



Enterprise Service Management is Now a Business Reality

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Enterprise service management has come a long way in the last ten years. What was once merely the use of IT service management (ITSM) technology in other business functions based on economies of scale is now a legitimate opportunity to improve other business functions', and the overall business, performance.

Whereas the 2005 version of what is now known as enterprise service management was somewhat of a forced fit of ITSM technology to provide other corporate service providers with ticketing and workflow capabilities. Modern enterprise service management is so much more. With more capabilities, better technology, and a better understanding of how ITSM principles, processes, and technology can be used by other business functions to: improve quality of service and the customer experience, increase operational efficiency, reduce costs, and improve managerial insight and governance.

OVERVIEW

- What enterprise service management is
- The issues that are common across corporate service providers, and how enterprise service management can help
- The drivers for, and benefits of, enterprise service management
- Where enterprise service management adoption is and is going
- How ITSM best practice and technology can be reimaged and leveraged to support other business function
- How to best start out, plan, deploy, and succeed with enterprise service management

What is Enterprise Service Management?

Enterprise service management is nothing new. As with bring your own device (BYOD) and Shadow IT, which were both around for a decade before they became ITSM hot topics, part of the renewed interest in enterprise service management is the fact that it now has a name. There are of course other reasons, which will be returned to later.

Enterprise service management is now a universally-accepted term, well almost. Some might still call it “outside IT,” “beyond ITSM,” “beyond IT,” or even just “service management.” And, it’s worth noting that enterprise service management has yet to earn its own Wikipedia entry or a universally-accepted definition.

In the absence of an agreed definition, enterprise service management can be described as:

“The use of ITSM principles and capabilities in other business areas to improve performance and service.”

It makes so much sense given that the IT organization isn’t the only corporate service provider delivering services, support, and customer service. In fact, most business functions provide a portfolio of services to other business functions or directly to employees. These include HR, legal, facilities, finance, engineering, security, sales, marketing, and even external support – and each of these business functions needs to ensure that both their services and operations are effectively managed.

When you dig a little deeper, each business function mirrors the corporate IT organization in terms of dealing with the “customer”:

- Requests for help
- Requests for information
- Requests for services
- Requests for changes to existing services

While there are potentially different people, processes, and terminology involved, this is very similar to IT service desk operations – in terms of incident management, service request fulfilment, and change management – when boiled down to its essence.

However, while most corporate IT organizations use a fit-for-purpose ITSM solution to undertake and manage these activities, other business functions still often rely on email, post-it notes, spreadsheets and databases, business-function-specific managed data repositories (such as HR systems), and staff’s personal organizational skills to ensure that all interactions between the service requester and the service provider are handled efficiently and effectively.

It works, well some of the time, but it might not be as efficient or as cost-effective as it could be – in part due to the absence of the workflow, automation, and alerting that we now take for granted in ITSM solutions. There’s also probably no easy way to get insight into individual and team performance relative to: service level achievement, volumes handled, time taken, backlogs, and customer feedback. The staff and management in

these other business functions are often “flying blind,” with no idea as to whether agreed targets are actually being met, if all requests have been dealt with appropriately, or where improvement opportunities exist.

Plus of course, these business functions might also have no self-service and knowledge management capabilities to further improve operational efficiency and customer experience.

A Brief History of Enterprise Service Management

ITSM – encompassing the tools, techniques, and practices – is now an IT management foundation for most corporate IT organizations, albeit to different levels of ITSM process adoption and maturity. In fact, some organizations might have multiple “versions” of ITSM tools and processes, often due to merger and acquisition activity or the sheer size and global footprint of the organization.

Over the last ten years though, and particularly after the financial crisis of 2008-9, many organizations have taken the opportunity to consolidate the multiple ITSM tools, and disparate ITSM processes, in use across organizational and geographical boundaries. Standardizing to improve operations and service, while also saving operational and software costs.

For some organizations, this consolidation activity has not been confined to just the IT organization and IT-related support – with the use of ITSM tools outside of the IT organi

zation an “economies-of-scale” opportunity. Although this was often little more than other business functions, such as the HR department, using the ITSM tool purely for ticketing.

So while a financially-savvy corporate IT organization might have convinced the HR department to use its ITSM tool to improve the handling of “HR cases,” it was most likely a forced-fit to get maximum return on investment (ROI) from a costly ITSM tool. With any HR organization smart enough to see the power of workflow and automation still unfortunately saddled with a ticketing system using IT terminology such as “incidents” and “users,” rather than HR terminology such as “cases” and “employees.” The HR organization might also have needed to follow the built-in IT best practice processes rather than its own, maybe unique, HR processes due to system inflexibility.

Thus ten years ago the increased operational efficiency and better insight from non-IT ITSM tool use might have come at a price.

Why Enterprise Service Management is a Hot ITSM Trend

The drivers outlined in the next section show how far enterprise service management has come. Or, to be more precise, how far the technology and vendor mindsets have come. The lack of freely-available information on enterprise service management might make you think that mainstream adoption is still a long way off, but think again.

A late-2014 HDI survey¹ reported that 51% of respondents are either already doing or are planning to adopt ITSM principles outside of IT.

More recently, a 2015 SDI survey² reported that 55% of respondents are planning for “shared service management,” i.e. enterprise service management.

The Drivers for Enterprise Service Management

“Naming” something can make a big difference to the level of interest paid to a new idea or concept, or even old ones, especially if it’s a sexy or cool name – just look to BYOD, Shadow IT, and cloud. But the naming of the use of ITSM outside of the IT organization is only a small part of the increased interest in enterprise service management.

In many ways, consumerization is driving enterprise service management – with the impact of consumer-world experiences on employee expectations not only affecting the corporate IT organization; it’s affecting all corporate service providers. Looking beyond the so-called “Consumerization of IT,” it was always inevitable that these other corporate service providers – such as HR, facilities, and legal – would be subject to similar consumer-driven, service experience challenges to IT. As they ultimately have

¹ Rob England is probably better known as the IT Skeptic: <http://itskeptic.org/>

² Learn more about Standard+Case here: <http://www.basicism.com/standard-case>

or customers, i.e. employees, as the corporate IT organization.

These astute consumers of business services are now so conditioned in their personal lives to expect convenience, fast service, and the ability to find whatever they need whenever they need it, that they now expect this at work. Whether it be from IT or any other corporate service provider.

Three other drivers in particular are also helping enterprise service management's cause:

1) Demand for enterprise service management capabilities from other corporate service providers.

So this is HR, say, pull rather than IT push. With enterprise service management seen as a way to help increase operational efficiency and to improve service. It's a totally different dynamic to the early enterprise service management adoption scenarios where the corporate IT organization sought other uses for its ITSM tool to garner a better return on its technology investment. And it's important to note that, while the overall operational efficiency improvements are a big driver, it would be wrong to overlook the attractiveness of self-service capabilities to these other business functions.

2) ITSM solutions are now so much better and more applicable to non-IT use cases.

There are additional capabilities such as self-service and service catalogs, internally and externally-facing knowledge bases (with the latter great for employee self-help), chat capabilities, and mobile apps. Plus, the solutions are now far more flexible, i.e.

easier to change, and more accommodating of multi-departmental use. The solutions might also factor in consumer-world support and customer service advances, with the aforementioned capabilities delivering a more intuitive and easy experience to both IT users and employees.

3) Increased ITSM tool vendor marketing of enterprise service management.

Vendors have moved from merely reacting to demand to actively promoting, and selling, their enterprise service management capabilities along with those for ITSM. Whereas opportunities previously started with a need for a help desk tool and blossomed into a wider ITSM opportunity, they might now blossom into an enterprise service management opportunity. The vendor move from selling based on features and functions to selling on value also lends itself well to enterprise service management – as the more a company can use an ITSM tool, the more value they can potentially realize.

In many ways, we are in a perfect storm as business function needs, employee expectations, and technology advancements meet to create the opportunity for enterprise service management.

With enterprise service management no longer just “a good thing to do.” As employees continue to bring their consumer-world experiences and expectations into the workplace, and expect corporate service providers to match them, enterprise service management is becoming a must-have rather than a nice-to-have.

The Business Benefits of Enterprise Service Management

While the use of ITSM by corporate IT organizations to improve efficiency, effectiveness, control, and insight has gained nigh-on global acceptance, many enterprises still need to recognize that ITSM is equally relevant to other corporate service providers. But it shouldn't need to be a leap of faith by the other business functions. Instead the business benefits of enterprise service management should be articulated and sold. These include:

Improved efficiency and reduced operational costs.

Through optimized processes, workflow, automation, and alerting, enterprise service management (technology) can remove unnecessary manual effort and rework. This is added to when self-service and self-help capabilities are used by employees.

Self-service efficiencies and workload reductions.

The provision of a self-service capability means that employees can get to the solutions they need more quickly through self-help. Both this and the ability for employees to log issues and requests via self-service means fewer telephone calls to the service desk or the business function equivalent. The automated delivery of solutions and requests further adds to the potential cost savings.

A better ROI on the corporate ITSM solution investment.

The more people and business functions that use the ITSM solution, the better the ROI

and per-user ongoing management costs. Also, depending on the business function systems that can be phased out, there is the potential for additional technology cost savings through business-function application rationalization.

Improved effectiveness.

Using a fit-for-purpose ITSM solution for enterprise service management can help to ensure that all employee issues and requests are dealt with and, where possible, to agreed service levels. No more losing requests in personal email accounts or delays through the inefficiency of individuals.

Improved visibility into operations and performance.

The use of ITSM technology lets staff and management understand what has been achieved and what hasn't. It ultimately gives insight into the value that each business function provides and makes it easier for this to be communicated to customers and other business stakeholders.

Increased control and governance.

Enterprise service management processes and enabling technology can be used to implement much needed internal controls and to provide insight into who did what when as well as higher-level reporting.

Better service and customer experience.

Enterprise service management ups the corporate service provider game to better deliver against employee expectations across ease-of-use, self-service, service request catalogs, knowledge availability and self-help, social or collaborative capabilities,

anytime and anyplace access (to services and information), and people or customer-centric support.

The opportunity for improvement.

Firstly, the increased visibility into operational performance from enterprise service management allows improvement opportunities to be identified. Secondly, the ITIL continual service improvement capability provides the mechanism for improvements to be managed and delivered.

Improved access and communication channels, plus more effective communication.

Enterprise service management and a suitable ITSM solution brings a choice of access and communication channels including telephone, email, chat, self-service, alerts, and a broadcast channel via the self-service portal. Escalation and alerting capabilities also help to ensure that no ticket or communication goes un-actioned.

Improved accountability, even across business-function boundaries.

Not only does enterprise service management technology make it easier to assign and see responsibility and accountability within business functions, it does the same across business functions. For example, some business services, such as the onboarding of new employees, require multiple business functions to work together to ensure that everything is delivered on time.

Better understanding of what services are needed and provided.

Enterprise service management doesn't have to be limited to support and change management. The ITIL service lifecycle can also be used to manage business function services from service strategy to service operation, allowing greater insight into the services provided.

Standardization.

This is not only business-wide, optimized processes but also a common way of working, a common look and feel, and a common service model for employees. It also offers the potential to provide a single point of service, no matter the service provider, company-wide.

Improved collaboration within and across business functions.

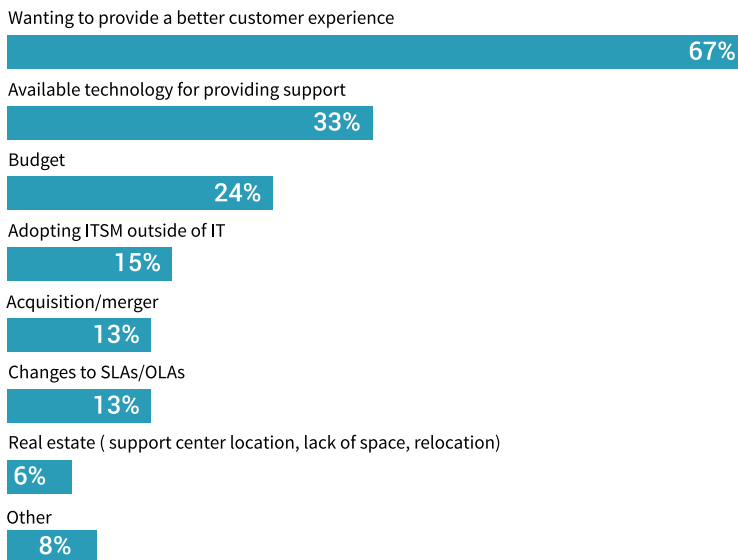
Not only does enterprise service management make it easy for work to pass between individuals or groups, or to be worked on collectively, it also makes it easier for work to pass between different business functions.

There is also a benefit specific to the corporate IT organization. Not only is enterprise service management an opportunity for other business functions to benefit from ITSM principles and capabilities, it's also an opportunity for IT to further demonstrate its business worth through its wealth of service management skills, knowledge, and experience and the provision of the technology to support business-wide service management.

The Who, When, and Where of Enterprise Service Management

The growing level of enterprise service management adoption can be viewed from a number of perspectives – it’s the “who” and “when.” Firstly, one can look back at the level of existing change attributed to adopting enterprise service management – Figure 1 shows “adopting ITSM outside of IT” as the fourth most common driver of support center change, albeit a long way behind “wanting to provide a better customer experience.”

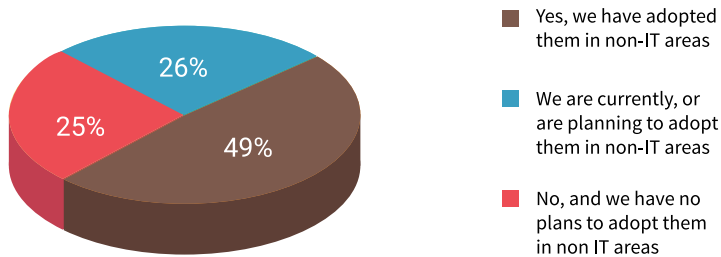
Figure 1: Reasons for the Changes in Support Centers



Source: HDI report “Service Management Not Just for IT Anymore” (October 2014)

Secondly, one can look forward to the “appetite” for enterprise service management by understanding the future plans for adoption. Figure 2 shows that the late-2014, 25% adoption level for enterprise service management was set to double with an additional 26% of organizations planning to apply ITSM principles outside of IT.

Figure 2: The Application of ITSM Principles Outside of IT

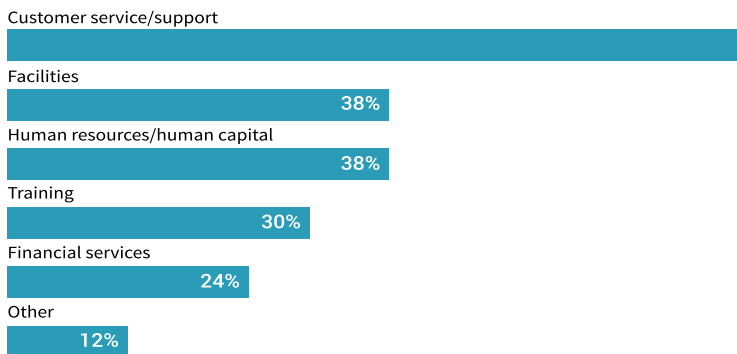


Percentage of organizations

Source: HDI report “Service Management Not Just for IT Anymore” (October 2014)

In terms of the “where,” Figure 3 shows the business functions with most traction for enterprise service management. It’s not unsurprising to see customer support, facilities, and HR ranking so highly given the similarity of case management to incident management and service request fulfilment, and the opportunities to leverage workflow and automation, self-service, service catalogs, and knowledge management among other capabilities.

Figure 3: Non-IT Areas in Which Service Management Principles are Being Applied



Percentage of organizations

Source: HDI report “Service Management Not Just for IT Anymore” (October 2014)

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How Individual ITSM Capabilities Can Help Other Business Functions

The “hows” of enterprise service management can cover a spectrum of things. There’s how individual ITSM capabilities can be used by other business functions. There’s how the ITIL service lifecycle can be applied. There’s how different business functions are using enterprise service management. And there’s how best to start with enterprise service management in your organization.

There are a number of the commonly-adopted ITSM processes and technologies that can be used by other business functions. These include:

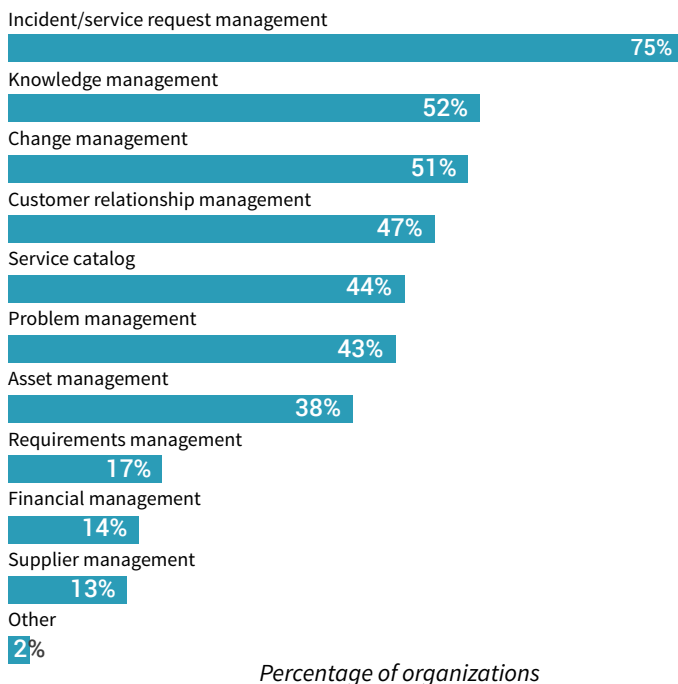
- **Incident management** – dealing with employee issues, ensuring that the appropriate solution is delivered as quickly as possible.
- **Service request fulfilment** – handling requests for new or changed services efficiently.
- **Change management** – handling changes to services or operations, minimizing risk and optimizing the speed of change.
- **Problem management** – preventing repeat issues from occurring, and the associated impact.
- **Self-service** – employee access to self-help, online incident logging, service request catalogs, status checking, and more.
- **Knowledge management** – supporting both service desk agents and employees in quickly getting to the required information or solution.
- **Service catalog management** – not just the service catalog technology but also the policies and processes that are needed to successfully deliver the capability.
- **Service level management** – from service level agreements and targets to ongoing

ing dialogues about operational performance and future business needs.

- **Asset management** – this could be facilities’ physical assets or the items of value held by employees, such as security passes or credit cards.
- **Chat** – which is now a common support expectation of service providers.

There are of course many others and these are touched on when we look at enterprise service management from an ITIL service lifecycle perspective.

Figure 4: ITSM Processes Being Applied to Non-IT Areas



Source: HDI report “Service Management Not Just for IT Anymore” (October 2014)

Taking an ITIL Service Lifecycle Perspective

While some people might still think of ITSM and ITIL as merely the processes they use – such as incident and change management – the ITIL service lifecycle can also be applied to other business functions.

- **Service strategy.**

This defines the perspective, position, plans, and patterns that the corporate service provider needs to execute to meet its business purpose. It can allow business functions to think more deeply about the services they offer and deliver – so much more than merely the mechanics of service delivery.

- **Service design.**

It's not only the design of the services but also the governing practices, processes, and policies required to realize the business function's strategy. Service design includes: service catalog management, service level management, availability management, capacity management, and supplier management which can all be applied to non-IT scenarios.

- **Service transition.**

To quote ITIL: “Service transition ensures that new, modified, or retired services meet the expectations of the business as documented in the service strategy and service design stages of the lifecycle.” With change management, service asset and configuration management, service validation and testing, and knowledge management all relevant to other business functions.

- **Service operation.**

It's the activities and processes required to deliver and manage services at agreed levels to employees and customers. It's the ITSM processes most likely to be used in the early stages of enterprise service management adoption: incident management, service request fulfillment, and problem management.

- **Continual service improvement.**

It's identifying and implementing improvements to services or business function operations.

Thus enterprise service management can be so much more than just service desk and self-service.



Source : Greenpages.com

How Specific Business Functions Can Benefit

Enterprise service management principles, processes, and technology can be applied to almost all business functions, for example: human resources and facilities. It's also highly applicable to organizations that might have their own unique operational functions such as educational institutions.

Human Resources

Like IT, the corporate HR department will most likely provide an employee-support capability to deal with employee issues, requests for information or services, and changes. Again it's very similar to the IT service desk, albeit with different terminology and procedures.

Enterprise service management, and the enabling technology, can help to improve the efficiency and effectiveness of these operations, as well as providing better insight into performance. With the most obvious use case being the usually-complex on-boarding and off-boarding of employees where multiple tasks are required across multiple internal service providers.

Enterprise service management can also help with a number of other HR activities, including:

- Employee queries and complaints across all HR domains
- Payroll and benefit administration
- Learning and development administration
- Recruitment

- Demand planning
- Knowledge management across all HR domains

Plus of course offering the benefits of employee self-service and self-help.



Facilities

As with HR, there is probably some form of facilities help desk that deals with requests for help, service, information, and change; with common requests including the management of moves or building and furniture repairs. Plus, unlike with IT and HR, there is the need for preventive maintenance to be scheduled, undertaken, recorded, and possibly even costed.

Enterprise service management can help with a number of facilities' activities, including:

- Health and safety
- Security
- Maintenance, testing, and inspections
- Cleaning and other office services
- Building management

Not to mention, the benefits of employee self-service and self-help again.

Education Institutions

While most organizations will have opportunities for enterprise service management across the core business support functions such as HR, facilities, legal, and finance, educational institutions in particular have much more to gain.

For example, in addition to the common shared services examples, educational campuses can also use enterprise service management within:

- The admissions office
- The alumni office
- Faculty services
- Libraries
- Medical centers
- Research departments

Also, with many of the customers of educational institutions being students, there will most likely be an even greater expectation for consumer-world, technology-supported support and customer service.

How to Improve Your Chances of Enterprise Service Management Success

While there's much enterprise service management talk right now – from ITSM tool vendors, consultancies, and enterprises – there's little by way of freely-available best practice. In fact, it's probably being a little too optimistic to expect a universally-accepted best practice at this point given that we've yet to see a universally-accepted definition of what enterprise service management is.

Of course there's advice, often badged as best or good practice, available. With many ITSM tool vendors now marketing and selling enterprise service management scenarios, with their knowledge and expertise from previous customer initiatives distilled down to “the best things to do” to get enterprise service management right.

So enterprise service management is happening, but what should you do increase your organization's chances of success?

1) Don't treat enterprise service management as an IT project

Enterprise service management requires organizational change as much as technology change. It's also a business project rather than a technology project. And taking a truly cross-business approach will help to ensure that the project progresses in the optimal order, ideally fixing the biggest issues or delivering the biggest benefits first.

Also try to remember that enterprise service management isn't just about implementing ITSM processes and technology outside of IT; that instead it's ultimately

improving other business functions' service delivery and service experience.

2) Allow for the differences

Recognize that some business functions will be more “excited” about enterprise service management than others. It might be that they better understand the opportunity of enterprise service management or it might be that this initiative is a lower priority for the “less excited” business functions. Either way, ensure that the less-excited groups don't get marginalized and are involved in the business-wide decisions that will ultimately affect them. If you get the feeling that the enterprise service management initiative is becoming all IT-push, and very little enterprise-pull, revisit the justification planning work and ensure that the initiative has been truly bought into.

Also recognize and accommodate inter-team differences. This might be the relative capacity for change or even the appetite for change. It could also be process-based differences, in that some ITSM best practice might not be an exact fit for another business function's needs. And definitely don't try to force-fit other business functions to your ITSM tool – it will only slow down, if not derail, change and will most likely result in a suboptimal solution for those involved.

3) Don't try to help other corporate service providers before helping yourself

As enterprise service management is extending ITSM principles, best practice, and capabilities outside of IT into other business functions, ensure that IT's ITSM capabilities are optimized. As there is little point in sharing suboptimal practice rather than something closer to best practice. In particular, ensure that two specific areas that

be highly beneficial to other business functions but IT organizations commonly have issues with – self-service and reporting/metrics – are truly fit-for-purpose.

Also don't assume that IT has all the answers and all the best practices – other business functions might have processes in place that would benefit IT. Remember that the goal here is business improvement, not to impose IT's way on the rest of the organization.

4) Don't assume that enterprise service management will sell itself – justify it in business terms

As with any business change, the benefits of enterprise service management need to be clearly articulated in business terms. So talk to the real business benefits which usually relate to dollars (or similar), customers, and competitive advantage. Don't just sell the theory of enterprise service management, show how other companies have benefited to justify your projected financial ROI and quality of service improvements.

Also refrain from encapsulating the change (and associated benefits) in IT, ITSM, or ITIL language. Unless of course you want to confuse, or turn off, other business function personnel. And remember that enterprise service management, like most changes, is sold by repeat and value-adding communications.

5) Think long and hard about how to deliver the enterprise service management project

Business-wide enterprise service management will be a mammoth undertaking and thus a big bang approach will be difficult and risky. Instead recommend that your organization starts small, focusing on a single business function or new capability such

as self-help.

Then, as with any phased project, build on your successes, communicating (in reality selling) what one business function has achieved to others to main interest, excitement, and momentum. Quick wins are just as applicable to enterprise service management as they are to ITSM – so plan what you deliver when carefully.

Next Steps

Understand how enterprise service management can help your organization – and identify both the hard and soft benefits. If enterprise service management is right for your organization, ensure that the available benefits are sold and aimed for – it’s important not to start enterprise service management as just “a good thing to do.”

It’s also important to spend time getting your ITSM house in order first, so as not to extend suboptimal service management capabilities to other business functions. And don’t ignore the barriers to enterprise service management success – be prepared to research, consider, and address them to increase your organization’s chances of success.

Freshdesk is also here to help your enterprise service management journey, with customer success stories, best practices, and an approach that looks at ITSM and enterprise service management through a customer service lens.

For more information on how Freshdesk and the Freshservice solution can help, please contact **hello@freshdesk.com**

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Stephen Mann is an IT service management (ITSM) industry commentator with over 16 years' experience in practical ITSM, IT asset management, ITSM software product marketing, IT and ITSM research and advisory, and ITSM consultancy. Stephen likes to take a fresh view of ITSM and service desk operations – frequently blogging, writing and presenting on the challenges and opportunities for ITSM professionals.

ABOUT FRESHSERVICE

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Freshservice has an intuitive UI, is effortlessly configurable and customisable to meet customers' exact requirements, and is easily integrated with other business and IT systems. Native integrations with a number of popular cloud services such as Google Apps, Dropbox, AWS, and Bomgar also speed up deployment and reach.

Freshservice is part of the Freshdesk product family, whose flagship product is the leading customer support solution Freshdesk – with more than 50000 customers worldwide, including Cisco, Honda, 3M, The Atlantic, and QuizUp.

