

ENTERPRISE TRANSFORMATION

ENABLED BY THE SERVICENOW PLATFORM

Roger Camrass

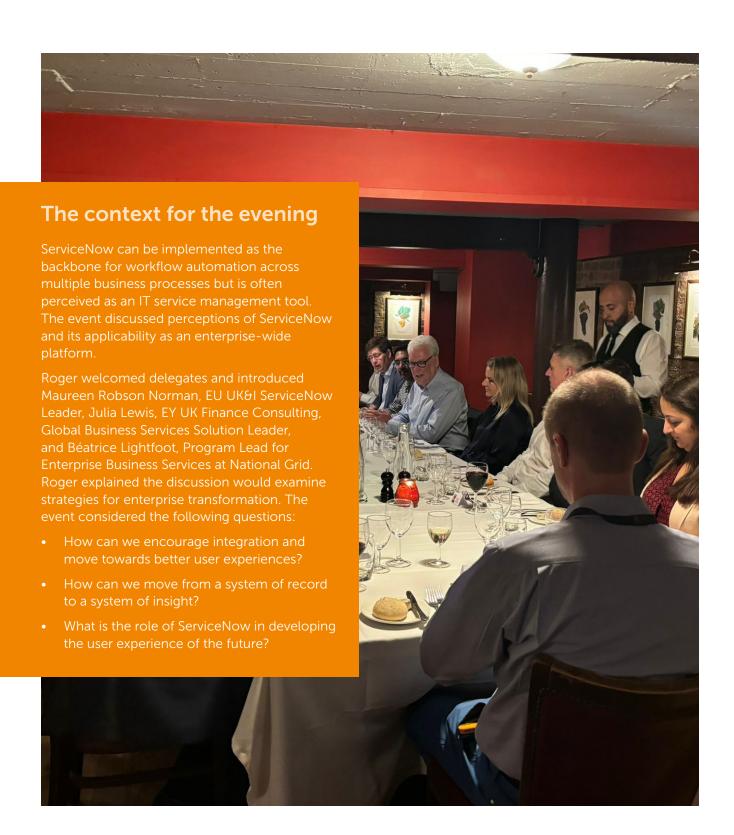
CIONET UK

Discussion Documents

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This article was written by Mark Samuels, Chief Editor at CIONET UK, and Roger Camrass, Director of Research at CIONET International. The content is based on an event sponsored by EY and ServiceNow held on 16 July at the Bleeding Heart Bistro in London.



What are your priorities for the evening?

Roger asked delegates to explain the one thing they were keen to hear about during the event:

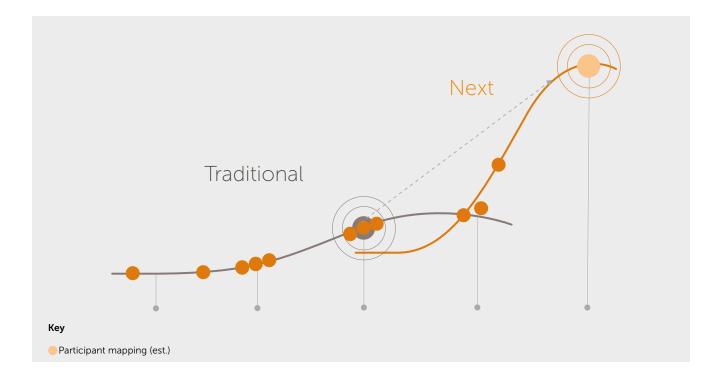
- Discovering new, unusual and creative use cases for ServiceNow
- Finding fresh ways to increase efficiency by using ServiceNow
- Understanding the role of the customer between ServiceNow and the integrator
- Boosting performance and streamlining processes with ServiceNow
- Getting the most value from a significant investment in the ServiceNow platform
- Deciphering whether ServiceNow can be used as a platform for transformation
- Hearing feedback on the use of generative AI (Gen AI) in enterprise processes
- Sensing what 'good' looks like when it comes to best practices with ServiceNow

Roundtable discussion

1. How can we encourage integration and move towards better user experiences?

ServiceNow is not a cheap option. Delegates said they are eager to make the most of their investment in the platform. It was suggested value comes from consolidation. Integrating functions and processes is the key to unlocking enterprise value from ServiceNow.

CIONET has completed research alongside EY and ServiceNow that shows how companies have taken a two-phase approach to GBS. According to EY's maturity curve for GBS, most organisations remain at Phase One. Some companies recognise the value of an integrated service portal (Phase Two).



In the first phase, organisations rely on outsourcing and push low-skill activities to offshore locations to reduce functional footprints and costs. However, these offshored services are usually unintegrated silos. Worse still, employees are often frustrated by the service levels these offshore centres provide.

Smart companies are now looking to the second phase of GBS. This phase is about integrating systems and services and presenting information via an intelligent front-end. The second phase involves a move from fault-reporting to value-adding processes and productivity improvements. Pioneering companies think about how to improve service management and customer experience (CX) with emerging technologies.

ServiceNow is a system of record that collects all the information on faults in your business. Smart organisations focus on how they can move up the maturity curve. They think about how they can collect all the information associated with a common fault, such as a problem with a device, and address this issue as a single truth across the organisation.

2. How can we move from a system of record to a system of insight?

Most organisations work with multiple service providers. Some are consolidating their offshore partners to gain economies of scale and standardisation. However, this consolidation effort is often about efficiency rather than value. Employees are left to cope with multiple services with little connectivity. So, how can organisations move to the second phase of the maturity curve and deliver value from an integrated approach to services?

It was suggested there are two key issues to consider. First, value and growth don't come from unintegrated functional silos. It's the core business processes crossing the silos, such as order-to-cash and new product launches, that create value rather than functions. Companies must create process integration across functions. Delegates at the event explained how this effort involves business-wide collaboration.

The aim should be to show where similar process failures exist across all functions. If you can apply lean thinking to these faults, you can make them disappear as per Toyota's zero-fault philosophy. Rather than just focusing on reducing the cost of fixing a fault, think about how you can use the information in ServiceNow to show where problems exist and eliminate them.

A great example is onboarding new staff. Can we work across functions to integrate and automate all the processes associated with onboarding (such as payroll, IT equipment, etc.)? If the time-consuming work associated with onboarding is automated, staff can stop worrying about processes when they join a company and contribute value quickly.

Second, employees with a problem shouldn't rely on a process that issues a ticket and leaves them waiting days or weeks for an answer. Organisations must deal with failure demand. Let users know the status of their requests and deliver progress updates. The ideal situation is one where issues are addressed proactively and automatically.

The aim should be to shift left and move from a system of record to a system of insight where the business knows why faults are occurring. Businesses that develop this new level of insight open the door to using emerging technology, such as generative AI, to identify and remove faults altogether.

Enterprises that shift left successfully can give time back to professionals across the organisation. Rather than sinking effort into repetitive tasks, talented employees can spend more of their work hours focused on activities, from interacting with customers to embracing innovative ideas, that add value to the business.





3. What is the role of ServiceNow in developing the user experience of the future?

The consumer-grade experiences businesses provide to external customers are not always replicated internally. However, organisations must ensure employees receive the same high-quality experiences as external customers.

Focus on interactions and provide transparency around service requests. As delegates reminded us, your employees have a choice – they might leave if they don't like your UX. All businesses face a war for talent in a competitive labour market. You can't afford to leave your staff frustrated by a poor UX. Focus on the moments that matter.

Effective integration needs a great user interface. So, what's the role of ServiceNow in providing this attractive UX? Delegates felt ServiceNow offers a great platform with some strong use cases. Use cases often depend on the sector. The technology delivers process automation in IT service management, fault ticketing, and fault tracking. ServiceNow helps companies to understand customer requirements and deal with requests in the best manner.

The platform's sweet spot is cross-integration workflows. ServiceNow can be an essential tool for helping organisations bring siloed processes together. One delegate said their organisation uses ServiceNow to bring together requests from disparate functions. ServiceNow allows people to see the bottlenecks and to check on progress. The value from ServiceNow, said one delegate, comes from joining things up.

Another delegate said ServiceNow helps organisations sharpen back-end processes. CIOs can re-apply processes and lessons learnt from one business area across the organisation, potentially moving to cross-integration workflows. This level of integration means ServiceNow brings process clarity and can be a great platform for business-wide digital transformation.

Delegates suggested cross-function integration through ServiceNow opens up prospects for enterprise-wide process automation, whether onboarding staff, developing products or dealing with order-to-cash requests. Enterprise-wide process automation enables growth through competitive advantage (speed, quality and cost) and simplifies employee interactions by establishing a single version of the truth. Businesses can use this trusted data source to manage exceptions and dedicate more time to value-adding activities.

However, some gaps need to be addressed. Attendees felt ServiceNow is a rigid platform focused on fault reporting rather than augmenting the user experience. To continue delivering effective cross-integration workflows, ServiceNow must evolve. Employees want answers to questions, not just fault ticketing. There is an opportunity for ServiceNow to offer more than a ticketing platform and to continue its shift beyond IT into other business areas.

This shift is likely to rely on an ecosystem of partners beyond ServiceNow. There was a recognition that ServiceNow has many strengths but enterprises will need to use more than one technology to deliver data-led benefits in a digital age. The best way to fill gaps in the platform might be to use specialist tools from other providers.

One of the most important ways the platform will be able to evolve is by taking advantage of innovations in generative AI. Many technology players, big and small, are dabbling in this fast-evolving area. Delegates recognised the significance of generative AI and the requirement for ServiceNow to establish a strong foothold.

Delegates did not believe ServiceNow should compete with Microsoft. The best way forward – at least for now, as generative AI is a fast-moving market – is to combine the benefits of a platform like ServiceNow with an emerging but enterprise-level tool like Microsoft Copilot. An effective combination of technologies is likely to deliver the best user experience. However, no one can be certain how the technology market will evolve during the next few years and CIOs should ensure they don't implement a complex array of AI solutions.

Let's be clear – none of this work on integration and insight will be easy. Your ending point depends on your starting point. Many organisations manage hundreds or even thousands of applications and long outsourcing contracts. Connecting systems costs money. Sharing data, particularly across disparate public sector organisations, is tough.

Conclusion: Three takeaways from the evening

Roger and Maureen concluded the evening by summarising the evening's discussion:

- 1. Everyone has different challenges. The key to success is understanding ServiceNow's capability within the context of your organisation and implementing the technology so users can self-help across business processes.
- 2. ServiceNow is still seen primarily as a system of record but will need to move to a system of insight to deliver the customer experiences that modern users demand. Making this shift is a challenge.
- 3. We're on the precipice of change. Technology continues to evolve at breakneck speed. People and processes are the factors that will dictate how technology is adopted. ServiceNow must focus on delivering value in this digital age.



Authors



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A pioneer of today's Internet as an ARPA research fellow at MIT in the seventies, Roger has spent over fifty years helping corporations harness the power of new technologies such as AI, cloud, mobile communications, e-commerce, voice recognition and satellite. He was a partner at EY responsible for e-commerce during the dot.com boom. He is a Cambridge University and MIT graduate and a visiting professor at the Hebrew University in Jerusalem.

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