ITIL BUSINESS RELATIONSHIP MANAGEMENT EXPLAINED

Business Relationship Management (BRM) is the part of the ITIL framework that deals with anticipating current and future customer needs. It is primarily defined in the Service strategy phase which contains the following major processes, aside from BRM:

- Service portfolio management
- Financial management for IT services
- Demand management
- Strategy management for IT services

In short, with BRM, the value of service delivery is optimized for the customer, strengthening the relationship between client and organization.

Download Now: ITIL 4 Best Practice e-Books

These all-new for 2020 ITIL e-books highlight important elements of ITIL 4 best practices. Quickly understand key changes and actionable concepts, written by ITIL 4 contributors.

Free Download ›

In addition to Service Strategy, BRM impacts other parts of the lifecycle in a number of ways.

Service design

Due to the close relationship between Service Strategy and Service Design (which includes Service Level Management or SLMs), a few processes require the principles of BRM.

However, the line between SLM and BRM is sometimes poorly defined. SLM proactively ensures that service levels are delivered consistently to clients, which requires the Business Relationship Manager to be continuously involved in the process.

Other functions closely related to SLM such as availability and capacity are also impacted by BRM involvement.

Service operation

The Service operation part of the ITIL lifecycle offers opportunities for the Business Relationship Manager to participate in Incident Management and Problem Management. He or she is responsible for liaising between the client and the organization regarding incidents as well as collecting customer feedback. With knowledge of incidents being escalated, the Business Relationship Manager can spot incident trends and work with Problem Management stakeholders to issue corrective action.

Service transition

The Business Relationship Manager will likely be a member of the organization's Change Advisory Board (CAB) which forms a critical part of the formal change management process. They serve to advise Change Managers on the best ways to create and manage change.

More specifically, the Business Relationship Manager will provide critical information on client needs and incidents involving clients. The Change Manager is then responsible for approving or denying the change request.

Business Relationship Manager- Roles and responsibilities

The Business Relationship Manager role combines the responsibilities of a Business Analyst with Business Development and Solution Architect qualities.

The Business Relationship Manager is responsible for:

- Offering a neutral third party between the company and organization outside of service desk

and operations management.
- Assisting in the creation of new services.
- Ensuring service levels are tailored and relevant.
- Engaging with internal risk and regulatory governing bodies like the CAB.
- Assisting in the development of customer feedback channels for complaints and compliments.
- Gaining access to proprietary financial management, legal and service management systems.
- Assisting in the strategic planning of SLM and BRM processes and procedures.

Core competencies and soft skills of this role include:

- Strong communication skills.
- Experience with business transition.
- Portfolio and service management skills.
- Familiarity with [technology](#) required for the job.
- Experience with strategic partners.

BRM sub-processes

BRM affects the ITIL lifecycle via several sub-processes. These include:

- Maintaining customer relationships by ensuring the customer's needs continue to be understood and service providers are devoted to fulfilling them.
- Recognizing service requirements by documenting the desired outcome of a given process.
- Acquiring new customers by providing service levels customers can agree to.
- Implementing customer satisfaction feedback channels like customer surveys and conveying the documented results to all necessary stakeholders like those in operations.
- Handling complaints with tact and urgency.
- Monitoring incidents and keeping track of escalations, seeing them through to client resolution.

BRM service strategy KPIs

BRM is most often associated with Service Strategy. That's because its impact can be felt across all the main processes on this part of the ITIL lifecycle. The main goal of Service Strategy is to understand the needs of customers and operate in a way that serves them. This begins with a market assessment and an analysis of customer needs and goes all the way through to managing a portfolio of services and cultivating a demand for them.

Service Strategy helps organizations determine how their time can be best utilized for serving customers. Like most pieces of the ITIL lifecycle, Service Strategy is mandated by KPIs that ensure organizations are on the right track. These include those metrics relevant to BRM such as measuring the:

- Number of new customers
- Number of lost customers
- Adherence to budget
- Number of complaints
- Number of completed surveys
- Customer satisfaction per service offered
- Cost optimization strategies

- Number of new strategic initiatives

BRM and demand management

Apart from Service Strategy, Business Relationship Managers also own the [Demand Management](#) process. At the end of the day, demand management is intended to influence the client's demand for a company's product or services. Naturally, a big part of this process includes maintaining a strong relationship with the client, handling incidents and responding to feedback.

Service portfolio management

The Business Relationship Manager holds the key that unlocks new services. He or she should always be on the lookout for opportunities to help the organization increase their service portfolio. They must answer questions like - *what does the customer want that we don't currently offer?*

Financial management

The Business Relationship Manager has access to proprietary financial systems for several reasons including:

- Issuing reports on cost and pricing models
- Helping to develop pricing models
- Evaluating current assets
- Making recommendations for new assets to assist clients

Strategy management

The Business Relationship Manager helps to align business IT strategy with client demand. They serve as a key team member liaising between the client and operations, aiding in communicating needs all along the way.

BRM vs. SLM and CRM

The BRM process is sometimes easily confused with other ITSM processes like SLM. Indeed, there is only a fine line dividing the two, however there is a distinction.

The Business Relationship Management process is strategic. It can be thought of as the foundation of the business that paves the way for future customers and partnerships. On the other hand, the SLM process is tactically operational. It offers operations-based solutions to customer pain points.

In fact, the mandate of BRM is achieved by ensuring quality through oversight of service levels *via* SLM. As mentioned above, SLM positions are operational, while BRM roles and responsibilities require them to be independent of the operations department.

Apart from SLM, CRM is also sometimes not clearly differentiated from BRM because the differences are subtle. In IT, CRM takes place at the service desk between Service Desk Analysts and customers as they resolve service issues, mitigate incidents with customer service and upselling.

While there are [some differing opinions](#) about the role CRM in an IT organization, overall it seems

like CRM is a process that BRM touches to offer the customer the best experience possible.

BRM: A thread connecting the ITIL lifecycle

Think of BRM as one thread in the tapestry of the ITIL Lifecycle. It originates at Service Strategy and works its way through service design, service transition and Service operation. BRM touches parts of the lifecycle through various sub-processes that include:

- Carefully cultivating a relationship with the customer.
- Developing new relationships that will convert to customers.
- Ensuring customer feedback is formally received and acknowledged. Getting involved in other phases where the output could affect customers.

At the core of BRM is a Business Relationship Manager whose soft skills like communication, organization and strategic thinking make them an asset to the organization they represent.

Because BRM is nuanced and intertwined with a number of ITIL lifecycle phases and processes, it sometimes gets misconstrued or mistaken for other functions of an IT organization. But BRM is unique, and enterprise organizations would do well to understand and monitor its potential impact.