

# DEFINING WHAT IS AN "IT SERVICE"



At the very heart of IT service management is the actual service you are delivering to the customer. This service should provide value to the customer in order to accomplish a certain objective that is beneficial to them.

However, defining an actual IT service is a common and major challenge, particularly if IT and the customer are not aligned around what is expected from both parties. One reason for this challenge is one of perspective:

- IT sees the service from the basis of applications and infrastructure.
- Customers see the service from outcomes and usage.

For companies to fully support the customer in meeting their objectives, both IT employees and [customers](#) must make a concerted effort to reach a definition of the IT services being provided.

## What is an “IT service” exactly?

Customers who purchase and/or use IT services do so with the intention to accomplish a certain objective. According to [ITIL4](#), a service is any means of enabling **value co-creation** by facilitating **outcomes** that customers want to achieve, without the customer having to manage specific **costs** and **risks**.

This definition is a bit technical, so let's unpack it using the example of a hospital. A hospital may

invest in a patient management system in order to more effectively manage their patients through the entire patient lifecycle: arriving at reception, going to triage, seeing nurses and doctors, receiving medicine, treatment, or prescriptions, booking a follow up appointment, and finally being discharged. That's a lot to manage!

- The hospital doesn't invest in the system just for the sake of using technology. Instead, the hospital deploys this IT solution in order to better serve their patients—these are the **outcomes**.
- Hospital staff aren't necessarily keen to understand technical components, like coding or APIs. Instead, they want to understand the relevant data of particular patient situations— these are the costs and **risks**.
- By serving their patients effectively through use of the system, the efficiency and effectiveness gained provides benefits for the hospital: satisfied patients, more engaged hospital workers, and better financials—this is the **value** that's being created.
- This value can only be realized by working hand in hand with IT or the system provider through common understanding of requirements and by escalating any issues faced—this is the **co-creation**.

This definition, with these [four service components](#), becomes the blueprint by which both the service provider and the service consumer should view all services offered.

## Defining types of IT services

Now that we have a basic understanding of what IT services should do, let's look at the types of ways we may define this work:

### Customer-focused services

One way of defining IT services is customer-centric. In most situations, customers use and deploy services without realizing all that happens beneath the surface. That's generally not a problem, but as technology continues to transform the workplace, the ways customers access and use these IT services are evolving so rapidly that the definition of an IT service is itself shifting.

[Dion Hinchcliffe](#) describes this ongoing transformation as one in which businesses must fundamentally revise how we look at delivery channels for all business units: operations, marketing and sales, and customer care. That's because all business units be [reimagined and repackaged within a digital landscape](#). All work, both products and services, must be delivered digitally first, as that's how business gets done.

This implies that service should be defined by the channel through which the customer accesses the service—most often digital—as well as the means through which the customer can access the options within the IT service, including explicit customer-facing features as well as internal IT systems that fuel the service.

This definition applies to our previous example of a hospital's patient management system:

- The primary channel the hospital uses is digital, likely a web portal, a mobile portal, or both.
- The primary application the hospital runs, the digital portal, provides the various hospital staff with access to a variety of functionalities that support the overall outcomes of patient management.

## Service offerings and service packages

Another way of defining services is focused directly on the services. A service offering, also known as a service package, can include one or more services, designed to address the needs of a target consumer group.

For example, an IT service provider can talk with a customer to understand the customer's needs and objectives. With this understanding, the service provider can deploy their relevant services to create a service offering specific to that customer's needs. Such a service offering may include any combination of:

- Goods or physical products
- Access to resources, such as subscription to a timed usage based on certain terms and conditions
- Service actions, such as maintenance, processing, or support activities

If we breakdown the hospital's patient management system into a service offering, its components would include:

- A CRM for patient registration
- A workflow engine for moving along the chain of handlers
- An inventory system for the pharmacy
- A 24/7 silver support package that provides immediate response whenever an issue arises

As the service offering is created in line with the customer needs, then defining it as such provides alignment both for the IT and the customer in terms of expectations as well as the underlying components that make the service work in order to meet those expectations.

## The goal of IT services

Whatever way you define IT services, keep in mind the true goal of all technology services: that both customers and IT service providers understand what outcomes the customer needs. Only then can IT ensure the underlying elements—invisible to the customer—are managed as smoothly as possible in order to achieve the customer's outcomes. At the end of the day, what matters most is value, and here is where the customer holds all the cards.