

Modern Business Requires Modern ITSM

7 key ITIL[®]-aligned changes your
IT organization must make

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Much was already in need of change in the world of IT service management (ITSM) before the start of 2020.

Then, as the COVID-19 crisis turned the world on its head, the need to quickly evolve your organization's ITSM capabilities became imperative. From the need to support remote workers to the acceleration of slow-moving digital transformation strategies, your IT organization and ITSM teams were faced – and continue to be faced – with a raft of new priorities and the challenges involved in meeting them.

Importantly, there's a common theme that runs through much of what's needed – that modern ITSM capabilities need to reflect the mantra of "better, faster, cheaper." This can be achieved by recognizing key business priorities such as the focus on outcomes and value creation, and minimizing employee lost productivity.

To help, this eBook highlights seven key areas of ITSM change within your organization, centered on the factors necessary to better align your organization's service and support capabilities with business and employee expectations.



7 Key ITSM Changes to Consider

There are, of course, potentially more than seven ITSM changes that your IT organization might need to make. Plus, these will not necessarily match the seven key changes listed below. As with many things in business, there's rarely a "one size fits all" approach to take. So, while the guidance within this eBook will help the majority of organizations, it's important to appreciate that the changes undertaken by your organization need to be aligned with its priorities and associated corporate and IT strategies.

The seven required ITSM changes covered here are:

- 1 Focusing on value
- 2 Enabling corporate digital transformation strategies
- 3 Providing the platform for back-office digital transformation
- 4 Realigning ITSM capabilities to new ways of working
- 5 Better meeting employee expectations
- 6 Leveraging automation and AI for "better, faster, cheaper"
- 7 Adopting or formalizing new ITSM capabilities



01

Focusing on value

While the commercial impact of the COVID-19 crisis will likely result in a focus on cost in the short term at least, your ITSM strategies – and associated actions – still need to be driven by value and better business outcomes. Here, the “better, faster, cheaper” mantra is a step up from the decade-long call for IT organizations to “do more with less.” It’s important to note that the focus on doing the right things, as efficiently as possible, will inevitably result in “cheaper” IT operations. It’s this focus on value, rather than costs, that ultimately facilitates the desired better operations and outcomes.

Importantly, the focus on value will require the review of existing IT strategies and perhaps the introduction of new ones. For example, in terms of IT support capabilities and the IT service desk, are current strategies aimed at reducing the unit cost of incident and service request ticket handling also taking into account the impact that cost reduction has at a business level?

Here, current metrics and targets might be lulling your IT organization into a false sense of security while you sadly fail to deliver the capabilities needed by the parent organization. So, have you ever stopped to ask the question, “How does our IT service desk create value?” – with that same question being asked about other key IT capabilities? Try it. Then, if the answers aren’t obvious, undertake a series of conversations with key business stakeholders to better understand what the value propositions of your IT organization should be.

Thankfully, while the concept of “the value of the IT organization” has been a point of discussion over the last decade, the ITSM industry has finally been provided with value-oriented best practice guidance in the form of ITIL 4. Here the laser focus on “the co-creation of value” and guidance elements – such as the “focus on value” principle and the service value system and service value chain models – provide a route for IT service providers to commit to value creation and demonstration. The *ITIL 4 Drive Stakeholder Value* publication is a good place to start.



02

Enabling corporate digital transformation strategies

While there are few positives to take from the COVID-19 crisis, one is that the need for isolation and remote working accelerated the execution of digital transformation strategies for many organizations. In both dealing with the initial fallout of the crisis and preparing for the “new normal” that would inevitably follow.

As explained in the Micro Focus “Digital Transformation and ESM” eBook¹ – where ESM is short for enterprise service management – digital transformation can be split into three parts:

1. The design and delivery of new products and services based on the exploitation of technology and data
2. A focus on the improvement of customer engagement mechanisms, again with the help of technology and data
3. The improvement of back-office operations, in particular the modernization of potentially antiquated manual procedures using technology.

Each of these potentially requires change within IT organizations and their ITSM capabilities. For example, any new technology-enabled products and services, or customer-engagement methods, will likely need high availability and responsive support capabilities to succeed. Or, as outlined in change #3, what the ITSM industry has traditionally called enterprise service management is well-positioned as an enterprise-wide platform for back-office digital transformation.

In terms of both the front-office and back-office digital transformation opportunities, the even greater corporate reliance on technology demands better ITSM capabilities and outcomes, with improvement likely needed across people, processes, and technology. The ITIL 4 Continual Improvement Model (shown below) provides a proven method for driving any required change.

¹<https://content.microfocus.com/enterprise-service-management-tb/digital-transformation-esm>



A Quick Pivot Keeps Employees Productive

When the COVID-19 outbreak hit one of the world's largest countries and it went into lockdown, most federal employees were instructed to work remotely. [Read this blog post](#) to learn how Micro Focus SMAX enabled a federal judicial agency to pivot quickly and adapt easily to new teleworking realities.



The ITIL 4 Continual Improvement Model



ITIL 4 also contains other relevant guidance to help with digital transformation. For example, its seven guiding principles that reflect the successes of Agile in particular:

ITIL 4 also contains other relevant guidance to help with digital transformation. For example, its seven guiding principles that reflect the successes of Agile in particular:

1. Focus on value
2. Start where you are
3. Progress iteratively with feedback
4. Collaborate and promote visibility
5. Think and work holistically
6. Keep it simple and practical
7. Optimize and automate.²

²AXELOS, "ITIL Foundation, ITIL 4 Edition" (2019)



03

Providing the platform for back-office digital transformation

As already mentioned, enterprise service management can be viewed as your organization's corporate platform for back-office digital transformation – to improve operations and outcomes across business functions through the sharing of proven ITSM capabilities, including the corporate ITSM tool.

It's the opportunity for IT to share their optimized and automated ways of working with other business functions such as human resources (HR), facilities, finance, and legal departments. It's also very much in line with ITIL 4's seventh guiding principle of "optimize and automate," especially where business functions are still reliant on communal email inboxes and spreadsheets for handling employee, customer, and other third-party requests for help, information, service, and change.

These departments are ripe for digital modernization through the adoption of proven, consumerized service management capabilities to remedy commonly experienced issues such as:

- Increased workloads being handled by fewer staff
- Failing to meet the higher employee expectations caused by their superior consumerized experiences and the more recent impact of remote working
- Departmental resourcing difficulties, caused by one or both of post-crisis budgetary restrictions and skills shortages
- Difficulties in meeting the business need for speedier change and innovation
- Needing efficient ways to adopt newer technologies such as AI-enabled capabilities
- An inconsistent service experience, caused by inconsistent operations across business functions
- The lack of insight into work, operational performance, and improvement opportunities.

The bottom line is that the business functions outside of IT need to not only address these common issues but also keep up with the corporate call for digital transformation. They need better ways of working, including how that work is managed, that remove the reliance on manual practices and the use of personal productivity technologies for business process enablement. For example, while your HR department might be reliant on an HR management system (HRMS) it's likely that, while it stores employee data without issue, it doesn't offer or support processes and practices needed to provide HR services and support to employees.

ITIL 4 doesn't explicitly call out enterprise service management as an ITSM or corporate capability set, but it has been created as a body of service management, rather than ITSM, guidance. This makes it easier for other business functions within your organization to access and leverage it.



04

Realigning ITSM capabilities to new ways of working

In the post-crisis new normal, many factors call for new ways of working. Employee remote working is an obvious example, as many employees are either given the freedom, or requested, to stay working from home for at least the short term. This could include ITSM staff as well as the people they serve.

The needs of these homeworkers likely impacted a variety of ITSM capabilities during the crisis, with tactical solutions and workarounds commonly employed – whether it was the use of communication and collaboration technologies, greater support for the use of personal IT, or the move to cloud-based services that negate the often adverse effects of persistent VPN use. However, given the state of emergency, not all of these solutions were necessarily selected and purchased with the usual level of rigor employed in service design.

The same is now possibly true for the return to offices, where employees will still be subject to distancing rules and will be very aware of contagion opportunities. For instance, hot desk areas are now unsustainable, the use of network printers troubling, and

physical meetings smaller and perhaps still conducted using online services such as Microsoft Teams and Zoom – especially when some employees will still be dialing in from home. There'll also likely be employees with dual location status who work in the office on some days and at home on others. It creates yet another need to factor into your redesigned ITSM capabilities.

Importantly, more thought is needed in designing and delivering technology-enabled solutions that meet both the enforced ways of working and newly developed employee preferences. It's going to require so much more than the tactical solutions deployed during the shelter-in-place and lockdown orders. Instead, your IT organization needs to reassess the new needs of employees and the issues and challenges they have, to:

- Enable the new ways of working, some of which might not yet have been designed
- Effectively provide IT support to a more dispersed organization.

Again the ITIL 4 guiding principles will help here, beginning with "start where you are" and ending with "optimize and automate."



05

Better meeting employee expectations

Interest in, and the importance of, employee experience has grown significantly over the last half-decade, including what it means for organizations and their employees. Consumer service and support experiences play a part in setting modern employee expectations, but so does the modern working environment – where employees are likely faced with the persistent challenge to complete all that is asked of them in the available time. This challenge is reflected in a Forrester Research quote on employee experience:

“Psychological research shows that the most important factor for employee experience is being able to make progress every day toward the work that they believe is most important. But when presented with this option, managers will consistently rank it dead last.”³

Your IT department, therefore, plays a big part in your organization’s employee experience, because it’s highly influential in how employees can work the way they want and need to. What you do matters – whether it be providing IT services that better enable work (and work flow) or delivering quality IT support that minimizes productivity losses for employees.

This is tightly linked with the earlier need to realign ITSM capabilities with new ways of working – where easy access to IT services and information, and the ability to collaborate, are key factors in delivering the fit-for-purpose technology-enablement of a modern workforce. You also need the ability to support them in ways that meet their expectations; from omnichannel support to metrics related to employee experience that allow your IT service desk to refine its capabilities accordingly.

Superior employee experience is unlikely to just materialize on its own. Instead, it requires focused strategies and investments to improve upon the status quo. And, while your IT service desk might be strapped for improvement funds right now, it’s important to remember that an extra dollar spent on IT support, in this instance, might result in business-level benefits that far outweigh the costs – for example, lower levels of employee lost productivity and higher motivation, higher staff retention (minimizing the associated staff replacement costs), and positive customer impacts.

³ The Employee Experience Index, Forrester blog, February 27, 2019



06

Leveraging automation and AI for “better, faster, cheaper”

The opportunity to increase automation, including the use of newer AI-enabled capabilities, will revolutionize many parts of your ITSM ecosystem. It's not simply a cost-saving opportunity but instead, it's a conduit to being all three of “better, faster, cheaper.” Where “better” can be thought of in terms of both superior business outcomes and employee experiences.

The opportunity is not just one of demand-side “push” – with change enacted for better operations and outcomes. The opportunity is also being “pulled” by employees, and potentially customers, as they increasingly expect technology exploitation to provide them with better service and support. As with the more-than-decade-old “consumerization of IT,” consumer-world innovations are not only finding their way into the workplace, there's also an employee expectation for them to be there.

This is very much in line with the seventh ITIL 4 guiding principle – optimize and automate – which states that:

“Resources of all types, particularly human resources, should be used to their best effect. Eliminate anything that is truly wasteful and use technology to achieve whatever it is capable of. Human intervention should only happen where it really contributes value.”⁴

With the benefits of automation and AI not only delivering against the requirement for better, faster, and cheaper, it also helps tackle other IT challenges such as IT skill shortages and the ability to meet the business's need for change more quickly, especially in terms of scaling up.

Many AI-enabled capabilities are already available for ITSM use cases, particularly IT support. For example:

- Smart news and notifications
- Chatbots
- Virtual agents
- Smart ticketing
- Smart ticket processing
- Smart search and recommendations
- Smart email autoresponders
- Automated knowledge article creation
- AI-assisted decision support and trend identification
- AIOps (AI-powered event management)
- Smart change management.

Many of these AI-enabled capabilities are also applicable to other business functions via the aforementioned back-office digital transformation or enterprise service management strategies.

Further guidance on the adoption of AI for ITSM can be found in the Micro Focus eBook “Ten Tips for Empowering Your IT Support with AI.”⁵

⁴AXELOS, “ITIL Foundation, ITIL 4 Edition” (2019)

⁵<https://www.microfocus.com/media/white-paper/ten-tips-for-empowering-your-it-support-with-ai-wp.pdf>



07

Adopting or formalizing new ITSM capabilities

While the new service management approach of ITIL 4 has been mentioned throughout this eBook, there are also a number of changes within the best practices it shares. Starting with the fact that what were processes in ITIL v3/2011 are now practices, with these grouped into general management, service management, and technology management practices.

Within these, there are three types of opportunity for your organization to consider:

1. Brand new practices
2. "Reimagined" practices
3. Significant changes in existing practices/processes.

All of these offer your organization the chance to assess the status quo and to adopt, or formalize, new ITSM capabilities where appropriate – encompassing people, processes, and technology – that will contribute to "better, faster, cheaper" operations and outcomes.

For example, just over half of the 14 general management practices are new:

- Architecture management
- Measurement and reporting

- Organizational change management
- Portfolio management (which is different from ITIL v3/2011's service portfolio management process)
- Project management
- Relationship management (which is different from ITIL v3/2011's business relationship management process)
- Risk management
- Workforce and talent management.

The service management practices bring in guidance on business analysis and IT asset management (ITAM), along with a number of changes to existing ITIL v3/2011 processes. An example being the inclusion of swarming within the incident management practice.

Each of the new ITIL 4 practices is worth understanding, assessing, and adopting if appropriate for your organization to do so. To help, a sample of these are described below:

- **Architecture management.** This isn't just "IT architecture management," it covers business, product and service, information systems, technology, and environmental architectures.
- **Organizational change management.** This people-change-focused practice offers advice on preventing the change resistance that too often causes IT projects to fail in terms of expected-benefit delivery.
- **Risk management.** This explains "the why, what, and how" of risk management and links into the other related ITIL 4 practices.
- **Workforce and talent management.** This covers the most important aspects of people management, recognizing that IT managers have a shared responsibility for people with HR.

There's a wealth of new and older opportunities to improve and modernize your organization's ITSM operations and outcomes within the ITIL 4 guidance. The key, however, is to ensure that your focus is on your business issues and challenges, and their resolution, rather than simply adopting practices for practice-adoption's sake.



Next Steps

Much has changed, in terms of expectations and capabilities, during the last half-decade or so and modern businesses, including yours, now require modern ITSM capabilities. This required evolution, of the ITSM status quo, will be amplified further as the post-COVID new normal takes effect.

To help, this eBook reveals seven areas where there are likely changes required to your current ITSM strategies and capabilities. However, to ensure that improvement efforts are focused on the right things, your organization must start with an associated business need before progressing any of them.

To learn about how Micro Focus SMAX can help your business with a machine-learning-based service management solution for IT and Enterprise Service Management visit

<https://www.microfocus.com/itsm>



About Micro Focus

Micro Focus helps organizations run and transform their business with solutions spanning four key areas: Enterprise DevOps, Hybrid IT Management, Predictive Analytics, and Security, Risk & Governance. Driven by customer-centric innovation, our software provides the critical tools they need to build, operate, secure, and analyze the enterprise. By design, these tools bridge the gap between existing and emerging technologies—enabling faster innovation, with less risk, in the race to digital transformation.

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