



# Service Management Report

A QUARTERLY E-NEWSLETTER FOR THE SERVICE EXECUTIVE

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## IBM: Service as a Competitive Differentiator



Mike Judd, Partner in the Industrial Sector, Supply Chain Management, IBM Global Business Services, shares his views on the increasingly strategic role of service.

### **Q: What is Strategic Service Management?**

**Mike Judd:** Strategic service management is a top to bottom look at how service supports the goals and objectives and the market direction of the company. All the way down to how I have the processes the people and the technology aligned under it to support it.

### **Q: How has service become more strategic across multiple industries?**

**Mike Judd:** We've seen a shift in service in the O.E.M. space from what used to be very focused around product to now actually extending into service. Companies don't differentiate on product feature/function anymore because they just can't innovate it fast enough and people all over the globe can copy it. So now it's all about differentiation based on service capability.

### **Q: How important are Service Level Agreements to businesses in today's economic environment?**

**Mike Judd:** Managing Service Level Agreements is absolutely key to the service business. You have to do that well because a lot of the contracts are now written so that they have financial implications for not hitting the Agreement. This is true in multiple industries

### **Q: Are boards paying more attention to how service can improve the top and bottom lines?**

**Mike Judd:** I think boards are definitely paying more attention to service. All the ways we think about service are absolutely key.