

ITIL® Foundation Essentials

The exam facts you need

Claire Agutter



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FOREWORD

Sometimes, when you're trying to learn a new subject, there is just so much information available to you that finding the starting point can be too daunting a task in itself.

The ITIL^{®1} service lifecycle is no exception, information is all around us: e-books, traditional paper books, the internet, blogs and opinions provided by friends and colleagues.

Where do you start?

Success in the ITIL Foundation certificate relies on the student understanding the concepts, principles and, most importantly, the language of the framework to enable an informed conversation with peers to take place.

This guide provides you, the student, with the information you need in a straightforward, easy to digest form, accompanied by explanatory diagrams and tables.

It doesn't take the place of accredited learning, either online or instructor led in the classroom, but it does give you an invaluable tool and the facts you need for success.

Rosemary Gurney
ITIL Trainer & Consultant at Global Knowledge
Networks Ltd
Senior Examiner, with responsibility for
Foundation Certificate – APM Group.

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PREFACE

This book provides a handy revision guide for the ITIL Foundation Certificate in IT Service Management.

It provides a quick reference for all the key facts and concepts you need to understand as part of your exam preparation.

This pocket guide is fully aligned with the ITIL 2011 core volumes.

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ABOUT THE AUTHOR

Claire Agutter has been an ITIL principal lecturer since 2007. She has been involved in exam panels for ITIL V2 and V3, and provides online ITIL training through IT Training Zone Ltd.

After training hundreds of successful Foundation delegates, she has condensed ITIL's key concepts into this pocket guide.

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We would like to acknowledge the following reviewers of this book for their useful contributions: Kevin Holland, NHS; Suzanne D. Van Hove, Ed.D, FSM[®], SED-IT, CEO & Founder; and Dave Jones, Pink Elephant.

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INTRODUCTION

Welcome to *ITIL Foundation Essentials*. This guide distils the key facts that you need to prepare for a successful ITIL Foundation exam.

This pocket guide is a great revision aid for anyone preparing for their Foundation exam, and is fully aligned with the latest syllabus and ITIL 2011 core volumes.

.....

CHAPTER 1: INTRODUCING ITIL

ITIL is:

- Best practice for IT service management
- Developed by the UK government
- Globally adopted in the public and private sectors
- Not prescriptive
- A framework that organisations adopt and adapt.

Best practice is “*proven activities or processes that have been successfully used in multiple organisations*”. Best practice available in the public domain supports organisational improvement. Sources include public frameworks (ITIL) and standards like ISO/IEC 20000.

ITIL is successful because it’s:

- Vendor neutral
- Non-prescriptive
- Best practice.

ITIL is preferable to proprietary information held within organisations, which may not be documented, challenged or improved.

Figure 1 shows the many sources of service management practice. Best practice must be passed through a filter of the drivers and scenarios relevant to the organisation before it is fit for purpose.

1: Introducing ITIL



Figure 1: Sources of service management best practice

CHAPTER 2: SERVICES

“A service is a means of delivering value to customers by facilitating outcomes customers want to achieve without the ownership of specific costs and risks.”

For example, a customer using a data centre service does not want to take ownership of the costs of individual hardware elements, or manage risks related to power, etc. The customer wants to pay for, and use, the service.

IT service:

- Provided by IT service providers
- Made up of IT, people and processes
- Customer-facing IT services directly support the business processes of customer(s), according to SLA targets
- Supporting services are used to deliver customer-facing services.

Service providers define results-based services focused on customer outcomes.

Outcome:

“The result of carrying out an activity, following a process or delivering an IT service. Outcome can refer to intended or actual results.”

Customer expectations change. Service providers must update services so that they continue to deliver value.

2: Services

Service classifications

- **Core services:** deliver basic outcomes desired by customer(s). They represent what the customer wants and will pay for. For example: e-mail.
- **Enabling services:** Required for the core service to be delivered. For example: the network used to access e-mail.
- **Enhancing services:** Non-essential services are added to the core service to tempt or excite customers. For example: mobile e-mail may be an optional extra.

Service providers use **service packages** to help organise services for customers. Service packages combine core, enabling and enhancing services. The package contains two or more services bundled together to meet customers' needs.

Service providers can be:

- **Type 1 or Internal:** has a one-to-one relationship with a business unit it provides services to, often embedded in the unit.
- **Type 2 or Shared Service Unit:** has a one-to-many relationship with internal business units.
- **Type 3 or External:** provides IT services to external customers.

Internal and external services

Internal services are delivered to departments or business units in the same organisation as the service provider. They support internal activity.

2: Services

External services are delivered to an external customer, who could be an individual or another organisation. They support business outcomes.

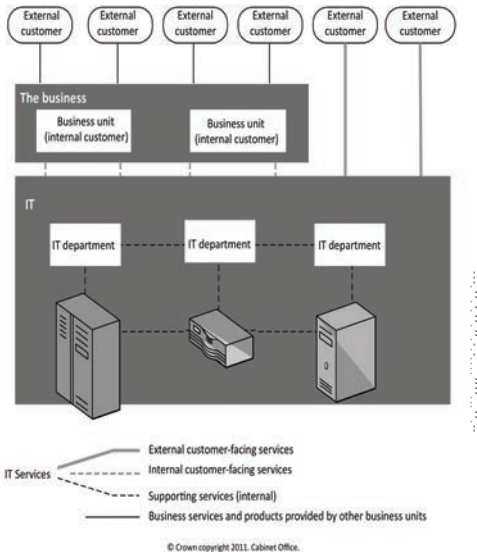


Figure 2: Internal and external services

Types of service

- Supporting services:
 - o Often infrastructure services
 - o Required for other services to be delivered
 - o Customers may not be aware of them

2: Services

- Internal customer-facing services
 - o Used by customers in the same organisation as the service provider
- External customer-facing services
 - o Customers are from different organisations.

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CHAPTER 3: SERVICE MANAGEMENT

“A set of specialised organisational capabilities for delivering value to customers in the form of services.”

Service management can include, for example, the staff skills and processes used to manage and support IT services.

Organisations develop service management capabilities and skills to respond to challenges including:

- The intangible nature of the output of a service process
- Customer assets that drive demand. Service providers have to balance supply and the cost of delivery
- Service provider and consumer have a high level of contact, often informal and not managed
- Service output is perishable and cannot be stockpiled.

Service management as a professional practice

Service management is supported by knowledge, experience and skills that have built up as the IT industry developed a service focus.

A global community of professionals supports service management, including the IT Service Management Forum (www.itsmfi.org).

3: Service Management

Service management is also supported by a scheme that provides education, training and certification. Available service management information includes academic research and standards, such as ISO/IEC 20000.

IT service management

“The implementation and management of quality IT services that meet the needs of the business. IT service management is performed by IT service providers through an appropriate mix of people, process and information technology.”

IT organisations must understand customer requirements. Service providers use service management to deliver customer outcomes, and need to be efficient and effective, delivering high quality IT services.

Service providers balance three areas:

- Customer needs
- Service performance
- Customer budget.

ITIL Service Management

CHAPTER 4: STAKEHOLDERS

“... any person who has an interest in an organisation, project, IT service or other area. Stakeholders may be interested in activities, targets, resources or deliverables.”

Examples of stakeholders are customers, partners, employees, shareholders, owners.

IT must understand internal and external stakeholders. Internal stakeholders are from the same organisation as the service provider.

External stakeholders are from a different organisation.

Stakeholders include:

- **Customers:** buy goods or services/define what services must do
- **Users:** use services regularly
- **Suppliers:** third parties, supply goods or services that form all or part of services.

Customers divide into two groups:

- Internal customers from the same organisation
- External customers from a different organisation.

Service providers must meet customers' expectations.

There are differences between internal and external customers, including:

- **Funding:** how the service is paid for

Documents

4: Stakeholders

- **Business strategy and objectives:** do the customer and service provider share objectives?
- **Accounting:** how important is service price?
- **Involvement with Service Design, Transition, Operation and Improvement:** internal customers may have more involvement.

CHAPTER 5: PROCESSES, FUNCTIONS, ROLES

Processes

“... a structured set of activities designed to accomplish a specific objective. A process takes one or more defined inputs and turns them into defined outputs.”

Processes are closed loop systems that request feedback and use it to improve performance.

Process models

These are used to design and map processes. Processes need to be documented so they can be shared.

[Figure 3](#) shows the main elements of a process model. This needs to include the inputs and outputs, the resources required, and how the process is measured and managed.

Process characteristics

- Respond to triggers
- Deliver a result
- Deliver value to a customer/stakeholder
- Measurable.

5: Processes, Functions, Roles

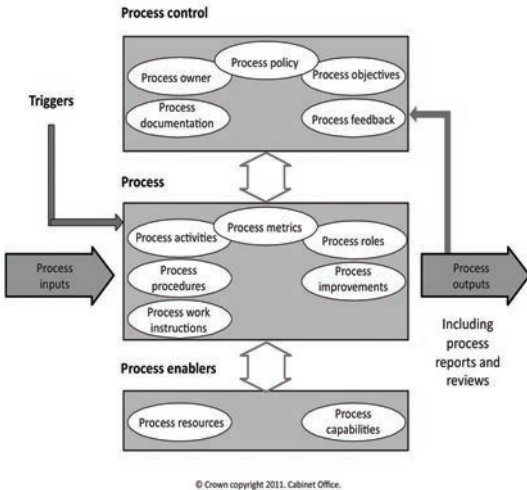


Figure 3: The process model

Functions

“A team or group of people and the tools or other resources they use to carry out one or more processes or activities.”

Common IT functions include the Service Desk and technical support teams.

Roles

“A set of responsibilities, activities and authorities granted to a person or team. A role is defined in a process or function. One person or team can have multiple roles.”

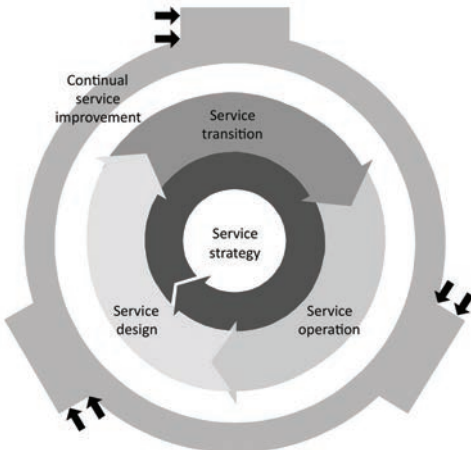
5: Processes, Functions, Roles

A single person can fulfil many roles. For example, a Service Desk team member may carry out roles related to Incident Management, Request Fulfilment and Access Management.

Job descriptions for staff will outline the roles they need to fulfil.

CHAPTER 6: THE SERVICE LIFECYCLE

- Five stages documented in five volumes, forming the ITIL core
- Service Strategy, Service Design, Service Transition, Service Operation and Continual Service Improvement
- Tracks a service from inception to retirement
- Service Strategy is the hub that drives the lifecycle
- CSI looks for improvements in all stages.



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Figure 4: The service lifecycle

6: The Service Lifecycle

The core is supplemented by complementary guidance, specific to industry sectors, organisation types, operating models and technology architectures.

Service Strategy

Purpose and objectives

To define:

- What a service provider needs to do to support its customer
- A strategy to support business outcomes
- Plans, patterns, position and perspective for service provider behaviour.

Objectives include understanding:

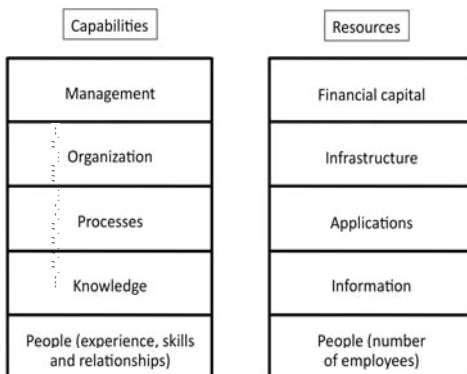
- What strategy is, what services are, who customers are
- How value is created and delivered
- The service provision model for how services are delivered and funded
- Opportunities to offer services and how to act on them
- If the organisation can deliver the strategy
- What service assets make up services and how they are managed
- What processes need to exist for the strategy to be delivered.

6: The Service Lifecycle

Service assets
Any resource or capability of a service provider. Services are made up of service assets, including people, hardware, software, etc. Service providers manage and optimise assets.

Table 1: Service assets

The diagram below shows examples of capabilities and resources. Resources are direct inputs to production and easily acquired; capabilities are harder to acquire and based on experience of contracts, customers, people, tools and processes.



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Figure 5: Examples of capabilities and resources

6: The Service Lifecycle

Scope

This includes defining principles and processes for service management which then apply to the rest of the service lifecycle. IT service providers need a coherent strategy to ensure their services deliver value.

The scope covers two areas:

- Defining a strategy for how the service provider will deliver services to meet customer needs
- Defining a strategy for ongoing service management.

Value

Service Strategy helps organisations to:

- Offer services and meet business needs in a timely way
- Link IT activities and assets to business outcomes
- Demonstrate return on IT investment
- Be a trusted partner.

Service Design

Purpose and Objectives

- Design services to underpin strategy
- Design IT processes, practices, policies
- Ensure services are high quality, cost effective, meet customer needs.

6: The Service Lifecycle

Effective design reduces the total cost of ownership of a service and leads to less rework later in the lifecycle.

Scope

- Design of appropriate, innovative services
- Meet current and future customer needs
- Influenced by requirements, business benefits, constraints.

Value

Service Design helps organisations to improve:

- Service quality, implementation consistency and performance
- Governance and decision making
- Service management and processes
- Optimisation of service cost.

Service Transition

Purpose and objectives

Service Transition ensures new, modified or retired services meet business expectations documented during Service Strategy and Design.

Objectives include:

- Manage service changes efficiently and effectively
- Manage change-related risks
- Deploy releases successfully

6: The Service Lifecycle

- Set expectations about service performance and use
- Ensure changes create value
- Provide knowledge and information about services and service assets
- Introduce a framework to manage changes and protect assets
- Use repeatable processes.

Scope

Service Transition is responsible for developing and improving capabilities for getting new and changed services into the live environment.

Processes need to be in place for release build, test and deployment to ensure changes meet objectives, without creating unnecessary problems.

The scope also includes retirement of services and movement of services between providers.

Service Transition uses seven processes:

- Change Management, Service Asset and Configuration Management, and Knowledge Management: involved in the whole service lifecycle.
- Transition Planning and Support, Release and Deployment Management, Service Validation and Testing, and Change Evaluation: only operate within Service Transition.

Value

Service Transition helps organisations to:

• Reduce risk

6: The Service Lifecycle

- Deliver successful changes
- Improve communication, expectation setting and confidence in changes
- Reduce costs, delays and timing issues
- Improve control of service assets and configuration items.

Service Operation

Purpose and Objectives

- Undertakes activities and processes to manage and deliver services at agreed levels
- Manages technology
- Collects information on service performance.

Objectives include:

- Maintain business confidence and satisfaction with service delivery
- Minimise the business effect of down time
- Allow only authorised users to have service access.

Scope

This includes every element of service delivery:

- Services
- Service management processes
- Technology
- People.

6: The Service Lifecycle

Value

Service Operation helps organisations to:

- Reduce outage frequency and impact
- Provide access to standard services
- Provide data to justify investment.

Continual Service Improvement (CSI)

Purpose and objectives

CSI interacts with all lifecycle phases. It identifies improvements to align services with changing business needs.

Organisations must embed a culture of improvement in everything they do.

Objectives include:

- Review, analyse and prioritise improvements across the whole lifecycle
- Review service target performance
- Identify and implement improvement activities
- Improve cost effectiveness without affecting performance
- Use quality management methodologies
- Ensure processes have objectives and measures
- Understand what to measure and why.

Scope

CSI scope includes:

6: The Service Lifecycle

- The health of IT service management
- Alignment of services to current and future business needs
- Maturity and capability of the organisation, management, processes and people
- Continual improvement of IT services and service assets.

Value

CSI helps organisations to:

- Improve quality and reduce cost
- Align services to business requirements
- Improve services, structure, processes, capabilities and communication.

CHAPTER 7: SERVICE STRATEGY

Concept: Value creation

Customers must understand service value.

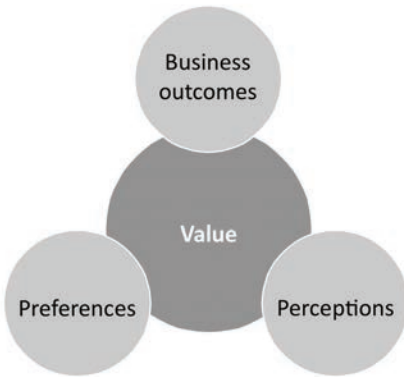
- Value is defined by the customer – not the provider
- An affordable mix of features needs to be on offer for the customer to want a service
- Value might not be measured in financial terms alone – the customer might value a service because it fulfils an ethical or moral objective
- Value changes over time.

The customer must see service value as outweighing service cost. IT needs to articulate what:

- Services it provides
- The services achieve
- The services cost.

[Figure 6](#) shows the components of value.

7: Service Strategy



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Figure 6: Components of value

Value is influenced by:

- Outcomes achieved – does the service support the customer as intended?
- Customer preferences – how do these affect the service?
- Customer perceptions – are these influenced by any other areas, such as supplier reputation?

Some services have financial value linked to business outcomes. Services that support internal activity might not directly influence revenue.

[Figure 7](#) shows how customers perceive the value a service delivers. Customers start with a reference

7: Service Strategy

value for a service. Positive and negative differences achieved by using the service give a net difference – the service's economic value.

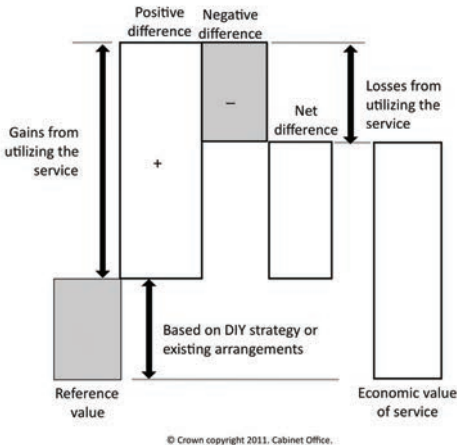


Figure 7: How customers perceive value

Concept: Utility and warranty

Utility and warranty measure value.

- Utility: fit for purpose, has required functionality, enhances performance or removes constraints
- Warranty: fit for use, includes availability, continuity, security, capacity.

Utility and warranty must both be offered for a service to deliver value.

7: Service Strategy

Utility is what is delivered; warranty is how it is delivered. For example, internet banking utility could include the ability to pay bills online. Warranty could include confidence that information is secure.

Concept: Risk management

Risk: “a possible event that could cause harm or loss, or affect the ability to achieve objectives”.

Risk management needs to be embedded in service management.

- Stage 1: identify risks. Document and analyse them.
- Stage 2: manage risks. Based on priority, action plans will be documented and reviewed.

Concept: Governance

Governance defines common directions, policies and rules for the business and IT. IT must work within any existing governance structure.

Governance:

- Ensures policies and strategy are implemented, and processes are followed.
- Defines roles and responsibilities, measures and reports. It instigates actions to resolve any issues.

Effective governance leads to consistency at all organisational levels. Strategies feed into policies, which feed into plans and ways of working.

7: Service Strategy

Concept: Patterns of Business Activity (PBA)

A PBA is “a workload profile of one or more business activities. PBAs are used to help the IT service provider understand and plan for different levels of business activity”.

PBAs reflect changing customer use of services. They need to be identified, documented and change controlled to ensure services support customer demand.

Customer demand can be difficult to predict, but not impossible. It can be influenced, for example, by peak and off-peak charging.

PBA definitions need to include:

- Classification: type of PBA and workload
- Attributes: volume, frequency, location, duration
- Requirements: e.g. performance, availability
- Service asset requirements: what is needed to fulfil demand?

Service Strategy processes

Service Portfolio Management

Purpose and objectives

- Ensures the service provider has the right mix of services to meet customer requirements
- Tracks investment and return
- Defines services and links them to business outcomes, influencing the service life cycle

7: Service Strategy

Objectives:

- Provides a process and mechanism to help the service provider decide what services to provide
- Maintains a definitive portfolio of services
- Provides a mechanism to show how services will support organisational strategy
- Controls which services are offered and when
- Tracks investment in services
- Analyses which services should be retired and when.

Scope

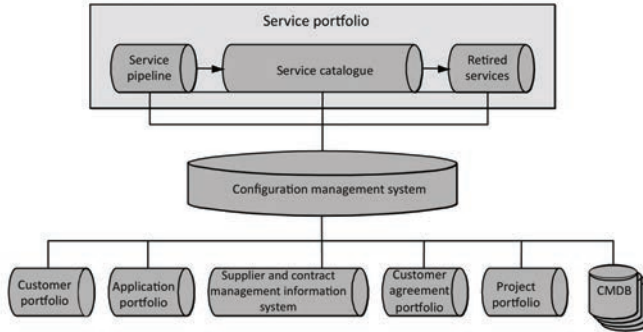
- Includes all services
- Ensures the service provider can deliver value through services
- Services are linked to business outcomes so investment can be compared to returns
- Newer services need to add more value than the services they replace.

Concept: Service Portfolio

Service Portfolio: the full set of services managed by a service provider, including:

- Proposed or in development
- Live
- Retired.

7: Service Strategy



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Figure 8: The service portfolio

7: Service Strategy

Only services that add value are included in the portfolio.

- **Service pipeline:** services that are being developed – not normally visible to customers
- **Service catalogue:** services that are live, visible to customers
- **Retired services:** services may be retired when they are no longer offered to new customers, or when they are no longer offered to any customers. This is typically because they are no longer useful or profitable.

Third-party services may also be included in the portfolio.

Financial Management for IT Services (FMITS)

Purpose and objectives

- Secure funding for service design, development and delivery
- Balance cost and quality
- Implement a framework to identify, manage and communicate service costs
- Evaluate the financial impact of new or changed strategies.

Most organisations have a business Financial Management process. FMITS needs specialised skills. Practitioners need to understand technology, as well as finance and business. Cost-accounting skills are required to provide detailed management information.

7: Service Strategy

IT financial policies and practices need to follow organisational guidelines to allow IT and other business areas to communicate.

Scope

FMITS includes three processes:

- **Budgeting** predicts and controls income and expenditure
- **Accounting** tracks how money is spent
- **Charging** bills customers for services provided (may not apply to all service providers).

Accounting, budgeting and charging have two cycles of activity. On an annual basis, projections and plans are produced. Operationally, costs are monitored and checked, and bills are issued. This normally happens monthly or quarterly.

Concept: Business case

A business case is “justification for a significant item of expenditure”.

Business cases include:

- Introduction
- Methods, assumptions
- Business impacts of proposed action – financial and non-financial
- Risk and contingencies
- Recommendations.

7: Service Strategy

Business cases are used to justify investment in new or changed services. They will be an input to processes including Service Portfolio Management and Change Management – as part of a change proposal.

Business Relationship Management (BRM)

Purpose and objectives

BRM will:

- Establish and maintain the customer/service provider relationship
- Identify current and future customer needs and make sure they are met.

Objectives include:

- Ensuring the service provider understands the customer perspective
- Improving customer satisfaction
- Identifying changes to the customer environment or technology that could affect services
- Establishing and communicating requirements for new or changed services
- Implementing a process to manage complaints.

Scope

Internal BRM usually happens at management level. External BRM may involve account managers or a dedicated Business Relationship Manager.