IT Service Strategy – Within or Beyond IT Strategy

Agnieszka Zając Cracow University of Economics Department of Computational Systems <u>zajaca@uek.krakow.pl</u>

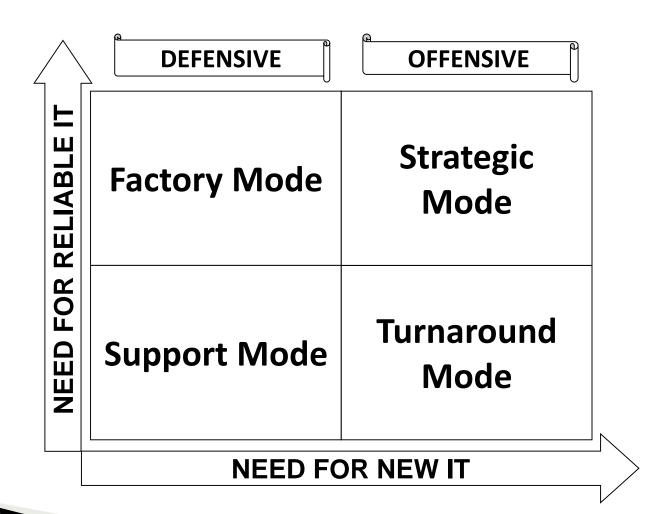
Strategy a 7Ps

- plan (consciously intended course of action);
- ploy (a specific maneuver intended to outperform a competitor);
- pattern (a stream of realized actions);
- position (a means of matching between an organization and its external environment);
- perspective (which is shared among organizational members, and the content of which consists of not just a position, but also a way of perceiving the world).

IT strategy

- A long term planning for organization's IT sector to utilize IT for organization's long term success.
- The discipline that defines how IT will be used to help businesses win in their chosen business context.
- A comprehensive plan that information technology management professionals use to guide their organizations.

The IT Strategic Impact Grid



ITSM

Information technology service management (ITSM) is strongly focused on the client needs and business processes. It also introduces service oriented organization of IT units and strongly connects IT budgeting with bringing value to the client.

IT strategy according to ITSM frameworks

- An IT strategy should cover all facets of technology management, including cost management, human capital management, hardware and software management, vendor management, risk management and all other considerations in the enterprise IT environment.
- ▶ Executing an IT strategy requires strong IT leadership; the chief information officer (CIO) and chief technology officer (CTO) need to work closely with business, budget and legal departments as well as with other user groups within the organization.

IT service strategy in ITIL

Service strategy specifically defines how service provider will use services to achieve the business outcomes of its customers, thereby enabling the service provider (whether internal or external) to meet objectives.

IT service strategy in COBIT

- IT strategic planning is required to manage and direct all IT resources in line with the business strategy and priorities.
- The strategic plan improves key stakeholders' understanding of IT opportunities and limitations, assesses current performance, identifies capacity and human resource requirements, and clarifies the level of investment required.

IT service strategy in MOF

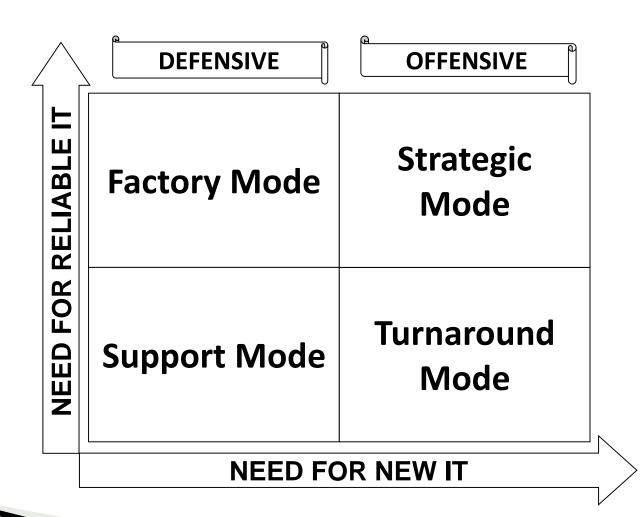
IT service strategy is the plan that aligns an organization's objectives, policies, and procedures into a cohesive approach to deliver services that support business strategy.

Circumstances of IT service strategy

From the perspective of the scope of customers, we can specify several situations of delivery of IT services:

- for own purposes (inside company),
- for various external customers,
- for one external customer,
- for own purposes and external customers.

Impact Grid and IT service strategy



Questions concerning IT service strategy

- From the perspective of IT reliability is it more rational to outsource IT services or maintain inside the company?
- If company operates in defensive scenarios, is it better to outsource IT services?
- Offensive use of IT require constant service development as well as quick IT provision, does it mean that company under such a condition has a limited possibility to buy services outside?

Conclusions

- Strategy creation is a complicated process that requires knowledge, experience, vision and creativity.
- Although literature offers many strategic methods, organization have to carefully select appropriate approaches.
- Under the conditions of ITSM philosophy, there are some new questions concerning sources, reliability and availability of IT services.
- It would be helpful to have a set of selected methods suitable for specific scenario of IT service usage.