itSMF UK

Problem Management

Reflecting on a decade of progress and challenges

A whitepaper by Barry Corless

Table of contents

Foreword 1
1 Introduction 2
2 Stakeholder perception of Problem Management 3
3 How do we measure Problem Management? 5
4 How do we celebrate Problem Management success? 7
5 What challenges does Problem Management face? 8
6 Wishful thinking 9
7 Conclusion 10

Foreword

Around ten years ago, itSMF UK's Problem Management Special Interest Group (Problem Management SIG) surveyed its membership about the state and perception of Problem Management within their organisations. At that time, we were helped by organisations as diverse as Oxfam, Centrica, HSBC, Northumbria Water and Visa International.

Recently itSMF UK decided to find out what had changed in the problem management world over the last decade. Armed with the original questions and answers, Barry Corless, who wrote the 2014 research paper as chair of the former Problem Management special interest group, has been talking to representatives of member organisations to see if we have moved on.

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1 Introduction

Ten years have passed since our initial survey on Problem Management. Our first job was to compare the organisations we surveyed then, compare them with the new group of participants, and to highlight some of the similarities and differences in the landscape.

Area	2014	2024
Sectors	2 x Utilities, 2 x Financial (banking / financial services) and 1 x Third Sector.	Public sector x 1, Legal x 1, Higher Education x 1, Financial (banking) x 1, Insurance x 2.
IT Service Management	Mostly ITIL v3.	Mostly ITIL v3 with pockets of ITIL 4 practice.
Tools	A variety of toolsets in use.	Majority using the same single toolset.
Organisational set Up	Traditional Problem Management teams ranging from a couple of people to a team of eight.	Still mostly traditional though one organisation was operating in a product structure.

Table 1: Comparative context: 2014 and 2024 studies

Key observations from Table 1:

- We have a slightly richer mix of organisational verticals in 2024 than in 2014.
- Interestingly, ITIL 4 does not seem to have been adopted widely with most happily using ITIL V3-based processes. From a Problem Management perspective, this is unsurprising as there has not been much change in the basics since ITIL V2 in 2001.
- Most of the organisations were using different tools in 2014. One toolset was to the fore in 2024. I am not here to promote a single toolset so I will let you guess. Worth noting is that the “use it out of the box” drive by the provider of the toolset had affected how much tailoring was evident in 2024. One footnote here is that the primary toolset in use forces the use of ITIL 4 based processes, but as stated elsewhere Problem Management principles remained aligned between ITIL V3 and ITIL 4.
- Much like 2014, the sizes of teams in 2024 varied. There was certainly more of a drive to embed Problem Management in other organisational areas evident from 2024 teams.

2 Stakeholder perception of Problem Management

The first questions we asked concerned how Problem Management is perceived in the organisation.

- How is Problem Management viewed in your organisation?
- Does this perception vary between teams / suppliers or with seniority?
- And finally, what do you believe are the key reasons for those perceptions?

In 2014, there was a revolt against the name 'Problem Management' which was indicative of a lack of recognition. The argument was that the outputs (service improvement initiatives, reducing the risk of recurrence of incidents, management information and involvement in the risk and governance lifecycles both internally and externally) were more synonymous with improvement, service and control. The term Problem Management, well understood by ITSM professionals in an ITIL context, was taken too literally by colleagues in other departments and thus the role had become stereotyped.

One other strong trend in 2014 was the success achieved when teams were being more proactive in reaching out to their customer.

So, what of 2024?

One organisation had a strong view in their team that "Problems are good. We cannot improve without them." In stark contrast was the view of their senior management who were petrified of the word 'problem.' It was suggested that a lack of awareness of the Problem Management role was the main contributor to this view.

More than one organisation drew a line through the maturity (and longevity) of their Problem Management set-up and the perceived value they added – older and more mature = greater value. Interestingly, many of the same respondents were frustrated that their organisations saw value in the work they did on major incidents and problems but less so in proactive and preventative problem work. One went as far as saying that "Proactive Problem Management just isn't as sexy as the Major Incidents we get involved in."

A new and very data driven Chief Technology Officer (CTO) was cited by one organisation as a reason that more focus was being put on Problem Management. The strength of their reporting and ability to link recurring incidents to problems was seen as key.

One organisation felt a strong vibe from the way that Problem Management 'picked up the pieces' after Major Incidents in IT. As a result, they are increasingly involved in resolving business-wide issues.

One of the less mature and resource light teams argued that, despite gaining much credibility through education of stakeholders, views still varied greatly about the effectiveness of Problem Management.

'A real journey' was one organisation's route to improve the perception of Problem Management. While senior management had seen the value of it, in some areas engineers were reluctant, because "it takes me longer to request a problem investigation than fixing the issue". Ironically, they failed to consider how often they need to fix the incident!

Another view concerned where contracts were still priced based on incident volumes. If we fix problems, it reduces incidents, which reduces the revenue. This is an uninformed view of how charges do work – and makes a compelling case for outcome-based charging.

I was particularly interested to see how the organisation using a product approach had coped. They were happy that Problem Management and its techniques were embedded in individual product teams and delivery pipelines but frustrated that an Exec Board for cross-product problems had yet to mature.

Author's view

Last time, I said many Problem Management functions would do well to rebrand to include 'service improvement' in the name. I stand by that advice and might juggle the word 'experience' in there too. It removes negative connotations around the word 'problem.' Problem Management is the tool; service improvement, enhanced customer experience, and reduced risk are the outcomes. One team had tried a link to Major Incident Management (MIM) by becoming MIM Prevention and The Proactive Hub. Despite their name changes, most still refer to the practice as Problem Management. It's how they work with their engineers that REALLY changes the perception/behaviours. For certain, it is not one size fits all. For those outside of IT and who do not regularly interact, a name change might be significant. For those inside, it may mean nothing. Names and perceptions can stick - how many older generations still refer to British Rail when talking about our railways? They last ran a train in 1997!!

This time, I am sensing that "Rome wasn't built in a day" is sound advice. The teams I talked to 'got it.' They understood the benefits that sound Problem Management brings and had clear views of what good practice looked like. It was also clear that getting out there to engage stakeholders directly to espouse the benefits and tell the Problem Management story was a successful tactic. The positive stories from our more mature and long-lived teams add credence to the 'stick with it' mantra.

Have we moved forward in ten years?

I would say so. There is certainly more of a feeling of a Problem Management being a valuable resource than a dumping ground for difficult incidents.

3 How do we measure Problem Management?

Next up we drilled down into measurement and how Problem Management proves its value. We asked:

- What measures (KPIs) does your practice use and why?
- Do you measure the individuals in your Problem Management team?
- Finally, do you employ any soft measures (Customer Satisfaction (CSAT), employee satisfaction, etc.) in measuring Problem Management effectiveness?

Ten years ago, there was surprisingly little variation in the responses between organisations that sat at the more mature and better funded end of the scale against those that were 'moving up' from the lower end. One organisation stood out last time. Aside from the typical measures they were particularly keen on measuring the outcomes of Major Incident Review action points. They adopted a softer people focus by gauging feedback from the problem process stakeholders; individuals in the team were also measured on their proactiveness and the professional presentation of reports, briefings etc.

My real favourite last time around was the organisation that had abandoned the traditional 'number of root causes found' in favour of the 'number of known errors created.' "What's the point in finding a root cause if you can't do anything about it?" they argued. Significantly, plans to increase the sophistication of KPIs to reflect more meaningful business outcomes was top of the wish-list ten years ago.

In 2024, remarkably similar trends and results emerged. I do not think any team has reached the heady heights of 2014's stand-out team. In fairness, I am not sure any of 2024's class have quite the resources that were available to our 2014 leaders. One team this time round had gone an appreciable way to having a broad set of holistic measures.

One parallel I will draw with 2014 was the strength and resources in the team. One team stood out. After interviewing them (all six on the call) I remarked to a colleague that any of the six could easily be the Problem Management practice lead at another organisation. Yes, it might only be my opinion, but they were that strong! In addition to measuring the typical process assurance metrics – right down to category level – they are measuring perception through CSATS and have robust measures in place for their Problem Management roadmap and strategy. Do not worry… I will get these guys presenting their story to itSMF UK members soon!

Others had traditional suites of measures looking into assurance of the lifecycle states and successful problem resolutions. Time saved getting to problem resolution was a key measure for one organisation whilst others had the uber-traditional time to delivery of Root Cause Analysis. Reflecting their relative state of maturity, one organisation had no real KPIs for Problem Management.

One respondent has removed any SLAs from their offering and replaced them with internal KPIs of which two are time based and two are focussed on reduction of service disruptions. They configured their ITSM tool to drive these KPIs. They also created their own ITSM tool training, which includes their new standards to educate colleagues on Problem Management.

Author's view

My interviews revealed a vastly increased focus on process assurance and the following of process governance in comparison to 2014. In that respect, KPIs were geared towards assuring the process as opposed to measuring its value to the organisation. I have said this a gazillion times before and I will say it again – until organisations can consistently quantify downtime in terms of cost, reputational harm, regulatory troubles, rework required, lost sales, customer experience and other such measures, then Problem Management will always struggle to prove its value objectively. This is of particular concern to service organisations where you cannot quantify 'numbers of widgets' in the way you can in manufacturing. Too many organisations still have tumbleweed where cost of downtime should sit.

Have we moved forward?

You will forgive me for thinking we have been caught in ‘The Land Where Time Stood Still’ here. In terms of assuring our process governance and measuring its effectiveness, I would say yes, progress has been made. When it comes to displaying our value, then probably no. I am sensing that our next investigative white paper should be entitled ‘How to measure the value of Problem Management’.

4 How do we celebrate Problem Management success?

When Problem Management is successful, do we shout about it from the rooftops or hide our light under a bushel? We asked respondents:

- How do you communicate your success, with whom, and when?

Back in 2014, one of our respondents really threw the proverbial kitchen sink at this issue with an array of communications that might leave most green with envy. Their own SharePoint and intranet sites were backed up by a Problem Management newsletter. The newsletter contained the obvious success stories and updates about ongoing investigations. Indeed, making these successes public knowledge has contributed to the momentum to set up non-IT Problem Management. Sadly, at the other end of the scale one respondent just answered the 'how do we communicate?' question with "badly." The fledgling nature of the team means there probably is not a huge amount to share so it is not all doom and gloom.

Now the story in 2024. At the higher end of the scale, keeping communication 'alive' was the focus for one team. Ensuring prompt delivery of everyday communication such as Major Incident and Problem Reviews and Problem Closure Reports was seen as key to convincing a sometimes-sceptical audience that they were 'all over their brief.' Equally, they took the opportunity to publicise their work through other forums and reviews.

The Incident and Problem Review Forum route was seen as a positive method by others. Added to this, others were happy to get their efforts on high-profile problems praised in newsletters. One view was that it was "Not something we do… but somehow we do get celebrated in monthly updates!".

The correlation between maturity, resource availability and an operational capability to communicate was really evident. Predictably, the better resourced and more mature your team, the more communication was driven on your terms. No matter which end of the maturity scale I questioned there was a universal answer of "We probably don't do enough".

There was also a view that you cannot beat word of mouth as the best form of marketing. When engineers start to experience the support Problem Management brings, and the difference it makes, they talk to others and more proactive interaction follows.

Author's view

The quote "There is no such thing as bad publicity" is often attributed to 19th Century American entertainer and circus owner, Phineas T. Barnum. Barnum was famous for his extravagant promotional tactics and belief that any publicity, even negative, could be beneficial. I mostly agree with this view where Problem Management is concerned. But… and this is the kicker… I do so confident in the knowledge that I have an answer or retort to anything negative.

There's a case for using negative publicity to drive an agenda for change and improvement in a cut-throat IT budget cycle where we are jockeying for resources. I genuinely believe that the issue of not always knowing the business value of Problem Management holds us back from publicising successes more. Tell our stakeholders "We fixed this IT problem on the network" and often we get the reply "Cool - that is your job." Report that "We drove collaboration between our suppliers to remedy an underlying issue with our website which resulted in 20% extra sales in the pre-Christmas period and a 100% reduction in complaints" and you are likely to be included in King Charles' next birthday honours list!

Have we moved forward?

I am calling this one a draw. There are still the legacy traits of being scared to celebrate success when the next problem is waiting round the corner to rain on our parade. One area where we have moved forward is our willingness to get out there face-to-face and tell our stakeholders just how good we are and what we can do. That tells me that we are a little more confident in our processes' ability to deliver than we were ten years ago.

5 What challenges does Problem Management face?

This year we asked:

- What are the biggest challenges you face running Problem Management?

This was not a topic we chose to ask about directly in 2014 but felt we needed to read the room to give context to the views expressed elsewhere in the survey. This year's responses can be summarised as follows.

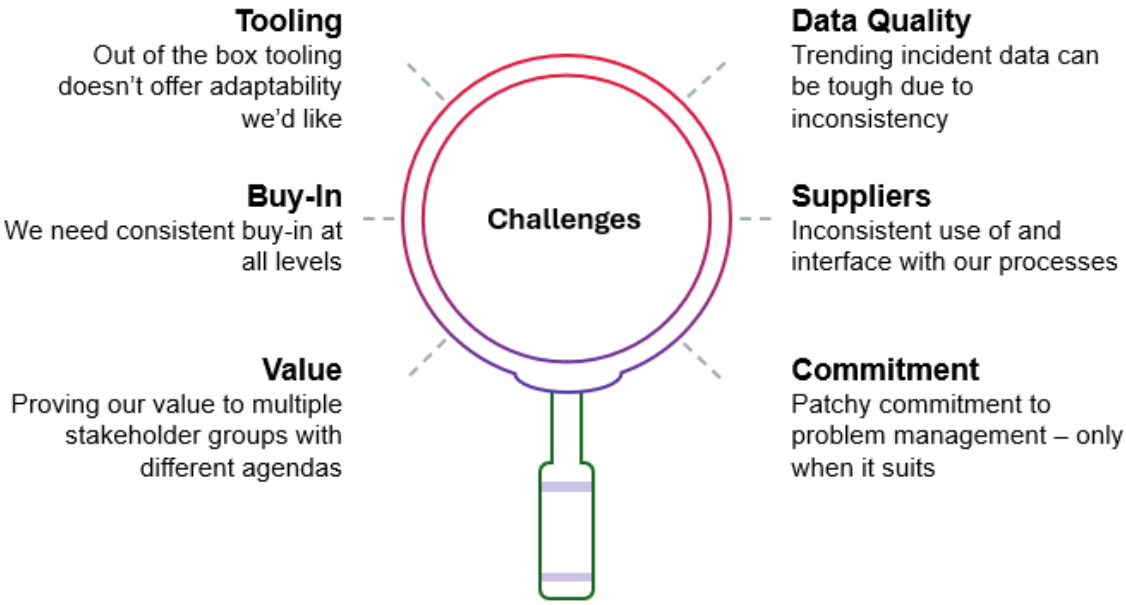

Figure 1: Challenges facing Problem Management in 2024

Author's view

The issues facing Problem Management correlate perfectly with the answers to other questions. There is a particular tie into the 'wishful thinking' in the next section. I am not really seeing new themes since 2014 but more a different mix and alternative manifestations. For example, buy-in and commitment are endemic problems. In some organisations they struggle with 'senior' buy-in. Others are plagued with engineer buy-in. Some suffer with both. The solution is much the same now as then – relentless selling of your benefits and education of your stakeholders.

As for supplier management, the issues are the same but there are different answers to ten years ago. The Service Integration and Management (SIAM) body of knowledge and best practice now provide extensive guidance in this area. Likewise, with data quality there are now different answers to old challenges, with the increased use of AI and better data governance.

Moving forward, Problem Managers need to ensure that they scan the horizon to notice new tools and techniques. A move towards Enterprise Service Management could be the key that unlocks the door of stakeholder buy-in and commitment.

6 Wishful thinking

Wishful thinking - our China Crisis moment! (If you know, you know… it got to Number 9 in the Top 40 in January 1984!). Here we asked:

- With the benefit of a magic wand, what would you do to improve?

Back in 2014, the desire to present "management information that tells a story of reduction in risk to the organisation" was a goal in more mature set-ups. The argument being that there are hard numbers associated with this. In the financial sector, reduced risk exposure means that the organisation needs to hold less capital in reserve in case 'something bad happens.' Elsewhere it was all about having a robust mechanism to measure the financial consequences of damage to brand and reputation. Where we were less mature back in 2014, one organisation simply wanted to show that Problem Management is a not just a 'nice to have' function.

Our 2024 wish list was more diverse. One team wanted to 'land and expand' by embedding Problem Management into siloed delivery teams but felt they needed more weight within the organisation to do so. Increased stakeholder support was also deemed to be key, so that Problem Management was driven from the top.

One of the more mature teams had a real Christmas list. They asked Problem Santa for a focus on improving availability; measuring the financial cost of an incident; more dedicated resources (problem managers); supplier contract consistency in engaging with Problem Management; and a consistent workload. Best of luck!

Others had simpler desires: wishing senior management would see the value of what the Problem Management team does or asking for a seat at the top table. One respondent wanted promotion to Head of IT Service Management just to clear the log jam – now that's a real cry for help!

From a more technical perspective, some wanted AI tools to correlate incident data to problem identification, end user access to Problem Management processes, and better incident / problem integration.

And one plea from a service provider, that I can identify with, is that customers (and those writing their contracts) stop putting unmeasurable and time-based Problem Management KPIs into contracts.

Author's view

The desire for more accurate and meaningful measures of our worth is just as prevalent as it was ten years ago. In 2014, I suggested that we needed a metric that resonates with the organisation at the highest level to secure our funding… monetary or verifiable reduction in risk. Then a measure to appeal to our customers - measuring improvements against a customer experience framework. I stand by both today.

Greater awareness of finance and risk in our Problem Management teams and the advent of XLAs has made both far more achievable. I am seeing the fact that AI did not feature more in our wish lists as proof that we are still wrestling with its practical applications in Problem Management. Perhaps the practical and grounded people of Problem Management need to see the pathfinders and their case studies to convince them that AI's value will be more than just hype?

7 Conclusion

The French phrase *Plus ça change, plus c'est la même chose* (the more things change, the more they stay the same) comes to mind as we reach the end of this study. Many of 2014's issues are still with us. They look a little different but scratch the surface and the root causes (no pun intended) are the same.

As a result, I am drawing five primary conclusions:

- ***Credibility***. Despite Problem Management and problem solving being fundamental business skills our teams are still suffering from a credibility gap and lack of acceptance of their value.

- ***Cost of downtime***. The inability to agree a 'business cost of downtime' still makes promoting the benefits of the process that saves business downtime far too subjective.

- ***Assurance***. There is a greater focus on process assurance than ten years ago. The systematic measurement and comparison with their activity compared to the standard is reducing errors and giving better results.

- ***Resource and maturity***. The size of your Problem Management team and their competency still has a fundamental effect on how much you can achieve. AI is not going to change that in a huge way in the short term.

- ***Problem Management specialists***. Problem Management and problem-solving skills are still the most transferable between the IT department and other areas of the organisation. Yet, there still seems a reluctance to move into other areas.

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