

A Forrester Consulting
Thought Leadership Paper
Commissioned By ServiceNow
September 2020

IT Service Management Is Advancing With The Times

How ITSM Is Increasing Efficiency In The Wake
Of The COVID-19 Pandemic

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In the wake of the COVID-19 pandemic, companies are continuing to rely on ITSM to run their business operations.

72% of respondents are interested in an ITSM software that provides machine automation.

Executive Summary

The world is evolving from a slow, rigid, and industrial environment to a fast-paced, digital society. Speed-to-market is essential to this transformation. Employees expect relevant services and information to be readily available as they innovate and serve the customer.¹ And while IT service management (ITSM) has historically improved the employee experience by expediting request, incident, and change management, in the wake of the COVID-19 pandemic, companies are becoming even more reliant on using ITSM to efficiently run their business operations.

Firms are looking to expand their traditional ITSM software to support both new business challenges and apply advanced analytics to old and new problems. ServiceNow commissioned Forrester Consulting to evaluate firms' views on ITSM. Forrester conducted an online survey of 308 IT service decision makers in North America to explore this topic. And we found that firms are not only relying on ITSM software for its core competencies, but they are also focused on scaling this solution to match the current state of the world.

KEY FINDINGS

- › **ITSM software supports request, change, and incident management.** IT professionals invested in ITSM software in order to accomplish better tracking of service requests, better change management, and improved incident response. And they are satisfied with the results. An overwhelming majority of interviewees indicated confidence in their software's ability to accomplish all three tasks.
- › **The COVID-19 pandemic has shifted firms' ITSM priorities to accommodate the new normal.** IT leaders want their ITSM platforms to help them evolve with the new normal. As a result, decision makers have indicated three main growth areas with their current ITSM software: 1) automation capabilities; 2) change management workflow; and 3) configuration management database.
- › **Decision makers are looking to increase their investment in ITSM.** As the market continues to change, the majority of respondents (82%) are planning to increase their investment in ITSM in the next year by strengthening their current solution. Machine automation is the main capability that firms are interested in, as 72% of respondents are interested in an ITSM software that supports machine automation.

ITSM Software Is Key to Digital Transformation

ITSM software is a key enabler for businesses that want to gain value from their digital systems. IT leaders rely on their ITSM software to support request, change, and incident management across the IT infrastructure — and firms believe the software is exceeding these expectations. In surveying 308 IT service decision makers in North America, we found that:

- › Firms leverage service request management to support employee productivity and innovation.** Nearly all respondents (91%) indicated confidence in their ITSM software’s ability to implement unified location access to enterprise services (see Figure 1). Further, 75% of firms said their service catalogs are valuable to their DevOps and agile teams, who require fast and frictionless access to various organizational services and resources (e.g., provisioning virtual machines on-premise or in the cloud).²
- › Firms depend on ITSM for change management.** Seventy-four percent of respondents have an ITSM platform that manages IT change and release. Even more compelling, 93% of respondents said their ITSM software has helped them address challenges with change management workflow (see Figure 2).

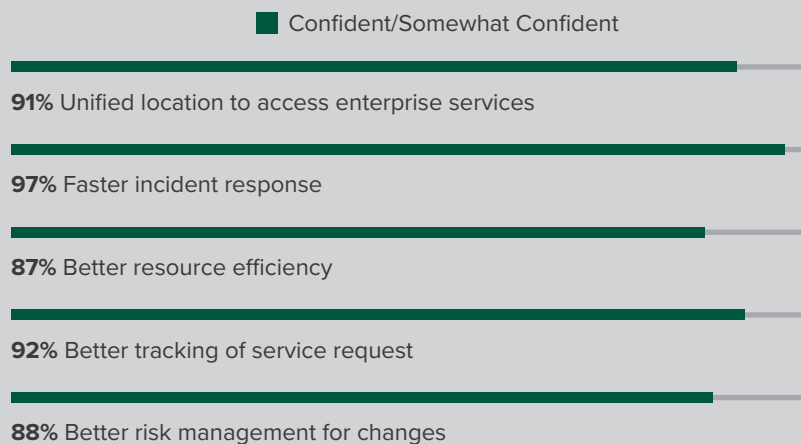
ITSM software is also critical for change risk management; six out of 10 firms indicated they’ve adopted ITSM software to accomplish better risk management for changes. And 88% of respondents indicated confidence in the software’s ability to accomplish this task.

- › ITSM software expedites incident response and resource efficiency.** Nearly all respondents (97%), indicated confidence in their ITSM software’s ability to expedite the incident response process. Further, 87% of respondents said their ITSM tools create better resource efficiency.

75% of interviewees said their service catalogs are valuable to their DevOps and agile teams.

Figure 1

“How confident are you in your ITSM software’s ability to implement the following?”



Base: 308 IT service decision makers in North America
 Source: A commissioned study conducted by Forrester Consulting on behalf of ServiceNow, June 2020

Figure 2

“To what extent is your ITSM software helping you to address challenges with change management workflow?”

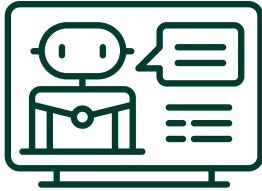


Base: 308 IT service decision makers in North America
 Source: A commissioned study conducted by Forrester Consulting on behalf of ServiceNow, June 2020

The COVID-19 Pandemic Has Shifted Firms' ITSM Priorities

The COVID-19 pandemic has changed the way businesses operate; and as a result, the use cases for ITSM have changed.³ While firms still want ITSM software to support request, change, and incident management, they have increased focus on change management and acquiring more advanced automation capabilities to accommodate the new normal. Our research found:

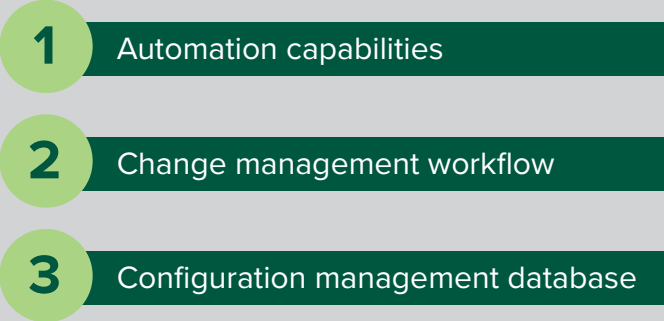
- > **ITSM leaders want more automation capabilities.** Leaders rank automation capabilities as a top challenge with their current ITSM software (see Figure 3). Only 22% of firms said their ITSM tool has helped address their automation challenges, as compared to 42% who have said it hasn't addressed these challenges at all. (Thirty-six percent indicated that it somewhat helped address challenges.)
- > **Change management is top of mind.** The COVID-19 pandemic makes change management even more of a concern, as staff are transitioning to work-from-home models and many are experiencing difficulty supporting systems. Our respondents ranked change management as the top challenge with their current ITSM software, tied with automation abilities.
- > **ITSM leaders are focused on the configuration management database (CMDB).** Firms ranked CMDB as a top challenge with their current ITSM software. As we move toward a world of increasing remote work amidst economic challenges, companies are working to cut cost and risk, which in turn requires improved visibility into IT inventories. This is driving renewed industry interest in CMDB and related capabilities.



42% of firms say their existing ITSM tool has not helped address their automation challenges.

Figure 3

“Now that you have invested in ITSM software, what are the biggest challenges you have faced with that technology?”



Base: 308 IT service decision makers in North America
Source: A commissioned study conducted by Forrester Consulting on behalf of ServiceNow, June 2020

Firms Look To Amplify Traditional ITSM Software In Preparation For The Future

The rise of digital transformation paired with the COVID-19 pandemic has created new demands for ITSM solutions. The dramatic worldwide shift to remote work has stimulated market demand for ITSM solutions. Firms are looking to build off their foundational ITSM tools to become both more innovative and resilient.

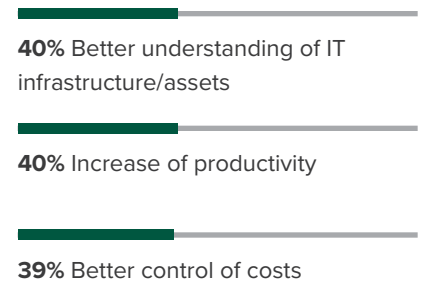
- > **Firms are prioritizing ITSM during the COVID-19 pandemic.** Eighty-two percent of firms indicated that they plan to increase their ITSM investments in the next 12 months. Of the firms planning to invest, 43% said they were looking for a solution that could help with infrastructure development.
- > **Firms look to ITSM investments to scale their IT support services.** Better understanding of IT infrastructure and increased productivity (e.g., through improved incident and request handling) are the top expected benefits from an increased investment in ITSM software (see Figure 4).
- > **Firms are looking to advance their current ITSM solution with machine automation.** Seven out of ten respondents are interested in an ITSM software solution that provides machine automation. Respondents believe automation capabilities will help them to build out their IT support services (see Figure 5).

Firms are also expecting ITSM automation to improve their customer journey. Better customer satisfaction and customer experience are top drivers for investments in ITSM automation.

82% of firms indicated that they plan to increase their ITSM investments in the next 12 months.

Figure 4

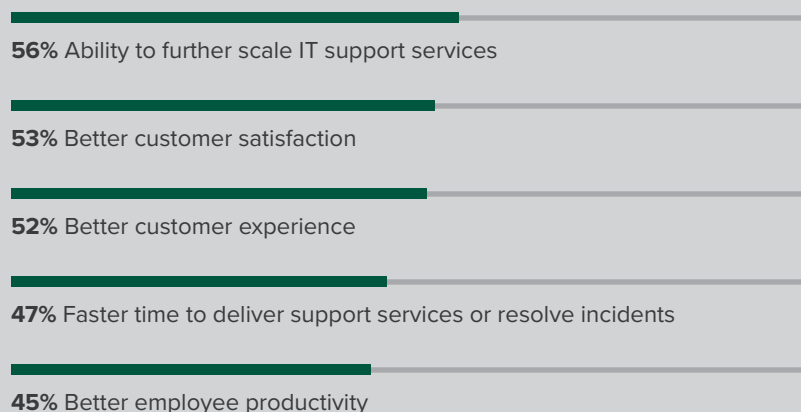
“What benefits would you expect from an increased investment in your ITSM software?” (Select all that apply)



Base: 308 IT service decision makers in North America
Source: A commissioned study conducted by Forrester Consulting on behalf of ServiceNow, June 2020

Figure 5

“You indicated that you are interested in an ITSM software that provides different types of machine automation, what benefits are you hoping to gain?”



Base: 222 IT service decision makers in North America that are interested in adoption feature now or in the next 12 months
Source: A commissioned study conducted by Forrester Consulting on behalf of ServiceNow, June 2020

72% of respondents are interested in an ITSM software that provides machine automation.

Key Recommendations

IT organizations need to evolve with the new normal. Forrester's in-depth survey of 308 IT service decision makers in North America about their IT service management practices and tools yielded several important recommendations:



Scale IT support for your remote workers. As companies and workers adapt to the new normal, it is sufficient to say that the disruption of the last six months has been immense. The work-from-home model has its fair share of challenges, i.e., Wi-Fi connectivity issues, bring-your-own-device management, and new support approaches, however, with the strong pivot that we see happening across the market, it is this new model that is keeping your service desk humming in support of your employees across the organization. Continue to provide your support staff the tools they need to get their critical jobs done.



Support automation. Budgets are tight, and economic uncertainty is increasing. Your skilled engineers need to work on high value problems, and not waste their time on repetitive toil. Give them the tools, and the time, to develop intelligent automation where possible, so they can focus on innovative and game-changing work in this increasingly volatile world.



Extend the service catalog to non-IT roles. Services are services, from providing someone a new laptop to facilitating a contract review. In an age of remote work, it's more important than ever for your employees to be able to find all the resources and services they need across your enterprise.⁴



Increase both change and risk management automation. For too long, IT change management has relied on subjective opinions of a change's risk. It's time to apply the power of AI and machine learning to this process, so that truly low-risk changes aren't needlessly delayed, and high-risk changes are reviewed by the people directly affected.



Clean up your portfolio. The boom times are over and Forrester customers are expressing increasing interest in CMDB and related IT asset and portfolio management. It's time to rationalize and refresh your IT management data: service catalog, IT assets, and so on, so that you can take out costs wherever possible and focus your resources on the challenges ahead.

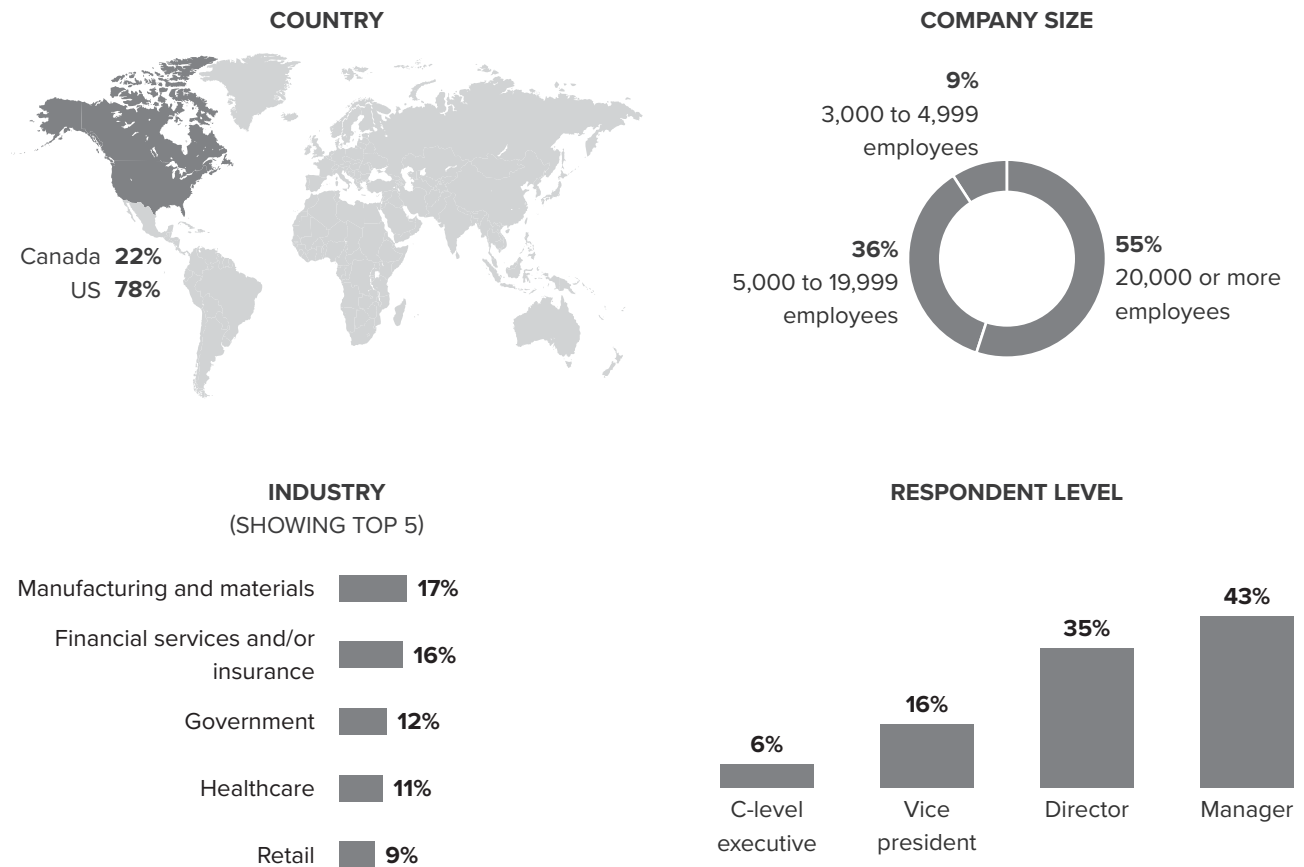


Invest in a holistic platform. Digital systems are complex and need integrated support. Architectures based on best-of-breed are increasingly challenged by vendors offering comprehensive, end-to-end capabilities. The seamless interactions enabled by such platforms delight customers and employees, reduce friction, and position the organization for emerging, next generation, and digitally based operating models.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 308 IT service decision makers in North America in to evaluate the state of IT service management. Questions provided to the participants asked about their current IT service management practices and tools. Respondents were offered a small monetary incentive as a thank you for time spent on the survey. The study began in June 2020 and was completed in June 2020.

Appendix B: Demographics



Base: 222 IT service decision makers in North America that are interested in adoption feature now or in the next 12 months
Source: A commissioned study conducted by Forrester Consulting on behalf of ServiceNow, June 2020

Appendix C: Endnotes

¹ Source: "ESM: The Software Platform For Knowledge Workers," Forrester Research, Inc., March 24, 2020.

² Source: "Apply Enterprise Service Management To Your Industry Processes," Forrester Research, Inc., June 30, 2020.

³ Source: ESM: The Software Platform For Knowledge Workers," Forrester Research, Inc., March 24, 2020.

⁴ Source: Pascal Matzke, "Tech Alignment, Innovative Solutions, And Continuous Leadership Are Critical For CIOs Managing Through The COVID-19 Crisis," Forrester Blogs (<https://go.forrester.com/blogs/tech-alignment-innovative-solutions-cios-pandemic-leadership/>).