The Benefits of IT Service Management

IT service management (ITSM) has many definitions including ITIL’s, the most commonly adopted ITSM best practice framework, which describes it as:

“The implementation and management of quality IT services that meet the needs of the business.”

Where:

“IT service management is performed by IT service providers through an appropriate mix of people, process and information technology.”

But ITSM is more than just the optimal use of people, process, and technology, ITSM is an approach to IT delivery – and a collective mind-set – that views IT as being “delivered as a service.” And while some benefits come from taking a service-based approach to IT supply, others come from consistency and standardization, having defined roles and responsibilities, adopting industry best practice, and utilizing fit-for-purpose ITSM solutions such as Freshservice.
The benefits of ITSM can relate to the IT organization, the business as a whole, or to both parties.

IT-specific benefits include:

- Increased IT efficiency and productivity through
  - Defined roles and responsibilities
  - Repeatable and scalable best-practice-based processes
- Better support for regulatory and compliance challenges and increased control
- Increased customer perception of IT and its services and the business value they deliver
- Increased visibility and understanding of IT services
- Better IT service suitability and availability by:
  - Reducing the “incident lifecycle,” with the ability to prevent issues before they occur
  - The proactive identification of problems and reducing their adverse impact on business operations
  - Having a better ability to react to the business’s need for rapid change
- The ability to measure and improve operational performance

Business-level benefits include:

- Increased IT efficiency and productivity through
- A better understanding of business requirements, resulting in better-fitting IT services
- Increased business productivity through higher IT service availability levels
- Increased IT cost efficiency and value
- Better expectations management
- Reducing the business impact of incidents
Example Benefits by Type

Your organization might want to leverage ITSM, and ITIL, to:

- Reduce IT costs
- Improve quality of service
- Improve customer satisfaction
- Improve governance and to reduce risk
- Deliver greater innovation and business value
- Increase corporate competitive advantage through better IT enablement, or
- Offer improved flexibility or increased agility/speed of change for new IT services

Of course your organization might wish to simultaneously deliver across more than one of these areas through the introduction of ITSM people capabilities, processes, and technology.

For instance, reducing the long-term cost of IT provision with ITSM, could involve:

- Reducing IT wastage through better visibility, understanding, and management of IT assets and services.
- Improving efficiency through best practice processes, and workflow and automation, delivered by fit-for-purpose ITSM technology.
- Using IT operational savings to deliver new or additional services that will ultimately improve business operations and results

Problem management derived benefits include:

- Reducing the adverse business impact of problems, i.e. recurring incidents, such as:
  - Lost end user productivity
  - The financial implications of outages to critical business services
  - Degradation in customer and end user perception and satisfaction
- Preventing too much costly, and possibly scarce, IT resources being spent on fighting repetitive fires. This resource would be better utilized in tackling the root causes, rather than the symptoms, of IT failures.
Change management derived benefits include:

- Financial benefits associated with minimizing change-related incidents and problems such as the:
  - Business cost of business-critical service downtime
  - IT costs of dealing with associated incidents and problems
  - IT costs of backing out or deploying change fixes or on-the-fly code fixing
  - Business cost of delays to important or mandated changes to systems

- Improved visibility, control, and sometimes speed through:
  - The communication of a Schedule of Changes
  - Taking a stage-gate approach to change approval (with appropriate authority levels)
  - Prioritization and fast tracking – including change models and emergency change procedures

- Business-wide collaboration benefits such as:
  - Better risk and impact assessment of proposed changes
  - Improved change prioritization and scheduling across different business units