BS EN 17371-3:2020

BSI Standards Publication

Provision of services

Part 3: Management of Performance Measurement – Guidance on the mechanism to measure performance as part of service contracts

Documents
Document Sharing Hub

Full document details: BS EN 17371-3:2020

National foreword

This British Standard is the UK implementation of EN 17371-3:2020.

The UK participation in its preparation was entrusted to Technical Committee SVS/21, European Service Standards.

A list of organizations represented on this committee can be obtained on request to its committee manager.

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

© The British Standards Institution 2020
Published by BSI Standards Limited 2020

ISBN 978 0 580 52350 2

ICS 03.080.01

Compliance with a British Standard cannot confer immunity from legal obligations.

This British Standard was published under the authority of the Standards Policy and Strategy Committee on 31 July 2020.

Amendments/corrigenda issued since publication

Date	Text affected

Documents
Document Sharing Hub

Full document details: BS EN 17371-3:2020

EUROPEAN STANDARD

NORME EUROPÉENNE

EUROPÄISCHE NORM

EN 17371-3

July 2020

ICS 03.080.01

English Version

Provision of services - Part 3: Management of Performance Measurement - Guidance on the mechanism to measure performance as part of service contracts

Prestation de services - Partie 3 : Management du mesurage des performances - Recommandations relatives au mécanisme de mesurage des performances dans le cadre des contrats de services

Dienstleistungserbringung - Teil 3: Management der Leistungsmessung - Leitlinien für den Mechanismus zur Leistungsmessung im Rahmen von Dienstleistungsverträgen

This European Standard was approved by CEN on 3 May 2020.

CEN members are bound to comply with the CEN/CENELEC Internal Regulations which stipulate the conditions for giving this European Standard the status of a national standard without any alteration. Up-to-date lists and bibliographical references concerning such national standards may be obtained on application to the CEN-CENELEC Management Centre or to any CEN member.

This European Standard exists in three official versions (English, French, German). A version in any other language made by translation under the responsibility of a CEN member into its own language and notified to the CEN-CENELEC Management Centre has the same status as the official versions.

CEN members are the national standards bodies of Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Republic of North Macedonia, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey and United Kingdom.

EUROPEAN COMMITTEE FOR STANDARDIZATION
COMITÉ EUROPÉEN DE NORMALISATION
EUROPÄISCHES KOMITEE FÜR NORMUNG

CEN-CENELEC Management Centre: Rue de la Science 23, B-1040 Brussels

© 2020 CEN All rights of exploitation in any form and by any means reserved worldwide for CEN national Members.

Ref. No. EN 17371-3:2020 E

Documents
Document Sharing Hub

Full document details: BS EN 17371-3:2020

Contents

Page

European foreword ... 3
Introduction ... 4
1 Scope ... 5
2 Normative references ... 5
3 Terms and definitions ... 5
4 Context ... 9
5 Performance Measurement model ... 10
6 Performance Measurement execution ... 13
Annex A (informative) **Service Assurance Model** ... 16
Annex B (informative) **Examples of specific sectors** ... 19
Bibliography ... 33

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

European foreword

This document (EN 17371-3:2020) has been prepared by Technical Committee CEN/TC 447 "Horizontal standards for the provision of services", the secretariat of which is held by BSI.

This European Standard shall be given the status of a national standard, either by publication of an identical text or by endorsement, at the latest by January 2021, and conflicting national standards shall be withdrawn at the latest by January 2021.

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. CEN shall not be held responsible for identifying any or all such patent rights.

This document has been prepared under a mandate given to CEN by the European Commission and the European Free Trade Association.

According to the CEN-CENELEC Internal Regulations, the national standards organisations of the following countries are bound to implement this European Standard: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Republic of North Macedonia, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.

Documents
Document Sharing Hub

Full document details: BS EN 17371-3:2020

Introduction

This document is part of a series of European Standards that address different phases in the provision of services (see Figure 1): the service procurement phase (EN 17371-1), the service contracting phase (EN 17371-2[1)]) and the service execution phase (EN 17371-3).

Each part of the series can be used individually or in combination with the other parts.

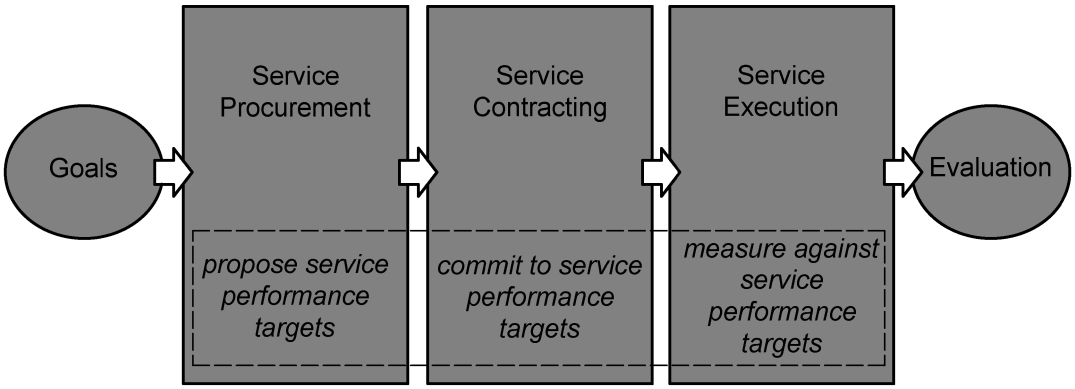

Figure 1 — Phases in the provision of services

The drafting of the series was initiated after CEN presented the findings of a study on the potential and a possible impact of horizontal service standards on the EU single market for services. This study was as a response to the standardization request M/517 from the European Commission for programming and development of horizontal service standards. The objective of this standardization request was to encourage the development of voluntary European Standards covering issues common to many service sectors. Such standards should aim to facilitate compatibility between services providers, improve information and the quality of services to the recipient.

This document aims to facilitate the discussion between the service buyer and the service provider on service performance. For example, service buyer and service provider can use this standard to:

a) enable benchmarking;

b) facilitate the setting of industry-specific best practice KPIs;

c) enable fair comparison of different approaches;

d) enable comparison between external providers and an internal department;

e) make a clear distinction between facts and, anecdotes or exceptions; and

f) enable escalations to be performed in a structured and well-informed way.

This document also aims at specifying targets for regular services, e.g. in terms of reliability, defect density, quality as well as targets for response services, e.g. in terms of response and resolution times and defect removal efficiency. The aim of this document is to provide guidance on the performance measurement.

1) Under preparation. Stage at the time of publication: prEN 17371-2.

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

1 Scope

This document provides guidance on setting up the mechanism for Performance Measurement management as a part of an entire service contract.

This document is applicable to:

a) Service buyers and service providers regardless of type, size or the nature of the services; and

b) Service providers who may be inside or outside the service buyers' organization.

c) Any interested parties who are directly or indirectly involved in or affected by a procurement process.

This document is not applicable to business-to-consumer (B2C) service contracts or for works contracts.

NOTE 1 'Works contracts' are contracts that have as their object the execution, or both the design and execution, of a work are not covered. Contracts having as their object only the design of a work are covered.

NOTE 2 'Work' means the outcome of building or civil engineering works taken as a whole which is sufficient in itself to fulfil an economic or technical function.

2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

— IEC Electropedia: available at http://www.electropedia.org/

— ISO Online browsing platform: available at https://www.iso.org/obp

3.1 Terms related to services in general

3.1.1
capacity management
process at the discretion of a service provider to forecast resource requirements to meet future demand for services

3.1.2
change management
process between a service buyer and service provider to control changes to the services

3.1.3
problem management
process to undertake root cause analysis and determine potential actions to prevent the occurrence or recurrence of service incidents, and to minimize the impact of service incidents that cannot be prevented.

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

3.1.4
quick fix
method to address the symptoms of a service incident as initial response and to reach at least a level of minimum acceptable service performance

Note 1 to entry: A quick fix is not a permanent solution to fix the root cause of an incident.

3.1.5
regular service
continuous or periodic provision of a service by a service provider

Note 1 to entry: The primary focus is on satisfying pre-documented and agreed requirements of service buyer.

3.1.6
service
intangible output and result of a process that includes at least one activity that is carried out at the interface between the supplier(provider) and the customer

Note 1 to entry: Service provision can take many forms. Service can be provided to support an organization's own products (e.g warranty service or the serving of meals).

Note 2 to entry: Conversely, a service can be provided for a product supplied by a customer (e.g. a repair service or a delivery service).

Note 3 to entry: Service can also involve the provision of an intangible thing to a customer (e.g. entertainment, ambience, transportation, or advice).

[ISO 9000:2015]

3.1.7
service buyer
organization that buys services from a service provider

Note 1 to entry: In public procurement, the service buyer may also be known as the contracting authority/entity.

3.1.8
service incident
unplanned interruption to a service, or a reduction in the quality of a service, or an event that can impact the service to a service recipient

3.1.9
service nonconformity
failure to meet a service performance target or other contractual obligations

3.1.10
service provider
organization or part of an organization that offers, delivers and/or manages one or more services

Note 1 to entry: Service providers can be external or internal to the service buyer's organization.

3.1.11
service recipient
organization or a natural person who receives a service

Note 1 to entry: Examples of service recipients include end users, consumers, clients, beneficiaries, and retail customers.

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

3.1.12
service request
request for information, advice, investigation, access to a service or a pre-approved change within the scope of the services

Note 1 to entry: A service request is usually unplanned or ad hoc.

3.1.13
service response
process between a service buyer and service provider to deal with service requests and to respond to service incidents

Note 1 to entry: The primary focus is on satisfying unplanned requirements of service buyer and dealing with unexpected issues.

3.2 Terms related to Performance Measurement

3.2.1
attribute
measurable and tangible aspect relevant to service delivery including physical observations and recipient perception of a service.

3.2.2
key performance indicator
measure that quantifies performance of a service

Note 1 to entry: A key performance indicator provides quantitative information about regular services, e.g. in terms of reliability, defect density, quality and availability, and about response services, e.g. in terms of response times, resolution times and defect removal efficiency.

Note 2 to entry: Key performance indicators refer to a certain time period, e.g. hour, day, week, month, quarter or year. It is important to follow the development of the value of a key performance indicator with the course of time (trend).

3.2.3
measurement period
time period in which the measurement is done and service metrics are gathered

Note 1 to entry: The start of a measurement period is characterized by resetting all data points of the Performance Measurement Model.

3.2.4
minimum acceptable service performance
level of a key performance indicator that may be lower than the service performance target but that allows a service buyer to meet the business obligations of the service

3.2.5
operating window
time period for the operation of regular services

Note 1 to entry: A service provider may define additional windows where different service performance targets apply, e.g. to differentiate between office hours and night shifts and between office days and weekends.

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

3.2.6
reaction time
service metric that represents the time between either the logging or the notification of a service incident or the issuance of a service request and the moment a service provider acknowledges to a service buyer

Note 1 to entry: Examples of logging or notification of a service incident include an alert or a phone call by an impacted person.

Note 2 to entry: Example of a service request is a ticket.

3.2.7
resolution time
service metric that represents the time between the logging or notification of a service incident or the issuance of a service request, and the moment a definitive solution is implemented that meets the service performance target

Note 1 to entry: The implementation of a definitive solution may be dependent on the processes of third parties or on processes of the service buyer.

3.2.8
restoration time
service metric that represents the time between the logging or notification of a service incident or the issuing of the service request, and the moment the service provider provides a quick fix

3.2.9
sampling
taking a number of service units into account relative to the total number of service units

3.2.10
service indicator
service metrics analysed and summarized in a representative way.

Note 1 to entry: Summarizing service metrics can include statistical analysis to balance accuracy and cost relative to sampling.

3.2.11
service metric
value obtained by measuring and collecting data points of agreed attributes over time

Note 1 to entry: A service metric can also be composed of base measures and derived measures.

Note 2 to entry: A service metric can also be delivered by an instrument, device or automated tool.

3.2.12
service performance
actual level of a key performance indicator relative to the agreed service performance target

3.2.13
service performance target
target level of a key performance indicator to express the need, expectation, or obligation of a service buyer

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

3.2.14
service unit
granularity with which services are measured and reported

Note 1 to entry: A service unit can be expressed as a 'single delivery of service to a person' or as the delivery of services per 'unit of time', 'unit of space', 'volume of work' (e.g. number of people, number of locations or number of function points) or any other relevant unit.

4 Context

Before starting the service procurement phase, the service buyer should articulate its 'business goals.' Goals might be expressed as balanced business objectives that include financial, organizational, customer, corporate identity and legal perspectives. The service provider should show that its services contribute to meeting these goals and performance targets should be derived from these goals.

This document addresses the different phases of service sourcing: the service procurement phase, the service contracting phase and the service execution phase.

During the service procurement phase, the service provider and service proposition are selected that effectively meet the service buyer's business goals and service requirements. The service provider should use service performance targets to demonstrate how their service proposition meets the goals. The service buyer and service provider may use benchmarking to compare performance with an industry sample, with another part of the same organization or with the same part of the organization from a previous period of time.

During the service contracting phase, the agreement between the service buyer and service provider is defined. The service buyer and service provider should use this document to specify the service provider's commitment for the service performance targets relative to their service proposition in the form of a Service Level Agreement.

During the service execution phase, the services are provided to the service buyer including responses to service requests and service incidents. The service buyer and service provider should use this document to measure service performance against the agreed service performance targets.

Measuring service performance is a part of a "control cycle" (see Figure 1). The key performance indicators should provide the information which is required by the management of the service buyer and service provider in a manner that eliminates misinterpretation (see Figure 2). Careful selection of suitable key performance indicators together with clear and unequivocal definitions is therefore necessary. In practice the service performance target is often defined not as a single value but as a range within which the value of a key performance indicator should stay.

Failure to meet service performance targets might result in the following considerations:

- improving the processes at the discretion of the service provider (escalation level 1);
- renegotiating the service contract or applying service penalties / service credits (escalation level 2 to the service contracting phase);
- revisiting the procurement (escalation level 3 to the service procurement phase);
- resetting the goals and requirements (escalation level 4).

Figure 2 illustrates this "control cycle" and the interaction between service Performance Measurement and the service sourcing phases.

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020

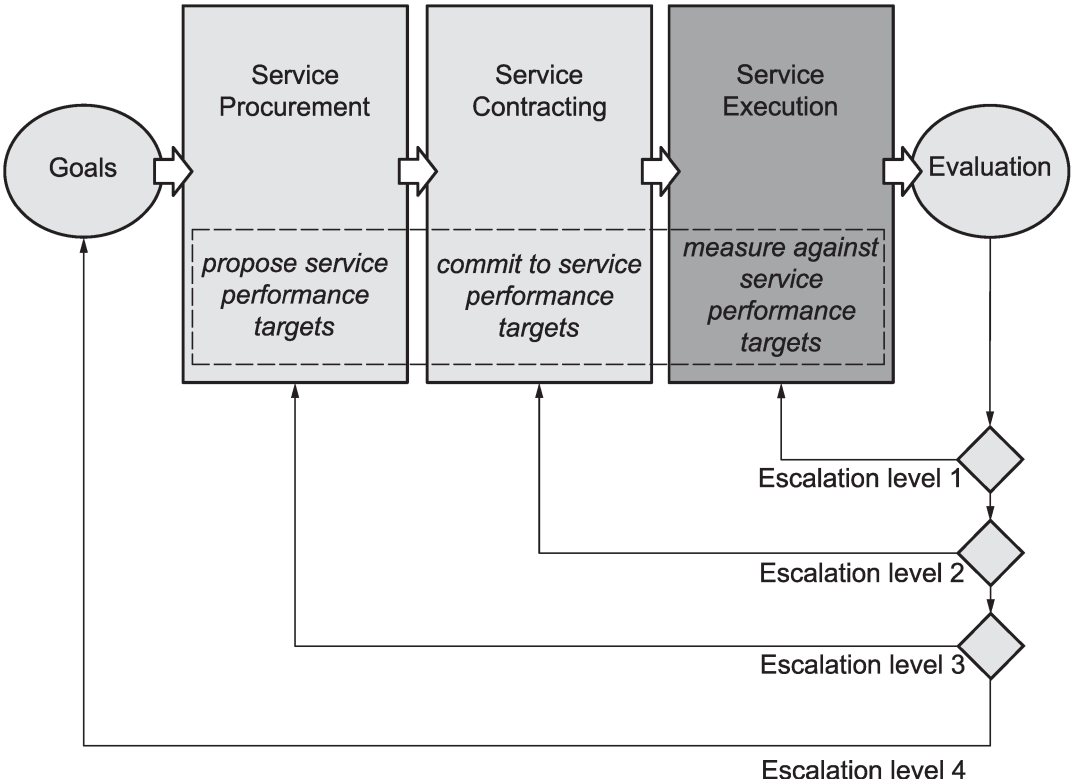

Figure 2 — Service execution in the service sourcing phases

This document specifically addresses the activities listed between the dashed lines:

a) offering a service proposition and demonstrating that goals can be met by using service performance targets in the service procurement phase;

b) committing to a service proposition by committing to service performance targets in the service contracting phase;

c) measuring service performance by comparing key performance indicators against service performance targets in the service execution phase.

To make this document as practical as possible, it includes information on a Service Assurance Model with maturity levels as well as examples of how to implement the document in different sectors. See Annex A: Service Assurance Model Annex B: Examples of specific sectors.

5 Performance Measurement model

5.1 General

The service Performance Measurement model described in Figure 2 is an interpretation of the measurement information model presented and explained in [ISO/IEC/IEEE 15939]. The model helps to define the service Performance Measurement structure to facilitate service monitoring, measurement, analysis, and evaluation. The core of the model is that it makes a strong distinction between measurements and indicators. Measurements and data collection provide statistics and anecdotal evidence, while indicators provide management information.

Documents
Document Sharing Hub
Full document details: BS EN 17371-3:2020