PeopleCert

ITIL-SOA Exam

ITIL Intermediate Module - Service Offerings and Agreements Exam

Questions & Answers
Demo

Version: 7.0

Question: 1

Scenario
A commercial IT services company has been successful for many years. Its key strategic differentiator has been the provision of new services to meet customers' needs in very short lead times. Recently profits have dipped, forcing senior management to take a look at the lifecycle costs of providing the IT services to their external customers.
The organization has had a service catalogue containing customer and supporting views for some time. It is an essential source of information about the IT services and is used by both the business relationship managers and the IT services teams. Services are designed internally but often transitioned and operated in partnership with other suppliers.
For each service, the service catalogue currently contains:
• A description of the service
• Summary of the service level targets
• The level of support and support details
• Details of the supporting services and components
• Details of services obtained from suppliers
When sales leads are obtained from potential new customers, the requirements are compared with services in the service catalogue and, if no matching service can be found, a project is set up to quickly develop a new service. In the past this has been justified as meeting the needs of the customers, and full business cases were not developed.
A senior service manager has suggested introducing a service portfolio management process and needs to get the support of the IT management team. The management team wishes to know what extra information would be included in a service portfolio over and above what is already in the service catalogue and what value it would be to them.
The company is looking to restrict investment in new resources. Therefore, only a few projects can be authorized in the next budget cycle.
Refer to the Scenario.
Which one of the following sets of statements BEST describes the elements that a service portfolio contains in addition to the elements in a service catalogue, and describes the additional value service portfolio management would bring to the IT services company in resolving their current issues?

A. The service portfolio will include: resource allocation; support terms and conditions; ordering and request procedures; the value proposition; offerings and packages.
The service portfolio will show where additional resources will be required to operate new services.
Service portfolio management will enable the organization to rationalize existing services to optimize the use of resources.
B. The service portfolio will include: business cases; risks; business outcomes supported; cost and pricing.

The service portfolio will show the proportion of resources acquired from key suppliers so that the cost of new services can be accurately estimated.
Creating a service portfolio that includes services in the service pipeline, as well as those in the service catalogue, will enable new services currently being developed to be included in service offerings. This increased visibility of new services extends the range available for new opportunities.
C. The service portfolio will include: ordering and request procedures; service level targets; support terms and conditions; details of services obtained from suppliers.
The service portfolio will show the resources and capabilities that are needed to improve the services in the service catalogue.
Service portfolio management will enable the organization to expand the service catalogue to include details of service requests and standard changes, providing a valuable self-help portal to users.
D. The service portfolio will include: business cases; risks; investment priorities; value propositions.
The service portfolio will show where resources are used across all stages of the service lifecycle both within the provider and where they have been acquired from suppliers.
Service portfolio management will improve the organization's ability to compare potential investments and make sound decisions.

Answer: D

Question: 2

Scenario
An internet banking organization plans to expand operations outside of its current market. Whilst the exact details have yet to be established, it is clear that the IT organization must expand its service offerings within the current portfolio in order to support this growth. It is equally apparent that external customer needs for banking will vary from market to market and that consequently this will require development of completely new service offerings.
You are the head of service within the IT organization. You helped the organization adopt the ITIL framework some years ago and now have most processes in place. Service owners are allocated for the main IT services. Mature service portfolio, service catalogue and service level management processes are in place.
The expansion requires ownership of a business relationship management process and you are considering the role profile for this post.
Refer to the Scenario.
Which one of the following options provides the BEST overview of the business relationship manager's (BRM) responsibilities which will be key to support the expansion?

A. The BRM will engage actively with the customers, gain a good insight into their business and plans, and develop a strong working relationship. The BRM will work closely with the customer to understand the value proposition of any new IT services that will be required to support the expansion program. The BRM will liaise with the service level manager and service owners to develop the designs of any new IT services, thereby creating value for both parties. The BRM will ensure customer expectations of new services do not exceed what they have agreed to pay for.
B. The BRM will engage actively with the customers, gain a good insight into their business and plans, and develop a strong working relationship. The BRM will identify the business requirements associated with the expansion program especially concentrating on gaining a clear understanding of business outcomes and business drivers. The BRM will liaise with the service portfolio manager to

understand how the business outcomes can be supported by IT services, and, where possible, create new services and service offerings for inclusion in the service catalogue. It is key that the BRM understands how changes to the customer environment in different operating markets might affect the delivery of services.
C. The BRM will engage actively with the customers, gain their trust, and help them develop their business area. This would help both the IT organization and the company become more successful. If the BRM commits time and energy, it should be possible to improve the IT services quickly to meet the needs of the expansion program and therefore achieve the business objectives. The BRM should take responsibility for the services and their development, while the service level manager will take responsibility for customer liaison. The BRM will take ultimate responsibility for ensuring the customer needs are met by the service provider by managing any third parties in the emerging markets.
D. The BRM will have primary responsibility for engaging actively with the customers. They should develop a mutual understanding with the customers and have a good working knowledge of their business. The BRM would also work closely with the service owners to understand the profile and usage of the IT services, to help develop the IT services and to create a new service catalogue for the new markets. The BRM will articulate service provider business requirement to the customer to prevent them asking for services that would involve them paying more for the IT service they receive.

Answer: B

Question: 3

Scenario
A clothing manufacturer has made a decision to supplement factory-based retail outlets by opening a series of stores at out-of-town shopping malls.
The internal IT organization provides support to many mission-critical business systems for both the manufacturing and retail operations. It must increase its portfolio of services and service options to meet the planned new expansion. Typically, the business is subject to seasonal patterns of demand, which recently have begun to exceed the capability of some of the IT services. This has led to periods of poor performance of some of the critical systems and therefore to degraded service quality. In periods of minimal demand, there is a surplus of capacity and performance is optimal.
There is concern that the additional business demand from the new stores will exacerbate these service performance issues.
The board of directors, made up of representatives from each business unit, has asked for a review of the business supply and demand issues currently being faced by the IT organization. Many service management processes have been implemented including service portfolio management and capacity management. However, IT does not have a demand management process.
Additionally, performance levels on many of the supporting services have remained unchanged for the past 3 years, even though some may now be less relevant to the overall performance of the critical services.
Refer to the Scenario.
The review of the supply and demand issues concluded that the implementation of a demand management process could help the IT organization address the issues. Which one of the following options provides the BEST solution to both the problems currently being faced and those related to the proposed expansion?

A. The service portfolio should be reviewed and an analysis carried out of each business unit's requirements in order to understand their patterns of business activity (PBA) and corresponding usage of the IT services.
Differentiated service offerings should be developed to match PBA; this will make better use of available IT resources. Supporting service performance targets should be amended to reflect these changes.
Work with business relationship management and capacity management to develop long term plans to meet the extra demand resulting from the company's expansion plans.
B. An analysis should be carried out of each business unit's patterns of business activity (PBA), and appropriate services for each business unit selected from the service catalogue.
In conjunction with the finance department, a revised cost model should be introduced to allow for the fluctuation in usage and costs.
Differential charging should be introduced to address the issues of service quality.
C. The service portfolio should be reviewed and an analysis carried out of each business unit's requirements to understand their current usage of the IT services and where seasonal variations lead to fluctuations in usage.
Discussions should take place with the business units to impose limits within specific time periods for each business unit's usage of IT services.
Work with business relationship management and capacity management to develop long term plans to meet the extra demand resulting from the company's expansion plans.
D. The service portfolio should be reviewed and the business unit's cumulative service usage should be reviewed, monitored and analyzed.
Work with the business to develop short-term measures to manage demand for the IT services, such as delayed or batch processing of retail transactions.
Service levels should be reviewed to take into account changes to supporting service performance targets and, where applicable, agreements should be updated through change management.

Answer: A

Question: 4

Scenario
A financial services organization has undergone a period of rapid expansion. From its operating base it has expanded to serve customers in over 25 countries spread around the globe. There are plans to enter more markets in the next 12 months.
The key stakeholders involved in the global expansion project have briefed the chief information officer (CIO) on the plans. They have identified IT service performance as one of the major threats to the plan. The CIO has been under pressure from the board due to poor IT service performance in the previous six months. The chief concern has been significant performance variations in network connectivity and communications.
The organization currently has three contracts with different local external suppliers in operating markets supporting three IT network hubs. Whilst the suppliers are all happy to follow local internal IT processes, getting the three to work together on incidents or changes has proved increasingly difficult.
A number of outages have resulted in a blame culture where even the local internal IT departments have been sympathetic to their service providers, resulting in strained relationships between these internal departments at an operational level.
Other issues encountered at one or more locations have included:

• Long-term service improvements have been sacrificed in favour of short-term fixes that avoid the payment of contract penalties by the suppliers
• Changes in ownership of the customer relationship by the suppliers
The CIO believes that a lack of communication between suppliers has been the key cause of failures.
All three supplier contracts are due for renewal in the next 12 months. After consultation, a decision to re-tender for network services has been taken by IT, and approved by the CIO and the board of directors.
Refer to the Scenario.
When considering suppliers, which one of the following options would BEST ensure that network issues are addressed in order to meet the needs of the financial services organization?

A. Consideration should be given to entering into a partnership with three local suppliers who have worked together before in similar circumstances. This will ensure both communication and local cultural differences are addressed.
Supplier management should have a single, defined local point of ownership with responsibility granted for operational management of issues.
The threat of contractual penalties should be removed to encourage suppliers to think longer term about sustainable service improvements.
Suppliers will commit to the use of local IT processes to ensure compliance and good communication.
Suppliers are to ensure that staff engaged in the contract (in particular the account managers and customer service managers) are fully ITIL trained so they understand and can implement service management best practice disciplines.
B. Consideration should be given to entering into a partnership with a single supplier where mutual trust and a good relationship can be established.
Supplier management should have a single, defined point of ownership within each country to manage all local operational issues.
A risk-reward framework should be mapped out as an incentive for the supplier to solve local issues.
A strategic alignment should be sought with the supplier where values, goals and cultural fit are similar to that of the financial services organization.
The supplier should set up its own dedicated global account management team to deal with transition and on-going issues by working with local IT support teams.
C. Consideration should be given to entering into a partnership with a single supplier where mutual trust and a good relationship can be established.
Supplier management should have a single, defined point of ownership with local responsibility granted for operational management of issues.
A long-term, risk-reward framework should be mapped out to encourage the supplier to work towards sustainable service improvements instead of shorter-term quick fixes.
A strategic alignment should be sought with the supplier where values, goals and cultural fit are similar to that of the financial services organization.
Implementation of a joint partnership team to initially ensure a smooth transition of the service to the new supplier and to subsequently manage on-going service improvement.
D. Consideration should be given to re-contracting with the three current local suppliers. There is no suggestion that they are technically incompetent; it appears to be communication and local cultural differences that cause problems.
Supplier management should have a single, defined local point of ownership with responsibility granted for operational management of issues.
The threat of contractual penalties should be removed to encourage suppliers to think longer term

about sustainable service improvements.
Communication issues should be addressed by ensuring all incidents are reported to a single global service desk that the financial institution should implement.
Suppliers are to ensure that staff engaged in the contract (in particular the account managers and customer service managers) are fully ITIL trained so they understand and can implement service management best practice disciplines.

Answer: C

Question: 5

Scenario
A flower delivery company introduced ITIL-based service management processes 12 months ago.
One major benefit of the associated service improvement initiatives was that the service availability of the business critical on-line flower ordering IT service increased from 97% to 98.9% over the last quarter. This exceeds the service availability target of 98.5%. Last month, reports were circulated showing the availability improvement.
The service level manager is chairing a service review meeting to review the progress and report upon this achievement. The customer managers acknowledge the improvement but despite the reports of improved service availability, a major service outage occurred during the busiest week of the year when over 25% of the annual business revenue is normally earned. Although IT dealt with the outage satisfactorily, the loss of revenue and credibility in this mission critical, high-visibility trading period are serious concerns. The customer managers are concerned that the reporting does not seem to reflect this or their actual perception of the service.
Agreement is reached at the meeting to address two primary concerns:
1. Service availability targets for the mission critical periods are to be revised.
2. Amended and more representative business reports are to be produced.
Refer to the Scenario.
Which one of the following options will BEST ensure that the primary concerns related to the revision and reporting of targets are addressed?

A. Determine what information each IT team can provide regarding the collection and reporting of component availability. Implement revised mechanisms for the analysis, calculation and reporting of service availability. Ensure that event management is implemented to trigger alerts in response to availability issues. This will allow for reactive measures to be introduced so that, if services fail to meet their availability targets, proper actions can be taken to mitigate future failures.
B. Meet with the customer managers to conduct a thorough review of all services and document all revised service level requirements (SLRs), ensuring that business impact and seasonal variations are taken into account. The SLRs should be transformed into a balanced scorecard of service targets with a dashboard for reporting purposes. Mechanisms should be agreed and implemented to collect, analyze and report against the agreed service targets using the change management process. Reports should be circulated to customer managers five working days in advance of service review meetings.
C. Meet with the customer managers to review and document their availability requirements, ensuring that business impact and seasonal variations are taken into account. Review the monitoring and measurement mechanisms and ensure that they can measure both component and end-to-end service availability. Agree the revised service availability reporting requirements with the customer. Agree and revise service level agreements and operational level agreements as necessary and

implement any changes to the monitoring and reporting mechanisms using the change management process.
D. Review the requirements for service availability against the data collection and measurement currently provided by the IT teams. Design availability metrics and controls to report any variances at the monthly service review meetings, as well as how these variances will be addressed in the future. Internal IT staff and a customer manager will attend the service review meetings. All changes have to be agreed in the service review meetings before any actions can be performed, thus forcing the customer to come to the meetings and reach agreement before any improvement work or change can occur.

Answer: C