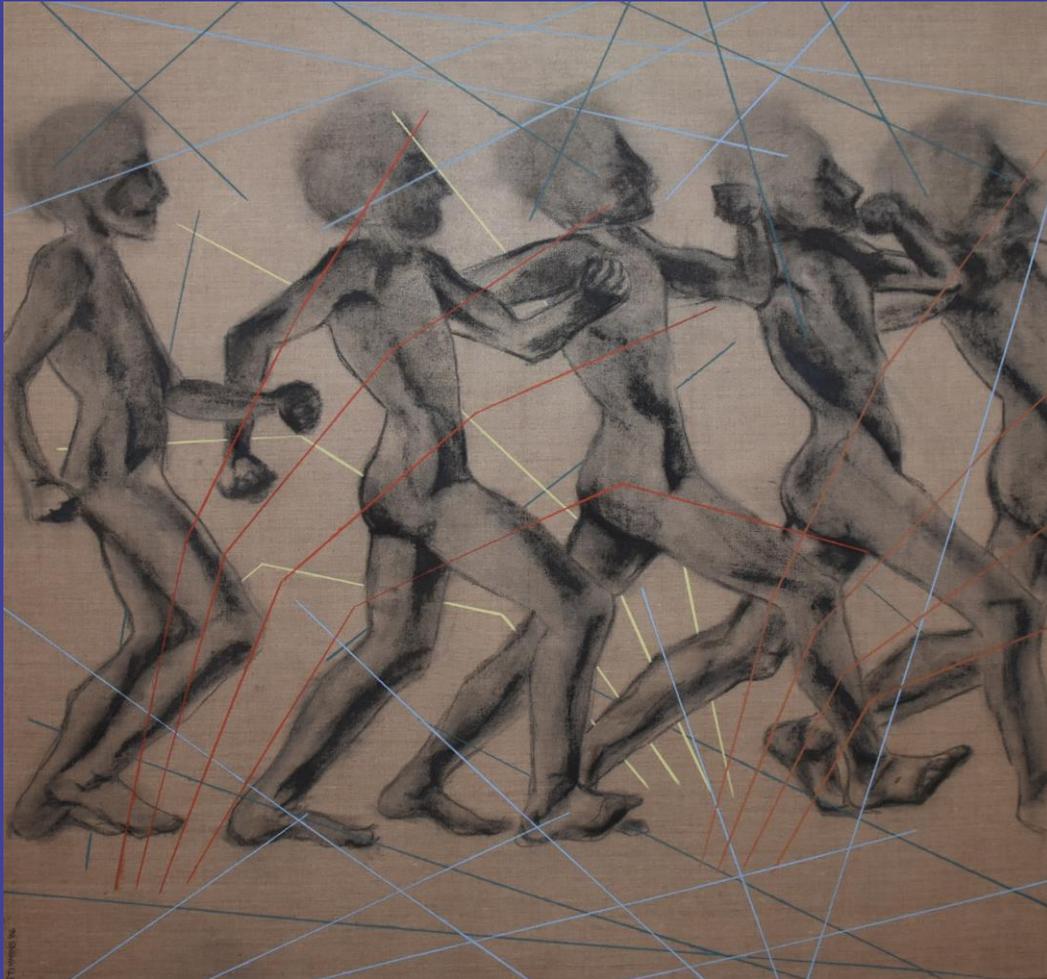


Service Intelligence

Value Realisation by Design



A manifesto for value co-creation, driving success in the business and improving the customer experience, built on a transparent, progressive, data driven service model.

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The following refer to inventions of the author

- Service Intelligence
- Design to Operate
- D2O
- IRON CI

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About Clive Porter-Brown?

- Customer focused and value driven IT leader
- Over 20 years successful working in Electronics, Aerospace and Defence manufacturing
- Global experience working in UK, Europe, USA, India & China
- M&A, Carve-Out, IPO, Restructuring, Relocation, Cost Competitive Placement, In-sourcing, Outsourcing
- Works across Operations, Information Security, Applications, Support and Governance
- Best practice advocate of ITIL, LEAN, Shared Service and Organisational Change Management
- Certified in IT Service Management (ITIL Expert) and Project Management (PRINCE2)



Those that know me will attest to my passion around service, working across the lifecycle, defining and creating value as a means to make technology work for the business. What does that all really mean? It means I look at things from start to finish and how the final product (aka the service) sits within the intended environment, what will it take to make it happen, how can it be sustained and be affordable, who are the stakeholders that need to collaborate in creating and improving the products and tools that they themselves will be using.

I have worked through multiple business changes and successfully led a handful myself. M&A, IPO, outsourcing, restructuring are all forms of change, change that impacts people and technology in order to realise a value that delivers a business strategy.

Bringing technology together to create a service and delivers on the outcomes the business wants is one of my goals A key element is to differentiate Return on Investment, or the financial aspects from Value on Investment, or what the business gains from the outcomes of the service.

I make business services stable and secure, supported by predictable and repeatable practices, building on a solid foundation that delivers the best customer experience and value for the business. What I do, is help the business identify and prioritise those needs, then deliver on expected outcomes and realise that desired value.

This is what I do and this is how I make a difference to you.

Find me on LinkedIn

In my LinkedIn profile, you will find out more about me, including articles and comments on aspects of delivering secure and scalable IT built upon a predictable and repeatable model.

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Introduction

This paper outlines my model for a service framework designed to engage with the business at all levels. You might sum it up as “This is how we know what good looks like!”

I wrote it because I believe in sharing knowledge and creating an available point of reference. From there, others can understand the concepts behind “Service Intelligence” and the application through “Design to Operate” to co-create delivery of services. Services that are needed, are customer focused and improve the customer experience.

Objectives of Service Intelligence

- Align technology and support services with business goals and initiatives.
- Create value through the identification and implementation of business services.
- Quantify, co-create and measure value of business services.
- Financial transparency and strategic planning to minimise risk and technical debt.
- Optimise operational integration across business functions.
- Enable agility in the development of business opportunity.
- Scalable to harmonise support and service practices across the business supporting both organic growth and M&A.

By embracing a shared service model and through a focus on customer service, Service Intelligence enables levels of integration targeting the breakdown of the silo mentality. A shared approach that is scalable across other functional units. IT, HR, Finance, Facilities, Legal and Compliance, all working under a common and secure model, improving operational efficiencies and enabling effectiveness each and every day.

Through service intelligence IT partners with the business and the days of it just being a cost centre are over. Now you can be serious about the question of “How do we improve our business processes to better engage with our customers and employees?”

What is a Service?

To understand the context of Service Intelligence, it is necessary to first understand what is meant by “Service”.

One way to look at service is you want something, but do you want to assume the responsibility of all that it takes to make it happen. In its stead, to get what you want you pay someone else to do it for you.

Think of service in the context of our daily lives and the things that surround us, products such as electricity, motorway networks, filling stations, television, mobile telephony, meals in a restaurant. These are all services which we consume to deliver on our expected outcomes and are typically viewed as a customer-supplier relationship.

- Customers want a product of the right quality and at an affordable price.
- Suppliers want to ensure the customer gets the product in a consistent and reliable form.

Now look at the workplace and the focus shifts to the context of business services. This is more than just customers, suppliers, products. This is the symbiotic relationship with each to deliver on desired outcomes and is the premise for co-creation.

How does this translate to IT? Data is the jewel in the crown for any business. Technology selection determines having the right data in the right place at the right time. Data that is secure and accurate and compliant with governance demands, using tools that work and all this at a cost which the business can bear.

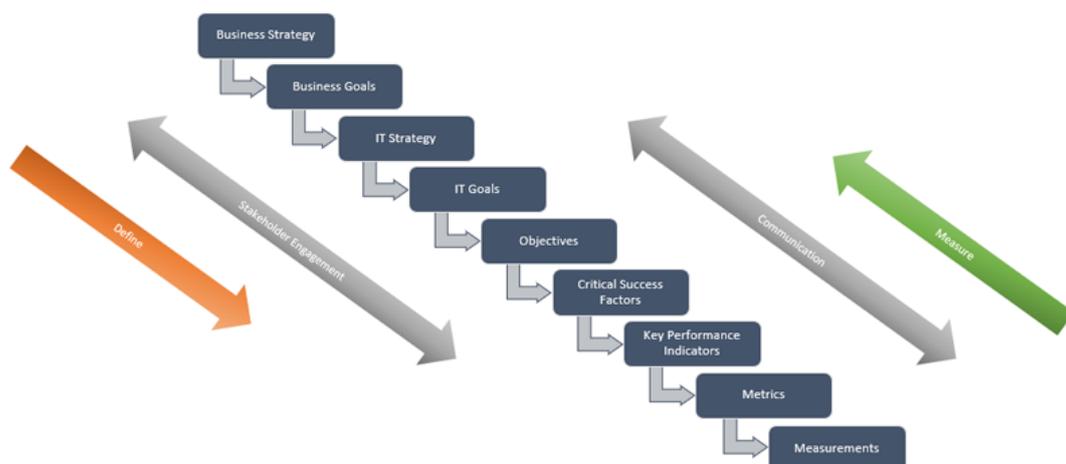
The transformation journey is about taking the legacy technology and making the data work in a more agile and transparent way.

What is Service Intelligence

This was the start of the idea for Service Intelligence, as a “Service Model” that is designed to bring IT closer to the business, align with business goals and initiatives, creating the desired outcomes and value. Understanding that the successful outcome is the result of a collaborative process, a process to identify, design, create, execute and improve services that the business needs.

The Service Model is the culmination of all that we know of the structure and dynamics of our customer, and the business of which we are an integral part, manifested in value-add services that the business wants. Brought about through our knowledge of the marketplace and the direction that technology is heading. The application of analytics to create a roadmap, optimising services and costs. Technology becomes a strategic tool and becomes a competitive advantage.

Sound too good to be true? Not necessarily when going back to basics and creating the value chain across the service lifecycle. Many service desk tools focus on the operational aspects which are important. However, being process driven has been a cause of silos. Service Intelligence fills the gap on the significant portion of the strategic alignment how and why that operation and its supporting practices came to be.



Now having the strategic visibility, what does it take to ensure this knowledge is flowed through all services, and that services in turn can be measured against the business goals?

How can the full value from the IT investment be realised? Is there duplication of services or a lack of resilience in service operations.

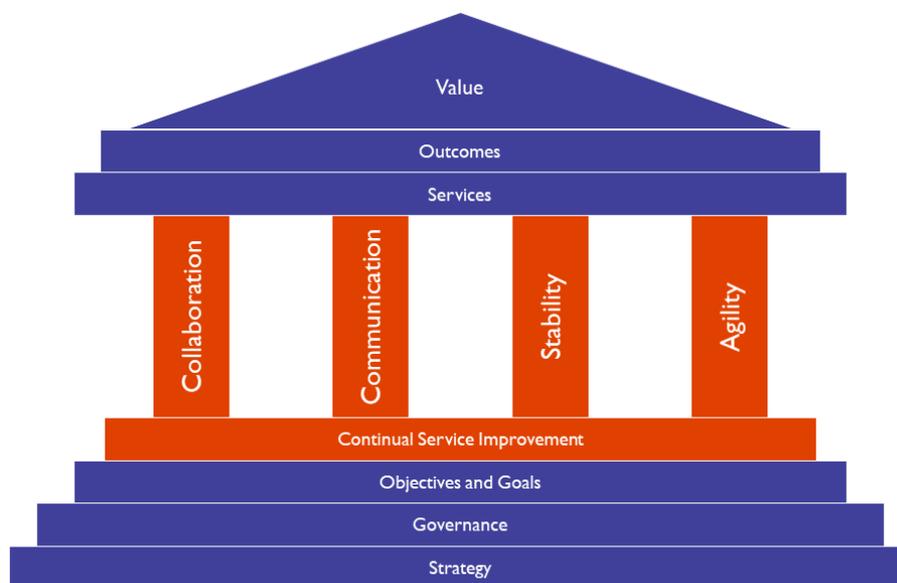
The data within Service Intelligence helps unlock the value chain through a value driven system that works across the business lifecycle realising outcomes, enabling IT and the business to work together, delivering transformational change.

- A road map of the service portfolio aligned to business goals and initiatives.
- Services measured and reported in line with business objectives.
- Transparency of costs and service performance to stakeholders and the business.
- A Service Catalogue where each service is measured and costed.
- Asset and configuration management systems cover all service assets including hardware, software, contracts and agreements and, user documentation.
- Training and staffing balanced between stability of customer delivery and effective transition to new services.
- Scalable change models that enable agility and break from traditional rigid processes.
- Risk management that heightens security and operational practices.

Through Service Intelligence stable and secure IT service are realised through an integrated toolset, utilising practices around the way the business works with no nasty surprises.

What is Value?

VALUE is a word often used alongside vague or ambiguous statements. Yet to demonstrate and realise value, it is necessary to both define what value is and quantify in a way that it can be effectively measured across the organisation. Without it, there will be no frame of reference for “Service Value”.



At its simplest, value is the benefit of the outcomes from the introduction or improvement of a service. Measurement on value becomes a metric of the benefit of the desired outcomes. Value outcomes can be measured through cost savings, cost avoidance, hours

saved, reduction in errors and rework all of which will lead to a positive impact on the bottom line.

In any service, this value identification starts with the idea and is recorded in the business case. The “What are we doing?”, “Why are we doing it?” and “What do we expect in return?” The business case being the tool against which decisions are made including whether to proceed. In the future, whether that case is still valid and throughout the lifecycle, does the service deliver on its initial intent?

Modern practice is no longer a one-way street with the customer saying jump and the provider only asking how high? Success in value co-creation means active involvement and collaboration in the mechanism by providers and customers in creating the service that will be enabled and consumed.

Financial Return v Value Return

A key part of the business case is the financial model being applied but how can Return On Investment (ROI) and Value On Investment (VOI) be distinguished? To do this it is necessary to understand the difference. Although both will have an impact on the bottom line. Just as defining value is important, so are understanding of ROI and VOI as tangible measures.

The following will help to make the distinction between the two;

Return on Investment (ROI)

Investment in resources takes place across the business. These resources include equipment, estates, finances, people, time and training. Each of these items are tangible, the consumption measured and in so doing have a return quantified.

These resources are usually already quantified as they are part of the running costs for the business.

Value on Investment (VOI)

Outcomes can include productivity improvements, efficiency, quality, customer satisfaction and other gains for the business. By their very nature, more difficult to assess because an outcome is not assured, but all actions can be quantified for them to be a valid measure.

- Time saved to produce an item.
- Reducing the time to respond to your customer.
- Digitising with workflows to prevent errors and rework.
- Automating to speed processing and reduce errors.

The savings realised in time or improvements made, which in turn can be equated to money, the value is now quantified.

Value, ROI and VOI models now defined, these can also be baked into the business case template alongside how they will be measured.

Is Everything we do “Value Add”?

Lean Manufacturing or ‘Lean’ can trace its origins to the Toyota Production System (TPS) and is a model that is built around operational excellence through better working practices and continuous improvement. Lean offers some good lessons in distinguishing between value creation and waste.

Through the process of creating a service anything that contributes toward the value creation is considered **Value Add (VA)**. The remainder is **Non-Value Add (NVA)**. It might seem simple enough that all that needs to be done is to eliminate the NVA and thus eliminate the waste. However, Lean recognises that some NVA activities are required, so it makes sense to split NVA into “**NVA Waste**” and “**NVA Necessary**”.

Applying **Continuous Improvement (CI)** practices will help to identify the waste and opportunities for optimising production and delivery of services.



There are 8 NVA activities with obvious waste listed here; Transportation, Inventory, Motion, Waiting, Over Production, Over Processing, Defects and Skills. These activities can be examined at a later time, for the moment it is important to know that they exist and that every waste activity may have a negative impact on the value realisation.

Remember the Service Intelligence Temple has CI as a foundation across all practices. The Lean mindset will be applying these practices throughout, ideation, design, creation and testing all offer opportunities, helping to make a better service and with it contributing toward a lower cost of entry.

Just as defining value is important defining and educating on the 8 ways of waste and how they will be measured is also important. Definitions help eliminate ambiguity and sets perspective, especially useful when dealing with stakeholders’ viewpoints.

Thinking of the idiom "One man’s meat is another man’s poison", here is an example that illustrates why defining and recording are an important part of gaining perspective.

Ask a group of people the following question “how do you consider the time spent at an airport when you go on holiday?”. The responses could be grouped into one of 3 responses.

1. *It is exciting and it is embraced it as part of the holiday experience, the shops and bars through immigration adds to the excitement.*
2. *Going to the airport is necessary part of the journey, at least there are shops in case something is forgotten or anyone gets hungry before boarding.*
3. *What an absolute waste of time, sat around doing nothing for 2 hours!*

Three differing opinions of the value associated with a necessary activity. Fortunately, there are tools readily available to measure these responses from stakeholders which will help determine expectations, priorities and acceptance!

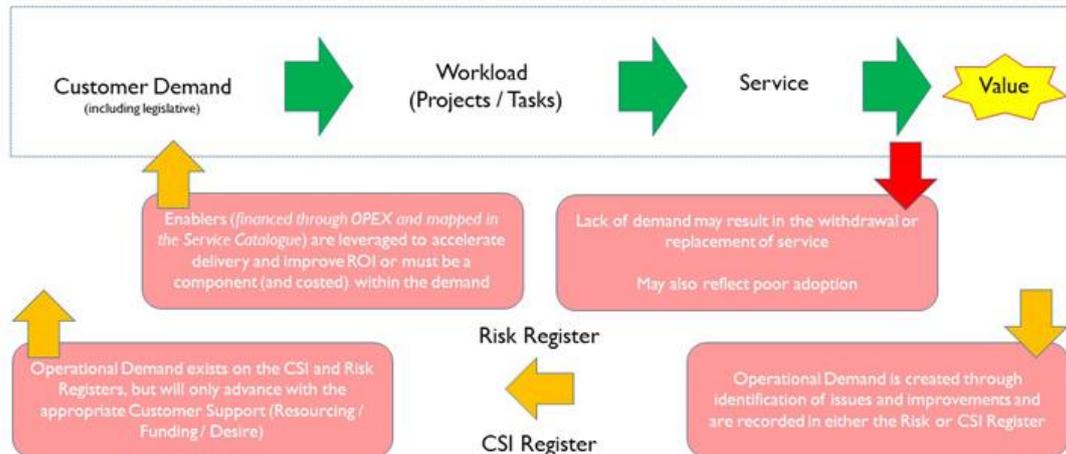
The Value of Service Management

The purpose of technology is to be an enabler in managing to record, store, move, calculate and display data. In business this translates to getting the right data to the right people at the right place at the right time.

Data matters and to make this happen, the enabling technology must be managed to ensure it performs in a manner that customers can use it easily and naturally. As with any other part of the business, there is the need for a governance model that ensures compliance with legislation, gives value for money and is efficient in its operations and has the right people with the right skills to make it happen.

Technology is no different and this is why service management, referred to as ITSM, is a best practice model that has evolved to what we have today to manage the customer demand and co-create real value. It is this model that goes to ensure that the service (i.e. the thing the customer wants and will pay for) does what the customer wants and gives them value for what they pay. It also goes to ensure that the necessary enabling technologies are also in place. It is the effective provisioning of these services through a robust ITSM practice that makes the difference in the competitive edge and profitability.

Demand Value Stream



Note that the reference here is to ITSM and not specifically to ITIL, DevOps, COBIT or other frameworks. ITSM is the application of best practice and is a homogeneous mix of what works in the business. Do not get led down the path that one framework has all the answers. Just as important is to embrace the management processes of the business in the Target Operating Model (TOM).

The goal of “Digital Transformation” is to enable the business by leveraging cloud-based services rather than favouring traditional on-premise services. This in turn offers flexibility and the opportunity to reduce the overall cost of service. “Go digital” starts leveraging the organisation, opening the business from a server centric to a user centric model. In doing

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so, applying cost avoidance by shifting to a subscription-based model and making cost savings by switching off what is not needed. Removing the need for large capital investment helps the business agility.

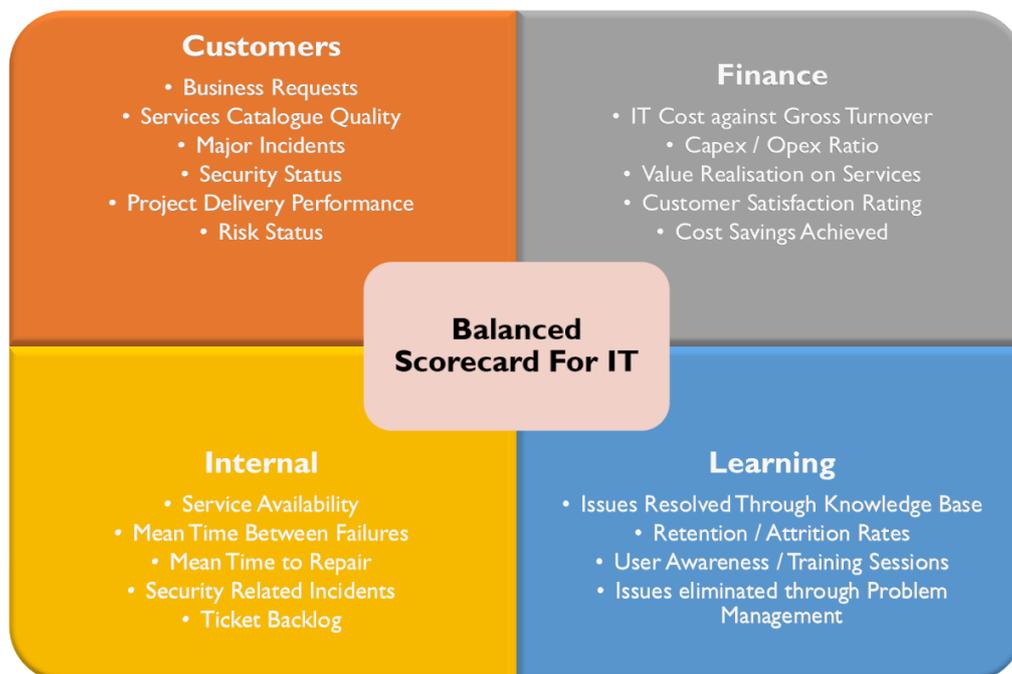
And where is the role of IT and Service Management in this? Bring the business and IT together, ensuring that, with available resources, required technology and services meet the business need. Through ensuring what is needed is in place and is effective, IT can deliver on the strategy, enabling the vision of “Digital Transformation” to become a reality.

Through this framework relationships are established, requirements identified, services created and improved, and outcomes achieved. This brings us full circle and the basis for the value creation.

This target state is where services can be deployed easily, readily accessible regardless of platform, are effectively managed and under a continuous improvement that is all operated in a collaborative arrangement with stakeholders. Helping to eliminate waste and in so doing maximising the business investment.

Measuring with Meaning

How well the services work for the business can be reflected in a balanced scorecard that is focused on measures that have value for the business and for effective operation.



Service Intelligence delivers the necessary best practice service management framework, creating a repeatable format for customer service across the business. Built upon a stable foundation that evolves through a progressive and iterative model, change is accelerated and the environment becomes more agile. The focus is shifted from the platform and product centric to a platform independent data driven model geared for the customer experience.

But it need not stop there. The scalability of Service Intelligence means the same principles and processes that drive IT can be harnessed for use across other areas of the business

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support functions such as Finance, Legal, Trade Compliance, HR, Facilities. This in turn enables collaboration through a common shared framework that becomes pervasive to the business.

Further integration within the business functions achieves operational gains, such as with engineering configuration management and support functions.

We have the same customer, so why have different mechanisms to serve them?

This end-to-end collaborative model is the basis for Service Intelligence. Making technology and shared services a strategic tool that realises value for all and adds to the competitive edge.

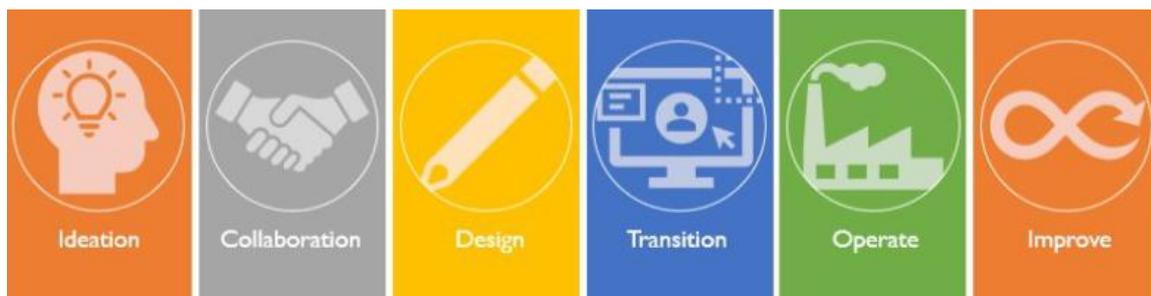
Design to Operate

It is not enough to deal just with the symptoms that manifest themselves at the operational level as they occur. Whilst there is no doubt that some things can and do break, is it acceptable to keep applying the same fixes time and time again?

The fact is that preventable issues do not happen by accident and Design to Operate was created as a closed loop system to address the avoidable issues that manifest themselves at the operational level and at the expense of the user and the business.

Design To Operate sits within a framework that contributes to the value creation cycle and improves the quality of services when they go live.

- Strategic governance
- Architectural roadmap
- Collaborative design and creation
- Iterative Testing
- Pro-active monitoring
- Continuous Improvement



The comprehensive design process is collaborative and aligned to the business; Guided by the target architecture, reducing the number of unknowns to creep into the service. Transitioning that design to a workable service that is tested and proven results in more effective operations.

This is not driving for perfection but applying a right first-time mentality. The proactive monitoring closes the loop by catching errors that may slip through, which along with deferred known issues can be rectified through continuous improvement.

Frequently Asked Questions

Why should I be interested, what is in Service Intelligence for me?

Service Intelligence is a service model created by Clive Porter-Brown that applies the right technology to your business problems. In so doing, making them secure, scalable and cost effective. The model is service and vendor agnostic, so it can be applied to your business and makes technology work.

But we are different, how can you make Service Intelligence work for us?

What makes an organisation special is the products or services it delivers to its customers. Whether you are running on “Commercial Off The Shelf” (COTS) hardware and software or developing your own hybrid model, you need to manage your data, assets and information security consistently.

Alongside the technical model is a programme of organisational change. Agile and adaptive working practices will likely involve behavioural changes in teams, to make this happen will require a combination of educating through awareness campaigns, point of use notices, workshops and kaizen events, training, mentoring and coaching of teams. Measured for effectiveness to see that changes have become normalised.

We are in the cloud, will Service Intelligence work for me?

Yes, whether services are on premise, in the cloud or a hybrid of the two, they still need to be managed effectively to enable the business to perform. For example, Business Continuity Management is required regardless of where and how you operate, but the key is having a plan that works around the way the business works.

Is this expensive, what will Service Intelligence cost?

As with any service model, the cost is relative to what practices are implemented and how these are extended across the organisation.

From the outset Financial Management for IT (FMIT) is introduced as a key component of Service Intelligence to assess the cost to implement. FMIT is also the mechanism that measures ongoing costs and value across services. Identifying savings opportunities or areas for improvement becomes a by product of this practice. The financial model can be aligned with other best practices methods such as Technology Business Management (TBM), following a financial taxonomy that aligns with the business model and leveraging tools such as Apptio for operating value and transparency.

Ultimately this delivers on one of the objectives of Service Intelligence is to ensure that investment in technology is warranted to deliver outcomes that create business value. This offers clarity of spend so there should be no surprises.

Presentations and Articles

Leadership, empowerment, trust, technical change, organisational change, culture, communication and finance are all part of the equation to drive the business forward. Read more articles created by Clive Porter-Brown looking at different aspects of making technology and services work across the business.

	<p>My LinkedIn profile details my career history and achievements Clive Porter-Brown LinkedIn</p> <p>For a copy of my latest CV / resumé, please connect on LinkedIn and ask me for a copy.</p>
 PowerPoint with Audio	<p>Aligning Culture and Strategy for Digital Transformation <i>(17MB PowerPoint presentation with audio, allow 15-20 minutes)</i></p> <p>Examining the inter-dependency of culture and strategy and how they impact on achieving a successful digital transformation.</p>
	<p>The Shared Service Challenge</p> <p>Applying Shared Services practices offer great opportunities for streamlining business operations of all sizes and not just the large corporation.</p>
	<p>The Cost of Unintended Consequence</p> <p>A seemingly innocent action can have massive consequences on IT and their ability to service the business.</p>
	<p>The Value of Service Management</p> <p>Why should the business be interested in service management for IT and shared services?</p>
	<p>Time Marches On!</p> <p>Change Management is more about people than the technology if you really want to be successful.</p>
	<p>Are you Receiving Me</p> <p>Communication is all around us, but are we really any good at it? How do we know that the right message is being received, relayed and acted upon?</p>
	<p>Harmony in my Head</p> <p>Each of us has a value system by which we measure the world around us. What impact will the value system of you and those across the business have on effecting change to transform your organisation?</p>

The Origin of “Evolution” and What it Means to me?

Despite all the distractions around us, we must always be moving forward and with purpose. As we gather pace, building on what we have done before, we use the momentum to accelerate progress.

This then becomes the essence of the agile workplace.



“Evolution” original artwork by Susan Timmins
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Notes