The Change Challenge- IT and ITIL

A story: A few years ago I was working on a project for a very successful technology company. They had achieved market success according to their people and according to Wall Street through high quality leadership, marketing expertise and being the first to market with a portfolio of high quality products.

Times had changed and though still very successful they knew that they needed to change to continue with their success. In their case the required change was to increase market share in the services arena. This meant two key things: they would need to charge customers for services that previously had been offered for free and they would need to learn how to collaborate across the company to provide the levels of service required.

Yesterday, I spoke with a colleague from my former project team. He told me that the fourth or fifth consulting team was at work trying to help the very successful company change its way of doing business. Still at it, still not successful and still trying because they know the future success of the enterprise depends upon it.

It is hard to change for all of us. My favorite quote is, "The only person who really likes change is a baby with a wet diaper." It becomes more difficult to change when you add the complexities of a global enterprise, technology and prior success. These are one of the challenges confronting IT today as customers and users and demand the best new technologies, better prices and higher quality service. Gilmore and Pine in The Service Economy take the challenge a step further and posit that what customers are looking for is the "experience" that comes from appropriately combining a quality product with quality, easy to use service in an atmosphere that engages him/her in a personal way.

I recently worked with a number of physicians who were using a recently installed digital imaging system. One doctor loved that he could drink his coffee in the ICU and stand by the computer looking at the x-rays of his patient taken five minutes ago and at the same time talk to his buddy about Saturday's upcoming golf tournament. This is the kind of experience that customers are seeking.

Why ITIL? ITIL is one tool that is gaining increasing popularity in the domestic community with an already established baseline of success in Europe. As you know, ITIL is a best practices framework that supports success in an IT services oriented environment. Why is it gaining in popularity? Emerging business conditions in the IT world indicate that customers/users are demanding higher quality and easier to use IT services and that the cost of IT is requiring IT organizations to focus on a process orientation to meet both increasing service and price requirements

If IT organizations are to remain competitive they must work on continually optimizing processes as the key vehicle for improving service quality and driving down costs. Gartner research suggests that by 2007 IT organizations that don't adopt process based delivery systems will have their service portfolios outsourced at the rate of 25% per year. This has captured the attention of many CIO's! ITIL provides a consistent, integrated approach with a standard vocabulary that makes it easier for people to accept and work with the inevitable changes coming to their world.

Change is never easy and has it particular manifestations within the IT arena. Extensive research conducted on large change initiatives conducted by John Kotter of Harvard indicates a 75% failure rate. Successful, thoughtful change management has been identified as one essential component of facilitating the successful adoption of ITIL best practices that pave the way for designing an organization around process and the delivery of quality service.

Change in the IT world Over time we have worked in a variety of organizations and have found that to create positive sustainable change there are a number of key factors that must be instituted if the needed changes are to take place and be sustained over time. Successful, value added change management focuses on creating the right mindset in the organization, on planning how to put a change in place, creating the infrastructure and tools to support the change, learning about organizational assets and strengths and mitigating people's resistance to the change through communication, involvement, and education.

Success invariably involves securing the active participation of senior management (sponsorship), quality communication and training, the appropriate involvement of all key stakeholders, having a plan that people can follow and a rationale (business case) that makes sense to all involved. IT specific experience indicates a number of additional lessons learned that must be adhered to if IT personnel are going to make the needed adjustments successfully:

- *Fear of change is a typical response*. Imposed change is very difficult for IT people.
- *Manage expectations carefully*: new role of IT, new organization structure, potential outsourcing are all issues that need to be thoughtfully addressed.
- *Don't let them fail!* They need to succeed. Identify wins and make certain that they are effectively communicated.
- *Having more tasks to accomplish than resources allotted invariably results in IT frustration*. Determine how to best manage both capacity and availability during the change process. Some IT change experts say that change management success is best measured by the reduction of unplanned work versus total work done. Putting a metric in place to measure this delta during the ITIL change process can be very helpful in getting people's attention in a positive way.

- *IT has very high standards for quality information*. It is their job to provide quality information to others. They expect you to provide it to them. Provide them with quality information or they will invent it and most often it will not be accurate.
- *A clear plan with deliverables is essential*

Recommendations for Change in the IT ITIL World   For success to enter the IT ITIL world there are number of change factors that must be initiated thoughtfully, successfully and comprehensively. **Leadership or sponsorship** is key. The leaders must truly speak and act from a "show me the money and show me the commitment" perspective." From the beginning, they must invest the time to learn what they are committing to and its consequences and impacts. They must allocate the funds and resources that a make a transformation of the business possible and they must be willing and able to answer the tough questions that invariably come their way and they must communicate again and again the messages essential to enroll a critical mass of stakeholders. They must be the change they are advocating.

In addition to demonstrating the requisite leadership, the leaders must deliver two other essential tasks that support the appropriate involvement of others. The first is the development of the **business case** for change. People will need to know about market changes, emerging customer needs and the data that justify the significant changes leadership is requesting of them. Getting impacted IT managers to understand the scope of what the ITIL processes encompass and fitting them into the current direction of the organization are critical to success.

The other activity required of leadership is to develop the **case for meaning** required for appropriate engagement of stakeholders. What does this mean? Significant change, especially one that literally changes IT's world from vertical to horizontal, necessitates the opportunity for people to explore what is important to them, what they value and what is meaningful to them. Leadership's role is to position the impetus for improving the ways things have been done traditionally and then to create the opportunities for discussion.

While this does not have to be a formal structured activity, giving people the opportunity to air their feelings, ask questions and recognize what is important are all opportunities that leadership needs to create. This sets up the opening for successfully getting a critical mass of people on board with a change that requires significant adjustments to behaviors, ways of thinking, ways of organizing and ways of relating. The bottom line is that following this advice generally results in meeting the end goal, successful adoption of process oriented IT business supported by ITIL, more quickly and more easily.

Role clarity is the next requirement for success in the emerging ITIL world. In the current world, technical ability is king. ITIL success assumes technical competence for managers and then demands abilities in four key area: financial and business

management, demand management, resource management and process management. Many current managers are not skilled in these areas, some will never become skilled some will simply not be interested. The organizational challenges are formidable. Do we invest heavily in developing these managers or do we find others or do we outsource? None of these questions in a complex IT environment are to be taken lightly.

Additionally, there evolves the challenges of crafting and communicating the emerging expectations to the workforce. "This is what I, your manager, wanted in the past. The game has changed. This is what you need to do now…." As experienced business people we are all familiar with the magnitude of the task of changing from function to process and successfully managing the expectations of others.

These changes require re-thinking how we see the world. Current brain research indicates that this task can be accomplished but typically takes 6+ months.

Planning is the third key component of the change challenge. A comprehensive map is needed to lead us into the new territory. Most of the people in our organization are accustomed to thinking and doing IT in a functional way. Current planning and organizing are centered in the various technologies and operating systems in our world: PC group, network group, UNIX, desktop support. Quality planning requires quality thinking.

Planning to create a map to follow is difficult. Developing a good map when you don't have experience thinking through issues in your new world is even harder. When you move to a process world and your audience is not accustomed to the significant collaboration required for success in the process organized world you truly need experienced and seasoned hands to help guide you through the process.

Communication is the final core change component required for ITIL success. An effective communications strategy requires listening carefully to the needs and concerns of the various stakeholders and then providing them with frequent, repeated communications delivered through a variety of methods such as meetings, newsletters, on the web, lunches, etc. (For this paper we are assuming training to be part of communications.)

These actions, once defined, will

- keep all in the organization informed and involved,
- open consistent communication channels with internal and external business partners,
- maintain a live connection with external and internal customers,
- mount a successful educational campaign of interactions with senior managers, stakeholders, customers, suppliers and others.

Conclusion   The changes required to successfully launch an ITIL campaign are

daunting. The path forward is not simple or easy. What other choice do we have if we wish to be competitive and meet the service and process requirements of the emerging IT universe?

The challenges may be daunting but by modeling past success' and developing an approach that successfully integrates the value of ITIL with learnings from prior process re-engineering efforts the potential payback from ITIL is great. Acknowledging the specific requirements of an IT universe and using the best tools and models that change management has available only enhance our possibilities for success. Are you ready for the challenge?

Our experience suggests that all successful, value added ITIL change programs need to include the following components:

1) Involved **sponsorship**
2) **The business case and the case for meaning** that provide the logic, opportunity for expression and positioning that support people buying into imposed changes
3) **Recognition of prior success'** to build on
4) Acknowledgement of specific characteristics of IT organizations and your organization **(culture)**
5) **Role clarity**
6) **Education and training**
7) **A map-** A clear plan with deliverables

If you discover there are other additional, core components to an ITIL change program please let us know what they are and how you implemented them.