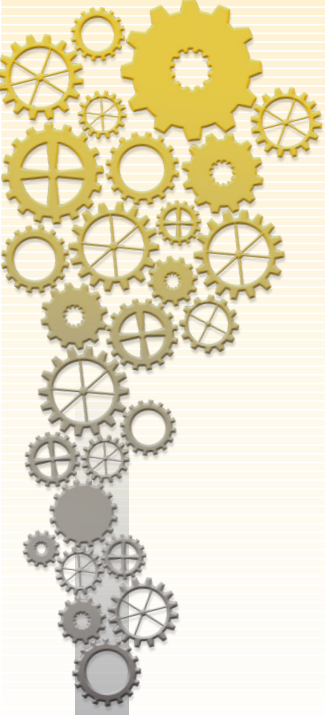




Service
Management:
Not Just
for IT
Anymore

October 2014



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ABOUT HDI

HDI is the professional association and certification body for the technical service and support industry. Facilitating collaboration and networking, HDI hosts acclaimed conferences and events, produces renowned publications and research, and certifies and trains thousands of professionals each year. HDI also connects solution providers with practitioners through industry partnerships and marketing services.

Guided by an international panel of industry experts and practitioners, HDI is the premier resource for best practices and emerging trends.

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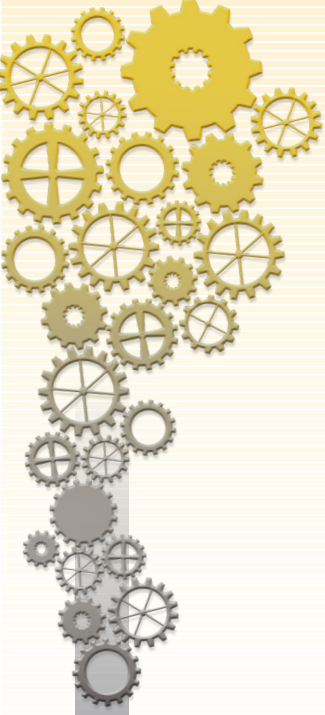
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Introduction

The expansion of the principles of IT service management (ITSM) to areas outside of IT has been a topic of conversation in the hallways and gathering places at conferences and meetings for several years. Anyone who has been engaged in the IT and technical support industry over the past few years has noticed significant changes. For IT professionals, many of these were predictable (e.g., fiscal constraints, mobility, cloud computing), while others were not (e.g., customer-centricity, focus on value generation/realization).

In order to learn how service support practices have adapted and been adapted as a result of changes in the industry, and whether ITSM has expanded beyond IT, HDI and itSMF USA collaborated on a survey to learn more about what organizations are actually doing and establish a context for potential future research. This report is a comprehensive look at the survey's findings, organized into three parts: Shifting Gears in Service Support, Analyzing the Thesis: ITSM Is Not Just for IT Anymore, and The Impact and Opportunities for the Future of IT.

Highlights include:

- ▶ More than half of the organizations surveyed are either applying or planning to apply service management principles in business areas outside of IT.
- ▶ In 53 percent of organizations, IT is the champion for this movement; non-IT leaders are leading the charge in the other 47 percent.
- ▶ The expanding capabilities of technology are driving organizations to apply service management outside of IT.

- ▶ ITIL is the most common set of service management practices being applied in non-IT areas.
- ▶ For most organizations that have expanded their service management processes, IT is acting as a consultant to non-IT areas of the business.
- ▶ In 45 percent of organizations that have applied service management to non-IT areas, the organization's perception of IT's value to the business has improved.

Shifting Gears in Service Support

As the mobility revolution and the cloud have changed the landscape, disrupting the established flow of provisioning support services and technology, there has been a significant shift in the way support organizations are viewed—and view themselves. It's quite likely that this trend will continue for the foreseeable future (the next few years, at least).

If we were to pick a date for when this shift began, it would be June 29, 2007: the date the iPhone was introduced. The desirability and the capabilities of this device were prime motivators for “the consumerization of IT.” The introduction of consumer smartphones was, in effect, a tipping point: IT customers and end users began asserting their desire to become more productive and agile by adopting technologies that

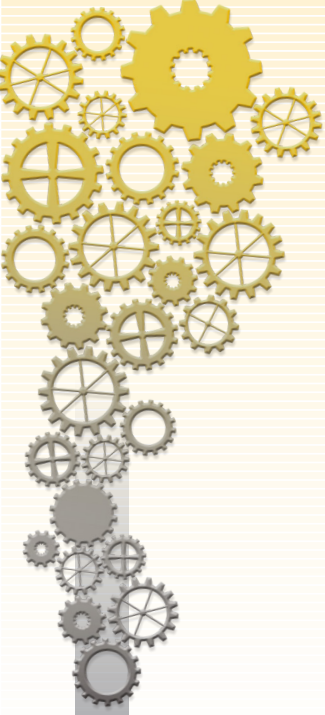
ABOUT THE SURVEY

A web-based survey was used to collect responses during July and August 2014. The survey invitation was distributed via email and social media by HDI, itSMF USA, and InformationWeek to IT profes-

sionals within their respective communities. This report presents and summarizes the data from 1,197 survey responses.

The respondents represent organizations in more than thirty vertical indus-

tries and a wide range of organization sizes: 26 percent, fewer than 2,000 customers; 35 percent, 2,000–10,000 customers; and 40 percent, more than 10,000 customers.



were readily available, rather than waiting for IT departments to come up with less-than-satisfactory solutions after years of work and expense.

The customer moved into the driver's seat, and support organizations were some of the first to feel the effects. HDI and itSMF USA have been studying these changes, and the findings indicate that the shift is now in full swing.

HOW IS SERVICE SUPPORT CHANGING?

Recent research, both formal and informal, revealed a shift in the industry of service support, which led us to take a deeper dive into the field to uncover the exact nature of the shift and to discover whether those changes were symptomatic of something larger: a broader movement toward applying ITSM principals outside of IT, for example. A closer examination of these changes is a natural starting point for a discussion of those broader trends and movements.

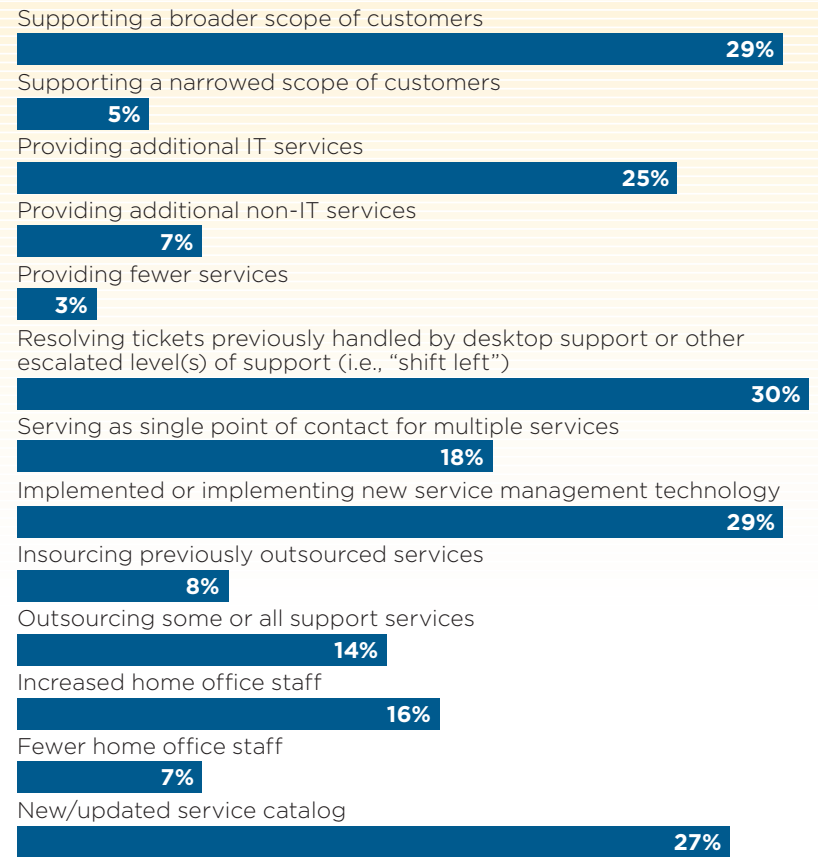
“Shift Left”

Given the budget, resource, and staffing pressures organizations are facing today, IT service providers, whether internal IT departments or external companies, have had to figure out how to do a whole lot more with a whole lot less. [Previous HDI research](#) has indicated that technical support centers continue to see increasing ticket volumes (56% of organizations in 2014), and it's unlikely this situation is going to change anytime soon. In light of that, organizations need to be making an effort to become even more effective and efficient.

This pressure aligns with the finding that 30 percent of organizations have moved ticket resolution closer to the service desk, and therefore closer to the customer, avoiding escalation whenever possible (Figure

29% of support centers have implemented new service management technology over the past twelve months.

FIGURE 1: CHANGES IN SUPPORT CENTERS OVER THE PAST YEAR

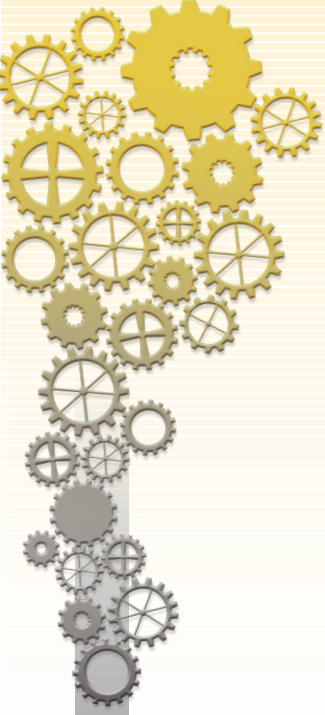


Percentage of support centers

1). For these organizations, tickets previously handled by desktop support or other escalated levels are now being handled and resolved by the support center. To improve their ability to support customers without escalation, 29 percent of support centers are investing in their ITSM platforms and providing their agents with more capable tools. Upgrading their delivery capabilities means that they can leverage the technology for new purposes for little or no additional cost.

Broader Scope of Support

It's common knowledge that support centers are adjusting to new and



different ways of doing business. Some are blending functions like desktop support (formerly an escalation group) into the support center; others are creating new positions and embedding them within various business units. Still others have implemented a system of distributed support, where employees of the business units themselves—who do not directly report into the support center—provide specific support services for their units. Another emerging model is the “service brokerage” model, where support serves as a liaison between the business units and all providers of IT services, whether internal or external.

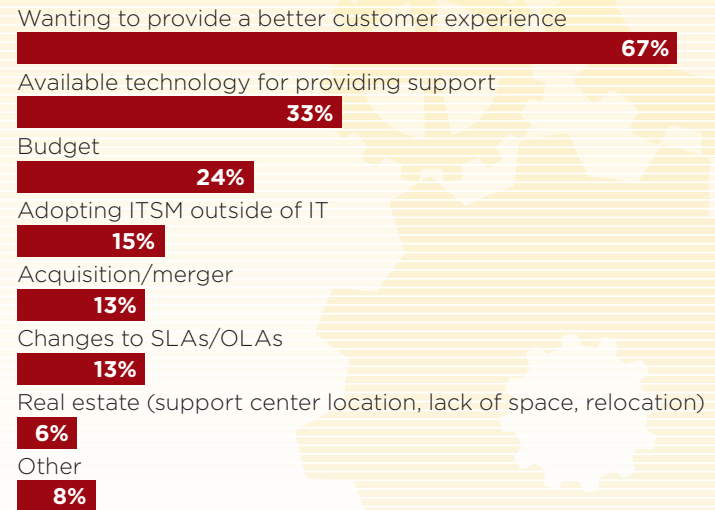
One out of four support centers indicated that they started providing additional IT services in the past year (Figure 1), and seven percent began providing additional non-IT services. In addition, 29 percent of support centers began “supporting a broader scope of customers” in the past twelve months.

Eighteen percent of organizations reported becoming a single point of contact for multiple services. Given the broader scope of customers being served and the expansion of technology within the business, IT organizations are promoting the use of their support teams to field initial calls and then route to an appropriate specialized support team, if such a transfer or escalation is required. Few areas in the modern organization are left untouched by IT, and, as a result, support organizations should anticipate seeing increased requests for new applications or changes to existing ones. Ultimately, this means that IT needs to learn to “work smarter, not harder.”

New/Updated Service Catalog

The simple truth these days is that customers have choices, and they are more savvy, more skilled, and more technologically aware than ever before. In fact, in the *2014 HDI Support Center Practices & Salary Report*, customer competency was identified as one of the most important contributing factors by the eleven percent of support organizations that experienced a decrease in ticket volumes over the past year. However, this can be a double-edged sword for service providers. Customers may have a better understanding of how things are done, and they may be more technologically literate, but they still prefer to focus on those items that are more directly related to their organization’s business mis-

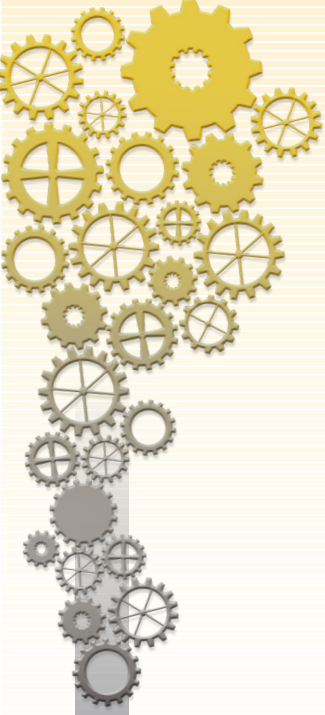
FIGURE 2: REASONS FOR THE CHANGES IN SUPPORT CENTERS
(Includes support centers that experienced a change in the past year.)



Percentage of support centers

sion. And so, when they ask “What have you done for me lately?,” they aren’t being rhetorical or malicious; they’re simply trying to determine whether the service provider is doing everything possible to help them fulfill their mission.

Having recognized that customer centricity and demonstrating value to the business are important and persistent trends, support organizations have come to realize that having a service catalog that reflects these new realities is absolutely critical. Though it’s important to recognize that although the service catalog is just an artifact, an up-to-date service catalog demonstrates to customers that their internal service providers actually understand what they’re doing on behalf of the customer and how they support the organization’s mission. If the internal service provider’s sole value is in the operation and maintenance of infrastructure, it’s more likely that the organization will look externally to find a vendor that is willing and able to provide the services it needs at a better price point. This is a commodity play, and it’s insufficient grounds for a long-term relationship.



Other Support Center Changes

IT organizations are becoming more comfortable with remote work arrangements (16% have increased home office staff; 14% are outsourcing some or all support services), which is likely to be good news for practitioners, who can use such arrangements as a differentiator when recruiting top-quality talent. The remaining factors are all indicative of environments that are either contracting or are further along the continuum of organizational maturity. Given the focus of the research, it's not surprising to see low percentages for these responses, yet it's still worth recognizing that they are important factors.

WHY ARE THINGS CHANGING?

It's important to note that the vast majority of respondents (67%) indicated that providing a better customer experience was the reason behind the changes underway in their organizations. As was mentioned above, this is the result of heightened awareness on the part of both customers and service providers. Today's customers are more aware of what they need and how IT can help satisfy those needs. Today's IT

service provider organizations are more comfortable with taking on that role and the altered relationship with their customer. Furthermore, having the available technology (33%) for providing the kind and level of support needed now has enabled these shifts. That these factors are at the heart of the effort to introduce ITSM principles is both noteworthy and refreshing.

“NEXT-GENERATION SERVICE SUPPORT”: IS IT HERE YET?

The old view of service support is that we respond when requested. This mode of operation is often called “break/fix,” and by any measure, it's a very reactive position to occupy. But today's IT organizations aren't just “weed-and-feed” (operate/configure) machines anymore, and, consequently, today's service support organization are no longer just break/fix operations. This has forced IT to transcend traditional forms of customer engagement and demonstrate a sensitivity to the business's needs and goals and to how individual contributors' actions affect those needs and goals.

Next-generation service support has arrived.

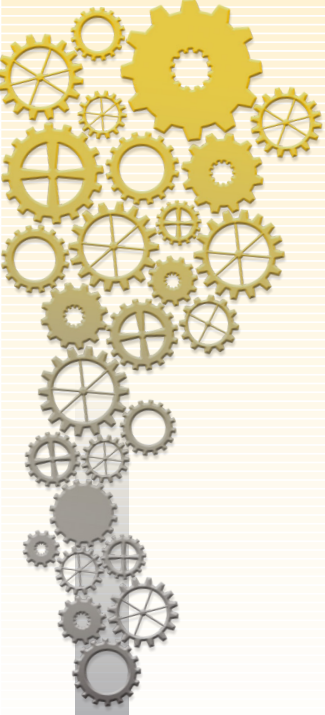
Analyzing the Thesis: ITSM Is Not Just for IT Anymore

Given the multitude of challenges IT has faced over the past several years, there's a growing recognition that IT must evolve and change, that it must clearly demonstrate the value it brings to the organization (in 2013, 86% of IT organizations surveyed reported feeling pressure to prove their value to the business). Failure to do so may well mean the demise of IT in its current form. This doesn't mean the demise of IT, full stop; it just means that IT is going to depart from its historical structure.

IT has long had the luxury of focusing exclusively on infrastructure, but times and technologies have changed. IT must focus on becoming more customer-centric and taking actions that will satisfy customers' wants and needs. This shift is not without pressures or challenges. It requires a more thoughtful approach to relationship building, as well

as widespread organizational change. For a long time, IT organizations have talked about becoming a “trusted advisor,” “customer advocate,” and “earning its place at the table”; to earn those roles and privileges,

More than half of the organizations surveyed are applying or planning to apply service management principles in areas outside of IT.



the IT organization has to demonstrate tangible value. It's time for IT and service support organizations to take the lead.

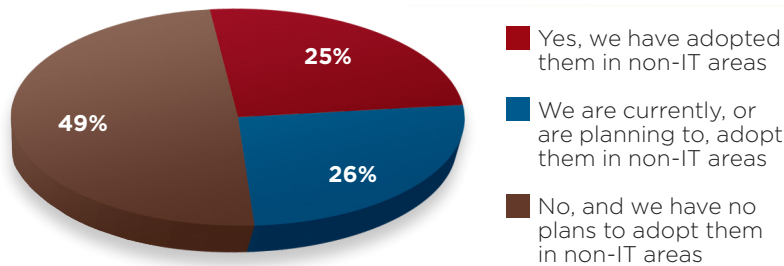
As this is the first independent research on the extent to which ITSM principles and practices are being applied to non-IT business functions, there's no historical data available for comparison. However, as seen in Figure 3, 51 percent of organizations are applying or are planning to apply service management principles in areas outside of IT, which indicates that there is interest from non-IT business units. This interest presents IT with an opportunity to lead, demonstrate tangible value, and actually fulfill the role of the trusted advisor. One respondent articulated the impact around this business need:

"I believe customer experience has improved now that the business is operating under the same processes/tools as IT. The collaboration between the business and IT has greatly improved, and we work better toward a customer-friendly solution."

WHO IS INITIATING THE CHANGE?

One might assume that IT is initiating the adoption of service management in non-IT areas, but this is not always the case. In fact, while IT has been responsible for generating demand in just over half (53%) of the organizations that have implemented service management outside of IT, in the remaining 47 percent of organizations, leaders from other business units and other non-IT areas have championed the change. As IT organizations have started down the path of enhancing and improv-

FIGURE 3: THE APPLICATION OF ITSM PRINCIPLES OUTSIDE OF IT



Percentage of organizations

IT is the **champion** for this movement in 53% of organizations; non-IT leaders have led the charge in the other 47%.

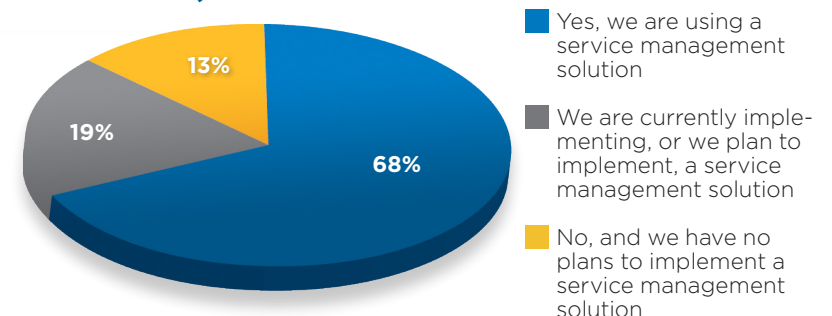
ing their delivery capabilities, other departments in their organizations have been taking notice.

WHAT IS DRIVING THE CHANGE?

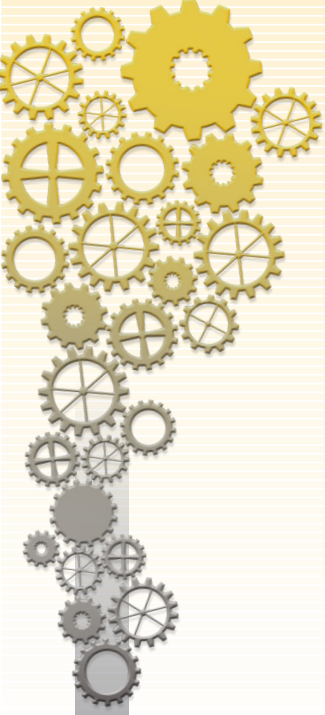
Of the 51 percent of organizations that have adopted or are planning to adopt service management outside of IT, six out of ten did it because they could, because the expanded capabilities of the technology allowed them to do so. When organizations realized that their service management system could allow their ITSM processes to be applied to other areas of the business, they were motivated to take advantage of that capability. It was interesting to find that the motivation to apply ITSM to non-IT areas was based on a business need or challenge for only three out of ten organizations.

The major ITSM system solution providers have all been engaged in a rather heated race to go beyond the basic platform and build tools and

FIGURE 4: SERVICE MANAGEMENT SOLUTION USE (IT AND NON-IT)



Percentage of organizations



solutions that are both significantly ahead of the previous generation of technology and powerful platforms for future innovation. A more powerful toolset allows for more robust baseline functionality, as well as a set of tools that customers can use to innovate and build the kinds of applications that the original developers might never have thought of including. In addition to this, access to the wealth of data collected by ITSM tools provides a new source of both competitive advantage and innovation.

Today's ITSM tools are more robust, providing a variety of highly customizable scripting/automation capabilities. In a very real sense, they're almost at the level of business process modeling (BPM) or enterprise workflow tools.

ARE ORGANIZATIONS USING SERVICE MANAGEMENT SOLUTIONS?

As illustrated in Figure 4, across all organizations, 87 percent of respondents either currently have or are planning to have ITSM tools in place.

In today's IT organizations, it's almost taken for granted that some sort of ITSM tool will be used in support of operations. In fact, 73 percent of organizations report that their ITSM tools are capable of being used outside of IT. Of those, 47 percent of organizations are actually using those tools in non-IT areas, while 28 percent plan to start. Because of the general capabilities these tools provide—and seeing the results they produce in

the services IT provides for them—it makes sense that business unit leaders and non-IT executives would choose to use the ITSM tool. And given IT's experience owning and operating the system for applications within IT, it's likely that implementing ITSM principles and the supporting tools together are a more compelling proposition for non-IT areas than they are individually. The non-IT areas get the benefit of a trained, dedicated support staff, which decreases the risk during implementation, and the tool becomes a trusted capability for the organization.

Savvy business leaders, take note: you should be identifying ways in which your existing technology investments can be leveraged across the entire business. Getting more value out of resources you already own is a common business imperative. Given the purchase price for ITSM tools, it only makes sense to derive maximum utility from such tools, whether or not the original intention was to use them outside of IT.

One respondent's comments net out this benefit:

“Our business need was to automate manual processes that currently cost more dollars to maintain via the resources we have. The ITSM tools available today allow for this automation within the business via workflow.”

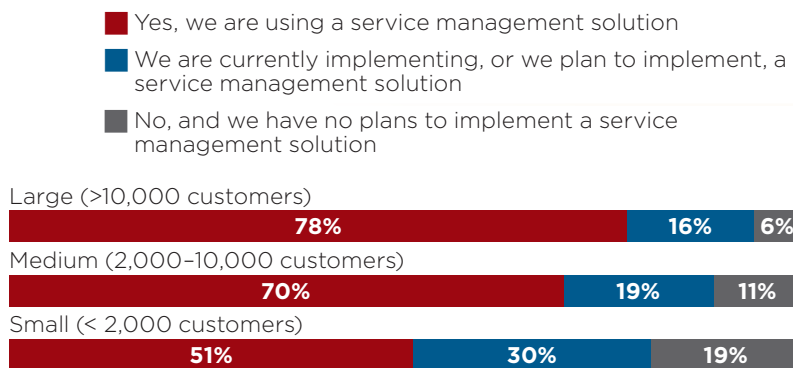
This technology expertise places the IT organization in a very favorable light. Not only does it get the robust ITSM functionality it desires, it also gets to work toward fulfilling the promise of being that trusted advisor. Why? Because IT is using its domain knowledge to help drive improvement for the business. Using what was previously considered to be an IT-only tool, it's now able to support additional business services and deliver enhanced business value.

With this move, the IT organization takes a major step towards realizing significant enterprise value, not just doing IT-only work. This is work (and benefits!) the business can see, touch, and feel.

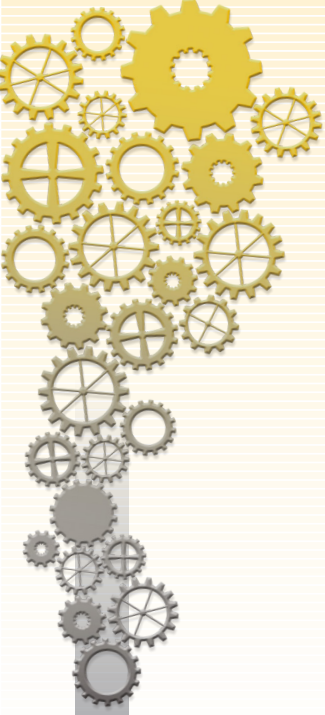
DOES ITSM TOOL USAGE VARY BY ORGANIZATION SIZE?

As illustrated in Figure 5, tool usage varies by organization size. Fewer small organizations, as measured by number of customers, are using ITSM tools than are large organizations. Specifically, just over half (51%)

FIGURE 5: SERVICE MANAGEMENT SOLUTION USE BY SIZE OF ORGANIZATION



Percentage of support centers



of the organizations with fewer than 2,000 customers currently have service management tools in place, while 78 percent of larger organizations, those with more than 10,000 customers, are using such tools in their organizations. This finding supports one of the key premises of this report: organizations are using ITSM principles to realize non-IT benefits, regardless of any technology considerations.

There are number of factors which could be influencing this behavior in small organizations:

- ▶ The cost/benefit ratio of tool acquisition/implementation/operation for smaller customer communities
- ▶ The risk(s) associated with product implementation
- ▶ The complexity associated with product configuration and usage
- ▶ The personnel impact upon project staffing

At the same time, it's worth noting that 30 percent of organizations with fewer than 2,000 customers have plans to or are currently implementing an ITSM tool. Even though small organizations may have not adopted such tools in the past, this finding clearly indicates that the gap between large and small organizations is shrinking. Given the aggressive pricing in the marketplace and the availability of cloud-based solutions, it's reasonable to expect that the accessibility challenge (for small organizations) will eventually disappear entirely.

Of course, based on these findings, we can't conclude that tool usage is a barrier to the application of ITSM principles outside of IT. Quite the contrary: the lack of a specific technology doesn't appear to be a significant limitation.

HOW DOES SERVICE MANAGEMENT SUPPORT BUSINESS NEEDS?

Thirty-two percent of respondents reported that a specific business need or challenge influenced their organizations to apply service management to non-IT areas. According to one survey respondent, their business need was "to transform shared service organizations and aspects supporting the business' operations to a more service-driven model." The respondent further clarified that, "even though these organizations do not serve external customers, implementing a service model to the internal customers led to results with external customers."

FIGURE 6: NON-IT AREAS IN WHICH SERVICE MANAGEMENT PRINCIPLES ARE BEING APPLIED

(Includes organizations applying service management in non-IT areas.)

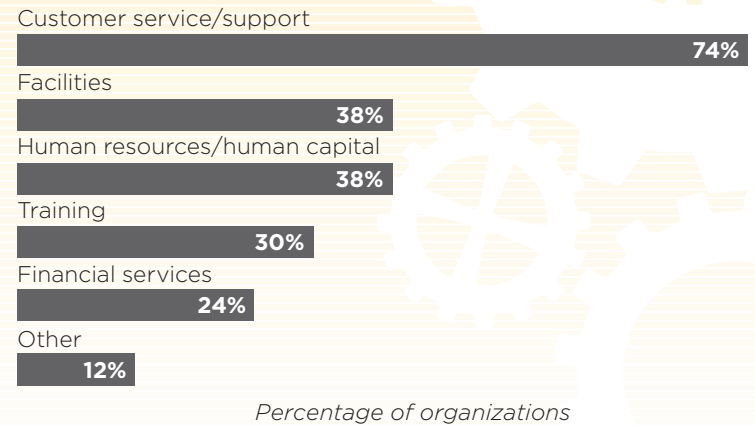
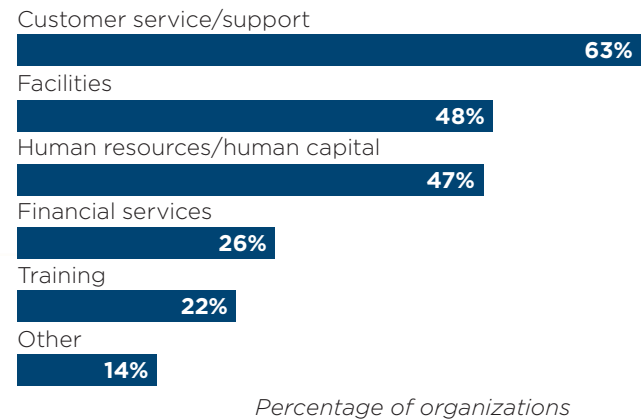
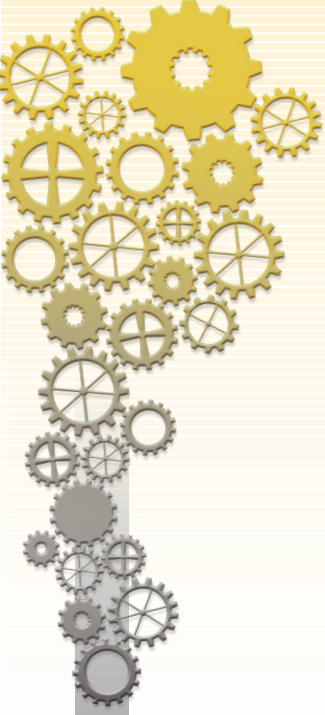


FIGURE 7: NON-IT AREAS IN WHICH SERVICE MANAGEMENT SOLUTIONS ARE BEING APPLIED

(Includes organizations using service management solutions in non-IT areas.)





An outsourced services provider shared another perspective: “We are an IT outsourcer and data center management company. Our business is IT, and the need to run traditionally non-IT areas.”

Participants were quite forthcoming about their businesses’ specific needs, and six general areas were among the most common: request management, cost, consolidation/standardization, customer experience, governance/visibility, and service quality.

Request Management

Request management was the most frequently cited business need. As an area of importance to both IT and the business, the need for request management touches both general ITSM functional areas and specific business specialties. In fact, the vast majority of the requests are actually related to a business function, not an internal IT need.

Cost

Minimizing direct and indirect costs was also a significant theme. Saving money or doing more with funds that have already been allocated is of clear importance to decision makers who use ITSM solutions as leverage within the business.

One of the biggest challenges IT service provider organizations have faced over time is that of supply and demand. Simply put, when you compare the (customer) demand curve to the (provider) supply curve, if not managed correctly, it will ultimately be unsustainable. It’s not that the provider doesn’t have resources; rather, it’s that neither the supply nor demand sides are being managed effectively.

What the customer needs and what the provider should be doing—and at what level of expense—are very real, very relevant considerations. If a product or service is no longer viable, it should be retired to release resources for something that generates value. “Because we’ve always done that” is an insufficient justification for extending a practice beyond its useful life.

Consolidation and Standardization

Closely related to the previous theme are consolidation and standardization. These activities drive cost savings by reducing footprint, decreasing

risk, and enabling the business to use more standard components. Whether consolidation and standardization are a function of reducing demand or trying to change underlying technical architectures was unclear from the survey responses, but both are relevant targets for anyone who is considering implementing service management outside of IT.

Customer Experience

One of the more surprising entries in this list was customer experience. Up until a few years ago, customer experience was not being actively talked about within IT circles, at least not outside of support. The survey responses reveal a clear desire to improve the customer’s experience of services, the value received from the services they consume, and alignment with business goals.

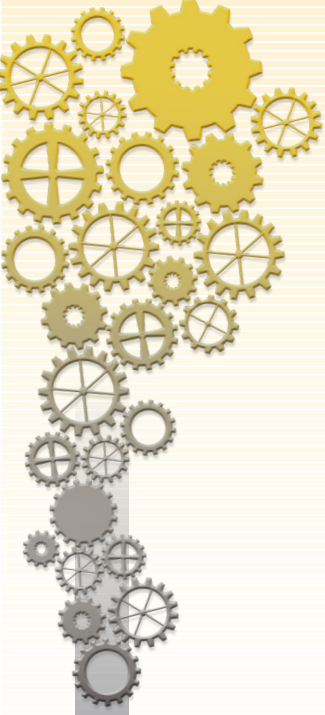
Governance, Visibility, and Service Quality

Some respondents spoke to the lack of visibility into their operations and vendor management, as well as lack of coherent governance, which often results in repeated errors that directly impact service quality and customer satisfaction. Service quality is essential to satisfying customers, and organizations would do well to approach it proactively.

WHERE ARE SERVICE MANAGEMENT PRINCIPLES BEING APPLIED OUTSIDE OF IT?

With request management topping the list of business needs driving the use of ITSM principles in other areas of the business, it should be no surprise that the customer service and support function tops the list, with 74 percent of respondents borrowing from IT best practices. If a best practice works for IT, it will probably work just as well for non-IT areas of the business, and given the functionality of IT’s service management tools, the implementation of those practices will be much more cost-effective and seamless. For example, the underlying relationship between customer and service provider, process steps, major activities, and artifacts used can be readily repurposed.

The other four areas mentioned—facilities, human resources/human capital, training, financial service—each have, in one form or fashion, some aspects of their operation that are transactional (i.e., based upon



receiving a service request from a customer). Conventional support/ticketing models lend themselves to the handling of abstract requests, provided the concepts, language, and processes are used generically. This provides an important source of leverage; the standard routing/handling rules built into the toolset can provide a proven, effective foundation for specialized request-handling modules. In each of the other business areas mentioned, a customer/service provider relationship is present. As a result, the general rules for handling service requests are readily applicable to those situations.

In the context of service requests, it's important to recognize that certain requests will require access to specialized data. While specialized or tightly controlled data (i.e., financial transaction records) might not be available at the start of a given transaction, other data (i.e., employee

credentials) are likely available to enable requests to be initiated. The benefit here, particularly if an ITSM tool is in place, is the ability to draw network and employee data from multiple data sources and provide a semifederated view. This data can be used to associate roles or specific job functions with various controls and permissions, enabling the creation and routing of service requests.

As more capable ITSM tools replace the older generation of ticketing tools, it's reasonable to expect that the practice-technology gap will either be reduced or eliminated. However, while any tool might provide some advantage to organizations that are looking to expand ITSM beyond IT, the notion that one can buy a product and have it work straight out of the box is at best suspect and at worst potentially devastating.

The Impact and Opportunities for the Future

We now know that most organizations have realized the value of extending service management principles into non-IT areas, and they have the tools to do it. The largest percentage of organizations is putting ITSM tools and principles to work in customer service and support, applying incident and request management, knowledge management, and other processes. While non-IT areas may not think of the ITSM principles they're adopting in those precise terms, the conceptual structure that IT service management provides is the foundation for non-IT uses. The practices become, simply, service management, and the "IT" falls away.

When asked what they called their non-IT initiatives, 80 percent reported calling it "service management," while 25 percent still referred to it as "ITSM." The remaining organizations most often refer to their initiatives as "business service management," "processes management," or simply ITIL, if that's what they were using.

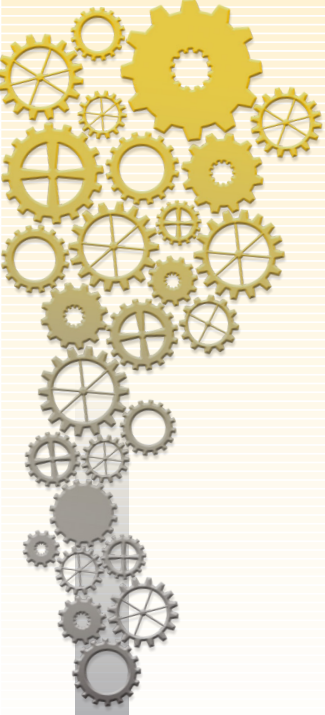
While it's well established that ITSM tools can make a process more efficient and effective, standards and processes are possible with and without having ITSM tools in place. Frameworks not only establish a frame

of reference for the area at hand, they also shape everything around it. Why? Because they establish what the agreed-upon, accepted theory is for an area, and they influence everything that surrounds them:

- ▶ Software and other enabling technology
- ▶ Consulting methods
- ▶ Certifications and training

Frameworks are valuable because they're a resource for practitioners. Rather than force people to make mistakes over and over again, they capture important details, distill lessons learned about an area, and make them available to those who are interested. When constructed properly, they often reflect countless thousands of hours of collective effort towards their construction, refinement and promotion. By necessity, they will cover areas such as:

- ▶ Basic principles
- ▶ Orientation to the area
- ▶ Fundamental knowledge/theory
- ▶ Skills required



- ▶ Processes needed
- ▶ Specific methods
- ▶ Templates

Because there are so many skills and competencies required in IT service provider organizations, it's unrealistic to expect that any single framework will provide all that's needed to be successful. As illustrated in Figure 8, today's IT organizations are using several different frameworks.

ITIL, which has been around for decades and enjoys worldwide acceptance, is the framework most likely to be adopted outside of IT: 64 percent of organizations using service management in non-IT areas are using ITIL. For the purposes of this report, it should be noted that the definition of ITSM is larger than what ITIL has traditionally covered. As such, other frameworks are required to fill the gaps. Both Six Sigma and Lean (26% and 24%, respectively) play important roles. Six Sigma can provide significant benefit, but given its origins in product engineering, there are significant up-front data collection requirements in order to do the fundamental analysis needed to get started. Lean thinking and methods, on the other hand, require little up-front data and provide a strong method for orienting and engaging team members. The two are generally compatible with each other and are often combined, and they enjoy strong support they have outside of IT. Finally, Knowledge-Centered Support is another top response (21%), which makes sense as it complements ITIL's proven practices.

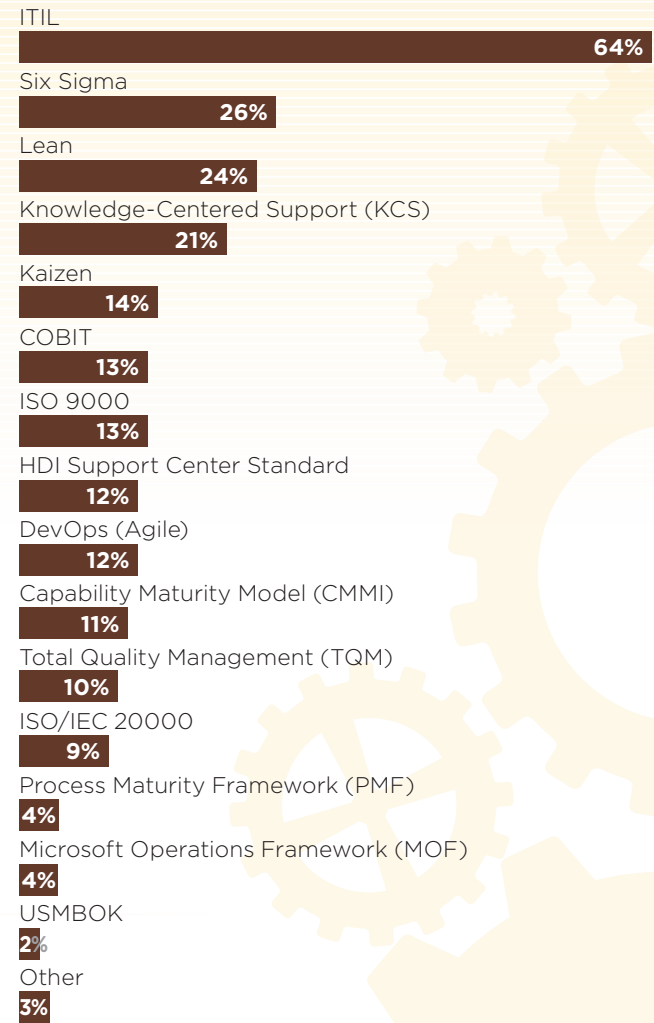
WHAT PROCESSES ARE BEING LEVERAGED?

Of the organizations that have implemented service management outside of IT, 75 percent are using incident/service request processes. Knowledge management (52%), change management (51%), customer relationship management (47%), problem management (43%), and asset management (38%) all speak to the core skills and competencies required to be successful and increase operational rigor. However, coverage among the frameworks being used by respondents can vary significantly; as a result, there must be some means of harmonizing the guidance and minimizing potential differences.

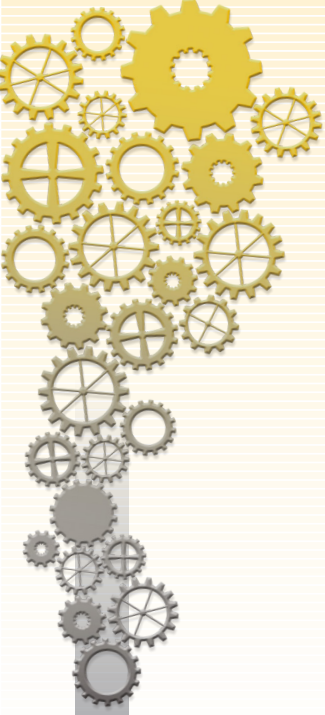
Differences from framework to framework notwithstanding, respon-

FIGURE 8: FRAMEWORKS AND METHODOLOGIES BEING APPLIED IN NON-IT AREAS

(Includes organizations applying service management frameworks and methodologies in non-IT areas.)



Percentage of organizations



dents were spoke positively about the need and benefits of adopting these practices:

“We made a conscious decision to spread the knowledge out as a way of eliminating duplicate or redundant practices.”

“With change management, we have had several ‘shadow IT’ areas in the business. We’ve been able to bring them together to ensure when we release something we are considering IT and non-IT.”

“The change management process has impacted our client services in a positive way. With the approval process in place the clients receive a more consistent and documented process for code drops and table changes. This also cuts down in the client driven fire drills that were occurring when a client would open a ticket for a table change the day of a maintenance window.”

While 44 percent of respondents indicated that service catalog initiatives would be leveraged, it’s likely that the value is around the utility of the tools for building/maintaining a service catalog. This generally supports the idea that service requests are an important part of how customers will discover what providers can do and then ask for the services they need.

WHAT IS THE IMPACT ON IT?

When asked about the effect on the IT organization, most of the organizations that have extended ITSM beyond IT reported that IT is providing support for the tool and/or played a consulting role in the adoption process outside of IT. These organizations, at least, are moving beyond their traditional limitations and responsibilities: rather than just being seen

Using ITSM principles outside of IT is an opportunity for IT to lead and be a trusted adviser.

FIGURE 9: ITSM PROCESSES BEING APPLIED TO NON-IT AREAS
(Includes organizations applying service management processes in non-IT areas.)

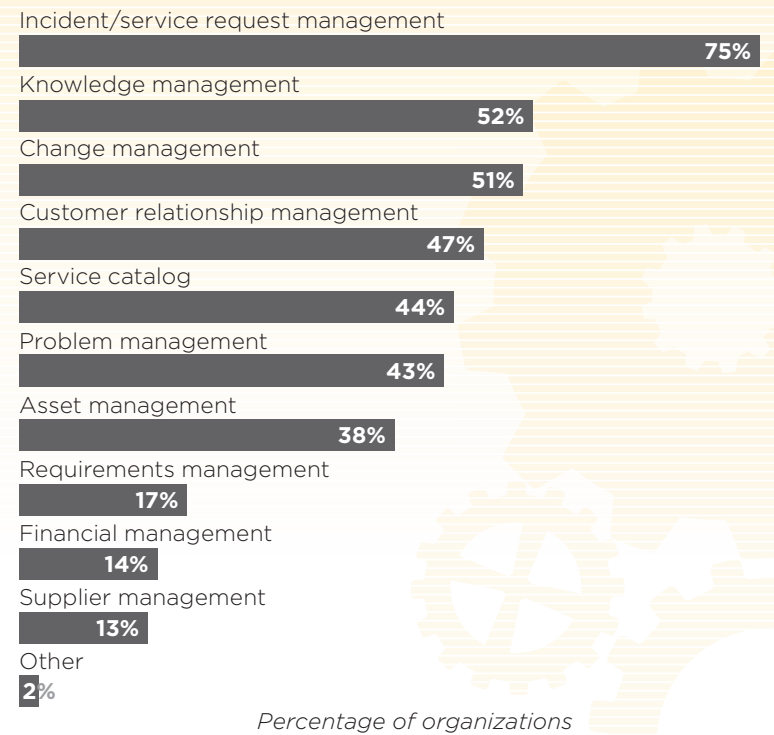
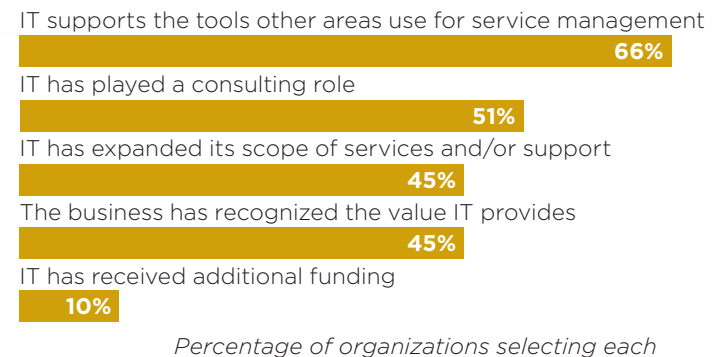
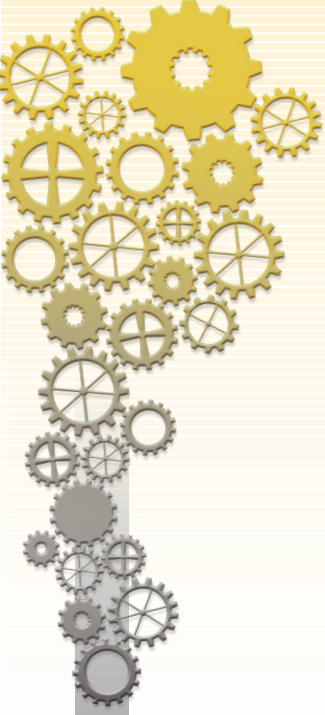


FIGURE 10: THE IMPACT ON IT
(Includes organizations applying service management in non-IT areas.)





as a commodity resource for development, delivery, and operations, IT is using its capabilities to support the business.

The fact that 45 percent note that IT is being recognized for the value it provides to the business as a result of adopting ITSM outside of IT is significant. It's a tangible step towards a more proactive style of operation where IT's experience and perspective can help drive business value in the near term, not at some distant point in the future. This is a positive indication that the relationship between IT and the business is evolving (e.g., a higher degree of trust, a deeper customer relationship).

As a direct result of this improved relationship, 45 percent of respondents indicated that IT has expanded the scope of its services and support. Additionally, while only 10 percent saw a direct effect on funding (i.e., additional funding), the fact that either of these impacts is being observed is significant. It's an indication that the organization is seeing sufficient returns to inspire trust and investment in IT, rather than outsourcing to a low-cost provider. By using its unique knowledge of the organization being supported, IT reinforces its role as a preferred provider of services.

WHAT IS THE IMPACT ON NON-IT AREAS?

When asked to comment on how applying ITSM to non-IT areas has impacted the organization, respondents reported positive results in business processes, culture, and customer experience:

"It's had an enormous impact on our business. We manufacture clothes and sell them to retailers. Our former process was disorganized, unstructured, and impossible to track. By applying ITSM principles to the process, we're now setting baselines for processes that have never been measured before."

"Team leaders now have a better understanding of demand (type, volume, trends), status of delivery (approved, in progress, on hold, stage of process, approaching, or past due), effort hours for various types of incidents and requests, who is doing what for improved ability to do resource planning/coaching, consistent services, and audit control via automated workflow."

Conclusions

The survey data clearly indicate that respondents are using and helping the organizations they support to use ITSM principles outside of IT. While IT seems to be playing a leading role in this introduction, a significant number of non-IT leaders are also driving the demand.

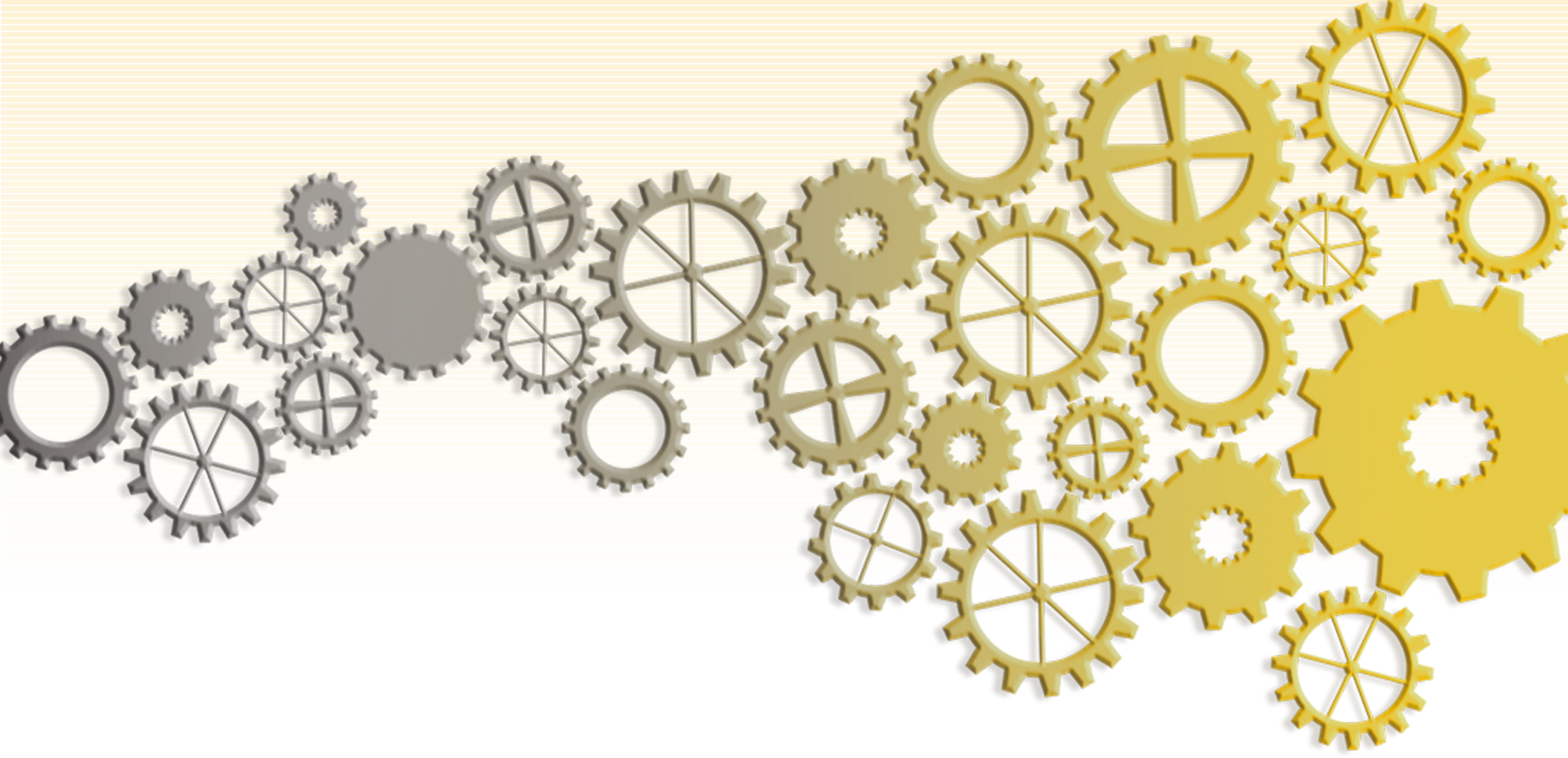
ITIL is the most often used framework, but there clearly is a need to look beyond ITIL in order to be successful. In fact, there are quite a few sources of guidance (e.g., Lean, Six Sigma, Knowledge -Centered Support) that are being used to satisfy customer needs. Despite this, simply adopting a framework or introducing a new technology is often insufficient to overcome the challenges today's businesses face.

ITSM technologies, as we have seen, can provide a basis—and even a motive—for broadening service management thinking within organizations: "We have a working system that can do X, Y and Z, but it can also

do A. Let's use it for A." Leveraging existing technologies is an excellent means of driving additional value and minimizing implementation risk.

All of these factors actively contribute to a revised, renewed relationship between IT and the business it supports. Whether acting as an internal consultant to the business or as an operator of enabling technology, extending ITSM beyond IT is a reliable, relatively low-cost, and high-impact way of becoming more customer-centric.

Given these results and the introduction of new technologies to the market over the last few years, it's reasonable to expect that this trend will continue to develop. Indeed, for any organization that wishes to thrive (or, at minimum, remain relevant), applying ITSM outside of IT should prove to be one of the most important strategies an IT organization can pursue.



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