

Forbes
INSIGHTS

DELIVERING VALUE TO TODAY'S DIGITAL ENTERPRISE

THE STATE OF IT SERVICE MANAGEMENT, 2017



IN ASSOCIATION WITH:  **bmc**

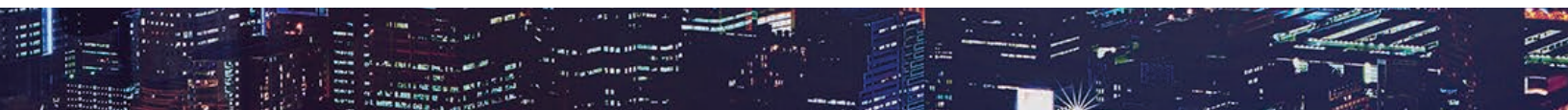


TABLE OF CONTENTS

EXECUTIVE SUMMARY..... 2

METHODOLOGY AND DEMOGRAPHICS..... 3

SERVICE MANAGEMENT MATURITY 4

THE CHALLENGE—IT SKILLS, STAFF, BUDGETS LAG; COMPETITIVENESS SUFFERS 5

SERVICE MANAGEMENT ADOPTION PATTERNS..... 11

SERVICE MANAGEMENT ADVANTAGES AND OPPORTUNITIES 17

SERVICE MANAGEMENT AND THE NEW IT 20

BEYOND IT: THE EMERGENCE OF ENTERPRISE SERVICE MANAGEMENT 25

SUMMARY AND OBSERVATIONS..... 28

ACKNOWLEDGMENTS 28

EXECUTIVE SUMMARY

The IT Service Management function has entered a new era. Long regarded as the set of practices and solutions for ensuring that technology is best meeting the needs of users, it now serves as the vehicle that will deliver value in today's emerging digital enterprise.

The survey that serves as the basis for this report, conducted among IT leaders in large organizations, examined the evolving role of IT Service Management. The research maps ITSM progress against a maturity model that looks at its progression from IT department enabler to digital catalyst. The ITSM maturity curve finds that the vast majority of ITSM efforts have moved beyond a focus on IT-centric services, and are positioning a service culture to advance its business in the digital economy.

The following key findings came to light as a result of this research:

- Most executives agree the IT landscape is changing dramatically, and it's hard to keep up with the needed skills to support it. A majority, 56%, say the pace of IT change or transformation is accelerating "significantly" or close to significantly. Only 13% see IT remaining in the same place it's already been. Skills shortages are the greatest challenge in aligning IT to business services. Deficient IT skills tops the list of challenges to achieving this, cited by 36%.
- Many organizations still spend most of their IT budgets—and a good deal of staff time—keeping the lights on. Thirty-seven percent of survey respondents report that the majority of their IT budgets go to ongoing maintenance and management—maintaining uptime and availability; applying upgrades, fixes and patches; ensuring security. Enterprises are employing cloud and automation strategies to make better use of their IT resources. Close to half of executives, 47%, indicate they are responding to the challenge of budget and resources going into maintenance and management by turning to cloud-based services.
- Lack of a Service Management approach is hurting competitiveness as a business. Three out of four executives agree that the amount of time, money and resources spent on ongoing maintenance and management—versus new project development or new initiatives—is affecting the overall competitiveness of their organizations.
- ITSM plays a crucial role in key digital enterprise initiatives. A majority of executives, 56%, indicate that ITSM is either "extremely important" or close to extremely important in their enterprises' cloud computing efforts, as well as in big data initiatives. Fifty-four percent also indicate that

ITSM is “extremely important” or close to it in supporting their mobile computing efforts. The ITSM function’s greatest contributions to digital transformation efforts are through transparency and productivity.

- IT Service Management activities are still fragmented within most enterprises. When asked which most closely describes the state of their ITSM efforts as they relate to the business, 37% of executives indicate their “ITSM effort is mainly focused on delivering IT services at this time,” and 41% report their “ITSM effort is aligned with the requirements of selected business units.”
- Service Management isn’t just for IT. As digitization spreads across enterprises, it serves the needs of all departments. Service Management has expanded to represent new ways of thinking about how systems can be provisioned and made available when and where they are needed across enterprises. Two-thirds report their ITSM budgets have grown over the past three years. A total of 66% report increases during this time. For 21%, the increase was more substantial, exceeding 10%. The benefits of a holistic Service Management strategy are understood outside of IT. A majority, 52%, indicate that these benefits are “well understood” or close to being well understood. Only 18% report issues in this regard.
- Improving operational efficiency and employee productivity are the most important business drivers of ITSM efforts. More than two in five respondents, 43%, say improving operational efficiency is the goal of their ITSM efforts. Cost savings and increased productivity are the leading benefits of a solid ITSM approach. More than two in five executives, 42%, report they are seeing cost savings in their business processes. Advanced ITSM sites are far more likely to have seen such benefits—49% of advanced sites have achieved cost savings, versus 28% of their less developed counterparts.

METHODOLOGY AND DEMOGRAPHICS

The survey includes responses from 261 senior-level executives, representing a range of job functions and industries. Sixty-one percent are from North America, 30% are from Western Europe, and 5% are from Asia-Pacific. Close to one-third are C-level executives, while 61% are vice presidents or directors. Their primary industries are technology, manufacturing and business services. Twenty-two percent are at organizations with annual revenues exceeding \$5 billion, and 25% represent companies with between \$1 billion and \$5 billion in revenues. Another 28% report between \$500 million and \$1 billion.

SERVICE MANAGEMENT MATURITY

A successful IT Service Management approach will include methodologies and solutions to address the changing requirements of IT and business technology. Not every organization is where it wants to be—many are still undergoing an evolution.

As ITSM evolves, perceptions are evolving as well. “Ten or 15 years ago, end-users really had no clue to what ITSM was, nor did they care,” says Sean Kirby, vice president, support center at Buchanan Technologies. “They just wanted to pick up the phone, someone would answer it on the other end and provide some help. It was not widely recognized at the time that ITSM represented a new way of not only thinking about IT, but also in delivering and managing it.”

Executives were asked to rate the degree to which their ITSM strategy is positioned as a comprehensive enterprise strategy, versus a more piecemeal or ad-hoc approach. Twenty-four percent rated their efforts in the highest-level category, meaning Service Management is deployed across their enterprise and built into their strategy going forward, well beyond the bounds of IT departments. At the opposite end of the spectrum, 10% considered their ITSM efforts to be still rudimentary. Throughout this report, the experiences and attitudes of these divergent groups will be compared and contrasted.

Figure 1: Degree of IT Service Management Progression

- **Basic or less developed (10%):** Focus on the service desk, moving to IT self-service and greater ease of use of IT resources.
- **Transitioning (35%):** A developing awareness of how IT services can directly impact business value. A more holistic view and positioning of infrastructure, applications, hardware and software, and how they can be better aligned to meet business demands. An openness to new service models, and preliminary adoption of automation.
- **Advanced (54%):** IT service operations are automated, and tied to analytics to ensure continuous improvement and quality of service. Change management is highly collaborative and analytics-driven. Enterprise can quickly and seamlessly embrace latest technology advances—cloud, mobile, big data analytics and digital enterprise overall—to meet opportunities and challenges.

THE CHALLENGE—IT SKILLS, STAFF, BUDGETS LAG; COMPETITIVENESS SUFFERS

Today's IT departments are expected to do a lot more with a lot less. Organizations are under enormous competitive pressure to evolve into digital enterprises, relying on technology to increase efficiency, capture markets and respond to customers. However, many organizations are struggling to keep pace with the rapid changes occurring within the technology world.

“You have to put leaders in place who are willing to be innovative, creative, and who are willing to be disruptive and willing to do things differently than they've done for years. Break some glass.”

—Monika Fahlbusch
SVP and Chief Employee Experience Officer, BMC

“New thinking has to come from the top,” says Monika Fahlbusch, senior vice president and chief employee experience officer with BMC. “You have to have a committed CEO and executive team. Because you are going to be disrupting the organization, breaking down some walls, taking on longstanding bureaucracies. The first thing that has to happen is that the CEO and the executive team need to have a mindset that digital transformation has to be organizational transformation, too. You have to put leaders in place who are willing to be innovative, creative, and who are willing to be disruptive and willing to do things differently than they've done for years. Break some glass.”

Most executives agree the IT landscape is changing dramatically, and it's hard to keep up with the needed skills to support it

A majority, 56%, say the pace of IT change or transformation is accelerating “significantly” or close to significantly. Only 13% see IT remaining in the same place it's already been (Fig. 2).

Fifty percent say as a result of this ongoing transformation, they require more training and skills to keep up. In a related challenge, 41% report their staff resources are stretched too thin to handle all the new demands placed upon them. Thirty-seven percent indicate they are under pressure to turn around projects at a much faster rate than before, putting even more pressure on beleaguered IT departments (Fig. 3).

Figure 2: To what extent do you see the pace of IT change/transformation increasing?

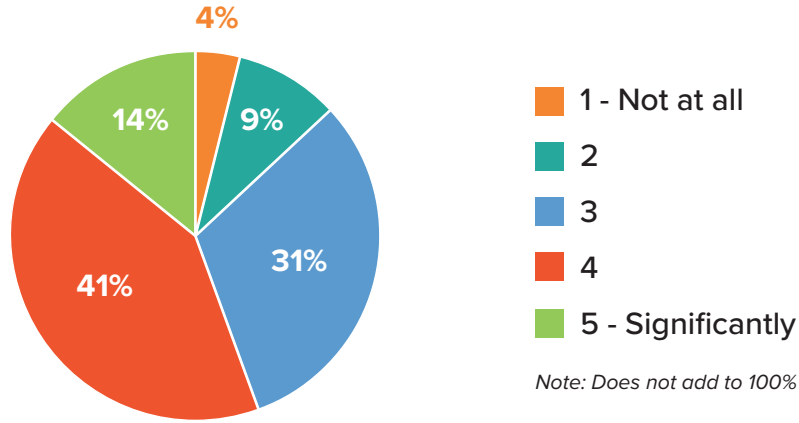
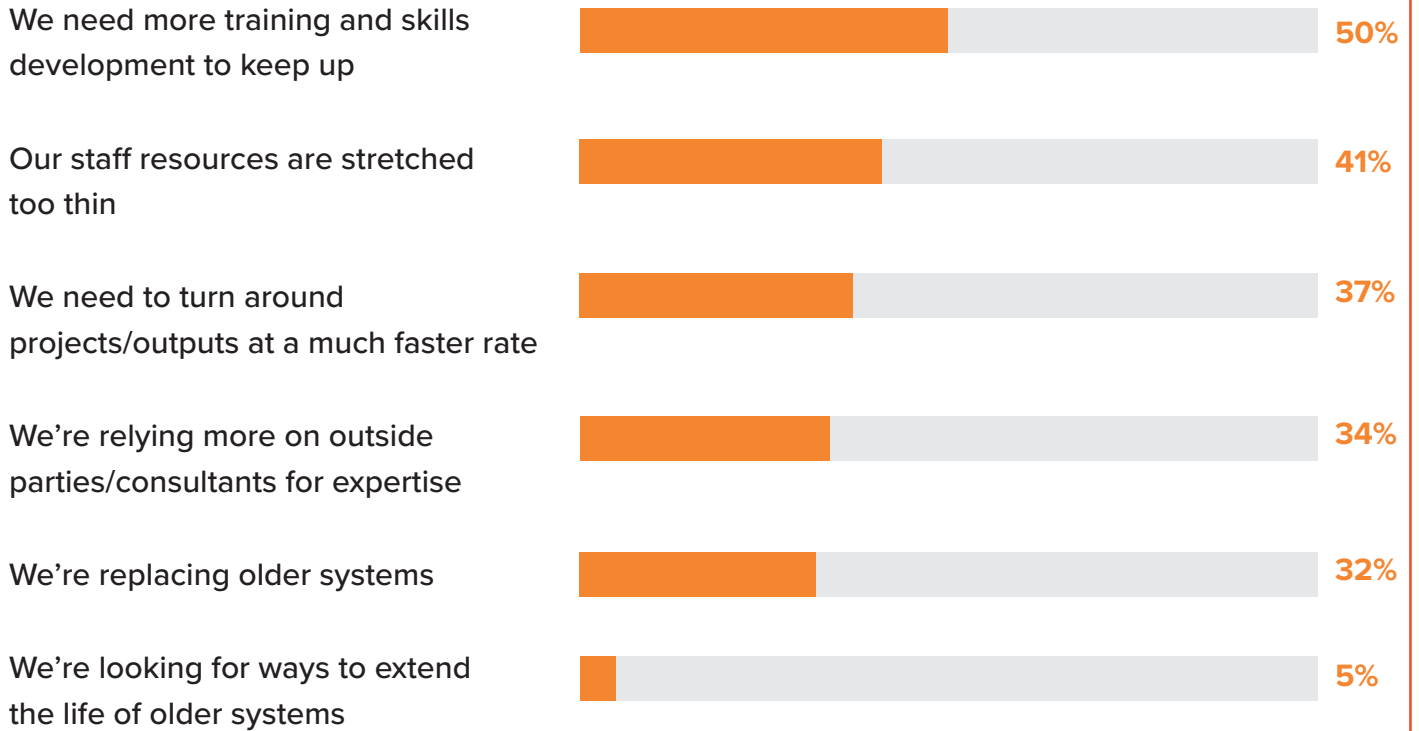


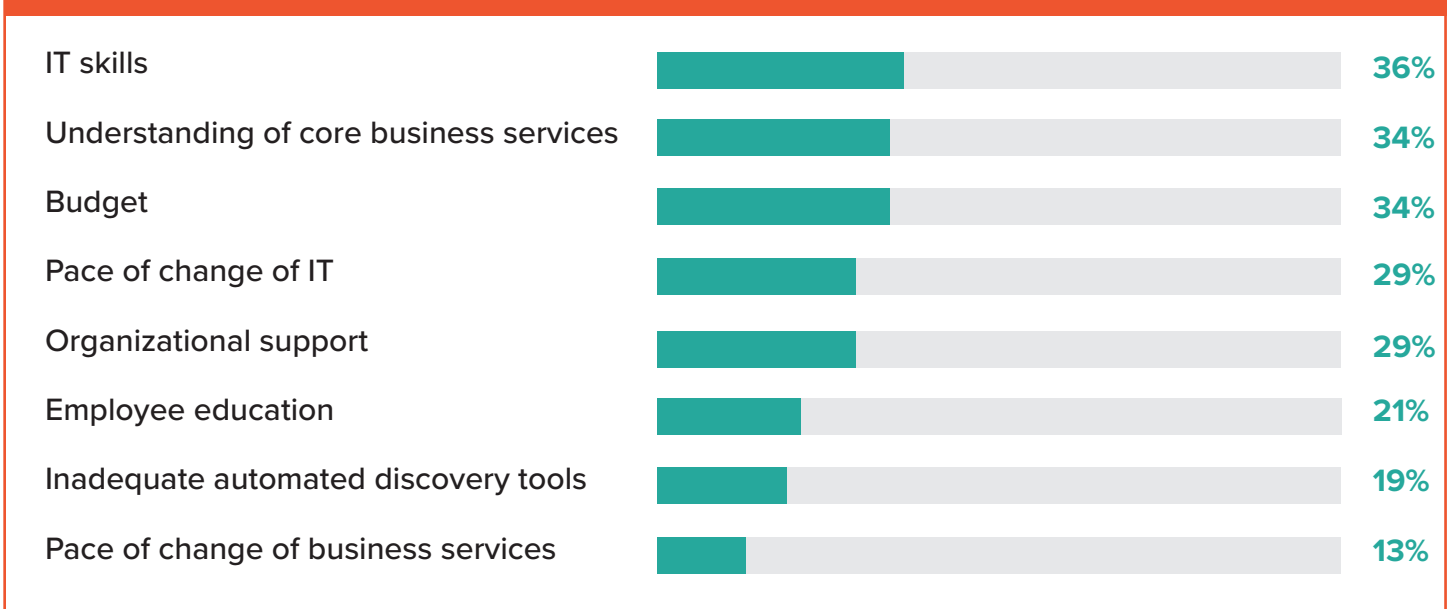
Figure 3. What is the impact of this transformation?



Skills shortages are the greatest challenge in aligning IT to business services

Deficient IT skills tops the list of challenges to achieving this, as cited by 36%. More than one-third, 34%, also cite an ongoing lack of understanding of core business services as inhibiting IT-business alignment. Budget issues are another leading challenge, also cited by 34% (Fig. 4).

Figure 4: What are your greatest challenges in aligning IT to business services?



Many organizations still spend most of their IT budgets—and a good deal of staff time—keeping the lights on

A total of 37% of executives report that the majority of their IT budgets go to ongoing maintenance and management—maintaining uptime and availability; applying upgrades, fixes and patches; and ensuring security (Fig. 5). Another 31% report the majority of their IT staff hours are spent in maintenance mode as well. These are people and funds not available for new project development or new initiatives, such as digital, virtualization or cloud (Fig. 6).

A majority, 56%, report that the share of their IT budget dedicated to ongoing maintenance and management has increased over the past three years (Fig. 7).

Those organizations with highly developed ITSM initiatives also still face this challenge: 29% of even the most advanced sites still see the lion’s share of their IT budgets flowing into maintenance. However, there is also a lower ratio of those in this category that report they “don’t know” what the budget ratio is, versus 28% of the less developed operations. This suggests those executives in more highly developed ITSM sites have a greater awareness of IT costs (Fig. 8).

Figure 5: How much of your IT budget is currently spent on ongoing maintenance and management (maintaining uptime and availability; applying upgrades, fixes and patches; ensuring security), versus new project development or new initiatives (digital, virtualization, cloud)?

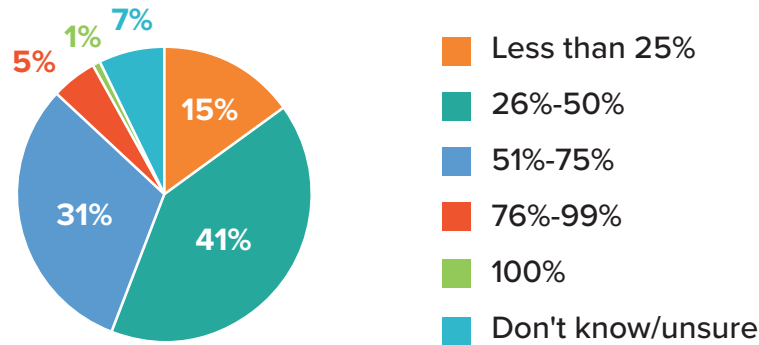


Figure 6: How much of your IT staff time is spent in ongoing maintenance and management (maintaining uptime and availability; applying upgrades, fixes and patches; ensuring security), versus new project development or new initiatives (digital, virtualization, cloud)?

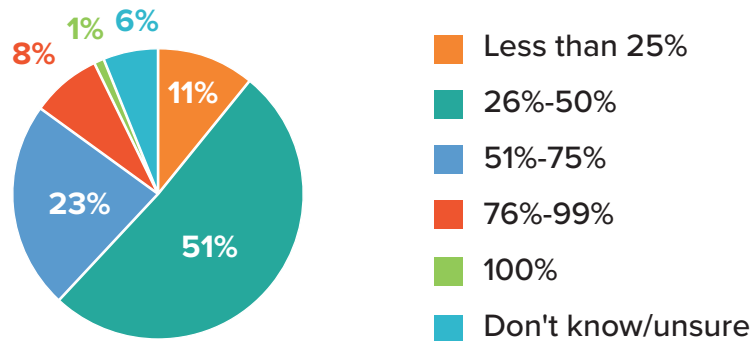


Figure 7: How has the share of your IT budget for ongoing maintenance and management changed over the past three years?

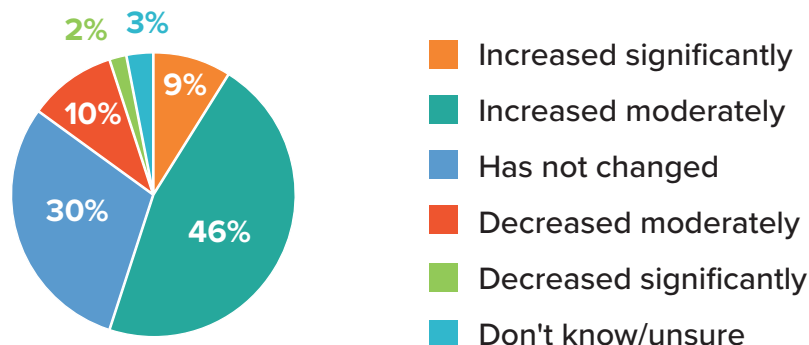
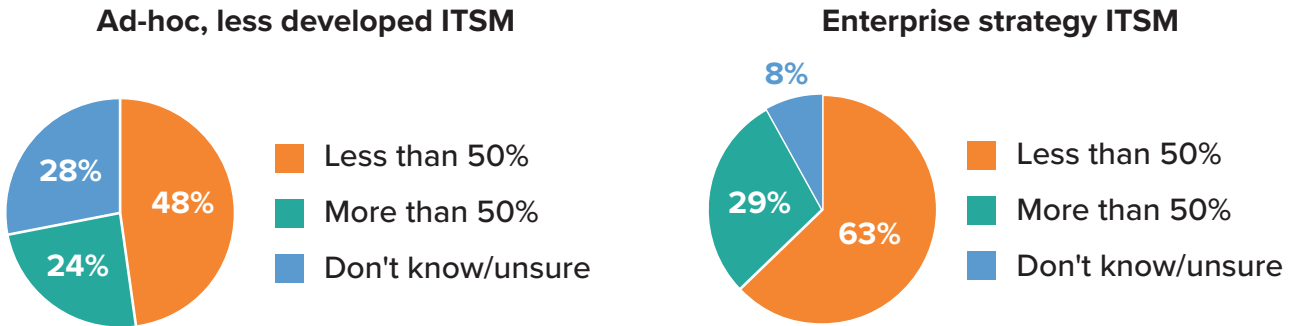


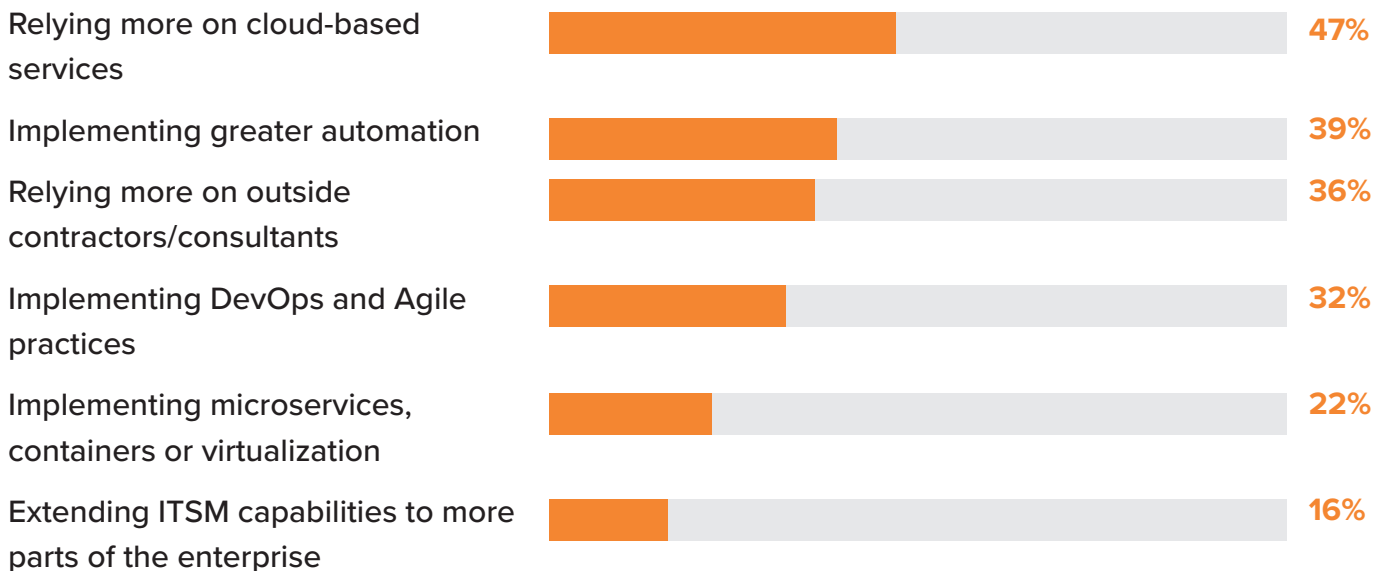
Figure 8: How much IT staff time spent in ongoing maintenance and management—by ITSM Progression



Enterprises are employing cloud and automation strategies to make better use of their IT resources

Close to half of executives, 47%, indicate they are responding to the challenge of budget and resources going into maintenance and management by turning to cloud-based services. Another 39% report implementing greater automation as a solution. There is also more reliance on outside contractors and consultants—36% are investing in these resources to help them shift more spending away from routine maintenance toward newer initiatives (Fig. 9).

Figure 9: How are you responding to the challenge of budget and resources going into maintenance and management, versus newer initiatives?



Lack of a Service Management approach is hurting competitiveness as a business

Three out of four executives agree that the amount of time, money and resources spent on ongoing maintenance and management—versus new project development or new initiatives—is affecting the overall competitiveness of their organization (Fig. 10).

“The absence of ITSM is like having a brand-new, state-of-the-art sports car, but with no systems or gauges of any kind to tell you when something is going wrong.”

—Sean Kirby

Vice President, Support Center, Buchanan Technologies

IT Service Management is taking on a new urgency as organizations move deeper into digital transformation. “The absence of ITSM is like having a brand-new, state-of-the-art sports car, but with no systems or gauges of any kind to tell you when something is going wrong,” says Kirby. “It can be great for a while, but eventually it’s going to result in a catastrophic failure.”

Figure 10: Do you believe the amount of time, money and resources spent on ongoing maintenance and management—versus new project development or new initiatives—is affecting the overall competitiveness of your organization?



Note: Does not add to 100% due to rounding.

SERVICE MANAGEMENT ADOPTION PATTERNS

A strong approach to ITSM will help position IT as an enabler of digital growth. However, doing so successfully—with results—involves more than simply implementing a point ITSM solution. An enterprise approach is required, in which technology and business teams work closely together to help the ITSM function address the business’s needs.

IT Service Management activities are still fragmented within most enterprises

When asked which most closely describes the state of their ITSM efforts as they relate to the business, 37% of executives indicate their “ITSM effort is mainly focused on delivering IT services at this time,” and 41% report their “ITSM effort is aligned with the requirements of selected business units.” Only 8% could say their ITSM efforts are “closely aligned with the success of our overall business” (Fig. 11).

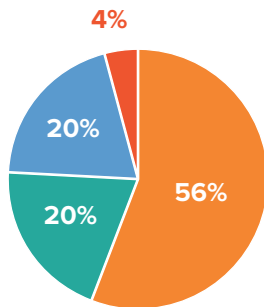
Executives with more enterprise-focused ITSM efforts, however, are four times more likely to have achieved this alignment—17% of the most advanced organizations report full alignment, versus only 4% of less developed ITSM sites (Fig. 12).

Figure 11. Which most closely describes the state of your ITSM effort as it relates to the business?

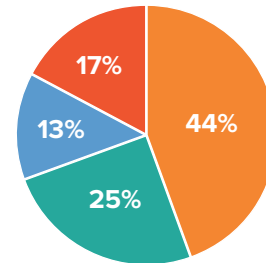


Figure 12: State of ITSM effort as it relates to the business—by ITSM Progression

Ad-hoc, less developed ITSM



Enterprise strategy ITSM



- Our ITSM effort is mainly focused on delivering IT services at this time
- Our ITSM effort is aligned with the requirements of selected business units
- Our ITSM effort enables IT to effectively function as a business
- Our ITSM effort is closely aligned with the success of our overall business

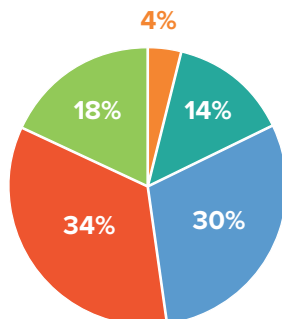
Note: Does not add to 100% due to rounding.

The benefits of a holistic Service Management strategy are understood outside of IT

A majority, 52%, indicate that these benefits are “well understood” or close to being well understood. Only 18% report issues in this regard (Fig. 13).

Figure 13: How deeply are the benefits of Service Management understood across your enterprise outside of IT?

Understanding of Service Management benefits outside of IT



- 1 - Not understood 4%
- 2 14%
- 3 30%
- 4 34%
- 5 - Well understood 18%

Two-thirds report their ITSM budgets have grown over the past three years

A total of 66% report increases during this time. For 21%, the increase was more substantial, exceeding 10% (Fig. 14). It's likely ITSM budgets will keep increasing, with 70% foreseeing increased ITSM budgets over the next three years. Twenty-eight percent lead with potential increases exceeding 10% (Fig. 15).

Figure 14: How has your ITSM budget changed over the past three years?

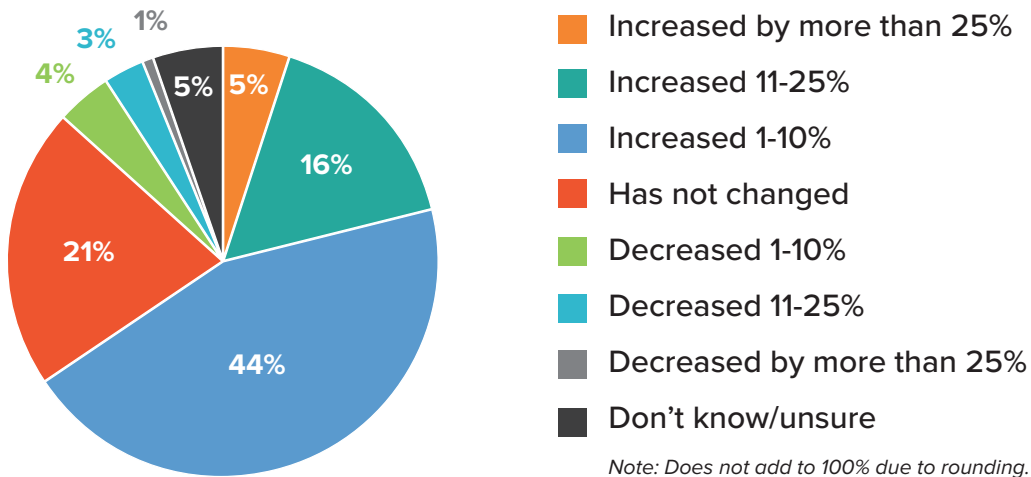
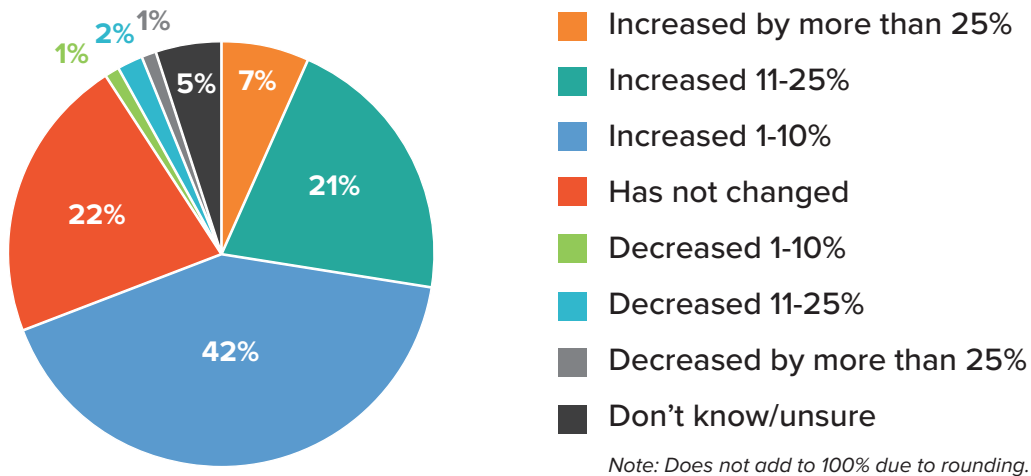


Figure 15: How do you expect your ITSM budget to change over the next three years?



Service desk solutions and asset management systems have the greatest maturity

When asked how long they have been using ITSM-related solutions, 25% indicate they have been on their current service desk solution for more than five years. Another 24% indicate they have been using their current asset management system more than five years. Another 21% had been using their current change management solutions for a similar length of time (Fig. 16).

Figure 16: How long have you been using the following solutions/systems?

	A	B	C	D	E	F
Less than 1 year	8%	6%	10%	12%	7%	10%
1-2 years	29%	34%	31%	25%	30%	31%
2-5 years	33%	33%	33%	33%	36%	30%
More than 5 years	25%	20%	18%	24%	21%	20%
Don't know/unsure	3%	5%	4%	3%	4%	3%
Not applicable	3%	2%	4%	2%	2%	5%

A=Current service desk solution

B=Current configuration management database

C=Current service catalog to offer IT services to end-users

D=Current asset management system

E=Current change management solution

F=Current process automation system

Self-service tools are in place in most organizations

Forty-five percent of executives indicate they offer self-service tools across most major functions within their enterprises. Another 38% say there are self-service capabilities across a limited range of functions (Fig. 17).

“New generations dominating the workforce expect and demand multiple channels to reach resolution—especially self-service,” says Kirby. “ITSM is transforming how we operate. We have had to take steps in our business to leverage social media as a channel for our end-users and to communicate with us, and we’ve had to implement better and more powerful self-enable tools to meet the constant demand for self-service. We’ve had to make all this available in the palms of users’ hands, 24/7. ITSM provides a framework that shapes the way we satisfy this intense hunger for self-service from our end-users.”

Those with more advanced enterprise approaches to ITSM in place also have more well-developed self-service capabilities—67% of the most advanced organizations have self-service across most key functions, versus 24% of less developed ITSM sites (Fig. 18).

Figure 17: Does your IT organization enable or support self-service tools for end-users?

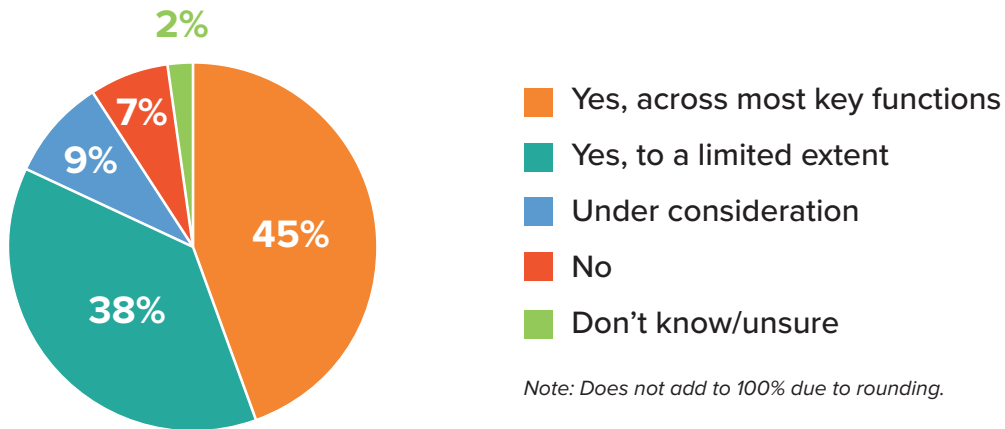
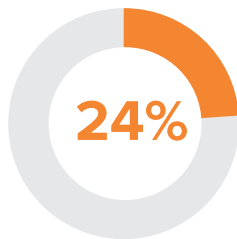
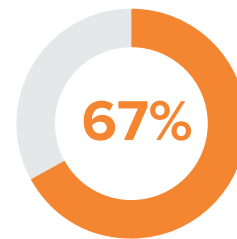


Figure 18: IT organization enables or supports self-service tools for end-users across most key functions—by ITSM Progression

Ad-hoc, less developed ITSM



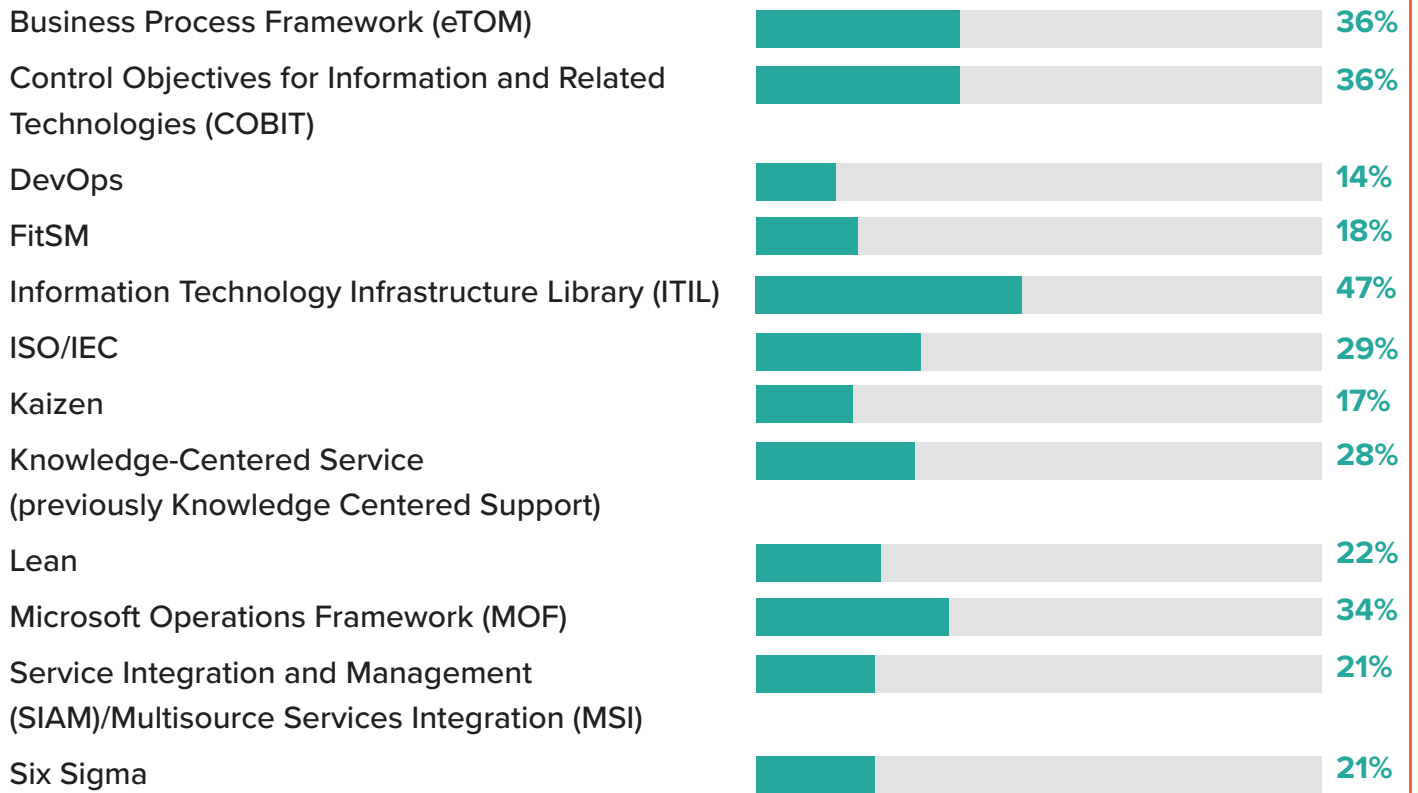
Enterprise strategy ITSM



Enterprises are employing a number of frameworks or processes to support their ITSM strategies

There is no single approach to IT Service Management. The most prevalent is Information Technology Infrastructure Library (ITIL), used at 47% of sites. Business Process Framework (eTOM) follows at 36%, Control Objectives for Information and Related Technologies (COBIT) at 36% (Fig. 19).

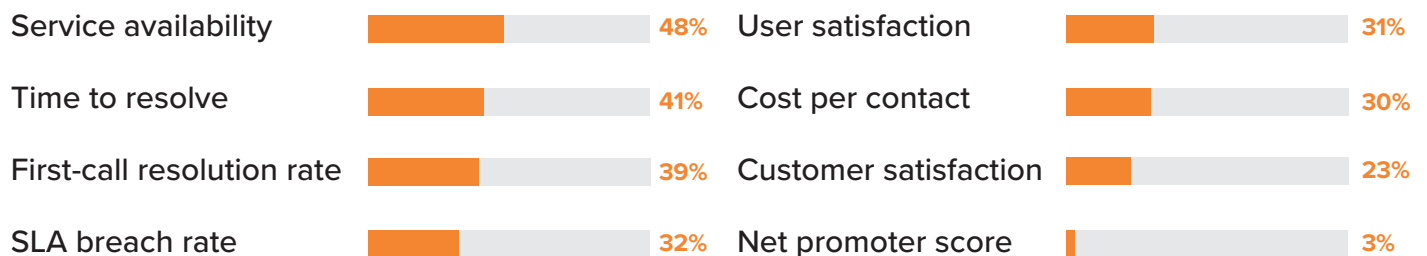
Figure 19: What frameworks or processes are you employing to support your ITSM strategy?



Service availability and time to resolve are the key metrics used to measure an ITSM approach’s effectiveness

Close to half, 48%, cite service availability as the key performance indicator used to benchmark ITSM effectiveness, followed by time to resolve issues at 41%. Close to one-third, 32%, say they look at SLA breach rates as an indicator of the success of their ITSM efforts (Fig. 20).

Figure 20: What are the key performance indicators by which you measure the success of your ITSM efforts?



SERVICE MANAGEMENT ADVANTAGES AND OPPORTUNITIES

Effective IT Service Management delivers a range of benefits. By positioning IT as a function that delivers services to both internal and external clients across the business, offerings can be focused on user needs.

Improving operational efficiency and employee productivity are the most important business drivers of ITSM efforts

More than two in five respondents, 43%, say improving operational efficiency is the goal of their ITSM efforts. Another 31% say they are implementing an ITSM approach to boost employee productivity. Close to one-fourth, 23%, say they are employing ITSM practices and solutions to assist in their move to digital enterprises (Fig. 21).

Those executives with enterprise-focused ITSM efforts are more likely to weigh efficiency and productivity as important than their less developed ITSM counterparts. Sixty percent of advanced ITSM organizations consider efficiency a top goal, versus only 8% of less advanced organizations. However, less advanced ITSM sites are more inclined to look for cost-saving benefits than advanced organizations, 20% to 17%, respectively. Notably, 24% of less advanced ITSM sites do not have stated goals at all, versus only 3% of the advanced companies struggling with identifying business drivers (Fig. 22).

Figure 21: What are the most important business drivers of your ITSM effort?

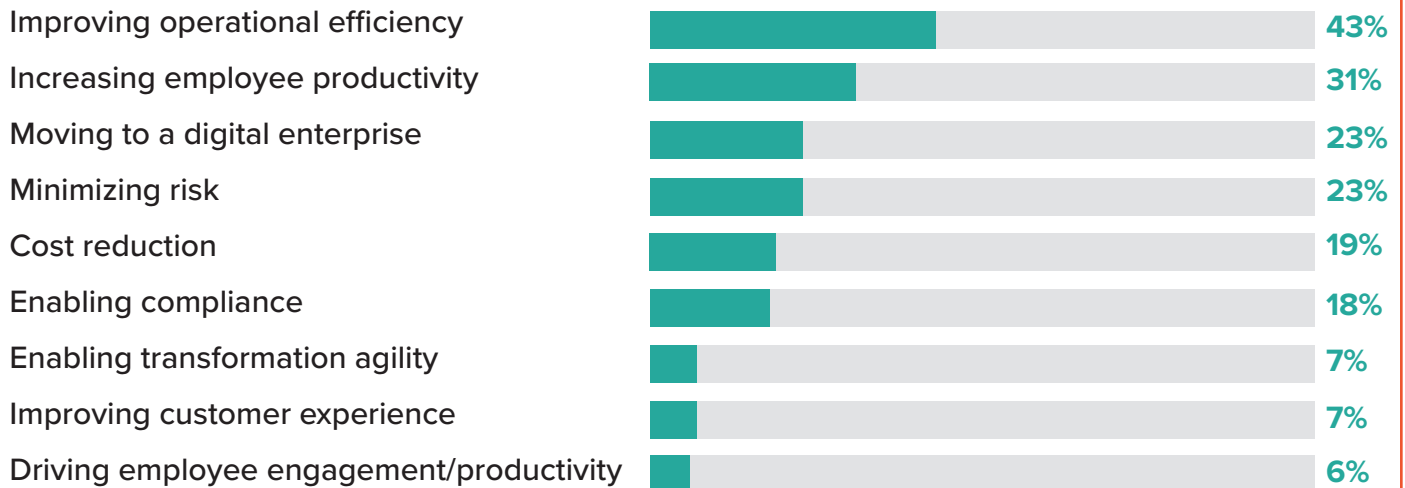
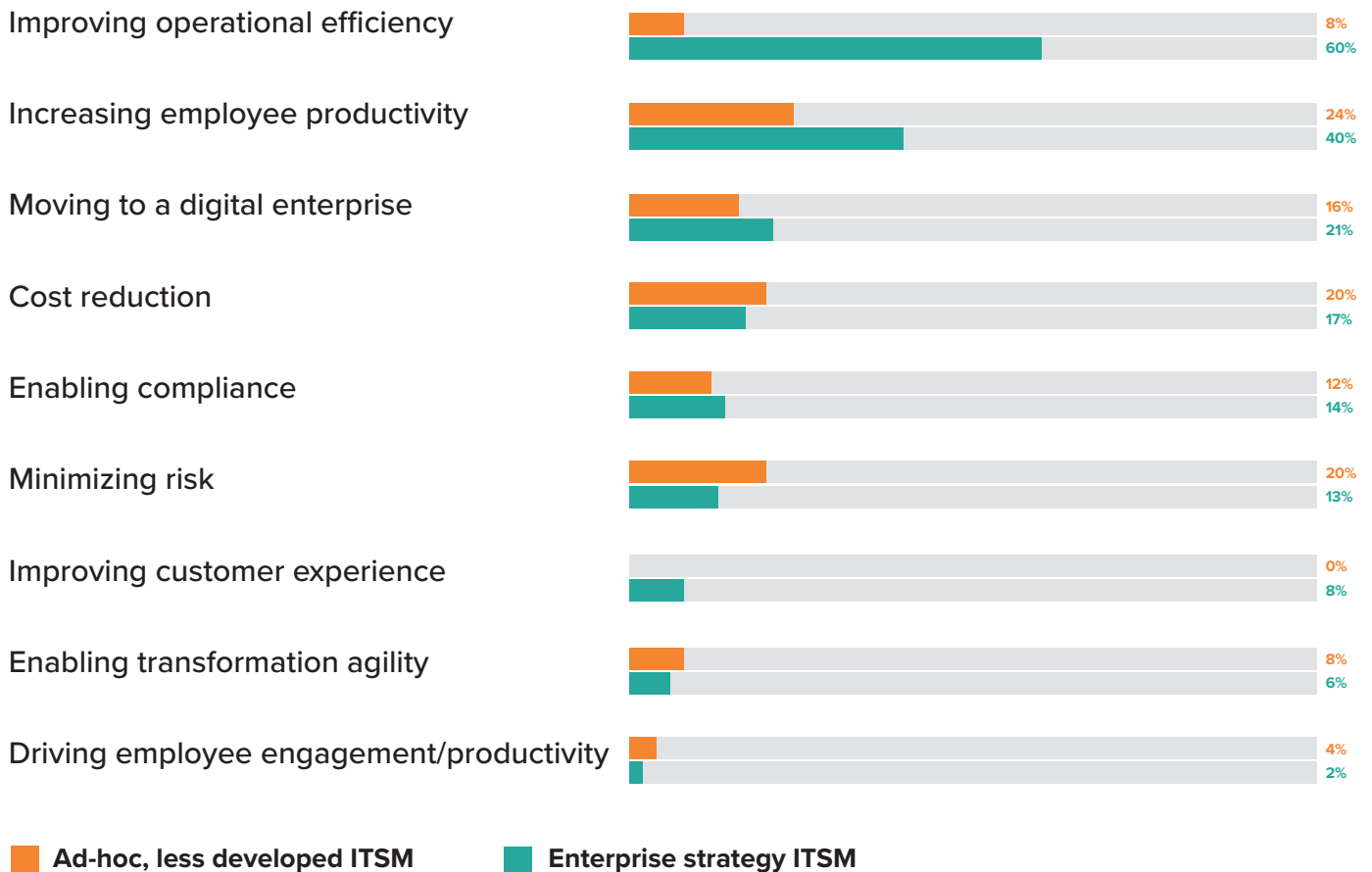


Figure 22: Most important business drivers of ITSM—by ITSM Progression



Cost savings and increased productivity are the leading benefits of a solid ITSM approach

More than two in five executives, 42%, report they are seeing cost savings in their business processes. Another 38% report increases in employee productivity. More than one-third, 35%, say they are seeing cost savings in their IT systems (Fig. 23).

Advanced ITSM sites are far more likely to have seen such benefits—49% of advanced sites have achieved cost savings, versus 28% of their less developed counterparts. In addition, 48% of advanced ITSM sites have seen increased employee productivity, versus 16% of less developed operations. Close to one in four of the less developed ITSM companies report no significant benefits realized so far (Fig. 24).

Figure 23: What benefits is your business seeing as a result of ITSM?

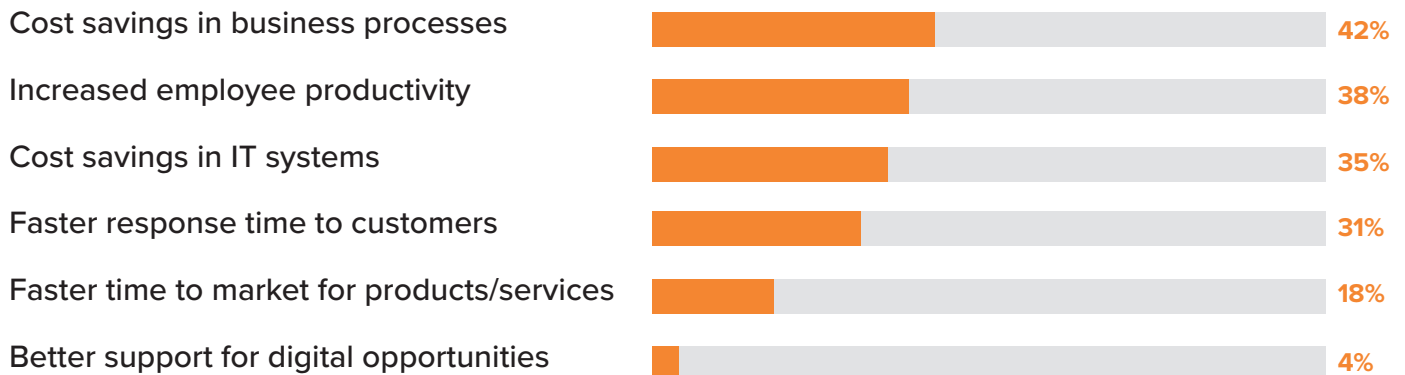
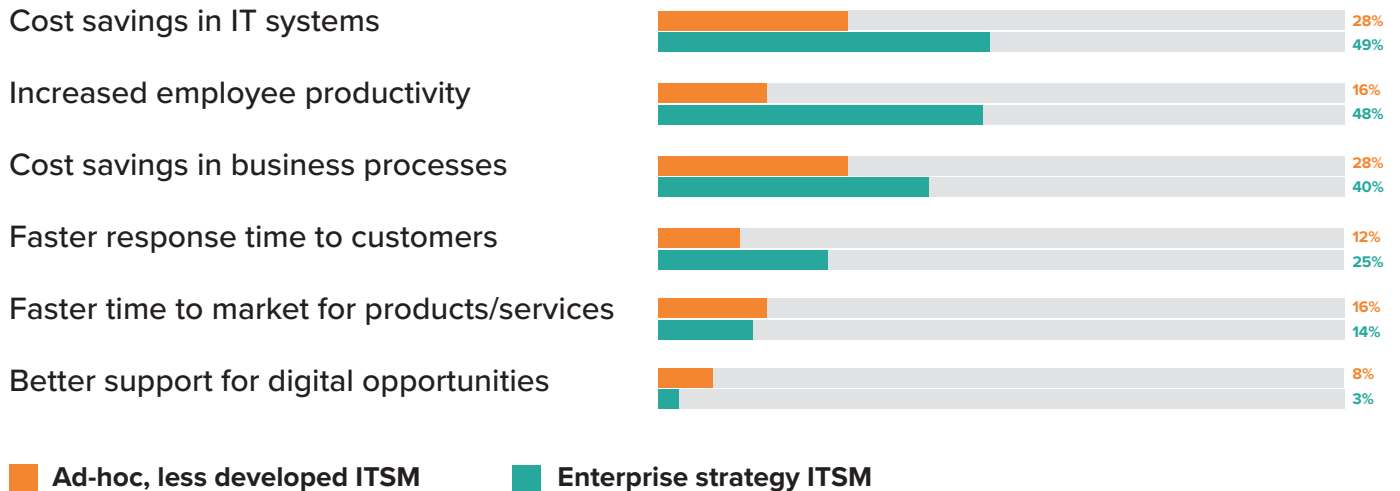


Figure 24: Most benefits as a result of ITSM—by ITSM Progression



SERVICE MANAGEMENT AND THE NEW IT

The IT Service Management function has become an important part of digital transformation. The increasing reliance of businesses on technology—and their technology people—means a smarter approach is needed to technology provisioning and management.

The ITSM function’s greatest contributions to digital transformation efforts are through transparency and productivity

A majority of executives, 57%, state that ITSM is “extremely important” or close to it as an essential element of digital transformation. ITSM tools and methodologies are clearly supporting such efforts (Fig. 25).

Having an enterprise approach to service delivery is also a part of this new movement. Seventy-eight percent of the most advanced ITSM sites see their initiatives as vital to digital transformation, versus only 4% of the less developed sites (Fig. 26).

A total of 41% report their ITSM approach is delivering “enhanced transparency into system design and potential issues” when moving to digital enterprise. Another 38% report greater productivity among developers and designers. Thirty-six percent report increased ability to add new services (Fig. 27).

Figure 25: Please rate the importance of ITSM to your enterprise’s digital transformation efforts on a scale of 1 to 5, from 1 meaning “not relevant” to 5 meaning “extremely important.”

Importance of ITSM to enterprise digital transformation efforts

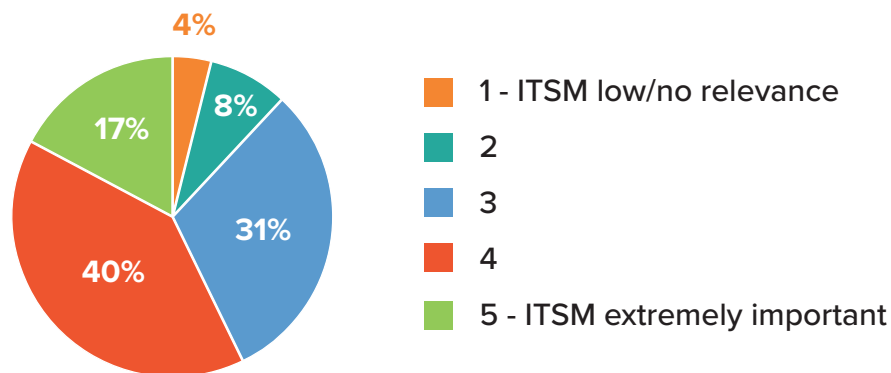


Figure 26: ITSM important to digital transformation efforts—by ITSM Progression

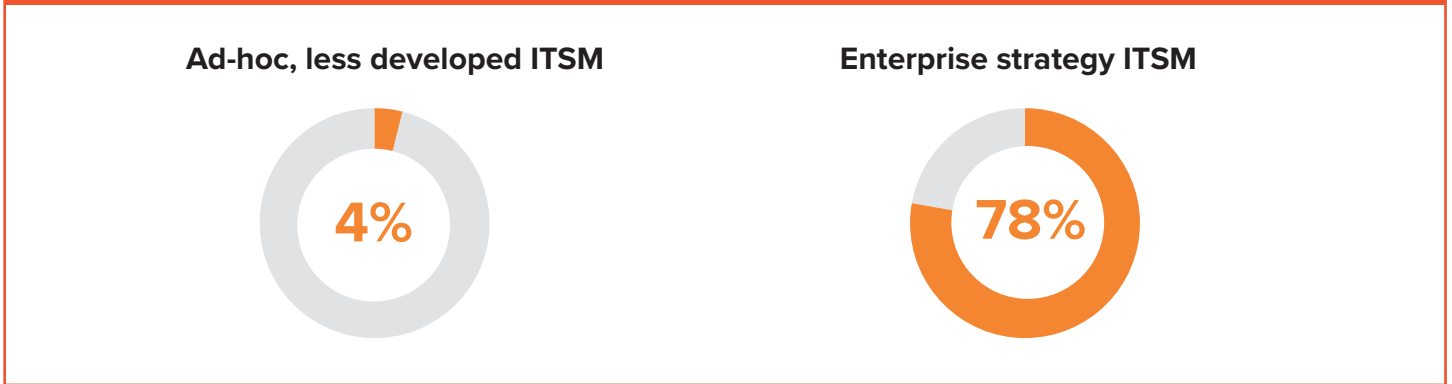
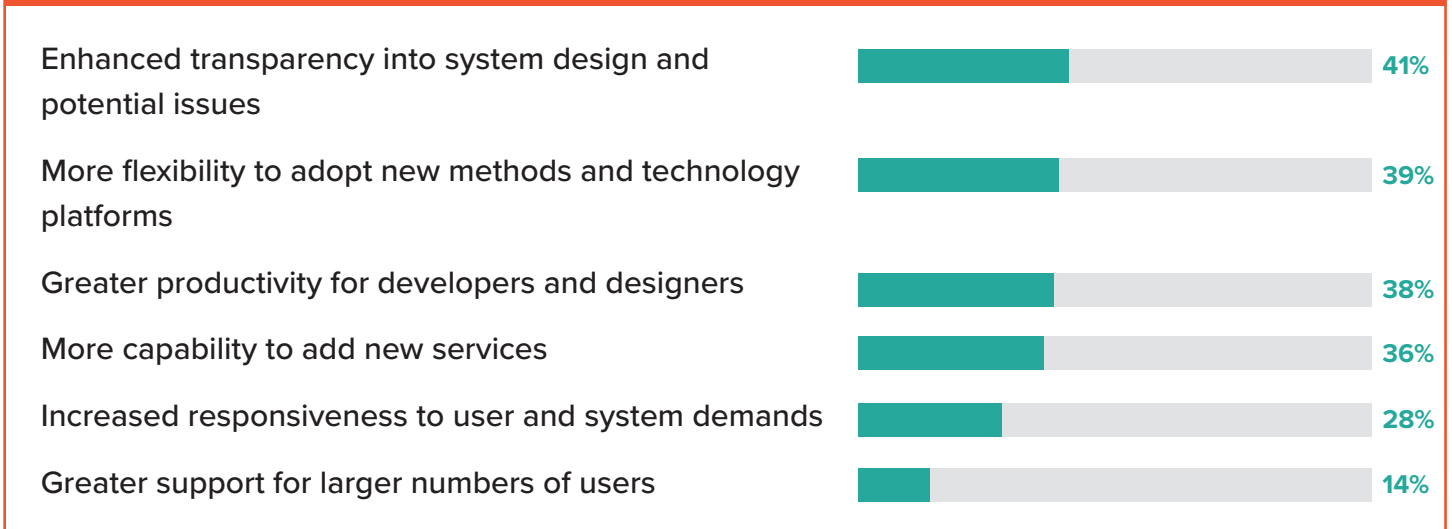


Figure 27: What impact is your ITSM approach having on digital transformation?



ITSM is also part of the cloud equation

A majority of executives, 56%, indicate that ITSM is either “extremely important” or close to extremely important in their enterprise’s cloud computing efforts. Only 14% see no role for ITSM in enterprise cloud rollouts (Fig. 28).

Close to two in five, 39%, report ITSM is helping to provide greater transparency into cloud provider issues, while 35% indicate it means better support for cloud SLAs. More than one-third add that ITSM helps provide greater flexibility to adopt new methods and technology platforms (Fig. 29).

A total of 76% of the most advanced ITSM sites see their initiatives as an important component to cloud, versus only 4% of the least developed sites (Fig. 30).

Figure 28: Please rate the importance of ITSM to your enterprise’s cloud computing efforts on a scale of 1 to 5, from 1 meaning “not relevant” to 5 meaning “extremely important.”

Importance of ITSM to enterprise cloud computing efforts



Figure 29: What impact is your ITSM approach having on cloud computing?

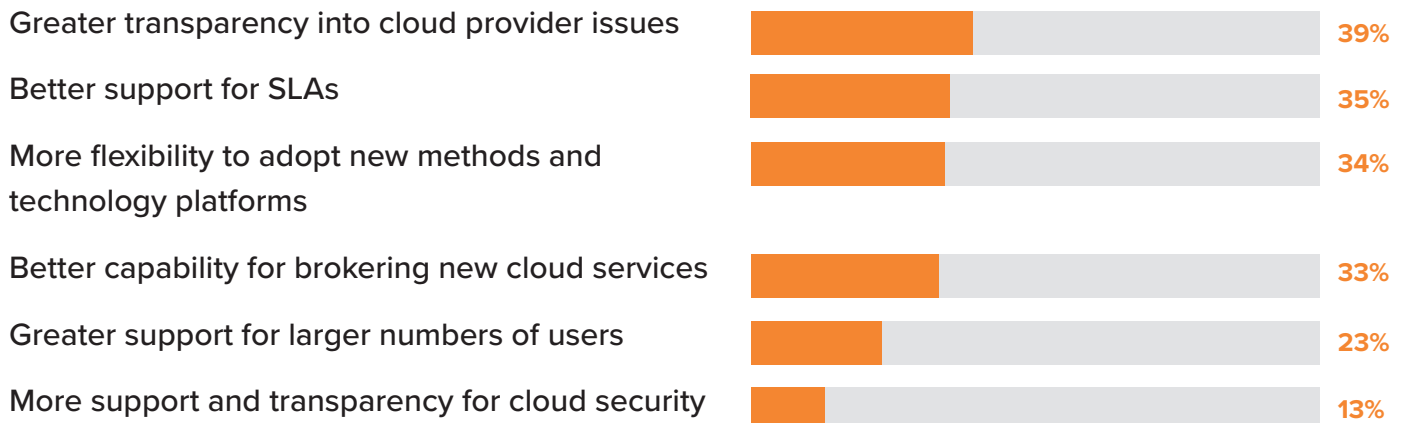
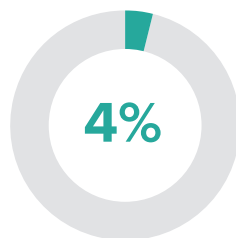
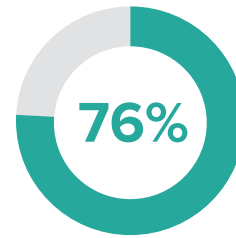


Figure 30: ITSM important to cloud computing—by ITSM Progression

Ad-hoc, less developed ITSM



Enterprise strategy ITSM



ITSM plays a key role in supporting mobile computing across most organizations

A majority, 54%, indicate that ITSM is “extremely important” or close to it in supporting their mobile computing efforts. Only 16% say ITSM is not playing a key role (Fig. 31). As with cloud, more than two in five executives report ITSM is helping provide greater transparency into mobile platform issues. Another 38% also report that ITSM enables their enterprises to support larger numbers of mobile users accessing their enterprises (Fig. 32).

Seventy-five percent of the most advanced ITSM sites see their initiatives as vital to mobile, versus 8% of their less developed counterparts (Fig. 33).

Figure 31: Importance of ITSM to enterprise mobile computing



Figure 31: Importance of ITSM to enterprise mobile computing

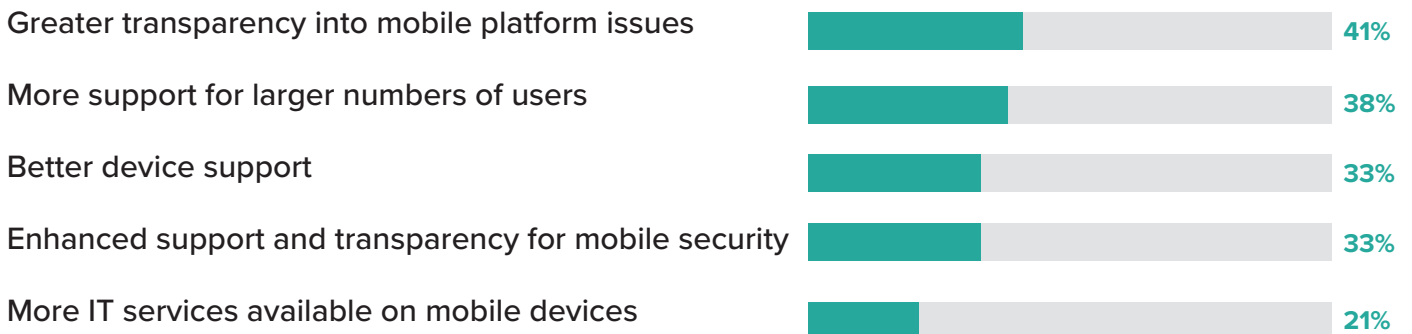
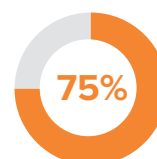


Figure 33: ITSM important to mobile computing—by ITSM Progression

Ad-hoc, less developed ITSM



Enterprise strategy ITSM



ITSM also plays a key role in supporting big data analytics

A majority, 56%, indicate that IT Service Management is “extremely important,” or close to it, in their enterprises’ big data analytics initiatives. Only 16% indicate that ITSM does not contribute value to their big data efforts (Fig. 34). Close to half, 44%, report that ITSM is helping provide larger numbers of users access to big data resources and tools. Another 40% report that ITSM helps their organizations support larger data sets (Fig. 35).

For advanced, enterprise-centric ITSM companies, 79% view these initiatives as vital to big data analytics, versus 24% of the less developed sites (Fig. 36).

Figure 34. Importance of ITSM to enterprise big data analytics efforts

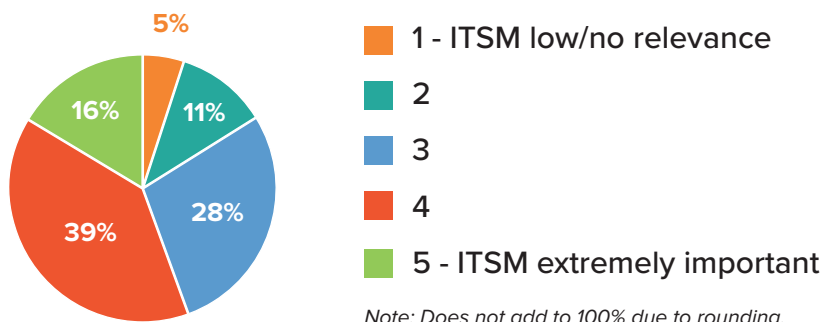


Figure 35. What impact is your ITSM approach having on big data?

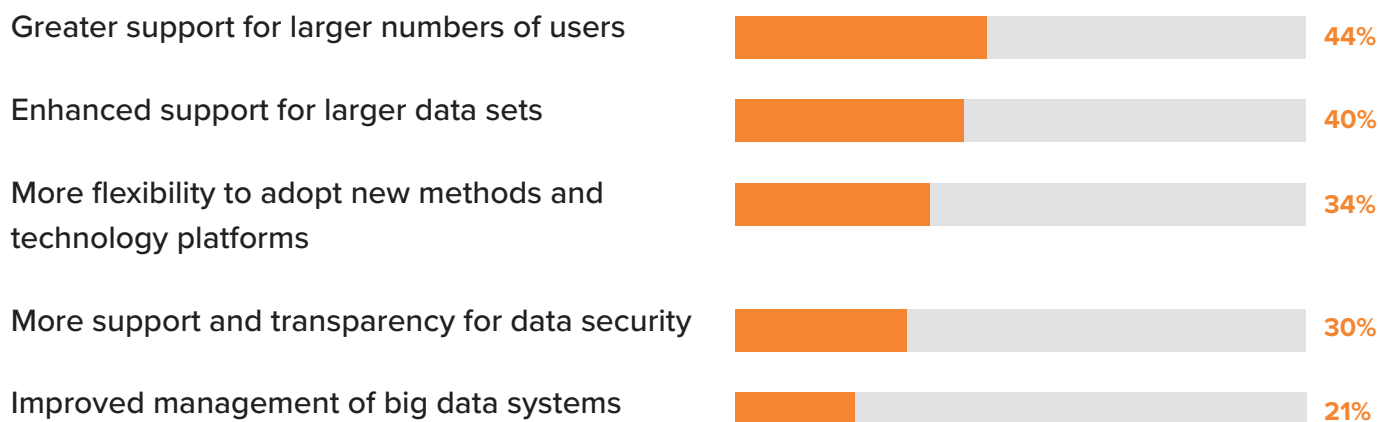
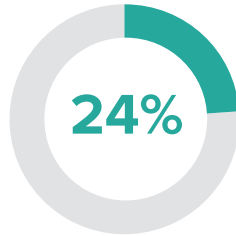
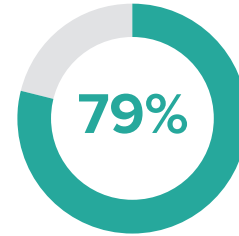


Figure 36. ITSM important to big data analytics—by ITSM Progression

Ad-hoc, less developed ITSM



Enterprise strategy ITSM



BEYOND IT: THE EMERGENCE OF ENTERPRISE SERVICE MANAGEMENT

Service Management isn't just for IT. As digitization spreads across enterprises, it serves the needs of all departments. Service Management has expanded to represent new ways of thinking about how systems can be provisioned and made available when and where they are needed across enterprises.

"We have clients who are leveraging ITSM solutions for departments such as human resources and facilities," says Kirby. "The same core concepts apply to those organizations as they do with IT—it's just a different facet of the business. HR handles incidents, but they're called grievances or complaints. They all have problems and changes they have to manage. The same goes with facilities, but with the infrastructure of a building, instead of the infrastructure of an IT organization. Those incidents can be submitted and responded to, all within the target or a service level agreement, and ultimately reported on."

Many business units outside IT are now employing Service Management

More than one-third, 36%, indicate their customer service and support departments are employing Service Management to provide transparency and support to their operations. Another 34% say their human resources departments are involved in Service Management, and in one-third of cases, finance departments are engaged in Service Management. One-fourth report that their supplier management departments are using Service Management tools and platforms (Fig. 37).

For enterprise-centric ITSM sites, the expansion of Service Management beyond the bounds of IT is even more striking. Forty-nine percent of executives at advanced ITSM sites say that customer service is also deploying Service Management, compared with 12% of their less developed counterparts. Likewise, 43% of the advanced ITSM organizations also have extended Service Management to their finance departments, compared with 20% of less developed ITSM sites (Fig. 38).

Figure 37. What business units outside IT are employing Service Management?

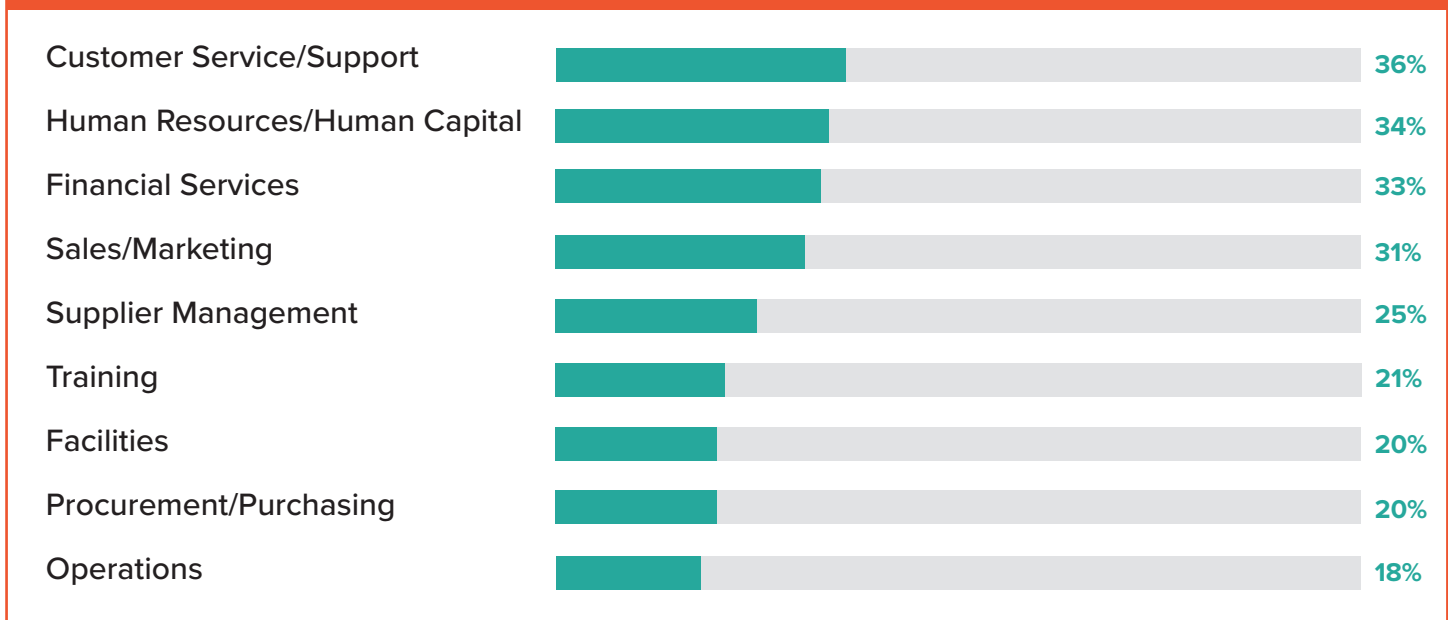
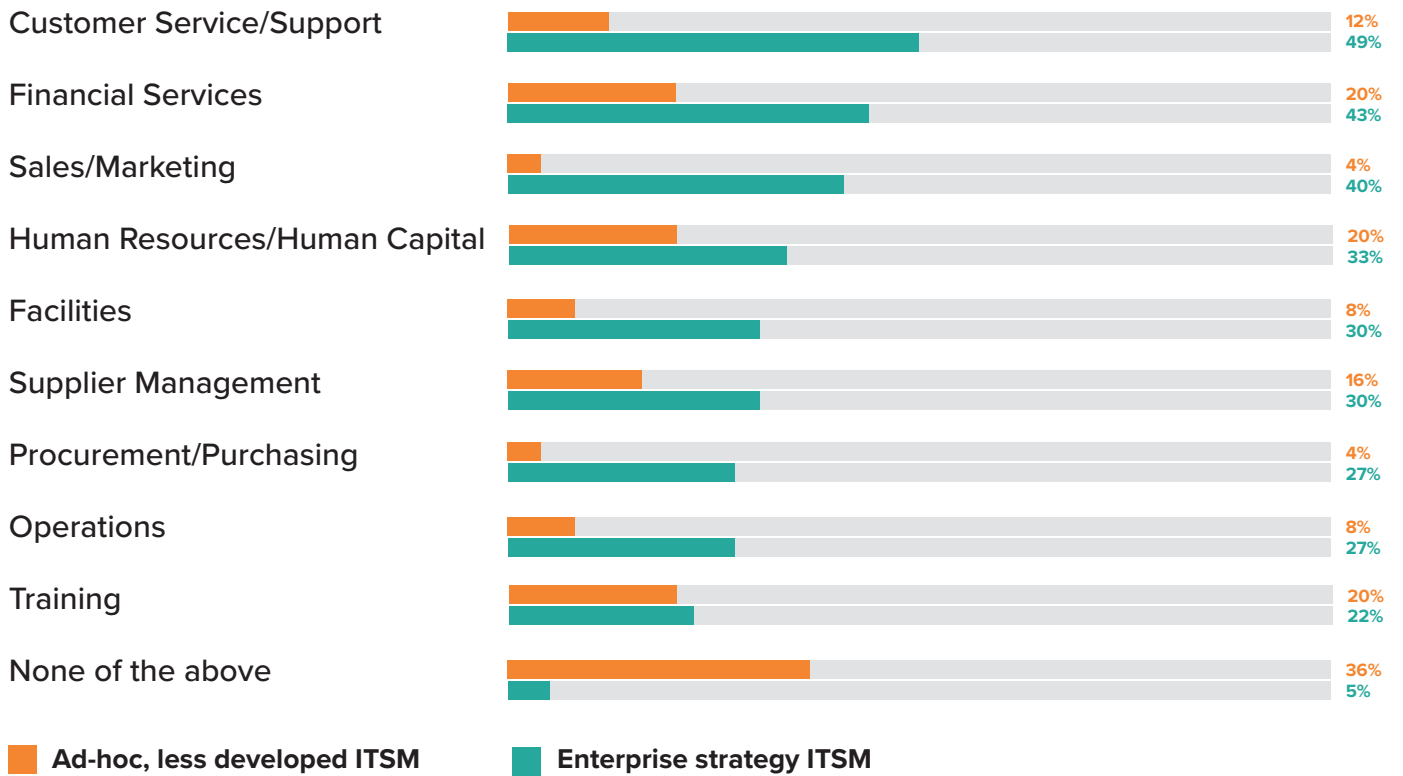


Figure 38. Business units outside IT are employing Service Management—by ITSM Progression



SUMMARY AND OBSERVATIONS

IT Service Management—and the Service Management-driven culture that it is enabling—has become the vital component in moving forward into today’s digital economy. “For firms of all types and industries—manufacturing, automotive, retail, architectural—ITSM can play a pivotal role in their businesses,” says Kirby. “Every service interruption directly impacts company productivity, and ultimately the success of the company—whether that success is defined as profitability, efficiency or faster service. ITSM must play a direct role in every business that relies on any technology to run smoothly.”

As shown in this survey, technology is disrupting businesses of all types, and for most, keeping up with technology management is difficult. Strategies such as automation and cloud computing are being widely adopted, but they require the ability to deliver needed functions and capacity as services.

IT Service Management still tends to be fragmented but is expanding its role as an enabler of the digital initiatives that are delivering competitive advantage. Customer satisfaction, employee productivity and operational efficiency are benefits forward-looking organizations are realizing as a result of more expansive ITSM engagements.

ACKNOWLEDGMENTS

Forbes Insights and BMC would like to thank the following individuals for their time and expertise:

Monika Fahlbusch, Senior Vice President and Chief Employee Experience Officer, BMC

Sean Kirby, Vice President, Support Center, Buchanan Technologies

Forbes

INSIGHTS

ABOUT FORBES INSIGHTS

Forbes Insights is the strategic research and thought leadership practice of Forbes Media, a global media, branding and technology company whose combined platforms reach nearly 75 million business decision makers worldwide on a monthly basis. By leveraging proprietary databases of senior-level executives in the Forbes community, Forbes Insights conducts research on a wide range of topics to position brands as thought leaders and drive stakeholder engagement. Research findings are delivered through a variety of digital, print and live executions, and amplified across Forbes' social and media platforms.

FORBES INSIGHTS

Bruce Rogers
Chief Insights Officer

Erika Maguire
Director of Programs

Andrea Nishi, Project Manager

EDITORIAL

Kasia Wandycz Moreno, Director
Hugo S. Moreno, Director
Joe McKendrick, Report Author
Kelly Stahley Crean, Designer

RESEARCH

Ross Gagnon, Director
Kimberly Kurata, Senior Analyst
Sara Chin, Research Analyst

SALES

North America

Brian McLeod, Commercial Director
bmcleod@forbes.com
Matthew Muszala, Manager
William Thompson, Manager

EMEA

Tibor Fuchsel, Manager

APAC

Serene Lee, Executive Director

