls

- Marketing and Sales Reports (From: A22 A228)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

■ Market Analysis (From: A2 A22 A222)

A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

■ IT Management Ecosystem (From: A1)

To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

■ IT Strategy (From: A3 A31 A315)

A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

■ IT Budget (From: A8 A81 A813)

The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

Inputs

■ Services Agreement (From: A22 A227)

A contractual agreement between IT provider and customer with the intent to exchange a set of committed deliverables from the provider for a price to be paid by the customer, under a set of agreed terms and conditions.

■ Customer Organization

Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

■ Change Information (From: A5 A51 A518)

The full scope of information is covered. This could be about an individual detail within a particular change through ad hoc or pre-determined reporting on a set of changes.

■ Service Catalog Usage Data

Data relating to the access and usage of the service catalog. Examples would be:

- Numbers of read accesses, by user
- Number of enquiries by customers for new or extended services
- Service requests submitted through the catalog mechanism

The data can be used directly for service catalog content and delivery analysis; indirectly to contribute to understanding which services customers are using, the environmental conditions under which the services operate, and the quality of the service. This data can be used for service improvement and in customer relationship management.

■ Product Package (From: A3 A35 A353 A354 A355)

A description of the product that details how it is to be iteratively assembled, integrated and deployed, as well as the status of the product itself as it migrates through the various stages of realization, deployment and operation.

■ Customer Satisfaction Results and Trends (From: A27 A276)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

■ Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [24]

Outputs

■ Change Request (To: A5 A51 A512)

Change requests (also known as RFCs) are the means for submitting proposed change and actual change activity in the environment. Change requests can be triggered for a wide variety of reasons, from a broad spectrum of sources. They can be concerned with any part of the environment or with any service or activity.

■ Service Catalog (To: A21 A213 A22 A222 A223 A224 A226 A236 A24 A242 A243 A25 A254 A26 A264 A265 A266 A27 A271 A273 A3 A35 A352 A36 A362 A5 A51 A513 A52 A522 A53 A532 A54 A541 A6 A61 A611 A612 A613 A7 A73 A731 A74 A742 A76 A761 A8 A81 A812 A83 A831 A833 A834)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[25]

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24. ITIL V3 Glossary
25. ITIL V3 Glossary

Activities

This process is composed of these activities:

- A231 Establish Service Catalog Management Framework
- A232 Define Service Package Catalog Requirements
- A233 Build and Maintain Service Catalog Content
- A234 Create and Maintain Service Catalog Views
- A235 Publish Service Catalog
- A236 Monitor, Analyze and Report Service Catalog
- A237 Evaluate Service Catalog Management Performance
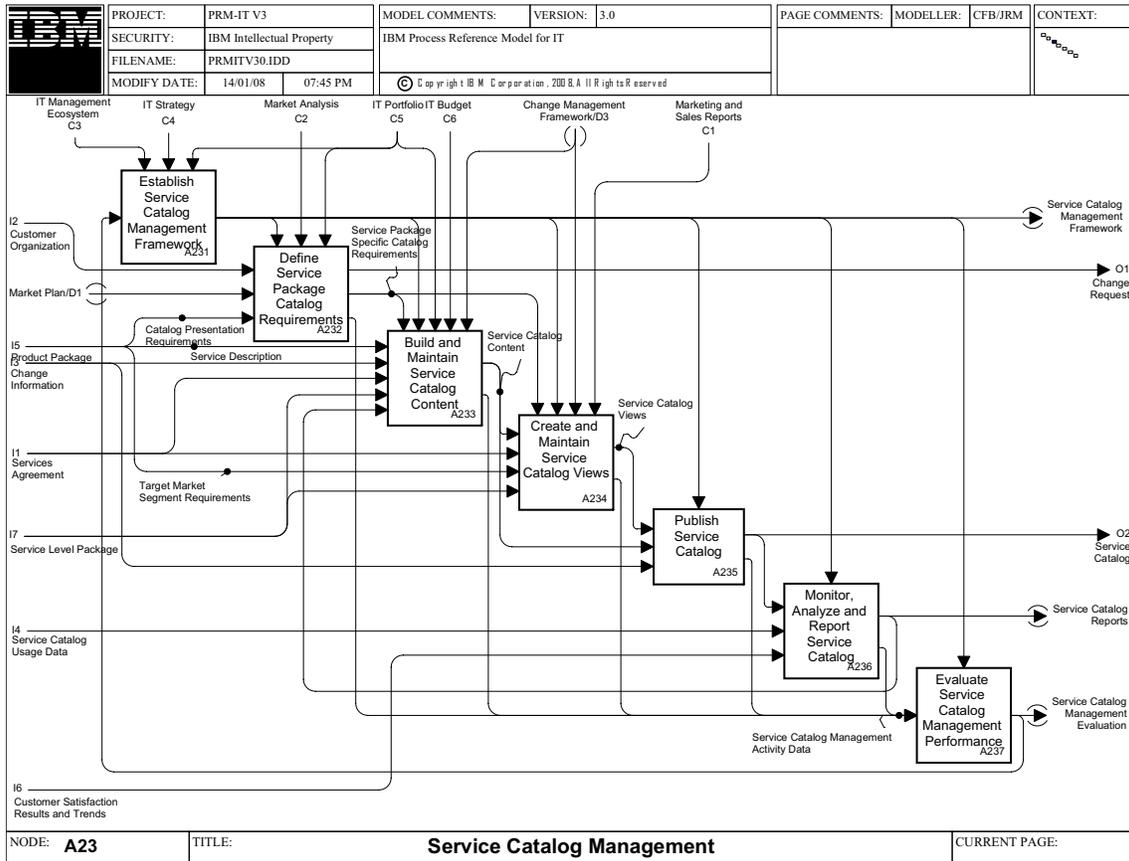
Figure 4. A23 Service Catalog Management

[A231] Establish Service Catalog Management Framework

Description

This activity incorporates applicable elements from the IT Management Ecosystem, including policies and governance process for maintaining the catalog content and usage. It is within this activity that:

- Interfaces and relationships to other processes are identified
- Information inputs and outputs are identified
- Guidelines for service catalog classification and prioritization are defined
- Sources and receivers of information necessary for Service Catalog Management to be effective are identified
- The structure and meta model for the service catalog are established
- Tool requirements are documented
- Roles and responsibilities (including the role of the process owner) must be tailored to meet the requirements of the organization and must be assigned
- Skill requirements are identified and training is requested if needed

It specifies measurements used by stakeholders for catalog management evaluation, and recommends initiatives for continual improvement.

Controls

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- Service Catalog Management Evaluation (From: A237)

  An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

Outputs

- Service Catalog Management Framework (To: A232 A233 A234 A235 A236 A237)

  The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

[A232] Define Service Package Catalog Requirements

Description

This activity collects and analyzes Service Catalog Design Requirements, as provided by:

- Service Marketing and Sales: go to market plans and sales initiatives
- Service Portfolio Management: service offerings direction and guidance
- Product Management: presentation requirements for each service offering specification

The requirements are validated with stakeholders for completeness, consistency, and verifiability. This activity also maintains the service catalog requirements repository and reports requirement status as needed.

Controls

- Service Catalog Management Framework (From: A231)

    The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

- Market Analysis (From: A2 A22 A222)

    A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- IT Portfolio (From: A3 A36 A365)

    A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- Customer Organization

    Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

- Market Plan (From: A223)

    A document that structures the approach to target customers with the current and under development IT service offerings.

- Catalog Presentation Requirements

    Requirements for the style, content and usability of the service catalog. They include expectations, service level commitments, efficient searching, and ordering organized for each user community.

Outputs

- Change Request (To: A5 A51 A512)

    Change requests (also known as RFCs) are the means for submitting proposed change and actual change activity in the environment. Change requests can be triggered for a wide variety of reasons, from a broad spectrum of sources. They can be concerned with any part of the environment or with any service or activity.

- Service Package Specific Catalog Requirements (To: A233 A234)

    Each service package can have customizations for different environments, industries, or integration with technologies. These requirements must be captured and incorporated into the solution.

■ Service Catalog Management Activity Data (To: A237)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A233] Build and Maintain Service Catalog Content

Description

This activity determines the scope of service catalog content for sales to external clients and utilization by end-users, once specific services are installed for a client. It develops the service catalog specifications from requirements already identified, and creates and maintains standard templates for service descriptions. The service descriptions (including standards, terms and conditions, available levels of service, and others) are loaded into the Service Catalog. The activity also establishes and enforces editing and archiving rules, authorities and accountability of the content, and regularly validates the accuracy of catalog content with service owners and IT Management using the governance defined in the process framework.

Controls

■ Service Package Specific Catalog Requirements (From: A232)

Each service package can have customizations for different environments, industries, or integration with technologies. These requirements must be captured and incorporated into the solution.

■ Service Catalog Management Framework (From: A231)

The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

■ IT Budget (From: A8 A81 A813)

The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

■ Change Management Framework (From: A511)

The policies, procedures, organizational roles and responsibilities and other information under which the Change Management process will operate to meet its mission and goals.

Inputs

■ Service Description

A service description includes both the capabilities (utility) and the non-functional properties (warranty). Non-functional properties include performance, payment, price, availability (both temporal and locative), obligations, rights, security, trust, quality, discounts, and penalties.

■ Change Information (From: A5 A51 A518)

The full scope of information is covered. This could be about an individual detail within a particular change through ad hoc or pre-determined reporting on a set of changes.

■ Services Agreement (From: A22 A227)

A contractual agreement between IT provider and customer with the intent to exchange a set of committed deliverables from the provider for a price to be paid by the customer, under a set of agreed terms and conditions.

■ Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [26]

■ Service Catalog Reports (From: A236)

Service Catalog Reports contain information about:

- Usage patterns, volumes, and trends for the overall Service Catalog and each defined view
- Each service, such as update history, client activations and customizations, defect reports, user questions, or other relevant data about the service sent by the user communities

Outputs

■ Service Catalog Content (To: A234 A235)

The Service Catalog contains at least the following information:

- Descriptions written in terms familiar to the requestor
- Interactive forms with pricing and categorization
- Components, prerequisites, recommended accessories
- Authorization, escalation, and notification policies
- Delivery processes for optimal quality, speed, efficiency
- Internal and external cost structures and pricing
- Service level and operating level standards
- Reporting on demand, usage, and customizations

■ Service Catalog Management Activity Data (To: A237)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A234] Create and Maintain Service Catalog Views

Description

This activity defines preferred access and navigation patterns by user community and role. It establishes search, view, and update schema and mechanisms for use by administrators and users. The activity also maintains the library of active and inactive searches and views based on client and sales utilization. Finally, this activity verifies catalog integrity and performance of all views (through testing, inspection, simulation and load testing).

Controls

■ Service Package Specific Catalog Requirements (From: A232)

Each service package can have customizations for different environments, industries, or integration with technologies. These requirements must be captured and incorporated into the solution.

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26. ITIL V3 Glossary

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- Service Catalog Management Framework (From: A231)

  The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

- Change Management Framework (From: A511)

  The policies, procedures, organizational roles and responsibilities and other information under which the Change Management process will operate to meet its mission and goals.

- Marketing and Sales Reports (From: A22 A228)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

Inputs

- Service Catalog Content (From: A233)

  The Service Catalog contains at least the following information:

  - Descriptions written in terms familiar to the requestor
  - Interactive forms with pricing and categorization
  - Components, prerequisites, recommended accessories
  - Authorization, escalation, and notification policies
  - Delivery processes for optimal quality, speed, efficiency
  - Internal and external cost structures and pricing
  - Service level and operating level standards
  - Reporting on demand, usage, and customizations

- Services Agreement (From: A22 A227)

  A contractual agreement between IT provider and customer with the intent to exchange a set of committed deliverables from the provider for a price to be paid by the customer, under a set of agreed terms and conditions.

- Target Market Segment Requirements

  Requirements for specific industries, user communities, or executive sponsors are used to tailor or customize the description of the services.

- Service Level Package (From: A2 A25 A255)

  Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [27]

Outputs

- Service Catalog Views (To: A235)

  The Service Catalog provides relevant views for all user communities. It should include at a minimum, however, perspectives from the business manager (customer), administrator, and the final user.

- Service Catalog Management Activity Data (To: A237)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

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27. ITIL V3 Glossary

[A235] Publish Service Catalog

Description

This activity maintains comprehensive version control and coordination across service catalog instances in development, test, and production environments. It establishes and communicates schedules for refresh of remote or replicated catalog versions, and provides appropriate access mechanisms to catalog content, for customers, users, providers, and suppliers. The activity also provides for training and support to customers, users, providers, and suppliers, in proper use of the Service Catalog.

Finally, the activity provides appropriate notifications to the appropriate user community of changes to catalog entries, including line items, content, terms and conditions, decommissioning, and more.

Controls

- Service Catalog Management Framework (From: A231)

  The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

Inputs

- Service Catalog Views (From: A234)

  The Service Catalog provides relevant views for all user communities. It should include at a minimum, however, perspectives from the business manager (customer), administrator, and the final user.

- Service Catalog Content (From: A233)

  The Service Catalog contains at least the following information:

  - Descriptions written in terms familiar to the requestor
  - Interactive forms with pricing and categorization
  - Components, prerequisites, recommended accessories
  - Authorization, escalation, and notification policies
  - Delivery processes for optimal quality, speed, efficiency
  - Internal and external cost structures and pricing
  - Service level and operating level standards
  - Reporting on demand, usage, and customizations

- Change Information (From: A5 A51 A518)

  The full scope of information is covered. This could be about an individual detail within a particular change through ad hoc or pre-determined reporting on a set of changes.

Outputs

- Service Catalog (To: A21 A213 A22 A222 A223 A224 A226 A236 A24 A242 A243 A25 A254 A26 A264 A265 A266 A27 A271 A273 A3 A35 A352 A36 A362 A5 A51 A513 A52 A522 A53 A532 A54 A541 A6 A61 A611 A612 A613 A7 A73 A731 A74 A742 A76 A761 A8 A81 A812 A83 A831 A833 A834)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that

describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[28]

■ Service Catalog Management Activity Data (To: A237)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A236] Monitor, Analyze and Report Service Catalog

Description

This activity supports both the ad hoc query data analysis activity and scheduled standard reports activity by delivering standard reporting and a mechanism to request and receive ad hoc query results. The Content Change activity and associated authorization audit trails are tracked and summarized on a regular basis for business compliance.

The activity also generates usage statistics (including access and browsing patterns), and provides reports with which to analyze the effectiveness of the transitions among order generation, service design, request fulfillment, and service level agreement processes.

Controls

■ Service Catalog Management Framework (From: A231)

The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

Inputs

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[29]

■ Service Catalog Usage Data
  ◆ Data relating to the access and usage of the service catalog. Examples would be:
    – Numbers of read accesses, by user
    – Number of enquiries by customers for new or extended services
    – Service requests submitted through the catalog mechanism

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28. ITIL V3 Glossary
29. ITIL V3 Glossary

◆ The data can be used directly for service catalog content and delivery analysis; indirectly to contribute to understanding which services customers are using, the environmental conditions under which the services operate, and the quality of the service. This data can be used for service improvement and in customer relationship management.

■ Customer Satisfaction Results and Trends (From: A27 A276)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

Outputs

■ Service Catalog Reports (To: A233)

Service Catalog Reports contain information about:

◆ Usage patterns, volumes, and trends for the overall Service Catalog and each defined view

◆ Each service, such as update history, client activations and customizations, defect reports, user questions, or other relevant data about the service sent by the user communities

■ Service Catalog Management Activity Data (To: A237)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A237] Evaluate Service Catalog Management Performance

Description

This activity collects service execution, performance statistics, and result data for comparison against defined performance measures. Additionally, this activity captures lessons learned from process execution and identifies areas of potential process improvement and framework adjustments. This activity also provides input to the framework activity of this process and to the IT Governance and Management processes.

Controls

■ Service Catalog Management Framework (From: A231)

The logical structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for the Service Catalog Management process.

Inputs

■ Service Catalog Management Activity Data (From: A232 A233 A234 A235 A236)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

Outputs

■ Service Catalog Management Evaluation (To: A231)

An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

[A24] Service Level Management

Purpose

The purpose of the Service Level Management process is to ensure that the service delivered to customers matches or exceeds the agreed, committed service quality characteristics.

Definition of service level agreement (SLA): "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple customers."[30]

Outcomes

As a result of the successful implementation of this process:

- Both the providers of IT service and their customers have a clear, unambiguous and consistent expectation of the quality of service to be delivered and received
- Service commitments are achievable
- Service attainments against targets are reported accurately and in a timely fashion to all defined service stakeholders
- Service quality is revived in an agreed way following any service level breach
- Opportunities for continual service improvement are identified and, where cost-justified, realized

Scope

This process addresses life cycle management of service level agreements. It covers negotiation of them with IT customers, monitoring service level achievements against targets, performing service reviews, and initiating service improvement plans.

Includes

- Establishing strong relationships with customers based on mutual trust
- Implementing SLAs from feasibility through monitoring, renewing, and improving
- Integrating the service characteristics of domain specialist processes (such as Availability, Capacity, and others)
- Evaluation of IT transactional service performance in relation to business services and their requirements
- Creation and maintenance of operational level agreements (OLAs) with providers further along the service supply chain, and consideration of resulting requirements for and performance defined in underpinning contracts (UCs)
- Reporting to customers on any aspect of service level attainment, including reviewing variation from target
- Oversight of the implementation (by other processes) of Service Improvement Plans related to service level quality

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30. ITIL V3 Glossary

Excludes

- ◆ Making decisions on requests from customers for new services and functionality (Portfolio Management)

- ◆ Primary responsibility for contractual relationships with either customers or suppliers (Supplier Management)

- ◆ Pricing the elements within the service catalog and specific SLAs (Service Pricing and Contract Administration)

- ◆ Technical work to implement changes to any service component or operational procedures relating to service improvements (as appropriate: many individual processes, Change Management, Portfolio Management)

Controls

- ■ IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- ■ IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- ■ IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- ■ Security Policy (From: A7 A72 A722)

  The statement of the types and levels of security over information technology resources and capabilities that must be established and operated in order for those items to be considered *secure*. It provides management direction into the allowable behaviors of the actors working with the resources and exercising the capabilities. It defines the scope of management and specifies the requirements for the security controls.

- ■ IT Budget (From: A8 A81 A813)

  The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

- ■ Business Strategy

  The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

Inputs

- ■ Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[31]

■ Customer Organization

Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

■ Service Pricing and Contract Information (From: A83)

Ranges from generic to specific:

- Services and price list (the complete service price model)
- Standard terms and conditions
- Individual actual and proposed terms and conditions for a specific customer

■ Service Resilience Plans (From: A7)

The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

- Compliance Management
- Security Management
- Availability Management
- Capacity Management
- Facilities Management
- IT Service Continuity Management

(See the definition of the plan output from each individual process for more details.)

■ Customer Review Input

Any feedback from the customer with regard to service levels and their attainment, including their prioritization of improvement suggestions.

■ Service Level Requirements

Requirements with regard to service levels that are requested by the customer and which, if agreed, will have to be attained by the service provider.

■ Incident Information (From: A6 A65 A657)

Information about one or more incidents. Can range from full details of an individual incident through collated and summarized information about sets of incidents.

■ Product Package (From: A3 A35 A353 A354 A355)

A description of the product that details how it is to be iteratively assembled, integrated and deployed, as well as the status of the product itself as it migrates through the various stages of realization, deployment and operation.

■ Service Metric Data and Reports (From: A6)

Significant service delivery event logs, volume, and other measurement data relating to how effectively and efficiently services are provided by IT. This data, which is available as requested both in raw format and as structured reports, is a component of all operations information and is the basis for service level reporting.

■ Service Resilience Reports

The collection of reports produced by the individual processes which are involved in ensuring the resilience within service management. Processes contributing are:

- Security Management
- Availability Management

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31. ITIL V3 Glossary

- Capacity Management

(See the definition of the *report* output from each individual process for more details.)

These reports detail the volumes, attainments, issues outstanding and other characteristics detailing the performance and contribution to the overall delivery of service. They include efficiency reviews and audit reports.

- Underpinning Contracts (From: A8 A82 A823)

Content of contracts with suppliers, including terms and conditions, service level agreements (SLAs), among others. Covers both the actual contract itself, and information about it that is available as input for supplier evaluation and to other internal processes, such as financial management.

Information Technology Infrastructure Library (ITIL) defines underpinning contract as "a contract between an IT service provider and a third party. The third party provides goods or services that support delivery of an IT service to a customer. The underpinning contract defines targets and responsibilities that are required to meet agreed service level targets in an SLA."[32]

- Problem Information (From: A6 A66 A667)

Information about one or more problems. Can range from full details of an individual problem through to collated and summarized information about sets of problems. Can be provided both as formal reports (such as documents to customers describing root cause, contributing factors and corrective actions) and informally as structured data for other processes to analyze for their own purposes.

- Customer Satisfaction Results and Trends (From: A27 A276)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

- Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity."[33]

- Service Demand Forecasts (From: A25 A254)

Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

Outputs

- SLAs, OLAs, UCs (To: A22 A223 A226 A227 A244 A245 A246 A25 A254 A26 A265 A27 A271 A273 A3 A35 A354 A355 A4 A41 A412 A413 A414 A45 A453 A454 A5 A51 A511 A514 A515 A52 A522 A525 A53 A532 A534 A536 A538 A6 A61 A612 A615 A62 A621 A63 A632 A64 A641 A65 A651 A66 A661 A663 A665 A667 A67 A671 A7 A72 A723 A726 A727 A73 A732 A734 A74 A741 A742 A743 A744 A745 A75 A751 A76 A762 A763 A764 A766 A8 A81 A814 A815 A82 A823 A83 A834 A84 A842)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as

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32. ITIL V3 Glossary
33. ITIL V3 Glossary

operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

- SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[34]

- OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties." [35]

- UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[36]

These agreements can be in a draft or finalized status.

- Service Level Communication

Information which helps each stakeholder (particularly customers) in service level management activities to understand the scope, context and specific roles and responsibilities for carrying them out. It helps promote general awareness of services.

- Service Review Results (To: A242 A243 A246 A25 A256 A27 A273 A356)

The outcome from a review of service level attainment. This might include:

- Exceptions and violations with regard to target and actual service delivery
- Determination of responsibility for non-attainment
- Identification of penalties incurred

- Service Achievement Reports (To: A13 A131 A14 A141 A245 A246 A25 A255 A256 A27 A273 A275 A365 A366 A735 A736 A744)

One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

- Customer Satisfaction Issue (To: A27 A274)

Any determination of a customer satisfaction issue. Can be either direct form a customer, or prompted by any IT staff member in carrying out other processes.

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34. ITIL V3 Glossary
35. ITIL V3 Glossary
36. ITIL V3 Glossary

Activities

This process is composed of these activities:

- A241 Establish Service Level Management Framework
- A242 Develop Service Level Relationships
- A243 Create and Maintain Service Level Agreements
- A244 Monitor and Report Service Level Achievements
- A245 Conduct Service Review
- A246 Formulate Service Improvement Plan
- A247 Evaluate Service Level Management Performance
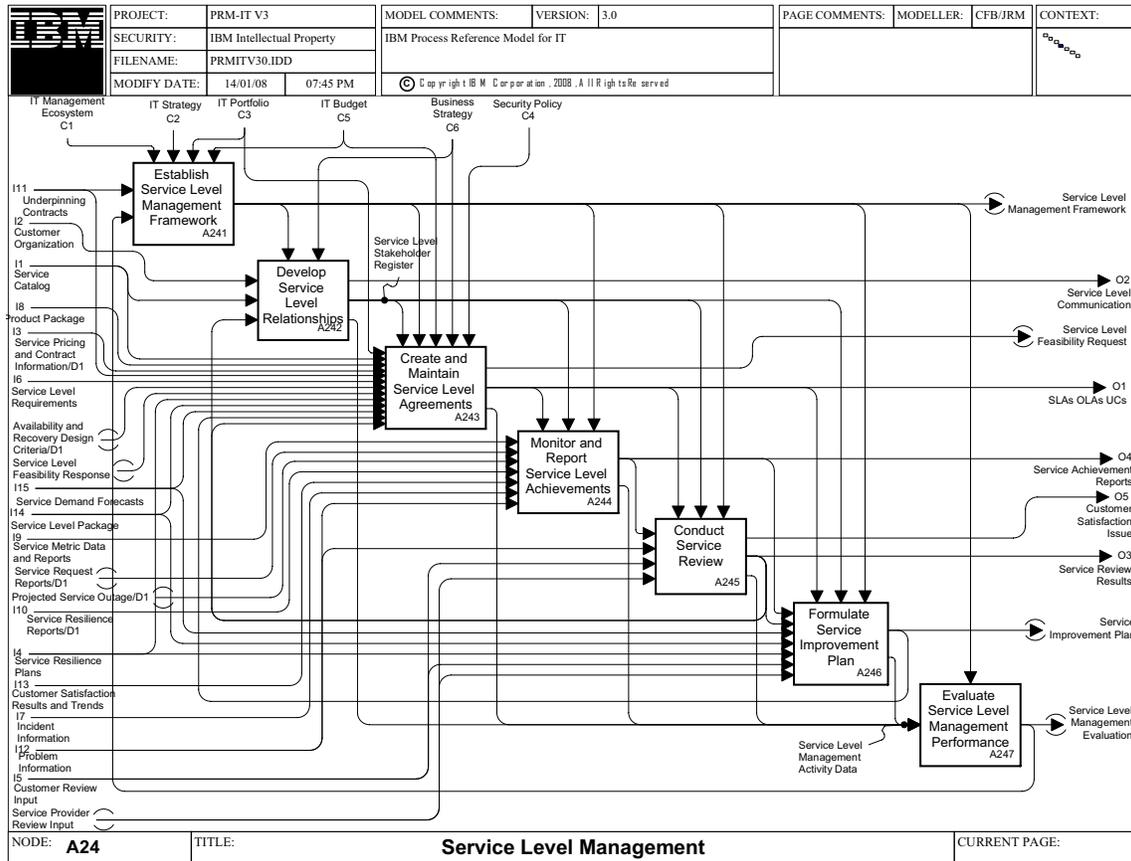
Figure 5. A24 Service Level Management

[A241] Establish Service Level Management Framework

Description

To establish the framework necessary to manage the Service Level process, these activities must be addressed:

- IT Governance must be engaged to ensure that roles and responsibilities, priority levels in business and IT terms, and escalation procedures are defined and documented
- The appointment of a process owner and other defined roles has to be addressed
- The scope of service level management has to be defined, including a detailed life cycle for the process
- A service monitoring plan must be documented that establishes monitoring tool requirements, identifies monitoring capabilities, and facilitates the implementation of monitoring tools to meet the requirements
- The structure of a service catalog and respective service level agreements have to be defined, including the process for additions and changes
- There must be documented and published review procedures for all Service Level Management documentation

Finally, the structure and process of the service level management have to be communicated.

The establishment of the Service Level Management Framework also includes the continuous improvement of service level management. That is, the consideration of the Service Level Management process evaluation, and the implementation of recommended improvement actions.

Controls

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- IT Budget (From: A8 A81 A813)

  The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

Inputs

- Underpinning Contracts (From: A8 A82 A823)

  Content of contracts with suppliers, including terms and conditions, service level agreements (SLAs), among others. Covers both the actual contract itself, and information about it that is available as input for supplier evaluation and to other internal processes, such as financial management.

  Information Technology Infrastructure Library (ITIL) defines underpinning contract as "a contract between an IT service provider and a third party. The third party provides goods or services that support delivery of an IT service to a customer. The underpinning contract

defines targets and responsibilities that are required to meet agreed service level targets in an SLA."[37]

■ Service Level Management Evaluation (From: A247)

An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

Outputs

■ Service Level Management Framework (To: A242 A243 A244 A245 A246 A247)

The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

- Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each
- Norms for working relationships with SLA stakeholders
- General approach for working with other processes to:
  - ◆ Establish SLA feasibility
  - ◆ Set targets
  - ◆ Ensure supply of measurements
- Procedures to be followed to investigate and correct any breach of committed targets
- High-level plans for improvement

[A242] Develop Service Level Relationships

Description

This activity establishes and maintains a register of the stakeholders (actors) who have roles to perform in one or more of the aspects of the Service Level Management process. The register has a particular focus on the customer stakeholders but also considers service provider stakeholders.

Beyond ensuring that the register is complete and up to date, this activity addresses developing the relationships among stakeholders so that they are properly briefed on their roles and responsibilities. It promotes general service awareness and understanding as a foundation for specific service level workings. It engenders good working relationships and trust between the stakeholders, addressing any relationship issues that arise.

Controls

■ Service Level Management Framework (From: A241)

The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

- ◆ Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each
- ◆ Norms for working relationships with SLA stakeholders
- ◆ General approach for working with other processes to:
  - – Establish SLA feasibility
  - – Set targets

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37. ITIL V3 Glossary

   – Ensure supply of measurements

  ◆ Procedures to be followed to investigate and correct any breach of committed targets

  ◆ High-level plans for improvement

■ Business Strategy

The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

Inputs

■ Customer Organization

Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[38]

■ Service Review Results (From: A24 A245)

The outcome from a review of service level attainment. This might include:

● Exceptions and violations with regard to target and actual service delivery

● Determination of responsibility for non-attainment

● Identification of penalties incurred

Outputs

■ Service Level Communication

Information which helps each stakeholder (particularly customers) in service level management activities to understand the scope, context and specific roles and responsibilities for carrying them out. It helps promote general awareness of services.

■ Service Level Stakeholder Register (To: A243 A244 A245 A246)

A record of the customer contacts (positions, names) that have a role to play in one of more of the activities that comprise the service level management life cycle. This information can also be useful for other customer relationship purposes.

■ Service Level Management Activity Data (To: A247)

Any data about the accomplishment of process activities relevant to the evaluation of the overall service level management process.

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38. ITIL V3 Glossary

[A243] Create and Maintain Service Level Agreements

Description

Based on the services in the Service Catalog and on (customer) requirements (gathered through an open dialog and feedback process) service level agreements (SLAs) will be defined.

The proposed service level targets will be aligned to the requirements as well as the service delivery capabilities and plans (availability, capacity, performance). Service delivery can be in-house or external, or a combination. An understanding of the relationship of cost components to the proposed targets must also be established.

The documentation of the SLAs includes a description of the services and the respective quality levels (as defined in the Service Catalog or with variations for a defined set of customer contexts and scope of requirements), as well as defined key targets.

The SLAs will then be negotiated with the customers so that the content can be finalized, and finally the service level agreement can be set up between the service provider and the customer.

If modifications, additions, or improvements are necessary, the SLAs have to be updated and maintained.

Where appropriate and necessary to ensure service delivery that meets SLAs, operational level agreements (OLAs) are established with both internal service providers and with external service providers. For the latter, the OLA terms will often be formalized through the Supplier Management process in a contract (known in ITIL as an Underpinning Contracts) with the external service provider.

Controls

- Service Level Stakeholder Register (From: A242)

  A record (of the customer contacts) with a role to play in one or more of the activities that comprise the Service Level Management life cycle. This information can also be useful for other customer relationship purposes.

- Service Level Management Framework (From: A241)

  The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

  - Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each
  - Norms for working relationships with SLA stakeholders
  - General approach for working with other processes to:
    - Establish SLA feasibility
    - Set targets
    - Ensure supply of measurements
  - Procedures to be followed to investigate and correct any breach of committed targets
  - High-level plans for improvement

- IT Budget (From: A8 A81 A813)

  The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

- Business Strategy

  The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

■ Security Policy (From: A7 A72 A722)

The statement of the types and levels of security over information technology resources and capabilities that must be established and operated in order for those items to be considered *secure*. It provides management direction into the allowable behaviors of the actors working with the resources and exercising the capabilities. It defines the scope of management and specifies the requirements for the security controls.

Inputs

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[39]

■ Product Package (From: A3 A35 A353 A354 A355)

A description of the product that details how it is to be iteratively assembled, integrated and deployed, as well as the status of the product itself as it migrates through the various stages of realization, deployment and operation.

■ Service Pricing and Contract Information (From: A83)

Ranges from generic to specific:

- Services and price list (the complete service price model)
- Standard terms and conditions
- Individual actual and proposed terms and conditions for a specific customer

■ Underpinning Contracts (From: A8 A82 A823)

Content of contracts with suppliers, including terms and conditions, service level agreements (SLAs), among others. Covers both the actual contract itself, and information about it that is available as input for supplier evaluation and to other internal processes, such as financial management.

Information Technology Infrastructure Library (ITIL) defines underpinning contract as "a contract between an IT service provider and a third party. The third party provides goods or services that support delivery of an IT service to a customer. The underpinning contract defines targets and responsibilities that are required to meet agreed service level targets in an SLA."[40]

■ Service Level Requirements

Requirements with regard to service levels that are requested by the customer and which, if agreed, will have to be attained by the service provider.

■ Availability and Recovery Design Criteria (From: A733)

General solution design principles that enhance service availability and recovery. This information is used to create or update solutions so that they are more resilient.

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39. ITIL V3 Glossary
40. ITIL V3 Glossary

■ Service Level Feasibility Response

The assessment by specific IT processes (often those in Service Management) on the feasibility of achieving successful delivery of service against a postulated service level target or commitment.

■ Service Resilience Plans (From: A7)

The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

- Compliance Management
- Security Management
- Availability Management
- Capacity Management
- Facilities Management
- IT Service Continuity Management

(See the definition of the *plan* output from each individual process for more details.)

■ Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [41]

■ Service Demand Forecasts (From: A25 A254)

Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

■ Service Improvement Plan (From: A246)

A plan and roadmap for improving service levels. For example, if service levels are not attained or if service levels have to be changed. It is based on service level reviews, and customer and service provider improvement suggestions.

■ Service Review Results (From: A24 A245)

The outcome from a review of service level attainment. This might include:

- Exceptions and violations with regard to target and actual service delivery
- Determination of responsibility for non-attainment
- Identification of penalties incurred

Outputs

■ Service Level Feasibility Request

A request to specific IT processes (often those in the Resilience category) to assess the feasibility of successful delivery of service against a postulated service level target or commitment.

■ SLAs, OLAs, UCs (To: A22 A223 A226 A227 A244 A245 A246 A25 A254 A26 A265 A27 A271 A273 A3 A35 A354 A355 A4 A41 A412 A413 A414 A45 A453 A454 A5 A51 A511 A514 A515 A52 A522 A525 A53 A532 A534 A536 A538 A6 A61 A612 A615 A62 A621 A63 A632 A64 A641 A65 A651 A66 A661 A663 A665 A667 A67 A671 A7 A72 A723 A726 A727

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41. ITIL V3 Glossary

A73 A732 A734 A74 A741 A742 A743 A744 A745 A75 A751 A76 A762 A763 A764 A766
A8 A81 A814 A815 A82 A823 A83 A834 A84 A842)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

- SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[42]

- OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties." [43]

- UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[44]

These agreements can be in a draft or finalized status.

- Service Level Management Activity Data (To: A247)

Any data about the accomplishment of process activities relevant to the evaluation of the overall service level management process.

[A244] Monitor and Report Service Level Achievements

Description

This activity examines monitored data from service delivery and statistics related to specific service level targets, and creates reports on service level attainment. These reports include insights based on data directly from the service provider organization, as well as from direct customer feedback (positive and negative). Service achievement reports are produced for both customers (business units or external customers) and IT management use.

Controls

- SLAs, OLAs, UCs (From: A2 A24 A243)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as

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42. ITIL V3 Glossary
43. ITIL V3 Glossary
44. ITIL V3 Glossary

operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

- SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[45]

- OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties." [46]

- UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[47]

These agreements can be in a draft or finalized status.

■ Service Level Stakeholder Register (From: A242)

A record (of the customer contacts) with a role to play in one or more of the activities that comprise the Service Level Management life cycle. This information can also be useful for other customer relationship purposes.

■ Service Level Management Framework (From: A241)

The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

- Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each
- Norms for working relationships with SLA stakeholders
- General approach for working with other processes to:
  ◆ Establish SLA feasibility

  ◆ Set targets

  ◆ Ensure supply of measurements

- Procedures to be followed to investigate and correct any breach of committed targets
- High-level plans for improvement

Inputs

■ Service Metric Data and Reports (From: A6)

Significant service delivery event logs, volume, and other measurement data relating to how effectively and efficiently services are provided by IT. This data, which is available as requested both in raw format and as structured reports, is a component of all operations information and is the basis for service level reporting.

■ Service Request Reports (From: A615)

Any reports that reflect the status of service requests with the purpose to control the quality of service fulfillment, the compliance with existing SLAs, for planning purposes and as a basis for improvements.

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45. ITIL V3 Glossary
46. ITIL V3 Glossary
47. ITIL V3 Glossary

■ Projected Service Outage (From: A515)

As defined in ITIL: "A Document that identifies the effect of planned Changes, maintenance Activities and Test Plans on agreed Service Levels." [48]

■ Service Resilience Reports

The collection of reports produced by the individual processes which are involved in ensuring the resilience within service management. Processes contributing are:

- Security Management
- Availability Management
- Capacity Management

(See the definition of the *report* output from each individual process for more details.)

These reports detail the volumes, attainments, issues outstanding and other characteristics detailing the performance and contribution to the overall delivery of service. They include efficiency reviews and audit reports.

■ Customer Satisfaction Results and Trends (From: A27 A276)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

■ Incident Information (From: A6 A65 A657)

Information about one or more incidents. Can range from full details of an individual incident through collated and summarized information about sets of incidents.

■ Problem Information (From: A6 A66 A667)

Information about one or more problems. Can range from full details of an individual problem through to collated and summarized information about sets of problems. Can be provided both as formal reports (such as documents to customers describing root cause, contributing factors and corrective actions) and informally as structured data for other processes to analyze for their own purposes.

Outputs

■ Service Achievement Reports (To: A13 A131 A14 A141 A245 A246 A25 A255 A256 A27 A273 A275 A365 A366 A735 A736 A744)

One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

■ Service Level Management Activity Data (To: A247)

Any data about the accomplishment of process activities relevant to the evaluation of the overall service level management process.

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48. ITIL V3 Glossary

[A245] Conduct Service Review

Description

The purpose of this activity is to use service achievement reports to reveal and assess existing and potential gaps between target and actual service delivery or service level achievements.

SLAs and actual service delivery results are regularly reviewed and compared, often in formal review meetings. These reviews include assessment of customer feedback in order to encompass both the measured results of service attainment as well as the customer's service quality perceptions. Where needed in relation to non-attainment of commitments, responsibilities are allocated and resulting penalties are identified.

Trending should be summarized and used as input to both the reconsideration of service level agreements and to Service Level Management maintenance activities.

Controls

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational level agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[49]
  - OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[50]
  - UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[51]

  These agreements can be in a draft or finalized status.

- Service Level Stakeholder Register (From: A242)

  A record (of the customer contacts) with a role to play in one or more of the activities that comprise the Service Level Management life cycle. This information can also be useful for other customer relationship purposes.

- Service Level Management Framework (From: A241)

  The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

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49. ITIL V3 Glossary
50. ITIL V3 Glossary
51. ITIL V3 Glossary

- ◆ Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each

- ◆ Norms for working relationships with SLA stakeholders

- ◆ General approach for working with other processes to:

  - – Establish SLA feasibility
  - – Set targets
  - – Ensure supply of measurements

- ◆ Procedures to be followed to investigate and correct any breach of committed targets

- ◆ High-level plans for improvement

Inputs

- ■ Service Achievement Reports (From: A24 A244)

  One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

- ■ Problem Information (From: A6 A66 A667)

  Information about one or more problems. Can range from full details of an individual problem through to collated and summarized information about sets of problems. Can be provided both as formal reports (such as documents to customers describing root cause, contributing factors and corrective actions) and informally as structured data for other processes to analyze for their own purposes.

- ■ Customer Review Input

  Any feedback from the customer with regard to service levels and their attainment, including their prioritization of improvement suggestions.

- ■ Service Provider Review Input

  Prioritized improvement suggestions for service level attainment by the service provider; meaning the service delivery units and responses to the feasibility of adopting customer or service level manager suggestions.

Outputs

- ■ Customer Satisfaction Issue (To: A27 A274)

  Any determination of a customer satisfaction issue. Can be either direct form a customer, or prompted by any IT staff member in carrying out other processes.

- ■ Service Review Results (To: A242 A243 A246 A25 A256 A27 A273 A356)

  The outcome from a review of service level attainment. This might include:

  - ◆ Exceptions and violations with regard to target and actual service delivery

  - ◆ Determination of responsibility for non-attainment

  - ◆ Identification of penalties incurred

- ■ Service Level Management Activity Data (To: A247)

  Any data about the accomplishment of process activities relevant to the evaluation of the overall service level management process.

[A246] Formulate Service Improvement Plan

Description

Assessment from service level results, customer feedback, and service delivery units, with regard to improvement suggestions, provides the input for creating and formulating the Service Level Improvement Plan. It focuses on recommendations for SLA compliance improvements and specific target modifications as a precursor to adjusting service provision, monitoring, or the individual agreement.

Prior to finalizing the service improvement plan, more feedback from the service provider (the service delivery units) must be gained and become part of the plan in order to be aligned with the service delivery capabilities.

The service improvement plan should be tracked and maintained regularly.

Controls

- SLAs, OLAs, UCs (From: A2 A24 A243)

    The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

    ITIL definition of these terms:

    - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[52]
    - OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties." [53]
    - UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[54]

    These agreements can be in a draft or finalized status.

- Service Level Stakeholder Register (From: A242)

    A record (of the customer contacts) with a role to play in one or more of the activities that comprise the Service Level Management life cycle. This information can also be useful for other customer relationship purposes.

- Service Level Management Framework (From: A241)

    The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

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52. ITIL V3 Glossary
53. ITIL V3 Glossary
54. ITIL V3 Glossary

- Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each
- Norms for working relationships with SLA stakeholders
- General approach for working with other processes to:
  - ◆ Establish SLA feasibility
  - ◆ Set targets
  - ◆ Ensure supply of measurements
- Procedures to be followed to investigate and correct any breach of committed targets
- High-level plans for improvement

Inputs

- Service Achievement Reports (From: A24 A244)

  One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

- Service Review Results (From: A24 A245)

  The outcome from a review of service level attainment. This might include:

  - Exceptions and violations with regard to target and actual service delivery
  - Determination of responsibility for non-attainment
  - Identification of penalties incurred

- Service Demand Forecasts (From: A25 A254)

  Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

- Service Level Package (From: A2 A25 A255)

  Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [55]

- Service Resilience Plans (From: A7)

  The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

  - Compliance Management
  - Security Management
  - Availability Management
  - Capacity Management
  - Facilities Management
  - IT Service Continuity Management

  (See the definition of the plan output from each individual process for more details.)

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55. ITIL V3 Glossary

- Customer Review Input

  Any feedback from the customer with regard to service levels and their attainment, including their prioritization of improvement suggestions.

- Service Provider Review Input

  Prioritized improvement suggestions for service level attainment by the service provider, i.e. the service delivery units, and responses as to the feasibility of adopting customer or service level manager suggestions.

Outputs

- Service Improvement Plan (To: A243)

  A plan and roadmap for improving service levels. For example, if service levels are not attained or if service levels have to be changed. It is based on service level reviews, and customer and service provider improvement suggestions.

- Service Level Management Activity Data (To: A247)

  Any data about the accomplishment of process activities relevant to the evaluation of the overall service level management process.

[A247] Evaluate Service Level Management Performance

Description

This governance activity includes the evaluation of the performance of the Service Level Management process and aims at the improvement of the overall process. That is, the foundation and interfaces of the process, all activities, their accomplishment, the adaptability of the process, as well as the roles and responsibilities including the respective skills.

Basis for the improvements are insights and lessons learned from the observations and analysis of activity accomplishments and results.

Basically, the improvements should lead to more efficiency in the process; for example, better management of service levels.

Controls

■ Service Level Management Framework (From: A241)

The framework that contains all relevant information about the structure of the Service Level Management process. It guides the operation of the process, and includes the following information:

- Classes of agreements under which SLAs can be established, indicating attributes to be included and the desired range of values for each
- Norms for working relationships with SLA stakeholders
- General approach for working with other processes to:
    ◆ Establish SLA feasibility
    ◆ Set targets
    ◆ Ensure supply of measurements
- Procedures to be followed to investigate and correct any breach of committed targets
- High-level plans for improvement

Inputs

■ Service Level Management Activity Data (From: A242 A243 A244 A245 A246)

Any data about the accomplishment of process activities relevant to the evaluation of the overall service level management process.

Outputs

■ Service Level Management Evaluation (To: A241)

An assessment of the overall performance of the process against the targets set in the process framework, and an identification of possible process improvement areas.

[A25] Demand Management

Purpose

The purpose of the Demand Management process is to understand the patterns of the customers' business behaviors and relate those patterns to the impact on the supply of IT services. The intent of this process is to synchronize the consumption (demand) with the capacity (supply) of IT resources.

The benefit of demand management is to maximize the business value (value defined as benefit minus cost of the business process or business service) from the investment in IT resources. (Capacity Management focuses on the behavior of those IT resources; Demand Management understands and influences the behavior of IT resource consumers.)

Outcomes

As a result of the successful implementation of this process:

- IT understands defined and tracked patterns of business activity (user profiles and geographic distribution)
- Patterns of consumption are identified
- Service level package[56] recommendations are provided to Service Level Management
- Instances of insufficient and excess capacity are minimized
- Consumption and production of service capacity are synchronized
- Demand policies and incentives are defined (both positive and negative)

Scope

This process understands the expected business behavior of all demand sources across all customers, both at an individual customer level and collated to represent the overall impact on IT. It translates demand from business terms into IT service terms (such as consumption units). It identifies gaps and misalignment between demand and supply, and proposes policies and incentives designed to minimize or close the gaps.

Includes

- ◆ Definition of high-level strategy and policy to influence demand
- ◆ Consideration of all mechanisms that can influence demand, including:
  - Rewards
  - Penalties
  - Service availability restrictions
  - On demand capacity allocation
- ◆ Investigation of both internal and external inhibitors to demand
- ◆ Recommendations for IT resource investment (when demand management measures are unable to reduce demand to fit within available supply)
- ◆ Translation of patterns of business activity into IT service consumption
- ◆ Recommendations on cost and price elasticity

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56. See the PRM-IT Glossary and the ITIL V3 Glossary

Excludes

- ◆ Implementation of demand influencing activities, such as policies and incentives (Capacity Management, Service Pricing and Contract Administration)

- ◆ Service portfolio content definition (Portfolio Management)

- ◆ Service catalog content update (Service Catalog Management)

- ◆ Investment decisions (Portfolio Management)

- ◆ IT resource consumption monitoring and reporting (Service Execution, Capacity Management)

Controls

- ■ SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - ● SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[57]

  - ● OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[58]

  - ● UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[59]

  These agreements can be in a draft or finalized status.

- ■ Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[60]

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57. ITIL V3 Glossary
58. ITIL V3 Glossary
59. ITIL V3 Glossary
60. ITIL V3 Glossary

- IT Plan (From: A3 A36 A365)

  The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- Business and IT Models (From: A3 A33 A333)

  Representations of relevant aspects of the business' activities, in model formats, and with or without the inclusion of related IT factors.

- Business Strategy

  The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

Inputs

- Service Review Results (From: A24 A245)

  The outcome from a review of service level attainment. This might include:

  - Exceptions and violations with regard to target and actual service delivery
  - Determination of responsibility for non-attainment
  - Identification of penalties incurred

- Service Achievement Reports (From: A24 A244)

  One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

- Market Analysis (From: A2 A22 A222)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- Marketing and Sales Reports (From: A22 A228)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

- Service Resilience Plans (From: A7)

  The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

  - Compliance Management
  - Security Management
  - Availability Management
  - Capacity Management
  - Facilities Management

- IT Service Continuity Management

(See the definition of the *plan* output from each individual process for more details.)

■ IT Research Guidance (From: A3 A32 A325)

Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

■ Business Activity Patterns and User Profiles

Business activity patterns reflect the typical workload profile from one or more business activities. User profiles are collations of business activity patterns to reflect that most users are actors within several business processes, and these combinations vary depending on organization design. Refer to the *ITIL Glossary* and to the *Service Strategy* book for further reading.

■ Business Demand Characteristics

Data from business units and customers describing the characteristics of business demand. The characteristics focus on information about the demand in the context of business strategy (to support evaluation and classification).

■ Business Metrics

Metrics (measurements, key performance indicators) on business performance. They are provided by the business whether or not the underlying data is managed by IT solutions.

■ Customer Satisfaction Results and Trends (From: A27 A276)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

■ Solution Plans and Commitments (From: A4 A41 A42 A422 A425 A43 A432 A44 A442 A45 A452)

The collective overall information on both the development plan for the solution and the content of the solution as it progresses from concept to reality.

- Plans: Sets of committed solution phases, activities, tasks and milestones together with timeframe.
- Commitments: Sets of requirements, designs and other deliverables, such as test cases.

Outputs

■ Business Demand Value Classification (To: A253)

A scheme for classifying each business demand stream as a basis for making decisions in the event of demand exceeding supply and the results of performing the classification, particularly to include the business value characteristic.

■ Consolidated Business Demand Baselines and Forecasts

Agreed statement of the combination of the expected business demand for the normal (typical) pattern of business, and of the future predictions of business demand for IT service, usually arranged by periods against a standard calendar.

■ Business Demand Optimization Recommendations (To: A256)

Statements of opportunities for influencing business demand by identifying the most likely lever (or levers), that could achieve a result, plus outline plan suggestions for their implementation. Levers can have impact directly on a business process, the quality of the IT-provided service, or both.

■ Project Proposal (To: A3 A34 A342 A35 A352 A36 A364)

A formal statement of an idea being put forward for consideration that includes the business case for the proposed IT investment.

■ Service Level Package (To: A22 A226 A23 A233 A234 A24 A243 A246 A256 A3 A35 A354 A355 A4 A41 A412 A413 A42 A422 A423 A7 A74 A742 A744 A8 A83 A833 A834)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [61]

■ Service Demand Forecasts (To: A24 A243 A246 A255 A256 A742 A745)

Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

Activities

This process is composed of these activities:

■ A251 Establish Demand Management Framework

■ A252 Value and Classify Business Demands

■ A253 Consolidate Business Demand Patterns and Forecasts

■ A254 Forecast Service Demand

■ A255 Identify and Plan Demand Management Initiatives

■ A256 Assess and Report Demand Management Outcomes

■ A257 Evaluate Demand Management Performance
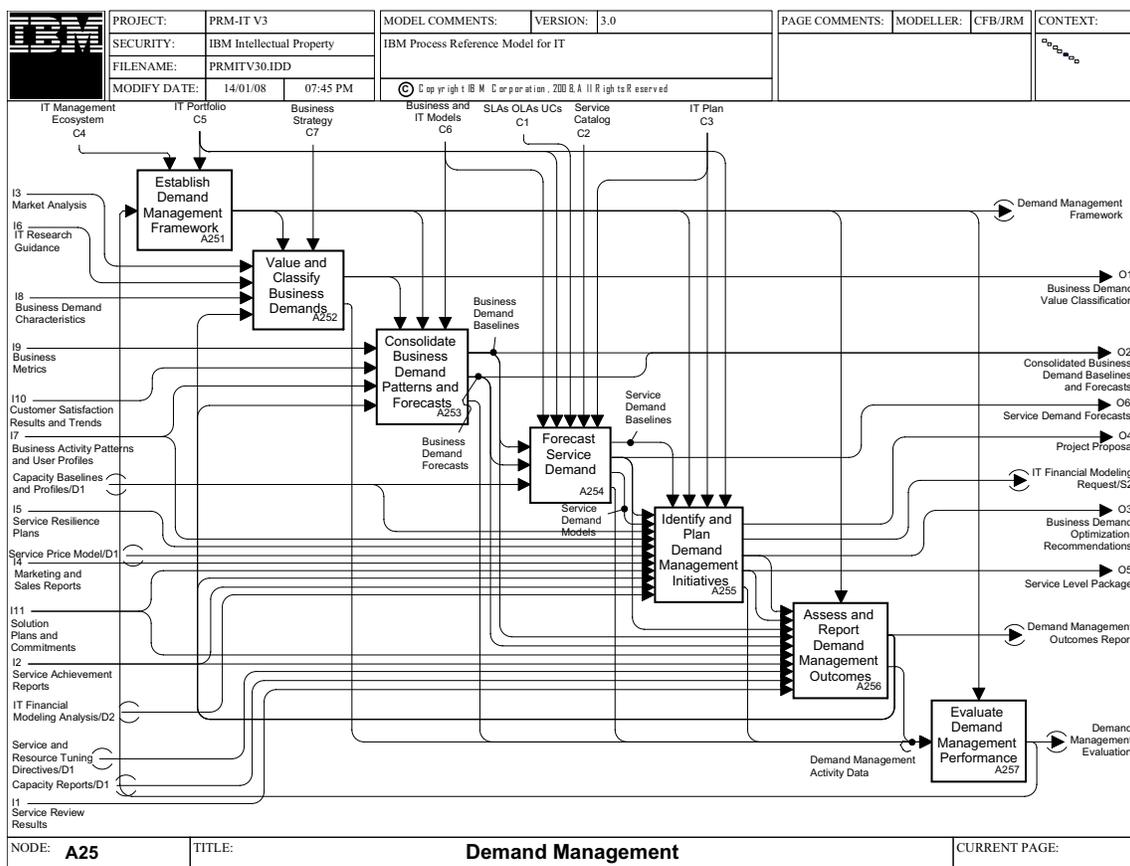
Figure 6. A25 Demand Management

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61. ITIL V3 Glossary

[A251] Establish Demand Management Framework

Description

This activity defines the way Demand Management is to be managed and controlled. It defines the rules by which each relevant business unit, customer or other stakeholder interacts with this process, and determines how it interfaces with other related processes within IT.

The activity facilitates the creation of a Demand Management Framework, which is essential in ensuring that business demands can be synchronized in an agreed manner with IT service capacity.

- It creates and maintains the scope, policies, standards, responsibilities, and procedures of the Demand Management process. This includes defining and implementing rules of operation and other governance aspects (including conflict resolution), determining relationships with other processes, and creating specifications of the process inputs and outputs.
- It also carries out the assignment of roles and responsibilities.

This is not a one-off activity, but should be undertaken periodically to ensure that the framework remains suitable for the business. It also takes into account any changes to the size of the organization, service levels, business, IT strategies, and operational plans.

Controls

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- Demand Management Evaluation (From: A257)

  An analysis of activity data for Demand Management, providing an understanding of the current success or failure of the process, and an identification of potential process improvements.

Outputs

- Demand Management Framework (To: A252 A253 A255 A256 A257)

  The set of structures describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing demand.

[A252] Value and Classify Business Demands

Description

This activity focuses on two linked work items:

- It defines a value-driven classification scheme for business demands. In other words, it will establish a set of criteria against which each demand from the business for IT service can be evaluated. Some examples of items to be considered:
  - Criticality for demand to be satisfied, and in what manner. Should service be *excellent*, or is *adequate* sufficient?
  - The classification scheme categories themselves. These would usually cover a spectrum from *must have* to *nice to have*.
- Performing the valuing and classifying work—along with the relevant stakeholders for each demand item—for each identified business demand.

A critical success factor for this activity is that all appropriate stakeholders for each demand are properly involved in the collection, analysis, and decisions.

Controls

- Demand Management Framework (From: A251)

  The set of structures describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing demand.

- Business Strategy

  The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

Inputs

- Market Analysis (From: A2 A22 A222)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- IT Research Guidance (From: A3 A32 A325)

  Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

- Business Demand Characteristics

  Data from business units and customers describing the characteristics of business demand. The characteristics focus on information about the demand in the context of business strategy (to support evaluation and classification).

- Demand Management Outcomes Report (From: A256)

  Information about the success (or otherwise) of the Demand Management activities across several aspects:

  - Representing business demand in IT service consumption units
  - Identifying supply and demand gaps
  - Recommending interventions to realign demand to match supply

Outputs

- Business Demand Value Classification (To: A253)

  A scheme for classifying each business demand stream as a basis for making decisions in the event of demand exceeding supply and the results of performing the classification, particularly to include the business value characteristic.

- Demand Management Activity Data (To: A257)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A253] Consolidate Business Demand Patterns and Forecasts

Description

This activity collaborates with the agreed sources of business demand data in order to build a comprehensive understanding of the overall demand. Tasks to be performed can include:

- Collect Business Demand Patterns
  - Techniques such as Business Activity Modeling (as described in the *ITIL Service Strategy* book) might be relevant for this.
- Translate Business Demand Patterns (into the agreed, common format)
- Analyze Business Demand (for example, understand the types of demand and the confidence levels in the data, for customers of IT, both internal and external)
- Forecast Business Demand
- Communicate the patterns and forecasts to agreed recipients (taking account of the sensitivity of the information)

Controls

- Business Demand Value Classification (From: A25 A252)

  A scheme for classifying each business demand stream as a basis for making decisions in the event of demand exceeding supply and the results of performing the classification, particularly to include the business value characteristic.

- Demand Management Framework (From: A251)

  The set of structures describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing demand.

- Business and IT Models (From: A3 A33 A333)

  Representations of relevant aspects of the business' activities, in model formats, and with or without the inclusion of related IT factors.

Inputs

- Business Metrics

  Metrics (measurements, key performance indicators) on business performance. They are provided by the business whether or not the underlying data is managed by IT solutions.

- Customer Satisfaction Results and Trends (From: A27 A276)

  A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

- Business Activity Patterns and User Profiles

  Business activity patterns reflect the typical workload profile from one or more business activities. User profiles are collations of business activity patterns to reflect that most users are actors within several business processes, and these combinations vary depending on organization design. Refer to the *ITIL Glossary* and to the *Service Strategy* book for further reading.

- Demand Management Outcomes Report (From: A256)

  Information about the success (or otherwise) of the Demand Management activities across several aspects:

  - Representing business demand in IT service consumption units
  - Identifying supply and demand gaps
  - Recommending interventions to realign demand to match supply

Outputs

- Business Demand Baselines (To: A254 A256)

  An agreed statement of the expected business demand for the normal (typical) pattern of business. A baseline is "A Benchmark used as a reference point." [62]

- Business Demand Forecasts (To: A254 A256)

  Agreed predictions of business demand for IT service, usually arranged by periods against a standard calendar.

- Demand Management Activity Data (To: A257)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A254] Forecast Service Demand

Description

This activity translates the agreed business forecasts into the consumption units for the IT services that satisfy each of the business demands. Each service can have its own scheme of consumption units (perhaps used as a basis for comparison of supply and demand within that particular service) and there will be an overall scheme of *service units* to support the creation of an IT-wide forecast, including identification of divergence between demand and supply.

Tasks performed within this activity include:

- Identify Service Demand Patterns
- Baseline Service Demand Patterns
- Analyze Service Demand (for example, to identify any differences between demand and supply)
- Model Service Demand, with particular focus on which business variables have significant impact on IT service demand sensitivity
- Collate Service Demand Forecasts

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62. ITIL V3 Glossary

Controls

- Business and IT Models (From: A3 A33 A333)

  Representations of relevant aspects of the business' activities, in model formats, and with or without the inclusion of related IT factors.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[63]

  - OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[64]

  - UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[65]

  These agreements can be in a draft or finalized status.

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes." [66]

- IT Plan (From: A3 A36 A365)

  The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

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63. ITIL V3 Glossary
64. ITIL V3 Glossary
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66. ITIL V3 Glossary

Inputs

- Business Demand Baselines (From: A253)

  An agreed statement of the expected business demand for the normal (typical) pattern of business. A baseline is "A Benchmark used as a reference point." [67]

- Business Demand Forecasts (From: A253)

  Agreed predictions of business demand for IT service, usually arranged by periods against a standard calendar.

- Capacity Baselines and Profiles (From: A743)

  Collective representations of current (and projected) capacity for selected groups of assets and resources, as well as patterns of consumption by various consumers.

Outputs

- Service Demand Baselines (To: A255)

  An agreed statement of the IT Service demand that will be driven by the expected business demand for the normal (typical) pattern of business. A baseline is "A Benchmark used as a reference point." [68]

- Service Demand Forecasts (To: A24 A243 A246 A255 A256 A742 A745)

  Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

- Service Demand Models (To: A255)

  Analysis of the relationships between typical business activity patterns and the consequential demand for IT service.

- Demand Management Activity Data (To: A257)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A255] Identify and Plan Demand Management Initiatives

Description

This activity analyzes any misalignment between demand for and supply of IT services. For any gaps identified in this way, it determines whether demand management measures have the potential to help close them. It formulates a prioritized set of recommendations (agreed with the business) for demand optimization, recognizing that the measures which will influence demand can require coordinated focus within the business and in Capacity Management, and can involve a combination of incentives and penalties (typically pricing). When an approach for demand optimization has been finalized, a plan of action to implement the demand influencers is created and communicated to all relevant parties.

Controls

- Service Demand Baselines (From: A254)

  An agreed statement of the IT Service demand that will be driven by the expected business demand for the normal (typical) pattern of business. A baseline is "A Benchmark used as a reference point." [69]

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67. ITIL V3 Glossary
68. ITIL Glossary
69. ITIL Glossary

- Demand Management Framework (From: A251)

  The set of structures describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing demand.

- IT Plan (From: A3 A36 A365)

  The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- Service Demand Forecasts (From: A25 A254)

  Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

- Service Demand Models (From: A254)

  Analysis of the relationships between typical business activity patterns and the consequential demand for IT service.

- Capacity Baselines and Profiles (From: A743)

  Collective representations of current (and projected) capacity for selected groups of assets and resources, as well as patterns of consumption by various consumers.

- Business Activity Patterns and User Profiles

  Business activity patterns reflect the typical workload profile from one or more business activities. User profiles are collations of business activity patterns to reflect that most users are actors within several business processes, and these combinations vary depending on organization design. Refer to the *ITIL Glossary* and to the *Service Strategy* book for further reading.

- Service Resilience Plans (From: A7)

  The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

  - Compliance Management
  - Security Management
  - Availability Management
  - Capacity Management
  - Facilities Management
  - IT Service Continuity Management

  (See the definition of the *plan* output from each individual process for more details.)

- Service Price Model (From: A833)

  The service price model describes all inputs needed (for example, service model, measures, service levels, customer) to derive a price for a delivered service. It is often presented as a multidimensional matrix, with one dimension for each input. It describes as output one price for each combination.

- Marketing and Sales Reports (From: A22 A228)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

■ Solution Plans and Commitments (From: A4 A41 A42 A422 A425 A43 A432 A44 A442 A45 A452)

The collective overall information on both the development plan for the solution and the content of the solution as it progresses from concept to reality.

- Plans: Sets of committed solution phases, activities, tasks and milestones together with timeframe.
- Commitments: Sets of requirements, designs and other deliverables, such as test cases.

■ Demand Management Outcomes Report (From: A256)

Information about the success (or otherwise) of the Demand Management activities across several aspects:

- Representing business demand in IT service consumption units
- Identifying supply and demand gaps
- Recommending interventions to realign demand to match supply

■ Service Achievement Reports (From: A24 A244)

One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

■ IT Financial Modeling Analysis (From: A812)

The outcome of the request for modeling the financial implications of any aspect of the IT undertakings.

Outputs

■ Project Proposal (To: A3 A34 A342 A35 A352 A36 A364)

A formal statement of an idea being put forward for consideration that includes the business case for the proposed IT investment.

■ IT Financial Modeling Request (To: A812)

A request for financial modeling to be performed so that the financial implications of a potential proposal relating to IT resources and capabilities can be understood. Any process can originate this type of request.

■ Business Demand Optimization Recommendations (To: A256)

Statements of opportunities for influencing business demand by identifying the most likely lever (or levers), that could achieve a result, plus outline plan suggestions for their implementation. Levers can have impact directly on a business process, the quality of the IT-provided service, or both.

■ Service Level Package (To: A22 A226 A23 A233 A234 A24 A243 A246 A256 A3 A35 A354 A355 A4 A41 A412 A413 A42 A422 A423 A7 A74 A742 A744 A8 A83 A833 A834)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [70]

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70. ITIL V3 Glossary

■ Demand Management Activity Data (To: A257)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A256] Assess and Report Demand Management Outcomes

Description

This activity examines the service performance against both the expected business demand forecast and the set of demand management influencers which have been implemented. It determines the degree of success in closing any gaps between supply and demand, and communicates the results to relevant parties. In particular, it assesses the effectiveness of any demand management initiatives which have been in operation, and the likely factors which led to success (or failure).

Controls

■ Demand Management Framework (From: A251)

The set of structures describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing demand.

Inputs

■ Business Demand Optimization Recommendations (From: A25 A255)

Statements of opportunities for influencing business demand by identifying the most likely lever (or levers), that could achieve a result, plus outline plan suggestions for their implementation. Levers can have impact directly on a business process, the quality of the IT-provided service, or both.

■ Service Level Package (From: A2 A25 A255)

Details of the expected implications to the service utility and warranty which will result from agreement with the relevant business units on the demand management approaches under which the service will be provided. ITIL definition: "A defined level of Utility and Warranty for a particular Service Package. Each SLP is designed to meet the needs of a particular Pattern of Business Activity." [71]

■ Service Demand Forecasts (From: A25 A254)

Agreed predictions of the IT service demand that will be driven if the expected level of business activity occurs. They are usually arranged by periods against a standard calendar.

■ Business Demand Baselines (From: A253)

An agreed statement of the expected business demand for the normal (typical) pattern of business. A baseline is "A Benchmark used as a reference point." [72]

■ Business Demand Forecasts (From: A253)

Agreed predictions of business demand for IT service, usually arranged by periods against a standard calendar.

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71. ITIL V3 Glossary
72. ITIL V3 Glossary

■ Solution Plans and Commitments (From: A4 A41 A42 A422 A425 A43 A432 A44 A442 A45 A452)

The collective overall information on both the development plan for the solution and the content of the solution as it progresses from concept to reality.

- Plans: Sets of committed solution phases, activities, tasks and milestones together with timeframe.
- Commitments: Sets of requirements, designs and other deliverables, such as test cases.

■ Service Achievement Reports (From: A24 A244)

One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

■ Service and Resource Tuning Directives (From: A744)

Ranges from traditional performance tuning through capacity and workload allocation adjustments.

■ Capacity Reports (From: A74 A743)

Information about the results and outcomes observed and achieved relating to all aspects of capacity. Reports include:

- Performance and capacity results
- Workload analysis
- Forecasts and predictions

■ Service Review Results (From: A24 A245)

The outcome from a review of service level attainment. This might include:

- Exceptions and violations with regard to target and actual service delivery
- Determination of responsibility for non-attainment
- Identification of penalties incurred

Outputs

■ Demand Management Outcomes Report (To: A252 A253 A255)

Information about the success (or otherwise) of the Demand Management activities across several aspects:

- Representing business demand in IT service consumption units
- Identifying supply and demand gaps
- Recommending interventions to realign demand to match supply

■ Demand Management Activity Data (To: A257)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A257] Evaluate Demand Management Performance

Description

This governance activity includes the evaluation of the performance of the Demand Management process and aims at identifying improvement areas of the overall process. For example, the foundation and interfaces of the process, all activities and their accomplishment, the adaptability of the process, as well as the roles, responsibilities, and related skills.

In addition, the Demand Management process is to be evaluated against the goals and measures to understand its influence on overall IT improvements.

The basis for the improvements are insights and lessons learned from the observations and analysis of activity accomplishments and results.

Controls

- Demand Management Framework (From: A251)

  The set of structures describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing demand.

Inputs

- Demand Management Activity Data (From: A252 A253 A254 A255 A256)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

Outputs

- Demand Management Evaluation (To: A251)

  An analysis of activity data for Demand Management, providing an understanding of the current success or failure of the process, and an identification of potential process improvements.

[A26] IT Customer Transformation Management

Purpose

The purpose of the IT Customer Transformation Management process is to assist customers in the transformation of their business throughout the life cycle; from the genesis of transformation ideas through the measurement and optimization of the benefits from implemented transformation. While this process primarily exists to support technology-based transformation, a customer might request assistance under this process for other kinds of transformation (a quality improvement program, using an approach like LEAN).

Outcomes

As a result of the successful implementation of this process:

- Transformation opportunities, both incremental and more foundational, are identified and prioritized
- Customers and the business are encouraged to adopt transformational capabilities
- The IT organization contributes to the exploitation of transformational capabilities by guiding and overseeing their introduction
- The benefits achieved by transformation are defined, measured, analyzed, improved and controlled
- Reports indicating both benefits missed as well as further, unanticipated benefit potential inform transformation leadership teams

Scope

Includes

- Being able to deal with each identified customer in a manner relevant to their individual needs
- Gaining sufficient understanding of the customer's business in order to contribute at the desired level
- Where appropriate:
  - Establishing joint working arrangements with the designated customer representatives
  - Providing business modeling and business case development skills and capabilities
  - Supporting transformation based on cultural and procedural change that is not (significantly) technology based
- Contributing to the cultural changes and other organizational change management efforts needed for successful transformation
- Benefit measurement and reporting

Excludes

- Decision making on the portfolio impact (for example, new services) resulting from transformation proposals (Portfolio Management)
- Direct development of information technology solutions and services (Realization category of processes)

Controls

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[73]
  - OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[74]
  - UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[75]

  These agreements can be in a draft or finalized status.

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- IT Plan (From: A3 A36 A365)

  The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

- IT Budget (From: A8 A81 A813)

  The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

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73. ITIL V3 Glossary
74. ITIL V3 Glossary
75. ITIL V3 Glossary

■ Business Strategy

The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

Inputs

■ Customer Profiles (From: A22 A228)

The body of knowledge about each customer as a result from marketing and sales activities.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes." [76]

■ Market Analysis (From: A2 A22 A222)

A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

■ Stakeholder Requirements (From: A2 A21 A213)

The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

■ Market Data

A collection of qualitative and quantitative data items which describe the current and potential future state of the IT service provider marketplace.

■ Service Resilience Plans (From: A7)

The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

● Compliance Management
● Security Management
● Availability Management
● Capacity Management
● Facilities Management
● IT Service Continuity Management

(See the definition of the *plan* output from each individual process for more details.)

■ IT Customer Capability Adoption Events

Notable milestones (both successes and failures) in the customer's adoption of transformational capability.

■ IT Research Guidance (From: A3 A32 A325)

Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

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76. ITIL V3 Glossary

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■ Customer Directions and Intentions

Information from customers, whether expressly or implicitly stated within other communications, which indicates the customers' strategies, plans, wish lists, or other intentions on the subject of IT service.

■ Business Metrics

Metrics (measurements, key performance indicators) on business performance. They are provided by the business whether or not the underlying data is managed by IT solutions.

■ Current Business Climate

Information about the state of the customer's business. Includes business metrics and projections directly relating to the customer as well as directional statements such as press releases, annual reports, and other articles.

■ Solution Plans and Commitments (From: A4 A41 A42 A422 A425 A43 A432 A44 A442 A45 A452)

The collective overall information on both the development plan for the solution and the content of the solution as it progresses from concept to reality.

- Plans: Sets of committed solution phases, activities, tasks and milestones together with timeframe.
- Commitments: Sets of requirements, designs and other deliverables, such as test cases.

Outputs

■ Project Proposal (To: A3 A34 A342 A35 A352 A36 A364)

A formal statement of an idea being put forward for consideration that includes the business case for the proposed IT investment.

■ IT Customer Capability Adoption Interventions

Any actions or efforts designed to promote the adoption of transformational capabilities. Examples of such interventions include:

- Communications
- Training programs
- General consultancy and assistance into better, deeper or broader usage of the capability

■ IT Customer Capability Adoption Plan (To: A266)

The overall plan for enabling and promoting capability adoption. This ranges from customer-wide items such as general awareness and communications through training programs customized to local needs, and possibly the provision of individual guidance and consultancy.

■ IT Customer Transformation Themes and Evaluation Principles (To: A244 A245 A246 A263 A312 A363)

A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

■ IT Customer Benefit Realization Report (To: A264 A265 A266)

A report describing the benefits realized by the customer from the adoption of transformational capabilities. Different types of reports are possible, including:

- Timetable for changes in realized benefit (typically as penetration advances)
- Comparison of actual against plan
- Indication and analysis of missed or additional benefit exploitation opportunities

■ Sales Leads (To: A22 A225)

A notice that there might be a potential customer for one or more IT provider services.

Activities

This process is composed of these activities:

- A261 Establish IT Customer Transformation Management Framework
- A262 Understand IT Customer Context
- A263 Identify IT Customer Transformation Opportunities
- A264 Develop IT Customer Transformation Proposal
- A265 Enable and Promote IT Customer Capability Adoption
- A266 Optimize IT Customer Benefit Realization
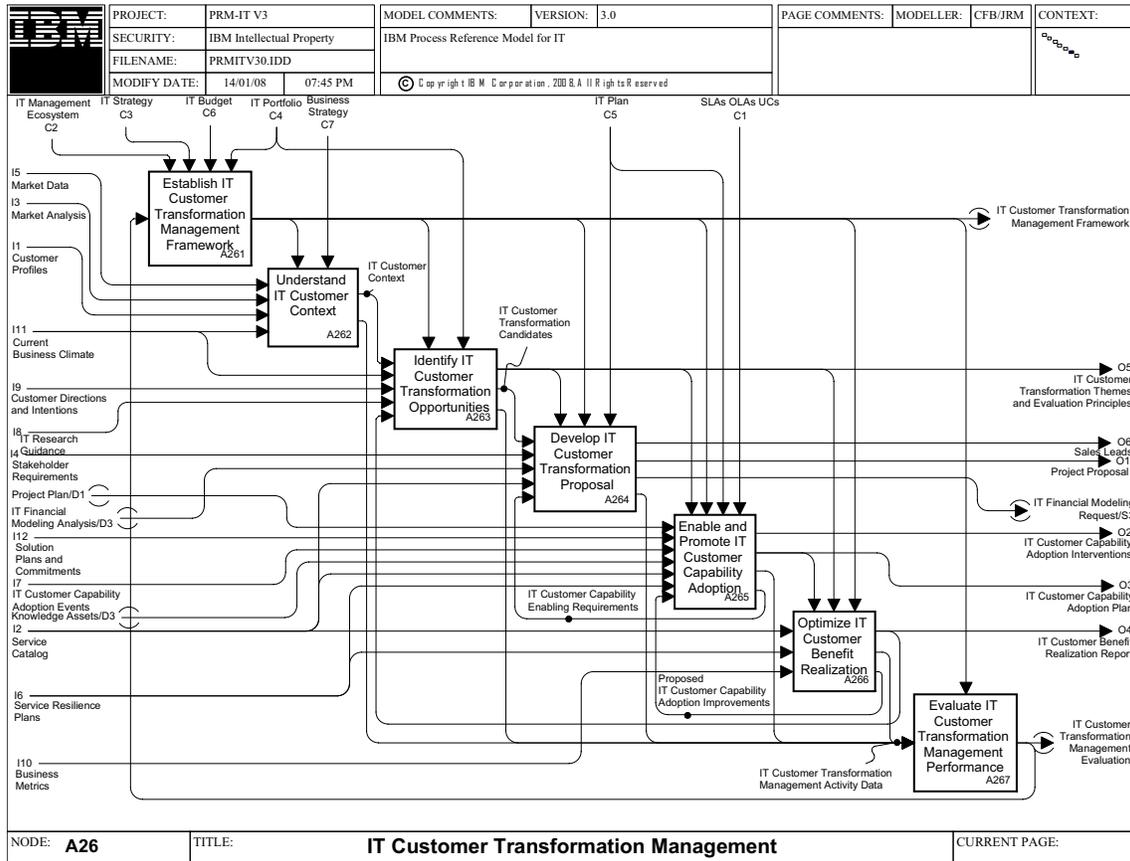- A267 Evaluate IT Customer Transformation Management Performance

Figure 7. A26 IT Customer Transformation Management

[A261] Establish IT Customer Transformation Management Framework

Description

A framework and guidelines for IT customer transformation management are developed based on business and IT strategy. The following tasks belong to this activity:

- Understanding the requirements and specifications for IT customer transformation management practices. These will need to accommodate a range of possible customer interface styles, such as supplier, partner or enabler
- Establishing the framework for stakeholder requirements management by defining and implementing practices and systems that support process activities
- Based on these systems, determining skill requirements for the staff and assigning staff
- Defining evaluation criteria for IT customer transformation management solutions and services

Finally, the structure and process of IT customer transformation management including escalation responsibilities have to be communicated to the process users. The establishment of the process framework also includes the continuous improvement of IT customer transformation management; that is, the consideration of the IT Customer Transformation Management process evaluation and the implementation of recommended improvement actions.

Controls

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- IT Budget (From: A8 A81 A813)

  The planned IT funding broken down in relevant ways, such as activities and milestones per period, to reflect the contents of the IT plan.

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- IT Customer Transformation Management Evaluation (From: A267)

  An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

Outputs

- IT Customer Transformation Management Framework (To: A262 A263 A264 A265 A266 A267)

  The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

[A262] Understand IT Customer Context

Description

An understanding of the customer's business context is an essential prerequisite to contributing to any transformational initiatives. This activity examines information about the customer's business from many sources in order to understand the key business drivers and imperatives.

Controls

- IT Customer Transformation Management Framework (From: A261)

  The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

- Business Strategy

  The business strategy stated in terms of strategic intent, roadmap, drivers, objectives and policies.

Inputs

- Market Data

  A collection of qualitative and quantitative data items which describe the current and potential future state of the IT service provider marketplace.

- Market Analysis (From: A2 A22 A222)

  A document that evaluates the current service requirements, market segmentation, current customer profiles, and the current typical IT service provider scope. The purpose is to discern general trends and directions in the current IT service marketplace.

- Customer Profiles (From: A22 A228)

  The body of knowledge about each customer as a result from marketing and sales activities.

- Current Business Climate

  Information about the state of the customer's business. Includes business metrics and projections directly relating to the customer as well as directional statements such as press releases, annual reports, and other articles.

Outputs

- IT Customer Context (To: A263)

  A digest summarizing and analyzing the customer's business activities and the key business drivers and imperatives which influence the direction of that business. Includes consideration of the main uses of information technology within that business and in comparison with industry competitors and leaders.

- IT Customer Transformation Management Activity Data (To: A267)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A263] Identify IT Customer Transformation Opportunities

Description

This activity reviews existing exploitation of information technology by each customer against what might be possible, and works to identify opportunities for incremental or large-scale transformation. Specific aspects include:

- Analyze current customer usage of technology-enabled business capabilities
- Formalize customer directions and intentions into themes and evaluation principles
- Review the art-of-the-possible for business capability opportunities
- Identify viable innovation candidates

Controls

- IT Customer Transformation Management Framework (From: A261)

    The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

- IT Portfolio (From: A3 A36 A365)

    A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

- IT Customer Context (From: A262)

    A digest summarizing and analyzing the customer's business activities and the key business drivers and imperatives which influence the direction of that business. Includes consideration of the main uses of information technology within that business and in comparison with industry competitors and leaders.

- Current Business Climate

    Information about the state of the customer's business. Includes business metrics and projections directly relating to the customer as well as directional statements such as press releases, annual reports, and other articles.

- Customer Directions and Intentions

    Information from customers, whether expressly or implicitly stated within other communications, which indicates the customers' strategies, plans, wish lists, or other intentions on the subject of IT service.

- IT Research Guidance (From: A3 A32 A325)

    Guidance and recommendations about which trends and innovations should or should not be adopted. In other words, a summary of overall research results.

- IT Customer Transformation Themes and Evaluation Principles (From: A24 A243 A26 A266)

    A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

Outputs

- IT Customer Transformation Themes and Evaluation Principles (To: A264 A265 A266 A312 A363)

  A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

- IT Customer Transformation Candidates (To: A264)

  A list of possible transformational opportunity areas for the customer. It will usually be categorized against key business drivers.

- IT Customer Transformation Management Activity Data (To: A267)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A264] Develop IT Customer Transformation Proposal

Description

Transformation proposals (usually having a significant information technology constituent) are taken from initial inception through consideration of initial business case and overview of how the transformational content might be created.

This work will involve aspects such as:

- Select and review the candidates based on business direction and imperatives
- Build the proposal content in terms of what the innovation would be, how it would impact the business operation (for example, by modeling business process changes), and an outline of how it might be done
- Develop ROI or other form of business case
- Draft a program or project outline. Suggest schedule of (1) project timing, (2) benefit time scales

Transformation proposals might need to be updated during the life cycle of approved development projects in order to reflect changed circumstances and actual experience. In particular, experience of preparing for and implementing transformational capabilities (for example, in a pilot rollout) might indicate that adjustments or modifications are needed to achieve optimal benefit.

The nature of the proposal development work will depend on the relationship between the customer and the IT service provider. In partnership cases, the customer might look to the IT provider as the expert in business transformation modeling. In other cases, the customer might require more minimal assistance; for example, to provide technical input.

Controls

- IT Customer Transformation Themes and Evaluation Principles (From: A26 A263)

  A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

- IT Customer Transformation Management Framework (From: A261)

  The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

■ IT Plan (From: A3 A36 A365)

The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

Inputs

■ IT Customer Transformation Candidates (From: A263)

A list of possible transformational opportunity areas for the customer. It will usually be categorized against key business drivers.

■ Stakeholder Requirements (From: A2 A21 A213)

The qualified needs for IT services that are to be progressed through the Portfolio process for decision making.

These needs might be in a form suitable for direct translation into solution requirements and should include stakeholders' acceptance criteria.

■ IT Financial Modeling Analysis (From: A812)

The outcome of the request for modeling the financial implications of any aspect of the IT undertakings.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[77]

■ IT Customer Capability Enabling Requirements (From: A265)

Statement of requirements for additional or modified materials, training, and communication programs, and other enablers that enhance the rate and degree of adoption of transformational capabilities.

Outputs

■ Sales Leads (To: A22 A225)

A notice that there might be a potential customer for one or more IT provider services.

■ Project Proposal (To: A3 A34 A342 A35 A352 A36 A364)

A formal statement of an idea being put forward for consideration that includes the business case for the proposed IT investment.

■ IT Financial Modeling Request (To: A812)

A request for financial modeling to be performed so that the financial implications of a potential proposal relating to IT resources and capabilities can be understood. Any process can originate this type of request.

■ IT Customer Transformation Management Activity Data (To: A267)

Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

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77. ITIL V3 Glossary

[A265] Enable and Promote IT Customer Capability Adoption

Description

Work to prepare for and then directly support the adoption of changes to business processes, whether technology-enabled or not, can begin as soon as a transformation proposal is accepted. It might continue until the changes have become embedded within the customer's operations and culture (this might be described as business-as-usual) and until such time as no further benefit from further adoption is considered possible or a focus area.

This activity includes:

- Identifying the required adoption support needs
- Creating and managing a plan for business capability adoption. For example:
  - The management of organization change
  - Communication
  - Training.
- Performing and executing the plan
- Providing, as needed, advice and guidance on business capability usage
- Monitoring progress against key milestones
- Revision of the adoption plan to reflect the learnings from existing benefit realization assessments
- Identification of modifications or extensions to the capability adoption requirements to enhance capability adoption

Controls

- IT Customer Transformation Themes and Evaluation Principles (From: A26 A263)

  A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

- IT Customer Transformation Management Framework (From: A261)

  The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

- IT Plan (From: A3 A36 A365)

  The set of approved projects and associated schedule, operating plan, service level management commitments, and resource allocation commitments and adjustments for a defined fiscal or planning cycle.

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the

responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[78]

- OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[79]

- UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[80]

These agreements can be in a draft or finalized status.

Inputs

- Project Plan (From: A3 A37 A374)

  The set of the work plans, plus other plans including management plan , human resource plan , technical environment, project quality, communications management, and others.

- Solution Plans and Commitments (From: A4 A41 A42 A422 A425 A43 A432 A44 A442 A45 A452)

  The collective overall information on both the development plan for the solution and the content of the solution as it progresses from concept to reality.

  - Plans: Sets of committed solution phases, activities, tasks and milestones together with timeframe.
  - Commitments: Sets of requirements, designs and other deliverables, such as test cases.

- IT Customer Capability Adoption Events

  Notable milestones (both successes and failures) in the customer's adoption of transformational capability.

- Knowledge Assets (From: A85 A855)

  Any information from knowledge management that fulfills a knowledge request.

- Service Catalog (From: A2 A23 A235)

  Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

  ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[81]

- Service Resilience Plans (From: A7)

  The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

  - Compliance Management
  - Security Management
  - Availability Management

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78. ITIL V3 Glossary
79. ITIL V3 Glossary
80. ITIL V3 Glossary
81. ITIL V3 Glossary

- Capacity Management
- Facilities Management
- IT Service Continuity Management

  (See the definition of the *plan* output from each individual process for more details.)

- Proposed IT Customer Capability Adoption Improvements (From: A266)

  Suggestions for improvements (changes, extensions) to the existing adoption support plan. This is based on lessons learned from existing adoption, and how well the mooted benefits have been realized.

Outputs

- IT Customer Capability Adoption Interventions

  Any actions or efforts designed to promote the adoption of transformational capabilities. Examples of such interventions include:

  - Communications
  - Training programs
  - General consultancy and assistance into better, deeper or broader usage of the capability

- IT Customer Capability Adoption Plan (To: A266)

  The overall plan for enabling and promoting capability adoption. This ranges from customer-wide items such as general awareness and communications through training programs customized to local needs and possibly the provision of individual guidance and consultancy.

- IT Customer Transformation Management Activity Data (To: A267)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

- IT Customer Capability Enabling Requirements (To: A264)

  Statement of requirements for additional or modified materials, training, and communication programs, and other enablers that enhance the rate and degree of adoption of transformational capabilities.

[A266] Optimize IT Customer Benefit Realization

Description

Tracking results to identify the actual business benefit achieved, and the assessment of benefit versus plan to identify additional benefit potential; and remedial adoption support needed to close benefit realization gaps.

The activity includes:

- Measuring actual business benefits and reporting them
- Identifying variances in benefits achieved versus planned
- Diagnosing causes of benefit gaps
- Identifying opportunities for benefit greater than planned
- Proposing improvements to business capability adoption

Controls

■ IT Customer Capability Adoption Plan (From: A26 A265)

The overall plan for enabling and promoting capability adoption. This ranges from customer-wide items such as general awareness and communications through training programs customized to local needs and possibly the provision of individual guidance and consultancy.

■ IT Customer Transformation Themes and Evaluation Principles (From: A26 A263)

A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

■ IT Customer Transformation Management Framework (From: A261)

The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

Inputs

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes." [82]

■ Service Resilience Plans (From: A7)

The collection of plans produced by the individual processes involved in ensuring the resilience within service management. Processes contributing are:

- Compliance Management
- Security Management
- Availability Management
- Capacity Management
- Facilities Management
- IT Service Continuity Management

(See the definition of the *plan* output from each individual process for more details.)

■ Business Metrics

Metrics (measurements, key performance indicators) on business performance. They are provided by the business whether or not the underlying data is managed by IT solutions.

Outputs

■ IT Customer Transformation Themes and Evaluation Principles (To: A244 A245 A246 A263 A312 A363)

A statement of the general headings under a customer's business operations that might be transformed together with a set of evaluation principles which can be used to prioritize alternative transformation candidates.

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82. ITIL V3 Glossary

- IT Customer Transformation Management Activity Data (To: A267)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

- Proposed IT Customer Capability Adoption Improvements (To: A265)

  Suggestions for improvements (changes, extensions) to the existing adoption support plan. This is based on lessons learned from existing adoption, and how well the mooted benefits have been realized.

[A267] Evaluate IT Customer Transformation Management Performance

Description

The evaluation of the performance of the process aims at identifying areas of the overall process which require improvement. For example, the foundation and interfaces of the process, all activities, their accomplishment, their degree of automation, as well as the roles and responsibilities including the respective skills. The bases for the improvements are the insights and the lessons learned from the observations and analysis of activity accomplishments and results.

Controls

- IT Customer Transformation Management Framework (From: A261)

  The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer transformation.

Inputs

- IT Customer Transformation Management Activity Data (From: A262 A263 A264 A265 A266)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

Outputs

- IT Customer Transformation Management Evaluation (To: A261)

  An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

[A27] Customer Satisfaction Management

Purpose

The purpose of the Customer Satisfaction Management process is to determine if customers are satisfied, and the degree of their satisfaction with the services, solutions, and offerings from the providers of IT. In addition to this determination, the process aims to proactively predict what the customer satisfaction will be, and then to determine what must be done to maintain or, where appropriate, enhance satisfaction and customer loyalty.

Definition of customer satisfaction: An expression of perceived actual service received versus expected (committed) service.

Outcomes

As a result of the successful implementation of this process:

- Customer satisfaction and loyalty will be sustained and enhanced
- Customer satisfaction can be measured and tracked
- Early signs of customer dissatisfaction can be addressed and resolved before major issues emerge
- Causes of customer dissatisfaction are remedied

Scope

This process is active throughout the service life cycle. It begins at the first contact with a customer as part of the effort to determine wants and needs, and continues through either creating a satisfied customer or with the monitoring of remedial actions to correct any problems leading to customer dissatisfaction. It encompasses the entirety of IT services, solutions and offerings (the IT service catalog).

Includes

- Identifying customer types and classes
- Understanding:
  - Customer expectations
  - Customer perceptions
- Analysis of the current services catalog
- Ongoing identification of the key factors contributing to customer satisfaction and loyalty or dissatisfaction
- Development and maintenance of measurements of satisfaction and loyalty
- Collection and analysis of such measurements
- Planning, directing, and monitoring of efforts to remedy customer dissatisfaction, as well as to increase satisfaction, on both a proactive and reactive basis
- Communicating constraints and decision criteria agreed with customers transparently to users

Excludes

- Fulfillment of specific customer requirements (handled through Service Marketing and Sales)Execution of specific corrective actions for resolving issues (any other process, depending on the issue)

◆ Ongoing activities for managing service agreements and service level attainment (Service Level Management)

Controls

■ SLAs, OLAs, UCs (From: A2 A24 A243)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

● SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[83]

● OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[84]

● UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[85]

These agreements can be in a draft or finalized status.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes." [86]

■ IT Management Ecosystem (From: A1)

To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

■ IT Strategy (From: A3 A31 A315)

A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and

83. ITIL V3 Glossary
84. ITIL V3 Glossary
85. ITIL V3 Glossary
86. ITIL V3 Glossary

required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

■ IT Portfolio (From: A3 A36 A365)

A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

Inputs

■ Customer Profiles (From: A22 A228)

The body of knowledge about each customer as a result from marketing and sales activities.

■ Service Review Results (From: A24 A245)

The outcome from a review of service level attainment. This might include:

- Exceptions and violations with regard to target and actual service delivery
- Determination of responsibility for non-attainment
- Identification of penalties incurred

■ Service Achievement Reports (From: A24 A244)

One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

■ Customer Organization

Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

■ Customer Satisfaction Input

Feedback (solicited or unsolicited) from customers regarding IT performance. This is used to measure and manage customer satisfaction issues and trends.

■ Customer Issue Feedback

The responses and other feedback from the customer providing more information into the issue they have expressed and into their perception on the success or otherwise of attempts to address open issues.

■ Customer Satisfaction Issue (From: A24 A245 A53 A537 A61 A613 A615)

Any determination of a customer satisfaction issue. Can be either direct form a customer, or prompted by any IT staff member in carrying out other processes.

Outputs

■ Customer Output (To: Outside-the-Model A276)

The interactions from the collective IT endeavor to any IT customer which relate to the any aspect of the lifecycle related to the establishment and performance of the IT product; that is, the services and solutions. The interactions include:

- Validation of requirements
- Marketing and sales materials, such as proposals
- Service level agreement life cycle
- Invoices for services rendered
- Any aspect of customer satisfaction

■ Incident (To: A537 A6 A65 A652)

Any information from problem resolution (proactively or reactively) that can help to improve the overall service delivery. For example, there could be a finding that a specific service part or component frequently generates problems and a determination that a modification to the procedures used to operate the service would remove the incident-inducing circumstances.

■ Customer Satisfaction Results and Trends (To: A13 A131 A14 A141 A22 A222 A23 A236 A24 A244 A25 A253 A356 A365 A525 A526)

A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

Activities

This process is composed of these activities:

■ A271 Establish Customer Satisfaction Management Framework

■ A272 Capture Customer Satisfaction Data

■ A273 Analyze Customer Satisfaction

■ A274 Manage Customer Satisfaction Issue Resolution

■ A275 Assess Customer Satisfaction Patterns

■ A276 Communicate Customer Satisfaction Management Results

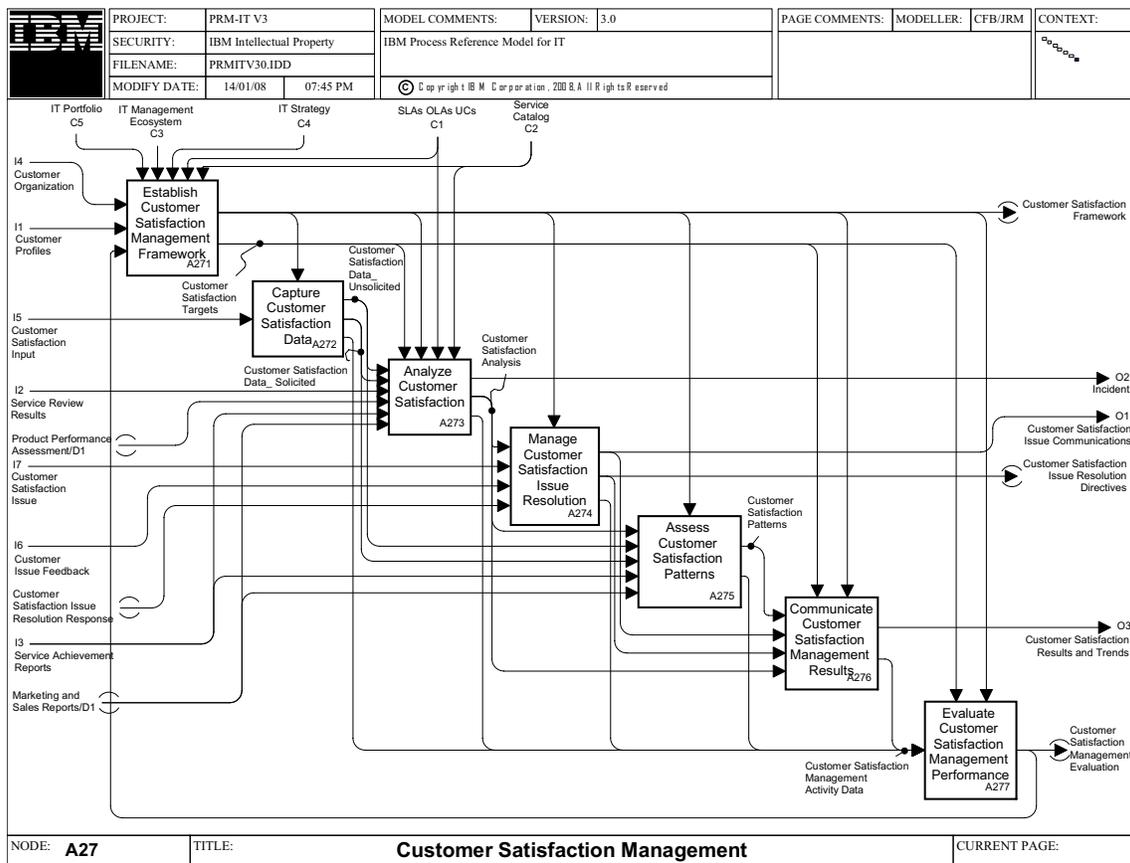■ A277 Evaluate Customer Satisfaction Management Performance

Figure 8. A27 Customer Satisfaction Management

[A271] Establish Customer Satisfaction Management Framework

Description

To establish the framework necessary to manage the Customer Satisfaction process, these considerations should be addressed:

- Policies, standards and guidelines must be created and used to identify customers and customer segments for analysis
- Intervals and approved methods specified for obtaining valid customer satisfaction data
- Policies and direction provided for customer satisfaction issue identification and resolution
- Guidance and direction on analysis methods and trend identification principles
- Documented and accessible procedures for communicating customer satisfaction assessment results

Finally, the structure and process for Customer Satisfaction Management have to be communicated.

The establishment of the Customer Satisfaction Management Framework also includes the continuous improvement of the process; that is, the regular review of process evaluations and the implementation of recommended improvement actions.

Controls

- IT Portfolio (From: A3 A36 A365)

  A central repository containing all the IT resources and assets, projects, and services controlled and managed by the IT organization, departments, and functions.

- IT Management Ecosystem (From: A1)

  To paraphrase a dictionary definition: the complex of management system elements, their physical implementation, and all their interrelationships in the unit of space that is the domain of the IT function. Its fundamental purpose is to provide an environment that is supportive of the carrying out of all of the IT activities defined elsewhere in this model.

- IT Strategy (From: A3 A31 A315)

  A consolidated statement of IT initiatives. Includes a summary of changes to IT capabilities and a summary of each strategic IT initiative. Also includes a statement of planned and required changes to the IT Portfolio and IT Plan. The IT Sourcing Strategy would be included.

- SLAs, OLAs, UCs (From: A2 A24 A243)

  The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

  ITIL definition of these terms:

  - SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[87]

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87. ITIL V3 Glossary

- OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[88]
- UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[89]

These agreements can be in a draft or finalized status.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[90]

Inputs

■ Customer Organization

Information about the organization of each customer. This will include organizational structure details and, in particular, identify the positions and individuals who are stakeholders in each service.

■ Customer Profiles (From: A22 A228)

The body of knowledge about each customer as a result from marketing and sales activities.

■ Customer Satisfaction Management Evaluation (From: A277)

An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

Outputs

■ Customer Satisfaction Framework (To: A272 A273 A274 A275 A276 A277)

The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

■ Customer Satisfaction Targets (To: A273 A276 A277)

The targets (goals) for customer satisfaction against which the actual customer results will be measured.

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88. ITIL V3 Glossary
89. ITIL V3 Glossary
90. ITIL V3 Glossary

[A272] Capture Customer Satisfaction Data

Description

This activity receives, stores, and aggregates customer satisfaction data for further analysis. Such data includes solicited or obtained through formal mechanisms, as well as any unsolicited communications, received directly from customers, with regard to their satisfaction.

Controls

- Customer Satisfaction Framework (From: A271)

  The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

Inputs

- Customer Satisfaction Input

  Feedback (solicited or unsolicited) from customers regarding IT performance. This is used to measure and manage customer satisfaction issues and trends.

Outputs

- Customer Satisfaction Data_ Unsolicited (To: A273 A275)

  Any feedback, typically ad hoc and unprompted, from a customer that expresses their level of satisfaction with any aspect of the IT service provision.
- Customer Satisfaction Data_ Solicited (To: A273 A275)

  Data obtained from service provider initiated collection of satisfaction data. Examples would include forms put in front of users after system interactions, regular review meetings between customer and provider.
- Customer Satisfaction Management Activity Data (To: A277)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A273] Analyze Customer Satisfaction

Description

This activity addresses the processing and assessment of customer satisfaction data in order to identify:

- Satisfaction results for the immediate reporting period
- Trends in satisfaction attainment
- Underlying issues not yet explicitly expressed by any customer

The results of this analysis might warrant immediate attention, in which case an Incident is created

Controls

- Customer Satisfaction Targets (From: A271)

  The targets (goals) for customer satisfaction against which the actual customer results will be measured.

■ Customer Satisfaction Framework (From: A271)

The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

■ SLAs, OLAs, UCs (From: A2 A24 A243)

The agreements that represent the interlinked set of commitments for the service utility and warranty that is to be provided to one or more customers. The agreement between the customer and the organizational unit that directly provides the service is known as a service level agreement (SLA) and is visible to the customer. The agreements that represent the commitments of the collective set of internal organizational units and external entities to provide identified sub-components of the overall service are known as operational sevel agreements (OLAs). OLAs are not usually visible to the customer. Contractual statements of the commitments by external entities are known as underpinning contracts (UCs).

ITIL definition of these terms:

● SLA: "An Agreement between an IT Service Provider and a Customer. The SLA describes the IT Service, documents Service Level Targets, and specifies the responsibilities of the IT Service Provider and the Customer. A single SLA may cover multiple IT Services or multiple Customers."[91]

● OLA: "An Agreement between an IT Service Provider and another part of the same Organisation. An OLA supports the IT Service Provider's delivery of IT Services to Customers. The OLA defines the goods or Services to be provided and the responsibilities of both parties."[92]

● UC: "A Contract between an IT Service Provider and a Third Party. The Third Party provides goods or Services that support delivery of an IT Service to a Customer. The Underpinning Contract defines targets and responsibilities that are required to meet agreed Service Level Targets in an SLA."[93]

These agreements can be in a draft or finalized status.

■ Service Catalog (From: A2 A23 A235)

Catalog of all services offered for delivery by the IT service provider. Portions of it can be used as a means of communication to the customers, but there are also sections that describe details (usually not published outside the delivery organization) of how each service is provided.

ITIL defines Service Catalog as: "A database or structured Document with information about all Live IT Services, including those available for Deployment. The Service Catalogue is the only part of the Service Portfolio published to Customers, and is used to support the sale and delivery of IT Services. The Service Catalogue includes information about deliverables, prices, contact points, ordering and request Processes."[94]

Inputs

■ Customer Satisfaction Data_ Unsolicited (From: A272)

Any feedback, typically ad hoc and unprompted, from a customer that expresses their level of satisfaction with any aspect of the IT service provision.

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91. ITIL V3 Glossary
92. ITIL V3 Glossary
93. ITIL V3 Glossary
94. ITIL V3 Glossary

- Customer Satisfaction Data_ Solicited (From: A272)

  Data obtained from service provider initiated collection of satisfaction data. Examples would include forms put in front of users after system interactions, regular review meetings between customer and provider.

- Service Review Results (From: A24 A245)

  The outcome from a review of service level attainment. This might include:

  - Exceptions and violations with regard to target and actual service delivery
  - Determination of responsibility for non-attainment
  - Identification of penalties incurred

- Product Performance Assessment (From: A356)

  A summary of the product's current level of achievement with regard to commitments made in the product plan. Includes assessments of both quantitative and qualitative factors and the overall value of the product.

- Service Achievement Reports (From: A24 A244)

  One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

- Marketing and Sales Reports (From: A22 A228)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

Outputs

- Incident (To: A537 A6 A65 A652)

  A fault in IT service and infrastructure that has been reported, or an event that could cause an interruption to one or more services. Incidents can be created using either manual or automated mechanisms. An incident reported by a user begins as a service request and becomes an incident once it is determined that a fault is being reported.

- Customer Satisfaction Analysis (To: A274 A275 A276)

  The results of analyzing customer satisfaction data, and including trends and implicit issues.

- Customer Satisfaction Management Activity Data (To: A277)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A274] Manage Customer Satisfaction Issue Resolution

Description

This activity formulates and coordinates IT actions to resolve customer dissatisfaction, and keeps customers informed on the status of issue resolutions.

This activity also ensures appropriate notification and communications take place with IT management and staff on issues and progress.

Controls

- Customer Satisfaction Framework (From: A271)

  The conceptual structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

Inputs

- Customer Satisfaction Analysis (From: A273)

  The results of analyzing customer satisfaction data, and including trends and implicit issues.

- Customer Satisfaction Issue (From: A24 A245 A53 A537 A61 A613 A615)

  Any determination of a customer satisfaction issue. Can be either direct form a customer, or prompted by any IT staff member in carrying out other processes.

- Customer Issue Feedback

  The responses and other feedback from the customer providing more information into the issue they have expressed and into their perception on the success or otherwise of attempts to address open issues.

- Customer Satisfaction Issue Resolution Response

  Responses from any IT process to directives for the resolution of a customer satisfaction issue. Examples of responses would be action plans, and action outcomes.

Outputs

- Customer Satisfaction Issue Communications (To: A276 A614 A615)

  Information provided to customers about any aspect of a satisfaction issue, covering analysis of causes, committed plans to address, and progress to issue resolution.

- Customer Satisfaction Issue Resolution Directives (To: A276)

  Instructions or requests to any IT process for the resolution of a customer satisfaction issue, under the coordination of an overall issue resolution plan.

- Customer Satisfaction Management Activity Data (To: A277)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A275] Assess Customer Satisfaction Patterns

Description

This activity performs additional in-depth investigation of satisfaction data, and derives trending information in order to identify any underlying satisfaction patterns.

Both positive and negative patterns might be highlighted for subsequent communication.

Controls

- Customer Satisfaction Framework (From: A271)

  The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

Inputs

- Customer Satisfaction Analysis (From: A273)

  The results of analyzing customer satisfaction data, and including trends and implicit issues.

- Customer Satisfaction Data_ Unsolicited (From: A272)

  Any feedback, typically ad hoc and unprompted, from a customer that expresses their level of satisfaction with any aspect of the IT service provision.

- Customer Satisfaction Data_ Solicited (From: A272)

  Data obtained from service provider initiated collection of satisfaction data. Examples would include forms put in front of users after system interactions, regular review meetings between customer and provider.

- Service Achievement Reports (From: A24 A244)

  One or more reports about how well the service levels have been achieved and which compare IT's actual service level results achieved against the service level standards and any specific service level targets negotiated with customers. The reports can include details of service impacts – both directly measured and an assessment of business impact. Some sections will be for customer distribution and others can be for service provider receipt only.

- Marketing and Sales Reports (From: A22 A228)

  Reports indicating the outcomes of marketing and sales efforts, and that compare the current sales and marketing execution to the market plan.

Outputs

- Customer Satisfaction Patterns (To: A276)

  Identification of patterns of satisfaction which might require attention from the IT service provider before the dissatisfaction occurs.

- Customer Satisfaction Management Activity Data (To: A277)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A276] Communicate Customer Satisfaction Management Results

Description

This activity provides summary reports of:

- Customer satisfaction attainment and trends
- Current customer satisfaction issues, and any resolution plans associated with each

The reports will be used with both customers and IT management, perhaps with variations depending on the recipients.

Controls

- Customer Satisfaction Targets (From: A271)

  The targets (goals) for customer satisfaction against which the actual customer results will be measured.

- Customer Satisfaction Framework (From: A271)

  The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

Inputs

- Customer Satisfaction Patterns (From: A275)

  Identification of patterns of satisfaction which might require attention from the IT service provider before the dissatisfaction occurs.

- Customer Satisfaction Issue Communications (From: A27 A274)

  Information provided to customers about any aspect of a satisfaction issue, covering analysis of causes, committed plans to address, and progress to issue resolution.

- Customer Satisfaction Issue Resolution Directives (From: A274)

  Instructions or requests to any IT process for the resolution of a customer satisfaction issue, under the coordination of an overall issue resolution plan.

- Customer Satisfaction Analysis (From: A273)

  The results of analyzing customer satisfaction data, and including trends and implicit issues.

Outputs

- Customer Satisfaction Results and Trends (To: A13 A131 A14 A141 A22 A222 A23 A236 A24 A244 A25 A253 A356 A365 A525 A526)

  A report summarizing current customer satisfaction results and historical data. Can be used to identify trends.

- Customer Satisfaction Management Activity Data (To: A277)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

[A277] Evaluate Customer Satisfaction Management Performance

Description

The evaluation of process performance identifies areas that need improvement, such as the foundation and interfaces of the process, activity definitions, key performance metrics, the state of supporting automation, as well as the roles and responsibilities and skills required. Insights and lessons learned from direct observation and data collected on process performance are the basis for improvement recommendations.

Controls

- Customer Satisfaction Targets (From: A271)

  The targets (goals) for customer satisfaction against which the actual customer results will be measured.

- Customer Satisfaction Framework (From: A271)

  The conceptional structure describing the strategic (vision, mission, value proposition), organizational (organizational mechanisms, roles, accountabilities), process (activities, work flows, inputs, outputs), and technology (software, hardware) practices for managing customer satisfaction.

Inputs

- Customer Satisfaction Management Activity Data (From: A272 A273 A274 A275 A276)

  Data resulting from all work carried out by each process activity. Examples would be volumes, timings, resources used, success and error rates, interfaces invoked, rework, customer feedback, priorities.

Outputs

- Customer Satisfaction Management Evaluation (To: A271)

  An assessment of the overall performance of the process against the targets set in the process framework and an identification of possible process improvement areas.

PRM-IT A2 Node Tree

A2 – CUSTOMER RELATIONSHIPS	
A21	**Stakeholder Requirements Management**
A211	Establish Stakeholder Requirements Management Framework
A212	Capture Stakeholder Needs
A213	Transform Needs Into Stakeholder Requirements
A214	Monitor and Report Stakeholder Needs and Requirements
A215	Evaluate Stakeholder Requirements Management Performance
A22	**Service Marketing and Sales**
A221	Establish Service Marketing and Sales Framework
A222	Analyze Market Wants and Needs
A223	Create Marketing Plan
A224	Execute Marketing Plan
A225	Manage Opportunities and Forecast Sales
A226	Consult and Propose Services Solutions
A227	Negotiate and Close Services Opportunity
A228	Analyze and Report Marketing and Sales Results
A229	Evaluate Service Marketing and Sales Performance
A23	**Service Catalog Management**
A231	Establish Service Catalog Management Framework
A232	Define Service Package Catalog Requirements
A233	Build and Maintain Service Catalog Content
A234	Create and Maintain Service Catalog Views
A235	Publish Service Catalog
A236	Monitor, Analyze and Report Service Catalog
A237	Evaluate Service Catalog Management Performance
A24	**Service Level Management**
A241	Establish Service Level Management Framework
A242	Develop Service Level Relationships
A243	Create and Maintain Service Level Agreements
A244	Monitor and Report Service Level Achievements
A245	Conduct Service Review
A246	Formulate Service Improvement Plan
A247	Evaluate Service Level Management Performance
A25	**Demand Management**
A251	Establish Demand Management Framework
A252	Value and Classify Business Demands
A253	Consolidate Business Demand Patterns and Forecasts
A254	Forecast Service Demand
A255	Identify and Plan Demand Management Initiatives
A256	Assess and Report Demand Management Outcomes
A26	**IT Customer Transformation Management**

A2 – CUSTOMER RELATIONSHIPS	
A261	Establish IT Customer Transformation Management Framework
A262	Understand IT Customer Context
A263	Identify IT Customer Transformation Opportunities
A264	Develop IT Customer Transformation Proposal
A265	Enable and Promote IT Customer Capability Adoption
A266	Optimize IT Customer Benefit Realization
A267	Evaluate IT Customer Transformation Management Performance
A27	**Customer Satisfaction Management**
A271	Establish Customer Satisfaction Management Framework
A272	Capture Customer Satisfaction Data
A273	Analyze Customer Satisfaction
A274	Manage Customer Satisfaction Issue Resolution
A275	Assess Customer Satisfaction Patterns
A276	Communicate Customer Satisfaction Management Results
A277	Evaluate Customer Satisfaction Management Performance

Figure 9. A2 Customer Relationships Node Tree