

## Communications of the IIMA

---

Volume 9 | Issue 4

Article 3

---

2009

# Good to Great in IT Service Management: A Case Study

Eric Van Der Brugh

*Utrecht University of Applied Sciences*

A.J. Gilbery Silvius

*Utrecht University of Applied Sciences*

Follow this and additional works at: <http://scholarworks.lib.csusb.edu/ciima>

---

### Recommended Citation

Brugh, Eric Van Der and Silvius, A.J. Gilbery (2009) "Good to Great in IT Service Management: A Case Study," *Communications of the IIMA*: Vol. 9: Iss. 4, Article 3.

Available at: <http://scholarworks.lib.csusb.edu/ciima/vol9/iss4/3>

This Article is brought to you for free and open access by CSUSB ScholarWorks. It has been accepted for inclusion in Communications of the IIMA by an authorized administrator of CSUSB ScholarWorks. For more information, please contact [scholarworks@csusb.edu](mailto:scholarworks@csusb.edu).

## **Good to Great in IT Service Management: A Case Study**

**Eric van der Brugh  
A. J. Gilbert Silvius  
Utrecht University of Applied Sciences  
NETHERLANDS  
[gilbert.silvius@hu.nl](mailto:gilbert.silvius@hu.nl)**

### **ABSTRACT**

*For IT services companies, delivering high quality IT services is of eminent importance. IT service quality drives customer satisfaction, which in its turn drives firm performance. It is this link that is addressed in this paper: How can the performance of customer service delivery teams be improved, when looked upon from the perspective of firm performance?*

*Based on the literature on excellent performing organizations, we apply the concepts that, according to Collins (2001), drove the development of ‘good’ companies to ‘great’ companies to a case study of an under performing service delivery team that developed into an excellent performing service delivery team. The lessons from this study were that most of the drivers behind the performance improvement of this team were in fact ‘soft’ factors that concerned the human side of the team more than the organizational, procedural or structural measures.*

### **INTRODUCTION**

Delivering information technology (IT) related services is one of the core tasks of the IT function of any organization (Ratcliffe, 2004). Due to continuous evolvement of the role of IT in organizations, the quality of IT services has become increasingly important. This is illustrated by the growing interest of the academic community for IT service quality. Studies on this topic have been performed by, amongst others (Hochstein, Tamm, & Brenner 2005; Pitt, Berthon, & Land 1998; Niessink & van Vliet, 1998; Potgieter, Botha, & Lew, 2005; Watson, Pitt, & Kavan, 1998; Praeg & Schnabel 2006). For IT services companies, delivering high quality IT services is of even more importance. Service quality effects customer satisfaction, which in its turn effects firm performance (Yoon & Im, 2008). Improving the performance of customer service delivery teams is therefore a crucial concern for the management of IT services companies. It is this performance issue that this paper addresses: How can the performance of customer service delivery teams be improved, when looked upon from the perspective of firm performance?

Firm performance, and understanding why some firms outperform others, are primary topic of Strategic management theory (Rumelt, Schendel, & Teece, 1991). One of the first books on excellent performing companies was published by Peters and Waterman (1982). In their analysis, successful companies have an action oriented attitude, are customer focused, stimulate autonomy and entrepreneurship, strive for higher labor productivity, focus on core competences, have a simple organizational structure and propagate empowerment. Despite criticism on the academic quality of their research, the Peters and Waterman book became a bestseller of management literature. Since then, more studies and publications followed in search of a universal theory on high performance. Like Peters and Waterman, most of these studies were criticized by the

academics because of their lack of rigor of the research (e.g. by Aupperle, Acar, & Booth, 1986), but were embraced by practitioners as guidelines for success. Most studies describe common characteristics of successful organizations, without testing whether the factors and results have a causal relationship (Carlile & Christensen, 2005). The ultimate theory on high performance, however, will tell companies not just what the characteristics of excellence performance are, but most of all how to become excellent.

One of the latest works in this field that reached bestseller status, and that describes the process of becoming excellent, is Jim Collins' (2001) book 'Good to Great' (G2G). This paper uses Collins' views in analyzing how the performance of customer service delivery teams can be improved.

After a brief introduction into IT service management, the following paragraph will explore Collins' concepts of G2G, followed by an explanation of the research approach and design of the study. After this, the setting of our case will be described, followed by the findings of the study. The paper will be concluded with a summary of the results and some conclusions, resulting in a recommendation for IT Service Delivery firms to take into account when setting up service delivery teams.

## **IT SERVICE MANAGEMENT**

IT Service Management (ITSM) is a discipline for managing IT systems, philosophically centered on the customer's perspective of IT's contribution to the business (Praeg & Schnabel, 2006). ITSM stands in deliberate contrast to technology-centered approaches to IT management and business interaction. "Providers of IT services can no longer afford to focus on technology and their internal organization, they now have to consider the quality of the services they provide and focus on the relationship with customers" (ITSM Forum, 2002).

In ITSM, it's common practice to use models and frameworks as illustrations of 'best practices'. Over time, dozens of ITSM or service delivery models and working methods were developed. One of the most well known is the IT Infrastructure Library, or ITIL (CCTA, 2000). ITIL describes the topic of Service Delivery as follows:

"The Service Delivery discipline is primarily concerned with the proactive and forward-looking services that the business requires of its IT services provider in order to provide adequate support to the business users. It is focused on the business as the customer of the IT services. The discipline consists of the following processes:

- Service Level Management;
- Capacity Management;
- IT Service Continuity Management;
- Availability Management;
- Financial Management."

## GOOD TO GREAT

Based on data covering a time frame of 30 years (1965 to 1995), Collins analyzed how excelling companies like Fannie Mae, Gillette, Kimberly-Clark, Kroger, Nucor, Philip Morris, Pitney Bowes, Walgreens and Wells Fargo, produced sustained great results and achieved enduring greatness. He identified 11 companies that followed a pattern of "fifteen-year cumulative stock returns at or below the general stock market, punctuated by a transition point, then cumulative returns at least three times the market over the next fifteen years." (Collins, 2001). Public companies were selected because of the availability of comparable data. Fifteen-year segments were selected to weed out the one-hit wonders and luck breaks.

The G2G companies were selected from a larger group of successful companies. Companies that failed to make the G2G status fall in to two categories. The first category being companies in the same industry and with the same resources and opportunities as the G2G group but that showed no leap in performance. The other category being companies that made a short-term shift from good to great but failed to maintain the trajectory.

His study uncovers six timeless principles on how companies grow from 'good' to 'great'. This paper will handle 5 of those principles.

- ***Level 5 leadership***

Every G2G company had 'Level 5' leadership during pivotal transition years, where Level 1 is a Highly Capable Individual, Level 2 is a Contributing Team Member, Level 3 is the Competent Manager, Level 4 is an Effective Leader, and Level 5 is the Executive who builds enduring greatness through a paradoxical blend of personal humility and professional will. Level 5 leaders display a compelling modesty, are self-effacing and understated. Level 5 leaders are fanatically driven, infected with an incurable need to produce sustained results. They are resolved to do whatever it takes to make the company great, no matter how big or hard the decisions. Collins claims that he was not looking for Level 5 leadership, but the data was overwhelming and convincing. The Level 5 discovery is an empirical, not ideological, finding.

- ***First who...then what***

Before answering the "what" questions of vision and strategy, G2G companies first ask "who" are the right people for the team. Collins mentions the process of reorganizing the bus and reshuffle seats: get the right people on board and put the right people in the right places. Good-to-great management teams consist of people who debate vigorously in search of the best answers, yet who unify behind decisions, regardless of parochial interests. The old adage "People are your most important asset" is wrong. The lesson from G2G companies is that people are not the most important asset, only the *right* people are. Whether someone is the right person has more to do with character and innate capabilities than specific knowledge, skills or experience.

- ***Confront the brutal facts***

G2G companies "Lead with questions, not answers". They engage in dialogue and

debate, not coercion. G2G companies create a culture wherein people “have a tremendous opportunity to be heard and, ultimately, for the truth to be heard.” They conduct autopsies without blame and build red flag mechanisms that “turn information into information that cannot be ignored”. Collins’ advice is to confront the brutal facts, but never lose faith.

- ***A culture of discipline***

According to Collins most companies build their bureaucratic rules to manage the small percentage of ‘wrong people on the bus’, thereby frustrating and estranging the ‘right people on the bus’. They implement bureaucracy to compensate for incompetence and lack of discipline. The G2G companies built a consistent system with clear constraints, but they also gave people freedom and responsibility within the framework of that system. They hired self-disciplined people who didn’t need to be managed, and then managed the system, not the people.

- ***Technology accelerators***

G2G companies think differently about the role of technology. When used right, technology becomes an accelerator of momentum, not a creator of it. The G2G companies never began their transitions with pioneering technology, for the simple reason that you cannot make good use of technology until you know which technologies are relevant. And relevant technologies are the ones that link directly to the core competences of the organization: What you can be best in the world at? What drives your economic engine? and What you are deeply passionate about? .

The 6th principle, the ‘hedgehog’ principle (do what you do best, do what you are passionate about, and what drives your economic engine) is not discussed in this paper because the research was not about investigating whether EDS as a company is aligned with this principle.

Also Collins’ work is not uncriticized. May (2006) explains that first of all, the good-to-great principles are true in the same way a horoscope is true. They are fairly generic and thus we all apply them from our own viewpoint to make them true. He claims Collins and his team made a huge mistake while doing their research. The good-to-great qualities, once determined, were never used to search for counterexamples. What he means is that Collins and his team never said "are there any companies that have all of our good-to-great qualities that weren't good-to-great?" May also states that the good to great companies simply have good processes for making business-related decisions.

May also quotes Tom Peters, co-writer of the book ‘In search of excellence’ (Peters & Waterman, 1982). Peters criticizes Collins’ selection of successful companies: "... companies that Jim calls great have performed well. I wouldn't deny that for a minute but they haven't led anybody anywhere. I don't give a damn whether Microsoft is around 50 years from now. Microsoft set the agenda in the world's most important industry at a critical period of time, and that to me is leadership, not the fact that you are able to stay alive until your beard is 200 feet long." (Gettler, 2003).

Myatt (2008) also criticizes G2G. He states that the study in and of itself has a bias in that Collins’ focused on 22 Fortune 500 Companies. The study compared and contrasted 11

companies that made the transition from good to great, and 11 peer companies that did not. Therefore it applies to a very small universe. Secondly, he objects against a ‘one size fits all’ mentality to what it takes to be successful, for example in the ‘level 5’ style of leadership, and believes that leadership style should be aligned with the environmental, situational and contextual circumstances of the organization, along with the mission at hand. Lastly, Myatt challenges Collins’ opinion that “those who launch radical change programs and wrenching restructuring will almost certainly fail to make the leap” (from good to great). Myatt states that there are also times when radical change is in fact the critical element needed to move a company to the next level of success. It is not change or re engineering that are the evils, rather it is ill-conceived or poorly implemented change that can cause harm. Beware the change agents for the sake of change, but embrace change by design (radical or otherwise) for the good of the enterprise. (Myatt, 2008).

Levitt and Hollar (2008) comment on the fact that G2G is backward looking and point out the fact that given the actual stock market, some of the G2G companies from Collins’ study lost a large part of their value since the publication of the book.

Despite of this criticism, we assessed the G2G principles as an interesting foundation for this study.

- First of all, Collins based his work on academic research. He collected data over a time frame of 30 years, starting in 1965 all the way up to 1995.
- Secondly, the book G2G had a large impact in the world of management practitioners. It was a worldwide bestseller and many organizations implement Collins’ lessons.
- Thirdly, G2G is not about IT management, but about management in general. Applying concepts from general management in the IT management domain, could therefore benefit the mutual understanding between business management and IT management.

## **RESEARCH DESIGN**

This paper uses Collins’ views on G2G in analyzing how the performance of customer service delivery teams can be improved. We performed a case study analysis of the EDS Service Delivery team at site of Vodafone in Maastricht, the Netherlands. This research design fits the problem statement, because it takes into account the contextual aspects of the team that was studied. “The essence of a case study is that it tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result” (Schramm, 1971). In other words, one would use the case study method because one deliberately wants to cover contextual conditions, believing that they might be highly pertinent to the phenomenon of the study (Yin, 2003). This type of research design is not uncommon in the information systems domain, when “how” or “why” questions are of primary interest and when the phenomenon of interest takes place within some real-life context (Sofos & Marchewka, 2006).

Looking at the organizational capabilities on site at Vodafone and considering the problem statement and the G2G principles as a basis for this study, the following questions were studied in this case study:

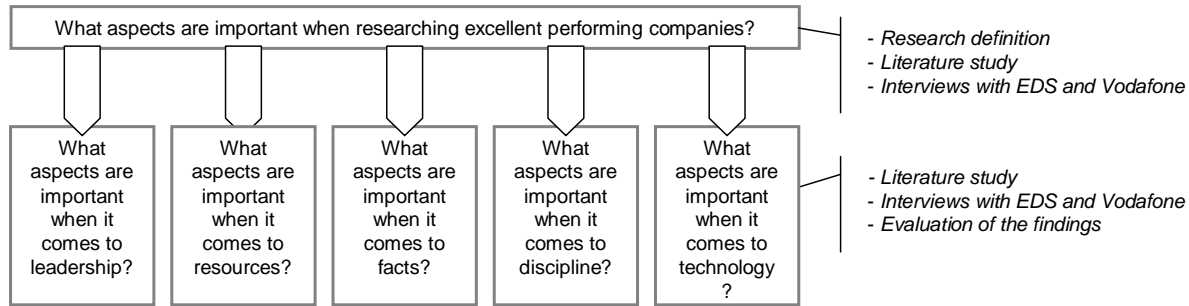
- What were the drivers of performance for the EDS Service Delivery team?
- Which interventions influenced human behavior in this IT Service Delivery environment?
- Which interventions influenced leadership behavior?

For this research, several relevant research techniques were used.

- **Literature research**  
Through literature research, important areas of attention and stakeholders in IT Service Delivery and excellent performing were mapped. Literature also provided an overview of the existing models and criteria for assessing models.
- **Surveys**  
Surveys were presented to a select group of stakeholders within EDS and Vodafone, both on site as well as management. Most surveys were held as interviews. Saunders et al. (2003) describes this as a form of ‘pilot testing’. With the use of pilot testing it can be determined whether the questions are understood and this leads to more sensible answers.
- **Interviews**  
The questions used in the surveys were also used in the interviews. Interviews were held with important stakeholders in EDS and Vodafone and the criteria and aspects found in literature were presented and checked for completeness and priority. The format chosen is the ‘partial structured interview’. These interviews are build up of closed questions with a fixed formulation. But there is also room for open questions. This way of interviewing enables the possibility to bring in other points of views from the interviewee, besides the aspects of the interviewer.
- **Documentation**  
Documentation like the EDS Delivery model and the Service Level Agreement between EDS and Vodafone were used.
- **Archival records**  
The examination of working data collected by the Service Delivery team on site such as: meeting minutes, monthly reporting, minutes of tactical meetings, client surveys.
- **Direct observations**  
Since one of the authors was working on site at the location that was studied, we were able to observe the resources.
- **Participant observations**  
As manager of the Service Delivery team, one of the authors was able to participate in the Service Delivery process and initiate and observe interventions.

The structure of this study is graphically presented in Figure 1.

**Figure 1: Researching existing companies.**



## THE CASE

### Setting

The case at hand is the EDS service delivery team, working for the Vodafone account in the Netherlands. EDS is a leading global technology services company delivering business solutions to its clients. EDS founded the information technology outsourcing industry 45 years ago. Today, EDS delivers a broad portfolio of information technology and business process outsourcing services to clients in the manufacturing, financial services, healthcare, communications, energy, transportation, and consumer and retail industries and to governments around the world. EDS has over 100,000 employees and was recently acquired by HP.

Vodafone is the world’s leading mobile telecommunications network company, with equity interests in 25 countries and partner networks in 36 additional countries. Today, Vodafone has over 200 million customers worldwide and over 60,000 employees (Vodafone, 2008).

In 1997, EDS and Vodafone signed a 10 year agreement for the outsourcing of Office IT activities of Vodafone Netherlands to EDS. The activities performed for Vodafone entailed IT Helpdesk, Floor support and Systems management.

### Service delivery team

Vodafone asked EDS to perform all support activities on site at the Vodafone headquarters in Maastricht. Therefore, EDS formed a team on site, headed by a Service Delivery Manager.

The **IT Helpdesk** is the single point of contact for all IT related incidents and changes in the Vodafone Office IT environment. Activities are call logging, first line resolution, dispatching and monitoring. The helpdesk can be considered a skilled helpdesk as 80% of the calls are expected to be solved at first contact. If a call cannot be solved at first contact, the call is dispatched to the correct second line group. Calls can be initiated via phone, mail, fax, or even in person when visiting the helpdesk but in practice the greater part (about 90-95%) of the calls is initiated via phone. The amount of phone calls is registered through a phone call registering system (Avaya). It not only registers the amount of calls but also the duration of a call and when the call was answered by the helpdesk. The helpdesk uses a helpdesk tool (first ITSM, later Remedy) to log all tickets and based on this registration, monthly reporting is possible. The Order desk part of the IT Helpdesk is responsible for evaluating and registering work orders.



These so called IMACs (installs, moves, adds and changes) are initiated by the user via a paper form which is filled in by the user and then faxed to the Orderdesk. The Orderdesk checks via pre-approved signatures whether the user is authorized to initiate a request. If approved, the Orderdesk logs the ticket in the previous mentioned help desktools and dispatches the ticket towards the correct second line group. In total, the IT Helpdesk assessed 5.700 calls per month on average in 2005. By the end of Q2 2005, 9 resources are working for the IT Helpdesk and Order desk. Almost all resources are contractors. User satisfaction surveys are not part of the service delivery, The Service Level Agreement (SLA) is measured via key performance indicators like amount of calls answered, average speed to answer a call, initial resolution rate, amount of severity 1 through 5 tickets handled within SLA (e.g. 90% within a specific timeframe). Client satisfaction is measured via client satisfaction surveys held once a year. The latter is only send to Vodafone IT management, not to Vodafone users.

**Floor support** is responsible for incident handling for users on desktops, laptops and printer hardware. Service will only be delivered after a call of the user to the helpdesk that was not solved at first contact or a workorder dispatched via the Orderdesk. These workorders delivered by Floor support are installation, movement and addition or changes of to the network connected laptops, workstations and network printers. This includes the installation of software, a new standard desktop or laptop, the upgrade of an existing desktop and the provision of a desktop to a new user. Warranty handling as specified in contracts and maintaining an effective inventory of all hardware in stock and in production is also part of this service. By the end of Q2 2005, 21 resources are working for Floor support. At least one third of these resources are contractors. The Service Level Agreement (SLA) is measured via key performance indicators like amount of installed workplaces, amount of applications installed, amount of workplace moves, amount of accounts created and deleted. within SLA (e.g. 90% within a specific timeframe).

**Systems management** is responsible for maintaining Windows application servers (availability, monitoring, maintain procedures) and applications. This group also functions as a third line group for Floor support, responsible for incident handling for users on desktops, laptops and applications like Microsoft Outlook. Another responsibility of this team is supporting the Vodafone IT groups with projects and so called 'friendly hands' activities, like rebooting servers, installing servers and troubleshoot servers. By the end of Q2 2005, 6 resources are working for Systems Management. Half of these resources are contractors. The Service Level Agreement (SLA) is measured via key performance indicators like availability of the Windows servers and the amount of accounts created within SLA.

The service delivery teams are headed by a team leader and the account is headed by a **Service Delivery Manager** (SDM) who is also operational responsible for the account. Operational activities for the SDM are setting up forecasts for budget and report on budget to EDS management, make sure the on site workforce is in balance with the amount of work to be delivered, maintain agreed service levels, discuss service delivery with the client and initiate corrective measures when needed. On tactical level, the SDM is expected to discuss IT trends, developments and innovations with the client. In this case, the SDM is also stationed on-site. The SDM reports to a Client Delivery Executive of EDS or an Account Executive of EDS (depending on the size of the account, more management layers are applicable), in this case, an Account Executive. The SDM also reports to a contract manager of Vodafone, in this case the Manager

Office IT of Vodafone Netherlands. The latter is considered the SDM's counterpart for the contract. The Account Executive in this case also reports to the Manager Office IT of Vodafone Netherlands.

### *Performance issues*

By July 2005, the account was supported with 36 engineers on site. Despite of a SLA being in place, Vodafone experienced the services delivered as very weak. Looking at facts, key performance indicators are indeed not met. The SLA report from the year 2005 shows that from the first quarter of the year on average 11 out of 30 KPI's were reported as 'orange' or 'red' and only 19 as 'green'. But this was not the only problem. Vodafone is pointing out that they miss a partner on a tactical and strategical level who they can talk to about IT developments and trends and how this partner can help Vodafone with further IT innovations. For EDS, this is a fixed price deal and the financial performance of the account was very weak due to the high amount of engineers being on site. Talking about innovation was not on the agenda of EDS. The situation came to a climax in July 2005 when both companies came to the point of ending the contract. Both companies decided to give it one more try and EDS planned an improvement project starting August 2005.

### *Dramatic performance improvement*

Looking at facts in the period starting July 2006 and ending July 2008, in the end the account was supported with 22 engineers on site and another look at the SLA report shows that in the last five months of the year 2005, on average only 1 out of 30 KPI's was reported as 'orange' or 'red' and 29 as 'green'. The positive change in performance is dramatic, but there is more. Vodafone acknowledges that EDS is performing more like a partner and this ultimately resulted in granting several global services contracts to EDS like the Application Development & Maintenance contract and the Global Service Desk contract, both in 2008.

## **FINDINGS**

This section describes if and how the G2G principles can be found in the EDS-Vodafone case.

### *Level 5 leadership*

In our study, the goal was not to find a level 5 leader on site. What we looked for is whether management in general played a role regarding the relationship between having the capabilities to implement models and tools or not, in relation with the behavioral restraints.

From the interviews held with EDS management and EDS employees on site it became clear that people identified several matters that proposed drivers to performance. There is a striking similarity between the mentioned points although the interviews were held with very different people (EDS employees, EDS management, Vodafone management). The lack of management attention in general (from both companies, lacking relationship, lacking partnership) and the leadership on site (the EDS Service Delivery Manager) are identified by all parties as being absolute drivers to performance in this case.

***First who.. then what***

Looking at the interviews with the EDS employees on site, before July 2005 the workload is assessed as 'much higher' than in the period after July 2005. But before July 2005 the account was managed with about 40 FTEs. Between July 2005 and April 2008 the workload dropped but also the amount of FTEs dropped from around 40 in Q3 2005 to 23 in Q2 of 2008. Since the services to be delivered did not change, what has happened? Reorganizing the bus and reshuffle seats was part of this process: put the right people in the right places. Based on interviews and meetings with all individuals, selected were those people who were able to make the cultural change and those who positively changed their behavior. Several resources were replaced on the account. Another striking difference is noticed in the period before July 2005 and after July 2005. Before July 2005 the EDS employees felt like 'lost in space' due to the lack of management. After July 2005 they felt taken seriously. So what has happened that caused this change?

The role of the SDM with a more open and more pro active attitude, with less emphasis on operational level and more matching the clients' counterpart is named by Vodafone management as the distinguishing factor for the period before and after July 2005. They also have an opinion with regards to the EDS employees on site. From the interview it became clear that there was the feeling that people have not changed. Some employees were always motivated and others were not, this did not change after July 2005. What did happen was a change in circumstances. Before July 2005 there was the feeling of 'we' versus 'them' and that changed due to an improvement in mutual understanding? This was achieved because the counterparts decided on a mutual strategy and to spread a mutual message. Vodafone management also emphasized that replacing resources definitely helped improving the situation.

Putting the right people in the right places and initiate a mutual strategy and spreading mutual messages are identified by both parties as interventions. Reducing staff is identified as an intervention but not by both companies (EDS only). Reducing staff improved the financial results for EDS. The facts whether people work in a leveraged or non-leveraged environment or have a connection to EDS are identified by the EDS employees as interventions but not as a driver to performance. The high amount of externals on the account is identified as a driver to performance by the EDS employees, although they have concerns that EDS was represented by contractors in management positions since in their opinion these contractors cannot really represent EDS.

***Confront the brutal facts***

From the interviews held with the EDS employees on site it becomes clear that people did notice a different strategy before and after July 2005. Customer satisfaction was identified as the strategy before July 2005. This is remarkable since the customer was everything but satisfied? Acting according to SLA and doing as much as possible with as few as possible resources is identified as the strategies after July 2005, with less attention to the customer. This again is remarkable since the customer became much more satisfied since July 2005. This did not seem to add up. An interview with the customer was needed to explain this contradictory outcome.

From the interview with Vodafone it became clear that the client is not familiar with the goals and strategy of the EDS account team. This has simply never been a topic of discussion in the meetings with EDS. According to Vodafone, the mutual strategy of communicating to the people with one voice has been an important factor for success, a strategy that was initiated after July 2005. From the interviews with EDS it became clear that before July 2005, the 'strategy' was to sit back and serve the contract. This supported the statements in the interviews held with the employees who expressed that EDS had a passive attitude towards the account. This emphasized their feeling of being left alone and furthermore supports all the matters that proposed drivers to performance as summoned. Besides that, it also linked to 3 points defined by the client in that same chapter as being factors for not meeting the KPIs. So this is clearly one aspect that can be identified as one that influenced behavior in both companies.

It does not, however, explain the contra dictionary outcome of the interviews: why did the on site team consider customer satisfaction as being the strategy at that time while the customer was not satisfied at all? Combining the interviews and studying the facts provides the plain and simple answer: in that time there were lots of escalations and EDS kept on sending resources (FTEs) to the account to solve the issues. But since nothing was discussed with the customer, the team only had the feeling that they were satisfying the customer by running around all day. But the customer studied the SLA reporting and concluded that the KPI's were still not being met. The conclusion is clear and simple: a lot of people were working very hard but they were not doing what the customer really expected of them.

Another contra dictionary outcome was the fact that according to the delivery team, acting according to SLA and doing as much as possible with as few as possible resources is identified as the strategy after July 2005, with less attention to the customer while the customer became much more satisfied since July 2005. Now that the first contra dictionary outcome has been explained, this one seems just as simple: the resources started doing what was expected of them and Vodafone management concluded from the SLA reporting that the KPI's were met.

Nonetheless, a strategy was determined and goals were set for the first period after July 2005. In fact, there were more strategies. Bringing in a project manager to start a Go for Green plan was the first step. Then, when things got better, the goal was to maintain the positive way up and to become more profitable. Strategy was to get quality people on board (not necessary EDS employees) and another strategy was to tell the customer that there was something wrong and that things needed to change. These strategies relate to Collins G2G principles of get the right people on the bus and confront the brutal facts.

Ignoring the signals and facts is identified by Vodafone as a driver to performance. Conflicting or unknown strategies are identified by EDS as driver to performance. Having a mutual strategy is identified by Vodafone as an intervention. Having a 'sit back' strategy is identified by both companies as a driver to performance.

### *A culture of discipline*

From the interviews held with the EDS employees on site it becomes clear that people labeled the culture before July 2005 as chaotic but with a good team spirit. After July 2005 everything became more tightened and the team spirit deteriorated. This deterioration is blamed to:

- the shrinking delivery team
- the feeling of ‘it all ends’ due to possible contract ending in 2007
- the mentality of some resources in the team (not further specified or explained)
- the amount of internal and external changes (internal: team became ‘lean and mean’, some EDS-ers were replaced by contractors. External: outsourcing of Vodafone support teams).

From the interviews it became clear that culture is determined by the people of both companies, the status of a company (just started, new to the business or settled) and behavior of the people. The way of managing people (open, pro active) also plays a role. Both team leaders and SDM should monitor this. Within a good team, people confront each other on their behavior. There is a difference when the period before and after July 2005 is considered. The openness towards each other is one factor but also the replacing of resources in both teams played a role in the positive change after July 2005. Clarity is also mentioned as one factor. The fact that the counterparts are now a match helped the situation considerably. It’s fair to mention that the role of the EDS SDM changed first and later also the counterpart at Vodafone changed. The match between the counterparts has been a critical success factor in this case. From another interview it became clear that there are other thoughts on culture.

One considers it to be important but also states that culture is most determined by the customer when i.e. a non-leveraged environment is in place. To create an EDS culture in a non-leveraged environment on site, one would for instance have to claim a separate part of the building, using own entrance passes to create an own identity. Vodafone has never accepted such initiatives. The interviews also tell us that stop trying to satisfy the customer and instead start with delivering the services as agreed is a crucial factor for culture change. As stated in the previous chapters, the mutual strategy of communicating to the people with one voice has been an important factor for success. This also had its influence on culture. The ‘we’ versus ‘them’ culture that existed disappeared rapidly by this communicating with one voice, working together and reporting successes to both companies’ management and teams. Both companies were very satisfied with the first results and this changed the collaboration between the two companies. Both companies were now willing to cooperate. A cultural breakthrough was achieved.

The status of a company, the behavior of the people and the way of managing people is identified by Vodafone as possible influencers of culture. The behavior of people is identified as a driver to performance. The way of managing people is identified as a driver to performance. Also identified by Vodafone are openness, replacing of resources, clarity, matching counterparts and having a mutual strategy. The (non)leveraged environment, the ability to create an own identity and stop doing the wrong things and start doing the right things are mentioned by EDS. What stands out here is that both companies mention different aspects that influence culture. Apparently culture can be influenced in many ways.

### ***Technology accelerators***

From the EDS management perspective technology always has a negative aspect in local environments. Local developed solutions are often not the best solutions. Technology should be more like a manufacturing process and scalability works in the advantage here (more possibilities). On the VDF account, EDS was never able to use its technology so both EDS and

Vodafone had to cope with local developed solutions in stead of global developed solutions. This also has a negative effect on the engineers on site because they don't see improvements but do get the first blame when things go wrong. And although they know how to fix it, they are bound to the local solutions. From the interviews held with the EDS employees on site it became clear that people find that little has changed in using technology. A new tool has been introduced for remote desktop management, but everything is more or less the same as it was before July 2005. EDS has little influence in the 'plan-build' part of the Vodafone account. Switching from one helpdesk tool to another has even worsened the reporting capabilities. The biggest positive influence on the daily work has been the migration from Windows NT to Windows XP. The environment is much more stable and the workload has dropped by 50% for some Field Service engineers.

The interviews display a different point of view on the topic of technology. Some find that technology in this case had a negative impact on behavior since both networks were never connected and the dependency on the Vodafone infrastructure always remained intact. EDS was never able to deliver a stable environment to Vodafone. A positive influence in general is the fact that ADSL has made it possible to work remote. Since technology didn't change that much throughout the years and a significant change did take place, its fair to conclude that technology was not the distinguishing factor in this case study. According to EDS, the influence one has (or in this case, doesn't have) and switching to bad tooling is a driver to performance. The latter is not supported by the figures. Migrating to a stable platform has a positive impact. Not being able to connect both networks caused a negative impact due to dependencies that cannot be controlled.

## CONCLUSION

Linking the combined findings of the Vodafone/EDS case back to the G2G principles of Jim Collins tells us that there are links with:

- level 5 leadership
- first who..then what
- confront the brutal facts.

For a 'culture of discipline' most aspects were found but those were not a combined aspect of EDS and Vodafone. Technology was an aspect with no significant meaning in this case.

The research questions can now be answered.

*What were the drivers of performance for the EDS Service Delivery team?*

As most important drivers of performance, both Vodafone and EDS agree on:

- EDS management is needed on site and the counterparts should match., the latter is mentioned as a critical success factor;
- a good relationship / partnership between both companies is crucial for success;
- Putting the right people in the right places is crucial for improvements;

- Having a mutual strategy and spreading messages motivates employees;
- Employees are more motivated when they have the feeling they are part of, and belong to, the company

*Which interventions influenced human behavior in this IT Service Delivery environment in a negative manner?*

Based upon the case study, the interventions that influenced the behavior negatively are:

- The lack of management attention in general;
- The passive attitude of management (lack of confession);
- The indistinctness of management;
- The leadership on site
- Not having a clear strategy.

*Which interventions influenced leadership behavior in a positive manner?* The interventions that influenced the behavior positively are:

- Having an open and more pro active attitude towards the client;
- With less emphasis on operational level and more acting on tactical level;
- And more matching the clients' counterpart;
- Having the ability to empower people to do their job;
- Having the ability to communicate with people, based on simple facts (confront the brutal facts).

For the strategy in particular, having a strategy to get quality people on board and to tell the customer that there is something wrong and that things need to change which relate to Jim Collins G2G principles of get the right people on the bus and confront the brutal facts. Also, having a mutual strategy of communicating to the people with one voice has been an important factor for success.

It can also be concluded that the greater part of the aspects that made the difference are in fact 'soft' aspects. With regards to the drivers of performance, 4 out of 5 elements are soft elements. These findings are in line with Xu and He (2008), who found similar drivers of team performance. Based on our research, the expectation that soft elements played a crucial role in this case is confirmed. The implication of this is that IT Services companies should pay more attention to 'soft' aspects in their service delivery models and procedures.

## **REFERENCES**

Aupperle, K. E., Acar, W., & Booth, D. E. (1986). An Empirical Critique of In Search of Excellence: How Excellent are the Excellent Companies? *Journal of Management*, 12(4), 499-512.

- Carlile, P. R., & Christensen, C. M. (2005). The cycles of theory building in management research. Discussion paper. Boston University.
- Collins, J. C. (2001). *Good to great: Why some companies make the leap...and others don't*. Harper Collins Publishers, New York.
- Gettler, L. (2003). Guru Peters still taking no prisoners. Retrieved November 22, 2008, from <http://www.theage.com.au/articles/2003/11/20/1069027253087.html>
- Hochstein, A., Tamm, G., & Brenner, W. (2005). Service-oriented IT management: Benefit, cost and success factors. European Conference on Information Systems. Regensburg, Germany.
- Levitt, S. D. (2008). From good to great...to below average. Retrieved November 22, 2008, from <http://freakonomics.blogs.nytimes.com/2008/07/28/from-good-to-great-to-below-average/>
- May, R. (2006). Why 'Good to great' isn't very good. Retrieved November 22, 2008, from <http://www.businesspundit.com/why-good-to-great-isnt-very-good>
- Myatt, M. (2008). Rethinking good to great. Retrieved November 22, 2008, from <http://www.n2growth.com/blog/rethinking-good-to-great>
- Niessink, F., & van Vliet, H. (1998). Towards Mature IT Services. *Software Process: Improvement and Practice*, 4(2), 55-71.
- Peters, T. J., & Waterman, R.H. (1982). *In search of excellence: Lessons from America's best-run Companies*. Harper & Row.
- Pitt, L., Berthon, P. & Lane, N. (1998). Gaps within the IS department: barriers to service quality. *Journal of Information Technology*, 13(3), 191-200.
- Potgieter, B. C., Botha, J. H., & Lew, C. (2005). Evidence that use of the ITIL framework is effective. 18th Annual Conference of the National Advisory Committee on Computing Qualifications. Tauranga, NZ.
- Praeg, C. P., & Schnabel, U. (2006). IT-service cachet - managing IT-service performance and IT-service quality. *Proceedings of the 39th Annual Hawaii International Conference on System Sciences (HICSS'06)*.
- Ratcliffe, D. (2004). The world of IT service management - the past, present & future of ITIL. itSMF LIG Meeting. Houston.
- Rumelt, R.P., Schendel, D., & Teece, D. (1991). Strategic management and economics. *Strategic Management Journal*, 12.



- Saunders, M., Lewis, P., & Thornhill, A. (2003). *Research methods for business students*. 3rd ed. Prentice-Hall, New York.
- Schramm, W. (1971). Notes on case studies of instructional media projects. Working paper for the Academy for Educational Development, Washington.
- Sofos, J. T., & Marchewka, J. T. (2006). A case study of CMM deployment at SBC Communications. *Communications of the IIMA*, 6(3), 23-30.
- Vodafone (2008) Available from: <http://www.vodafone.nl>
- Watson, R., Pitt, L., & Kavan, C. (1998). Measuring information systems service quality: lessons from two longitudinal case studies. *MIS Quarterly*, 22(1), 61-79.
- Xu, X., & He, X. J. (2008). Impact of team attitude and behavior on IS project success. *Communications of the IIMA*, 8(4), 41-50.
- Yin, R. K. (2003). *Case study research: design and methods* (3rd ed), Sage Publications, London
- Yoon, Y. K., & Im, K.S. (2008). Evaluating IT outsourcing customer satisfaction and its impact on firm performance in Korea. *International Journal of Technology Management*, 43(1/2/3), 160 – 175.