

# **Social Issues in ITIL Implementation**

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## **Abstract**

Even though the adoption of ITIL best practice continues to grow, most of the implementation initiatives fail or take too long. One of the major causes of failures is the lack of recognized strategy to effectively deal with the barriers of organizational change.

This work describes the state of the art relative to changes that undergo in an organization, analyzing different change management methods. Based on Action Research methodology, it is proposed to define a plan for effective communication, which was implemented and evaluated in a practical case, in a portuguese public organization where ITIL Incident Management is being implemented.

## **Key Words**

ITIL, People, Organizational Culture, Organizational Change, Communication.

## **1. Introduction**

ITIL is a reference in IT service management, where processes, people and technology are crucial. However, the ITIL implementation is, in most cases, viewed as just another technology project. This approach has a small probability of success (Silva & Martins, 2008), since the ITIL implementation is actually a project of organizational change.

To implement ITIL successfully it's essential to adopt an ITIL culture through a program of organizational change. (Steinberg, 2005) This program is reflected in the involvement of each employee in cultural change, and their attitudes that must be directed to a new IT service culture.

The problem is that the effort to change causes a huge impact on time, budget and risk of ITIL implementation. A successfully ITIL implementation requires between 70% and 80% of the total effort of the project. (Steinberg, 2005)

An effective communication about the IS reduces wasted effort and helps in achievement of results. (Alter, 2006) Thus, this research focuses on the communication area that is an essential activity in change management.

In this thesis we propose an effective communication in the ITIL implementation.

The research was applied in a practical case, a portuguese public organization. This organization was created about a year ago through the merge of four other entities. This organization is currently implementing the ITIL Incident Management process, which is the focus of this research.

## **2. Problem**

According to several organizations that have implemented ITIL successfully, without organizational change there's a huge risk that the implementation effort became slow or even come to a dead end. These organizations affirm that 70% to 80% of the project work was dedicated to change management. Even the best ITIL solution fails if the organizational culture is not aligned. (Steinberg, 2005)

The organization causes used to justify time and effort spent on change management are (Steinberg, 2005):

- Train the staff and executives on new practices and behaviors;
- Involve stakeholders in ITIL solution through various events;
- Analyze stakeholders concerns and needs;
- Carefully create messages for the teams, stakeholders, customers and executives involved in implementing ITIL;
- Dealing with resistance;
- Communicating about the ITIL activities and plans, with the right messages and in the right time.

In a survey about barriers to organizational change, the following were mentioned as the most important (SHRM, 2007):

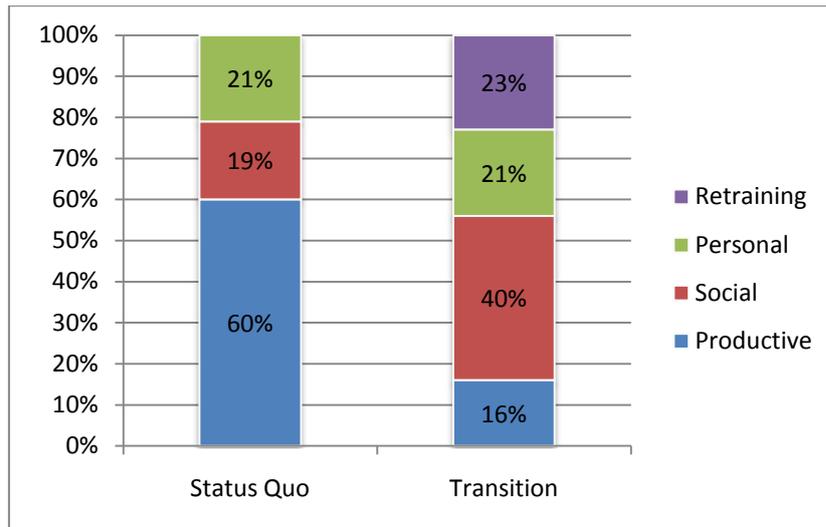
- Resistance to change;
- Limitations of existing systems;
- Lack of the executive members commitment;
- Too high expectations.

In conclusion, there are some cases of successful change management in ITIL implementation. However, the time, budget and risk of ITIL implementation have a huge impact, caused by the barriers mentioned above, which causes a high percentage of effort devoted to the change (70% to 80%).

## **3. State of the Art**

The effort to define and implement a strong strategy for organizational change is typically invaluable to many people. Only 12% of that effort results in cases of high success, 6% of moderate success, 37% of weak success and 45% of failure. (Cummings & Worley, 2008):

This high rate of unsuccessful change management has a huge impact on productivity of an organization (Ritala, 2005):



**Figure 1 – Productivity During Transition (Ritala, 2005)**

The possible loss of 44% of productivity is very significant for any organization; therefore the change management is essential for their survival.

There are several methodologies that support planned changes. However, we are only highlighting the best suited to change caused by ITIL implementation.

### **3.1 People CMM**

People Capability Maturity Model (People CMM) is a framework that helps to deal with issues related to people; guide the organization in improving their management processes and workforce development. (Curtis, Hefley, & Miller, 2007)

People CMM have five levels, which each one produces a transformation in the organization culture, providing the powerful practices to attract, develop, organize, motivate, and retain its workforce. Thus, the People CMM establishes an integrated system of workforce practices which matures towards a greater alignment between the organization business goals, their performance and their need for change. (Curtis, Hefley, & Miller, 2007)

This framework can be helpful to prepare and motivate change in an ITIL implementation. However, People CMM isn't very flexible and its adoption requires a high effort. Probably its complete adaptation wouldn't reduce the rate of effort devoted to the change in ITIL implementation.

### **3.2 ABC of ICT**

ABC of ICT is an approach based on attitudes (what people think and feel), behavior (what people do) and culture (accepted ways of working in an organization, values defined as "normal" in the organization). (Wilkinson & Schilt, 2008)

ABC is an effective instrument of change through its practical exercises to be carried out with the ITIL stakeholders. The exercises are based on a set of "worst practices" that are easily recognized by the employees as practiced in their organization.

#### **4. Proposal**

The proposal of this thesis is an effective communication plan adjustable to different types of organizations and, consequently, organizational cultures. This plan is based on two approaches: ABC of ICT and People CMM. The workshop about ABC of ICT is very important, however, it must be a continued focus on key points mentioned in the People CMM: compensation, workforce, and leadership. The main contribution of this plan is the reduction of time spend in change management in ITIL implementation and therefore in its cost.

##### **4.1 ABC of ICT**

The plan, based on the ABC of ICT, focus on the change of organizational attitude, behavior and culture. It is proposed to organize a workshop consisting in the exercises suggested by ABC of ICT (Wilkinson & Schilt, 2008):

- Focus on customer and user;
- The value;
- Resistance;
- Training needs;
- Commitment and leadership.

It is used a set of card to identify and recognize the "worst practices", each employee has to identified and discuss the consequences and business impact produced by them. The result is a new insight about the attitudes and behavior not accepted; therefore a sense of urgency to change is created. (Wilkinson & Schilt, 2008)

##### **4.2 People CMM**

As part of this communication plan it is proposed to address some key issues in change management, such as compensation, workforce, and leadership. This approach is based on the People CMM framework.

###### **Compensation**

The compensation proposal provides to all employees premiums or penalties based on their contribution in the value delivered to the organization.

The proposed evaluation system focuses on two components: performance of the team (60%) and performance of the individual (40%). The performance of the team is the average of indicators that show the value delivered to the business. The individual performance should be the result of two

components: the individual performance indicators measure contribution to the value delivered to the business (20%) and evaluation of various components, not only technical but also regarding their attitude.

It is proposed to publish the rank of employees in a table. The premium or penalty of each employee are proportional to their rank.

The main advantages of this compensation are:

- Increased motivation to the team and the individual;
- 60% of the evaluation is dedicated to the performance of the team, which leads to cooperation between the team and reduces competitiveness;
- Increased communication among employees;
- Faulty employees in negative positions that don't improve through cooperation, may be replaced, leading to an optimization in the team.

### **Workforce**

The ability of a team increases when the team participates in decision making. Participation encourages the exchange of information, reducing the resistance to change, and facilitating the team agreement in the decision making. (Dreu & West, 2001) We propose weekly meetings with each team to evaluate the progress. The objectives of these meetings, which are open conversations, are to detect and evaluate problems and their solutions. Each valid solution must be rewarded and given the right acknowledge by the other elements.

In order to strengthen the team, it is also proposed team building activities (Maddux & Wingfield, 2003).

### **Leadership**

The organization and department leaders must share a clear vision on how to take advantage of the value gained by ITIL implementation. Improving the processes quality and cost reduction should have priorities in the organizational strategy. (Mohamed, Ribière, O'Sullivan, & Mohamed, 2008)

The ITIL implementation requires both institutional and informal leadership to create motivation and sustainability. In both cases, the leadership can mobilize the organization intellectual capacity at different management levels, and provide the necessary funds to train employees and to achieve success. (Mohamed, Ribière, O'Sullivan, & Mohamed, 2008)

There is no ITIL process that can be implemented without a serious commitment of the leadership. The success of every organization depends on the attitude of the leadership. (Choppin, 1997)

We propose special attention to the leadership attitudes in order to ensure a solid commitment to the ITIL implementation. This commitment should be demonstrated both in formal and in formal meetings.

## **5. Action**

The investigation has been developed in the Information Systems Department (ISD) of a portuguese public organization.

### **5.1 First Interaction**

Initially a survey was made to understand who the influential elements are; they propagate messages within the service desk. (Sparroew, Liden, & Kraimer, 2001) Three main influencers were detected and interviewed to understand thoroughly their opinion. In the remaining research they were targets of special attention.

It was done a survey to one hundred and thirty employees; the survey refers to the customer satisfaction related to ITIL incident management service. In this context, another survey was conducted in eighty-nine employees and refers to the barriers, efficiency and timely of the ISD communication to the other departments.

Finally, a workshop was organized based on a set of exercises in the ABC of ICT, with 63% of attendance. After the workshop a lunch and golf clinic was offered. The set of exercises was carefully chosen to align the key concepts of IT service management with ITIL, and to address key issues such as attitude, behavior, culture, and the worst practices in the organization.

### **Evaluation**

CIO is the major influencer; its commitment to ITIL will be transmitted to the some employees. Instead, the other two influencers show a moderate resistance to ITIL implementation, that resistance will spread to some elements too. (Johnson, 2008)

According to the OGC questionnaire, the maturity level of Incident Management was level one, due to the lack of reported incidents, this means that there is only a minimum level of conditions available to support the process. (OGC, 2009)

The customer satisfaction levels are mediocre, comparing these results with the communication survey: the ISD communication to the other departments is poorly understood and reduced (vocabulary not adapted to the customer, lack of clarity); which may have led to the low values in the "technicians' professionalism".

This set of surveys was used to evaluate the service desk team. The team has been continuously informed about the results, which acted as an incentive to improve their performance.

In this first iteration, there was no assessment based on rewards because the team had not yet mature. The evaluation was done through surveys, the ISD has a dashboard that produces a concise image of KPI's for IT; which is also an evaluation method. However, in this iteration, there was no financial penalty or premium for employees.

The workshop had a huge impact because there were open debates and discussions about the ISD worst practices and its responsible. The team understood how to deliver value to the business, a

concept which to date was not known. After identifying the "worst practices" and their consequences, it was discussed the impact caused in the business. The result was a new insight about the not accepted attitudes and behaviors; therefore a sense of urgency to change was created by the whole team. This workshop was also important because it provided an outdoor informal team bonding activity.

Lunch and golf are significant (Rogers, 2003) to the team because they felt valued. However, in the following days, after the workshop, there was no observed change at work; which shows that these activities when they are not made regularly, have no impact on the team performance.

### **Specification of Learning**

There was detected through the results that the service desk had to be more organized, in order to achieve the designed process, reduce call time and get all the incidents recorded. Besides the resistance to change that remained significant, there is a lack of responsibilities, which was solved if the incidents were recorded.

In the second iteration a new business role was created to be able to increase the service desk organization: service desk manager.

## **5.2 Second Iteration**

After some awareness toward the executive staff, it was possible the election of a service desk manager. It was suggested that the promotion was not only about the title but had to include the following:

- Increased in salary;
- Phone service;
- Training on leadership and team management;
- Change the manager desk location.

The first two points were made, however specific training for a leadership and team management was not given; and the manager desk continued to be in the middle of the other technicians, this had some impact on a symbolical level.

### **Evaluation**

The number of incidents recorded was an evaluation method: it increased by 114% and remained stable until now.

To examine whether this iteration had an impact on customer satisfaction the SERVQUAL survey (Dyke, Kappelman, & Prybutok, 1997) was realized to thirty-six users from the top 50 users with more incidents recorded. The results were: tangibles: 56%; reliability: 76%; responsiveness: 73%; assurance: 81%; empathy: 79%.

It was detected that some personal responsibility was developed gradually, and when something went wrong they identify the responsible.

Gradually, the coordinator gained more leadership roles and began leading the team meetings, an prior CIO task. The CIO delegated some responsibilities to the manager and was more available for other tasks.

### **Specification of Learning**

In this iteration, although they knew the person responsible for errors, the technicians did not bother with it; they continued to make mistakes. There was a need for some more persuasive action, therefore it was proposed to the CIO to get on with the original plan: the compensation plan.

### **5.3 Third Iteration**

It was suggested the compensation plan that is in the original proposal, section 4. The public organization completely agreed, however, the outsourcing company did not agree because they believed that the technicians in the last position would be always the same.

All the parties involved reached an agreement; the evaluation was done in two levels, one by the outsourcing company and the other by the public organization. These two levels were justified because the outsourcing company only wanted to evaluate the SLA's, while the public organization wanted the SLA's met and the technician with a responsible attitude.

The assessment of the outsourcing company has financial consequences to the employees, while the evaluation of the public organization was to provide feedback of the employees, and if justified is free to request the replacement of the employee that has consecutively negative feedback.

### **Evaluation**

The assessment was agreed and communicated to the team, however, it has never been performed, and the problems that led to this iteration still exist. The evaluation was never the done because the action was never concluded.

### **Specification of Learning**

In this iteration a clear failure happened in leadership, from both the service desk manager and the CIO. Even after awareness to the two elements, the evaluation never took place.

The reason given for not conducting the assessment was the lack of time available; therefore we concluded that there was poor management of time, and lack of definition in priorities and in the tasks to be performed. It should be done a strong investment in leadership training.

## **6. Conclusion**

The communication must be present in the core of any change. Organizational restructuring and development of new roles and processes in the organization, as ITIL implementation, must be accompanied by appropriate notice that provides a justification for change, establishing a context and involving people. (Hochstein, Tamm, & Brenner, 2005)

Most objectives were achieved, found a problem, identified the process necessary for its resolution, implemented and evaluated the proposal in the public organization.

Our efforts to raise awareness of the importance of a continuous change management were successfully, demonstrated by the recent recruitment of an employee dedicated to this task within the ISD.

## 6.1 Future work

As future work and continuation of this thesis is intended to deepen the research component of leadership. We propose a stronger stake in this component, since it depends on the success of most of the actions that can go to find the proper change management.

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