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MAKING A PROJECT OF ITIL	VOL. 2.22, JUNE 7, 2006

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The *IT Infrastructure Library®* (ITIL®) describes a set of best practices processes for stable, high quality IT services. One key to ITIL success is to manage the implementation as a project. There exist best practices for *Project Management* (PM). The leading PM process is from the *Project Management Institute* (PMI). PMI offers certification and best practices to manage projects.

PMI best practice is documented in the "Guide to *Project Management Body of Knowledge*" (PMBOK). Effective PM ensures that only required activities occur, and helps implement them in the least time, at lowest cost, while meeting Customer requirements.

Unless coordinated ITIL and PM can conflict, because ITIL focuses on stability and PM focuses on change. ITIL and PM share the same potential problem: bureaucracy.

However, integrating ITIL with Project Management can yield benefits to both. Following I introduce the concepts of effective PM in an ITIL environment.

There are 5 distinct processes defined in PMI's PM methodology, Initiation, Planning, Execution, Monitoring and Control, and Closure. There are commonly areas of overlap between these processes as the project continues. There is a fairly straight forward mapping of ITIL processes to PM processes in any given project, and the PM processes are likely to be significantly more robust in most situations.

In addition there are nine knowledge areas defined in PMI's PM methodology:
- **Project Integration Management** ensures that all the parts work together
- **Project Scope Management** ensures that scope is limited to only what must be done for project success
- **Project Time Management** ensures that the project finishes on time
- **Project Cost Management** ensures that the project finishes on budget
- **Project Quality Management** ensures that the project meets the customers needs
- **Project Human Resources Management** ensures that the right people are on the project, and that they are empowered to do their best work
- **Project Communication Management** ensures that the right information gets to the right people at the right time for project success
- **Project Risk Management** ensures that all foreseeable risks to project success are anticipated and planned for
- **Project Procurement Management** ensures that vendors to a project are properly qualified, that contracts reflect what must be done, and that vendors perform to their contractual agreements.

Each is designed to address specific areas of concern in projects. Without taking each into account, the probability of project success is greatly reduced. But when each knowledge area is properly utilized within a project success likelihood is dramatically increased.

The Need for Projects

For enterprises to be competitive, particularly in the face of a global economy, they must commit to a never-ending pursuit of enabling technology that provides competitive advantage by lowering costs, increasing revenue and improving customer satisfaction, while at the same time maintaining and improving current infrastructure and avoiding un-necessary costs and complexity. They have no choice, because their competitors are doing it. The challenge is to correctly evaluate the possibilities, selecting only those changes that provide real business value, and implement those changes as rapidly as possible, because the biggest IT expense is the opportunity cost associated with delay of vital capability and capacity. To accomplish all of this successfully every project must be expertly managed.

IT Project Management has been around for decades, but reached its' current level of maturity and capability during the Year 2000 crisis, when virtually all IT organizations were faced with a true *mission critical* challenge. Many organizations had no clear understanding of what was contained in their infrastructure, nor understanding of the interdependencies between systems, nor any way to assess their degree of threat. The *"Git 'er done an' cross yer fingers"* approach to IT was simply too risky for such *"you bet your enterprise"* issues. Survival (and the demands of external auditors in the case of publicly held companies) dictated compliance with comprehensive project management methodologies, and thousands of enterprises discovered the power of project management as they successfully met the challenge.

Portfolio Management Approach

Following ITIL process ensures stability while becoming more responsive, but if that process is augmented with a robust project / portfolio / program management process even greater gains can be made. The PMBOK describes Project Management for individual projects, Portfolio Management for collections of projects, and Program Management (often referred to as establishing a Project Office) for all projects within an enterprise.

When called for, Portfolio Management ensures the best use of resources between a number of projects for optimum gain, and Program Management (also known as Project Office) takes an even broader view, utilizing resources and schedules across all projects and programs to the best interests of the enterprise as a whole.

However, integrating ITIL with Project Management can yield benefits to both. For example, given the large number of changes likely in early ITIL implementation, and given the scarcity of resources as organizations transition to ITIL, many IT shops are severely challenged attempting to meet the demands of customers. PM offers some extraordinary opportunities to optimize by designing every change for success from the very beginning by fully understanding requirements for functionality and quality, reducing contention for scarce resources and planning their use, limiting scope to only what is actually required by the customer, and monitoring all aspects of the project to ensure that the *Triple Constraints* of Cost, Time and Scope are all in balance.

Project / Portfolio Management causes the vision of ITIL to become a reality through a best practice approach to projects. Project management methodologies, particularly those espoused by the *Project Management Institute* (PMI) view all projects as essentially similar. Despite their obvious differences, all projects require the same structure and skills to achieve success. PMI defines projects as "A temporary endeavor undertaken to create a unique product, service, or result." This means an explicit beginning and an explicit end.

The most significant feature of ITIL is the relentless focus on all activities being driven by *Business Impact and Business Urgency*. When understanding of ITIL exists, most businesses are intolerant of statements like "We're implementing ITIL in the next 3-5 years". Once the benefits of ITIL are clear, urgency becomes paramount.

Triple Constraints Theory
The most significant feature of PM is the balancing and managing the *Triple Constrains* of Time, Cost and Scope, all against a backdrop of quality. PM recognizes the need to keep all three constraints in balance, but never at the expense of required quality. As an example, if scope is to be expanded, costs and / or will increase. If costs need to be reduced, then scope must be reduced and / or time must be increased. If time to completion must be hastened, cost will be increased and / or scope must be reduced.
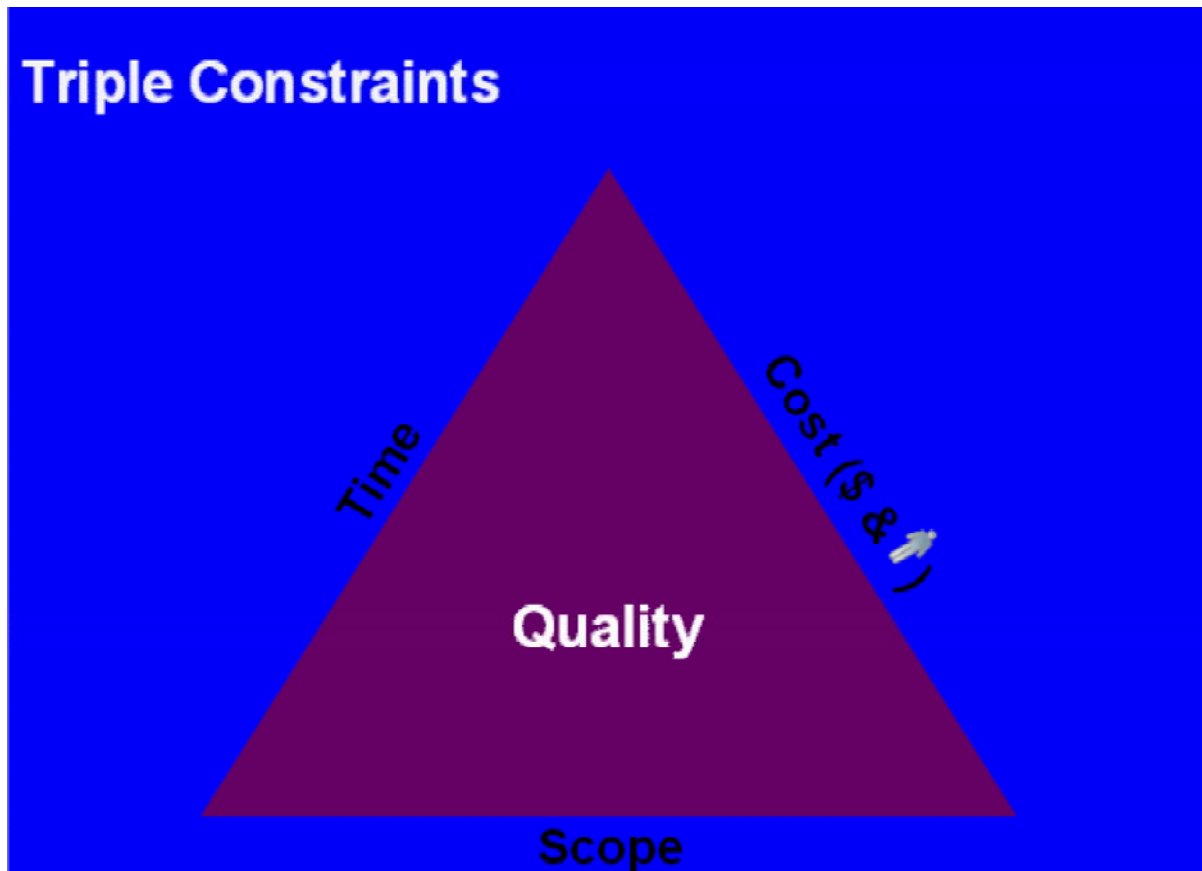
Figure 1. PMI "Triple Constraints"

Any project worth doing is worth doing faster, but not all aspects of a project produce results of equal value, and dependencies exist between many tasks in a project. Moreover, a portfolio approach becomes imperative if resources are to be used to their best advantage. Implementing the most valuable features of ITIL early and fast can produce huge gains at relatively small cost, but this is almost impossible without project management. Project management identifies the most valuable features and critical dependencies and then implements them in the shortest possible time with the least cost.

Implementing ITIL is a complex project that includes significant organizational change. Achieving compliance with ITIL often entails activities seldom seen in IT organizations. Success depends on good project management, and is particularly dependent upon sound scoping, planning, quality management, and communications. Equally important, is establishing a "project management culture" with continuous focus on the triple constraints, which will be of critical importance as the organization matures.

ITIL Projects

There are numerous examples of ITIL functions requiring PM. One specific area of concern in a transforming ITIL organization is the creation or purchase of the *Configuration Management Database* (CMDB) and the storage of Incident and Problem management data. The CMDB underpins virtually all ITIL processes, and requires careful design and customization in order to deliver its full value. If "home grown" there is a major development project; if purchased there is a complex package selection and implementation project. Either case requires skilled project management to succeed.

Even contracting of services and functions to outside organizations requires PM if the desired benefits are to be realized. For example, evaluating alternatives is a project, as is evaluating vendors, integrating vendors into the environment, and even managing the disposition of superfluous *configuration items* in the IT infrastructure.

Change Management is central to ITIL, and many approved changes require project management. Aligning the Change Management process with project management offers the potential for enormous benefits.

- Applying Project Management techniques to Changes can provide significant savings of time and money by approaching decisions from a "do-ability" perspective.
- Scarce resources can be utilized to their greatest advantage across multiple projects.
- Project planning and design ensures that the project delivers according to requirements.
- Cost and time estimates are more accurate.
- Scope is better defined and more likely to be contained.
- Project quality is ensured by designing for quality from the beginning.
- Success rate increases because customers, implementers and project managers are involved from the beginning.

IT is an ever-changing world. ITIL provides the roadmap to transform IT into an agile effective business driven organization. With excellent project management processes, ITIL is more likely to fulfill its promise to dramatically reduce costs, increase customer satisfaction and improve IT infrastructure stability.

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