HDIResearchBrief.

Service Catalog Sprawl

By Jenny Rains, Senior Research Analyst, HDI

While service catalogs are intended to aid end users needing a service, an excessive number of catalogs in multiple locations, in any given organization—a concept known as *catalog sprawl*—could be hindering business productivity instead. In November 2015, HDI conducted an online survey to learn about how big of an issue catalog sprawl has become. In this report, HDI shares the results from this survey, completed by 766 technical support professionals, to uncover the magnitude of catalog sprawl and its impact. The findings also reveal the current practices, plans, benefits, and challenges associated with consolidating catalogs into a shared location.
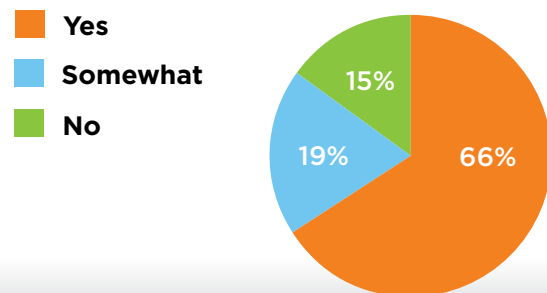
Key Findings

- It is not uncommon for a company to have more than twenty service catalogs across multiple business areas. There is a need to consolidate access points for these catalogs.

- Many companies have access to other catalogs in the same location as IT catalogs, but usually for only one or two business needs, which are most likely technology-related.

- Consolidating catalogs improves productivity and satisfaction.

- IT has an opportunity to expand the efforts of service management at the enterprise level and work with other areas of the business to improve the end-user experience and productivity.

Survey Results

Catalog sprawl is a problem within businesses. Looking at the impact of catalog sprawl at the enterprise level, from an end user's perspective, we learned that the issue is larger than we expected. Only 15 percent of all survey respondents said that catalog sprawl is not currently a problem in their company or enterprise. However, while 85 percent of respondents believe catalog sprawl is at least somewhat of a problem in their company/enterprise (66%, yes; 19%, somewhat); consolidating catalogs into a single online location is not currently a high priority for their companies (more on this later).

Chart 1: Is Catalog Sprawl a Problem in Your Company/Enterprise?

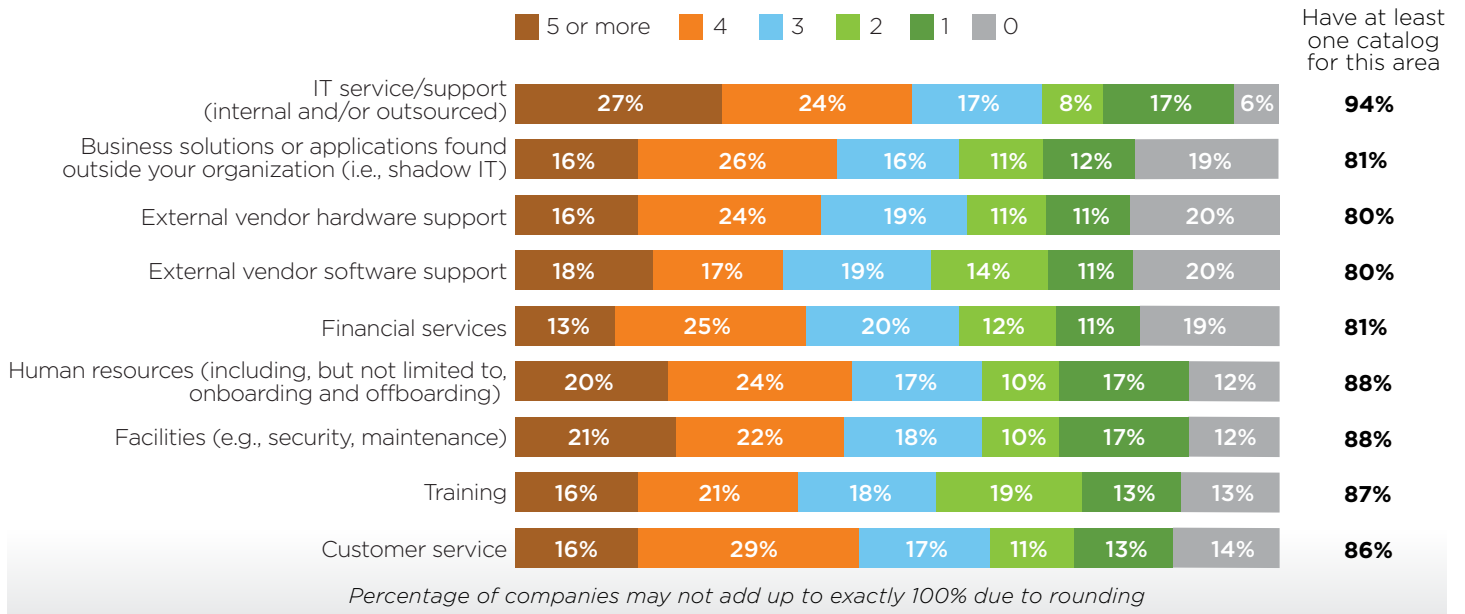

- Yes
- Somewhat
- No

15%
19%
66%

Companies have multiple catalogs for every business need. Catalog sprawl is an issue not only for the enterprise as a whole but also for each business area. The majority of companies (more than 50%) have three or more service catalogs for every business need identfied in the survey. As previously mentioned, it is not uncommon for a company to have more than twenty service catalogs across multiple business areas (see Chart 2 for a full breakdown by business need).

85%
of respondents report that service catalog sprawl is a problem in their companies.

Chart 2: Average Number of Service Catalogs for a Company for Each Business Need

Legend: 5 or more | 4 | 3 | 2 | 1 | 0

Business Need	5 or more	4	3	2	1	0	Have at least one catalog for this area
IT service/support (internal and/or outsourced)	27%	24%	17%	8%	17%	6%	**94%**
Business solutions or applications found outside your organization (i.e., shadow IT)	16%	26%	16%	11%	12%	19%	**81%**
External vendor hardware support	16%	24%	19%	11%	11%	20%	**80%**
External vendor software support	18%	17%	19%	14%	11%	20%	**80%**
Financial services	13%	25%	20%	12%	11%	19%	**81%**
Human resources (including, but not limited to, onboarding and offboarding)	20%	24%	17%	10%	17%	12%	**88%**
Facilities (e.g., security, maintenance)	21%	22%	18%	10%	17%	12%	**88%**
Training	16%	21%	18%	19%	13%	13%	**87%**
Customer service	16%	29%	17%	11%	13%	14%	**86%**

Percentage of companies may not add up to exactly 100% due to rounding
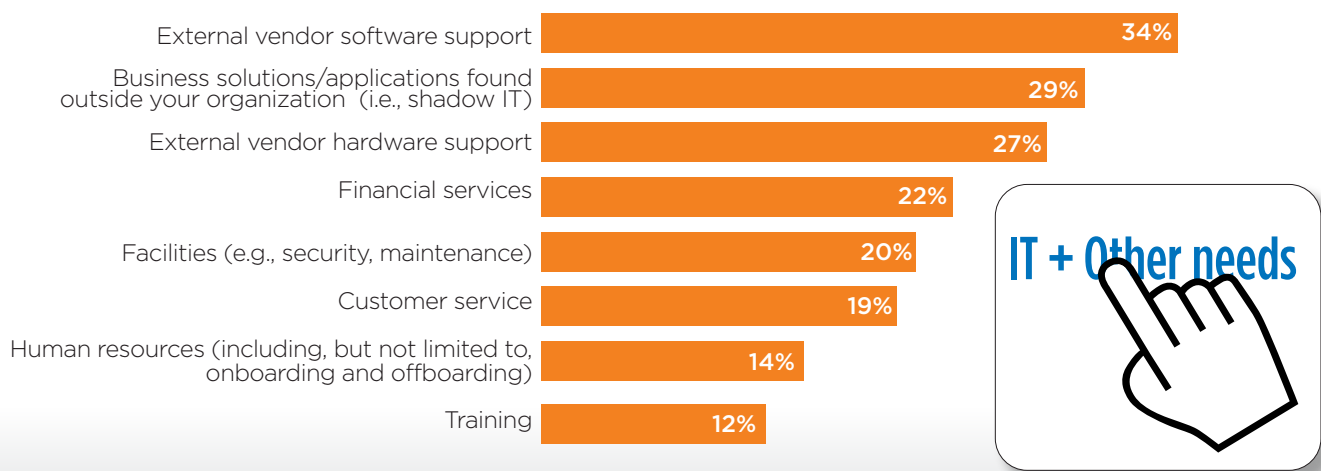
With so many companies reporting that catalog sprawl is a problem, it was a bit surprising to learn that 80 percent of organizations have service catalogs for other business needs already accessible in the same online location as IT services. However, deeper analysis clarified why there is still a problem. Of that 80 percent, most companies (67%) have consolidated catalogs only for one or two business needs into the same location as their IT catalogs. Only 14 percent of companies have consolidated all possible service catalogs into a single online location. End users continue to access many other catalogs in different locations.

As Chart 3 illustrates, it is more common for technology-related catalogs (i.e., technology vendors and shadow IT) to be accessible with IT catalogs than catalogs for non-technology needs, such as human resources. Financial services catalogs are the most likely of the non-technology catalogs to share a common access point with IT. While new hires usually need both HR and IT services to get up and running when onboarding, only a few companies (14%) have the two sets of catalogs sharing access locations.

Even though, at most companies, end users can only address one or two other business needs in the same

Chart 3: Catalogs Available in a Common Location with IT Catalogs

Category	Percentage
External vendor software support	34%
Business solutions/applications found outside your organization (i.e., shadow IT)	29%
External vendor hardware support	27%
Financial services	22%
Facilities (e.g., security, maintenance)	20%
Customer service	19%
Human resources (including, but not limited to, onboarding and offboarding)	14%
Training	12%

IT + Other needs

14% of companies have all possible service catalogs accessible to end users through a single online location.

location as their IT needs, the technical support community has seen a positive impact from this consolidation. Support organizations reported improvements in end-user efficiency and satisfaction, business understanding, provisioning, performance, and reporting. Chart 4 shows that 79 percent of organizations report an increase in end-user productivity/efficiency. In turn, it is not surprising that consolidation has increased both end-user and executive satisfaction.

While catalog sprawl is a noticeable problem and most companies have already realized the benefits of consolidating catalogs, further consolidation is not a high priority. Looking at the results for companies that have not already consolidated all possible catalogs, in the group of respondents that said catalog sprawl is a problem, only one-third say consolidating catalogs into a single location is a high priority. That being said, some companies have started taking steps toward future consolidation;

only 17 percent have no plans at the moment. About 30 percent are planning an initiative in the near future, and 35 percent have a project in place.

When planning such an initiative, it is helpful to know about the challenges others in the industry have experienced at different stages in the project. The survey asked companies about their challenges at each stage (see Chart 5 for the full results). Companies that are currently planning initiatives but do not yet have a project plan in place report that their biggest hurdle is funding the project. Companies that have taken the steps to put a plan in place but have not yet consolidated their catalogs are running into issues with sponsorship from IT leadership as well as a lack of budget. In addition, one-third of these companies are also struggling with legacy applications currently in place. For companies that do not currently have a plan in place, it is not due to a particular challenge, but mostly because consolidation is not a priority and has not been discussed.

Learning about the challenges of companies that have already consolidated all possible catalogs could be beneficial for the companies in the aforementioned stages. These companies have had fewer challenges overall, with 20 percent saying they have encountered no obstacles. For the other 79 percent, the most common hurdle has been lack of sponsorship from IT leaders (32%), followed by budget issues (24%).

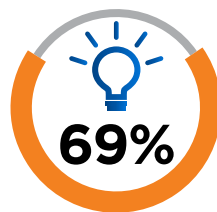## Chart 4: Benefits of Consolidating Catalog Access
(Realized by IT Support at Companies That Consolidate Access to One or More Catalogs with IT)
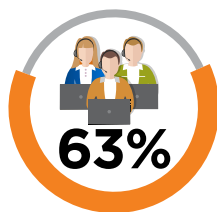
79%
End-user productivity/ efficiency

71%
Executive satisfaction
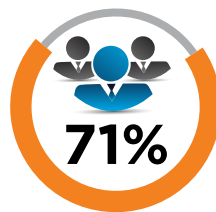
69%
Business understanding of non-IT issues impacting, or reflecting on, IT
(e.g., non-IT connected devices/software)

65%
Customer satisfaction

63%
IT support staff satisfaction
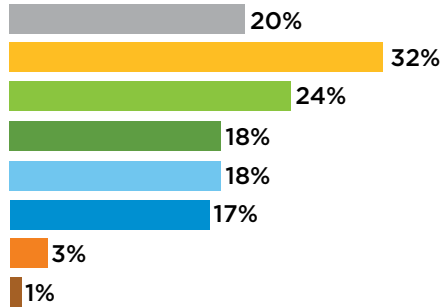
62%
SLAs met

62%
Ease of provisioning

58%
Opportunities for measurement, reports and/ or understanding of end-user needs
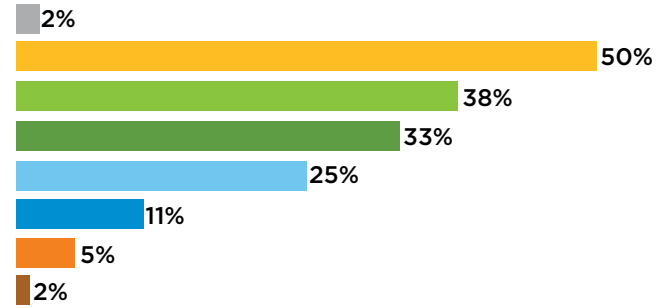
Chart 5: Challenges Around Consolidating Service Catalogs

Legend:
- ⬜ No obstacles
- 🟨 Lack of sponsorship from IT leaders
- 🟩 Insufficient budget
- 🟩 Legacy applications in place
- 🟦 Security and compliance concerns
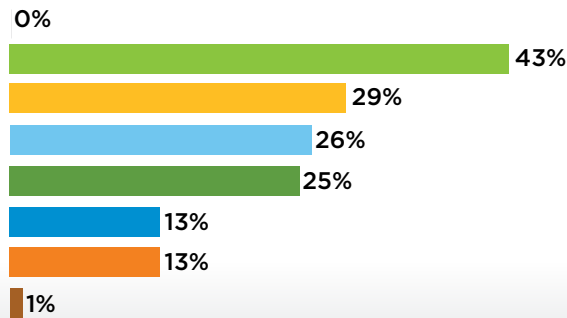- 🟦 Lack of sponsorship from business leaders
- 🟧 Not a priority
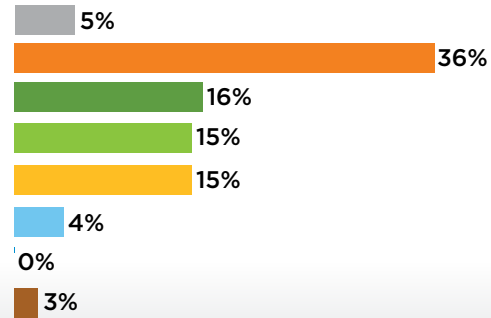- 🟫 Other

All possible catalogs are already consolidated
- No obstacles: 20%
- Lack of sponsorship from IT leaders: 32%
- Insufficient budget: 24%
- Legacy applications in place: 18%
- Security and compliance concerns: 18%
- Lack of sponsorship from business leaders: 17%
- Not a priority: 3%
- Other: 1%

Project in place
- No obstacles: 2%
- Lack of sponsorship from IT leaders: 50%
- Insufficient budget: 38%
- Legacy applications in place: 33%
- Security and compliance concerns: 25%
- Lack of sponsorship from business leaders: 11%
- Not a priority: 5%
- Other: 2%

Planning
- No obstacles: 0%
- Insufficient budget: 43%
- Lack of sponsorship from IT leaders: 29%
- Security and compliance concerns: 26%
- Legacy applications in place: 25%
- Lack of sponsorship from business leaders: 13%
- Not a priority: 13%
- Other: 1%

No plans
- No obstacles: 5%
- Not a priority: 36%
- Legacy applications in place: 16%
- Insufficient budget: 15%
- Lack of sponsorship from IT leaders: 15%
- Security and compliance concerns: 4%
- Lack of sponsorship from business leaders: 0%
- Other: 3%

An additional finding from the analysis adds valuable perspective to this topic. Of the group that reported they have no challenges, 62 percent have already consolidated all possible catalogs, compared to 14 percent of the entire sample. This confirms that there is an existing need for consolidation, and if the hurdles were removed, more companies would have already done it.

Conclusion

Based on our findings, there is a real need to consolidate service catalogs. Catalog sprawl is, however, an opportunity for IT to lead in several ways: as an advocate for customers—the employees of the business—and as a champion for business productivity, efficiency, and collaboration among service areas. Service catalog sprawl is a problem that will most likely continue to grow unless businesses start raising the priority level and taking steps to overcome various challenges that may hinder progress toward consolidation. The findings from this research provide IT with a business case to be the ones who lead the change.

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