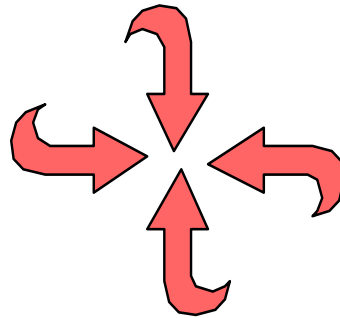


Excerpt from

How to Establish Service Level Agreements



NAOMI KARTEN

+1-781-986-8148
naomi@nkarten.com

www.nkarten.com
www.ServiceLevelAgreements.com

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CONTENTS IN DETAIL

Introduction

About the author.....	i
Objectives of this book.....	ii
Framework of this book.....	iii
Disclaimer.....	iv
Permission to use samples and examples.....	iv

1. Service Level Agreements: Role and Key Features

Chapter overview.....	1.1
Case study to set the stage.....	1.2
Recommendations from the case study.....	1.3
What a service level agreement is.....	1.5
What a service level agreement is <i>not</i>	1.6
The parties to an agreement.....	1.7
Key participants in establishing an SLA.....	1.9
Variations in SLA focus.....	1.10
Why bother? Benefits of an agreement.....	1.11
Five categories of benefits	1.12
The role of the SLA in reducing uncertainty.....	1.13
How long should an SLA be?.....	1.14
How long should an SLA take to establish?.....	1.15
How long should an SLA remain in effect?.....	1.16
When <i>not</i> to establish an SLA.....	1.17
How to make an SLA fail!.....	1.18
Remember the human factor.....	1.20

2. The SLA Document and Process at a Glance

Chapter overview.....	2.1
The SLA document vs. the SLA process.....	2.2
The key elements of the SLA document.....	2.3
The functions of the key elements.....	2.4
A template outline.....	2.5
What to place in an appendix.....	2.8
Possible additional SLA sections.....	2.9
Elements of a contractual agreement.....	2.10
The SLA process in brief.....	2.12
SLA process: Critical initial steps.....	2.13
SLA process: Development checklist.....	2.14

CONTENTS IN DETAIL (cont.)

3. Exercise 1: Evaluate a Sample Agreement

Chapter overview.....	3.1
How to evaluate this agreement.....	3.2
Sample agreement.....	3.3
Observations about this agreement.....	3.8
SLA evaluation: an important caveat.....	3.13
Evaluation criteria.....	3.14

4. The Service Elements of an SLA

Chapter overview.....	4.1
Overview of the service elements.....	4.2
Service element #1: Context-setting information.....	4.3
Examples of context-setting information.....	4.6
Service element #2: Description of services.....	4.7
Do you have a service description?.....	4.9
Is your service description clear?.....	4.10
Service element #3: Service standards.....	4.11
Service standards from everyday life.....	4.12
A lesson about the risks of service standards.....	4.15
Five categories of service standards.....	4.16
Examples of the five categories.....	4.18
Caveats about selecting service standards.....	4.19
Ingredients of a service standard	4.20
Analysis: service standard #1.....	4.22
Analysis: service standard #2.....	4.24
Excerpts from service standards.....	4.25
Service dependencies and examples.....	4.26
Service exceptions.....	4.27
Examples of service exceptions.....	4.28
Escalation paths and examples.....	4.29
Division of responsibilities	4.30
Examples of division of responsibilities.....	4.31
Real-time service standards.....	4.32

5. The Management Elements of an SLA

Chapter overview.....	5.1
Overview of the management elements.....	5.2
Management element #1: Service tracking & reporting..	5.3
What to track: objective measures	5.4
What to track: subjective perceptions	5.5
Focus on patterns of service delivery.....	5.6
Recommendations for service tracking.....	5.7
Planning service reporting.....	5.8

CONTENTS IN DETAIL (cont.)

5. The Management Elements of an SLA (continued)

Recommendations for service reporting.....	5.9
Examples of service tracking and reporting.....	5.10
Sample report.....	5.11
Sample report: points worth noting.....	5.12
Management element #2: Periodic review.....	5.14
The objectives of a periodic review.....	5.15
Methods of conducting a periodic review.....	5.16
Periodic review frequency.....	5.17
Periodic review participants.....	5.18
Periodic review examples.....	5.19
Management element #3: Change process.....	5.20
Creating a change process.....	5.21
Examples of change process.....	5.22

6. Exercise 2: Evaluate a Sample Agreement

Chapter overview.....	6.1
How to use this agreement.....	6.2
Evaluation criteria: another approach.....	6.3
Sample agreement.....	6.4
Observations and recommendations.....	6.15

7. Critical Initial Steps

Chapter overview.....	7.1
Step 1: Assess whether an SLA is appropriate.....	7.2
Step 2: Ensure management commitment.....	7.3
Step 3: Designate SLA managers.....	7.4
Why this role is so critical.....	7.5
Attributes of an SLA manager.....	7.6
Responsibilities of an SLA manager.....	7.7
Questions regarding SLA managers.....	7.8
Step 4: Provide SLA education.....	7.10
Who and how to educate.....	7.11
Topics for an overview presentation.....	7.12

8. Development Checklist

Chapter overview.....	8.1
Step 1: Assess current services.....	8.2
Assessment advice for providers.....	8.3
Assessment advice for customers.....	8.4

CONTENTS IN DETAIL (cont.)

8. Development Checklist (continued)

Step 2: Gather customer feedback.....	8.5
Guidelines for gathering feedback.....	8.6
Sample feedback-gathering questions.....	8.7
Step 3: Ensure agreement about the agreement.....	8.8
Step 4: Develop a draft SLA.....	8.9
First develop the big picture.....	8.10
Select a meeting format.....	8.11
Development tips.....	8.12
Step 5: Solicit feedback from reviewers.....	8.13
Guidelines for soliciting reviewer feedback.....	8.14
Step 6: Implement and manage the agreement.....	8.16
Finalize the agreement	8.17
Complete pre-implementation activities.....	8.18
Conduct a pilot.....	8.19
Guidelines for conducting a pilot.....	8.20
Sign the agreement.....	8.21
Manage the agreement.....	8.22
Responsibilities in managing an SLA.....	8.23
Advantages and disadvantages of Web-based SLAs.....	8.24

9. My Services and Resources

Chapter overview.....	9.1
SLA services and resources.....	9.2
Training in how to establish SLAs.....	9.3
Overview of services and resources.....	9.4

WHY BOTHER? BENEFITS OF AN AGREEMENT

An SLA offers benefits to both providers and customers. If you need to persuade others of the value of an SLA, start by identifying what you hope to accomplish as a result of creating it, such as:

1. Improved provider understanding of customers' needs and priorities
2. Clearer customer expectations of provider capabilities
3. Increased customer ability to compete for limited provider resources
4. Consistency between parties in evaluating service effectiveness
5. A context for focusing on continuous improvements
6. A framework for assessing and improving customer satisfaction
7. A competitive edge over other providers that don't use agreements
8. Less time lost in resolving conflicts between the parties
9. Clarity among parties regarding roles, responsibilities and accountabilities
10. A basis for building trust, cooperation and partnership between the parties
11. A framework for making a business case for increased resources
12. Greater customer control over costs relative to services delivered
13. Increased opportunity for long-term supplier/customer relationships
14. Contribution to ISO9000 certification
15. Part of an overall process improvement effort

FIVE CATEGORIES OF BENEFITS

Another way to look at SLA benefits that may be helpful in selling the value of SLAs is to organize the benefits into categories, such as these five:

- A. SLAs help to **improve communication** by
 1. Creating an improved understanding between provider and customer
 2. Facilitating increased sharing of important information
 3. Providing timely feedback (and feedforward) about problems and needs
 4. Reducing the number and intensity of complaints

- B. SLAs help to **manage expectations** by
 1. Clarifying the scope of services and the division of responsibilities
 2. Providing a context for realistic and reasonable expectations
 3. Creating a shared language
 4. Establishing priorities and service levels

- C. SLAs help to **improve service delivery** by
 1. Providing an objective basis for assessing service effectiveness
 2. Facilitating the setting of performance thresholds
 3. Providing a context for service changes
 4. Providing a basis for continuous improvement

- D. SLAs help to **strengthen relationships** by
 1. Helping providers and customers make contact
 2. Fostering a customer orientation
 3. Often reversing troubled relationships
 4. Conveying to service recipients that you're paying attention

- E. SLAs help to **create a business orientation** by
 1. Providing a link between services and business objectives
 2. Facilitating the integration of new service offerings
 3. Creating cost/performance accountabilities
 4. Creating awareness of cost/benefit tradeoffs

NAOMI KARTEN

Speaker, Consultant, Author

NAOMI KARTEN

781-986-8148, naomi@nkarten.com, www.nkarten.com

I work with organizations that want to improve customer satisfaction and with groups that want to work together more amicably. My services include seminars, presentations, consulting, and coaching. I have given seminars and presentations to *more than 100,000 people* in the US, Canada, and Europe, as well as Japan and Hong Kong. I've published several books, handbooks and guides, and more than 300 articles. Readers have described my newsletter, PERCEPTIONS & REALITIES, as lively, informative and a breath of fresh air. Prior to forming my business in 1984, I earned a B.A. and an M.A. in psychology and gained extensive corporate experience in technical and management positions.



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SEMINAR TOPICS

- Managing Customer Expectations
- Establishing Service Level Agreements
- Introducing, Managing and Coping with Change
- Introverts and Extroverts in the Workplace
- Consulting and Communication Skills

and more. Details: www.nkarten.com/sem2.html

PRESENTATION TOPICS

- Tales of Whoa and The Psychology of Customer Satisfaction
- Black Holes and the Art of Managing Customer Expectations
- Why SLAs Fail — and How to Make Yours Succeed
- 40 Frequent Feedback-Gathering Flaws and How to Fix Them
- Changing How You Communicate During Change

and more. Details: www.nkarten.com/pres2.html

BOOKS & OTHER WRITTEN RESOURCES

- PERCEPTIONS & REALITIES newsletter:
For your enjoyment: www.nkarten.com/newslet.html
- Managing Expectations: Working with People Who Want More, Better, Faster, Sooner, NOW!
- Communication Gaps and How to Close Them
- How to Establish Service Level Agreements
- 40 Frequent Feedback-Gathering Flaws and How to Fix Them
- How to Survive, Excel and Advance as an Introvert

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A LITTLE LIGHT READING

For a set of articles that will tickle your fancy, see:

www.nkarten.com/fancytickling.pdf

PLEASE . . .

get in touch to discuss how I can help you, or just to say hi. I'd enjoy hearing from you.

Naomi Karten

Naomi Karten * Karten Associates * 40 Woodland Pkwy * Randolph MA 02368 USA
781-986-8148 * fax: 781-394-0530 * naomi@nkarten.com * www.nkarten.com