## **SLA or BLA? Or would you prefer ISA?**

## LinkedIn, 21 August 2014

A posting in one of the many ITIL groups at Linkedin said "Service Level Agreement vs. Business Level Agreement. There is an new trend where for definition of value and benefits of ICT for business is considered BLA instead of SLA. In other words measuring of ICT performance by real business achievements and goals fulfillment. What's your views and experience on this area?"

The question illustrates how IT organizations still deliver technology "services" instead of business values. And they all talk about business IT alignment, customer focus, etc....

Some of the responses even said that you should never agree on a **BLA** at all, only use an **SLA** according to ITIL. That only confirmed my statement that most IT organizations are still technology focused, and haven't mastered the services level, let alone the customer level.

The initial question in the forum is justified. ITIL simply doesn't cover this, and we need better *practices*. But practices should always work within a conceptual model of reality. That's where this goes wrong.

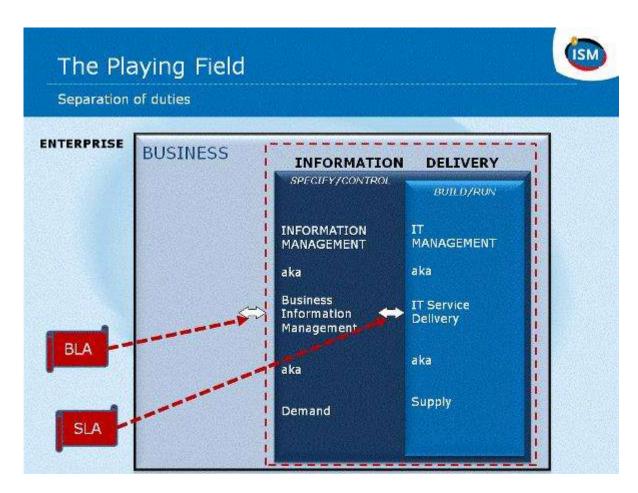
The initial question could easily be answered with "BLA is what the SLA should have been all the time". But then you only say that ITIL practices are not really current best practice. And on itself, that doesn't help you any further.

Imho, a much better approach is this:

- 1. information support for business processes is a responsibility domain
- 2. to gain control over such a domain, *separation of duty* is the most elementary instrument
- 3. this leads to 2 separated domains. Let's call them Information Management (IM) and IT management (ITM). Adding the term 'business' would be meaningless, because we already confirmed that all was created on behalf of 'business'.
- 4. the chain of command runs from left to right in these domains: Business => IM => ITM
- 5. the BLA should cover the relationship between Business and IM; the SLA should cover the relationship between IM and ITM.

You now have three separated domains with very clear responsibilities that can be managed in a systematic way.

The described approach is very common in the Netherlands, although only few organizations really have their IM and BLA in place.



In the Netherlands a standardized systematic approach is available in the form of the FSM Method. It supports the application of a Dutch standard set of best practices: <u>BiSL</u>. FSM is a standardized method for designing and improving IM organizations. The BLA is defined in the FSM Method as **the ISA**, **the Information Service Agreement.** The SLA is what ITIL defined as such, but in this model the SLA is limited to the relationship between IM and ITM. Note: the "who" is not relevant here. Whoever executes the responsibilities, be it an internal team or an external provider, doesn't change the nature of the responsibilities.

Tools to support the management of IM organizations can easily be made available, as they fully resemble the tooling for the ITM environment, or any other service domain. And we have <a href="many hundreds of tools">many hundreds of tools</a> that compete in the "red ocean" of the ITM domain, even a huge number of <a href="many open source tools">open source tools</a>.

The BLA, or rather the **ISA**, should indeed cover meaningful business terms for the information support that is delivered. But that requires quite a higher level of "value maturity" than most of the providers have in practice. In fact, only very few will even have slightly approached this level in their practice. There's still a long way to go if we want to deliver real information value to "the business".

## More info:

- the SAME Model describes the three domains. Free download at the ISM Portal
- the FSM Method is document only available <u>in Dutch</u>, but there is some documentation <u>in English</u> at the ISM Portal. FSM fully aligns to ISM (dedicated to the ITM domain), so the <u>ISM book</u> actually covers this to a large extent