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Achieving Value with ITIL 4

Is ITIL Still Relevant Today?

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ITIL® has long been the go-to service management framework for IT organizations, but is it still relevant?

The last release – dubbed "ITIL 4" – was intended to increase focus on flexibility, business value, and support of a digital and agile delivery model.

Service delivery executives may be wondering: What has been the impact of ITIL 4? What are the changes in ITIL 4? Should I evolve my own framework? And frankly, should I still bother with ITIL?

ITIL was developed over thirty years ago – before the Internet, before smartphones, and long before automation and adaptive learning would change IT management. Questioning the current relevance of an aged methodology of processes covering everything from development to deployment is entirely fair.

This paper provides a perspective on ITIL 4 and seeks to answer these common questions. We will not argue that ITIL is right for you. Rather, we provide a lens to examine whether and which components of ITIL may be effective in creating efficiencies and improving effectiveness in your organization.

1. Introduction

Implementation of a standardized service management framework is a minimum success factor for effective IT delivery and adopting the ITIL®[1] methodology has been the de facto standard over decades. This framework provides a consistent language for functions and processes in IT services. IT Infrastructure Library (ITIL) is not a ruleset to be followed word-for-word; rather, it provides a structure and lexicon to coordinate service providers and service recipients.

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The IT world has changed significantly since ITIL was introduced over 30 years ago – and even since its major update in 2011. ITIL 4 attempts to increase flexibility and business value by re-characterizing IT service management (ITSM) practices in the wider context of customer outputs. ITIL 4 also embraces new ways of working such as leveraging Lean, Agile, and DevOps to enhance service delivery effectiveness. These ITIL updates warrant attention, but their impact on the industry remains to be determined.

Integris Applied clients have universally adopted ITIL as a primary framework to guide IT value delivery and service management, but their implementations vary greatly. Some variance is timing-based (i.e., ITIL version currency upon adoption), while others were portfolio-based (i.e., choice of applicable frameworks to include ITIL).

This paper describes and examines ITIL as a service management framework today – including its pros and cons in a modern delivery environment.

2. Relevance of ITIL Today

Rules and processes exist whether documented or not. Greater documentation is required in heterogeneous delivery models (i.e., environments with multiple customers, multiple suppliers, federated organization, etc.) and in areas were transparency and objectivity are key. At its core, ITIL provides a framework – a common lexicon, operational guidance, and a set of practices for IT organizations to adopt at appropriate levels to meet the expectations of the business goals and objectives.

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Today's most modern delivery environments are highly automated and require little user engagement (think: Google, Amazon, etc.). Yet, most corporations and certainly public sector entities do not exist in that idealized environment – they live in an anachronistic and heterogeneous world of both new and old systems, with multiple suppliers and multiple customer sets. Many organizations are federated such that any individual provider of a shared service does not have direct control over the rules and actions of consumers. This coordination of differing inputs and desired outcomes requires rules-based management. In these

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environments especially, we find that a common lexicon and ruleset are key for success. This describes many of the firms with which we engage. They are large, complex, and are disparately managed.

Many of our clients are government shared services IT organizations. They have a broad base of internal stakeholders with vastly different business needs; for example, state prisons have a very different business focus and need for IT than the health and human services agency; the department of motor vehicles has different goals, political influence, and revenue streams than the department of elections; the department of administrative services has different change control windows than the agency handling museums. This diversity of underlying business needs drives public sector IT environments to be unusually diverse; with multiple processes for similar functions, a heterogeneous footprint of technologies often spread over a broad geography, and with a large number of supporting contracts.

ITIL has been particularly valuable in these environments.

First and most importantly, it provides a common lexicon for communication between IT service providers and IT service recipients. This lexicon allows the delivery organization to communicate more effectively with the marketplace and partner organizations. When a set of IT services are sourced the implied processes and responsibilities are more readily understood because there is a common language established by applying the ITIL framework.

Secondly, ITIL provides a common framework for services delivery, which helps IT shared services organizations drive their customers toward standardized, repeatable, and common processes to deliver services.

During the rapidly changing IT world of the past thirty years, ITIL successfully provided the common language and structure required by a range of users and IT organizations with differing levels of maturity and technical currency.

3. ITIL 4 and Business Value

Service delivery organizations frequently struggle to implement a service management framework. Sometimes there are "competing" frameworks and concepts, sometimes action becomes too process-bound, and sometimes the "perfect" becomes the enemy of the "good."

Our experience is that clients sometimes do not put enough thought into how a particular ITIL practice supports their business outcomes. There is a certain appeal to not having to think about it – what best practices and guidelines should I adopt from the ITIL framework? Why not all of them? However, that runs into two problems. First, an organization that is not mature enough to think through how a practice might apply to their business outcomes also may not have the maturity to adapt and implement a full suite of practices. Second, the organization that has not discerned how a practice supports business outcomes can easily fall into implementing practices by rote. The activity then becomes a dry exercise of process documentation where process users are disinterested in both the development and the execution.

A natural response when faced with this lack of internal maturity is for an organization to buy (i.e., outsource) operational maturity. There are many leading IT service management systems and firms on the market, eager to promise organizational maturity. Unfortunately, this is also problematic because the tools come to an organization without enough rigor in its understanding of the business need or how IT supports their business. We call that "tools before rules." While tools can help a lot, we recommend that process should drive tool configuration, not the reverse.

Another response is to purchase the rules and tools together as part of a package of services. A service provider can bring cross functional processes like those represented in the ITIL practices and the supporting IT Service Management (ITSM) systems to automate those processes, and then integrate them into a client's environment. This can be a successful step toward maturity. The caution here is that no matter how encompassing the service a client purchases, some responsibilities still lay with the client for working with the service provider and accomplishing the desired service delivery. The client must still be clear on their own processes and their role in the delivery of IT. Controlling objectives must be clearly articulated and owned by the business.

In ITIL 4, there is a renewed push for organizations to articulate and reposition the business drivers and define the value they want to achieve by implementing particular practices from the ITIL framework. This is appropriate, as we have seen clients over-rotate on implementing processes in ITIL without thinking through how to align those processes with the current and underlying business drivers.

4. Guiding Principles for ITIL 4

ITIL 4 starts with a set of guiding principles for organizations considering the practices within the ITIL framework. In some ways, these principles are simple phrases that could be pulled out of any business school course and applied universally to organizations. Several of the principles have been in the standard consultant handbook for a long time. So many times we have cautioned clients "you need to be collaborating and creating transparency", "you need to keep it simple here."

A premise of ITIL 4 is that clients do not need to adopt the entire framework and should consider the value being created by the adoption (or adaption) of any particular practice for their organization.

At Integris Applied, one of our most insistent truisms with clients is that they should focus on healthy service relationships. This means that the relationship between service recipient and service providers must serve the interest of both parties, and just as importantly adjust to the needs of both parties as their engagement together grows and evolves. The natural next question is "how do we do that?" The answer is always "it all depends." A reflection on these ITIL 4 guiding principles is that they can be applied in those situations where the parties are struggling to find the common ground in their relationship and are struggling to serve the interest of the other party.

5. ITIL 4 Moves to Practices

For most of the history of ITIL, the framework has been focused on the IT processes. ITIL v3 grouped those processes under five core lifecycle phases, or books: ITIL Service Strategy, ITIL Service Design, ITIL Service Transition, ITIL Service Operation, and ITIL Continual Service Improvement. As shown in Figure 1 below, ITIL 4 now groups these processes as underlying Practices that can be adopted by organizations. The Processes as we knew them have become part of the Practices – General, Service Management, and Technical Management.
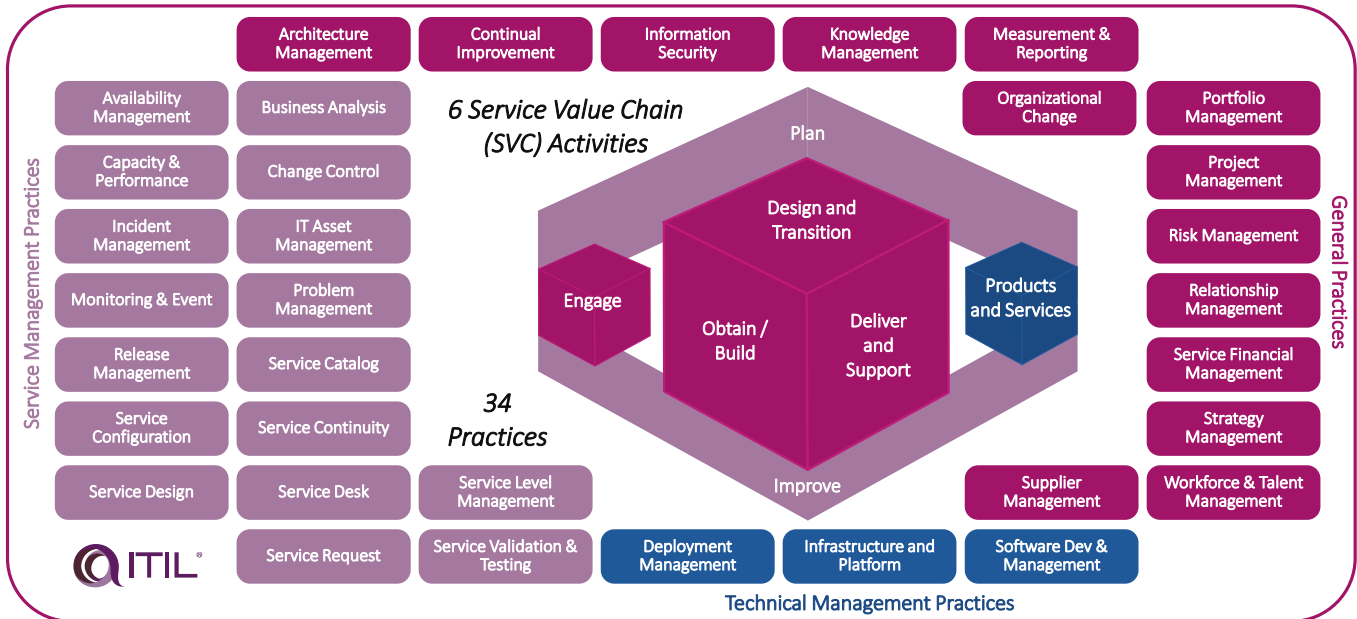

Figure 1, ITIL 4 Practices

The shift in focus from processes to practices may seem odd and entirely too subtle for an organization who is currently utilizing guidance from the ITIL framework and has already implemented many of the key processes. This shift comes from a desire to keep organizations from being too process-bound and not thinking through the best way to utilize the ITIL framework within their organization to achieve the value they desire. Processes from ITIL v2011 come across as standards to be followed, but IT organizations are not all the same.

At Integris Applied, we have observed organizations that try to take on the ITIL guidance as holy writ that must be followed usually fetter their organization in unnecessary process paperwork. The process library becomes more of a process museum. Perhaps the name change to "practices" will free some of those holy warriors to discern "how should this practice be best implemented here" instead of preaching "we must follow the standard process." We are reminded of the old adage that suggests that we "adopt the framework that works for you then adapt to your business requirements and objectives". Focus must be on VALUE, first and foremost in order to succeed.

6. ITIL 4 Emphasizes Continual Improvement

ITIL 4 also has a strong emphasis on the area of continual improvement. If an IT delivery organization chose to do nothing else with ITIL, they should at a minimum adopt the practices around the Continual Improvement Model. This fully resonates with the way Integris works with clients where we attempt to help them establish the fundamentals for a culture of continual improvement.

An interesting change in ITIL 4 is that "Continual Service Improvement" became "Continual Improvement". This de-emphasis on service seems odd since ITIL v3 had so much emphasis on service management and the lifecycle of services. ITIL 4 would still contend that services are the main way that organizations create value for themselves and their customers. Almost all services today are IT-enabled, which means there is tremendous benefit for organizations in creating, expanding, and improving their IT service management capability. This de-emphasis on service is more of a recognition that organizations need to focus on improving across all areas and functions; that a focus on just the value creation of services is limiting. This seems to align with the support Integris regularly brings to our clients. As advisors, we often challenge clients with developing a culture motivated by learning and curiosity; adopting the practices around Continual Improvement helps stimulate that kind of organizational growth.

7. Summary

Organizations that are currently using some version of ITIL should not necessarily rush an upgrade toward the ITIL 4 framework. The practices and underlying processes are still there, and they still represent a commonsense approach to IT services. These organizations may wish to look at their current use of ITIL to see if they can streamline concepts that bring development and operations to work smarter and faster together.

All organizations need to consider the value that IT brings, and the manner in which their own environments may or may not benefit from its adoption. And in that way, the updated framework with ITIL 4 is a lens for organizations to look at their relationship to the underlying business drivers. In particular, organizations that are moving to agile delivery and more automated DevOps implementations may want to utilize the ITIL 4 focus for aligning IT service delivery to business value. Some practices in particular should benefit their environment, such as continual improvement.

The more heterogeneous a delivery environment – in sources of supply and in expectations of customers – the more helpful the common lexicon and ruleset of ITIL becomes.

To repeat: rules and processes exist whether documented or not. Greater documentation is required in heterogeneous delivery models and in areas were transparency and objectivity are key. At its core, ITIL provides a framework – a common lexicon, operational guidance, and a set of practices for IT organizations to adopt at appropriate levels to meet the expectations of the business goals and objectives.

Although the components and value propositions may vary, we recommend that organizations still apply an ITIL perspective to their service design to determine whether, and to what extent, to introduce specific ITIL practices throughout the organization.

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Integris Applied is an information technology advisory firm dedicated to facilitating complex service relationships where each of the parties' competing and collaborative business objectives are identified, honored, and achieved – both in the short-term and long-term. We are experienced practitioners in the field, with backgrounds in service providers, client IT organizations, and public and private sectors. Specialty focus areas include multisourcing and multiparty integration, collaborative negotiation, and public sector transparency.

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