Quick Start—An Overview of ITIL
Service Strategy
Warning: This will increase your brain activity

Learning ITIL® is not easy. First, there’s confusion. “What the blank is ITIL?” Then comes denial. “Why, ITIL, why?” Next acceptance…and the “I can’t stay awake past one page” phase where your brain shuts off and you fall into an ITIL-induced coma. This shouldn’t happen.

Sure, ITIL can be a bit dry. But this eBook will help you through it. We’ll even throw in a few puns and corny jokes to make sure you’re awake.

So grab a water bottle. Stay hydrated. And turn your brain on to learn ITIL.

First things first, what is ITIL?

The only thing standing between you and learning all about the IT Infrastructure Library (ITIL for short) is learning to speak the language. The phraseology. The fuzzwords. Let’s start with a basic definition and then break it down into five stages. That’s right, five stages you can count on one hand, so you’ll implement ITIL in no time.
ITIL 2011 Glossary Definition

ITIL is a non-prescriptive framework of best practices that a company uses to set a baseline for IT service delivery. From here they can strategize, implement new services or changes to current services, and measure the success—or lack thereof.

Translation:

You know that feeling when you’re watching Netflix and your Internet goes down? Not fun. You’re not a happy camper. That’s how employees feel when the systems they use stop running at work—only it’s your boss who’s not a happy camper. ITIL is the thing that helps your IT remain afloat and keep everyone happy.

ITIL is a best practice that IT uses to keep your Internet, systems, apps, and gadgets up and running. Companies use ITIL to improve the way they provide services. This way your employees and customers remain happy campers.

To top it off, ITIL is not specific to any industry or type of business (the non-prescriptive part). ITIL is a general framework customized to each business’s needs. This can be both good and bad for you, the implementer. Flexibility and openness is great. But the less strictly defined a rule is, the harder it is to follow.
How does ITIL work? Five Stages at a Glance

- **Service Strategy**: Define needs, assets, and strategy
- **Service Design**: Design services and the supporting elements
- **Service Transition**: Develop services, the supporting elements, and the methods of implementation
- **Service Operation**: Deploy said services. Includes maintenance, error resolution, and making sure the end-user is happy
- **Continual Service Improvement**: Collect data on performance, compare to strategy standards, change for improvement
Stage 1: Service Strategy

First off, there are two very important terms that you must become familiar with to learn Service Strategy. These are basic, universal truths—like gravity and the Force (please don’t sue us, Lucas!).

**Note:** Make sure to keep an eye out for words marked in red, as these are terms you should know.

**A TERM TO LEARN**

**Services**

Means of delivering value to a customer without requiring the customer to own specific costs and risks.

**A TERM TO LEARN**

**Processes**

Structured sets of activities designed to achieve a specific objective. Processes have four basic characteristics:

- Transform inputs into outputs
- They deliver results to a specific customer or stakeholder
- They are measurable
- They are triggered by specific events

**Processes.** The word alone may make you feel like grabbing a beer (or doing something healthier like meditating), but processes can make your life a lot easier—especially in the world of ITIL. The first four stages of ITIL consist of a series of processes that resolve specific tasks for each stage of IT Service Management.
Other important features of this stage include the development of the organization’s ability to collect value (payment) and manage cost and risks.

Words to Know: Utility and Warranty

Now for the formal definition you’ve been waiting for...

ITIL 2011 Glossary Definition

Service strategy establishes an overall strategy for IT services and for IT service management

Translation:

This is where you collect information on the business objectives of the service provider, the demand and needs of potential users, the cost of the services to the service provider, and how much customers can be charged for these services. All of this is combined to establish and later manage the high level policies and standards that govern how the service provider operates.

Other important features of this stage include the development of the organization’s ability to collect value (payment) and manage cost and risks.

Words to Know: Utility and Warranty
Now that you totally love learning about ITIL processes, here are the four main service strategy processes you should know on your journey to learn all things ITIL.

**Service Strategy Processes**

**A TERM TO LEARN**

**Service Strategy Management**

Develops service concepts in preparation for selection of services to be provided

**A TERM TO LEARN**

**Service Portfolio Management**

Organizes the process by which services are identified, described, evaluated, selected, and chartered

- Maintains the Service Portfolio:
  - Contains Service Pipeline (developing services), Service Catalog (current services), and Retired Services
  - Identifies business value provided by a service
  - Answers strategic questions: Strengths, weaknesses, priorities, risks allocation of resources?
  - Tracks investment in service throughout lifecycle
Demand Management

Responsible for understanding and influencing customer demand for services and establishing the capacity to meet these demands

- Strategize, Identify, and Analyze
  - User profiles
  - Workload variations
  - Patterns of business activity (PBA)

Ensures customer expectations don’t exceed their budget and that the service provider is able to meet those expectations

IT Financial Management

Managing an IT Service Provider’s budgeting, accounting and charging

- Enhances decision making throughout the ITIL lifecycle by promoting cost awareness
- Aids in the reduction of costs to the service provider
- Provides the ability to know different types of cost (i.e. direct, fixed, variable, etc.)
What’s the next stage, you ask...

Read the next eBook to learn all about the Service Design stage. This is where services are defined to meet all the solution requirements collected as a part of Service Strategy.
ITIL at a Glance—A Quick Review

For those of you who are short on time, here you’ll find all of the concepts covered in this eBook series (as well as some additional ITIL facts) in a simple chart. Use this cheat sheet for reviewing the main concepts.

The 50,000 ft. view of ITIL.