

ENTERPRISE SERVICE MANAGEMENT:

Uniting Customer and Service Models



WHITE PAPER

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Excellence and success in today's dynamic and competitive business world is both data- and customer-driven. In order for teams to perform and interact efficiently, capabilities and processes need to be in place to continuously improve operational efficiency and the customer experience. This is where enterprise service management (ESM) comes in. At its backbone, there's tried and tested ITIL and service management concepts and capabilities. From that foundation, ESM drives benefits, like department transparency, business continuity, cost control, and staff productivity to the greater expanse of a business. In order to understand ESM, it's important to learn the groundwork concepts in service management and their evolution and eventual relationships with ESM.

What is a Service?

The ITIL® definition of a service is “a means of delivering value to customers by facilitating outcomes customers want to achieve, without the ownership of specific cost and risk.” A service facilitates results a customer needs. Those results are outcomes a business wants, such as reducing operating costs or increasing customer engagement. IT services allow organizations to leverage technology, without taking ownership of the costs and risks associated with directly managing IT resources. This allows those organizations to concentrate on their core competencies. Customer Organizational Assets It’s important to remember that services themselves don’t have value, rather it’s the value they enable the business to achieve. Think of services as technology transactions between the customer and the supplier of the service Supplier Organizational Assets (typically, the IT organization).

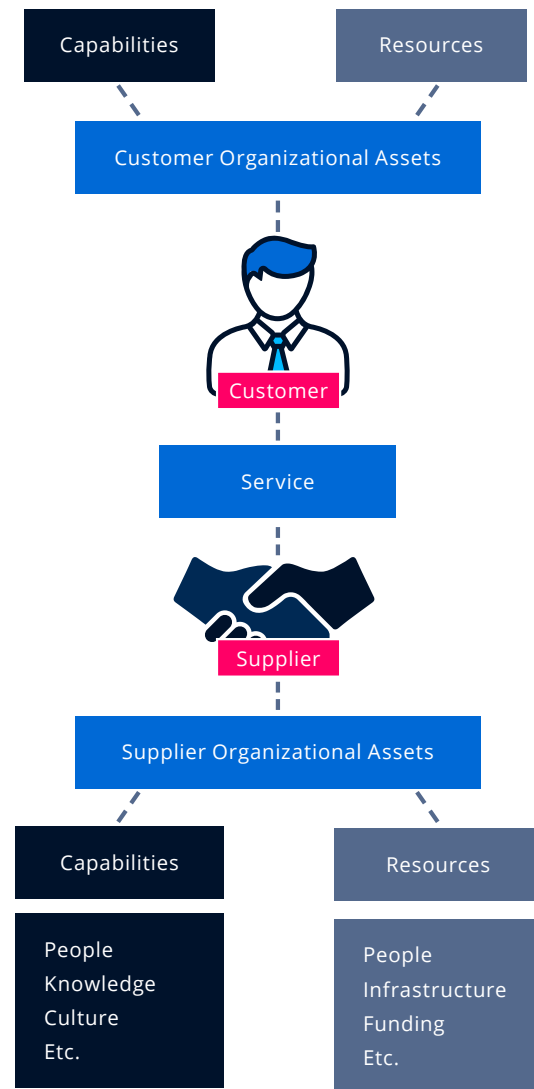


Figure 1: Basic Service Model

What is Service Management?

The ITIL definition of service management (SM) is “a set of specialized organizational capabilities for providing value to customers in the form of services.” Every organization is a service management organization, delivering a service or a product to external or internal customers.



Service management aims to take the capabilities and resources of an organization, and turn them into valuable resources.

Without the capabilities, a service organization may just have resources that they are unable to do anything with, ultimately providing no social or economic value to the customer and business.

The practice of service management enables organizations to focus on the service and product terms that are most vital to the customer markets that they serve. SM is where the investment strategy is defined in how the business runs, grows and innovates. In today's digitally-invested world, the foundation for an investment strategy consists of managing IT-based services. This is where IT service management (ITSM) comes to help organizations efficiently and effectively deliver and support services.

Definition of IT Service Management (ITSM)

The ITIL definition of IT service management is “the implementation and management of quality IT service that meet the needs of the business.” ITSM is the strategic approach to managing information technology within your organization and delivering services to customers. If you have IT systems in your organization, then you are performing ITSM. Examples of ITSM can include resolving incidents or disruptions to get your business back to fully functional, budgeting and carrying through organizational change, monitoring software compliance, or any other technical necessity your business needs.

ITIL is the most recognized framework for ITSM within the realm of IT. These frameworks, or groups of documents, guide organizations on the best practices for performing ITSM, encompassing everything from lowering service costs, to better aligning IT departments with their organization's needs to ensure business goals are met. Organizations don't have to adopt ITIL to perform ITSM, but they are probably using some of the guidance whether they realize it or not.

Don't Confuse ITSM with Business Service Management

The ITIL definition of business service management is "the management of business services delivered to business customers." Business services are different from IT Services. IT Services support business services. For example, a business service could be shipping while the IT services supporting shipping could be applications, infrastructure and platform technologies.

How is Digital Service Management Different from IT Service Management?

Digital Service Management (DSM) is the evolution of IT service management in the era of digital transformation. A more formal definition is "a service that is delivered to customers in an automated fashion with little or no human intervention (i.e. Internet or cloud service)." Cloud-computing solutions, mobility, and BYOD (bring your own device) initiatives are examples of how management of enterprise IT systems are changing. Digital service management brings a smarter and better-connected business, particularly with the introduction of IoT (internet of things). Achieving digital service management for existing services requires an inventory of the service delivery value chain, then applying a Lean Six Sigma approach to systematically eliminate waste, while addressing opportunities for automation. An example of this is within a service request where the backend processing sends emails to people in particular functions within the organization for execution. A DSM change to this process could be to digitize the processing of the request, instead of using a human. This could improve performance of the process, particularly for routine tasks that can be automated.

What is Enterprise Service Management (ESM)?

Wikipedia defines enterprise service management (ESM) as “a category of business management software—typically a suite of integrated applications that a service organization uses to capture, manage, save and analyze data critical to their service business performance.” ESM is much more than just software. Software does not function without process, and in some cases people. ESM is more of a methodology to help people in various functions, enabled by process and technology, to work in a coordinated and collaborative fashion to support business outcomes. In some cases the person interaction or task can be taken out of the processing and digitized to improve performance of the service (this is the application of digital service management to ESM).

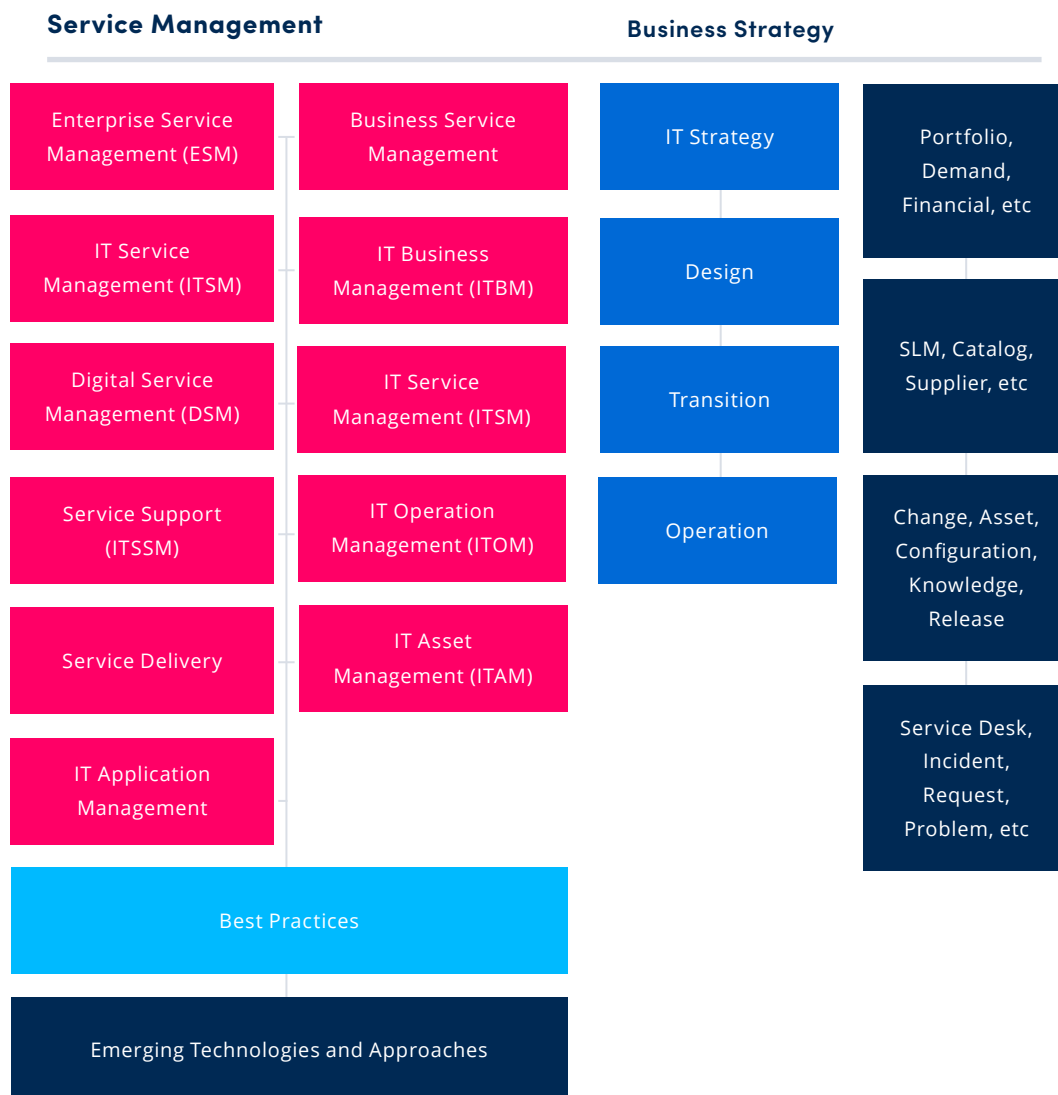


Figure 2: Basic Service Management Model

ESM can take advantage of DSM, ITSM, ITBM, BSM, and other disciplines and emerging technologies within an organization. ESM helps achieve business strategy, supported by IT strategy and the ITIL service lifecycle. ITSM request fulfillment capabilities with integrations with other processes are enablers for ESM.

The enterprise should be considered and behave as one team, leveraging the capabilities of each team. Functional specialized interactions, in the form of services between teams, enables creation of one team to eliminate silo behavior for organizational efficiency and effectiveness. A service oriented perspective with ESM helps remove the “noise” or inefficiencies that can be found in service support or delivery.

See examples of functional integrations in [101+ Ways to Automate Service Request Throughout Your Organization](#) ebook. There are examples of IT, Facilities and Maintenance, Human Resources, and Payroll.

Enabling ESM with Samanage and Salesforce

Today, IT capabilities are critical in supporting business outcomes. Collaborative and seamless implementation of IT in different organizations is complex. Each business unit and/or function in the organization has different IT requirements for performance of their specialization. Collaboration between organizations are sometimes manual, not efficient, and affect overall business and service performance. This behavior in some organizations results in “shadow IT” efforts, instead of the organizations taking advantage of proven specialized capabilities within the organization. Current technologies for enabling communication between business functions, such as email, do not support the business performance needs and can be a distraction from achieving high performance goals. Such challenges can lead an organization or an IT function to become optional or obsolete. The work breakdown structure that supports the chain of events between functions in an organization, as well as the people, process and technology need to be coordinated and collaborative to support the overall service being delivered or supported. An ESM approach helps with effective service oriented work efforts across different organizations, enabling the core focus to be on business services that enable agility or improve the customer engagement or experience.

A Platform for Seamless Integration

In the basic service model above in Figure 2 above, many service organizations find themselves focused on the bottom half in their IT efforts. Or, they may find themselves delivering services without a real focus on the customer. Focus on the customer requires quantifiable customer data, not just expert opinion. Today, customer data and information is captured in customer relationship management (CRM) systems.

Salesforce Solutions

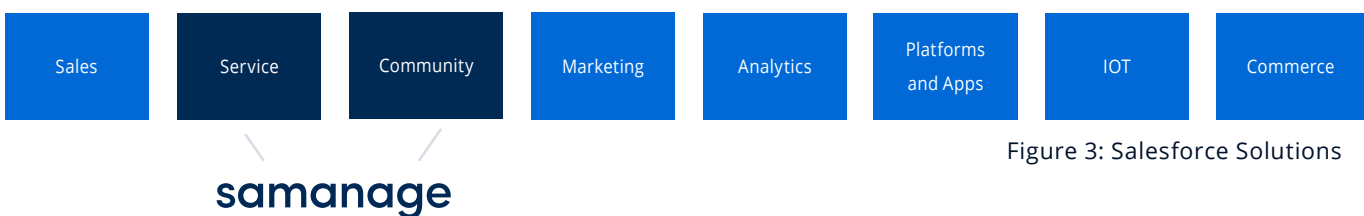


Figure 3: Salesforce Solutions

Salesforce is the best all in one full-featured innovative CRM system. The platform itself leverages cloud, mobile, social, data science, analytics, other applications, IoT, and more. This allows seamless integration between business services, applications and data on the platform. This helps create a single system of record to improve decision support and overall service performance. It also creates unlimited possibilities for innovative approaches for using technologies for service management.

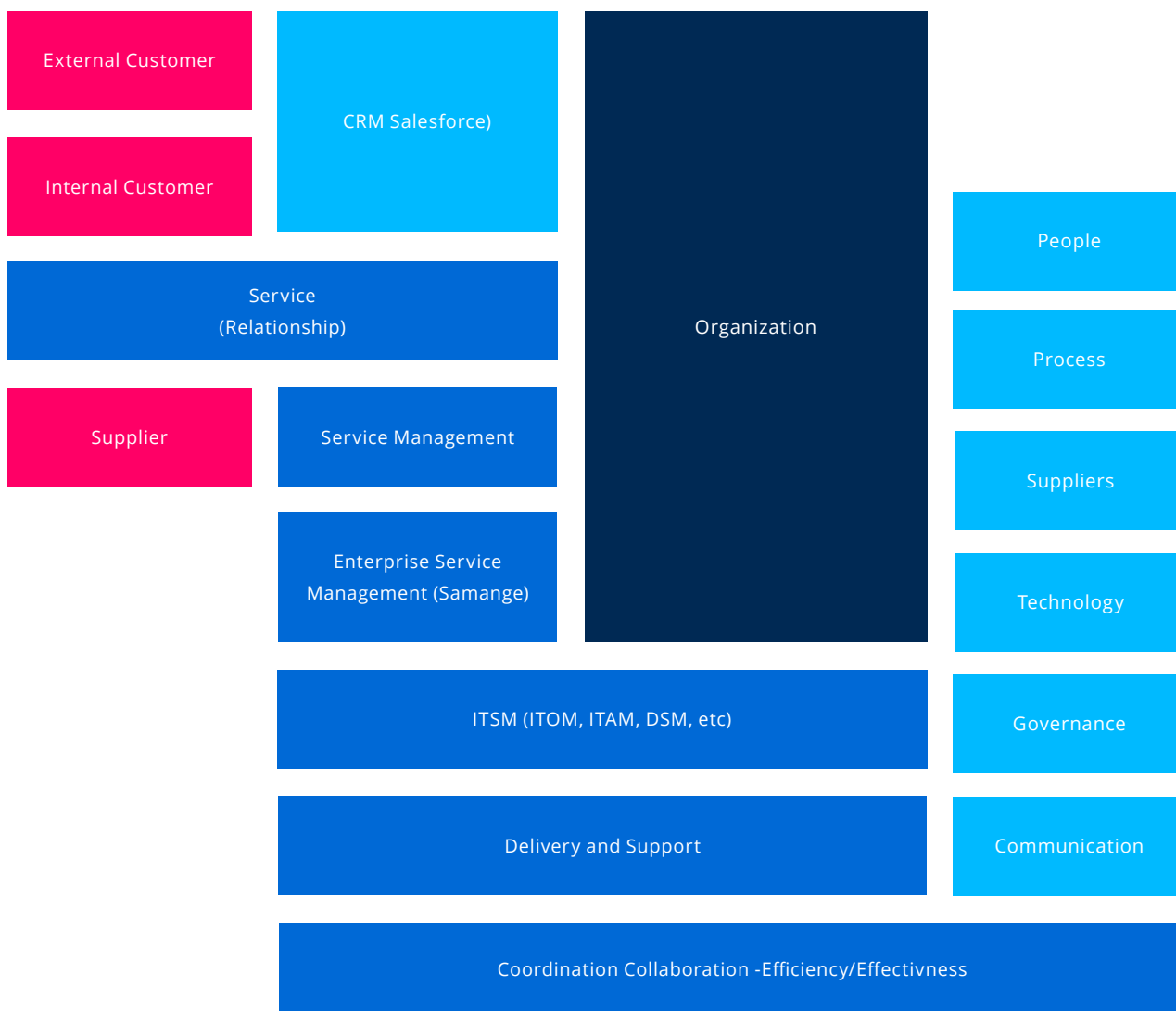


Figure 2: Basic Service Management Model

Salesforce CRM capabilities and data resources are key to maturing the ESM delivery and support of the service to the customer. The ESM and CRM relationship will help organizations mature their practice of service management by improving decision support, agility, coordination and collaboration, and overall service delivery and support. Combining and integrating, CRM and ESM technology helps seamlessly bring the customer and service model together for one cohesive solution. What is service management without bringing in customer perspectives as consideration for the services that are delivered and supported by a supplier? It is just another ITSM solution that tries to align with customer needs but does not truly integrate the customer in the overall solution. Salesforce and Samanage is an integrated enterprise service management solution, that allows high performing integration of the organizational functions (HR, Finance, etc.), people, process, governance, collaboration and communication capabilities. It's about putting the focus on areas like customer excellence, exceptional experiences, visibility, and consistency, across the entire ecosystem of a company to push growth and innovation forward.



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For more than thirty years, Anthony Orr has worked in various IT strategy, managerial, consulting, executive advisory, marketing, and technical positions. Anthony is author of the ITIL v3 2011 publications and the ITIL MALC exam book, as well as a Sr. Examiner for the ITIL v2, v3 and Cyber-Resilience certification examinations. He has published numerous podcasts, videos, booklets, white papers and articles, including a white paper, Synergies between ITIL and DevOps, with AXELOS. Having traveled to over 50 countries and lectured at universities around the world, Anthony is also a frequent speaker at international and local ITSM industry events.



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