

State of ITSM and... 2024



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@ITSM_Donna

Welcome!

ITSM Academy

- Full service provider of IT Service Management (ITSM) education and advice
- Accredited and sustainable education and training
 - ✓ ITSM/ITIL®
 - ✓ DevOps
 - ✓ Employee Experience
 - ✓ Process Design (CPDE)
 - ✓ Lean/Value Stream Mapping
 - ✓ Agile Service Management
 - ✓ Site Reliability Engineering

Donna Knapp

- Author
- Curriculum Development Manager
- Certified Process Design Engineer
- ITIL Master
- DevOps Foundation, DOL, CDA, DSOF, DTE
- Certified Scrum Master
- Certified Agile Process Owner
- Certified Agile Service Manager
- VeriSM Foundation
- Certified in Knowledge-Centered Support (KCS) Principles
- Certified ISO/IEC 2000 Consultant/Manager

Celebrate with Us!

Congratulations!

**HAPPY ANNIVERSARY
TO THE #ITSMCREW**

educating & inspiring for...

20 years



EST. 2004

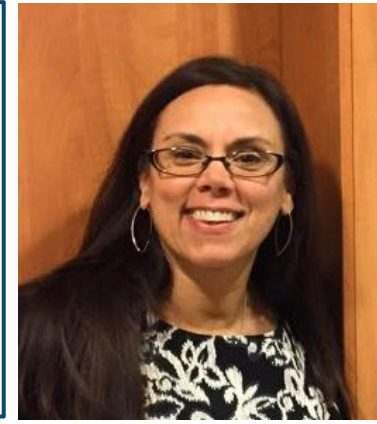
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Lisa Schwartz
Founder, 2004



Franny Flamingo
Mascot, 2004



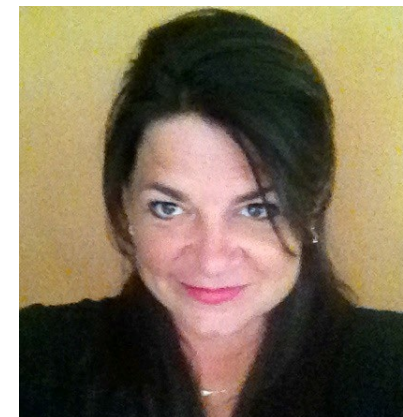
Linda Hanzl
January 2006



Jennifer Pavao
March 2006



Donna Knapp
June 2006



Lisa "Fritzy" Fritz
September 2013



Nina Bradley
October 2016

The Current Landscape (According to ChatGPT)

2024 CEO Priorities

- Digital transformation and technology integration
- Sustainability and environmental responsibility
- Talent management and workforce development
- Customer experience and engagement
- Global economic challenges and risk management

2024 CIO Priorities

- Cybersecurity and risk management
- Digital transformation and innovation
- Data management and analytics
- IT infrastructure and cloud strategy
- Talent management and skill development

2023 Headlines

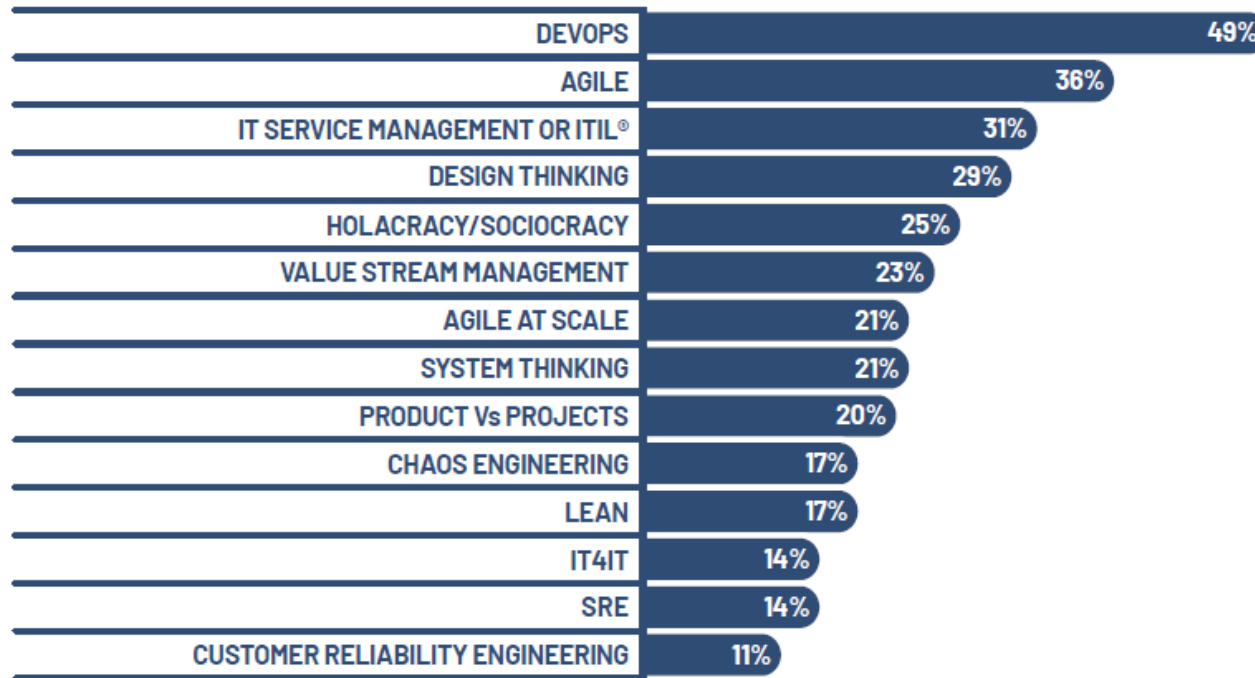
- Artificial Intelligence has a breakout year
- The impetus for companies to reinvent themselves is intensifying
- Middle managers are feeling the pinch
- Technology is expected to be a key driver for innovation, competitive advantage, and human-centric business practices
- The IT talent shortage and widening skills gap is having an impact

Forty-five percent of global CEOs believe their company will not be viable in ten years if it stays on its current path. (PWC)

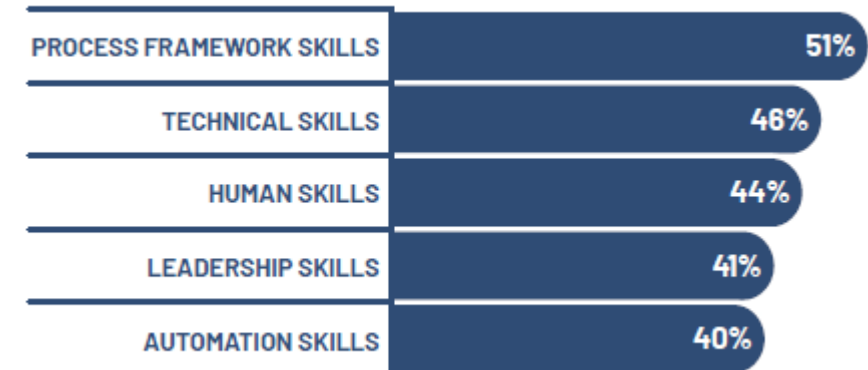


Bridging the Skills Gap

Frameworks Applied Within Organizations



Priorities Across Skill-Building Categories





ITSM and...



~~IT~~ Service management is a set of specialized organizational capabilities for enabling value for customers in the form of services. (ITIL 4)

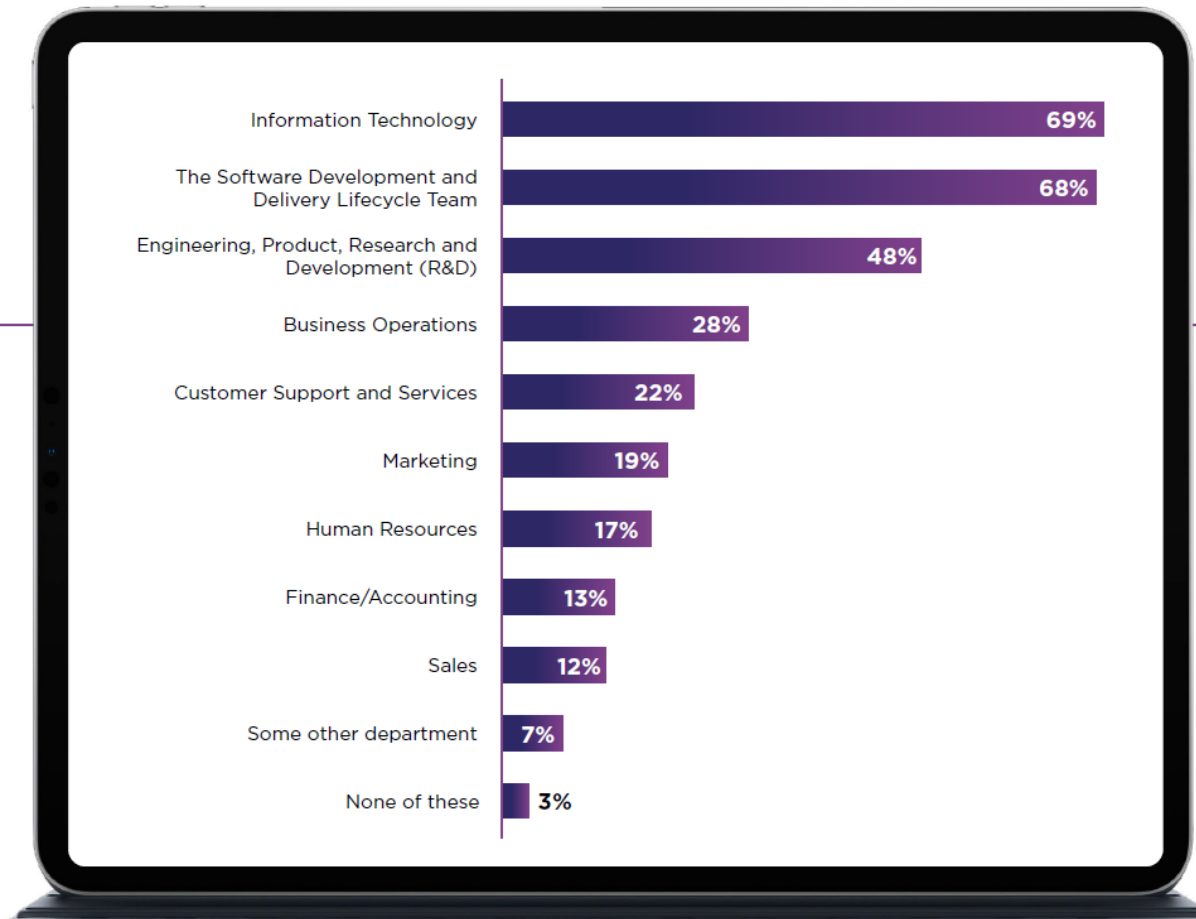
Almost all services today are IT enabled.





ITSM *and...* Agile

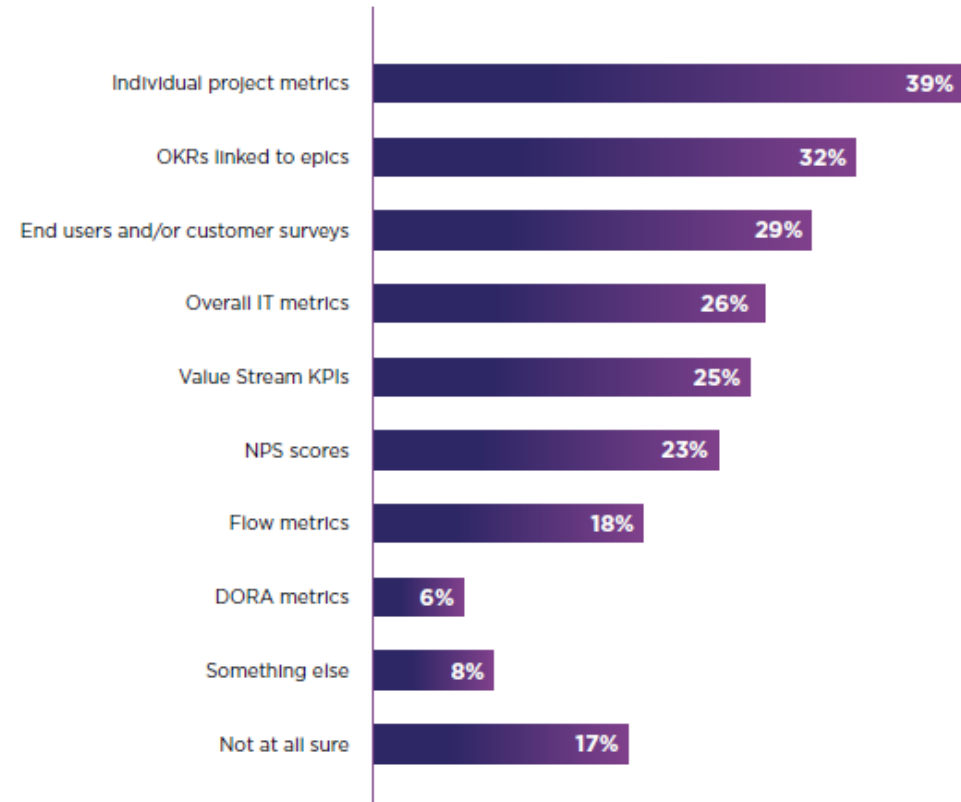
Who is Using Agile?



70% of respondents said IT and the software development and delivery teams use Agile, as do nearly half of engineering, product, and R&D teams.

How Success is Being Measured

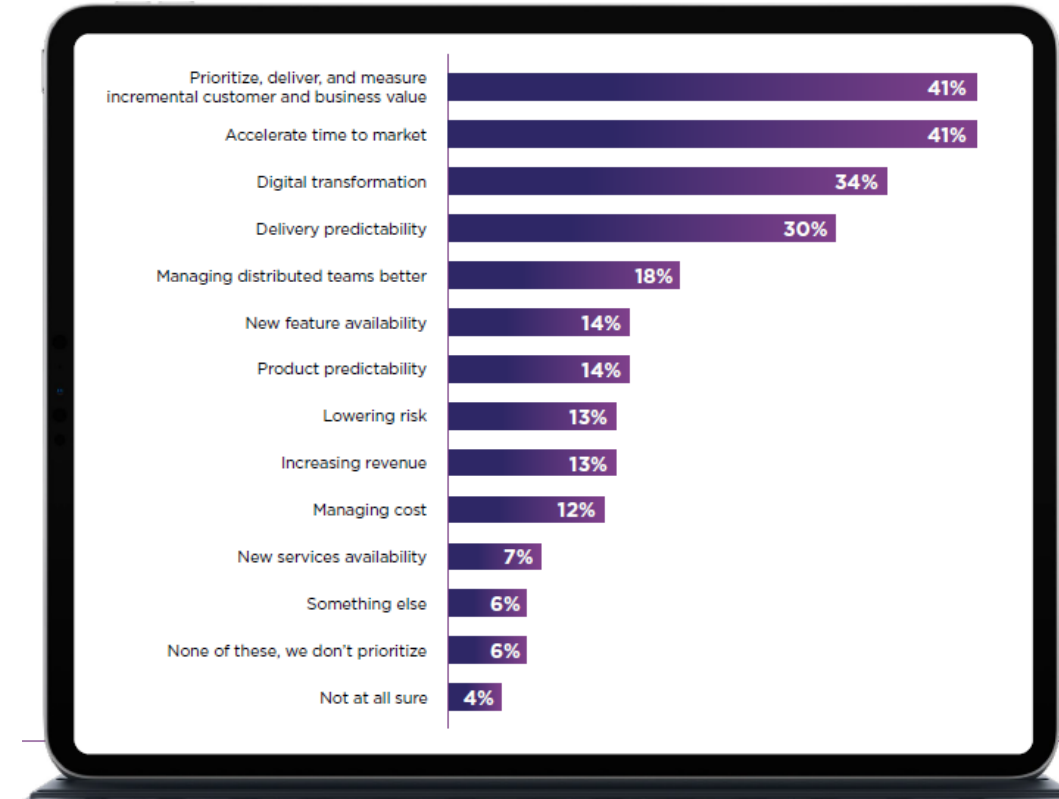
How teams evaluate the success of their software development and delivery efforts is also evolving.



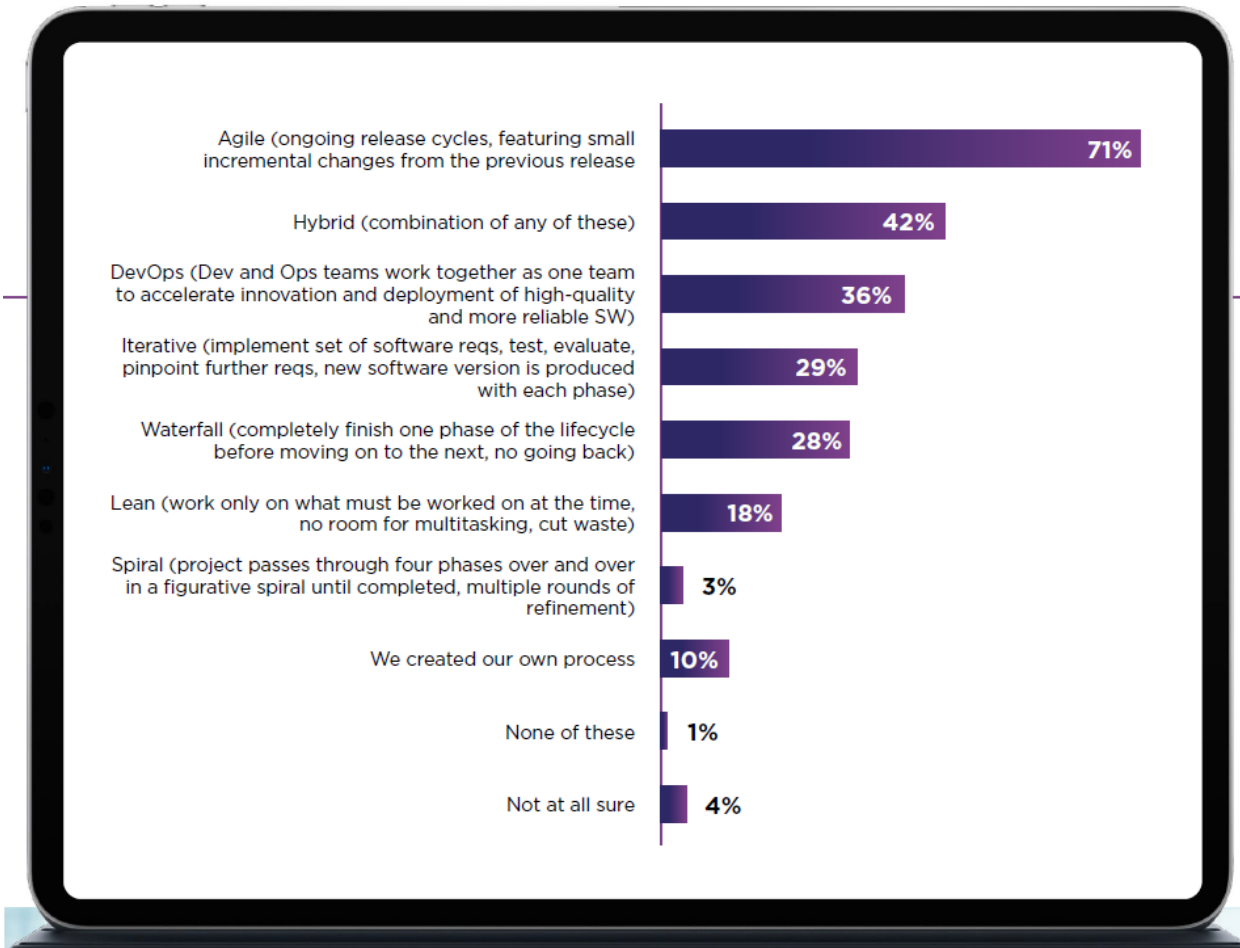
Scaling Agile

Reasons to scale agile in the enterprise

- Prioritize, deliver and measure incremental customer and business value (41%)
- Accelerate time to market (41%)
- Digital transformation (34%)
- Delivery predictability (30%)
- Managing distributed teams better (18%)
- New feature availability (14%)
- Product predictability (14%)
- Lowering risk (13%)
- Increasing revenue (13%)
- Managing cost (12%)
- New services availability (7%)
- Something else (6%)
- None of these, we don't prioritize (6%)
- Not at all sure (4%)



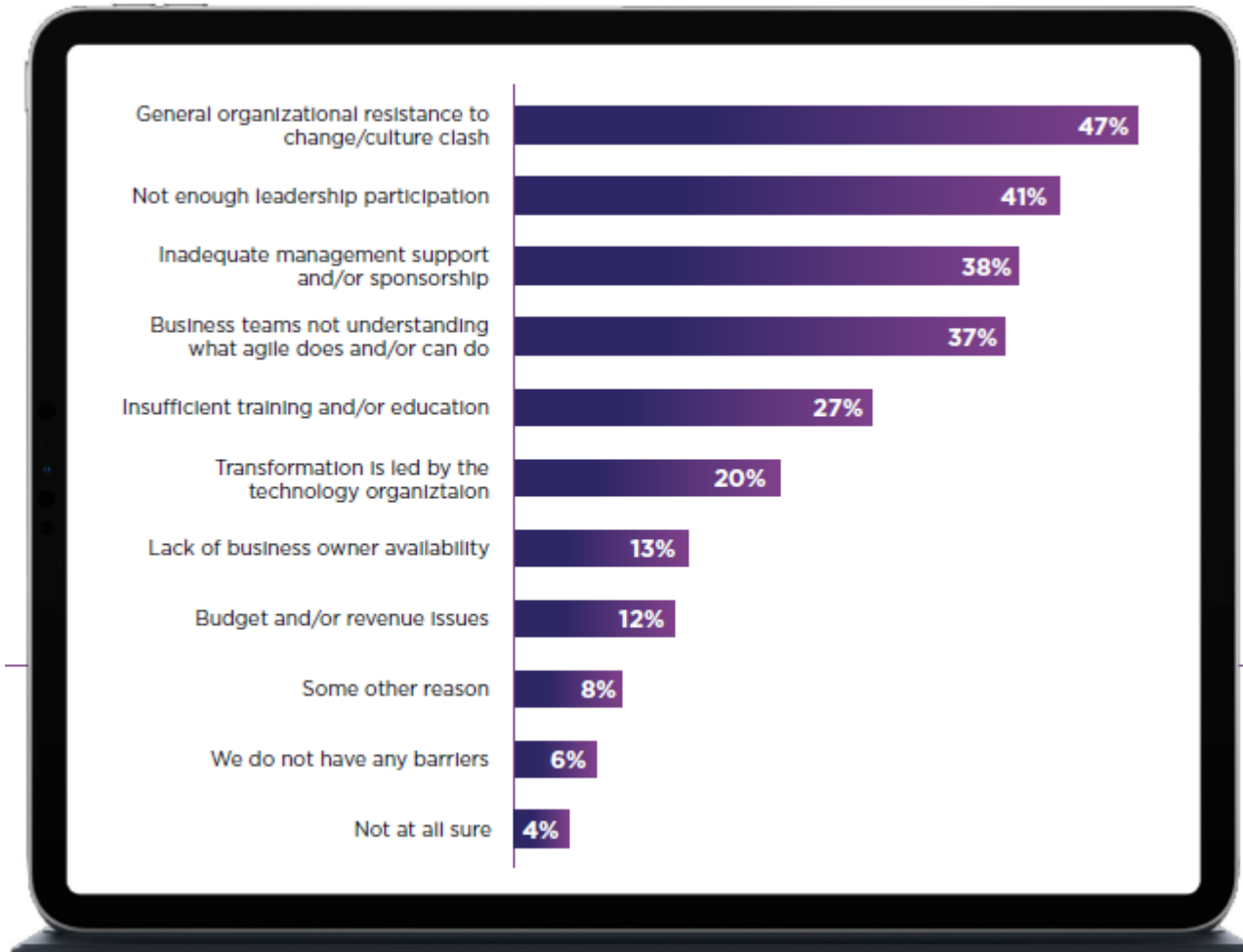
One Size Doesn't Fit All



- Scaling Agile can be challenging
- The companies most successful at resolving this conflict focus on
 - ✓ Outcomes instead of outputs
 - ✓ Building customer-centric cultures
 - ✓ Clearly defined business value

What that translates to, practically, is mix-and-match frameworks and a broadened toolset that incorporates non-traditional Agile tools.

Barriers to Enterprise Adoption



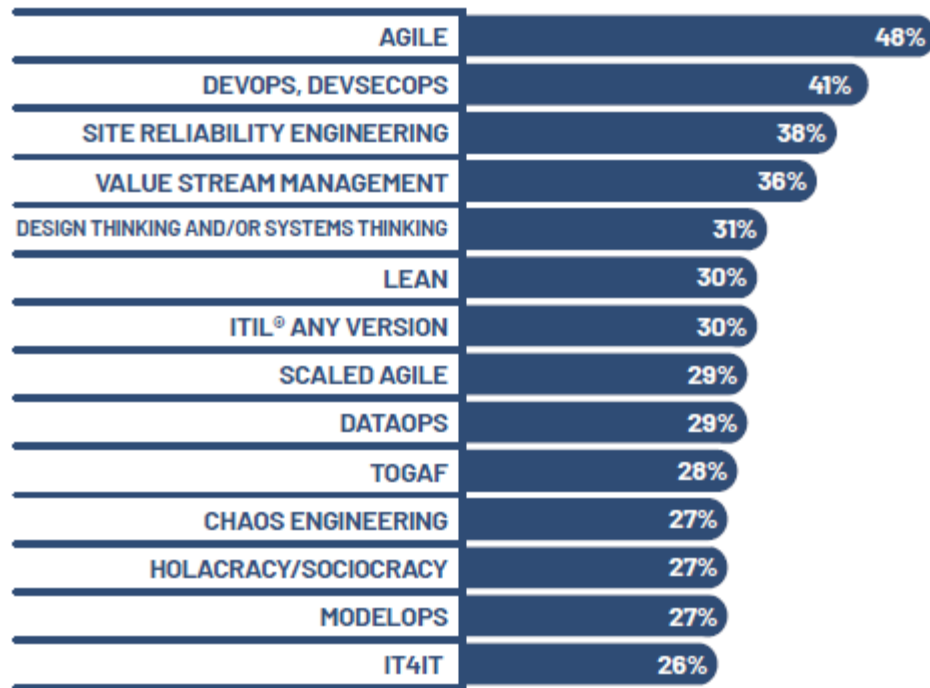
- The business side is very slow to embrace Agile
- Almost half of respondents (47%) pointed to a “generalized” resistance to organizational change or “culture clash” as the reasons why the business side isn’t adopting Agile, up 7 points from 2022



ITSM *and...* DevOps

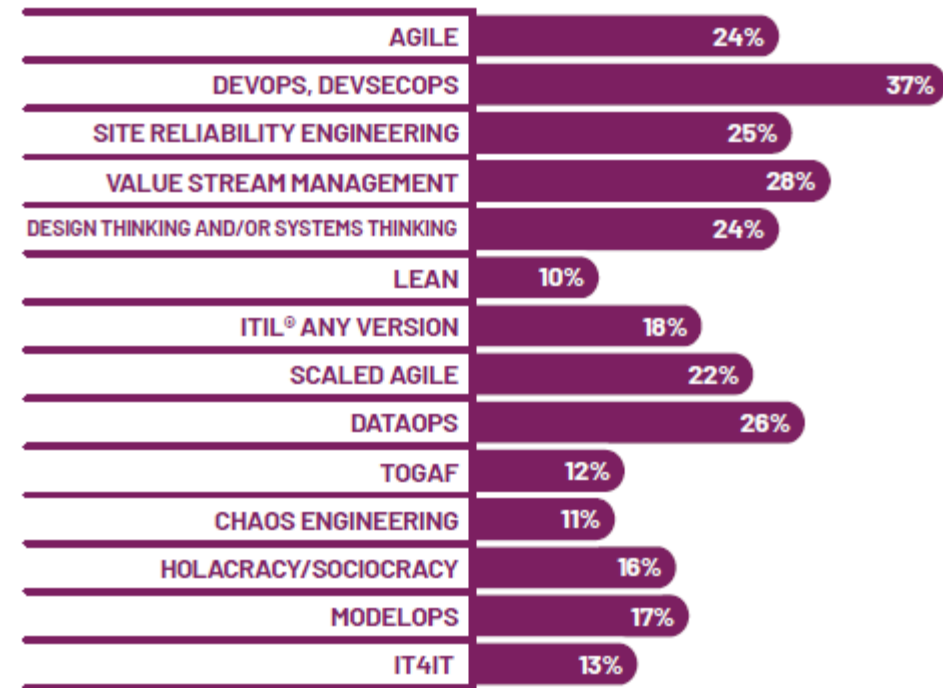
Framework Importance vs. Gaps

2023 PROCESS FRAMEWORK IMPORTANCE



Vs

2023 PROCESS FRAMEWORK SKILL GAPS

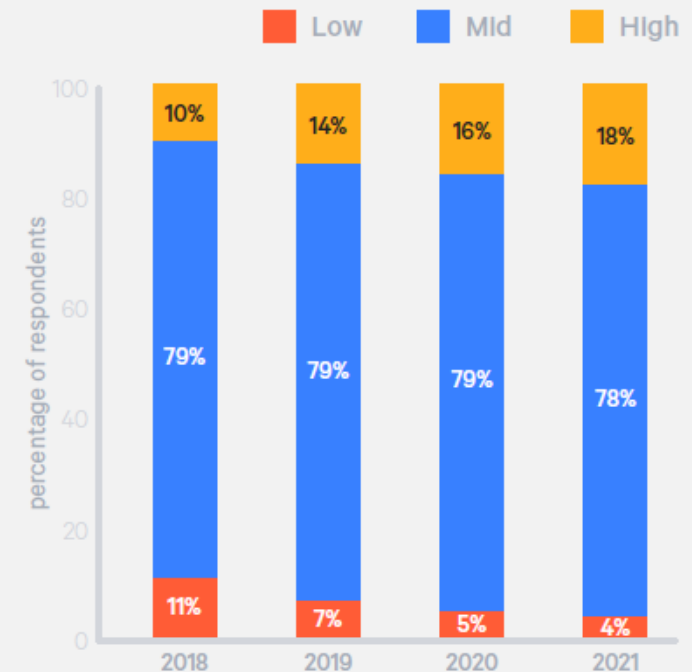


State of DevOps (Puppet)

- “It’s undeniable that DevOps has changed the IT industry for the better, with a significant uptick in automation, infrastructure as code, measurement, collaboration, and systems thinking, all helping us deliver better software, more quickly. It’s become so prevalent that many organizations don’t even use the term “DevOps” anymore – they’ve internalized all its lessons. This is simply how they work.”
- “At the same time, there is a huge variation in what DevOps actually means...
- ...despite the prevalence of DevOps practices across organizations, nearly 80% remain in the middle of their DevOps journey, experiencing varying degrees of success at the team level but not across the entire organization”

DevOps evolutionary levels

Over the last four State of DevOps surveys, the number of respondents that identify as “highly evolved” firms has grown; however, the amount of organizations in the middle level has remained stagnant.





It's taken me 10-plus years to come up with my own one-line definition of DevOps: "DevOps is whatever you do to bridge friction created by silos, and all the rest is engineering." And so, if you're doing technology just for the technology and you're not trying to overcome some friction of the human kind of siloing or group siloing or information siloing or whatever, then you're just doing the engineering part and you're not, in my opinion, doing the DevOps part.

Patrick Debois, Advisor, Snyk (Formerly DevOpsDays)

State of DevOps (DORA)

Key Outcomes

- Organizational performance
- Team performance
- Employee well-being

You need both strong software delivery performance and strong operational performance for organizational performance to see its fullest potential.

Keeping these two balanced with a user focus yields the best organizational results while also improving employee well-being.

Performance Measures

- Software delivery performance
- Operational performance
 - ✓ Reliability
- User-centricity



DevOps Performance Measures

■ Software Delivery Performance

Performance level	Deployment frequency	Change lead time	Change failure rate	Failed deployment recovery time	% of respondents
Elite	On demand	Less than one day	5%	Less than one hour	18%
High	Between once per day and once per week	Between one day and one week	10%	Less than one day	31%
Medium	Between once per week and once per month	Between one week and one month	15%	Between one day and one week	33%
Low	Between once per week and once per month	Between one week and one month	64%	Between one month and six months	17%

DevOps Performance Measures

Operational performance

- How frequently organizations hear directly from users about dissatisfaction in the reliability of their service
- How often their service is unavailable, slow, or otherwise operating incorrectly
- Strong reliability practices (e.g., SRE) predict better operational performance, team performance, and organizational performance
- Improving reliability practices follow a nonlinear path

Without reliability, software delivery performance doesn't predict organizational success. (2022)

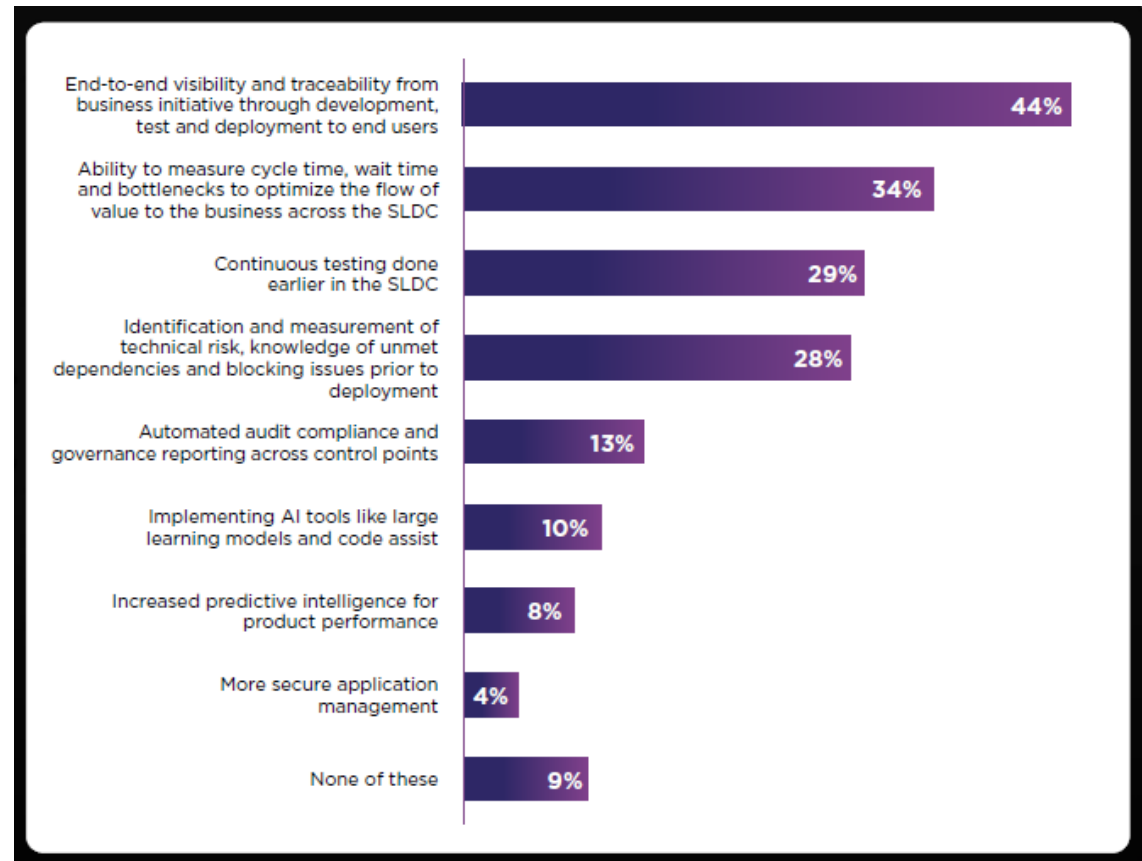
User-centricity

- A team has a clear understanding of what users want to accomplish
- A team's success is evaluated according to the value they provide to their organization and to the users of the application
- Specifications (e.g., requirements planning) are continuously revisited and reprioritized according to user signals
- A user-centric approach to building applications and services is one of the strongest predictors of overall organizational performance
- Teams with strong user-focus have 40% higher organizational performance and 20% higher job satisfaction

What Would Help?

Year after year, the wishlist for better DevOps via Agile is topped by the same two concepts

- End-to-end visibility
- The ability to measure cycle and wait times and bottlenecks



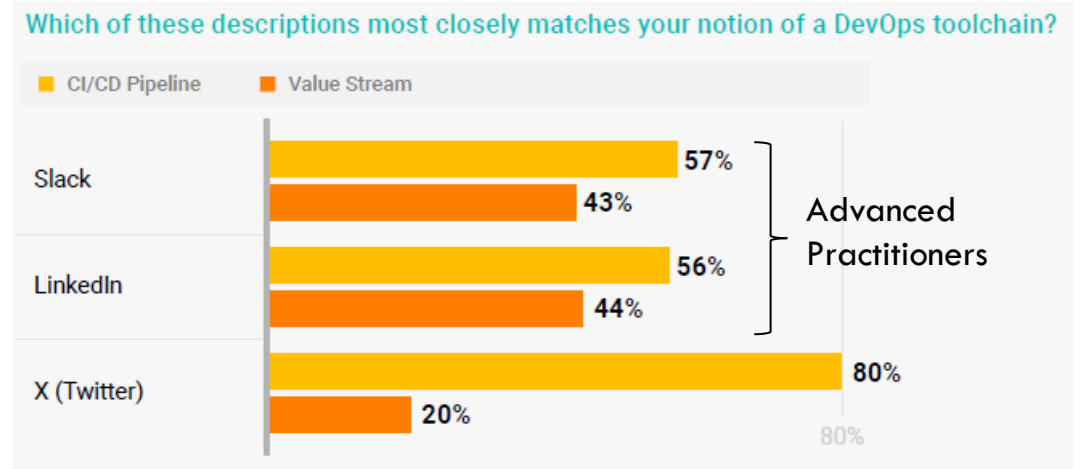
Notions of DevOps Tool Chains

VSM Consortium formulated a hypothesis

“The industry is split in its opinion on where DevOps toolchains start and finish. Advanced level practitioners are more likely to think of a toolchain starting earlier i.e. at ideation rather than at code commit, and finishing later—not at release, but when a customer has received value from the change provided i.e. a value stream.”

“Which of these descriptions most closely matches your notion of a DevOps toolchain?”

- A CI/CD pipeline
- End-to-end automation from planning to customer experience (including service desk)*

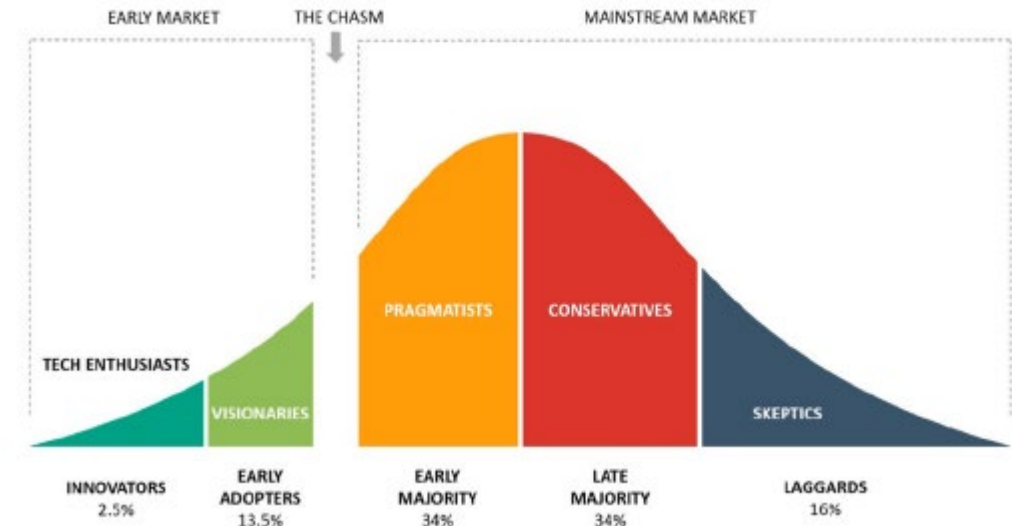




ITSM *and...* Value Stream Management

VSM is Crossing the Chasm

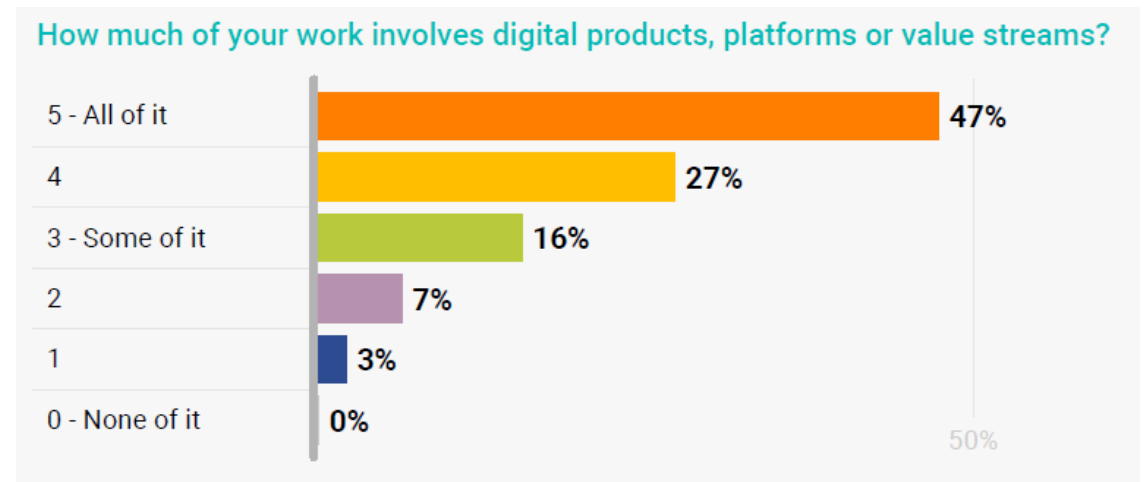
- Innovators are insights-driven, using tools
- Early adopters are organizing around value streams
- The early majority are starting to map value streams
- The late majority are likely not mapping yet
- Laggards may not even be aware of VSM yet



Value stream management brings value stream maps to life allowing for continual monitoring and management.

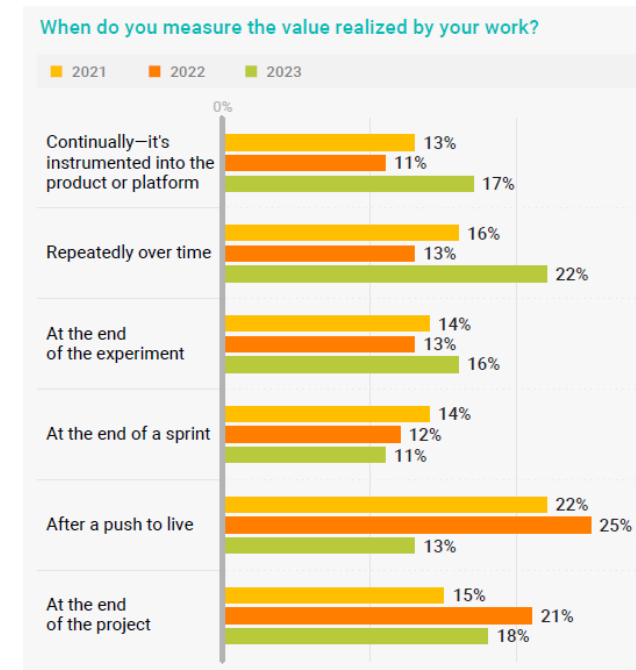
Progress is Being Made

- Companies are twice as likely to organize around value streams (32% in 2023) as they were two years (22% in 2021)
- One-third of respondents have visually documented their organization as a set of interconnected value streams as either value chains or value networks
- 75% of respondents indicate that ‘all’ or ‘a lot’ of their work involves digital products, platforms or value streams



Value Measurement Comes of Age

- New advancements in technology are increasingly making it possible to monitor value realization
- Value outcome expectations are being defined earlier (e.g., during business stakeholder meetings or as a part of market research)
- Organizations increasingly recognize the interconnectedness between customer, user, and employee experiences
- 15% increase in the practice of continuous value measurement
- 85% of respondents are creating value hypotheses



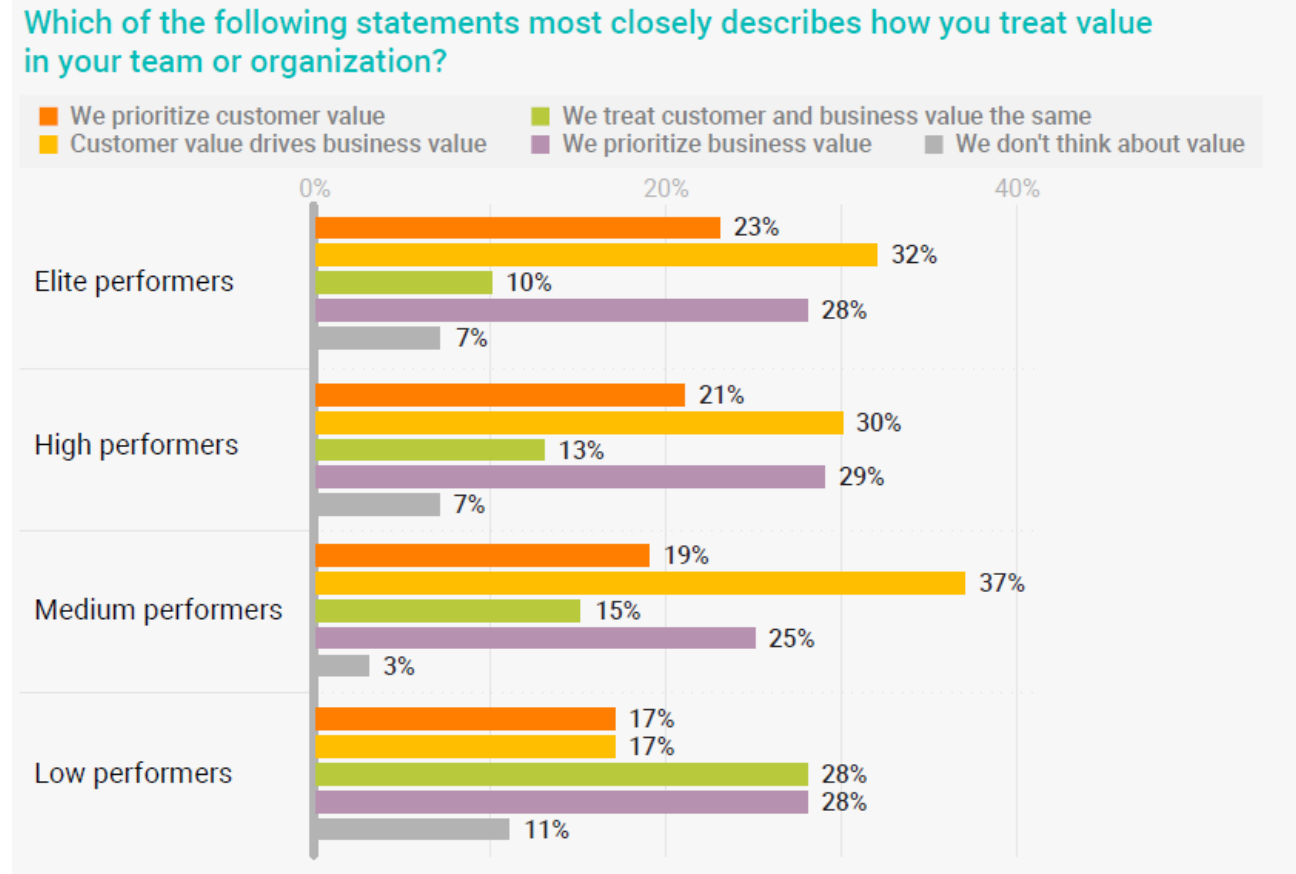
Value Measurement Comes of Age

- “...measurement is the means for a conversation within a community about the work and outcomes they deliver today.”
- “A value stream is a community that collaborates to improve their shared customers’ experience.”



The Value Perspective

- At the core of VSM is customer focus
- The highest performing organizations are most likely to prioritize customer value
- They make the connection between customer and business value





The Role of IT Service Management

Developing Capabilities for Enabling Value

Service management is a set of specialized organizational capabilities for enabling value for customers in the form of services.

- Developing these specialized organizational capabilities requires an understanding of
 - ✓ The nature of value
 - ✓ The nature and scope of the stakeholders involved
 - ✓ How value creation is enabled through services

ITIL provides best practice guidance for service management.

ITIL 4 reshapes established ITSM practices in the wider context of customer experience, value streams, digital transformation and systems thinking, as well as embracing new ways of working, such as Agile, Lean, DevOps, and Site Reliability Engineering (SRE).

Best Practices Provide an Excellent Starting Point...

Adopt

- They provide guidance
- They introduce principles
- They [help] define key terms and concepts

Focus on value

Start where you are

Progress iteratively with feedback

Collaborate and promote visibility

Think and work holistically

Keep it simple and practical

Optimize and automate

...But They Must be Adapted

Adapt

- Get clear on *your* organization's strategies, circumstances, needs, goals and objectives
- Identify available best practices
- Understand why and under what circumstances they are recommended
- Determine which frameworks, practices and processes support your organization's current needs
- Tailor the best practices to the needs of your organization, its customers, and its employees
- Incentivize and reward behaviors that reflect the new ways of working

How the practices are applied is critical!



Key Takeaways

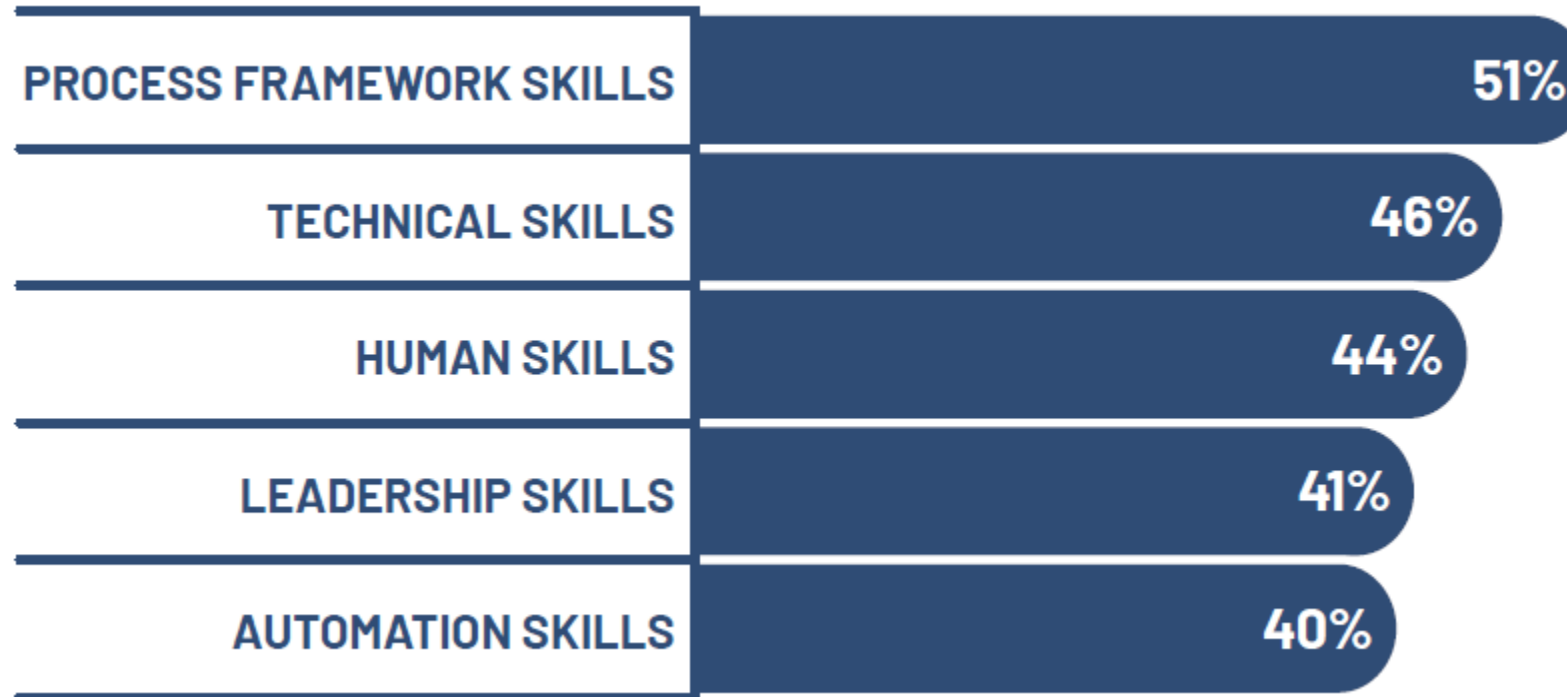
Key Takeaways

- Focus on value
- Measure value realization
 - ✓ Business
 - ✓ Customer/user
 - ✓ Employee
- Balance speed, operational performance, and user focus when making improvements
- Invest in capabilities and learning to narrow your skills gaps
- Consider people, processes and technology



Bridging the Skills Gap

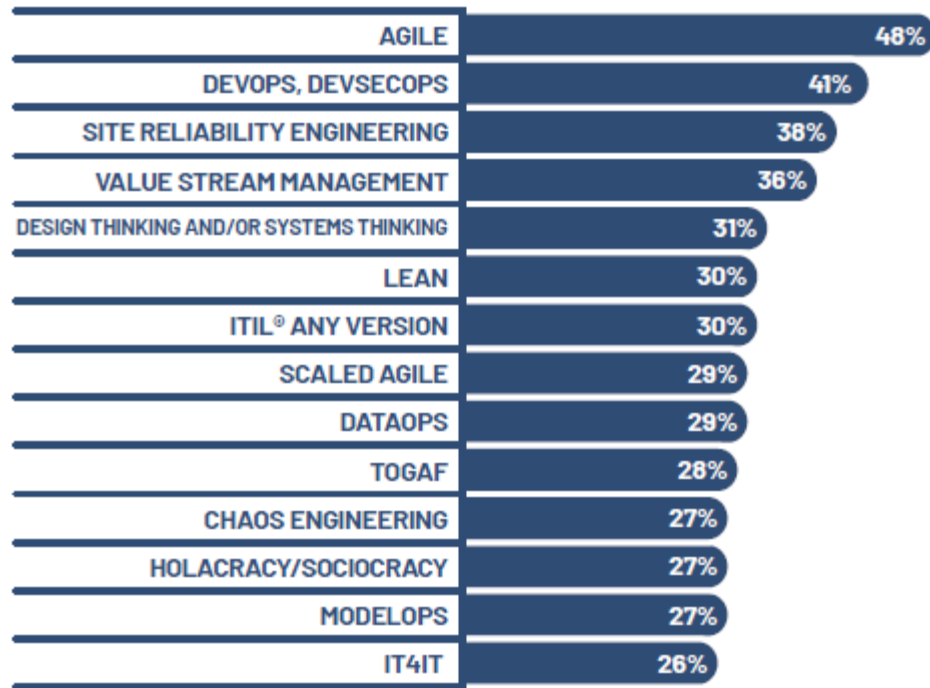
Priorities Across Skill-Building Categories



Despite these stated priorities... when a budget is available, it is first for training in technology and tool development, then for developing skills around process frameworks, and finally for developing human skills.

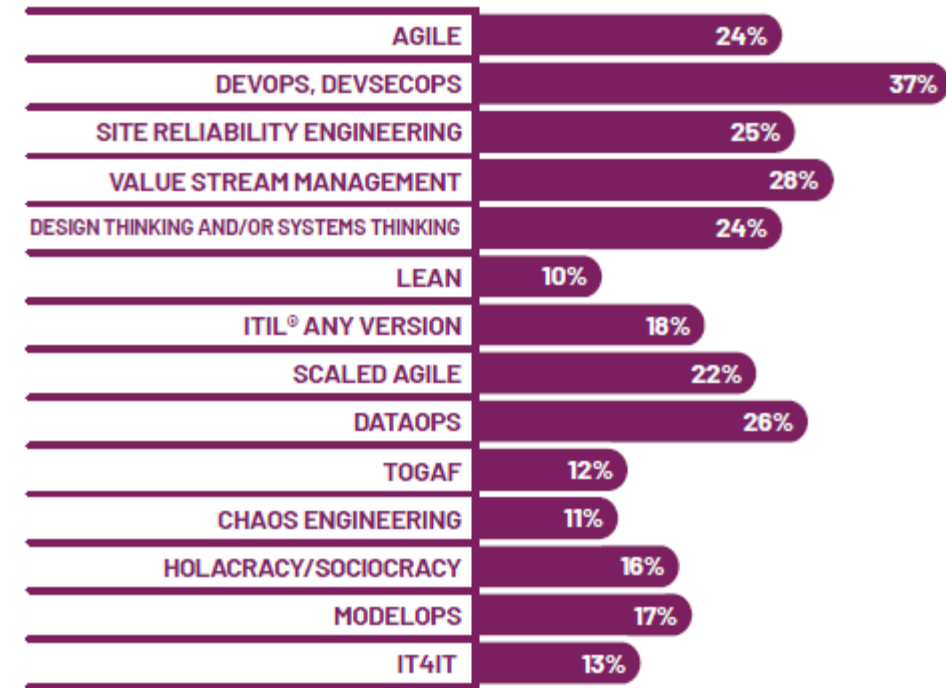
Framework Importance vs. Gaps

2023 PROCESS FRAMEWORK IMPORTANCE



Vs

2023 PROCESS FRAMEWORK SKILL GAPS



What Investments are Needed?

Top 3 Barriers to Upskilling



lack of time



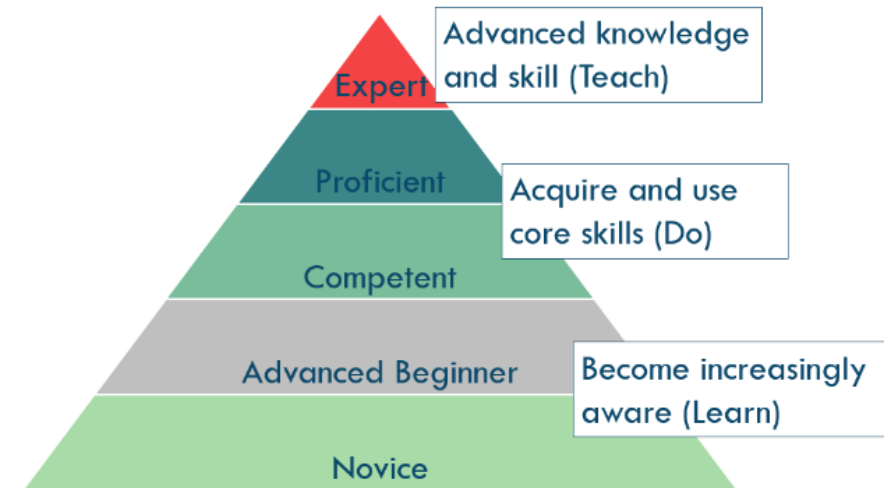
lack of budget



making upskilling a priority

Flip the script

- Give people time
 - ✓ Focus on key terms and concepts
 - ✓ Support skills-based, just-in-time, and micro-learning initiatives
 - ✓ Give people time to experiment and apply what they've learned
 - ✓ Reinforce behaviors
- Allocate budget dollars
 - ✓ Ensure training initiatives support the organization's goals
 - ✓ Provide just enough training
- Make upskilling a priority
 - ✓ Develop an upskilling program
 - ✓ Assess your existing program



Assess your organization's strengths and weaknesses across a wide range of people, process, and technological capabilities to determine where and when and how to focus your efforts.

Want to Learn More?



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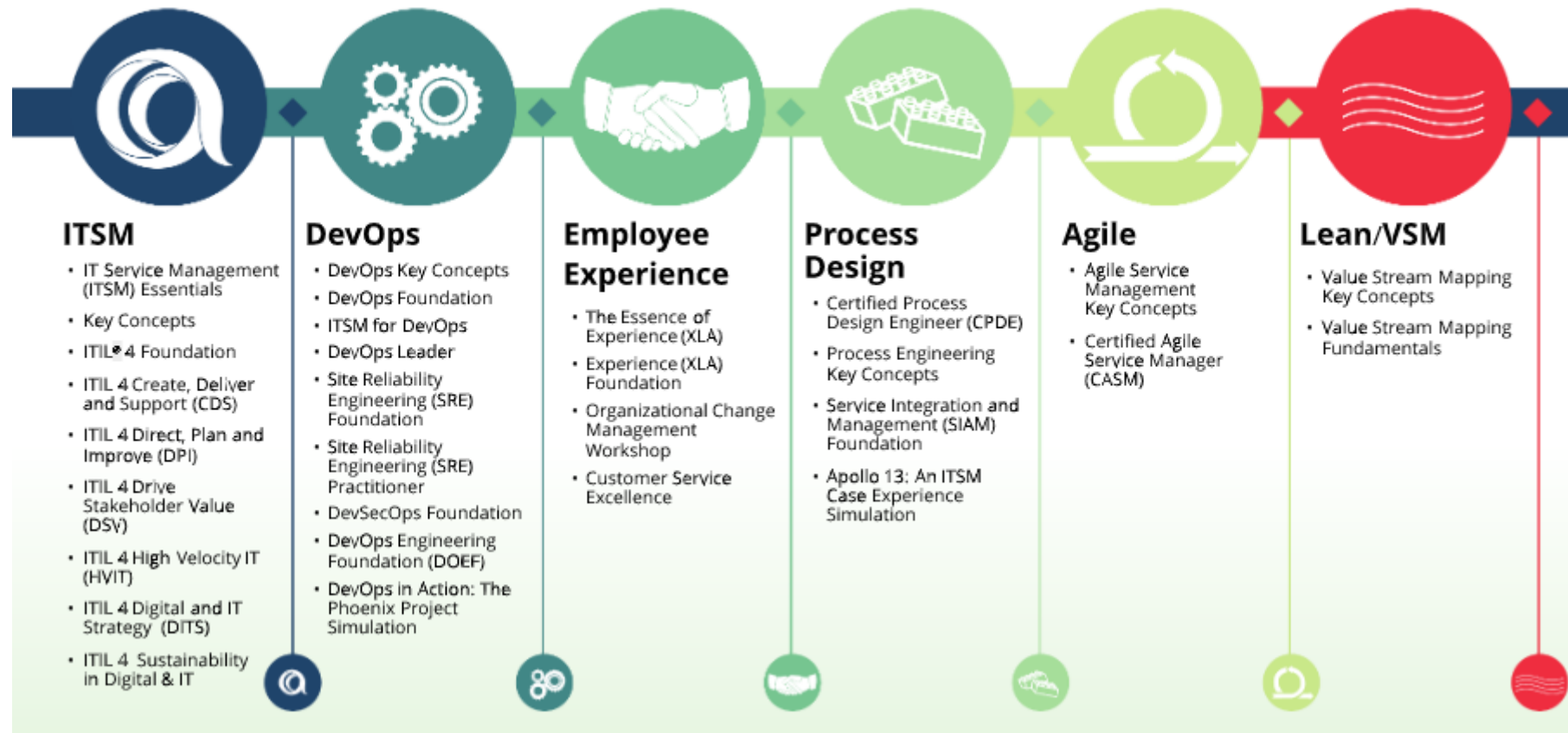
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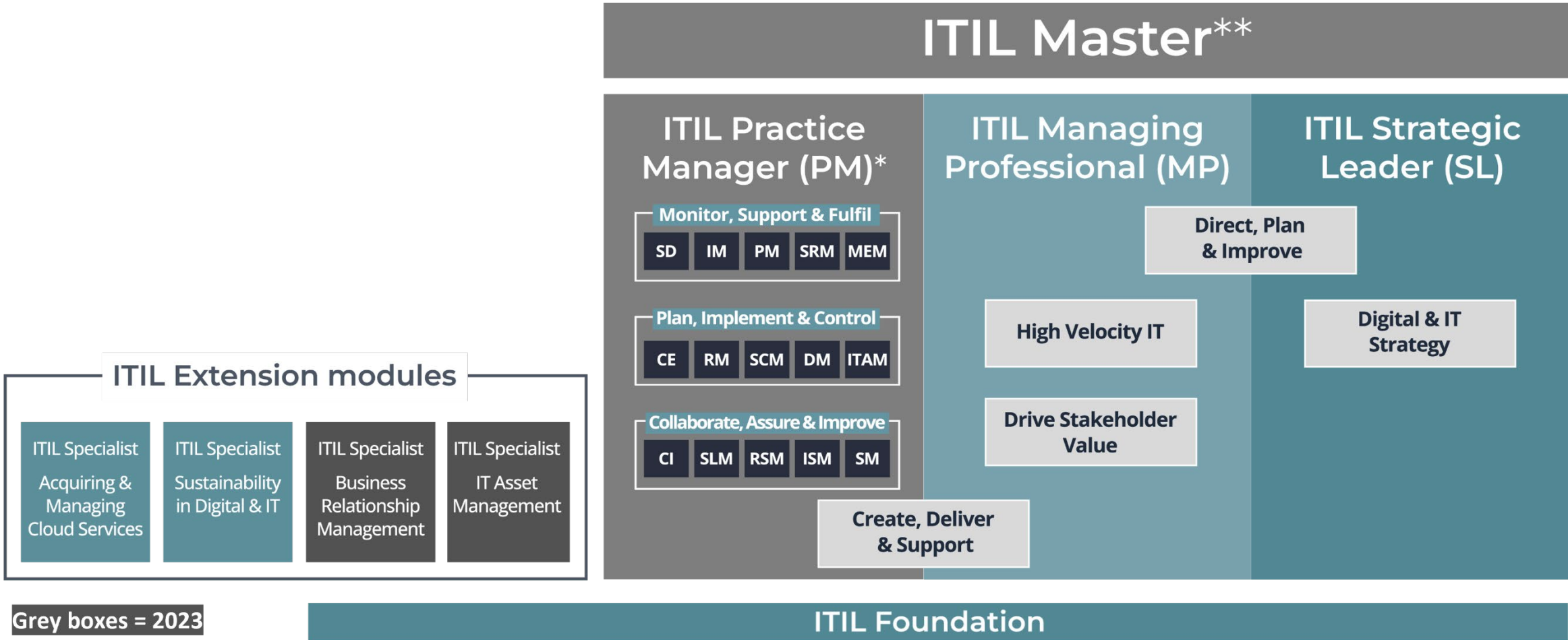
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ITIL Overview

* To be awarded the Practice manager designation, a candidate must achieve ITIL MP CDS certificate and ANY five practice-based certifications, either individually or as ONE of the three pre-bundled course. These may include the ITAM and BRM extension modules or any practices from the Practice manager track.

** ITIL4 Master will be awarded to candidates who achieve the Practice Manager (PM), Managing Professional (PM) and Strategic Leader (SL) designations.



Thank You for Attending!