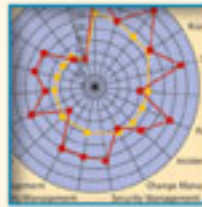
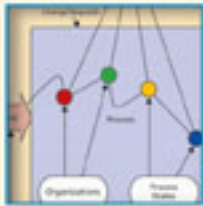


METRICS for IT Service Management



Metrics for IT Service Management

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Metrics for IT Service Management



Colophon

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The International itSMF organization, through its International Publications Executive Sub-Committee (IPESC), comprised of a council of members from global itSMF chapters has given its formal itSMF International endorsement to this book.

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Foreword

Wherever Service Management is discussed around the globe the topic of Metrics soon follows. For those implementing or involved with IT service management a method of measuring results is fundamental.

Measurement within an organization can either be relatively subjective and informal or rigorously applied within the context of a formal standard or framework. However, regardless of the interpretation, one factor remains: the Metrics used must be relevant to the business objectives and the expected outcomes to be of any value.

I am pleased to say that this book will serve its readers well here. As the Chair for the itSMF International Publication committee (IPESC), I am very proud to officially add our Committee's formal endorsement of this publication.

The IPESC, through its council of members, their efforts and dedication create added value to the community of ITSM professionals, by endorsing the development of a common global library which supports a uniform understanding of ITSM best practices and knowledge.

Our endorsement process is a rigorous one, with stringent criteria that any ITSM-related publication must meet before it can be endorsed by the IPESC.

On behalf of the itSMF global community, I wish to thank the IPESC for their efforts and endorsement of this book.

I know that you will find it informative and a valuable addition to your ITSM library in support of your journey toward service excellence.

A handwritten signature in black ink, reading "S. Taylor". The signature is fluid and cursive, with the first letter "S" being large and stylized.

Sharon Taylor
Chair, International Publications Executive Committee
itSMF International, 2006

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Acknowledgements

Following feedback from users, Metrics guidance has been high on the ITSM agenda for a long time. The fact that existing publications offered limited information has led to many requests from users for more detailed and practical guidance. Our first publication in the Van Haren Publishing series to cover structured information on metrics was the pocket guide on CobiT (“IT Governance, a pocket guide based on CobiT”). This publication was developed with the intent to bring valuable information on Key Performance Indicators and Critical Success Factors for IT management processes to the field of IT Service Management. But it filled only part of the gap.

So when Peter Brooks approached us, we were delighted to have the opportunity to extend the information on metrics for IT Service Management. May 2005 we started the joint community project with itSMF to document the common best practice in metrics guidance.

With his deep level of expertise, Peter Brooks took the role of author in the editorial project. Tienke Verheijen acted as coordinating editor with responsibility for all the quality improvements we have delivered through a thorough review process. The project was run under the guidance of Jan van Bon who was responsible for the Project Management.

To ensure international knowledge and experience was reflected, a broad panel of experts was installed as the Review Team. The resulting editorial team formed a community, comprising the author, the editors, experts from the itSMF chapters and the itSMF International Publications Executive Sub-Committee (IPESC). This editorial team developed the scoping of the book by agreeing a Table of Contents.

The project was then turned over to the author and the editors: they gathered the best practices on metrics that they could find, using their own experiences, existing literature, many other sources and, of course, the web. In an intense and iterative peer review many other experiences were added by the Review Team. The result is this book: a thorough introduction to the field of metrics for IT Service Management, and a very valuable practical description of the best metrics we could find.

We owe Peter Brooks huge thanks for his never-ending enthusiasm and persistence, and his willingness to listen to the reviewers and seriously consider their issues. This has enabled us to develop a true common best practice on metrics for IT Service Management.

We also wish to thank our international Review Team, that has contributed their huge collective experience and knowledge. They provided encouragement, criticism and useful new ideas, to ensure that the book reflects the very best practice. Their input has really made a difference, especially in agreeing the structure and the initial Table of Contents, and adding very useful metrics to those already provided by Peter Brooks. But, most of all, they have ensured that difficult or unclear topics are explained in such a way as to provide an easy-to-read and practical book.

The Review Team consisted of:

- Rolf Akker - Atos Origin, the Netherlands
- Raul Assaf - Santa Monica Consulting, Argentina
- Bert Bouwmeester - Steenbok Automatisering, the Netherlands
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Their expert help has been invaluable.

We also want to thank the representatives of itSMF chapters in IPESC. They assessed the quality of the content of this publication, and the process by which it was produced, and have given their formal endorsement to this book in a unanimous vote. As a consequence this book is part of the core of the uniform understanding of ITSM knowledge and best practices. This is the best compliment we could get.

Given the desire for a broad consensus in the field of IT Service Management, new developments, additional material and other contributions from IT Service Management professionals are welcomed. They will be discussed by the editorial team and, where appropriate, incorporated into new editions. Any comments can be sent to, email: info@vanharen.net.

Peter Brooks (FISM), Author
 Tienieke Verheijen, Coordinating editor
 Jan van Bon, Chief editor

Introduction

IT service organizations are increasingly implementing Quality and IT Service Management standards. The IT Infrastructure Library (ITIL, ISO20000), Control Objectives for Information and Related Technology (COBIT), Six Sigma, enhanced Telecom Operations Map (eTOM) and Sarbanes Oxley (SOX) are emerging as some of the more popular standards in addressing IT Service Management, governance, quality and operational issues.

This book considers the design and implementation of metrics in service organizations using one or more of the frameworks mentioned above. It uses the ITIL process structure and many principles from the ITIL and ISO20000 (originally produced in the UK as BS15000) as a basis. It is a general guide to the use of metrics as a mechanism to control and steer IT service organizations.

Implementing IT Service Management as a series of interlocking processes - with 'process' strictly defined - enables a consistent view to be taken across the many disciplines that exist in a modern IT department.

This consistent view has been adopted as Best Practice by thousands of organizations across the world, with excellent results. The itSMF is an independent organization that champions the cause of IT Service Management in many countries by holding events, working to improve the practice advocated by ITIL through knowledge and experience sharing, whereby driving continuous refinement of the practice, and producing books such as this.

The ITIL processes all devote a section to possible metrics, giving an excellent starting framework for setting up metrics. For example, there is a chapter focusing on Key Performance Indicators (KPIs) in the ITIL Best Practice book 'Planning to Implement Service Management'. This guide deals specifically with the issue of setting up metrics in the context of IT Service Management frameworks, with a special focus on ITIL.

A major reason for writing this book is that many organizations have found it very difficult to use metrics properly. This book will deal with the causes of the difficulties to implementing metrics and will present workable solutions.

The book is a general guide to the design, implementation and use of metrics as a mechanism to control and steer IT service organizations. It also provides specific recommendations for applying metrics across the ITIL, ISO20000 and other processes, discussing the rationale of the recommendations. This enables an organization to implement the metrics as described directly as a first-pass solution that can be benchmarked against other organizations. But they can also be used as a starting point for customizing particular metrics.

Badly designed metrics can be actively harmful to an organization's proper functioning. Producing a set of metrics that avoids the pitfalls and delivers genuine value is not easy. This book will make that task much simpler and less error prone.

The recommended audience for this book is service managers, process owners, consultants, general IT management and anybody interested in mastering metrics of IT Service Management.

A worldwide review team of matter experts who have provided the benefit of many decades of collective IT and Service Management experience has extensively reviewed this book. You can rely on it as a guide to Best Practice in the field.