



# **Digital Service Management (DSM)**

**An itSM Solutions® LLC White Paper**

This paper describes a proactive, collaborative and balanced approach for managing, improving and securing an enterprise digital service portfolio.

**By**

**David Nichols & Rick Lemieux**

**November 2015**

## **Digital Service Management (DSM)**

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

#### ***Copyright and Trademark Notice***

Copyright © 2015 itSM Publishing..itSM Solutions® is a Registered Trademark of itSM Solutions LLC. ITIL ® is a Registered Trademark, and a Registered Community Trademark of the Axelos, and is registered in the U.S. Patent and Trademark Office, and is used here by itSM Solutions LLC under license from and with the permission of Axelos (Trademark License No. 0002). Other product names mentioned in this guide may be trademarks or registered trademarks of their respective companies.

#### ***Notice of Rights / Restricted Rights Legend***

All rights reserved. No title or ownership of this document, any portion thereof, or its contents is transferred. No part of this document may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of itSM Solutions LLC. Reproduction prohibitions do not apply to this document when reproduced for non-commercial use, or to excerpts or quotes for use in reviews or attributed quotes in other works of any type as allowed for in copyright law. For additional information, please contact:

itSM Solutions LLC  
31 South Talbert Blvd #295  
Lexington, NC 27292  
Phone (336) 499-7016  
Fax (336) (336) 499-1172  
Web <http://www.itSMSolutions.com>

#### ***Notice of Liability***

This guide is distributed "As Is," without warranty of any kind, either express or implied, respecting the content of this guide, including but not limited to implied warranties for the guide's quality, performance, merchantability, or fitness for any particular purpose. Neither the authors, nor itSM Solutions LLC, its dealers or distributors shall be liable with respect to any liability, loss or damage caused or alleged to have been caused directly or indirectly by the contents of this whitepaper.

## **Digital Service Management (DSM)**

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

Three things are certain: first, **Digital Services** are now at the center of most businesses; second, business is a moving target, third organizations are under attack from those trying to steal the critical information companies rely on for daily business operations. The demand for coordination across supply chains, functions, markets, and geographies will continue to accelerate, and it will be impossible to respond to this challenge without driving new ways of thinking through corporate ranks.

Digital services are fundamental to corporate success, and digital service decisions, like all other business decisions, must consider both the value and the risk the service will deliver to the business. In light of this, a solid, sound business case for digital investments requires mature business, and digital risk judgment. Unfortunately, there are no shortcuts to developing maturity or to developing judgment – both take time and experience. There is only one way to gain traction in these circumstances and that is to apply the collective experience of all stakeholders in the pursuit and execution of a single corporate strategy. In this case the integrated whole is definitely much greater than the sum of the individual parts.

In order to support this new digital service business model, enterprises must adopt and adapt a **Digital Service Management (DSM)** system that enables a proactive, collaborative and balanced approach for managing, improving and securing an enterprise digital service portfolio.

## **Digital Service Management (DSM)**

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

#### ***Shaping the Future – Digital Service Management (DSM)***

Before an enterprise can adopt and adapt a DSM program, it must demonstrate three main characteristics; an unambiguous understanding of their customer's need, repeatable processes to ensure consistency of execution, and the ability to innovate in a structured manner.

In order to achieve an unambiguous understanding of the customer's needs, enterprises must, in a structured repeatable manner, define and categorize the enterprise process, technology and capability requirements. The next step is to compare these requirements to the existing environment to understand what it will take to achieve and manage the required capability. The provider must do this in the context of governance based on enterprise goals and achievement measured against expected outcomes.

Repeatable processes are required to ensure consistency of execution. This is critical because day-to-day business processes rely so much on embedded technology that failure to execute consistently directly impacts the enterprise's ability to deliver its products or services.

Finally, the enterprise must develop a utility grade delivery platform and process management model that is capable of supporting emerging utility based architectures and applications such as Real Time Infrastructure (RTI), Service Oriented Architecture (SOA) and Software as a Service (SaaS). The delivery platform provides the portal through which the enterprise receives its business enabling technology. The enterprise brokers those services irrespective of their source, internal or external. Therefore, the enterprise can deliver utility grade, business-aligned services as needed, and manage technology investments and innovation in a structured manner.

Underpinning all of this is the need for a model that helps identify what services need to be sourced internally and what services can be sourced

## Digital Service Management (DSM)

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

externally. This model will provide the guidance the enterprise needs to classify the services and processes that are critical to quality service delivery and differentiation in the marketplace (See Figure 1). The internally sourced services are prime candidates for investment, as they are critical to the success of the business. The business may source other activities according to the capability of the enterprise using established sourcing policies and guidelines such as Carnegie-Mellon's eSCM capability model.

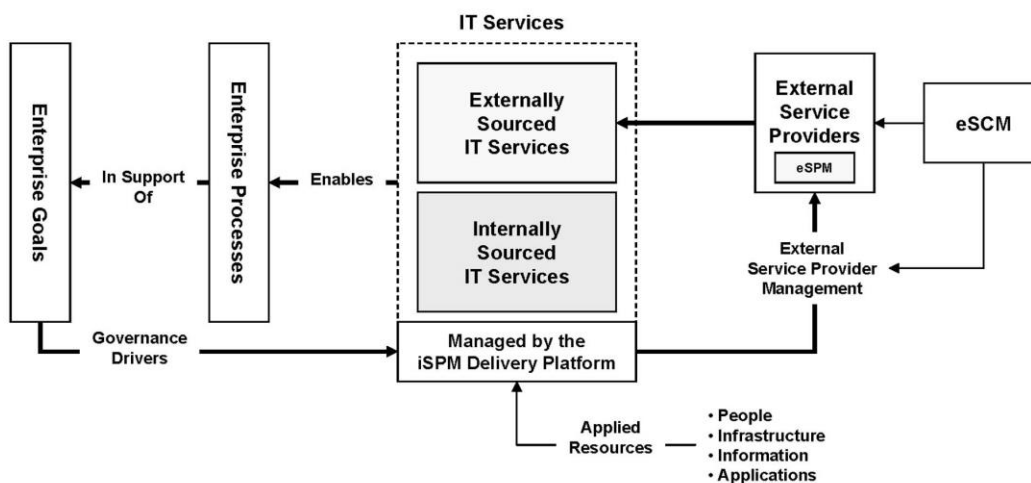


Figure 1

### ***Frameworks, Methods & Standards***

In order to support this new DSM model, enterprises need to transform the traditional Business – IT paradigm from one focused on technological value to one focused on service value. This service provider paradigm encompasses widely accepted IT best practice frameworks, methodologies and

## **Digital Service Management (DSM)**

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

standards focused around managing the cost, quality, compliance, security, risk and business continuity of the organizations cyber services portfolio.

DSM as we know it is more than just the processes described within the IT Infrastructure Library (ITIL). DSM requires the coordinated design and management of several widely accepted frameworks, standards and methods as part of a digital enterprise service management system..

Today, enterprises are presented with a wide variety of service management options (See Figure 2) each being promoted as the “silver bullet” to enabling the secure agile enterprise. Over the years, frameworks such as ITIL®, CobiT, PMI Body of Knowledge (PMBOK), and most recently the NIST and RESILIA™ frameworks for cyber security have been combined with methodologies like Prince 2, ISO 20000, 27001, 31000 and 38500 as the solutions to the problems facing modern enterprises.

Why are there so many frameworks, methods and models? Good question; and the only answer that makes sense is that each addresses a particular set of problems from the viewpoint of its creator. In other words, each of these is a nail to someone’s hammer.

When examined carefully, one discovers that there is significant overlap between these frameworks, models and standards. So, while created from different viewpoints, they all address a similar set of enterprise business problems. The end result is a mish-mash of framework’s, models and standards designed to support the end game of an DSM organization delivering digital solutions aligned with the needs of the enterprise.

## Digital Service Management (DSM)

### Adopting and Adapting an Enterprise Best Practice Management System

#### itSM Solutions DSM Model

The itSM Solutions DSM model integrates six best practice areas in support of enabling a DSM program (See Figure 2).

<u>DSM Capability</u>	<u>Framework, Method or Standard</u>
Governance	Cobit Framework, ISO 31000
Service Management	ITIL® Framework
Project Management	PMI Framework, Prince 2 Method
Security Management	NIST Cyber Security Framework
Risk Management	RESILIA™ Cyber Risk Framework
Quality Management	Lean Six Sigma Methodology

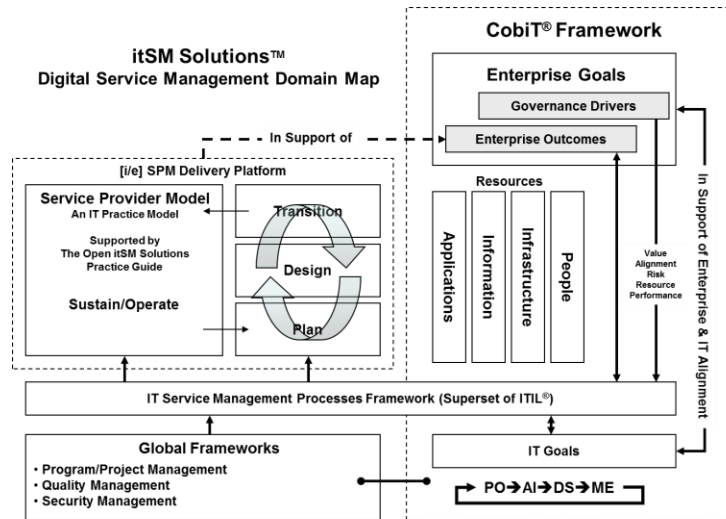


Figure 2

**CobiT** provides the context for the reference model integration. Its 34 processes provide the high-level framework to govern the planning and organization of IT resources in support of organizational business goals.

## Digital Service Management (DSM)

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

ITIL® provides a lower level framework describing the process controls and monitoring capabilities required to enable an enterprise service management program.

When combined, CobiT and ITIL should be viewed as descriptive frameworks that address what an enterprise should be doing to enable the organizational capability of DSM. CobiT and ITIL also provide guidance on other frameworks, methodologies and standards that fill out the remaining pieces of an effective enterprise service management program.

#### ***itSM Mentor DSM Training and Mentoring Services***

itSM's approach to DSM teaches organizations how to manage and continually improve its digital service portfolio in terms of service cost, quality, compliance, security, risk and continuity.

itSM DSM training and mentoring programs deliver a systemic structure for thinking and planning along with the knowledge, skills and guidance to:

- **Secure** management commitment and funding for the program
- **Select** a core leadership team that will create actionable DSM plans using well accepted frameworks methods and standards
- **Condition** the enterprise for the adoption of this new organizational capability
- **Empower** the organization for the adaption of this new capability the organizations multi-source operational environment.
- **Institutionalize** the program with Human Resources to ensure its success into the future.

**Phase 1** focuses on securing the funding for the program by educating the executive team on the value DSM brings to an organization in



## Digital Service Management (DSM)

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

terms of managing service cost, quality, compliance, security, risk and continuity. Target audience, objectives and training programs include:

Organization Role	Objective	Training Programs
CEO, CFO, CIO, CISO CRO, CCO, PMO Director, SMO Director, Governance Director	This set of programs will help the executive team better understand the benefits and value of adopting an DSM program	DSM Executive Overview DSM Executive Simulations

**Phase 2** focuses on selecting and training through a series online, advanced blended learning trainings and mentoring workshops the DSM leadership team that will participate in the organization assessment and creation of the DSM plan. target audience, objectives and training programs include:

Organization Role	Objective	Training Programs
Process Owners, Service Owners, Change Mgrs. Operation Mgrs. CSI Mgrs. Business Analysts	This program will train and certify at the Expert level the leadership team of the DSM program. These key contributors will assist in developing the roadmap plus become the thought leaders and evangelists for the DSM best practice program	ITIL® Training RESILIA Training Prince 2 Training NIST Training Cyber Security Training Planning to Change Workshop Assessment Workshop Simulations

**Phase 3 focuses on conditioning the organization** for DSM change via a series of online training and mentoring solutions. Target audience, objectives and training programs include:

## Digital Service Management (DSM)

### Adopting and Adapting an Enterprise Best Practice Management System

Organization Role	Objective	Training Program
All IT staff, senior leadership, stakeholders and supply chain partners	This program will provide basic training and certification for those who will play passive and active roles in an DSM program. These certifications will also provide a portion of the student population the base certification they need to advance to phase 4 specialist training	<p><b>Passive Roles</b></p> <ul style="list-style-type: none"> <li>ITIL Awareness</li> <li>RESILIA Awareness</li> </ul> <p><b>Active Roles</b></p> <ul style="list-style-type: none"> <li>ITIL Foundation</li> <li>ITIL Simulation</li> <li>RESILIA Foundation</li> <li>RESILIA Simulation</li> </ul>

**Phase 4** focuses on empowering the organization for DSM change via a series of online, advanced blended learning training and mentoring workshops. Target audience, objectives and training programs include:

Organization Role	Objective	Training Programs
1st Line Mgrs. Process & Service Owners Architects & Strategists Operation & System, Analysts Business & Quality Analysts Program & Project Managers Operation & Change Mgrs. Service Level & CSI Mgrs. Tool Administrators	<p>Gain hands on specialist capabilities in DSM best practices</p> <p>Train all stakeholders and supply chain partners on good cyber practices in their day to day business operations</p>	<ul style="list-style-type: none"> <li>ITIL Foundation &amp; Practitioner</li> <li>ITIL Intermediate</li> <li>RESILIA Foundation</li> <li>RESILIA Practitioner</li> <li>Prince 2 Foundation</li> <li>Prince 2 Practitioner</li> <li>IIBA Business Analysis</li> <li>ISO 27001, ISO 31000</li> <li>Cyber Security Training</li> <li>Mentoring Workshops</li> <li>Simulations</li> <li>Security User Awareness</li> </ul>

**Phase 5** focuses on institutionalizing the DSM program with Human Resources so the organization has a program to train new hires and to promote those practicing DESM. Target audience, objectives and training programs include:

## Digital Service Management (DSM)

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

Organization Role	Objective	Activities
HR Manager	Establish new HR Policies in the areas of recognition, rewards hiring, promotions & role based career development	Setup both eLearning and role-based Blended Learning ESM best practice training solutions for new and existing employees

### **Summary**

Three things are certain: first, IT is now at the center of most businesses; second, business is a moving target, third organizations are under attack from those trying to steal the information companies rely on for daily business operations. The demand for coordination across supply chains, functions, markets, and geographies will continue to accelerate, and it will be impossible to respond to this challenge without driving new ways of thinking through corporate ranks.

The itSM Solutions five phase approach to DSM enables enterprises to too acquire the knowledge and skills to adopt and adapt the global best practice frameworks, methodologies and standards to manage and improve the Cost, Quality, Compliance, Security, Risk and Business Continuity of its digital service portfolio.

itSM Solutions lifelong learning and mentoring programs deliver a systemic structure for thinking and planning along with the knowledge, skills and guidance to:

- **Secure** management commitment and funding for an DSM program
- **Select** and develop the leadership team that will drive the DSM program
- **Condition** stakeholders for the adoption of the DSM program

## Digital Service Management (DSM)

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

- **Empower** stakeholders with the skills to adapt the DSM program across the enterprise
- **Institutionalize** the program with Human Resources to ensure the DSM program's success well into the future

## Digital Service Management (DSM)

### *Adopting and Adapting an Enterprise Best Practice Management System*

---

#### ***About itSM Solutions LLC***

Founded in 2002, itSM Solutions LLC is the creator of Enterprise Service Management (ESM) model, a unique and effective approach for the integration and operation of well accepted best practice frameworks, methods, and standards as part of the enterprise or mission value chain. The ESM suite of training, certification, mentoring and staffing solutions provide a prescriptive approach for the adoption of ESM best practices by helping organizations adopt a systemic structure for thinking when planning, designing and deploying IT Services and the skills and staffing to operate as an IT service provider integrated into the enterprise value chain.

#### ***About the Authors***

**David Nichols** is the President and CEO of itSM Solutions LLC, an ITSM consulting and training company. He has over 25 years experience in Information Technology. As an early adopter of the IT Service Management processes as described in the IT Infrastructure Library (ITIL), he has utilized his hardware and software engineering background as a foundation for implementing sweeping changes in how IT Services are delivered at several fortune 100 companies in the US. Working closely with the executive management teams, David has helped the strategic goals of the IT organization with those of the company and develop a more effective IT Strategy. Strategies that are customer focused, process-oriented and cost/performance optimized, and help business and IT organization establish the value of IT Services. David holds ITSM Service Manager certification.

**Rick Lemieux** is a managing partner and the Vice President of Business Development. He is responsible for overseeing the company's Sales, Marketing & Business Development programs. Rick has been involved in selling IT solutions for the past 33 years. Prior to itSM, Rick, an early proponent of ITSM and ITIL, led the Sales and Business Development teams at software companies focused on automating the best practices guidance outlined in ITIL. Rick holds a Foundation Certificate in IT Service Management and was recently identified as one of the top 5 IT Entrepreneurs in the State of Rhode Island by the TECH 10 awards.