



Enterprise Service Management Plays A Critical Role Within Your Organizations Digital Transformation

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If the pandemic has taught us one thing, it is that digital services and solutions matter, but only if accompanied by a positive experience improving speed and quality of the interaction. (Think of your request to get your first COVID-19 test or vaccination). Digital services require a fundamental change in the psyche for everyone – those who consume the services and those who design and implement them. Organizations are now caught in an ever-critical race to improve these experiences – for better or worse.

Enterprise Service Management (ESM) leverages different capabilities to improve how individuals and teams across the organization develop, deliver, interact, and consume business services across functional departments within an enterprise. Its goal is to improve business operations by increasing employee productivity and connecting different services for outcomes. ESM has developed out of traditional IT Service Management (ITSM), with the IT Infrastructure Library (ITIL) as the de facto standard for process definitions with a global penetration of around 90%. Enterprise Service Management solutions automate workflows, correlate, and align data and assets, and leverage intelligence to analyze, manage and deliver services. In addition to IT, service offerings typically include (1) Human resources, (2) Vendor management, (3) Technical services, (4) Field services, (5) Financial management and (6) Shared services organizations.

What to know for your ESM journey?

I have discussed the state of ESM [here](#). When planning ESM initiatives in 2022, one must consider a variety of market trends. Where does your organization stand on ITSM? How do you want to shape your enterprise as an IT leader? Are you and your business counterparts ready for ESM? And finally, what ESM platform(s) will be the most suitable for your organization in 2022. I have researched the different vendors in the last three months, and I am excited to let you know that the [ESM report is now complete](#). Here are some of the highlights:

- 1. ITSM paved the service thinking within IT and ESM allows for expansion of service thinking within non-technology value streams.** The challenges of the last year, which caused enterprises to focus on improving efficiency, responsiveness to a broad ecosystem, and customer and employee satisfaction, are all part of a broader service management journey. IT teams had recognized this and have been leveraging ITSM platforms to automate and improve services for their constituencies for many years. Leveraging the principles and technologies established during ITSM initiatives leveraged within IT will also help the business functions adopt a service thinking.



What this means for IT leaders:

- **IT should share and show their work among their business functional leaders.** Showcase and help your business teams to understand what workflow automation is possible beyond IT. A few examples are service catalogues, self-service capabilities, knowledge management, request and case management, value stream or lifecycle management and approvals.
- **IT can inspire the business functions with ESM benefits for adoption.** Faster processing of requests from employees, improved handling of customer issues and eliminating waste of time and resources are just a few business benefits of ESM. Also, collaboration between functions during on- or off-boarding of employees are attractive business benefits. Business leaders need to understand that such benefits can be achieved. Establishing a Minimal Viable Product (MVP) might just be one way to get a business leader interested in an enterprise workflow automation project.

- 2. It is time to shift from the current IT service provider archetype to one of being a business partner.** While some IT organizations are seen as a service provider, some have already transformed towards a business partner for the company. Our data shows that 40% of global IT organizations are automating IT services. A service provider's ability to function relies on leveraging ITSM frameworks such as ITIL to improve and automate a variety of processes, tasks and decisions. These range from technical support, managing assets, responding to incidents, provisioning accounts, training users, and answering questions. The evolution towards a business partner means to apply the same principles of ITSM and its technology platforms and extend them to amplify the results for other business functions such as HR, legal, marketing or facilities (to name a few).

What this means for IT leaders:

IT should market and celebrate what ITSM has achieved to change its archetype. The knowledge and experience of existing ITSM implementations, best practices and knowledge is mature across many enterprises large and small. This experience must be leveraged towards workflow innovations and improvements outside of IT. By expanding the focus towards the business teams, IT can transpose from custodians of technology towards business innovation and automation partners. There are many possibilities to start, e.g., design and implement a use case for HR to onboard a new employee, for facilities to coordinate requests and equipment, for legal to manage a specific legal case incorporating contracts, approvals, and knowledge, or for marketing to manage digital assets, leads and promotions.

- 3. IT must think and speak services from the outside in.** Business leaders are focused on their functions, teams, individuals, and must achieve business outcomes. Many of them are looking for



ways to digitize their workflows and the pandemic is one reason why there is intense focus on digital services. Additionally, competitive pressures and growing expectation from customers and employees wanting better and more efficient services from their service provider or company is the perfect time for instantiating ESM initiatives across different lines of business.

What this means for IT leaders:

Change IT lingo to the language your business function speaks and understands. Almost all business functions want to increase productivity across organizational silos and make targeted improvements to business processes. The names IT has given to automated processes, however, typically does not align to the value streams within or across business functions outside of IT. For example, incident management, knowledge management and other processes which IT has automated are understood within IT, but business owners and functional leaders might not be able to immediately translate these to their workflows. Help them understand what processes, tasks and events can be automated through conversations and explorations. For example, incident management might be referred to as case management.

- 4. While IT services are still the biggest share of current automation workflows (40%), employee, customer and integrated (or connected) services typically are owned by business and value stream owners outside of IT.** This requires vendors to reflect different language, goals, metrics and modify their GTM efforts to address these different business owners for the adoption of their solutions.

What this means for ESM/ITSM solution vendors:

- **Change in buyer person demands a change in vendors solution messaging and go-to-market.** ESM journeys for enterprises across the globe are slowly being adopted and IT workflow automation is still dominant priority. To achieve a stronger adoption within ESM, it is essential to shift the language, examples, messaging and go-to-market initiatives towards the business leaders in need for automation. This will help in gaining the support from business leaders to go beyond the experimentation stage of ESM.
- **Avoid the lipstick on the pig.** Unfortunately, the topic of ESM is still relative immature as challenges of executive buy-in or derailed ESM strategies have hampered its adoption. To some extent, some vendors are to blame for the lack in progress as well as some of them simply relabel their existing ITSM solutions into ESM. While ITSM is foundational to ESM, it is not equal to ITSM and a simple relabeling does not qualify for the trust from business teams outside of IT. Use cases with data to support improvements of outcomes within a business function must be part of vendors ESM proof points addressing the concerns of business owners.



While ESM is actively pursued and aggressively marketed by the ESM vendors, I believe the next journey is that of the Connected Service Experience (CSX). I am defining this as *“the experience an employee, customer, partner, or other constituent has during a specific engagement with an organization or institution. It is typically shaped and dependent on the speed, quality, and efficiency of integrations across tasks, processes and decisions demanded and provided”*.

So, while you are advancing with ITSM or ESM journey, I believe you are not done yet. I look forward to discussing CSX in my [next blog](#).

Stay connected. Regards,

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