

New Service Development and Innovation Workshop

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Agenda

Why service innovation?

Service Properties.

The service development process.

Service Strategy

Service Scenarios

Service Idea Generation

Service Idea Selection

Service Design

Service Implementation

Conclusion

This workshop is about developing ideas for new IT services.

How can we

- support the organisation through innovative IT services;
- link new IT services to business innovation;
- create new services within an ITIL framework?

Why create new services?

To gain business advantage using IT innovations.

To move the business forward.

To respond to customer need and demand.

To improve service delivery approaches.

Being proactive in using IT to support the organisation and thinking outside the box.

New Services and service development are needed as a result of:

Reorganising a product-based IT department around business service groupings;

Changing information needs within business services;

New IT services needs resulting from new organisational services or products

Changing organisational processes;

New information technology availability.

What will we need to design?

Service processes

- Provider activities

- Customer activities

Resources

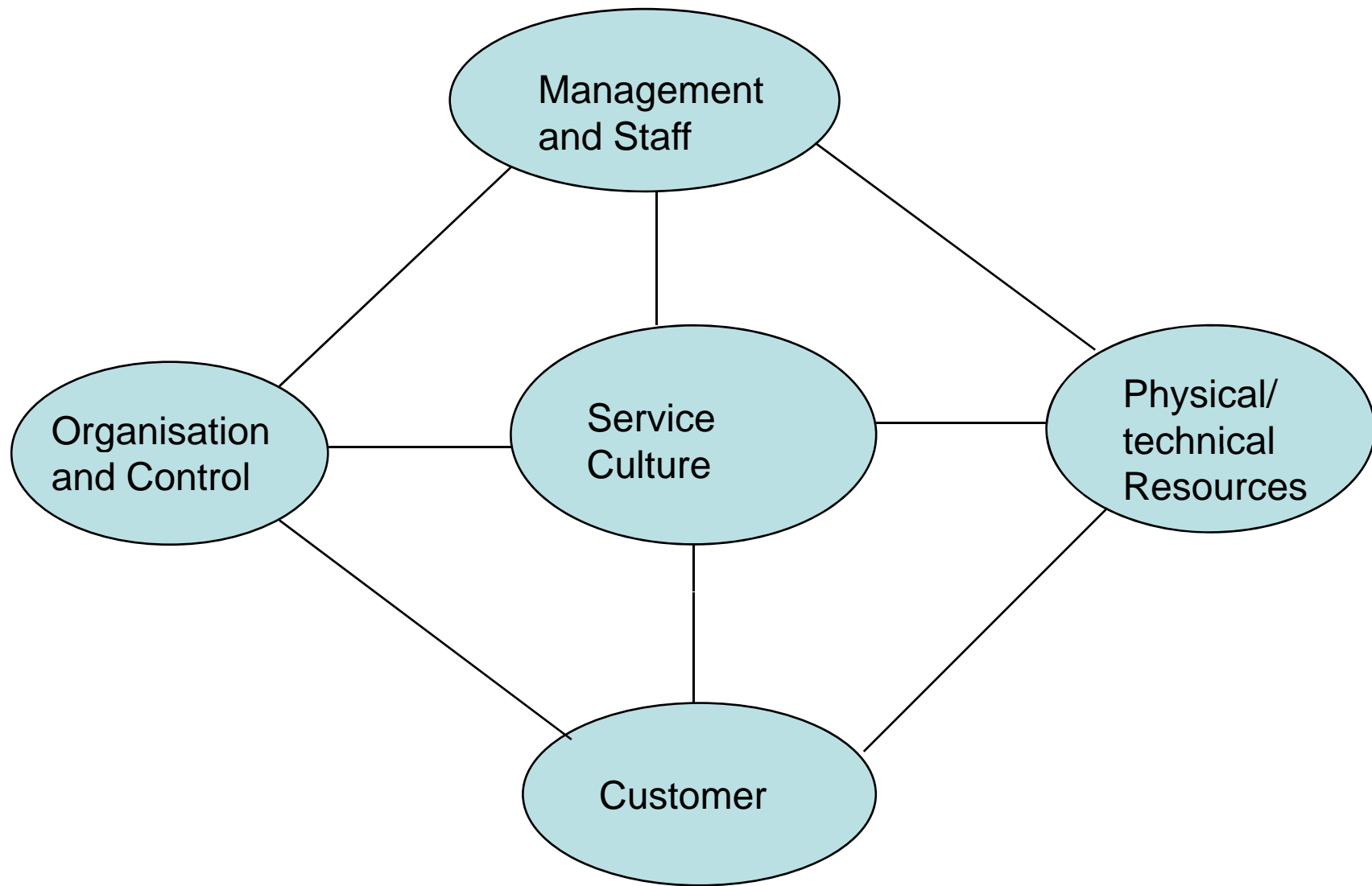
- Computer

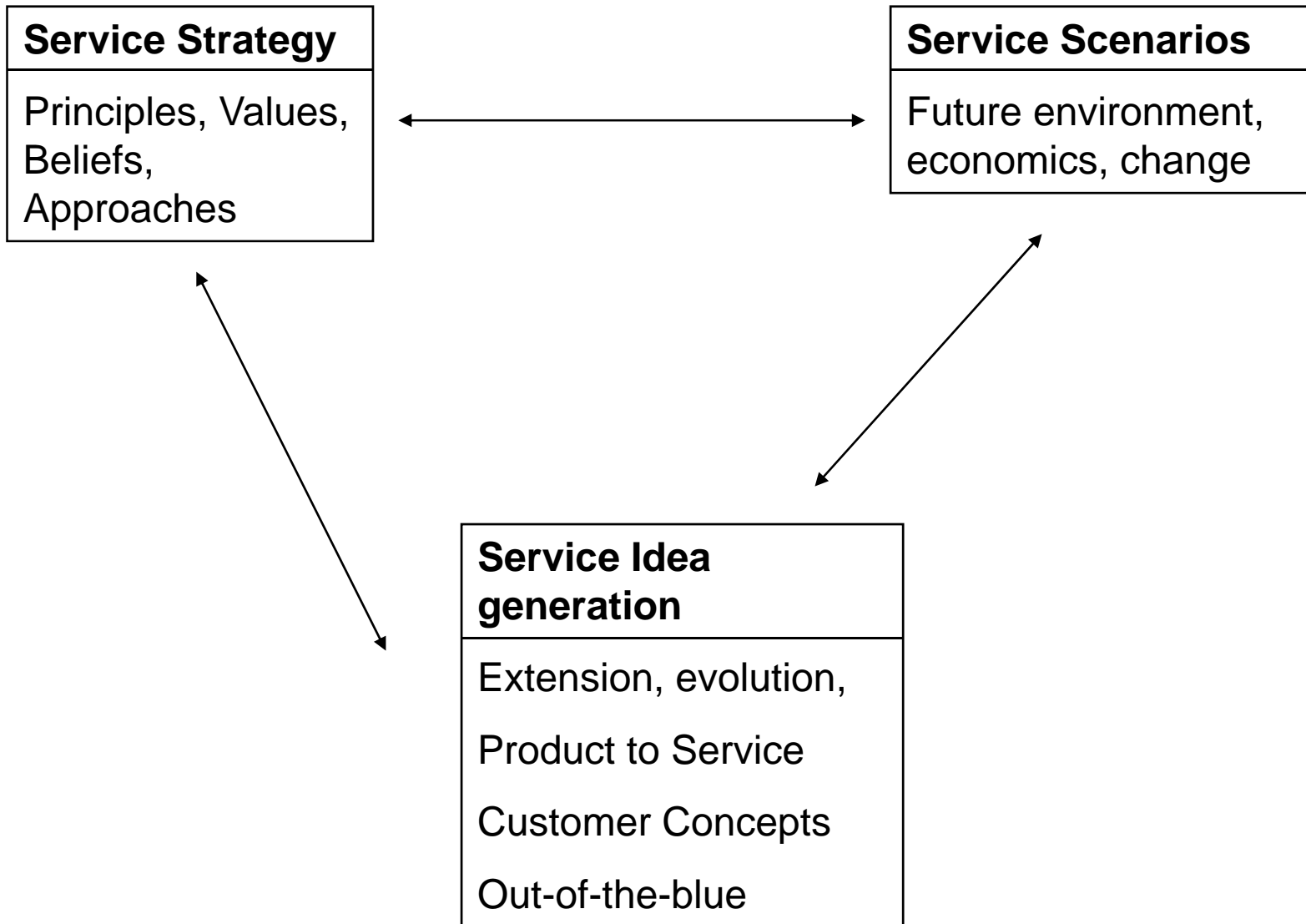
- People

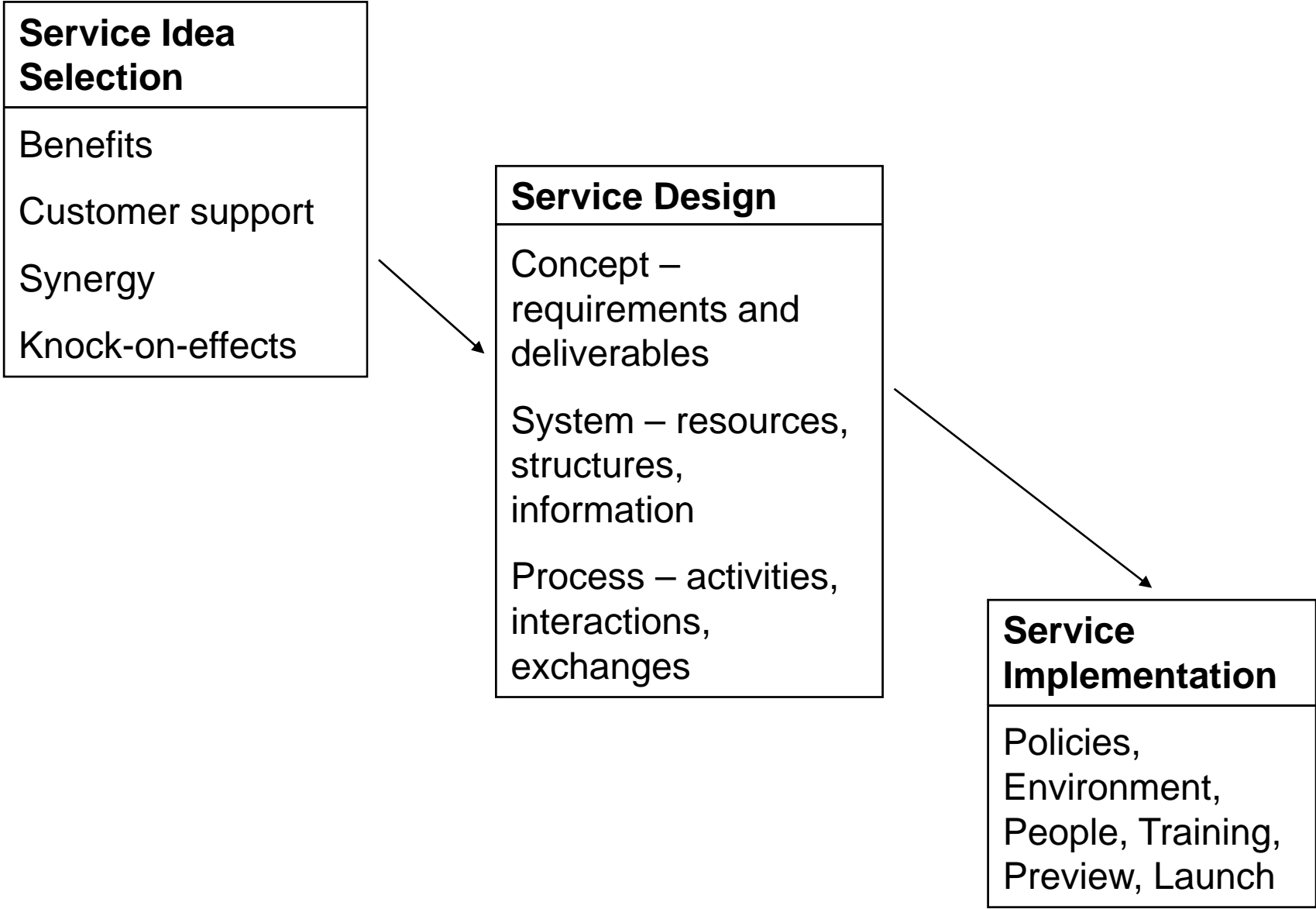
Quality definitions and measures

Costing models

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IT Service Strategy

Linking culture, values and norms

Looking at how IT usage aligns with company needs.

Grouping IT services to match business services.

Distinctive positioning,

Set of related choices,

Tailored web of activities.

(Porter 1996)

Service Strategy for Service Innovation

Identify key principles and policies of IT services.

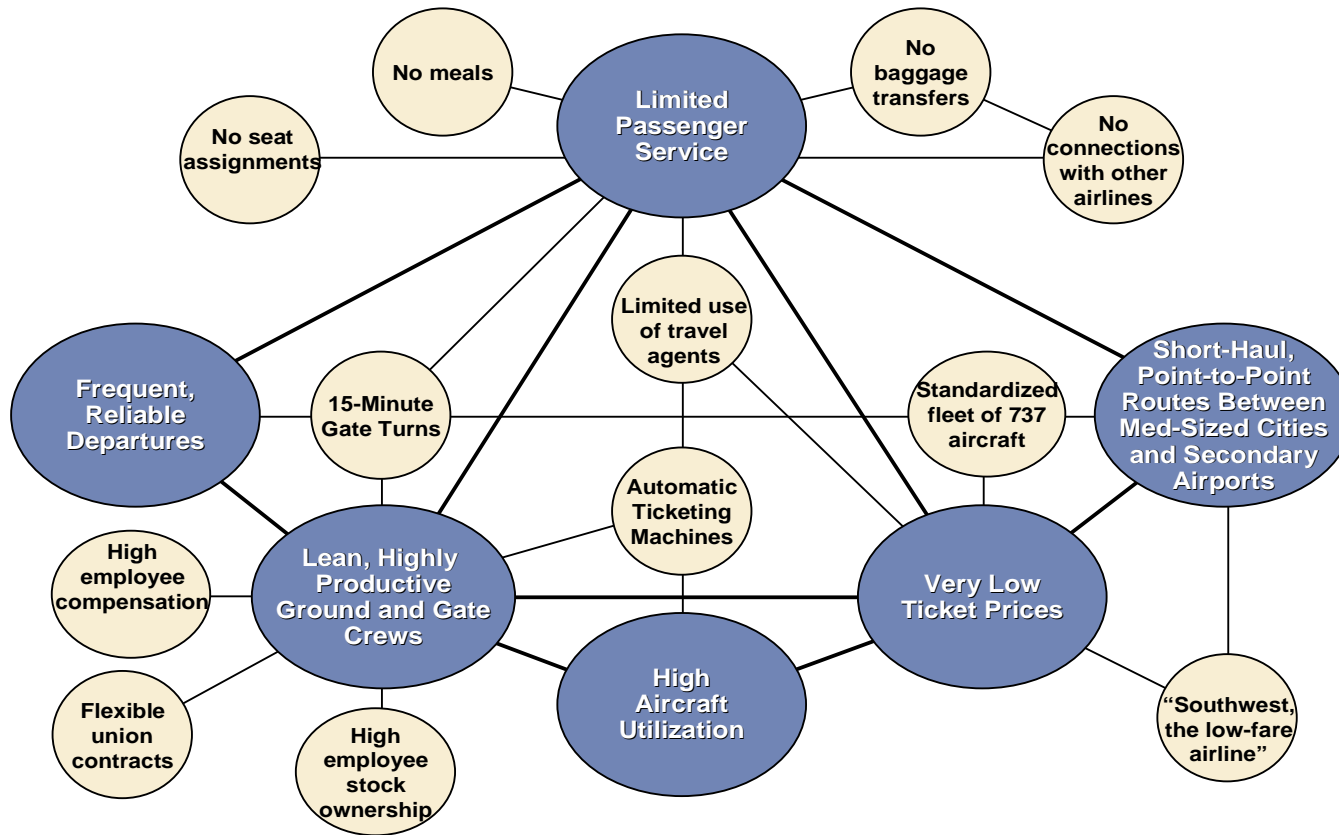
What are the goals you're aiming at?

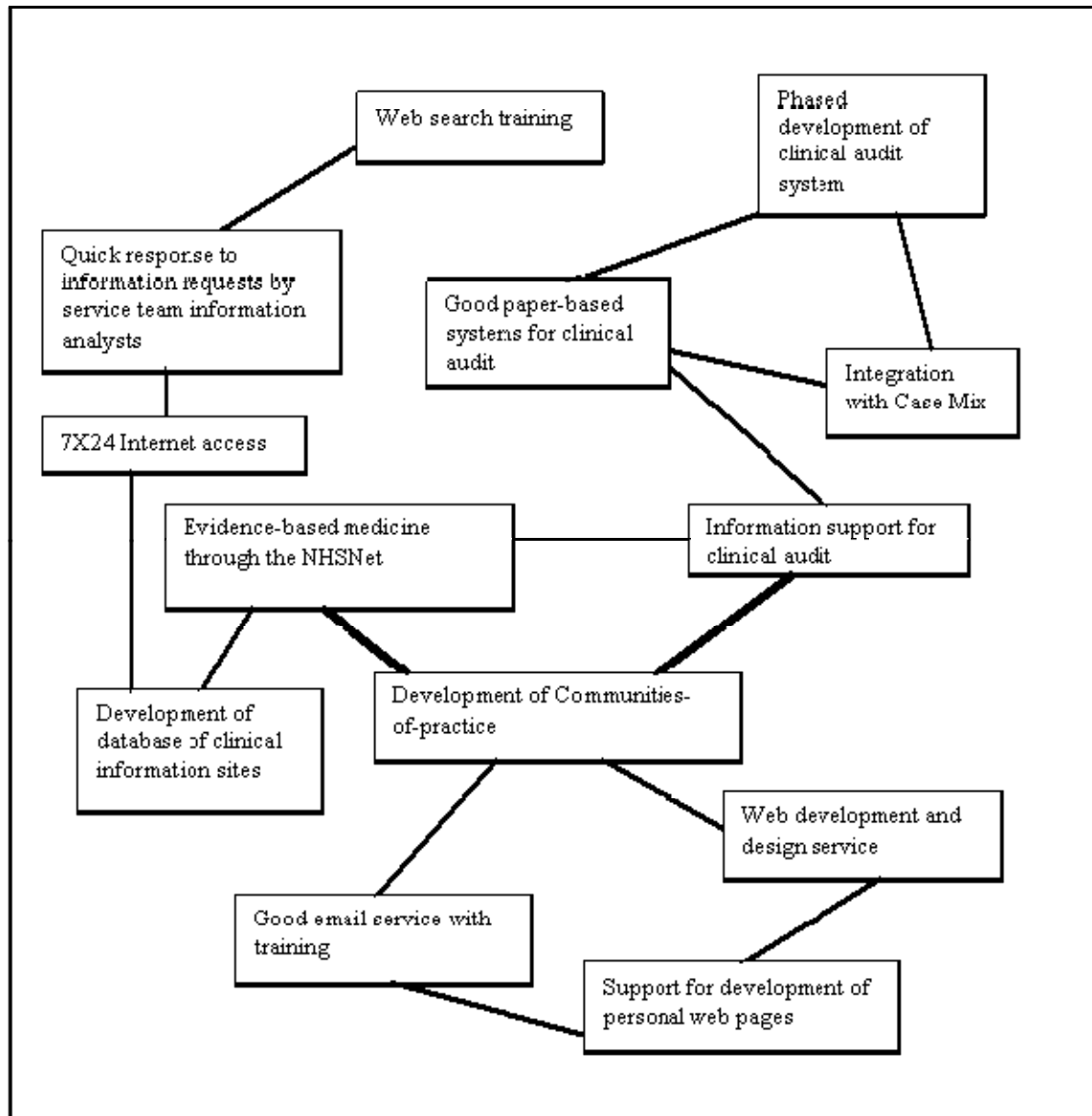
Design activities to support these principles and goals.

How do these activities differ from what you currently do?

Do these principles and activities suggest new or transformed services?

Southwest Airlines Activity System





Breakout Session 1

Identify some key principles within your IT services

What activities support these principles?

Sketch out a possible activity systems map relating the two

Are there any activities in your IT services which really don't relate to the key principles?

Scenario Planning

Scenario planning is a method for learning about the future by *understanding the nature and impact of the most uncertain and important driving forces affecting our future*. It is a group process which encourages knowledge exchange and development of mutual deeper understanding of central issues important to the future of your business. The goal is to craft a number of diverging stories by extrapolating uncertain and heavily influencing driving forces. (Borjesson, 2002)

Scenario Planning

Scenarios are not about predicting the future, but questioning fixed assumptions.

Crafting diverging stories – a series of possible futures

Ordering perceptions about alternative future environments.

Scenario Planning

1. Identify focus issues or decision.
2. Identify primary driving forces:
 - Social,
 - Economic,
 - Political,
 - Technological.
3. Rank driving forces according to importance and uncertainty.
4. Create matrix of two most important.
5. Flesh-out scenarios.
6. Consider implications.

You can tell that you have good scenarios when they are both plausible and surprising; when they have the power to break old stereotypes; and when the makers assume ownership of them and put them to work. Scenario-making is intensely participatory, or it fails."

Peter Schwartz, 'The Art of the Long View'

Breakout Session 2

Identify two key driving forces in your IT service

What are the dimensions of these forces

Represent them on a 2 x 2 matrix.

Discuss one possible scenario arising from this.

Service Idea Generation

Internal or external

Formal or information search

Involving the customer

Need to simulate service idea generation on a long-term basis.

Service Idea Generation

Extending existing services

Evolving existing services into new or different forms

Turning products into services

Creating product-sharing services

Obtaining customer concepts from the coalface

Out-of-the-blue ideas from the technology, from serendipity.

Service idea generation methods

Critical Incident Technique

User groups

Focus groups

Ethnography

Observation

Interviews

Surveys and Questionnaire

Use of Metaphors

Other Industries

Hospitals

Airlines

Other Systems

Biological systems

Geography and Geology

Lateral and Creative Thinking

Service Idea Selection

Emerging patterns identifying new core services.

User demand and support.

Quantitative cost benefit analysis.

Alignment / synergy with business needs.

Extent of integration with existing services.

A balancing exercise in reaching a consensus.

Breakout Session 3

Brainstorm six ideas for new IT services.

Consider how they relate to strategy and scenario.

Select one which you think might be feasible.

What factors might influence its selection? (e.g. costs, service integration etc.)

Service Design

Service Concept

What does the customer get?

How will the service be delivered

Benefits, advantages, needs met.

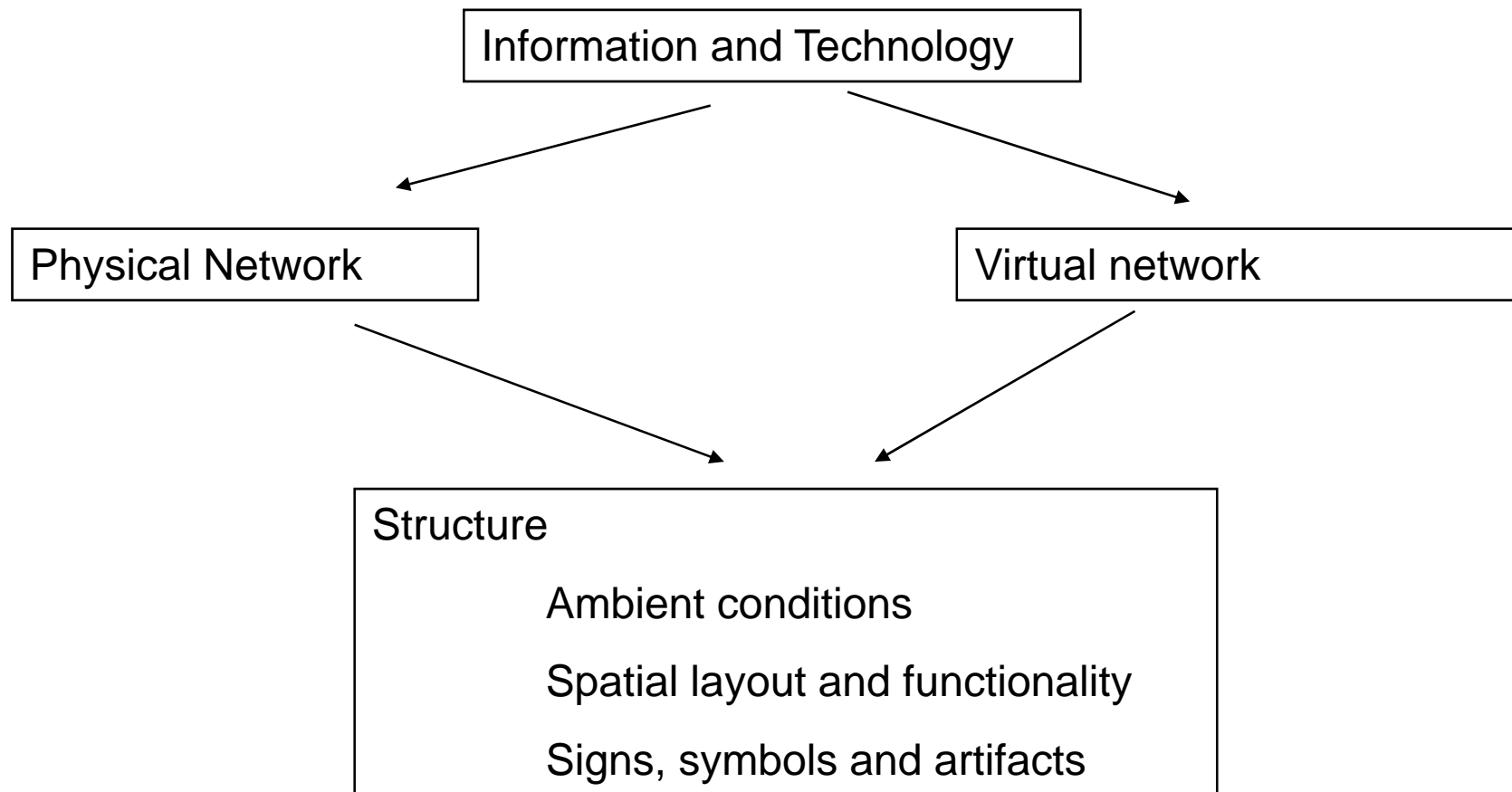
Specification of Requirements

Service Design

Service System

Supporting facilities	Training suite, Information system
Facilitating goods	PCs, training manuals
Explicit services	Training in technique
Implicit Services	Mastery, Certificate.

Servicescape



Electronic Servicescape

Information

Systems

User Interfaces

Software tools

Databases

Service Design

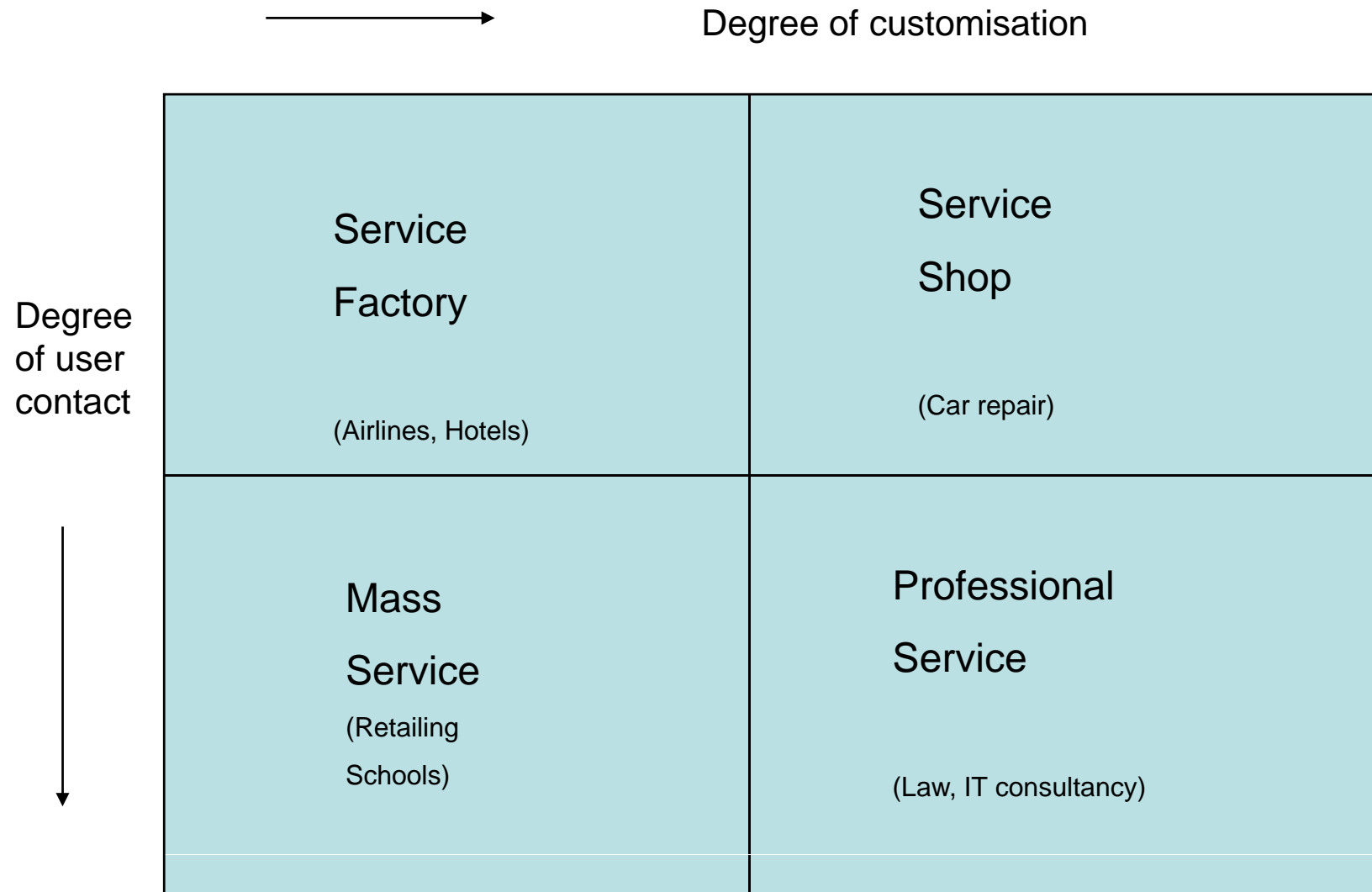
Service Process

Chain of activities

Defining customer involvement

Service blueprinting

Scripting



Service Blueprinting.

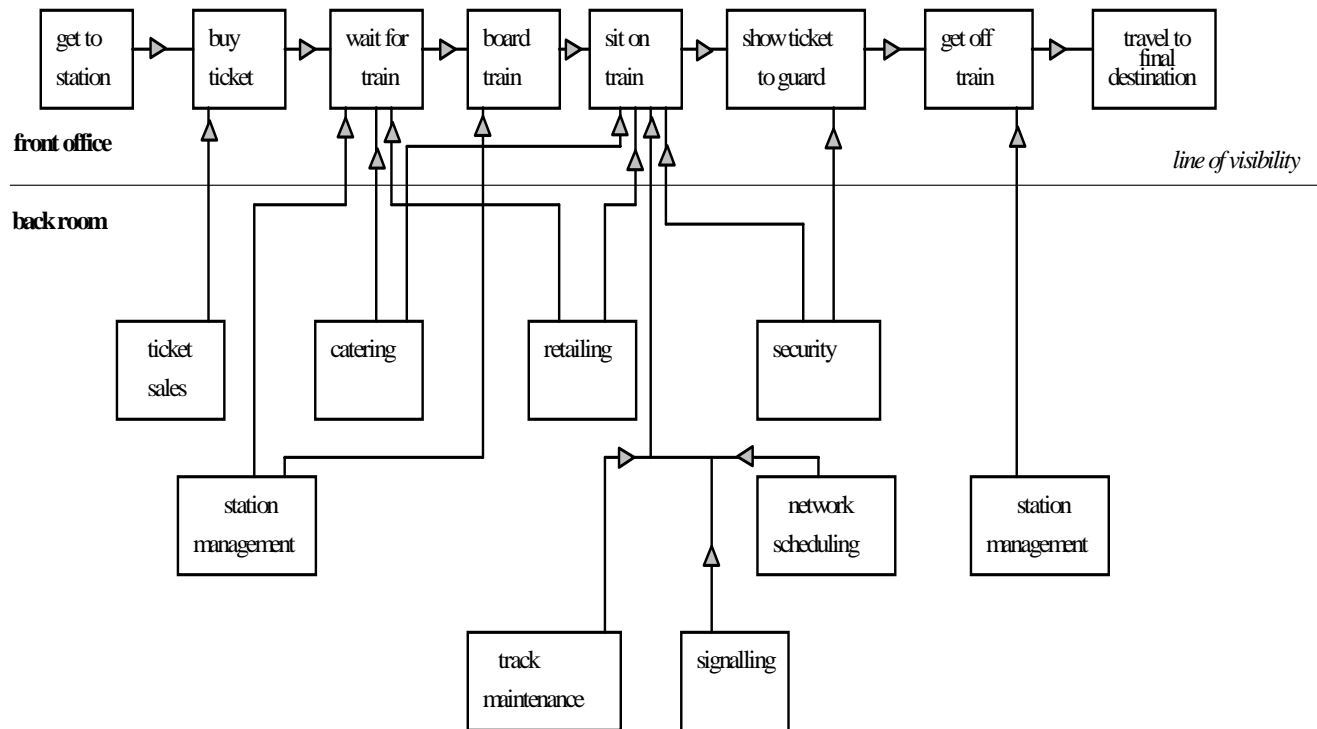
Differentiate between Customer, Front Office and Back Office.

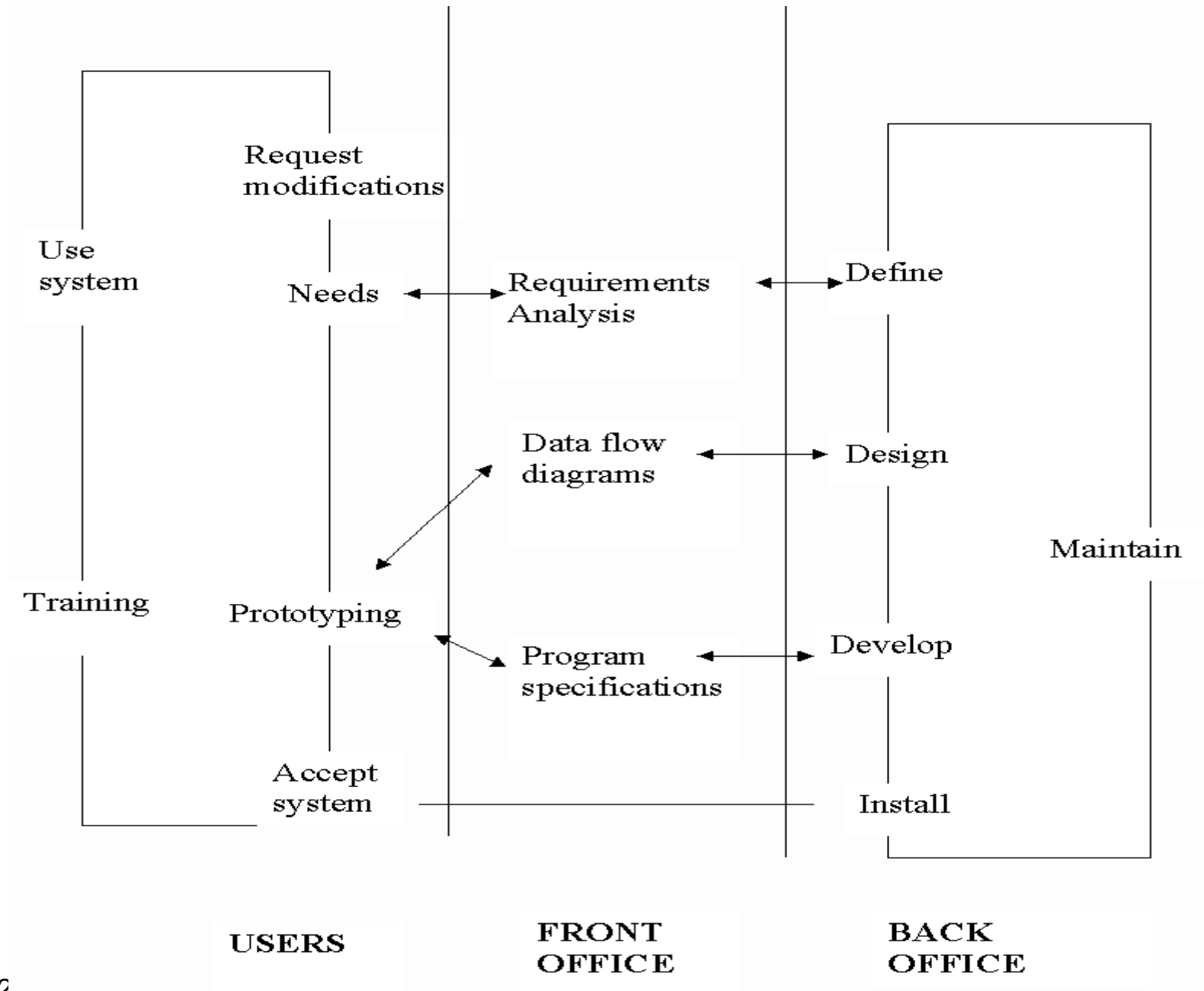
Identify activities involved in the service.

Identify fail points

Draw flowchart.

Identify resource usage.





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Scripting

**CALL HELPDESK
WAIT FOR REPLY
GIVE NAME
GIVE LOCATION
EXPLAIN PROBLEM
REPLY TO SECONDARY QUESTIONS
AGREE PRIORITY
CALL REF
WAIT
ENGINEER ARRIVES
DESCRIBE PROBLEM IN DEPTH
LEAVE ENGINEER TO RESOLVE PROBLEM
RESPOND TO SECONDARY ENQUIRY BY ENGINEER
NOTE WHEN PROBLEM FIXED
WAIT(LATER)
RECEIVE CALL FROM HELPDESK
GIVE SATISFACTION RATING
END**

Breakout Session 4

Consider your selected service idea:

What will be the main elements of the servicescape?

Where will you draw the line of visibility?

Discuss the service script for a customer. What extent of involvement would you expect from the customer? How might you increase the self-service aspects of your new service?

Service Implementation

Service system integration

Change management

Service policies and service quality plan

Allocating roles and duties

Delivering training

Preview

Marketing

Launch

Successful service development involves an understanding of:

Customer needs, requirement, expectations and preferences.

Customer service systems, that is the technical infrastructure, the customers' knowledge and ability to use services.

Customer values and cognitive structure.

The customers' behaviour when using services; customers' usability processes. Focus both on what the customer does and what he wants to do!

Customers' quality perceptions, such as easy to do business with, reliability and customers' dissatisfaction and how customers' complaints are managed.

Conclusions

IT services should be innovating, developing new services, evolving new services to be the changing business needs.

Service innovation should always be on the agenda.

Building new services requires attention to current strategy and organisational values, possible futures, idea generation and rigorous design and implementation.