TUI
InfoTec

Accredited Training Organization Case Study

TUI InfoTec in partnership with SERVIEW

SERVIEW

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Service Management is a Journey not a Destination

"My advice for any organization wanting to improve its service management is have the courage to start and understand that continual improvement is something that never ends," says Michael Cares, Director of Service Delivery, TUI InfoTec

Michael Cares
Director of Service Delivery

Michael is well placed to give that advice – having driven the organization's adoption of ITIL® Best Practice and seeing TUI InfoTec gain its ISO 20000 accreditation in November 2010.

Achieving excellence in service management has been a long journey for TUI InfoTec, and it hasn't always been easy. In 2004, the IT headquarters based in Hannover were operating an efficient, technically advanced department; they had excellent technical management, and IT staff were feeling pretty glib about their technical skills and know-how.

"I suppose you could call them the good old bad old days" Michael says. "Good because we didn't have too many concerns about doing our best, and bad because we weren't customer focused. We thought in technical terms and believed we handled IT well. But in reality we had no real control and we had little or no ability to foresee what was going to happen in the future. We did not think of our colleagues as customers, and TUI InfoTec's customers (the people buying holidays) were not our concern. Our IT was myopic in its outlook."

The result was that colleagues and customers were dissatisfied with the service they got from IT. "Our key tourism processes like selling were not working well enough and we spoke to customers in technical terms they couldn't understand. Furthermore, demands from customers were out of line with our focus."

There were other pain points too – TUI InfoTec was using two different service desk tools which had different procedures and costs were too high with contractors' fees spiralling out of control.

"We only thought in IT/technical terms and not in business terms. We didn't explain costs and whenever we were in a budget discussion we were out of line with what customers wanted and what we could actually deliver. There were certainly no Service Level Agreements (SLA) in place."

In short, there was a culture of misalignment between customer needs and IT focus/priorities. This resulted in:

- Dissatisfied customers
- Lack of control
- Inconsistent information
- High costs

Time for Change

Michael took a step back to view his division and how it served the wider organization. In 2004 he was head of IT operations (infrastructure), which serves Thomson in the UK and TUI in the Nordics, Germany, France, Poland and Austria. He realized it wasn't the IT department per se that was the problem – it was a question of focus.

"I realized we needed cultural change. We wanted to have good control but we didn't have an oversight of the whole infrastructure in the context of the business. I initiated a reorganization which split IT operations from service management. An executive director was appointed to be responsible for service delivery. We separated pure technical operations so we could focus on delivery, compliance and governance."

By chance, Michael sent a few of his colleagues on an ITIL® training course. "At that point we didn't really understand ITIL or service management, but the decision to send a few people on a course turned out to be a very good one."

The course was run by Accredited Training Organization SERVIEW. From those small beginnings, SERVIEW has made a significant difference to TUI InfoTec's service management strategy – and they have helped TUI gain its current compliance with ISO 20000 and 27001.

"On that very first training course SERVIEW asked us what we though IT Service Management (ITSM) really meant. They said we needed service management capability but we shouldn't focus solely on ITIL because in their view ITIL is a guideline and not the solution. They said it was important to establish a culture of ITSM rather than focus on the theory of ITIL. They also said we shouldn't run service management as a project – it should be run as a programme that will never end. "

This final point struck a chord with Michael. In a large organization such as TUI InfoTec, transformational change is fairly frequent as shareholders' priorities change, economies develop and customer needs and purchasing practices evolve. He saw that in order for a culture of service management to become the norm, it would be imperative to make a long term and ongoing commitment.

He sought the approval of his boss Heinz Kreuzer, TUI InfoTec's CEO. They talked through the vision and the issues that Michael foresaw. Luckily the two men agreed and Michael's boss said, "This is exactly what I want." He gave Michael the mandate and told him if he needed his help he would be there, but he trusted Michael to get on with it.

"Even in various crises and times of significant change this programme has continued because we both saw the need and wanted to do it for the company. We understood it's a programme and doesn't end at any point in time. We didn't concentrate on processes or technology – we concentrated on the people changes as we believe that 50% of the effort has nothing to do with process."

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The Journey

2004: A cultural change

TUI InfoTec's service management journey began in earnest with the creation of its own service management guidance: SPIRIT.

"We understood that service management is not about putting in 100 man days and then you're finished. If you start on this road, you've got to keep going – there isn't a destination as such. SPIRIT changes your mindset – it's about conveying spirit in everything we do and adopting a new spirit of service. We taught people what ITSM really means."

Care was taken to reassure people that new ways of working and expectations would benefit both staff and customers.

"We took 350 people on a one day workshop and explained our vision of ITSM to them in the context of business travel. We wanted to set standards of behavior for us as an organization. We also wanted to take the fear away. People worry when their roles change that they won't be in control, that they have been relegated to an administration role. We said they shouldn't worry, it is different but everyone is important. We can all win together."

All ITSM employees are now given ITIL foundation training and take the qualification. Everyone knows and understands the terminology.

> **It's important to convince the key players in the organization.**

"We guaranteed our staff that together we would generate greater customer satisfaction. We wanted them to trust that it would be worth it. I would say we won approval from 70-80% of staff. The rest are either no longer here or they saw that everyone else supported the initiative and they too came round. It's important to convince the key players in the organization. We identified who those key players were and we recognized the talents of staff who had the ability to change roles. For example some system administrators became service managers, change managers, problem managers and incident managers. We made it clear for all staff that the changes would reflect well on them and their skills, future employability and their CV."

> **TUI InfoTec's tenet was to care more for customers than for techniques.**

2005: Incident Management, Change Management & Configuration Management

SERVIEW recommended the best way to get to grips with ITSM and ITIL best practice was to start slowly, get used to processes and behaviors and then move on. TUI InfoTec started with Incident Management so they could act efficiently if an incident occurred. They then focused on change management so they had better control. Once they were comfortable with those new processes, they looked at configuration management to analyze their baseline infrastructure.

"SERVIEW recommended we start with these processes and we trusted them. They advised us that we could do the rest later. You need to live with these processes and behaviors for a little while and then you can move on. We gave employees some time to adjust from focusing on technical infrastructure to service delivery."

2006: Service Level Management (SLM) and Problem Management

Over the next year, TUI InfoTec gained in experience, and made minor changes to its new processes. Encouraged by their success and seeing how different behaviors resulted in more satisfied customers, they were spurred on to do more. In mid 2006 SLM and Problem Management were introduced.

"Problem Management was easier because most customers were happy with the other processes but people wanted to know what happened when things went wrong - and they wanted to be able to implement lessons learned," Michael says.

SLM is still the focus in 2011. "With SLM someone is responsible for service not in a technical environment but in a service environment. They take ownership and act as the interface for the customer. It's a tough job to understand and to do properly."

TUI InfoTec's SL Managers understand how the service supports the business. Customers have to have confidence that their SL Manager can deal with their problems, incidents and requests efficiently.

"We gave SLM a try in 2006 and we thought it was a good approach. There are huge benefits in doing it this way. Since adopting SLM, we think in terms of services and we now have SLAs and monthly SLA meetings. We want to know how we are doing, anticipate what we will be doing in future, and strive to improve all the time. We live by the mantra 'Plan Do Check Act' – it's part of our continual improvement programme."

2007: Costs and incidents decrease, service increases

In 2007 TUI InfoTec managed to get costs down, cut incidents down and it increased service

2008: Major Change

In 2008 there was a major change in the company. While previously Michael had been responsible for IT Operations his focus now became Application Maintenance too.

"We realized we needed ITSM for applications not just infrastructure. We saw that applications are part of services and were no longer separate. Application maintenance became part of our ITSM programme. We now came across all the project work which led us into service transition. Wherever a project was running we established a checklist of things to test before the service went live to the customer."

2009: Continuous improvement

In 2009 the focus was on internal continuous improvement. Customers were asked what service meant to them and the organization looked at what constitutes continuous improvement.

Customers were invited to rate the service they received and a Customer Satisfaction Index was made available to all employees. This meant that someone such as a system administrator who is never in direct correspondence with a customer could – for the first time - see how their work affected the customer.

"Someone like this then begins to understand that it's not enough to be a good administrator – they have to understand what the customer wants," Michael says. The SPIRIT methodology gives staff guidance on the organization's expectations, internal policies, SLAs and Key Performance Indicators (KPI). Each department has its own internal quality policy. Staff are also given advice and support so they know what is expected in terms of their behavior.

2010: Gaining in Maturity

In 2010 TUI InfoTec's ITSM maturity was independently rated at 4-5 which is up from 0-1 in 2004. They felt they needed independent assessment to prove they were doing things right, and gaining ISO certification has also boosted their confidence.

"We felt that accreditation would help us get a strong IT brand name and we wanted to enable new customers to be able to trust us. Now we are a proven service provider and we can convince customers we are professional," Michael says.

2011 – No fear of the auditors

TUI InfoTec's new ITSM Academy was launched in 2011. Michael felt it was important TUI InfoTec remembered why they started on this journey – and that was to create a culture of service, continual improvement, and satisfaction among staff and customers.

"We want to take care of our employees and give them an education in ITSM. Opening the ITSM Academy is something I am very proud of because our staff are the reason we've been able to evolve and achieve so much. I feel it's very important we keep reminding ourselves about the culture we want to work in, and remember our original objective for change, which was about caring for our employees and our customers."

The Academy has partnered with Gaming Works to deliver exciting and innovative courses for ITSM staff.

And what about the future?

Michael says he wants to keep the organization fresh by exchanging ideas and helping each other.

"We want to get into social ITSM – and utilize trends and technologies that facilitate partnerships with our staff, customers, suppliers and partners."

For now though he is delighted to report that auditors hold no fear for the ITSM division.

"Although ITIL wasn't made to get you through audits, it has certainly helped us. Because travel is sold via the internet and by credit cards – there are standards and compliance issues to meet. Our ITIL processes and procedures fulfilled these requirements. We can prove we are a professional organization – we can show reports and measures. Most auditors are impressed we have procedures and continual improvements in place. We love the auditors and we don't fear them. Whatever they find helps us improve."

Conclusions

Michael is very clear that TUI InfoTec's partnership with SERVIEW has been critical to the amount they have been able to achieve. He says this is due to a good understanding between them and the trust they have built up.

"SERVIEW can think openly and give us excellent advice. If we disagree or can't see the purpose of their suggestions, then we can have a frank and open discussion with them. We take their advice extremely seriously because they don't just say "go and read the ITIL books," instead they offer practical examples to illustrate their point. I trust them because they understand us and their advice makes sense. I know that we would be worse off without them."

Michael is justifiably proud that he has been able to establish a mind-set in TUI InfoTec which believes that service management is a programme; it's a culture and a way of life that never ends. He is also delighted that staff have been willing to take ownership of their areas of responsibility, and that people feel committed to the new culture.

He says that none of TUI InfoTec's ITSM achievements could have been accomplished without the highest level senior support from their CEO. This unflinching support has helped keep the programme going though change, and has helped enormously when issues have arisen.

Challenges

Michael advises others who are thinking of undergoing cultural change that the most important thing to address is people's feelings.

"It's easier for techy people to fall back into old behaviors than commit to new ones. In the new world there is more to do. We have to keep investing in people so they don't fall back into their old ways. Keeping people in the new mood is challenging but our Academy is designed to inspire and motivate them to keep moving forward."

MICHAEL'S ADVICE

Have the courage to start.

Be sure it's not a project – it's a programme.

Ensure you have the highest management buy in.

Choose the right sponsors who are willing to support you.

About TUI InfoTec

TUI InfoTec, a Sonata Group company, is a German-Indian IT service provider specialising in IT outsourcing and offshoring as well as IT solutions for travel and tourism.

With our highly flexible shoring model customers receive the best of both worlds: the professionalism, quality and proximity of a German onshore organization and the cost-effective readily available specialists of the Indian offshore development centre. We provide total solution packages for your IT outsourcing from the operation of IT infrastructure to application development or specific partial solution packages for outsourcing individual IT applications, IT services or data centre services.

We are both deeply ingrained in TUI, Europe's leading tourism group and the heart of Sonata's activities in the travel and tourism area. Here we have established ourselves as a leading international provider of sector-specific IT solutions and IT services. At its headquarters in Hanover, Germany, TUI InfoTec has 400 employees and the entire Sonata Group worldwide has 3,100.

APMG-International

APMG-International is a global examination institute accredited by The APM Group, the official ITIL accreditor. Our portfolio of qualifications includes PRINCE2®, MSP®, M_o_R® and P3O®. Our Accredited Training and Consulting Organizations have gone through the most rigorous assessment process in the industry. Our commitment to high standards means that all candidates and organizations awarded an APMG certificate can be assured they have reached our stringent quality standards.

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