

Enhancing service value

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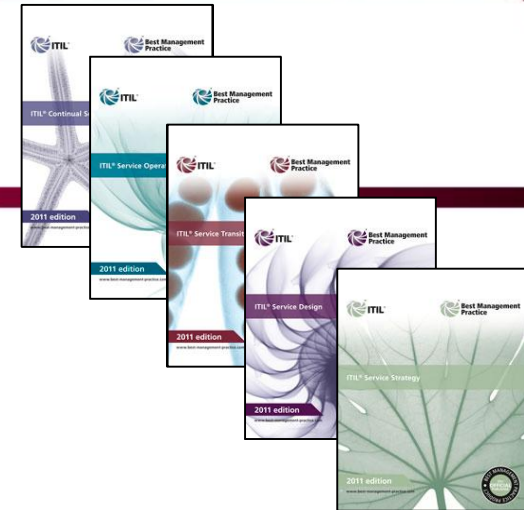
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Agenda

- What is value?
- Customers and value
 - *Are all customers the same?*
 - *Is all value the same?*
 - *How should value be measured?*
- The value network
- Enhancing value

Definition of service

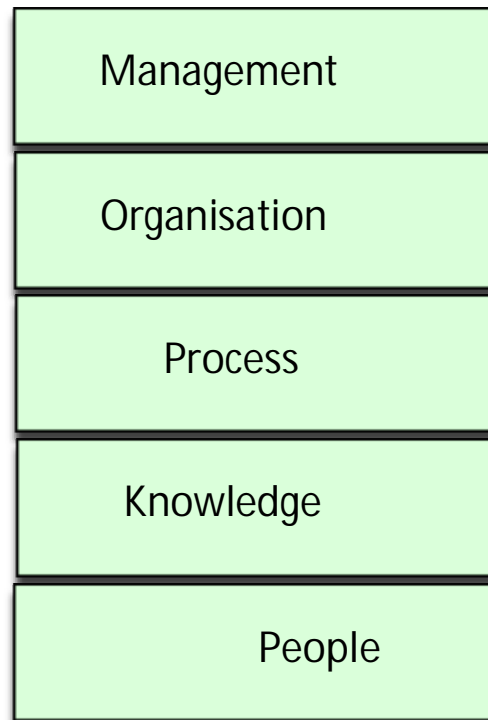
A 'service' is a means of delivering value to customers by facilitating outcomes customers want to achieve without the ownership of specific costs and risks

Service value

- Dynamic, real-time demand and value
- Multiple delivery channels (internal / external), deliver different value
- Output less valuable than outcome
- Value only exists when used by the consumer
- Value is carried in the relationship
- Service value varies over time

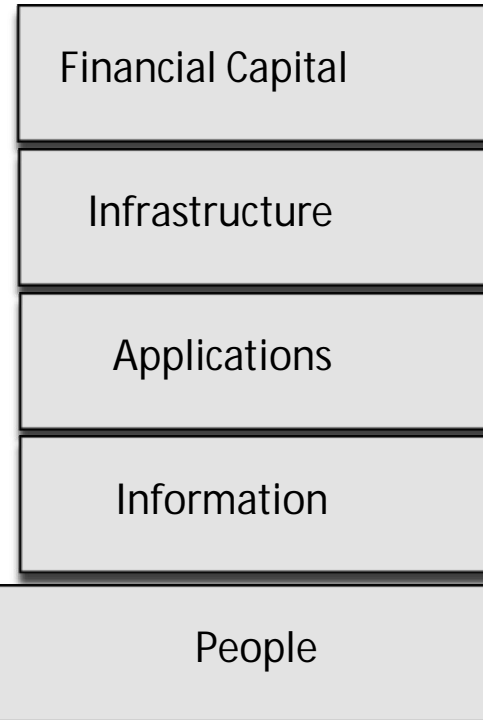
ITIL – Service assets

Capabilities



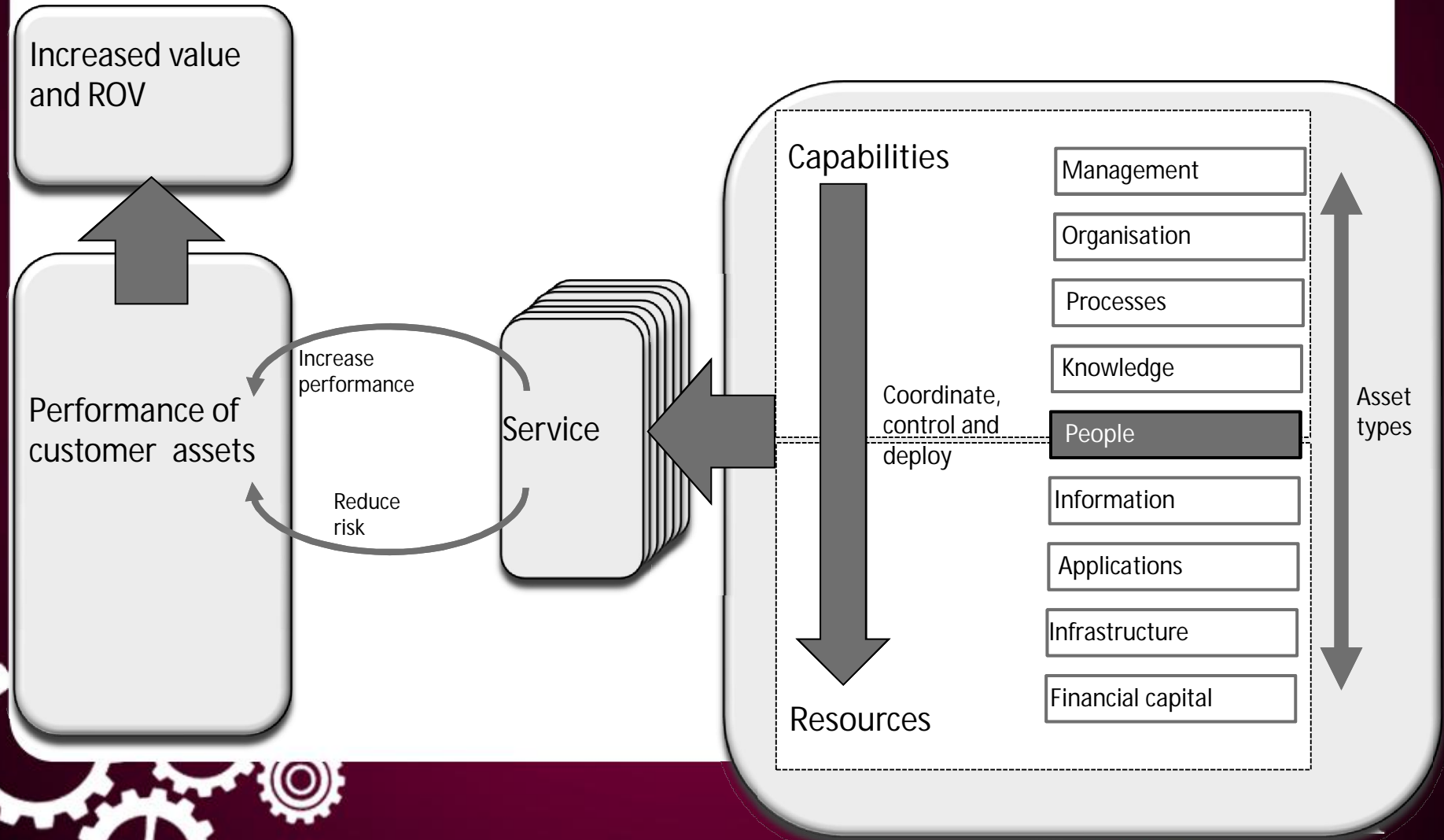
*(Experience, skills,
and relationships)*

Resources

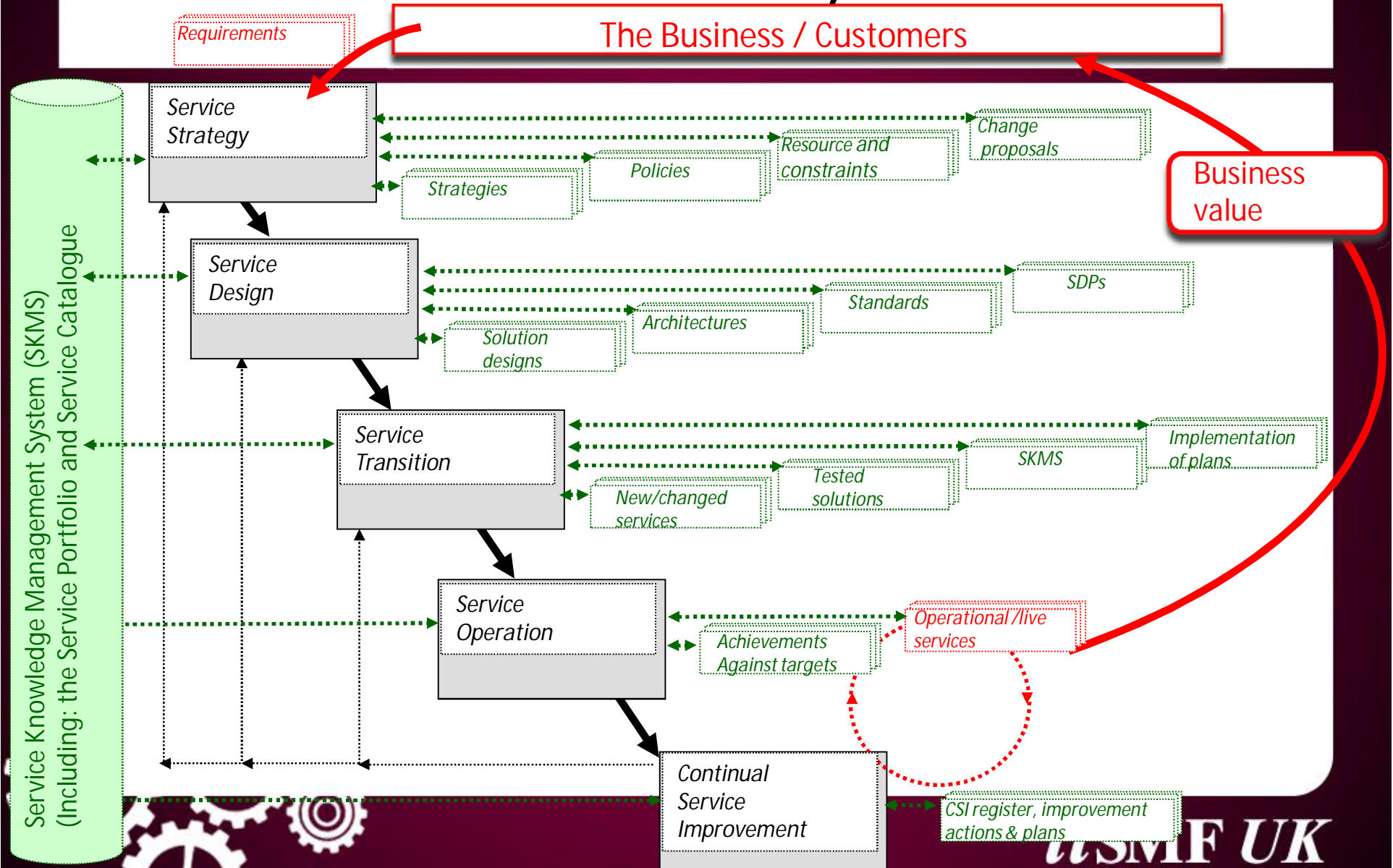


(Numbers of employees)

Service value



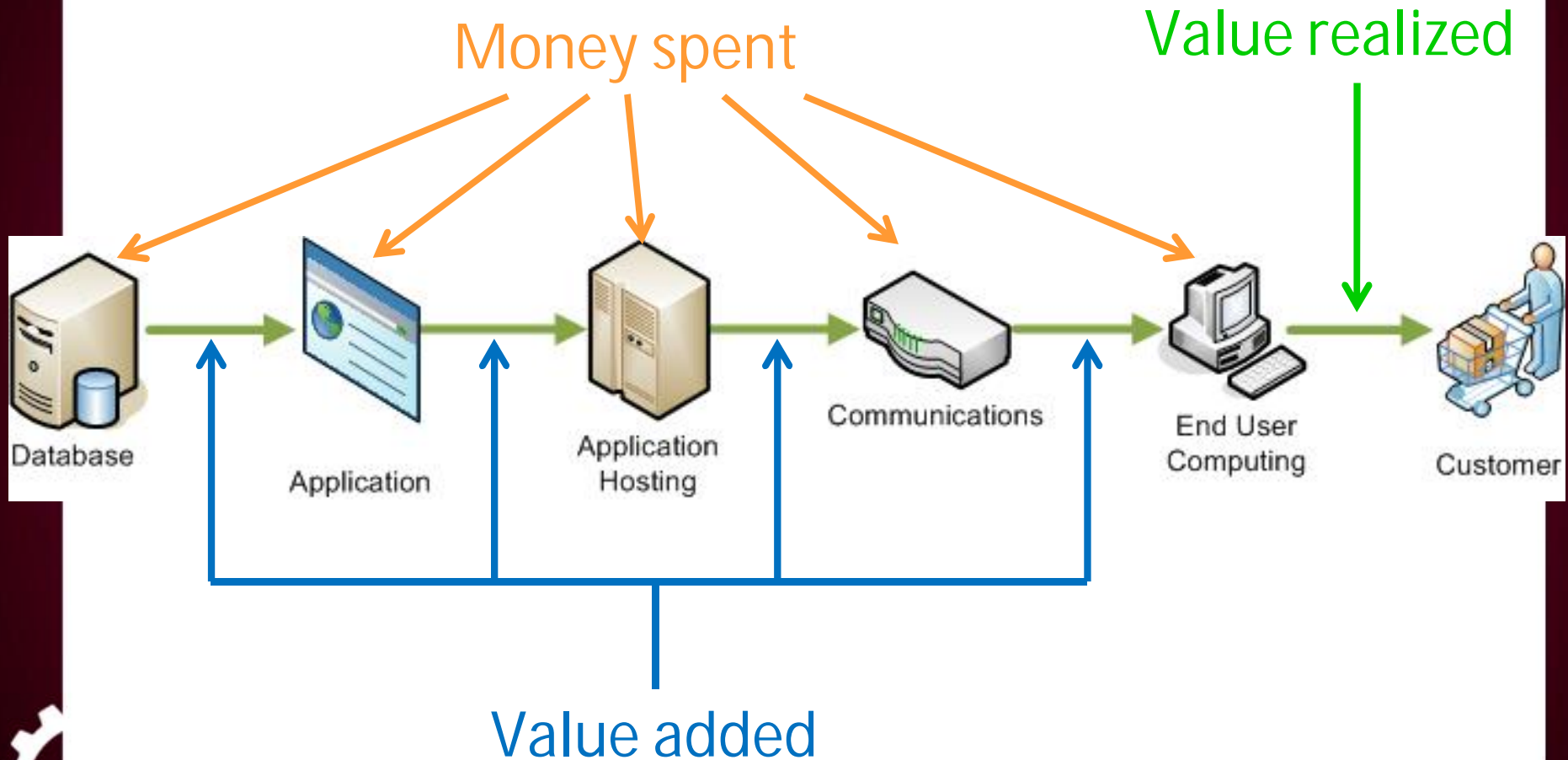
ITIL® – The service lifecycle



Customers

- Different types of customer:
 - **Internal:**
 - Same business objectives
 - IT is involved in their decision-making
 - We work together to achieve common outcomes
 - **External:**
 - Different business objectives
 - IT is involved in understanding their requirements
 - We enable their outcomes so that we keep their business

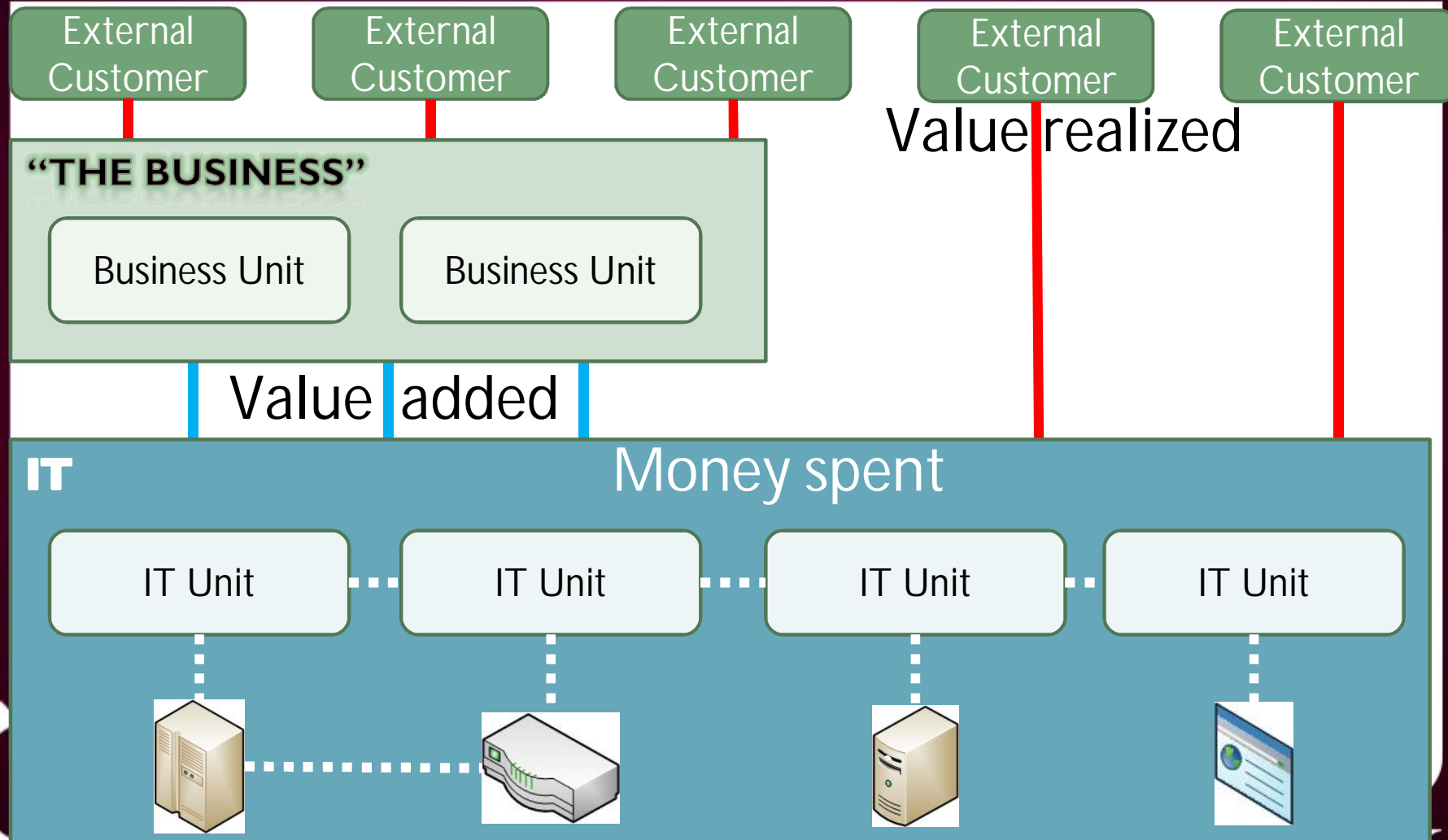
Value



What does this mean for IT?

- If IT wants to demonstrate value it has to link its services to where **value** is **realized**, not where **value** is **added**
- If IT can not do this it will always be viewed as **'money spent'** not **'value added'**

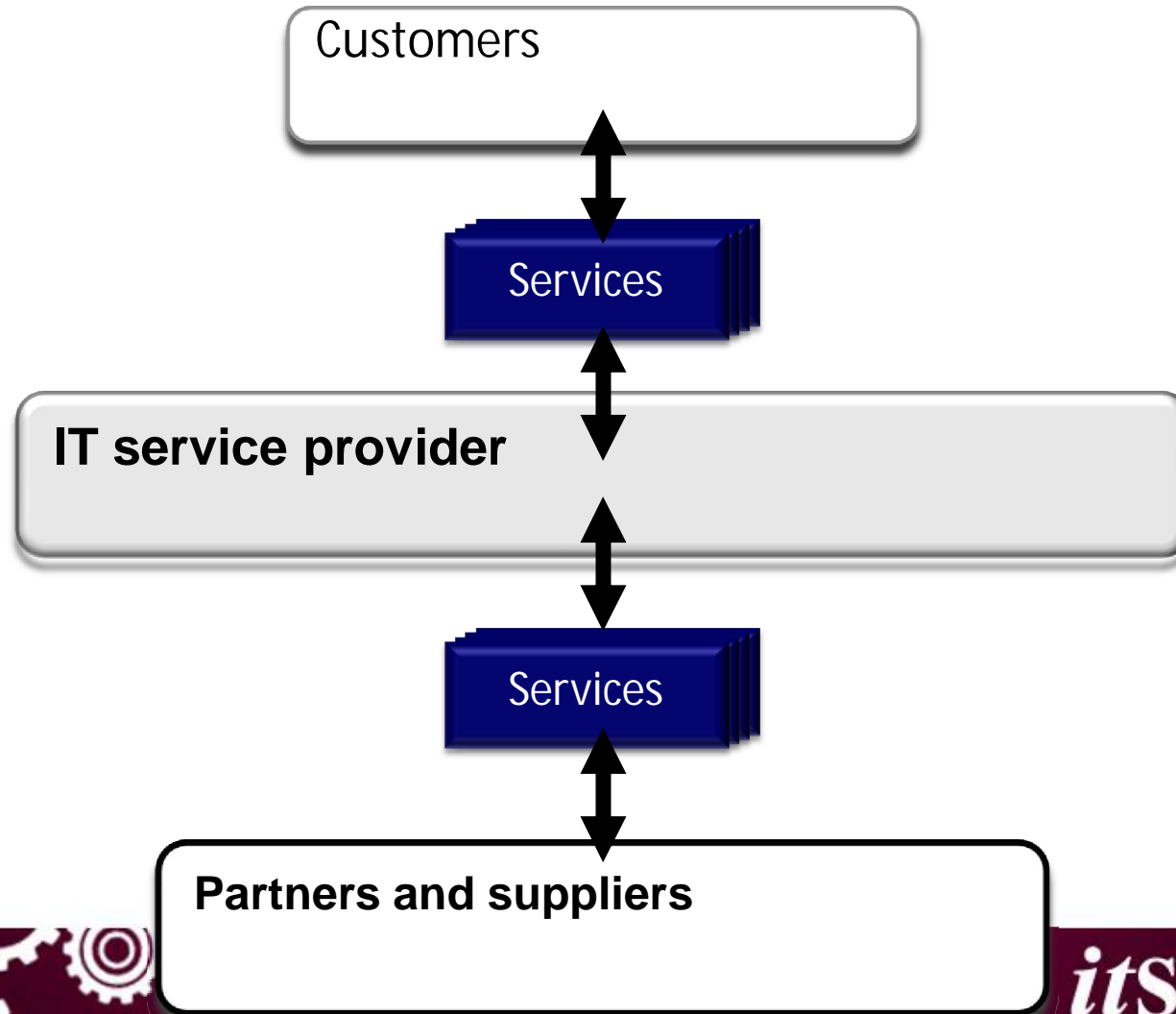
Customers and services



What is value for you?

- **Financial:** increased revenue or profit (or possibly reduced operating costs)
- **Risk:** reduced vulnerability
- **Compliance:** increased legal and regulatory conformance
- **Customer:** increased satisfaction
- **Shareholders:** increased share value

The value network



Internal customers
Customers

External customers
Customers

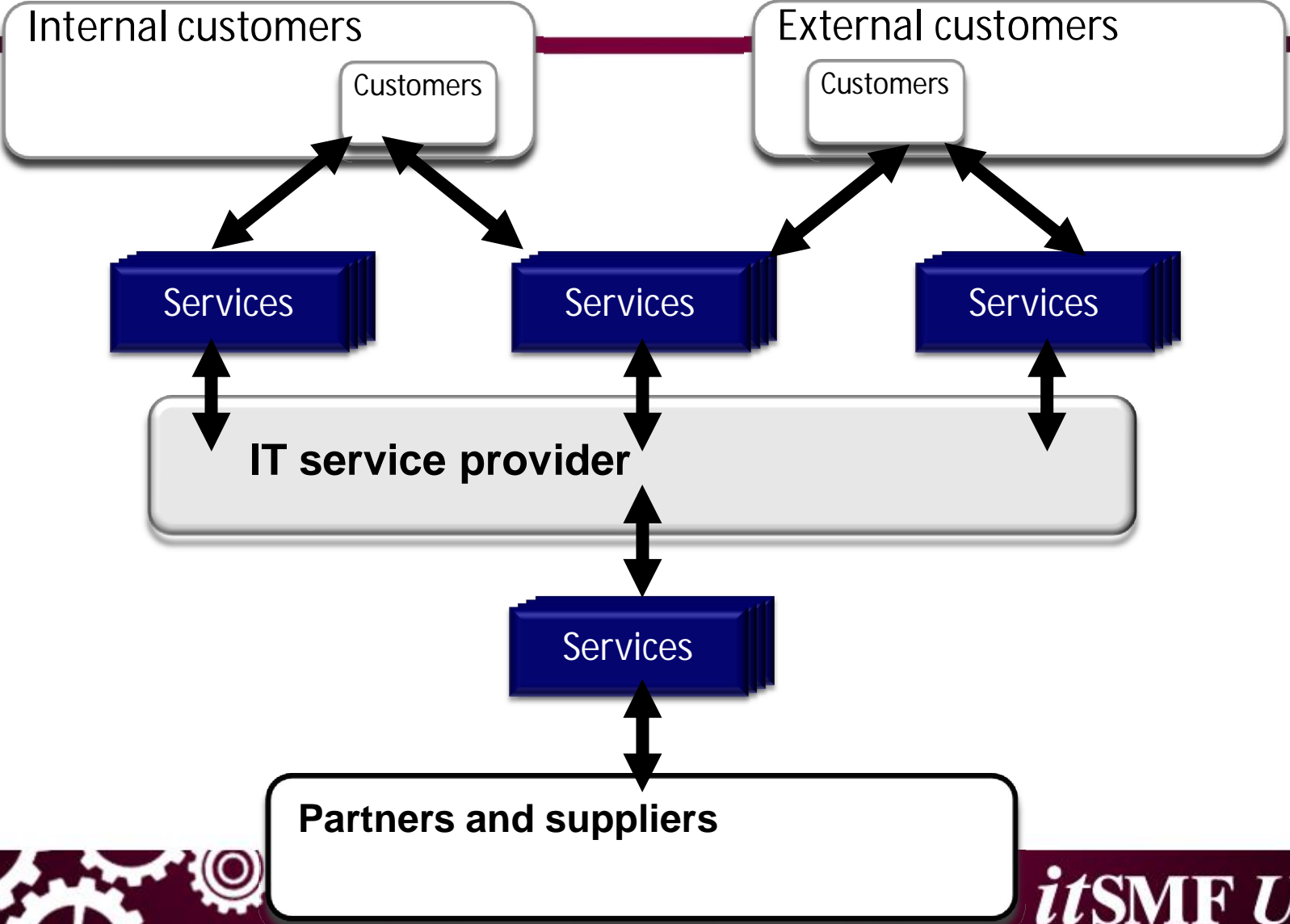
Services

IT service provider

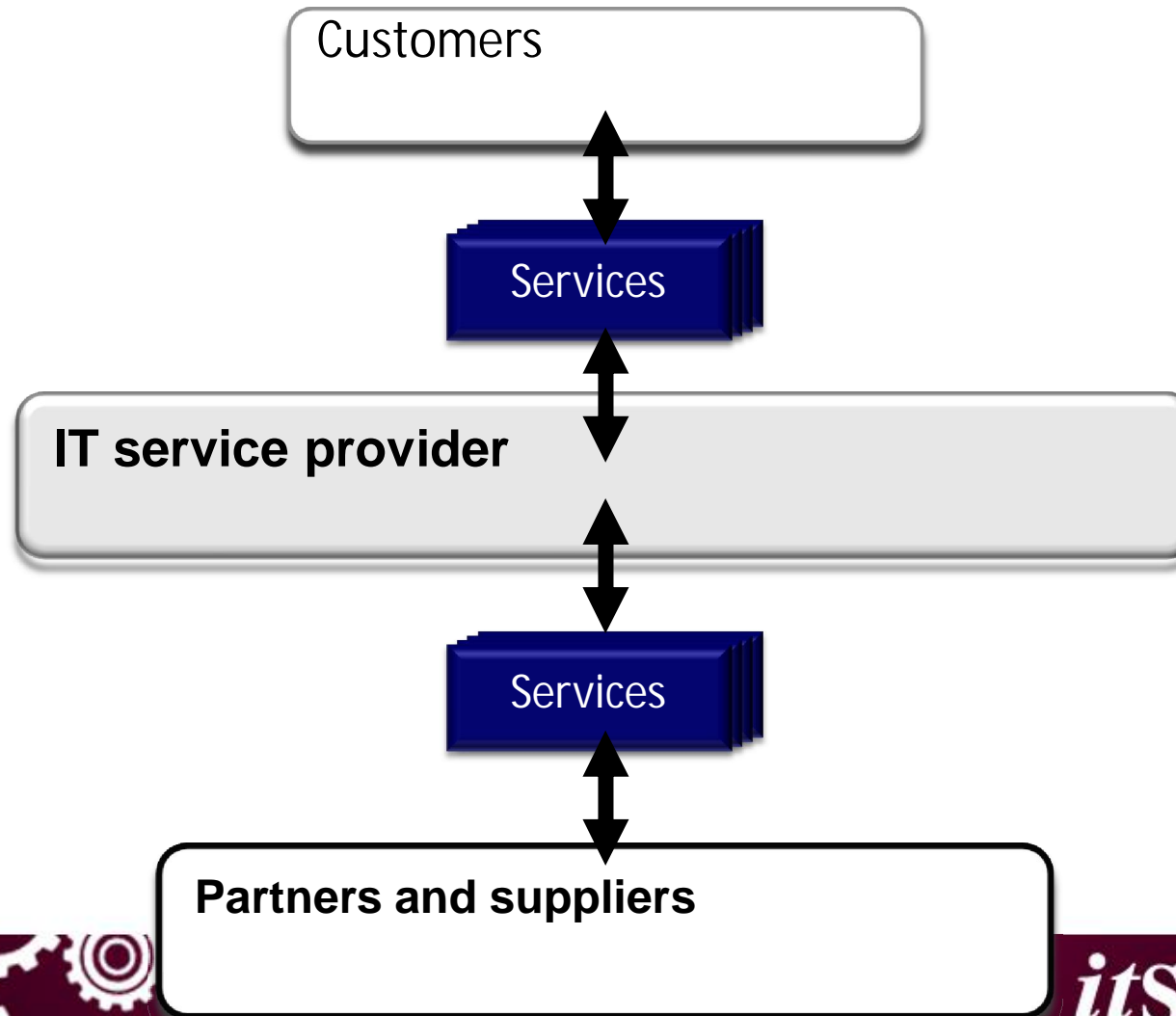
Services

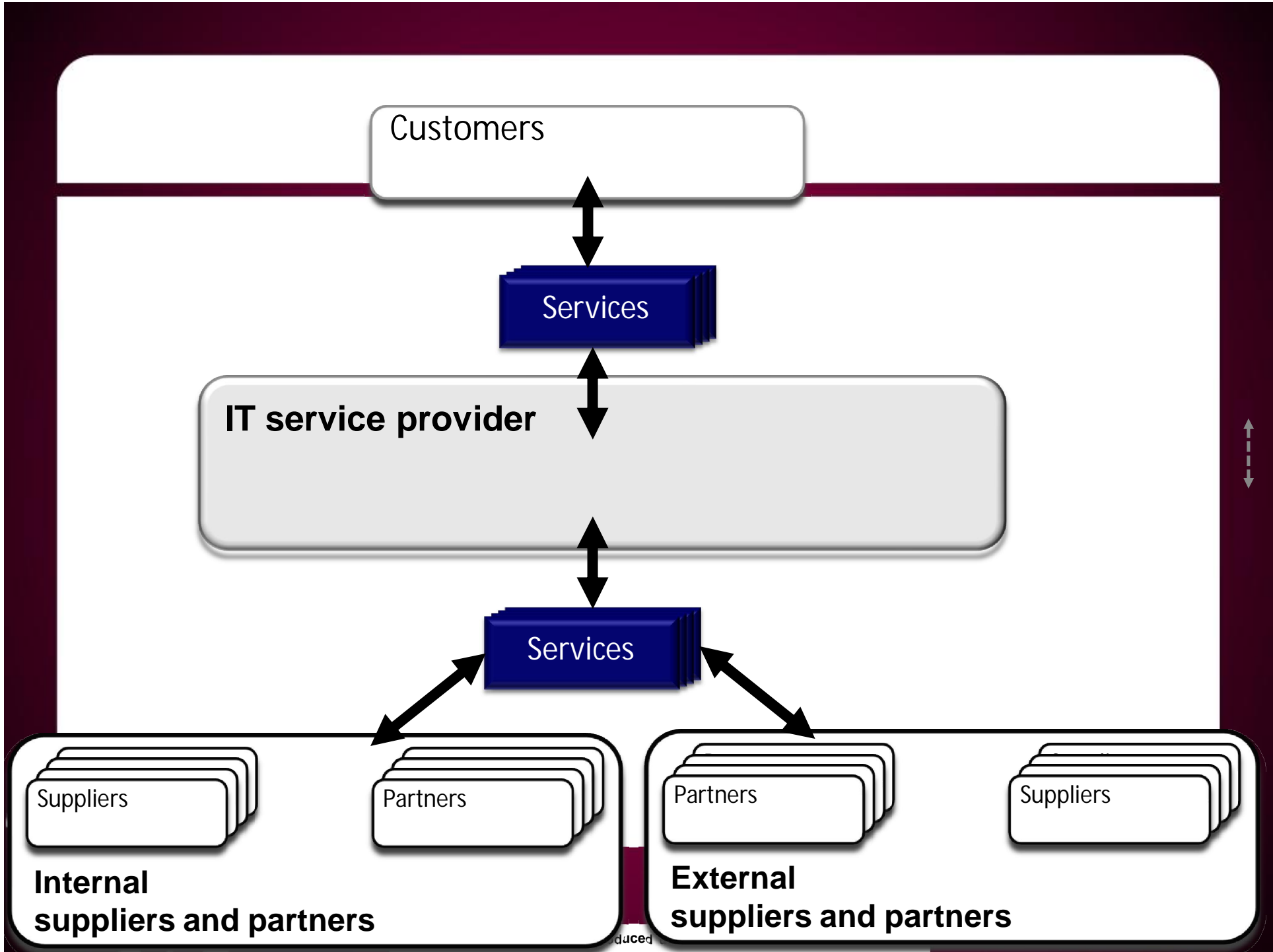
Partners and suppliers

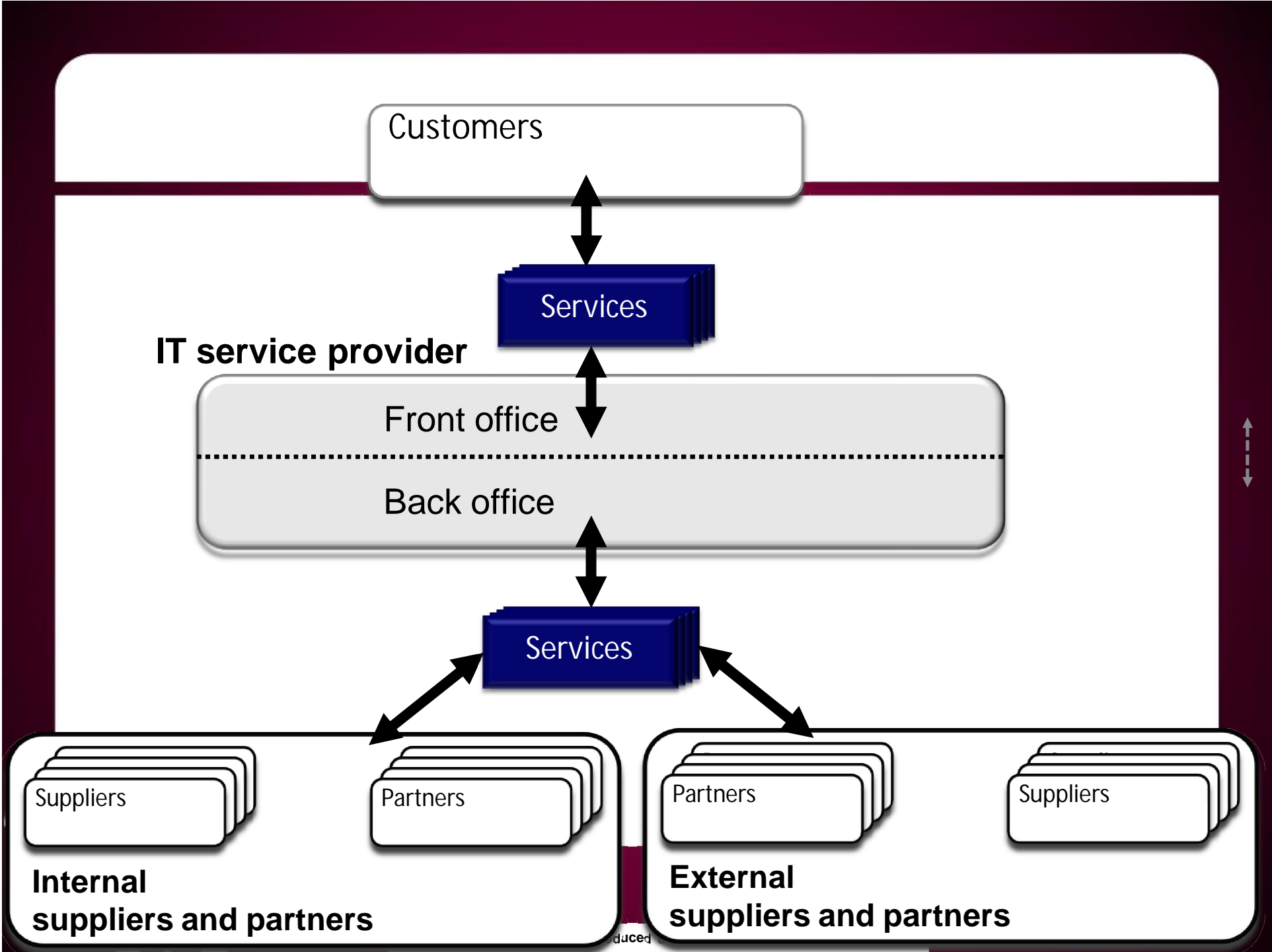


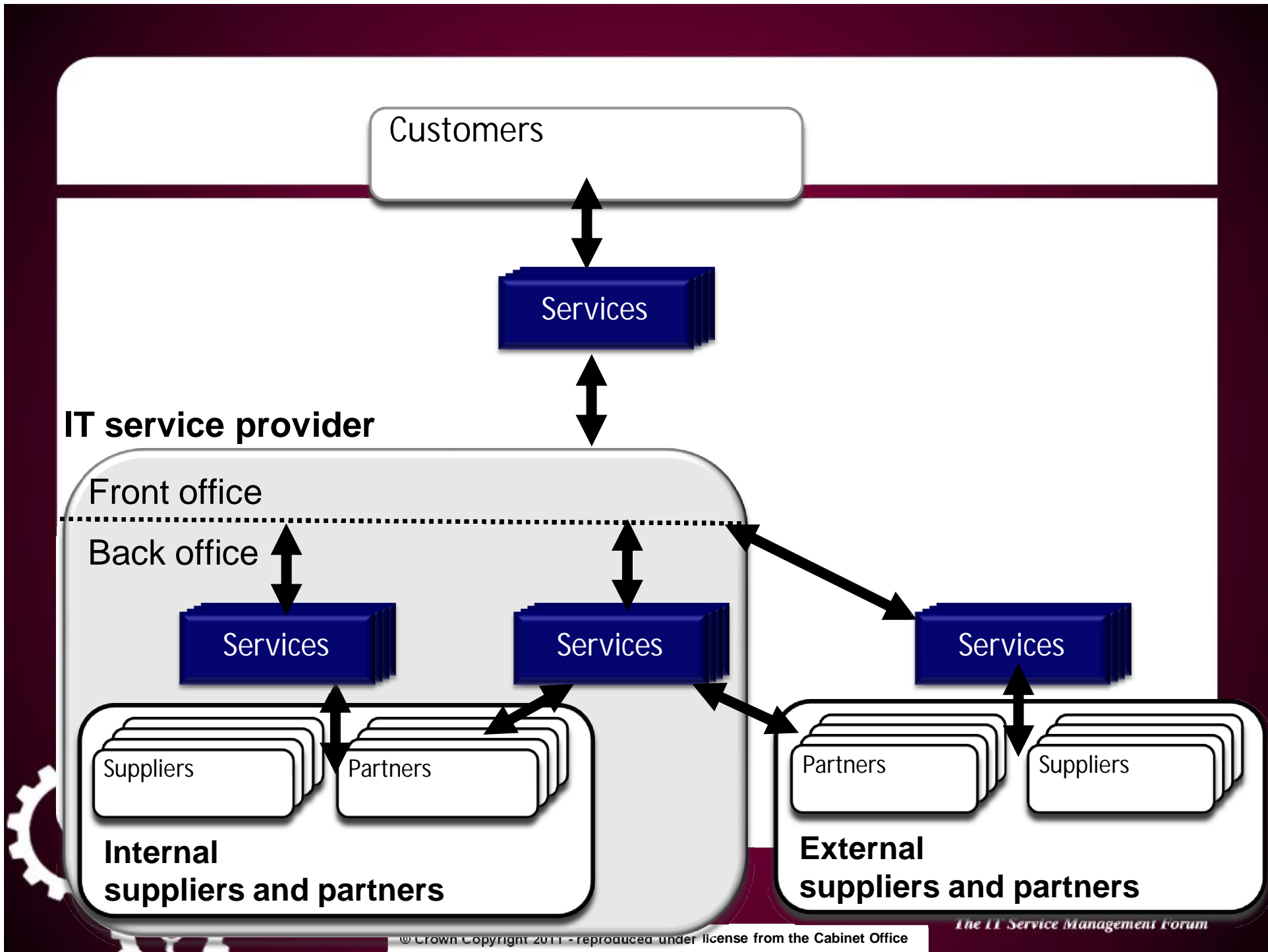


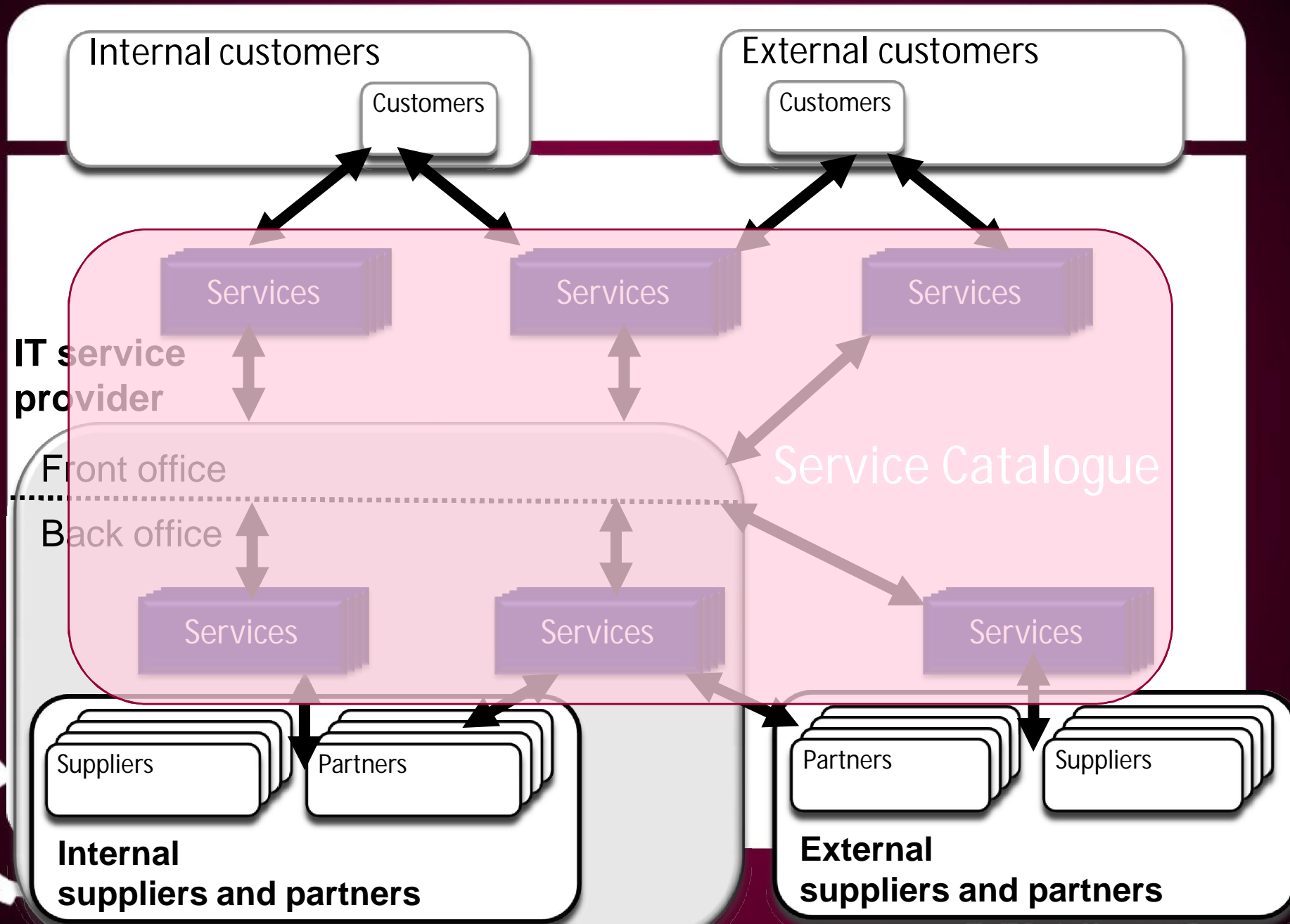
The value network





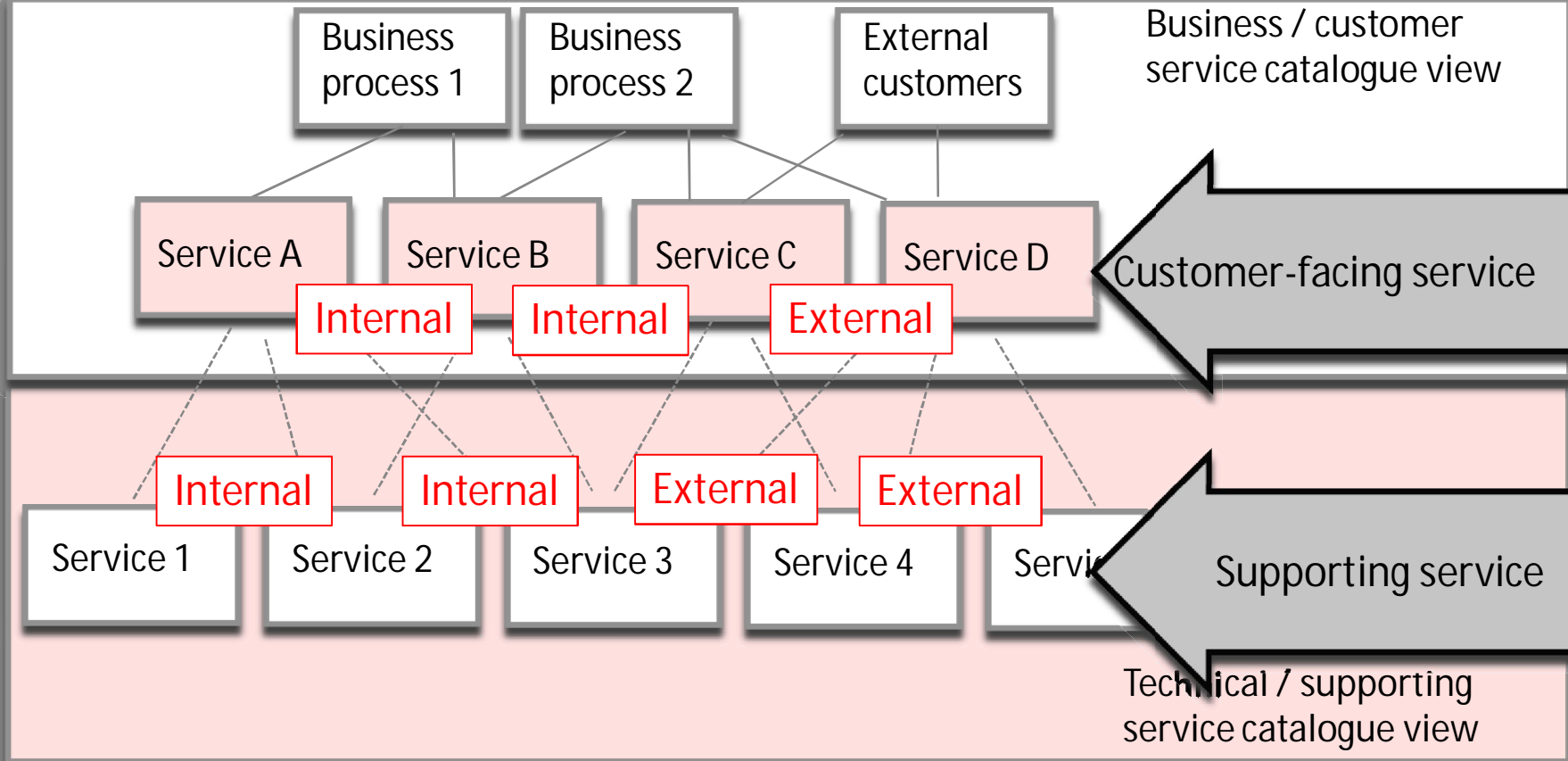






Service catalogue

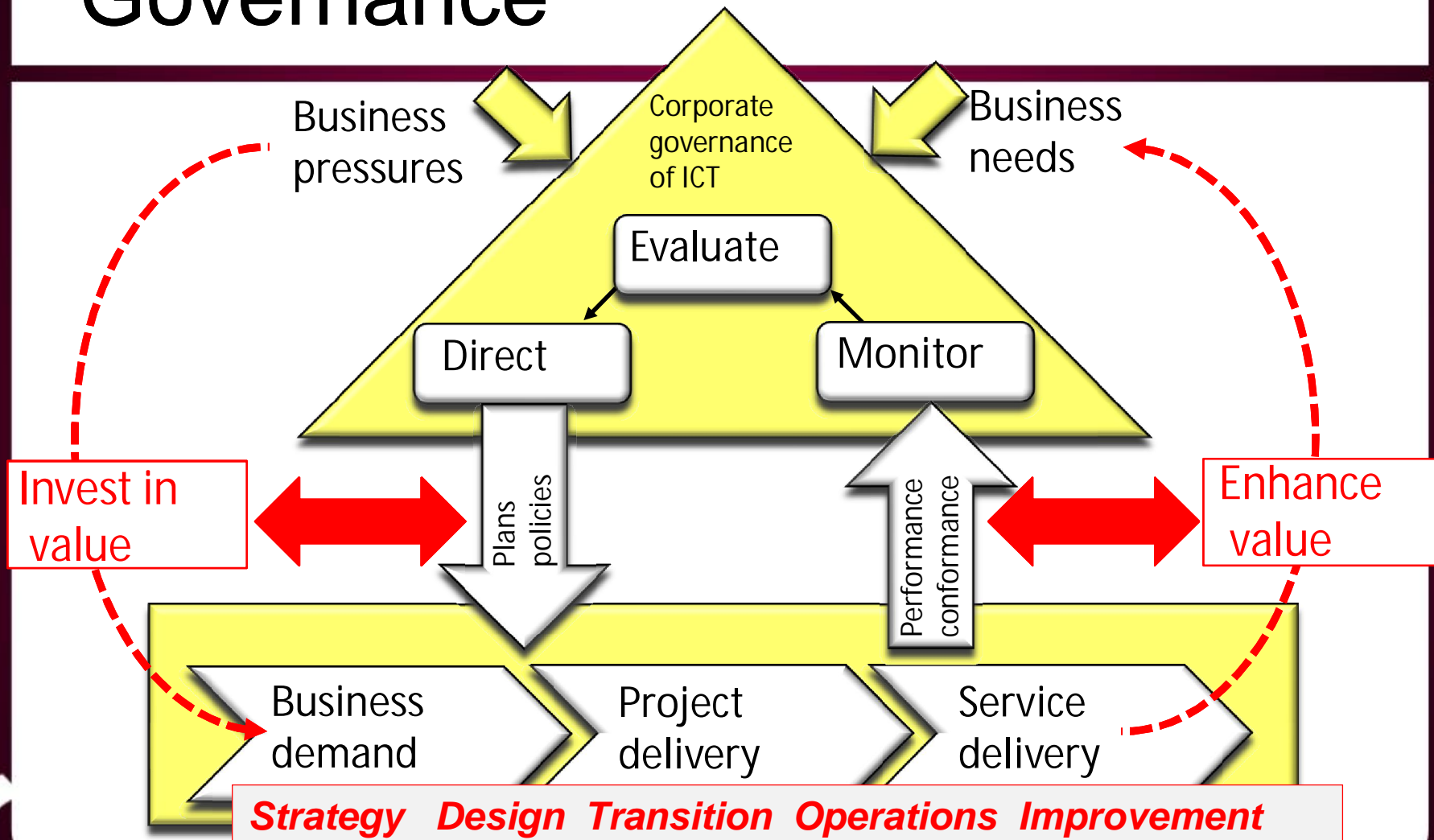
Service catalogue



Links to related information

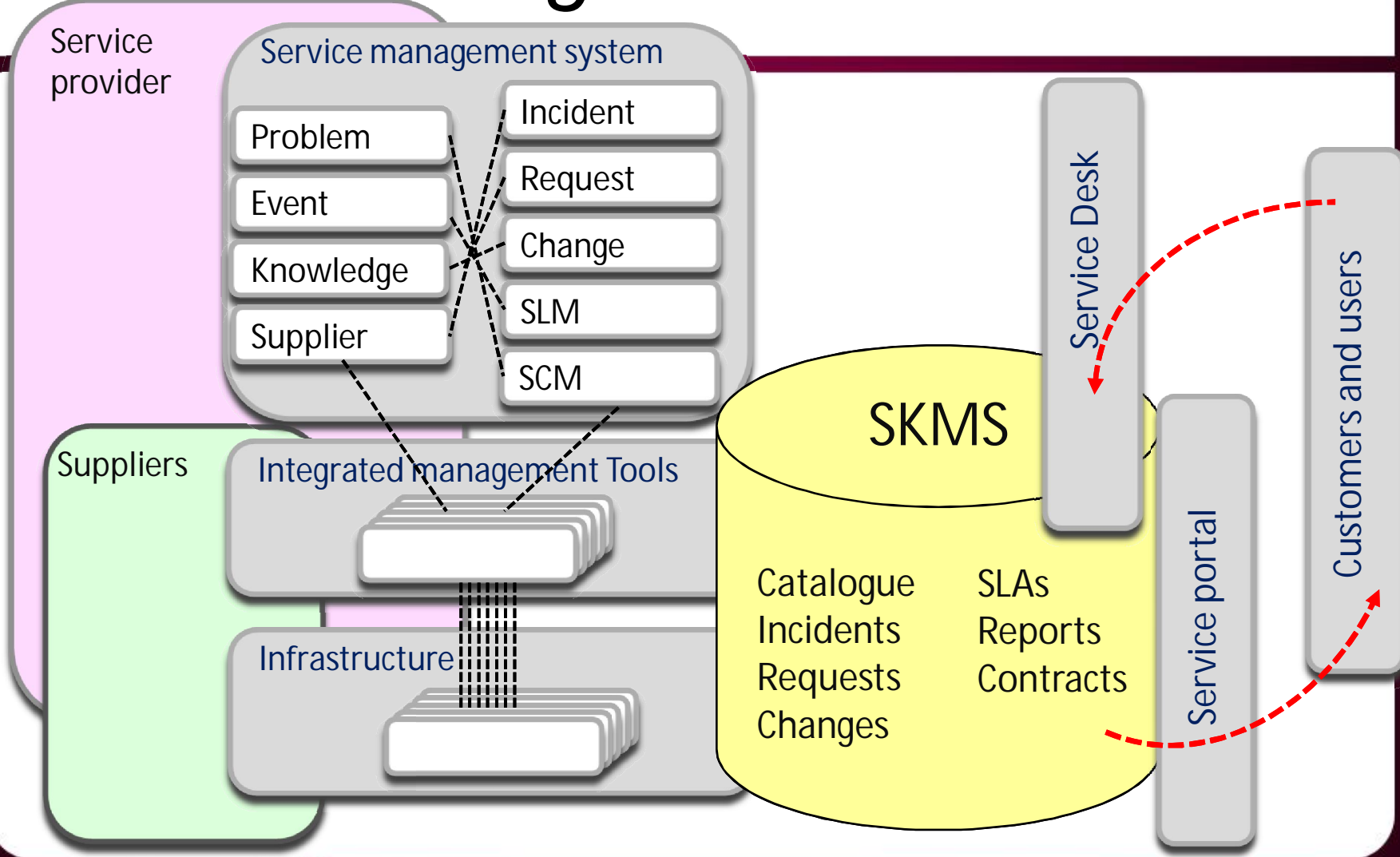
Service assets / configuration records

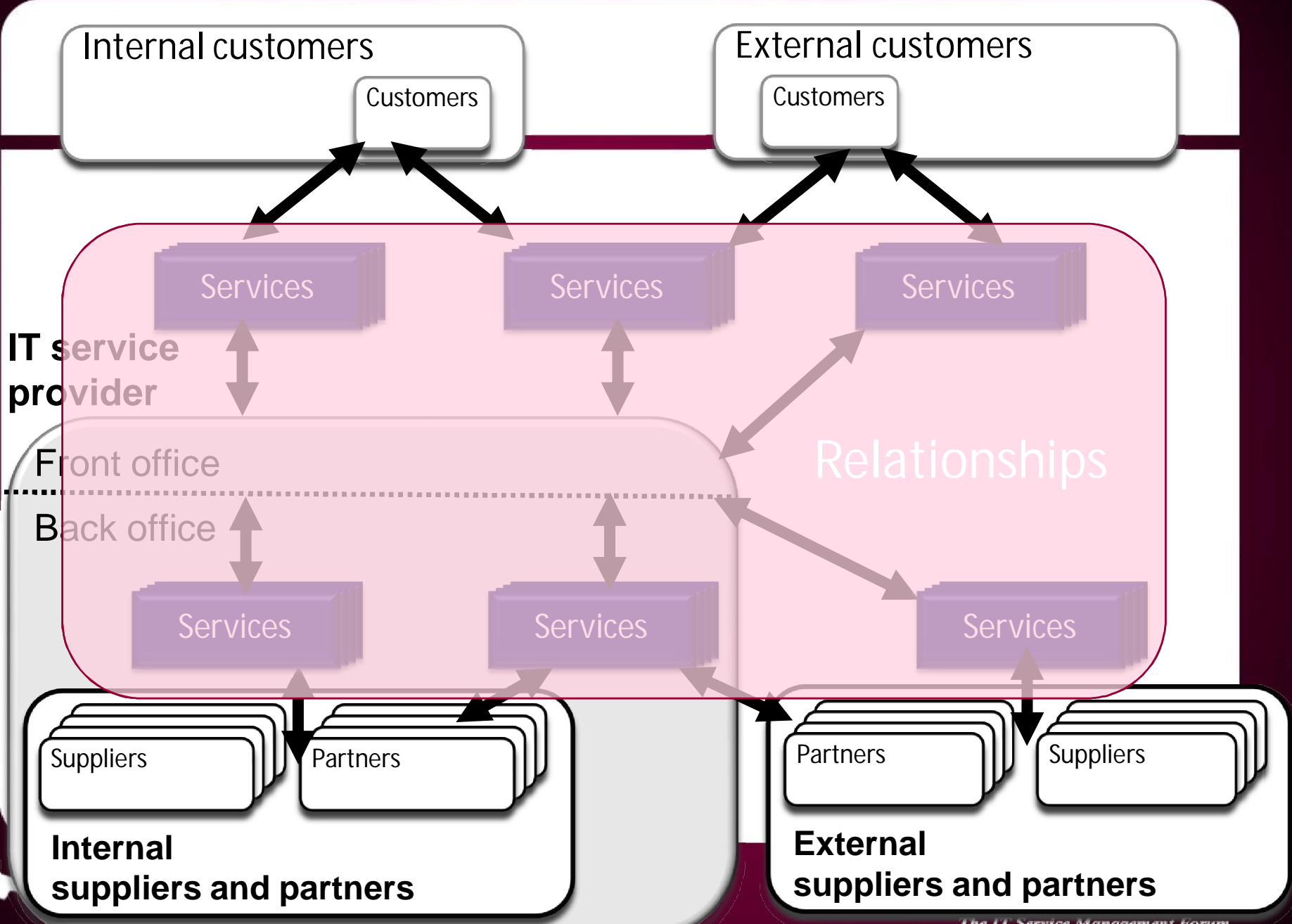
Governance



Note: diagram based on ISO/IEC 38500

Service management architecture





Relationships

The five questions:

- **Readiness:** Are we prepared for relationships?
- **Connection:** Are we willing to focus on other?
- **Trust:** Can we build mutual trust?
- **Investment:** Are we willing to invest in others?
- **Synergy:** Can we create a win-win relationship?

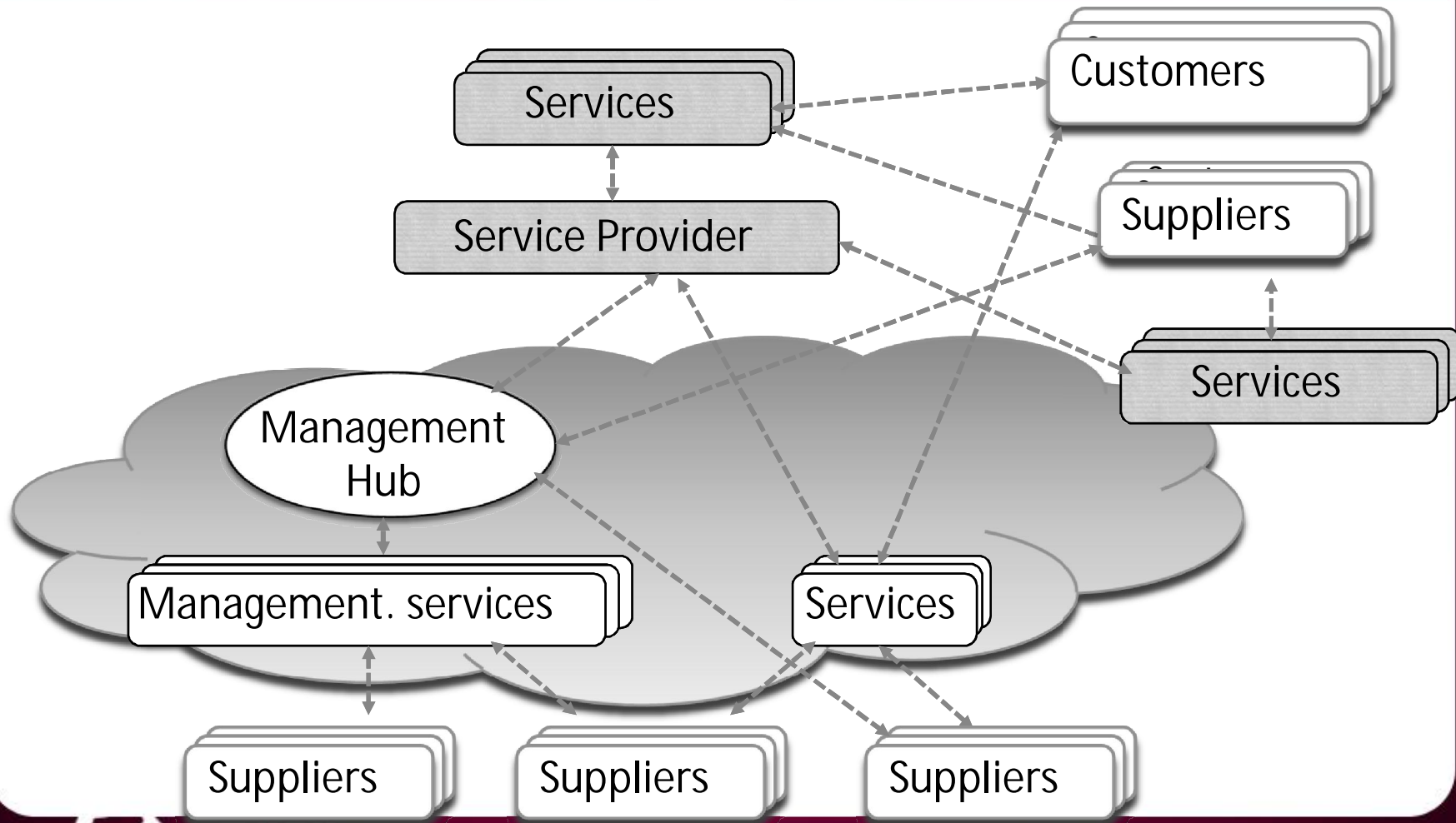
Good relationships are the foundation for achievement

Ref: Winning with people, John C Maxwell

The approach

- Agree the required business outcomes
- Agree the definition of value with the business
- Agree the measurement of value
- Measure value
- Deliver value
- Improve and increase value, as part of the overall service strategy

New 'cloud based' value networks



Summary

- Need to understand value from the customer and business perspective
- Focus on value, outcome and quality, both measurement and improvement
- Good relationships are essential in delivering service value, both customer and supplier
- Integrate and automate to provide consistent and accurate information
- And remember

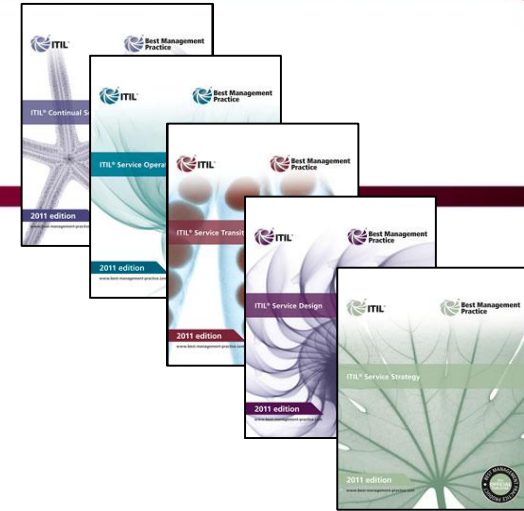
“Quality (value) in a product or service is not what the supplier puts in. It is what the customer gets out and is willing to pay for.”

Peter Drucker

"People don't buy products (services); they buy the expectation of benefits"

Theodore Levitt, Harvard Business School

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