

Service Level Improvement Method

Why is Service Level Management often a very laborious process? You try to match Customer expectations with the competencies of your own service organization. What is right now is wrong tomorrow. What is excellent today is nothing special next week. Despite the detailed specifications of service levels in agreements with Customers, perceptions tend to shift. Parties who have service level agreements seem to have subscriptions to frustrations. What can we do to manage this problem or - better said – to cope with this fact of life? This article presents a solution that typically matches Dutch culture of consensus in society, business and politics. It's the service management variant of the Dutch Polder Model [1]. In society it proved to be a formula towards relative success and wealth for parties involved. But, does it work for Service Management?

1. Introduction

A majority of ICT Service Providers will confirm that it is too risky to give guarantees for service that meet Customer expectation for 100%. It simply is impossible. They say: This is utopia. Customers should understand that there should be balance between quality and costs. Besides, Customer requirements and technology keep changing. But do providers really try? Are they really innovative as it comes to Customer satisfaction?

The message of this article is that it is possible to give service guarantees and to approximate 100% Customer satisfaction. The secret is that it's not only the specification of service levels in a Service Level Agreement (SLA) but also management of the perceptions of Customer and provider. In fact, it is a "secret" every one knows. Why then don't people take the right consequences? Why isn't perception management integrated in Service Level Management?

2. Service Level Agreements

It's not new for ICT providers to try to meet expectations of Customers. But, with increasing complexity of ICT and the dependency on it, specification of service levels has acquired high priority. The level of (measurable) ICT-performance is more and more deciding for the Customers' business performance. Availability of an application can be of vital interest for a company. Payments for ICT services are often made dependent on measured performance of the provider. Customers generally have internal or external Customers their selves, so they have to be able to cover their financial risks.

All of this stimulates concentration on Service Level Agreements that specify detailed and quantitative service levels. These agreements include clauses that specify strict communications and escalation procedures and consequences in case of not meeting promised levels. It's a contract between two or more parties. But in many cases it also leads to lots of paper and a 'suffocating' bureaucracy.

Measurement of service levels by using so-called performance-indicators is an important aspect of Service Level Management, especially when there are financial consequences to performance. E.g. throughput time of a transaction, availability of an application, average number of messages in a time-frame, cpu-utilization, utilization of a telephone line or attainability of a help-desk.

People are inclined to think that meeting required service levels will produce satisfied Customers. Why is this so hard to achieve despite the efforts we put into Service Level Agreements? It's because we forget to manage Customers' perception. What he needs, what he expects, what he feels.

3. Perception

In their book 'Winning the Service Game', Benjamin Schneider and David E. Bowen [2] explain that there are ten different dimensions which determine the Customers' perception of Quality of Service. They use the next quote (table 1).

Table 1: Ten Dimensions Of Service Quality		
	Dimension	<i>It involves</i>
1	Reliability	Consistency of performance and dependability
2	Responsiveness	The willingness or readiness of employees to provide service
3	Competence	Possession of required skills and knowledge to provide service
4	Access	Approachability and ease of contact
5	Courtesy	Politeness, respect, consideration and friendliness of contact personnel
6	Communication	Listening to Customers and keeping them informed in language they can understand
7	Credibility	Trustworthiness, believability and honesty
8	Security	Freedom of danger, risk or doubt
9	Understanding the Customer	Making the effort to understand the Customers needs
10	Tangibles	Physical evidence of the service
Figure 1 Source: Parasuraman/ Zeithaml/Berry, Journal of Marketing 49 (fall 1985)		

Schneider and Bowen indicate that, to plan improvement of service, one should first assess Customers' perception of the current quality (of service) he receives. Determining the Customers' scores about the ten dimensions of table 1 can be helpful. Then the Customer should be asked to give scores on their expectations, using the same ten dimensions.

Therefore a Service Level Agreement should not only cover the rational specifications mentioned in the previous paragraph. Also the emotional aspects of table 1 should be addressed. A traditional Service Level Agreement covers the tangibles and sometimes some communication, reliability, competence and access aspects (table 1). Looking at the total picture, there can still be a lot of reasons for the Customer to be unhappy. On the other hand a situation is possible that the provider fails to meet the measurable service levels specified in the Service Level Agreement while the Customer remains satisfied because of the responsiveness of the providers' staff.

4. Needs and expectations

So, beauty is in the eye of the beholder. Apart from the useful directives given by the IT Infrastructure Library (ITIL, see paragraph 16: ITIL and perception) and from the service levels specified in traditional SLA's, there should be another way to meet specific Customers' expectations that also respects his feelings and his 'subcutaneous' needs. Schneider and Bowen specify the difference between expectations and needs as follows:

Table 2: The Difference between Expectations and Needs	
EXPECTATIONS	NEEDS
Conscious	Unconscious
Specific	Global
Surface	Deep
Short-term	Long-term
Desired outcomes from	Desired outcomes from
"service encounters"	"human existence"
(e.g. short response time)	(e.g. self-esteem)
If you dissatisfy Customers	If you dissatisfy Customers
by not meeting their expectations, you can still recover	by not meeting their basic needs, you will lose them
Figure 2 Source: Schneider/Bowen	

These needs and expectations are in fact a psychological basis of the ten dimensions of table 1. It is very important to understand this whenever Customer relations are involved. This brings us to the conclusion that, apart from the traditional Service Level Agreement specifications, another way of determining and describing service should be introduced. The Customer doesn't ask to be analyzed by a Service Provider acting as a shrink. So, detailed specification of his psychological state of mind is not desirable. Even if it were possible, it would be hard to make a formal Service Level Agreement out of it.

This 'other way' to meet specific Customers' expectations that also respects his feelings and his 'subcutaneous' needs is presented in this article and it is called Service Level Improvement Method (SLIM). SLIM is a variant on the service check presented by us in 'A Service Check', an article published by us in the 2000 edition of this Guide to IT Service Management [3].

5. ISO and Quality of Service

To be able to guarantee levels of quality that meet expectations of Customers, one should first establish the *Quality of Service*. Generally the measure in which internal processes are organized in conformance with internal standards is considered as the measure of quality. Many companies have set up a quality system following the ISO 9000 set of standards. Often, people have the illusion that acquiring the ISO certificate stands for reaching and fixing quality in the organization. An ISO certificate never guarantees quality. An example is the company that produces concrete life jackets, which is able to acquire ISO certificates. An ISO certificate only proves that an organization can deliver a certain quality standard at a specific time. It doesn't prove that quality standards are really met. So, audits on internal processes don't really reveal quality.

In spite of positive expectations about the new *ISO 9001:2000* [6] standards that are released last year, the European standardization organization CE (Conformité Européenne) didn't really adopt the aspects about *Customer Satisfaction* and *Continuous Improvement*. The CE-footnotes referring to ISO 9001:2000 documentation say that not meeting specific requirements about these items, doesn't have to mean that the CE standards are not met. Unfortunately, the Europeans leave out two vital aspects of Quality of Service. This article is addressing these two aspects: *Customer Satisfaction* and *Continuous Improvement*.

The next step many Service Providers take is measurement of performance. A set of indicators is defined to get a picture of the output performance of the organization. Based on these indicators organization (and quality) is managed. Generally, they use financial performance-indicators without involving Customers. They develop their own opinions about what is important to their Customers. Doing so, organizations run the risk of managing en improving wrong aspects. Resources are allocated to projects and departments that don't really improve Customer service.

Managing Quality of Service is more than defining and implementing processes and measuring performance. Real quality is defined by the Customers' perception. Even when processes in an organization are working perfectly and the measured performance is very good, it doesn't mean that the Customer is always happy. The Customer often judges Quality of Service based on different criteria as the provider does. The result can be that perception of the Customer does not match perception of Service Provider in spite of great effort.

6. Quality is balance

To secure Quality of Service, service has three aspects that need to be balanced (Figure 3) [3].

Performance: service level agreements made have to be met. The way in which formal and non-formal agreements are met need to be measured and reported.

Processes: the way the Service Provider is organized. The Service Provider has to be organized in a manner that turns the performance (as mentioned above) into a manageable and influential activity.

Perception: the performance (as mentioned above) has to be tested continuously against expectations and needs of the receiver, without any formal agreement.



Figure 3: Quality is balance

7. Customer: Part of the organisation

Many service organizations are in a stage of performing audits on processes and measuring output performance. Customers' perception is not involved because it's too difficult and often too confronting. This is like ostrich-policy because in the end the Customer always decides whether to buy or not. It's also a problem of not knowing how to handle Customer satisfaction. This means, how to measure the Customer's perception and how to reach balance between performance, processes and perception.

To involve the Customer can be very confronting. Schneider and Bowen actually say that a Service Provider has to make the Customer part of its organization (figure 4) [2]. This doesn't mean that Customer and Service Provider have to merge. It means that the Customer should be integrated in processes (how things formal work), perception (thinking and feeling) and performance (measure, ask the Customer) within the Service Providers' organization.



Figure 4: The Three-Tiered View of a Service Organization (Source: Schneider/Bowen)

As “part” of the organization the Customer can be a real threat to some established competencies. The service organization seems to be more vulnerable because the Customer knows a lot. This vulnerability is necessary for a stimulus to reach a higher level of Quality of Service (and to outrun competition).

This can work out good or bad. It's bad when the Customer abuses the inside knowledge and squeezes the Service Provider in one way or another. But, a Service Provider shouldn't let this happen. It's good when involvement of the Customer leads to (almost) perfect match between supply and demand, to maximum trust, to a Customer-for-life relationship and to survival.

Of course, there's always the choice NOT to involve the Customer. The outcome will always be somewhere between the *good* and the *bad* mentioned above. If service is a unique selling point for the Service Provider and if it is a way to survive and to outrun competition, this can't be the right choice.

8. Service Level Improvement Method (SLIM)

Service Level Improvement Method (SLIM) is a method to make the Customer part of the Service Providers' organization.

A Service Level Agreement often covers several years. The problem is that nor business, technology or Customer perception can be planned years ahead. Customer and provider are always changing and also do their environments. The experience of “excellent service” will wear out fast. This means that there should be dynamic Service Level Agreements based on (new) Customer perceptions. This is what we call Service Level Improvement Agreements (SLIA). SLIA's are products of the Service Level Improvement Method (SLIM) that is presented in this article.

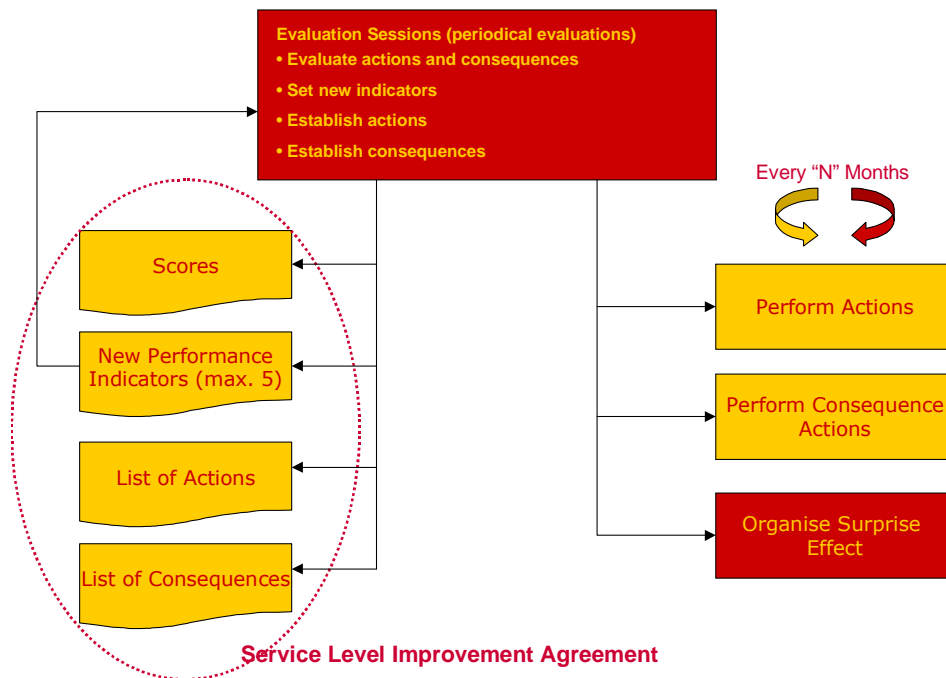
Service Level Improvement Method covers the following aspects:

- Continuous improvement process;
- Consensus between Customer and Service Provider;
- Concentration of the Customers' perception rather than detailed specification of Quality of Service criteria;
- Admission of the fact that the Customers' perception of 'quality' is constantly changing (based on changes in expectations triggered by the ten dimensions of table 1);
- Interactive determination between Customer and Service Provider, of Quality of Service criteria through Evaluation Sessions;
- Dynamic Service Level Improvement Agreements (SLIA's) for periods of 6, 9 or 12 months;
- Agreements, based on the perception of the Customer, consisting of service criteria, scores (importance, appreciation), actions and consequences;
- Surprise element to keep the Customer conscious of Quality of Service.

9. How to reach balance and to keep it

Demands, expectations and needs change all the time. Quality of Service changes with it. That's why Customers' Service Providers need a flexible and dynamic “agreement” about service levels. This is the Service Level Improvement Agreement (SLIA) mentioned in previous paragraph. A SLIA is a result of SLIM.

Customers prefer guaranteed in stead of promises. This means that, if a provider does not meet certain service levels there should be some kind of compensation. This can be a penalty, an extra effort, a lower price or anything parties agree about. SLIM is based on constant interaction about Service Levels and “what to do if not” between parties in a rather non-formal way and based on balance between performance, perception and processes. Consensus: This is what the “polder model” is all about. The ultimate objective is always Excellent Service.



10. The SLIM concept

SLIM intends to improve processes based on measurements of performance and perception. To get there, one Customer and the Service Provider are brought together in Evaluation Sessions. Interviews and enquiries (with questionnaires) don't deliver the right effects because there's no interaction between Customer and Service Provider. Also the (emotional) perception aspects are not "measured" and this is very important to the perception of quality (of service). Enquiries also often contain ambiguous, unclear and incomplete questions. In a Evaluation Session however, all necessary information can be collected in half a day and parties can agree about scores, actions and consequences.

The following steps are made during a 4 hours Evaluation Session:

Step 1: Determine scores

The first step is to determine scores for the quality criteria (performance indicators) agreed upon during the previous Evaluation Session. One of the advantages of SLIM is that exact definitions of the performance indicators are irrelevant. It's all about the Customers' perception. Does performance meet his expectations (or needs)? No valuable time is spoilt on detailed definitions that divert from the bigger picture. This is one of the essential differences of traditional Service Level Management.

The scores will be projected in a Quality Matrix. In this matrix, importance and valuation (appreciation) of quality criteria are related to each other. Dependent on type of criterion, branch and Customer, a scale will be determined, which is important to right processing and analysis.

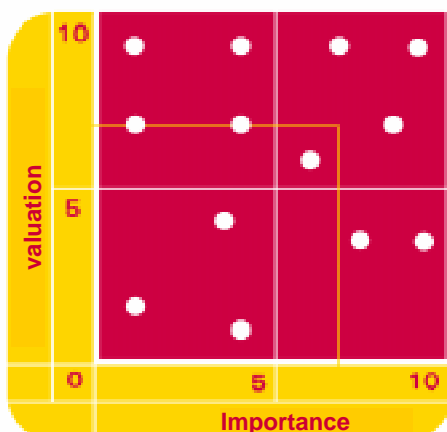


Figure 6: Quality Matrix

Dependent on importance and valuation of a certain quality criterion, the criterion will be projected in one of the four quadrants. It is essential that quality criteria end up in the right quadrant.

Quadrant 1 (lower left):

The Customer doesn't think this criterion is very important and he values the performance as being low. The quality criteria in this quadrant don't deserve immediate attention to improve performance.

Quadrant 2 (lower right):

The Customer thinks this criterion is important and he values the performance as being low.

Quality based on these criteria has to improve in short term. The Customer should be informed about the actions that are going to be taken to improve quality.

Quadrant 3: (upper left):

The Customer doesn't think this criterion is very important but he values the performance as being good. The quality criteria in this quadrant don't deserve immediate attention to improve performance. Investments in these criteria are not very effective for Customer satisfaction because he doesn't think it's important.

Quadrant 4 (upper right):

The Customer thinks this criterion is important and he values the performance as being good. Performance of criteria that are projected in this quadrant should be consolidated. Communication to Customers about what is going well is important to Customer satisfaction. Also potential Customers should hear it. Criteria from quadrant 2 should end up in quadrant 4 after improvement actions.

Step 2. Establish action list

The projection of quality criteria in the matrix indicates fulfilment of the Customers' expectations. If the Service Provider does not meet the expected service level, actions will be agreed in order to meet expected service levels at short notice. It is important that the Customer gets the feeling that the Service Provider undertakes appropriate actions and that he commits himself to these actions. If before the next evaluation, quality levels have not improved, this will become clear immediately during this next evaluation. It will almost certainly influence the Customer's satisfaction. Improvement becomes a necessity!

The actions agreed upon during an Evaluation Session can be an effective instrument for the Service Provider to manage Customer satisfaction. Customer as well as Service Provider will be focused on these actions.

If the Service Provider does not meet expectations by failing to take the agreed actions, the agreed consequences will be taken. These consequences were agreed and described during the last Evaluation Session (step 4. Establish list of consequences).

Step 3. Evaluate quality criteria

After fixing the action list, the Customer determines in consultation with the Service Provider which quality criteria will be measured in the following evaluation period (generally six months) and which service levels will be used. Because of continuous change in demands, desires and expectations, this part is very important. It's the Customer who indicates what criteria define current Quality of Service. This interaction with Customers determines the aspects of flexibility and dynamics in the Service Level Improvement Agreement (SLIA). In the next Evaluation Session these quality criteria will be evaluated.

A normal throughput time of an improvement cycle is six months. This is the time from one Evaluation Session to the next one. However, Customer and Service Provider are free to change this period. We generally recommend a six months period in order to give the Service Provider reasonable time to execute improvement actions and to prove continuity of quality.

Step 4. Establish list of consequences

After defining new quality criteria and service levels a list of consequences is established. These consequences will become 'active' in case the Service Provider does not meet the expected (and agreed) quality level in the next improvement cycle. SLIM is based on giving guarantees. Guarantees that are not going to be fulfilled are useless. Customers are looking for Service Providers that will fulfil these guarantees and keep promises. If they have good feelings about this, they want to pay for it! The list of consequences is a part of the guarantee that the Customers will receive. This guarantee can be a financial compensation, material compensation or a free service. Or anything else that suits the Customer and provides the perception of a "bleeding" Service Provider. With this guarantee the pressure towards excellent performance will be higher. High quality levels won't be exceptions any longer. *Quality is embedded in the organisation.*

11. Output of Evaluation Session: Service Level Improvement Agreement (SLIA)

The output document of the Evaluation Session is a Service Level Improvement Agreement. In fact, a SLIA contains detailed minutes of the Evaluation Session (workshop) and it covers the following subjects:

- The performance indicators (agreed upon during previous Evaluation Session) and the scores for these performance indicators (quality criteria matrices included);
- The new performance indicators which will be used in the following period, including the way to measure the performance;
- The list of actions, which Service Provider and Customers promise to execute, and the results they want to achieve;
- The list of consequence, which will be 'active' when the defined actions were not executed or when the defined results were not achieved.

The SLIA is a dynamic document, which is considered as a contract after signing by both Customer and Service Provider. Every period (after every Evaluation Session) this contract will be adapted and signed again. When this SLIA is combined with a "classic" Service Level Agreement (SLA), which contains more objective and static performance indicators, it can be an excellent framework to get satisfied Customers and to maintain them.

12. Continuation of Evaluation Session

In the following evaluation cycle the Service Provider will take care of the agreed service levels of the defined quality criteria as described in the SLIA. Continuously measuring and improving will produce the Customer's expected service level. At the same time the agreed actions will be executed in order to improve the quality level of one or more quality criteria. Finally, the agreed consequences are settled in order to 'repair' Customer satisfaction. However, it would not be good for Customer satisfaction to be forced to use these guarantees (consequences) often. Besides, it could be a (financial) problem for the Service Provider. Customers demand the expected service levels and *not* compensations for not meeting expectations.

13. Surprise

SLIM is a method for continuously meeting the Customer's expectations. However, excellent Quality of Service is often more than just meeting expectations. Excellence contains surprise effects (see figure 5). A surprise can not be defined at forehand. It is a spontaneous action that sticks in the Customers' memory. This action doesn't have to cost a lot of money. Timing and the impact (on the Customers' emotion) are essential. Surprise effects occur when there is "more" or "better" than expected. When the Customers' expectations is exceeded.

14. Conditions for Evaluation Sessions and the facilitator.

A SLIM Evaluation Session should be facilitated professionally. Important aspects are:

- The facilitator should be an independent third party who manages the process of the Evaluation Session and who is responsible for creating conditions that stimulate results. An experienced person who has affinity with the subjects and who has sufficient authority can act as a facilitator.
- A secretary who writes down all conclusions and decisions should support the facilitator.
- Respect and equality between Customer and Service Provider is vital. This also means that each participant should have a counterpart of the same competence level in the other parties' organisation;
- Understanding of each other's point of view is important. There should be a positive attitude towards the other party;
- It is not a negotiation session. Great problematic differences that can dominate the discussions should be settled at forehand;
- One Customer per Evaluation Session. It is important that there are only two parties, apart from the facilitator who is independent.

- Generally a number of 5 service criteria is the maximum SLIM can handle. Even if it would be possible to use more criteria, it wouldn't be effective because there are always just a few aspects that really effect the Customers' perception.

15. A Case study

This case describes SLIM at Company X, an international company that develops and manufactures high-quality paneling for façade cladding and interior applications.

Company X delivers excellent service and achieves high quality levels. However, they were looking for a way to continuously improve this quality in order to keep ahead of competition. They decided to practice SLIM.

The first Evaluation Session is always different from the next ones because there is no input from a previous time. Input has to be gathered from other sources. Company X performed a Customer Survey just a year ago. The output of this survey was used as input of the first SLIM Evaluation Session. There were approximately 50 service criteria gathered during the survey. After a discussion the participants agreed that not all 50 criteria could be qualified as service criteria. As stated in previous paragraph, a number of 5 service criteria is the maximum SLIM can (and should) handle.

The Evaluation Session (SLIM workshop) took about 3.5 hours and had the following agenda:

- Introduction to workshop (by Company X and facilitator);
- Introduction to Service Level Improvement Method (by facilitator);
- Presentation of service criteria (based on a customer survey from last year as input for this workshop);
- Determination of the service criteria (by Customer and Company X together);
- Giving scores to importance of service criteria (by Customer and Company X apart from each other);
- Selection of five (5) most important service criteria (by Customer and Company X together);
- Giving scores to appreciation of service criteria (by Customer and Company X together);
- Determine follow-up actions and consequences (by Customer and Company X together);
- Evaluation of the workshop (by Customer and Company X together).

Company X selected the following criteria with importance scores:

<u>Importance of service criteria</u>	<u>Score</u>
The possibility of different sizes	-> 10
Deliveries (delivery reliability)	-> 9
Specific Customer demands	-> 9
Decoration switch	-> 9
Negotiation space	-> 7

After a number of discussions managed by the facilitator, the following appreciation (valuation) scores were determined by the Customer. The ambition scores were determined by both Customer and Company X (Service Provider).

<u>Appreciation of service criteria</u>	<u>Score</u>	<u>Ambition</u>
The possibility of different sizes	-> 4	-> 7
Deliveries (delivery reliability)	-> 9	-> 9
Specific Customer demands	-> 5	-> 8
Decoration switch	-> 5	-> 7
Negotiation space	-> 3	-> 7

The current importance and appreciation (valuation) scores are projected in Figure 7. The white arrows indicate the ambitions.

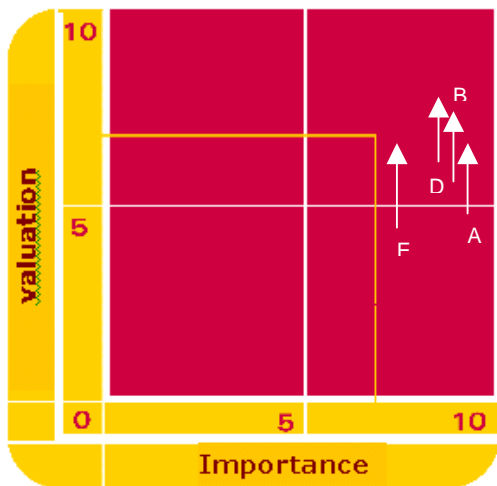


Figure 7: Quality Matrix of Company X

The results of the Evaluation Session of Company X were an action list and a list of consequences for each service criterion. Below an abbreviated example ('the possibility of different sizes') of one of those lists:

The possibility of different sizes

Action:

Start working-group with participants of Company X and Customer. Purpose is to identify the problem, to make an inventory of possible solutions, to select a future-proof solution and to solve the current problem quickly.

Condition:

Adjustments must be made in Company X's production process and (possible) administrative procedures.

Initiative: Company X.

Consequence:

Customer goes "shopping" (to competition) or Customer gets 10% discount.

16. ITIL and perception

The new ITIL Service Delivery documentation about Service Level Management states that a better relationship between IT and its Customers should be developed. However, the problem is that ITIL still concentrates very much on detailed specification of measurable indicators which address half or less of the ten dimensions of table 1.

Monitoring of actual achievements (particularly achieving the same perception as that held by the Customers) is identified by ITIL Service Delivery as one of the most difficult problems that must be addressed first as in impacts on [4]:

Ensuring targets are achievable before committing to them;

Verifying targets prior to agreements.

ITIL addresses the 'perception problem' without really giving solutions.

ITIL Service Delivery documentation apparently puts much emphasis on unequivocal definitions of terms, meanings, indicators and measuring-methods as a way to match the perceptions of Customer and Service Provider. However, as put in the previous paragraphs, our experience indicates that there is a danger in trying to reach perfection this way.

Firstly, both Customer and Service Provider can develop a kind of believe that perceptions of both parties are the same for 99.9%. This is never true and can lead to frustrations. Secondly, a service agreement that covers all technical and procedural aspects addressed by ITIL still leaves some of the ten dimensions of table 1 open. E.g. it is very difficult to fix or record aspects like friendliness, freedom of doubt, respect or willingness while they are very deciding for the Customers' quality perception.

At present, many publications state that the real benefits of ITIL are very small because of the bureaucracy that is introduced in organizations. Changes breathe “the breath of formalities and bureaucracy” as Lammers and Krewinkel say [5]. The bureaucracy of ITIL can work against flexibility and quick time-to-market of new ideas. Especially in companies where e-Business initiatives are important, slow and “unwieldy” ICT Management will be killing. Customers demand flexibility. In new ICT Management, people get more freedom to act, boundaries between competencies will fade away, people and groups are innovative, knowledge will be shared and organizations will work with small flexible units. But, most important: The Customer will be leading. Professional knowledge management is vital for these developments.

Service Level Improvement Method (SLIM) as presented in this article can be a new ICT Service Management's face towards the Customer. In the new ITIL documentation the term IT Customer Relationship Management (ITCRM) is introduced. Service Improvement is one of the main items of ITCRM. Service Level Improvement Method, as presented in this article, can be a practical guide for Customer Relationship Management, not only in ICT but also in any other branch. ITIL Service Delivery documentation says that an ITCRM plan provides the following information:

- Provision of a source of reference and information;
- A way of measuring progress;
- Demonstration of effectiveness;
- Maintaining business continuity;
- Underpinning service improvement.

The periodical Service Level Improvement Agreement (SLIA) can be the ITCRM plan as described in the ITIL documentation [4].

17. Conclusions

Service Level Improvement Method (SLIM) is a way towards excellent service in which Customer and Service Provider have to cooperate closely. It is called a Service Management Polder Model because of the principle of consensus. The Customer has to be considered as “part of the providers' service organization” SLIM avoids complicated legal constructions put down in Service Level Agreements covering much paper. Instead, it canalizes energy to active face-to-face interaction and understanding between Customer and Service Provider.

SLIM is addressing two aspects that are neglected by the European CE-interpretations of new ISO 9001:2000 standards: *Customer Satisfaction* and *Continuous Improvement*.

SLIM covers the following aspects:

- Continuous improvement process
- Concentration of the Customers' perception rather than detailed specification of Quality of Service criteria;
- Admission of the fact that the Customers' perception of 'quality' is constantly changing (based on changes in expectations triggered by the ten dimensions of table 1);
- Interactive determination between Customer and Service Provider, of Quality of Service criteria through Evaluation Sessions;
- Dynamic Service Level Improvement Agreements (SLIA's) for periods of 6, 9 or 12 months;
- Agreements, based on the perception of the Customer, consisting of service criteria, scores (importance, appreciation), actions and consequences;
- Surprise element to keep the Customer conscious of Quality of Service.

In many cases it is more likely to approximate excellent service by using SLIM than by using traditional Service Level Management with minimum active involvement of the Customer. The three most important reasons are:

- Focus on the Customers' perception;
- Focus on continuous improvement of service;
- Dynamic, ever changing character of the agreements (SLIA).

In some cases the best solution is in the combination of traditional “legal” Service Level Agreements and SLIM.

SLIM can be a practical guide for IT Customer Relationship Management (ITCRM) as described in ITIL Service Delivery documentation. The periodical Service Level Improvement Agreement (SLIA) can be the ITCRM plan. However, ITIL should

never be a bureaucracy works against flexibility and quick time-to-market of new ideas.

Before using SLIM, it is important to answer the following questions.

- It is possible to find Customers that would like to cooperate?
- Can SLIM match business culture in our company, branch or society (which is a culture of consensus)?

If the answer on one of these questions is definitively NO, please don't start with SLIM. Otherwise SLIM can be the way towards (almost) perfect match between supply and demand, to maximum trust, to a Customer-for-life relationship and to survival. In other words: A way to outrun competition for both Customer and Service Provider.

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