

CMS and the untapped potential
 Knowledge management for the Service Lifecycle

Majid Iqbal
 Gartner Consulting
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What we'll attempt to cover the next 45 minutes

A problem scenario
 Discuss knowledge creation and transfer
 Creativity and problem-solving
 Why the CMDB is necessary but not sufficient
 Capturing and sharing knowledge
 Tapping the untapped potential
 Life, love and music

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The CMEQ business unit is unhappy about business outcomes EC3 and RR1 being poorly served by the ISD Service Catalogue. The ISD Account Manager has 30 days to do something about it

BUSINESS UNIT	CMEQ	STATEMENT OF SERVICE CAPABILITY Q2 2008	SERVICE CATALOG: ITS 2.0X	DATE: 29/6/2008	
ENHANCE CAPABILITY	TAG1	KEY BUSINESS OUTCOME	SUPPORT L2	SUPPORT L1	SERVICE CATEGORY
	EC1	Increase in quality of decision-making and response to unplanned events	MEDIUM		KNWL_AMLT
	EC2	Increase in quality of knowledge and information available to business processes	STRONG	MEDIUM	KNWL_INF0
	EC3	Decrease in mean time to restore (MTTR) critical services at remote locations	WEAK		INTL_OBT_LOGI
ENHANCE RESOURCE	ER1	Increase in size and complexity of programs, projects and initiatives	STRONG		RRPT_AMLT_DIST
	ER2	Increase in first-call purchase orders secured in the field by sales representatives	STRONG	MEDIUM	MOBL_INT0_INF0
	ER3	Decrease in start-up time (to production) for new and expanded operations	MEDIUM		SITE_INFR_HELP
REDUCE RISK	RR1	Decrease in size and complexity of failures in new or improved business processes	WEAK	WEAK	APPL_TEST_HELP
	RR2	Increase in viability and control over programs, projects and initiatives	MEDIUM		PMCS_RRPT
REDUCE COST	RC1	Decrease in overall costs for employee benefits administration	STRONG	STRONG	WEB_HELP_INF0
	RC2	Decrease in number of delayed installations and average installation time	STRONG		KNWL_LOOK_HELP
OVERALL LEVEL OF SUPPORT (LO)				MEDIUM	

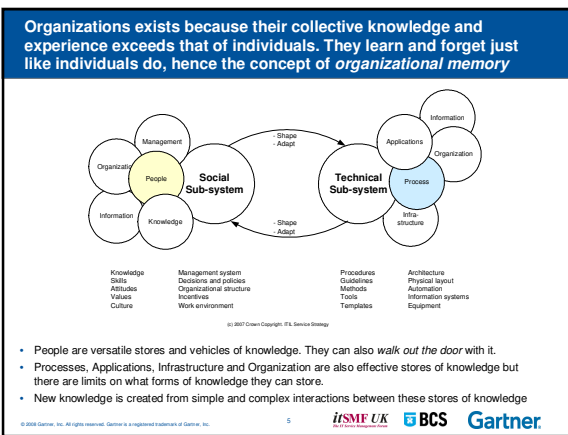
FOR ACTION:
 EC3: Need to identify services to improve coordination across dealer service network for product launches, promotional campaigns, product recalls and field replacements. Dealer satisfaction is very low in this area. Compare about high cost of maintaining and mobilizing field assets and personnel.
 RR1: Check concerns about failures in new business processes and supporting applications. Process engineering teams and business analysts have limited capabilities and resources to areas taking new functions and procedures. Testing environment, methods and tools do not sufficiently simulate the workload characteristics of real demand generated by customer activity.

BUSINESS REVIEW REF: CMEQ 2008 SATISFACTION SURVEY REF: ISD NA Q2 08 SERVICE LEVEL REVIEW REF: CMEQ Q2 08
 ISD ACCOUNT MANAGER: G. BROWN BUSINESS UNIT CH: J. DEPP ISD PRODUCT MANAGER: T. RUSBERT

STATEMENT OF SERVICE CAPABILITY © 2008 GARTNER

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Advantages of knowledge stored in the technical sub-system are largely in terms of availability, scalability, consistency and costs which are limitations associated with human resources

- Process definition and automation are effective in capturing and codifying the knowledge of key individuals thereby increasing its availability to others as well as avoiding losses when they leave
- Applications facilitate the consistent execution of policies and procedures through institutionalization of process knowledge
- Knowledge embedded in applications is asynchronously available in multiple forms and interfaces with fewer constraints
- Certain aspects of creating knowledge such as detection, discovery, optimization, prioritization, scheduling, simulation and visualization are beyond the computational and cognitive abilities of humans

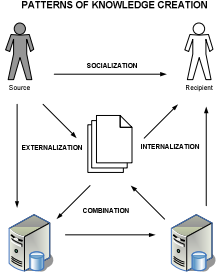
"We can know more than we can tell."
 - Michael Polanyi, a philosopher and professor of chemistry

The Encyclopedia of Informal Education
<http://www.infed.org/encyclopaedia.htm>

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Knowledge transfer occurs when experience in one unit of an organization affects performance in another unit




PATTERNS OF KNOWLEDGE CREATION



THE SPIRAL OF KNOWLEDGE

TACIT		EXPLICIT	
TACIT	SOCIALIZATION By clarifying, discussing, informing, requiring, listening, observing, repeating, shadowing, etc.	EXPLICIT	EXTERNALIZATION By articulating, authoring, annotating, classifying, documenting, editing, modeling, organizing, rendering, reporting, updating, etc.
EXPLICIT	INTERNALIZATION By analyzing, reading, following instructions, memorizing, repeating, replicating, searching, etc.	EXPLICIT	COMBINATION By abstracting, coding, error-checking, designing, integrating, linking, merging, relating, tagging, transcribing, supervising, etc.

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 Based on Hajime Nonaka's *The Knowledge-Creating Company*, Harvard Business Review, 1991

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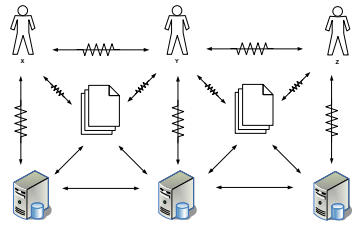
However, transfer of knowledge is difficult because of stickiness factors* associated with the knowledge itself and the situation

KNOWLEDGE FACTORS




- Causal ambiguity
- Unproven knowledge

SITUATION FACTORS

- Lack of absorptive capacity
- Lack of retentive capacity
- Reputation of source
- Motivation of recipient
- Relationship and interaction
- Barren context



* Based on work by Gabriel Szurowski at INSEAD and Wharton School

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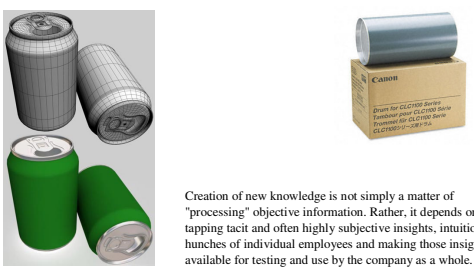
Meanwhile on intuition the ISD account manager has analyzed the Statement of Service Capability and found similarity in the characteristics of EC3 and two other business outcomes

EC3	Decrease in mean time to restore (MTTR) critical services at remote locations	WEAK	INTL, DIST, LOGI
ER1	Increase in first-call purchase orders secured in the field by sales representatives	STRONG	MOBL, INTL, INFO
RC2	Decrease in number of delayed installations and average installation time	STRONG	KNWL, LOGI, HELP

- Coordinate and control field resources interacting with customers
- Timely actions required to solve problems and fulfill requests
- Need for knowledge and information to be easily accessible
- Need to integrate field units with back-office systems and processes

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What's common between a beer can and a Canon photocopier?



Creation of new knowledge is not simply a matter of "processing" objective information. Rather, it depends on tapping tacit and often highly subjective insights, intuitions, and hunches of individual employees and making those insights available for testing and use by the company as a whole.

Hint: The answer is not C-A-N

— Rajima Nonaka, *The Knowledge-Creating Company*, Harvard Business Review, 1991
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The Virtual Office solution has proven successful in increasing the field productivity of sales teams; its product manager is actively seeking to add demand from additional market spaces

This is the value the customer buys: Virtual Office (2.3)

These are the services that deliver value: Mobile Desktop, Office Desktop

Service assets and components that create value: Secure24/7 Email, Network PC, 3G Windows Phone, Desktop Printer, Fax Machine

Services that maintain value: Secure24/7 Email, Internet, E-mail, Voice mail, Diagnostics, On-site Assistance, Help Desk, Third-party Support

Based on ITL Service Strategy © Crown Copyright 2007

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The product manager then relies on information in the Configuration Management (CMS) to determine if a solution is feasible in terms of price, performance and utilization

- Relationships between service assets and configuration items
- Performance and utilization co-related with customer satisfaction data
- Problems and known errors co-related with demand and workload
- Financial data and cost structures
- Lifecycle data on technology assets and components

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SACM facilitates the creation of new knowledge and insight by defining, documenting and maintaining clear, complete, correct and current information on services and service assets.

- There cannot be repeatable service performance without reusable components and configurations
- There is no utility or warranty for customers without repeatable and reliable service performance
- Without utility and warranty, demand for the service is not sustainable; basis for cost recovery is uncertain.
- It is necessary to maintain a controlled vocabulary and a repository of information on services, service assets and configurations including designs, structural models, templates, records and anything else to produce a service.
- In short, SACM codifies and maintains all the knowledge associated with a service across its lifecycle.

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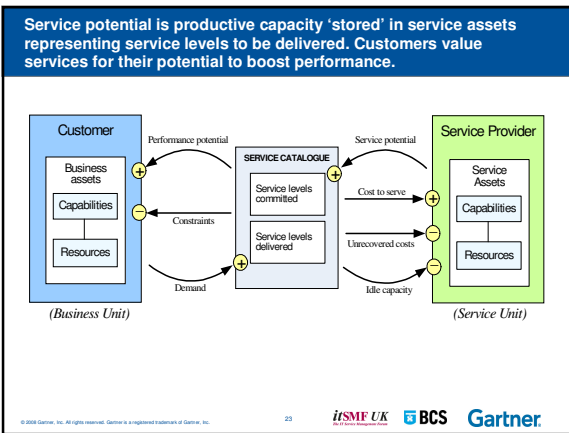
Demand for underlying services and service assets is based on process definitions, activity patterns, committed service levels, business plans and historical data

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"If HP knew what HP knows, it would be three times more profitable."
- Lewis Platt, former CEO, Hewlett-Packard

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■ ■ ■ **Questions?**

Majid Iqbal
Gartner Consulting
majid.iqbal@gartner.com
+1-240-205-2085

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