

# 1 IT Service Management as critical success factor

2 AsociatiaAbsolventilor UPM, Tirgu Mures, <http://www.itsm4sme.eu/>

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4 **IT-Departments of Small and Medium-sized Enterprises (SME) suffer from latent lack of**  
5 **resources; at the same time globalization and the growing numbers of legal**  
6 **regulations are increasing the financial efforts immensely. Trends like Cloud**  
7 **Computing and Virtualization have the potential to compensate this – if service-**  
8 **orientation became accepted as an organizational self-concept.This is where the**  
9 **Leonardo da Vinci project IT Service Management for SMEs in the Danube Region sets**  
10 **in.**

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12 Believing in actual surveys about major trends in IT, following topics are on top:

- 13 • User-orientation, like user-profiling, social-networks, e-collaboration, or “Bring  
14 your own device”
- 15 • Information management with topics such as business intelligence and  
16 improvement of information quality
- 17 • Flexible IT with topics like standardized architecture models, virtualization or  
18 cloud computing
- 19 • IT-business-orientation with topics like business process orientated sourcing of IT-  
20 services
- 21 • Green IT with topics like energy- and resource optimized operation of computing  
22 centers, infrastructure and workplaces

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## 24 **Promise of salvation: Cloud?**

25 Which of these five trends will be relevant for SMEs can be derived from SME-characteristics  
26 described by Dibbern/Heinzl (2001). Medium-sized IT-departments suffer from latent lack of  
27 resources, which means, they have not enough qualified staff as well as financial capital to  
28 run innovations. In addition globalization and the growing number of legal regulations (Basel3,  
29 GdPdU, SOX and so forth) are lead to additional efforts on top. As a result, the pressure to  
30 rationalize SME internal IT-processes is growing too.

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32 In this situation trend number three, the approach of cloud computing, standardization, and  
33 virtualization, sound like a tempting promise and maybe it could be, if – the technological  
34 changes will be guided by an another organizational philosophy named service-orientation.

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36 Even to operate as an internal service provider and to organize the IT-processes fitting to the

37 requirements of core business processes of internal customers (functional departments),  
38 needs a very different mindset than in the past, where the IT-staff felt only responsible for the  
39 availability of technologies (servers, network, etc.). Financing internal IT through selling IT-  
40 services out of a service-catalogue to functional departments instead of earning a constant  
41 share of the annual companies turnover, changes the relationship between IT- and specialist  
42 departments substantially.

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44 If we believe in the results of a survey operated during the INNOTRAIN IT project from  
45 Electronic Business Institute Heilbronn, service orientation saves SME 20-40% of the  
46 financial and personal IT-resources.

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#### 48 **Saved resources**

49 Still there is a dispute, to what extend saved resources are used for innovations like the  
50 digitalization of company-wide business processes e.g. in purchasing, sales or product  
51 development. Current studies have shown that many small and medium-sized enterprises are  
52 pleased with the cost savings in the IT sector, since the service quality stays at the same  
53 level. Other enterprises are using the freed resources for innovations, though. The IT director  
54 of a successful SME summarized this change to being an innovator: “Today, I’m not defining  
55 my success by the number of headcount I’m responsible for, but much more on the question  
56 if I am one of the first people my boss is asking for advice when he is planning a new  
57 enterprise strategy.” The INNOTRAIN IT survey was able to prove, that IT-innovations in  
58 SMEs have a direct impact on the enterprise’s profit development.

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#### 60 **The advantages of virtualization and standardization**

61 If the advantages of virtualization and standardization and their use within ITSM-reference  
62 models causes such a great benefit, why do so many IT-directors have difficulties with a  
63 paradigm shift towards service orientation? Among the still lacking awareness of IT-costs in  
64 IT- and functional departments, the complexity of existing ITSM-Frameworks like COBIT or  
65 ITIL will be a second major hurdle. Many IT-specialists see these frameworks as less  
66 desirable, because the accompanying documentation effort is suspected to grow in an  
67 inefficient way. Documented system configurations as well as self-updating emergency plans  
68 based on the structured processing of user requests, are therefore rarities in SMEs.

69 In addition, many ITSM-trainings focus on affiliated groups because they were developed for  
70 global companies with a high degree of division of labour. This often leads to the situation,  
71 that alignment topics between enterprise strategy and IT-Strategy get totally lost and to a

72 grotesque situation in which CIOs attend in more strategically orientated COBIT classes,  
73 while their IT-department leader and his staff are visiting ITIL classes in which service-support  
74 is taught in an adequate comprehensiveness, while topics like service delivery are  
75 mentioned much too shortly. Therefore, we can find quite often a well implemented service-  
76 desk function and maybe a feasible incident management, but the really important fit between  
77 IT-services and business processes remains mostly undone.

78  
79 These IT-Management standard methods (ITIL, COBIT, etc.) and practices are not SME-  
80 appropriate anymore, since ITSM depends on regular meetings between the top  
81 management and the IT-director to talk about new strategies and information technologies to  
82 put innovations into actions.

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#### 84 **The ITSM4SME project**

85 The project ITSM4SME supported by the Life Long Learning programme of the European  
86 Union, steps into this gap, with the aim to offer substantially simplified IT-service-  
87 management-methods to SME of the Danube Region to react on the lack of resources and  
88 higher innovation barriers. The project relies on the results of the successful project  
89 INNOTRAIN IT.

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91 More than 25 different “best-practice-examples” for service-orientated SMEs have been  
92 gathered in six European regions as part of INNOTRAIN IT. They form the knowledge base for  
93 trainings in the areas of cost optimization of IT-processes, and business process redesign  
94 and process and product innovations.

95

96 The learning modules focus on different service topics, like

- 97 • The **Implementation level of the method** (e.g. How to define a service catalogue?  
98 How do I implement a service desk?)
- 99 • **The IT-infrastructure level** (such as standardization, automation, and possibly  
100 outsourcing of services like printing or hosting services)
- 101 • **The Level of business processes** (e.g. integration of external sales-services and  
102 standardization of logistics services)
- 103 • **The Final product level** (sale of internal support-services to external customers,  
104 sale of IT-supported after-sale-services).

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106 This method as well as the training program are strictly modular. After an analysis of the to be  
107 status, the SME is offered the necessary modules only. If needed, the growing path to a  
108 higher level of qualifications can be suggested. However, the major aim is to train and  
109 implement the topic service-orientation on a SME level without too much effort.

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### 111 **Trainings**

112 The face-to-face trainings for enterprises last not more than one day. The first part is focused  
113 on the philosophy and the benefits of ITSM in small and medium-sized companies. The  
114 addressed audience are decision-makers in companies. The second part is the hands-on part  
115 considering the different module so the method and the implementation of ITSM in the  
116 organisation. A concrete example is used to show the usage of ITSM.

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118 After such a presence training, every member of the training gets access to an eLearning  
119 platform with short courses and modelling tools for the enterprise architecture. With those  
120 tools, he can work on solutions for case studies – together with other managers and IT-  
121 directors in the region. The trainings are free of charge for small and medium-sized  
122 enterprises from Bulgaria, Romania and Slovenia.

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### **About ITSM4SME**

The ITSM4SME project builds on the results of the INTERREG IVB Central Europe project INNOTRAIN IT. The innovative project results, for example the ITSM method, the training concept, training materials and the ITSM modeling tool, will be adapted and transferred to the countries of Bulgaria, Romania and Slovenia. Accordingly, the Consortium consists of three partners, who were part of the INNOTRAIN IT consortium and cover parts of the conceptual and methodological work, and three training partners from the Danube region, who have extensive experience in the training of IT and innovation skills. ITSM4SME is funded by the European Commission within the framework of the Leonardo da Vinci programme and has a total budget of almost 400,000 euros.

## Local Project Partner

Asociatia Absolventilor UPM&Centrul de  
Instruire si Perfectionare UPM