servicenow

4 ways to get your digital transformation back on track

How to adapt for tomorrow's growth without wasting yesterday's investments

Has your digital transformation lost its way?

If your digital transformation race hasn't reached the finish line, you're not alone. Despite analyst predictions that pretty much everything would be in the cloud by now, the past few years have brought fast-paced adoption and disruption that's sidelined many transformation efforts. Enterprises often find themselves running a hybrid IT landscape—some systems and applications in the cloud but others still on premises.

That raises the obvious but uncomfortable question: What about all the money you've spent on incomplete or disconnected digital transformation initiatives? In addition to the sheer dollar amounts tied up in these stalled attempts, there are other, less tangible costs such as sluggish innovation, change fatigue, lack of cross-team productivity, and slower product delivery.

When the benefits of digital transformation are not fully realized, you're left with a disjointed IT environment in which:

- **The business has difficulty operating with efficiency** due to waste from application duplication, sprawl, misaligned spend, and unused resources.

- **Customers and employees bear the brunt of poorly executed change** and are saddled with frustrating, manual processes—instead of modern architecture and satisfying, automation-enabled experiences.

- **Your organization is robbed of the service resilience** it needs to adapt, survive, and thrive in challenging times.

90%
of companies have launched some type of digital transformation.[1] Yet...

70%
of digital transformations fall short of their objectives.[2] And...

"Roughly **½** of digital initiatives are not meeting the CEO or executive expectations— they are falling behind."[3] Because...

59%
of CIOs say "speed to realize value does not meet expectations."[4] And...

52%
of CIOs say "speed to complete the initiative does not meet expectations."[5]

[1] McKinsey, Rewired to outcompete, June 20, 2023

[2] Boston Consulting Group, Flipping the odds of digital transformation success, October 29, 2020

[3] Gartner®, CIO agenda 2023: 4 Actions to Ensure Your Tech Investments Pay Digital Dividends, 2022

[4] Gartner, 2023 CIO and Technology Executive Agenda: 4 Actions to Deliver "Digital Dividends," October 14, 2022

[5] ibid.

$3.4 trillion

increase in global spending on digital transformation predicted by 2026.[1] But...

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of the expected impacts from recent digital investments are captured by most organizations[2]

[1] Statista, Spending on digital transformation technologies and services worldwide from 2017 to 2026, August 6, 2023

[2] McKinsey, Three new mandates for capturing a digital transformation's full value, June 15, 2022

4 best practices to transform your digital operations

To make a real impact on the business, digital transformation must return to being more than just a side project. In this ebook, you'll find out how to get transformation back on track with digital capabilities, so you can respond with agility to the next round of disruption. You'll also learn how to reap the value of the technology you already have.

A unified digital platform is the essential, friction-free foundation you need to support these four transformation best practices:

1. **Plan transformation wisely and proactively.** Businesses that are already trying to automate and optimize when disruptive events occur are able to adapt better. Get the data you need to make optimal investment decisions and pivot quickly when unanticipated change strikes.

2. **Create responsive, always-on service delivery experiences.** Digital-first business growth is disrupted when technology services and operations are siloed. Improve productivity by breaking down barriers and automating processes, predicting and preventing digital service issues, and fixing issues faster when they do happen. Use generative AI to gather relevant case content for IT support and accelerate high-quality responses to employees.

3. **Optimize technology spend and mitigate risk.** Without visibility to see your technology or a scalable processes to manage it, money gets wasted on unneeded software, hardware, and applications—while strategic initiatives are starved of infrastructure investment. Minimize the costly risks of noncompliance and stop burning budget on redundant, outdated, and unused technology.

4. **Integrate APM for greater strategic advantage.** Business applications are major line items in every enterprise budget. With application portfolio management (APM), you can take stock of what you have and determine whether it aligns with your business strategy.

1

Best practice

PLAN TRANSFORMATION WISELY AND PROACTIVELY

Creating value requires a rock-solid strategy and effective execution, especially when you're being asked to deliver more value while managing change. When you're operating from a unified data model and workflows, strategic portfolio management (SPM) helps you align the entire business to deliver value at speed and scale. You're able to build a robust digital strategy that translates into high-impact business outcomes.

With SPM on a single digital platform, you and your portfolio leaders can:

- **Capture and evaluate internal and external stakeholder needs quickly** to consolidate intake and get a holistic view, so you can assess investment scenarios based on benefits, risks, costs, capacity, and alignment with organizational strategies.

- **Build clearly defined, adaptable roadmaps and plans** that accelerate growth and provide the visibility and flexibility you need to make rapid decisions when confronted with changes and disruptions.

- **Create organizational buy-in and alignment** by giving stakeholders a clear understanding of how each initiative supports your organization's strategic goals.

- **Align work with your investment priorities** to help planners and managers select and schedule the right work.

- **Support multiple delivery methodologies** including Agile, waterfall, and hybrid approaches, so you can use your existing delivery capabilities and seamlessly evolve them over time.

- **Establish success criteria and monitor performance,** so you can determine whether your investment strategy is delivering as expected and act when something goes off track.

"By 2025, 70% of digital investments will fail to deliver the expected business outcomes due to the absence of a strategic portfolio management (SPM) approach."

Source: Gartner, Gartner® Magic Quadrant™ for Strategic Portfolio Management, April 2023

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Best practice

CREATE RESPONSIVE, ALWAYS-ON SERVICE DELIVERY EXPERIENCES

After you deploy a digital service, it needs to work seamlessly. Bad service quality leads to poor adoption, and in the case of customer-facing services, outages and performance issues can be a reputational and financial disaster. But operating from a unified digital platform breaks down barriers between IT service and IT operations teams, so they can work together seamlessly in real time to dramatically accelerate remediation of service issues—and even predict and prevent them.

By bringing together IT services and operations on a single cloud platform, you can scale for growth and deliver extraordinary experiences that drive better business outcomes:

- **Predict and prevent service outages** by combining the power of AIOps with change management and service mapping to assess the potential service impact of planned changes before they are approved. Use machine learning to identify and diagnose service anomalies that can lead to future disruptions.

- **Ensure service and operations teams see the same information** in the same place, so collaboration around joint issues is designed into every process.

- **Supercharge IT efficiency and productivity** by automatically routing incidents to the right internal teams using AI and by using automated workflows and collaboration tools to coordinate major incident responses across multiple teams. Also, expedite responses to IT support requests with context produced by generative AI.

- **Accelerate innovation and reduce risk by fully automating the technology change process** when you equip IT operations teams with real-time and historical incident and change data. Quickly see if an authorized or unauthorized change caused an outage, and easily identify and examine similar previous incidents to uncover potential root causes.

- **Restore service more quickly** by seeing how similar previous incidents were successfully remediated, providing intuitive playbooks to guide operators through the restoration process and completely automating remediation of common incidents.

41.5%

of organizations have different reporting structures for IT services and operations, which ultimately meet only at the level of chief information officer or chief experience officer

Source: Enterprise Management Associates, IT ServiceOps: Innovation at business speed and scale, March 2022

3

Best practice

OPTIMIZE TECHNOLOGY SPEND AND MITIGATE RISK

Not only is there more technology than ever supporting more digital services, but this technology is in an ongoing state of flux, particularly with the extraordinary agility the cloud provides. In many organizations, technology is managed in silos, so knowing who's using (or not using) which resource—or how and where they're using it—can be difficult. In addition, a lack of insight into compliance exposes you to painful vendor audits, fines, and lawsuits, while outdated technology leaves the door open for security breaches.

With a single digital platform, you can have full transparency of your technology and manage it throughout its lifecycle:

- **Gain unified, automated visibility** of all your software, hardware, applications, and cloud resources, creating a near real-time view of your entire IT estate, so you can make decisions with confidence.

- **Understand how your technology is used** by automatically tying it to specific digital services or business functions, including identifying stranded technology that can be retired or redeployed.

- **Automate technology management processes** from initial deployment to final retirement using intuitive workflows to increase efficiency, strengthen governance, and create the agility needed to stay ahead of rapid change.

- **Control technology costs to determine how to reduce the total cost** of ownership of specific digital services, plus get recommendations to optimize cloud costs by right-sizing cloud resources.

- **Avoid costly software compliance issues** by seeing how your licenses are deployed, connecting deployed licenses to contracts, and automatically reclaiming deployed licenses that are underutilized or out of policy.

Technology spend is increasing

"Worldwide IT spending is expected to total $5 trillion in 2024, **an increase of 6.8%** from 2023."[1]

13.8%
growth in software spend[2]

20.4%
growth in public cloud spend[3]

4.8%
growth in device spend[4]

[1] Gartner, Gartner Forecasts Worldwide IT Spending to Grow 6.8% in 2024, January 17, 2024

[2] Gartner, Gartner Forecasts Worldwide IT Spending to Grow 8% in 2024, October 18, 2023

[3] Ibid.

[4] Ibid.

4

Best practice

INTEGRATE APM FOR GREATER STRATEGIC ADVANTAGE

Digital transformation requires your business to think through transformative change. When you integrate your enterprise architecture and a configuration management database (CMDB) onto one cohesive platform, you get greater clarity and control of your application portfolio. Also, you eliminate the challenges of setting up and maintaining the integration between your operational platform and a separate enterprise architect solution. This unified approach can:

- **Provide holistic visibility** into cost, utilization, and value for your existing technology landscape. Reap immediate ROI when you give teams an overarching view of redundant, out-of-date, and underutilized applications.

- **Create alignment** between enterprise architecture and business strategy. Enable objective, data-driven decisions on consolidating technology or eliminating what no longer aligns with the strategic drivers of the business.

- **Increase operational resilience** by managing technology risks, enhancing security and compliance, providing better protection against potential threats and vulnerabilities, and avoiding technical debt.

A single foundation for digital-first business growth

The way you currently strategize, align, and deliver matters more than ever. How can you proactively plan for change, reach decisions faster, and boost employee productivity? Or make the most of your current budget and past IT purchases while recovering lost value to fund future projects?

With the Now Platform®, you have the power to plan, service, optimize, and govern your total IT estate with a seamless connection across both cloud and on-premises technology. Get a modern architecture for mastering change and transforming your digital operations with these ServiceNow capabilities together on a single platform:

- **Strategic portfolio management**

- **Technology service operations**

- **IT asset management**

- **Application portfolio management**

- **Generative AI**
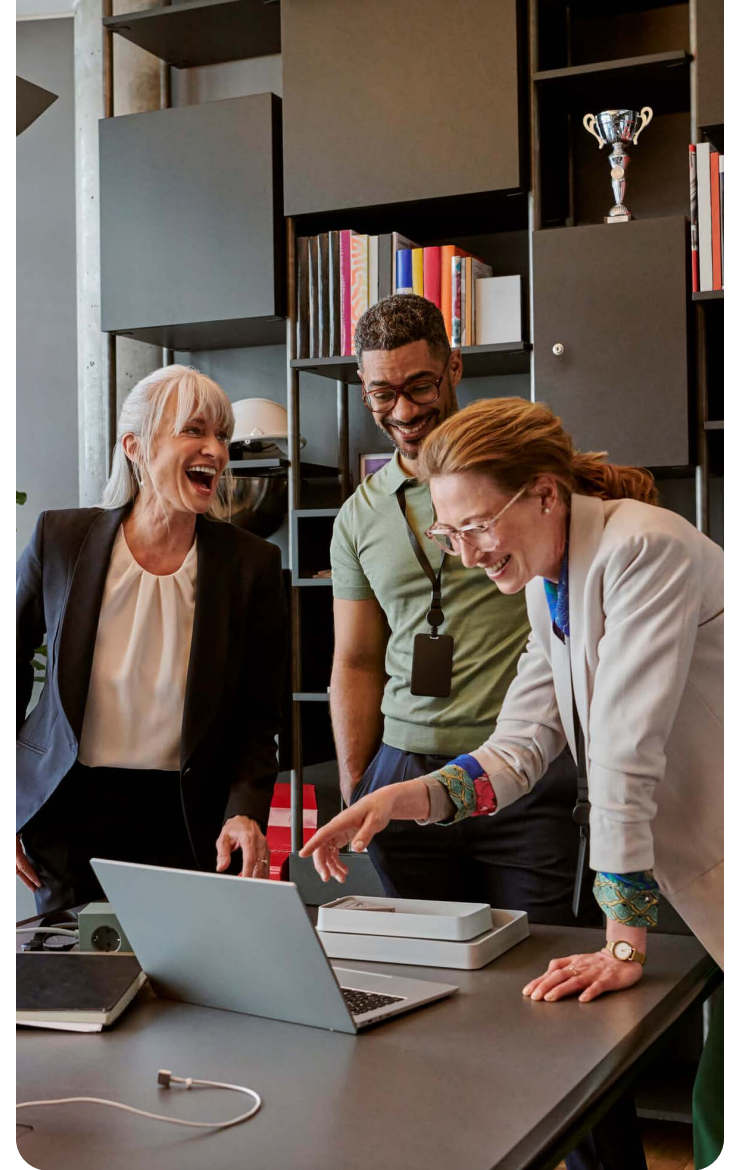
For a deeper exploration of ServiceNow solutions, we recommend the following resources:

Business value of ServiceNow IT Asset Management

Eliminate waste. Minimize noncompliance. Maximize the impact of your spend. This ebook shows how much you can save by systematically managing and optimizing your technology assets across the enterprise.
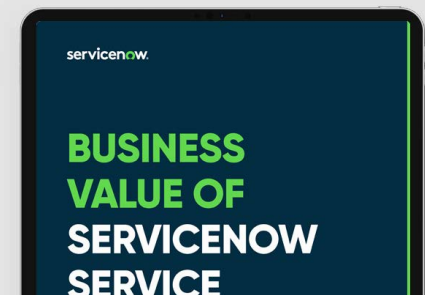
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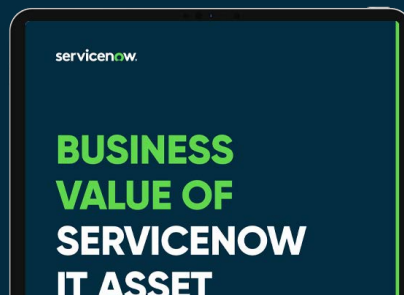
Business value of ServiceNow service operations

The path to providing stellar, always-on service can be clouded by the challenges of governance, scalability, and budgets. This ebook reveals how ServiceOps and technology excellence can light your way.

Read Ebook

Customer Insights: Technology Excellence Testimonials

Today, it's no longer IT versus the business — IT strategy is the business strategy. That's it. This ebook shares digital transformation stories from our customers at Fannie Mae, NBA, Boeing, and more.

Read Ebook

Transform digital operations with proactive planning that enables agility

Continuous disruption is the new norm. This guide reveals how companies such as Raymond James, Western & Southern, and T-Systems thrive through change with ServiceNow® Strategic Portfolio Management.

Read Ebook

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About ServiceNow

ServiceNow (NYSE: NOW) makes the world work better for everyone. Our cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow. So employees and customers can be more connected, more innovative, and more agile. And we can all create the future we imagine. The world works with ServiceNow™. For more information, visit www.servicenow.com.