

REDEFINING IT FUNCTION WITH ITIL® V3

A recent survey, "Global CIO Survey 2008: The role of IT Function in Business Innovation", by Capgemini Consulting with 400 CIOs across the world explores the views of CIOs across the globe on how fast changing relationship between business and technology creates a major new opportunity for today's CIO to build an IT Function that delivers more value than ever before.

The survey shows that organisations where the IT function has a leading role in business innovation share a number of common traits. They are characterised by business leaders who understand IT, effective relationships between the IT function and the rest of the business and strong delivery of fundamental IT services. Their CIOs tend to report into the CEO or COO rather than the CFO, and their IT functions view themselves as partners to the business rather than suppliers or utilities. Interestingly, culture and leadership seem to have more impact on the IT function's ability to innovate than KPIs and financial incentives. For long term success, the CIO needs to develop an environment within the IT function that is conducive to innovation. As well as changing internally, the IT function must improve its profile within the business organisation. It should aim to help the business to use technology to transform business processes, and should proactively scan the marketplace for innovative technologies that can create business value.

The results of the survey interview have identified number of ways in which IT Functions can become more effective at driving innovation:

- Deliver excellence in the fundamentals;
- Work on becoming a partner to the business not just a trusted supplier;
- Bring insights and ideas to the business with help from internal and external partners; and
- Create an open and informal culture, through open leadership.

By tackling IT's strategic and business integration alongside its operations, ITILv3 repositions IT as a true and responsive service provider to the business. Essentially, v3 is much more strategic and aims to reach a new, different audience than earlier releases of the ITIL framework. In v2, the ten processes of the Service Support and Service Delivery books had more of a "bottom up" focus; organizations implemented the modules which offered the most immediate relief, typically starting with support processes and gradually adding delivery processes. But the new ITIL methodology focuses much more heavily on the alignment between IT and business, with a "top down" perspective. A, B, and C level executives will find great value in this new version of the ITIL framework. By putting Service Strategy at the heart of service life cycle to provide guidance in the design, development and implementation of service management as an organizational capability and a strategic asset, ITILv3 addresses the gap between the present IT capabilities and the CIO's vision to drive business innovation with IT as a strategic partner.