

Exam Code: ITIL-4-DITS

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Exam A

QUESTION 1

An organization cannot afford the loss that comes from taking risks that go wrong, but they suffer big losses because they often take these risks anyway.

What combination of risk capacity and risk appetite this situation?

- A. Low risk capacity, high risk appetite
- B. High risk capacity, high risk appetite
- C. Low risk capacity, low risk appetite
- D. High risk capacity, low risk appetite

Correct Answer: A

Section:

Explanation:

A low risk capacity means that an organization cannot afford the loss that comes from taking risks that go wrong, while a high risk appetite means that an organization is willing to take those risks anyway. This situation can lead to big losses and unsustainable outcomes. Reference: ITIL 4 Leader: Digital and IT Strategy, page 57

QUESTION 2

An organization is aiming to use an innovative social media platform to improve engagement with young consumers.

What should the organization's strategy focus on?

- A. Ecosystem disruption supported by operational excellence
- B. Market relevance supported by ecosystem disruption
- C. Customer and market relevance supported by operational excellence
- D. Operational excellence supported by customer and market relevance

Correct Answer: C

Section:

Explanation:

Customer and market relevance is about understanding and meeting the needs and expectations of customers and markets, especially in a dynamic and competitive environment. Operational excellence is about delivering services efficiently and effectively, with high quality and reliability. An innovative social media platform can help improve engagement with young consumers by enhancing customer and market relevance, while operational excellence can support the delivery of the platform and its services. Reference: ITIL 4 Leader: Digital and IT Strategy, page 15-16

QUESTION 3

An organization is continually changing to maintain customer and market relevant. The changes adopting new technologies, expanding to new markets, and adjusting the service portfolio.

Which is the BEST approach to ensure that suppliers and partners support these changes?

- A. Technology replacement modernization
- B. Uninterrupted delivery
- C. Sourcing strategy
- D. Organizational resilience

Correct Answer: C

Section:

Explanation:

A sourcing strategy is about deciding how to acquire and manage the resources and capabilities needed to deliver services, including suppliers and partners. An organization that is continually changing to maintain customer and market relevance needs a sourcing strategy that can support these changes by enabling flexibility, agility, innovation and collaboration with suppliers and partners. Reference: ITIL 4 Leader: Digital and IT Strategy, page 75-76

QUESTION 4

An organization identified activities that are performed by many different people who follow detailed procedures to ensure they carry out all the steps. The procedures are very clear, and if staff follow the exact steps in the procedure then the results are always good, but this takes a lot of time.

- A. Simple automation
- B. Complex automation
- C. Intelligent automation
- D. Technology replacement modernization

Correct Answer: A

Section:

Explanation:

Simple automation is about using technology to automate repetitive and standardized tasks that follow clear and detailed procedures. This can help reduce human errors, save time and resources, and improve efficiency and quality. Reference: ITIL 4 Leader: Digital and IT Strategy, page 63

QUESTION 5

An insurance company generates sales from its website, from agents in a call center, and from third parties working for other financial service organizations. The product is very popular and users are generally satisfied. The organization regularly collects and analysis data about service consumers, and this shows users have different levels of satisfaction, depending on how the product was sold.

What should the insurance company consider NEXT to help resolve the situation?

- A. Market relevance
- B. Omnichannel delivery
- C. Customer analytics
- D. Customer feedback

Correct Answer: B

Section:

Explanation:

Omnichannel delivery is about providing a consistent and seamless customer experience across different channels and touchpoints. This can help increase customer satisfaction, loyalty, and retention. The insurance company should consider how to align and integrate its different sales channels to deliver a unified and coherent service to its customers.

Reference: ITIL 4 Leader: Digital and IT Strategy, page 17

QUESTION 6

An organization is entering a new market with a range of services. Similar services already exist in the market, and the demand is high.

Which is the BEST approach to pricing and charging for the services in the new market?

- A. Adopt a short-term Increase in the pricing and margins
- B. Adjust competitive prices for the market and competition
- C. Ensure service costs are clear to the consumers to help regulate prices
- D. Establish long-term contracts with fixed prices to help secure future Income

Correct Answer: B

Section:

Explanation:

Adjusting competitive prices for the market and competition is about setting prices that reflect the value of the services, the demand and supply in the market, and the prices of similar or substitute services offered by competitors. This can help attract customers, increase sales, and gain market share. Reference: ITIL 4 Leader: Digital and IT Strategy, page 81

QUESTION 7

Which is the BEST approach to defining a vision and a strategy in an organization with multiple specialization divisions?

- A. Vision and strategy should be defined by the executive leader and communicated to me divisions
- B. Vision and strategy should be defined by the governing body and communicated to the divisions' leaders
- C. Vision and strategy should be defined in collaboration with the leaders of the organization and division
- D. Vision and strategy should be defined in collaboration with the enterprise architects and consultants

Correct Answer: C

Section:

Explanation:

Vision and strategy should be defined in collaboration with the leaders of the organization and division to ensure alignment, coherence, and buy-in across the organization. This can help create a shared understanding of the goals, values, and direction of the organization and its divisions, as well as leverage the expertise and insights of different leaders. Reference: ITIL 4 Leader: Digital and IT Strategy, page 9-10

QUESTION 8

The leaders of an organization ate defining an approach to optimize its value streams and processes to create a more efficient way of working. What should this approach focus on?

- A. Organizational agility
- B. Organizational resilience
- C. Elimination of waste
- D. Uninterrupted delivery



Correct Answer: C

Section:

Explanation:

Elimination of waste is about identifying and removing any activities, resources, or outputs that do not add value to the customers or the organization. This can help optimize value streams and processes, improve efficiency and effectiveness, reduce costs and risks, and increase customer satisfaction. Reference: ITIL 4 Leader: Digital and IT Strategy, page 64

QUESTION 9

An organization is planning a large scale digital transformation programme to significantly improve its digital capabilities. Which Is the BUT approach for defining and implementing this programme?

- A. The Chief Digital Officer should define and implement the programme
- B. A digital task force should be appointed to define and Implement me programme
- C. individual initiatives should be defined and implemented separately
- D. The organization's governing body should define and implement the programme

Correct Answer: B

Section:

Explanation:

A digital task force is a cross-functional team that is responsible for defining and implementing a large scale digital transformation programme. This can help ensure that the programme is aligned with the organization's vision and strategy, has clear objectives and scope, follows a structured approach, leverages best practices and innovation, and delivers value to the organization and its stakeholders. Reference: ITIL 4 Leader: Digital and IT Strategy, page 47-48

QUESTION 10

A service provider is developing an operating model to support a new social media service that enables their business strategy. They have included the following in the operating model:

- a definition of how suppliers will be involved in the delivery of the service
- a description of the main performance measures required

Which additional element **MUST** be included to ensure that the essential themes of the operating model are covered?

- A. A list of vendors who will provide the components that form the social media service
- B. An inventory of the main technology components that will be located at the head office data centre
- C. Definitions of the service management toolsets needed to support the service
- D. Descriptions of the series of steps for the work that is required to create and support the service

Correct Answer: D

Section:

Explanation:

Descriptions of the series of steps for the work that is required to create and support the service are part of the essential themes of the operating model. They define how value is created and delivered through value streams and processes. They also help align the work with the strategy, vision, and goals of the organization and its stakeholders. Reference: ITIL 4 Leader: Digital and IT Strategy, page 19-20

QUESTION 11

Which is a leadership skill that relates to having a digital mindset?

- A. Looking at the potential of new tools to meet customer needs
- B. Sharing success stories frequently to motivate others
- C. Bulking a rapport with regulators and government officials
- D. Measuring the success of strategic digital initiatives



Correct Answer: A

Section:

Explanation:

Looking at the potential of new tools to meet customer needs is a leadership skill that relates to having a digital mindset. It shows curiosity, openness, and willingness to explore and adopt new technologies that can enhance customer value and experience. It also demonstrates a customer-centric and innovative approach to digital transformation. Reference: ITIL 4 Leader: Digital and IT Strategy, page 25-26

QUESTION 12

Which statement is **CORRECT** about risk management in digital organizations?

- A. All the organization's stakeholders should contribute to risk assessment
- B. All risk management efforts should focus on assets owned by the organization
- C. All risk management should start by assessing the current state
- D. All risks could cause harm to the organization if they are not managed

Correct Answer: A

Section:

Explanation:

All the organization's stakeholders should contribute to risk assessment because they have different perspectives, insights, and interests in relation to the organization's objectives, activities, and outcomes. Their involvement can help identify, analyze, evaluate, and treat risks more effectively and comprehensively. Reference: ITIL 4 Leader: Digital and IT Strategy, page 59

QUESTION 13

An external service provider is developing a new strategy for delivering social media services. The success of new services depends on high levels of customer satisfaction achieved through the highest level of support to users.

As part of an internal analysis, which factor is MOST important to consider to ensure that the service provider has the capability to provide the service?

- A. Employment laws effecting service provider staff
- B. A mixed demographic of users with varied levels of IT skills
- C. Knowledge and understanding of potential Innovative technology
- D. Well-trained service desk staff with a broad set of skills

Correct Answer: D

Section:

Explanation:

Well-trained service desk staff with a broad set of skills are an important factor to consider to ensure that the service provider has the capability to provide the service. They are the main point of contact for customers and users, and they need to be able to handle different types of requests, issues, and feedback. They also need to be able to support the highest level of support to users, which requires technical, communication, and problem-solving skills. Reference: ITIL 4 Leader: Digital and IT Strategy, page 67-68

QUESTION 14

An organization has identified an opportunity to provide increased value to the healthcare user market. It wants to provide online access to healthcare services before its competition. Which is the NST value proposition for the healthcare user market to include in the strategy?

- A. The organization will be able to utilize Innovative technology to develop software apps in faster times to market
- B. Shareholder will receive Improve dividends from increased proms without significant Investment
- C. Consumers will be able to access advice and request prescriptions quickly at al limes without attending a medical facility
- D. Healthcare professionals will be able to promote the services to healthcare users and reduce costs

Correct Answer: C

Section:

Explanation:

Consumers will be able to access advice and request prescriptions quickly at all times without attending a medical facility is the best value proposition for the healthcare user market to include in the strategy. It describes how the online access to healthcare services will benefit the consumers by meeting their needs and expectations, creating value and convenience for them, and differentiating the service from the competition. Reference: ITIL 4 Leader: Digital and IT Strategy, page 12-13

QUESTION 15

Which term includes the use of hardware and software to store, retrieve, transmit, and manipulate data?

- A. Digital strategy
- B. Digital technology
- C. Digital transformation
- D. Digital business

Correct Answer: B

Section:

Explanation:

Digital technology includes the use of hardware and software to store, retrieve, transmit, and manipulate data. It is one of the components of digital transformation, which is the use of digital technology to create new or modify existing business processes, culture, and customer experiences.

Digital strategy is the plan for how an organization will use digital technology to achieve its goals and objectives. Digital business is the business model that leverages digital technology to create value for customers and stakeholders. Reference: ITIL 4 Leader: Digital and IT Strategy, page 5-6

QUESTION 16

Which is NOT an essential consideration when developing a digital strategy?

- A. Understanding which systems will form the digital technology programme
- B. Understanding emerging technologies that could affect the organization
- C. Understanding how to identify potential opportunities
- D. Understanding the risks involved with digital opportunities

Correct Answer: A

Section:

Explanation:

Understanding which systems will form the digital technology programme is not an essential consideration when developing a digital strategy. It is a more detailed and technical aspect that can be defined later in the implementation phase. The essential considerations when developing a digital strategy are more focused on understanding the organization's vision, goals, values, customers, markets, competitors, opportunities, risks, and capabilities. Reference: ITIL 4 Leader: Digital and IT Strategy, page 5-6

QUESTION 17

An organization has identified three initiatives to support a digital transformation strategy:

- A. Upgrading technology
 - 2 Adopting new software development approaches
- B. Changing the structure of teams and departments
 - The project management office has been tasked with identifying and developing the business case(s) needed to review these initiatives
 - Which is the BEST approach to take when creating the business case(s)?
- C. Create one single business case that provides justification for all three initiatives
- D. Create one business case for the technology upgrade, and another for the remaining initiatives
- E. Create three different business cases providing justification for each initiative
- F. Create one business case for the organizational change, and another for the remaining initiatives

Correct Answer: C

Section:

Explanation:

Creating three different business cases providing justification for each initiative is the best approach to take when creating the business case(s). This can help evaluate the costs, benefits, risks, and impacts of each initiative separately and compare them with each other. It can also help prioritize and sequence the initiatives based on their feasibility and desirability. Reference: ITIL 4 Leader: Digital and IT Strategy, page 49-50

QUESTION 18

Which parallel model is based on using the income generated by an existing business model to fund a new digital business model until it can fund itself?

- A. Cannibalism
- B. Erosion
- C. Concurrence
- D. synergism

Correct Answer: D

Section:

Explanation:

Synergism is a parallel model that is based on using the income generated by an existing business model to fund a new digital business model until it can fund itself. It is a way of balancing the risks and rewards of innovation and disruption by creating a synergy between the old and the new business models. Reference: ITIL 4 Leader: Digital and IT Strategy, page 39

QUESTION 19

Which statement about metrics is CORRECT?

- A. Leading metrics are difficult to measure, but easy to influence
- B. Lagging metrics are easy to measure and to influence
- C. Lagging metrics report what has been achieved
- D. Lagging metrics predict what is likely to happen in the future

Correct Answer: C

Section:

Explanation:

Lagging metrics report what has been achieved by measuring the outcomes or results of past actions or activities. They are easy to measure but difficult to influence. They are useful for evaluating performance and validating hypotheses. Leading metrics predict what is likely to happen in the future by measuring the inputs or drivers of future outcomes or results. They are difficult to measure but easy to influence. They are useful for forecasting and influencing performance. Reference: ITIL 4

Leader: Digital and IT Strategy, page 83-84

QUESTION 20

An organization provides services to businesses and private customers, it is now reviewing its strategy and needs to ensure that the strategy sufficiently addresses the external perspective. Which question BEST supports this objective?

- A. How can we reduce costs?
- B. How can we improve operational efficiencies?
- C. How do we get to where we want to be?
- D. What markets do we serve?



Correct Answer: D

Section:

Explanation:

What markets do we serve? is the best question to support the objective of ensuring that the strategy sufficiently addresses the external perspective. It helps to understand the current and potential customers, segments, needs, expectations, and preferences of the markets that the organization operates in or wants to enter. It also helps to identify the opportunities, threats, and trends in the external environment that can affect the organization's strategy. Reference: ITIL 4

Leader: Digital and IT Strategy, page 7-8

QUESTION 21

An organization strategy requires them to continually maintain market relevance. Which approach is the MOST relevant to achieve this objective?

- A. Customer 360
- B. Digital transformation
- C. Employee 360
- D. PESTLE analysis

Correct Answer: B

Section:

Explanation:

Digital transformation is the most relevant approach to achieve the objective of continually maintaining market relevance. It is about using digital technology to create new or modify existing business processes, culture, and customer experiences to meet changing market needs and expectations. It also helps to create value, enhance competitiveness, and foster innovation.

Reference: ITIL 4 Leader: Digital and IT Strategy, page 5

QUESTION 22

Which is the BEST description of the relationship between organization's products, services, and resources?

- A. An organization's services are based on the organization's products
- B. An organization's products are required for the execution of an activity
- C. An organization's resources are combinations of the organization's products
- D. An organization's resources are combinations of the organization's services

Correct Answer: B

Section:

Explanation:

An organization's products are required for the execution of an activity is the best description of the relationship between organization's products, services, and resources. A product is a configuration of an organization's resources designed to offer value for a consumer. A service is a means of enabling value co-creation by facilitating outcomes that customers want to achieve without specific costs and risks. A resource is anything that might help deliver an organizational objective. Reference: ITIL 4

Leader: Digital and IT Strategy, page 11-12

QUESTION 23

A software development organization has a very traditional way of working that no longer meets their market needs. They currently manage all budgets via their development and operations business units. They want to change so that they can develop and deploy solutions rapidly in response to constantly changing market needs.

How should they change their funding model to support this?

- A. Switch 10 funding teams and value streams
- B. Switch to funding programmes and protects
- C. Provide additional funding to development and operations
- D. Provide additional funding via the research and development budget

Correct Answer: A

Section:

Explanation:

Switching to funding teams and value streams is the best way to change their funding model to support their objective of developing and deploying solutions rapidly in response to constantly changing market needs. Funding teams and value streams means allocating budgets based on the value delivered by cross-functional teams working on end-to-end processes that create value for customers. This can help increase agility, flexibility, collaboration, and innovation. Reference: ITIL 4

Leader: Digital and IT Strategy, page 50-51

QUESTION 24

Why might an organization choose to implement an innovation even though it does not meet its minimum requirement for "return on investment" (ROI)?

- A. The innovation is low cost
- B. The innovation is essential for the organization to survive
- C. The innovation will deliver significant benefit for the organization
- D. The innovation is low risk

Correct Answer: C

Section:

Explanation:

The innovation will deliver significant benefit for the organization is a reason why an organization might choose to implement an innovation even though it does not meet its minimum requirement for "return on investment" (ROI). This means that the organization values the long-term or intangible benefits of the innovation more than the short-term or financial returns. For example, the innovation might enhance customer satisfaction, brand reputation, market share, or social impact. Reference: ITIL 4 Leader: Digital and IT Strategy, page 27-28

QUESTION 25

Which type of risk is MOST LIKELY to be identified by modeling and test reviews?

- A. Dis risk
- B. Engagement risk
- C. Cyber security risk
- D. innovation risk

Correct Answer: C

Section:

Explanation:

Cyber security risk is the most likely type of risk to be identified by modeling and test reviews.

Modeling and test reviews are methods of assessing risks by simulating or testing different scenarios, outcomes, or impacts. Cyber security risk is the risk of unauthorized access, use, disclosure, modification, or destruction of data or systems. Modeling and test reviews can help identify cyber security risks by exposing vulnerabilities, weaknesses, or flaws in the data or systems. Reference: ITIL 4 Leader: Digital and IT Strategy, page 60-61

QUESTION 26

An organization has started a digital transformation programme, and wants to create a culture of innovation. This month, the CIO plans to deliver a presentation on how chatbots can improve the customer registration experience.

Which approach is the CIO using to support the programme?

- A. Encouraging digital technology opportunities
- B. Establishing a mantle intelligence culture
- C. Giving employees time for training and development
- D. Working with workflow and talent management

Correct Answer: A

Section:

Explanation:

Encouraging digital technology opportunities is the approach that the CIO is using to support the programme of creating a culture of innovation. This means that the CIO is promoting and facilitating the exploration and adoption of new digital technologies that can create value for the organization and its customers. By delivering a presentation on how chatbots can improve the customer registration experience, the CIO is demonstrating how digital technology can enable innovation and enhance customer value. Reference: ITIL 4 Leader: Digital and IT Strategy, page 25-26

QUESTION 27

An organization wants to ensure that all Key stakeholders are aware of the strategic direction and support it. What is the MOST approach to achieve this?

- A. Deliver compulsory strategic awareness sessions regularly
- B. Ensure there is one common communication channel for the strategy
- C. Utilize metrics to ensure stall comply with the strategy
- D. Tallor strategic communications to the stakeholders preferences

Correct Answer: D

Section:

Explanation:

Tailoring strategic communications to the stakeholders' preferences is the best approach to ensure that all key stakeholders are aware of the strategic direction and support it. This means that the organization considers the needs, expectations, interests, and preferences of different stakeholders when communicating the strategy. This can help increase stakeholder engagement, understanding, alignment, and buy-in. Reference: ITIL 4 Leader: Digital and IT Strategy, page 10-11

QUESTION 28

Which is an example of industry disruption?

- A. A service provider has launched a new app to support collaboration that is easy to use, and is popular with consumers from many markets
- B. An organization transitioned a large number of its services to a cloud provider to remain competitive in their market
- C. A mobile phone provider has adopted a new operating model in response to threats from the competition which has resulted in the provider becoming the market leader
- D. A software provider has developed a new satellite navigation system for the self-driving car market that has become the system of choice for car manufacturers

Correct Answer: D

Section:

Explanation:

A software provider has developed a new satellite navigation system for the self-driving car market that has become the system of choice for car manufacturers is an example of industry disruption. Industry disruption is about creating new markets or value propositions that challenge or replace existing ones. The software provider has created a new value proposition for the self-driving car market that has disrupted the existing satellite navigation systems and gained a competitive advantage. Reference: ITIL 4 Leader: Digital and IT Strategy, page 37-38

QUESTION 29

An organization has utilized digital technology to make significant improvements to business processes that have contributed to the achievement of its strategic objectives. What does this describe?

- A. Digital positioning
- B. Organizational disruption
- C. Digital transformation
- D. Operational technology



Correct Answer: C

Section:

Explanation:

Digital transformation is the use of digital technology to create new or modify existing business processes, culture, and customer experiences to meet changing market needs and expectations. An organization that has utilized digital technology to make significant improvements to business processes that have contributed to the achievement of its strategic objectives has undergone a digital transformation. Reference: ITIL 4 Leader: Digital and IT Strategy, page 5

QUESTION 30

An organization has established a clear vision for digital transformation and has started their transformation journey. They have documented all their value streams and started to improve these. They use technology appropriately to maximize customer experience and operational excellence. They understand and manage risks, and they have a comprehensive approach to identifying and using innovative ideas. What else do they need for the digital transformation to succeed?

- A. Management of threats and opportunities
- B. Improved use of automation
- C. Management of staff skills and competence
- D. Linked processes and practices to value creation

Correct Answer: C

Section:

Explanation:

Management of staff skills and competence is what the organization needs for the digital transformation to succeed. This means that the organization ensures that its staff have the necessary skills and competence to support the digital transformation and deliver value to customers. This can involve training, development, coaching, mentoring, recruitment, retention, and motivation of staff.

Reference: ITIL 4 Leader: Digital and IT Strategy, page 68-69

