

# **Guide: Identifying Services**

This document is a guide for identifying which services an organisation provides. Version 1.0 ([2014-02-21])

#### 1. Context

This is a guide for identifying what are the services an organisation or federation offers. This is a prerequisite for the service-orientated approach IT Service Management stresses. Many other aspects of IT Service Management require a clear identification of services, and this often does not match what organisations previously considered a service.

This guide may be used in the context of the following various FitSM components (found at www.fitsm.eu). This guide related to the following components:

- Template: Service Portfolio/catalogue entry the basic set of information required about each service.
- Sample: Service Portfolio/catalogue entry sample for the above.
- Guide: Specifying services for portfolios and catalogues assistance in determining the information needed about each service.

Applying this guide may support compliance against the requirements listed in FitSM-1. More specifically, this guide refers to the following requirements:

- FitSM-1:2013 PR1.1: A Service Portfolio shall be maintained. All services shall be specified as part of the service portfolio.
- FitSM-2:2013 PR2.2 A service catalogue shall be maintained.

This file is part of the FitSM series of standards for lightweight service management in federated IT infrastructures. It is intended to support the implementation (IT) service management following the FitSM approach or related frameworks.





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# 2. Defining 'Service'

The definition of *Service* according to FitSM-0:2013 is as follows:

A way to provide value to a user/customer through bringing about results that they want to achieve

Note: Services provide value alone (unlike the components they are made up of). For instance, for a hotel customer the room cleaning is not a service as it provides value only if you are using the larger service of staying in the hotel.

In several sectors, there is considerable confusion about what a service is in terms of at what level it operates, and who it is aimed at. To explain this, we use the example of a Hotel, as suggested above. Consider that you are the manager of a hotel, which includes many members of staff who perform different tasks, and a number of suppliers who support them.

# 3. Who is the customer / recipient of services?

As manager of the hotel, you need to justify your costs, manage your service and maintain your income.

Consider first who receives your service? Who is the customer, or the direct recipient of your service? In a hotel, these are the customers that walk in to come and stay. This is the most important group to consider, and to make sure you serve well. It does not matter whether they are the one paying or not (maybe their company pays an invoice) but the person staying in your rooms is the one you need to make happy. They will pass on their views to other stakeholders further away from the hotel. If you concentrate on the direct recipient of your service, those downstream of them will take care of themselves.

In order to succeed as a hotel (a service provider) you need to not only make your customers happy, but make sure that other agreements you make with suppliers are there to support your promise to your customers. There is no point in providing things customers do not use, or making agreements with suppliers that do not ultimately benefit your customers.

#### 4. What is a service?

Once you define your customer, then next step is to ask yourself what is the service you offer them? The following are things that a hotel provides to benefit its customers.

Concierge	Wireless internet	Knives and forks	Minibar
Accommodation	Conference rooms	Room decoration	Telephone
Room cleaning	Room lights	Music in the elevator	Reservation system
Free TV	Room heating/cooling	Restaurant	Video conferencing
Pay TV	Bathroom supplies	In-room dining	Elevator

Which of these is a service? The key question to ask is: which would your customers purchase access to on their own. More broadly, which provide value on their own, without taking any other service?

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From the above list the only three that fulfill these requirements are Accommodation, Restaurant and Conference Rooms. Any of these might be paid for on their own by a customer. The others are either enabling components to support those services or enhancing components to make them more attractive.

Elevators are enabling components for customers. You use the elevator to get to the floor where your room is. You would never pay a hotel to use the elevator unless you were using it to get to a room. You would never pay for knives and forks unless you were using the restaurant. You would never pay for the video conferencing unless you were using the conference rooms. An elevator is needed to *enable* you to get to your room, while the minibar *enhances* the service of accommodation.

Consider what you offer your direct customers, which are the true services, which bring value on their own? Which are additional components? And which are services offered to you by others? Room cleaning is a service offered to you by a cleaning company, though it benefits your customers as well. Still, the primary benefit is to you, as you have clean rooms to offer, the customer only cares if they are in the room.

### 5. What services can you offer? Which should you offer?

In the transition to sustainable and managed service provision, often before you make the leap to a new way to operate, you will provide many more components and even services that it makes sense to provide. A hotel may have a reservation system that it needs to operate, but does it make sense for them to be a provider of reservation systems to others? They maintain their room lighting, but they are not likely to offer lighting maintenance services to others.

You need to consider those things you do that are services, and work out which ones make sense. The services you offer should ideally make sense together, so if your services are accommodation and computer game design, your organization looks quite strange. Services should be compatible and coherent.

Furthermore, to be sustainable, you often cannot do all the things you want, even if they make sense together. It is important to consider the services for which you have customers, or for which you can do marketing and promotion effectively. It is unlikely you *should* do all the things you *can* do.

# 6. How do you describe your services? What is your value proposition?

It is important to be able to describe your services simply and in a way that gets across your offering quickly. A hotel is much better off saying "Luxury accommodation in a popular holiday resort" or "Affordable accommodation in the heart of a lively city" than "sleep-orientated spatial provision in a cell structure based on digital transfer to currency tokens, benefitting from wire-free access to a persistent data network and geographically located river-adjacent in a concrete-based structure."

Unless you have no competition, the quicker and more clearly you get across your service and what value it provides, the more successful you are likely to be.



# 7. How do you support your services?

Once you have defined a small list of clearly valuable services, you need to support them. This will require services from other companies. You probably don't want to wash all the bed linen internally, so you have an external laundry service. You need to buy Internet access for your staff and to offer to your customers.

You need to make sure that what you get from your suppliers is aligned to what you provide to your customers. If you are paying for things that don't ultimately let you serve customers, you should reassess your suppliers. If you make promises to customers where you lack resources to fulfil them, you need to consider looking for extra suppliers.

#### 8. What next?

Defining a clear list of value-generating services is a crucial first step in implementing ITSM, even for established organisations. It supports important next steps, notable the specification of services in a Service Portfolio, and the construction of Service Level Agreements to support these services. Both of these are covered by other FitSM documents.