



**Service Integrator
Measurements
Whitepaper**

Service Integrator Measurements

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² <https://scopism.circle.so/feed>

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Introduction

Service Integration and Management (SIAM) is increasingly fundamental to the functioning of an organization's operating model. Today, organizations face the challenge of balancing complex sourcing models with the need for agility and readiness to navigate change to enable adequate business outcomes. SIAM addresses this through the management, assurance, governance, improvement, and coordination of the end-to-end service provision (referred to as the 'MAGIC' elements).

The SIAM methodology recommends the appointment of a **service integrator**: a single logical entity with accountability for end-to-end service delivery. The customer organization manages the relationship with the service integrator, who, in turn, manages the relationships with service providers (which can be both internal and external).

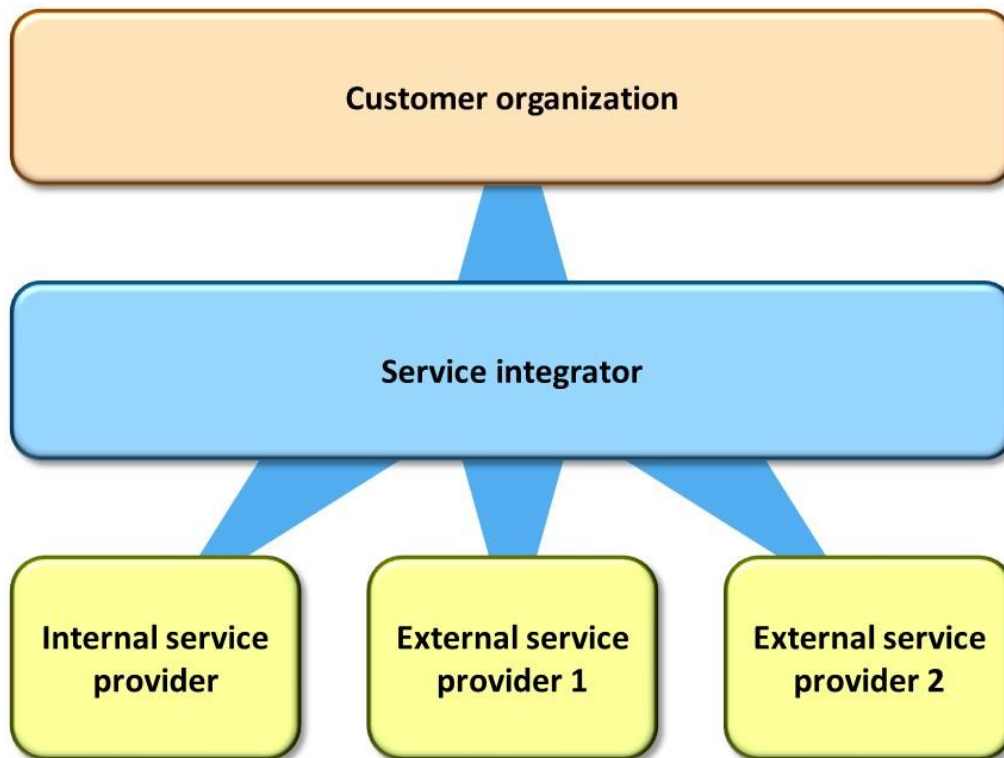


Figure 1: The SIAM ecosystem (SIAM Foundation Body of Knowledge, figure 6)

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The role of the service integrator

Managing multiple service providers presents significant administrative challenges. The service integrator's responsibility is to provide the customer with a single point of accountability and control. They are also responsible for driving collaboration and improvement across the service providers.

This makes the service integrator somewhat the 'piggy-in-the-middle': they neither deliver any part of the services (the outputs) nor are they responsible for individual service providers' operations. They are also not responsible for the customer organization's business outcomes. Yet, they are often held accountable for the end-to-end value a SIAM environment delivers.

The sports team analogy

Think of a sports team with diverse players, each bringing unique abilities, backgrounds, and approaches (similar to service providers). Like the service integrator, the manager or coach is not directly involved in playing the game (delivering services) or managing individual players' performance (service providers). Yet, the coach's role is crucial in bringing these individuals together into a cohesive team that wins matches (providing end-to-end service value through the service providers).

One of the primary challenges in a SIAM environment is measuring the service integrator's contribution (and justifying any associated investment). Their role is to operationally manage the end-to-end service delivery and performance within the ecosystem of both internal and external service providers. However, distinguishing the service integrator's performance from the service providers can be challenging. Organizations need to recognize that good service provider performance does not necessarily indicate the effectiveness of the service integrator.

The service integrator's value lies in its ability to enhance consumer satisfaction, staff retention, service scalability, cost efficiency, operational governance, collaboration, improvement, agility, a 'one team' culture and many other aspects that contribute to a well-functioning SIAM environment. But these are not always easily measurable and may not be measured at all.

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The SIAM watermelon

The term 'watermelon' reporting, as described in the **SIAM Foundation Body of Knowledge**³, is a concept many will recognize. It refers to the need to use both qualitative and quantitative measures to avoid a situation where reporting shows positive performance (represented as 'green' for individual outputs, i.e. service providers' performance) but fails to meet business requirements (resulting in the service performance being 'red' from the perspective of the customer organization).

Given that the service integrator neither delivers the outputs nor is responsible for the outcomes, the only way to appreciate their value is to define and enable an additional set of measures to evaluate their contribution to the performance of the SIAM ecosystem.

This whitepaper

This whitepaper grew from a discussion in the Scopism Global SIAM Community about the challenges and current shortcomings of measuring service integrators.

It analyzes current service integration measurement practices and provides recommendations and guidelines for improving the measurement of service integrator performance.

³ Download the Foundation BoK here: <https://scopism.circle.so/c/bodies-of-knowledge/>

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The challenges

SIAM is an evolution of how to apply well-understood service management principles within a complex multi-sourced environment. However, despite the existence of established service management frameworks, many organizations still need help understanding SIAM's intricacies, including the scope and focus of the service integrator's pivotal role. Therefore, recognizing the impact and value of a service integrator is crucial.

The sports team analogy (continued)

If one player in a team does not perform (or in SIAM, one service provider), the whole team can fail (the end-to-end performance). But is this necessarily the fault of the manager/coach (who is the service integrator in this analogy)?

Similarly, if the team performs well and wins matches, it could be due to the quality of the players and not necessarily the manager/coach.

The manager/coach's role is more subtle than team (or individual) performance. It involves results, development, cohesion/culture, and many other aspects.

In many SIAM environments, measurement practices have predominantly focused on operational efficiency and effectiveness of service delivery. However, a service integrator's actual value amounts to much more. This means measuring not only end-to-end service value or service provider performance but also the other valuable and perhaps less visible aspects of SIAM previously discussed, such as collaboration, improvement, and the 'one team' culture.

The Scopism SIAM Community held an online summit on this topic and collated examples from many volunteers regarding 'real-world' practices and metrics used to measure service integrator performance.

The data provided several key challenges that organizations encountered in adopting, measuring, and realizing the benefits of a service integrator, including:

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- Lack of SIAM knowledge
- Lack of a (communicated) SIAM strategy
- Unsuitable (or legacy) agreements/contracts
- Too financially focused
- Too operationally focused
- Combative/overly competitive measurements
- Difficulty in generating meaningful metrics.

Lack of SIAM knowledge

While service management is generally familiar, many organizations still lack a deep understanding of SIAM principles, leading to misconceptions about a service integrator's role. Organizations frequently mistake service provision for service integration and erroneously perceive the service integrator as another provider. This obscures the benefits of introducing a service integrator and what the measurement practices within a SIAM ecosystem must look like to demonstrate such benefits.

The service integrator's role is fundamentally different to that of a service provider. A service integrator assumes an elevated position from the service providers and focuses on ensuring seamless end-to-end service delivery through effective coordination, collaboration, and governance between them.

The consequence of failing to meet this challenge often manifests as misaligned expectations from the customer of the service integrator, which undermines the operation and benefits of the whole SIAM environment.

Practical example (based on feedback provided through the SIAM Community)

A 'nightmare scenario': The customer has flawed and inconsistent ITSM processes, uncooperative, silo-minded service providers, with contracts that are not aligned to the business outcomes, and expects by incorporating a service integrator this will be magically resolved.

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Lack of a (communicated) SIAM strategy

Customer organizations need to develop a SIAM strategy. This is not always done, and even when a strategy is created, it is frequently not shared with the service integrator and the service providers. Likewise, external service integrators often take on SIAM engagements without fully understanding the business drivers behind their engagement.

Developing a strategy allows an organization to coordinate and plan activities instead of relying solely on opportunity, individual initiative, or luck. In a SIAM transition project, the SIAM strategy should guide all SIAM roadmap activities, including the design of the SIAM model, decisions on sourcing, and the onboarding of service providers (source: the **SIAM Professional Body of Knowledge**).

Without a SIAM strategy, the service integrator lacks clarity about the business objectives or a defined value proposition, which are necessary for determining service levels and key performance indicators (KPIs).

Practical case (a fictitious example, based on feedback provided through the SIAM Community)

A large organization envisioned a future operating model with multiple service providers to enhance technological stability, continuity, security, scalability, and flexibility.

However, the failure to communicate this in a clear SIAM strategy to the service integrator and service providers resulted in operational silos, integration challenges, security vulnerabilities, scalability issues, and a compromised customer experience.

The customer's lack of strategic governance led to inefficiencies and missed opportunities, highlighting the importance of establishing and communicating a SIAM strategy to manage and integrate services effectively.

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Unsuitable (or legacy) agreements/contracts

Just like the customer organization, the procurement department needs to understand the high-level SIAM principles and how to measure them thoroughly and effectively. A lack of understanding can lead to poorly conceived metrics in commercial documents, which can later become embedded into performance management and reporting frameworks. This is often the case with legacy contracts, established before the SIAM model was implemented, but it can still be evident in subsequent agreements.

The result is that within the SIAM environment, contracts and agreements may exist with different measurements and limited flexibility for adjustment. The measurements may even be contradictory or incentivize different behaviors from different service providers.

The service integrator is expected to harmonize the different metrics, navigate conflicting service provider incentives, and manage complex escalations, often through manual approaches (such as 'swivel chair') that are more time-consuming, less effective, and error-prone. This inability to map and measure the complete end to end service can make it much more challenging to judge the performance of the service integrator (and the SIAM ecosystem as a whole).

Practical example (based on feedback provided through the SIAM Community)

At contract negotiations, the right people (i.e. with SIAM knowledge) are not in the room. Sometimes, the negotiation morphs into a crash course on the subject matter to reach a common understanding.

Another aspect often overlooked is the agile contracting models that SIAM requires for rapid service provider onboarding and offboarding. The lack of this capability will make it more difficult for the SIAM environment, led by the service integrator, to evolve and improve as new requirements, technologies and services are introduced.

The critical difference for SIAM lies in the scope and focus of agreements and contracts. Traditionally, they focused on individualized, service provider-specific measurement. Conversely, SIAM agreements encompass performance indicators that reflect the effectiveness of the entire service ecosystem, ensuring that all service providers work together to deliver cohesive, high-value services to the organization.

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Too financially focused

An overemphasis on financial performance can undermine the broader goals of SIAM, resulting in the neglect of critical aspects such as:

- end-to-end service quality
- customer satisfaction, and
- improvement and innovation.

The service integrator's role is to foster collaboration among service providers, enhancing overall service quality. An excessive focus on financial penalties for underperforming service providers can hinder improvement and collaboration. Service providers will put their interests first, which goes against the 'one team' culture and important SIAM concepts like 'fix first, argue later'.

Practical example (based on feedback provided through the SIAM Community)

A service integrator inherits a set of financially oriented KPIs focusing on penalties/incentives for service providers, based on the quantitative results of individual metrics. This makes the relationship between the service integrator, the service providers and the customer less cooperative (and more defensive).

Where performance measurements are too financially focused, service providers may also be reluctant to invest in new skills, technologies, and processes that could enhance end-to-end service delivery but do not offer immediate financial benefits for that service provider. The financial focus limits the way service providers, SIAM and also the integrator are 'judged' (measured, rewarded etc.), losing focus on the end-to-end service, as well as collaboration and improvement aspects.

Too operationally focused

Organizations often rely solely on operational measurements to gauge a service integrator's success. Current measurement practices prioritize transactional process and system metrics, such as incident resolution times, service desk call response times, and successful change rates.

Whilst these offer valuable insights into service delivery, they paint an incomplete view of the service experience, neglecting the actual value of SIAM and the role of the service integrator (for instance, enhanced consumer satisfaction, staff retention, service scalability, cost efficiency, operational governance, collaboration, improvement, agility, a 'one team' culture and

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many other aspects that contribute to a well-functioning SIAM environment).

This narrow focus can disconnect operational performance and overall business value and materialize as the 'watermelon effect'. Relying solely on operational metrics creates a blind spot for organizations implementing SIAM and undermines (and undervalues) the positioning and role of the service integrator. The end to end impact of the service integrator is difficult to visualize if the metrics all focus on component elements of the services in scope.

Practical example (based on feedback provided through the SIAM Community)

Measures are often more numerical/quantitative than qualitative. For example:

- *Response and resolution time for major incidents*
- *Configuration management accuracy*
- *Request fulfillment time*
- *% of successful releases*
- *Invoice/billing completeness and accuracy*
- *Availability of services.*

Combative/overly competitive measurements

Competition can be a good thing, driving competitors to better achievements. The **SIAM Foundation Body of Knowledge** recognizes competition as a potential benefit of a SIAM environment, as it supports identifying the most economical (, most effective, most flexible ...) service providers when seeking external or third-party sourced services.

However, this competition, which is frequently experienced before service providers are onboarded into the SIAM environment, can become an issue later. Once the environment 'goes live', the service providers are expected to collaborate with the other service providers or the service integrator (who, perhaps, are their competitors in the commercial market).

Within a SIAM environment, ill-conceived competitive measurements can create a culture of rivalry rather than collaboration. This can lead to siloed service provider operations, hampering the service integrator's ability to facilitate seamless, end-to-end services.

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Practical case (an example, based on feedback provided through the SIAM Community)

An organization determined that - regardless of how many resolver groups were involved - the final resolver group/service provider was responsible for the end-to-end service level achievement and, consequently, any associated penalties. This resulted in significant overheads, with service providers 'passing the buck' (i.e. the incident) to manage their commercial risk.

This led to onerous service level remediation investigations for the service integrator, generating unnecessary animosity among service providers and the service integrator itself.

This lack of cooperation also makes it difficult to measure the service integrator's performance, as the inter-provider conflicts and inefficiencies impact the effectiveness of the service integrator's management and coordination capabilities.

Difficulty in generating meaningful metrics

Coordinating and consolidating performance data across multiple service providers poses a significant challenge. While traditional metrics can capture performance data, they frequently overlook the collaborative and co-creative aspects essential in a SIAM environment. Effectively measuring collaborative actions and the dynamics of service integration requires a distinct approach.

Quantifying these collaborative behaviors is crucial and a significant challenge when determining the overall effectiveness of the service integrator. The core of the challenge lies in obtaining meaningful data. Data plays a pivotal role in decision-making, and with robust data, businesses can make informed decisions.

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Practical case (an example, based on feedback provided through the SIAM Community)

Generating an overall 'health' score, broken into domains and service providers: Health is used as the sentiment to demonstrate that you 'do a good job'.

But how do you define 'health'? How do you measure it? ... Experience? Outcomes? Outages?

We asked the customer, 'What does good look like?'

They said, 'Good is demonstrated through flexibility and changes based on what's important to us at that time.'

Recommendations

Based on the key challenges identified, there are several recommendations to improve the measurement of the performance of the service integrator.

- Establish a SIAM strategy and core SIAM artifacts
- Define the role of the service integrator
- Prepare to contract for service integration and collaboration
- Create (shared) end-to-end service measurements
- Promote a collaborative culture
- Assess service experience
- Enable a holistic measurement framework
- Measure service integrator activities.

It is crucial that the customer organization takes the lead in initiating (or at least endorsing) these recommendations, particularly during the 'Plan & Build' stage of the SIAM roadmap, where the SIAM model is defined, and many recommendations must be applied.

No one single recommendation will overcome all the challenges; it is, therefore, suggested to use all or at least a combination of them.

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Establish a SIAM strategy and core SIAM artifacts

Establishing and communicating a SIAM strategy is essential. This strategy should be aligned with the broader IT and business strategies and goals. The SIAM Governance Lead, a senior management role in the customer organization, should oversee and manage the SIAM strategy to ensure it aligns with business outcomes.

A well-defined SIAM strategy enables clear measurement of goals, which is crucial for improving end-to-end service quality, controlling costs, and enhancing flexibility. Having these goals and measurements clearly defined and communicated to all stakeholders, creates awareness and drives collaboration across the SIAM environment.

To bridge the gap between business outcomes and the SIAM strategy, try linking IT results - such as cost, quality, and user satisfaction - with more business focused aspects like new features, performance, and risks. This allows organizations to measure both the output and the outcome of their service integration efforts.

Practical case (an example, based on feedback provided through the SIAM Community)

- *Number of cost-saving / efficiency initiatives identified*
- *Projects transitioning into production with no adverse impact (if in scope)*
- *Projects delivering on time, to budget and to quality (if in scope)*

In addition to the SIAM strategy, other core artefacts (such as a SIAM governance framework, an integrated process framework, and a tooling strategy) can further clarify the intentions, expectations, and role of the customer organization. By integrating business-focused metrics alongside operational measures, organizations can better evaluate the service integrator's contribution to enhancing business processes, improving customer experience, and achieving strategic outcomes.

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Having these defined, described, communicated and enacted, will support the service integrator in their activities.

This recommendation will assist with the challenges of:

- Lack of a (communicated) SIAM strategy
- Too financially focused
- Too operationally focused
- Combative/overly competitive measurements
- Difficulty in generating meaningful metrics.

Define the role of the service integrator

To ensure all parties in the SIAM environment understand the role of the service integrator it is a good practice to document the different roles and responsibilities of the three SIAM layers; the customer organization/customer retained capabilities, the service integrator and the service providers, in a RACI matrix or similar tool.

A RACI matrix can cover a specific process, the activities of the structural elements (e.g. working groups or process forums) or the steps of an end-to-end service value chain. The RACI matrices should include:

- responsibilities for reporting of measurements
- achievement of targets (including the description of scope and exclusions)
- responsibilities regarding coordination needed to achieve these targets.

The **SIAM Foundation Body of Knowledge** states that *the service integrator acts on behalf of the customer organization* ('the voice of the customer'). The role of the service integrator also needs to be recognized within the contracts and agreements.

This recommendation will assist with the challenges of:

- Lack of SIAM knowledge
- Combative/overly competitive measurements.

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Prepare to contract for service integration and collaboration

Contracts (and agreements) need to prioritize performance metrics aligned with business goals. The key to this is early engagement with the procurement department and key business stakeholders. By ensuring that contractual frameworks reflect the specific needs of SIAM, we can enable the service integrator to effectively coordinate the end-to-end service performance among diverse service providers and deliver measurable value against the SIAM strategy of the customer organization.

It is important that the procurement department is aware of the SIAM strategy, the end-to-end service measures, and other SIAM artefacts supporting service performance, as discussed in this paper, for example:

- Contract duration
- Collaboration clauses or agreements
- The SIAM governance framework (and RACI matrices)
- Unified performance metrics, scope and definition (from the performance management and reporting framework)
- Tooling clauses from the tooling strategy (including the common data dictionary)
- Requirements from the integrated process framework (and process models).

This recommendation will assist with the challenges of:

- Lack of SIAM knowledge
- Lack of a (communicated) SIAM strategy
- Unsuitable (or legacy) agreements/contracts
- Combative/overly competitive measurements
- Difficulty in generating meaningful metrics.

Create (shared) end-to-end service measurements

It is recommended to define the end-to-end service value chains with specific performance indicators and thresholds. Include these in the performance management and measurement framework and include metrics to evaluate the service integrator's contributions. Such as:

- enhancing consumer satisfaction
- improving staff retention across the SIAM environment
- increasing service scalability
- fostering a 'one team' culture.

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Introduce specific measurements that assess collaboration between service providers, and the coordination of the service integrator. For instance, the "Ping Pong Index" where tickets/incidents bounce between service providers without resolution.

Seamless collaboration between service providers and the service integrator is crucial to achieving end-to-end service measurements. This collaboration is supported by a unified 'one team' culture, clearly defined collaboration metrics and comprehensive end-to-end performance measurements. A key element in this approach is the commitment to shared service levels and targets across all parties.

These shared end-to-end measurements ensure that every service provider and the service integrator are aligned with the same objectives, which make the entire SIAM ecosystem operate as a single, integrated unit, enhancing service quality, minimizing silos, and ensuring a consistent customer experience.

Practical case (an example, based on feedback provided through the SIAM Community)

Key stakeholders from both the customer organization and the service integrator actively participated to develop a new measurement framework aligned with the customer's strategic objectives.

The new measurement framework included specific metrics such as service uptime, response times, and user satisfaction, directly tied to the anticipated benefits and business goals of continuity, stability and reliability of the end-to-end service.

This alignment enabled the customer organization to measure the added value of the service integrator and determine if it met the anticipated benefits as outlined in the original business case.

Where possible, punitive measures (for instance, service credits, penalties etc.) should be avoided. A focus on reward fosters better service delivery through support and guidance, with the service integrator working closely with service providers to identify performance issues, offering resources and assistance, and developing joint action plans for improvement.

Following the guiding principle of 'progress iteratively, with feedback', start by establishing an initial measurement and introduce a continuous improvement program, led by the service integrator, to identify the most effective measurements and appropriate thresholds.

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This recommendation will assist with the challenges of:

- Too financially focused
- Too operationally focused
- Combative/overly competitive measurements
- Difficulty in generating meaningful metrics.

Promote a collaborative culture

Collaboration is hard to measure, but it can be defined, and service providers (both internal and external) can be made aware of the expectations of the customer organization, and by extension the service integrator. This can be done through contract addendums promoting shared responsibility and a collaborative culture, or alternatively, operational level agreements or specific collaboration agreements (including a 'code of conduct'). These are not legally binding but express a mutual understanding and commitment to collaboration and a 'one team' culture, which gives the service integrator something to start with.

Collaboration can also be included in the charter for the structural elements, particularly the process forums (together with the previously mentioned RACI). Collaboration is pertinent in the forums and working groups, and formalizing this in the charter and RACI is not a guarantee that it will occur, but it does provide a more formal agreement and commitment to the need for it.

To foster a strong SIAM (end-to-end) mindset, consider launching an organizational change management (OCM) program that includes comprehensive communication to and training for key stakeholders across the various parties in the SIAM environment. Whilst an OCM program is most relevant during the 'Plan & Build' and 'Implement' stages of the SIAM transition, there is an ongoing need for it with service providers (and possibly the integrator) on- and offboarding, business priorities and outcomes changing, and other general staff transfers and personnel changes.

This recommendation will assist with the challenges of:

- Lack of SIAM knowledge
- Lack of a (communicated) SIAM strategy
- Unsuitable (or legacy) agreements/contracts
- Too financially focused
- Too operationally focused
- Combative/overly competitive measurements.

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Assess service experience

There is a distinction between quantitative (objectively measured) and qualitative or subjective metrics. Qualitative metrics usually take the form of satisfaction or experience levels, often with a survey as the main contributor to such metrics. Measuring experience levels provides greater insights into the performance of the SIAM environment as a whole and the service integrator within this.

Practical case (an example, based on feedback provided through the SIAM Community)

End-to-end customer satisfaction (CSAT) feedback, including perspectives from the user, service integrator, supplier support groups etc.

The main value of experience management is to counter the so-called 'watermelon effect' (as earlier mentioned). Experience management can involve the definition of eXperience Level Agreements (XLAs) that measure the perception of value through the experience or satisfaction of customers and/or users with a specific service (or grouping of closely related services).

A SIAM performance management and reporting framework should contain both objective, quantitative KPIs and SLAs, as well as qualitative experience measures of those same services. Such a framework facilitates dialogue between the SIAM environment and the customer organization, regarding the extent to which the services are meeting the needs of the organization. An example of such a framework approach is defined in the Dutch NEN standard (NTA 8038⁴).

This recommendation will assist with the challenges of:

- Too financially focused
- Too operationally focused
- Difficulty in generating meaningful metrics.

⁴ <https://www.nen.nl/en/nta-8038-2020-nl-268959>

Service Integrator Measurements

Enable a holistic measurement framework

These days it is possible, and in some cases required or desired, to measure many different metrics, from technical performance to compliance, especially in the Environmental, Social and Governance space (ESG) or even end-to-end service outcomes and business value. It is important to consider the different types of metrics that are *possible*, and then consider which types of metrics are *significant* for the SIAM strategy. In other words: 'Measure what matters!'

Examples of the types of performance measurements that could be relevant for a SIAM environment are:

- **End-to-end service performance metrics**, the more traditional service level targets (Service Level Agreements/SLAs, Service Level Obligations/SLOs or Service Level Indicators/SLIs⁵) and Key Performance Indicators (KPIs).
- **Process metrics**, measuring traditional service management processes, such as incident management and change management.
- **Qualitative/experience and satisfaction metrics (CSAT)**, incorporating measures of satisfaction related to (how users and customers feel about the services they receive, including their satisfaction, ease of use, and overall experience).
- **Attitude, behavior and culture metrics**, which are essential for ensuring effective collaboration and service delivery.

Practical case (an example, based on feedback provided through the SIAM Community)

Use an organizational culture assessment instrument (OCAI) to assess the cultural alignment between different service providers and the service integrator. The results would help in improving the cultures for better collaboration.

- **Sustainability metrics**, used to assess and track the environmental, social, and economic impacts of an organization's operations such as carbon footprint, energy consumption, water usage, waste generation, and resource efficiency.
- **Information security metrics**, which evaluate the effectiveness of the organization's security measures on key aspects such as incident frequency, vulnerability management, compliance, access control, and employee awareness.
- **Compliance metrics**, both for contractual obligations as with corporate standards and policies.

⁵ <https://library.agileguru.org/blogs/souravdhiman/fundamentals-of-SRE>

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- **Innovation and improvement metrics**, which evaluate progress in fostering new ideas and enhancing existing processes.

Practical case (an example, based on feedback provided through the SIAM Community)

- Innovation metrics focus on the generation and impact of novel ideas, tracking indicators such as the number of new products or services developed, the percentage of revenue from new offerings, and the rate of idea submissions.
- Improvement metrics, on the other hand, assess the effectiveness of refining current processes, products, or services, using measures like process efficiency gains, reduction in errors or defects, and cost savings from enhancements.

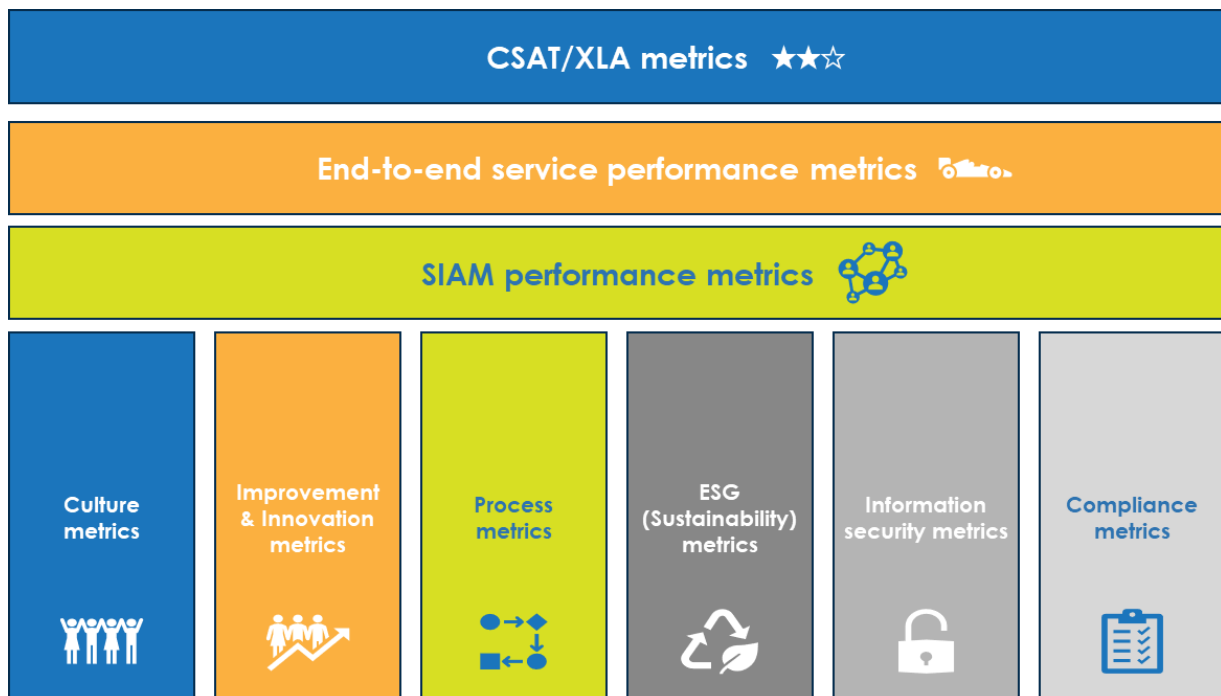


Figure 2: An example holistic measurement framework

Additionally, **SIAM performance metrics**, evaluating the service integrator's effectiveness in service integration, collaboration and value delivery, providing solid evidence of their performance in these areas.

Practical case (an example, based on feedback provided through the SIAM Community)

Moving forward, the organization plans to conduct regular reviews of the measurement framework and adjust it as necessary to accommodate evolving business needs and technological advancements.

Service Integrator Measurements

Thus, while operational metrics are essential, a balanced approach that encompasses operational efficiency and business enablement metrics is vital for accurately measuring the impact and value of a service integrator in a SIAM ecosystem. A balanced scorecard can be used for this purpose. A balanced scorecard is a dashboard covering a multitude of significant metrics that matter.

The original Kaplan-Norton balanced scorecard⁶ had 4 perspectives: the financial, customer, internal and the innovation and learning perspective. Although this is a good starting point, all SIAM perspectives, as described above, should be considered. Particularly for the measurement of the performance of the service integrator, a balanced scorecard can be created that is based on the MAGIC elements of their responsibilities (Manage, Assure, Govern, Improve and Coordinate):

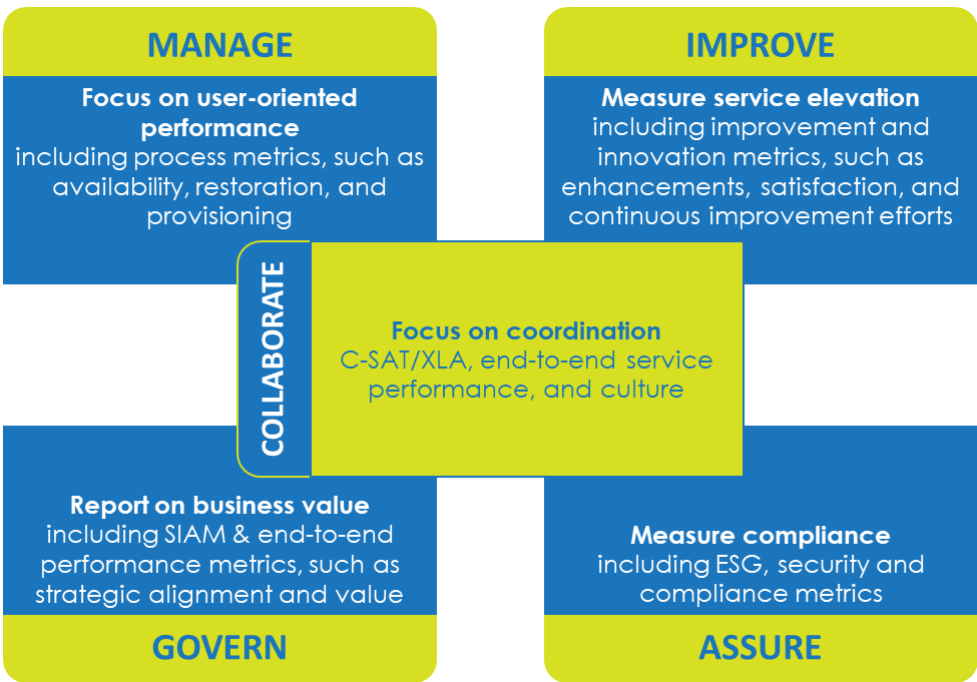


Figure 3: An example ‘MAGIC’ balanced scorecard

⁶ https://en.wikipedia.org/wiki/Balanced_scorecard

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Alignment between the holistic measurement framework and the MAGIC balanced scorecard

- **C-SAT/XLA metrics** should tie into the **Collaborate** and **Improve** quadrants, highlighting user experience and satisfaction.
- **End-to-end service performance metrics** are crucial for the **Govern** quadrant, reflecting efficiency and value.
- **SIAM performance metrics** can be mapped across all quadrants, but especially under **Govern** and **Manage**, ensuring alignment of the SIAM strategy, value and performance.
- **Culture metrics** align with the **Collaborate** section, where provider collaboration and satisfaction are measured.
- **Improvement & innovation metrics** should be tied into the **Improve** quadrant, tracking service improvements and continuous enhancement.
- **Process metrics** support both the **Manage** and **Govern** quadrants, ensuring effective service provisioning and operational integrity.
- **ESG, information security, and compliance metrics** should be captured under both the **Assure** (and **Govern**) quadrants, ensuring alignment with broader business goals and compliance requirements.

Scorecard recommendations

- **Prioritize metrics:** Based on the importance for your stakeholders, display key metrics such as C-SAT/XLA, process efficiency, and business value prominently.
- **Bundle metrics:** rather than focusing on individual metrics and targets, create balanced bundles of metrics that better represent a balanced performance across multiple aspects.
- **Layered reporting:** Use layers of data that reflect service performance at the macro (end-to-end) and micro (specific provider) levels.
- **Real-time and historical data:** Ensure the dashboard reflects both real-time data and historical performance trends for ongoing analysis.

Incorporating these considerations into a SIAM/MAGIC Dashboard will ensure the reporting framework is aligned with a comprehensive, transparent, and actionable monitoring system that supports effective decision-making across the SIAM ecosystem. This can also help to separate and articulate the role and value of the service integrator by viewing the dashboard/data from that perspective.

Service Integrator Measurements

This recommendation will assist with the challenges of:

- Too financially focused
- Too operationally focused
- Difficulty in generating meaningful metrics.

Measure service integrator activities

As discussed, there are different aspects that should be addressed when measuring the performance of the service integrator. Some of these may be aligned with the SIAM strategy, whereas other measures may be more generic in nature.

Consider the following aspects for appropriate measurements:

- **Flexibility within the ecosystem:** Understand how well the service integrator can establish changes in the SIAM ecosystem across the service providers. This can be measured by the speed and effectiveness of decision-making in the implementation of changes.

Practical case (an example, based on feedback provided through the SIAM Community)

Ease and speed of service provider on- & offboarding.

- **Knowledge and improvement focus:** Evaluate how many improvements the service integrator initiated. The number of implemented initiatives is a good indicator of their ability to influence improvement focus.

Practical case (an example, based on feedback provided through the SIAM Community)

- *The number of Improvements that come out as the result of SIAM governance forums, proactive problem management etc.*
- *Successful collaborative improvement initiatives (where several suppliers work together).*

Include metrics related to knowledge management and skills development which enhance the capabilities of the service integrator and service providers.

Practical case (an example, based on feedback provided through the SIAM Community)

- *Track the quality of knowledge articles by measuring how frequently they are accessed and how often they lead to successful incident resolution.*
- *Monitor the impact of skills development through metrics such as the number of completed training sessions, the increase in certifications obtained, and the resulting improvements in service efficiency or customer satisfaction.*

Service Integrator Measurements

- **Collaboration within the ecosystem:** Evaluate the collaboration between the service integrator and the service providers [see also 'provider sentiment' below].

Practical case (an example, based on feedback provided through the SIAM Community)

For example, this may include the quality of collaboration, how well the service integrator communicates with the service providers in the ecosystem, and the ability of the service integrator to handle conflict or give and receive feedback.

- **Impartiality:** Measure the objectivity and fairness of the service integrator, like a coach giving each player equal attention and evaluating based on performance. The degree of transparency and consistency in the communication and behavior of the service integrator are good indicators [see also 'provider sentiment' below].
- **SIAM health:** Assess the overall health and effectiveness of the SIAM environment, including its ability to integrate services, manage relationships, and deliver value to the organization. Key indicators include the effectiveness of the service integrator's problem-solving and conflict resolution, such as the frequency of escalations to the customer organization.

Practical case (an example, based on feedback provided through the SIAM Community)

A reduction in management escalations to the customer, where the service integrator should have been empowered to address these.

- **End-to-end processes:** To ensure efficient service delivery, the service integrator needs to deliver end-to-end processes, across the various service providers. This will include measurements of critical processes such as incident management, change management, and service level management across the SIAM ecosystem.
- **Governance, Risk, and Compliance:** Whilst strategic governance is a customer accountability, the service integrator is responsible for operational governance (of the service providers). This means monitoring adherence to the governance framework, regulations, policies, risk management practices, and other compliance requirements to mitigate risks and ensure compliance within the SIAM environment.

Service Integrator Measurements

Many of the above measurements are qualitative and subjective, often reflecting the perspectives of the service providers such as collaboration, impartiality, SIAM health etc. Just as customer satisfaction is often assessed through qualitative metrics, the experience of service providers with the service integrator can also be measured in a similar way. This **provider sentiment** score offers valuable insights and trends, revealing how the service integrator is perceived by the providers they collaborate with, whose performance they integrate into and end-to-end value for the customer organization.

Practical case (an example, based on feedback provided through the SIAM Community)

Rewards & recognition (such as surveys voting best performing stakeholders/providers).

This recommendation will assist with the challenges of:

- Too financially focused
- Too operationally focused
- Difficulty in generating meaningful metrics.

Service Integrator Measurements

Conclusion

Successfully measuring a service integrator's performance in a SIAM environment requires moving beyond traditional operational metrics to a more comprehensive framework. The complexity of managing multiple service providers cannot be captured solely by financial or operational outcomes. Organizations must broaden their approach to include metrics that reflect the service integrator's role in fostering collaboration, driving service improvement, and aligning service delivery with strategic business objectives.

As outlined in this whitepaper, key challenges faced in current SIAM environments include a lack of SIAM knowledge, poorly communicated strategies, legacy contracts with outdated metrics, and an overemphasis on financial or operational measures. Addressing these challenges requires a shift from focusing purely on individual service provider efficiency to a broader view of service integration, emphasizing collaboration and alignment with business outcomes. Developing a clear SIAM strategy and revising contracts to include shared, end-to-end service measures ensures that all service providers work toward cohesive goals.

Specifically, the whitepaper outlines the following recommendations to improve the measurement of the performance of the service integrator.

- Establish a SIAM strategy and core SIAM artifacts
- Define the role of the service integrator
- Prepare to contract for service integration and collaboration
- Create (shared) end-to-end service measurements
- Promote a collaborative culture
- Assess service experience
- Enable a holistic measurement framework
- Measure service integrator activities.

In conclusion, measuring the service integrator's performance in a SIAM environment requires a multi-faceted approach and a robust, balanced measurement framework. By integrating both quantitative and qualitative metrics, organizations can more accurately assess the service integrator's contributions and realize the full benefits of a SIAM environment. This approach will enhance service delivery, promote collaboration, and ensure alignment with business outcomes for long-term success.