



## Service Management Beyond IT Is The Answer

By Eveline Oehrlich, Research Director Research In Action.

But what is the question? The pandemic, global economic challenges, layoffs, talent gaps, quite hiring and quite quitting, and more will present some interesting challenges ahead. 2023 must be the year that IT and business teams automate and optimize workflows beyond IT to empower an exhausted workforce, retain and serve customers all while controlling costs. So the question for me, as I have been researching Service Management (SM), IT Service Management (ITSM) and Enterprise Service Management (ESM) is “How do we move automation beyond IT Services Workflows?”.

But before I get going with some actionable suggestions, here are the facts I found when looking at the survey data from our recent research project on ITSM and ESM (see Figure 1):

- **Global organizations continue to focus on automating IT workflows.** In both 2022 and 2023, the IT Services automation was the top priority for global enterprises. When asked about their level of maturity, our survey respondents confirmed that they have automated approximately 75% of their IT services workflows.
- **Global enterprises prioritize customer workflow automation for 2023.** When comparing global enterprise priorities for employee and customer workflow automation from 2022 to 2023, the priority for 2023 is higher on automating customer workflows. When we asked about level of automation of customer workflows, we found that global enterprises have automated about 50% of their customer workflows.
- **Employee workflow automation is the third highest priority for global enterprises for 2023.** This makes sense, of course, given that in 2022, many of us had to stay in the home office, so we needed tremendous amount of automation for employee workflows to ensure that we could continue to do our jobs. The level of automation for employee workflows is about 50%, according to our data.
- **There are regional differences in priorities.** While Asia-Pacific and European organizations are prioritizing the automation of IT services workflows, North American organizations are prioritizing the automation of their customer workflows for 2023.
- **The biggest difference in priority between global and DACH companies is the automation of customer workflows.** DACH organizations place a lower priority on automating customer workflows than global organizations.
- **German upper midmarket organizations place a high priority on automating IT Service workflows in 2023.** It is interesting to note that German organizations report that 75% of their IT Services workflows are automated.

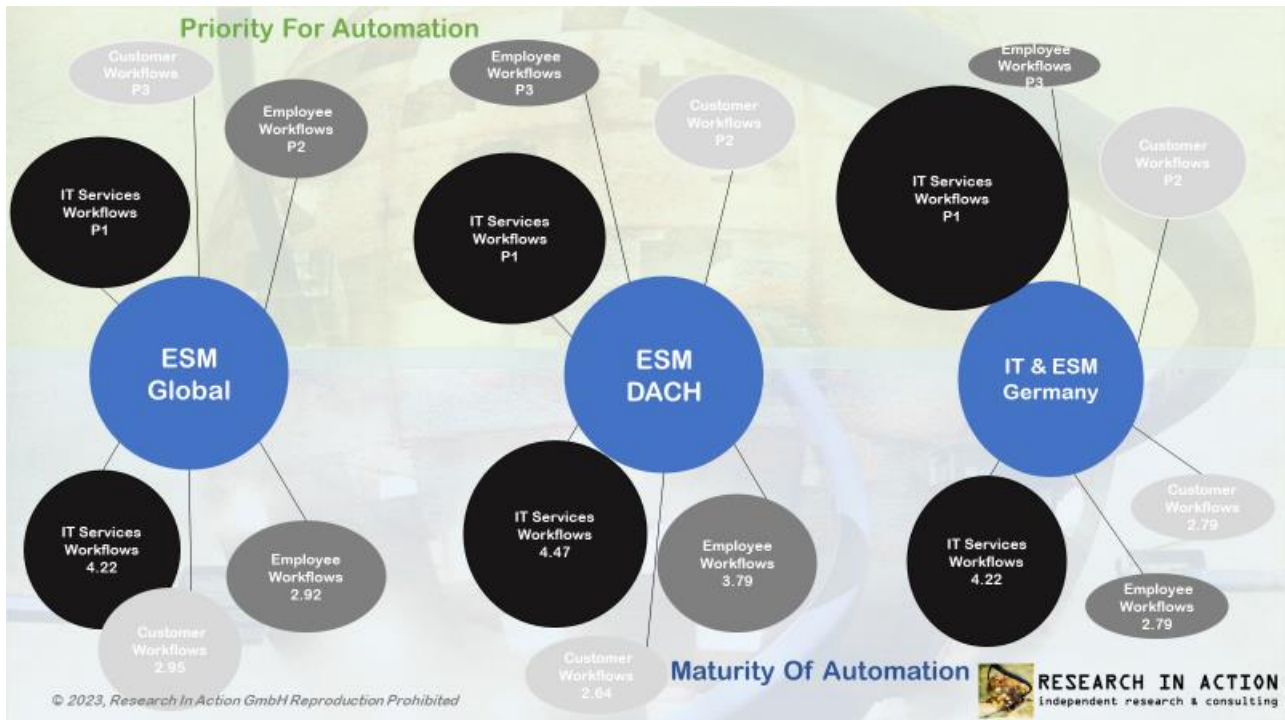


Figure 1: Summary of findings from our IT and ESM survey

### Needless to Say, IT Services Workflow Automation is Fairly Mature Across All Regions

While there are different levels of maturity for customer and employee workflows, it is clear that most organizations have done a great job of automating their IT services workflows, whether we look at global, DACH or German organizations. Congratulations!

### But that is not enough. Here are some things to think about:

- **Employees are not engaged.** According to the [Gallup's State of the Global Workforce: 2022 Report](#), only 21% of today's employees are engaged. While there are a variety of reasons for this, a key cause of low employee engagement is a lack of involvement in meaningful and creative work. This is where workflow automation can have a significant impact on employee engagement. Automating workflows with technology to perform repetitive tasks frees people to focus on what is meaningful and creative work. ESM platforms and solutions that automate routine tasks of HR professionals, for example, can significantly improve their engagement levels.
- **Work is becoming more flexible, but employees need to be empowered through automated workflows.** Remote working has become much more common since the pandemic. This allows companies to hire employees from any geographical location and allows employees to work from their cities and countries. One benefit of the coronavirus has been that more and more employees see working from their home office as a great benefit. In a recent study, the [Pew Research Center](#) found that work can be done from home (54% say so), and given the choice, they'd like to work



from home all or most of the time. [A Deloitte survey](#) shows that 80% of companies allow some form of remote and hybrid work.

- **IT is a key enabler for creating and inspiring a digital mindset, which can then create opportunities and ideas for innovation.** Mindset is a way of thinking (as described by many psychologists) that shapes how people perceive, feel, and act. A digital mindset is a combination of attitudes and behaviours that enable employees to see how digital adoption can create opportunities by leveraging technologies such as artificial intelligence (AI), bots, algorithms, and augmented and virtual reality (AR/VR) to change the business landscape. IT departments need to support and enable a digital mindset by sharing what they can do for teams or across the business today.

### **Service Management Must Go Beyond IT**

Over the past year, it has become increasingly clear that an organization's ability to adapt and change, as well as its ability to deliver on its core mission, is highly dependent on, and vulnerable to, how automated, secure, and optimized its operations are. For all of IT's genius at automating existing IT Services and leveraging modern ESM capabilities, technologies and data, some IT teams have partnered with or enabled their business teams to automate their workflows toward the goal of becoming a digital organization. The desire for a digital business has accelerated a fundamental shift in the ownership of intelligent workflow automation and digitization in enterprises worldwide. The old certainties of automating processes and services only within IT and adopting of the necessary technologies and solutions are no longer true. Now IT technologies, non-IT and change agents are challenging the need for workflow automation to be done for other services outside of IT, leaving some IT teams confused and at real risk of being left behind. Here are some ideas on how to avoid being left behind.

- **Improving service while reducing costs will be the balancing act for 2023.** The constant demand for improved service levels and standards, the pressure to reduce costs while improving the efficiency of how IT and other services are delivered and consumed is driving the adoption of virtual agents, chat, proactive knowledge sharing, and service feedback loops to name just a few. In 2023, organizations should take the following two key actions:
  - Continue to focus on automating IT, customer and employee workflows and services to drive continuous improvement but ensure that there is a return on investment for your efforts. Budgets for IT infrastructure, services and more will be tight in 2023.
  - Deploy new technologies and capabilities only after understanding the mindset of your internal and external customers.



- **Understand the digital mindset of your business partners because it can create opportunities and ideas for innovation.** Leading change towards digital requires a shift in mindset which many IT teams have done within their teams already. It is now the time to lead the change with and for your business teams. To extend ITs experience and capabilities beyond automating IT Services you should:
  - ✓ Explore and use technologies such as artificial intelligence (AI), bots, algorithms, and augmented and virtual reality (AR/VR) with your business team leaders. This can change their understanding of how IT can help them to transform and automate their business landscape.
  - ✓ Create a show and tell about how IT departments can support and enable a digital mindset by demonstrating what they can do today for business teams today. For example, showing how virtual agents can support legal case management or how field service agents can be empowered while working remotely.
- **Squeezed by the competing priorities of automating employee and customer workflow, work with the business teams that have a digital mindset.** The pandemic has forced many organizations to automate employee workflows because it was critical to keep employees enabled in the home office connected while ensuring the availability, resiliency and security of applications and services. The pandemic as a crisis enabled many employee workflows to be automated, so why not continue to move forward with those business teams that have a digital mindset to innovate, optimize and automate their workflows.

### **And Finally, Start Changing Your Thinking Toward a Connected Service Experience (CSX)**

While not every employee has direct customer contact, all employees - whether product managers, sales managers, or IT technicians - are there to serve customers, clients, or patients. Welcome to the Connected Service Experience. A great connected service experience is typically shaped by and dependent on the speed, quality, and efficiency of integrated tasks, processes, and decisions. This requires certain underlying workflows to be connected and automated to deliver a connected service experience. This requires a Service Management approach that integrates IT Services, employee, and customer workflows. For CSX improvements, the goal is to integrate data, tasks, processes, events, and decisions for quality, speed, and effectiveness across the end-to-end journey (or value stream). While ITSM has a strong foothold in organizations large and small, today ESM is a transitional development stage on the journey to the fully digital enterprise that delivers a connected service experience. I can't wait for that to happen. I hope I have given you some things to think about.

Sincerely,

Eveline Oehrlich