

# QUESTION & ANSWER

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Exam: ITIL-SOA

Title : ITIL Service Offerings and

Agreements

Version: DEMO

### 1.Scenario

A travel company specializes in providing complete holiday packages to meet customer requirements. There have been instances over the past year where the business has been unable to process holiday bookings due to failure of the IT services. Sales have been lost and the failure has been raised at board level. The IT director has assured the board that the situation will be rectified.

Most holiday bookings are made either by telephone via the company's call centre or through a dedicated website. Both interface with the same back-end booking-processing service. Apart from the call centre and website, the main business services map onto organizational departments and cover: marketing, finance, business operations and central administration.

After some initial investigation within the IT organization, it is clear that the intermittent failures, which were related to a lack of capacity, have occurred during exceptional peak holiday booking periods. The IT organization is not certain when or if these are going to occur in the future. Some booking periods are predictable, such as those associated with promotional offers. Other patterns are totally unpredictable as they often coincide with bad weather being experienced where customers live.

You have been asked how the activities of demand management, based on ITIL practices, can be used to address this issue.

## Refer to Scenario

Which one of the following options is the BEST set of actions required to resolve the issue?

A. Identify the pattern of customer enquiries for holiday bookings and the resulting volume, frequency and location of staff activity. Document these as patterns of business activity (PBA)

Gain an understanding of the different roles that are performed by staff from all business units and how these relate to the PBA for all business processes.

Use this information to identify any shortfall in capacity and create cost estimates of additional resource required to enable the IT services to meet the PBA.

Recommend that, where PBA are very predictable, investment should be made in additional resource. Where PBA are unpredictable, the risks associated with railing to meet demand should be discussed with the business managers, and mitigation actions agreed.

B. Identify the pattern of customer enquiries for holiday bookings and the resulting volume, frequency and location of staff activity. Document these as PBA.

Gain an understanding of the different roles that are performed by the call centre staff and how these relate to the PBA for the call centre business processes.

Use this information to identify any shortfall in capacity and create cost estimates of additional resource required to enable the IT services to meet the PBA.

Discuss the risks associated with failing to meet demand with the business managers. Reach agreement on how to avoid a repeat of the IT failures caused by demand at busy periods.

C. Identify and understand the PBA resulting from metrics of all the IT services. Ensure that the volume, frequency and location of service use is taken into account.

Gain an understanding of how the PBA relate to the use of the IT assets especially the hardware and software that may be the cause of the IT failures.

Once these activities have been completed, the PBA will be used to plan and implement sufficient capacity to meet all demand at all times.

Discuss the risks associated with failing to meet demand with capacity management and technical staff. Reach agreement on how to avoid a repeat of the IT failures caused by demand at busy periods.

D. Immediately implement demand management, document the process and allocate roles and

# responsibilities.

The demand manager should initiate an activity to identify and understand user profiles resulting from business use of the IT services. Code the user profiles linking them to the associated business roles. Match the user profiles to the IT services and analyze any shortfall in capacity required to meet the business objectives. Create a business case for the additional resource required to exceed the business demand for the IT services to account for unpredictable business activity.

Work with service portfolio management and financial management to agree on the approval of the investment and initiate the project to acquire all the additional resources.

#### Answer: A

## 2.Scenario

The IT organization of a manufacturing company is carrying out an annual review of its service portfolio. There is limited budget available for the next year and some projects may be delayed or cancelled. The company has control of most of its IT services, however some are mandated by the company's corporate owners.

The following services are under review:

- Service 1: Web ordering service. This is a new service that will enable the company to fulfill its strategy to sell products on-line and increase its customer base by 20%. Only high-level business requirements have been established so far but. if the project goes ahead, the system will be provided by a supplier using standard applications and technology. A business case has been created which shows the ratio of value-to-cost to be much greater than one.
- Service 2: Sales office service. The service has grown from a number of separate applications that have been combined into one suite. The technical solution for each application is similar but some use different versions of the same operating system. The applications themselves provide the required utility and support their business outcomes well. There is some overlap in functionality across the set of applications contained in the service suite.
- Service 3: Finance reporting service. The service is used by the finance department to create statutory reports to fulfill legal obligations. The service is hosted on a legacy system. The cost of supporting the service is increasing gradually and the return obtained from the service is decreasing. Eventually the service will be replaced by the new enterprise resource planning (ERP) service. It is projected that, over the next two years, the ratio of value-to-cost will drop to less than one.
- Service 4: This is a new ERP service that is being implemented across all companies in the corporate group. It will eventually replace many existing services including the finance reporting service. The service has been approved and chartered, and has a current status of "design". A large number of assets have been allocated to this project. As this service is mandated by the corporate owners, no further decision is required.

# Refer to Scenario:

As part of the service portfolio management team you have been asked to recommend whether investments should be made in these services in the next year.

Which of the following options is the BEST set of decisions to make for the services?

A. Service 1 - invest. Charter the service and set up a service design project

Service 2 - replace. Set up project to replace the set of applications with a single application designed to support the business outcomes

Service 3 - retire. Mark the service for retirement and set up a retirement project. This will make best use

of resources and ensure that information is migrated to the ERP service.

B. Service 1 - promote to the service catalogue, project

Service 2 - retain. Keep the service and support

Service 3 - delay decision. It is likely that this project will use assets that will be allocated review. Allocate resources to the transition stage of the it in its current form service will be retired, but not yet. The retirement elsewhere this year. Reconsider at next annual

C. Service 1 - invest. Charter the service and set up a service design project

Service 2 - rationalize. Set up a project to identify the best way of retaining the support of the business outcomes but eliminating the duplication of functionality and supporting components

Service 3 - delay decision. It is likely that this service will be retired, but not yet. The retirement project will use assets that will be allocated elsewhere this year. Reconsider at next annual review.

D. Service 1 - promote to the service catalogue. Allocate resources to the transition stage of the project Service 2 - re-factor. Set up project to redesign the applications to concentrate on the core functionality of the service

Service 3 - retain. As the service is needed to fulfill legal and statutory compliance it should be retained.

Answer: C

## 3.Scenario

A company provides an internet-based gift delivery service which is highly dependent upon IT services provided by the internal IT organization. A year ago the customer payments service that supports the gift ordering website regularly experienced poor availability. The organization hired a service management consultant to assess why the IT services were performing poorly and to rectify the situation.

As part of the solution, the consultant implemented service level management and adopted the role of interim service level manager. Service level agreements were negotiated with the business and agreed. The necessary underpinning agreements were negotiated and put in place. Regular monitoring and reporting was implemented. Monthly service review meetings with the business unit managers were established to discuss IT service performance and any issues and improvements. Within a year of the start of the initiative the gift ordering website IT service was performing at 98.7% availability, a significant improvement.

This month's service review meeting was attended by the chief executive officer (CEO) after concerns were expressed about the most recent availability figure for the customer payments service, which was 94%. This covered the period which included one of the traditionally most popular gift ordering times. The consultant stated that the poor availability was almost entirely due to an incident that occurred during one of the busiest periods and. as a result, the overall monthly availability percentage was low. Initial investigation has shown that the service desk used the SLA to designate the incident as a 'Priority 2'. This was however lower than the 'Priority 1" the business believed the incident should have been. The subsequent delay in restoration of the service meant some customer orders were lost.

The CEO reminded the consultant that a repeat of such an incident would not only have a major effect on monthly revenues but also seriously affect the company's reputation. The consultant agreed that this was unacceptable and committed to review this issue and report back to the CEO. Refer to Scenario A. The SLM should agree with the business managers to set up a service improvement plan (SIP) to address the issue. Differing views relating to the cause of the low availability mean it should be investigated thoroughly to establish whether the slow restoration of service was due to a lack of understanding by the service desk, incorrect service level targets in the SLA or simply that, owing to the

type of failure, restoration was always going to take that length of time. Appropriate action can then be taken to rectify the issue.

- B. The issue is with the service desk and its incorrect interpretation of the SLA and failure to escalate the issues. The SLM should agree to set up a SIP for the service desk. The operational level agreement (OLA) with the service desk should be reviewed to ensure that it underpins the SLAs. The SIP should include the retraining of the service desk staff. A complete review of the service desk tools should ensure that they can be used to prioritize incidents correctly by passing through targets agreed into the priority matrix of the toolset.
- C. The issue is clearly a breakdown in understanding regarding the critical business periods and the matching of these to the availability targets in the SLAs. The SLM should agree with the business managers to set up a SIP to investigate the issue. The SLAs should be reviewed with the business to ensure that they match with the business needs and, if necessary are updated. Review and update any underpinning agreements as necessary to ensure that they support the targets in the SLAs.
- D. The SLM should conduct an investigation by reviewing incidents and problems. Ask the IT service desk and support staff what ideas they have to resolve the issue. Review the impact on all other SLAs. OLAs contracts and procedures. Review the maturity associated with the service level management process and take steps to improve this process if necessary. Create a SIP with an associated business case for presentation to the chief executive officer (CEO).

## Answer: A

4.A major international company owns shopping malls in many countries. They are responsible for the security, safety and comfort of shoppers visiting the stores in the mall and the facilities management of the locations. The company relies on IT services provided by its IT division. The IT division consists of a corporate IT department at the company's headquarters and a local IT team at each mall. The IT division obtains IT services and products from over 100 different suppliers globally.

The management of suppliers within the IT division is currently performed by the local IT teams in each country, often by the most appropriate technical manager. This has resulted in inconsistent processes and levels of service across the countries.

The management team realizes that this is an ineffective use of IT resources and will have an impact on the future growth of the company. They are currently reviewing the situation and wish to develop supplier management processes that are more closely aligned to ITIL practices. The management team recently conducted a survey of all of the local IT teams within the different countries to collect details about the number and type of contracts and suppliers.

The IT division has developed and implemented many other ITIL processes over the last two years, which has led to significant improvements. The management team would like to build on this success and develop and implement a supplier management process. You have recently joined the corporate IT department and have been given the results of the survey carried out by the management team. Refer to Scenario

Which one of the following options is the BEST sequence of activities to adopt in order to implement a supplier management process and to bring the current situation under control?

- A. 1. Design and develop a supplier management process.
- 2. Define and agree a supplier policy.
- 3. Use the results of the survey to categorize each supplier to determine the type of relationship required.

- 4. Establish and populate a supplier and contract management information system (SCMIS) from the survey feedback.
- 5. Deploy the process in the corporate IT department as a pilot.
- 6. Agree which individuals in the corporate IT department and local IT teams are accountable for the management of each contract and supplier.
- 7. Deploy the process in the remaining countries and conduct a program of awareness and training.
- B. 1. Define and agree a supplier policy.
- 2. Design and develop a supplier management process.
- 3. Use the results of the survey to categorize each supplier to determine the type of relationship required.
- 4. Establish and populate a SCMIS from the survey feedback.
- 5. Agree which individuals in the corporate IT department and local IT teams are accountable for the management of each supplier.
- 6. Deploy the process in all countries and conduct a program of awareness and training.
- 7. Identify where there are duplicate or multiple contracts in place with suppliers and instigate an initiative to review these with the relevant suppliers.
- C. 1. Carry out a further review of the suppliers used by each store in each country.
- 2. Establish and populate the SCMIS from the results of the exercise.
- 3. Design and develop a supplier management process.
- 4. Define and agree a supplier policy.
- 5. Appoint a supplier manager from the corporate IT department to manage all contracts and all suppliers.
- 6. Deploy the process in all countries and conduct a program of awareness and training.
- 7. Renew all contracts to try to obtain better terms and conditions.
- D. 1. Define and agree a supplier policy.
- 2. Agree which individuals in the corporate IT department and local IT teams are accountable for the management of each supplier.
- 3. Use the results of the survey to categorize each supplier to determine the type of relationship required.
- 4. Establish and populate a SCMIS from the survey feedback.
- 5. Design and develop a supplier management process.
- 6. Deploy the process in all countries and conduct a program of awareness and training.
- 7. Work with the service level manager to ensure that all contracts correctly underpin service level agreements.

Answer: D