**Table of Contents**

[Confidentiality statement 3](#_Toc12131014)

[Glossary of Terms 3](#_Toc12131015)

[1. Introduction to Service Level Management 4](#_Toc12131016)

[2. Agreement Details 4](#_Toc12131017)

[3. Scope of Services 4](#_Toc12131018)

[4. Service Details 4](#_Toc12131019)

[4.1 Support Team Structure 4](#_Toc12131020)

[4.2 Support Hours 4](#_Toc12131021)

[5. Service Dependencies 5](#_Toc12131022)

[6. Service Level Targets 5](#_Toc12131023)

[6.1 Incident /service request -Response 5](#_Toc12131024)

[6.2 Incident /service request- Resolution 5](#_Toc12131025)

[6.3 Availability 5](#_Toc12131026)

[6.4 Reliability 6](#_Toc12131027)

[6.5 Transaction response times 6](#_Toc12131028)

[6.6 Batch turnaround times 6](#_Toc12131029)

[7. IT Service Continuity and Security 6](#_Toc12131030)

[8. Responsibilities of Service Provider and Internal IT Department 6](#_Toc12131031)

[9. Costs, Rewards & Penalty 7](#_Toc12131032)

[10. Service reporting and reviewing 7](#_Toc12131033)

[11. Change Management 8](#_Toc12131034)

[12. Contact points and escalation 8](#_Toc12131035)

[13. Signatures 9](#_Toc12131036)

[14. Appendix 9](#_Toc12131037)

**Document Control**

**Document Version History**

This table shows a record of significant changes to the document.

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| **Version** | **Date** | **Author** | **Description of Change** |
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**Approvals**

This table shows the approvals on this document for circulation, use and withdrawal

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| 1.1 |  |  |  |  |

**Confidentiality statement**

This document contains confidential and proprietary information of the <Service Provider Name> (the “service provider”) and the <internal IT department>.

**Glossary of Terms**

|  |  |
| --- | --- |
| Term | Definition |
| Service Hours | An agreed time period when a particular IT service should be available |
| Service Level Agreement | An agreement between IT service provider and customer. |
| Underpinning contract | An agreement between IT service provider and third party company. |

# Introduction to Service Level Management

The Service Level Management (SLM) process is responsible for seeking a realistic compromise between the customers’ needs, expectations and the cost of associated services, such that these are acceptable by both the customers and to the IT Organization. SLM manages three types of agreements called as SLAs, OLA’s and UC’s.

Operational level agreement (SLA) is an agreement between the service provider and an internal department of the same IT organization. OLAs define supporting services that has to be provided by the service provider and its internal department. An OLA should describe the services being delivered, service level targets, responsibilities of the IT Service Provider and the internal department.

# Agreement Details

<Title and brief description of the agreement>

<Parties to the agreement and signatories>

<Dates: start, end, review: This agreement shall be valid from <date/month/year> to <date/month/year>. The validity of this OLA will be reviewed on the following dates: <date/month/year>, <date/month/year>, …>

# Scope of Services

<Scope of the agreement; what is covered and what is excluded >

<Brief description of the services covered>

# Service Details

## Support Team Structure

| Level or Role | Name | Contact Number |
| --- | --- | --- |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

## Support Hours

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Location (s) from where service is expected to be provided** | **Australia** | | **Others** | |
| **From** | **To** | **From** | **To** |
| Regular Weekdays |  |  |  |  |  |
|  |  |  |  |  |
| Weekends |  |  |  |  |  |
| Holidays |  |  |  |  |  |
| On call support |  |  |  |  |  |

# Service Dependencies

Provide the details of the services that provide/ support a core service.

* <Network>
* <Backup>
* <Storage>

# Service Level Targets

## Incident /service request -Response

| Priority | Initial Response (Time) | Escalation to Level 1 (Time) | Escalation to Level 2 (Time) |
| --- | --- | --- | --- |
| P1 |  |  |  |
| P2 |  |  |  |
| P3 |  |  |  |
| P4 |  |  |  |

## Incident /service request- Resolution

| Priority | Resolution (Time) | Escalation to Level 1 (Time) | Escalation to Level 2 (Time) |
| --- | --- | --- | --- |
| P1 |  |  |  |
| P2 |  |  |  |
| P3 |  |  |  |
| P4 |  |  |  |

## Availability

**Availability** targets within agreed hours, normally expressed as percentages – measurement period and method must be specified. This may be expressed for the overall service, underpinning services and critical components or all three

|  |  |
| --- | --- |
| **Threshold** |  |
| **Target** |  |
| **Stretch** |  |

**Availability** = (Scheduled Service Hours - Duration of Unplanned Outages) x 100%  
 Scheduled Service Hours

|  |  |  |  |
| --- | --- | --- | --- |
| Application Level | Business Hour Availability | Off-Hour Availability | Scheduled Down-Time |
| *Definition* | *Monday - Friday (Timings)* | *Monday – Friday (Timings)* |  |
| Critical |  |  |  |
| Important |  |  |  |
| Supportive |  |  |  |

## Reliability

<Usually expressed as the number of service breaks, or the Mean Time Between Failures (**MTBF**) or Mean Time Between System **Incidents** (**MTBSI**). >

## Transaction response times

<Target times for average, or maximum workstation response times (sometimes expressed as a percentile – e.g. 95% within 2 seconds >

<Escalation mechanism in case of failures to meet target times giving the levels of escalations, criteria for escalations and contact details for escalation.>

## Batch turnaround times

<Times for delivery of input and the time and place for delivery of output.>

<Escalation mechanism in case of failures to meet target times giving the levels of escalations, criteria for escalations and contact details for escalation >

# IT Service Continuity and Security

<Briefly mention of IT Service Continuity Plans and how to invoke them, and coverage of any security issues, particularly any responsibilities of the **Customer** (e.g. back-up of freestanding PCs, password **Changes**) >

<Details of any diminished or amended service targets should a disaster situation occur (if no separate **SLA** exists for such a situation). >

# Responsibilities of Service Provider and Internal IT Department

Service Provider Responsibilities

<Mention details of responsibilities>

Internal IT Department Responsibilities

<Mention details of responsibilities>

# Costs, Rewards & Penalty

<Mention details of the costs, **charging** formula and periods (if charges are being made). >

**Costs**

|  |  |
| --- | --- |
| **One-time costs for Service A <>** |  |
| **Recurring costs for Service A <>** |  |
| **Pass through costs for Service A <>** |  |
| **Labor costs for Service A <>** |  |

**Rewards and Penalty**

Each OLA is measurable and associated with a financial value, some OLAs are associated with rewards for exceptional performance.

* **Penalty**: A deduction from the service provider’s monthly invoice expressed as a percentage of the agreed upon service delivery fee for the month in which a particular OLA was not met.
* **Reward**: A premium added to the service provider’s monthly invoice expressed as a percentage of the agreed upon service delivery fee for the month in which a particular OLA was exceeded.

# Service reporting and reviewing

<Mention the content, frequency and distribution of service reports, recipients of reports and the frequency of service review meetings. >

The minimum level of service review frequency should be:

* Monthly service review
* Quarterly service review
* Yearly service review

The generic agenda for these review meetings could be as follows.

Monthly Service Review

* Pending issues
* Monthly report review
* Feedback on closed incidents - scope for improvements
* Planning for next month

Quarterly Service Review

* Performance during the quarter
* Critical incidents in quarter
* OLA breaches
* Repeated incidents
* Trend analysis on the support

Yearly Service Review

* Review of performance on quarter to quarter
* Satisfaction survey results
* Contract renewal

An example of service review chart is shown below. Colored boxes represent the review schedule.

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| Monthly |  |  |  |  |  |  |  |  |  |  |  |  |
| Quarterly |  |  |  |  |  |  |  |  |  |  |  |  |
| Yearly |  |  |  |  |  |  |  |  |  |  |  |  |

Review Participants could be as follows.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Mandatory | Optional | FYI |
|  | Designation / Role | Designation / Role | Designation / Role |
| Monthly |  |  |  |
| Quarterly |  |  |  |
| Yearly |  |  |  |

# Change Management

<Mention the periodicity of the Operational Level Agreement review. >

<Mention the mechanism that will be used for handling change requests with respect to this agreement. This should cover how the changes would be raised, what should be part of change request and who would be the approvers.>

# Contact points and escalation

<Details of the contacts within each of the parties involved in the agreement and the escalation processes and contact points. This should also include the definition of a complaint and procedure for managing complaints.>

|  |  |  |
| --- | --- | --- |
| **Escalation Level** | **When to Use** | **Whom to Escalate** |
| Level 1: Normal Issue Management | When resolving day to day engagement issues |  |
| Level 2 Escalation | When normal issue management has failed to achieve resolution |  |
| Level 3 Escalation | When Level 2 efforts have failed or when multiple services are impacted |  |

<Contact details of the support team may vary for the engagement.>

| Serial No. | Name of the Person | Designation/ Role | Contact Number |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

# Signatures

|  |  |
| --- | --- |
| For the service provider  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | For the Internal IT Department  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

The service provider and the <Internal IT department> agree to the service levels and terms outlined in this agreement.

# Appendix

[Insert here anything you may like to attach to support the document.]